
UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS

2020-2021 ADVANCED TECHNOLOGIES

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WE SUPPORT

The Ten Principles of the United Nations Global Compact

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

Labor Principles

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

Principle 4: The elimination of all forms of forced and compulsory Labor

Principle 5: The effective abolition of child Labor

Principle 6: The elimination of discrimination in respect of employment and occupation

Environmental Principles

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

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption Principles

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

WE SUPPORT

Statement by the Chief Executive Officer

Advanced Technologies' line of business consists of the distribution and marketing of digital products, including consumer electronics products. We offer products such as tablets, smartphones, gadgets and accessories. Our goal is to offer high value products with innovative design, to provide the latest technology and the best quality at affordable prices. Our Company has a constant range of products, from mobile phones to tablets to convertible laptops to gadgets and related accessories. Based on the idea that started it all, to offer better value for your money, Advanced Technologies' mission is to **develop consumer electronics at affordable prices**.

In 2019 and 2020 Advanced Technologies is pleased to reaffirm our support of the **Ten Principles of the United Nations Global Compact** in the areas of **Human Rights, Labor, Environment and Anti-Corruption**, an important step in our organization's efforts to meet the challenge of a safer and corruption-free working environment for our employees, partners and customers.

We are proud to contribute to the development and availability of modern technologies. With this communication, we express our guarantee of implementing and sustaining the 10 principles. We are committed to keep the Global Compact and its values as a main part of our strategy, culture and day to day operations. Our support for the United Nations Global Compact is a formal expression of Advanced Technologies' commitment to conduct our business with the upmost respect for the universal principles around Human Rights, Labor, Environment and Anti-corruption. Advanced Technologies makes a clear statement of this commitment to our stakeholders and the general public in its CSR public policy and CSR annual report.

This communication shows the progress and commitment of Advanced Technologies regarding Corporate Social Responsibility, emphasizing our active policy of sustainable development and respect for Human Rights and for the quality of the working environment within our company and partner companies, our determination to conduct our business operations in such a manner as to ensure minimal environmental footprint, and our rejection to any form of corruption.

Our effort is to provide equal opportunities at all levels and prevent discrimination in all its forms. We aim also to minimize our environmental impact at local level.

Advanced Technologies remains fully committed to the United Nations Global Compact. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Dragos Vasile – CEO Advanced Technologies

HUMAN RIGHTS PRINCIPLES

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

Assessment, policy and goals

The respect of human rights is stated in our company policy.

Our company respects the Universal Declaration of Human Rights through our internal regulation document, named Code of Conduct, available to all our employees and partners and makes it public on our own website.

In our suppliers and customer selection we take into account the adherence of our partners to Global Compact principles and we do not have business collaborations with organizations that do not respect human rights.

Our company respects the human rights of employees by offering all requested benefits imposed by national laws and other regulations.

The Global Personal Data Privacy Policy sets out the principles to be applied to the use and protection of personal data, including that relating to current, past and prospective personnel, clients, suppliers and business associates

For the upcoming year we intend to have the same attitude in respecting human rights without exception.

Implementation

- Both the Internal Rules and Code of Conduct are published and sent to every employee so that they can access the documents at any time. On their first day of work, the employees enter the Induction Program that acknowledges' internal rules and Code of Conduct, documents that will be signed once the Program is finished. Each employee is trained regarding all company's policies related to Human Rights.
- Any violation of Human Rights can be anytime sent by e-mail, to the HR Department.
- In 2019, all employees attended presentations courses related to Human Rights and methods by which they can be applied and both employees and community.
- In 2019 we have implemented a Data Privacy Policy, and also we have created Data Privacy procedures, creating awareness. We believe it is not possible to have significant corporate cultural change without educating every involved party.
- We continuously encourage our employees and business partner to not have a non-concerning attitude towards Human Rights violations that they may know and to take action into pointing it out to the proper authorities or governmental and non-governmental organizations.

Measurement of outcomes

- Our efforts were rewarded and until now, our company did not face any incidents of Human Rights violations. All of any Human Rights incidents will be solved by Legal and HR department.
- Our Code of Conduct is annually updated by the company's management.
- In 2019 we have included Data Privacy in the company's annual risk assessment plan. We believe it is important to perform regular checks in order to make sure the policy and procedures are being followed as expected.
- Actions are in place against child and forced labor - Company specific system to verify ages of job applicants and employees (Recruitment Policy and Code of Conduct)
- The Campaign for Worker's Rights Awareness is a program that begun in 2013 and has resulted in a complete lack of legal complaints from employees. We continued this awareness campaign for our employees each year.

The campaign has two steps:

- Step 1: Each new employee goes through a development period in which they are informed of every right and responsibility they have as an employee of Advanced Technologies. All internal procedures are made available, explained and discussed in order to prevent any breach of rights.
- Step 2: Employees are made aware of any changes in procedures or legislation as soon as they're enacted.

LABOR PRINCIPLES

- Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- Principle 4:** The elimination of all forms of forced and compulsory Labor
- Principle 5:** The effective abolition of child Labor
- Principle 6:** The elimination of discrimination in respect of employment and occupation

Assessment, Policy and Goals

We strongly believe that our employees is the most valuable resource of our company.

All Advanced Technologies employees have the right to join labor unions, workers' councils, or other collective bargaining organizations. All Advanced Technologies employees are issued with regular contracts, which clearly state their terms and conditions.

Advanced Technologies employees are free to join any nongovernmental association.

Our Internal Rules and Code of Conduct both clearly specify that we have a zero tolerance policy on discrimination based on skin color, sexual orientation, race or religion beliefs.

Our Business Code of Conduct is agreed by all our business partners and suppliers.

At Advanced Technology the flexibility has become increasingly more important for employees,

who want to have a career without neglecting the personal aspects of their lives

Implementation

- We renewed our SR OHSAS 18001:2008 Occupational Health and Safety standard and updated our internal Code of conduct with all new regulations and standard's requirements.
- We have implemented the "Smart Work" program, which allows Advanced Technology's employees to work remotely, so they can choose their personalized flexible program, with flexible working hours depending on the assignments each employee has. Through this they can spend more time for their own private life, such as family commitments, volunteering or doing sports.
- We have an ongoing "Suggestions box" – implemented in 2016, so all the employees can make anonymous complaints regarding any events related to Labor, if necessary. If any, all complaints are collected by the Legal & HR Department for further analysis. We are happy to say that until now we didn't had any complaints, only suggestions for a better integration and implementation of our new employees.
- All Advanced Technologies employees went to courses, related to Labor topics (revised policy); in our Training Calendar we have 4 Courses per year related to this topic, each and every 3 months.
- We have coordinated courses conducted by specialist on emergency procedures such as evacuation in case of fire or other significant incident at working environment.
- In 2019, Advanced Technologies continued to make donations to special social cases, SMURD Foundation, non-profit associations (Adept Transilvania Foundation, "Pro Scoala si Familia" Association) in order to support financially the actions taken by those organizations and to also publicly make our statement against any violation of The Ten Principles of the United Nations Global Compact.
- In 2019, all new employees attended courses related to Labor Protection and methods by which they can be applied and all employees attended presentations on Labor Protection to refresh our support on a proper and safe work environment.

Measurement of outcomes

- Advanced Technologies has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labor principles.
- Advanced Technologies has not been subjected to any health and safety statutory notices or prosecutions in the last year.
- All our key suppliers meet the standards for Corporate Social Responsibility as it is confirmed throughout their annual reports.
- Since 2019, through Work Smart program, we have encouraged everyone to apply and use the flexible arrangements available. 26% of our people have accessed the program in 2019,

the first year of implementation. We will continue Work Smart program also in 2020.

- Number of lost time injury events – 0
- Number of days lost due to injuries – 0
- Advanced Technologies does not have employees under 18 years old. We do not tolerate child Labor in our company and supply chain either.

ENVIRONMENTAL PRINCIPLES

- Principle 7:** Businesses should support a precautionary approach to environmental challenges
- Principle 8:** Undertake initiatives to promote greater environmental responsibility
- Principle 9:** Encourage the development and diffusion of environmentally friendly technologies

Assessment, Policy and Goals

Advanced Technologies undertakes environmental responsibility, promoting best practices in this area. We are responsible to the environment through the purchasing of equipment with low-energy consumption such as computers, servers, monitors, lighting and also by accessing information about our partners before entering a partnership with them.

Printing within our company is kept to an absolute minimum and we encourage recipients of all our emails to not print the information unless absolutely necessary.

At Advanced Technologies all our employees are trained in the selective waste collection. In our offices, we provide separate recycling bins for better managing all types of waste.

We have a formalized environmental policy regarding the following: Energy Consumption and Greenhouse gases (reduction of energy and fuel consumption, CO2 emissions), Water – reduction of water consumption, Local Pollution (management of local emissions of dust, noise, odor, road congestion), Materials, Chemicals & Waste (management / reduction of non-hazardous and hazardous materials / chemicals and waste recycling), Customer Health and Safety.

Implementation

- We updated our internal Code of conduct with all new regulations and standard's requirements.
- All Advanced Technologies employees attended courses related to Environment protection.
- In 2015 our Company started a Reducing & Recycling Program (to reduce energy usage, to use renewable energy and recycled paper, to implement efficient consumption of natural resources, and to protect the environment)

The following actions are in place regarding the reduction of energy consumption and the emissions of GHG

- Reduction of energy consumption through our employees awareness programs, we actively encourage all of our employees to use public transportation methods and/or to carpool with people that live in the same area.
- Reduction of recyclable consumption with a very large percentage.
- Reduction of energy consumption through innovative technologies
- Measures to optimize transport or reduce CO2 emissions from transport
- Reduction of energy consumption through training of clients or tools provided to clients

Measurement of outcomes

- We keep records of energy, water and paper consumption.
- We continued with the campaign "Earth Hour" in March 24th and we have turned the lights off for one hour on all our premises. This way, we have supported the international campaign, and we will continue to do the same in 2020.
- Advanced Technologies is collecting and recycling garbage and batteries, as an official partner to Ecotic Company.
- Cardboard recycling while the compulsory limit is 60%, our performance on cardboard packaging and cardboard waste final recycling improved from 60% in 2018 to 79% in 2019. For 2020 we are looking to further improve our cardboard recycling performance.
- Advanced Technologies has never had a reportable environmental incident.

ANTI-CORRUPTION PRINCIPLES

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

Assessment, Policy and Goals

Advanced Technologies takes a zero-tolerance approach to bribery and corruption and we are committed to act professionally and with integrity in all our dealings. Advanced Technologies supports the UN Convention against Corruption and does not operate in countries or with organizations that are known to be corrupted.

Our company implemented a formal policy covering any of the following topics: Anti-corruption and Bribery, Conflict of interest, Fraud, Money laundering, Anti-competitive practices, Respect of intellectual property rights, Truthfulness of marketing and advertising messages (Code of Ethics and Integrity in business)

Implementation

- Communication and training for all employees on the anti-corruption commitment were updated in 2019 and were made public for all our partners and employees

- Advanced Technologies reviews its Confidentiality and Data Protection Policy, which ensures that our staff is aware of the need of protecting personal data.
- Communication of Code of Ethics/business ethics policy to all employees and business partners

Measurement of outcomes

- All employees have been updated and trained regarding Internal Rules, Code of Conduct and Business Code of Conduct
- Advanced Technologies has not been involved in any legal cases, rulings or other events related to corruption or bribery.

How will we publicize the 10 Principles?

The 10 Principles are available to all our employees via email on their first day of work, suppliers and general public by e-mail upon request and on our site www.vonino.ro.