WIS@key

Period covered by your Communication on Progress (COP)
From: 01.01.2019   To: 31.12.2019

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (OWNER OR PRESIDENT IN THE CASE OF SMALL BUSINESSES)

Message from Carlos Moreira

Fiscal 2019 was a great year for WISeKey. As I look back, I am incredibly proud of the tremendous progress the team has made and the new directions the company has taken. We continued to grow while transforming our technology platform and business model as we executed efficiently our strategy to become the most trusted platform on the Internet for people and objects, while our innovation breakthroughs and patents pool has never been stronger. All of this resulted in the listing of WiseKey at Nasdaq. I could not be more excited about our future.

In 2019, we made significant progress on many fronts and continued our quest to become a global leader in the delivery of integrated security products for the Internet of Things ("IoT") and digital identity ecosystems. Our fully integrated platform, which is applicable across a broad range of industries, has positioned us well to take advantage of significant opportunities arising from the rapidly growing IoT and cybersecurity market.

We are proud to say that we have carved out a unique space in the IoT security market by delivering the highest level of secured chips, digital identities, and trusted services under one roof – allowing us to win contracts for designs from the chip to the cloud.

Our vision for the next few years is to create and extend cyber resilience and provide secure digital identity technology, enriching the freedom and lives of as many as possible.

The UN Global Compact has allowed us to highlight areas of our business where improvement is recommended, as well as to hone our solutions and business practices to be better aligned with the 10 principles. We look forward to yet another year of responsible opportunity in line with Global Compact values.
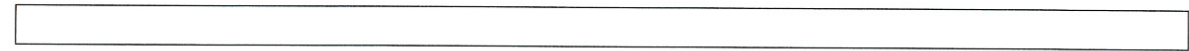
As a means to complement our report, we attach the company's official Annual Report 2019, which includes a Corporate Governance Report, a Compensation Report and the Statutory Auditor's Report. We believe that these reports portray the efforts, challenges and ethical commitments of the company with all the thoroughness that is required from publicly listed companies.

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Yours sincerely,

Carlos Moreira
CEO and founder WISeKey

Geneva, 21 September 2020

WISeKey's Annual Report 2019:

https://www.wisekey.com/company/investors/financial-reports/

Human Rights

□	WISeKey markets a system of digital identity management that respects the fundamental right to privacy, as stated in Article 12 of the Universal Declaration of Human Rights.
□	WISeKey core business is cybersecurity. The right to security of the person and the information she generates, guaranteed by Article 3 of the Universal Declaration of Human Rights, is enforced on the digital world thanks to technical solutions and products marketed by WISeKey.
□	WISeKey respects and values its employees without any discrimination related to race, religion, nationality or gender.
□	All WISeKey business units are respectful of the right to freedom of thought, opinion and expression
□	WISeKey's human resources departments enforce the right to social security and the employees' right to rest and leisure through appropriate contractual conditions.
□	WISeKey is respectful of the legal framework of the countries and places where it has business operations and in particular of the *Code des Obligations* in Switzerland and the *Code Civil* in France. These two legal instruments comply with the highest standards of human rights.
□	WISeKey fulfils its obligations to respect and promote human rights by abiding by the law of the places where it has operations.

Labour

□	WISeKey offers appropriate contractual conditions in terms of wages, working hours, holidays, maternity protection, occupational safety and training opportunities.
□	WISeKey's productivity and personnel motivation are high as a reflection of lawful working conditions.
□	In WISeKey's Geneva, the personnel participates on the election of a representative to the pension fund.
	WISeKey offers state of the art working-facilities including sanitation, heating, air-conditioning, working space, working supplies, parking facilities
□	WISeKey is respectful of the legal framework of the countries and places where it has business operations and in particular of the *Code des Obligations* in Switzerland and the *Code Civil* in France. These two legal instruments comply with the highest standards of labour law.
□	WISeKey actively checks that none of its suppliers engages in forms of forced and compulsory labor.
□	WISeKey actively checks that none of its suppliers engages child labour.
□	WISeKey respects and values its employees without any discrimination related to race, religion, nationality or gender.
□	WISeKey makes sure that employment-related decisions are based on relevant and objective criteria
□	WISeKey endeavours to ensure peaceful and fair working relationships among its different hierarchical levels
□	WISeKey's Corporate Governance Rules – last updated January 2011, based on the "Swiss Code of Best Practice for Corporate Governance" offer guarantees of lawful and fair labour practices

Environment

□	WISeKey products, such as WISeAuthentic, have a low environmental impact. In the case of WISeAuthentic, WISeKey is not responsible to ship smartcards to clients individually. Watch manufacturers are responsible. Smartcards do not fly from far-away places and have a low carbon impact.
□	WISeKey impact on Green House Gas emissions (GHG) is low. The volume of the company's business is not big enough to impact on Green House Gas emissions (GHG). Apart from international travelling of its CEO, the impact is average for a small ICT company.
□	WISeKey follows up closely on public utilities' bills. WISeKey's data centre is energy intensive. The cooling system employs important quantities of water. From the electricity consumption side it is difficult to reduce the bill when the company is expanding. However, there is a favourable trend thanks to the reduction of physical servers, in exchange for virtual servers. The processing capacity increases, but energy consumption remains the same.
□	New equipment purchasing decisions are weighted considering its environmental impact. Energy efficiency is a criteria when deciding on the purchase of new equipment.
□	Obsolete equipment is disposed respecting Swiss and European safe-disposal directives: *Waste Electrical and Electronic Equipment Directive (WEEE)*
□	WISeKey endeavours to reduce physical mail and paper use. The company recycles paper, ink toners and PET on-site.
	WISeKey's premises are served by state of the art public transportation systems
□	In order to reduce travelling: (1) WISeKey encourages the use of teleconferencing; (2) WISeKey implements teleworking arrangements for as many cases as possible; (3)WISeKey engages the services of foreign software developers in Southeast Asia; (4) WISeKey's meeting rooms are fitted to offer state of the art technological facilities for telephone & video conferencing. WISeKey's personnel often use Skype for video conferencing.
□	The dematerialization of processes plays an important role in WISeKey's business strategy. Dematerialization means less paper consumption. On the other hand, WISeKey's clients have a positive environmental impact thanks to reduced transport and the simplifications of energy consumption processes due to the fact that interactions take place on-line. WISeKey has a positive impact because its business model implies an increase in the consumption of virtual rather than tangible products.

Anti-Corruption

□	WISeKey has optimized its Brand Protection and Logistics offerings with the New NanoSealRT NFC Secure Element, an innovative solution that provides objects with a unique identity, allows them to authenticate each other and communicate online. By combining in tiny tags original innovative features such as an Android & iOS compatible authentication algorithm, tamper/opening detection and efficient radio communication, WISeKey's NanoSealRT is able to enhance goods traceability and brand-to-consumer direct reach.
□	WISekey's market of digital identity for persons, processes and objects is closely linked to the efforts of curbing illicit trade.

	By becoming a publicly listed company on the SIX Swiss Exchange in 2016, WISeKey must publish a Corporate Governance Report, a Compensation Report plus the Statutory Auditor's Report. These reports exist to guarantee that high-levels of transparency are in place.
	WiseKey implemented and communicated an Anti-Corruption Policy saying as the general guideline: "It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to Bribery and Corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery. We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate. We remain bound by local and national laws."

2. *MEASUREMENT OF OUTCOMES*

Human rights
✓ 2019 assessment of the company's compliance with human rights principles when fulfilling the obligation to report to the Global Compact
✓ Company records of compliance with human rights values
✓ Personnel's professional satisfaction and motivation
✓ WISeKey's products and solutions are a recognised brand that enforce the right to security and privacy on the digital domain
Labour
✓ Employees professional satisfaction and motivation
✓ Absence of labour conflicts brought to tribunals
✓ Record of employees' observations and complaints with regard to working conditions
✓ Surveillance of suppliers' respect of recognised international standards of labour law
✓ WISeKey makes sure that suppliers do not employ forced or child labour
Environment
✓ Improved waste-management measures
✓ Improved recycling facilities at all the company's premises
✓ Improved recycling practices by all the company's business units
✓ Increase on the volume of recyclable materials processed at the company's premises
✓ Improved environmental awareness applied to the working place of all personnel
✓ Discussions with the owner / manager of WISeKey's premises with regards to air-conditioning facilities at the data-centre facilities
✓ Reduction on public facilities bills (water and electricity)
Anti-corruption
✓ Comments and observations made by the auditors on their statutory report
✓ More companies and governments use WISeKey's digital certification services as a means to curb illicit trade and fight corruption