

***EUROCERT's
5th Communication on Progress
UN Global Compact***

Reporting Year: 2020

January 30, 2021

CEO's statement

Taking the opportunity with this 5th Communication on Progress, I am delighted to confirm that EUROCERT SA reaffirms its full support and commitment to the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. Furthermore, EUROCERT supports the 17 Sustainable Development Goals (SDG's) by implementing responsible business operations in all its activities throughout the world.

EUROCERT is the leading Greek certification body with activities all over the world. It remains committed to conducting its operations in a socially and environmentally responsible manner and has integrated Global Compact's principles in its strategy and business culture in Greece as well as in its projects and services abroad. Legal compliance, ensuring a healthy and safe working environment and respect of human and labour rights are top priorities for EUROCERT. Furthermore, we apply a zero-tolerance policy towards corruption issues. We value our employees, customers and all interested parties and try to share with them these principles. Integrity and respect to the client have always been our core values. Innovation, business ethics, Corporate Social Responsibility and contribution to UN SDG's are important elements in our everyday business and guide us for our future development.

The year of 2020 will remain in our memory, as the year that our everyday life has changed due to Covid-19 pandemic, as a historic turning point, that has caused a huge and worldwide health, social and economic crisis. EUROCERT has successfully and responsibly responded to these challenges, by adjusting its priorities, focusing even more on important issues and values, such as the health and well-being of its people and the societies in which it operates. At the same time, our company takes decisive actions across the scope of its activities, by accelerating the digital transformation and working to ensure adaptation to the new requirements. In these difficult times, our commitment to United Nations Global Compact

Principles remains solid and serves as a guide to move from pandemic crisis to a hopeful recovery in 2021.

With this Communication on Progress report, we describe our actions and policies in order to integrate UN Global Compact's principles as well as our present measurable outcomes and objectives for the future.

Yours sincerely,

George Briskolas

CEO



A. Human rights

i) Principles

- Businesses should support and respect the protection of internationally proclaimed human rights
- Make sure that they are not complicit in human rights abuses

ii) Overview

Eurocert respects and supports the Universal Declaration of Human Rights and all applicable national and international norms. This applies not only regarding its operations in Greece, where its H/O are located, but also abroad, where international services and projects are provided. In particular, human rights and labour related issues have become more important due to pandemic crisis worldwide in 2020, as well as the recession over the previous years in Greece, therefore our company wishes to influence all employees, clients and business partners towards these values. This becomes even more crucial now, that our country seeks to exit these crises and achieve significant development rates.

iii) Actions

Eurocert has taken important steps towards protection of human rights, not only for its personnel, but also regarding its interested parties. In particular:

- Eurocert is a member of the National Network for Corporate Social Responsibility (CSR Hellas) and renews its annual membership. We participate in periodic meetings with CSR Hellas regarding consultation for social issues and SDG's
- In co-operation with CSR Hellas, Eurocert has documented a scheme for Corporate Social Responsibility assessment with a number of mandatory & optional criteria, where successful audit leads to award of the mark "Ethos". This is a proud initiative for the Greek market and can be applied in all companies, regardless sector

- In co-operation with the NGO “Hamogelo tou Paidiou”, Eurocert has designed and documented a certification scheme for anti-bullying in schools to fight against this significant worldwide problem

- We encourage all our clients to become signatories to the United Nations Global Compact

- Eurocert actively supports gender equality and in 2020 has joined the WEP community by committing to the support of Women Empowerment Principles

- Eurocert holds accreditation by SAAS (Social Accountability Accreditation Services) to provide social audits according to SA8000 (Social Accountability), in which human rights and labour issues are top priorities. Furthermore, according to SAAS requirements, Eurocert is being assessed on an annual basis by SAAS assessors for its compliance to the accreditation criteria. Before any expansion of its social certification services to a new country, Eurocert conducts a country risk assessment, where all social, economic and human rights issues are identified. Furthermore, before conducting social audits, auditors conduct a stakeholder consultation with interested parties in order to determine the socio-economic conditions and risks. The countries that we operate these social audits for the moment are Greece, India, Italy, Albania, Romania, Kosovo and Bulgaria

- A Code of Conduct is in place, which is signed by all employees

- Eurocert supports and implements European Regulation 679/2016 (GDPR) regarding the protection of personal data

- Eurocert supports and makes annual contribution to various NGO's (local and national), which support poor, unemployed people and young children

iv) Measurement of outcomes

- Eurocert's CEO has signed CSR Europe “Call to Action: A new deal for Europe” promoting SDG's in Europe. Mr Briskolas was among the 100 first CEO's to sign this initiative

- Eurocert is one of the 11 WEP signatory companies in Greece (<https://www.weps.org/companies>)

- No recorded fine or complaint regarding human rights abuse for Eurocert's personnel in 2020
- No known fine regarding human rights abuse for companies certified by Eurocert in 2020
- In 2020, Eurocert has continued annual contribution (food, clothes etc.) to local NGO's, e.g. Social Market of Metamorfoosi and Social Pharmacy, which support poor and unemployed people in the community
- The company has continued the collection of plastic bottle caps, participating in a fundraising project by NGO "Green Angels" for exchanging them with a wheelchair

B. Labour

i) Principles

- Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- The elimination of all forms of forced and compulsory labour
- The effective abolition of child labour
- The elimination of discrimination in respect of employment and occupation

ii) Overview

Eurocert is committed in respecting all national and international laws in respect of labour conditions and rights. Furthermore, since its foundation in 1998, our goal is to ensure and achieve the best working conditions for all our employees. A positive work environment, without any sign of discrimination, forced labour or abuse is a top priority. This has been a significant value for Eurocert throughout its operation for more than 20 years and has a greater value nowadays as the company is growing fast, hiring more permanent staff and especially during these extraordinary times because of the pandemic.

iii) Actions

- The company complies with all existing national collective bargaining agreements and adopts all latest legislative amendments regarding social and taxation requirements
- All Eurocert employees have employment agreements in place with clearly defined rights, obligations, duration, job title, pay rates, benefits, conditions and notice period for resigning. HR requires only copies of identity documents and all hirings are conducted directly and not through any employment agency
- Due to the nature of the company (provision of services) and the number of employees, the company does not have a trade union in place. However, through a documented complaint/grievance mechanism, all employees may submit their complaints or proposals. The

same applies also through the annual worker satisfaction survey. Finally, an open-door policy is applied by top management and communicated to all employees

- Eurocert takes all the necessary precautions to assure a healthy and safe working environment for its employees:

- Appointment of Health and Safety Officer & Doctor
- Health & Safety risk assessment
- Use of Personal Protective Equipment (PPE's), where required
- Training of all employees regarding fire safety, evacuation and first aid
- Provision of free group private insurance for all employees and flexibility for including also first degree family members
- Supply of a defibrillator for emergency situation at H/O

- A detailed emergency plan has been applied for covid-19 prevention and management in order to protect employees and clients' health, according to legal requirements and experts' guidance

- Child labour is not an issue for Greece, therefore it is not identified as an important risk for our company. Eurocert adheres to minimum age provisions of national labour laws and all employees are more than 18 years old. Official identity documents are required prior to hiring. This concept applies also to our activities abroad

- No discrimination filters are applied in hiring, remuneration, training or promotion. As mentioned above, Eurocert supports gender equality and has signed the Women Empowerment Principles

iv) Measurement of outcomes

- No delay in employee wages has ever been noted and this took place also in 2020, a year where the pandemic crisis has affected so many organizations worldwide

- Eurocert has won the Accounting Awards 2020 in the sector "Audits-Certifications"

- There are two women in top management (23%)

- 1 foreign employee is also employed at Eurocert's H/O sharing all the benefits that native employees have
- Regular doctor visits took place according to officially submitted plan
- Renewal of private insurance coverage for all employees in 2020 with extra services provided this year. It is planned that benefits will be expanded in 2021
- In 2020 the company has offered to all its women employees free diagnostic exams for mastography, in co-operation with one of the largest medical centers
- No recorded accident related to health & safety for Eurocert's personnel in 2020
- No worker complaint recorded in 2020 regarding labour issues
- A productivity bonus was given to Eurocert's employees in 2020 as a reward for an overachieving year of 2019 (company's sales targets achieved)
- Christmas party took place also in 2020 with the provision of free gifts to all employees' children
- A detailed worker satisfaction survey was conducted in 2020 by an external expert. Relevant results will be presented and communicated during the annual management review of 2/2021
- Personnel evaluation took place for all employees in 2020
- A training session for responsible driving took place in 2020
- Eurocert is one of the 11 WEP signatory companies in Greece (<https://www.weps.org/companies>) for supporting gender equality

C. Environment

i) Principles

- Businesses should support a precautionary approach to environmental challenges
- Undertake initiative to promote greater environmental responsibility
- Encourage the development and diffusion of environmentally friendly technologies

ii) Overview

Eurocert SA is a services company, a Certification Body, therefore its environmental impact is not so significant. However, Eurocert is committed in reducing its environmental and carbon footprint and also in influencing all its clients in doing so. Furthermore, Eurocert is accredited by ESYD for conducting environmental audits according to ISO 14001, EMAS Regulation, ISO 50001, ISO 14064 and EU-ETS. Most important environmental impact of Eurocert's activity is the greenhouse emissions caused by traveling of auditors (car or flights), therefore mostly indirect.

iii) Actions

- Eurocert is a member of an NGO regarding environmental awareness "Green Angels" and participates in various ecology and environmental projects
- Eurocert has designed and launched in 2020 a private scheme, supporting circular economy, called "Zero Waste to Landfill"
- Calculation on a periodic basis of Eurocert's Carbon & Environmental Footprint
- Promotion of recycling and waste segregation at company's H/O
- Promotion of energy management and saving at company's H/O
- Personnel participates in voluntary environmental projects, like reforestation etc.
- Use of ecological detergents for cleaning H/O
- Supply of low consumption vehicles and on-time maintenance of all company vehicles

iv) Measurement of outcomes

- No recorded environmental fine for Eurocert in 2020
- Various training sessions conducted in 2020 regarding Environmental Management, Legislation and Monitoring
- Awareness training and communication for World Environment Day (5/6/2020)
- Due to the nature of business, it is difficult to monitor environmental indicators, like recycled material etc. However, separation of recyclable waste takes place at H/O and environmental awareness of all personnel is at a high level
- Reduction of company's business travelling in 2020, especially international flights due to the pandemic, leading to reduced carbon emissions
- Segregation and recycling of paper and plastic packaging waste was implemented in 2020, using the 4 special bins located at H/O's kitchen areas. Special training was given to cleaning employees. Recycling of printing paper (A4) also takes place
- 1 special bin is available on 2nd floor for management of used batteries
- Energy audit for H/O to take place in 2021

D. Anti-corruption

i) Principles

- *Businesses should work against all forms of corruption, including extortion and bribery*

ii) Overview

Anti-corruption and anti-bribery issues are a top priority for Eurocert, due to the nature of its audit activities in Greece and abroad. Eurocert identifies and regularly updates the relative risks through a detailed risk assessment and takes all proactive measures to deal with them. Top management shows great commitment and determination in implementing those measures, adopting a zero-tolerance policy and this is effectively communicated to all our auditors, clients and interested parties.

iii) Actions

- Eurocert has successfully completed in 2020 its provisional membership for APSCA (Association of Professional Social Compliance Auditors) membership (<https://www.theapsca.org/apsca-member-firms/>), implementing important amendments in its internal processes and procedures to strengthen even more its integrity, anti-bribery and anti-corruption preventive controls. These amendments concern not only auditors, but all company staff
- In 2021 the goal is that all social auditors complete their APSCA registration and exams
- A certain set of internal and preventive controls regarding independence, integrity and anti-bribery are in place. In particular:
 - Code of ethics (for all auditors)
 - Code of conduct & employee handbook (for all staff)
 - Declaration of independence, impartiality and objectivity

- Risk assessment, covering all related anti-corruption and anti-bribery risks, not only in Greece, but also taking into account the various conditions abroad (e.g. Italy, Bulgaria, China etc.)
- Emergency situation work instruction is in place with specific guidelines for dealing with potential circumstances of bribery, denial of access and other emergencies
- Complaint and grievance mechanism
- Whistleblower mechanism
- Anti-corruption and anti-bribery policy

iv) Measurement of outcomes

- No recorded complaint or violation for Eurocert's personnel and auditors in 2020 concerning corruption, extortion or bribery issues. Eurocert has not been involved in any legal cases, investigations or allegations related to corruption and bribery
- Improvement of internal procedures to safeguard integrity and anti-bribery controls in order to get APSCA approval
- Annual economic statements and balance sheets are approved by chartered accountants for reference year 2019 (and annually)
- Successful annual internal audit by Impartiality Committee in 2020
- Annual training conducted to all ISO 37001 auditors by a technical expert (lawyer), specialized in anti-corruption and anti-bribery legislation. Training focused on key anti-bribery issues and legislation
- Successful completion of anti-bribery training comprehension tests by all ISO 37001 auditors (100% success)
- Important growth in ISO 37001 certified companies by Eurocert in 2020