

# **United Nations Global Compact Communication on Progress (CoP) Progress Report 2021**

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## Declaration of continuous support by the CEO

Dear Ladies and Gentlemen,

I am pleased to confirm that the CANCOM Group continues to actively support the Ten Principles of the United Nations Global Compact in the areas of human rights, labour standards, environmental protection and anti-corruption.

In this progress report, we set out our actions to continuously improve the integration of the Global Compact and its principles into our business strategy, corporate culture and daily operations.

At this point I would like to reiterate that the CANCOM Group will continue to work hard to promote the goals and principles of the Global Compact within our sphere of influence. At the same time, we are sustainably integrating the principles of the Global Compact into our corporate strategy, our corporate culture and our day-to-day business.

Munich, Germany, January 2022



Rudolf Hotter  
CEO  
CANCOM SE

# The Ten Principles of the United Nations Global Compact

## HUMAN RIGHTS

- 01 Businesses should support and respect the protection of international human rights.
- 02 Companies should ensure that they are not complicit in human rights abuses.

## LABOUR

- 03 Companies shall uphold the freedom of association and the effective recognition of the right to collective bargaining.
- 04 Companies should advocate the elimination of all forms of forced labor.
- 05 Companies should advocate the abolition of child labor.
- 06 Businesses should work to eliminate discrimination in employment and occupation.

## ENVIRONMENT

- 07 Companies should follow the precautionary principle in dealing with environmental problems.
- 08 Companies should take initiatives to promote greater environmental awareness.
- 09 companies to accelerate the development and diffusion of environmentally friendly technologies.

## ANTI-CORRUPTION

- 10 Companies should work against all forms of corruption, including extortion and bribery.

# Description of the measures

## HUMAN RIGHTS

### PRINCIPLE 1

Businesses should support and respect the protection of international human rights; and

### PRINCIPLE 2

ensure that they are not complicit in human rights abuses.

### Assessment, strategies and goals

CANCOM is expressly committed to the protection of human rights and promotes their observance within its sphere of influence. CANCOM does not tolerate any discrimination, racist statements or harassment in the work environment with regard to age, disabilities, origin, gender, political stance, religion, ideology or sexual orientation.

### Implementation

- Consideration of the principles of respect for human rights are anchored in the CAN-COM Code of Conduct. With the Code, the Executive Board strengthens ethical standards throughout the company and creates a working environment based on integrity, respect and fair conduct. Compliance with the Code of Conduct is mandatory for all employees, and all employees are made aware of the contents of the Code as part of regular trainings.
- In addition, the principles for respecting human rights are explained in more detail in the CANCOM Human Rights Policy.
- CANCOM encourages its employees and business partners to actively address potential risks and violations. In addition to the relevant contacts in HR, the Compliance Officer and an anonymous whistleblower system (web portal) are available for this purpose.
- In order to counter human rights violations in the supply chain, CANCOM includes relevant aspects in its supplier screening and evaluation. Suppliers must commit to the principles of the UN Global Compact.

### Measurement of the results

In financial year 2021, no information was brought to the attention of the CANCOM Group regarding the violation of human rights or discrimination against minorities in the course of its business activities. The CANCOM Group was not involved in any investigations and/or legal cases relating to possible human rights violations.

## LABOR STANDARDS

CANCOM supports the core labour standards of the International Labour Organisation (ILO). The core labour standards consist of the following four basic principles:

### **PRINCIPLE 3**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining, as well as to

### **PRINCIPLE 4**

the elimination of all forms of forced labour,

### **PRINCIPLE 5**

the abolition of child labour,

### **PRINCIPLE 6**

advocate the elimination of discrimination in employment and occupation.

### **Assessment, strategies and goals**

CANCOM monitors compliance with labour standards in all its operating sites. CANCOM does not tolerate any form of forced labour and/or child labour. Furthermore, CANCOM does not tolerate any form of discrimination in employment and occupation. Fairness and equality with regard to the remuneration of men and women are a matter of course for CANCOM. Our employees should feel that they can discuss all problems related to their work in the CANCOM Group on a confidential basis. Employment-related decisions are based purely on criteria such as performance and potential.

Furthermore, CANCOM respects the objectives pursued with the introduction of a women's quota and attaches importance to equal treatment and equal opportunities for men and women.

### **Implementation**

- Key principles are laid down in the CANCOM Code of Conduct and the CANCOM Human Rights Policy. These consistently speak out against any kind of discrimination.
- Promoting diversity and different perspectives within the company is a stated goal of CANCOM. The framework for inclusion and commitment to these core values is set out in the Diversity and Inclusion Policy.
- Every supervisor is obliged to ensure a climate of integrity by:
  - ensuring that employees are aware of the Code of Conduct,
  - being role model and setting an example for the employees through his or her own behaviour,
  - encouraging staff to raise compliance and integrity issues,
  - raising conformity and integrity issues themselves in a timely manner.

- CANCOM encourages its employees to actively address potential risks and violations. In addition to the designated contacts in HR, the Compliance Officer and an anonymous whistle-blower system are available for this purpose.
- Business partners and suppliers are encouraged to also commit to the above principles. The review and evaluation form for suppliers contains relevant aspects.
- CANCOM complies with the applicable laws for the protection of employees in all countries and respects the rights of employees. In Germany, CANCOM adheres to the Minimum Wage Act (MiLoG) and has the same requirements for its suppliers. For this reason, all suppliers and manufacturers who work with CANCOM must provide written assurance that they comply with the Minimum Wage Act.
- Continuously ensuring workplace safety is a top priority for CANCOM. Every year, workplaces are inspected by a workplace safety officer to close any safety gaps and to prevent workplace accidents.
- In accordance with the Act on the Equal Participation of Women and Men in Leadership Positions in the Private Sector, targets for the proportion of women on the Executive Board, Supervisory Board, in the first management level below the Executive Board and in the second management level below the Executive Board were set on 30 June 2017 with a deadline for achievement by 30 June 2022 in each case.
- CANCOM offers its employees flexible working time models (remote work and mobile working, part-time, etc.) to make it easier to combine family and career.

## **Measurement of the results**

The CANCOM Group was not involved in any investigations and/or legal disputes in connection with the above principles in the financial year 2021. The set targets for the proportion of women on the Executive Board, Supervisory Board, in the first management level below the Executive Board and in the second management level below the Executive Board were not consistently achieved due to organisational changes.

## ENVIRONMENTAL PROTECTION

### PRINCIPLE 7

Businesses should follow the precautionary principle in dealing with environmental problems,

### PRINCIPLE 8

Take initiatives to create a greater sense of responsibility for the environment; and

### PRINCIPLE 9

promote the development and diffusion of environmentally friendly technologies.

### Assessment, strategies and goals

An adequate sustainability policy for the protection of the environment is an essential building block for CANCOM in connection with the pursuit of long-term corporate goals. In 2021, the Executive Board of the CANCOM Group adopted a sustainability strategy in which the central sustainability goals of the CANCOM Group are set out. In order to achieve the goals of the sustainability strategy, CANCOM is consistently working on the implementation of measures that enable a reduction of negative impacts on the environment. CANCOM provides regular information on progress in the Group's non-financial statement.

### Implementation

#### • IT workplaces

- Procurement of IT equipment with energy-saving functions. The latest version of the Energy Star certification is a Group-wide requirement.
- CANCOM ensures energy-efficient use of the devices by employees through instructions in the IT manual and training.
- Group-wide introduction of a modern Workplace of the Future (Digital Workspace) as early as 2014; among other things, this will reduce business travel by CANCOM employees.

#### • Data centers

- Focus on virtualisation and optimised cooling and air conditioning systems to reduce power consumption.
- Use of modern power monitoring tools that make it possible to measure power consumption, performance, etc. at various measuring points and thus better allocate them to consumers / consumption groups.

#### • Disposal

- The prerequisite for cooperation with corresponding service providers is certification in accordance with the Ordinance on Specialised Waste Management Companies.

#### • Energy supply

- Through a long-term electricity contract, CANCOM covers almost 100 percent of its electricity requirements from renewable energy sources.

- **Car Policy**

- CO<sub>2</sub> emissions and fuel consumption are key criteria in the procurement of new vehicles for the Group fleet. The average CO<sub>2</sub> impact per vehicle has thus been significantly reduced in recent years.
- The Car Policy will be continuously expanded to include e-vehicles.

- **Travel Management**

- Requirements for the use of low-emission means of transport within the framework of the travel expenses guideline (e.g. car sharing, train journeys) and thus significant reduction of CO<sub>2</sub> emissions.
- Implementation of a modern UCC solution (e.g. for video conferencing). This has significantly reduced travel within the group.

- **Facilities**

- Use of renewable and environmentally friendly energy sources through the use of photovoltaic systems at the Jettingen-Scheppach site.
- Advice for employees on how to reduce water consumption.
- Replacing lighting with more energy-efficient LED tubes, which can lead to a reduction in energy consumption of over 50 percent.
- In 2020, we were able to save 363 tonnes of resources and an additional 46,670 kilograms of greenhouse gases through appropriate recycling management.

- **Green Office Products**

- The CANCOM Group purchases cardboard boxes for hardware shipping from a manufacturer whose products are certified in accordance with the Forest Stewardship Council (FSC®). The filling material used by CANCOM in logistics has a recycled content of at least 50 percent.
- Recycled paper is used for document printing throughout the CANCOM Group.

- **Certifications**

- The entire CANCOM Group is certified according to the energy management standard ISO 50001.
- Parts of the CANCOM Group have continued to implement an environmental management system that complies with the environmental management standard ISO 14001:2015.

## **Measurement of the results**

The CANCOM Group is not aware of any potentially environmentally damaging incidents in connection with the Group's business activities in the financial year 2021.



## FIGHTING CORRUPTION

### PRINCIPLE 10

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

#### Assessment, strategies and goals

CANCOM does not tolerate any form of corruption or bribery and has formulated clear guidelines which are continuously communicated to employees. In its dialogue with external reference groups, CANCOM ensures transparent and fair communication.

#### Implementation

- Consideration of relevant principles in the CANCOM Code of Conduct (conflicts of interest, accepting and granting advantages) and concretisation, also on the basis of value limits, in a separate anti-corruption guideline.
- Mandatory e-learning for all employees of the CANCOM Group, covering key aspects of compliance, in particular with regard to corruption-related issues. Additional training for dedicated employee groups (e.g. Sales, Public).
- Commitment by CANCOM not to use practices in dialogue with stakeholders that may trigger conflicts of interest. CANCOM is committed to fair and transparent dialogue with all external stakeholders and refers all employees to the relevant policy Social Dialogue and Advocacy.
- CANCOM Group employees are required to report potential breaches of the Group's internal anti-corruption guidelines immediately. The direct supervisor, the relevant contacts in HR, the Compliance Officer and an anonymous whistleblower system are available for this purpose.
- Routine review of relevant business transactions as part of internal auditing.

#### Measurement of the results

The CANCOM Group was not involved in any cases of corruption and/or bribery in the financial year 2021.