

CORPORATE SOCIAL RESPONSIBILITY

COMMUNICATION ON PROGRESS
2017, UN Global Compact

Compliance with sections 99a of the
Danish Financial Statement Act for
the financial year 2017



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1. Statement from the CEO

Columbus is operating in the market for digital transformation, where our customers are investing in new business solutions to stay profitable, compliant, competitive and relevant. The digital transformation has been building for a long time, but has accelerated in recent years. The shift brings a range of new opportunities for Columbus, and we are well positioned with resources and knowledge to make the most of this market development.

In 2017, we converted our solution portfolio into cloud based solutions, and we led some of the largest cloud projects in our markets. Today we have a market leading position in cloud projects in our markets. Being able to react promptly in such a fast-changing market is only possible because our skilled employees take a leadership position in guiding our customers in their digital journey.

Columbus is a people-business. Our main asset is our competent and talented employees who go that extra mile for our customers. That is crucial to our success. In Columbus, our employees are experts within our core fields, and work closely together across country borders sharing knowledge and expertise to grow and keep abreast of trends in our industry.

Therefore, employee well-being, development and attracting new talents are the key focus in Columbus' CSR effort. With the strategic initiative Our People, we emphasize the focus on satisfied and highly skilled employees.

Our focus in 2017, has been to ensure a high learning curve throughout our organization. With the speed of the digital economy and innovation in technology, our employees must constantly be at the forefront in order to guide our customers in the digital transformation. Therefore, we have launched Columbus Academy which is a virtual training program with a global reach.

Satisfied employees is another key focus in Columbus. Satisfied employees stay with us longer and are more engaged in building and developing a great company. Therefore, we strive to create an environment in which we enjoy working together and where our employees have the opportunities to develop themselves professionally. Our monthly employee satisfaction survey is part of that focus as is our global Career and Competencies Framework (CCF).

Being a global company, there are natural differences in business cultures, rules and laws in the countries, where Columbus operates. To ensure that all subsidiaries operate within the same business conduct, we have completed Columbus' Code of Conduct, which prospectively is the ethical guideline for our business operations and at the same time the strategic guiding principle for our CSR.

Columbus considers the overall achievements in relation to the company's corporate social responsibility to be satisfactory and in line with the 10 principles of the UN Global Compact. We commit to share this information with our stakeholders using our primary channels of communication.

Thomas Honoré

CEO & President, Columbus



2. Columbus – a “people business”

Columbus is a global IT services and consultancy company listed on the stock exchange in Copenhagen.

We offer a unique combination of industry consultancy expertise, industry specific business applications, services and life-time support offerings, primarily in the food, manufacturing, distribution and retail industries.

Columbus has subsidiaries and partners all over the world. We are 1,300 employees across US, England, Holland, Norway, Denmark, Baltics, Russia and India.

We operate across country borders, and with a well-integrated global delivery model. This means, that we can provide services to multinational customers 24/7, and that our employees work closely together internationally.

In 2016, Columbus launched the 5-year strategy **Columbus2020** with the purpose of helping customers in the digital transformation. The Strategy comprises four strategic elements; Customer Success, Digital Leadership, Process Excellence and Our People.

The Columbus2020 strategy is being executed well, and we are on track reaching our goals.



Mission and vision

Mission: Columbus' core purpose is to help organizations digitally transform their business and maximize productivity by offering innovative and leading business solutions

Vision: Columbus aims to be a leading value provider of digital business solutions in selected industries. We aspire to keep our customers for life. We will attract, develop and retain the best people in the industry.



3. Code of Conduct

Columbus complies with the requirements of the Universal Declaration of Human Rights and The United Nations Convention against Corruption.

Respecting human and labor rights is fundamental to our business. Columbus has established **Code of Conduct**, which is our general ethical guideline for business conduct to ensure that we in Columbus on a global level are dedicated to promoting ethical business practices and protect Columbus against corruption and other unethical business behavior, which we believe is incompatible with the operation of a healthy business.

Code of Conduct applies to Columbus' parent company and all subsidiaries. We expect and demand that all parties acting on behalf of Columbus respect our Code of Conduct.

Transparency and Credibility

In Columbus, we are committed to show complete openness towards customers, employees, shareholders, suppliers and other stakeholders. It is essential that their understanding of our services and products is accurate, updated and truthful. Therefore, there is no incongruence between what we communicate within the company and what we do externally.

Anti-corruption

We will not tolerate corruption, money laundering, bribery or other illegal or unethical business activity. Our performance and competitiveness are strengthened solely through lawful conduct. The Group's anti-corruption position has been clearly communicated to all subsidiaries.

Furthermore, we have implemented Columbus Authorization and Risk Management Rules (CARMR), which encompass rules on the authorization hierarchy and ensure the senior management's involvement in major contracts and investments.

Human Rights

All employees in Columbus have been carefully selected on the basis of professional competencies without regard to religion, race, skin color, gender, age, disability or sexual or political orientation. We regard multiplicity as a strength and we will not tolerate discrimination or harassment.

Diversity

It is essential that all employees experience that Columbus has an open and unprejudiced culture where everyone is able to make the best use of his/her competencies, and that all regardless of gender have the same possibilities for career development and management positions.

The Board of Directors has set the following targets for gender distribution in Columbus:

- The proportion of women in the Columbus Board of Directors to 20% by the end of 2018.
- The proportion of female managers in Columbus A/S to obtain a minimum of 20% by the end of 2020 (Columbus only reports on the progress in the Danish Parent Company, Columbus A/S, according to the Danish Business Authority's guidelines).

At the end of 2017, the percentage of women in Columbus A/S constituted 14.8%. On a global level, the gender distribution at management level constituted 27.7% women and 72.3% men.

Although Columbus does not report on progress for the parent company, Columbus focuses on increasing the proportion of woman at management level in all subsidiaries. For detailed information, please find the report on Gender distribution at Columbus' Investor site under Governance and CSR.

4. Our People

In 2016, we launched Columbus²⁰²⁰ with the strategic element Our People as one of the four strategic elements. Besides being a strategic focus in our strategy, employee well-being and development are the core focus area of our CSR efforts.

Our greatest asset is our people, and therefore it is crucial for our success that we attract and retain the best employees in the industry. We want Columbus to be a company smart people join, and where they stay longer. A key focus for Columbus is thus offering challenging career opportunities, attractive working conditions and professional and personal development.

Columbus is a global company with subsidiaries in ten countries with very different cultures, religions and traditions. The employee handbooks in our subsidiaries treat local policies on working conditions. Despite that employees' working conditions are already on a high level compared to local standards, we continuously work on improving employee well-being and employee development aiming at common level across the company.

With the Our People focus in Columbus²⁰²⁰, we have initiated two strategic programs that will further development Columbus' employees; **Performance Excellence** and **Columbus Academy**.



Performance Excellence

Columbus' goal is to support high performance across Columbus. Our strategic program Performance Excellence support individuals and organizations in Columbus to accomplish their goals.

To support that goal Columbus has rolled out Columbus' **Competence and Career Framework** (CCF) across the company. CCF is a system designed to ensure a targeted and structured effort on our employees' competence and career development. The framework includes specific and well-defined targets on how the employees can improve and develop their career to the next level.

CCF is running on a digital platform, named GROW, across the Columbus Group. This means that we have digitalized the processes, which enables transparency of the documentation and streamlines the rating across subsidiaries.

In 2017, 90% of all employees have their business objectives in GROW and use the platform to document and plan continuous career development with their manager

Columbus Academy

We want Columbus to be a learning organization where we strive to become better, more educated and understanding how we can excel in our industry and deliver excellent customer experience.

The purpose of Columbus Academy is to attract, develop and retain the best people in the industry by ensuring a high learning curve and professional development for our employees.

Columbus Academy is a virtual training setup which is based on our Competence and Career Framework (CCF) and a well-established consulting skills curriculum developed in Columbus Denmark and US based on internationally acknowledge research. The goal is to have a full curriculum for all roles in Columbus.

In 2017, we successfully completed a pilot of Academy in Russia, Denmark, Baltics, Norway and the US of four of the seven training modules aimed at business consultants.

In 2018, we will roll-out these four training modules in all Business Units, and test the next four of the eight modules.

Employee Well-being

Employee well-being is a key focus in Columbus, and each month employees rate their job satisfaction through Columbus Heartbeat, our global employee satisfaction survey. Heartbeat is a simple survey, where employees are asked to answer one question: On a scale from one to ten, the employee are asked to rate their job satisfaction.

The purpose of Heartbeat is continuously to improve the employee satisfaction in Columbus. The survey is not anonymous, and this makes us able to follow the development in employee satisfaction on department, country and on a global level in Columbus.

The high frequency of the survey provides an exact and up-to-date picture of the employee satisfaction. And the result of the survey creates the basis for specific initiatives and improvements.

In 2017, we reached an average Heartbeat response rate of 88% (2016: 85%), which is the highest response ever in Columbus Heartbeat. In 2017, the average satisfaction level was 7.5 (2016: 7.38) on a scale from one to ten. This is the highest satisfaction since we started Heartbeat in 2013.



Employee Recognition

Employee recognition is vital, and every year Columbus launch a global award program “**Columbus Awards**”. The purpose is to recognize and celebrate teams, who made a special effort and delivered extraordinary performances, in particular towards our customers.

The winners of Columbus Awards are teams and Business Units in Columbus.

Employee Dialogue

We strive to grow the dialogue with our employees and dialogue between employees in Columbus across borders in order to strengthen our community. The aim is that everyone feels as part of a global team, and that everyone's voice counts and is listened to.

Yammer is our social, digital forum where all employees have the opportunity to debate with each other, ask questions, post inspirational messages and follow each other's achievements.

Once every month all employees in Columbus receive a global newsletter. The newsletter ensures that all employees obtain a thorough knowledge of the strategy and the development in Columbus' business. Furthermore, the newsletters are aimed to be inspiration and motivation to work towards our common goals.

We continually strive to create more employee involvement and dialogue. Among other things, we will work determinedly to make the newsletter become our employees' mouthpiece to an even larger degree. In 2017, we supported our transition to cloud with a range of cloud webinars and stories about cloud successes and experience with cloud projects. The intention was to encourage employees to share their learnings across teams.

5. Environment and climate impact

Being mostly office based means that our business' impact on environmental impact is relatively small.

However, Columbus continuously optimizes our offices in order to be energy-efficient and healthy working environments for our employees.

Being a global company, our business activities include travel, which do have an impact on environment. We aim to minimize unnecessary travel by plane and instead promote and develop virtual meeting, which also improve the efficiency in our business.



6. Community and Charity initiatives

In Columbus, we are proud that several of our subsidiaries are engaged in community and charity initiatives. We regard this as an expression of commitment and team spirit and the initiatives are important in two ways: They contribute to the employee well-being internally in Columbus, and they promote Columbus as a company, which engages in sustainable development in the communities, in which we operate.

It is essential, that we are involved in community and charitable initiatives. We have decided to emphasize these initiatives in our CSR report. By emphasizing local community and charity initiatives in Columbus, we hope to generate similar initiatives. However, these must always be based solely on our employees' voluntary commitment.

Below is a brief description of our local CSR initiatives.

Columbus Russia

Columbus Russia participated in a Run for Charity, called Run for Life, collecting donations for severely ill children.



Columbus Denmark

Columbus Denmark supported Doctors without Borders with DKK 20,000. The private international association provides assistance to populations in distress, to victims of natural or manmade disasters, and to victims of armed conflict.



Columbus Lithuania

Columbus Lithuania arranged a fund-raising event among employees in order to raise money to fulfill Christmas wishes of 12 children. The project is called "Vaikų svajonės".



Columbus UK

Columbus UK arranged a range of charity events during 2017:

- Columbus Customer Charity Dinner collected £9,000
- Charity Christmas ball collected £17,000
- Various team sporting charity events or office events collecting £2,000

Charity Challenge hosted by Samworth Brothers

In ten years, teams have approximately trekked 15,900 km, cycled 42,100 km and raised £1.5m. The efforts over the years have benefited many charities – local and nationwide.

In 2017, the charity event raised money for Maggie's Center who offers free practical, emotional and social support to people with cancer and their families and friends. And also Little Miracles, a charity that supports families that have children with additional needs, disabilities and life limiting conditions.

A Columbus team took part of the tough challenge which included three hours of mountain biking and three hours of trekking and finally three hours of canoeing.



Columbus Christmas ball

Each year Columbus is the host of a Christmas charity ball. The event hosts an auction with big prizes up for bidding. This year the event raised £17,032 which was donated to the Charites Maggies, the Rainbow Trust and Little Miracles.



To-Increase in Holland

To-Increase supported the Food Bank of our local town Veenendaal with £ 3,000 as well and IT support. The Food Bank is a great local initiative to support people lacking sufficient funds to buy the food they need.

Columbus Global Deliver Center India

Hyderabad Children Aid Society

GDC has been working with "Radha Kishan Homes" who house more than 300 orphan children in their two homes in Hyderabad. The children of this house get sponsored education from individuals and corporates and they are given shelter, food, care and love till they get married or till the time they are capable of being on their own. GDC has been contributing to this home both in Kind and Money for more than 3 years now.

Diwali is the most prominent festival in India and during which we share the joy by celebrating with them.



Akshaya Patra Foundation

The Akshaya Patra Foundation is a not-for-profit organisation headquartered in Bengaluru, India. This foundation strives to fight issues like hunger and malnutrition in India, by implementing the Mid-Day Meal Scheme in the government schools and government-aided schools. They aim not only to fight hunger but also to bring children to school. Today Akshaya Patra is the world's largest (not-for-profit run) mid-day meal programme serving wholesome food to over 1.6 million children from 13,839 schools across 12 states in India.

GDC has donated money to contribute this wonderful cause of food being served.



State of Art Kitchen to feed 1.6 million children from 13,839 schools across 12 states in India. Seen in the picture is their Kitchen & Food Truck that carries food to different schools.

Columbus' parent company

Columbus' parent company supported Climb for Charity for the second year in a row as a Gold Sponsor.

Climb for Charity supports the Child Accident Prevention Foundation, which are working to create a secure environment for Danish children in the home, in traffic and in sports and leisure activities without compromising the children's play, creativity or physical expression.

In January 2017, Climb for Charity climbed the top of Kilimanjaro, collecting almost DKK 700,000 to the Child Accident Prevention.

