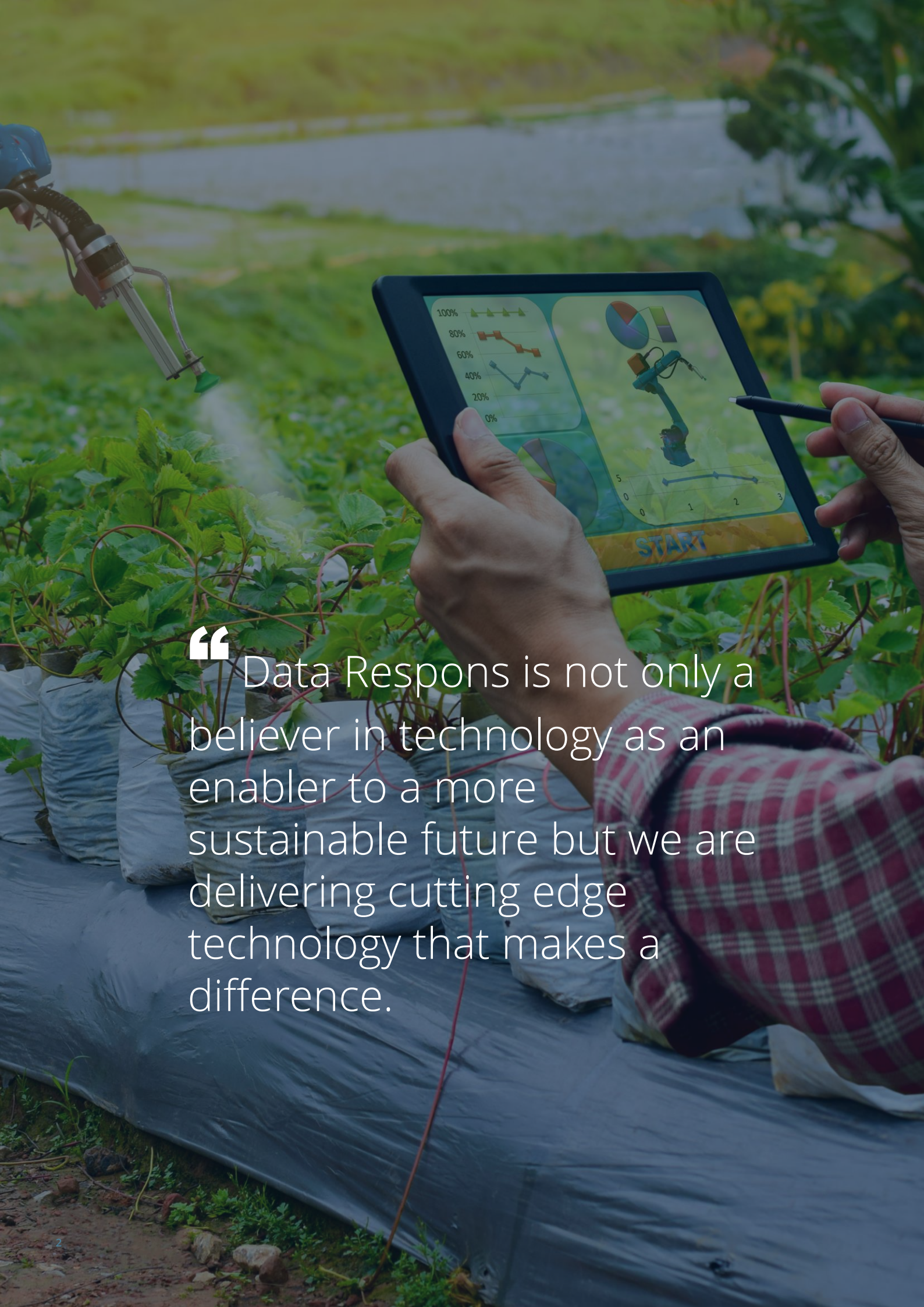


Driving the world forward

DATA RESPONS ASA ESG REPORT 2019





“ Data Respons is not only a believer in technology as an enabler to a more sustainable future but we are delivering cutting edge technology that makes a difference.



“ We believe in taking responsibility, even when nobody is watching.

We are dedicated to setting the bar as high as possible

The global ICT business accounts for 2% of the global emissions but can reduce global emissions with 20% by broader implementation of current technology. Data Respons is firm believer in technology as an enabler to a more sustainable future. And we are delivering cutting edge technology that we know makes a difference.

In this report you will learn more about how we contribute to state of the art recycling machines, how our software enables epilepsy scanning in the poorest countries and how we participate in the next generation smart homes that produces electricity rather than using it.

We want to be part of the group of companies that define and shape the gold standard when it comes to fighting climate change, combining business and social considerations and ensuring complete trust in our operation through transparent and professional governance.

We will continue cultivating a modern and attractive workplace.

In the European ICT sector 17% of the 8 million specialists are women, and that's a systemic challenge. As a company we are moving in the right direction, but not as fast as we want to. That is why we have set a target to have at least 25% women by 2025, working our way towards 50% as the end goal. We will also work to reflect the same ambition at the management level, where the ratio today already is 28 %.

Going forward we will continue to promote a workplace with good work/home balance and facilitate for a healthy lifestyle. We strongly believe that a well-functioning body is important to a happy and curious mind. In terms of cultivating curiosity and personal development we also emphasize on the job training, social activities and knowledge sharing across teams, departments and business units.

A sustainable world tomorrow means action today

In 2025 our company will be CO2 neutral – because this is the only way forward. We are far from being the worst polluter on the planet, but that doesn't really matter. We aspire to set an example to follow on how to thrive and experience growth, while at the same time reduce emissions from our operations.

Today our operation emits 1,370 tons of CO2. In the next five years we will reduce that number to zero by improving awareness, actively selecting sustainable alternatives in-house and incentivising suppliers and customers to do the same.

When it comes to sustainable growth, professional governance is just as importance as mapping emissions and taking on social responsibilities. That is why we in 2019 launched a revised Code of Conduct along with a new Supplier Code of Conduct and produced our first ESG report.

Kenneth Ragnvaldsen,
CEO Data Respons

WE MEASURE, SO WE CAN MAKE A DIFFERENCE!

A message from the ESG team

We measure, so we can make a difference

We take responsibility for our entire carbon footprint. That includes the emissions beyond our direct control, like those from sourcing materials, making our products, and our customers using their devices. We calculate our carbon footprint in three major areas: equipment use, corporate facilities, transport of people and goods. We use this information to tell us where to focus.

In addition to our environmental impact, we measure several key indicators within the social dimension, such as sick leave, gender balance and injuries.

In terms of governance, we measure the implementation and integration of our Code of Conduct. Also, we do supplier audits and independent audits in compliance with law and regulations.

We believe that measuring our impact and progress is the only serious and meaningful way to engage in the ESG framework.

Reporting creates positive awareness

Data Respons has adopted the ESG

framework in our bid to become an even more sustainable, respectable and attractive company.

Gathering data for the ESG report creates a very positive drive and awareness around several important topics like sustainability, diversification and transparency.

As a company the ESG reporting is quite new to us, but we are already harvesting good experiences and positive interactions with new parts of the Group. As such we have experienced that the work of producing a quality ESG report also entails better cooperation and positive awareness on important topics.

A future ESG orientated company

Going forward our focus is to make the ESG framework part of the company DNA. Thus, creating a win-win-win situation where it's possible to grow the business without increasing any risk or increasing our environmental impact, and we increasingly contribute to services and solutions that are key in moving the world in the right direction.

The ESG backdrop for our business

People and tech-orientated business

Data Respons is positioned as a leading provider of smart devices and embedded and industrial IoT solutions. We are serving an increasing appetite for software content, connectivity, higher performance and more functionality. By using Data Respons, our customers can access specialist competences, shorter time-to-market and a lower total cost of ownership.

Data Respons has a solid and well-balanced customer base across several industries, which is based on our strong competence within industrial IoT, digitalisation and embedded technologies. Our geographical footprint, coupled with more than 30 years of experience, has given the Company relevant vertical competence within these areas. The range of services we are providing broadens as we continue to grow. We are steadily becoming an increasingly business-critical component of the digitalisation processes for many of the largest European companies.

In the business of driving the world forward

Through our core business, we help our clients become more efficient by means of automation, improved software and new technology. We also directly enable increased sustainability by building digital platforms for our customers that deliver renewable energy, health technology, new transportation concepts and smart homes, to mention a fraction of what we do.

Almost everything we deliver and provide is part of a bigger effort among our customers to do more with less. Regardless of what service we provide or what sector we provide it to, it is usually about digitalising a manual operation or creating a digital platform that allows for new services and customer experiences. Hence Data Respons is a net contributor to increased efficiency, which in most cases is positive within an environmental dimension.

We have a complex international operation

Data Respons has offices in the Nordic region, as well as in Germany and Taiwan. Our business model is based on close cooperation with our customers and understanding their business needs. To facilitate close cooperation, Data Respons believes in having regional offices with skilled engineering staff (specialist level) in key industrial clusters. This builds strategic and long-term relationships, as well as in-depth industry know-how, with our key customers.

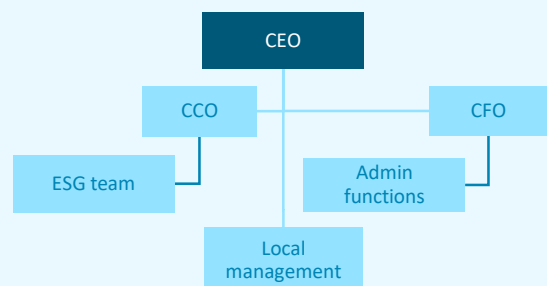
Our international presence is important to our business but requires more from us as a company when it comes to implementing good corporate governance throughout the value chain. And with an international presence comes more travel and transportation that increases emissions.

However, as an international company we get an opportunity to promote awareness regarding climate change, social inequalities and new corporate governance standards.

How we organise our ESG efforts

Data Respons ESG work is owned by the Chief Communication Officer (CCO), which report to the CEO.

Data Respons has a highly decentralised organisational structure with empowered local management and employees. To achieve consistency at a global level the Group has a network of ESG correspondents to ensure that each subsidiary adapt to the overall Data Respons ESG policy and objectives.



Our strategic response to ESG related challenges

In our strategic response to relevant ESG challenges we focus on ten pillars:

1. Integrating sustainability into business considerations – Data Respons’ Board of Directors vowed in 2019 to integrate ESG factors across all asset classes and regions and to deliver long-term sustainable value for our customers.
2. Going for zero carbon emissions in 2025 – Data Respons will define decreasing carbon budgets and ramp up the use of renewable energy over the next five years.
3. Educating key personnel in how increased focus on sustainability creates improved competitiveness.
4. Providing a Code of Conduct that all employees are obliged to read and understand.
5. Setting gender balance targets for all subsidiaries.
6. Working with all relevant stakeholders to increase the recruitment of women to the industrial tech industry.
7. Performing regular due diligence reviews of our suppliers.
8. Setting yearly targets for an increasing circular economy.
9. Integrating ESG scoring of candidates into M&A processes.
10. Integrating sustainability and carbon footprint into customers agreements.

ESG AREA	SUSTAINABILITY-RELATED RISK	MITIGATION EFFORTS
ENVIRONMENTAL	<p>Stricter regulations on environmental matters can result in increased costs or further investments for the companies within Data Respons that are subject to such regulation.</p> <p>Significant negative environmental impacts by Data Respons’ production companies or suppliers may lead to financial fines, loss of license to operate and reputational damage.</p>	<ul style="list-style-type: none"> • Part of UNGC since 2018 • Started yearly Co2 mapping in 2019 • Going to carbon neutral in 2025 • ESG reporting started for 2019 • Have developed Code of Conduct and Supplier Conduct Principles that sets new environmental requirements • Introducing carbon budgets • Increasing guaranteed use of renewable energy across the company
SOCIAL	<p>New requirements in terms of gender balance and diversity may necessitate an increase in human relations efforts. Also, failure to comply with new requirements might reduce the brand attractiveness and thus affect income.</p> <p>Further high level of sick leave or low level of employee satisfaction will impact the business.</p> <p>Most students state that personal development and learnings new skills is more important than competitive pay. Hence ensuring competence development is important to retain talent</p>	<ul style="list-style-type: none"> • Code of Conduct developed to ensure a fair and respectful workplace. • Activity program to improve employee health and reduce sick leave • Our ambitions are to have 25% women in the total workforce (long term goal is 50%), 40% women in the management by 2025 (long term goal is 50%). • On the Job Training in each subsidiary will continue to deliver workforce development
GOVERNMENTAL	<p>Data Respons’ operations may be affected by regulatory changes, government legislation and restrictions in the countries where Data Respons is active. Any breach of export control regulations, data privacy laws, anti-corruption or anti-trust regulations would be damaging to Data Respons’ reputation and sales opportunities and would have significant legal implications.</p> <p>Unmanaged negative impacts on human rights, i.e. through inadequate labour conditions in the supply chain could entail a reputational risk for Data Respons. Unmanaged negative impacts in companies owned or acquired by Data Respons could entail a reputational risk. On the customer side, Data Respons may face risks if customers misuse the company’s products in ways that infringe on human rights. Any lack of a serious whistle-blower system could have reputational damage.</p>	<ul style="list-style-type: none"> • ESG reporting initiated • Compensation schemes announced in the yearly report • Code of Conduct produced • Supplier Conduct Principles produced and distributed • Whistle-blower system part of CoC • Independent board and audit is set and done • IR-policy published • Supply chain audits

THE UN GLOBAL COMPACT AND THE SDG's



United Nations
Global Compact

A WORLDWIDE ROADMAP

Why it is important to us

We believe climate change is likely to affect lives, markets and supply chains around the world. Therefore, we aim to be an active part in strengthening actions to reduce emissions, while also taking steps to strengthen the resilience of our business.

Status 2019

Signatory member of the UN Global Compact programme

Being the world's largest corporate sustainability initiative, The United Nations Global Compact enables companies across the globe to take shared responsibility for achieving a better world. Data Respons is committed to supporting the UN Global Compact and conducting our business in line with the ten universal principles related to human rights, labour standards, environment and anti-corruption.

As a signatory participant in the Global Compact programme, we report on our goals and efforts described in the annual Communication of Progress, COP. These can be accessed on the Global Compact website and on datarespons.com

The UN Sustainable Development Goals

The UN Sustainable Development Goals were adopted by all the world's governments at the United Nations in 2015 and provide a common and necessary roadmap. At Data Respons, we celebrate these goals and believe in making a difference from the inside; inside technology and inside our companies. We strive to explore technology projects contributing to a more sustainable world, especially those making the world greener, stronger, smarter and more equal.

All 17 of the UN SDGs are relevant to our business, yet we have chosen to focus on five main areas; Good Health and Well-being, Quality Education, Climate Action and Environmental Issues and Reduced Inequalities and Ensuring Access to Affordable, Reliable and Sustainable Energy for all. We find that we can contribute more within these areas and that they are enablers to further strengthen the full set of UN goals.

Ambitions

Continue support and increase our stake

For 2020 we will increase our engagement level in the Global Compact and move from signatory level to participant level which allows us to increase our knowledge about the programme and further helps us to achieve our sustainability objectives.

Execution

In 2020 we will increasingly use our internal communication platform to educate our workforce on sustainability and the UN Global Compact pledges. We will also increase our efforts in establishing an internal programme for sustainability ambassadors in each subsidiary.



Ensuring healthy lives and promoting well-being for all at all ages.

Emerging technologies like AI, 5G and smart devices enable digitalisation within healthcare. For example, we have developed technology that ensures high training of medical staff for a customer in the medtech industry.

As a responsible business we support several efforts in promoting good health. All our employees benefit from our motivational In-Shape programme facilitating activity in everyone's daily lives.



Ensuring inclusive and quality education for all and promoting lifelong learning.

Education is key to achieving many of the other sustainability goals. Quality education can break the cycle of poverty, reduce inequalities and reach gender equality.

Data Respons supports several organisations working to increase access to quality education for children living under challenging conditions.



Reducing inequalities within and among countries.

According to the UN, inequalities based on income, gender, age, disability, sexual orientation, class, ethnicity and religion continue to persist across the world. Aside from technological efforts we cooperate with a range of charities promoting the education of women and opportunities for the mentally disabled, and enabling children living in poverty to go to school.



Ensuring access to affordable, reliable, sustainable and modern energy for all

Transitioning the global economy towards clean and sustainable energy is one of our greatest challenges in the coming decades. At Data Respons we seek out opportunities to help our customers facilitate access to clean, renewable energy and to make energy more efficient and advance cleaner fossil-fuel technology.



Taking urgent action to combat climate change and its impact

In 2019 we mapped our company's footprint and are now developing a roadmap to becoming CO₂ neutral by 2025.

In addition to taking responsibility for our own emissions, we want to engage ourselves in customer development projects that have a positive impact on the environment. Our specialists across the company take part in technology projects that seek to cut emissions from vehicles, develop battery technology and reverse vending solutions. We are also involved in projects optimising wind power and smart house management solutions.



SUSTAINABILITY THROUGH TECHNOLOGY

ACCELERATING CHANGE

Why it is important to us

We believe technology development is vital to enable a sustainable future. Data Respons strives to explore technology projects contributing to a more sustainable world, especially those making the world greener, stronger, smarter and more equal.

GOAL

50 SUSTAINABLE TECHNOLOGY PROJECTS

Status

Ahead of schedule

We believe technology development is vital to enable a sustainable future! Data Respons has set goals to explore more than 50 technology projects that contribute to a more sustainable world, especially those making the world greener, resilient, smarter and more equal

Segment	Number of projects
Solutions	17
R&D	52
Total	69

Ambitions

As we increasingly work on projects with a sustainability edge to them, it's natural that we increase our ambitions. We aim to deliver a minimum of 100 projects that have valuable effects on the SDGs by 2022.

Execution

Sustainability has been an integrated part of our strategy for years. However we have not managed to integrate sustainability in our day-to-day business to a satisfactory level. We are now working to visualise carbon cost in our customer contracts and employ eco design as a natural step in the product cycle. By 2020 we aim to roll out an educational toolbox to hopefully increase sustainability awareness in our sales and production processes.



Reliable control system for Danish recycling system

Dansk Retursystem manages a world class recycling system which retrieves, counts and sorts empty cans and bottles. An impressive 90% is sent for recycling. Data Respons Solutions delivers a customised and trustworthy central control system that ensures reliable operations 24/7.



1,850 mill. items are recycled through reverse vending annually. (Source: Dansk Retur and Swedish Waste Management Association, Swedish EPA)



Scanning for epilepsy using smartphones

A solution that scans the brain using an electrode head-cap, a recording unit and a smartphone app. The Data Respons subsidiary, TechPeople assisted BrainCapture with hardware development.



Approx. 1% of the world's population suffers from epilepsy, yet people living in developing countries do not have access to the necessary scanning equipment to get a diagnose. Solutions like this make expensive scanning facilities remote and available.



IoT-based solution for innovative energy management

EnergyBase automatically optimises energy consumption with self-learning algorithms and controls the energy flows in your home. Engineers from our subsidiary MicroDoc support the development of complex software infrastructure for management of a green energy mix.



Homes with EnergyBase installed produce their own clean solar power and rely less on carbon-based energy sources. The energy management system allows households to reduce their carbon emissions.

REDUCING OUR CLIMATE FOOTPRINT IS OUR RESPONSIBILITY

ENVIRONMENT

Why it is important to us

We believe climate change is likely to affect lives, markets and supply chains around the world. Therefore, we aim to be an active part in strengthening actions to reduce emissions, while also taking steps to strengthen the resilience of our business.

Status 2019

Reducing emissions

We are dedicated to reducing our environmental impact. We are not a big emitter and our business is about cultivating specialists that mainly develop software. But we do have a direct negative impact of 1,385 tonnes of CO₂ equivalents from our business that we will neutralize in the next five years.

During 2019 we undertook a mapping of our CO₂ footprint for Scope 1 and Scope 2* for all the companies within the group. The mapping was externally assured by Endrava, a company specialised in carbon reporting.

Ambitions

Striving for a circular economy

Our work aims to break the link between the growth of our business and the production of waste. Our end objective is to be part of a circular economy where we can grow the business without growing our environmental footprint. For our daily operation it implies more use of renewable energy and renewable materials in combination with 100% recycling of our products and our waste.

Engaging all stakeholders

An important tool for all companies is to leverage its customers and supplier relationships to promote environmental awareness. Going forward we will work to highlight the environmental cost of choosing transport by air rather than sea to our customers. Also, every employee gets a yearly and decreasing carbon budget and our suppliers must abide by our Supplier Conduct Principles that require actions to reduce any negative environmental effects.

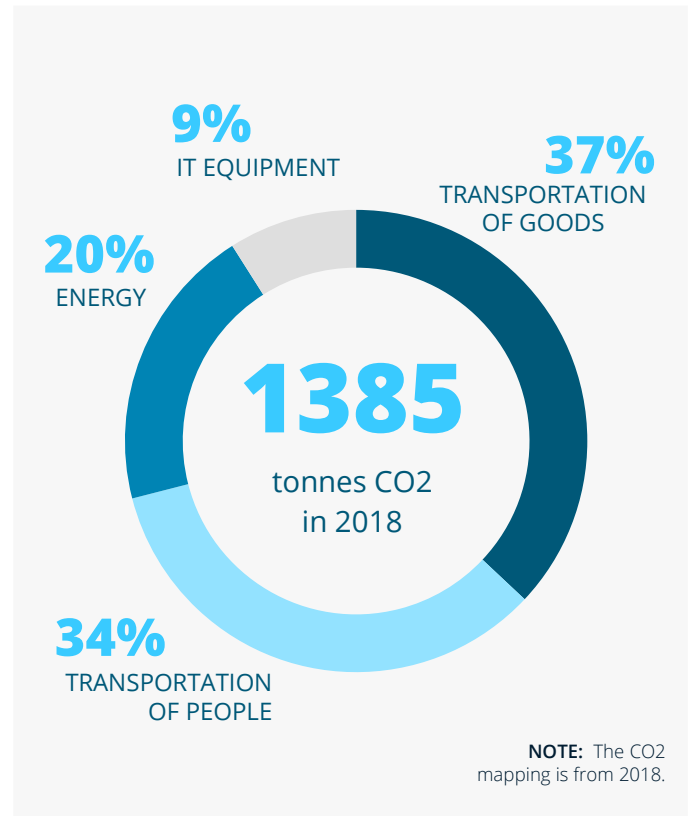
Execution

Integrating sustainability in the business

Our take on sustainability is to integrate an environmental awareness into all levels of the company, meaning we want sustainability to permeate the business. From how we write the contracts with our customers to the waste management in every office.

We have been a member of the United Nations Global Compact initiative since 2018, and thus established a corporate culture where ESG reporting and sustainable thinking have been part of our processes for years.

This year each subsidiary will get a decreasing carbon budget that they need to deliver on, as they do on the fiscal budgets.



The annual emissions of
138 NORWEGIANS



Or the annual emissions of

691 CARS



*https://ghgprotocol.org/sites/default/files/standards_supporting/FAQ.pdf



Smart farming: automated precision feeding

The Data Respons subsidiary, Data Respons R&D Services, has assisted TKS Agri, a Norwegian producer of agricultural solutions, to optimise its precision feeding solution, FeedStation™.

Agricultural precision feeding systems can reduce the amount of methane and nitrogen lost in production, directly reducing the impact of farming operations on the environment. By not overfeeding or underfeeding their stock, the farmer uses the correct amount of food and less feeding waste is left, which also keeps the stock healthy.



Reducing waste with reverse vending

TOMRA is the world leader in the field of reverse vending, with over 82,000 installations across more than 60 markets. Data Respons R&D Services is helping TOMRA develop a reverse vending machine for a new market, mainly with software (SW steering motors, camera sensors Graphical User Interface) and hardware development. We are proud to partner up on solutions which reduce plastic waste and greenhouse emissions.



Environmental CO₂ calculation tool for vehicles

Our subsidiary EPOS has developed an application used to create, manage and configure an environmental balance.

The application uses disassembly data and assessment with environmental factors to create CO₂ equivalents for production, use and recycling.



This solution helps vehicle and fleet owners to use data to understand their emissions and make the necessary cuts to keep the emissions down.



Energy efficiency through digitalisation

Eniram (a Wärtsilä company) is a Helsinki-based company providing the maritime industry with energy management technology to reduce fuel consumption and emissions.

Our teams at Data Respons Solutions in Sweden have been helping Wärtsilä company Eniram with rugged hardware solutions for both passenger ships and industrial vessels throughout several life cycles, enabling Eniram to reduce fuel consumption and emissions.



Eniram's solutions help cut emissions that are harmful to the environment by optimising energy emissions on i.e. cruise ships, tankers and container vessels.

A photograph of three business professionals in a modern office setting. A man on the left is standing and looking towards the center. A man in the middle is standing and gesturing with his hands while speaking. A woman on the right is sitting on a white chair, looking towards the man in the middle. They are gathered around a table with some papers and a small plant. The office has large windows and modern lighting fixtures.

BUILDING AND MAINTAINING A FAIR, RESPONSIBLE AND ATTRACTIVE WORKPLACE

SOCIAL

Why it is important to us

Since Data Respons is a people-centric business, the social dimension in the ESG framework is very important to us. People are our primary income, resource and value. Hence creating a sustainable workplace is key to the success of our company.

DIVERSITY

Status 2019

Working to get the right balance of specialists

Since the company was founded there has been a strong commitment to fostering a culture of diversity and inclusion throughout our company. A commitment that has only grown stronger as we included more companies, nationalities and cultures into Data Respons.

From a Group perspective, the Data Respons Code of Conduct helps govern issues such as fair employment, diversity, discrimination, harassment and health and safety. All companies in the Group are obliged to adopt and implement the Code to ensure a uniform approach to these issues across the Group.

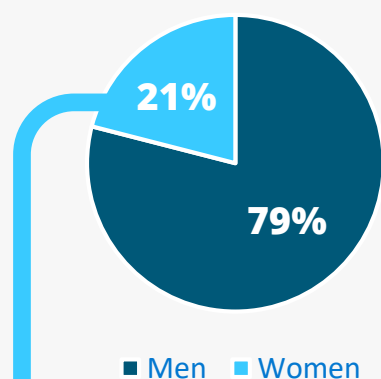
Equal pay

In Data Respons, the practice is equal pay for work of equal value regardless of gender. Salary and terms of employment for comparable positions are the same for women and men. Recruitment, promotion and development of the employees are based on merit and equal opportunity regardless of ethnicity, religion, gender, age, national origin, sexual orientation, marital status and disability.

Discrimination, bullying or harassment is not accepted at Data Respons. Employees are asked to report incidents of such behaviour to their immediate supervisor or the employee representative.

GENDER DIVERSITY

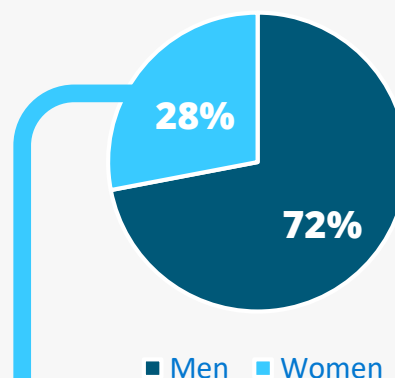
EMPLOYEES



+ 4%

In 2018 17% of our employees were women. The 4% rise in female employees is a result of both organic growth in addition to acquisitions

MANAGEMENT



+ 27%

In 2018 22% of our management were female.

Ambitions

Promoting a better gender balance in a male dominated industry is one of our key priorities. We increased the number of women from 17% to 21% in 2019, and we aim to have at least 25% women by 2025 (long term goal is 50%). Furthermore, the female representation in the management teams is at 28% today, but we aim to increase that number to 40% by 2025 (long term goal is 50%).

Execution

We will continue to strengthen a culture that creates an international and attractive work environment regardless of gender. Furthermore, we will continue to focus on our recruiting efforts in 2020, hopefully increasing the number of women among the job applicants and maintaining the mix of nationalities.

We will also use our sponsorships, Enabling the Young, to increase female interest in software and hardware development.



HEALTHY WORKPLACE

Status 2019

Facilitating a healthy workplace and a sustainable lifestyle

From the start, physical activity has been an important part of the culture at Data Respons. We already have some of the best and brightest minds, but we acknowledge that there is more to life than zeros and ones. Physical activity has been promoted as a cornerstone in our culture. That is also why most of our internal sponsorships involve stimulating our employees to balance long days in front of the computer with physical activities.

By encouraging an active lifestyle, we hope to keep sick leave at the current low level of 2.5%, while cultivating a culture of healthy high performers.

Staying in shape together

Our colleagues across the group help each other stay in shape by exercising together and challenging one another to take part in various sports events. In addition, all employees within the group can take part in our InShape programme where we motivate and reward being active in our daily lives.



Employees from Data Respons R&D Services in Bergen, Norway

Move for Charity

Across the group, there are a number of initiatives that combine physical activity with charity. An example is the annual sponsored Unicef run in Ingolstadt. Another is the Move for Charity concept embraced by the teams in Norway. The teams collect money for a chosen charity based on the number of active people they manage to register.



Colleagues from our subsidiary IT Sonix

Continuous learning and development

Workforce development is one of the biggest issues facing economies around the world, especially as technology accelerates the pace of change for the jobs of today and tomorrow.

In order to develop cutting edge hardware and software, we need to constantly improve the skills and competence our 1,400 specialists possess. This is done through our on-the-job training philosophy, where local management is always looking for new opportunities for their employees to challenge themselves.

Keeping our specialists in customer-driven R&D projects creates a continuously changing and market-oriented competence structure.

Ambitions

Maintaining the current low level of sickness is very important to us. In 2020, we will ensure that all subsidiaries have the same low level.

We are also working on programmes to ensure professional development and connect employees from different subsidiaries.

Execution

We will continue to support the broad range of physical activities that takes place in each subsidiary. And we will continue to uphold the value of activity in the communication from the top management.

We will engage with local management in 2020 to explore the opportunities for becoming better at establishing frameworks that clearly define the opportunities for personal development.



**WE WANT YOUNG
PEOPLE TO HAVE
THE BEST
OPPORTUNITIES TO
GROW AND
PROSPER**

ENABLING THE YOUNG

Why it is important to us

Young people are our future and we want to be a part of giving coming generations the best starting point possible and the ability to grow and prosper into educated, healthy and valuable individuals.

Sponsorship examples



Scholarly programmes

Several of our subsidiary companies support students with a scholarship programme during bachelor or master studies to encourage more students to choose an education within STEM.



Sports sponsorships

Data Respons has, fourth year running, signed an agreement for supporting the international chess championship, Stockholm Chess Challenge, for young talents. We define it as enabling the young through chess.



From the start, physical activity has been an important part of the culture at Data Respons. Enabling young people to perform, whether it is in sports, education or other aspects of life, is deeply embedded in our company values.

Sport conveys many strong values that make up both a lively everyday life and a strong corporate culture: namely team spirit, a clear strategy and, above all, a large portion of emotion and pure passion for a common cause.

Data Respons companies sponsor both small local teams and youth national teams within various sports such as cycling, ice hockey, football and hand ball.



Enabling children in low-income countries

An estimated 617 million children and adolescents around the world are unable to reach minimum proficiency levels in reading and mathematics – even though two thirds of them are in school. This learning problem is the greatest global challenge to preparing children and adolescents for life, work and active citizenship. (UNICEF)

Data Respons supports various organisations helping children across the nations. One of them is **The Society for Street Children** in Nepal, a non-profit fundraising society providing accommodation for street children in Nepal, with the highest priority given to girls since they, in particular, are particularly prone to the risk of human trafficking. The Society also provides education for children and young people who would otherwise have no access to education as well as food for children still living on the streets.

Another example is the humanitarian organisation **On Own Feet**, which works with children in war-torn countries. The organisation provides school materials, builds and reconstructs schools, provides medical kits to women's clinics and more. Data Respons has supported the organization for nearly 20 years.



OUR VALUES

Taking responsibility
To perform
Being generous
Having fun

TRANSPARENCY AND RESPONSIBLE BUSINESS CONDUCT

GOVERNANCE

Why it is important to us

Trust is something that is difficult to establish and easy to lose. As a company we are dependent on trust from all our stakeholders to function and to thrive. And nothing builds trust as well as good corporate governance.

Status 2019

The Data Respons Code of Conduct

Stakeholders' expectations regarding responsible business conduct are constantly changing. Although our core principles and standards remain the same, we have gathered all relevant policies into a Code of Conduct (CoC) to ensure that we stay ahead of the developments.

The Code of Conduct is built on Data Respons' values and, together with our policies and procedures and applicable laws and regulations, provides a framework for what we consider responsible conduct.

Our Code of Conduct supersedes any policy and any strategy. It is also mandatory for all employees to read and incorporate the CoC. The Code of Conduct is made with the intention to always do the right thing, even when nobody is watching.

Data Respons is committed to respecting and promoting the human rights of all individuals potentially affected by our operations. We respect the fundamental principles set forth in the Universal Declaration of Human Rights and related UN documents.

Transparency and responsibility

As a listed company and company subject to Norwegian law we of course deliver on all requirements regarding transparency, independence and standards. However, this ESG report is a concrete ambition to upping the ante on good corporate governance.

In our annual reports we operate with complete transparency when it comes to compensation, benefits and shares.

In 2019 we upgraded our whistle-blower service, making it easier for every employee to report any transgression.

A responsible value chain

We acknowledge that we do not operate in a vacuum and that we have responsibilities and obligations throughout our value chain. We have therefore made a set of Supplier Conduct Principles (SCP) that ensures our corporate governance standards follow our products and services from start to finish.

Ensuring a responsible supply chain is important to Data Respons as it helps prevent disruptions in supply as well as potential reputational risks. Within its sphere of influence, Data Respons strives to ensure that its suppliers follow the principles set out in the SCP.

Supplier audits

Data Respons performs audits of both new and existing suppliers based on both desk research and onsite visits. Audit schemes and processes differ from division to division depending on risk levels and operational contexts.

Data Respons divisions that manufacture hardware have adopted a systematic evaluation process for all new suppliers containing several steps of scrutiny to ensure compliance with Data Respons' policies.

Key suppliers of manufacturing entities are evaluated through internal formal visits, reviews and evaluations in order to ensure that they strictly respect the Data Respons Code of Conduct. Third party assessment is used in cases where an issue cannot be verified directly with the supplier





Data security and integrity

As we detect and prevent thousands of attempts at cyber-attacks every year, we are constantly developing our security efforts, in line with the external and internal threat picture. We realise that advanced security solutions are needed to handle a wide range of cyber threats. Our foremost task is to protect our customers' data in compliance with relevant authorities and legal frameworks.

Data security and integrity are critical issues for the Data Respons Group for a number of reasons. In addition to existing country data protection regulations, the EU General Data Protection Regulation (GDPR) became effective on 25 May 2018. The GDPR regulates the protection of Personal Data (PD) that companies collect and process.

Under the GDPR, Data Respons has firm legal requirements to protect against PD breaches and specific timelines within which to report and communicate applicable breaches to affected personnel. The GDPR requirements extend to all vendors that Data Respons uses to collect, store and process PD on its behalf.

Data security and integrity is managed at Data Respons through a combination of Group-wide and complementary daughter company policies and processes. Information security is managed within each subsidiary with oversight at a Group level.

Data Respons will continue to implement Information Security programmes aimed at improving the overall security posture of the company. The programmes will focus on both preventative and reactive measures to ensure Data Respons remains resilient to the rapidly changing threat landscape.



Boards of Directors and committees

Data Respons' organisation is structured and managed in accordance with the Norwegian Code of Practice for Corporate Governance. The Board of Directors states that Data Respons has complied with the Code throughout 2019. The Board of Directors' report on corporate governance is available on the group's website: www.datarespons.com/investors.

Nomination committee

Data Respons has incorporated in the articles of association that the group should have a Nomination Committee for the Board of Directors.

The Annual General Meeting elects the Nomination Committee. The Committee makes proposals to the General Meeting regarding the election of shareholder-elected members to the Board and proposes remuneration of the Board of Directors.

The Annual General Meeting decides the remuneration of the Nomination Committee. The members of the Nomination Committee should be selected to take into account the interests of shareholders in general and the majority of the Committee should be independent of the Board of Directors and senior management.

The Committee comprises three members, none of whom are Board members or employees at Data Respons. The Committee involves shareholders, Board members and the CEO in proposing candidates to the Board of Directors. Shareholders can propose candidates through the group website.

The Nomination Committee proposes the remuneration of the directors for the coming year to the General Meeting. Proposals from the Nomination Committee are justified, and the proposals are made available on the group's website along with the invitation to the AGM.

The current members of the Nomination Committee are Bård Brath Ingerø, Fredrik Thoresen and Christian Dahl. In addition, Data Respons has an Election Board for the election of employee representatives to the Board of Directors. The Election Board comprises three members, who are employed at Data Respons.

Board of Directors

The Board of Directors is composed in a way that enables it to maintain the interest of the majority of the group's shareholders. Each Board member is presented on our website (www.datarespons.com/investors), including information about their age, skills, experience and share ownership in Data Respons.

The composition of the Board of Directors complies with the requirement that the Board be independent from the group management and independent from major business associates of the group. Management is not represented on the Board of Directors. At least two of the members of the Board elected by shareholders are independent of Data Respons' main shareholders.

The Chairman of the Board of Directors and other Board members are elected by Data Respons' shareholders in the General Meeting. Board members are elected for a term of one year until the next Annual General Meeting. Board members are encouraged to own shares in Data Respons. Page 13 of the annual report provides a detailed description of the individual members' backgrounds, qualifications and shareholdings.

The work of the Board is governed by detailed rules of procedure. The Board has an annual programme of work including specific topics and fixed items, such as the approval of the annual financial statements, interim financial statements and budgets. The Board is also responsible for overall strategy and for setting long-term goals, as well as important decisions about acquisitions, establishment of new operations and major investments. The Board of Directors evaluates its performance and competence annually. A Board member shall not participate in the discussions or decisions of any matters that are of particular personal or financial interest to them or to any related party.

In 2019, there were seven directors on the Board, five of whom were elected by the General Meeting and two of whom were elected by the employees. In 2019, the Board held a total of ten meetings. In 2019, there were four men and three women on the Board.

Audit Committee

The Board has appointed an Audit Committee that provides assistance to the Board in fulfilling its responsibility to the shareholders, potential shareholders and investment community relating to corporate accounting, reporting practices of the group, and the quality and integrity of the financial reports of the group.

As part of this process, the external auditors participate in several meetings of the Audit Committee. In carrying out its responsibilities, the Audit Committee should ensure that the corporate accounting and reporting practices of the group are in accordance with all legal requirements and are of the highest quality. The Audit Committee comprises two Board members.

Compensation Committee

The Board also appoints a Compensation Committee comprising two Board members. The Board's Compensation Committee is a subcommittee of the Board of Directors of Data Respons ASA and is independent of management. Its role is to prepare for the Board's discussions of questions involving compensation. The Compensation Committee is responsible only to the full corporate Board and its authority is limited to making recommendations to the Board.

Risk management and internal control

The Board of Directors oversees the quality of Data Respons'

risk management and ensures that the internal control functions are aligned with our business objectives and sufficiently take into consideration the scope and nature of the group's operations. The Board of Directors evaluates, at least annually, the group's most significant risks and the related internal control measures in place.

The Board of Directors oversees and evaluates the group's internal control and risk management functions related to financial reporting. The management is responsible for establishing and maintaining adequate internal control of financial reporting.

The objective of the internal control of financial reporting is to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Data Respons' financial statements for external reporting purposes in accordance with International Financial Reporting Standards. The Board of Directors evaluates the effectiveness of internal control of financial reporting annually.

As part of the audit of the financial statements, the external auditor reports on the effectiveness of internal controls related to financial reporting to the Audit Committee and the Board of Directors at least once every year.

Ambitions

A key ambition is to onboard all 1400 employees on our new Code of Conduct, and integrate it the culture of our subsidiaries.

We want to make certain that our supply chain is following the same principles we have in the company .

Execution

We will make sure the Code of Conduct is part of all onboarding programs in the company.

We will also conduct supplier audits in 2020 to ensure that our value chain is in accordance with our principles and requirements.



