

COP 2022



Communication on Progress 2022

Statement of Continued Support

Develco is a highly recognized Technology Development Partner developing high-end product solutions with electronics, embedded software, wireless communication, and Internet of Things (IoT). Innovation, reliability, sustainability, and future-proficiency are keywords.

A core value at Develco is the UN Global Compact. The ten principles constitute the basis for Develco and our employees – it is simply the way we are doing business. We believe that a responsible approach at all levels affects our results in a direct and positive way.

Our customers and subcontractors all form part of our CSR policy. We regard the value chain as a whole and expect our close business partners to comply with the ten principles in the UN Global Compact as well. For these reasons we have included the ten principles in our basis contract in order to make subcontractors substantiate their compliance with the UN Global Compact.

The environment constitutes the starting point in many of the solutions that we design. Though, we always must counterbalance our efforts and our results. It is crucial to us that our CSR initiatives and the product solutions and services that we develop and deliver to our customers do keep up their balance. After the COVID-19 pandemic we have continued to hold both physical meetings and virtual meetings with our customers and business relations thus contributing to the reduction of CO² emissions.

We are pleased to participate in the network of UN Global Compact partners. Networking, ecosystem, and co-operation are cornerstones in our innovation, development, and design business, and we look forward to participating in the CSR activities together with the other committed and responsible companies.

At the same time, we are proud and humble to be part of the UN Global Compact.

It is a great pleasure for me to confirm that Develco reaffirms its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment, and Anti-Corruption.

In this annual Communication on Progress COP 2022, we describe our actions to continually improve the integration of the UN Global Compact and its principles into our business strategy, company culture, and daily operations. We also commit to share this information with our stakeholders using our primary communication channels.

Yours sincerely

CEO Jakob Bjerre

Develco A/S

The Develco Approach

Our approach to the UN Global Compact is at the same time strategic, business-driven, environmentally conscious, and responsible. At Develco, our development team with their strong technical skills constitute the foundation for our business. As highly skilled technical specialists, the engineers are valuable assets when it comes to advising our customers.

By providing high quality counseling, product development, and production management of digitized and technological product solutions, we contribute to make our customers' products future-proof and competitive.

The UN Global Compact principles have been integrated into our ISO 9001:2015 quality management system thus being an inherent part of our working processes.

Actions Undertaken

Develco is constantly focusing on reducing the power consumption of all product solutions developed by our company.

In the past year Develco has inspected suppliers in the Far East focusing on safety, employer education, and social conditions by the local departments of our business partners. We have concluded that the suppliers fulfill Develco's requirements and code of conduct.

Our suppliers can only be approved by Develco if they have committed to the 10 principles. We continuously work at making sure that our component distributors and subsuppliers comply to the United Nations Guiding Principles on Business and Human Rights UNGP.

Develco has incorporated the UN Global Compact statements and the 10 principles in all our generic framework agreements. During the past year, the UN Global Compact statements have also been integrated into new contracts.

Internally, Develco works at getting its act together within the field of staff safety. We have updated the employee handbook in order to make clear how to respond to illness and work-related injury. A part of the employee handbook has been updated to the employee legislation with the new holiday law in Denmark giving the employees the possibility to earn and take vacation simultaneously.

Principles 1-2: Human Rights

All activities at Develco support and respect the protections of internationally proclaimed human rights. It is a matter of course that we are not complicit in human rights abuses.

We have a continuous focus on ethical behavior and the code of conduct in Europe and worldwide.

As a company responsible for data Develco has complied with EU's General Data Protection Regulation and EU's Data Protection Law GDPR applicable as of May 25th 2018 in order to protect the rights of individual persons.

Principles 3-6: Labor

We have updated our ISO 9001:2015 quality management system. The standard is based on uniform quality management principles including a strong customer focus, the motivation and implication of top management, the process approach, and continuous improvement. This implies an increased focus on corporate social responsibility. CSR is still an integrated part of the day-to-day management.

Being a knowledge-based Technology Development Partner, the Develco employees and their technical skills constitute our most valuable assets. Therefore well-being, education, and working conditions are in general high priority areas for the Develco management.

To secure that our employees have the best competences Develco has launched an educational program offering individual educational plans for our employees within normal working hours and all costs covered by Develco. In the past year the software and hardware engineers at Develco have been further educated in wireless communication technologies and industrial product development. The continued education supports our strategy about keeping our employees at the leading edge and simultaneously fulfilling the educational wishes among our employees. Our strategic focus on education helps the company to increase the satisfaction level of employees as well as of customers.

Occupational health and safety measures have been taken to ensure the optimum working conditions in our offices. Every year we conduct satisfaction surveys. We put up ambitious objectives - objectives that have all been fulfilled within the fields of employee satisfaction as well as customer satisfaction. In addition, we incorporate the customers' answers from the satisfaction surveys in our sales and marketing activities in order to optimize the satisfaction level of our customers. Internally Develco analyzes and uses the qualitative answers from the customer survey to continuously improve the development processes and the tools we are using for the development projects.

Develco is conscious of work-life balance and has established flexible working hours and tolerance for personal issues. We have furthermore integrated safety instructions in the employee handbook in order to make clear how to respond to illness and work-related injury. Everyone must be able to act quickly and efficiently if an emergency-situation arises. Develco is paying a lot of attention to the health of the employees and is therefore offering all employees the possibility to get an influenza vaccine each year.

Principles 7-9: Environment

Develco supports a precautionary approach to environmental challenges and encourage the development and diffusion of environmentally friendly technologies.

Being a Technology Development Partner our own local impact on the environment is very limited. Our advice on sustainable solutions to our customers is where we can make our greatest impact. We work with environmentally friendly technologies that are low power thus minimizing CO² emissions.

The technological development is going very fast, and electronic components are becoming obsolete and can at a time no longer be delivered. As an example one Develco customer had a remote control where the end-of-life of an outgoing component would result in a production stoppage. For that customer Develco has updated the internal mechanics and the wireless communication to a new and updated communication protocol. In this way the remote control has not been taken out of the market, but instead the product life cycle of the product has been extended with a new product version.

Internally the employees at Develco are very eco-conscious in the daily work by minimizing the use of chemicals and sorting waste into plastic, paper, glass etc. for recycling purposes.

All our developed products comply with the Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS).

For many years Develco has been a member of the Danish organization Elretur in order to take responsibility for the environment and contribute to more recycling and reuse of electrical and electronic waste. Procedures at Develco comply with the WEEE Directive meaning prevention of Waste from Electrical and Electronic Equipment. Through Elretur Develco is registered in the WEEE section collecting and processing used electrical and electronic products. Elretur handles the producer responsibility for Develco and guarantees legitimate waste streams and quality in data and registrations to the authorities.

We seek to improve the environmental performance of all operators involved in the life cycle of electrical and electronic equipment e.g. subsuppliers, producers, distributors, consumers, and in particular those operators directly involved in the treatment of wasted electrical and electronic equipment.

Waste from offices is sorted into recyclable (paper, cardboard etc.) and not recyclable waste – the different waste types are picked up separately by the authorities for after treatment.

Principles 10: Anti-Corruption

Develco is a Technology Development Partner operating on market conditions. Profitability is a requirement and necessary assumption for our liability to conduct corporate social responsibility CSR.

Develco has a long-standing anti-corruption policy stating that corruption or bribery is not acceptable in any form or under any circumstances. Hence Develco is committed to ethical and responsible business practice.