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Communication on Progress Year: 2012

Support Declaration of EPOS Health Management to the UN Global Compact

EPOS Health Management is a worldwide operating consulting firm committed to the improvement of health conditions in emerging and developing countries. As a member of the United Nations Global Compact since 2006, we adhere to the ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. Responsible and ethical management is at the core of our corporate philosophy and is enshrined in our policies, strategies and actions.

EPOS furthermore is one of the few consultancy companies in Europe that holds the ISO 9001:2008 certificate of quality management for planning, development and implementation, as well as monitoring and evaluation of programs in the health sector. Internal and external audits of the company are conducted once a year. Quality management is an integral part of the daily work at EPOS. Our corporate Quality Management System (QMS) defines processes, procedures and workflow, which is also documented in the Quality Management Manual (QMM).

Our broad presence in currently around 40 countries allows us to actively move the agenda of the UN Global Compact forward – by taking measures such as encouraging our local partners to address HIV/AIDS policies or including child protection as an integral part of every contract concluded with us.

With our fourth communication on progress we want to show that during the reporting period we have specifically concentrated on bringing the principles number 6 and 9 further forward within our company. While we have continued to pay special attention to the environment related goals of the Global Compact, we have increasingly focused on developing a better and healthier work environment for our employees. Realizing that our employees spend a majority of the day in the office environment, we feel responsible for making sure that the work place enables for a healthy lifestyle and an inclusive environment where everyone works as a team towards common goals.

In the matrix below, we report on actions and progress we have taken to achieve the ten principles.

We are actively promoting current policies and ensuring they are adhered to by our staff members and working partners. We rigorously promote that EPOS stands for these principles. We intervene immediately whenever doubt arises that any of the principles have been undermined. We address the situation directly and insist on rectification – be it within our projects, with our staff or with our international or local partners. This procedure is always reported back to our Managing Directors.

EPOS Health Management

Dr. Robert Gaertner
Managing Director

UN Global Compact Communication on Progress 2012



This is our **Communication on Progress**
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.

GLOBAL COMPACT PRINCIPLE**ACTION TAKEN & IMPACT ACHIEVED AND/OR PLANS FOR THE UPCOMING YEAR**

1: Businesses should support and respect the protection of internationally proclaimed human rights;

As a company working in international development, EPOS Health Management strictly adheres to internationally proclaimed human rights in all its projects. The protection of human rights is included as a principle in EPOS' "Code of Ethics"

(<http://www.epos.de/Code-of-Ethics.868.0.html?&L=1>)

The Code of Ethics is an inherent part of all our contracts and is therefore signed by all staff, experts and partners. We take immediate action if a collaborator does not fully comply with these fundamental principles.

We strive to be recognised as a company which takes this Code of Ethics into account in all activities. We actively pursue adherence to the principles spelled out in the Code of Ethics and also demand this from all our collaborators.

As an example, the Code of Ethics has been discussed during the last year in all project mobilisation briefings with Team Leaders at EPOS Headquarters. We also make sure human rights principles are applied in all projects worldwide -- and especially with our partners and local personnel.

See principle 1.

2: and make sure that they are not complicit in human rights abuses.

3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

The freedom of association and right to collective bargaining are guaranteed by the German "Grundgesetz" (Basic Constitutional Law of the Federal Republic of Germany) and are respected by EPOS.

4: the elimination of all forms of forced and compulsory labour;

See principle 1 and the abolition of child labor.

5: the effective abolition of child labour;

In recognition of the special rights of children, EPOS Health Management developed and implemented a Child Protection Policy in 2009. The "Child Protection Policy" is now an integral part of every contract concluded with EPOS. From the inception of this policy, all new EPOS Health Management staff and contractors received a provision in their employment agreements for dismissal or transfer to other duties if he/she breaches the Child Protection Code of Conduct. Reporting suspected or actual child abuse is mandatory for all staff, volunteers, consultants and subcontractors. EPOS' Managing Director in consultation with the senior manager concerned, will ultimately decide what sanctions will be taken against breaches. The best interests of the child and the desire to secure the best outcomes for the child should always govern decisions regarding what action should be taken in response to concerns. In certain instances, there will be the obligation for

6: and the elimination of discrimination in respect of employment and occupation.

EPOS and its staff to report concerns to the appropriate external bodies. This will usually occur as a consequence of the reporting procedure. There has been no suspected reporting during the last year.

(<http://www.epos.de/Child-Protection-Policy.870.0.html?&L=1>)

Included in principle 1.

The company continues to have an Ombudswoman as contact person to which employees can address cases of discrimination.

As an expert in international health, EPOS is well aware of discrimination against people living with HIV/AIDS and the need for education, care and support programs. The company therefore implements an "HIV/AIDS Workplace Policy" which protects EPOS' employees from discrimination on the basis of their HIV status. The Policy makes provision for HIV/AIDS related services such as condom distribution and workforce education for EPOS staff and project partners, as well as provides contributions to local insurance schemes. As a globally operating company, EPOS has mainstreamed addressing HIV/AIDS in its projects by making the implementation of well run HIV/AIDS programs a selection criterion for sub-contracting partners.

http://www.epos.de/uploads/media/EPOS_HIV_Policy.pdf

In order to improve the working climate and team spirit among EPOS' employees, a Health Day was organized in May which allowed our staff to participate in different health promoting activities, counseling sessions and team exercises. The Health Day included activities such as Nutrition Counseling, Smoking Cessation Advice, Back and Posture Training, Eye Wellness and Stress Management. In order to pursue a holistic and strategic workplace wellness program at EPOS Health Management, in June an employees' needs and interest survey was conducted, sounding out the different needs of the employees and areas for improvement. The results were presented to senior management and discussed with the whole staff. As a consequence, a weekly sports course 'B' Fit - a workplace health initiative offering weekly personal fitness training sessions - was launched at EPOS this past August. Through these measures, EPOS is actively helping staff to improve their own general health and well-being as well as encouraging employee involvement to create a healthy workplace.

Furthermore, in 2012, EPOS offered financial support to the Altenhilfe der Frankfurter Rundschau, a local charitable association involved with care and support for needy senior citizens within the Frankfurt am Main region. The association supports events and funding throughout the year to include grants for clothing, medical care, eyeglasses, hearing aids, dental care, medicines and household appliances and heating. Included as a principle in EPOS' environmental policy.

7: Businesses should support a precautionary

The Environmental Policy Implementation Working Group has been integrated into the Working Group for Climate Change --

approach to environmental challenges;

a group at the mother company level which also endorses a group-wide environmental policy. Group-wide collaboration facilitates planning and activities related to environmental protection.

We continued using our new FSC recycled paper, selected when EPOS underwent a corporate name change and renewed all letterhead and office paper.

The proposal layout and paper was changed in a way that now double-sided prints are also standard in our external proposals. New proposal folders without any plastic materials and environmentally certified were procured.

(<http://www.epos.de/Environmental-Policy.867.0.html?&L=1>)

Included in principle 7.

8: undertake initiatives to promote greater environmental responsibility;

In line with the Environmental Policy, EPOS requires its staff to use resources in an environmentally friendly way. Double-sided printing has become a default setting for all EPOS staff. Recycling of paper has been introduced for the entire EPOS building. Staff members collect used paper and are responsible for bringing it to recycling collection points. Staff are also encouraged to switch off computer screens when they go on longer breaks, turn down the heating system and switch off lights when they leave the office after work. All new employees in 2012 received environmental office waste training and briefings on the environmental policy.

9: and encourage the development and diffusion of environmentally friendly technologies.

Within the context of its environmental responsibility, EPOS continuous purchasing energy saving IT equipment and devices.

During 2010, renovations took place in and outside the EPOS building. New insulation was installed and windows have been replaced by energy-efficient double paned windows. The results of the renovation effort have been considerable and the aims of the project have been met to a very high degree: The consumption of gas for heating purposes has been halved. Heat losses of the offices have been reduced in the winter months and rooms no longer heat up as much in summer. The lighting in the offices can be adjusted to suit individual working environments.

At the beginning of 2012 the electricity provider for the office building was changed and we are now procuring our electricity from the provider LichtBlick AG. LichtBlick electricity is exclusively produced from ecological sources and does not use any nuclear, coal powered or oil fueled power plants. Due to this provider shift, it was possible to save 167,75 tons of CO2 emissions in 2012.

The introduction of company wide usage of Lync, which offers video conferencing possibilities as well as the procurement of a smartboard with videoconferencing capabilities, allows joint project proposal preparations among offices located worldwide. This allows for a reduction of unnecessary flights. By using Lync's video function, EPOS staff not working in the headquarter offices can better and more easily participate in meetings and do not need to travel as much as before. The

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

reduction of air travel is of great concern to us as this is the area where we cause most environmental harm. The company group has continued working on the introduction of a full-scale SharePoint system as a way to manage effective data storage / sharing and thus reduce overall printing. The launch is expected in 2013.

Included as principle in EPOS' "Code of Conduct"
Cases of corruption did not occur.

EPOS' Headquarters serves as the contact point for any assistance needed.

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