Bringing Back Trust in Democracy

cBRAIN

Digital Bureaucracy

Bringing back trust in democracy through a next generation of strong, transparent and efficient government institutions

Democracy is the foundation of our Society. It is therefore alarming to realize how democracy is under pressure across the world.

Both in the western world as well as in the developing countries, citizen dissatisfaction with democracy has been rising significantly over recent decades and has reached an all-time high. The decline in global democracy is to a large extent led by the large and most populous democracies, while only citizens in a few small and high-income democracies, like Switzerland, Denmark, Norway, Luxembourg and The Netherlands, report higher trust in their governments.

In the western world, dissatisfaction with Democracy is fueled by factors such as economic frustration combined with political uncertainty and polarization and in developing countries the evolution of Democracy is in many places harmed by political crises and corruption scandals.

We believe that trust comes with delivery. To protect and develop Democracy, government has to deliver efficient, fair and transparent services. But many government institutions seem to be at a crossroad, often under pressure both economically and politically, unable to deliver and lacking popular support. The strategy to counter this crisis in democracy is to rethink and build a next generation of more efficient, transparent and accountable institutions. Strong and stable government institutions are the way to fight the erosion and regain trust through highly efficient, transparent and fair service delivery.

This is possible by use of digitization and it is possible because all government organizations fundamentally work in the same manner. Based on the organization and production model called "Bureaucracy", as described by German philosopher Max Weber. Digitization, if used correctly and with care, offers enormous power. It offers government institutions the opportunity to rethink and transform themselves into a next generation of digitally based institutions, highly efficient and transparent.

Unfortunately, government digitization often fails due to a generally accepted "technology first" approach. For decades governments has applied the latest technology and tech- nology based strategies such as advanced analytics, blockchain, cloud first, robotics, artificial intelligence and open source. Yet, as new technologies have come and gone, government is still struggling to convert ambitious digitization plans into deliverable and measurable results.

Now the Technology First approach is challenged. A new public-private partnership which originated in Denmark and underpinned by extensive research has fostered a groundbreaking approach to government digitization based on formalized methods and standards. Digitizing all types of work processes and services, from internal ministerial work to citizen facing processes, end-to-end, the new approach to digitization offers government fast track digitization and strong measurable effects.

While technology continues to change, government roles and duties remain. The basis for the new approach was therefore applying a "processes first, technology second" approach, studying and understanding the processes and resources enabling government service delivery. By understanding the nature of bureaucracy and government work. This has led to a generic model for government work, based on best practices and independent of technology, entitled "Digital Bureaucracy".

Globally, most government institutions still struggle to digitize based on the classic technology first approach and custom build solutions. In contrast, more than 50 Danish government institutions, including 13 out of 19 ministries, now base their work on the Digital Bureaucracy model. All running on the exact same standard software, built to support the Digital Bureaucracy model, which has been configured to support each institution's individual work processes.

In Denmark, several ministries have implemented the Digital Bureaucracy model and standard software within a few months, enabling a paperless working environment supporting everyone from most junior employee to the minister, running meetings and approvals on their iPad. This has significantly improved productivity, data and process control.

Likewise, many different Danish citizen facing processes are now digitally supported, end-to-end, based on the digital bureaucracy model and standard software. This includes processes like national citizenship, immigration permits, divorce, reclaiming tax dividends, and fraud management. Solutions typically have been delivered within 3-6 months from start to finish,

from analyzing work processes to configuring the standard software and going live.

Enabling government institutions to digitize in months rather than years and delivered at significantly lower cost compared to traditional government IT projects, not only eliminate risk but fundamentally offers a new way of transformation and provides a fast track to build next generation government institutions, digitally based. Strong, transparent and highly efficient government institutions which can help regain trust in democracy through delivery.

In close collaboration with government as well as private companies, we at cBrain continue to further develop the Digital Bureaucracy model and related implementation methods, in Denmark as well as internationally.

International projects, based on the Digital Bureaucracy model and Danish experiences, have successfully been applied in a number of European countries, North America as well as in the United Arab Emirates. These projects demonstrate, that governments across the world all work the same way and that government can re-use standards and best practices as a fast

track to transformation and to support the development of next generation institutions for the benefit of our future society.

Working together, across the world, with government as well as private partners. We want to play our role, helping to regain trust in Democracy through digitization. Enabling a new generation of strong, transparent, and efficient government institutions.

Welcome to our CSR report 2019!

Per Tejs Knudsen, CEO

I hereby renew our commitment to The UN Global Compact meaning that we continue to act ethically, transparently and with integrity, in line with the Ten Principles of The UN Global Compact, and contribute towards the UN Sustainable Development Goals (SDG's).

Report, Global Satisfaction with Democracy 2020

Benneth Institute for Public Policy Cambridge University

We use a new dataset combining more than 25 data sources, 3,500 country surveys, and 4 million respondents between 1973 and 2020 asking citizens whether they are satisfied or dissatisfied with democracy in their countries. Using this combined, pooled dataset, we are able to present a time-series for almost 50 years in Western Europe, and 25 years for the rest of the world. We find that dissatisfaction with democracy has risen over time, and is reaching an all-time global high, in particular in developed democracies.

In the mid-1990s, a majority of citizens in countries for which we have time-series data

– in North America, Latin America, Europe, Africa, the Middle East, Asia and Australasia – were satisfied with the performance of their democracies. Since then, the share of individuals who are "dissatisfied" with democracy has risen by around +10% points, from 47.9% to 57.5%. This is the highest level of global dissatisfaction since the start of the series in 1995. After a large increase in civic dissatisfaction in the prior decade, 2019 represents the highest level of democratic discontent on record.

www.bennettinstitute.cam.ac.uk

Our business model

Processes first, technology second

Government production is based on bureaucracy. Yet, as the classic bureaucracy is now challenged by a shift from paper-based to digitized information, this shift also offers transparency, significant productivity gains and more efficient service delivery. Based on Danish public-private partnership and extensive research we have developed a fundamentally new approach to government digitization based on formalized methods and standards. Digitizing all types of work processes and services, from internal to citizen facing, it is based on executable process libraries and a new combined process-driven and data-centric software architecture designed for digital bureaucracy.

The approach is based on three elements: a formalized model and implementation method for government work (Digital Bureaucracy), both totally independent of technology, and standard software called F2, which supports the model and method.

Based on the new approach and F2 we offer government institutions a fast track to transform themselves into next generation, highly efficient and digitally based institutions.

We believe government work is still based on the fundamental principles of the bureaucracy.

Government has to reclaim processes

Technology trends and a limited understanding of how government works often hinders digitization. Further this often results in technology based business transformations where technology itself becomes the goal. However, as technology continues to change, government roles and duties remain.

Rather than investigating new technology, the research focused on studying the processes and resources enabling government service delivery, as well as understanding the nature of government work and the bureaucracy. This led to a generic model for government work based on best practices independent of technology, entitled "Digital Bureaucracy". With the generic model, next step was to design and build a configurable production system, which could be configured to support individual authorities. This was accompanied by a deployment method to guide the design of specific internal and citizen facing processes and to guide the internal organizational implementation.

The research also made it clear that government has to reclaim the ownership and insight into work processes, which during the last decades have been buried with IT systems, often controlled by external experts and suppliers. In the same way, government must be in control of organization and be responsible for service delivery.

From IT-centric to business-centric while delivering measurable effects

The processes first approach does not only allow government to reclaim and take back control of work processes. By introducing the digital bureaucracy model it also enables a new fast track approach to digitization. Based on standards and configurable standard software, the approach reduces digitization projects by factors. While minimizing risks and reducing costs, it changes digitization projects from being IT-centric to business-centric.

Reclaiming control is managed in two steps. Firstly, regaining control of work description, as this is now independent of systems. Secondly, regaining control of production systems. As the description is formal, i.e. based on mathematics and thereby readable by software, government can now demand vendors to deliver software that can interpret and execute the process description. Thereby, government no longer loses control while it acquires, rewrites and integrates software components in order to digitize and support work processes.

Introducing the F2 model and design method for Digital Bureaucracy
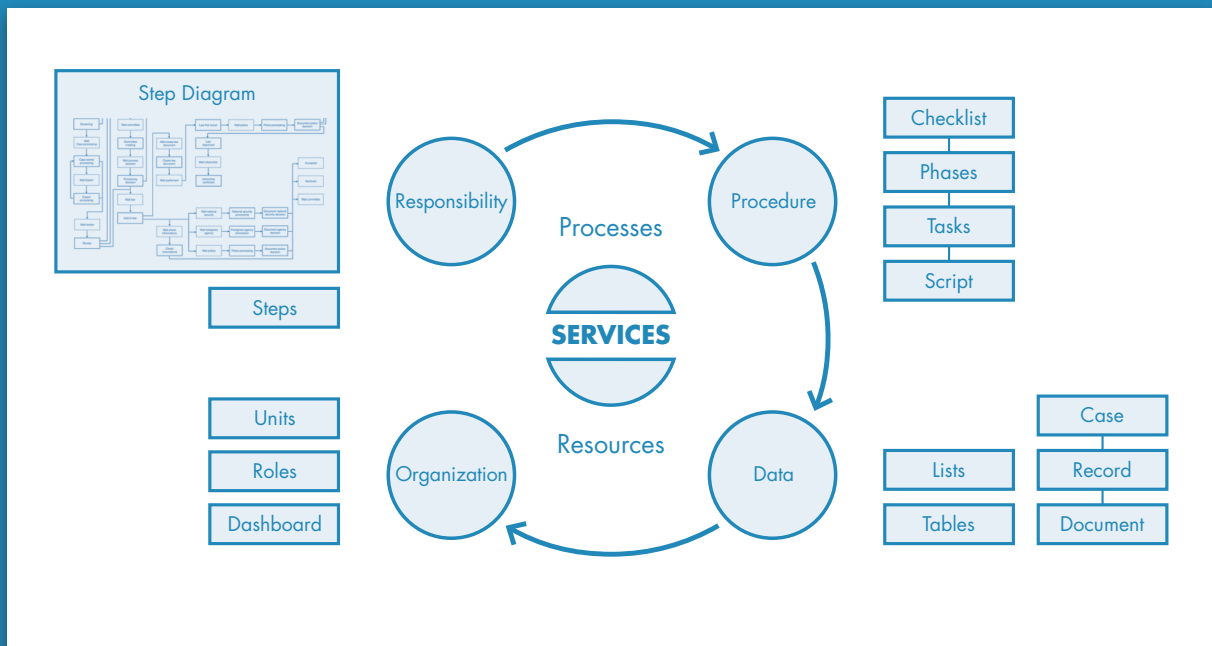
A government authority has the legitimate right and responsibility to deliver a set of services, which mirror a set of decisions that the authority has the right to exercise and administrate. Decisions therefore become the index of the authority library of standard operating procedures (SOP).

The Digital Bureaucracy model is based on a single case principle, where any unique type of decision has a corresponding case type. For any case type, work is modeled/described by processes and resources, and organized into four dimensions, responsibility, procedure, data, and organization.

- **Firstly**, the work progress is described in steps, leading into a so-called step diagram. Reflecting the rhythm of case processing, there are two types of steps; waiting steps and in-progress steps. This dimension is called **"Responsibility"** as work progress is controlled by assigning responsibility to each step, waiting steps as well as in-progress steps.

- **Secondly**, for each in-progress step, the tasks related to the each step in the step diagram are described. Tasks are logically organized into phases, e.g. screening, evaluation, and executing a decision, which constitutes a decision checklist. As work progresses, step-by-step, and tasks are performed, the checklist is filled out, leading to a decision while controlling the decision execution. The second

dimension is therefore called **"Procedure"**, as the checklist models the standard operating procedure.

- **Thirdly**, for each task, **data requirements** are described. This includes all information (data) needed to perform the task as well as all data produced as a result of performing the task. Production data are organized as records with documents, organized chronologically into a folder, the case, supported by base data, called tables, and presented to users by lists.

- **Fourthly**, the description circle ends by describing responsible units and roles for each step, which supports production reporting by dashboard etc. This dimension is therefore called **Organization**.

Originated in Denmark and proven in a number of countries

Digitization based on standards delivers measurable effects

The United Nations E-government survey ranks Denmark as number one. Key success factors to reaching the number one E-government position are standards and public-private collaboration, cBrain being one of the partners.

Today, more than 50 Danish government organizations base their operations on the cBrain standard model and standard software for digital bureaucracy, referred to as F2. The model and software have been implemented with more than 50 Danish government organizations including 2 out of 3 of all ministerial departments, such as the Prime Minister's office, the Ministry of Foreign Affairs and the Ministry of Finance. First projects, based on F2 and the digital bureaucracy model, have now been delivered in a number of European countries as well as in North America and the United Arab Emirates.

These projects have shown that Denmark is not unique with respect to government duties and services. Governments across the world basically operate based on the same foundation of bureaucracy. Denmark differentiates due to long term national strategies like standards, public-private partnership and an approach based on business first, technology second. Even though Denmark has smaller national IT budgets compared to large countries, the Danish approach has optimized IT investments and leveraged a globally leading position when it comes to E-government.

Sustainable Society Building

In cBrain we believe that by supplementing the focus of the UN Ten Principles with the concept of Sustainable Society Building we contribute with a more holistic perspective of being socially responsible. With the term "Sustainable Society Building" we refer to actions which indirectly contribute to sustainable development through bringing environmental, social and/or economic value for society as a whole.

We incorporate Society Building in our way of taking corporate social responsibility through an educational focus. Education benefits society as it increases the intellectual level of the population and, thereby, has the potential of raising living standards, creating environmental awareness and decreasing discrimination. Our educational activities are linked to sharing knowledge, providing professional advice and educating individuals within our field of expertise.

Through pro bono knowledge sharing, professional advice and by active contribution to industrial, professional and non-profit organisations, we are influencing the direction of governmental institutions and the norms and standards of our industry. By acting responsibly, we contribute to a path of sustainable development.

We incorporate Society Building in our way of taking corporate social responsibility through an educational focus.

Through the education of individuals, we are increasing the level of competences within digitalisation of the workforce. We, thereby, create better circumstances for society to take on the challenge of digitalisation.

Our SDG commitment

Our mission

Our mission is to help governments transform from being paper-based bureaucracies to digitised working environments and thereby contribute to creating efficient, accountable and transparent public institutions. This allows institutions to deliver quality citizen-centric services as work processes are defined with incorporated control mechanisms, all activities performed are accounted for, and responsibilities are clearly delegated. The transformation towards a digitised democracy is, thus, a core part of working towards the United Nations Sustainable Development Goals (SDGs), as it will help institutions take action towards meeting the goals effectively.

After having assessed our mission and main activities in relation to the SDGs, it is clear to us that SDG 16 is at the core of our corporate strategy. SDG 16 focuses on developing "effective, accountable and transparent institutions at all levels" and it is, therefore, directly in line with our mission of digitising institutions to increase efficiency, accountability and transparency for the benefit of creating peaceful and inclusive societies.

Where do we come from and where do we go next?

In 2018, Denmark ranked as #1 on the UN E-Government survey. The basis of this success is the creation of national standards of digital solutions and public-private partnerships for the development of software and implementation. The first Danish national digitisation initiative, released in 1996, pointed towards standards for case processing and data control to increase government work quality and efficiency. Based on this work, we have continuous-ly developed a formalised model and new type standard software for digital government, called F2, which supports paperless internal work, fully end-to-end digitised citizen services as well as collaboration between government entities.

Today, F2 is deployed by more than 50 public organisations in Denmark and around the world, all running on the same software. More than half of all departments in Denmark, including Prime Minister's Office, Ministry of Foreign Affairs, Ministry of Business Affairs and Ministry of Finance, run F2 in a highly effective, accountable and transparent production environment, where ministers and senior executives can work paperless and fully mobile. Based on Danish experience, the first F2 projects have now been delivered in UK, US, France, United Arab Emirates and Germany, demonstrating government re-use of standards across borders.

How did we put mission into action in 2019?

In 2019 we invested significantly in getting even more transparency in the work processes and data control through the F2 base platform. Thereby, we enable government decision makers to set a higher level of transparency, data accessibility and archiving rules to ensure that "what should and could be shared also would".

In 2019 we have strenthend our solutions even more towards helping societies become more inclusive and open to all. Here's examples how.

- **Accessability for disabled users.** With the major F2 version 7 release, cBrain is introducing support for disabled and blind users, enabling them to perform case management with the F2 system. This ensures equal rights and opportunities for disabled

SDG 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

and impaired employees in government institutions.

- **F2 integration to local identity hubs.** Our platform now includes support for open.id connect, which in effect means that our self-service solutions can be used "out of the box". Accessing governmental and public self-services with identity hubs such as the Danish nem-id or the American us.gov makes it easy and secure for any citizen to access via their personal digital id-authentication.

- **MyCase** is a standardized concept, giving the cititzens full transparency in their case progress and status. From MyCase they can get an overview of their cases, utilizing the transparency that the F2 platform automatically provides 100% transparency is the citizens guarantee that he/she receives a good and fair service.

- We furthermore included a **two-factor aproval step** in the approval phase of granting money in our Grant Management module, helping to prevent fraud and corruption in financial matters.

With these initiatives our platform is now achieving even more accountability at all levels, helping to prevent fraud and corruption. 100% transparency in government services is the citizen's guarantee that he/she receives a good and fair process.

The conclusion is that standardised software allows public institutions to transform themselves to digital working environments that have the potential of creating higher levels of efficiency, accountability and transparency. This has a positive effect on the population's satisfaction with the public sector, consequently fostering trust in governmental institutions. SDG 16 expresses the need for this change and we will be working to help as many governmental institutions as possible to transform.

Responsible business

At cBrain we do our utmost to be trustworthy, responsible and ambitious in all business activities that we undertake. Integrity is essential if we want to make a positive impact on the world. This part of the report, therefore, assesses how we conduct responsible business.

For us, the very basis of conducting responsible business is to comply with all applicable national and international laws. Further, it is important for us to contribute positively to both our internal and external environments beyond what is required from us by law. Our policies, which are based on the UN Ten Principles and cBrain's core values, reflect this responsibility.

To make sure that we continue to be ambitious we have established a CSR committee with dedicated resources led by the CEO and monitored by the CFO. The board of cBrain will oversee the activities of this committee to ensure that cBrain continues to act responsibly and pursue a business strategy, which is in line with the goal of SDG 16.

Our policies to ensure responsible business

The Ten Principles of the UN Global Compact offers guidelines for how companies can conduct responsible business. The principles are split into four sub-areas, which are human rights, labour rights, environment, and anti-corruption.

We have incorporated these sub-areas into our way of doing business and this is reflected on the next page.

UN GLOBAL COMPACT

COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Initiatives and goals 2020

ACTING RESPONSIBLE

Human Rights
Labour Rights
Environment
Anti-corruption

In 2019 we have implemented our Code of Conduct to ensure that all employees have clear guidelines detailing how to act responsibly. The Code of Conduct has become an integrated part of our onboarding programme, including teaching and testing new employees to ensure their understanding and compliance with the policy. Furthermore, we have initiated a yearly brush-up session and test for all employees to check the levels of awareness and knowledge of cBrains Code of Conduct and relevant policies.

During 2019 all employees were invited to a CSR workshop where everyone could share their view and ideas on how cBrain can act even more responsible.

In 2019 we have developed and implemented different policies and activities, eg.

- Our diversity policy to communicate that we have an active focus on diversity when hiring and promoting employees.

- As a part of our health policy, we now offer all employees a free vaccination against influenza.

- As we are expanding internationally we have developed and implemented a separate tax policy to establish principles and guidelines for the company's actions in relation to tax issues.

- The Supplier Code of Conduct has been created to ensure that all suppliers to cBrain act in a responsible manner by integrating social, ethical, and environmental standards.

ENVIRONMENTAL CARE

Environment

To reduce the negative effect that our transportation has on the environment we have given our employees the opportunity to use electrical bikes free of charge when they are travelling within working hours.

EMPLOYMENT CONDITIONS

Labour Rights
Human Rights

We have established cUniversity as a platform for education for employees, partners and F2 expert centers. In this regard, we have used considerable resources on the development of our introduction program for new employees. This is to ensure that all employees are aware of what is expected of them and have a good understanding of how to act appropriately.

cBrain spend significant resources on securing high availability to F2 and have tested F2 up against standards like DIN EN ISO 9241-171, DIN EN ISO 9241-

110 and DIN EN ISO 9241-11 and hereby made sure that barriers to use F2 is low.

We have developed and implemented an employee handbook which provides employees with all the necessary information they need to act in line with our values and regulations.

To ensure the wellbeing of our employees we have started offering all employees a free vaccination against influenza.

SDG AWARENESS INITIATIVES

SDG's

As 2018 was the year where we positioned ourselves in relation to the SDG's, in 2019 we focused on making sure, that the organisation understands how we as a company contribute to a sustainable development and which responsibilities we take upon ourselves to act responsible. We have been doing so by creating internal educational and informative initiatives, fx:

- Integrating the Code of Conduct to our onboarding programme, including teaching and testing new employees to ensure their understanding and compliance with the policy.

- Initiating a yearly brush-up session for all employees of the Code of Conduct as well as formal testing the levels of awareness and knowledge of cBrains Code

of Conduct and relevant policies.

- Inviting all employees to a CSR workshop where everyone was given the chance to share their view and ideas on how cBrain can act even more responsible.

Furthermore, we have been hosting delegations with high ranking officers and politicians and attending meetings with foreign countries visiting Denmark. We have been giving lectures on "The Danish Model" and how Denmark has become a leader in public sector digitalisation and how our commitment to SDG 16 can help to create strong public institutions. cBrain has during 2019 hosted delegations from Ukraine, Rumania, UAE, Thailand, Indonesia, Israel etc.

PROTECTION OF CUSTOMER RIGHTS

Human Rights

ISAE 3000 is implemented. ISAE 3000 is the standard for assurance over non-financial information and the standard consists of guidelines for the ethical behavior, quality management and performance of an ISAE 3000 engagement. Generally, ISAE 3000 is applied for audits of internal control, sustainability and compliance with laws and regulations.

ISAE 3402 is implemented on selected, relevant processes. ISAE 3402 is an international service organization assurance standard provided by accountants. It is documenting that a service organisation has adequate internal controls.

Yearly ISO 27001 assessment passed.

KNOWLEDGE SHARING

Sustainable Society Building

By offering student jobs and internships, we are contributing to educating the future workforce.

We continuously contribute to our surrounding society with events, talks, lectures, articles and book publishing to share our knowledge and learnings of digitalisation.

Active participation in advisory boards to ensure that educational institutions educate students within relevant fields of expertise. We participate in advisory boards at University of Copenhagen, Copenhagen Business School, IT University of Copenhagen and Technical University of Copenhagen.

Development of norms and standards within digitalisation through political work and knowledge sharing.

cBrain has hosted delegations from Ukraine, Rumania, UAE, Thailand, Indonesia, Israel etc. and participated in one-on-one meetings with small groups of high-ranking officers from several countries focusing on the theme "The Danish model" and how Denmark has become the leading country in e-government and cBrains contribution to and experience from this journey.

2020

The Supplier Code of Conduct initiative established in 2019 has been well accepted amongst vendors and with positive feedback. We will in 2020 continue and finalize the implementation of the Supplier Code of Conduct and incorporate the Code in Vendor selection processes.

cBrain has invested significantly in resources in securing that F2 can be used by disabled people. This has been recognized in Germany, where F2 now has been approved by the "Mitarbeiterratt". cBrain will in 2020 continue to invest in this field in order to follow international standards.

F2 is designed to support paperless work and thereby reducing the use of paper. cBrain will strengthen the focus on this dimension in our implementation models and thereby help customers to save paper. We will reduce our internal use of paper by campaigns and optimizing settings. Regarding food waste, we will enhance the existing arrangement where employees can bring spare food home after work by systemizing and supporting the process and tools, and thereby ensure less food waste.

In 2020 we will further strengthen our training platform – cUniversity – helping onboarding customers, employees and partners to cBrains methods and tools such as Digitial Bureaucracy Model, Step Diagramming, The Wave implementation model, cWays tools etc., and hereby making sure, that the power of the F2 universe is released resulting in increased efficiency, transparency and job satisfaction.

cBrain will continue to support high availability to make sure that barriers for users to get the full advantage of F2 is a low as possible.

We will improve our headquarter office space to provide a better indoor climate for our employees and visitors. We will reduce noise and our ventilation system will be improved.

In 2020 we will launch initiatives focusing on Africa and Eastern Europe to promote building accountable and transparent institutions by the use of digitalisation based on the Digital Bureaucracy Model.

In 2020 we will continue to educate new employees, having SDG's events and performing a yearly brush-up and test of the Code of Conduct.

We will be participating in workgroups addressing how digitalization can act as a lever to support the implementation of the SDG's.

ISAE 3402 are to be further implemented.

Cyber Risc program to be extended.

In 2020 we will continue to take active participation in advisory boards to ensure that educational institutions educate students within relevant fields of expertise. We will also continue the development of norms and standards within digitalisation through political work and knowledge sharing. cBrain is actively engaged in The Confederation of Danish Industry and The Danish IT association.

We will continuously contribute to our surrounding society with events, talks, lectures, articles and book publishing to share our knowledge and learnings of digitalisation.

Internal assessment based on the ESG Standards

ESG STANDARD	2019	2018	REFERENCES
ENVIRONMENT (E)			
E1 **GHG Emissions** Annual amount of GhG emissions at headquarters (tons CO2)	94,7	98,6	
E2 **Emissions Intensity** Annual amount of GhG emissions per million euro of revenue produced (tons / MEUR)	7,4	8,9	
E3 **Energy Usage** Total amount of energy consumed at headquaters (MWh)	532,6	584,8	
E4 **Energy Intensity** Total direct energy usage per output scaling factor	N/A	N/A	
E5 **Energy Mix** By quantifying the specific energy sources most directly used by the company	N/A	N/A	
E6 **Water Usage** Annual amount of water consumed at headquarters (m³) Annual amount of water reclaimed at headquarters (m³)	858,6 0	599,9 0	
E7 **Environmental Operations** Does the company follow a formal Environmental Policy? Does the company follow specific waste, water, energy, and/or recycling polices? Does the company use a recognized energy management system?	Yes No No	Yes No No	www.cbrain.com/about/csr/policies (Environmental Policy)
E8 **Climate Oversight / Board** Does the Board of Directors oversee and/or manage climate-related risks?	No	No	
E9 **Climate Oversight / Management** Does the Senior Management Team oversee and/or manage climate-related risks?	No	No	
E10 **Climate Risk Mitigation** Annual investment in climate-related infrastructure, resilience and product development	–	–	
SOCIAL (S)			
S1 **CEO Pay Ratio** CEO total compensation to median FTE total compensation Does the company report this metric in regulatory filings?	3,67 : 1 No	5,02 : 1 * No	Note* Average FTE total compensation was used in 2018
S2 **Gender Pay Ratio** Median male salary to median female salary	1,32 : 1	1,48 : 1 **	Note** Average male and female salery was used in 2018
S3 **Employee Turnover** Full-time employees turnover ratio (%) Part-time employees turnover ratio (%) Contractors/consultants turnover ratio (%)	14 40 17	19 – –	
S4 **Gender Diversity** Total enterprise headcount held by women (%) Entry- and midlevel positions held by women (%) Senior- and executive-level positions held by women (%)	38 40 25	34 – –	
S5 **Temporary Worker Ratio** Total enterprise headcount held by part-time employees (%) Total enterprise headcount held by contractors and/or consultants (%)	9 5	– –	
S6 **Non-Discrimination** Does the company follow a sexual harassment and/or non-discrimination policy?	Yes	Yes	www.cbrain.com/about/csr/policies (Diversity Policy/Fair Labour Practices Policy)

ESG STANDARD		2019	2018	REFERENCES
S7	**Injury Rate** Total number of injuries and fatalities, relative to the total workforce (%)	0	0	
S8	**Global Health & Safety** Does the company follow an occupational health and/or global health & safety policy?	Yes	Yes	www.cbrain.com/about/csr/policies (Health Policy)
S9	**Child & Forced Labor** Does the company follow a child and/or forced labor policy?	Yes	Yes	www.cbrain.com/about/csr/policies (Fair Labour Practices Policy)
	Does the company's child and/or forced labor policy also cover suppliers and vendors?	Yes	–	
S10	**Human Rights** Does the company follow a human rights policy?	Yes	Yes	www.cbrain.com/about/csr/policies (Human Rights Policy)
	Does the company's human rights policy also cover suppliers and vendors?	Yes	–	

CORPORATE GOVERNANCE (G)

		2019	2018	REFERENCES
G1	**Board Diversity** Total board seats occupied by women (%)	20	0	
	Commitee chairs occupied by women (%)	50	0	
G2	**Board Independence** Does company prohibit CEO from serving as board chair?	Yes	Yes	
	Total board seats occupied by independents (%)	40	60	
G3	**Incentivized Pay** Are company executives formally incentivized to perform on ESG metrics?	No	No	
G4	**Collective Bargaining** Total enterprise headcount covered by collective bargaining agreement(s) (%)	0	0	
G5	**Supplier Code of Conduct** Are the company's vendors or suppliers required to follow a Code of Conduct?	Yes	No	www.cbrain.com/about/csr/policies (Supplier Code of Conduct)
	What percentage of the company's suppliers have formally certified their compliance with the code? (%)	50	–	
G6	**Ethics & Anti-Corruption** Does the company follow an Ethics and/or Anti-Corruption policy?	Yes	Yes	www.cbrain.com/about/csr/policies (Bribery and Anti-corruption Policy)
	What percentage of the company's workforce has formally certified their compliance with the policy? (%)	79	–	
G7	**Data Privacy** Does the company follow a Data Privacy policy?	Yes	Yes	
	Has the company taken steps to comply with GDPR rules?	Yes	Yes	
G8	**ESG Reporting** Does the company publish a sustainability report?	Yes	Yes	This report is our sustainability report of 2019
	Is sustainability data included in the company's regulatory filings?	Yes	Yes	
G9	**Disclosure Practices** Does the company provide sustainability data to sustainability reporting frameworks?	Yes	Yes	The UNGC framework is reflected in this report
	Does the company focus on specific UN Sustainable Development Goals (SDGs)?	Yes	Yes	
	Does the company set targets and report progress on the UN SDGs?	No	No	
G10	**External Assurance** Are the company's ESG disclosures assured or validated by a third party?	No	No	

HUMAN RIGHTS

Risks

We strongly believe that diversity contributes to ensuring quality and innovation in all of our activities. The company has almost doubled its size measured in headcount in 2 years, and we acknowledge that this demands a strong leadership and management focus to strengthen and promote diversity in relation to gender, ethnicity and cultural differences. We will, therefore, work to incorporate high levels of diversity in our operations.

As our products are dealing with citizens' data it is important that we focus on protecting these individuals from having their data misused or leaked to third parties. This risk is central for our operations, as public institutions need to be able to trust our products and services. To ensure quality we allocate substantial resources to product development.

Policy

cBrain fully supports and respects all parts of The Universal Declaration of Human Rights. This means that all internal, external, direct and indirect activities performed by cBrain must be in alignment with the declaration.

cBrain acts in line with The Universal Declaration of Human Rights and, therefore, treats all stakeholders fairly and does not engage in any discriminatory behaviour.

cBrain will only engages with suppliers who comply with The Universal Declaration of Human Rights.

ANTI-CORRUPTION

Risks

We are working to help governmental institutions deliver value to their citizens. It is, therefore, important that we have high standards for how to act with integrity. Since 2012, Denmark has ranked as either number one or two on the Corruption Perceptions Index performed by Transparency International. This means that we operate within a context where the threat of corruption is at its lowest. However, it does not mean that we should underestimate the importance of ensuring that we are not complicit in any forms of corruption.

As we expand our activities to new markets, we are operating within new contexts and cultures, where we can't automatically expect the same level of high standard, and thus, we need to be aware and continuously take measures to ensure our integrity.

Policy

We distance ourselves in all of our activities from any form of corruption. We will not be complicit in either direct or indirect corruption.

We will not be involved in bribery or any other form of activities that will unfairly benefit us or any other actors.

We do not perform activities that undermine market competition.

We do not perform aggressive tax calculations or use transfer pricing to avoid paying taxes in any country.

LABOUR RIGHTS

Risks

Our point of departure is Denmark, where legal requirements for employee rights are high and the cultural context both values and demands fair treatment. This means that all of our activities and internal processes are designed to fulfil these requirements and expectations. The cultural context has enabled us to adopt a value-based leadership style, which empowers our employees to act independently. Furthermore, we mainly hire highly educated personnel and this means that we need to offer competitive pay, benefits and working conditions to be able to attract the talent that we need to deliver high quality services and products.

The main risk concerning labour rights is that we fail to uphold our high standards when we hire personnel or engage with external stakeholders outside of Denmark's borders. The level of this risk will increase as we continue to explore new geographical markets in line with our business strategy. Up until now, we have had very few employees and partners operating abroad, but we expect that this number will increase significantly in the coming years.

Policy

cBrain will neither directly or indirectly be complicit in treatment of labour which is not in line with principle 3, 4, 5 and 6 of The Ten Principles of the UN Global Compact.

We commit ourselves to give our employees the best possible working conditions by continuously evaluating work processes and following industry trends for employee benefits.

We are actively working towards promoting a culture in cBrain that embraces a healthy balance between work and private life. We believe that we are only able to develop and deliver innovative products of high quality if all our employees are motivated.

To create a culture of creativity and innovation, all employees must feel confident in raising their ideas and concerns. We have, therefore, adopted a flat company structure where it is the quality of the argument rather than the title of the position that counts.

ENVIRONMENT

Risks

Our risk of effecting the environment negatively is relatively low due to the nature of our products and services. Digitisation limits paper usage in work processes and our products, therefore, contribute to a positive development in reducing resource consumption.

Policy

We commit ourselves to having the minimum possible impact on the environment. In all of our business activities the environmental impact of our actions should be recognised and minimised.

In cBrain we support a precautionary approach to environmental challenges. We do not conduct cost-saving initiatives which compromise environmental responsibility.

We are raising awareness about environmental challenges through committing our suppliers to act in line with principles 7, 8 and 9 of The Ten Principles of the UN Global Compact.

We are committed to delivering a product of high quality that creates transparent and accountable organisations. This is the very basis of ensuring an environmental development, since without transparency or accountability no actors can be held responsible for their actions.

F2 and Digital Bureaucracy

A fast track building block to the next generation digital government institution

Our Danish Customers

Danish Ministries

Ministry of Employment

Ministry of Industry, Business and Financial Affairs

Ministry of Finance

Ministry of Ecclesiastical Affairs

Ministry of Climate, Energy and Utilities

Ministry of Environment and Food of Denmark

Ministry of Taxation

Ministry of Social Affairs and the Interior

The Prime Minister's Office

Ministry of Transport and Housing

Ministry of Higher Education and Science

Ministry of Foreign Affairs

Ministry of Immigration and Integration

Agencies, Municipalities and Other Authorities

Danish Labour Court

Rail Denmark

Agency for Digitisation

Danish Meteorological Institute

Danish Energy Agency

Danish Business Authority

Agency of Family Law

Active Patient Support – Across Four Regions

The Evangelical Lutheran Church – The Deaneries

Gentofte Municipality

State of Greenland

IT University of Copenhagen

Copenhagen Municipality – International House, Copenhagen

Environmental Protection Agency

Agency for Modernisation

Odsherred Municipality

The Ombudsman for Greenland

The Ombudsman for The Faroe Islands

Roskilde University

Rudersdal Municipality

The National Board of Social Services

Agency for Governmental IT Services

Agency for Governmental Administration

Danish Agency for International Recruitment and Integration

Danish Maritime Authority

Agency for Development and Simplification

Vestforsyning Water and Heating

Vordingborg Municipality

Unions and Organisations

Danish Union of Teachers

Danish Unemployment Funds

Danish Psychological Association

Danish Union of Social Counsellors

Djøf – Union for Graduates in Social Sciences, Business and Law.

Danish Association of Occupational Therapists

Danish Association of Pharmacologists

The Danish National Union of Upper Secondary School Teachers

Danish Diet and Nutrition Association

Danish Medical Association

The Social Democratic Party of Denmark

Private Sector Companies

The Danish Bar and Law Society

Beierholm – State Authorised Auditing

Nilfisk – Manufacturing Company

Rambøll Management Consulting

Internationally we have customers and projects in the governmental and public sector in North America, United Kingdom, United Arab Emirates, Germany and France.

CBRAIN