

**CORPORATE  
SOCIAL  
RESPONSIBILITY**

**20  
23**



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.

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This CSR report covers the statutory reporting on 99a and 99d as per the Danish financial statements act.

§99a is covered within the sections ‘CSR in BEC’ as well as ‘Environment’, ‘Social’ and ‘Governance’ sections.

§99d is covered in the section ‘Governance’.

CODE.  
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TOGETHER

# EXECUTING ON OUR CSR COMMITMENTS

In an era where sustainability stands at the forefront as a driver for global development, we acknowledge our responsibility as a professional fintech company in both Denmark and Poland. Societal and regulatory expectations within sustainability continue to evolve, placing increasing demands on the landscape in which we operate, including the financial sector and within BEC.

Organized as a corporate association, social responsibility is by nature at the core of BEC's business and strategy. Owned by 17 small, mid-sized and large Danish banks, the BEC community develops and provides IT for small local as well as large national banks and financial institutions – contributing to safe, stable and resilient banking and continuing massive investments in compliance related IT solutions for the banks. Furthermore, we recognize our societal impact as a large employer in Denmark and Poland.

In 2023 BEC was first in Denmark to launch an ESG score functionality within the investment area in our mobile and net bank, allowing bank customers to see how investments are evaluated within environmental, social and governance aspects. The demand for more IT solutions supporting the banks' work with sustainability will keep rising the coming years, and BEC will continue supporting the banks to meet the requirements and trends.

In 2023 we continued developing our efforts in BEC internally as well. We strengthened our CSR reporting, launched several diversity initiatives and took important steps regarding our environmental impact and how to minimize our footprint.

This focus will continue in 2024, with the ambition to always conduct our business in a sustainable manner being aware of our broader impact on the environment and society. Furthermore, we will continue to concentrate on creating an attractive and sustainable workplace. This is, among other things, achieved through strong leadership practices, ensuring that our emphasis on sustainability is anchored and shapes our organizational culture.

This is BEC's tenth separate reporting on corporate social responsibility. The report elaborates on BEC's corporate social responsibility activities mentioned in our annual report for 2023. It constitutes at the same time BEC's statutory reports on social responsibility and data ethics, according to the section in the Annual Accounts Act 99a, and 99d.

**JESPER NIELSEN**  
CEO



## KEY DELIVERIES IN 2023



Implemented ESG score functionality within the investment area in our mobile- and netbank



Committed to concrete targets for gender, age and citizenship for management levels within BEC



Participated in the Equality Parade in Warsaw, Poland for the first time



Development of expanded anti-money laundering solutions to combat financial crime



Improved data quality in GHG report due to broader scope and legal requirements. Preparing for CSRD



Implemented requirement for diversity in all recruitment processes of BEC



2.

# CSR IN BEC

## BUSINESS MODEL

BEC is a Danish full-service IT house with more than 1,700 people in Denmark and Poland. BEC has over 50 years of experience developing and operating IT for banks and other actors in Denmark's financial sector.

As an Amba cooperative association, owned by 17 small, mid-sized and large Danish banks, the BEC community provides IT for small local as well as large national banks.

BEC is a key player in Denmark's financial infrastructure and thus Denmark's financial stability. 22 percent of Danes and 30 percent of Danish companies (measured by NemKonti) have their main bank connection via one of the banks operating on BEC's IT platforms. Also, BEC operates IT systems for core institutions such as Danmarks Nationalbank (the central bank of Denmark) and Finansiel Stabilitet (an independent public company working to ensure financial stability in Denmark).

BEC's most significant impact is to support a safe, stable, and resilient financial infrastructure. This contributes to straightforward banking services, trust in financial institutions, and prosperity for customers in Danish banks and thus Danish society.

It is fundamental to BEC's and our customers' businesses to support that everybody in Denmark has equal rights to economic resources, appropriate new technology and financial services.

It is also fundamental to our business to ensure the necessary IT systems for the Danish financial sector to live up to Danish and European regulation on, for example, anti-money laundering, investor protection, personal data protection and financial stability.

As a mean to integrate and structure CSR into BEC's business, BEC has adopted the UN Global Compact principles into our CSR Policy.



## HUMAN RIGHTS

1. BEC should support and respect the protection of internationally proclaimed human rights; and
2. Make sure that BEC is not complicit in human rights abuses.



## LABOR RIGHTS

3. BEC should uphold the freedom of association and the effective recognition of the right to collective bargaining; and
4. Support the elimination of all forms of forced and compulsory labor; and
5. Support the effective abolition of child labor; and
6. Eliminate of discrimination in respect of employment and occupation.



## ENVIRONMENT

7. BEC should support a precautionary approach to environmental challenges; and
8. Undertake initiatives to promote greater environmental responsibility; and
9. Encourage the development and diffusion of environmentally friendly technologies.



## ANTI-CORRUPTION

10. BEC should work against corruption in all its forms, including extortion and bribery.

**FURTHERMORE**, BEC's CSR strategy is aligned with the corporate strategy and manifested in three focus areas, which are linked to the sustainable development goals and have been elaborated with both long-term goals and focus areas. The overview below shows the current framing and guiding of our sustainability work, which will be elaborated further in the coming years.







## NAVIGATING FUTURE SUSTAINABILITY REQUIREMENTS

New legislation is arising within the sustainability area, and BEC must at any time comply with them to live up to the expectations of society, our customers, employees and other key stakeholders. The legislation aims to enhance traceability, transparency and accountability.

One of the new requirements which BEC needs to comply with is the Corporate Sustainability Reporting Directive (CSRD). The size of BEC means that we will be included in the second wave of the implementation of the directive, meaning from the 2025 annual report.

Specific requirements are set for the process to define the scope of the legislative requirements that apply for BEC. In 2023 this work was initiated with support from an external advisor and done through a double materiality assessment (DMA).

The DMA identifies sustainability impacts, risks, and opportunities within Environment, Social, and Governance (ESG) areas. Areas deemed material for BEC will outline the scope of the reporting requirements.

The DMA was conducted primarily as an internal assessment based on interviews and review sessions with internal key BEC stakeholders. Before the first reporting cycle the DMA will have to be verified with a broader stakeholder group. Outcome of the DMA states that BEC is in scope for 8 out of 12 European Sustainability Reporting Standards (ESRS). Working with the requirements in the 8 ESRS will be a priority in 2024.

Additional corporate sustainability legislation will be introduced over the coming years, which BEC also must comply with.



## GOVERNANCE SUPPORTING THE SUSTAINABILITY WORK

BEC's commitment to work with corporate social responsibility includes employee, environmental and climate matters, anti-corruption, and to support, respect and protect human rights, which is documented in BEC's code of conduct and BEC's CSR policy.

BEC has used the term CSR as an umbrella for a variety of matters for a long period of time. Going forward the term Sustainability will be used instead, as it broadens the range of topics, as well as ensures focus on long-term goals and value creation. Furthermore, Sustainability is more in line with the legislative terms.

Complying with the new EU legislations requires a more structured and cross functional approach. Governance has therefore been revised to better enable implementation of new requirements and place the ownership for corporate sustainability compliance and strategic initiatives with one member of the executive board. This ownership is placed in the division of People & Communications, with the executive board as decision body, and the Board of Directors having the oversight on sustainability. The day-to-day work is handled by the sustainability team.



# THE UN SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) approach global challenges with a comprehensive and holistic perspective. Through our business, BEC actively contributes to six of the SDGs. These goals represent key areas where our company aligns with global initiatives to make a positive impact and drive meaningful change with our business activities. To show how we contribute into the selected goals, we have outlined the goals to which BEC particularly contributed in 2023.



## Quality education

At BEC, our commitment to invest in inclusive and equitable education and training not only secures opportunities, but also contributes to strengthen societies. Examples of activities are our talent program and our leadership academy, where managers are trained in elements of sustainable leadership. Furthermore, we collaborate with local partners on projects, fostering an impact on individuals and communities.



## Gender equality

At BEC, we believe that fostering a diverse and inclusive workplace both enriches our culture and drives innovation, better decision making and success. Our management teams are committed to achieving targets on three key diversity factors with one of them being gender equality.



## Affordable and clean energy

At BEC, we are committed to focus on energy-enhancing initiatives, both within areas controlled by ourselves and via our suppliers. As co-owner of JN Data we have participated in contributing to ensuring new renewable energy to the power grid via a strategic Power Purchase Agreement.



## Decent work and economic growth

At BEC, we prioritize flexibility and good working conditions at the office. We wish to strengthen the collective, and we monitor and make sure we have equal and fair pay. We are committed to foster a work culture that promotes well-being and an inclusive working environment. BEC is an organized company and a member of the Danish Employers' Association for the Financial Sector.



## Reduced inequalities

At BEC, we have several initiatives focusing on fostering a diverse and inclusive work environment securing equal opportunities for all. We focus on addressing systemic inequality and promote fair practices. By prioritizing diversity in our workforce, we contribute to creating a more equal society.



## Peace, justice and strong institutions

At BEC, we are dedicated to promoting good governance and combating organized crime. Our commitment to good, strong, and ethical practices, as well as product development combating crime, contributes to building a safe and more secure global community.



3.

# BEC AND OUR IMPACT ON THE DANISH SOCIETY



## OUR COMMITMENT:



Ensure a stable financial infrastructure for the Danish society.

BEC's specialists collaborate closely with financial institutions on ambitious IT solutions and long-term modernization of the shared IT platform. BEC's IT deliveries ensure that financial institutions can meet numerous regulatory requirements and provide bank customers with increasingly secure and user-friendly financial services.

### A SECURE, STABLE AND RESILIENT FINANCIAL INFRASTRUCTURE

Secure, stable, and resilient IT systems for BEC customers in the financial sector provide an important financial infrastructure for citizens in a modern digital society. It ensures stability, transparency and confidence in economic transactions, fostering a robust foundation for sustainable growth and investment.

At the same time, a digital society entails risks of misuse, data leakage and data loss, which can compromise the fundamental rights to privacy and data protection. BEC's main risks of adverse effects on society are thus that our IT systems can be compromised in terms of integrity, confidentiality, and availability. These risks are addressed and mitigated through BEC's comprehensive systems, processes, and audits.

BEC has established and implemented a personal data policy, business procedures, guidelines etc. for the protection of personal data. BEC has personal data responsibilities both as a data processor (handling personal data on behalf of banks and other BEC customers) and as a data controller (namely handling employee data). Our strict processes ensure continuous focus on personal data protection.

BEC measures and reports the availability of its key systems to our customers. For each system, service goals have been defined, which thus constitute BEC's most important non-financial key performance indicators.

BEC contributes with knowledge to the Financial Sector Forum for Operational Robustness (FSOR) established on the initiative of Danmarks Nationalbank and in the sector partnership Nordic Financial CERT.

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[Read more about risks and processes for IT operations and security, and BEC's participation in cyber security activities in BEC's annual report](#)

### STREAMLINING SYSTEMS AND EMBRACING INNOVATION

BEC is actively working on modernizing and upgrading our system landscape.

In 2023, we successfully closed down 78 outdated systems. Our approach follows a strategic simplification path and an ambition of acquiring and integrating state-of-the-art solutions from market leaders instead of developing them in-house. This not only adds a higher level of tech standardization but also aligns us with market trends, enhancing our ability to deliver better and faster solutions and creating most value for our customers.

Furthermore, BEC in 2023 continued our journey towards a more open, scalable and efficient architecture, emphasizing widely used technologies from leading partners. This step-by-step process aims to reduce complexity and provides the flexibility to replace solutions that no longer meet the evolving needs of banks with modern open alternatives.

### NEW ANTI-MONEY LAUNDERING TOOL

In our ongoing commitment to combat financial crime, BEC continued development of advanced Anti-Money Laundering (AML) tools in 2023. Those tools enhance our efforts to uphold the highest standards in anti-money laundering, data protection and overall financial sector stability.

BEC's significant investments in AML-tools and other compliance related solutions empower BEC banks to deliver secure, safe, and responsible financial services. Over the past decade, our development costs in the compliance area have risen and investments will continue at a very high level in the coming years.

The expanded transaction monitoring solution introduced in 2023 enhances risk coverage for BEC financial institutions and selected service customers. Additionally, the development of new solutions for screening customers and transactions, set for implementation in 2024, underscores BEC's commitment to proactive and cutting-edge AML measures.



[Read more in BEC's annual report about \*\*our work with AML\*\*](#)

## DEVELOPING SOLUTIONS TO SUPPORT SUSTAINABLE FINANCE

In 2023 EU continued to introduce and further develop extensive legislation within the overall sustainability agenda. EU's agenda for the financial sector is, first and foremost, to influence the moving of funds into a green transition and, at the same time, secure that the financial sector meets requirements for the green transition and becomes resilient to the risks in the ESG area such as climate change, environment degradation and transition risks.

Among the latest requirements is the European Sustainability Reporting Standards (ESRS) implementing the scope and quality in sustainability reporting according to the Corporate Sustainability Reporting Directive (CSRD). Furthermore, the change of the EU Taxonomy Environmental Delegated Act including the remaining environmental objectives (Water, Pollution, Circular Economy and Biodiversity) and amending the Climate Delegated Act by adding criteria for new activities for the existing objectives (climate change mitigation and climate change adoption). These regulations set additional new requirements for detailed sustainability reporting on a wide range of parameters, which the banks are subject to, and which they must apply, e.g., in connection with providing loans for bank customers.

Through a sector collaboration, BEC has made climate data available for a part of the properties on the Danish market (primary water related data and hazards). This data is now available to the BEC's customers.

In 2023 BEC further developed and optimized our IT solutions supporting the comprehensive legal requirements related to sustainable investment reporting. Optimization included the sourcing and utilization of ESG data from the internationally leading provider of ESG-data MSCI. The data are used across BEC's ESG-solutions and establishes a solid basis for further development of our solutions for sustainable investments in the coming years.

In addition, BEC has introduced the ESG-dimension in the important investor protection area of product governance, and the advisors in BEC's banks can now validate the ESG preferences of the end client (collected in BEC's Digital Investment Guide) up against the ESG characteristics of investment products of interest for the end-client.

The increasing level of requirements is expected to continue in the coming years and will affect BEC's customers' requirements for ESG data and IT systems to support this. BEC is together with member banks participating in collaborations in the sector to follow the many new requirements.

## INTRODUCING ESG SCORE IN ONLINE BANKS

In 2023 BEC was first in Denmark to launch an ESG (Environmental, Social and Governance) score for online bank on mobile devices and computers.

This new solution allows bank customers to view an ESG score for each investment product directly within their mobile or online bank. The scores cover various investment types, including stocks, bonds, and investment funds. Additionally, customers receive an ESG score for their overall investments and specific sub-portfolios.

The new ESG score, powered by MSCI ESG Ratings, provides insights into how investments are evaluated in terms of their performance in environmental, social and governance aspects. Marking a significant stride in BEC's ongoing commitment to support sustainable and transparent practices, this initiative supports new standards in the financial industry, providing more transparency and adding new tools for customers in their investment choices.

After the launch, we saw increased use of the investment universe, where more than 25 percent of all logins engaged with the universe. Simultaneously, the new ESG score quickly became the third most used feature in the investment universe in the two platforms.

This initiative from BEC is an example of how we strive to provide new tools that support the banks' work with sustainability.

## 4. ENVIRONMENT

# IMPROVING OUR ENVIRONMENTAL FOOTPRINT



### OUR COMMITMENT:



Improve our environmental footprint as an operating corporation.

In a time where the world is facing significant environmental challenges, everybody has a responsibility to act. With more than 1.700 employees BEC acknowledges our responsibility, and we are continuously taking steps forward to make a positive impact. First step is to get an understanding of where our main environmental impact lies, which our Greenhouse Gas (GHG) emission report will guide us in understanding. In this section we present our GHG emission report, detailing our accomplishment in 2023 and outlining our aspirations for 2024.

### CORPORATE CARBON FOOTPRINT ANALYSIS FOR 2022

The purpose of creating a Greenhouse Gas (GHG) inventory is to quantify and report the amount of greenhouse gas emissions generate because of our activities. This serves the purpose to monitor, evaluate and drive continuous improvements.

Again in 2023 BEC's GHG report was made for the accounting year 2022, as the marked-based emission factor was not known until summer 2023. The report is conducted in line with the GHG protocol and accounts for emissions from scope 1, 2 and 3. The 2022 report represents a milestone, providing us with the possibility to systematically track and analyse data, with the 2021 report as our benchmark.

In our efforts to improve data quality and the total scope of our emissions, scope 3 has been expanded to include Employee Commuting and hereby all scope 3 Upstream categories. Furthermore, several categories in scope 3 have been refined due to improved and more granular data.

The report is based on an analysis of all BEC's own activities, and a screening of JN Data scope 1-2 because BEC in 2022 owned 26,9 percent of JN Data, who provides IT operations and infrastructure to BEC. Data from JN Data is included in BEC's scope 3 emissions, as defined in the Greenhouse Gas Protocol, as they are part of our value chain and thus BEC's scope 3.

As our understanding of our other supplier's carbon footprint deepens, we will include their emissions within scope 3.



### POLICIES AND OBLIGATIONS

BEC's environment work is guided by and our CSR Policy, hence we do not have a separate environment policy.

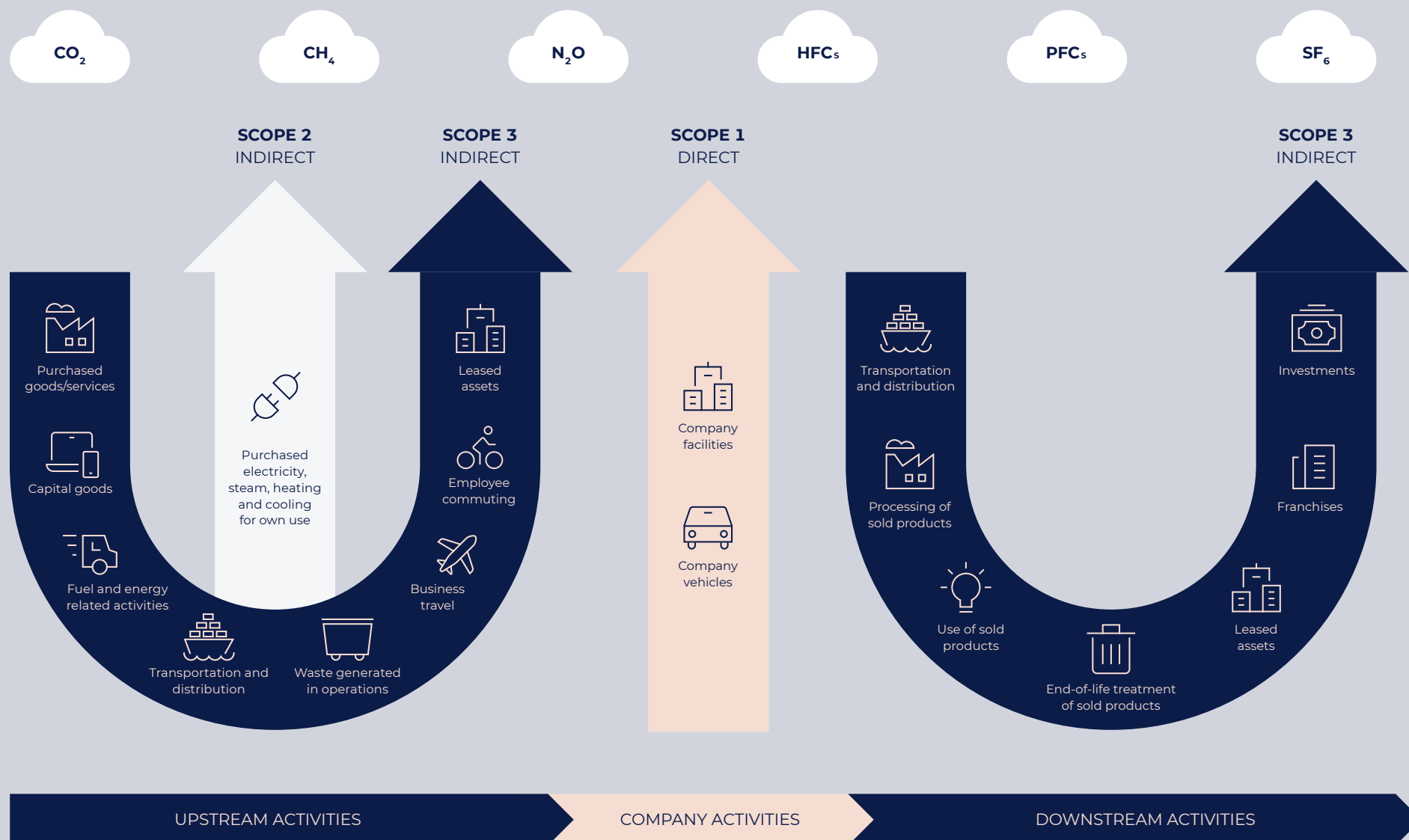


### RISK

Our internal business operations pose environmental risks, in terms of energy consumption, transportation, procurement, water usage and canteen operations. All these aspects have an impact on our carbon footprint. To mitigate this risk, we are implementing specific initiatives aimed at reducing the Co2 emissions from our operations, e.g., installing solar panels and making a screening of our building to identify specific initiatives to reduce electricity usage.

# ILLUSTRATION OF THE GHG PROTOCOL'S THREE SCOPES AND THEIR DIFFERENT EMISSION ACTIVITIES.

The Greenhouse Gas Protocol (GHG), is a recognized international standard that calculates the emission of greenhouse gases converted into CO2 equivalents, divided into three scopes. BEC's calculated emissions are based on this standard.



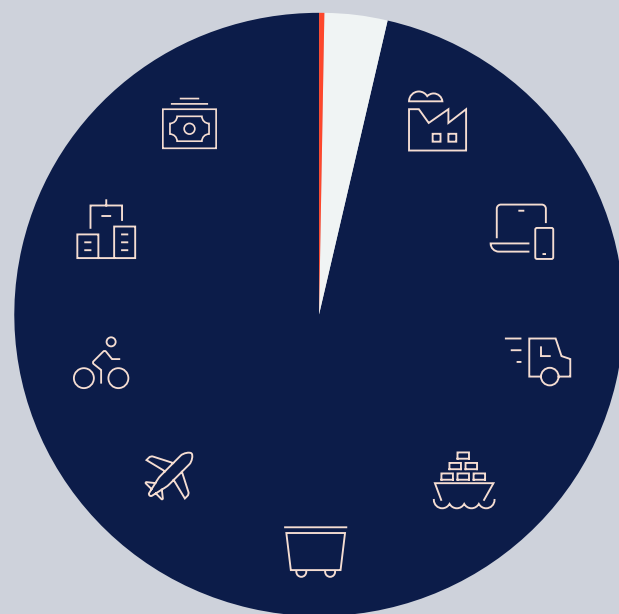


**TOTAL EMISSIONS** The total amount of emission in the three scopes, based on the available data for 2022, was:

- **Total location-based:** 17.621 ton CO2 equivalents
- **Total market-based:** 15.786 ton CO2 equivalents

**MARKET-BASED** power is the electricity a company buy financially. When a company buys electrical power certificates, it is market-based green (wind, solar, water), but location-based the company still has a CO2 emission. The company simply has compensated the power consumption to zero emissions through an individual declaration ensures green electricity.

**LOCATION-BASED** power calculates emissions based on the average emission intensity that the electricity grid physically delivers where the company uses the electricity – for us either Denmark or Poland. Location based corresponds to the environmental declaration i.e., the power that is physically delivered in the network.



#### SCOPE 1 IN BEC

The direct emissions in scope 1 come from 11 leased company vehicles. Low-emission cars are being considered every time a leasing period expires. Scope 1 account for **0,3 percent** of BEC's total emissions, which is on the same level as in 2021.

#### SCOPE 3 IN BEC

The indirect emissions in scope 3 are a consequence of BEC's activities but occur at sources owned or controlled by another company.

Scope 3 accounts for **88,8 percent** of BEC's total emissions, which reflects a decrease from last year (90,4 percent).

#### SCOPE 2 IN BEC

The indirect emissions in scope 2 originate from the consumption of electricity and district heating that is produced outside of BEC's control or ownership. Scope 2 accounts for **10,9 percent** of BEC's total emissions, which reflects a rise from last year (9,3 percent).

**4,0 percent** of BEC's scope 2 emissions originate from heating, and **96,0 percent** originate from location-based electricity. It is though worth noticing that our Warsaw office is heated with electricity, which in that way makes the figures look uneven.

The impact from electricity is reduced by purchased wind power certificates. Due to wrongly reported consumption figures from the Warsaw office in 2022, the purchased wind certificates do not cover our full consumption in both Denmark and Poland as intended, but instead ends at a **62,7 percent** coverage.



1. Purchased goods/services



2. Capital goods



3. Fuel and energy related activities



4. Transportation and distribution



5. Waste generated in operations



6. Business travel



7. Employee commuting



8. Leased assets



15. Investments

**SCOPE 3 UPSTREAM**

**SCOPE 3 DOWNSTREAM**





### SCOPE 3 DOWNSTREAM

BEC's scope 3 downstream originates from JN Data's scope 1 + 2, with the primary contributor being electricity. In 2022 BEC owned 26,9 percent of JN Data who runs most of BEC's IT operations. In 2022 JN Data's electricity usage was covered with 75 percent through wind certificates and 25 percent via a wind turbine.

Since January 1st, 2023, JN Data has been using electricity produced in a solar park to cover their electricity consumption. In case the committed amount of electricity from the solar park did not cover JN Data's actual usage, the rest would be covered by a wind turbine.

In 2023, all JN Data's electricity consumption was covered by the Power Purchase Agreement (PPA) made with Better Energy, continuously securing that all electricity usage was environmentally friendly. Simultaneously, the surplus heat from the data center was shared with numerous local families in Silkeborg where JN Data has a location. These solutions, lead to JN Data winning the award "Dansk Erhverv-prisen 2023".

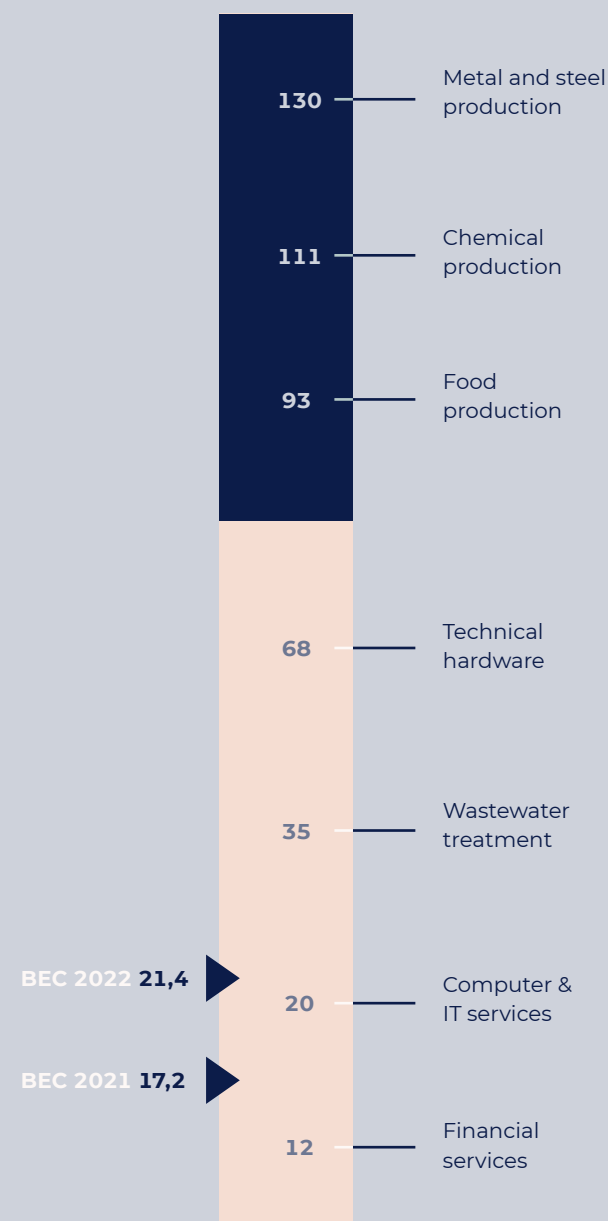
As a co-owner of JN Data, BEC also gained benefits, as our IT operations in JN Data were powered by electricity from the solar park. Moreover, BEC's share of electricity usage decreased in 2023, as JN Data has lowered their overall energy consumption through implementation of several power-saving measures in 2023.

# CARBON FOOTPRINT RESULT

GHG emissions are analysed in relation to net turnover per million Danish Krone (mDKK), providing results in terms of ton CO<sub>2</sub>-eq emissions. This method enables a meaningful comparison of carbon intensity across different sectors. The method is especially suitable for comparing companies within the same industries. This comparison helps to understand how efficiently a company is generating revenue relative to its environmental impact.

The 2022 report on greenhouse gas (GHG) emissions revealed a 24.4 percent increase in net carbon intensity compared to the baseline year. This mainly due to a reduction in BEC turnover from 2021 to 2022.

If the 2022 turnover was the same as in 2021 then the result would have been 17.0 instead of 21.4.



Scale: refers to the standard used to assess the relationship between net turnover and CO<sub>2</sub>-eq. emissions.

# ACTIVITIES TO SUPPORT OUR ENVIRONMENTAL COMMITMENT

We are implementing measures to reduce our own CO2 emissions both on an ongoing basis and as part of more strategic initiatives. This also involves efforts to raise climate awareness among our employees through sustainability-promoting initiatives.

## In 2023 we have worked on several initiatives

- A conversion to LED lightning has been successful and around 90-95 percent of BEC lighting is now LED. However, the conversion of emergency lighting is a separate project. This is planned for a completion in Q1, 2024.
- Establishing solar panels at BEC's location Havsteensvej has taken longer than expected, due to unforeseen issues. An analysis for the best solution including a business case will commence in February 2024.
- In 2023, all employees received new computers, due to a focus on standardization for support ease. A robust take-back agreement ensured responsible disposal of old PC's, with 86 percent being reused and 14 percent recycled through a transparent process. Out of the 14 percent being recycled only 2,4 percent went to landfill (8 units). The new computers were bought with carbon offset services and are TCO certified. This is a certification given to products that meet specific environmental and sustainability standards, and hereby reflects our commitment to sustainability.
- Following our office upgrade, surplus furniture needed proper handling. Our supplier handled this via a sustainable solution through acquisition and donation networks, with disposal as the last option. In 2023, 222 pieces were sold, and 195 were donated, which is perfect in line with our commitment to both act responsible and our community engagement.
- In December 2023 we had a new Facility Management partner joining BEC. We are confident that this strategic partnership will support our sustainability efforts in many aspects, as they hold a Gold status with EcoVadis for their sustainability efforts, ranking them in the top 5 percent globally.
- Having collected a year's worth of data from both supply and on-site consumption, our cleaning partner and BEC now have valuable insights and we can establish a foundation for future initiatives.

## INITIATIVES IN THE COMING YEAR

When looking ahead, it is BEC's clear ambition to lower our environmental footprint, both within areas controlled by ourselves as well as via our suppliers. To do so optimizing data collection and analysis form the foundation for a better understanding of where the opportunities are and how to utilize these.

Below our three committed focus areas – including concrete activities and targets.

### Lowering of BEC's greenhouse gas emissions

BEC wants to maintain the 2023-level of travel by flight to and from Warsaw in 2024 despite the upscaling in Poland. This includes an update of the travel policy to secure the right guidance.

A "No Cure, No Pay" screening of our buildings and FM assets on Havsteensvej will be made, leading to a concise overview of possible initiatives and projects to reduce electricity usage. Target is to reduce BEC's overall electricity usage by 10 percent from 2023 to 2024.

### Responsible waste reduction behavior

BEC will implement an extended waste recycling and reduce the total amount of both waste and residual waste by 10 percent. The focus will be "reduce, reuse, recycle and donate."

### Reinforcing requirements to suppliers to reduce CO2 emissions

BEC will implement sustainability requirements for all suppliers, scaling the requirements level. On a yearly basis, BEC's largest suppliers must present a climate report (GHG mapping) and an Environmental Product Declaration (EPD) or similar for the delivery of physical products. BEC will implement the above requirements when signing a contract with all large new suppliers and when renegotiating the contracts of current large suppliers.

Furthermore, BEC will continue to improve the overview of our environmental footprint in our GHG report by enhancing the data granularity even more to provide more details.

## INITIATIVES ALREADY IN PLACE

Besides initiatives made in 2023 and planned for in 2024, BEC already has several ongoing efforts in place to support our commitments. No chemistry is used for our outdoor maintenance at our biggest location on Havsteensvej, and weeds are only removed with hand-craft or garden tools. This eco-friendly approach has been part of our outdoor practices for several years.

BEC did in 2020 establish four charging stations with eight plugs for electric cars at BEC's parking lot on Havsteensvej. The installation was at that time designed for future expansion to accommodate potentially additional demand. In 2023 it was decided to expand the charging capacity from four stations with eight plugs, to seven stations with a total of fourteen plugs. The new charging stations will be ready in February 2024.

In 2022 we started lowering the temperature to 21 degrees celsius in office buildings and we have night lowering on the ventilation system to reduce our energy consumption. This will continue as it both ensures a comfortable temperature for employees and maintain our focus on reducing energy consumption.

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### KEY DELIVERIES IN 2023

- Improved data quality in GHG report due to broader scope and improved and more granular data.
- Proper handling of surplus furniture through acquisition and donation networks.
- New Facility Management partner with a gold status from EcoVadis for sustainability efforts
- TCO certification on new computer and responsible take-back agreement of the old ones, with 86 percent being reused and 14 percent recycled.
- Decided and prepared for an expansion of charging capacity at the parking lot at Havsteensvej.

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### OUR AMBITIONS AND TARGETS FOR 2024

- Continue to granulate data in the GHG report and expand with supplier data when available.
- Maintain 2023 level of flight travelling to and from Warsaw in 2024
- Reduce BEC's electricity consumption with 10 percent in 2024 compared to 2023, which include a screening of buildings at Havsteensvej.
- Implement an extended waste recycling program to reduce both residual waste and total waste with 10 percent.
- Strengthen our supplier sustainability requirements, with large suppliers required to present an annual climate report and EPD or similar for physical products. This applies when entering new contract or renegotiating existing contracts.

## 5. SOCIAL

# OUR WORKPLACE AND LOCAL COMMUNITIES



## OUR COMMITMENT:

**”** Promote diversity, inclusion, and social equity in BEC and our communities

BEC aims to create social impact where it matters the most by considering human rights, labor rights, employment, equality, and inclusion. In addition, BEC wishes to engage in socially responsible initiatives that are naturally related to BEC's business and local communities.

BEC strives to be the employer of choice for engineers in fintech and to be an attractive, decent and inclusive workplace that produces opportunities for learning for everyone, creates job satisfaction and high engagement, supports our employees' freedom of organization, and respect the right to collective bargaining.

At BEC, the ongoing efforts to create an appealing workplace are at the forefront of our priorities. This involves both the physical environment at our locations, as well as development opportunities and ensuring decent working conditions for our colleagues. We consistently seek feedback from our employees to ensure our focus aligns with their needs, guiding us through our tech transformation and the derived challenges and leveraging our successes.

BEC is actively involved in initiatives that naturally align with our business and contribute to local communities. Additionally, our commitment to diversity, equity and inclusion is a core value that receives heightened attention. We want to aspire to foster a workplace that not only attracts talent but also promotes engagement, collaboration, development, and a sense of belonging among our employees.

Throughout 2023, several initiatives were implemented in both Denmark and Poland to support these goals, and further plans are in place for 2024. This will be explored in greater detail in the following paragraphs.



## POLICIES AND OBLIGATIONS

- Code of Conduct
- Policy of equality
- Policy for health and well-being
- Policy for hybrid-working model
- Collective bargaining agreement
- Finans Danmark (FIDA)



## RISK

It is continuously essential and critical for BEC to attract, hire, retain, develop and engage a market-leading workforce with the capacity and capabilities required to deliver on BEC's short- and long-term business strategy and hereby contribute to a safe, stable, and resilient financial infrastructure in Denmark.

After the Covid 19 pandemic, companies worldwide have experienced increased employee attrition rates including BEC. Our attrition rates in Denmark and Poland have since stabilized meeting benchmarks for the industry. However, when dividing the employees into seniority groups the attrition rates differ and this insight, combined with data from our engagement survey, makes us able to pay extra attention to certain seniority groups e.g., ensuring that newly hired are empowered to get own interesting tasks in the first period of employment at BEC.

To retain our existing highly qualified employees, limit the risk of system and business knowledge loss and thus ensure stability and high quality in customer deliveries, the attrition rate among BEC's workforce is also an essential people risk indicator.

## HAMMERSHØI: ELEVATING WORK, BUILDING COMMUNITY

In 2023, we launched Hammershøi, a state-of-the-art knowledge-sharing and meetup space in our Warsaw office. Equipped with advanced recording and streaming capabilities, it supports a wide range of activities, including staff meetings, social events, and IT community meetups. Throughout the year, we hosted 16 IT meetups, attracting over 2,500 participants and demonstrating our commitment to fostering professional growth within the IT industry.

## CREATING AN INCLUSIVE AND THRIVING WORK ENVIRONMENT

To support our strategy "TechUp – Winning Customers," it's crucial for BEC to consistently strive to create an inclusive and attractive workplace. We rely on candidates noticing us and feeling compelled to join our tech transformation, as well as on our employees' dedication to giving their best while collaborating and growing together. Like many other companies, BEC has adopted a hybrid working model allowing for up to two days of remote work per week on average. With this model, we aim to accommodate individuals' varying preferences for flexibility while meeting BEC's needs for facilitating effective team interaction, co-creation, knowledge sharing, and problem-solving. Additionally, we are convinced that being physically together in the office fosters a stronger sense of connection and belonging among our employees. In 2023, we actively encouraged managers and teams to discuss office attendance and the importance of being present. We assess employee satisfaction with the hybrid working model through our monthly engagement surveys, enabling us to tailor initiatives that support hybrid work arrangements, the creation of attractive offices, and organize on-site activities.

In 2023, we continued to upgrade our physical surroundings. We believe that an inviting office environment not only promotes employee comfort but also gives a sense of wellbeing and motivation for work. Consistently, our canteen in Denmark continues to offer a diverse and nutritious food selection, and the same goes for our Warsaw office. Offering lunch in the Warsaw office is furthermore a benefit above market standards.

BEC supports a vibrant social life between colleagues hereunder subsidizes various staff associations, enhancing collaboration and a good and healthy work environment. Also, physical as well as mental health is supported by BEC if employees need it. Various sickness and health services are offered to all employees via local external partners.

## STRENGTHENING OUR WORKING CONDITIONS FURTHER

BEC is a cooperative company that pays tribute to the strength of the collective. BEC is an organized company that is a member of the Danish Employers' Association for the Financial Sector, of which BEC's CEO is also a member of the board of directors. Through the Danish Employers' Association for the Financial Sector, BEC has entered into a collective agreement with the Financial Services Union in Denmark.

The Polish branch of BEC has grown significantly over the past years, and in 2023 a BEC Poland Work Council was established. Furthermore, a European Works Council has been established to ensure close collaboration with and consultation of our employees in both countries.

The Local Polish Works Council has conducted seven meetings in 2023 where employee representatives were encouraged to share their perspectives and provide consultation on critical topics and events. They helped set-up BEC's remote work rules to fit local legislation, talked about office checks, and organizational changes in connection with BEC's next strategy phase.

From January 1, 2023, BEC's Danish employees received a new pension scheme. The new scheme enhances both the employees' pension conditions and insurance terms. The new pension scheme ensures, among other things, that the coverage in case of occupational disability automatically adjusts to the employee's salary level. Additionally, BEC has secured improved terms in health insurance, allowing for physiotherapy without a referral. There is also an offer of 'early care' for those on sick leave, and all employees now have access to online medical consultations.



## STRIVING FOR EQUALITY

BEC strives for an inclusive workplace, where equal and fair pay is central for both employee satisfaction and our success as a company. Simultaneously, we aim to strengthen our professionalism and processes to ensure a robust foundation for continuous success.

During 2023 salary review we have had a focus on ensuring equal and fair pay by looking specifically at the employees who were paid low compared to their peers internally. Focus when distributing budgets was to lift outliers as well as reward competency growth and performance, to the extend the budgets allowed for this.

During 2024 the organization will be mapped into a reward structure framework which allows for better comparison to external benchmarks and highlight of salary placement.

## INVESTING AND UPSKILLING OUR PEOPLE

In 2023, as part of succeeding with BEC's strategy and the ongoing transformation, BEC launched the BEC Leadership Academy, which is a tailor-made training program for all BEC managers.

The purpose of BEC Leadership Academy is to establish a joint approach to the responsibility of a development manager in BEC and to general leadership and align best practices of "how to lead" and "what to lead" to create followership.

The goal of the academy is to harmonize ways of working in BEC and to increase internal mobility and build high-performing and engaged teams.

The program is a 3-module learning journey covering BEC's basic tools, processes, and practice of how to apply principles for leadership, agile ways of working, lifecycle management and risk and compliance. During 2023 app. 125 managers attended the leadership academy. The Academy will continue in 2024 for all newly hired or appointed managers.

On the technical side, BEC has specific roles to support the continuous upskilling and reskilling of the organization to support both current and future competence requirements. The Tech Competence Managers plays a key role in driving critical capability development to support the strategic workforce planning and the required learning and development initiatives.

BEC Tech Academy offers training in both modern tech languages and good practices. The competence program spans across areas, such as development, testing, infrastructure and business. The BEC Tech Academy also plays a key role in the talent program.

In 2023 extensive work was invested to establish clear role descriptions for critical tech roles in BEC and the design of career paths for the individual. This work will result in a detailed learning catalogue in 2024 with a variety of classroom and self-paced trainings, Community of Practices (CoPs) and online trainings, as well as a generic tech onboarding journey covering the most frequent topics for developers.

### OUR COLLABORATION WITH KAFFE KARMA

Kaffe Karma is a registered social economic enterprise. Their profit is reinvested so that more socially marginalized people have the opportunity for a fulfilling employment. Not only does the coffee cart bring great experiences to BEC's employees and guests, but we also contribute to making a difference in our community.

”

*I am grateful for the trust that is shown, and for the warm and caring welcome I have had. Of course, by the customers here, but especially the hard-working ladies at the reception have been enormously helpful and loving - they have almost become my colleagues now, even though we are employed by different companies. Overall, it is a privilege to be allowed to contribute to the atmosphere in the lobby and I look forward to continuing to be a part of BEC*

Asbjørn, Kaffe Karma barista

## SHAPING ENGAGEMENT VIA EMPLOYEE INSIGHTS

To ensure that BEC continuously maintains and develops an attractive and healthy workplace, BEC on a regular basis conducts the employee engagement survey "BEC Pulse", launched in 2021. This provides a structured approach to collecting feedback frequently from all employees and gives BEC the opportunity to work with engagement based on data. With this tool we review and define targeted actions to increase engagement on a company, division, area and team level. BEC is also able to benchmark the results with peers via a technology industry benchmark.

Over the past year, BEC has kept its level of engagement (7,4 out of 10). In the first quarter of 2023, the engagement of BEC increased significantly alongside an increasing support to the general strategy among employees. However, local changes in labor law regarding remote work resulted in dropping engagement among employees located in Poland. Similarly, a large strategic risk management program which in practice involved the entire organization and put high pressure on some teams, also lead to a decrease in engagement. In the third quarter of 2023 most drivers increased again right up until the announcement of our organizational change in December 2023. Throughout the period the overall engagement moved between 7,3 and 7,6.

In a year-over-year perspective most drivers of engagement increased, and most drivers of engagement are at or above the industry benchmark. Satisfaction with health & wellbeing, diversity & inclusion and workload are all significantly above the industry benchmarks. Conversely, attention is needed around policies and practices for hybrid work, where the satisfaction with BEC's policy and implementation

is significantly below the industry benchmark – driven by our changes related to new legislation on hybrid work in Poland.

Many factors influence the engagement scores. BEC's extensive organizational changes, firmness around remote work as well as strong risk, security and compliance focus have all caused decreases. Over the year positive development in internal career- and development opportunities have had positive impact on engagement score. By providing management attention and implementing relevant initiatives, we expect an improvement in the score in 2024. BEC's ambition is to match or be above benchmark before end of 2024.

### To increase the engagement score, BEC will in 2024:

- Continuously strengthen and develop our leadership competences via our Leadership Academy
- Promote internal career opportunities and -development across BEC. Nurturing internal mobility and flexibility is important to support the next phase in BEC's strategy.
- Continuously focus on strengthening the focus on attracting, recruiting and retaining employees, who want to be part of the BEC we are today and our change journey.

On a quarterly basis, all managers conduct BEC Pulse checks with their teams discussing the results and turning the data into concrete actions at the appropriate organizational levels. We also expect that the significant number of resources BEC invests in leadership training will positively impact employee satisfaction and engagement in 2024. The development will continuously be monitored via the engagement survey.



In August, BEC's CEO Jesper Nielsen participated in a panel debate at Folkemødet (Danish democracy festival) on the topic:

**"Why do we lack women within financial IT and what do companies and educational institutions do to attract female talents."**

His attendance at the meeting not only emphasizes the challenge with the lack of women in IT, but also underscores BEC's commitment to support this important agenda.

## GENDER BALANCE IN HIRES TO THE TALENT PROGRAM



**POLAND 2023**



**30%**

2022: 32%



**70%**

2022: 68%



**DENMARK 2023**



**33%**

2022: 31%



**67%**

2022: 69%

## TALENT PROGRAM FOR GRADUATES AND COLLABORATIONS

In 2023, BEC continued our successful talent program in Denmark and Poland. In Denmark 21 recently graduated candidates were employed, and 40 candidates in Poland, for either IT development, business analyst, data engineers or infrastructure specialist positions. They were permanently employed by BEC and participated in a training program introducing them to tools, frameworks, coding languages, project management, agile approaches, and the financial sector.

BECs Talent Program were recognized as the 10th best graduate program by 'Graduateships' last year, out of a total of 75 programs in Denmark. This was based on feedback from former graduates and the level of interest in our program. Additionally, one of our former graduates was ranked as the 4th IT Talent in Denmark in the IT project management category.

Besides employing newly graduated employees, BEC also contributes to inspire more young people to aspire for a career in IT and being able to train within this field through:

- Participation in education committees at MidtVest Business Academy and Roskilde University
- Partnerships and career focused collaborations with IT University of Copenhagen, Technical University of Denmark, University of Copenhagen, Roskilde University, University of Southern Denmark, Polish-Japanese Academy of Information Technology and Warsaw University of Technology
- Giving guest lectures at universities and conferences in Denmark and Poland, as well as organizing them in our Warsaw office
- BEC attends selected career fairs during the year to ensure we are visible at IT-educations – e.g., Warsaw Talent Days, Warsaw IT Job Fairs, IT Match Making and DTU Career Night. Here we present BEC career opportunities and our talent program







# DIVERSITY AND INCLUSION IN BEC

Equality is a cornerstone of BEC's code of conduct: Equal rights, equal opportunities, and being respected and valued for who you are.

In BEC, we believe that diversity in our workforce and bringing together different perspectives, while ensuring an inclusive workplace where these differences are valued and leveraged, creates better outcomes for our customers, our employees, and our company. We want to ensure fair hiring evaluations, equal opportunities for advancement into leadership positions and taking on different roles, and we aim to address and handle any possible biases in BEC.

Furthermore, one of the main drivers for BEC to fulfill our customer promises is to have an attractive workplace that makes BEC stand out in a market with fierce competition for talents and is so attractive that we can retain engaged employees. We believe diversity and inclusion is key contributor for securing this.

The aspiration in BEC's diversity and inclusion agenda, and what we are working towards, is double:

- To reflect the customers, we serve and the society we are part of
- To create the best possible workplace by fostering inclusion and building teams with diverse skills, backgrounds, and experiences.

## DATA IS KEY TO SUCCESSFUL DIVERSITY EFFORTS

To achieve real impact in the field of diversity and inclusion, it is crucial to establish a solid foundation of data. We have therefore implemented a diversity and inclusion module within the BEC Pulse engagement survey. This is to gain an understanding of our employees' experiences and perceptions of BEC's focus and maturity in this area. This gives us essential data that guides us on where to focus to move towards a positive change. The module consists of seven questions within the three drivers: Diversity, inclusiveness and non-discrimination. In 2023 BEC employees provided 1.353 comments related to the topic of diversity and inclusion alone. This continuously brings us valuable insights regarding how to improve diversity and inclusion in BEC.

To underline our commitment a target has been set that all divisions' score must be on or above benchmark for the technology industry. By the end of 2023, 3 out of 5 divisions have reached the target score, and the overall BEC score in the diversity and inclusion module was 8,3 (out of 10), which is the same level as by end of 2022. This we consider a satisfactory overall level, as BEC hereby is matching the technology industry benchmark. That said, we are committed to continually improve our efforts to secure all divisions will reach the target, as diversity and inclusion is a priority for BEC.

## BEC participated in Copenhagen Pride and Equality Parade in Warsaw

In 2023, BEC participated in both Copenhagen Pride Parade and Warsaw Equality Parade. The parades are inclusive events that welcome people from all backgrounds and all identities. The parades are a chance to come together, and show our support for human rights, equality, and the right for all human beings to be who they truly are. Diversity is a strength in society and in BEC and we think it is important to show our support to that.

## DIVERSITY ACROSS THE ENTIRE ORGANIZATION

Diversity comes in many forms, but for the sake of simplicity BEC for now first and foremost focuses on the three common dimensions – gender, age, and nationality. However, we recognize that diversity extends beyond these categories, and it is our ambition to continually broaden this work to include an even broader range of diverse factors and perspectives.

In 2023, the gender balance among BEC's total workforce was 31,4 percent females versus 68,6 percent males. This is a slight increase in number of female employees compared to 2022. Here, the balance was 30,7 percent females versus 69,3 percent males. The development in the ratio of female and male employees indicates that the initiatives BEC has implemented to promote diversity and inclusion in the company have had a positive effect.

During the past year BEC has especially experienced a positive development in the balance of female vs. male employees among the workforce in Poland. From 2022 to 2023 the ratio of female employees increased 4,6 percent to 25,5 percent female employees.

According to the European Union's Gender Equality Index 2020, 20 percent of ICT specialists in Denmark are females, and 14 percent of ICT specialists in Poland are females. Thus, BEC as a company has a stronger gender balance among employees than industry benchmark.

BEC aims to hire and retain a fair share of females from the industry and keep supporting initiatives pushing for a higher gender balance in the industry – both among employees and at the manager levels.

## DIVERSITY AND TARGETS FOR BEC'S MANAGEMENT

BEC has the ambition of having each gender represented in BEC's management levels by at least 35 percent in 2024 and by 40 percent in 2030 in all divisions. Furthermore, three out of four generation brackets must be represented and minimum two citizenship – one being Danish – with at least 30 percent of the underrepresented group in 2024.

A Diversity and Inclusion dashboard has been developed for managers starting in 2024 to monitor progress towards the targets within their respective divisions and at overall BEC level. Additionally, all employees will have the opportunity to follow the monthly progress on an internal intranet page.

**READ MORE IN  
OUR ANNUAL REPORT**  
about BEC's reporting  
on gender balance in  
top management and  
board of directors



### STATUS ON THESE TARGETS BY THE END OF 2023

#### Gender diversity in division management teams

- Both female and male managers must be represented in each division management team by minimum 35 percent in 2024 and 40 percent in 2030.
- By the end of 2023, the overall percentage for BEC stood at 28.4 percent, reflecting a slight decrease from 29.5 percent reported at the end of 2022.
- By the end of 2023, 2 out of 5 divisions had reached the target.

#### Generation diversity in division management teams

- Three generations (generation Z and Y, generation X, and baby boomers) must be represented in each division management team.
- By the end of 2023 4 out of 5 divisions had reached the target.

#### Citizenship diversity in division management teams

- Minimum two nationalities must be represented in each division management team, each representing a minimum of 30 percent in 2024.
- By the end 2023 all divisions had minimum two nationalities in their management teams, but no divisions had reached the target of this representing a minimum of 30 percent.



## INITIATIVES TO SUPPORT DIVERSITY AND INCLUSION

In 2023 BEC participated in the Copenhagen Pride for the second time. An event which overall purpose is anchored in supporting human rights, equality, and the right for all human beings to be who they truly are. Approx 100 colleagues and family members from both Denmark and Poland joined the parade to celebrate diversity, equality and inclusiveness in our workplace and society.

In Poland we participated in the Equality Parade in Warsaw for the first time in 2023. With just 30-40 participants from both Denmark and Poland this first year our involvement still shows a strong signal of our commitment towards our employees and society in general. We plan to participate again in 2024, strengthening our commitment to diversity and inclusion.

BEC supports other areas of diversity, such as neurodiversity. Since 2019, BEC has collaborated with AspIT in Denmark, a three-year IT educational course for people with autism spectrum disorder or similar. Students from AspIT are welcomed in BEC, first as interns, and several have after the internship been offered permanent employment in BEC. AspIT helps young people with autism spectrum disorder and interests within IT to connect them to the job market. Our collaboration with AspIT is valuable for all involved and will continue in 2024.

**Diversity and inclusion are also today an integrated part of our recruitment process to ensure a diverse workforce. In 2023 we have implemented several initiatives:**

- We have improved the language in our job ads to be more inclusive. We revised job descriptions to create a welcoming environment for candidates from diverse backgrounds.
- We make sure various people check CV's, including the recruiter, hiring manager, technical or business experts, and, depending on the role, people business partners and Head of the division.
- In the initial meetings between the hiring manager and recruiter, BEC's diversity targets is included as an agenda item
- We ensure a culture of offering constructive feedback to qualified candidates, making it mandatory to assess them based on their qualifications rather than their gender or nationality

This focus on diversity and inclusion in the recruitment process will continue in 2024 with a new system to track our gender diversity results in the hiring stages.

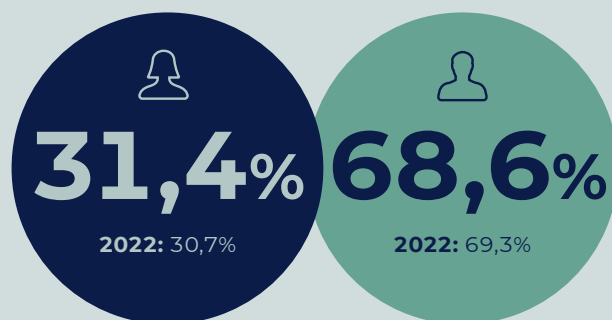
**In 2023 we continued D&I related initiatives for employees in BEC to support our diverse and inclusive culture:**

- Continued our ambition of ensuring a 'one BEC' culture across nationalities and locations. During 2023, approx. 80 BEC employees have participated in cultural intelligence training, provided by an external vendor, upgrading skills for working efficiently and respectfully across cultures. Furthermore, all new Polish employees will, as part of the onboarding program, get a three-hour internal training on the topic.
- D&I Lunch & Learn sessions offered to all employees in the beginning of 2023, covering topics within the diversity and inclusion agenda. These sessions consisted of a total of five sessions taking the participants through the basics of diversity & inclusion, bias, bias blockers, psychological safety, and inclusive language.
- The D&I lunch and learn sessions was followed up by dilemma discussions in all BEC teams in 2023 focused on inclusion, anti-harassment, and discrimination.

Looking ahead, BEC has made the strategic decision to formalize its commitment by signing an official Diversity Charter for both Denmark and Poland in 2024. The organization behind Diversity Charter Denmark is run by the association 'Foreningen Lige Adgang', which is a Danish non-profit organization, and in Poland it is coordinated exclusively by the Responsible Business Forum (RBF), a non-governmental organization that promotes and popularizes the idea of responsible business in Poland.

Signing the charters comes with specific commitments, which need to be catered for. A plan for how to approach this in the best way is in the making, and will involve both managers, support functions, and employees.

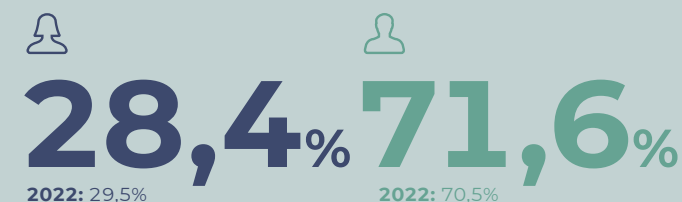
## ♀ GENDER BALANCE IN BEC 2023



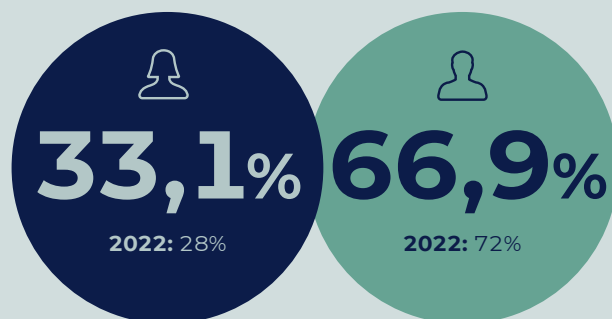
**POLAND**  
**25,5%** **74,5%**  
 2022: 20,9% 2022: 79,1%

**DENMARK**  
**35,3%** **64,7%**  
 2022: 35,7% 2022: 64,3%

## ♀ GENDER BALANCE MANAGERS 2023

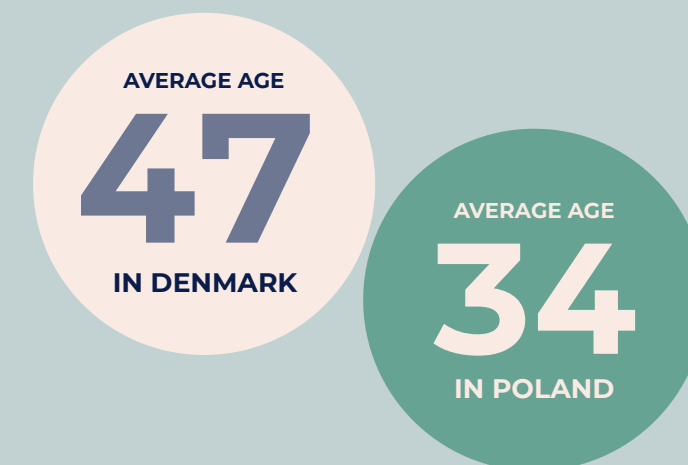


## ♀ GENDER BALANCE - NEWLY HIRED 2023



**POLAND**  
**32,6%** **67,4%**  
 2022: 24% 2022: 76%

**DENMARK**  
**34%** **66%**  
 2022: 42% 2022: 58%



**43**   
**CITIZENSHIP**  
**IN BEC**

## BEC'S ROLE IN OUR LOCAL COMMUNITIES

As a cooperative association (a.m.b.a.) owned by 17 Danish banks, the BEC community provides IT for our owners and other local, regional, and national banks of all sizes. The BEC community thus supports a diverse Danish banking sector with varying community relations, ownerships, and business models, providing high digitalization even for small banks that would otherwise be unable to meet the requirements of a modern digital society.

BEC operates from locations in Roskilde in Denmark – where we are the largest privately owned employer – Herning in Denmark, and Warsaw in Poland. In these communities we play an important role, providing jobs as well as contributing to the local communities in other ways. As examples we collaborate with Roskilde Municipality on the care of BEC's outdoor and green areas.

The collaboration supports a group of young people with various physical or mental challenges. In Warsaw BEC supports the Noble Gift (Szlachetna Paczka) social scheme initiative, organized by the Wiosna Association. Here BEC employees prepare and packed Christmas gifts for less fortunate families in Poland.

20  
23

### KEY DELIVERIES IN 2023

- Setting concrete targets for the management level with the area of gender, age, and citizenship
- Participating in the Equality Parade in Warsaw for the first time
- Continued our leadership training program for all BEC leaders – BEC Leadership Academy, which was introduced in 2022. 125 leaders participated in the program in 2023.
- Implemented a structured process for diversity in BEC's recruitment process
- Being in the top 10 of 'Most popular Graduate Program in Denmark 2022/2023'

20  
24

### OUR AMBITIONS AND TARGETS FOR 2024

- Officially sign diversity charters in Denmark and Poland, managed by 'Foreningen Lige Adgang' in Denmark and 'Responsible Business Forum' in Poland
- Introduction of the Diversity and Inclusion dashboard for managers to follow progress on the targets on a monthly basis
- Roll-out of an Inclusiveness Workshop v.2 in the entire organization to continue awareness on our inclusiveness agenda
- Continue our leadership development - including gathering all leaders at a 'BEC leadership conference'.

## 6. GOVERNANCE

# RESPONSIBLE BUSINESS CONDUCT



### OUR COMMITMENT:

” Secure a solid foundation for a responsible business conduct

BEC business practices and standards are essential for BEC to uphold its commitment and serve as a solid foundation for responsible business conduct and as a transparent guide for our stakeholders, offering insight into how we fulfill our commitments.

#### ONBOARDING IN BEC

BEC is committed to make the onboarding process of new employees both a corporate necessity for the new colleagues to ensure they know BEC's ways of working including policies and guidelines, as well as making it a part of creating a systematic and inclusive welcome for everyone.

To bring this commitment to life, a tailored onboarding program for both our Danish and Polish colleagues has been established in 2023. This program serves as a guide, helping new team members navigate a structured journey, equipping them with the tools and the necessary knowledge.

This is to ensure that every new colleague not only understands the approach, policies, and guidelines, but also becomes a vital part of BEC's mission to be a safe, flexible, and inclusive workplace.

#### CODE OF CONDUCT

BEC's code of conduct is about our values and ethical guidelines, it frames the way we go to work at BEC and the way we act in relation to the world around us, including our customers, vendors, collaborators, and government agencies. Everybody at BEC must live up to BEC's code of conduct every day.

Our code of conduct is supported by several policies such as the security and confidentiality that customers and partners can expect from BEC, and how BEC handles confidential information. The policies are not exhaustive but help us to raise the bar for orderliness together, so that we achieve our common ambitions and goals in a manner we can be proud of.

#### WHISTLEBLOWER

BEC launched a whistleblowing portal in 2021, ensuring a channel for employees and other stakeholders to BEC to easily and anonymously raise concerns related to any misconduct. Within the realm of human rights, this could include discriminatory practice and harassment, as well as other areas such as suspicious financial activity, fraud, corruption, abuse of power etc.

In 2023, two cases were reported and classified as whistleblowing cases through the whistleblowing portal, both on staff-related issues, and both handled respectfully and according to the defined process. None of them were related to human rights or corruption issues.



### POLICIES AND OBLIGATIONS

- Anti-corruption policy
- BEC – Code of Conduct
- Compliance policy
- Information security policy
- Policy on data ethics
- Insider trading policy
- IT risk management policy
- Personal data policy
- Policy for security conduct
- Risk management policy
- Whistleblowing policy



### RISK

The efforts under responsible business practices constitute the foundation of our work with social responsibility.

There are multiple risks in relation to being socially responsible, hereunder potential corruption risk in relation to our suppliers and/or business partners around gifts or invitations to events, and security and confidentiality breaches regarding our customers information and data.

Thus, we ensure that policies are implemented and support that all levels of the organization act responsibly and secure to address any risk that may be discovered.

To ensure and earn the trust of employees, customers, and other stakeholders, it's imperative that BEC live up to our obligations and responsibilities and that this is reflected in our business conduct.

There has not been identified any significant risk within the Human Rights area, as part of our work securing responsible business conduct.



## ENTERPRISE RISK MANAGEMENT

Since the launch of BEC's 'TechUp – Winning Customers' strategy in 2021, solid work has been conducted to increase risk management capabilities in BEC.

In 2023, our focus continued the evolvement and scaling of a strong 2nd line of defense organization. Having a solid risk management framework is crucial for supporting BEC's ability to provide a secure, stable, and resilient financial infrastructure.

Due to the pivotal role of risk management in BEC's internal governance, significant investments have been made in a key strategic program to improve key controls and the overall risk management model. In 2023, this program involved the entire organization and great improvements were made, meaning that BEC and its customers are today at a higher maturity level in the risk management area, as well as our enterprise risk has decreased. As the requirements continue to increase, there is, however, a need for continued improvements, and in 2024, a special program will continue to close remaining gaps connected to statements from the Danish Financial Supervisory Authority's inspection in 2023.

Read more in the  
annual report about

**BEC'S RISK AND  
SECURITY WORK**



BEC is dedicated to investing in the risk and compliance area and strengthening our internal governance to adapt to the ever-changing risk landscape and evolving requirements in the IT domain and the financial sector in general. A current focus involves ensuring that all managers receive thorough training in BEC's approach to enterprise risk management.



## ANTI-CORRUPTION

BEC's anti-corruption policy establishes that BEC's employees must always perform their work following BEC's – and not personal – interests. Employees must not accept gifts or invitations that can affect how their work at BEC is conducted. Employees must always discuss situations when in doubt if the policy is about to be breached or not with their immediate manager and BEC's legal department.

An introduction to the anti-corruption policy is a part of BEC's onboarding program. Awareness activities and training for existing employees is conducted continuously, supplemented by communication on BEC's intranet.

If any concerns arise regarding potential corruption, this will be investigated by BEC's legal department, and the result of the investigation will be presented to BEC's executive management. In 2023, no cases were identified in which the anti-corruption policy was violated.

BEC regularly assesses its anti-corruption policy to ensure that it provides correct guidance on the issues that employees typically encounter. This was done in 2023 and will again be performed in 2024.



## RESPONSIBLE SUPPLY CHAIN MANAGEMENT

The purchase of goods and services can indirectly impact the climate, and engaging with suppliers and subcontractors poses potential risks of human rights violations and corruption. BEC is working towards supporting sustainable development through our supplier relationships - acknowledging it being a complex and evolving task.

In 2023, renegotiated outsourcing agreements, the establishment of new Consultancy Framework Agreements, and facility management agreements have now incorporated BEC's standard CSR provisions.

These CSR provisions require suppliers to adhere to internationally recognized principles for human rights, labor rights, environment, climate, and anti-corruption, aligning with the 10 general principles outlined in the UN Global Compact. Even when contracting on a vendor's template, efforts are made to include these provisions in negotiations with the vendor, and we make sure to reserve the right to request additional documentation to ensure compliance if necessary. In 2023, there were no recorded human rights violations.

Going forward, BEC will continue to work on implementing sustainability requirements for our suppliers, covering the four areas within UN Global Compact commitment, scaling the requirements level. Furthermore, requirements will be set for our strategic suppliers to - on a yearly basis - present a climate report (GHG mapping) and an Environmental Product Declaration (EPD) or similar for the delivery of physical products. BEC will implement these requirements when signing a contract with all new strategic suppliers and when renegotiating the contracts of current large suppliers.

Looking across BEC as an organization, our biggest risk related to human rights is through our supply chain. In 2023, no human rights violations were recorded.

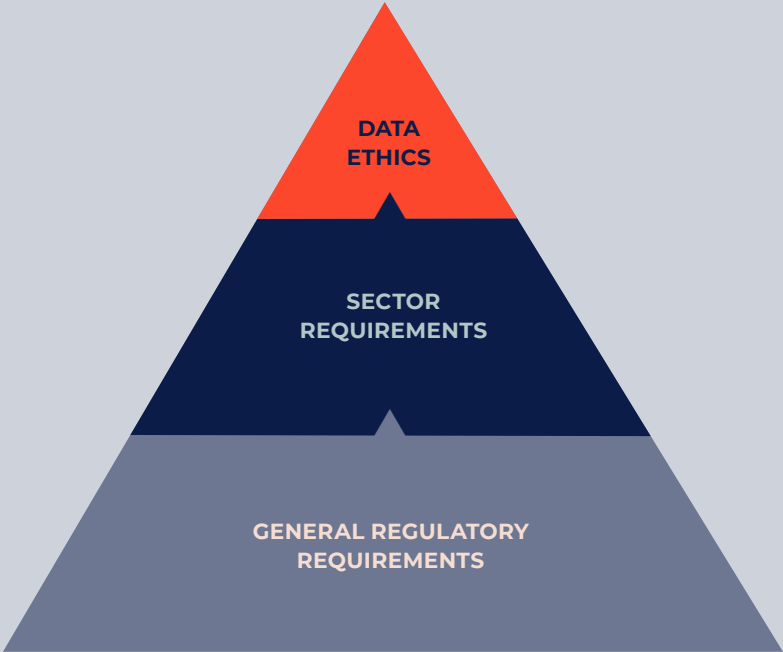
## OUR DATA ETHICS POLICY

The handling of data is central to BEC's business, and an ethical mindset in all the processes of handling data is essential for meeting the expectations of our customers, employees, and society. In 2021, we adopted a Data Ethics Policy, aligning our values and ethics with the handling of data, supplementing societal standards and legislation.

All BEC employees must familiarize themselves with our policies, including the Data Ethics Policy. The Chief Data Officer oversees implementation of the data ethics policy and internal awareness, addressing non-compliance or potential data ethics dilemmas. As the head of the data governance team, the Chief Data Officer furthermore assists the organization with data ethical questions and decisions. In 2023, BEC continued our efforts to raise awareness of data ethics within the organization.

Our policy, values, and principles are formally integrated into the introduction for all new employees, and Data Stewards are introduced to ethical data handling through an onboarding program. A Data Steward at BEC plays a crucial role in ensuring that data within a specific area is managed effectively and in compliance with BEC's standards.

The evolving legislative landscape and societal standards, together with the increasing potential of using artificial intelligence for data handling, requires a robust ethical guardrail. In 2024 BEC will strengthen efforts in ethical data handling and overall data governance by enhancing data stewardship and closely monitoring developments in legislation and ethical standards related to artificial intelligence.



## CONFIDENTIALITY AND COMPETITION LAW

BEC's confidentiality and competition law policy constitutes the overall framework for BEC's facilitation of and participation in cooperation between competitors. All BEC employees shall observe confidentiality about customer data and business information. A key point is to depersonalize, aggregate and/or generalize information before sharing.

The overall framework applies to collaboration between banks, BEC, other IT vendors, and general collaboration in the sector. Furthermore, it describes the basic rules for meetings, including requirements for the agenda, minutes of meetings, which categories of information may be discussed, and which may not be discussed.

Competition rules, and in particular the prohibition of entering into anti-competitive agreements, must ensure effective competition for the benefit of Danish society. However, an anti-competitive agreement may be legitimate and necessary if, among other things, it contributes to socio-economic efficiency, and consumers receive a fair share thereof. This is the case, for example, with the banks' cooperation in IT communities such as BEC.

An introduction to the confidentiality and competition law policy is a part of the on-boarding program, BEC is in the process of developing e-learning within the confidentiality and competition law area for new and existing employees. During 2023 BEC's legal department has conducted several individual awareness sessions for relevant employees across the BEC organization and been consulted for legal advice in relation to review of material.

If any concerns arise regarding confidentiality and competition law, all BEC employees have a duty to react and involve BEC's legal department. In 2023 BEC's legal department has not been involved in any cases concerning violation of the confidentiality and competition law policy. BEC regularly assesses the confidentiality and competition law policy to ensure that it provides correct guidance on the issues that employees typically encounter. This was done in 2023 and will also be performed in 2024.

## INVESTMENTS

BEC's board of directors approves BEC's investment policy annually, including BEC's total holdings and locations. The investment policy does not include BEC's capital shares in the subsidiary "BEC Ejendomsselskab". The selected risk profile in the investment policy means that BEC only invests in Danish listed government and mortgage bonds, where BEC does not see any ethical challenges.

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## KEY DELIVERIES IN 2023

- Significant improvements in risk management
- Implementation of a tailored onboarding program for new employees.
- Integration of CSR provision in renegotiated outsourcing agreements, new Consultancy Framework Agreements, and selected Facility Management agreements
- Conducted several individual awareness sessions related to confidentiality and competition law

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## OUR AMBITIONS AND TARGETS FOR 2024

- Close remaining gaps in relation to two orders from 2023 inspection by Danish Financial Supervisory Authorities.
- Make risk management an integrated part of all employee's ways of working
- Close monitoring of development in legislation and ethical standards for artificial intelligence
- Continue implementation of sustainability requirements to more suppliers
- Training of managers in enterprise risk management as part of the Leadership Academy

## OUR AMBITIONS AND TARGETS FOR 2024



Installation of solar panels at our location at Havsteensvej, Roskilde



To demand our largest suppliers on a yearly basic to present their climate report (GHG mapping) and an Environmental Product Declaration (EPD or similar) on physical product delivered to BEC



Implement a risk mindset making risk management an integrated part of our employees' ways of working



Officially signing the diversity charters in both Denmark and Poland and thus commit to more supporting internal diversity and inclusion initiatives e.g., bias training, use of language and to set up a DEI Committee to focus and keep pace on our DEI development in BEC



Deliver on our committed gender targets supported by a managerial DEI dashboard for managers to follow the progress on a monthly basic



Reduction of BEC's electricity consumption with 10 percent in 2024 compared to 2023

## 7. SELECTED ESG FIGURES AND REPORTING PRINCIPLE

	UNIT	2023	2022	2021
<b>ENVIRONMENT</b>				
CO2e (scope 1)	tCO2eq	– *	50	53
CO2e (scope 2)	tCO2eq	– *	1.912	1.661**
CO2e (scope 3)	tCO2eq	– *	15.659	16.078**
Energy consumption	kWh	– *	3.507.549	3.150.245**
Share of renewable energy	%	– *	62,7%	63,5**
Water consumption	m3	– *	10.909	9.372
<b>SOCIAL</b>				
Head count	HC	1.782	1.728	1.819
Full time workforce	FTE	1.335	1.335	1.296
Gender diversity in BEC	%	31,4% F / 68,6% M	30,7% F / 69,3 % M	31,6% F / 68,4% M
Gender diversity in management	%	28,4% F / 71,6% M	29,5 % F / 70,5 % M	31% F / 69% M
Gender pay ratio	Times	1.06	–	–
Attrition	%	15%	22%	18%
Sickness absence	% of total work-force capacity	4,9	–	–
Employee satisfaction (engagement)	BEC Pulse score	7.4	7.4	7.2
<b>GOVERNANCE</b>				
Gender diversity in board of directors	%	14% F / 86% M	14% F / 86% M	0% F / 100% M
Board meeting attendance rate**	%	92,9%	–	–
CEO pay ratio	Times	5.95	–	–

\* Data is not available yet as both the market-based emission factor and the full overview of BEC consumption is not known until summer 2024

\*\* Corrected figures due to incorrectly read electricity in 2021.  
This effects both scope 2, scope 3.3 and the share of renewable energy.