

Consolidated Non Financial Statement of the Group for 2019

It is hereby announced that at its meeting of 29/09/2020, the Board of Directors approved the Consolidated Non Financial Statement of the Group for 2019.

The full text of the Consolidated Non Financial Statement for 2019 is attached herewith and is available, free of charge, at the Company's Registered Office (3, Zenonos Sozou Str, 3105, P.O.Box 51094, 3501 Limassol, Tel.: +357 25 818444, Fax: +357 25 372282, Email: log@adamides.com) and the Company's Administration Offices (26, Stasinou Str., Agia Paraskevi, 2003 Strovolos, Nicosia, P.O.Box 23472, 1683 Nicosia. Tel.: +357 22 551000, Fax: +357 22 514294) and is posted on the website of both the Company (www.logicom.net) and the Cyprus Stock Exchange (www.cse.com.cy).

Adaminco Secretarial Limited
Secretary of Logicom Public Limited

Attachment:

1. **Consolidated Non Financial Statement 2019**

Non Regulated

Publication Date: 30/09/2020

CSR Report 2019



Logicom

REPORT PROFILE

This is the annual Corporate Social Responsibility (CSR) report of Logicom Public Limited (including its subsidiaries, hereafter referred to as “Logicom” or “Logicom Group”, or “Company”), issued for the calendar year 2019, which provides information in addition to Logicom’s Annual Report. (Latest CSR report was issued for the calendar year 2018). ([GRI 102-50](#), [102-51](#), [102-52](#))

Logicom implements CSR practices in line with the ISO 26000. This report’s content and structure has been prepared in accordance with the GRI Standards: Core option. ([GRI 102-54](#))



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MESSAGE FROM THE MANAGING DIRECTOR

Dear shareholders, partners, customers and employees,

Over the years, technology has revolutionized our world and daily lives. Yet, while we are witnessing unequalled technological innovation across industries, we are also confronting boundless societal challenges and as a responsible organization, we must rise to the challenge.

The coronavirus pandemic and the financial crisis that followed, is one of those challenges in which technology played pivotal role in, not only helping the organisations and our society in general to survive but also to reverse the adverse effects of the pandemic and to ignite the fast recovery of the global economy. It is true to say that the pandemic has become the catalyst for change and the need for innovation is greater than ever.

Business sustainability is essential to the long-term prosperity of all companies and the societies they operate in. As the expectations on corporate responsibility rise, and as transparency becomes more prevalent, we are recognizing the need to act on sustainability.

We have committed to share the same passion in advancing CSR initiatives across our Group operations as the passion we share for standing out of the crowd and being innovative, and abide by our core values. Thus, we recognize the need to incorporate broader principles of sustainability in our everyday business decisions. This is not simply a matter of doing the right thing; it is vital for our existence and prosperity.

To succeed, engaging with our stakeholders paves the way forward. Key stakeholder opinions and insights are incredibly valuable for the development of an effective strategy which will lead to the achievement of our vision to continue building and operating a sustainable business. On this account, in 2019, Logicom invited its key stakeholders in an active face-to-face dialogue, with the aim to accurately assess the impact of Logicom's operation on their respective interests, enhance clarity and inspire a shared vision amongst them.

Our ability to grow and succeed starts with our people. Our employees are the driving force behind our success and our diverse workforce is the source of our strength for achieving our objectives. We are constantly seeking to enrich our workforce across our geography by attracting an even more diverse pool of talent. During these hard times and the unprecedented challenges that we had to face following the outbreak of the pandemic, our first concern was to secure the good health and the well-being of our employees. We embraced work from home solutions making use of collaborative tools that we already had in place, we immediately engaged an epidemiologist to advise us on best practices that would protect our people's health and tested all our employees twice, against COVID-19, across all countries that offered these tests.

Throughout this report, we detail many other ways we are advancing our obligations to our stakeholders. While we have made eminent strides in numerous areas, there is still much work to be done and much to be accomplished.

We invite you to read our report, to learn more about our corporate responsibility vision and support our efforts. We want to go far; we need to go together. [\(GRI 102-14\)](#)

Varnavas Irinarchos
Managing Director

ABOUT LOGICOM – GET TO KNOW US

WHO WE ARE

Logicom Public Ltd, established in 1987, is an international group of leading information technology companies, listed on the Main Market of the Cyprus Stock Exchange and a member of the FTSE/CySE20 and FTSE-Med indices. Logicom is also a member of the Global Technology Distribution Council since 2014. The Company's headquarters are situated in Cyprus, at 26 Stasinou str., Acropolis 2003, Strovolos, Nicosia, Cyprus. ([GRI 102-1](#), [102-3](#), [102-5](#))

Logicom activities include:

- the regional wholesale distribution of Technology Solutions and Services,
- the provision of integrated Business Consulting Services, Business Software and IT Infrastructure Solutions, and
- investments holdings.

Logicom **Distribution**, as a leading regional Distributor of computer systems, networking products, components and peripherals, has developed excellent relationships with the world's leading technology vendors. These include Adobe, APC, Asus, Autodesk, Canon, Cisco, Citrix, Commvault, Corsair, Dell/EMC, FSP, HP Inc., Hewlett Packard Enterprise, IBM, Intel, Jabra, Kingston Technology, Lenovo, Linksys, Microsoft, MSI, NetApp, Nokia, Oracle, Palo Alto Networks, Philips, SanDisk, SolarWinds, Symantec, Team Viewer, Veeam, VMware, and WD.

Logicom counts on operational excellence and sound long-term relationships with its partners in order to provide customers with the best-in-class products, solutions and the expertise they need to take advantage of every opportunity that lies ahead. Applying the highest standards of professionalism, Logicom is an indispensable link in the technology supply chain, facilitating mutually beneficial relationships with channel partners.

Logicom **Services** is a leading ICT services and solutions integrator in the region that supports organizations in addressing digital disruption and implementing a digital transformation agenda. This is achieved by offering its clients high-quality value adding advisory services to help them identify and unlock new sources of economic value, software solutions designed to meet their business objectives and cutting-edge ICT infrastructures to support and run their business.

Logicom Services has local resources in Cyprus, Greece, Romania, Serbia, Russia and Kuwait, targeting the mid-to-high market in South Eastern Europe, Middle East, Russia and the CIS countries. Its strategic partnership with leading industry vendors and consulting firms ensures that it provides high quality solutions and services across all major business sectors including Government, Semi-Government, Banking/Finance/Insurance, Telecommunications, ISPs, Media, Shipping, Hospitality and SMEs. These include Accenture, CA/Broadcom, CISCO, Dell/EMC, HEWLETT Packard Enterprise, IBM, Konica Minolta, Lenovo, Microsoft and Oracle. ([GRI 102-6](#))

Logicom's **investments** started in 2008, following partnerships with global leaders to successfully execute BOT (Build Operate and Transfer) desalination projects. Furthermore, Logicom is the largest shareholder of Demetra Holdings Plc, which is the largest shareholder of Hellenic Bank Public Company Ltd (with a stake of 21%), one of the main banks in Cyprus. ([GRI 102-2](#), [102-9](#))

OUR CORE VALUES

We deliver our mission every day guided by our core values:

- > uncompromising integrity and honesty,
- > commercial agility and efficiency,
- > respect for the individual,
- > the highest of service quality standards,
- > the continuous development of our people,
- > partnering in the success of our clients.

The commitment to Logicom’s core values and to ethical and legal conduct and the special commitment of every employee is very important in order to make this effective. The Code of Business Conduct is an integral part of Logicom’s culture, which all employees are committed to follow. [\(GRI 102-16\)](#)

OUR PEOPLE

Logicom employs 764 professionals, of 31 nationalities, situated in all the areas of operations. [\(GRI 102-7i\)](#)

47% MIDDLE EAST

EUROPE **53%**

GROUP EMPLOYEES BY REGION

Figure 1: Logicom Group’s employees by region (2019)

KEY FINANCIALS FOR 2019

The key financial metrics of Logicom including revenues, capitalization, debt, equity, and assets can be found at the annual *Report and Consolidated and Separate Financial Statements for the Year ended 31 December 2019* located at <https://www.logicom.net/investors/financial-statements/>

(GRI 102-7ii-v)

SIGNIFICANT CHANGES IN 2019

No significant changes arose during the reporting period in regards to Logicom's size, structure, ownership, nature of business, supply chain or any other relevant area. *(GRI 102-10)*

There were no restatements of information that were given in earlier reports. *(GRI 102-48)*

ENGAGING WITH THE COMMUNITY

Further to the priorities set out in our CSR strategy, Logicom has also taken up the following initiatives:

LOGICOM ACADEMIC MERIT SCHOLARSHIPS PROGRAM

The 2019 Logicom Academic Merit Scholarships Program included 10 scholarships of €10.000 each, to Cypriot students to fund their Postgraduate studies in internationally recognized universities and 5 scholarships of \$20.000 each, covering the full tuition and living costs for post graduate studies at the Ben-Gurion University of the Negev. Logicom had a special scholarship cooperation agreement with Ben Gurion University to accommodate students awarded with a Logicom Scholarship .

Through this initiative, Logicom is aiming to educate and empower future pioneers who want to specialize and expand their knowledge in the field of new and emerging technologies. The areas of study include:

- Cloud Computing
- Artificial Intelligence
- Big Data & Analytics
- Cybersecurity
- Internet of Things (IoT)
- Blockchain
- Machine Learning



LOGICOM CYPRUS MARATHON



Logicom has been the official sponsor of the Logicom Cyprus Marathon for 5 consecutive years and it has signed on for two more years as Title Sponsor of this sporting event. With this partnership, Logicom extends its support to wellness, sportsmanship and healthy living, and is engaging with and giving back to the local community. This multi-cultural running festival takes place in Pafos every year, and, as a multi-cultural company, Logicom is proud to continue lending its name to this great event that is set to bring together people from across the world, working towards achieving their fitness goals. The Logicom Cyprus Marathon hosts thousands of runners each year, with Logicom participating as the largest team, made up of employees, partners and vendors both from Cyprus and abroad.

Logicom also participated in the Cyprus Marathon Symposium presenting to the athletes, how technological innovation enhances athletic performance. In this way, Logicom contributed to the event further, through its field of expertise.



SUPPORT TO THE LOCAL COMMUNITIES

Responding to the local community call for support, Logicom helped with financial or in-kind contributions. Financial contributions were given to support Europa Donna (Breast Cancer Coalition), Cyprus Red Cross, Karaiskakio Foundation (bone marrow donors registry) and the Radiomarathonios Foundation (supports children with special needs). In-kind contributions from the company and its employees were extended to support families in need during Christmas 2019.

IFTAR LABOR CAMP



In the holy month of Ramadan, Logicom UAE sponsored iftar food kits for 500 laborers in their camps. 30 employees participated in organizing and distributing the food kits to the laborers.

BLOOD DONATIONS

Logicom UAE as a team gathered to support the cause of blood donation to Aster Medical Hospital and spent their day with them.

LOGICOM BRAIN GAIN PROGRAMME

In 2019, Logicom launched an initiative called 'Brain Gain', which is aiming to actively contribute to the repatriation of experienced IT scientists and to the digital transformation of the Cypriot economy. Through the initiative, Logicom created job openings and offered an attractive repatriation package for professionals working abroad. This program was initiated in 2019 and launched in January 2020.



Logicom
Partners in your success

Πρόγραμμα Logicom Brain Gain
Επιστροφή στην Κύπρο
για ψηφιακή επανεκκίνηση

Πρόγραμμα Επαναπατριsmού Κυπρίων Επιστημόνων Τεχνολογίας

Η Logicom στο πλαίσιο της πρωτοβουλίας της να συμβάλει έμπρακτα στον επαναπατριsmό εμπειρών επιστημόνων τεχνολογίας και στον ψηφιακό μετασχηματισμό της κυπριακής οικονομίας, ανοίγει θέσεις εργασίας προσφέροντας ένα ελκυστικό πρόγραμμα επιστροφής στην πατρίδα.

Μετατρέπουμε τις διαχρονικές μας αξίες σε πράξεις και δίνουμε στους Κύπριους του εξωτερικού την ευκαιρία να εργαστούν και να ανελιχθούν στον τόπο μας, μέσα από έναν Οργανισμό με ισχυρή διεθνή παρουσία.

Πληροφορίες/Όροι και Προϋποθέσεις:
www.logicom.net/braingain

REPORT HIGHLIGHTS

ROADMAP

ORGANIZATIONAL GOVERNANCE



WHAT WE SAID

- Complete and share Equality and Diversity policy.
- Upgrade existing Quality and Environmental Management systems.
- Finalize and implement Logicom’s Anti-Bribery management system.
- Stakeholders mapping and engagement plan.
- Assign a dedicated CSR budget.
- Implementation of Ethics and Compliance manual.



WHAT WE ACHIEVED UP TO 2019

- ✓ Equality and Diversity policy published.
- ✓ Successful completion of Quality and Environmental Management Systems upgrade for Cyprus based companies.
- ✓ Parent company’s Anti-Bribery management system finalized, implemented and certification under ISO37000-2016 was achieved. Guidelines and principles communicated and applied across all Logicom subsidiaries.
- ✓ Stakeholders mapped. Engagement and communication plan set.
- ✓ Stakeholder engagement event was held in 2019.
- ✓ CSR budget assigned on Group level on an annual basis to cover CSR activities.
- ✓ Ethics and compliance manual completed and communicated.



WHERE WE WANT TO GO

- Attract more diverse talent.
- Inclusion of Logicom-wide objectives to address environmental and societal risks identified.
- Continuous monitoring to ensure application of the guidelines and principles of Anti-Bribery management system across all Logicom subsidiaries.
- Prepare an agenda for a series of actions to further engage stakeholders.
- Training and development of key employees who will further transmit the philosophy within the organization and decentralize the CSR activities within the Group.
- Follow up the adherence to its policies and obligations on a regular basis.

LABOUR PRACTICES



WHAT WE SAID

- Complete and circulate a Grievance policy.
- Training of employees on Anti-Bribery and Corruption principles.
- Complete and share whistle-blowing policy.
- Training of employees on Code of Conduct, US Export regulations and Competition law compliance policy.
- Increase employee training hours.



WHAT WE ACHIEVED UP TO 2019

- ✓ Grievance mechanism completed and communicated.
- ✓ Anti-Bribery and Corruption trainings for all Logicom employees.
- ✓ Policy completed, released and communicated.
- ✓ E-learnings undertaken from all employees on the Code of Conduct, US Export regulations, Competition law compliance policy.
- ✓ Employee training hours increased compared to base year by 3,15 hours per employee.



WHERE WE WANT TO GO

- Continuous monitoring of the mechanism function and resolving grievances recorded.
- Continuous monitoring of the adherence to procedures to ensure there are no deviations from the Group's policies.
- Continuous monitoring of the mechanism function and acting on matters recorded.
- Continuous training of employees on Code of Conduct, US Export regulations and Competition law compliance policy.
- Increase training hours per employee with emphasis on developmental trainings.

CONSUMER ISSUES



WHAT WE SAID

- Customer satisfaction surveys.
- Evolve existing customer communication system.
- Optimisation of energy use in all commercial and public facilities.
- Promote sustainable consumption.



WHAT WE ACHIEVED UP TO 2019

- ✓ Services and Distribution sector customer satisfaction surveys and results analysis.
- ✓ Redesigned communication system as part of the new website.
- ✓ Measurement of energy consumption in all countries of operations in progress.
- ✓ Sustainability benefits part of solutions services offered.



WHERE WE WANT TO GO

- Continuous assessment of customer satisfaction to meet customers' expectations.
- Optimum client communication channel and systematic analysis of data collection.
- Achieve energy optimization in all our warehouses and offices
- Promote sustainable consumption through our customer channel.

HUMAN RIGHTS



WHAT WE SAID

- Draft a unified Human Rights policy.
- Perform due diligence examination on Human Rights impacts in the countries of significant operations.



WHAT WE ACHIEVED UP TO 2019

- ✓ Unified Human Rights policy drafted.
- ✓ Examination of possible tools to assist in the designing of the procedure to be followed to perform due diligence.



WHERE WE WANT TO GO

- Complete and release the Human Rights policy, train all employees on policy and procedures and monitor its application.
- Ongoing due diligence procedures to cover all the countries of operation to identify, prevent, mitigate and account for how it addresses any adverse human rights impacts.



OVERVIEW OF LOGICOM'S OPERATIONS

CORPORATE STRATEGY

Our Vision is to be the leading technology company in our region by offering an excellent distribution platform and best in class Integrated IT Networking, Telecom and Business Software solutions to our customers.

Our Mission is to provide high quality products and services in an efficient and effective manner while providing exceptional customer service and support.

Key long-term objectives

The objectives of the Group are analyzed below in the 3 key pillars of operations.

The main objectives for the **Distribution** division are:

- to drive sales and profitability growth and to enhance market coverage
- to strengthen vendor relationships and engagement in new/emerging markets
- to strengthen and deepen our technology partnerships and grow our solutions portfolio
- to enable and strengthen new go-to-market models (e.g. Cloud offering, B2B commerce, customer experience etc.)
- to evolve the Logicom Cloud Marketplace and Logicom e-Commerce Platform and
- to improve productivity, efficiency and team development

The main objectives for the **Services** division are:

- to increase revenue and profitability with special focus on service-rich opportunities
- to expand business and presence outside Cyprus
- to increase focus on Cloud and especially hybrid cloud, IoT, Big Data space, Artificial Intelligence and Blockchain
- to introduce new managed services
- to strengthen vendor partnerships and to acquire strategic certifications and
- to accelerate the building of "Technology As A Service" portfolio of solutions with key strategic partners

The main objectives for the **Investment** division are:

- to invest in strategic sectors in Cyprus market
- to support the Management of the Desalination Plants so as to enhance profitability and return to our shareholders

In regards to CSR, any initiatives and activities Logicom had been involved in prior to this process were focused on social or cultural sponsoring, predominantly involving employees and communities. Following the ISO 26000 verification, Logicom adopted a holistic approach in developing its CSR strategy and framework for its future CSR goals and initiatives.

SHAREHOLDER STRUCTURE

Logicom's shareholder structure can be found in the annual *Report and Consolidated and Separate Financial Statements-Year ended 31 December 2019* which is located at <https://www.logicom.net/investors/financial-statements/>. (Refer to note 42)

(GRI 102-5)

ORGANIZATIONAL STRUCTURE OF THE SUSTAINABILITY MANAGEMENT

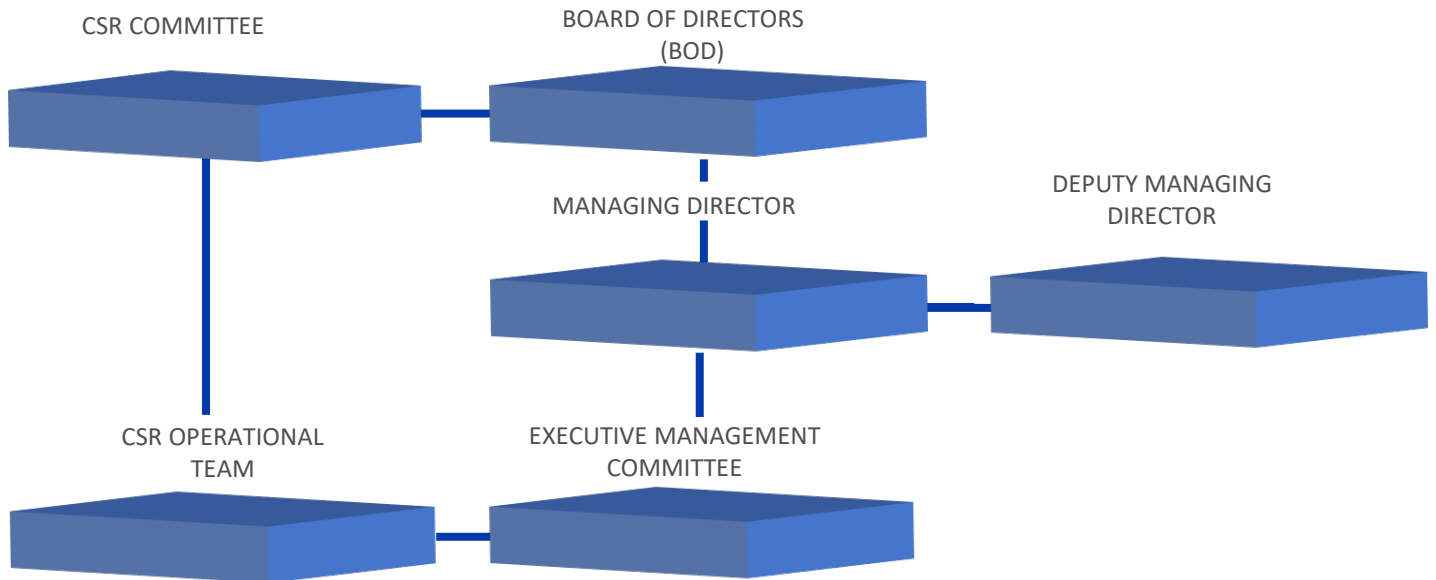


Figure 3: Logicom’s sustainability management structure

The CSR Committee, appointed by the BOD is made up of Directors and members of the Executive Management and is mainly responsible for the formulation of CSR strategy and the definition of CSR primary goals.

Under the direction of the Managing Director, the Executive Management Committee oversees Logicom’s CSR program. The CSR Operational Team handles the CSR program execution.

The CSR Operational Team is comprised of employees from various departments broadly representing Logicom’s business operations. It reports to the Executive Management Committee on progress, achievements and any issues that may arise.

For any further details on the governance structure and composition of the organization, including Committees of the highest governance body, refer to the Group’s annual *Report and Consolidated and Separate Financial Statements for the year ended 31 December 2019*, published on Logicom’s website. [\(GRI 102-18\)](#)

ETHICS AND INTEGRITY

Ethics and integrity are core values well embedded in Logicom's way of doing business. Logicom has a formal written Code of Conduct, which together with our Ethics and Compliance Policies, set the standards of business conduct for all its employees, suppliers, consultants and third-party representatives in all the countries of operation. The Code sets the level and provides information about ethical and integrity standards that must be followed in order to assist the fulfillment of business responsibilities and making the correct business decisions.

Logicom's commitment to our core values and to ethical and legal conduct is very important. The individual commitment of each and every employee is also immensely important in order to make this reality. All of our employees are committed to follow the Code of Conduct and disciplinary measures apply for violations of the code.

The Code of Conduct includes the standards and norms of behavior that govern Logicom's way of conducting business, and is developed and fully supported by the Executive Management, which maintains the responsibility for the Code of Conduct and this is approved by the Board of Directors. Training on the Code of Conduct is given to all employees after they are hired during their induction process and annual trainings are conducted through e-learning. It is also obligatory for all employees to acknowledge and sign the Code of Conduct principles every six months. The Code of Conduct is written in English which is the official language of communication throughout Logicom and is published on Logicom Group's website.

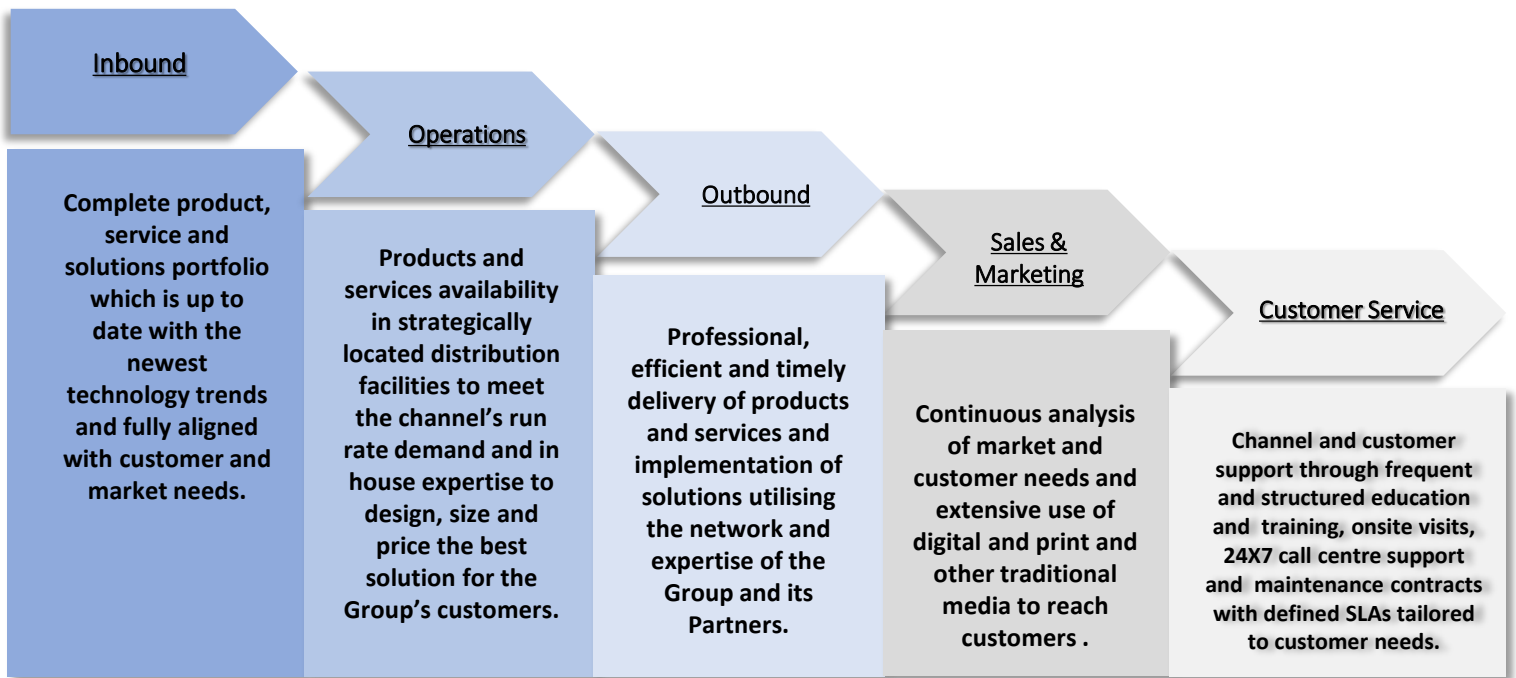
The Ethics and Compliance Manual focuses on our compliance culture and builds on our training and development, evolving our processes and continuously strengthening our compliance efforts to address the challenges and complexities of this fast moving and rapidly evolving business and regulatory environment. The Logicom Ethics and Compliance Manual includes summaries of our key policies and associate links to the full policies, key compliance areas, and ethical guidelines. The policies covered by the manual are: Equality and Diversity Policy, Disclosure (Whistle blowing) Policy, Disciplinary and Grievance Policy, Group Policies and Procedures Manual, Health and Safety Policies, Data Privacy Policy, Anti-bribery and Corruption Policy, Business Associates Onboarding policy, Group User Policy, Cyprus Environmental Policy, Staff Handbook and Salary Confidentiality Policy.

Logicom relies on its employees to act upon its values and ethical conduct in their interaction with business partners.

(GRI 102-16)

VALUE CHAIN STRUCTURE

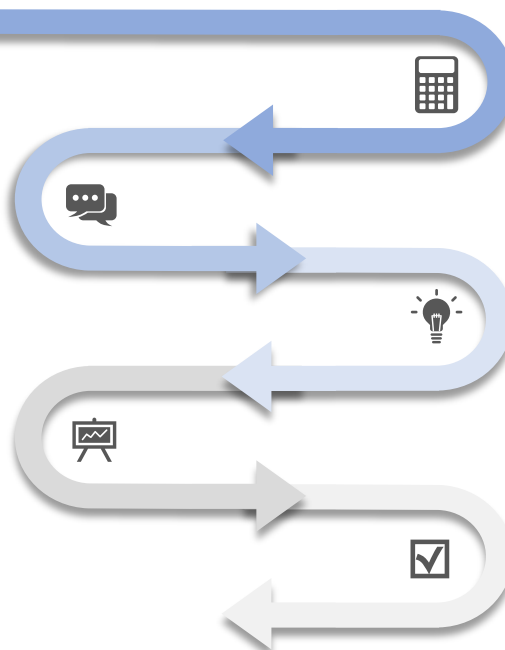
PRIMARY ACTIVITIES



SUPPORT ACTIVITIES

Human Resource Management
Personnel recruitment | Training and development | Personnel planning

Project Management
Project monitoring and coordination



Administrative, Finance Infrastructure

Financial Management | Strategy, Planning and Development | Legal | Quality Control
IT and systems | Credit control

Procurement

Vendor management | Placement of orders | Defining specifications | Subcontracting

Tender Office

Coordination and response to customer tenders

Figure 4: Logicom Group's value chain structure (based on Porter's value chain model)

SUPPLY CHAIN

(GRI 102-9)

Promoting sustainability through our supply chain is one of our primary concerns.

In Logicom we believe that a careful selection of our suppliers guarantees that we add value to our clients' success. We distribute the products and services of more than 70 selected vendors.

We ship more than 33.000 unique products to more than 8.000 customers in the markets that we operate, through a well-established reseller network. Our well-structured and experienced supply chain streamlines the sourcing of computer hardware, peripherals and consumables as well as networking, security and storage equipment from selected suppliers to the doorstep of our reseller partners. We also facilitate reverse logistics for warranty purposes.

The geographical spread of our supply chain is shown below.

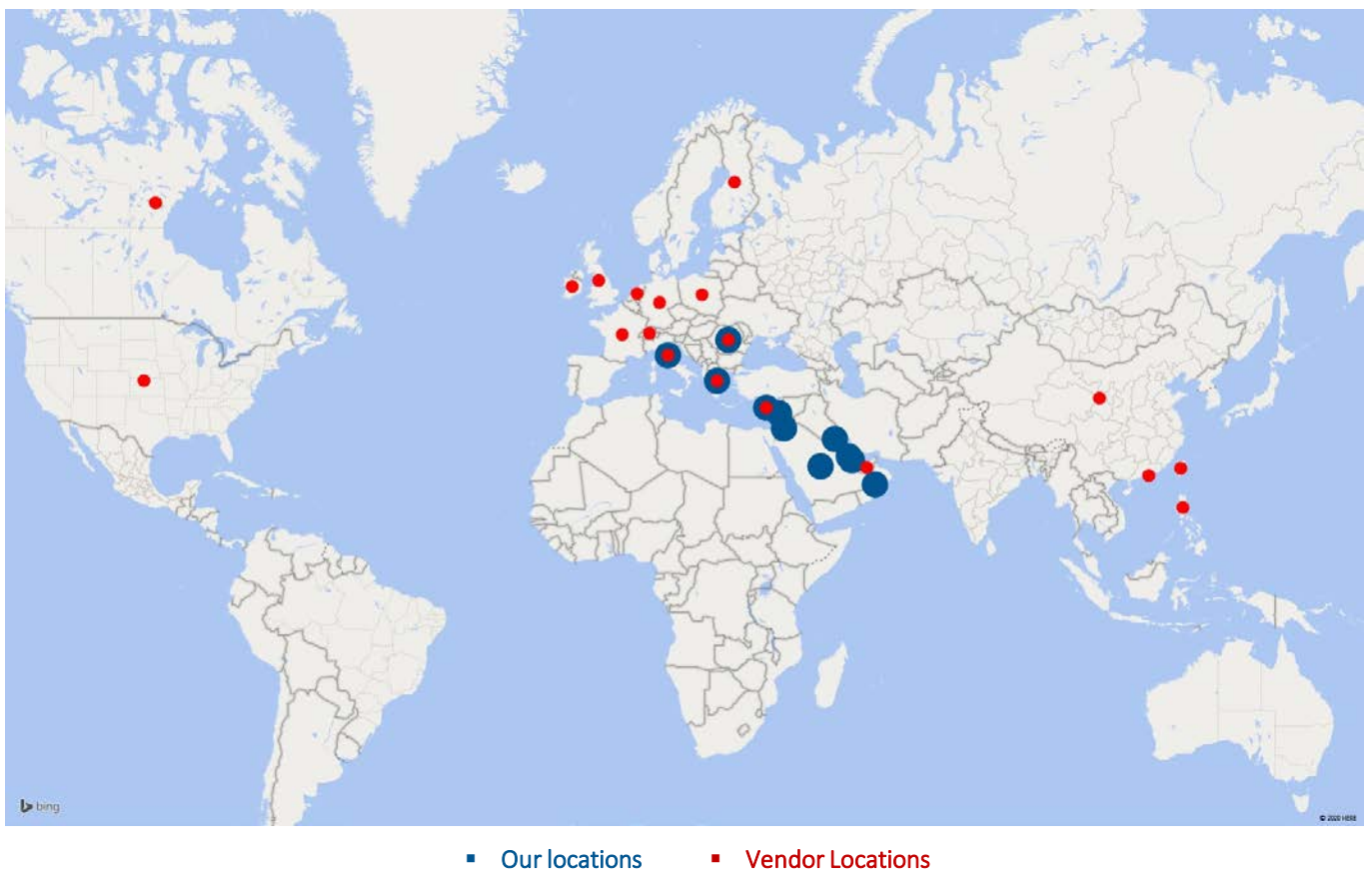


Figure 5: Logicom Group's supply chain

VENDORS:

A selected group of vendors that manufacture IT products

LOGISTICS SERVICE PROVIDERS:

A group of local and foreign freight forwarders

INTERNALLY OPERATED WAREHOUSES:

Warehouses in all group locations



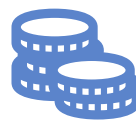
33.791
Item codes



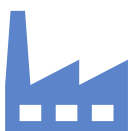
+159.000
Shipment Counts



8.000
Customers



+800million
Buys



72
Suppliers



9
internally run warehouses
and 3 run by 3PL partners

EVALUATION OF LOGICOM'S PERFORMANCE

For the purposes of this CSR report, Logicom Group has adopted the guidelines of the ISO 26000 standard (which have been verified by an independent third-party) and is conforming its reporting to the GRI Standards. ISO 26000 identifies seven core subjects as integral for managing an organisation's impact in the context of corporate social responsibility. These seven core subjects are outlined in Figure 6 below. Each core subject covers a number of subsequent issues of interest (41) and key considerations (313).

THE 7 CORE SUBJECTS



Figure 6: ISO 26000 Core Subjects

To determine the status of Corporate Social Responsibility (CSR) at Logicom Group, a gap analysis was undertaken initially, followed by a materiality assessment to identify the areas of social responsibility focus. Both the gap analysis and the materiality assessment considered all seven core subjects of ISO 26000, including all the issues of interest and key considerations under each core subject.

The aim of the gap analysis was to determine the current status of CSR at Logicom Group with reference to, and as defined by ISO 26000, in order to comply with the standard and relevant national and international legislation, including the EU Directive 2014/95/EU on non-financial and diversity information by certain large undertakings and groups (transposed into the Company Law Chapter 113 (N. 51 (I)/2017) in Cyprus). The gap analysis was performed in 2017, which was the base year for the Group's CSR reporting, and formed the basis of the CSR strategy. The achievement of the goals set as the outcome of this analysis will continue to be pursued by the Management in 2019. Accordingly, no gap analysis was performed for this reporting period.

The aim of the materiality assessment was to identify Logicom’s material (or most important) issues in order to be in a position to re-evaluate its current CSR Strategy, considering the views of its internal and external stakeholders, through their engagement.

Therefore, the following three core subjects are the action areas that Logicom will focus on, in forming its CSR strategy and sustainability report for the following 12 months. [\(GRI 102-47\)](#)

ACTION AREAS AS IDENTIFIED BY BASE YEAR MATERIALITY ASSESSMENT



Organizational Governance



Labour Practices



Consumer Issues

ACTION AREAS AS IDENTIFIED BY 2019 MATERIALITY ASSESSMENT



Organizational Governance



Labour Practices



Human Rights

The following core subjects were distinguished as areas of lower priority. These areas are not addressed separately in the CSR strategy, however they still form part of the Group’s overall strategy.

AREAS OF LOWER PRIORITY (IN NO PARTICULAR ORDER)



Environment



Fair operating practices



Community involvement and development

SUMMARY OF THE EVALUATION PROCESS

1. DETERMINING THE SCOPE OF THE EVALUATION

Logicom has three divisions (Distribution, Services and Investments). Details of all Group entities are included in the annual *Report and Consolidated and Separate Financial Statements for the year ended 31 December 2019*, and are published on the Logicom Group's website. For the purposes of this materiality assessment, the companies in scope are found at <https://www.logicom.net/about-us/group-structure/>; the Investment sector is excluded. (GRI 102-45)

2. OUTCOMES OF THE GAP ANALYSIS FOR THE LOGICOM GROUP

The gap analysis has indicated that in relation to social reporting and its corporate social responsibilities, Logicom is an advanced organisation with national and international success. Passion for growth, professionalism and attention to detail are amongst the main contributors of its success. Logicom, therefore, plays a significant role to the Cypriot economy and society, and to the local economies and societies of the countries it operates, which however comes with a set of responsibilities. Moving the company from having a reactive approach to CSR to a more strategic and proactive approach with a wider perspective on sustainable development, will ensure that the success enjoyed by Logicom so far continues. This approach will also foster a win-win relationship between Logicom, the society and the wider communities it operates within.

3. IDENTIFYING LOGICOM GROUP'S STAKEHOLDERS

In order for Logicom to identify its most important stakeholders with whom to engage for the purpose of the materiality assessment, the factors that were taken into consideration were:

- to whom it has legal obligations
- who can be affected by its decisions and activities throughout its value chain
- who would be disadvantaged if excluded from the engagement and
- who is likely to express concerns about Logicom's decisions and activities.

The types of stakeholders identified as important to engage with for the purposes of social responsibility are shown in Figure 7. (GRI 102-40) The internal stakeholders are the members of the Board of Directors and the Employees. All the rest are considered as external stakeholders.



Figure 7: Logicom’s most important stakeholders

The identification and selection of stakeholders with whom to engage was the result of a workshop attended by representatives of Logicom’s employees from all areas of operations. Each group of employees from different departments were requested to map their stakeholders in order to produce a list with the significant stakeholders’ groups that affect and are affected by the company’s operations. Moreover, each group of stakeholders was classified in three different classes of importance depending on how critical the stakeholder group is perceived for the company’s operations. [\(GRI 102-42\)](#)

As part of Logicom’s CSR strategy, the majority of the identified stakeholders are engaged once per year through surveys circulated aiming to understand how they perceive Logicom and what expectations they currently have towards its business. The customers are engaged more often through customer satisfaction surveys. To strengthen the company’s approach, a stakeholder’s engagement event was organised by the Company during the year. For more details on the stakeholder engagement event please refer to section “CSR strategy and roadmap” page 38. The material areas defined by the stakeholders are discussed in the next paragraph. [\(GRI 102-43\)](#).

4. STAKEHOLDERS' ENGAGEMENT FOR THE DETERMINATION OF AREAS OF FOCUS

(GRI 103-1)

The stakeholder engagement for 2019 was achieved through an event, as mentioned above, which was held in two parts.

The first part included presentations that intended to give the attendees an overview of how sustainability applies to business, its importance to the viability of an organization, and how it can best be integrated in an organization's operations and values and in a more specific view to give an overview of Logicom's CSR Strategy, achievements to date, its future targets and goals, and how stakeholders can help the organization and vice versa.

During the second part of the stakeholder engagement event, the attendees were split in three groups for taking part in a workshop.

- Group 1: Customers, Suppliers and Logistics partners,
- Group 2: Bankers, Auditors, CSR Cyprus, OEB, CCCI, and other consultants,
- Group 3: Logicom's Board of Directors, Shareholders and Employees.

While in groups, attendees were asked:

- to share their own views on issues which are important for Logicom to focus on, as well as their thoughts on what worked well and what needed improvement, and to provide suggestions for improvement. The results are discussed in section "CSR strategy and roadmap" page 40.
- to participate in a short web-based survey during the workshop which focused on materiality assessment, by ranking the ISO core subjects in order of importance. The aim of the survey was to evaluate Logicom's material focus areas based on which issues the stakeholders considered relevant and significant to Logicom. The survey also aimed to assist Logicom to revise its sustainability strategy according to the its findings. The results are analysed below.

Internal Stakeholders Engagement: Stakeholder engagement event workshop

The Board of Directors and the employees of the Group were identified as the internal stakeholders.

A total of 30 internal stakeholders were requested to complete the survey. The sample was designed to include non-executive directors, a number of employees whose views were considered in the base year assessment and extending the sample further to other employees from different departments of operation. The aim of the survey was to assess whether the internal stakeholders are aware of Logicom's current CSR activities and commitments and give their views in regards to the areas that they deem as material for Logicom to focus on. The internal stakeholders concluded on the following ranking of the core subjects:

1. Labour practices;
2. Organizational governance;
3. Human rights;
4. Environment;
5. Fair operating practices;
6. Consumer issues; and
7. Community involvement and development.

External Stakeholders Engagement: Stakeholder engagement event workshop

The rest of the attendees were considered as the external stakeholders.

A total of 38 external stakeholders were invited to complete the survey using their mobile phones or tablets. The sample included stakeholders whose views shaped the material areas of focus at the base year as well as stakeholders who were contacted for the first time. The aim of the survey was to understand how they perceive Logicom and what expectations they currently have towards Logicom's CSR strategy and action plan. The core subjects were ranked in order of importance as listed below:

1. Labour practices;
2. Organizational governance;
3. Human rights;
4. Environment;
5. Fair operating practices;
6. Consumer issues; and
7. Community involvement and development;

(GRI 102-44)



5. OUTCOMES OF THE MATERIALITY ASSESSMENT FOR THE LOGICOM GROUP

The three core subjects, which were considered to be highly relevant by both the internal and the external stakeholders are the priority areas that Logicom has chosen to focus on for its CSR strategy and CSR / Sustainability report.

These three core subjects and their relevant issues of interest are shown in *Figure 8* below.

It is evident from the above procedure that the same three core subjects of Organizational governance, Labour practices and Human rights are considered of high relevance and importance for both stakeholder groups. The external stakeholders continue to value this year the subjects that could be perceived as more relevant to internal stakeholders, which are, the Organizational governance and Labour practices. It is also worth mentioning that the same two core subjects were ranked equally in both the prior year as well as the base year of this report whereas the core subject of Human rights which was not ranked highly in the base year results, appears in the top three subjects in the prior and current year.

It is important to highlight that this year's ranking of the core subjects returned the same results from both internal and external stakeholders' groups.

Community involvement and development was ranked last by both groups. Compared to the previous years' results where this subject was ranked amongst the top 4 core subjects by external stakeholders, it shows that they now, have a better understanding of what CSR is and that they no longer view it as just community of charitable events but as something more important. This proves that Logicom has made significant progress in educating its stakeholders in this subject.

The topic of 'Consumer issues' was ranked 6th by both groups even though in prior years' results this subject was ranked in the 4 top subjects. A possible explanation is that both groups believe that this subject is sufficiently addressed by the company at the moment, as this appeared in the base year's materiality matrix.

(GRI 102-44, 102-46,102-47)

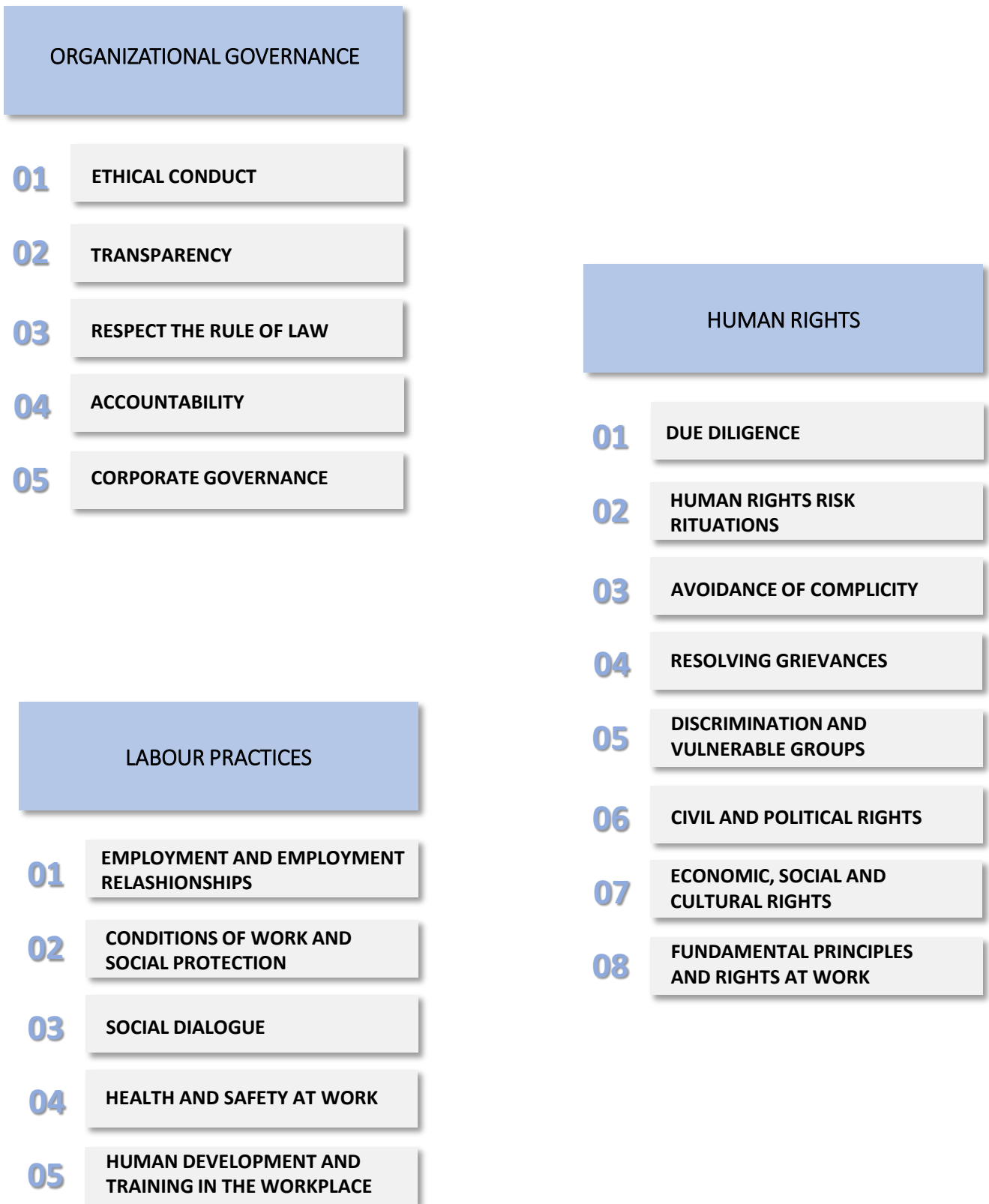


Figure 8: Logicom's key material core subjects and issues of interest

The **materiality matrix** derived for Logicom Group is shown in *Figure 9*.

Figure 9 below shows how the materiality assessment of the ISO 26000 core subjects by the external stakeholders is compared to the materiality assessment by the internal stakeholders. This materiality matrix will form the basis of Logicom’s CSR strategy.

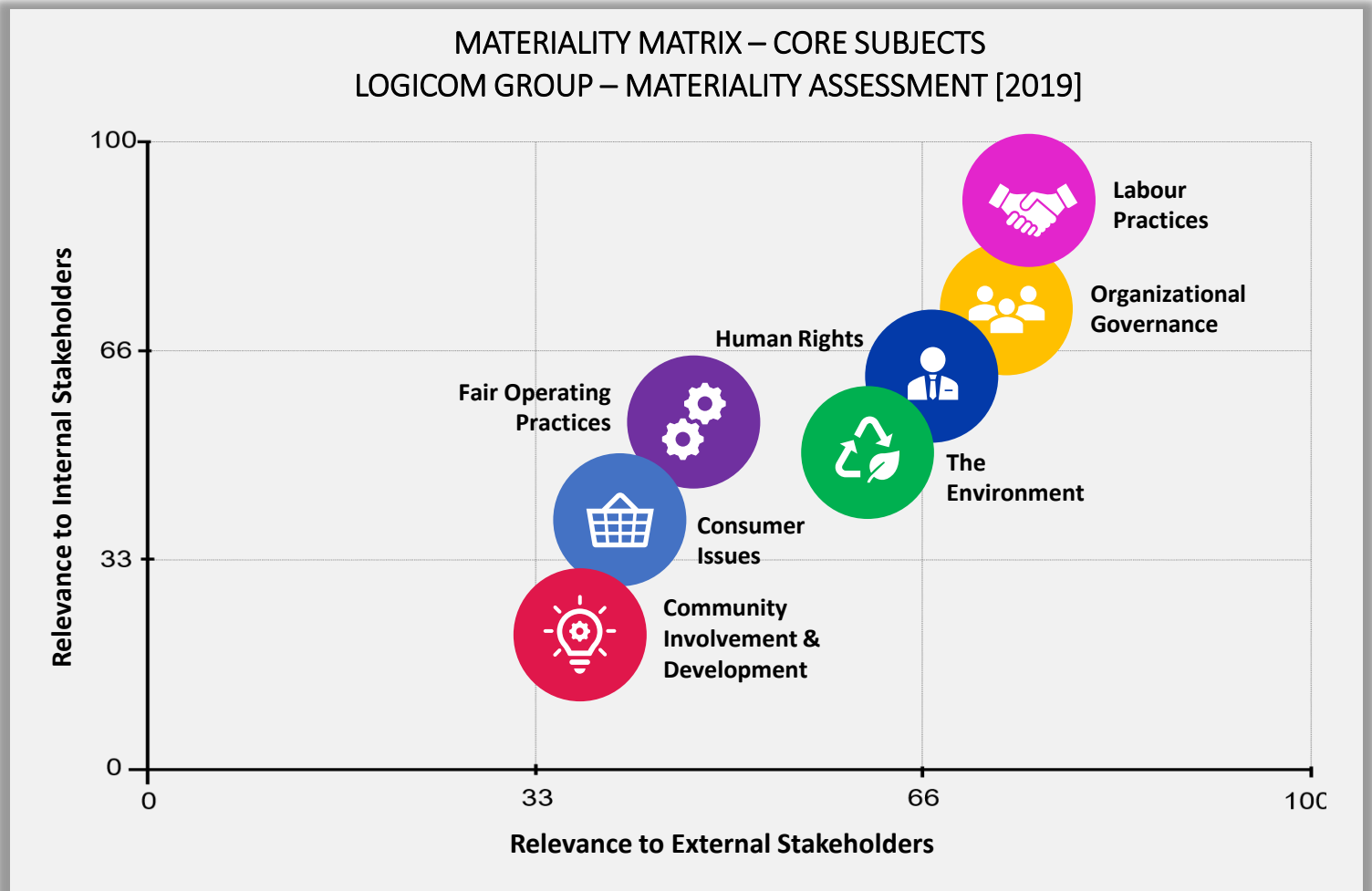


Figure 9: Materiality Matrix for Logicom for 2019

Logicom intends to focus on raising awareness on these three core subjects, which were selected as being highly relevant to both its internal and external stakeholders. Logicom also aims to further educate its stakeholders regarding CSR.

As a result of the procedure discussed above and the material areas that this procedure has highlighted, the scope of this report remains unchanged compared to prior year. Consumer issues will remain as an area of focus since this core subject was taken into consideration when forming Logicom’s CSR strategy in the base year and the Management considers it would be prudent to continue its efforts towards the achievement of the goals set. (Logicom does not deal with consumers directly. The term “consumer” refers to those individuals or groups that make use of the output of the organization decisions and activities.)

(GRI 102-49)

CSR STRATEGY AND ROADMAP

ORGANIZATIONAL GOVERNANCE



(GRI 103-2)

Organisational governance is the system by which an organisation makes and implements decisions in pursuit of its objectives. Organisational governance can comprise both formal governance mechanisms based on defined structures and processes, and informal mechanisms that emerge in connection with the organisation's culture and values, often influenced by the persons who are leading the organisation. Organisational governance is a core function of every kind of organization as it is the framework for decision making within the organisation.

At Logicom, strong corporate governance is the foundation of our long-term success. The Logicom Board of Directors sets high standards for Logicom's employees, officers, and directors. Logicom has implemented the Cyprus Stock Exchange Corporate Governance Code, as part of our duty to serve as a prudent fiduciary for shareholders and to oversee the management of Logicom's business.

Governance can only be as good as the Board of Directors behind it. At Logicom, each Board member brings a plethora of skills and experience to the table and we are fully engaged and committed to providing management and guidance to the Company's executive management team. We maximize shareholder value by taking a long-term view and are in constant pursuit of value creation. The Board is vigilant in its system of checks and balances and its assessment and management of risk.

The effectiveness of the Board is vital to the success of Logicom and the strategic direction that it provides, and we undertake a rigorous evaluation each year to measure how well we are performing in relation to our shareholders, partners and employees. The benefits arising from the diversity in the composition of the Board are recognized. The Board should be composed by members of high academic training and successful professional background taking also into account that the experience is a significant element of the perception and fair judgement. The necessity for diversity in the training and specialization of the directors to optimally cover the requirements of Logicom's areas of operations also exists. In the evaluation of these criteria, no discrimination is made in regards to the gender.

Logicom's Board of Directors is comprised of eight members, five of whom are independent non-executive directors, one is non-independent non-executive director and two are executive directors. The Corporate Governance Committees are the Nomination Committee, responsible for recommending new directors to the Board of Directors, the Remuneration Committee, responsible for the directors' remuneration packages, the Audit Committee, responsible for supervising the quality and accuracy of the financial statements, complying with legal and administrative rules, examining the professional level of the auditors, their audit work and independence, as well as the performance of the internal control, and the Risk Management Committee responsible to supervise the risk management systems.

(For more information on the composition of the Board of Directors, please refer to the annual *Report and Consolidated and Separate Financial Statements for the year ended 31 December 2019*, located at the Logicom Group website).

(GRI 102-18)

WHERE WE STAND

(GRI-103-3)

The total number of Group employees for the year 2019 were 764.

DECISION-MAKING PROCESSES AND STRUCTURES

Diversity of governance bodies and employees (GRI 405-1)

➤ **Board of Directors:**

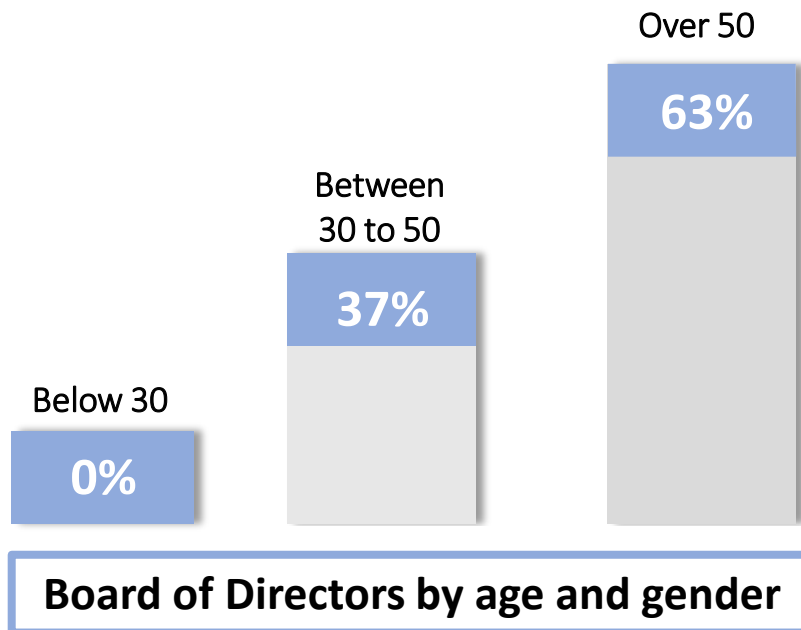


Figure 10: Composition of the Board of Directors by age and gender

All members of the Board of Directors are male members and Cypriot citizens. 63% of the members are older than 51 years old, and 37% of the members are between 30 to 50 years old.

The members of the Board are chosen based on numerous criteria in order to achieve as much diversity as possible, however, the availability of suitable candidates with experience and expertise in our sector is always a critical factor in establishing diversity.

➤ **Management personnel:**

The composition of managerial personnel throughout Logicom is: male employees – 78% and female employees -22%.

As per *figure 11*: managerial personnel below 30 years of age are split equally in genders, 74% of managerial personnel between the ages of 30-50 are male while this percentage increases to 96% for the managerial personnel who are greater than 50 years old.

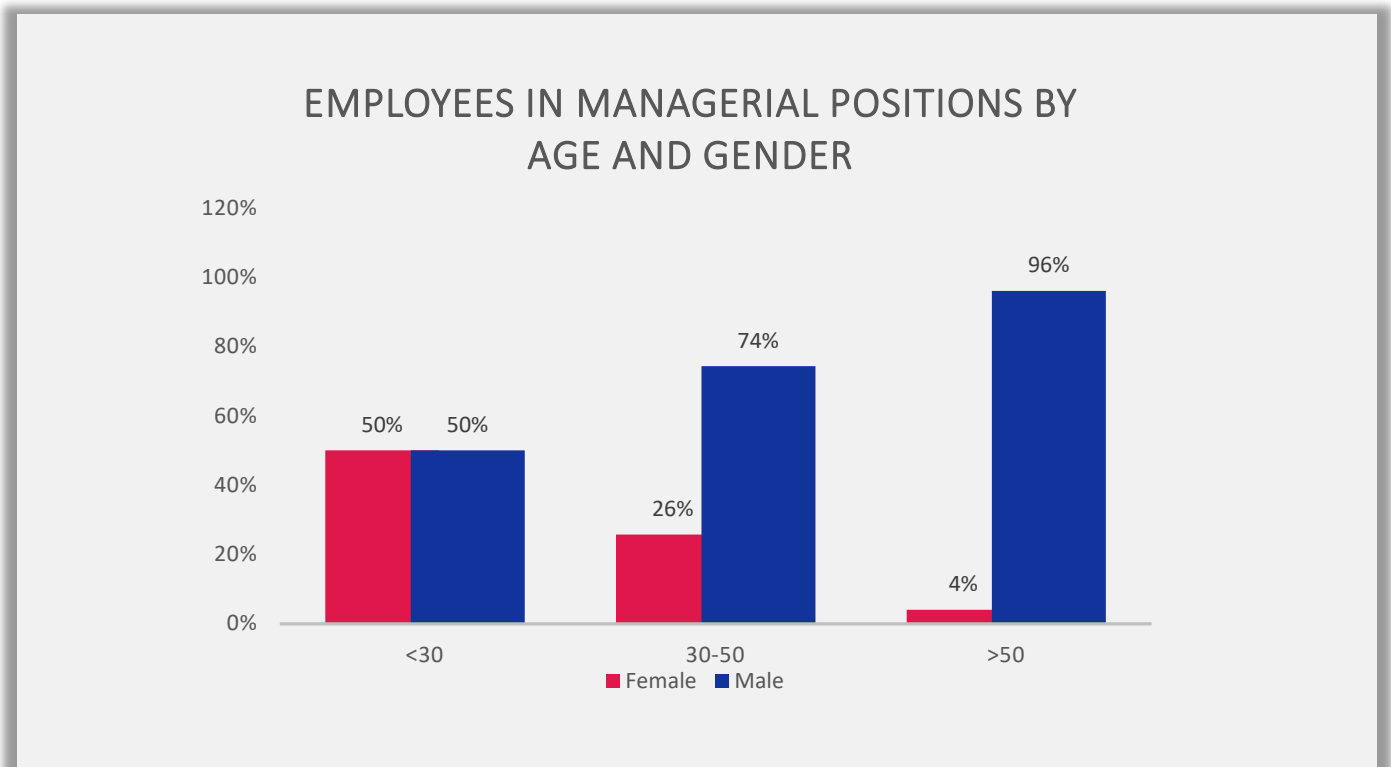


Figure 11: Employees in managerial positions by gender and age (2019)

Compared to the base year, there is an increase in female employees in managerial positions in the age categories of under 30 and between 30-50 years old and a decrease in the age category over 50 years old.

➤ **Employees**

➤ **Gender groups**

Out of the 764 employees of the Group, 73% are male and 27% are female.

➤ **Region groups**

Considering the different regions where the employees are placed, the split between Europe and Middle East is:

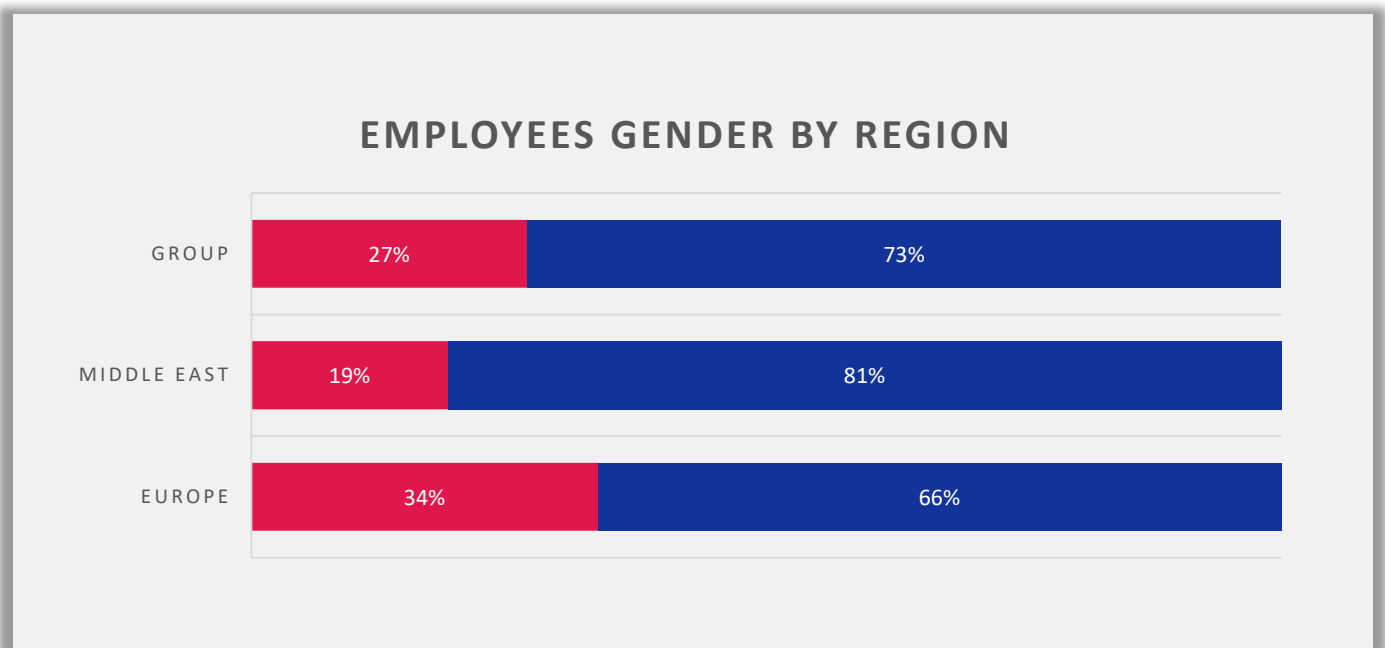


Figure 12: Logicom employees' gender by region (2019)

404 employees are based in Europe (53%), out of which 66% are male and 34% are female.

360 employees are based in Middle East (47%), out of which 81% are male and 19% are female.

➤ Age groups

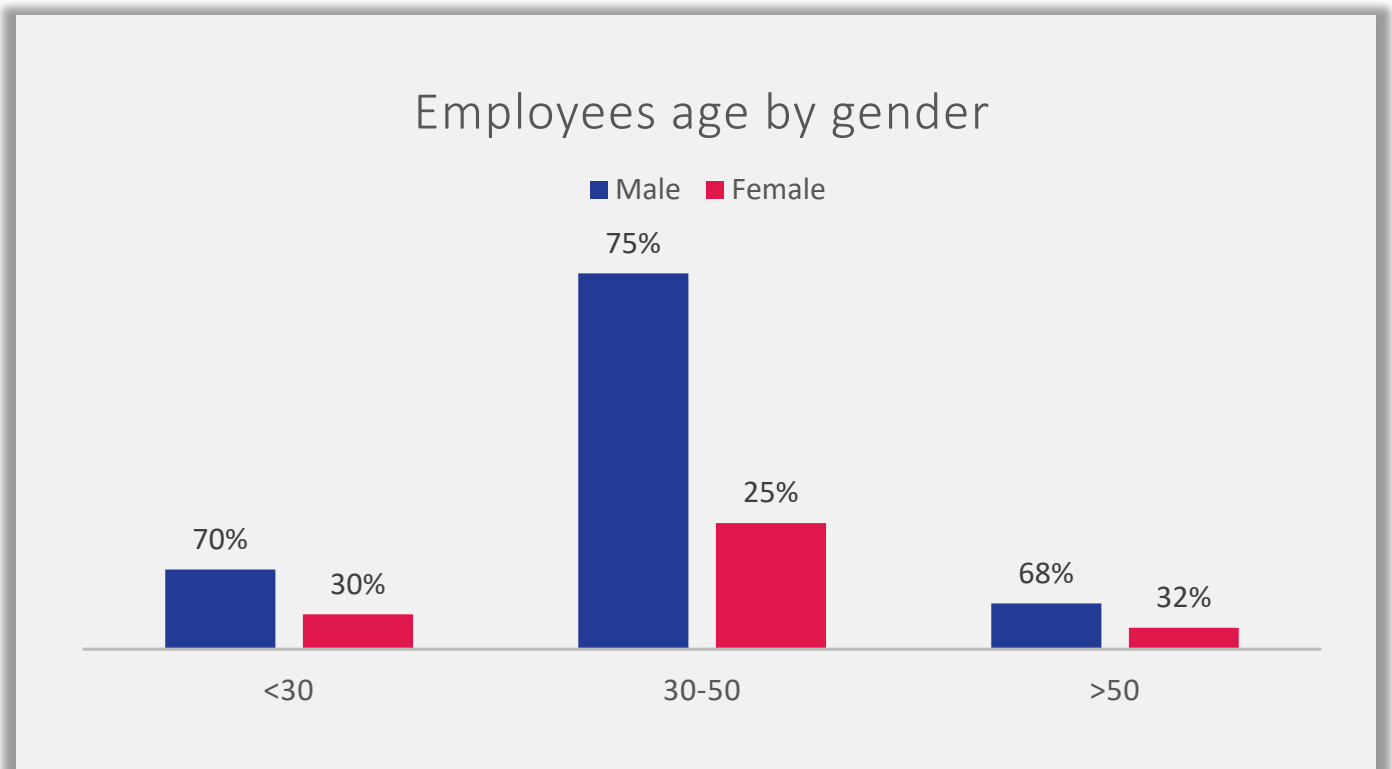


Figure 13: Logicom employees' age by gender (2019)

129 employees (17%) are under 30 years old, 70% of which are male and 30% are female.

561 employees (73%) are between the ages of 30 to 50 years old, 75% of which are male and 25% are female.

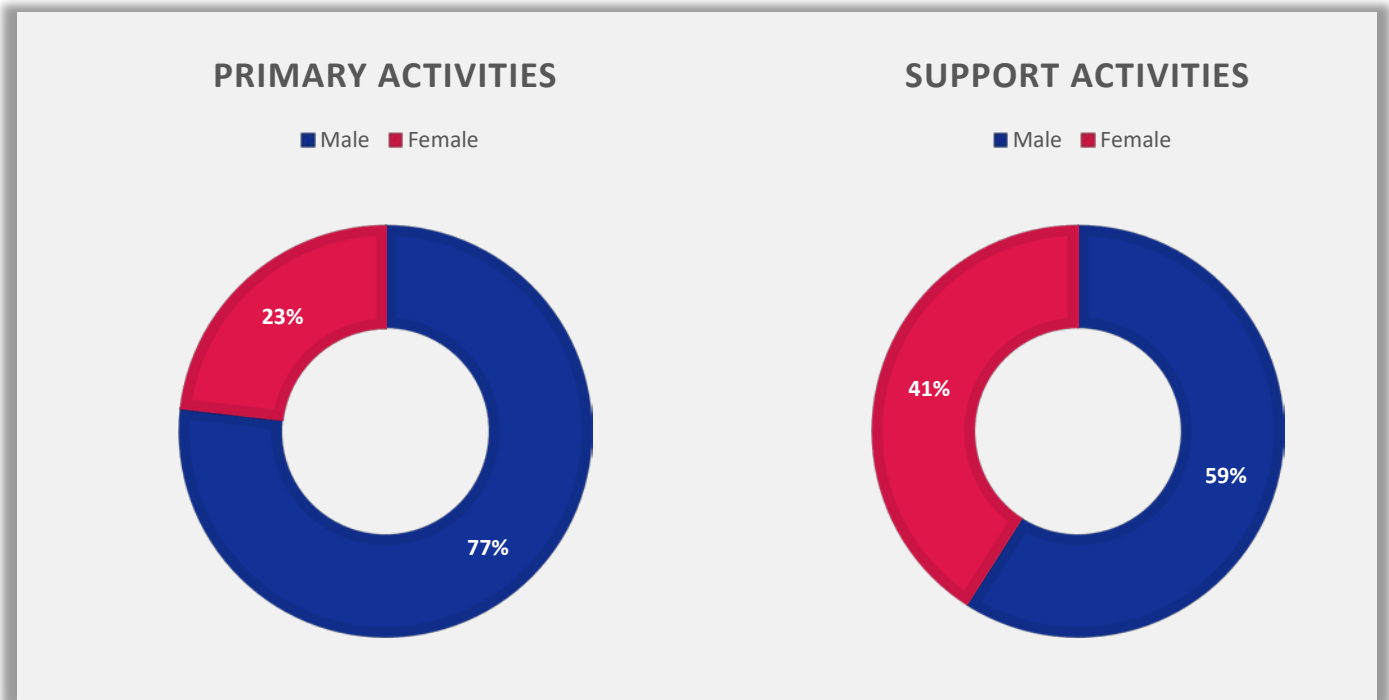
75 employees (10%) are over 50 years old, 68% of which are male and 32% are female.

In 2019 the percentage of employees in the under 30 age group, increased to 17% compared to 8% in the base year whereas the percentage of employees at the age group of 30 to 50 years old decreased to 73% compared to 83% in the base year.

➤ Nationalities



Figure 14: Logicom employees' nationalities (2019)



The allocation of employees to primary and support activities is based on Logicom’s value chain as presented in figure 4.

Figure 15: Logicom employees’ gender by department (2019)

In 2019, the presence of female employees increased (compared to base year) in the departments of Warehouse and Logistics, Technical, Human Resources, Administration and Sales and Marketing.

Overall, Logicom as an IT Group of companies, tends to attract more male employees, especially in the primary activities’ departments of IT, Technical, Warehouse and Sales & Marketing. Another factor that explains why there are more male employees, is the geographical dispersion, as 47% of Logicom employees are located in the Middle East, where the gap between male and female employees inevitably widens. The ratio of skilled female vs male workforce in the Middle East is lower than other regions we operate in and this also affects the gender equality factor. However, even under these circumstances Logicom’s Management endeavors have achieved the employment of a substantial number of female employees in the Middle East countries, especially in Saudi Arabia.

- Employees by employment contract and gender (GRI 102-8a, 8b): The majority of the Group employees (99%) are employed under permanent/indefinite term contracts. Only 1% of the Group employees are employed under fixed term/temporary contracts, all females, out of which 14% are based in Europe and 86% in the Middle East.
- Permanent employees by employment type and gender (GRI 102-8c): All permanent employees are full time employees. None is under part-time employment.
- Work performed by self-employed workers or contractors does not form a substantial portion of Logicom’s work. (GRI 102-8d). The total workforce of 764 employees refers only to employees’ category, no supervised workers exist.
- Logicom’s operations are not affected by seasonality; therefore, there are no significant variations in employment numbers throughout the year. (GRI 102-8e)
- Compilation of data: All the data that were used to produce the above statistics that refer to Logicom’s employees and the application of the Group’s policies were provided by the Human Resources Department. (GRI 102-8f)
- Logicom does not employ any personnel under collective bargain agreements. (GRI 102-41)

- Logicom’s response to the precautionary approach (*GRI 102-11*): The Group through its operations does not have a significant effect on the environment. However as it is very conscious of the role it plays towards contributing to the environment, Logicom Public Ltd has adopted the ISO14000 series of standards as an overall framework for addressing environmental issues and its related impacts in a systematic and holistic manner.
- Logicom’s subscription or endorsement to externally developed economic, environmental and social charters, principles or other initiatives: (*GRI 102-12*) Logicom Public Ltd has endorsed the external initiatives driven by the Cyprus Chamber of Commerce and Industry (CCCI) for the establishment of the non-for-profit organizations: AFIS Cyprus, WEEE Cyprus and Green-Dot Cyprus. The principal activities of these organisations are the management of batteries waste, electrical and electronic equipment waste and packaging materials waste. The Company is a founding member of these organisations.
- Logicom’s Memberships of associations (*GRI 102-13*) Logicom is a member of the following associations:
 - Nicosia Chamber of Commerce and Industry: Logicom participates, through a company official, in the Board of Directors and the Chamber’s Services Committee. The Company is a frequent sponsor of events/ actions initiated by the Chamber of Commerce and Industry, which promote good business practices, compliance with legislation or EU Directives and global trends.
 - The Employers and Industrialists Federation (OEB), in which Logicom, through a company’s official, participates in the Board of Directors.
 - The Cyprus Information Technology Enterprises Association (CITEA): The Association is housed by the Employers’ and Industrialists’ Federation of Cyprus. Logicom participates, through a company’s official, in the Board of Directors.
 - The Federation of Hellenic Information Technology & Communications, Enterprises (SEPE).
 - AmCham Cyprus (American Chamber of Commerce in Cyprus), in which Logicom, through a company official, is a member in its Board of Directors.
 - Global Technology Distribution Council (GTDC): GTDC is a worldwide industry association dedicated to defining and promoting the role of wholesale distribution in a successful and healthy information technology channel. The Council is comprised of the computer industry’s top distributors dedicated to serving “the channel,” a network of skilled solution providers, Internet resellers and retailers focused on providing hardware, software and services to businesses and consumers around the globe. The GTDC is governed by its Executive Committee and Board of Directors, which consists of senior management representatives of the organisation’s members. Logicom participates, through a company’s official, in the Board of Directors.
- In 2019, the Group launched its redesigned website aiming to improve the experience of the stakeholders and to serve their needs better. An anonymous feedback system was also implemented, to serve as a line of communication between Logicom and its global users.
- Logicom has a written **code of conduct** and overall ethics program, which provide a solid safeguard to the organisation. Logicom is also fully compliant with all national and local laws and regulations that apply to the Group in all the countries in which it operates.
- Strong **communication of values** inside and outside the organisation are very important in establishing the company as a strong and reliable business partner to all of its clients.
- **Transparency:** The Group ensures all communication is kept simple, lucid and transparent in a manner that it is understandable by its entire stakeholder community.
- At Logicom, **corporate governance** is driven collectively by the Board of Directors (BOD). The committees that fall under the BOD which are responsible for decision making are the Audit Committee, the Risk Management Committee, the Remunerations Committee and the Nomination Committee, as explained in page 31. Full details on the formation and duties of the Committees and of the BOD are described in Logicom’s Corporate Governance Report, which is part of the annual *Report and Consolidated and Separate Financial Statements for the year ended 31 December 2019* located on Logicom’s Group website.

STAKEHOLDER ENGAGEMENT

(GRI 102-40 to GRI 102-44)

During the procedure of determination of the material areas for Logicom's CSR strategy, a stakeholder engagement event was organised by the Company.

Logicom hosted its first CSR Stakeholder Engagement event on the 15th of October 2019, at The Landmark Hotel in Nicosia.

The breakfast event, which was organized with CSR Company International, in collaboration with Cyprus-based Aspon Consulting Limited, focused on Sustainability and welcomed company stakeholders for a series of presentations and a workshop. Among the attendees were Logicom customers, vendor representatives, logistics partners, bankers, statutory auditors, external consultants, shareholders, members of CSR Cyprus, representatives of the Employers and Industrialists Federation (OEB) and the Cyprus Chamber of Commerce and Industry, and Logicom employees and members of the Board of Directors. (Invitations were sent out to stakeholders located in Cyprus)



Figure 16: Invitation to Logicom's stakeholder engagement event on sustainability (2019)

The event agenda was split in two parts. The first part included introductory presentations on the topic of CSR and its application to businesses, on Logicom’s sustainability activities to date, and on explaining the purpose of the event.

The second part included a workshop, during which stakeholders were invited to participate in a materiality assessment, which aimed to evaluate the company’s material focus areas based on which issues they considered to be relevant and significant to Logicom, by ranking the ISO core subjects in order of importance. Moreover, the stakeholders were invited in a dialogue with the aim to accurately assess the impact of Logicom’s operation on their respective interests and hence form the basis of the organization’s decisions. For this purpose, the attendees were parted in three breakout groups as follows:

- Group 1: Customers, Suppliers and Logistics partners,
- Group 2: Bankers, Auditors, CSR Cyprus, OEB, CCCI, and other consultants,
- Group 3: Logicom’s Board of Directors, Shareholders and Employees.

Each group was assigned two facilitators (from Logicom and Aspon Consulting)

TIME	SUBJECT	PRESENTER
08.30-09.00	Arrivals and registration	
09.00-09.03	Welcome and introduction	Anthoulis Papachristoforou, <i>Logicom Group Chief Financial Officer and Deputy Managing Director</i>
09.03-09.23	Sustainability in business	Martin Neureiter, <i>President of CSR Company International</i>
09.23-09.30	Overview of Logicom's sustainability activities to date	Marina Michaelidou, <i>Logicom Group Senior Reporting Officer</i>
09.30-10.25	Workshop: Stakeholder discussions in breakout groups	<i>Facilitated by Logicom Group, CSR Company International and Aspon Consulting</i>
10.25-10.30	Closing remarks	Martin Neureiter, <i>President of CSR Company International</i>

Figure 17: Agenda of the Logicom’s stakeholder engagement event on sustainability (2019)

Objectives and conclusions of the event:

The objectives of the engagement shaped the dialogue that followed between the stakeholders and the facilitators. These objectives, outlined below, were to:

- I. Prioritise the areas of significance which will form the Group's materiality matrix,
- II. Gain an insight into the stakeholders' perception of the Group's CSR performance,
- III. Understand the effectiveness of the Group's CSR practices communication, and
- IV. Record the stakeholders' suggestions and recommendations to further improve the Group CSR practices.

The results of the significant areas of prioritization are analysed in section "Evaluation of Logicom's performance", page 26. It is notable that the views of both stakeholder groups (external and internal) who responded to this survey converge, in contrary to prior years' materiality process results where the two stakeholder groups had significantly diverse views as to what they considered an area of priority for the Group. This drastic shift is considered a positive step forward for the Group, as this means that the stakeholders have a better understanding of what CSR is. It also means that the CSR is now viewed as something broader and more important than just a community for charitable events.

It is evident from the dialogue and exchanges effected between the facilitators and the breakout groups, that Logicom is considered active in terms of social responsibility and a general awareness has been raised around its CSR activities. While Logicom has made significant efforts in terms of CSR and its actions have been noticed to some extent, the communication of these efforts needs to be improved. Even though internal stakeholders provided a bigger and more diverse mix of examples, compared to the external stakeholders, demonstrating they have a somewhat better knowledge of Logicom's CSR activities, they still pointed out that communication needs improvement. It is worth noting that, overall the stakeholders ranked Logicom's CSR performance as Average to Good, and none of the stakeholders' groups rated the company's performance as poor or very poor.

Examples of the CSR activities, noted by the stakeholders are:

External stakeholders

- Logicom Cyprus Marathon
- Logicom's Scholarships program

Internal stakeholders

In addition to the above, they noted:

- Equality of genders
- Code of Business Conduct
- Personnel trainings
- Data privacy and Cyber security
- Anti-bribery system and procedures
- Environmental measures, such as recycling, energy and fuel consumption

The dialogue around the areas that are deemed to be of great importance to the organization for the purpose of shaping its CSR strategy, strengthened its existing strategy and built up on the view that Logicom's focus should be placed on the issues under Labour practices, Organizational governance and Human rights. Issues that fall under the areas of Community involvement and development, Consumer issues and Environment were also mentioned, while nothing came up on the area of Fair operating practices.

The coverage of almost all areas of ISO26000 arising from stakeholders comments, indicates that as stakeholders' understanding around CSR has improved. Additionally, the need for a more holistic approach to improve CSR performance across the group's operations will become increasingly apparent.

Stakeholders' responses also confirm the adoption of international trends on awareness around social responsibility and holistic sustainability. It also demonstrates that Logicom is operating in an environment where its efforts towards CSR are recognised and are beneficial to the organisation, and that it must continue to build on these efforts in order to grow in a relevant and sustainable manner.

Focus areas:

In dealing with **accountability** within the organisation, the gap analysis has indicated that the existing Risk Management Committee and the Audit Committee exhibit the Board's determination to be accountable in all areas.

An anti-harassment policy is in place and a **non-discrimination policy** was introduced in 2018.

Risk management across the company is currently evolving to strengthen the handling of operational, environmental, societal and information security risks. It is noted that Cyprus-based Logicom companies have implemented ISO 9001:2015 (International Standard on Quality Management) and Logicom Public Ltd has implemented the ISO 14001:2015 (International Standard on Environmental Management). Logicom Solutions Ltd has also implemented the ISO 27001:13 (International Standard on Information Security Management System). The Group policies and procedures manual is the vehicle through which common quality processes are deployed in all countries.

Regarding **gender equality**, 73% of employees are men and 27% are women. This is mainly due to the nature of the business, which is more likely to attract male employees and due to the geographical spread of its employees with 47% based in the Middle East where the gap between genders inevitably widens.

Stakeholder engagement for Logicom has been applicable so far to the group of closely related stakeholders. In this fast-paced, ever-changing world, the Company recognises that its decisions and activities impact even more individuals or groups than ever before, either directly or indirectly. Systematic **stakeholder mapping, engagement and communication plans** need to be developed to enable the company to identify all of its stakeholders and risks in a proactive manner. This will allow Logicom to mitigate risks through a structured and effective process. The gap analysis dictates the creation of a **CSR policy** and a **CSR roadmap** to address CSR-related training and development needs of key employees, who will then pass on the company's philosophy to other colleagues and partners. Separate **budgets** for sponsorships/charity and core CSR activities are being prepared, as it should be clear that the charity budget is directed outward while the CSR budget is related to our core business.



WHAT WE ACHIEVED UP TO 2019

- ✓ Diversity and inclusion non- discrimination policy completed and shared with Logicom's employees and management. Refers to "Equality and Diversity policy" document published on the Logicom internal website (Intranet).
- ✓ Upgrading of the existing ISO 9001:2008 Quality Management System and ISO14001:2004 Environmental Management System (Logicom Public only) against the revised ISO9001:2015 and ISO14001:2015 to manage the risk arising from Logicom's operations, completed successfully for the Cyprus based companies.
- ✓ Stakeholders' engagement: Mapped our stakeholders and set up an engagement plan, alongside with a communication plan. To enforce this step, Logicom organized its first stakeholder engagement event during the year to further strengthen its efforts to act proactively in the identification and mitigation of risks in a strategic manner.
- ✓ CSR budget to cover the core CSR activities has been assigned by the Management at a Group level during the annual budgeting process of the organization and will be reassessed annually based on the short-term CSR strategy.
- ✓ The parent company has been certified for the ISO37001:2016 for the Anti-Bribery Management System, in 2019.
- ✓ Implementation of Ethics and Compliance Manual summarizing all key compliance obligations and policies for our employees.
- ✓ Redesigned onboarding procedure for Business associates, completed and shared. The new procedure places special care on ethics and integrity principles, Anti-bribery and Corruption principles, Data Protection, Competition Law and US and EU export regulations.

WHERE WE ARE HEADING

NOTES:

- ✓ Goals completed
- Goals in progress
- Goals planned

SHORT-TERM GOALS

- ✓ To communicate and apply the guidelines and principles of ISO37001:2016 Anti-Bribery Management system to all Logicom companies.
- ✓ Implementation and certification of the Business Consulting Services department of Logicom Solutions with ISO27001:2013 “Information Security Management System” in order to improve the security of the companies and customers’ information.

MID-TERM GOALS

- CSR trainings: Training and development of key employees who will further transmit the philosophy to their colleagues and teams.
- Strengthen communication of CSR strategy and actions internally and externally for continuous education of stakeholders.
- Prepare an agenda on a series of stakeholders’ engagement actions across the Group countries of operation.

LONG-TERM GOALS

- Inclusion of key performance indicators (KPIs) for environmental and societal risks identified.
- To continue working towards attracting more diverse talent.

LABOUR PRACTICES



(GRI 103-02)

The labour practices of an organisation encompass all policies and practices relating to work performed within, by or on behalf of the organisation, including subcontracted work. Labour practices extend beyond the relationship of an organisation with its direct employees or the responsibilities that an organisation has at a workplace that it owns or directly controls.

Labour practices include the recruitment and promotion of workers; disciplinary and grievance procedures; the transfer and relocation of workers; termination of employment; training and skills development; health, safety and industrial hygiene; and any policy or practice affecting conditions of work, in particular working time and remuneration.

Our employees are the driving force behind our success and our diverse workforce is the source of our strength for achieving our objectives.

Logicom treats its people with dignity and respect and is an equal opportunity employer. It does not discriminate against anyone based on gender, race, color, religion, age, mental or physical disability, political beliefs or any other legally protected trait. Harassment, violence and bullying of any form are not tolerated by any means.

Logicom takes the health, safety and welfare of its employees very seriously and as such it seeks to minimise the risk of accidents in the workplace and does all it can to protect and sustain the health of all personnel.

WHERE WE STAND

(GRI 103-03)

EMPLOYMENT AND EMPLOYMENT RELATIONSHIPS

- Proportion of senior management hired from the local community at significant locations of operation: (GRI 202-2)

Senior Management term refers to the highest level of managers in Logicom, i.e. Directors and General Managers. Local community refers to the country where each Logicom subsidiary company is based on the % of total revenues are UAE, Saudi Arabia, Greece and Cyprus.

In total, 66% of total senior management (includes all directors, senior managers and general managers) are locals (as per the GRI definition), where the remaining 34% are foreigners, compared to 64% local vs 36% foreigners in base year.

100% of the senior management in Cyprus and Greece is hired from the local community, whereas all senior management in the UAE are expatriates.

- Total number and rate of new employee hires during 2019, by age group, gender and region (GRI 401-1a):

180 people left the company and 164 were recruited during 2019, i.e. 1:0,91 compared to 1:1,25 in base year. (Positions that have been cancelled are excluded).

51% of the new hires were based in Europe and 49% in the Middle East.

71% out of the 164 new hires were male and 29% female employees. (Base year: 72% male, 28% female)

- During 2019, Logicom in collaboration with one of its major vendors hired young employees within the scope of the 'Xsell' program. The program is a Development and Sales practice initiative under which these associates are being trained by the vendor and apply the acquired skills in the field for a period of 14 months, after which they assume a position within Logicom. This program was implemented during 2019, in UAE, Saudi Arabia and Qatar.
 - Logicom has also a periodic internship program in collaboration with the local universities under which students are employed for the summer season in relevant positions in any of Logicom's subsidiaries depending on the business needs of the current year.
- Employees with physical disabilities: 0,5% out of total employees, equally split in genders, in the regions of Europe and Middle East.
 - Total number and rate of employee turnover by age group, gender and region (GRI 401-1b):

During 2019, the turnover ratio was 23% (Base year: 20,8%) (leavers divided by the total number of employees at the beginning of the year).

The breakdown of the turnover total by age group of the employees that left the organization, presented below in *figure 18*, is as follows:

At the under 30 age group, the turnover is 17% (base year: 13%), at the age group of 31 to 50, the turnover is 78% (base year: 84%), and at the ages over 50, the turnover is 5% (base year: 3%).

Out of the total employees that left the Group, 33% were female compared to 67% male employees and 49% were from the Middle East region and 51% from Europe.

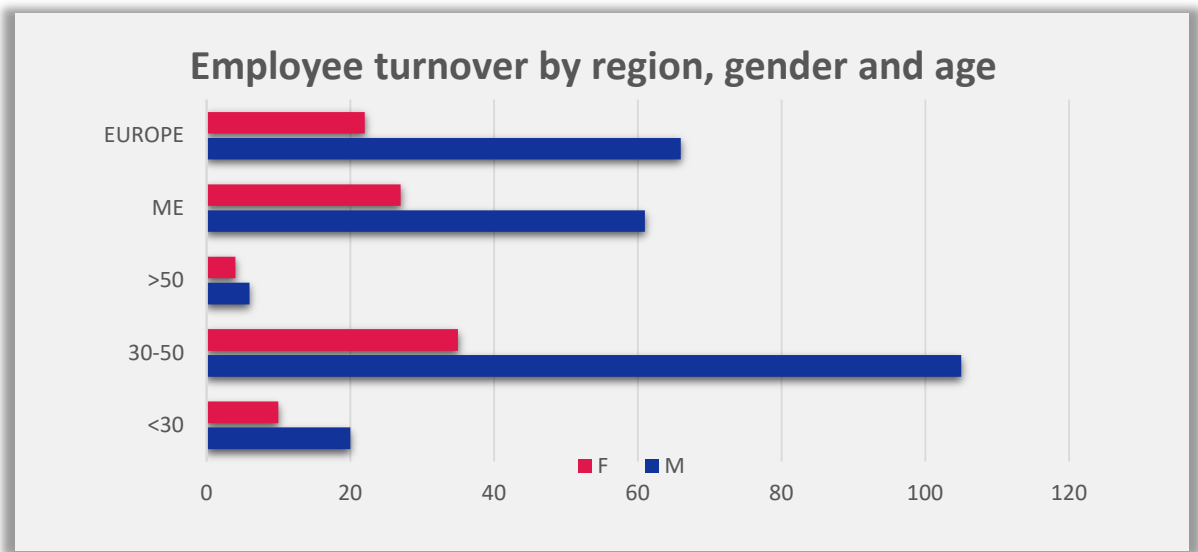


Figure 18: Employees' turnover by region, gender and age (2019)

CONDITIONS OF WORK AND SOCIAL PROTECTION

- Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation [\(GRI 405-2\)](#):

The employees' categories by department and level were split based on information collected through the human resources system into the departments of sales, finance, operations, technical and administration for each company throughout the Group's operations.

However, due to the fact that most positions are unique and part of small departments (in terms of headcounts) it makes it impossible to provide salary information without revealing the employees' identity.

- No part-time employees existed in 2019, however, as a practice, the benefits provided to full time employees and part-time employees are equal. [\(GRI 401-2\)](#)
- Ratio of standard entry level wage by gender compared to local minimum wage. [\(GRI 202-1\)](#)

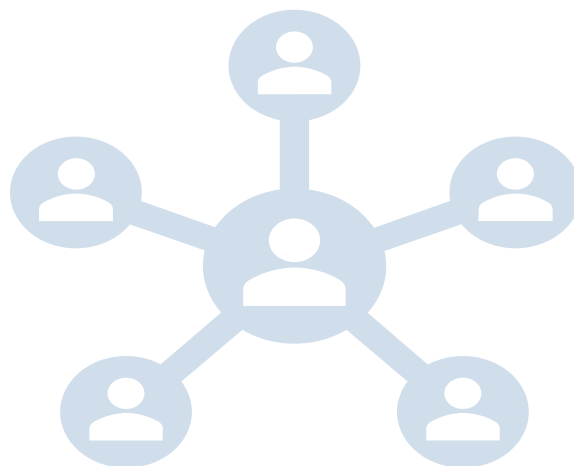
The wage level offered by the Group to its employees in all countries of operation is equal or higher than the local minimum wage irrespective of gender.

Particularly, in the significant areas of operation the ratios are:

- Cyprus 1,03
- Greece 1,05
- UAE 1
- Saudi Arabia 1,67

- Total number of incidents of discrimination and corrective action taken [\(GRI 406-1\)](#):

During the year 2 incidents of discrimination were recorded through the established procedure mechanism, which were investigated and resolved. During the investigation process it was concluded that 1 of the incidents was not of real substance.



➤ Parental leave (*GRI 401-3*)

Logicom employees are entitled to parental leave in accordance to local law requirements. Percentage of employees that took parental leaves in 2019 are presented in *figure 19*, below.

53% MALE

FEMALE **47%**

Figure 19: Parental leaves (2019)

- Return to work rate: 96,88% (employees that used parental leave and returned to work after the end of its duration)
- Retention rate: 73,68% (employees that used parental leave and returned to work and remained >12 months)

➤ Defined benefit plan obligations and other retirement plans (*GRI 201-3*)

The Group contributes to a defined benefit end of service plan in subsidiary companies on the basis of the local legislation. The contributions refer to the subsidiary companies in Greece, Italy, United Arab Emirates, Saudi Arabia, Kuwait, Oman, Qatar, Bahrain, Lebanon and Turkey. For details on the amount of the provision recorded, the actual amounts paid and assumptions used, please refer to the Group's annual *Report and Consolidated and Separate Financial Statements for the year ended 31 December 2019*.

➤ Significant actual and potential negative impacts for labour practices in the supply chain and actions taken:

Logicom's four major suppliers were assessed on their labour practices. All of them are major corporations and they operate in a fully transparent manner, report on their CSR practices and make extensive references to their labour practices and their employees' welfare. Therefore, none of them were found to have significant actual or potential negative impact.

SOCIAL DIALOGUE

- Notice of significant operational changes to employees affected is set as a minimum in accordance with the legal requirements in each country and varies according to the employment contract of each employee. *(GRI 402-1)*
(Logicom does not employ any personnel under collective bargaining agreements)

HEALTH AND SAFETY AT WORK

- Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related facilities, by region and gender:

Total incident rate, per 100 employees: 0,13
Lost work days, per 100 employees: 3,64

- No work-related ill health recorded in 2019.

Logicom is very sensitive in the health, safety and welfare of its employees, as far as is reasonably practicable. Therefore, Logicom aims to minimize the risks of accidents and does everything in its power, to protect and sustain the health of all personnel.

The Logicom Policies and Procedures manual outlines the procedures for the development of emergency response plans and the organization of emergency response drills and trainings. *(GRI 403-1 to 403-10)*

HUMAN DEVELOPMENT AND TRAINING IN THE WORK PLACE

- Average hours of training per employee by gender for the year 2019 *(GRI 404-1i)*:



Figure 20: Average training hours (2019)

The total hours of trainings have increased compared to base year by 23,03 hours per employee, 11,64 hours per female employee and 27,16 per male employee.

➤ Average training hours per employee category: *(GRI 404-1ii)*:



Figure 21: Total and average training hours per employee by department (2019)

Logicom has a formal procedure to be followed by the employees in order to request, attend and subsequently evaluate trainings.

Employees are encouraged to continuously develop their skills through training programs offered either by external parties or internally which are funded by the company.

In addition to the above numbers, Logicom employees attend conferences and other events during which they receive professional training and education. These hours are not tracked and are also not included in the above metrics.

➤ Currently Logicom has no transition assistance programs for retired employees. *(GRI 404-2)*

➤ Percentage of employees receiving regular performance and career development reviews:

Logicom has a formal performance appraisal procedure in place which is mandatory for all employees on an annual basis. *(GRI 404-3)*

Focus areas:

Employment and Employment Relationships, Conditions of Work and Social Protection and Social Dialogue issues are managed very well. Logicom has an excellent relationship with its workforce and provides the best possible working conditions. Logicom organizes leisure activities and events for its employees.

Health and safety at work is taken very seriously. All procedures and guidelines are practiced at all places of operations, to ensure that risks are minimised. These guidelines are reviewed on a regular basis and monitored by Management to ensure that they are implemented in all Logicom’s facilities.

Human Development and Training in the Workplace: Training programs and an employee development policy are of high importance to the organisation. Recently the existing appraisal system was reviewed and relaunched to help maximize employee performance.

WHAT WE ACHIEVED UP TO 2019

(GRI-103-3)

- ✓ Grievance mechanism completed and communicated.
- ✓ Anti-bribery and Corruption trainings for all employees and policy e-learning courses.
- ✓ Education of employees on company's Code of Conduct.
- ✓ Education of employees on US Export Controls Compliance Regulations, Competition Law compliance policies, and Data Privacy and Protection.
- ✓ Whistle blowing policy was established communicated to encourage the employees to report suspected misconduct or illegal acts.

WHERE WE ARE HEADING

NOTES:

- ✓ Goals completed
- Goals in progress
- Goals planned

MID-TERM GOALS

- Introduce a volunteering plan for employees to encourage charity work and urge on our employee's enthusiasm to do good for the society.

LONG-TERM GOALS

- Training hours: increase the training hours per employee with emphasis on developmental trainings.
- Improvement of health and safety monitoring procedures.

HUMAN RIGHTS



(GRI 103-02)

Human rights are the basic rights to which all human beings are entitled. There are two broad categories of human rights. The first category concerns civil and political rights and includes such rights as the right to life and liberty, equality before the law and freedom of expression. The second category concerns economic, social and cultural rights and includes such rights as the right to work, the right to food, the right to the highest attainable standard of health, the right to education and the right to social security.

Organizations have a responsibility to exercise due diligence with respect to human rights, to identify, prevent and address any actual or potential human rights impacts resulting from their activities or the activities of those with which they associate.

Logicom has the utmost respect for Human Rights and all other policies and procedures are developed on this basis.

WHERE WE STAND

(GRI 103-03)

DUE DILIGENCE, AVOIDANCE OF COMPLICITY, ECONOMIC SOCIAL AND CULTURAL RIGHTS, HUMAN RIGHTS RISK SITUATIONS

- Prior to engaging into a business relationship with a prospective supplier or subcontractor, Logicom's Management ensures that these are screened based on numerous criteria. These include:
 - Supplier's or subcontractors' company profile (in terms of reputation, market position and share)
 - Brand name (in terms of quality)
 - Impacts to the Group's profile in the case of choosing to do business with the supplier /subcontractor, negative or positive
 - Environmental criteria (materials used in production and packaging, recycling, use of renewable sources of energy, Compliance with the ROHS Directive)
 - Anti-bribery and Corruption criteria

All the contracts signed between the Group and its major distribution and services suppliers are based on the supplier's terms and conditions. Our major suppliers are international organizations of great reputation, well known for their Social Responsibility practices. All the contracts signed and accepted by Logicom include clauses for Environmental compliance, Corruption and Anti-piracy and customer Data Privacy.

In the same way, Logicom declares its compliance to Anti Money Laundering laws, Anti-corruption and International labour laws in regards to child labour and forced labour when signing public tenders.

The contracts signed between Logicom and Cloud marketplace suppliers are mostly initiated by Logicom and signed by the supplier. The contracts contain compliance clauses regarding Anti-trust, anti-corruption laws, laws of the International Labour Organization for child labour and clauses prohibiting connections to terrorists and criminal organizations.

To the best of our knowledge, none of Logicom's suppliers was identified as having significant negative impact on the society and the environment, nor as having significant risk for incidents of child labour, forced or compulsory labour, and human rights abuses. *(GRI 407-1, 408-1, 409-1, 414-2, 308-2)*

All the new supplier contracts signed in 2019 were screened according to the procedures as mentioned above. *(GRI 414-1, 308-1)* No significant or potential negative environmental impact was identified in the supply chain. Criteria for impact on society, human rights and labour practices were not part of the screening procedure as specific areas however they are taken into consideration when determining the supplier's company profile. *(GRI 408-1, 409-1, 414-2, 308-2)*

There were no significant investment agreements and contracts in the year that underwent human rights screening. An investment is considered to be significant if it exceeds the 5% of Logicom's Total Assets, or if approval is required at a BOD level due to its strategic importance. *(GRI 412-3)*

FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK, CIVIL AND POLITICAL RIGHTS, DISCRIMINATION AND VULNERABLE GROUPS, RESOLVING GRIEVANCES

- Currently Logicom is in the process of introducing a global Human Rights Policy that reflects Logicom's philosophy and values based on which all the employees will be trained. *(GRI 412-2)*
- Following the completion of the Human Rights Policy, a due diligence examination on Human Rights impacts will be conducted to track Logicom's performance across its areas of operation. *(GRI 412-1)*
- Logicom's workforce currently does not include any indigenous people. *(GRI 411-1)*

Focus areas:

A unified **Human rights policy** will work as a catalyst for the organization in order to track the company's performance relating to human rights, integrating this process into the **due diligence** process regarding our channel sales network.

The **training** of our people on the global Human Rights Policy and subsequent checks on its implementation and application of corrective actions where necessary.

WHERE WE ARE HEADING

NOTES:

- ✓ Goals completed
- Goals in progress
- Goals planned

SHORT-TERM GOALS

- Complete and release the unified Human rights policy drafted.

MID-TERM GOALS

- Employee training on Logicom's Human rights policy and procedures

LONG-TERM GOALS

- Due diligence examination on Human rights impacts.

CONSUMER ISSUES



(GRI 103-2)

Organisations that provide products and services to consumers, as well as other customers, have responsibilities to those consumers. These responsibilities include:

- Providing education and accurate information to consumers; using fair, transparent and helpful marketing information and contractual processes;
- Promoting sustainable consumption; and
- Designing solutions that provide access to all and cater, where appropriate, for the vulnerable and disadvantaged.

Logicom does not deal with consumers directly. The term ‘consumer’ refers to those individuals or groups that make use of the output of the organisations' decisions and activities and does not only refer to consumers who pay money to purchase products and services. Company responsibilities to their consumers also involve minimising risks from the use of products and services, through design, manufacture distribution, information provision, support services and withdrawal and recall procedures. Many organisations also collect or handle personal information and have a responsibility to protect the security of such information and the privacy of consumers.

Logicom has strong adherence standards to regulations that are applicable to its industry and ensures the risk emanating on this front is managed effectively and proactively.

Logicom is partnering in the success of its clients by delivering its services with quality, responsibility and care, to ensure customer satisfaction.

WHERE WE STAND

(GRI 103-3)

CONSUMER SERVICE, SUPPORT AND COMPLAINT AND DISPUTE RESOLUTION

➤ Customer satisfaction surveys:

Services sector companies: Surveys are run every year to measure the call satisfaction, yearly customer satisfaction and the level of meeting the customers’ needs and expectations. 2019 results are presented in *figure 22* below.

Key Performance Indicators (KPIs):

- ✓ Yearly Total Performance, KPI: 4,5/5
- ✓ Business Consulting Services: 4,7/5
- ✓ Business Solution and Software:4,8/5
- ✓ Project Management: 4,25/5
- ✓ Meet customer needs and expectations:
- ✓ Objective 85%, Result 90,35%
- ✓ Average call customer satisfaction survey: 4,7/5

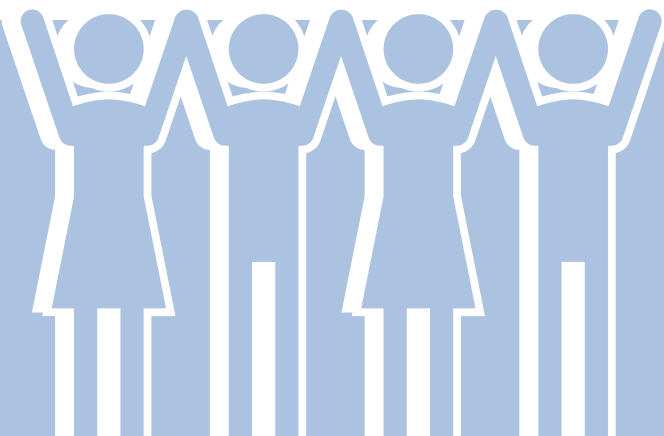


Figure 22: Customer satisfaction surveys results for Services

Distribution sector companies:

Customer feedback is obtained through regular customers' visits and through the preparation of 'lost business' analysis (which analyses the customers with 10% decrease compared to the previous year). This analysis aims to understand the reasons for the loss of business for each individual customer, to identify patterns and to provide the sales team with information so that it may tailor its strategy and operation model towards that customer, customer group or the entire customer base.

In 2019 a customer satisfaction survey was run to measure customers' overall satisfaction with the level of customer service provided and the variety of services offered. The results are presented in *figure 23* below.

Overall the customers are highly satisfied with Logicom as a business partner and they are committed to the business relationship established. It was concluded that Logicom is continuously adjusting to meet its clients evolving business needs with success and it provides resources and tools to help its partners.

Customer feedback suggested that there is room for improvement regarding the Cloud Marketplace and E-commerce platforms. Their features and capabilities could be enhanced to become more user friendly.

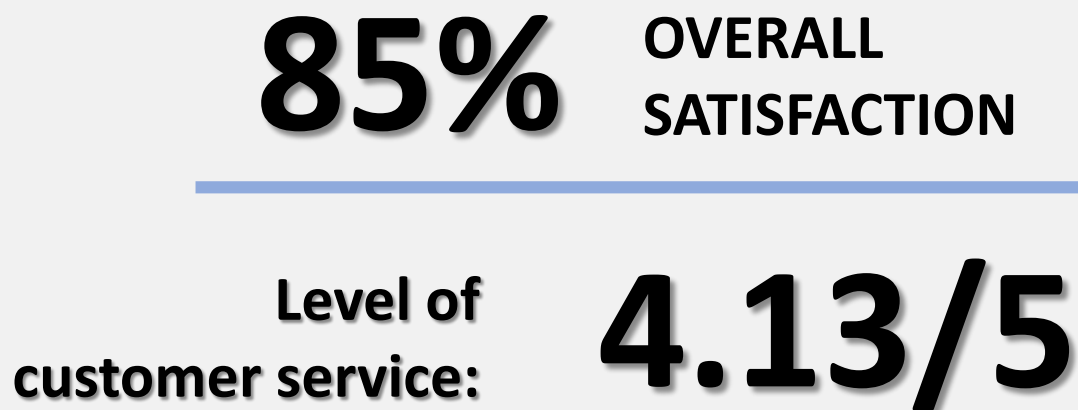


Figure 23: Customer satisfaction surveys results for Distribution

➤ Customer complaints:

In 2019, 7 customer complaints were recorded, 86% from EU region customers and 14% from the Middle East. All complaints were reviewed, investigated where required and resolved.

CONSUMER DATA PROTECTION AND PRIVACY

- Customer complaints: Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

No complaints were received for loss of customer data or breaches of privacy. *(GRI 418-1)*

FAIR MARKETING, FACTUAL AND UNBIASED INFORMATION AND FAIR CONTRACTUAL PRACTICES, PROTECTING CONSUMERS HEALTH AND SAFETY

- Requirements for product and service health and safety impacts, information and labeling lay with our vendors, however Logicom during the process of vendors' screening it assesses the existence of adequate information about the impacts of products which includes information on the safe use of the product, its disposal and sourcing of its components. *(GRI 416-1, GRI 417-1)*
- Compliance: Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

Logicom had zero fines for non-compliance and no claims were raised against it regarding incidents of health and safety impacts of products and services, *(GRI 416-2)* the provision of products and services, *(GRI 417-2)* or marketing communications. *(GRI 417-3)*

SUSTAINABLE CONSUMPTION

- Energy consumption: The Logicom companies located in Cyprus measure the energy consumption of their premises and warehouses as part of their adherence to the environmental ISO. Similarly, the same energy consumption principles are applied to the rest of the Group companies and effort is made to implement all measures that enable energy savings across all Logicom's areas of operations. The energy consumption differs from country to country due to various conditions like climate, number of personnel, IT equipment in the company, the energy efficiency of the building and so on.

Focus areas:

The issues of **Fair marketing, Factual and unbiased information and fair contractual practices, Protecting consumers' health and safety, Consumer service, support and complaint and dispute resolution, Access to essential services, Education and awareness** are managed very well. Logicom has a very strong culture in adhering to all regulations and standards that are applicable to its industry and is ensuring the risk emanating on this front is managed effectively and proactively.

Providing our customers with truthful and accurate information has always been a way for Logicom to gain trust and credibility, as well as, differentiation in the market. Logicom has taken all necessary measures to ensure the timely implementation of the requirements of the **General Data Protection Regulation (GDPR)**. In 2018, Logicom introduced and implemented the Logicom Data Privacy Policy.

WHAT WE ACHIEVED UP TO 2019

- ✓ Customer satisfaction surveys for the Services sector were ran and the results has been evaluated.
- ✓ Customer satisfaction survey for the Distribution sector was ran and the results are presented in this report.
- ✓ Existing communication line evolved to enable the direct and centralised recording and processing of customer complaints. Communication line was established through the Group's official website and the e-commerce platform.

WHERE WE ARE HEADING

NOTES:

- ✓ Goals completed
- Goals in progress
- Goals planned

MID-TERM GOALS

- Optimisation of energy use in commercial and public facilities of the Group, such as our premises and warehouses.

LONG-TERM GOALS

- Sustainable consumption: promote sustainable consumption through our customer channel.

CONTRIBUTING TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS WITH ISO 26000

The 17 United Nations Sustainable Development Goals (UN SDGs) and their 169 targets, were adopted in 2015.

The SDGs are a set of aspirational goals to end poverty and other deprivations, protect the planet, improve health and education, reduce inequality, spur the economic growth and ensure prosperity for all, as part of the United Nations 2030 Agenda for Sustainable Development.

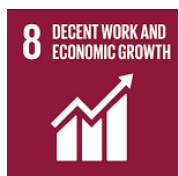


As stated early on in this report, Logicom has used the ISO26000 framework for producing the report. Concurrently, Logicom recognises the importance of the SDGs and presents in this report the alignment between the actions we have made and the SDGs. Currently aligning with 13 of them, our ultimate goal is to eventually align with all 17 SDGs. **Below we demonstrate how Logicom contributes to the SDGs corresponding to the major areas outlined in this report:**

➤ ORGANIZATIONAL GOVERNANCE and UN SDGS



Logicom’s efforts in promoting and achieving gender equality are reflected in their constantly improving gender ratios across both managerial and non-managerial positions. Currently, managerial personnel composition is 78% – male and 22% – female, compared to the base year’s 82% – male and 18% – female. What is more, composition of managerial personnel under the age of 30 has gone from 100% – male in the base year to a complete 50% – male 50% – female ratio in 2019.



Logicom is a large sized organisation providing jobs to an increasing number of people with 764 currently being employed across Europe and the Middle East. Company policies in place, including a formal written Code of Conduct and an Ethics and Compliance manual, set the standards of business conduct for all its employees and business partners in all the countries of operation.



In addition to reducing gender inequality, numerous criteria are set in place for achieving as much diversity as possible within the Board of Directors while ensuring the availability of suitable candidates is always accounted for.

More details on Logicom’s CSR efforts in this area can be viewed in section “CSR Strategy and roadmap”, core subject “Organizational Governance”, pages 31-44 of this report.

➤ **LABOUR PRACTICES and UN SDGS**



Logicom provides fair compensation, addresses employees concerns and ensures health and safety in the workplace. Health and safety procedures and guidelines are practiced extensively, reviewed on a regular basis and monitored by Management to ensure that risks in the workplace are minimised.



Providing employees with opportunities to improve their skills and ensure professional development through trainings and continuous education is a big priority for Logicom. Training programs and employee development policies are considered and offered by Logicom while the existing appraisal system has been recently reviewed and relaunched to help maximise employee performance.



The gradual decrease of the gender inequality gap is evident in many aspects of Logicom’s labour practices. For example, total average training hours per female employee increasing comparatively more than per male employee when compared to 2018’s figures.



Logicom makes sure its recruitment practices align with its priority to contribute to economic growth by prioritizing the local community for positions at all levels. Currently, 66% of total senior management are locals and 34% are foreigners, demonstrating an improvement from the base year’s ratio of 64% local and 36% foreigners.



Logicom takes the necessary actions to promote diversity and inclusion at all levels and equal opportunities in the workplace. It benefits from a diverse workforce spanning to over 30 nationalities and of which 0.5% is taken up by employees with physical disabilities equally split in genders.

More details on Logicom’s CSR efforts in this area can be viewed in section “CSR Strategy and roadmap”, core subject “Labour practices”, pages 45-52 of this report.

➤ **HUMAN RIGHTS and UN SDGS**



Implementing human rights practices internally and screening services and distribution suppliers on human rights criteria creates a positive social impact and provides support to local communities’ needs and standard of living. Additionally, frameworks in place acts as tool to prevent discrimination and safeguard equality among the workforce.



Completion of Logicom’s global Human Rights Policy, training on Human Rights, and due diligence examination on Human Rights impacts are imminent. Efforts towards improving social responsibility in the supply chain include screening suppliers to ensure social and environmental compliance; fair working conditions, fair compensation and respect for human rights.

More details on Logicom’s CSR efforts in this area can be viewed in section “CSR Strategy and roadmap”, core subject “Human rights”, pages 53-55 of this report.

➤ **CONSUMER ISSUES and UN SDGS**



Logicom practices responsible interaction with its customers and promotes sustainable consumption through utilization of its customers channel, customer satisfaction surveys, a customer complaint management and the timely implementation of the requirements of the General Data Protection Regulation (GDPR) while introducing the Logicom Data Privacy Policy in 2018.

More details on Logicom’s CSR efforts in this area can be viewed in section “CSR Strategy and roadmap”, core subject “Consumer issues”, pages 56-59 of this report.

DATA APPENDIX

ORGANIZATIONAL GOVERNANCE

➤ **DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES**

1. BOARD OF DIRECTORS

	2019	2018	2017
Age groups	Male	Male	Male
<30	-	-	-
30-50	37%	50%	43%
>50	63%	50%	57%

2. MANAGEMENT PERSONNEL

	2019		2018		2017	
Age groups	Male	Female	Male	Female	Male	Female
<30	50%	50%	50%	50%	100%	0%
30-50	75%	25%	76%	24%	80%	20%
>50	96%	4%	95%	5%	93%	7%

3. EMPLOYEES

	2019		2018		2017	
Region	Male	Female	Male	Female	Male	Female
EU	66%	34%	68%	32%	66%	34%
ME	81%	19%	79%	21%	81%	19%

	2019		2018		2017	
Age groups	Male	Female	Male	Female	Male	Female
<30	70%	30%	69%	31%	68%	32%
30-50	75%	25%	74%	26%	74%	26%
>50	68%	32%	71%	29%	67%	33%

Department	2019		2018		2017	
	Male	Female	Male	Female	Male	Female
Primary	77%	23%	76%	24%	77%	23%
Support	59%	41%	58%	42%	55%	45%

	2019			2018			2017		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent									
Full time	73%	27%	100%	73%	27%	99,6%	73%	27%	99,6%
Part time	-	-	-	-	100%	0,4%	50%	50%	0,4%

LABOUR PRACTICES

➤ EMPLOYMENT AND EMPLOYMENT RELASHIONSHIPS

1. PORTION OF THE SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY

	2019	2018	2017
	66%	66%	64%

2. RATIO OF RESIGNATIONS TO NEW HIRES

	2019	2018	2017
	1 to 0,91	1 to 1,23	1 to 1,25

3. NEW HIRES BY REGION AND GENDER

Region	2019		2018		2017	
	Male	Female	Male	Female	Male	Female
EU	69%	31%	70%	30%	69%	31%
ME	73%	28%	79%	21%	72%	28%

4. TURNOVER RATE

	2019	2018	2017
	23%	22%	21%

5. TURNOVER BY GENDER AND REGION

Region	2019		2018		2017	
	Male	Female	Male	Female	Male	Female
EU	69%	31%	72%	28%	64%	36%
ME	76%	24%	81%	19%	74%	26%

6. TURNOVER BY AGE

	2019	2018	2017
Age groups			
<30	17%	21%	13%
30-50	78%	77%	84%
>50	5%	2%	3%

7. ENTRY LEVEL RATION IN SIGNIFICANT OPERATIONS

	2019	2018	2017
Country			
Cyprus	1,03 to 1	1,09 to 1	n/a
Greece	1,05 to 1	1,15 to 1	n/a
UAE	1 to 1	1 to 1	n/a
KSA	1,67 to 1	1,67 to 1	n/a

8. RETURN TO WORK RATE AND RETENTION RATE

	2019	2018	2017
Return to work	97%	98%	n/a
Retention	74%	97%	n/a

9. TRAINING HOURS

	2019	2018	2017
Average training hours per employee	30,30	9,51	7,27
Average training hour per male employee	34,90	10,76	7,74
Average training hour per female employee	17,67	6,16	6,03

10. HEALTH AND SAFETY ACCIDENTS RECORDED

	2019	2018	2017
Total incident rate, per 100 employees	0,13	0	0
Lost work days, per 100 employees	3,4	0	0

CONSUMER ISSUES

➤ SERVICES SECTOR CUSTOMER SATISFACTION

	2019	2018	2017
Yearly Total performance KPI	4,5/5	4,8/5	4,9/5
Meet customer needs and expectations obj:85%	90.35%	90,35%	n/a
Business consulting services	4,7/5	n/a	n/a
Technology Solutions and services projects	4,7/5	4,8/5	4,9/5
Business Solutions and Services projects	4,8/5	4,6/5	4,7/5

OTHER DATA

➤ CO2 EMISSIONS

	2019	2018	2017	+/- change
CO2 emissions in metric tones	240	260	n/a	-7,7%

➤ ENERGY AND FUEL CONSUMPTION

	2019	2018	2017	+/- change
Kw/h per employee	2.391	2.291	n/a	+4,35%
% of L/100k sales	21,99	23,17	n/a	-1,19%

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➤ **OBLIGATION UNDER CYPRUS COMPANIES LAW CAP.113**

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“This report has been provided to the Company’s Statutory Auditors”.

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