

# CORPORATE SOCIAL RESPONSIBILITY STATEMENT AND ESG REPORT 2019

Statutory Corporate Social Responsibility  
Statement cf. Section 99A of the  
Danish Financial Statements Act  
for the financial year 2019.

 **SimCorp**  
A photograph of a modern, multi-story office building at dusk. The building's windows are illuminated from within, showing office interiors. The sky is a deep blue. In the foreground, there is a blurred street scene with a traffic light and some greenery. **SimCorp**

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

We welcome feedback on its contents.



# SIMCORP AT A GLANCE

## SIMCORP IS



The leading provider of **native integrated, multi-asset, front-to-back investment management solutions** to the world's largest investment companies



**A growth** company that will strengthen its **capacity and ability to innovate** through an ecosystem of partners



Committed to providing **value to our clients, shareholders, employees, and society alike**



**A challenging and diverse workplace** for our dedicated and talented employees, who are all **curious** and **capable, collaborate,** and have **courage**

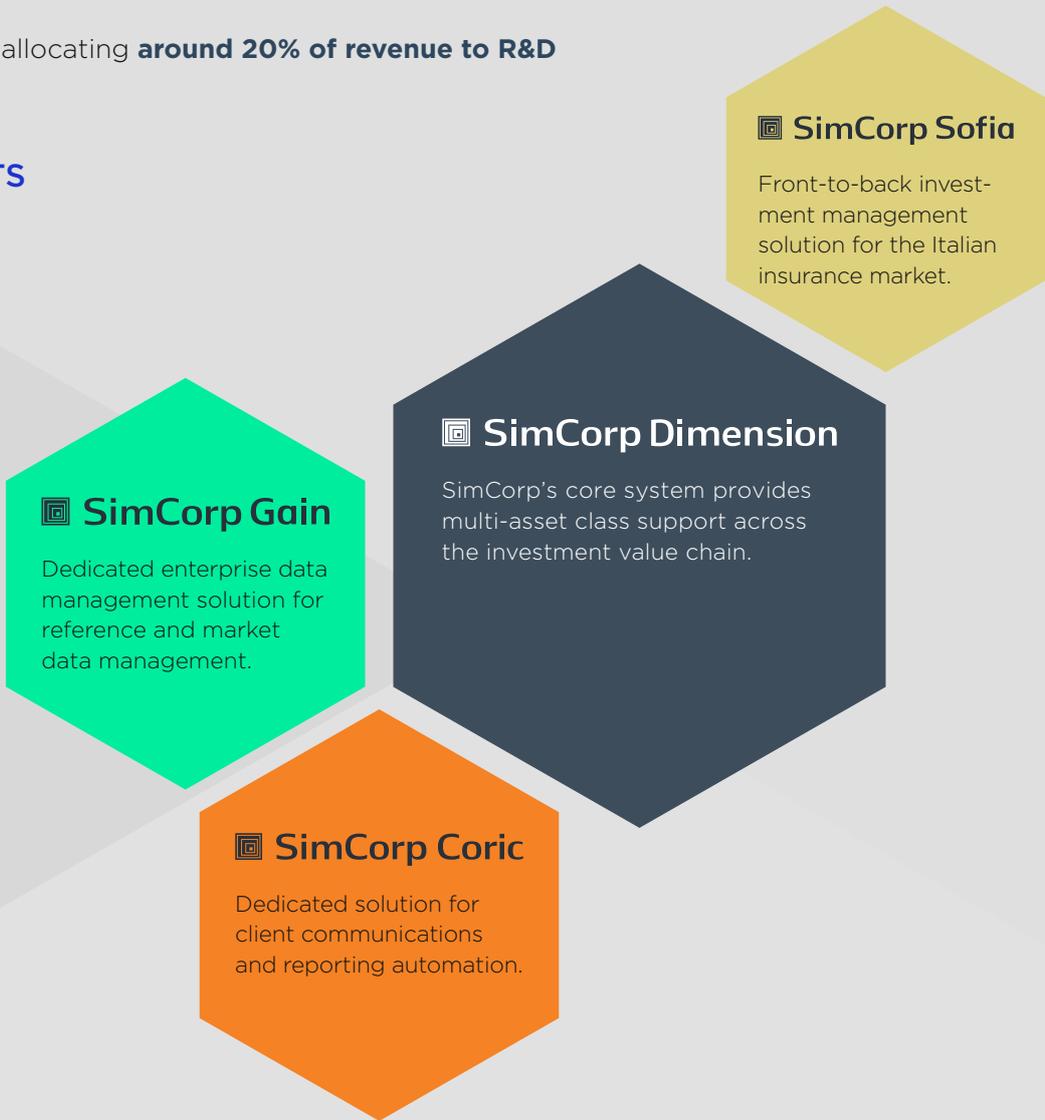


**A strong business partner** with **+45 years** of experience and an **unprecedented implementation track record**



Unique in allocating **around 20% of revenue to R&D**

## OUR PRODUCTS



## A GLOBAL COMPANY



### SEGMENTS SERVED

- ✓ Asset management
- ✓ Fund management
- ✓ Insurance
- ✓ Life/pension
- ✓ Asset servicing
- ✓ Treasury
- ✓ Central banks
- ✓ Sovereign wealth
- ✓ Wealth management

 **26**  
LOCATIONS

 **1,871**  
EMPLOYEES

 **63**  
NATIONALITIES

### A STRONG CLIENT BASE

# 45%

of the top 100 investment managers worldwide are SimCorp Dimension clients.

### REVENUE

# 454.5m

EUR

# 1. ACTING RESPONSIBLY

Acting responsibly is part of our DNA at SimCorp – as a company, as an employer, and as corporate citizens. We set environmental, social, and governance (ESG) goals, and commit to helping our clients reach their ESG goals. We want to contribute to sustainability, while generating economic value for all our stakeholders; clients, shareholders, employees, and society alike.



SimCorp’s Corporate Social Responsibility (CSR) policy is founded on our core values, our ‘Corporate Governance Guidelines’, and our commitment to corporate sustainable development. Guided by this policy, we combine financial performance with socially responsible behavior, timely governance, and environmental awareness.

## WORKING FOR POSITIVE SUSTAINABILITY IMPACT

Across our company, we actively integrate social, labor, environmental, anti-corruption, bribery, and human rights concerns into our processes, policies, and activities. We believe that SimCorp’s combined CSR activities and the ESG goals we set and strive to achieve will benefit all our stakeholders and strengthen our profile and attractiveness as an employer.

We support an increasing trend in our client and shareholder communities to consider non-financial factors in the investment process. Many of our clients are managing funds on behalf of people who are increasingly demanding an ESG responsible investment profile. We already support exclusion of undesirable ESG investment characteristics and we want to expand our support to also enable selection of desirable ESG investment characteristics. Our integrated front-to-back platform provides full transparency and gives us a unique ability to build out our solutions in this space, hereby creating positive ESG impact for our clients and their stakeholders. This opportunity makes supporting our clients’ ESG investing a natural focus area for SimCorp going forward.

## CONTRIBUTING TO WEALTHIER LIVES

Contributing to positive ESG investing is just one way that working at SimCorp means building one’s career on software solutions that have a positive sustainability impact around the world. Our investment management solutions are currently empowering the investment strategies of clients responsible for funds worth trillions of dollars. That’s a lot of life savings and pensions, ultimately giving people around the globe more financial security and more opportunities to fulfil their dreams and live wealthier lives. In short, we’re enabling a more transparent, more efficient financial industry, creating more value for all of us.

## STAYING ACCOUNTABLE

In 2019, SimCorp has become a signatory to the UN Global Compact. This report is our first Communication on Progress (COP) concerning our actions to integrate the UN Global Compact and its Ten Principles in the areas of human rights, labor, the environment, and anti-corruption into our business strategy, culture, and daily operations. This year, we have added more reporting metrics to our ESG report and set KPIs for those metrics related to the UN Global Compact’s Ten Principles and the UN Sustainable Development Goals (SDGs) on which we have the most opportunity and direct impact through our business. Going forward, we will continue to focus our efforts on those areas which we regard as most important and impactful. We also commit to submitting our annual COP as we believe that transparency builds trust and we want to stay accountable for acting responsibly.

Klaus Holse  
CEO, SimCorp



# 2. POLICIES, BUSINESS MODEL, AND CSR/ESG FOCUS AREAS

## POLICIES AND GUIDELINES

Our approach to CSR is integrated in how we do business and described in our policies and guidelines, including our:

- Corporate Social Responsibility Policy
- Diversity and Inclusion Policy
- Guideline for Good Business Behavior
- Remuneration Guidelines
- Corporate Governance Guidelines

as adopted by our Board of Directors.

THESE DOCUMENTS CAN ALL BE FOUND ON OUR WEBSITE

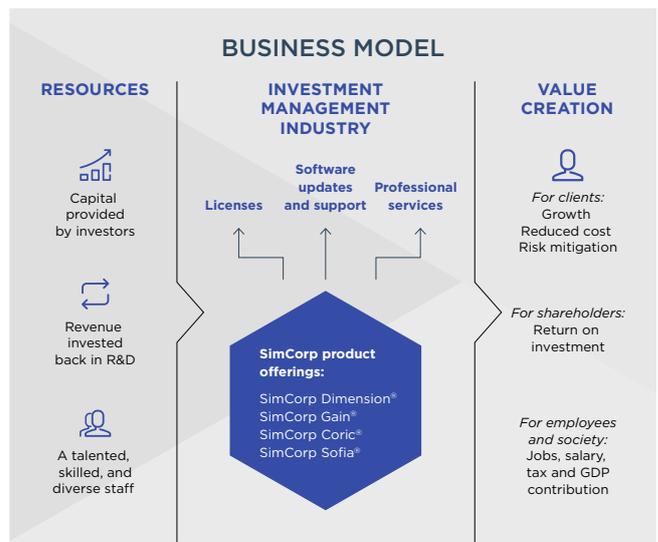
Our policies and guidelines, as well as our contracts, are aimed at addressing any risks that our business could generate concerning social and labor matters, human rights, anti-corruption, bribery, and the environment. We commit to ensuring a sustained adherence to the principles by carrying out training and information activities and continuous monitoring.

## BUSINESS MODEL

SimCorp’s business model is highly transparent and builds on three main revenue drivers:

- software licenses;
- software updates and support;
- professional services.

Our purpose in society is to generate economic value for all our stakeholders; clients, shareholders, employees, and society alike.



## CSR/ESG FOCUS AREAS

Reflecting who we are as a company, we run a number of activities to support the Ten Principles of the UN Global Compact and our CSR/ESG focus areas:

- Social and labor matters;
- Human rights, anti-corruption, and bribery;
- Impact on the environment.

Our performance on a selection of non-financial metrics, including environmental, social, governance (ESG) matters, are covered further in the ESG report further below. SimCorp’s compliance with the Danish Corporate Governance recommendations are covered in the Corporate Governance Report, which is part of the management report of SimCorp’s Annual Report 2019.

### FROM CSR TO ESG: EVALUATING AND MEASURING OUR COMMITMENT TO CORPORATE SUSTAINABILITY

Today, ‘corporate social responsibility’ (CSR) – reflected in a company’s responsible behavior – is often translated into quantifiable ‘environmental, social, and governance’ (ESG) criteria to be fulfilled and reported on by the company in addition to its financial indicators. In brief, ESG is about ‘the criteria used to evaluate a company’s commitment to CSR’, and ESG performance is about measuring ‘corporate sustainable performance’.

## 2.1. SOCIAL AND LABOR MATTERS

### Employee programs

We regard the continual development of our employees' competences and their social, mental, and physical well-being and safety to be of high importance. In all our business, and to realize our strategic priorities, we rely on our employees' financial expertise, software skills, and diversity. Approximately 90% of our employees hold an academic degree, most of them in finance, economics, IT, and/or engineering, and we have a strong focus on ongoing training and knowledge sharing.

New employees are informed about the SimCorp code of conduct and how we do business, all outlined in our Guideline for Good Business Behavior. In addition, all SimCorp policies and procedures are available on our intranet.

We make a sustained, targeted effort to be able to attract and retain a highly talented, qualified, and diverse staff. (Re. diversity, see also box below 'Focus on women in management'). This includes a strong focus on employer branding to attract talent and on the management and measurement of employee performance and development of skills. It is also important to ensure that competent employees are rewarded and motivated to continuous learning in step with the development of SimCorp's business.

We run a comprehensive training program, which aims to ensure that all employees update and develop their qualifications on a regular basis. An important feature of SimCorp's training program is the SimCorp Dimension Academy certification program, which is mandatory for all new SimCorp Dimension consultants and developers. A global well-being program is also in place, including a number of regular activities, which focus on the social, mental and physical well-being of all employees.

Our Working Environment Organization (WEO) at SimCorp headquarters (HQ) is established to manage and bring attention to health and safety in our work environment. At HQ, we run a workplace assessment every third year to ensure that employee input on health and safety is discussed and considered. Employees at HQ have a WEO representative to whom any working environment issue should be reported.

## 2.2 HUMAN RIGHTS, ANTI-CORRUPTION, AND BRIBERY

Our approach to human rights, anti-corruption, and bribery, as well as the principles to which we as employees and the company's suppliers should adhere, are outlined in SimCorp's Guideline for Good Business Behavior, which is found on our website.

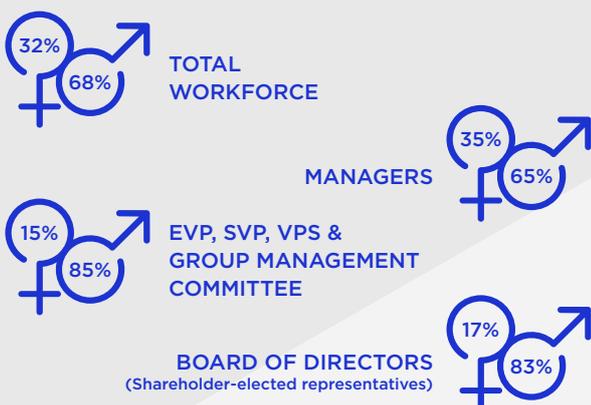
### FOCUS ON WOMEN IN MANAGEMENT



SimCorp's commitment to increasing the share of women in management positions so that it corresponds to the

share of women in SimCorp contributes to SDG 5, 'Gender equality' specifically indicator 5.5.2 | Proportion of women in managerial positions. The various initiatives are described in more depth in our Diversity report.

### GENDER BALANCE 2019



### TO SUPPORT SDG GOAL 5, WE:

- have a goal that the share of women at all levels of the organization corresponds to the share of women in the SimCorp Group.
- have a goal that in 2021, the share of shareholder-elected women on the Board of Directors is 33% (corresponds to two persons of the underrepresented gender).

## SIMCORP'S GUIDELINE FOR GOOD BUSINESS BEHAVIOR



### *For employees*

SimCorp's Guideline for Good Business Behavior acts as a framework to guide and support our employees to act within SimCorp's core business principles. The Guideline is established as a means of ensuring that we continuously maintain a high standard in our conduct and it sets forward principles directing employees to:

- Avoid conflicts of interest
- Avoid insider trading
- Avoid bribes and facilitation payments or any kind of corruption\*
- Maintain high standards when it comes to information security and privacy\*\*

#### **\* Zero tolerance towards bribes and facilitation payments**

SimCorp has zero tolerance towards bribes and facilitation payments. Our corporate anti-bribery rules and guidelines are described in our Guideline for Good Business Behavior.

#### **\*\*Information security and privacy**

SimCorp maintains an Information Security Policy, which defines the security-related rules and requirements for use of Information Technology across the company. The policy also defines the rules for monitoring and logging events in order to detect and investigate security incidents.

This policy is based on ISO27001 principles. It is reviewed and updated at least annually and subsequently approved by the Executive Management Board and the Board of Directors. The Audit Committee is responsible for maintaining the policy and for ensuring that we remain in compliance with the policy.

Additionally, our 'SimCorp Dimension as-a-Service' (ASP) offerings are supported by ISAE3402 and SOC2 third-party audit reports, which document the control framework and operating effectiveness of this service.

We provide our Privacy Policy to all new contacts (clients, prospect clients, and visitors to the company's website) that are registered in the company's CRM system to inform them about our protection of personal data. The Privacy Policy is compliant with EU General Data Protection Regulation (GDPR) and informs contacts about their right to insight, deletion,

and to complain about processing of personal data. The Privacy Policy is easily accessible on our website.

Further, we provide Employee Privacy Policies detailing the information gathered and used by SimCorp during the course of the employee's employment with SimCorp. SimCorp Dimension supports the clients' efforts to ensure compliance with GDPR, introducing new functionality to better protect and separate personal data within the application. When dealing with suppliers, SimCorp enters into data processing agreements whenever this is required under GDPR.

### *For suppliers*

Our Guideline for Good Business Behavior also applies to our procurement process and to suppliers. All our suppliers must comply with the Guideline and we will on a regular basis inform them about the provisions of this Guideline together with any amendments hereto. In addition, suppliers are requested to confirm adherence to the following principles:

- Suppliers must ensure that they, and any relevant sub-contractors, comply with the UN convention on child labor, article 32.1, and suppliers must recognize children's rights to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.
- Suppliers must respect equal status between the sexes and between persons of different races and religion.
- Suppliers must not offer products and services, which have directly or indirectly been designed, manufactured, produced, or procured in contravention of local environmental legislation or other legislation, or by means of corruption, bribery, or other fraudulent behavior.

### *Compliance*

From time to time, we carry out tests and surveys to ensure that all employees and suppliers are familiar with the terms of these guidelines.

In 2019, there has been no registered non-compliance incident, while in 2018, one employee was terminated due to company credit card abuse.

### 2.3. ENVIRONMENT

We work to run our business operations in a continually more sustainable way, thereby reducing our environmental impact, which almost entirely relates to energy consumption.

ACTIONS TO REDUCE ENVIRONMENTAL IMPACT:	
<p><b>Air travel → Virtual meetings</b></p> 	<ul style="list-style-type: none"> <li>Reducing CO<sub>2</sub> footprint related to air travel by better facilitation of virtual meetings at all SimCorp locations.</li> </ul> <p> <b>FOCUS ON AIR-TRAVEL RELATED CO<sub>2</sub> FOOTPRINT SEE PAGE 10</b></p>
<p><b>On-premise → cloud</b></p> 	<ul style="list-style-type: none"> <li>Reducing CO<sub>2</sub> footprint and electricity consumption by moving SimCorp internal systems from on-premise to sustainable cloud computing, with carbon-neutral operations and the majority of energy consumption from increasingly sustainable sources.<sup>1</sup></li> <li>Furthermore, offering clients to move SimCorp operations from on-premise to cloud computing (goal: 35% of our business moved to cloud by 2025) allowing better resource utilization and also some/all of the above cloud benefits.</li> </ul>
<p><b>High Performance Computing</b></p> 	<ul style="list-style-type: none"> <li>Researching ways of reducing computing consumption with high performance computing that provides much faster processing and consumes less energy.</li> </ul>
<p><b>Old PC → Modern PC</b></p> 	<ul style="list-style-type: none"> <li>Reducing electricity consumption by replacing all standard computers and servers with low-energy devices.</li> </ul>
<p><b>24/7 energy consumption → day/night consumption + more renewable energy</b></p> 	<ul style="list-style-type: none"> <li>Reducing electricity and heating consumption by installing automatic light and heat adjustment at our corporate headquarters to reduce energy use during off-peak hours.</li> <li>Increasing use of renewable energy.</li> </ul>

<sup>1</sup> SimCorp has started a cloud transition with the aim of decommissioning its own datacenters. With Microsoft Azure as our main cloud supplier, we support a more energy-efficient IT operation and reduce CO<sub>2</sub> emission. Microsoft's public cloud services have been operating 100% carbon neutral since 2012 by applying a global internal carbon fee model that charges Microsoft business units for carbon emissions from their operations. Microsoft has pledged to reduce its operational carbon emissions by 75% by 2030, against a 2013 baseline, and to purchase 70% renewable energy for their datacenters by 2023, on a path to 100% (60% in 2019).

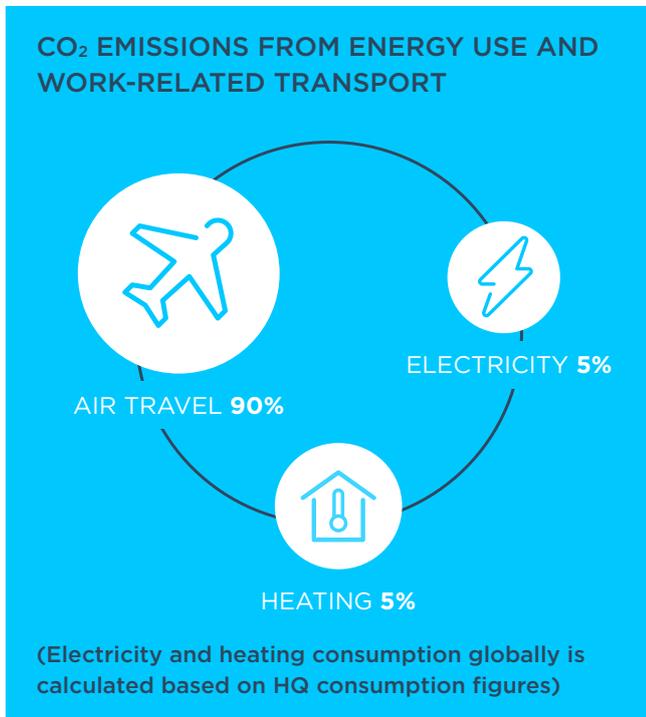
# FOCUS ON CARBON FOOTPRINT



SimCorp is focused on reducing our carbon emissions and is committed to SDG 13, Climate action, specifically target 13.3 | Improved education, awareness

raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Air travel is the business activity at SimCorp which has the highest CO<sub>2</sub> impact. To reduce our air travel, we are providing better facilitation of virtual meetings and investing in better communications and collaboration tools. In 2019, we have invested in 100 new 'Surface Hubs' enabling smoother virtual meetings and collaboration.

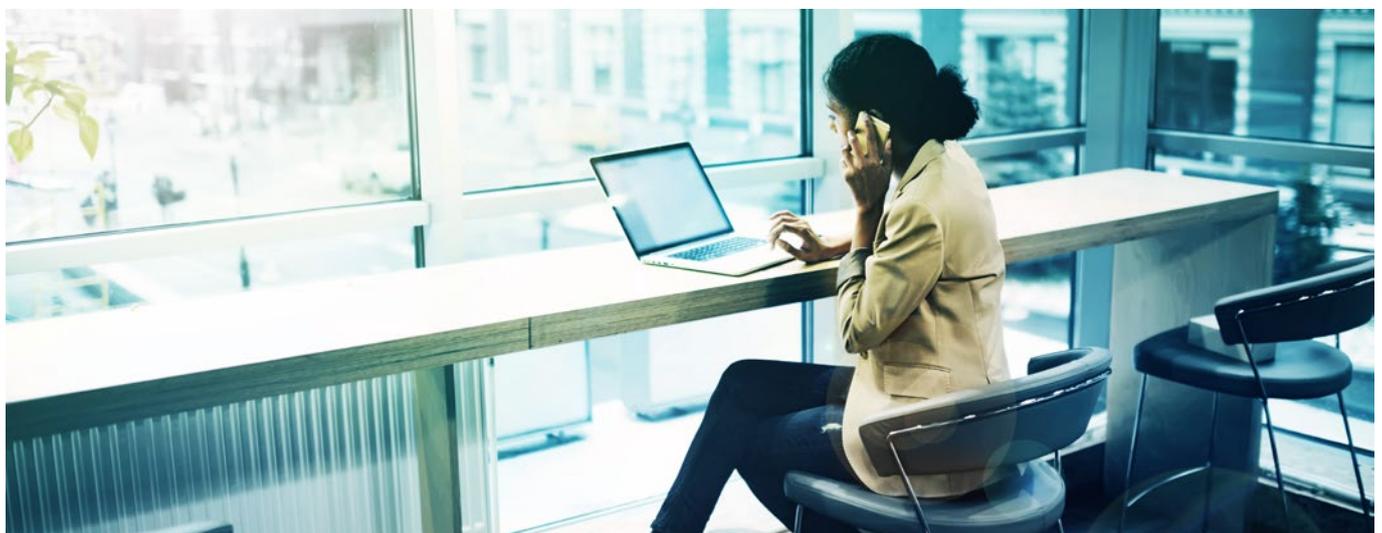


In 2019, CO<sub>2</sub> emissions from business travel by air increased to 5,873.1 tonnes (2018: 5,179.5 tonnes) equal to 3.4 tonnes per FTE (2018: 3.3 tonnes per FTE). The increase is mainly related to a solid business growth and to a general increase in client-related activities.

In 2019, SimCorp's CO<sub>2</sub> emission related to electricity and heating consumption at SimCorp HQ was measured at 212 tonnes, equal to 0.40 tonnes per full-time employee (FTE), a 6% decrease from 2018 (2018: 0.43 tonnes per full-time employee (FTE)).

### TO SUPPORT SDG GOAL 13, WE:

- have a goal to reduce our CO<sub>2</sub> emissions related to air travel to 3.0 tonnes/FTE (equals a 10% reduction from 2018).
- will explore more effective actions to reduce CO<sub>2</sub> from air travel.



# SUSTAINABILITY

## - REBUILDING SIMCORP HEADQUARTERS

SimCorp’s business and the way we work change over time. To accommodate this, we have undertaken a comprehensive rebuilding of our headquarters. With a focus on sustainability, we have utilized this unique opportunity to take a number of environmentally focused actions. The rebuilding project has earned us a DGNB sustainability certification award in the silver category.

### FURNITURE

We have prioritized sustainable furniture solutions with a focus on recycling, reselling, donating, and 3-D printing. We have leveraged external expertise in recycling our used, quality office furniture, either by reselling, donating, or disposing of the furniture in an environmentally sustainable manner.



#### Resale

Reselling used furniture protects the environment from superfluous production. Our external partner repairs, refurbishes, and cleans much of our existing office furniture before reselling it.



#### Donation

Furniture donation extends the lifetime of resources that have already been produced, while creating value for the new owners. The part of our furniture that is in good shape but not suitable

for reselling is donated free of charge to associations and charitable organizations through a donation network – a sharing economy partnership made up of 1,700 organizations, which offers schools, associations, and charitable organizations surplus furniture. In the past three years, more than 30,000 pieces of furniture have been donated via this initiative.

Furniture that is not re-cycled via resale or donation will be disposed of in an environmentally sustainable manner.

#### 3-D printing

Specific new furniture elements have been customized by a 3-D printing supplier whose vision aligns with our sustainability focus. Via digitalized production and virtual reality, the supplier has enabled us to create unique elements that fit our needs with the scaling and compelling pricing of mass production.

#### New furniture

Long-lasting Danish design has been chosen for new furniture investments instead of short-term fashion products.

### FOOD AND DRINK CONSUMPTION



#### Plastic bottles will be replaced by water stations

The rebuilding project will enable us to replace the daily use of approximately 1,000 plastic bottles with sparkling and still water from new water stations.



#### Waste stations

We continuously work on minimizing and sorting our waste at local waste stations to bring down waste volumes.

Our canteen staff at headquarters work hard to ensure that we experience a healthy and delicious meal produced with sustainable means that support our long-term goals of:

- Increasing share of organic food products to 50% of all purchases
- Increasing use of vegetables in daily food production by 10%
- Reducing use of meat in daily food production by 10%

SimCorp’s performance on relevant environmental metrics can be found in the ESG report (page 14).

# 3. STAKEHOLDER ENGAGEMENT

SimCorp maintains an open and ongoing dialogue with its stakeholders, which is maintained by keeping an open line of communication at all times, but also through structured means. We have defined our primary stakeholders as:

- our clients
- our employees
- our shareholders,

In addition, SimCorp also regards

- society

as a major stakeholder.

As reflected in our business model, SimCorp contributes significantly to society through job creation, tax payments, and contribution to GDP. SimCorp is committed to fulfilling the tax requirements in all the countries where we do business, including paying corporate income tax and payroll tax from salaries paid to our employees. SimCorp’s corporate income tax is included in our ESG report further below.

**SIMCORP’S TAX POLICY** 

### *Our clients*

In our regular client satisfaction survey, Net Promoter Score (NPS), we gauge our clients’ satisfaction with our solutions, services, and support. In 2019, we managed again to reach a high score (39 points), largely driven by high levels of product quality.

### *Our employees*

Internally, we pride ourselves on having an open and straightforward dialogue with and among all of our employees. In 2019, we introduced a new Employee Engagement Survey, which enables us to measure satisfaction and motivation in a more flexible way – both from a content and a timing perspective. The survey is carried out twice a year to ensure that we have a constantly high level of engagement and motivation.

### *Our shareholders*

Our communication policy ensures an open dialogue with investors and analysts about SimCorp’s business and financial performance. To ensure that all our stakeholders have equal access to corporate information, we release news about SimCorp to Nasdaq Copenhagen, to the media, and on SimCorp’s website.

### *Society*

SimCorp is a member of various industry associations, including Dansk Industri (The Confederation of Danish Industry). SimCorp as a company does not engage in any political activity, nor does it support any political party



# 4. WHISTLEBLOWER POLICY

SimCorp has established a whistleblower system to ensure transparency and to capture behavior contradicting our fundamental values and business policies. The whistleblower system allows employees, management, members of the Board of Directors, and other stakeholders (such as supplier representatives, clients, or SimCorp shareholders) who believe they have become aware of actions or omissions that could damage SimCorp – financially, reputationally, or in some other way – to pass on this information to a whistleblower hotline.

A third party, Got Ethics, who provides an internet-based reporting tool, facilitates that reports sent through the whistleblower hotline are elec-

tronically submitted directly to the Chairman of SimCorp's Audit Committee and an independent member of SimCorp's Board of Directors. The whistleblower system is continually tested. No reports have been submitted through the whistleblower hotline in 2019 (2018: 2).

To learn more about our whistleblower policy, please refer to our website.

[LEARN MORE ABOUT OUR WHISTLEBLOWER POLICY](#)



# 5. ESG REPORT 2019

## ESG REPORTING METRICS FOR NON-FINANCIAL PERFORMANCE

The report covers data on the environmental, social, and governance (ESG) metrics we have identified as most relevant to our business. ESG reporting enables us to track and improve our non-financial performance, supports accountability, and offers transparency for all our stakeholders.

### Environmental data

SimCorp’s carbon footprint is related to electricity and heating consumption (Scope 1 and 2) and travel (Scope 3).

- **CO<sub>2</sub> emission scope 1 and 2**

Our CO<sub>2</sub> emission related to electricity and heating consumption has been calculated based on the Carbon Calculator formula developed in partnership between the Confederation of Danish Industry and the Danish Business Authority under the Danish Ministry of Business and Growth.

Electricity consumption data has been submitted by the provider Ørsted/Radius and heating consumption data by the provider Hofor. Input for the CO<sub>2</sub> emission calculation is based on the consumption of electricity and heating at headquarters and the use of leased company cars. The remaining environmental data has been provided by SimCorp headquarter’s landlord.

- **CO<sub>2</sub> emission scope 3**

Our CO<sub>2</sub> emission based on travel activity has been calculated by our travel agency Egencia and is almost entirely based on air travel.

See page 10 for actions planned to reduce CO<sub>2</sub> footprint related to travel.

### Social and governance data

SimCorp’s social and governance data are all based on company records.

## ESG REPORTING METRICS

METRIC	UNIT	TARGET	2019	2018	2017	2016
 <b>Environmental data</b>						
Electricity consumption (HQ)	MWh		573	602	624	629
Renewable energy as share of electricity consumption (HQ)	%		12	12	13	12
Heat consumption (HQ)	MWh		948	811	752	941
Water consumption (HQ)	ML		n/a*	5.3	4.4	4.2
Waste consumption (HQ)	tons		61.6	64.5	70.9	n/a
CO <sub>2</sub> emission, scope 1 and 2 <sup>1</sup> (HQ)	tons CO <sub>2</sub>		212	209	251	277
CO <sub>2</sub> emission, scope 1 and 2 (HQ), per €m revenue	tons CO <sub>2</sub> /€m		0.5	0.5	0.7	0.9
CO <sub>2</sub> emission, scope 1 and 2 (HQ), per €m EBIT	tons CO <sub>2</sub> /€m		1.7	2.0	2.8	4.1
CO <sub>2</sub> emission, scope 1 and 2 (HQ), per FTE in HQ	tons CO <sub>2</sub> /FTE	0.4	0.4	0.4	0.5	0.6
CO <sub>2</sub> emission, scope 3 <sup>2</sup> (Group)	tons CO <sub>2</sub>		5,873.1	5,179.5	4,697.6	4,643.6
CO <sub>2</sub> emission, scope 3 (Group), per €m revenue	tons CO <sub>2</sub> /€m		12.9	13.5	13.7	15.7
CO <sub>2</sub> emission, scope 3 (Group), per €m EBIT	tons CO <sub>2</sub> /€m		45.9	50.1	52.8	68.1
CO <sub>2</sub> emission, scope 3 (Group), per FTE	tons CO <sub>2</sub> /FTE	3.0 <sup>5</sup>	3.4	3.3	3.3	3.6

\*Water consumption data was not yet available at the time of reporting.

## ESG REPORTING METRICS

METRIC	UNIT	TARGET	2019	2018	2017	2016
 <b>Social data</b>						
<i>Diversity</i>						
Women as share of Group Management Committee	%	33 <sup>6</sup>	11	10	11	11
Women as share of EVP, SVP & VPs	%	33 <sup>6</sup>	16	13	11	12
Women as share of Directors	%	33 <sup>6</sup>	22	35	34	31
Women as share of Managers	%	33 <sup>6</sup>	35	35	36	34
Women at management levels (all of the above)	%		29	31	29	28
Women as share of all employees	%		32	33	33	31
Voluntary leaves	number		127	104	81	85
Involuntary leaves	number		76	43	48	32
Leavers (total)	number		203	147	129	117
Voluntary turnover ratio <sup>3</sup>	%	<7	7	7	6	7
Employee turnover ratio <sup>4</sup>	%		11	9	9	9
Employee training hours as share of total working hours	%		3.2	3.7	3.0	4.2
Corporate income tax	EURm		30.9	25.6	21.2	16.6
Effective tax rate	%		24.2	24.9	24.2	24.6
Number of human rights violation cases	number	0	0	0	0	0
 <b>Governance data</b>						
Board meetings, annually	number		6	6	6	6
Board attendance rate	%	100	97	100	100	100
Women as share of shareholder-elected Board members	%	33 <sup>7</sup>	17	14	17	20
Board members: x-35 years	number		0	0	0	0
Board members: 36-50 years	number		1	1	1	1
Board members: 51-70 years	number		4	6	5	4
Board members: 71+ years	number		1	0	0	0
Audit Committee (AC) meetings	number		4	4	4	4
AC meetings, attendance rate	%	100	100	100	100	92
Nomination & Remuneration Committee (NRC) meetings <sup>a</sup>	number		4	3	2	n/a
NRC meetings, attendance rate	%	100	88	100	100	92
Net promoter score (NPS), client engagement measure	number		39	38	39	27
Staff dismissed due to non-compliance with anti-corruption policy	number	0	0	0	0	0

## Definitions

1. Scope 1 and 2 - electricity and heat consumption.
2. Scope 3 - business travel by air.
3. Voluntary leavers as share of total number of employees.
4. Total leavers as share of total number of employees.
5. Target equals a 10% reduction from 2018 level.
6. Corresponds to the share of women in SimCorp in 2018.
7. Corresponds to two persons of the underrepresented gender and the goal is set to be reached in 2021.
8. 2017 data apply to the Nomination Committee, which was formed in 2017 and following the Annual General Meeting 2018 became a Nomination & Remuneration Committee.

# 6. UN SUSTAINABLE DEVELOPMENT GOALS

## GUIDING PRINCIPLES

The 17 UN Sustainable Development Goals (SDGs) reflect some of the world’s biggest challenges and opportunities that we need to help address by 2030.

## FOCUS AREAS

We have again in 2019 conducted an assessment, which describes how SimCorp contributes to a number of the 169 SDG targets and how we will work to increase our impact on sustainable development.

We have set as focus areas with specific KPIs, the two goals on which our business has highest impact:

- **Goal 5 ‘Gender equality’**, specifically indicator 5.5.2 Proportion of women in managerial positions, and
- **Goal 13 ‘Climate action’**, specifically target 13.3 Improved education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.



**Target 4.4** *By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.*

SimCorp is part of the Coding Class project, an initiative with the goal of making IT part of the curriculum in Danish schools, starting out by introducing six graders to working with IT and technology. SimCorp supports the Coding Class project as one of the main sponsors, who also obtain a spot in the Steering Committee. These sponsors are called “Coding Class Angels”. SimCorp believes this initiative will help increase the number of young people with relevant skills for future jobs in a global world where IT will play an increasing role.

**Target 4.5** *By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.*

SimCorp has run a mentoring program in 2019 with the aim to ensure that men and women have equal opportunities for reaching a managerial position in SimCorp. Employees selected for the program are supported in their current roles and managerial aspirations by being assigned a mentor from SimCorp’s management group. Furthermore, SimCorp runs courses targeted at equally supporting all employees with manager potential.



**Target 4.7** *By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture’s contribution to sustainable development.*

SimCorp’s Diversity and Inclusion Policy states that SimCorp “... strives to create a diverse and inclusive workplace that welcomes people of all views and backgrounds, and offers equal opportunities regardless of race, gender, religion, national origin, physical ability, marital status, or sexual orientation. We believe that we are stronger when we reflect the diversity in the world around us, making us more dynamic, more innovative and more successful in the marketplace.”



**Target 5.5** *Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life, specifically indicator 5.5.2 | Proportion of women in managerial positions.*

It is a focus area for SimCorp to develop female talent within the business and to increase the proportion of women at all management levels corresponds to the share of women in the SimCorp Group. In 2019, the female representation at management level in SimCorp has decreased to 29.3% compared to 31.0% in 2018, while the total proportion of women in the SimCorp Group is 32.3% (2018: 33.0%). The decrease in female representation at management level is to a high degree related to the acquisition of AIM software. Regarding gender diversity on the Board of Directors, the company has set as a target to have two directors of the under-represented gender elected by the annual general meeting (AGM) in 2021, which currently has six AGM-elected members of which only one is a woman. For more information on our ‘Focus on women in management’, see page 7.



**Target 10.2** *By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.*

SimCorp strives to maintain a workplace that is diverse and inclusive, offering equal career opportunities regardless of race, gender, religion, national origin, physical ability, marital status, or sexual orientation. The approach applies to job applicants as well as all current employees. As part of its activities, SimCorp had in 2019 a special pool of 15 heads allocated to offering jobs to disabled people, flexible jobs (for people with a reduced ability to work), or internships. For more information on the results of this program, please refer to our Diversity Report 2019, which can be found on our website [www.simcorp.com/en/investor/corporate-governance](http://www.simcorp.com/en/investor/corporate-governance).



**Target 10.5** *Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations.*

SimCorp's product offering SimCorp Dimension<sup>®</sup> and its regulatory compliance services enable global investment managers to meet increasing demands for transparency and reporting. With the "Compliance Manager" module in SimCorp Dimension, we also support clients that are managing funds on behalf of people who are increasingly demanding an ESG responsible investment profile. We already support exclusion of undesirable ESG investment characteristics and we want to expand our support to also enable selection of desirable ESG investment characteristics. Our integrated front-to-back platform provides full transparency and gives us a unique ability to build out our solutions in this space, hereby creating positive ESG impact for our clients and their stakeholders. enables asset and fund managers, who invest on behalf of funds and clients, to exclude undesirable ESG investment characteristics. We will prioritize to utilize the opportunity to ur integrated front-to-back platform will allow us to build out our solutions in this space to include desirable ESG characteristics, hereby creating positive ESG impact for our clients and their stakeholders.



**Target 13.3** *Improved education, awareness raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.*

Taking climate and environmental responsibility is part of acting responsibly as a business. Although SimCorp is not an energy-intensive company, we acknowledge that we need to make an active contribution to minimizing carbon emissions. Our CO<sub>2</sub> impact is mainly associated with meeting-related air travel and heating and electricity use at our offices. As air travel is the business activity at SimCorp which has the highest CO<sub>2</sub> impact, we have made it a focus area to reduce its impact. For for information on our goals and activities, see pages 9-10.

## 7. REPORT PROFILE

This is the Group's eleventh Corporate Social Responsibility statement, also including an ESG report on non-financial metrics and covering the period January 1, 2019 - December 31, 2019. The statement and report

are updated annually. Questions relating to the contents of the report can be directed to [info@simcorp.com](mailto:info@simcorp.com). The company's Board of Directors and auditors have assessed and approved this statement and report.



## ABOUT SIMCORP

SimCorp provides integrated, best-in-class investment management solutions to the world's leading asset managers, fund managers, asset servicers, pension and insurance funds, wealth managers, central banks, sovereign wealth funds, and treasury. Regardless of how you deploy it, SimCorp's core solution, SimCorp Dimension®, and its life-cycle services support the entire investment value chain and range of instruments, all based on a market-leading IBOR. SimCorp invests around 20% of its annual revenue in R&D, helping clients develop their business and stay ahead of ever-changing industry demands. Listed on Nasdaq Copenhagen, SimCorp is a global company, regionally covering all of Europe, North America, and Asia Pacific.

For more information, please visit [www.simcorp.com](http://www.simcorp.com)

## ONE SYSTEM FOR A COMPLEX WORLD



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