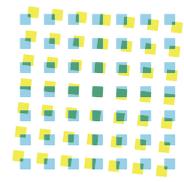




2020

# Integrated Sustainability Report



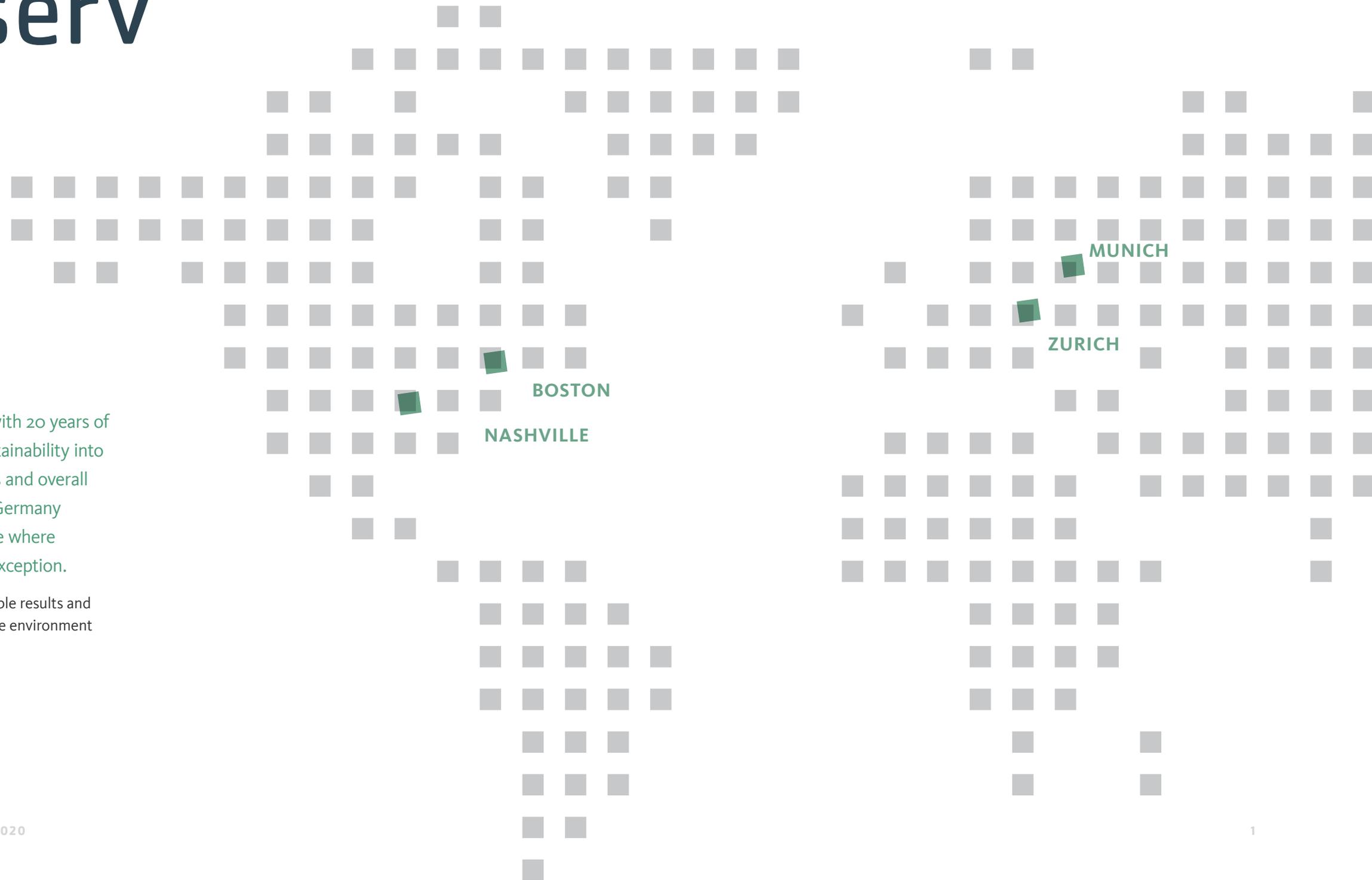
sustainserv

# Sustainerv

at a glance

We are a global management consulting firm with 20 years of experience in helping companies integrate sustainability into their long-term strategies, everyday operations and overall communications. With offices in Switzerland, Germany and the United States, we work toward a future where sustainable value creation is the rule, not the exception.

We offer holistic advice and support to deliver actionable results and inspire meaningful change that benefits businesses, the environment and society.



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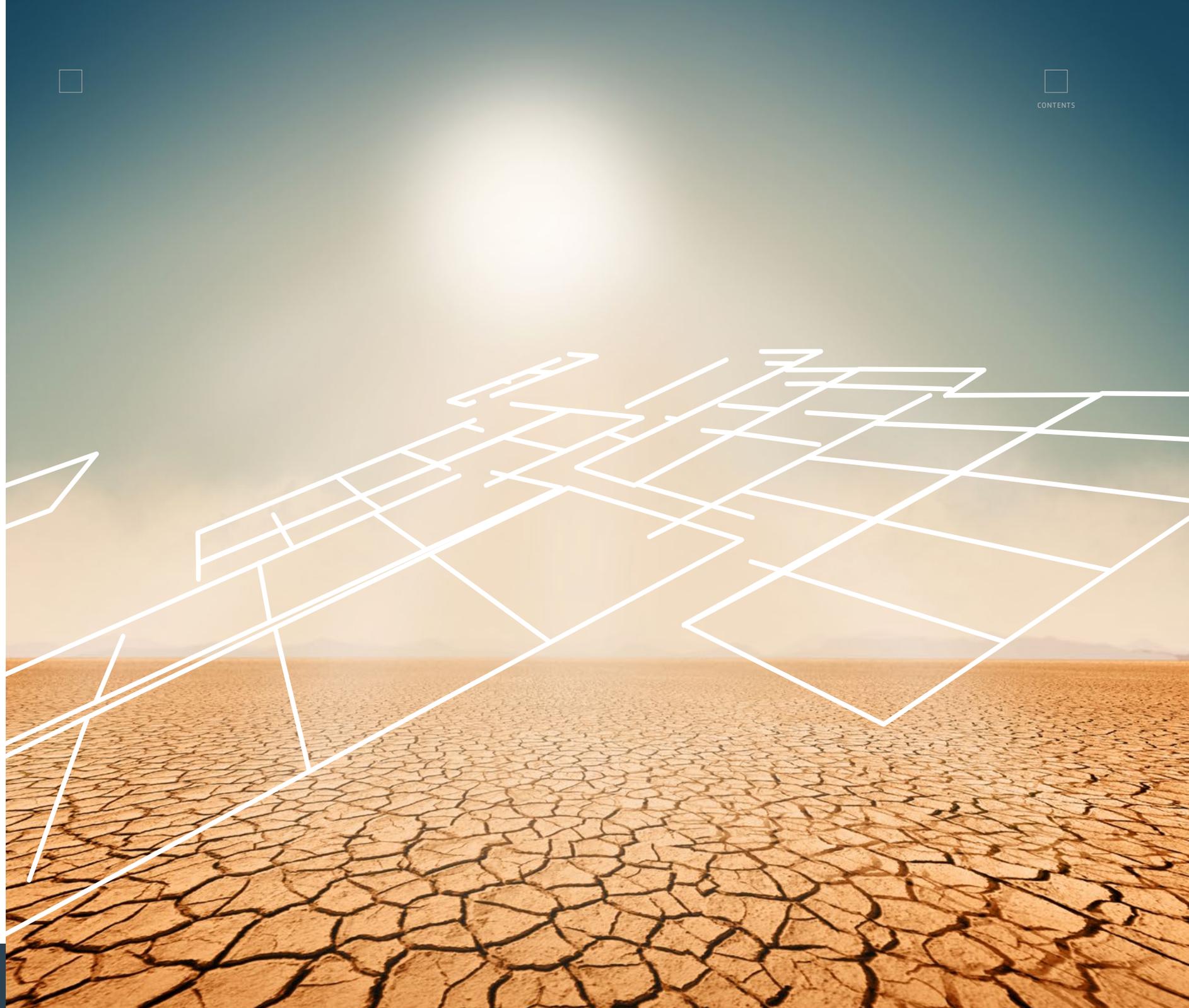
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# Introduction

On the occasion of its 20-year anniversary, Sustainerv publishes its first Integrated Sustainability Report. We chose an integrated reporting structure because it combines financial and non-financial disclosures and reflects our definition of value as far more than profit.

We decided to draw on concepts borrowed from the [International Integrated Reporting Council](#) (IIRC), [Global Reporting Initiative](#) (GRI), [Sustainability Accounting Standards Board](#) (SASB) and the [UN Global Compact](#) (UNGC). By using these frameworks, we communicate our responsible business management practices, our operational performance against sustainability key performance indicators (KPIs), and how we approach key corporate sustainability management and reporting concepts.

We believe in transparency and being accountable to our clients, business partners and employees just as we encourage our clients to do so. For 20 years, we have helped clients publish integrated and sustainability reports, experience that has given us a robust toolbox of reporting insights. Although we have a relatively small social and environmental footprint as a boutique consulting firm, we wanted to go through the process of publishing our own report both for the introspection it would provide and to practice what we recommend our clients to undertake.





INTERVIEW



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## 20 Years Sustainerv – A conversation with the founding partners

Sustainerv was founded 20 years ago on the principle that sustainability generates value for companies, the environment and society. To that end, we stay on the cutting edge of corporate sustainability trends to inform our work and provide timely insights and guidance to our clients. Over the years, we have found our footing as a company that works to inspire meaningful change in the companies we work with. That’s our goal.

### Tell us about the start of Sustainerv.

*Matthew Gardner:* We first met in 2000 in Braunwald, Switzerland as instructors and speakers at a training course in the little Swiss village of Braunwald, on the edge of the Swiss Alps. We all were in academic roles at Harvard, ETH and MIT at the time and we started talking about how to create a business out of the new, growing interest in sustainability, particularly from the corporate sector.

*Stephan Lienin:* Initially, our vision was to take the latest results of sustainability research from these leading academic institutions and make them available to companies and practitioners. We would be the bridge builders between the leading science of the day and enterprises in need. However, this business model did not work. We had to learn early on that we needed to put our clients in the center of our services.

*Bernd Kasemir:* That’s because our premise was too simplistic. Business doesn’t just need latest results from science, but bespoke solutions where science and practical management tools come together. However, where our intuition was right from the start is that corporate sustainability was on the edge of taking off. And look at it now, a fast-moving, dynamic, growing space where most of the major companies of the world are acknowledging the role they have to play in protecting the world and its resources, and the importance of being good corporate citizens.

### What has changed since then?

*Stephan:* Starting at a time when sustainability was just at the beginning in the corporate world, we have survived for 20 years in a world of changing markets. We started as a very small but global company and have grown slowly and steadily.

*Matthew:* When we started this company, we didn’t know how to be consultants. But we’re quick learners. Our job has been to stay on top of a fast-moving, exciting field that’s in a constant state of change. What differentiates us is that we are good translators. That part of our original vision has endured. We help people understand the value of sustainability and the opportunities it provides.

*Bernd:* When we started, sustainability was completely optional and companies could say whatever they wanted. Because of regulation and stakeholder pressure, the landscape is so different now. It is not a question of whether to become more sustainable, but how to do it in a manner that supports business growth and ultimately value creation.

*Stephan:* Most importantly, we have a really good team on this journey with us. Over the years we have had a lot of excellent people work with us – they’ve learned from us, and we have certainly learned from them. Our current team of consultants, senior consultants, directors and advisors all bring their skills, their passions and their commitment to this company. We’d be nothing without them. They are why we are successful.

*Matthew:* To respond to the growth in the sustainability sector and the evolving client needs, we’ve continuously adapted our service portfolio and recently expanded our presence by opening new offices in Munich, Germany and Nashville, Tennessee.

*Bernd:* We’re fortunate in that we’ve had the opportunity to work with some of the largest, most sophisticated companies in the world. They present exciting questions and challenges regarding their strategy, performance and reporting – it really keeps us on our toes and looking forward for how we can help them drive their ESG efforts in the right direction.

“Sustainerv was founded on the principle that sustainability generates value for companies, the environment and society.”



### **How do you all complement each other, and how has this contributed to Sustainerv's success?**

*Bernd:* Aside from the fact that the three of us are chemists, we are pretty different temperamentally. Our different personalities sometimes make decision-making a bit slow. But it also creates a checks-and-balances system that keeps us from making rash decisions.

*Matthew:* We also have complementary skill sets – a good balance of big picture and granular perspectives. The three of us are a strong foundation for who we are as a company.

*Stephan:* This also is true of our team. We have diverse backgrounds and personalities – much like the complex and multi-faceted nature of sustainability.

### **How do your outside activities help you in the daily business?**

*Matthew:* Our outside activities enhance our ability to engage with clients. For me, teaching at Harvard is a great way to keep an eye on the big picture and understand how people newly interested in sustainability perceive this subject. I also serve on the board of an orphanage project in Tanzania, where I am able to directly apply what I have learned from Sustainerv and knowledge of sustainability more broadly.

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**“Cultivating a forward-looking perspective on issue management and reporting is growing in importance. Companies are adopting a more long-term outlook on sustainability risks and impacts, expanding their need for scenario-based, forward-looking analyses.”**

*Bernd:* One of my hobbies is dancing tango, which is very similar to how we partner with clients. On the dance floor and at Sustainerv, it's important to be very connected to your partner and perfect the art of listening. Tango is a dance in which you don't know what's going to happen next, you have to respond instantly to what your partner does. And that's how I see a good client engagement. You shouldn't assume what the client will do next or tell them what to do but be ready to help them find their next best move.

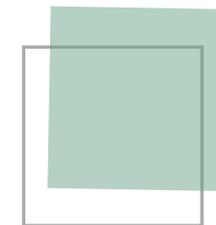
*Stephan:* I do improvisational theater, where you learn to go on stage when you have little to nothing to go on. There have been so many instances in our business where we've had to improvise and find a solution with just a few moments to spare. I am also on the board of the NGO Kamboo Project, which implements social projects in Cambodia. There I learned that you can make a difference even with limited but targeted resources.

### **What does the future hold for corporate sustainability?**

*Bernd:* I see increases in both ambition and regulation. Sustainable finance guidelines in Europe are moving things along much more quickly than predicted. In addition, “framework fatigue” is driving consolidation, such as the merger between the IIRC and SASB, which represents the coming together of European and American sustainability perspectives.

*Stephan:* I expect and hope that sustainability will become the new normal because it's pulled into ordinary business practices and is no longer an outlier worthy of a special name. In particular, new generations of managers will bring that mind set into their companies.

*Matthew:* Companies are increasingly looking to transition from high-level commitments to concrete implementation steps and integrating sustainability into the daily business processes. They used to get a gold star for taking the tiniest step toward sustainability but are now having to work a lot harder to set themselves apart. The industry is becoming more sophisticated, and we're committed to moving fast, keeping up, and sometimes even leading the way.



## An integrated approach to solving sustainability challenges

We approach sustainability in a holistic, multidisciplinary way that inspires clients in all industries to create more value for themselves and their stakeholders.

### Focus on our clients

Through close collaboration, we help our clients envision and enact improvements that will make them more sustainable. Serving our clients is thus at the core of our business model, which we deliver through three service areas: “Focus and strategy,” “Implementation and monitoring” and “Reporting and communication.”

**Two core value-adding processes**

Across all three service areas we pursue two main goals.

First, we anticipate client needs and develop tailor-made solutions to meet them. How? We maintain close and trusted relationships with clients, our employees, external advisors and our extensive network of business partners, who provide invaluable expertise. We continuously screen regulatory developments, evolving standards and frameworks, and best practices in various industries. And, we trade expertise with other leaders by participating and speaking at conferences and events around diverse topics related to our business.

*Read more: [“Creating tailor-made solutions collaboratively”](#)*

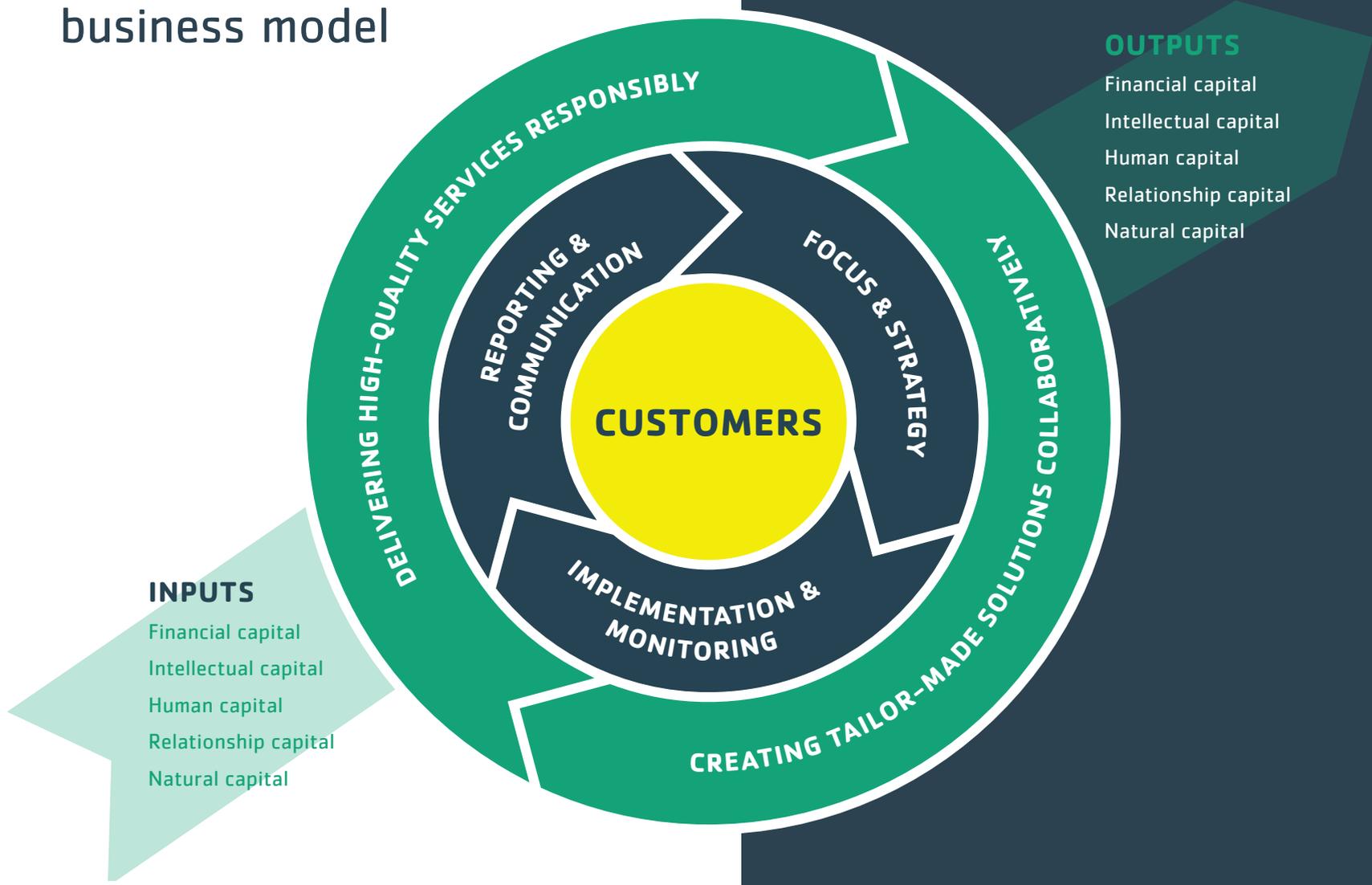
Second, we consistently deliver high-quality services - and we do it while fulfilling our responsibility towards our employees, customers and the environment. This includes protecting our employees’ well-being, preserving a collaborative and diverse culture, safeguarding data entrusted to us by our clients and continuously reducing our own environmental footprint.

*Read more: [“Delivering high-quality services responsibly”](#)*

**Combining resources to achieve maximum impact**

To successfully operate our business, we draw on and combine a multitude of resources. We continuously re-invest financial profits into developing and retaining outstanding talent and further developing innovative services. Our long-standing relationships with business partners and advisors allow us to tap additional expertise for the benefit of our clients. As a small service company our carbon footprint is already quite small, but we still are committed to using resources as efficiently as possible, particularly when it comes to our business travel.

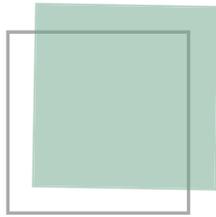
**Our integrated business model**



# 2020 KPI Highlights<sup>1</sup>

	Intellectual capital	Human capital	Relationship capital	Natural capital
INPUTS	<p><b>4</b></p> <p>AVERAGE NUMBER OF FORMAL TRAINING HOURS</p>	<p><b>14</b></p> <p>NUMBER OF EMPLOYEES</p>	<p><b>3</b></p> <p>NUMBER OF SENIOR ADVISORS</p>	<p><b>64,000</b></p> <p>AIR TRAVEL KILOMETERS</p>
OUTPUTS	<p><b>100%</b></p> <p>EMPLOYEES WITH PROJECT MANAGEMENT ROLE</p>	<p><b>13</b></p> <p>AVERAGE YEARS OF EMPLOYMENT<sup>2</sup></p>	<p><b>75%</b></p> <p>SHARE OF SALES VOLUME WITH RECURRING CLIENTS</p>	<p><b>11.4 tCO<sub>2</sub>e</b></p> <p>SCOPE 3 EMISSIONS</p>

1. As a privately owned company, Sustainserv does not disclose financial data. 2. Excluding the three managing partners, our average duration of employment is 4 years.



## Our services

We believe sustainability should be an integral part of how you do business. Our three service areas thus cover all steps of a successful sustainability journey: Focus and strategy, implementation and monitoring, and reporting and communication.

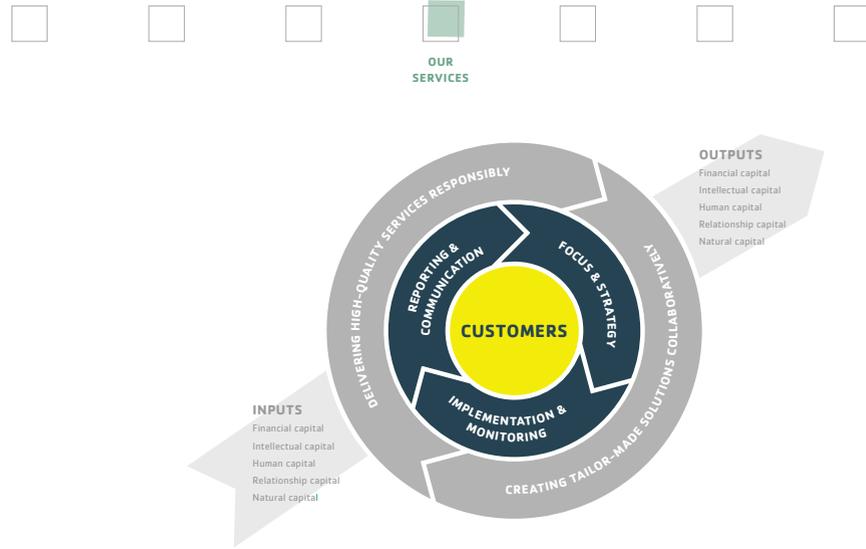
### Focus and strategy

Every company needs a clear understanding of what their business requires to thrive and what direction they wish to take. We help our clients determine which issues to focus on and adopt a new, strategic way of thinking about value creation. This allows them to allocate their resources effectively and develop an approach that will support their company's core business objectives.

In the reporting year, we accompanied several new clients on this first stage of their sustainability journey. We continued to depend on materiality assessments as a valuable tool for our clients to inform their sustainability strategy development and reporting. With the evolution of [scenario-based materiality assessments](#), more clients are starting to explore climate-related financial risks that they face.

*Read more: [Materiality analysis](#)*





We have contributed to more than **300** sustainability and integrated reports and have been named as the top global Reporting Service Provider, according to Corporate Register.

### Certified GRI Training

Sustainserv is a Global Reporting Initiative (GRI) Certified Training Partner in Switzerland. Our GRI training courses give you detailed information about the GRI Standards and explain how they can be applied to your organization. The interactive sessions feature group exercises and best practice examples that you can use to prepare your own GRI-compliant sustainability report. [Read more.](#)

### Implementation and monitoring

Once a company develops their sustainability focus and strategy, the next step is action. We support our clients by breaking down strategy planning, performance management and monitoring efforts into clear, actionable tasks. This includes identifying KPIs, setting qualitative and quantitative targets, checking progress with suitable performance metrics and using science-based benchmarks and international standards to make the approach more credible.

In the reporting year, we saw a sharp increase in client demand for determining and setting Science Based Targets. These are emissions reduction targets aligned with the latest scientific consensus regarding climate change and its impacts. We helped our clients develop targets based on comprehensive greenhouse gas inventories and incorporate global and sector-related contexts and trends, to gain official recognition from the Science Based Targets initiative and position the company as a climate mitigation leader.

### Reporting and communication

Investors, customers and other stakeholders expect companies to transparently report on their social and environmental impact, as well as future plans and goals. Meeting these expectations builds trust and allows companies to position themselves as responsible and sustainable.

Even so, the sustainable reporting landscape is highly complex. There are numerous international standards and frameworks, ranking schemes, disclosure systems and reporting principles. We help our clients understand the options, select the most suitable formats and adapt their reporting processes accordingly.

In the reporting year, we observed an increased interest from our clients in implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Sector-specific reporting frameworks and benchmarks, such as the UNPRI and GRESB, also became more relevant, and ESG ratings and rankings continue to play an important role for many of our clients. We conducted a systematic analysis of the ESG ratings and rankings space and enhanced our service portfolio with reporting formats that are tailored specifically to the needs of ESG analysts and investors.

#### Case Study

### Reinhart's Sustainability Journey

[Learn more](#) about how 232-year-old cotton merchant Paul Reinhart AG built a robust sustainability management and disclosure process, which helped the company qualify for sustainability-linked loans.

#### Case Study

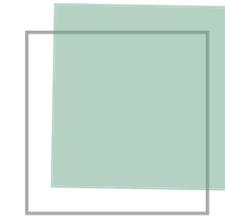
### Riverside's Science-based Target (SBT)

[Learn more](#) about how Sustainserv supported Riverside, a family-owned natural food producer in Canada, in developing a transparent, verifiable and credible climate target according to the globally acknowledged standard and scientific consensus to limit global warming.

#### Case Study

### Clariant's holistic approach to value creation through integrated reporting

[Learn more](#) about how Sustainserv supported Clariant, a global provider of specialty chemicals, in making the leap from conventional financial reporting to an innovative Integrated Report.



## Materiality analysis

We are big proponents of materiality assessments as an ideal way to determine the right focus for the further development of sustainable business strategy, performance measurement and reporting. In 2020, we undertook a materiality assessment to identify the topics with the highest potential to influence our ability to create long-term value, the decision-making of our stakeholders and our impact on sustainable development.

### Materiality process

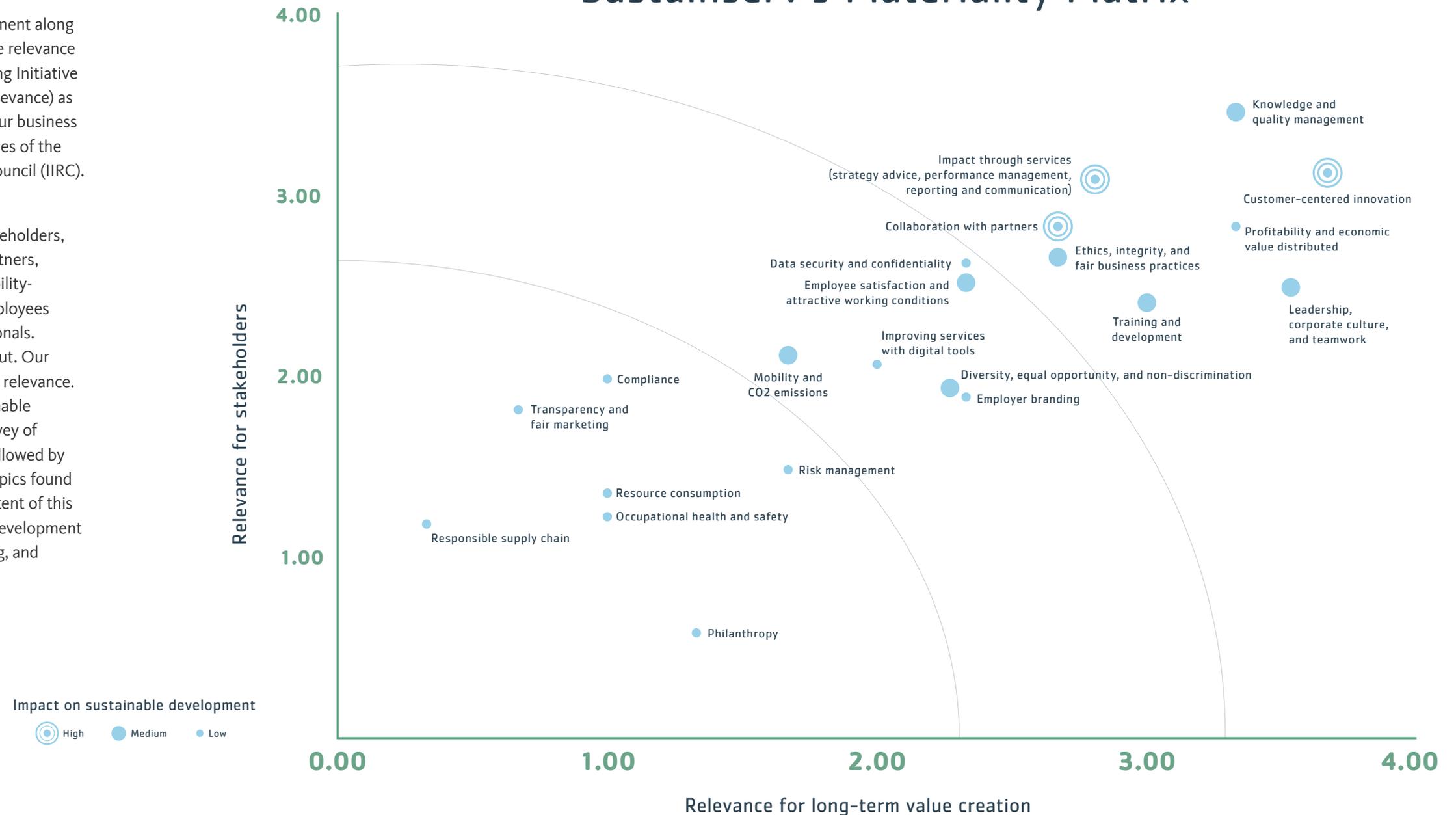
We began our assessment with a list of potentially relevant topics derived from the GRI Standards, the Professional and Commercial Services Standards of SASB, the Sustainable Development Goals (SDGs) and the material topics of our peers and competitors. After categorizing and clustering the initial topics we assessed which issues were:

- critical to safeguarding our short-, medium-, and long-term business success;
- important to our stakeholders
- relevant to areas where we have significant impacts

We conducted our materiality assessment along these three dimensions to capture the relevance levels required by the Global Reporting Initiative (stakeholder relevance and impact relevance) as well as the importance of topics for our business strategy, as suggested by the guidelines of the International Integrated Reporting Council (IIRC).

To understand the importance of the potentially material topics to our stakeholders, we surveyed our clients, business partners, advisors, representatives of sustainability-related business associations and employees in their role as sustainability professionals. In total, 30 stakeholders provided input. Our managing partners assessed business relevance. We determined the impact on sustainable development through an internal survey of employees and managing partners followed by a subsequent team discussion. The topics found to be material not only guide the content of this report, but also inform our ongoing development of business strategies and goal setting, and success measurement.

# Sustainserv's Materiality Matrix



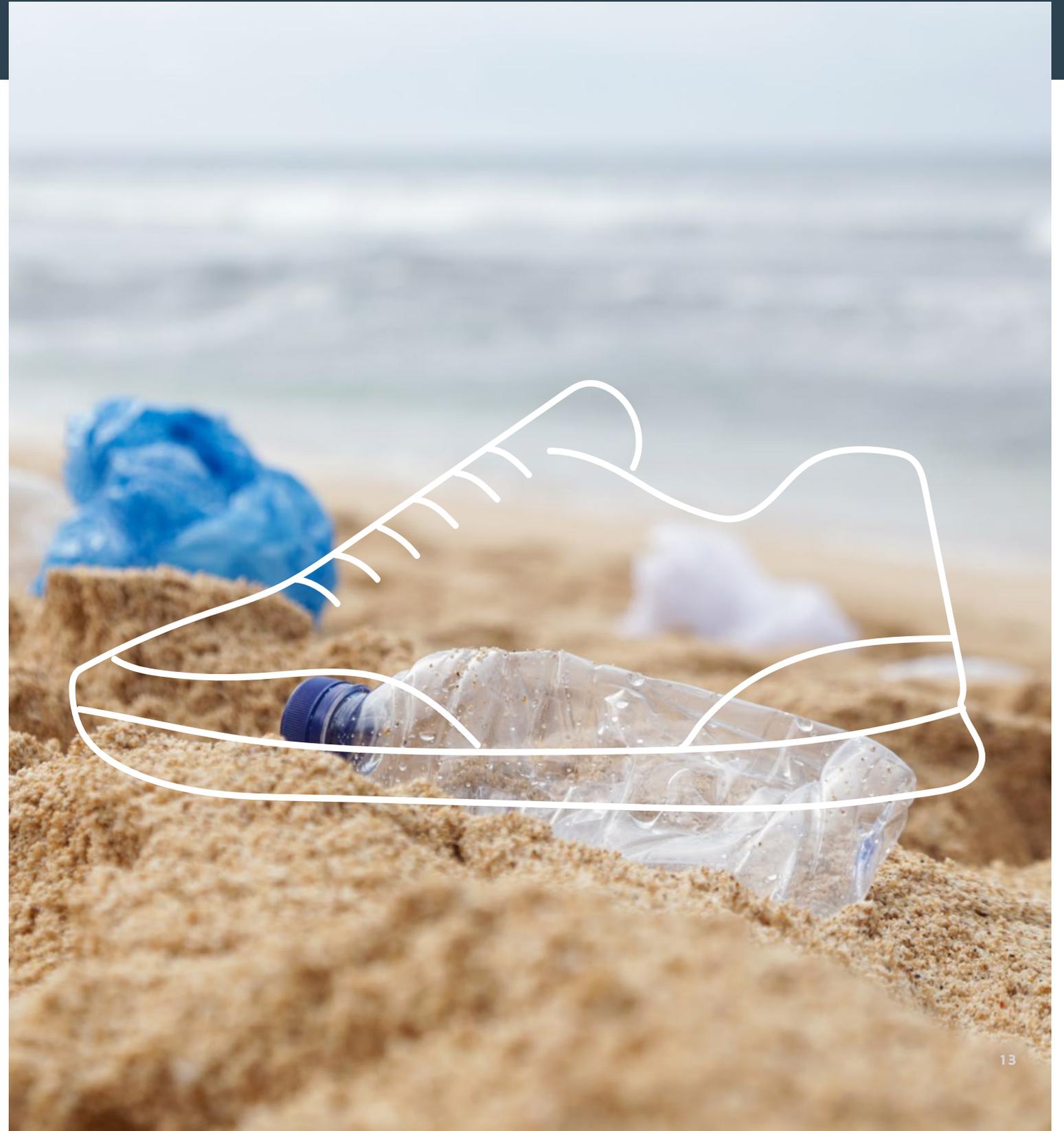


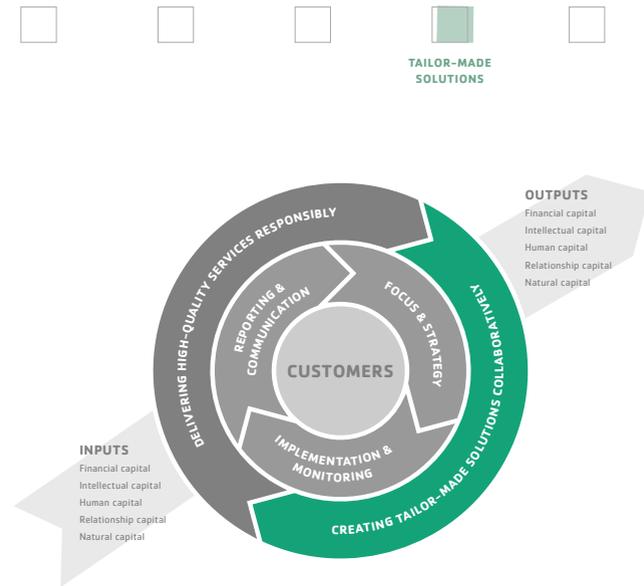
## Creating tailor-made solutions collaboratively

We provide value to our clients with an experienced team of sustainability experts, tried and true project management methodologies and customized, innovative collaborations with clients.

### **The right people to deliver high-quality services**

We are a team of sustainability experts with global perspectives. Our employees bring to the table a variety of backgrounds in natural sciences, engineering, business, social sciences and communications. Team members reflect our core values, making sustainability a way of life – not simply a job they leave at the office door. Attracting and developing quality talent is essential to providing outstanding services, innovating solutions and creating an inclusive and engaging work environment for employees.





### Partnership with Bunker Hill Community College in Boston

In 2020, Sustainserv’s Boston office partnered with local community college Bunker Hill to provide an internship opportunity for students from diverse backgrounds to learn about sustainability consulting. Through the program, students get hands-on experience at Sustainserv while completing an internship course at Bunker Hill that engages students on how to network and forge their career path. Sustainserv has been pleased with the program participants, some of whom were offered full-time positions at Sustainserv.

### Attracting quality talent

As a global company with two main offices in Zurich and Boston and new offices in Munich and Nashville, we have access to a wide diversity of talent. Our proximity to and partnerships with respected colleges and universities make it easy for us to tap into a pool of highly educated talent. Our team members hail from academic institutions with a wide variety of specialties and research perspectives. These include MIT, Harvard University, Vanderbilt University, ETH Zurich and University of St. Gallen, and more practice-oriented educational institutions such as Bunker Hill Community College and the ZHAW Zurich University of Applied Science. We maintain long-standing relationships with many of these academic organizations, and our clients benefit from the breadth and depth of our team’s academic prowess.

We typically receive an abundance of applications when an open position is advertised, as well as high numbers of spontaneous general applications. This tells us that sustainability is an attractive field to talent from different educational and professional backgrounds. Sustainability consulting is a highly dynamic, constantly evolving sector. This requires our business to maintain an interdisciplinary team of adaptive people who can easily develop new expertise and stay on top of the latest developments in our field.

### Workforce development and training

We prize intellectual rigor, pragmatic solutions, a focus on quality and a collaborative, team-oriented work environment. Our goal is for Sustainserv to be a place where our team members can grow as human beings, be productive members of the team, maintain a healthy work-life balance and advance their careers in an exciting field. We are a small, nimble company, and as such our employees must wear many hats and much

of our training and development happens on the job. New employees are given opportunities to work directly with clients and take on project management roles from day one.

We began developing a formalized training curriculum for our employees at the end of 2019, which is expected to launch in 2021. The training will include modules on project management, carbon accounting, public speaking and leadership training, among others. Employees will be expected to complete specific trainings based on the demands of their roles and responsibilities. In 2020, formal training hours decreased due to the COVID-19 pandemic.

Training and Development	2020	2019
AVERAGE HOURS OF TRAINING PER EMPLOYEE	4	14
PERCENTAGE OF EMPLOYEES RECEIVING PERFORMANCE AND CAREER DEVELOPMENT REVIEW	100%	100%

Our managing partners conduct annual performance reviews, which are carried out collaboratively with each employee. The reviews cover an assessment of employee performance, setting and measuring progress toward professional goals, and a discussion of training and education opportunities and career development. Reviews aim to give every team member a long-term perspective of their development outlook at Sustainserv.



### Adapting to the changing landscape of sustainability reporting frameworks

As the sustainability reporting landscape develops, clients must manage varying reporting requirements from their stakeholders. In recent years, investors have increasingly sought sustainability-related information in alignment with the Sustainability Accounting Board Standards (SASB) to better compare investee companies against one another. Since 2020, we have supported State Street Corporation, the second largest custodian bank in the world, to report along two SASB sector frameworks: Asset Management and Custody Activities and Software and IT Services. As a result, we prepared their annual corporate responsibility report in accordance with three reporting frameworks: GRI, SASB and TCFD.

### A customized, collaborative approach to innovation

We believe it is more important to get it right for the individual client than to go by the book. We collaborate with clients and partners to innovate and deliver high-value services. The rapid speed at which our field is evolving requires that we develop new services not behind closed doors but together with our clients. This enables us to tailor our services accordingly.

#### Strategic partnerships

We work closely with trusted external partners and advisors to enhance our knowledge base and innovate faster. Our senior advisors are experts in the fields of strategic management, industry and technology, providing specialized knowledge and critical outside-in perspectives. In 2020, we began a collaboration with a new senior advisor, Ralf Frank of Frankfurt, Germany. As the former managing director of the German Association of Investment Professionals (DFVA) and an independent consultant, Ralf specializes in sustainable finance, which is becoming increasingly material to our consulting work, given the fundamental role the financial sector plays in promoting sustainable development.



### Three questions for Ralf Frank, Senior Advisor

*Since 2020 you have been working with Sustainerv as a Senior Advisor. How did this collaboration come about?*

I had worked with Sustainerv Managing Partner Bernd Kasemir in the past, especially on Integrated Reporting. When I started building my own consultancy, Bernd and I began talking about collaborating on projects – this felt like a very natural thing to do.

*What topics do you focus on in your work with Sustainerv?*

My focus is on how financial service providers implement ESG regimes in their organizations – be it to comply with regulatory requirements or to enhance their core commercial processes through ESG integration.

*What do you like about the work with Sustainerv?*

There are management consultancies that make a lot of noise about their know-how and what makes them special. Sustainerv does not need to do that. My colleagues at Sustainerv are all extremely knowledgeable, well-versed, committed and client oriented. Plus, I like the atmosphere at Sustainerv, with professional and social interactions that are collegial and constructive.

## A corporate culture that promotes leadership

### Assuring knowledge management across the team

To capture and leverage the vast knowledge of our team members, we're in the process of developing internal handbooks for key services, such as materiality assessments, goal setting and reporting. The handbooks are intended to help team members provide enough guidance to our clients, while also leaving room to tailor the approach to their specific needs.

### Sharing project management responsibility

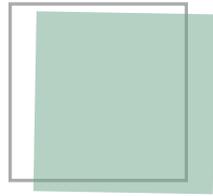
For a company of our size, it's crucial that every team member takes responsibility for client projects at the start of their employment. All employees have project management responsibilities and work in teams with alternating compositions. Our relatively flat organizational structure means that, while more senior employees tend to have more project management roles with bigger, more complex projects, everyone contributes to other employees' projects.

To guarantee excellence in project deliverables, one managing partner is involved in every project and is ultimately responsible for the project's quality. The managing partners have an important responsibility to mentor project managers. We don't have a formal mentorship program, but junior employees receive hands-on training and are mentored on the job by more senior employees in the course of completing deliverables. We learn by doing.

### Industry leadership beyond our walls

Because of our status as a veteran in sustainability consulting, our knowledge and experience benefit our clients directly. But because our mission at Sustainserv goes beyond our company and toward the greater purpose of a more sustainable future for the world, we have created a library of digital content to promote the understanding of why sustainable business developments are relevant and important. In 2020, we published several [articles](#) for free and public consumption.

We also continued to support [PivotGoals](#), a public record of updated ESG goals. This resource has great value to companies interested in establishing or bolstering their own ESG goals, in that they can use PivotGoals data to benchmark themselves against respected companies in their industries.



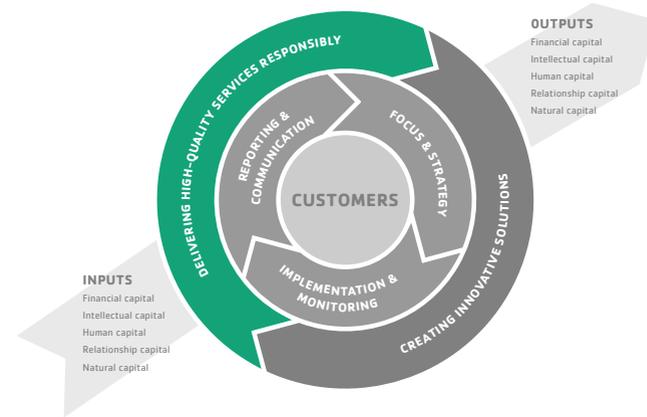
## Delivering high-quality services responsibly

When it comes to our clients, we're in it for the long haul. With a focus on quality, we retain clients and bring them value-adding services efficiently and ethically. We're also intentional about creating a motivating, supportive work environment for our team members, to ensure they are inspired to do their best work in the service of building long-term value for our clients.

### **Trusted client relationships**

We take pride in our long-standing client relationships. We continue to maintain high client retention rates, often working with clients for years and in some cases, more than a decade. During the reporting period, 75 percent of our revenue was generated through projects with recurring clients.





### Online first

### Report for Swiss glass container manufacturer

In 2019, Vetropack Group – the leading glass container manufacturer in Europe – decided to publish a fully responsive, digital only annual report. At the same time, Vetropack moved toward communicating financial and non-financial aspects of its value creation in a single report using Integrated Reporting. Sustainerv supported Vetropack on this journey, developing the key content elements of the Integrated Report. In the preparation of the publication, we worked closely with digital reporting specialist NeidhartSchön, which provided the digital reporting platform «ns.wow» that greatly facilitated the development of the report. Vetropack published its second [Integrated Report](#) for fiscal year 2020 in March 2021.

### Cultivating longevity and efficiency in client partnerships

We maintain strong partnerships with clients due to our collaborative approach and service-oriented attitude, as well as a careful approach to project planning and management. We conduct an open and honest debriefing and outlook after the completion of each project, providing clients with a thorough analysis of what went well and what could be improved. As a result, we become a trusted partner with deep insights into the inner workings of our clients' day to day operations. In doing so, we accompany clients on their sustainability journey and become more efficient over time.

### Prioritizing quality control

Maintaining longevity in our client relationships is only possible because of our commitment to delivering high-quality work and adapting our offerings to meet clients' changing needs. In every project, quality control is the responsibility of the project manager and, ultimately, the assigned managing partner. The latter provides strategic guidance on each project assignment and, in the case of more novel, innovative projects or approaches, is actively involved in project execution.

Our four-eye approach to quality control requires that each client deliverable be approved by two employees at a minimum before the final version is turned over to the client. For reporting and communications projects, we work with native speaking external language editors to review and edit the text for clarity and flow.

### Leveraging digitalization

Digitalization plays a critical role in delivering quality solutions to clients. In 2019, we launched an internal digitalization initiative aimed at making standard processes more efficient and client friendly. The initiative covers data and information collection and analysis processes. One challenge to standardizing these processes is that our services are highly customized for each client.

“Sustainerv has supported us for many years with sustainability reporting and now also with our step-by-step development toward integrated reporting. Our collaboration with Sustainerv is trustful, high quality and effortless. We are very satisfied with their excellent support and with the results of our reporting.”

Alexander Lennemann  
Head of Communications,  
Energiedienst Holding AG

### Creating a motivating work environment

An inspiring, supportive work environment is necessary to achieving innovative, high-quality results for our clients and for the future success of our business. To foster this kind of culture, we prioritize teamwork, employee engagement, attractive working conditions, equal opportunity and non-discrimination.

### Collaborating across offices

During the reporting period, we committed to strengthening cross-office collaboration, equipping multiple projects with team members from at least two offices. But having offices on two different continents in three countries can be challenging. Collaborating across varying cultures, time zones and languages does present obstacles, which is why a close exchange between offices is crucial to our continued success.

Prior to the COVID-19 pandemic, an important element of bolstering cross-office collaboration was that everyone was encouraged to travel to the other continent when feasible. This tactic helped employees get to know their team members better and familiarize themselves with the working culture and local client needs. Due to the pandemic and its threat to the health of our employees, their families, and communities, this exchange is temporarily on hold.

In some cases, team members have also relocated between Sustainserve offices for the long haul. After our Managing Partner Bernd Kasemir relocated from the Boston to the Zurich office in 2017, our consultant Charlotte Meissner moved from Boston to Munich in 2019 and became the first employee in our new office there.

### Supporting team members' work-life balance

Employees have flexible work options that allow them to arrange their daily working hours in a way that works best for them and their families. This flexibility takes into consideration our operational requirements and never comes at the expense of delivering quality work to our clients.

In addition to providing flexible work options, we support the compatibility of work and family life. We grant our employees parental leave that goes beyond the legal minimum and look for individual arrangements with employees regarding other personal circumstances. In the reporting year, no new employees joined the Sustainserve team, and no permanent employee left the company. In 2019, four employees joined Sustainserve (rate of new employees: 29%) and two left (fluctuation rate: 14 %).

### Responding to COVID-19

The COVID-19 outbreak accelerated flexibility in the workplace. Employees immediately—and without major difficulties—started working from home and quickly developed a new virtual culture of collaboration. Despite the significant impact the pandemic has had on the economy at all our locations, we managed to retain all employees at the same conditions as before the crisis, illustrating the resilience of our business model. As national restrictions are lifted, employees will have the option to continue working from home or from our offices, in close coordination with managing partners.



### Three questions for Cristina Mendoza, Senior Consultant

*Cristina, you have joined Sustainserve earlier this year. How would you describe your first few months with the company?*

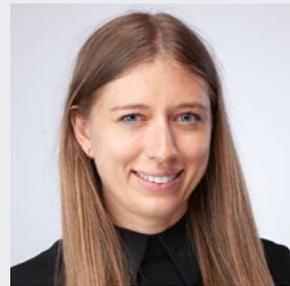
Even though we were all working from home, I was welcomed very warmly by the team and jumped right into many exciting client projects. My previous experience in corporate sustainability helped me to quickly find my feet and manage projects almost from day one. The managing partners and the entire team provided great guidance and made my start here a full success.

*What was exciting and maybe unexpected?*

The most exciting aspect is that I can work on a range of topics and projects, from greenhouse gas accounting to sustainability reporting to strategic program building. It also felt great to be embraced immediately by clients who are willing to push forward with ambitious plans. They integrated me into their project teams and valued my expertise. This is proof of Sustainserve's high quality work, and the excellent reputation built over the past 20 years. What surprised me is how fast the momentum for sustainability has been accelerating in many industries. This makes it an exciting time to be part of Sustainserve.

*What do you value most when working with clients?*

It motivates me that our clients have the genuine desire to make a positive impact. In addition, I value creativity, transparency, and a spirit of collaboration to find the best solution for each individual case. I appreciate that every project gives me the opportunity to add value while learning from the clients.



### Three questions for Sarah Jensen, Consultant

*Sarah, you have recently joined Sustainserv. What attracted you to the company?*

First, I felt drawn to the company due to its philosophy. I find it truly purposeful to help companies generate value for their

stakeholders, the environment and society. Second, the people were an important reason. It is fulfilling and motivating to be surrounded by talented professionals with profound expertise and shared visions. I also like the fact that we build long-term relationships with clients. And finally, I felt attracted to the place of work in the middle of the vibrant city of Zurich. It is these three P's that convinced me to join Sustainserv.

*Please tell us about your previous experiences and what you bring to our work.*

During my master's program at Copenhagen Business School, I studied how businesses can spur long-term impact. I also gained first-hand experiences conducting field research on social entrepreneurship and financial inclusion in Bangladesh and Uganda. On the practical side, I worked for an organization with a mission to support companies with their expansion into new markets. In this role I was devoted to projects on digitalization, marketing and communications. At Sustainserv, I can contribute my knowledge and experience for the benefit of our clients.

*Do any personal activities provide inspiration for your work?*

I am passionate about cooking. It reminds me of the value of our natural resources and teaches me about diverse food components, origins and health aspects. It is meditative and social at the same time. I genuinely enjoy bringing people together around a table. The energy and appreciation I gain from cooking translates into my motivation to contribute to our philosophy at Sustainserv: Inspiring Meaningful Change.

### A responsible workplace

Non-discrimination and equal opportunity are core to our responsible business culture. We are an equal opportunity employer, and our Employee Handbook contains all relevant guidelines regarding equal opportunity and non-discrimination, continually upholding the personal integrity of our employees. The Employee Handbook is currently in effect in Switzerland, and we are creating locally adapted versions in the coming reporting period for our other office locations.

We prohibit and do not tolerate discrimination or harassment based on race, color, religion, creed, gender, sexual orientation, gender identity, national origin, age, disability, marital status or any other status protected by applicable law. These principles are applied in all management decisions and practices, including recruiting, remuneration, promotion, access to training and development.

Any employee who feels that he or she has been harassed or discriminated against or has witnessed or become aware of discrimination or harassment in violation of these policies, is encouraged to bring the matter to the immediate attention of a managing partner. Once an incident has been reported, we promptly investigate all allegations of discrimination and harassment and create a plan for corrective action based on the outcome of the investigation. No incidents of discrimination were recorded, and thus no corrective actions were taken during the reporting period.

### Diversity and inclusion

We highly value diversity, not only in terms of gender, but particularly employees' professional backgrounds. Our employees have a broad range of educational backgrounds and previous work experiences, with expertise in the natural sciences, engineering, business, social sciences and communication.

### Employees by Gender and Age Group<sup>1</sup>



### Employees by Employment Contract and Type

Employees at year end		Total		US		Europe	
		2020	2019	2020	2019	2020	2019
FULL-TIME <sup>1</sup>	WOMEN	2	4	2	2	0	2
	MEN	7	7	3	3	4	4
PART-TIME <sup>1</sup>	WOMEN	4	2	0	0	4	2
	MEN	1	1	0	0	1	1
PERMANENT	WOMEN	6	6	2	2	4	4
	MEN	8	8	3	3	5	5
TEMPORARY (INTERNS)	WOMEN	2	2	2	1	0	1
	MEN	3	5	3	5	0	0

1. Permanent Employees Only

## Walking the talk in our own operations

As a management consulting firm that helps organizations incorporate sustainable business practices into their operations, we strive to set an example of responsible environmental, social and financial stewardship. Integrity determines our conduct toward our employees, clients and business partners. We act in accordance with all applicable local laws, regulations and industry standards. In the reporting period, we did not receive any fines or non-monetary sanctions for non-compliance with laws and regulations.

### Ensuring client data security

Compliance is especially important to us as it relates to data security and confidentiality since we handle significant amounts of highly confidential client information and data. We're contractually bound to strict data confidentiality and work with an external IT specialist who ensures all client data and information is stored safely. In the history of Sustainserve, there has never been a complaint concerning breaches of client privacy or identified leaks, thefts or losses of client data.

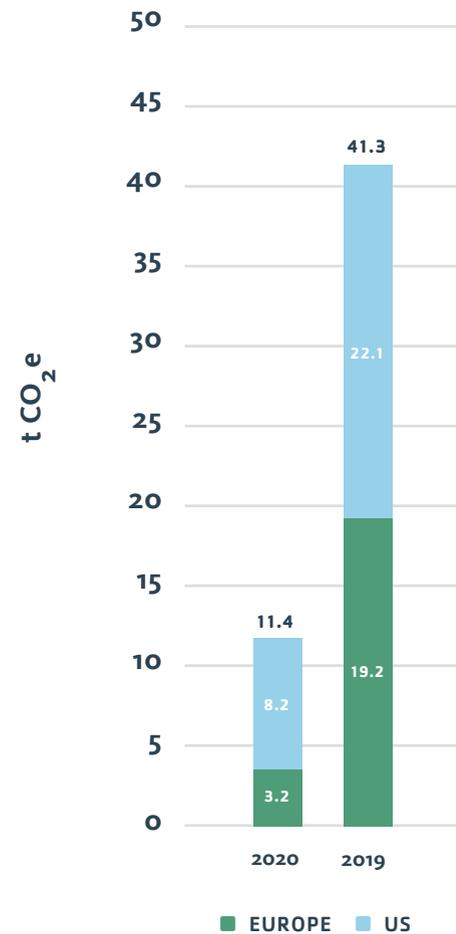
### Improving our environmental footprint

While our environmental footprint is comparably small given our size and business model, we believe we have a responsibility to reduce our greenhouse gas emissions wherever possible. Our direct energy impact is minimal. We lease office space in urban buildings and purchase an electricity mix from 100 percent renewable sources in our Zurich and Boston offices, leading to zero Scope 2 emissions.

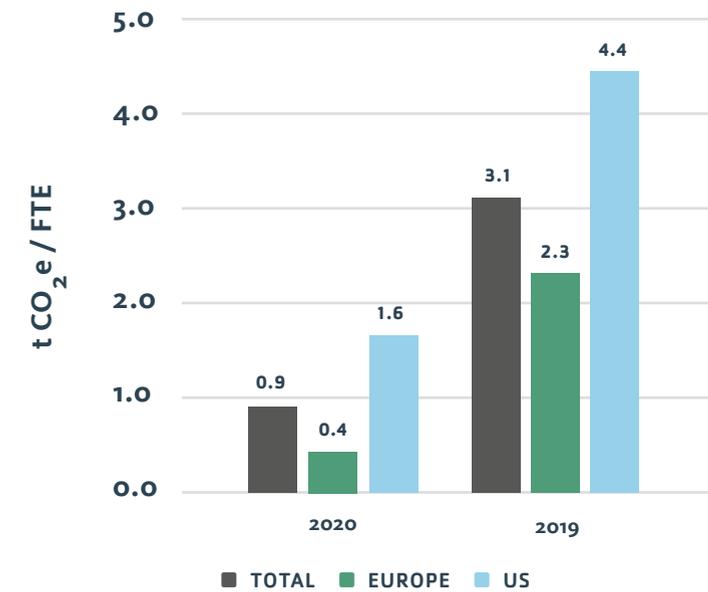
Our biggest environmental impact comes from employee mobility, particularly air travel between the offices in the US and Europe, and within the US. We take measures to reduce the travel-related greenhouse gas emissions as much as possible and offset the emissions that cannot be avoided. Within Europe, we travel by train if it's possible to reach a client within five hours. Across all offices, employees are encouraged to commute by public transport, which is facilitated by the central locations of our offices and the solid public transportation systems in Boston, Munich and Zurich. In our Boston office, public transit is subsidized by Sustainserve through the Massachusetts Bay Transportation Authority's (MBTA) Perq program.

A positive effect of the pandemic has been that many clients have become accustomed to virtual rather than physical meetings, which will continue to contribute to a smaller environmental footprint in the post-COVID era.

**Greenhouse Gas Emissions from Air Travel (Scope 3)<sup>1</sup>**



**Greenhouse Gas Emissions (Scope 3) Intensity<sup>1</sup>**



<sup>1</sup> Only includes Scope 3 emissions from air travel. Emissions were calculated by using the flight calculator of [myclimate.org](https://myclimate.org).

# GRI content index

Universal standards		Information/Page Ref.
GRI 101: 2016	Foundation	
GRI 201: 2016	General disclosures	
Organizational profile		
GRI 102-1	Name of the organization	Sustainerv, Inc.
GRI 102-2	Activities, brands, products, and services	<a href="#">See page 1</a>
GRI 102-3	Location of headquarters	Zurich and Boston
GRI 102-4	Location of operations	Switzerland, Germany, United States
GRI 102-5	Ownership and legal form	Private ownership
GRI 102-6	Markets served	Global
GRI 102-7	Scale of the organization	<a href="#">See page 20</a>
GRI 102-8	Information on employees and other workers	<a href="#">See page 20</a>
GRI 102-9	Supply chain	<a href="#">See page 21</a>
GRI 102-10	Significant changes to the organization and its supply chain	None
GRI 102-11	Precautionary principle or approach	<a href="#">See page 21</a>
GRI 102-12	External initiatives	UN Global Compact
GRI 102-13	Membership of associations	öbu, Swiss Sustainable Finance, Associated Industries of Massachusetts, New Hampshire Businesses for Social Responsibility
Strategy		
GRI 102-14	Statement from senior decision-maker	<a href="#">See page 4</a>
Ethics and integrity		
GRI 102-16	Values, principles, standards, and norms of behavior	<a href="#">See page 20</a>

Universal standards		Information/Page Ref.
Governance		
GRI 102-18	Governance structure	<a href="#">See page 16</a>
Stakeholder engagement		
GRI 102-40	List of stakeholder groups	<a href="#">See page 12</a>
GRI 102-41	Collective bargaining agreements	None
GRI 102-42	Identifying and selecting stakeholders	<a href="#">See page 12</a>
GRI 102-43	Approach to stakeholder engagement	<a href="#">See page 12-15</a>
GRI 102-44	Key topics and concerns raised	<a href="#">See page 12</a>
Reporting practice		
GRI 102-45	Entities included in the consolidated financial statements	<a href="#">See page 1</a>
GRI 102-46	Defining report content and topic boundaries	<a href="#">See page 12</a>
GRI 102-47	List of material topics	<a href="#">See page 12</a>
GRI 102-48	Restatements of information	None
GRI 102-49	Changes in reporting	None
GRI 102-50	Reporting period	1st January 2020 – 31st December 2020
GRI 102-51	Date of most recent report	None
GRI 102-52	Reporting cycle	Biennially
GRI 102-53	Contact point for questions regarding the report	Dr. Bernd Kasemir, bernd.kasemir@sustainerv.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards	GRI-referenced
GRI 102-55	GRI content index	<a href="#">See page 22</a>
GRI 102-56	External assurance	Report content has not been assured.

## GRI content index continued

Topic-specific standards		Information/Page Ref.	Reason for Omission
<b>GRI 200</b>	<b>Economic topics</b>		
GRI 201:2016	Economic performance		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 10</a>	
GRI 201-1	Direct economic value generated and distributed		Confidentiality constraints
<b>Impact through services</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 9</a>	
<b>Customer-centered innovation</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 15</a>	
<b>Improving services with digital tools</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 18</a>	
<b>Knowledge and quality management</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 18</a>	
<b>Ethics, integrity, and fair business practices</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 21</a>	
<b>GRI 300</b>	<b>Environmental topics</b>		
GRI 305:2016	Emissions		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 21</a>	
GRI 305-2	Energy indirect GHG emissions (Scope 2)	<a href="#">See page 21</a>	
GRI 305-3	Other indirect (Scope 3) GHG emissions	<a href="#">See page 21</a>	
GRI 305-4	GHG emissions intensity	<a href="#">See page 21</a>	

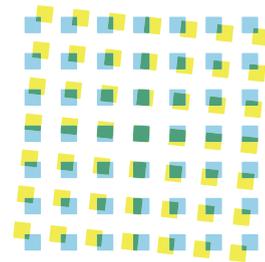
Topic-specific standards		Information/Page Ref.	Reason for Omission
<b>GRI 400</b>	<b>Social topics</b>		
GRI 401:2016	Employment		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 20</a>	
GRI 401-1	New employee hires and employee turnover	<a href="#">See page 20</a>	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">See page 19</a>	
GRI 404:2016	Training and education		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 14</a>	
GRI 404-1	Average hours of training per year per employee	<a href="#">See page 14</a>	
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	<a href="#">See page 14</a>	
GRI 405:2016	Diversity and equal opportunity		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 20</a>	
GRI 405-1	Diversity of governance bodies and employees	<a href="#">See page 20</a>	
GRI 406:2016	Non-discrimination		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 20</a>	
GRI 406-1	Incidents of discrimination and corrective actions taken	<a href="#">See page 20</a>	
GRI 418:2016	Customer privacy		
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 21</a>	
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">See page 21</a>	
<b>Leadership, corporate culture, and team work</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 16</a>	
<b>Collaboration with partners</b>			
GRI 103: 2016 103-1/103-2/103-3	Management approach	<a href="#">See page 15</a>	

# UN Global Compact reference table

This report confirms that Sustainserv also reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this, our first annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We commit to continuing to share this information with our stakeholders through our reporting and other channels.

Stephan Lienin, Matthew Gardner, Bernd Kasemir  
- Managing Partners

The Ten Principles of the UN Global Compact		Responses or Page References
<b>Human Rights</b>		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Sustainserv fully supports the principles of the UN Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. However, given our business model, locations of operation and supply chain, Sustainserv is not confronted with any material human rights related risks.
Principle 2	Make sure that they are not complicit in human rights abuses	
<b>Labor</b>		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Sustainserv upholds the freedom of association and recognizes the right to collective bargaining for all its employees.
Principle 4	The elimination of all forms of forced and compulsory labor	We condemn all forms of forced, compulsory, and child labor and work toward their abolition within the scope of our possibilities as part of client mandates. However, given our business model, locations of operation and supply chain, Sustainserv is not confronted with any material risks related to forced, compulsory or child labor.
Principle 5	The effective abolition of child labor	
Principle 6	The elimination of discrimination in respect of employment and occupation	<a href="#">See page 20</a>
<b>Environment</b>		
Principle 7	Businesses should support a precautionary approach to environmental challenges	<a href="#">See page 20</a>
Principle 8	Undertake initiatives to promote greater environmental responsibility	<a href="#">See page 9</a> ; <a href="#">See page 21</a>
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	<a href="#">See page 9</a> ; <a href="#">See page 21</a>
<b>Anti-corruption</b>		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	We condemn all forms of corruption and work toward their abolition within the scope of our possibilities as part of client mandates. However, given our business model, locations of operation and supply chain, Sustainserv is not confronted with any material risks related to corruption, bribery, and extortion.



# sustainserv

Inspiring Meaningful Change

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