



WHEN IS **LESS** MORE?

# ABOUT THIS REPORT

*In the Sustainability Report 2015, we inform our stakeholders on the INSIDEista platform about progress made with our strategy, our objectives and the implementation of action in the 2015 reporting year.*

## CR REPORT 2015

The Sustainability Report 2015 of ista International is ista's sixth sustainability report – this year, we are presenting it for the second time as an interactive PDF. This sustainability report also represents the progress report for the Global Compact of the United Nations.

G4-17

## FRAME OF REFERENCE

The report includes 48 companies worldwide and is based on the key figures for the 2015 calendar year.


## GUIDELINES AND REPORT PREPARATION

In our reporting, we comply with the internationally recognised guidelines of the Global Reporting Initiative (GRI). We report in accordance with the latest version GRI G4 and satisfy the “in-accordance” option. This report has also been verified by the [Materiality Disclosure Service](#) of the GRI. The correct positioning of the G4 materiality disclosures (G4-17-G4-27) has been confirmed by the GRI.

In preparation for last year's report and to determine the report contents, we conducted a materiality analysis with external stakeholders and internal sustainability experts. We validated the results of the analysis during preparation of this CR Report. We present the process and results in the chapter [Focus on the essentials](#).

## KEY FIGURES AND AUDIT

Whereas the key figures regarding the workforce structure in the chapter [Employees](#) were recorded as of December 31, 2015, the specific [key environmental figures](#) are based on the average full-time equivalent (FTE) for 2015. Selected employee key figures, for example, the number of training days per head, are also based on the FTE figures. Furthermore, there are differences in the headcount figures between the consolidated financial statements and this sustainability report. This is due to a different definition of headcount. For example, whereas temporary student workers have been included in the data for this sustainability report, they were not included in the consolidated financial statements.

Selected key environmental figures for financial year 2015 were the subject of an audit with limited assurance conducted by KPMG AG Wirtschaftsprüfungsgesellschaft. Audited key figures are identified in the chapter [Environment](#) by the symbol .

We are making every effort to further professionalise the recording of the key environmental figures. Consequently, estimates and extrapolations are more accurate this year as we can, in most cases, count on reliable figures from the countries and there were only a few branches for which figures were not yet available on the publication date of this

report. The proportion of data based on estimates and extrapolations is 22% for electricity consumption, 60% for water consumption and 37% for heating energy consumption.

CO<sub>2</sub> emissions, for example, were calculated on the basis of the conversion factors of the International Energy Agency, the Bavarian State Office of the Environment (Bayerisches Landesamt für Umwelt) and the Institute for Housing and the Environment (IWU). When balancing CO<sub>2</sub> equivalents, we converted the other greenhouse gases emitted (e.g. carbon dioxide or methane) into CO<sub>2</sub> emissions in line with their impact on the climate and then stated them, together with the CO<sub>2</sub> emissions, as CO<sub>2</sub> equivalents.

## EDITORIAL NOTE

The copy deadline for this report was May 30, 2016.

To improve readability, we have avoided using both genders and only use the masculine form. However, the feminine form is also meant. The sustainability report of ista International appears annually. The next report will probably be published in the summer of 2017.

## AUDIT CERTIFICATE

[KPMG-Certificate](#)

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# CEO LETTER

## Dear Readers,

As ista's new CEO, I am delighted to present our latest sustainability report to you for the first time. For one of the main reasons why ista fascinates me as a company is because sustainability is an integral part of its business success and therefore of the corporate strategy.

Nowadays, it is impossible in the long term to develop a successful business model against the interests of society and the environment. When developing and implementing their business strategies, companies must always see themselves as partners of the environment and society. To do that, they need values as a foundation – values such as responsibility, reliability and solidarity, which are unquestionable and on which everyone from the management team to the apprentice can rely. On this basis, companies can contribute as solution providers and commit to the success of sustainable projects. They should systematically support politicians and society in their efforts to pragmatically implement decisions for greater climate protection, greater energy efficiency and greater social compatibility.

Therefore, when, as an energy service provider, ista works at the interface between the energy, housing and IT industries, it is with the aim of providing sustainable solutions. We would like to make a significant contribution towards making generation-spanning projects like the energy transition or the digitalisation of our living environment sustainable.



In doing so, our actions are guided by our company codes of conduct but also by general codes of conduct such as the ten principles of the UN Global Compact. Our five [Shared Values](#) in particular cement ista into one single and highly dynamic unit despite its global presence in 24 countries and give our employees clear guidelines.

In the reporting period, we have positioned ourselves even better in terms of sustainability. We have further developed the Sustainability Council and anchored an energy team firmly in the company which, according to the maxim of “Practise what you preach”, is helping us to refine our processes making them even more resource-efficient. At international level, we have concentrated on further implementing the European Energy Directive in

*“We would like to contribute towards making generation-spanning projects like the energy transition sustainable.”*

our European core markets and have, in our association work, at fairs and exhibitions, advocated the systematic focus on low-investment measures as a way of quickly advancing the energy transition. As a concrete example, we have switched completely to recycled paper for our bill printing in Germany, Switzerland and Luxembourg.

Moreover, this report represents our progress report to [Global Compact of the United Nations](#) and illustrates how we promote human rights, good working conditions, environmental protection and anti-corruption programs throughout the world.

I am very much looking forward to an open dialogue with you and wish you a fascinating read! If you have any suggestions or would simply like to share your impressions with us, please write to [sustainability@ista.com](mailto:sustainability@ista.com).

Yours  
Thomas Zinnöcker

CEO ista International

# WE MAKE BUILDINGS ENERGY EFFICIENT.

ista promotes energy efficiency in buildings worldwide. To achieve this, we are increasingly using digital technologies for the transparent metering, billing, visualisation and management of individual heat consumption – in short, submetering. For one thing is clear: people must become more aware of energy consumption in their own four walls if government climate protection targets are to be achieved.

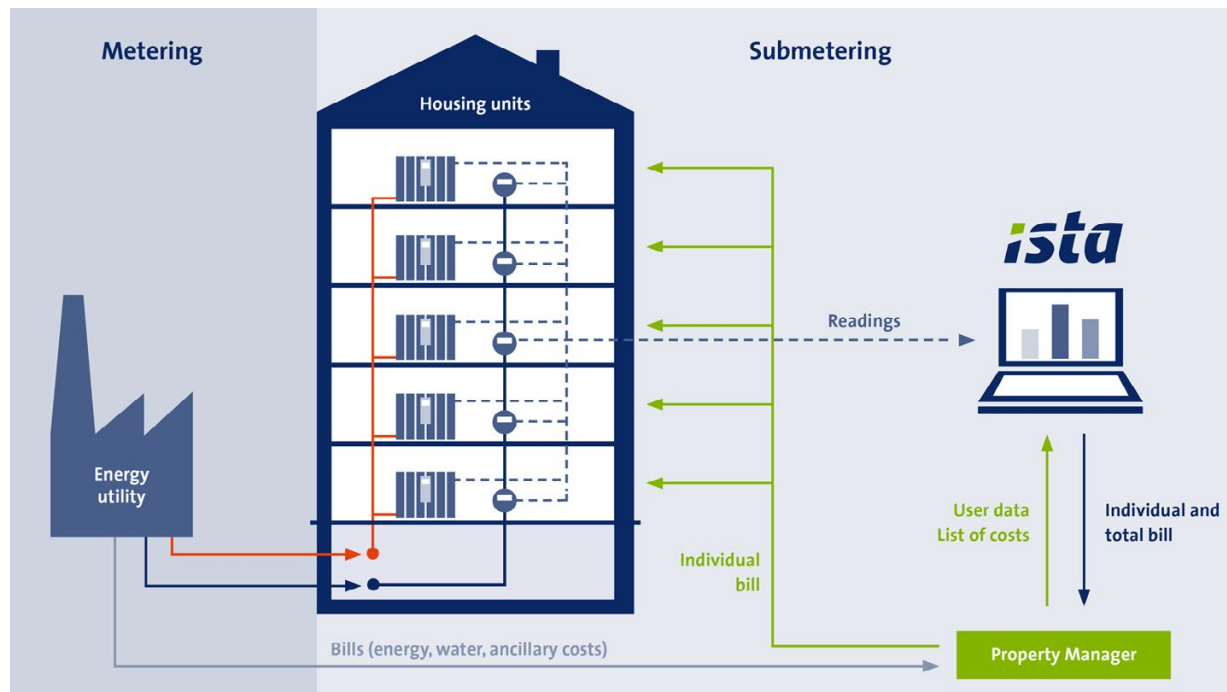
## INDIVIDUAL BILLING

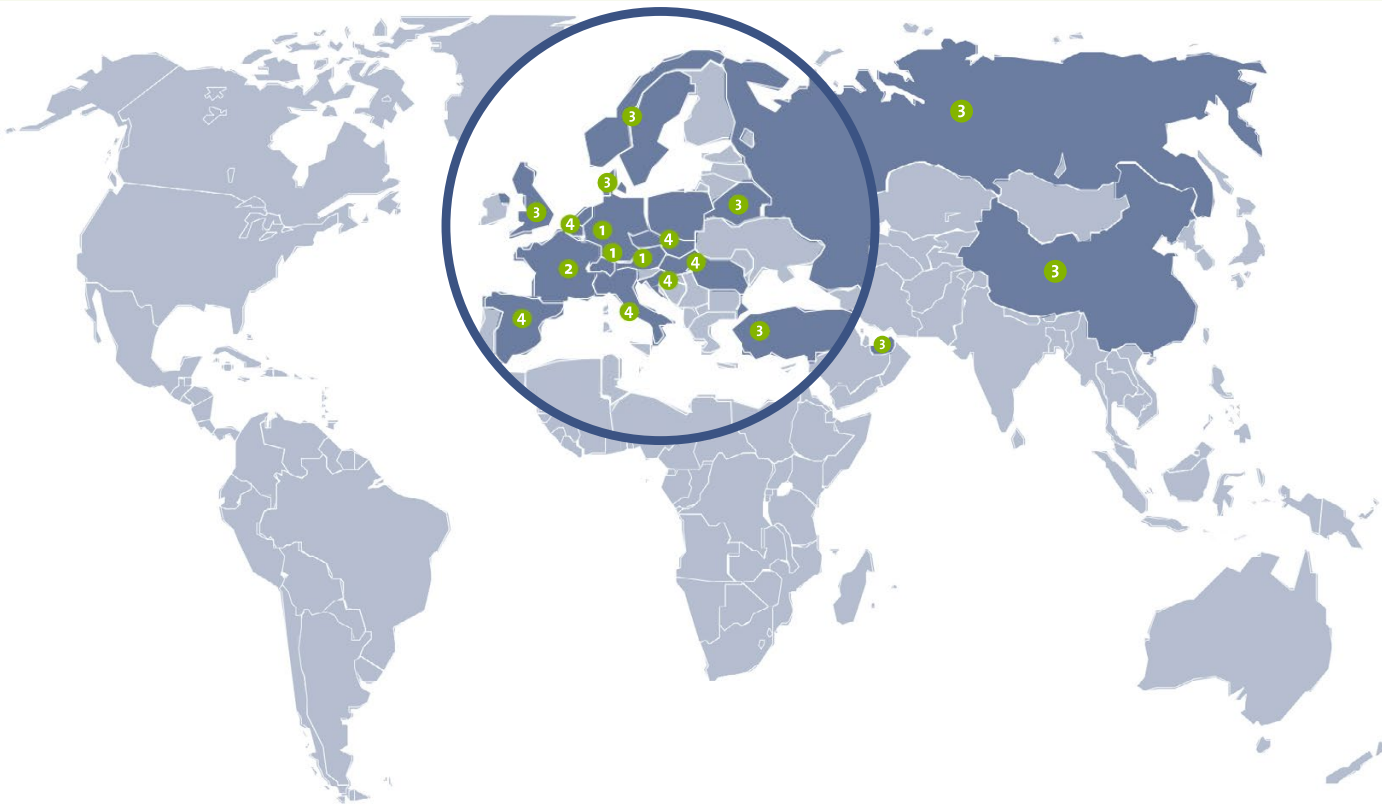
People can only consciously save energy if they know what they are actually consuming. We create this transparency. Submetering enables every resident of a multi-family building to receive an individual bill for heating and hot water costs. Everyone therefore only pays for the energy they actually consume. And everyone can decide how actively they want to manage their own energy consumption. It has been demonstrated that on average residents make sustainable energy savings of 20% and therefore also cut costs if they receive annual consumption information.

Our customers are housing companies, house owners and home owners' associations. We are also increasingly extending our activities to include commercial properties.

## THE FUTURE IS DIGITAL

Changing customer needs and requirements encourage us to systematically develop our infrastructure further. We therefore already read energy consumption using modern radio technology in over 60% of all the properties we look after today. And we are aiming for 75% next year. After all, submetering works even better when it is digital. Radio technology has two major advantages for the consumer: firstly, there is no need for a meter-reading appointment and, secondly, consumption figures and costs can be processed and viewed even more transparently on a web portal or smartphone – not just once a year but also regularly during the heating period. As the latest studies show, residents who receive visualised monthly data consume on average another 7% to 12% less energy than residents who are not given this information.





**1 REGION EUROPE CENTRAL**

Germany, Luxembourg, Austria, Switzerland

**2 FRANCE**

France

**3 REGION EUROPE NORTH & EMERGING MARKETS**

Denmark, Norway, Sweden, UK, Belarus, China, Russia, Turkey, United Arab Emirates

**4 REGION EUROPE WEST, EAST & SOUTH**

Belgium, Italy, Croatia, Netherlands, Poland, Romania, Spain, Slovakia, Czech Republic, Hungary

**THE SMART MULTI-FAMILY BUILDING**

The greater transparency provided by individual consumption figures can therefore lead to greater energy savings. However, real control possibilities and influence on user behaviour in multi-family buildings are currently available to only the very few. The buzzwords here are “smart home” and “smart building”. In the multi-family building sector, there have so far been very few approaches which live up to this claim. We are therefore continuously developing our core competence, submetering, towards the smart, energy-efficient multi-family building. This year, in cooperation with Dr. Riedel Automatisierungstechnik, we launched an initial product for the intelligent control of heating and other appliances in multi-family buildings.

We are thinking further ahead in this direction and are already planning more intelligent bundled offerings geared to energy efficiency, convenience and safety. Today, we already offer services for greater tenant safety throughout Germany, for example smoke alarm devices and drinking water analyses, which we will also develop further in future.

**REPRESENTED THROUGHOUT THE WORLD**

With its head office in Essen (Germany), the ista Group operates in 24 countries worldwide. In addition to Germany, we focus on European markets such as Denmark, France, Italy and Spain. Fast-growing markets, such as China, Russia and the United Arab Emirates, are also gaining importance. ista is already the market leader in many of these countries. In Germany, the Group is one of the leading companies in the industry. ista’s activities are supported in some countries by independent service partners. In Germany, they are, for example, responsible for installing and reading meters.

G4-17

**OUR MAJOR KEY FIGURES**

In 2015, ista recorded worldwide sales of EUR 810.4 million, a year-on-year increase of 3.7%. Total capitalisation amounted to EUR 4.3 billion. EUR 132.5 million was invested in the reporting period, including EUR 101.4 million alone in hardware components which we rent out to our customers. 5,397 employees worked for the Group. The full-time equivalent as at December 31, 2015 was 5,114. Women accounted for over 48% or almost one in two of the workforce in 2015. In addition to ista Luxembourg GmbH S.à r.l., another 47 companies are included in the consolidated financial statements of ista Luxembourg.

**OUR MANAGEMENT TEAM**

The management of ista International GmbH is responsible for strategic and operational control of the ista Group. The managing directors are Thomas Zinnöcker, Chief Executive Officer (CEO), Christian Leu, Chief Financial Officer (CFO), and Jochen Schein, Chief Operating Officer (COO). The remuneration of the management consists of a fixed component and a variable component that depends on the overall success of the company. Christian Leu, Maria Oestreicher and Pierre Baumruck sit on ista Deutschland GmbH's Supervisory Board – Christian Leu is the Supervisory Board Chairman. The ultimate parent company of the ista Group is Trius Holdings S.C.A. headquartered in Luxembourg. The majority of this company's owners are funds advised by CVC Capital Partners. The ista management also holds shares in the company.

in EUR million	2015	2014
<b>Total capitalisation</b>	<b>4,228</b>	<b>4,230</b>
– of which liabilities	3,973	3,960
– of which equity	255	270



# SHAPING THE FUTURE

Smart living requires sustainable solutions – our main goal is to make future living as resource-saving as possible. We therefore keep a close eye on sustainability in our own processes and structures.


## MEETING GLOBAL CHALLENGES

Today, humanity's global ecological footprint is already larger than the earth's resources will sustain in the long term. The continuous rise in the world's population and expanding industrial output are also leading to an increase in consumption and the need for resources, especially in emerging and developing countries. Against this background, the United Nations adopted 17 [Sustainable Development Goals \(SDGs\)](#) in 2015. They are intended to steer politicians, society and companies towards sustainable development.

As one of the world's leading energy service providers for greater energy efficiency in buildings, we are making a contribution towards the sustained saving of energy, water, CO<sub>2</sub> and ultimately costs. By helping our customers to meter, visualise, bill and manage their energy and water consumption, we make the individual consumption of resources understandable for each one of them and therefore controllable. At the same time, we participate in the political debate and support initiatives to improve energy efficiency and climate protection in buildings. As regards these SDGs, we therefore see our greatest opportunities of exerting influence in the following:

- **SDG 6** – Ensure availability and sustainable management of water and sanitation for all
- **SDG 7** – Ensure access to affordable, reliable, sustainable and clean energy for all
- **SDG 12** – Ensure sustainable consumption and production patterns
- **SDG 13** – Take urgent action to combat climate change and its impacts

ista's corporate vision and sustainability strategy pursue the same goal: to make a contribution towards sustainable added value.



*The world's population is growing and with it consumption. In order to conserve economic resources, the United Nations is focusing on 17 Sustainable Development Goals – the SDGs.*



## FIVE QUESTIONS TO THOMAS ZINNÖCKER



**THOMAS ZINNÖCKER**, CEO of ista, on how he defines sustainability and what sustainability at ista stands for.

### *WHAT IMPORTANCE DOES SUSTAINABILITY HAVE FOR YOU PERSONALLY?*

For me, sustainability is an important prerequisite for the business success of a company. In the long term, it is impossible to develop a successful business model against the interests of society and the environment. Therefore, when developing and implementing their business strategies, companies must always see themselves as partners of the environment and society. They must systematically support politicians in their efforts to pragmatically implement decisions for greater climate protection, greater energy efficiency and greater social compatibility. Ultimately, it is therefore economic sustainability and good corporate governance that can largely permit ecological and social sustainability.

### *WHAT PRIORITIES WOULD YOU LIKE TO SET FOR ISTA INTERNATIONAL'S SUSTAINABILITY AGENDA?*

I would like to position ista as a modern, sustainable and therefore future-proof company. ista has a sound foundation, namely a business model geared to sustainability and a highly pronounced understanding of values in the company. We will systematically build on this foundation so that, in future, we can offer our customers and their tenants even better solutions for saving energy and water and therefore costs over the long term. So ista is making its contribution to greater energy efficiency and conservation of resources and thus to the success of the energy transition.

### *WHAT WORK DOES ISTA HAVE TO DO TO REMAIN THE INDUSTRY LEADER IN SUSTAINABILITY AND FURTHER EXPAND ITS PIONEERING ROLE?*

Digital technology is gaining increasing importance for the success of the energy transition. For some years now, ista has therefore been systematically exploiting digitalisation when further developing its product and service portfolio. New digital radio technology and the resultant improved quality of data help us to give our customers transparency of their consumption data even more quickly and flexibly. Thanks to our digital metering and billing technology, we are therefore creating not only greater convenience for the housing industry and tenants but also greater energy efficiency – and still keeping investment costs low. This is an important success factor for us in the fight to hold our ground in the very dynamic competitive environment of the “smart home”.

### *WHAT CONTRIBUTION CAN ISTA MAKE TOWARDS MEETING THE GOALS OF THE INTERNATIONAL SUSTAINABILITY AGENDA (SDGS/COP21 ETC.)?*

The international sustainability agenda is an important point of departure for us to which we can gear our pan-Group sustainability objectives. We want to play an active role, take responsibility and bring different stakeholders together for the long term, for example tenants, our customers in the housing industry, politicians and NGOs. Here, we are focusing on the global objectives for the modern and sustainable use of energy and water. With innovative product developments, we contribute towards greater transparency in the use of scarce resources in our 24 markets. Furthermore, with our codes of conduct we set standards for suppliers and employees to ensure our partners keep to our social convictions.

### *TO WHAT EXTENT WOULD YOU SAY SUSTAINABILITY IS LINKED TO ISTA'S BUSINESS MODEL?*

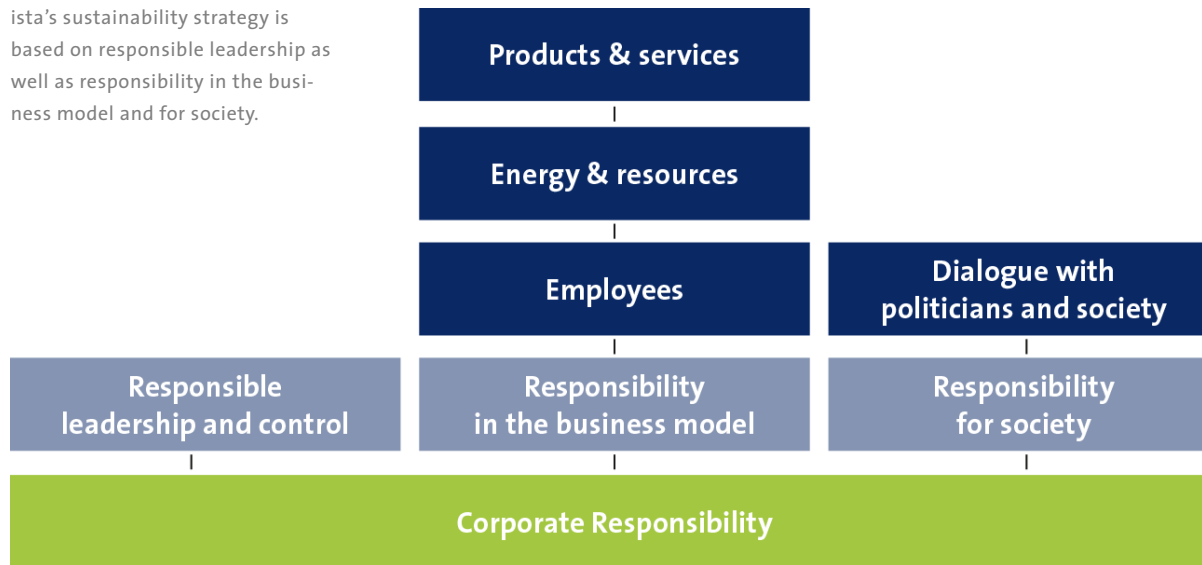
Sustainability is at the very heart of ista. Our products and services meter and visualise individual energy and water consumption and therefore make our customers and their tenants active players in the energy transition. Tenants can become “smart tenants” who actively and flexibly regulate, control and optimise their energy consumption behaviour. Only transparency enables consumers to take responsibility for their consumption and gets them actively involved in the energy transition. Therefore, the core idea behind our business model is to create consumption transparency and thus a world where energy efficiency is really practised. That is and always was crucial for our success and our over 100-year company history.

### SYSTEMATICALLY IMPLEMENTING THE CORPORATE VISION

For us, sustainability means above all ensuring future viability: for our customers and partners as well as for our own company and our employees. We work with our customers in a spirit of partnership and would like to lead in energy and water management. Our ambition of being the process and technology leader is based on a culture of trust in our business relations and towards our employees. The sustainability strategy helps us to shape this corporate vision for long-term viability. It is based on the pillars “Responsible leadership and control”, “Responsibility in the business model” and “Responsibility for society”. In the defined fields of action – “Products and services”, “Energy and resources”, “Employees” and “Dialogue and society” – we have set ourselves ambitious goals and continuously monitor the measures implemented.



ista's sustainability strategy is based on responsible leadership as well as responsibility in the business model and for society.



### FIELDS OF ACTION AND STRATEGIC GOALS

#### FIELD OF ACTION Energy and resources

**Strategic goal:** Reduction in the average CO<sub>2</sub> emissions of our company car fleet in Germany (excluding pool vehicles and vehicles of the customer service technicians) by 13% compared with 2013.

**Status 2015:** Since 2013, we have succeeded in cutting the average consumption of our company car fleet from 6.8 litres to 6.55 litres per 100 km and therefore reducing the relative CO<sub>2</sub> emissions by 3.4% compared with 2013. Various steps have already been taken to cut mileage. For example, we have introduced a car-sharing app and set up a video conferencing system at head office in Essen to avoid business trips and therefore further reduce the CO<sub>2</sub> emissions of our company car fleet.

**Target horizon:** 2018

#### FIELD OF ACTION Products and services

**Strategic goal:** International harmonisation of products and services. Further development of the service portfolio towards intelligence services in multi-family buildings on the basis of the existing digital infrastructure.

**Status 2015:** In 2015, we launched an initiative to further develop the corporate strategy with a view to the core business and possible new fields of business. In Germany, we are cooperating with Dr. Riedel Automatisierungstechnik: together we developed a system solution for networking technology and services for the intelligent multi-family building.

**Target horizon:** 2017

#### FIELD OF ACTION Employees

**Strategic goal:**  
Steady increase in employee engagement.

**Status 2015:** Rollout of further offerings in the field of health and family promotion. Development of a new Global Mobility Policy, which defines new standards for long-term assignments. Introduction of various staff-related measures for the long-term implementation of the company values. Introduction of pay structures which enable employees to receive comparable remuneration for equivalent work. Preparation and selection of the service providers for the next employee survey in 2017. Status of the last survey (2014): indices 82 (Engagement Index) and 73 (Commitment Index).

**Target horizon:** 2017

#### FIELD OF ACTION Dialogue with politicians & society

**Strategic goal:** Further expansion of transparent dialogue with external stakeholders. Establishment of the company as a partner for the energy transition in the eyes of customers, politicians and society.

**Status 2015:** Internal validation of the materiality analysis, for the first time also including international stakeholders. Active participation as an expert in stakeholder dialogue formats for the implementation of European energy policy. Intensification of customer dialogue through the rollout of a new CRM platform.

**Target horizon:** 2017

#### SEIZING SUSTAINABLE BUSINESS OPPORTUNITIES

Global challenges such as climate change have led to greater demand for products and services which sustainably conserve resources. This trend is also being promoted on the regulatory side since laws and directives to improve individual and regular consumption information are being introduced in many countries. In the reporting period, we supported initiatives by the European Union to increase energy efficiency and climate protection in buildings. These include the “Heating and Cooling” strategy, the ongoing review process for the Energy Efficiency Directive (EED) and the Energy Performance of Buildings Directive (EPBD). In this context, a comprehensive law on the energy transition was passed in France. The “Transition Law” provides for energy consumption to be halved by 2050 – the mandatory introduction of submetering is an important element in achieving this goal.

Life for people in the home of the future will be more convenient and comfortable – networked technology in particular is

to help people to save energy. We are therefore continuously refining our strategy for smart living. Together with Dr. Riedel Automatisierungstechnik GmbH, ista has, since the end of 2015, been offering a system solution for the digital networking of multi-family buildings. We describe further projects and measures in the [Portfolio](#) chapter.

#### OPTIMISING OUR OWN PROCESSES

Sustainability is at the core of our business model. Therefore, for us, living the sustainability idea throughout the company is a question of credibility. We also measure consumption figures in our own working environment and try to constantly optimise our resources and materials management. We not only increase our own efficiency but also actively address physical and regulatory risks which climate change may cause. In this context, our employees are our ambassadors for greater sustainability. They also assume responsibility for society and the environment outside ista. We report on our achievements in this field in the [Environment](#) and [Employees](#) chapters.

**17 SUSTAINABLE DEVELOPMENT GOALS (SDGs) OF THE UNITED NATIONS:**



# VALUE-BASED ACTION

As an international company, sustainable management guided by values and principles is of crucial importance for transparent and responsible action. The fact that our Sustainability Council has become international helps us to anchor ista's CR management worldwide and to communicate the relevance of this subject to all sites.

## LIVING VALUES

International agreements such as the UN Universal Declaration of Human Rights, the UN Convention against Corruption and the International Labour Organization's (ILO) Declaration of Principles are important cornerstones for us and point the way for company-wide principles and commitments. In everyday life, we also have our company values – [the Shared Values](#) – which support cooperation in a spirit of fairness and partnership both among colleagues and with external partners.

## OUR ACTIONS ARE GUIDED BY ...



## REGULATIONS

Regulations, for example on gifts and gratuities (Germany) as well as money laundering and the funding of terrorism (international).

## CODE OF CONDUCT

The Code of Conduct contains important principles such as those on avoiding conflicts of interest and rejecting corruption and bribery. The Code is binding on all employees and is available in printed form and on the intranet.

## COMPANY VALUES

Five values which give employees guidance in daily working life – Keeping Commitments, Encouraging Empowerment, Taking Responsibility, Promoting Trust and Building Partnerships.

## GLOBAL COMPACT OF THE UNITED NATIONS

We support and promote human rights, working standards, environmental protection and the fight against corruption.

Corporate Internal Audit and Compliance is responsible for monitoring compliance with the guidelines, regulations and commitments as part of its regular audit activities and is the central point of contact for employees. In 2015, all employees in Germany were informed about the compliance requirements in a separate communication. In some countries selected on the basis of risk, employees were personally trained on the Code of Conduct, and a central monitoring team was set up for areas which appeared to be particularly at risk from corruption.

In the reporting year, the Federal Cartel Office launched a sector inquiry in the entire billing industry, which is to provide information on the current market situation and competition intensity in this branch of industry. There were no investigations by the Federal Cartel Office that were specifically aimed at ista.



## THREE QUESTIONS TO GÜNTHER MEGGENEDER

**GÜNTHER MEGGENEDER** is the Senior Vice President Corporate Internal Audit and Compliance and responsible for auditing processes in all 24 ista markets. The subject of sustainability, in particular compliance with governance and human rights codes, plays an important role. We asked him three short questions about this.

### *SUSTAINABILITY IN THE COMPANY – HOW DOES THAT WORK?*

Sustainability management always requires a holistic approach. I believe this approach rests on two pillars. On the one hand, the subject of sustainability must be strategically anchored in the company and supported centrally by the management. Only then are the employees also sensitised to this topic and do they keep an eye on sustainability in their daily work. The second pillar is operational implementation. Certain rules are necessary for this at an international company like ista. Generally applicable codes, such as the UN Universal Declaration of Human Rights, the OECD guidelines or the UN Global Compact principles, are therefore a very important framework for us for the operational implementation of sustainability.

### *IN YOUR EXPERIENCE, WHERE ARE THE GREATEST STUMBLING BLOCKS?*

In everyday business you are often faced with a decision between achieving fast, short-term business success or reaching long-term objectives. In such a situation, we must be particularly aware of our responsibility and decide what is important for a future-oriented management. With regard to compliance management, an international business model is particularly challenging: after all, 24 different markets with different cultures and values are under the ista umbrella. In our international audits, we always examine and critically review whether all the guidelines and regulations – in particular the Code of Conduct and the rules of procedure – are known and being implemented. By the way, the Code of Conduct is the only document at ista which is available in all languages – this underlines its importance and also creates a sense of duty among the employees.

### *IF YOU HAD ONE WISH, WHAT WOULD YOU LIKE TO SEE WITH REGARD TO SUSTAINABILITY AT ISTA?*

Regardless of how much a company commits itself to sustainability, achieves targets and sets new goals, supports initiatives and constantly reviews its strategy, there is always room for improvement. I want to see us at ista continuing to recognise this potential and constantly developing as we have done so far. In compliance management, we work to ensure that it becomes virtually second nature to consider compliance aspects. We have already seen a change in recent years. Our employees are asking us more questions, which means that they see us as partners.

**INVOLVING THE SUPPLY CHAIN**

We place high demands not only on our business sites worldwide but also on our suppliers. Suppliers with sales of EUR 50,000 and over must commit to satisfying the requirements of our Supplier Code. It is based on the OECD principles of responsible corporate governance and on the ILO core conventions.

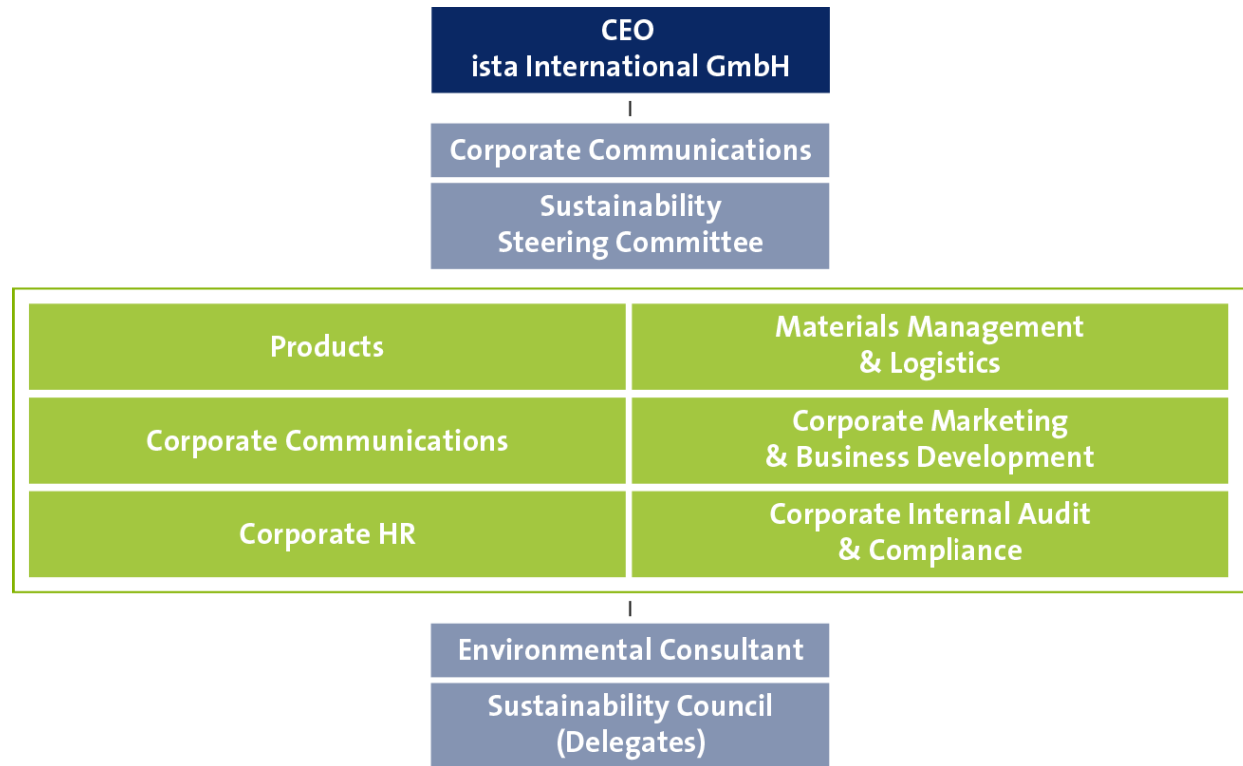
In order to support sustainable production at suppliers’, the Quality Management and Direct Procurement departments check compliance with the Code in regular supplier audits. An engineering office in Thailand also assists our local Asian suppliers. Resident engineers provide our two main Asian suppliers with support and quality assurance. [See on sustainability report 2014, p.22, the description of our supply chain.](#)

**INTERNATIONALLY POSITIONED**

In order to further professionalise ista’s sustainability management, we decided to reorganise sustainability coordination at the beginning of 2016: the new Sustainability Council is headed by the environment consultant and comprises the international sustainability delegates from the countries. At the same time, we have established a new Sustainability Steering Committee to discuss important topics at head office level and provide strategic guidelines. Taking the council work as a basis and headed by Corporate Communications, the Steering Committee prepares decision papers for the management.

This enables us to improve our understanding of country-specific sustainability requirements. Thanks to these new appointments, we are also automatically introducing the subject of sustainability into the operations side of our business and ensuring that the subject is better anchored in the markets.

**SUSTAINABILITY COORDINATION AT ISTA**

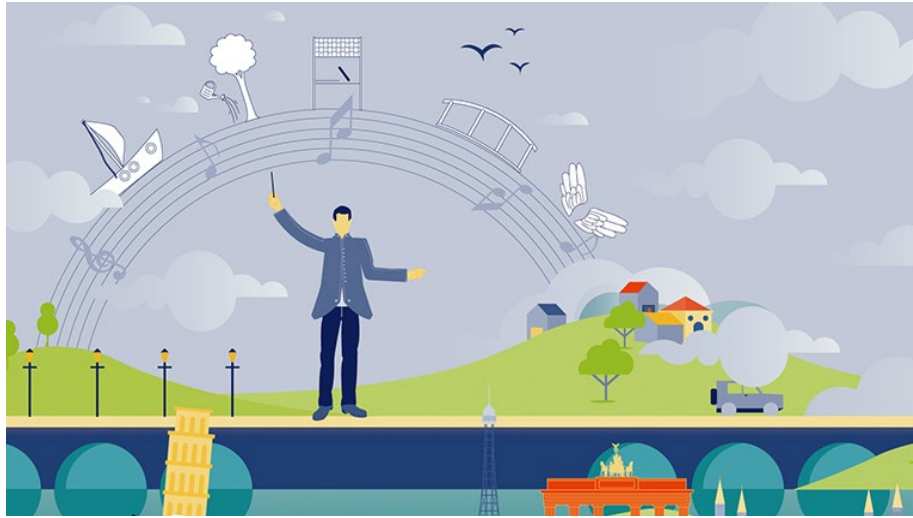


G4-24, G4-25, G4-26, G4-27

**STAKEHOLDER ENGAGEMENT**

In addition to systematically engaging important stakeholders [during the materiality analysis](#), we are in constant dialogue with employees, customers, politicians, NGOs and the media. Employees of the individual ista national organisations use the dialogue format “inside talk” and digital formats on the intranet to keep in regular contact with the management.

One important channel for exchanging views with our customers is direct contact with our sales employees. In Germany, we focused particularly on energy data management and smoke alarm device services in the reporting period. We also reach customers, politicians and society at international events – in 2015, the [Climate Expo COP21](#) in Paris was an important platform for discussing trends and developments and presenting products and services.



G4-24, G4-26, G4-27

**OVERVIEW OF STAKEHOLDER COMMUNICATIONS**

Stakeholder	Communication examples
<b>External</b>	
Customers	Customer events, customer advisory council, customer satisfaction survey, customer newsletter, website, online portal, personal customer care and support, online magazine INSIDEista, news-room, social media
Associations, NGOs, organisations	Memberships, association work
Politicians	Discussions with political parties, interviews
Owners	Monthly reporting and consultation meetings
Press	Press meetings, press releases, online magazine INSIDEista, newsroom
Suppliers	Regular consultation meetings, supplier audits
Students, scientists	University cooperations
<b>Internal</b>	
Employees	Staff appraisal interviews, employee survey, information events, management blog, management dialogue formats, online magazine INSIDEista, newsletter, intranet

**THREE IMPORTANT BODIES THAT ISSUE DIRECTIVES**

↗ The International Labour Organization (ILO) aims to advance social justice as well as human and working rights. This includes, for example, ensuring companies prohibit child labour.



The guidelines of ↗ the Organisation for Economic Cooperation and Development (OECD) provide a framework for sustainability. They range from information policy and human rights to environmental protection and the fight against corruption.



The aim of the ↗ United Nations Universal Declaration of Human Rights (UN) is to protect fundamental human rights worldwide. For example, companies are to consider the impact of their activities on others.





## FOCUS ON THE ESSENTIALS

Global challenges require committed companies which, as partners of politicians and society, recognise trends and work on solutions for topics in their sphere of influence. It is crucial for us to focus on the essentials both with regard to our stakeholders and our business success. By keeping this clear focus, we achieve the greatest effect.

### SETTING THE COURSE

ista conducted a comprehensive analysis of major reporting topics for the first time in the 2014 reporting year. What questions and issues are crucial to ista's future sustainability? How can we become even better? The results of the analysis strengthen our focus as regards reporting, pinpoint our strategic approaches and consolidate our internal sustainability competence. The inclusion of important stakeholder groups not only helps us to satisfy the reporting requirements in accordance with the current guideline G4 of the Global Reporting Initiative but also provides us with crucial input for shaping our sustainability agenda.

G4-18, G4-24, G4-25, G4-26

### DEVELOPING MATERIAL TOPICS

The materiality analysis 2014 was conducted in three steps and involved both internal and external stakeholders. The internal stakeholders comprised members of the ista Sustainability Council and sustainability delegates of our national organisations. The external stakeholders were people who, on the one hand, know the company well and, on the other, belong to one of the stakeholder groups

relevant for ista. These include selected customers, tenants, associations, NGOs, representatives from politics as well as sustainability and financial experts.

In the first step, we analysed potentially relevant topics allowing for national and international industry-wide and pan-industry sustainability standards. In the second step, the resultant 12 sustainability topics were prioritised in an online survey of internal and external stakeholders. Furthermore, roughly half-hour interviews were conducted with the external stakeholders to find out what their expectations of ista are. In the final step, the ista Sustainability Council collated the internal and external perspectives and established material topics on this basis.

G4-18, G4-27

### EXAMINING RELEVANCE

These results were validated by internal stakeholders in the current reporting period. Validation consisted of an online questionnaire on the new prioritisation of the topics, followed by a workshop to adopt the results. The most important changes compared with the previous year concern the topics "Customer satisfaction", "Dialogue with

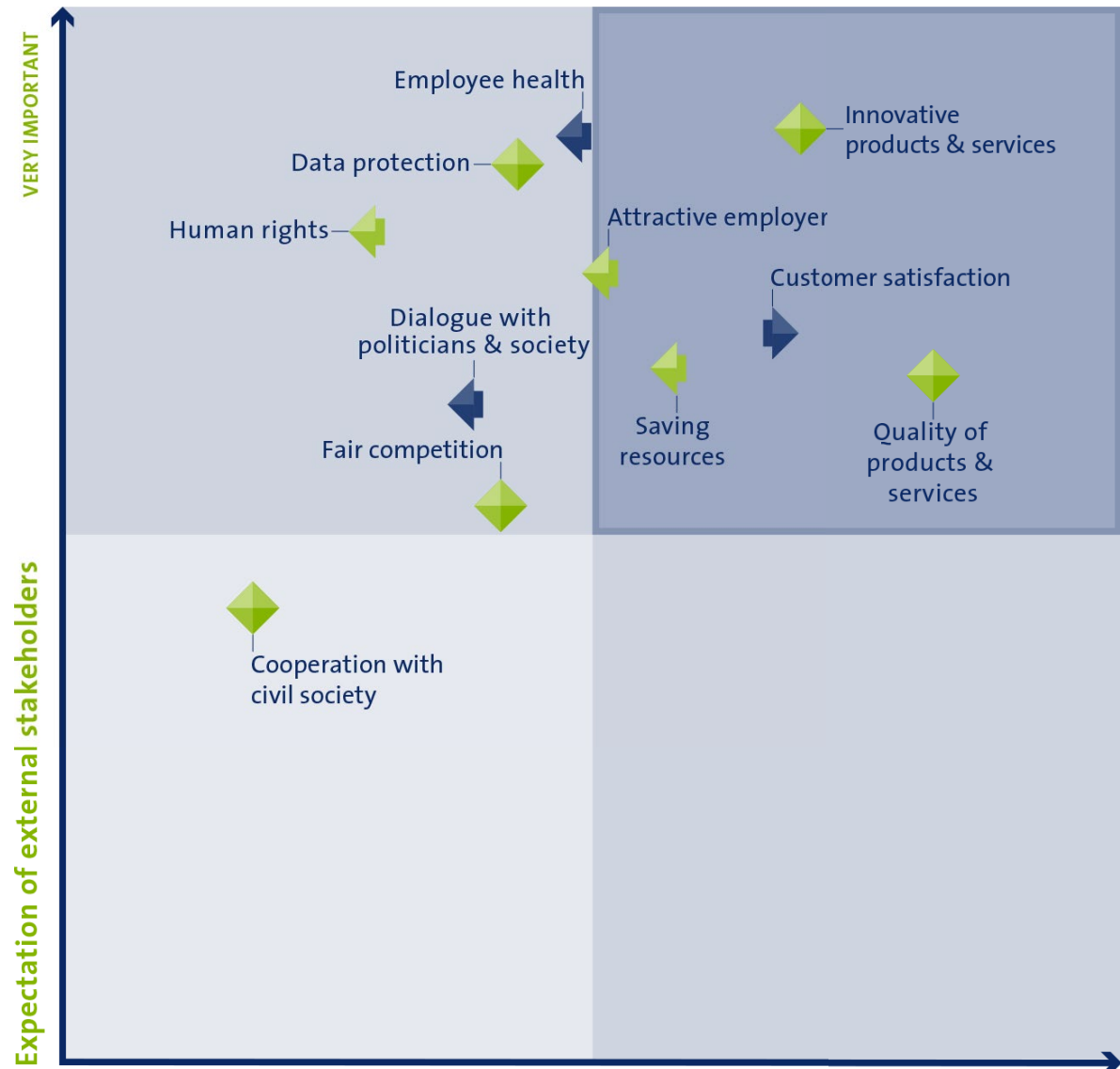
*The results of the analysis strengthen our focus as regards reporting, pinpoint our strategic approaches and consolidate our internal sustainability competence.*

politicians and society" and "Employee health". This year, "Customer satisfaction" was given a higher priority from a business perspective and so this year we are reporting in detail on this topic. "Dialogue with politicians and society" and "Employee health" were given a lower priority compared with the previous year. Our reporting on these topics is therefore less detailed.

The diagram shows the materiality matrix after validation by the internal stakeholders. The subjects highlighted in the diagram are those which we prioritise in our report.

OUR FOCUS

*The most important changes compared with the previous year concern the topics “Customer satisfaction”, “Dialogue with politicians and society” and “Employee health”.*



Expectation of internal shareholders (business perspective) VERY IMPORTANT

Change over previous year  none  small  major

G4-19, G4-20, G4-21, G4-23

**MATERIAL GRI ASPECTS**

The table assigns the relevant GRI aspects to the topics identified as material and states whether the topics reported have ecological and social impacts inside or outside our company.

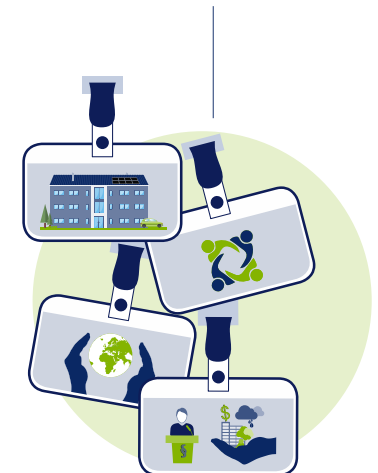
Topic	Relevant GRI aspect	Inside/Outside	Chapter
Attractive employer	Equal remuneration for men and women, equality, diversity and equal opportunities, vocational and further training, employment	Inside	<a href="#">Employees</a>
Innovative products & services	Products and services, economic performance	Outside	<a href="#">Portfolio</a> <a href="#">CR-Strategy</a>
Quality of products & services	Products and services	Outside	<a href="#">Portfolio</a>
Saving resources	Energy, emissions, transport, water, materials	Outside	<a href="#">Environment</a>
Customer satisfaction	Customer health & safety, labelling of products and services, protection of customer privacy	Outside	<a href="#">Dialogue</a>

**DIFFERENT PERSPECTIVES, ONE FOCUS**

**Internal stakeholders:** Members of the ista Sustainability Council and sustainability delegates of the ista national organisations.



**External stakeholders:** Selected customers, tenants, associations, NGOs, representatives from politics as well as sustainability and financial experts.



# SYSTEMATIC TRANSPARENCY

PORTFOLIO



For our customers and their tenants, we are solution-providers and partners for greater energy efficiency in buildings. Today, we already offer intelligent products and services that increase energy efficiency, safety and convenience in buildings. With our products and services, we promote the responsible use of energy and natural resources and actively help to shape the energy transition.

**BENEFITTING CUSTOMERS**

Our portfolio focuses on heat meters, water meters and heat cost allocators which record energy and water consumption using digital radio technology and therefore give our customers and their tenants transparent information on their individual consumption behaviour. Our portfolio also covers solutions for greater tenant safety by offering smoke alarm device services and drinking water analyses.

We pursue a clear goal with our range of products and services: our customers are to benefit as much as possible from our low-investment offerings. With its new technical possibilities, digitalisation has opened up an extended world of products to us – products with which we can offer our customers not only greater convenience but also create even greater transparency and therefore lasting incentives to save energy.

**DRIVING INNOVATION**

Therefore, when designing our portfolio, we focus on developing innovative products. We are guided by the maxim that every euro invested should have not only the greatest possible but also fastest possible beneficial impact for our customers and their tenants. As an energy service provider, we have continually developed our core competence – the metering, billing and visualisation of energy consumption – in the direction of the smart, energy-efficient multi-family building. Our strength is ista’s radio technology, which enables us to digitally read consumption. This has two advantages: firstly, greater convenience for the tenant as no meter-reading appointments are required, and secondly, consumers get an even more accurate insight into their individual energy consumption thanks to this professional database.

In contrast to conventional smart home solutions, we concentrate on the entire building including the individual apartments. With the platform solution, “ista Smart Building“, which was developed in cooperation with Dr. Riedel Automatisierungstechnik GmbH, we are today al-

ready setting standards for tomorrow’s home: tenants and residents can considerably reduce the energy consumption of a multi-family building in future. A display in the apartment hall shows the residents detailed information on their individual consumption behaviour and enables them to take action to optimise it. Further radio-based smart

home applications can be integrated into the solution, for example for lights, electrical appliances, ventilation systems or roller blinds. The system meets the requirements of the highest energy efficiency class for building automation. According to DIN EN 15232, energy savings of up to 19% can therefore be achieved. ►



We are extending our portfolio in a targeted manner and so offering a number of products and services which enable us to exploit the possibilities offered by digitalisation to the benefit of man and the environment.

#### ISTA SMART BUILDING

A display in the apartment hall shows the residents detailed information on their individual consumption behaviour and enables them to take action to optimise it.

#### TEMPERATURE LOGGER

The ista temperature logger provides automatic visualisation of the room temperature. This makes it easier to maintain minimum and maximum temperatures in rooms. As part of the temperature logger service, we also offer to inform property managers if the temperature exceeds or falls below a preset desired room temperature so they can react to any malfunctions, for example of the heating system.

#### ISTA CONNECT

The online portal for tenants and customers shows their sub-annual consumption figures in an easy-to-understand form and therefore combines clarity with incentives to reduce consumption.

#### ISTA EDM MOBIL

With the ista energy app which received an award from Initiative Mittelstand, tenants can use their mobile to keep an eye on their consumption. On the basis of this knowledge, they can cut costs, save valuable resources and reduce CO<sub>2</sub> emissions.

#### LEAKAGE DETECTION

ista has developed an intelligent control system that indicates continuous leaks caused by dripping water taps or constant flushing toilets. In the event of water abnormalities an alert is sent to the property manager (and visualized in the web portal).

#### GUARANTEEING TOP QUALITY

To ensure quality and environmental compatibility, we have introduced a quality management system certified to ISO 9001 at the German sites in Gladbeck (logistics warehouse), Au (production facility) and Essen (company head office). In life cycle analyses, we examine the relationship between CO<sub>2</sub> emissions produced in connection with our devices and future savings.

Taking our heat cost allocator doprimo 3 radio net as an example, we were able to prove that consumption-dependent heating cost billing saves 158 times more CO<sub>2</sub> than is produced during the device's entire life cycle. The CO<sub>2</sub> emissions were calculated over the entire life cycle of the doprimo 3 radio net to produce its carbon footprint. The life cycle is ten years on average and includes the production of raw materials, manufacture, transport, installation, use and disposal or recycling. [More on product recycling, see sustainability report 2014, p. 21.](#)

#### CONCRETE PROOF OF ENERGY SAVINGS

In a model project conducted since 2013 together with the German Energy Agency, the German Tenants' Association and the Federal Ministry for Environment, Nature Conservation, Building and Nuclear Safety, we have proved that our products and services help to sustainably save energy. As part of the largest field trial in Europe for sub-annual consumption information, "Saving Money through Clever Heating", we have enabled some 200 households throughout Germany to regularly view their consumption free of charge on our web portal. The result: tenants who receive monthly information on their heat consumption use an average of 16% less energy than tenants who do not receive regular information. In 2015, we won the [German CSR-Award](#) for our engagement in the ["Saving Money through Clever Heating"](#) pilot project. You will find further information on this and other studies [here](#).

*We have continually developed our core competence – the metering, billing and visualisation of energy consumption – in the direction of the smart, energy-efficient multi-family building.*

# LESS IS MORE

ENVIRONMENT

Practise what you preach: ista stands for the optimum use of valuable resources – and what applies to our core business also applies to our own processes. We considerably reduced our paper consumption in particular in the reporting year.

### FIRMLY ANCHORED

The idea of sustainability is firmly anchored in ista's vision. Our [Environmental Guidelines](#) oblige each one of us to commit to spreading this idea and filling it with life: our top management, our senior managers and our employees. At operational level, the international [Sustainability Council](#) headed by the environmental consultant, is responsible for making sure we achieve our environmental objectives. The newly established [Sustainability Steering Committee](#) sets the strategic framework.

### UNDERSTANDING OUR OWN CONSUMPTION

In 2015, a total of 14,336 gigajoules of heating energy and 8,068 gigajoules of electricity was used in the German branches. The office buildings accounted for most of this consumption. The production site in Au was responsible for 17% of total heating energy consumption and the logistics warehouse in Gladbeck for 13%. The figures for electricity were 24% and 7%, respectively. Fuel consumption makes up the largest share of total energy consumption. Due to the nature of our business, the paper required for producing the bills is the biggest item under material consumption.

### SAVING ENERGY


In 2015, 22,659 gigajoules of electricity were consumed at ista branches worldwide – therefore we managed to not only cut our consumption of electricity per employee but also in absolute terms. At 27,173 gigajoules, consumption of heating energy from gas, oil and district heat rose compared with the previous year (2014: 22,054 gigajoules). The reasons for this are: firstly, the amount of office space used by ista increased by roughly 6% during the reporting period, which partly explains the higher consumption. Secondly, we were unable to match the low 2014 consumption as it was due to a particularly mild winter.

Vehicle fleet energy consumption rose in absolute terms in the reporting period as a result of a higher number of kilometres travelled by our company car fleet, rented vehicles and private vehicles – the use of rented vehicles in particular increased in 2015, which is reflected in the sharp rise in fuel consumption. Per-capita energy consumption for electricity, heating and fuel increased from 29 to 30 gigajoules.

### PROFESSIONALISING ENERGY MANAGEMENT

Energy-saving measures are being implemented at ista's sites throughout the world. For example, employees in China are assigned to office areas and are told the consumption of their area every month. The office area with the lowest consumption is crowned the “energy-saving office area of the month”. ista Germany and ista International in Germany started to introduce an energy management system in accordance with the EN ISO 50001:2011 standard in 2015.

With these measures, we not only want to meet the statutory requirements but also reduce energy consumption in the long term and increase energy efficiency in a continuous improvement process. To us, it is particularly important to involve all employees in the implementation and execution of these measures and, at the same time, to assign clear responsibilities.



*To us, it is particularly important to involve all employees in the implementation and execution of these measures and, at the same time, to assign clear responsibilities.*



*A new travel policy tailored to our objective of saving resources has applied to ista employees worldwide since 2014.*



### CONSUMPTION OF ELECTRICITY AND HEAT WITHIN THE ORGANISATION

Energy consumption	2015 Gigajoule	2014 Gigajoule
<b>Electricity consumption</b>	<b>22,659</b>	<b>23,115</b>
<b>Total heating energy</b>	<b>27,173</b>	<b>22,054*</b>
- of which gas	17,182	14,482*
- of which heating oil	126	211*
- of which district heat	9,865	7,361*

\*The previous year's figures have been restated in the light of new information.

### ENERGY CONSUMPTION OF VEHICLES WITHIN THE ORGANISATION

Energy consumption	2015			2014		
	Litres	Gigajoule	Percent (of GJ)	Litres	Gigajoule	Percent (of GJ)
<b>Fuel company fleet</b>	<b>2,537,824</b>	<b>90,878</b>	–	<b>2,468,699</b>	<b>88,393</b>	–
- of which diesel	2,371,942	85,304	94 %	2,303,173	82,831	94 %
- of which petrol	165,882	5,574	6 %	165,526	5,562	6 %
<b>Fuel rented vehicles</b>	<b>181,863</b>	<b>6,455</b>	–	<b>69,447</b>	<b>2,491</b>	–
- of which diesel	145,810	5,244	81 %	66,508	2,392	96 %
- of which petrol	36,053	1,211	19 %	2,939	99	4 %
<b>Fuel private vehicles</b>	<b>117,447</b>	<b>4,146</b>	–	<b>106,093</b>	<b>3,735</b>	–
- of which diesel	84,582	3,042	73 %	75,326	2,709	73 %
- of which petrol	32,864	1,104	27 %	29,706	998	27 %
- of which LPG	–	–	–	1,061	28	0.7 %

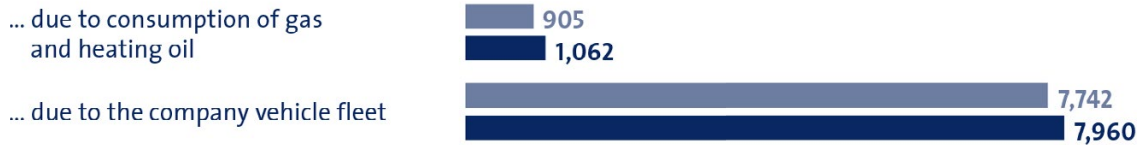
\*As LPG consumption in past years was only an estimate, we have decided this year not to include it in the figures.

**TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS**  
(TONNES OF CO<sub>2</sub> EQUIVALENT) ✓



**Direct GHG emissions (Scope 1)**

■ 2014 ■ 2015



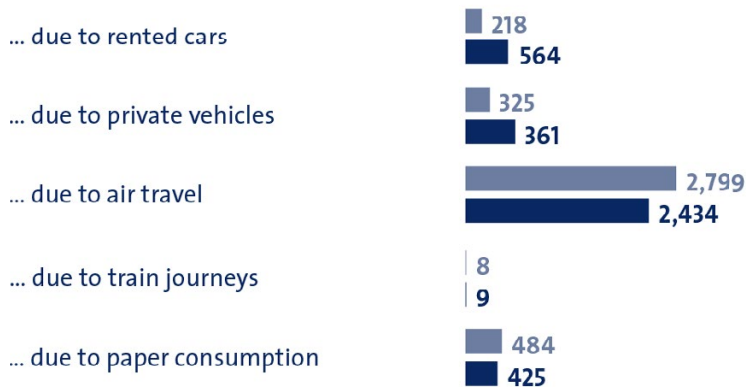
**Indirect energy-related GHG emissions (Scope 2)**

■ 2014 ■ 2015



**Further indirect GHG (Scope 3)**

■ 2014 ■ 2015



**ABSOLUTE CHANGES COMPARED WITH 2014** ✓

Greenhouse gas emissions in tonnes of CO equivalent	
Heating energy	+362 ↑
Company cars	+218 ↑
Electricity	-180 ↓
Transport	+18 ↑
Paper consumption	-59 ↓



**CUTTING EMISSIONS**

In 2015, direct and indirect CO<sub>2</sub> emissions – caused by heating energy and electricity consumption as well as business trips and paper consumption – increased minimally in absolute terms. However, we managed to slightly reduce them per employee. Of the total figure of 15,973 tonnes, the company car fleet (7,960 tonnes), air travel (2,434 tonnes) and electricity consumption (2,350 tonnes) together account for the largest share of emissions. We achieved CO<sub>2</sub> emission reductions in electricity consumption (180 tonnes) and in paper consumption (59 tonnes). Our employees also travelled less by air in 2015 (365 tonnes).

## ECO-FRIENDLY TRAVEL

Although absolute consumption of diesel and petrol increased in 2015 as a result of the expansion of business, we cut average consumption to 6.13 litres per 100 km. In 2014, consumption was still 6.6 litres. Car-sharing initiatives are reducing the number of unnecessary trips at various ista locations throughout the world including the United Arab Emirates and Austria. We also introduced a car-sharing app at head office in Essen in 2015. In addition, we set up a video conferencing system to reduce the number of business trips and thus cut costs and CO<sub>2</sub>. In Belgium, Spain and Norway, we use hybrid and electric vehicles.

A new travel policy tailored to our objective of saving resources has applied to ista employees worldwide since 2014. Alongside operational expediency and cost-effectiveness, ecological aspects must be continually reviewed and taken into account. In concrete terms, this means, for example, that train journeys are to be given preference over air travel. Long-distance business trips using Deutsche Bahn trains are CO<sub>2</sub>-neutral for ista as a business customer. Moreover, before booking a trip, employees are required to examine whether communication using modern technologies, such as Internet telephony, can replace a meeting. In 2015, ista employees on business trips covered some 56 million kilometres worldwide by car, train and plane. At 45.9 million km, trips by company, rented and private cars accounted for most of this total distance (some 83%). We reduced our air kilometres by 13%. Our core business involves trips to tenants by car. Thanks to remote digital readings, we have already managed to reduce the number of such trips but not avoid them entirely.

## CHANGING TO RECYCLED PAPER

Our paper consumption fell to 441 tonnes in 2015 – in 2014, it was still 467 tonnes. At the same time, we increased the proportion of recycled paper used from 13% to 55%. In Germany, we changed over our entire printing process to certified Steinbeis Innojet paper in 2015 and already achieved a percentage of recycled paper of over 90%. The advantage: roughly three times less water and energy is used for recycling used paper than for producing virgin pulp paper without any new trees having to be felled.

Throughout the company, paper consumption is highest for production paper at 263 tonnes. In 2015, we already printed bills on the new recycled paper in Germany, Switzerland and Luxembourg.

Other national organisations are also taking steps to save paper and increase the percentage of recycled paper. They range from new, resource-saving printers in Denmark and the Netherlands to the “paperless office” in the United Arab Emirates, Norway and China.

## PAPER USED BY WEIGHT – PERCENTAGE OF MATERIALS USED THAT ARE RECYCLED INPUT MATERIALS

Paper consumption	2015		2014	
	Kilograms (total)	Percent	Kilograms (total)	Percent
<b>Total</b>	<b>440,640</b>	<b>–</b>	<b>466,573</b>	<b>–</b>
Printing and copying paper	97,995	–	136,972	–
- of which recycled	24,483	25 %	60,313	44 %
Production paper	263,404	–	240,005	–
- of which recycled	196,118	74 %	434	0.2 %
<b>Share of recycled paper in printing and copying paper and production paper</b>	<b>220,601</b>	<b>61 %</b>	<b>60,747</b>	<b>16 %</b>
Notepads	3,965	–	2,908	–
- of which recycled	2	0 %	101	4 %
Envelopes	33,150	–	40,213	–
- of which recycled	21,170	64 %	1,407	4 %
Marketing materials	42,125	–	46,476	–
- of which recycled	12	0 %	32	0.1 %
<b>Total recycled paper</b>	<b>241,785</b>	<b>55 %</b>	<b>62,287</b>	<b>13 %</b>

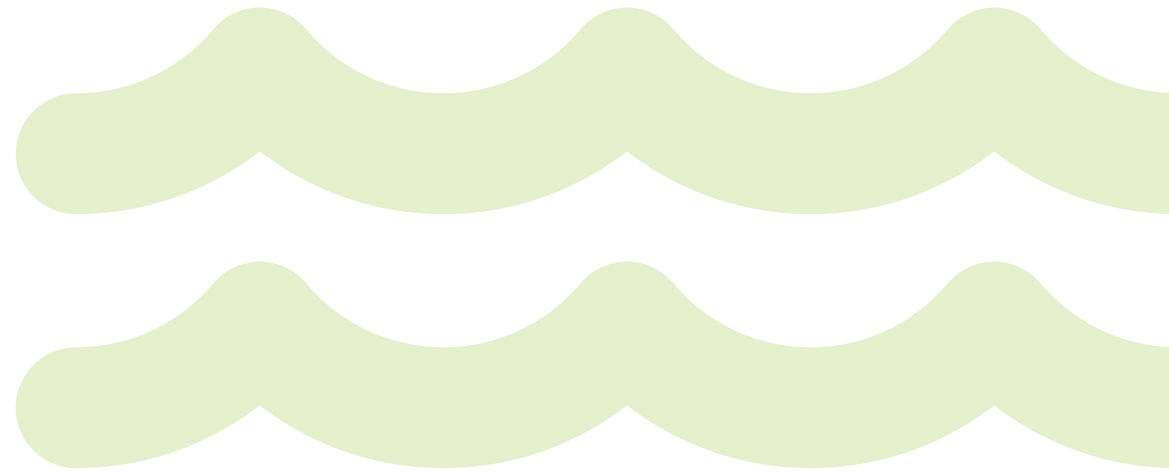




**TOTAL WATER WITHDRAWAL BY SOURCE** ✓

**CONSERVING WATER RESOURCES**

Water consumption fell from 43,487 m<sup>3</sup> in 2014 to 33,748 m<sup>3</sup>. This sharp reduction is due to better data. For example, markets which still had no water consumption data available in 2014 were able to record water consumption for some of their sites in the reporting period and therefore it was possible to calculate country-specific average figures in more cases. As a result, the accuracy of the estimates increased. The consumption figures are, in some cases, estimated extrapolations based on prior-year and average figures. This is partly due to the fact that some utilities bill after the reporting deadline and partly because non-consumption-based tariffs apply. We at ista use water for sanitary purposes and as drinking water. In 2015, we withdrew our water exclusively from the public drinking water supply.



# FULL OF ENERGY

EMPLOYEES



Our success hinges on the motivation and engagement of the people at ista. We would like to find and keep the people who best fit in with us – we can convince them with a values culture which is based on openness, honesty and mutual respect.

### SCORING POINTS AS A TOP EMPLOYER

We ensure our position as a top employer with a wide range of vocational and further training programmes, health measures, family offerings, equal opportunities and a long-term strategy in which employees can actively participate. It was not without reason that the Top Employers Certificate 2016 again rewarded our performance as an attractive employer. Alongside ista Germany, our national organisations in Austria, France, Poland and Switzerland also received awards.

However, we do not rely on all that alone. We measure our employees' satisfaction internally every two years. In the "People Survey ista", employees and managers can anonymously assess ista as a company, its leadership, cooperation and work organisation. [To the 2014 result.](#)

### OFFERING STABLE WORKING CONDITIONS

In 2015, 5,488 employees worked at ista worldwide. The majority of them – 79% – had permanent employment contracts. With 1,402 employees and 120 apprentices, Germany has the highest number of employees and this is also where our head office is located.



*An open, direct and constructive exchange of views with our employees is important to us.*



# 5,488

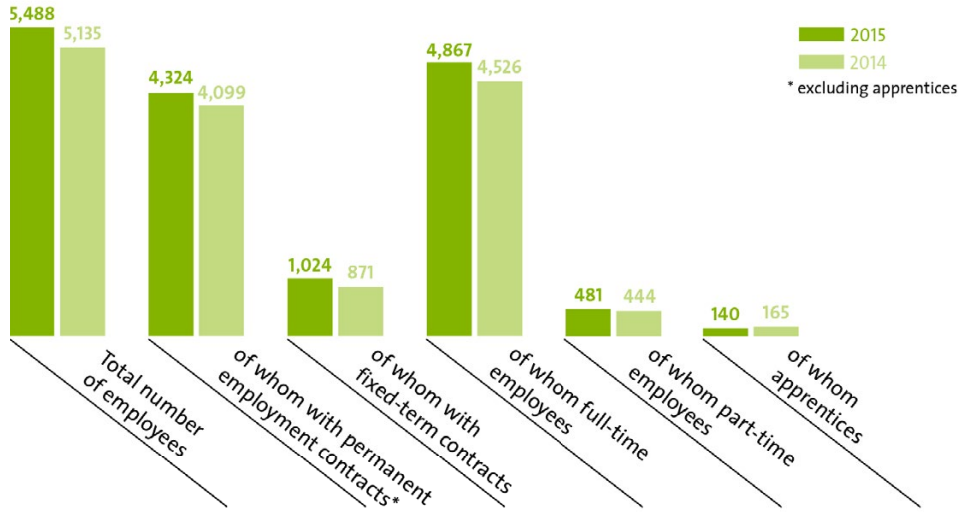
Employees in 2015



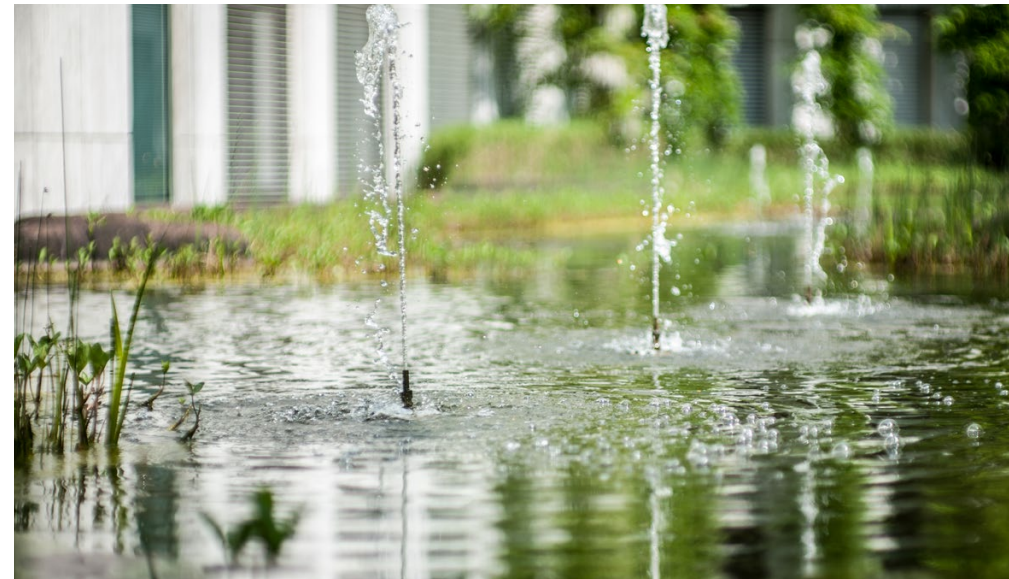
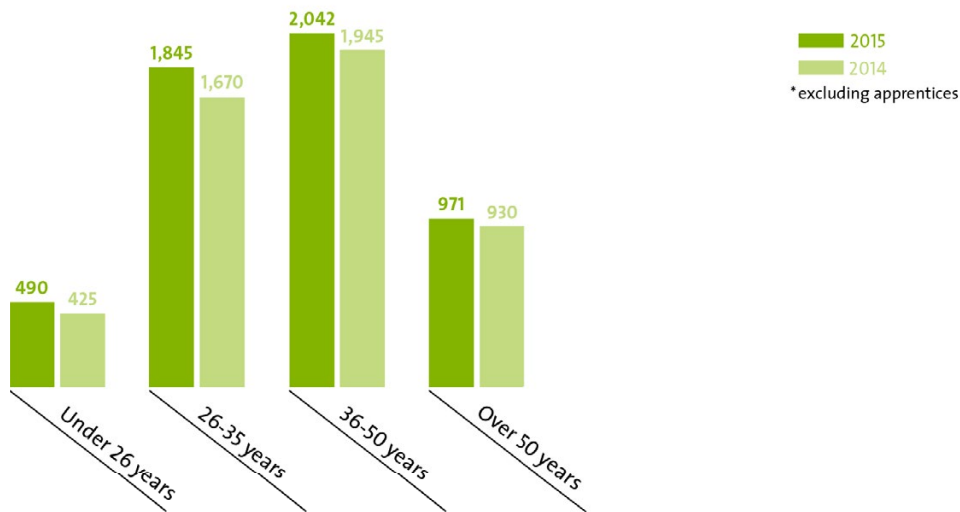
# 79%

of the employees  
have a permanent position

**TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT AND TYPE OF EMPLOYMENT**



**AGE STRUCTURE OF THE WORKFORCE\***



## WORKFORCE BY REGION AND GENDER\*

Region	2015			2014		
	Female	Male	Total	Female	Male	Total
Central Europe (excl. D)	85	110	195	78	101	179
ista Germany	739	663	1,402	688	621	1,309
ista France	214	424	638	224	445	669
North Europe	111	126	237	107	124	231
West/East/South Europe (excl. F)	411	811	1,222	384	721	1,105
Emerging Markets	64	129	193	64	129	193
ista International	125	264	389	120	249	369
ista Shared Services	829	243	1,072	704	211	915

\* excl. apprentices

## TURNOVER BY REASON FOR EMPLOYMENT TERMINATION AND RECRUITMENT RATE

	2015	2014
Termination by employee	320	257
Termination by ista	304	231
End of fixed-term contracts, retirement, seasonal termination or similar	270	332
Total turnover	894	802
New recruits	1,082	961
Rate (in %)*	17.3 %	16.7 %

\*Total number of departures divided by (total workforce minus total number of new recruits plus total number of departures)

## LOYALTY PAYS OFF

Low staff turnover rates bear witness to high employee satisfaction. In Germany, the average duration of service at the company is 12.2 years, similar to the French subsidiary, for example, where it is 12.3 years.

## PROMOTING DEVELOPMENT

It is our mission to secure our position as one of the world's leading energy service providers through innovative products and services – we can only succeed in this if we optimally prepare our employees for the challenges facing them by offering vocational and further training. In 2015, every ista employee took part in further training for an average of 28 hours. [To our activities, see sustainability report 2014, p. 41.](#)

In view of developments such as the demographic change and the associated shortage of skilled workers, it is particularly important to ensure that young people remain loyal to the company. In the reporting period, 42 new apprentices joined the company in Germany and the apprentice base camp was redesigned to receive them. Apprentices who join ista gain an insight into the company over four days of seminars and are adequately prepared for the start to their careers. Moreover, we offer placements for students from Germany and abroad so that we can also position ourselves as an attractive employer beyond national boundaries. In this context, ista in Germany supports the “Ruhr-Fellowship” programme of Initiativkreis Ruhr.

In order to give pupils career guidance and an insight into our company, in 2015 we again participated in the series of talks, [“Dialogue with Young People”](#) – an initiative which brings pupils together with Management Board members of major companies in a round of discussions.



*Value-based action governs how we work together. Our goal: to firmly anchor ista's Shared Values in the corporate culture, also in the long term.*



### PROVIDING FEEDBACK

An open, direct and constructive exchange of views with our employees takes place during our annual staff appraisal interviews and target agreement talks. They are an opportunity to provide constructive feedback on performance and permit the development of targets for the future. In 2015, the percentage of employees invited to these interviews was again high.

### NETWORKED WORKING

Given the expected growth in Europe and in the emerging markets, we are reliant on the sharing of experience. Therefore, in the reporting period we introduced a new company policy on international assignments. The aim of the new Global Mobility Policy is to transfer existing expertise to the benefit of international markets. It also provides a framework for eliminating short-term manpower shortages in a country.

### ENGAGING TOGETHER

Value-based action governs how we work together. In the reporting period, our goal was to firmly anchor [ista's Shared Values](#) in the corporate culture, also in the long term. Five employees from different countries were therefore appointed to be value ambassadors and shared their experiences with the Shared Values with their colleagues in a Video.

With our Corporate Volunteering Programme “grow – great respect for our world”, we enable our employees worldwide to make a positive contribution to the environment and society themselves. Focus is on the [Corporate Volunteering Days](#) – campaign days on which employees are released from work to do voluntary and charitable work.

### STAYING HEALTHY

Workplace health promotion is high on ista's agenda – for our joint success is closely linked to our employees' ability to perform. In the reporting period, a health week was held at the Leipzig service centre – offering advice, among other things on nutrition and coaching for back pain. Moreover, our employees were able to take advantage of free colon cancer screening and flu vaccinations. We also held seminars on the subject of “Healthy Leadership” for managers of the entire German organisation. Employees were offered stress management seminars. One new offering we introduced was a preventive measure in the field of mental health: the so-called “Voice Check”. It uses automated telephone interviews to analyse signs of stress in a person's voice. Free individualised support offerings follow, if necessary. [More health measures, see sustainability report 2014, p. 43.](#)

In 2015, our employees were absent for 7.9 days on average; in 2010, the figure was still 8.4 days on average. Therefore, the sickness rate remained more or less the same at 3.5% compared with the previous year (3.2%). In the reporting period, there were 12 accidents in Germany, in 2014 the figure was 19.

### SICKNESS RATE BY REGION

Region	2015	2014*
ista Group	3.5%	3.2%
ista International	3.6%	2.7%
Central Europe (excl. D)	2.5%	2.6%
West, East and South Europe (excl. F)	1.5%	1.7%
North Europe	3.5%	2.1%
Emerging Countries	0.7%	0.9%
ista Germany	4.6%	4.1%
ista France	5.2%	5.1%
ista Shared Services (Poland & Romania)	3.9%	3.4%

\* In view of data received after the reporting deadline, the 2014 figures for the sickness rates in the regions Central Europe (excl. D), West, East and South Europe (excl. F) and ista Shared Services (Poland & Romania) have been restated.

**GUARANTEEING FAIRNESS**

At ista, employees can pursue their occupation in a non-discriminatory environment, irrespective of their gender, age, religion, sexual identity, origin or disability and have equal opportunities. This also means that women receive the same remuneration as their male colleagues for doing the same work.

It is important to us to fill positions with men and women in a balanced ratio. With a share of 48%, nearly one employee in two was female in 2015 and 29% of our management positions were held by women. ista Germany has voluntarily committed to increasing the percentage of women in management positions at the first and second levels below the Management Board in the next few years. We help our employees with a wide range of offerings to achieve a good work-life balance – this applies equally to male and female employees. [To our measures, see sustainability report 2014, p. 40.](#)

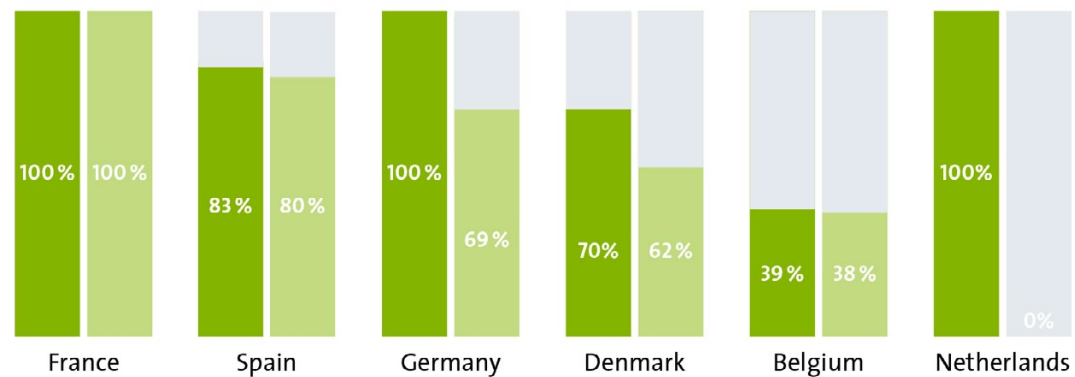
**RECOGNISING WORKERS' RIGHTS**

ista recognises the rights of workers to form trade unions, join them or conduct collective bargaining negotiations. The interests of our employees are represented by works councils in many countries. At present, we survey the percentage of employees covered by collective bargaining agreements in five of the 24 countries where we operate.



**PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS**

2015 Percentage of employees covered by collective bargaining agreements  
2014



# REALISING

# JOINT

# POTENTIAL

DIALOGUE

We are in constant dialogue with customers, politicians and society – for this is the only way we can satisfy their expectations and achieve joint goals. Our mission: through this dialogue, to find the best-possible approach to the consumption-based saving of resources and costs.



### UNDERSTANDING CUSTOMER NEEDS

Only if we know our customers' needs and wishes can we develop solutions which deliver significant added value – in terms of both costs and resource conservation. Always with the aim of achieving a sustainable improvement in the energy balance.

We seek to exchange views, particularly during visits of our sales representatives to our customers. But we also take part in trade fairs, congresses or conferences where we enter into active dialogue with customers and stakeholders. Furthermore, our customer care team is always available to our customers and their tenants to answer specific questions or take suggestions on board. Pilot projects, which we largely conduct in the German market, are a particularly good source of information to help us better understand customer and tenant needs. For example, the pilot project [“Saving Money through Clever Heating”](#) serves, among other things, to spread the word about monthly consumption information and to identify possible obstacles to the use of energy management.



### MEASURING SATISFACTION

We carry out an international customer survey once a year to systematically obtain feedback from our customers. It gives us first-hand information on how we can further optimise our processes, products and services. In 2015, we surveyed 2,739 customers in a total of 11 countries. The aim is, on the one hand, to obtain strategic recommendations for action to improve our products and services. On the other hand, the survey enables us to determine the Customer Retention Index (CRI). This is a key performance figure which, on the basis of five overarching questions, gives us information on how strong active and passive customer loyalty is and permits us to compare the results of the current year and the previous year. Changes are therefore obvious at a glance.

We achieved high customer satisfaction ratings overall in most countries – on a scale from 0 to 10, they were between 6.0 and 8.2. Feedback, particularly in the meter reading and billing segments, has been consistently positive for years, which encourages us to maintain our customer-focused strategy.



### PROTECTING DATA

As a service provider, we naturally store customer and tenant data. Such data are both personal information, such as addresses, and individual energy consumption figures. Therefore, we give high priority to data privacy. [Protecting customer data, see sustainability report 2014, p. 21.](#)

### SUPPORTING TRANSFORMATION

It is not just our customers but also politicians and society in particular who expect us to provide solutions for sustainable resource conservation. In a spirit of fairness, openness and respect, we are also in constant dialogue with them and help them to implement goals for greater climate protection, greater transparency and socially responsible housing.

Therefore, increasing energy efficiency is one of our key concerns. With the consumption-dependent metering and billing of energy and water, we offer a low-investment solution for saving energy in multi-family buildings and [increasingly also in commercial properties](#). In terms of the European Commission's strategy to implement the energy transition, for example the Heating and Cooling Strategy, we are committed to a holistic approach which includes consumers' consumption behaviour as an important component. ista also positions itself at events focusing on energy efficiency and climate protection. In 2015, we presented our products and services to customers, politicians and society at the [Climate Expo COP21](#) in Paris.

*In 2015, we surveyed 2,739 customers in a total of 11 countries. The aim is to obtain strategic recommendations for action to improve our products and services.*



### BEING TRANSPARENT

Our public affairs activities are subject to the strictest transparency and compliance rules. ista supports the “transparent politician” project and is entered in the transparency register of the European Commission. We never make donations to political parties.



### WORKING IN UNISON

Furthermore, we actively engage in association work in order to initiate an exchange of views and opinions with stakeholders in the industry and in particular at political level. It is important to us to discuss relevant topics critically with like-minded people, learn about different perspectives and examine issues from different angles.

For example, we play a very active role in the European Association for Energy Cost Allocation [E.V.V.E.](#), the industry’s interest group operating throughout Europe. In Germany, ista is also a member of the trade association, Arbeitsgemeinschaft Heiz- & Wasserkostenverteilung e.V. [\(ARGE\)](#) and is actively engaged in the energy efficiency initiative of the Federation of German Industries [\(BDI\)](#) and in the initiative of German energy efficiency businesses [\(DENEFF\)](#). We maintain dialogue at international level with real estate associations and work in various national interest groups and bodies.



### MAKING A CONTRIBUTION

We also make a contribution to the benefit of the environment and society above and beyond the scope of our core business. We support initiatives and organisations which resonate with our values and corporate objectives. Through our engagement in [“Initiativkreis Ruhr”](#), we support numerous projects in the area around the company’s head office. We therefore generate significant momentum for structural change in the Essen region and sustainably promote its economic and ecological image. As a member of the German network of engaged companies and non-profit intermediary organisations [\(UPJ\)](#) and the environmental initiative, Bundesdeutscher Arbeitskreis für Umweltbewusstes Management e.V. [\(B.A.U.M.\)](#), we also fight for the environment.



# GRI G4 CONTENT INDEX



The ista Sustainability Report 2015 has been prepared in accordance with the guidelines of the Global Reporting Initiative (GRI) and satisfies the „in-accordance“ option. The currently valid G4 guidelines have been applied.

GRI indicator	Page	External assurance	UNGC
<b>GENERAL STANDARD DISCLOSURES</b>			
<b>Strategy and Analysis</b>			
G4-1 Statement by the most senior decision-maker	4	No	1–10
<b>Organisational Profile</b>			
G4-3 Name of the organisation	ista International GmbH	No	
G4-4 Primary brands, products and services	5, 6, 21, 22	No	
G4-5 Location of the organisation's headquarters	Essen, Germany	No	
G4-6 Countries where the organisation has significant operations	6	No	
G4-7 Nature of legal form and ownership	7	No	
G4-8 Markets served	6	No	
G4-9 Scale of the organisation	7	No	
G4-10 Employees by employment contract, gender and region	7, 31, 32	No	6
G4-11 Percentage of total employees covered by collective bargaining agreements	34	No	1, 3
G4-12 Description of the organisation's supply chain	15	No	
G4-13 Significant changes during the reporting period	None	No	
G4-14 Implementation of the precautionary principle	4, 22, 24	No	7
G4-15 Support of external initiatives	4, 8, 13	No	1–10
G4-16 Memberships of associations and advocacy organisations	37	No	
<b>Identified Material Aspects and Boundaries</b>			
G4-17 List of all entities included in the organisation's consolidated financial statements	2, 7	No	
G4-18 Process for defining the report content	17, 18	No	
G4-19 All material aspects	19	No	
G4-20 Material aspects within the organisation	19	No	
G4-21 Material aspects outside the organisation	19	No	
G4-22 Restatements of information provided in previous reports	None	No	
G4-23 Significant changes in the scope and aspect boundaries	19	No	

GRI indicator	Page	External assurance	UNGC
<b>Stakeholder Engagement</b>			
G4-24 Stakeholder groups engaged by the organisation	15, 16, 17	No	1–10
G4-25 Identification and selection of stakeholders	15, 17	No	
G4-26 Organisation's approach to stakeholder engagement including frequency of engagement	15, 16, 17	No	
G4-27 Key topics and concerns of the stakeholders and the organisation's response	15, 16, 17, 18	No	1–10
<b>Report Profile</b>			
G4-28 Reporting period	2	No	
G4-29 Date of most recent previous report	June 2015	No	
G4-30 Reporting cycle	yearly	No	
G4-31 Contact point for questions regarding the report	42	No	
G4-32 The "in-accordance" option and the index selected	2	No	
G4-33 External assurance of the report	2	–	
<b>Governance</b>			
G4-34 Governance structure including committees of the highest governance body	7, 15	No	1–10
<b>Ethics and Integrity</b>			
G4-56 Values, principles and norms of behaviour	13	No	1–10
<b>SPECIFIC STANDARD DISCLOSURES</b>			
<b>Economic</b>			
Aspect: Economic Performance – Management approach	11	No	
EC-2 Financial implications, risks and opportunities of climate change	11 <i>No quantification of the financial impact of the climate change and the risk handling of opportunities or risks was made.</i>	No	7
<b>Environmental</b>			
Aspect: Materials – Management approach	24, 27	No	7, 8
G4-EN1 Materials used by weight or volume	27 <i>Materials refer to office sites. Here, paper is the most important input material.</i>	Ja, für den Papierverbrauch <a href="#">Link</a>	7, 8
G4-EN2 Percentage of materials used that are recycled input materials	27 <i>For the material under G4-EN1.</i>	Ja, für den Papierverbrauch <a href="#">Link</a>	7, 8
Aspect: Energy – Management approach	24	Nein	7, 8
G4-EN3 Energy consumption within the organisation	24, 25	Ja, für Strom, Wärme und Fahrzeuge <a href="#">Link</a>	7, 8
G4-EN5 Energy intensity	24	Ja <a href="#">Link</a>	8
Aspect: Water – Management approach	24	No	7, 8
G4-EN8 Total water withdrawal by source	28	Ja <a href="#">Link</a>	7, 8
Aspect: Emissions – Management approach	24, 27	No	7, 8

GRI indicator	Page	External assurance	UNGC
G4-EN15 Direct greenhouse gas emissions (Scope 1)	26 <i>Biogenic emissions are not material for ista.</i>	Ja, für Erdgas, Heizöl und Dienstwagenflotte <a href="#">↗ Link</a>	7, 8
G4-EN16 Energy indirect greenhouse gas emissions (Scope 2)	26	Ja, für Stromverbrauch, Fernwärme und -kälte <a href="#">↗ Link</a>	7, 8
G4-EN17 Other indirect greenhouse gas emissions (Scope 3)	26 <i>Biogenic emissions are not material for ista.</i>	Ja, für Mietwagen, Privatfahrzeuge, Flugreisen, Zugreisen und Papierverbrauch <a href="#">↗ Link</a>	7, 8
G4-EN19 Reduction of greenhouse gas emissions	26	Nein	8
Aspect: Products and services – Management approach	21, 22	Nein	7–9
G4-EN27 Mitigation of environmental impacts of products and services	22 <i>No quantification of action.</i>	Nein	7–9
Aspect: Transport – Management approach	24, 27	Nein	8
G4-EN30 Significant environmental impacts of transporting products	25, 26, 27	Nein	8
<b>Labour Practices and Decent Work</b>			
Aspect: Employment – Management approach	10, 11, 30, 32	Nein	6
G4-LA1 New employee hires and employee turnover	32 <i>No breakdown of recruitments and employee turnover by age group, gender and region; no percentages given.</i>	Nein	6
Aspect: Training and education – Management approach	30, 32	Nein	
G4-LA9 Average number of hours of training	32 <i>No breakdown by gender and category.</i>	Nein	
G4-LA10 Programmes that support the continued employability of employees	32 <i>ista offers no transition assistance programmes.</i>	Nein	
G4-LA11 Percentage of employees receiving regular performance and career development reviews	33 <i>Percentage was not recorded.</i>	Nein	
Aspect: Diversity and equal opportunity – Management approach	30, 34	Nein	6
G4-LA12 Composition of governance bodies and breakdown of employees according to indicators of diversity	34 <i>No breakdown by age group of management and minorities; no percentages.</i>	Nein	6
Aspect: Equal remuneration for women and men – Management approach	30, 34	Nein	1, 6
G4-LA13 Ratio of the basic salary and remuneration of women to men	34 <i>Ratio not determined as remuneration does not depend on gender.</i>	Nein	1, 6
<b>Human Rights</b>			
Aspect: Non-discrimination – Management approach	30, 34	Nein	1, 2, 6
G4-HR3 Incidents of discrimination and corrective action taken	No known incidents	Nein	1, 2, 6
Aspect: Freedom of association and collective bargaining – Management approach	34	Nein	1–3
G4-HR4 Operations and suppliers in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk and measures taken to support these rights	<i>No cases of violation; no description of action</i>	Nein	1–3



GRI indicator	Page	External assurance	UNGC
Aspect: Child labour – Management approach	13, 15	Nein	1, 2, 4
G4-HR5 Operations and suppliers identified as having significant risk for incidents of child labour and measures taken	<i>No operation have significant risk; no description of action</i>	Nein	1, 2, 4
Aspect: Forced or compulsory labour – Management approach	13, 15	Nein	1, 2, 5
G4-HR6 Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour and measures taken	<i>No operation have significant risk; no description of action</i>	Nein	1, 2, 5
<b>Society</b>			
Aspect: Anti-corruption – Management approach	13	Nein	10
G4-SO4 Communication and training on anti-corruption policies and procedures	13 <i>No percentages; no further breakdown by region, type of business partner, governance body members and employee category</i>	Nein	10
<b>Politics – Management approach</b>			
G4-SO6 Total value of political contributions	37	Nein	10
<b>Product Responsibility</b>			
Aspect: Customer health and safety – Management approach	22	Nein	
G4-PR2 Incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services	No incidents of none-compliance	Nein	
Aspect: Product and service labelling – Management approach	36	Nein	
G4-PR4 Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling	No incidents of none-compliance	Nein	
G4-PR5 Results of customer satisfaction surveys	36	Nein	
Aspect: Protection of customer privacy – Management approach	36	Nein	
G4-PR8 Substantiated complaints concerning breaches of customer privacy	No complaints	Nein	



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