



# Ness Technologies

**Services and Solutions ..... *Responsibly!***

**Our third Communication on Progress  
for the  
United Nations Global Compact  
covering our activities in 2011 and early 2012**





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## Ness Business Profile

**Ness Technologies is a leading global provider of Information Technology and business services and solutions with specialized expertise in software product engineering, system integration, application development and software distribution.**

Ness delivers its portfolio of services and solutions using a global delivery model combining offshore, near-shore and local teams, providing services to over 500 clients, using a highly skilled workforce of experienced IT employees and consulting professionals across several markets. Ness serves customers in a range of sectors including high-tech companies and software vendors, utilities providers, government departments, financial services, defense and homeland security, life sciences and healthcare.



Ness maintains a global presence with offices and delivery facilities in Czech Republic, Germany, Hungary, India, Israel, Romania, Slovakia, Switzerland, UK, U.S. and Canada,. Ness employs over 7,000 experienced information technology and consulting professionals, combining knowledge of its key markets and client businesses with technical expertise to deliver tailored solutions to clients, under rigorous regulatory requirements. Ness maintains strategic partnerships with leading global software and infrastructure vendors, capitalizing on a wide array of technologies and innovation.

In 2011, an affiliate of Citi Venture Capital International (CVCI), a global private equity investment fund, acquired Ness Technologies, Inc. in an all-cash transaction valued at approximately \$307 million. Following internal restructuring, all the former Ness Technologies Inc. group is now held by Ness Technologies S.ar.L., a Luxembourg company.

CVCI is a leader in global emerging markets private equity investing, and manages over \$7 billion in equity investments and committed capital. CVCI has an internationally integrated investment team with over 45 professionals worldwide with a local presence in Singapore, Mumbai, New Delhi, Hong Kong, London, New York and Santiago. CVCI is part of Citi Capital Advisors. Citi Capital Advisors is a global alternative asset management platform that offers a broad range of innovative strategies and products to select institutional and ultra-high-net-worth investors.

Ness's principal executive office in Israel remains in Tel Aviv, Israel. The Ness global executive staff team is based in in Israel and in India, Europe and the United States.

See more at [www.ness.com](http://www.ness.com)

### Ness worldwide



Over 500 diversified clients worldwide

- Please delete Holly Ripley-Boyd

#### High-Tech, ISVs & others



#### Defense & Homeland Security



#### Life Sciences & Healthcare



#### Public & Utilities



#### Financial Services



#### Other



## Ness Leadership



**Ofer Segev**  
President, Chief Executive Officer and Director  
Acting Chief Financial Officer

**Jo Lagioia**  
President, Ness SES

**Effi Kotek**  
President,  
Ness Israel



**Milan Sameš**  
President,  
Ness CEE

**Satyajit Bandyopadhyay**  
CDO, Ness SES and  
President, Ness India



**Michael Zinderman**  
President, Technologies &  
Systems Group (TSG)

**Ilan Rotem**  
Chief Legal Officer and  
Secretary



**Drew Wright**  
Senior Vice President,  
Global Leadership  
Governance

## Ness Business Vision and Values

### Vision

Ness aspires to become a leading global IT solutions provider with emphasis on quality, professionalism, reliability and technological innovation.



### Values

Ness values are clearly articulated and published to all employees in Ness Employee Handbooks and on the Company's intranet site. They are presented as a set of values that guide employees in how to operate in everyday life at work. The Ness values are:

- **Partnership** - with our employees, customers and partners. Relationships based on mutual respect and consideration. This type of partnership extends beyond specific needs or goals.
- **Teamwork** - cooperation towards a mutual goal. The whole is greater than the sum of its parts.
- **Excellence** - ambition to always perform above the standard, constantly raising the benchmark.
- **Innovation** - a bold, creative and original adaptation of the obvious, being open to change.

The guiding principle behind these four values is the **Must Win-Win Spirit**. In every situation, we constantly examine how to act to reach our goal, while considering the needs and aspirations of others, in order to achieve **Win-Win** for all our stakeholders.

Our **Win-Win** spirit is based on adherence to the values of honesty, integrity and responsible business practices around the world for the benefit of our business, our society and our environment. At Ness, we believe that **Win-Win** can be achieved only through consideration of all these aspects.

## Commitment from the CEO



2011 has been another exciting and challenging year for Ness Technologies, in which we completed a major restructure of our global operations, streamlining our organization and refocusing our efforts in a fluctuating market. Also, in this year, the ownership of Ness Technologies changed, making Ness Technologies a privately-owned company, no longer traded on public stock exchanges. Nonetheless, our commitment to excellence and to a business driven by values and a sense of responsibility did not change, and we therefore uphold our commitment to responsible business and reporting on progress to the UN Global Compact with this, our third Communication on Progress.

We remain committed to upholding and promoting the principles of the United Nations Global Compact and the wider Millennium Goals, and to aligning our operations accordingly. We see the participation in the UN Global Compact as a platform which assists us in defining how we maintain and develop our responsible business practices at Ness in all the countries in which we operate and also a way to align ourselves with the expectations of society and our stakeholders – customers, suppliers, business partners and employees.

As Ness Technologies' President and CEO, I confirm our unreserved support for the Global Compact Principles and our intention to uphold these principles in all that we do, promote the principles to raise awareness and further commitment by those with whom we interact and submit an annual Communication on Progress in accordance with the Global Compact guidelines.

Sincerely,

Ofer Segev  
President and CEO  
September 2012



## HUMAN RIGHTS and COMMUNITY EMPOWERMENT

### Principle 1

**Businesses should support and respect the protection of internationally proclaimed human rights.**

### Principle 2:

**Businesses should make sure that they are not complicit in human rights abuses.**

## Our Approach to Human Rights

### Principle 1

Ness Technologies is firmly committed to upholding human rights in all aspects of its business. We believe in the value of all individuals and their right to respect and all other basic human rights contained in the Universal Declaration of Human Rights. We conduct our business all over the globe in a manner which promotes trust, respect, dignity and valuing each individual, while making maximum efforts to ensure human rights are upheld in every activity of our business.

## Our Approach to Empowering Communities

### Principle 1

Worldwide, Ness sees the key theme of its community empowerment program in the development of children and youth through education and technology.

As with many of Ness's global activities, global commitment is backed up by local action. In all Ness locations around the world, Ness employees donate time, energy, money, services and equipment to support and empower the communities in which Ness works and thrives. We believe in maintaining close connections with the local community and therefore, each Ness country unit around the world elects to support the community issues that are most relevant to local



communities. All individual Ness subsidiaries decide for themselves how this should be implemented at local level, and which non-profit causes they would like to support.

In 2011, Ness employees donated nearly 4,000 hours in volunteering activities.

### Examples of Practice: Community Involvement

The following pages show the significant breadth and scope of local action in support of Ness global and local communities.



### GLOBAL CSR MONTH



In June 2011, for the first time, Ness launched a Global CSR Month, in order to build momentum for a world-wide effort to support our local communities around the world. Over 70 separate activities took place during CSR month. The month had three stated goals:

- Encourage a wide-ranging focused community effort by Ness employees around the world during a specific time-frame.
- Facilitate regional activities and optimize local resources in a way which is relevant for local culture and needs.
- Convey a sense of mutual engagement and offer all employees a joint experience that transcends geographical borders and creates a sense of sharing, caring and accountability within the workplace.

Coordination of the Global CSR Month was led at global level, supported by regional and country focal points to ensure coverage throughout the entire Ness world. Individuals were able to select activities that matched their personal preference, while team activities were encouraged, with the added value of building a sense of joint commitment and team working skills for Ness employees. Managers were encouraged to engage personally and show example, while enabling support and flexibility for the participation of their employees.



The CSR Month included a selection of activities in the three pillars of the Ness CSR approach - some examples of the proposed activities can be seen in the table below:

Community	Environment	Workplace
<ul style="list-style-type: none"> <li>• Car boot sales with proceeds to purchase computers for children or elderly</li> <li>• Food drives</li> <li>• Providing computer lessons for children</li> <li>• Assistance at local community centers or animal shelters</li> <li>• Visits to hospitals, orphanages, Old Age homes or "safe houses" for children</li> <li>• Sorting and repairing donated goods</li> <li>• Bike rides with physically challenged people</li> <li>• Refurbishing schools</li> <li>• Blood donor drives</li> </ul>	<ul style="list-style-type: none"> <li>• Cleaning beaches, river banks, parks and other communal areas in cities</li> <li>• Adopting a community, street or playground</li> <li>• Collection of cans, bottles, batteries, packaging etc. for recycling</li> <li>• Setting up a Green Team</li> <li>• Helping out in Community Gardens project</li> <li>• Cleaning up cigarette butts litter</li> <li>• Best recycling poster design competition</li> </ul>	<ul style="list-style-type: none"> <li>• Healthy eating plans for employees</li> <li>• Developing a diversity policy for recruitment</li> <li>• Supporting colleagues in need</li> </ul>

Many of the CSR Month activities built on already-established local platforms for community engagement and some created new platforms for on-going activities in each local area.

Examples of the specific activities which took place around the globe are described later in this report, listed by country.

**Employee Volunteering – 2011**

Overall in 2011, including CSR Month, 1,183 Ness employees volunteered in social and environmental causes in the community, representing **17%** of our global workforce. These employees invested almost 4,000 hours.

(**N.B.** These are figures collected from Ness's largest local operations and do not reflect activities in other locations. In some cases, complete records are not maintained, so we believe these numbers are higher in reality.)



## GLOBAL CSR CHAMPIONS



In 2011, Ness launched the Global CSR Champion award to recognize strong community commitment and contribution. Two Champions were selected and invited to attend the Ness 2011 Annual Global Summit.

The Annual Global Summit is an annual event in which 70 senior managers gather for three days of organizational and business discussions. For the first time, awards were presented not only for business excellence, but also for advancing Ness in the area of CSR. Two CSR Champions were invited to join the Annual Global Summit and were honored with awards. Spouses were also invited to join the Award Ceremony at the Gala Dinner.



Kushal Teja Pulijala, Ness India, has served as the backbone of Hyderabad's Corporate Social Responsibility (CSR) initiatives and displayed his spirit of giving back to the community with great enthusiasm. Stepping forward to initiate, organize and implement CSR activities, Kushal has inspired many volunteers to join the cause and make a difference. Kushal says: *"It's the smiles - the fact that we can light up children's faces with smiles is a strong motivational point for me. We are also equipped with a powerful support from Ness to help the helpless and make lives better around us and that is another reason that drives me to volunteer. It brings me peace and the satisfaction that I have contributed my time and effort in making this world a little better for someone."*



Yaniv Vaknin, Ness Israel, has been living his philosophy of giving back to the community to benefit the less fortunate and differently-abled people. Spreading happiness and giving strength to those who need it, Yaniv has been actively involved with various social programs that aim to make the world a better place for everyone. Yaniv says: *"I went through very tough experiences in life and I also saw some very hard situations. I understood that one should be thankful for what he has and share what he has with others. It is the happiness of others that makes me happy."*



## NESS INDIA Adopting Schools



Ness India has made long term commitments to supporting the rights of children to a full and wholesome education, through partnering with government schools located in areas where Ness maintains operations in India. Ness's on-going contribution to three schools includes assistance with providing improved infrastructure for educational needs, basic hygiene, teaching assistance and more, through cash donations, fund-raising campaigns and joint activities with employee volunteers. The three schools which Ness India partners are:

- Dodabelle Government School in Bangalore
- Mandal Parishad Primary School in Hyderabad
- Pratiksha Nagar BMC School in Mumbai

### Supporting Education in Dodabelle Government School in Bangalore

- **Summer Camp:** In April 2011, Ness India partnered with the NGO Peace Child to organize a two week summer camp to engage children in constructive learning activities including clay modeling, puppet making, dance, theatre, football and analytics. This camp is more than simply education: it provides an option to help discourage parents from sending children to temporary labor during their vacations.
- **School Library:** The Ness India team established a library in Dodabelle School with a range of over 300 reference and fiction books donated by Ness employees.
- **Gift of Education Program:** A Gift of Education Program, an employee education sponsorship program, was launched in 2011, 151 Nessians collectively contributed and Ness India matched their contributions, delivering over \$6,000 for supporting schoolchildren's education. In addition, Ness donated school notebooks to all the students for the academic year 2011.
- **English Language Training:** The Ness team organized English Speaking classes for the teachers of Dodabelle School in association with British Academy for English Language (BAFEL). The objective of this 3 week intensive course was to help the teachers build their teaching skills in English.
- **Voluntary Teaching Program:** A program was launched in which Ness employees volunteered to teach English language to the Dodabelle School children every Saturday during a period of three months.
- **Setting-up a Computer Lab:** The Ness Sense team set-up Dodabelle School's first Computer Lab. Three computers were donated by Ness in order to support all-round academic development of the students. The computers aid the students from 5th to 7th grade to gain computer literacy.
- **Vaccination Camp:** The Ness Sense team organized a free Vaccination Camp for children of Dodabelle School. Children from 4th to 7th grade received a Typhoid Vaccination.



**Dodabelle School's first Computer Lab**



**Free Vaccination Camp for children of Dodabelle School**



**Summer Camp for children of Dodabelle School**



### Supporting Education in Mandal Parishad Primary School in Hyderabad

- **Gift of Education Program:** Ness colleagues in Hyderabad contributed generously to supporting children's education.
- **Children's Day Celebration:** The Ness Sense Team at Hyderabad celebrated Children's Day with the distribution of plates and mugs along with a stationery kit to the children of Mandal Parishad Primary School.



Distribution of plates and mugs to the children of Mandal Parishad Primary School

### Supporting education in Pratiksha Nagar BMC School in Mumbai

- **English Teaching Program:** The Ness Sense team partnered with CHIP Foundation to initiate English Language classes. Ness employees volunteered to become teachers.
- **Grooming Kit Collection Drive:** The grooming kits, including soap, combs, toothpaste, brushes, handkerchiefs etc. were specially developed and Ness employees held a workshop on Basic Hygiene and distributed the Grooming Kits to the Pratiksha Nagar School Children.



Ness Volunteer Teachers in Mumbai



## NESS U.S. Orphans, Food and Helping People



Ness U.S. has been active in a range of programs throughout 2011. These include:

- **Supporting the HOPE mission:** Ness employees collected enough cereal to feed close to 200 families for 2 months. These are families helped by the HOPE (Helping Other People Everywhere) Mission in Wheeling, WV.
- **Volunteering at the American Red Cross:** Ness employees spent a day in orientation training and donating blood at the American Red Cross - San Jose Regional office. The Ness team continues to volunteer at the center, checking in and registering blood donors and helping to make donors feel comfortable.
- **Center for Food Action in New Jersey (CFA):** Ness Teaneck and Ness Boston employees donated \$500, matched by Ness to make a total \$1,000, to purchase turkeys for Thanksgiving. Ness volunteers spent 4 hours sorting and assembling gift baskets for the Center for Food Action in New Jersey (CFA), whose mission is to prevent hunger and homelessness and improving the lives of individuals and families living in poverty. Over 3,800 food baskets are distributed each Thanksgiving.
- **An Orphanage in Honduras:** Ness employees provided a range of gifts, educational materials and personal hygiene items to children to support children from broken or disadvantaged homes. Ness also purchased one month of food for the children in the orphanage.



Providing cereals for the HOPE Mission



## NESS SLOVAKIA (KOŠICE) Award-Winning Programs



The Ness KDC team in Košice, Slovakia also had an active community year in 2011, which included acknowledgment from the Pontis Foundation.

### Award for Employee Engagement in Volunteer Activities

In April 2011, the Pontis Foundation held its twelfth annual Via Bona Slovakia Awards Campaign with the aim of expressing public recognition for companies and entrepreneurs who advance corporate social responsibility and corporate philanthropy in Slovakia.

The Pontis Foundation declared Ness KDC as a newcomer and a "big discovery" of the year. Out of 82 nominees for the 2011 Via Bona Slovakia Awards, NESS KDC received two awards. One was the Award for Responsible Approach to Employees in recognition of the Ness Summer Club project (see below – section on Responsible Workplace). The second was an Award for Employee Engagement in Volunteer Activities in recognition for our support for the Homeless shelter "Oaza".



"I am very pleased that our activities in the sphere of Corporate Social Responsibility were recognized at the highest level in our country. NESS KDC has joined a new league. It gives us motivation to continue - it is our „Via Bona“. My deepest gratitude goes to all employees who took part in our accomplishments." **Marek Antal, CEO NESS KDC**



- **OAZA Shelter for Homeless People:** In 2011, Ness KDC entered into cooperation with OAZA, a shelter for homeless people to provide hope for new life. NESS KDC employees organized a raffle towards the purchase of a new radiator for the shelter, collecting almost \$2,000. In addition, Ness employees prepared Christmas gifts for 70 homeless people, which they had requested in advance, and sent the gifts with personal messages of support from Ness employees. We also contributed to the creation of an initiative which provides homeless people with opportunity to find work. Ness employees created a special website to support this initiative: [www.lacnavypomoc.sk](http://www.lacnavypomoc.sk)
- **Košice Peace Marathon:** Each year we join forces with our colleagues from NESS Czech and NESS Slovakia (Bratislava) and spend one day in Košice by participating in the Košice Peace Marathon. This sport event stands in Europe TOP 10 due to its history and sport results. All our colleagues completed their categories and also participated in Marathon in Prague.
- **Scholarship program for IT Students:** Ness's IT TALENT Program is targeted at gifted, ambitious and active university students of Information Technology studies, offering a unique opportunity for young people from disadvantaged backgrounds to receive financial and in-kind support. The purpose of the IT TALENT Program is to create opportunities for people from Eastern Slovakia, educate young professionals who will take part in the development of Eastern Slovakia and support promising initiatives to help students embark on a successful career. In the academic year 2011/ 2012, the Ness IT TALENT Program supported 3 students.



Ness Christmas Tree of Gifts for Kosice Children



Ness KDC Donation to OAZA



## NESS CZECH Endowment Fund



**The Endowment Fund Heart in Hand:** Ness Czech partners with the Endowment Fund "Heart in Hand" and engages in providing support for children from the orphanage in Cerna Voda. This support includes a range of activities throughout the year, including donations of clothes, toys and sport equipment, skiing with children, an Easter market in Ness offices, a Charity Golf tournament, a children's weekend, summer job activities for children in Prague, a sports weekend, a Christmas Charity concert and more. This ongoing relationship benefits the orphanages and is a regular commitment by Ness Czech employees.

**Activities with the Volunteers Centre Lekorice:** Lekorice cooperates with the Thomayer Hospital in Prague which is one of the largest medical facilities in the Czech Republic. Ness volunteers participated in the Nicolas event in December in the hospital, wearing fancy dress and visiting patients to spend time with them and give them small Christmas gifts. Ness Czech also donated a new printer and equipment to Lekorice.



Enjoying time with the children of Cerna Voda orphanage



Nessians in fancy dress at the Volunteers Centre Lekorice



## NESS ISRAEL Advancing Technological Education



At Ness Israel, two flagship community programs were progressed in 2011:

**Taasiyeda:** This is a program advanced by the Manufacturers' Association in Israel which aims to advance youth interest and capability in technology and innovation. The program includes an entrepreneurship competition for high-school children. Ness sponsored two teams in the academic year 2010-2012 and continued to provide support in the following year. Ness's sponsorship includes supporting the project with Ness employees who volunteer their time to work with the teams, providing guidance, information and access to resources. The hope is that these young entrepreneurs will eventually be motivated to become leaders in innovation in Israeli industry.



In 2011, one of the groups that Ness supported developed the winning idea, out of a total of 20 competing teams. Their product, called HANDY PARK, is a solution to enable rapid and efficient detection of illegal parking in spaces reserved for the disabled, thereby releasing municipality resources required for physical inspection of local parking in the city. The solution uses new detection technology by cameras that process real-time information about parked cars and automatically issues fines to offenders. This solution was so impressive that the Tel Aviv Municipality is currently considering installing Handy Park in the city's parking areas.



The Taasiyeda Competition

**Ort:** Ness Israel continues to advance its five year partnership with the ORT Israel school network, supporting schoolchildren that would be unlikely to complete their matriculation exams. Ness supports three schools with course materials and resources, and employee volunteers who support the pupils through their studies. So far, the outcome is that Ness's support has contributed to a higher level of pupils completing examinations and getting a better chance of a university education in the future. One program which has been running since 2006 is a PC Technician Certification as an initial, highly needed, vocational career route for pupils that are able to progress but are not able to consider a university education in the near future. From 2011, this course has become an official part of the school curriculum and not simply an enrichment course, and counts as an option in matriculation examinations. The ORT network is a network of comprehensive schools, specializing in high-tech and science, operating throughout Israel, especially in peripheral regions.



**ORT Technology Education**

In addition, Ness Israel advances several additional community programs:

- **A Different Lesson:** This is a non-profit organization which has created an innovative volunteering platform that offers professionals a way to make a meaningful contribution by teaching "different lessons" in their own fields of expertise to school pupils. As guest teachers, volunteer professionals offer a fresh and inspirational encounter with the children and bring real-life experience and professional knowledge to the classroom. Ness volunteers continue to support this organization by volunteering as guest lecturers around the country.
- **Clubs for Children-At-Risk:** Ness employees continue to support two clubs for children between the ages of six and eleven, who come from broken homes. The "Reut" and "Eyal" Clubs provide lunch for schoolchildren and organize different social activities. Ness employees visit the schoolchildren for special events and holidays and take part in arts and crafts and other activities. The schoolchildren also visit the Ness offices where Ness employees help them with their studies and homework.
- **Bridge to the Youth:** This organization was founded in 2002 with the goal of helping youth growing up in dangerous or stressful environments. The organization runs a home for youth-at-risk in Tel Aviv, providing a range of support services and life-skills for the young people. Ness has participated by running life-skills workshops and offering courses to help prepare the youth for army reserve duty and looking for work.





## Our Approach to an Ethical Supply Chain

### Principle 2

In addition to our requirement to observe all laws and regulations relating to upholding human rights, and our own Code of Business Conduct, we attempt to advance the principle of non-complicity by working with our suppliers to increase awareness of socially responsible practices. During 2011, Ness made significant progress through its Global Purchasing Operations to ensure that suppliers in our supply chain understand, accept and advance the principles of corporate social and environmental responsibility. As supply chains become more complex, we see the need to ensure we are not complicit in aspects of human rights abuses through our suppliers.

During 2011, we have progressed in three ways:

- We have developed a specific contract clause which is now included in all supplier contracts, which advises suppliers of our ethical standards and requires them to confirm their agreement to adhering to these standards in all their dealings with Ness.
- We have developed a pilot program with a group of Top Tier suppliers, designed to go beyond a confirmation of approach, toward collecting information about key supplier practices and impacts in the area of social and environmental responsibility. To date, several suppliers in our pilot program have responded. We intend to review their inputs and work with these suppliers to explore new ways of collaboration to improve our joint impacts.
- We have started to analyze our local purchases with a view to purchasing products which are more environmentally friendly, wherever possible.

## Our Approach – Partnerships and External Affiliations

### Principle 2

We believe it that businesses should work together to improve collective social and environmental impacts. This is why we decided to participate in the United Nations Global Compact. In addition, we also participate in a local Israel CSR ranking.

## Examples of Practice – Partnerships and Affiliations



### NESS ISRAEL CSR Ranking



In addition to transparently promoting Ness's commitment to the UN Global Compact, and ensuring that all suppliers and business partners understand Ness's approach to doing business, Ness also participates in a third party assessment of Ness's responsible practices.

#### Participating in the Maala Ranking for Social Responsibility in Israel



Ness demonstrates its commitment to Corporate Social and Environmental Responsibility by participating in the annual Maala Ranking in Israel. Maala is a non-profit organization promoting Corporate Social Responsibility in Israel which produces an annual ranking based on self-declared performance of traded companies against a detailed questionnaire in five areas: ethics, responsible workplace, community investment, governance and environmental protection. Approximately 70 companies participate in the ranking which grades companies according to Platinum, Gold or Silver levels. Ness Israel has participated in this ranking for the past five years, and has improved its position from Silver Rank in 2008 to Gold Rank in 2009 and the highest Platinum rank in 2011.

Ness also supports Maala by paying annual membership fees to support work to advance corporate responsibility.

For further details, please visit the Maala website: [www.maala.org.il](http://www.maala.org.il)



**LABOR STANDARDS and RESPONSIBLE WORKPLACE**

**Principle 3:**  
**Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.**

**Principle 4:**  
**Businesses should uphold the elimination of all forms of forced and compulsory labor.**

**Principle 5:**  
**Businesses should uphold the effective abolition of child labor.**

**Principle 6:**  
**Businesses should uphold the elimination of discrimination in respect of employment and occupation.**

**Our Global Workforce**

Ness employs 7,093 people around the world, in the following locations, as at December 2011:

Location	Number of employees 2008	Number of employees 2009	Number of employees 2010	Number of employees 2011
India	2,840	2,885	3,060	2,893
Israel	2,710	2,475	2,750	2,681
Europe	1,930	1,570	1,436	1,112
North America	580	495	525	351
Asia Pacific	365	410	35	56
<b>Total</b>	<b>8,425</b>	<b>7,835</b>	<b>7,806</b>	<b>7,093</b>



## Our Approach to Employee Rights

Principles 3, 4 5

We observe all laws and regulations on all aspects of employment and employee rights all over the world. In many cases, we go beyond minimum rights, aspiring to provide a caring and nurturing workplace, in which employees can feel confident and valued, fairly compensated and have options for personal development and growth.

**Freedom of Association:** Ness Technologies complies with all regulations and legal requirements regarding the right of employees to form or join a representative association. In practice, Ness employees are employed on personal employment contracts. In the workplace, Ness encourages open dialogue and discussion on all matters of employment terms and conditions amongst employees and all matters are promptly addressed by Human Resources Managers or other Managers in the different departments. We believe this contributes to creating an environment of responsibility and common understanding of the needs of employees and their wellbeing at work.

**Forced Labor:** Ness Technologies forbids the use of forced labor in any form. All employees are free to select Ness as their employer and are offered an employment contract which they sign at the start of their employment with the company. This contract details all the specific terms and conditions of employment to which the Company commits and the employee freely agrees.

**Child Labor:** Ness Technologies forbids the use of child labor in any form. We are aware that international labor conventions define the minimum age for employment in developed countries as age 15, unless alternative local legislation exists. Ness complies with all local legislation in all operating countries relating to child labor, and confirms that there are no children under age 15 employed by Ness anywhere in the world.

**Employee Privacy:** Ness supports the right of all its employees to privacy and maintains strict control of all personal information held in employee personnel files. No personal information is recorded in personnel files which employees are unaware of. There has been no known breach of policy relating to employee information.



## Examples of Practice – Upholding Employee Rights

### Principle 3



### **NESS INDIA** **Employee Support and Information**



In Ness India, we organize an annual Policy Week, in which employees have the opportunity to ensure they understand all the company policies and legal rights that are relevant to their employment with Ness. In addition to the open opportunity for employees to ask questions and clarify their rights, the Policy Week increases awareness and ensures that employees do not overlook anything of significance.

In addition to the Policy Week, we believe that employees have the right to be informed about the company's progress and all current events and issues. We do this through CEO quarterly calls, newsletters, intranet, meetings and more. With respect to career growth, employees have the right to conduct a one-to-one career development meeting with their immediate Manager, to receive feedback and updates on their progress at Ness Technologies, to conduct meetings with their Manager's Manager, to receive feedback on their team or project, and stay updated on their progress.



### **NESS SLOVAKIA (KOŠICE)** **Labor Standards**



The Slovak Labor Code is very strict and prohibits any discrimination in race and ethnic origin, disabilities, sexual orientation, age, religion or belief. Each employee signs a job contract which contains all information required by the Slovak Labor Code, supported by internal policies, and all employees receive training on this subject in their induction program.

## Our Approach to Health and Safety in the Workplace

### Principle 6

Ness is committed to upholding the rights of all employees and visitors to Ness operations to a healthy and safe working environment. All Ness operations around the world have policies, practices and processes in place to ensure compliance to all laws, regulations and accepted industry standards in our respective countries of operations. In many cases, local Ness country units adopt additional policies, practices and training programs, beyond compliance, and spare no cost or effort to ensure that Ness employees can be confident that their working environment is a safe and healthy place to work. In most cases, new employees receive an Employee Handbook in which safety regulations are detailed. In induction programs, employees receive more detailed training. In the larger Ness locations, additional employee training is conducted in matters of health and safety.

Safety programs typically cover all basic safe working practices and building specifications including air, lighting, hygiene and ergonomics, workplace violence and anti-harassment policies, fire procedures and emergency exits etc. In some cases, safe driving training is provided. Almost all Ness subsidiaries provide support for employee health programs and medical benefits as part of their employment terms. There were no serious accidents in which Ness employees were injured or harmed anywhere in the world in the Ness workplace in 2011.

## Examples of Practice: Health and Safety at Work

### Principle 6



### **NESS SLOVAKIA (KOŠICE)** **Health and Safety at work**



Part of Induction Training for newcomers is training about Health and Safety at work. Training is delivered by an experienced external Health and Safety specialist. Training is supported by internal documentation about health and safety.

In 2010 and 2011, an internal health audit (performed by an external company) was conducted in Ness KDC, and employees completed questionnaires about health conditions related to work, including working conditions, facilities for personal hygiene, maintenance of premises and organization of first aid facilities, an analysis of the impact of electromagnetic radiation on employees and data relating to workload and burden of eye-related stress for employees. The results were positive and no major irregularities were found, though opportunities for improvement were identified. Actions that were undertaken include: regular medical examinations of employees at least once every three years, funded by Ness, and updates of internal health-related documentation.

## Our Approach to Diversity and Inclusion

### Principle 6

Ness Technologies upholds a strict global approach to equal opportunity, diversity and inclusion which is reinforced in our Code of Business Conduct. All employees, whatever their background, race, nationality, gender, color and all other indicators of diversity are welcome to join Ness and enjoy the same opportunities as all other employees. We make reasonable efforts to ensure that our recruitment process encourages a diverse selection of candidates. Throughout the world, Ness employs people of over 60 nationalities, and we celebrate the different backgrounds, perspectives and capabilities they bring to the business. Terms and conditions of employment, including salary and remuneration, are applied equally for all employees based on performance and potential.

At Ness, we employ people from very different backgrounds, regions and cultures. We ensure that important festivals of all religions and regions are acknowledged, respected and celebrated.



### GLOBAL EQUAL OPPORTUNITIES POLICY



In 2011, as a further commitment to providing clear frameworks and management structures to ensure we act on our commitment to equal opportunity, Ness collaborated with the Equal Employment Opportunities Commission (EEOC) in Israel in order to develop a new global Equal Opportunities Policy for Ness's worldwide operations. The process consisted of several discussions with EEOC experts from Europe, which led to the development of a proposed global policy, which covers all aspects of employment including recruitment and career development processes. Further dialogue and feedback was conducted at the Ness Global Human Resources Managers' conference in 2011, followed by round table discussions in local countries with local management. An updated policy was prepared and will be considered for roll-out in Ness as part of future diversity and inclusion programs.



### NESS SLOVAKIA (KOŠICE) Diversity and Inclusion



Ness Kosice strives to increase diversity in the workplace. In 2011, 3 employees from different countries (Algeria, Hungary and India) were welcomed as were six disabled employees. 24% of all employees are women and 33% of managers are women.

## Examples of Practice - Women at Ness

### Principle 6

**Women make up 29.8% of our total workforce**

**Women make up 19.6% of our management**

**Women represented 19.4% of our total new recruits in 2011**

**Women represented 49.7% of our internal promotions in 2011**

NB: These percentages are based on figures for Ness's main global locations, covering 94% of the global workforce

## Examples of Practice – Opportunities for Women

### Principle 6



### NESS ISRAEL WomenNess



In 2011, a WomenNess Forum was established in Israel with the purpose of significantly augmenting the number of women in management positions in Ness in Israel (directors and above). In 2011, 30% of management positions were held by women, and women represented 40% of the total workforce in Israel. The challenge, in addition to increasing the overall numbers of women in the workforce, was identified as supporting the progression of women to the highest levels of management. After assembling a Forum of senior women and conducting a series of intensive workshops, potential blockers to progression were established and reviewed. The intention is to work through these issues in order to free up routes for women to progress to senior roles and provide women with the support they need on a personal and professional level.

A work plan for 2012 was created in which women are encouraged to actively pursue open senior positions, receive mentoring, meet regularly as a forum and attend workshops to assist in achieving higher levels of personal empowerment. In addition, all Ness Business Unit Managers and HR Managers are provided with training in gender equality and urged to support the process. A set of KPI's was established to measure progress during 2012.



## NESS INDIA Employee Support and Information



"The Ness Woman - A Women's Forum", an initiative launched in 2010 to strengthen and support the role of women employees at Ness continued during 2011 to support Ness women in personal development and other work-life balance needs. In 2011, the Forum celebrated Women's Week with a string of activities: an exclusive panel discussion where 7 panelists talked about women charting their own destiny; personal counseling sessions with qualified counselors where Ness women sought professional advice on personal issues; a workshop on Emotional Quotient, Assertiveness and Self-awareness; a special session on Tibetan yoga and a 'Words of Wellness' program for women employees by a respected oncologist who gave a seminar on cervical and breast cancer.



In 2011, 20% of management positions were held by women, and women represented 30% of the total workforce in India.

### Our Approach to Work Life Balance and Wellbeing

#### Principle 6

Ness believes that employees who effectively manage their work commitments alongside their personal and family obligations and leisure time are more productive at work, and elect to stay with the Company through the long term. Ness therefore invests in employee wellbeing, and endeavors to create flexible working arrangements around the world, wherever possible, so as to enable employees to feel good about coming to work and make the right individual choices about how they can balance different commitments so as to contribute most effectively. The provisions to enhance employee wellbeing and work-life balance that Ness offers in most locations include:

- flexible working arrangements at almost all Ness locations around the world;
- paid sick leave up to agreed limits in each country;
- gifts and paid time off to celebrate family events such as marriage and birth of children, or to mourn in the case of family bereavements;
- extended maternity leave for women;
- events for children and families at holiday times;
- social events, outings, family trips etc.

Ness programs and policies differ around the world in each Ness location, tailored to regulatory requirements, market practices and local employee needs.

## Examples of Practice – Work Life Balance and Well-Being

### Principle 6



### NESS INDIA Work-Life Management and Employee Support



Ness India, the largest employer in the Ness world, provides very comprehensive policies and programmes for local employees, making Ness a great place to work in India. Here are some of the programs in place:

- **Career Development Plan:** Ness employees enjoy a structured framework for career development to help employees meet their personal career objectives while advancing organizational goals.
- **Internal Mobility Policy:** This policy allows employees to move across functions and business units when opportunities arise within the organization, providing a wide range of professional experiences across different technologies.
- **PC/Laptop/Mobile/Gadget Schemes:** These provide employees with interest free loan assistance to help them purchase electronics such as laptops, smartphones, printers, etc.
- **Interest-free Loans:** Employees can use this loan facility to help them acquire a home, car or meet personal expenses etc.
- **Education Assistance Plan:** Employees are encouraged to pursue further education and acquire professional certifications that enhance their careers and benefit the organization with partial re-imbusement plans.
- **Medical Assistance:** Employee friendly schemes enable employees receive reimbursement of medical expenses incurred by them and their family members through arrangements with leading hospitals across cities in India. Employees 30 years of age and above can receive a free annual health check-up at these partner hospitals.
- **Ness Day Care:** Some Ness centers offer Day Care services for the children of employees and their families. The Day Care Centers are in close proximity to the work place.
- **Employee Assistance Program (EAP):** EAP services are available round the clock via phone or in person. Employees can reach out for professional advice and confidential assistance to help overcome personal and professional challenges.
- **Special Interest Clubs:** These are run by employees, offering a wide range of opportunities for the employees to participate in different activities. Clubs include: Pot Pourri - hobbies and talents, Roadies - adventure club, Bheja Fry - quizzes, puzzles, and more.
- **Fitness:** Some of our centers have well-appointed gyms and wellness centers with doctors at the premises or on call. For the convenience of our employees at work, our centers have efficient travel desks, a cafeteria, well-stocked libraries and recreation areas to unwind.
- **Car Lease Policy:** Ness provides benefits in the form of tax savings on fuel expenses, maintenance and more.





## NESS SLOVAKIA (KOŠICE) WORK LIFE BALANCE



- **A National Award for Ness Košice:** In March 2011, the Minister of Labor, Social Affairs and Family, Jozef Mihaly, awarded six employers which provide equal opportunities for men and women in a career growth, support measures to ensure a healthy balance between personal, professional and social life and provide options for flexible working for employees. NESS KDC received an award in the category of "Support for measures ensuring healthy balance between personal, professional and social life". The benefits for employees such as additional five days of holiday (Ness Days), three optional off-work days for health related matters (Sick Ness Days) as well as the possibility of home working with Ness's Home Office program and the Ness Summer Club, a summer day care center for children of employees, contributed to Ness KDC being honored with this award.
- **Ness Summer Club:** This well-equipped club, providing daily care for children of Ness employees, is open during the summer holiday months. Experienced child-carers take care of children. The Ness Summer club was also recognized with a Via Bona Award from the Pontis Foundation, largely due to Ness's caring approach to employees and the Summer Club facility. The Award was in the category "Responsible Approach to Employees".
- **Fitness:** At Ness KDC, there is a gym for the use of employees, Regular monthly football, volleyball and badminton tournaments are organized for the benefit of employees. In 2011, we organized Pilates training for our employees, free of charge. Pilates is exercise focusing on relaxing and strengthening muscles, improving the musculoskeletal system.
- **Recreation:** In 2011 we organized volunteering day for Ness employees their family members to create a new recreation area on a piece of unused lawn on the Company's premises. Volunteers erected a sandbox, swings and benches for the benefit of employees and children attending the Ness Summer Club.
- **Ness Family Day:** The goal of this event is to spend one day of the weekend by playing sports, having fun, eating well and building relationship between employees and their families in order to create one big Ness Family. In 2011, activities were attended by over 320 adults and children. Even the music was created within the Ness Family: a newly formed band "Attic Music from Puskinova 3" comprised of Ness employees performed at the event. The band's name is taken from the place they rehearse - one of the attic rooms in the Ness building.





PHOTOS from NESS SLOVAKIA (KOŠICE) SOCIAL EVENTS



Ness Family Day



Ness Summer Club



**Our Approach – Employee Feedback and Communications**  
 Principle 6

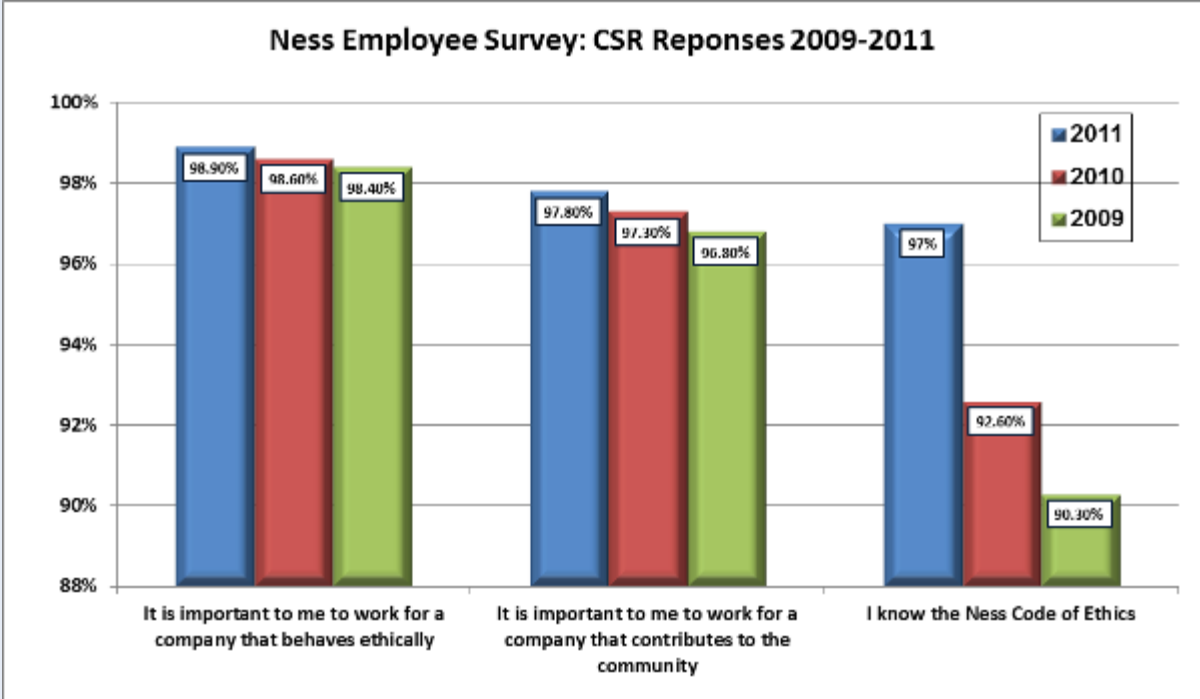
The views of our employees are important to us and we ensure we gather feedback on a regular basis, through formal and informal meetings, but also, annually, in the form of an employee survey in which all Ness employees around the globe are eligible to participate. This year, 2011, 4997 employees participated in the Global Survey, representing 63% of the global workforce, and a continuing trend of increasing overall satisfaction was recorded this year.



**GLOBAL EMPLOYEE SURVEY**



As usual, in our Global Survey, we asked our employees about the importance of CSR and business ethics as well as asking them to confirm they are familiar with our Code of Ethics. In 2011, we observed a significant increase – from 92.6% in 2010 to 97% in 2011 - in employees responding positively to this question, which is evidence of the massive efforts made to renew and revitalize ethics training in 2011 through the use of a specially designed interactive e-learning module.





## Our Approach: Employee Training and Development

### Principle 6

Ness supports individuals around the world in gaining knowledge and skills and finding empowerment within the working environment. This is demonstrated in the importance that Ness places on developing its networks of local subsidiaries, employing locals for the most part, and providing them with the frameworks to gain professional skills, evaluate their performance and potential and advance their career. In many locations, Ness provides full up-skilling for new hires, many of whom have had little training or exposure to technological professions. Much of this is technical training, though significant investment is made in enhancing personal development skills, management and leadership. In many cases, working at Ness offers many new experiences and exposes individuals to new situations. In Ness India, for example, a comprehensive workshop is given for all employees who travel abroad on business for the first time. A business trip to the U.S. or to Europe, for example, provides an exposure to different customs and cultures for which the Company fully prepares its employees.

Ness Human Resources policies and practices include employee evaluation processes, training, development plans, career planning and opportunities for promotion and advancement. An emphasis is placed on leadership and equipping managers to deal with increasing levels of complexity and responsibility. Ness prefers to promote from within where possible and maintains extensive management training programs to assist employees to advance within management levels of the business. Additionally, opportunities are offered to many employees to work abroad to gain different experience and skills.



## Environment-Ness

### Principle 7

**Businesses should support a precautionary approach to environmental challenges**

### Principle 8

**Businesses should undertake initiatives to promote greater environmental responsibility**

### Principle 9

**Businesses should encourage the development and diffusion of environmentally friendly technologies.**

## Our Approach to Environmental Responsibility

### Principle 7

Ness's policy is to operate its business as a corporate citizen committed to sound environmental management and with concern for the well-being of our common environment. Our goal is to ensure that company facilities and operations are in compliance with federal, state and local environmental standards. We believe that an appropriate balance can and should be achieved between environmental goals and economic health and therefore make efforts to reduce our environmental footprint.

Ness aspires to apply these principles in its business in the following ways:

- **reduce environmental impacts** through increase efforts in environmental projects
- **include environmental considerations** in all our business decisions
- **comply with all laws and regulations** relating to environmental protection
- **proactively seek ways to reduce environmental impacts**
- **define goals, targets and work plans** to track and drive improvements in environmental impacts
- **involve Ness employees** in the achievement of our environmental objectives

At present, each Ness subsidiary manages its own environmental impacts on a local basis, each driving performance and activities in line with the local regulatory frameworks, business size and activities, and compatibility with other activities. In future, we expect to consolidate this approach on a global basis to provide common processes and shared targets.

## Environmental Responsibility: Examples of Practice

### Principle 8



### NESS CZECH Environment in Practice



**Environmental audits:** Ness Czech successfully passed the Environmental Certification ISO 14 001 audit in August 2010 conducted by the accredited certification company Lloyd's Register Quality Assurance. The certificate is valid till 2013. Environmental documentation is available on the intranet for all employees, including Ness's environmental policy.

**Training:** Employees are trained in environmental issues in an eLearning course upon joining the company and annually thereafter.

**Environmental initiatives:** Employees are encouraged to practice environmentally friendly behaviors in the workplace. One focus is on reduction of waste and collection of waste in containers for recycling. Recycling covers paper, plastics, glass and electronic waste. To reduce paper consumption, we use duplex printing and re-use printed paper for internal purposes. We recycle all print cartridges.

#### **Ness Cleans up the Environment**

Ness volunteers, their families, children and friends plus children from two orphanages (Cerna Voda and Litomerice) helped to clean the Veltrusy Castle Park.



**Veltrusy Castle Clean-up**



## NESS SLOVAKIA (BRATISLAVA) Environment in Practice



At our Bratislava offices, we introduced separation of waste and encouraged employees to make efforts to reduce waste levels and separate waste for recycling. We also created greater awareness of energy consumption and offer employees guidance regarding energy saving practices.



## NESS INDIA Environment in Practice



At Ness India, we maintained the pace of activities to improve our environmental protection and the engagement of our employees. Some examples of our activities in 2011 are listed below:

**Free Emission Test:** A Free Emission Test was conducted in all the locations in India. Close to 600 employees used this service and received data about their car emissions.

**Tree Planting:** In Bangalore, over 50 Ness employees joined with our NGO partner, Trees for Free.org, and joined a tree-planting event in which 400 saplings were planted. In Hyderabad, a further 200 saplings were distributed to employees who pledged to plant and care for them.

**Art-out-of-Trash competition:** This competition challenged Ness employees to recycle trash into treasure and generated more than 50 unique pieces of art which were displayed at a special Exhibition. Ness employees visited the exhibition and over 700 votes were cast for the winning pieces.

**Environment Awareness Campaign:** Several awareness campaigns were conducted for employees in different Ness locations that involved Eco Knowledge Quizzes, Presentation on Eco Awareness, Green living guides, water saving techniques and day-to-day energy saving tips. Specific campaigns focused on saving paper, saving electricity, reducing plastics etc.

**Car Pooling:** In an effort to reduce carbon footprint and the congested traffic, the Ness employees were asked to consider car-pooling with colleagues. Several employees adopted this option.

**Earth Hour:** Ness participated in the Earth Hour by switching off all lights, air conditioners, and luminated signs at all Ness locations in India.



## NESS ISRAEL Environment in Practice



Ness Israel has an Environmental Steering committee which drives local environmental activities. The Committee is led by the Company Logistics Manager who reports to a member of the Executive Committee, and is comprised of 15 employees from around the business. The Committee focuses on:

- managing Ness's recycled waste project for electronic waste;
- driving employee awareness and launching green communications to employees;
- practices for reducing water, energy and paper consumption and waste reduction.

In 2011, an Environmental Audit took place to review practices and opportunities to improve environmental impacts.

- **Reducing and recycling office waste:** Ness continuously encourages employees to be alert to all ways of reducing waste. As a result of these efforts and more efficient business practices, significant progress has been made. 80% of waste is recycled. In 2011, 4,365 kg of paper waste was collected from Ness sites for recycling. Ness Israel manages recycling of its office waste (paper, batteries and toners) as part of a collaborative arrangement with the non-profit organization Malraz. Malraz is the first environmental non-profit founded in Israel to address environmental damage. The project involves people with special needs who are involved in the collection and sorting of office waste.
- **Reduction of paper consumption:** All employees at Ness Israel are urged to save paper by avoiding printing wherever possible, and by printing double sided as an alternative.
- **Reduction of water and energy consumption:** All water, lighting and electricity supplies in Ness Israel offices have been fitted with control meters to reduce consumption. Computers are shut down automatically at 20:00 each day and air-conditioning is shut down three times daily. Additionally, computers are configured to move into auto-sleep mode when not in use and Ness continues to expand its virtual environment reducing the number of servers required and therefore reducing energy for cooling.
- **Electronic waste:** In 2009, Ness Israel initiated the establishment of an electronic waste recycling and disposal center in the Business Park Atidim where Ness Head Offices are located. The center opened in August 2009 for waste deliveries from the tens of Companies who are resident in the business park, providing a much needed solution for this environmental problem. The Center is operated by employees on a voluntary basis as a service to the business community. All electronic waste is routed to a non-profit organization which employs disabled people to dismantle electronic components and sell them. The proceeds go to support the disabled community in Israel. In 2011, 1480 units of electronic waste were sent by Ness for recycling.



## Environmental Technologies: Examples of Practice

### Principle 9

Ness's core business is the development of IT technologies and client solutions which leverage business efficiencies and therefore provide a constant stream of opportunities for clients to reduce negative environmental impacts.

Ness is focused on "Output Management", offering customers substantial opportunities to reduce electricity and paper usage impacts.



Ness focuses on 3 main approaches to assist customers in reducing their environmental impacts.

**Power Management:** Ness technology solutions facilitate the real-time management of company-wide power savings, offering unique features to define different settings for work hours/non-hours, power saving options per application, scheduled wake-ups allows performing scheduled IT operations, "wake-up" computers based on users' arrival times at the office, shutdown, restart and "wake-up" computers on-demand and full reports on power consumption and savings. Application of Ness Power Management technology enables up to 65% of power saving.

**ePaper Management:** Ness offers two core solutions for the efficient management of paperless systems. The **eDoc** technology transforms the design, delivery and management of business-critical



documents into an efficient and simple process through the creation of easy 'Form Design' for converting 'pre-printed' forms into electronic forms supported by data manipulation and integration with existing business applications and dynamic interception of print jobs for applying and incorporating graphic formatting such as text, graphics, labels and barcodes. Ness's **eFAX** technology enables high performance virtual fax server for incoming and outgoing faxes via SMTP, MS-Exchange, printers and electronic folders which is integrated with business applications such as SAP, Oracle, Lotus Notes to provide easy to use and easy to manage document delivery and archiving.

**Ness ePaper** solutions are currently in use by almost 100 companies in Israel and around the world, of which many are global businesses applying the solutions in all operation locations. Ness estimates that customers save over 20% of their total paper requirements through adoption of such solutions, which means that hundreds of millions of sheets of paper are being saved each year through adoption of Ness epaper solutions.



## Principle 10

**Businesses should work against corruption in all its forms, including extortion and bribery**

### Our Approach to Ethical Behavior and Anti-Corruption

We place utmost importance on operating in compliance with all the laws and regulations of the countries in which Ness does business, and maintaining an ethical approach to all that we do. In addition to observance of the law, Ness operates in accordance with Ness's global corporate Code of Business Conduct and Ethics which can be downloaded here:

[http://media.corporate-ir.net/media\\_files/irol/17/179905/Ness20081209.pdf](http://media.corporate-ir.net/media_files/irol/17/179905/Ness20081209.pdf)

The Code of Business Conduct and Ethics was updated during 2010 to include a specific clause referencing Ness's Corporate Responsibility and stating clearly that it is the responsibility of all Nessians to support Ness in being a good corporate citizen through their daily work. All Ness employees are asked to sign their confirmation to upholding this Code as part of their Employment Contract when they join the Company.

Ness employees worldwide are trained in the content of the Code of Business Conduct and Ethics and its relevance for their role in the Company. In 2011, employees underwent refresher training using a new and innovative, interactive e-learning module, specially developed to meet Ness's specific business culture and needs.

The 'Ethics Challenge' was visualized and designed in a board game format as an interactive online game, demonstrating how to understand and interpret the Ness Code of Business Conduct across a broad range of situations, offering possible solutions and enabling employees to check their own responses. 100% of Ness employees around the world participated in this game in October 2011.



Ness invites complaints regarding Ness's business conduct and ethical behavior of its employees to Managers in the Company or via the Executive Vice President of Human Resources or the Chief Legal Officer and Secretary. Anonymous complaints may also be submitted and are treated with the highest level of attention.

## Our Approach to Acting against Corruption

### Principle 10

Ness Technologies Code of Business Conduct expressly forbids the giving and taking of bribes and any form of conflict of interest, extortion or corruption. Ness will not do business in countries where this type of activity is a license to operate. Ness continuously advises its employees to uphold these principles. There have been no known instances of bribery or corruption in Ness. Ness operations are conducted according to highest standards of integrity and strict quality and operating guidelines including ISO 27000 certification relating to Information Security Management Systems which has been implemented at Ness larger sites (India, Israel, Czech Republic).



## NESS GLOBAL ANTI-CORRUPTION



In order to further strengthen Ness's anti-bribery and corruption culture, in 2011, Ness appointed a global Compliance Officer, reporting to Ness's Chief Finance Officer, and a comprehensive and dedicated anti-bribery and corruption training program was developed. All employees participated in this training and confirmed their understanding and commitment to raise the Red Flag if they suspect any behaviour that is not in line with the letter and spirit of the policy.

**Mission Part 7: Red Flags & Whistle Blowing** 

- **Red Flag** is an Activity/Incident which raises a concern of inappropriate behavior
- Should an employee encounter a **Red Flag**, he/she shall immediately do all of the following:
  - ▶ **Cease and Refrain from** all activities connected with such **Red Flag**
  - ▶ **Report** such **Red Flag** to the Compliance Manager
  - ▶ **Take written notes** of the discovery, nature and facts of such **Red Flag**, and submit these to the Compliance Manager
  - ▶ **Act** in relation to such **Red Flag** solely in accordance with the Compliance Manager's instructions



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Examples of Red Flags that were presented to employees as part of the training are:

- **Giving or receiving a payment or benefit in kind**
  - ▶ without a clear contractual obligation to do so and/or
  - ▶ to any person or entity without a receipt for such payment or benefit.
- **Any agreement to pay any contingent fee or commission to an agent or finder, where this payment, Agent or finder has not been approved in advance by the Company.**
- **Any proposed transaction where there is more than one Agent.**
- **Any person or firm who represents or is employed by, or is being considered to represent or be employed by the Company**
  - ▶ who has been accused of improper business practices and/or
  - ▶ who has a family or other relationship that could improperly influence the decision of Government Official.
- **Any commission or other payment payable to a third party that appears disproportionate in relation to the services provided.**
- **Any request by a Government Official to use a specific Agent, contractor or subcontractor where that contractor or subcontractor is not typically used by or known to Ness.**
- **Refusal by a foreign joint venture partner or representative to provide a certification that it will not take any action in furtherance of an unlawful offer, promise, or payment to a foreign public official and not take any act that would cause Ness to be in violation of this document.**
- **Any person or firm who represents, or is being considered to represent Ness,**
  - ▶ which issues donations to charitable organizations affiliated with foreign officials and/or
  - ▶ who is involved in transactions, the timing of which suspiciously coincides with particular decisions made by foreign officials.



## Future Plans

The key areas of focus for Ness in 2012/13 to advance corporate responsibility practices and improve the Company's impacts on all stakeholders are:

### Human Rights and Ethics

Maintain training in the code of Ethics and Anti-corruption for all existing and new employees.

Continue to work with suppliers to develop partnerships to improve joint impacts.

### Workplace

Continue to invest in programs to support employee health and wellbeing.

Progress the advancement of women to senior management roles.

### Community

Develop greater alignment of community investment programs with business goals and track progress.

Encourage and expand employee volunteering and community engagement in different Ness locations.

### Environment

Develop targets in the area of energy consumption, water consumption, waste reduction and recycling and implement a monitoring system.

### Transparency

Continue to meet our commitment to producing an annual COP for the UN Global Compact.



## Preparation of this Communication on Progress

This Communication on Progress was prepared with the support of Ness colleagues around the world. It has been approved and endorsed by the Executive Leadership Team of Ness Technologies. We welcome your feedback.



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This Communication on Progress has been prepared with the support of an external specialist in Corporate Social Responsibility who confirms that all contents are an honest and accurate representation of Ness Technologies' adherence to UNGC principles.

Elaine Cohen, CEO, Beyond Business Ltd, [www.b-yond.biz](http://www.b-yond.biz)







**Ness Technologies**

**Services and Solutions ..... *Responsibly!***



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