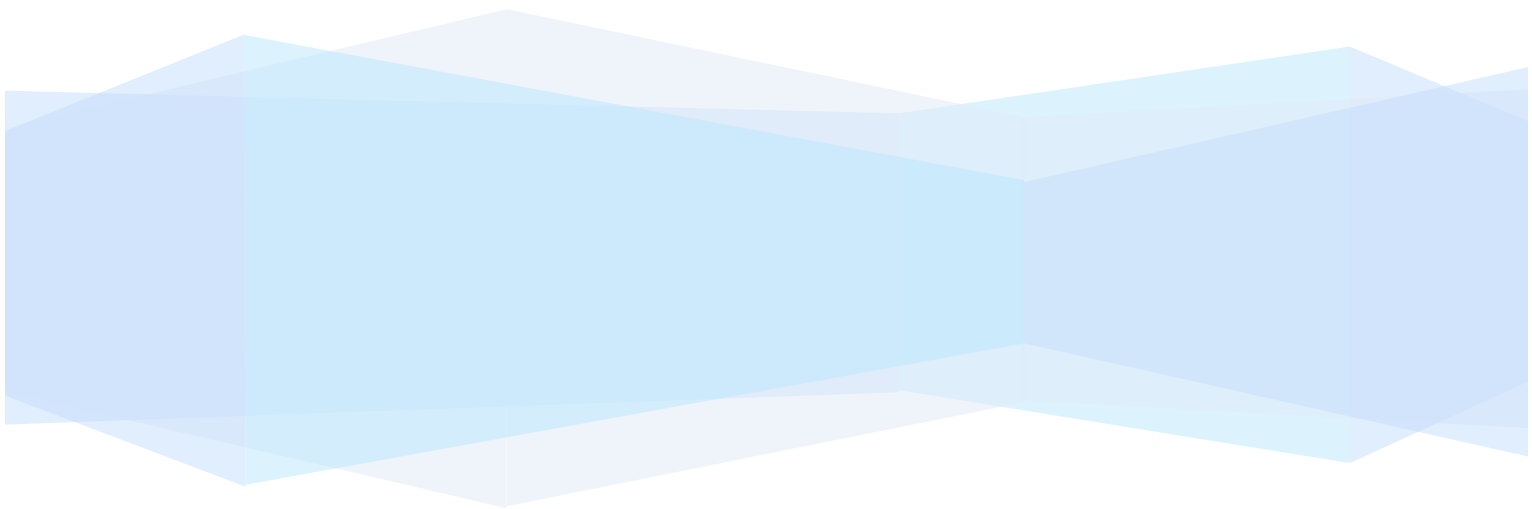




# NetDimensions' UNGC Communication on Progress (COP) 2014



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# 1. CEO Statement

2014 was an important year for NetDimensions from a CSR point of view because it was the first year in our 16-year history that we had a CSR Committee managing and consolidating our CSR efforts company-wide.

Our CSR Committee enhanced and speeded-up the integration of the Ten Principles of the United Nations Global Compact (“Ten Principles”) with respect to human rights, labor, environment, and anti-corruption into our business and value-chain, and communicated a clearer and stronger internal and external message regarding the importance of CSR and the Ten Principles.

The result of this was a successful CSR year for NetDimensions and a clearer vision on what CSR and the Ten Principles mean to us as an organization and how we should make these concepts a part of our company DNA.

Going forward, we shall continue to commit to the Ten Principles, improve our CSR practices and build towards a better and more sustainable society and business environment.

We thank our employees and partners for their continuing support for our CSR efforts and look forward to our successful continuation of this exciting and important journey.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Jay Shaw', with a stylized, flowing script.

Mr. Jay Shaw  
CEO & Managing Director

## 2. About NetDimensions

Established in 1999, listed on the London Stock Exchange (AIM: NETD) and trading on OTCQX (OTCQX: NETDY), NetDimensions is committed to leadership in performance, knowledge, and learning technology. Our global solutions help organizations achieve productivity & efficiency improvements, cost reduction, risk management, and cultural & process innovation.

Through our own offices worldwide, as well as through a global reseller network that extends to over 40 countries, NetDimensions serves hundreds of clients with millions of active users globally, 24/7.

Today, NetDimensions provides secure, flexible, and practical talent management solutions to personalize learning, share knowledge, enhance performance, foster collaboration, and manage compliance for employees, customers, partners, and suppliers. We focus on highly-regulated industries with demanding operational and compliance requirements.

### 3. Executive Summary

2014 was a fruitful CSR year for NetDimensions with a lot of CSR activity and development. With our CSR Committee only formally established at the end of 2013, 2014 started off with getting the Company CSR documentation and infrastructure up-to-date and/or in place. We submitted our first Communication on Progress under the United Nations Global Compact (UNGC) in February, and subsequently updated our internal Code of Business Conduct and Ethics, created two related Learning Management System delivered awareness courses, and developed a Company-wide Small Start Policy and Partner and Supplier Code of Business Conduct.

Working from this foundation, we increased our internal and external CSR communication and initiated a number of CSR events throughout the Year. At the event-side, we organized a successful blood drive at our Hong Kong and US offices with approximately 20 colleagues donating blood to local blood banks, and an equally successful global food raising campaign, raising basic food supplies in our respective communities with an approximate value of US\$1,000 for those in need. We also sponsored the United Technologies Corporation (UTC) Golf Tournament in the USA to benefit United Way and the From Darkness to Sunrise fundraising event in Hong Kong. At the communication-side, we implemented the Small Start Policy company-wide (in light of this, the Hong Kong office for instance switched its coffee bean supplies to 100% fair trade beans) and rolled out our new Supplier Code of Business to over 25 partner-organizations we work with, including a number of our resellers. In this regard we also gave a presentation at our 2014 Reseller Summit, which was received well. On top of all this, we initiated the end-of-the-year US\$1-per-employee-per-month charity donation, which resulted in a significant amount being donated to four charities as chosen via an end-of-the-year by all of NetDimensions' employees, and saw a number of our executives participating in the ALS Ice bucket challenge, raising awareness and over US\$500 for the ALS Foundation.

Throughout 2014, we continued to work with LINGOs and witnessed them taking the NetDimensions Talent Suite LMS system live. LINGOs now has a total of 9 of their member NGOs (and several thousands of users) working with our NTS system. An additional 20 odd NGOs are also going through the implementation phase at this point of time and should join the NTS system later this year.

To conclude, NetDimensions' CSR Committee's budget for 2015 increased compared to 2014 and NetDimensions agreed to start with the Global Reporting Initiative (GRI reporting) from this year onwards. GRI reporting comprises public sustainability reporting, informing our stakeholders through a number of annually reported KPIs that we as an organization care in continuously improving our social responsibility standards and output. Based on the frameworks we have put in place in 2014 and the first data sets we will be compiling during this year, we expect to

publish our first formal, publicly communicated GRI report as part of our Company annual report in 2016.

The following sections summarize NetDimensions' engagement with the United Nations Global Compact in 2014 in more detail. They also reflect on CSR goals we had set in 2013 for 2014 and set new goals under the Ten Principles for NetDimensions to strive for in 2015. NetDimensions will continue to communicate on progress under the United Nations Global Compact, and aims to continuously improve its business practices and environment in line with the Global Compact.

## 4. Human Rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights

**Principle 2:** Business should make sure that they are not complicit in human rights abuses

### 4.1 Introduction

Respect and support of Human Rights are key to our philosophy on how we do business and treat our employees, partners and counterparts. Over the course of 2014 we took a number of steps to promote the UNGC principles related to Human Rights in our business and value chain. Below is a summary of our achievements in this area and of how we lived up to the measurements we had set ourselves for the year in our COP 2013. We will also set new goals for 2015 to continue our efforts to enhance, respect and/or improve human right in our company and business environment.

### 4.2 Achievements

#### 4.2.1 Blood Drive

A substantial number of employees from NetDimensions' Hong Kong, Connecticut and Atlanta offices voluntarily donated blood to local blood banks in June in their support and respect of human rights and health. We believe blood donations are important because blood is a unique fluid required for people to live that cannot be made other than by a human body itself, hence can only be obtained through donations, and can save people's lives.



#### 4.2.2 UTC Golf Tournament to benefit United Way

NetDimensions sponsored the 2014 United Technologies Corporation Golf Tournament hosted in September to support United Way.

United Way's work is focused on improving people's lives in the following areas:

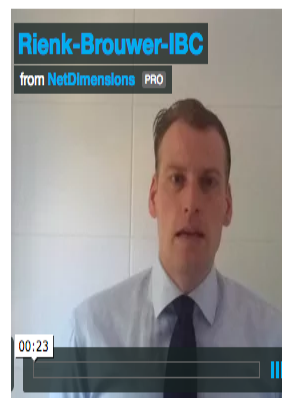
- Education - Helping Children and Youth Achieve Their Potential
- Income - Promoting Financial Stability and Independence
- Health - Improving People's Health

United Way envisions a world where all individuals and families achieve their human potential through education, income stability, and healthy lives. NetDimensions shares this vision hence decided to support United Way and the event.



#### 4.2.3 ALS Ice-bucket challenge executive raise

A number of NetDimensions' executives, including our CEO and CFO, participated in the ALS Ice Bucket Challenge and communicated the ALS Foundation's message and request for (research) funds through our internal company-wide communication channel (wiki). ALS (amyotrophic lateral sclerosis) is a progressive neurodegenerative disease affecting nerve cell in the brain and spinal cord which currently cannot be cured. In the hope of being able to play a role in finding a treatment method, the ALS Foundation funds research after this terrible disease.





#### [4.2.4 End-of year charity donation](#)

We initiated the end-of the-year-US\$1-per-employee-per-month charity donation where NetDimensions contributed a total of US\$12 per employee to a number of charities as chosen by NetDimensions' staff members through an online poll. The poll resulted in monetary donations being made to, a.o., Save the Children, Alzheimer Foundation and a local Hong Kong based orphanage.

#### [4.2.5 From Darkness to Sunrise charity fundraising](#)

NetDimensions sponsored several of its employees in their initiative to raise fund for a local Hong Kong charity that creates awareness around and works towards preventing suicides.



#### [4.2.6 Global Food Drive](#)

Through our combined efforts in Hong Kong, EMEA and the USA, we managed to raise a substantial amount of emergency food and funds (with a total estimated raised value of food and funds of US\$1,000) for food banks in our respective communities to support people who are not able to buy their own food and may otherwise hunger due to low or lack of income. It is in our opinion important for people to realize that despite there being general high living standards in our main business markets, there are still large groups of people not benefiting from these general high levels of development and in lack of one of the vital part of staying alive, food.



#### 4.2.7 Fair trade Coffee

To show respect to local coffee farmers and their rights to a fair existence, NetDimensions changed 100% of its coffee bean consumption in its Hong Kong offices from non-fair trade coffee to fair-trade coffee.

### 4.3 Measuring Goals 2013

#	2013 COP Goal	% Achieved	Summary
1	Develop COP and updated Business Conduct and Courseware for internal training purposes	100%	The COP 2013 was submitted in February 2014. This courseware was updated and completed in 2014 and is being delivered to our employees through NetDimensions Talent Suite
2	Incorporate the course referred to under 1. into our internal and proprietary digital LMS learning platform, NetDimensions Talent Suite	100%	As indicated under 1
3	Regularly inform NetDimensions' employees regarding (upcoming) CSR events	100%	NetDimensions' CSR Committee has sent our company-wide updates and announcements periodically from the CSR email account to keep staff member updated and engaged
4	Hand out a small token of appreciation to the most active CSR participating division within NetDimensions.	0%	We failed to do this. We did however sent encouraging emails company-wide from the CSR email account in recognition of individuals participating in company endorsed CSR events
5	Communicate its CSR initiatives through COPs	100%	Per this report
6	Pay attention to the business practices under the Human Rights Principle of our partners and resellers to feel confident that NetDimensions works with firms that are also dedicated to the protection of human rights. Compliance with our Supplier	50%	Whilst we have monitored and assessed our partners and resellers informally over the year and started implementing the UNGC and CSR message in our partner and vendor network as detailed later in this

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and Partner Code of Conduct will be an important consideration in the process of partner and supplier evaluation

report, we haven't had the resources to actively specifically assess all partners and resellers' actions and business practices in relation to Human Rights

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## 4.4 Setting goals for 2015

We target to achieve the following in 2015 in relation to UNGC's Principles in relation to Human Rights:

1. 100% of our staff shall have completed the updated Business Conduct, Ethics and CSR awareness course;
2. Organize and/or organize at least 3 CSR events/efforts in relation to these principles
3. Submit the COP2014 to UNGC and remain an active participant under the UNGC
4. Increase total annual CSR spending (calculated in time and budget) compared to 2014 by at least 25%
5. Change 100% of NetDimensions' global coffee bean consumption to fair trade coffee beans

## 5. Labor

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

**Principle 4:** The elimination of all forms of forced and compulsory labor

**Principle 5:** The effective abolition of child labor

**Principle 6:** The elimination of discrimination in respect of employment and occupation

### 5.1 Introduction

We support the Principles above and believe that labor conditions should be fair and respectful towards employees' rights and status as free individuals. NetDimensions will not tolerate or accept any forced, compulsory and/or child labor within its company and value chain. Below is an overview of our 2014 efforts in relation to the UNGC Labor related Principles and related goals we set for 2015.

### 5.2 Achievements

#### 5.2.1 LINGOs

We continued to support LINGOs and set up and implemented the NetDimensions provided proprietary NetDimensions Talent Suite platform for LINGOs including training of its internal administrators. In addition, we witnessed LINGOs going live and had 9 'member NGOs' implementing and starting to make use of the system with a total of 2,500 active users.

As communicated in last year's COP, NetDimensions committed to providing its proprietary developed learning platform NetDimensions Talent Suite free of charge to NGO LINGOs and the Last Mile Learning initiative which will make world-class courses and learning opportunities available online at no cost in areas such as basic finance, basic management, project management and other development-specific topics.

These courses will be delivered to users via the NetDimensions Learning Management System and accessed through either the Global Last Mile Learning portal or national portals run by local associations and training providers. All content on the platform will be available in various online formats as well as in packages of facilitation and participant materials for face-to-face instruction. All materials are targeted to be available in a number of languages, including French, English and Portuguese.

The core learning paths of Last Mile Learning can be used to develop key management skills in young developing economy entrepreneurs, local NGOs and government ministries as well as locally established non-profits and businesses.



#### 5.2.2. Completed 'Interactive Dialogue System' ('IDS')

As part of our CSR Committee infrastructure set-up we completed a first rough version of the IDS by creating a company-wide CSR email account, starting periodic communication to all staff from there and by setting up an internal CSR Space at our internal company-wide communication platform (wiki). Whilst we certainly enhanced the CSR message and communication significantly through these means, we are not entirely happy with the IDS yet and will look to improve its visibility and effectiveness.

#### 5.2.3 Started GRI reporting initiative

We worked within the CSR Committee to agree on the Key Performance Indicators for the Global Reporting Initiative (GRI) and have started accumulating the relevant data for 2014 and 2015. Based on the work done and the related targeted tasks for this year (detailed below) we expect to be in a position to complete our first formal externally communicated GRI Report in April 2016 as part of our 2015 Annual Report and Accounts.

## 5.3 Measuring Goals 2013

#	2013 COP Goal	% Achieved	Summary
1	Set up a company CSR email address and internal web space on our intranet (together referred to 'Interactive Dialogue System' or 'IDS') for internal CSR communication purposes	100%	Completed in early 2014 as part of our CSR Committee infrastructure set-up
2	Monitor compliance with the employee handbook and the company's applicable policies, including compliance with the anti-discrimination and anti-sexual harassment laws. The IDS introduced above will also start playing a role in this regard	75%	Passive monitoring has taken place and NetDimensions; Legal Department and CSR Committee have clearly communicated reporting processes when alleged non-compliance/violation has been encountered
3	With regards to LINGOs, implement NTS, go-live and achieve over 50 NGOs making use of the NetDimensions provided NTS LMS portal, with 5,000 actual registrants for coursework, and 1,000 people having completed coursework	75%	Implementation and go-live was achieved and 9 NGO implemented the system in 2014 with a total of ~2,500 active users
4	We will adopt the Global Reporting Initiative (GRI) on sustainability reporting in our 2014 Annual Report and Accounts	0%	Whilst we have not succeeded in this, we believe we have now set clear KPIs and done the (data gathering) ground work to adopt the Global Reporting Initiative (GRI) on sustainability reporting in as part of our 2015 annual reporting

## 5.4 Setting goals for 2015

We target to achieve the following in 2015 in relation to UNGC's Principles in relation to Labor:

1. Improve the existing Interactive Dialogue System by enhancing internal viability of our CSR efforts and practices, including the start of a company-internal CSR Blog

2. With regards to LINGOs: 15 additional NGOs implementing the system with a total of 7,500 active users on the NetDimensions provided NTS platform
3. Prepare the GRI reporting KPIs sufficiently to start reporting these in early 2016 as part of our 2015 annual reporting; this shall include an implementation presentation by our CSR Committee to NetDimensions' Board in April 2015
4. Starting to monitor and calculate staff sickness absenteeism company-wide as a metric to measure and improve in following years;
5. Starting to monitor and calculate company-wide turnover rate as a metric to measure and improve in following years
6. Keep the total number of office and work related accidents (RSI included) at zero
7. Improving number of staff completing engagement satisfactory survey and improving related overall score compared to 2014
8. Update the Company's policies and reporting processes in relation to anti-discrimination, anti-sexual harassment and whistleblowing



## 6. Environment

**Principle 7:** Business should support a precautionary approach to environmental challenges

**Principle 8:** Undertake initiatives to promote greater environmental responsibility

**Principle 9:** Encourage the development and use of environmentally friendly technologies

### 6.1 Introduction

NetDimensions is determined to reduce its carbon footprint and add its weight in preserving the earth's environment and livability for next generations. Whilst NetDimensions is involved in software development, marketing and sales, hence active in a low carbon exhausting industry, NetDimensions recognizes that it can nevertheless act responsibly and make a difference in relation to reducing carbon footprint. 2014 was a year where we may not have made the impact yet we would like to make, yet was important for us in shaping our ideas on where we could improve our related efforts. Below is a summary of our minor achievement related to the UNGC Principles surrounding Environments and our more ambitious goals for 2015.

### 6.2 Achievements

#### 6.2.1 Small Start Policy

We drafted and implemented a company-wide Small Start Policy (also communicated through our IDS) setting company-wide guidelines and standards around use (and recommended temperatures) of air conditioning installations and heating systems, use of computers and machines, consumption of paper, recycling and reduction of air travel where possible.

#### 6.2.2 Supplier and Partner Code of Conduct

We made an effort to influence our partners and suppliers and developed a Supplier and Partner Code of Conduct which we started implementing in our value chain in 2014. The Supplier and Partner Code of Conduct clearly articulates NetDimensions' views on CSR and its support of the Ten Principles under the UNGC. Whilst the code is not binding to those parties it has been communicated to, it does send out a very clear message on the values NetDimensions thinks are critical in doing business. NetDimensions' CSR Committee presented the code to its resellers at the 2014 Reseller Summit and included a copy of the code in a number of its supplier contracts. Over the course of the year, a total of 30 partner and supplier organizations have received and read a copy of the code.





## Supplier and Partner Code of Conduct

At NetDimensions, we believe that Corporate Social Responsibility (CSR) and Corporate Citizenship are at the heart of all great organizations – it's something that we are committed to as a responsible business. We aim to influence our suppliers and business partners to respect the Universal Declaration of Human Rights and dedicate to Environmental Protection.

We implemented this Code of Conduct for Suppliers and Partners in our business practises and strongly encourage our suppliers and business partners to – like us – adopt the following principles in the way they work.

### BUSINESS CONDUCT

CSR refers to the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour. It is vital for a sustainable and fruitful relationship with all our stakeholders. We expect our suppliers and business partners to:

- ➔ Act with integrity, constantly striving to uphold the highest standards of ethical practice.
- ➔ Contribute to sustainable development, including health and welfare of society.
- ➔ Adhere to all applicable laws and consistent with international norms of behaviour.
- ➔ Integrate this code of conduct throughout the organization and practice in its relationships.

### LABOUR PRACTICES AND HUMAN RIGHTS

Our policies are underpinned by a respect for inherent dignity and inalienable rights of each individual. We expect our suppliers and business partners to:

- ➔ Provide a safe working environment and support the occupational health of employees.
- ➔ Never complicit in human rights abuses.
- ➔ Encourage employees to report human rights abuses and ensure no workplace revenge.
- ➔ Treat employees fairly and do not discriminate on the basis of differences such as age, race, ethnic background, religion, gender, sexual orientation, disability or status as a parent or carer.
- ➔ Work against corruption in all its forms, including extortion and bribery.

### ENVIRONMENT

Environmental considerations are an integral part of our business practices. We are committed to operating with due care for the environment (the precautionary principle) and we expect our suppliers and partners to:

- ➔ Take practical steps to make sure they do not unnecessarily impact the environment in the way they produce, consume and dispose of materials.
- ➔ Encourage the development and diffusion of environmentally friendly technologies.
- ➔ Undertake initiatives to promote greater environmental responsibility.

### UNITED NATIONS GLOBAL COMPACT

NetDimensions is proud to be a signatory to the United Nations Global Compact, a policy initiative that works towards the vision of a more sustainable and inclusive global economy.



The Compact's ten universally accepted principles resonate highly with NetDimensions' Values, which define our company's culture and our commitment to maintain the highest ethical standards. Suppliers are highly encouraged to integrate the ten principles in their decision-making process.

## 6.3 Measuring Goals 2013

#	2013 COP Goal	% Achieved	Summary
1	Develop a Small Start Policy	100%	Completed in mid-2014 and communicated companywide through email and IDS
2	Monitor compliance with Small Start Policy	50%	Passive monitoring has taken place only – we have had discussions with people around the policy but have not measured its actual impact
3	The outcome of the Coastal Cleanup 2013 will be examined together with other CSR events at the periodic meetings of the CSR Committee	100%	The CSR Committee evaluated the Coastal Cleanup 2013 and believes the event was a good tool to demonstrate our commitment to a cleaner environment and raise awareness surrounding the subject, hence we may do something similar in 2015 again
4	NetDimensions will communicate environmental plans in its 2014 COP	100%	As detailed below

## 6.4 Setting goals for 2015

We target to achieve the following in 2015 regarding to UNGC's Principles in relation to Environment:

1. Continue implementing the Supplier and Partner Code of Business to as many partners and suppliers as possible – we will monitor the total number of organizations the code was communicated to throughout 2015
2. Starting to monitor and calculate company-wide air traffic in miles as a metric to measure and reduce our company air travel per employee in following years
3. Starting to monitor and calculate company-wide office kilowatt usage as a metric to measure and reduce our kilowatt usage per employee in following years
4. Starting to monitor and calculate company-wide office paper usage as a metric to measure and reduce our paper usage per employee in following years
5. Organize at least one CSR event in relation to this principle

## 7. Anti-Corruption

**Principle 10:** Business should work against corruption in all its forms, including extortion and bribery.

### 7.1 Introduction

NetDimensions believes corruption and bribery to be a major challenge in international business and is in full support of this Principle under the UNGC. In recognition of this principle we continue to train and educate our staff and partners on how to recognize bribery and corruption and how to report any suspected bribery or corruption.

### 7.2 Achievements

#### 7.2.1 Codes and (training) materials

During 2014, NetDimensions updated its Business Code of Conduct and Ethics to include a clearer reporting procedure in relation to reporting suspected bribery or corruption. We also drafted a Supplier and Partner Code of Conduct outlining our views and the importance of working against corruption in all forms. Moreover, we updated our internal training (onboarding and periodic) courseware in the area of business conduct and ethics and created a new course on anti-corruption and anti-bribery in specific to make our employees and contractors aware of the vital importance of understanding these concepts and the risks involved. And lastly, we created front-line staff compliance acknowledgement statements where front-line staff needs to semi-annually acknowledge having read, understood and complied with all our internal anti-corruption, anti-bribery and ethics documentation and policies.

#### 7.2.2 Implementation of codes and (training) materials

The codes and materials referred to above were all implemented throughout 2014 and now form part of our onboarding and periodic staff training through our NetDimensions Talent Suite LMS system, and of our contractor, reseller and partner acceptance processes.

### 7.3 Measuring Goals 2013

NetDimensions' Legal Department and CSR Committee have been actively involved in drafting, updating and implementing the codes, courses and documentation referred to above to ensure full understanding and compliance.

### 7.4 Setting goals for 2015

We target to achieve the following in 2015 regarding to UNGC's Principles in relation to Anti-Corruption:

1. Have 100% of our front-line staff completing the anti-corruption and anti-bribery compliance acknowledgment statements at least once
2. Train 100% of our onboarding staff members in the areas of anti-corruption and anti-bribery through NTS Talent Suite
3. Make our updated Code on Business Conduct, Ethics and CSR awareness subject to 100% of our newly onboarding staff
4. Assign our updated course on Business Conduct, Ethics and CSR awareness (including exam questions) to 100% of our staff
5. Continue implementing the Supplier and Partner Code of Business to as many partners and suppliers as possible – we will monitor the total number of organizations the code was communicated to throughout 2015