

Sustainability Report

Communication on
Progress

Content

CEO Statement	3
1. About INSOFT	4
1.1 Short company profile	4
1.2 Financial data	4
1.3 Leadership	6
1.4 Certifications	7
2. Elements for a sustainable development	8
2.1 Objectives	8
2.2 Anticorruption	9
2.3 Social impact	10
2.3.1 Software and hardware suppliers	10
2.3.2 Partners	10
2.3.3 Employees	11
2.3.4 Shareholders	15
2.3.5 Clients	15
2.3.6 Final beneficiaries, the community, media	16
2.4 Economic impact	17
2.5 Environment impact	19
2.5.1 Collecting and recycling waste	19
2.5.2 Efficient use of resources	21
2.5.3 Supporting access to volunteering programs	22
3. Future plans	23

This report analyzes the impact that INSOFT had on the Romanian society, mainly in regard to its clients, employees, business partners, communities as well as the environment. This report launches a new challenge for us by presenting our strategy's outcomes regarding the implementation of specific activities of social responsibility and their impact on the company's increased efficiency.



"As a responsible company, we try to identify all the opportunities for maintaining a balance between our operational activity, the social objectives we set and environment protection.

We consistently follow the targeted objectives and try, by using all the available resources, to support those activities that can contribute to increasing our sustainability.

All our actions are based on the INSOFT's values and the principles promoted by UN Global Compact. That is why, we committed to create long term added value for our clients, partners, employees and the society. We are dedicated to promoting the UN Global Compact principles, regarding labor protection, human rights and environment protection, solid ethical principles and anti-corruption. As promoters of the UN Global Compact initiative we are also dedicated to support the Global Goals for Sustainable Development.

We have a deep understanding of our values and the commitments we took, and we believe that our success has to be accompanied by a responsible attitude towards employees, stakeholders and the entire society."

Cristian Aciubotărești – CEO
INSOFT Development&Consulting

1. About INSOFT

1.1 Short company profile

Established in 2008, INSOFT became one of the main integrators of complete IT&C systems in Romania, offering advanced solutions, nationally and internationally, in the following fields: government, education, health, emergency situations, labor market, research-development-innovation and business sector.

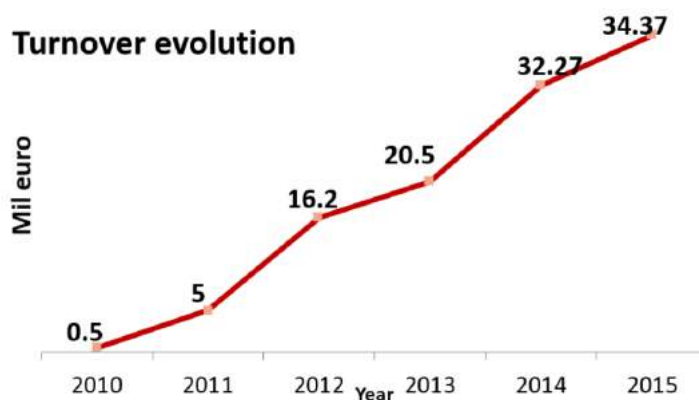
INSOFT has received numerous international distinctions, the company being appreciated for innovation, growth potential and a successful business strategy. Among recent awards we can mention: European IT & Software Excellence Awards 2016; 1st Place in Big Five Special Category –Deloitte Technology Fast 50 in Central Europe - 2015; European Business Awards 2015/2016; Best in Biz Awards 2014 EMEA; European IT & Software Excellence Awards 2014 etc.

INSOFT integrated in its portfolio innovative and highly professional software products, such as: learnIN –complete eLearning solution, BLINK –a complete educational management solution, INSOFT Enterprise Portal (IEP) –an innovative and complete solution for flexible content and document management, the publishing of information in the online environment as well as the creation of collaborative working spaces, INVALUE –a modern solution for evaluating the necessary employment skills and creating and appointing people to specific occupational standards, INFOSOFT –a solution for efficiently managing and sharing content displayed on indoor and outdoor devices, INSOFT DMS –a solution for organizing electronic documents in archives, INSOFT digital handbooks and the EduPlus app.

1.2 Financial data

In 2015 INSOFT Development & Consulting had a strategy that focused on consolidating its position on the local IT system integration market. We focused on implementing software solutions that brought added value for the clients, increasing the operational activity efficiency and making investments in R&D projects.

The development of new products, targeting new markets (labor market), supplying modern services and implementing projects with high impact, contributed to the company's growth. Thus INSOFT Development & Consulting reached a turnover of 34.37 million euro in 2015. The positive results are based on a sustainable growth and a flexible business strategy, able to cope with the IT & C market's challenges.



Among the most important projects implemented in 2015, we can mention INFUSE and CREVIS.

In partnership with other suppliers, we implemented for the Ministry of Labor, one of the biggest projects in Romania “INFUSE –Training for supplying modern services”. The project represents a best practice and it is the first Romanian systemic project co-financed by EU, being unique in terms of allotted budget, coverage, implementation period, social and economic impact. Thus, the Ministry of Labor was provided with a complete solution based on modern and innovative IT resources, the only possible way of achieving the goal to train and certify the competences of 6.500 social workers all over Romania in less than 6 months. 43 videoconference centers were fully equipped, integrated systems for collaboration, training and management of the target group as well as 40 highly interactive digital courses and all associated services were provided. The project aimed at improving labor market participation and social inclusion for people belonging to vulnerable groups and increasing the public servants’ capacity to provide modern and efficient services.

In 2015 as well, INSOFT focused on attracting European financing and making investments in the R&D sector. The investment in R&D projects generated new products that were included in INSOFT’s portfolio, thus contributing to the turnover increase.

Since the future holds great expectations with regard to virtual reality technology and applications offering immersive experiences, in 2015 we invested in a major innovative project in Central Europe – CREVIS – that includes a unique center of excellence providing immersive virtual environments. This project established the first center of excellence in Europe that uses an immersive cube for virtual reality and provides services for remote-monitoring, resource training and simulation in the critical infrastructure sector.

For the outstanding business performance, INSOFT received an important acknowledgement from the business community – 1st Place in the Big Five Special Category which is part of the Deloitte Technology Fast 50 in Central Europe programme that recognizes and profiles fast growing technology companies in the region. The programme, ranks the 50 fastest growing public or private technology companies.



1.3 Leadership

Our business strategy is based on specific objectives for ensuring a long term sustainable development, also taking into consideration the main stakeholders' interests. Environment, economic and social characteristics are important elements of our business strategy.

Our strategic objectives focused on the following elements:

1. Developing innovative IT products and solutions, also targeting new domains;
2. Implementing new regional projects, that would contribute to increasing our turnover;
3. Supporting and motivating the employees to participate in training sessions for developing their personal and professional abilities and competences;
4. Promoting initiatives that focus on supporting social and digital inclusion.

In terms of sustainable development, we've set long term objectives to support an efficiency increase in our current activities and to reduce their potential negative consequences on the organization's and society's future development.

That is why, social and environmental risks are designated as strategic business risks and are assessed periodically as part of the risk management processes. For implementing the sustainability concepts we have a flexible strategy. By following this strategy we aim to achieve an improved performance and a sustainable development, and also implement activities addressing the environment protection and adopting an adequate social behavior.

Sustainability is a key factor for the company's development. That is the reason why, in 2015 we became one of the founding members of the UN Global Compact Network Romania, thus actively supporting sustainable development and corporate social responsibility. United Nations Global Compact is the most important international initiative based on voluntary participation of organizations, sharing the same ethical convictions and corporate social responsibility. By joining the UN Global Compact we undertook the long term commitment for implementing and promoting the universal principles covering human rights, labor and environmental protection, anticorruption and ethical behavior in business.

By joining UN Global Compact we also committed to promoting the 17 Global Goals for Sustainable Development that will contribute to ending extreme poverty, fighting inequality and injustice and tackling climate change. The 17 goals that are to be implemented in the next 15 years, have a global character. Their achievement depends on local and national initiatives, and that is the reason why we planned to identify and capitalize on the opportunities regarding social challenges by supplying innovative IT solutions.



1.4 Certifications

All of our activities take place in accordance with periodically checked and updated methodologies. The certifications of the implemented Management Systems, based on the ISO standards requirements, confirm the capacity we have in providing efficient and high quality products and services based on the market needs, aiming for the customer satisfaction and business excellence.

The certifications guarantee the implemented projects' quality and also certify the compliance with the 8 quality management principles:

- Client orientation;
- Leadership;
- Team involvement;
- Process based approach;
- Management as a system approach;
- Continuous improvement of products and services;
- Fact-based decision making;
- Mutually beneficial relationships with partners, suppliers etc.

Each implemented standard guarantees that all the clients and partners benefit of the quality and well-coordinated, secured and constantly improved processes.

- **ISO/IEC 20000-1:2011** –for the IT&C services management system;

The implementation of ISO / IEC 20000-1:2011 aims to improve the management of IT services offered by INSOFT. The requirements of this standard helps applying an integrated management system that provides control, increased efficiency and opportunities for continual improvement.

- **SR EN ISO 9001:2008** –for the quality management system;

The certification in accordance with the requirements of the standard SR EN ISO 9001:2008 confirms that INSOFT provides products and services controlled by clearly defined internal processes, while respecting the customers' requirements and the applicable rules.

- **SR ISO 27001:2006** –for the information security management system;

Compliance with ISO 27001:2006 standard requirements certifies that INSOFT has an implemented Information Security Management System , also has identified risks that could threaten the integrity, availability and confidentiality of the information and consistently applies measures to minimize the impact of these risks on the entire business.

- **SR EN ISO 14001:2005** –for the environment management system;

INSOFT conformity with the SR EN ISO 14001:2005 standard guarantees that the company observes the legislation in force with regards to the environment regulations in the view of environmental protection support and pollution prevention.

- **SR OHSAS 18001:2008** –for the labor and health security management system.

The SR OHSAS 18001:2008 standard (Occupational Health and Safety Assessment Series) represents INSOFT alignment to a model of management for health and labor security, a unique and clear framework development in order to eliminate the workplace risks as well as the professional hazards identification and assessment.



2 Elements for a sustainable development

2.1 Objectives

By joining the UN Global Compact we undertook the long term commitment for implementing and promoting the universal principles covering human rights, labor and environmental protection, anticorruption and ethical behavior in business.

Our IT solutions contribute to creating new opportunities for people from disadvantaged groups. The INSOFT solutions bring added value and promote performance and excellence while reducing the digital divide and social exclusion. All our solutions can be easily accessed even by people with low digital competences. Our solutions are based on international standards of development, are accessible to various users and customized to meet their specific needs.

Thus, the main objectives included in our sustainable development strategy, are:

- Ensuring financial performance by implementing effective corporate governance mechanisms;
- Supporting innovation and developing products that meet the needs of present and future generations;
- Increasing the employees participation in the organization's activities;
- Supporting our clients and final beneficiaries for using all the facilities of the IT solutions developed by our organization;
- Supporting disadvantaged groups;
- Establishing long term partnerships with suppliers from various fields;
- Complying with ethical norms and anti-corruption regulations.



2.2 Anticorruption

Corruption is not a peripheral social concern that corporations can ignore or passively address — it is a bottom-line business issue that influences directly and negatively the companies' ability to compete fairly on the market.

INSOFT is complying with the anti-corruption regulations and strongly believes in the rule of law. Our company will always condemn any act of corruption or other form of deviation from the law. All the activities we undertake and all the projects we implement are always in accordance with our company's ethic values and the legislation in force.

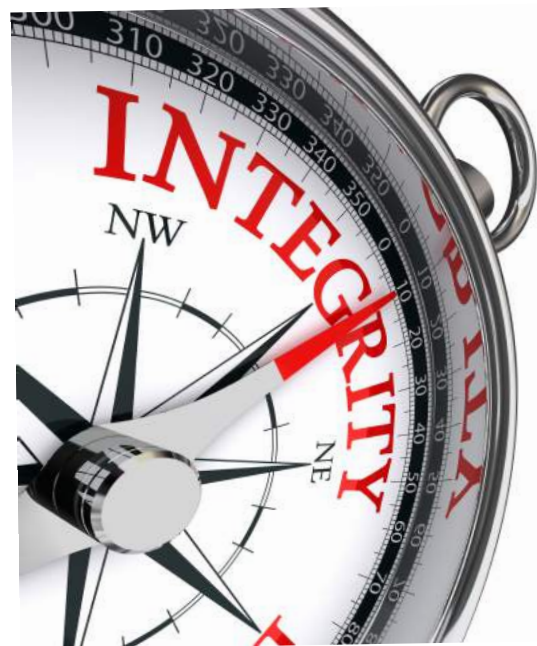
Our Code of Ethics is based on the INSOFT's values and on 5 principles – to manage a profitable and transparent business, to satisfy our customers' needs by applying the highest quality standards, to respect our partners and collaborators, to have a constant responsible attitude towards the community and the environment, teamwork and to support by all means the development of the employees.

We consider transparency as being one of the main elements of a successful business, and we focus on efficiently communicating our business goals and achievements. We also value integrity and honesty, and believe that these are also important elements for managing a sustainable business in today's global market.

At INSOFT we support honest business practices and we monitor the activities in order of preventing unjust actions undertaken by employees, partners or suppliers.

Thus we will continue to:

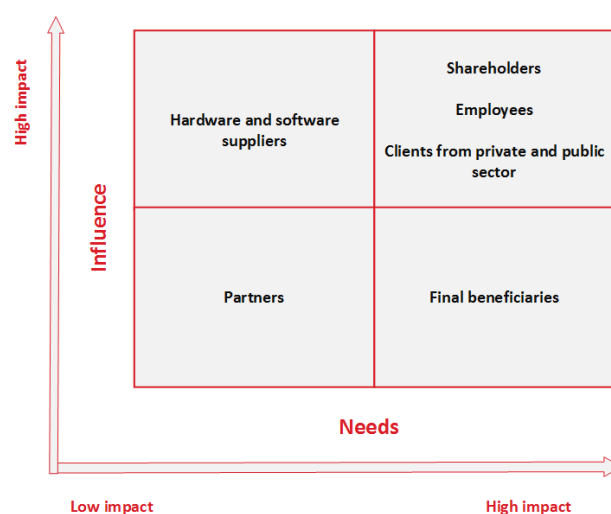
- **Ensure compliance** with ethical standards through programs increasing our level of integrity throughout all business lines and departments;
- **Strengthen preventive actions** and discouraging any corrupt behavior within the company and strongly recommend our employees to promote zero-tolerance towards corruption and disclose it in any situation;
- **Commit to fight against any corruption risks** that might be generated by public tenders, procurement procedures or contract processes regarding large-scale projects that are designed to support sustainable development;
- **Provide transparent information regarding the sponsorships** we choose to make based on our business and communication strategy, and avoid any conflict of interest by selecting carefully the beneficiaries and monitoring the process to ensure that the funds/products/services are used for the intended and approved purposes;
- **Take immediate corrective actions** whenever any corruptive or dishonest behavior has been identified within our team, on the "supply side" (suppliers) or the "demand side" (beneficiaries).



2.3 Social impact

Based on a thorough analysis the main stakeholders were identified. Later, the main groups were separately analyzed based on their specific needs and the impact they have on the sustainable development of the organization.

Our policies are based on promoting mutual respect. Thus, we respect our partners, suppliers and customers, we have respect for the community and authorities, we respect the employees and our own shareholders. Avoiding conflicts and discrimination, sustaining transparent communication, confidentiality, fair competition, discipline, common values, diversity, dignity and human rights are the pillars that make our company a reliable long-term partner.



2.3.1 Software and hardware suppliers

The quality of the products and services provided by our suppliers is of utmost importance because it enables us to reach performance. That is why we are very careful in selecting our suppliers.

We constantly try to identify those suppliers that follow a coherent set of ethical principles, demonstrate that they are interested in a sustainable development of their organizations, respect quality standards and are concerned about satisfying their clients' needs.

We aim at establishing fair, equitable and mutually profitable commercial relations with all our suppliers.

2.3.2 Partners

We recognize our partners' contribution to our business success, that is why we treat them with respect and honesty. We always try to establish win-win relationships in order to build long-term partnerships.

The INSOFT team does its best to offer its clients high quality products, developed on the basis of the latest technologies in order to answer professionally to their business needs. In this regard we focus on innovation and establishing long-term partnerships with top suppliers, whose expertise can bring added-value to the projects we develop.

We are always focused on establishing long term partnerships that are based on a clear set of common values. Equal rights, respect, mutual trust and knowledge of the strengths and weaknesses, are essential elements for establishing durable and successful partnerships, nationally and internationally.

2.3.3 Employees

The employees represent one of the most important groups considering its impact on the company's development. The degree of satisfaction and the employees' motivation directly influence the company's capacity of adapting to the market's demands, to promptly respond to the clients' requests and to develop new innovative products and implement successful projects. At INSOFT we have created an environment of trust and mutual respect, where all the employees are treated with dignity and respect. Respect for human rights is an ongoing concern that is also included in our business strategy.

In order to ensure a productive workplace we focus on creating an environment rewarding the commitment and performance, being responsive to the employees' needs. We support all the employees in achieving their full potential and encourage them to fulfil their professional and personal development needs, because knowledge, creativity, integrity, skills and teamwork are important elements that have a major contribution to the company's long-term development.

Our team includes highly trained and experienced people, who help us to efficiently deliver first class solutions to our clients. More than 80% of the team is represented by people with a strong background in software development, project management and implementation.

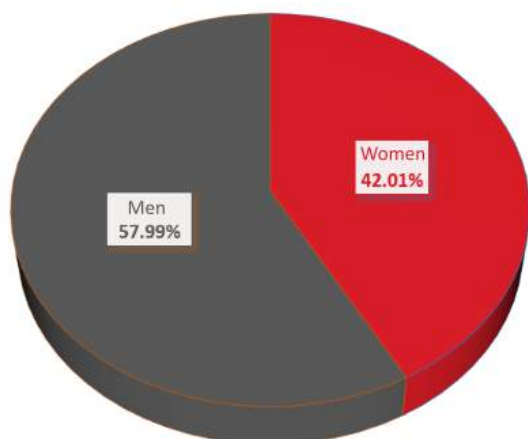
We actively promote gender equality, thus from the total number of employees in 2014, approximately 40% were women and in 2015, 48.89% were women. The HR politics proved their efficiency and the number of women employed in the company increased constantly. This initiative is based on the company's strategy that aims at providing equal chances and supporting women to work in the IT industry, an industry renown for the fact that is still a male predominant one.

The results of the survey organized within the company, regarding the importance of the Global Goals for Sustainable Development, showed that INSOFT employees appreciated as very important the Objective 5: Achieve gender equality and empower all women and girls, and consider that the company should bring its contribution in achieving this goal.

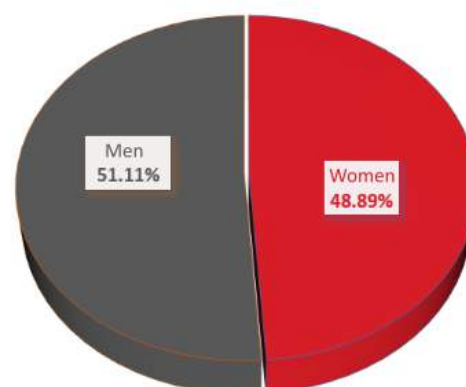
We actively promote **gender equality** both for men and women and the recruiting process is based on non-discrimination. That is why men and women have unlimited access to all available technical, administrative or management positions in the company, and the age is not a condition for selection. The selection of candidates is done entirely based on their professional record.

We encourage **professional and personal life balance** and we closely monitor the schedule of the employees' vacation days, so each employee benefit from at least 2 weeks of continuous vacation.

INSOFT EMPLOYEES - 2014



INSOFT EMPLOYEES - 2015



Both in 2014 and 2015, the employees with ages between 30 and 50 years were the most numerous. But it can be noticed an increase in the percent of people with ages over 50 years that became part of the team.

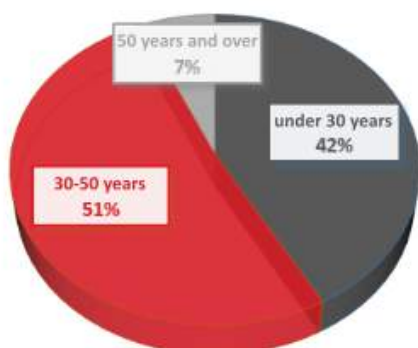
We discourage the discrimination of people with disabilities and we try to facilitate them an easy access through special designed ramps. Also, we made efforts to adapt the workplace to their needs and we are providing close-by parking spaces.

Motivating the employees is another key element that contributes to the company's development. The employees have the opportunity to participate in training sessions. We pay great attention to performance management and the employees have the possibility to participate both in trainings recommended by their managers as well as in trainings selected by themselves, based on their specific professional development objectives.

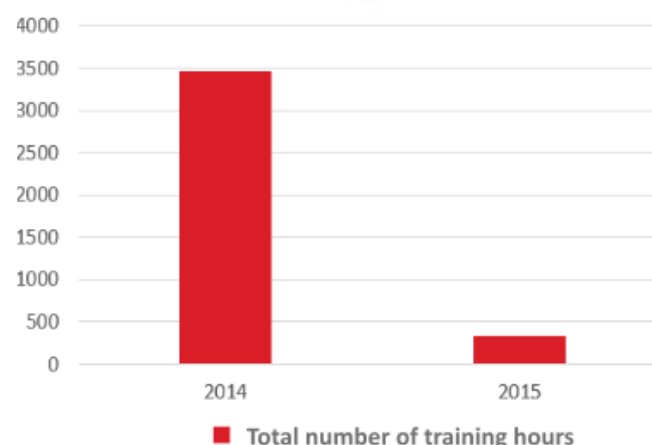
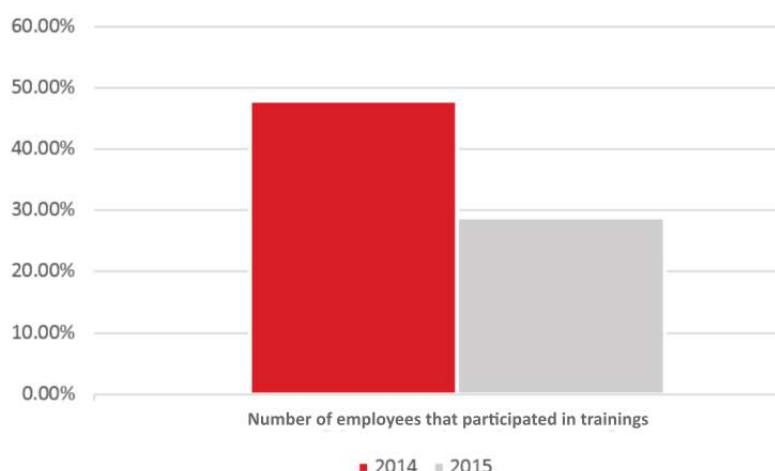
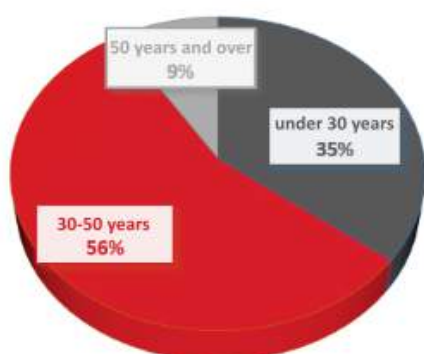
Our priorities regarding the selection of the duration and type of trainings are based on the particularities of the projects we are implementing and the extent of skills and competences that are to be acquired by our employees. Thus, in 2014 we focused on trainings that had a longer duration, in which participated different teams involved in implementing projects that required specialists with specific competences. The main types of trainings in which the INSOFT employees took part, were: instructional designer, trainer, accounting for EU funded projects, HR inspector.

In 2015 we focused on supporting our employees in participating in trainings that had a shorter duration and helped them acquire additional knowledge, necessary for their current positions, as well as acquiring further professional competences. The main types of trainings in which the INSOFT employees took part, were: EU funded project management, Project Management, HR Manager, Remuneration inspector.

AGE DISTRIBUTION - 2014



AGE DISTRIBUTION - 2015



We support our employees in engaging in volunteering, practicing healthy hobbies and sporting activities, and we try to promote as often as possible this kind of activities, by the means of the internal newsletter. Also, we make all the efforts to provide a pleasant working environment, and organize dedicated spaces where the employees have a chance to relax.

For encouraging the employees in getting involved in different activities organized by our company, or to support diverse social or environment causes we promote various initiatives by using internal channels. Each employee can decide which initiatives are of interest considering its own professional and personal development. Our proposals are based on the partnerships we have with NGOs or are ideas received directly from the employees.

In 2015 the INSOFT employees participated in different competitions or sporting activities like: Bucharest Marathon, Bike2Work, the internal table tennis competition „INPing Pong we trust”. The INSOFT employees also participated in volunteering activities in the project “We plant good deeds in Romania” (in which they planted trees) and also got involved in collecting donations for buying food for abandoned dogs that are hosted in special shelters.

For granting chances of finding employment for young people, we have organized for the last 4 years the „INSOFT Internship” training program. The program aims to familiarize students with the most modern IT solutions put into practice.

During the 3 months training period, the trainees are integrated into the existing teams, in order to gain experience in real projects. Approximately 70% of the students that participated in the training, became valuable members of the INSOFT team.



We also closely monitor potential risks that might affect the employees, for preventing work related accidents. We support all our employees in developing a proactive attitude towards preventing accidents and we periodically organize trainings for occupational safety and health.

In addition, INSOFT is certified according to international standards requirements. The company is SR OHSAS 18001:2008 certified - for the management system of occupational health and safety. The standard SR OHSAS 18001:2008 (Occupational Health and Safety Assessment Series) represents the alignment of INSOFT to a management standard concerning the occupational health and safety, creation of a unique framework for the occupational risks removal, the identification and assessment of the occupational hazards.

We encourage an ethical attitude and we promote solid principles included in our Code of Ethics. The Code of Ethics, available on our internal server, is disseminated among all the employees and states the moral principles and the organization's commitment towards a responsible conduct.

The INSOFT's organizational culture defines a business model built on ethical values as our actions, decisions and behaviors will always feature respect, integrity, transparency, honesty and trust. INSOFT is committed to the highest ethical standards in every aspect of the business. We try to integrate the ethical conduct into all our business activities.



2.3.4 Shareholders

The shareholders are one of the most important stakeholders, since they have a major influence in the company's development. The relations with the shareholders are based on a transparent communication and a continuous dialogue. Periodically there are organized meetings with the shareholders for presenting them updated and correct information regarding the company's situation.

The communication of financial and non-financial data respects a series of basic principles: transparency, availability –providing full access to all the shareholders to the same information, accuracy –the information is correct and provided in real time based on the company's latest centralized situations.



2.3.5 Clients

Long-term partnerships are built in time and are based on honesty and respect. In order to create, maintain and strengthen relationships with customers and other business partners, we focus our activities on a long-term horizon of action, involving, in this regard, all the company's departments. In order to achieve this goal, we resort to a classical but still vital instrument when building our development strategy, namely, besides the financial, social and structural benefits our customers enjoy, we offer them the opportunity to be part of a partnership based on initiative, responsibility, sustainability and transparency.

Based on the same idea of establishing long-lasting relations, we offer our clients support prior to starting a new project by identifying their specific needs, during the implementation phase by providing prompt and accurate information and solutions, and post implementation by supplying maintenance services whenever our clients need further assistance.

For maintaining and improving our relations with our clients we use complementary methods and we also encourage dialogue as the main method of communication. We pay great attention to our clients' requests and we try each time to deliver customized solutions.

Maintaining good relations with the clients is a key element for each project's success, that is why we closely monitor the satisfaction degree and if necessary we promptly adopt internal corrective measures. These measures are taken if we identify dissatisfaction regarding the products or services provided.

Taking into account that we have clients both from private as well as from public organizations, with different objectives and expectations, we take into consideration their particularities so we can supply the best solutions. Respect for clients is demonstrated during the entire duration of a project. We pay great attention to following our ethical principles that are at the core of the strong relations we establish with our customers.

2.3.6 Final beneficiaries, the community, media

INSOFT's commercial and corporate social responsibility activities reflect its philosophy of implementing ethical and sustainable business practices and support innovation for creating products and services and inspiring content development. Assisting the communities in which we operate and helping to shape a better, more sustainable society are core values that guide our actions.

We are making all the efforts to have a positive impact in the community, so we got involved in a series of educational projects that help us achieve our goal to improve our society by undertaking long lasting sustainable and durable actions. Our interest for getting involved in educational projects is a direct result of the fact that the eLearning business line is one of the most profitable departments within the company. That is why we want to return to the society a part of the profit, in terms of added value, including our knowledge and expertise in developing modern educational resources addressed to various groups of final beneficiaries.

Young people are the society's future. That's why, INSOFT supports them in acquiring the skills, knowledge and expertise giving them a competitive edge in today's labor market. For this purpose, we focus on providing dedicated programs for their professional development support.

Each year, students and master graduates from technical faculties have the opportunity to participate in training and skills development internships within INSOFT Development & Consulting. "INSOFT Internship" program aims to familiarize bachelors and master students with the most modern IT solutions, applied in practice.

"INSOFT Internship" gives students the possibility to participate in training sessions focused on applying and deepening the knowledge acquired during the study period. Meanwhile, they have the chance to develop their personal and professional skills. Thus, the interns are integrated into existing teams, interacting with the everyday working environment and gaining experience in real projects.

Last year, we tackled an extra challenge and focused on developing an innovative and complete solution for the labor market, that actively contributes to improving the odds of unemployed people to find a workplace. Thus we developed a modern solution for managing professional and personal competencies for employees as well as for people looking for a job while matching the requests for jobs with the employers' offers. This offers an important set of facilities for several key stakeholders: public institutions involved in implementing national strategies for the labor market, private companies (employers), unemployed people, and employees.

Our software solutions (implemented in several major national projects) addressed to public institutions targeted key priorities set by the Europe 2020 Strategy and the Digital Agenda for Europe 2020. Therefore the implemented solutions contributed to improving the efficiency in public administration and ensure inclusive and equitable quality education and lifelong learning, by implementing eGovernment and eLearning solutions, in order of supporting and delivering a strong and effective system of economic governance.



2.4 Economic impact

Our business strategy is based on identifying the best solutions that would allow us to supply high quality products and services, developed based on our clients' concrete needs. We carefully analyze and monitor the development and delivering process and we constantly adapt our internal procedures in order of being capable to provide innovative and competitive solutions.

All our activities are based on using innovation to create efficient solutions that are useful for the final users, our company, the industry in which we operate, and for the entire society. We generate added value due to the technologies we use and the projects we implement.

INSOFT has increased its market share and obtained a substantial business growth especially by succeeding to maintain a balance between the public projects implemented for ministries, national and regional public institutions, county councils, city halls, hospitals, universities etc. and the private ones mainly addressed to SMEs and NGOs but having in portfolio also banks and insurance companies. The main ways of contracting clients were based on participating in public tenders, direct sales for the private companies and indirect sales with support from business partners that subcontract various solutions or services (development, training, installation, technical support etc.).

We have a 6 year track record of leveraging Research & Development into innovative products & services addressed to the IT&C market. After our initial investment in R&D, that generated our first products & services to be included in our portfolio (eLearning & eGovernment solutions), we have focused on attracting EU funds to support our second wave of R&D projects.

The customized solutions and the products we developed had a high impact on the efficiency and productivity of organizations from different domains. All the solutions we developed have clear and quantifiable objectives and are based on the beneficiaries' specific needs. The access to innovative products based on modern technologies contributes to the economic development of various organizations and brings real benefits to the final users.

We are in a continuous process of thoroughly monitoring, analyzing and improving our internal procedures as well as our external delivery processes in order to best adapt and come up with the most effective and innovative solutions to our customers' requests and promptly respond to any challenges.



As technology is constantly evolving, the IT industry transformation will challenge us to become more innovative and to provide smarter solutions based on interactive user experience.


The future holds great expectations with regard to virtual reality technology and applications offering immersive experiences. Taking all this into consideration, we are very proud to mention our investment in a major innovative project in Central Europe – CREVIS – that includes a unique center of excellence providing immersive virtual environments.

This project established the first center of excellence in Europe that uses an immersive cube for virtual reality and provides services for remote-monitoring, resource training and simulation in the critical infrastructure sector.

We already have an extended portfolio of products and services, and in the future we will focus on those that will achieve an optimal balance between innovation, the benefits provided to clients and the generated revenues.

The IT market will remain very dynamic considering the competition and the clients' requests, therefore we will focus mainly on developing turnkey solutions, integrating complete IT systems, expanding the educational applications suite, marketing the products developed in R&D projects and consolidating the software solutions dedicated to the labor market.

Our business strategy is based on finding the balance between reaching a positive revenue and identifying the best initiatives that can help us have an increased positive impact in the society.



Innovative solutions for training, 3D simulations and monitoring of isolated targets from critical infrastructures, based on the use of virtual reality!

2.5 Environment impact

Taking care of the environment is an essential element for a sustainable development and for increasing the quality of life for the present and future generations. From the efficient use of energy, to recycling and supporting various environment projects, we try to contribute to protecting the environment.

Environment risks are considered strategic business risks. They are periodically evaluated as part of our risk management process.



2.5.1 Collecting and recycling waste

INSOFT formulates and implements policies and procedures for the natural resources conserving, preserving the current state of natural environment and, where possible, fighting against its degradation.

We have implemented specific methodologies that regulate how we: collect waste in distinct bins for glass, plastic, paper and mixed waste, reduce the paper consumption, support recycling of various resources etc.

We also have a dedicated plan for managing waste that includes details on how we monitor and control the waste, and measures for minimizing the generation of waste. The plan which is periodically updated describes the main processes of collecting, sorting, storing and eliminating waste and the assigned persons that are in charge with the implementation activities. The audit and the supervising activities are important steps in assuring an adequate control regarding the correct management of generated waste.

The INSOFT building is equipped on each floor with special recycling bins encouraging the selective waste collection and sparing printing habits. The recycling bins are responsibly used by all the employees and a specialized company picks them up every month. When needed, we recycle electronic waste and used batteries.

After implementing several internal communication campaigns we noticed an increased interest for selective waste collection, thus we supplemented the number of recycling bins.



The volume of collected waste increased in 2015, as a consequence of a responsible behavior and an increased awareness of the INSOFT employees regarding the importance of collecting and recycling.

In 2015 the volume of collected paper and cardboard was reduced due to the increased awareness of the employees and their responsible behavior in relation to reducing the volume of printed materials. Thus the employees focused on reducing the quantity of printed documents and opted for emailing them whenever it was possible.

As part of our internal communication strategy we sent to all the employees, emails with information regarding the correct way of recycling waste, the resources they can use for recycling and examples on how they can get involved in various projects for collecting and recycling waste.

We strongly recommend our staff to reduce their printing needs to a minimum, and use the e-mails, as much as possible. Also, we included in our electronic signature a message for promoting environment protection: "Protect the environment! Please don't print this email unless absolutely necessary".

Tires, motor oil and car batteries, are delivered for collecting/recycling to our partner who manages the car fleet.

Type of waste	Quantity 2014 (tones)	Quantity 2015 (tones)
Paper and cardboard	0.644	0.4895
Plastic	0.095	0.11
Fluorescent tubes	N/A	0.015
Electric and electronical equipment	N/A	0.016
Mixed waste	44.35	57.80



2.5.2 Efficient use of resources

At INSOFT we support the initiatives that are focused on preserving the environment and a sustainable use of resources. As part of the internal communication strategy, we created an ECO Friendly Flyer, promoting useful advice that comply with the office everyday activities. These are common habits to implement, and employees are encouraged to adopt the same healthy habits in their personal lives. In the same spirit, we didn't print this flyer but distribute it only online.

We monitor the energy, water and gas consumption and we respect the laws in force regarding the environment protection. For monitoring the energy consumption we developed and implemented an online program that allows us to collect and easily monitor useful data.

Type of resource	Quantity 2014	Quantity 2015
Energy (GWh)	95647	166547
Natural Gas (Nmc)	22177	24907
Potable Water (liter)	16340	18132

The increase in the energy consumption is due to the fact that the surface of the INSOFT headquarters was extended (from 3 to 4 floors and ground floor). Therefore an extra floor was rented and equipped, and this led to an increase in the energy consumption, compared to 2014. However, considering the larger space occupied by INSOFT, the average energy and gas consumption lowered, mainly due to the efficiency measures implemented in 2015.

For making more efficient the use of energy we installed on each floor, water dispensers (that have cooling and heating options), that were connected to programmable timer sockets. The dispensers supply every day cold and hot water during 08:00-20:00, in the rest of the time the potable filtered water is available at room temperature. In this way we use 50% less energy for the functioning of the water dispensers.

The decision of purchasing water dispensers that were connected to the water supply network was based on the need of adopting efficient measures for reducing the useless energy and plastic consumption (after installing the new dispensers it wasn't necessary anymore to purchase and replace periodically a relevant number of refillable plastic water bottles).

The new initiative was presented to the entire team in a newsletter, in order of raising the employees' awareness regarding the negative impact of burning fuels for producing energy (carbon emissions with influence on climate change). We emphasized the idea that we all need to adopt a responsible attitude, because only together we can contribute to reducing the energy consumption.

In 2015 we also implemented other measures that aimed at making more efficient the energy consumption by setting a program for coupling / decoupling the hydrophore (a 1/5 operating on/off program was set), reducing the lighting in the underground parking during the day and turning off the lightning system during night and introducing economic lighting (LED) in all the bathrooms.

In 2015 we also implemented measures for making more efficient the gas consumption. Therefore we implemented a night program and a customized program for legal holidays (when the employees are not in the office) and the cold season, that would reduce the gas consumption by programming the central heating systems.

For reducing heat loss we installed an automatic door for accessing the underground parking that allows preserving the heat/cold during the cold or hot season. Also for limiting the heat losses we fixed a cover that was facilitating the access to the building's roof. Because the cover wasn't perfectly tight it allowed a rapid transfer of heat/cold, thus generating losses.

For an efficient use of the potable water we organized an internal campaign and sent newsletters that included information regarding the responsible water consumption, methods in which the water consumption can be reduced when washing dishes etc.

2.5.3 Supporting access to volunteering programs

In 2015 we supported the INSOFT employees in getting involved in projects that aimed at protecting the environment and educating the population in order of raising the awareness regarding the challenges from this domain.

INSOFT Development & Consulting joined the big family of European bicycle riders, by supporting the Bike2Work project, organized during 18 May-28 June 2015. The project promoted a healthy lifestyle by using the bicycle as an alternative means of transportation from home to work. The Green Revolution Association was the campaign's organizer for Romania. In this project also participated organizations from other 11 European states –Italy, The Netherlands, Malta, Bulgaria, Croatia, France, Austria, Germany, Great Britain, Denmark, Slovenia.

We encouraged all the employees to ride a bike, as an alternative means of transportation. The main objective of this initiative was to raise awareness among all the employees on becoming more responsible towards the environment. During the entire Bike2Work campaign we supplied dedicated racks located outside the building, access to locker rooms, promotional materials and we organized informal meetings to present the project's objectives.

11 employees formed 4 teams which took part in the project. Together they cycled 1616.2 km.

By taking part in this project, the entire INSOFT team became more aware of the fact that riding a bicycle doesn't mean just reducing the carbon footprint and transportation costs, but it also has a positive impact on health by reducing stress, anxiety and the risks of cardiovascular diseases as well as helping to maintain an optimal weight.

Another project in which volunteers from INSOFT took part, was „We plant good deeds in Romania”. A team from INSOFT joined one of the biggest initiative of planting trees in Romania: 21 counties started in the same time the process of planting 1.000.000 trees in public unproductive lands. These trees will be taken care for in the next years, until they'll reach maturity. This initiative was initiated by the EcoAssist Association from Bucharest with 5 NGOs that are focused on environment protection in Romania, and also had a major public partner – The Ministry of Environment, Waters and Forests.



3 Future plans

Because our business strategy is based on a vision focused on change, we make all the efforts to promote the same attitude among our main stakeholders. By the means of our actions we try to motivate others to be receptive to change and get involved, in order of identifying new solutions that would bring future benefits for the entire society.

For continuing a sustainable development we will have to face a series of challenges: maintaining a balanced increase in the turnover, supporting innovation and motivating the employees to get involved in the company's activities and develop their professional competences. Another challenge aims at making more efficient the commercial activity and decrease the focus on the products and services that don't perform according to our expectations and investing in more profitable domains that will later generate a long term positive impact.

We will continue to encourage volunteering and the employees' initiatives will be supported and promoted within the company. We will mainly support initiatives that are related to the main domains that we target: education, environment protection, healthy life, sustainable economic growth etc.

We will also focus on the efficient use of resources –energy, water, paper, fuel and we will monitor the annual consumption.

We will continue to support our employees by providing opportunities for professional and personal development and facilitating their access to internal or external trainings, on various themes. Occupational safety and health, supporting gender equality and diversity, integrating people with disabilities, promoting employees' rights, are all elements that will continue to represent an important part of our development strategy.

Another key element that we will include in our business strategy will take into consideration the investment in young IT specialists and developing new R&D projects. Change and innovation represent essential elements for future economic and social development. The entire INSOFT team is dedicated to identifying the most efficient solutions and best use for the products and services we supply, in order of contributing to increasing the sustainability and generating a positive impact.



As promoters of the UN Global Compact we are dedicated to supporting the Global Goals for Sustainable Development. For including in our development strategy, specific activities that can contribute to achieving the Global Goals, we created an online survey and we invited the entire INSOFT team to answer 3 questions. Thus, we wanted to find out what are the most important Global Goals for each employee (personal interest), goals that should be supported by the company by direct involvement in specific activities and which are the goals we could focus at national level.

Based on analyzing the answers, the following conclusions were drawn:

1. The 3 main Global Goals relevant for the INSOFT employees (at personal level):

- Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Goal 6: Ensure availability and sustainable management of water and sanitation for all

2. The 3 main Global Goals INSOFT should support:

- Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 5: Achieve gender equality and empower all women and girls

3. The 3 main Global Goals on which we could focus at national level (based on the feedback of the INSOFT team):

- Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 3: Ensure healthy lives and promote well-being for all at all ages
- Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Thus, as a responsible company we will focus on supporting mainly the 3 Global Goals that were identified by the INSOFT team to be the most relevant for our activity: Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; Goal 5: Achieve gender equality and empower all women and girls.

For INSOFT Development & Consulting, joining UN Global Compact represent our long term commitment for integrating in our business strategy concrete actions for implementing and promoting the universal principles regarding labor protection, human rights and environment protection, solid ethical principles and anti-corruption.



INSOFT Development & Consulting

46A Virtutii Drive, district 6

060787

Bucharest, Romania

Phone: +40.374.023.255

Fax: +40.314.370.015

Email: office@insoft-dc.ro

Website: www.insoft-dc.ro