Introduction

Letter from the Partners

This report reflects upon our journey in sustainability consulting. After more than 15 years, BSD is now entering an important stage for development, yet we are still a young company in spirit and energy. After a phase of internal development and growth, we are ready to deliver our solutions and support to companies and organizations, across a wide range of sectors and countries, in tackling the challenges of sustainability.

This report is a special report in that it not only reflects our performance in 2013, but looks back on how it all began 15 years earlier. In 1998, the first BSD offices were founded in Brazil and Switzerland with the aim of building a bridge between the emerging ethical consumer market in Europe and the sustainable production sites in Latin America. The integration of these two worlds at the crossroad of business and sustainable development created a new field of action and, after having begun operations in Colombia, the BSD Group was officially founded in 2007 as a common clearing house for knowledge, methodologies and a unique approach to sustainability consulting.

Since then, more offices have joined the Group and today we work with 11 offices and over 70 consultants. All our consultants are enthusiasts for sustainability and try to create positive impact through their daily work. Impact has undoubtedly been effected by our capacity building activities, be it in customized client workshops or through our official trainings, such as the certified Global Reporting Initiative (GRI) training. BSD Consulting is a key training partner of the GRI, having been responsible for the development of local content for various countries and regions and having trained hundreds of participants in the art of disclosing the sustainability performance of their organizations.

We can indeed affirm that reporting is not an easy exercise, and we know that our own report will be exposed to many critical readers. After a first unpublished internal C-level report for the reporting period 2011, the BSD Group released this report publicly in order to put the spotlight on ourselves, not only to measure what we have done, but also to commemorate and define clear objectives for further improvements.

In this report, we endeavour to highlight our impact, trying to answer the question "in the end, what is our work in sustainability all about?" We know that there may be no definite answers to this question, but our attempts to answer it left us motivated to continue the search. We believe that our work has effected change in the currency with which our clients measure their own success, moving from a focus on financial results only to that of economic, social and environmental practices.

However this report is not only focused on the impact our work achieves, but also on the sustainability of our operations. As signatories of the UN Global Compact, all BSD offices adhere to the 10 principles and try to demonstrate progress in implementing best practices on each of our ends: at both the global Group and the local office levels. With this report, we have also accounted for how we are implementing the principles. And in the 'Looking Ahead' sections we share how we want to respond in the coming two years (2014/2015) to our major gaps and challenges.

Creating impact is our driving force and we know that it demands not only enthusiasm, but innovative solutions, capacities and experience. These make up the backbone of BSD Consulting as we continue our journey and look forward to the next 15 years of exciting development.

One Purpose

BSD
business. sustainability. development.

We are a global network of consultancy firms providing knowledge and solutions for sustainable development.

FOUR CONTINENTS

TWELVE COUNTRIES
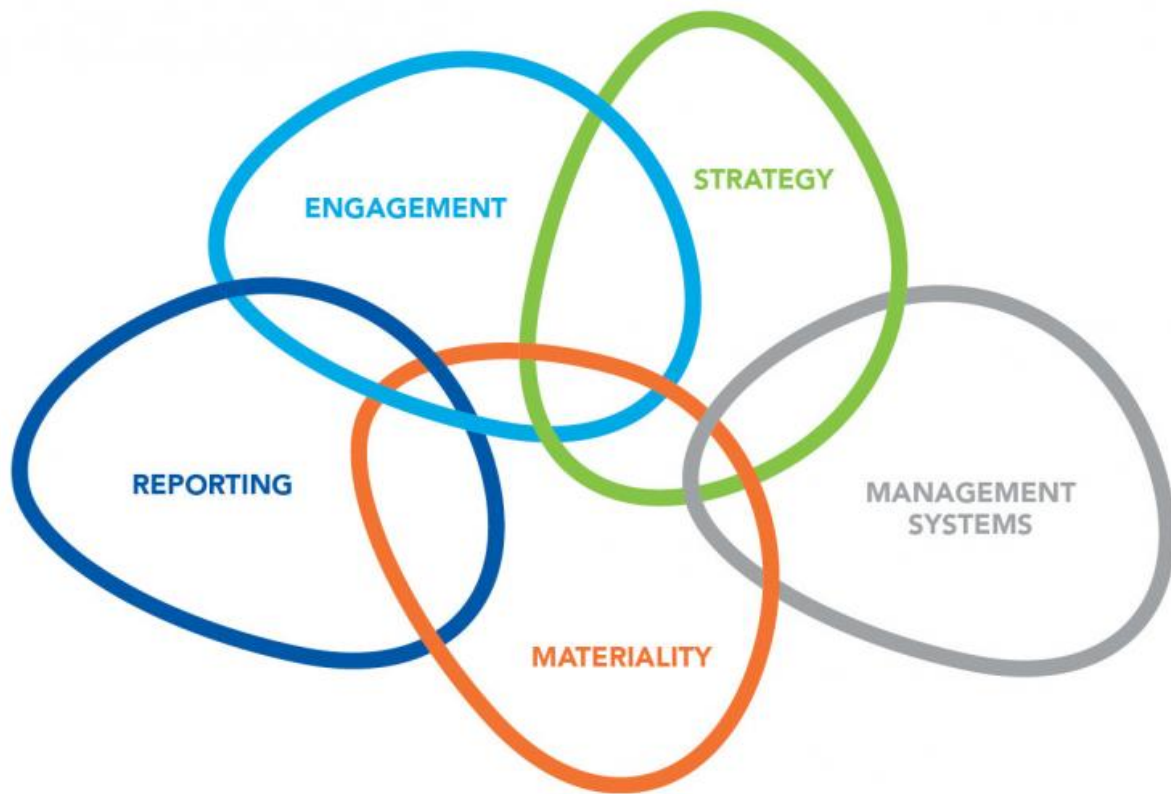
SEVENTY ONE CONSULTANTS

SIXTEEN YEARS

TWELVE LANGUAGES

ONE PURPOSE

pur·pose
noun \per-pes\
· the reason why something is done or used
· the feeling of being determinate to do or achieve somenthing

About this Report

OUR APPROACH TO REPORTING

Our approach to sustainability reporting

We believe the sustainability reporting process poses a great opportunity for us to advance our internal planning, alignment and management, and to ensure that our performance and priorities are in line with stakeholder expectations.

The issues identified as material in this report respond to what we have learned through our engagement with key stakeholders in the past, and are deeply embedded in our strategic plan and management systems moving forward. The 'Looking Ahead' sections included throughout this report shed light on our commitments for 2015 and beyond.

Period and Scope
Period and Scope

This report covers the period of 1 January 2013 to 31 December 2016. The disclosed data is a consolidation of all the data of local offices in our
network. Specific data for each local BSD operation is only presented for selected indicators.

Online Sustainability Report

We find it important for our stakeholders to follow our sustainability progress through our live online reporting and are therefore very pleased to publish BSD's online sustainability report.

In our live reporting we complement our yearly performance with informing our stakeholders on an ongoing basis on our sustainability performance and key achievements.

For our live reporting BSD Consulting is partnering with [Verso](), an innovative solution for responsibility management and communication. We are happy to be one of the first users of Verso and are confident that some of our clients could also find it a valuable solution.

Guidelines and Assurance
Guidelines and Assurance

This sustainability report was prepared in accordance with the Core (G4) requirements of the Global Reporting Initiative (GRI). We are also adhering to IIRC guidelines in the preparation of this report. The report also serves as our Communication of Progress (COP) to the UN Global Compact, of which we are signatories.

The Group decided not to have this report externally assured. An internal control process has been realized in order to ensure compliance with GRI's
G4 Core reporting requirements and the AA1000 Accountability Principles.

Acronyms & Glossary
Acronyms & Glossary

AA1000 AccountAbility's standard framework providing guidance to companies requesting assurance or exploring stakeholder engagement processes. Source: www.accountability.org	**GRI Certified Training Partner** GRI Certified Training Partners are organizations all over the world that are certified by the Global Reporting Initiative (GRI) to provide training courses and modules on sustainability reporting. Source: www.globalreporting.org	**SA8000** The international SA8000 norm is an auditable social certification standard for decent workplaces based on international workplace norms of International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. This standard is the benchmark against which companies and factories measure their social performance.
Assurance External verification of data and management processes.	**IIRC** The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. The coalition is promoting communication about value creation as the next step in the evolution of corporate reporting.	**SAI** SAI is a non-governmental, multistakeholder organization whose mission it is to advance the human rights of workers around the world by eliminating sweatshops and by promoting ethical working conditions, labor rights, corporate social responsibility and social dialogue. Source: www.sa-intl.org
BSCI The Business Social Compliance Initiative (BSCI) is the leading business-driven initiative for companies committed to improving working conditions in the global supply chain. Source: www.bsci-intl.org	**Impact investing** Impact investing is defined as the placement of capital with the intent to create benefits beyond financial return. Source: "A Framework for Action: Social Enterprise & Impact Investing", UN Global Compact, June 2012	**SECO** The State Secretariat for Economic Affairs (SECO) is the Swiss Confederation's competence centre for all core issues relating to economic policy. Source: www.seco.admin.ch
BSD Group	**Intrapreneurs**	**SMEs**

BSD Group AG (the legal form in Switzerland is Aktiengesellschaft (AG), which is a limited company) is the holding company of all the local BSD offices. It is responsible for all functions, processes, and infrastructure that is not proprietary to one of these offices.	People that are of the forefront of social change and build a better business from the inside out of the leading company they work for. Source: www.changemakers.com/intrapreneurs	Small and medium enterprises
CSR Corporate Social Responsibility	ISEAL Alliance ISEAL is a non-governmental organisation whose mission is to strengthen sustainability standards systems for the benefit of people and the environment. Its membership is open to all multi-stakeholder sustainability standards and accreditation bodies that demonstrate their ability to meet the ISEAL Codes of Good Practice and accompanying requirements, and commit to learning and improving. Source: www.isealalliance.org	Stakeholders Stakeholders are defined as entities or individuals that can reasonably be expected to be significantly affected by the organization's activities, products, and services; and whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objectives. This includes entities or individuals whose rights under law or international conventions provide them with legitimate claims vis-à-vis the organization. Source: https://g4.globalreporting.org/introduction/glossary
C-suite The highest-level executives in for-profit corporations are usually called "C-level" or part of the "C-suite", referring to the "C" with which their corporate titles start.	ISO 26000 A standard of the International Organization for Standardization (ISO) that provides guidance on how businesses and organizations can operate in a socially responsible way.	UN Global Compact The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour,environment and anti-

		corruption. Source: www.unglobalcompact.org
FGV The Fundação Getulio Vargas (FGV) is an institution in Brazil offering higher education and conducting academic research. Source: www.fgv.br	Material issues Issues that reflect the organization's significant economic, environmental, and social impacts, or that would substantively influence the assessment and decisions of stakeholders. Source: www.globalreporting.org	UNICEF The United Nations Children's Fund (UNICEF) is the driving force that helps build a world where the rights of every child are realized and is active in more than 190 countries and territories. Source: www.unicef.org
Greenwashing Greenwashing is a form of communication that is deceptively used to promote the perception that an organization's aims and policies are environmentally friendly.	NGO Non-Governmental Organization	UniEthos UniEthos is a nonprofit organization in Brazil that provides advisory and executive educational services to companies in order to develop sustainability in their business. Source: www.siteuniethos.org.br
G4 The GRI G4 Sustainability Reporting Guidelines offer Reporting Principles, Standard Disclosures and an Implementation Manual for the preparation of sustainability reports by organizations, regardless of their size, sector or location. The Guidelines also offer an international reference for all those interested in the disclosure of governance approach and of the environmental, social and economic performance and impacts of organizations.	Procurement Procurement is the act of buying goods or services from an external source.	

Source: www.globalreporting.org		

Impressum

Impressum

This report is elaborated by BSD Consulting, under the coordination of the BSD Group and published in September 2017.

We would like to thank everyone at BSD Consulting for providing input and for sharing suggestions for improvement.

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Key Stakeholders

OUR STAKEHOLDERS

TALENT
- EMPLOYEES
- CONTRACTORS
- CANDIDATES

SUPPLIERS
- EQUIPMENT AND SUPPLIES
- SERVICES
- TRAVEL
- EVENTS

CLIENTS
- CORPORATIONS
- SMEs
- SOCIAL ENTREPRENEURS
- GOVERNMENTAL AGENCIES
- DEVELOPMENT AGENCIES
- NGOs
- ACADEMIA

FUNDERS
- INVESTORS
- BANKS

PARTNERS
- SERVICE PROVIDERS
- ASSOCIATIONS
- NETWORKS
- NGOs
- THOUGHT-LEADERS
- CHANGE-MAKERS
- MEDIA

SOCIETY
- FUTURE GENERATIONS
- SUSTAINABILITY PRACTITIONERS
- COMMUNITIES

Key stakeholders

Defining our material issues means understanding our stakeholders' views. Material issues are not only those that create significant impact for society, but also those that influence our stakeholders' decisions. From this standpoint, a process was initiated to map our main stakeholder groups, which were then reviewed by the Sustainability Reporting Working Group and validated by the BSD Group Partners.

Following this, we made use of our various existing stakeholder engagement channels to listen to these key stakeholders and to discuss their views. No external engagement was undertaken specifically as part of the report
preparation process. We have various methods of engagement with our key
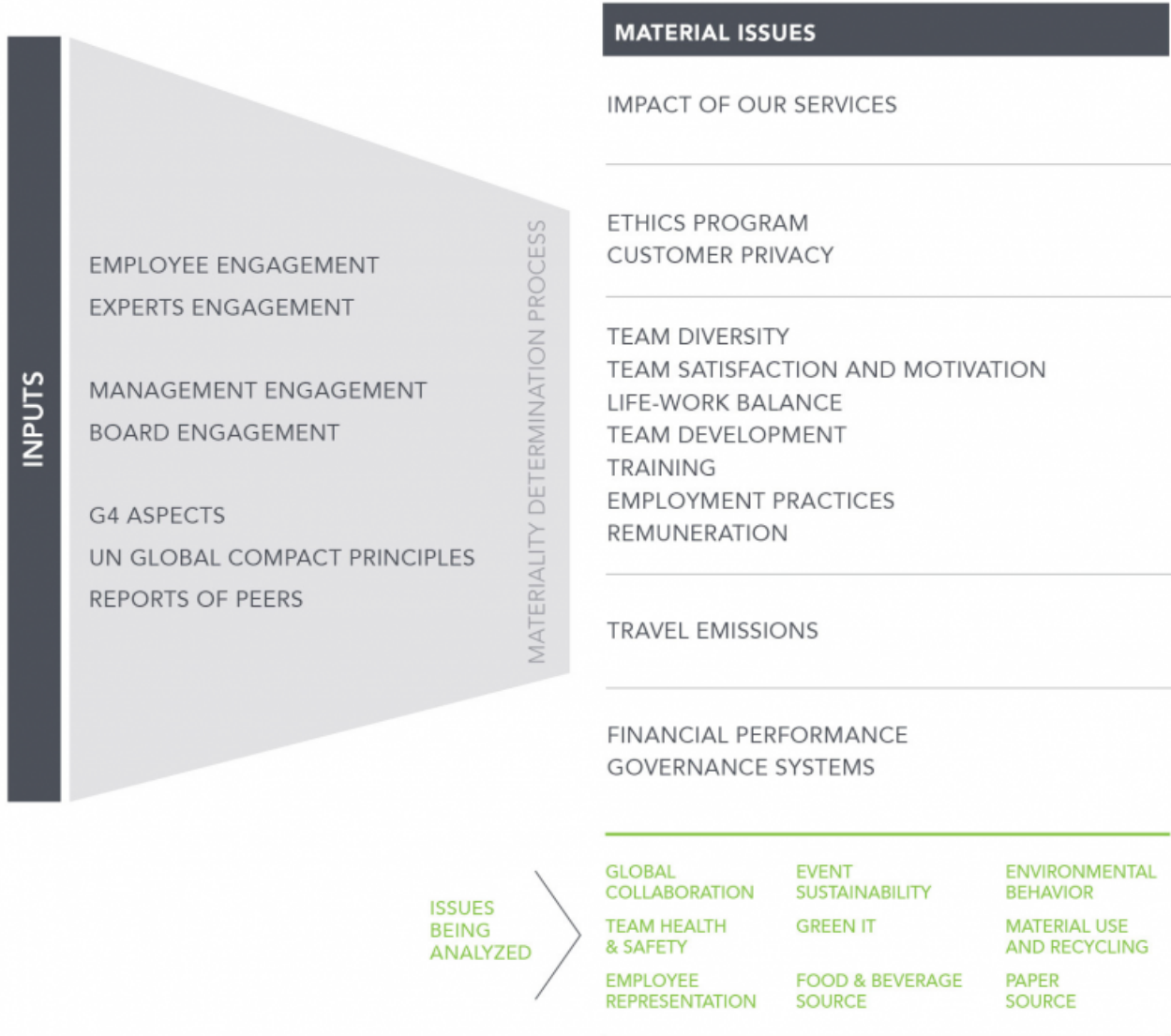
stakeholders that help us to identify issues relevant to them, build trust, spark collaboration and ultimately, drive innovation.

METHODS OF ENGAGEMENT WITH KEY STAKEHOLDERS	
STAKEHOLDER	METHODS OF ENGAGEMENT
TALENT	Employee Engagement Survey
	Ethics program
	Internal collaborative platform
	Ongoing communications
	Materiality survey
CLIENTS	Client Feedback Survey
	Ongoing communications
SOCIETY	Social media
	Associations / Networks
	Events
SUPPLIERS	Ongoing communications

LOOKING AHEAD
For 2015, we have plans to implement a systematic engagement platform that consolidates the results of the engagement methods across our network.

Key Issues

MATERIALITY PROCESS

INPUTS

MATERIALITY DETERMINATION PROCESS

EMPLOYEE ENGAGEMENT
EXPERTS ENGAGEMENT

MANAGEMENT ENGAGEMENT
BOARD ENGAGEMENT

G4 ASPECTS
UN GLOBAL COMPACT PRINCIPLES
REPORTS OF PEERS

MATERIAL ISSUES

IMPACT OF OUR SERVICES

ETHICS PROGRAM
CUSTOMER PRIVACY

TEAM DIVERSITY
TEAM SATISFACTION AND MOTIVATION
LIFE-WORK BALANCE
TEAM DEVELOPMENT
TRAINING
EMPLOYMENT PRACTICES
REMUNERATION

TRAVEL EMISSIONS

FINANCIAL PERFORMANCE
GOVERNANCE SYSTEMS

ISSUES BEING ANALYZED

GLOBAL COLLABORATION	EVENT SUSTAINABILITY	ENVIRONMENTAL BEHAVIOR
TEAM HEALTH & SAFETY	GREEN IT	MATERIAL USE AND RECYCLING
EMPLOYEE REPRESENTATION	FOOD & BEVERAGE SOURCE	PAPER SOURCE

Key issues

From the outset, it was clear that our most relevant impact revolved around our central purpose: to provide knowledge and solutions for sustainable development. Throughout the last couple of years, we also engaged our staff and management directors worldwide to identify additional material issues on which we should focus our strategy,

management and reporting. Examples from our peers, feedback to our previous reports, expert surveys conducted in 2011 and a revision of the GRI Guidelines and the UN Global Compact Principles were also used for our analysis. The following two diagrams show the results of our materiality determination process, which was validated by BSD Group Partners and managing directors.

The first diagram identifies inputs, defined material issues and where in this report the disclosures on management approach and performance per issue are located. It also highlights some of the issues that we explore for potential materiality in 2015.

Profile and Purpose

"Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. It contains within it two key concepts:

- the concept of 'needs', in particular the essential needs of the world's poor, to which overriding priority should be given; and
- the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs."

Our Common Future, published by the Brundtland Commission in 1987

Founding story

Founding story

In the early 70s, a group of visionary women got together in Frauenfeld, Switzerland, to debate why a banana, which does not grow in Switzerland, was cheaper than an apple, which does. Little did they know that their conversation would inspire, 25 years later, the launch of what is today a leading sustainability management consulting firm, BSD Consulting - Business. Sustainability. Development.

These women, known as the Banana Women, created the gebana association in 1988 with the goal of improving the working conditions of the banana workers and their families, and to spark a fair trade movement for the banana sector.

Nearly a decade later, while visiting banana producers in Nicaragua and Costa Rica, Peter Teuscher, working at the time as the Secretary-General of gebana, expressed disappointment, "after so many years of struggle, the working conditions of workers and producers had not improved substantially."

As gebana began to achieve its vision of adding further social, economic and environmental value to existing commodity supply chains, another awakening was taking

place thousands of miles away, in the boondocks of Brazil.

During a visit to rural communities in Brazil, a UNICEF local officer suggested that it would be productive to direct investments for development into rural communities in order to prevent the migration of families with children to poor urban areas. "I thought, yes, this makes total sense," said Beat Grüninger, at the time, working as the Press Officer for the Swiss Committee for UNICEF and also as a Board Member of gebana. "Peter and I began discussing possibilities of how to advance socio-economic development and fair trade, and the concept of BSD evolved around starting an ethical trade organization," said Beat. "The Banana Women's civil society movement influenced our idea of creating a business that they had initially dreamed of," he added.

In May 1998, in Switzerland, BSD - Business meets Social Development - was officially launched as an incubator for sustainable enterprises. Together, Peter and Beat spearheaded the transformation process of the NGO gebana into a company that would be able to produce, trade and distribute ethically sourced goods to conscious consumers. While Peter structured the management systems of gebana in Switzerland, Beat's focus in Brazil was to establish GMO-free supply chains of soybeans with small farmers.

As tools and services were developed and adapted, BSD gradually evolved in its early years to become a platform for solutions to address social issues in the supply chains of retailers, food and textile producers. In 2006, with Felipe Arango joining the team as partner, BSD expanded to Colombia and the BSD Group AG was founded.

"I would say that when Felipe Arango joined us in Brazil and later launched a very successful operation in Colombia, it marked a key moment for the evolution of BSD and we decided the time had come to launch the BSD Group." says Peter. The brand also went through an important transformation shortly thereafter, changing its name from Business meets Social Development to Business. Sustainability. Development.

Beat explains that "By the time we established the BSD Group, the concept of sustainability had become mainstream, taking us beyond the social realm and into the environmental and economic arenas."

After launching the BSD Group and a well-structured licensing model, BSD began to expand its activities worldwide, aggregating another eight offices across four continents.

Business meets Development

Committed
Wholeheartedly dedicated to, and passionate about sustainable development. Driven by impact. Focused on results, systems, effective management, collective action and standards.

Wide
Ability to engage and work with a diverse range of stakeholders.

Innovative
Pioneering, creative, and aware.

Capable
Experienced, resourced, and knowledgeable. We engage in design and implementation.

Trusted
Ethical, coherent, and transparent.

Friendly
Easy to relate to, approachable, open, empathic, humane, fun.

Engaged
Active, informed, and part of a global collaborative network.

Business meets development

When BSD was launched in Switzerland in 1998, society demanded answers to the rising environmental risks and social inequalities in an increasingly globalized economic system. The growing disconnect between the approach of development agencies and the private sector urgently required new solutions. Society challenged existing business models and prominent NGOs highlighted these concerns worldwide. The debate about the role of businesses, the effectiveness of development models, social norms, and the need for transparency in supply chains became more prominent. BSD was among the pioneers in offering solutions to merge business and development.

"This original vision has been maintained throughout our journey. Almost a decade after BSD was founded, we started searching for a new logo for our brand. The figure you see in our logo would appear to be an 'impossible figure', but it is there, it is possible. A dynamic interrelation and coexistence amongst business, sustainability and development" says Felipe Arango.

"BSD set out to build a bridge between society's growing concerns, development organizations and business operations. Traditional consultancies were not yet working in this field. Our value proposition focused on supporting companies to understand the new playing field, and to align their business models accordingly."

Peter Teuscher (BSD co-founder)

Our Network

A global network with local capacities

Many of the challenges we face are global in nature, but require solutions that are in line with local realities and capacities. BSD was conceived from the start as a collaborative network of international firms and professionals committed to advancing sustainable development.

Shortly after its foundation in Zurich in 1998, BSD expanded to Brazil. In 2006, we also expanded to Colombia and the BSD Group was founded, establishing a shared services structure focused on catalyzing the expansion of the network and adding value to local BSD offices (for example, through branding, knowledge management, tools, portfolios, partnerships, collaboration platforms and a shared strategic approach).

Financial Highlights
Financial Highlights

Today, BSD Group has a physical presence in 11 countries and 4 continents, providing local global expertise. In 2016, the BSD Group generated a total net turnover of 5.4 million USD. A good economic performance is what allows us to continue to follow our central purpose: to provide knowledge and solutions for sustainable development.

	2013 (in thousand CHF)	2014 (in thousand CHF)	2015 (in thousand USD)	2016 (in thousand USD)
Revenue	4,826	5,018	4,840	5,430
Operating costs	1,977	2,147	1,988	1,748
Employee wages and benefits	2,592	2,515	2,529	2,762
Payments to providers of capital	61	9	19	18
Payments to governments	106	106	148	177
Economic value retained	90	241	156	725

Looking ahead

LOOKING AHEAD
We will explore possibilities for network expansion in Africa, India and other strategic locations.
We will implement initiatives to increase international collaboration on project implementation and business development.

Governance

OUR ORGANIZATIONAL STRUCTURE

Governance

The BSD Group is managed by a Managing Director, elected by the Group Partners on an annual basis. Since its inauguration in 2007, the BSD Group has been managed by Peter Teuscher, who is dividing his responsibility with Beat Grüninger and Felipe Arango. Since January 2015, Felipe Arango is the new Managing Partner, sharing responsibility with Peter and Beat who is also the Chairman of the Board. The BSD Group also hires a full-time Network Manager who supports the Partners and handles all the daily activities. Each local office is run by a Managing Director, who, in certain cases, is also the majority owner. BSD's Managing Directors meet on an annual basis to define the company's strategic direction as well as the degree of support and control exercised by the Group. As a result the Group's Quality Manual is updated. This manual guides all the local offices on their (financial) planning, consulting practices, communications, internal knowledge sharing, data management, and states the (financial) reporting requirements to the BSD Group.

"The BSD network is a connected yet independent international team of local experts with the shared mission to contribute to sustainable business development by promoting local expertise, sharing knowledge and applying innovative practices in all consulting activities."

Nidhi Krishen, Network Manager, BSD Group

LOOKING AHEAD
Advancing the integration of external individuals into our advisory board

Our Journey
Our 15 year journey

YEAR	KEY MOMENTS BSD CONSULTING	GLOBAL SUSTAINABILITY MILESTONES
2013	Launch of the Reporting 3.0 platform in Germany. Participant of the UN Global Compact. Launch of Trippplus business unit. BSD Colombia becomes a B Corp.	Launch in Amsterdam of the fourth version of the GRI Sustainability Reporting Guidelines (G4), in the presence of 10 BSD delegates.
2012	Launch of BSD USA by Felipe Arango and BSD Germany by Sebastian Straube and Peter Teuscher. Launch of the website www.bsdconsulting.com. BSD is the biggest single licensed GRI Training Partner worldwide. Internal publication BSD Sustainability Report 2011.	Conference on Sustainable Development "Rio+20" in Rio de Janeiro.
2011	Launch of BSD Mexico by Hugo Vergara and Felipe Arango.	
2010	BSD starts cooperation with Level Works for social auditing in Latin America.	Summit on the Millennium Development Goals. Launch of ISO 26000 guidance standard on social responsibility.
2009	Launch of BSD Portugal by Francisco Neves. BSD starts representing BSCI in China.	Launch of SAI in Brazil, having BSD as the official representative.
2008	BSD Switzerland partners GIZ for Social Compliance work in China. Launch of BSD Ecuador and BSD Chile by Hugo Vergara, and BSD China by Peter Teuscher.	
2007	Launch of BSD Group AG by	

	Peter Teuscher, Beat Grüninger and Felipe Arango. Launch of BSD Spain by Niels Ferdinand. BSD rebranding.	
2006	Launch of BSD Colombia by Felipe Arango. BSD Switzerland launches platform on Sustainable Procurement, funded by SECO.	Launch of third version of the GRI Sustainability Reporting Guidelines (G3).
2005		The 2005 World Summit. Launch of ISE - Bovespa Business Sustainability Index.
2004	BSD Brazil structures a methodology to apply the Ethos Indicators at Petrobras engineering units. BSD Brazil conducts the first SA8000 course for auditors.	
2003	BSD Switzerland ends incubation of gebana. Peter Teuscher acts as director of the board of gebana. BSD Brazil implements a clean water project for rural communities in Paran, finances by the Swiss company Georg Fischer.	Launch of the Business Social Compliance Initiative (BSCI). First edition of the AA1000 Assurance Standard is published.
2002	BSD Switzerland starts research cooperation with Zurich University of Applied Sciences ZHAW on Social Management Systems. BSD Brazil implements its first SA8000 (SESI-PR). BSD translates AA1000 into Portuguese.	UN World Summit on Sustainable Development in Johannesburg. Foundation of the ISEAL Alliance. Second version of the GRI Guidelines issued.
2001	BSD Brazil conducts the first scoping study for AA1000 (SESI-SC). BSD Brazil gives	

	its first corporate responsibility course (UNIRIO).	
2000	BSD Switzerland and BSD Brazil get organic certification for the soybean chain of gebana and include The Body Shop as a partner and client.	Adoption of the Millennium Development Goals. UN Global Compact is established. First version of the GRI Guidelines issued. First version of the Ethos Indicators launched.
1999	BSD Brazil conducts the Fairtrade Labelling Organizations' (FLO) first social audit in orange production. BSD Switzerland implements its first social monitoring project.	Dow Jones Sustainability Index launched. The Institute for Social and Ethical Accountability (ISEA - also known as AccountAbility) launches the AA1000.
1998	B&SD Business and Social Development Ltd. was founded in Switzerland and Brazil. BSD Switzerland starts incubating fair trade company gebana ag.	Ethos Institute for Businesses and Social Responsibility is founded in Brazil.
1997	BSD founding partners launch idea of creating the company based on first project for setting up a sustainable soybeans value chain between Brazil and Switzerland.	Global Reporting Initiative (GRI) founded. Establishment of the Fairtrade Labelling Organizations International (FLO), Social Accountability International (SAI) launches the standard SA8000.

BSD Solutions

An evolving platform of innovative solutions

STRATEGY AND MANAGEMENT SYSTEMS

The sustainability agenda presents organizations with complex challenges, as well as opportunities to enhance competitiveness. We work with our clients and their stakeholders to identify, anticipate and understand key issues, and support the development of strategies, business models, systems, cultures and roadmaps towards sustainable management. See more...

STAKEHOLDER ENGAGEMENT

Understanding stakeholder expectations and effectively engaging them is key to generating trust, knowledge, innovation and collaboration. We design stakeholder engagement plans, catalyze engagement and provide insights and analysis for roadmaps and alliances. See more...

COMMUNICATIONS

Robust sustainability reporting processes are fundamental to advancing transparency, accountability and sustainable management. Effective communication strategies play a key role in reframing organizational cultures, establishing trust and enhancing collaboration. We create sustainability communication strategies within and among organizations and society and support sustainability reporting processes. See more...

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

Companies are increasingly expected to take responsibility for social and environmental issues in their supply chains. We analyze supply chains of private and public organizations to identify how they manage sustainability. The development of capacities, reliable relationships and systems is key for the establishment of sustainable supply chains. We work with suppliers towards innovation, fair labor conditions and environmental stewardship and help our clients to establish a risk-based procurement practice. See more...

CAPACITY BUILDING

The rapidly changing landscape for corporate activities requires new individual, organizational and societal capacities. Our expert facilitators design workshops, events and trainings tailored to each client's situation, which is also guided by leading international sustainability standards. See more...

SUSTAINABLE INVESTMENTS

We advise clients to create and improve social investment strategies. We offer due diligence and impact assessment services for ethical and impact-oriented investors. See more...

PROJECTS FOR SUSTAINABLE DEVELOPMENT

We design, implement and evaluate projects for sustainable development. Some of our main fields of action include sustainable value chain development, human rights, rural livelihood, sustainable urbanism and social entrepreneurship. See more...

ASSURANCE

With the aim of increasing the credibility of what a company wants to tell to its audience, external verification can contribute substantial value. We provide stakeholderbased assurance services for sustainability reports based on the Accountability´ s Assurance Standard principles of inclusivity, materiality and responsiveness. See more...

Innovative Solutions
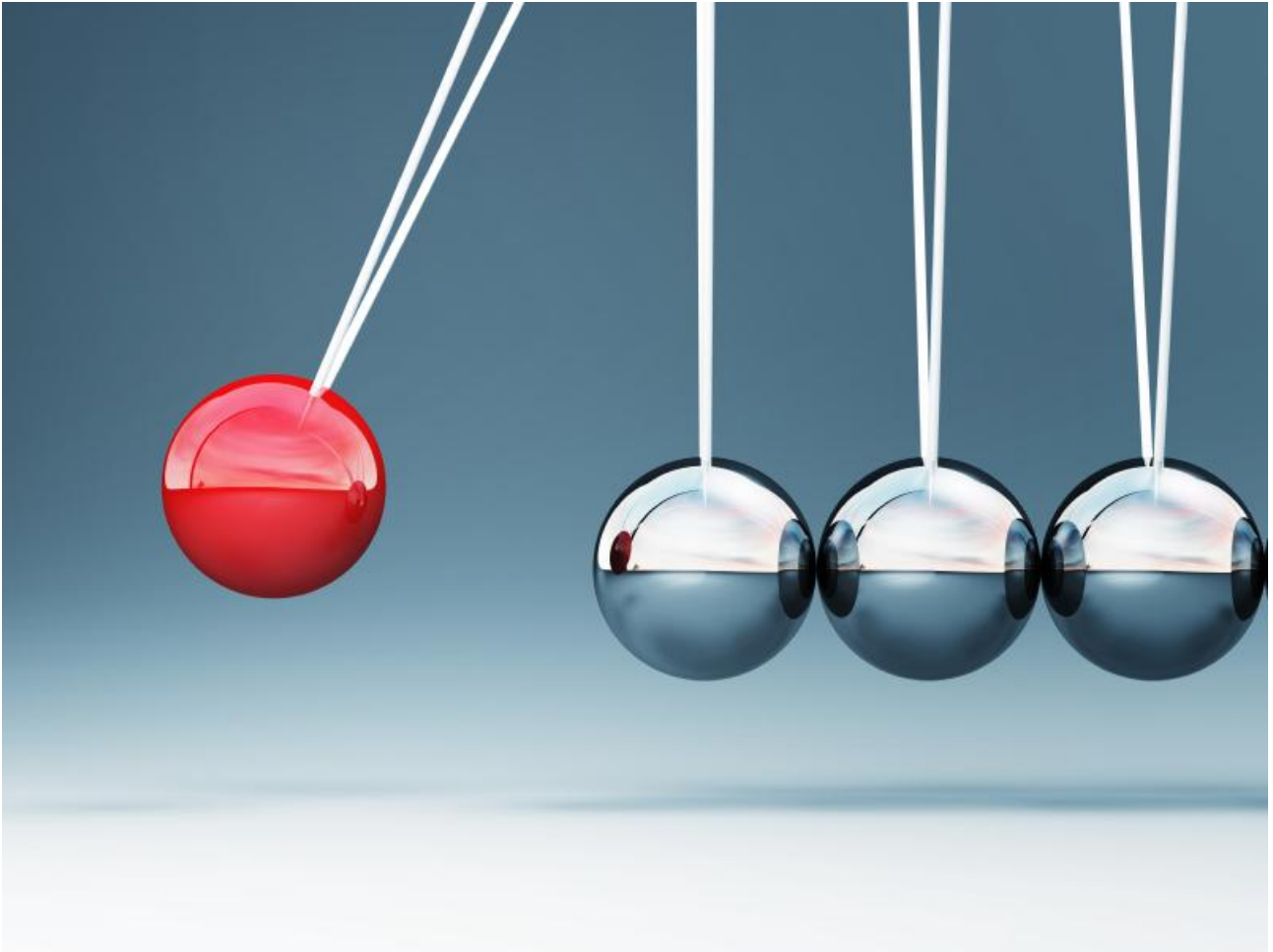
An evolving platform of innovative solutions

BSD Solutions do not stem from one central brain. This is one of the advantages of our network approach: innovation takes place in nodes across the world and, in turn, the BSD Group systematizes and expands it to the different offices. We are constantly creating and iterating to adapt our services to the changing societal and business landscapes.

Our solution portfolio has expanded significantly throughout the years as knowledge is generated, diverse talent joins our team and new paths are explored.

ASSURANCE IN BRAZIL

The Brazilian market matured more rapidly than other markets in regards to sustainability

reporting and because of that, Brazilian companies were early pioneers in exploring stakeholder-based assurance. BSD´s long track record with Accountability and assurance standards has positioned BSD as a leading voice within the sustainability assurance community. Today, the BSD Brazil team conducts assurance processes for top companies such as Itaú Unibanco, Klabin, KPMG Brazil and Unilever.

PROJECTS FOR SUSTAINABLE DEVELOPMENT IN COLOMBIA

As a conflict-stricken country, development organizations and UN agencies have a strong presence in Colombia. The BSD Colombia team works hand-in-hand with these entities designing and implementing projects for local economic development, improved governance, and gender equality, among others.

IMPACT INVESTMENT IN THE USA

The impact investment agenda has gained significant traction in the USA over the last several years. As a result, the BSD USA team has been a pioneer within our network in the development of solutions to align capital with social and environmental value creation.

SWITZERLAND AND CHINA ON SUPPLY CHAIN

As a result of increased consumer awareness for decent labor conditions at supplier level, business and multi-stakeholder initiatives have been founded. Together with GIZ, and on behalf of a German retailer, the BSD Switzerland team set up a social compliance and supplier development program in China which led to the creation of BSD China in 2008.

Highlights

REPORTING 3.0

Using a wide range of offline and online formats, the international multi-stakeholder Reporting 3.0 platform (www.reporting3.org) aims to support nations, cities and companies to manifest their contribution towards a sustainable future with tangible lasting results. The platform is an initiative of the BSD Germany team and brings together topics, ideas, organizations and participants, examines these from new perspectives and combines them to jointly enhance their impact. The "Reporting 3.0: The Future of Sustainability Reporting" conference held in September 2013 in Berlin was a comprehensive stock-taking of this topic and also provided an outlook on what lies ahead. In 2014, the BSD Germany team will continue hosting events devoted to the further development of this important international topic. All Reporting 3.0 activities seek to highlight relevant developments, identify potential paths for development, and point out specific implications for companies and decision makers.

The platform also aims to proactively accompany international discourse on this topic in the years to come and provide valuable inputs for its further development. In this sense, in 2014 there will also be held local Reporting 3.0 kick-off events in Brazil, the USA and China which focus on local challenges in an international context.

TRIPPPLUS

trippplus is BSD's first venture, created and founded by Felipe Arango in 2013. Its aim is to scale disruptive innovation, meaning endeavoring to create 'triple value' for investors and society, as the 'status quo' is no longer acceptable. trippplus views capital and markets as a force for making a difference, that investments should deliver 'positive externalities', and yield social, environmental and financial returns. Those at trippplus believe that, in order to achieve this and to address the challenges we face, disruptive thinking and scalable solutions are required. The trippplus team seeks to identify and support innovative enterprises that can generate financial returns as a means to scale and sustain systemic change.

COMPASS

The Sustainability Compass is an internet platform (www.sustainability-compass.com)* whose objective is to support buyers in public institutions and companies, in particular SMEs, to integrate sustainability into their procurement practices. Supported by the Swiss

Secretariat for Economic Affairs (SECO) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and in partnership with various international actors such as the International Trade Centre (ITC), BSD has developed and implemented the Sustainability Compass. The Compass is a country specific tool reflecting the sustainable procurement environment of a particular country, providing instruments, tools and practical examples to facilitate its implementation while contextualizing in depth information on eco-labels and sustainability standards.

In 2013, the Sustainability Compass focused on clearly identifying the needs of procurers on the ground in order to be able to offer practical and useful tools for their use. As a result, the new "tools" section of the platform provides information per product group, specifically for public procurers to make it easier for them to integrate sustainability criteria into their buying procedures. Besides giving an overview of existing tools on the Swiss market, the Sustainability Compass develops its own factsheets whose objective is to be both informative and practical. The first factsheet was on textiles and the goal is to continue developing content for other product groups.

Through our constant discussions with buyers both in public institutions and companies, the Sustainability Compass gathered tremendous amount of information on the State of Sustainable Procurement in Switzerland which will be compiled into a report in 2014. This information also helps the team to precisely pinpoint the needs and continue to further develop the tools for procurers.

The Sustainability Compass is currently available in Switzerland and in Germany but it is our ambition for 2014 to further expand it and share our expertise with other interested countries around the world.

*Please note that the English version is a generic version as the Compass is a country-based tool. For a fully operational version, please visit the Swiss version only available in German at www.kompass-nachhaltigkeit.ch and French at www.boussole-durabilite.ch.

Looking ahead

LOOKING AHEAD
We will make advances in designing solutions focused on business model transformation, platform development and software tools for engagement, sustainability reporting and management.

Impact and Influence

PRIORITIZED LINES OF WORK WHERE WE EXPECT TO HAVE POSITIVE IMPACT AND INFLUENCE

→ Merging strategy, systems and sustainability

→ Bringing stakeholder perspectives to the table

→ Building new frameworks and supporting the work of agenda-setters

→ Advancing sustainable livelihoods for marginalized producers and workers

→ Developing capacities for sustainable development

Our approach

Assessing the impact and influence we have had in advancing sustainable development over the last 15 years through the services we provide to our clients is no easy task, but is definitely at the core of our purpose. It is also, from our perspective, the most relevant issue when reporting about our performance. It is the reason why we are in business and the driving force behind the work of our team.

Quantitative measures around the impact of consulting projects we have been engaged with are not always attainable, and it is complex to define causality or methods to aggregate data. We have selected specific projects or lines of work for which quantitative impact data is available, and plan to strengthen impact assessment at the project level moving forward. Most importantly, we have prioritized five lines of work where we expect to have impact and influence.

Since the introduction of the Client Feedback Survey in 2013 we have systematically received responses from more than 30 clients who unanimously state great satisfaction with the work BSD's consultants have provided and that they would with great probability recommend BSD Consulting to other companies and organizations.

"Value is created in the symbiotic relationship between business
and sustainability: business is essential to the advancement of sustainable development, and sustainability, in turn, creates value for businesses."

Felipe Arango, Partner, BSD Consulting

Merging strategy, systems and sustainability

WHAT HAS WORKED?

- Effectively framing and communicating the 'business case' for sustainability to key decision-makers.

- Designing clear roadmaps and performance objectives around material issues.

- Integrating sustainability roadmaps with strategic planning processes, balance-scorecards and incentive schemes.

- Designing robust management approaches and systems to align and monitor implementation.

- Engaging stakeholders in the design of strategic initiatives and the roll-out of partnerships for collective action.

- Using the sustainability reporting process as a tool to advance strategic planning, communication and monitoring.

WHERE CAN WE IMPROVE?

- Integrating long-term thinking and scenario planning into strategy design.

- Providing tools for internal sustainability champions or social intrapreneurs to advocate 'the business case', gain license to experiment and establish effective partnerships beyond the organization's boundaries.

- Transforming business models.

- Going beyond the C-suite and executive teams, and engaging boards and shareholders.

- Building organizational cultures and engaging employees.

- Identifying client's commitment to strategic transformation early on, and implementing check-posts along the way.

Merging strategy, systems and sustainability

For us, it is clear: sustainable development requires organizations, and corporations in particular, to integrate sustainability into their strategies and management systems. This sparks enormous transformational power, which in turn generates large-scale social, economic and environmental impacts. Additionally, alignment with greater societal pressure towards the adoption of sustainable practices has become a competitive imperative for organizations, as well as a powerful inspiration for differentiation and innovation.

For the past 15 years, and constantly building on the accumulated knowledge and experience of our team, 'coopetitors' and thought leaders, our focus at BSD has been to create impact by supporting organizations on their journey towards sustainability. This is an endless journey that requires constant reflection and innovation.

Driving change in organizational priorities, plans and behavior is however a complex challenge. Clients of different sizes, operating in diverse contexts and sectors, with varied organizational structures, and at different stages within the sustainability journey, approach BSD. We also see a broad spectrum of drivers that initiate or advance the journey, for example, compliance, managing risks, responding to crises, 'peer pressure', improving access to capital or markets, strengthening reputation, achieving efficiencies, and long-term competitiveness. Short-term investor mindsets, vested interests and resistance to change can present systemic barriers to transformation.

Through continuous learning and adaptation, we evolve our thinking to overcome such barriers and we try to identify the best way of designing and implementing strategies for sustainable development – strategies that take into account the interests of stakeholders and adopt an understanding of value that includes social, economic and environmental issues – strategies that can also be implemented, monitored and continuously improved.

"Value creation opportunities, risks and responsibilities are rapidly and fundamentally changing. Sustainable organizations understand their societal landscape, integrate 'the long term' into their thinking and align themselves towards clear priorities and goals."

BSD Consulting, www.bsdconsulting.com/solutions

"While it's great news that 93% of CEOs say they understand sustainability's importance to their businesses - and significant numbers say they have already embedded the agenda in their organisations - you have to wonder whether most of them have any idea of the profound, transformative change that true sustainability will require of virtually every part of our global economy."

John Elkington for the Guardian Professional Network, December 2010

Highlights
HIGHLIGHTS

TRANSNATIONAL ORGANIZATIONS

One major attribute of our work is the capacity to help transnational companies to bring their sustainability approach down to the local context. BSD works, for example, with global companies in the cement sector on local stakeholder engagement, translating a global approach into defined local steps. In turn, local stakeholder engagement is used as an input for the global company's materiality process, aggregating local stakeholder views to their strategy definition process. Again, BSD relies on the AA1000 Principles Inclusiveness, Materiality and Responsiveness.

SMEs AND SOCIAL ENTREPRENEURS

In Brazil, we have a long term partnership with Sebrae (Brazilian Micro and Small Business Support Service), in which BSD provides support by defining market access links for small coffee producer cooperatives to the Fairtrade market. In several instances, BSD has supported visits by producers to their main market exhibitions in the United States. In 2013, a new project was initiated with the objective of including the producer cooperatives in a web-based market access tool which was developed by young entrepreneurs.

NGOs AND DEVELOPMENT AGENCIES

Since our foundation, we have been working with NGOs and international agencies to foster sustainable development. This experience gives us valuable insights into the challenges faced by developing countries and practical knowledge on the most effective methods to create sustainable impacts. We are well positioned to connect development initiatives with the business world, as we have done in Spain, for oil and gas company Repsol.
Repsol requested assistance from the BSD Spain team in identifying the most suitable NGOs and development agencies with whom they should create strategic alliances for the implementation of their global Corporate Responsibility Plan.

GOVERNMENTS

For several years the BSD Switzerland team has been working with governmental initiatives relating to sustainable public procurement, taking advantage of knowledge gained during development of the Sustainability Compass. In Colombia, BSD worked alongside other organizations as well as governmental and private sector entities on the 'Reconciliación Colombia' initiative, which aims to provide a network for the integration of victims of regional conflicts (such as displaced people).

Looking ahead

LOOKING AHEAD
We plan to integrate the practice of Business Model Innovation through cooperation with specialized partner companies.

Bringing stakeholder perspectives to the table

THE AA1000 PRINCIPLES

Inclusivity

For an organization that accepts its accountability to those on whom it has an impact and who have an impact on it, inclusivity is the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Materiality

Materiality is determining the relevance and significance of an issue to an organization and its stakeholders. A material issue is an issue that will influence the decisions, actions and performance of an organization or its stakeholders.

Responsiveness

Responsiveness is an organization's response to stakeholder issues that affect its sustainability performance and is realized through decisions, actions and performance, as well as communication with stakeholders.

Source: AA1000APS Accountability Principles Standard, 2008

Bringing stakeholder perspectives to the table

From the outset, we at BSD have been guided by the belief that, not only should people affected by an organization's activities have the right to be heard, but that it is indeed in the interest of an organization to understand its stakeholders' expectations in order to help drive strategy, innovation and accountability.

Our team has acquired in-depth and extensive experience through working side-by-side with a broad range of stakeholders, including community leaders, worker union representatives, rural producers, activists, consumer advocates, journalists, social entrepreneurs, C-suite executives, suppliers (SMEs), regulators, investors, non-governmental organizations and sustainability experts, among others. It is precisely this capacity to understand stakeholder realities and expectations that we have strived to leverage when advising organizations as they design strategies, programs and partnerships, and as they prioritize which material issues to address.

We have created a systematic approach to stakeholder engagement, which invites organizations to strategize around the purpose of engagement and to build on stakeholder knowledge to align their operations with societal expectations. We have seen over the years many cases where the results of ad hoc engagement initiatives fail to be taken into account when key decisions are made, resulting in low levels of responsiveness to stakeholders. The links between effective stakeholder engagement systems, strategy, operational excellence, collective impact, trust and innovation continue to drive our efforts as we move forward in supporting corporations, public agencies and civil society organizations in their sustainability endeavors.

BSD has also played an important role in challenging organizations through our assurance process for sustainability reports, which aligns with the principles laid out in the AA1000AS and APS standards. This process involves evaluating the integration of stakeholder engagement, management systems and the reporting process.

"Today's organizational challenges and the need to achieve sustainable development make it more important to engage both with previously ignored stakeholders, including the voiceless, and with more familiar stakeholders on new topics and in new ways."

AA1000 Stakeholder Engagement Standard

Highlights
HIGHLIGHTS

BMW GROUP MATERIALITY ASSESSMENT

On request by the BMW Group, the BSD Spain team conducted an international stakeholder consultation process, involving six BSD offices worldwide. This stakeholder consultation laid the basis for the development of the BMW Group's Materiality Matrix according to the GRI G4 Guidelines which require organizations to focus their sustainability reports and strategies on issues that are material to their business and key stakeholders.
BSD then supported the BMW Group in carrying out their 2013 Materiality Assessment. This project included the following tasks:

- Validation of the BMW Group´s list of potentially relevant sustainability issues, definitions and boundaries.
- Review of the BMW Group´s list of key stakeholders and advice on additional international stakeholders to be included.
- Identification of stakeholder expectations and perceptions with regard to the potentially relevant sustainability issues.
- Definition of boundaries and coverage of material aspects in future sustainability reports.

To identify sustainability issues and relevant stakeholders, BSD worked with an international project team, including consultants of the BSD offices in Brazil, China, Germany, Spain, Switzerland and the USA.

VOTORANTIM INSTITUTE

The Votorantim Institute developed a Stakeholder Engagement Manual based on AA1000 Assurance Standards to guide its business units on the stakeholder engagement process. Based on Votorantim's Stakeholder Engagement Manual, the BSD Brazil team implemented capacity building, such as holding workshops and developing tools, inside the units´ internal groups in order to assist them in mapping and prioritizing their stakeholders, classifying and identifying material issues, and developing an engagement plan to build Votorantim's relationship with stakeholders. The plan focuses mainly on local community development, social and environmental impacts, supply chain, image, and

reputational issues and internal processes. Some of the local initiatives became process at Votorantim group level due to the results achieved, and served as inputs on similar issues for other units. The Votorantim Institute has launched case studies showing quantitative and qualitative results of this work.

SEA@ - STAKEHOLDER ENGAGEMENT APPLICATION

SEA@ is an online Stakeholder Engagement Application. This online tool seeks to strategically engage a company's stakeholders by consolidating information and activities relating to stakeholders according to each area of the company. The tool is developed by the BSD Chile team in collaboration with Santiago-based IT company Ucorp. The tool was developed in 2013 and adapted to the needs of various organizations that started to work with it. The BSD Chile team provides training and supports their clients that are using the platform, to achieve the most valuable results. Based on the experience gained, BSD plans to introduce SEA@ to more prospective users in Chile and abroad as well as to further develop the platform, including improvement of the platform's management reporting function.

SECTOR ENGAGEMENT FOR SUSTAINABLE INSURANCE

The BSD Brazil team supported the National Council of Assurance Companies in Brazil to define its strategy for the adoption of the Principles of Sustainable Insurance (PSI). After a survey on the status of implementation of Sustainability Practices, a workshop involving relevant stakeholders was held which helped to define how the different aspects of the PSI could be approached and what would be a realistic agenda to set in order for the sector to advance its practices.

Looking ahead

LOOKING AHEAD
We plan to consolidate our service offering with new tools (e.g. software, social media) and methods for engagement.
We will explore approaches for organizations to assess the value generated for their stakeholders as a result of their activities.

Building new frameworks and supporting the work of agenda-setters

"Business has to take account of its responsibilities to society in coming to decisions, but society has to accept its responsibilities for setting the standards against which those decisions are made."

Sir Adrian Cadbury, "Ethical Managers Make Their Own rules", Harvard Business Review, 1987
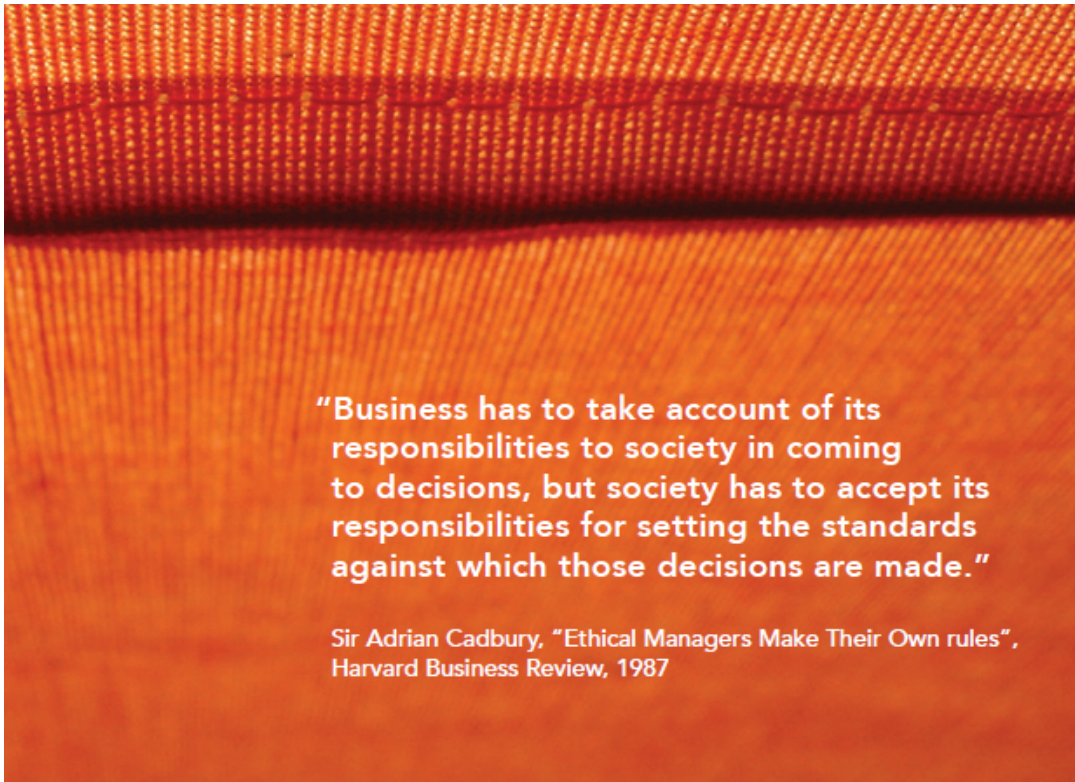
Building new frameworks and supporting the work of agenda-setters

Reframing the economy is an imperative for a sustainable society. Old frameworks are failing us and many are broken. A globalized interdependent economy with unprecedented rates of change and pressing risks requires new institutions and governance models that can shape agendas towards social justice, environmental stewardship and sustainable economic livelihoods.

Over the last 15 years, BSD has played an active role in advancing the work and impact of organizations that build these emergent frameworks, with a focus on agenda-setters that are defining social norms and voluntary standards for sustainable development.

We are driven by their purpose and the possibilities of accelerating and inspiring change as they pave the way for the formation of new global multi-stakeholder governance arrangements.

Their work has also served as a reference for the development of our consulting solutions

and the alignment of our global team.

Our work with agenda-setters

- Designing strategies and systems (i.e. certification, impact assessment, support, information).
- Creating and upgrading standards.
- Engaging stakeholders to drive innovation, legitimacy and continuous improvement.
- Providing local operational and outreach capabilities.
- Developing capacities of employees and practitioners.
- Enhancing collaboration across sectors and initiatives.

The range of agenda-setters we have engaged with throughout our journey is wide, as are their purposes. The impact we have witnessed them achieve - disrupting sectors, shaping mindsets and policies, raising awareness, building consensus, transforming regions, building markets and providing knowledge - will continue to guide our work as we strengthen existing partnerships and continue to create new ones.

Highlights
HIGHLIGHTS

BSD Consulting has engaged with various standards and independent certification systems in various ways including:

GLOBAL REPORTING INITIATIVE (GRI)

We at BSD regard GRI as one of the most important organizations working to advance corporate transparency and sustainability today. GRI's Sustainability Reporting Guidelines are a crucial element to our core work with companies.

GRI has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. In order to advance this strategy, GRI certifies organizations as official training partners.

BSD and GRI embarked on our journey together over a decade ago as very young organizations. We have used the GRI Guidelines to support organizations with their sustainability reporting since our doors opened to our first clients in 2001. At BSD, we hold the view that the Guidelines should be omnipresent in all companies' sustainability strategies, as soon enough, society and businesses will no longer be able to make key decisions on where to invest, who to partner with and what products to consume, without a sustainability report.

Some of the highlights of BSD's journey with GRI include:

- Conducted the first certified training with UniEthos and FGV in Brazil, in 2008.
- Contributed to the G3 Guidelines with translations and consultations on a local level.
- Spearheaded various GRI Reporting processes for organizations across a diverse range of sectors.
- BSD is a GRI Certified Training Partner in Latin America, USA, China, Spain, Portugal, Switzerland, and Germany.
- BSD Consulting is GRI's official Data Partner for Spain, Austria, Germany, and Switzerland.

SAI

SAI is a non-governmental, multi-stakeholder organization whose mission it is to advance the human rights of workers around the world by promoting ethical working conditions, labor rights, corporate social responsibility and social dialogue. BSD Consulting is the authorized representative of SAI in Brazil. BSD's Founding Partners, Beat and Peter, have been partners in the training and the promotion of the SA8000 from the outset.

UNITED NATIONS GLOBAL COMPACT (UNGC)

BSD is fully engaged with the new agenda driven by the UNGC, which highlights the need for leadership and innovation from the private sector to establish partnerships that can advance some of the main items in the sustainability agenda such as biodiversity, women's empowerment, carbon disclosure, water management and human rights.

Our relationship with the UNGC takes place on several fronts:

- As of 17 July 2013 BSD Consulting, including all local offices, is participating in the UNGC and is therefore committed to the 10 UNGC Principles.
- In 2013 BSD Germany launched the Reporting 3.0 platform with the German UNGC Network.
- Together with the German UNGC Network, BSD Switzerland revised the website kmu.kompass-nachhaltigkeit.de and offers training on sustainable supplier management.

ACCOUNTABILITY

AccountAbility is a leading global membership organization providing innovative solutions to the most critical challenges in corporate responsibility and sustainable development. One of AccountAbility's most significant achievements has been the launch of the standard framework AA1000, which is guiding companies that take up assurance and stakeholder engagement processes. BSD in Brazil, Chile, Colombia, Ecuador, Portugal, Spain, and Switzerland are AA1000AS (2008) Licensed Providers. Beat Grüninger (BSD Brazil), Francisco Neves (BSD Portugal), and Irène Perrin (BSD Switzerland) are Associate Sustainability Assurance Practitioners.

Highlights of BSD's work with AA1000 and Stakeholder Engagement:

- BSD was a partner for the AA1000 standard revisions and launches.
- Beat Grüninger is a member of the AA1000 Standards Board.
- BSD designed stakeholder engagement systems for leading companies: Alpina, Votorantim, Holcim and Gas Natural, to name a few.

FAIRTRADE INTERNATIONAL

Since its inception, BSD has shown a strong, long term commitment to the development of fair trade, not only through its consulting work in this area but also as a facilitator of the movement over its 14 years of existence. The concept of fair trade was indeed the starting point of BSD's consulting services in both emerging nations and in Europe.

BSD consultants conducted over 100 small producer and trader inspections for Fairtrade Labelling Organizations International Certification (FLOCERT) in Bolivia, Colombia, Peru, Brazil, Winward Islands, Paraguay and Mozambique. The products concerned included coffee, mango, bananas, cocoa, Brazil nuts, orange juice, cotton, honey, seeds, fresh and processed fruit and sugar.

BSD has also evaluated producer organizations and companies for the fair trade companies gebana, claro, Altereco and Veja Fairtrade.

Mandated by the Fairtrade-certification body, BSD:

- developed the new certification system for FLOCERT, including compliance criteria
- was involved in the development of Fairtrade "Small Producer and Trader Standards"
- participated in the strategic review process for the Fairtrade Movement in 2008
- helped to develop the basis for the oilseed certification standard

Looking ahead

LOOKING AHEAD
We will actively participate in standards revision processes and technical working groups.
We will explore possibilities to consolidate our knowledge and training offerings within the framework of the 'BSD Academy'.

Advancing sustainable livelihoods for marginalized producers and workers

Our global economic system has not been successful so far in offering sustainable livelihoods for millions of rural producers and workers worldwide. Value chains, markets and empowered communities offer great potential to change this reality.

Since inception, we have prioritized engaging with projects and clients working on:

- Designing and managing supply chains that take into account fair labor conditions, poverty alleviation, capacity development and environmental sustainability; all the while increasing competitiveness and generating long-term value.
- Strengthening the capacities of cooperatives, associations, SMEs, networks and leaders to advance sustainable livelihoods.
- Scaling-up new ventures and social enterprises that advance wellbeing in rural and marginalized urban communities.
- Designing financial solutions for sustainable value chains and communities.
- Leveraging new technologies for social and environmental development.

BSD's team has also focused on working with specific issues that affect rural and urban communities alike. Among them:

- Women's empowerment
- Youth leadership
- Access to finance
- Protecting the rights of indigenous and afro-descendant communities
- Peacebuilding and social tissue strengthening

"We engage with farmer cooperatives, worker unions, NGOs, development agencies and high-level executives in corporations. We understand the realities, perspectives and expectations f a wide range of stakeholders. Our consultants know the field and the boardroom. This really sets us apart."

Marcela Romero, Director, BSD Colombia

Highlights
HIGHLIGHTS

We work directly with rural organizations to advance their capacities, establish partnerships, strengthen management systems and improve their access to markets. Working in alliance with development agencies, foundations, corporations and public institutions, we have supported producer organizations from a diverse range of sectors and geographies.

GENERATING EMPLOYMENT IN QUIBDÓ

The project is part of the program "African descent and indigenous people" of the non-profit organization ACDI/VOCA, that was planned in late 2012 with implementation commencing in early 2013. Its main objective is stated in its name: "Generating employment and increasing income for local enterprises in Quibdo from strengthening producer organizations". The project aims to increase income for local enterprises through strengthened internal capabilities made possible by development of and adherence to a sustainable management system.

The BSD Colombia team began the project with the identification of productive activities and local enterprises in the vulnerable areas, followed by measurement of the enterprise according to four different aspects, including market, leadership, performance and social impact. After filtering the potential of the identified enterprises, we generated an action plan tailored to each organization to start the strengthening of their capacities and to assist them to follow an ideal path to develop, and adhere to, a sustainable management system.

The project resulted in 80 enterprises identified as relevant, 14 organizations with action plans, 7 allied local institutions and more than 80 people of African descent involved.

BRAZILIAN COFEE PRODUCERS

The BSD Brazil team was an implementing partner of a project led by USAID, Fairtrade USA, WalMart and Sebrae Minas Gerais called "Responsible Sourcing Partnership". The project helped to increase the Fairtrade sales from 16 coffee cooperatives in Brazil representing over 5000 small producers. The project targeted market access, quality improvement, governance and administration. In the third year of the project, the average income increase per producer was more than USD 3221 per annum and the Democracy

ranking of the groups raised from 7 to 9.6 on a scale of 10. Following termination of the project, the groups continued to show sustained growth and quality improvement. Today, BSD is supporting the Fairtrade producers with a customized client management tool and other activities which facilitate their access to the buyer market.

DEVELOPMENT OF BUSINESS PLAN FOR A BASE OF THE PYRAMID PROJECT

ACC1Ò is a Catalan public agency, which supports the competitiveness of companies by promoting innovation, internationalization, and attraction of investors. On request by ACC1Ò, the BSD Spain team developed a business plan for a Base of the Pyramid (BoP) project. This project aimed to define a sustainable business model that generates income and promotes development in poor regions of developing countries. The end result of this business plan is the AEROFEEDER, a device developed by the Catalan organizations FEMAC, MaqCentre, and IRTA. It improves the profitability of farmers that produce shrimp with basic methods. The plan is supplemented with representation and support services that encourage the development of value chains and good aquaculture practices.

EMPOWERING WOMEN IN COLOMBIA COFFEE SECTOR

In Colombia, the National Public Equity for Women Policy has recently incorporated the principles of equality and non-discrimination, gender analysis, differential rights approach and the recognition of differences and diversity, including ethnic and cultural relevance. Thus, the principle of equality and human dignity according to which "all people are born free and equal" is now a formally recognized principle but is yet to be achieved universally for women in Colombia. Women do however actively participate and promote these principles at local community level to generate better way of living and thinking in a collective sense.

In terms of improving rural livelihoods in this respect, the BSD Colombia team developed a unique project in 2008 to empower women working in coffee production. The project aimed to achieve five different targets including greater inclusion of women in the coffee production industry, increased capacity empowerment and equal access to opportunities; taking into account the specific needs of women and to promote improved perceptions on gender within the coffee sector. These targets were developed to give focus to participatory councils that were established for coffee women.

This rural development project was designed to align with local and national public policies

in regards to gender equity, and to enhance and promote better working conditions for women.

Developing capacities for sustainable development

The magnitude of the cultural transformation required for a sustainable society and the accelerated rhythm at which change is taking place calls for a new critical mass of changeagents equipped with knowledge and platforms. Our team has developed training programs, workshops, 'labs' and events focused on a diverse range of topics that include:

- Sustainable development and sustainability management (i.e. ISO 26000, SA8000, BSCI, Fairtrade)
- Sustainability reporting (i.e. Global Reporting Initiative - GRI, UN Global Compact COP, Reporting 3.0)
- Sustainable supply chains n Stakeholder engagement (i.e. AA1000)
- Social entrepreneurship and social intrapreneurship
- Impact investing

All BSD offices are GRI certified training partners. BSD also provides SA8000 Basic and Advanced Auditor courses in Brazil, Global Compact Trainings in Colombia and Germany, and BSCI workshops in Germany, Brazil, Chile, and China. We also deliver 'tailor-made' internal training programs for our clients, to ensure that organizational and leadership capacities are in place to implement and improve the solutions we design together.

Capacity Building Highlights
HIGHLIGHTS

Since 2008, more than 50'000 people have participated in our training programs and courses

SAI BRAZIL WORKER ENGAGEMENT PROGRAM

In Brazil, BSD worked on behalf of SAI with factory workers and managers to implement 100-day Social Fingerprint Rapid Results projects to improve health and safety. This program was implemented in partnership with Rapid Results Institute (RRI), a leading non-profit organization that works with communities and organizations around the world to make meaningful change happen in 100 days. Social Fingerprint Rapid Results (SFRR), an integrated methodology developed by SAI and RRI, builds and coaches teams of peerselected workers and managers to develop and implement 100-day projects to achieve ambitious goals together.

The 100-day projects follow three key principles "Team, Goal, Process" and focused on effective improvements of Health and Safety conditions for workers.

During the project, 20 teams from Brazilian factories, composed equally of workers and managers, participated in the program. The goals set by the teams ranged from reducing workplace accidents and fire hazards, to creating effective grievance mechanisms that workers can utilize. Most teams have met or even exceeded their goals.

The results of such collaborative problem solving mean both workers and management maintain a vested interest throughout the process, with participants developing an understanding of the needs and concerns of the other. "When we talk about collective responsibilities and benefits, people really engage with purpose of the project," said one participant. In total, 18 companies participated with a total of 180 managers and workers trained, and more than 18.000 workers to benefit from the improvements.

WORKING CONDITIONS AND CLEANER PRODUCTION IN CHINESE FACTORIES

This project in China has been running since 2008 and is being implemented by BSD

Switzerland and China on behalf of a major German retailer and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The focus is on the qualification of suppliers in China (ongoing) and Bangladesh (first phases) regarding working conditions and cleaner production. By the end of 2013, this ongoing project had provided management and worker training, capacity building activities and workshops, on-site visits and off-site support. Waste (energy, material, water, steam, etc) reduction has been achieved and continuous improvement is still being observed. The management team and over 45'000 workers - making up of 2/3 of all factory workers - are being trained on labor rights, CSR and Cleaner Production.

Some benefits observed to date include: improved productivity, reduced working hours, increased salaries, reduced Occupational Health and Safety (OHS) risks, increased coverage of social insurance for factory workers, saved energy consumption up to 10% per producer, reduced water consumption, reduced material usage, reduced steam waste, implemented quality management tools like 5S and lean management, enabled organizational change, implemented environmental management systems (EMS), improved management systems and capacity.

GRI CERTIFIED TRAININGS

BSD Consulting is a certified training partner of the Global Reporting Initiative (GRI) in several territories, offering both in-house and open courses for company delegates. At the start of 2014, BSD trainers are certified to conduct GRI Trainings in:

- Brazil
- China
- Germany
- Hispanic Americas
- Portugal
- Spain
- Switzerland
- USA

GRI Training Graduates since 2008

1000 Number

800 Number

600 Number

400 Number

200 Number

0 Number

2008 2009 2010 2011 2012 2013 2014
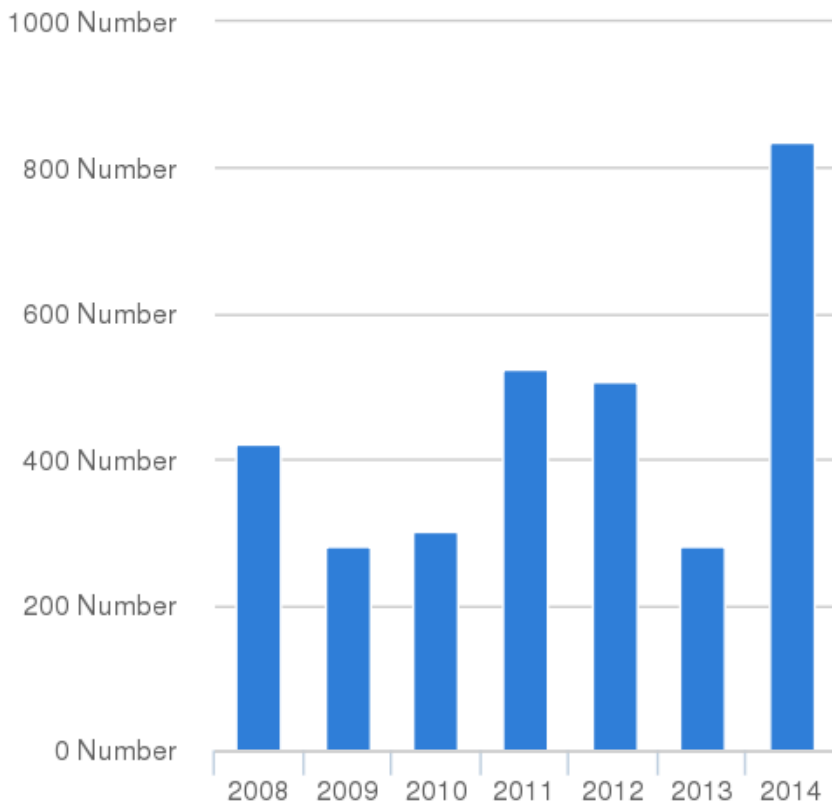
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Year

Training Graduates since 2009
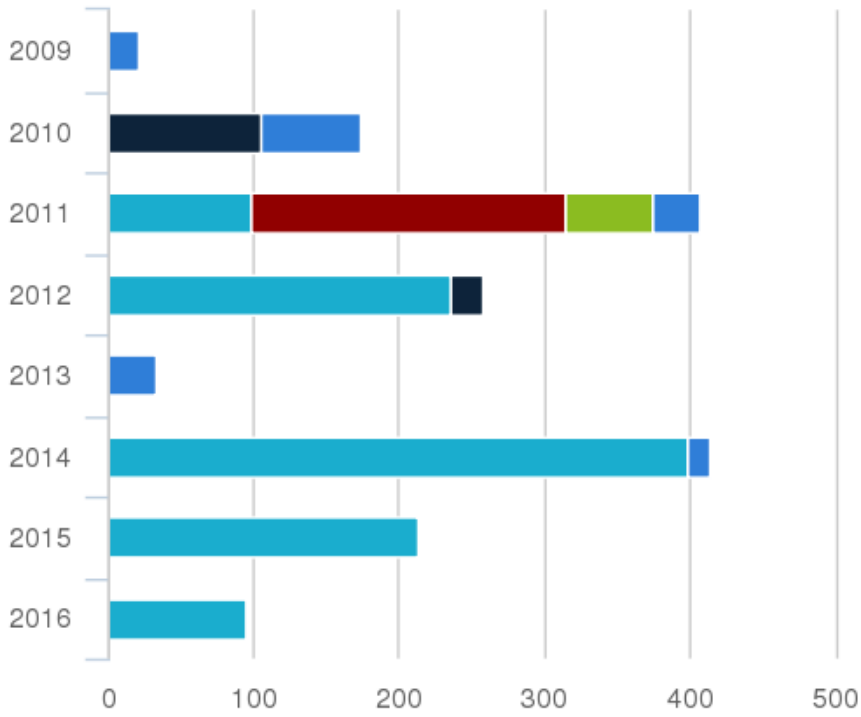
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- SA8000
- AA1000
- General CSR
- UN Global Compact
- ISO26000

Ethical Behavior

A CLOSER LOOK AT ETHICS

We at BSD work with clients to promote responsible, ethical and sustainable practices in business. We hold ourselves to the highest values of ethical behavior and integrity in our relationships with stakeholders, and choose to work with consultants, clients and stakeholders who are equally aligned to ethics and integrity.

Ethics plays a decisive role when it comes to choosing our clients and vice-versa. BSD's approach to ethics includes:

- Ensuring transparency.
- Working with critical sectors and complex clients while carefully distinguishing greenwashing/make-believe from genuine sustainability management and accountability.
- Taking a precautionary approach towards possible significant social and environmental impacts of our clients.
- Implementation of client feedback.
- Preserving our clients and the market, especially when it involves social auditing, evaluation and certifications.
- Employing caution when communicating information about its business sector clients.

At this point BSD Consulting does not exclude particular sectors from its suite of clients. Indeed, we are challenging ourselves by supporting some of the most high-impact sectors on the road to sustainable development, such as the extractive or chemicals industries. When deciding upon a professional engagement, we apply a decision making process supported by our Client Integrity Management manual. The application of the tools helps to make the right decision when critical factors need to be taken into account. BSD reserves its right to not work with clients who ultimately cannot demonstrate that they are committed to achieving sustainability goals.

The BSD Business Principles and Code of Practice can be downloaded at: www.bsdconsulting.com/about

Our ethical behavior

Our understanding of ethical behavior requires that our talent and directors do the right thing at all times. Ethical behavior is a core principle for BSD Consulting as an organization, and it makes no sense to try to advance our mission of sustainable development if we ourselves are not an example of ethical behavior.

Ethics is manifested throughout our values and brand attributes. Two of BSD's core institutional documents are the BSD Business Principles and the BSD Code of Practice, which embody our commitment to sustainable development. The Code of Practice outlines BSD's values as a set of general guidelines and requirements applicable to all employees and subcontractors in all activities. Our respect for people's rights starts with our own

employees, but we know that through our clients - especially through those with a more complex and challenging supply chain - our contribution to progress on human rights, including forced and child labor, can be regarded as relevant. The Code of Practice is available publicly in all BSD working languages and our clients are made familiar with it. The Code of Practice is also part of our new employee orientation. Our offices regularly discuss ethical issues during staff meetings and incorporate the Code's items into their daily work.

As an assurance provider and auditor, BSD abides by its own terms to guarantee independency of both its professionals and the company. Besides working on specific assignments, BSD does not permit itself to have any other commercial relationships or interests with a company it is assuring or auditing. This does not rule out the possibility that in the near future, an assurance client may become a consultancy client, but clear boundaries are drawn between the two different tasks.

"We believe that economic success, the fundamental purpose of business, can be achieved with full commitment to sustainable development, corporate social responsibility and ethics. Our own practices reflect this long-term commitment and we expect the same from our stakeholders."

BSD Business Principles

Ethics Highlights

Highlights 2014

17 November 2014 - In three local sessions in Bogotá, São Paulo, and Zurich the members of the Ethics Committee have conducted the introductory Ethics Workshops in Spanish, Portuguese, and English respectively. In addition, two online Workshops were conducted in English and in Spanish. Until date 70% of the talent with a permanent contract have participated in the BSD Ethics Workshops.

Two more sessions are scheduled until end of the year, one in São Paulo and one more online Workshop.

Highlights 2013

A major milestone in 2013 was the creation of the BSD Ethics Committee which started its work in early 2014. Members of the Committee are Linda Karrer, Giulia Cricenti, Marcela Romero, Beat Grüninger and Annelies Poolman. With the support of the Committee, the Code of Practice was revised and two new tools, the Client Integrity Management manual and the Ethics Decision Tree were developed and have been tested. Further tasks of the

Committee are support for training activities and the maintenance of the Ethics Complaint Channel that has been made available to all staff and stakeholders.

We at BSD have also maintained high standards of ethical behavior in relation to customers' privacy, taking great pride that we have not received any substantiated complaints regarding breaches of customer privacy or losses of customer data.

Looking ahead

LOOKING AHEAD
We will carry out training sessions and workshops on our Ethics Program in all BSD offices.
We will integrate our Ethics Program into our project management procedures.
We will analyze possibilities of expanding B Corp certification beyond the Colombia office.

Talent at the Center

Talent at the Center

Having well trained and knowledgeable staff is key for our work. Our talent is an important asset and therefore staff management is one of our main challenges. BSD aims to be recognized as a good and fair employer by encouraging diversity among its staff, supporting and promoting professional development of its employees, and guaranteeing a good life-work balance. We at BSD consider diversity as a source of innovation and are proud of how this is reflected in our current composition.

"Diversity in country of origin, gender, ethnicity, age, language, and fields of study is important because we believe that it makes our teams and our work more innovative and creative."

Sebastian Straube, Director, BSD Germany

Team Profile
Team Profile

The team is very international. In 2013, there were a total of 79 staff members from 12 nationalities located across 11 countries, and speaking 12 languages. In 2014, the total staff was 71. In 2015, the total staff was 93. In 2016, the total staff was 81.

We also consider gender diversity when hiring, and currently employ a greater number of female talent than male on the consultant level, yet are still seeking to achieve an improved gender balance on a leadership level. Being a rather young company, the turnover rate of around 33% in 2013 was high and a concern that is going to be addressed through a more solid staff management approach. Over the subsequent years, we were able to reduce our attrition rate slightly with continuous improvement. In 2015 the attrition rate was 31%. This was further reduced to 30% in 2016.

"You can find a supportive culture everywhere at BSD Consulting, and it hardly feels hierarchical. I am proud to have been working as a consultant since 2009 on the high quality supply chain development projects happening in China. I am very appreciative of BSD for giving me many career development opportunities over the years."

Daniel Chen, Project Manager, BSD China

Total Talent - by gender

(Click to hide)

■ 2013   ■ 2014
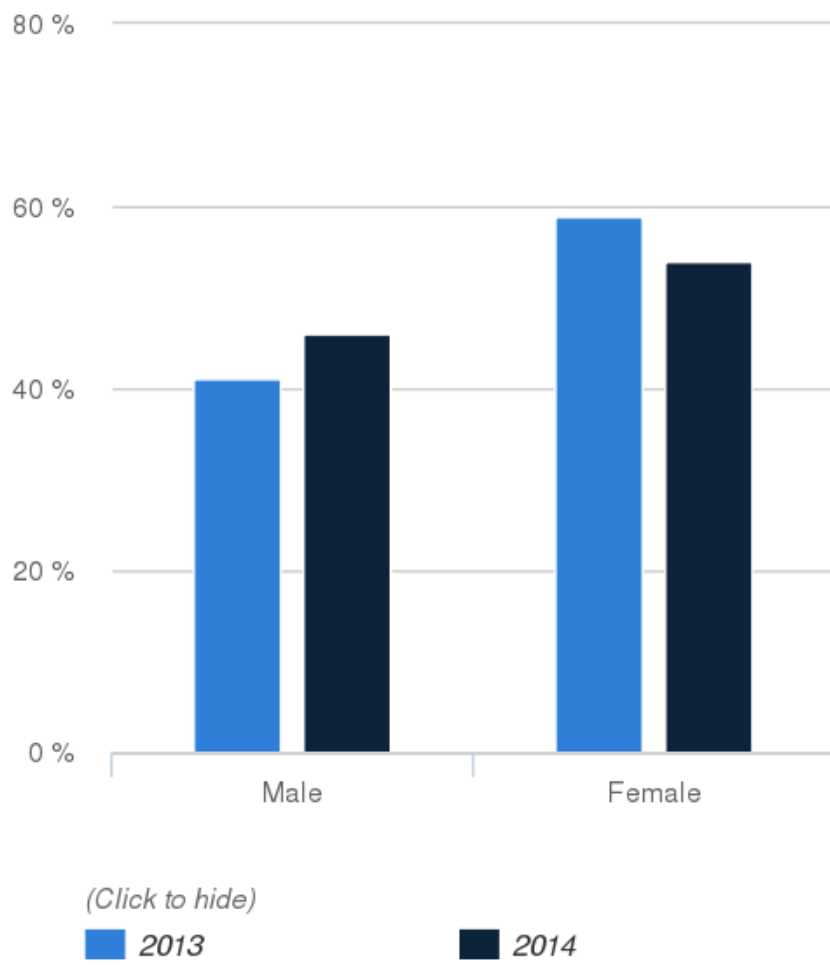
Total Talent - by age group
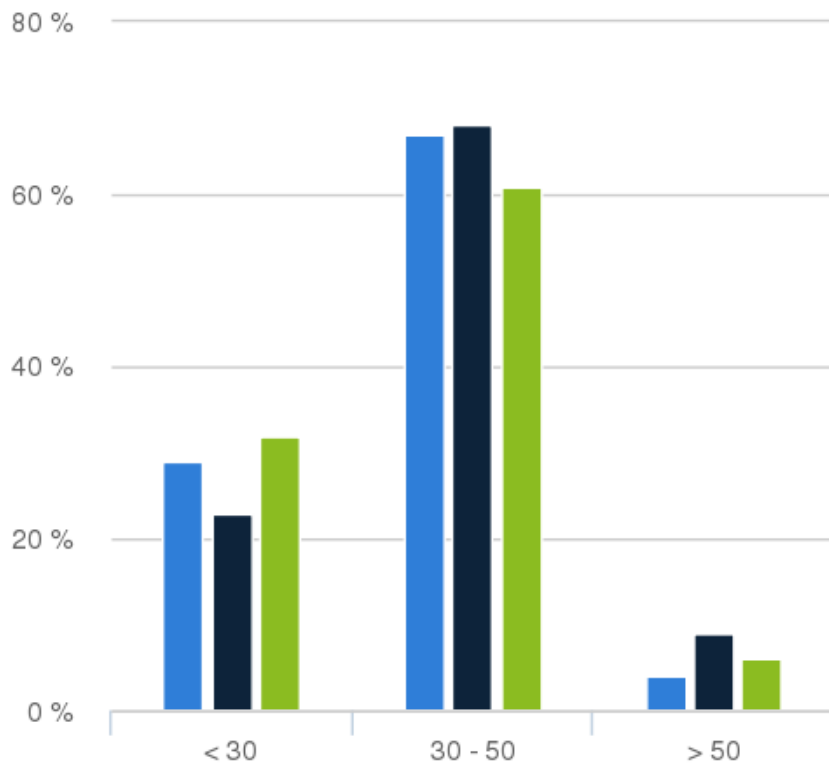
Total Talent - by contract type
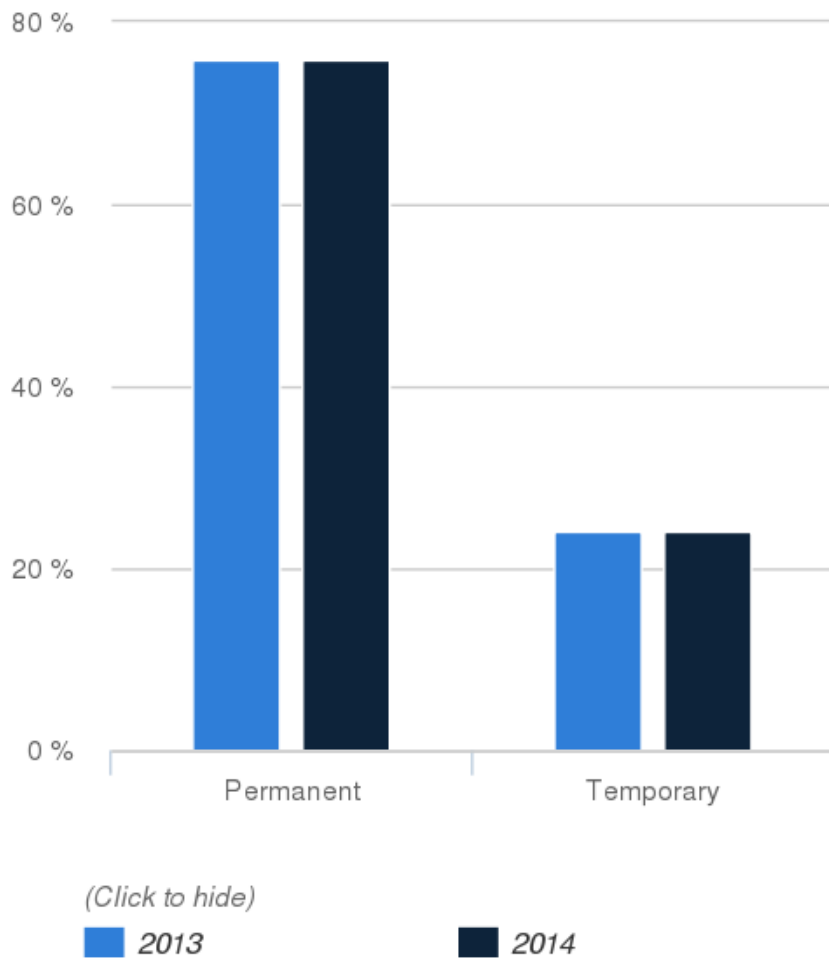
Total Talent - by nationality
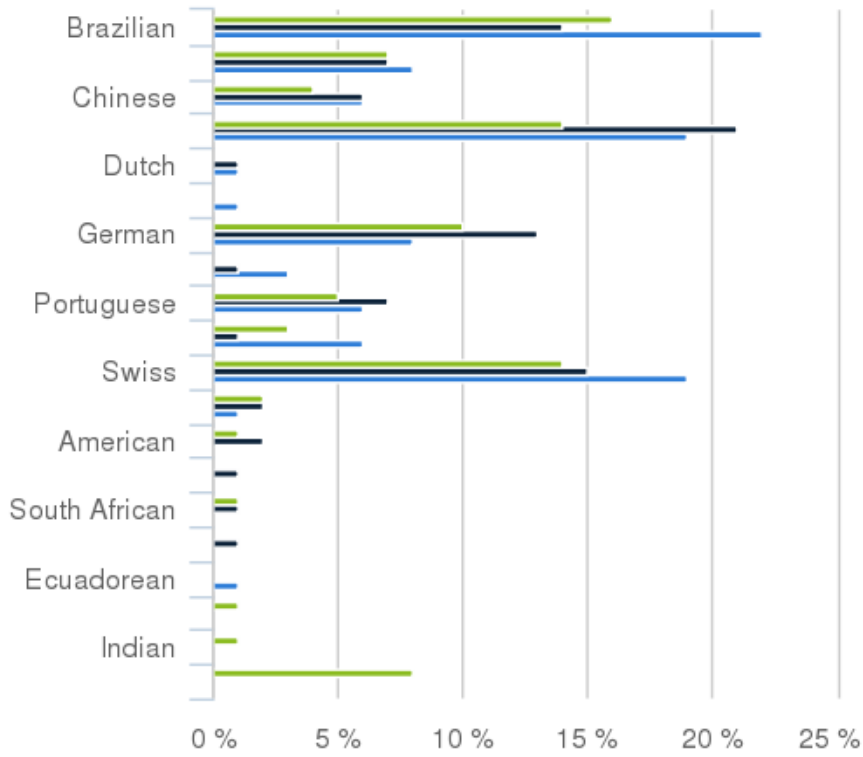
Total Talent - by number of years with BSD Consulting
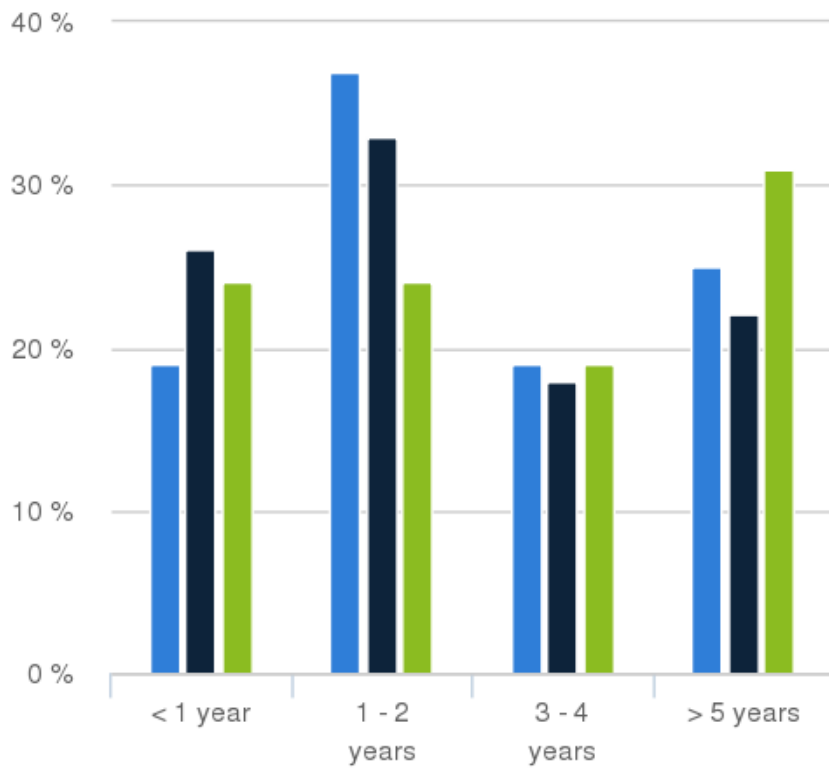
Total Talent Languages Expertise

(Click to hide)

- 2013
- 2014
- 2015
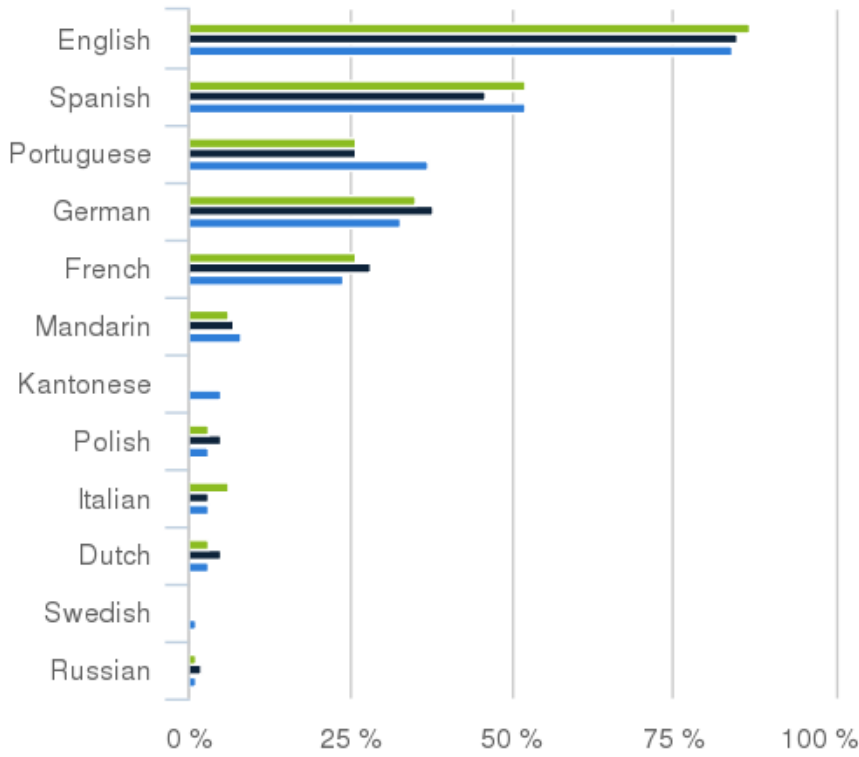
Total Talent by Office

(Click to hide)
- 2013
- 2014
- 2015
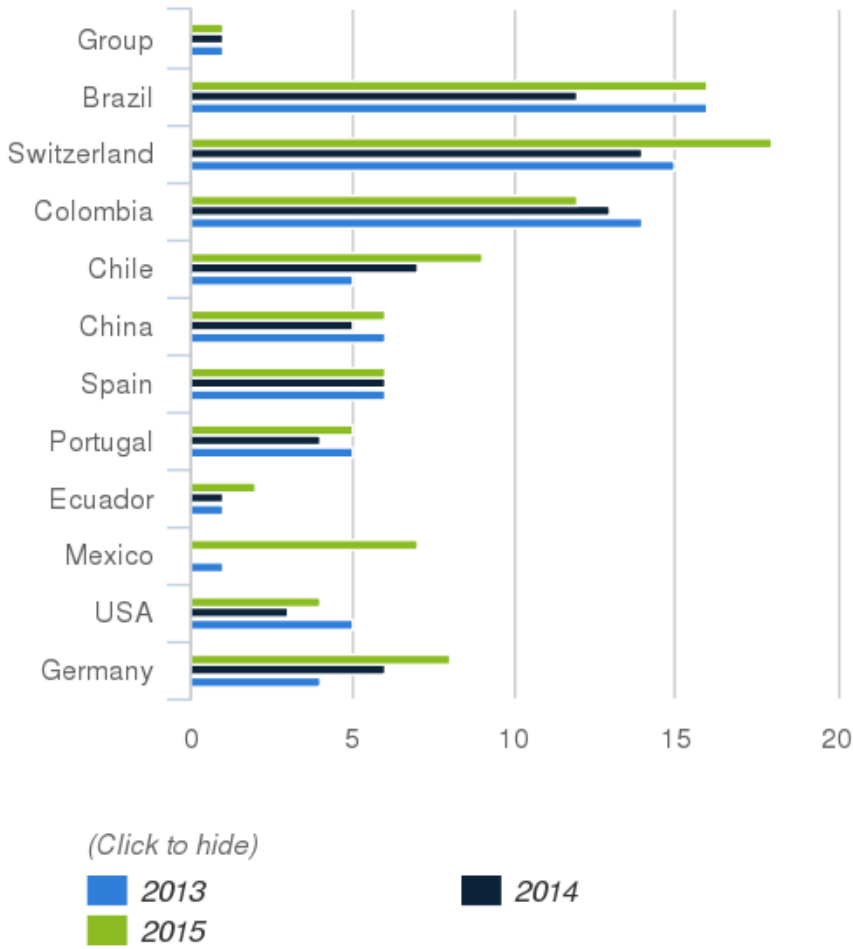
The country offices are displayed in order of year of foundation, from top to bottom with the exception of the Group.

Total Talent - by level and gender
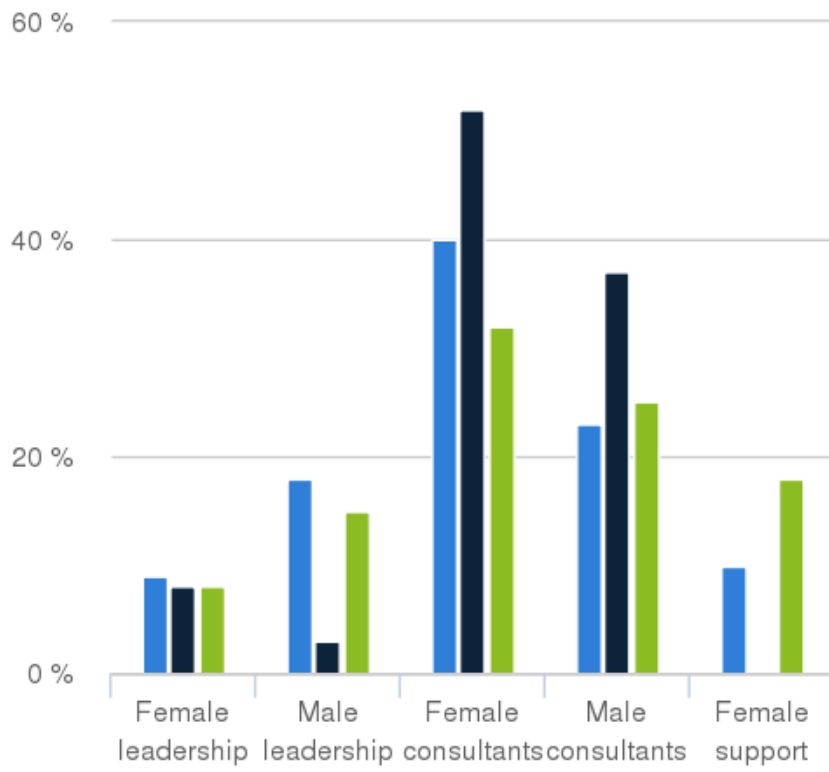
(Click to hide)
- 2013
- 2014
- 2015

Talent In - by age group and gender
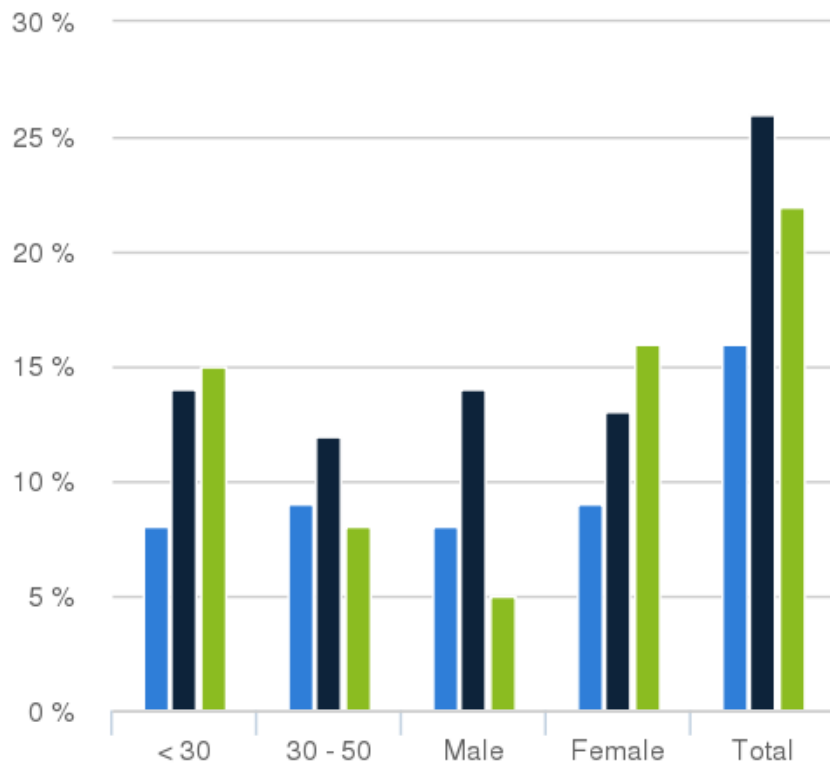
Talent Out - by age group and gender
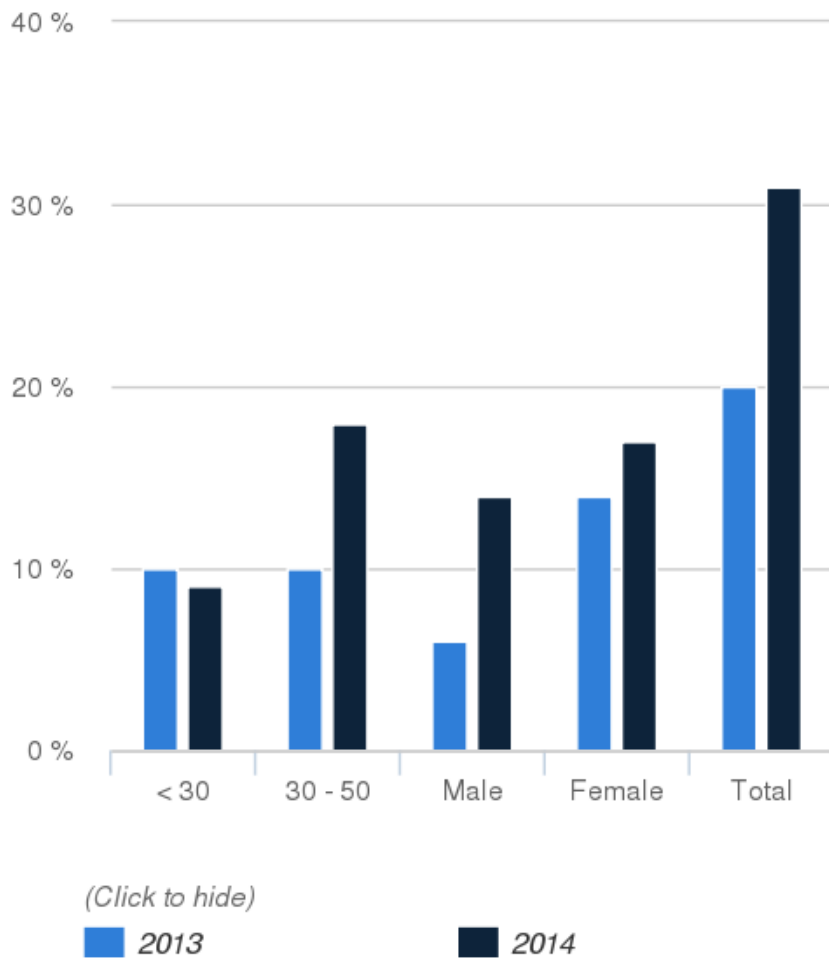
Employee Satisfaction and Motivation
Employee satisfaction and motivation

Motivated and talented professionals are key assets for us and guarantee that the organization can fulfill its mission. The consultants are agents of change for companies and organizations. Our talented professionals share common values, and our mission is shared by all engaged in our work across the different offices.

Purpose, well being, and life-work balance are central for all of us. We are and will remain a network of small firms. We have small teams but big challenges. Project-based peaks can demand much of each employee. We face these challenges as they arise but continue to respect a healthy balance of work and private life.

We have and promote an open working culture. We organize work in a way that fits the needs of both the clients and our local talent. We believe in trust and empowerment. We are entrepreneurs and committed to a common mission.

"We try to change the world by supporting organizations to improve and enjoy doing it."

Sebastián Pérez Peláez, Consultant, BSD Colombia

Employee Feedback

WHAT MAKES YOU EXCITED ABOUT BSD?

GOOD RELATIONSHIP WITH COLLEAGUES • WORKING IN DIFFERENT SECTORS • SUSTAINABILITY IS CORE BUSINESS
BSD'S VALUES AND BELIEFS • DIVERSITY OF PROJECTS • LOTS OF EXPERIENCE AND CREATIVITY IN THE TEAM
DELIVER PROFESSIONAL SERVICES • BSD'S GROWTH • FUTURE ORIENTATION • INTERACTION WITH DIVERSE GROUPS
ALWAYS LEARNING • MAKING AN IMPACT • FLEXIBILITY • INTERESTING ALLIANCES • CONSTANTLY CHALLENGING
GLOBAL NETWORK • RECOGNITION • LONG-TERM CLIENT RELATIONS • GOING TO THE CORE • PERSONAL ENGAGEMENTS
INDIVIDUAL SOLUTIONS • VALUABLE AND MEANINGFUL WORK • GOOD TEAM SPIRIT • GLOBALLY CONNECTED
GOOD WORK ATMOSPHERE • LOTS OF FREEDOM AND RESPONSIBILITY

Employee Feedback

Our annual employee feedback survey was started in 2013. The survey was sent to all employees and permanent freelancers in November 2013 and again in 2014. In 2013, 41 employees responded however in 2014, the response rate was lower with 30 employees responding. In 2015, the response rate was slightly higher with 33 employees responding. However, in 2016 only 20 employees responded. Respondents were both men and women in all age categories and from all offices. More than half of the respondents have been working at BSD since 2010, as well as a few respondents who have been with the company for 7 or 8 years. We are now working to address the outcomes of the survey and are committed to making the necessary improvements at a local level.

Almost all (90-95%) of employees that responded to the survey are content with their work and feel a sense of both local identity as well as a connection to BSD Consulting as a whole. They find that their work levels are manageable and that there are sufficient possibilities for further development. They are happy with the culture of the organization and appreciate their local leadership and management.

Many (75-90%) are also happy with the collaboration and teamwork as well as with the internal communications and information-sharing.

Fewer (60-70%) appreciate their level of remuneration and their career-advancement prospects within the organization. The physical infrastructure of the workplace does not always meeting employees' needs. The responsiveness of BSD leadership to the survey feedback is fundamental in moving forward. The management teams at BSD's local offices will review their own results and develop an improvement plan accordingly.

"Working at BSD has proven to be a very rewarding experience in human terms, both because of the team, as well as the clients. Working specifically in Stakeholder Engagement, I often get to see nd reach the best of people, which will hopefully contribute

to a more sustainable future."

Susana Valente, Freelance consultant, BSD Portugal

I am proud to work for BSD Consulting

We see some changes since 2013; although majority of respondents are proud to work for BSD Consulting, there is a shift in the degree of satisfaction.
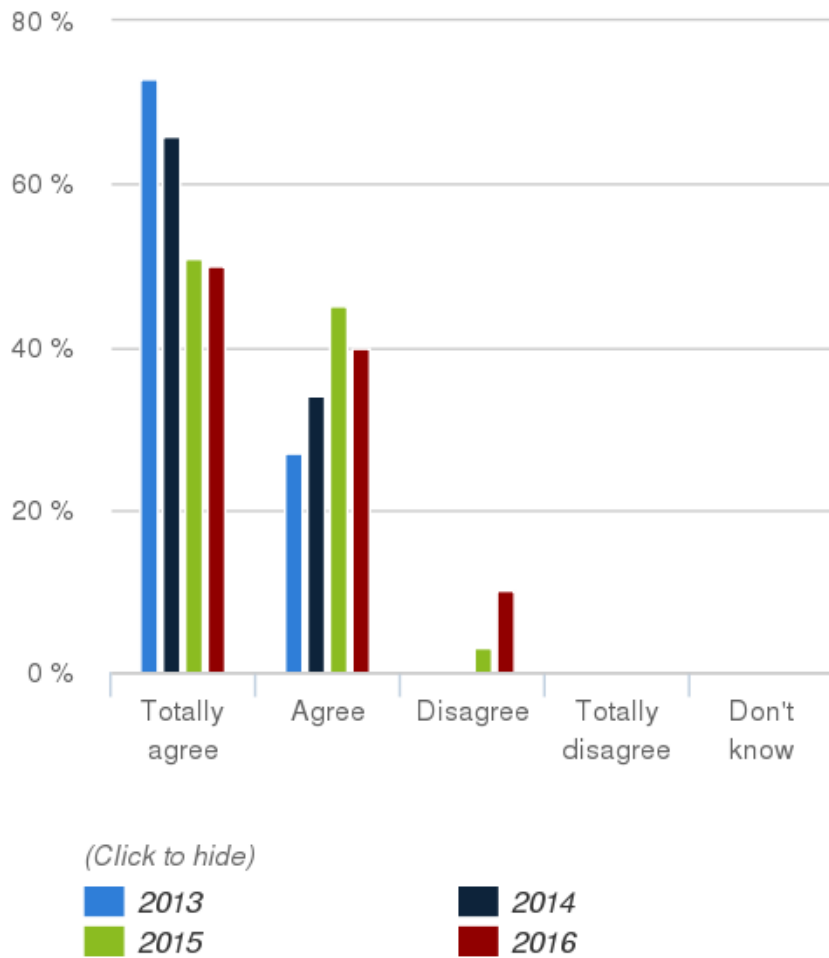
I feel connected to the BSD Consulting global network

We see a small deterioration; in 2013 about 85% of the employees felt connected to BSD Consulting globally and in 2014 some 75% of the employees feels connected to the BSD Consulting global network. However, in 2015 and 2016, we see increasing evidence of disconnection among employees with the global network.
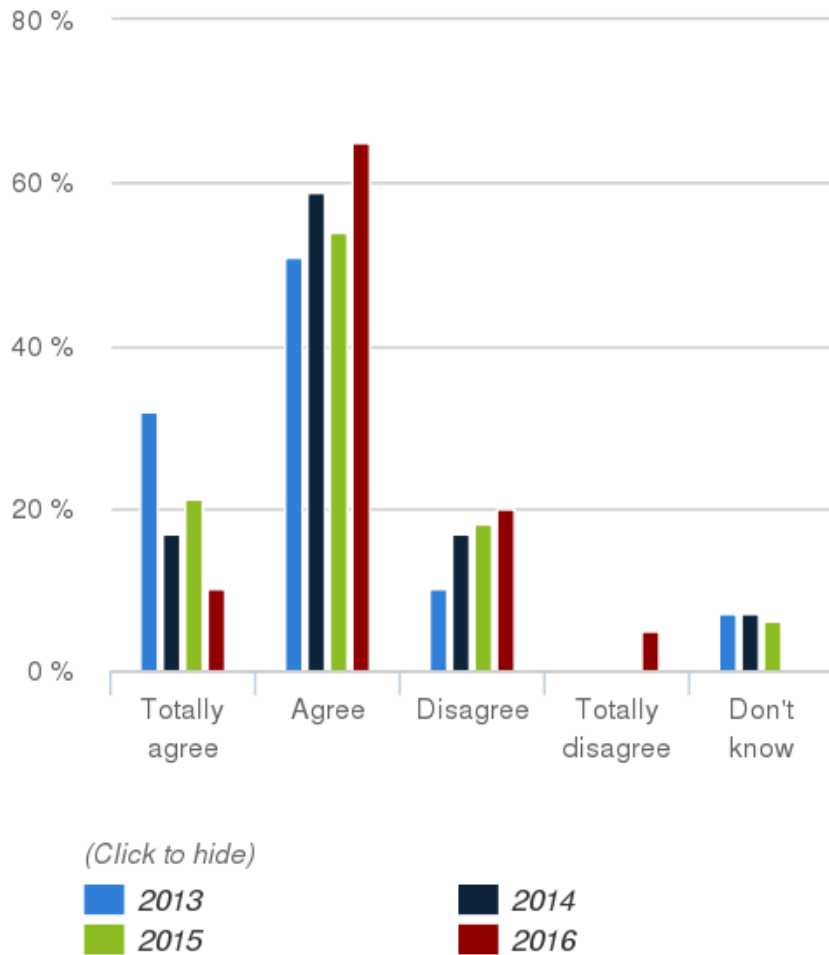
I feel connected to BSD Consulting

We see a small deterioration since 2013; about 95% of the employee respondents feels connected to BSD Consulting, in 2013 all empoyee respondents (100%) felt connected to BSD Consulting. In 2015 and 2016, we see employees experiencing a sense of disconnection.
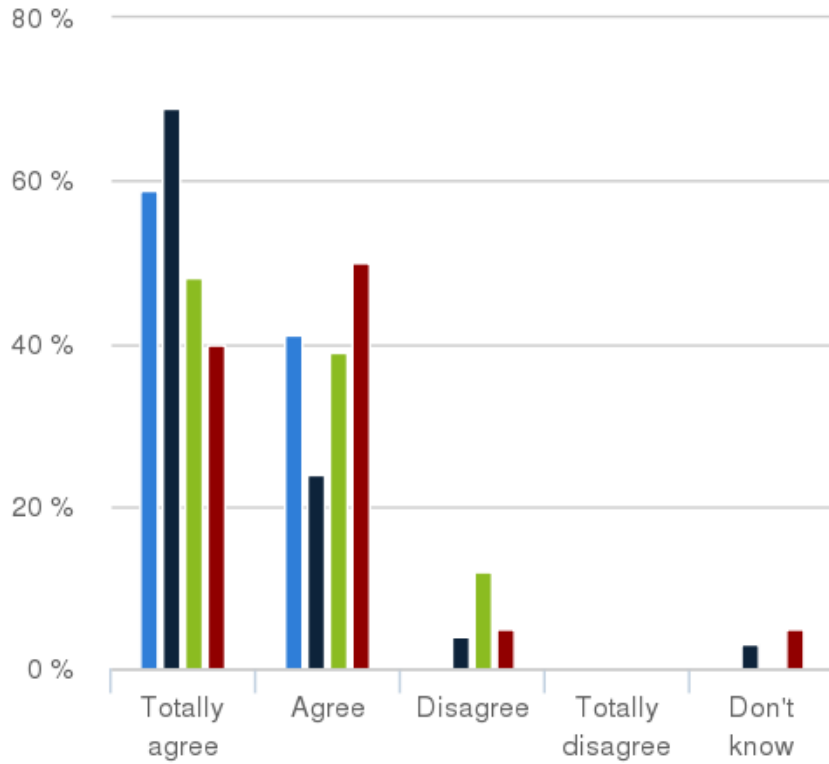
I am happy with the culture within my local team

We see an important change; in 2013 all (100%) employee respondents were happy with the culture in their local team, in 2014 90% of the employee respondents were happy with the culture in their local team. In 2015 and 2016 we see a slight decline in the satisfaction scores.
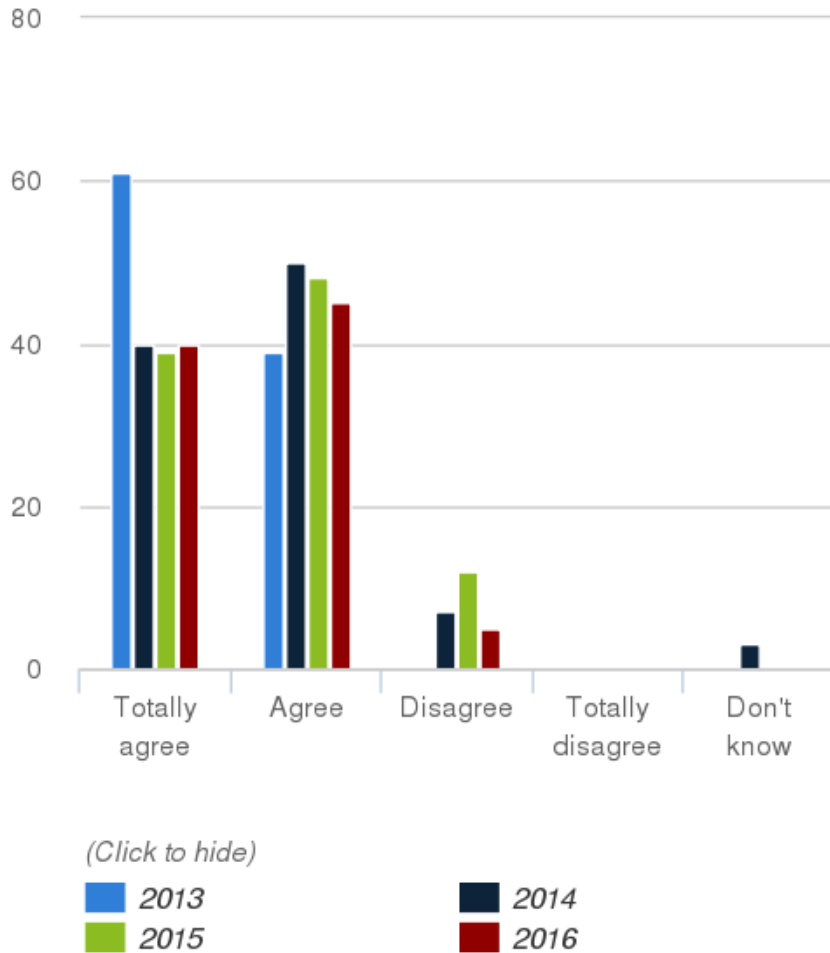
Looking ahead

LOOKING AHEAD
We will follow up on the results of the employee feedback survey and the development of action plans at the local level.
We will design initiatives to increase employees' sense of identification with BSD as a global network.

Life-Work Balance
Life-work balance

A good life-work balance is material at BSD as we hire people of great value and want to ensure a sound balance between work and free time. At the same time, we are results-focused and want to guarantee that staff can perform their jobs to the best of their ability.

Half of the offices allow flexible working hours, so that employees can best schedule their working time in relation to their personal needs. This is helpful for many BSD employees who have young children, requiring them to carry out daycare/school drop offs and pick ups as well as bedtime routines in the evenings. Another agreement seen in many offices is that business trips can be scheduled in a manner that avoids employee travel in the evening or on Sundays, which is also in accordance with many client policies.

Local teams also engage in activities together. Most teams have a joint dinner at least once a year, to which spouses are also invited. In addition, team outings with social and outdoor activities are organized on an ad hoc basis in some offices.

"Working under the BSD umbrella makes me believe my daily contributions will make some difference to someone's life, somewhere. I'm proud of this."

Dolores He, Administration Manager, BSD China

"Working at BSD is very good for me, because I can always take care of my responsibilities as mother and employee without compromising any duty."

Kátia Prates, Office Manager, BSD Brazil

Life-Work Balance Highlights
Life-Work Balance Highlights

We are proud that some 90% of the employees are satisfied with their life-work balance. They say they can flexibly plan their holidays and find that the number of hours of overtime work is acceptable.
We are analyzing at a local level the existing gaps revealed by the survey and will develop solutions wherever possible.

"Living and working in such a big and busy city as São Paulo can be hectic, so we are lucky our employer gives us flexibility so that we can plan our own time, as long as we do our work, of course."

Marco Perez, Consultant, BSD Brazil

I am satisfied with my life-work balance

We see a small deterioration; in 2013 88% of the employees was satisfied with their work-life balance, now 74% is satisfied. However, we see improvements in 2015 and 2016.
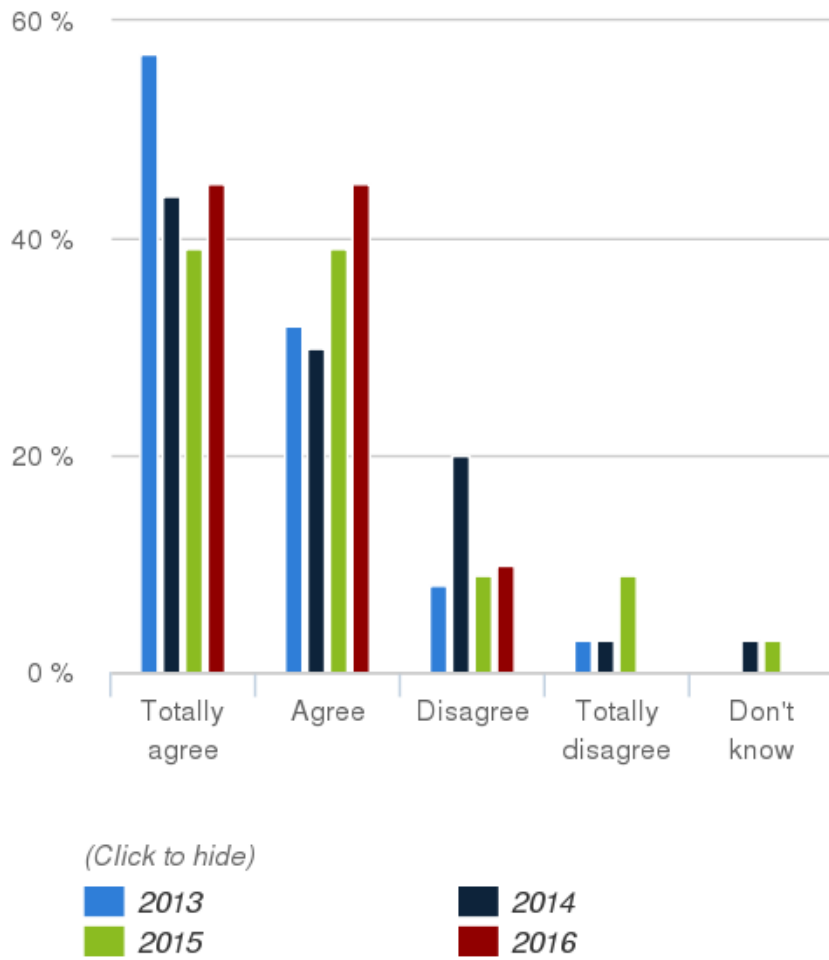
I am satisfied with how I can organize my work

We see a minor change compared to 2013; from 97% in 2013, 90% of the employees in 2014 are satisfied with how they can organize their work. In 2015 we saw further decline in satisfaction scores however these scores improved in 2016.
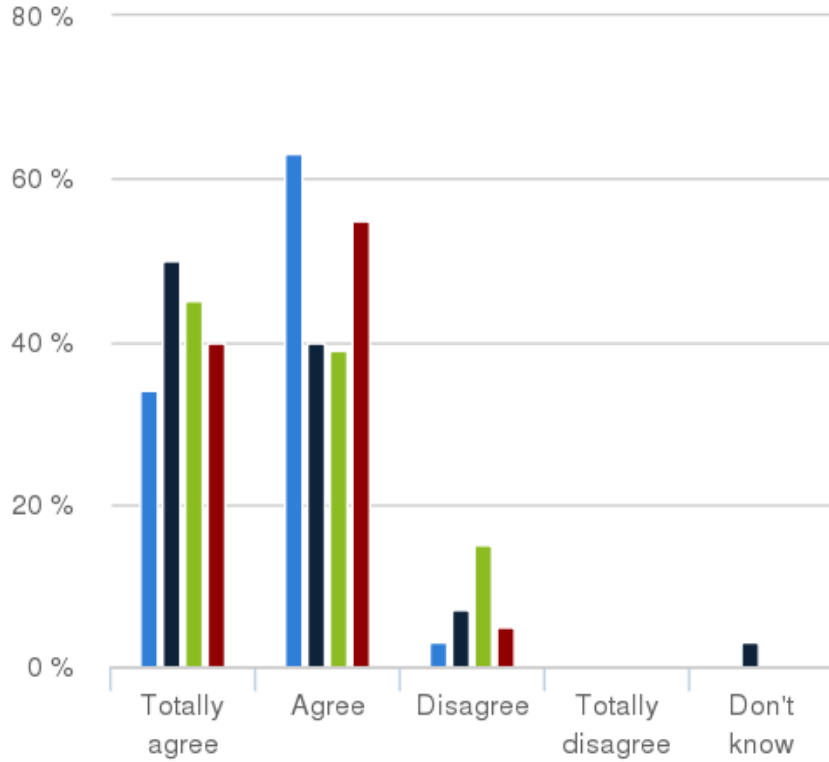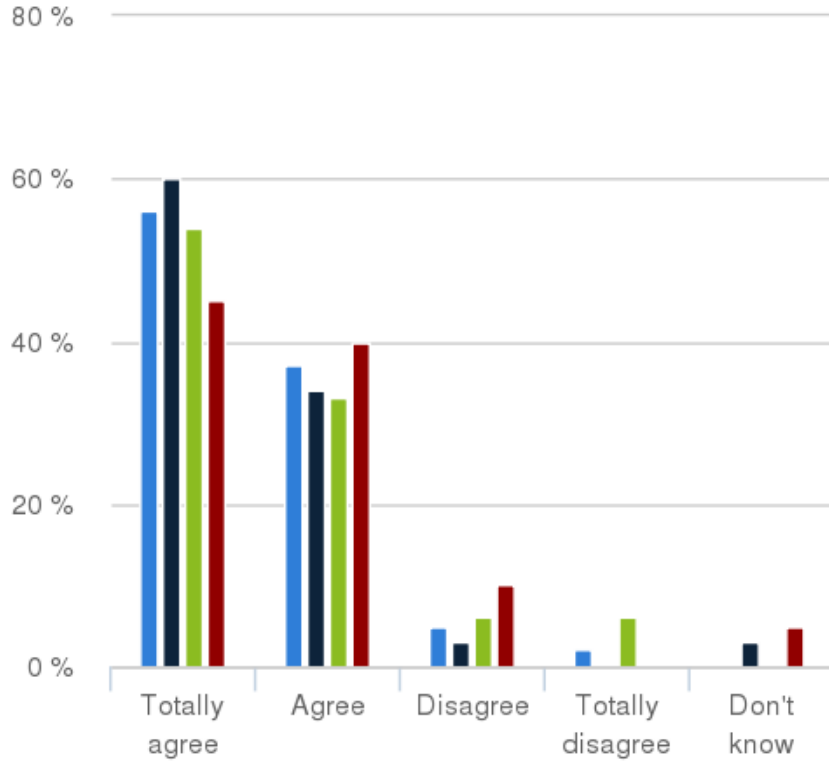
I can flexibly plan my holidays and days off

We see an insignificant change between 2013 and 2014; about 95% of the employees agrees that they can flexibly plan their holidays and days off. In 2016, we see a small change in the dissatisfaction scores.
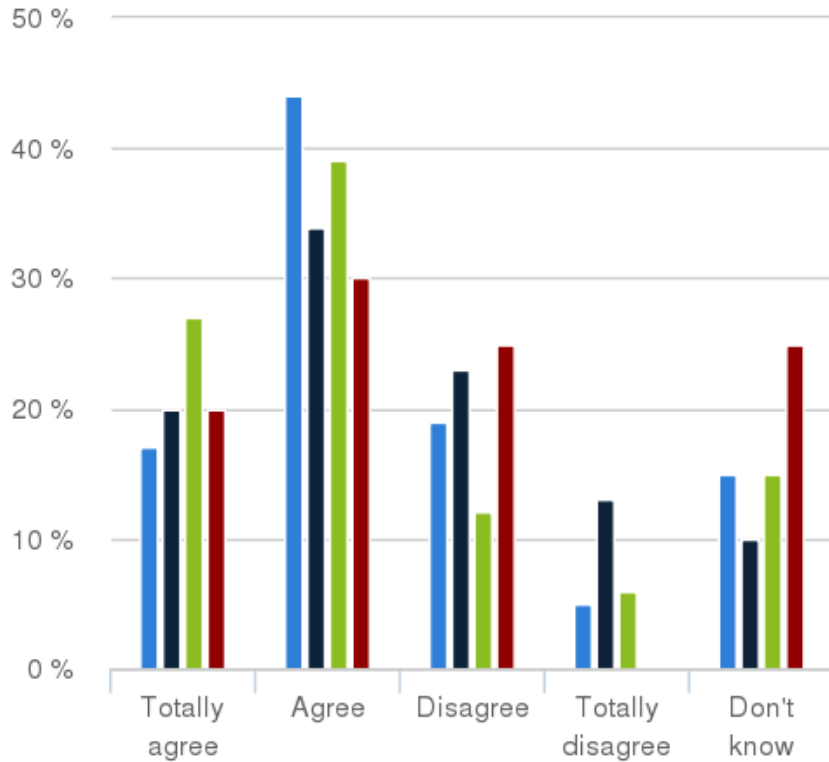
I am satisfied with the compensation for my overtime

We see significant deterioration since 2013; in 2014 some 35% of the employee respondents is dissatisfied with the compensation for their overtime, compared to some 25% in 2013. In 2015, there was some improvemnet in the satisfaction scores however they deteriorated sharply in 2016.
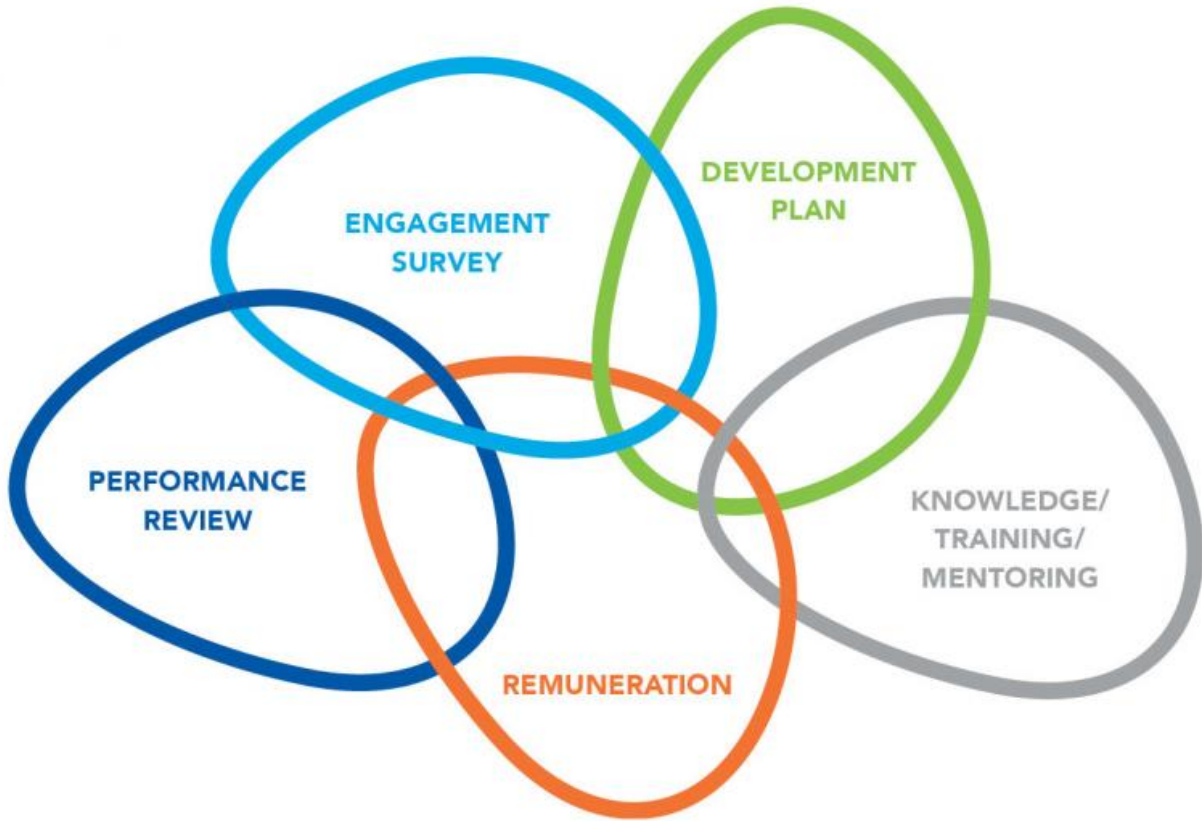

(Click to hide)
- 2013
- 2014
- 2015
- 2016

Looking ahead

LOOKING AHEAD
We will collect examples of best practices of life-work balance from within our network.

Team Development

OUR VIEW ON TALENT DEVELOPMENT

KNOWLEDGE SHARING

Since 2010, BSD has circulated an internal newsletter that allows its talent to share news with both local and overseas colleagues. This newsletter ensures that any news that is published externally on our website and through social media is shared internally first.

In 2013 BSD also launched an online platform called 'The River', which functions both as a discussion and Q&A platform. It is an informal and easy tool for asking questions to the entire organization. The questions asked are diverse, reflecting the diversity of our projects and our consultants' needs. Colleagues can quickly respond to a question and share their expertise to help out one another.

Team development

The development of our talent is key to the organization. We see performance reviews and capacity building for the consultants as integral elements of talent development. It is our strong, well-trained and knowledgeable staff that attracts our clients. We understand that we would not have this impact if we do not continue to attract, develop and retain the best talent. In order to do this, we make sure that knowledge flows around the organization and that we continue to provide personal and development opportunities to our staff.

"Due to its international projection, its contacts with the most important sustainability frameworks and its specialization in sustainability issues, I have found in BSD Consulting Spain the best place to develop my skills and contribute to the common good."

Juan Villamayor, Freelance consultant, BSD Spain

Training
Training

We try to leverage as much as possible our GRI Certified Training Partner capacities to give trainings to our own consultants. Indeed, it is common practice that our new consultants are registered and trained in our own certified GRI courses as part of their introduction to the organization.
BSD's employees are also offered training to learn about the standards and other specific topics that our consultancy work is focused on. We also try to ensure that our employees are up to date with the latest developments in relevant fields, providing access to academic literature, sector-specific studies, publications from agendasetters, as well as invitations to attend relevant gatherings and congresses.

"The work environment at BSD Consulting is very inspiring. Not only do we gain new knowledge in the context of our projects, but we also learn a lot from each other, through informal discussions during coffee breaks or through more institutionalized forms for knowledge sharing such as our bi-weekly lunch presentations."

Maria Stoll, Consultant, BSD Switzerland

Career Path
Career path

We understand that clarity in career development is a huge source for motivation, especially for our young consultants. We acknowledge that we need to improve on this aspect of talent-management and are consolidating positions at BSD Group as well as at local levels.

Some offices have a structured career development review process in place, however not all staff have had formal performance reviews nor have had the chance to create a personal career development plan with their superiors. It is one of BSD's priorities to guarantee a clear development path to all employees.

"I was happy that BSD Colombia gave me the opportunity to do a course in Finance and Accounting in 2013."

Adiela Fajardo, Financial Coordinator, BSD Colombia

The way the latest performance review took place was good

We see some progress since 2013; in 2014 about 75% of the employees agrees that the way the latest performance review took place was good. Some 15% of the employees implies not having had a performance review in 2014. In 2015, the dissatisfaction scores increased slightly. In 2016, there was a sharp increase in the number of employees reporting not having had a performance review.
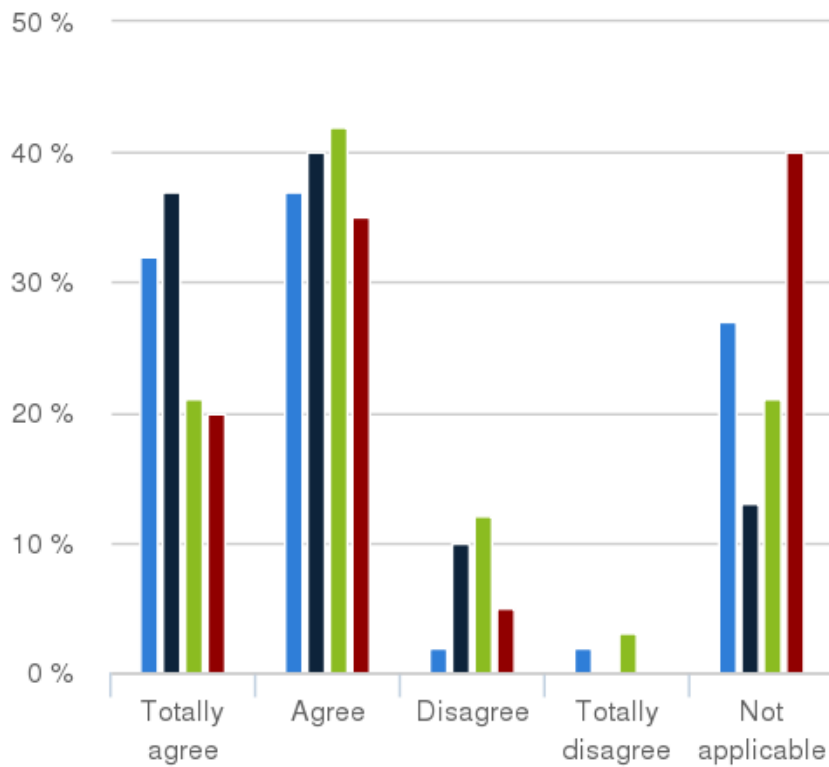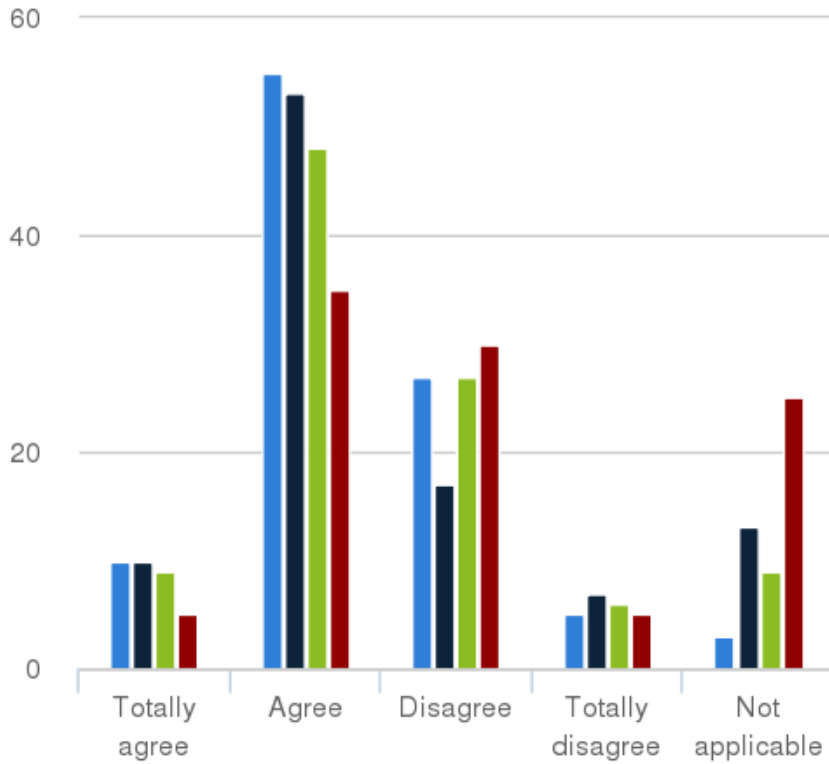

(Click to hide)
- 2013
- 2014
- 2015
- 2016

I have sufficient internal career development possibilities

We see some changes since 2013; about 65% of the employees sees sufficient internal career development possibilities and about 25% sees insufficient possibilities. In 2015 and 2016, we see a decrease in satisfaction scores and an increase in the dissatisfaction scores.

Looking ahead

LOOKING AHEAD
We will improve systems for managing and reporting on local training activities.
We will develop a systematic approach to sharing knowledge and developing the capacities of our team.
We will encourage all offices to implement a career development review process.

Employment Practices

Employment practices

"Sustainability, as a movement, will require capacities to be developed at the individual, organizational and societal levels. Over the last decade we have established partnerships with networks, industry associations, development agencies and international standard-setters to strengthen the capacities of practitioners, managers, 'intrapreneurs', students and entrepreneurs around sustainable development."

Martin Stäheli, Head Sustainable Supply Chain Management, BSD Switzerland

Benefits

SUMMARY OF BENEFITS (ABOVE LAW)

BENEFITS/ EMPLOYEE CONTRACT TYPE*	COMMUTING COMPENSATION	LIFE INSURANCE	HEALTH CARE AND/ OR DENTAL INSURANCE	PARENTAL LEAVE	OTHER FINANCIAL INCENTIVES
PERMANENT EMPLOYEES WITH FULL-TIME CONTRACT	China, Colombia, Germany	Brazil	Brazil, Spain, Switzerland, USA	USA	Spain, Switzerland, USA
PERMANENT EMPLOYEES WITH PART-TIME CONTRACT	China, Colombia	Brazil	Brazil, Spain, Switzerland, USA	Spain, USA	Spain, Switzerland, USA
FREELANCERS UNDER PERMANENT CONTRACT	China, Colombia, Germany		Brazil, Switzerland	Spain	Switzerland
TEMPORARY EMPLOYEES WITH FULL-TIME CONTRACT	China, Colombia		Spain, Switzerland, USA	Spain, USA	Spain, Switzerland, USA
TEMPRORAY EMPLOYEES WITH PART-TIME CONTRACT	China, Colombia		Spain, Switzerland, USA	USA	Spain, Switzerland

Legend: CHINA, COLOMBIA, GERMANY, BRAZIL, SPAIN, SWITZERLAND, USA

* BSD Works with four different employment contracts, distinguishing between permanent and temporary as well as full-time and part-time contracts. In addition, freelance experts are hired to work on a permanent project-basis in a specific area of expertise but do not have a full-fledged employment contract.

Benefits

We provide benefits to our employees that are at a minimum aligned with local regulations but when possible try to offer social conditions that are better than average. All local BSD offices follow local legislation and market customs with regard to extra-remuneration employee benefits. The larger offices are more advanced and have more financial leeway to provide benefits for their employees. There is no global employee benefit plan in place, however local offices are encouraged to go beyond the law in this respect. The following table* illustrates the benefits provided to employees in many of our offices that go beyond legal requirements.

*BSD works with four different employment contracts, distinguishing between permanent and temporary as well as full-time and part-time contracts. In addition, freelance experts are hired to work on a permanent project-basis in a specific area of expertise but do not have a full-fledged employment contract.

Remuneration
Remuneration

Salaries for BSD employees fall within normal market range, but are not of outstanding values due to the nature of being a smaller company. BSD tries to compensate by offering a very decent life-work balance and flexible work culture. However, it is indeed working to improve salary levels whenever possible, based on a solid professional development path and remuneration system.

We are strong believers of the freedom of association, as well as the right to collective bargaining. Regardless of that, the only employees at BSD covered under a bargaining agreement are working in Brazil, as trade union affiliation is mandatory here.

I consider getting a fair wage for my work

We see some change since 2013; in 2014 and 2015 there is overall more satisfaction about the fairness of the wage received. However in 2016, there was a decrease in satisfaction scores and a sharp increase in dissatisfaction scores.
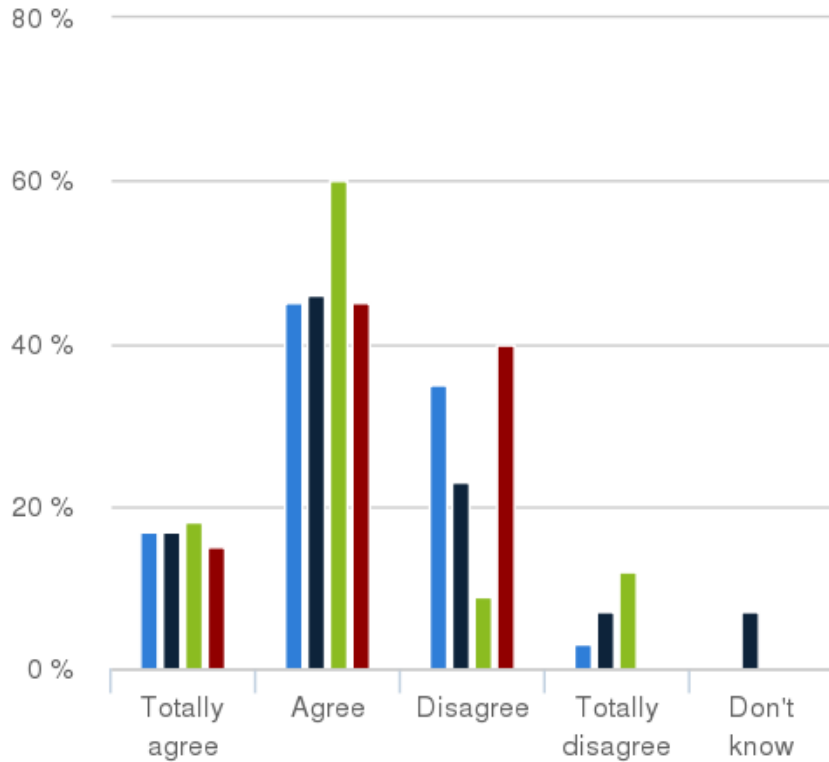
(Click to hide)
- 2013
- 2014
- 2015
- 2016

Looking ahead

LOOKING AHEAD
We will collect examples of best practice revenue sharing and employee participation from within our network.

Environment

Environmental stewardship

As a consultancy, BSD does not have a large environmental impact. There is no environmental policy in place at the global level, nor at most of the local offices. However the Code of Practice defines BSD's commitment to work in an environmentally friendly manner, and through dialogue, BSD staff in all offices promote environmental awareness through their activities.

BSD mainly provides its services at a local level utilizing local staff, however some business travel is required of certain staff. This business travel is regarded as the only material negative environmental impact generated by the organization.

We are continuously exploring tools like video conferencing as well as online collaborative platforms with clients to limit travel but still personal presence can sometimes be irreplaceable. BSD consultants are encouraged to travel by train when it is a viable option,

such as in Europe.

"The environmental dimension of sustainability concerns the organization's impact on living and non-living natural systems, including land, air, water and ecosystems."

Specific Standard Disclosures, G4, Global Reporting Initiative

Business Travel
Business Travel

Despite the emissions caused by our travels it should be said that the emissions could have been much higher. BSD works with local people. We do not fly consultants from one place to another for a project. For example, if we have a project in multiple locations we work together with the local teams to implement the project.

2013 is the first year that we have calculated our emissions. We have only reviewed our air travel. The total mileage is calculated over total global revenue, and per employee. The volume of our travel is not significant in absolute terms, but we think this is material to set an example and follow best practice.

BSD's total emissions resulting from air travel correspond to the emissions that an international congress with several dozen participants would cause. Given the fact that China and Brazil have continental extensions, the travel activity is intense, but not exaggerated.

Starting in 2015, we began re-evaluating our approach and systems to track our environmental impact. As such, we are not currently reporting any environmental data for 2015 and 2016. For 2017, we hope to present our updated approach to tracking our environmental impact.

Environment - Distance Traveled
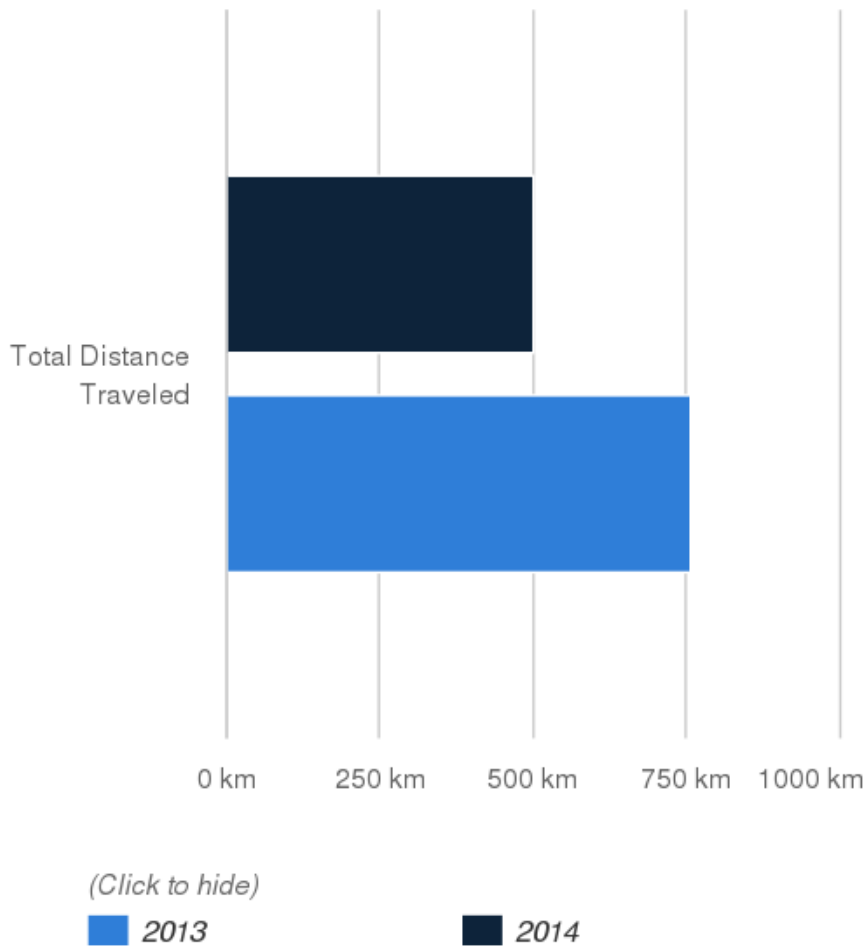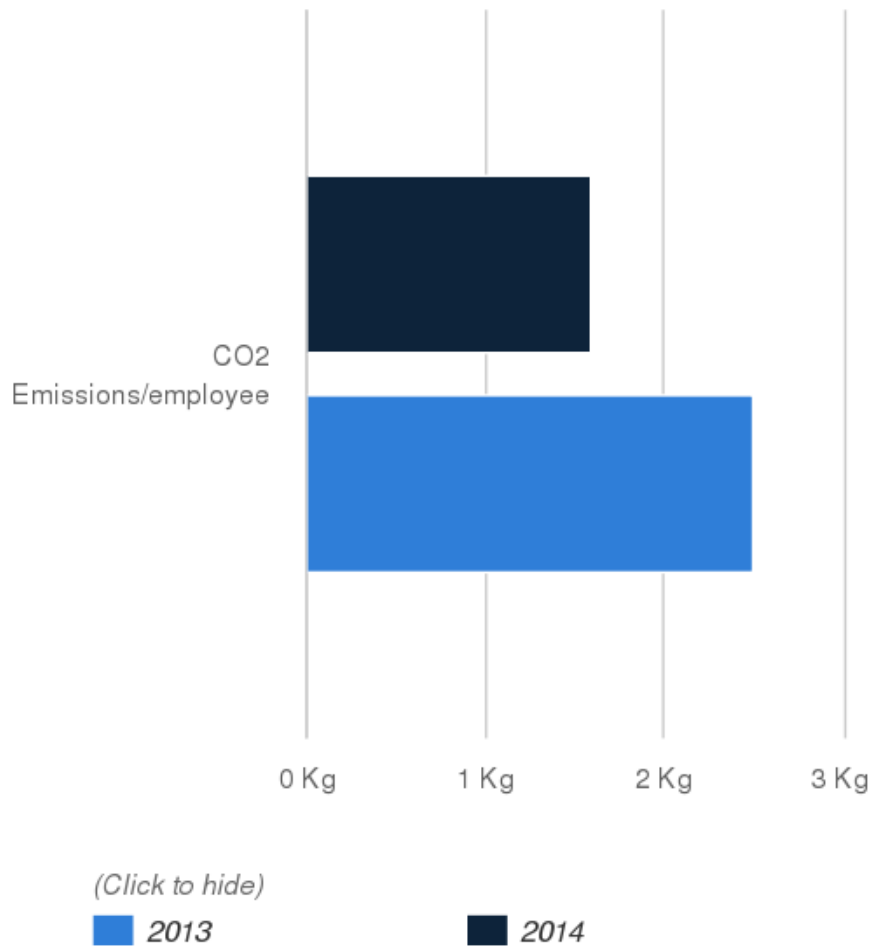
Environment - Total CO2 Emissions

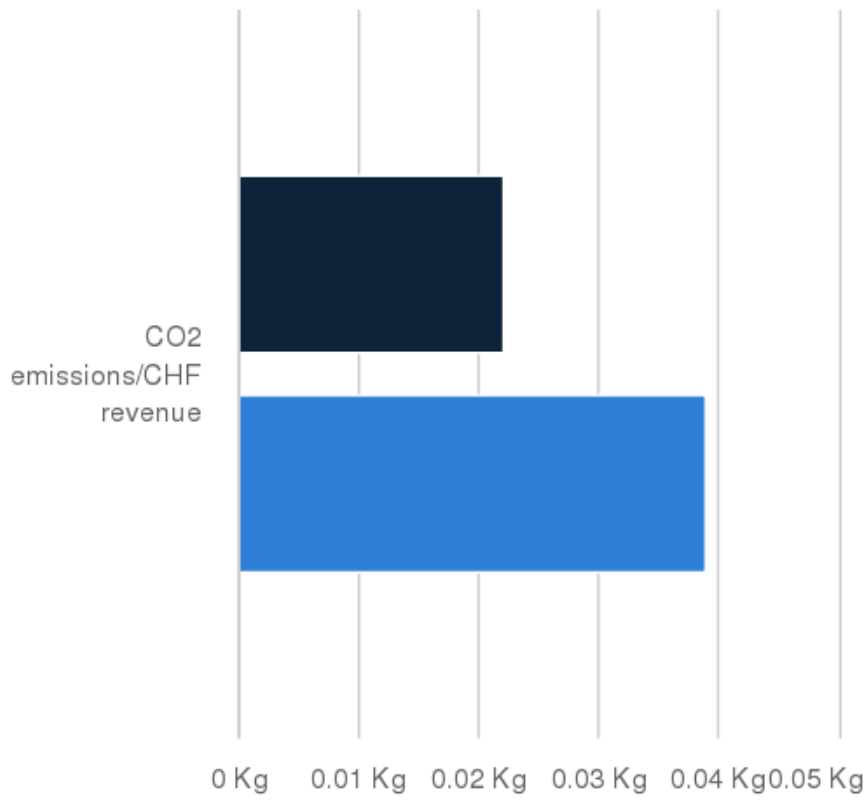Total CO2 Emissions

| 0 Kg | 50 Kg | 100 Kg | 150 Kg | 200 Kg | 250 Kg |
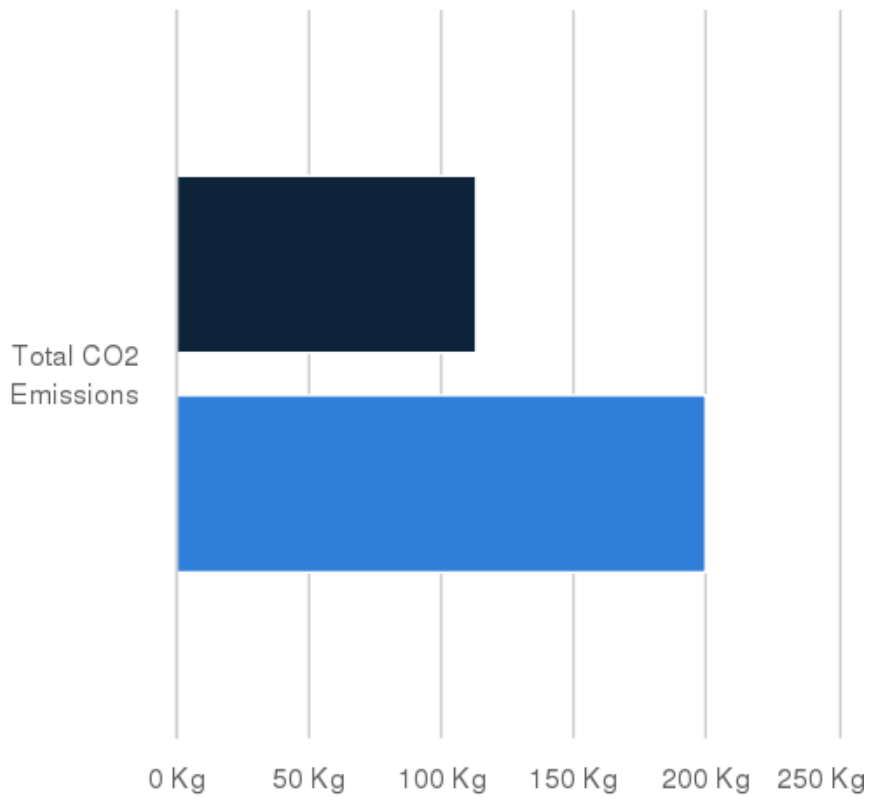
(Click to hide)

■ 2013   ■ 2014

Environment - CO2 Emissions/employee

Environment - CO2 Emissions/CHF revenue

Looking ahead

LOOKING AHEAD
We will improve our systems for travel data collection and reporting.
We will explore the best options for emissions compensation.