

A photograph of three ISS employees smiling. On the left, a woman with dark hair and a nose ring wears a black vest over a white shirt with a blue and white polka-dot scarf. In the center, a woman with a yellow headwrap and a bright yellow polo shirt smiles broadly. On the right, a man in a red polo shirt is partially visible. All three are wearing identification badges.

CORPORATE
RESPONSIBILITY
REPORT

2020

PEOPLE MAKE PLACES



CR REPORT 2020

Contents

ISS at glance

- 2 Our core story
- 3 Our strategy and business model
- 4 Our global footprint
- 5 Regional performance
- 7 Letter to our stakeholders

Our approach

- 9 Our ambition
- 10 Sustainable development goals
- 11 Our framework for Corporate Responsibility
- 12 Mitigating risks and challenges
- 14 Key sustainability events in 2020
- 16 Focus on compliance

People

- 18 Reaching our full potential
- 23 Health and safety
- 26 Overview of 2020 people performance

Planet

- 27 Helping to protect our environment and climate
- 30 Overview of 2020 planet performance

Profit

- 31 Competing on fair terms
- 34 Data protection in ISS
- 37 Internal controls and assurance
- 38 Overview of 2020 business integrity framework and activities

Additional information

- 39 Independent auditor's assurance report
- 41 Reporting principles and compliance
- 42 Our performance and targets
- 45 GRI disclosures
- 52 United Nations Global Compact (UNGC)

ISS case stories



21 ROZITA KHAMIS: Patients are always no. 1



35 SPEAK UP: No tolerance of sexual harassment



25 KEVIN HOSKING: Bringing a personal touch of safety



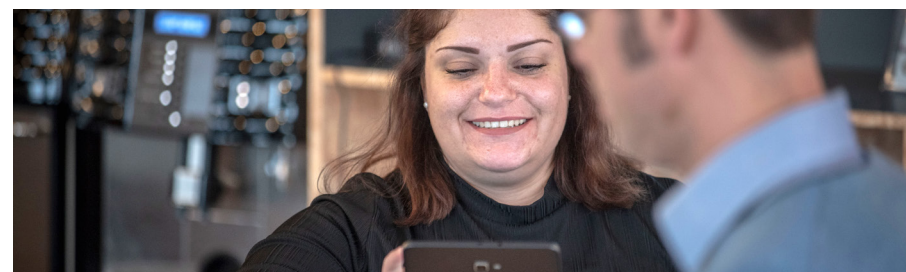
33 PURE SPACE: Enabling people to fully connect with places



29 FOSSIL-FREE: Supporting Vattenfall's sustainability strategy



36 ZERO TOLERANCE: Business Integrity



22 ISS NETHERLANDS: How hiring for diversity and inclusion makes the world work better

ISS AT A GLANCE

Our core story

Making the world work better starts with our belief in creating a fair and inclusive society. We take care of, and provide opportunity for **people**, helping them to develop themselves. We do this because we know our people can and do make a difference. We believe that people make places and places make people. ISS helps to protect and maintain **places** – buildings and the assets inside them. We help our customers minimise their impact on the **planet** by reducing their consumption of energy, carbon and water and cutting their production of waste, including food. We bring all of this to life through a unique combination of data, insight and service excellence.

Our purpose

Connecting people and places to make the world work better

We are placemakers

We believe that people make places and places make people. From strategy through to operations, we partner with customers to deliver places that work, think and give. They choose us because we create, manage and maintain environments that make life easier, more productive and enjoyable.

Our **people** care about the people they support, always adding a human touch to create places that deliver and delight. Every ISS person in every customer facility is one of us – trained, equipped, motivated and working to **high standards**.

Working with customers day by day, side by side, we come to understand every aspect of the user experience. We deploy data, insights and knowledge to develop innovative

Our ambition



Global leader in IFS



#1 Globally in cleaning

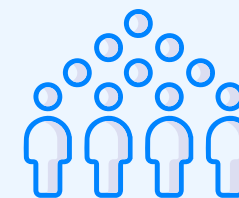
strategies and **intelligent solutions** to meet the intricate realities of service delivery. This helps us manage risk, reduce cost and ensure consistency.

As a global company with a heritage of fairness, equality and inclusion, we empower all of our people to deal with problems and opportunities when they arise. We see it as our job to help our customers achieve their purpose. Whether it is hospitals healing patients, businesses boosting productivity, airports transferring passengers or manufacturing sites producing goods, we're there to help.

People make places and places make people. We know that when we get things right, it enhances lives and makes the world work better – and that is what drives us.

Our value proposition

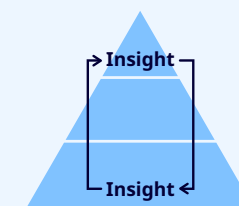
Placemaking solutions that contribute to better business performance and make life easier, more productive and enjoyable – delivered to high standards by people who care.



People who go the extra mile and care about the people and places they support



Our commitment to **high standards** in all aspects of delivery



Intelligent solutions based on our knowledge of every aspect of the workplace experience

ISS AT A GLANCE

Our strategy and business model

On 16 December 2020, we launched a refreshed strategy, **OneISS**, confirming our key account strategy and our IFS business model, but acknowledging that our historic execution has not been satisfactory. As a result, we will sharpen our focus further around prioritised customer segments with accelerated technology investments, country and business unit exits and a new, globally aligned operating model. We have been on a journey for some time, simplifying our business, sharpening our focus and reallocating capital and resource to our core. OneISS will see us complete this journey, through creating a stronger, simpler, and closer ISS.

OneISS

A refreshed strategy with a new operating model. Geared towards supporting all our stakeholders and achieving our 2025 ambition.

Stronger

- The most respected global leader in IFS
- #1 globally in cleaning
- Investing in central functions to drive excellence in the way we work
- Building world class technology

Simpler

- Key account strategy underpinned
- Sharper commercial focus
- Aligned structure, processes and ways of working

Closer

- Working together to deliver for our customers
- Collaborating to grow our business
- Building our collective culture as OneISS

OneISS will allow us to achieve our purpose – **connecting people and places to make the world work better.**

Our strategic choices

Customers

- Key accounts in prioritised segments

Core services

-  Cleaning
-  Technical
-  Food
-  Workplace

Our journey in the coming years



Sharpen strategic focus

- Stronger definition of customer segments
- Country and business unit divestment of additional DKK 4 bn annual revenue



Accelerate investments

- Become technology leader and make technology, data and insights clear competitive advantages and driver of future offerings
- Increased digitisation focus and investment, including in IT security



Global operating model

- Alignment of country structures
- Strengthen global support and excellence functions
- Culture and incentives to support OneISS

Our 2025 ambition



Our market

Attractive key account market with significant room to grow



- Continued strong demand for IFS with Covid-19 increasing demand for cleaning
- Demand for workplace management solutions based on the increased importance of the office as a driver of corporate culture and collaboration

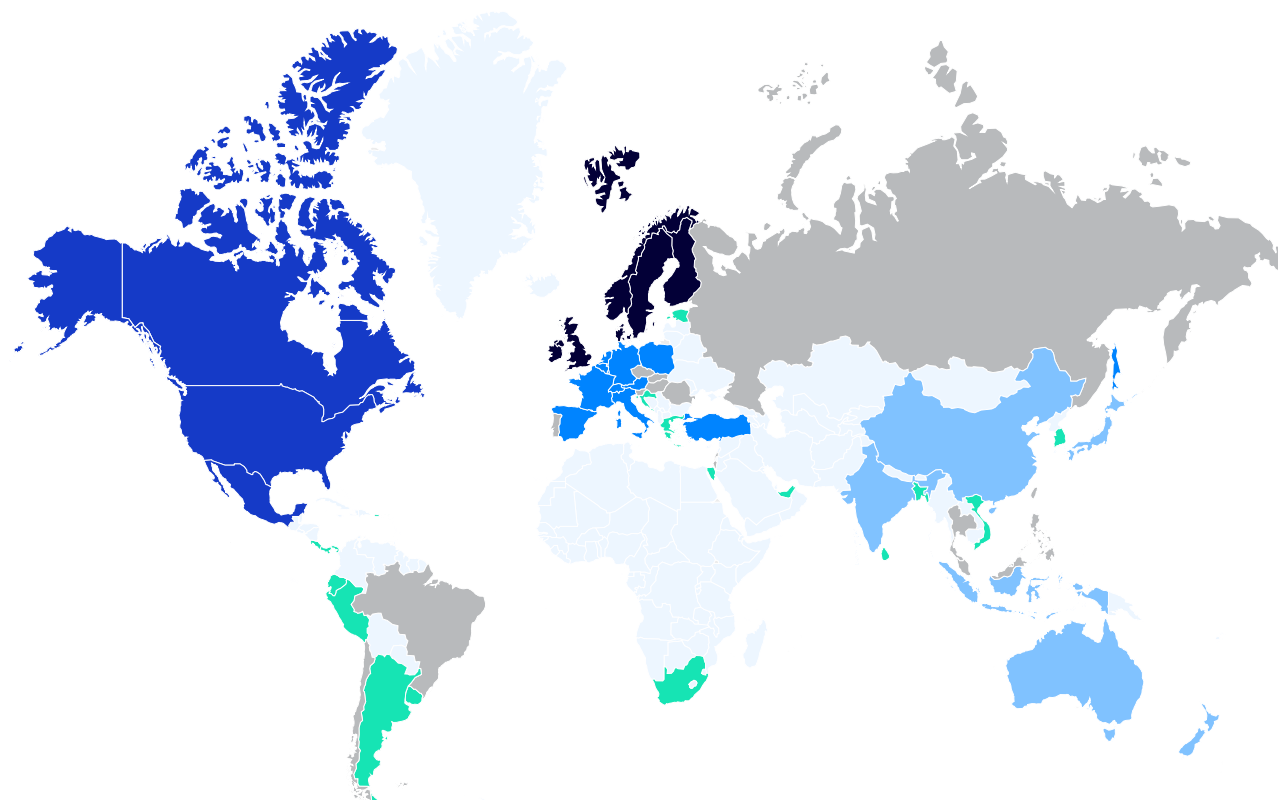
ISS AT A GLANCE

Our global footprint

ISS is a global company operating business in 60 countries worldwide.

With the launch of OneISS, we will sharpen our strategic focus even further by exiting three additional countries – Portugal, Russia and Taiwan – and a number of business units.

These divestments will support our journey to become a simpler, stronger and closer ISS.



Continental Europe

40%
Of group revenue

(3)%
Organic growth

130,838
Employees

Northern Europe

32%
Of group revenue

(8)%
Organic growth

63,699
Employees

Asia & Pacific

18%
Of group revenue

(3)%
Organic growth

131,576
Employees

Americas

9%
Of group revenue

(19)%
Organic growth

20,857
Employees

Discontinued operations

4.2 DKKbn
Revenue divested/
to be divested

Partnership countries

(1% of group revenue)

ISS AT A GLANCE

Regional
performance

Continental Europe

27.6

DKKbn
Revenue

40%

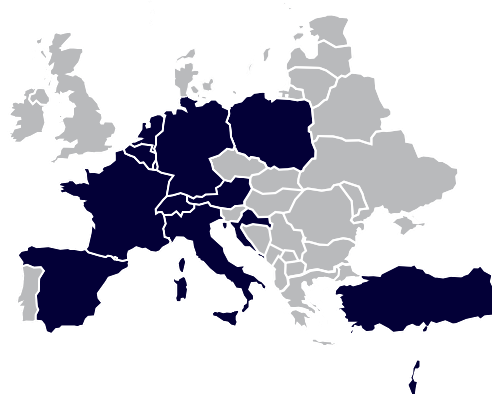
Of group
revenue

61%

Key accounts

(3)%

Organic Growth



130,838

Employees

Revenue by country

DKK million

Germany	5,493
Switzerland	5,286
Spain	4,221
France	3,152
Turkey	2,691
Belgium & Luxembourg	2,647
Austria	1,920
Netherlands	1,297
Italy	575
Poland	292
Lithuania	55
Latvia	5

Northern Europe

22.6

DKKbn
Revenue

32%

Of group
revenue

74%

Key accounts

(8)%

Organic Growth



63,699

Employees

Revenue by country

DKK million

UK & Ireland	10,290
Denmark	3,593
Finland	3,070
Norway	2,965
Sweden	2,724

ISS AT A GLANCE

Regional
performance

Asia & Pacific

12.4

DKKbn
Revenue

18%

Of group
revenue

64%

Key accounts

(5)%

Organic Growth



131,576

Employees

Revenue by country

DKK million

Australia & New Zealand	3,968
Hong Kong	2,409
Singapore	2,137
Indonesia	1,760
India	1,247
China	849
Other	15

Americas

6.6

DKKbn
Revenue

9%

Of group
revenue

67%

Key accounts

(19)%

Organic Growth



20,857

Employees

Revenue by country

DKK million

USA & Canada	5,882
Mexico	726
Other	27

ISS AT A GLANCE

Letter to our stakeholders

At ISS we want to make a difference to the success of our customers and the lives of our employees. In 2020, that difference was made abundantly clear during the global pandemic – and our key role as a partner in connecting people and places to make the world work better will continue to be central in the post-Covid recovery.

Along with the entire world, ISS was affected by the global coronavirus pandemic in 2020. During this challenging year, our focus was squarely on business continuity for customers and the health and wellbeing of their employees and our own. With our own people at customer facilities – trained, equipped, motivated and working to high standards – we have been able to offer customers a unique level of transparency and agility in responding to the crisis. Our customers have been overwhelmingly positive about our response to the Covid-19 crisis, which has showcased the strength of our self-delivery model as well as large outsourcing partnerships with a single point of contact for facility management.

Making the world work better

As a global leader in facility services and workplace management, we play a key role in society. When the pandemic radically changed

our ways of working, our people – cleaners, technicians, chefs and other service professionals – contributed significantly to keeping workplaces and essential infrastructure running, including hospitals, pharmaceutical production facilities, and data centres. The societal impact of ISS frontline colleagues every day is central to our value proposition to customers.

In 2020, we addressed the full range of customer needs around the workplace during the pandemic. With our Back to Work concept, we provided a complete set of solutions for protecting the workplace against infection, redesigning places to meet social distancing requirements and helping customers scale up or scale down their on-site activities. Focus on cleaning and hygiene increased significantly among customers. To meet this demand, we introduced PURE SPACE, an ISS product that leverages technology and data to evidence cleanliness, troubleshoot the risk of contamination and influence the right behaviour. Above-base and project work revenue on key accounts increased organically by 11% and 14%, respectively, driven by deep-cleaning and disinfection.

Strategic focus on key accounts confirmed

In 2020, our retention rate for key accounts was 93%. Our long-term, mutually beneficial partnerships with key account customers are particularly resilient in tough times. Organic



Lord Allen of Kensington Kt CBE
Chair

growth for key accounts was (4.3)% vs. (10.8)% for non-key accounts. In 2020, we won a new 5-year Integrated Facility Services (IFS) contract with a large international industry and manufacturing customer corresponding to approx. 1% of Group revenue. We also won, expanded and renewed contracts with major players in banking & professional services, healthcare, and transportation & infrastructure.

It is with these key account customers that our value proposition resonates most strongly. Facility management and workplace services, including globally leading cleaning solutions, have become more important to customers' strategic agendas. Long-term key account partnerships are more likely to be built around IFS and a mutual aim to attain excellence through quality, efficiency and compliance. That results in greater value for everyone – our customers, our people, our investors and society at large.



Jacob Aarup-Andersen
Group CEO

Sharpening our focus with OneISS

In response to an unsatisfactory financial performance in recent years, we launched a strategy refresh in December 2020. The OneISS strategy confirms our key account focus and IFS business model while sharpening our approach to select customer segments, accelerating technology investments, and introducing a new globally aligned operating model. These changes will allow us to use our global scale to drive superior value for all our stakeholders. In the process, we will become the most respected global leader in integrated facility services and strengthen our position as global number one in cleaning.

Executive Group Management (EGM) saw significant change as well. We said goodbye to Group CEO Jeff Gravenhorst at the end of August 2020 after 18 years in the business. On behalf of ISS, we want to extend once more our special thanks to Jeff for his lasting achievements – he has built

the foundation upon which our new strategy will launch us into the future. A new strengthened EGM was announced in December to deliver on the OneISS strategy and transformation. The team comprises a strong mix of seasoned internal talent and external additions with diverse backgrounds, broad expertise and new capabilities, and will ensure we deliver on the goals and ambitions of our OneISS strategy.

Our financial performance

With the dual impact of coronavirus and malware attack, 2020 was a year without precedent in terms of financial performance. Full-year organic growth was (6.5)% and 2020 was thereby only the second year in our 119-year long history with negative growth. The loss of revenue was driven by lockdowns and significant restrictions in all major markets, particularly impacting our food services. Adjusted for restructuring and one-off costs of DKK 3.5 billion, our operating margin came in at 0.5%, in line with our latest financial outlook. Restructurings were part of our response to the pandemic along with certain actions targeting our operational challenges to prepare the business for the future. Free cash flow was DKK (1,794) million impacted by our operating losses but supported by strong focus on collections and strict investment discipline.

In spite of an exceptionally difficult year, we have laid the groundwork for a stronger financial performance in the future, including through our OneISS strategy, which will ensure we strengthen our execution.

The post-Covid global IFS leader

With the impact of the Covid-19 pandemic on workplaces, partnership with a strong, integrated

facility management provider has become more important than ever before. Our role in these partnerships is not just to deliver world-class services but to serve as a key strategic adviser to customers in how to bring their real estate strategies and workplace cultures to life.

As we move towards a post-Covid world – hopefully taking big strides in that direction in 2021 – this strategic relationship will only increase in importance. The role of the workplace in attracting and retaining talent will only increase, but now the concept of where we work has broadened. According to our workplace study, up to 65% of participants are expected to follow a partially hybrid remote model post-pandemic. Customers are grappling with how to bring employees back into the workplace while also establishing new ways of working that seamlessly connect e.g. corporate offices with the home base to ensure people are healthy, happy, and engaged.

Technology will play a key role in our ability to bring the workplace into the post-Covid era. Our ambition is to become the world's best, tech-enabled facility services company. We are therefore increasing investment in our digital capabilities and IT architecture while accelerating roll-out of customer-facing tools. Improved collection and use of data and insights from across the globe will drive better-quality outcomes for customers, which includes providing them with even more value from the integration of our services.

With continued strong demand for Integrated Facility Services – in particular cleaning – increased focus on the workplace as a driver of corporate culture and collaboration, and

ongoing needs to reduce costs, the market for outsourcing will grow in the years ahead. We are well-positioned in an attractive USD 400 billion key account market, where our modest market share of 2% leaves plenty of room for growth.

In 2021, ISS is in a unique position to further bring to life our purpose – connecting people and places to make the world work better – and continue to strengthen our role and responsibility in society, for the duration of this global pandemic and far beyond.

Health and safety – A key priority

Our focus on health, safety, environment and quality (HSEQ) initiatives keep all stakeholders top of mind, from customers and suppliers to employees and partners. Safety is our highest priority and across the Group we're working tirelessly to ensure that our people go home safe to their families after a productive workday. Tragically we suffered three work-related fatalities in 2020 (three in 2019). This is unacceptable. We are deeply affected by the fatalities and the impact this has on their families, friends and colleagues. We have investigated the incidents to ensure we determine the root causes and take corrective actions so that they are not repeated. In the past decade, we have reduced our Lost Time Injury Frequency (LTIF) by over 80%. The continuous improvement has been driven by our systematic approach and focus on HSE risks across the organisation.

Our commitments

We remain committed in our support of the United Nations (UN) Global Compact as we have been since 1999. We continuously align our

strategy and operations with the ten principles of the UN framework. We are committed to the UN Guiding Principles for Business and Human Rights and, in terms of climate change, committed to reducing greenhouse gas emissions related to our operations. In last few years, we have specifically focused on strengthening our due diligence systems in order to implement the 'Protect, respect and remedy' framework in accordance with UN Guiding Principles on Business and Human Rights. In ISS, we welcome the increased focus on transparency and the principle of 'knowing and showing' the full scope of our non-financial responsibilities.

Thank you for your continued support.

Yours faithfully,



Lord Allen of Kensington Kt CBE
Chair



Jacob Aarup-Andersen
Group CEO

OUR APPROACH

Our ambition

At ISS we have a great ambition. We want to be the difference in the lives of our employees, our customers and the world. We help our people have a positive effect on the places that they work and live in. Everyday, we take every opportunity to make the world work better.

ISS aims to lead our industry by example, always seeking to positively influence the market wherever we operate. As a global business employing hundreds of thousands of people in a number of countries, we realise that we have a huge opportunity to influence the lives of our employees and our customers for the better, and that we play an important role in society. We want to drive business and societal outcomes together by focusing on our core competencies: **Diversity & Inclusion, Social mobility, and Dignity.**

A high degree of diversity and inclusion has always been pivotal for ISS. We aim for a culture where everyone feels valued, engaged and respected, and where everyone is treated fairly and equally. We employ people from more than 175 countries around the world, from a myriad of cultures, speaking a symphony of languages and we want everyone to contribute with their unique skills and perspectives.

ISS is an integrator – providing many people their first jobs in a new country, in their lives, in their new career, and more notably providing people the dignity to be part of the society they live in, to support their families that depend on them and to help progress in their life journey.

We are a social mobility engine that provides people the opportunity to better their lives through their work experience and training, so they can come closer to their career and life aspirations.

A people company is built upon respect. We treat all our employees with dignity and help them grow their self-esteem. And we work determinedly on enhancing society's recognition of all people.

These three competencies of Diversity & Inclusion, Social mobility, and Dignity are supported by a guidance framework of policies, rules and manuals. The main reference point for these is the United Nations Global Compact, and we explain how these are embedded in the organisation in the following pages, which we have based around the following structure:



People: Safe working conditions and human rights



Planet: Reducing our impact on the environment and climate



Profit: Compliance with sound business standards

We bring to life how we meet these challenges through case studies. These cases demonstrate our policies in action, and thereby our engagement with and impact on stakeholders and society.

We must be aware of and respond to what is happening where we operate, whether these be global trends or more specific to a single country or culture. The materiality assessment underpins the management of our responsible practices along the entire value chain and we interviewed key internal stakeholders as part of the process. The findings were validated and confirmed internally and externally.

The materiality assessment was updated in 2020 and will be again next year (see page 12).

OUR APPROACH

Sustainable development goals

Everything we do at ISS is matched and aligned with the current guidelines for responsible behaviour. In addition to the UN Global Compact, the UN Guiding Principles for Business and Human Rights, and the Women's Empowerment Principles, we have decided to contribute to five of the Sustainable Development Goals:

5) Gender equality, 8) Decent work and economic growth, 10) Reduced inequalities, 13) Climate action and 16) Peace, justice and strong institutions. These constitute the foundation of the change we seek to make.

We will continue to support SDG 5 Achieve gender equality and empower all women and girls and SDG12 Ensure sustainable consumption and production patterns.



SDG 5

Achieve gender equality and empower all women and girls

ISS is a multicultural company and embraces and encourages diversity. Women make up nearly half our workforce. Female representation in management, leadership development and graduate programmes has high priority and is progressing. Our Diversity Policy continues to bring results, with more initiatives to identify female candidates and promote women to more senior roles. Training programmes educate, enforce and embed policies against harassment and discrimination.



SDG 8

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Minimum wages, the right to organise and a safe working environment are basic standards at ISS. As a dedicated people company, we invest significantly in developing employees at all levels of our organisation. We take continuous action at all levels to eradicate injuries and fatalities. We have zero tolerance of forced labour, child labour, modern slavery and human trafficking in our operations and this is strictly enforced through governance controls, including audits.



SDG 10

Reduce inequality within and among countries

As one of the world's largest private employers, ISS provides the economic foundation for many individuals and families around the world. There is an increasing number of refugees in our workforce, as well as people with mental and physical disabilities, social challenges or little academic education. We offer employees the chance to develop their skills through education programmes, increasing their job and career opportunities.



SDG 13

Take urgent action to combat climate change and its impacts

ISS is committed to continuously reducing any negative impact on the environment due to our operations, and we also work with customers to help them reduce their own environmental footprint. We work at our customers' premises, meaning we gain insight into their performance and use this knowledge to help them manage and reduce their impact and reach their targets.



SDG 16

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

We aim to eradicate all forms of discrimination and unethical behaviour through the ISS Code of Conduct and the Global People Standards. These policies are the basis of our learning tools and programmes, including an extensive onboarding course in which all new employees are trained in our way of working and our values. Corruption and bribery are illegal and against our values, and we promote the Speak Up system to allow employees to raise concerns on these matters, anonymously and without fear of reprisal.

OUR APPROACH

Our framework for Corporate Responsibility

How we are building a resilient business

Our corporate responsibility framework is based on our business fundamentals: our values, our purpose and our business strategy: **OneISS**. To ensure good corporate governance, we have implemented a number of policies and standards which are outlined below.

As a global business, we work continuously to fully integrate and embed them into local operations. We pay particular attention to the Group Strategy for Health, Safety, Environment

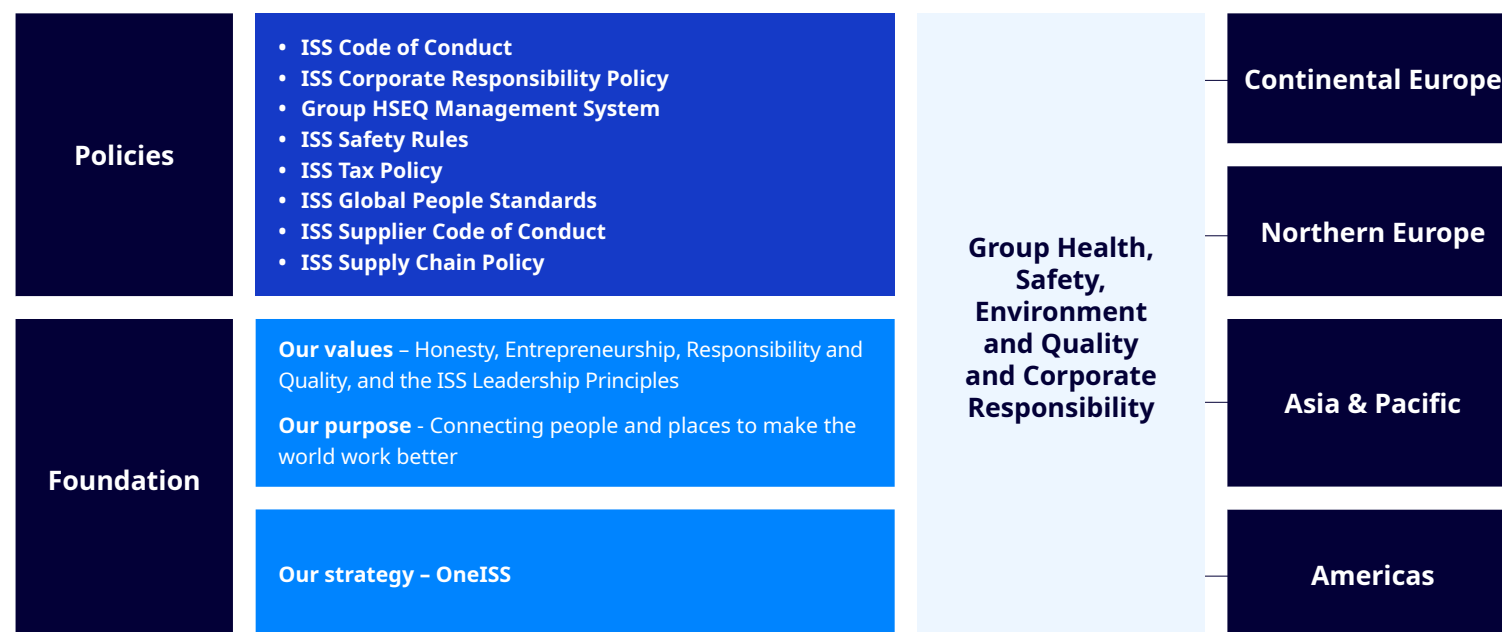
and Quality (HSEQ) and Corporate Responsibility (CR), which are essential for reaching our business goals.

The responsibility for implementing Group strategy into each country's local strategy is designated to an HSEQ manager. Countries report to Group HSEQ and CR, which helps the countries achieve the common Group goals by reviewing their performance and actions. Group HSEQ and CR is responsible for driving the strategy, monitoring and reporting on HSEQ and CR and works closely with the Executive Group Management.

Our desired outcomes are:

- Ensuring a healthy and safe work environment;
- Driving a responsible supply chain;
- Reducing our environmental footprint;
- Mitigating risks through internal education;
- Building strong leadership capabilities.

Policies are available [here](#)



OUR APPROACH

Mitigating risks and challenges

Mitigating risks is a vital part of our corporate responsibility efforts. Risks can damage our business, employees, customers and society in general, but when managed well risks can also create opportunities.

Proactive development

As an employer, a business partner and a corporate citizen, ISS is responsible for mitigating risks. We use our knowledge to take meaningful action in a constructive and transparent way. We are proactive and we are continuously striving to meet the latest challenges.

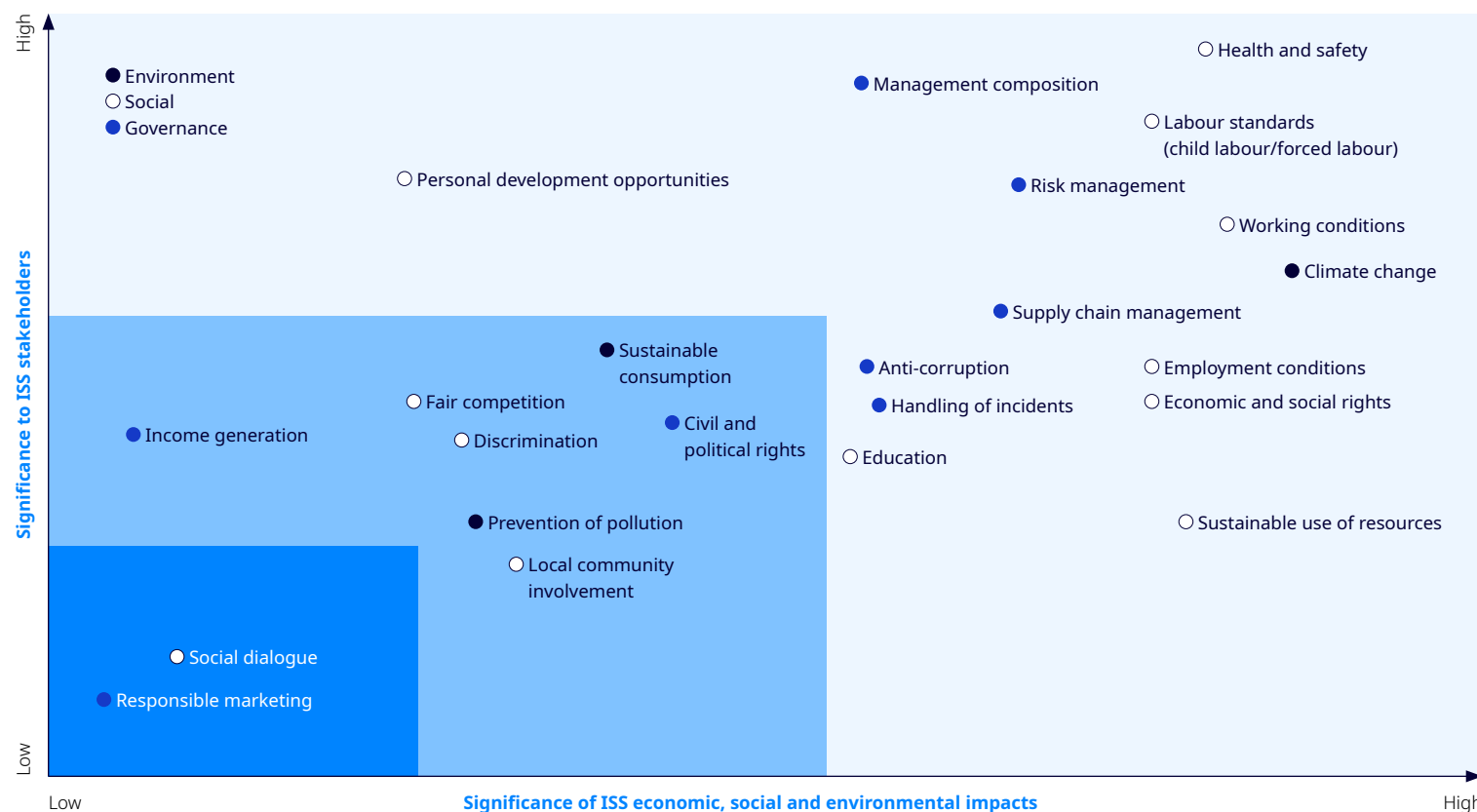
We focus on strengthening compliance in our own supply chain and, as a service provider, we are also increasingly asked by our customers to






help them improve their working conditions and their impact on the environment. We support the creation of a level playing field globally in all aspects of sustainability.

Our Speak Up system is a key element of our efforts to expose and deal with wrongdoing in any aspect of our business. It is a channel designed to encourage people to report serious and sensitive concerns while guaranteeing their protection from reprisals for complaints made in

good faith. More details on this programme can be found in our case study on page 35.

The risks, impacts and actions related to the UN Global Compact principles on responsible business are presented in the overview, below and on page 13.



Risks	Impact	Actions
 <p>Given the large number of employees around the world, complying with anti-corruption rules may pose a risk. Although bribery and corruption are illegal and against ISS policies, we acknowledge that we cannot always prevent breaches of rules or legislation.</p>	<p>Foul play by just one of our 378,946 employees somewhere in the organisation can seriously harm our company at a corporate level. Adverse effects could include financial costs, corporate liability, and reputational damages with the potential to destroy business opportunities. Corruption affects society by e.g. endangering the rule of law and destabilising economic growth.</p>	<p>Our global standards are part of the training for all ISS employees. Enforcing the anti-corruption and bribery rules requires constant focus and the commitment from our top management is unambiguous. Local management must work actively to implement the standards. We monitor and ensure that each case of non-compliance gets escalated and treated seriously.</p>
 <p>Reducing our environmental footprint is a clear ambition in ISS. We manage two different risk categories: our own operations and our customers'. As for our own operations, consistent reporting and coordinated initiatives remain a challenge. In relation to our customers, it is a challenge to pursue the highest standards on their behalf.</p>	<p>With our global reach, improving resource productivity will have a significant impact on the environment by decreasing the use of water, energy and materials. When we transfer our standards to customers' businesses, the impact will grow accordingly.</p>	<p>Based on a systematic approach we aim to achieve continuous improvement in quality and performance. We set standards and targets for improvements, and measure and report on our performance. Credible and effective management of environmental and climate-related risks are part of our value proposition to our customers.</p>
 <p>As a global organisation our people have numerous interactions every day. This tests our ability to respect human rights, particularly in regions affected by instability and weak law enforcement. We have identified three main areas posing a risk: child labour, forced labour and right to privacy. They reflect the vulnerability of the people we interact with.</p>	<p>Breaching the rights of vulnerable people is particularly problematic: their exposed situation is worse, and feeling defenseless they may not claim their rights. Influenced by local sub-cultures, this could also impact people in general.</p>	<p>We recognise that certain individuals and groups require increased awareness and attention to protect against potential abuse. Our policy on safeguarding children and vulnerable people is being implemented via a thorough programme. It is part of our onboarding programme, training of top management and leaders and also included in our Global People Standard. Our work on privacy is detailed on page 34.</p>
 <p>Our policy is to ensure that slavery and human trafficking are not taking place in any part of our business and our supply chain. We recognise that certain categories of our supply chain carry higher risk of child and slave labour. Here, we specifically seek to secure adequate risk controls.</p>	<p>People who become part of slavery or human trafficking usually do not know their rights. They are victims of a cruel business exploiting vulnerable humans. Apart from the human costs, the negative societal and economic consequences are significant.</p>	<p>ISS is committed to help eradicate slavery and human trafficking; hence we have a systematic and proactive approach to ensure this. We conduct internal audits to verify our standards to manage these risks. In relation to our supply chain, we require self-assessments and carry out audits to verify our suppliers' labour standards and performance.</p>
 <p>The management of working conditions and supply chain risks are becoming more important as compliance with international standards grows. Operating in unstable regions with limited legislation can be challenging to enforce ISS global standards which impose decent working conditions.</p>	<p>As we operate a global company with 378,946 employees and managing a vast number of sub-contractors and suppliers every year, we directly or indirectly impact labour rights for a significant number of people.</p>	<p>Working with private sector partners as well as civil society and labour organisations, we seek to promote labour rights both globally and locally. We support the UNI Global Union's 12 fundamental principles and we manage labour rights on the foundation of these shared goals.</p>

OUR APPROACH

Key sustainability events in 2020

January

ISS UK joins the European Chicken Commitment

ISS UK signs the European Chicken Commitment, which calls for better treatment of chickens. It comes after last year's pledge by ISS UK to source cage-free eggs by 2025. ISS UK is committed to working closely with suppliers in a series of aspirational targets to source goods in an ethical and sustainable manner, with key regard to animal welfare. Over the last decade, ISS UK has pioneered sustainable and ethical practices within its Food Services businesses.

ISS impact on local communities recognised by IAOP and The Rockefeller Foundation

ISS wins an Impact Sourcing Influencer award for providing career and development opportunities for underserved populations. The Global Impact Sourcing Award (GISA) evaluates and recognises organisations that intentionally hire and provide career development opportunities to people who otherwise have limited prospects for sustainable employment. Impact sourcing can provide the start to a meaningful career and upward social mobility.

February

ISS recognised among IAOP's Best of The Global Outsourcing 100

ISS receives special recognition for being at the very top of The Global Outsourcing 100 (GO100) ranking year after year, and for leading the outsourcing industry. The GO100 is released every year by the International Association of Outsourcing Professionals (IAOP) and highlights the 'best of the best' in the outsourcing industry.

March

ISS Hong Kong recognised as Caring Company for eighteenth year in a row

Hong Kong's Caring Company Scheme was launched in 2002 with the aim of cultivating good corporate citizenship. It is specifically geared to building strategic partnerships among businesses and non-profit organisations to create a more cohesive society. ISS was recognised for the eighteenth year in succession for the company's commitment to caring for the community, our employees and the environment.

September

ISS Global hosts global digital cleanup week to reduce CO₂ emissions

ISS marks World Cleanup Day by hosting a worldwide digital cleanup week within the company called Drive to 100 Environmental Campaign. Employees were urged to delete old emails, junk folders and obsolete computer files, which use up large amounts of energy and contribute to carbon emissions.

ISS Taiwan wins Labour Safety Award

The Labour Safety Award honours businesses that have a longstanding commitment to maintaining a friendly working environment with low occupational accident rates that helps ensure the health and safety of their employees. ISS was selected for its focus and implementation of health and safety policies and training, occupational accident prevention facilities, workplace health management and promotion, and occupational accident investigations and follow-ups.

ISS Australia Partners with Woollahra to Advance Enterprise Opportunities for Australia's First People

ISS awards Woollahra/SK Nyiyaparli a contract of supply to service the FMG Christmas Creek Camp in Western Australia. Woollahra is a 100% Aboriginal-owned company and the contract reflects the ongoing commitment of ISS in delivering on Indigenous Engagement and our important role in improving employment and enterprise opportunities for Australia's First People.

ISS Hong Kong participates in Good Employer Charter

ISS Hong Kong signs the Good Employer Charter, a government campaign which recognises employers who adopt an enlightened corporate culture, introducing employee-caring measures and promoting work-life balance. ISS is also named a Family-Friendly Good Employer for our work in adopting family-friendly employment practices.

ISS UK gains BITC Responsible Champion Award for its JointForces@ISS employability programme

ISS UK receives the Business In The Community (BITC) Responsible Champion Award (Unipart Outstanding Employment Category) for its armed forces employment programme. The JointForces@ISS employability programme was set up in 2017 and has supported more than 300 service personnel with career advice and internships to develop their skills and careers, and help them transition from the military to the civilian workplace.

October

ISS awarded Platinum sustainability rating from EcoVadis

For the second year in a row, ISS is awarded a platinum rating in the EcoVadis Sustainability Rating, maintaining its position in the top one percent of all assessed companies. EcoVadis is the world's largest and most trusted provider of business sustainability ratings. The assessment described ISS as demonstrating 'an advanced sustainability management system that covers all four themes under review'.

ISS maintains position as the Top Facilities Management (FM) Brand in the UK

ISS UK & Ireland takes first place in a survey of FM Service Providers in the UK by i-FM, retaining a position held since 2016. i-FM is an online resource for information about facilities management in the UK, which produces a guide to the major players in the UK facilities sector.

ISS Sweden named Environmental Company of the Year at the Clean Bright Awards

ISS Sweden receives the Environmental Company of the Year award for contributing in an exemplary, inspiring and active way to the industry as a whole developing sustainably. ISS had shown that it has clearly integrated sustainability issues into its business strategy and was taking long-term responsibility for its own impact on the industry, society and the ecosystem.

November

ISS Ireland named winners in Health & Safety Excellence Award – Facilities Management

ISS Ireland is recognised as the leader in the Facilities Management category at the inaugural Health and Safety Excellence Awards in Ireland. The award was for ISS's #ichoose2Bsafe campaign, which aims to ensure everyone thinks of safety as a Core Value and chooses to be safe; stopping unsafe work and reporting near-hits to prevent accidents.

December

ISS Austria's Country Manager ranks at the top of LEADERSNET assessment of leaders responding to Covid-19 crisis

ISS Austria's Country Manager, Erich Steinreiber, becomes Crisis Manager of the Year in the Service category, after 23,000 online voters and a specialist jury ranked 300 Austrian leaders for their response during the Covid-19 pandemic. Erich was chosen for his flexibility and adaptability.

ISS Austria wins the Facility/Security Services sector for seventh time at Best Recruiters

ISS Austria is named the Best Recruiter in the Facility / Services sector for the seventh year in a row by Best Recruiters, the largest recruiting study among German-speaking countries. ISS Austria was praised for its successful and professional recruiting policies. The company was also ranked 10th out of 500 in the new category of 'Austria's most crisis-proof companies'.

ISS commits to setting a science-based target as part of the Science Based Targets initiative (SBTi)

ISS will work to set a science-based emission reduction target aligned with the SBTi's target-setting criteria as part of the private sector's role in reducing Greenhouse Gas emissions. The initiative was set up to help pioneering companies lead the way to a zero-carbon economy, boost innovation and sustainable growth, and drive governments to take bolder action.



OUR APPROACH

Focus on compliance

Our customers depend on us to effectively manage their health and safety and environment (HSE) risks as well as human and labour rights when we operate inside their sites. Our strict internal controls ensure we always maintain our standards in all locations. This focus on compliance creates value for our customers – in short, it is sound business.

Operating model

To meet our customers' needs for compliance, efficiencies, transparency and consistency of service performance across our global portfolio, ISS ensures a clear line of sight all along our operating model, from Group to Regions to Countries to customer sites, where we deliver our services.

It is key to have alignment and consistency in our organisation. This is supported by a well-defined set of business fundamentals across ISS, including our values, our purpose and leadership principles, supplemented by mandatory policies and processes.

Our performance on business integrity and good business practice is monitored by Group Internal Audit, using an elaborate set of assurance activities. Group HSEQ and CR also perform audits against the ISS Global People Standards, the Group HSEQ Manual, the ISS Safety Rules and the ISS Code of Conduct.

Escalation of operating issues

Our Escalation Policy ensures proper and timely escalation of serious incidents in order to make the right decisions and actions for both for ISS and its customers. The Escalation Policy ensures:

- all serious incidents that could have a significant impact on the activities, employees, customers, financial performance or reputation of a customer or of ISS are escalated immediately;
- appropriate emergency response planning and management are in place to address serious incidents; and
- the accountability of Country, Regional and Group Managers as well as Key Account Managers and Global Account Directors for duly and timely escalation of serious incidents.

The Escalation Policy also makes clear that when there is doubt over whether an incident is serious or not, it should be escalated regardless so it can be properly managed. Immediate escalation shall take place before further assessment of the situation is made.

Time is of the essence and escalation cannot await thorough investigations and long reports. The manner of initial communication is by phone to provide the high-level details of the incident, which will allow appropriate actions to be commenced as early as possible. Subsequent communication will normally be less time-sensitive and is therefore preferably done in writing, unless otherwise agreed case-by-case.

The Escalation Policy and framework is reviewed and tested annually.

In addition, ISS has a Speak Up Policy and system to facilitate the reporting of serious and sensitive concerns. Please see page 35.

Travel and Expenses Policy

The ISS Travel and Expenses Policy was updated in 2019 and is applicable and mandatory for all employees. ISS will pay for and reimburse reasonable and necessary expenses incurred in relation to business activity, whether such activity involves travelling or not. The following fundamental principles apply:

- The purpose of the expense incurred must be business related;
- Incurring private, non-business-related expenses on the account of the Company is a breach of the Policy;
- Always use good judgement when incurring business expenses;

- Employees are responsible for ensuring that travel plans are reasonable, realistic and support the Company's business activities;
- Travel should only be undertaken when necessary. Employees must always consider alternatives such as video and web conferencing or conference calls before deciding to travel.

Before any booking takes place, employees must seek written approval for the trip from their line manager. In order to protect our employees when they travel on company business, all bookings must be made via our travel agency Egencia.

Our updated Travel and Expenses Policy has led to better governance of business travel expenses, a better work-life balance for our employees, as well as reducing the Company's carbon footprint due to a decrease in overall business travel.

New Code of Conduct and Data Protection Training

In 2020, ISS introduced a new Code of Conduct training programme for frontline staff. The Code of Conduct is the overarching guidance for behaviour by anyone working for, supplying or representing ISS. It is part of our employment terms and is supported by mandatory e-learning based training modules for all staff, available in over 20 languages.

The new training programme sets out 10 behaviours and actions that are required of our employees. For more details, see page 31 (Profit introduction).

So far, 106,365 employees have completed the Frontline Code of Conduct programme and 26,223 have undertaken the Support Staff Code of Conduct training.

Our other new important training programme introduced this year involves data protection. Every employee with an ISS email address will have to complete the training every year. You can find more about this in the section on Protecting Personal Data in ISS on page 34.

Anti-Corruption & Sanctions Compliance

We are in the process of finalising an update to the ISS Anti-Corruption Policy, which will introduce clearer and stronger guidelines on gifts and entertainment.

We have also developed a new Sanctions Compliance Policy and Standard, which is to ensure ISS complies with the various sanctions in place against countries and individuals around the world. We are looking to expand our screening options, which will enable us to check whether customers and employees are present on any sanctions list and to avoid dealings with any countries or individuals under sanction.

Supplier Compliance

As well as holding ourselves, our business and our employees to account for the compliance of our policies and processes, we also hold our many valuable suppliers worldwide to the same high standards. We focus on where the risks are and establish close relationships with key suppliers and clients in order to implement our policies, standards, knowledge, processes and solutions.

These risks include governance and policies, unethical behaviour, Freedom of Association, workplace health and safety, conditions of employment and work, child labour, environmental protection, subcontracting, financials and contract compliance.

The key stakeholders we engage with

Employees	Relation with designated manager and annual appraisal
Customers	Ongoing dialogue to meet expectations and feedback from annual Customer Experience survey
Investors	Close dialogue through road shows, conference calls, investor meetings and announcements
Suppliers	Increased dialogue to ensure a responsible and strong supply chain, to the benefit of both parties. This engagement is carried out on a continuous basis during the year
Unions	Constructive interaction with international works councils, unions and employee representatives. Quarterly with the EWC and semi-annually with UNI
Media and NGOs	Proactive and constructive communication with media and NGOs on a broad variety of platforms

PEOPLE

Reaching our full potential

As one of the largest employers in the world, we understand that we have a unique opportunity to change the lives of our employees for the better, during their years at ISS. We believe that education is the enabler of that change, which is why we strive to offer industry-leading training to every one of our 378,946 employees. By educating our employees and suggesting concrete ways in which they can act, we create a positive ripple effect, not just within our growing ISS family, but also to the people that they touch and their families.

Before 2025, all employees will be offered training, because we want every one of our employees to develop and grow during the time they spend at ISS. As such, we work with two elements: knowledge and actions. Knowledge is gained from unique world class training material developed specifically for ISS employees. But knowledge only leads to change when it is transformed into actions. Therefore, all our training materials also include concrete suggestions on how employees can act in their everyday lives at work and at home. That is the way we make a difference to the lives of our employees, our customers and indeed the societies we operate in.

Focus on education

We see ourselves as more than just a job provider. We know that we can make a positive difference in the world we have operations in, if we develop and nurture our people during the years they spend at ISS. It is our ambition that anyone who works or has worked at ISS should be able to make a difference in their everyday lives. We want to be a catalyst of change and a starting point of positive impact on the world. This is because we know that people make places and places make people. When we succeed in making our employees grow they are able to contribute to our customers and societies, thus helping to make the world work better.


The global Learning Management System at ISS is called MyLearning. It is a multi-function platform which supports the deployment and tracking of over **1,700** global and country-specific e-learning modules along with almost **800** training videos. It is accessible to all ISS employees – from executives and country leaders to frontline staff – anywhere in the world, no matter where they work.

MyLearning LMS

 **392,457**
active user accounts

Covering
 **47 countries**
across Europe, Asia-Pacific and the Americas

Available in over
 **12 languages**

 ISS e-learning content in up to
27 languages

The platform allows country organisations to assign, track and store evidence for on-the-job training, skills, licences, certifications and qualifications, and has a classroom management tool for automating invitations and marking attendance at formal classroom-based training sessions. It is cloud-based, which means our frontline team members do not need to have company network access, and it is completely mobile-friendly, with an intuitive interface for easy access through smartphones, tablets and computers by users who may not be familiar with using online tools.

Since its formal launch in Asia-Pacific in 2015, MyLearning's use across the organisation has continued to grow. In 2017, approximately **100,000** e-learning modules were completed by MyLearning users; this figure now stands at over **4.5 million** to date, with over 1.7 million completions in 2020 alone.

On a survey of end-users, 96% or more of respondents agreed that MyLearning was easy to use, made it easy to access a range of training opportunities, and made it easy to access training at any time.

MyLearning can also automate personalised training assignments based on a team member's role, location, customer and country. This helps to ensure all team members are properly trained, safe and compliant when performing their job. Key focus areas of standardised global MyLearning training includes the ISS Code of Conduct, Information Security, Data Protection, ISS Escalation Policy and position-appropriate HSE (such as driving safety, waste management and office safety). Each ISS country organisation is also encouraged to develop local training to support their local needs.

Our ambition is to provide multi-language literacy, numeracy and core IT skills training as free online courses for all team members to enable our employees to change their lives for the better.



Leadership development

We put a lot of emphasis on leadership at ISS and we aim for high quality and consistency across our entire organisation. We develop our leaders through Group-wide ISS University programmes that are focused on driving:

- 1 Leadership Development;
- 2 Business Excellence;
- 3 Service Culture;
- 4 Effective on-boarding.

Our 'Leading the ISS Way' programme facilitates clear and structured feedback, which allows leaders to gain insights into their personal leadership style, strengths and development areas. We also have an intensive 12-month course designed for our future leaders called 'Leadership Mastery', which provides them with the platform to step into senior leadership positions as the business develops and grows.

The growth of key accounts is central to our strategy. Our Key Account Management Certification programme ensures that we have the right people with core business acumen managing and improving our services to customers. To further advance this agenda in 2020, we introduced a Site Manager programme, which equips our leaders managing sites with business acumen and leadership skills that help them manage customers effectively and build engaged and driven teams.

Service culture

We regularly survey our employees on how engaged and enabled they are and, more

importantly, what we can do better to drive their full engagement. We work continuously to improve engagement, which in turn increases people's overall sense of purpose in the delivery of our services. We see a clear correlation between employee engagement and customer satisfaction, making them key drivers of financial and operational performance.

One of the learnings from our employee surveys is the positive impact of the 'Service with a Human Touch' programme, which focuses on our frontline employees. It is our game-changing cultural programme, which communicates our purpose and translates customer value propositions into concrete service behaviours for thousands of service professionals.

The programme has been deployed across the ISS world in 47 countries, with more than 200,000 employees taking an active part in developing their own service behaviours and finding their purpose.

Onboarding programme

We take great pride in how we introduce new people to the ISS world, ensuring that they are empowered to make the world work better. Our onboarding framework supports every new person that joins us and is a holistic journey, which takes place over three months from the hiring date. It has been designed to help a new hire with cultural integration, ensure that they have the right tools and equipment for success from their first day, and provide ongoing support and training during their first three months about who we are, our customers, our safety culture and the expectations of their role. The onboarding journey is completed when the new hire and line manager meet to discuss performance.

Covid-19 and ISS's response

During 2020, Covid-19 unfortunately disrupted lives, impacted livelihoods and businesses all over the world. ISS took various steps to manage the outbreak from our people perspective to the handling of customers.

Even with all the efforts, especially from health care professionals around the world, in 2020 we unfortunately lost 50 employees across the world to Covid-19 related sicknesses.

ISS first became aware of the Covid-19 outbreak through our Escalation process when we were alerted by our operations in China in late December. We issued our first Global Health Alert soon afterwards to ensure all our employees globally were informed about the risks of the virus and we introduced strict control measures, such as hand hygiene, personal protective equipment (PPE), social distancing and contact tracing.

In the following months, as we gained greater knowledge of the steps being introduced in the Asia-Pacific region against the virus, we were able to quickly share this information and best practices with our operations in Europe and the rest of the world. We initiated our Global Emergency Response Organisation (GERO) and, in each country, our Country Emergency Response Organisations (CERO). GERO coordinates responses in each CERO, monitoring the situation and sharing practices across the different regions.

ISS continues to issue Health Alerts, provide guidance and training to all employees and communicate the latest policies and protocols through our Health, Safety and Environment (HSE) app. We are also coordinating with

our customers at the site level to ensure our Covid-19 measures and procedures are aligned.

We have very clear policies in place to ensure our employees and contractors are fully aware of the symptoms of the virus and what to do if there is a suspected case. Anyone suspected of being infected should not come to any work sites and they must carry out a series of checks before any return to work is allowed. We have a Contact Tracing procedure where managers are responsible for tracing an employee's contacts across colleagues, suppliers and customers and we provide that information to health authorities where it is appropriate and useful.

In addition, ISS has implemented temperature checks, hand sanitisers and strict use of PPE where required. Through signs, posters and sanitising stations we are stressing the importance of hygiene measures and social distancing to ensure safety is a priority for all our employees, contractors and customers. Across the world we have also developed varied solutions focused upon educating our employees in the new ways of working driven by the pandemic situation – both to ensure their safety and well-being as well as to translate our service for our customers under these new circumstances.

UK Modern Slavery Act

Our policy is to ensure that slavery and human trafficking are not taking place in any part of our business and in any part of our supply chain. This is consistent with our Code of Conduct, Corporate Responsibility Policy, Supplier Code of Conduct and Global People Standards, which covers, among other areas, pre-employment checks, zero tolerance for forced and compulsory labour, the right to privacy, and child labour.

We conduct internal audits to verify that we manage these risks in our operations. We recognise that certain categories of our supply chain carry a higher risk of child or slave labour and so, in 2017 we implemented a new Supply Chain Policy and ISS ProcurePASS, to ensure strict adherence within supply chains on principles of good corporate governance.

Diversity and Inclusion

As a global company and one of the world's largest private employers, we strive to create a truly inclusive culture in which our employees can be their authentic self at work. We work closely with our customers to collectively meet our D&I aspirations. We are committed to empowering our employees to meet their full potential. The Board and Executive Group Management (EGM) recognise the importance of promoting diversity within management levels with policies regarding inclusive practices.

We have always aimed for an inclusive culture where everyone feels valued, engaged and respected, and where everyone is treated fairly and equally. We provide the environment for people to be respected, to learn and get new skills which in turn advances social mobility: when people grow at ISS, everyone wins.

ISS is a catalyst for social integration – we provide many people with their first job, help them settle in a new country and support their lifelong learning and career plan. We are passionate about providing people the dignity and respect to contribute to the society in which they live, to support their families and dependents and to help them navigate their life journey.

We know that we as a company have a great responsibility, and a great opportunity to change

the lives of our employees in the years they spend at ISS. We believe that education is the enabler of that change, which is why we offer certified training to every one of our 378,946 employees. We aim to create a positive ripple effect. By educating our employees in craft and life skills we create a momentum for wider change. We call this ISS Journeys. Before 2025 all employees will be offered training to upgrade their skills in languages, internet skills and computer skills, arming them with the tools to begin their journey.

In 2020, we strengthened our diversity and inclusion requirements in our Global People Standards to ensure our countries develop action plans for a balanced mix of diversity, for the development and advancement of ethnic minority employees and for mentoring programmes. In addition, we enhanced our focus on diversity and inclusion, including awareness training, global best practices sharing, global alignment and implementation. Additionally, a global D&I target has been defined, aiming to achieve at least a 40% gender balance within all leadership roles by 2025 – a goal approved by the Executive Management Board and the Board of Directors. While gender equality will initially be our primary focus, our ambitions go beyond gender and we will implement various initiatives emphasising the three dimensions:

- Fairness & Equality at work;
- Diversity of thought;
- Places that foster inclusiveness.

In order to improve the gender balance in management positions at ISS's global head office, we continue leveraging our Diversity Policy, which defines a number of initiatives, including our recruitment policy, requiring us to short-list at

least one female candidate in all searches for vacant positions. We also continuously develop our succession planning, which is aimed at identifying female successors, and table the matter of women in leadership at ISS for discussion at least once a year at EGM level. Furthermore, it is our policy to ensure strong representation of women in various ISS leadership development and graduate programmes across the Group and at global head office. The Board target of achieving at least 40% gender balance on the Board in 2020 was achieved with the election this year.

Across our organisation as a whole, we have a nearly equal 50% split between women and men in the workforce. We are also leveraging our diversity policy to increase the number of women in management-level positions. The policy contains a number of initiatives, including the requirement to short-list at least one female candidate in all internal and external searches for vacant positions.

ISS has always had a high degree of diversity and inclusion. In Denmark, over 40% of our workforce have an ethnic background other than Danish. In Spain, over 5.5% of our 30,633 employees are people with disabilities and we aim to increase this to 6.1% by 2023. In Hong Kong, we partnered with secondary schools and NGOs to provide training, career opportunities and buddy support for young people with special educational needs.

We also actively identify female candidates for our leadership programmes. At our last Global Leadership Conference in 2019, we had 30% female representation and 40% female participation in our 2020 Leadership Mastery programme.

ROZITA KHAMIS:

Patients are always no. 1



DIAGNOSTIC RADIOLOGY
radiologi Diagnostik

"Patients are number one in healthcare. That's why we're here – to make sure the environment is clean and safe for them."

Rozita Khamis

Assistant Director of ISS's housekeeping teams

At a major hospital in Singapore, ISS ensures every surface and ward – including operating theatres – are spotlessly clean, for the safety of patients and staff. Behind this huge effort is a dedicated 550-person team.

"Patients are number one in healthcare. That's why we're here – to make sure the environment is clean and safe for them," says Rozita Khamis, Assistant Director of ISS's housekeeping teams at a top health-care customer.

This may sound simple, but cleaning a hospital that treats over 1 million patients a year requires a highly coordinated team, with a strong sense of purpose and responsibility.

"I choose healthcare cleaning because I want to make a difference," says Rozita. She joined ISS in 2016 after many years of working in the healthcare industry. Her experience was essential when Covid-19 first reached Singapore. Rozita's team had to react fast. General wards were converted to isolation wards; empty space was made available for patients; and completely new cleaning routines and workflows were introduced – all in a matter of days.

"The key was to make our people feel safe so they could do their jobs effectively," says Rozita. "As leaders, we were on the ground with them and set up new routines to check on their health, such as temperature checks. Many people felt a little cut-off due to social distancing, so we set up a WhatsApp group where everyone could chat, ask questions and feel part of the team."

To ensure our teams were prepared and safe, they got refresher training in the use of personal protective equipment, infection control requirements, and procedure compliance. But, equally importantly, they also got the emotional support they needed from Rozita and the rest of the management team.

A strong believer in the personal touch, Rozita knows every member of her team personally and wants everyone to have the chance to develop in their work. "Cleaning is not rocket science," she says. "It's the people behind it that make the difference."

ISS NETHERLANDS:

How hiring for diversity and inclusion makes the world work better

The benefits of a diverse and inclusive workforce are vast and widely documented.

"The mix of insights that comes from hiring people from different backgrounds can be hugely beneficial to companies," says Edwin van der Pol, Manager of Social Innovation at ISS in the Netherlands. "It brings about alternative ways of thinking and fresh perspectives that often lead to innovation."

Edwin and his team run the operational side of ISS's Diversity and Inclusion as a Service offering, which involves initiating projects and opportunities for people who otherwise might have difficulties entering into – and staying in – the job market.

One such project in the Netherlands is Top Academy, where ISS works in collaboration with companies and special needs and secondary schools to provide vocational and practical education. Top Academy has huge value for everyone involved, and exemplifies the power of ISS partnerships with customers like PwC.

In 2019, more than 400 people were hired as part of ISS's Diversity and Inclusion

programme in the Netherlands. Sultan was one of them. She supports ISS food services, where her role involves organising the company lunch, ordering supplies and facilitating the catering process. Sultan deals with mental health difficulties and anxiety, and benefits from the extra support her colleagues and managers can provide.

"ISS gave me the chance to develop as a person and to develop my skills in catering," says Sultan. "When I needed assistance, my colleagues were always available to support me. ISS also arranged a job coach to support me and my manager to ensure further development."

The programme has been so well-received that it was awarded the Rockefeller Foundation's 2019 Global Impact Sourcing Award. Edwin believes the programme's success is fuelled largely by ISS's holistic approach.

"At ISS, inclusion is a high priority. It's so important that this approach is genuine and supported by all employees, not merely from the top down."

"ISS gave me the chance to develop as a person and to develop my skills in catering."

Sultan

Part of ISS's Diversity & Inclusion programme in the Netherlands

PEOPLE

Health and safety

Our HSE vision is ambitious: **100**

We want to be number **1** in our industry in terms of health, safety and environmental performance; operate with **0** fatalities at our workplaces; and incur **0** serious incidents and occupational injuries at our workplaces.

Safety first

We have an obligation and a responsibility to ensure that our employees go home to their families, their loved ones and friends safely and as healthy as they were when they started their working day at ISS. In the last ten years, we have established a systematic approach to drive this vision and ambition where safety is second nature and a natural part of our working culture.

Our Global HSEQ Management system is the backbone of this approach. The integrated management system that was first implemented in 2010 was updated to reflect the new ISO standards in 2016 and was certified by our global certification partner, DNV GL, in February 2017. The integrated management system has now been certified in June 2019 to the new ISO 45001 Standards. The Group HSEQ Management system is supported by ISS Global Procedures and Guidance Notes. Every Country HSEQ Management system must comply with the Group HSEQ Manual and Global Procedures. The scope of the ISS Group HSEQ Manual includes all activities under our operational control and also includes external suppliers that operate under our operational control.

The Manual provides the framework for countries to develop their HSEQ Management system and to tailor it to their activities and the services they provide. Systematic risk management is fundamental to effective HSEQ management. HSEQ management needs to be integrated into the operational process and also considered in any future development projects. This systematic approach is mandatory for all our operating countries

to comply with and sets the minimum bar for how we manage our risks in these areas.

An important aspect of the safety culture we embed in our organisation starts with the ISS Safety Rules, which have become an integral part of ISS safety culture since they were introduced in 2010.

With 378,946 employees, the ISS Safety Rules align our behaviours when we carry out our daily tasks. The underlying philosophy of the ISS Safety Rules is that there should be no gap between what we state and what we do. An important element is our commitment to an open safety culture where our employees feel secure in seeking advice and raising concerns. To facilitate this process, we have developed an animation film, Living the ISS Safety Rules, that is available on our website and social media. The safety of everyone depends on our common commitment to these rules.

To embed accountability and share best practices in our operations, we have also implemented a global HSEQ IT tool, so our operations can report incidents, carry out investigations and take corrective actions to address the root causes. We have used the IT system to create awareness in our operations, as reporting incidents, including Near Miss incidents, is a key component in creating awareness in our organisation. To encourage employees to report Near Miss incidents and hazard observations, we also launched an app for the IT tool to make reporting and carrying out inspections possible using smartphones.

Despite the impact of Covid-19 in 2020 (please see page 19), we continued our

quarterly Me and You campaigns in all countries. Our safety campaign focused on slips, trips and falls, STOP, working at heights, and driving safely. Our Health and Wellbeing campaign in June was heavily focused on reducing risks from Covid-19 by addressing topics of hygiene etiquette, social distancing and hand washing.

The campaigns used posters produced by Group HSEQ and CR that were translated into more than 20 languages. These were supplemented by bi-weekly Toolbox Talks, facilitated by Toolbox Talk Calendars that were also translated into 20 languages, providing our operations with topics and discussions for the talks.

We performed bi-monthly safety inspections for all our large global key accounts during 2020. The inspections build accountability and transparency as results are reported directly into the global HSEQ IT tool. At the same time, the inspections provide documentation that we are living up to the HSEQ requirements included in contracts.

All our processes require commitment from everyone, from our Executive Group Management (EGM) through to our colleagues delivering our services to our valued customers. We have embedded this commitment at management level; our EGM have all signed Personal Safety Action Plans (PSAPs), and we start all our senior leadership meetings with a Safety Moment.

At middle management levels, we are also embedding PSAPs and creating Safety Ambassadors by asking our employees to be

safety role models by, for example, holding the handrails when using the stairs, ensuring everyone uses their seat belts in the car and they do not hold their mobile phones while they drive.

Our responsibilities also include the health and safety of our customers as we work side by side with them on a daily basis. If we instigate a strong safety culture amongst ourselves, this will also have a positive impact on our customers.

Fatalities

We regretfully had three fatalities in 2020; in 2019, we had three work-related fatalities, while in 2018, we had one fatality. We are deeply affected by the fatalities and have investigated the incidents to determine the root causes and take corrective actions to ensure they are not repeated.

The fatalities occurred in Denmark, Germany and Indonesia and were related to site safety, vehicle safety and working at heights. As per our Group Escalation Policy, each fatality and serious injury is reported to our top management within 24 hours of occurring. As a result of the incidents, we have sent Global Safety Flashes to the whole organisation to ensure we learn from the incident and take preventive actions.

Improving the personal safety of our people

The Lost Time Injury Frequency (LTIF) for 2020 was 2.5 compared to 2.9 in 2019. This means we have reduced our LTIF by over 80% since our 2010 baseline of 13. Lost Work

Hours (LWH) is an important indicator of the general health and wellbeing of our employees. It is also closely linked to both operational and financial gains. LWH decreased by 63% compared to the 2010 baseline, meeting our target of a 55% reduction. The Total Reportable Cases Frequency (TRCF) was under 6.5, a decrease of over 70% compared to the 2010 baseline value of 23.

Risk and due diligence

We perform services with different personal health and safety risk profiles depending on our customers' activities and on the individual site. We have, for example, implemented a standardised Site Risk register that provides us with an overview of the hazards and risks at a site. As part of our due diligence process to ensure we understand and comply with our customers' requirements, we have implemented a HSEQ Compliance Plan.

Annual HSEQ action plans

Each year, we build and distribute a Group HSEQ and CR Action Plan with actions for each country to implement as part of their Country HSEQ and CR Action Plan. One of the actions in 2020 is to increase and improve the reporting of Near Miss events. Experience has shown repeatedly that most incidents are preceded by warnings or near misses. Recognising and reporting Near Miss incidents can significantly improve worker safety and enhance an organisation's safety culture. Near Miss reporting also creates an open culture whereby everyone shares and contributes in a responsible manner to their own safety and that of their fellow workers.

What we did in 2020

In addition to the Global Campaigns and Toolbox Talk Calendars that were rolled out, we worked on streamlining the mandatory e-learning modules in our learning management system, MyLearning: the ISS Safety Rules, HSE E-Learning, Office Safety and Driver Safety. in order to improve user experience.

Furthermore, during 2020, we further developed the Quality Management System (QMS) for the pharma sector. This QMS is under the overall HSEQ Management system and emphasises our commitment to our growth in the Life Science segment.

Our systematic approach, including our management systems and processes and IT tools, provides us the foundation to deliver HSEQ as a service at a global level, supporting our overall strategy to develop HSEQ and CR as a value proposition to our customers. This demonstrates that we have developed the capabilities and evidence to offer HSEQ and CR as a service to our existing and new customers.



KEVIN HOSKING:

Bringing a personal touch of safety


Over the last decade, Kevin Hosking worked his way up from mailroom assistant to Health, Safety, Environment and Quality (HSEQ) Manager, using his personal drive to capitalise on ISS career and training opportunities.

Today, Kevin is an HSEQ manager for ISS specialised services in the UK. He manages 43 sites, doing his part to foster a safety culture. "I love working with people. The best part of my job is that I get to meet people and build a trusting relationship," Kevin explains. "No matter who I'm working with, it's important that I find a common language to create a safety culture. It's about bringing a personal touch so that at the end of the day they actually want me to be on site."

Safety wasn't always Kevin's area of expertise. He started his career at ISS as a mailroom assistant at the London office of an international banking client in 2010, having been made redundant at his previous job. "I just wanted to get back into work and ISS gave me the opportunity to get back into work, and then the opportunity to further develop my career to where it is today," Kevin says.

At the beginning of his ISS career, Kevin had no previous health and safety experience or qualifications. "It wasn't really something I had ever thought about, but ISS is very health-and-safety focused, so it quickly became very important to me." Kevin signed up to be a Safety Champion and after completing a series of rigorous safety courses, became the Safety Supervisor on the account. On his journey from mailroom assistant to safety manager, Kevin has received two top employee recognition awards for his dedication to safety, professionalism and willingness to go the extra mile.

Looking back on his career at ISS, Kevin credits support and hard work as the main factors of his success. "A lot of people supported me and really backed me. I'm an example that if you put a lot of work in within ISS, you'll get 10-fold out of it. If you do put the hard work in, you will get noticed."

A photograph of Kevin Hosking, a bald man with a friendly smile, wearing a light blue dress shirt and a dark blue patterned tie. He is sitting at a desk in an office setting. In front of him is a white mug with the ISS logo. The background shows office shelves, a potted plant, and a modern interior with wooden cabinets and glass partitions.

"No matter who I'm working with, it's important that I find a common language to create a safety culture. It's about bringing a personal touch so that at the end of the day they actually want me to be on site."

Kevin Hosking

Health, Safety, Environment and Quality (HSEQ) Manager

PEOPLE

Overview of 2020 people performance

Subject	Enabled by	Activities	Progress
Health and safety	<ul style="list-style-type: none"> ISS Safety Rules Group HSEQ and CR Action Plan The ISS Groups HSEQ Management Manual The ISS Group HSEQ and CR Reporting Manual HSEQ@ISS-IT system 	<ul style="list-style-type: none"> Personal safety action plans for individual management members Campaigns ISS HSE App 	<ul style="list-style-type: none"> Fatalities: 3 Lost Time Injury Frequency: 2.5 Decrease in lost work hours compared to 2010 baseline: 63%
Employee engagement	<ul style="list-style-type: none"> Engagement survey 	<ul style="list-style-type: none"> Follow up on survey taken in 2018 	<ul style="list-style-type: none"> Actions taken to follow up on the 2018 survey where 230,824 employees responded The measures show continuous high performance with scores above four on a five point scale
Leadership and training	<ul style="list-style-type: none"> Training and development programmes 	<ul style="list-style-type: none"> Service with a Human Touch Key Account Manager Certification (KAMC) Leadership training programmes 	<ul style="list-style-type: none"> More than 200,000 employees completed the Service with a Human Touch programme, more than 1,500 completed the KAMC programme, 23 people graduated from the Leadership Mastery programme Front line employees received 3,523,217 hours of class room training in 2020, compared to 6,205,709 hours in 2019. This is equal to 10 hours per person in 2020. Subjects included health and safety, technical training, management, language training, leadership and supervisory, IT, security and fire prevention. White collar employees had 226,642 hours of training in 2020, compared to 310,100 hours in 2019 and equal to 10 hours per employee
Human rights and Labour rights	<ul style="list-style-type: none"> ISS Global People Standards Diversity policy Formalised union and works council's cooperation 	<ul style="list-style-type: none"> Revised the Global People Standards to strengthen requirements on Discrimination, Diversity and Inclusion Further roll-out of ProcurePASS as part of Supply Chain due diligence 	<ul style="list-style-type: none"> Countries have completed self assessments against the new Global People Standards and developed action plans for full compliance With a workforce of 378,946 employees, we had 16 cases of discrimination reported in countries and received 11 Speak Up cases involving harassment (please see Access to remediation on page 38). Held the European Works Council conference virtually Continued UNI Global Union collaboration

PLANET

Helping to protect our environment and climate

With the challenges presented by climate change growing every year, it is essential that we at ISS reduce our impact on the environment, while helping our customers create sustainable workplaces through strategic advice and services.

Strategy

Climate change is increasingly affecting all of us – in terms of our weather, health, economy and general quality of life. ISS is fully committed to delivering our services and carrying out our operations in an environmentally-friendly way. Our employees, customers and investors expect greater transparency, engagement and evidence of environmental initiatives. It is clear that this is fundamental to our success and future growth.

ISS's impact on the environment primarily comes from the use of cars and air transport, energy consumption in buildings, and water, chemicals and other resources used in delivering our cleaning services, which accounts for 50% of our commercial offerings.

Our environmental policies are integrated with the overall business strategy to enhance our competitive advantage. At the same time, the environmental strategy must be flexible and scalable so we can adapt to changing circumstances in the future. The following are the guiding principles for the environmental strategy:

- being consistent with the ISS values;
- being consistent with our ambition of operational excellence;
- enhances our reputation;
- being manageable and measurable;
- being substantive and documented.

We did not identify any significant non-compliance with environmental laws and regulations in 2020.

Beyond policy and pressure

Our ambition at ISS is to focus on how we can do more than just comply with environmental policies and pressures – we want to go beyond

“Eco-Efficiency” to “Eco-Advantage”. We are already driving efficiencies in our operations that cut costs and mitigate risks, providing a competitive advantage and increasing the bottom line through:

- a systematic approach to identify potential for more efficient use of resources, lower emissions and cost optimisation;
- proactive mitigation of environmental risk;
- anticipation of our customers' needs.

But it is not just a matter of cutting waste and becoming more efficient. We are embedding these environmental considerations fully into every aspect of our operations. We want to be recognised as an environmental leader and create significant value through these initiatives for our business, our customers and society as a whole. We are achieving this through:

- improving resource productivity (energy, water and material) and realising significant cost savings;
- better managing environmentally-driven business risk;
- enhancing the reputation of ISS.

Our targets

Through more frequent reporting and tighter control quality over the last few years, we have improved the quality of our data reporting in the environmental area and we believe that it accurately represents our current footprint. From this, we have established meaningful and achievable targets:

- 5% reduction in electricity consumption (Mwh/ revenue) over the 2018-21 period, based on 2017 baseline data;

Offering Cradle to Cradle products

Cradle to Cradle describes the use of materials in continuous cycles (as opposed to the usual linear system described as a Cradle to Grave system). Cradle to Cradle Certified™ is a globally recognised measure of safer, more sustainable products made for a circular economy. To receive certification, products are assessed for environmental and social performance across five critical sustainability categories: material health, material reuse, renewable energy and carbon management, water stewardship, and social fairness. A product is assigned an achievement level (Basic, Bronze, Silver, Gold, Platinum) for each category. A product's lowest category achievement also represents its overall certification level. The standard requires certification renewal every two years.

At ISS, we offer our customers the SURE® range of vegetable ingredients-based, 100% biodegradable cleaning products from Diversey that have been awarded Gold certificates by the Cradle-to-Cradle Products Innovation Institute. In addition to the new Cradle-to-Cradle certification SURE products are, where applicable, EU Ecolabel certified.

The products in the SURE range cover all routine and daily cleaning requirements for kitchens, building facilities and personal care. Each has been formulated to deliver superior professional results while maximising safety and gentleness for people and the environment. The entire range is manufactured from environmentally responsible plant-based ingredients from renewable resources.

- 10% reduction in car emissions from leased cars (g/km), over the four year leasing period based on 2019 data;
- 5% reduction in water consumption (m³/revenue), over the 2018-2021 period, based on 2017 baseline data.

In late 2020, we committed to setting a science-based target as part of the Science Based Targets initiative (SBTi). ISS will work to set a science-based emission reduction target aligned with the SBTi's target-setting criteria as part of the private sector's role in reducing Greenhouse Gas emissions. The initiative was set up to help pioneering companies lead the way to a zero-carbon economy, boost innovation and sustainable growth, and drive governments to take bolder action. This commitment is part of developing plans to hit net-zero carbon emissions.

Renewable energy

In 2020, ISS purchased 6,639 MWh of renewable energy that is around 23% of total electricity consumption.

Risk and due diligence

Credible and effective management of our environmental and climate-related risks is part of our value proposition to our customers. We have adopted a systematic approach to achieve continuous improvement in quality and performance. We manage these risks as critical business activities, with standards and targets for improvement, and measures, appraisals and reports on performance.

There are two different risk categories: the impact of our own operations and the impact of our customers'. Our customers' operations

Reducing our customers' impact

ISS is at the heart of our customers' activities and are always working with them to reduce their environmental impacts with processes and systems such as:

- **The ISS Green Offices Programme:**
Designed to reduce the impact of offices, sites and daily work practices on the environment. By changing people's behaviour, we can use resources efficiently and dispose of waste responsibly, thereby reducing our environmental footprint.
- **Waste process:**
ISS can directly influence the environmental performance of our customers by managing waste from source using our onsite presence and influence over the supply chain. Our ability to integrate sustainable best practice into the heart of client organisations has helped us regularly achieve recycling rates above 80% and zero waste-to-landfill targets.
- **Audits:**
We can carry out energy and water audits to help identify resource consumption and wastage. This helps identify operational and resource consumption saving projects. The audit process also supports our customers in achieving or maintaining their ISO certification.

are proving to be a new business opportunity as they are increasingly looking to improve performance and impact. Our role means we often know their offices and sites better than they do,

Planet – Our way

Ambition	Our strategic ambition is to be recognised as an environmental leader, advocating for more sustainable actions, measures and goals.
Enablers	<p>Environmental strategy: We work towards our goals of reducing greenhouse gas emissions, use of water and waste production.</p> <p>Cleaning excellence: Cleaning excellence is an operating process to identify continuous improvement in both service delivery and environmental impact. It is designed to significantly reduce the use of detergent and water.</p>
Important for ISS	As people are our most valuable resource, we are responsible for providing a safe and secure work environment with the opportunity for all to achieve their personal and professional potential.
Drivers	Our environmental initiatives and activities are carried out through a systematic approach, whereby we identify potential for more efficient use of resources, lower emissions and cost optimisation. We proactively mitigate environmental risk and anticipate our customers' needs.
Impact on society	When we reduce our impact on the environment and climate, we contribute to solving the global challenge of climate change and creating a sustainable world for future generations.
What's next	We will continue to work with our stakeholders (employees, customers and suppliers) in reducing our impact on the environment through behavioural change and developing solutions to reduce greenhouse gas emissions and resource consumption.



because we are there every day throughout the locations and so we are able to provide unique insights into managing and reducing their environmental impact.

FOSSIL-FREE:

Supporting Vattenfall's sustainability strategy

Vattenfall is one of the largest energy producers in Europe and owned by the Swedish state. The company has a significant presence in Germany and is in the process of transitioning from nuclear and coal power to green energy production. Their ambitious goal, to achieve "fossil free living within one generation", calls for a facility management partner with the same vision.

A partnership is born

ISS began working with Vattenfall in Germany back in 2015. "Our first focus was to make sure our services were sustainable," recalls Benjamin Simon, General Manager for ISS Energy Services in the Berlin/Hamburg Region. Since sustainability is such a crucial part of Vattenfall's business approach and strategy, Benjamin's team began to identify areas where they could incorporate the same thinking within the ISS organisation.

Powered by Vattenfall

One of the areas of improvement they identified was the existing mobility solution. ISS provides services at more than 300 Vattenfall sites in Berlin alone, and they used a fleet of diesel-powered vehicles to travel back and forth between sites.

"We decided to convert our fleet from diesel-powered, mid-size cars to smaller,

electric-powered cars, which we can charge at many of the Vattenfall sites we service," Benjamin explains. "We also built our own charging station at our ISS office in Berlin."

The go-to e-mobility experts

The shift to an e-mobility solution has had many tangible benefits for both companies. By converting a fleet of more than 20 diesel-powered vehicles to fossil-free electric vehicles, the ISS Germany team was able to reduce CO₂ emissions by 42.2 tonnes per year.

The fleet has also provided a model for other teams within the ISS and Vattenfall Groups. "Our team runs the largest e-drive fleet in Vattenfall globally," says Benjamin.

Great for the environment and good for the bottom line

Facility management often comes down to a price discussion, where the focus is on cost savings. But, as Benjamin points out, you don't have to choose between boosting the bottom line or improving the environment.

"We try to combine cost-savings with our sustainability objectives. The e-mobility solution is a great example of how you can do both. The e-fleet is both cheaper than the previous mobility solution, and it contributes towards the goal of a fossil-free future."

Reducing CO₂ emissions
by 42.2 tonnes per year
with fossil-free electric
vehicles

PLANET

Overview of 2020 planet performance

Subject	Enabled by	Activities	Progress
CO₂ emissions from leased cars	Reductions achieved through leasing more fuel-efficient cars and changes in driver behaviour	<ul style="list-style-type: none"> • Driver Safety E-learning that includes eco-driving • Continued leasing of more fuel-efficient vehicles 	Vehicle emissions decreased from 91,199 tonnes CO ₂ eq. in 2019 to 70,084 tonnes CO ₂ eq. in 2020
CO₂ emissions from business travel	We encourage more online meetings to reduce air travel in particular	Use of webinars	<ul style="list-style-type: none"> • Emissions from business travel decreased from 21,263 tonnes in 2019 to 5,814 tonnes in 2020. The decrease was due to the impact of Covid-19 on travel restrictions and to the new Travel Policy and stricter governance on travel • We continue to encourage online meetings to limit travel
Chemicals	We collaborate with suppliers to develop and test environmentally-friendly products and materials that also offer reduced costs in use and increased productivity	Further integration of an IT tool to propose environmentally-friendly solutions instead of traditional chemicals and tools	A reduction in 2020 of: 56,000 kg. waste; 762,000 litres water consumed; and 126,000kg. CO ₂ eq. in GHG emissions. Due to Covid-19 and the restrictions, we used 40% less concentrate products and used 25% more ready to use products such as hand gel and disinfectants. The restrictions also led to less usage of machinery resulting in less real water savings.
Electricity (own)	Mandatory certification according to the ISS Green Offices Programme	Implementation of awareness and behaviour changing measures	In 2020, we consumed 29,133 MWh of electricity compared to 39,903 MWh in 2019; in 2020, we purchased 6,639 MWh of renewable energy . The reduction has also been due to Covid-19 and divestments (non-material impact)
Water (own)	Mandatory certification according to the ISS Green Offices Programme	Implementation of awareness and behaviour changing measures	In 2020, we consumed 207,071 m ³ water, a decrease from 307,758 m ³ in 2019; the decrease is due to improved awareness and the impact of Covid-19 restrictions

PROFIT

Competing on fair terms

Our ambition at ISS is simply to be the world's best service company. In order to achieve this, we must be competitive, but we want to compete fairly and have a positive influence on the global business environment. We do this by upholding the integrity of our business and ensuring complete financial compliance.

Our company strategy – OneISS – focuses on creating value for our shareholders through profitable growth in a sustainable way, while at the same time optimising the customer experience. ISS employees deal with customers and suppliers hundreds of thousands of times every day and we want these relations – as well as those with the financial community – to be based on sound practices. We have a number of comprehensive measures in place to ensure this happens.

10 Basic behaviours

This year, ISS has introduced a new training module as part of our Code of Conduct – the main employee guide on behaviour for anyone working for, supplying or representing ISS. The new course sets out the ten rules of basic behaviour we require from all our frontline employees. They must:

1. Comply with the law and live by ISS values;
2. Ensure when accessing a customer's premises that they have secured permission to work there and have passed any vetting or security requirements;
3. Remember safety first;
4. Treat customers, colleagues and business partners with respect and fairness;
5. Always act in the best interests of ISS and avoid conflicts of interest;
6. Ensure their personal appearance is tidy and professional at all times;
7. Not show up at work under the influence of alcohol or illegal drugs;

8. Use social media responsibly and apply common sense – do not bring ISS into disrepute;
9. Always treat the property and assets of ISS and of our customers with due care and respect;
10. Respect customer privacy and treat confidential information and personal data with the utmost care.

These ten expected behaviours expand our Code of Conduct and form the basis of the sound business practices that underpin all our dealings with our customers, suppliers and wider stakeholders. A comprehensive set of assurance activities are conducted by Group Internal Audit to monitor our performance on business integrity.

Tax: honesty and responsibility

At ISS, we are committed to complying with all local and international tax legislation. Paying taxes accurately and in a timely manner is a fundamental aspect of how we do business and a core part of our corporate values and leadership principles. We understand that taxes are an important way of contributing to many of the communities around the world we operate in, alongside the jobs, training, social benefits and career opportunities we also provide.

We always act with honesty and transparency in our relationships with all local authorities, including matters relating to tax. ISS has zero tolerance towards avoidance of taxes, social charges or payroll taxes. In 2020, ISS was ranked second for tax governance out of Denmark's top 100 companies by a Danish tax governance

rating body. The ranking was based on tax governance, transparency, use of tax havens and tax incentives as well as country-by-country reporting and dialogue with stakeholders.

The ISS Group Tax Policy ensures a common approach to the tax position within the ISS Group. It applies to all legal entities within the ISS Group and all employees of ISS, particularly those involved in the preparation, oversight, management and approval of our tax positions.

ISS prepares and submits all legally-required tax filings and provides complete and timely disclosures to all relevant tax authorities. We also contribute views and input on the drafting of relevant tax legislation and respond proactively to regulatory and other changes as soon as these are known.

In order to optimise the return for our shareholders, ISS manages and plans tax payments effectively within the framework of the relevant tax regulation. Transactions between ISS group companies are conducted based on arm's length principles and in accordance with current OECD guidelines. The Group Tax Policy and the group tax position, including how tax compliance and tax risks are managed and monitored, are reviewed annually by the Board of Directors.

In 2020, we added new accountability elements to the ISS tax policy, which are rooted in Corporate Responsibility. This complies with the UN Sustainable Development Goals, particularly number 16 which is about peace, justice and strong institutions. We want to send a signal with our tax policy that we are a transparent and compliant corporate citizen that will help us to attract new talent in the future.

Profit – Our way

Ambition	We are a competitive business, but we want to compete on honest, fair and equal terms. We aim to create value for our customers by allowing them to focus on their core business.
Enablers	<p>Audit programmes: A comprehensive set of assurance activities are conducted by Group Internal Audit to monitor our performance on business integrity and good business practices.</p> <p>Compliance: The Code of Conduct is the overarching guidance for behaviour by anyone working for, supplying or representing ISS. Building on this, we have adopted policies on competition law and anti-corruption.</p>
Important for ISS	We intend to create value for our shareholders by maximising the cash growth from our business in a sustainable fashion over the shorter and longer term.
Drivers	OneISS is about optimising the customer experience while driving cost efficiencies through the alignment of our organisation behind a set of common business fundamentals, and benefits of scale.
Impact on society	As ISS continues to be a prosperous and growing business, we impact many communities around the world through compliant ways of working and by paying tax and duties correctly and on time.
What's next	We will retain our healthy pipeline of a growing number of national and international key account customers, and continue to service and support their businesses by creating and delivering on our compelling value proposition. We will work with our customers to develop healthy and productive work spaces, innovative solutions and apply our full range of concepts for creating value.



It is important to us to treat our employees fairly and equally in relation to pay and working conditions. In this regard, we will continue to support initiatives that ensure equal working conditions for all, that ensure employees receive the right salary and wages, and that the right taxes are paid. We will ensure that, at any given time, we are tax compliant, pay the taxes that the law dictates, and have good dialogue and cooperation with the tax authorities.

Government structure explanation

ISS A/S is a limited liability company registered under Danish law and listed on the Nasdaq Stock Exchange. Management powers are distributed between the Board of Directors and the Executive Group Management Board (the EGMB). The members of the EGMB are the Group CEO and Group CFO and form the management registered with the Danish Business Authority. The Group has a wider Executive Group Management (the EGM), which comprises nine Corporate Senior Officers of the Group in addition to the EGMB.

Performance awards supporting corporate responsibility projects

At our annual Global Leadership Conference, ISS rewards and celebrates countries which deliver extraordinary performance in organic growth, operating margin and cash conversion. In 2019, for the very first time, this reward was converted to a 'cash award' to be invested in a Corporate Responsibility project of the country's own choosing. This change was made to encourage countries to pro-actively support projects that make a difference to the people we work with and the society we live in. For example, ISS Norway supports an organisation called 'Give a Job', which aims to change the perception of refugees from being problems to being resources. They want to help local businesses and communities see that refugees are professional people who can contribute to local society.

PURE SPACE:

Enabling people to fully connect with places

Pure Space is a new ISS product that ensures well-being, maintains hygiene and delivers confidence, so people can connect with the places they need to be in. With Pure Space you not only achieve a new, higher standard of hygiene, you also get the data you need to maintain cleanliness, troubleshoot risk of contamination and influence the right behaviour.

There are 3 dimensions to Pure Space:

- **Well-being:** Pure Space helps to keep people safe and healthy;
- **Hygiene:** Pure Space reduces the chance of virus spread with a strategic approach to cleaning and disinfection;
- **Verification:** A professional hygiene process combined with the right individual behaviour will have a powerful impact on curbing contamination.

Pure Space is particularly important as companies consider how best to have employees working safely in offices during the Covid-19 pandemic. Pure Space has been designed to repair the disruption between people and places caused by Covid-19, so employees can feel they are returning to a safe work environment.

As the ISS Group Chief Operating Office Troels Bjerg says, "Companies need to re-establish the physical connection between

people and places by bringing employees back to work environments that meet a higher standard of hygiene and disinfection control. Companies want to restore the emotional connection of employees by building confidence in the safety of the workplace."

How Pure Space kept Messe Düsseldorf safe during Covid-19

Hosting a major event during a global pandemic requires expert planning and a comprehensive hygiene concept. In September this year, ISS helped Messe Düsseldorf, one of the world's top trade fair organisers, keep their event safe and secure with the help of our new product, Pure Space.

Pure Space equals peace of mind. With over 100,000 visitors and 350 exhibitors across twelve exhibition halls, Messe Düsseldorf is one of the city's major events. But with the Covid-19 pandemic, fear of contamination naturally created insecurities and doubts that could have prevented people from attending the trade fair.

As the trade fair's long-time facility services partner, ISS worked closely with Messe Düsseldorf to restore visitors' and exhibitors' confidence and offer the highest level of safety by providing our product Pure Space.

"We've taken inspiration from the years we have working in clean room environments, hospitals and healthcare organisations, where hygiene and disinfection are more important. With Pure Space we're taking those requirements to the office environment."

Joseph Nazareth

Head of ISS Group Health, Safety and Quality

PROFIT

Data protection in ISS

Data protection is an important part of the ISS compliance framework and is ensured through the ISS Data Protection Compliance Programme.

The ISS Binding Corporate Rules (BCRs) were initially approved by the Danish Data Protection Agency in May 2018 and were updated by ISS in 2019/2020 to ensure compliance with the EU General Data Protection Regulation (GDPR) and internal compliance procedures. The BCRs enable ISS to transfer personal data between ISS entities in a safe and legally-compliant manner.

In November 2020, ISS announced the new position of Group Data Protection and Compliance Manager to help strengthen and enforce data protection compliance at the company.

Since the initial implementation of the ISS Data Privacy Management system in 2019, ISS has continued to improve the internal functionalities and processes surrounding it. The system assists ISS in maintaining and updating data processing activities, ensuring ongoing impact assessments of relevant systems, supporting data subject rights, and ensuring a fast and efficient approach to potential data protection breaches.

The ISS Data Protection Compliance Programme also includes the continual review and creation of data protection related policies, standards and protocols to ensure an aligned approach to data protection throughout the ISS Group.

Finally, data protection training has been expanded and streamlined across the organisation. The training includes e-learning and in-person programmes and has been rolled out worldwide to all ISS managers and to employees with access to personal data. All employees with an ISS email address are required to take the relevant data protection training and it is mandatory to complete it every year.

We continually strive to improve ISS's internal processes and training activities to ensure the safety of the personal data we process on behalf of our customers and employees.



SPEAK UP:

No tolerance of sexual harassment

ISS employs a large workforce around the world and it is important to us to ensure all our employees are treated with dignity and respect. We do not tolerate any form of harassment or discrimination in the workplace and sexual harassment allegations are taken very seriously. Our responses range from education and awareness campaigns to disciplinary measures and criminal charges for more severe cases.

In support of this policy is our Speak Up system, designed to encourage people to report wrongdoing related to the business which, due to the nature of the concern, cannot be reported through normal reporting lines. It is promoted throughout our global organisation to ensure that appropriate actions are taken to identify and stop any inappropriate behaviour.

For example, a number of ISS employees in the head office of an ISS Country used the Speak Up system to report allegations of inappropriate workplace attitudes and actions by a minority of staff covering the 2018-2019 period. The allegations were immediately investigated by Group Internal Audit along with our Business Integrity

Committee. During their in-depth inquiry, including involvement of the country leadership team, they conducted confidential interviews with all parties involved, including the accusers and the accused. They concluded that although what had occurred did not constitute sexual harassment, it was culturally inappropriate behaviour and corrective actions were taken.

As a result, workshops were held to ensure all staff in the office were aware of what behaviour is appropriate and what is not. The manager received an official warning, was made aware that such conduct did not align with ISS values and was then assigned a leadership coach for further instruction.

In 2020, we have continued to develop the Speak Up system, which is now available in 21 languages and localised for 33 countries. Employees can access the system via phone, the web and now through a new app that was rolled out this year. We continue to encourage strong use of the Speak Up system from our employees and in 2020, we received almost 300 cases reported for the second year in a row.

ZERO TOLERANCE:

Business Integrity

ISS is committed to maintaining the highest standards of business integrity. We do not tolerate violations of our Code of Conduct and other key compliance measures at any level of our organisation. Any such violations result in disciplinary action, and where criminal acts are involved we will not hesitate to file criminal charges and pursue our legal rights.

This year, fifteen cases in the scope of the speak up protocol have come before the Business Integrity Committee including four related to misappropriation and/or embezzlement of funds. In Australia, a routine, local expense audit revealed an unusually large volume of transactions and was consequently flagged as suspicious. At first glance, all the transactions appeared to be valid business expenses, but a closer inspection revealed some questionable activity.

The metadata of the PDF file used to submit the expenses showed it had been converted into a Word Document. Changes had then been made to the document before it was converted back into a PDF file. This revealed suspected fraudulent expenses worth DKK 1 million, made using a corporate credit card. The case was escalated to the police and filed as a criminal complaint.

In 2020, we introduced a new Code of Conduct training programme, which all employees who have joined the company since September will undertake. We are also in the process of finalising an updated anti-corruption policy, which introduces stronger guidelines for what constitutes gifts and entertainment for customers.

PROFIT

Internal controls and assurance

Internal Controls and Assurance

During 2020 GIA performed a number of internal audits to provide assurance on the effectiveness and efficiency of the internal controls across the entire ISS Group, covering countries, contracts and key Group functions and projects. While the integrity of financial reporting is a key audit focus, business integrity and good business practices represent equally fundamental elements in the internal audits performed.

Audit programmes	Audits completed 2020	Examples of key findings in 2020
A baseline audit programme that assesses the internal controls and compliance across 70 key control activities, with a view to ensure a strong foundation for the internal control environment across all key risks areas. This audit embeds CR issues such as Code of Conduct, discrimination, anti-corruption, health and safety, child labour and working hours.	18 baseline audits	Evidence of gaps to the ISS Global People Standards has resulted in countries strengthening compliance to people standards in relation to working hours.
A contract audit programme which assesses the internal controls and contract compliance for key customer contracts. In terms of CR, the programme assesses the controls and processes for e.g. employee screening, training of new hires and performing of preventive maintenance programmes for critical equipment.	6 contract audits	Need to strengthen our induction processes for our own employees specifically around awareness to customer policies, along with strengthening the screening and onboarding controls for subcontractors.
Risk-based standardised audit programmes are providing assurance on the effectiveness of internal controls related to financial reporting and compliance with internal and external rules and regulations. This covers pay-roll, HR and HSE including over-time, timely payments and child labour as well as travel and entertainment expenses, and the accounting-to-reporting process.	13 risk-based audits	Highlighted the strengthened processes needed for system implementations and roll out of the ISS suite in countries, specifically for FMS and CRM.

PROFIT

Overview of 2020 business integrity framework and activities

Subject	Enabled by	Activities	Progress
Behaviour by anyone working for, supplying or representing ISS	Code of Conduct established in 2003 and revised in 2016. Areas covered: Personal Conduct of Employees; Anti-Corruption and Bribery; Compliance with Competition Laws; Business Partner Relations; Work place Standards; Corporate Responsibility.	Code of Conduct is referenced in all documentation of contractual relationships: suppliers, customers and employees.	E-learning training module targeting support staff available in 20 languages. New E-learning training module targeting frontline staff available in over 20 languages. Training is for all employees as part of their onboarding.
Competition law	Competition Law policy adopted in 2014. Concerns risks such as: information sharing with competitors; market behaviour which might be perceived as price fixing; guidelines for participation in industry associations; how to handle inspections by authorities.	Policy communicated and E-learning based training developed as part of Code of Conduct training.	In 2020, 106,635 Frontline employees completed the Frontline Code of Conduct E-learning module. 26,223 Support staff completed the Support staff Code of Conduct E-learning module.
Anti-corruption	<p>The ISS Anti-Corruption policy was established in 2010. It states:</p> <ul style="list-style-type: none"> ISS is against any form of corruption and bribery and is committed to combat such practices; ISS competes for business on fair terms and solely on the merits of its services; Regardless of local practice, any personal payments, kickbacks or bribes between ISS and customers, suppliers or public servants are strictly prohibited; It is unacceptable to receive gifts or other gratuities from business partners – unless customary in the environment, of modest value and serving a business purpose. 	<p>E-learning based training as part of Code of Conduct training. Training of relevant staff, both as stand-alone requirements and as part of the training programme:</p> <ul style="list-style-type: none"> ISS Advantage Training repeated every second year 	In 2020, 106,635 Frontline employees completed the Frontline Code of Conduct E-learning module. 26,223 Support staff completed the Support staff Code of Conduct E-learning module.
Contractual risks	Established Negotiation and Contract Process Framework and Contract Risk Assessment Model (CRAM)	Web-based tool to assess contract risks. Applied in the contract approval process.	CRAM updated in March 2019 and new CRAM standards rolled out making the use of CRAM mandatory for all Key Accounts contracts and contracts with annual revenue above 20 million DKK.
Access to remediation	Speak Up system established in 2013. It is a reporting channel for raising serious and sensitive concerns guaranteeing all persons making complaints in good faith protection from reprisals or retaliation.	In 2020, we continued our efforts in raising awareness of the Policy and system; we increased the number of languages to enable more employees to report.	95% of cases reported through the Speak Up platform relate to matters which are resolved at a local level. For 2020, a specific reporting protocol was defined pertaining to working conditions of frontline employees during the Covid-19 outbreak. In 2020, 7% of reported Speak Up system cases related to Covid-19 working conditions. In addition, 15 Speak Up reports required investigation by Group Internal Audit (GIA) covering violations of labour regulations, senior management conflict of interest, ghost employee schemes, and employee embezzlement of funds. The reports continue to demonstrate the effectiveness of our efforts in raising awareness and reach of the Speak Up system.

Independent auditor's assurance report

To Management and broader stakeholders of ISS A/S

We have reviewed the 2020 Corporate Responsibility Report ('the report'), which covers ISS' global activities from 1 January to 31 December 2020, to provide limited assurance that:

- The performance data regarding 'People' and 'Planet' on pages 26, 30, 42, 43 and 44 in the report have been stated in accordance with the reporting criteria;
- The report has been prepared in accordance with the requirements of sections 99a and 99b of the Danish Financial Statements Act (FSA) and the requirements of the UN Global Compact Communication on Progress Policy;
- The report has been prepared in accordance with the principles and reporting criteria defined in the Global Reporting Initiative (GRI) Sustainability Reporting Standards (Core level).

We express a conclusion providing limited assurance.

Management's responsibility

Management of ISS is responsible for collecting, analysing, aggregating and presenting the information in the report ensuring that data are free from material misstatement, whether due to fraud or error. The ISS 'Group Health, Safety,

Environment and Quality (HSEQ) and Corporate Responsibility (CR) Data Reporting Manual' and the 'Group Controlling Accounting Manual' contain Management's defined reporting scope for each data type.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain limited assurance about whether the selected CR data in the report are free from material misstatement.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR-Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity,

objectivity, professional competence and due care, confidentiality and professional behaviour.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material error, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed online interviews with ISS between December 2020 and February 2021. We have not performed site visits or interviewed external stakeholders. We have not performed any assurance procedures on baseline data, economic or financial data. We have not performed assurance procedures on forward-looking statements, such as targets and expectations, or on individual case stories disclosed in the report. Consequently, we draw no conclusion on these statements.

Considering the risk of material error, we planned and performed our work so as to obtain all information and explanations necessary to support our conclusion. We used the ISS 'Group Health, Safety, Environment and Quality (HSEQ) and Corporate Responsibility (CR) Data Reporting Manual' and the 'Group Control Accounting Manual'

together with GRI reporting principles and criteria as an appropriate basis for our engagement. Our procedures included the following:

- Reviewing ISS' processes for determining material issues to be included in the report and challenging the material text statements in the report;
- Reviewing the key processes, tools, systems and controls for gathering, consolidating and aggregating data at group level and performing analytical review procedures and obtaining additional explanations of selected data performance from group functions;
- Interviewing management staff across various group functions, including internal audit, as well as personnel responsible for data and reporting;
- Obtaining relevant, available company documentation on a sample basis to verify the extent to which they support the information included in the report;
- Evaluating the overall presentation of the report, including consistency of information;
- Reviewing the report for adherence to the requirements of sections 99a and 99b of the Danish Financial Statements Act (FSA) and the requirements of the UN Global Compact Communication on Progress Policy;
- Reviewing the report for adherence to the GRI principles for defining report content and ensuring report quality, as well as the GRI Standards disclosure requirements.

Limited assurance conclusion

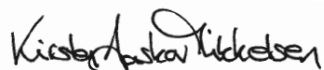
Based on our work, nothing has come to our attention that causes us not to believe that in all material respects:

- The performance data regarding 'People' and 'Planet' on pages 26, 30, 42, 43 and 44 in the report have been stated in accordance with the reporting criteria;
- The report has been prepared in accordance with the requirements of sections 99a and 99b of the Danish Financial Statements Act (FSA) and the requirements of the UN Global Compact Communication on Progress Policy;
- The report has been prepared in accordance with the principles and reporting criteria defined in the Global Reporting Initiative (GRI) Sustainability Reporting Standards (Core level).

Copenhagen, 25 February 2021

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56



Kirsten Aaskov Mikkelsen

State Authorised Public Accountant
MNE no 21358



Helena Barton

Lead Reviewer

Auditor's observations regarding the GRI Standards' Reporting Principles

Materiality and Sustainability Context

The 2020 Corporate Responsibility Report reflects, in all material respects, the response of the company to the sustainability context in which it operates. The updated materiality assessment is reflected in the content of the report. During an unusual and challenging year, company management showed a unified sense of priorities and responsibilities and a continued commitment to the UN Sustainable Development Goals, which is also reflected in the report.

Stakeholder Inclusiveness

Despite the global pandemic impacting some stakeholder engagement activities, the company continued to engage its key stakeholders throughout 2020, and the report provides relevant examples of this.

Comparability, Completeness and Timeliness

The report presents comparable and timely data on the company's performance, despite some data collection being disrupted by the malware attack and the global Covid-19 pandemic. The company managed to implement solutions that ensured continued data collection and controls for 2020. Ongoing efforts to enhance the completeness of GHG emissions data will help the company meet its commitment to setting a science-based emission reduction target.

Accuracy and Reliability

The company's reporting principles, procedures and controls continue to promote the accuracy and reliability of reported data. The unexpected disruptions from the malware attack and the global Covid-19 pandemic affected certain data quality controls during part of the year; however, the company shows a strong commitment to continued accountability and transparency in line with global good practice.

Clarity and Balance

Based on our review of the report narrative and data combined with interviews with leadership from key functions, we found that the report provides a balanced presentation of the company's 2020 Corporate Responsibility performance. The communication on performance is clear and accessible to stakeholders seeking such information.

Recommendations to Management

We have no significant recommendations from our observations on the GRI Standards' Reporting Principles. We have communicated a number of minor recommendations for improvement to the Management of ISS.

REPORTING PRINCIPLES AND COMPLIANCE

Reporting principles and compliance

Data quality

This report, the tenth comprehensive Corporate Responsibility report prepared by ISS, covers activities under our operational control in the calendar year 2020. The scope is all countries and assets that are under ISS operational control and include all employees (ISS employees, temporary workers and contract personnel). In 2020, we have not added new data parameters. For divestments, data was included up to the time of the divestment taking effect and not thereafter. To further ensure improvements in the quality of data, we have also held webinars with countries to explain the data parameters. However, we are on a journey of continuous improvement in terms of quality of our data.

External principles and guidelines

We have designed our reporting to be in line with the new GRI Standards by the Global Reporting Initiative (GRI), the world's most widely-used sustainability reporting framework. We have chosen to be in accordance with the 'Core' option. An overview of the GRI Standards disclosures included in this report can be found in the tables from page 45 onward.

We have also used the ISO Standard ISO 26000 Guidance on Social Responsibility and the Danish Standard DS 49001 'Social responsibility management system – Requirements' as a basis of our analysis and reporting.

In addition, we also work with the principles of SA8000 pertaining to labour and human rights. The SA8000 Standard is a tool for implementing international labour standards to protect employees.

This is the statutory report on corporate social responsibility cf. §99 a and §99 b of the Danish Financial Statements Act.

The reporting furthermore serves to fulfil our obligation to Communicate on Progress (CoP) as required by the UNGC. In addition, it contributes to us meeting the requirements of the UK Modern Slavery Act.

Internal guidelines

As a basis for our reporting, ISS developed a Group HSEQ and CR Reporting Manual in 2010 to provide reporting principles and rules to ensure a consistent basis for reporting. This Manual is reviewed and updated yearly.

The Manual specifies the data that shall be available for monitoring performance and for reporting on corporate responsibility issues at Group level.

Number of employees are the total number of headcount full-time and part-time averaged over the 12-month reporting period. Full-time employees are defined as employees who work a minimum of 30 hours a week for ISS. Number of employees are specified into frontline and white-collar employees.

Hours of training are hours registered as spent by internal and external trainers and hours spent by participants while preparing and participating. This includes any training participation, paid or unpaid, as a result of employment within ISS.

Incidents of discriminations are the registered number of incidents of discrimination on grounds of race, colour, sex, religion, political opinion, national extraction, or social origin as defined by ILO.

Number of vehicles are all company vehicles: a vehicle that is owned or leased by the company and provided to an employee in order to carry out the requirements of their work i.e. to meet a particular business need, including pool vehicles. Personal company cars are excluded.

Number of vehicle accidents are any "contact" made between a vehicle and another vehicle, person or other object, regardless of whether there is property damage or personal injury, but **excluding**:

- damage to vehicle while it is parked in a legitimate parking area;
- environmental damage (e.g. hail storms, damage from wind, etc.);
- vandalism, break-ins, or stone chips.

Electricity consumption is calculated from utility invoices or meters. Fuel consumption is calculated using fuel purchases e.g. invoices from the supplier. Business travel emissions are calculated from data received from travel agencies and where this is not possible, emissions are calculated on flight type (short haul, medium haul, long haul), passenger kilometres travelled and emission factors from recognised bodies.

The source for emission factors for electricity is the IEA's Emissions factors, 2019 edition and for fuel is UK Government GHG Conversion Factors for Company Reporting, version 1.2 by the UK Department for Business, Energy and Industrial Strategy. For electricity emission factors, we have used 2017 actual factors and 2018 estimates where available.

Changes and future outlook

As we have done in 2020, we will continue on improving the quality of our data in 2021.

OUR PERFORMANCE AND TARGETS

Our performance and targets

This section presents our key performance indicators and results against objectives and targets for 2020. Objectives and targets for 2021 are also communicated here.

For additional information, please see Reporting Principles and Compliance on page 41.

¹⁾ Defined as employees working an average of less than 30 hours per week for ISS.

²⁾ A LTI is defined as any work-related injury which prevents that person from doing any work after the incident i.e. any work related injury which results in a person being unfit for his/her work for at least one full working day or shift. The LTIF is based on 1 million exposure hours. This includes contractors under ISS operational control.

³⁾ Exposure hours include contractors working under ISS operational control.

We report on our performance within three areas:



People: Safe working conditions and human rights



Planet: Reducing our impact on the environment and climate



Profit: Compliance with sound business standards

Financial highlights in 2020

69,823

Revenue – million DKK

(6.5)%

Organic growth

(4.6)%

Operating margin

378,946

Number of employees

People

	2020	2019	2018
Number of employees	378,946	471,056	485,908
Full time %	75	77	76
Part time % ¹⁾	25	23	24
Total workforce			
Front line	357,021	444,912	460,010
% Front line	94	94	95
% Male	52	52	51
% Female	48	48	49
White collar	21,926	26,144	25,868
% White collar	6	6	5
% Male	57	52	56
% Female	43	42	44
Turnover			
% All employees	33	35	42
% Front line	38	37	44
Male	42	39	47
Female	34	35	42
% White collar	19	21	25
Male	19	21	25
Female	18	21	24
Hours of training	3,749,859	6,510,989	7,525,680
Front line	3,523,217	6,22,889	7,180,195
White collar	226,642	310,100	345,486
Absentee rate %	2.5	2.1	2.1
Incidents of discrimination	16	12	13
Fatalities	3	3	1
Lost Time Injury Frequency (LTIF)²⁾	2.5	2.8	2.9
Exposure hours (million hours)³⁾	848.8	986.4	994.8
Number of vehicles	24,309	20,571	20,635
Number of vehicle accidents	2,724	3,390	3,531

Planet

	2020	2019	2018
Electricity consumption (MWh.)	29,133	39,903	44,707
Electricity emissions (Scope 2) (tonnes CO ₂ eq.)	7,390	12,009	14,804
Electricity costs (million DKK)	29.5	42.9	40.7
Fuel usage (million litres)	30.3	38.6	39.6
Vehicle emissions (Scope 1) (tonnes CO ₂ eq.)	70,084	89,334	91,199
Business Travel emissions (Scope 3) (tonnes CO ₂ eq.)	5,814	21,263	22,285
Water consumption (m ³)	207,071	307,758	311,339

For additional information, please see Reporting Principles and Compliance on page 41.

Profit

	2020	2019	2018
Revenue (millions DKK) ¹⁾	69,823	77,698	73,592
Operating profit before other items (millions DKK)	(3,226)	3,252	3,698
Net finance costs (millions DKK)	(542)	(703)	(590)
Taxes paid (millions DKK)	(666)	(513)	(663)
Staff costs (millions DKK)	46,082	48,937	46,589
Income tax paid by employees (millions DKK) ²⁾	12,160	12,903	13,191

¹⁾ 2020, 2019 and 2018 financial data adjusted for discontinued operations.

²⁾ Income tax paid by employees comprises estimated employment taxes, social charges and contributions paid either by ISS or directly by employees.

For additional information, please see Reporting Principles and Compliance on page 41.

Performance against objectives and targets for 2020

Our most material issues are also the ones most directly supporting our strategy and are related to health, safety and environment as well as monitoring of labour conditions for our employees. We set targets and carry out audits to ensure the organisation's focus remains on these subjects.

People	Ambition	Progress	Next	On trend
Fatalities	0	Unfortunately we had three fatalities. See page 24	Our target is 0	✗
Lost Time Injury Frequency	Reduce 60% compared to 2010 to below 5	LTIF decreased over 80% from the baseline value of 13, to 2.5 in 2020	Our target in 2021 is less than 2.5	✓
Lost Work Hours	Reduce 55% compared to 2010	The number of Lost Work Hours per 1000 exposure hours reduced by 60%	Our target in 2021 is a reduction of 70%	✓

Planet	Ambition	Progress	Next	On trend
CO₂ emissions from electricity	5% reduction (MWh/revenue) from 2018-2021. A baseline was established: 16,498 tonnes CO ₂ eq. in 2017	There was a further 38% reduction in electricity consumption in 2019	5% reduction (MWh/revenue) from 2018-2021	✓
CO₂ emissions from leased cars (g/km)	Reduce by 10% within four-year lease period based on 2019 data	In 2020, we reduced emissions from leased cars by 8% from the baseline established in 2020	Reduce by 10% within four-year lease period based on 2019 data	✓

Profit	Ambition	Progress	Next	On trend
Audits with HSE and CR content	In at least 20% of countries where we operate	The scope of internal audits in more than 30% of countries included the ISS Code of Conduct, the ISS Safety Rules, child labour and working hours	In at least 20% of the countries where we operate	✓
Code of conduct e-learning	Embed the e-learning module in more levels of the organisation	Over 30,000 employees successfully passed new e-learning module	In 2021, we aim for at least 250,000 employees	✓

GRI AND UNGC
COMPLIANCE TABLESGRI
disclosures

The following tables provide an overview of the GRI Standard disclosures included in the report. The tables show the indicator, the topic and the page(s) the topic is covered in the report.

GRI content index

GRI 101 Foundation	GRI Standard Number	Disclosure	Page number/comment
GRI 102 General disclosures	GRI Standard Number	Disclosure	Page number/comment
	102-1	Name of the organisation	Cover
	102-2	Activities, brands, products, and services	Page 2 and here
	102-3	Location of headquarters	Back cover
	102-4	Location of operations	Page 4
	102-5	Ownership and legal form	Annual Report
	102-6	Markets served	Page 4 and here
	102-7	Scale of the organisation	Page 3, 5 and 6
	102-8	Information on employees and other workers	Page 42
	102-9	Supply chain	Pages 13 and 17; Our Supply Chain includes over 75,000 suppliers covering categories such as Cleaning, Fleet, Subcontracting and Indirect spend
	102-10	Significant changes to the organisation and its supply chain	Annual Report
	102-11	Precautionary Principle or approach	Page 28
	102-12	External initiatives	We are a founding signatory to the UN Global Compact
	102-13	Membership of associations	Annual Report
	102-14	Statement from senior decision- maker	Pages 7-8
	102-15	Key impacts, risks, and opportunities	Pages 9-13
	102-16	Values, principles, standards, and norms of behaviour	Page 11 and here
	102-17	Mechanisms for advice and concerns about ethics	Page 31-38
	102-18	Governance structure	Pages 11 and 32 and Annual Report
	102-19	Delegating authority	Page 11
	102-20	Executive-level responsibility for economic, environmental, and social topics	Page 11
	102-21	Consulting stakeholders on economic, environmental, and social topics	Page 17

GRI content index

GRI 102 General disclosures	GRI Standard Number	Disclosure	Page number/comment
	102-32	Highest governance body's role in sustainability reporting	Page 7; our Board reviews and approves the Report before it is published
	102-33	Communicating critical concerns	Page 35, 36
	102-34	Nature and total number of critical concerns	Page 38
	102-35	Remuneration policies	Annual Report and here
	102-36	Process for determining remuneration	Annual Report and here
	102-40	List of stakeholder groups	Page 17
	102-41	Collective bargaining agreements	Over 49% of our employees are covered by bargaining agreements
	102-42	Identifying and selecting stakeholders	Pages 9, 12 and 17; Stakeholders have been based on our latest Stakeholders assessment of materiality topics in 2020 that was part of our yearly review of our material assessment
	102-43	Approach to stakeholder engagement	Page 17; we regularly meet with stakeholders (meetings, seminars, Investor day); our stakeholder engagement throughout the year has served as input into our report preparation.
	102-44	Key topics and concerns raised	Pages 9, 12 and 13
	102-45	Entities included in the consolidated financial statements	Annual Report
	102-46	Defining report content and topic Boundaries	Page 9-13 and 41
	102-47	List of material topics	Page 12
	102-48	Restatements of information	Pages 42 and 43 (footnotes)
	102-49	Changes in reporting	Page 41; no materiality topics have changed since 2019.
	102-50	Reporting period	Page 41
	102-51	Date of most recent report	2019
	102-52	Reporting cycle	Page 41

GRI content index

GRI 102 General disclosures	GRI Standard Number	Disclosure	Page number/comment
	102-53	Contact point for questions regarding the report	Back cover
	102-54	Claims of reporting in accordance with the GRI Standards	Page 41
	102-55	GRI content index	Page 45-51
	102-56	External assurance	Pages 39
GRI 200 Economic Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	103-1	Explanation of the material topic and its Boundary	Pages 12 and 41
	103-2	The management approach and its components	Pages 7, 9, 31, 32 and Annual Report
	103-3	Evaluation of the management approach	Pages 32, 27 and 38
	201-1	Direct economic value generated and distributed	Page 43 and Annual Report
	205-1	Operations assessed for risks related to corruption	Pages 13, 36 and 37
	205-2	Communication and training about anti-corruption policies and procedures	Pages 35 and 37; the Anti-corruption Policy has been communicated to 100% of all governance body members at Group, Regional and country levels. We do not report on the breakdown by employee category, region or business partner
	205-3	Confirmed incidents of corruption and actions taken	Page 37 and 38; we had 0 incidents related to corruption where contracts with business partners were terminated or not renewed; we had 0 public legal cases regarding corruption; we do not report the number of employees dismissed or disciplined
	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	We have not been involved in any anti-trust issue or anti-competitive behaviour, and not monopoly practices
	207-1	Approach to tax	Page 31 explains the tax approach; ISS Tax Policy is disclosed already: here
	207-2	Tax governance, control, and risk management	ISS Tax Policy includes some management structure information: here
	207-4	Country-by-country reporting	Please see section 1.5 of the Annual Report

GRI content index

GRI 300 Environmental Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	103-1	Explanation of the material topic and its Boundary	Pages 27 and 28
	103-2	The management approach and its components	Pages 27 and 28
	103-3	Evaluation of the management approach	Page 30
Energy	302-1	Energy consumption within the organisation	Pages 28, 30 and 43
Energy	302-3	Energy intensity	Based on: Revenue: 0.4166 MWh/mill. DKK Exposure hours: 34.27 MWh/mill. exposure hours
Energy	302-4	Reduction of energy consumption	Pages 30 and 43
Water	303-3	Water withdrawal	Pages 30 and 41; we only report on municipal water supplies as this is the main source of water
Emissions	305-1	Direct (Scope 1) GHG emissions	Page 43
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Page 43
Emissions	305-3	Other indirect (Scope 3) GHG emissions	Page 43
Emissions	305-4	GHG emissions intensity (Scope 1)	Based on: Revenue: 1.15 tonnes CO2 eq./ mill. DKK Exposure hours: 94.78 tonnes CO2 eq./mill. exposure hours
Emissions	305-5	Reduction of GHG emissions	Pages 30 and 43
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Page 27
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Page 17; 100% of new suppliers screened
Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	Pages 13 and 17

GRI content index

GRI 400 Social Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	103-1	Explanation of the material topic and its Boundary	Pages 13, 16-20, 23-24
	103-2	The management approach and its components	Pages 13, 16-20, 23-24
	103-3	Evaluation of the management approach	Page 26
Employment	401-1	New employee hires and employee turnover	Page 42; we do not report age group
Employment	401-3	Parental leave	The ISS Global People Standards: <ul style="list-style-type: none"> • Ensure paid maternity leave in accordance with local legislative requirements; • Provide women with the opportunity to access paid or unpaid maternity leave for a minimum of 12 weeks without risk of losing their employment • In terms of numerical data, we cannot report at the global level
Labour/ Management Relations	402-1	Minimum notice periods regarding operational changes	We comply with European laws based on the European Union's Acquired Rights Directive (ARD) protecting the rights of employees in a business transfer situation, also known as TUPE)
	403-1	Occupational health and safety management system	Page 23
Occupational Health and Safety	403-2	Hazard identification, risk assessment, and incident investigation (OLD) Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of workrelated fatalities	Pages 23 and 24
	403-3	Occupational health services	Pages 23-24
Occupational Health and Safety	403-4	Worker participation, consultation, and communication on occupational health and safety (OLD) Health and safety topics covered in formal agreements with trade unions	Health and safety are covered in the agreements with unions. In addition, at the European Works Council meetings, health and safety is on the agenda.
	403-5	Worker training on occupational health and safety	Page 24

GRI AND UNGC COMPLIANCE TABLES

GRI content index

GRI 400 Social Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	403-8	Workers covered by an occupational health and safety management system	Page 23
	403-9	Work-related injuries	Page 42
	403-10	Work-related ill health	Page 42
Training and Education	404-1	Average hours of training per year per employee	Pages 26 and 42
Training and Education	404-2	Programmes for upgrading employee skills and transition assistance programmes	Pages 18 and 19
Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews	It is mandatory for all employees; however, we cannot report on all completed data as some are completed on hard copies and registered in files and we are still working on implementing a system to collect the data
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Pages 20 and 42 and Annual Report
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Pages 37, 38 and 42
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 11 and 12
Child Labour	408-1	Operations and suppliers at significant risk for incidents of child labour	Pages 13 and 17; we have identified suppliers of work wear as the highest risk of child labour
Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Pages 12, 13 and 17; we have identified suppliers of work wear as highest risk of forced or compulsory labour
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	Page 37
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	Page 38; Human rights training carried out as part of On Boarding for all employees, and training such as ISS Code of Conduct E-learning module and Advantage
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Page 17; 100% of new suppliers screened
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	Page 15; we did not identify any negative social impacts in the supply chain.
Public Policy	415-1	Political contributions	We do not contribute to political parties

GRI content index

GRI 400 Social Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
Marketing and Labelling	417-2	Incidents of non-compliance concerning product and service information and labelling	We have not identified any non-compliance with regulations and/ or voluntary codes concerning products and service information and labelling
Marketing and Labelling	417-3	Incidents of non-compliance concerning marketing communications	We have not identified any incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We have not identified any substantiated complaints concerning breaches of customer privacy and losses of customer data

GRI AND UNGC COMPLIANCE TABLES

United Nations Global Compact (UNGC)

The following table provides an overview of the UNGC principles and the page(s) the principle is covered in the report.

United Nations Global Compact (UNGC)

Human rights		Read more on page
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	7
Principle 2	Make sure that they are not complicit in human rights abuses.	13, 16
Labour standards		Read more on page
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	17, 26
Principle 4	The elimination of all forms of forced and compulsory labour;	13, 37
Principle 5	The effective abolition of child labour; and	13, 31, 37
Principle 6	The elimination of discrimination in respect of employment and occupation.	37, 38
Environment		Read more on page
Principle 7	Businesses should support a precautionary approach to environmental challenges;	27
Principle 8	Undertake initiatives to promote greater environmental responsibility; and	27
Principle 9	Encourage the development and diffusion of environmentally-friendly technologies.	27
Anti-corruption		Read more on page
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	32, 38

Share your opinion

We welcome your feedback as it is an important part of our dialogue with our stakeholders.

You are welcome to contact

Joseph Nazareth, Head of Group HSEQ and CR
at +45 3817 0000 or write to us at:

Head of Group HSEQ and CR

ISS A/S
Buddingevej 197
2860 Søborg, Denmark

Text

Sam Cage

Design & production

KIRK & HOLM
Rosendahls