



Thinking ahead. Acting today.

Sustainability Report 2013

According to the GRI G3.1 guidelines
Published in September 2014



Schindler

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Introduction

The Sustainability Report (the Report) describes the economic, environmental, and social impacts of Schindler's activities. It also provides details of Schindler's corporate values and governance, and shows the link between its strategy and its commitment to sustainable urban mobility.

Schindler has adopted the Global Reporting Initiative (GRI) guidelines – a widely recognized global framework for sustainability reporting. This framework ensures greater organizational transparency and accountability and enables the company to effectively communicate information on its sustainability performance to its stakeholders. When developing the Report, Schindler took account of the GRI G3.1 guidelines and adopted the same structure to allow comparability.

Schindler's first GRI-based sustainability report was published in 2013 and contained data relating to the reporting year 2012. This is therefore the second year in which the Report has been aligned with the GRI format. To facilitate comparisons of Schindler's sustainability performance in consecutive reporting years, the nature of the disclosures has been maintained or enhanced.

The information provided on Schindler's sustainability performance in 2013 incorporates the GRI framework while also ensuring continuity with regard to the content on the sustainability section of the Schindler website. In the past, it focused more on environmental performance and less on social initiatives. This Report already provides information on a number of social indicators.

Schindler's communication activities on sustainability topics are based on three documents: the Corporate Sustainability Policy, the Sustainability Brochure, and this Report. The Corporate Sustainability Policy focuses on Schindler's future challenges and sets out the main issues it faces in this context as well as its approach to addressing them.

The Sustainability Brochure expands on these core topics by providing more specific information about the company's ambitions, initiatives, achievements, and targets. The Brochure, published in 2013, also outlines the commitment to sustainability of both the Chairman of the Board of Directors and the Chief Executive Officer (CEO).

This Report contains standard disclosures, details of Schindler's management approach, and data on sustainability performance indicators.

The information contained in this Report relates to the period from January 1, 2013, to December, 31, 2013, unless otherwise stated.

1 Strategy and analysis

1.1 Statement from the most senior decision-makers in the organization

Chairman's statement:

Mobility is an essential requirement in the world in which we live and work. Schindler is renowned as a global provider of smart, sustainable mobility solutions. Quality and safety are the hallmarks of our business: every day, one billion people across five continents place their trust in our products and services. At Schindler, we believe that mobility is about more than just reaching a destination: mobility begins in the mind. We are committed to continuously improving the environmental footprint of our products and processes as well as our social conduct.

CEO's statement:

Sustainability is rooted in our past and is an integral part of our culture. It shapes the way we conduct our business and interact with our colleagues and stakeholders each day. It also ensures that we take a responsible, long-term view and motivates us to improve both the environmental and economic performance of our company in order to achieve lasting success.

The full statements of the Chairman and CEO are provided in the [Sustainability Brochure](#), published in 2013, pages 3 and 9.

Additional information on Schindler's overall vision and strategy for the next three to five years is available in:

- Milestones (flip cover of the [Group Review 2013](#) (GR 2013), first booklet in the Annual Report)
- Schindler in Brief ([GR 2013](#), pages 2-5)
- Statement of the Board of Directors ([GR 2013](#), pages 15-19)

1.2 Key impacts, risks, and opportunities

Key social impacts

Schindler's key social impacts include: ensuring the safety of its customers and employees, providing customers with the products and services they expect from a leading market participant, and investing in the professional training and development of employees.

Safety

Schindler does not compromise on safety in any aspect of its work. As well as striving to systematically guarantee customer safety, Schindler wants to continue to improve employee safety following its success in this area over the last seven years.

Customer Excellence

As part of its commitment to offering high-quality products and services to existing and potential customers, Schindler launched its Customer Excellence program in 2012. The program provides additional training for Schindler's teams of service technicians as well as survey tools to ensure the company can realize its value proposition. In 2013, the program was rolled out across all field operations in the Schindler Group; this included a customized training program that was offered to 350 senior managers.

People strategy

The Schindler People Strategy was introduced in October 2013. It consists of seven ambitions to help employees realize Schindler's business strategy and, ultimately, to ensure the sustainability of the business. The professional development of employees is essential to make sure that they all possess the necessary skills and expertise to perform their respective roles. Schindler's People Strategy includes a leadership framework, a performance management initiative, a recruiting policy, a global technical training and certification scheme, and a career development program to ensure a pipeline of potential leaders within the company.

Key environmental impacts

Schindler's key environmental impacts include: the energy efficiency of its products, its global service fleet of around 20 000 vehicles, the environmental footprint of production facilities, and supply chain activities.

- Schindler can reduce the energy needs of buildings by providing mobility solutions featuring elevators and escalators that are best-in-class in terms of energy efficiency. Enhancing the energy efficiency of buildings is becoming increasingly important in view of global urbanization: it is estimated that by 2050, over 70% of the world's population will live in urban areas. Schindler's objective when developing new elevators and escalators is therefore to achieve continued advances in energy efficiency.
- Schindler operates a global fleet of service vehicles. This is essential in order for it to effectively maintain its product portfolio and deliver a swift and reliable service to its customers. The service fleet has a significant environmental impact in the form of CO₂ emissions. Schindler therefore strives to reduce the amount of CO₂ emissions generated by the fleet.
- Schindler measures the environmental footprint of its production facilities in order to monitor the reduction of energy and waste, and it sets targets to improve their footprint and adheres to the ISO 14001 standard. During 2013, Schindler continued its implementation program relating to ISO 14001 certification for its production sites worldwide.
- Its next goal is to measure the environmental effects of its supply chain in order to set targets to reduce its impact on the environment.

Key economic impacts

Schindler's key economic impacts include: strengthening its global presence and the related expansion of its service network in individual markets. Today, seven out of ten elevators are sold in the Mumbai – Seoul – Hong Kong triangle and only three in the rest of the world. To preserve its long-term competitiveness, Schindler is therefore assigning priority to strengthening its market position in growth markets. This expansion entails large investments in new production facilities, the costs of launching the new Schindler 5500 and Schindler 3600 elevator lines, and charges for the expansion of market and research capabilities.

Compliance

Compliance encompasses both ethical and technical compliance:

- Schindler observes the highest ethical standards when conducting its business activities. Its information policy is based on the honest, accurate, prompt, and consistent communication of information to its stakeholders. The Schindler Code of Conduct (CoC) was introduced in 1997. All Schindler employees pledge to observe the highest ethical standards of professional and personal conduct in their interaction with customers, colleagues, business partners, competitors, regulators, and the communities in which they work. Schindler's state-of-the-art compliance program helps to ensure Group-wide adherence to integrity and compliance standards.
- Schindler achieves technical compliance through its commitment to product safety. A four-stage process has been implemented that involves: the incorporation of safety aspects into the research and development phase; safety testing during the manufacturing process; regular inspections of elevators; and the safe disposal of the installations at the end of their life cycle.

Further information is available at: www.schindler.com/corporatecompliance.

Sustainability reporting

As part of Schindler’s commitment to providing transparency about its financial performance and corporate governance, its sustainability reporting has been extended to give stakeholders in general – and investors in particular – key information on its performance and future goals in the area of sustainability.

The following table provides a summary of Schindler’s key sustainability performance indicators and goals:

Sustainability indicators	Goals 2012-2016
People	
Employee safety	Lost time injury frequency rate (LTIFR) to be improved by a further 25% by 2016 compared to the 2012 rate.
Customer Excellence	Introduction of the Net Promoter System (NPS) was completed in 2013. All target groups completed training in Customer Excellence (CE) at IMD by end-2013. Enhancement of CE program and value proposition based on results of NPS and percentage detractors from 2014 to 2016. Further information is available in PR5, page 36.
People development	Rollout of an enhanced People Strategy to further improve performance, employee engagement, and leadership capabilities in 2013 to 2015.
Planet	
Energy-efficient elevators	Introduce an elevator system with alternative energy sources. Reduce environmental impact of new elevators by 5%. Ensure newly developed elevators also achieve VDI A-rating as current product range.
Service fleet	CO ₂ emissions to be reduced by 30% by 2016 compared to 2012 levels.
Production facilities	All production facilities to comply with ISO 14001 standard by end-2015.
Supply chain	Introduction of a system to capture key environmental data for all outbound deliveries by 2015.
Profit	
Economic targets	Further information is available in the GR 2013 , pages 15-19. For up to date information, please refer to the latest financial reporting documents in the investor relation section of the Schindler website.
Ethical business behavior	To ensure that all employees observe the principles of the Code of Conduct (CoC), all Schindler managers (including those with market-focused functions such as sales, procurement, etc.) will continue to receive refresher training on the CoC; this will be extended to include technicians on an ongoing basis.
Transparent reporting	Introduction of an annual GRI G3.1-aligned Sustainability Report as well as a Sustainability Brochure.

2 Organizational profile

2.1 Name of the organization

The name of the reporting organization is Schindler Holding Ltd.

2.2 Primary brands, products, and/or services

The company was founded in 1874 in Lucerne, Switzerland. Today, the Schindler Group is one of the world's leading providers of elevators, escalators, and moving walks, and is active in the areas of production, installation, maintenance, and modernization. It has operations in more than 100 countries.

The Group employed 48 169 people as at end-2013. Around 59% of employees worked in the areas of installation and maintenance, 8% at production plants in the USA, Brazil, China, India, Spain, Slovakia, and Switzerland, and 33% in engineering, sales, and administration. In total, 80% of the manufacturing of elevators, escalators and moving walks are outsourced.

Each day, Schindler's elevators and escalators transport one billion people to their destination – rapidly, efficiently, and in accordance with their diverse needs. Its offering ranges from cost-effective solutions for low-rise residential buildings to sophisticated access and transport management concepts for multifunctional high-rise buildings. Schindler moves people and materials and connects vertical and horizontal transport systems through its smart mobility solutions, which are driven by energy efficient and user-friendly technologies.

Brand

Schindler creates, drives, and ensure urban mobility. Urbanization is one of the most important issues of our time. Today, more than half of the world's population lives in cities. Through its products, services, and related activities, Schindler helps to improve the mobility of people, especially those living in urban areas.

The Schindler logo reflects our brand values: Reliable, Moving, Trailblazing. It was inspired by the shape of Schindler's initial logo that dates from 1910 and symbolizes precision and the art of engineering in a stylized compass.

Research and development

Schindler invests over CHF 100 million in research and development each year in order to develop smart and innovative mobility solutions that feature state-of-the-art and user-friendly energy efficient technology.

Technology

Schindler is committed to developing leading products based on innovative new technology. Its offering ranges from cost-effective solutions for low-rise residential buildings to sophisticated access and transport management concepts for multifunctional high-rise buildings. Examples of innovations include: the first patent for elevators without a machine room; the Miconic 10 hall call destination system; its successor, Schindler ID, incorporating personalized access control; and PORT technology, which is already the third-generation hall call destination system.

In 2013, the US business magazine "Forbes" included Schindler on its list of the world's 100 most innovative companies for the third year in succession.

Products

Its range of passenger elevators cover the entire spectrum of customer needs from affordable solutions that meet basic transportation requirements in low-rise buildings through to mid-rise solutions for the residential and commercial market segments and, finally, advanced solutions that are targeted at the high-rise segment.

Schindler's freight elevators are designed to move small or large volumes of light or heavy-duty freight.

Schindler produces escalators and moving walks for a wide range of applications, from shopping malls, offices, hotels, and entertainment centers to airports, subways, and railway stations. Moving walks – whether inclined or horizontal – provide an efficient means of transportation in public spaces.

Modernization

Specific modernization solutions ensure the safety, reliability, and comfort of existing installations and also serve to protect long-term building infrastructure investments. Schindler can replace entire systems or modernize them on a gradual basis by replacing individual parts. It can upgrade any installation to meet changing passenger needs and to comply with official regulations.

Services

Schindler provides a swift and reliable service thanks to its extensive network of service technicians, which ensures its close proximity to customers. Its maintenance offering is transparent and can be tailored to individual customer needs. Its comprehensive service offering is designed to ensure the smooth functioning of its products throughout their service life.

2.3 Operational structure of the organization



Further information on the company's organizational structure and its Corporate Governance is available in the Financial Statements, the second booklet in the Annual Report (FS 2013), pages 103-128.

2.4 Location of organization's headquarters

Schindler Holding Ltd. is located in Hergiswil, Canton of Nidwalden, Switzerland.

2.5 Number of countries and location of operations

A list of the most important group companies, including its head office, is provided in the [FS 2013](#), pages 62-64.

This Report contains information on all of Schindler's subsidiaries, including details of its production facilities.

2.6 Nature of ownership and legal form

Schindler Holding Ltd. is a public company listed on the SIX Swiss Exchange. Information on its capital structure is available in the [FS 2013](#), pages 104-106, sections 2.1- 2.7.1. Information on its registered shares and participation certificates is available in the [GR 2013](#), pages 60-61.

2.7 Markets served

Schindler has more than 1 000 branch offices in over 100 countries worldwide and production sites across all continents.

Its offering ranges from cost-effective solutions for low-rise residential buildings to sophisticated access and transport management concepts for multifunctional high-rise buildings. Schindler creates value by supplying energy-efficient products, providing services that meet customer expectations, and offering modernization solutions. This enables architects to design buildings that comply with green building practices.

2.8 Scale of the organization

Number of employees at end-2013	48 169
Number of operations	Information on principal investments is available in the FS 2013 , page 62-64.
Revenue in 2013	CHF 8 813 million
Total capitalization (debt and equity)	Further information is available in the FS 2013 .
Products or services provided	Further information is available in the GR 2013 , flip cover "Our products and services".
Total assets at end-2013	CHF 7 797 million
Beneficial ownership (including identity and ownership interest of largest shareholders)	As at end-2013, registered shares of Schindler Holding Ltd. were held by 6 304 shareholders (previous year: 4 619). On the same date, the Schindler and Bonnard families, together with parties related to these families, held within the scope of a shareholders' agreement 47 720 376 registered shares (previous year: 50 077 828) of Schindler Holding Ltd., corresponding to 67.3% (previous year: 70.1%) of the voting rights of the share capital entered in the Commercial Register.

2.9 Significant changes during the reporting period

New production plants

In 2013, Schindler invested in the construction of new production plants in China and India as well as in the USA and Slovakia. In order to achieve growth, it is important for the individual stages of these expansion plans to be completed on schedule. Schindler's efforts are on track: the construction of its new escalator plant in China – the largest production facility of its kind worldwide – was completed in just 12 months. This new plant and the new elevator plant in India delivered their first products at the start of 2014. The new production plants in Slovakia and the USA already began operating in the fourth quarter of 2013. Other milestones in the reporting period were the simultaneous introduction of the Schindler 5500 elevator for the commercial segment in different markets around the world, as well as the introduction of the Schindler 3600 product line for the affordable housing segment in China.

Impairment

Net income from financing and investing activities was CHF -196 million (previous year: CHF -7 million). This change was mainly attributable to the Hyundai impairment totaling CHF 219 million as well as currency hedging. An improvement in income from associates had a positive impact. Further information on the Hyundai impairment is available in the Group Review, ([GR 2013](#)), pages 16-17.

At the end of May 2013, Schindler successfully placed an exchangeable bond with an issuance volume of CHF 218 million that can be exchanged for ALSO shares. This measure is designed to enable Schindler to almost completely exit its participation in ALSO, which at end-2013 stood at 28.4%, without adversely impacting the market and to substantially increase the free float.

Repurchase program

During the reporting year, Schindler Holding Ltd. repurchased a total of 2 618 693 registered shares and 1 258 576 participation certificates as part of the repurchase program that was launched on January 3, 2013, and will run until December 31, 2015.

Repurchase offer at a fixed price

On October 18, 2013, Schindler Holding Ltd. launched an additional public repurchase offer for a maximum of 4 100 000 registered shares and a maximum of 4 100 000 participation certificates at a fixed price. The Fixed-Price Repurchase Offer was open for acceptance from 1 November 2013 to 14 November 2013. The purpose of the offer was to achieve reduction in capital through the cancellation of the repurchased securities. A total of 2 406 693 registered shares and 613 976 participation certificates were tendered under this program.

The Existing Repurchase Program at market prices by way of two separate trading lines on SIX Swiss Exchange was suspended from 18 October 2013 to 14 November 2013.

For more detailed information, please refer to the press release of March 17, 2014.

Changes to the Board of Directors and Group Executive Committee

The General Meeting of Shareholders of March 26, 2013, elected Prof. Dr. Monika Bütler, Anthony Nightingale, and Carole Vischer as new members of the Board of Directors.

All changes as of 1.1.2014 will be reflected in the 2014 Report or are available in the press release of March 17, 2014.

2.10 Awards received in the reporting period

This section contains a selection of awards and is not an exhaustive list.

- Top Employers 2013

Three Schindler companies once again received this coveted award in 2013: Schindler Germany (fifth award since 2008), Schindler Spain (awarded for the seventh consecutive year) and Schindler Switzerland (awarded for the seventh consecutive year).

- Environmental award for new production plant in Slovakia

The new elevator plant and logistics center were opened next to the existing escalator plant near Dunajská Streda, Slovakia, during the reporting year. The elevator plant features state-of-the-art, environmentally friendly technology and achieved the BREEAM rating of "Excellent" for its environmental standards.

- New production plant in the US obtains LEED Gold certification

The new elevator plant in Hanover, Pennsylvania, obtained the globally accepted LEED Gold sustainability certification. Schindler's new production facility is thus one of just under 150 industrial buildings worldwide to achieve this standard.

- 100 Most innovative companies

In 2013, the US business magazine "Forbes" included Schindler on its list of the world's 100 most innovative companies for the third year in succession. Schindler has an innovative, state-of-the-art product range featuring three global product lines: the Schindler 3300 elevator (residential segment), the Schindler 5500 elevator (commercial segment) and the Schindler 7000 elevator (high-rise segment).

EN6 on page 22 contains examples of how Schindler's mobility solutions have helped customers around the globe to achieve green building standards.

3 Report parameters

3.1 Reporting period

The information contained in this Report and the Annual Report relates to the period from January 1, 2013, to December, 31, 2013, unless otherwise stated.

3.2 Date of most recent report

This is the second report to be compiled according to the GRI 3.1 guidelines.

3.3 Reporting cycle

The Report is published annually.

3.4 Contact point for questions regarding the report

The contact point for the Report is Schindler's Corporate Communications department.

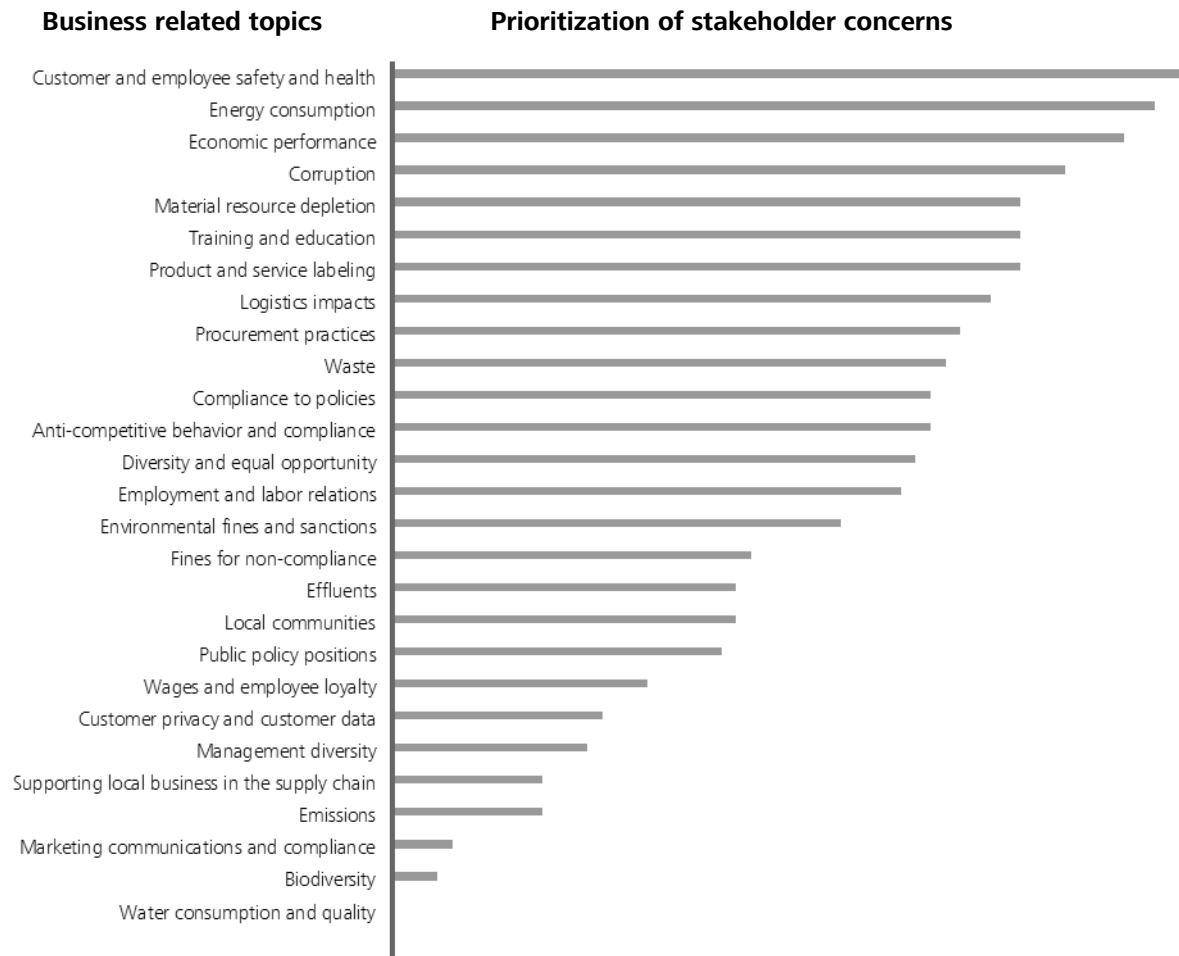
Telephone: +41 41 445 31 31; e-mail: sustainability@schindler.com

Further information is available at: www.schindler.com/sustainability

3.5 Process for defining report content

The global Sustainability Council (SC), which represents all relevant corporate functions, determined the materiality of the sustainability topics for the purpose of this Report. All the GRI performance indicators were grouped into 27 main topics. The internal evaluation resulted in the production of the materiality index, in which topics were prioritized according to stakeholder concerns (a list of stakeholder groups is provided in 4.14). The materiality index serves as the basis for the definition of Schindler's sustainability strategy.

Materiality index



Sustainability topics are dynamic and the materiality index will be reviewed periodically to ensure it remains relevant to both Schindler and its stakeholders. The materiality index above is considered to be valid for the foreseeable future.

3.6 Boundary of the report

This Report includes all Schindler companies and consolidated subsidiaries. Further information is available in section 2.5.

3.7 Limitations on the report's scope or boundary

There are no specific limitations to the scope of the Report.

3.8 Comparability due to reporting on other entities

Almost all logistics processes are outsourced. The first phase of the reporting system will be implemented during 2014-2015. It will allow for the inclusion of CO₂ data and other sustainability data relating to logistics processes.

3.9 Data measurement techniques

Data have been collected from various internal information platforms, including SAP modules, ISO 9001 and ISO 14001 management systems, procurement systems, and financial and legal databases. Environmental data have been compiled according to Schindler's internal guidelines.

The Schindler Group's consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are compliant with Swiss company law. The Financial Statements are prepared using the accrual basis of accounting and the historical cost approach with the exception of financial instruments, which are measured at fair value or at amortized cost. The reporting periods of all Group companies (directly or indirectly controlled by Schindler Holding Ltd.) end on December 31, 2013.

A standard and well-recognized reporting tool for collecting and managing sustainability data was configured in 2012 and introduced in 2013. This has enabled comprehensive data gathering and analysis, as well as the reporting of consolidated results. This Report represents the second year of data reporting.

3.10 Explanation of restatements

There are no restatements.

3.11 Significant changes

In 2012, there was an increase in the scope of the reporting and in data coverage compared to the previous reporting period (which mainly focused on environmental performance). The reporting was extended to include additional environmental and social performance data. Further refinements to the reporting tool were made in 2013.

3.12 Table identifying the location of the standard disclosures

Standard disclosures are included in the Report and – for easy reference – in the GRI Index, which provides the status of each disclosure. Management disclosures are set out at the beginning of sections 5, 6, and 7.

3.13 Policy and current practice with regard to seeking external assurance for the report

External assurance was not sought for the Report.

4 Governance, commitments, and engagement

Governance

The Corporate Governance Report contains the information required by the Directive on Information Relating to Corporate Governance issued by the SIX Swiss Exchange, effective December 31, 2013, and is structured in accordance with the Directive.

Corporate Governance is covered in detail in the FS 2013 as well as at: www.schindler.com/corporategovernance.

4.1 Governance structure

Further information is available in the Corporate Governance section in the FS 2013, pages 102-128.

4.2 Position of the Chairman of the Board

Alfred N. Schindler, Chairman of the Board of Directors, born 1949 (Swiss citizen). Mr. Schindler is the Chairman of the Board of Directors since 1995, Chairman of the Supervisory and Nomination Committee since 1995, member of the Board of Directors since 1977.

4.3 Independence of Board members

The Board of Directors, which according to the Articles of Association should consist of five to twelve members, currently has 12 members. Three members are executive members of the Board of Directors, two of whom form the Supervisory and Nomination Committee. The remaining nine members are non-executive members of the Board of Directors.

Further information is available at: www.schindler.com/corporategovernance.

4.4 Mechanisms for shareholder consultation

The General Meeting of shareholders is . Both the registered shares and the participation certificates are traded on the SIX Swiss Exchange. Holders of participation certificates have the same rights as holders of registered shares with the exception of attendance at the General Meeting and voting rights.

Further information is available in the Articles of Association of Schindler Holding Ltd. at: www.schindler.com/investorrelations as well as in the FS 2013, pages 125-126, and the Organizational Regulations – Schindler Holding Ltd.

4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives and the organization's performance

The Schindler Group's success depends to a large extent on the quality and commitment of its employees. Its compensation policy is designed to attract, motivate and retain well-qualified professionals. In addition, the awarding of performance-related and, in particular, share-based compensation components is intended to promote an entrepreneurial mindset and approach.

The most important principles are:

- Compensation is related to performance and is in line with the market
- Employees participate in the company's success
- Compensation decisions are fair and transparent
- There is a balanced proportion of short- and long-term compensation components.

Further information is available in the Compensation Report in the [FS 2013](#), pages 86-101.

4.6 Processes in place for the highest governance body to ensure conflicts of interests are avoided

Each member and member of the Group Executive Committee shall arrange his personal and business affairs as to avoid a conflict of interest. Where the possibility of a conflict of interest arises, the person in question shall declare that possible conflict to the Chairman or to the CEO (or in the case of the Chairman to the Vice-Chairman).

Further information is available in the [FS 2013](#), Corporate Governance Report, pages 102-129, and the [Organizational Regulations – Schindler Holding Ltd.](#), section 2.3.

4.7 Process for determining the qualifications and expertise of the members of the highest governance body

The internal organizational structure is reported in the [FS 2013](#), pages 114-118, and the [Organizational Regulations – Schindler Holding Ltd.](#)

4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation

The Schindler Navigator Book defines the company's strategic direction to achieve success in the elevator and escalator market. It sets out Schindler's vision of "Leadership through Customer Service", as well as Schindler's corporate values, goals and objectives, and details of how it executes its strategy.

The Schindler Code of Conduct defines how employees shall maintain the highest standards of professional and personal conduct in their relationships with customers, fellow employees, suppliers, competitors, governments, and communities. It includes five principles that Schindler employees must observe.

The following policies and guidelines support Schindler's commitment to sustainability and can be found in section www.schindler.com/corporateculture:

- Corporate Sustainability Policy
- Employee Safety and Health Policy
- Schindler Group Human Resources Policy (HR Policy)
- Corporate Quality Policy
- Navigator Book
- Code of Conduct

4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance

Sustainability falls within the remit of Corporate Human Resources and is reviewed by the Group Executive Committee (governance body). The member of the Group Executive Committee with responsibility for Corporate Human Resources is assisted in this area by the Corporate Vice President Safety and Sustainability.

The global Sustainability Council (SC) consists of representatives of different countries within Schindler, including relevant corporate functions as well as the production and service organization. The SC identifies sustainability initiatives for Schindler, which are subsequently presented to the CEO and the Group Executive Committee for evaluation and approval.

Commitments to external initiatives

4.10 Processes for evaluating the highest governance body's own performance

The General Meeting of Shareholders is . Further information is available in the Articles of Association of Schindler Holding Ltd., specifically section V on the General Meeting, at: www.schindler.com/investorrelations.

4.11 Explanation of whether and how the precautionary approach or principle is addressed

Schindler's commitment to sustainability is enshrined in its Corporate Sustainability Policy. This Policy outlines Schindler's approach to sustainability, which is based on three pillars – people, planet, and profit – and defines the direction that it should take regarding key sustainability challenges. The Policy is available at: www.schindler.com/sustainability.

Schindler defines and evaluates the most important risks facing the Group in a four-phase process based on a detailed risk catalog. These risks are divided into the categories of product, market, and business risks; financial, operational and organizational risks; as well as safety, health, and environmental risks. In all risk categories, the legal aspects are also evaluated. The four phases of the process are as follows:

- Each Group company creates a risk matrix as part of its budget process
- The risks are combined within the Group matrix and evaluated in detail by an interdisciplinary Risk Committee comprising the responsible heads of the product groups and Group staff offices. Based on the evaluation, a detailed catalog of measures to address the most important risks is presented to the Group Executive Committee
- The Group Executive Committee evaluates the risk matrix and the proposed catalog of measures and proposes any additions
- The most important risks, along with possible measures to prevent and minimize potential harm arising from them, are presented to the Board of Directors for approval

Group Assurance, the auditing body, and the Compliance departments support the Board of Directors in exercising its supervisory and control functions.

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives

Schindler is a member of the Partnering Against Corruption Initiative (PACI). PACI is a global platform, established by the World Economic Forum (WEF), allowing companies and business leaders to maximize their collective impact in the fight against corruption. It is historically focused on improving compliance practices and fosters a high-level dialogue between businesses and governments on key corruption challenges. Further information is available at: PACI.

4.13 Memberships in associations and/or national/international advocacy organizations

Schindler participates in various local industry and trade associations. For example, it is a member of the European Lift Association, the National Elevator Industry Inc. (NEII) in the USA, and the Lift and Escalator Contractors Association in Hong Kong.

Schindler is a member of various councils of The Conference Board – a global, independent business membership and research association that works in the public interest. They include the Council on Corporate Responsibility and Sustainability, the Council on Environment and Product Stewardship, and the Council on Health and Safety, as well as the Global Advisory Council.

Stakeholder engagement

4.14 List of stakeholder groups

Schindler's stakeholder groups include employees, customers, shareholders, suppliers, trade unions, governmental authorities and non-governmental organizations, as well as other groups within society such as lobby groups, local communities, and special interest groups.

4.15 Basis for identification and selection of stakeholders with whom to engage

Schindler is willing to engage in a dialogue with all of its stakeholders.

The contact point for this Report is Schindler's Corporate Communications department.

Telephone: +41 41 445 31 31; e-mail: sustainability@schindler.com

4.16 Approaches to stakeholder engagement

Schindler's operations have a limited direct impact on the vast majority of its stakeholder groups. This was demonstrated by an evaluation performed by the global Sustainability Committee when determining the materiality of issues such as stakeholder engagement. The findings of this evaluation fall within a group of issues that will be managed on a case-by-case basis until circumstances demand a different approach.

4.17 Key topics and concerns from stakeholders

In principle, stakeholder interests are addressed on a case-by-case basis.

5 Economic dimension

In the statement of the Board of Directors, Schindler declared that in order to preserve its long-term competitiveness, it is assigning priority to strengthening its market position in growth markets.

The new installations business is now dominated by the Asia/Pacific market region, which accounts for more than three-quarters of global demand. In the operating year 2013, Schindler therefore assigned priority to expanding its position in the growth markets of China and India. This involves constructing new production plants and increasing its market and research capabilities, as well as strengthening its local expertise. In China, Schindler launched the Schindler 3600 elevator for the affordable housing segment, thus laying the foundations for its entry into a large new market segment.

The product range for the commercial segment was extended to include the Schindler 5500 elevator line, which was introduced simultaneously in all markets around the world. This new product line replaces local product programs and will significantly strengthen Schindler's competitive position and enable it to achieve additional growth in the commercial market.

To further increase growth and competitiveness, Schindler invested in new production plants, which were constructed within a very short time: the new production facilities in Slovakia and the US already began operating at the end of 2013. The escalator plant in Jiading, China, and the elevator plant in Pune, India, will begin production in the first half of 2014.

Further building projects will be carried out in 2014 and 2015: an elevator plant, a research center with a 200-meter test tower, and Schindler's regional headquarters will be added to the campus in China, while an escalator plant, a research center, and a test tower will be constructed on the campus in India.

In addition to constructing new production plants, Schindler is continuing to focus on measures to reduce costs and enhance efficiency on a Group-wide basis. However, the operational requirements that were achieved were largely offset by the impact of the strong Swiss franc, expenses related to the expansion of the business in growth markets, implementation delays in individual markets, and continued pricing pressures.

"Leadership through Customer Service" is Schindler's vision. One billion people around the world use Schindler products every day, and Schindler wants to ensure that its customers and passengers can rely on high-quality mobility solutions and services at all times. Two factors are essential in order to achieve this. The first is the strengthening of Schindler's global presence and the related expansion of its service network in individual markets. The company is thus able to exploit different global growth cycles, to smooth out currency risks, to reduce response times thanks to its close proximity to customers, and, at the same time, to increase the effectiveness of its services. The second prerequisite is a clear focus on core competencies in order to pursue a cost leadership strategy aimed at outperforming the competition in an increasingly price-sensitive market.

At the same time, Schindler is committed to developing leading products that feature the latest technology. Its offering ranges from cost-effective solutions for low-rise residential buildings to sophisticated access and transport management concepts for multifunctional high-rise buildings.

Schindler will continue to systematically pursue the aforementioned strategy in order to further expand its leading position, provide secure long-term employment, and create value for its shareholders.

EC1 Direct economic value generated and distributed

In CHF million	2013	2012
Direct economic value generated		
Revenue	8 813	8 258
Economic value distributed		
Operating costs	4 732	4 194
Employee wages and benefits	3 185	3 074
Payments to providers of capital	291	274
Payments to government (taxes)	237	253
Community investments	0	0
Economic value retained	368	463

EC2 Financial implications and other risks and opportunities due to climate change

Schindler takes account of environmental factors by designing its products to be energy efficient. Climate change poses no direct risk to the company's activities.

EC3 Coverage of the organization's defined benefit plan obligations

The Schindler Group has a number of defined benefit plans. Certain plans are managed by legally autonomous institutions. The governing bodies of these institutions have an obligation to act in the interests of the plan participants and are also responsible for the investment strategy. The largest plans are in Switzerland and the USA. Together they accounted for 80% (previous year: 80%) of the Group's total defined benefit obligations and 91% (previous year; 91%) of its plan assets.

Further information is available in the [FS 2013](#), pages 33-39.

EC6 Policy, practices, spending on local suppliers

Corporate Purchasing is managed by a network of category and country teams, which work closely together to achieve the best possible results. The purchasing organization also includes production-, and non-production suppliers. When purchasing production materials, Schindler relies on a network of more than 20 000 suppliers.

Schindler assesses the performance of key supply partners in areas such as compliance with the Schindler Vendor Policy, system quality, environmental management practices, and certifications.

Schindler's top suppliers continued the positive trend of compliance to environmental management systems for both production and non-production materials. Non-production materials include companies rendering a service to Schindler's operations.

Purchasing volume rate	2013	2012	2011
Production materials in %			
Top 20 suppliers ¹	66.3	63.2	59.0
Certified according to ISO14001 or an equivalent standard ²	38.4	38.0	31.8
Alternative environmental management systems ³	9.9	8.6	8.2
Non-production materials and services in %			
Top 20 suppliers ⁴	50.7	48.5	37.4
Certified according to ISO14001 or an equivalent standard	19.5	18.8	13.8
Alternative environmental management systems	16.8	15.8	15.5

Schindler has seven strategic sourcing offices to support its global operations, namely in the US, Brazil, Spain, Switzerland, Slovakia, India and China.

EC9 Significant indirect economic impacts

Schindler's most significant indirect economic impacts⁵ occur as it completes the construction of its new production facilities globally.

In 2013, Schindler invested in the construction of new plants in China and India as well as in the USA and Slovakia. In order to achieve growth, it is important for the individual stages of its expansion plans to be completed on schedule. Schindler's efforts are on track: the construction of its new escalator plant in China – the largest production facility of its kind worldwide – was completed in just 12 months. This new plant and the new elevator plant in India delivered their first products at the start of 2014. The new production plants in Slovakia and the USA began operating in the fourth quarter of 2013.

¹ Expressed as the % of turnover that the top 20 suppliers represent from the total turnover of all production material suppliers

² Expressed as the % of turnover covered by ISO 14001 or equivalent

³ Expressed as the % of turnover covered by alternative management systems

⁴ Expressed as the % turnover that the top 20 suppliers represent from the total turnover of all non-production materials and services

⁵ Indirect economic impacts include additional impacts generated as money circulates through the economy. This compares with direct economic impacts, which tend to consist of the immediate consequences of monetary flows to shareholders.

6 Environmental dimension

Schindler's environmental impacts are caused by three main factors: the energy consumption of its products, its service fleet, and its production facilities.

Environmentally efficient products and materials

During the product design phase, environmental aspects are taken into account with regard to the preparation of materials, manufacturing, installation, operation, maintenance, and disposal.

By designing products that use less energy while in operation, Schindler helps to reduce overall energy consumption in the buildings in which they are installed – thus creating value for its customers. A particular emphasis is placed on energy efficiency when designing the elevator and door drives, car lighting, and the control and ventilation systems.

Service fleet

Schindler has a service fleet of over 20 000 vehicles globally. This service fleet accounts for about two-thirds of Schindler's direct environmental impacts. Schindler therefore strives to reduce these impacts by replacing vehicles in the fleet with more environmentally friendly models that feature new technology – allowing for reductions in fuel consumption and emissions. Route optimization also allows it to improve its environmental performance in this area.

Production sites

In 2013, Schindler maintained its number of ISO 14001 certifications globally with almost 60% of its production facilities certified. By end-2013, two new production facilities came into operation – one in Slovakia and the other one in the USA. Schindler's goal is to have all its production facilities certified against this internationally recognized environmental management system in the near future.

The implementation of ISO 14001 is accompanied by the periodic definition of targets for key indicators. As part of the implementation process, Schindler is executing initiatives to reduce waste generation and water consumption. Another area of focus is the reduced usage of volatile organic compounds (VOCs) through the gradual transition from solvent-based paints to water-soluble paints.

EN3 Direct energy consumption

The service fleet accounts for the largest proportion of direct energy consumption, followed by the use of electricity and natural gas. The energy consumption of the service fleet decreased from 73% in 2012 to 67% in 2013 in relation to the total direct energy consumption.

The direct energy consumption of the service fleet in terms of the number of employees and revenue⁶, decreased by 13.6% and 14.0%, respectively:

- 8.8 kWh/employee in 2013 versus 10.0 kWh/employee in 2012
- 47.6 kWh/revenue in 2013 versus 54.6 kWh/revenue in 2012.

⁶ Divided by revenue and measured in CHF.

Direct energy consumption in gigawatt hours	2013	2012
Intermediate energy – buildings and processes		
Electricity	107	89
District heat	8	8
Total intermediate energy	115	97
Primary energy ⁷		
Natural gas	85	63
Fuel oil	6	9
Others	1	1
Vehicles - service fleet		
Diesel	223	216
Gasoline	195	223
Others (gasoline/alcohol, LPG, CNG)	4	12
Total primary energy	514	524
Total direct energy	629	621

Schindler's global electricity mix remains quite stable. Although it is largely dependent on each country's national grid, changes are observed at country level. Renewable energy represents almost a third of the total electricity mix.

Electricity mix in %	2013	2012	2011	2010	2009
Coal-fired power stations	31	31	33	30	30
Oil-fired power stations	3	6	4	4	5
Gas-fired power stations	14	10	9	10	10
Nuclear power stations	21	20	25	29	28
Hydropower stations	24	27	26	23	23
Other renewable resources	7	6	3	4	3

The size of Schindler's global service fleet increased in 2013, mainly reflecting the growth of the business. This growth was also reflected in the total distance travelled, but when it is compared to the number of employees, remained constant.

In 2013, the trend towards more cars and delivery vans equipped with particulate filters was evident. The ratio of petrol/gasoline-powered vehicles to diesel-powered vehicles is 35:65 (in 2012, it was 37:63), reflecting the continuing trend towards the use of more diesel-powered vehicles.

⁷ Fossil fuel consumption figures were converted into gigawatt hours using standard conversion factors.

Fuel performance – distance travelled in %	Share of total distance travelled in %		Fuel performance in l/100km	
	2013	2012	2013	2012
Petrol/gasoline-powered cars	21.7	19.4	10.5	9.6
Petrol/gasoline-powered vans < 3.5 t	12.7	16.9	15.6	15.6
Diesel-powered cars with particulate filters	33.9	26.2	6.4	7.5
Diesel-powered cars without particulate filters	10.3	14.4	6.0	7.4
Diesel-powered vans < 3.5 t with particulate filters	14.6	15.4	7.6	7.7
Diesel-powered vans < 3.5 t without particulate filters	4.0	5.1	8.2	7.8
Gasoline/bioethanol-powered cars	2.8	2.6	12.5	11.8

EN4 Indirect energy consumption

Schindler's indirect energy consumption⁸ relates mainly to purchased electricity. The measurement of electricity consumption excludes those cases where electricity charges form part of a lease agreement. These cases are limited to office buildings. However, all Schindler production facilities are included in the table below.

Indirect energy consumption per employee and indirect energy consumption in relation to revenue increased in line with business growth. Headcount rose by 6.5% and revenue grew by 6.7% in 2013 compared to 2012. The increase in indirect energy consumption was as follows:

- 5.6 MWh/employee in 2013 compared to 5.3 MWh/employee in 2012, corresponding to a 5.7% increase
- 30.9 kWh/revenue in 2013 compared to 29.1 kWh/revenue in 2012, corresponding to a 6.2% increase.

Indirect energy consumption in gigawatt hours	2013	2012
Electricity	264	232
District heat	8	8
Total indirect energy consumption	272	240

EN6 Initiatives to provide energy-efficient or renewable energy-based products and services

Schindler's main focus is on improving the energy efficiency of its products and its service fleet.

Energy-efficient products

Urban centers around the world account for approximately 80% of global pollution, and buildings consume 40% of the world's energy. Reductions in energy consumption therefore not only make it possible to preserve non-renewable energy sources for the future but to also lower pollution levels. Schindler is helping to make urban centers more sustainable by developing and supplying energy-efficient and resource-efficient mobility solutions.

⁸ Indirect energy consumption refers to the amount of electricity and steam purchased and consumed that originates from upstream generating activities to Schindler's reporting boundary according to Scope 2 of the WRI/WBCSD GHG Protocol. The latter refers to the Greenhouse Gas Protocol (GHG) initiative, which is a corporate accounting and reporting standard of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

To measure its progress in reducing the environmental impacts of its products, Schindler developed an ecological product comparison tool known as PEcoPIT. This allows it to gather the information needed to perform life cycle assessments (LCA). PEcoPIT evaluates the consumption of energy and raw materials over the life cycle of products and enables the environmental load of new products to be compared with older models. The potential environmental impact is assessed using the Swiss Agency for the Environment, Forests and Landscape (SAEFL) method to determine ecological scarcity, which is measured based on environmental load units, as well as using the eco-indicator method based on eco-indicator points.

The daily energy requirements of buildings have a significant impact on the environment. The amount of energy used by elevators while in operation is a key factor determining their environmental impact. Schindler applies the VDI 4707 guidelines to obtain an accurate assessment of the energy efficiency of its elevators. Schindler has an "A" rating – the highest energy efficiency class according to VDI 4707 – for the Schindler 3300, Schindler 5500, and Schindler 7000 (high-rise) elevator lines. Environmental fact sheets for all products are available under Product Ecology at: www.schindler.com/sustainability.

Global Fleet Policy

The service fleet is mainly used by Schindler employees in connection with the maintenance of elevators and escalators. There is significant potential to reduce Schindler's carbon footprint in this area.

Since 2005, a number of local initiatives have been carried out to reduce the environmental impacts of the service fleet. They include replacing petrol/gasoline-powered vehicles with diesel-powered vehicles, fitting older vehicles with particulate filters, fitting new diesel-powered vehicles with particulate filters, and providing employees with eco-driving training. Further measures include the introduction of the Global Fleet Policy (GFP), a standardized procurement strategy, and a strict policy governing car brands. Further information on Schindler's service fleet is available under Site Ecology at: www.schindler.com/sustainability.

In 2012, further enhancements were made to the GFP. They not only include additional safety requirements for the fleet but also the definition of lower CO₂ emissions targets. Schindler aims to reduce the CO₂ emissions of the service fleet by 30% by 2016 compared to the level in 2012. The revised policy will enable Schindler to benefit from improved technology and will simultaneously reduce its overall carbon footprint. For further details on the 2013 performance, please refer to EN16 on page 25.

Green building standards

It is essential to take account of green building standards such as BREEAM, LEED, Minergie, and Green Star when planning, constructing and operating sustainable buildings. Schindler complies with the specifications of the relevant international codes and assists architects and designers in obtaining green building certifications.

Schindler supplies mobility solutions for a range of buildings that have been constructed in accordance with green building standards in order to obtain the relevant certifications. Examples include:

- Park Ventures in Bangkok, Thailand: LEED Platinum certification – the highest such rating
- Fluor office building in Hoofddorp, Netherlands: BREEAM Excellent certification
- Faro de Guadiana shopping mall in Badajoz, Spain: BREEAM certification
- The Francis Crick Institute in London, UK: BREEAM Excellent certification
- 345 California Center, office building in San Francisco, USA: LEED certification

- Zuellig Building, office building in Makati, Philippines: LEED Platinum certification
- Brookfield Place in Perth, Australia: Green Star certification
- Heron Tower in London, UK: BREEAM certification
- Warsaw Spire in Warsaw, Poland: BREEAM Excellent certification
- Prime Tower in Zurich, Switzerland: Minergie certification
- Kalpatara Square in Mumbai, India: LEED certification.

Schindler has received certificates for its own buildings as well:

- Schindler's regional headquarters in Morristown, USA: LEED certification
- The new elevator plant near Dunajská Streda in Slovakia: BREEAM certification with an "Excellent" rating for its environmental standards.

Further information on ecological leverage and product and site ecology is available at: www.schindler.com/sustainability.

EN7 Initiatives to reduce indirect energy consumption

Around 80% of a building's total environmental impacts occur while it is in use. Schindler contributes to the reduction of these impacts through the development of energy-efficient products and their regular maintenance – thus ensuring that they remain clean, reliable, and energy-efficient.

Schindler also offers modernization solutions for older elevators or escalators, thus improving energy efficiency, as well as the safety and comfort of passengers. Modernization measures include the installation of new LED lighting systems, PF1 energy-recovery drives, and controls enabling elevators or escalators to switch to stand-by mode when not in use. The installation of the Miconic 10 hall call destination system and PORT technology when modernizing elevators can potentially increase the volume of passengers they transport by 30%.

EN8 Total water withdrawal

Water consumption is not a business critical indicator for Schindler as water is not used in the manufacturing process. However, Schindler monitors this indicator based on the average consumption per employee.

A total of 507 000 m³ of water was consumed during the 2013 reporting period, compared to 470 000 m³ in 2012⁹. The increase in water consumption is in line with the growth of the business. The majority (96%) of this water originated from municipal sources, which remained similar to the previous year.

EN8 excludes water consumption, which is not charged to Schindler under the terms of the lease agreements, meaning that the corresponding data are not readily available. Schindler does not pay directly for this water as it forms part of the overall lease agreement. However, in cases where the figures for consumption are available, it is reported.

⁹ The consumption for 2012 was restated due to over reporting in one country. The original figure was 544 000 m³.

In 2013, water consumption per employee was 10.5 m³ and was thus virtually unchanged compared to the previous year (2012: 10.4 m³).

EN11-EN15 Biodiversity

Biodiversity is not reported as it is not a material indicator for Schindler's business. The company has limited direct impacts on local biodiversity through its operations, and no protected areas are affected.

EN16 Total direct and indirect greenhouse gas emissions

The vehicle fleet remains the largest single source of CO₂ emissions at Schindler. As a result, Schindler has set itself the global target of reducing CO₂ emissions by 30% by 2016, with 2012 serving as the reference year. In 2013, emissions were reduced by 7.4% due to the implementation of the global fleet policy in 2012, which stipulates that the vehicle fleet is to be replaced with more fuel-efficient vehicles in order to lower CO₂ emissions.

The total CO₂ emissions per employee decreased by 14.3% compared to 2012 and total CO₂ emissions in relation to revenue decreased by 15.9% compared to the previous year. The actual CO₂ emissions were as follows:

- 3.5 t/employee in 2013 compared to 4.0t/employee in 2012
- 18.9 kg/revenue in 2013 compared to 21.9 kg/ revenue in 2012.

Direct and indirect greenhouse gas emissions in kilotons of CO ₂	2013	2012
Fossil fuels for buildings owned by Schindler and processes	14	13
Fossil fuels for buildings leased by Schindler and processes	5	2
Fossil fuels for service fleet	108	116
Electricity	42	50
District heat	0	0
Total CO₂ emissions	169	181

Direct and indirect greenhouse gas emissions in kilotons of CO ₂ equivalents	2013	2012
Fossil fuels for buildings and processes	78	62
Service fleet	165	175
Waste disposal	13	11
Total CO₂ equivalents	256	248

EN20 NO_x, SO_x, and other significant air emissions by type and weight

The only noteworthy air emissions to result from Schindler's activities originate from solvents used during maintenance work on elevators and escalators.

In 2013, the use of VOCs from non-chlorinated compounds decreased across the majority of Schindler's business units. However, one case of under-reporting was identified in the reporting year 2012. Therefore, excluding the reporting year 2012, the volume of non-chlorinated VOCs remained in line with the period 2009 to 2011.

The average volume of VOCs used in 2013 was 3.4 kg/employee.

Volatile organic compounds (VOCs) in tons	2013	2012	2011	2010	2009
Non-chlorinated	165	128	187	170	167
Chlorinated	0	0	0	0	0
Total VOC emissions	165	128	187	170	167

EN22 Total amount of waste by type and disposal method

Almost three-quarters of Schindler's total amount of waste are recycled. Hazardous waste represents around 4% of the total waste generated, of which 95% is either recycled or incinerated.

The total amount of waste increased in absolute terms in 2013. However, in relative terms, it was in line with the growth in business. The amount of waste was:

- 0.92 t/employee in 2013, compared with 0.87 t/employee in 2012, and
- 5.0 kg/revenue in 2013, compared with 4.7kg/revenue.

Waste ¹⁰	In tons		% recycled		% incinerated		% sent to landfill	
	2013	2012	2013	2012	2013	2012	2013	2012
Hazardous/special waste								
Used oils and oil emulsions	935	1 356	57	63	39	31	4	6
Electric and electronic scrap	517	621	94	90	2	5	4	5
Other hazardous waste	296	289	33	40	59	36	8	24
Total hazardous and special waste	1748	2 266	64	67	31	25	5	8
Non-hazardous waste								
Scrap metal	17 468	13 365	96	97	1	1	3	2
Paper and cardboard	3 395	3 990	91	94	3	6	6	0
Municipal waste	4 779	4 877	28	30	30	32	42	38
Other non-hazardous waste	17 071	14 661	62	62	32	35	6	3
Total non-hazardous waste	42 713	36 893	74	74	17	19	9	7
Total waste discharge	44 461	39 159	74	74	17	19	9	7

EN26 Mitigating environmental impacts of products and services

Schindler performs LCAs based on ISO 14040 and ISO 14041 to identify ways of improving the environmental performance of a product throughout its life cycle – from the development phase and procurement of raw materials to production, packaging and transportation, utilization, maintenance, and disposal:

- 30% of energy can be recovered¹¹ by feeding unused elevator energy back into a building's electricity network, resulting in a reduction in waste heat and elevator cooling requirements.

¹⁰ Country-specific definitions are applied for hazardous and non-hazardous waste

¹¹ Energy recovery depends on the configuration of the elevator and inverter model as well as the building system.

- The PORT transit management system optimizes the flow of traffic through buildings and offers highly customized levels of service. The system is able to increase traffic efficiency by as much as 30% when compared to a conventional elevator system.
- Schindler's main product lines, the Schindler 3300, the Schindler 5500, and the Schindler 7000 elevators all achieved an "A" rating according to VDI 4707.
- ISO 14001 certification has already been obtained for almost 60% (2012: 70%) of Schindler's existing production facilities. The number of ISO 14001 certifications was unchanged. However, two new production facilities – one in Slovakia and the other one in the USA – began operations at the end of 2013.
- Up to one-third less energy is consumed by Schindler 9300 escalators with adjustable speeds, lightweight drive technology, and LED lighting than former product lines.

Further information, including details of the innovative features of selected products, is available in the [Sustainability Brochure](#), published in 2013, on pages 16-19.

EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations

No significant fines were paid during the 2013 reporting period. Mandatory disclosures of non-compliance issues are provided in the [FS 2013](#), page 44.

EN29 Significant environmental impacts of transporting products and other goods and materials

The two main transport-related causes of Schindler's environmental impacts are its service fleet and its logistics operations.

Further information on Schindler's service fleet is available in chapter 6, as well as in the GRI indicators EN3, EN6, and EN16.

The implementation of the Transport Order Management Solution (TOMS) will provide valuable data on the carbon footprint of logistics operations. A full set of data for both inbound and outbound logistics is expected to be gathered by 2015-2016. It is planned to combine data on different types of trucks and loads, distances travelled, fuel consumption and CO₂ emissions, but will also require close collaboration between Schindler and its network of suppliers. This network consists of suppliers of materials as well as providers of non-logistics services.

TOMS will initially be implemented only in Europe; its geographical scope may be extended in the future.

A major benefit of TOMS is that it will streamline processes between the various network partners, resulting in a net benefit for the environment in terms of CO₂ emissions as well as cost reductions.

7 Social dimension

Human resources

It is the skill, expertise, and professionalism of Schindler's employees that ultimately determines its success in the marketplace. It is therefore vital for Schindler to attract and retain the right people, who share its corporate values and objectives.

In 2013, Schindler introduced a global People Strategy. It is based on the company's core values as well as seven "HR ambitions" that help Schindler to implement its business strategy. Schindler's goal is to have a highly motivated and committed workforce led by a talented management team in a working environment that is stimulating and attractive for both current and prospective employees.

Human Resources (HR) is focused on promoting high-quality leadership that drives strong levels of employee engagement and accountability. Within Schindler's growth markets, HR is focused on recruiting and retention as well as on the provision of high-quality training and development to ensure its employees have the necessary skills to drive sustainable growth. In developed markets, HR uses performance management and development actions to ensure its employees are equipped to grow its portfolio, increase operational competitiveness, and deliver excellent service quality to its customers.



Safety

Safety is one of Schindler's core values. The company does not compromise on the safety of its passengers and employees.

- Passenger safety: from the design and production phases through to on-site installation, servicing, and inspections, Schindler's teams of professionals focus on providing safe and reliable mobility, 24 hours a day.
- Employee safety: Schindler strives to offer a safe, stimulating, and innovative working environment for all its employees.

Schindler assigns particular importance to promoting risk awareness and a robust technical and safety culture among its employees. In addition to its internal and external risk and safety management system, Schindler introduced a comprehensive behavior-based safety initiative over seven years ago that is targeted at all employees worldwide. Ongoing enhancement of this program is taking place as detailed in LA7, page 31.

Customer Excellence

Schindler launched its Customer Excellence (CE) program in 2012 to support its vision of "Leadership through Customer Service". In 2013, the focus of the program was on training key people to facilitate the implementation of CE.

Ethics

All managers and employees worldwide pledge to uphold the values and rules set out in the Schindler Code of Conduct (CoC): they agree to act in an ethical manner and in compliance with all applicable laws and regulations. The implementation of the Code of Conduct is based on three pillars: Educate – Examine – Enforce.

The CoC consists of five principles that employees must observe:

- Comply with all applicable laws and regulations
- Adhere to high ethical standards by respecting the rights and dignity of all persons with whom they are dealing and by not accepting illicit benefits nor extending such benefits to other persons
- Do not compete in any way with Schindler's business and avoid conflicts of interest to the detriment of Schindler
- Keep Schindler's business, financial and technical data as well as internal business documents confidential and not misappropriate Schindler's or other companies tangible or intellectual property
- Actively help Schindler in achieving compliance with the CoC

A global network of Compliance Officers supports these efforts and monitors compliance with the Code of Conduct by conducting regular audits. The Group Compliance Officer has a direct reporting line to the Group General Counsel and periodically reports to the Audit Committee.

7.1 Labor

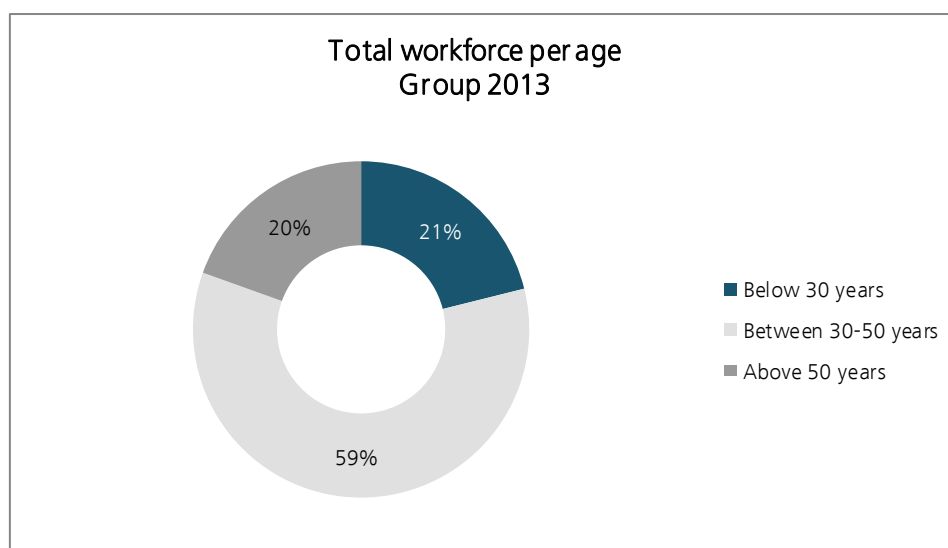
LA1 Total workforce by employment type and region

Schindler's global number of employees increased by 6.5% in 2013 (2012: +1.9%) to 48 169, resulting in the creation of around 3 000 new positions.

Its employees by business area remained constant in percentage terms.

Employees by business area	2013		2012		2011	
	Number	%	Number	%	Number	%
Group employed at year-end						
Installation and maintenance	28 551	59	26 559	59	26 316	59
Production	3 867	8	3 587	8	3 450	8
Engineering, sales and administration	15 751	33	15 100	33	14 621	33
Total	48 169	100	45 246	100	44 387	100

Employees by region	2013		2012		2011	
	Number	%	Number	%	Number	%
Group employed at year-end						
Europe	19 518	41	19 446	43	19 963	45
Americas	13 160	27	12 626	28	12 573	28
Asia, Australia, Africa	15 491	32	13 174	29	11 851	27
Total	48 169	100	45 246	100	44 387	100



LA4 Percentage of employees covered by collective bargaining agreements

In principle, Schindler's local management teams take care of all industrial relations at the appropriate level. Schindler communicates with all its employees – regardless of whether they have trade union representation – on a regular basis.

In 2013, 70% of all employees (2012: 64%) were covered by collective bargaining agreements. Schindler acknowledges the freedom of association of its employees and their right to collective bargaining within the framework of local laws in its [HR Policy](#), page 13.

LA5 Minimum notice periods regarding significant operational changes

Schindler complies with the employment laws and regulations – including rules governing minimum notice periods for significant operations changes – in the individual markets in which it operates.

These laws and regulations may differ significantly from country to country. In certain markets, the minimum notice periods are specified in collective bargaining agreements, while in others, they are specified on a case-by-case basis. Notice periods range from no requirement to one year. Some countries specify different notice periods based on the length of service of affected employees and/or the seniority within the company.

Alternative arrangements may also be put in place. In such cases, the terms set out in these collective agreements exceed the minimum statutory requirements.

LA6 Workforce represented in formal joint management-worker health and safety committees

Safety and Health (S&H) Committees have been established for all operations. Depending on the size of the operations concerned, these S&H Committees operate either at a local company level (small operations) or at both company level and regional level (larger operations) in order to cover the entire geographic breadth of that operation. The composition of these Committees complies with local legislation governing employee and management representation. The Committees meet as often as required by local legislation.

A corporate S&H team provides further support to the operational committees in areas such as the rollout of corporate initiatives, safety leadership training, and assessments.

Schindler holds a Global Safety Convention once every two years to share best demonstrated practices within the Group.

LA7 Rates of injury, occupational diseases, lost days, fatalities and absenteeism

In 2013, Schindler reduced its LTIFR by 15% compared to the previous year, resulting in an improvement of over 84% since the start of its behavior-based safety (BBS) initiative.

The BBS was launched in 2007 and applies to all employees worldwide. It is continuously being adapted to address the most important aspects identified during internal assessments.

In 2013, the initiative mainly comprised the following measures:

- Safety leadership training
- Special training on fall protection, hoistway access and accident investigations
- Safety walks by Group, regional, and local management
- Specific safety awareness videos developed by Schindler

LA8 Education, training, counseling, prevention, and risk-control programs for serious diseases

Schindler is committed to providing employees with a safe and healthy working environment. Schindler therefore not only meet minimum legal requirements, but often exceed these requirements. It therefore plans and implements a range of education, training, counseling, prevention, and risk control programs relating to serious diseases at a local level. This Report provides several examples of local employee assistance programs. They are part of the vast range of initiatives run by Schindler that are tailored to the specific needs of employees in individual countries.

In India, all employees and subcontractors receive a medical examination when they join the company. The Employee Assistance Program (EAP) provides medical cover through a program of hospitalization cover that includes pre-employment diseases. The hospitalization cover is extended to employees' immediate family, while cover for their parents/in-laws is available on an optional basis. Schindler also ensures that all apprentices, subcontractors and associates have cover against any unforeseen medical emergencies.

In China, an on-site medical professional is available to provide first aid and medical support. All employees are offered an annual health check, which may include a routine blood and urine test, X-rays, and an electrocardiogram (ECG), as well as an ultrasound test. Each year, all employees are educated about different seasonal or infectious diseases, including preventive action to reduce the risk of transmission. These training sessions also give them an opportunity to consult with medical experts about other health-related matters.

In Mexico, employees are offered monthly medical checks with an on-site doctor, as well as a range of external healthcare services. Additionally, first aid courses are provided twice a year for all employees and subcontractors. Health campaigns targeted at parasite control, vaccinations, and the detection of prostate cancer are conducted periodically. Employees can also benefit from a range of tests (including cholesterol, glucose, and yellow fever testing, as well as ECGs, and densitometry analyses).

In South Africa, Schindler provides access to professional counseling for its employees and members of their families through its EAP. Its purpose is to provide constructive assistance in the form of confidential counseling and support (including assistance in goal setting, work/life balance and parenting skills). A financial assistance program assists employees with financial matters, offering them access to products such as personal loans, home improvement loans, educational loans, funeral assistance, and insurance. By providing debt counseling and legal advice, it relieves the burden on employees and their families. Through its HIV policy, Schindler promotes a non-discriminatory workplace in which people living with HIV and AIDS can be open about their HIV status without fear of discrimination. Schindler is committed to promoting appropriate and effective ways of managing HIV in the workplace to enable employees to continue working as long as they are medically fit to do so.

In the USA, Schindler offers on-site education and training programs on various health topics and provides health coaches for employees and their families to help address serious medical conditions. Biometric screening, mammographies, flu vaccinations, and health fairs are provided, and medical treatment is covered by the health care plan.

In Australia, Schindler has introduced a financial program – the EAP – to support employees who have had a serious accident or have contracted a serious (non-work related) disease that prevents them from working and have used up their entire sick leave entitlement. Work-related accidents and diseases are covered through workers' compensation schemes. All employees have access to the EAP. This service, which is funded by the company, is a private arrangement between employees and the counseling service and is used in the case of serious diseases or family-related issues (e.g. where an employee requires marriage or family counseling). A separate health and wellbeing program focuses on the prevention of disease, as well as on education and training, and consists of newsletters, exercise programs, and health presentations by medical and nutritional experts. In addition to these programs, fundraising by employees provides further support for them to manage cases of serious disease.

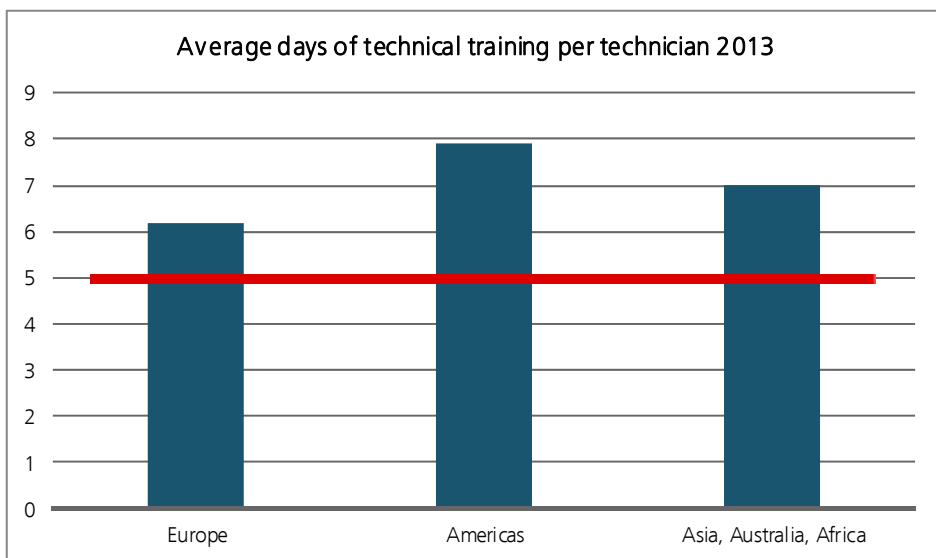
In Switzerland, Schindler has a process in place to help identify cases of serious diseases among employees. These cases are treated with the consent of employees, managers, and the relevant Human Resources department. The program also provides anonymous support on a broader range

of issues such as burnout, mobbing, sexual harassment, general stress in the workplace, financial problems, addictions, dealings with public authorities, anxiety, and family conflicts or relationships problems.

LA10 Average hours of training per year per employee

The average number of technical training days¹² provided per employee in 2013 was 7 days (2012: 5.5 days). This compares to Schindler's target of 5 days of training for installation and service technicians.

Zone	Technical and safety training days	Technical employees	Average number of technical training days per employee
Europe	56 283	9 027	6.2
Americas	70 329	8 915	7.9
Asia, Australia, Africa	45 648	6 538	7.0
Total	172 260	24 480	7.0



Global technical training and certification

Around 60% of Schindler's workforce consists of installation and service technicians, who make a vital contribution to the success of the business. Reflecting its focus on the quality and safety of products, Schindler assigns the utmost importance to ensuring that employees have the necessary skills and expertise to perform their roles effectively.

As a first step, Schindler assesses the core capabilities of its employees, offers appropriate training, and conducts a certification process to confirm that they have the skills needed for their work – thus guaranteeing that all technicians worldwide have a comparable level of expertise.

Based on this global standard, Schindler provides any additional training on a targeted basis to meet the specific needs of a region or a subsidiary.

¹² One training day equals eight hours.

Schindler's employee certification program provides at least five days of training per year, including technical training and frequent updates to ensure that employees are informed of mandatory regulatory changes.

LA11 Programs for skills management and lifelong learning

Non-technical training at Schindler is based on a multi-channel approach – ranging from traditional classroom teaching to multimedia training courses that employees can complete on their laptops or mobile devices. Schindler offers a broad spectrum of courses to build skills, knowledge, and experience in all areas of the business, from new installations, service, and modernization to sales, finance and others. Schindler encourages cross-functional training to allow employees to broaden their career options.

Leadership is important within an organization because it is the leaders who drive and implement the new processes and ideas that help the company to evolve and become more sustainable. Consequently, the business training that Schindler provides has a specific focus on leadership development. Schindler offers a full range of business leadership training (BLT) courses, in addition to which employees can participate in group projects and job rotations to enhance their career development. Schindler runs a Leadership Academy to prepare employees in senior positions for the challenges of leadership and management in a complex global organization.

In addition, Schindler supports young talent through the Schindler Career Development Program (SCDP). The SCDP is an on-the-job management training program designed to develop a pipeline of future leaders and to prepare them to assume key management positions. This six-year program includes a functional rotation, an international assignment and professional leadership opportunities.

LA12 Employees receiving regular performance and career development reviews

In 2013, 78% of Schindler's employees (2012: 75%) received a formal annual performance review with their manager in which their skills and capabilities were assessed. Schindler provides training and development opportunities for all employees to promote high levels of motivation and performance and to help them realize their full potential.

LA13 Composition of governance bodies by gender

In 2013, 17% of Schindler's Board of Directors' positions were held by women (2012: 0%). There were no women represented in the Group Executive Committee.

7.2 Human rights

HR4 Total number of incidents of discrimination and corrective actions taken

The annual compliance assessment did not identify any significant incidents of non-compliance with Schindler's global policy on equal opportunities. Schindler does not tolerate discrimination in any form – particularly on the basis of ethnic origin, nationality, gender, sexual orientation, gender identity, religion, age, marital status, pregnancy, or disability.

HR6 Operations identified as having significant risk for child labor

Schindler's rejection of the use of child labor is set out in the Schindler Code of Conduct and the Schindler Vendor Policy. It is also prescribed in country-specific labor laws. The annual compliance assessment did not identify any cases involving significant child labor risks.

HR11 Number of grievances related to human rights

The Schindler Code of Conduct (Principle 2) states that Schindler adheres to high ethical standards by respecting the rights and dignity of all persons with whom employees deal. This corporate principle is supported by operational regulations and procedures, which go further in defining how Schindler addresses any grievances related to human rights. These procedures take account of local legislation – especially in countries with specific requirements in this area.

7.3 Society

SO2 Number of business units analyzed for risks related to corruption

The Schindler compliance program encompasses all Schindler entities and all employees. A core component of the program is the mandatory completion of a six-monthly online questionnaire by all employees with a corporate e-mail account. In addition to conducting this compliance questionnaire, Schindler performs regular corporate compliance audits. These audits include compliance briefings, reviews of accounts, spot checks on branch offices, and reviews to monitor the implementation of the compliance program at a local level.

Further information is available at: www.schindler.com/corporatecompliance.

SO3 Employees trained in organization's anti-corruption policies and procedures

The Schindler CoC states that Schindler employees around the world shall maintain the highest standards of professional and personal conduct in their relationships with customers, colleagues, suppliers, competitors, governments, and communities. The CoC applies to all employees.

Schindler runs a comprehensive training program on anti-corruption efforts, including a dedicated eLearning module for all Schindler employees with a corporate e-mail account. It provides additional classroom training for employees in a market-focused function, e.g. sales or procurement.

Schindler's compliance framework is designed to promote awareness of the CoC and to support its implementation. It is structured in the form of a pyramid. The top level of the pyramid comprises the CoC, which encompasses five core principles. The next level of the pyramid comprises the guidelines that accompany the CoC; they explain these five principles in detail and are adapted to local legal requirements and translated into local languages. "Dos and Don'ts" form the base of the pyramid: they specify the correct behavior in risk areas such as anti-trust, anti-bribery, invitations to events, insider trading, etc.

Schindler's Corporate Compliance unit analyses corruption risk exposures at country level by conducting corruption risk assessments with the main functions of local companies and with its senior management.

Further information is available at: www.schindler.com/corporatecompliance.

SO4 Actions taken in response to incidents of corruption

Schindler's Internal Compliance team investigates any potential signs of corruption. The Internal Compliance team is supported by external specialists in this area.

SO5 Public policy positions and participation in public policy development and lobbying

Public policy positions are primarily limited to trade associations in the elevator and/or escalator industry. Schindler is a member of trade associations in many countries across the world.

SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes

As an internationally active group, Schindler is exposed to a variety of legal risks. In particular, they may include risks associated with employment law, product liability, patent law, tax law, and competition law. Several Group companies are involved in legal proceedings. The result of pending or future proceedings cannot be accurately forecast. Consequently, decisions by courts or other authorities can give rise to expenses that are not covered either partly fully by insurance policies. This may have a significant impact on the business and future results. Further information regarding the reporting period 2013 is available in the [FS 2013](#), page 44.

SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations

No significant fines were paid during the 2013 reporting period. Mandatory disclosures of significant non-compliance issues are provided in the [FS 2013](#), page 44.

7.4 Product responsibility

PR1 Life cycle stages in which health and safety impacts of products and services are assessed

The health and safety impacts of products are fully integrated into every phase of their life cycle, from the design phase to disposal, reuse or recycling.

The Product Cycle Process (PCP) is one of Schindler's key research and development processes and underscores its commitment to product safety. The PCP is a four-stage process.

In the first stage, safety considerations are incorporated into the research and development phase (e.g. elevator safety codes are used to determine internal research and development requirements).

In the second stage – once the elevators have been manufactured – they undergo rigorous on-site safety testing before being approved for use by the customer.

In the third stage, Schindler carries out regular inspections as well as Confirmation of Periodic Safety Inspection (CPSI) processes to ensure the safe use of its elevators. The CPSI thus aims to ensure that all elevators in Schindler's portfolio operate safely and satisfy all applicable safety codes, requirements and regulations.

In the fourth and final stage, the internal PECOPI process provides Schindler with an overview of energy consumption, restricts the use of hazardous materials, and enables the safe disposal of the product at the end of its life cycle.

PR5 Practices related to customer satisfaction, including results of surveys

In 2012, Schindler launched Customer Excellence – a program designed to deliver the solutions and services that customers expect globally. It defines the basic business processes needed to serve Schindler's customers effectively and describes Schindler's value proposition. The Customer Excellence program incorporates a new Customer Survey System that measures and improves customer loyalty using a state-of-the-art survey tool known as "Net Promoter System".

In 2013, the program was rolled out to all field operations in the Group. The roll out included a customized training program which was offered to 350 senior managers at the IMD business school in Lausanne, Switzerland.

Further information is available in the [Sustainability Brochure](#), published in 2013, on page 12.

PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services

No significant fines were paid during the 2013 reporting period. Mandatory disclosures of significant non-compliance issues are provided in the [FS 2013](#), page 44.

8 List of definitions and abbreviations

BBS	Behavior-based safety
BLT	Business and Leadership Training
BREEAM	Building Research Establishment Environmental Assessment Method is a UK method used to assess, rate and certify the sustainability of buildings.
CE	Customer Excellence
CNG	Compressed natural gas
CoC	Code of Conduct
CPSI	Confirmation of Periodic Safety Inspection
EAP	Employee Assistance Programme
FS	Financial Statements, including the chapter on Corporate Governance – the second booklet in Schindler’s Annual Report
GFP	Global Fleet Policy
GR	Group Review – the first booklet in Schindler’s Annual Report
Green Star	A voluntary sustainability rating system for buildings in Australia launched in 2003 by the Green Building Council of Australia.
GRI	The Global Reporting Initiative is a leading organization promoting the use of its Sustainability Reporting Framework as a way for organizations to report on their economic, environmental, social, and governance performance. The reporting framework enables all companies and organizations to measure, understand, and communicate information on its sustainability impacts, performance and practices. Further information is available at: www.globalreporting.org .
HIV	Human Immunodeficiency Virus
HR	Human Resources
IFRS	International Financial Reporting Standards
IMD	Institute for Management Development, a leading business school in Lausanne, Switzerland
ISO	International Organization for Standardization
LCA	Life Cycle Assessment
LEED	Leadership in Energy and Environmental Design – a US standard (see BREEAM)
LPG	Liquid petroleum gas
LTIFR	Lost Time Injury Frequency Rate
Minergie	A Swiss registered quality label for new and refurbished low-energy-consumption buildings that is jointly supported by the Swiss Confederation, the Swiss Cantons, and the Principality of Liechtenstein, as well as trade and industry.
NPS	Net Promoter Score
Org. Reg.	Organizational Regulation – Schindler Holding Ltd.
PCP	Product Cycle Process
PEcoPIT	Product Eco-Performance Improvement Table/Tracking
PORT	Personal Occupant Requirements Terminal
SAEFL	Swiss Agency for the Environment, Forests and Landscape
SB	Sustainability Brochure
SC	Sustainability Council
SCDP	Schindler Career Development Program
S&H	Safety and Health

TOMS	Transport Order Management Solution – a database tracking the logistics footprint
VDI 4707	A guideline published by the Association of German Engineers (VDI). It measures and classifies elevators according to their energy performance. VDI 4707 defines an energy label and provides a figure for annual nominal energy consumption. Seven energy efficiency classes provide a transparent and factual overview when rating elevators according to their energy performance. They range from “A” to “G”, with “A” being the best-in-class system. Assessments are carried out using actual elevator installations, not theoretical models. Depending on the elevator usage, the assessments relating to both standby and travel mode may need to be considered separately to form a common class: the elevator’s energy efficiency class.
VOC	Volatile organic compound

9 GRI Content Index

G 3.1	GRI Content	Report 2012	References	Status
Strategy and analysis				
1.1	Statement from the most senior decision-maker of the organization	2	SB 2013 p.3, 9 GR flip cover, p.15-19	●
1.2	Key impacts, risks, and opportunities	2		●
Profile				
2.1	Name of the organization	5		●
2.2	Primary brands, products, and services	5		◐
2.3	Operational structure of the organization	6	FS p.62-64	●
2.4	Location of organization's headquarters	7		●
2.5	Number of countries and location of operations	7		●
2.6	Nature of ownership and legal form	7	FS p.104-106 GR p.60-61	●
2.7	Markets served	7		●
2.8	Scale of the organization	7	FS p.4-9; 62-64 GR flip cover	●
2.9	Significant changes during the reporting period	8	FS p.44	●
2.10	Awards received in the reporting period	8		●
Report parameters				
3.1	Reporting period	10		●
3.2	Date of most recent report	10		●
3.3	Reporting cycle	10		●
3.4	Contact point for questions regarding the report	10		●
3.5	Process for defining report content	10		●
3.6	Boundary of the report	11		●
3.7	Limitations on the report's scope or boundary	11		●
3.8	Reporting on other entities	11		●
3.9	Data measurement techniques	11	FS p.10	●
3.10	Explanation of restatements	12		●
3.11	Significant changes	12		●
3.12	GRI Content Index	12		●
3.13	Assurance policy and practice	12		◐
Governance, commitments, and engagement				
4.1	Governance structure	13	FS p.102-128	●
4.2	Position of the Chairman of the Board	13	FS p.107	●
4.3	Independence of the Board members	13	FS p.107-118	●
4.4	Mechanism for shareholder and employee consultation	13	FS p.125-126 Org. Reg.	◐

● Detailed information ◐ Partial information ○ No information ◻ Not relevant for Schindler

4.5	Impact of organization's performance on executive compensation (incl. social and environmental performance)	13	FS p.86-101	◐
4.6	Processes for avoiding conflicts of interest	14	FS p.102-129 Org. Reg. 2.3	●
4.7	Processes for determining Board members' expertise in strategic management and sustainability	14	FS p. 114-118	◐
4.8	Implementation of mission and values statements, code of conduct, and other principles	14		◐
4.9	Procedures of the Board for overseeing management of sustainability performance, including risk management	14		◐
4.10	Processes for evaluating the Boards performance	15		◐
4.11	Addressing precautionary approach	15		●
4.12	Voluntary charters and other initiatives	15		◐
4.13	Memberships in associations	15		◐
4.14	List of stakeholder groups	16		◐
4.15	Identification and selection of stakeholders	16		○
4.16	Approaches to stakeholder engagement	16		○
4.17	Key topics and concerns from stakeholders	16		○
Economic				
Economic performance				
EC 1	Direct economic value generated and distributed	18	FS p. 4	●
EC 2	Financial implications, risks, and opportunities	18		◐
EC 3	Coverage of the organization's defined benefit plan obligations	18	FS p. 33-39	●
EC 4	Significant financial assistance received from government	-		○
Market presence				
EC5	Range of ratios of standard entry level wage	-		○
EC6	Policy, practices, and spending on local suppliers	18		◐
EC7	Procedures for local hiring, proportion of locally hired senior management	-		○
Indirect economic impacts				
EC 8	Infrastructure investments and services primarily for public benefit			○
EC 9	Significant indirect economic impacts	19		◐
Environmental				
Materials				
EN1	Materials used by weight or volume	-		○
EN2	Percentage of materials used that are recycled input materials	-		○

● Detailed information ◐ Partial information ○ No information □ Not relevant for Schindler

Energy				
EN3	Direct energy consumption	20	Sustainability website	●
EN4	Indirect energy consumption	22	Sustainability website	●
EN5	Energy saved due to conservation and efficiency improvements	-		○
EN6	Initiatives to provide energy-efficient or renewable energy based products and services	22	Sustainability website	●
EN7	Initiatives to reduce indirect energy consumption	24		●
Water				
EN8	Total water withdrawal	24		●
EN9	Water sources significantly affected by withdrawal of water	-		□
EN10	Percentage and total volume of water recycled and reused	-		□
Biodiversity				
EN11	Protected areas and areas of high biodiversity value	-		□
EN12	Impacts on biodiversity in protected areas and areas of high biodiversity	-		□
EN13	Habitats protected or restored	-		□
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	-		□
EN15	Number of IUCN Red List species	-		□
Emissions, effluents, and waste				
EN16	Total direct and indirect greenhouse gas emissions	25	Sustainability website	●
EN17	Other relevant indirect greenhouse gas emissions	-		○
EN18	Initiatives to reduce greenhouse gas emissions	-		○
EN19	Emissions of ozone-depleting substances by weight	-		□
EN20	NO _x , SO _x , and other significant air emissions by type and weight	25	Sustainability website	●
EN21	Total water discharge by quality and destination	-		□
EN22	Total amount of waste by type and disposal method	26	Sustainability website	●
EN23	Total number and volume of significant spills	-		○
EN24	Weight of waste deemed hazardous under Basel Convention Annex I-III,VIII	-		□
EN25	Water bodies and related habitats significantly affected	-		□
Products and services				
EN26	Mitigating environmental impacts of products and services	27	SB 2013 p.18	●
EN27	Percentage of products sold and their packaging materials reclaimed	-		○

● Detailed information ● Partial information ○ No information □ Not relevant for Schindler

Compliance, transport, overall				
EN28	Significant fines and sanctions	27		●
EN29	Significant environmental impacts of transporting products and other goods and materials	27		●
EN30	Environmental protection expenditures and investments	-		○
Labor				
Employment				
LA1	Total workforce by employment type, employment contract and region	30		◐
LA2	Total number and rate of employee turnover	-		○
LA3	Benefits only provided to full-time employees	-		○
LA15	Return to work and retention rates after parental leave, by gender	-		○
Labor and management relations				
LA4	Percentage of employees covered by collective bargaining agreements	30		●
LA5	Minimum notice periods regarding operational changes	31		●
Occupational health and safety				
LA6	Joint management-worker health and safety committees	31		●
LA7	Rates of injury, occupational diseases, lost days, fatalities and absenteeism	31		◐
LA8	Education and prevention programs regarding serious diseases	31		●
LA9	Health and safety topics covered in formal agreements with trade unions.	-		○
Training and education				
LA10	Average hours of training per year per employee	33		◐
LA11	Programs for skills management and lifelong learning	34		●
LA12	Employees receiving regular performance and career development reviews	34		●
Diversity and equal opportunity and equal remuneration for women and men				
LA13	Composition of governance bodies and breakdown of employees	34		◐
LA14	Ratio of basic salary and remuneration of women to men by category	-		○
Human rights				
Investment and procurement practices				
HR1	Significant investment agreements incorporating human rights concerns	-		○

● Detailed information ◐ Partial information ○ No information □ Not relevant for Schindler

HR2	Significant suppliers, contractors, and others business partners	-		○
HR3	Employee training on policies and procedures concerning human rights	-		○
Non-discrimination and freedom of association and collective bargaining				
HR4	Total number of incidents of discrimination	34		●
HR5	Operations and suppliers where the right might be violated or at risk	-		○
Child, forced and compulsory labor				
HR6	Operations identified as having significant risk for child labor	34		●
HR7	Operations and suppliers with risk of forced or compulsory labor	-		○
Security practices and indigenous rights				
HR8	Security personnel trained in policies and procedures concerning aspects of human rights	-		○
HR9	Incidents of violations involving rights of indigenous people	-		○
Assessment and remediation				
HR10	Operations that have been subjected to human rights reviews and/or assessments	-		○
HR11	Number of grievances related to human rights	35		◐
Society				
Local communities				
SO1	Operations with local community engagements, impact assessments	-		□
SO9	Operations with potential or actual negative impacts on local communities	-		□
SO10	Prevention and mitigation measures when potential or negative impact	-		□
Corruption				
SO2	Number of business units analyzed for risks related to corruption	35		●
SO3	Employees trained in organization's anti-corruption policies and procedures	35		●
SO4	Actions taken in response to incidents of corruption	35		●
Public policy				
SO5	Public policy positions and participation in public policy development and lobbying	35		◐
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	-		○

● Detailed information ◐ Partial information ○ No information □ Not relevant for Schindler

Anti-competitive behavior and compliance				
SO7	Number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices	36	FS p. 44	●
SO8	Significant fines and number of non-monetary sanctions for non-compliance	36		●
Product responsibility				
Customer and health safety				
PR 1	Life cycle stages in which health and safety impacts of products and services are assessed	36		●
PR2	Incidents of non-compliance concerning health and safety	-		○
Product and service labeling				
PR3	Type of product and service information required by procedures	-		○
PR4	Total number of incidents of non-compliance	-		○
PR5	Practices related to customer satisfaction, including results of surveys	36	SB 2013 p. 12	◐
Marketing communications				
PR6	Programs for adherence to laws, standards, and voluntary codes	-		○
PR7	Total number of incidents of non-compliance	-		○
Customer privacy and compliance				
PR8	Total number of substantiated complaints	-		○
PR9	Significant fines for non-compliance with laws and regulations	37		●
Sector supplement indicators				
Any GRI sector supplement indicators included in the report: no sector specific indicators exist for Schindler's markets.				

● Detailed information ◐ Partial information ○ No information □ Not relevant for Schindler

End of report.