

Communication on Progress 2021

United Nations Global Compact

Statement of Continued Support by our CEO

We hereby declare that ifok GmbH, in the 18th year, continues to embrace the United Nations Global Compact and its ten principles. ifok actively integrates the principles into its daily business activities. We strongly believe in the value of this global network and its emphasis on the enlightened self-interest of all relevant social actors, including companies.

Our Business

ifok is a strategy and change management consultancy offering expert analysis, strategy development, project implementation, and communication services. Since October 2nd, 2017, we are member of the Cadmus Group. Currently, more than 200 employees work in our offices in Berlin, Bensheim, Düsseldorf, Munich, and Brussels. We stay true to our mission: To strengthen sustainable development, we develop, facilitate and moderate dialogues between the public, private and third sector. We build on a stakeholder approach: Stakeholders have an essential role in strengthening the quality of advice we provide, and in shaping change processes. We adopt this approach towards our clients as well as our own stakeholders:

- We help clients from all three sectors of society to implement measures and improve social and environmental processes. Our clear aim is to turn responsibility into opportunity.
- We provide resources to educate employees on direct actions as well as on long-term goals of sustainability.
- We support suppliers and partners with defined guidelines on sourcing and delivery.
- We build relationships with the media to further sustainability goals.

Our Commitment

We perceive environmental and social challenges as opportunities for private enterprises to provide innovative and entrepreneurial solutions towards sustainable development. Thus, in our consulting activities, we help our clients and other stakeholders to work towards a more sustainable development in a network society. Following our 2020 CoP, we are happy to report on our continued and new activities in all four areas – Human Rights, Labour, Environment and Anti-Corruption. We also provide information on measurement of outcomes.



March 2022, Henning Banthien, CEO



PART I: HUMAN RIGHTS PRINCIPLES

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

Principle 2: make sure that they are not complicit in human rights abuses.

Assessment, Policies and Goals

At ifok, we adhere to the Universal Declaration of Human Rights and to national laws. Again, in 2021, ifok has not identified any internal human rights issues. For 2022, we will continue to monitor this field of actions and develop advanced measures of implementation as seen appropriate. Our goal is to maintain our zero-abuse record and to continue to be an attractive and responsible employer.

Implementation

ifok enforced a set of policies regarding Human Rights policies. In our wiki we have made available all relevant details on employees' rights, duties, and resources within the organization. This includes policies regarding stress and overtime regulations, pregnancy, illness as well as health, marriage, and death of family members. Also, offers for vocational training as well as guidelines related to professional ethics, the best management practices and standard processes are documented in our wiki.

Measurement of Outcomes

ifok is a strong believer in participatory governance and management. On a regular and structured basis, our employees are asked to give feedback, raise complaints and issues, and share ideas for improvement. We have established a weekly all-company call to address general updates, responsible planning, and resource allocation, and to give space for questions and concerns. ifok represents an open-door policy that encourages employees to directly express ideas and questions. We actively support a culture of trust, constructive feedback between all levels of staff and organizational learning.

We have received no complaints from employees, business partners or clients in relation to (potential) human rights violations, nor was the organization involved in any human rights incidences before or during the reporting period.

As we are not aware of any human rights violations in 2021 and before, we do not consider an external human rights audit to be necessary currently.

PART II: LABOUR PRINCIPLES

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

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Assessment, Policies and Goals

ifok adheres strictly to all required labour rights, including non-discrimination and equal opportunities, the freedom of association and right to collective bargaining, workplace health and safety, as well as conditions of employment and work (wages, working hours, leave, benefits etc.). ifok is an equal opportunities employer that evaluates its employees by merits only and not on grounds of gender, sexual orientation, race, or religion. In addition, our company has developed further policies and measures to underline our strong belief that our employees are the most valuable asset of the company and should be able to unfold their full potential as individuals and members of the team.

Implementation

Establishment of a works council

In 2021, our employees initiated the establishment of a works council to channel the different perspectives of our company into an institutionalized body. The members of the management declared their active support for the election committee for the works council. The nine works council members were elected in January 2022 and have now started their work.

Promoting workplace safety and health

ifok continues adhering to all national laws and regulation concerning workplace health and safety, including regular check of all electric devices, regular meeting with experts on health and safety, regular on-sight review with experts, regular first-aid training, and appointment of first responders and fire safety personnel for each office location. ifok also made it possible for employees to receive a vaccination against Covid-19 in the Bensheim office in December 2021.

In addition, ifok provides the best possible office equipment to its employees to cater to special health and illness prevention needs. Examples are height adjustable desks, desk lamps that offer more natural light to decrease eyesight stress, eyesight-checks by a company doctor and ergonomically designed keyboards on

demand. Furthermore, we offer fresh fruits and beverages free of charge in our offices to promote healthy nutrition.

To also protect the mental health of employees, the employee support program of an independent association is offered since June 2021. The employee support program is a contact point for advice – all employees and family members living in the same household can get support by phone or E-Mail on any topic. In this way, ifok creates an offer for all employees to get support from an independent and confidential contact point at any time.

In 2021 and the following years, we are committed to supporting our employees during the Covid-19 pandemic. Of course, we comply with all relevant Covid-19 workplace safety regulations at our ifok offices. Our employees are generally asked to primarily work from home during the pandemic. To enable our employees working from home, they are for instance allowed to take home office equipment such as computer screens, office chairs and keyboards. Management and HR regularly enter dialogue with our employees to support them as well as possible during the Covid-19 pandemic. This includes the introduction of virtual coffee breaks (*ifok.coffeebreak*) between random staff members to maintain ifok's open-door culture even in pandemic times. Virtual coffee breaks can prevent isolation in the home office and supports the much-needed casual contact between employees.

Creating a modern working environment

ifok promotes family-friendly working conditions and career opportunities for women well beyond the average numbers or quotas in management consultancy. At present, approximately 63% of our employees in the consultant business are female and 69% of our employees who work in administration. Our company has developed family-friendly work schemes to facilitate a healthy work-life balance, including working from home (already before the Covid-19 pandemic), part-time work opportunities (beyond the legal framework) and extended return programs for stay-at-home parents. At present, approximately 37% of our employees work part-time. ifok also supports its employees to take advantage of parental-leave schemes.

Professional Development Activities

ifok believes in high-quality training for the future generation: In 2021, ifok started training 21 young professionals in a one-year traineeship. Additionally, ifok has offered 12 internships in 2021, giving insights and skills development in various fields. Moreover, our employees engage in various external training and mentorship programs.

Continuing the high standards and extensive variety of professional development opportunities offered to our employees has been a core goal of our company. Thus, we have taken several essential measures to further enhance this important process of professional improvement and development. We continually improve the offers of the so-called *ifok.academy*, our internal training and development program. In 2021, our company conducted in-house trainings on a variety of topics such as moderation, conflict moderation,

self-management, leadership, feedback culture, business skills, e-participation, project management, workshop design etc. In addition, brown bags lectures took place several times a month around lunchtime.

Improving the quality of work through an open culture and promotion of diversity

We lay emphasis on an open corporate culture, which allows for mistakes to be made and that promotes the strengths of each member of the ifok team. Participation is a core principle that guides us both in our work with clients and internally, as are open communication, regular and structured feedback, and appraisal mechanisms, all of which are actively practiced at ifok.

Within the framework of the “ifok thinks ifok” format, we promote the exchange between employees on various topics such as knowledge management and work organization, sustainability and health or diversity. The results of this exchange are openly discussed with the management boards and, if necessary, channelled into concrete measures. As a result, the “ifok thinks ifok” group on Gender and Diversity has constituted itself. The aims of the initiative are to a) raise awareness of the concerns of groups suffering from discrimination, b) offer a place for exchange and c) provide a point of contact for groups suffering from discrimination. Training on unconscious bias is planned to protect applicants from discrimination. The target group includes all employees who conduct job interviews.

We are signatory of the initiative “*Diversity as an Opportunity*”. The aim of implementing the “*Charter for Diversity*” within our company is to create a working environment that is free of prejudice. All our employees should experience appreciation – regardless of gender, race, nationality, ethnicity, religion or philosophy of life, disability, age, sexual orientation, or identity. We actively work to create a climate of acceptance and mutual trust. This has positive consequences for the recognition we receive from our partners and customers, both here in Germany and in other countries.

Promoting a network structure within the company

Since 2011, ifok has been advancing significantly in strengthening its network structure and processes. Our company is putting in place processes to work more flexibly and closely with external partners and to offer spaces for joint learning and innovation. This includes the *ifok Campus* – the annual company-wide retreat and training event. Due to the Covid-19 pandemic, the 2021 ifok Campus took place digitally over the period of two days, with approximately 150 participants. One of the core topics was our corporate culture and the joint advancement of the “model for change” – our approach for a sustainable societal transition.

Measurement of Outcomes

ifok has received no grievances or complaints from employees, the external advisory board or others in relation to (potential) labour rights violations, nor was the organization involved in any labour rights incidences before or during the reporting period. Our participatory approach, described in part I, helps us constantly keeping in touch with our employees and their concerns and needs. Based on the objective to

eliminate discrimination and promoting organizational learning and feedback, ifok is constantly reviewing its project feedback schemes and other feedback mechanisms within its network-based structure.

Every year, each employee engages in structured interviews and discussion with their mentors. Together, they set professional goals and assess personal strengths and opportunities for improvement. The mentor also serves as a contact person in the daily work routine and supports the employee's personal development. Every employee, at every level of organization, has a personal mentor.

PART III: ENVIRONMENT

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

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Assessment, Policies and Goals

Our contribution to environmental solutions is guided by strict internal policies and continued innovation and improvement. We adhere to national and international standards to advance responsibility in environmental matters. We also promote energy efficiency, waste avoidance and recycling as core elements of our daily business practice among our employees.

We are pleased to announce that ifok is working on a holistic sustainability strategy, with the active involvement of our employees, Human Resources, and the top management team. Furthermore, we follow the sustainability and resilience policy of our parent company, Cadmus.

Implementation

Activities to reduce greenhouse gas emissions and waste

We are proud that ifok is a certified climate-neutral company. We work to analyse, identify, and substitute our impact on the climate as much as possible. In 2021, we continued to calculate our carbon footprint, to be able to measure the impact of our sustainability measures in cooperation with a service provider. Our activities to reduce greenhouse gas emissions and waste include the following:

- We have a travel and car policy that aims to reduce greenhouse gas emissions. Our employees are required to use the most environmentally friendly means of transportation whenever possible – primarily public transport. Many employees use bicycles to reach the offices. In 2021, ifok continued to support the use of green energy powered public transport by financing reduced pricing schemes (*BahnCard 50* and *BahnCard 100*) to replace or reduce air travel. Employees can also use these schemes privately.
- ifok demands that all company cars are to be used in accordance with the European Union standards for fuel consumption and CO₂-emissions. Company cars are leased. We make sure that they are equipped with the best available filter technology to reduce emissions of fine particulate dust.
- We offer our employees the opportunity to lease a bicycle. In 2021, the number of leased bicycles has increased from 7 to 14.

- ifok continues to improve its system for telephone and video conferences for internal meetings across offices as well as with clients. For instance, we use Microsoft Teams as our go-to communication tool. This initiative has allowed us to reduce the number of travelled kilometres, including domestic and transatlantic flights, and thus has contributed significantly to the reduction of ifok's greenhouse gas emissions.
- The office heating system is centrally steered and adapts, together with the lighting and blinds system, to the outside conditions, helping to reduce energy consumption.
- At ifok, we build awareness to reduce our waste creation and printing activities by promoting double-sided printing. It is the default setting in all our offices. For office printing, we exclusively use 100% degradable and recyclable paper that is certified by ISO 9001 and 14001 and as totally chlorine free, as well as licensed by the Nordic Swan and FSC. Moreover, we use paper towels and toilet paper made from recycled paper.
- We also only procure high-efficiency and sustainable printers to further reduce our environmental footprint.
- In 2021, ifok continued the sustainable procurement measures by strictly preferring certified supply providers. Office materials are chosen according to environmentally friendly purchasing guidelines.
- In 2021, all ifok offices in Germany received their energy supply from a 100% renewable energy provider.
- ifok lays great importance on the use of organic, wholefoods and regional products in our offices. We believe in the merit of unprocessed and local foods and offer these, especially as fruit, for customers and employees free of charge in our offices.
- Most of our food and beverages are from organic sources (coffee, milk, soy milk, oat milk, fruit). Moreover, we stay away from buying plastic water bottles and use *Waterlogic* water dispensers.

Even after the Covid-19 pandemic, we will stick to a mixture of home office and on-site work. In our offices, we have introduced a new, flexible workplace solution: There are no more desks assigned to employees. Instead, desks can be freely chosen as required. Further, we converted our locations in Berlin and Düsseldorf to provide high-quality workspaces.

Actions to disseminate greater environmental responsibility

For the planning and facilitation of our events and those of our clients and partners, we adhere to guidelines for environmentally friendly events by the German Ministry of the Environment. We work to reduce the use of resources, order regional and seasonal products for catering, and prioritize venues that are easily accessible by public transport. Furthermore, we are proud to offer our clients certified, climate neutral events under our in-house certificate. Events under this certificate follow guidelines regarding vegetarian food, climate friendly transport options and carbon offsetting mechanisms.

Measurement of Outcomes

We are proud to be able to call ourselves a climate-neutral company: Starting in early 2020, we continued in 2021 to fully offset the emissions from our business activities through the climate protection project “Clean Cooking Stoves” in Rwanda. During the 2021 ifok Campus, all employees were given the opportunity to choose one out of three offsetting projects. The Rwandan “Clean Cooking Stoves” project enables local families to conserve resources and protect their health by providing clean cooking facilities. We are pleased to be able to compensate 320 tons of CO₂ through this offsetting mechanism.

Moreover, in the 2021 calendar year, our business trips in local and long-distance transport of *Deutsche Bahn* took place completely CO₂-free.

ifok also constantly continues to investigate trends and develop strategies to engage in cooperative processes to further public and private sector efforts towards sustainable development.

PART IV: ANTI-CORRUPTION

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

Assessment, Policies and Goals

ifok and our employees do not accept any form of corruption and work against bribery and extortion. Therefore, neither employees nor members of the management team accept remuneration outside the agreed quotation unless it is formally agreed upon.

To this day, ifok has not had any issues with corruption. We will continue our internal review of potential fields of action and develop measures of implementation as seen appropriate.

Implementation

ifok only accepts assignments which are within the range of our expertise and experience and are compatible with our vision and mission. Should an assignment move in a direction that is inconsistent with our vision and mission, we discuss this with the client and, if necessary, withdraw from the assignment.

ifok strongly supports transparency in all its engagements with all clients and enforces open communication to prevent conflicts of interests. In cases where conflicts of interest might occur, our company will – if necessary – withdraw from the assignment.

Measurement of Outcomes

There have been no cases of corruption in the line of our work over the course of the organization's existence. If such a situation arises, ifok would take appropriate action and ultimately withdraw from the assignment. The situation would be evaluated afterwards.