



IFOK.

IFOK. Shaping Change.



Year: 2010

Global Compact

Communication on Progress





IFOK. Shaping Change.

Statement of Continued Support

We hereby declare that IFOK – located in Germany and Belgium – and with offices of its wholly-owned American subsidiary, Meister Consultants Group (MCG) in Boston, Washington D.C. and Tampa – continues to embrace the United Nations Global Compact and its ten principles, as well as to integrate the principles into our business activities. IFOK has participated in the initiative since August 2003. 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 change management consultancy offering expert analysis, strategy development, project implementation and communication services. Some 100 staff work from our offices in Berlin, Bensheim, Düsseldorf, Munich, Brussels, and with MCG offices in Washington D.C., Boston and Tampa. In our change management consultancy work, we develop, facilitate and moderate dialogues between the public, private and third sector. We build on a stakeholder approach, recognising the essential role of stakeholders in strengthening the quality of advice we are able to provide our clients and in shaping change processes. The approach adopted towards our clients is also that which IFOK adopts towards its own stakeholders. We:

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

Our Commitment

We perceive environmental and social challenges as opportunities for private enterprise to provide innovative and entrepreneurial solutions towards sustainable development. Thus, in our consulting activities, we help our clients and other stakeholders to continuously “raise the bar” within the sustainability paradigm. Following our 2009 COP Report, in which we reported on principle 6 and principle 8, we are happy to now be reporting on our continued and new activities.

December 2010, Dr. Hans-Peter Meister, CEO





Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation

IFOK is an equal opportunities employer who evaluates its employees by merits only and not on grounds of gender, sexual orientation, race or religion.

Improving the quality of work through family-friendly working-conditions

IFOK accepts family friendly working-conditions as one of most important challenges in a modern working environment. We provide opportunities for women well beyond the average numbers or quotas in management consultancy - more than sixty five percent of our workforce is female. One-quarter of our employees currently work part-time, and of those some eighty percent are female and twenty percent male. IFOK has developed family-friendly work schemes to facilitate a good work-life balance, including teleworking, part-time work opportunities and extended return programmes for stay-at-home parents. In 2010, 9% of our employees took advantage of parenting leave schemes.

The nation-wide TOP-JOB survey on employment culture identified IFOK as being particularly strong in integrating work and family life and we were selected as one of the "100 TOP employers". IFOK has built on this accolade and we have seen it as confirmation of our approach. Hence IFOK has become a member of the corporate network "Erfolgsfaktor Familie" (Families: a Success Factor). This network offers us the opportunity to learn about further success factors which support balancing family and working life. It is an initiative of the Federal Minister for Family Affairs, Senior Citizens, Women and Youth, Ursula von der Leyen, and Ludwig Georg Braun, President of the German Chambers of Industry and Commerce. Joint partners in the network are the "lokale Bündnisse für Familien" (Local Alliances for Families), the

web-portal "SMEs and families" and all German Chambers of Commerce.

Improving the quality of work through an open culture

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 important both in our work with clients and internally, as are open communication, and regular and structured feedback and appraisal mechanisms. All of these mechanisms are actively practiced at IFOK. We are signatory of the initiative "Diversity as an Opportunity" which was launched by Maria Böhmer, Minister of State in the Federal Chancellery and Federal Government Commissioner for Migration, Refugees, and Integration. 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. Recognising and promoting this diverse potential creates economic advantages for our company.

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 throughout the world.

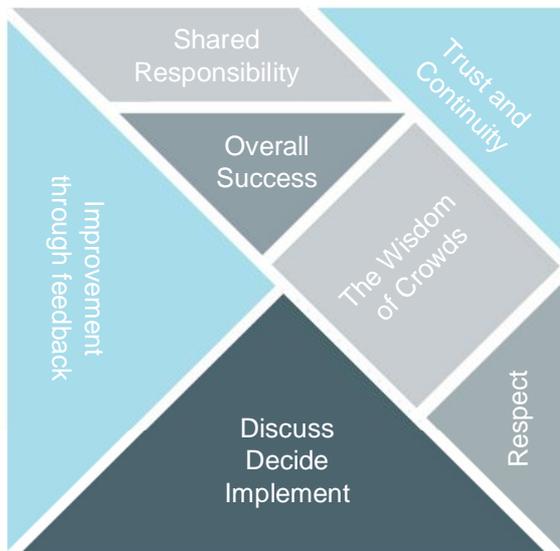
Beyond this climate of appreciation, IFOK has also been awarded the renowned accolade "Top 100" as one of the 100 most innovative small and medium sized enterprises in Germany. Selection for the award was undertaken via a rigorous process by the Vienna University of Economics and Business. Not only was IFOK selected from

amongst the top 100 SMEs overall, but was also amongst the top 10 leading companies in a number of the award's important sub-categories: "Climate of Innovation", "Innovation Marketing", "Innovative Processes and Organisation" and "Support for Innovation from Top Management". This award represents important recognition of IFOK's open culture of innovation and anti-discrimination, a culture which enjoys top management support and which is expressed throughout the organisation.

Building on the IFOK Leadership

Guidelines

Building on IFOK's significant advances in its internal processes and organisational structures by developing the IFOK Leadership Guidelines, we continued our leadership process in 2010. A central focus of our leadership is the appreciation of diversity, strengthening professional development and doing this in-line with the unique skills each employee brings.



Based on the objective to eliminate discrimination and promoting organisational learning and feedback, IFOK introduced a new project feedback scheme in 2010. The scheme consists of an institutionalised exchange between project

managers and members of the project team that follows a systematic and holistic appraisal methodology. The scheme is used to assess project performance, first by means of an orientation interview at the beginning and through at least one feedback meeting towards the end of each project. The project feedback scheme enables management to systematically assess talents and the performance of each employee in each of the projects they work on. By documenting project feedback and gathering information from various sources within the company, IFOK is able to assess the performance and talents of each employee in an objective way – almost akin to a 360° model of feedback and appraisal – and thereby further promote the elimination of all kinds of discrimination. This structured and open system of feedback also provides IFOK's management with up-to-date appraisals of the development of employees, enabling adaptive development plans to be tailored to individuals and their work progresses. It also provides a structured way in which to capture and accredit the learning and development that employees show through "training on the job".

Actions to Assist Professional Development despite the Economic

Downturn

Continuing the high standards and extensive variety of professional development opportunities offered to our employees in the current economic climate has represented a challenge for the company. Despite this we have taken a number of important measures to maintain this important process of professional improvement and development. We have expanded the offerings of the IFOK Academy, our internal training and development programme. In 2010 IFOK was able to offer thirty one training courses in the areas of: methods, client relations, leadership, learning organisations and self-management. In total,

each employee spent an average of 3.8 working days in training. Furthermore, IFOK currently trains five young professionals in two to three year apprenticeship programmes.

In this way IFOK has been able to continue its offering of dedicated and tailor-made education programmes for employees, continuing to teach core skills necessary for our work and in this way to wisely use the available time and resources during slower project periods. These training offerings are predominantly hosted by IFOK staff, facilitating knowledge flows within the organisation as well as offering personal and professional development for those hosting these events - as well as to the participants. With the wealth of learning and on-the-job-training offered by IFOK to its employees – a key feature of our success and our ability to attract the most important talents for our business – it has been important for IFOK to maintain these offerings despite resource constraints.

Fellows – Promoting Young Talents

In 2010 IFOK has pioneered a seven-month fellowship scheme which offers young talents

seeking to enter professional employment opportunities to gain on-the-job training and insights into our consultancy services. Candidates are selected through a rigorous assessment centre process before being offered a place on the scheme. Once selected, they are guaranteed participation in a seven month programme that includes the opportunity to gain work experience in consulting projects, to work closely with experienced senior consultants as well as a wide portfolio of training courses in various relevant areas in the framework of the IFOK Academy. Furthermore, each fellow is assigned to an experienced mentor to guide their learning process. The fellowships are foreseen to lead into full time employment at IFOK or MCG. The fellowships are remunerated, thus maintaining IFOK and MCG's continued commitment to decent working practices and opportunities. In 2010, five fellows successfully completed the first fellowship programme; eight new fellows currently form the second cohort of the programme that will end in Spring 2011.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility

Our contribution to environmental solutions is guided by strict internal policies. 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.

Actions to reduce greenhouse gas emissions and waste

With carbon dioxide being the primary cause of human-induced global warming, we work to analyse, identify and substitute our impact as much as possible. One area in which we seek to

manage our impact is in our need for transport. We have a travel and car policy that aims to reducing greenhouse gas emissions. Our employees are required to use the most environment-friendly means of transportation whenever possible - primarily public transport. IFOK supports the use of public transport by financing reduced pricing schemes (BahnCard 50) which are available to employees also for private use, thus making public transport attractive for private activities, too.

IFOK demands that all company cars be used in accordance with the European Union standards for fuel consumption and CO₂ emissions. Some

company cars are pooled and available on a per needs basis. Fuel consumption and CO₂ emissions from company cars are recorded. Company cars are leased, and we make sure that they are equipped with the best available filter technology to reduce emissions of fine particulate dust. Many of our employees have organised private car pools for their commute to work or for client appointments.

Moreover, IFOK has established a system for telephone and video conferences for internal meeting across offices as well as with clients. 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 reduce energy consumption. All office materials are chosen according to environmentally friendly purchasing guidelines.

At IFOK we build awareness to reduce our waste creation and printing activities by promoting double-sided printing. For office printing, we exclusively use 100% degradable and recyclable paper that is certified totally chlorine free, licensed by the Nordic Swan and certified by ISO 9001 and 14001 as well as licensed by FSC.

Actions to disseminate greater environmental responsibility

Further Actions

Apart from our focus on principles 6 and 8, we have taken further actions and initiatives to support principles of the Global Compact initiative and to work towards sustainability goals:

Business and Family

Since 2007 IFOK has been working for the Robert Bosch Foundation on the design, coordination and implementation of the project "Business and Family". The project seeks to foster innovative business models to help parents align the demands of work and private life, including children, family and care responsibilities.

Via our intranet we are able to facilitate an exchange between and amongst employees on suggestions and best-practises within the office surroundings. Our continuous improvement system is also a well received and actively used forum for improvements and innovative suggestions to help reduce our environmental impact and to reward environmental responsibility.

In the context of our consultancy work, we have been commissioned with communicating the potential offered by environmentally friendly technologies and standards. In the context of disseminating processes, such as brown-bag lunches and interdepartmental presentations, we have communicated sustainability-related projects and their outcomes amongst our employees, thus facilitating joint learning and criticism. In 2010 IFOK advised clients on CO₂ compensation processes for activities within projects and has continued to emphasise environmental standards and protection in all its internal and client projects.

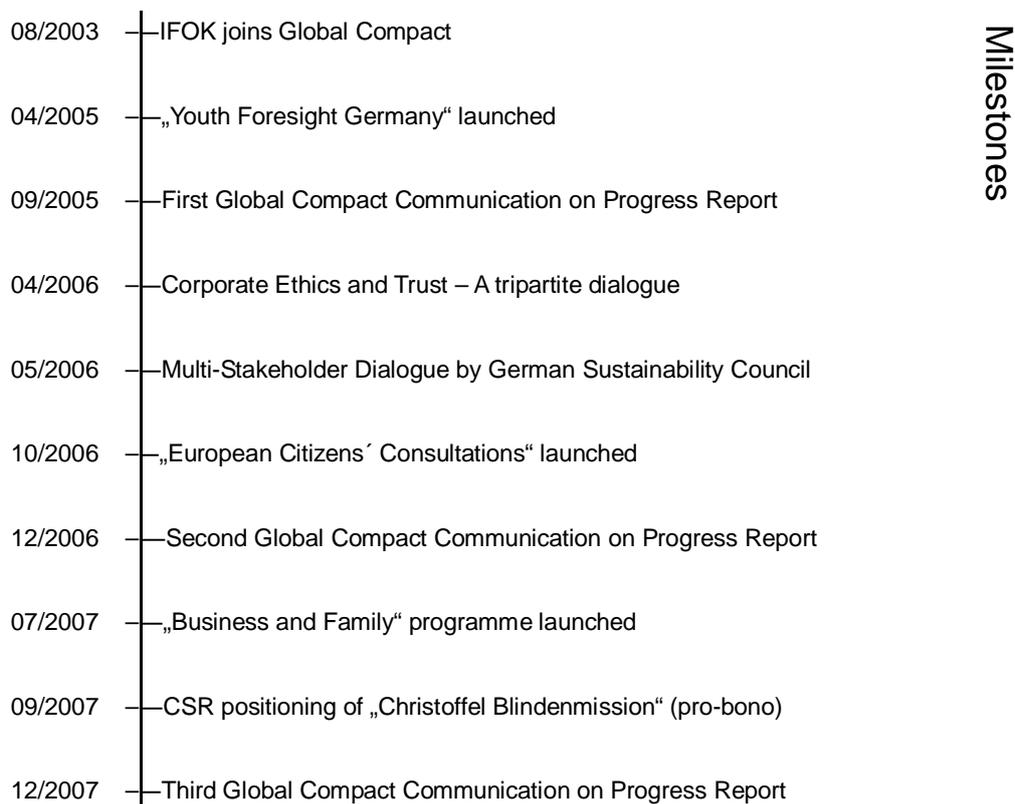
IFOK lays great importance on the use of organic, wholefoods, seasonal and regional products in our offices. We believe in the merit of unprocessed and local foods and offer these – notably as fruit for customers and employees free of charge in our offices. Most of our fruit is from organic sources. In addition we also purchase regional products, such as fruit and drinks, via local suppliers.

Young Foresight Germany/ Young Foresight Europe

Young Foresight Germany (*Jugend denkt Zukunft*) is a continuous effort, initiated by IFOK, to couple corporate citizenship programmes with the introduction of innovative thinking and corporate culture to young people. The project has been named an official project of the UN decade “Education for Sustainable Development” for the period 2007 – 2009. In 2010 *Jugend denkt Zukunft* was able to implement a number of its project weeks with the educational charity Masifunde, helping it build on one of its current thematic foci of integration. Since 2008 the project has also been adapted to issues of European policy, providing youngsters from across Europe with a voice in European policy. *Young Ideas for Europe* is now in its 3rd iteration with youngsters from all 27 EU Member States developing their ideas for European Climate and Energy policy and debating these with local, national and international politicians.

Supporting Sustainable Strategies at Federal and State Level

IFOK is supporting the German Council for Sustainable Development with conceptual inputs and process organisation. Amongst myriad other activities, we organised the peer review process for the German Sustainability Strategy, which gave rise to a key report presented to the German Federal Chancellor. For the States of Hesse and Baden-Wuerttemberg we have designed and are implementing sustainability strategies involving business, politics and society to help advance environmental, social, and economic sustainability at regional and State level. In September 2010, IFOK and the State of Hesse initiated the first State-wide “Sustainability Day” which included more than 300 activities and initiatives throughout the State and engaged more than 500.000 citizens.



06/2008	IFOK joins "Diversity as an Opportunity"- The Charter for Diversity
06/2008	Start of the E-I Award
06/2008	Launching Sakhela Imfundo e.V. by the IFOK Young Professionals
12/2008	Fourth Global Compact Communication on Progress Report
12/2008	IFOK as Observer at the COP 14 in Poznan
12/2008	Start of the Relaunch of the Young Professionals Programme
07-11/09	Supporting Peer Review on the German Sustainability Strategy; presented to the Federal Chancellor in November
11/2009	Start of IFOK's Sustainability Fellow Programme
12/2009	IFOK as Observer at the COP 15 in Copenhagen
12/2009	IFOK Study on the Adaptation of Climate Change published
12/2009	Fifth Global Compact Communication on Progress Report
12/2010	Sixth Global Compact Communication on Progress Report

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