



United Nations Global Compact
United Nations
New York, NY 10017
USA

Saarbruecken, 05 January 2017

Communication on Progress

Year: 2016

To whom it may concern:

Being a good corporate citizen is an ambition enthusiastically embraced at all levels within our company. As a member of a Global Compact, we believe that our business policies incorporate the ten principles. Our board fully supports our actions in working towards sustainability goals – in particular those contained in the UN Global Compact – and endorses the future priorities and specific targets we set out in our re-port. Through our support of the United Nations Global Compact, we also aim to move the agenda for-ward on performance related to human rights, labor rights, the environment and the fight against bribery and corruption. Here we summarize the progress we have made against these principles and we will con-tinue to follow them up in the future.

Yours sincerely,

Christian Wachter
(Member of the Board, IMC AG)

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Company Profile

IMC is one of Europe's largest providers of comprehensive **solutions for technology-enhanced learning, training, education, and staff development**. The company was established in 1997 by Professor August-Wilhelm Scheer, internationally re-cognized scholar, entrepreneur and expert in business process management. Since then, IMC has developed solutions related to the development of e-learning courses as well as to the design and implementation of technical and professional infrastructures (e.g. learning management system design and implementation; implementation of integrated e-learning infrastructures etc.) for e-learning, distance education, and staff development. IMC operates from its **headquarters** in Saarbrücken, Germany. Further offices and **subsidiaries** are located in Freiburg, Munich, Zurich (Switzerland), Graz (Austria), London (UK), Sibiu (Romania), Melbourne (Australia), Scottsdale (USA), and Singapore.

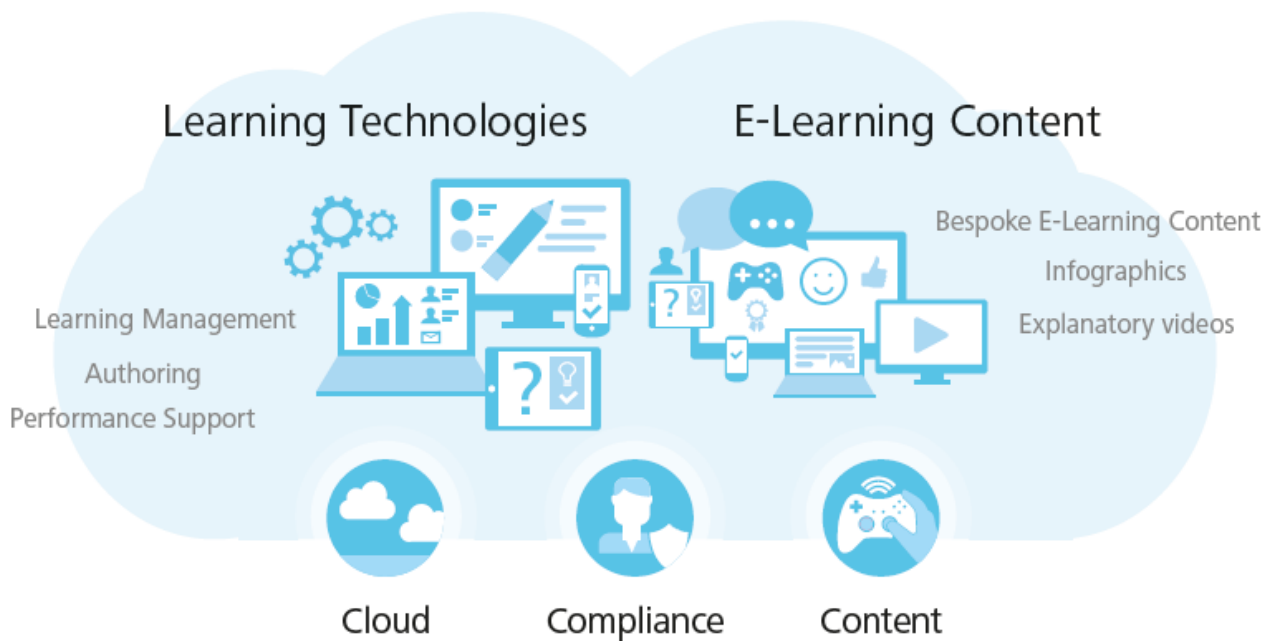


Company	IMC Information Multimedia Communication AG
Address	Scheer Tower, Uni-Campus Nord 66123 Saarbrücken Phone: +49 681 9476-0, Fax +49 681 9476-530 E-mail: info@im-c.de www.im-c.com
Founding year	1997
Associates	Scheer GmbH (60%); Dr. Wolfgang Kraemer, Frank Milius, Dr. Volker Zimmermann (13,33% each)
Executive Board	Dr. Tobias Blickle, Rudolf Keul, Christian Wachter
VAT No.	DE 812 187 208
Commercial Register No.	HRB 13338
UNGM Registration No.	161680

Products and Services

IMC's focus is on providing customers with a comprehensive portfolio of innovative products and services:

- **New Media and e-Learning Content Production:** IMC provides professional services covering the whole value chain of bespoke e-learning content design and production. IMC runs content projects from customized planning to instructional design, storyboard development and realization up to the roll-out, dependent on customer's requirements and time frame. IMC is experienced in working with different learning content formats, i.e. classic e-learning programs (web-based training courses), serious games, smartphone apps, interactive video, e-books, as well as games and training content for mobile websites.
- **Consulting Services:** IMC helps organizations to (re)organize their learning processes and to select, implement, adapt and integrate suitable software systems and technologies. IMC's consultants perform in-depth need analyses before proposing the right learning management strategy, always considering client specific demands and learning cultures. Consulting services range from the technical implementation of our products to the conceptualization of an organization's complete e-learning offering; they include training and coaching services on the instructional design and technical implementation of interactive training content. Service implementation and project management are based on PRINCE2.



IMC Products and Services

- **E-Learning Authoring tools:** The IMC Content Studio is a high-end e-learning authoring tool able to meet the highest demands. It is a multiple test winner in usability, productivity, functionality and price-performance ratio. The authoring environment is also the perfect solution for the easy and efficient creation and evaluation of exercises, tests, exams and assessments.
- **Learning and Talent Management System:** The IMC Learning and Talent Suite (ILS) is one of the leading Learning Management Systems (LMS) on the market. It is a state-of-the-art software solution that enables decentralized implementation of multimedia-enhanced teaching and learning offerings within a centrally coordinated organizational framework and organization-wide administration structures. The ILS is top-ranked in the Gartner Group's market survey on Corporate Learning Solutions and has received high marks in other market analyses (e.g. Bersin & Associates).
- **Electronic Performance Support:** The IMC Process Guide is a software solution for the process-oriented, workplace-integrated support of users of software systems, e.g. SAP, MS Office, Peoplesoft, as well as a broad range of legacy systems.
- **On-demand Learning Services** include hosting services for learning environments as well as "Software as a Service" arrangements for our customers. IMC implements ITIL guidelines for IT services; a 24/7 ITIL-based service desk for software products is available.

Standards

Quality management at IMC is organized on the basis of the international ISO 9001 standard. IMC holds a recognized **DIN EN ISO 9001:2008 quality management certificate** and applies a regular schedule for external audits.

Since 2015, IMC has also been **ISO / IEC 27001:2013** certified, proving the implementation and maintenance of a state-of-the-art **Information Security Management System**.

In December 2015, IMC underwent an Energy Efficiency Audit according to **DIN EN 16247-1** in order to implement **EU Directives on Energy Efficiency (2012/27/EU)** and **Energy Service Providing (2006/32/EG)**.

To ensure the quality of services we follow the **PRINCE2** project management standard. IMC's consultants are PRINCE2 trained and certified. Finally, IMC supports the **United Nations Global Compact** principles.

Reference Projects with United Nations Organizations

Since 1997, IMC has conducted a great number of projects related to the design and development of interactive, multimedia e-learning content. The **following figure shows some projects IMC has implemented with UN organizations:**



UNIDO

Business process and IT support for SAP ERP implementation. Development of digital learning and training material; set-up of a Virtual Learning Resource Catalogue and Library.



United Nations Office on Drugs and Crime

UNODC

Design, development and localization of interactive multimedia training courses for law enforcement officers. Topics e.g.: Smuggling of migrants, Human Rights, Risk Management. Five-year contract.



UN(DESA)

Design and development of an online training „Strategies for Strengthening Public Sector Human Resource Management Capacities for Africa's Development“; Division for Public Administration and Development (DPADM).



The UN Refugee Agency

UNHCR

Long-Term Agreement covering the instructional design and development of e-learning products and courses on behalf of UNHCR's Global Learning Centre (GLC).



UNICEF

Design and development of e-learning modules on Results-Based Management. Two Long-Term Agreements on "Rapid e-Learning development of online self-learning modules" and "Video-based Learning Production".



UNFPA

Analysis, design and development of a game-based e-learning course for fixed assets practitioners at UNFPA. Three-year Long-Term Agreement on maintenance and localization of e-learning modules.



UNDP

Long-Term Agreement on the design, delivery, and maintenance of web-based learning solutions.



UN WOMEN

Design and development of several self-paced e-learning courses, e.g. on Care Economy, Masculinities, The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW).

Selected Reference Projects with UN Organizations

Communication on Progress

The following table lists activities and shows progress made toward achieving positive results with regard to the Ten Principles. To the extent available, performance indicators and quantitative data are provided. Different colors highlight the areas of human rights, labor standards, the environment and anti-corruption, i.e. the core field of actions to which the Ten Principles belong.

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	<p>IMC acts in conformity with human rights legislation and considers its prescriptions especially with regards to following points:</p> <p>Work Conditions</p> <p>It is one of the main objectives of IMC to create a safe and healthy work environment for its employees according to existent international standards. Appropriate steps are taken to prevent accidents or injury for health arising out of or occurring during the work.</p> <p>IMC's headquarters, the Scheer Tower, provides employees with a state-of-the-art working environment. In addition, all IMC subsidiaries meet highest standards for safe and sane working environments. In 2016, an on-site inspection for workplace safety took place resulting in the definition of measures for improvement. The inspection was</p>

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	<p>combined with a voluntary offer for ergonomics consulting, addressing the correct setting of the workplace (desk, chair, screen, light) and healthy body posture, preventing back pain and muscle tenseness. About 60 staff made use of the ergonomics consulting. In each subsidiary, there is a security officer, who is trained in first aid and can be contacted in any case of injury. The security officer is also responsible for risks of injury or any dangerous situations. Furthermore, there is a fire prevention officer in each subsidiary, responsible for evacuation in case of emergency. IMC currently has 15 fire prevention officers in Germany who are trained once per year.</p> <p>IMC employees have always access to drinkable water. A small kitchen is available in every IMC building, IMC's headquarters also have a snack-bar and canteen.</p> <p>Wages and Salary</p> <p>IMC ensures "equal pay for equal work" using a transparent remuneration scheme for permanent staff irrespective of any personal circumstances such as gender. A Career Growth System was introduced in 2016, defining the requirements to be met for achieving different career levels in Technical resp. Management Career Paths (see below) for the various departments, which are available to all employees.</p>

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year																					
	<div><table><thead><tr><th>Career Level</th><th>Technical Career Path</th><th>Management Career Path</th></tr></thead><tbody><tr><td>5</td><td></td><td>Q5</td></tr><tr><td>4</td><td>Q4</td><td>Q4</td></tr><tr><td>3</td><td>Q3</td><td>Q3</td></tr><tr><td>2</td><td></td><td>Q2</td></tr><tr><td>1</td><td></td><td>Q1</td></tr><tr><td>E</td><td></td><td>QE</td></tr></tbody></table><div>Career Growth</div><div>Development Center</div></div> <p>Labor is being paid in conformity with national legal standards. Wages and salaries paid are enough to meet basic needs of the employees. Also IMC employees can benefit from special arrangements concerning retirement provisions and other compensations for capital accumulation purposes.</p> <p>All employees are provided with written information about wages and salaries to be paid during their employment time before they enter the employment.</p> <p>Wages and salaries are to be paid in case of force majeure circumstances, such as natural</p>	Career Level	Technical Career Path	Management Career Path	5		Q5	4	Q4	Q4	3	Q3	Q3	2		Q2	1		Q1	E		QE
Career Level	Technical Career Path	Management Career Path																				
5		Q5																				
4	Q4	Q4																				
3	Q3	Q3																				
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1		Q1																				
E		QE																				

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year																																																			
	<p>disaster, resulting in interruption of operations or financial crises influencing financial stability of the firm.</p> <p>With regard to its international subsidiaries, IMC makes sure to be compliant with national legislation, collective wages and employment conditions of the respective countries, drawing from professional legal support.</p> <p>Selected performance indicators:</p> <p>The following table shows the current distribution of staff according to gender and age criteria. It also shows IMC's performance in achieving a gender-balanced workforce:</p> <table border="1"> <tr> <th></th><th></th><th>2011</th><th>2012</th><th>2013</th><th>2014</th><th>2015</th><th>2016</th></tr> <tr> <td rowspan="2">Gender</td><td>Female (in %)</td><td>29</td><td>33</td><td>35</td><td>37</td><td>37</td><td>33</td></tr> <tr> <td>Male (in %)</td><td>71</td><td>67</td><td>65</td><td>63</td><td>63</td><td>67</td></tr> <tr> <td rowspan="3">Age groups</td><td>< 30 years old</td><td>20</td><td>24</td><td>26</td><td>25</td><td>58</td><td>82</td></tr> <tr> <td>30-50 years old</td><td>75</td><td>71</td><td>69</td><td>70</td><td>156</td><td>134</td></tr> <tr> <td>> 50 years old</td><td>5</td><td>5</td><td>5</td><td>5</td><td>6</td><td>9</td></tr> </table>									2011	2012	2013	2014	2015	2016	Gender	Female (in %)	29	33	35	37	37	33	Male (in %)	71	67	65	63	63	67	Age groups	< 30 years old	20	24	26	25	58	82	30-50 years old	75	71	69	70	156	134	> 50 years old	5	5	5	5	6	9
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	<p>Specific plans for 2017:</p> <p>IMC will continue its efforts to ensure favorable working conditions for its entire workforce regardless of the location. IMC will continue to strive for gender-equality and a non-discriminatory working environment for company staff.</p>
<p>Principle 2: Businesses should ensure that they are not complicit in human rights abuses;</p>	<p>IMC respects and acts in conformity with the norms of applicable legislation in the regions it operates.</p> <p>IMC is committed to the concept of fair dealing. Each director, officer and employee should deal fairly with the Company's suppliers, customers, employees and competitors. No one should take their advantage of another by manipulation, concealing information, misrepresentation or other similar practice.</p>
<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p>	<p>IMC accepts the right of employees to freedom of association and collective bargaining in accordance to local labor legislation. Employees have the right to join or to form trade unions. Employees' representatives are not discriminated and have an ability to carry out their representative functions in a work place.</p>
<p>Principle 4: Businesses should support the elimination of all forms of</p>	<p>All labor is sourced from the open labor market, employment is freely chosen and there is no forced, bonded or involuntary prison labor. All IMC employees are provided with</p>

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forced and compulsory labor;	<p>labor contracts and may resign at any time they consider appropriate.</p> <p>In addition, IMC offers the following benefits to its staff:</p> <ul style="list-style-type: none"> - Accident insurance - Company pension scheme. <p>Specific plans for 2017:</p> <p>IMC plans to significantly reduce the number of overtime hours worked especially during peak periods. Smoother internal processes are currently developed and tested, and are planned to be implemented for all staff in 2017.</p>
Principle 5: the effective abolition of child labor;	<p>IMC doesn't source workforce from child labor. It acts in accordance to following rules:</p> <p>The course of action taken shall be in the best interests of the child, conform to the provisions of ILO Convention 138 and be consistent with the United Nations Convention on the Rights of the Child.</p> <p>Every employee under 18 should be enabled to attend and remain in quality education until no longer a child.</p> <p>Children and young persons under 18 shall not be employed at night or in dangerous conditions.</p>

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<p>Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.</p>	<p>It is the policy of IMC to ensure that no job applicant or employee receives less favorable treatment on the grounds of sex, race, marital status, disability, age, part-time or fixed term contract status, sexual orientation or religion, or is disadvantaged by conditions or requirements that cannot be shown to be justifiable.</p> <p>Abusive, harassing or offensive conduct by an officer and employee is unacceptable, whether verbal, physical or visual. All employees have to sign an anti-discrimination statement.</p> <p>Officers and employees should report any potential incident of harassment to the Human Resources Manager when it occurs. IMC emphasizes that discrimination is unacceptable conduct which may lead to disciplinary action under the organization's Disciplinary Procedure.</p> <p>IMC recognizes the great benefits in having a diverse workforce with different backgrounds, solely employed on ability.</p> <p>IMC supports part-time work and flexible working arrangements that are possible also in management positions.</p> <p>In 2016, IMC has cooperated with inter-governmental agencies on developing e-learning</p>

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
	<p>modules on gender issues, such as elimination of discrimination against women, violence against women, gender responsive budgeting, and ethics and integrity. The modules are designed for a global audience; in particular, they address professionals in the humanitarian sector and provide guidance and support to their work.</p> <p>Furthermore, IMC implemented the non-profit project "Cost Effective, Quality, Skills Education for South African Youth", aiming to increase access to and capacity of higher and further education and training in South Africa. IMC therefore developed diagnostic tests and bridging courses in "Numeracy" and "English Literacy" to increase the admission rate to Technical Vocational Education and Training colleges in South Africa, as well as providing free and online accessible high quality training material to those who lack the opportunity to visit a college. In addition, IMC supported the colleges in digitizing their learning material and in the development of their own institutional future technology plans. The project was funded by DEG (Deutsche Investitions- und Entwicklungsgesellschaft), a subsidiary of KfW Development Bank.</p>

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year						
	Selected performance indicators:						
		2011	2012	2013	2014	2015	2016
	Nationalities of full-time staff	21	24	29	31	31	30
	Gender equality (% of female full-time staff)	29	33	35	37	37	33
	Specific plans for 2017:						
	A culturally, ethnically, and linguistically diverse workforce has turned out beneficial for the company’s overall business performance in the past. IMC will continue its efforts in this regard making sure that the company’s corporate culture welcomes diversity in all respects.						
Principle 7: Businesses should support a precautionary approach to environmental challenges;	IMC promotes perceived attitudes to resource management and resource expenditure in relation to environmental background. All operations have to be completed undue any negative impacts on human beings or environmental pollution. In 2016, IMC has cooperated with inter-governmental agencies on developing e-learning modules on various environmental issues. The modules are designed for a global						

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
	audience; in particular, they address professionals in the humanitarian sector and provide guidance and support to their work.
<p>Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility;</p>	<p>In December 2015, IMC underwent an Energy Efficiency Audit according to DIN EN 16247-1, as required by the new amendment to the German Law on Energy Service Providing (EDL-G) that implements the EU Directives on Energy Efficiency (2012/27/EU) and Energy Service Providing (2006/32/EG). The audit report was made available in 2016, containing recommendation for measures of improvement which are successively implemented.</p> <p>IMC continues the use of an additional line in all employees e-mail signature: <i>"Please consider the environment before printing this e-mail."</i> to avoid waste of paper not only internally, but also outside the house.</p> <p>Travel policy of IMC underlines that employees must respect environmental standards when booking flights and hiring cars. Thanks to a more diversified staff distribution in the branch offices (e.g. more New Media and Sales employees in the Munich Office), travel efforts can be significantly reduced for visiting local clients. The same principles are applied with regard to subcontractors wherever possible. These measures contribute to a reduction in CO2 emissions, travel costs and strain on employees, thus improving</p>

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	<p>their work-life balance.</p> <p>IMC practices waste separation, according to the German law. In 2016, IMC's Munich Office changed from paper towels to washable cloth towel rolls, avoiding waste of paper. In addition, IMC has cooperated, in 2016, with inter-governmental agencies on developing e-learning modules on various environmental issues. The modules are designed for a global audience; in particular, they address professionals in the humanitarian sector and provide guidance and support to their work.</p> <p>Specific plans for 2017:</p> <p>IMC will take the measures identified by the Energy Efficiency Audit conducted in 2015 in order to improve its energy management and enhance its environmental responsibility.</p>
<p>Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies</p>	<p>The "Green IT" concept is widely advocated for IMC. Challenges, which result from complexity of environmental protection, have large influence on IT- development and usage spectrum:</p> <p>New media channels for educational programs are offering chances to promote environmental protection.</p>

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	<ul style="list-style-type: none"> • Learning Solutions become a core competence of Green IT because they can substitute business trips and face-to-face meetings, and hence they reduce CO2 emissions, the travel cost budget and the strain on employees, thus improving their work-life balance. • The term "Green IT" marks information technologies which make significant ecologic contribution. Reducing a travel route by 1 km reduces the CO2 emission by an average of approximate 204 gram – in comparison to this, the energy use produced by the IT is negligible. A virtually conducted meeting or an e-learning course with 12 students would reduce the CO2 emission by 244 kg, given an average travel route of 1,200 km. • IMC has increased the use of Web Meetings and Virtual Classroom Sessions for internal communication and cooperation as well as for project coordination meetings with customers. This action reduces the need for travelling and contributes to the reduction of CO2 emissions. IMC intends to further expand its activities in this area in the coming years. • IMC supports the DHL GoGreen climate protection projects by combining its shipments with DHL GoGreen services whenever possible. DHL calculates CO2

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	<p>emissions generated by transport using a method based on the ISO 14064 standard. In accordance with the specifications of the Kyoto Protocol; these emissions are offset by climate protection projects.</p> <ul style="list-style-type: none"> • IMC also has increased and intensified its business operations in the area of “cloud computing”, providing professional services to its customers via hosted IT environments. This allows for synergies in the use of IT systems via shared IT infrastructures; in 2013, IMC received the “Cloud for Society Award” for its business operations in this area. The award also covers “green IT” aspects of IT operations. • In 2015, IMC has launched cloud-based versions of its authoring tool IMC Content Studio named “IMC Teach” and its performance support tool IMC Process Guide. • IMC has reduced the number of company cars with high CO2 emissions. With regard to reducing CO2 emissions, SUVs have been banned completely from IMC’s car pool. <p>In addition, IMC has cooperated, in 2016, with inter-governmental agencies on developing e-learning modules on various environmental issues. The modules are designed for a global audience; in particular, they address professionals in the</p>

Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
	humanitarian sector and provide guidance and support to their work.
<p>Principle 10: Businesses should work against all forms of corruption, including extortion and bribery.</p>	<p>All directors, officers or employees shall comply fully with all laws affecting the business of IMC, including, without limitation, all laws prohibiting insider trading, money laundering, bribery, improper payments and anti-competitive activities.</p> <p>The consequences to the company and its directors, officers and employees of any departure from this policy can be very serious. If a criminal violation has occurred, the company will take appropriate steps to stop the criminal conduct and to prevent such conduct from reoccurring.</p> <p>In order to foster compliance with anti-corruptions rules in a broad range of business operations, IMC has developed an interactive training curriculum available for use in organizations of all kinds. In addition, IMC has broadened its product portfolio with an online compliance management system which is used by IMC customers in order to effectively provide compliance relevant training to their workforce.</p> <p>Since 2015, IMC has been certified according to ISO / IEC 27001: 2013, proving IMC's Information Security Management System. State-of-the-art data protection in new digital processes, combined with staff trainings, contribute to a safer environment against</p>

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	<p>corruption.</p> <p>IMC is cooperating with inter-governmental organizations on developing e-learning modules on corruption prevention, internal controls and raising fraud awareness. They are targeted to a global audience of professionals in the humanitarian sector.</p> <p>Specific plans for 2017:</p> <p>IMC will continue cooperating with inter-governmental organizations on developing e-learning modules on corruption prevention in order to increase their impact.</p>

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