

COMMUNICATION ON PROGRESS for the UN Global Compact

Roland Berger GmbH

Reporting period: October 2018 to December 2019

About Roland Berger

Roland Berger, founded in 1967, is the only leading global consultancy of German heritage and European origin. With 2,400 employees working from 35 countries, **we have successful operations in all major international markets.** Our 52 offices are located in the key global business hubs. The consultancy is an independent partnership owned exclusively by 230 Partners serving around 1,000 international clients.

We consider corporate responsibility to be a strategic business approach. From our consulting experience we see that corporate responsibility has gained relevance for international companies in recent years, as it reconciles economic, social and environmental success.

As a global company, we live up to our social responsibility by treating our employees, clients, suppliers and the environment responsibly. We are a social community made up of different people from many nations with diverse backgrounds and outlooks. As a business, we are also part of a community – namely, the society in which we work.

About this report

This report illustrates how Roland Berger GmbH, as the German pillar of our group of companies, is working to bring the Global Compact to life in our consulting operations.

This Communication on Progress is the seventh report since Roland Berger Strategy Consultants GmbH became a member of the UN Global Compact. In September 2015, we changed our name to Roland Berger GmbH. The following report describes the current status, past development and what we plan for the future, by setting goals related to the ten principles of the Global Compact.



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.
We welcome feedback on its contents.

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Our Managing Director's declaration of continued support

Since 2012, Roland Berger has been committed to making the Global Compact and its principles part of our company's strategy, culture and day-to-day operations. This letter underscores our intent to endorse these principles within our sphere of influence.

In the following report, we describe our company's efforts to implement the ten principles in our core business activities.

In May 2019, we launched a "Global Employee Engagement Survey" of all employees to kick-off a continuous feedback and improvement process. Over 80% of our employees have taken part in at least one of the surveys so far. Our goal is to create more transparency on overall employee satisfaction, identify best practices and improvement potential, and to offer an additional channel for compliance matters. Regularly communicating the results to the employees is also part of the process.

Compliance and standards have become even more important for our global operations, especially with our increasingly complex business footprint, which covers many emerging markets. We regularly update our Global Compliance Policy with new rules regulating business activities in sanctioned countries. Furthermore, we have introduced a new anti-corruption and anti-bribery policy as a supplement to our Code of Conduct, underlining the importance of this element. A dedicated "Know your Customer" process for emerging and high-risk markets has become part of our global compliance process.

Diversity remains an important topic for our company. Roland Berger strives to offer an inclusive working environment where all colleagues are valued and respected and can be themselves. Several initiatives have been realized in the last year to support this vision.

I am pleased to confirm our continued support of the ten principles of the Global Compact with respect to human rights, labor, environment and anti-corruption. We will continue and further increase our efforts to move forward in the four areas of the Global Compact over the next 12 months.

A handwritten signature in black ink, appearing to read 'Stefan Schaible', written in a cursive style.

Stefan Schaible
Managing Director
Roland Berger Holding

Human rights

COMMITMENT | IMPLEMENTATION | GOALS

Principle 1 | Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2 | Businesses should make sure they are not complicit in human rights abuses.

OUR COMMITMENT

Roland Berger explicitly supports the protection of human rights. We emphasize this support in our primary policy document: the Code of Conduct. We are committed to ensuring that we as a company, as well as our employees as individuals, respect and uphold human rights in every way.

CURRENT STATUS OF IMPLEMENTATION

Our commitment to protect all human rights is not only anchored in our **Code of Conduct, but also enacted in the form of various established processes and control mechanisms.**

HUMAN RIGHTS

The Code of Conduct is a compulsory contract annex for all employees, freelancers and subcontractors. Additionally, an e-training session with a compliance test is compulsory for all permanent employees. Designed as an introduction course, this training session aims to foster awareness of the issue of ethical behavior. Any failure to complete this course is reported to the Compliance Officer, who acts accordingly. If employees suspect a human rights violation, they can communicate their information to the Compliance Officer through a number of channels. We are proud to say that to date no human rights violations have occurred at Roland Berger. In order to encourage our people to report irregularities, abuses and risks, we set up a totally anonymous internet-based whistle-blowing platform in 2014. A substantial number of our employees have read our intranet information on the whistle-blowing system, but no incident has been reported via this platform since its introduction.

HEALTH & SAFETY

We care about the well-being of all our employees, so we have a comprehensive network of health and safety measures in place to address issues such as stress resilience. Roland Berger employees are encouraged to make full use of their annual vacation days. A trust-based vacation policy has been implemented for our managers, to ensure sufficient down time. To allow better balancing of work and life, we have increased the number of paid vacation days for all our employees.

The "Office Friday" policy stipulates that consultants should spend Fridays at their local offices instead of with the client. In addition, to deal with potential situations of high pressure, a series of two stress management seminars is offered as part of the regular seminar curriculum. In 2018, we held twelve seminars for a total of 130 experienced consultants and service staff. We also introduced the "Team Barometer" tool eight years ago to monitor team atmospheres and situations of extraordinary stress and pressure.

We perform annual workplace inspections to ensure the health and safety of our employees. On these occasions we make sure that the rooms and office equipment meet the highest ergonomic standards. Should any employee ever have a concern or special needs, we promise to take action to meet their requirements.

Since travelling is necessary for all our employees, we have control mechanisms to ensure their safety. To offer optimal care and coverage, Roland Berger has engaged a globally acting service provider to help us with medical, health, insurance and security matters. The services it provides include a 24/7 hotline for all colleagues, emergency services worldwide (for health or security problems) and pre-travel advice on security situations, medical standards and visa information. We provide our employees with an e-training session about the services provided within our travel community. All employees are encouraged to download an app ensuring immediate alerts in their travel country about unforeseen events such as terrorist attacks or natural disasters. We also track whether any colleagues are in the country or city concerned. Affected colleagues are contacted directly to arrange a safe trip home or hotel bookings and to offer general care. In the event of insecure situations over protracted periods, Roland Berger tries to arrange long-term solutions.

SUPPLY CHAIN MANAGEMENT

Since we are a service provider, our supply chain is not usually confronted with human rights issues. Our employees all work for us of their own accord and are all of legal age. The prevention of forced or compulsory and child labor is not explicitly phrased in our internal guidelines thus far, mainly because German legislation addresses and enforces a respective corporate behavior. The elimination of these issues is of course a very important topic that must not be disregarded. Our Human Resources department and Compliance Officer are not only designated, but well equipped to deal with any situation regarding human rights at Roland Berger.

EMPLOYEE ENGAGEMENT

We truly believe that our company's success is not only about market performance but strongly driven by our people and culture – and that it can always get better. In May 2019, we therefore decided to launch a "Global Employee Engagement Survey" for all employees, to kick-off a continuous feedback and improvement process. This survey regularly reflects the way we work and communicate with each other and the way we help our people develop. Our goal is to create more transparency on overall employee satisfaction, to identify best practices and improvement potential, and to offer an additional channel for compliance matters.

ACHIEVEMENT OF GOALS

In the last Communication on Progress, we defined some objectives that we wanted to achieve in order to continuously improve and expand our actions in the field of human rights protection.

GOALS	COMMENT
We want to keep the rate of successfully completed e-trainings on the Code of Conduct at least at the same level.	We fully achieved this goal. An e-training course with a compliance test is compulsory for all permanent employees to foster awareness of the issue of ethical behavior.
We want to select and pilot a new e-training course on the Code of Conduct that allows us to issue and monitor "refresher" courses on specific topics concerning the Code of Conduct.	We fully achieved this goal. In 2018, we held twelve seminars for experienced consultants and service staff (eight seminars in 2017).
We want to select and pilot a new app-based "Employee Engagement Survey" in Germany to gain more transparency regarding the mood and workload in the organization.	We fully achieved this goal. The tool was piloted in early January 2019 and then rolled out across all Competence Centers and countries.

GOALS FOR THE FUTURE

In the future we will of course remain committed to the protection of human rights within our sphere of influence. Particularly, we will strive to reach the following goals:

- We want to keep the rate of successfully completed e-training courses on the Code of Conduct at least at the same level.
- We want to select and pilot a new e-training course on the Code of Conduct that allows us to issue and monitor "refresher" courses on specific topics concerning the Code of Conduct.
- We want to keep the number of stress management seminars at the same level.
- We want to develop the "Employee Engagement Survey" into a regular and globally accepted process for constant feedback and improvement.
- We aim to increase the number of colleagues participating in our work and life balancing programs by 10%.

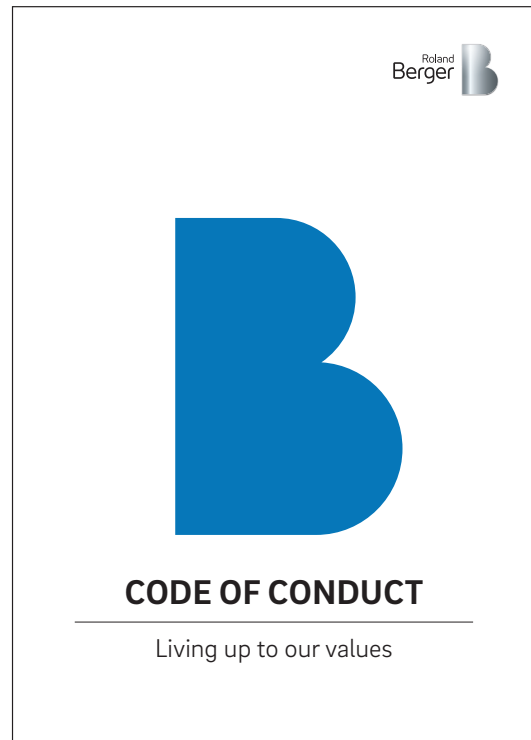
Responsible business

Many of the issues that the United Nations Global Compact addresses are explicitly covered by German and EU law, which companies based in Germany must observe. As a German company, Roland Berger GmbH does so too. **But we go further, proactively taking steps in line with the guidelines set out by the Global Compact.**

By introducing our Code of Conduct in 2004, Roland Berger established general rules for ethical behavior in our business dealings. That document is a formal element of every employment contract we offer, and we expect our employees to comply with it. Additionally, all Roland Berger Partners have to confirm their compliance with the Code of Conduct on a yearly basis.

Our compliance management system encompasses all tools and mechanisms that define and implement the principles and values of our organization, including the guidelines of the Code of Conduct. Thus, it allows us to uphold them in our strategic and operational business.

The code was designed to meet the specific demands faced by Roland Berger. It provides guidance for behavior in our dealings with clients, colleagues, suppliers and competitors. Our Code of Conduct is built on the pillars of corporate responsibility, professional integrity, confidentiality, safety and personal conduct.



It covers issues such as data security, anti-bribery and anti-corruption rules, intellectual property rights, insider information, respectful conduct, recruitment standards, health and safety at work, human rights and environmental protection.

To emphasize the importance of anti-bribery and anti-corruption rules we have summarized and supplemented the existing rules in a separate anti-bribery and anti-corruption policy.

Following the implementation of the new European General Data Protection Regulation ("GDPR") during this reporting period, we have revised and expanded our Rules for Handling Inside Information ("Insider Policy"). The Insider Policy provides a comprehensive overview of what needs to be considered when dealing with inside information (e.g. maintaining strictest confidentiality and keeping an insider list) and what the consequences are if the relevant legal provisions are violated.

Moreover, as part of our compliance policy, Roland Berger Group (RB Group) is committed to

obeying internationally applicable Sanctions Law (sanctions as imposed by UN, EU, UKHMT, HKMA, OFAC, or as part of national sanctions law). In this context, specific rules have to be observed in order to ensure compliance with existing laws and regulations. We have expanded and introduced a standardized and regular sanction check, especially on selected high-risk related countries, and extended the list of countries in which we do not provide services.

For a large number of high-risk and emerging countries, we have introduced a binding "Know your Customer" process supported by an external

provider, to ensure that we do not enter into business relationships with companies or individuals that are in conflict with international regulations.

Our Code of Conduct is a living core document of our firm that undergoes constant amendment. Thus, it now even more explicitly covers the four areas that the Global Compact addresses.

**FIND THE LATEST VERSION
OF OUR CODE OF CONDUCT HERE:**

https://www.rolandberger.com/en/Publications/pub_code_of_conduct.html

Labor Standards

COMMITMENT | IMPLEMENTATION | GOALS

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 labor.

Principle 5 | The effective abolition of child labor.

Principle 6 | The elimination of discrimination in respect of employment and occupation.

OUR COMMITMENT

We are committed to providing our employees with a work environment that is **open, friendly and non-discriminatory** and that is fully in accordance with German legislation, our Code of Conduct and the Global Compact.

CURRENT STATUS OF IMPLEMENTATION

Everyone at Roland Berger is dedicated to our three corporate values: **entrepreneurship, excellence and empathy**. These values are an imperative for each of us, and they determine our thoughts and actions. As a result, we undertake continuous efforts to improve our personal skills and professional know-how in our consulting teams.

EDUCATION AND DEVELOPMENT

To provide our clients with the best possible consulting services, we offer our employees a broad educational program with a vast range of both mandatory and optional seminars. These seminars include topics such as methodology, soft and leadership skills and individual coaching. Currently, consultants attend 5-6 days of compulsory training per year. Support staffs typically have 2-3 days of training per year. Relevance of the topics and the quality of the training measures are guaranteed by a carefully arranged selection and quality-management process. In order to prepare our employees to help our clients master the challenges of digitalization, and to support the development of a digital mindset in our company, we have piloted a series of five training seminars on Design Thinking and Agile Methods. For our service colleagues we have been offering the new training course "Digital Fitness Days" since March, with which we offer them the opportunity to learn more about the digital activities of the company and get a taste of the agile methods. In addition, we have also launched innovative digital training formats for all Principals and Partners worldwide.

At Roland Berger, we try to create an attractive, flexible working environment and offer several programs to balance personal and professional life and foster individual development. We enable our employees to pursue their academic interests by sponsoring Master, MBA and doctoral programs and offer a sabbatical to pursue interests beyond Roland Berger's daily operations. To further expand and institutionalize our program portfolio we recently asked all consultants for their preferences and plan to launch new programs over the next months within the "B&me" initiative.

Our common understanding of quality and performance for our clients and the way we all work together is reflected in a climate of equality, respect, openness and constructive feedback.

We have extensive evaluation mechanisms installed: regular project assessments (both top-down and bottom-up) allow employees to voice their opinions on all matters. An additional leadership assessment is held annually. The results of this anonymous feedback have a direct impact on the individual supervisors' remuneration. In 2015, we introduced a new evaluation process to further improve the feedback quality, to make assessment more objective and give even better career and personal development advice. The international participation rate of consultants in these bottom-up assessments for 2018 was 70%, and the service staff participation rate was 60%.

DIVERSITY MANAGEMENT

Diversity is critical to Roland Berger, because as a firm we exist in a diverse society. For us to deliver the next higher standard of service to our clients, we have to reflect the society we exist in. This will allow us to future-proof ourselves in a fast-changing world by embracing all types of talent.

Outstanding management consultants are more than just brilliant analysts and strategists. Above all, they are strong and creative personalities from a variety of backgrounds. Diversity and non-discrimination lie at the heart of our Code of Conduct and are thus part of our business and personal behavior. We acknowledge and value the differences among our workforce, clients and business partners and consider them an opportunity.

Germany's Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz or AGG) is part of every employee's contract in Germany. To underscore its importance, all new employees are required to participate in an e-learning course on this subject. Also, several processes have been installed to ensure equal treatment of all employees.

Roland Berger strives to offer an inclusive work environment where lesbian, gay, bi-sexual and transgender (LGBT+) colleagues are valued and respected, where they can be themselves and can help lead the way for others. In 2016, we started "Just be", our internal global community for gay and lesbian colleagues, which became a caring network for these colleagues and a forum to help them raise questions or concerns. Members of this global community get together annually for a day of networking and brainstorming. Ever since its inception, straight colleagues have been asking if they could also become members of the community to show that they embrace diversity and publicly manifest their moral support. For this reason, we established "Just be Friends" in April, a network of LGBT+ supporters. This year we also went a step further and organized the first "Roland Berger Pride Week" as a company-wide celebration of diversity to support an environment where LGBT+ employees feel safe to be their true and full selves, irrespective of their sexual orientation or identity.

Another step towards more diversity is the formation of a Diversity Committee at Roland Berger. The goal of this committee is to launch initiatives for a diverse workforce, including topics such as LGBT+, women and multiculturalism.

Although women are increasingly active in business today, there is an imbalance higher up in the hierarchies. Women today need to support and inspire one another by sharing their experiences regarding career advancement and professional achievement.

Creating a gender-balanced work environment remains at the top of our management agenda and it is for this reason that Roland Berger hosted several women's events at different venues during the year.

Our company supports various initiatives such as Women in Africa, which aims to create the first global network of women executives and leaders in Africa, and to promote their role and economic, social and political influence in Africa and beyond. Roland Berger is also the sponsor of the Women's Touch Rugby Club at the highly reputed London Business School. Together with the club we organize women's networking and career development events to increase awareness of the role of women in society.

In addition, early this year we published a new study on "Women's leadership in digital times", offering insights into the situation of female leaders in different countries. In 2017, our "Digital Equality" study aimed to provide an international perspective on how digital transformation is changing women's work lives, and the extent to which it facilitates their careers. This time, we wanted to look at the solutions that digitalization could offer to work-life balance issues.

Roland Berger this year also secured a good positioning in a ranking published in April on Focus Money, a German business weekly, which ranked our firm best performer in their "Top Career Opportunities for Women" list. The ranking is based on a social media analysis of several online sources and a written survey of Germany's 5,000 largest companies. The study on which the ranking is based was carried out by the Hamburg Institute for Management and Economic Research (IMWF).

Through our membership in the "Charta der Vielfalt" (Diversity Charta) we express how much we value diversity.

RECRUITING PRACTICES

Roland Berger is a strategic partner of several international business schools whose students have particularly diverse backgrounds. These partnerships further strengthen our diversity approach. Our entire recruiting process of addressing, identifying and selecting new employees is based on talent, performance and potential. Our promotion system is likewise based on transparency, performance evaluation and merit. We apply state-of-the-art methods to ensure an impartial and skill-based decision-making process. The remuneration of our employees is linked strictly to their rank within the company. Employees are rewarded for their work performance, so the remuneration process is transparent.

Our International Staff Exchange Program is also designed to foster diversity at the workplace. In 2018, 142 employees participated in the exchange program and 26 different countries were involved. At the same time, we increased the amount of regular cross-border staffing. Cross-border networking beyond the day-to-day work is enhanced by events like our international kick-off meetings and our development program for high performers: the Challenge Club. This program – which includes the most promising high potentials within the firm – aims to contribute to the individual development of the consultants. The members – up to 62 consultants from 25 countries – meet twice a year for a few days to further develop their personal and business skills and network across borders.

The diversity of our employees is also reflected in the array of nationalities represented in our offices. Currently, Roland Berger in Germany has employees from 16 countries. At the end of 2018, 35% of Roland Berger employees in Germany were female and 15% of employees in management positions were women. Globally at the moment 36% of our employees are female. In order to make consulting more attractive for women we have implemented measures to improve the work and family life balance and we have a special buddy program for female consultants in place. To better attract and retain female consultants and to strengthen the role and number of female leaders, Roland Berger recently launched the "Women in Consulting@RB" initiative. Within this initiative we have introduced special recruiting events and new recruiting formats focused on female consultants (i.e. web chat and university marketing formats). Since September 2017, we regularly compile a management report to track activities and progress of this initiative.

In order to raise awareness for Roland Berger as an employer embracing diversity, consultants and HR colleagues recently teamed up for a recruiting fair specifically targeting LGBT+ high potentials. In June, a group of consultants represented Roland Berger at the Sticks & Stones Job Fair in Berlin for the fifth consecutive year.

WORK-LIFE BALANCE

The company's continuous efforts to create a better work-life balance for our employees – men and women alike – is expressed by the "berufundfamilie" certification which was awarded to Roland Berger six years in a row.

For instance, in 2018, 50% of our employees on parental leave were men. The share of male colleagues who took parental leave rose from 70% to 79%.

To foster the opportunity to combine sports and work, we launched an internal task force in Germany in 2016 with the goal of pushing all kinds of joint physical exercise, and local sports ambassadors were elected. These local sports ambassadors organize and coordinate several sporting events during the year at all German office locations, such as beach volleyball, canoeing or just going for a run together, and for a limited time even personal trainers for small groups of employees.

We are proud to be ranked among the top three employers in our industry in our European core markets. This reflects how the efforts we undertake to create the best possible work environment bear fruit.

B&ME INITIATIVE

Our "Employee Engagement Survey" has proven the increasing demand for flexible working models and individual solutions. We already offer several programs for our employees to balance personal and professional life and foster their development. With "B&me" we move one step further and expand our program portfolio. The program will feature part-time and sabbatical programs and offer the opportunity to ask for additional unpaid vacation days or pitch for entrepreneurial or social leave or other programs. As a first step we conducted a survey to gain transparency about our consultants' priorities. All consultants in Germany, Austria and Switzerland had the chance to participate and indicate preferred programs. Suggestions for 2020 are currently being discussed, based on the survey results. We will certainly not be able to realize every wish immediately but aim at a fair and transparent process.

ACHIEVEMENT OF GOALS

As expressed in the previous report, we aim to further build the diversity of our employees by setting the following goals.

GOALS	COMMENT
<p>We plan to pilot a new onboarding app to support a homogeneous and comprehensive information flow and onboarding process for all consultants.</p>	<p>We fully achieved this goal.</p>
<p>Regarding the seminar program, we want at least to maintain the current level of training days per employee, while introducing new mandatory global training courses to promote "digital readiness" among our consultants and ensure equal training (e.g. Data Science, Design Thinking).</p>	<p>We fully achieved this goal. This year we piloted a series of five seminars on Design Thinking and Agile Methods. For our services colleagues we have been offering the new "Digital Fitness Days" seminar since March.</p>
<p>For 2018/19, we plan to achieve at least the same participation rates in the leadership assessment as in 2017.</p>	<p>We fully achieved this goal. The international participation rate of consultants in the bottom-up assessments for 2018 was 70%, and the service staff participation rate was 60% (last year it was 60% of consultants and 50% of service staff).</p>

GOALS	COMMENT
We want to maintain or even increase the number of participants in the International Staff Exchange Program.	We fully achieved this goal. In 2018, 142 employees participated in the international exchange program (in 2017, 127 employees).
We want to maintain or even increase the number of female colleagues.	We fully achieved this goal. Currently 36% of our employees worldwide are female.
Our targets for 2020 are as follows: 35% female applicants in all regions; 25% women among Senior Consultants and Project Managers (first management level) and 15 new female Partners. Plus one female Partner to be elected to one of our formal governance, one to be represented in local HR committees and one to be in a leadership position (country leadership team or CC head).	We made progress towards achieving our goals in Germany and at a global level. To better attract and retain female consultants we keep working on internal initiatives, special recruiting events and new recruiting formats focused on female consultants.
We want to better support work-life balance by marketing and promoting the use of existing flexible working models.	We partly reached this goal by keeping figures on flexible working models at least stable in 2018. Meanwhile we managed to increase the share of male colleagues making use of parental leave.

GOALS FOR THE FUTURE

In the months to come, we will continue our efforts to reach the goals regarding our work force.

- Regarding the seminar program, we want at least to increase the number of training days per employee, while introducing new mandatory global training courses to promote "data literacy" among our consultants, Principals and Partners (e.g. Data Analytics, Data Science, Data for Leaders).
- For 2020, we plan to achieve at least the same participation rates in the leadership assessment as in 2019.
- We want to increase the number of participants in the International Staff Exchange Program.
- We want to increase the number of female colleagues.
- We want to better support work-life balance and personal development also for our support functions by adapting and extending the "B&me" initiative to include this employee group.
- We want to successfully complete the pilot of our "B&me" initiative by rolling out the first round of measures to support the use of flexible working models, sabbaticals and development programs in Germany, Austria and Switzerland.

RB Global Employee Engagement Survey

We truly believe that our company's success is not only about market performance but strongly driven by our people and culture – and that we can always get better. We therefore decided to launch a "Global Employee Engagement Survey" for all employees early this year to kick-off a continuous feedback and improvement process.

The survey is strictly confidential, anonymous and web-based. Questions cover 14 aspects of working at Roland Berger - ranging from the perceived level of work autonomy, leadership quality, work-life balance and personal development. In addition, a "comment" feature allows all employees to leave their comments, which mentors (or HR) can respond to using the tool's anonymous messaging channel. Anonymity is fully preserved unless the employee decides to switch to a face-to-face conversation.



Our goal is to create more transparency on overall employee satisfaction, identify best practices and improvement potential, and offer an additional channel for compliance matters.

Over 80% of our employees have taken part in at least one of the surveys so far and made over 16,000 comments. We have also received a lot of

positive feedback on the initiative itself, confirming that the approach of creating transparency on our own cultural strengths and weaknesses is leading us in the right direction of change and continuous improvement.

A regular employee communication of the results is part of the process. Most Competence Centers, countries and service departments communicate their survey results during local office and internal meetings and the responsible colleagues are expected to continuously analyze the feedback and enter into personal discussions with their teams. Our countries and Competence Centers are now fully aware of the importance of addressing employee feedback and we are proud to see numerous initiatives evolving from the discussions with the teams, e.g. on work-life balance, better mentoring and diversity.

In Germany, Austria and Switzerland the new "B&me" initiative aims at creating a more flexible work culture by defining individual flexibility measures for employees. Some countries introduced Office Fridays, others offer a "protected evening" on projects, and still others have launched comprehensive programs to make Roland Berger an outstanding place to work.

Furthermore, the comment function enables us to interact directly with the employees on sensitive issues and obtain a qualitative view on the topics that are of utmost importance.

During the next months, we will keep working on this important company-wide cultural transformation process based on the employees' assessment. We want to continue analyzing our employees' feedback in detail, take action and track the impact of the initiated activities in the areas where we can and need to get better.

Environment

COMMITMENT | IMPLEMENTATION | GOALS

Principle 7 | Businesses should support a pre-cautionary approach to environmental challenges.

Principle 8 | Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9 | Businesses should encourage the development and diffusion of environmentally friendly technologies.

OUR COMMITMENT

As a professional services company, Roland Berger is certainly less exposed to environmental issues than many other companies, as our "product" does not have a direct ecological impact. Nevertheless, **we strive to minimize our negative ecological influence**, even though environmental protection is not as central for us as other elements of the Global Compact.

CURRENT STATUS OF IMPLEMENTATION

We believe that within our corporate responsibility we have an obligation toward the environment. Hence, in our operations **we consider environmental protection part of our duty and are committed to contributing our fair share to this important matter.**

ECOLOGICAL FOOTPRINT

The greatest impact on the environment is indisputably created by the traveling done by our consultants. However, we aim to keep our carbon footprint small. Our travel guidelines are intended to encourage cost-conscious, environmentally aware and efficient travel. Our employees can choose between plane, train, leased car, rental car, car-sharing options or public transport as possible modes of transportation. For travel routes with high-speed connections, the train is our preferred means of transport. In 2018, 6,332,119 kilometers of German train travel were realized using environmentally friendly electricity (2017: 5,484,919 kilometers). We also give benefits to every employee who chooses the train instead of the plane. Since April 2019, we have been taking part in a CO₂ compensation program within Germany, Austria and Switzerland, in order to offset our flight emissions (current status: April-June 2019, CO₂ offsetting 435.83 tons).

In addition, we encourage telephone and video conferencing in lieu of travel. All German offices utilize state-of-the-art video conferencing devices, and all employees have an individual equipment set for their laptops. For instance, from 2017 to 2018 we significantly increased our time spent in video conferences worldwide (+26%). And we will try to further improve our equipment in the next year so that our employees use video conferencing even more frequently.

To help our employees be as environmentally conscious in their individual behavior as possible, we provide weekly "Eco Tips" on our intranet. They are posted every Friday in our new "B-Green" community, that is also the place to push this topic at Roland Berger and provide a space for colleagues to effectively share and receive information about the issue, exchange ideas, and participate.

To reduce our environmental impact at the German offices a number of processes have been put in place. For instance, in our central purchasing we select products that meet environmental standards or have relevant certificates. We give preference to regional suppliers of food and beverages to reduce the amount of carbon emissions caused by processing, packaging and transport. Recently we changed our entire range of supplies (i.e. coffee and tea), and now offer only certified regional and organic products. We also switched our coffee machines from environmentally unfriendly capsules to sustainably reusable capsules. Furthermore, we separate trash, such as paper, batteries and other electronic waste to facilitate the recycling process. We constantly strive to minimize our paper consumption and use FSC certified paper in all offices in Germany.

When moving our head office in Munich in 2015, we were able to reduce our energy consumption by about 75%. The new building has a high standard of energy conservation, using shade, lighting, etc. in a way that wastes as little and stores as much energy in the building as possible. And like our offices in Frankfurt and Dusseldorf, it has been certified with the LEED® Gold standard. We only have customary air-conditioning installed in technical rooms, and instead use heating/cooling ceilings in the offices. A surface analysis showed that we do not need as much space as in 2014. We have open space areas and a clean desk policy, so our utilization of working space is close to 90%. This concept will be assigned to all German offices in future.

We want to save as much energy as we can in our office buildings and with our equipment and travel policy, etc. As shown in the table below, we have constantly reduced our energy consumption in our German offices in the past. As a matter of fact, the decrease amounts to 66% since 2011.

Office buildings	2011 [kWh]	2012 [kWh]	2013 [kWh]	2014 [kWh]	2015 [kWh]	2016 [kWh]	2017 [kWh]	2018 [kWh]
Berlin	110,350	90,200	78,370	33,738	30,560	42,054	38,974	40,619
Dusseldorf	137,339	133,100	110,167	141,378	176,000	172,632	172,666	161,163
Frankfurt	126,272	120,155	106,266	87,693	109,136	103,182	105,797	100,014
Hamburg	63,423	63,797	53,210	66,004	52,306	49,900	46,378	39,364
Munich	1,190,347	1,129,288	1,062,841	937,872	249,060	232,822	219,995	211,905
Stuttgart	45,524	50,000*	43,000*	38,558	41,400	43,442	37,980	17,630
Total consumption	1,673,255	1,586,540	1,453,854	1,305,243	658,462	644,032	621,790	570,695
REDUCTION		-5.18%	-8.36%	-10.22%	-49.55%	-2.19%	-3.45%	-8.22%
			-13.11%	-21.99%	-60.65%	-61.51%	-62.84%	-65.89%

* Estimate

We use environmentally friendly electricity at all our sites and we seek to rent energy efficient offices.

With the implementation of our new Energy Management System (DIN ISO EN 50001) we have now a better overview of our energy usage and energy consumers in the offices. With this new knowledge we can replace "wasters" with new equipment with better energy figures. In recent years we have changed printers and other materials to reduce our energy consumption to the lowest rate ever. As the audit takes place every year, we can review and question our consumption figures annually.

ACHIEVEMENT OF GOALS

With the goals set in our previous report, we wanted to have a greater positive impact on our environment.

GOALS	COMMENT
We would like to give our colleagues more incentives to focus on energy-friendly means of transport and promote these initiatives better within the company.	We expanded the incentives for our employees in order to decrease our CO ₂ footprints due to traveling (i.e. on-site weekends). All new initiatives are promoted and communicated via our intranet.
We want to further develop in the field of energy efficiency and environmentally friendly products.	With the conversion of our hardware at the workplace, we will significantly reduce power consumption in the coming years. The range of beverages has also been changed for more sustainability and regionality.

GOALS FOR THE FUTURE

We will continue our efforts to reduce our ecological footprint by setting the following environmental goals:

- From next year on we want to pursue a stricter waste-separation policy.
- We want to reduce our waste (i.e. reduction of glass bottles by introducing water dispensers).

Anti- corruption

COMMITMENT | IMPLEMENTATION | GOALS

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

OUR COMMITMENT

As a leading consultancy, Roland Berger is committed to operating with a clear conscience and speaking out against any and every form of unethical behavior.

We confirm our opposition to corruption, extortion and bribery within and outside our company.

CURRENT STATUS OF IMPLEMENTATION

Our Code of Conduct conveys a clear understanding of ethical behavior and guides us in our day-to-day business decisions.

In a business environment with higher volatility and complexity, management of risks and compliance are of continually growing importance. At the beginning of this year we introduced "New Rules for Business Relations with Sanctioned Countries/Persons" in order to safeguard Roland Berger Group and its shareholders. For a large number of high-risk and emerging countries we have also introduced a binding "Know your Customer" process, which is supported by an external provider to ensure that we do not enter into business relationships that conflict with international regulations.

TRANSPARENT CONTRACTS

To prevent abuse, all payments to freelancers or senior advisors are made via bank transfer, without exception. Furthermore, contracts for all Roland Berger freelancers and senior advisors have been standardized and their payment is controlled using "proApproval", a tool for avoiding disproportionate remuneration. During our annual audit, the contracts for senior advisors and all related payments are subject to strict scrutiny.

PRODUCT RESPONSIBILITY

To avoid potential conflicts of interest amongst client teams, a steering body and strict guidelines in the form of Chinese walls are in place. All employees must adhere to binding confidentiality rules, in accordance with both their employment contract and our Code of Conduct. Our clean desk policy is regularly monitored in our German offices. E-learning courses are compulsory for all employees, to keep them aware of the issue.

Like our employees, freelancers must also adhere to our Code of Conduct. All Partners sign a formal declaration every year that they have adhered to the Code of Conduct.

DATA SECURITY

We treat all our clients' non-public information with strict confidentiality and keep proprietary and confidential information secure at all times. To ensure utmost security in all our electronic communications, our information and communication equipment – IT infrastructure, hard- and software – fulfills highest security and technology standards. We operate our own IT infrastructure for business communication, using encrypted notebooks and secure mobile devices that allow e-mail encryption. Furthermore, all Roland Berger employees have to know and comply with our IT User Policy, which is part of the company's Code of Conduct and as such also the subject of regular e-trainings. The IT User rules cover issues like password and access control, data protection, installing and using IT-equipment, using e-mail and the internet, mobile working and protecting against malware. We do not use public cloud programs, such as freeware provided by Yahoo! or Google, for our business communication. Data exchange between companies of the Roland Berger group is governed by compliant contractual regulations.

ANTI-CORRUPTION/ANTI-BRIBERY POLICY

We have introduced a new anti-corruption and anti-bribery policy as separate supplement to our Code of Conduct, underlining the importance of this issue. The policy covers topics such as bribes and kickbacks, facilitation payments, gifts, hospitality and expenses, charitable donations, business relationships (freelancers, subcontractors, Senior Advisors, agents, joint venture partners) and accounts and controls. We have also updated our Compliance Portal and improved its structure for better clarity and transparency. All employees received a compliance newsletter where the new anti-bribery and anti-corruption policy was briefly outlined.

ACHIEVEMENT OF GOALS

To demonstrate that the prevention of corruption is very important to us, we set a number of short- and medium-term goals one year ago.

GOALS	COMMENT
<p>Random checks of anti-bribery and anti-corruption rules especially in risk related countries.</p>	<p>We have revised our internal Management Guidelines in order to improve our corporate governance. We have established clear approval processes for project proposals, pricing structures and contracts, which are supported by "Golden Rules" governing supplier and purchase processes and a second-pair-of-eyes principle to support the company's anti-corruption and anti-bribery efforts. Random checks are also run during the annual auditor process.</p>
<p>Continue creating awareness for compliance topics through ongoing communication (e.g. newsletter).</p>	<p>Intranet portals have been updated accordingly, and employees have been informed about policy changes by e-mail.</p>

GOALS FOR THE FUTURE

In order to prevent corruption, we aim to realize the following:

- To promote compliance with our Code of Conduct and corporate policies (including the Anti-Bribery/Anti-Corruption Policy) we will raise employee awareness of our existing whistleblower system by means of suitable communication measures.

The origin of our goals

Summarizing the implementation status and the achievement of the goals set in the last Communication on Progress, we at Roland Berger GmbH still strive to constantly improve ourselves in our core business activities with respect to the four areas of the UN Global Compact.

Thus, our future objectives are as follows:

Global Compact area/issue	Goal	Deadline	Page
Human Rights	We want to keep the rate of successfully completed e-training courses on the Code of Conduct at least at the same level.	Sep. 2020	p. 8
Human Rights	We want to select and pilot a new e-training course on the Code of Conduct that allows us to issue and monitor refresher courses on specific topics concerning the Code of Conduct.	Sep. 2020	p. 8
Human Rights	We want to keep the number of stress management seminars at the same level.	Sep. 2020	p. 8
Human Rights	We want to develop the "Employee Engagement Survey" into a regular and globally accepted process for constant feedback and improvement.	Sep. 2020	p. 8
Human Rights	We aim to increase the number of colleagues participating in our work and life balancing programs by 10%.	Sep. 2020	p. 8
Labor Standards	Regarding the seminar program, we want at least to increase the number of training days per employee, while introducing new mandatory global training courses to promote "data literacy" among our consultants, Principals and Partners (e.g. Data Analytics, Data Science, Data for Leaders).	Sep. 2020	p. 17
Labor Standards	For 2020, we plan to achieve at least the same participation rates in the leadership assessment as in 2019.	Sep. 2020	p. 17
Labor Standards	We want to increase the number of participants in the International Staff Exchange Program.	Sep. 2020	p. 17
Labor Standards	We want to increase the number of female colleagues.	Sep. 2020	p. 17
Labor Standards	We want to better support work-life balance and personal development also for our support functions by adapting and extending the "B&me" initiative to include this employee group.	Sep. 2020	p. 17
Labor Standards	We want to successfully complete the pilot of our "B&me" initiative by rolling out the first round of measures to support the use of flexible working models, sabbaticals and development programs in Germany, Austria and Switzerland.	Sep. 2020	p. 17
Environment	From next year on we want to pursue a stricter waste-separation policy.	Sep. 2020	p. 22
Environment	We want to reduce our waste (i.e. reduction of glass bottles by introducing water dispensers).	Sep. 2020	p. 22
Anti-corruption	To promote compliance with our Code of Conduct and corporate policies (including the Anti-Bribery/Anti-Corruption Policy) we will raise employee awareness of our existing whistleblower system by means of suitable communication measures.	Sep. 2020	p. 26

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