


ClimatePartner GmbH

Communication on
Progress 2021



UN Global Compact

Table of Contents

Statement of continued support	3
About ClimatePartner – Company Profile	4
Human Rights	5
Labour Principles	7
Environment	9
Compliance and Anti-corruption	13
ClimatePartner’s contribution to the UN Sustainable Development Goals (SDGs)	14

Statement of continued support

To our stakeholders,

since the foundation of ClimatePartner, sustainability has been key to us. It is central to and informs every decision we make. Our core business is driven by supporting and enabling companies in their corporate climate action.

To provide holistic solutions, we are leveraging tailor-made services including carbon footprint calculations, the definition of climate action strategies and reduction potentials. We also support with other aspects such as sustainability communication aspects and offsetting residual emissions through internationally certified carbon offset projects. We enable our customers to commit to climate action and to take responsibility for the emissions that occur along their value chain. By supporting carbon offset projects, a decisive contribution is made to combating global warming by demonstrably saving greenhouse gases.

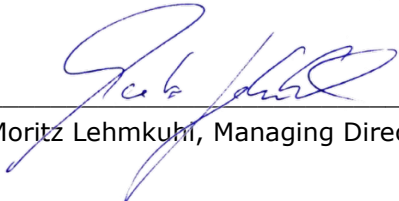
Thus, carbon offset projects promote sustainable development in the designated countries and make further positive contributions to development, for example better health, new jobs or educational opportunities for the population in the project regions. This is also reflected by our purpose: "Improving lives with climate action".

In March 2021, we became a signatory to the UN Global Compact. At ClimatePartner we have always pursued the ten principles of the UN Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

With this first Communication on Progress, we inform you about the actions ClimatePartner has been taking internally to continuously integrate the UNGC philosophy into our core business, corporate culture and our daily operations.

We commit to updating this report annually and disclose any progress made within the sustainability aspects that are material to us.

Sincerely yours,
ClimatePartner GmbH



Moritz Lehmkuhl, Managing Director

About ClimatePartner – Company Profile

ClimatePartner is a leading solutions provider for climate action: We combine individual consulting with a cloud-based software that is unique on the market. We help our customers calculate and reduce carbon emissions, and to offset residual emissions. These result in carbon neutral products and companies, confirmed by our label.

We offer carbon offset projects in different regions and with different technologies and standards. The additional social benefits of the projects are particularly important to us. Our efforts are geared towards the United Nations 17 Sustainable Development Goals (SDGs).

ClimatePartner was founded in Munich in 2006. As of March 2022, over 400 employees are spread across offices in Berlin, Boston, Essen, London, Milan, Munich, Paris, Stockholm, The Hague, Vienna and Zurich. We work with more than 5,000 companies in 60+ countries.

Human Rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2 make sure that they are not complicit in human rights abuses.
-

General

Human rights are defined as "rights we have simply because we exist as human beings - they are not granted by any state. These universal rights are inherent to us all, regardless of nationality, sex, national or ethnic origin, color, religion, language, or any other status. They range from the most fundamental - the right to life - to those that make life worth living, such as the rights to food, education, work, health, and liberty."¹

In general, the potential risk for human rights incidents is very low or low in most of the countries where ClimatePartner operates, exception made of the United States where the potential risk lies in a „lower medium“ area.²

ClimatePartner is mapping these risks continuously and is willing to implement stricter and more regulated actions in its corporate environment, in case the respective country—related risks for human rights incidents increase in future.

Actions

Nevertheless, ClimatePartner has already implemented several measures internally to avoid human rights abuses and to reduce the potential risk of these occurring.

In line with policies such as the "Modern Slavery Act Statement", the "Human Rights Policy", the "Ethical Reporting Policy" and the "Diversity & Inclusion Policy", we have integrated the following actions so far:

- Promotion of a diverse work force by hiring employees from all over the world and by focusing on "Diversity and Inclusion"
- In cases of any known or suspected breach of our ethical standards including slavery, human trafficking, forced or child labor, as well as wider human rights-related issues, employees can report such incidents to our legal department
- Respect the individual's right to work
- Promotion of a culture of respect, inclusion and empathy
- Due Diligence in relation to Human Rights throughout our supply chains:
 - Our Policy for Third Party Supply Contracts was revised to include modern slavery screening methodology principles and a Supplier Charter was introduced that sets out our expectations of suppliers in the wider business ethics sense
 - Good human rights practices form one set of principles ClimatePartner expects our suppliers to adhere to

¹ <https://ohchr.org/EN/Issues/Pages/WhatareHumanRights.aspx>

² <https://risk-indexes.com/human-rights-map/> - see Germany, Switzerland, Austria, UK, Netherlands, Italy, France, Sweden and USA

- Due to our broad portfolio of carbon offset projects, we support social development and promote the respect of human rights across several countries all over the world, e. g. in South America, Southeast-Asia and Africa
- No child or forced labor as each employee is older than 18 years
- Every employee receives an employment contract that is signed by both company and employee
- The human rights policy is supported by Business and Human Rights training, an e-learning module which introduces the business' human rights agenda as well as an explanation of the main principles of the policy and their relevance to all our staff according to specific functions

KPIs and numbers

During the reporting period we have no reported incidents related to any human rights infringements.

To support, track and verify our abovementioned actions, we have defined further KPIs (see Table 1).

Table 1: Human rights related KPIs

KPI	Value 2020	Value 2021
Number of incidents due to human rights abuses	0	0
Cultural diversity – Number of employees' nationalities	18	25

Labour Principles

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 the elimination of all forms of forced and compulsory labour;
- Principle 5 the effective abolition of child labour; and
- Principle 6 the elimination of discrimination in respect of employment and occupation
-

General

ClimatePartner's success is driven by our motivated employees. They represent the most valuable resource for ClimatePartner and form the basis for the company's success by each contributing with their own individual skills and abilities to the corporate purpose.

The high recognition of employee achievements is expressed through attractive working conditions. The creation of a pleasant working environment including a positive, trusting social atmosphere is one of ClimatePartner's core values.

Actions

In order to live up to our principles and the prevailing trusting social atmosphere, we have implemented the following actions grouped by working conditions, gender equality, career management and health management.

Working conditions

- Each employee can arrange their personal working hours based on flexible working hours as well as the possibility of remote working
- To ensure that employees can enjoy a high living standard during their retirement, ClimatePartner offers a company pension scheme
- The ClimatePartner offices are equipped with height-adjustable tables and each employee receives a second monitor as well as a headset in order to be technically equipped for their tasks in the best possible way
- It is very important to ClimatePartner to maintain and promote the prevailing open culture of trust within the company. This is for example actively practiced in our monthly company-wide meeting, where every employee can ask questions directly to our leadership team

Gender equality

ClimatePartner is actively promoting gender equality. Apparent at first glance in the diversity of our job descriptions (m/f/d), we also have an internal initiative focusing on "Diversity and Inclusion" founded by employees for employees.

Career Management

ClimatePartner also attaches great importance to the professional development of its employees.

- A well-structured onboarding process has been created to ensure training, integration and a good foundation for career management
- Intra-organizational development is in place so that everyone can develop their individual skills in the best possible way

- Employees are offered external training, such as special team lead training or training on the prevention of corruption (TISAX-trainings), as well as already mentioned internal training
- A performance review is carried out twice a year with each employee in which they have the opportunity to provide feedback and co-shape their career development

Health Management

Last but not least the health of all employees is very important to ClimatePartner. This is especially true in the current pandemic situation - but of course also beyond.

- We put a carefully devised hygiene concept in place. The guidelines contained therein are continuously adapted to the situation and scientific findings that are constantly being reassessed
- ClimatePartner supports physical health, employee wellbeing and sufficient vitamin supply with a selection of fresh fruits as well as a variety of beverages
- The training offered to everyone include topics such as "labour safety"
- Promotion of daily commuting by bicycle via the opportunity to lease bicycles at several locations as a benefit
- Promotion of physical activity by offering subsidized sports club memberships at several locations

KPIs and numbers

We defined some KPIs in order to support, track and verify our actions named above (see Table 2).

Table 2: Labor related KPIs

KPI	Value 2020	Value 2021
Percentage of part-time employees	22%	19%
Number of uses of discounted sports offers by ClimatePartner	20	44

Environment

- | | |
|-------------|---|
| Principle 7 | Businesses should support a precautionary approach to environmental challenges; |
| Principle 8 | undertake initiatives to promote greater environmental responsibility; and |
| Principle 9 | encourage the development and diffusion of environmentally friendly technologies. |
-

General

Our core business is driven by our purpose “Improving lives with climate action”, which includes supporting and enabling companies in their corporate climate action.

Therefore, the following environmental aspects have been defined as crucial for our business:

- Energy and greenhouse gas emissions
- Waste management
- Advocacy

Energy and greenhouse gas emissions

As a service company, we need energy mainly for operating our offices, i. e. for heating purposes as well as electricity for lighting, computers, kitchen supplies, etc. This is also reflected by our Corporate Carbon Footprint (CCF) referring to the calendar year 2020. Emissions occur primarily from our offices consumption of heat and electricity, upstream related energy activities, employee commuting, office supplies and business travels.

Actions

We’ve implemented the following measures to address our energy and GHG emissions aspect:

- Our headquarter in Munich is in a so-called ‘Smart House’ that is certified by the German Sustainable Building Council
- All residual emissions caused in 2020 have been offset by an afforestation project (see ID Tracking: www.climatepartner.com/50040-1212-1001)
- A high share of employees commutes by bicycle and by public transport
- We established an ‘Initiative Climate Action’ that identifies and defines several emission reduction measures based on a holistic analysis. The aim is to decrease CO₂e emissions coming from our operations and to decouple them from our expected growth over the next years

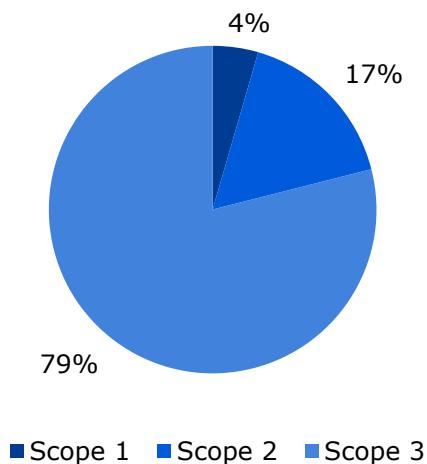
KPIs and numbers

We are disclosing our carbon footprint for the calendar year 2020 as part of this CoP (see Table 3 and Figure 1). We update our CCF each fiscal year and thus have an annual overview of the success of our policies.

Table 3: Corporate Carbon Footprint 2020 – ClimatePartner GmbH

	Emissions source	t CO₂e	%
Scope 1	Heat demand	2.05	1.2
	Company vehicles	5.81	3.3
Sum Scope 1		7.86	4.5
Scope 2	Electricity	3.26	1.9
	District heating	25.69	14.7
Sum Scope 2		28.95	16.5
Scope 3	Purchased goods and services	53.25	30.4
	Energy-related upstream activities	6.65	3.8
	Disposal	2.76	1.6
	Business travel	32.26	18.4
	Employee commuting	43.27	24.7
Sum Scope 3		138.19	79.0
Sum		174.99	100.0

Figure 1: Share of Scope 1, 2 and 3 CO₂e emissions – CCF 2020 ClimatePartner GmbH



We defined some emission intensities as KPIs to track and report relative emissions over time (see Table 4).

Table 4: Emission intensities – CCF 2020 ClimatePartner GmbH

KPI	Result
CO ₂ e per employee	1.58 t CO ₂ e / employee
CO ₂ e per square meter	0.11 t CO ₂ e / m ²

For offsetting residual emissions, a safety margin of 10% is applied to the overall carbon footprint to make sure that all emissions created within the system boundaries are offset. That way, intrinsic uncertainties in the underlying data (from the use of database values, assumptions or estimates) are negated.

Therefore, ClimatePartner's offset balance looks as follows:

Table 5: CO₂e emissions offset based on CCF 2020 ClimatePartner GmbH

	t CO ₂ e
Overall results	174.99
Already carbon neutral	0.15
Not yet carbon neutral	174.85
CO₂ emissions to be offset including 10% safety margin	192.33

Figure 2: Carbon neutral label with ID Tracking URL – ClimatePartner GmbH



Waste management

As a service provider, waste occurs due to the daily consumption of items such as milk, oat milk, coffee, tea, 'takeaway lunches', etc. within our offices.

ClimatePartner is following several rules to avoid and reduce waste:

- Separation of waste: glass, paper and municipal waste
- Promotion of a paperless office
- Digital pay slips instead of printed ones
- Use of water carbonators and filters to avoid use of (single-used) plastic bottles

Advocacy

We help our customers with carbon accounting as well as identifying reduction and avoidance strategies, corporate climate action strategies, carbon offsetting and communicating their commitments and engagements. With our well-known ClimatePartner label, end consumers get the chance to purchase carbon neutral products as well as support climate protection and better social conditions all over the globe - e. g. by purchasing carbon neutral fast- and slow-moving consumer goods, by visiting carbon neutral events, by utilizing climate neutral services and so on. Due to the individual ID Tracking URL that is related to companies, products and services, everyone gets the chance to receive valuable information about the respective offset, e.g. the amount of CO₂ emissions that have been offset, details about the offset project, definitions, system boundaries, etc.

KPIs and numbers

We defined several KPIs in order to support, track and verify our actions named above (see Table 6).

Table 6: environment related KPIs

KPI	2020	2021
Number of customers supported in climate action	>3,000	>4,500
Number of tons CO ₂ e that have been neutralized since 2010 in total to offset ClimatePartner's own carbon footprint on an annual basis	>700 t CO ₂ e	>900 t CO ₂ e

Compliance and Anti-corruption

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

General

The strict compliance with laws, standards and self-committed regulations is paramount to ClimatePartner. We are committed to do business free of bribery, corruption and money laundering and in accordance with local laws wherever we work.

Under our "Code of Conduct", ClimatePartner combines various tools with the overarching goal of defining our global understanding, position and handling of compliance issues related but not limited to Anti-Bribery and Corruption, competition and antitrust law, money laundering or non-discrimination.

We continually evaluate and update our policies and practices to improve their effectiveness. All employees undertake extensive onboarding processes to be trained on our internal core values.

Actions

In order to comply with our policies and to meet the high requirements of our "know your client" process we have implemented the following actions:

- Entry of all ClimatePartner companies in the "transparency register" ("Transparenzregister") or the country-specific equivalents
- Earning of the award of the TISAX certificate³
- Appointment of an external data protection officer to guarantee full compliance with all data protection regulations
- To ensure the proper management and record keeping of carbon emission reduction certificates through to their discontinuation, ClimatePartner's entire carbon offsetting process has been certified by TÜV Austria

KPIs and numbers

In order to have the possibility to effectively track and verify our engagement throughout the described actions, ClimatePartner has defined KPIs to avoid corruption of any kind (see Table 7).

Table 7: Compliance related KPIs

KPI	2020	2021
KYC process for carbon offset project developers conducted	100 %	100 %
Percentage of employees trained in compliance aspects	- ⁴	100 %

³ TISAX (trusted information security assessment exchange) is an uniform standard for information security defined in the European automotive industry.

⁴ KPI has not been tracked in 2020






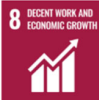


ClimatePartner's contribution to the UN Sustainable Development Goals (SDGs)

The UN 17 Sustainable Development Goals (SDGs) are a globally recognized benchmark for measuring sustainability-related positive impacts. They range from promoting education, fighting poverty and hunger, and creating jobs, to implementing clean and affordable energy.

Each ClimatePartner carbon offset project contributes to several of these goals, which we depict individually in our project descriptions. Sometimes the additional impact is so great that the core projects are in fact development projects which effectively fight global warming.

Besides that, ClimatePartner contributes to several SDGs as an organization itself. Based on an 'inside-out perspective', the most material SDGs are outlined below and linked to the respective sustainability aspect (see Table 8).

Table 8: Most material SDGs for ClimatePartner GmbH

Sustainability aspect	Supported SDG	Rationale
Human Rights	 	<ul style="list-style-type: none"> Diverse and inclusive culture among employees and colleagues reduce inequalities ClimatePartner's carbon offset projects have a significant impact on social conditions of people all over the globe. Projects contribute to reducing inequalities as well Partnerships are needed to achieve further SDGs: ClimatePartner has strong partnerships with project developers, standards (e.g. Gold Standard, VCS) as well as associations (e.g. ICROA) These partnerships work like a multiplier for ClimatePartner to contribute to further SDGs, e. g. access to clean energy, no poverty, etc.
Labor	   	<ul style="list-style-type: none"> Health management, career management and the provision of a gender equal work environment with appropriate working conditions
Environment		<ul style="list-style-type: none"> As a service provider for corporate climate action this goal is key to ClimatePartner
Compliance and Anti-Corruption		<ul style="list-style-type: none"> Partnerships and strong mechanisms to prevent corruption and further compliance-related issues Partnerships are needed to drive further SDGs and to comply with regulations, laws and further compliance-related processes

Improving lives

About ClimatePartner

ClimatePartner is a solutions provider for corporate climate action: We combine individual consulting with cloud-based software that is unique on the market. We help our customers calculate and reduce carbon emissions and offset residual emissions. This renders products and companies climate neutral, which is confirmed by our label.

ClimatePartner was founded in Munich in 2006. Today, our more than 400 employees are spread across offices in Barcelona, Berlin, Boston, Essen, London, Milan, Munich, Paris, Stockholm, The Hague, Vienna and Zurich.

We work with more than 5,000 companies in 60+ countries.

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