

## **United Nations Global Compact**

Communication on progress (COP) – September 2022



A presentation for

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

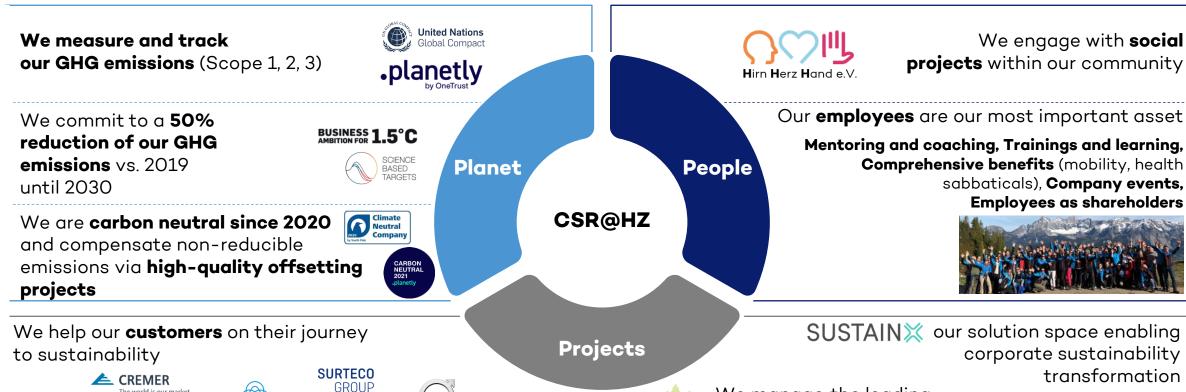
We welcome feedback on its contents.

A member of The Transformation Alliance

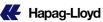


Corporate Social Responsibility @ H&Z

## H&Z is a certified climate neutral company, actively working towards achieving a positive impact on our planet and society as a whole

















We manage the leading rail sustainability initiative



















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- 2 Measures Human Rights
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UN Global Compact – Communication on progress (COP) 2022

### Statement of the Chief Executive

Ladies and Gentlemen,

sustainability in all its dimensions (ESG) is not only important to us as a field of consulting. For some time now, we have also been committed to making a strong contribution to sustainability as a company. That is why we have been actively participating in the UN Global Compact for a year now and would like to renew this commitment with this progress report. To this end, we have intensively studied the guidelines of the UN Global Compact and have already implemented or initiated a number of measures. The aim is to promote the 10 principles of the UN Global Compact, insofar as these are within our scope of influence, and to make our active contribution to them. We take a closer look at our measures and the associated progress in this progress report.

The entire company stands united behind these measures, which promote a sustainable future for the economy but above all for humanity. Furthermore, we will continue to work resolutely on the sustainability of H&Z Unternehmensberatung AG in the coming years. All this is done according to our company motto "consulting with Head, Heart and Hand".

Stefan Aichbauer

Managing Director H&Z Unternehmensberatung AG







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## Measures - Human Rights (1/2)



## "Businesses should support and respect the protection of internationally proclaimed human rights"

Respect for human rights and fundamental social standards is a principle of every human coexistence. Furthermore, human rights are an integral part of corporate citizenship. Working conditions that violate such rights and standards not only contradict this principle, but also the goals and expectations of H&Z.

This applies both within our company and in our cooperation with our business partners. Violations of our code of conduct can and should reported by employees. Partners, suppliers or customers are encouraged to review the ethical behavior of the company and its employees and to report any violations.

Through our affiliate association <u>Hirn Herz Hand e.V.</u> we give back to our community and our employees are encouraged to support social projects for people in need.

## Measures – Human Rights (2/2)



#### "Businesses should make sure that they are not complicit in human rights abuses"

Each employee bears responsibility within his or her sphere of responsibility for ensuring that human rights and fundamental social standards are not violated. At the same time, the management is committed to foster an environment in which employees can develop free of prejudice and exclusion.

Any anomalies can be discussed with the company management or a person of trust. We want to ensure that our code of conduct and the (self-) commitment to ethical behavior are not just patient words but important obligations that must be taken seriously.





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## Measures - Labour (1/4)



## "Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining"

The protection of the right of workers and employers to associate in organizations of their choice is an integral part of their right to freedom of association and collective bargaining.

No employee of H&Z shall incur any liability as a result of membership in a registered association party or an association such as a trade union will result in professional or social disadvantages. Violations of the code of conduct can and should be reported by employees.

## Measures - Labour (2/4)



## "Businesses should uphold the elimination of all forms of forced and compulsory labour"

H&Z excludes all forms of forced or compulsory labour. The national labour law is fundamental for our working conditions. Beyond the legal requirements, we pay wages that are above comparable collectively agreed wages. Despite the temporary peak times of a consulting company, we also strive not to exceed the contractually agreed maximum working hours per week and to avoid weekend and night work.

Our executive leaders are explicitly trained to do justice to their exemplary function and to enforce these regulations (e.g., availability times and rules for cooperation are set down in writing) in the interest of the employees. There is also a system in place at H&Z that offers the possibility of a longer leave of absence at a stretch (leave) or the possibility to buy additional vacation days.

## Measures - Labour (3/4)

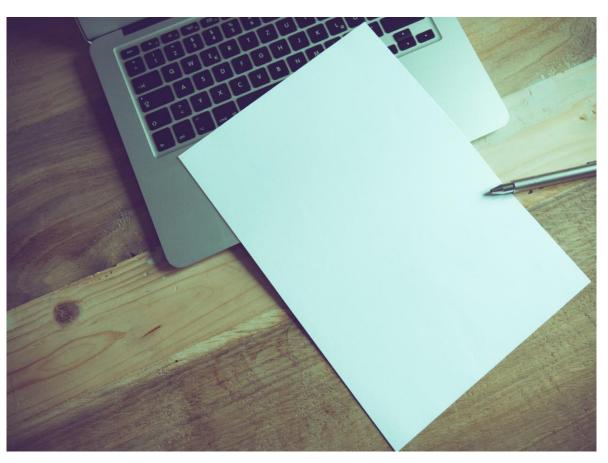


## "Businesses should uphold the effective abolition of child labour"

There is a consensus that young people must be particularly protected from health impairments at work - also and in particular in the world of work.

H&Z is aware of its responsibility as an employer and a training company and implements the provisions of the BBiG and the JArbSchG consistently.

## Measures - Labour (4/4)



## "Businesses should uphold the elimination of discrimination in respect of employment and occupation"

One of our company values is "individuality", by which we aspire to have a diverse mix of employees. H&Z is firmly opposed to any kind of discrimination and disadvantage based on origin, gender, age, religion or sexual orientation.

Our recruiting and salary policies are based exclusively on the principle of performance, regardless of origin, gender, age, religion or sexual orientation. Performance is measured through transparent criteria and regularly discussed with employees in our feedback and mentoring process. We have set diversity targets in terms of women and international share of the workforce as well as measures to achieve such results.

Measures include increased international recruiting efforts, participation in recruiting fairs targeted e.g. to women or the LBGTQ+ community, introduction of English as the first corporate language, working groups such as "FE&MALE@H&Z" and "Family and consulting" within H&Z and the financing of language courses.





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### Overview - Environment



"Businesses should support a precautionary approach to environmental challenges"

"Businesses should undertake initiatives to promote greater environmental responsibility"

"Businesses should encourage the development and diffusion of environmentally friendly technologies"

As a carbon neutral company committed to achieve reduction targets according to the SBTi 1.5°C pathway, H&Z and its employees fully supports these principles.

## Measures - Environment (1/4)



In summary, the measures for H&Z's contribution to environmental protection can be presented as follows:

- Implementation of a reduction strategy
- Emission reduction targets aligned and approved by the SBTi
- Identification of reduction measures
- Implementation of short-term reduction measures
- Implementation of long-term reduction measures
- Engagement of external service providers and suppliers
- Nomination of dedicated sustainability person(s)

These measures are displayed in detail on the following pages.

### Measures - Environment (2/4)



- Team of 4 people "CO2neutral@H&Z" responsible to drive reduction strategy implementation and audit
- SBTi commitment available since 2020 aligned with 1.5°C goal
- Active UN Global Compact member
- Planetly as external consultant for CO2 audit and compensation;
   discussions with other providers such as IntegrityNext, Ecovadis, eco.mio
- Update of reduction strategy according to Planetly findings and identification of additional measures
- Internal reporting and awareness campaign
- New travel policy addresses biggest impact of Scope 3 emissions (business travel) by (a) strongly limiting business flights to locations reachable by train within 4 hours (b) raising awareness of impact of flights on emissions with practical examples
- In the context of the move to a new office, now desk lamps turn on/off based with motion detection to reduce energy usage
- Energy contract was converted to "Ökostrom" (100% renewable energy powered office) in the context of the move to a new office
- In the context of the move to a new office, remote heating/cooling was introduced (no gas heating, no airconditioning)

### Measures - Environment (3/4)



- Commuting by bike is promoted by having a separate, dedicated and safe bicycle parking
- Waste avoidance: plastic bowls and reusable cup to get food/coffee "to-go" in and around the office are available for employees
- No plastic bottles for water in the offices, tap filter water available
- In the context of the move to a new office, the number of printers was reduced
- The process for travel expenses was digitalized, accepting digital receipts for travel expenses (less print and paper usage)
- Office material purchasing considers environmental factors (e.g., Ecoproducts)
- Catering purchasing was changed to have every second meal vegetarian for everyone, one vegetarian option is always provided (context: one lunch is provided every Friday to employees)
- Catering purchasing promotes local companies using regional and/or Bio products
- Company events are organized considering environmental criteria (e.g., company retreat end of 2019 was reachable by car instead of by plane only)

## Measures - Environment (4/4)



In the future, we hope to implement further measures such as:

- 80% electric car company fleet until 2030
- Keep emissions related to business travel to an acceptable level (despite removal of travel restrictions; investigate SAF for business flight travel)
- Introduce a sustainable sourcing polity until 2025
- Continue internal awareness campaign and employee sensibilization

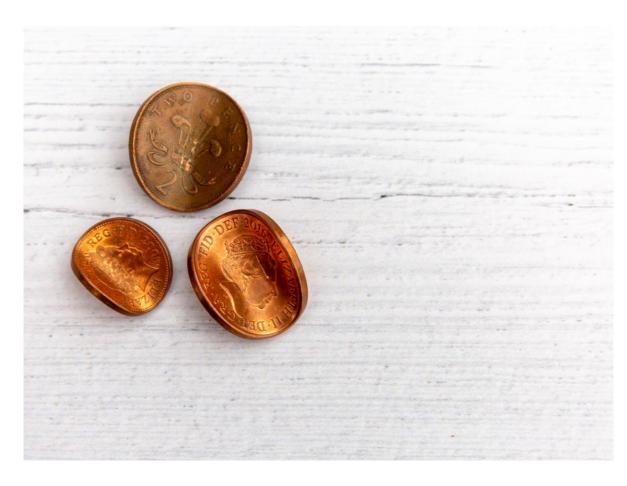
According to SBTi 1.5°C scenario, we want to achieve a reduction of -46.2% CO2e emissions until 2030 vs. base year 2019 across all Scopes 1-3 while still achieving sustainable growth of the business.





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## **Measures – Anti-Corruption**



## "Businesses should support a precautionary approach to environmental challenges"

Corruption and the granting of advantages - in any form whatsoever - will not be tolerated at H&Z! H&Z is opposed to all forms of corruption, including extortion and bribery. They contradict our self-image of a responsibly managed company, which convinces solely through the quality and price of its services. Corruption and the acceptance of benefits would jeopardize our public image and our economic success.

In connection with our business activities, no personal benefits may be demanded, accepted or granted. If an employee is confronted with a corresponding offer or demand, he or she must report this immediately to his or her supervisor. Gifts and invitations may not be distributed or accepted. We take responsibility for our actions. We give trust and earn trust. Any indications of non-compliance will be followed up in any case.



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