



UN Global Compact Communication on Engagement

PERIOD COVERED BY THIS COMMUNICATION ON ENGAGEMENT:
SEPTEMBER 1, 2021 – DECEMBER 31, 2022

Statement by the President

Dear Mr. Secretary-General,

Since 2016, ESMT Berlin has proudly held the status of an academic member within the UN Global Compact. Enclosed is our report detailing our dedication to effecting sustainable change, offering insights into our initiatives throughout 2022. We firmly believe that business schools should champion sustainable transformation, leading through research, education, and exemplary standards for impactful business practices.

As an organization, our commitment extends to minimizing our environmental footprint while maximizing our positive influence. Within our classrooms, our goal is to nurture globally minded leaders who act responsibly. Through our research, we aim to provide valuable perspectives on sustainability transitions, advocating for movement towards more sustainable production and consumption. Our aspiration is to inspire others to become ambassadors for sustainability in the business world.

In 2022, ESMT positioned sustainability at the forefront of our institutional objectives. Our sustainability strategy is designed to mitigate our environmental impact, amplify positive contributions, and drive transformative change throughout the ESMT community.

Furthermore, we intensified our efforts to align our outreach and impact activities with three of the United Nations Sustainable Development Goals:

- **#4 Quality Education:** We concentrated on enhancing the quality of education, aiming to equip our community with the knowledge and skills needed to address sustainability challenges effectively.
- **#5 Gender Equality:** Our initiatives underscored the importance of gender equality, promoting inclusivity and diversity within our academic and professional spheres.
- **#13 Climate Action:** With a dedicated focus on climate action, we engaged in activities that contribute to addressing climate challenges and fostering a sustainable environment.

Through these targeted efforts, ESMT Berlin aims to be a catalyst for positive change, fostering a culture of sustainability that reverberates globally. We remain dedicated to our

mission of inspiring, educating, and empowering future leaders to champion sustainable practices.

Sincerely,

A handwritten signature in blue ink, reading "Jörg Rocholl". The signature is written in a cursive style with a large, stylized 'J' and 'R'.

Prof. Jörg Rocholl

President and Deutsche Bank Professor in Sustainable Finance, ESMT Berlin

Our activities relevant to the UN Global Compact

ESMT Berlin is dedicated to sustainable impact, emphasizing the role of business schools in leading transformation. We commit to research, quality education, and setting standards for businesses to create tangible change. Our goal is to minimize environmental impact, nurture globally responsible leaders, and inspire sustainable business practices through research and education.

Sustainability strategy

ESMT has positioned sustainability at the forefront of our institutional goals. Our comprehensive strategy aims to minimize our environmental impact, amplify positive contributions, and affect transformative change that resonates throughout the ESMT community.

The key objectives of our sustainability strategy are:

- **Reduce environmental impact:** ESMT is dedicated to implementing initiatives that significantly reduce our ecological footprint. Through rigorous measures and continuous improvement, we aim to contribute to a healthier planet.
- **Increase positive influence:** Our strategy seeks to enhance the positive impact ESMT has on its surroundings. By fostering responsible practices and partnerships, we aspire to be a beacon of positive change in both local and global communities.
- **Drive transformational impact:** ESMT endeavors to make a profound and lasting impact on the lives of our community members. We aspire to inspire and instill a culture of sustainability that extends beyond our institution, creating a ripple effect in the business and academic realms.

To lead sustainability-related initiatives at ESMT and to implement, control, and further develop its sustainability strategy, ESMT established the Sustainability Taskforce, composed of representatives from different departments.

Maximizing our positive impact

At ESMT, our mission is to create and disseminate cutting-edge knowledge to advance both business and society, nurturing entrepreneurial leaders with a global perspective who act responsibly. We firmly believe in the transformative power of education and research, recognizing their positive impact on shaping a sustainable future.

As part of our commitment to sustainability, we have embedded environmental, social, and governance (ESG) principles into our curriculum. Approximately 30 percent of our lectures delved into topics related to sustainability, emphasizing its significance in contemporary business practices.

Our courses – such as Diversity, Equity, and Inclusion; Financial Accounting, with a focus on ESG; and Responsible and Ethical Leadership – exemplified our dedication to educating future leaders on the multifaceted aspects of sustainability. Covering diverse areas, including ethics, finance, marketing, and organizational behavior, these courses ensured a comprehensive understanding of sustainability's relevance to different functional domains. Additionally, we introduced new courses to be integrated into the curricula as of 2023.

We also recognize the importance of experiential learning in developing a deep understanding of sustainability. In our Social Impact Projects, Master in Management students could gain hands-on experiences and practically apply sustainability principles in chosen non-profit organizations, further reinforcing our commitment to cultivating responsible leaders and environmental stewardship.

The following shows the topical focus of some of these projects in 2022:

Fundación Bahía y Ecosistemas de Colombia

MIM participants

Hannah Eirich-Hollerbach, Jamal Ghusayni, Shangshan Mei, Rashid Quddus, Oscar Romero

The project

The Social Impact Project supported the NGO in its mission to preserve the marine life and biodiversity of the bay of Cartagena (Colombia), and to develop an ecological and sustainable economy on the island of Tierra Bomba

Objectives

Business development; organizational structure; internal structure and resources

Bean Voyage – Womxn Power 2022

MIM participants

Nicola Iannone, Pietro Picozzi, Pino Cosimo de Wilde, Robert Sinke

The project

Through hands-on training, workshops, and fair market access, Bean Voyage tries to reshape the image of women within the coffee industry. The Social Impact Project aimed to support Bean Voyage in trying to better understand the struggles of female farmers, deepening knowledge of coffee's supply chain. The project focused on Bean Voyage's two major business challenges: strategic expansion and operational excellence. The project team researched and analyzed the European market to enable Bean Voyage to expand and introduce its current and future products in five new markets: Italy, Germany, France, Spain, and the United Kingdom.

Objectives

Dashboard and KPI tracking; market research; business model switch from non-profit to hybrid; additional revenue streams

Our institution has actively contributed to the discourse through research and practitioner publications on diverse sustainability topics. The publications included studies on gender dynamics in high-status collaboration, sustainability data and analytics, challenges faced by women in leadership transitions, and the design of impactful executive education.

A significant portion of our new grants have been allocated to projects aligned with sustainability goals. These projects encompassed the scenario modeling for sustainable practices, the impact of sustainable finance on innovation, the relationship between gender diversity and innovative performance, the promotion of gender equality standards in European institutions, and a large-scale initiative on accounting for transparency.

Additionally, in collaboration with business partners, ESMT established two professorships focused on sustainable business.

The Deutsche Bank Professorship in Sustainable Finance was inaugurated on September 15, 2022, and is held by ESMT President Jörg Rocholl. It marked the first chaired professorship within the FUTURE Institute for Sustainable Transformation, underpinning our commitment to promoting economic growth while alleviating pressure on the natural environment and considering ESG factors. The role of this professorship is to examine incentives and risk-sharing options, providing important insights into future policy frameworks.

The DHL Group Professorship in Sustainable Accounting, inaugurated on October 12, 2022, is held by ESMT Dean of Faculty and Research Per Olsson. It supports teaching, research, and publication focused on the design, analysis, and application of statistical models and methods for managerial decision-making. This encompasses topics such as revenue management, analytics, and competition in the era of the data-based economy.

Creating transformational impact

Sustainability at ESMT went beyond minimizing negative effects and maximizing positive impact; it also involved transforming our activities. As an international business school with faculty, staff, students, alumni, executive participants, and business partners around the world, we extended our reach beyond our Berlin campus. The goal was to inspire our community to facilitate sustainable transformation within their organizations and in society.

In 2022, we focused on developing our outreach and impact activities in alignment with three of the United Nations Sustainable Development Goals: #4 Quality Education, #5 Gender Equality, and #13 Climate Action.

#4 Quality Education

ESMT nurtured sustainable transformation through the initiatives of the FUTURE Institute for Sustainable Transformation, a research-based and action-oriented institute dedicated to sustainable transformation. The institute generated knowledge and facilitated connections

among relevant stakeholders, aiming to transform individuals, organizations, industries, and value chains toward sustainable impact.

Founded in November 2021, the Institute embarked on its inaugural initiatives for employee upskilling and executive education focused on sustainability in 2022. One notable outcome of these efforts was the Sustainability Starter Kit, a concise one-hour online learning module designed in collaboration with renowned experts in sustainability.

The Sustainable Business Roundtable (SBRT), ESMT's flagship project, established already in 2011, continued its high-level, peer-to-peer learning activities. It brought leaders from various companies together to foster mutual learning and advance sustainable transformation. On May 18, 2022, the SBRT convened to discuss "The Board's Role in Sustainability," and on November 24, 2022, the focus was on the theme of "Creating Sustainable Customer Value."

#5 Gender Equality

ESMT developed a gender equality plan (GEP) as part of the EQUAL4EUROPE research project. The GEP envisions fostering a working and learning environment where individuals of all genders – women, men, and those with diverse gender identities – can equally flourish, receive recognition, and experience a sense of belonging.

The primary objectives of the GEP include embedding gender equality into the organizational strategy and culture, enhancing gender parity among faculty and students, as well as in decision-making and advisory bodies, and integrating gender equality into the production and transfer of knowledge.

The GEP incorporates numerous strategies and specific actions focused on six SMART objectives within priority areas. These areas include organizational strategy and policies, recruitment of female academics, enrollment of female students in programs, decision-making and advisory bodies, integration of the gender dimension in teaching and research, and addressing sexual harassment and other forms of gender-based violence.

The Equality Committee, responsible for overseeing the implementation of the GEP, ensures a gender-balanced representation. Comprising six staff members from diverse departments within ESMT, the committee embodies our commitment to diversity, equity, and inclusion across all facets of the institution.

#13 Climate Action

ESMT further built upon its engagement to promote climate action via its student and alumni initiatives. The Net Impact ESMT Berlin chapter led diverse environmental and social impact projects, including its annual TEDx event under the theme "Tomorrow's Mindset: Disrupting today's thinking to pave the way for a sustainable tomorrow."

Through our Responsible Leadership Fellowships, our MBA and master's graduates delivered pro-bono services and assumed responsibility in institutions at the forefront of social challenges in developing countries.

Below, we showcase the projects delivered in 2022:

Wakanda Food Accelerator

The engagement

Aimee Thompson was tasked with defining a business case for an agri-tech facility, developing market access for site off-take, supporting site design and implementation strategy, and establishing vendor relationships and costing.

Outcomes

This engagement led to the development of several unique and innovative designs, a validated business model, and a flexible project plan. Additionally, the project facilitated personal growth and the establishment of significant relationships with entrepreneurs and experts in South Africa.

Ampersand

The engagement

Cosima Weiss undertook a consulting project with Ampersand, an electric mobility start-up in East Africa, focusing on revolutionizing mobility in the region.

Outcomes

The project's achievements included presenting the Circularity Project to the management board, taking part in a UN workshop on recycling infrastructure in East Africa, and representing Ampersand at the World Circular Economy Forum 2022 in Kigali. Weiss's involvement also led to engagements with the cultural and entrepreneurial community in Rwanda, including a significant event for the first female taxi drivers in partnership with the German development agency GIZ.

Kubik

The engagement

Michael Tekabe was engaged for six months as the head of strategy and operations at Kubik, a sustainability-focused startup in Nairobi, Kenya.

Outcomes

Tekabe's tenure was marked by the establishment of partnerships for plastic waste collection. Key accomplishments included formalizing a pilot project with GIZ to support female waste collectors and raising approximately 800,000 USD in a pre-seed funding round. Further, Tekabe played a pivotal role in Kubik's entry into a sustainable housing-focused incubator and hiring of two key employees, strengthening the company's foundation for future growth.

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