



:acondas
Bringing strategies to life

Sustainability Report 2022

Presented by
acondas GmbH

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April 1, 2023

Preface

Dear readers,

We appreciate your interest in our Sustainability Report 2022 – a year marked by some fundamental challenges to our world order, economic and social stability, and well-being: the war in Ukraine, the ongoing COVID-19 pandemic, energy and food crises, disruptions in global supply chains, increasing inflation rates – to name but a few.

All our clients were directly affected by those challenges, which both required a lot of their management attention and undermined some endeavours to achieve greater sustainability. But the crises also emphasized more than ever the need for joint global efforts to support the transition to a sustainable world. To do our part, acondas remains steadfast in our contribution and commitment to the principles of the UN Global Compact and the UN's Sustainable Development Goals (SDGs) – both internally and in our client projects.

In 2022, we further detailed our sustainability strategy by deriving specific sustainability targets – which are linked to the respective SDGs – and key performance indicators (KPIs) to help us measure our progress toward achieving these targets. Meanwhile, we continued implementing sustainability measures and tracking both their progress and impact and started a process of mutual stakeholder communication on sustainability topics (see chapter 1).

This Sustainability Report focuses on our sustainability targets, measures and progress in four areas: employee well-being, ecological footprint, sustainability in client projects, and compliance and data privacy (see chapter 2). The outcomes of our 2022 initiatives are promising:

Employee satisfaction at acondas has once again improved, and we made progress towards reaching our CO2 emission and paperless office targets. In our client work, sustainability has become a focal topic, too: 67 percent of our project work in 2022 has a direct link to and improves at least one SDG.

Our sustainability journey continues. In 2023, we will continue to implement sustainability measures, strengthen mutual stakeholder communication on sustainability topics and develop our internal sustainability community (see chapter 3).

You will note a few novelties in our Sustainability Report 2022. For example, we have given a client his own voice to talk directly about his experience with acondas in a sustainability-related project focusing on the renewable energy development in Germany (see chapter 2.3). We asked our employees to reflect on sustainability at acondas and on their individual contributions. And, formally, we adopted English as our reporting language to reach a much broader stakeholder community.

As 2022 was a challenging year for both our clients and our employees, we are exceptionally grateful to our clients for their trusting collaboration and to the entire acondas team for their lasting commitment. We trust you will find this report stimulating to read and welcome the opportunity to exchange our thoughts on and experience in sustainability with you.

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Dr. Andreas Florissen
Managing Director

Dr. Jörg Fengler
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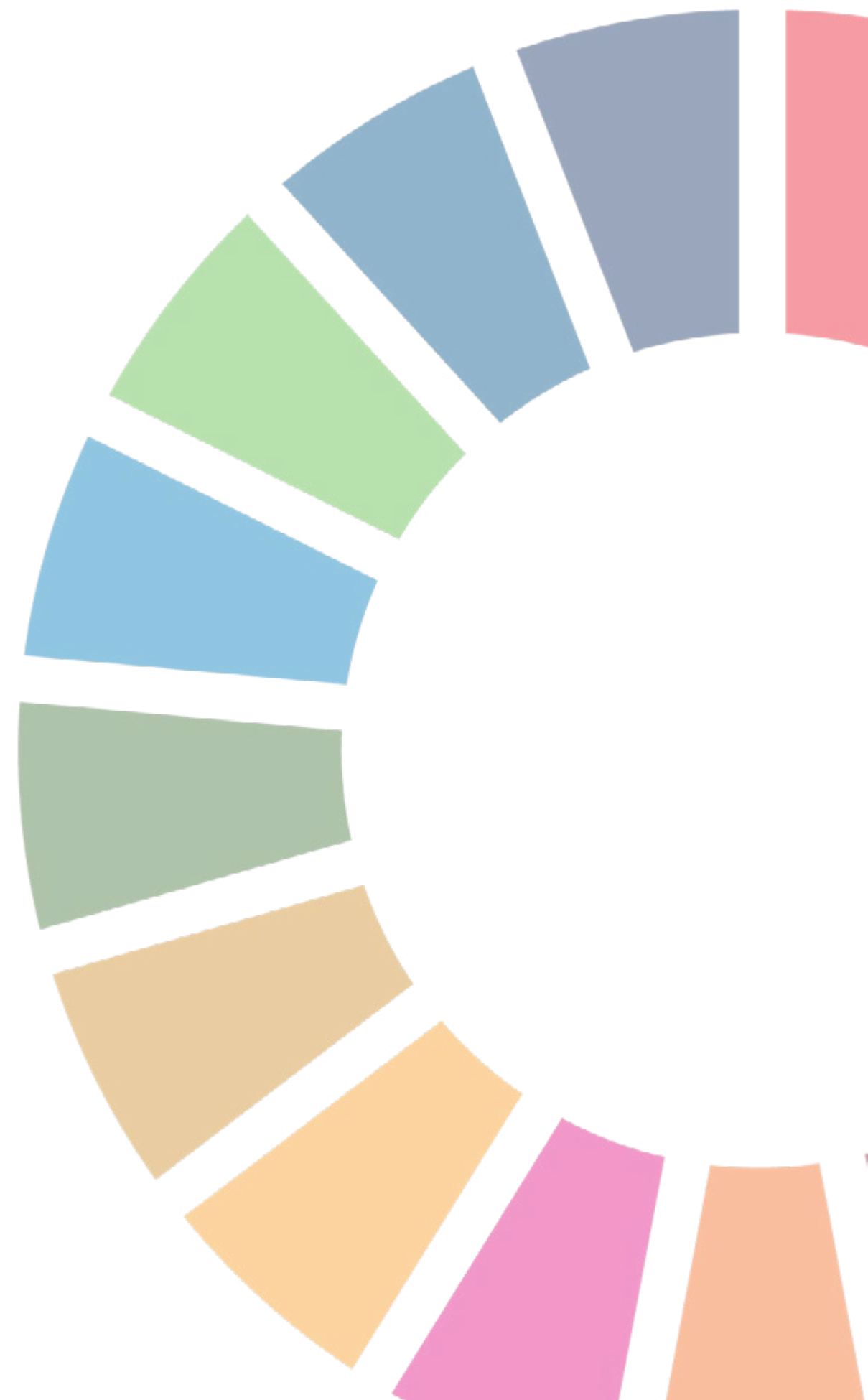
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Part 1:

Introduction

To implement and anchor sustainability in acondas, we took our own integrated approach to strategy implementation (acondas IMPACT): develop a sustainability strategy, detail targets and KPIs, derive measures, track their implementation status and impact, communicate the results and anchor new sustainable priorities, principles and behaviors across the organization.

In our Sustainability Report 2021, we focused on our sustainability strategy development and materiality assessment. In our Sustainability Report 2022, we detail the specific sustainability targets and KPIs we established to implement that strategy, the metrics we are using to track the implementation status and impact of measures and our efforts to foster internal and external stakeholder engagement on sustainability topics. We also report on further developments in last year's sustainability initiatives and measures, both internally and in our clients' project work.

As in our previous reports, we structure our report along our four sustainability focus areas: employee well-being, economic footprint, sustainability in client projects, and compliance and data privacy.



Strategy & Materiality



acondas aspires to be a pioneer in sustainable consulting in Germany. Our priorities and actions to this end are guided by the ten principles of the UN Global Compact and we continue to support the UN's seventeen Sustainability Development Goals (SDGs) with specific improvement measures and improved reporting methods.

In 2022, we achieved many of the goals we set in 2021. In addition to assessing and reviewing our goals, measures and actions, we adopted GRI Standards and systematized our reporting methods to ensure transparency.

Our ambition extends beyond being a sustainable consulting firm to empowering our clients to transform their companies and implement their own sustainability strategies. Pursuing this “dual mission” significantly broadens the impact of our sustainability efforts. In the following sections, we will introduce our priority goals and outline the methodology on which this report is based.

Priority SDGs



We support the UN's SDGs both directly and indirectly. As a firm, we shape our everyday work in a sustainable way, supporting the following seven SDGs directly: 3: Good Health and Well-Being, 4: Quality Education, 5: Gender Equality, 8: Decent Work and Economic Growth, 9: Industry, Innovation and Infrastructure and 13: Climate Action.

By supporting our clients on sustainability strategy implementation, we also support these SDGs indirectly. Furthermore, due to our strong project footprint in energy transition, we also support SDG 7: Affordable and Clean Energy.



Methodology

The materiality analysis we conducted in 2021 revealed the most important topics for our stakeholders and the company itself. We grouped those topics into four categories that remain our focus areas: *Employee Well-Being*, *Ecological Footprint*, *Sustainability in Client Projects*, and *Compliance and Data Privacy*. An additional internal survey on “Sustainability at acondas” conducted in December 2022 confirms the previous categorization and shows that the perceived extent to which sustainability is practiced is high (N=19, M=6.8 of 10). Our employees perceive development potential and specific fields of action, particularly in terms of flexible working, sustainability in the workplace, mobility, transparent goals for climate neutrality, sustainability-related projects, the importance of role models within the company and appropriate communication.

This report refers to interviews about the daily routine of our consultants and the results of our employee survey, both conducted in 2022. Since our measures primarily came from our employees and were not implemented consistently in the past, we adopted a new set-up. For this reporting period, we took a two-stage approach. During the first phase, we established two workstreams: one focused on our sustainability goals, KPIs and measures and the other focused on involving and communicating with our stakeholders. In the second phase, we implemented those concepts and started the editorial process for our reporting.

A modern office interior with large glass windows and walls. In the foreground, there is a white table with several wooden chairs that have a unique, curved design. A small potted plant sits on the table. The background shows more office space with desks and computers, all visible through the glass partitions.

Part 2:

Focus Areas

What did we achieve during our sustainability journey last year and what are our plans and goals for the next years? In the following chapter we introduce the most relevant sustainability measures implemented in 2022 and their contribution to the achievement of our sustainability ambitions. We start with the focus area of employee well-being, followed by the focus areas of ecological footprint, sustainability in client projects, and compliance and data privacy.

Employee Well-Being

The acondas team is central to everything we do, so consequently, the well-being of our people is at the very heart of our sustainability strategy. We are fully aware of the importance of a healthy work-life balance, which is why we offer hybrid work models that combine home working with in-office working at the client's or acondas's premises. In addition, we encourage our employees to make use of parental leave, sabbaticals and workation. We truly believe that our clients benefit from our sustainable working conditions and our employees' well-being because happy employees are more engaged, which has a strong positive impact on the project work and its outcome.

Our "employee well-being" focus area includes the following four Sustainable Development Goals (SDGs):

- **SDG 3: Good Health and Well-Being:** Ensure healthy lives and promote well-being for all at all ages.
- **SDG 4: Quality Education:** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.
- **SDG 5: Gender Equality:** Achieve gender equality and empower all women and girls.
- **SDG 8: Decent Work and Economic Growth:** Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.

Our primary goal is to foster and increase employee satisfaction. With our annual employee survey, we measure employee satisfaction and collect feedback. We use the survey results and regular interactions throughout the year (strategy meetings, fireside chats, etc.) to stay in constant active dialog with our team on how to further improve the employee experience. The most recent employee survey in summer 2022 indicates a high level of employee satisfaction. Our team gave acondas an average overall employer rating of 1.88 (German school system grades: 1 (best) to 6 (worst), n=79%). The public kununu employer score reflects a similarly high level of satisfaction: acondas' current score is 4.4 stars (average, star

system, 0 (worst) to 5 (best), n= 53 reviews) and the referral rate is 88%. According to kununu, we are well above the average for the consulting industry, which is 3.8 stars. However, we still see further room for improvement.

acondas has defined six dimensions, each with dedicated key performance indicators, to continuously improve and track employee well-being: development, relationship with supervisors, work-life balance, diversity, work environment, and work conditions.

Development

Our consultants' expertise and competence are our strength and our unique selling point. We deliver the best value proposition to our clients through our highly skilled and trained team. Areas of continuous team development include strategy implementation and problem-solving skills as well as know-how on the latest industry and functional trends. Individual and professional development opportunities also increase our people's employability and job satisfaction, and our employee retention rate. For that reason, development is deeply anchored in our culture as one of acondas' four core values.

In our 2022 employee survey 71% of respondents' expectations of personal and professional development support were met (strongly agree = 25%, mildly agree = 46%). This figure is significantly higher than in the previous year (57%).



Figure 1: Team members during their break



My disciplinary manager knows my personal development goals and helps me achieving them.

2022



2021

The increase can be explained by the resumption of our comprehensive onsite training program in the acondas Learning Lab – after switching to virtual trainings during the COVID-19 lockdowns in 2021. Team members at manager level and above still see a lack of (individual) development opportunities, and this will be a priority for 2023.

We offer employees a comprehensive training program, comprising twelve company-wide training courses as well as additional individual training opportunities. All elements of the training program are designed to develop the professional, methodological, and interpersonal skills of our consultants. Company-wide training courses include traditional & agile project management, change management, communication, problem solving and leadership. In addition to the training courses we share our knowledge and expertise in company-wide initiatives, such as Idea Talks, Treehouse Talks on Sustainability, and our Communities of Practice on Leadership and Digitalization. Digital courses on relevant topics, such as sustainability and digitalization, have been developed to cover new training needs. These courses are a much more flexible training format because

team members can take them at any time or location. An average of 13 hours of training per consultant and 8 hours of training per manager were provided in 2022. On top, every employee had the opportunity to attend 12 hours of knowledge initiatives (not including e-learning and private training). We set a target of 30 hours of training per consultant for 2023, including all the above-mentioned training and learning offerings as well as onboarding sessions. In 2023, we will revise the development concept and adapt our training offerings to employee needs. Additional training opportunities and a development plan for our senior employees (manager and above) are two of our improvement priorities. In addition to that we will provide stronger support to new recruits in their first year at acondas in line with our people growth strategy.

Outside of our training program, our employees can expand their professional and methodological competences through external certifications that are sponsored by acondas (e.g. CAPM and PMP (PMI), Scrum Master/Product Owner, Change Manager). Reflecting the high level of commitment and interest of our consultants in a broad range of individual



qualifications, we provide an annual individual development budget that can be used to pay for online courses, books, or subscriptions providing specific additional knowledge and competencies. On average, 59% of this funding was utilized in 2022. Our goal is to increase uptake and ensure that at least 80% of the individual training budget is utilized in 2023.

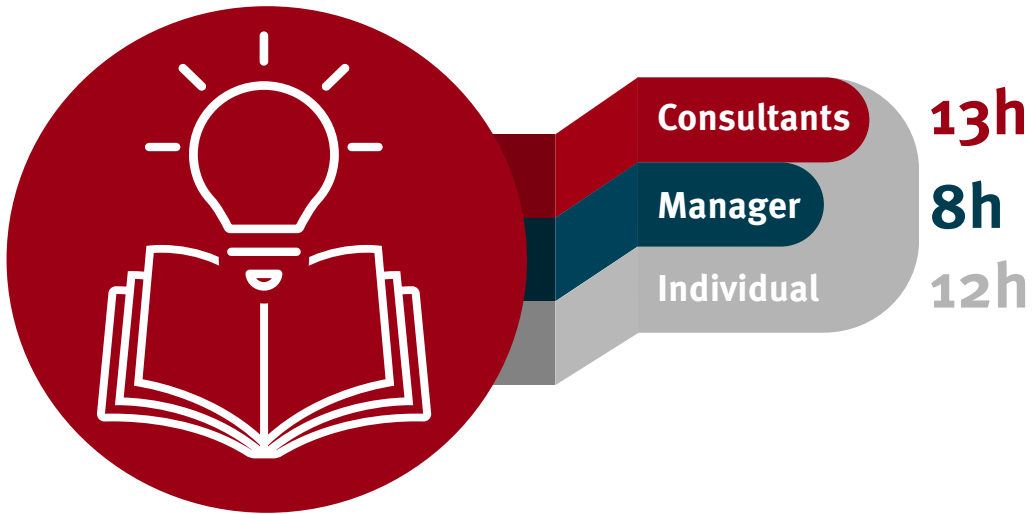


Figure 2: Average training volume per employee p.a.

In some cases, we support advanced development programs or certifications. For example, we supported a consultant taking a 6-month change management for digital transformation certification course at the University of Hamburg. We also sponsored one-to-one coaching sessions for several consultants. Academic education is another aspect of further development at acondas. Last year, two of our team members were enrolled in a dual master’s program and one employee in a dual PhD program.

Relationship with Supervisors

All acondas employees are supported in their personal development by a supervisor in the role of a coach/mentor. In one-on-one sessions they discuss personal development goals, training & learning opportunities, feedback, and self-reflection with their mentees. Team members are also guided by

their project or team leads in their daily work. At acondas, we foster trust-based relationships, mutual respect, and an open feedback culture.



In the annual employee survey 85% (fully agree = 73%, mildly agree = 12%) of respondents stated that they feel valued by their supervisors. 72% (fully agree = 20%, mildly agree = 52%) indicated that they receive regular and sufficient feedback. 87% of respondents said that their supervisor knows their personal development goals and supports them in achieving them (fully agree = 57%, mildly agree = 30%). In 2023 we aim to increase this figure to 90%. Supervisors share best practices on their coaching/mentoring methods on a regular basis – e.g. in the Community of Practice “Leadership” – to improve their competence.

Work-Life Balance

Our employees’ mental and physical health is of the utmost importance to us and we had to step up our efforts to support them in this area during the COVID-19 pandemic last year. All of our four offices ensured strict compliance with COVID-19-related legal regulations on hygiene and social distancing.

We introduced a hybrid working model for client projects with a high proportion of remote working. Even when the pandemic started to recede, the flexible working models remained in place, and they proved to have a noticeably positive effect on employee health. They resonate with our clients’ way of working and also contribute to a healthy work-life balance.

Our team members can avoid long commutes and the associated negative impacts on physical and mental health. In 2022, 73% of the consultants’ work was done from home. To further improve employee work-life balance, we piloted a new work format – workation – that allows our people to work remotely from any other European country for a maximum of 20 days a year.



To achieve a more compatible balance between workload and vacation, acondas increased the employee vacation entitlement from 25 to 30 days. We also encourage our employees to have interests and ambitions outside of the workplace by giving them the opportunity to take a sabbatical. The sabbaticals range from six weeks to six months of unpaid leave. Employees can also request a paid sabbatical on a deferred compensation basis. In 2022, one employee took a sabbatical. All these measures have improved our employees’ work-life balance.



Figure 3: Sabbatical of a colleague - Christmas in Australia



Figure 4: Gathering of the team in the Düsseldorf office

According to 90% of respondents in this year's employee survey, their current work-life balance is in line with their expectations. This is a significant improvement compared to the 2021 survey, where only 71% of respondents said that their work-life balance expectations were met.

Our people live and breathe our values, as is evident by their high level of engagement in company development activities. Outside their regular project work, team members take on internal projects to facilitate acondas' further development. We organize

these internal projects in an agile way with Knowledge Teams (KT) and Functional Teams (FT). The employees choose which KT/FT they would like to be part of for the next 9-12 months.

Project topics range from marketing & sales and employee lifecycle, to sustainability and digitalization know-how. As a result of their very high workload in client projects, only 68% of respondents in the 2022 employee survey stated that their company development activities were compatible with their project situation. However, towards the end

of 2022 we restructured our internal teams and prioritized projects with the objective of improving the internal and client project work balance.

Diversity

Employee recruitment and promotion, project assignment decisions, internal task allocation and further development are based solely on competence, experience and suitability, and are in no way influenced by gender, sexual identity, age, ethnic origin, cultural or religious affiliation. We apply transparent, performance-based recruitment and promotion criteria and offer all employees equal training opportunities as well as identical, transparent salary models for each consultant level.

 **31%**
share of female
consultants

We aim to have a diverse and inclusive workplace. In 2022, the share of female consultants was 31%. In leadership positions (manager or higher) the share of women was 29%. We aim to have at least 40% female consultants by 2025 and at least 40% female consultants in leadership positions (manager or above) by 2030. This target is in line with the AllBright Foundation's 40% threshold for gender balance.

In 2021 our employees initiated a monthly "Lunch & Learn" event for all our female team members in order to set up a network for all women at acondas. The virtual lunches continued throughout 2022 as a platform to share ideas and knowledge on diverse topics, such as gender equality or women at work.

In 2022 we expanded our recruiting activities to include a broader target group. For example, we piloted recruiting events for international graduates and MINT students.

One of our core values is openness. We aim to eliminate unconscious biases and ingrained thought patterns and their impacts on our work. Team cohesion is one of our strengths and we believe in the advantages of diversity in the team set-up with regard to gender, nationality, education, and personality traits.

Work Conditions

We comply with all legal guidelines and regulations to guarantee a safe workplace for our employees. There is a safety officer and fire safety officer at each of our four offices, as well as a company-wide occupational safety committee. In 2022 we executed a series of safety measures:

- Occupational safety inspections at all offices
- Inspection of electrical equipment
- Inspection of alarms, emergency plans and first-aid materials

It is thanks to these safety measures that we have concluded another year with 0 accidents in the workplace.

The same requirements apply to our clients' offices. Even though we are aware that we cannot dictate the safety measures our clients take, we try to make sure that they comply with legal requirements.



Figure 5: Team lunch in Düsseldorf

Work Environment

Development, freedom, openness, and team spirit are our core values. We defined these values in a company-wide bottom-up approach in 2016. They have proven to be successful as the framework for the work environment at acondas and we obtained a high score for work environment in the 2022 employee survey. 84% of respondents said they were (very) happy with their current working environment.



We realize how important it is to show and receive appreciation, which is why at the end of each year our employees can nominate their own "value heroes" and send them a personalized thank-you note.

We encourage collaboration because we believe in the importance of team building, especially when teams work remotely. We reinforce our "team spirit" value through several team events at our offices and through our team meetings. In 2022 we organized 71 team lunches and 10 team events.



Ecological Footprint

Climate change and environmental damage are directly impacting everyone’s lives and it is important that we contribute to reducing our ecological footprints. acondas supports the goals of the Paris Climate Agreement and aims to play a prominent role in the fight to prevent climate change. In many of our projects we support clients in the implementation of carbon emission reduction strategies, for example by building up renewable energies or converting coal-fired power plants. We have also changed our practices and behaviors to improve our own ecological footprint. Three years ago, we set ourselves a short-term carbon emissions target of 6 tonnes per employee per year. At the time, most of our consultancy activities were on site at the client locations. Since then, our work models has changed significantly – and so have our traveling preferences. Reduced travel activity and extensive sustainability measures enabled acondas to reduce its carbon footprint to below 2 tonnes per employee in 2022 which is less than one third of our 2020 target. We achieved this impressive result through the extraordinary commitment of our people and our clients’ flexibility in accepting work model that led to a strong reduction in travel and preferred use of rail services over flights. This year we intend to achieve a further improvement by implementing a concept to monitor the carbon footprint of our travel activities and office infrastructure efficiently and comprehensively. We also aim to build on our achievements by reducing our carbon footprint by another 50% by 2025 and achieving carbon neutrality by 2030.

Conscious Business Travel

Sustainability can be achieved through a combination of the three principles of sufficiency (modification of consumption patterns), consistency (use of technologies with a low carbon footprint), and efficiency (more efficient use of energy).



Figure 6: For domestic travel we prefer going by rail

We also apply these principles to our business trips. Firstly, we have set ourselves the goal of reducing the number of trips taken for company and client meetings. Digitalization and technical advances make it possible to work on projects remotely without any loss of quality or efficiency, and with significantly shorter on-site deployment times. We agreed on consulting models with our clients which involve less travel and a higher proportion of remote working. We also try to assign our consultants to projects close to their home location wherever possible, which additionally reduces time and resource expenditure on travel and makes more climate-friendly transport options such as train, public transportation or bicycle possible. Our consultants welcome the reduction in business trips and travel time, and our clients benefit from reduced travel expenses. This approach combines ecological, social, and economic factors in a positive way.

Despite all our efforts it will not be possible to avoid travel completely because face-to-face interaction with our clients is essential to the success of strategy implementation. However, we can endeavor to make the necessary travel activities as sustainable as possible. These efforts focus on minimizing the number of domestic flights taken.

The predominant mode of transport in Germany is the train. In 2022, all employees using the train for business travel received a BahnCard 50 discount rail card, which they can also use for private travel. This sets an incentive to choose rail as the preferred mode of transport for both business and private travel.



In 2022, business trips accounted for a total of 43.4 tonnes of carbon emissions (60% of total). 74% of our air travel carbon emissions resulted from our overseas annual strategy meeting. We chose this destination for team-building purposes and many employees combined the overseas business trip with a workation or private holiday. Going forward, we will evaluate alternative destinations for our strategy meetings in Germany or nearby countries, taking employee preferences into account.

Employee Mobility

We request our employees to choose modes of transport that generate the lowest possible carbon footprint when traveling to work and we introduced a bike leasing scheme as an incentive in January 2022. Employees can lease a bike on a salary sacrifice basis for commuting to work and for private purposes. acondas subsidizes the lease contracts with 50 euros a month over a 36-month period, i.e., a total of up to 1,800 euros.

Working from home is another option available to employees. Now that digital collaboration and remote working are becoming common practice, we want to avoid unnecessary commuting.

Our employee mobility initiatives have already been successful, and the proportion of employees commuting by bicycle or on foot has risen by more than 10%. Overall, more than 40% of our people walk or cycle to work. This is to some extent due to the locations of our offices, all of which support sustainable commuting because they are centrally located with excellent access to public transportation.

40% of commuting to work is on foot or by bicycle

In total, the commute accounted for 16.5 tonnes of carbon emissions (22.8% of total) in 2022. In future, we aim to ensure that at least 80% of our employees travel to work on public transport, bicycle or foot.



Figure 7: Commuting to work by bike

The Green Office

We are transitioning into a paperless office for two reasons. First, we have a hybrid working model, which means that our core processes with clients, suppliers, and employees are digital and our interactions are largely paperless. Second, we want to reduce paper waste to an absolute minimum. In 2022, we implemented additional digitalization measures such as the company-wide distribution of iPads to our employees and the introduction of a new digital time tracking tool.

We work in low-energy offices. When selecting our office buildings, energy efficiency and energy supply play a key role. Our new office location in Düsseldorf is characterized by efficient, flexible space concepts, high energy efficiency, as well as numerous other resource-saving features.

We aim to achieve a net zero emissions target by 2030. Our long-term Scope 2 emissions goal is to extensively reduce and fully compensate our carbon emissions from 2025 onwards. Wherever possible we will switch over to green electricity. In 2021, our Scope 2 emissions across all our offices were around 12.3 tonnes of CO₂: 8.8 tonnes for heat consumption and 3.5 tonnes for electricity consumption. The 2022 energy consumption data were not available at the time of this report's editorial deadline and will be published in the next report.



Sustainability in Client Projects

acondas is the leading consultancy for strategy implementation in Germany. The vast majority of our consulting work is dedicated to projects with a strong focus on sustainability targets. Most of our clients are large multinationals. It is encouraging to see that in the past years they linked their corporate strategies to several of the UN's sustainability development goals (SDGs). In essence, strategy implementation has thus been enhanced to sustainability implementation. Our mission *Bringing Strategies to Life* can often enough be understood as *Bringing Sustainability to Life*.

In 2022, 67% of our project utilization and our revenues came from strategy implementation projects with a clear link to at least 1 of the 17 SDGs. Leading the pack are implementation projects focusing on energy transition, which follow SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action). Examples of our project work include the build-up and growth of the renewable energy business or the transition of fossil power plants to renewable fuels. Other strategy implementation projects were linked to SDG 3 (Good Health and Wellbeing), SDG 4 (Quality Education) and SDG 8 (Decent Work and Economic Growth).

 **67%**
of our projects with
a clear link to at
least 1 of 17 SDGs

For sustainability strategy and target implementation, we use our proprietary consulting approach acondas IMPACT® which structures the entire implementation process, from detailing the sustainability strategy into targets and measurable KPIs, deriving and planning implementation measures, tracking measure implementation and impact, anchoring sustainability in the corporate culture, and engaging all relevant stakeholders in a mutual exchange. In 2022, we started to use acondas IMPACT® in client discussions in the SME segments, too.

In the following, we take a closer look at the projects we carried out with a focus on sustainability. New in this year's sustainability report: we let one of our clients talk about our joint project and his view on acondas' role and value contribution: a new practice we hope will become a tradition in our upcoming reports.

Our Focus in Energy Industry Projects for 2022

The year 2022 was a defining year for the German energy industry. Naturally, the overall transition of our energy supply away from nuclear and fossil fuels towards renewables remained a key challenge, and therefore the common goal of the incumbents remained to provide clean energy safely and affordably. However, the Russian war in Ukraine and the immediate halting of all gas imports from Russia gave rise to new challenges. Besides sustainability and affordability, availability became a third key factor of energy supply. More specifically, the security of electricity and heat supply had to be ensured despite the looming coal and natural gas shortages combined with rapidly rising prices. While the initial shortage of hard coal for our clients could be solved through cooperation with other countries, they continue to struggle to replace Russian gas imports. For our clients in the energy industry, these developments had multiple implications:

1. New sources of natural gas had to be developed (keyword LNG)
2. Alternatives to natural gas had to be made available faster (keyword hydrogen)
3. A stable power supply had to be ensured for this and the coming winters (keyword lifetime extensions for nuclear and coal-fired power plants)
4. Renewable energies had to be made available even faster

Due to the urgent nature of these topics, many of our projects in 2022 focused on those energy transition topics. We supported our clients in all four areas. For example, we assisted in the development of an LNG import hub. In collaboration with a client, we worked on speeding up the development of substantial electrolysis capacity to replace natural gas in the medium term. Our contribution ranged

from concept and business case development to implementation support. To ensure a stable energy supply, we worked with another client to optimise the use of its hard coal-fired power plants in the short term and to convert these plants to renewable biomass in the medium term.

In addition, we aided our clients in expanding their renewable energy portfolio. For example, we facilitated a client in the development and implementation of growth, operation, and maintenance strategies for offshore and onshore wind farms. At the same time, we helped set up a new business entity for project development in the areas of onshore wind and ground-mounted photovoltaic farms, a project presented in more detail in the following project spotlight. For all these activities we drew on our consultants' many years of experience and expertise in the energy sector.





Picture sources: RWE AG

Project Spotlight: Build-up and Growth of Renewable Energy Player

The development of renewable energy in Germany – mainly wind and solar power – has become one of the top priorities of the German Federal Government. The aspiration is to increase the share of renewable energy sources in gross electricity consumption to at least 80% by 2030.

Our client RWE is one of the world’s leading renewable energy players. In Germany, RWE has launched an ambitious growth program “Germany 2030”, which focuses on developing renewable energy production from onshore wind and ground-mounted photovoltaic farms. For regional project development in north-eastern, eastern, western and southern Germany, RWE founded a new legal entity “RWE Renewables

Deutschland GmbH” (RRD), with offices in Rostock, Berlin, Leipzig, Düsseldorf, Mainz, Augsburg, and Stuttgart.



acondas has been supporting the RWE team right from the start in the development and expansion of RRD. In the first phase of the project, we supported the business and company building efforts and ensured that all legal, financial, and organisational preparations were ready for a successful “Day 1” and operational readiness of the new firm.

In the second phase, we have been supporting the new business in various conceptual and operational topics, ranging from the onboarding of new employees, the development and implementation of a marketing concept, the set-up of mechanisms for intracompany service delivery and cost allocation as well as performance management.



Figure 9: Dr. Mathias Leistenschneider (first from left in orange reflective vest) with two colleagues from RWE Renewables Deutschland at the Inden solar farm. This example from the Rhenish lignite mining region illustrates the energy transition from fossil to renewable power generation in Germany.

“

Germany has ambitious renewable energy growth targets and RWE contributes significantly to helping it reaching those targets. We have a strong reputation as a future-proof and reliable energy company. In general, we develop, build, own and operate assets in onshore wind, ground-mounted photovoltaic and storage “one-stop”. We are a longterm, reliable partner for all stakeholders, including landowners and local authorities.

The renewables targets Germany has set are clear – their implementation requires speed and flexibility. The pace of setting up and growing our development business in Germany is very rapid. The acondas team has been supporting me and my team for more than a year now on a wide range of business building and operations topics. I appreciate the high flexibility and pragmatism of the acondas consultants. For me, acondas is more than a consulting service provider – it is a true partner.

Dr. Mathias Leistenschneider

CEO and Managing Director of RWE Renewables Deutschland GmbH

Building up a renewable energy development company is no everyday undertaking. The project reminds me of when I co-founded acondas: The months of operational preparation before Day 1, the moments of joy when the first employees were onboarded, the first projects won and the phases of growth when processes and working procedures had to be set up and scaled up. It is a great joy to work with Mathias and his team at RWE Renewables Deutschland. And it is a great honour to be part of RWE’s renewable growth story in Germany.

Dr. Andreas Florissen

Managing Director of acondas GmbH

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Compliance and Data Privacy

acondas follows a zero-tolerance policy regarding any type of corruption, fraud, theft, or bribery. Strict compliance with laws and norms is our highest priority. Violations and misconduct are punished by appropriate sanctions based on our ethical and procedural standards. No compliance violations and corruption cases were reported or uncovered during the reporting period, and there are no investigations or sanctions against the company or its employees.

Anchoring Business Ethics and Code of Conduct

The basis for our client's trust is the integrity of our employees. Alongside the acondas corporate



Figure 10: acondas management during a leadership workshop in Düsseldorf setting priorities for 2023

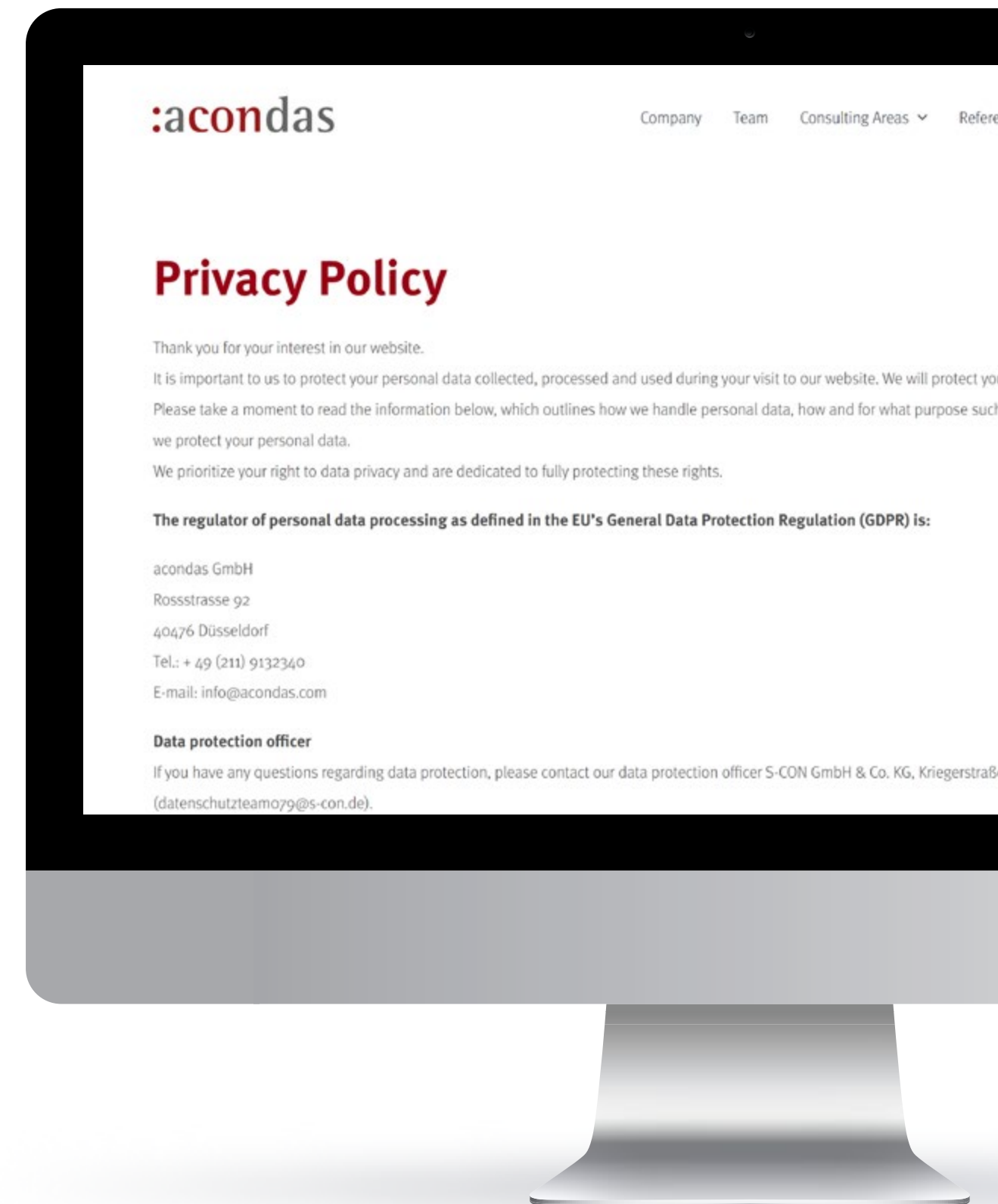
values, our seven professional principles serve as guidelines: expertise, independence, confidentiality, quality, reliability, empathy, and customer focus. To strengthen awareness within our workforce, the guidelines on acondas' values and professional principles are available online for all employees and are addressed actively and regularly. They are continuously reinforced in strategy meetings

31 value heroes

and as part of employee management. For example, as part of the strategy meeting in December 2022, 31 value heroes were named who have excelled in one of these categories over the year. Moreover, regular communication campaigns and discussion formats, such as our onboarding process, and employee events, are conducted to provide more in-depth information.

Creation of Process Compliance

In case of questions, all employees have access to an agile coach responsible for communication and a person of trust on compliance matters. The agile coach provides methodological guidance for the internal work, while the person of trust on compliance matters is specially trained for this task.



Furthermore, acondas has an external data protection officer who regularly informs the management about changes in data protection law and who can be called upon for any questions in this area.

In the main risk areas (corruption, bribery, fraud, and theft), mandatory guidelines, processes and technical measures (internal control system) have been in place since the company was founded. These are reviewed annually by an external auditor as part of a voluntary annual audit. The company itself is encouraged to implement all legislation changes independently and adapt its processes where necessary. There were no objections in the external audit of the 2021 annual financial statements. The external audit of the 2022 annual year takes place after the editorial deadline and will be reported in the next sustainability report.

Data Protection and Data Security

Within the framework of the project work, acondas receives access to confidential client data and business internals. All employees are bound by the principle of utmost confidentiality, which is documented in general and project-specific confidentiality declarations. Sensitive project information is neither published by acondas nor used for any purposes beyond the project.

Technical and organizational measures to protect against unauthorized access by third parties, such as firewalls, password management, access rights, etc., are continuously optimized with the help of our external data protection officer. The latter also

carries out all data protection assessments relevant to the company. In the reporting year 2022, acondas fully complied with the requirements of the General Data Protection Regulation.

Purchase of Services

Major purchases or contracts with service providers generally require direct approval by the management. To ensure that all service providers and external partners adhere to our ethical standards and professional principles, we aim to be even more thorough in our supplier selection. Furthermore, we aim to continuously evaluate our existing suppliers by applying a traffic light rating system. If shortcomings are discovered during the assessments, the suppliers are encouraged to change for the better. If a supplier is consistently lacking and not attempting to change, we will reconsider our relationship with them. Already today, in its supplier role, acondas makes self-commitments to customer companies to comply with all ethical standards as part of the auditing and certification processes.





Settlement of Expenses

Specifications for submitting individual operating expenses (e.g., travel expenses, office materials, training measures) are defined in the corresponding guidelines on travel expenses and individual development. Deviations are only possible in exceptional cases with management approval. All expenses submitted are reviewed in accordance with the two-person rule. During the review period, training sessions on expense reporting were held as part of the onboarding process for all new employees.

Acquisition of Consulting Projects

Project acquisition follows a defined sales and tender process. This involves strict compliance with the client companies' official tendering processes and award guidelines. Offers are formally submitted via customer purchasing, and the respective purchasing conditions are accepted. A large proportion of project orders are handled through framework agreements on predefined terms and conditions. Care is taken to ensure that these comply with the applicable regulations of labour law and the customer's specifications. Our aim is to further increase the number of framework agreements reached in the coming year.

Voluntary Annual Audit

acondas GmbH is a small corporation according to the size criteria of § 267 HGB and is therefore not required to be audited according to § 316 et seq. HGB. Nevertheless, since our founding in 2011, we have undergone a voluntary annual audit to have the propriety of our accounting and financial statement preparation reviewed by an external auditing firm. Our current auditor is Mazars GmbH & Co. KG. Since its foundation, all annual financial statements of acondas GmbH have been issued with an unqualified audit certificate. Our auditor has certified that the company's books are properly kept and all requisite supporting documentation is available. The financial statements and the related documents comply in all material respects with the legal requirements. The organizational measures taken by acondas GmbH are suitable for ensuring the security of the processed accounting-relevant data.



Part 3:

Summary

In 2022, we sharpened our priorities in and commitments to sustainability: We further detailed our sustainability strategy by defining and committing to specific targets and KPIs. In addition, we continued launching and implementing sustainability measures in our four focus areas and started enhancing stakeholder engagement on sustainability, both within our team and with external stakeholders (clients, suppliers).

In 2023, we will track our commitments by further developing metrics to measure the implementation status of our sustainability initiatives and their impact on our KPIs. Tracking will become more precise and less based on assumptions and estimates.

We will continue to implement sustainability initiatives and launch new ideas for target achievement, following our principle that anyone in the organization can propose ideas. When ideas affect the entire firm, they will be discussed in and approved by our leadership team. When they address individual commitment, they can be exchanged and shared in a forum we provide. We recently launched a Community “Sustainability”, which is open to every acondas team member who wants to engage on sustainability topics. A community lead ensures coordination and tracking of sustainability initiatives and measures. We continue to address sustainability in our client projects and discussions. In our 2023 project portfolio, energy transition topics (renewable energy development, hard coal

exit, and transformation of energy systems) continue to play a major role. New sustainability projects (e.g., on bioethics strategy implementation) have recently started, too. We will not only work on but also talk about sustainability in joint articles and social media contributions with our clients and business partners.

We are convinced that the transition to a sustainable world is needed more than ever. And that it requires joint global efforts – by companies, politicians, NGOs, and every individual. At acondas, we assume responsibility and contribute to the UN Global Compact and the UN SDGs, internally and in our client project work, in accordance with our purpose “*Bringing Strategies to Life*”.

Any feedback and thoughts on our Sustainability Report, our targets and initiatives are welcome!

What comes next?



:acondas
Bringing strategies to life

Contact us

For any questions or
clarifications on our report.

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