Your partner in change

Particip Communication on Progress 2021



Our statement of continued support

Particip GmbH – Your Partner in change was founded in 1989 and is now an independent, internationally-recognised consultancy company, offering the expertise and the know-how gained in over a thousand assignments worldwide. As a multi-cultural company, our services focus on international development and include monitoring and evaluation, capacity and organisational development, technical assistance, policy advice, development of management guidelines at policy, programme and project level, and studies, surveys, and analyses – all services covering a broad variety of sectors and themes. For more information about Particip please visit our website at (<u>http://www.particip.de</u>).

As a consultancy in international development cooperation our overall approach focuses on sustainable development in accordance with the UN Millennium Development Goals.

The great coherence of our corporate values with the ten UN Global Compact principles encouraged us to become a signatory of the UN Global Compact on 7 September 2007. This is our 13th Communication on Progress (COP). In 2021 the COVID-19 pandemic continued to be a challenge for all of us. We were able to take our learnings from 2020 and adapt them to the everchanging circumstances to ensure safety and wellbeing for our in-house staff as well as our freelance experts and partners.

We were able to continue to encourage social and environmental changes through our project work, through internal processes such as revised sustainability and ethics policies, and through CO2 compensation wherever possible.

In 2021 we were again a financial sponsor for a 12hour charity race where our employees in total cycled over 400km in support of the World Bicycle Relief.

Johannes G. Walter Managing Director

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Human Rights

Principle 1

Business should support and respect the protection of internationally proclaimed human rights

Principle 2

Business should ensure that they are not complicit in human rights abuses

Our commitment

We openly commit ourselves to complying with internationally proclaimed human rights in accordance with the UN Declaration of Human Rights and to observe the national laws in all countries we work in. We fully abide by the principles of non-discrimination against anyone regardless of gender, religion, colour, disability, or origin.

We are aware that human rights are less protected in some of the countries we work in than in Germany, where our headquarters are located. We therefore attach importance to the fact that our commitment is not only binding for our permanent staff in our headquarters in Freiburg and our branch in Brussels, but also for all freelance experts contracted by us for short- or long-term assignments at home or abroad.

We obey the laws and regulations in the countries we operate in and accept responsibility for our actions worldwide. We commit ourselves to comply with internationally proclaimed human rights in accordance with the UN Universal Declaration of Human Rights and to observe the national laws in all countries where services are provided. Equally, we fully respect the political, cultural, and religious practices prevailing in the country of operation.

Since August 2010 Particip has an official Code of Conduct. By signing it, all staff members in our headquarters in Freiburg and our branch in Brussels ensure their assent.

The Code of Conduct lays down our ethical principles, provides us with a practical guideline while working to the highest professional standards in development consulting and sets a framework for action.

In order to guarantee adherence to Particip's ethical principles, an internal person of trust can be addressed confidentially whenever a staff member considers that one of Particip's ethical principles is not being complied with. It is guaranteed in the Code of Conduct that no employee or expert will suffer adverse consequences for reporting any disregard of Particip's ethical principles.

As a company headquartered in Germany, Particip is subject to the General Equal Treatment Act (AGG – Allgemeines Gleichstellungsgesetz). Of course, the law is the basis for cooperation with all internal and external employees, regardless of their place of residence.

We ensure "equal pay for equal work" by using a transparent remuneration structure for our staff directly involved in project work irrespective of any personal circumstances such as gender. Requirements to be met for achieving different salary levels are clearly defined and available to all employees. Besides our transparent remuneration system for fixed salary levels, a flexible salary based on the company's profit margin is added to the fixed salary to enable employees to participate in the company's success. Since 2014 a component rewarding seniority has been added to the flexible salary system.

We believe that work and private life should be compatible. For our family-oriented working environment, we were already honored in 2005 as one of the most family-friendly companies in Germany. At Particip working parents do not have to choose between a career or a family. We firmly believe that work-family balance is not dependent on gender either: about a third of all parents on parental leave at Particip are men, way above average in Germany. Particip provides easy reintegration after parental leave and offers home office solutions as well as part-time work at all seniority levels.

In 2021 Particip revised its policies on human rights, gender equality and diversity, as well as bullying, harassment, and discrimination. We aim to create a working environment that combines performance-orientation with concern for the individual. There is no place for discrimination, harassment and bullying in an inclusive and fair working environment.

We therefore condemn all forms of discrimination and harassment, whether of physical, verbal or non-verbal nature against anyone regardless of gender, skin colour, religion, culture, age, disability, or national origin. Human Rights and Democracy is one of the core sectors covered by our services. In 2021 we launched several projects focusing on human rights, e.g.:

- Provision of Third Party monitoring services for Sehatmandi Implementing Partners for UNICEF and WHO. In the past 20 years Afghanistan worked hard to increase access to health services across the country, with remarkable progress. The Sehatmandi project introduced a performance management system for the service providers health services.
- Monitoring and Evaluation of the Somalia Peace and Stabilisation Programme Evaluation of the EU support to independent, effective and efficient justice systems in countries like Burkina Faso, Congo (Kinshasa), Guatemala, Jamaica, and Kenya.
- Evaluation of the European Union's cooperation with Tajikistan, 2014-2020 in issues such as gender equality and human rights.
- Technical assistance to the Ministry for the Promotion of Women, the Family and Child Protection in the Central African Republic

Performance

GRI Indicator LA 13: Percentage of employees in following categories (based on full-time equivalent)

		2019	2020	2021
Gender	Female %	54%	57%	64%
	Male %	46%	43%	36%
Age	under 30 years old	19%	27%	21%
groups	30 – 50 years old	72%	63%	74%
	Over 50 years old	9%	11%	5%

GRI Indicator LA 14: Ratio of basic salary of men to women

Our remuneration system applies irrespective of gender; hence this ratio is 1:1.

Targets

• Ensure the good practice standards are maintained. *GRI Indicator LA 13:* Composition of senior management in following categories (based on full-time equivalent)

		2019	2020	2021
	Female %	17%	17%	17%
Gender	Male %	83%	83%	83%
	under 30 years old	0%	0%	0%
Age groups	30 – 50 years old	33%	33%	33%
	Over 50 years old	67%	67%	67%



Labour

Principle 3

Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4

Business should support the elimination of all forms of forced and compulsory labour

Principle 5

Business should support the effective abolition of child labour

Principle 6

Business should support the elimination of discrimination in respect of employment and occupation

Our commitment

Our company's most valuable asset is our people. We offer our staff long-term professional and personal development perspectives. In this regard we have been able to keep a stable percentage of employees former employed as student assistants or interns close to 20% over the past 7 years.

After staff turnover became smaller in recent years, thanks in part to a new recruiting strategy, the figure increased again in 2021. Part of the reason were endings of fix-term contracts. Another reason for the higher staff turnover could be the greatly

increased workload - 2021 was Particip's most successful year in company history. We are trying to counteract the increased workload with increased recruiting measures.

After increasing the fixed salary levels in 2020 another increase is planned for 2022.

Besides our transparent remuneration system for fixed salary levels, a flexible salary based on the company's profit margin is added to the fixed salary to enable employees to participate in the company's success. Since 2014 a component rewarding seniority has been added to the flexible salary system.

Our staff continued to work from home whenever possible to protect themselves from a Covid-19 infection.

In 2021 we launched several projects focusing on labour, e.g.:

- promoting income-generating opportunities through business support, employment promotion, and the provision of employment services in Somalia
- Technical assistance to Invest for Jobs / GIZ Senegal: the programme aims to increase job-creating growth of African and European companies operating in Senegal
- Consultancy for undertaking scenario planning on the socio-economic impact of Covid-19 in the SADC Region
- Raise awareness about EUTF programmes in Ethiopia such as stability and socio-economic development for vulnerable people and marginalised communities in the Tigray region of Ethiopia (SSDV)
- Identification and Formulation of a National Support Project on Green Economic Recovery through an Integrated Circular Economy Approach for the Philippines

Performance

GRI Indicator LA 2: Employee turnover in following categories

(based on total no. of employees)

		2019	2020	2021
Gender	Female %	13.1%	3.3%	13,5%
	Male %	3%	2.2%	6,2%
Age	under 30 years old	5.1%	1.1%	3,13%
groups	30 – 50 years old 11.1%	4.4%	15,6%	
	Over 50 years old	0%	0%	1%

Percentage of part-time employees

(based on total no. of employees)

2018	2019	2020	2021
23.08%	22.22%	26.67%	22,92%

GRI Indicator LA 3: Benefits provided to full-time employees that are not provided to temporary or to part-time employees

Provided to Benefit	Full- time em- ploy- ees	Tempo- rary employ- ees	Part- time em- ploy- ees
Accident in- surance	yes	yes	yes
Company pen- sion scheme	yes	yes	yes
Allowance for childcare	yes	yes	yes
Allowance for homework	yes	yes	yes

Percentage of permanent staff members formerly employed as student assistants or interns (based on total no. of employees)

2018	2019	2020	2021
19.78%	18.18%	15.56%	16,84%

Percentage of permanent work contracts (based on total no. of employees)

2018	2019	2020	2021
92.31%	89.90%	90.00%	90,53%

Targets

- Keep percentage of permanent work contracts around 90%
- Decrease employee turnover



Environment

Principle 7

Business should support a precautionary approach to environmental challenges

Principle 8

Business should undertake initiatives to promote greater environmental responsibility

Principle 9

Business should encourage the development and diffusion of environmentally friendly technologies

Our commitment

We actively contribute to environmental awareness and are committed to minimizing the negative environmental impacts of our day-to-day work. Amongst others the location of our head-quarters in Freiburg in a "plus-energy building" shows our environmental commitment. Plus-energy buildings are characterized by on average generating more energy than its inhabitants spend.

In our offices we offer our employees free organic fruit, fair-trade coffee and organic local milk and organic plant-based milk.

Wherever possible, staff at Particip use public transport when travelling. Particip provides a Bahncard50 - a German Rail loyalty card that offers a 50% discount - to all travelling employees. Travels within Europe are therefore mainly undertaken by train.

Instead of owning a company car, we are members of a local car sharing company, where we can use a range of environmentally friendlier vehicles including electric cars.

CO2 emissions caused by project-related air travel are compensated through two organizations: https://www.myclimate.org/, and https://www.atmosfair.de/en/. All offsetting projects are related to one or several of the following standards: CDM Gold Standard, Plan Vivo, CER /VER (CER and VER projects are audited by a United Nations accredited body and other independent bodies).

Particip supports "CO2 Abgabe e.V.", an organization that is campaigning for a Germany-wide CO2 emission tax to combat climate change. Through a national CO2 emission tax, the national climate protection goals can be achieved, and the costs of climate protection are spread in a fair and socially acceptable manner. Additionally, CO2 emission taxes are a strong incentive to invest in energy efficiency and in the further expansion of renewable energies.

Particip has been a long-term member of Greenpeace Germany. Greenpeace is fighting Global Warming and is fully committed to the Paris Agreement's target and the imperative of limiting the average global temperature rise to 1.5 degrees Celsius above pre-industrial levels.

As part of the Entrepreneurs for future, Particip declares solidarity with the #Fridaysforfuture movement. We fully support their statement that "it is possible to do business and protect the climate. There are already a wide range of innovative technologies, products, services, and business models which do just that. But politicians need to act to create conditions which allow such technologies and business models to compete fairly, and to generate change in the economy as a whole.". Environment is another core sector covered by our services. In 2021 we launched several projects focussing on environment, e.g.:

- Somalia Crisis Recovery Project: a flood and disaster recovery, and reconstruction project.
- Evaluation of R4 Rural Resilience Initiative in Masvingo and Rushinga Districts in Zimbabwe. The R4 Initiative manages climaterelated risk to enhance the food and nutrition security of farming households.
- Evaluation of the EU's support to climate change and environment in Enlargement and Neighbourhood regions
- Final Evaluation of the Low Carbon Action in the Republic of Korea
- Communication and Visibility of EU-Vanuatu Development Cooperation with specific attention to climate change resilience, and ocean governance
- Identification and Formulation of a National Support Project on Green Economic Recovery through an Integrated Circular Economy Approach for the Philippines
- Support to Peru for the implementation of the Leticia Pact Plan of Action for the Amazon

Performance

GRI Indicator EN 1: Materials used

	2019	2020 ¹	2021
Copies	200,052	111,253	45,717
Turnover [€]	41,668,566	50,400,000	56,700,000
Copies / turnover per mille	4.80	2.21	0,81

Company car / Car sharing use

	2019	2020 ¹	2021
km	2,580	3,852	59
Turnover [€]	41,668,566	50,400,000	56,700,000
km / turnover per mille	0.06	0.08	0.00

¹ Turnover estimates

Targets

- Keep the ratio of copies used per 1000€ turnover below 1.
- Monitor and reduce CO2 impact through compensation



Anti-Corruption

Principle 10

Business should work against corruption in all its forms, including extortion and bribery

Our Commitment

Corruption is defined as the abuse of entrusted power for private gain. Corruption weakens democracy, increases inequality and poverty, exacerbates the environmental crisis, and hinders economic development.

As an actor in international development cooperation, we are convinced that our company's longterm success is not feasible at the expense of a few individuals or the general public, but solely in a sound, trustful and fair societal environment.

We therefore attach great importance to the fact that our staff members know and adhere to Particip's no-tolerance policy regarding corruption. All contracts with freelance experts clearly refer to the issue of corruption. By signing their contract, the freelance expert agrees amongst others with the following points:

- The contractor shall not accept any commission, discount, allowance, indirect payment, or other consideration in connection with, or in relation to, or in discharge of, his obligations under this contract.
- In context of services provided by the Contractor he shall not accept or give any favour, gift or remuneration from or to any source external to Particip without obtaining its approval. Otherwise, Particip may, without prejudice to any accrued rights of the Contractor under this contract, terminate this contract

In case an employee or freelance expert witnesses a breach of Particip's anti-corruption policy, they may report in confidence their concerns and violations to Particip's internal persons of trust in person or at personoftrust@particip.de. No employee or freelance expert will suffer adverse consequences for reporting any disregard of Particip's ethical principles.

A lot of our implemented projects generally include the subject of anti-corruption. In 2021 we were also part of an Evaluation of the European Union support to Rule of Law and anticorruption in Partner Countries (2010-2020).