

ISEC7

Sustainability Report 2024

PREAMBLE

ISEC7 Group AG and its EU subsidiaries ISEC7 GmbH and ISEC7 Software GmbH have committed to publishing a sustainability report every two years, in which the company's current development in the area of sustainability is publicly documented. This is based on the guidelines of the United Nations Global Compact (UNGC) and its Global Reporting Initiative for the preparation of sustainability reports (GRI) as well as ISO14001.

ISEC7 strives to play an exemplary role in becoming a sustainable company. This includes the goals of acting in a socially and environmentally conscious manner and achieving the best possible balance with economic aspects. The company management intends to conduct business in a high-quality and sustainable manner based on ethical principles and to promote fair competition. In addition to compliance with applicable laws, this includes the acceptance of antitrust prohibitions and restrictions on competition as well as the recording and accounting of emissions. ISEC7 strives for continuous improvement, especially when it comes to avoiding or reducing emissions.

In addition to the social responsibility to comply with the UNGC sustainability goals, the company management also sees economic benefits. Through the company's consistent focus on sustainability, requirements from supply chain laws should be fulfilled at an early stage and upstream activities of customers should be climate-neutral and transferable in accordance with standard market reporting methods.

Signed. Dr. Marco Miklis, Chairman of the Supervisory Board

Dr. Marco Miklis

Signed. Marco Gocht, Chairman of the Executive Board

Marco Gocht

ISEC7 Group, 13.08.2024

CONTEXT OF BUSINESS ACTIVITY

The ISEC7 Group is a global provider of software and services in the field of Digital Workplace & Managed Mobility. ISEC7 is one of the pioneers in the digitalization of corporate and business processes and counts some of the world's largest companies and government organizations among its customers. ISEC7 refuses to do business with public companies in non-democratic countries, in particular countries according to the EU and US embargo lists, but also China and Russia.

ISEC7 continuously invests in the evaluation and further development of new technologies. The innovative solutions ISEC7 SPHERE, ISEC7 MAIL, ISEC7 CLASSIFY and the extensive portfolio for Endpoint Lifecycle Management are trend-setting in their field.

ISEC7 was founded in Germany in 2003 and has offices worldwide in the USA, Australia and New Zealand.

Legal structure, including group structure and ownership

ISEC7 Group AG, based in Hamburg, Germany, is the holding company and sole owner of the operating national companies ISEC7 GmbH (Germany), ISEC7 Software GmbH (Germany), ISEC7 US Inc (United States of America), ISEC7 Asia Pacific Pty Ltd (Australia) and ISEC7 NZ Ltd (New Zealand). As of May 2024, the shareholders of ISEC7 Group AG are exclusively private individuals who are predominantly active in management functions within the ISEC7 Group.

Organization

The ISEC7 Group has around 100 employees, of whom around 15% are female and 85% male. Gender is recorded according to three genders (male, female, diverse) or as *indeterminate*. All employment contracts are open-ended, with all employees employed on individual contracts; there are no employees covered by collective agreements.

In the 2022 financial year, the number of employees grew by 2%.

In the 2023 financial year, the number of employees grew by 11%.

Supply chain of the organization

The ISEC7 Group's main suppliers for its business activities are software manufacturers and manufacturers of hardware for the digital workplace. These include manufacturers of smartphones, tablets, notebooks and related equipment.

Due to the increasing importance of the Endpoint Lifecycle Management business area, the weighting of the main suppliers has changed in favor of hardware manufacturers and their distributors.

Corporate management

The management is committed to further developing the sustainable business activities of ISEC7 and to taking all necessary measures to achieve the goals set. In particular, the goals of the Paris Climate Conference and the United Nations Global Compact will be implemented.

Sustainable development was driven forward by the establishment of the Sustainability Working Group by employees of the ISEC7 Group. This working group is supported by the company's CFO. The external audit is carried out by EcoVadis.

Successes and progress in 2022:

1. Confirmation of the environmental management system in accordance with ISO 14001 in the monitoring audit
2. Sustainability certification by EcoVadis, Gold Medal award in 2022
3. Establishment of a complaints office for anti-discrimination
4. Appointment of a company doctor
5. Appointment of an occupational health and safety specialist
6. Risk assessment according to occupational safety and occupational medicine

Successes and progress in 2023:

1. Confirmation of the environmental management system in accordance with ISO 14001 in the monitoring audit
2. Decision to have the environmental management system recertified in accordance with ISO 14001 in 2024
3. Review of the Code of Conduct, expansion to include due diligence obligations when using 'artificial intelligence'
4. Company training portal on data protection, cyber security and compliance with mandatory participation
5. Additional compensation through MoorFutures from the greenhouse gas reduction quota premiums (GHG premiums) for electric vehicles
6. Ergonomic advice on the workplace from an occupational therapist
7. Risk assessment according to occupational safety and occupational medicine

CORPORATE GOVERNANCE

By joining the United Nations Global Compact (UNGC), the Management Board has expressed its commitment to sustainability. Both the Management Board and the Supervisory Board base their decision-making on the aspects of the UNGC sustainability criteria.

The sustainability working group has developed concepts and draft resolutions for the Executive Board. Communication and decisions are transparent and can be viewed by all employees. Reporting is prepared by the Sustainability Working Group and is finalized and approved by the Executive Board. The Supervisory Board checks the reporting for compliance with the sustainability targets.

The Management Board is permanently represented by the CFO in the Sustainability Working Group.

Continuous improvement in the area of the environment is ensured by ISO 14001 certification.

The reporting period for the Sustainability Report 2024 relates to the financial years 2022 and 2023 and is prepared every two years.

The contact point for the report is the ISEC7 Sustainability Working Group and its members. It can be reached by employees via the direct contact of the participants and by external parties at sustainability@isec7.com.

Management Board

The Management Board of ISEC7 Group AG consists of the following members at the reporting date:

- Marco Gocht, CEO / Chairman of the Executive Board
- Roger Dost, CFO / Chief Financial Officer
- Guido Wilken, CDO / Chief Development Officer

Supervisory Board

The Supervisory Board had the following members at the reporting date:

- Dr. Marco Miklis, Chairman and Spokesman / Focus on Finance & Marketing
- Jörg Greshake, Member / Focus on sales
- Michael Brandt, Member / Focus on strategy

Managing Director

The managing directors of the national companies are

- ISEC7 GmbH: Roger Dost, Marco Gocht
- ISEC7 Inc: Arthur Tang
- ISEC7 Asia Pacific Pty Ltd: Brian Harris
- ISEC7 NZ Ltd: Brian Harris
- ISEC7 Software GmbH: Guido Wilken, Matthias Hager, Marco Gocht, Roger Dost

Powers of attorney, responsibilities, control, consultation and nomination procedures are based on the Articles of Association and statutory regulations.

PRACTICAL MEASURES

The UNGC Sustainable Development Goals are the central building block of the ISEC7 guidelines and voluntary commitments. These are implemented in corporate goals, work instructions, the management systems, in particular in accordance with ISO 14001, and the binding Code of Conduct, which is based on the sustainability goals and best practice approaches of the UNGC.



ISEC7's sustainability strategy manifests itself in specific prioritized fields of action, which are developed in the ISEC7 Sustainability Working Group and are in line with the goals of ISEC7 management with regard to sustainable corporate governance.

As an IT company, the options for influencing sustainable production are severely limited and are therefore mainly oriented along the supply chain. The following priorities have been defined:

1. Climate neutrality
2. Health and occupational safety of employees
3. Portfolio management in favor of sustainable products
4. Sustainable customer and supplier relationships

Climate neutrality

As a service company, ISEC7's CO₂ footprint is small. In addition to the selection of green electricity providers and the consistent prioritization of climate-friendly products by the purchasing department, ISEC7 has set a milestone with the introduction of the ISEC7 environmental pledge for the shipping of parcels. The "Device-as-a-Service" division uses completely plastic-free packaging, most of which has already been recycled and is 100% recyclable in waste paper. So far, it has not been possible to find a way to replace the security tape (polyethylene and acrylate adhesive), which is only partially recyclable.

ISEC7 is testing the use of reusable shipping boxes.

Health and safety at work

The health of employees is particularly important to ISEC7. Workstations are set up according to ergonomic aspects and the ergonomic equipment of mobile workstations (so-called home office) is promoted. Since 2022, ISEC7 has been supported by specialists from the fields of occupational medicine, occupational safety and occupational therapy.

Motivation and subsidies for sporting activities are a matter of course and serve as a preventative health measure. The focus on ecological, regional and fair-trade products at company events and in internal catering throughout the year creates employee satisfaction and reflects ISEC7's sustainability strategy.

Portfolio management

With its "Device-as-a-Service" business area, ISEC7 promotes the sustainable use of modern digital workstations. High-quality IT equipment deserves a second life, which is why ISEC7 offers used hardware to secondary markets after certified erasure to the highest standards. This significantly

extends the life cycle of hardware and helps to use resources sparingly and as efficiently as possible.

Sustainable customer and supplier relationships

The sustainability and long-term nature of business relationships have been an integral part of ISEC7's philosophy since it was founded. Transparency and honesty are therefore a success factor for low fluctuation and high customer satisfaction. ISEC7 continues to adhere to this basic conviction of successful business activity and is continuously improving it.

STRATEGY

The digitalization and mobilization of business processes are changing the world, enabling global communication in fractions of a second and offering even small companies opportunities in global cooperation.

Tomorrow, nothing will be the same as our parents' generation knew the world. The shift to a digital economy, the unstoppable advance of apps for smartphones and tablets and the ongoing digitalization are changing our daily lives.

However, the advantages of the digital world also come with a great responsibility. The responsibility for peaceful coexistence and humanity, responsible use of our world's available resources and the trustworthy handling of available data from private individuals, public authorities and companies.

ISEC7 stands for clear rules, because mutual success is based on the trust of customers, partners and employees.

In the 2022-2023 reporting period, ISEC7 therefore reviewed the Code of Conduct as a guideline for all employees of the ISEC7 Group and expanded it to include the duty of care for the use of artificial intelligence. Specifically, the Code of Conduct is aimed at management, executives and all employees. ISEC7 also publishes a Code of Conduct for customers and suppliers.

The Code of Conduct covers the areas of human rights, the environment and climate, labor standards and corruption prevention. It is binding for employees of ISEC7 and represents the company's own aspiration to live up to the values and principles set out therein, while at the same time forming a basis for responsible cooperation in a spirit of partnership with business partners.

ISEC7 joined the United Nations Global Compact in June 2021 and is committed to complying with the principles of the United Nations for sustainable and responsible corporate governance.

In addition, ISEC7 implements measures for the implementation and further development of the United Nations' 17 Sustainable Development Goals (SDGs) for sustainable corporate governance and also promotes these in cooperation with its customers, partners and suppliers.

ISEC7 Group CFO Roger Dost: *"We are proud to be among the first companies in Germany to commit to the United Nations' common standards for human rights, labor standards, the environment and corruption prevention and to implement the 17 principles for sustainable development and corporate governance within ISEC7."*

Environmental, social and ethical performance and its sustainability are a key factor for sustainable companies today. More and more companies are improving their transparency and sustainability practices and publishing initiatives transparently to customers and business partners.

ISEC7 uses EcoVadis, the largest sustainability rating portal with over 130,000 rated companies (as of August 2024), for the ongoing external evaluation of the sustainability strategy.

HUMAN RIGHTS

ISEC7 is committed to respecting human rights and has therefore defined its commitment to Resolution 217 A (III) of the United Nations General Assembly (Universal Declaration of Human Rights) in the newly introduced Code of Conduct in 2021. The Code of Conduct also stipulates that ISEC7 reserves the right to refuse business relationships with suppliers and customers if they are obviously deliberately violating international human rights. By signing the Code of Conduct, ISEC7 employees undertake to comply with human rights in accordance with the above-mentioned resolution.

The ISEC7 Group has business locations in Germany, the USA, Australia and New Zealand. In the 2022-2023 reporting period, there were no incidents at any of ISEC7's business locations in which the rights of the indigenous population were violated.

ISEC7 has set up a whistleblower portal to provide a safe and anonymous way for employees and external persons to disclose violations of the Code of Conduct or other irregularities within the organization. The portal allows employees and external persons to report important information without having to worry about possible negative consequences for their career or safety. This promotes transparency, ethical conduct and ensures that the organization is aligned with its goals.

ISEC7 has established a Supplier Code of Conduct to ensure that suppliers adhere to the same fundamental ethical standards and values. By setting clear expectations regarding working conditions, environmental protection, human rights and business practices, ISEC7 aims to ensure that the supply chain is fair, sustainable and responsible. This not only supports the commitment to ethical business behavior, but also helps to build trust in ISEC7 by customers and stakeholders.

As part of an internal campaign, ISEC7 made donations in 2022 and 2023 to charitable organizations selected by employees that are committed to human rights and social aid projects in various areas.

ENVIRONMENT AND CLIMATE

Protecting the environment and climate protection in particular are important concerns for ISEC7. ISEC7 therefore aims to set an example within the IT industry in terms of sustainability, climate protection and reducing environmental impact, going beyond the requirements of the Paris Climate Agreement. The Code of Conduct introduced in the 2021 financial year therefore stipulates that ecological goals should be pursued proactively, even beyond legal obligations and regulations.

The Code of Conduct requires all ISEC7 employees to treat all natural resources (e.g. energy, water, land) used in the company with care. Waste should be reduced and disposed of or recycled responsibly.

The introduction of the environmental management system in accordance with ISO 14001 in the 2021 financial year supports ISEC7 in identifying, evaluating and reducing environmental impacts. ISEC7 obtains ISO 14001 certification to demonstrate its commitment to environmental protection, improve its environmental performance, meet legal requirements and strengthen the trust of customers, suppliers and other stakeholders. The implementation of this standard has in some cases reduced costs, increased resource efficiency and promoted long-term sustainability. This was confirmed in the 2022 and 2023 monitoring audits.

ISEC7 expects its employees to act responsibly in the production and distribution of its own products and services. Due to its business model as a service and software company, ISEC7's impact on the environment is considered to be low compared to manufacturing companies. In the 2021 financial year, ISEC7 introduced the environmental pledge for the shipment of hardware in the "Device-as-a-Service" division. This environmental pledge to customers provides for completely plastic-free packaging that predominantly uses materials that have already been recycled and is 100% recyclable in waste paper. To date, it has not been possible to find a way of replacing the security tape (polyethylene and acrylate adhesive), which is only partially recyclable. ISEC7 is investigating the use of reusable shipping boxes. The total volume of CO₂ equivalents (CO₂e) of the packaging material used amounted to 0.3 t in 2022 and 0.42 t in 2023. This was fully offset.

Since 2021, ISEC7 has been purchasing electricity from a green electricity provider at its main site in Hamburg, meaning that the energy supply there is free from fossil and nuclear fuels. The electricity purchased is generated CO₂-neutrally from renewable energies. CO₂ emissions generated in the supply chain - e.g. during the construction of a green energy plant - are also neutralized by the green electricity provider via Gold Standard (VER) climate protection projects.

In the 2022 financial year, ISEC7's energy consumption at its main site in Hamburg amounted to 78,525 kWh; in 2023, it was 83,063 kWh.

Water consumption at the main site in Hamburg amounted to 28 m³ in the 2022 financial year and 64 m³ in 2023.

An important goal of ISEC7 is to improve energy efficiency and reduce energy consumption in order to minimize greenhouse gas emissions. ISEC7 strives for comprehensive climate neutrality and therefore monitors, documents and offsets energy consumption and greenhouse gas emissions in categories 1, 2 and, for the most part, 3. The aim is to successively include upstream and downstream activities in the carbon footprint beyond its own system boundaries.

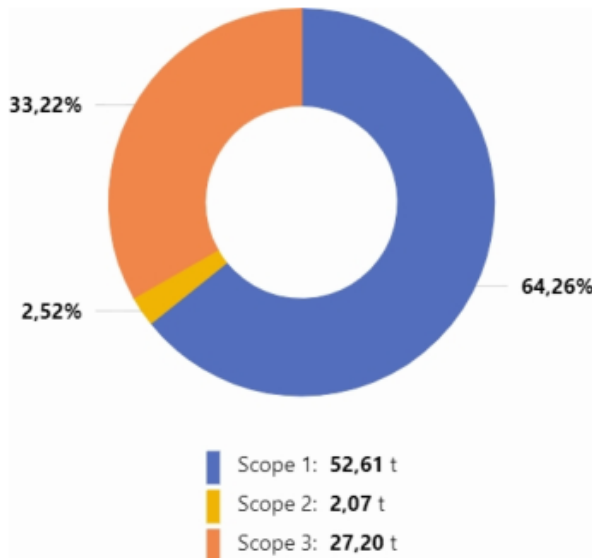
2022

In the 2022 financial year, direct greenhouse gas emissions from scope 1 amounted to 52.61 t and indirect greenhouse gas emissions from scope 2 amounted to 2.07 t. scope 3 greenhouse gas emissions were recorded at 27.20 t.

ISEC7 has offset greenhouse gas emissions totaling 81.87 t CO₂e for the 2022 financial year and is therefore climate-neutral in accordance with the Paris Climate Agreement.

Detailed list 2022

	Result	CO ₂ e [t]	CO ₂
Scope 1: Direct emissions	52,61	64,26	
Scope 2: Indirect emissions from energy provided	2,07	2,52	
Scope 3: Other indirect emissions	27,20	33,22	
Total emissions	81,87	100,00	



- **Scope 1:** Direct GHG emissions from the combustion of fossil fuels, stationary and mobile, as well as process emissions and volatilization of coolants and refrigerants.
- **Scope 2:** Indirect GHG emissions from the generation of purchased electricity, heat or steam.
- **Scope 3:** Other indirect GHG emissions along the value chain (e.g. raw material extraction, purchased goods, logistics, employee mobility, use of products sold, etc.).

Distribution of GHG emissions by category

Distribution of Scope 1 emissions by category	CO ₂ e [t]	CO ₂ e [%]
Emissions from stationary combustion	0,82	1,57
Emissions from mobile combustion	51,78	98,43
Process emissions	—	0,00
Emissions from volatilization	—	0,00
Scope 1: Direct emissions	52,61	100,00
Distribution of Scope 2 emissions by category	CO ₂ e [t]	CO ₂ e [%]
emissions from purchased and consumed electricity	2,07	100,00
Emissions from other purchased energy (heat, cooling, steam, water)	—	0,00
Scope 2: Indirect emissions from energy provided	2,07	100,00
Distribution of Scope 3 emissions by category	CO ₂ e [t]	CO ₂ e [%]
Cat. 1: Purchased goods and services	10,08	37,06
Cat. 3: Fuel and energy-related emissions (not in Scope 1 and 2 included)	13,40	49,28
Cat. 5: Waste produced	0,10	0,36
Cat. 6: Business trips	3,62	13,30
Cat. 7: Commuting of employees	—	0,00
Other sources	—	0,00
Scope 3: Other indirect emissions	27,20	100,00

Results of the individual sectors

Sector	CO ₂ e [t]	CO ₂ e [%]	Status
Office & Administration	5,46	6,67	
> Heat	0,98	1,20	
> Electricity	4,48	5,47	
Mobility	66,23	80,90	
> Vehicle fleet	62,61	76,48	
> Business trips	1,02	1,24	
> Business flights	2,60	3,18	
Purchasing	0,30	0,37	
> Packaging	0,30	0,37	
EDP	9,71	11,86	
> Hardware	9,71	11,86	
Waste	0,10	0,12	
> Waste	0,10	0,12	
Other	0,06	0,08	
> Paper	0,06	0,08	

Sector	CO ₂ e [t]	Status
Climate-Invest	-82,00	
> Renewables	--	

Sector	CO ₂ e [t]	Status
Wallbox GSC		
Identification of avoided greenhouse gas emissions due to the purchase of electricity generated from renewable sources (green electricity) instead of conventional electricity.	--	
> Climate protection	certificates-82.00	
atmosfair - Certification for offset greenhouse gases	-82,00	
Purchase and retirement of certificates from climate protection projects		
> Further measures		
Print paper		
Use of recycled paper	--	

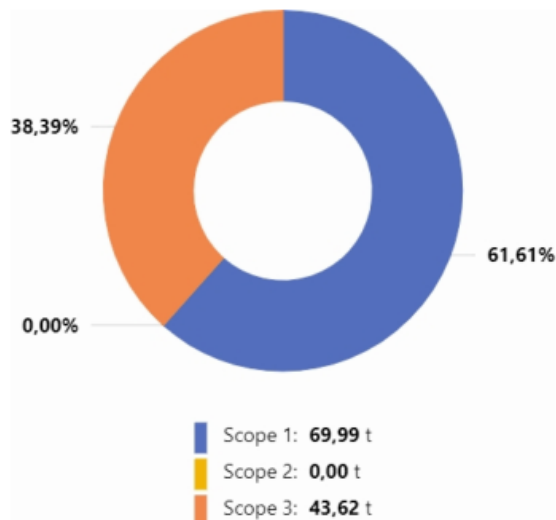
2023

In the 2023 financial year, direct greenhouse gas emissions from scope 1 amounted to 69.99 t and indirect greenhouse gas emissions from scope 2 amounted to 0 t. Greenhouse gas emissions from scope 3 were recorded at 43.62 t.

ISEC7 has offset greenhouse gas emissions totaling 113.60 t CO₂e for the 2022 financial year and is therefore climate-neutral in accordance with the Paris Climate Agreement.

Detailed list 2023

	Result CO ₂ e [t]	CO ₂ e [%]
Scope 1: Direct emissions	69,99	61,61
Scope 2: Indirect emissions from energy provided	0,00	0,00
Scope 3: Other indirect emissions	43,62	38,39
Total emissions	113,60	100,00
Additional greenhouse gas impact of air travel	7,19	



- **Scope 1:** Direct GHG emissions from the combustion of fossil fuels, stationary and mobile, as well as process emissions and volatilization of coolants and refrigerants.
- **Scope 2:** Indirect GHG emissions from the generation of purchased electricity, heat or steam.
- **Scope 3:** Other indirect GHG emissions along the value chain (e.g. raw material extraction, purchased goods, logistics, employee mobility, use of products sold, etc.).

Distribution of GHG emissions by category

Distribution of Scope 1 emissions by category	CO ₂ e [t]	CO ₂ e [%]
Emissions from stationary combustion	0,65	0,93
Emissions from mobile combustion	69,34	99,07
Process emissions	—	0,00
Emissions from volatilization	—	0,00
Scope 1: Direct emissions	69,99	100,00

Distribution of Scope 2 emissions by category	CO ₂ e [t]	CO ₂ e [%]
emissions from purchased and consumed electricity	—	—
Emissions from other purchased energy (heat, cooling, steam, water)	—	—
Scope 2: Indirect emissions from energy provided	—	100,00

Distribution of Scope 3 emissions by category	CO ₂ e [t]	CO ₂ e [%]
Cat. 1: Purchased goods and services	8,23	18,87
Cat. 3: Fuel and energy-related emissions (not in Scope 1 and 2 included)	25,58	58,65
Cat. 5: Waste produced	0,11	0,25
Cat. 6: Business trips	9,69	22,22
Cat. 7: Commuting of employees	—	0,00
Other sources	—	0,00
Scope 3: Other indirect emissions	43,62	100,00

ISEC7 is continuously investing in the transformation to a climate-neutral and sustainable company. In addition to financing the sustainability working group with 10 members, the focus is consistently on sustainable suppliers and offsetting where emissions cannot yet be avoided. Expenditure on certifications (ISO 14001, EcoVadis) and memberships (United Nations Global Compact) are important prerequisites for the transformation process.

At the main site in Hamburg, 458 kg of waste was generated in office operations in the 2022 financial year. Broken down, this amounted to 258 kg of residual waste and 200 kg of cardboard/paper. For the 2023 financial year, this amounts to 600 kg of waste, divided into 280 kg of residual waste and 320 kg of cardboard/paper.

During the reporting period, ISEC7 took numerous internal measures to reduce its environmental impact. The first step was to balance emissions. In addition to the complete switch to a green electricity provider and the use of 100% recyclable materials for all shipping and packaging materials, the company also switched to sustainable snacks and drinks for customers and employees and created financial incentives for the use of an electric car as a company car. This increased the proportion of electric vehicles to 21% (2022) and 26% (2023). The proportion of company cars per employee was reduced to 47% (2022) and 44% (2023) in the same period. All employees also have the option of using a modern company bicycle (Jobrad). The number of bikes through Jobrad was increased to 15 (2022) and 18 (2023).

The review of suppliers with regard to ecological criteria and the introduction of a mandatory Code of Conduct for suppliers is planned for the 2024 financial year.

ISEC7 pursues a number of principles to achieve its environmental protection goals and improve the carbon footprint of upstream and downstream activities. The following principles were continued in the 2022 and 2023 reporting period:

Climate First

If there are several options to choose from, we prefer climate-friendly processes.

Bike & Public Transportation First

It is possible for all employees to obtain a company bicycle. Train travel is possible for all employees and is preferable to car and air travel. Air travel for which an alternative travel option exists must be justified.

Videoconferencing First

We avoid unnecessary travel when video chat or telephone conferences are possible and sensible alternatives.

Organic First & Vegan Choice

When purchasing food, we prefer organic, regional and Fairtrade products. At company events for employees or business partners, a selection of vegetarian and vegan products is always offered for catering.

Fix First

We prefer to repair objects rather than buy new ones.

WORKING STANDARDS

ISEC7 attaches particular importance to team spirit, constructive cooperation and equal opportunities. All employees want to do an excellent job and therefore constantly question existing solutions and develop new and creative ideas in the interests of the customer. ISEC7 encourages this constructive teamwork. The requirements of customers and supporting possibilities of suppliers are decisive for work and further development.

Diversity

Employee diversity contributes significantly to the success of ISEC7 by strengthening innovation, improving customer focus, promoting a positive workplace culture, increasing representation and supporting talent acquisition and retention.

1. **Innovation potential:** Different backgrounds, experiences and perspectives promote innovation and creativity. ISEC7 employs people with diverse ways of thinking and experience, which enables different approaches to solving problems to be developed. This strengthens the company's innovative power.
2. **Customer centricity:** In an increasingly diverse world, it is important that companies understand and engage with their customer base. A diverse workforce enables ISEC7 to better empathize with different customer groups and recognize their needs, which ultimately leads to improved customer focus.
3. **Workplace culture:** Diversity promotes an inclusive workplace culture in which employees feel valued and respected. A positive workplace culture in turn contributes to employee retention and motivation, which increases the performance and productivity of ISEC7.
4. **Representation:** A diverse workforce reflects the diversity of society and helps to ensure that people from different population groups feel represented in a company. This helps to strengthen the image of ISEC7 and improve relations with various interest groups.
5. **Talent attraction and retention:** ISEC7 has a competitive advantage by promoting diversity in attracting and retaining talent. People are increasingly looking for companies that take diversity and inclusion seriously and offer an open and supportive work environment.

Equality

The ISEC7 Code of Conduct stipulates that any form of discrimination is prohibited at ISEC7. Pay, promotions and new hires are free from discrimination.

The company management and all employees of ISEC7 are obliged to refrain from any form of discrimination:

- on racial grounds
- on grounds of ethnic origin
- on grounds of religion or belief
- because of gender
- because of sexual identity
- because of marital status
- because of pregnancy
- because of disability
- because of physical characteristics
- because of age

In the reporting years 2022 and 2022, no cases of discrimination were reported and no penalties or fines were imposed due to violations of the anti-discrimination guidelines at ISEC7. An anti-discrimination office was set up in 2022. Complaints can be reported internally or to the contracted external anti-discrimination law firm.

In the 2022 reporting year, the proportion of women in ISEC7's total workforce in Germany was 15.2% and 20.0% in management positions; for the 2023 reporting year, the proportion was 14.9% and 20.0% in management positions. Salaries at ISEC7 are calculated irrespective of gender; women and men in comparable positions and with comparable performance receive an identical salary.

The retention rate after parental leave is 100%, regardless of gender.

All employees at ISEC7 are employed under individual contracts. There are no employees covered by collective agreements. There is no works council. All employment contracts are open-ended. Individual salary negotiations take place on an annual basis.

Health, safety and development

The health of its employees is particularly important to ISEC7. For this reason, attention is paid to enabling a healthy work-life balance for all employees, including through measures such as flexible working hours. An occupational physician and an occupational safety specialist were appointed in the 2022 financial year. As a result of these activities, an annual risk assessment is carried out and individual ergonomic advice was provided for all workplaces.

If operational requirements permit, working from home is possible by arrangement.

Support for sports training was implemented in the 2022 financial year.

At ISEC7, all minimum notification deadlines of operational changes were met in the 2022 and 2023 reporting years.

In addition to purely operational topics, specialist training is also provided in the areas of data protection, security and sustainability in particular. A solution for comprehensive awareness training and human risk management was introduced in the 2023 financial year. By increasing employees' awareness and knowledge, ISEC7 is better protected against cyber attacks and other security risks.

Ethics

ISEC7 strictly rejects child labor or forced labor without exception and expects the same from all business partners. The Code of Conduct stipulates that school-age children and persons under the age of 15 may not be employed even if the legal requirements of the supplier's country would permit this. Forced labor, slave labor or comparable work may not be used. The statutory minimum wage requirements and the requirements of the International Labor Organization (ILO) must be complied with.

The review of suppliers with regard to the use of forced labor or child labor and the introduction of a mandatory Code of Conduct for suppliers is planned for the 2024 financial year.

ISEC7 is expressly committed to complying with the export control laws and sanctions lists of the United States of America and the European Union.

CORRUPTION PREVENTION

ISEC7 is committed to compliance with the UN Convention against Corruption.

ISEC7 employees do not demand or accept any personal benefits from customers or suppliers that could influence or affect their own behavior with regard to their work for the company.

If gifts are offered by third parties, they may only be accepted if they are common practice and can be recognized as a courtesy or favor. In the case of gifts with a value of more than €10, the commercial management must be informed. If this is not possible, these gifts must always be refused.

Gifts on the part of ISEC7 may also only be offered within the usual framework for the business relationship and to a materially appropriate extent. The person receiving the gift must not be able to associate it with any obligation that would influence their business decisions.

ISEC7 makes donations to various charitable organizations and, as a matter of principle, not to political parties or individuals. Donations to organizations whose objectives contradict the corporate philosophy and the Code of Conduct or damage the company's reputation are also excluded as a matter of principle. The allocation of donations is always transparent.

ISEC7 does not tolerate any form of corruption or bribery, regardless of whether it damages the company's assets or the assets of third parties. ISEC7 uses control mechanisms to ensure that bribery, theft, embezzlement, fraud, tax evasion and money laundering are prevented.

Payment transactions and expense reports are always checked at ISEC7 by a dedicated department.

ISEC7 employees are prohibited from accepting or granting favors of any kind (cash, travel, gifts, etc.) that are linked to an improper advantage (award of contract, project award, etc.).

The business partners of ISEC7 are also required to avoid conflicts of interest that entail a risk of corruption.

In the 2022 and 2023 reporting period, no incidents of corruption were reported and no penalties or fines were imposed due to violations of the anti-corruption guidelines at ISEC7. A whistleblower portal was introduced in the 2022 financial year to ensure the anonymous transmission of information regarding possible violations.