

denkstatt

Sustainability

Review

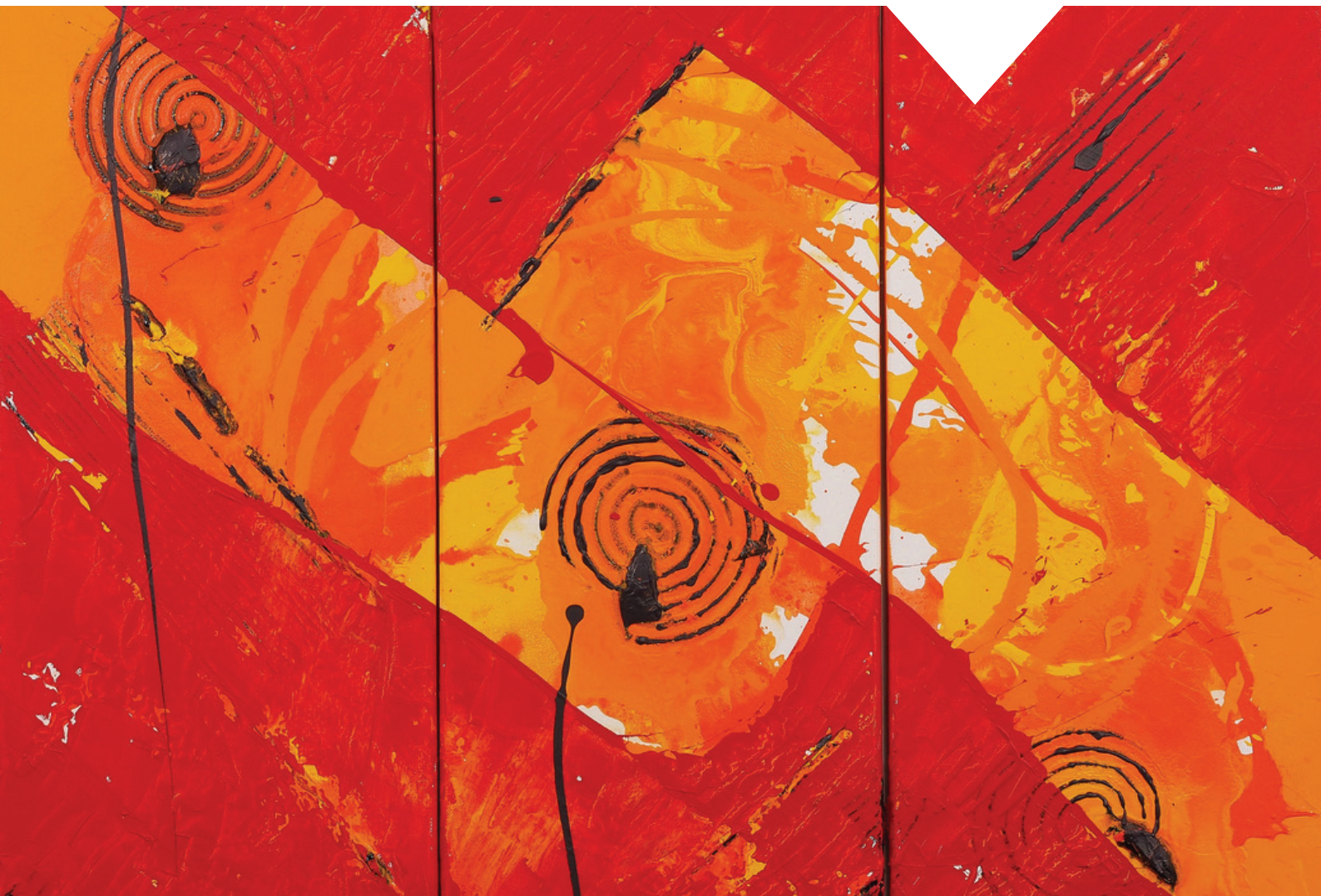
2012-2013

3rd edition

Knowledge sharing

Knowledge creating

Knowledge exchange



Welcome from the Editor in Chief



Christian Plas

Managing Partner and Founder of denkstatt

We should be aware, how lucky we are!

I am proud to present the denkstatt Sustainability Review. It is our first Knowledge Management Report, combined with the third Sustainability Report of the group.

It is based on the important topics for our internal and external stakeholders in 4 key dimensions: **Knowledge, Influence, Service and People.**

We know what challenges and developments our world is now experiencing. And as probably every generation, we believe they have never been as drastic and radical as they are now. The transition of our energy system, the way politics learn to adopt participatory processes, consumers demand for sound products made under fair conditions, our financial system having lost its credibility is undergoing severe reformation...

...and denkstatt is in the middle of it – we have made these changes our business.

As a consulting company denkstatt is in the knowledge-intensive industry. We depend on evolving knowledge to inspire, lead, and captivate the social dynamics to explore the sustainability tracks. We work to accelerate a sustainable development, where continuous progress is enabled, societies are strong and conscious, economy prospers and opportunities are shared. We strive to provide knowledge for these developments and passionately resume the role of inspirers – for us, for our clients, and the society. This is why we devote this edition of denkstatt Sustainability Review to understanding and management of the knowledge we develop.

G4-18

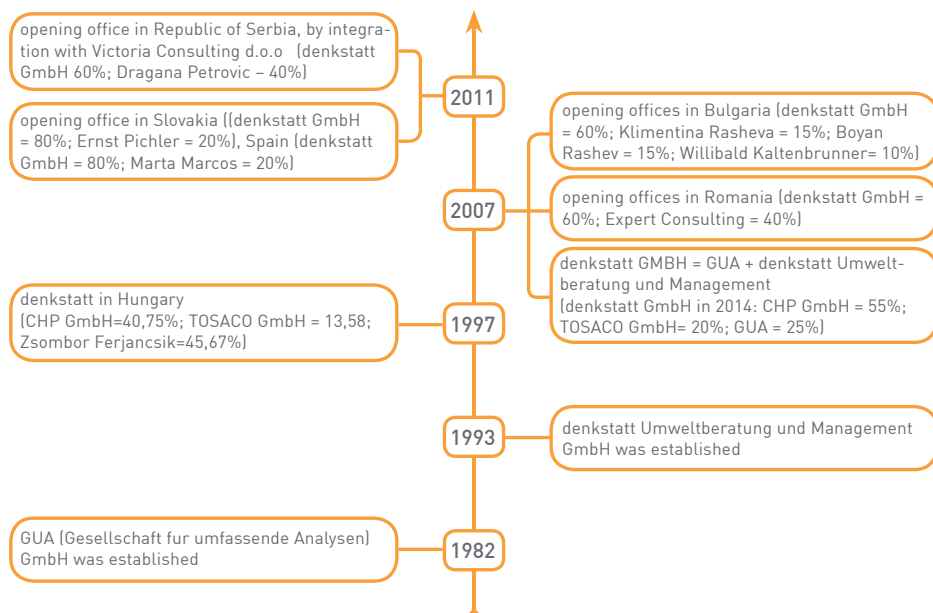
Knowledge is key to our vision: We want to influence through our activities, our projects shall have considerable impact. Impact on the way our clients and partner organisations perceive their challenges and impact on the solutions to tackle them on strategic and operational level. This is our way to shape society. Support with competence and engagement is our way to drive the change to a sustainable society.

We take this challenge by building our team around our ambitious goals and culture of enabling and sharing. This is the way we try to be the best in our specific niche – thriving for sustainability management.

Enjoy reading our review, it is worth it!

infografics

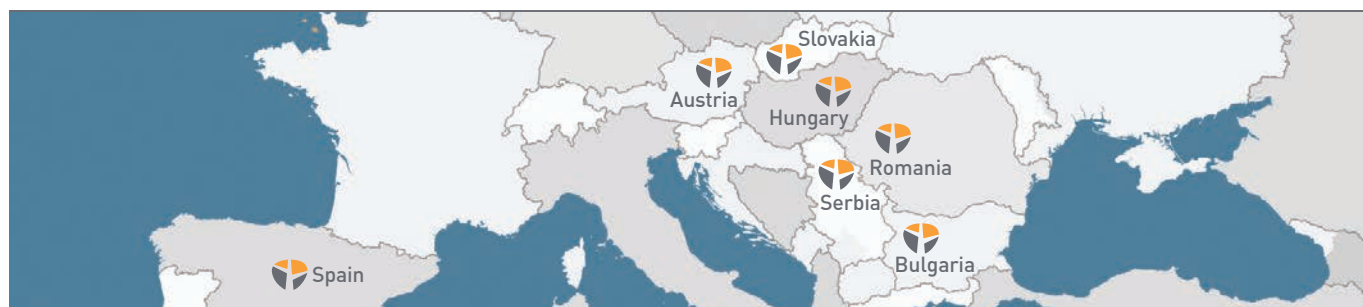
denkstatt is among the first consultancy companies in the field of sustainability, operating in a number of countries in Eastern Europe – Bulgaria, Hungary, Romania, Serbia, Slovakia as well as in Austria and Spain. The information represents the status in 2014.



Our main markets are where our office locations are based. Austrian office is our main shareholder, but we don't have headquarter – we are a network of same-minded companies.



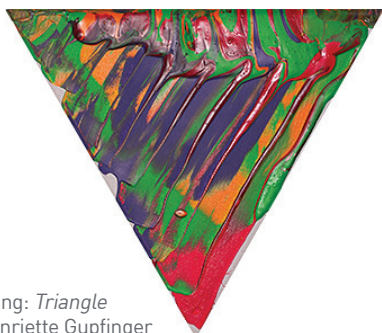
denkstatt offices



In all times, hard or prosperous, challenging or rewarding denkstatt has always been led by its trinity of goals: economic success, mission fulfillment and work-life balance

denkstatt Mission

We drive
the change
to a sustainable
society



Painting: *Triangle*
by Henriette Gupfinger

denkstatt Vision

- With worldwide activities, denkstatt is the leading consultant and information source for sustainable development in CEE
- denkstatt has noticeable influence on major decision makers in Europe
- denkstatt supports sustainable investment projects including renewable energy as a consultant & shareholder
- In denkstatt we enjoy meaningful professional work and a healthy work-life balance

denkstatt Values We are

HONEST	We believe in telling the truth and obeying the law, and have no truck with bribery or corruption
OPEN-MINDED	We are open to different visions and opinions, diversity and dialogue, and diverse cultures and backgrounds
RESPECTFUL	We respect our employees and clients, other stakeholders and the environment
FAR SIGHTED	We take a holistic approach to assessing the impacts of ideas and activities. And we always adopt a long-term perspective

denkstatt Code of Conduct

WE **PRACTICE** WHAT WE PREACH. AND VICE VERSA. WE **BELIEVE** IN YOUR ECONOMIC **SUCCESS**. AND OUR OWN. WE'RE ALWAYS **GOOD**. SOMETIMES WE'RE EVEN **BETTER**. WE'RE ALWAYS AT **CUTTING EDGE** OF OUR INDUSTRY, OR MOVING **BEYOND** IT. WE VALUE **RESPECTFUL** SILENCE. BUT WHEN WE DO SPEAK, IT'S ALWAYS IN **CONFIDENCE**. WE LIKE TO **WIN**. BUT ONLY WHEN IT IS **FAIR**. WE'RE NOT QUITE A FAMILY. BUT WE'RE A GREAT TEAM. THIS IS JUST WHO **WE ARE**.

management approach

Useful metaphor for explaining the management approach and existence of a company could be a pine tree.

The **trunk** represents the fundamental management approach, the components of which are denkstatt mission, values and code of conduct, as well as denkstatt group Balance Score Card (BSC).

Every **branch** represents the strategy review cycle on a group level, where all Managing Directors are discussing together the material topics and take decisions. During the Summer Strategy meeting group strategic goals are agreed, and during the Winter Review meeting group Balance Score Card is reviewed, as well as local developments are shared and reviewed. Goals and commitments are spread in the 4 dimensions: Knowledge, Influence, Service and People.

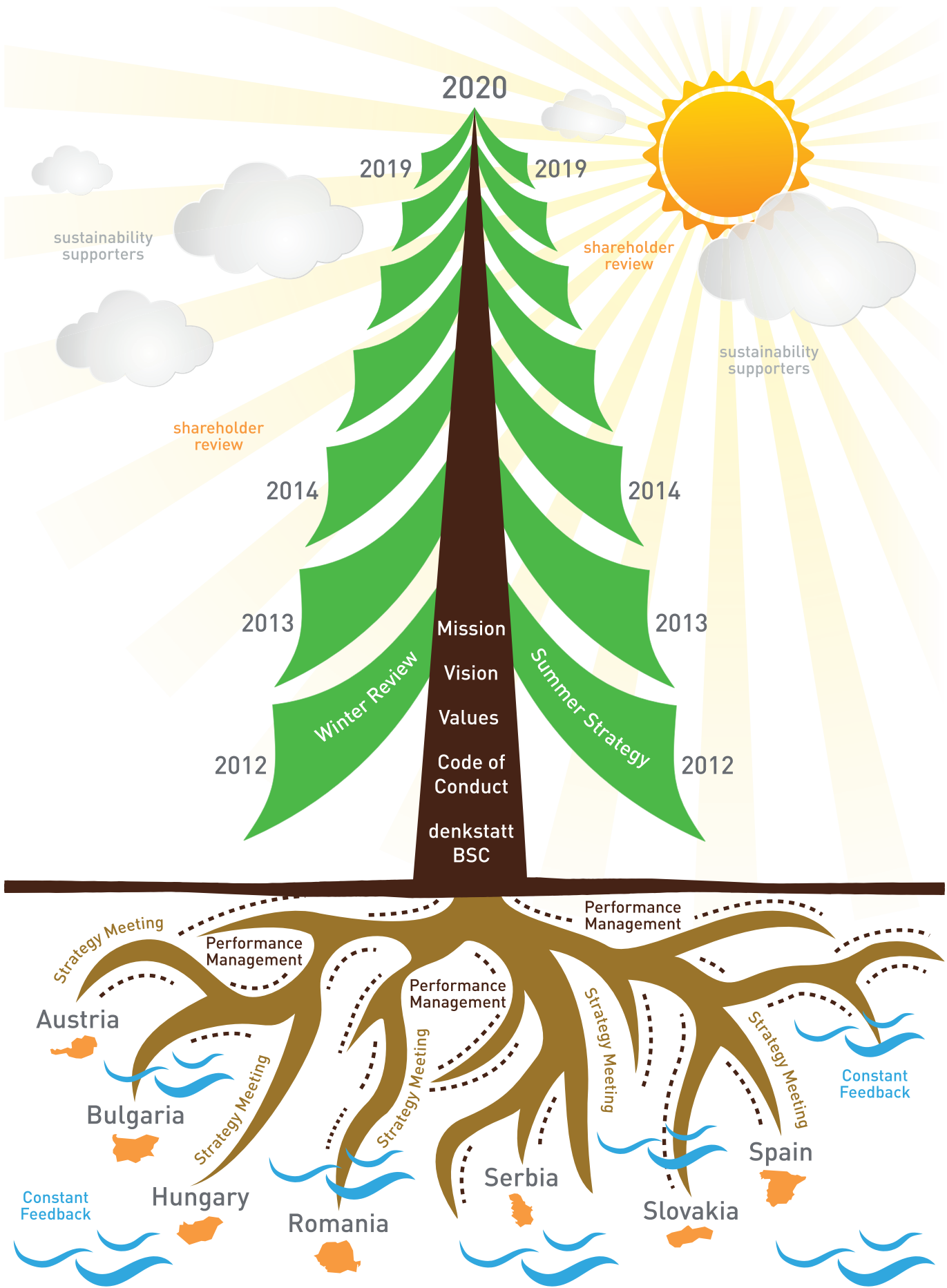
Roots of the pine tree are the operations in the different countries: Austria, Bulgaria, Hungary, Romania, Serbia, Slovakia, Spain. There is no headquarter, all are providing strength and stability to the pine tree. There are few important ingredients for the good quality of life of the pine tree: water, nutrients, light and air. Water is received as constant feedback from people, clients, partners. Nutrients are denkstatt performance management system – on organizational level and personal level. Light is provided by the shareholder reviews and their support to achieve denkstatt trinity of goals: economic success, mission fulfillment and work-life balance. Air is the support denkstatt got from all sustainability supporters.



Pine trees
The genus Pinus /'pi:nu:s/

Pines are evergreen coniferous trees that can be found throughout the world. Most pine trees can grow anywhere and in any type of soil. The oldest known pine tree in the world is at the age of 4 840 years.

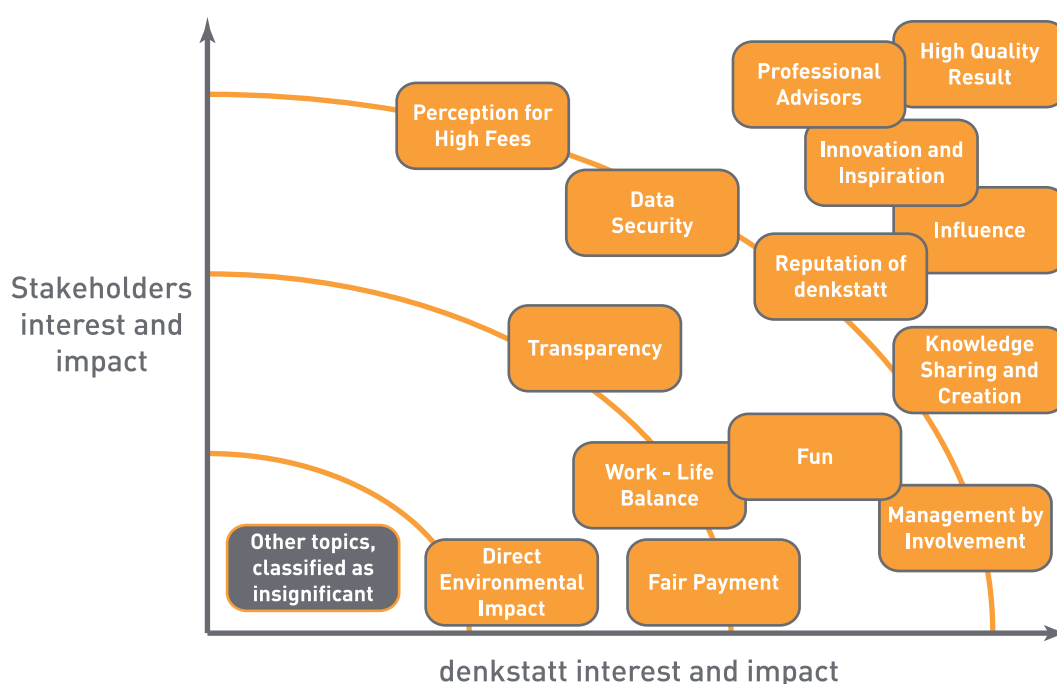
management approach



stakeholder engagement

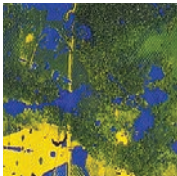
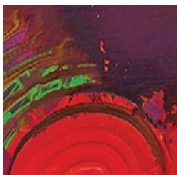
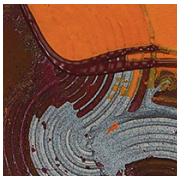
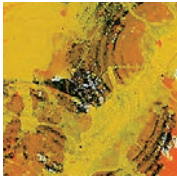
G4-24 key stakeholder group	G4-26 engagement	G4-18 G4-27 key topics and concerns
People – denkstatt team	E-Spots Interviews Conferences THINKdenks denkFix Spring Party	<p>One of the most important materiality topic for denkstatt people is the ability of denkstatt to decrease negative environmental impact and increase the positive social impact through denkstatt projects and activities of denkstatt clients</p> <p>Other topics are protecting privacy of client data and confidentiality; ensuring client satisfaction; bringing innovation and inspiration into companies and partners; spreading sustainability in society as well as providing information and increasing awareness</p>
Clients	Strategy meetings	Achieving economic benefit, such as cost efficiency, cost reduction, revenue increase
Partners – NGOs, governments, municipalities	Team buildings	Inspiring innovation and inspiration to clients/partners
	Knowledge Exchange meeting	Protection of client data privacy and confidentiality
	Satisfaction surveys	Ensuring client/ partner satisfaction, follow up projects

G4-19 materiality matrix



denkstatt achievements and commitments

denkstatt is a company in which sustainability is a strategic key element as well as an integrative component of the corporate culture. **Our long term goals for 2020 are to be a profitable, mission and values-centered company with carbon intensity ratio of 15 grams CO₂ per Euro turnover**

materiality topic	achievements 2012 - 2013	difficulties 2012 - 2013	G4-27 goals 2014 - 2015
 <p>Knowledge</p>	<p>Knowledge Management Platform established</p> <p>Service group meetings (or in other words Community of Practice meetings) are regular events, min 2 per year. In 2012 and 2013 we had 4 meetings</p>	<p>Difficulties in effective and structured transfer of know-how among offices and within teams</p> <p>We were unsuccessful in opening office in Bucharest and still are not successful in opening office in Turkey</p>	<p>Effective and structured transfer of know-how among offices and within teams (in progress, but not yet there)</p>
 <p>Influence</p>	<p>"Complex" projects, i.e. projects including integrated services are realized on international level (Coca-Cola, Erste Bank, etc.)</p> <p>Successful cross-country cooperation on projects</p> <p>Carbon intensity index is 33 grams per Euro in 2012 and 29 grams per Euro in 2013</p>	<p>Not stable financial situation of some offices</p> <p>Difficult business environment is an impediment for some offices to fight corruption on national markets</p>	<p>Stakeholder dialogue on a regular base</p>
 <p>Service</p>	<p>Innovative services developed - Sustainable Return on Investment; Sustainability Strategy; Energy efficiency plans, etc.</p> <p>Public recognition for client related practices (Bulgaria)</p>	<p>Difficulties in effective resource planning</p> <p>The process of structuring some of the group processes is still ongoing</p>	<p>Guidelines on structuring company management processes to ensure harmonization within the group, incl. practices in people management, project implementation, key account management, controlling and knowledge management</p>
 <p>People</p>	<p>Public recognition for people management practices (Serbia, etc.)</p> <p>People satisfaction on group level is at the same high level <less than 2, where 1 is the best, 5 is the worst></p> <p>Code of Conduct in place</p>	<p>Stress and periods of overload for our people</p>	<p>Strengthen the power of shared vision and mission by all people</p> <p>Structured development programme for both managers and employees</p> <p>Job positions approved on group level</p> <p>Employee satisfaction survey results – min 1.8 (1 is the best, 5 is worst)</p>

PARTNERS TALK

“The denkstatt people have always a fair, precise and helpful attitude!”

ELMU

partner of denkstatt Hungary

On behalf of our audit team I would like to express my satisfaction with the documentation preparedness of our client. The client has established an integrated management system according to ISO standards (ISO 9001, ISO 14001) consulted by Denkstatt Slovensko. Especially I would like to appreciate the project work of the denkstatt consultant eng. Peter Škyrta, PhD. for supporting our client in the preparation. Thank you very much for your cooperation and we are looking forward for the next work meetings in the future.



DI Tibor Molnar
External auditor
TÜV SÜD Slovakia

denkstatt is a unique sustainability advisory in Bulgaria with the aim and capacity to positively influence policies and businesses. We, as an NGO are often supposed to demand from companies specific nature-conservation behaviour and practices, while at the same time denkstatt easily manages to change their mind-set in relation to their impact: the company has understanding of the important environmental challenges and is well accepted by businesses. We see them as partners in our efforts to develop the social understanding of environmental topics and to increase the capacity of businesses to manage them. They are reliable mediator between the NGOs, businesses, and institutions.



Vesselina Kavrakova
Country Manager
WWF Bulgaria



Painting on the title page:
Different views
by Henriette Gupfinger

Content



Painting: *Networking*
by Henriette Gupfinger

Spotlight on KNOWLEDGE and its MANAGEMENT

14-21 | Wolfgang Sulm provides practical approach of denkstatt experience in the knowledge field. Examples of achievements and challenges, flavoured with real stories and data are making this interview inspiring

22-23 | Success factors for effective Knowledge Management, Dr. Andreas Brandner, Founder and CEO of KMA Knowledge Management Associates GmbH, gives 10 hints in successful management of knowledge. It is a useful, thought-provoking article

12 | Could every business become a sustainable business? Apostol Dyankov questions all companies into their journey in the field of sustainability

40-41 | People, Sustainability and Fun: transformation of the corporate world – Gabriela Fistis and Willibald Kaltenbrunner open the curtain of the challenges in people management in the consulting world



**HENRIETTE
GUPFINGER**

Henriette is sustainability expert in denkstatt Austria. Her favourite work is to support the clients with finding new sustainable products and sustainability strategies or enhancing the sustainable procurement. In her leisure time she loves to paint acrylic pictures. Henriette works in a nonobjective style. For her, this liberal mindset and sense of embracing the unknown not only keeps her focused but it also allows her to find subject matter from both inner and worldly sources. The pictures are purchasable:

More information under:
http://www.flickr.com/photos/art_henri/

ARTICLE: Could every business become a sustainable business?

THE IDEA: While only a few industries boast a popular “green image”, almost all business enterprises can become sustainability leaders. To do this, they must address their environmental and social impacts honestly, caringly and innovatively

Imagine a green company. What do you see? PV panels on the roof, maybe a fleet of electric vehicles, and not a single smokestack in sight. This green and sustainable future is approaching us fast – in corporate PR brochures. We at denkstatt, however, often choose to work with a different kind of company or business – one where the smokestacks are visible; one that knows that adding a great value to the economy means transforming a great deal in terms of natural capital and livelihoods in the process. That company has a great potential to be a sustainable leader – if they choose to be honest, and make the transformations of natural, human and social capital worthwhile.

Manage external impacts, not external perceptions

Imagine a new copper mine, smelter, waste incinerator or large hydroelectric dam. Such business projects are likely targets for negative PR campaigns, but they exist to fill a need – like keeping our lights on, or to take care of a problem – like city waste. Companies who develop these projects often think they need PR management when in reality they need a vision and strategy that will make them the sustainable leaders in their industries. It could be quite a challenge – cement factories contribute around 5% of global carbon emissions. But such a great challenge also brings great returns – the margins for heavy industry in terms of CO₂, water and resource savings, not to speak of circular economy potential, are truly magnificent. At the same time the social and economic opportunities – in terms of new jobs and skills, new SME creation along the supply & distribution chain, and improved community well-being from reformed industrial operation, are not to be passed lightly. Even extractive industries can be a power for good – if they refocus on enhancing the community and ecosystem services as keenly as they do on growing their profits.

Draw a triple bottom line, not a red line

At denkstatt we don't just provide established off-the-shelf consulting services like waste studies and carbon or water footprints – we try to integrate. Having in mind the net impact of a product or industry project, we help our clients calculate the sustainable return on their investment. New life-cycle assessment and ecosystem service-oriented approaches are state-of-the-art stuff for industry leaders, but soon they will become a yardstick for the pack. We want these solutions to reach all sectors – from energy-hungry ICT firms to traditional run-of-the-mill textile workshops. The promise of sustainable leadership must depend on one's will and commitment, not on the size or tech-level of one's enterprise.

The path from profit goods to merit goods is a long one

Do we think some industries contribute less than others to the goals of sustainable development? Yes, we do. Electricity from coal is more destructive than electricity from wind farms. Do we think most industries can contribute more? Certainly we do. Biofuels can achieve a great deal if they use non-food, waste or algae inputs.

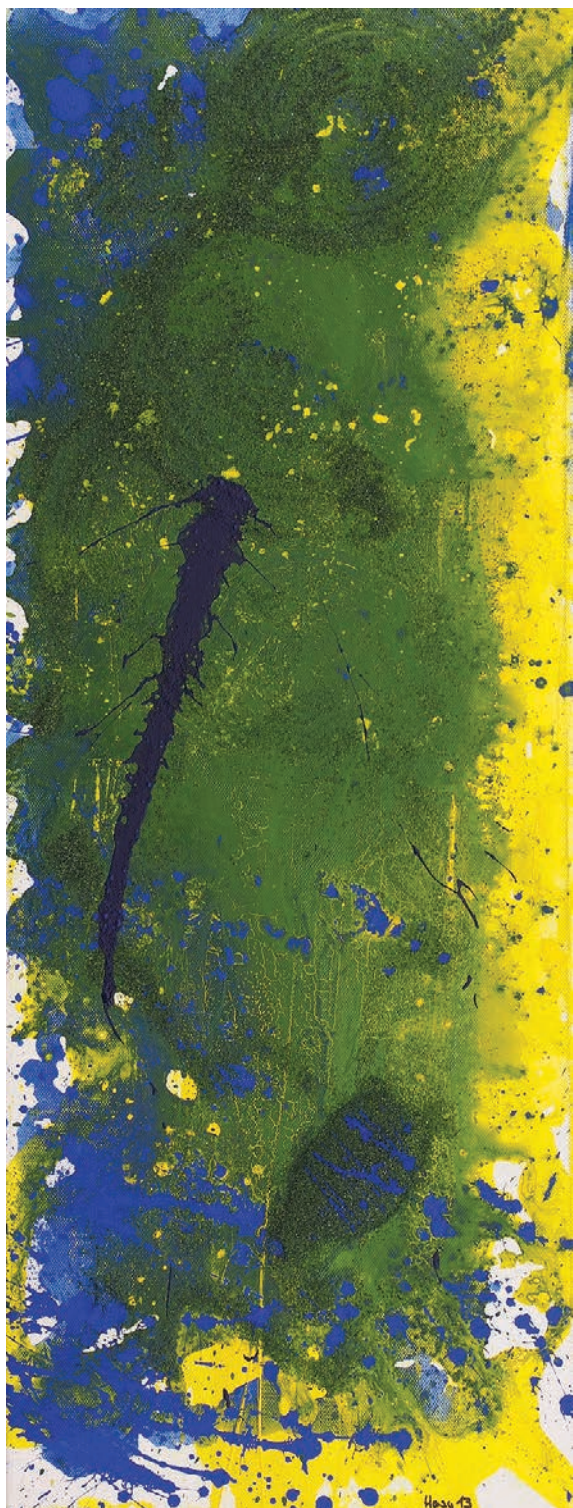
Are there companies we would not work with – yes! They are those who sacrifice their own integrity, or the merit of their product for profit, and those, whose product has no merit at all.



by Apostol Dyankov

Apostol is Senior Consultant in Bulgaria. He assesses climate and environmental policies and conducts corporate sustainability trainings. He is a father, aviation fan and Internet democracy supporter

Knowledge



Knowledge is our main asset.

By knowledge denkstatt understands not only the information gathered from denkstatt consultants and from denkstatt projects.

Knowledge is the experience, passion, dedication, commitment, constant strive for excellence and better results that denkstatt exhibits in its way.

Knowledge management is about how we share, create and enrich the common experience of the company, so that it is better fit to meet the sustainability challenges and drive the change to a sustainable society.

denkstatt is still at the beginning of this journey.

It is like a dance, where we are learning the new steps in the new environment. We do it together with our partners, our clients, our people.

Painting: *Cyclone*
by Henriette Gupfinger

INTERVIEW: Knowledge Management in denkstatt



by Wolfgang Sulm

Wolfgang enjoys a colorful and challenging workplace as a knowledge management leader, denkstatt management assistant, controlling and finance expert, manager of QMS and EMS in Austria. For the last two years he dedicates his time to create, structure and implement successful knowledge management practices in the group

Knowledge is perceived as the main asset of a consulting company. What is the perception in denkstatt group?

The key to success for our company is to maintain the knowledge of our consultants at the “state-of-the-art”. It is a huge challenge, considering the rapid change in markets, technologies, society needs. A recent study shows that today’s knowledge will not be enough to cope with the job requirements in 5 years’ time.

5 years sounds discouraging, as it requires constant change, learning and development, isn’t it?

Yes, indeed. That’s exactly the case and I have to tell you I cannot imagine it otherwise. For example, denkstatt group has managed “its” knowledge since more than 20 years in numerous ways. We have employee-specific training plans, international service team meetings, induction training weeks for new members of denkstatt group, and many more elements. With the implementation of a knowledge management system, we managed to relate all our activities in one big picture, thus being able to focus our activities even more.

The need of knowledge management is alarming, where did you start from?

Asking ourselves what knowledge management actually contributes to the success of our company and our stakeholders, we discovered that there are mainly four areas, on which our “shared value” rests:

Knowledge Management Mission

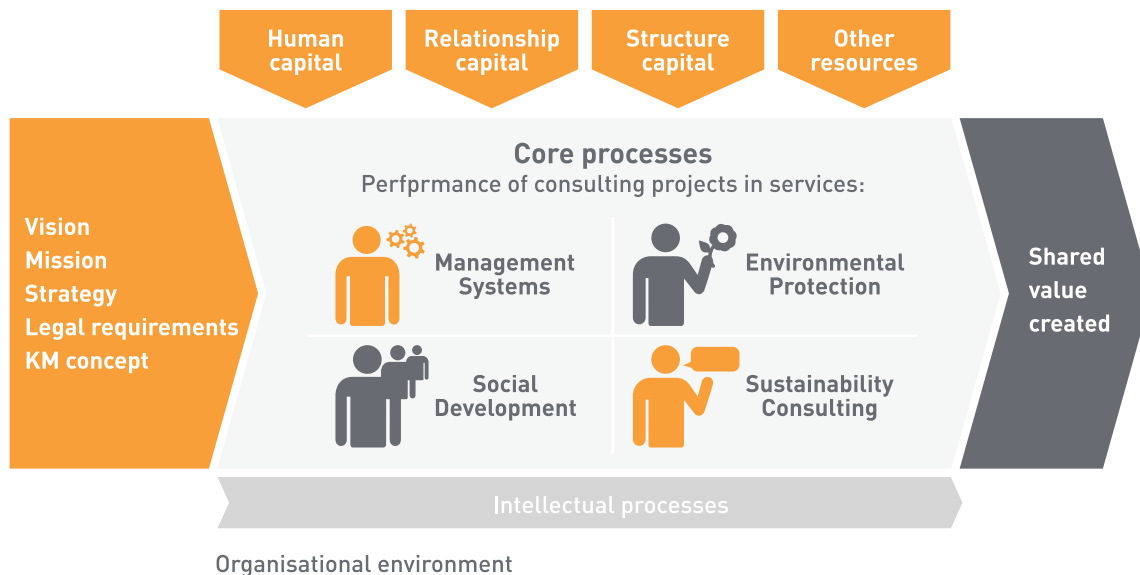
- Actively **linking the knowledge** of denkstatt group and using it to find creative solutions
- Rapid **generation and market penetration** of innovations and services
- Assisting denkstatt people to distinguish themselves as **leading experts**
- Providing **comprehensive and reliable access** to denkstatt shared knowledge about clients, products, projects, processes, colleagues and cooperation partners

**KNOWLEDGE
MANAGEMENT
CREATES
SHARED
VALUE**

INTERVIEW: Knowledge Management in denkstatt

We developed a set of activities, which support and foster the intellectual capital – human, relationship and structure capital – of denkstatt group.

Embedding knowledge management in the organisational context

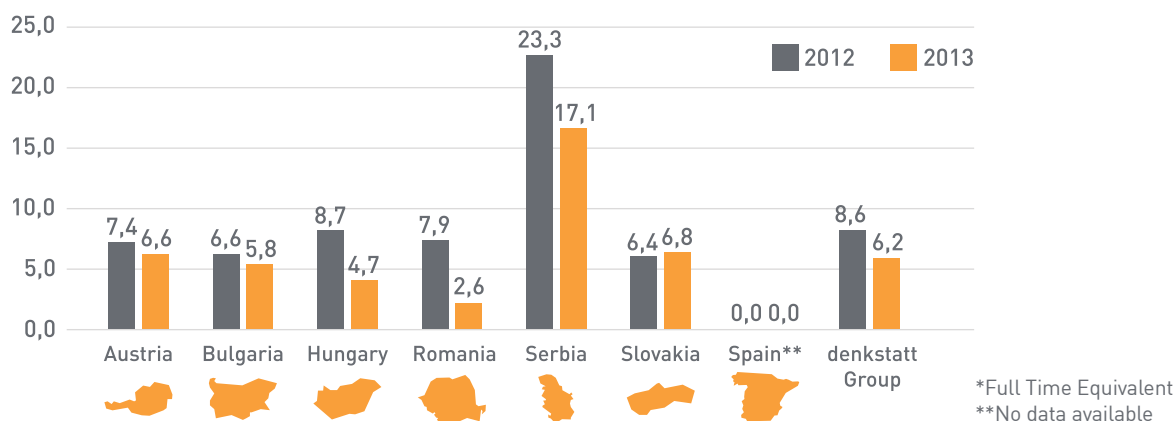


HUMAN CAPITAL

I see, it is interesting to explain your management approach.
Let's start with Human capital.

In denkstatt, we aim at having competent, value driven people that learn, evolve and innovate, a multidisciplinary team with recognized experts. It is an ambitious goal, but it's realistic. In 2012 we had an average of 8,6 training days per FTE* in 2013 - 6,2 training days on a group level. For us the most important thing is to learn on the fly.

Training days; FTE* per year



What do you mean
by learning on the fly?

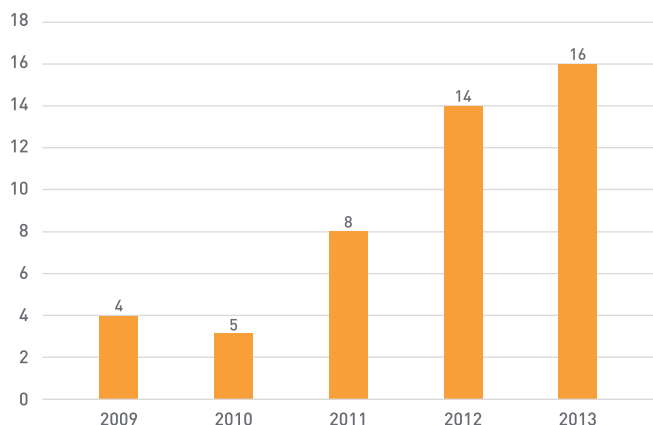
The real change happens when we work on projects and when we share the experience. For example, in Austria, Bulgaria, and Romania we introduced internal knowledge exchange sessions "Sharing is caring". Learnt lessons, best practices and inspiring sustainability ideas have been shared. We aim at 2014 and after to increase the scope, as we are convinced that feedback is the best trainer for professional and personal development.

INTERVIEW: Knowledge Management in denkstatt

The practicality of your approach is very interesting. What other useful methods do you use to manage the human capital part of the knowledge management?

Every new employee is registered for an approximately week-long "induction training" in Vienna, to get to know our fields of work, the denkstatt vision and mission, to learn the skills and methods, to meet and greet new colleagues and, last but not least, to have lots of fun.

Participants of "International Induction Training" per year



Induction training for almost a week is a serious investment on your behalf?

Indeed it is. In order to take, first you need to give. It is the right thing to give trust and opportunity to newly hired staff. People love it, and we see the results in our work, as integration takes much less time.

Tell us more about the profile of your colleagues?

We speak 21 languages, with an average of 3,3 different languages per person, including Chinese, Greek. 91% of our people have at least a bachelor's degree, with 84% having obtained a Master's degree or equivalent. Combined with an average professional experience of 13,4 years per consultant, denkstatt group has a strong basis of "human capital".

An average of more than 13 years of professional experience by consultants is a trust-building factor. How do your partners perceive it?

We are often invited to present our point of view on public events, because our expertise is well-known. Many colleagues are lecturers at universities. Also, many are speakers at conferences, radio broadcasts or television. In the last two years, roughly 20 consultants were speakers, because they are recognized as experts on a specific topic.



INTERVIEW: Knowledge Management in denkstatt



Green Economy conference "Principles and challenges of a green future", Timisoara, May 2012

denkstatt Romania promoted the concept of Green Economy in Romania and celebrated the company's 5 years anniversary

Is that all that you do in the human capital part of the knowledge management?

Nope, there is more. In order to spend some quality time with our colleagues, we introduced in 2014 our yearly, international Spring party. For this event all denkstatt people are invited to come to Vienna and have a full day of workshops and presentations (in 2014, focus was on knowledge management and sustainability reporting). Effective working atmosphere depends on friendly and respectful relationships, which are built in non-formal setting. Therefore we had cooking activities in the evening, where mixed teams provided traditional dishes from every country.

That, I am sure, was fun. It is interesting that many companies neglect the effect of non-formal settings and focus only on working rules and fast results, and you are trying to do both, how do you manage?

We consciously work on embedding our culture and beliefs in the everyday work. For example, a special 'culture team' meets regularly in Austria and supports the positive working atmosphere. Such an atmosphere is a must for successful knowledge management, as it is widely known that knowledge management is not about technology, it is about people and processes. At the same time we have process for tracking time and utilization.



INTERVIEW: Knowledge Management in denkstatt

RELATIONSHIP CAPITAL

You are saying that technology is good to have, however to be effective, a knowledge management system should focus more on the people's side, could you please elaborate more?

Now we come to the management of relationship capital. Technology is a necessary instrument. Without it we would never succeed. However technology is used by people, and if they don't feel comfortable, they don't navigate the technology and you can forget about the results. As consultants we have the pleasure to work with different clients and different industries. denkstatt has worked with basically every industry sector. The undoubtedly biggest sector we are servicing is the manufacturing industry, with projects for food and beverage producers, chemicals and pharmaceuticals, ma-

chinery and car manufacturers. Due to the nature of this industry sector, where cost reduction and efficiency are needed, our environmental management services are the most sought. Fortunately, our clients seem to be very satisfied with the results as well – 74% of all projects contracted by denkstatt Austria alone in 2012 and 2013 have been "follow-up-projects", with the rest (26%) provided to new clients. This broad spectrum of stable client relationships ensures that specific service knowledge is constantly challenged by applications in every possible industry and size of company.

Very interesting. Ok, so in the relationship capital you are managing your clients, aren't you?

Not only. Clients are certainly one of the most important stakeholders group. Cooperation partners are also another important stakeholder group, where we constantly look for mutually beneficial partnerships. Our broad-based in-house management and technological expertise across the "triple bottom line" ("people, planet and profit"), and our communication skills enable us to develop bespoke solutions. Our partners add to the scope and flexibility of our services.

We're reaching out to our stakeholders with various activities and events throughout the year. In all countries

there is a constant dialogue with key clients, those who bring innovative project, good reputation and of course high revenues. For example, in Austria, E-Spots (denkstatt e-survey) are regularly sent to our stakeholders, there are at least three informative events for all clients, suppliers and interested associates, on recent and pressing topics like changes in energy efficiency regulations or developments in sustainability reporting standards. And, of course, there's a big summer party for all our stakeholders, 100% without agenda, just for having fun with people you normally don't have fun with.

It is inspiring to see that you are sharing your knowledge and advice with clients. What do they consider to be important, regarding denkstatt's performance?

This is simple and very hard question at the same time. Absolutely in all countries, independently from the maturity of the market, the size or the age of the office, all clients would like to receive high quality service for the money and the time they are investing. High quality means the results they expect, provided in a professional manner, together with building awareness and inspiration regarding innovative sustainability prac-

tices. Therefore knowledge management is crucial for satisfying the needs of our stakeholders. But what is most interesting, is the fact that their expectations are pretty similar to what my colleagues want. All consultants in denkstatt want to have motivating, challenging and rewarding work, where they can apply their expertise, but also build a new one.

INTERVIEW: Knowledge Management in denkstatt



THINKdenk is a series of denkstatt events, where high-ranking representatives from industry, economy, science lobby groups, NGOs, administration and politics engage in a meaningful dialogue. They come to discuss current sustainability topics in a panel of experts. The key objective is an exchange, to find common approaches and to offer a networking platform with experts. For denkstatt this is a great opportunity to develop and exchange ideas, new services and discuss trends in economy, environment and society. denkstatt is engaged with both internal and external stakeholders on sustainability issues, and bridges the gap between their different perspectives.


2012

October
„Agro(Bio)fuel“:
Needed climate
protection or un-
ecological competitor
for food farming?

2013

March
Smart cities –
are smart cities
more sustain-
able?

April
Energy efficien-
cy – benefits
or chicane for
companies?

June
GRI G4 – Sus-
tainability
Reporting, the
next generation



by Silke Forster-Kugler

Silke is Senior Consultant in Austria, as her expertise is in the area of sustainability management and sustainability reports, corporate responsibility and marketing. Silke is dedicated professional who challenges customers with innovative approaches

INTERVIEW: Knowledge Management in denkstatt

STRUCTURE CAPITAL

All key stakeholder groups expects you to provide high quality services, I see. In 2012 and 2013 Europe was still suffering from the consequences of the crisis, which diminishes the choices for selecting work or projects. Many consulting companies exited the business or decreased their activities. At the same time you invest time in knowledge management development?

It is inevitable. We believe that a company does not exist only to make money. It is one part of the story. We exist to drive the change to a sustainable society. Even though some of our offices were struggling in the difficult financial situation, in 2012 we appointed a Group Organisation Development Manager to coordinate the group activities in Knowledge and People management. In 2013 we launched the IT system for knowledge management, based on Microsoft SharePoint - the latest major addition to our "structure capital". The launch of this online platform marks a huge milestone in our knowledge management activities. We believe this will speed up the effective transfer and exchange of our know-how. Now we have relevant project data of more than 1800 successfully completed reference projects available within seconds. People discuss sales opportunities on it, as international sales activities are posted online, while interested managers or sales experts are instantly notified and invited to participate. The "spaces" – another major feature of our online platform – enables our people to improve their collaboration on an international level. Extensive option to set up permission rights ensures the safety of our clients' data. We are very strict on this matter. In none of our offices, we don't have complaints regarding breaches of customer privacy and losses of data.

Both in 2012 and 2013 we had 2 Community practice meetings, where experts gather to exchange best practices and to learn new working methods and tools of denkstatt.

There are also numerous video and teleconference meetings of our consultants to exchange know-how.



Community of practice meeting on "Sustainability management", Sofia 2013

INTERVIEW: Knowledge Management in denkstatt

Strategy meetings are performed in every country. Team meetings are regular events. Managing Directors meet at least twice per year, dedicated to achieve goal setting, vision revision and managers training. There is traditional International Review Meeting during the winter, and International Strategy Meeting during the summer.



International Strategy Meeting in Slovakia, 2012

OUTPUT AND IMPACT

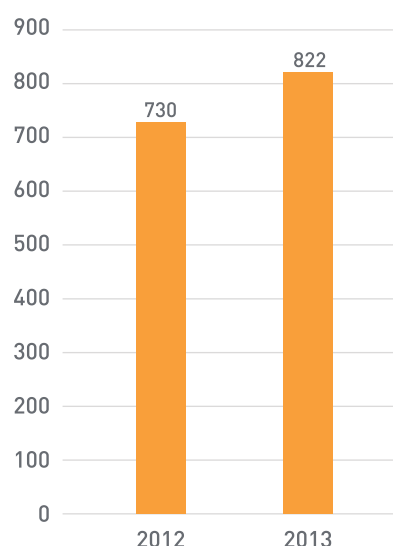
That is quite a massive effort in knowledge management activities. denkstatt invests significant amount of time and money to do the right thing. What are the outputs and impacts of it? Do you think it is worthwhile?

We believe so. We have identified our priorities and actions in the knowledge management, together with smart indicators to measure our progress. We measure the impact of our projects, where actually we want to see the impact of our activities. Until 2012 we collected data for our internal "sustainability index" that monitors the outcome of the environmental, economic and social dimension of our services. In 2013 we started a process to review our sustainability index methodology, therefore currently it is not used by the offices.

In 2013, we have been working on 822 projects on a group level, with net project revenue of EUR 3,7 Mio.

By enabling our people to foster and share their knowledge, we are confident that denkstatt will maintain and extend its position in Central and Eastern Europe, and, ultimately, play its part in creating a truly sustainable society.

Graph: Projects in period



ARTICLE: Knowledge and Sustainability

THE IDEA: The pace of change urgently requires smart approach to knowledge management. Success factors to achieve it are simple to say. Not that simple to do

The challenges of managing knowledge are growing significantly: The pace of change in society, technologies, markets and products as well as the fluctuation of relations requires an integrative and systematic approach to knowledge management. Knowledge loss is a critical risk that threatens the continuity and sustainability of valuable knowledge resources. It is not by chance, that the upcoming revision of the quality norm ISO 9001 will include knowledge capturing explicitly as a new must for management systems. But also the opportunities are growing: the collaboration in an international and diverse company group like denkstatt is supported by information, communication and collaboration technologies that have been implemented recently. The availability of more than 70 experts from 7 countries, the experiences of more than 700 projects annually in serious sustainability thematic fields almost without any barrier presents an enormous value added to the customer.

denkstatt is more knowledgeable than ever before, it has created and implemented an ambitious and credible knowledge management strategy and finally it measures the knowledge in a systematic way. This knowledge report provides a good insight into some measures taken and underlines the transparency and credibility of this effort. My recommendation is to make use of this excellence, and to enjoy the way to sustainability with a professional partner.

With this Knowledge management and sustainability report, denkstatt proves to be a strong partner, competent in supporting challenging customers on their way to sustainability.



by Dr. Andreas Brandner

Dr. Andreas Brandner is Founder and CEO of KMA; trainer, consultant and researcher in the field of knowledge management. Focus on knowledge politics, KM strategies and implementation of knowledge management. Initiator of Knowledge Partnership Austria. Knowledge Management Associates GmbH is consulting denkstatt in knowledge report writing



Success factors for effective Knowledge Management

What makes knowledge management successful? What are the typical barriers to success? Here are ten recommendations and a brief impression of how denkstatt has incorporated them into the organization:

1. Align all KM-activities with the value added to the customer

Learning and knowing are fascinating activities, but you can lose the focus easily. Good KM strategies are always linking the knowledge with the quality of the services and the real benefit to the customers! In this knowledge report, denkstatt KM-activities are clearly connected with the output and impact of the group, following the principle "knowledge for sustainability".

2. Integrate knowledge into the management system

Telling everyone that knowledge is important does not suffice to change the behaviour in an organization. Make knowledge and related responsibilities part of the management system and the individual performance assessment. More than 95% of the employees at denkstatt have their individual knowledge objectives and knowledge is a significant topic within the balanced scorecard.

ARTICLE: Knowledge and Sustainability

3. Promote and make use of diversity within the organization

Different cultures, attitudes, languages, generations, knowledge and experiences of the employees support the creation of exciting new ideas and innovative solutions! denkstatt is a role model in diversity, compiling the experiences of more than 70 unique personalities, working as a group, collaborating in interdisciplinary and international teams and sharing experiences online as well as at various events, meetings and open spaces.

4. Build strong external partnerships with great minds

Internal collaboration is a must, but not enough. The cooperation with leaders of thought, partners, universities and even competitors provides new perspectives and inputs for improvements. denkstatt is very much aware of the value of cooperation, regularly builds new partnerships and maintains them consciously. Memberships and the participation in numerous conferences, events and networks offer opportunities to stay at and co-create the state of the art.

5. Establish different spaces and routines for different knowledge activities

Analytical work, creativity and conceptual thinking require different spaces – physical and virtual ones. We make a difference and offer suitable settings for the various activities. denkstatt offices are relaxed and straightforward. The virtual spaces offer a wide spectrum of functionalities that can be created by the consultants for their respective requirements.

6. Establish a link between the knowledge processes and the business processes

Knowledge processes should not be an add-on to the business processes. They should be part of it. Integrative activities like searching for previous experiences at the beginning of a project and capturing new ones at any milestone into the project life cycle should become a routine! At denkstatt, knowledge is part of the project plan, beginning with the definition of knowledge objectives, the internal and external collaboration and finally the proper capturing and documentation.

7. Measure the results

Even if you are convinced that knowledge is making profit, find some key measurements to learn where you are and what can still be improved. With this knowledge report, denkstatt is one of the pioneers in public indicator-based communication about our knowledge, output and impact.

8. Provide your people with the resources to achieve best results as knowledge workers

Expecting 100% delivery and additionally high-level knowledge work will for sure lead to burnout. Experts need resources for being excellent: time and financial resources, promotion and support, encouragement and finally recognition for the good work. denkstatt is attracting the best people in the field and invests significantly to create the prerequisites for their further development.output and impact.

9. Speak English

Knowledge is global. Those who do not speak and understand English language fluently can hardly participate in the global dialogue. Although English is learnt at school, it is unfortunately still a barrier for a significant part of the working population in Europe. In denkstatt, English is established as the group language and denkstatt people speak English at a very high level. Further improvement is promoted and supported.

10. Communicate about knowledge actively and openly

Since knowledge is an essential resource of your company, include it into your communication strategy and instruments. Reporting only on financial results of the past cannot provide sufficient information about the future. denkstatt has decided to integrate the knowledge report into the sustainability report and to publish the current status as well as future developments.

denkstatt performance in knowledge management

Performance indicator	Unit	2012	2013
CATEGORY: HUMAN CAPITAL			
Professional experience of consultants	year	13,9	13
Consultants with more than 5 years of consultancy experience	%	68	64
Consultants with more than 2 different teaching assignments per year	number	19	20
Consultants with participation in min. 2 conferences as a speaker per year	number	20	21
Share of employees with academic degree			
Secondary	number	3	4
Bachelor	number	2	5
Master	number	47	54
Engineer	number	16	16
PhD	number	4	5
MBA	number	1	1
Training days per year per FTE	days	8,6	6,3
Knowledge Report	edition	0	1
CATEGORY: RELATIONSHIP CAPITAL			
Business related partnerships (memberships, etc.)	number	33	34
Number of events hosted by denkstatt	number	6	9
Breaches of customer privacy and losses of customer data	number	0	0
CATEGORY: STRUCTURE CAPITAL			
denkstatt Group services potentially delivered by office	%	100	100
Amount of languages spoken on expert level	number	20	21
Successful transfer of services in other countries	number	8	7
Employees, with account in the knowledge management software	%	0	100
Communities of Practice meetings	number	2	2

Influence

The major purpose of denkstatt projects is to contribute to the decrease of the negative impact and increase of the positive impact from the activities of denkstatt's clients and partners on the environment, society and economy.

This is what denkstatt does. This is why the company exists.

We bring innovation and inspiration into companies and partners. The purpose of the consultant is to update constantly his/her knowledge and awareness and through them to bring in positive change and innovation. Consultants are like missionaries. On one hand they support and serve clients, helping them to reach their goals and aspirations. On the other hand they bring new ideas and approaches that change the status quo. For denkstatt, it is very important to run this process together with our clients and partners.

Our belief is "the more the better". The more people think, speak and work for sustainability, the better for all of us. Therefore we don't hide our knowledge, discoveries and lessons. We are open and share them. In this edition of denkstatt Sustainability Review you will find articles regarding our consultants' opinion on major sustainability topics.



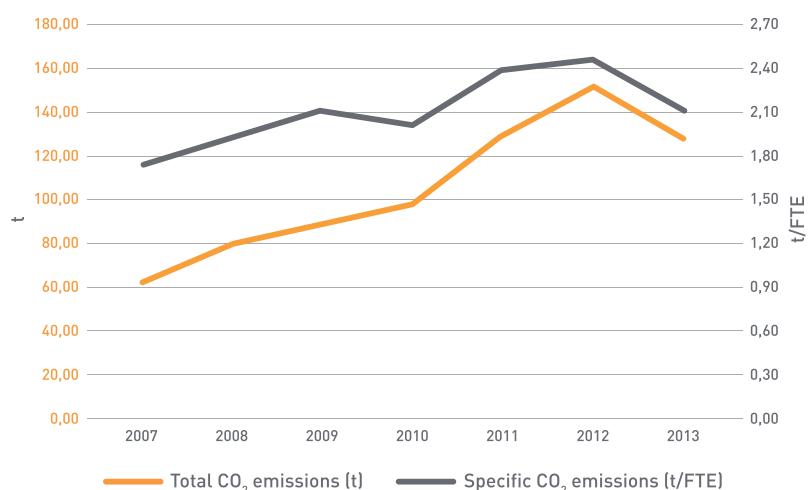
Painting: *Harmony*
by Henriette Gupfinger

denkstatt environmental performance

THE STORY

denkstatt as a customer – our supply chain

denkstatt has a short supply chain that can be characterised with the purchasing of products and services. We use office supplies (water, electricity, heating, paper, coffee, tea etc.), spend on travelling (flight, train tickets; car rental) and administrative services (banking, external accounting, IT support etc.), hire external consultants and venues for project related events. We seek suppliers that will meet our requirements at a competitive price and will deliver a difference to us as customers. This is a reason to select one supplier over the other when there is such an opportunity. All our offices are rented, which leaves us with a limited or no choice on the type of main resources we consume (e.g. only Austrian office buys exclusively green electricity). Although procurement practices among the offices vary we share common ground on office-specific criteria such as locally sourced and eco-labelled products, high-quality service and good relations with suppliers. We emphasise on the latter as some of our offices (e.g. Hungary) tend to move from purchase to rentals when convenient. In our Austrian office there is a more distinct system of supplier selection criteria. The main criteria that guide the selection process are local origin of the products, followed by environmental considerations and finally cost.

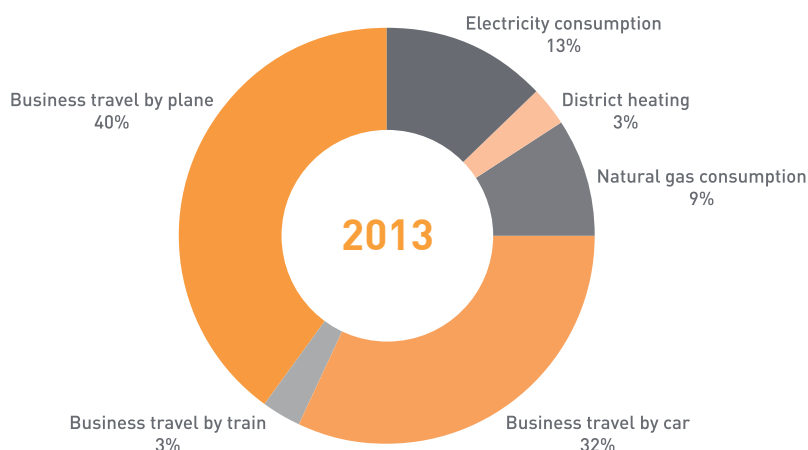
CO₂ emissions (t)denkstatt
environmental
performance

denkstatt GHG emissions (130 t in 2013) increase parallel to the growth of the group and its business company. Nevertheless, there is a visible drop in 2013 compared to 2012 that is due to less travelling by plane (on purpose to decrease the impact) and lower energy consumption in the premises in Austria.

GHG emissions are calculated according to the GHG Protocol, Scope 1, 2&3.

Business travel makes up 75% of denkstatt's total CO₂ emissions whereas flights and company cars have an equal share. Therefore, it is extremely hard to decrease emissions, since denkstatt's ability to support clients in projects depends on business travel. However, we keep our focus on it.

denkstatt has no fines, sanctions and grievances for the reporting period.

CO₂ emissions by source

ARTICLE: How to integrate stakeholders in the business success story?

THE IDEA: Every company has impacts. Through careful look at the value chain denkstatt identified together with its stakeholders the most important materiality topics

Business sustainability and long-term profitability depends on organization ability to involve its stakeholders in the decision-making process. Sounds logical, but for sure it is not an easy task to achieve. The key stakeholders of denkstatt are our people, clients, partners, shareholders.

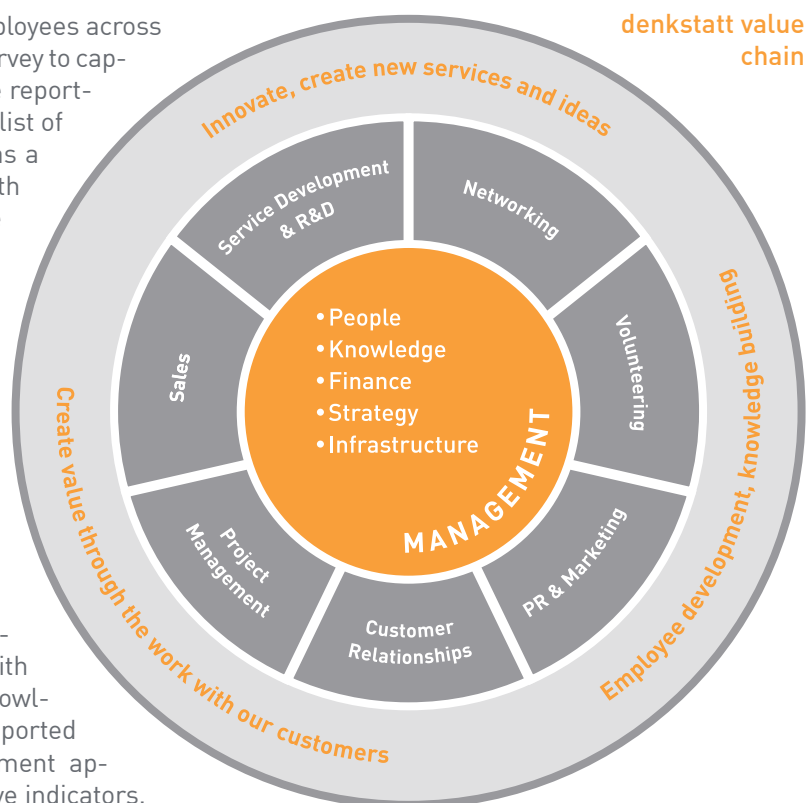
At denkstatt we are in regular dialogue with all parties along the value chain

To effectively understand the priorities and needs of our stakeholders denkstatt uses a mix of various approaches (e-surveys, regular meetings, memberships, formal and non-formal meetings, etc.). denkstatt consultants are in constant contact with the stakeholders, responding on time to relevant needs and finding mutually beneficial actions. There is no structured process, but there is a visible benefit from denkstatt activities in stakeholder engagement. G4-18
G4-26

Our materiality approach

Satisfying all demands is rather impossible, addressing only shareholders' needs is a path to failure. During our interactions with clients, partners, denkstatt people one thing is quite clear: materiality topics must be linked to business value. Thus our starting point is the value chain. G4-25

For the purpose of preparing this report our employees across all locations were invited to participate in an e-survey to capture any changes in the material topics over the reporting period. Following the G4 guidelines, a broad list of relevant topics was provided. Topics came out as a result from the value chain analysis and were both related to internal and external processes. People shared their opinion, as well as their estimates about stakeholder opinion. In defining our material topics, consultation and meetings with internal and external stakeholders were held. Based on all data collected through various channels, the denkstatt internal sustainability team plotted the issues across value chain. To ensure that we have a reasonable and balanced mix of topics showing both our negative and positive impacts, we discussed the resulting impacts from each issue, who is influenced, and what is the relevance for the reporting period. The final material topics were subject of evaluation by our management. The hottest issue with most significant impact on our stakeholders is knowledge. All aspects considered as material are reported in detail, supported by disclosure of management approach and appropriate qualitative and quantitative indicators.








by Karl Resel

Karl is Senior Manager at denkstatt Austria. He is passionate expert in corporate responsibility and sustainable management. He is an author of denkstatt methodology for preparing sustainability reports, helps our clients in setting and implementing sustainability strategies and finding successful innovations in sustainable products

ARTICLE: Why should an office-based company care for the environment?

IDEA: The environmental impact of office-based activities is rather insignificant. 5 reasons why it is still important to care about the environment

Water for hand washing, electricity to power the computer, apple core in the bin – all these produced on a daily basis in our office represent an insignificant impact to the environment compared to an industrial facility. And we still care about the direct impact that we have on the environment. That is our job and we believe that everyone can contribute to an improved environmental state regardless its size.

 PAPER	Unit	2007	2008	2009	2010	2011	2012	2013
Total paper consumption	kg	1 033	1 162	1 064	1 242	1 298	1 439	1 506
Specific paper consumption	kg/FTE	35	32	27	27	25	23	25
Recycled paper	%	0	58	27	81	79	74	79
 WATER	Unit	2007	2008	2009	2010	2011	2012	2013
Total water consumption (equal to water discharge)	m³	389	530	563	595	494	736	672
Specific water consumption	m³/FTE	13	15	14	13	10	12	11
 WASTE	Unit	2007	2008	2009	2010	2011	2012	2013
Total waste generated	kg	429	716	740	823	1 112	894	766
Specific waste generated	kg/FTE	14	20	19	18	21	14	13
Total hazardous waste generated	kg	5	4	11	10	61	4,5	3
 ENERGY	Unit	2007	2008	2009	2010	2011	2012	2013
Electricity consumption	kWh	25 231	27 937	25 854	27 637	43 886	45 590	42 764
Heating consumption	kWh	0	0	0	0	2 800	21 851	22 445
Natural gas consumption	kWh	33 733	42 153	59 393	59 467	40 230	70 941	57 649
Energy consumption from travel by plane	kWh	162 515	177 546	278 047	276 333	456 482	604 003	411 138
Energy consumption from travel by train	kWh	2 752	6 129	9 185	6 423	3 713	7 638	7 485
Energy consumption within the organization	kWh	270 259	343 478	456 272	483 402	688 819	878 424	667 491
Specific energy consumption	kWh/FTE	9 118	9 400	11 693	10 641	13 270	14 214	11 148
 CO ₂ EMISSIONS	Unit	2007	2008	2009	2010	2011	2012	2013
Direct greenhouse gas (GHG) emissions (Scope 1)	t	22,92	39,02	39,92	48,43	53,83	56,76	53,66
Specific GHG emissions (Scope 1)	t/FTE	0,77	1,07	1,02	1,07	1,04	0,92	0,90
Energy indirect greenhouse gas (GHG) emissions (Scope 2)	t	6,63	8,30	7,42	7,45	14,82	20,47	21,21
Specific GHG emissions (Scope 2)	t/FTE	0,22	0,23	0,19	0,16	0,29	0,33	0,35
Other indirect greenhouse gas (GHG) emissions (Scope 3)	t	20,35	22,23	34,82	34,60	57,16	75,63	51,48
Specific GHG emissions (Scope 3)	t/FTE	0,69	0,61	0,89	0,76	1,10	1,25	0,86
Total greenhouse gas (GHG) emissions (Scope 1+2+3)	t	49,90	69,55	82,15	90,48	125,81	152,86	126,36
Specific GHG emissions (Scope 1+2+3)	t/FTE	1,68	1,90	2,11	1,99	2,42	2,50	2,11

ARTICLE: Why should an office-based company care for the environment?

REASON 1

This is part of our philosophy “to do what we preach”

Environmental management systems are part of our core services, delivered by every office. We support our customers to manage their environmental aspects – reduce energy and water consumption, minimize their waste, invest in green buildings. We have walked the talk with certifying our own locations in Austria, Bulgaria, Serbia with integrated quality and environmental management.

REASON 2

Environment is the first building block of sustainability recognized by society

Concerns for the environmental impact of business activities arouse in the 20th century with the evidence of chemical pollution, environmentally significant industrial accidents, opposition of indigenous peoples to land destruction, association of human activities with global problems such as the ozone layer depletion and climate change. The resulting environmental and human health effects triggered policy changes, stronger legislation, debates on the earth carrying capacity and limits to growth and a business response to protect the environment. Accordingly, the definition “sustainable development” was introduced by the UN sponsored World Commission on Environment and Development.

REASON 3

Motivate the employees

Taking the responsibility to manage our environmental aspects proves a successful way to involve the whole team around a common goal, to provide space for practice and learning, to show respect to the environment and thus get the employees committed. If it is completely safe, our employees, try alternative transportation such as going by bike to work and business meetings.

REASON 4

Optimize your supply chain

We prefer green products - cleaning supplies, food, coffee, tea manufactured in a responsible way with less or no chemicals to prevent or help respiratory and other health-related conditions.

REASON 5

Earn respect

Differentiation as a “green” business brings a competitive advantage. Customers and partners recognize our efforts to measure how much energy we consume, how much water we use, what quantities and type of waste we produce, how we treat it and what measures we implement to reduce these impacts. We serve as a role model when customers are looking for solutions for their own environmental impacts.



by Dariya Hadzhiyska

Dariya is a consultant at denkstatt Bulgaria, working on corporate and product sustainability for business customers, with experience in managing international research projects. She is passionate about travelling, meeting people from various cultures and having new adventures

CUSTOMERS TALK

“THE PROJECT WAS SUPER AND WE ACHIEVED THE CERTIFICATION OF ISO 50 001 FOR EUROBUILDING HOTEL ON TIME BEING THE FIRST HOTEL CHAIN TO ACHIEVE THIS CERTIFICATION.”

Mr. Luis Ortega
VP Engineering and maintenance. March 2012

BE THE FIRST: NH Hotels certified on ISO 50 001

Our customer NH hotels wanted to be the first hotel chain in the world to achieve the energy certification according to the ISO 50 001 standard. And we succeeded it together!

Apart from the social recognition, NH hotels invested in technical improvements to their devices and systems (example: changed heating from diesel to natural gas, conventional lighting to LED, etc.) in hotels in Spain, Italy and Germany. The expected positive impact of these changes is huge considering the scope of the project. The number of hotels involved is increasing every year and soon we will start the 4th round expecting to have more than 40 hotels (in 2014) where NH will have implemented environmental and energy measures. The ultimate goal is to have all locations certified. This is a very ambitious objective and denkstatt supports the NH team with the management system implementation and ideas for annual improvements in order to become more sustainable.

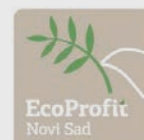
EcoProfit Novi Sad, Serbia, is a project led by denkstatt and supported by the Environmental Protection Department of Vienna, the Austrian Development Agency and the proper City Council of Novi Sad. The goal of the project was to cut costs in the companies by the implementation of environmental measures.

The results of the project are remarkable both from the ecological and economical point of view: with already implemented measures, the companies are avoiding the emissions of 11 100 t of CO₂ yearly. The average cost saving per company is 34 400 € with a return of investment of approximately 3 years; over 90 environmental measures have been already implemented. More than 135 environmental projects will be implemented within the next years reducing the environmental footprint and strengthening the local economy.

EcoProfit Novi Sad – included as one of the green economy cases in Serbian National report for Rio+20 conference.



RIO+20
United Nations Conference
on Sustainable Development



Service



Painting: Love
by Henriette Gupfinger

denkstatt is a sustainability consulting company.

However the direct impact of denkstatt activities is insignificant in comparison to the indirect impact, through denkstatt services, materialized in projects and initiatives with clients and partners.

denkstatt provides services in the following areas: Management Systems, Environmental Protection, Social Development and Sustainability Consulting.

ARTICLE: Sustainable development: what is it, how it works and what is our role in it?

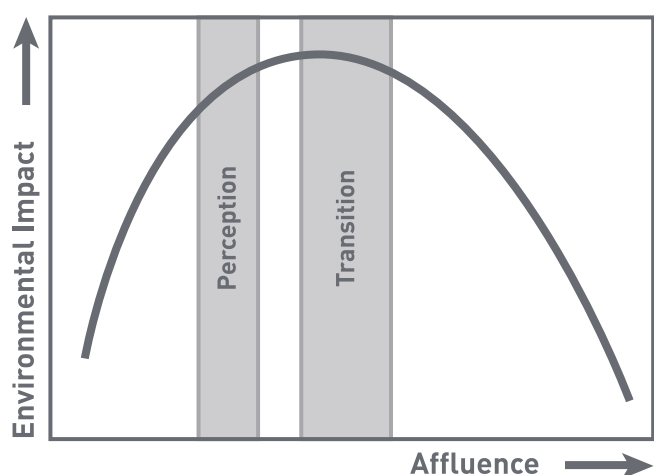
THE IDEA: “Sustainable” is a development that enables a continuous cycle of progress and ensures fair benefit distribution within and among societies

Sounds unusual? A good reason to read this article.

In 1972, “The Limits to Growth” projected a dire future for the world – overpopulation, resource depletion and environmental degradation caused by economic growth. The global debate led to: “sustainable is a development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (http://en.wikipedia.org/wiki/Sustainable_development)

Today, the world is several times more populated than expected. Despite all predictions, our lives have improved by any possible measure. We live longer and we are healthier, eat better, learn and travel more and this trend is clearly visible on all continents as expressed by the Human Development Index.

We consume much more goods and services without having depleted any single resource. Moreover, the reserves and availability of all major resources – fossil fuels, metals and minerals, water and food – have increased. Democratic societies went through environmental transition with respect to all major impacts as we became affluent enough to perceive them as issues (see figure 1).



Mechanism of Environmental Transition

FIGURE 1
Environmental Transition Hypothesis (based on: “The Improving State of the World: Why We’re Living Longer, Healthier, More Comfortable Lives on a Cleaner Planet”, Indur Goklany, 2007)

We enjoy a cleaner environment – air, water and soil pollution have significantly decreased and forests and other natural habitats encompass wider areas. Wildlife has made an impressive comeback and even carbon emissions are on a steady decline in Europe and North America.

Surprisingly, all of the above has happened due to growth in population, resource use and affluence – a closed-loop process of pressure and response that maintains the cycle of progress (see figure 2).

ARTICLE: Sustainable development: what is it, how it works and what is our role in it?

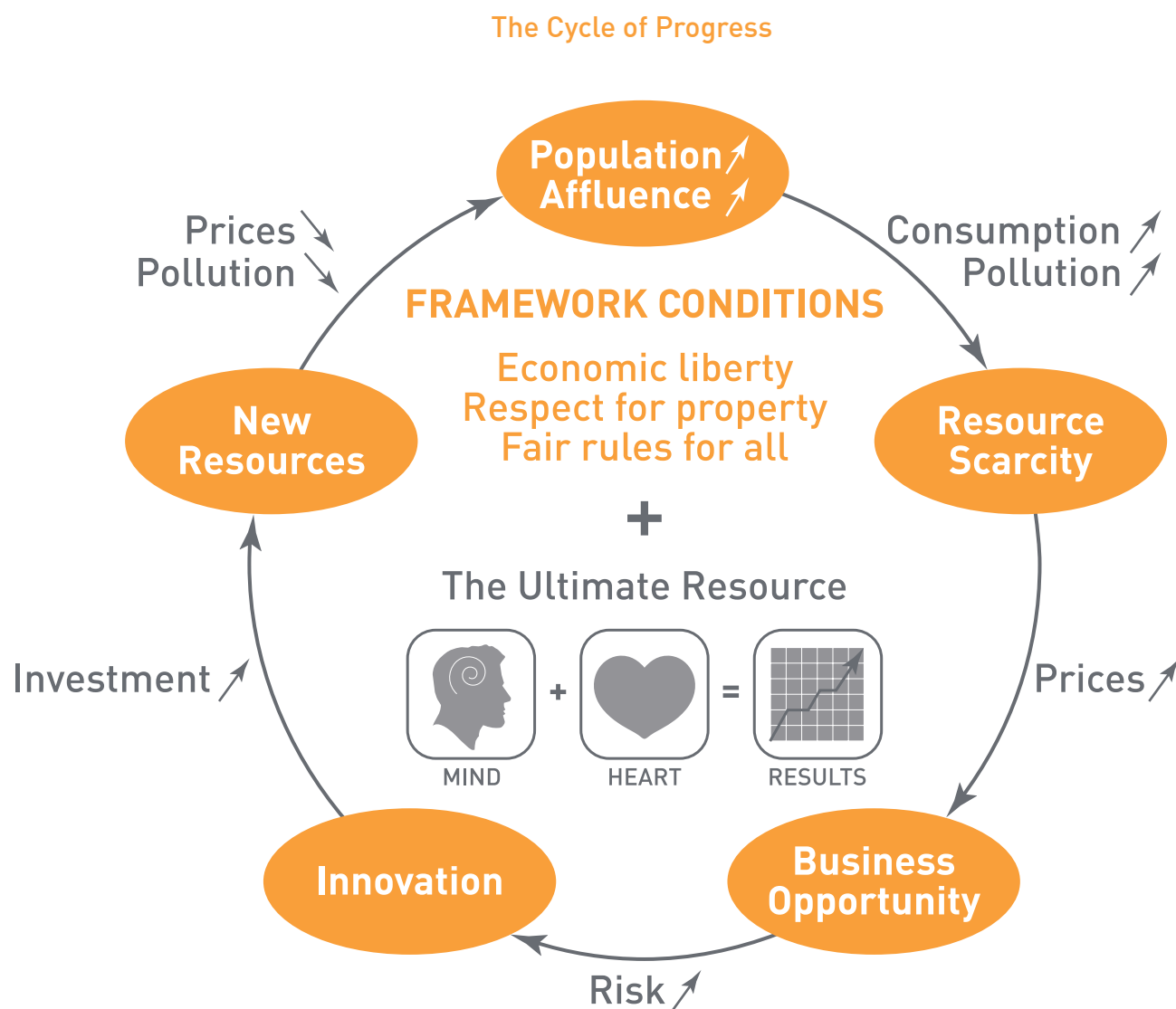


FIGURE 2

The cycle of progress in action (based on: "The Ultimate Resource II: People, Materials, and Environment", Julian Simon, 1998)

More people and affluence cause resource scarcity and environmental impact. Scarcity causes prices to rise; pollution creates public pressure. Both present opportunities and prompt inventors and entrepreneurs to innovate. In a free society, solutions are eventually found. In the long run, the new developments leave us better off than if the problems had not arisen. Prices eventually become lower and pollution diminishes.

The process works under a framework of economic liberty, respect for property, and fair rules for all which can be secured only by the right institutional setting. Human ingenuity and passion for success – this is the ultimate resource ensuring sustainability.

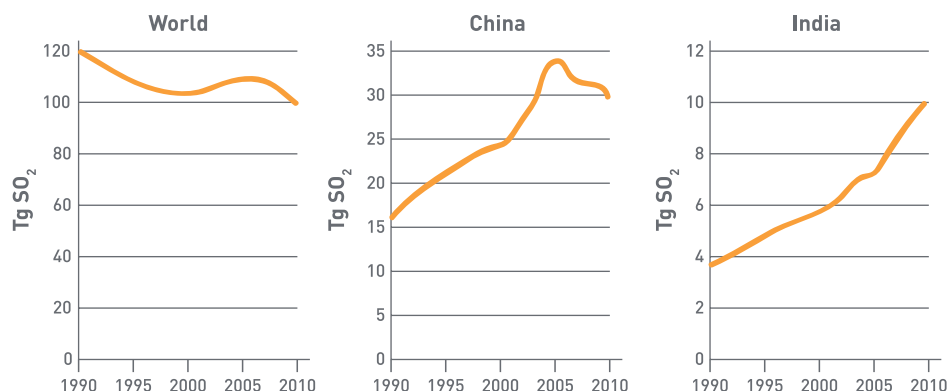
ARTICLE: Sustainable development: what is it, how it works and what is our role in it?

We know the world is far from perfect. There is still widespread poverty and environmental degradation is on the rise in most developing countries. However, the cycle of progress takes care and slowly but surely societies eradicate hunger, disease and illiteracy. Once they perceive the environment as a relative priority, they act or will act on it. Health-related risks are tackled first, followed by local and global environmental issues (see figure 3).

Transition in SO₂ emissions

FIGURE 3

Transition in SO₂ emissions in different parts of the world (<http://iopscience.iop.org/1748-9326/8/1/014003/article>)



Developing countries make the transition in a situation of lower average incomes and lower overall costs than the developed world that invented and mastered the technology.

New challenges emerge – climate change, marine litter, income inequality – there is no guarantee that the cycle of progress will manage them. But we will do our best, because as we know: Nothing is impossible!

What about future generations? They will have to maintain the cycle as well so the best thing we can do is to preserve the framework conditions and equip them with knowledge and will. That is all they need to survive and prosper.

It is our business to advise humans with hearts and minds and their organizations how to take on a challenge and find a solution to keep the cycle of progress rolling

WE DRIVE THE CHANGE TO A SUSTAINABLE SOCIETY



by Boyan Rashev

Boyan is a sustainability expert and Managing partner in denkstatt Bulgaria. He strongly believes and demonstrates through his work that opinions should be backed with data and facts. He is the author of the first industrial voluntary sustainability standard in Bulgaria

ARTICLE: Having the right people with the right information in the right time

THE IDEA: Smart technologies used in a smart way support companies in faster and better management

“Having the right people with the right information in the right time” is the dream of companies. Unfortunately reality is often different. We have E-toolbox, that ensures at least one side of this dream - having the right information. Look at some examples:

1. Collecting and managing all the occupational risks at one of the biggest construction materials manufacturers (Holcim)
2. Collecting information for the environmental reporting in one of the biggest banks of Austria (Bank Austria)
3. Managing all the hazardous materials with stock management in a carbon factory (Columbian)
4. Managing of approximately 1500 waste transports a month from one of the biggest factories in Hungary
5. Collecting all the occupational incidents within the company and from all the subcontractors (ELMU-EMASZ (RWE))
6. Managing the whole lifecycle of produced waste from the factory to the treatment plant (and all the stops in between) (E.ON)

In all those companies the people are doing a great job and they have a great backbone system to assist them, not more and not less. They those once making savings, protecting the environment and acting responsibly.



E-toolbox was used to collect the data in this edition

“Success is no accident. It is hard work, perseverance, learning, studying, sacrifice and most of all, love of what you are doing.”



by Róbert Szűcs-Winkler

Róbi is Manager in Hungary, where he leads a team of dedicated IT consultants to support denkstatt clients to effectively manage their sustainability data. He is a citizen of the world, knowledge expert and a happy person

CUSTOMERS TALK

“CREATING THE FIRST CORPORATE RESPONSIBILITY REPORT OF COCA-COLA HBC BULGARIA WAS A REAL TRANSFORMATIONAL EXPERIENCE.”

Kristiana Chakarova
Corporate Communications Manager
Coca-Cola HBC Bulgaria

DPM surpass their 2020 GHG emission reduction target in 2013

Dundee Precious Metals Chelopech owns and operates gold, copper and silver mine located east of Sofia, Bulgaria. In 2010, it started a modernization and expansion project aiming at increasing ore extraction and processing capacity from 1 mio. to 2 mio. tonnes per year. Among other projects, denkstatt has helped the company to develop a Carbon Management Plan (Scope 1+2+3, GHG Protocol) until 2020 setting an emission reduction target of - 20% compared to 2009 (95 to 76 kg CO₂/t of ore). Thanks to the investment in state-of-the-art technologies (widespread introduction of ICT and remote control, underground crushing, substitution of diesel by electricity in ore transportation, closed-loop water use, cement reduction in backfilling, real-time energy management, etc.), the actual emission savings at the end of the expansion project were much higher than initially expected, allowing the company to reach 62 kg CO₂/t already in 2013. In 2014, DPM puts into operation a new flotation process allowing it to produce 16% more concentrate (in market value) from the same quantity of extracted ore thus decreasing the specific carbon emissions of their end product even more. Although production capacity has doubled, DPM expects to use less fossil fuels in absolute values compared to 2009.

We at DPM are always happy to work with denkstatt! It is a pleasure to work with you and learn from your young and enthusiastic team!

Irena Tsakova
Operations Director
Dundee Precious Metals

“VERY WELL PREPARED PRESENTERS PROVIDED CORPORATE RESPONSIBILITY TRAINING FOR VODAFONE HUNGARY. THEY SHOWED ME CORPORATE SOCIAL RESPONSIBILITY IN A NEW CONTEXT AND I ACQUIRED A LOT OF NEW KNOWLEDGE.”

Emese Zolnai
Corporate Responsibility expert
Vodafone Hungary

People

People are equal

No matter of position, age, experience, nationality, sex, personal life choices, political or cultural aspirations, people at denkstatt are treated the same way – with respect!
We care about our people.

denkstatt people want to:

- Be satisfied, i.e. to enjoy meaningful work in an empowering work place
- Be excited by challenging projects and innovative approaches
- Be fairly treated, by fair payment, fair evaluation, inclusion in strategic decision and respect to their personal and family needs

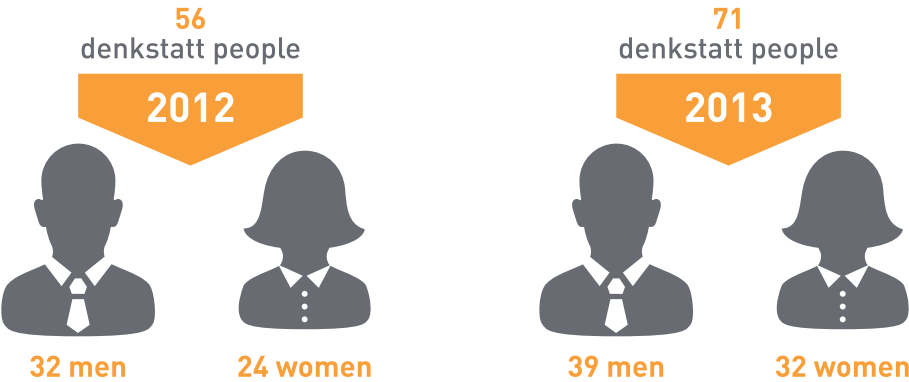
We do it!

But we are aware that we could always do more!



Painting: *Ray of sunlight*
by Henriette Gupfinger

denkstatt people



Total People on 1st January	Group	Turnover	Austria	Bulgaria	Hungary	Romania	Serbia	Slovakia	Spain
2012	56	14%	31	8	8	5	2	1	1
2013	71	17%*	34	11	12	5	4	2	3

*In 2013 Romania and Spain suffered high turnover, more than 40%.



In all locations but Slovakia, MDs are hired from local nationality. In denkstatt the way you work is a matter of sustainable mindset, therefore MDs remuneration depends on the achievement of sustainability indicators. There is no written policy on it though

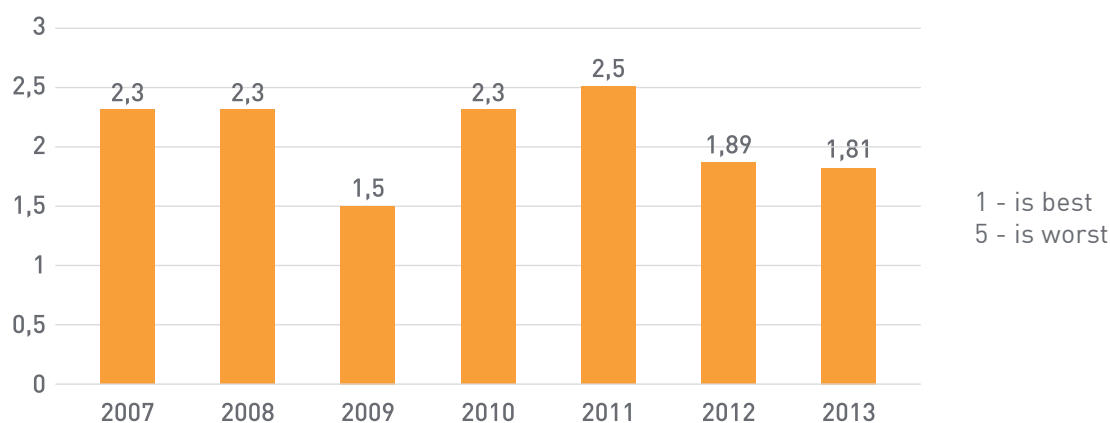
ARTICLE: People management in denkstatt – source of inspiration

denkstatt consultants are united by the mission of the company. They come to work not because they want simply to earn their salary. They are investing their minds, passion, efforts, energy to make sure that we together make this world a better place for living – for us, our friends, our children. In denkstatt we are aware that nothing is more powerful than the personal interaction and our employees enjoy many opportunities for such. Opportunities and successes are created not only by managers, but by all people together. Therefore we work in teams. Feedback is encouraged at all levels, as far as it is provided with respect and constructiveness. All our people go through performance management meetings at least twice a year (except in Spain). People are highly encouraged to participate actively in setting their quality and quantity goals.

Employee Satisfaction – denkstatt group level target for 2014 is 1,8

Every year we roll out internally Employee Satisfaction Survey. Employee satisfaction is rated with points on a 5-scale system, as 1 corresponds to the best and 5 equals the worst satisfaction level. The best results for 2013 are achieved in Hungary, Serbia and Slovakia. In Hungary denkstatt consultants feel free enough to do their job as they like and are able to see their self-realization clearly in the company. The most challenging results were seen in Romania and Austria, where consultants needed to fight with difficult times for their offices.

Employee satisfaction on a group level



	Group Level	Austria	Bulgaria	Hungary	Romania	Serbia	Slovakia	Spain
2012	1,98	1,95	1,90	2,10	2,43	1,50	2,00	no data
2013	1,81	1,92	1,80	1,70	2,00	1,74	1,70	no data

Results 2012 and 2013

Respect to families

We respect the needs of the parents in our company to have enough time and experience precious moments with their families. During the reporting period we had 5 mothers in maternity, 2 of which managing directors. One of them, who is not MD, left the company in 2013.

ARTICLE: People management in denkstatt – source of inspiration

denkstatt achievements in people management	Challenges in people management
Level of trust and open communication between levels	
denkstatt managers put lot of efforts to be reachable, open, transparent about the company progress with their teams Strategy meetings in all countries All people participate in performance management (except Spain) Internal newsletter and internal Knowledge management system in place	The balance between friendly atmosphere and reaching efficiency at work People need to improve their abilities to co-work through IT system
People development	
Many consultants went under training, inspired by the concept “The role of the Consultant” by David Maister Community of practice; Knowledge sharing sessions; Workshops; and many other training and development activities were done	We did not develop managerial and leadership skills with the speed we wanted to Competence levels need to be aligned in all countries No structured development programme for all levels
Work conditions	
Flexible working time is encouraged – people have a home office or take some days away from the working environment to spur creativity In Austria – 59% of the people are working part time All are on permanent contracts All get the same benefit, according to the level Austria – a specially employed cook prepares healthy food 3 times per week. Bulgaria – support for home duties is provided All legal requirements for paying securities are respected in all countries No cases of proven burn-outs or any other occupational diseases The practices described above add up to the preventive approach when concerning peoples’ overall health denkstatt has no grievances about labour practices	Stress at work, as workloads are difficult to be predicted Some of our team members experience from time to time a back-pain, headache and eyestrain 2 accidents (injured ankles) at the work, 1 in 2012 and 1 in 2013, both of them in Austria
Fair payment	
We pay fairly to all of our employees in all of our countries. We are reluctant to satisfy with just average salaries for our people – denkstatt insists on „living wages” for lower income groups (cleaning, trainees). On average the ratio of standard entry level wage compared to local minimum wage is up to 4 times in the different countries. For example consultants at entry level in Romania and Hungary are hired at minimum 2 times the local minimum salary Fair gap of about 2 times between managers and consultants on group level No discrimination based on gender, ethnic background, sex preferences, etc. – people are valued according to the results and commitment demonstrated Bonuses are linked to financial success of the company. Benefits are the same for all people in the respective country Change in the bonus system in Austria – 100% of the bonus has been shifted to the fixed salary	No documented salary guidelines, salaries are set case by case Synchronization of the bonus system within denkstatt group



by Gabriela Fistis

Gabi is Managing Director in Romania and likes to work with people, to understand them, to help them. She is an engineer, ambitious and target oriented professional, who is devoted to constant learning. Sustainable development expert, with experience in climate strategy & energy efficiency, environmental assessments, one of the best experts in health & safety, environmental and legal compliance audits

ARTICLE: Sustainability and Fun: transformation of the corporate world

THE IDEA: Sustainability is a way of development seen as un-avoidable and vital by many top executives. CEOs and Managing Directors like the cost savings that result from sustainability programs because they are immediately measurable

However, there are bottom line benefits that are more subtle but not less profound. For denkstatt those aspects are especially important:

Meaningful Work

In the meantime, many journals promote the idea of “work-life imbalance”. In addition to that, consultancy is a very challenging job. However, we still believe that a life-balance in our society is feasible. People struggle to achieve that balance between working long hours to accomplish important work and having enough time and energy for life outside of work. We stress this topic especially because by having a rewarding, meaningful job, very often hard work is perceived differently. The topics denkstatt employees are covering within its projects are in line with our employee`s personal believes and values. Thus, we do not see it as work, but more as a central part of their lives.

Having Fun at Work

Having fun at work isn't always appropriate, and it certainly doesn't appeal to everyone's work style. But the opportunity to forge real relationships at work can be truly meaningful, and make employees genuinely look forward to the start of every workday. We are happy to say that also our managers are equally willing to share this fun - which gives us a wonderful opportunity to capture this non-financial reward.

Enjoy the Interaction

We are convinced that humor and personality in our projects and thus our client service interactions are crucial. Not because humor can be one of the most effective ways to diffuse awkward or problematic situations. It is more about that we believe it is one of our most outstanding values within the entire organization.

Funny and Creativity

At denkstatt we are striving to create a funny, exciting, dynamic workplace where collaboration and teamwork are encouraged. We provide recreational areas for employees to decompress. Creativity and intuition are key to our successful operation. In a stimulating environment, employees enjoy their time at work and we also excel at work.



by Willibald Kaltenbrunner

Willi is Managing Director in Austria, Romania and Serbia. He is sustainability advisor who works with passion and devotion, one of the driving engines of the denkstatt group development

denkstatt people talk

At denkstatt we cannot imagine any sustainable innovation in terms of the environmental performance without having a motivated, devoted and inspired team, and a proper organisational culture to support this



Dragana Petrovic

managing partner, quality and environmental management representative and one of the leading management system consultants in Serbia

Social responsibility to me means the following: To do a job that I love, in the best possible way than I can and, by doing so, to strive to make some small, personal contribution that benefits society and the environment. I strongly believe that each of us can make specific contributions to improving the world, and all of us together can change the world for the better!



Andrei Curican

Andrei is Senior Consultant in Romania, with solid experience in integrated management systems business process management, corporate responsibility and sustainable management

We do promote and support sustainable patterns of production and consumption i.e. patterns that are resource and energy efficient, low-carbon and low waste, non-polluting and safe, and which produce products that are responsibly managed throughout their lifecycle but this is not an easy task. The road ahead is not smooth and the challenges are many.



Andrea Trumler-Berneck

Andrea works in the field of social design, covering on one hand the improvement of social relations within a company or organisation as well as the motivation for sustainability. As a senior consultant her toolbox of methods is full of out-of-the-box solutions, that she brings into every moderation or stakeholder event she facilitates or concept she creates

“Danube - East of Vienna” project

Vicious criticism from some NGOs and local stakeholders, backed by the negative stance of Austrian media, cast a shadow on the project of Via Donau, that is responsible for the maintenance and development of the Danube waterway. This situation required a completely new approach and an ambitious plan to involve civil society in both monitoring and managing the project through a stakeholder panel. denkstatt was asked to define a process and facilitate further measures. A stakeholder panel called ‘Akteursforum’ (Stakeholder Forum) was established to resume work at the Danube. The forum consists of ten delegates with representatives from the business and navigation sectors, from environmental and angling NGOs, from the Danube Floodplain National Park and from the International Commission for the Protection of the Danube River. These delegates are supported by a panel of experts who act as an advisory board. Forum meetings are public and observers are encouraged by denkstatt to share their views. The forum can give recommendations to the project owner or ask for information and make formal enquiries. The work of the forum is totally transparent to the public, minutes of the meetings are provided for further reading on the projects website. With the help of denkstatt tailoring the stakeholder communication as well as the entire process, the client could put its role as project owner in the background and the company’s representatives attend meetings only as observers, a cause that is essential for an impartial access, where everybody should be heard. One point is very clear: the Forum’s goal is not to ensure smooth implementation of the project, but rather to endorse dialogue and partnership, including criticism. A sensitive process, that requires sensitive partners, for sure. Meanwhile, international corporations and river commissions have expressed their interest in the forum and in the work of denkstatt. **“We are very excited about this,”** says Josef Semrad of Via Donau’s environmental department. **“For years, we have dealt with so much criticism – it is good to see appreciation and a friendly interest in our work now.”**

denkstatt balance scorecard

Chapter	Unit	2007	2008	2009	2010	2011	2012	2013
INFLUENCE								
Total revenue*	Mio EUR	2,3	2,7	2,8	3,4	4,3	4,7	4,5
Net sales	Mio EUR	-	-	-	-	-	3,7	4,2
Financial assistance received from the government	thousand EUR	-	-	15,7	4,1	77	38,6	125,7
Offices	number	4	4	4	5	8	8	7
Total energy consumption*	MWh	236	282	349	349	341	878	667
Carbon intensity index of the business	gCO ₂ /EUR revenue	22	27	31	28	30	33	29
Total CO ₂ emissions*	ton CO ₂	51	72	87	94	128	157	130
CO ₂ emissions from business travel*	ton CO ₂	38	56	67	74	105	122	97
Consumption of paper*	kg	1 033	1 162	1 064	1 242	1 298	1 439	1 506
Waste (hazardous and non-hazardous)	kg	429	716	740	723	1 114	894	766
Water consumption	m ³	389	530	563	590	494	736	672
SERVICES								
International projects within denkstatt group	number	2	3	7	12	26	23	20
International customers served internationally	number	1	2	4	8	18	22	17
Work in international strategic groups	number	0	0	0	7	13	8	9
Product developments successfully transferred to other countries	number	0	0	0	3	5	8	6
Amount of integrated management systems implemented	number	2	2	2	2	3	4	5
PEOPLE								
Employees	number	30	37	39	45	52	56	71
Proportion of women	%	42	37	40	35	41	61	51
FTE	number	29,6	36,6	39	45,4	53,7	61,8	59,9
Women on part time	number	6	3	5	5	10	19	14
Men on part time	number	2	3	3	6	8	11	11

denkstatt balance scorecard

Chapter	Unit	2007	2008	2009	2010	2011	2012	2013
PEOPLE								
Amount of temporary work contracts	number	1	2	3	4	5	2	0
Employees newly hired	number	2	7	7	5	12	24	14
Employee turnover	%	10	2	4	4	9	14	17
Training days per FTE per year	number	15,6	25	20	21,3	30,3	8,6	6,3
Participants on the International Induction Training	number	n/a	n/a	4	5	8	14	16
Countries, in which people receive performance feedback regularly	number	1	1	3	3	3	6	6
Expenses for further education	thousand EUR	57	43	49	52	61	no data	no data
Employee satisfaction on group level	points (worst 5; best 1)	2,3	2,25	1,53	2,28	2,46	1,89	1,81
Days of sick-leave per FTE	number	3	4	3	3	2	2,9	5,7
Percentage of total employees covered by collective bargaining agreements	number	0	0	0	0	0	0	0

*Data is changed in comparison with previous report

Chapter	GRI code	Unit	2012	2013
ADDITIONAL INDICATORS				
Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	G4-LA5	%	0	0
Percentage of employees receiving regular performance and career reviews, by gender and by employees category	G4-LA11	%	95	99
Total hours of employee training on human rights policies or procedures	G4-HR2	%	0	0
Total number of incidents of discrimination and corrective actions taken	G4-HR3	number	0	0
Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	G4-HR4	number	0	0
Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	G4-HR5	number	0	0
Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor	G4-HR6	number	0	0
Communication and training on anti-corruption policies and procedures	G4-S04	number	0	0
Confirmed incidents of corruption and actions taken	G4-S05	number	0	0
Total value of political contributions by country and recipient/beneficiary	G4-S06	EUR	0	0
Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	G4-S07	number	0	0
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	G4-S08	EUR	0	0
Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	G4-S011	number	0	0

GRI content index

	Description	Section	Page	External assurance
STRATEGY AND ANALYSIS				
G4-1	Statement from the most senior decision-maker of the organisation	Welcome from the Editor in Chief	3	no
ORGANISATIONAL PROFILE				
G4-3	Name of the organisation	for this edition	50	no
G4-4	Primary brands, products and/or services	Knowledge	15	no
G4-5	Location of the organisation's headquarters	infographics	4	no
G4-6	Number and names of countries where the organisation operates	infographics	4	no
G4-7	Nature of ownership and legal form	infographics	4	no
G4-8	Markets served	infographics	4	no
G4-9	Scale of the reporting organisation	People, denkstatt BSC, knowledge ¹	15, 38, 43	no
G4-10	People Management data	People; denkstatt BSC ²	38, 43, 44	no
G4-11	Percentage of total employees covered by collective bargaining agreements	denkstatt BSC	44	no
G4-12	Organisation's supply chain	Services	26	no
G4-13	Significant changes during the reporting period regarding size, structure and ownership	for this edition	50	no
G4-14	Precautionary approach/ principle	People	40	no
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	performance indicators	48	no
G4-16	Memberships of associations	denkstatt performance in knowledge management	24	no
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-17	All entities included in the organisation's consolidated financial statements or equivalent documents and whether any entity included in the organisation's consolidated financial statements or equivalent documents is not covered by the report	for this edition	50	no
G4-18	Process of defining report and the Aspect Boundaries, how the organisation has implemented the Reporting Principles for Defining Report Content	Welcome from the Editor in Chief, stakeholder engagement; Influence	3, 8, 27, 50	no
G4-19	All the Material Aspects identified in the process for defining report content	stakeholder engagement	8, 49	no

	Description	Section	Page	External assurance
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES				
G4-20	Aspect Boundary within the organisation for each material Aspect	for this edition	49	no
G4-21	Aspect Boundary outside the organisation for each material Aspect	for this edition	49	no
G4-22	Effect to any restatements of information provided in previous reports, and the reasons for such statements	for this edition	50	no
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	for this edition	50	no
STAKEHOLDER ENGAGEMENT				
G4-24	List of stakeholder groups engaged by the organisation	stakeholder engagement	8	no
G4-25	Basis for identification and selection of stakeholders with whom to engage	Influence	27	no
G4-26 ³	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	stakeholder engagement, Influence	8, 27	no
G4-27 ³	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	stakeholder engagement, denkstatt achievements and commitments	8, 9	no
REPORT PROFILE				
G4-28	Reporting period	for this edition	50	no
G4-29	Date of most recent previous report	for this edition	50	no
G4-30	Reporting cycle	for this edition	50	no
G4-31	Contact point for questions regarding the report or its contents	for this edition	50	no
G4-32	'In accordance' option the organisation has chosen, GRI Content Index for the chosen option	for this edition	50	no
G4-33	External assurance for the report	for this edition	50	no
GOVERNANCE				
G4-34	Governance structure of the organisation	infographics, management approach	4, 6, 7	no
ETHICS AND INTEGRITY				
G4-56	Organisation's values, principles, standards and norms of behavior such as codes of conduct	denkstatt	5	no

¹ Information on debt and equity is not available for this report² denkstatt do not employ supervised workers³ Or check here: Stakeholder engagement and materiality analysis of denkstatt; <http://denkstatt-group.com/publications/denkstatt/company-brochures/company-brochure.html>

GRI index - performance indicators

Information is not externally assured.

	Description	Section	Page
CATEGORY: ECONOMIC			
Economic performance			
	Disclosure on management approach (DMA)	management approach	6,7
G4-EC1	Direct economic value generated and distributed	denkstatt BSC	43
G4-EC4	Financial assistance received from government	denkstatt BSC	43
Market presence			
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	People	40
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	People	38
Procurement practices			
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Services	26
CATEGORY: ENVIRONMENTAL			
	Disclosure on management approach (DMA)	management approach	6, 7
Materials			
G4-EN1	Materials used by weight or volume	Why should an office-based company care for the environment?	28
G4-EN2	Percentage of materials used that are recycled input materials	Why should an office-based company care for the environment?	28
Energy			
G4-EN3	Energy consumption within the organisation	Why should an office-based company care for the environment?	28

Information is not externally assured.

	Description	Section	Page
CATEGORY: ENVIRONMENTAL			
Energy			
G4-EN4	Energy consumption outside of the organisation	Why should an office-based company care for the environment?	28
Water			
G4-EN8	Total water withdrawal by source	Why should an office-based company care for the environment?	28
Emissions			
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	Why should an office-based company care for the environment?	28
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Why should an office-based company care for the environment?	28
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Why should an office-based company care for the environment?	28
G4-EN18	Greenhouse gas (GHG) emissions intensity	denkstatt BSC	43
G4-EN19	Reduction of greenhouse gas (GHG) emissions	denkstatt environmental performance denkstatt BCS	26, 43
Effluents and waste			
G4-EN22	Total water discharge by quality and destination	Why should an office-based company care for the environment?	28
G4-EN23	Total weight of waste by type and disposal method	Why should an office-based company care for the environment?	28

GRI index - performance indicators

Information is not externally assured.

	Description	Section	Page
CATEGORY: ENVIRONMENTAL			
Compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	denkstatt performance table	26
Environmental grievance mechanisms			
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	additional indicators	26
CATEGORY: SOCIAL			
Disclosure on management approach (DMA)		management approach	6, 7
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
Employment			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	additional indicators	44
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	People	40
G4-LA3	Return to work and retention rates after parental leave, by gender	People	39
Occupational health and safety			
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	additional indicators	44

Information is not externally assured.

	Description	Section	Page
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
Occupational health and safety			
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	People, denkstatt BSC	40, 44
Training and education			
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Knowledge, denkstatt BSC	15, 24, 44
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	additional indicators	44
Labor practices grievance mechanisms			
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	People	40
SUB-CATEGORY: HUMAN RIGHTS			
Investment			
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	additional indicators	44
Non-discrimination			
G4-HR3	Total number of incidents of discrimination and corrective actions taken	additional indicators	44

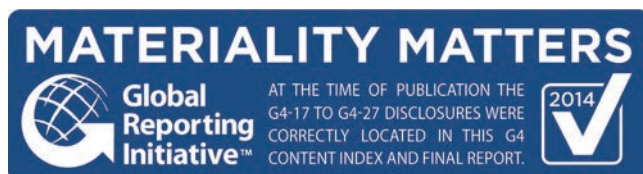
GRI index - performance indicators

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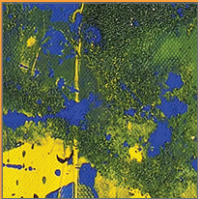

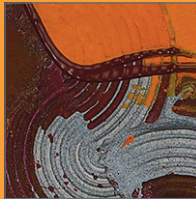

	Description	Section	Page
SUB-CATEGORY: HUMAN RIGHTS			
Freedom of association and collective bargaining			
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	additional indicators	44
Child labor			
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	additional indicators	44
Forced or compulsory labor			
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of all forms of forced or compulsory labor	additional indicators	44
SUB-CATEGORY: SOCIETY			
G4-S04	Communication and training on anti-corruption policies and procedures	additional indicators	44
G4-S05	Confirmed incidents of corruption and actions taken	additional indicators	44
Public policy			
G4-S06	Total value of political contributions by country and recipient/beneficiary	additional indicators	44
Anti-competitive behavior			
G4-S07	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	additional indicators	44

Information is not externally assured.

	Description	Section	Page
SUB-CATEGORY: SOCIETY			
Compliance			
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	additional indicators	44
Governance mechanisms for impacts on society			
G4-S011	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	additional indicators	44
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
Customer privacy			
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Knowledge/Structure capital	20



for this edition

			
KNOWLEDGE	INFLUENCE	SERVICE	PEOPLE
Why is this important			
Through knowledge we educate, inspire, innovate, serve, work	Influence is denkstatt direct and indirect impact	Through services denkstatt contributes to increase positive and decrease negative impact	People are the main energy and driving source in consulting business. denkstatt – is the people of the company
<div>G4-19</div> <div>Human Capital -> Share, create and enrich knowledge</div> <div>Relationship Capital -> Build strong internal and external relationships</div> <div>Structure Capital -> Integrate knowledge in business processes</div>	<div>G4-19</div> <div>Bringing innovation and inspiration</div> <div>Spreading sustainability</div> <div>Environmental direct impact</div>	<div>G4-19</div> <div>Indirect impact from our services</div> <div>Partner and customer satisfaction</div> <div>Protecting privacy of client data and confidentiality</div>	<div>G4-19</div> <div>Meaningful work and innovative projects</div> <div>Work-life balance</div> <div>Trust and transparency</div> <div>Fair payment</div>
G4 DMA and Indicators			
LA; HR; PR	EC; EN; SO; LA; HR		LA; HR
Boundary			
<div>G4-20</div> <div>G4-21</div> Outside and inside organisation			Inside denkstatt

for this edition



Painting: *Flower Meadow*
by Henriette Gupfinger

It is the first Knowledge Management Report of denkstatt group, combined with the third Sustainability Report. It covers a two-year reporting period of 2012 to 2013 for all offices, excluding operations of the joint venture denkstatt&enertec GmbH.

G4-17
G4-18

Information is collected via interviews, online questionnaires, data collection sheets, E-toolbox®, workshops and dialogues. Data calculation follows the methods selected by denkstatt group.

G4-22

There were no significant changes in denkstatt operations during the reporting period. denkstatt will continue to report on biannually basis.

The process for content selection followed G4 Sustainability Reporting Guidelines, as well Knowledge Management Associates GmbH advice. The list of important topics was identified with key stakeholders, both internal and external for all operations. Topics were prioritized in the following groups: Knowledge, Influence, Service and People. They are reported through material aspects and indicators 'in accordance' with the Core option of the G4 Sustainability Reporting Guidelines. This approach allows denkstatt to understand in-depth the truly important topics for the stated period of time and to respond accordingly to main stakeholder interests.

G4-23

Some of the previously reported indicators in the Sustainability Report for 2010-2011, issued in 2012, are exchanged with more suitable ones. There are some changes also in the data, due to better tracking. External assurance is not used.

denkstatt best advisors are You - our stakeholders.

Feedback is welcome and can be addressed to:

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agency

zit

The Technology Agency of
the City of Vienna

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