

Sustainability Report 2020



Preface

Dear Reader,

2020 was a year quite unlike any other. It was a year in which it suddenly became impossible to lead our everyday lives due to the emergence of COVID-19. We were forced to deal with restrictions, and unpredictability became the new norm. At the same time, we discovered how creative and adaptable we humans are: we are quick learners, able to invent and develop new ways of doing previously inconceivable things.

Other global challenges, such as climate change, species extinction, or the refugee crisis, faded into the background somewhat during this time but have not become any less relevant. It is more urgent than ever to actively address these issues.

We have a local, national, and global impact on humans and the environment through our actions. Respectful, long-term relationships with our business partners, suppliers, and employees, as well as resource and environmentally friendly operations, are important values that shape all of our business activities.

We regard sustainability as a process that develops over time or as a long journey towards a world in which all people lead good lives within the limitations of our planet. This world cannot be shaped by one person alone. On the contrary, everybody can and should contribute to its betterment. In this spirit, we invite you to join us on this important journey.



Sincerely,

Dr. Andreas Meyer
Managing Director
INFORM GmbH

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Our Understanding of Sustainability



Sustainability is one of INFORM's strategic corporate goals. With the development of intelligent software solutions, we not only support the operational and strategic business decisions of customers worldwide but also bring social and environmental benefits. Numerous internal corporate activities also promote a healthy working environment and sustainable corporate growth. All efforts are guided by political objectives, such as the UN's 17 Sustainable Development Goals (SDGs) and flagship reports such as the Brundtland Report of 1987.

» Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.¹

¹ https://www.netzwerk-n.org/wp-content/uploads/2017/04/0_Brundtland_Report-1987-Our_Common_Future.pdf, S. 37 (accessed on 24 September 2021).

Digital Decision-making for a Sustainable World

Digitalization and sustainability are the two big issues we face as a society.

Many companies are confronted with the question of how to do business in an environmentally compatible and sustainable manner. At the same time, a major transformation is taking place in many industries as a result of digitalization through the testing and introduction of intelligent, digitally networked systems and production processes.

The WBGU (German Advisory Council on Global Change) report published in 2019² entitled "Towards Our Common Digital Future" concludes that digitalization can and should accelerate the transformation to a sustainable economic system.

The COVID-19 pandemic has, in many ways, highlighted the lack of sustainability and has been a digitalization accelerator. Who would have thought it possible at the end of 2019 that the staff of entire industries would be successfully working from home? It turns out that we humans are very quick learners – when we need to be.

We agree with this assessment of the WBGU and are convinced that people can improve global sustainability by making intelligent, data-driven decisions.

This is what digital decision-making for a sustainable world is all about.



² <https://www.wbgu.de/en/publications/publication/towards-our-common-digital-future> (accessed on 24 September 2021).

Climate Change



Digitalization makes an important contribution to reducing greenhouse gas emissions. Every kilometer not driven saves CO₂. For example, it is already possible to use digital decision-making to calculate the most climate-friendly truck routes or optimized transportation on a factory site. In airport logistics, airlines use intelligent software to optimize their ground processes, thus saving CO₂ and kerosene.

Another example is the construction site project at the Battersea Power Station Development Company (BPSDC) in the middle of London with up to 400 truck deliveries a day. Here, the operators succeeded in achieving smooth delivery logistics and optimal resource utilization thanks to the use of our solutions for truck-delivery control and time management. As a result, backlogs that extended far through the city of London due to the construction site were reduced to normal levels.

One particular feature was the obligation to document CO₂ emissions. Emissions were recorded transparently and found to have been reduced. The software solution met the stringent requirements imposed by the authorities, such as the specifications for the types of vehicles permitted on the construction site. BPSDC has been distinguished with the Construction Supply Chain Excellence Award 2020 for this project.

Circular Economy



Digital technologies are important tools for establishing a circular economy. Digital decision-making is already being used to reduce food waste through demand-stimulated production. In addition, large amounts of cardboard waste are avoided by keeping reusable containers in circulation intelligently. Machine runtimes can also be extended significantly through data-driven maintenance.

Trustworthy Organizations



The fight against illegal financial flows and fraud in the financial sector is part of the SDGs (SDG 16). In particular, it is important to counter money laundering and the associated financing of terrorism as well as illegal arms and human trafficking. Digital technologies have successfully reduced financial crime in banks and insurance companies for years. Our software solutions can detect changing behavior patterns and thus help combat corruption, fraud, and money laundering.

We support companies in the financial and telecommunications sectors in their "good governance" activities and help establish trustworthy institutions in developing countries.

Ecological Responsibility



Without healthy ecosystems, a good life cannot be possible. The careful treatment of our environment concerns us all. Ecological responsibility means acting considerately towards the environment and resources.



Our Ecological Commitment

Sustainable Logistics



Our Managing Director, Adrian Weiler (Managing Director until July 2021), is Chairman of the Board of Directors of a non-governmental organization called Smart Freight Centre (SFC), which is dedicated to sustainable freight. The goal is for over 100 multinational companies to reduce their logistics emissions by at least 30 % by 2030 as compared to 2015 across their global logistics supply chain and achieve net-zero emissions by 2050. Specifically, this means an annual reduction in CO2 emissions of 80 million tons by 2030.³

Server Landscape



In 2019, work had already begun on converting the existing server landscape into a central virtualization infrastructure, which was to be continued in 2020. As a result, we were able to significantly reduce the use of (server) machines. This leads to a major reduction in cooling requirements, as much less heat is produced.


Energy



We determined and offset our carbon footprint for the year 2020. The compensation went to a project to promote wind power in Chile⁴. We were also able to implement specific measures to reduce our own emissions. The energy supply to our own premises has been switched to green electricity. We have reduced the power consumption of our newly constructed data center by 30 % through containment and outdoor air-cooling systems.

Our central office, built in 2009, is run by geothermal energy. A further building is equipped with a heat-exchanger system. In some buildings on the company campus, the air conditioning systems have been converted to water cooling systems wherever the structural conditions allow. Water cooling systems help reduce the use of coolants that are harmful to the environment.

e-Mobility



We are continuously changing the fleet of company vehicles in the direction of e-mobility. Furthermore, we support the shift to bicycles by offering e-bike leasing. Bicycle cellars, showers, and changing rooms are available.

³ <https://www.smartfreightcentre.org/en/> (accessed on 24 September 2021).
⁴ <https://fpm.climatepartner.com/project/details/1272/en> (accessed on 24. September 2021)

Business Travel



The 2020 COVID-19 year was marked by the increased use of home offices and other digital opportunities. Business travel all but came to a halt. Emissions caused by travel in the first quarter of 2020 were recorded and offset (see the Energy section above).

Internal Processes



The introduction of digital functions such as electronic signatures and digital document management for incoming invoices reduced paper consumption.

We donate old but still functional hardware, such as laptops, monitors, and cell phones, to non-profit organizations, nursery schools, or clubs. Defective devices are also refurbished and reused.

Empty toner cartridges are collected and donated to a non-profit organization. They are cleaned, refurbished, and put back into circulation. We also support a regional school with this donation.⁵

⁵ <https://www.sammeldrache.de/> (accessed on 24 September 2021).

Green Areas

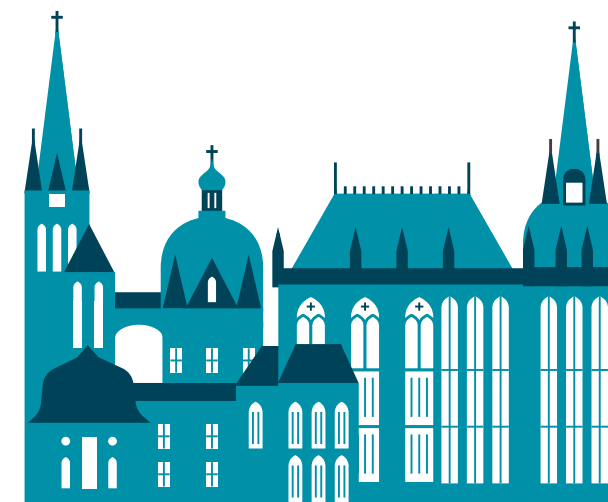


We are proud of our expansive green areas with nesting spots for birds and purposefully planted bee meadows. Our beehives are managed by our employees.

Social Responsibility



As one of the largest employers in and around Aachen, we have close ties to our region. We believe it is our responsibility to contribute to the sustainable and social development of the city.



Commitment to Civil Society

Locally, we actively participate in the creation of sustainable mobility, for example, by supporting the Radentscheid Aachen cycling initiative⁶ and participating in the Pascalstraße initiative⁷. Thanks to the Pascalstraße initiative, e-bike sharing stations as well as apps for car-sharing and carpooling have been set up throughout the local companies.

As a sponsor, we have supported small sports clubs in the region and various regional clubs such as the Lebensraum Aachen⁸ civic trust and Refugio e. V.⁹ human rights initiative.

We are a founding member of digitalHUB Aachen. The objective of digitalHUB is to support digital start-ups and facilitate a dialog with companies to drive digitalization in Aachen and its surroundings. The heterogeneous nature of the region's many local, medium-sized companies in the service and

technology sectors as well as the manufacturing industry, together with its academic landscape (RWTH University and Aachen University of Applied Sciences), offer the ideal environment for innovation, knowledge transfer, and mutual exchange.¹⁰

We are members of the non-profit association REGINA e. V. (REGionaler INdustrieclub Informatik Aachen). As an independent network of more than 120 participating organizations, REGINA e. V. promotes dialog and cooperation among the regional economy, education, and research.¹¹

We not only play an active role in the Aachen city region but also support various projects worldwide, such as garden projects in Cape Town, South Africa¹² and school projects in India and Nepal¹³.



6 <https://radentscheid-aachen.de/> (accessed on 24 September 2021). – 7 <https://pascalstrasse.de/> (accessed on 24 September 2021). – 8 <https://www.buergerstiftung-aachen.de/> (accessed on 24 September 2021).
9 <http://www.cafe-zuflucht.de/refugio-ev.html> (accessed on 24 September 2021). – 10 <https://aachen.digital/en/> (accessed on 24 September 2021). – 11 <https://www.regina.ac/english/> (accessed on 24 September 2021).
12 <http://en.aachen-kapstadt.de/projects/climate-ticket/> (accessed on 24 September 2021). – 13 <https://alt.darjeelinghilfe.de/ueber-uns.htm> (accessed on 24 September 2021).

Human Rights due Diligence and Dealing with Suppliers

We understand our responsibility towards our customers, partners, and employees. We have therefore implemented strict ethical rules that guide us through our daily work. We are guided by the principles of the UN's "Global Compact," the UN's "Universal Declaration of Human Rights," and the "Declaration on Fundamental Principles and Rights at Work" of the International Labor Organization in cooperation with national laws and practices. Our fundamental principles are defined in our Code of Conduct as well as the Code of Conduct for Business Partners.

Our purchasing department is the first point of contact for all service providers and suppliers. We consider sustainability just as important as the typical priorities such as price, on-time delivery, and quality.

We work with our suppliers and service providers as partners and as equals. Our goal is to make them aware of sustainability issues and motivate them to take steps in the right direction.



Employees



Openness, tolerance, and diversity – for more than 50 years, these qualities have been part of our corporate culture. The well-being of our employees is close to our hearts.



An Appreciative one Work Environment

COVID-19 Measures



To protect our workforce, we switched all business operations to home offices within a short period of time, starting in mid-March 2020. We have always focused on the physical well-being of our employees and have intensified our cooperation with the company doctor and our business partner OTHEB (Employee Assistance Program)¹⁴.

For employees who need to be on-site, we were able to ensure the highest possible level of safety through protective measures, such as the provision of masks and regular testing, as well as contact tracing using CoronaTracer devices.

Work-life Balance



Our trust-based working-hour model supports the balance between work and family. Flexible full and part-time positions, home-office options, and our company-sponsored U3 daycare¹⁵ help employees combine family with career. Parental leave is available for all employees at all levels and in all departments. If a child is sick, we cover five of the statutory ten days of Kinderkrankengeld (child-sickness benefit) with full pay. Furthermore, we support our employees with allowances for daycare and company pension. Dogs are allowed in the office by prior arrangement.

Diversity



For us, diversity is a way of life: We have an international workforce with employees from over 30 different nations. Women made up 31% of the workforce in 2020. We participate in Girls' Day and promote young women in MINT tracks of study and careers.

Education and Training



We see the future in the next generations. We therefore support and guide young people in their training and are pleased to offer internships. We are just as proud of our close cooperation with the institutions of higher education in Aachen. We regularly support the RWTH University of Aachen¹⁶ as practical-experience partners in projects required by OR internships. We fund two scholarships each at RWTH University and FH Aachen – University of Applied Sciences and maintain a professorship at FH Aachen^{17,18}. We were happy to make donations to support students at both universities who have experienced economic hardship due to the COVID-19 pandemic.

Annual participation in awareness training for data protection and IT security is mandatory for all employees.

We offer our employees professional training through our internal academy and external providers. Our INFORM Academy helps us to advance continuous individual training. The goal is to guide and support all employees in their individual and personal development and fill any gaps between position-specific requirements and individual competencies. This was also possible during COVID-19 times via online workshops. We also happily support personal development by offering opportunities for sabbaticals.

With regard to the topic of sustainability, we launched a separate education and training program in 2020. Fundamental ideas and information related to SDGs are shared in a series of monthly presentations. The cross-divisional SDG network meeting takes place twice a month. This meeting provides an opportunity to exchange ideas and information and raise awareness of sustainability in the individual divisions.

Employee Health



Employee health has become a focus of our company culture. Our occupational health management (BGM) department focuses on people as a whole. We place great importance on understanding the different requirements and needs when implementing individual measures. Our occupational health management program was awarded the "BFK – Gesundes Unternehmen" quality label in 2020/2021.

BGM works closely with our company doctor and psychologist. Our in-house services include not only physiotherapy and massage but also targeted sports classes in our gym or outside.

We provide relaxation areas through our lounges/cafeterias with comfortable seating and a freely accessible relaxation room. Seating is also available in the outdoor areas of the INFORM campus.

We offer flu shots, targeted screenings, and general health checkups, as well as regular workplace inspections. We cover the costs of workplace glasses.

Fruit and vegetables are provided as healthy snacks free of charge the whole year-round. We also provide various types of coffee, including different milk substitutes, as well as different teas and mineral water free of charge. Our company cafeteria is supplied with freshly prepared meat and vegetarian dishes every day. We subsidize the cafeteria for our employees.

We encourage our employees to exercise regularly. Participation in local events such as a company run and the Business-Run Aachen¹⁹ are annual fixtures in our calendar. These events took place again this year (with COVID-19 measures in place, of course), and we were delighted to have such a large turnout.

Our annual Health Day was held in February 2020. It included general health tips, addiction counseling, and a health check by the company doctor. We had also launched an appeal to join the fight against leukemia. Employees had the opportunity to register for the DMKS (German Bone Marrow Donor Center). This resulted in 51 donations.

Also, in the first quarter of 2020, courses for giving up smoking and back training were held specifically for our service employees.

In the fall, a second Health Day was offered online. Its focus was on healthy working in the home office. We also continued to offer our fitness and yoga courses as online courses.

¹⁴ <http://www.otheb.de> (accessed on 24 September 2021). – ¹⁵ <http://www.pascalszwerge.de/verein/verein.html> (accessed on 24 September 2021).

¹⁶ <https://www.or.rwth-aachen.de/en/> (Abrufdatum 24.9.2021). – ¹⁷ <https://www.fh-aachen.de/en/> (accessed on 24 September 2021).

¹⁸ <https://www.inform-software.de/news/news-details/news/inform-professur-fuer-angewandte-informatik-an-der-fh-aachen> (accessed on 24 September 2021).

¹⁹ <https://www.b2run.de/run/de/de/aachen/index.html> (accessed on 24 September 2021).

Special Activities in the First COVID-19 Year



A tiny virus turned the economy upside down. Dealing with unpredictability became the norm, and, like many others, we got creative.



Infection protection and short-time work threw the planning of many companies into disarray. We considered how we could help companies deal with the new challenges. As a result, we enhanced our existing software solutions to help our customers better comply with infection control and occupational health and safety regulations and to help them respond even faster to changing supply chain conditions. Furthermore, we have created a range of new (free) offerings.

Free Support

To help businesses quickly and easily, we created free services and made these available to customers and non-customers alike:

- > Free creation of emergency shift schedules:
This service was offered to all companies that needed urgent support to continue their business operations during periods of maximum load (hospitals, parcel delivery services, production operations, etc.) without overloading employees.
- > Free support for machinery and plant manufacturers:
This includes algorithmic support in production and shift planning to make delivery bottlenecks, rescheduling, and measures such as short-time work manageable or avoidable.
- > TeamTausch (TeamSwap):
We participated in a free and cross-industry online platform that was developed together with the Chamber of Industry and Commerce in Aachen. This platform enabled companies with too little or too much work to find cooperation partners during the crisis. Anyone in urgent need of human resources could use TeamTausch to contact employers who could spare employees at short notice.

CoronaTracer – Infection Protection in the Workplace

Another measure to provide rapid assistance was the development of CoronaTracer, an alternative to tracking apps, in cooperation with the Netherlands-based technology specialist SafeDrivePod. CoronaTracers are small, wearable devices that record contact between employees. The proximity of fewer than two meters between two people is recorded anonymously and without GPS. These maintenance-free and ready-to-use devices have a service life of up to six months and are then returned and recycled.

There are many areas of application. In addition to medium-sized companies, users include the Frankfurt School of Finance & Management gGmbH and a large parcel service provider. The CoronaTracer is not only used in the European market. In Chile, too, the use of the devices is helping several companies comply with infection and occupational safety regulations.

"At the start of the pandemic, we were dealing with an epidemic of infection, and that was very tough because an entire shift had to be quarantined. Luckily, we managed to get through it. Every day our teams try to revise protocols and implement new measures to achieve transparency. The new system with CoronaTracers is designed to monitor traceability while safeguarding the privacy of all employees. In this way, we all work with greater peace of mind", affirmed Fernanda Taboada, Director of the Blumar salmon plant in Talcahuano^{20 21}. All 700 employees there have been provided with a CoronaTracer.

²⁰ <https://www.safedrivepod.com/en-gb> (accessed on 24 September 2021).

²¹ <https://www.blumar.com/noticias/interior-noticia/ID/914> (accessed on 24 September 2021).

Company History

In 1969, Prof. Dr. Dr. h.c. mult. Hans-Jürgen Zimmermann, who previously worked in university research, founded INFORM GmbH (Institute for Operations Research and Management). His goal was to prove that mathematical modeling can be useful in increasing the profitability of companies by increasing resource efficiency.

01 The Early Years: 1969 – 1984

In the early years, INFORM focuses mainly on customized software development projects to solve complex problems such as fleet and transport planning, maintenance planning, or food recipes. In addition, customer and internal training courses about emerging opportunities for data collection and data use, i.e., digitalization, were offered. The challenge of implementing the practical use of operations research in companies is successful and the first step on the way to resource-efficient productivity has been taken. INFORM operates as a pioneer in mathematical optimization for corporations.

02 The Breakthrough: 1985 – 1999

For 15 years, we develop standard solutions for business processes that were used to organize material movement and production planning in companies. The ability to combine technical expertise with sound process know-how allowed us to give our customers tools they could use to shape complex processes such as production, procurement, personnel planning, or fraud detection in real-time, even if data availability is low. INFORM operates as a pioneer for process optimization.

03 Diversification and Organic Growth: 2000 – 2009

With the start of the new century, our INFORM experts gain a broader perspective. With the enormous increase in data availability, the complexity of the challenges that lie ahead continues to grow. Together with our customers, we uncover greater potential for optimization and examine cross-departmental processes, such as the overall aircraft dispatch process. The education and training of our employees as well as our customers remains an important topic. INFORM operates as a pioneer for company and business process optimization.

04 Unpredictability and change: 2010 – 2019

Decision-making situations have become more complex due primarily to the increase in the size of the systems in place, so the dimension of time has begun to play a significant role over the last decade in how it manifests itself in unpredictability. Along with this was the call for agility. In the era of big data and the exponential growth of software algorithm efficiency, it becomes possible to capture and model systems with a complexity unimaginable 50 years ago, for example, organizing new car distribution. The topic of employee health attracted increased attention. We work together with our employees to find ways to promote this in a goal-oriented manner. We expand our definition of sustainability and create a separate team to support the implementation of the UN Sustainable Development Goals in our day-to-day business. INFORM operates as a pioneer for agile optimization.

05 Digital Decision-making for a Sustainable World from 2020

COVID-19 is turning prioritization on its head and is highlighting all kinds of non-sustainable processes and behavioral patterns. The calls for a new way of doing business – one in which companies profit by creating environmental and societal benefits in addition to customer value – are growing steadily louder. We are expanding our sustainability team to include employees from all business and functional areas and have decided that in the coming decade, INFORM wants to act as a pioneer for systemic value creation.

Company Profile

For more than 50 years, INFORM solutions have helped companies run their businesses in a more efficient and environmentally friendly way. We work closely with institutions of higher education and professional associations (e.g. GOR²²) and continuously develop new methods that help companies worldwide optimize their value-added processes. The “Agile Optimization” management method forges the path for decision-makers in complex, highly dynamic situations and helps them find practical, alternative courses of action based on data. Digital decision-making uses artificial intelligence (AI) to support a company’s IT department, giving them a unique competitive advantage.

²² <http://www.gor-ev.de> (accessed on 24 September 2021).

Success Factors Include

Hybrid AI

Our technology integrates operations research and artificial intelligence, including fuzzy logic and machine learning. Combining computer algorithms and human expertise yields results far superior to those of traditional management and purely data-driven algorithms.

Agile Optimization

Digital decision-making empowers a new management strategy based on smart, rapid, and interactive decision-making. Agile Optimization is particularly valuable where complex operations face many ad-hoc changes, volatility, disruptions, unpredictability, and time constraints.

Industry Expertise

With more than 850 experts, we manage turnkey solutions for more than 1,000 customers worldwide for manufacturing, commerce, aerospace, ports, logistics, banks, telecommunications, and insurance companies. We optimize demand planning, production planning, personnel deployment, logistics and transport, inventories, and supply chain management, as well as fraud prevention in insurance, telecommunications, and payment transactions.



Facts and Figures

- Software for intelligent optimization;
- More than 850 employees from over 30 nations;
- More than 1,000 customers worldwide;
- Software development exclusively in Aachen, Germany;
- Founded in 1969;
- 2020 sales figures: EUR 91.3 million;
- Profitable every year since 1985;
- Profits systematically reinvested in research and development;
- Internal capitalization, not beholden to external investors;
- Primary company goal: sustainability.

