

SUSTAIN- ABILITY REPORT 2021

ENGINEERING EXCELLENCE.



CONSULTING
ENGINEERS

SUSTAIN- ABILITY REPORT





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CONVICTION OF ILF'S CEO

1

Dear Readers,

It is with great pleasure that we present you with the first ILF Group Sustainability Report, for the year 2021. We have chosen to compile this report not because we had to – but because we wanted to!



CLIMATE CRISIS

Along with the Covid-19 pandemic, the effects of climate change also attracted extensive media coverage in 2021, with news reports on huge bush fires that followed long periods of drought, heavy flooding and large tornados in various parts of the world. These weather events caused substantial damage and serve as a strong warning of the need for change. To some relief, significant progress towards achieving net zero emissions by 2050 could be made during COP26.

CLIMATE SERVICES

At ILF, we strongly support this need for change. Over the next decades, investments of an unprecedented order of magnitude will be necessary for cutting global carbon footprints and achieving net zero emissions. With our diverse service portfolio, we are perfectly positioned to support the numerous undertakings required to make the energy transition a success, bring about the required changes to mobility, upgrade buildings to boost their energy efficiency and make improvements to the entire industrial sector. Likewise, we will be able to respond to the additional demand on our services to enhance the resilience of existing infrastructure to increasingly frequent weather phenomena.

IMPACTING SUSTAINABILITY

But for us, sustainability goes far beyond climate action. We are pleased to see that the number of public entities, companies and countries thinking and acting along these lines is rapidly growing. Sustainable finance that is based on environmental, social and governance (ESG)

considerations is today playing a key role in the implementation of the European Green Deal and international commitments to climate and sustainability objectives. The EU Taxonomy regulation will furthermore push sustainable investments.

As actions speak louder than words, we make sure to align ILF's business activities with the United Nations Sustainable Development Goals (SDGs) and use these as the compass guiding our company decisions. Our services are clearly our strongest contribution to global achievement of the SDGs, and these services in turn also support our clients in many different sectors to achieve their sustainability-related targets.

VISION & UPDATED STRATEGY

In 2021 we substantially updated our strategy to reflect global megatrends. Placing sustainability at the center of our Strategy 2026 allows us to actively pursue our vision of becoming “a leader in improving quality of life around the globe”.

EMPOWERING ALL ILF-ERS

In addition to the contribution that our services make towards sustainable development, we also seek to improve the ecological footprint of our organization in many areas. Empowering all 2,500 ILF-ers to act as ambassadors of sustainable conduct is of considerable importance for ILF's management: if every individual acts as a role model by conviction we will be able to subsequently convince others to think, act and live more sustainably, thereby acting as a multiplier.





CHANGING MOBILITY PATTERNS

We have furthermore committed to taking many additional steps to improve our carbon footprint. When it comes to travelling, we deliberately avoid taking short-haul flights and instead favor travelling by train where and whenever possible. We are gradually exchanging the vehicles in our company car fleet for battery electric vehicles, and at some of our offices we have installed roof-top PV systems in order to generate our own electricity for our computers and electric cars.

REDUCING WASTE

Whereas the use of plastic bottles for water and boxes for food was standard practice in many geographies a few years ago, their abundance has today been reduced in practically all of our offices, cutting down on plastic waste. An additional area of significant waste in the past was paper; by going digital with all of our internal processes and by using a variety of communication technologies to collaborate with clients and business partners, we are significantly reducing our paper consumption as well as increasing our efficiency.

COVID-19 AND ACCELERATED CHANGE

In the face of increased rates and varieties of COVID-19 infections in 2021, our business model proved to be surprisingly resilient as we have been able to continue supporting our clients without any interruption to our services. In fact, the pandemic has boosted our ability to collaborate virtually – something which was previously unimaginable! Since March 2020 most of our internal and external meetings (those with our clients and business partners) have been conducted virtually. As a consequence, the number of business trips has been significantly reduced,

as have our costs and our ecological and carbon footprints. Alongside this we have also gained valuable time, which was previously spent travelling.

Another challenge which we faced in 2021 was how to lead our distributed teams remotely. Although we still see the need for further improvements in this regard, some significant progress has been achieved. Due to the positive experiences made with the hybrid work model – which enables us to work from varying locations, enhances our flexibility and allows us to serve our clients around the globe to the best possible extent – working partially from home will remain part of our business model for years to come.

TARGET SETTING

With this, our first sustainability report, we have recorded and evaluated our status quo with regard to sustainability and have initiated our corporate transformation in this respect.

In order for us to contribute to the shaping of a future characterized by sustainable development, we are not only setting ourselves sustainability-related targets in many different areas, but will also be making every attempt to meet these targets and will be closely monitoring our progress in the future.

We are not just doing this and all of the above because we have to – but because we want to! ...because we are deeply convinced that it is necessary!

Klaus Lässer, CEO



ILF AT A GLANCE

ILF is a leading international engineering, project management and consulting group with more than 50 years of experience in supporting clients to successfully identify, prepare and execute challenging energy, industrial and infrastructure projects.

55+

years of experience

With approximately 2,500+ highly qualified employees at more than 45 office locations across five continents, ILF has a strong regional presence. This enables us to locally interact with clients and project parties where and whenever required. At the same time, close cooperation within our extensive network makes it possible for us to call upon international experts and make use of their specialist knowledge and experience.

9,500+

projects successfully executed

Having no affiliation to manufacturers, suppliers, or financing institutions, and being privately owned by the founding families, ILF is fully independent.

2,500+

employees worldwide

As a full-service provider we offer our clients a comprehensive range of management consulting, engineering and project management services within our four main business areas:

150+

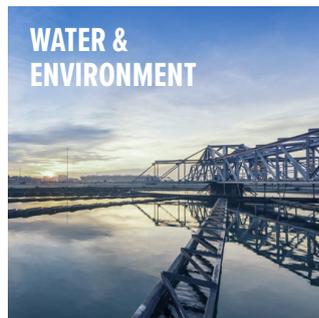
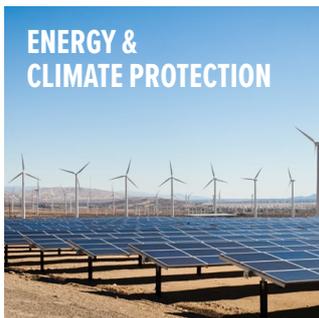
countries in which ILF has been successful

45+

office locations across five continents

252+

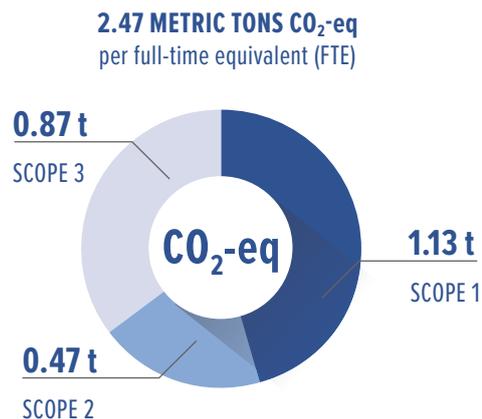
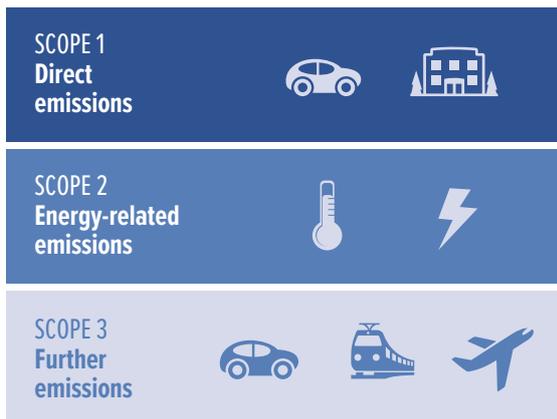
million € revenue



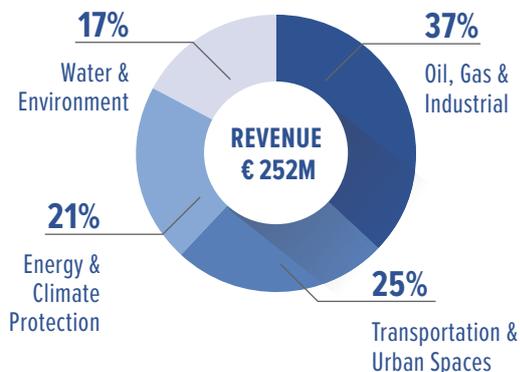
OUR SERVICE PORTFOLIO



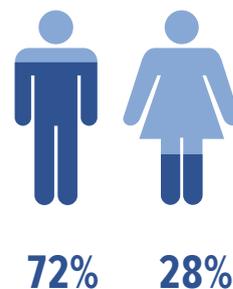
CARBON FOOTPRINT 2021



REVENUE ILF GROUP 2021

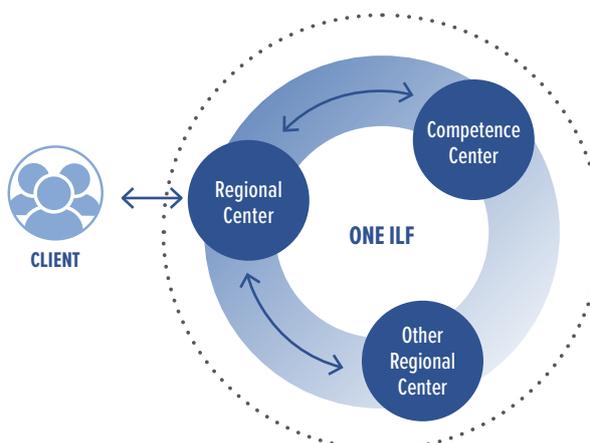


GENDER SPLIT ILF GROUP 2021



ONE ILF APPROACH

ILF's business model is focused on optimizing internal cooperation, and combining the competencies and capacities available in all ILF Group companies to provide maximum benefit for our clients. Based on this model, ILF has developed its own comprehensive, group-wide approach, termed ONE ILF. This ONE ILF approach promotes a culture of internal cooperation across all offices, geographies and time zones.



MAIN BUSINESS AREAS

3 ENERGY & CLIMATE PROTECTION

We are driving the energy transition! ILF supports clients worldwide to execute large-scale projects focused on the generation, storage and transmission of electricity supplied from a variety of renewable energies. In this way, we are actively promoting the shift towards energy being supplied from sustainable sources for present and future generations.

Bioenergy | Energy Storage | Heating & Cooling | Hybrid Power | Hydrogen | Hydropower | Power Transmission & Distribution | Solar Power | Thermal Power | Waste to Energy | Wind Power

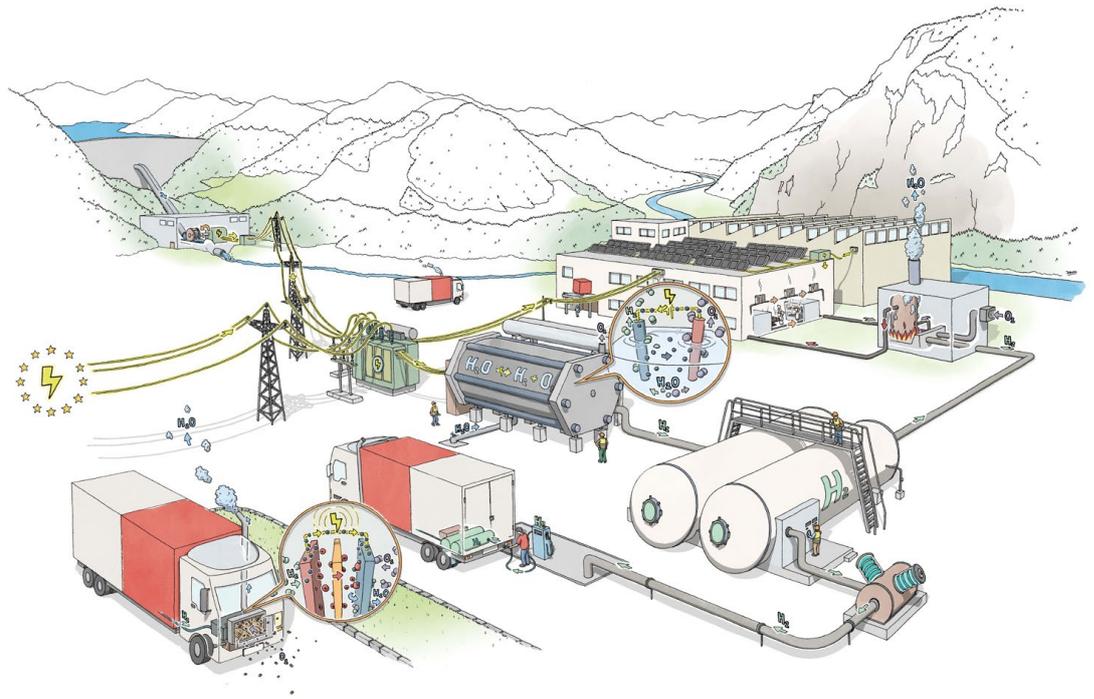


WHAT WE DO



PROVIDING GREEN HYDROGEN FOR A SUPERMARKET CHAIN

Green hydrogen produced in the heart of the Alps is being used to heat the ovens at a local food supplier's bakery and will enable emission-free food delivery via fuel-cell trucks.



© MPREIS / Atelier für Zeitreisen

An electrolyzer and supporting systems at the main premises of the supermarket chain and food producer MPREIS in Tyrol, Austria, enable energy from the grid to be converted into hydrogen which is used for heating the thermal oil system of the supplier's production facilities, including the in-house bakery. The energy from the grid is mainly produced from local hydropower.

In addition, the converted hydrogen is used at a refueling station and at a trailer filling station on these premises, which shall fuel the first fuel cell trucks, scheduled to hit the road in 2022.

The entire truck fleet will be successively converted to fuel-cell vehicles and thus the individual MPREIS locations will be supplied emission-free.

Moreover, the project has proved that an electrolyzer can be used to balance fluctuations in national grid systems, with hydrogen being produced using electricity.

ILF has taken on the role of Owner's Engineer in this demonstration project co-funded by the EU.



“We strive to develop cutting-edge sustainable solutions to meet the energy needs of the modern world.”

Gianmaria La Porta,
Business Group Director Energy & Climate Protection

WATER & ENVIRONMENT

We are protecting the water cycle and the environment! ILF offers consulting, engineering and project management services for all types of water and wastewater systems, covering the whole service spectrum from water resource development and water treatment to water reuse. This enables us to ensure the efficient use and sustainable protection of water.



Desalination | Environment | Industrial Water |
Urban Water Systems | Wastewater Treatment |
Water Transmission | Water Treatment

WHAT WE DO



MAKING VIENNA'S WASTEWATER TREATMENT PLANT SELF-SUFFICIENT

Energy_Optimization Sludge Treatment (E_OS) technology enables Vienna's wastewater treatment plant to be self-sufficient in terms of electrical and thermal energy. By using biogas produced on site, the plant generates over 100% of the energy needed for its operation, thus saving 40,000 metric tons of CO₂ emissions per year.



© ebswien / Christian Houdek

Vienna's wastewater treatment plant is one of the largest plants of its kind in Europe, with the capacity to treat wastewater from up to 4 million population equivalents (PE).

During the project, the first biological stage of the plant and the primary sedimentation tanks have been completely replaced with new facilities, using a space-saving technical design. The area thus obtained was used for the construction of sludge digesters which allows energy recovery by utilizing digester gas in a

combined heat and power plant. With this technology, both the electrical energy and heat demand of the wastewater treatment plant are now entirely covered by the plant itself. Additional land use is therefore also avoided.

Together with its partners, ILF was commissioned to rehabilitate and upgrade the wastewater treatment plant and the associated technical infrastructure and make them fit for the needs of future generations.



“Making and documenting corporate progress towards sustainability is consistent with our mission to support the implementation of the UN's Sustainable Development Goals such as Clean Water and Sanitation (SDG 6) and Climate Action (SDG 13). The report thus further underlines our sincere commitment to responsibly improving quality of life.”

Werner Redtenbacher,
Business Group Director Water & Environment

TRANSPORTATION & URBAN SPACES

We are enhancing mobility and urban spaces! ILF is focused on multimodal and connected mobility, as well as on society-oriented building and infrastructure design that optimizes the use of resources. We are hereby able to protect valuable rural areas and create urban structures that meet the needs of tomorrow.



Airports | Buildings | Railways | Roads | Ski Resorts |
Structures | Tunnels & Caverns | Urban Development |
Urban Transportation

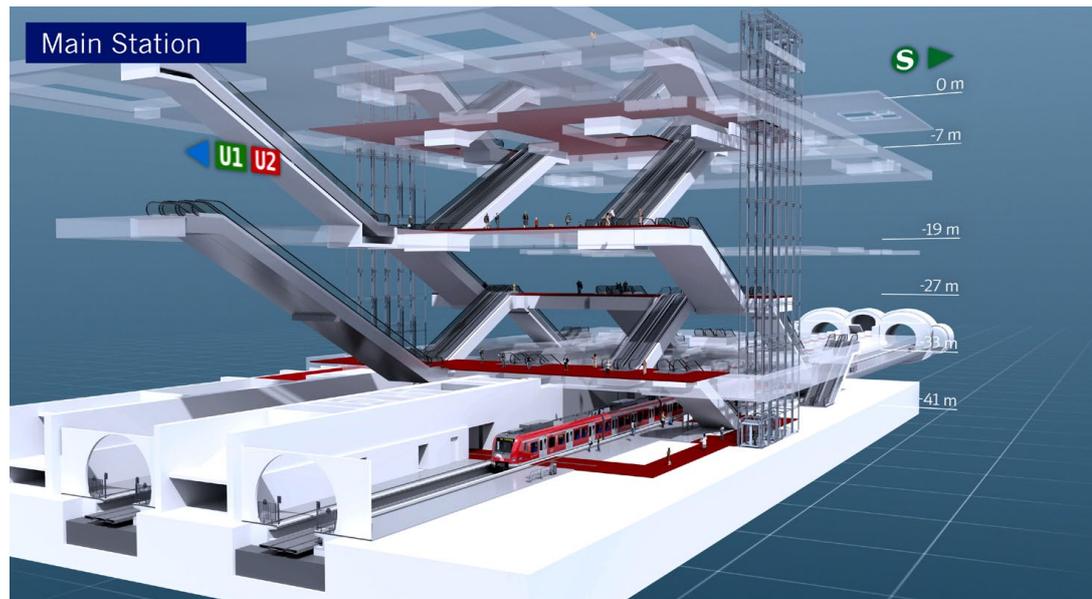


WHAT WE DO



EXTENDING MUNICH'S PUBLIC TRANSPORT SYSTEM

The metropolitan area of Munich is a fast growing area in Germany. The continuous development of the public transport system is therefore urgently needed to meet the requirements of a smart and sustainable city.



© DB Netz AG / Fritz Stoiber Productions

The growth of the metropolitan area has led to a sharp increase in passenger numbers on the Munich metro line since the 1972 Olympic Games. In order to meet the requirements of a smart, sustainable city and to provide connections to national and international transport hubs, two new tracks are being built along a stretch of about 10 kilometers. The core of the new East–West connection is a 7-kilometer-long tunnel linking Munich's main station “Hauptbahnhof” with the eastern hub “Ostbahnhof”.

The extension of the metro line will make it

possible to reduce CO₂ emissions from private transport by around 51,800 metric tons per year.

As part of a joint venture, ILF is involved in the optimization and revision of the technical planning, as well as the approval planning. In addition to technical planning services for the traffic facilities, tunnel construction and technical tunnel equipment, ILF is significantly contributing to the construction site logistics and to innovative and contemporary Building Information Modeling (BIM).



“Sustainable multimodal transportation requires a reliable, integrated traffic infrastructure which is sensibly incorporated into both rural areas and urban structures and facilitates energy-efficient operation.”

Bernhard Kohl,
Business Group Director Transportation & Urban Spaces

OIL, GAS & INDUSTRIAL

We are optimizing production processes! ILF uses the expertise gained from successful oil and gas projects to reduce emissions and increase efficiency across all sectors. In doing so, we are following the path towards a carbon-free circular economy in order to ensure a good quality of life for future generations.



Chemicals & Petrochemicals | Carbon Capture, Utilization & Storage (CCUS) | Industrial | Liquefied Natural Gas (LNG) | Mining | Pipelines | Refining | Tank Farms & Terminals | Underground Storage | Upstream



WHAT WE DO



REDUCING GREENHOUSE GAS EMISSIONS AT TENGIZCHEVROIL CRUDE TANK FARM FACILITY IN KAZAKHSTAN

Methane has accounted for roughly 30 percent of global warming since pre-industrial times. In the first 20 years after emission, the global warming potential of methane is 80 times higher than that of carbon dioxide. Due to leakages and inefficiencies in the entire chain, from extraction, transportation to processing, the oil and gas industry is one of the largest sources of methane emission. Cutting methane emissions at any stage is a crucial factor in the climate fight.

With the aim of reducing greenhouse gas emissions, Tengizchevroil (TCO), a joint venture of Chevron, ExxonMobil, KazMunayGas, LukArco, commissioned ILF to identify, select and assess appropriate solutions for hydrocarbon production in a value-chain context.

One of the selected solutions is the adaptation of the blanketing system at crude tank farms. Currently, natural gas is used as blanketing gas which is vented during loading and offloading operations at fixed-roof tanks. The technological innovation consists of a modular nitrogen generator to replace natural gas with nitrogen produced from compressed air.

This solution will reduce greenhouse gas emissions from fixed-roof tanks at crude tank



© Tengizchevroil

farms by 99.1%. Translated into quantitative figures for the client's facility, this means that 2,088 tons of natural gas can be saved annually after the adaptation of the entire blanketing system. The solution can be applied to all fixed-roof tanks with a blanketing system at crude tank farms around the world, contributing to reducing greenhouse gas emissions in the oil and gas sector.

As part of the integrated project team ILF supported the client in almost all project phases – from the options selection phase to detailed design and support during unit construction.



“Our entire team is fully committed to contributing to a fast reduction of greenhouse gas emissions through our projects. The oil, gas and chemical industry has a special role to play, not only by reducing methane emissions, but also by driving innovation. Not losing sight of supplying emerging countries with affordable and clean energy to enable sustainable and self-sufficient development of their societies is a permanent goal of ILF.

Christian Heinz,
Business Group Director Oil, Gas & Industrial



STRATEGY 2026

4

VISION

Our vision at ILF is to be **“a leader in improving quality of life around the globe”**. This desire to contribute to a better future drives us and is the reason why we truly believe in the work we do.



STRATEGY 2026

Extensive quantitative and qualitative market data were used as the basis for the comprehensive review of our corporate strategy in 2021. We formulated our updated corporate strategy in anticipation of global trends such as increased climate action to fight climate change, the energy transition, changing mobility patterns, the shift towards smart living, the development and expansion of a circular economy and the acceleration of digitalization. The SDGs also served as a valuable basis for orientation and for further improvement.

The ILF Group Strategy 2026 is built on the understanding that our diversification regarding services, business areas and regions has served us well in the past and has made our business model resilient. We will consequently continue to provide engineering services and significantly expand our management consulting as well as project management services within the business areas (industry sectors) in which we operate.

A new target for expanding our service portfolio is to increase and further extend our provision of digital twins so that projects can be modelled in their entirety in a digital and virtual environment.

A second strong focus comprises the provision of services related to climate change mitigation and includes carbon footprint assessment among many other services. We are furthermore fully dedicated to expanding our involvement in the pursuit of a circular economy.

With regard to our regional targets, we will be particularly concentrating on further penetration of existing markets rather than on the development of new markets.

In order to integrate all available knowledge and to encourage as many ILF-ers as possible to actively pursue the ILF Group Strategy, a significant number of members from the leadership team were involved in the reviewing and updating process.

By the end of 2021, we have translated the overall targets into sub-targets and have assigned these to the individual regional organizations, who in turn have translated their strategic targets into an action plan including budgets and concrete measures.



Similar to other start-up engineering companies, the corporate culture at ILF in the early years was strongly impacted by two wholehearted engineers and our company founders, Mr. Pius Lässer and Mr. Adolf Feizlmayr.

VALUES AND CULTURE

5

Despite the ILF Group having significantly grown over time, we still see ourselves as a family business with a strong focus on our core values of **fairness, respect, honesty** and **reliability**. We consider these values to be the foundation of all of our internal and external interactions.

As the ILF Group is now in its next generation and has expanded into a multitude of new regions, we have recently outlined our understanding of the

value-based leadership in the ILF Leadership Principles. These are implemented by all ILF leaders in all offices and all geographies. By adhering to these principles, our leaders have a significant impact on shaping our corporate culture. As a family business, it is no surprise that our ILF culture has lots of similarities to those of families all around the globe.

We really care for each other!



50 years ILF



SUSTAINABILITY AT ILF



“A sustainable mindset and the SDGs as guiding principles are key in evolving and transforming our company to meet the needs of present and future generations. Our first sustainability report and the resulting actions are further milestones in the continuous development of our corporate DNA.”

Matthias Huttenlau,
Sustainability Coordinator ILF Group



ILF supports the Sustainable Development Goals



We at ILF passionately contribute to enhancing the environment in which we live, promoting the resilience and prosperity of our clients, staff, and all stakeholders, and thus improving the quality of life around the globe. This contribution is not only a step in the right direction to achieving a better future for all, but also demonstrates our commitment to sustainable development.

In line with this commitment, we have used the United Nations Sustainable Development Goals (SDGs) as well as megatrends as our guiding principles when developing our Strategy 2026.

The SDGs provide the conceptual framework for our active participation in business transformation and for our endeavor to create a more livable and sustainable future for present and future generations.

We consider innovation to be key and the driving force for sustainable development, which is why the provision of innovative solutions forms a pivotal part of our service portfolio and our sustainability policy.



SUSTAINABLE SOLUTIONS AND SERVICES

By aligning our business agenda with the SDGs, we are able to maximize our contribution to sustainable development within the vast majority of our projects. The solutions which we currently deliver are coherent with the following goals.



INTERNAL RESPONSIBILITIES

From an organizational point of view, within ILF, we have set up a Sustainability Group headed by a Sustainability Coordinator at ILF Group level who directly reports to the CEO and Group Management Board (GMB). Sustainability Officers in each individual ILF company are the interface between Group level and the individual offices.

LOCAL OFFICES

Many of our offices are developing and pursuing their own local sustainability goals and initiatives.

One exemplarily initiative is being undertaken by the ILF office in Rum near Innsbruck, Austria. Having become a member of the “Climate Alliance Tyrol” (Klimabündnis Tirol), the office in Rum has agreed on specific climate targets that ILF will implement over the next few years. Becoming a Climate Alliance Partner Company meant undergoing an analysis and assessment of our sustainability performance based on various climate and sustainability indicators. These showed our strengths and weaknesses in terms of sustainability, and have enabled us to develop a roadmap, together with the Climate Alliance, which details the measures that we shall take to alter our mobility behavior (in support of the transition to carbon-neutral mobility), increase energy efficiency in our business

operations, steer our project procurement decisions in the direction of more sustainable projects, and improve our waste management, amongst others.

ENGINEERS WITHOUT BORDERS

The ILF Group has been supporting the non-profit association Engineers without Borders since 2017, and thus, together with a number of ILF employees who volunteer their time and services for the association, is making a valuable contribution to enhancing the environment in which we live. By providing the non-profit association, which is focused on technical development cooperation, with technical assistance, our engineers and experts are actively involved in various projects around the world that create long-term social added value for disadvantaged communities.



© Ingenieure ohne Grenzen Austria

SUSTAINABLY EVOLVING OUR COMPANY

Every single ILF-er plays an important role both in sustainability at ILF (in general) and in the sustainability of ILF. All ILF-ers together are the heart of our company and form the fundamental foundation for successful business development and operations, as well as for sustainable business transformation. The continuous process of integrating the following SDGs into our corporate culture and encouraging each other to play an active role in shaping this culture facilitates the sustainable development and evolution of the ILF Group in the long term.





OUR MATERIAL TOPICS

What does sustainability mean for ILF? How do we define sustainable development and facilitate this within our business activities? What are the material topics for the ILF Group and where do our activities have the greatest impact?

We not only asked ourselves these questions, but also asked our global stakeholders and partners for their opinions as part of an online survey – the results of which have been looked at in detail in our materiality analysis. On the one hand the survey invited all ILF employees (ILF’s internal stakeholders), along with our external stakeholders, such as our clients, business partners, international organizations and international financing institutions, to rank a number of environmental, social, economic and governance topics according to their importance for ILF. On the other hand the survey asked ILF management to evaluate the relevance of the same topics for ILF’s business in light of current main topics and future challenges.

The topics used in the survey were derived from both the Inventory of Business Indicators – developed by the Global Reporting Initiative (GRI), the UN Global Compact and the World Business Council for Sustainable Development (the WBCSD) as part of the SDG Compass – and the GRI’s Linking the SDGs and the GRI Standards reporting tool.

Despite the survey participants having the option to rank these topics into 4 different levels of importance (*or relevance, depending on which participant was responding to the survey*) – between not at all important (0) and extremely important (4) – the results of the survey showed that the participants see the level of importance of all of the topics as being between somewhat important (2) and extremely important (4).

RESULTS OF THE MATERIALITY ANALYSIS

In the matrix below, the results of the responses given by ILF employees and our external stakeholders, as well as the responses given by ILF management, have been plotted against each other. The topics rated highest both by our employees/external stakeholders and ILF management were selected as our “material topics” as per GRI standards. These are highlighted below.



ENVIRONMENTAL TOPICS

- 1 Ecosystems & Biodiversity
- 2 Air Quality
- 3 Water Consumption
- 4 Wastewater & Waste
- 5 Carbon Footprint
- 6 Energy Consumption & Efficiency

SOCIAL TOPICS

- 1 Accessibility
- 2 Stakeholder Participation
- 3 Labor Rights & Standards
- 4 Human Rights & Anti-Slavery
- 5 Capacity Building (local/regional)
- 6 Salaries & Benefits
- 7 Training & CPD
- 8 Equality, Diversity & Inclusion
(Additional Topic)
- 9 Employment & Working Conditions
- 10 Health & Safety

ECONOMIC TOPICS

- 1 Research & Development
- 2 Independence
- 3 ICT Infrastructure
- 4 Economic Performance
- 5 Business Diversification
- 6 Digitalization

GOVERNANCE TOPICS

- 1 Procurement & Purchasing
- 2 Privacy & Data Protection
- 3 Management & Transparency
- 4 Anti-Corruption and Bribery
- 5 Legal Compliance

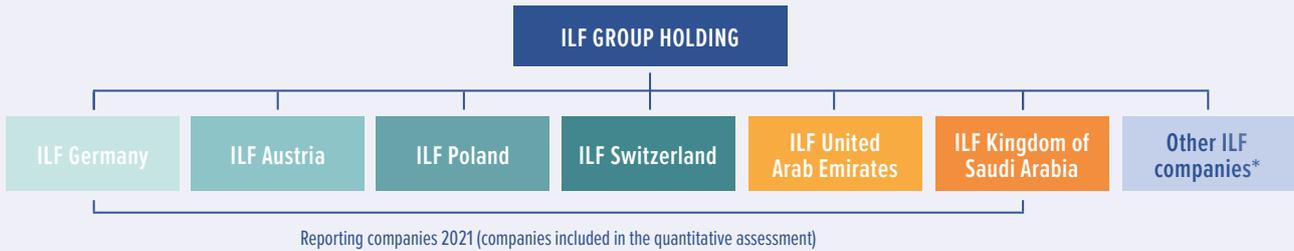
ADDITIONAL TOPIC AND SUSTAINABLE DEVELOPMENT INDICATORS

As the topic **Equality, diversity & inclusion** is directly related to Respect – one of our core values at ILF – we decided to also include this topic as an additional topic.

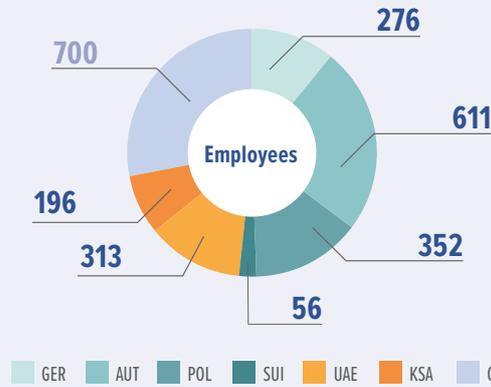
Our focus within the next few chapters of this report is on providing more detailed information on ILF’s current standing in relation to these material topics. To do this, we have defined

a number of different **Sustainable Development Indicators (SDIs)** – the equivalent to Key Performance Indicators for sustainability (e.g. related to the amount of emissions caused by our business operations) – in an attempt to measure ILF’s sustainability performance with respect to each of these material topics. The results of these measurements form the basis for defining which actions we shall take in the future with respect to sustainably evolving the ILF Group.

REPORTING COMPANIES 2021



**TOTAL:
APPROX. 2,500
EMPLOYEES**



*not included in the quantitative assessment



GENERAL APPROACH TO REPORTING

In this, our first sustainability report, we have – wherever possible – used quantitative measurable SDIs (Sustainable Development Indicators) to report on our material topics in the five regional companies in the ILF Group that have the highest number of employees. These companies are shown in the figure above – along with ILF Switzerland, which has been included in order to represent the Central European German-speaking region.

For future reporting periods, it is foreseen that data collection and assessment will be successively performed for all companies of the ILF Group.

ILF COMPANIES INCLUDED IN THE QUANTITATIVE ASSESSMENT

Approximately 70% of all ILF employees work in the companies included in the quantitative assessment, generating 75% of ILF’s revenue.

In addition to using quantitative measurable SDIs to report on material topics for these companies, we have also used descriptive social-, economic- and governance-related SDIs to give a generalized report on the entire ILF Group.

We hereby present the results of the data collected for each material topic. In this report we have defined overriding measures for becoming a more sustainable company in the future. These measures are highlighted in text boxes in the related chapters for each material topic. Based on our findings, we are currently defining and developing specific and measurable goals to strengthen our corporate sustainability. A detailed roadmap will be disclosed in the next report.

ENVIRONMENTAL SUSTAINABILITY

7

To be able to assess ILF's impact on the environment and our corporate contribution to climate change, knowledge of our carbon footprint and our current greenhouse gas emissions (GHG emissions), as well as our waste production, are necessary.

As the basis for analysis of environmental topics in this sustainability report, climate-relevant emission data collected during the financial years 2018 to 2021 have been used.



To provide a representative reference base for the analysis of our carbon footprint, we set 2018 as the reference year. The two reporting periods of 2018 and 2019 allowed us to obtain comparable data for the years before those in which Covid-19 affected our business operations, and, at the same time, provided us with insights into pandemic-related impacts on our SDIs.

Reporting on the following environmental topics has furthermore facilitated identification of GHG reduction opportunities for ILF, which in turn have helped us to set effective strategies and measures to reduce our emissions in the future. These are listed in the text boxes with the heading “Further improving our sustainability” in each of the following sub-chapters.

These emissions include (as per the GHG Protocol):

SCOPE 1:

direct emissions resulting from heating our company facilities and from the combustion of fossil fuels by our company car fleet

SCOPE 2:

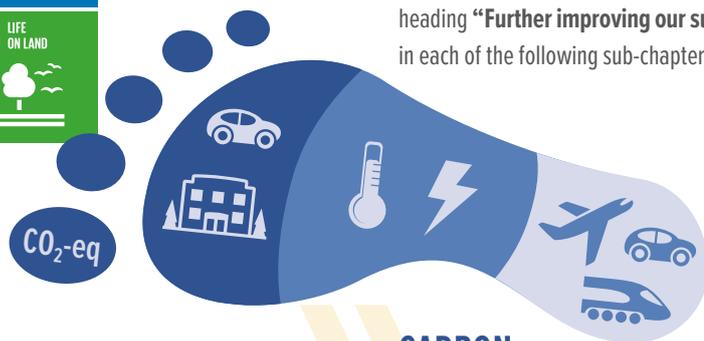
indirect emissions resulting from the generation of purchased or acquired electricity and heat

SCOPE 3:

further emissions arising from business travel and employee commuting

Fugitive emissions due to purchased or acquired cooling of offices have not been considered in this first reporting period, as consistent and retrospective capturing of data from third parties (i.e. for facility management) was not possible. As we are fully aware that the environmental impacts of these emission sources are especially relevant for our office locations in the Middle East, we plan to include fugitive emissions into our carbon footprint assessment in the next reporting period.

Our dataset considers relevant greenhouse gases according to the Greenhouse Gas Protocol Corporate Standard.



CARBON FOOTPRINT

In order to fully understand and disclose our carbon footprint, but also to establish the basis for strategic measures for reducing our carbon footprint, we have determined all of the relevant emissions from our business activities for the period 2018 to 2021 for those companies of the ILF Group which have been considered in this first sustainability report (the “reporting companies”).

Emissions have been calculated by multiplying the activity data (e.g. liters of purchased diesel/gasoline for the ILF car fleet) with the respective emission factor and are expressed as carbon dioxide equivalents per full-time equivalent (CO₂-eq per FTE). Whenever possible, we used market-based emission factors for the calculations, otherwise location-based emission factors were used.

Relevant environmental data for the Kingdom of Saudi Arabia (KSA) were not available for the reporting period 2018 to 2020 and thus could not be included in this report. The data presented here is therefore biased when comparing the years 2018, 2019 and 2020 with 2021.

GREENHOUSE GAS EMISSIONS

In 2021 we emitted **2.47 metric tons of CO₂-eq per FTE** through our business operations. A comparison of the results since 2018 indicates a decrease in emissions over time – with the restriction that data for the Kingdom of Saudi Arabia (KSA) are only available for the year 2021. To enhance the comparability of the years 2018–2021, the following table shows a breakdown of ILF’s emissions from different sources, both including and excluding emissions from our offices in the Kingdom of Saudi Arabia.

ILF’s Climate Relevant Greenhouse Gas Emission 2018–2021

EMISSION SOURCE	2018	2019	2020	2021	
	CO ₂ -eq [t] / FTE	CO ₂ -eq [t] / FTE	CO ₂ -eq [t] / FTE	CO ₂ -eq [t] / FTE	
 SCOPE 1 Direct emissions	Business Travel in Company vehicles excl. ILF-KSA	0.69	0.64	0.50	0.49
	Business Travel in Company vehicles incl. ILF-KSA				1.02
	Heating with natural gas excl. ILF-KSA	0.15	0.14	0.13	0.13
	Heating with natural gas incl. ILF-KSA				0.11
 SCOPE 2 Energy-related emissions	Electricity (market-based) excl. ILF-KSA *	0.24	0.25	0.21	0.21
	Electricity (market-based) incl. ILF-KSA *				0.34
	Electricity (location-based) excl. ILF-KSA **	0.36	0.35	0.28	0.33
	Electricity (location-based) incl. ILF-KSA **				0.44
	Purchased heat excl. ILF-KSA	0.21	0.17	0.18	0.15
Purchased heat incl. ILF-KSA				0.13	
 SCOPE 3 Further emissions	Business travel - rail excl. ILF-KSA	0.00	0.00	0.00	0.00
	Business travel - rail incl. ILF-KSA				0.00
	Business travel - aircraft excl. ILF-KSA	1.08	0.92	0.26	0.21
	Business travel - aircraft incl. ILF-KSA				0.25
	Business travel - rental cars excl. ILF-KSA	0.02	0.03	0.01	0.01
	Business travel - rental cars incl. ILF-KSA				0.01
Total emissions CO₂-eq [t] excl. ILF-KSA ***	2.39	2.15	1.28	1.21	
Total emissions CO₂-eq [t] incl. ILF-KSA ***				1.87	
 SCOPE 3	Employee commuting excl. ILF-KSA	–	–	–	0.64
	Employee commuting incl. ILF-KSA	–	–	–	0.60
Total emissions CO₂-eq [t] incl. employee commuting, excl. ILF-KSA				1.85	
Total emissions CO₂-eq [t] incl. employee commuting, incl. ILF-KSA				2.47	

* Emissions related to the use of electricity calculated by using the market-based emission factors whenever possible. If no market-based emission factor was available, grid emission factors were used.

** Emissions related to the use of electricity calculated by using the location-based grid emission factors.

*** Total amount of emissions includes electricity calculated by using the market-based emission factors; total amount of emissions excludes emissions produced by employee commuting.



Further improving our sustainability

- **Replace physical meetings** by virtual meetings – where possible
- **Travel by train** instead of taking short-haul flights (< ~500 km) – where possible

TOP 3 SOURCES OF EMISSIONS

As a globally operating engineering and consulting firm, it is in some ways in the nature of things that our largest carbon footprint – both relative to FTE and in absolute numbers – is currently in the area of mobility.

Our **top 3 sources of emissions** are therefore also to be found in this area: business travel by aircraft, business travel in vehicles from ILF's car fleet and employee commuting. To reduce emissions resulting from our top 3 emission sources, in this first sustainability report we have defined general strategies and measures that are highlighted in the text boxes.

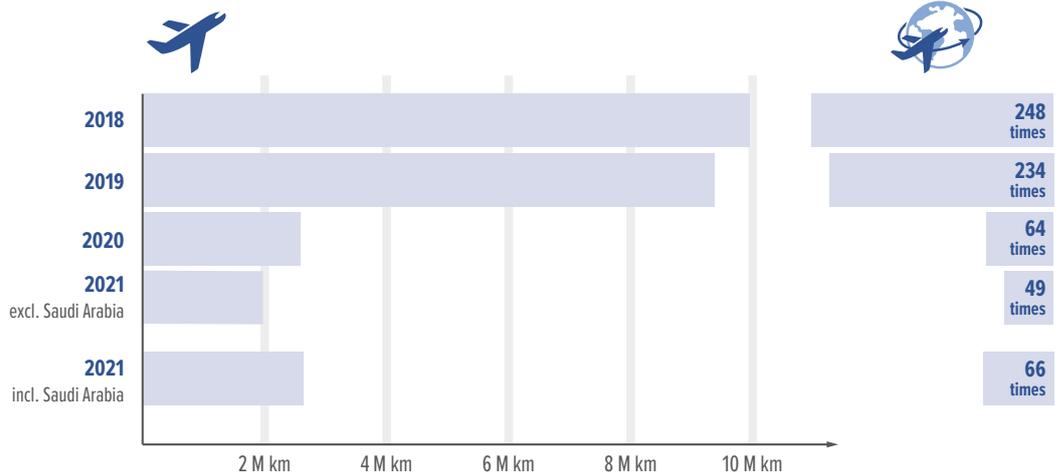
BUSINESS TRAVEL BY AIRCRAFT

The Covid-19 pandemic has, however, shown us that successful business and collaborations are also possible by working virtually or in a hybrid manner, with significantly reduced travel. This significant reduction in emissions from business travel is not only attributable to the Covid-19 pandemic, but also to re-organization within the ILF Group. During 2019–2020, the hub for our international business in the main business area Oil, Gas and Industrial was transferred from Germany to the United Arab Emirates (UAE). The transfer of this hub has improved the geographical proximity to many of our clients and is significantly reflected in the business travel data shown below.

TOP 1 Emission Source

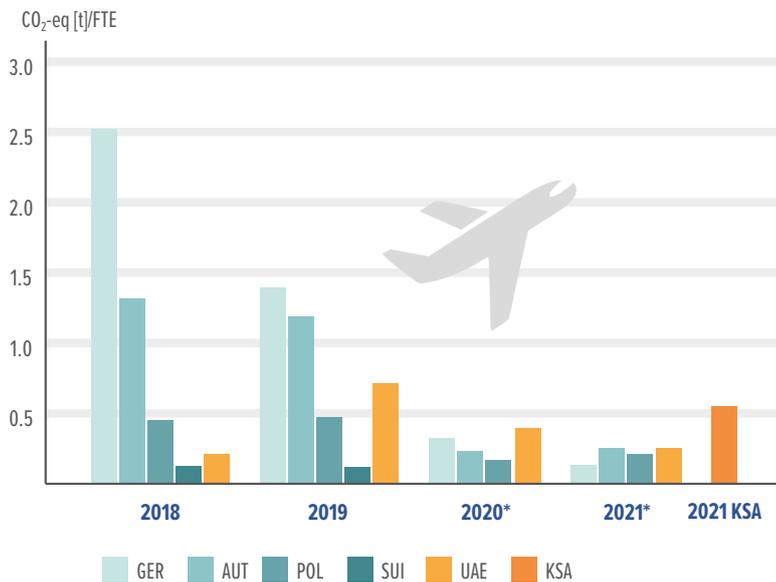
Business Travel by Aircraft

Kilometers flown per year



Business Travel by Aircraft

Emissions in CO₂-eq [t] per FTE emitted during business travel by aircraft



* Zero Emissions in SUI in 2020/2021



Further improving our sustainability

- **Replace physical meetings** by virtual meetings – where possible
- Encourage employees to take **public means of transport**
- Replace combustion engine cars by **electric cars** – where possible
- Provide **company electric bikes** for short distance, inner-city trips – where possible

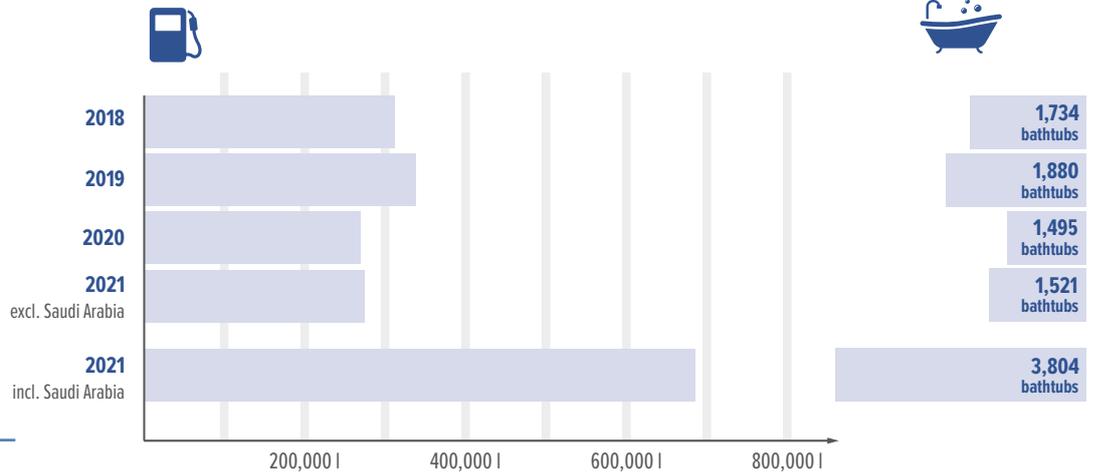
SCOPE 1
Direct
emissions



TOP 2 Emission Source

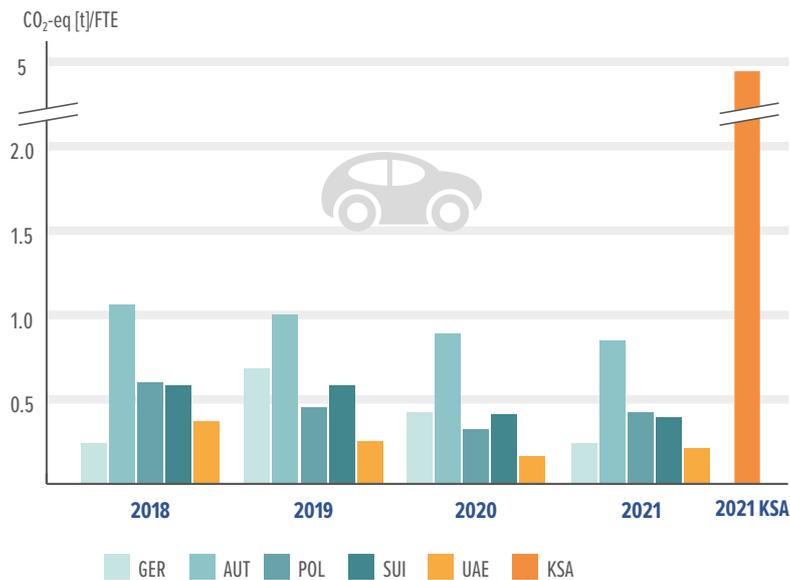
Business Travel in Company Vehicles

Liters of purchased fuel per year



Emissions – Business Travel in Company Vehicles

Emissions in CO₂-eq [t] per FTE emitted during business travel in company vehicles



BUSINESS TRAVEL IN COMPANY VEHICLES

The strong increase in company vehicle emissions in 2021 is related to the inclusion of emissions data from our office locations in KSA for the year 2021 only (environmental data from KSA for the years 2018 to 2020 have not been included in this report). Unlike in the other reporting countries, our service provision in KSA is strongly focused on construction supervision, often in remote areas far away from our office

locations. Moreover, site cars often consume a higher amount of fuel due to the type of motors used and site visits often being off road. Furthermore, the share of employees having a company vehicle is much higher in KSA than it is in ILF's other countries of operation. Both of these factors play a key role in the significantly increased company vehicle emissions when the data from KSA is included in the analysis.



Further improving our sustainability

- **Increase flexibility** for (partially) working from home
- Incentivize the **use of public means of transport** – where possible
- Provide transport to work via a **company bus** for locations with no/poor public means of transport
- Offer **electric bike leasing** for employees
- **Improve bike infrastructure** at office locations (e.g. bike racks, ...)
- Provide a platform to connect employees who want to **share their commute to work**

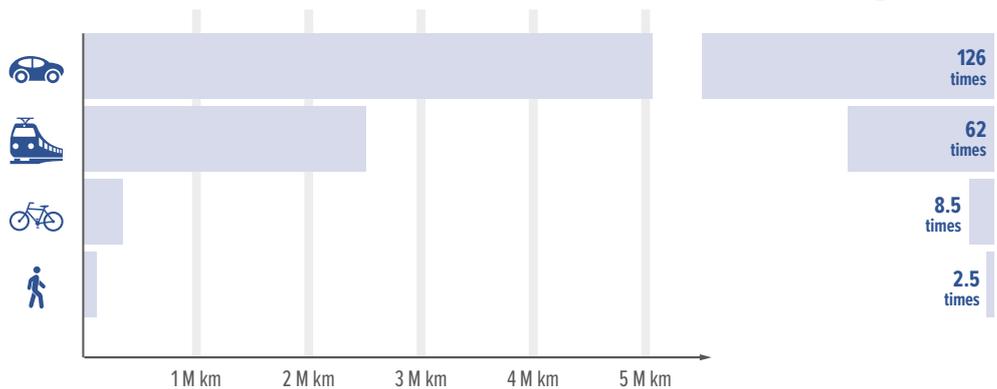
SCOPE 3
Further
emissions



TOP 3 Emission Source

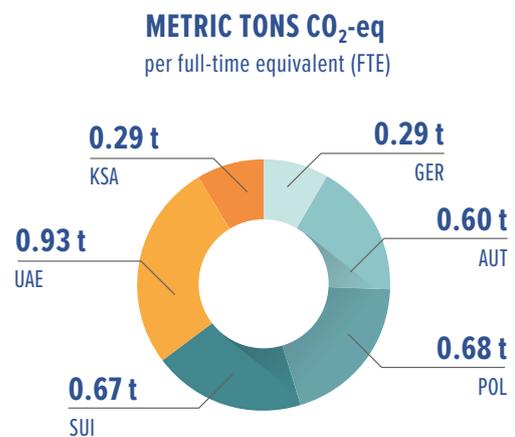
Employee Commuting (2021)

Kilometers commuted per year. Distances have been calculated by extrapolating distances resulting from the online survey and multiplying these with the number of full-time employees (FTE).



Emissions – Employee Commuting 2021

Given emissions are per full-time equivalent. Our employees in GER mainly use public transport, which results in low emissions from employee commuting. Emissions due to commuting with company vehicles is attributed to scope 1. The number of company vehicles is relatively high in KSA, which results in low emissions from employee commuting.



EMPLOYEE COMMUTING

To determine our footprint from employee commuting we conducted a survey among ILF employees in each of the reporting companies. It should be noted that the results only reflect employee commuting behavior in 2021 – as no

data are available for the years 2018 to 2020. The obtained data have been extrapolated to the total number of employees and then converted into full-time equivalents (FTEs).



ENERGY CONSUMPTION AND EFFICIENCY



Further improving our sustainability

- Raise awareness amongst employees of how to **save energy**
- Improve **energy efficiency**
- Switch to **green energy contracts** where possible (100% of energy from renewable sources)
- Install **photovoltaic systems** and invest in distributed and **smart energy storage** at ILF-owned office buildings

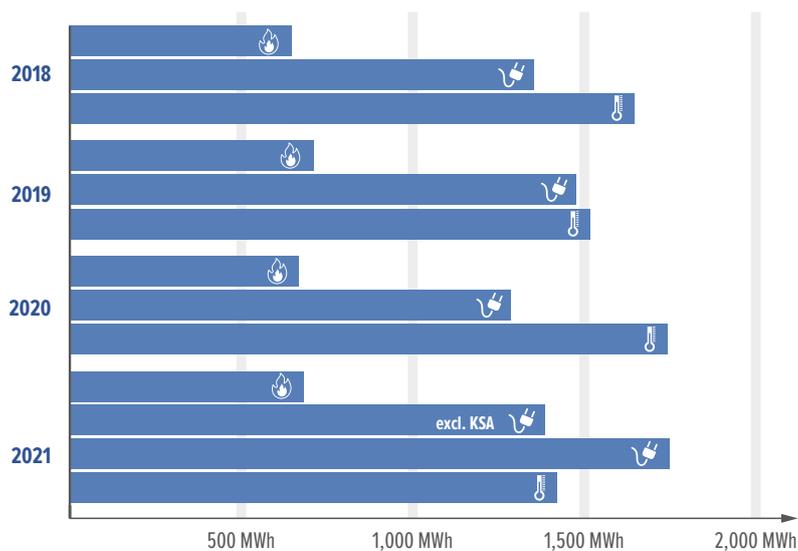
Purchased Energy

Our overall energy consumption for all of the facilities at the reporting companies mainly includes natural gas for heating, electricity (to supply office locations and a (currently minor) proportion of our electrical car fleets), and purchased heat.

Whereas at our European office locations, a lot of energy consumption is related to heating (especially natural gas used for combustion in

in-house boilers and district heating), in our offices in the Middle East, cooling (instead of heating) is very energy intensive.

At our office in Rum, Austria we have installed a photovoltaic system. Several office locations in Austria, Germany and Switzerland have also already changed their energy contracts to green energy suppliers.



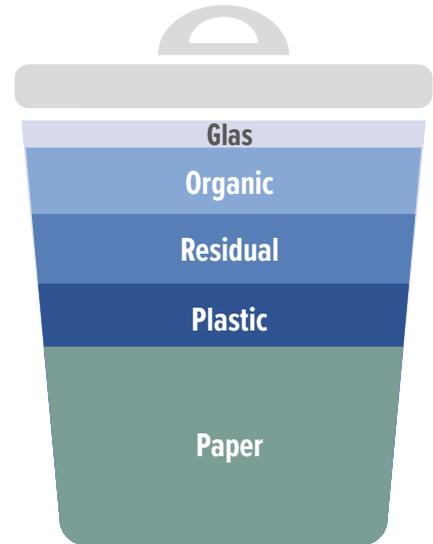
WASTEWATER AND WASTE

WASTE

In the course of our business activities, **the main portion of our generated waste is paper**. By making all of our work processes digital and avoiding printing wherever possible, we are reducing paper waste as far as possible. Other than paper, our main sources of waste are residual waste, lightweight packaging and organic waste – all of which can be traced back to our own individual daily food and drink consumption and the purchase of office materials and IT hardware.

All office locations separate their waste in accordance with local legal requirements and use recycling options where available. In all companies of the ILF Group, electrical devices,

and in particular IT hardware, are also put through a second life cycle, if possible. If a second life cycle is not possible, the electrical devices are disposed of correctly and properly.



Waste produced at the reporting companies (shown as a proportion of all of the waste produced)



Further improving our sustainability

- Raise awareness amongst employees of how to **responsibly use water** and how to reduce and separate waste
- **Reduce printing** of hard copies by increasing utilization of digital work documents
- Further **reduce plastic waste**



“Our process engineers are continually looking for ways to improve the sustainability of our clients’ municipal and industrial wastewater treatment plants. Our key focus in this respect is to provide resource efficient treatment plants that produce high quality treated effluent for reuse applications or discharge into receiving water bodies with minimal impact on the environment.”

Thomas Seeberger,
ILF-AUT

WASTEWATER

Even though wastewater is one of the indicators which we have used to report on our material topics, we only generate a very small amount of wastewater through our business operations. Contrary to this, the relevance of urban water management in our engineering and consulting services is not only considerable but also obvious. This is where – through innovative and sustainable services, among others in the area of wastewater collection and treatment – we make much more of a contribution to strengthening the sustainability of our clients and the societies benefiting from infrastructure projects within the meaning of SDG 6 and 14.

SOCIAL SUSTAINABILITY

8

Diversity is a natural and appreciated consequence of our office locations being spread around the world. At ILF, we strongly believe in creating and maintaining a working environment in which all ILF colleagues worldwide feel respected and appreciated, and can make a contribution, personally develop and excel.



“Talented people and outstanding teams are the key to Engineering Excellence.”

Klaus Lässer, CEO

Approximately 70% of all ILF employees worldwide are employed in the ILF companies included in this first report. As well as there being different national legislative frameworks in the countries in which these reporting companies are located, the teams in each of these companies also have varying compositions with respect to contractual aspects, gender and age.



	2021						2020	2021
	AUT	GER	POL	SUI	KSA	UAE	All Reporting Companies	
TOTAL NUMBER OF ILF EMPLOYEES	611	276	352	56	196	313	1788	1804
GENDER %								
Female	30%	33%	46%	38%	4%	14%	27%	28%
Male	70%	67%	54%	62%	96%	86%	73%	72%
Diverse*	–	–	–	–	–	–	–	–
AGE %								
< 30 Years	26%	25%	30%	39%	17%	10%	22%	23%
31 - 50 Years	58%	40%	66%	32%	67%	67%	59%	59%
< 50 Years	16%	35%	4%	29%	16%	23%	19%	18%
CONTRACT								
Permanent	595	223	236	49	196	259	1540	1558
Temporary	16	53	116	7	0	54	248	246
Full-Time	455	230	345	47	196	313	1609	1586
Part-Time	156	46	7	9	–	–	179	218
HIRES AND TURNOVER								
Hired Staff	123	69	60	9	30	44	331	335
Staff Turnover	89	39	75	6	54	63	318	326

*data not available, will be reported in the next reporting period

ILF'S EMPLOYMENT STRUCTURE

Most ILF employees have a permanent, full-time contract. Whereas part-time contracts are not common in the Middle East, most of the temporary employees at ILF are contracted in Poland. The average share of female employees in the reporting companies was 28% in 2021,

and the highest share can be found in Poland. Age-wise, most employees are between 31 and 50 years old. In 2020 and 2021, hired staff exceeded the staff turnover. A detailed interpretation of this data, and the associated measures for becoming a more sustainable company are presented on the following pages.

EMPLOYMENT AND WORKING CONDITIONS



Further improving our sustainability

- Continue to **grow an ILF culture** based on values and leadership principles
- Foster **long-term relationships** with our employees
- Provide opportunities for the **personal and professional advancement** of each employee
- Encourage employees to see themselves as **ILF ambassadors**
- Offer **flexible and hybrid working conditions** – where possible

Different working environments, socio-cultural backgrounds and legal frameworks in the respective countries shape our employment and working conditions. The uncertainty, health-related worries, increased frequency of remote working and changes in communication which we are experiencing today are not only factors that ILF as a company is faced with, but also all ILF employees.

As it is important for us that all ILF employees are able to grow, both professionally and personally, and make full use of their potential, overarching guiding principles are defined at Group level so that we can maintain maximum stability in employment and working conditions

at ILF and overcome current and also future challenges together. Based on these principles, our leadership teams in the individual ILF companies define actions to be taken, which are adapted to local needs.

The Group Management Board, together with the HR Coordinator of the ILF Group and managers of the local companies, is responsible for the effectiveness of any such actions taken. Our reporting tools ensure a solid basis for effectiveness, and during staff appraisals and employee interviews, which are conducted at least on an annual basis, specific objectives are defined in this regard.





ILF's Part-Time Employees

	2021						2020	2021
	AUT	GER	POL	SUI	KSA	UAE	All Reporting Companies	All Reporting Companies
TOTAL NUMBER OF PART-TIME EMPLOYEES								
Females	90	27	6	6	–	–	107	129
Males	66	19	1	3	–	–	76	89
Diverse*	–	–	–	–	–	–	–	–
< 30 Years	49	10	0	3	–	–	44	62
31 - 50 Years	90	21	6	3	–	–	107	120
< 50 Years	17	15	1	3	–	–	32	36
TOTAL	156	46	7	9	–	–	183	218

*data not available, will be reported in the next reporting period

VARIOUS WORKING MODELS

Adapting to the individual needs of ILF employees, ILF offers customized part-time working models if requested and whenever the desired position allows for flexibility. Part-time working models are especially in demand at our offices in Austria and Germany. Due to a difference in local

working cultures, part-time positions are currently not offered at our offices in the Kingdom of Saudi Arabia and in the United Arab Emirates.



HYBRID WORKING

With the help of our Information and Communication Technology (ICT) infrastructure and IT support service, remote working environments can be established for all locations and we can adapt to individual needs or preferences. The possibility to work from home depends on the services being provided by the employee, on different employees' roles and on the availability of the appropriate infrastructure. Hybrid working models have been implemented in many ILF companies and are tailored to the individual team's needs and local laws and regulations. In combination with part-time working models, ILF offers attractive working conditions for a better compatibility of work and family, for all genders, and all cultural settings.

ILF ACADEMY

We attach great importance to talent development. Through individually tailored and practice-oriented development programs, the personal strengths and professional talents of ILF-ers are nurtured. To support our personal and professional development, ILF offers a wide range of training courses under the umbrella of the "ILF Academy". Besides encouraging all employees to take part in these ILF Academy courses, all employees are also encouraged to conduct external training sessions.



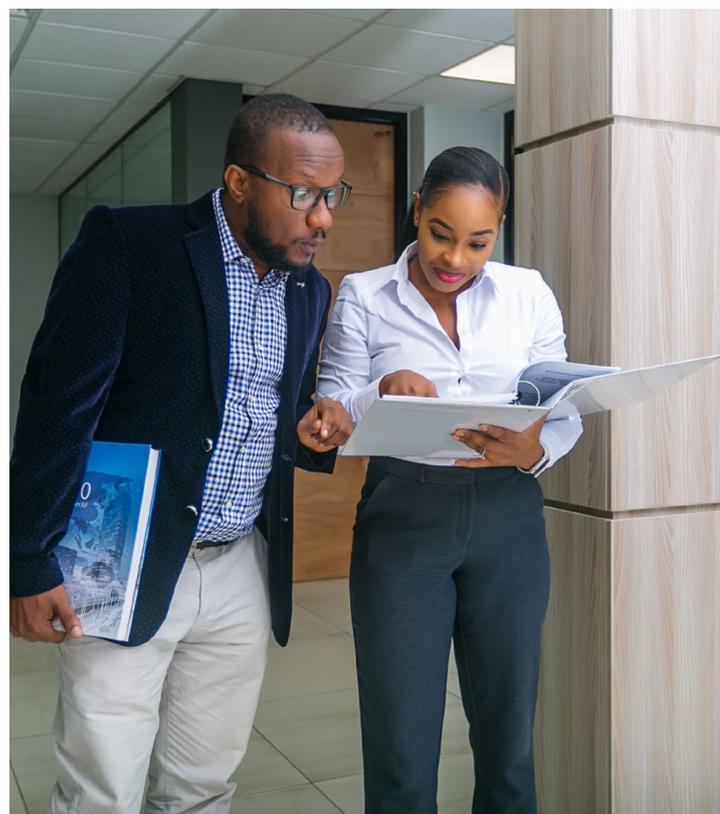
“ILF’s International Trainee Program is a source of inspiration. It provides us with a unique opportunity to broaden our horizons and strive for excellence! Just catch it, go ahead, and follow your dream!”

Viktoriia Katsiuba, ILF-POL



ILF’S INTERNATIONAL TRAINEE PROGRAM

We believe that young talents deserve every possible opportunity to learn and gain further experience – something which ILF offers through its own International Trainee Program for young professionals and recent graduates from all disciplines. The two-year ILF exchange program, consisting of four assignments, allows participants to get to know other countries, offices and professional environments. ILF’s trainees are also granted a unique opportunity to establish international networks and work on projects and assignments in several ILF offices and at different sites.



“ILF’s International Trainee Program connects us as ONE ILF.”

Suphak Dawyok, ILF-THA



Site visit to the Brenner Base Tunnel in Tyrol, Austria (Club of young engineers)

CLUB OF YOUNG ENGINEERS

Offices in many countries have their own individual clubs of young engineers. These clubs are intended to provide networking opportunities and impulses for club members. Events, such as site visits, team-building events or even international events are supported by ILF's management. Our clubs of young engineers fully embrace the spirit of ONE ILF and provide a good opportunity to get together and exchange knowledge, ideas and opinions.

TRANSPARENT COMMUNICATION

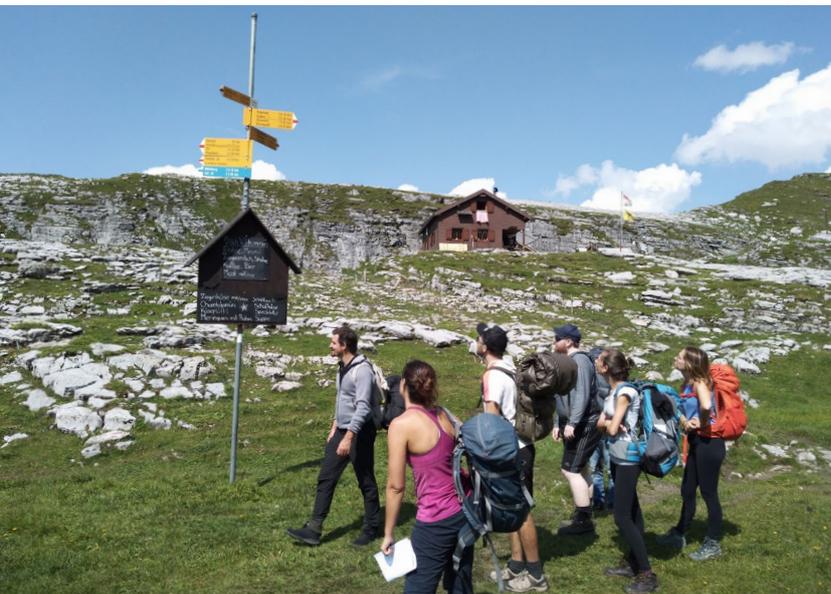
We firmly believe in the importance of transparent communication. Through virtual global-to-local meetings, such as Town Hall Meetings, regular online and in-person meetings, as well as via a variety of channels, including our Intranet, ILF employees worldwide are kept informed and up-to-date, receiving information on current topics directly from our CEO, leaders and team members.

We use internal communication sites, virtual teams, surveys and email as communication tools to continuously and easily connect, communicate and collaborate with each other.

BENEFITS

Depending on the options available under local labor law and in accordance with all other specifications, ILF offers employees various benefits.

ILF employees worldwide have the chance to be covered under the umbrella of Allianz MediCare health insurance. In addition, in some companies, a contracted psychologist acts as the first point of contact for mental health issues.



Hiking Weekend with the Club of Young Engineers Switzerland



EQUALITY, DIVERSITY AND INCLUSION



Further improving our sustainability

- Improve **intercultural competence**
- Increase **gender equality** within all employee groups
- Strengthen the spirit of **ONE ILF**
- Further implement ILF values

At ILF, everyone is treated with respect and dignity, independent from their position, ethnicity, gender, age, orientation or belief. This is true for both ILF staff and third parties.

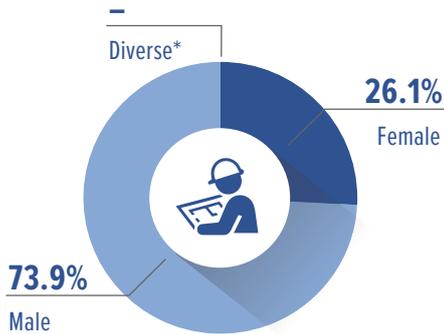
ILF fully supports fairness and gender equality in all parts of its organizational structure, offering equal development and career opportunities to employees of all ages and genders.

Both the social and the intercultural competence of every ILF-er are important in creating an inclusive work culture within our globally operating company.

With over 45 offices located all over the world and employees from over 80 nations and from all continents, we are committed to taking a global attitude to our work. Our ILF team is very diverse in terms of culture, language, ethnicity, age, gender and ways of thinking. We appreciate this diversity as being of benefit to and a strength of our company.

GENDER SPLIT 2021

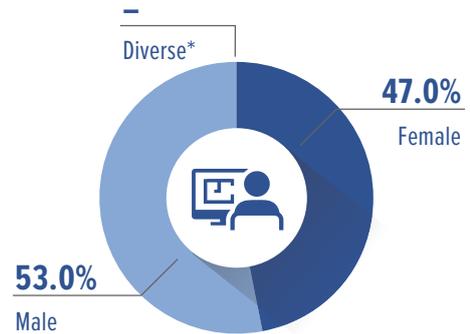
Engineers, Project Managers, ...



*data not available, will be reported in the next reporting period

GENDER SPLIT 2021

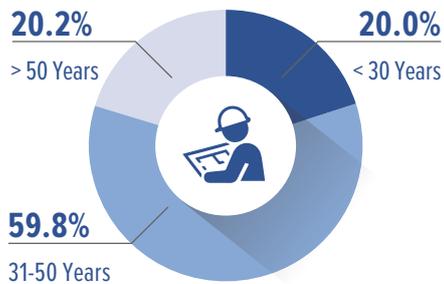
Administrative Roles



*data not available, will be reported in the next reporting period

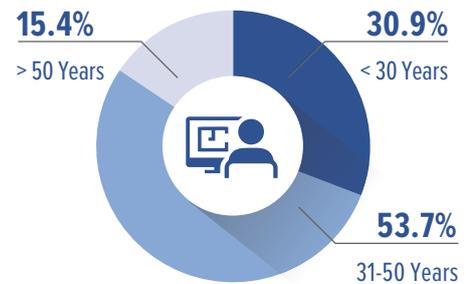
AGE SPLIT 2021

Engineers, Project Managers, ...



AGE SPLIT 2021

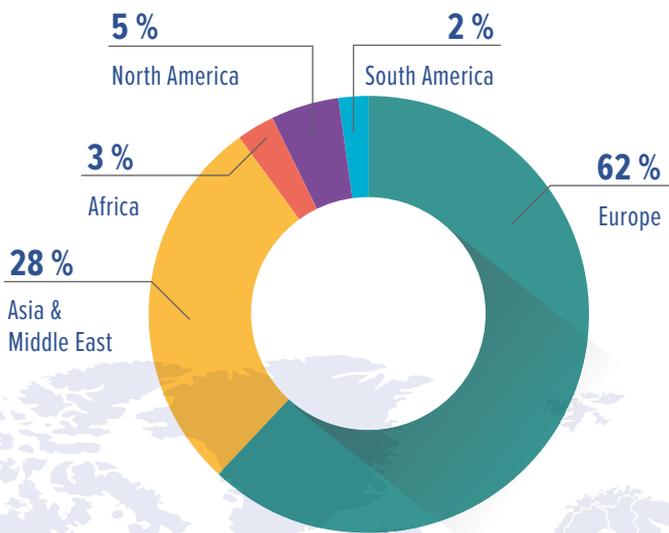
Administrative Roles



Gender & Age Split 2021*

*of Reporting Companies





**45+ office locations across
5 continents
80+ nationalities**



Percentage of ILF employees located in different regions



HEALTH AND SAFETY



The health, safety and security of all ILF employees and third parties, as well as environmental protection, takes absolute priority in all of our actions and thus forms a key part of our **ILF Group Mission Statement**.

Especially when working on construction sites or when travelling, we are sometimes exposed to potential risks to our health, safety and security. Consequently, Health, Safety, Security, and Environmental protection (HSSE) also forms an integral part of our Integrated Management System (IMS) – the guidebook for ILF’s business operations. Being ISO 45001 and ISO 14001 (latest editions) certified and following the guidance given in ISO 9001, our IMS, and more specifically our **HSSE policy**, ensure that our work complies with all applicable legal requirements and that all of our staff remain safe.

The goals set out in this HSSE policy enable all of us at ILF to individually contribute to establishing and maintaining a safe working environment in which accidents and detriment to all persons is prevented.

The HSSE Coordinator of the ILF Group is in charge of implementing the HSSE management system.



At the individual ILF companies, local HSSE officers oversee the implementation of measures, and the corporate management of each ILF office takes responsibility for implementation of these measures.

Corporate risk management and regularly conducted audits are major practices in identifying, managing and reporting key risks to guarantee a safe workplace for all ILF employees.

All employees are encouraged to help with the continuous improvement of the HSSE management system and make their own improvement suggestions via ILF’s web-based Improvement Suggestion Platform.

Every ILF employee also has the right not to work if they feel that the environment is not safe. All that needs to be done in this regard is to report any safety issues to management via the respective HSSE officer of each office, and if need be the employee can make use of their right to request that remedial action be taken. It is then management’s responsibility to immediately address the issue and provide measures, where and if applicable.



“We strive to continuously improve our actions with regard to health, safety, security and environmental protection.”

Seval Burucu,
HSSE Coordinator ILF Group

HSSE TRAINING

Training is another essential part of our HSSE management system – in order to minimize injury, increase awareness and to make the HSSE management system part of our lives. The following three types of training are offered at ILF:

- HSSE management training for new employees
- Refresher training
- Project-related training

WORK-RELATED INCIDENTS

Analysis of our work-related incident statistics shows the number of health and safety incidents at ILF to be low, thus proving that we pay attention to following our HSSE regulations in our day-to-day work. These work-related incident statistics have been calculated and recorded according to the US Occupational Safety and Health Administration’s (OSHA) rules.



Further improving our sustainability

- Continue to give **priority to the health, safety and security** of all our staff and third parties, as well as to environmental protection
- Continue to adhere to existing processes and commitments – with regular staff training courses and other initiatives to **raise HSSE awareness**
- Adapt according to international standards and developments over time

	2020	2021
TOTAL AMOUNT OF HOURS WORKED *	4,242,192 h	4,394,277 h
Number of fatalities	0	0
Lost time injuries	2	3
Total amount of absence hours resulting from lost time injuries	204 h	328 h
Medical treatment cases	3	5
First aid cases	4	4
Commuting accidents	3	3
Road traffic accidents	9	14
Unsafe acts / unsafe conditions	37	176
Lost time injury rate **	0.09	0.14
Total recordable injury rate ***	0.24	0.36

* ILF Group

** Lost Time Injury Rate = (Fatalities + Lost time injuries) multiplied by 200,000 and divided by the number of hours worked

*** Total Recordable Injury Rate = (Fatalities + Lost time injuries + Medical treatment cases) multiplied by 200,000 and divided by the number of hours worked

ECONOMIC SUSTAINABILITY

9

We consider digitalization and digital transformation to be key aspects for the sustainable development of our company. The particular importance of these topics is reflected in the results of our materiality analysis. Digitalization was the only economic topic to be chosen as one of our material topics, and thus is the only economic topic included in this sustainability report.



DIGITALIZATION

CHALLENGES OF THE DIGITAL AGE

Seamless collaboration across the globe is key for sustainable business development at ILF.

Being able to facilitate such seamless collaboration means overcoming the various challenges that digitalization presents for us as a global player in the consulting and engineering sector. ILF continuously responds to these challenges through the provision of the following:

- A corporate infrastructure and IT services that facilitate decentralized and remote working from all our office locations worldwide, in the field, on clients' sites, or from home
- Solutions that meet the increasing hardware requirements for simulations, modeling, visualization and data management in times of stressed supply chains

- Adequate protection of ILF's corporate IT systems and information from cyber criminals and data theft via tools and software, as well as via adequate awareness from all ILF staff in all operations
- Intuitive, easy-to-use and secure internal IT services that bridge the gap between the personal IT experience of employees/business partners and the requirements of our business operations (consumerization of IT)
- On-demand training related to the IT proficiency of all staff members
- Fully integrated management systems for planning, controlling and managing corporate procedures and processes such as finance and accounting, human resources management, project management or document management.

Reducing the ecological footprint of our IT processes – from purchasing to the operation of our IT infrastructure – is also a demanding challenge for our business operation.

Furthermore, the Covid-19 pandemic has influenced our mindset and the way we work, increasing the demands for distributed and seamless virtual workplaces as well as accelerated digitalization of existing processes.



Further improving our sustainability

- Further **develop internal IT services**
- Further **strengthen the ERP system** to comprise all corporate management processes and to support the entire project lifecycle
- Increase application of internal communication via digital live events and training
- Further develop capabilities in **GIS, BIM, Digital Twins, Augmented Reality (AR)** and **Virtual Reality (VR)**
- Further **enhancing IT security**
- Continuous training of our staff in all relevant IT related matters

OUR IT SERVICES

In order to assure a smart working environment for all ILF staff and to provide sustainable and excellent engineering services to our clients, we have been addressing IT challenges for some time and are constantly developing our internal IT services and infrastructure. Our current focus is on the following initiatives:

- Keeping all IT infrastructures and services in full, 24/7 operation, including those needed for remote working
- Increasing end-user acceptance and adoption of digitally provided services
- Expanding self-service capabilities for real-time resolution of issues (e.g. Helpdesk)
- Integrating various corporate applications, including document management, with cloud storage and file sharing services.

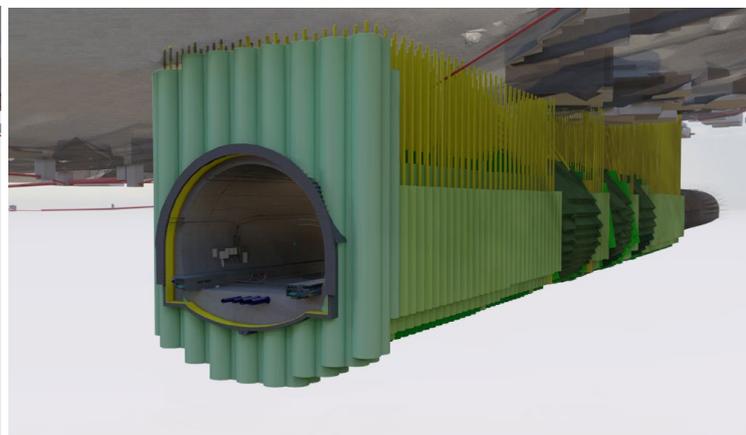
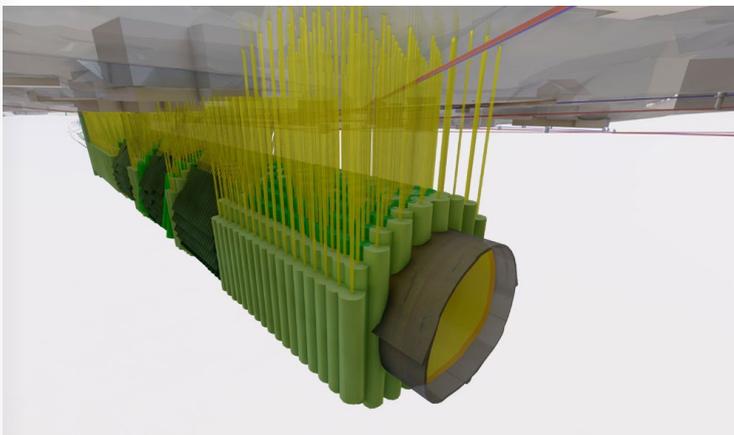
Cybercrime is an important issue that we have to deal with. It has made it necessary for us to apply different design patterns for IT security. We raise security awareness among all ILF staff through a variety of training measures.

In addition to operational aspects, we also pay attention to the ecological footprint of our IT hardware. We do not automatically dispose of used hardware, but instead try to replace defective hardware and hardware components with used parts and products. If possible, we also put our used hardware through a second life cycle.

OUR DIGITAL SOLUTIONS

Geographic Information Systems (GIS) and Building Information Modeling (BIM) play a relevant role in sustainable planning and construction processes. The development of innovative solutions and automated workflows in low- and no-code environments for internal processes and clients' projects is of high priority for us. The establishment of new business areas such as urban development and urban design requires the integration of further digital technologies such as Digital Twins or Augmented Reality (AR) and Virtual Reality (VR).

Modeling realities in the digital space by Digital Twins and presenting them via Augmented Reality (AR) and Virtual Reality (VR) is becoming more important.



BIM Model of UDK02 (Soil Tunnel) – Vestfoldbanen New Double-Track Railway Line, Norway

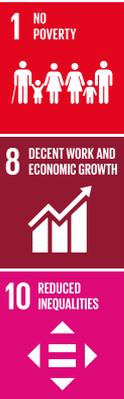
SUSTAINABILITY GOVERNANCE

We are committed to ensuring that the plants and structures that we plan meet the criteria of social compatibility and sustainable development.

We attach particular importance to environmental protection when rendering our services and to the long-term environmental compatibility of our plants and structures. As a matter of principle, we only take on design and consulting tasks for which we are convinced that we can fulfil our environmental and social responsibility under the given boundary conditions. These principles are part of the ILF Group Mission Statement. Our sustainability policy and quality policy also guide our business operations in this context.

As an international engineering and consulting firm, we operate in various business environments with complex challenges. Compliance with national laws and regulations is an essential basis for all of our actions.

We are an independent engineering and consulting firm, whose shares are entirely privately owned. Our actions are based on purely objective considerations. Third parties have no influence on our business policy. We resolutely reject personal donations.



LEGAL COMPLIANCE

COMPLIANCE CULTURE

Our compliance culture forms the basis of our compliance system. It mirrors the general mindset and the actual behavior of ILF leadership and all ILF staff. This compliance culture also increases the importance that all ILF employees attribute to observing rules and thus on our overall willingness to act in a compliant manner.

Each CMS comprises a reporting system in which the compliance managers of the individual companies report to the Chief Risk Officer and the relevant Regional Group Director of the ILF Group.

These CMSs are checked at regular intervals for efficiency and effectiveness.

Our ILF Code of Conduct is the core of our compliance culture. It encompasses binding principles of conduct to be observed by all managing directors, staff members and business partners of the ILF Group.

COMPLIANCE MANAGEMENT SYSTEM

To ensure that applicable laws and guidelines are observed, all companies of the ILF Group have Compliance Management Systems (CMSs) in place, which are adapted to each company's respective market environment.

All CMSs cover the following topics:

- Corruption prevention
- Compliance check of contracting parties
- Contract drafting, contract review
- Gifts, benefits and hospitality
- Sponsoring
- Donations
- Antitrust law
- Compliance training
- Whistleblower system, compliance violations





Further improving our sustainability

- Consistently **comply with all applicable legal provisions** and ILF's internal guidelines in all companies of the ILF Group
- Unconditionally respect and observe **human rights**



Further improving our sustainability

- Consistently **comply with all applicable legal provisions** and ILF's internal guidelines in all companies of the ILF Group
- **Do not have any (active and/or passive) involvement in bribery processes** of any kind

Each company of the ILF Group regularly holds scoping workshops for compliance risk analysis. In the course of these workshops, compliance risks are identified and company-specific management priorities are set.

All contractual relationships with clients, cooperation partners, subcontractors and other business partners are thoroughly checked, especially with regard to corruption prevention and violations of trade sanctions/embargoes.

The ILF Group's CMS also includes a structured whistleblowing system. This enables ILF employees, business partners and other

external parties to report any experienced irregularities or identified misconduct by contacting compliance@ilf.com.

HUMAN RIGHTS

Our human rights and labor rights policy applies to the entire ILF Group, to all staff, including temporary employees, part-time employees and freelancers, and to all of ILF's activities. We also encourage all of our business partners to apply similar standards and policies in their businesses, and we monitor human rights compliance at each ILF company through our Compliance Management Systems (CMSs).

ANTI-CORRUPTION AND BRIBERY

Our Code of Conduct sets out the binding rules of conduct in relation to anti-corruption and bribery.

At ILF we accept no benefits or gifts which are intended to influence the activities or services of ILF. Equally, we do not offer or provide any benefits or gifts which are intended to influence the prospects of winning contracts or the impact or outcome of our business activities.

We distribute corporate gifts only to a reasonable extent and in conformity with the accepted practices of the individual markets and organizations.

We monitor and report on the anti-corruption and bribery rules in place at each ILF company through our CMSs.

FURTHER IMPROVING OUR SUSTAINABILITY

With the publication of our first sustainability report, we are proud to join the global movement of responsible companies disclosing company’s impacts on the environment, society, economy and governance in accordance with international reporting standards.

In this report we have identified and described both our positive and negative contributions in relation to our company’s most relevant material topics and in light of our corporate sustainability objectives. Based on the findings and results presented in this first report, we are currently defining and developing qualitative and quantitative targets and measures to strengthen ILF’s sustainability in the short, medium and long term. We will disclose our ambitious corporate contribution to sustainability within our next sustainability report for 2022.

We declare with full conviction that sustainability is at the center of our values and beliefs, that sustainable development is part of our corporate DNA and that we will

continue to make great efforts to improve our contribution to sustainable development day by day. We are committed to improving our contribution to a more sustainable and a livable future for all, through our solutions and services, but also through our corporate governance in everyday life.

We conclude ILF’s first sustainability report by presenting our overarching goals – formulated on the basis of this report’s findings and in line with our Strategy 2026. These goals form the basis for ILF’s transition to **becoming a more sustainable company**.

We are looking forward to preparing and presenting our second sustainability report in 2023!



ILF SUPPORTS THE SUSTAINABLE DEVELOPMENT GOALS

Our aim, as an international engineering company with the intention of becoming a leader in **improving the quality of life around the globe**, is to directly and indirectly contribute to achievement of the SDGs.



SUSTAINABLE SOLUTIONS & SERVICES



SUSTAINABLY EVOLVING THE COMPANY



GRI CONTENT INDEX

Statement of use: ILF Group Holding GmbH has reported on the above material topics in accordance with the GRI Standards for the period 2021. The publication of the sustainability report and of all GRI disclosures of the ILF Group is voluntary and is not subject to any reporting obligations.

GRI Standard	Disclosure	Page / Comments
GENERAL DISCLOSURES GRI 2: GENERAL DISCLOSURES 2021		
THE ORGANIZATION AND ITS REPORTING PRINCIPLES		
2-1	Organizational details	<p>a. Name: ILF Group Holding GmbH</p> <p>b. Group Holding, privately owned by the founding families</p> <p>c. Location of headquarter: ILF Group Holding GmbH, Feldkreuzstrasse 3, 6063 Rum/Innsbruck, Austria</p> <p>d. Countries of operation: Contact</p>
2-2	Entities included in the organization's sustainability reporting	<p>a. Qualitative assesment: entire ILF Group; Quantitative assesment: ILF Group Holding GmbH, ILF Consulting Engineers Austria GmbH (Austria), ILF Beratende Ingenieure GmbH (Germany), ILF Consulting Engineers Polska Sp. z o.o. (Poland), ILF Consulting Engineers for Engineering Consultancy LLC (Saudi Arabia), ILF Beratende Ingenieure AG (Switzerland), ILF Consulting Engineers – Abu Dhabi (United Arab Emirates)</p> <p>b. (voluntary) Consolidated financial statement in line with the “International Financial Reporting Standards” (IFRS)</p> <p>c. i. No adjustments as company is completely privately owned by the founding families</p> <p>c. ii. Sustainability data is based on 2-2a. Management approach is valid for ILF GRH.</p> <p>c. iii. Health and safety data includes all ILF companies.</p>
2-3	Reporting period, frequency and contact point	<p>a. Sustainability report: calendar year 2021</p> <p>b. Financial report: calendar year 2021</p> <p>c. Publishing date: 27.07.2022</p> <p>d. sustainability@ilf.com</p>
2-4	Restatements of information	No previous reporting, no restatements.
2-5	External assurance	Not provided.
ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	ILF at a Glance & Main Business Areas (p. 6 et seq.)
2-7	Employees	<p>a. 2500+ Employees, Details see page (p. 30 et seq.)</p> <p>b. iii. Non-guaranteed hours employees: Number not available, number estimated to a minor extent,</p> <p>b. iv. full-time employees 2021: by age: <30: 358, 31 to 50: 936, >50: 292; by gender: Female: 381, Male: 1205 (numbers are related to reporting companies in head count (see 2-2 a.))</p>
2-8	Workers who are not employees	Approx. 21% Freelancers (Subcontractors)
GOVERNANCE		
2-9	Governance structure and composition	<p>a. Organization of ILF Group</p> <p>b. Group Management Board (GMB)</p> <p>c. Highest governance body consists of only executive members: Group Management Board (GMB). The GMB Members are completely independent and 100% male. For competencies see a.</p>

GRI Standard	Disclosure	Page / Comments
2-10	Nomination and selection of the highest governance body	<p>a. CEO of ILF Group Holding (GRH) – appointed by the Shareholder Assembly of ILF-GRH; Group Management Board – appointed by the CEO of ILF-GRH subject to approval by the Supervisory Board</p> <p>b. not applicable</p>
2-11	Chair of the highest governance body	<p>a. The Chairman of the Group Management Board (GMB) is at the same time the CEO of ILF Group Holding (ILF-GRH).</p> <p>b. ILF-GRH is the shareholder of all companies of the ILF Group, and the GMB carries out the shareholder function in this respect. Therefore, no conflicts of interest.</p>
2-12	Role of the highest governance body in overseeing the management of impacts	<p>a. The Group Management Board (GMB) represents the interests of the holding company and the shareholders who have shares in the ILF Group Holding. The GMB, led by the CEO, has overall responsibility for the development of the entire ILF-GRH. The GMB is responsible for developing, approving and updating the organization's purpose, value and/or mission statements, strategies, policies and goals related to sustainable development.</p> <p>b. i. The General Management Board (GMB) is responsible for recognizing undesirable developments, and coordinating and supporting effective crisis management in the operative companies. The GMB is responsible for coordinating high-level quality management (QA/QC) and health, safety, security & environmental management.</p> <p>b. ii. Reporting system (Monthly and annually)</p> <p>c. Monthly review of the reports by the GMB</p>
2-13	Delegation of responsibility for managing impacts	<p>a. The responsibility for managing impacts rests with the Group Management Board (GMB). In addition, the GMB appoints the following staff units for managing impacts; Operative implementation support: Information Technology Coordinator, Human Resources Coordinator, Knowledge Management Coordinator, Controlling Coordinator, Health, Safety, Security & Environment (HSSE) Coordinator, Sustainability Coordinator, IMS Manager (IMSM) of the ILF Group, IMS Officer (IMSO) of the ILF Group</p> <p>b. Monthly via the reporting system.</p>
2-14	Role of the highest governance body in sustainability reporting	Reported information is reviewed and approved by the CEO and the Group Management Board (GMB).
2-15	Conflicts of interest	<p>a. As a fundamental principle, ILF is an independent engineering and consulting firm, whose shares are completely privately owned. Our actions are based on objective considerations. Third parties have no influence on our business policy. We completely reject personal donations or any similar impacts causing potential conflicts of interest. This fundamental principle is reflected in the ILF Group Mission Statement.</p> <p>b. Not applicable.</p>
2-16	Communication of critical concerns	<p>a. To ensure that applicable laws and guidelines are observed, all companies of the ILF Group have Compliance Management Systems (CMSs) in place, which are adapted to their respective market environment. Besides checking the pertinent provisions and organizational measures, the respective compliance managers regularly review the effectiveness of these systems. The ILF Group's CMS includes a structured whistleblowing system.</p> <p>b. No critical concern or other notification was communicated during the reporting period.</p>
2-17	Collective knowledge of the highest governance body	Regular reporting and consultation between the Group Sustainability Coordinator and the Group Management Board (GMB).
2-18	Evaluation of the performance of the highest governance body	Not applicable.
2-19	Remuneration policies	Confidential, not disclosed.
2-20	Process to determine remuneration	Not applicable.
2-21	Annual total compensation ratio	Confidential, not disclosed.

GRI CONTENT INDEX + DISCLOSURES

GRI Standard	Disclosure	Page / Comments
STRATEGY, POLICIES AND PRACTICES		
2-22	Statement on sustainable development strategy	Sustainability at ILF (p. 18, 19), Sustainability@ILF ILF.com
2-23	Policy commitments	<p>a.- c. ILF Code of Conduct and ILF Group Mission Statement</p> <p>d. Policies approved by the GMB.</p> <p>e. Policies fully apply to ILF's activities and business relationships</p> <p>f. Policies are communicated through individual contracts, IMS, internal trainings and public disclosure (Homepage).</p>
2-24	Embedding policy commitments	a. i.-iii. Embedded in and managed through our Integrated Management System (IMS) , iv. Trainings: IMS Training, Sustainability Training, Compliance Training, Signing of the Code of Conduct, Presentation of the Mission Statement to all employees
2-25	Processes to remediate negative impacts	Not applicable
2-26	Mechanisms for seeking advice and raising concerns	Compliance Management System - Whistleblowing Contact
2-27	Compliance with laws and regulations	<p>a. No significant instances of non-compliance with laws and regulations were reported.</p> <p>b. No fines.</p> <p>c.-d. Not applicable</p>
2-28	Membership associations	Not applicable
STAKEHOLDER ENGAGEMENT		
2-29	Approach to stakeholder engagement	Decentralized by local companies according to national legislations
2-30	Collective bargaining agreements	Information unavailable on Group Level, employee contracts in compliance with national legislation
DETERMINATION OF MATERIAL TOPICS		
3-1	Process to determine material topics	Our material topics (p. 20)
3-2	List of material topics	Our material topics (p. 21)
ENVIRONMENTAL TOPICS GRI 300		
CARBON FOOTPRINT - GRI 305: EMISSIONS 2016		
3-3	Management of the topic	Environmental Sustainability(p. 23 et seq.)
305-1	(Scope 1) Direct GHG emissions	ILF's Climate relevant Greenhouse Gas Emissions 2018 - 2021 (p. 24)
305-2	(Scope 2) Indirect GHG emissions (purchased electricity and heat)	ILF's Climate relevant Greenhouse Gas Emissions 2018 - 2021 (p. 24)
305-3	(Scope 3) Other indirect GHG emissions	ILF's Climate relevant Greenhouse Gas Emissions 2018 - 2021 (p. 24)
ENERGY CONSUMPTION & EFFICIENCY – GRI 302: ENERGY 2016		
3-3	Management of the topic	Energy consumption (p. 28)
302-1	Energy consumption within the organization	Energy consumption (p.28)
WASTEWATER & WASTE – GRI 306: WASTE 2020		
3-3	Management of the topic "Wastewater"	Wastewater and Waste (p. 29)
3-3	Management of the topic "Waste"	Wastewater and Waste (p. 29)

GRI Standard	Disclosure	Page / Comments
PEOPLE		
HEALTH & SAFETY – GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018		
3-3	Management of the topic	Health and safety (p. 38 et seq.) and HSSE policy of the ILF Group
403-1	Occupational health and safety management system	Health and safety (p. 38)
403-2	Hazard identification, risk assessment, and incident investigation	Health and safety (p. 38)
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and safety (p. 38)
403-5	Worker training on occupational health and safety	Health and safety (p.39)
403-9	Work-related injuries	Health and safety (p. 39)
EMPLOYMENT & WORKING CONDITIONS – GRI 401: EMPLOYMENT 2016		
3-3	Management of the topic	Employment and working conditions (p. 31 et seq.)
401-1	New employee hires and employee turnover	a. Hires, by age: <30: 171, 31 to 50: 137, >50: 27; by gender: Female: 106, Male: 229 (numbers are related to reporting companies in head count) b. Turnover, by age: <30: 65, 31 to 50: 132, >50: 54; by gender: Female: 86, Male: 110 (numbers are related to reporting companies in head count (see 2-2 a.)), in addition see page 30
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Benefits provided to all employees: Life insurance available in AUT, GER, POL Health care available in AUT, GER, KSA, POL, UAE Disability and invalidity coverage available in AUT, KSA, POL, SUI Parental leave available in AUT, GER, KSA, POL, SUI, UAE Retirement provision available in AUT, GER, KSA, POL, SUI
EQUALITY, DIVERSITY & INCLUSION – GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016		
3-3	Management of the topic	Governance (p. 42 et seq.)
405-1	Diversity of governance bodies and employees	a. see GRI 2-9 and p. 30 et seq. b. Equality, Diversity and Inclusion (p. 35)
GOVERNANCE – GRI 205: ANTI-CORRUPTION 2016		
ANTI-CORRUPTION AND BRIBERY – GRI 205: ANTI-CORRUPTION 2016		
3-3	Management of the topic	Anti-corruption and bribery (p. 43 et seq.)
205-2	Communication and training about anti-corruption policies and procedures	Basic module: all employees, every 3 years Module meeting regarding Regulatory Compliance and Business Relations: for Managers and selected employees, every 2 years Compliance Management System Module: for Managing Directors, once a year Compliance Officer Training: for the respective Compliance Officer of the individual ILF companies, when assuming the job
DIGITALIZATION		
3-3	Management of the topic	Digitalization (p. 40 et seq.)

Make your own notes.



IMPRINT

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SUSTAIN- ABILITY REPORT

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ENGINEERS

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