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# NON-FINANCIAL GROUP REPORT

# 2021





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## Foreword

**Dear stakeholders,**

While we announce outstanding results for 2021 and an excellent outlook for 2022, war is raging in Europe. We are all shocked by the current events in Ukraine and sincerely hope that the situation can be de-escalated with a return to diplomacy as soon as possible.

Our thoughts and sympathies are with all those affected, especially our colleagues, families and friends who are directly experiencing the effects.

In a situation like this, it is only natural for us to provide whatever help we can and to make a contribution to the ongoing efforts. Many of our GFT team members have responded personally and displayed a great willingness to help. We want to encourage our colleagues to continue their support for those in need and are doing this, for example, by giving them paid time off from work to volunteer for various projects. Many of our national companies are offering psychosocial counselling and making donations to aid organisations.

Solidarity and diversity have always been a hallmark of our global GFT team – at the core of which is a culture of equality and diversity. Equality stands for equal opportunities for all people. Diversity means that we welcome people from a wide range of backgrounds into the GFT team. We enshrined these principles in our Diversity & Inclusion Policy in 2021.

We are aware that a **culture of equality and diversity** is much more than a policy or a campaign – it is a continuous process. It is about how we act as an organisation with regard to our business practices and daily behaviour. This is why we are developing an Agenda for Diversity, Equality & Inclusion in 2022.

The focus is on continuous professional development and the promotion of women in leadership positions. This is one of the ways we are driving our social sustainability target '**Grow tech talent worldwide**'.

Our expertise and our success give rise to social and environmental responsibility. Technology must make a contribution to relevant social issues. In 2021, we therefore developed a **science-based climate target** and submitted it to the Science Based Target initiative for validation in early 2022.

Our technological sustainability goal '**Sustainability by design**' addresses the topic of sustainable software design. On the one hand, our GreenCoding initiative for energy-efficient programming shows how companies can use software to help **mitigate climate change**. On the other hand, our Privacy Engineering activities raise awareness for the proactive consideration of **data privacy risks** when using future technologies and in complex IT projects.

The last two pandemic-dominated years have shown that resilience and flexibility are integral components of our corporate culture. With our Digital First initiative, we can now work remotely from any location, making us a truly global company: in 2019, less than 4% of our new talent was working from locations where GFT has no presence. In 2021, it was almost 30% of our employees. For us, **sustainable growth** goes hand in hand with **sustainable corporate governance**. As a signatory to the United Nations Global Compact, we are firmly committed to its ten principles in the areas of human rights, labour, the environment and anti-corruption. With our sustainability goal '**Resilient management systems**', we are working hard to ensure that key sustainability aspects are successively and appropriately incorporated into our corporate policies.



As a result of our strong business performance, the GFT share was elevated to the German SDAX share index in December. As GFT becomes more visible on the capital market, the information needs of numerous stakeholders with regard to non-financial topics are also growing. They want to be able to understand and appropriately assess our commitment and the impact of our business activities on the environment, society and governance – or ESG for short.

With our transparent reporting, we aim to inform you about our progress on the path to becoming a sustainable company. We invite you to discover how we integrate responsibility into our business strategy, our corporate culture and our day-to-day business.

**Best regards**

**Marika Lulay**

## About this report



## About this report

In accordance with sections 315b and 315c HGB (German Commercial Code) in conjunction with sections 289c to 289e HGB, this non-financial report contains the relevant disclosures on environmental, employee and social matters, as well as on respect for human rights, and combating corruption and bribery.

The report contains information regarding environmentally sustainable economic activities in accordance with Art. 8 of Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation).

The website links used in this document contain further information and are not a constituent part of this report. Exceptions are marked as such. The report was prepared on the basis of the Global Reporting Initiative standards (GRI SRS, version 2016). The GRI Content Index is available at [www.gft.com/sustainability](http://www.gft.com/sustainability).

The data and information contained in this report relate to the financial year 2021 (1 January to 31 December 2021) and correspond to the scope of consolidation for financial reporting. The emission data refer to the financial year 2020 – a corresponding reference can be found in the text. In some cases, only the nine largest national companies by headcount (Brazil,

Germany, the UK, Canada, Italy, Mexico, Poland, Spain and the USA) are considered. These account for 97% of the work force. A corresponding note to this effect is provided in such cases. Figures stated in the section 'Employees' (chapter 3) only refer to active employment contracts. The relevant financial information can be found in the combined management report and consolidated financial statements 2020. The corresponding documents are available at [www.gft.com/financialreports](http://www.gft.com/financialreports).

A non-financial performance indicator for the GFT Group is the productive utilisation rate. Detailed information on this figure is published in the combined management report for 2021 (1.3 Management system and 1.5 Personnel).

References to persons are to be understood as gender-neutral. We use the symbol \* in the text for this purpose. We are aware that this is not barrier-free, for example when using screen readers. For ease of readability, we refrain from using multiple mentions or paraphrases in certain passages – this does not imply any judgement.

## The GFT Group



## ┌ The GFT Group

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## The GFT Group

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corporate volunteering initiatives supported to create and empower tech talent



For further information please go to [gft.com/administrative-board](https://gft.com/administrative-board)

## The GFT Group

As a pioneer for digital transformation, GFT develops solutions for all aspects of future-oriented technologies – from cloud engineering to artificial intelligence and blockchain/DLT. With a high degree of technological expertise, strong partnerships and profound market know-how, GFT advises companies in the financial and insurance sectors, as well as in the manufacturing industry. GFT intelligently deploys its IT solutions to raise productivity and create added value for its clients. Companies receive simple and secure scalable IT applications and innovative business models.

As an IT service provider, we generate most of our added value ourselves – the performance, expertise and motivation of our employees have a decisive influence on the quality of our services, the satisfaction of our clients and thus on the economic success of GFT.

Founded in 1987, the company currently has 43 locations in 16 countries in Europe, Asia, North and South America to ensure close proximity to its clients. At the end of the reporting period on 31 December 2021, the GFT team comprised 7,718 full-time employees. Details on the international distribution of employees are provided in the combined management report (1.5 Personnel).

In its financial year 2021, the GFT Group generated revenue of €566 million. 73% of revenue was generated in the Banking sector, 16% in the Insurance sector and 11% in the Industry & Others sector. Operating earnings (adjusted EBITDA) amounted to €60.8 million and pre-tax earnings (EBT) to €40.0 million.

The GFT Group's ecological footprint<sup>1</sup> amounted to 3.1 t CO<sub>2</sub>e per € million revenue (2019: 9.1 t CO<sub>2</sub>e), or per employee (FTE) 0.3 t CO<sub>2</sub>e (2019: 0.7 t CO<sub>2</sub>e).

The parent company of the GFT Group (GFT) is the listed company GFT Technologies SE. It has a one-tier management and control structure with an Administrative Board as its management and control body.

The GFT Technologies SE share is listed on the Prime Standard segment of the Frankfurt Stock Exchange. It was accepted into SDAX index in December 2021. Since its IPO in 1999, the company's largest shareholders have been company founder Ulrich Dietz (around 26%) and Maria Dietz (almost 10%). Detailed information on business activities and the business model can be found in the combined management report 2021 in the chapter 'Basic principles of the GFT Group'.

### Sustainability in the GFT Group

The Administrative Board of GFT Technologies SE bears ultimate **responsibility for sustainability**, supported by the Managing Directors of GFT Technologies SE and a steering committee set up in 2021 and headed by the CEO. It meets three times per year and reports to the Group Executive Board and the Administrative Board.

The Global Risk Committee (GRC) is responsible for the risk management of **non-financial risks**.

During the reporting period, we adopted a Group-wide **CSR policy**, enhanced our CSR governance and further specified responsibilities.

We can only be successful if we take appropriate account of the needs and expectations of our stakeholders. Our direct stakeholders are our clients, employees and shareholders, as well as our suppliers and partners. We engage in continuous dialogue with them through a variety of formats.

As a technology service provider, our **CSR strategy** focuses on sustainability in software design and the development of specialists with technological expertise. Responsible corporate governance is the foundation for our business activities:

- The **sustainability by design** objective (chapter 2 'Environment & technology') has an ecological component with the resource-oriented programming approach 'GreenCoding' and an ethical-legal component with the principles of 'Privacy by Design' for software development and the application of technologies.
- Our **grow tech talent worldwide** objective (chapter 3 'Society & technology') is aimed at promoting IT talent both externally and internally. Across company boundaries, GFT is committed to supporting various target groups within the global tech community in order to improve their future opportunities through the development and expansion of technology skills. Internally, we attach great importance to developing our employees in order to position GFT as effectively as possible in the competition to attract highly skilled professionals and talented junior staff. A working environment based on diversity, equality and mutual respect is an integral part of our DNA.

Our **resilient management systems** objective (chapter 4 'Corporate governance') is based on the concept of sustainability in corporate governance. For us, this means achieving long-term profitable growth in

<sup>1</sup> Market-based data, Scope 1 and 2 according to GHG Protocol, financial year 2020, coverage 97% work force, 91% revenue

## The GFT Group

compliance with applicable law and fair market conduct – in harmony with our ecological and social objectives and together with our stakeholders.

## Identifying the main non-financial aspects and risks

The materiality analysis first conducted in 2017 assesses the GFT Group and parts of its supply chain. It is reviewed and adapted on an annual basis. We consider sustainability aspects to be material if they have a direct or indirect impact on the Group's net income, reputation and resources. We also consider the direct and indirect effects of our business activities on all selected sustainability aspects. The frameworks we refer to are the Sustainability Reporting Standards (2016) of the Global Reporting Initiative (GRI), the principles of the United Nations Global Compact (UNGC) and the United Nations Sustainable

Development Goals (SDGs), in particular the sub-goals and indicators of the respective SDGs.

Within the framework of our Group-wide risk management system, a risk assessment was conducted for all significant sustainability aspects with regard to their probability of occurrence and the extent of any negative impact. No reportable risks from sustainability aspects were identified in connection with our business activities or our business relationships. Detailed information on the GFT Group's risk management system is published in the risk report of the combined management report 2021.

## Disclosure according to EU Taxonomy

With its European Green Deal, the EU Commission aims to make Europe the world's first climate-neutral continent and is committed to reducing net greenhouse gas emissions to zero by 2050. Its action plan on financing sustainable growth (Sustainable Finance) was developed in 2018 to shape the transition to a resource-efficient economy.

A key component of this is the Taxonomy Regulation, which came into force on 1 January 2022. It creates a uniform and legally binding **classification system for environmentally sustainable economic activities**. The associated Delegated Acts define which activities can make a significant contribution to the EU's six environmental objectives and are thus fundamentally **'taxonomy-eligible'**. For an activity to be considered **'taxonomy-aligned'**, it must demonstrate its contribution to at least one of the environmental objectives by meeting the respective technical screening criteria. In addition, any 'significant harm' to all other environmental objectives must be excluded ('do-no-significant-harm' criteria) and compliance with minimum social standards must be ensured. So far, the screening criteria for the environmental objectives 'climate change mitigation' and 'climate change adaptation' are available.

The Taxonomy Regulation creates extensive new disclosure obligations for financial market participants and companies. There is a simplified reporting obligation in the initial application period, the reporting year 2021. Within the scope of their non-financial reporting pursuant to the CSR Directive Implementation Act (CSR-RUG), companies must state whether and to what extent their revenue, capital expenditure (capex) and operating expenditure (opex) are taxonomy-eligible. The subsequent screening of whether economic

Matters acc. to 289c HGB	GFT sustainability aspect	GRI standards	UNGC principles	SDGs
Environmental matters	Energy consumption	302	7, 8, 9	12.6, 13.2
	Emissions	305	7, 8, 9	12.6, 13.2
	GreenCoding	No equivalent	8, 9	8.4, 9.4
Employee matters	Working conditions	403	3, 4, 5, 6	8.5, 8.8
	Remuneration	102-35, 102-36		5.1, 8.5
	Participation	102-41, 102-43	3	8.8
	Training and education	404		4.3, 10.3
	Equal opportunity	405, 406	6	5b, 10.3
Social matters	Social commitment	No equivalent	1, 6, 9	4.3, 4.4, 5b, 12.6, 17.6
	Tax	207		10.4
	Professional integrity (SASB, Sustainability Accounting Standards Board SV-PS-510a.2)	No equivalent	10	16.5
	Data protection and information security	418.1		16.10
Respect for human rights	Checking compliance	412	1, 2	8.7, 8.8
	Employee data privacy	No equivalent	1, 6	8.8, 16.10
Anti-corruption and bribery matters	Combating corruption	205	10	16.5
	Fair competition	206	10	16.5

## The GFT Group

activities are taxonomy-aligned is only to be applied from the reporting year 2022 onwards.

Revenue and capital expenditure are measured in accordance with International Financial Reporting Standards (IFRS) as documented in the Annual Report 2021 (notes to the consolidated financial statements, section 4 'Explanations on items of the consolidated balance sheet' and 5 'Explanations on items of the consolidated income statement'). Operating expenditure is measured on the basis of direct, non-capitalised costs relating to research and development, short-term leasing, building renovation measures, and maintenance and repair.

In order to assess the **taxonomy eligibility of our revenue-relevant activities**, we have taken as a basis the activities relevant for the information and communication sector according to the Delegated Act (EU) 2021/2139:

- **Data processing and hosting activities**  
Storage, manipulation, management, movement, control, display, switching, exchange, transmission or processing of data via data centres, including edge computing.
- **Data-based solutions to reduce greenhouse gas emissions**  
The development or use of ICT solutions aimed at the collection, transmission, storage, modelling and use of data, where these activities are primarily intended to provide data and analysis to enable the reduction of greenhouse gas emissions. Such ICT solutions include, among others thing, the use of decentralised technologies (i.e. distributed ledger technologies), the Internet of Things (IoT), 5G and artificial intelligence.

For 2021, we could not identify any revenue from the aforementioned taxonomy-eligible activities, i.e., the share of taxonomy-eligible revenue is 0%. This is mainly due to the fact that the previously published activity definitions of the EU Taxonomy on climate change mitigation and adaptation only reflect a very limited range of economic activities within the ICT sector. The provision of data and analyses must primarily aim to enable a reduction in greenhouse gas emissions when used by the client. GFT's business model is currently geared towards the provision of technology expertise to continuously support our clients with the digital transformation of their business models.

GFT is evaluating how the consideration of energy efficiency in software design (see chapter 2) can contribute to the EU's environmental goal of climate change mitigation. Our approach to sustainable software design combines resource-efficient programming (GreenCoding) with data protection through technology design (Privacy Engineering). We will continue to develop this approach and additionally drive forward the sustainable alignment of our portfolio.

To determine the **taxonomy eligibility of capex and opex**, we have also taken into account other taxonomy-eligible cross-sectional activities based on our business model, e.g., the installation, maintenance and repair of renewable energy technologies or possible climate change adaptation measures such as adaptation measures for the protection of buildings. No capex for corresponding projects was identified for the reporting year 2021. The share of taxonomy-eligible capex is thus 0%.

In the reporting year, there were only taxonomy-eligible R&D expenses for projects aimed at reducing greenhouse gas emissions according to the activity 'Close to market research, development and innovation'. The measurement of costs revealed that the share of taxonomy-eligible operating expenditure (opex) for 2021 is below the 1% threshold. As such, it is to be classified as non-material pursuant to section 289c (3) of the German Commercial Code (HGB).

We are monitoring ongoing taxonomy design and will integrate any requirements into the data collection processes, the internal control system and the accounting processes.



Environment & technology



**Environment & technology**

010	Climate targets
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## Environment &amp; technology



For further information on software development and climate protection please see our [white paper](#).

Starting from a base year of 2020, we have committed ourselves to reducing

# 50%

of our emissions from Scope 1 and 3 and 68% from Scope 2 by 2030.

## Environment & technology: Sustainability by design

In our sustainability strategy, we are committed to integrating environmental responsibility into our business activities. We take this into account with the sustainability objective 'Sustainability by design'.

In the reporting year, our focus with regard to the environment was on climate change mitigation measures (SDG 13.2), on the one hand with innovative products (SDG 9.4, 9.5) – represented by GreenCoding and Privacy Engineering – and on the other hand with our initial participation in the CDP Climate Rating system. We aim to make our commitment to climate change mitigation transparent by voluntarily publishing comprehensive information on emissions data, climate risks, and reduction targets and strategies (SDG 12.6). We are in the early stages of developing a climate strategy – this is also reflected in the rating result with an overall grade of D, whereby the areas Governance and Value Chain Engagement achieved a C rating.

With regard to our core business, GFT software solutions should contribute towards the climate-friendly use of technology. With our resource-efficient programming initiative, GreenCoding, launched in 2020, we help companies develop and run software in a more climate-friendly way. Detailed information can be found at [GreenCoding: the new frontier for software development \(gft.com\)](#) The principle of data minimisation contained in our 'Privacy by design'

approach also contributes towards resource-saving software development (see chapter 3, section 'Technological development and responsibility').

We drove forward our GreenCoding activities in the reporting period. In spring 2021, the white paper 'Climate change: How GreenCoding makes a difference!' was published and attracted a great deal of interest in the media, as well as among clients, partners and sustainability-oriented investors. The first 100 employees were to be trained in the application of GreenCoding principles by the end of the year on a voluntary basis. As the interest among our staff was extremely high, however, this target was exceeded within just a few weeks and by the end of 2021 more than 500 employees had completed a GreenCoding training course. A total of 1,000 employees are to be certified by the end of 2022.

So far, there is neither a recognised standard for accounting software-related emissions nor an eco-label for sustainable software design. We are therefore currently developing suitable metrics for the concrete evaluation of emission savings through GreenCoding.

The basis for climate protection with regard to the management of our own operations is the [Group Environmental Policy](#) and the key fields of action procurement, IT infrastructure, travel management and facility management. In the case of procurement, for example, price, quality and environmental aspects are regarded as equally important criteria. In the case of business trips, staff must consider environmental aspects, cost efficiency and travel time. Energy efficiency plays a central role in IT procurement and operation (workplace equipment, infrastructure) and in renting office space.

## Climate targets

Using an economic climate impact model, we commissioned an external provider of climate metrics to calculate GFT's climate impact under various scenarios. Starting from the base year 2020, the economic emission intensity up to 2050 was simulated, i.e., the development of gross value added in relation to annual emissions. The result: GFT is compatible with the targets of the Paris Climate Convention and is already a pioneer within its sector<sup>2</sup>. Based on this, a reduction path was developed to become emission-free.

At the Annual General Meeting 2021, CEO Marika Lulay announced GFT's climate target of becoming climate-neutral in its own operations by 2025 – this primarily refers to Scope 1 and 2 emissions in accordance with the GHG Protocol.

In addition, we have developed a Science Based Target<sup>3</sup> (SBT) and submitted it to the Science Based Target Initiative for validation at the beginning of 2022 – recognition is pending. We are committed to reducing Scope 1 (direct emissions) and Scope 3 (value chain) emissions by 50% by 2030 compared to 2020, and to reducing Scope 2 (indirect emissions) emissions by 68%. In the second step, we committed to reducing emissions from the entire value chain to zero by 2050. The most important reduction levers are our efforts together with local landlords with regard to the heat supply of our offices as well as with suppliers' regard to their own decarbonisation targets.

<sup>2</sup> Using the classification of economic activities in the EU (NACE), GFT: 62.01 Programming activities

<sup>3</sup> Corporate climate targets, aligned with the current scientific consensus and the Paris Climate Agreement. Comprehensive greenhouse gas inventories are mandatory for the targets, as well as the consideration of global and sectoral contexts.

## Environment &amp; technology

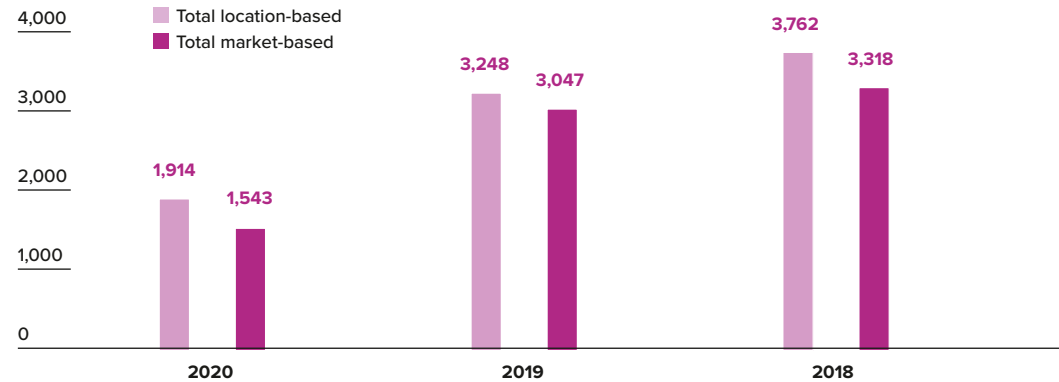
## Greenhouse gas emissions

The data basis for our corporate carbon footprint is the year 2020, as the consumption figures for the financial year 2021 were not yet fully available at the time of preparing this report. In the reporting period, we significantly increased the granularity of our emissions inventory: 97% coverage for the work force compared to around 80% for 2019. In terms of revenue, this corresponds to a coverage of 91% of consolidated revenue compared to 77% in 2019. In addition, we also compiled a Scope 3 inventory for the first time.

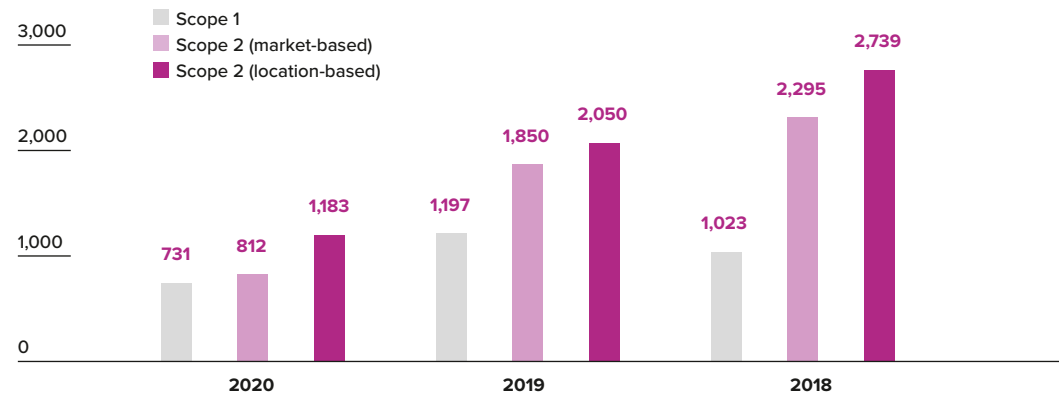
Greenhouse gas emissions (GHG) for Scope 1 and 2 were calculated on the basis of energy and fuel consumption. The calculation complies with the requirements of the Greenhouse Gas Protocol (GHG Protocol) accounting standard for greenhouse gas emissions, using DEFRA emission factors. We use Scope 1 (direct emissions) and Scope 2 (purchased emissions) to calculate the energy consumption of our various sites and the fuel consumption of our company vehicles.

Under the GHG Protocol, Scope 2 emissions from electricity consumption are calculated according to location-based and market-based emission factors. The location-based method takes into account the average emission factors for a specific geographical region (for example, a country). The calculation is based on the generation mix of the European transmission system operators or the Climate Transparency Report for non-European sites. For the market-based factors, the specific electricity mix of a company is used – wherever possible – based on the actual emissions generated by the energy producer. If no supplier factor is available, the so-called residual mix is used.

**Scope 1 and 2 emissions total**  
t CO<sub>2</sub>e



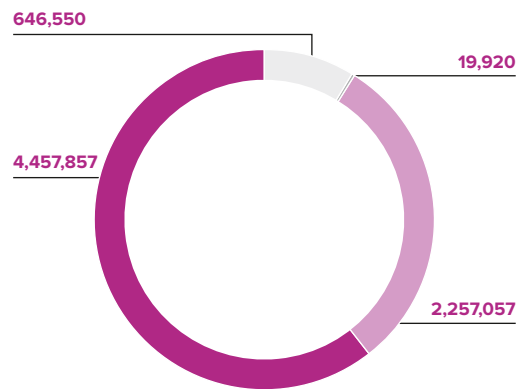
**Scope 1 and 2 emissions total (by scope)**  
t CO<sub>2</sub>e



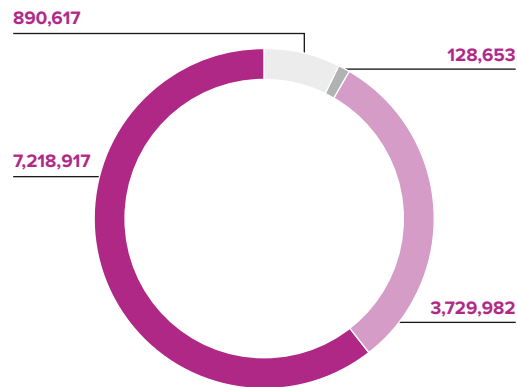
Note: Figures for Brazil, Germany, Italy, Poland and Spain are included for 2018 and 2019 and in addition for the UK, Canada and the USA for 2020. The figures are partly based on estimates or projections. 'Market-based' takes into account emission factors of an electricity supplier or electricity product, 'location-based' takes into account the average emission factors of the countries.

## Environment &amp; technology

## Distribution of Energy Consumption (kWh) - 2020



## Distribution of Energy Consumption (kWh) - 2019



- Scope 1: Natural gas consumption
- Scope 2: Diesel consumption (generators/mashines)
- Scope 3: Fleet fuel consumption
- Scope 4: Electricity consumption

Note: Figures for Brazil, Germany, Italy, Poland and Spain are included for 2019 and in addition for the UK, Canada and the USA for 2020. The figures are partly based on estimates or projections

As in the previous year, the **main emissions drivers for Scope 1 and 2** at Group level are **electricity consumption**, responsible for 60.4% of total energy consumption (2019: 60.3%) and the **fuel consumption** of our vehicle fleet, accounting for 30.6% (2019: 31.2%).

Fuel consumption amounted to 2,257,057 kWh (2019: 3,729,982 kWh), a decrease of 39.5% compared to the previous year. In terms of electricity consumption, 86% was attributable to the office buildings (2019: 93%) and 14% to the two internal data centres in Germany and Spain (2019: 7%). Electricity consumption amounted to 4,457,857 kWh and decreased by 38% compared to 2019 (7,218,917 kWh). This decrease is mainly due to the fact that employees mostly worked from home during the pandemic year 2020. In order to provide a realistic comparison to 2019, we additionally developed a work from home scenario<sup>4</sup> for 2020: this calculates average electricity consumption for a full-time employee (FTE), taking into account country-specific emission factors. However, this did not result in any additional change in emissions when comparing the two years 2020 to 2019.

Our facilities in Brazil already purchase 100% of their electricity from renewable energies, as do some Italian branches, and the figure for our office in New York, USA, is 99%. Across the Group, **electricity from renewable energies** as a percentage of grey electricity is 18% (2019: 14% | 2018: 11%). In the reporting period, GFT Spain, the largest national company, switched to electricity from renewable sources. The conversion has not yet been taken into account in the greenhouse gas balance sheet presented here, as this data relates to the 2020 financial year. The goal for 2022 is to convert as many facilities as possible to green electricity.

In the reporting period, we prepared an emissions inventory for **Scope 3** for the first time (for the financial year 2020), using a hybrid approach of screening and

calculation. It was based first on a screening across all 15 Scope 3 categories as part of a climate impact analysis for the financial year 2019. The data was sourced from a provider of climate risk analyses. This identified the relevant categories and the main drivers. In the reporting year, the categories were as follows:

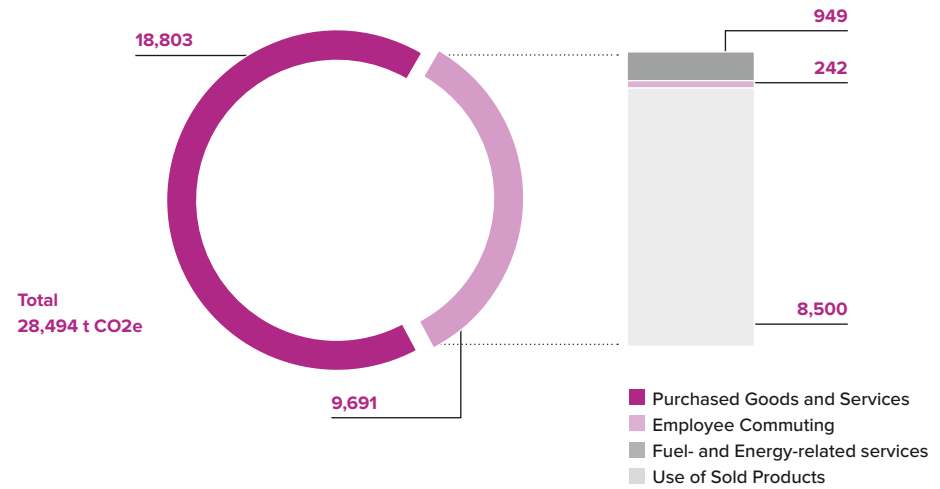
- **Purchased goods and services** (Category 1): expenditures were recorded at Group level, divided into categories and multiplied by specific spend-based emission factors. Purchases comprise 66% of all Scope 3 emissions.
- **Fuel and energy-related emissions** not included in Scope 1 or 2 (Category 3): data collected as part of the Scope 1 and 2 GHG inventory calculation. This category includes all upstream emissions of Scope 1 and 2 emissions and accounts for approximately 3% of Scope 3 emissions.
- **Work-from-home scenario (alternative to employee commuting, Category 7)**: as a result of the pandemic, there was virtually no commuting as employees worked from home in 2020. The calculation is based on the hardware inventory. In total, this accounts for just under 1% of Scope 3 emissions.
- **Use of products sold** (Category 11): no usable data was available for 2020. A benchmark was therefore created with competitors who report on Scope 3 and emissions from the use phase per € million revenue derived from this. In addition, data from the screening was used. Our goal is to develop a step-by-step life cycle analysis of the GFT product portfolio. According to the comparative data, this category accounts for around 30% of all Scope 3 emissions.

<sup>4</sup> In accordance with the GHG Protocol, the optional accounting standard for Scope 3 Category 7 (Employee Commuting) was applied.

## Environment &amp; technology

## Environment-related risks

We do not operate any production facilities and use very few resources. We assess the impact of our business activities on the environment as insignificant, and we also assess the occurrence of ecological risks as relatively unlikely. We therefore assess environmental aspects as a low risk.

Scope 3 Emissionen (t CO<sub>2</sub>e) – 2020

## Consumption figures, GHG intensity, market-based

	2020 <sup>1</sup>	2019 <sup>2</sup>
Electricity consumption, office buildings (t CO <sub>2</sub> e)	710	1,727
Emissions from electricity consumption, data centres (t CO <sub>2</sub> e)	101	123
Emissions per full-time employee (t CO <sub>2</sub> e/FTE) Scope 1 and 2	0.3	0.7
Emissions per million euros of revenue (t CO <sub>2</sub> e/€ million) Scope 1 and 2	3.1	9.1
Emissions per full-time employee (t CO <sub>2</sub> e/FTE) Scope 1 – 3	5.5	n.a.
Emissions per employee <sup>3</sup> (t CO <sub>2</sub> e/FTE) Scope 1 – 3	4.9	n.a.
Emissions per million euros of revenue (t CO <sub>2</sub> e/€ million) Scope 1 – 3	59.9	n.a.

<sup>1</sup> Scope 1 and 2 for 97% coverage of the GFT work force

<sup>2</sup> Scope 1 and 2 for 80% coverage of the GFT work force

<sup>3</sup> Comprises permanent GFT employees and freelancers on the basis of average full-time employees

Society & technology



**┌**  
**Society & technology**

015	Employees
018	Social commitment
019	Respect for human rights

## Society &amp; technology

**Best Place to Code**

Our developers at GFT Mexico are convinced of this and honour the good working conditions at GFT with [this award](#).

## Forbes Diamonds 2021

GFT Poland among the top 10 in IT – the prestigious list of Poland's most dynamically growing organisations, announced by Forbes Polska, one of the world's best known business opinion making magazines.

# Society & technology: Grow tech talent worldwide

We promote IT talent and want to attract more people to the technology industry – regardless of whether they work for GFT or not. This is why we are engaged in the areas of technology development and training.

## Employees

GFT is committed to fair, safe and healthy working conditions (SDG 8.5, 8.8). We only use measures such as fixed-term contracts, temporary work and employee leasing in isolated cases. Moreover, we comply with the applicable laws in all countries. In the reporting year, just under 4% of our employees had a fixed-term contract (2020: 3%, 2019: 3%). As in previous years, the proportion of external IT experts who provided project-related support for our core business was around 10%. With an open and appreciative corporate culture, we want to create an appealing working environment for all employees in which they can develop freely and shape their own professional development.

The second year of the pandemic was also characterised by predominantly virtual cooperation. To ensure a transparent **stakeholder** dialogue with our employees, we continued to professionalise the communication channels and formats launched in 2020. The most popular channels used by employees are the country-specific and Group-wide news portals "News-ForYou" and the virtual town hall meetings. The topic

that generated the greatest interest was the new GreenCoding initiative. The #ChooseToChallenge campaign also generated a lot of positive feedback: to mark International Women's Day, we featured portraits of GFT female employees and their personal challenges throughout the month of March.

In addition to local events, the 'CEO live' format has become established at Group level. Four times a year (when the quarterly figures are published), the CEO informs staff about the Group's current development and a key topic – for example, GFT's corporate identity or the CSR strategy – in a live stream. In addition, questions can be asked via a chat function, which the CEO answers immediately. The most relevant topics and those most frequently requested in the chat are discussed in greater depth in the CEO Blog. On average, around 60 questions are asked via the chat, and around 2,000 colleagues use the live stream. A recording is also available afterwards.

Compared to the **staff survey** that used to be conducted across the Group every two years, surveys at national level have proven to be more effective – they are easier to manage from an organisational point of view and can better capture the key concerns of employees at a local level. They are conducted at least once a year. A set of questions on satisfaction with the working conditions, the development opportunities, the working atmosphere and the management ensures comparability at Group level. In 2021, the general satisfaction level across all employees was 83%.

**Employee representatives** are important internal stakeholders. Due to its legal form, GFT Technologies SE has an 'SE works council' that represents employees in the member states of the EU. Representatives at the various national companies of the GFT Group may consist of both trade union representatives and company representative bodies. There are

representatives in 7 of the 16 countries, corresponding to a coverage of 85% of the work force. The national representative bodies can provide information on workers' rights themselves on the intranet. The works council in Germany, for example, provides information on contact possibilities, publishes works agreements and the latest legal rulings, updates its collection of frequently asked questions, and makes available the presentations of the quarterly works meetings. In addition, there are internal communication channels for staff to exchange information. Worker co-determination is governed by the respective national regulations. In some cases, national companies have collective bargaining agreements and/or company agreements.

In connection with employee-related aspects, we consider the three areas below: 'Activities and projects', 'Working environment' and 'Remuneration'.

### Activities and projects

Our human resources strategy is geared towards attracting, retaining and continuously developing talent around the world for GFT. Under the direction of the Global Head of HR, the Human Resources division defines the Group-wide objectives and uniform standards for our HR activities. These are then implemented by the local HR departments of the national companies.

A core element of our **employer branding strategy** 'Ready to grow' is the personal and professional development of all employees (SDG 4 Quality Education). This is also reflected in our employee-oriented approach to **performance assessment**. With our performance management model, we aim to encourage our employees to develop their own personal and professional goals in a continuous dialogue (individual development plan) and to reflect on them in discussions with their colleagues (multi-source group). They are accompanied throughout their personal and

## Society &amp; technology

## Work force by job family

% of work force	2021	2020	2019
IT Professions	86	85	83
thereof women	18	18	20
Consulting	6	6	7
thereof women	35	35	33
Corporate Services	8	9	10
thereof women	72	71	72

## Work force by experience level

% of work force	2021	2020	2019
Skilled	55	56	56
thereof women	27	29	29
Senior	39	38	36
thereof women	19	21	23
Leader	6	6	8
thereof women	17	17	16

## Women in the GFT Group

Composition of female work force in %	2021	2020	2019
IT Professions	67	65	64
Consulting	10	9	9
Corporate Services	23	26	27

professional career development by experienced mentors.

We ensure a high level of technology expertise among our employees by offering a wide range of training courses on technologies, design principles and methods. The GFT Accelerated Leadership Programme prepares employees for management tasks. In addition, GFT promotes **continuous training** (SDG 4.3) for all employees with language courses, seminars on soft skills and part-time vocational training qualifications. In the reporting period, each employee completed an average of around 27 training hours.

The Group-wide **career model** pools activity profiles into job families (IT Professions, Consulting, Corporate Services). The required qualifications and skills are defined by experience levels: 'Skilled' comprises graduates, young professionals and trained specialists. 'Senior' refers to highly skilled and experienced specialists. 'Leaders' perform management tasks with and without staff responsibility. We regard specialist and management careers as equal development paths.

## Working environment

The GFT Group's global team comprised employees with 77 different nationalities in 2021 (2020: 75, 2019: 63). Just under a quarter of our employees were women (23%, 2020/2019: 24%). As in the previous year, the proportion of management positions held by women amounted to 17% in 2021 (2020: 17%, 2019: 16%). About two thirds of all female employees worked in IT Professions. The average age of GFT employees was 39 (2020: 38), for women and men 38 (2020 women: 37 | men: 38).

We are continuously working on improving conditions that will allow all employees to optimise their **work-life balance**. Examples include personalised career development opportunities as well as a high degree of

freedom with regard to working hours and locations within the scope of the respective job. The development of hybrid models initiated in 2020, i.e., the possibility to combine work in the office, from home and at the client's premises, was systematically driven forward. The technical prerequisites for 'work from anywhere' were realised, accompanied by company agreements and work-from-home guidelines.

Due to varying national regulations, there is no Group-wide health management programme, but all national companies offer **health-related measures**, such as subsidies for insurance plans, check-ups, medical services and offers for external sports facilities. GFT participated in the international information campaigns #PinkOctober on the topic of breast cancer screening and #Movember to raise awareness of men's health.

We embrace diversity as an expression of **equal opportunities** (SDG 5 Gender Equality, SDG 10 Reduce Inequalities). The prerequisite is mutual trust and respect – as reflected in our corporate values and in a corporate culture that stands for integration and variety.

With our Group-wide Diversity & Inclusion Policy adopted in 2021, we are explicitly committed to ensuring equal opportunities at all levels of employment and to proactively combating and eliminating all forms of discrimination, bullying or harassment. Managers are sensitised with the aid of training on cross-cultural skills. Affected employees can contact internal complaints offices. In addition, a web-based anonymous whistleblowing system is available (chapter 4, section 'Compliance Management System'). No cases of discrimination were reported in the reporting year.



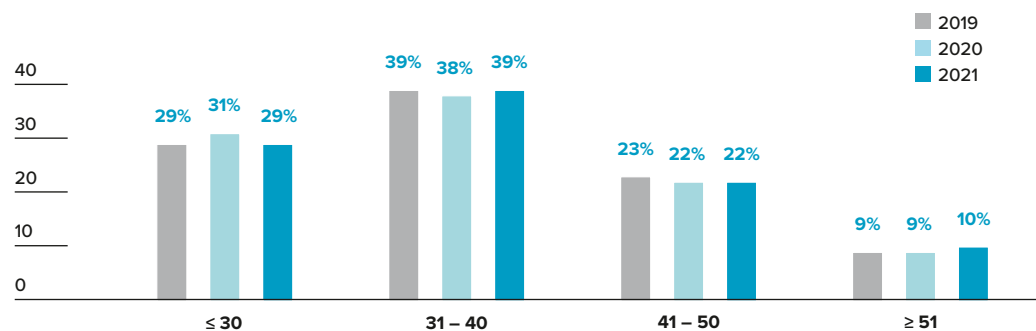
## Society &amp; technology

GFT Poland carried out a Diversity, Equality and Inclusion (DEI) programme during the reporting period. This included a diversity survey, which will serve as a pilot for the GFT Group. Participation was voluntary and anonymous, with a response rate of 28% of all employees. One aspect was whether employees felt that their workplace at GFT was 'based on mutual respect, a sense of security and openness to diversity'. 68% of respondents agreed, 19% disagreed. 13% could not answer the question. When asked if they had 'personally experienced discrimination in the last 6 months', 85% answered no, 15% yes. The results of the survey will form the basis for the development of a strategy to promote an inclusive culture by 2023. In the reporting period, GFT Poland already implemented measures in the following areas:

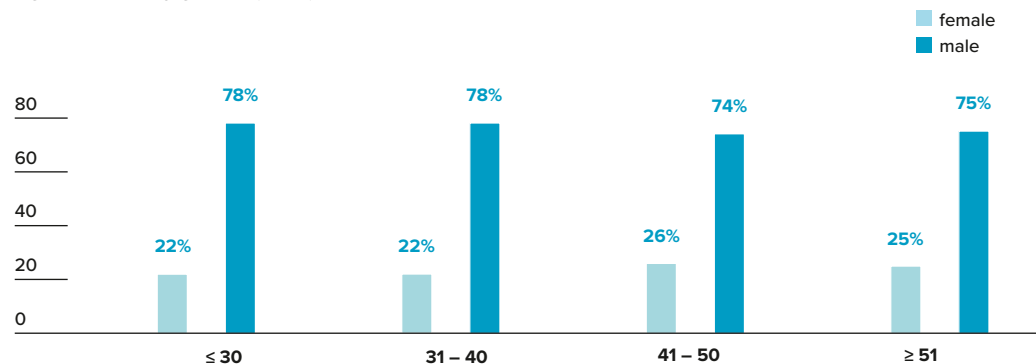
- **Training:** webinars for staff on DEI and gender identity, a workshop to raise awareness and support managers.
- **Complaints mechanism:** setting up a channel to enable anonymous communication (Bluebox) for feedback, questions and improvement suggestions, as well as actively raising awareness of the Group-wide whistleblowing system.
- **Language:** introduction of bilingualism (Polish and English) for all official internal communication measures and partly in meetings and events to increase the participation of employees who do not speak Polish.

GFT Italy and GFT UK focused strongly on gender equality. In Italy, for example, there were events on protection against violence towards women and protection against gender-based violence. GFT UK actively promoted the recruitment of women in technical professions and was able to increase the proportion of women from 13% to 18% in 2021.

## Development of the age structure in the GFT Group (three-year comparison)



## Age structure by gender (2021)



## Remuneration

The remuneration amount depends on the particular activities, function and responsibility of the employee. In addition to basic salary, remuneration also includes location-specific employer benefits. In 2021, **personnel expenses** of the GFT Group amounted to €380.39 million (2020: €320.39 million | 2019: €297.33 million). Further details are provided in the Annual Report (chapter 2 "Economic report"). Disclosures on the **ratio of board members' remuneration to employee**

remuneration are included in the 2021 Remuneration Report.

Although there are already regular salary analyses at national level, a Group-wide **gender pay gap analysis** was conducted for the first time in 2021 (SDG 5.1). The unadjusted gender pay gap (i.e., average pay without taking into account job family and career level) amounts to 15.1%. This is used to calculate the **Group-wide equal pay gap**. Based on the unadjusted gender

## Society &amp; technology



For further information  
please go to [gft.com/agm](https://gft.com/agm)

Equal Pay Gap  
<1%

pay gap, this takes into account the job family and career level, as well as different bonus models and other specific contract components. The Group-wide equal pay gap is < 1%. The goal is to remain below this threshold.

Service agreements concluded with Managing Directors since 2020 not only include a growth and return target but also a socially or environmentally oriented **sustainability target**, set annually by the Administrative Board, as part of their annual performance-related remuneration. Details on the remuneration system for the Administrative Board and the Managing Directors are explained in the Remuneration Report 2021. In addition to the CEO, the other five members of the Group Executive Board also have sustainability targets as part of their performance-related remuneration.

#### Risks

We regard demotivation (e.g., as a result of activities that are permanently over- or under-demanding, a lack of promotion, a poor work-life balance, inadequate remuneration, a lack of transparent communication and/or a lack of an appreciative corporate culture) and health issues (due to ergonomic and psychological complaints) up to and including occupational disability as significant risks. Such effects may be significant in certain cases. GFT has established systematic precautionary measures. The management teams of GFT companies are in permanent contact with employees and their representatives. The occurrence of such risks is therefore relatively unlikely. Overall, we assess the risk as medium.

### Social commitment

We provide local support in the vicinity of our sites in the fields of technology development and education. As an employer, we are also actively involved in the

local economy. At many of our locations, GFT employees provide support for charitable initiatives – more than 70 local projects in the reporting period.

#### Technological development and responsibility

With our sustainability goal ‘Sustainability by design’, we are committed to ensuring that software development and the application of technologies are undertaken in accordance with ethical principles (SDG 12.6).

Our approach is ‘Privacy by design’. This means that all data protection requirements are integrated into our IT systems from the very beginning, i.e. during the design process. With the corresponding privacy engineering measures, we sensitise software developers for the principles of data economy and pseudonymisation and make them more aware of proactive consideration of data protection risks when using future technologies and in complex IT projects. We have documented our principles in internal guidelines on ‘Algorithmic Transparency and Accountability’ and ‘Pseudonymisation’. The creation of a ‘Privacy by Design’ guideline to provide further orientation is planned for 2022.

After the introduction of the first ‘Privacy by design’ courses in 2020, an active Privacy Engineering Community was formed in 2021. An awareness campaign is planned for 2022 to reflect our ambition to integrate privacy engineering into our core business.

#### Education

‘Grow tech talent worldwide’ – we promote IT talent worldwide with numerous training opportunities. In the reporting year, we carried out a total of 67 initiatives (2020: 59). We have two main focus areas:

- **Creating tech talent** supports the development of technology skills with coding workshops and hackathons (SDG 4.3 and 4.4) and is aimed at adults in

non-technical professions as well as children and young people under 15 years.

- **Empowering tech talent** is designed to enhance technology skills and targets the global tech community through conferences, webinars and university partnerships (SDG 17.6).

We are particularly keen to encourage girls and women to pursue careers in technology (SDG 5 b). With our participation in 12 events, we doubled our activities compared to the previous year. For example, GFT was a sponsor of the virtual Women Tech Conference 2021 and participated in the Google Women Developer Academy.

We want to offer young people good future prospects by enabling them to enter the technology industry: in 2021, the global GFT team included 67 interns, apprentices, trainees and students (2020: 68, 2019: 103) as well as – recorded for the first time – 209 pupil interns. Together, these two groups accounted for 3.5% of our total workforce (SDG 4.4).

#### Risks

We assess the negative impact of our business activities and social commitment on society as insignificant and the occurrence of society-related risks as relatively unlikely. We therefore assess social risks as low.

## Society &amp; technology



For further information of the Code of Ethics & Code of Conduct please go to [www.gft.de/code-of-ethics-code-of-conduct](http://www.gft.de/code-of-ethics-code-of-conduct)

## Respect for human rights

The **Group's duty of care** to protect human rights is anchored in our Code of Ethics & Code of Conduct. We are committed to upholding, supporting and respecting the internationally proclaimed human rights in accordance with the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the 10 Principles of the UN Global Compact (SDG 8.7 und 8.8).

GFT complies with internationally recognised standards and, in those countries where we have facilities, with the nationally applicable **labour and social standards**. We respect the **right to privacy** of our employees. This is regulated in our 'Data Privacy Policy for Handling Employee Data', which is part of the overarching Group Data Privacy Policy (SDG 16.10).

Our main **suppliers** are highly skilled IT specialists who support our core business. We can influence environmental/social criteria for business operation services. Due to the volume of our purchases, we see only limited opportunities to monitor our suppliers or influence their business practices when procuring IT infrastructure. Compliance with labour and social standards in the supply chain is important to us. This is why the terms and conditions of the GFT Group include a code of conduct for suppliers and service providers.

If there is any suspicion of human rights violations, GFT is entitled to conduct supplier audits. In the case of violations, we are entitled to terminate the business relationship immediately. Further information on the supply chain can be found in the notes to the consolidated financial statements (5.3 'Cost of purchased services', 5.5 'Other operating expenses').

### Human rights-related risks

We assess the occurrence of human rights violations resulting from our business activities or in connection with the services we provide as relatively unlikely.

We consider the impact to be insignificant. We therefore assess the overall risk of human rights violations as low.

## Corporate governance



## Corporate governance

021	Data protection and information security
021	Tax
022	Lobbying
022	Compliance

## Corporate governance



For further information  
please go to  
[unglobalcompact.org](http://unglobalcompact.org)

## Corporate governance: Resilient management systems

We define sustainable corporate governance as achieving long-term profitable growth in line with our environmental and social objectives and in partnership with our stakeholders. In 2019, we joined the UN Global Compact, the world's largest voluntary initiative for sustainable corporate governance. We are working to embed the most important sustainability aspects in all our management systems. For us, compliance with laws is not an objective, but a fact. Our Corporate Governance Principles are included in the Corporate Governance Statement in the Combined Management Report 2021.



For further information  
please go to [gft.com/governance](http://gft.com/governance)

### Data protection and information security

Under the leadership of the Chief Privacy Officer (CPO), the GFT Group has a **Group Data Protection Network** consisting of contact persons for data protection in the individual national companies and relevant Group functions. The aim of this data protection organisation is to ensure uniform data protection practices within the Group and at the interfaces with clients, partners and suppliers (SDG 16.10). GFT has a Group-wide data protection framework based on a global Data Protection Policy. Local data protection officers ensure implementation, taking into account country-specific requirements.

In the reporting period, we introduced a new training concept for data protection, based on a comprehensive mandatory module for all employees across all divisions and countries (even in countries where there is no legal requirement). Role-specific data protection training is to be provided on this basis in the future.

The GFT Group's global **Information Security Management System (ISMS)**, complies with the ISO/IEC 27001 standard. It is headed by the Chief Information Security Officer (CISO). GFT's established global ISMS provides a framework for security policies and procedures which are binding for all company units.

### Tax

GFT regards itself as a responsible company that strives to fulfil its tax obligations around the world while respecting its corporate values and interests and upholding its social and ethical responsibilities. For the GFT Group, tax payments are an integral part of responsible corporate governance.

Compliance with all national and international tax laws is ensured by taking appropriate measures, such as efficient, high-quality and reliable expertise, processes, systems, methods and controls. In this sense, the tax strategy is geared towards a legally compliant, tax-optimised structuring of matters in Germany and abroad. GFT does not pursue aggressive, inappropriate tax arrangements and – in accordance with the performance principle – pays taxes in those places where it creates value. In doing so, it strives to maintain a cooperative, transparent and constructive relationship with the tax authorities.

The corporate tax strategy defines the framework for action and is specified and implemented using organisational and content-related guidelines, regulations and instructions.

The tax guidelines regulate the responsibilities, tasks and duties of persons acting on behalf of the GFT Group with regard to tax authorities, tax-related processes, the involvement of the Corporate Tax department in processes or matters, as well as reporting and documentation obligations. The tax guidelines set concrete implementation requirements for legal compliance and thus raise awareness of tax issues within the GFT Group. In accordance with the corporate Code of Conduct, intentional violations of external and internal tax guidelines or the failure to rectify incorrectly processed transactions must be reported and pursued internally.

The GFT Group's risk management system is an integral part of the management structure and includes tax opportunities and risks. It serves to ensure compliance with legal regulations and to minimise the risk of regulatory infringements or to recognise them in good time. The Chief Financial Officer (CFO) is responsible for the centrally organised risk management system.

### Lobbying

GFT did not make any financial or non-financial political contributions in the reporting period.

An overview of our memberships in local business and industry associations can be found on [www.gft.com/sustainability](http://www.gft.com/sustainability).

## Corporate governance



For further information  
please go to [gft.com/compliance](https://gft.com/compliance)

€0.00

Losses from legal proceedings for  
anti-competitive behaviour

## Compliance

We regard integrity as a crucial prerequisite for long-term success. The GFT Code of Ethics & Code of Conduct comprises the ethical standards and rules of behaviour applicable for the GFT Group and is our contribution to SDG 16.5 (Peace, Justice and Strong Institutions).

### Compliance Management System

The Compliance Office appointed by the Administrative Board is responsible for Group-wide implementation of the Compliance Management System.

The central aspects of our compliance programme are the prevention of bribery and corruption, as well as fraud, violations of competition law, money laundering and the financing of terrorism. Its implementation is checked by means of regular audits (planned and unplanned).

The Group-wide compliance-related guidelines are available in several languages via the intranet. There is a mandatory online training course for all employees that covers all compliance-relevant areas and is now available in four languages. Employees must complete compliance training within six months of joining GFT and thereafter in a two-year cycle.

In addition, the Compliance Office provides training for relevant groups of employees as needed.

### Whistleblower protection

Employees are encouraged to report violations of laws and Group policies. In the event of suspected misconduct, the Compliance Office leads the investigation. Various communication channels are available for reporting: by post, by email, by telephone and online via the whistleblowing tool offered to all

employees. This is a web-based channel whose technology ensures anonymous reporting with a two-way communication mechanism. GFT protects any whistleblower from adverse treatment or retaliation if incidents are reported in good faith. This includes dismissal, disciplinary action, threats or other forms of adverse treatment.

In addition to regular monitoring of existing business relationships, new business partners are also reviewed on a risk basis. As in previous years, there were no legal proceedings in 2020 due to anti-competitive behaviour or the formation of cartels and monopolies.

Potential conflicts of interest at management level around the world are investigated, disclosed and mitigated through appropriate measures.

### Anti-corruption and bribery

With regard to bribery and corruption, we pursue a zero-tolerance approach as set out in our 'Anti-Bribery & Corruption Policy'. Together with our Code of Ethics & Code of Conduct, this policy is published in German and English on our website. We also expect our suppliers to comply with these guidelines.

In certain high-risk situations, such as invitations from business partners, prior approval must be obtained from the Compliance Office under specified conditions in order to avoid corruption and bribery.

The Compliance Office did not receive any reports of corruption and bribery violations in 2021.

### Risks relating to anti-corruption and bribery

As the corresponding policies and approval processes are valid throughout the Group, we have defined a uniform framework and prevented any scope for

interpretation. We assess the effects of corruption and bribery as moderate. Due to the measures described, we assess the occurrence as relatively unlikely. The risk is therefore low.

Stuttgart, 23 March 2022

GFT Technologies SE  
The Managing Directors

**Marika Lulay**  
Chief Executive Officer

**Dr Jochen Ruetz**  
Chief Financial Officer

**Jens-Thorsten Rauer**  
Group Chief Executive –  
Central & Western Europe

## GRI content index

Information for the 2021 financial year was prepared on the basis of the GRI Standards Option “Core”.

## General Disclosures

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Organizational profile</b>			
102-1	Name of the organization	Notes to the Consolidated Financial Statements: General Information (AR, 71)	
102-2	Activities, brands, products, and services	NfB, (6), Business Model (AR, 20 ff), Partnerships <a href="https://www.gft.com/int/en/partners.html">https://www.gft.com/int/en/partners.html</a>	
102-3	Location of headquarters	Notes to the Consolidated Financial Statements: General Information (AR, 71)	
102-4	Location of operations	Group structure (AR, 21 f, 88) <a href="https://www.gft.com/int/en/about-us/locations">https://www.gft.com/int/en/about-us/locations</a> Markets: Revenue development (AR, 27 ff)	
102-5	Ownership and legal form	Legal form: Notes to the Consolidated Financial Statements: General Information (AR, 71); Shareholder Structure (AR, 17) <a href="https://www.gft.com/int/en/about-us/investor-relations/share">https://www.gft.com/int/en/about-us/investor-relations/share</a>	
102-6	Markets served	Business operations (AR, 20 ff)	
102-7	Scale of the organization	Number of employees: Key figures (AR, 134), Employees by country (AR, 23, 125); Group structure (AR, 21 f), Consolidated group (AR, 88 f), Consolidated Balance Sheet (AR, 67 ff), Revenue by country (AR, 28)	
102-8	Information on employees and other workers	NfR, 30	
102-9	Supply chain	Suppliers (NfR, 19), Cost of purchased services: Notes to the consolidated financial statements (AR, 108), other operating expenses: Notes to the consolidated financial statements (AR 109)	
102-10	Significant changes to the organization and its supply chain		No significant changes in the reporting period
102-11	Precautionary Principle or approach	Environmental risks (NfR, 13)	
102-12	External initiatives	Membership: United Nations Global Compact Commitment to the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (NfR, 19)	
102-13	Membership of associations	<a href="http://www.gft.com/sustainability">www.gft.com/sustainability</a>	
<b>Strategy</b>			
102-14	Statement from senior decision-maker	NfR, 3	
102-15	Key impacts, risks, and opportunities	Material non-financial aspects and risks (NfR, 7), non-financial performance indicators (Control System AR, 22   Human Resources AR, 22 f   Quality Management, Data Protection and IT Security AR, 24), Risk Report (AR, 36 ff), Opportunity Report (AR, 47 ff), Forecast Report (AR, 34 f)	

## GRI content index

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Ethics and integrity</b>			
102-16	Values, principles, standards, and norms of behaviour	Value-based understanding of sustainability <a href="http://www.gft.com/sustainability">www.gft.com/sustainability</a> , Tax guidelines (NfR 21), <a href="http://www.gft.com/compliance">www.gft.com/compliance</a>	
102-17	Mechanisms for advice and concerns about ethics	<a href="http://www.gft.com/compliance">www.gft.com/compliance</a>	
<b>Governance</b>			
102-18	Governance structure	Corporate governance statement (AR, 61 ff)	
102-19	Delegating authority	NfR, 6	
102-20	Executive-level responsibility for economic, environmental, and social topics	NfR, 6	
102-21	Consulting stakeholders on economic, environmental, and social topics	NfR, 6 Stakeholders and fields of action: <a href="http://www.gft.com/sustainability">www.gft.com/sustainability</a>	
102-22	Composition of the highest governance body and its committees	Administrative Board: Corporate governance statement (AR, 61 ff), members (AR, 15), <a href="https://www.gft.com/int/en/about-us/administrative-board">https://www.gft.com/int/en/about-us/administrative-board</a>	
102-23	Chair of the highest governance body	Chairman of the Administrative Board (AR, 15), <a href="https://www.gft.com/int/en/about-us/administrative-board">https://www.gft.com/int/en/about-us/administrative-board</a>	
102-24	Nominating and selecting the highest governance body	Election by the Annual General Meeting: Corporate governance statement (AR, 64), Objectives for the composition, independence, skills profile: Corporate governance statement (AR, 63 f)	
102-25	Conflicts of interest	Conflicts of interest and their treatment: Administrative Board Report (AR, 13)	
102-26	Role of highest governance body in setting purpose, values, and strategy	Management of the company, determination of its principles and their implementation Corporate governance statement (AR, 61 f) monistic corporate management and control structure)	
102-27	Collective knowledge of highest governance body	Training and development measures in accordance with recommendation D.12 GCGC in the version of 16/12/2019, competence profile of the Administrative Board: Corporate governance statement (AR, 63 f), Administrative Board Report (AR, 13)	
102-28	Evaluating the highest governance body's performance	Self-assessment according to recommendation D.13 GCGC in the version of 16/12/2019: Corporate governance statement (AR, 62)	
102-29	Identifying and managing economic, environmental, and social impacts	Identification of material non-financial aspects and risks (NfR, 7), Risk Report (AR, 36 ff)	
102-30	Effectiveness of risk management processes	Risk management (NfR, 7)	
102-31	Review of economic, environmental, and social topics	Discussion of CSR strategy (AR, 11), status of implementation of CSR strategy, review of NfR by the Administrative Board: Administrative Board Report (AR 14)	



## GRI content index

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
102-32	Highest governance body's role in sustainability reporting	Discussion of CSR strategy (AR, 11), status of implementation of CSR strategy, review of NfR by the Administrative Board: Administrative Board Report (AR 14)	Administrative Board: Audit NfR pursuant to sec. 47 para. 3 SEAG in conjunction with sec. 171 para. 1 sentence 4 German Stock Corporation Act (AktG), Section 171 para. 1 sentence 4 AktG Managing Directors: Reporting obligations pursuant to sections 315b and 315c HGB in conjunction with sections 289c to 289e HAR
102-33	Communicating critical concerns	Risk management system (AR, 36 ff), Whistleblowing tool (NfR, 22, AR 61)	
102-34	Nature and total number of critical concerns		No incidents in the reporting period
102-35	Remuneration policies	Remuneration systems for the Administrative Board and the Managing Directors: Remuneration report <a href="http://www.gft.com/agm">www.gft.com/agm</a> , <a href="http://www.gft.com/governance">www.gft.com/governance</a> , annual remuneration report on the implementation of the remuneration systems <a href="http://www.gft.com/agm">www.gft.com/agm</a>	No published information on the remuneration system for managers below the Managing Directors
102-36	Process for determining remuneration	Remuneration report <a href="http://www.gft.com/agm">www.gft.com/agm</a>	
102-37	Stakeholders' involvement in remuneration	Remuneration report <a href="http://www.gft.com/agm">www.gft.com/agm</a>	
102-38	Annual total compensation ratio	Remuneration report <a href="http://www.gft.com/agm">www.gft.com/agm</a>	
102-39	Percentage increase in annual total compensation ratio	Remuneration report <a href="http://www.gft.com/agm">www.gft.com/agm</a>	
<b>Stakeholder engagement</b>			
102-40	List of stakeholder groups	Direct stakeholders (NfR, 6) <a href="http://www.gft.com/sustainability">www.gft.com/sustainability</a>	
102-41	Collective bargaining agreements	Employee co-determination, labour rights (NfR 15)	
102-42	Identifying and selecting stakeholders	Stakeholders and fields of action: <a href="http://www.gft.com/sustainability">www.gft.com/sustainability</a>	
102-43	Approach to stakeholder engagement	Sustainability strategy (SR 6), material sustainability aspects (NfR 7), quality management, data protection and IT security (NfR, 21 AR, 24) Employees: Communication (NfR 15), employer branding (NfR 15), performance appraisal (NfR 16), reconciliation (NfR 16), health (NfR 16), equal opportunities (NfR 16 f), employee representation (NfR 15). Customers: Value creation (NfR 6), GreenCoding, climate goals (NfR, 10), company (AR 3, 6), international performance model (AR 8, 20 48 f) Shareholders: Letter to our shareholders (AR, 7 ff), GFT on the capital market (AR 16 ff), <a href="http://www.gft.com/ir">www.gft.com/ir</a>	
102-44	Key topics and concerns raised	Sustainability strategy (NfR 6), material aspects of sustainability (NfR 7)	
<b>Reporting practice</b>			
102-45	Entities included in the consolidated financial statements	Consolidated group: Notes to the Consolidated Financial Statements (AR, 88)	
102-46	Defining report content and topic Boundaries	Identification of the material non-financial aspects and risks (NfR, 7)	
102-47	List of material topics	Non-financial aspects (NfR, 7), Stakeholders and fields of action: <a href="http://www.gft.com/sustainability">www.gft.com/sustainability</a>	No changes in the reporting period

## GRI content index

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
102-48	Restatements of information		No changes in the reporting period
102-49	Changes in reporting		
102-50	Reporting period	Financial year 2021 (NfR, 4)	
102-51	Date of most recent report	23/3/2022	
102-52	Reporting cycle	Annual (NfR, 4)	
102-53	Contact point for questions regarding the report	Imprint (NfR, 31)	
102-54	Claims of reporting in accordance with the GRI Standards	NfR, 4	
102-55	GRI content index	<a href="https://www.gft.com/int/en/about-us/Sustainability.html#reports">https://www.gft.com/int/en/about-us/Sustainability.html#reports</a>	
102-56	External assurance		No external audit was carried out in the reporting year 2021.

## Topic-specific Standards

### Employees

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary	Identification of material non-financial aspects and risks (NfR 7), Grow tech talent worldwide (NfR, 6), employees (NfR, 15 ff)	
103-2	The management approach and its components	HR strategy (NfR, 15), Employer branding strategy (NfR, 15 f)	
103-3	Evaluation of the management approach	Surveys (NfR, 15), human resources management (AR, 22f), review of NfR by the Administrative Board (AR, 11, 14)	
<b>Employment</b>			
401-1	New employee hires and employee turnover	Employee development (AR, 23), Investor Presentation: <a href="http://www.gft.com/financialreports">www.gft.com/financialreports</a>	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		We do not distinguish between full-time and part-time employees. There are site-specific benefits.
401-3	Parental leave	NfR, 30	No information on the return rate possible due to different national regulations
<b>Labour/Management Relations</b>			
402-1	Minimum notice periods regarding operational changes		Different national regulations; all legally prescribed deadlines are observed

## GRI content index

GRI Standard (2016)	Reference to reports* (page)/URL	Omission/comment
<b>Occupational Health and Safety</b>		
403-1	Workers representation in formal joint management-worker health and safety committees	There is currently no standard Group-wide process; the national provisions are applied
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	The sick leave rate takes into account all days lost due to illness (working days); no Group-wide recording of injuries due to widely differing national regulations.
403-3	Workers with high incidence or high risk of diseases related to their occupation	The greatest risk in office work is ergonomic and mental illness. All GFT national companies offer health-related measures and follow the national guidelines for occupational health and safety. The sickness rate is inconspicuous.
403-4	Health and safety topics covered in formal agreements with trade unions	As the national provisions vary strongly, these issues are dealt with on a country-by-country basis
<b>Training and Education</b>		
404-1	Average hours of training per year per employee	A distinction by category cannot be presented currently.
404-2	Programs for upgrading employee skills and transition assistance programs	There are no specific programmes for transition assistance; appropriate support is provided in individual cases
404-3	Percentage of employees receiving regular performance and career development reviews	Performance Management Model (NfR, 16), formal coverage 89% of employees
<b>Diversity and Equal Opportunity</b>		
405-1	Diversity of governance bodies and employees	Diversity concept for the Administrative Board and the Managing Directors: Corporate governance statement(AR, 63) Employees: Corporate culture (NfR, 15), Career model (NfR, 16), Working environment (NfB, 16 f), promoting IT talent "Grow tech talent worldwide" (NfB, 6)
405-2	Ratio of basic salary and remuneration of women to men	NfR, 18
<b>Non-discrimination</b>		
406-1	Incidents of discrimination and corrective actions taken	NfR, 16 f
<b>Freedom of Association and Collective Bargaining</b>		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<u>Code of Conduct &amp; Code of Ethics</u> <a href="https://www.gft.com/int/en/supplier-information">https://www.gft.com/int/en/supplier-information</a> We observe all applicable legal requirements with regard to our business locations. We expect the same from our suppliers.

## GRI content index

## Environmental topics

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary	Own operations: (NfR, 10), core business: "Sustainability by design" (NfR, 6, 10)	Application of the carbon footprint to the 9 national companies with the largest number of employees covers 97% of the workforce and at the same time a large part of the office space
103-2	The management approach and its components	Environmental policy (NfR, 10), climate targets (NfR, 10), carbon footprint (NfR, 11 ff)	Environmental data refer to the 2020 financial year
103-3	Evaluation of the management approach	Review of NfB by the Administrative Board (AR, 11, 14)	
<b>Energy</b>			
302-1	Energy consumption within the organization	NfR, 11 f	Environmental data refer to the 2020 financial year
<b>Emissions</b>			
305-1	Direct GHG emissions (Scope 1)	NfR, 11 f	Environmental data refer to the 2020 financial year
305-2	Indirect energy-related GHG emissions (Scope 2)	NfR, 11 f	Environmental data refer to the 2020 financial year
305-3	Other indirect GHG emissions (Scope 3)	NfR, 12 f	Environmental data refer to the 2020 financial year

## Social Commitment

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary	Technology development and education, local engagement (NfR, 18 f)	
103-2	The management approach and its components	"Sustainability by design" (NfR, 6, 10), "Grow tech talent worldwide" (NfR, 6, 18)	
103-3	Evaluation of the management approach	Review of NfB by the Administrative Board (AR, 11, 14)	

## Respect for Human Rights

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary	Due diligence, labour and social standards, data protection, purchasing conditions (NfR, 19)	
103-2	The management approach and its components	Employees, suppliers (NfR, 19)	
103-3	Evaluation of the management approach	Review of NfB by the Administrative Board (AR, 11, 14)	

## GRI content index

GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Human Rights Assessment</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments		Regular part of internal audits; country-specific due diligence, including human rights issues, is carried out before entering into business relationships in new regions (new business partners) and before new GFT locations are put into operation. No human rights violations were found in 2020.
<b>Compliance</b>			
GRI Standard (2016)		Reference to reports* (page)/URL	Omission/comment
<b>Management Approach</b>			
103-1	Explanation of the material topic and its Boundary	Ethical standards and rules of conduct, prevention of corruption and bribery, fraud and breaches of competition law, money laundering and terrorist financing (NfR, 22)	
103-2	The management approach and its components	Compliance Management System (NfR, 22), <a href="http://www.gft.com/compliance">www.gft.com/compliance</a>	
103-3	Evaluation of the management approach	Implementation Compliance Management System, audits (NfR, 22), <a href="http://www.gft.com/compliance">www.gft.com/compliance</a>	
<b>Anti-corruption</b>			
205-1	Operations assessed for risks related to corruption		Through our Compliance Office, we check all locations for corruption risks and provide risk-based training to all relevant employees. We currently do not publish any information
205-2	Communication and training about anti-corruption policies and procedures	Mandatory compliance e-learning (NfR, 22), zero tolerance approach in accordance with Anti-Bribery & Corruption Policy, whistleblower protection (NfR, 22)	
205-3	Confirmed incidents of corruption and actions taken	NfR, 22	No incidents were reported in the reporting year
<b>Anti-competitive Behaviour</b>			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	NfR, 22	No investigations or proceedings were initiated in the reporting year.
<b>Public Policy</b>			
415-1	Political contributions	NfR, 22	No financial or in-kind contributions were made to political parties.
<b>Customer Privacy</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data protection and information security (NfR, 21)	GFT had no critical leaks, thefts or losses of customer data in the reporting year.

\*AR = Annual Report (financial year 2021), NfR = Non-financial Report (financial year 2021)

## GRI content index

**Total work force (as of 31/12/)**

	2021	2020	2019
Heads	7,944	5,986	5,242
FTE	7,718	6,172	5,461

**Employees with temporary contracts**

	2021	2020 <sup>1</sup>	2019 <sup>1</sup>
Proportion of work force	4	3	3
thereof women	76	50	29
thereof men	221	50	71

**Part time rates in the GFT Group<sup>1</sup>**

	2021	2020	2019
Proportion of total work force	6	5	7
thereof women	161	62	65
thereof men	111	38	35
Proportion of female staff (in relation to total female staff)	11	11	17
Proportion of male employees (in relation to total male staff)	2	2	3
Proportion of all managers	2	2	2
thereof women	43	43	33
thereof men	71	71	67
Proportion of female managers (in relation to all female managers)	3	3	5
Proportion of male managers (in relation to all male managers)	1	1	2

**GRI SRS 401-3 (2016)****Parental leave**

	2021 <sup>2</sup>	2020 <sup>1</sup>	2019 <sup>1</sup>
Total number of employees on parental leave (headcount)	351	308	234
thereof women	242	117	82
thereof men	109	191	152

**GRI SRS 403-2 (2016)****Sick leave rate (average days per employee)**

	2021	2020 <sup>1</sup>	2019 <sup>1</sup>
Sick leave rate	2.9	3.8	3.8

**GRI SRS 404-1 (2016)****Average hours of training per year per employee**

	2021	2020 <sup>1</sup>	2019 <sup>3</sup>
Hours of training	27	32	16

<sup>1</sup> The data were collected for the 5 largest GFT Group companies (Brazil, Germany, Italy, Poland, Spain). They represent over 80% of the GFT work force.

<sup>2</sup> The data were collected for the 9 largest GFT Group companies (Brazil, Canada, Germany, Italy, Mexico, Poland, Spain, UK, USA). They represent 97% of the GFT work force.

<sup>3</sup> No data for Poland, the data includes the companies in Brazil, Germany, Italy and Spain. They represent 73% of the GFT work force.

## Service



## Service

### Further information

Our Investor Relations team will be happy to answer any questions you may have. Or visit our website at [www.gft.com/sustainability](http://www.gft.com/sustainability). There you will find further information on sustainability in the GFT Group and on our ESG performance.

The non-financial group report 2021 is also available in German on [www.gft.de/nachhaltigkeit](http://www.gft.de/nachhaltigkeit).

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Published on 31/03/2022

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### Imprint

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**Text**  
GFT Technologies SE, Stuttgart,  
Germany  
[www.gft.com](http://www.gft.com)

**Creative concept, design and typesetting**  
IR-ONE, Hamburg  
[www.ir-one.de](http://www.ir-one.de)

**Photography**  
Page 2: GFT  
Page 3: Jürgen Altmann  
Page 5: GFT  
Stock photos

