



ESG REPORT

Environmental, Social and
Governance Policy Review

- 2024 / 2025 -



INCLUDOVATE
INNOVATE FOR INCLUSION

www.includovate.com

CEO Statement:

As the CEO of Includovate, I am pleased to present our ESG Policy Review Report for the period from 2024 to 2025. At Includovate, our purpose extends beyond research and consulting—it reflects our deep commitment to being responsible global citizens.

Embedding Environmental, Social, and Governance (ESG) principles into every aspect of our work is both a moral responsibility and a strategic choice. These principles guide our approach to creating lasting, positive change for people, communities, and the planet. By aligning our work with global standards and the United Nations Sustainable Development Goals, we ensure that our actions remain credible, measurable, and meaningful.

Our diverse teams, strong partnerships, and a steadfast commitment to transparency and accountability drive our progress. While we take pride in what we have achieved, we recognise that there's more to do. We will continue to strengthen our ESG practices, track our impact, and actively contribute to a more equitable and sustainable world.



Thank you to our staff, partners, and clients for being part of this journey and for holding us to a higher standard. Together, we're building a future where inclusion, equity, and sustainability shape every aspect of our work.

Dr. Kristie Druza
Chief Executive Officer,
Includovate



Executive summary

This report outlines how Includovate has implemented its **Environmental, Social, and Governance (ESG) Policy** during the 2024–2025 period. It was prepared by the Legal department, drawing on insights and data from all the departments at Includovate.

The purpose of this review is to strengthen how Includovate embeds its ESG commitments into daily decisions and operations. It also aims to align our approach with global standards, thereby enhancing transparency and credibility with our clients, partners, and stakeholders.

Includovate has operationalised its ESG policy across Operations, Program Management and Research, Business Development and External Partnerships, as well as People and Culture, using an evidence-based approach. Key actions included establishing an ESG governance structure, integrating environmental risk management into procurement and program management, ensuring diverse and equitable hiring practices, and reinforcing transparency and anti-corruption controls.

The review also highlights areas for improvement, including stronger compliance monitoring, the introduction of measurable KPIs, and regular progress reporting. These steps will help ensure that ESG practices remain measurable, accountable, and aligned with our mission of creating positive social and environmental impact.



Part I. Compliance with our current Policy

A. Environmental Compliance

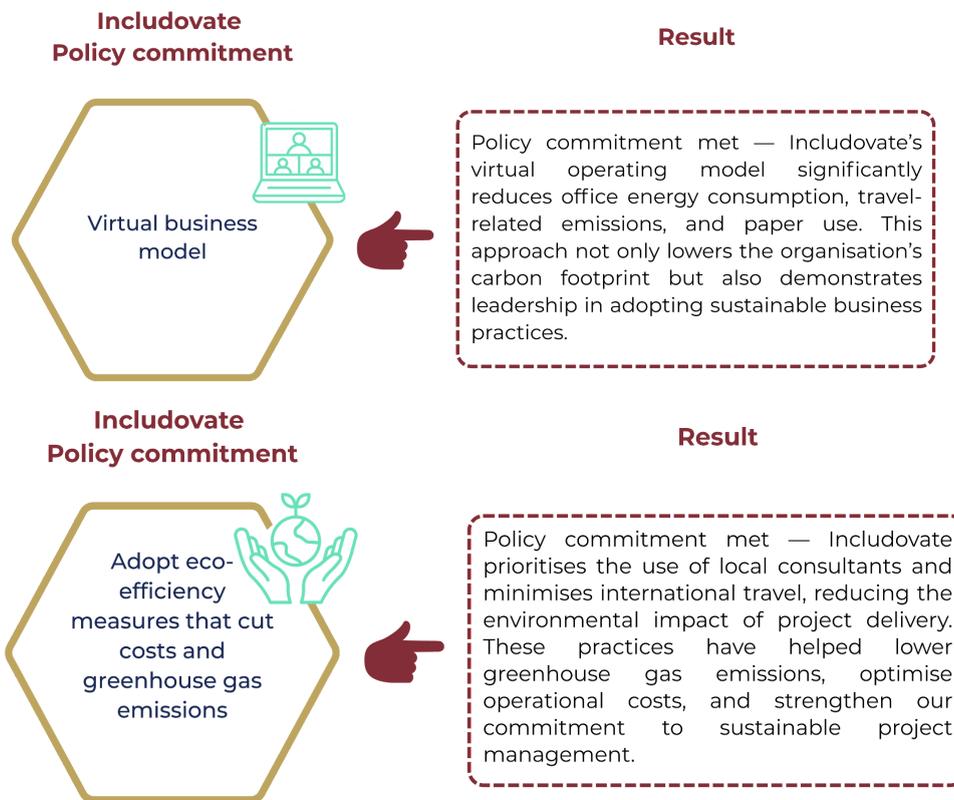


Specifically, we adhere to the following practices:

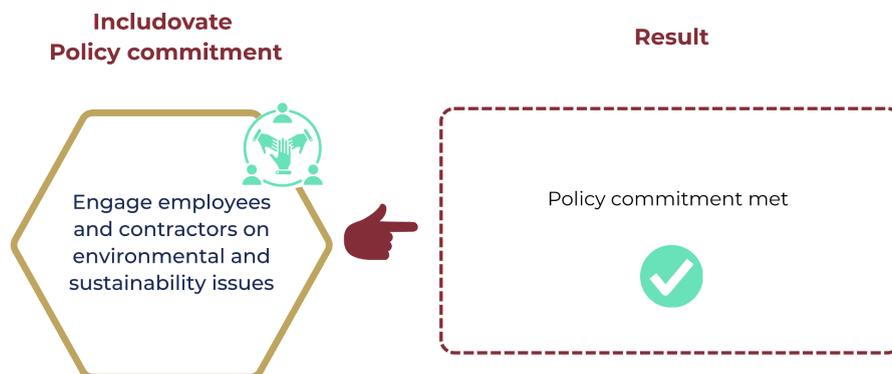
- a) **Use of recycled paper and avoid printing materials:** When there is a need to use printed materials (e.g. consent forms), subcontractors/enumerators are encouraged to use recycled papers and print materials only when necessary, e.g. only a specific amount as necessary for research participants and send consent forms via email whenever possible.
- b) **Preference of local suppliers:** Includovate sources of refreshments for Focus Group Discussions from local, small and medium enterprises whenever possible. This reduces transport-related emissions, supports local job creation, and contributes to inclusive economic growth in the communities where we operate.
- c) **Supplier Code of Conduct:** Includovate follows a [Supply chain policy](#) that intentionally seeks out and partners with suppliers that are owned by individuals from underrepresented or historically disadvantaged groups. This includes women-owned businesses, minority-owned businesses and suppliers that adhere to **fair labour practices, gender equality, diversity and environmental sustainability**. According to the Supplier Code of Conduct, suppliers should strive for responsible sourcing of materials and goods, minimising their environmental impact. They should adopt environmentally sustainable practices, promote energy efficiency, waste reduction and responsible resource management throughout their operation. Compliance with the Supplier Code of Conduct, which sets



these standards, is required as a condition of doing business with Includovate.



- Includovate prioritises engaging local consultants wherever possible to minimise the environmental impact of international travel. International trips are undertaken only when necessary and in alignment with client requirements. Between 2024 and mid-2025, Includovate implemented 24 projects, of which only four (Plan International, WorldFish, UNICEF EAPRO, and AWP) required limited international travel, representing just 16.7% of the total projects. This demonstrates our ongoing commitment to reducing carbon emissions while maintaining high-quality project delivery.



- Includovate actively involves its research teams in projects that advance environmental sustainability. Notable examples include the *Landesa Mid-Term Evaluation* and the *Australian Water Partnership's Scoping Study on Ecological and Community Impacts*. Through these initiatives in Tanzania, Guyana, and Nepal, teams have contributed to stronger community awareness, improved ecological practices, and deeper integration of sustainability principles into research and program design.

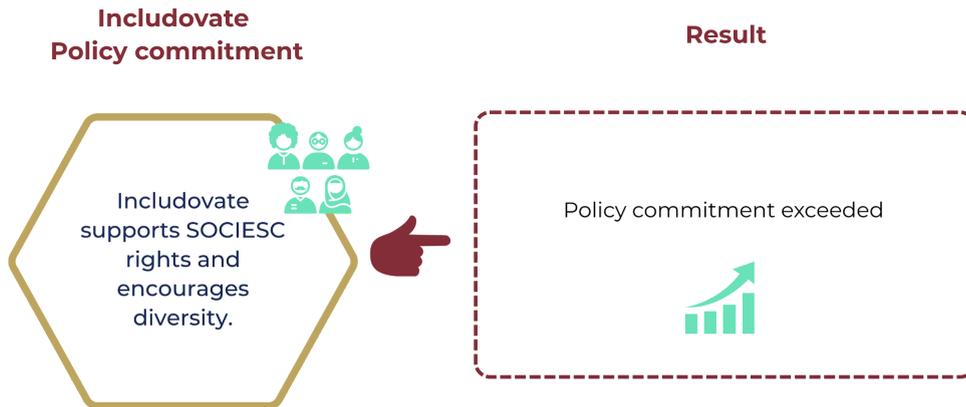
Gaps in Environmental Compliance:

Gaps identified	Solution proposed	
<p>Policy commitment: Promote the protection and enhancement of biodiversity and ecosystems through employee awareness programmes.</p>	<p>Introduce a short, engaging environmental awareness module for all staff and consultants. Encourage participation in free online training programmes (e.g., SafetyHub Environmental Awareness Training) to strengthen understanding of biodiversity and ecosystem protection.</p>	
<p>Policy commitment: Include environmental risks in our firm-wide risk identification and mitigation processes, and report on the principal risks related to the environment in our Annual Reports.</p>	<p>Target partially met: While project teams currently assess environmental and climate-related risks throughout the project cycle, this practice can be expanded by summarising key environmental risks and mitigations in the Annual Report.</p>	
<p>Lack of measurable KPIs on Environmental Compliance.</p>	<p>To strengthen monitoring, add environmental KPI columns on the PM Monday board with “Yes/No” indicators for each project. This will enable real-time tracking and accountability.</p>	
	<p>KPI: % of procurement spend on local suppliers</p>	<p>Target: 70% by 2027</p>
	<p>KPI: % of projects involving international travel</p>	<p>Target: Less than 20% by 2027</p>

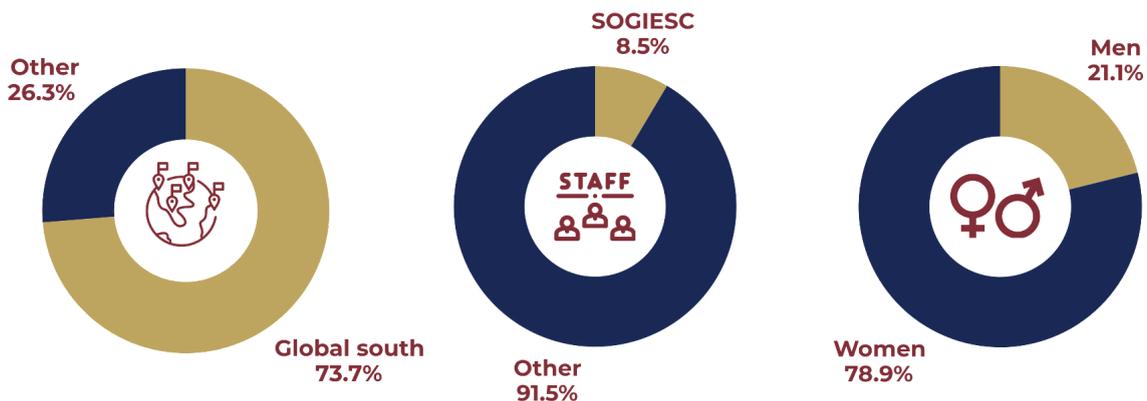


	KPI: Number of environmental learning sessions or awareness activities conducted per year	Target: 2 per year.
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B. Social compliance



- Explicit commitment to SOGIESC rights, gender equality, and Global South–North equity in many of Includovate's policies ensures strong alignment with UN SDGs 5 & 10. According to data gained from the HR department:



5.56% of staff identify as persons with disabilities.



**Includovate
Policy commitment**



Result



- Policy commitment met — All employees are paid above the local minimum wage. The living wage calculation is carefully researched, benchmarked, documented, and reviewed annually to reflect changing economic conditions. The policy is well-communicated across the organisation, and a transparent grievance mechanism is in place for wage-related concerns.

**Includovate
Policy commitment**



Result



- Protection against sexual misconduct and child abuse aligns with UNICEF child safeguarding principles. Includovate also established a Safeguarding committee, and a Safeguarding Advisor is assigned to projects involving vulnerable groups, such as children or persons with disabilities. The Child Safeguarding policy was updated last year to follow best practice standards. A plan is in place to implement child-friendly reporting mechanisms.



**Includovate
Policy commitment**



Result

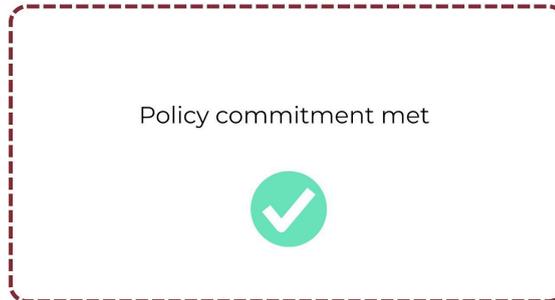


- Includovate follows rigorous *Partnership Vetting Guidelines* to ensure that collaborators align with our ethical, social, and governance standards. The vetting process reviews a partner’s business model, financial health, legal compliance, and reputation for responsible practices. This process helps to mitigate risks and ensure that the partnership aligns with the company's goals and values.

**Includovate
Policy commitment**



Result



- Includovate follows a [Grievance Policy](#) which allows grievances to be addressed by an independent Grievance Committee. The committee follows detailed Grievance Guidelines, which set up processes for handling grievances.

Gaps in Social Policy:

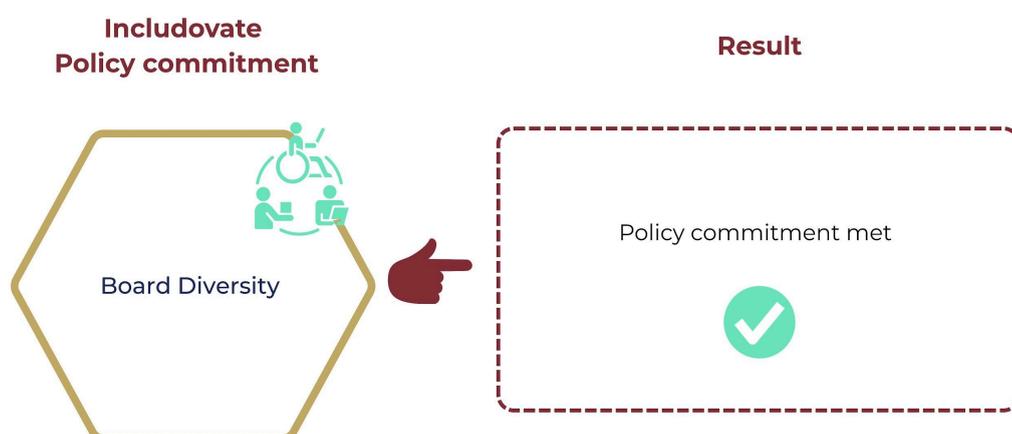
Gaps identified	Solution proposed
1. Need to strengthen well-being activities for staff.	In accordance with the <i>Self and Collective Care Policy</i> , establish a Mental Health & Well-being Working Group to coordinate



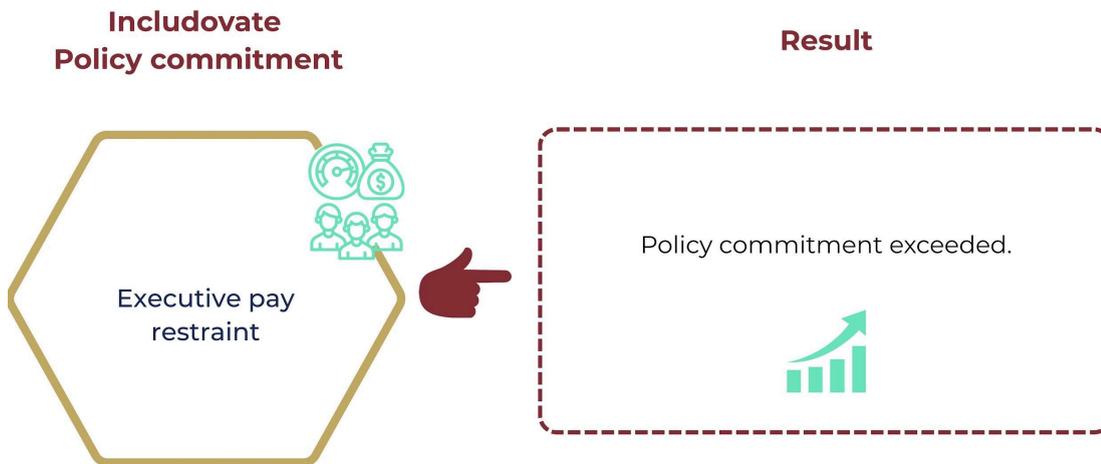
	regular well-being sessions, peer-support circles, and access to self-care resources.
2. Need for regular monitoring of compliance with Partnership Vetting Guidelines.	Assign the BD Coordinator to conduct an annual audit of partnership vetting practices and report findings during leadership reviews.
Need for measurable targets on Social Compliance (While data on indicators is available, there are no set targets.) *Recruitment and promotion decisions will always be based on merit, but we will take proactive steps to attract and support underrepresented groups.	KPI: % of staff identifying as SOGIESC Target: 10% by 2027
	KPI: Percentage of our staff identifying as persons with disabilities Target: 7% by 2027
	KPI: Percentage of men vs women in leadership positions Target: at least 50% of women in leadership positions
	KPI: % of staff from Global South countries Target: At least 75%
	KPI: % of projects where safeguarding training was conducted and a Safeguarding Advisor was assigned KPI: At least 50%

C. Governance Compliance

Good practices:



- **Includovate** reserves a place on the Board for a person with a disability.



- Includovate links pay moderation directly to its mission, exceeding most ESG governance benchmarks. In line with the ESG Policy, salaries at the top four levels (Bands 6–9) in OECD countries are set **30% below comparable market benchmarks**, reflecting a conscious choice to prioritise equity and reinvest resources into the organisation’s mission. Salaries for similar roles in non-OECD countries remain competitive and are not reduced. Includovate is a certified social enterprise. As part of this commitment, the organisation embeds its mission into the company constitution and reinvests a minimum of 50% of profits to advance that mission. In 2025, Includovate exceeded this benchmark by reinvesting **76.3% of profits** into programs and initiatives that drive social impact and organisational growth.

Gaps identified	Solution proposed	
<p>1. Need to strengthen consistency in publishing Annual Reports with financial statements.</p> <p>The last annual report was for FY 2021–2022, followed by an Impact Report in 2023.</p>	<p>Resume the annual publication of reports with audited financial statements and a summary of ESG achievements. Ensure reports are accessible on the Includovate website each fiscal year.</p>	
<p>2. ESG Policy does not currently reference the anti-corruption framework.</p>	<p>Update the ESG Policy to explicitly include references to Includovate’s Fraud, Corruption, Tax Evasion, and Anti-Bribery Policy.</p>	
<p>3. Need for measurable targets to monitor Governance</p>	<p>KPI: Annual publication of either Annual or</p>	<p>Target: 100% of reports published</p>

Compliance.	Impact Report	within 3 months of the financial year-end
	KPI: Percentage of governance policies publicly accessible on the website	Target: 100% by 2027
	KPI: % of Board members identifying themselves as a person with disability	Target: 20% by 2027
	KPI: % of Board members identifying themselves as a woman or other gender	Target: 50% by 2027
	KPI: % of Board members from Global South countries	Target: 40% by 2027
	KPI: % of staff and contractors completing annual anti-corruption and Code of Conduct training.	Target: 100% annually.
	KPI: Percentage of executives paid at least 30% less than the salary benchmark	Target: 100% by 2027

Part II. Alignment of Includovate's ESG Policy with global standards

When assessing the text of Includovate's ESG Policy in comparison to global standards. Includovate has made the following overall commitment to the UN [Sustainable Development Goals](#) (SDGs) 5 and 10: promoting gender equality and empowering all women and girls, reducing inequalities, and supporting persons with disabilities. Additionally, we have selected one global standard per section.

- **Environmental part:** [ISO 14001](#)

The main principles of the ISO standard require organisations to commit to:



Identifying and reducing the environmental impacts of our operations.



Standard met.



Managing resources efficiently (energy, water, materials).



Standard met.



Measuring and minimising carbon emissions and waste.



Standard met.



Continuously improving our environmental management practices.



Standard partially met, monitoring needed.

- **Social part:** For the Social part, we have chosen the ILO [Decent Work Standards](#). These include Upholding international labour standards, including:



No child labour.



Standard exceeded.



No forced or compulsory labour.



Standard met.



Non-discrimination in employment.



Standard exceeded.



Ensuring safe and healthy working conditions.



Standard met.



Respecting human rights in our operations and supply chain.



Standard partially met, monitoring needed.



Supporting employee development, diversity, and inclusion.



Standard exceeded.



Governance part: For this part, we have chosen the UN Global Compact.



Operating with integrity, transparency, and accountability.



Standard met.



Preventing bribery, corruption, and conflicts of interest.



Standard met.



Upholding ethical business conduct in all dealings.



Standard met.



Embedding ESG considerations in decision-making.



Board monitoring needed

Conclusion and Recommendations

This report outlines Includovate's progress in implementing its ESG Policy, highlighting both achievements and areas for growth. The organisation can be commended for establishing robust processes and aligning its goals with recognised global standards. Notable strengths include a strong commitment to diversity and inclusion, responsible executive pay moderation, a low-carbon virtual business model, and the integration of environmental considerations into procurement and supply chains.

Over the next 24 months, Includovate's focus should be on **tracking measurable KPIs across the Environmental, Social, and Governance pillars** and conducting formal **ESG review reports every two years** to assess progress. Strengthening oversight, data tracking, and reporting mechanisms will help ensure greater accountability and visibility.

By continuing to build on these foundations and deepening the integration of ESG principles into everyday decision-making, Includovate can further strengthen its credibility, influence, and long-term social impact.

Includovate's ESG journey reflects its belief that purpose and performance go hand in hand — creating value not only for the organisation, but for the people and planet we serve.

