



PEC Sustainability Report 2024

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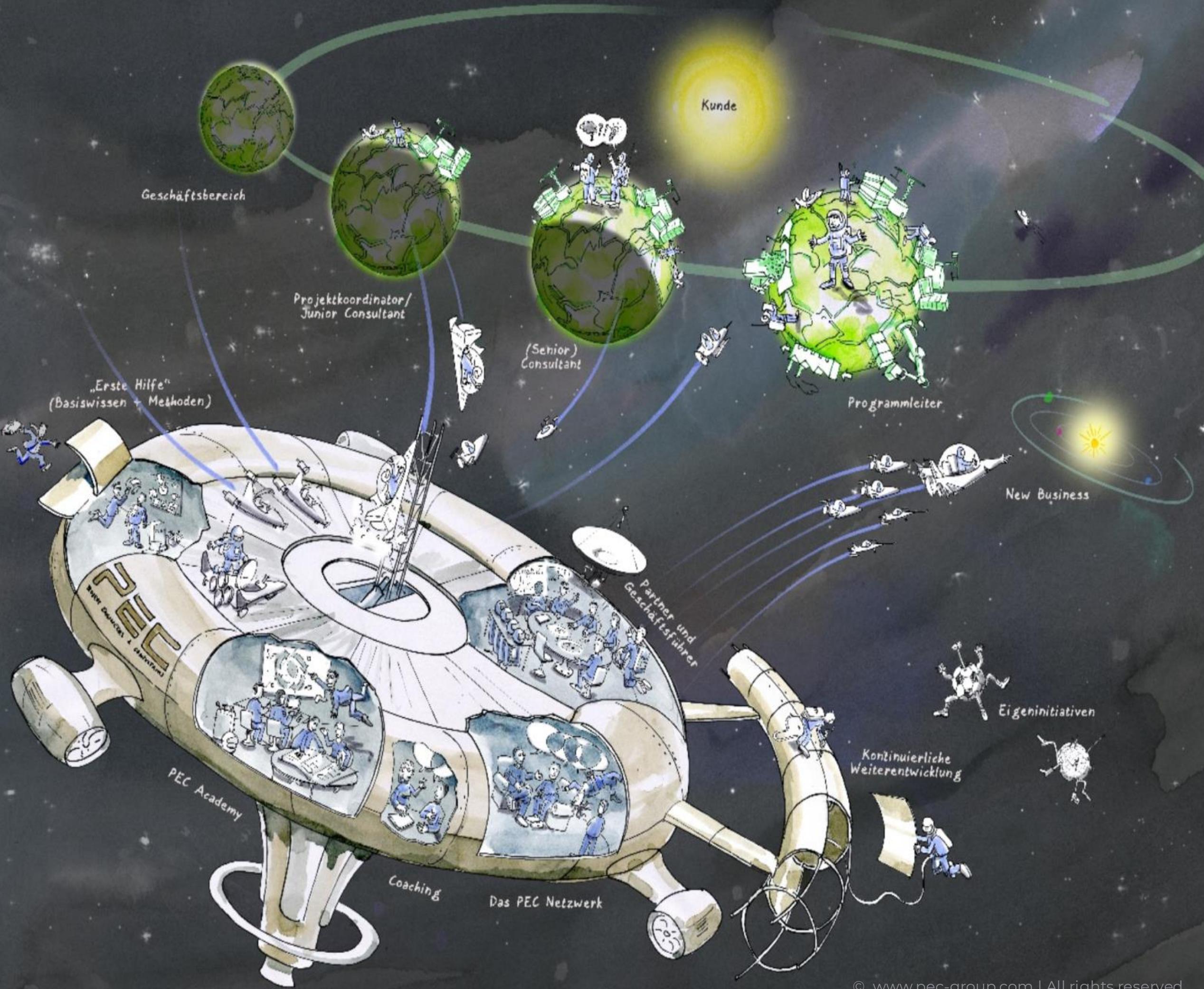


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Introduction

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About PEC



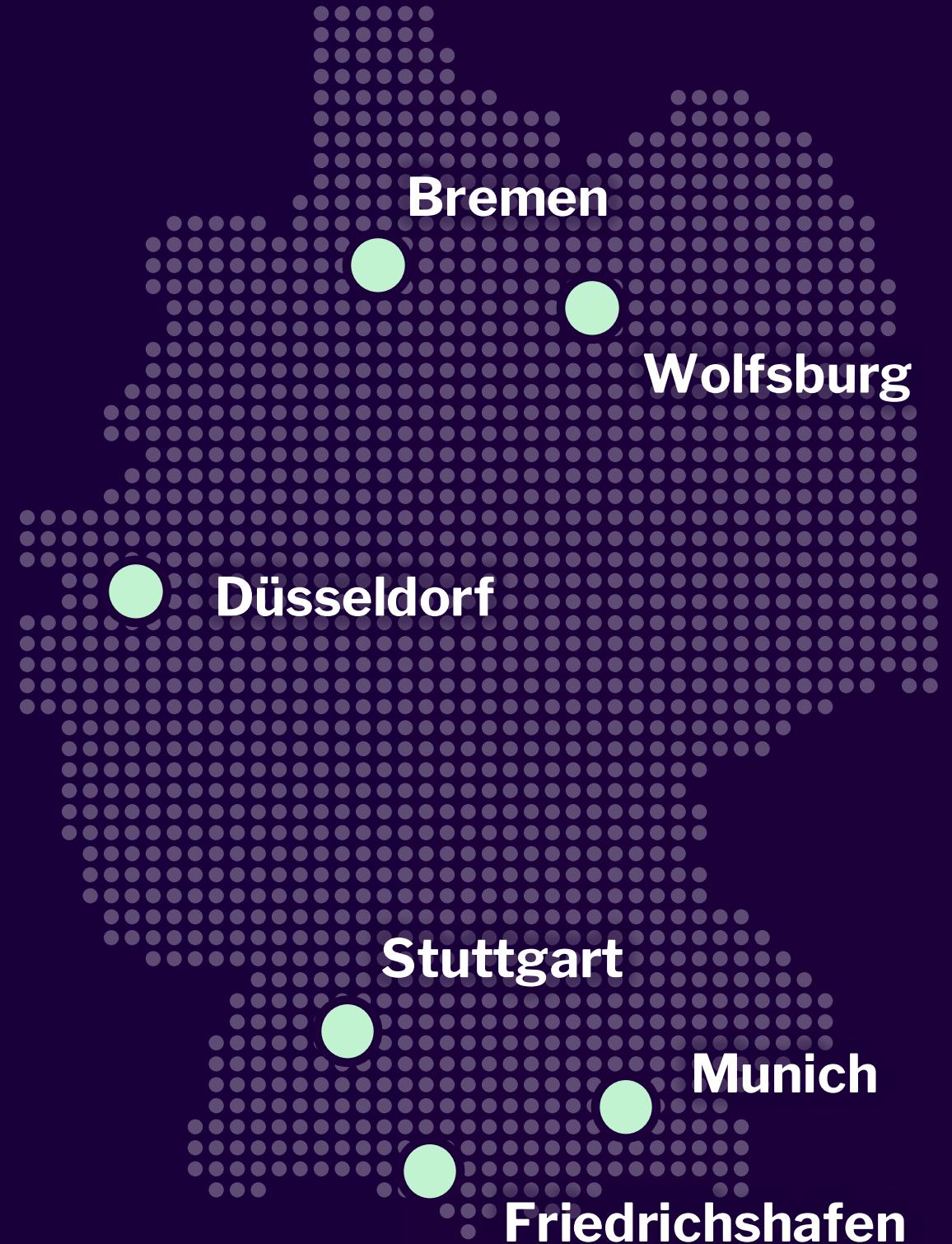
PROJECT ENGINEERS & CONSULTANTS Established in 2008, Stuttgart.

PEC Project – Engineers & Consultants GmbH, has been working with stronger values engraved deeply into roots that drive and deliver positive, supportive, and successful change to the clients. PEC emphasizes current climate change challenges and aspires to actively provide support and responsibly operate to bring a positive social impact.

ABOUT PEC

2024

Today, we advise our clients from a total of 7 locations - nationally and internationally.



Detroit (USA)

25+

customers across various sectors

€20+M

Revenue in the Fiscal Year 2024

Message from the BOM

Dear Readers & Stakeholders,

“Sustainability has become increasingly critical to our business processes and products in recent years. As a mid-sized company, we have a responsibility to the environment and to our fellow human beings. We must be aware that our actions impact the world around us. Sustainable development within, positive impact on the customer, and providing support are the ideas we want to integrate into the company's DNA! Our sustainability journey is a testament to our growing responsibility. We are actively making our business processes more sustainable and inspiring our customers to do the same. We are working towards achieving sustainable goals and improving our performance in our own operations.

To contribute to the world's transformation, we have initiated a sustainable consulting process for our valued customers, providing them with customized services to help them achieve their goals. In this report, we have shared our journey, business, and ambitions.

Sustainability is not a destination but a journey where we at PEC work together and support every aspect of our business to achieve our goals. Our transformational goals in environmental and social impact have been transparently communicated in this report.

Under the astute leadership of our management, a dedicated team of sustainability experts diligently manages our internal and external communication and processes. This structured and focused approach ensures that our sustainability journey is future-proof and achievable and that we continue to make progress towards overall sustainable development. On the business side, we are increasing our efforts in sustainability consulting to empower companies on their path to a sustainable future. We thrive on equal contributions, conscious actions, and sustainable decisions.”

- Board of Management, PEC Group



Scope of the report

This sustainability report presents a focused overview of the company's ambitions to integrate sustainability into every level of its operations. It outlines clear goals and measurable targets that reflect our commitment to reducing environmental impact while maintaining strong business performance. The report details key activities across our manufacturing and operational processes, with an emphasis on responsible consumption of resources and waste reduction. Social responsibility is a core pillar of our strategy, and we highlight ongoing initiatives that support employee welfare, community engagement, and ethical practices. Driven by a growth mindset, the company continuously evaluates and improves its sustainability efforts to ensure long-term, responsible growth that benefits both society and the environment.

- Sustainability Management team, PEC Group



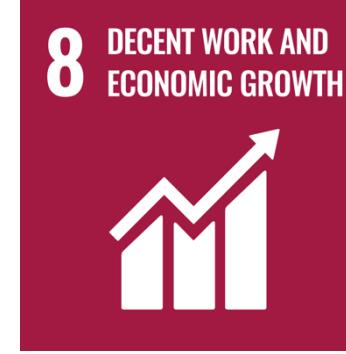
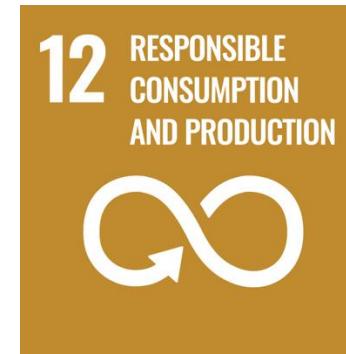


Sustainability at PEC

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PEC highlights the pivotal role of the UN SDGs in guiding global efforts towards a more sustainable future. PEC is committed to prioritizing these goals, recognizing their significance in addressing pressing global challenges through a strategic approach to sustainability. PEC has identified UN SDGs that align with its business operations and values by integrating these goals into its corporate strategy.

PEC aims to contribute meaningfully to its achievement while driving positive impacts for society and the environment through concrete actions and initiatives, such as reducing carbon emissions, promoting gender equality, responsible consumption and production, and fostering innovation for sustainable development. PEC is dedicated to advancing the UN SDGs and creating a more inclusive, equitable, and resilient world for all.



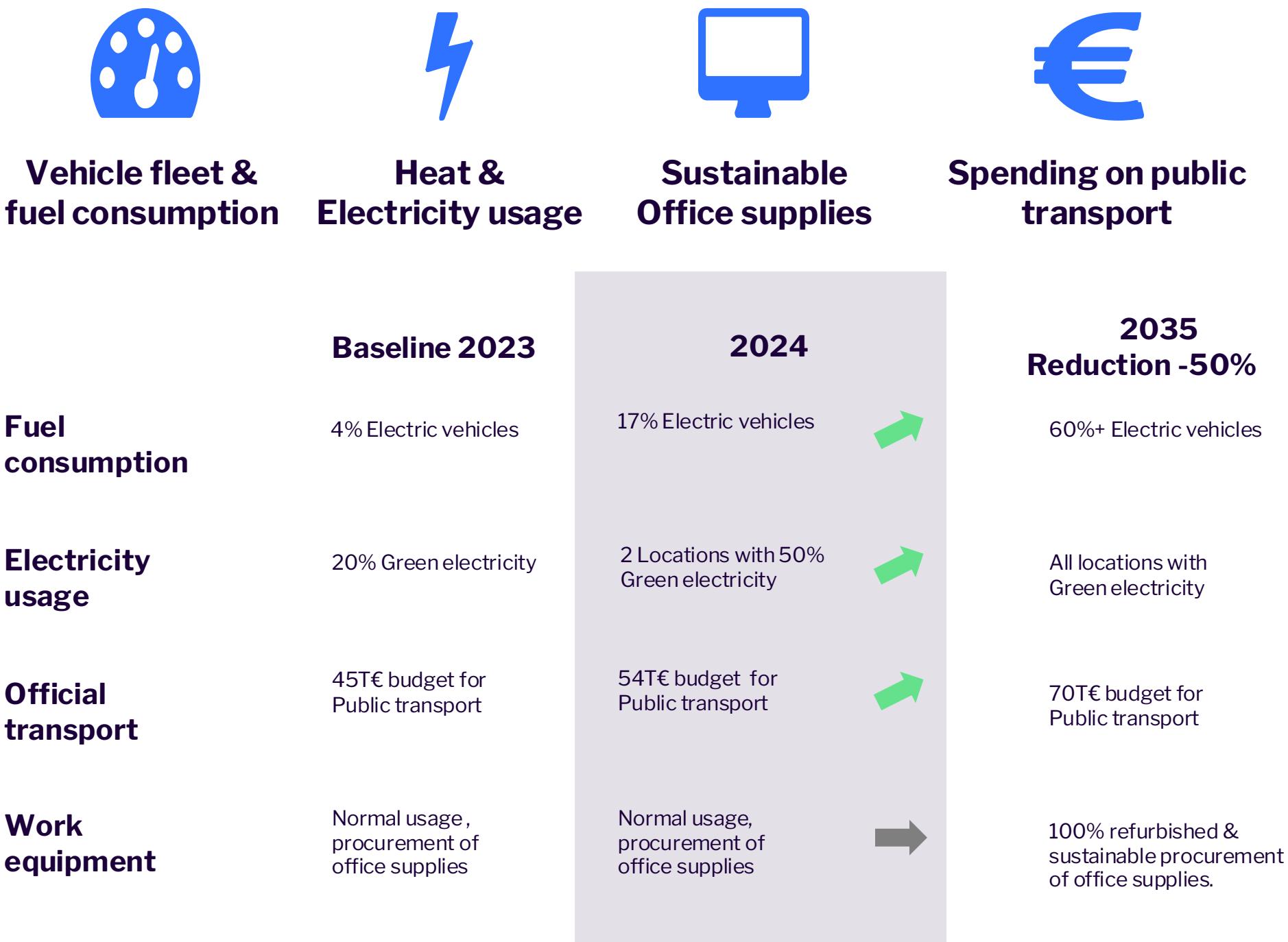
Setting sustainability goals is paramount for companies in today's world, where the environmental and social responsibilities are becoming increasingly crucial. To drive stewardship and take responsibility, PEC is committed to acting responsibly toward sustainability and has developed goals and targets for a successful sustainable transformation.

PEC advances the sustainability journey through two approaches: inspiring clients and customers to act and developing targets to make a positive impact. Transitioning to a low-carbon economy is crucial, and PEC is committed to providing solutions to clients and engaging with people to facilitate the transition.



PEC has been ISO-14001 certified since 2021. This certification confirms PEC's ability to apply the EMS (Environmental Management System) to reduce negative environmental effects. PEC continues to engage & improve its sustainability journey by reviewing its sustainability operations with Eco Vadis, which evaluates environmental, economic, and social policies and has been certified with **64%** score (55% in 2023) earning a Bronze Medal.

PEC has identified 4 important dimensions or material topics which are important and help reach long term sustainability goals.



Since 2021, PEC has successfully achieved ISO 9001 (Quality Management) and ISO 14001 (Environmental Management) certifications across all its locations, demonstrating a strong commitment to operational excellence and environmental responsibility. Building on this foundation, PEC became eligible for Eco Vadis certification in 2023 and has since been evaluated and awarded with a sustainability score, along with clear guidance on areas for improvement.

These recognitions reflect PEC's continuous efforts to integrate sustainability into its core operations. Looking ahead to 2025, PEC plans to pursue additional relevant certifications to further strengthen its sustainability framework. By aligning with globally recognized standards, PEC aims to embed sustainable practices across all business areas and promote responsible growth in collaboration with partners, clients, and stakeholders.

PEC's Environment policy :

We evaluate all activities and decisions that affect the company and its employees about their environmental impact. This gives us a transparent view of our actions and allows us to optimize them or compensate for any potential negative effects.

We aim to communicate PEC's ecological footprint transparently. In addition, we want to contribute to the Paris Climate Agreement by aligning our actions as closely as possible with the United Nations Sustainable Development Goals.

#PECgoesGreenerandGreener



Environment

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Impacts & Responsibility

Creating a sustainable future is one of the most urgent challenges of our time. Addressing climate change and reducing its impact on the planet is no longer optional—it is a necessity. At PEC, we recognize the critical importance of setting clear, actionable sustainability targets. Our goal is to build resilience while fostering a culture of sustainability leadership. Environmental degradation poses serious risks to ecosystems, human health, and the well-being of future generations. Through the adoption of sustainable practices and the reduction of pollution, we are committed to protecting natural resources and contributing to a cleaner, healthier planet.

Responsible consumption of electricity, energy, and materials plays a crucial role in ensuring sustainable and efficient daily operations across all sectors. Energy is a fundamental resource that powers everything from machinery and lighting to IT systems and climate control, making its efficient use essential for maintaining productivity and operational continuity. By optimizing energy usage and adopting responsible waste management practices, organizations can significantly reduce operational costs, lower carbon emissions, minimize landfill dependency, and decrease reliance on non-renewable resources. This dual approach not only contributes to environmental protection but also strengthens compliance with evolving energy and waste regulations, aligning with broader sustainability standards.

In addition, integrating energy-efficient technologies—such as LED lighting, smart sensors, and energy management systems—together with waste reduction strategies like segregation, recycling, and reuse, can enhance operational performance while conserving resources. Promoting a culture of awareness among employees fosters collective responsibility and encourages behavioural changes that drive meaningful impact across both energy use and waste handling.

At PEC, we take environmental responsibility seriously—not only to meet regulatory requirements and consumer expectations but to ensure the long-term viability of our business. Sustainability is not just a corporate objective; it is a moral obligation and a driving force behind a more resilient global economy.

Responsible waste management practices are implemented consistently across all locations to ensure environmental compliance and resource efficiency. Each site follows clear guidelines for waste segregation, recycling, safe disposal, and reduction of landfill dependency, with a focus on minimizing environmental impact. In addition, a dedicated system is in place to collect, monitor, and consolidate waste-related data from all operations.

This structured approach not only enables accurate reporting and transparency in sustainability performance but also supports continuous improvement by identifying opportunities for further waste reduction and circular economy initiatives.



PEC's RESPONSIBLE CONSUMPTION

In 2024, PEC took a significant step toward sustainability by transitioning 50% of its electricity consumption to green energy across two of its key locations. This shift reflects PEC's strong commitment to responsible energy consumption and reducing its environmental footprint. By embracing renewable energy sources such as solar and wind power, PEC not only cuts down on greenhouse gas emissions but also supports the global transition to a low-carbon economy. This move enhances energy efficiency, aligns with international sustainability goals, and sets a positive example within the industry. Looking ahead, PEC is determined to expand this initiative by adopting 100% green electricity across all operations in the coming years. This long-term vision underlines the company's dedication to environmental stewardship, operational excellence, and building a resilient future powered by clean and sustainable energy.

Electricity consumption 2024

Location	Amount (kWh)
Stuttgart	4.186
Wolfsburg	11.171
Bremen	1.276
Friedrichshafen	3.548



50% electricity in 2 locations sourced from Green energy



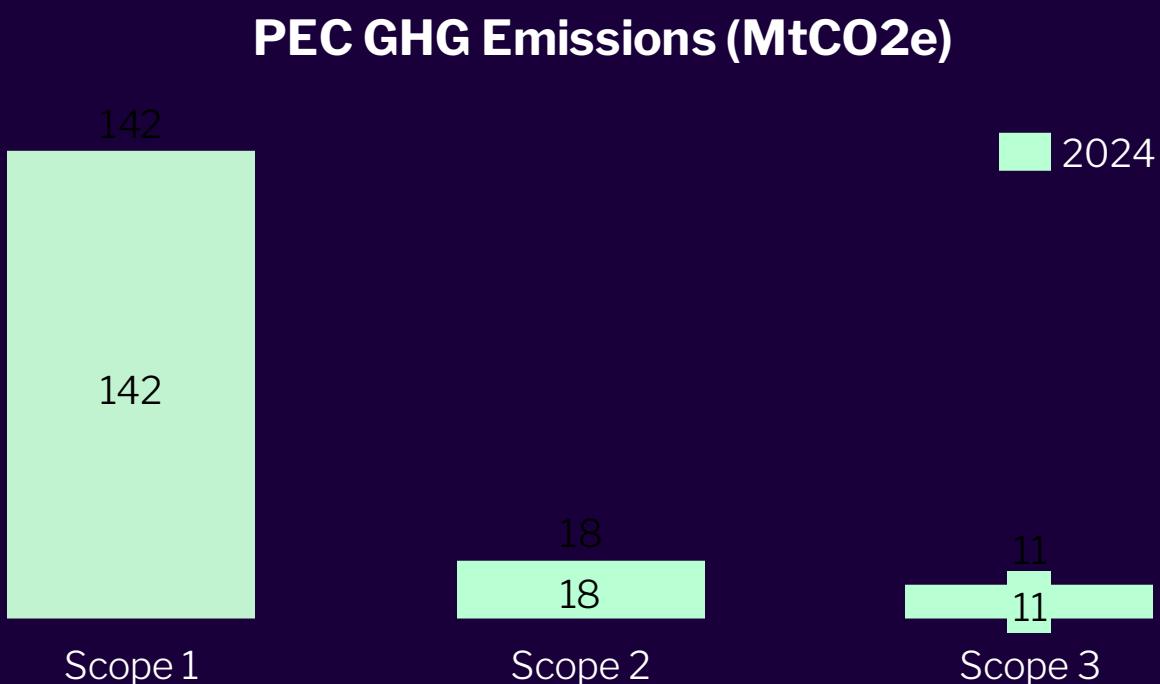
80% Green energy by 2035 at all locations



PEC's BREAKDOWN OF GHG EMISSIONS CONSUMPTION

Being in the service sector, PEC must constantly update its working model according to customer and project needs. Also, as a service provider, our work and travel behaviour have the highest impact on our emissions—especially Scope 1. PEC encourages its employees to travel with as environmentally friendly options as possible. Understanding this, PEC has begun evaluating its travel practices to identify areas where emissions can be reduced without compromising service quality.

This includes optimizing travel routes, promoting the use of fuel-efficient or low-emission vehicles, and encouraging alternative modes of communication such as virtual meetings when feasible. While we cannot eliminate travel entirely, we are committed to making it more responsible and efficient. By taking these practical steps and being transparent about our current impact, PEC is working toward more sustainable operations and contributing to broader climate action in a way that reflects the realities of our business.



PEC has established a Sustainability Management Team to lead and coordinate sustainability initiatives across the organization. The team sets clear goals and targets, helping PEC drive internal improvements while also promoting sustainable practices to clients and partners.



By 2035 Reduction of company emissions up to 50%

Targets



Social

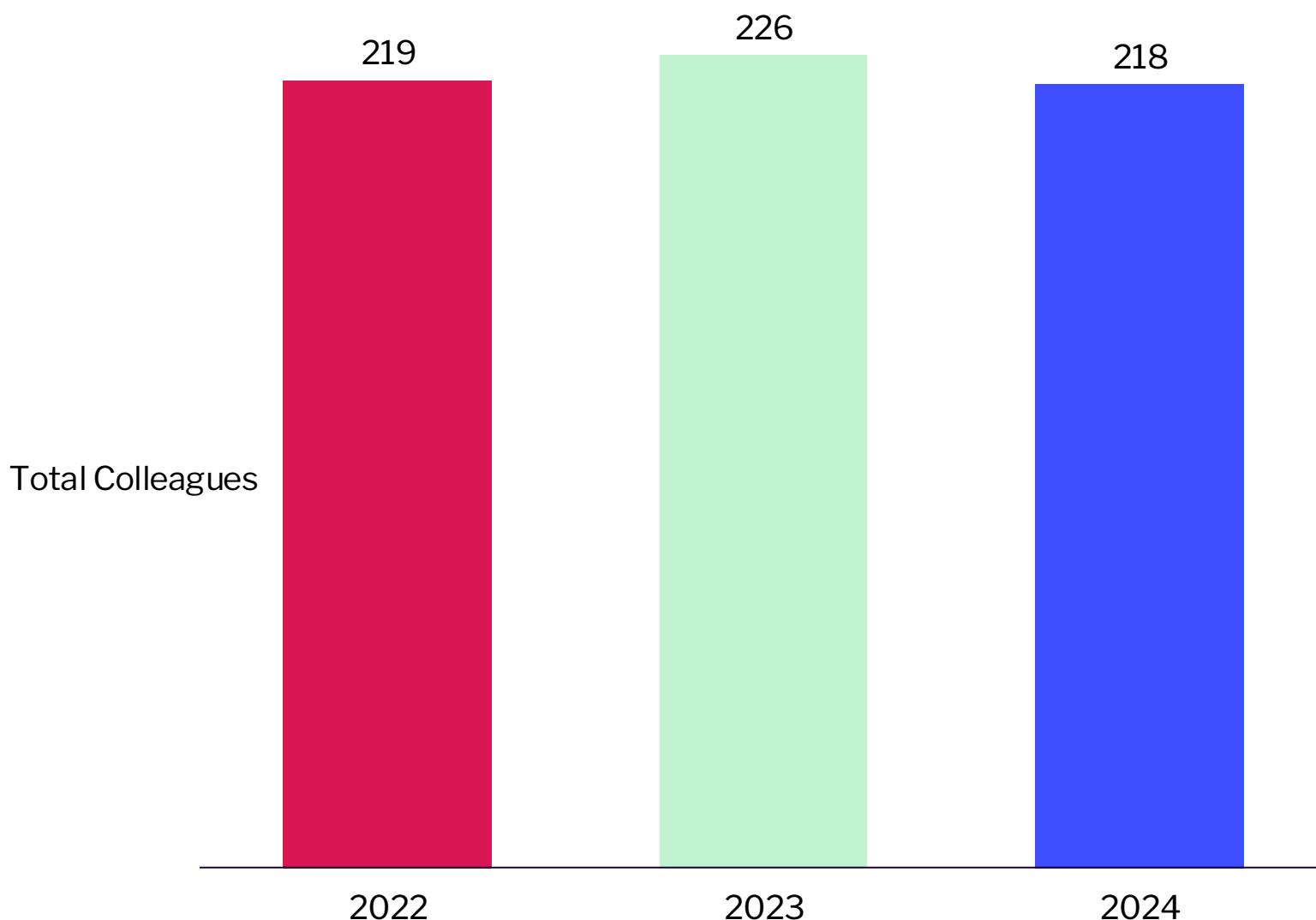
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Our People

Employee satisfaction is critical to a company's development and long-term success. It fosters innovation, collaboration, and loyalty. Investing in employee development increases their skills and productivity and ensures a pipeline of capable individuals for future leadership roles. Ultimately, prioritizing employee development ensures the organization's long-term success and resilience. At PEC, we provide opportunities and growth for every employee and inspire them to grow personally and professionally.

In 2024, PEC was certified as a “Great Place to Work.” (“Great Place to Work is an employee engagement survey that helps companies improve their culture and promote a healthy working environment.) PEC is committed to providing development opportunities for every role and allowing peers to focus on improving and enhancing their skill proficiency and meeting performance expectations.

PEC is built on a foundation of collaboration, respect, and shared purpose, creating a workplace culture that is both supportive and inspiring. PEC fosters a glorious work environment by actively investing in the growth and development of every individual. Through continuous learning opportunities, clear career pathways, and a culture that values innovation, we empower our employees to thrive both personally and professionally.



Health & Safety at PEC

For any company, the health and well-being of its employees and staff is always considered the most important aspect. PEC follows the laws of the Federal Republic of Germany regarding occupational health and safety (OHS). As the effects of mental and emotional stress have become more prominent elements of every organization's workplace, PEC demonstrates care for the employees and promotes a culture of supportive, diverse, and empowering meritocracy.

PEC has appointed a responsible point of contact at each site to ensure safety at work and equipment accessibility in times of need. PEC aims to build resilience and well-being within the company by providing training on safety and security while working and providing support with additional societal benefits for the employees. In terms of employee health and well-being, PEC supports employees with a service called "Feel Free," a health insurance card provided by Hallesche. guidelines.



The insurance provides a wide range of additional well-being services for the employee in times of need. To meet all workplace safety requirements, PEC commissions the services of an external occupational safety expert. During regular inspections, all critical issues are reviewed and optimized in accordance with applicable ergonomic

Every employee receives an annual safety briefing. In addition, all PEC offices offer healthy and balanced catering and the opportunity to participate in numerous sports activities (e.g., via Commotion, etc.). Every employee has the possibility to lease a company bicycle under favourable conditions since the introduction of the Feel Free health budget. The Feel Free health budget is a supplementary health insurance financed by the employer. Mental stress in the workplace is also carefully addressed at PEC. Regularly reviewing sick leave for length and frequency to take efficient measures to reduce sick leave and promote employee motivation to prevent psychological stress.



PEC Benefits for Employees

LEARNING & DEVELOPMENT

Learning & Development is an essential and core part of the business for its success and virtue. Accelerating agility and innovation, strengthening capabilities to address critical business and social challenges facing clients and society, and delivering high-quality results are the sole purposes of L&D.

VISION



PEC offers its employees a comprehensive, future-oriented further training program to design and promote everyone's development path.

MISSION



The PEC Academy is focused on bringing all PEC employees to their highest performance level.

PEC aims to build the competence of its employees and offers them training courses. This training model helps expand and develop consultants' skills, focusing on continuous and inclusive learning. This learning begins with onboarding and continues throughout each employee's career, whether they take a specialized path or move on to a senior leadership position.

PEC ACADEMY

■ 220+
hours trained.

■ 39+
different courses

■ 7
different field of work

The PEC Academy provides interactive learning for all PEC employees. Courses are designed to enhance their skills and expand their knowledge from management and technical skills to soft skills. In addition, training on ESG topics was introduced to employees in 2024.

The PEC Academy offers various internal and external training to each employee. Internal trainings are conducted by PEC's subject matter experts, and external trainings are sourced from renowned providers.

For PEC, the growth of its employees is a fundamental value and paramount objective. PEC aims to incorporate more interactive areas and training courses for a diverse and inclusive workforce.

Social Impact

The social impact of a company reflects the contribution it makes toward the well-being and development of the communities in which it operates. This includes initiatives that support education, healthcare, skill development, and community welfare programs, as well as efforts to promote inclusivity and equal opportunities.

By engaging in activities that address local needs and improve quality of life, companies strengthen their relationship with society and create lasting value beyond their core business operations. A strong focus on social impact demonstrates a company's commitment to being a responsible corporate citizen and contributing positively to the broader social fabric. PEC recognised the importance of a social contribution and has dedicated responsibilities towards building a good society.



PEC Charity also acts with this self-image and always strives to live up to this responsibility in its activities. Charitable activities are an integral part of PEC's corporate culture. Various new projects have been developed and the PEC Charity has also positioned itself. The PEC Charity bundles PEC's ongoing charitable projects to consciously focus more on social responsibility and PEC's internal topics of sustainability and nature conservation.

The cross-site initiative aims to make a positive contribution to society through self-initiated campaigns and by supporting public charity projects. Together, PEC acts on the ground and enables participation in various areas. For example, participation in charity runs, support for social projects or the company-wide appeal for blood donations. In addition to providing financial support to charities such as animal shelters, hospitals and food banks, PEC has also entered a new partnership. The PEC Charity relies on the personal involvement of colleagues at all locations.

Through corporate social responsibility, PEC strives to make a positive impact on society. Whether through charitable donations, environmental conservation efforts or community development projects, these actions demonstrate a commitment to giving back. By addressing social issues, PEC helps improve lives, strengthen communities and build customer trust, ultimately creating a more sustainable and inclusive future for all.

Like previous year, PEC continues to actively support and endure a partnership with STELP to create a positive social impact and plans on continuous development. PEC has actively supported and participated in campaigns for societal benefits and development. In 2024, PEC partnered with various organisations and shelters and provided maximum support and collaboration.





Governance

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OUR LEADERSHIP

Responsible leadership is the practice of guiding an organization with integrity, accountability, and a strong commitment to ethical values. It involves making decisions that balance business goals with the long-term interests of employees, stakeholders, communities, and the environment. A responsible leader demonstrates transparency, fairness, and respect while fostering a culture of trust and inclusivity within the organization. By considering the broader social and environmental impact of their actions, responsible leaders not only drive sustainable business success but also contribute to the well-being of society.

PEC is committed to continuous improvement in transparency and accountability. It operates under common mission, purpose, and values. An open and binding culture is essential and always practiced at PEC. Within the PEC Group, cross-company and company-specific shareholder meetings are held regularly to discuss important matters and internal dialogue. In addition, annual meetings are held between management and advisors. These meetings focus on projects like employee growth and opportunity and the personal development. Management also conducts legal and regulatory compliance requirements and work environment infrastructure.

PEC also acknowledges the UN Sustainable Development Goals (SDGs) and supports the Paris Climate Agreement by aligning actions and transparently communicating their environmental footprint. Management's environmental policy ensures compliance with applicable laws and regulations. The ISO 14001 Environment Management Systems certification mentioned in the Environmental section above helps ensure that PEC adheres to fair practices and a safe working environment at all locations.

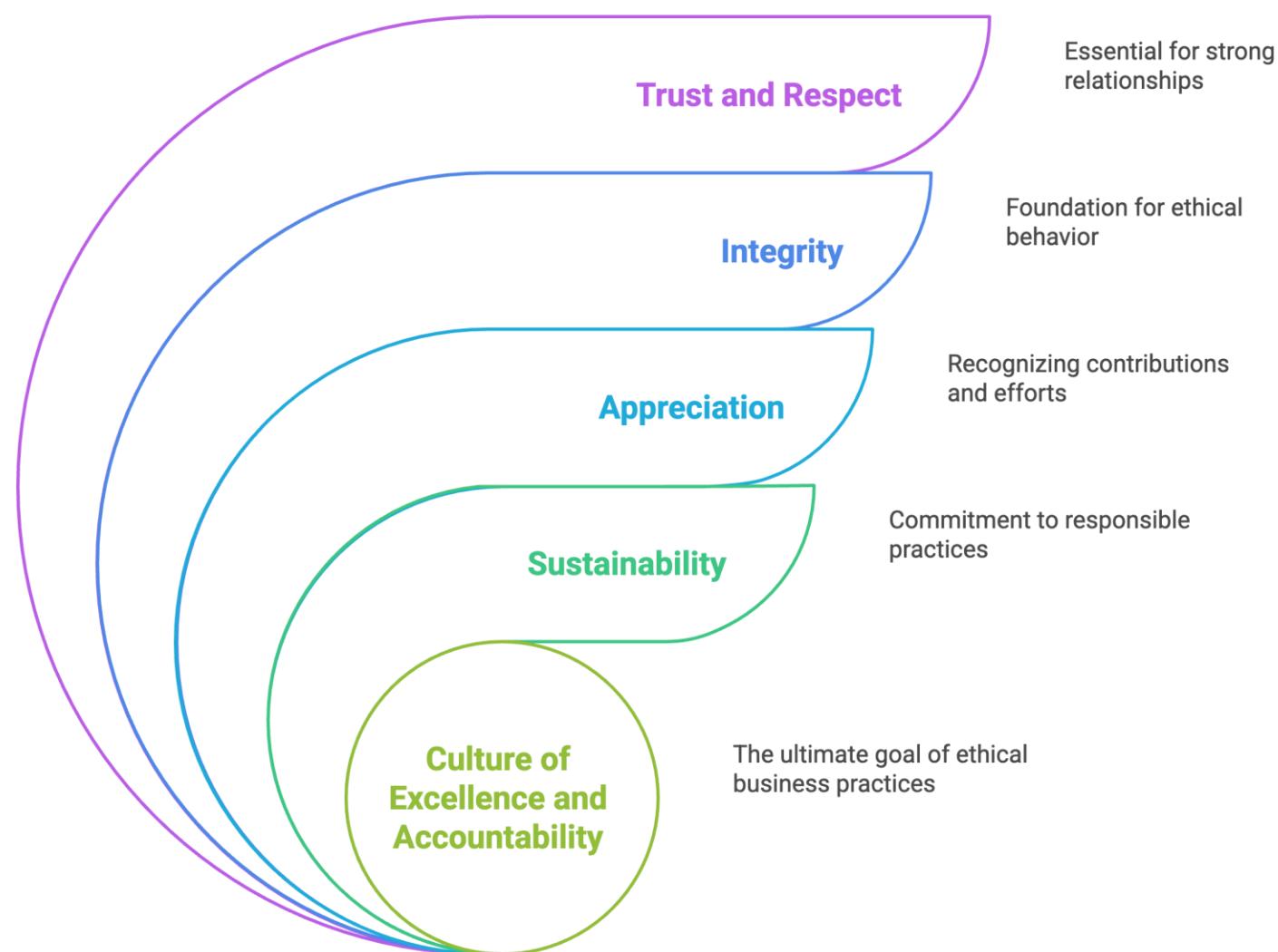


PEC has established a Sustainability Management Team to lead and coordinate sustainability initiatives across the organization. The team sets clear goals and targets, helping PEC drive internal improvements while also promoting sustainable practices to clients and partners. The Board of Management (BOM) at PEC consists of 13 shareholders, including two Chief Executive Officers (CEO) and 11 other partners.

Business Conduct & Ethics

Business ethics are paramount to fostering trust, integrity, and sustainability in the corporate world. Compliance with ethical principles ensures fair treatment of stakeholders, including employees, customers, and the community. Adherence to ethical standards enhances reputation, mitigates risks, and fosters long-term success.

Core Values in Business Conduct & Ethics



At PEC, principles like TRUST, RESPECT, INTEGRITY, and APPRECIATION are developed to facilitate cooperation. The guiding principles describe what action PEC expects from all employees at PEC when dealing with society, third parties, and within the company. Throughout the years, PEC has proudly adhered to its values and ethics while conducting business within and with its clients. Integrity and trust are always at the forefront of the core values, and PEC strives to create a positive environment for customers and society while maintaining integrity and trust.

The PEC Compliance management team is responsible for developing programs and ensuring that all PEC employees are committed to and participate in programs and activities related to ethics and business conduct.

PEC has an active whistleblowing system in place, ensuring that employees and stakeholders can report concerns safely and confidentially.

Protections are established to uphold integrity and respect, encouraging transparency and accountability throughout the organization. This system reinforces the company's commitment to ethical practices and creates a culture where honesty and responsible behaviour are recognized and valued.



Anti Corruption Commitment

Commitment to anti-corruption is essential for companies to uphold integrity and trust. It ensures fair competition, safeguards reputation, and enhances investor confidence. By adhering to strict anti-corruption standards, companies demonstrate ethical leadership and contribute to a level playing field in the marketplace. A strong commitment to anti-corruption promotes sustainable business practices and strengthens stakeholder partnerships.

The PEC's anti-corruption policy includes compliance with all the codes of ethics and the laws of the countries where the business is conducted. PEC takes a firm stand against bribery, carefully addresses facilitated payments and political contributions and even considers a gift policy. The PEC Compliance Officer and the BOM ensure policies are adopted and carefully followed. The PEC compliance officer ensures that all employees working strictly follow the policies and guidelines when interacting with clients and relative stakeholders. Policies include permissible gifts, exchange of valuable items, and political contributions that must be made within the procedures and policies established by PEC.

PEC is committed to ensuring compliance with the PEC Code of Ethics. This effectiveness depends on consistent enforcement. Reported cases involving employees suspected of violating the anti-corruption compliance program will be promptly investigated. Any conduct that violates PEC's compliance policies must be corrected immediately and is subject to disciplinary action, up to and including termination of employment.



PEC will also cooperate fully with law enforcement authorities in the countries in which it operates to assist in the civil or criminal prosecution of violations of applicable laws. PEC maintains a zero-tolerance approach to corrupt behaviour and has established clear policies and reporting mechanisms to prevent, detect, and address any violations. By fostering a culture of accountability and fairness, the company ensures that its operations are carried out responsibly and in the best interest of society and its stakeholders.

Human Rights Policy

PEC respects and practices the importance of Human Rights, including the right to freedom of association, compliance with Land, Forest, and Water rights, and rejection of forced evictions. PEC is committed to respecting and following human rights. The BOM and PEC's Compliance Officer ensure that no child labour is conducted within PEC and at the customer site where the employment of young workers is practiced and promoted.

PEC also has a strict policy regarding forced labour. PEC addresses the issue with careful due diligence and practices a zero-tolerance policy. Fair compensation and appropriate, favourable working conditions have always been a high priority at PEC. In addition to compensation, social benefits are provided to each employee working for and at PEC.

At PEC, all kinds of Human rights violations, like harassment and discrimination based on gender, sexual orientation, origin, indigenous peoples, and other related parties, are strictly rejected, and policies to punish the conduct against such behaviours are made.

PEC GmbH is committed to complying with all relevant laws and regulations regarding compensation and labour rights. Its use of temporary, agency, and outsourced workers must also abide by these laws and regulations.



Supplier Code of Conduct

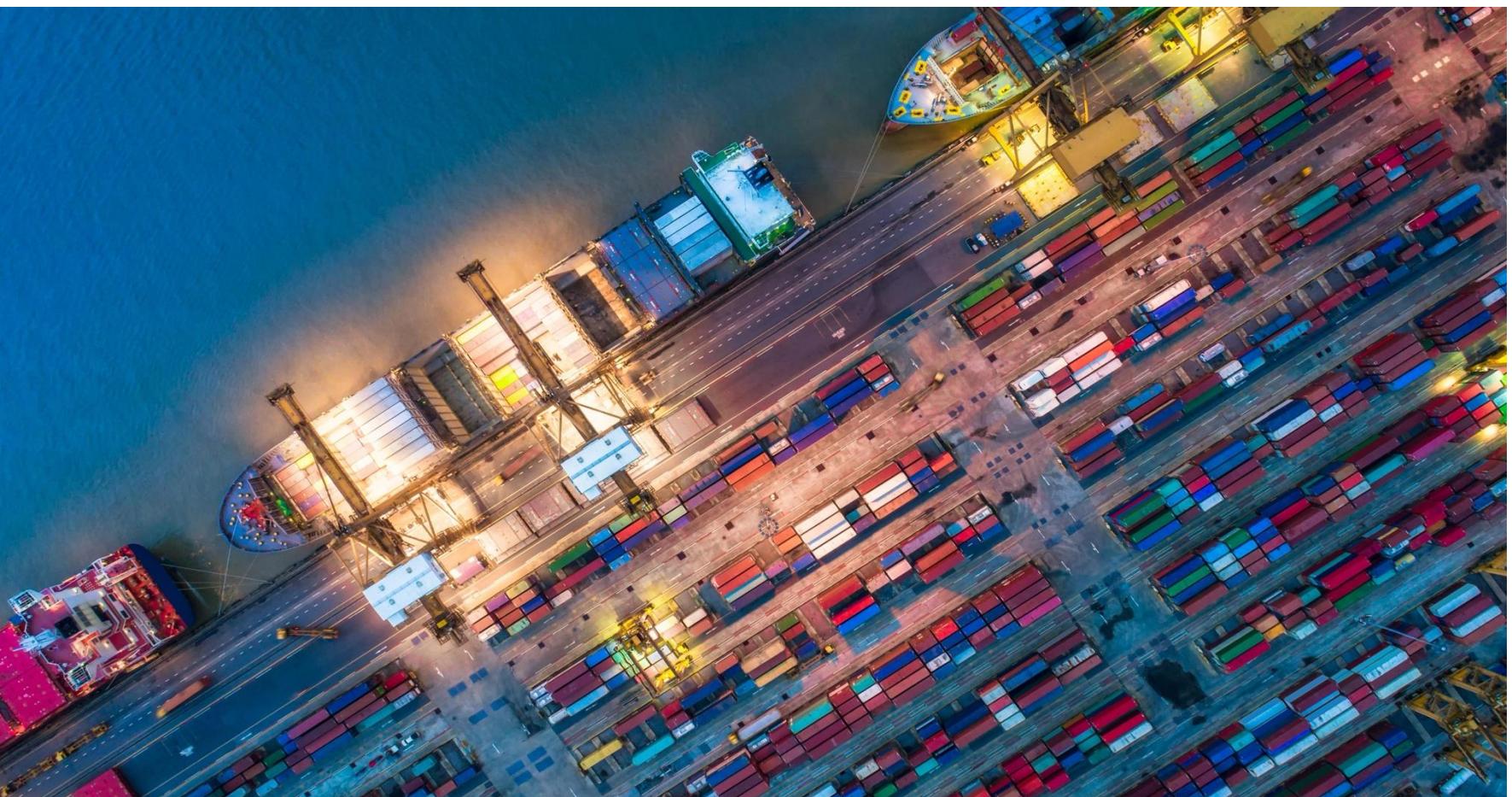
PEC maintains the highest ethical standards and follows relevant laws, rules, and regulations when dealing with and conducting business with suppliers. A supplier code of conduct outlines the ethical, social, and environmental standards companies expect their suppliers to meet. It typically includes provisions related to labour practices, human rights, environmental stewardship, business integrity, and other areas of corporate responsibility.

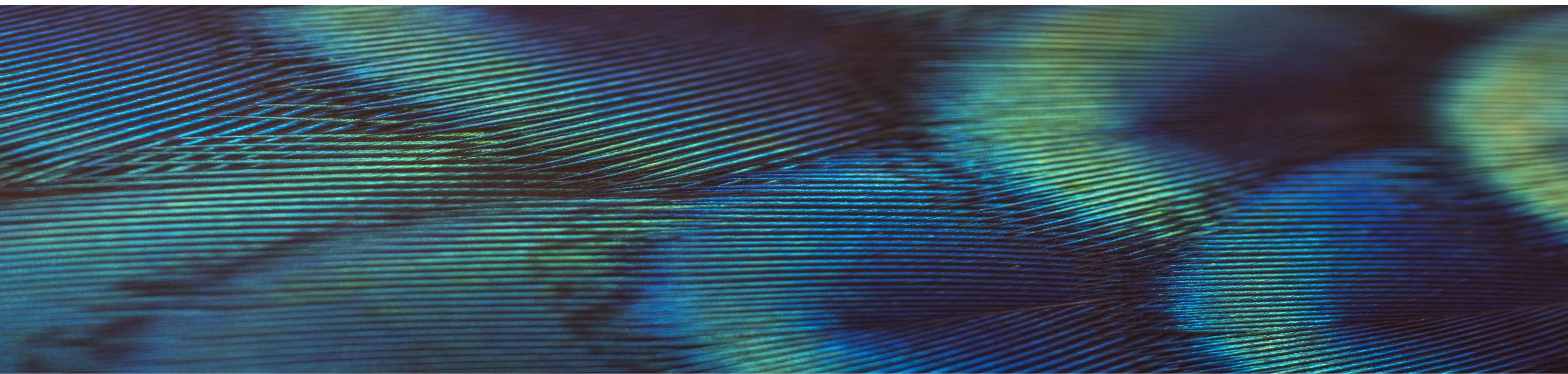
Current laws like Lieferkettengesetz (LkSG) have had an immediate impact since its inception. Companies must take the initiative to understand their supply chain and the businesses they conduct. PEC also takes responsible action when doing business with suppliers.

The PEC Supplier Code of Conduct ensures that suppliers follow and report on the ethical, social, and environmental standards and demonstrates transparency in their operations. Addressing critical topics like child labour and forced labour is essential. How suppliers conduct their operations from an ecological standpoint is also critical to PEC.

PEC has planned regular assessment checks for its suppliers and chooses to act responsibly to build sustainable business development with the entire value chain. PEC aims to strengthen supplier due diligence processes to further align with the UN Guiding Principles on Business and Human Rights.

Increase direct supplier engagement and capacity-building. Communicate the importance of emissions reductions to suppliers. Increased visibility at supplier diversity advocacy events is among the areas PEC will target in the coming years.

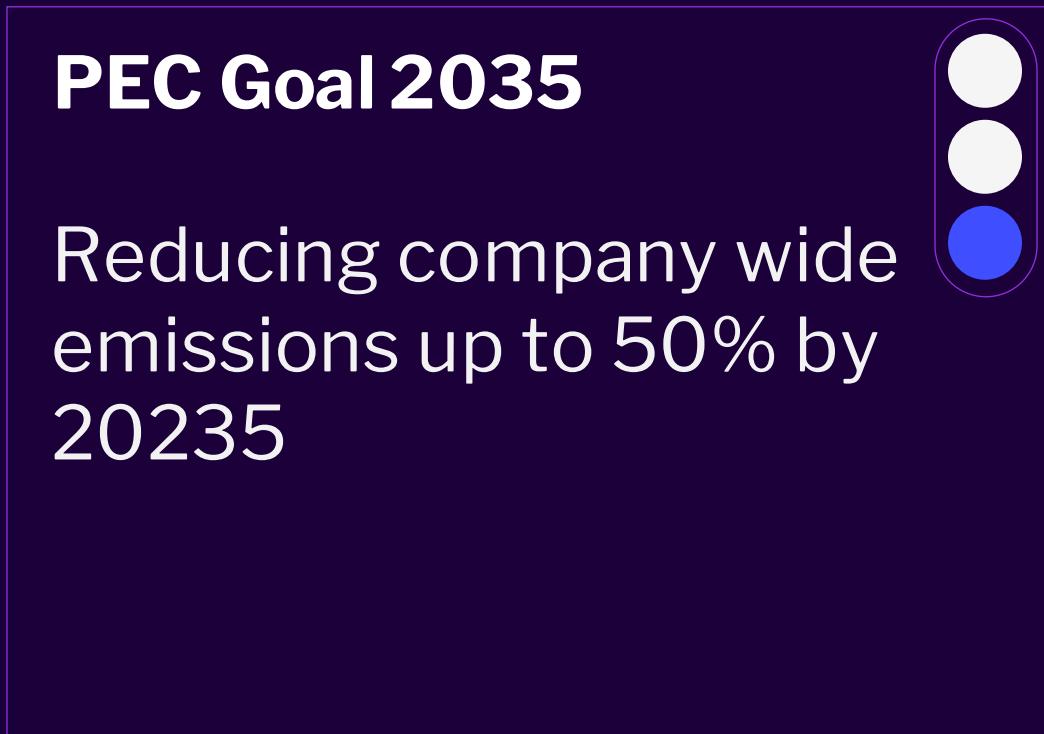
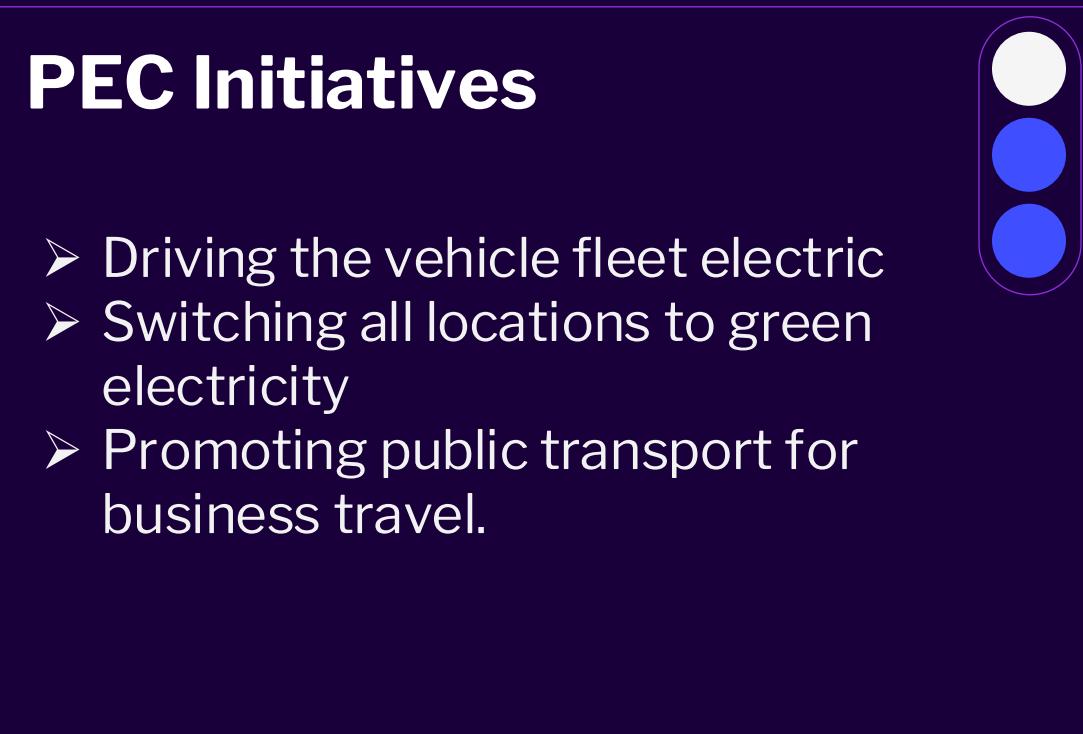
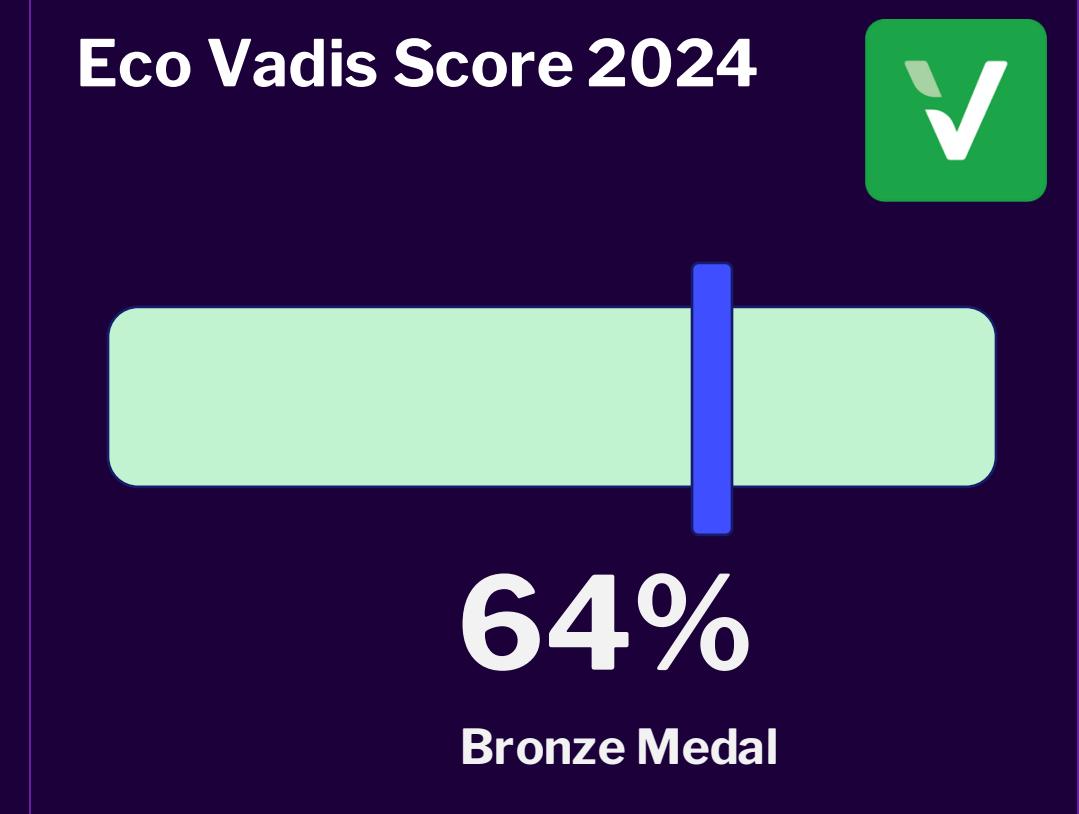
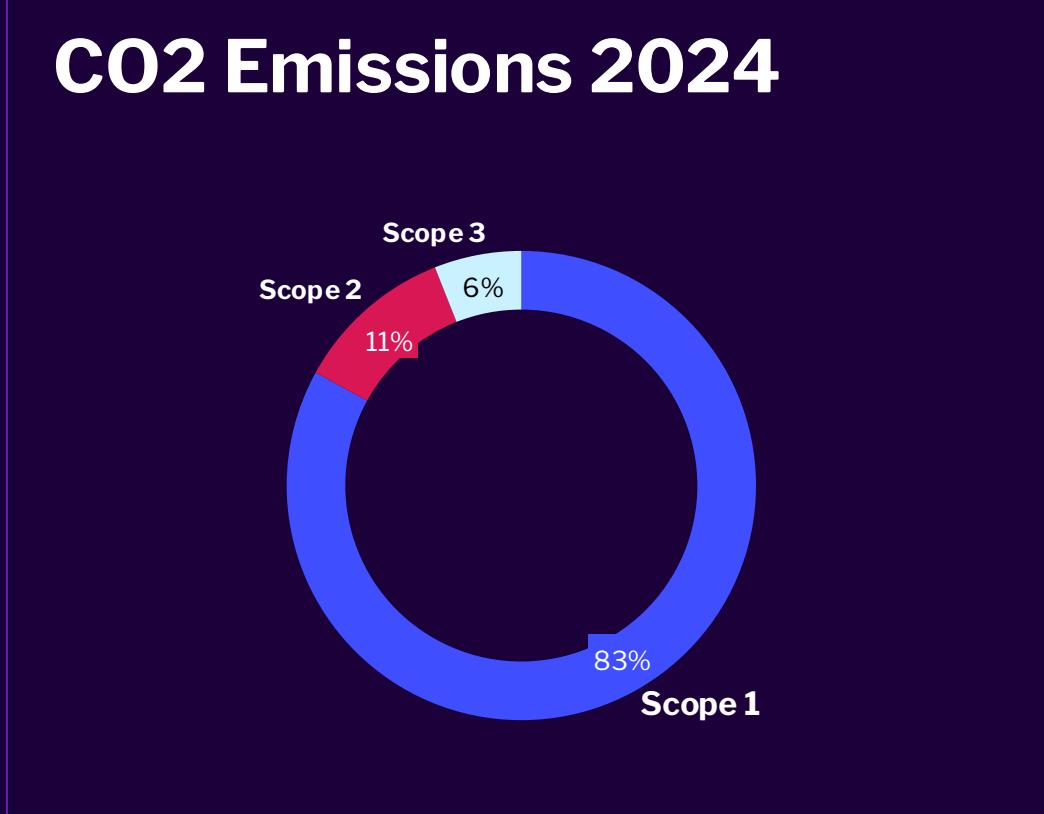
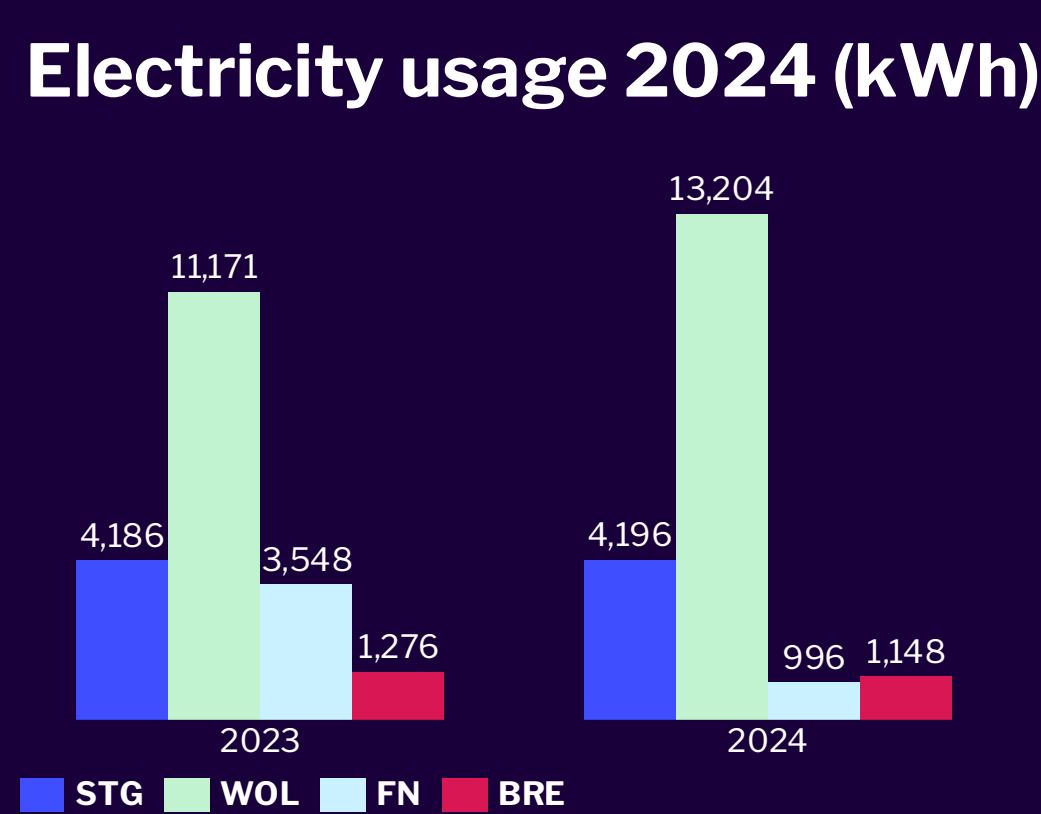




Appendix

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KEY PERFORMANCE INDICATORS (KPI)



Acknowledgement

PEC Group management is responsible for the completeness, accuracy, and validity of the information provided in the report. All the information is based on the validated data the management provided, assessed, and audited. The report's sole purpose is to provide information on performance metrics and the activities involved within the company. PEC considers sustainability essential and aims to establish goals and targets by complying with current laws and regulations.

PEC bases its estimation and methodologies on experience, available information, and various other reasonable assumptions. The data provided in the report was obtained from the financial reporting system, accounts, and other internal records. PEC appreciates all interested stakeholders involved in the preparation of the report and for the information provided within the report. PEC thanks the customers for trusting and believing in the efforts, which has allowed to make a positive impact.

PEC Group acknowledges the communities in which they operate for their ongoing support and cooperation. PEC is committed to being responsible corporate citizens and contributing positively to their social and environmental well-being.



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