

SUSTAINABILITY REPORT



**Statement of Compliance
pursuant to the German
Sustainability Code**

2023

**Performance
Indicators pursuant
to EFFAS**





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Our understanding of sustainability

VALUES

1 Effectiveness

The sustainability transition is a highly complex task. As a consultancy, we support our clients in crossing the sustainability jungle while minimizing the potentially negative social and environmental impact of our own business activities.

2 Meaningfulness

Our pursuit of sustainability is intrinsically motivated. Therefore, we see it as our social responsibility to anchor sustainability as a relevant success factor for both us and our customers. Thus, the future viability of Europe as a business location is secured for generations to come.

3 Creativity

When it comes to climate change, there is a scientific consensus that we appeal to. In addition, sustainability also has numerous social components that should not be neglected. Finding holistic solutions, requires creativity- this is how we achieve surprising results together.

4 Joy

Sustainability can only be tackled together. At 3con, we do not act out of fear, but look to the future with a constructive eye. While transformation is necessary at all levels, we enjoy the process and find the best solutions.

Dear readers,

The year 2023 has once again shown how important it is to accept change as a constant and to deeply embed sustainable strategies within the company. Despite ongoing geopolitical and economic uncertainties, at 3con we were able to make decisive progress on our sustainability agenda.

This year, our position as a hidden champion in the process industry was confirmed by the prestigious award from the Wissenschaftliche Gesellschaft für Management und Beratung (WGMB). This recognition reinforces our commitment to sustainability, which has become an even stronger focus of our corporate strategy. With this report, we transparently show how we - being a consultancy - are making our contribution to achieving the Sustainable Development Goals (SDGs) and implementing the Corporate Sustainability Reporting Directive (CSRD) in our work.

A circular portrait of a middle-aged man with short brown hair and glasses, wearing a light blue button-down shirt. He is smiling slightly and looking directly at the camera.

„We consider it our corporate duty to transparently publish our sustainability efforts.“

We are particularly proud of successfully reducing our carbon footprint. In 2023, we implemented a comprehensive restructuring of our calculations and set ourselves ambitious targets for 2030. Our cleantech spin-off AllocNow is also making a significant contribution to helping our customers in the chemical and process industry achieve their climate targets. This shows once again that sustainability is not a side issue for us, but an important part of our consulting approach.

The progress we made last year would not have been possible without the extraordinary commitment of our employees. As initiators, facilitators and enablers, they are the ones who have actively paved the way for a sustainable future.

Our family-friendly corporate culture and the expansion of flexible working models are key elements in ensuring the satisfaction and personal development of our teams.

For 2024, we have set ourselves the goal of further intensifying stakeholder dialog and consistently continuing to reduce greenhouse gas emissions. At the same time, it remains our goal to create sustainable added value for our clients and society through our consulting work.

Thank you very much for your interest in our sustainability report.

Dr. Gebhard Grimm
Managing Partner



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I. General

3con Management Consultants GmbH is an owner-managed management consultancy based in Bonn-Bad Godesberg. Since the company was founded in 2002, there has been a particular consulting focus on the chemical and process industry.

With this industry focus, 3con Management Consultants has successfully established itself as a boutique consultancy: The Wissenschaftliche Gesellschaft für Management und Beratung (WGMB) has awarded us the title “Hidden Champion of the Process Industry 2024/25” in its renowned and independent industry study. Thus, we have been attested to have greater expertise in our field than McKinsey, BCG, Bain and others.

As customary in management consulting, 3con Management Consultants does not provide products in a classical sense, it instead provides services for other companies. In this respect, consultants’ expertise is the actual “product” that our clients use as a consulting service.

According to the motto “We simplify the complex”, it has always been our aim to equip companies for an uncertain future characterized by constant change. As consultants and service providers, we work closely with our clients to find the best solutions. For us, sustainable project success means that the solutions developed are effective, accepted and lived by the entire organization. To achieve this, our employees act as initiators and facilitators, communicators and motivators, coaches and enablers at the same time.



In short: we support the management in light of transformation processes. Our portfolio of consulting services primarily focuses on three main topics:

Operational Excellence

In all areas of the value chain, we advise on the development and implementation of robust Operational Excellence Strategies.

Sustainability

We support companies during their implementation of regulatory requirements (i.e. CSRD). Hence, we create strategic added values and ensure long-term taken effect, together with our clients.

Digitalization

We accelerate the digital transformation in all relevant corporate functions - with a particular focus on operations.

The fact that we turn innovative ideas into solutions ready for the market, becomes evident in light of our spin-off AllocNow. Since 2021, the Clean-Tech-Company enables its renowned customers automated calculation, transparent communication and targeted reduction of their environmental impacts.



II. Strategy

SC-Criterion 1: Strategic Analysis and Measures

The company discloses, if it pursues a sustainability strategy. It explains which concrete measures are taken to operate in accordance with the material, recognized, sector-specific, national and international standards.

Being a part of society, it comes natural to us to consistently question and improve our entrepreneurial Thinking and Acting. Therefore, it is our declared goal, to keep potential negative social as well as ecological impacts of our business operations to a minimum. Here, both the 17 Sustainable Development Goals (SDGs) of the United Nations and the Corporate Sustainability Reporting Directive (CSRD) which is valid since 2024 are material for the development of 3con's sustainability strategy.

“ **3con makes its biggest contributions to a more sustainable world by consulting medium-sized and global chemical companies.** ”

Since the foundation of the company in 2002, the main topic of sustainability

continuously gained relevance, thus it is not only a core element of our consulting portfolio, but it has also become our business strategy.

We are already implementing the following measures as part of our sustainability strategy:

>> Travel Activity

We promote forms of digital exchange as part of our project work. Customer acquisition also takes place almost exclusively via digital channels. As the remaining travel activity is an industry-specific necessity, we prioritize rail travel and the formation of car pools.

>> Calculation of ecological footprint

Minimizing climate-damaging emissions resulting from our business activities is a declared goal of 3con Management Consultants. 3con has regularly calculated the CO₂ company

footprint since 2011. The comprehensive calculation was systematically restructured for the 2023 reporting year (see performance indicator for criterion 13).

>> Family Friendliness und Diversity

It goes without saying that we offer fair and non-discriminatory working conditions and remuneration. We support the compatibility of work with private life and family and are regularly certified by the “Career and Family” initiative, which is supported by the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ). We have also been a member of the nationwide corporate network “Success Factor Family” for many years, as well as the regional

network “Family-conscious companies Bonn/Rhein-Sieg”. 3con is also committed to promoting young talent and, in particular, the visibility of women in the consulting industry. In addition to participating in campaign days such as “Girls' Day”, we therefore also offer internships for school pupils to provide early career guidance.

>> Networking

In 2023, 3con joined B.A.U.M. e.V. - a network for the promotion of sustainable business practices. In addition to exchanging information and networking with other stakeholders, we use our membership to actively contribute content to the specialist discourse, including as part of a working group on the Sustainable Development Performance Indicators.



SC-Criterion 2: Materiality

The company discloses which aspects of its own business activities have a material impact on aspects of sustainability and what material influence the aspects of sustainability have on its business activities.

It analyzes the positive and negative effects and states how these findings are incorporated into its own processes.

As a management consultancy, 3con Management Consultants pursues a holistic consulting approach and is convinced that ecological compatibility, social justice and economic success are not mutually exclusive - rather, they are positively interdependent.

In 2023, we began a comprehensive internal materiality analysis in order to sharpen 3con's sustainable business strategy on the one hand and to optimize our sustainability consulting services on the other. As part of this, in-depth discussions were held with the management on the importance and strategic positioning of sustainability in the corporate context.

Following on from this, 3con's sustainability management team developed a draft format and questions for a dialog with the most important stakeholders, namely employees and customers. The topics to be discussed are based on the CSRD topic list and relate to the areas of E1 Climate Change, S1 Own Workforce and

relate to the areas of E1 Climate Change, S1 Own Workforce and G1 Business Conduct.

A risk/opportunity screening will also follow in 2024 in order to expand the scope of the materiality analysis accordingly. The elaborated stakeholder dialog, which is primarily intended to determine requirements and expectations, will also take place in 2024. We plan to present and discuss the results of both analyses in detail in the following reporting year.

The following aspects can already be highlighted as key topics: In terms of our business activities, climate-damaging emissions from necessary travel activities, which are typical of the industry, are significant and are being consistently reduced through a "digital of possibilities strategy" pursued within the company. Our greatest lever with regard to the sustainable development of society is the consulting service that we provide primarily for companies in the highly energy-intensive process industry (inside-out perspective).

Meanwhile, the ongoing qualification and further training of employees is an opportunity for 3con. This will enable the consulting field of sustainability management to be further developed and a higher short- to medium-term order volume for corresponding projects to be realized (outside-in perspective).

“ We are already supporting numerous medium-sized and global companies in the challenging reduction of greenhouse gas emissions and in preparing for rapidly evolving market and regulatory requirements in the area of ESG.



SC-Criterion 3: Targets

The company discloses which qualitative and/or quantitative as well as time-defined sustainability targets are set and operationalized and how their degree of achievement is monitored.

Every 3con employee can actively help shape the prioritization of sustainability goals based on relevance and feasibility. In the context of the Paris Climate Agreement, Goal 13 of the SDGs (Climate Action) and the travel activities typical of the industry, the reduction of CO₂ emissions has been identified as a key sustainability goal with the involvement of many 3con employees. In addition, family-friendliness and the active promotion of women in the consulting industry have been prioritized in line with Goal 3 (Good Health and Well-Being) and Goal 5 (Gender Equality) of the SDGs.

Due to the highly fluctuating and customer-dependent travel activity associated with our business model, 3con is pursuing relative reduction targets as part of its corporate strategy in the area of sustainability. To this end, the internal travel recording systems are standardized for reliable data processing and used throughout the company.

With the involvement of many 3con employees, the CO₂ emissions for every kilometer traveled in connection with business activities have been identified

as a key indicator for the relative reduction targets. Supporting indicators are the share of rail travel in the total number of kilometers traveled and the share of carpooling. All three indicators relate to business trips to client companies as well as trips to the Bonn office.

Due to changes in assumptions and calculation methods, 3con has set itself an even more ambitious target - compared to the formulation from 2021: in 2030, we want to emit a maximum of 71 grams of CO₂ equivalents per kilometer driven.

The value corresponds to the targeted shares of the various means of transport in the total number of kilometers taking into account current CO₂ values.

Source: Kraftfahrtbundesamt 2023, Deutschlandfunk Nova/Umweltbundesamt 2021):

Rail/long-distance transport (47.5 percent, 29 grams of CO₂ per kilometer driven), car (27.5 percent, 123 g/km + 15 g/km “tolerance”), airplane (5 percent, 214 g/km), rail/local transport (15 percent, 54 g/km) and bicycle/walking (2.5 percent, 0 g/km).

In 2023, 3con employees emitted an average of 103 grams of CO₂ equivalents per kilometer driven: At 48% and 11% respectively, the shares of car journeys and air travel in the total number of kilometers were still well above the target modal split for 2030. With a steady reduction, CO₂ emissions must therefore be below 100 grams in 2024.

The family-friendliness of 3con Management Consultants is ensured and improved through target agreements bundled in the “Career and Family” initiative certificate. In 2023, the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ) carried out a regular audit to ensure external monitoring of target achievement.

3con has set itself the goal to maintain the proportion of women at least at 30 percent and to continue to participate in “Girls' Day” every year.



SC-Criterion 4: Depth of the Value Chain

The company indicates the significance of sustainability aspects for value creation value creation and to what depth of its value chain sustainability criteria are reviewed.

As a management consultancy and service provider, 3con Management Consultants' value chain is less complex and deeper than that of an industrial company. Corresponding consulting services (from customer acquisition to supporting the implementation of corresponding project results) are provided by our employees on an intangible basis. The value chain of 3con Management Consultants also includes all internal activities (e.g. office management, IT and marketing) that support the consulting business as the largest and most important area of value creation. Important parameters of sustainability for us are the social responsibility we assume towards our employees, a fair and authentic consulting style and resource-efficient marketing and business development.

The handling of confidential data relating to our client companies is a sensitive issue. 3con specifically prevents the risk of confidential data being handled discreetly by means of appropriate awareness training and the signing of an “obligation to maintain

confidentiality and observe data protection” by all employees.

We are not currently aware of any other risks relating to the social/ethical dimension of our value chain. A complaints management system is being set up to take appropriate account of further potential points of criticism from internal and external parties in future.

“ **To make our mobility behavior, which accounted for over 40 percent of greenhouse gas emissions in 2023, more environmentally friendly, we are promoting a preference for rail travel over car travel within the company.**

Overall, we only use material resources to a limited extent as part of our value creation. These include the maintenance of our company headquarters (incl.



electricity, heat, water), office supplies and technical equipment for all employees. We pay particular attention to the longevity of laptops and cell phones by providing work devices for private use beyond their business life cycle. In 2021, IT accounted for more than a quarter of 3con's CO₂ emissions. It is currently difficult to assess the extent to which social/ethical standards are taken into account in the production and provision of the IT used by 3con.

The close exchange with our main regional IT service provider will be expanded in future to include ethical, social and other ecological aspects in addition to longevity when procuring new IT equipment using an evaluation matrix to be drawn up accordingly. The procurement of office supplies - over and above the use of recycled paper - will also become more sustainability-oriented in future by means of an evaluation matrix.

III. Process Management

SC-Criterion 5: Responsibility

Responsibilities in corporate management for sustainability are disclosed.

Responsibility for the corporate strategy and the resulting sustainability activities lies with the management of 3con Management Consultants GmbH. The management pays particular attention to the area of sustainability, takes into account the needs and feedback of all stakeholders and incorporates this into general purchasing decisions (e.g. electricity/paper/leasing contracts).

Personnel-related issues and the area of personnel marketing are also the responsibility of the management. They are also responsible for the further development of 3con Management Consultants' service portfolio with a growing focus on the area of sustainability. Furthermore, the management is responsible for raising awareness among employees, which is promoted by means of relevant further training and regular joint evaluation of the company's sustainability goals and implementation measures.

Ultimately, a significant part of the responsibility lies with all employees,



who take into account and implement the relevant guidelines in their day-to-day work. 3con Management Consultants - in the knowledge that employees are the company's most important resource - attaches great importance to a trusting and self-determined way of working as well as opportunities for free development for all employees.

SC-Criterion 6: Rules and Processes

The company discloses how the sustainability strategy is implemented through rules and processes in the operating business.

Regular management meetings are held in which the topic of sustainability is a recurring agenda item. Relevant topics are discussed and key figures are discussed, and any necessary adjustments can be made to measures and targets in the area of sustainability. As part of the “3con aktuell” format, which also takes place regularly, the management informs all employees about relevant processes and obtains their feedback as well as proactive suggestions and proposals for improvement. Absolute transparency is an important concern for 3con Management Consultants.

Another process that is standardized in terms of environmental sustainability is the regular calculation of 3con Management Consultants' carbon footprint (see Criterion 1 - Strategic analysis and measures).

“ **The certification of 3con as part of the BMFSFJ's 'Work and Family' initiative, represents an external control process. Regular audits are a prerequisite for certification.**

In these meetings, auditors conduct interviews with both the management and various employees and monitor the formulation and achievement of corresponding targets.

In addition, a survey of the individual work-life balance is an integral part of the half-yearly development meetings that the management holds with all employees and in which the necessary measures can be jointly developed.



SC-Criterion 7: Control

The company discloses how and which sustainability performance indicators are used in regular internal planning and control. It explains how suitable processes ensure the reliability, comparability and consistency of the data for internal management and external communication.

In order to be able to monitor and sustain the continuous minimization of climate-damaging emissions as a declared goal of 3con Management Consultants, we have been regularly recording our corporate carbon footprint since 2011 - this is also an important performance indicator. In order to ensure the reliability, comparability and consistency of the CO2 footprint calculation in the future, the uniform use of standardized travel recording systems is being promoted. This allows the indicators for evaluating

our relative reduction targets - CO2 emissions per kilometer driven, share of rail travel in total travel volume, passenger quota - to be reliably formed (see criterion 3 - Targets). In order to continuously improve quality, more up-to-date data (e.g. in the context of CO2 emissions from technical devices or rail travel) is also regularly discussed internally and successively incorporated into the CO2 footprint calculation. For quality control purposes, the dual control principle applies to all calculations of our performance indicators.

Performance indicators for criteria 5 to 7



EFFAS S06-01

Percentage of all suppliers and partners within the supply chain assessed for compliance with ESG criteria

Our internal records show that 3con Management Consultants was supplied by a total of 52 companies in the 2021/2022 financial year. We examined the seven suppliers with the highest turnover to determine whether they are certified in accordance with ISO 9001, ISO 14001, OHSAS 18001 or

SA 8000 and whether a sustainability report was published.

As the commissioning of a service provider, which accounted for the third-largest order volume in the 2021/2022 financial year, was a one-off collaboration, the list of suppliers was subsequently adjusted to exclude this player. The six remaining audited suppliers ultimately account for 73% of the total expenditure on suppliers in the 2021/2022 financial year.

Of the six audited suppliers, five are certified in accordance with ISO 9001 and ISO 14001. Three of 3con Management Consultants' suppliers are certified to OHSAS 18001 and one to SA 8000. Half of the suppliers also have other certifications. Five of the six suppliers audited published a sustainability report in 2021.

EFFAS S06-02

Percentage of all suppliers and partners in the supply chain that were audited for compliance with ESG criteria

Our suppliers are not audited with regard to ESG criteria, as we source the majority of our goods and services from national suppliers and the comprehensive regulations applicable in Germany therefore apply.



SC-Criterion 8: Incentive Systems

The company discloses how the target agreements and remuneration for managers and employees are also based on the achievement of sustainability targets and long-term value creation. The extent to which the achievement of these targets is part of the evaluation of the top management level (Executive Board/Management Board) by the supervisory body (Supervisory Board/Advisory Board) is disclosed.

As 3con Management Consultants is an owner-managed company, there is efficient self-monitoring by the shareholders. In addition, internal transparency with regard to all aspects of the company is an important concern for us - this includes a transparent salary structure and general access for all employees to a shared sales system that discloses parameters such as sales, staff utilization and acquisition activities.

Sustainability targets are not linked to the monetary remuneration system and are not currently planned in this form. Instead, all employees receive an identical fixed salary for each career level as well as a variable component. The latter is based both on the individual performance of employees and on the achievement of overarching company targets that indirectly include sustainability. Semi-annual development meetings are held with the management for all employees, which focus on the medium-term development of employees in addition to an individual performance assessment.

Additional incentives, which - irrespective of the salary structure - are intended to positively support the sustainable development of 3con Management Consultants, include the following benefits:

- >> In order to achieve a sustainable prioritization of rail travel, all employees can receive a Rail Card 50, which explicitly allows private use as well.
- >> In addition, the employee with the lowest CO₂ emissions on business trips will again receive an award in future.

“ This means that an incentive system is only created explicitly for those variables that employees can proactively influence by themselves.

SC-Criterion 9: Stakeholder Engagement

The company discloses how socially and economically relevant stakeholder groups are identified and integrated into the sustainability process. It discloses whether and how a continuous dialog is maintained with them and how its results are integrated into the sustainability process.

We define stakeholders as internal or external persons or groups that are directly or indirectly affected by our business activities. We have created the framework conditions for a regular dialog on sustainability issues with relevant stakeholder groups and

incorporate our findings on existing reporting channels or processes into any internal company considerations. The following stakeholders were identified as central to 3con as part of an analysis in accordance with the PMBOK Guide:

Stakeholder Groups	Integration into the sustainability process
Internal	
Management	<ul style="list-style-type: none"> >> Overall responsibility for the sustainability process and its further development >> Regular meetings and internal exchange (with employees) >> Role model function
Current Employees	<ul style="list-style-type: none"> >> Six-weekly update and dialog meeting of all employees ("3con aktuell") >> Mentoring system >> Internal training system and opportunity for external training (also with a focus on sustainability ability) >> Creation of transparency through access to the distribution system >> Semi-annual development meetings with the management

	<ul style="list-style-type: none"> >> Regular off-sites for the joint processing of certain topics (e.g. with sustainability-related) and team building
Interns	<ul style="list-style-type: none"> >> Career guidance events, e.g. “Girls' Day” >> Mentoring system
Alumni	<ul style="list-style-type: none"> >> Events, including the annual “Company family party” >> Regular (professional) exchange, among other things by providing access to our topic clipping >> In-depth exchange with 3con spin-off AllocNow, which offers software for the automated calculation of the ecological footprint of chemical products
Potential Employees	<ul style="list-style-type: none"> >> Cooperation with student networks (e.g. Biotechnologische Studenteninitiative e.V.) >> Workshops and lectures for students (e.g. on the subject of “Careers in Consulting”) >> Support with career guidance
External	
Current Clients	<ul style="list-style-type: none"> >> Exchange as part of the consulting process on site or remotely >> (Joint) events on topics such as sustainability topics >> Continuous feedback in discussions with the project teams >> Customer satisfaction analyses for quality control
Potential Clients	<ul style="list-style-type: none"> >> Further development of the consulting portfolio and products in the area of sustainability (e.g. “3con Map of Sustainability”)

	<ul style="list-style-type: none">>> Development of certain formats for knowledge transfer, e.g. white papers>> Trade fairs, conferences, congresses
Media	<ul style="list-style-type: none">>> Regular publication of technical and press articles>> White papers, interviews
Interested Public	<ul style="list-style-type: none">>> Development of certain formats for knowledge transfer, e.g. white papers or #3conInsight via social media>> Lectures, panel discussions, expert rounds rounds>> Transparency on compliance topics>> Event-related feedback



SC-Criterion 10: Innovation and Productmanagement

The company discloses how it contributes to this through suitable processes, that innovations in products and services improve the sustainability in its own use of resources and for users. Likewise It is also explained for the main products and services whether and how their current and future impact in the value chain and in the product life cycle.

As a management consultancy, 3con Management Consultants' most important resource is the expertise of its employees. As is customary in the consulting industry, we therefore do not manufacture products in the traditional sense, but provide services for other companies. In this context, the consulting portfolio of 3con Management Consultants has a focus on sustainability that has grown over the years. This is a volatile environment with numerous external requirements for companies - both of a regulatory and social nature - which constantly poses new challenges for our clients. Continuous further development of our consulting services and products is therefore essential for the long-term success of 3con Management Consultants. This is the only way we can anticipate future challenges and provide our clients with the best possible support.

Our innovation products include the expansion of our consulting services on sustainability and digitalization as well

as process improvements in the chemical, pharmaceutical and process industries. Corresponding innovations can be driven on the one hand by the market - be it through changing regulatory requirements or impulses from our customers who confront us with new needs and problems. On the other hand, we promote the creative innovation potential of our employees, who contribute new ideas and implement them in projects.

One example from our day-to-day work that illustrates the processes described is the 3con spin-off AllocNow. The cleantech start-up arose from a collaboration with BASF and integrates the chemical company's methodology for automatically calculating the carbon footprint of products into its industry-specific carbon management software. With its work, AllocNow GmbH is helping chemical companies to realize their full potential in reducing carbon emissions and thus contribute to climate protection.

The consulting services we provide for our clients naturally also contribute to the optimization of our own processes with regard to 3con's use of resources. As a comparatively small management consultancy (14 employees), our re-

source consumption is low overall (see criterion 2 - Materiality). Nevertheless, there is a strong awareness among management and employees of the need to use resources sustainably and to take appropriate savings measures.

Performance indicators for criterion 10



EFFAS E13-01

Improvement in the energy efficiency of our own products compared to the previous year

Since 3con Management Consultants does not manufacture products in the conventional sense, but rather our consulting work has the character of a service, no energy efficiency improvement can be calculated.

EFFAS V04-12

Total investment (CapEx) in research for ESG-relevant areas of the business model, e.g. ecological design, eco-efficient production processes, reduction of impact on biodiversity, improvement of health and safety conditions for employees and supply chain partners, development of ESG opportunities for products, etc., measured in monetary units, e.g. as a percentage of sales

We are continuously developing our consulting portfolio, particularly in the area of sustainability. The expertise of our employees is the greatest lever for achieving our sustainability goals. CapEx in ESG-relevant areas is not a meaningful indicator of the importance of sustainability at 3con Management Consultants. Corresponding investments are therefore not systematically recorded.

IV. Environmental Issues

SC-Criterion 11: Use of Natural Resources

The company discloses the extent to which natural resources are used for its business activities. This includes materials as well as the input and output of water, soil, waste, energy, land, biodiversity and emissions for the life cycle of products and services.

As a management consultancy, the ecological impact of our (immaterial) consulting services and the use of various resources are considered to be low, as is typical for the industry (see criterion 2 - Materiality).

“ **These can even be rated as below average, as 3con - unlike many other corporate consultancies - benefits from its geographical proximity to customers and the major chemical sites thanks to its deliberately chosen company headquarters.**

Nevertheless, we have been recording the ecological impact of our business activities since 2011 in the form of a regularly calculated corporate carbon footprint (see criterion 1 - Strategic analysis and measures). The calculation is carried out according to recognized methodological standards and is intended to contribute to greater transparency and the identification of further reduction potential along our entire value chain. In this context, an annual review of, among other things, the kilometers driven and the means of transport used has taken place to date (see criterion 8 - Incentive systems).

Resource consumption has already been significantly reduced in recent years through a variety of measures - especially in connection with ongoing digitalization and certainly also in the context of the corona pandemic - and is to be further reduced.



When equipping new employees with technical equipment, for example, attention is paid to making optimum use of the equipment available internally.

“ By switching to a cloud-based solution instead of an in-house server, it was also possible to carry out extensive dematerialization.

Performance indicators 11, 12 and 13 provide specific information on the consumption of electricity and gas (in kWh) and the volume of waste generated by 3con. In future, we will also provide information on the following indicators in the context of the use of natural resources:

- >> Proportion of employees with a BahnCard 50
- >> Proportion of office materials with sustainability certificates
- >> Paper consumption

SC-Criterion 12: Resource Management

The company discloses the qualitative and quantitative targets it has set for its targets it has set for its resource efficiency, what measures and strategies it is pursuing, how these have been achieved or will be achieved in the future and where it sees risks.

As a management consultancy, the ecological impact of our consulting services and the use of various sources of resources are considered to be low, as is typical for the industry (see criterion 2 - Materiality). As resource management for us also means the targeted saving of resources, we have been contributing to greater transparency and the identification of further reduction potential by regularly calculating our corporate carbon foot-print since 2011.

As a consulting and service company with a less complex value chain (see criterion 4 - Depth of the value chain), 3con has not defined any specific targets for increasing resource efficiency in the past. Specific targets for increasing resource efficiency in connection with renewable energies, raw material productivity and ecosystem services are developed internally with the participation of all 3con employees and communicated in the following reporting year.

Nevertheless, measures to increase resource efficiency have already been implemented in recent years:

>> The conversion of our entire IT to a cloud-based solution compared to the former use of our own server can be significantly more energy efficient and allows 3con Management consultants in the reduction efforts of the large cloud providers.

>> The biggest lever in terms of our CO₂ emissions is the reduction of customer appointments on site, which is why we rely on a consequent “digital-if-possible-strategy” (cf. criterion 1 - Strategic analysis/measures).

>> Since 2010, we have been using 100 percent green electricity (see performance indicator for criterion 13).

In general, 3con Management Consultants has a low overall impact on resources (see criterion 11 - Use of natural resources). We therefore do not currently see any material risks to natural resources and ecosystems stemming from our business activities.

Performance Indicators on Criteria 11 and 12



EFFAS E04-01

Total weight of the waste

The amount of waste generated by 3con Management Consultants is determined on the basis of the volume of waste garbage cans used and the frequency of emptying. The following calculations are based on the assumption that the garbage cans were full at the time of emptying - the volume of waste generated by us therefore tends to be overestimated.

3con Management Consultants only uses one gray garbage can and shares one yellow, one green and one blue garbage can with another household. The latter are therefore included in the calculation with a factor of 0.5. All garbage cans have a volume of 240 liters and are emptied every two weeks.

The conversion from liters to tons is carried out in accordance with the European Waste Catalogue (AVV (Waste Catalogue Ordinance)): Paper and cardboard (AVV code: 20 01 01) is multiplied by a factor of 0.17, residual waste (AVV code: 20 03 01) by a factor of 0.1, plastic (AVV code: 15 01 02) by a factor of 0.11 and organic waste (AVV code: 20 02 01) by a factor of 0.4.

Based on these assumptions, which sometimes greatly overestimate the volume of waste, the total weight of waste in 2021 was 2.74 tons. Almost half of this was organic waste.

EFFAS E05-01*Percentage of total waste that is recycled*

According to the Federal Environment Agency, the proportion of waste paper in German paper and cardboard production in 2020 was around 79%. In 2019, one percent of plastic waste was recycled as raw material, 46 percent as material and 53 percent as energy. We assume that similar recycling rates apply to the paper, cardboard and plastic waste generated by 3con Management Consultants in 2021.

EFFAS E01-01*Total energy consumption*

In the 2021/2022 billing year, 3con Management Consultants recorded total electricity and gas consumption of 98,042 kWh. Electricity accounted for 9,964 kWh, while 88,078 kWh of gas was consumed.



SC-Criterion 13: Climate relevant Emissions

The company discloses its greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas (GHG) Protocol or standards based on it and states the targets it has set itself for reducing emissions.

Our corporate carbon footprint has been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and calculated by an internal expert team. Direct and indirect emissions from the following sources were taken into account

- >> Vehicle fleet
- >> Travel activities including hotel stays
- >> Commuting activities
- >> Energy consumption and waste in the office
- >> Purchased goods and services

“ In 2021, 3con Management Consultants' CO₂ emissions amounted to 20.92 tons, of which around 60 percent was attributable to purchased goods and services.

As was to be expected, our CO₂ emissions generated by travel and

commuting activities as well as hotel stays continue to be of decreasing importance - this is due on the one hand to the “digital-if-possible strategy” (in the form of remote work) that we have continued to pursue even after the coronavirus pandemic, and on the other hand to the conscious reduction of greenhouse gas emissions during necessary business trips - for example through the increased use of rail travel. Furthermore, 3con Management Consultants has been using CO₂-neutral green electricity since 2010, resulting in a CO₂ value of 0 for Scope 2.

For the next reporting year, we expect a noticeable increase in CO₂ emissions as the coronavirus pandemic subsides and travel volumes rise again as a result. Nevertheless, we expect a noticeable reduction compared to the 2017/2018 financial year (123.72 tons), to which the last CO₂ footprint calculation before the coronavirus pandemic refers, due to some sustainability measures that have been initiated. The 2017/2018 financial year was selected as the reference year for the future evaluation of the effectiveness of our targeted sustainability measures.

Concrete targets for reducing climate-relevant emissions have not been defined in the past.

3con has set itself the goal of the reference value from the fiscal year 2017/2018 (198 grams CO₂ per kilometer driven) permanently and to reach a maximum of 76 grams of CO₂ per kilometer driven in 2030 (see criterion 3 - Targets).

The value results from the targeted shares of the various means of transport in the total number of kilometers, taking into account current CO₂ values (source: Deutschlandfunk Nova/Umweltbundesamt 2021: rail/long-distance transport (60 percent, 29 grams of CO₂ per kilometer driven), car (30 percent, 154 g/km), plane (5 percent, 214 g/km), rail/local transport (2.5 percent, 54 g/km) and bicycle/walking (2.5 percent, 0 g/km). With a continuous reduction, CO₂ emissions may not exceed 147 grams in 2023.

According to a rough calculation, the CO₂ emissions for each kilometer driven in 2021 were 142 grams (business trips only). With the exception of car kilometers (176 grams, internal survey), this calculation is based on the above-mentioned values (source: Deutschlandfunk Nova/Umweltbundesamt 2021).



Performance indicator for criterion 13



EFFAS E02-01

Total GHG emissions (Scope 1, 2, 3)

An internal team of experts, which also deals with the topic of sustainability as part of customer projects, regularly calculates the carbon footprint of 3con Management Consultants. The greenhouse gas balance is based on the GHG Protocol Corporate Accounting and Reporting Standard and takes into account all CO₂ emissions from relevant Scope 1, 2 and 3 categories.

Scope 2 emissions were not incurred in 2021, as 3con Management Consultants has been using green electricity since 2010 and operates a boiler whose CO₂ emissions are shown in Scope 1. The CO₂ values of individual activities, goods or services were recorded using internally maintained databases. Overall, the CO₂ value is calculated using a mixed approach.

In 2021, 3con Management Consultants therefore released a total of 20.92 tons of CO₂, which are distributed as follows

	CO ₂ in Tons	Percentage
Scope 1		
Fleet	2,39	11,41
Heating	1,83	8,74
Subtotal	4,21	20,14

CO2 in Tons		Percentage
Scope 2		
Power	0	0
Subtotal	0	0
Scope 3		
Travel Activities	2,06	9,85
Hotel Accomodation	1,81	8,65
Level of Commuting	0,37	1,78
Purchased goods and services	12,46	59,58
Subtotal	16,70	79,86
Total	20,92	100,00



V. Society

SC-Criterion 14: Employee Rights

The company reports on how it complies with nationally and internationally recognized standards on employee rights and promotes the participation of employees in the company and in the company's sustainability management, what goals it has set itself in this regard, what results have been achieved so far and where it sees risks.

3con Management Consultants operates exclusively in Europe, with a focus on Germany. As a company based in Germany, we respect national law and take into account applicable European standards as well as all compliance-relevant requirements. Occupational health and safety is therefore at a very high level - the same applies to employee rights relating to working hours and remuneration, among other things.

As a management consultancy, we are dependent on employing exceptionally highly qualified specialists. We are aware that our employees are our most important resource and therefore attach great importance to employee retention and appreciation measures.

Very high work volumes and workloads are potential risks associated with the business activities of corporate consultancies in connection with employee

rights. 3con actively counteracts this risk and is regularly certified by the "Work and Family" initiative sponsored by the BMFSFJ (see criterion 1 - Strategic analysis and measures).

“In addition, flexible working models in terms of working hours and location have always been common practice for us. For example, we make it possible for new employees to start their career at 3con Management Consultants without having to relocate their physical center of life.



By actively continuing the measures listed below, we aim to maintain the very high standard of employee rights.

Our corporate culture is characterized by a high degree of trust, personal responsibility and employee codetermination - to this end, various dialog/feedback formats have been established to ensure a transparent exchange at different levels (e.g. semi-annual development meetings with management).

Thanks to our open communication and “open-door policy”, we want to ensure that any violations of employee rights can be raised directly with the management.

The company's internal sustainability management is being developed on a monthly basis. Employees will be actively involved in this process in open discussions with the management. From 2023, all employees will meet in person every six weeks. Sustainability topics (including the adaptation of CO₂ recording systems) will become a fixed part of the agenda.

Opportunities for professional and personal development are also a matter of course for us. Private use of IT equipment is permitted to a reasonable extent. A comprehensive company pension scheme is offered from the second year of employment.

SC-Criterion 15: Equal Opportunities

The company discloses how it implements national and international processes and what goals it has to ensure equal opportunities and diversity, occupational health and safety diversity, occupational health and safety, co-determination, participation, integration of migrants and people with disabilities, fair pay and work-life balance, and how it implements them.

As a company with an open and appreciative corporate culture, we offer our employees the opportunity to act on their own responsibility and to develop individually according to their own abilities. Values such as respect, trust and diversity are the benchmark for our corporate activities at all levels and cannot be negotiated in any way. With this in mind, equal opportunities are a central aspect of both the recruitment and promotion of our employees. As a management consultancy with an extraordinarily demanding professional profile, the qualifications of our employees are the decisive criterion.

A long-term goal monitored by the management is to increase the proportion of women at 3con Management Consultants. The long-term average is around 20 percent. The management of 3con has set itself the goal of permanently increasing the proportion of women to at least 30% from 2023 and explicitly promoting women in

management positions. Through our annual participation in “Girls' Day” and a wide range of internships, we try to inspire and attract young women of school age to the consulting profession.

Management consulting remains a demanding profession - with this in mind, we support the compatibility of family and private life wherever we can. To ensure that this claim is backed up by further measures, we are regularly certified by the “Career and Family” initiative sponsored by the BMFSFJ. We are also a member of the “Family-conscious companies Bonn/Rhein-Sieg” network. Such a pronounced focus on work-life balance is largely untypical in the consulting industry and can be described as a unique selling point of 3con Management Consultants.

As part of our inclusive corporate philosophy, we also attach importance to understanding differences in terms

of gender, nationality, sexual orientation, age or social background as a strength and incorporating them profitably into our internal (professional) exchange. The aim is to complete a training course on equal opportunities (e.g. on uncon-scious bias) in 2023.

” In addition, our salary system guarantees monetary remuneration in line with market and competitive requirements. As 3con Management Consultants does not follow an “up-or-out approach” - unlike many other companies in the consulting industry - we have an above-average length of service among our employees.

SC-Criterion 16: Qualification

The company discloses the targets it has set and the measures it has taken to improve the employability, i.e. the ability to participate in the working and professional world of all employees, and adapt it with regard to demographic developments, and where it sees risks.

As is customary in management consulting, the qualification level and employability of our employees are consistently very high. Continuous qualification measures are critical to the success of 3con Management Consultants, as the expertise of our employees and the resulting knowledge advantage over our clients are indispensable for the consulting services we offer. Further training is therefore a core internal process for us - general and individual qualification paths are standard. We rely on a high degree of personal initiative here - the individual training needs of employees are also jointly recorded and agreed in half-yearly development meetings with the management.

3con Management Consultants provides a wide range of mandatory and optional in-house training courses for various career levels and specialist areas - in addition, external training courses can be taken at any time, which

go beyond the internal offer if necessary. As we have only had good experiences with our principle of free choice of further training, no binding targets have been agreed to date.

Due to the size of our company (14 employees), strong employee loyalty is particularly relevant to our company's success.

“ **We attach great importance to supporting our employees throughout all life situations (e.g. starting a family, care).** ”

This is why we offer suitable individual working models (part-time), for example. The loss of knowledge due to the departure of (long-term) employees can therefore be identified as a significant risk in the area of training. The transfer and safeguarding of in-house knowledge is therefore a major concern for us.

Performance indicators for criteria 14 to 16



EFFAS S03-01

Age structure and distribution (number of FTEs by age group)

Age Group	Number of FTEs 2021	Percentage
26-35 years	5	40
36-45 years	2,6	21
46-55 years	3,9	31
above 55 years	1,0	8
Total	12,5	100

EFFAS S10-01

Share of female employees in the total number of employees

Of the 14 employees at 3con Management Consultants GmbH in 2021, four were female - this corresponds to a share of 28.57 percent.

EFFAS S10-02

Proportion of female FTEs in management positions in relation to total FTEs in management positions

The proportion of women in management positions in relation to total FTEs was 20.83% in 2021 (one in five managers). This is partly due to the scientific focus of 3con Management Consultants' employees, which means that the proportion of women is low, as is usual in the industry.

We are striving to further expand our quota of women and explicitly promote women in management positions (see criterion 15 - Equal opportunities).

EFFAS S02-02

Average expenditure on training per FTE per year

The costs for external training amounted to EUR 2,264 per employee. On average, 4.53 days were invested in internal training and 1.13 days in external training per employee in the 2021 financial year.



SC-Criterion 17: Human Rights

The company discloses which measures, strategies and objectives are taken for the company and its supply chain to ensure that human rights are respected worldwide and that forced and child labor and any form of exploitation are prevented. The results of the measures and any risks must also be addressed.

Respect for human rights is a matter of course for 3con Management Consultants - our corporate actions are at all times in accordance with Article 1 of the German Basic Law and the European Convention on Human Rights. As a service company, our value chain has a low level of complexity and depth, which is why the risk of human rights violations at suppliers etc. is classified as low (see Criterion 4 - Depth of the value chain).

3con Management Consultants has never been made aware of human rights violations in the context of its own business activities. Accordingly, there have not yet been any specific targets in connection with human rights. However, we will set up a complaints mechanism on our website in the “Responsibility” section in the course of 2023 and appoint a specific contact person in order to be able to react quickly to any human rights violations along our supply chain.

In addition, an evaluation matrix will be established to assess procurements (IT, office materials) on the basis of human rights criteria in future (see criterion 4 - Depth of the value chain).

As 3con Management Consultants conducts its business activities exclusively in Europe and mainly in Germany, it can be assumed that the basic principles of the International Labor Organization of the United Nations (ILO) are observed.



Performance indicator for criterion 17



EFFAS S07-02 II

Percentages of all facilities certified to SA 8000

3con Management Consultants is not SA 8000 certified due to the small size of the company. Instead, 3con has been certified by the “Work and Family” initiative sponsored by the BMFSFJ. The SA 8000 certificate and that of the “Work and Family” initiative have large overlaps in terms of the requirements relating to health, discrimination, working hours and pay, as well as the continuous improvement of working conditions. Of the six most important suppliers, which account for a total of 73 percent of 3con Management Consultants' delivery costs, one has SA 8000 certification.



SC-Criterion 18: Community

The company discloses how it contributes to the community in the regions in the regions in which it conducts significant business activities.

3con Management Consultants has a positive impact on the common good primarily by offering meaningful consulting services and supporting our clients in their sustainable development. In addition, it is also important to us to participate in social discourse on relevant topics such as the energy transition - for example in the form of specialist articles or interviews. This enables us to make our technical expertise available on a larger scale and generate added value for the community.

As a company that does not impose a residency requirement on its employees, we also encourage voluntary work by all employees and create specific scope for this. We are proud of their individual commitment, as this also allows the values of 3con Management Consultants to be communicated to the outside world.

In addition to event-related promotion of the regional art scene (e.g. through the acquisition of commissioned works related to company themes), we are also committed to early career guidance, especially for young women - e.g. through (school) internships or participation in campaign days such as "Girls' Day".



SC-Criterion 19: Political Influence

All significant submissions to legislative procedures, all entries in lobby lists, all significant payments of membership fees, all contributions to governments and all donations to parties and politicians should be disclosed, differentiated by country.

3con has never made direct submissions to legislative procedures and is not a member of any politically active organization. We do not exert any party political influence or lobbying. Financial contributions to political parties, party-like organizations or individual elected officials or candidates for political office have never been made and will not be made in the future.

3con is a member of the Bonn/Rhine-Sieg Chamber of Industry and Commerce (IHK) and various IHK networks (including “Familienbewusste Unternehmen Bonn/Rhein-Sieg”). All 3con employees can submit proposals for membership in a (political) organization for discussion at company-wide meetings or bilaterally to the management.

Performance indicator for criterion 19



EFFAS G01-01

Payments to political parties as a percentage of total revenue

3con Management Consultants has never in the past and will never in the future make donations or other contributions to governments, political parties, politicians or institutions associated with them.

SC-Criterion 20: Lawful Conduct

The company discloses which measures, standards, systems and processes are in place to prevent unlawful behavior and in particular corruption, how they are of corruption, how they are reviewed, what the results are and where the risks lie. It describes how corruption and other violations of the law are prevented, detected and sanctioned within the company.

As a management consultancy based in Germany, 3con Management Consultants GmbH is subject to the laws of the Federal Republic of Germany - including the prohibition and punishment of corruption.

It is important to ensure the integrity of our work in order to create trust in our own corporate actions towards our stakeholders. On the one hand, this requires regular reviews of (potential) legal changes. On the other hand, we must also ensure that our employees behave in accordance with compliance requirements.

“ This is achieved, among other things, through mandatory training on the topic of 'Professional Conduct' when starting a job.

In addition, the management ensures a regular flow of information on relevant topics via the intranet or specific formats such as “Safety First”. In order to meet the requirements in the area of data security and sensitivity, there is also an internal data protection officer.



The managing director is centrally responsible for compliance issues. A lawyer, who is an established business partner of 3con and is responsible for employment contracts, among other things, keeps the management continuously informed about changes to laws or guidelines. A 3con partner who specializes in corporate ethics also raises awareness of compliance issues beyond the law. 3con continues to aim to implement changes to laws and guidelines as quickly as possible. In addition, 3con continues to pursue the

goal of starting all six-weekly meetings in physical presence with the “Safety First” format in 2023. Due to the small size of 3con Management Consultants (14 employees) and the open, family-like corporate culture, misconduct can be quickly identified by the management and corrected accordingly. Risks in relation to combating corruption and bribery are also prevented by the fact that 3con employees are not permitted to accept gifts from contracting companies with a value in excess of five euros.

Performance indicators for criterion 20



EFFAS V01-01

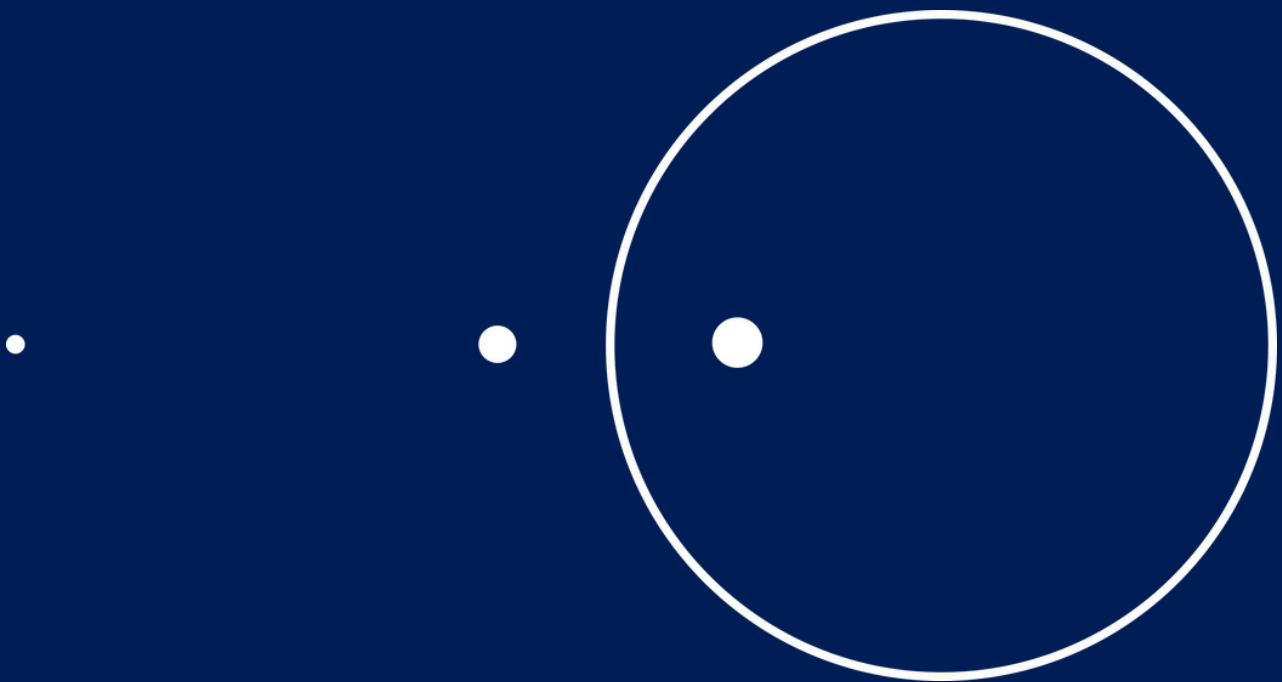
Expenses and penalties following lawsuits and proceedings for anti-competitive behavior, antitrust and monopoly violations

3con Management Consultants has never in the past and will never in the future make donations or other contributions to governments, political parties, politicians or institutions associated with them.

EFFAS V02-01

Percent of sales in regions with a Transparency International Corruption Index below 60

3con Management Consultants did not generate any sales in regions with a Transparency Corruption Index below 60 in 2021.



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