



Public
Cloud
Group

OUR SUSTAINABILITY JOURNEY

Public Cloud Group Sustainability Report 2023.

Sustainability is an essential part of our corporate philosophy at PCG. In 2023, we continued to work on creating direct added value for people and our environment. Find out here what progress we have made.

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Foreword.

Dear readers,

I am pleased to present PCG's voluntary Sustainability Report 2023. At a time when sustainability is becoming increasingly important in social, economic, and political spheres, we are benefiting from having pursued this path consistently and with a focus on the future from the very beginning.

Since our company was founded in 2021, sustainability has been a central pillar of our corporate culture. We recognized early on that it is not just about operating modern cloud solutions, but above all about using the resources that secure our future responsibly. Our vision is to create real added value for employees, customers, partners, and the environment.

A key milestone in 2023 was the implementation of a comprehensive materiality analysis. It systematically helped us evaluate where we, as the Public Cloud Group, have the greatest leverage for sustainable change.

We see sustainability as a team sport – the more people recognize the added value of sustainable activities, the more we can achieve together. Our cloud solutions combine digitalization and sustainability. We benefit from the continuously growing sustainability initiatives of our leading hyperscaler partners Amazon Web Services (AWS), Microsoft, and Google, who are constantly expanding their range of sustainable services. In addition, we have expanded partnerships, for example with AMD: modern, energy-efficient processors contribute significantly to more sustainable operation of infrastructures on hyperscaler platforms.

With an eye to the challenges and opportunities ahead, we will further sharpen our ESG focus and

derive concrete measures. I am convinced that as a committed team and networked community, we are setting the course for a sustainable corporate landscape fit for the future.

I hope you find this report inspiring and look forward to your feedback.



Alina Schneider
Head of Sustainability, PCG



Public Cloud Group profile.

Public Cloud Group (PCG) supports companies throughout their entire cloud journey – from strategic consulting to the operational management of modern cloud solutions. As an experienced partner of all relevant hyperscalers – Amazon Web Services (AWS), Google, and Microsoft – we hold the highest certifications and provide our customers with independent, solution-oriented advice.

Our comprehensive service portfolio includes cloud infrastructure, modern work, cloud development, cloud security, SAP cloud services, data & AI, and managed cloud operations (MCO). We support our customers in operating their IT landscapes efficiently, flexibly, and sustainably.

An important milestone was the strategic merger in October 2023: the previous units Cloudwürdig, InnovationsON, DI-ON.solutions, and the additions of SWITCOM, Miracle Mill, and LNW-Soft were bundled under the umbrella brand Public Cloud Group GmbH. This merger combines specialized expertise and provides our customers with bundled

expertise from a single source.

In 2023, our team comprised nearly 300 experts worldwide – a testament to the depth and quality of our services. Over 1,500 customers from the SME and enterprise segments as well as public and private educational institutions rely on our solutions, including well-known names such as Allianz, Burger King, Flaconi, Generali, HelloFresh, KlassikRadio, Linde Group, Lorenz, McDonald's, myposter, N26, Veolia, and Viessmann.

You can find more success stories and detailed information about our range of services on our website: pcg.io.

GET TO KNOW PCG



Sustainability strategy.

Strategic analysis and measures.

Our strategic orientation is based on a continuous evaluation process that allows us to systematically identify and leverage sustainable potential. When we were founded in July 2021, we made sustainability an integral part of our corporate architecture. Today, it permeates all relevant decisions and is actively managed by the specially created **"PCG X Sustainability"** department.

Strategic measures (excerpt).

RESPONSIBILITY AND LEADERSHIP

Sustainability has a face at our company: as Head of Sustainability and member of the Management Board, Alina Schneider is responsible for defining, implementing, and further developing our environmental measures.

TRANSPARENCY AND MONITORING

Since 2021, we have been preparing an annual carbon footprint (Scope 1 & 2) and have expanded this to Scope 3 from 2022. This allows us to present our status quo transparently, identify reduction potential, and offset remaining emissions through selected climate protection projects.

OPERATIONAL MEASURES (EXCERPT)

 **Travel policy:** Employees are encouraged to avoid domestic flights and use alternative travel options such as trains. Our internal booking tool automatically displays the potential CO₂ savings of traveling by train when flight options are available.



GoGREEN shipping: All shipments are sent using the DHL GoGreen option, which offsets shipping emissions.



Merchandise: We source promotional items and clothing sustainably: clothing is produced in Europe (e.g., organic cotton), and promotional materials are only produced in small quantities and from recycled or sustainable materials.



Catering: Beverages in PCG offices are purchased exclusively in glass bottles; reusable systems are given priority.



Digital business cards: We are replacing paper business cards with a cloud-based tool for digital contacts.

In view of external challenges – inflation, energy crises, supply bottlenecks, skills shortages, and climate change – we are focusing specifically on technologies and partnerships, for example with leading hyperscalers (AWS, Google, Microsoft) and technology partners such as AMD. The aim is to continuously reduce the ecological footprint of digital transformation.

With this combination of strategic management and concrete measures, the Public Cloud Group is positioning itself as a pioneer for sustainable digital transformation – for the benefit of our customers, employees, and the environment.

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**Objectives and measures
for a more sustainable
PCG
from 2024**

**The second
sustainability report
(Scope 1-3)
2023**

**Identification of
key topics
2023**

**The first
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2022**

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**Sustainability at PCG
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**Developing a
sustainability strategy
2021**

OUR FIRST STEPS IN THE ESG AREA

In order to put our efforts in this area on a solid footing, PCG has already taken a number of necessary steps since the company was founded in 2021:

Sustainability strategy

At PCG, sustainability is not an add-on, but a strategic core component of our actions. Since our founding in July 2021, we have systematically anchored environmental, social, and governance aspects in our corporate management. The **PCG X Sustainability** department centrally manages activities; strategic responsibility lies with the Head of Sustainability, Alina Schneider, who, as a member of the Management Board, is responsible for defining and developing our sustainability goals.

An important cornerstone of our strategy is the annual recording and evaluation of our emissions: The first climate balance sheet in accordance with the GHG Protocol was prepared for 2021 (Scope 1 & 2); for 2022, we have expanded the balance sheet to include Scope 3 for the first time. Based on this data, we derive specific reduction targets, identify measures, and offset remaining emissions through verified climate protection projects.

EMPLOYEES AT THE CENTER: MATERIALITY ANALYSIS 2023

In 2023, we systematically involved our employees and conducted a company-wide materiality survey to determine, based on data, where PCG has the greatest leverage for sustainable impact. The results revealed five key areas for action, which we summarize under the ESG concept:

E – Sustainable products & services:

Promoting and implementing sustainable offerings for our customers.

E – CO₂-management:

Measuring, reducing, and, where necessary, offsetting our emissions.

S – Social engagement:

Supporting and promoting the social engagement of our employees.

S – Sustainable corporate culture:

Anchoring sustainability as an integral part of our values and everyday work.

G – Compliance & knowledge:

Knowing relevant laws and guidelines and imparting the necessary knowledge internally.

The results of the materiality analysis serve as a basis for decision-making: they guide our prioritization, the allocation of limited resources, and the development of concrete action plans.

CONTINUOUS APPROACH AND REPORTING

Part of our strategy is a firm commitment to transparency and continuity: we prepare a climate balance sheet and a sustainability report for each year. This enables us to measure progress, identify potential for optimization, and iteratively adapt our strategy. Operational measures are implemented across departments and integrated into corporate processes so that sustainability remains measurable, effective, and firmly established for the long term.

Sustainability goals for PCG in 2023.

In 2023, PCG is still a young and rapidly growing company. Much of our energy goes into scaling teams, customer projects, and establishing stable, repeatable processes. Sustainability is not seen as a separate project, but is actively integrated into this development process. At the same time, with rapid growth and a merger just completed, there are still a few loose ends that we need to tie up.

Against this backdrop, we have specified our objectives for 2023 as follows:

■ Standardize processes after the merger:

Sustainability will be embedded in standardized processes from the outset (e.g., purchasing, HR, merch procurement, travel policy). The aim is to leverage quick wins and avoid redundancies.

■ Operationalize materiality analysis:

The employee survey conducted in 2023 will provide data-based priorities. We will immediately translate these results into prioritized action plans and address the issues with the greatest leverage first.

■ Strengthening governance and data basis:

Establishing clear responsibilities, a minimum process for data collection for the annual carbon footprint (Scope 1/2/3), and setting up basic KPIs so that we can measure progress and close gaps.

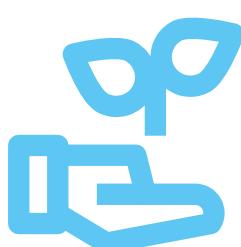
- **Quick, visible measures (quick wins):**
Implementing easy levers (e.g., PCG Merch Shop with sustainable products, rail-first travel policy, GoGREEN shipping) to show short-term impact and strengthen the culture.
- **Building capacity and skills:**
Training, knowledge sharing (via "PCG X Sustainability" on the intranet), and integration of the topic into Welcome Days ensure that sustainability is considered from the outset by new colleagues.
- **Prioritize and tie up loose ends:**
Identify open issues (e.g., different reporting formats from the former units, data gaps in Scope 3 categories) and plan a clear roadmap for closure with responsibilities and deadlines.



OUR ROLE IN THE VALUE CHAIN

PCG builds the value chain on a sustainable foundation and performs several connecting functions in the process:

- **Consulting & architecture:**
We design sustainable cloud architectures (including SAP deployments) with the aim of maximizing energy efficiency, scalability, and cost transparency.
- **Migration & implementation:**
We carry out migrations to hyperscalers, optimize workloads, and ensure resource-efficient commissioning.
- **Optimization & Operation:**
In managed operations (MCO), we monitor and optimize resources (rightsizing, auto-scaling, efficient storage utilization) and use automation to increase efficiency.
- **Service development:**
We develop cloud-native and SAP-compatible services that are designed for sustainable use and longevity.
- **Transparency & reporting:**
We collect usage data, create carbon footprints, and provide a solid foundation for customers to achieve their own sustainability goals.



Hyperscalers, platforms, and strategic partners.

Our technical foundation is primarily based on the three major hyperscalers AWS, Microsoft, and Google – they provide the cloud infrastructure on which our solutions run.

■ Amazon Web Services (AWS)

<https://aws.amazon.com/sustainability>

■ Microsoft

<https://www.microsoft.com/en/sustainability>

■ Google

<https://sustainability.google/>

In addition, we work closely with specialized technology and platform partners to increase the functionality and sustainability of our services:

■ SAP

As a provider of SAP cloud services, we integrate and operate SAP landscapes (e.g., S/4HANA deployments) on cloud platforms. SAP cloud scenarios enable customers to operate business-critical applications efficiently and sustainably.

<https://www.sap.com/products/sustainability/our-approach.html>

■ AMD

Through our partnership with AMD, we use modern, energy-efficient processors and architectural approaches that reduce power consumption per computing power – a lever for reducing the ecological footprint of operations.

<https://www.amd.com/en/corporate/corporate-responsibility/environmental-sustainability.html>

■ Asana & collaboration tools

Tools such as Asana support modern work concepts, reduce meeting overhead, and promote efficient digital collaboration – this reduces travel requirements and increases organizational efficiency.

<https://investors.asana.com/esg>

■ Additional technology and solution providers:

Depending on customer requirements, we involve other specialized partners (e.g., for security, backup, observability, or cost/carbon-optimized cloud services).

SUSTAINABILITY IMPACT ALONG THE VALUE CHAIN

The sustainability impact is not only achieved through the technical transfer to the cloud, but also through very specific optimizations: more efficient use of resources, shutdown of unused instances, use of energy-efficient hardware options, selection of sustainable regions/provider networks, and use of cloud functions for workload management. PCG helps identify and implement these levers for customers—the measurable savings (e.g., energy, CO₂, water) occur on the customer side.

CONTROL AND COLLABORATION

We continuously inform ourselves about our partners' sustainability strategies and take these aspects into account in our selection and integration processes. Supplier and partner evaluations, contractual sustainability requirements, and transparent reporting processes are part of our supply chain management, making the value chain as a whole more resilient and sustainable.

Corporate governance & compliance.

Sustainability organization at PCG.

Sustainability was placed at management level right from the start of PCG: **Alina Schneider** was appointed to the Management Board as Head of Sustainability and has since been responsible for strategy, reporting, and management of sustainability activities.

In 2023, we further developed our organization in a targeted manner: With the expansion of the carbon footprint to include Scope 3 emissions, the amount and complexity of the data to be recorded increased significantly. For this reason, a dedicated **sustainability team** was established to take on the operational tasks of collecting, analyzing, and communicating the data.

Key features and tasks of the team:

- **Strategic management:**
Alina Schneider retains technical and strategic responsibility and manages the team from within the management team.
- **Operational responsibility:**
The sustainability team is responsible for preparing the annual climate balance sheet, compiling sustainability reports, and coordinating measures to achieve targets.
- **Interface function:**
The team acts as a central point of contact for specialist departments (e.g., HR, IT, finance, sales), pools information, and ensures cross-departmental implementation of measures.

■ **Interdisciplinary working model:**

Team members contribute sustainability as part of their role – they work in a hybrid manner, taking on both sustainability tasks and activities in other PCG teams. This integrates sustainability directly into operational processes.

■ **Anchoring and impact:**

This structure ensures that sustainability is not only planned at the management level, but is also carried over into the everyday work of the entire organization and made measurable.

This structure strengthens accountability, improves data quality, and at the same time creates the organizational conditions for systematically planning, implementing, and monitoring sustainable measures.



OUR VALUES



Create
Customer Value



Be Considerate



Take Action



Be Transparent



Be Curious



Be Collaborative

Rules and processes.

The Public Cloud Group (PCG) was founded in 2021 and combines the many years of experience of several established companies – namely Cloudwürdig, Innovations ON, and DI-ON. solutions – supplemented by later additions such as SWITCOM, Miracle Mill, and LNW-Soft. These companies were previously leaders in specific specialist areas and have come together under the PCG brand to develop sustainable and innovative cloud solutions.

Right from the start, we implemented measures, rules, and processes in the area of sustainability – relying on proven expertise to establish sustainable standards from the outset. Transparency plays a central role in this: the latest results and activities in the area of sustainability are presented regularly in the monthly **PCG Company Meet Calls**. The "**PCG X Sustainability**" section on the intranet brings together all relevant information – from previous reports and the strategy to an introduction to the sustainability team. In addition, sustainability is systematically communicated to new colleagues during the quarterly **Welcome Days**, so that everyone understands how we think about and implement sustainability right from the start.

A significant milestone was the completed merger of the individual units into **the Public Cloud Group** in September 2023. This merger enabled us to consolidate heterogeneous systems and different data pools, thus creating a significantly more robust basis for our CSR and climate data. The consolidation helps us to standardize reporting processes, close data gaps, and improve the management of sustainability-related measures.

An essential part of our continuous development is the materiality analysis we have carried out (see chapter "Identification of material topics"). Based on this, we define further rules and processes,

address our key areas of action, and derive appropriate performance indicators as well as planning and control mechanisms. In doing so, we follow recognized reporting standards and best practices to ensure the reliability, comparability, and consistency of our statements.

With this structured set of rules and clearly defined processes, the Public Cloud Group ensures that sustainability is firmly anchored in everyday business and makes a lasting contribution to sustainable transformation.

Values, code of conduct, and cultural anchoring of the PCG.

Back in 2022, we clearly defined our global company values, vision, mission, and our "why." These guidelines are based on six core principles and have served as a guide for our daily actions ever since – both internally and externally.

In 2023, we consistently anchored these values within the company. All employees were actively involved in communicating the guidelines. These values play a central role, particularly in the recruitment process: in addition to assessing professional skill fit, we also consciously check cultural fit to ensure that new colleagues are a good fit for PCG not only in terms of their professional skills but also in terms of their values. Our values are communicated to new employees during the onboarding phase – for example, at the regular **Welcome Days** in Germany and Austria and through standardized international onboarding processes. There, the six principles are not only presented, but also explained and discussed in the specific context of the company.

The values are also an integral part of our performance management: in addition to measurable results and KPIs, behavior and lived values are also

included in the assessment. In this way, we ensure that the desired culture is not only formulated, but also lived and recognized.

CODE OF CONDUCT

In 2022, we enshrined our values in a binding **Code of Conduct**. The Code of Conduct contains rules, expectations, and guidance on key topics, including:



- Confidentiality and protection of privacy
- Protection against discrimination and harassment
- Equal opportunities
- Respect for human rights
- Integrity and quality of work
- Combating bribery and corruption
- Sustainable growth and environmental management
- Reporting channels for violations or unethical behavior

All employees are required to read the Code of Conduct and confirm their compliance with it. We have appointed one or more locally responsible contact persons for each national subsidiary to whom employees can turn in confidence. Reports are treated confidentially and no retaliatory measures are taken.

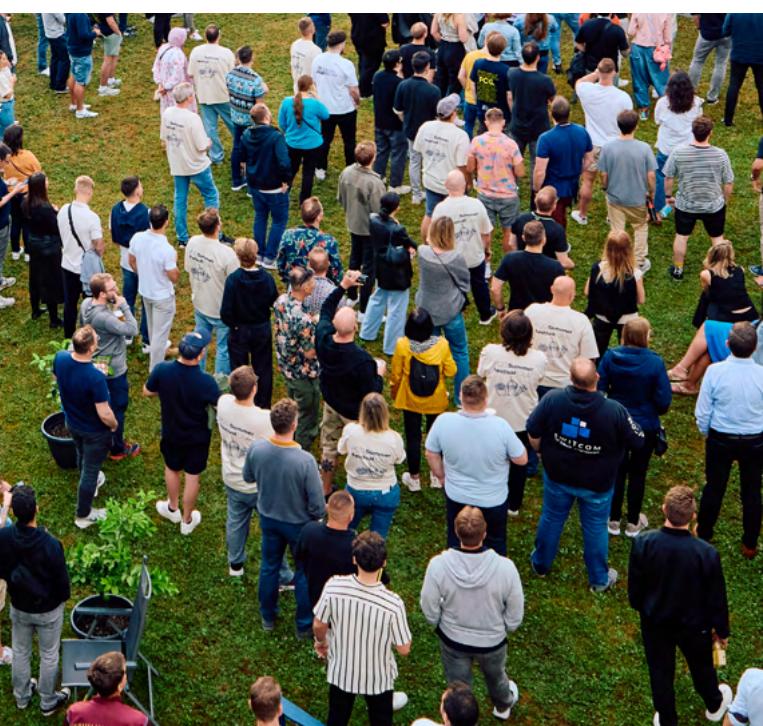
The Code of Conduct is publicly available and forms the basis for our daily cooperation – as a binding set of rules and as an expression of what PCG stands for.

**DISCOVER THE
PCG CODE OF CONDUCT**



Compensation and incentive systems.

In the 2023 reporting year, PCG continues to pursue a coordinated system of monetary and non-monetary incentives aimed at ensuring fair compensation and an attractive, appreciative working environment for all employees.



BASIC PRINCIPLES

Equal treatment and transparency

In EU countries, PCG complies with the provisions of the German Pay Transparency Act with the aim of achieving gender-neutral remuneration. In North Macedonia, the gender pay gap is regularly assessed and proactively addressed. In general, there are no gender-related differences in pay within PCG.

Market orientation

As there are no comprehensive collective agreements across the industry, remuneration is based on market standards and the labor law requirements of the respective countries. The salary structure is based on uniform regulations and is designed to be transparent and fair.

Components of remuneration

Employees receive a fixed base salary; depending on their role and country company, variable components or other financial incentives may also be granted. For executives, there is a model consisting of fixed and variable components; the specific structure is determined in consultation with the responsible member of the Management Board.

No link to sustainability targets (as of 2023)

At the time of reporting, there is no direct link between remuneration components and sustainability indicators.

CONFIDENTIALITY

For competitive reasons, PCG does not publish detailed information on specific salary levels. However, internal systems ensure that remuneration is applied in a transparent, comprehensible, and fair manner.

Benefits and non-monetary incentives.

In addition to financial compensation, PCG offers a portfolio of non-monetary benefits in 2023 that promote employee well-being and strengthen their loyalty to the company. These include, among other things:

- **Joint events to strengthen team spirit,**
- **Offers to improve work-life balance,**
- **Free provision of drinks, snacks, and fruit**
- **Mobility and sports offers (e.g., Wellpass in individual countries)**

The sustainability aspect is taken into account when designing these benefits. Operational responsibility for the design usually lies with the respective departments (in particular HR); all measures are implemented in consultation with the Management Board. Additional country-specific benefits are offered as needed, depending on the country subsidiary.

Stakeholder participation.

The 2023 Sustainability Report builds on the transparency and insights gained in previous years. While the 2022 report already provided a comprehensive overview of the status quo – including a climate footprint for Scope 1–3 over twelve months – the current report documents our progress and the next phase of stakeholder engagement.

In 2023, we successfully implemented the first part of our materiality analysis and specifically surveyed our employees as an internal stakeholder group. The data-based insights gained from this will form the basis for involving further internal and external stakeholders in the survey process in the coming years, thereby identifying the issues that are central to PCG even more comprehensively.

Our key stakeholders include:

■ Employees

They are at the heart of everything we do. Their commitment, perspectives, and knowledge input are crucial in determining which issues we prioritize and how we design our measures.

■ Customers and client companies

As users of our cloud solutions, they provide important input: their requirements, expectations, and experiences flow directly into the development of sustainable services.

■ Shareholders and investors

Investors support us strategically and financially; their perspectives help to make sustainability goals marketable and sustainable in the long term.

■ Technological partner companies

Cooperation with hyperscalers and other technology partners enables access to sustainable services and innovation-driven solutions that benefit both us and our customers.

■ Environment and ecosystem

Issues such as energy efficiency, resource conservation, and the reduction of travel emissions are a focus for us because they address the direct contribution of digital transformation to the conservation of natural resources.

By closely involving these stakeholders and continuously reviewing our assumptions, we ensure that our measures are practical, effective, and needs-oriented. The results of the employee survey conducted in 2023 are now being used to set priorities, develop action plans, and gradually expand stakeholder participation.

Innovation and product management.

As a public cloud service provider, we accompany our customers throughout their entire cloud journey – from strategy to operability – and integrate modern technological solutions. The public cloud is the most ecologically efficient way to operate IT infrastructure: customers can dispense with their own data centers, which consume large amounts of water, electricity, and cooling agents. In addition, hyperscaler models such as load balancing and pay-per-use allow customers to pay only for the resources they actually use.

Our leading hyperscalers – including AWS, Microsoft, and Google – are continuously advancing their sustainability strategies and striving for long-term climate neutrality. Both we as a service provider and our customers who use their platforms benefit from these developments (see the chapter "Value Chain at PCG" for details).

Our work has a positive impact on social, economic, and environmental aspects for our customers that goes beyond technical optimizations: Concrete

effects such as energy or water savings can be measured directly at the respective company. Within PCG, digitalization also contributes to resource efficiency – we are reducing paper consumption and moving many meetings to the digital space.

As a growing company, we also contribute to social sustainability: we are constantly creating new jobs and, with our training program, we enable talented individuals from outside the industry to enter the IT sector. In doing so, we ensure secure, equal opportunities and fair remuneration.



Financially, we primarily invest our free cash flow in the expansion of our business – in employees, customers, our service portfolio, and targeted acquisitions. In addition, strategic partnerships, such as with AMD, ensure that our services become even more sustainable: modern, energy-efficient processors help to reduce the power consumption per computing power and thus reduce the ecological footprint when operating on hyperscale platforms.

Through this holistic approach to innovation and product management, we not only offer our customers future-proof cloud solutions, but also support them in achieving measurable progress toward sustainable IT landscapes.

Environment.

Resources used.

As a cloud service provider, our resource consumption differs fundamentally from that of manufacturing companies: we do not directly draw on global raw material reserves, but primarily require energy and space for our office locations. This conscious focus enables us to work specifically on the key levers for greater sustainability.

Responsible use of resources is firmly anchored in our corporate governance: The Management Board systematically considers environmental impacts in a variety of business decisions and operational processes. When it comes to new developments, our efforts to conserve resources and reduce CO₂ emissions are incorporated into the planning process from the outset.

Our key resources in 2023:

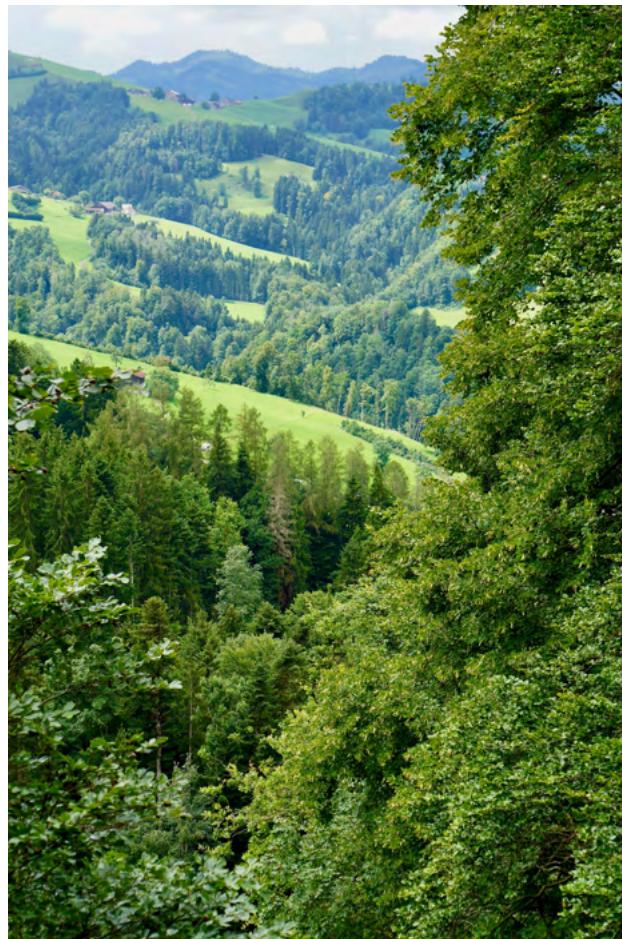
ENERGY

470.37 MWh total consumption
(249.55 MWh in 2022)

SPACE

3,769 square meters
(3,533 square meters in 2022)

We obtain other resources such as water from local utility companies, and waste is only generated in normal household quantities. As a service provider, neither of these have a significant impact on our carbon footprint. We deliberately refrain from recording materials in detail, as they are not essential to our business model – our focus is on the climate-relevant factors of energy and heat.



PCG'S ENERGY CONSUMPTION

With a **total energy consumption of 470.37 MWh** in 2023, we recorded an increase compared to the previous year (249.55 MWh). This can be explained, among other things, by the full integration of our acquisitions: While divisions such as "PCG International" (formerly Miracle Mill) were only included on a pro rata basis in 2022, they are now fully included in our balance sheet.

Our energy mix consists of electricity and thermal energy (district heating, natural gas, and heating oil). The consumption data is taken from utility bills and direct invoices from energy suppliers. We have set ourselves the clear goal of reducing this consumption in the coming years – an important component of our sustainability strategy.

Resource management.

At the end of 2023, we conducted a comprehensive internal materiality survey to strategically realign our resource management. Based on the results, we defined qualitative targets and concrete measures that will be communicated from 2024 onwards and will take effect in the following years.

FIVE PILLARS FOR SUSTAINABLE GROWTH

The materiality analysis identified five target areas with the greatest leverage for our sustainability strategy:

Environment – Ecological responsibility

- **Sustainable Products & Services:**
Development and promotion of sustainable services such as sustainability assessments and Well-Architected Framework Reviews (WAFR) that help our customers improve their own environmental footprint
- **CO₂ reduction:**
Systematic reduction or offsetting of our own greenhouse gas emissions

Social – Social responsibility

- **Social engagement:**
Active participation in social initiatives and organization of our own corporate events with social added value
- **Sustainable company culture:**
Embedding our code of conduct and values in our everyday work and increasing diversity beyond the industry average, especially in terms of the proportion of female and diverse employees

Governance – Responsible corporate management

- **Internal sustainability awareness:**
Building sustainability awareness through targeted training and teaching "sustainability hacks"

An external materiality analysis that also incorporates the perspectives of our stakeholders will follow in a next step in the coming years.

Sustainability from the outset

Our commitment to resource-efficient working practices dates back to the early days of the Public Cloud Group. When the company was founded, for example, we decided against printed business cards in several countries and opted for digital alternatives instead – a small but symbolic step in our consistent digitalization strategy, which reduces paper consumption and increases flexibility at the same time.

01. Sustainable Products & Services

02. CO₂ reduction

03. Social engagement

04. Sustainable company culture

05. Internal sustainability awareness

Climate.

For PCG, climate protection is not an obligation, but a strategic priority. In our founding year of 2021, we drew up our first greenhouse gas balance sheet in accordance with the internationally recognized Greenhouse Gas (GHG) Protocol. What began with Scopes 1 and 2 was systematically expanded from 2022 onwards: since then, we have been balancing all three scopes in full and will continue to apply this comprehensive standard consistently in 2023.

METHODOLOGY

The greenhouse gas balance according to the GHG Protocol was prepared by our partner VERSO. The biogenic share in all three scopes of the total balance is 0 tons of CO₂ equivalent. Both primary and secondary data from scientific databases and studies (e.g., GEMIS, UBA, ecoinvent) were used to convert consumption data into CO₂. The emission factors were taken from the following accredited sources/databases, among others: ecoinvent, UBA, Defra, IFEU, ÖKO Institut, etc. GWP100 (100-year relative global warming potential) is used as the basis for calculation to ensure consistency

of values. Operational control was chosen as the consolidation approach. This information refers to the complete greenhouse gas balance and thus also to the information in the following three GRI's on Scope 1, 2, and 3.

TRANSPARENT ACCOUNTING ACCORDING TO THE GHG PROTOCOL

Our greenhouse gas balance sheet systematically records all relevant emission sources:

- **Scope 1** covers direct emissions that we as a company can directly control
- **Scope 2** includes indirect emissions from purchased energy such as electricity, heat, and cooling from external suppliers
- **Scope 3** takes into account all other indirect emissions along our value chain

The resulting corporate carbon footprint for 2023 breaks down as follows:

	EMISSIONS	SHARE
SCOPE 1 (DIRECT EMISSIONS)	111.83 t CO ₂ e	18.3 %
SCOPE 2 (INDIRECT ENERGY EMISSIONS)	69.26 t CO ₂ e	11.3 %
SCOPE 3 (VALUE CHAIN)	431.12 t CO ₂ e	70.4 %
TOTAL	612.21 t CO ₂ e	100 %

As a service provider, we do not manufacture any physical products, so we focus on the categories relevant to our business model, thereby ensuring accurate and meaningful accounting.

CORPORATE CARBON FOOTPRINT 2023

Our corporate carbon footprint for 2023 amounts to **612.21 t CO₂e** and is distributed across the three scopes as follows:

Compared to the previous year (466.18 t CO₂e), there has been an increase in absolute emissions, which primarily reflects our dynamic company growth. The clear dominance of Scope 3 with over **70%** confirms our analysis of the main sources of emissions and underlines the importance of business travel and commuting for our carbon footprint.

INCREASED EFFICIENCY DESPITE GROWTH

Our relative emission figures are developing particularly positively, demonstrating our increased climate efficiency:



Per employee:

1.61 t CO₂e (2022: 1.69 t CO₂e)
– an improvement of 4.7%



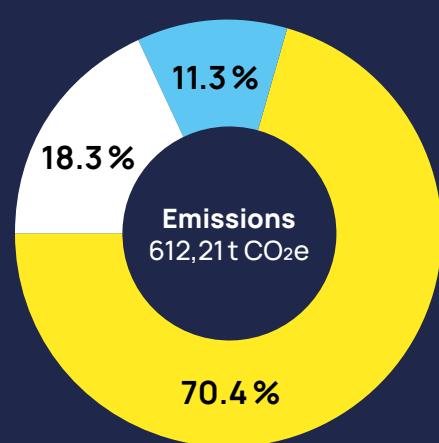
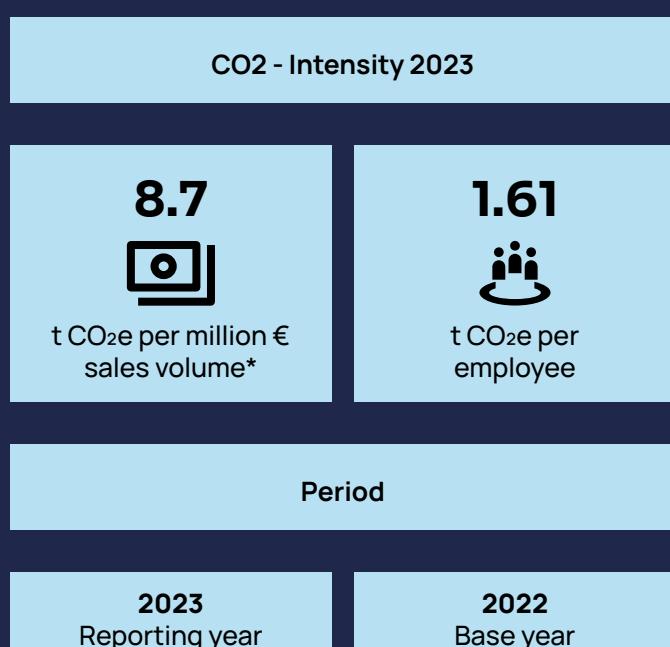
Per million euros of revenue:

8.7 t CO₂e (2022: 9.0 t CO₂e)
– a reduction of 3.3%

These positive developments show that, despite an absolute increase in emissions due to our growth, we are continuously improving our climate efficiency. Per euro generated and per job, we are causing fewer CO₂ emissions than in the previous year – an important step on the path to more sustainable corporate management.

Our Carbon Footprint 2023.

CLIMATE DASHBOARD 2023



*See above for percentages

MAIN SOURCES OF EMISSIONS AND THEIR DEVELOPMENT

The analysis of our 2023 greenhouse gas balance identifies three main emitters:

- Business travel tops the list – a result of our intensified on-site consulting activities and growing customer demand for personal presence in order to build long-term business relationships
- Commuting by our employees thus ranks second in 2023

- Stationary combustion moves up to third place, while electronics purchases decline – a sign of conscious procurement decisions

This shift reflects our growth: more employees, more intensive office use due to welcome days for new colleagues in Magstadt, and regular office days lead to higher consumption, but at the same time underscore our vibrant corporate culture.

	EMISSIONS SOURCE	TONS OF CO ₂ EQUIVALENT	SHARE OF TOTAL EMISSIONS
SCOPE 1	Stat. consumption	179.93	13.1 %
	Vehicle fleet	31.90	5.2 %
SCOPE 2	Electricity mix	62.66	10.2 %
SCOPE 3	Business travel	149.89	24.5 %
	Commuting	164.57	26.9 %
	Electronics	83.72	13.7 %



STRATEGIC REDUCTION MEASURES

As a service provider, we naturally generate fewer greenhouse gases than manufacturing companies. Nevertheless, based on our balance sheet, we are developing specific goals and measures for the coming years:



- 100 % renewable energy at all locations to sustainably meet our energy needs
- Reducing energy consumption through more efficient office technology and optimized use of space
- Create public transport incentives to reduce commuting by our employees
- Establishing longer hardware cycles for resource-saving IT equipment

These areas of action form the foundation for our systematic emission reduction and underscore our commitment to measurable climate protection.

Social.

PCG as an attractive employer.

In the 2023 reporting year, PCG remains clearly committed to its self-image as a responsible employer. We are represented at 21 locations in Germany, Austria, Switzerland, Sweden, Greece, Bulgaria, and North Macedonia, and we strictly adhere to the applicable labor law requirements.

These include protection against unfair dismissal, freedom of association and assembly, and the right to collective bargaining. Freedom of choice of occupation, paid vacation, and the right to adequate leisure time are integral parts of our working practices. We are guided by the ILO's core labor standards, particularly with regard to the prevention of forced and child labor and discrimination.

FAIR REMUNERATION AND SOCIAL SECURITY

Our remuneration policy is based on market standards and aims to ensure fair pay for all employees, regardless of gender or origin. In EU countries, we comply with pay transparency requirements; in selected locations such as North Macedonia, the gender pay gap is regularly assessed and adjusted if necessary. In addition, we offer additional social benefits in selected countries: in Germany, for example, a company pension scheme, the EGYM Wellpass health app, and subsidies for the purchase of electric bicycles.

HEALTH, OCCUPATIONAL SAFETY, AND WELL-BEING

Our occupational safety measures go beyond the minimum legal requirements. We promote the health of our employees through preventive services and measures aimed at long-term resilience and employer attractiveness. Flexible working models and services to improve work-life balance support employees in different life situations.

EMPLOYEE PARTICIPATION AND INNOVATION

The ideas and commitment of our employees are a key factor in our success. That is why we actively involved the workforce in the materiality analysis in 2023. The results of this survey are directly incorporated into our action planning and help us to set priorities based on data. In this way, we ensure that sustainability is not just the responsibility of management, but is supported and developed by everyone in the company.

Diversity and equal opportunities.

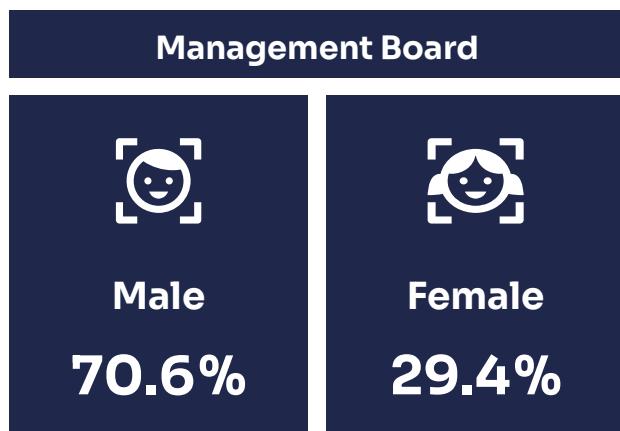
We live and breathe equal opportunities and are committed to treating everyone fairly and respectfully – regardless of their ethnic or social background, age, gender, skin color, religion, political views, or any other characteristics. This self-image is deeply rooted in our corporate culture and is part of our globally applicable **Code of Conduct**, which all employees agree to when they join the company. Violations can be reported confidentially; we have a zero-tolerance policy toward discrimination.

Below you will find information on the diversity of our entire workforce (template). The figures refer to the reporting date of **December 31, 2023**.

	2022	2023		
	TOTAL	PERCENTAGE OF TOTAL WORKFORCE	TOTAL	PERCENTAGE OF TOTAL WORKFORCE
TOTAL NUMBER OF EMPLOYEES	284	100 %	379	100 %
NUMBER OF WOMEN	77	27.11 %	99	26.12 %
NUMBER OF MEN	207	72.89 %	260	68.6 %
NUMBER OF DIVERSE INDIVIDUALS	-	-	2	0.53 %
NOT SPECIFIED	-	-	18	4.75 %
NUMBER OF GERMAN CITIZENS	169	59.51 %	267	70.44 %
NUMBER OF EU CITIZENS (EXCLUDING GERMANY)	31	10.92 %	47	12.4 %
NUMBER OF NON-EU CITIZENS	84	29.58 %	65	17.15 %
NUMBER OF EMPLOYEES WITH DISABILITIES	3	1.06 %	3	0.79 %

GENDER DISTRIBUTION & MEASURES TO PROMOTE WOMEN

The proportion of women in our teams varies from region to region: in Germany and Austria, the proportion is just under **20%**, while at our locations in other countries, such as North Macedonia, it is just under **40%**. The Management Board consists of 17 people, twelve of whom are male and five female – the proportion of women is therefore **29.4%**.



We want to increase the proportion of women in technical and leadership positions in the long term. To this end, we have launched targeted measures in 2023, including:

- Specific recruiting events at universities with a focus on female IT talent
- Checking all job advertisements for gender-neutral language using special software,
- Targeted outreach in talent pools and networking activities.

WORK-LIFE BALANCE, HEALTH, AND INCLUSIVE WORKPLACES

Work-life balance is a key concern. We offer flexible working time models, home office options, flexitime, special leave days (e.g., weddings, births, moving house), location-specific customary holidays, and individual leave. The aim is to provide measures that enable relaxation, secure long-term prospects, and facilitate family life.

We support people with disabilities through concrete, pragmatic solutions: home office options that can be 100% adapted to individual needs, as well as structural adjustments at locations – such as automated doors – to ensure unrestricted access for employees in wheelchairs.

REPORTING CENTERS, PREVENTION, AND CULTURE

We are not aware of any cases of discrimination within PCG. However, should an incident occur, employees have several confidential channels available to them: the responsible HR representative, their direct manager, or the neutral contact point specified in the Code of Conduct. All reports are treated confidentially; the aim is to find a solution-oriented clarification tailored to the person concerned.

OUTLOOK

We see diversity and equal opportunity as a dynamic process. The measures already in place are continuously evaluated and expanded in order to break down structural barriers and further develop PCG as an inclusive employer. The goal is to create a working environment in which all employees can develop to their full potential.

Learning and development.

For PCG, it is a matter of course to promote and continuously ensure the participation of all employees in the world of work and careers.

We create new jobs every year and want to prepare our future and new employees as well as possible for working in our company. To promote the training of new cloud experts, PCG has established its own academy in Germany, whose program is specifically aimed at people from outside the industry. Our one-year trainee program gives IT beginners access to the relevant hyperscaler platforms from AWS, Microsoft, and Google.

At our location in North Macedonia, we have already introduced several programs and activities to recruit students directly from university and then train them.

ACTIVE PARTICIPATION IN TRAINING

To promote the employability of our existing employees, we continuously invest in our training and continuing education offerings. The goal is to enable our employees to develop technologically and professionally according to their own preferences and skills. Employees can complete any certifications they deem useful at their own discretion and thus actively further their education.

Through close cooperation with hyperscalers AWS, Microsoft, and Google, our employees have the opportunity to participate in training and education opportunities offered by partners. They are given preparation time during working hours and the certification fees are covered by PCG.

Our employees actively take advantage of further training opportunities. In 2023, employees in Germany and Austria invested a total of 23,795 hours in further training, and the PCG International group (formerly Miracle Mill, comprising Switzerland, Sweden, North Macedonia, Greece, and Bulgaria) invested 16,733 hours.

OCCUPATIONAL SAFETY AND HEALTH PROTECTION

Work-related injuries are rare at PCG, as we are not a manufacturing company. In the 2023 reporting year, no workplace injuries were reported to us. We have no information on work-related illnesses, as these do not have to be reported by our employees.

Human rights.

PCG is expressly committed to respecting internationally recognized human rights. We unreservedly reject practices such as human trafficking, child labor, forced labor, slavery, or serfdom. We categorically rule out any cooperation with companies that use or tolerate such practices.



Hours invested in training in 2023

SOCIAL.

Our fundamental human rights principles are enshrined in our Code of Conduct. This defines binding rules of conduct for respecting and protecting human rights in a corporate context. As in the previous year, no specific review of our sites with regard to compliance with these principles was carried out in the 2023 reporting year.



In 2023, a new supplier was added. Our existing partner companies remain committed to complying with established ethical and social standards, which are set out in their respective codes of conduct:

- **AWS Code of Conduct**
- **Microsoft Open Source Code of Conduct**
- **Google Code of Conduct**
- **Asana Code of Conduct**

Based on the principles formulated therein, we do not anticipate any significant negative social impacts within our supply chain. No human rights violations were reported to us during the reporting period. In order to ensure this standard on a permanent basis, we plan to develop a procurement management policy.

As a provider of cloud-based services, PCG pursues an asset-light model. Accordingly, we make only limited investments – primarily in IT equipment such as notebooks and general office infrastructure. Our offices are located in rented properties.

As our activities are focused on Europe, where high human rights standards are already established, no specific definition for significant investment agreements has been formulated.

Community.

In 2023, PCG will continue to pay all taxes in full at all of its company locations and fulfill all legal obligations. Due to our continued intense focus on building and strategically developing the company, we were not yet able to engage in additional social, environmental, or cultural activities at the local level, as was the case in the previous year.

Political influence.

In the 2023 reporting year, PCG once again had no political influence whatsoever. Neither in our business activities nor in our strategic orientation do we pursue the goal of influencing political parties, authorities, or legislative processes.

Accordingly, we do not make any direct or indirect financial or material contributions to political parties, lobby groups, or similar organizations. We also do not participate in political decision-making processes, particularly with the aim of influencing ongoing legislative projects.

This position will remain unchanged in 2023.

Compliance with the law.

In 2023, PCG will continue to consistently pursue its goal of creating a working environment based on trust, respect, and integrity – both in internal interactions and in dealings with customers, partner companies, suppliers, and other business contacts.



At all 21 locations in Germany, Austria, Switzerland, Sweden, Greece, Bulgaria, and North Macedonia, PCG is committed to consistent compliance with all applicable legal provisions and regulatory requirements of the respective countries. We also expect this responsible behavior from our employees without restriction.

As in the previous year, no sanctions or fines were imposed on PCG in the reporting year in connection with non-compliance with social or economic regulations.

FIGHTING CORRUPTION

PCG is strongly opposed to any form of corruption and bribery, regardless of whether it involves active or passive participation. Attempted or actual influence in the awarding of contracts through improper consideration continues to be considered a significant risk.

As a preventive measure, a binding Code of Conduct was published in previous years, defining basic principles of action and rules of conduct for all employees. This Code of Conduct is available on the company website in German and English and serves as a framework for guidance in everyday working life. All employees are obliged to comply with these guidelines.

Violations of the anti-corruption guidelines can be reported confidentially to designated contact persons. There is a clear rule: corruption will not be tolerated and can be punished with immediate termination of employment and criminal prosecution.

In the 2023 reporting year, PCG was not aware of any cases of corruption. Likewise, no explicit site inspections were carried out on this topic.

About PCG.

Public Cloud Group (PCG) supports companies in their digital transformation through the use of public cloud solutions.

With a portfolio designed to accompany companies of all sizes on their cloud journey, as well as the expertise of numerous certified experts with whom customers and partners enjoy working, PCG positions itself as a reliable and trustworthy partner to hyperscalers.

As an experienced partner of the three relevant hyperscalers (Amazon Web Services, Google Cloud, and Microsoft Cloud), PCG holds the highest awards from each provider and advises you, our customers, independently on your cloud journey.

Contact.

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More informations at
www.pcg.io

