

Highlights & facts

Techem Sustainability

report 2024

Important messages, targets and facts



For climate protection and sustainability in the building sector.

Techem sets standards for an energy-efficient future in the building sector and takes responsibility for climate protection.

The effects of climate change are being felt globally. Extreme weather events, rising temperatures and the progressive exploitation of resources make it clear: The time to act is now. Worldwide, the focus is shifting to decarbonizing all sectors, and the building sector plays a key role in this. Accounting for around a third of global CO₂ emissions, it not only has an immense responsibility, but also enormous potential to contribute to solving the climate crisis. At the same time, property owners and tenants need planning security and energy measures must remain affordable. The energy transition is and remains a major social responsibility and task.

At Techem, we are committed to this task. We are deeply convinced that, especially in times of growing ecological, economic and social challenges, it takes a combination of innovation, partnerships and decisive action to bring about sustainable change. Our task is to actively drive change in the building sector. With innovative solutions based on digitalization, data analysis and artificial intelligence, we are creating the conditions for energy savings, greater efficiency and transparency - and thus for a more sustainable and affordable future.

The energy transition will not be possible without far-reaching technical and digital innovations. For us, our Techem One Digital Platform is a central building block on this path. Step by step, this central, digital platform is being expanded to offer not only individual products, but also a comprehensive portfolio of solutions - for landlords, tenants and, in future, for other target groups in the market. But this transformation requires change. And it requires the courage to do things differently and, above all, better.

Excerpt from the foreword to the Techem Sustainability Report 2024.



Techem in Zahlen



€ 1,058.2 million
total revenue



€ 164.3 million
in investments (Capex)



18
countries



436,326
customers



13.4 million
homes under service



83.6%
remote radio reading rate



57.7 million
meters worldwide



10,993,711
smoke alarms under service



141,933 t
CO₂e emissions, scope 1



1,558 t
CO₂e emissions, scope 2



105,879 t
CO₂e emissions, scope 3



830,315 MWh
total energy purchased



4,218
employees worldwide



31.9%
women in
management positions



61
apprentices and students on
work/study programs in Germany



53,781.9
training hours
worldwide

Top 3 developments



+13.3%
more electric vehicles
in the car fleet



52.0%
women in internal
development programs



9.6
risk score in the ESG risk rating
by Sustainalytics

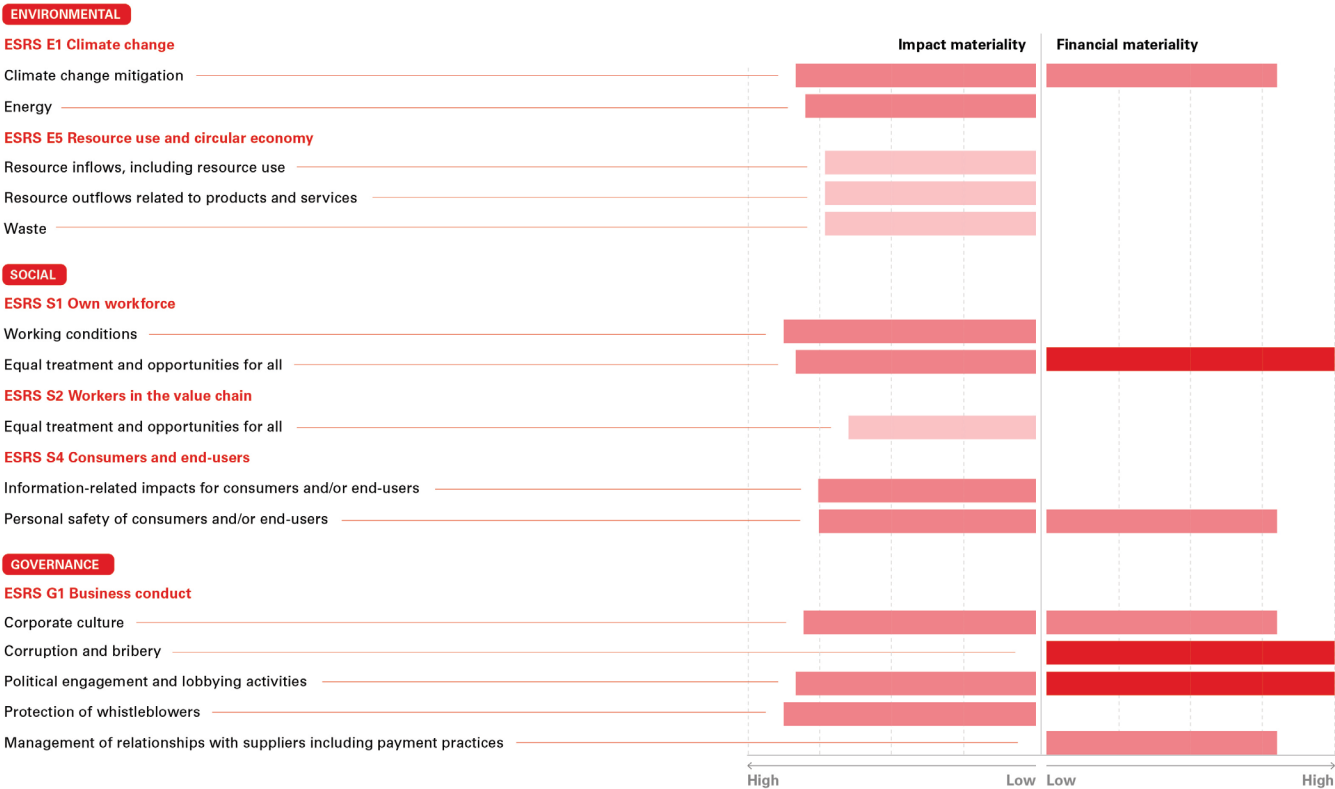
Key topics form the basis of the report.

The new ESRS-compliant materiality analysis shows Techem's sustainability-related impacts, risks and opportunities.

Our new materiality analysis

In order to live up to our responsibility towards society and the environment, we focus our commitment on the essentials. The guideline for this is our dual materiality analysis, for which we analyzed and evaluated our material impacts, risks and opportunities in relation to aspects of sustainability in the 2024 financial year. The double materiality analysis was carried out in accordance with the CSRD guidelines. This means that we comply with both the current GRI standards and the regulations of the new ESRS reporting standard.

Materiality matrix



Top marks again in the ESG risk rating.

Morningstar Sustainalytics, a global provider of ESG data, studies and ratings, rates Techem's ESG risk at 9.6 and thus once again as “negligible”.

Convincing rating results

The clear responsibilities and the integration of sustainability throughout the company are reflected in the results of the latest rating. In August 2024, Techem received an ESG risk rating of 9.6 from Morningstar Sustainalytics¹ - a leading ESG research, ratings and data company - and was thus rated with a “Negligible Risk” in terms of material financial impact from ESG factors for the second time in a row. With this excellent result, Techem is in the best possible category and thus among the current top 3 percent internationally of over 16,000 companies in various sectors assessed by Morningstar Sustainalytics.

Within the “Business Support Services” sub-sector, Techem was ranked sixth out of over 186 companies and 50th out of over 475 companies worldwide within the “Commercial Services” sector.²

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A photograph showing three Techem smart metering devices (a vertical unit, a large circular unit, and a smaller circular unit) placed on a surface in front of a vibrant green moss wall. The devices are white and silver, with the Techem logo visible on the vertical unit.

Environment

Climate change poses immense challenges for the building sector. Techem offers intelligent solutions for this.

Climate change and protection

Techem offers predominantly digital solutions to make properties more climate-efficient and contribute to a more sustainable building stock. Our portfolio includes precise measurement technology to determine tenants' resource consumption, the optimization of heating systems using smart technologies and the provision of heat as part of our contracting business.

With our intelligent metering systems and smart metering solutions, we create transparency about energy consumption in properties. This transparency helps owners and tenants to manage energy consumption efficiently and better integrate the use of renewable energies - an important contribution to optimizing the energy budget.

We also offer complete solutions for the installation and operation of e-charging stations to make buildings fit for the e-mobility of the future.

We also focus on consistent climate and environmental protection in our own company. We are continuously optimizing our internal processes to make them even more climate-friendly and to fully assume our responsibility as a sustainable player.

The E-Dimension in figures.

Important messages, figures and targets for Techem's environmental dimension.

Net Zero

til 2045

Reduce emissions

Our goal: to achieve climate neutrality for the Techem Group by 2045. With the decarbonization plan, we want to gradually reduce emissions:

- Low-emission growth
- Conversion of existing systems to low-CO₂e heating systems
- Switch to green electricity for customers
- Optimize plant operation
- Circular design for Techem devices
- Emission-free mobility, green electricity for own consumption & emission-free heat in Techem buildings



E-vehicles

We have set ourselves the goal of converting our car fleet to 90.0% electric vehicles by the end of 2028. In the 2024 financial year, the number of e-vehicles in Germany rose from 17.2% to 30.5%. In addition, the implementation of a pilot project with five electric vans for our customer service technicians delivered promising initial results. The changeover is also being driven forward internationally.

 **249.370 t**

CO₂e-Footprint in FY 2024



CO₂e-Footprint

Techem calculates its footprint. The Techem Group's total CO₂e footprint has decreased by around 18 percent compared to the base year 2020. This is partly due to more economical consumer behavior as a result of higher energy prices and partly to milder winters.

Our emissions

We measure our own energy consumption and CO₂e emissions in order to manage targeted measures that can reduce our emissions. These include the use of a certified energy management system, the purchase of green electricity and the promotion of climate-friendly mobility. The majority of emissions are caused by Techem Solutions for the supply of heat and electricity to customers.



Social

Techem wants to create a working environment in which diversity is seen as an enrichment. We offer employees a safe and attractive working environment and focus on holistic training and development.

Our employees

Many people keep Techem running every day. Creating attractive working conditions, comprehensive training and development opportunities and an open and respectful corporate culture are therefore at the heart of our commitment to our employees. At the same time, it is essential to ensure the protection of workers along our value chain. We also work continuously to increase customer satisfaction and make a positive contribution to the health and safety of society with our solutions.

Workforce at Techem

Our foundation is formed by the 4,218 Techem employees worldwide. We offer them attractive working conditions and job security: the majority of our employees are employed on a permanent basis. We also promote diversity and equal opportunities, further training and individual development. At Techem, challenging tasks can be reconciled with private commitments and requirements.

Employees by region



The S-Dimension in figures.

Important messages, figures and goals regarding Techems social dimension.



Diversity roadmap

Techem Germany is working with a large number of internal stakeholders on D, E & I and has implemented further steps for more diversity, inclusion and equal opportunities in 2024 on the basis of a diversity roadmap. This plan includes action priorities, goals, KPIs and measures. As part of the "berufundfamilie" (workandfamily) certification process, we surveyed the status quo at Techem regarding the reconciliation of work, family and private life and defined goals for the reconciliation of work, family and private life.



Women in leadership positions

Techem Germany pursues a clear strategy for promoting diversity and equal opportunities in all areas. A central component of this strategy is to increase the proportion of women in management positions. We want to achieve this with measures to empower women and a women's quota of 35% by the end of the 2025 financial year.



Gender Pay Equality

In the financial year 2024, Techem carried out a gender pay equality audit in Germany for the second time and established a procedure for identifying and reporting on it. In the process of individual salary adjustments in 2024, the focus was specifically placed on gender pay equality, among other things. In the future, gender pay equality in Germany will be analyzed and published annually.



Customer satisfaction

In the 2024 financial year, we worked harder to measure and increase customer satisfaction at the touchpoints of telephone and written correspondence. We use the insights gained to develop measures to improve customer satisfaction. One key strategy is to foster strong, cross-departmental collaboration to resolve customer concerns more quickly and efficiently.



Governance

A corporate culture that is based on trust and values is of central importance to us. It allows us to strengthen the way we work together at Techem and foster a respectful and constructive working environment.

Our company policy

For Techem, business success is directly linked to corporate responsibility. The prerequisite for this is a corporate culture characterized by appreciation and team spirit, which we shape together with our employees. A holistic compliance management system ensures that rule-based and ethical business conduct is practiced throughout the company. Through a transparent, fact-based dialogue with politicians, we strive to gain political support for energy-related issues.

Our corporate culture

We see a sustainable corporate culture as a prerequisite for reconciling growth and digitalization. To this end, we have embedded the cultural elements of customer focus, team culture, personal growth, courage, networking, leadership, innovation and commitment, which are promoted and practiced throughout the company. We value open, clear, honest and committed cooperation and communication, both internally and externally. This is also reflected in our agile way of working, which is anchored in our corporate culture and management approach. For us, this means, among other things, dealing openly with mistakes and working collaboratively. We have established a format for this in which managers and employees share their experiences of failures and can thus learn from each other. Clear and transparent corporate governance enables us to respond quickly to market changes and strengthen our competitiveness.

The G-Dimension in figures.

Important messages, figures and goals regarding Techem's sustainable corporate governance.

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Corruption cases

No corruption cases

Zero corruption cases. To prevent corruption, we provide our employees with guidance in the form of a corruption prevention policy, the Code of Conduct and online training. We have also set up an anonymous reporting channel.



Data protection

56 data protection complaints. No critical violations. Due to an adjustment of the requirements for the ISO 27001 standard, the certification of the planned international companies has been postponed and is now planned for the end of 2028. As part of the certification, five external site audits were conducted in fiscal 2024 to verify information security.



Sustainable Supply Chain

Supply Chain

We take environmental and social criteria into account when selecting our suppliers and require them to comply with our Code of Conduct and the Human Rights Policy Statement. In addition, specific sustainability criteria are incorporated into supplier audits.



Strong association work

In addition to political dialog, Techem is involved in various industry-related associations at the European and federal level. We are committed to associations nationally and internationally to promote energy efficiency.

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