PERCHERON ESG REPORT 2024

PERCHERON

MAKING LIVES BETTER

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LETTER FROM **THE CEO**

PERCHERON
MAKING LIVES BETTER

To our clients, partners, employees, and communities,

At Percheron, we've always believed that how we do business matters just as much as what we do. That belief has guided us over the last four decades through changing markets, new technologies, and evolving expectations. It continues to shape how we serve our clients, support our people, and contribute to our communities and the environment. Today, it's the same belief that drives our commitment to Environmental, Social, and Governance (ESG) performance.

In recent years, ESG has become a more prominent topic across our industry. While the terminology may be newer, the underlying principles are not. Integrity, safety, and stewardship have always been foundational to how we operate. What's changing is our growing commitment to measuring, reporting, and improving the actions we've always believed were simply part of doing the right thing.

This report is not a finish line. It is a progress report. It offers an honest reflection of where we are, what we've accomplished, what we continue to learn, and where we're headed. We share this honestly, humbly, and with a clear-eyed focus on continuous improvement, knowing that progress is built over time and never in isolation.

Over the past year, we've worked to bring greater intention to the values that have shaped Percheron from the beginning. Our digital transformation efforts have reduced our paper usage by more than one million pages. Adjustments to travel and remote collaboration have lowered employee mileage and lessened our environmental footprint. Through recycling programs, we avoided an estimated 625 pounds of greenhouse gas emissions. These actions aren't revolutionary on their own, but reflect the kind of daily choices that, over time, shape who we are and what we stand for.

Equally important is how we've shown up for each other and the communities we serve. When Hurricane Helene affected members of our team, our Percheron Gives Back program provided immediate, direct financial support. Across the country, our employees volunteered more than 1,100 hours toward disaster relief, education, and local causes. Internally, we remained focused on creating a workplace where people feel seen, supported, and empowered to grow. We also continued cultivating a workplace culture where people feel valued, supported, and empowered to grow. These moments remind us that ESG reflects our culture.

We've also taken meaningful steps to formalize our governance with integrity. In 2024, we rolled out the ESG Policy and Manual, strengthened our cybersecurity protections, and reaffirmed our commitment to proactive safety management. Our Total Recordable Incident Rate (TRIR) remains well below industry averages, thanks to a safety culture that values accountability at every level.

As we look ahead to 2025, we are focused on deepening our ESG impact in ways that are measurable, meaningful, and aligned with our values. We plan to enhance our emissions tracking for Scopes 1 and 2 and prepare for the future integration of Scope 3 data. We are investing in employee development, broadening our engagement with stakeholders, and further formalizing our governance systems. We are working to continuously improve our governance with transparency and reliability to earn and maintain the trust of our clients, our workforce, and our communities.

To our employees: thank you. You make the mission real. Your commitment is what makes progress possible. To our clients and partners: thank you for your continued trust and collaboration. You challenge us to think bigger and do better.

We do not expect perfection, nor do we claim it. But we do believe in steady progress—and in doing the work with consistency, care, and character. That belief is our compass and it's how we intend to leave things better than we found them.

With appreciation,

Trent Oglesby
Chief Executive Officer

PERCHERON OVERVIEW

Percheron LLC is a privately held, fully integrated energy services firm supporting energy and infrastructure development across the United States. With a national footprint and 40 years of experience, Percheron delivers complete engineering, survey, aerial services, land, environmental, land administration, and title services under one platform to support complex projects from inception to completion.

Headquartered in Katy, Texas, Percheron formed through the consolidation of four companies in 2012, creating a comprehensive and scalable service model. The business model includes three broad service categories: shared, technical, and land. Percheron packages these three service categories for end markets in the energy infrastructure sector- upstream exploration and production, midstream pipeline, renewable energy production, utilities, transportation infrastructure, and downstream petrochemical.

Percheron's integrated approach streamlines project delivery by combining technical and land services through shared services and proprietary technology. This model reduces redundancy, improves accountability, and supports cost-effective, timely project execution. Underpinning the efficiency gains of shared services is proprietary GRID technology, which enhances project tracking and data management, and provides clients with transparency and consistency from feasibility through completion. The integrated service model differentiates by combining multiple disciplines under one management structure.

The company is guided by core values emphasizing safety, collaboration, accountability, and continuous improvement. These principles support long-term client relationships and a stable, experienced workforce.

As the demand for infrastructure development and energy transition grows, Percheron remains focused on delivering operational excellence, adapting to evolving markets, and building long-term value for stakeholders.

Section 3.
ESG AT A GLANCE

Our Commitment

At Percheron, ESG is not a checklist, it is a mindset. Guided by our core values and the belief to "leave it better than you found it," we embed environmental stewardship, social responsibility, and strong governance into every aspect of our operations.

ESG Highlights – 2024

Category	Key Highlight(s)
Environmental	Increased use of digital documentation to cut paper waste, additional use of green technologies and earth-friendly and energy efficient office supplies
Social	The Percheron Gives Back Program expanded to include financial support for employees impacted by natural disasters, over 1,132 volunteer hours logged.
Governance	TRIR remained under industry average, strengthened cybersecurity controls with single sign on authentication rollout; Implemented ESG Policy including Commitment Statement to Sustainability and the Environment

Material ESG Topics
- Worker safety & wellbeing
- Greenhouse gas emissions & energy efficiency
- Community engagement & local impact
- Workforce development
- Ethical conduct & compliance
- Data security and privacy

2024 ESG Development Snapshot

Goal	Status
Implemented ESG Policy	Achieved
Zero serious safety incidents	Achieved
Improve ESG data reporting platform	In Progress

Framework Alignment
- SASB (Professional & Commercial Services) Version 2023-12

ENVIRONMENTAL

ENVIRONMENTAL STEWARDSHIP

Percheron's Environmental Stewardship starts with respect for the land we work on, the communities we work near, and future generations. Our environmental priorities are rooted in practicality, accountability, and continuous improvement because it is more than a mandate, it is a mindset. We approach every project with the belief that we should leave it better than we found it, whether restoring native vegetation or reducing fuel use through smarter planning. Our work spans wetlands, prairies, and urban corridors, but our principle remains the same: act with intention and respect the land. We are humbly confident in our processes, knowing they can always be refined. Through GIS planning, digital documentation, and employee-driven innovation, we pursue continuous improvement to reduce our impact.

Stewardship also means working stronger together partnering across departments and with clients to identify risks early and find sustainable solutions. Our culture encourages people at every level to take ownership of our environmental performance and make informed, responsible decisions.

4.1 Emissions & Climate Strategy
As we support clients across the energy infrastructure space, we recognize the role we play in helping the industry move toward more efficient, lower-impact operations.

2024 Highlights:
- Scope 1 emissions 520.91mT
- Scope 2 emissions 340.53mT
- Increased use of digital documentation platforms

As part of our commitment to environmental accountability, Percheron tracks and reports Scope 1 and Scope 2 greenhouse gas (GHG) emissions annually. In 2024, our total Scope 1 emissions were 520.91 metric tons of CO_2e, primarily from company vehicles. Scope 2 emissions totaled 340.53 metric tons, a measured across our reporting offices.

While these totals reflect a modest year over year increase, the rise is attributable to expanded project activity and more accurate emissions tracking through increase of available data. Rather than reflecting a change in behavior or intensity, the increase underscores our progress toward a more complete and transparent carbon footprint. With stronger baseline established in 2024, we are now positioned to set more tailored emission targets, identify hotspots for energy use or travel, and evaluate renewable energy and energy efficiency options in select offices.
 See Data table and discussion in Appendix, Section 10.1.

Looking Ahead:
- Revaluate baseline Scope 2 emissions (office energy use) across regional & field offices.
- Evaluate availability for data collection on Scope 3 emissions
- Collaborate with clients on ESG-aligned permitting and planning processes.
- Develop quantitative target on environmental issues including energy consumption and GHGs

4.2 Natural Resource Management

We believe stewardship starts with land. Our teams work in a wide range of environments, from wetlands to deserts, and our goal is always the same: minimize impact, restore when possible, and act with intention.

Practices in Action:
- Integrated GIS-based planning to reduce unnecessary surface disturbance.
- Early identification of environmentally sensitive areas.
- Assisted in implementing client-directed plant and habitat restoration initiatives

4.3 Environmental Compliance

Environmental Stewardship goes beyond voluntary initiatives – it includes meeting the letter and spirit of regulatory requirements. That is why environmental compliance is not just a baseline, but a platform for leadership and continuous improvement.

Key Points:
- Site-specific environmental checklists integrated into digital work plans
- No fines or violations reported in 2024

4.4 Environmental Policy and Management System

Percheron's commitment to environmental protection is organized through an Environmental Policy and operationalized via an Environmental Management System (EMS). These tools help us manage environmental risks, set clear targets, and promote continuous improvement across all aspects of our business.

POLLUTION PREVENTION
We take anticipatory measures to prevent the release of harmful substances, protecting water air, al, land resources across all

CONTINUOUS IMPROVEMENT
Environmental performance is a core company value. To drive prgress, we evaluate and enhanc our processes routinely.

WASTE REDUCTION
We aim to eliminate waste at its source and design facilities and processes with minimiml environmental impact.

RECYCLING
We.promote recycling and responsible disposal in ail l offices and field operations.

COMPLIANCE
We meet or exceed environmental laws and regulations through documented procedures, internal audits, and continuous monitoring.

DISCLOSURE
We communicate transparently with employees and authorities on environmental issues. fostering a culture of awareness and accountability.

TRAINING
Our employees receive environmental training relevant to their roles, ensuring knowledgeable and responsible decision-making at every level

Environmental Policy Overview

Our environmental policy is built around seven guiding principles:
- Pollution Prevention: We take anticipatory measures to prevent the release of harmful substances, protecting water, air, and land resources across all operations.
- Continuous Improvement: Environmental performance is a core company value. To drive progress, we evaluate and enhance our processes routinely.
- Waste Reduction: We aim to eliminate waste at its source and design facilities and processes with minimal environmental impact.
- Recycling: We promote recycling and responsible disposal in all offices and field operations.
- Compliance: We meet or exceed environmental laws and regulations through documented procedures, internal audits, and continuous monitoring.
- Disclosure: We communicate transparently with employees and authorities on environmental issues, fostering a culture of awareness and accountability.
- Training: Our employees receive environmental training relevant to their roles, ensuring knowledgeable and responsible decision-making at every level.

Environmental Management System (EMS)
Our EMS follows the Plan-Do-Check-Act model and enables us to:
- Identify and assess environmental risks and opportunities.
- Set measurable objectives and targets.
- Monitor key indicators and track progress.
- Ensure corrective actions and continual refinement of practices.

Performance Tracking Metrics Include:
- Greenhouse gas (GHG) emissions
- Water and electricity consumption
- Waste generation and diversion
- Diesel and gasoline use

These metrics support our transparency efforts and inform our environmental strategy, which aligns with our core value to "Leave it Better Than You Found It."

Environmental Sustainability in Action
Our environmental policy is reinforced through broader sustainability efforts that include:
- Active engagement from our ESG Committee
- Adoption of environmentally responsible technologies and products
- A Supplier Code of Conduct that incorporates environmental expectations
- Company-wide training and awareness campaigns

Through this integrated approach, Percheron ensures that environmental responsibility is not a one-time action but a sustained business practice.

Environmental Management System

IDENTIFY
- Identify and assess environmental risks and opportunities.

SET TARGETS
- Set measurable objectives and targets.

MONITOR PROGRESS
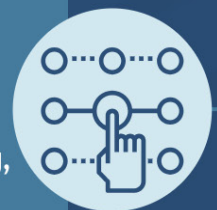- Monitor key indicators and track progress

TAKE ACTION
- Ensure corrective actions and continual refinement of practices

REFINEMENT
- TRIR of 0.24
- 850 drug and alcohol tests
- Biannual Safety Culture survey
- Expanded subcontractor vetting, emphasizing inclusive and diverse safety partnerships

SOCIAL

SOCIAL RESPONSIBLITY

5. Social Responsibility

Percheron's social impact stems from our belief that people are the foundation of everything we do. Whether in the field, in the office, or in our communities, we are committed to building a culture of safety, inclusion, and continuous growth. Our approach to social responsibility is rooted in listening, leading by example, and investing in people, because our culture, our safety record, and our community impact all begin with how we show up for one another.
Safety is a shared commitment. We empower teams to speak up, watch out for one another, and hold ourselves accountable. That is how we bring our value of "safety brings us home" to life every day.

We are stronger together when we support employee wellbeing, develop inclusive teams, and share knowledge freely. In 2024, that looked like expanding our employee development programs, increasing access to mental health support, and building meaningful partnerships with educational institutions.

We are proud of the energy our people bring to every initiative. Their contagiously positive mindset fuels company-wide volunteerism, from disaster response to youth education. And because we believe in doing what we say, we back those efforts with funding, flexibility, and leadership support.

Whether it is mentoring a colleague or delivering school supplies to underserved students, our people lead with care and in doing so, they help us leave every community better than we found it.

SAFETY AND WELLBEING

Safety
- Distributed over 55 Safety Blasts

Supporting Diverse Partnerships
- 14 are diverse, including 2 women owned and 6 small businesses

Screening and Standards
- 55 subcontractors are vetted through ISNetworld

Mental Health
- Introduced Employee Assistance Program

PERFORMANCE
- TRIR of 0.24
- 850 drug and alcohol tests
- Biannual Safety Culture survey
- Expanded subcontractor vetting, emphasizing inclusive and diverse safety partnerships

5.1 Safety & Wellbeing

Safety moves beyond a core value is a way of life. Our teams work in high-risk environments, and we treat every job as an opportunity to lead with safety, not simply comply.

2024 Highlights:
- Distributed over 55 Safety Blasts
- 55 subcontractors are vetted through ISNetworld
- 14 are diverse, including 2 women owned and 6 small business
- Introduced Employee Assistance Program

Beyond achieving a TRIR of 0.24, well under the industry average of 1.70, we conducted over 850 drug and alcohol tests, completed our biannual Safety Culture survey, and expanded subcontractor vetting to emphasize inclusive and diverse safety partnerships.

5.2 Employee Development & Engagement

Investing in people means creating clear paths for growth, leadership, and learning. From training and upskilling to open-door feedback and value-driven leadership, we focus on creating a workplace where employees can thrive.

Programs & Outcomes:
- Monthly lunch and learns for employees covering topics between Percheron services to Personal development
- Developing a pilot Mentorship Program
- Expansion of Internship Program

- Expanded partnerships with regional universities to support internship and outreach programs
- Introduced companywide HR Stables Newsletter, which includes a Health Beat, ESG, and Safety Spotlight sections
- Professional education allotment per person, per year

5.3 Community Involvement

Percheron employees care about the communities they live and work in and we make it easy to give back. Whether through company-organized volunteer days or individual initiatives, we empower employees to "leave it better" beyond the job site. From school supply drives to disaster relief, our efforts are grassroot-led and regionally tailored. In 2024, causes most frequently supported included youth development, environmental conservation, and disaster response – with participation continuing to rise year over year.

2024 Community Impact:
- Supported 23 nonprofit organizations
- Supported 17 educational scholarship programs
- Matched employee donations through our Percheron Gives Back
- Most common causes: environmental conservation, youth development, disaster relief

Supporting Local Education Through School Supply Drives
Topic: Community Engagement and Educational Support
Source: "Making Lives Better: Community Impact" – The Percheron Pulse Blog
ESG Focus Area: Community Involvement – Education and Youth Development

Percheron's commitment to community well-being is illustrated by the enthusiastic efforts of its Katy office team. Recognizing the importance of education and the challenges students can face in accessing necessary supplies, the team organized a school supply drive to benefit local schools in the Katy and Cypress-Fairbanks Independent School Districts (Cy-Fair ISD).

This initiative provided essential materials for students and also strengthened the bond between Percheron and the communities it serves. By addressing immediate needs and fostering educational opportunities, we show our dedication to making a tangible difference in the lives of young learners.

Impact Summary:
- Organized and executed a successful school supply drive
- Donated supplies to schools in Katy and Cy-Fair ISD
- Enhanced educational resources for local students
- Reinforced Percheron's role as a community partner

Core Value in Action: Leave it better than you found it

SUPPORTING LOCAL EDUCATION THROUGH SCHOOL SUPPLY DRIVES

"MAKING LIVES BETTER: COMMUNITY IMPACT" - THE PERCHERON PULSE BLOG

ESG FOCUS AREA: COMMUNITY INVOLVEMENT - EDUCATION AND YOUTH DEVELOPMENT

- Organized and executed a successful school supply drive
- Donated supplies to schools in Katy and CY-Fair ISD
- Enhanced educational resources for local students

Core Value in Action
LEAVE IT BETTER
THAN YOU FOUND IT

GOVERNANCE & ETHICS

6. Governance: Building Trust and Accountability

At Percheron, governance is both a structure and how we live our values every day.

Our commitment to safety guides every decision we make, because we believe everyone should return home at the end of the day: healthy, protected, and respected. We are stronger together when we bring diverse expertise to the table and make space for all voices to be heard. That collaboration fuels smarter governance and better risk management.

We lead with humble confidence, acknowledging that there is always more to learn while remaining grounded in our operational excellence. Whether responding to evolving regulations or stakeholder expectations, we do what we say by turning commitments into action.

A contagiously positive culture drives our teams to solve problems with optimism, even under pressure. And because we believe in continuous improvement, we proactively refine our systems to keep pace with change.

Most importantly, we strive to leave it better than we found it, not only in the communities where we operate, but also in the systems we build, the trust we earn, and the legacy we leave behind.

For over 40 years, governance at Percheron has been more than policy, it has been the practice of showing up with integrity, every day.

6.1 Key Governance Practices

Clear Structure and Accountability

Our seven-member board brings together diverse expertise in private equity, energy infrastructure, and oil and gas markets. This well-rounded leadership team provides strategic oversight, objective perspective, and operational depth. Their collaboration reflects our value: Stronger Together. Decision-making is guided by clear priorities, with ownership embedded at every level. Team members understand how their work connects to company-wide objectives, creating alignment and shared momentum.

Strategic Alignment and Transparent Communication

Our structure emphasizes internal and external alignment. Internally, we regularly communicate strategic goals and review progress across departments to ensure everyone is moving in the same direction. Externally, we maintain open and honest communication with employees, clients, and stakeholders because transparency earns trust. This approach supports our value of being "Humbly Confident," and reflect the belief that clear direction and open dialogue are competitive advantages.

Performance Visibility and Risk Management

We monitor company health and progress through performance metrics that are reviewed regularly by leadership. This ongoing visibility enables prescient decisions and helps mitigate risk before it escalates. We approach risk with foresight and discipline. Our diversified service portfolio reduces market concentration risk across upstream, midstream, transmission & distribution, and renewable sectors. Internally, we have implemented strong cybersecurity protocols—encryption, MFA, and continuous monitoring—alongside shared vendor safety platforms to enhance accountability and data integrity.

Process Discipline and Continuous Improvement

Our core operations are governed by defined processes and are standardized, documented, and scalable. These systems provide consistency across functions and allow us to adapt more quickly when conditions change. We actively review and refine these processes in support of our value of Continuous Improvement. By embedding discipline into how we work, we create space for invocation, growth, and resilience.

Balancing Privacy and Oversight

We maintain structured disclosure practices that balance transparency with data protection. This ensures stakeholders stay informed, while sensitive company and client information remain secure. Our evolving governance systems reflect our commitment to Continuous Improvement.

6.2 Embedding Governance in Our ESG Strategy

The ESG Policy and Manual introduced in 2024 is now embedded into onboarding and ongoing compliance training. This shift has improved cross-functional alignment, increased ESG fluency among project leads, and laid the groundwork for integrated ESG metrics in reviews. The policy includes:

- Environmental protection through systematic management and continuous improvement
- Ethical business conduct with zero tolerance for bribery and corruption
- Human rights and fair labor practices throughout operations and supply chain
- Transparent reporting mechanisms for ethical concerns

Violations can be reported anonymously, reinforcing accountability at every level of the organization.

6.3 Ethics, Anti-Corruption, and Human Rights

Ethics and human rights are key elements of our governance structure and everyday business practices. We maintain zero tolerance for corruption and abuse in all forms. We are committed to ensuring that our operations and those of our partners are conducted with the highest standards of integrity and fairness.

Our anti-bribery and anti-corruption policy applies uniformly to all employees, subcontractors, and suppliers. It aligns with the U.S. Foreign Corrupt Practices Act and all applicable local laws, prohibiting the offering, solicitation, or acceptance of anything of value to secure an unfair business advantage. We require ethical conduct and transparency in all transactions and have established clear internal expectations for handling gifts, payments, and other exchanges. From financial recordkeeping to third-party due diligence, our policy is designed to ensure fair and equal competition while preventing conflicts of interest and protecting sensitive information. Training and ongoing awareness initiatives are central to this effort, helping employees confidently navigate complex ethical decisions.

In addition, we are unwavering in our stance against human trafficking, forced labor, and human rights abuses. Percheron provides a work environment where dignity and equality are non-negotiable. We verify every new hire's identity and legal working age, adhere to fair wage practices, and comply fully with U.S. labor laws. We also extend these expectations to all subcontractors and suppliers through careful vetting processes. Our Equal Opportunity Employer status ensures fair access to development and advancement opportunities for all team members, supported by non-discrimination training and policies.

To safeguard integrity at every level, Percheron maintains a comprehensive Whistleblower Policy. Employees and partners are encouraged to report unethical behavior or violations through multiple channels, including supervisors, HR, or a 24-hour anonymous hotline. Every report is treated with confidentiality and care, and retaliation is prohibited. Our commitment includes robust investigative procedures and support mechanisms such as our Employee Assistance Program, ensuring that anyone who comes forward is supported and protected.

These policies reflect more than regulatory compliance—they represent our identity as a company that leads with principle. We believe that strong governance is built on action and remain committed to promoting ethical conduct, protecting human rights, and empowering individuals to speak up and shape a better workplace.

6.4 Data Privacy and Cybersecurity

As a piece to Percheron's approach to governance, data privacy and cybersecurity are prioritized. We maintain strong internal controls to safeguard proprietary information, client data, and employee records. Our systems are protected by multi-factor authentication, access restrictions, and encrypted protocols- supported by continuous monitoring and regular updates. This balance of transparency and protection ensures we uphold stakeholder trust while minimizing operational risk in an evolving digital environment.

6.5 Looking Ahead: Governance in Motion
Our governance practices will continue to evolve with our business. Current focus areas include:
- Digital transformation and smarter data governance
    - Information Governance and Security
    - SOC II Type II Compliance
- Leadership development and succession planning
- Diversifying service offerings to meet client needs and market shifts

Governance Scorecard

Category	Metric	2024 Status	Target / Notes
Board Oversight	Number of board members	7	Maintain a balanced, multi-disciplinary board
	Independent board representation	Yes	Ensure objectivity in strategic decisions
	ESG oversight assigned at board level	In Progress	Formalize ESG governance within board charter
Transparency & Ethics	Whistleblower hotline availability	Yes	Anonymous reporting available 24/7
	Developing annual employee ethics training	Completed	Program prepared for launch in 2025
	ESG policy published and distributed	Yes	2024 ESG Policy & Manual implemented & distributed
Risk Management	Formal enterprise risk management plan	Yes	Reviewed annually
	Cybersecurity training implementation	Yes	Implemented
	SSO and encryption implemented	Yes	Applied across all key systems
	Vendor safety performance tracked via platform	Yes	Transparent reporting through shared platform
Compliance & Legal	Anti-bribery / corruption policies	Yes	Reviewed annually and included in onboarding
	Fair labor and human rights compliance	Yes	No violations reported
	ESG-related legal or compliance breaches	0	Maintain zero-tolerance record
Governance Evolution	Succession planning and leadership development	In Progress	Leadership pipeline roadmap in development
	Digital governance framework established	Partial	Goal: Fully documented and aligned with future IT strategy

Governance Maturity Model

Governance Area	Level 1: Foundational	Level 2: Developing	Level 3: Mature	Current Status (2024)
Board Oversight	Board exists; minimal ESG engagement	ESG responsibilities assigned at leadership level	ESG formally integrated into board oversight and risk strategy	Level 2 – ESG oversight in progress
Ethics & Compliance	Code of conduct exists, basic training	Annual training + whistleblower hotline	Embedded ethics culture with anonymous reporting and regular audits	Level 3 – Ethics program strong
Transparency & Communication	Ad hoc internal communications	Regular stakeholder updates; transparency culture emerging	Proactive, multi-channel communication strategy for internal/external	Level 2 – Strong internally
Risk Management	Informal risk tracking; limited cybersecurity	Formal ERM program + basic cyber protocols	Advanced, real-time risk analysis with cross-functional ownership	Level 2.5 – Robust, evolving
Data & Digital Governance	Manual data controls; limited policies	Basic digital policies and MFA implemented	Fully integrated data governance framework with automation	Level 2 – Partial framework in place
Vendor Oversight	Vendors reviewed informally	Safety and compliance platforms used for oversight	Transparent, metrics-driven vendor governance system	Level 3 – Active platform in use
Succession & Leadership Development	No formal succession plans	Early-stage development program; informal mentorship	Documented succession plans and formal leadership pipeline	Level 1.5 – In progress

Maturity Model Key
- Level 1: Foundational – Basic systems in place; reactive approach
- Level 2: Developing – Active improvements; policies forming; partial integration
- Level 3: Mature – Fully embedded, strategic, and aligned with long-term ESG goals

ESG GOALS & PERFORMANCE METRICS

7. ESG Goals and Metrics

Percheron is committed to advancing ESG principles through clear, measurable objectives. The following tables highlight our goals, metrics, and current performance benchmarks across the Environmental, Social, and Governance pillars. These metrics reflect our values in action- demonstrating accountability, transparency, and a continuous improvement mindset.

7.1 Environmental Goals and Performance

Goal	Metric	2024 Baseline	2025 Target
Reduce Paper Usage	# pages eliminated via digital tools	1.1+ million-page reduction	Additional 10% reduction
Increase Electronic Recycling	Lbs. electronics recycled	439 lbs.	Maintain or improve by 5%
Increase Paper Recycling	Lbs. of paper recycled	13,431 lbs.	Maintain or improve by 5%
Decrease employee mileage	Avg. mileage per employee	6,076 miles	5,803 miles
Strengthen tracking and develop reduction strategies	% of offices reporting	54.16%	Maintain or improve by 10%
Improve Scope 2 data coverage	% of offices reporting verified electricity data	35% (estimated)	50% reporting coverage

7.2 Social Goals and Performance

Goal	Metric	2024 Baseline	2025 Target
Maintain Safety Culture	Total Recordable Incident Rate (TRIR)	0.24	≤0.24
Expanding Community Impact	# "Percheron Gives Back" events	8 events	≥ 8 events
Expand Volunteer Program	Volunteer hours	1,132 hours	1,245 hours
Implement Mentorship Program	Number of employees participating	Development Phase	Implementation Phase

7.3 Governance Goals and Performance

Goal	Metric	2024 Baseline	2025 Target
Embed ESG Policy & training	% employees aligned to policy	New ESG manual launched	Full alignment and annual review
Enhanced cybersecurity & privacy	# of trainings + audits completed	Policies in place	100% participation + quarterly audits
Improve Stakeholder Transparency	Stakeholder engagement actions	Informal communications	Launch stakeholder survey
Elevate Vendor Safety Tracking	% vendors using safety platform	Active System	100% participation by active vendors
Measure Stakeholder Satisfaction	% of clients completing survey	3.1%	≥ 4.5% participation

STAKEHOLDER ENGAGEMENT

8. Stakeholder Engagement: Listening, Learning, and Leading Together
Stronger Together. Humbly Confident. Do What You Say.

Stakeholder engagement is an ongoing conversation. We recognize that our long-term success depends on strong, authentic relationships with the people and communities we serve. From clients and employees to vendors, regulators, and community partners, we aim to build trust through transparency, collaboration, and accountability.

We engage stakeholders early and often, actively seeking input and feedback that shapes our strategy and improves our operations. This approach reflects our commitment to the values of Stronger Together and Do What You Say, fostering relationships built on mutual respect and open dialogue.

8.1 Our Stakeholder Groups

Stakeholder Group	Engagement Methods	Key Topics of Interest
Employees	Town halls, surveys, team meetings, professional development	Safety, career growth, inclusion, wellbeing
Clients	Project kickoffs, performance reviews, ESG alignment discussions	Project quality, transparency, sustainability
Landowners	Town halls, home visits, mail outs, phone calls, online meetings	Preservation of lands without diminished values, safety & environmental concerns, safeguarding development potential
Vendors/Subcontractors	Safety platforms, onboarding reviews, compliance tracking	Performance standards, accountability, safety
Communities	Volunteerism, donations, educational outreach	Community impact, local partnerships
Investors/Ownership	Strategic reporting, governance updates, ESG progress sharing	Long-term value, risk management, ESG integration
Regulators	Compliance reports, site visits, safety data	Regulatory compliance, permitting, environmental stewardship

8.2 Listening as a Leadership Skill

Engagement is purely about listening. We empower our teams and leadership to actively listen to the concerns, needs, and aspirations of stakeholders. This type of engagement informs our ESG priorities and ensures our initiatives are founded on real-world impact.

Our Humbly Confident mindset helps us remain open to feedback, even when it challenges us to think differently or stretch our comfort zone.

8.3 Stakeholder-Informed ESG Highlights

- Employee-Led Initiatives: Our environmental and social programs are shaped by employee feedback, including community outreach projects, internal sustainability practices, and employee development discussions.
- Vendor Safety Engagement: Through platforms like ISNetworld, we ensure vendors meet high safety and ethical standards. These tools also promote transparency and collaboration.
- Community Impact: Stakeholder feedback inspired our investment in school supply drives, STEM outreach, and local volunteerism—helping us live out our value to Leave it better than you found it.

8.4 Looking Forward: Evolving How We Engage

In the coming year, we plan to deepen engagement through:

- More frequent ESG updates to stakeholders
- Employee listening sessions and development programs
- Expanded collaboration with community and nonprofit partners
- Enhanced feedback loops through post-project reviews and anonymous surveys

Our stakeholders are more than participants; we are partners. Their success is our success.

LOOKING AHEAD: 2025 AND BEYOND

9. Looking Forward: Charting the Path Ahead

Safety Brings Us Home. Stronger Together. Humbly Confident, Continuous Improvement. Do What you say. Contagiously Positive. Leave it better than you found it.

As Percheron looks to the future, our ESG strategy remains rooted in resilience, relevance, and responsibility. We recognize that the landscape of energy infrastructure—and the expectations of our stakeholders—is constantly evolving. Rather than react to change, we aim to lead through it.

Our commitment to environmental stewardship, social responsibility, and ethical governance is not a one-time effort, but an ongoing journey. ESG at Percheron is dynamic, driven by data, guided by values, and shaped by the people we serve.

9.1 2025 ESG Focus Area

We are prioritizing the following initiatives in the year ahead:

Focus Area	Planned Action
Environmental	Launch phase two of our internal sustainability program and expand office-based recycling and emissions tracking.
Social	Scale our employee development framework and expand our community partnerships across new markets.
Governance	Implementing Mentorship Program and expanding Internship Program
Stakeholder Engagement	Increase ESG communications and introduce new stakeholder feedback mechanisms.

9.2 Evolving with Our Industry

As the energy sector navigates decarbonization, digital transformation, and regulatory complexity, Percheron is uniquely positioned to support our clients and each other through these transitions. We will continue to:

- Embrace technology and automation that improves safety, compliance, and data accuracy
- Advance our workforce strategy to attract, retain, and develop diverse talent

9.3 Measuring What Matters

Accountability requires action and metrics. In 2025, we plan to:

- Expand data collection & metrics and enhance ESG Goals
- Benchmark against industry best practices and internal performance
- Report progress annually and adapt strategies as needed

Our long-term goal is to embed ESG principles into the company's identity and operations in a way that drives sustained business performance, builds stakeholder trust, and supports strategic growth.

9.4 Building the Future—Together

ESG is not owned by one team or title. It is a shared responsibility and a shared opportunity. As we move forward, we will continue to listen, learn, and lead with humility and purpose.

We are proud of the progress we have made—and even more excited about what is coming. With every project, every conversation, and every step, we are committed to leaving it better than we found it.

APPENDIX

APPENDIX

APPENDIX A
10.1 Data

SASB: Professional & Commercial Services	
Sustainability Disclosure Topics & Accounting Metrics	
Data Security	
Number of data breaches	0%
Percentage involving customers' confidential business information or personally identifiable information	0%
Number of customers affected	0%
Number of individuals affected	0%
Rate of Voluntary Turnover for employees	5%
Rate of Involuntary Turnover for employees	6%
Professional Integrity	
Total monetary losses as a result of legal proceedings associated with professional integrity	$0
Activity Metrics	
Full Time Employees	762
Part Time Employees	31
Contract Employees	1
Employee hours worked	1,226,651.93
Employee hours worked; percentage billable	0%

Workforce Diversity & Engagement			
Gender Representation	Male	Male	NA
Executive Management	1	1	0
Non-Executive Management	66	38	0
Non-contingent Employees	553	358	0
Contingent Employees	0	0	0

Racial/Ethnic Group Representation of US Employees, per EEOC's EEO-1 Job Classification Guide	Asian	Black or African American	Hispanic or Latino	White	Other	NA
Executive Management	0	0	0	2	0	0
Non-Executive Management	3	0	7	93	1	0
Non-contingent Employees	12	39	85	755	14	6
Contingent Employees	0	0	0	0	0	0

SAFETY

Safety moves beyond a performance metric- it is a cornerstone of our culture. Our Total Recordable Incident Rate (TRIR) continues to outperform industry benchmarks, reflecting our commitment to proactive safety practices, robust training, and accountability at all levels. The trend line below illustrated that even with occasional fluctuations, our safety record remains strong and consistent over time, and underpins the proactive model scales with demand.


While there was a small uptick in our TRIR in 2023, the overall trend of Percheron's performance appears stable and low relative to industry norms and reflects a strong historical safety performance. Our TRIR remains well below the industry average, underscoring superior safety performance.

MILEAGE

Mileage is a meaningful proxy for environmental impact, particularly in an industry where travel is essential to field operations. As team Percheron has grown, we've taken deliberate steps to manage and reduce mileage per employee through digital transformation, remote collaboration, and smart project planning. The data show both our operational footprint and our progress toward lower-emission mobility.
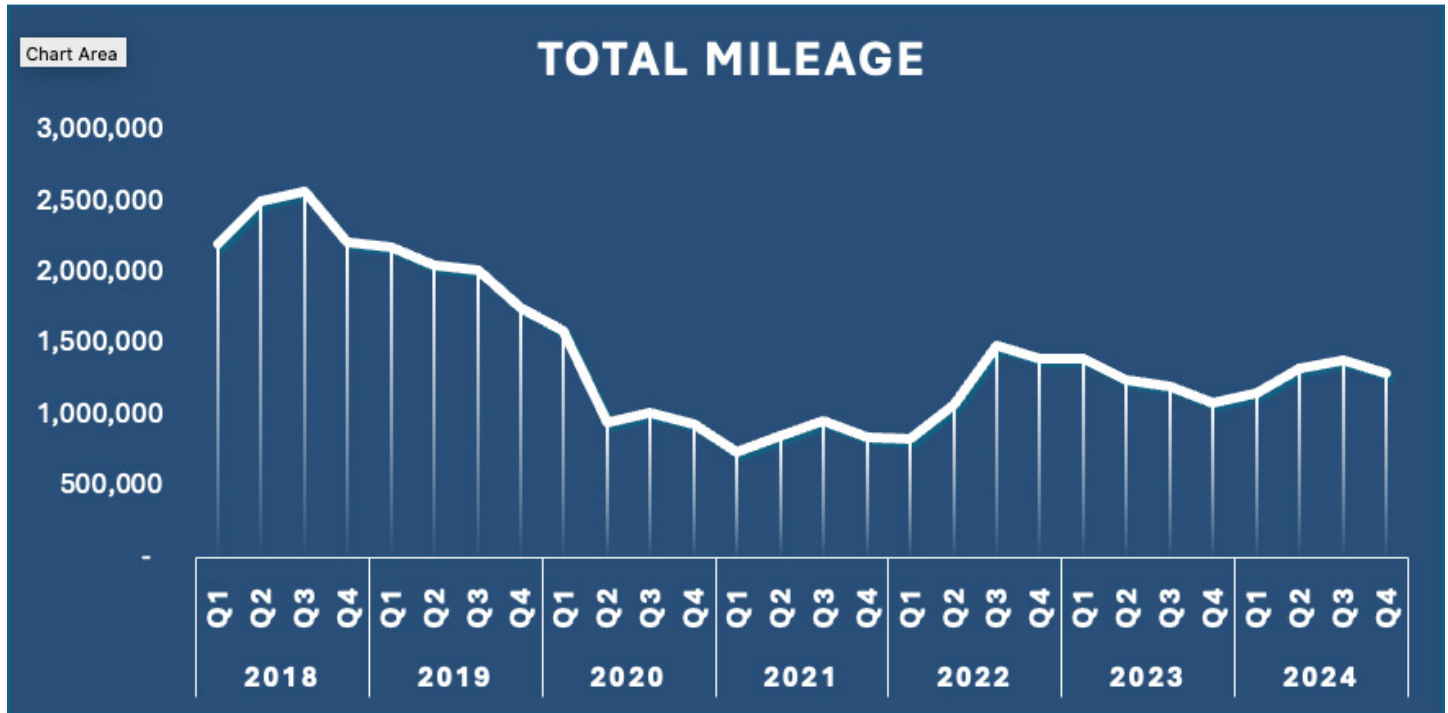

Total Mileage							
	2018	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Q1	2,206,174	2,183,676	1,595,555	737,297	833,229	1,394,524	1,158,968
Q2	2,495,775	2,051,278	951,335	849,050	1,070,726	1,247,032	1,327,915
Q3	2,571,752	2,013,112	1,019,856	955,132	1,492,514	1,194,739	1,380,340
Q4	2,214,788	1,750,543	939,496	837,768	1,395,587	1,082,073	1,295,099

Between 2018 and 2020, mileage was consistently high and peaking during Q3. Mileage dropped notably during the Covid period. Mileage continues to show steady recovery, with mileage increasing along with the number of employees.

SCOPE 1 EMISSIONS

Scope 1 emissions- those generate directly from our owned or controlled sources – are a core focus of our carbon management strategy. These emissions are primarily tied to vehicle and equipment use in the field. As project activity increases and more data becomes available, we continue refining our tracking systems to ensure accuracy and transparency. The following reflects both our operational footprint and our ongoing efforts to measure and manage our direct environmental impact.
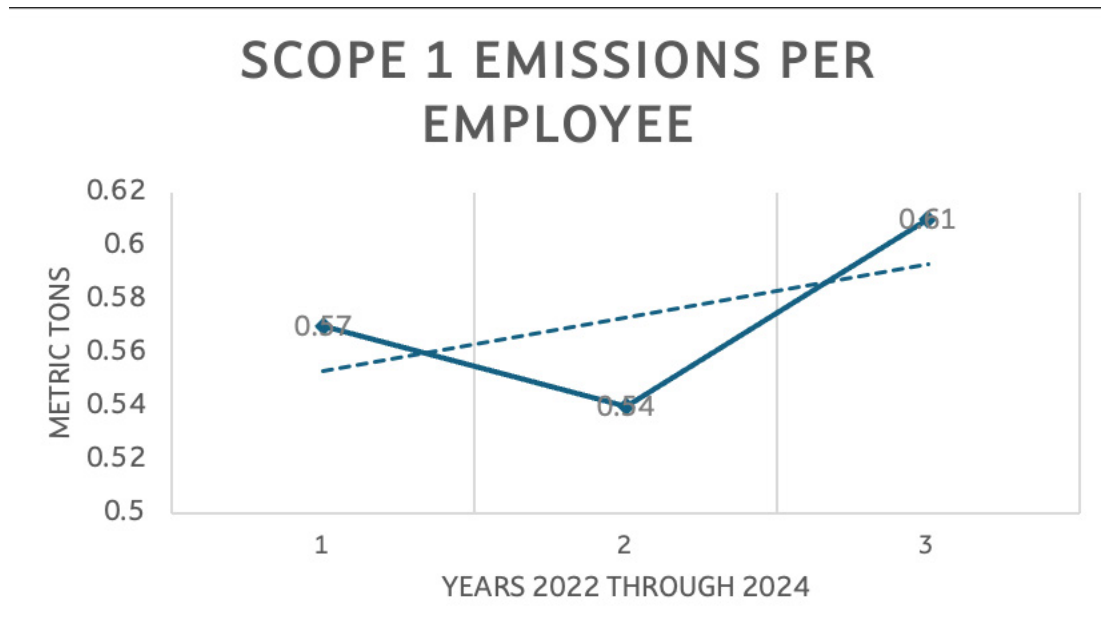
SCOPE 1			
Year	Metric Tons (mT)	Avg # Employees	mT/ Employee
2022	402.18	706	0.57
2023	425.73	793	0.54
2024	520.91	849	0.61

Emissions dropped between 2022 and 2023 as a result of the continued rise of digital meetings. Rise from 2023 to 2024 is due to more data available in the ecosystem, primarily due to the increase of project activity.

SCOPE 2 EMISSIONS

Scope 2 emissions result from purchased electricity to run our offices and operations. As Percheron expands geographically and digitally, these indirect emissions have grown- but so has our ability to track and address them. In 2024, more than half of our 24 offices reported energy use data, giving us a clearer picture of our emission profile and opportunities for efficiency. The data below highlights the importance of expanding our sustainability program across all locations.
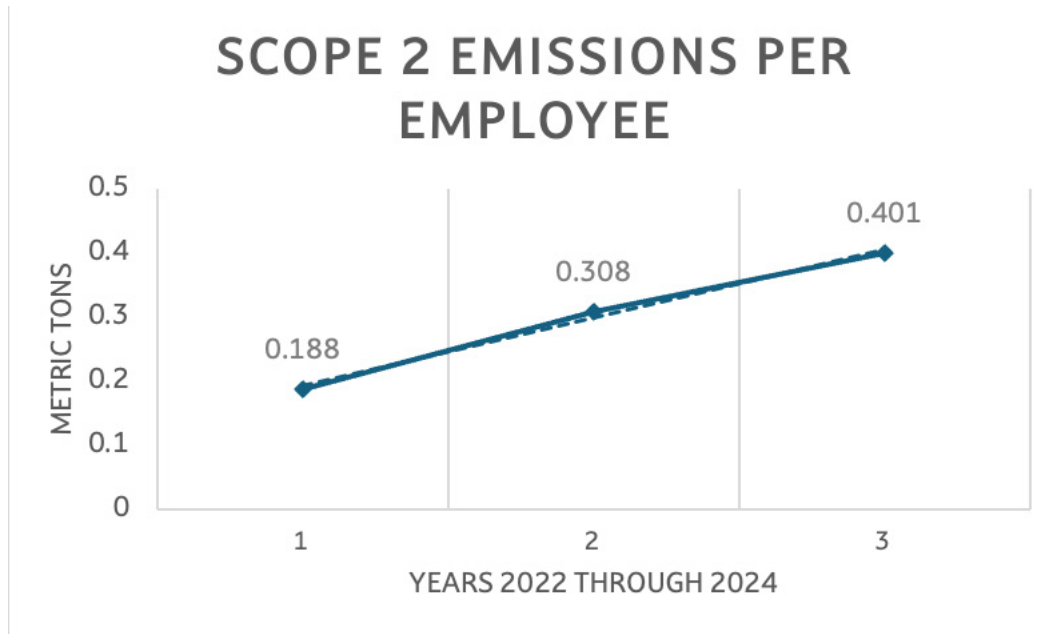
| SCOPE 2			
Year	Metric Tons (mT)	Avg # Employees	mT/ Employee
2022	132.92	706	0.188271955
2023	244.17	793	0.307906683
2024	340.53	849	0.401095406

DATA SECURITY AND PRIVACY

During the year 2024, proactive measures have been taken to monitor and defend against digital threats. The metrics reflect ongoing efforts to safeguard data integrity and protect employee, client, and company information.

Total over the last 365 days:	
Suspicious Network Activity Blocked	8,891
Suspicious Account Login Attempts Blocked	17,655
Email Spam/Threats Blocked	498,576

As cyber threats continue to evolve in frequency and complexity, we anticipate a sustained increase in attempted attacks. In response, Percheron has enhanced cybersecurity protocols and investment in continuous employee education to improve threat detection, reinforce best practices, and maintain a secure digital environment.

Volunteer Participation
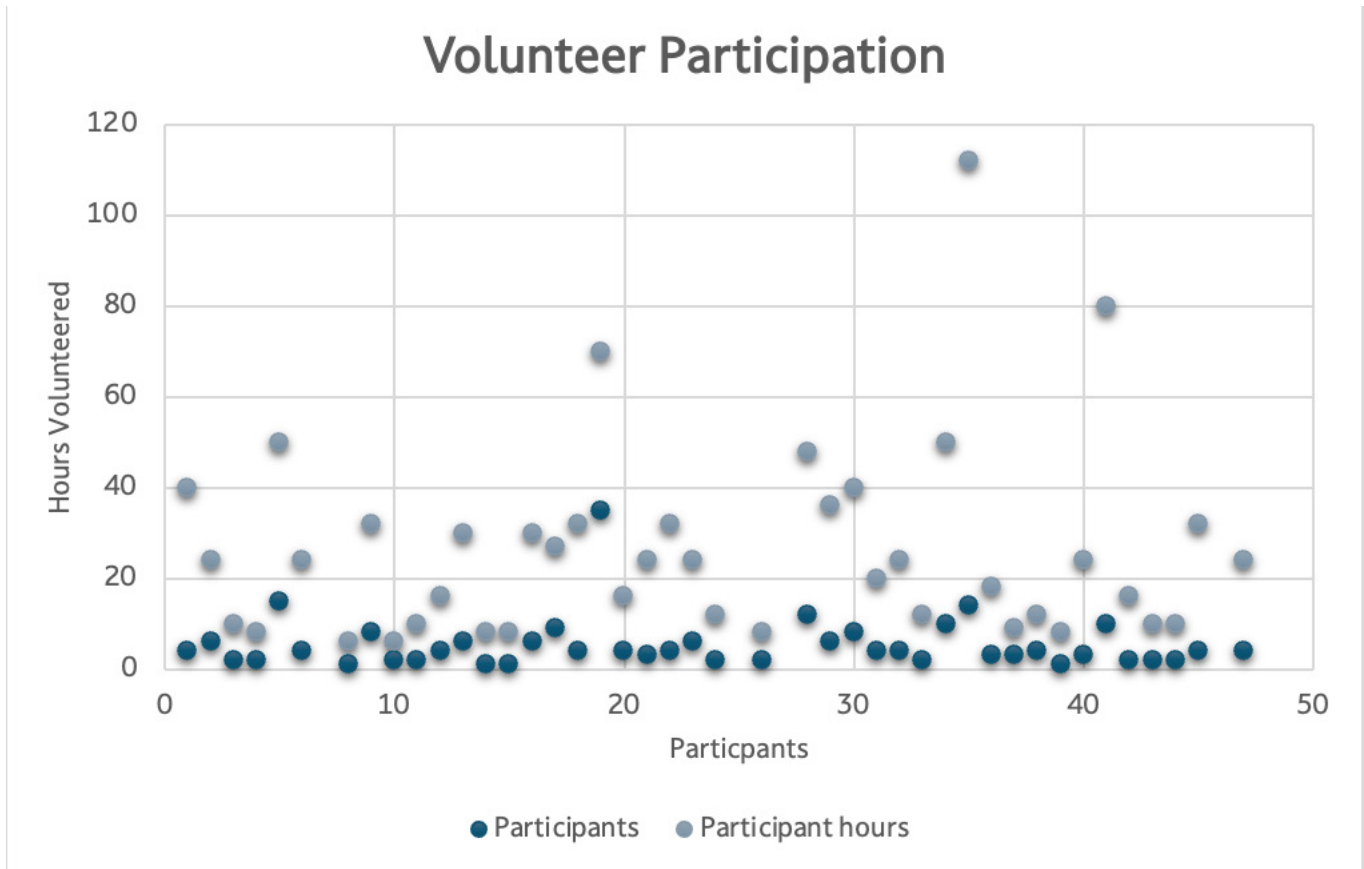
During this period, 231 participants contributed 1,132 volunteer hours across company sponsored initiatives. This reflects a continued commitment to community engagement and supports social responsibility engagement.

RECYCLING

We continue to integrate responsible waste management practices into daily operations, contributing to environmental sustainability and landfill reduction. Our recycling programs are focused on two key areas: secure document destruction and responsible electronic waste disposal. Together, these two efforts resulted in 13,870 pounds of total waste diverted from landfill, more than 47,000 gallons of water saved, nearly 625 pounds of GHG emissions avoided and recovery of reusable materials including fiber, metals, and electronics.

PART A: PAPER GOODS

By participating in Shred-It, a secure document shredding and recycling program, we recycled 6.72 tons of material for the year. Environmental savings are described

Shred-it®

01/01/2024 to 12/31/2024

RECYCLING RESULTS

13,431 Pounds
6.72   Tons

Certificate of Environmental Accomplishment

Awarded to:
PERCHERON LLC
1904 W GRAND PKWY N STE 200, KATY, US 77449-1898

By shredding and recycling with Shred-It, we estimate you saved:

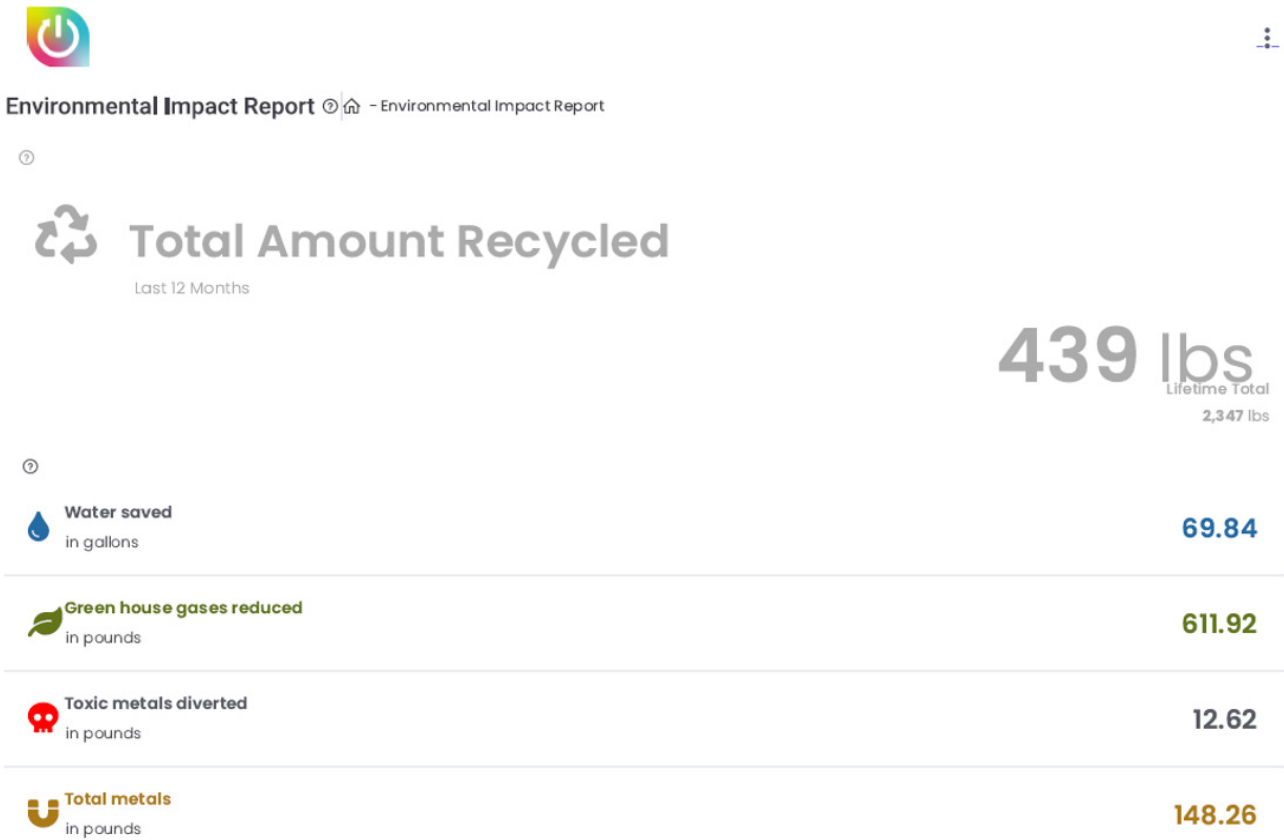| 122	20.12	13.41	46935.00
Trees	Cubic Yards of Landfill	Barrels of Oil	Gallons of Water

Shred-it congratulates staff members on the positive impact this initiative has made towards saving our environment. Thank you for your business.   800-697-4733 | shredit.com

PART B: ELECTRONICS

During 2024, our electronic recycling efforts led to the diversion of 439 pounds of waste from landfills, contributing to the lifetime total of 2,347 lbs. These efforts resulted in the conservation of gallons of water, 611.92 lbs. of GHG emissions and diversion of toxic and non-toxic materials.

Environmental Impact Report ⑦ ⌂ – Environmental Impact Report

⑦

♲ Total Amount Recycled
Last 12 Months

439 lbs
Lifetime Total
2,347 lbs

⑦

💧 **Water saved** in gallons		69.84
🍃 **Green house gases reduced** in pounds		611.92
☠ **Toxic metals diverted** in pounds		12.62
🧲 **Total metals** in pounds		148.26

10.2 SASB INDEX

Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	CATEGORY	UNIT OF MEA-SURE	CODE
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	n/a	SV-PS-230a.1 Section 6.4
	Description of policies and practices relating to collection, usage, and retention of customer information	Discussion and Analysis	n/a	SV-PS-230a.2 Section 6.4
	(1) Number of data breaches, (2) percentage that (a) involve customers' confidential business information and (b) are personal data breaches, (3) number of (a) customers and (b) individuals affected 1	Quantitative	Number, Percentage (%)	SV-PS-230a.3 Section 7
Workforce Diversity & Engagement	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, and (c) all other employees 2	Quantitative	Percentage (%)	SV-PS-330a.1 Section 7
	(1) Voluntary and (2) involuntary turnover rate for employees	Quantitative	Percentage (%)	SV-PS-330a.2 Section 7
	Employee engagement as a percentage 3	Quantitative	Percentage (%)	SV-PS-330a.3 Section 7
Professional Integrity	Description of approach to ensuring professional integrity	Discussion and Analysis	n/a	SV-PS-510a.1 Section 7
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity 4	Quantitative	Presentation currency	SV-PS-510a.2 Section 7

Table 2. Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE
Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Quantitative	Number	SV-PS-000.A Section 7
Employee hours worked, percentage billable	Quantitative	Hours, Percentage (%)	SV-PS-000.B Section 7

Table 3. Gender Representation of Global Employees (%)

	WOMEN	MEN	N/D*	REFERENCE
Executive Management	1	1	0	Section 7
Non-executive Management	66	38	0	Section 7
All Other Employees – Non-Contingent	553	358	0	Section 7
All Other Employees – Contingent	0	0	0	Section 7

*N/D = not disclosed

Table 4. Diversity Group Representation of U.S. Employees (%)

	GROUP A	GROUP B	GROUP C	N/A*	REFERENCE
Executive Management					Section 7
Non-executive Management					Section 7
All Other Employees – Non-Contingent					Section 7
All Other Employees – Contingent					Section 7

*N/A = not available or not disclosed

PERCHERON

1904 West Grand Parkway N., Suite 200
Katy, TX 77449
832-300-6400

www.percheronllc.com