Perficient

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CLIMATE RISK REPORT 2026

Prepared in alignment with the Task Force on Climate-related Financial Disclosures (TCFD) and California's Climate Bill 261, this report reflects our commitment to transparent, responsible climate risk management.

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PRIORITY REGIONS ASSESSED	CLIMATE SCENARIOS ANALYZED	TIME HORIZONS EVALUATED

EXECUTIVE SUMMARY

WHAT WE FOUND — AND WHAT WE'RE DOING ABOUT IT

Our 2025 climate risk assessment — conducted with independent third-party consultants and grounded in TCFD guidance — evaluated both physical climate hazards and business transition risks across our global operations.

The assessment identified **heatwaves, heavy rain, and flooding** as the most significant physical risks to our workforce and operations — particularly in our three priority regions: the U.S. Midwest, India, and Eastern Europe.

On the transition side, increasing client and investor scrutiny of climate performance and emissions disclosures represents our primary near-term risk — one we are actively addressing.

Physical Risks Identified

- Heatwaves — High severity across all three priority regions
- Heavy rainfall — High severity in India and U.S. Midwest
- Riverine flooding — Moderate to high severity in Eastern Europe
- Heat stress and water scarcity over medium to long horizons

Transition Risks Identified

- Client expectations around climate performance and net-zero commitments
- Investor scrutiny of GHG disclosures and decarbonization progress

CLIMATE RISK GOVERNANCE

HOW WE OVERSEE CLIMATE RISK

Board Oversight

Our Board of Directors is kept informed of climate-related initiatives, disclosure activities, and regulatory compliance — including California's Climate Bill 261 — on an ongoing basis. Climate is a board-level priority.

Management Oversight

Our General Counsel and Corporate Secretary leads our climate and environmental management program — including oversight of annual GHG calculations and third-party risk assessments. Cross-functional stakeholders across our key regions contribute to the evaluation process, and findings are reviewed by senior leadership.

OUR APPROACH

HOW WE ASSESSED OUR CLIMATE RISKS

Working with independent consultants in 2025, we conducted a structured, TCFD-aligned assessment of climate risks and opportunities — using FY2024 data and 2025 partial-year inputs across 36 global sites in ten regions.

01

Identify

We screened all acute and chronic physical hazards defined by the TCFD across our global operations, then identified transition risks and opportunities linked to our markets and sectors.

02

Prioritize

Using internal stakeholder interviews and financial materiality thresholds, we focused on the regions with the highest headcounts and most critical operations — India, U.S. Midwest, and Eastern Europe.

03

Assess

We evaluated each prioritized risk under two warming scenarios and three time horizons, producing qualitative severity ratings of potential financial exposure across short, medium, and long terms.

SCENARIOS & TIME HORIZONS

FRAMEWORK ELEMENT	DEFINITION	WHAT IT TESTS
High Warming Scenario +4°C (SSP5-8.5)	Based on the IPCC's most extreme scenario — minimal mitigation, continued GHG growth, +4°C by 2100.	Used to evaluate **physical risks**: how climate hazards like heatwaves, flooding, and water scarcity could disrupt our operations in a worst-case physical climate future.
Low Warming Scenario +1.5°C (IEA Net Zero)	Based on the IEA's Net Zero by 2050 pathway — rapid private sector transition to a low-carbon economy.	Used to evaluate **transition risks**: how regulatory changes, market shifts, and stakeholder expectations evolve as the world decarbonizes.
Short Term	Up to 2026 (physical); up to 2027 (transition)	Near-term actions and exposure already materializing.
Medium Term	3–5 years, to 2030	Emerging risks that require planning and investment now.
Long Term	6–25 years, to 2050	Structural shifts with potential to reshape our business model.

PHYSICAL CLIMATE RISKS

WEATHER & CLIMATE HAZARDS TO OUR OPERATIONS

Under the high-warming scenario (+4°C), our assessment identified five physical risks with meaningful potential to affect workforce availability and on-site operations across our three priority regions. These risks grow in frequency and intensity over the medium and long term.

ACUTE RISK — HIGH SEVERITY

Heatwaves

Risk of heatwaves is rated **very high** across all three priority locations — the U.S. Midwest, India, and Eastern Europe — in both medium- and long-term scenarios. High temperatures limit outdoor operations and affect workforce health and availability.

REGIONS: U.S. MIDWEST · INDIA · EASTERN EUROPE

ACUTE RISK — HIGH SEVERITY

Heavy Rain

Heavy precipitation poses a **very high risk** in India and the U.S. Midwest across both medium- and long-term horizons. In Eastern Europe the risk remains moderate. Significant rainfall events can disrupt site access and infrastructure.

REGIONS: INDIA · U.S. MIDWEST (PRIMARY)

ACUTE RISK — MODERATE SEVERITY

Riverine Flooding

River flooding presents a **high risk** in Eastern Europe (Romania) across both medium- and long-term horizons. Risk levels in the U.S. Midwest and India remain low for flooding specifically. Infrastructure vulnerability is the key concern.

REGIONS: EASTERN EUROPE (PRIMARY)

CHRONIC RISK — HIGH SEVERITY

Heat Stress

Sustained heat stress is rated **very high** in both the U.S. Midwest and India over medium- and long-term horizons. This is distinct from acute heatwave events — it reflects prolonged elevated temperatures that cumulatively affect people and equipment.

REGIONS: U.S. MIDWEST · INDIA

CHRONIC RISK — MODERATE SEVERITY

Water Scarcity

Water scarcity poses a **high to very high** risk in India over medium- and long-term horizons, with lower risk levels in the U.S. Midwest and Eastern Europe. Reliable water access is a key input to facility operations and workforce support.

REGIONS: INDIA (PRIMARY)

RISK SUMMARY BY REGION

PHYSICAL RISK	RISK TYPE	INDIA	U.S. MIDWEST	EASTERN EUROPE	OVERALL SEVERITY
Heatwaves	ACUTE	Very High	Very High	Very High	HIGH
Heavy Rain	ACUTE	Very High	Very High	Moderate	HIGH
Heat Stress	CHRONIC	Very High	Very High	High	HIGH
Riverine Flooding	ACUTE	Low	Low	High	MODERATE
Water Scarcity	CHRONIC	Very High	Moderate	Moderate	MODERATE

TRANSITION RISKS

BUSINESS RISKS AS THE WORLD DECARBONIZES

Under the low-warming scenario (+1.5°C), our assessment evaluated nine transition risk categories. Two emerged as significant based on Perficient's exposure and stakeholder expectations: market risk and reputational risk — both rooted in growing climate performance scrutiny.

MARKET RISK | MODERATE EXPOSURE

Client Scrutiny on Climate Performance

Short term: A low but growing number of clients are requesting climate-related disclosures. Early signals to monitor.

Medium term: Client expectations will increasingly emphasize climate performance, emissions reduction plans, and targets. Relationships may be at risk where demands go unmet.

Long term: A large share of clients in our primary sectors will have strict net-zero supply chain targets — requiring service providers to demonstrate measurable decarbonization.

REPUTATIONAL RISK | MODERATE EXPOSURE

Investor Scrutiny on Climate Disclosures

Short term: Key investors are already requiring greater focus on climate disclosures and actions. Baseline expectations have been set.

Medium term: Net-zero commitments will become a sector-wide baseline. Progress toward science-based targets (SBTi) will be central to maintaining investor confidence.

Long term: Investors will closely scrutinize decarbonization performance. Limited progress will carry heightened reputational risk and potential constraints on capital access.

Why No Opportunities Were Prioritized

Our transition assessment also reviewed four opportunity categories including resource efficiency, clean energy, and new products and services. Based on Perficient's current operational footprint, exposure levels, and the timeframes involved, none of the opportunity areas cleared the materiality threshold for prioritization in this initial assessment. These areas will be re-evaluated in future cycles as our climate data program matures.

RESILIENCE STRATEGIES

HOW WE'RE BUILDING RESILIENCE

We are not waiting for risks to materialize. Perficient is already engaged in resilience and mitigation activities — and exploring additional strategies recommended by the TCFD — to protect our people, operations, and client relationships.

ADDRESSING PHYSICAL RISKS

Operational & Infrastructure Resilience

- Expanding existing business continuity plans for our India, U.S. Midwest, and Eastern Europe regions to minimize workforce disruption and sustain operations during adverse weather events.
- Strengthening the structural integrity and reliability of site infrastructure — including redundancy measures — to reduce exposure to climate hazards such as extreme heat, heavy rain, and flooding.

ADDRESSING TRANSITION RISKS

Climate Data & Disclosure Readiness

- Building a comprehensive GHG disclosure framework — currently scoping Scope 1 and Scope 2 measurement, with plans to expand to Scope 3 in 2026 in line with stakeholder expectations and the GHG Protocol.
- Evaluating technology platforms to centralize climate-related data and support consistent, accurate decision-making on our emissions performance over time.

METRICS & TARGETS

MEASURING WHAT MATTERS

Meaningful climate transparency requires rigorous data. We are building the measurement infrastructure to deliver it — starting with our greenhouse gas (GHG) emissions.

Scope 1 Emissions

Direct emissions from Perficient-owned and controlled sources. Currently being calculated with third-party consultants as part of our GHG disclosure framework build.

IN PROGRESS — 2025

Scope 2 Emissions

Indirect emissions from purchased energy. Being calculated alongside Scope 1 as the foundation of our emissions reporting baseline.

IN PROGRESS — 2025

Scope 3 Emissions

Value chain emissions — including those from client engagements, suppliers, and employee activities. Planned for expansion in 2026, in line with the GHG Protocol and evolving stakeholder expectations.

PLANNED — 2026

Our Commitment

Formalizing our climate data management program is a core near-term priority. Regular, accurate GHG disclosures will enable Perficient to set informed reduction targets, respond credibly to client and investor expectations, and demonstrate measurable progress on our climate commitments in future reports.