



GHADDAR
MACHINERY CO.

GHADDAR MACHINERY ESG REPORT

2025

Framework: GRI-aligned sustainability reporting.

Focus: Environmental, social and governance performance across the business.

Coverage: 2025 report with comparative references to 2024 performance.

About this report

Scope, reporting boundary and content guide

Report details

Reporting period: Biennial report. Includes a comparative analysis of 2024 versus 2025 and progress on strategy implementation.

Contact point: Quality Assurance Manager / ESG Officer – Headquarters | sara@ghaddar.com

External assurance: Financial data audited by SABEH AYOON Consulting and Auditing. ISO 9001 audited by SAI Global (Lebanon). ISO 14001 and ISO 45001 management systems reviewed by Global Registrar (UAE). Capital Concept supports ESG management system consultation.

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Reporting boundary by topic

Topic	Boundary
Organization Profile	Group – Ghaddar Machinery
Governance Structure	Group – Ghaddar Machinery
Policies – Code of Conduct	Group – Ghaddar Machinery
ESG Scorecard & Environmental Performance	Consolidated indicators are marked; otherwise indicators are limited to headquarters.
Stakeholder Engagement	Headquarters
Social Performance	Consolidated indicators are marked; otherwise indicators are limited to headquarters.
Economic & Governance	Headquarters / Group as applicable

Organization Profile (GRI 2-1)

- Company name
- Countries of operation
- Brands & subsidiaries
- Business activities

Employees (GRI 2-7)

- Total employees
- Gender split



Ghaddar Machinery Co.

Ghaddar Machinery Co. is a **Power Solutions Provider** offering:

- Electrical Power Generating Sets
- Hybrid and Renewable Energy Solutions
- Sound attenuation solutions
- Power control and automation systems.

With over 45 years experience in the Electro-mechanical field, Ghaddar Machinery currently holds distributorship and OEM agreements with world leaders in the design and manufacture of industrial diesel engines.

- **Kubota – Japan**
- **John Deere – USA**
- **Cummins G-drive – USA**

The company currently holds distributorship agreements with global leader in solar energy - solar photovoltaic (PV) inverter manufacturing company

- **Sungrow- China**

ghaddar.com

EST. **1980**

> **45**

Years
of Experience
In Electro-
mechanical field

DEALERS

Widespread network
of dealers located
on 2 continents

SALES EARNINGS

Ghaddar Group' 2025
revenues increased 5% during
2025 compared to 2024.

COUNTRIES OF OPERATION

Lebanon (HQ- Ghazieh)
United Arab Emirates
Nigeria
Saudi Arabia

4

SERVICE CENTERS

Iraq
Beirut- Lebanon

EMPLOYEES

420 employees
across the group

420

Business Activities

Electric Power

- From 4 to 4000KVA
- Voltages up to 20KV
- 50Hz, 60Hz, 400Hz & 48Vdc
- Diesel, Gas and Bi-fuel

Industrial Applications

- Diesel Engines Driven Solutions
- PTO Solutions (Mills, Pumps)
- PV – Diesel
- Remote Cooling

Hybrid Applications

- VSG Hybrid 48V for Telecom
- PV – Battery storage (grid scale)
- Residential applications

Certifications

- ISO 9001
- ISO 14001
- ISO 45001
- ISO8528

Employees and Representation

Gender distribution is presented below for headquarters and consolidated group administration.

Headquarters statistics

Women constitute 45% of administration at headquarters.

HQ total employees



HQ administration



HQ admin women

49%

2025

HQ total

200

employees

Balanced administrative gender representation is maintained at headquarters.

Group statistics (*consolidated)

Women constitute 12% of the total workforce and 45.6% of administration.

Group total employees



Group administration



Group admin women

45.6%

2025

Admin total

103

employees

Women in administration exceeded the >40% target at consolidated group level.

At-a-glance insights

HQ admin women

49%

2025

Group admin women

45.6%

2025

Group women share

12%

total workforce

Gender split comparison

HQ total

173

27

HQ admin

27

26

Group total

366

54

Group admin

56

47

Governance (GRI 2-9)

- Board structure
- Committees
- ESG oversight



GHADDAR

Governance

Ghaddar Machinery Board of Directors has oversight of sustainability and is responsible for aligning strategic priorities and ensuring environmental, social, and governance (ESG) principles are integrated throughout the enterprise.

Board of Directors Members		Area of expertise
Mohamed S. Ghaddar	Chairman	45 years experience in engine driven solutions / business development
Sara Ghaddar	Member	ESG- Integrated management systems
Lina Ghaddar	Member	Financial auditing with experience working for Price Waterhouse Coopers , leading auditing firm in Lebanon
Mariam Ghaddar	Member	Financial Analyst
Karim Ghaddar	Member	Alternative Energy

Key Roles and Responsibilities

Ghaddar Machinery Board of Directors

- Aligning Company strategy and Operations keeping the stakeholders interests.
- Periodic Meetings
- Reviewing analytics and advising on strategic key drivers.
- Integration of emerging factors and trends into enterprise-wide strategy.

Composition of the Board of Directors

The Board is composed of persons with diverse backgrounds and experiences.

Nomination of the board members occurs every year and is done according to the **company by-laws**. Bylaws determine criteria needed for board of directors, election of chairman, meeting frequency and agenda, meetings quorum, remuneration of board, appointments of auditors, general assembly and other governance principles.

Auditors- External Assurance

External independent auditors periodically assess the conformity of the management systems to the regulatory requirements and applied standards. Audit reports results for ISO9001 Standards by SAI GLOBAL are reported bi-annually.

ISO14001 Standard and ISO45001 Standard conformity is reported by GLOBAL REGISTRAR auditors on annual basis.

Independent Financial Auditor assesses conformity of financial statements reports to GAAP Standards and legal requirements. (SABEH AYOON Auditing Firm)
Internal Auditor assesses annually suitability of quality management system.

Compliance & anti-corruption programs

Covered in page [11](#)

Risk management integration

Covered in sheet [16](#) Materiality assessment

Ghaddar Machinery Co. is **drafting a code of corporate governance** detailing the **principles** of effective governance, whereby interests of shareholders are safeguarded. Such principles include:

- Preparing and distributing a list of shareholders' rights
- Applying the highest accounting and auditing standards
- Adopting (fair) transparency in the preparation and distribution of financial reports, which contributes to protecting the rights of rights holders, with the necessity of adhering to the application of their accounting standards (taking into account the appropriate timing in presenting the information).
- Ensuring financial performance is reviewed in accordance with accounting standards (auditing)
- Addressing conflicts of interest and related stakeholders

The Board of Directors

- Independent board members inclusion
- Board diversity
- Effective board committees
- Board evaluations

Strategy & Policies (GRI 2-22)

- CEO message
- Code of conduct (GRI 2-23)
- Compliance policies



CEO Message

As we move forward, our focus is clear: to strengthen our leadership in power solutions while building a more sustainable, efficient, and future-ready business.

Profitable Growth- moving forward in a challenging market landscape

Our company has built its reputation on delivering reliable electric power generation solutions to customers who depend on uninterrupted performance in critical environments. **That commitment remains unchanged.** At the same time, the energy landscape is evolving rapidly, and so must we. Our way forward is built on profitable growth, operational excellence, product innovation, sustainability, people development, and community impact — all underpinned by our unwavering commitment to safety.

Product Sustainability- decarbonize the product portfolio

We remain committed to delivering reliable generator set solutions for critical applications. A key priority is supporting product sustainability through fuel shift, including the wider adoption of **HVO-compatible engines** to help reduce environmental impact without compromising reliability.

Renewable energy solutions

Our path to **profitable growth** includes expanding in our core power generation markets **while increasing revenue from renewable energy solutions** such as solar, hybrid systems, and battery storage. At the same time, we are driving **operational efficiency and cost optimization** across manufacturing, supply chain, and support functions to improve competitiveness and long-term value creation.

Emissions Reduction

We are also committed to a clear **Scope 1, 2, and 3 emissions reduction plan**, focused on improving energy efficiency, reducing operational emissions, increasing the use of cleaner energy, and working with our value chain to lower indirect emissions.

People

Our progress will be driven by our people. We will continue investing in **employee development**. We also remain committed to creating a positive impact through **community engagement** and responsible corporate citizenship. Through every step of this journey, one thing remains unchanged: our **commitment to safety**. Safety will continue to be a core value guiding our decisions, our operations, and our responsibility toward our people and partners. We move ahead with confidence, discipline, and purpose — committed to delivering sustainable growth and reliable power for the future.

AI integration

Explore the integration of AI-driven tools and digital technologies across our operations, wherever AI-driven tools contribute to improving customer experience , internal efficiency and help decision- making.

We move ahead with confidence, discipline, and purpose



Mohamed Samih Ghaddar
Chief Executive Officer
Ghaddar Machinery Co. S.A.L.

CEO Message

Profitable Growth

Our company achieved a 5% increase in revenue with the year ending 2025. Our customer focus is being shifted towards new large projects, telecom companies, data center with very stringent carbon footprint agenda. We are seeking to empower this partnership with our customers, with a clear focus on sustainability, high reliability power solution, reduced downtime risk while being aligned with ESG efficiency targets.

During 2025, We partnered on these large projects:

- Data Center Project: 45 Gensets deployment- 3500 KVA – South Africa- 50 MW of reliable energy powering 22 data centers across the country
- Chad Project: 70 Generators Deployment- reliable off-grid energy- Low Fuel consumption
- Adnoc Zone 2 project: 4 MW system - Hazardous area compliant-High safety standards-Industrial ESG compliance

Product Sustainability - Generators

We remain committed to delivering reliable generator set solutions for critical applications. Our driving-engine selection takes into consideration the criteria of being **HVO-compatible engines** to help reduce environmental impact without compromising reliability. Our Product range has been modified to include engines with better emission compliance, thus aligning with our suppliers goals towards carbon neutrality.

Product Sustainability - Renewable energy solutions

Ghaddar Machinery Co.'s renewable energy solutions business, supported by its partnership with Sungrow, a leading inverter manufacturer, has achieved steady year-on-year growth. The Alternative Power Division continues to advance through **ongoing product development** and **increasing sales**, further enhanced by the **introduction of BESS** into the product portfolio.

Emissions Reduction

Scope 1 (Facility) GHG emissions reduction were achieved through:

- Installation of solar system powering the plant in Headquarters – a forward plan to expand the solar system capacity along with battery Storage –BESS- integration (during 2026).
- Expansion of United Arab Emirates (UAE) solar system powering the production plant (With battery storage- BESS integration)
- Energy efficiency measures: reduction of energy consumption/ energy efficient plant with on-line fuel consumption monitoring.

Scope 3 emission reduction

- After-treatment solutions development (DPFs- DOCs- SCR)- complete range for all power nodes
- Review of engines to improve their tier-ranking (Unregulated Engines sales have been significantly reduced and replaced by sales of engines with higher Tier level).
- HVO compatible gensets range- Shift to Alternative Fuels
- Gas engines range for marketable territories.

People and Community

- 2025 focus was placed on people development. Personal development, featuring tailored training from Wydner Coaches for staff.
- Multiple internship programs were offered to local technical schools students.
- Scholarships for distinguished students at the American University of Beirut and Lebanese American University as part of the educational funds.
- Ghaddar machinery contributes to numerous local initiatives in various fields.

Policy commitments for responsible business conduct

Ghaddar Machinery is committed to doing the business the right way : with integrity, accountability, and respect for people and the environment.

All administrative employees have signed an acknowledgment of the Code of Conduct. Furthermore, all new employees are trained on the Code of Conduct during the onboarding process, ensuring that the organization's ethical culture remains well established and continuously upheld.

Any alleged misconduct may be reported anonymously through the dedicated email address, compliance@ghaddar.com. Such reports are handled with strict confidentiality, investigated by the Quality Assurance Manager and the Human Resources Manager (in case of misconduct or unethical behavior) and appropriately closed.

**CODE OF
CONDUCT**
ACTING WITH INTEGRITY

CODE OF CONDUCT PILLARS

Business Ethics Policy

- Compliance with trade laws
- Compliance with export laws
- Anti-bribery and anti-corruption – [Page 39](#)
- Compliance to financial reporting standards

Human Rights, And Labor Practices Policy (Social) – [Page 30](#) – [Page 34](#)

- Respecting and promoting the human rights
- Inclusion And non-discrimination
- Prohibition of child labor
- Prohibition of modern slavery
- Occupational health and safety

Environmental Policy- [Page 19](#)

- Compliance to environmental laws and regulations
- Minimizing environmental impact
- Protecting Biodiversity

Social Responsibility

- Contributing positively to societies in which we operate

Supply Chain Policy – [Page 40](#)

Supply Chain engagement and alignment of policies

ESG High-Level Strategy

Strategy derived from CEO priorities and material topics

Focus: profitable growth, lower-carbon solutions, safe operations, people development and ethical business conduct

Our ESG strategy supports the CEO's direction by aligning product sustainability, operational excellence, people development and responsible governance into one roadmap for resilient, future-ready growth.

E

Environmental

Decarbonize the product portfolio through HVO-compatible and lower-emission solutions

Improve facility energy efficiency, renewable power use and emissions performance

Embed circularity in manufacturing, waste reduction and lower-carbon logistics

S

Social

Maintain safe operations and strengthen occupational health and safety culture

Invest in people development, fair employment practices and inclusion

Create positive community impact through engagement, training and education initiatives

G

Governance

Reinforce ethics, trade compliance and anti-corruption across the business

Promote responsible procurement and stronger value-chain standards

What this means in practice

- Our priorities are translated into measurable targets for emissions, energy, safety and people development.

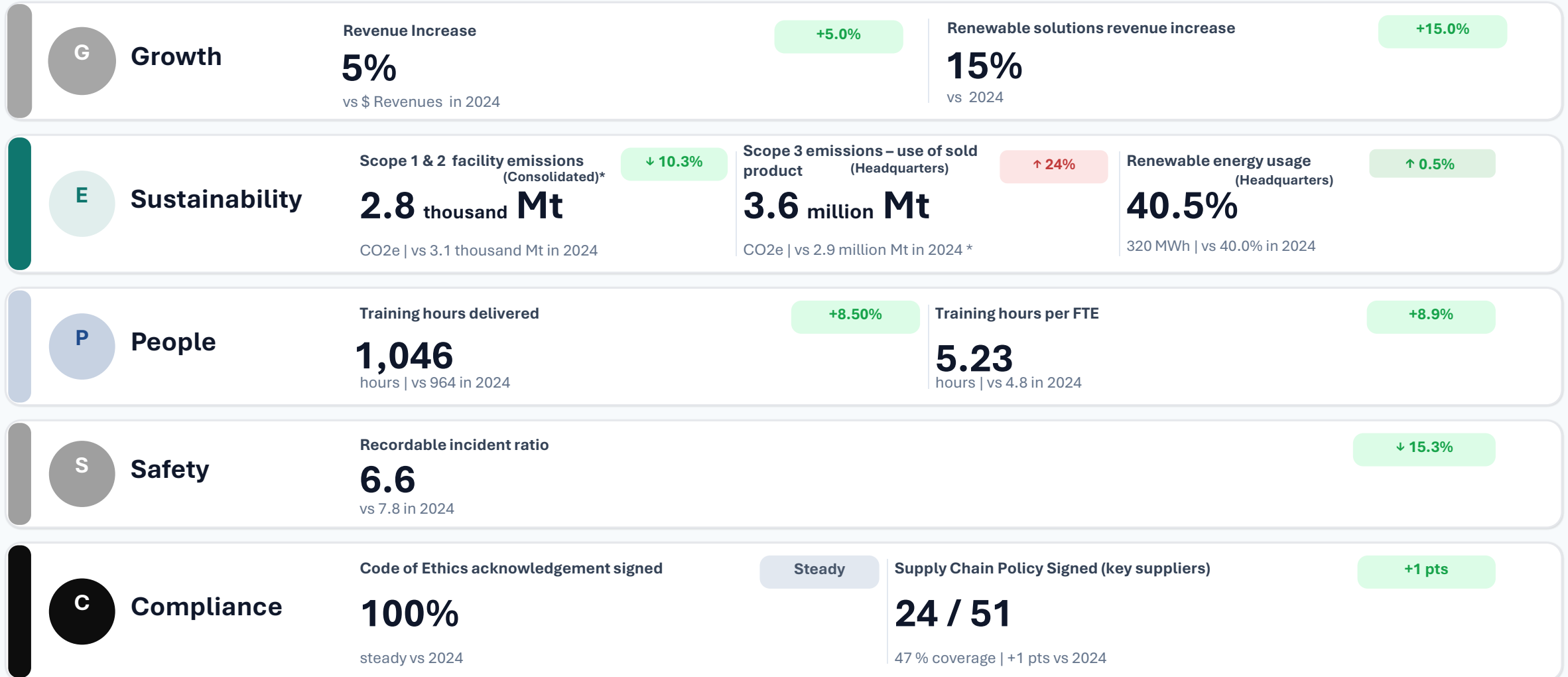
- we prioritize actions on climate, health and safety, ethics and procurement.

- This high-level direction is mirrored in environmental and social strategies on the following slides.

2025 ESG KPI Scorecard

2025 vs 2024

Growth, sustainability, people, safety, and compliance performance.



*Consolidated figures include headquarters and the branches.

*2024 figures cover the 10 months of . Business disruption during the months of November and December in the headquarters facility.

Stakeholder Engagement (GRI 2-29)

- Stakeholder groups
- Engagement methods
- Key topics



Stakeholders Engagement

Community and shareholder engagement goals

Consider the broader impact of activities on customers, suppliers and all parties interacting with the business, while promoting workforce rights, health, safety and environmental responsibility.

Encourage environmental protection and improve safety standards across the supplier network.

Maintain a positive role in the surrounding community by capturing resident feedback

Stakeholder	Purpose	Engagement method	Key topics
Customers	Consult and inform	<ul style="list-style-type: none"> • Periodic customer opinion surveys under the customer survey procedure. • Consulting customers on process improvements to encourage repeat business. • Dedicated complaint channel to capture comments, suggestions and grievances early, helping build trust and reduce business risk. 	<ul style="list-style-type: none"> • Process improvements • Product improvements
Employees	Empower	<ul style="list-style-type: none"> • Anonymous employee grievance channel aligned with reporting procedure. • Planning process encourages department heads to include material topics in implementation plans. 	<ul style="list-style-type: none"> • Employee grievances • Sustainability training • Involvement in risk assessment
Investors	Inform	<ul style="list-style-type: none"> • Financial reporting for investors. • Annual sustainability report published on the website. 	<ul style="list-style-type: none"> • Financial health • Sustainability
Suppliers	Supplier audits Supplier assessments	<ul style="list-style-type: none"> • Continued supplier evaluation and re-evaluation, followed by supplier-initiated corrective actions. 	<ul style="list-style-type: none"> • Anti-corruption • Code of ethics • Diversity, equity & non-discrimination • Labor practices
Community	Consult	<ul style="list-style-type: none"> • Community surveys to engage nearby residents and gather feedback on business impacts. 	<ul style="list-style-type: none"> • Product improvements • Impacts of business operations

Materiality (GRI 3)

- Material topics
- Assessment process



Material Topics

Priority is inferred from the register's inherent risk profile and breadth of issues identified across the assessment.

Material topic	Evidence from 2025 assessment	Priority	UN SDG alignment	GRI index standard	Page
Climate Change Mitigation	Facility Emissions (Scope 1 and 2) Emissions (use-phase / value-chain relevance): sold diesel generators create significant use-phase climate impact and transition pressure from customers, regulation and decarbonization expectations.	High	12 Responsible Consumption and Production 13 Climate Action	GRI 305 Emissions	20- 29
Pollution of Air	Pollutants from sold products, Facility energy mix	High	13 Climate Action	GRI 305 Emissions	20-29
Business Conduct: Anti-corruption & responsible procurement	Procurement, HR, sales and service risks include questionable invoices, conflicts of interest, gifts, kickbacks and continued acceptance of poor quality.	High	12 Responsible Consumption and Production 16 Peace, Justice and Strong Institutions	GRI 205 Anti-corruption GRI 414 Supplier Social Assessment	11 , 39
Trade compliance & Ethics	A high-rated export compliance risk is recorded for sales to sanctioned customers or territories.	High	16 Peace, Justice and Strong Institutions	No direct topic standard; report under GRI 3 and compliance narrative	11 , 39
Occupational health & safety	Frequent HSE entries across fabrication, welding, grinding, electrical work and site maintenance, including falling objects, electrocution, fire and physical injury.	High	3 Good Health and Well-Being 8 Decent Work and Economic Growth	GRI 403 Occupational Health and Safety	30-32
Diversity, equity & non-discrimination	Assessment highlights unequal hiring, discriminatory work environment, biased termination and pay equity concerns, including workers in the value chain through supplier practices assessments	Medium	5 Gender Equality 8 Decent Work and Economic Growth 10 Reduced Inequalities	GRI 405 Diversity & Equal Opportunity GRI 406 Non-discrimination	30,32
Labor practices & worker wellbeing	Turnover, dissatisfaction, stress/bullying and accommodation-related concerns appear in the HR risk register.	Medium	3 Good Health and well-being 8 Decent Work and Economic Growth	GRI 401 Employment + worker wellbeing narrative	34
Child & community safety	Community register flags child-rights misuse, visitor physical harm and disturbance to surrounding community access/traffic.	Medium	3 Good Health and Well-Being 11 Sustainable Cities Communities 16 Peace, Justice and Strong Institutions	GRI 408 Child Labor GRI 413 Local Communities	35

Ghaddar Machinery Co. signed in 2023 an MOU with Capital Concept S.A.L. , Business development Advisors, who provided the framework for identifying and Business and Human Rights Risk categories, aligning with the UN Guiding Principles on Business and Human Rights (UNGPs). This collaboration gave Ghaddar a lot of insights on how to determine material topics and utilizing a risk based approach to address them.

Identifying Material Topics:

A cross-functional team at Ghaddar identifies the impacts of business operations. In 2025, It has identified 37 impacts across 5 categories:

1-Environmental Impact of activities: Environmental risks to health include pollution, noise, land use patterns, work environment, and climate change.

2-Occupational Health and Safety Risks: likelihood that a person may be harmed or suffers adverse health effects if exposed to a hazard within the workplace

3-Social Risks: Social risk for a business includes actions that affect the communities around them: labor issues, human rights violations within the workforce, and community harm issues.

4-Compliance Risks : Compliance risk is an organization's potential exposure to legal penalties, failure to act in accordance with industry laws and regulations, internal policies or prescribed best practices.

5- Other Risks

Risk Based Approach: Impact Factor Assessment

Following the identification of our material sustainability topics, we employ a rigorous, risk-based methodology to assess the significance of associated impacts. This process involves evaluating both the severity and likelihood of potential positive and negative impacts across our value chain. By mapping these findings, we prioritize material issues and proceed to develop tailored mitigation measures, ensuring that risks are reduced, managed, or eliminated in line with our strategic goals. Severity and Likelihood assessment through specific Key Performance Indicators measurement through the company operation guide our focus.

Validation through Management review

Results were consolidated and finalized in management review, reviewed on a yearly basis

Environment (GRI 300)

- Energy
- Emissions
- Waste
- Water

Environmental Policy Highlights

Ghaddar Machinery is committed to minimizing the environmental impact of its operations by:

- Complying with applicable environmental regulations and continuously improving sustainability practices.
- Reducing emissions through cleaner engine selection
- Renewable energy solutions
- Energy-efficient manufacturing
- Proper equipment maintenance, and Provision of aftertreatment solutions.
- Promoting product circularity, resource and energy efficiency, protecting biodiversity
- Supplier alignment, and employee training.

Oversight is ensured by the Board, while management is responsible for implementation, monitoring, annual review, and communication of the policy to staff, contractors, suppliers, and the public.

Environmental Strategy 2024-2025

Focus: cleaner product mix, facility efficiency, circularity and biodiversity

The environmental strategy is centered on improving the emissions profile of products sold, increasing energy efficiency and renewable power use across facilities, reducing waste in production.

1 Decarbonize the product portfolio

Increase the share of fuel-optimized, certified and HVO-compatible engines, while progressively reducing the proportion of unregulated engines and expanding solar-linked sales.

2 Improve energy performance of operations

Maintain facility electricity consumption below target, continue improving renewable power penetration at headquarters and the UAE facility, and further reduce Scope 1 and 2 emissions.

3 Embed circularity in manufacturing

Sustain the reduction in metal scrap ratio through better design review, nesting optimization and manufacturing controls, with waste prevention integrated earlier in the engineering process.

4 Biodiversity

Transition to Powder Coating: Switch from solvent-based paint to powder coating to minimize VOC emissions and paint waste
Water Management: Install filtration systems to prevent paint wash-off from entering stormwater drains

2026 priority actions

- Tighten product planning toward lower-emission engine platforms and define a roadmap for replacing higher-impact models.

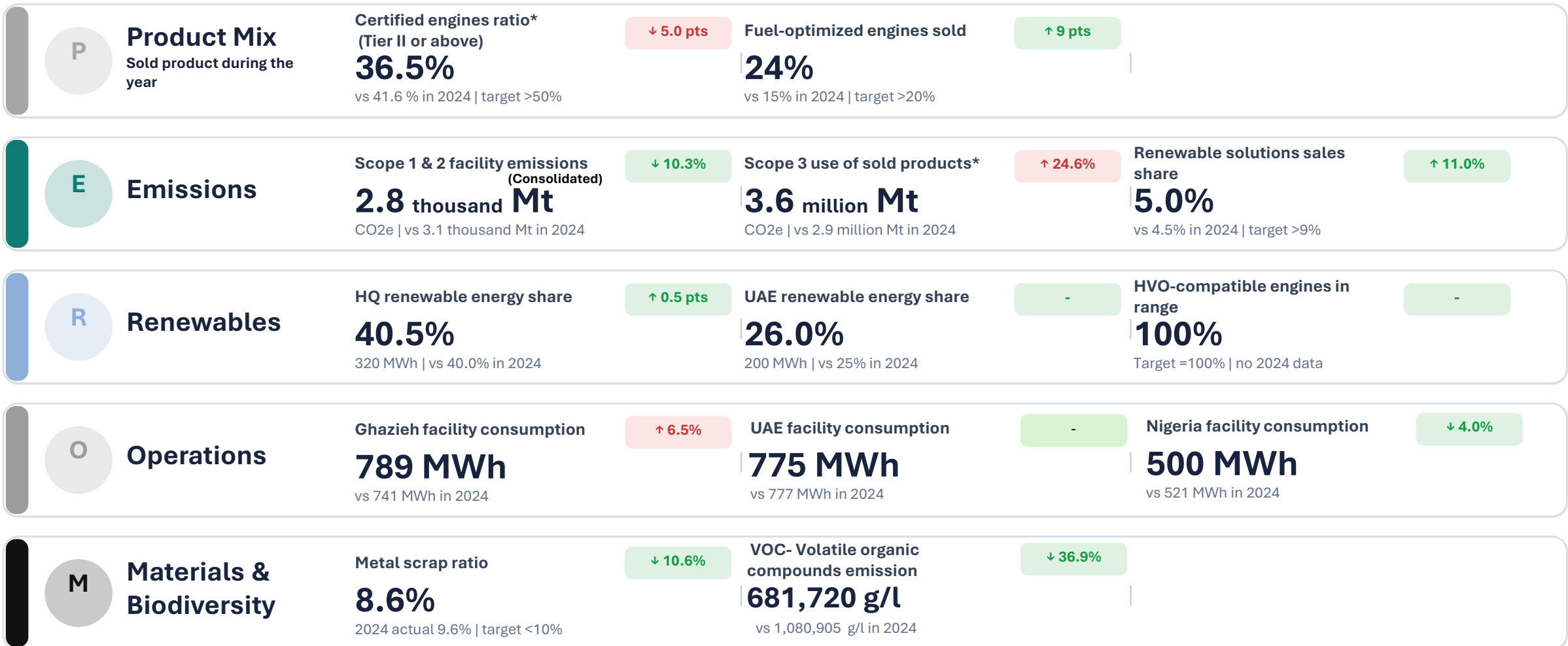
- Increase renewable energy sourcing and monitor energy in facility with management review of deviations. BESS and sol expansion planned for 2026 in headquarters facility

- Renewable fuel readiness: Hydrogenated vegetable Oil (HVO) readiness - Biodiesel compatibility

2025 Environmental KPI Scorecard

Environmental performance overview based on objectives and metrics scorecard.

2025 vs 2024



***Certified Engine Ratio** is calculated as: Certified Engines Value being Revenue from engines that hold a certificate of conformity (e.g., EPA/CARB compliance, or other regulatory bodies) divided by Total revenue from all engines sold.

***GHG Scope 3- use of sold product (millions of metric tons CO₂e)** is calculated as the number of units sold x fuel consumption per hour (at 75% load) x expected service life of the generator x emissions factor per liter of fuel used.

*The 2023 GHG Scope 3- use of sold product metric has been revised during 2025.

***Consolidated figures include headquarters and the branches.**

Product Mix

Gensets emissions and renewable-fuel compatibility: About 30% products in our product range mix have some degree of **emission compliance**, thus reduced impact; 100% are **Hydrogenated Vegetable Oil (HVO) compatible**. Biodiesel compatibility depending on model.

Kubota

8 models

SET	ENGINE	EMISSION	RENEWABLE FUEL
KT9	KUB9-D1105-E2BG	Tier 2	HVO ✓ B20 max
KT12	KUB12-V1505-E2BG	Tier 2	HVO ✓ B20 max
KK15	KUB15-D1703-E2BG	Tier 2	HVO ✓ B20 max
KK20	KUB20-V2203-E2BG	Tier 2	HVO ✓ B20 max
KTG20	KUB22 Gas - WG2503-LN-E3-KEA-4	Gas E3	(Natural Gas)
KT27	KUB30-V3300-E2BG	Tier 2	HVO ✓ B20 max
KTG40	KUB40 Gas - WG3800-LN-E3C-KEA-4	Gas E3	(Natural Gas)
KT45	KUB45-V3800DI-T-E2BG	Tier 2	HVO ✓ B20 max

John Deere

11 models

SET	ENGINE	EMISSION	RENEWABLE FUEL
DT30	JD30-3029DFG20	NC	HVO ✓ Biodiesel ✓
DT40	JD40-3029TFG20	NC	HVO ✓ Biodiesel ✓
DT60	JD60-3029HFG20	NC	HVO ✓ Biodiesel ✓
DT80	JD80-4045TFG20	NC	HVO ✓ Biodiesel ✓
DT100	JD100-4045HFG20	NC	HVO ✓ Biodiesel ✓
DT120	JD120-4045HFG20	NC	HVO ✓ Biodiesel ✓
DT150	JD150-6068HF158	NC	HVO ✓ Biodiesel ✓
DT180	JD180R-6068HF258	NC	HVO ✓ Biodiesel ✓
DT200	JD200-6068HFG20	NC	HVO ✓ Biodiesel ✓
DT250	JD250-6068HFG55	NC	HVO ✓ Biodiesel ✓
DT300	JD300-6090HF475	Tier 2/LR	HVO ✓ Biodiesel ✓

Cummins

20 models

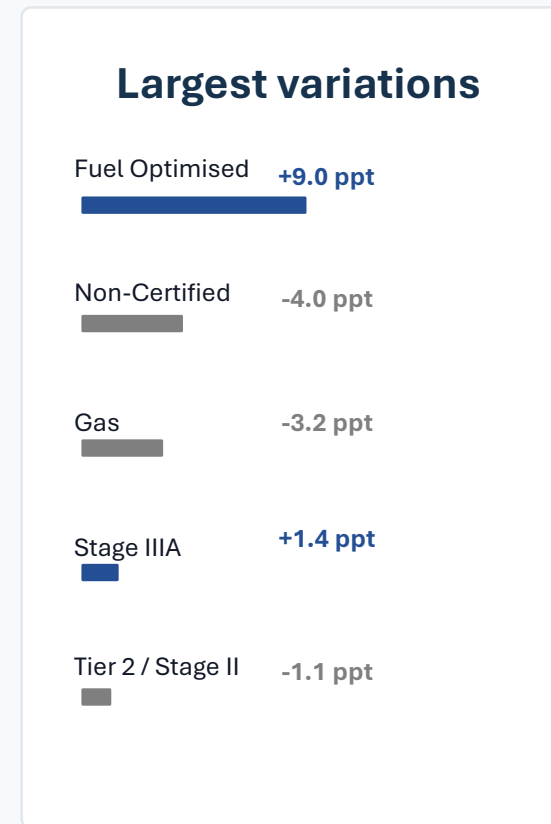
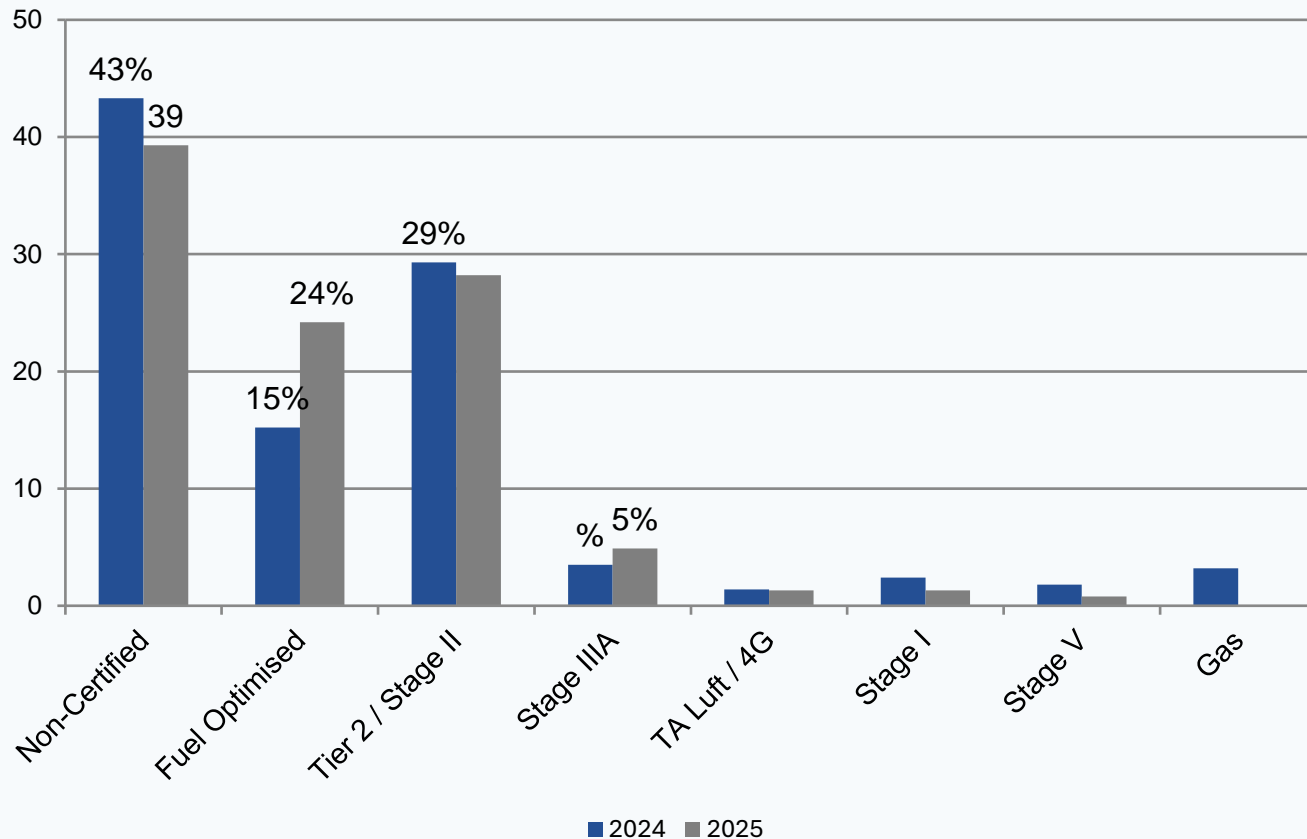
SET	ENGINE	EMISSION	RENEWABLE FUEL
CT40	CUM-4BTAA3.3 G16-40KVA	Stage IIIA	HVO ✓ Biodiesel caution
CT50	CUM-4BTAA3.3 G15-50KVA	Stage IIIA	HVO ✓ Biodiesel caution
CT60	CUM-4BTAA3.3 G14-60KVA	Stage IIIA	HVO ✓ Biodiesel caution
CT100	CUM-6BTA5.9G5-100KVA	UR / NC	HVO ✓ Biodiesel caution
CT150	CUM-6BTAA5.9G7-155KVA	UR / NC	HVO ✓ Biodiesel caution
CT200	CUM-QSB7G5-ST-200KVA	Stage IIIA	HVO ✓ Biodiesel caution
CT250	CUM-QLS9G3-250KVA	Stage IIIA	HVO ✓ Biodiesel caution
CT300	CUM-QLS9G5-ST-300KVA	UR / NC	HVO ✓ Biodiesel caution
CT350	CUM-QSG12G1-360KVA	UR / NC	HVO ✓ Biodiesel caution
CT365	CUM-NTA855G4-365KVA	UR / NC	HVO ✓ Biodiesel caution

SET	ENGINE	EMISSION	RENEWABLE FUEL
CT410	CUM-QSG12G2	UR / NC	HVO ✓ Biodiesel caution
CT480	CUM-QSZ13G5	Stage II	HVO ✓ Biodiesel caution
CT500	CUM-KTA19G4	UR / NC	HVO ✓ Biodiesel caution
CT640	CUM-VTA28G5	UR / NC	HVO ✓ Biodiesel caution
CT800	CUM-QSK23G3	UR / NC	HVO ✓ Biodiesel caution
CT1000	CUM-KTA38G5-ST-1000KVA	UR / NC	HVO ✓ Biodiesel caution
CT1250	CUM-KTA50G3-1275KVA	UR / NC	HVO ✓ Biodiesel caution
CT1500	Cum- KTA50GS8	UR / NC	HVO ✓ Biodiesel caution
CT2000	Cum- QSK60G4	UR / NC	HVO ✓ Biodiesel caution
CT2750	Cum-QSK78-G9	UR / NC	HVO ✓ Biodiesel caution

Share of Sales by Certification Tier (%)

Certified Engine Ratio is calculated as: **Certified Engines Value** being Revenue from engines that hold a certificate of conformity (e.g., EPA/CARB compliance in the US, or other regulatory bodies) **divided** by **Total revenue from all engines sold**, including certified, non-certified, or specialized engines.

Fuel-optimized engines now make up **24.2%** of sales (**+9.0 ppt**), but certified engine sales dipped 5 points as customers prioritized lower-priced, non-certified options amid limited regulation.



Solar Energy Portfolio Expansion

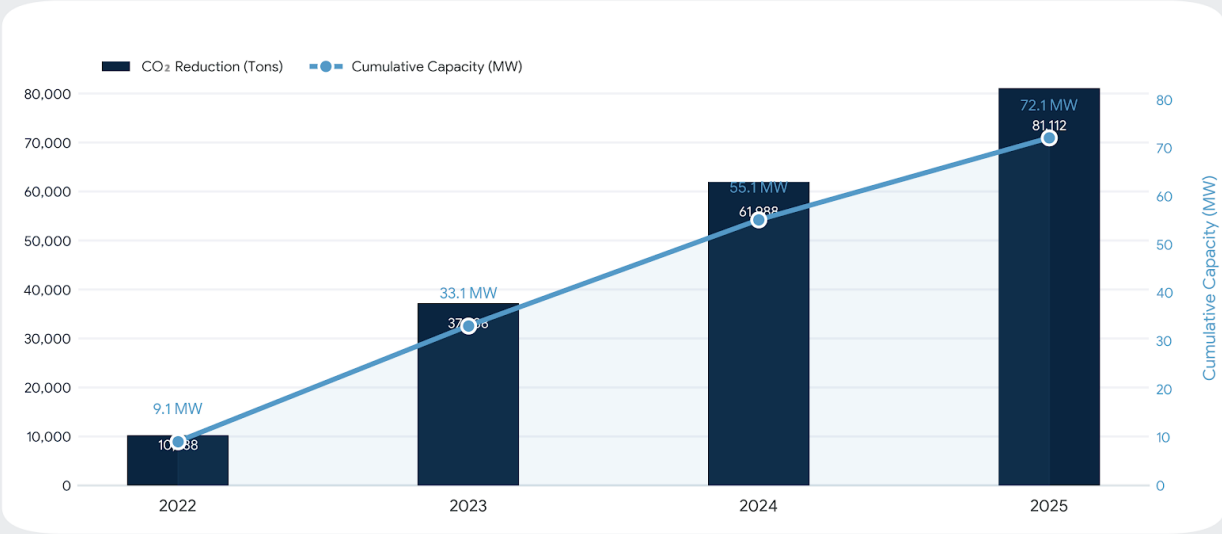
Ghaddar Alternative Energy department was established in 2016 as the solar power division of Ghaddar Machinery Co. who has more than 40 years of experience in the energy sector. Ghaddar Alternative Energy provides complete hybrid and solar power products for different applications.

Year on year, the sales revenue for alternative energy solutions increased serving a vast customer base seeking to reduce energy costs, improve power reliability and lower carbon emissions.

IMPACT REPORT

Driving a Greener Future: Cumulative Capacity & CO₂ Emissions Offset (2022-2025)

<p>CUMULATIVE CAPACITY</p> <p>72.1</p> <p>Total MW</p>	<p>ANNUAL SOLAR PRODUCTION</p> <p>90.1M</p> <p>kWh / Year</p>	<p>CUMULATIVE CO₂ REDUCTION</p> <p>81,112</p> <p>Tons of CO₂</p>
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BESS within the range

Battery Energy Storage Systems (BESS) are a key enabler in the transition to a net-zero energy system, reducing dependence on fossil fuels and supporting the integration of renewable energy.

Acting as a “power bank” for the grid and industrial facilities, these systems enhance energy efficiency, resilience, and sustainability. In 2025, Ghaddar Machinery Co. expanded its product portfolio with a new range of BESS solutions, reflecting its commitment to lower-carbon energy technologies. The all-in-one ESS design integrates electrical equipment, communication devices, temperature control, and fire suppression within a single cabinet, offering flexible configuration, ease of installation, simplified operation and maintenance, and a compact footprint suited to industrial applications. Multiple orders have already been secured during 2025, with further projects expected in 2026.



After Treatment Solutions

An eye on the local market

Lebanon Ministry of environment MoE Memo 4-1 of Aug 1 2024 (Generators Environmental Conditions) mandates that operators of large generators (200 kVA or higher) submit technical reports demonstrating compliance with air quality standards. The 2024 directives, aimed at reducing pollution in urban areas, require the installation of particulate matter filters on diesel generators.

Ghaddar Machinery **pro-actively responded** to this memo, mobilized a team of engineers to design a commercial , cost- effective solution, adapted to the local market.

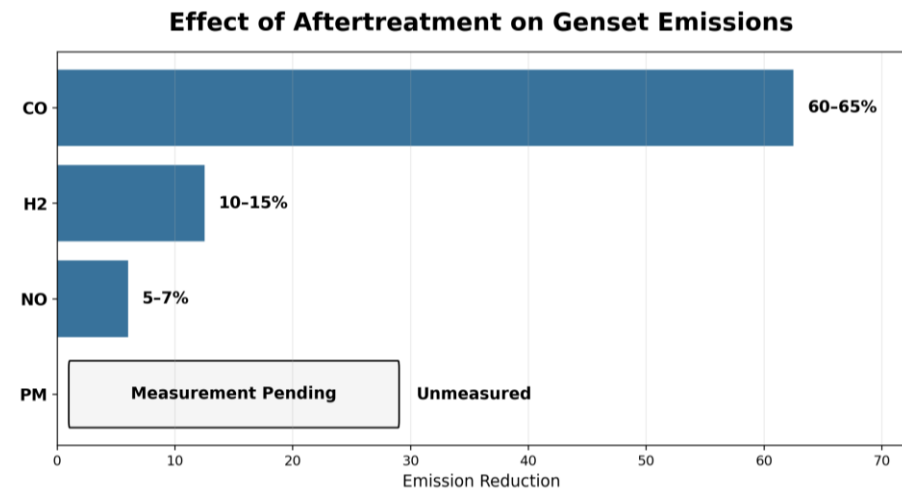
The range comprises **advanced aftertreatment solutions engineered to significantly reduce diesel generator emissions.**

the range of Diesel Particulate Filters (DPF) and **Dual Catalyst Systems** delivers industry-leading reductions in particulate matter, carbon monoxide , hydrocarbons, black smoke, and engine noise, ensuring compliance with emission standards.



Flue gas measurement

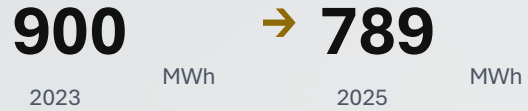
As part of its continuous product development efforts, the engineering team has started **testing these aftertreatment products** across the entire genset range. The results achieved so far are promising, indicating reductions of approximately 60–65% in carbon monoxide CO, 5% in nitrogen monoxide NO , and 10% in H₂. test observations have already confirmed a noticeable reduction in particulate matter PM emissions.



Market Sales

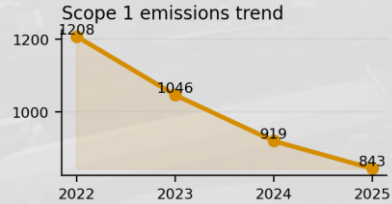
An analysis of Ghaddar generator sales within the Beirut governorate reveals that 7% of newly sold units are paired with dual catalyst systems. This trend is driven by the necessity to comply with environmental regulations, utilizing both existing building filtration solutions (such as cyclones). Currently, this remains an outsourced solution. Looking ahead to 2026, we anticipate an increase in this adoption rate, supported by targeted awareness campaigns and initiatives to make the technology more commercially viable.

Facility Energy Consumption



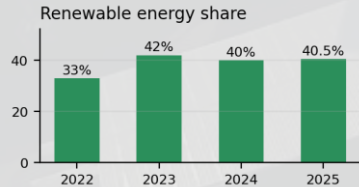
12.3% reduction in annual energy use between 2023 and 2025.

Impact on Greenhouse Gas Emissions



Scope 1 emissions fell from 1,208 tCO₂e in 2022 to 843 tCO₂e in 2025, a 30.2% decrease supported by onsite solar generation.

Renewable Energy Share



Renewable contribution increased from 33% in 2022 to 40.5% in 2025, with the next solar + BESS phase aimed at 80%.

2025 capital plan

An additional **\$280,000** was allocated to expand solar capacity and integrate a Battery Energy Storage System (BESS), adding 300 kWp and moving the site toward an 80% renewable share.

Projected renewable mix after expansion **80%**

Direct footprint down

30%

Installed rooftop solar array at the headquarters facility

2025 capital plan

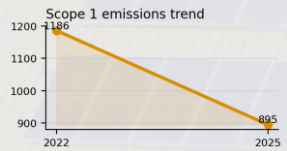
A further 500 kWp solar expansion and BESS integration was backed by a \$328,000 investment, with the long-term goal of raising renewable energy share to 80%.

Facility Energy Consumption

777 → **775**
2024 MWh 2025 MWh

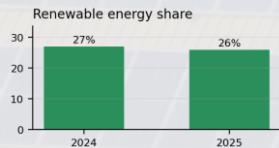
Energy use remained stable while solar generation capacity was being expanded.

Impact on Greenhouse Gas Emissions



Scope 1 emissions declined from 1,186 tCO₂e at the 2022 baseline to 895 tCO₂e in 2025.

Renewable Energy Share



The site held a 26% renewable share in 2025, with the planned expansion intended to materially improve this mix.

Solar array installed at the UAE facility

Volatile Organic Compound VOC emissions

As part of our 2025 environmental strategy, we successfully transitioned key components from liquid to powder coating by optimizing their design for size and weight requirements. This initiative directly resulted in increased powder usage and a decreased reliance on liquid paint, substantially reducing volatile organic compound (VOC) emissions into the atmosphere.

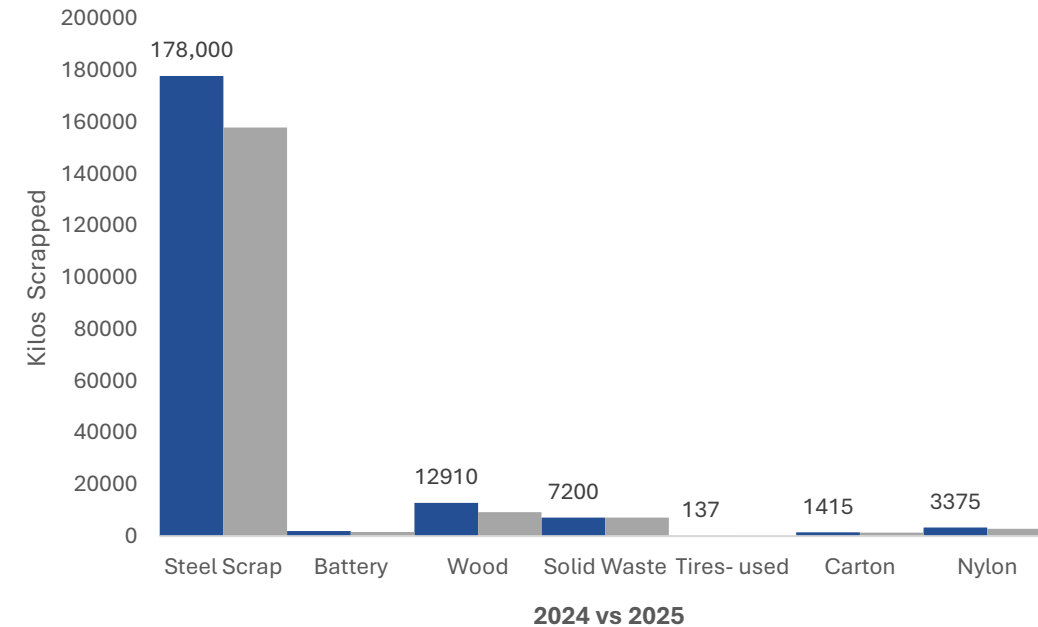
	Powder coating consumed (Kg)	VOC emission	Liquid Paint and washer primer consumed (Liters)	VOC Emission Grams/liter
2024	6000	Negligeable	3451 liters	1.080 million
2025	9663	Negligeable	2150 liters	681 Thousand

Industrial Wastewater management

The Metal rinse water treatment procedure is continuously applied at Ghaddar Machinery Co. It conserves biodiversity by preventing toxic, acidic pollutants from entering aquatic ecosystems. It goes through: filtration (removing hazardous oils, grease, and metal sludge) and neutralization of the phosphoric acid prior to being discharged into the environment. Periodic tests (PH Tests) are carried out to ensure procedure adequacy.

Material Waste

The company is committed to reducing its environmental impact by eliminating and minimizing waste generation charted below.



Steel Scrap reduction efforts

To sustain steel scrap reduction, we integrated waste prevention earlier in the design phase and optimized nesting practices, lowering the metal scrap ratio from 9.6% in 2024 to 8.6% in 2025. Efforts focused on optimizing the CNC machine programs and maximizing material utilization through efficient plasma cutting, resulting in minimal leftover material on metal sheets.

Environmental Performance

2025 ESG KPI dashboard

Focus: product footprint, facility efficiency, circularity and fleet transition

KPI	Target	2023	2024	2025	Status	
1. Product footprint						
Certified Engines Ratio *	>40%	-	41.5%	36.5%	Below target	
Solar Revenue Penetration Rate (%) : revenue from solar items over total revenue	>9%		4.5%	5%	Slow Progress	
GHG Scope 3- use of sold product (million metric tons CO ₂ e)- Headquarters*	<2.7	3.5*	2.9	3.6	Below target	
KPI	Baseline- Target	2023	2024	2025	Status	2026 Projection
2. Facility energy efficiency						
Facility total consumption (MW-hr) — Headquarters		900.1	741	789	On track	750-800
Power through renewable energy (MW-hr) — Headquarters	>80%	379 (42%)	296 (40%)	320 (40.5%)	On track	80% Estimated
Facility total consumption (MW-hr) — UAE facility		761	777	775		750-800
Power through renewable energy (MW-hr) — UAE facility	> 80%	213 (27%)	198 (25%)	200 (26%)	On track	80% Estimated
GHG Scope 1,2 (thousand metric tons CO ₂ e) – Consolidated (All branches)		3.29	3.1	2.8	On track	
3. Circularity & Biodiversity						
Solid waste: Reducing metal scrap ratio (scrapped / total metal tons manufactured) *	<10%	14.0%	9.6%	8.6%	On track	
VOC emissions (grams/liter)- thousands		-	1080	681	On Track	

***Certified Engine Ratio** is calculated as: Certified Engines Value being Revenue from engines that hold a certificate of conformity (e.g., EPA/CARB compliance in the US, or other regulatory bodies) divided by Total revenue from all engines sold, including certified, non-certified, or specialized engines.

***GHG Scope 3- use of sold product (millions of metric tons CO₂e)** is calculated as the number of units sold x fuel consumption per hour (at 75% load) x expected service life of the generator x emissions factor per liter of fuel used.

* The 2023 GHG Scope 3- use of sold product metric has been revised during 2025.

Social (GRI 400)

- Health & Safety
- Training
- Diversity
- Community

Social Policy Highlights

In line with code of conduct

Commitment to Human rights

- No discrimination
- No child labor or forced labor
- Fair pay, dignity, and humane treatment
- Respect for lawful workers, including women and eligible refugees , displaced workers
- Freedom of association and worker representation

Occupational Hazards and Safety

- Complying with relevant laws and regulations on occupational health, safety, and the working environment.
- Implementing safety measures required by laws and regulations while providing personal protective equipment.
- Diffusing the appropriate safety procedures and systems.
- Carrying out safety training among employees along with emergency preparedness plans and trainings.

Social Responsibility

- Contributing positively to societies where we operate.

Oversight is ensured by the Board, while management is responsible for implementation, monitoring, annual review, and communication of the policy to staff, contractors, suppliers, and the public.

Social Strategy 2024-2025

Focus: Empowered People, community Engagement, Occupational Health and safety first, Diversity and Inclusion

The social strategy is centered on providing safe working environment reaching towards zero Incidences, people development through training, all while respecting human rights and labor practices, laws and regulations.

1

Occupational Health and Safety

- Maintain low incident and severity ratios
- Use corrective actions and root-cause analysis
- Continue risk assessments and induction safety training

2

People Development

- Prioritize leadership, customer service, sales, and admin capability building
- Tailor training programs to strategic direction
- Support personal growth

3

Community Engagement

- Scholarships and educational contributions
- Internship opportunities for local vocational students
- Engagement with suppliers, customers, and community stakeholders

2026 priority actions

• Maintain low incident ratios through targeted corrective actions based on frequent accident types.

• Deliver tailored development programs aligned with company strategy and business needs

• Deepen stakeholder engagement to create positive impact across society and business partners.

Ghaddar Machinery’s commitment to health and safety is unwavering, demonstrated by its **ISO 45001-certified management system**, which undergoes annual third-party audits. The management system covers a comprehensive risk register that is updated continuously, by department leaders and personnel. This boosts a **safety culture** within the organization, aiming at reducing its work incidents occurrences. The risk –based approach is based on three pillars:

Identify

- Team leaders participate in risk assessments
- 41 potential hazards identified and mitigated
- Coverage includes production, testing, stocks, and administration

Mitigate

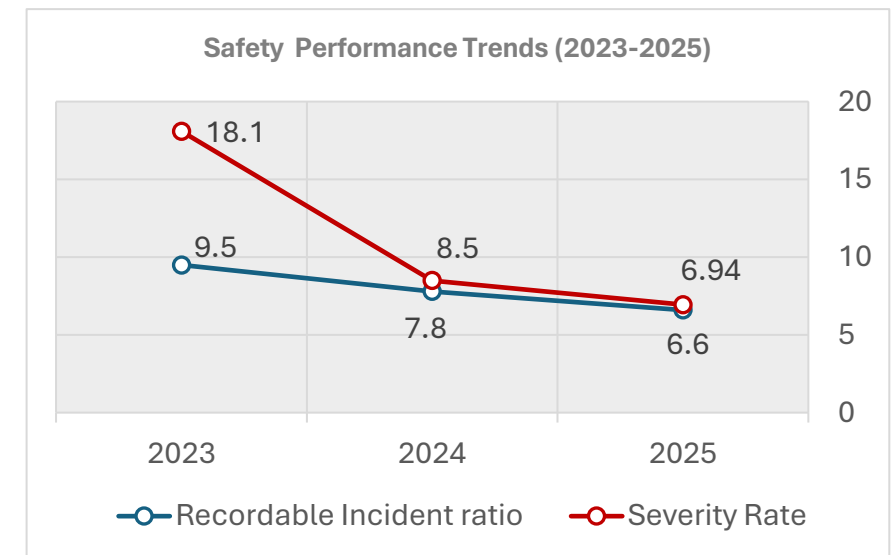
- Corrective and preventive actions on significant risks
- Focus on hazardous energy, electrical, mobile equipment, and fall hazards
- Regular review of risk assessments

Train

- Induction training on employment commencement
- Job-specific safety training where required
- Safe-task execution emphasized across roles

Safety Performance outcomes

Through consistent, **year-on-year improvements in reducing recordable incident ratios**, Ghaddar Machinery is steadily progressing toward its **goal of zero accidents**. Key risk mitigation measures include stringent housekeeping, mandatory protective equipment, proactive machinery safeguarding, and the utilization of material safety data sheets. Furthermore, a strong safety culture is promoted through regular toolbox talks, comprehensive emergency preparedness plans, and a dedicated team of on-site first aiders.



While 2024 featured a broader volume of technical, safety and orientation sessions, 2025 leaned slightly more on external coaching programs and more specifically to leadership courses, sales and customer service coaching.

Representative training topics completed

2024 focus

- Technical operations and maintenance
- Safety and welding training
- Software and inverter systems
- Orientation for administrative and spare-parts roles
- Decarbonization and energy transition

2025 focus

- Leadership and manager coaching
- Sales, negotiation and customer service
- Blue-collar coaching for technicians and workers
- Orientation for export, shipping and new hires
- Technical and finance upskilling for internal teams

Effectiveness

All listed programs were completed across both years.

2024 breadth: more technical, safety and orientation sessions.

2025 emphasis: more external coaching, leadership, sales and service capabilities.

Post-training evaluations indicate satisfactory effectiveness for course content, trainer expertise and supervisor-to-employee feedback.

Key Training outcomes

Courses

11

Vs. **15** in 2024

Training Hours

1046

Vs **964** in 2024

Participants

79

in 2025 versus **38** 2024

Hours per FTE

5.23

Vs **4.8** in 2024

Throughout 2024 and 2025, Ghaddar Machinery has taken significant steps to strengthen its human resources foundation, focusing on **employee well-being**, and structured growth.

Grievance, Fair Pay, Benefits

- Confidential grievance process established at end of 2023
- No bullying or harassment complaints reported for 2024 and 2025
- Internal medical fund with 60% employee participation
- Salary structure formalized and pay grades reviewed during 2025

Inclusion and Representation

- 12-page Human Resource Policy references Human Rights, labor law, and the ILO Declaration on Fundamental Principles and Rights at Work
- Women constitute 49% of administration at headquarters
- Women constitute 12% of the total workforce

HR Policy Highlights

Commitment to Human Rights

- No discrimination
- No child or forced labor
- Fair pay, dignity, and humane treatment
- Freedom of association and worker representation

Labor practices framework

- Contract, pay, overtime, and schedules follow regional labor law
- Leaves cover annual, sick, maternity, bereavement, and official holidays
- Professional conduct, confidentiality, and safe behavior are required
- Breaches and end-of-service cases follow regional regulations

Grievance process and outcomes

The procedure initially faced adoption challenges in a deeply embedded, family-oriented workplace culture. Human Resources department later captured all feedback, including verbal notices, to improve accuracy.

Salary complaints

5 in 2024

out of 200 employees

Salary complaints

4 in 2025

out of 200 employees

Harassment reports

0

recorded in 2024 and 2025

Requests did not alter the grade-salary structure and were closed efficiently.

Employee welfare support

- Internal medical fund for urgent surgeries
- National Social Security Fund coverage
- Annual performance-based bonus

These measures reinforce fair treatment, support, and retention.

Employee Turnover ratio

5.45% in 2025

Versus 5.5% in 2024

Contributing to education, health promotion, and resilient communities through youth engagement and dependable power support.

Education & Youth



Representing the Mohammad Samih Ghaddar Scholarship Program at American University of Beirut's AUB President's Annual Scholarship Reception and engaged students at the Rafic Hariri University (RHU) Job Fair.

Focus areas

- Support for education initiatives at AUB and at LAU (Lebanese American University)
- Visibility for scholarship partnerships
- Direct engagement with emerging talent

Health & Community



Powered major events linked to the Beirut Marathon platform, including the marathon itself and women's races in Beirut and Jounieh.

namely

- Official energy partner for Beirut Marathon 2025
- Support for Spinneys Women's Race
- Power sponsor of Saida International Festival 2025

These initiatives reinforce the company's role in health promotion, social participation, and positive local impact.

Infrastructure Impact



Delivered 2300 kVA power solutions for a large water utility, supplied 200 kVA generators for remote irrigation systems, and supported 10 MW for water treatment plants in Africa.

Outcome: reliable power for mission-critical water production, distribution, and agricultural operations.

Social Performance

2025 ESG KPI dashboard

Focus: Occupational Health and safety first, Diversity and Inclusion, People Development, community Engagement

KPI	Target	2023	2024	2025	Status
1. Occupational Health and Safety					
Recordable incident ratio	<8	9.5	7.8	6.6	On track
Severity Rate	<10	18.1	8.5	6.94	On track
2. Diversity and Inclusion					
Women in Administration- Headquarters	>50%	53%	45%	49%	On track
Women in Administration – (consolidated: all branches)	>50%	-	45%	45.6%	On track
3. People Development					
Total Training hours delivered (hours)	>1600 hours	1128	964	1046	On track
Training hours delivered to administration (hours)				878	
Average training hours per FTE per year (hours)	>8 hours per FTE	5.59	4.8	5.23	On track
% Employees subjected to training	>40%	27%	23%	41%	On track
3. Labor practices and worker wellbeing					
Turnover Ratio	<6%	5%	5.5%	5.45%	Steady
Employee Grievances	-	-	5	4	-
New Hires			6	8	-
4. Community Engagement					
Internship offered to Vocational Schools students - (hours)	-	-	1465	1496	Steady
Contributions to the educational sector and other CSR initiatives- thousand \$	-	-	420	400	Steady

Economic and Governance (GRI 200)

- Governance Strategy and performance
- Conformity and Compliance
- Supply Chain



Governance Strategy and KPIs

Strategy derived from CEO priorities and material topics

G

Governance

Promote responsible procurement and stronger value-chain standards

Reinforce ethics, trade compliance and anti-corruption across the business

Economic and Governance

2025 ESG KPI dashboard

Focus: Profitable Growth and Governance

KPI	2024	2025
1. Profitable Growth		
Percent Increase in Revenues		+5%
2. Compliance		
Admin employees signing code of ethics acknowledgement	100%	100%
ABC Policy induction (new hires) - persons	6	8
3. Suppliers		
Supply Chain Policy Signed (impactful suppliers)- Cumulative	23 out of 49 suppliers	24 out 51 suppliers

What this means in practice

- Communicating the supply chain with all suppliers, ensuring alignment of policies and goals, including ethical and legal conduct, commitment to human rights, and sustainability goals.

- Ensuring Anti-Bribery and Corruption policy is communicated and properly implemented within the organization.

- Export controls; Screening all third parties against specific criteria and denied lists.

Conformity and Compliance

Anti-Bribery & Corruption policy, screening process, and 2025 outcomes

Conformity and Compliance

Ghaddar Machinery leverages the many aspects of conformity to ethical standards in its relations with third parties, including employees. It ensures alignment of personnel to the principles of [code of conduct](#). These principles also apply to third parties (customers and suppliers), who are screened at different stages of transactions against specific criteria including denied lists.

Oversight is ensured by the Board, while management is responsible for implementation, monitoring, annual review, and communication of the policy to staff, contractors, suppliers, and the public.

Anti-Bribery and Corruption Policy

- Zero tolerance to bribes
- No accepting gifts from current or potential clients or agents that may influence employee judgment
- Facilitation payments are forbidden
- No giving gifts to vendors, agents, or business partners that may affect judgment
- No political contributions to obtain an unfair advantage
- No use of the company as a channel for financial crime, including sales to sanctioned parties or territories
- Charitable contributions or sponsorships must not be used as a subterfuge for bribery

Compliance process and outcomes

The procedure mandates induction of all new hires on the ABC policy and includes a whistleblowing channel for reporting non-compliance incidents through compliance@ghaddar.com. It also details screening (Export control) for new third parties (suppliers and customers) against specified criteria and denied lists.

Third parties screened

78 in 2025

Versus 98 in 2024

Blocked entities

1 in 2025

Versus 1 blocked in 2024

ABC policy induction (new hires)

8 in 2025

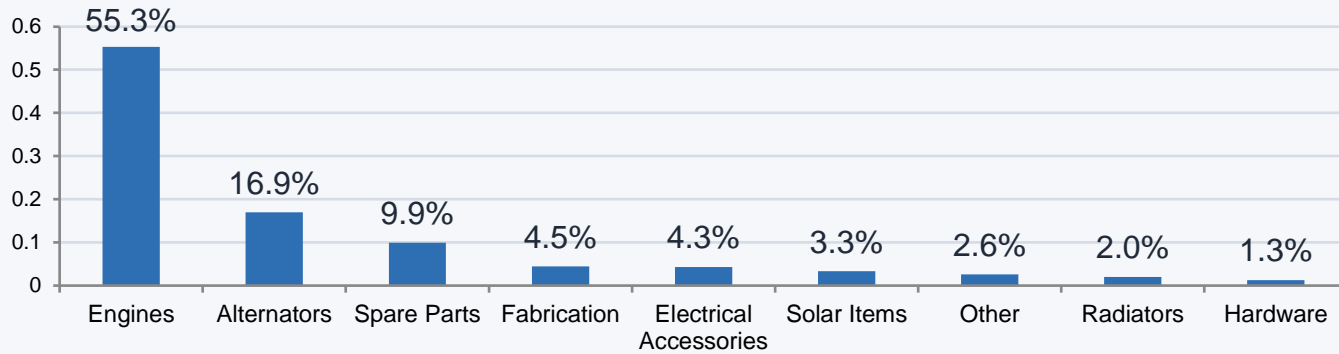
Compliance cases reported

0 in 2025

Supply Chain

Ghaddar Machinery leverages a diverse network of international and local suppliers, expecting them, beyond contract, to mirror its ethical, quality, and sustainability standards. In 2025, the company managed 291 active supplier accounts, including 51 key impactful suppliers that provide essential manufacturing components and maintain high compliance standards.

Total Purchase Value by Product Category



Due Diligence process and outcomes

The procedure details due diligence, including ESG criteria, for new third parties (suppliers) against the supply chain policy. It ensures supply chain engagement and alignment of policies and principles for sustainable mutual growth.

Supplier Assessments

24

Out of 51 impactful suppliers

Top Supplier Coverage

100%

Of top 10 impactful suppliers

Local Procurement %

8.64%

In 2025

Supply Chain Policy Highlights

Ghaddar Machinery expects suppliers to be committed to:

- Ethical and legal business conduct
- Respect for human rights and fair labor practices
- Safe and healthy working conditions
- Environmental responsibility and sustainability
- Positive social impact and respect for local communities

Oversight is ensured by the Board, while management is responsible for implementation, monitoring, annual review, and communication of the policy to staff, contractors, suppliers, and the public.

Index - General governance and environmental foundations

Core GRI General Disclosures and environmental baseline references with page mapping.

Section 01

General disclosures and material topics

GRI 2 - General Disclosures 2021

2-1 Organizational details	3
2-2 Entities included in sustainability reporting	2
2-3 Reporting period, frequency and contact point	2
2-4 Restatements of information	None
2-5 External assurance	2
2-6 Activities, value chain and business relationships	2
2-7 Employees	5
2-9 Governance structure and composition	7
2-22 Statement on sustainable development strategy	9- 10
2-23 Policy commitments	11
2-26 Advice and grievance mechanisms	38, 11
2-28 Membership associations	UNGC
2-29 Stakeholder engagement	15
GRI 3 - Material Topics 2021	17- 18

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Section 02

Biodiversity, climate, energy and emissions

GRI 101 Biodiversity 2024

101-1 Policies to halt and reverse biodiversity loss	19, 20, 28
--	------------

GRI 102 Climate Change 2025

102-1 Transition plan for climate mitigation	20,22,23, 24, 25 , 26 , 27
102-4 GHG reduction targets and progress	28
102-5 Scope 1 GHG emissions	26, 27
102-6 Scope 2 GHG emissions	None
102-7 Scope 3 GHG emissions	28
102-8 GHG emissions intensity	Na

GRI 103 Energy 2025

103-1 Energy policies and commitments	21
103-2 Energy consumption and self-generation	26, 27, 29
103-4 Energy intensity	Na

GRI 305 Emissions 2016

305-6 ODS and 305-7 NOx / SOx emissions	25
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Page references follow the attached GRI data book index

Index - Operations, emissions and workforce capability

Operational performance, resource management and employee development references.

Section 03

Economic performance, materials, energy and water

GRI 201 Economic Performance 2016 38

201-4 Financial assistance received from government None

GRI 204 Procurement Practices 2016 40

GRI 205 Anti-corruption 2016 39

GRI 206 Anti-competitive Behavior 2016 39

GRI 301 Materials 2016

301-1 Materials used by weight or volume Na

GRI 302 Energy 2016

302-1 Energy consumption within the organization 26 27-29

GRI 303 Water and Effluents 2018

303-2 Management of water discharge-related impacts 28

GRI 306 Waste 2020

306-1 Waste generation and significant waste impacts 28

GRI 308 Supplier Environmental Assessment 2016 40

Employment, health and safety, training and skills

GRI 401 Employment 2016

401-1 New employee hires and turnover 34, 36

401-2 Benefits provided to full-time employees 34

GRI 402 Labor / Management Relations 2016 34

402-1 Minimum notice periods regarding changes As per HR Policy

GRI 403 Occupational Health and Safety 2018 32

403-1 Occupational health and safety management system 32

GRI 404 Training and Education 2016 33

404-1 Average training hours per employee 33, 36

404-2 Programs for upgrading employee skills 33

404-3 Performance and career development reviews 33, 34

Index - People, rights, community and conduct

Social performance disclosures and conduct-related references from the original index structure.

Section 04

People, rights and community

GRI 405 Diversity and Equal Opportunity 2016

405-1 Diversity of governance bodies and employees **5**

GRI 406 Non-discrimination 2016 **30, 34,**

406-1 Incidents of discrimination and corrective action **33**

GRI 407 Freedom of Association and Collective Bargaining 2016 **-**

GRI 408 Child Labor 2016 **11,37,38**

GRI 409 Forced or Compulsory Labor 2016 **11,37,38**

GRI 410 Security Practices 2016 **-**

GRI 411 Rights of Indigenous Peoples 2016 **11,37,38**

GRI 413 Local Communities 2016

413-1 Community engagement and development programs **31, 35, 36**

GRI 414 Supplier Social Assessment 2016 **40**

414-1 New suppliers screened using social criteria **None**

Business conduct and index notes

GRI 415 Public Policy 2016 **None**

415-1 Political contributions **None**

GRI 416 Customer Health and Safety 2016 **-**

GRI 202 Market Presence 2016 **-**

GRI 203 Indirect Economic Impacts 2016 **-**

2-27 Compliance with laws and regulations **No suits**

Noted blanks in source index **Notation**

NA values retained from source **NA**



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