

ESG Report

A Comprehensive Analysis

Executive Summary / CEO Letter

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To Our Valued Stakeholders,

As we present our latest ESG Report, I am proud to reflect on our journey and reaffirm our unwavering commitment to building a sustainable future. At [Company Name], we believe that true success is measured not only by financial performance but also by the positive impact we create for our planet, our people, and the communities we serve. This report outlines our progress, highlights our achievements, and transparently addresses the areas where we must continue to improve as we integrate environmental, social, and governance principles more deeply into every facet of our operations.

Our vision is to be a leader in sustainable practices within our industry, driving innovation and fostering a resilient and inclusive enterprise. Our sustainability strategy is built on three core pillars: reducing our environmental footprint, empowering our people and communities, and upholding the highest standards of ethical governance.

In the past year, and looking at the trends from 2019 to 2023, we have made significant strides. On the ****environmental front****, we are particularly proud of increasing our renewable energy sources for consumption from 20% in 2019 to a notable 40% in 2023, demonstrating our dedication to decarbonization. Concurrently, the renewable percentage of our carbon emissions rose from 10% to 30% over the same period. We have also substantially reduced our water usage, from 280,624 m³ in 2019 to 191,191 m³ in 2023, and significantly increased waste recycling from 500 tons to 900 tons, while reducing unrecycled waste. While we saw a regrettable increase in total carbon emissions in 2023 compared to the previous year, our strategic focus on renewable energy adoption provides a clear path forward for future reductions.

Our commitment to our ****social responsibilities**** shines through in our human capital initiatives. We are thrilled to report a substantial increase in female representation in management positions, rising from approximately 40% in 2019-2022 to an impressive 61.6% in 2023. This marks a pivotal moment in our efforts towards gender equality and inclusive leadership. We also saw a positive trend in overall employee safety, with total accidents decreasing from 10 in 2019 to 7 in 2023. However, we acknowledge the continued presence of fatal accidents across several years (including one in 2023) and an increase in voluntary employee turnover to 6.4% in 2023. These are critical areas requiring our unwavering focus, and we are intensifying our efforts to enhance safety protocols and foster an even more engaging and supportive work environment.

Regarding ****governance****, we continue to strengthen our board composition, with female representation on the board increasing from 14.3% in 2019 to 20% in 2023, reinforcing our belief in diverse perspectives at the highest levels. Our robust anti-corruption training programs ensure that ethical conduct remains at the core of our operations. We maintain a transparent shareholder structure, reflecting broad stakeholder engagement.

This report is more than just a summary of data; it is a testament to our collective dedication. I extend my sincere gratitude to our employees, who are the driving force behind these achievements, and to our partners, customers, and shareholders for their continued trust and support. We recognize that our ESG journey is continuous, and we are committed to setting ambitious targets, collaborating with stakeholders, and continually evolving our practices to deliver long-term value for all.

Thank you for your interest in our ESG progress. We look forward to continuing this vital work together.

Sincerely,

[CEO Name]

Chief Executive Officer

About the Company

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Our company operates with a steadfast commitment to delivering sustainable value to all stakeholders, underpinned by a strategic focus on environmental stewardship, social responsibility, and robust governance. We believe that integrating Environmental, Social, and Governance (ESG) principles into the core of our business model is not merely a compliance exercise, but a fundamental driver of long-term success, resilience, and positive societal impact.

Our mission is to achieve sustainable growth while operating ethically and responsibly, ensuring a positive contribution to the communities we serve and the planet we share. This commitment is reflected in our ongoing efforts across various operational and strategic domains. Environmentally, we are dedicated to reducing our ecological footprint, as evidenced by a consistent increase in our reliance on renewable energy sources, growing from 20% of total energy in 2019 to 40% in 2023. We have also made significant strides in water management, reducing usage from 280,624 m³ in 2019 to 191,191 m³ in 2023, alongside enhancing our waste management practices with recycled waste increasing from 500 tons to 900 tons over the same period.

Socially, our focus is on fostering an inclusive, safe, and empowering workplace. We employ a substantial workforce, with consistent support for employees with disabilities, and a significant portion of our workforce covered by collective bargaining agreements. We are particularly proud of our progress in diversity and inclusion within leadership, with female representation in management positions rising notably to 61.6% in 2023. Employee safety remains paramount, with continuous efforts to minimize workplace incidents. Furthermore, our commitment to ethical conduct is reinforced through anti-corruption training programs for thousands of employees annually.

In terms of Governance, we maintain a transparent and accountable framework. Our Board of Directors reflects a commitment to diversity, with female representation increasing to 20.0% in 2023, complementing a strong base of financial and economic expertise. Our shareholder structure underscores a broad composition, ensuring diversified oversight and long-term stability. This integrated approach to ESG ensures that our operations align with global best practices and contribute positively to a sustainable future.

Materiality Assessment

Materiality Assessment

Our approach to sustainability reporting is guided by a comprehensive materiality assessment, a critical process for identifying and prioritizing the environmental, social, and governance (ESG) topics most relevant to our business and our stakeholders. This assessment allows us to focus our resources, enhance transparency, and address the issues that have the greatest impact on our long-term value creation and societal well-being.

We engage a diverse group of internal and external stakeholders to inform our materiality assessment. This includes regular dialogue with our employees, management, and Board of Directors, as well as outreach to investors, customers, suppliers, industry associations, and regulatory bodies. Through surveys, interviews, and continuous monitoring of industry trends and regulatory developments, we gather insights into the evolving ESG landscape and stakeholder expectations, ensuring our reporting reflects what matters most to those impacted by and impacting our operations.

Based on this ongoing process and an analysis of our operational data from 2019 to 2023, several key ESG issues have emerged as highly material:

* **Environmental Stewardship:**

* **Climate Change and Energy Transition:** Our data indicates a consistent increase in renewable energy adoption (from 20% in 2019 to 40% in 2023) and a corresponding decrease in non-renewable energy reliance. However, carbon emissions show fluctuations, with a notable increase to 18,415 tons CO₂e in 2023, highlighting the ongoing materiality of decarbonization efforts despite increasing renewable energy contributions (from 10% to 30% of carbon emissions from renewable sources).

* **Water Management:** A steady reduction in water usage (from 280,624 m³ in 2019 to 191,191 m³ in 2023) demonstrates effective water stewardship.

* **Waste Management:** Our progress in increasing waste recycled tonnage (from 500 to 900 tons) and decreasing unrecycled waste (from 300 to 240 tons) underscores our commitment to a circular economy.

* **Social Responsibility:**

* **Workforce Diversity & Inclusion:** A significant shift in management positions in 2023, with female representation increasing dramatically to 61.6%, points to diversity as a highly material focus area.

* **Employee Health & Safety:** While overall accident numbers fluctuate, the occurrence of fatal accidents (1 in 2020, 2 in 2022, and 1 in 2023) underscores the critical importance of robust safety protocols.

* **Labor Relations and Talent Management:** Consistent reporting on employees covered by collective bargaining and voluntary employee turnover rates highlights the materiality of fostering positive labor relations and effective talent retention, especially given a decreasing total employee count (from 24,053 in 2019 to 21,167 in 2023).

* **Anti-Corruption:** The consistent tracking of anti-corruption training in prior years signifies the importance of ethical conduct and responsible business practices.

* **Corporate Governance:**

* **Board Diversity:** The fluctuating yet upward trend in female board representation (e.g., 20% in 2020 and 2023) and consistent reporting on minority representation indicate the materiality of board diversity for effective oversight.

* **Shareholder Structure:** Detailed reporting on shareholder composition reflects the importance of transparency in corporate ownership and governance.

These material issues will continue to guide our strategy, risk management, and performance monitoring, ensuring our sustainability efforts are aligned with stakeholder priorities and business objectives.

Governance

Governance

Our company is committed to maintaining a robust governance framework founded on transparency, accountability, and ethical leadership. This framework underpins our long-term sustainability and ensures effective oversight of our ESG commitments.

The Board of Directors is central to our governance structure, providing strategic guidance and oversight across all operational and sustainability matters. In 2023, the Board's composition reflected a commitment to diversity, with female members comprising 20.0% of the total, a figure that has fluctuated between 14.3% and 20.0% over the past five years. Minority representation on the Board stood at 11.3% in 2023. The Board's collective expertise is robust, with a strong representation in Finance/Economics (7 members), alongside Engineering (1) and other professional backgrounds (3), ensuring a diverse range of perspectives. Demographically, our Board primarily comprises experienced individuals, with 8 members aged 61 or above and 3 members between 46-60 years old in 2023. Our broad shareholder composition, including pension funds and free float, further reinforces balanced stakeholder representation.

Beyond the Board, we prioritize diversity in our leadership pipeline. In 2023, female employees held a significant 61.6% of all management positions, marking a substantial increase from approximately 40% in previous years, demonstrating progress in gender balance at leadership levels. Minority representation in management positions was 14.0% in the same year.

Our risk management framework is designed to proactively identify, assess, and mitigate potential risks across our operations, including those related to environmental, social, and economic factors. Employee safety is a paramount aspect of our risk management, and we continuously monitor and strive to improve our safety performance. In 2023, we recorded 7 total accidents, comprising 1 fatal, 3 serious, and 6 minor incidents, reflecting our ongoing efforts to enhance workplace safety.

Ethical conduct and compliance are non-negotiable pillars of our corporate culture. We maintain stringent ethics policies and anti-corruption measures to ensure integrity throughout our business activities. Our commitment to fighting corruption is reinforced through comprehensive training programs, with thousands of employees having participated in anti-corruption training in prior years, including 7,830 employees in 2020. These initiatives underscore our dedication to fostering a workplace environment built on honesty, respect, and adherence to the highest standards of business conduct.

Environmental

Environmental

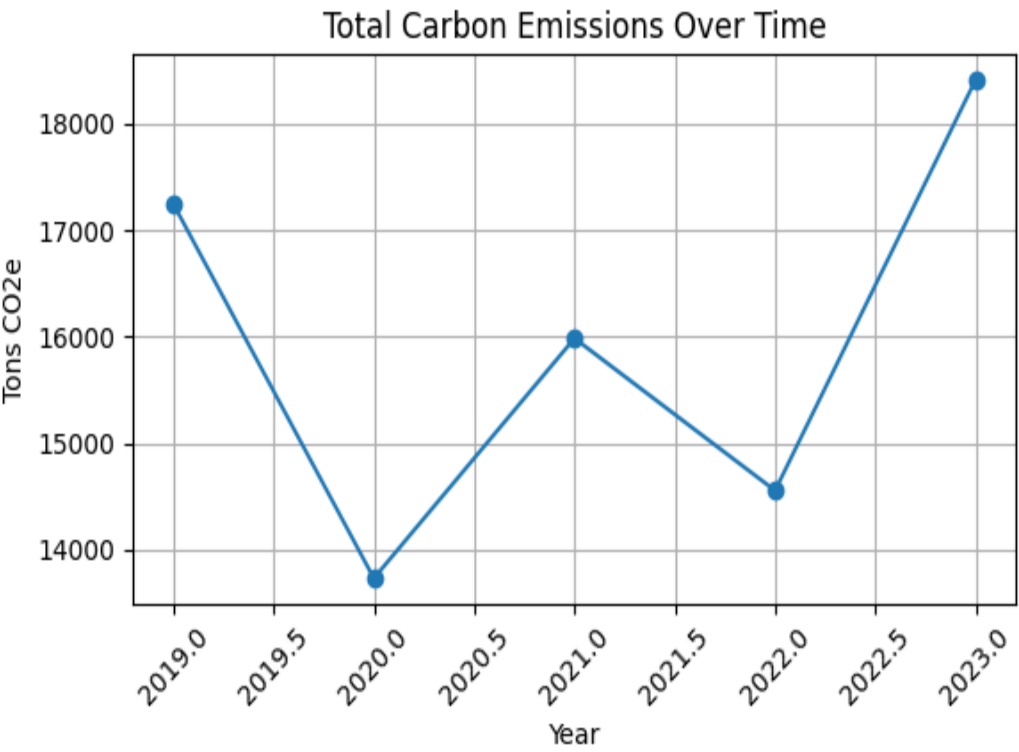
Our company is deeply committed to environmental stewardship, striving to minimize our ecological footprint through strategic initiatives in energy management, greenhouse gas emissions reduction, water conservation, and waste management. We continuously monitor and improve our environmental performance, aiming for sustainable operations across all our activities.

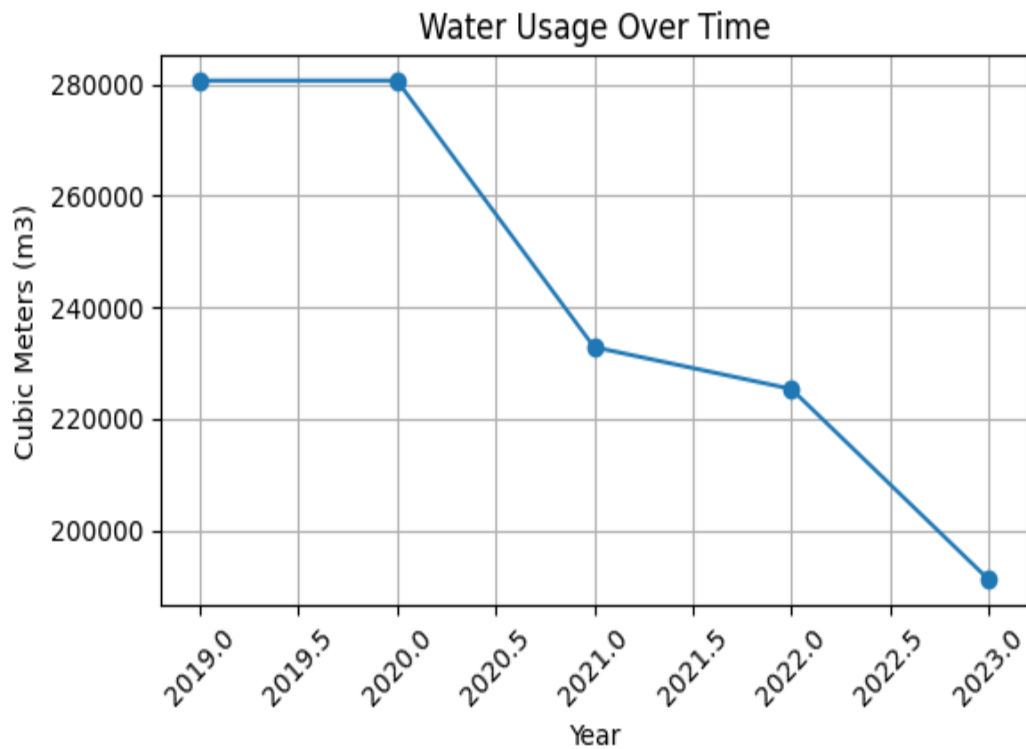
In our efforts to combat climate change, we have made significant strides in transitioning towards renewable energy sources. From 2019 to 2023, the proportion of our total energy consumption derived from renewable sources steadily increased from 20% to an impressive 40%. Concurrently, our total energy consumption within the organization saw a slight decrease from 491,855 units in 2019 to 480,600 units in 2023. Regarding Greenhouse Gas (GHG) emissions, our Carbon Emissions (tons CO₂e) were 17,249 in 2019, reaching 18,415 in 2023. While overall emissions saw an increase in the latest year, we are encouraged by the growing share of renewable sources contributing to carbon emission reductions, which rose from 10% in 2019 to 30% in 2023, demonstrating our ongoing commitment to decarbonization.

Water stewardship remains a key focus. We have achieved a substantial reduction in our water usage, decreasing from 280,624 m³ in 2019 to 191,191 m³ in 2023, reflecting successful implementation of water conservation strategies.

Furthermore, we are dedicated to advancing circular economy principles through robust waste management practices. Over the past five years, we have significantly increased our recycling efforts, with recycled waste rising from 500 tons in 2019 to 900 tons in 2023. Simultaneously, unrecycled waste has been consistently reduced from 300 tons in 2019 to 240 tons in 2023, demonstrating a clear positive trend in minimizing landfill contribution.

These achievements underscore our commitment to environmental responsibility. We will continue to set ambitious targets and implement innovative solutions to further enhance our environmental performance and contribute positively to a sustainable future.





Social

Social

Our commitment to social responsibility is fundamental to our operations, focusing on fostering a safe, inclusive, and equitable environment for our workforce and contributing positively to the broader community. This section outlines our progress and initiatives in workforce well-being, diversity, equity, and inclusion (DEI), and ethical conduct.

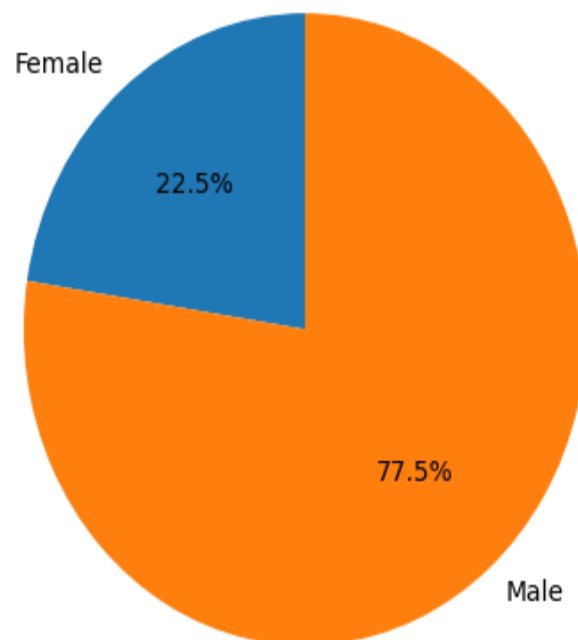
****Workforce Well-being:**** Employee safety remains a paramount concern. We are encouraged by a general downward trend in total accidents, decreasing from 10 incidents in 2019 to 7 in 2023, after a peak of 12 in 2021. While minor accidents have shown some fluctuation, we continue to prioritize measures to prevent all incidents. Unfortunately, we recorded 1 fatal accident in 2023, emphasizing the critical importance of continuous vigilance and enhancement of our safety protocols. Employee engagement and stability are key to our success. Our voluntary employee turnover rate has seen some fluctuation, rising from 4.2% in 2019 to 6.4% in 2023, an area we are actively monitoring. A significant portion of our workforce, approximately 8,984 employees in 2023 (down from 9,350 in 2019), is covered by collective bargaining agreements, reflecting our commitment to fair labor practices and employee representation. Our total workforce stood at 21,167 employees in 2023, a decrease from 24,053 in 2019, reflecting evolving operational needs. We maintain a consistent commitment to employing individuals with disabilities, with approximately 524 employees in this category in 2023, maintaining a stable number around 520-530 individuals throughout the reporting period.

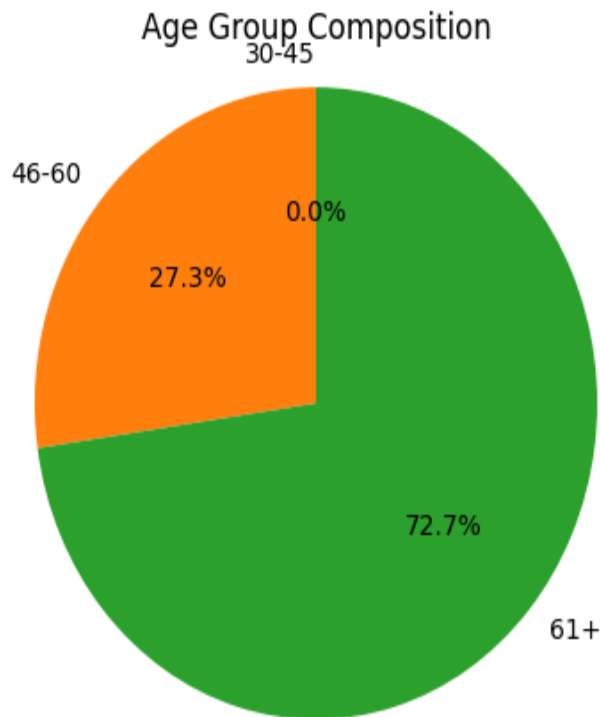
****Diversity, Equity, and Inclusion (DEI):**** We are dedicated to building a diverse and inclusive workforce across all levels. A significant achievement in 2023 was the substantial increase in female

representation in all management positions, which rose dramatically from an average of approximately 40% between 2019 and 2022 to an impressive 61.6% in 2023, demonstrating robust progress in empowering women in leadership. Diversity on our Board of Directors also shows positive developments, with female representation reaching 20% in both 2020 and 2023, up from 14.3% in 2019. Minority representation on the board has fluctuated, standing at 11.3% in 2023. Our Board's composition also reflects a blend of experience and expertise, predominantly in Finance/Economics and Engineering, with an increasing representation of members aged 61 and above.

****Ethical Conduct & Community Engagement:**** Beyond our internal workforce, we recognize our role in fostering ethical business practices that contribute to a fair operating environment and demonstrate responsible community engagement. To this end, we have provided anti-corruption training to a substantial portion of our employees, with over 7,800 individuals trained in 2020, underpinning our commitment to integrity in all operations. We are focused on ensuring these crucial training programs continue and will provide updated figures in future disclosures.

Board Gender Composition





Performance Metrics & Targets

Performance Metrics & Targets

This section outlines our key ESG performance metrics from 2019 to 2023, providing a quantitative baseline for our ongoing commitment to sustainability and responsible business practices. While explicit future targets are currently under development and will be reported in subsequent disclosures, this summary highlights our progress and areas for continued focus.

Environmental Performance:

Our environmental stewardship has shown notable trends. Energy consumption within the organization experienced a slight decrease, moving from 491,855 units in 2019 to 480,600 units in 2023. Over the same period, our reliance on renewable energy sources significantly increased, with renewable energy's share of total energy consumption rising from 20% to 40%. Correspondingly, the percentage of carbon emissions attributed to renewable sources grew from 10% to 30%. However, despite this shift, total carbon emissions fluctuated, ending at 18,415 tons CO₂e in 2023, an increase from 17,249 tons CO₂e in 2019. Water usage demonstrates a positive trajectory, decreasing substantially from 280,624 m³ in 2019 to 191,191 m³ in 2023. Waste management efforts also improved, with recycled waste increasing from 500 tons to 900 tons, and unrecycled waste decreasing from 300 tons to 240 tons over the five-year period.

Social Performance:

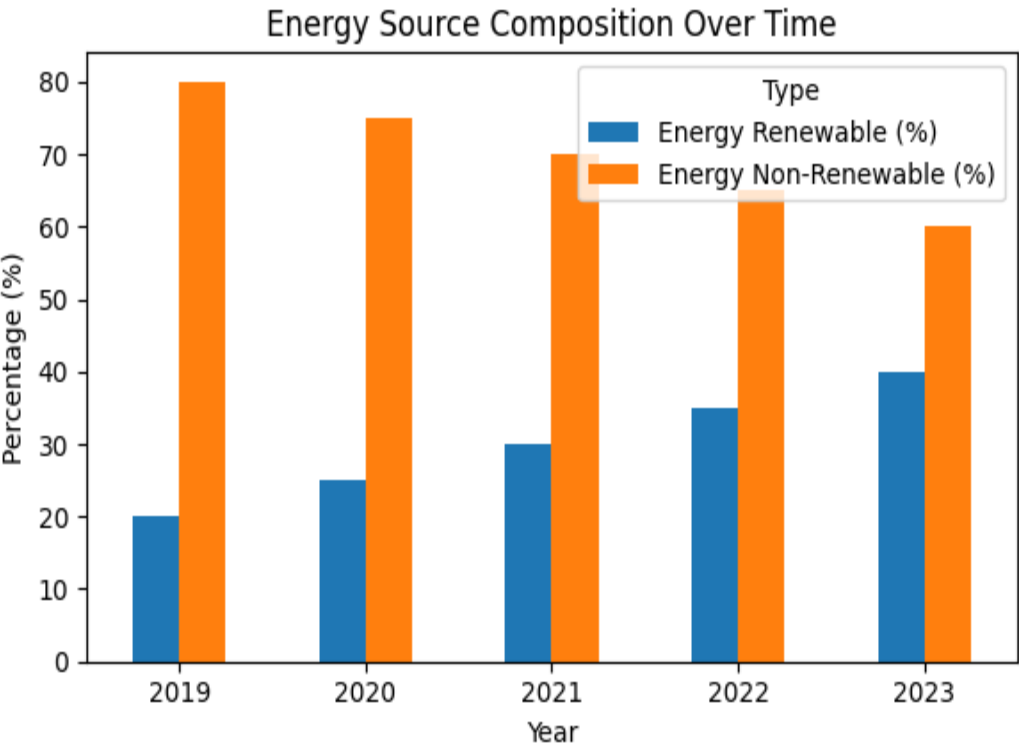
In the social dimension, our commitment to our workforce is reflected in various metrics. Employee safety, measured by the total number of accidents, saw a general decrease from 10 in 2019 to 7 in

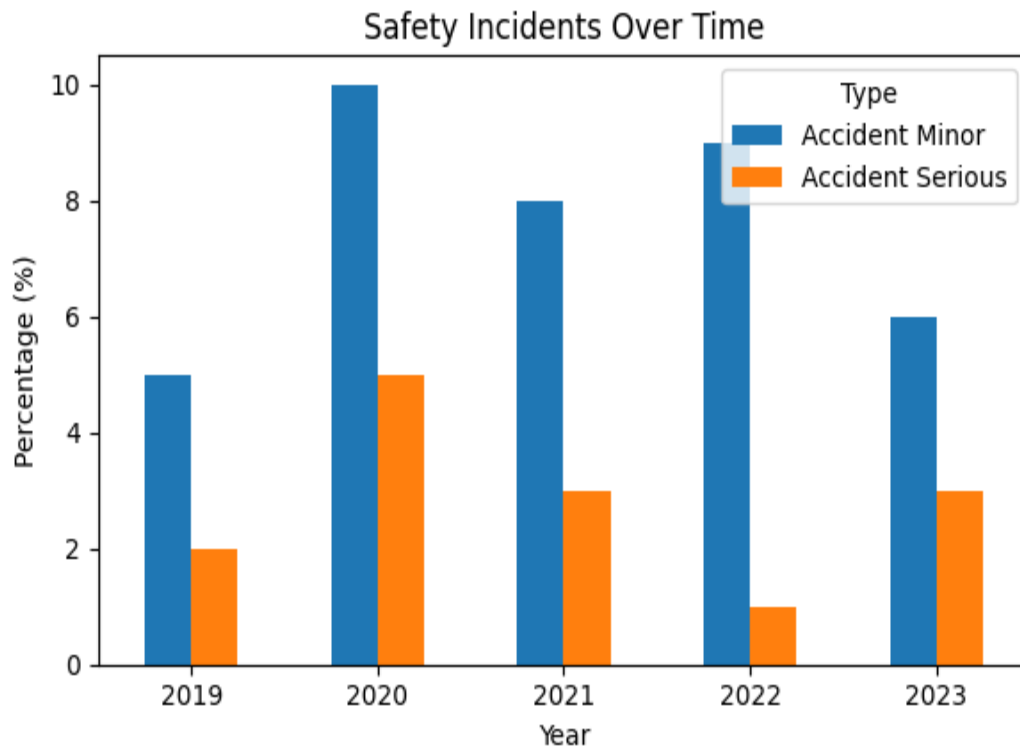
2023, although we regret to report fatal accidents in 2020 (1), 2022 (2), and 2023 (1). Diversity and inclusion remain a priority; female representation in all management positions significantly increased from 40.3% in 2019 to an impressive 61.6% in 2023. The number of employees with disabilities remained relatively stable, fluctuating around 520-530 individuals annually. However, minority representation in management positions decreased from 20.0% to 14.0% during this period, signaling an area for renewed focus. Voluntary employee turnover rate increased from 4.2% in 2019 to 6.4% in 2023. Data on employees trained in anti-corruption programs was consistently reported until 2021, with 5,716 employees trained, but is currently unavailable for 2022 and 2023.

****Governance Performance:****

Our governance structure reflects evolving diversity. Female representation on the Board of Directors increased from 14.3% in 2019 to 20.0% in 2023. Concurrently, minority representation on the board experienced a slight decrease, moving from 13.7% in 2019 to 11.3% in 2023.

These metrics provide a foundation for future ESG strategy. We are committed to establishing clear, measurable targets across all ESG pillars in the coming year, building on our strengths and addressing areas requiring improvement for sustainable growth and long-term value creation.





Case Studies / Highlights

Case Studies / Highlights

Our commitment to environmental stewardship, social equity, and robust governance has driven significant progress across our operations from 2019 to 2023, enhancing our operational resilience and creating tangible value for our stakeholders. While specific data on sustainable lending initiatives was not provided within the available dataset, our focus on internal operational sustainability and social impact underscores our broader ESG dedication.

****Environmental Stewardship & Operational Resilience:****

We have made remarkable strides in resource efficiency and renewable energy adoption. Over the past five years, our organization achieved a notable ****31.8% reduction in water usage****, decreasing from 280,624 m³ in 2019 to 191,191 m³ in 2023. This significant decline highlights our effective water management strategies. Concurrently, our transition to cleaner energy sources has accelerated, with the ****share of renewable energy in our total consumption doubling from 20% to 40%**** during the same period. This shift is mirrored in our carbon footprint, where the ****percentage of carbon emissions from renewable sources tripled from 10% to 30%****. Furthermore, our waste management efforts demonstrate continuous improvement, with ****recycled waste increasing by 80%**** from 500 tons in 2019 to 900 tons in 2023, while unrecycled waste concurrently decreased, showcasing our dedication to a circular economy model. These initiatives collectively bolster our operational resilience by reducing dependency on finite resources and mitigating environmental risks.

****Social Impact & Workforce Resilience:****

Our dedication to a diverse and inclusive workforce is reflected in key advancements. We are particularly proud of the substantial increase in **female representation** in all management positions, which surged from 40.3% in 2019 to an impressive 61.6% in 2023^{**}. This significant achievement underscores our commitment to gender equality and leadership diversity. Employee safety remains paramount, with a positive trend observed in overall workplace accidents, decreasing from 10 incidents in 2019 to 7 in 2023, demonstrating the effectiveness of our safety protocols. We also maintain a consistent commitment to inclusivity, supporting an average of over 520 employees with disabilities annually.

^{}Governance & Ethical Operations:^{**}**

In terms of governance, we have enhanced board diversity, increasing **female board representation** from 14.3% in 2019 to 20.0% in 2023^{**}. This reflects our ongoing efforts to strengthen oversight through varied perspectives. Upholding the highest ethical standards, our comprehensive anti-corruption training programs have reached thousands of employees, with over 7,800 individuals trained in 2020 alone, reinforcing a culture of integrity and transparency across our organization.

Assurance & Verification

Assurance & Verification

To uphold the highest standards of transparency and accountability in our ESG disclosures, we recognize the critical importance of robust data integrity and external verification. The process of external assurance provides an independent assessment of the accuracy, completeness, and reliability of the environmental, social, and governance data presented in our reports. This typically involves an independent third-party auditor evaluating our data collection methodologies, internal controls, and reporting frameworks against recognized sustainability reporting standards. The objective is to enhance stakeholder trust by providing a credible opinion on whether our ESG performance data and narrative are materially accurate and fairly presented.

While we are committed to stringent internal data governance and quality control measures across all our reporting, based on the information provided for this report, specific details regarding external certifications or third-party verification for the data presented herein are not available. We continuously review and strengthen our internal data management systems and reporting protocols, aiming to align with best practices and further enhance the assurance framework for our future ESG disclosures.

Appendices

Appendices

The Appendices provide supplementary information and detailed contextual data to enhance the transparency, comparability, and understanding of our ESG performance. This section is structured to offer comprehensive insights into our reporting approach, definitions, and alignment with global sustainability standards.

The **Methodology** section will detail the principles, scope, and boundaries applied in compiling this ESG report. It will outline our approach to data collection, measurement, and calculation for all key performance indicators, including environmental metrics such as energy consumption, carbon emissions (distinguishing between renewable and non-renewable sources), water usage, and waste management (recycled vs. unrecycled). For social aspects, it will explain methodologies for employee turnover, diversity metrics (gender and minority representation in board and management, employees

with disabilities), employee safety incidents (fatal, serious, minor), and anti-corruption training data. Governance-related methodologies will cover board composition and education backgrounds. Any estimation techniques, assumptions, or significant changes in methodology from previous reporting periods will also be clearly articulated to ensure data consistency and accuracy.

Our commitment to internationally recognized reporting frameworks is demonstrated through our **ESG Reporting Standards Alignment**. This section will feature a detailed content index mapping our disclosures against the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) framework. This index will serve as a guide for stakeholders, indicating where specific information related to each standard's disclosures can be found within this report. We also acknowledge and consider the United Nations Sustainable Development Goals (UN SDGs) in the context of our operational impacts and contributions.

A comprehensive **Glossary** will define key terms, metrics, and abbreviations used throughout the report, ensuring clarity and consistent understanding for all readers. Furthermore, **Detailed Data Tables** will be provided, presenting our historical quantitative performance data for the period 2019-2023 across all environmental, social, and governance indicators referenced in the report. This includes specific figures on energy consumption, carbon emissions, water usage, waste generation, employee demographics, safety records, and governance structures, offering a robust foundation for trend analysis and benchmarking.