

Gulf Horizon Manufacturing LLC (Fictional Example)

ESG Compliance & Sustainability Report

Reporting Year 2025
UAE (illustrative)

& p SAMPLE REPORT WITH FICTIONAL DATA

This is a demonstration report with fictional, redacted, and illustrative data. It is provided for demonstration purposes only and not for regulatory submission.

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Executive Summary

Report Purpose & Scope: ESG compliance assessment and sustainability performance of Gulf Horizon Manufacturing LLC for the reporting period FY2025. The assessment covers environmental, social, and governance practices across our operational footprint, benchmarked against regional and international standards including IFRS S1/S2 concepts, TCFD recommendations, and UAE regulatory expectations.

Company Profile (Fictional Example)

Company Profile (Illustrative Example)

Legal Entity:	Gulf Horizon Manufacturing LLC
Sector:	Light Manufacturing (Packaging)
Employee Count:	~180 FTE
Facilities:	1 production site (UAE)
Annual Revenue:	AED 85-95M (illustrative)
Reporting Year:	2025
Boundary:	Operational control

Assessment Methodology

- Structured questionnaire covering 120+ ESG criteria
- Gap analysis against best practices and regulatory requirements
- Risk-based scoring across Environmental, Social, and Governance pillars
- Evidence-based verification of policies, procedures, and data systems
- Forward-looking action planning with prioritized recommendations

Overall ESG Readiness Score: 68/100 (Developing / Improving)

Environmental: 72/100 %~%~%~%~%~%~%~%~%~%~%~%~%~%~%~%~%~%~%~%
 Social: 65/100 %~%
 Governance: 67/100 %~%

Key Strengths identified monitoring systems in place (energy, water, waste)

- Defined ESG governance roles with executive sponsorship
 - Initial health & safety procedures and incident tracking system
 - Employee handbook with basic social policies
 - Commitment to sustainability improvement roadmap

Critical Care Requirements/Hazardous Attention (Category 1, 3, 4 not assessed)

- & Limited supplier ESG due diligence and performance monitoring
 - & Inconsistent data collection for training hours and diversity metrics
 - & No formal climate risk assessment or scenario analysis
 - & Absence of third-party assurance for environmental data

Marine Credit Solutions launched a structured 12-month ESG maturity program focusing on:

- Establishing formal ESG governance committee with quarterly reviews
 - Implementing comprehensive metering and data management systems
 - Conducting Scope 3 emissions screening and setting reduction targets
 - Developing supplier code of conduct with annual assessment protocol
 - Performing TCFD-aligned climate risk assessment
 - Pursuing limited assurance for key environmental metrics by Q4 2026

Materiality Assessment & Priority Topics

Methodology Overview: This assessment follows a structured approach aligned with GRI Standards and IFRS S1 principles for identifying topics that are material to both business success and stakeholder interests.

Four-Step Process:

STAKEHOLDER MAPPING	%
Internal: Board, Management, Employees, Contractors	%
External: Customers, Suppliers, Regulators, Banks, Community, Industry Associations	%
Engagement methods: Surveys, interviews, workshops	%
	%

Material Topics Priority Ranking

Ø=4 CRITICAL (Score 4.5-5.0)

1. Occupational Health & Safety
 - Risk: High-hazard manufacturing environment
 - Stakeholders: Employees, regulators, insurers
 - Business impact: Lost-time incidents, legal liability, reputation
2. Energy Consumption & GHG Emissions
 - Risk: Energy cost volatility, regulatory carbon pricing
 - Stakeholders: Investors, customers, regulators
 - Business impact: Operating costs, supply chain requirements
3. Business Ethics & Compliance
 - Risk: Corruption, sanctions, regulatory violations
 - Stakeholders: Customers, banks, government
 - Business impact: License to operate, access to capital

Ø=3 HIGH (Score 4.0-4.4)

4. Water Stewardship
 - Risk: Water scarcity in arid region, pricing increases
 - Stakeholders: Community, regulators, employees
 - Business impact: Production continuity, social license
5. Human Capital Development
 - Risk: Skills gap, high turnover, labor shortages
 - Stakeholders: Employees, management
 - Business impact: Productivity, innovation, retention costs
6. Supply Chain Responsibility
 - Risk: Supplier ESG incidents, reputational contagion
 - Stakeholders: Customers, NGOs, media
 - Business impact: Brand damage, supply disruption

Social Performance Disclosures

SOCIAL PERFORMANCE

Workforce Overview

EMPLOYEE METRICS (as of Dec 31, 2025) Illustrative
Total headcount 182 employees
• Permanent 165 (91%)
• Temporary/Contract 17 (9%)

By gender:

- Male 134 (74%)
- Female 48 (26%)

By employee category:

- Senior management 8 (4%)
- Middle management 24 (13%)
- Professionals & specialists 48 (26%)
- Technicians & operators 102 (56%)

Turnover rate (voluntary)

12.3% (FY2025)

Average tenure

4.2 years

Health, Safety & Wellbeing

OCCUPATIONAL HEALTH & SAFETY Illustrative
Total recordable incidents (TRI) 7 incidents
Lost-time injuries (LTI) 2 incidents
Fatalities 0
Total hours worked ~367,000 hours
TRIR (per 200,000 hours) 3.81
LTIFR (per 200,000 hours) 1.09

Industry benchmark (manufacturing): TRIR ~4.5

Performance: BETTER than industry average

Corrective actions:

- Incident investigation completed for all 7 cases
- Root cause analysis documented
- Preventive measures implemented

Training & Development

EMPLOYEE TRAINING Illustrative
Total training hours ~2,850 hours
Average hours per employee 15.7 hours
Training categories:

- Health & safety 45%
- Technical/job-specific 30%
- Compliance & ethics 15%
- Leadership & soft skills 10%

Data quality note: Based on partial records;
comprehensive LMS implementation planned for 2026

Diversity, Equity & Inclusion

DIVERSITY METRICS Illustrative
Women in workforce 26%
Women in management 21%
Women in senior leadership 25%
Nationalization (UAE nationals) ~18%
Target (regulatory): 2% annual increase
Pay equity analysis: NOT YET COMPLETED
Target: Complete by Q3 2026
Grievance mechanism: Hotline + email available
Grievances filed (FY2025): 3 cases, all resolved

Governance & Ethics Disclosures

GOVERNANCE & ETHICS

ESG Governance Structure

% ESG OVERSIGHT	Illustrative
% Executive sponsor:	Chief Operating Officer
% ESG working group:	Cross-functional (8 members)
% Meeting frequency:	Quarterly
% Board oversight:	N/A (SME structure)
% Alternative:	Owner review + approval required
% ESG strategy:	Approved Dec 2025
% Next review:	Q4 2026

Policies & Compliance

% POLICY FRAMEWORK STATUS	Illustrative
% Code of Business Conduct	Approved, March 2025%
% Anti-Bribery & Corruption Policy	Approved, March 2025%
% Health & Safety Policy	Approved, Jan 2024
% Environmental Policy	Approved, Jan 2024
% Supplier Code of Conduct	DRAFT (in review)
% Human Rights Policy	PLANNED (Q2 2026)
% Data Privacy Policy	PLANNED (Q3 2026)

% Employee acknowledgment (Code): 95% completion

% Anti-bribery training: 100% management

% ESG RISK REGISTER	Illustrative
% Risks identified and assessed:	12 ESG risks

% Top 3 ESG risks (by severity):

1. Workplace safety incidents (Medium-High)
2. Water scarcity & supply disruption (Medium)
3. Supply chain labor practices (Medium)

% Mitigation plans: Documented for top 5 risks

% Risk owner assignment: Complete

% Review frequency: Quarterly

% Climate risk assessment: NOT YET CONDUCTED

% TCFD-aligned analysis planned for H2 2026

Compliance & Incidents

% REGULATORY COMPLIANCE	Illustrative
% Environmental fines:	AED 0
% Health & safety violations:	0
% Labor & employment violations:	0
% Corruption/ethics incidents:	0
% Audits & inspections:	
% Civil defense (fire safety):	Passed, June 2025
% Municipality (environmental):	Passed, Sept 2025
% Labor ministry:	Passed, Aug 2025
% External certifications:	None (exploring ISO)

ESG Maturity Roadmap & Action Plan

12-MONTH ESG IMPROVEMENT ROADMAP

This action plan prioritizes critical gaps identified in the assessment and provides a phased approach to ESG maturity improvement.

Planning Horizons (0-90 days)

- Phase 2: Systems & Controls (90-180 days)
 - Phase 3: Maturity & Disclosure (180-365 days)

PHASE 1: FOUNDATIONS (Days 0-90)

Summary of Phase 1e expect:

- ESG governance framework operational
 - Core policies approved and communicated
 - Monthly ESG data collection established
 - Baseline metrics documented
 - Executive dashboard reporting quarterly

Appendix: Data Quality & Assurance

& p DATA QUALITY STATEMENT

All metrics in this report are ILLUSTRATIVE and for demonstration purposes.

Real Reports include and consolidation methodology

- Data collection procedures and quality controls
- Calculation methodologies and emission factors
- Third-party assurance statements (where applicable)
- Year-over-year trend analysis
- Benchmarking against industry peers

Data Sources Verification documented and validated:

- Energy data: DEWA monthly billing statements
- Water data: Municipality billing records
- Waste data: Licensed contractor invoices
- Workforce data: HR management system
- Safety data: Incident reporting system
- Training data: Training records and sign-offs

Initiations & Gaps identified the following data gaps for resolution in 2026:

- Sub-metering for granular energy consumption tracking
- Comprehensive Scope 3 GHG emissions screening
- Formalized training hours tracking via LMS
- Supplier ESG assessment database
- Climate scenario analysis (TCFD framework)
- Third-party assurance for environmental metrics

Next Steps 2026 infrastructure assessment

1. Q1: Complete 2026 infrastructure assessment
2. Q2: Install sub-metering systems
3. Q3: Launch supplier ESG program
4. Q4: Conduct TCFD climate risk assessment

Report Title Global Horizon Manufacturing LLC ESG Compliance & Sustainability Report

Reporting Period: FY2025 (Jan 1 - Dec 31, 2025)

Report Date: February 2026

Prepared by: Sustainability Team

Reviewed by: Chief Operating Officer

Approved by: Owner

Next Update: February 2027 (Annual)