SUSTAINABILITY REPORT 2025



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FUTURE PIPE INDUSTRIES

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About This Report



01

About This Report

This Sustainability Report presents Future Pipe Industries Group's (FPIG) sustainability strategy and environmental, social, and governance (ESG) performance for the 2025 reporting year. It provides stakeholders with an overview of the Group's sustainability priorities, performance, and progress across its global operations.

Further, it reflects how sustainability considerations are integrated into our operations, decision-making, long-term business planning, across all entities under Future Pipe Industries Group's control, covering the period from 1 January 2025 to 31 December 2025.

FPIG, Future Pipe Industries Group, Future Pipe Industries, and "the Organisation" are used interchangeably throughout this report. The report has been prepared with reference to the following recognised standards and frameworks:

- GRI Standards (2021)
- Integrated Reporting Framework
- United Nations Global Compact (UNGC)
- United Nations Sustainable Development Goals (UN SDGs)
- UAE Net Zero 2050 and UAE Green Agenda 2030
- International Financial Reporting Standards (IFRS)
- Task Force on Climate-related Financial Disclosures (TCFD)

1.2 Basis of Preparation and Methodologies

The data presented in this report is collected from internal systems, site records, and departmental reporting processes across the Group. The greenhouse gas emissions are calculated in accordance with the GHG Protocol. Where estimates are used, these are based on the best available data and reasonable assumptions.

ESG data is subject to defined internal controls, including site-level data ownership, standardised reporting templates, validation checks, and Group-level review for completeness, consistency, and accuracy. Selected KPIs are further subject to internal verification prior to external assurance.

Definitions, calculation methodologies, assumptions, and estimation approaches for key ESG KPIs are provided in Appendix 6 – Glossary and KPI Definitions.

A summary of the external assurance scope, methodology, and conclusions is provided in Appendix 5 – External Assurance Statement.

1.3 Restatement of Information

The 2023 TRIR has been restated from 0.48 to 0.50 following internal verification to ensure data accuracy and consistency.

Furthermore, during a data review conducted in 2025, a discrepancy was identified in the water consumption data reported by one business unit, which led to an underestimation of total water consumption for 2024. Following verification and correction, total water consumption for 2024 has been revised from 233,942 m^3 to 243,898 m^3.

As a result of this adjustment, water intensity has also been restated from 1.32 m^3/ton to 1.40 m^3/ton.

A discrepancy was identified in the waste data reported by two production sites, which led to an underestimation of total waste generation for 2024. Following verification and correction, the total waste generated for 2024 has been revised from 30,625 tons to 32,317 tons.

The restatements were primarily driven by data aggregation inconsistencies at site level and differences in reporting boundaries. In response, FPIG strengthened validation protocols, enhanced cross-check mechanisms, and improved central review processes to prevent recurrence.

1.4 Board Approval Statement

The Board of Directors of Future Pipe Industries Group provides oversight of ESG-related risks, opportunities, and performance across the Group's operations. ESG considerations, including health, safety, environmental, and compliance matters, are integrated into the Group's governance and risk management framework and are regularly monitored at Board and management level. The Board is responsible for ensuring that appropriate systems, controls, and reporting processes are in place to support the accuracy and integrity of the disclosures presented in this report. This Sustainability Report is submitted to the Board of Directors for review and approval.

About This Report

1.5 Forward Looking Statements, Assurance and Disclaimer

This report may contain forward-looking statements based on current expectations, plans, assumptions, and projections regarding FPIG's operations, performance, and sustainability objectives.

Forward-looking statements are clearly identified and should be read separately from historical performance disclosures. Actual results may differ materially due to changes in conditions, regulatory requirements, market dynamics, supply chain factors, technological developments, and strategic priorities.

FPIG has initiated limited external assurance by the British Standards Institution (BSI) for selected ESG KPIs — including GHG emissions, waste, and diversity, equity, and inclusion (DEI) metrics — for FY2025. A summary of the external assurance scope, methodology, and conclusions is provided in Appendix 5 – External Assurance Statement.

As mentioned earlier, some disclosures are based on estimates, assumptions, and information obtained from internal systems and third-party sources. As ESG data management systems and reporting methodologies continue to mature, certain metrics may be refined or restated in future reporting cycles to enhance accuracy and transparency.

Unless otherwise stated, disclosures reflect FPIG's defined operational reporting boundary for the stated period. References to international sustainability frameworks and standards are intended to demonstrate alignment with recognized best practices and should not be interpreted as a declaration of full compliance where disclosures are not applicable or not yet available.

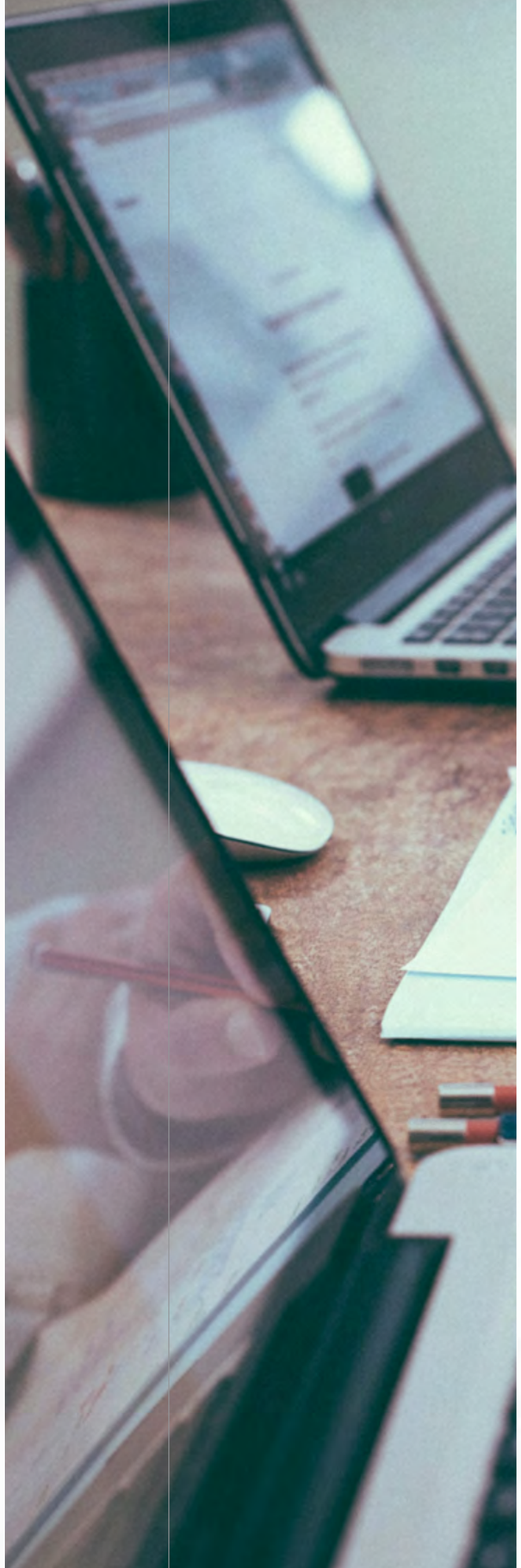
This report is issued for general informational purposes and does not constitute financial, legal, or investment advice. This ESG Report was published in June 2026.

The ESG report is updated and published annually. This and future reports will be available in English on our **website.**

In case of any questions or comments on this report, please contact **hse@futurepipe.com**.



Leadership Messages



02



Leadership Messages



Chairman Message

Dear Stakeholders,

On behalf of the Board of Directors, I am pleased to share that 2025 was a year of definitive progress and disciplined execution for Future Pipe Industries - one in which we strengthened our commercial foundations, deepened our sustainability commitments, and positioned the Group for long-term value creation.

In 2025, FPI reached a record $500.4 million in revenue while expanding gross margin to 34.6% - driven by a deliberate shift toward technically differentiated solutions, with GRE revenue growing to 29% of total sales. Our Return on Invested Capital of 16.8% sat well above industry benchmarks. We also invested in our global team and capabilities, knowing that such investment weighs on near-term earnings before rewarding us in the years ahead. We enter the coming year with a backlog of $372.5 million, validating the quality and resilience of our commercial foundations.

The Board firmly believes that long-term financial success and sustainability are inseparable, and that responsible business practices are increasingly a source of competitive advantage, resilience, and stakeholder trust. As stakeholder expectations continue to evolve, we have embedded sustainability into FPI's core operations and value creation model: we strengthened our integrated reporting transparency, completed our first independent external assurance, and extended our Speak Up channels to external stakeholders.

We approved our decarbonisation trajectory and strengthened our ESG governance framework. Our EcoVadis score improved from 46 to 56, and we exceeded our water intensity target. Our climate commitments are concrete: a 25% reduction in Scope 1 and 2 emissions by 2030, with our Dubai operations already gas-free and fully electrified as a proof point and Net Zero across the Group by 2050.

In 2025, we formalised Safety as the sixth of FPI's core values - affirming that the wellbeing of our 3,130 colleagues across 54 nationalities is not a priority to be balanced against others, but a principle that governs every decision we make. It is worth noting, too, that sustainability is embedded in the very products we make: our glass-reinforced and composite piping systems resist corrosion, endure for decades, and demand far less maintenance than conventional alternatives - reducing waste, conserving resources, and lowering the lifecycle impact of the infrastructure they serve.

> "Strong governance, disciplined execution, and responsible growth remain central to how we create enduring value. Sustainability is no longer separate from business performance; it is a defining element of our long-term competitiveness and resilience."

Looking ahead, our strategic focus remains on standardising global operations, accelerating R&D in emerging application segments, and leveraging digitalisation and AI to optimise performance and decision-making. As the energy transition accelerates and global demand for water and infrastructure grows, the need for durable, low-carbon, corrosion-resistant solutions will only deepen - and FPI is positioned to lead it. The progress achieved in recent years provides us with unwavering confidence in the opportunities ahead; we approach them with the same discipline that has defined our recent success.

The progress achieved in recent years provides us with unwavering confidence in the opportunities that lie ahead. While we remain ambitious, we approach the future with the same discipline that has defined our recent success. We recognize that building a more sustainable, resilient, and climate-ready business is a continuous journey that demands long-term thinking, adaptability, and consistent execution.

Thank you for your continued trust and support. FPI enters the coming year with stronger foundations and a sharper focus on delivering sustainable, long-term value for all stakeholders.

Fouad Makhzoumi
Executive Chairman
Future Pipe Industries Group

Key Group Highlights

ENVIRONMENTAL

223 MWh
LED Lights Savings / Year

690 tons
Wooden Pallets Recycled /Year

1,562 tons
Metal Recycled / Year

$689K
USD Value of Recycled Materials

SOCIAL

3,130
Total Employees

16.6%
Increase in the Number of Female Employees

$201K
USD Spent on Training & Development

90.76%
Retention Rate in the Year 2025

GOVERNANCE

5,000+
Total Customers

74.2%
Corporate Culture Score

36,914
HSSE Training Hours

13%
ESG Certified / Rated Suppliers

56
EcoVadis Score

Speak Up
Extended to External Stakeholders

3
ESG-Related Policies

First
Sustainability Report Assurance Completed

ESG Highlights & Performance Dashboard

The ESG highlights, and the performance dashboard below presents key environmental, social, and governance performance indicators for the reporting period. It highlights baseline values, year-on-year progress, and 2026 targets to provide a concise overview of FPIG's ESG performance and priority focus areas.

Emissions (tons of CO2e)

32,734 ↑

2023	2024	2025
N/A	31,866	32,734

Target 2026: -5%

Emissions Intensity

0.195 ↑

2023	2024	2025
N/A	0.183	0.195

Target 2026: -5%

Renewable energy %

6.14% ↓

2023	2024	2025
8%	6.88%	6.14%

Target 2026: 12%

Energy Consumption (GJ)

338,154 ↓

2023	2024	2025
N/A	341,560	338,154

Target 2026: N/A

Energy intensity (GJ/ton)

2.02 ↑

2023	2024	2025
N/A	1.96	2.02

Target 2026: -2%

Water consumed (m³)

224,820 ↓

2023	2024	2025
192,641	243,898	224,820

Target 2026: N/A

Water intensity (m³/ton)

1.34 ↓

2023	2024	2025
1.25	1.40	1.34

Target 2026: -2%

Waste Recycled (ton)

2,913 ↓

2023	2024	2025
1,545	2,945	2,913

Target 2026: 12%

Waste Intensity (tons of waste per tons of product)

0.200 ↑

2023	2024	2025
N/A	0.185	0.200

Target 2026: -2%

Factories with climate adaptation plans

Postponed for 2026 ↓

2023	2024	2025
N/A	N/A	Postponed for 2026

Target 2026: 100% factories

Environmental compliance

91% ↓

2023	2024	2025
N/A	100%	91%

Target 2026: 100%

No. of spills

11 minor spills ↑

2023	2024	2025
5	6 minor spills	11 minor spills

Target 2026: 0 significant spills



ESG Highlights & Performance Dashboard

Corporate Culture Score

74.2% ↓

2023	2024	2025
74.4%	75.6%	74.2%

Target 2026: 76%

Female employees

6.3% ↑

2023	2024	2025
5%	6%	6.3%

Target 2026: 7%

Employee retention rate

90.76% ↑

2023	2024	2025
88.50%	89.91%	90.76%

Target 2026: N/A

Employees who completed ESG training

123 ↓

2023	2024	2025
0	495	123

Target 2026: N/A

Training hours per employee

6.5 ↑

2023	2024	2025
N/A	1.4	6.5

Target 2026: N/A

Employees covered by CoC training (%)

98.32% ↓

2023	2024	2025
N/A	100%	98.32%

Target 2026: 100%

HSSE training hours per employee

19.5 ↑

2023	2024	2025
9.1	13	19.5

Target 2026: 18

TRIR

0.78 ↓

2023	2024	2025
0.50	0.88	0.78

Target 2026: ≤0.78

Suppliers signed Code of Conduct (%)

93% ↑

2023	2024	2025
80%	93%	93%

Target 2026: N/A

CARE Observations rate

129.71 ↑

2023	2024	2025
N/A	66.73	129.71

Target 2026: 20%

*Percentage is calculated based on the EcoVadis scoring methodology. Suppliers with an EcoVadis score above 45 are classified as "certified" for reporting purposes.



Value Creation Highlights

INPUTS

Intellectual Capital

Organizational, knowledge-based intangibles

197 certifications across 11 Business Units.

Human Capital

Skills, experience and motivation of organization's employees and management

3,130 employees across 54 nationalities.

$201,232 spent on training.

36,845 hours of HSSE training, 305 hours of ESG training.

Natural Capital

Natural resources and environmental inputs

Resources: Water, electricity, raw materials for production.

Sand: 52 kilotons, Fiberglass: 84 kilotons, Polyester Resin: 30 kilotons

Manufactured Capital

Physical objects and infrastructure that FPI uses to produce goods or deliver services

11 Manufacturing Plants across the world, 53 production lines.

25+ sales offices contributing to our global presence.

Social and relationship Capital

Relationships and social capital FPI has with its stakeholders, including customers, suppliers and communities

Total customers: 5000+

Supplier Code of Conduct signed by 93% of vendors.

OUTPUTS

Intellectual Capital

Differentiating solutions through responsible innovation

Proprietary products: Wavistrong®, Flowstrong®, Geostronge®, Fiberbond®, Wavistrong® H2O, Flexstrong®

Quality Certifications

Human Capital

Recruiting, developing and caring for diverse and inclusive workforce

Improved retention rate up to 90.76%

Increased female employees representation by 16.6%

Natural Capital

Valuing and preserving ecosystems, reducing water and energy consumption, emissions and waste

Target: 5% annual GHG reduction and 5% intensity reduction.

EPD (Environmental Product Declaration) for GRP/GRE pipes published in 2021.

Manufactured Capital

New site openings, acquisitions, products produced and sold

Approx. annual production capacity: 7,100 Km/yr average rate

Social and relationship Capital

Continued engagement with local communities, regulators and industry bodies

Strengthened trust with 60 raw material suppliers.

Zero confirmed cases of corruption or human rights violations.

Organisational Overview



03



About Future Pipe Industries Group

We are a global provider of engineered composite piping systems, serving Water & Infrastructure, Energy, Power Generation, Industrial Plants, Offshore Platforms, and Maritime & Marine Vessels, as well as selected energy transition applications. At FPIG, we design, manufacture, and deliver non-metallic pipe solutions that address corrosion resistance, lifecycle durability, and performance in technically demanding environments.
A globally distributed manufacturing and commercial platform is operated by us, combining scale with proximity to customers. As of 2025, FPIG comprises 11 manufacturing facilities with 53 production lines, supported by 25+ sales offices across six continents, with an approximate capacity of 7,100 km per year. This footprint enables us to serve large and complex projects while maintaining responsiveness across key markets.

FPIG Mission

Our mission is to deliver water and energy to the world most efficiently and sustainably. Through innovation and responsible practices, we meet today's needs while safeguarding the future for generations to come.

FPIG's culture is anchored in Integrity, Trust, Accountability, Agility, and Courage. In 2025, FPIG formalised Safety as a sixth core value, reflecting the central role of safety in how the Group operates and makes decisions.

Our Values

Integrity

Integrity is the foundation of trust. We act with unwavering honesty and transparency in every decision and interaction. Our commitment to ethical conduct ensures we do the right thing, even when no one is watching. This principle drives responsible growth and strengthens our reputation as a trusted partner.

Trust

Trust is earned through respect, empathy, and consistency. At FPI, we foster an environment where collaboration thrives because we believe in each other's capabilities. By putting people first. employees, partners, suppliers, and customers, we create lasting relationships built on confidence and mutual respect.

Courage

Courage means embracing innovation and challenging convention. We take bold, informed decisions that propel FPI forward, even in uncertain times.
Speaking up and advocating for progress is part of our DNA, because shaping the future requires bravery and conviction.

Accountability

Accountability is owning outcomes, good or bad, with integrity and professionalism.
At FPI, we hold ourselves and each other responsible for delivering on commitments. This shared ownership ensures alignment with our purpose and drives excellence across every level of the organization.

Agility

Agility is our competitive edge. We adapt swiftly to market changes. customer needs, and emerging opportunities. By combining speed with precision, we deliver solutions that make an impact, keeping FPI ahead in a dynamic global landscape.

Safety

Safety is not a priority. It's a core value embedded in everything we do. We protect our people, partners, and communities by maintaining the highest standards of health, safety, and environmental care into every choice we make, every task we perform, and every site we operate. At FPI, we do not compromise on safety. We lead it. It's a culture of care and responsibility.



Products and Services

FPIG provides a broad range of engineered composite piping systems, including Glass Reinforced Polyester (GRP), Glass Reinforced Vinyl Ester (GRV), Glass Reinforced Epoxy (GRE), and Thermoplastic Composite Pipes (TCP) solutions (including spoolable pipe systems), supported by engineering services, project management, and field services.

Glass Reinforced Polyester (GRP)

Glass Reinforced Vinyl Ester (GRV)

Glass Reinforced Epoxy (GRE)

Thermoplastic Composite Pipes (TCP) solutions (including spoolable pipe systems)

engineering services

project management

field services

The portfolio combines:

- **Standardised products for recurring applications and specifications.**
- **Customized, project-specific solutions tailored to client specifications, supported by comprehensive pipe system design and engineering (including detailed engineering analysis, stress/strain analysis, pipe support packages, and timely technical documentation aligned to international specifications).**

FPIG's solutions are designed for applications where corrosion resistance, hydraulic performance, pressure performance, and long-term durability are critical.

Product performance, safety, and quality are managed across the full lifecycle, from design and material selection to manufacturing, testing, and installation support, with field services helping to support safe and correct execution on site.

Markets, Footprint, and Value Chain

FPIG serves a global customer base across the following end-use sectors

- **Segments served:**

Water & Infrastructure | **Energy** | **Power Generation** | **Industrial Plants** | **Offshore Platforms** | **Maritime & Marine Vessels**



Manufacturing Footprint and Operational Systems

Our manufacturing network is a central pillar of the business model. Facilities are strategically located to balance:

- **Proximity to demand centres**
- **Logistics efficiency**
- **Access to critical inputs**
- **Local regulatory and localisation requirements**

Operations are supported by standardised quality and **HSSE (Health, Safety, Security and Environment) systems,** including management systems aligned with **International Standards, i.e., ISO 9001, ISO 45001, and ISO 14001** (alongside local regulatory requirements), and Group-wide performance management practices such as plant reviews and scorecards. These mechanisms help ensure consistent execution and control across a distributed footprint.



Environmental Footprint Operational Reality

As a manufacturing-driven organisation, FPIG's environmental footprint arises from both site-level operations and its upstream value chain. Operational impacts relate primarily to energy consumption, emissions, water use, and waste generation. Lifecycle assessments indicate that a significant share of environmental impact is associated with upstream raw materials and supply chain inputs. These factors shape FPIG's sustainability priorities across operational efficiency, decarbonisation, responsible sourcing, and circularity.

Quality as Intellectual Capital

Quality at FPIG is not treated only as operational control; it is a core element of our Group's intellectual capital. The Group's quality frameworks and certification portfolio function as institutional knowledge assets that codify expertise into repeatable processes and enable consistent execution across a globally distributed footprint. In practice, this includes:

- **Certification depth that supports tender eligibility and regulated applications (for example, management system certifications, potable water approvals, American Petroleum Institute (API) monograms, marine type approvals, local regulatory approvals, and laboratory attestation where applicable).**
- **Standards participation that strengthens technical credibility and supports alignment with evolving requirements through involvement in international standards and technical committees (including ISO/API and relevant industry initiatives).**
- **Embedded protocols for traceability, validation, and consistency that reduce execution variability across sites and strengthen customer and regulator confidence.**

At Future Pipe Industries (FPI), our certifications are more than compliance checkboxes—they are evidence of institutional knowledge, embedded expertise, and technical leadership. These credentials reflect the systems, protocols, and accumulated know-how that drive our competitiveness across sectors, geographies, and applications.

FPI's portfolio of 197 certifications across 11 Business Units signifies not only our adherence to global standards but also our capacity to consistently innovate, validate, and shape technical excellence. Further details on the geographic distribution and categorisation of certifications are presented in Appendix 1 (Figures 1 and 2).

We consider these certifications as core components of our Intellectual Capital—the organizational knowledge, quality frameworks, internal capabilities, and external recognitions that strengthen our long-term value creation.

2025 Certification Achievements

In 2025, FPI achieved over 13 key certifications across global Business Units, reflecting our continuous pursuit of excellence, compliance leadership, and alignment with regional regulatory needs. These certifications not only unlock new markets but also reinforce trust with clients and regulators, showcasing our adaptability, technical maturity, and environmental responsibility.

United Arab Emirates

API Spec Q1 10th Edition

Demonstrating a robust, risk-based quality management system aligned with the latest oil and gas industry requirements

SIRIM Eco-Labelling Certification ECO 054:2016

Reinforces commitment to environmental sustainability by validating that products meet recognised eco-friendly criteria, enhancing market appeal, and supporting responsible procurement decisions

Kingdom of Saudi Arabia

API Spec Q1 10th Edition

Demonstrating a robust, risk-based quality management system aligned with the latest oil and gas industry requirements

API Monogram 15S

Demonstrates compliance with recognised standards for spoolable Reinforced Thermoplastic Pipe (RTP), strengthening confidence in product performance, reliability, and suitability for demanding oil and gas applications

Oman

BV Product Approval-Fiberstrong ASTM D3262, D3754, D3517 & AWWA C950

Validates product quality and structural performance, enhancing credibility and acceptance across demanding water and industrial infrastructure projects

Indonesia

BV Product Approval-Fiberstrong ASTM D3262, D3754, D3517 & AWWA C950

Validates product quality and structural performance, enhancing credibility and acceptance across demanding water and industrial infrastructure projects

Indonesian Ministry of Industry - TKDN Certificate - Fiberstrong

Strengthens market access by demonstrating compliance with local content requirements, supporting eligibility for domestic projects and enhancing competitiveness within Indonesia

Indonesian Ministry of Industry - TKDN Certificate - Wavistrong

Strengthens market access by demonstrating compliance with local content requirements, supporting eligibility for domestic projects and enhancing competitiveness within Indonesia

Indonesian Ministry of Industry - TKDN Certificate - Yellow Box

Strengthens market access by demonstrating compliance with local content requirements, supporting eligibility for domestic projects, and enhancing competitiveness within Indonesia

Indonesia

BV Product Approval-Fiberstrong ASTM D3262, D3754, D3517 & AWWA C950

Validates product quality and structural performance, enhancing credibility and acceptance across demanding water and industrial infrastructure projects

Indonesian Ministry of Industry - TKDN Certificate - Fiberstrong

Strengthens market access by demonstrating compliance with local content requirements, supporting eligibility for domestic projects and enhancing competitiveness within Indonesia

Indonesian Ministry of Industry - TKDN Certificate - Wavistrong

Strengthens market access by demonstrating compliance with local content requirements, supporting eligibility for domestic projects and enhancing competitiveness within Indonesia

Indonesian Ministry of Industry - TKDN Certificate - Yellow Box

Strengthens market access by demonstrating compliance with local content requirements, supporting eligibility for domestic projects, and enhancing competitiveness within Indonesia

Netherlands

AD 2000-Merkblatt Compliance Certification (Pressure Equipment)

Demonstrates adherence to stringent German design and safety standards for pressure equipment, reinforcing product integrity and facilitating acceptance in regulated European markets

TÜV SÜD Hydrogen System Component Certificate – Wavistrong Green H2 Pipe Systems (Series EST)

Validates suitability for hydrogen applications, reinforcing safety, reliability, and positioning the product for emerging clean energy infrastructure markets

Shared Services Center, India

ISO 9001:2015

Strengthens FPI by formally validating the consistency, governance, and reliability of its centralized support services, reinforcing customer and stakeholder confidence while enabling scalable, standardized support across global operations

United States of America

API Spec Q1 10th Edition

Demonstrating a robust, risk-based quality management system aligned with the latest oil and gas industry requirements

Business Model Overview

FPIG's business model integrates manufacturing scale, engineering expertise, and customer-centric execution to create long-term value. The model converts inputs across the six capitals into composite pipe systems and services that support reliable infrastructure and reduce lifecycle disruption through durable performance.

Key characteristics of the model include:

- **Distributed manufacturing with central discipline, enabling local execution within global standards**.
- **Technical differentiation supported by certification depth, testing capabilities, and standards participation**.
- **Capital discipline, with investment decisions guided by utilisation, return thresholds, and strategic relevance**.
- **Operational governance, including performance management, risk oversight, and internal controls**.
- **Lifecycle orientation, emphasising durability, reliability, and reduced replacement needs over time**.

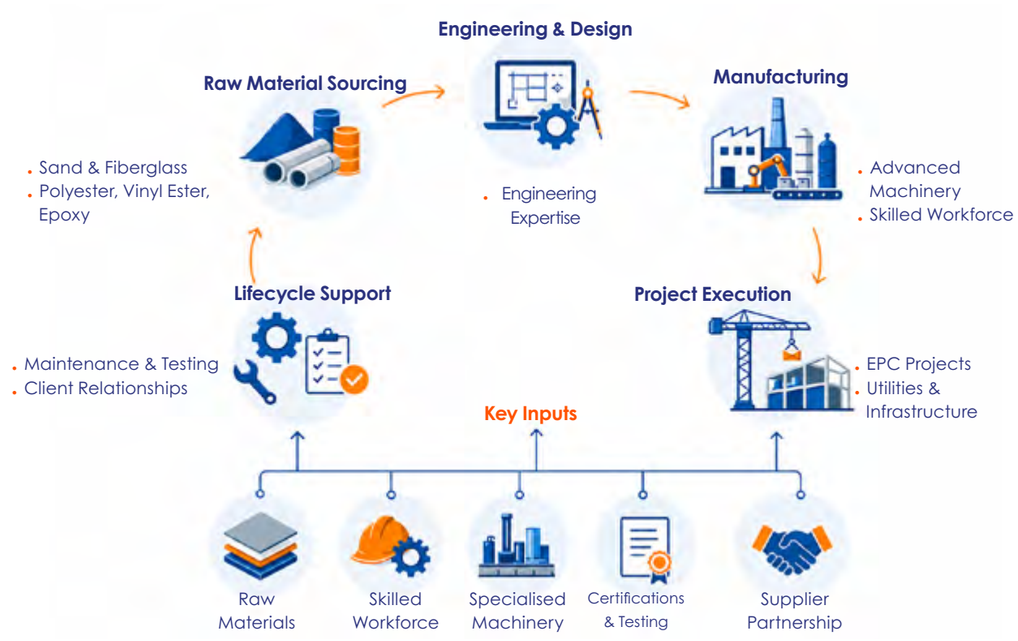
This model enables FPIG to execute across a wide range of sectors and diverse project environments, while investing selectively in capabilities that strengthen long-term competitiveness and resilience.

Value chain and key inputs

FPIG's value chain spans raw material sourcing, engineering and design, manufacturing, project execution, and lifecycle support. Key inputs include:

- Raw materials such as sand, fiberglass, and resins (polyester, vinyl ester, epoxy)
- Skilled, technical, and operational workforce
- Manufacturing assets and specialised machinery
- Engineering know-how, certifications, and testing capabilities
- Relationships with suppliers, customers, Engineering, Procurement, and Construction (EPCs), utilities, and public-sector clients

Supplier engagement, localisation of sourcing where feasible, and longer-term procurement arrangements are important for managing cost volatility, supply continuity, and sustainability-related exposure within the upstream value chain.



Competitive Landscape, FPI Positioning, & Differentiation

FPIG operates in a competitive landscape that includes regional manufacturers often focused on standard products, and a limited number of global players with broader technical scope. In this context, we differentiate through our ability to manage complex projects and combine engineering depth, a broad solution portfolio, and execution capability across multiple geographies.

Competition is shaped by a large base of regional manufacturers focused on standard products and price-led tendering, alongside a small number of global players with broader technical capabilities (often concentrated in select applications or geographies). As composite solutions gain acceptance across more critical applications, customer requirements are increasingly defined by engineering support, lifecycle performance, compliance confidence, and, in some cases, ESG transparency. This shifts differentiation from product supply to execution capability and long-term partnership, where FPI is positioned strongly.

In line with the Group's competitive advantages framework, FPIG's eight differentiating factors are reflected in the table below:

Table 1 - FPI's Eight Competitive Differentiators

Complex Project Expertise	Broad Solution Portfolio
Reliable Quality Performance	Local Presence, Global Reach
Deep Customer Relationships	Adaptive Innovation
Customer-Driven Agility	Financial Resilience

Among these differentiators, reliable quality performance plays a central role in enabling consistent execution across complex projects and demanding operating environments. Quality is therefore also a differentiator in how it is institutionalised: FPIG's certification portfolio and quality frameworks serve as evidence of embedded expertise and institutional knowledge, supporting market access, reinforcing customer and regulator confidence, and enabling consistent execution across sectors, geographies, and technically demanding applications.

External Environment & Market Drivers

Several key external factors shape our operating environment:

Oil & Gas sector requirements:

Composite pipe solutions are gaining acceptance in more critical Oil & Gas applications; however, customer requirements are becoming more stringent. Qualification to sector standards is increasingly a determinant of access to growth areas (e.g., high-pressure and downhole solutions).

Energy transition and climate action:

Global decarbonisation is driving demand for Carbon Capture, Utilization, and Storage (CCUS) infrastructure, green hydrogen systems, and renewable energy applications. This creates opportunities for corrosion-resistant, high-performance composite piping in emerging energy technologies.

Infrastructure investment:

Governments continue to prioritise water security, energy infrastructure modernisation, and industrial facility upgrades, supporting sustained demand for durable, low-maintenance composite piping solutions.

Regulatory environment:

Increasing regulatory expectations and customer sustainability commitments are elevating requirements for product compliance, lifecycle performance, and emissions transparency. Composite systems can support customer targets through durability and lower maintenance needs, while we continue to advance our own sustainability performance in line with evolving expectations.

Technological change:

Industry 4.0 digitalisation, automation, and materials science advances create opportunities to improve operational efficiency, strengthen quality assurance, and enhance product performance.

Composite Pipe Industry Outlook

Market Definition And How To Read The Outlook

This outlook is based on cross-validated third-party market research and industry publications. “Market size” refers to annual recognised revenues aligned with IFRS-style revenue recognition and covers GRP/GRE/GRV composite pipe systems and standard fittings.

Recent Market Performance (2020–2024): Resilience Through Disruption

The global GRP/GRE composite pipe market remained resilient despite project disruption and supply chain volatility. Growth was moderate (c.3–5% CAGR), supported by water infrastructure, corrosion-driven replacement, and energy and industrial demand. The key takeaway from the early 2020s is less about a step-change in demand drivers and more about the sector’s ability to recover and sustain demand across multiple end-use cycles.

What Has Become More Visible: Qualification-Led Demand

Qualification expectations are becoming more prominent in tendering and customer evaluation. Key differentiators increasingly include:

- ESG requirements in bid qualification
- Lifecycle documentation and traceability
- Strong HSSE performance and management systems

These factors increasingly influence supplier differentiation and market access.

Outlook Themes (2024–2030): Same Drivers, Sharper Segmentation

Consensus outlooks continue to indicate mid-single-digit growth. Compared with 2020–2024, growth through the second half of the decade is expected to be higher, at c.5.5–6.5% CAGR, with variation by region and end-use sector (sector CAGRs ranging from c.4% to 11%).A more decision-useful framing is not simply “market growth,” but where growth concentrates and what it requires from suppliers:

- Continued investment in water infrastructure and climate-resilient upgrades.
- Ongoing energy and industrial demand for corrosion-resistant systems.
- Greater focus on lifecycle performance, reliability, and execution quality.

Table. Sector Summary Outlook

Sector	Historic	Forecast
Water & Infrastructure	5.5%	6.4%
Energy (Oil & Gas, CCUS/H_2, Geothermal)	4.7%	5.6%
Industrial (incl. District Energy)	5.5%	6.8%
Offshore Platforms (topsides only)	5.7%	7.9%
Marine (commercial & naval)	5.3%	5.9%
Power Generation	3.1%	5.0%

GRP VS GRE: A MIX-SHIFT STORY, NOT JUST A SIZE STORY

GRP remains the volume base for water and district cooling applications (future CAGR c.4–6%), while GRE is more common in corrosion-critical energy and chemical applications and is expected to grow faster (future CAGR c.7–9%). Growth is increasingly concentrated in higher-specification applications requiring stronger qualification and execution capability.

SECTOR SIGNALS WE TRACK

Water and Infrastructure

- Demand remains driven by potable water, desalination, rehabilitation, and climate-resilient upgrades.
- Network expansion continues to support regional growth.

Energy and Industrial

- Oil and gas remains a major end-use market.
- CCUS, hydrogen, and geothermal are influencing future qualification requirements.
- Industrial demand is driven by corrosion resistance and reliability.

Industrial Subsectors: District energy, data centers, mining

- District cooling/heating networks where composites are within specification and project economics favour lifecycle performance.
- Data center growth can create demand in relevant facilities where materials are accepted.
- Mining demand is driven by corrosive environments and reduced maintenance requirements.

Offshore and Marine

Composite use is often defined by clear scope boundaries and standards acceptance. Where composites are specified, demand is linked to topside or shipboard systems such as firewater, cooling water, ballast, and utilities, governed by applicable standards and class rules. The practical point is that market access is standards- and qualification-gated; growth is less about general adoption and more about being pre-qualified and execution-proven within defined marine/offshore scopes

What This Means For FPI's Positioning

This market context reinforces a clear positioning logic: value capture increasingly depends on qualification readiness, engineered solutions capability, and consistent execution. In practice, this places a premium on:

- robust HSSE and related management systems
- certification depth and standards alignment
- strong quality governance and traceability
- lifecycle documentation capability to support customer tender and disclosure needs

These are also the areas where sustainability intersects with competitiveness in a practical, measurable way: as a component of market access, risk management, and credibility rather than a standalone narrative.

Customer Expectations and Emerging ESG Market Signals

Market feedback from FPI's Sales and Business Development teams confirms that sustainability is increasingly influencing customer requirements, tender processes, and supplier selection decisions. To better understand these evolving expectations, FPI conducted an ESG survey among 59 Sales and Business Development professionals across all regions.

The survey findings indicate that ESG is becoming a growing competitive factor in the markets we serve. **41%** of respondents reported that ESG requirements can influence customers' purchasing decisions, while **34%** indicated that customers are increasingly inquiring about decarbonization efforts. In addition, **16%** reported that customers compare carbon footprints between suppliers, demonstrating that environmental performance is beginning to influence competitive positioning. Most notably, **12%** identified cases where FPI products or services could be at risk of exclusion from projects due to ESG-related requirements or perceived non-compliance.

Circularity and recyclability are also emerging as important customer considerations. 32% of respondents reported receiving customer inquiries regarding product recyclability, recycled content, and end-of-life management solutions. Respondents further highlighted growing requests for ESG ratings, Environmental Product Declarations (EPDs), carbon footprint data, sustainability disclosures, and evidence of continuous improvement as part of tendering and prequalification processes.

These findings reinforce that sustainability is increasingly moving beyond compliance and reporting to become a factor in market access, qualification readiness, customer confidence, and competitive differentiation. As customer expectations continue to evolve, transparent ESG reporting, credible environmental product data, decarbonization initiatives, and circularity solutions will play an increasingly important role in maintaining FPI's position as a supplier of choice.

Financial Performance



04



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Strategy & Long-Term Value Creation



05



Strategic Framework

FPIG's strategy is framed through GPS—Growth, Profitability, and Sustainability—and operationalised through the Six Cs: Commercials, Continuous Improvement, Cost, Controls, Culture, and Climate. This framework provides a consistent structure for translating strategic intent into disciplined execution across a globally distributed organisation. GPS defines what the Group is optimising for, while the Six Cs define how the organisation executes, strengthens performance, and reinforces long-term resilience.

- Growth focuses on expanding FPIG's position in priority markets and segments through commercial excellence, engineered solutions, and disciplined customer and project selection.
- Profitability focuses on delivering sustainable returns through operational reliability, cost discipline, productivity improvements, and effective capital deployment.
- Sustainability focuses on strengthening long-term value creation through HSSE leadership, responsible operations, climate and ESG readiness, and the governance and transparency increasingly expected by customers and other stakeholders.

The Six Cs: the execution system

The Six Cs translate the GPS priorities into coordinated execution across functions and geomarkets, providing a structured approach to performance management, operational discipline, and organisational alignment.

- Commercials:

Defines how FPIG wins work and sustains customer relationships. Focus areas include sector prioritisation, bid discipline, key account management, and sales enablement (processes, training, tools, and CRM adoption), ensuring engineered solutions are effectively positioned, communicated, and supported across markets.

- Continuous Improvement:

Drives execution reliability, speed, and consistency across operations. Focus areas include operational excellence, planning and scheduling maturity (including S&OP), lead-time reduction, bottleneck removal, and the standardisation of best practices across sites through structured problem-solving.

- Cost:

Strengthens margin protection through disciplined cost and working-capital levers. Focus areas include SG&A efficiency, procurement and logistics optimisation, inventory discipline, cost of poor-quality reduction, and fact-based profitability analysis to prioritise resources.

- Controls:

Strengthens governance, transparency, and decision reliability. Focus areas include role clarity, policy and process standardisation, risk and compliance management, internal controls, and systems and data discipline to support consistent operations and credible reporting.

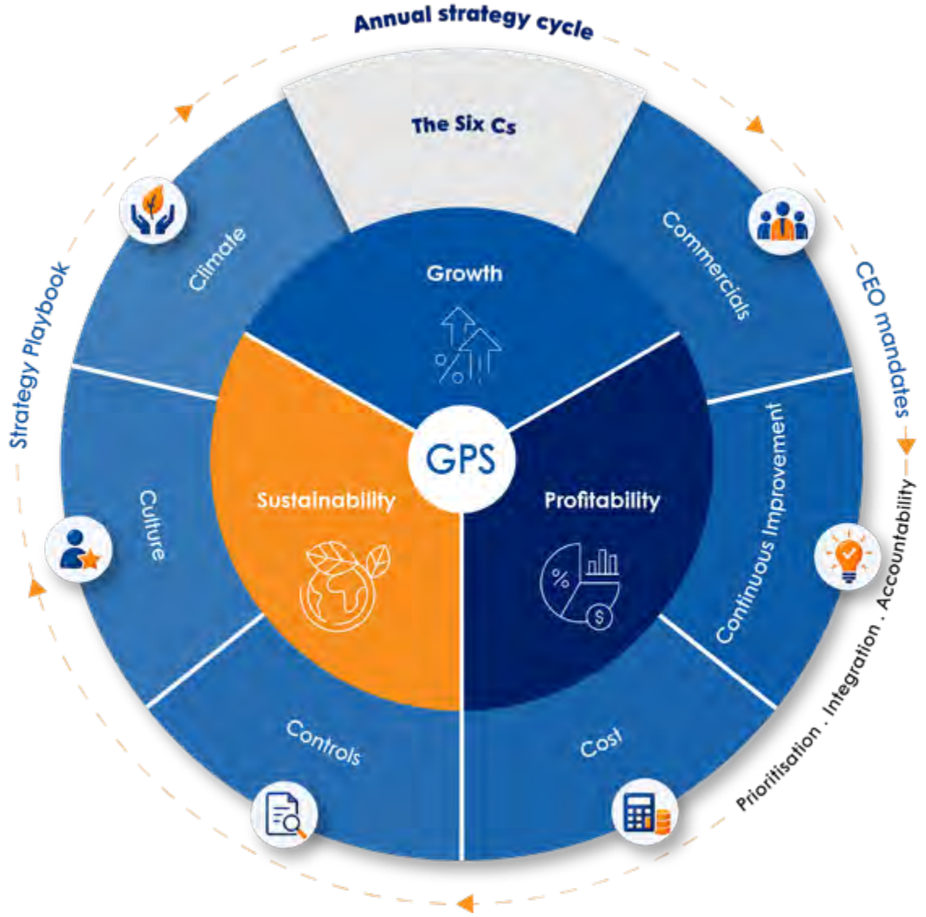
- Culture:

Reinforces leadership expectations and behaviours that sustain performance at scale. Focus areas include safety-first culture, leadership development, capability building, performance management maturity, succession planning, and engagement to embed accountability across geographies.

- Climate:

Integrates sustainability and climate considerations into core business priorities. Focus areas include improving environmental performance (energy, emissions, water, and waste), strengthening ESG data management and reporting maturity, and meeting evolving customer tender expectations regarding lifecycle transparency and responsible operations.





Annual strategy cycle: Strategy Playbook and CEO mandates

FPI refreshes and operationalises its strategy each year through two linked mechanisms: the Strategy Playbook and annual CEO mandates.

- Strategy Playbook: Translates the GPS and Six Cs into enterprise-wide focus areas for the year, ensuring alignment across functions and geomarkets.
- CEO mandates: Issued to each member of the CEO leadership team to translate the playbook into role-specific priorities, while defining how progress will be monitored through established governance and performance management routines.

CEO mandates were introduced in 2025 to ensure:

- Prioritisation: Ensuring enterprise priorities are clearly reflected in each leader's objectives.
- Integration: Making interdependence explicit so that initiatives are coordinated effectively across units and functions.
- Accountability: Clarifying ownership and enabling consistent follow-up through established performance cadence and governance processes.

Progress Against Strategic Objectives

We report progress only where it materially strengthens value creation, risk management, or readiness for future growth.

GPS: GROWTH

FOCUS AREA 1: Advance commercial effectiveness and sales capability

6Cs: Commercials (also supports: Controls, Culture)

Capital impacts: Financial; Human; Intellectual; Social and Relationship.

FPI strengthened commercial effectiveness by defining a global sales strategy and action plan, building sales capability, and improving systems discipline to increase consistency in customer data management.

Progress highlights:

Strategy

- Defined a global sales strategy and action plan at both the Strategy and Sales Team levels to strengthen commercial focus and execution.

Capability

- Built sales effectiveness capability through targeted training and delivery of the first global sales seminar.

Systems

- Improved CRM utilisation and customer management discipline. In addition, over 90% of quotes, accounts and opportunities details on the CRM database has been cleaned (i.e. removing duplicates, updated, unifying/correcting project names, deleting if necessary, etc.) In parallel, daily reviews are now run to validate newly created opportunities and prevent duplication, ensuring continuous CRM data integrity and accuracy.
- Established a Lead-to-Order SteerCo; ran the first Solutions Lab to define problems and outline solutions; set KPIs and an execution cadence with monthly progress updates.
- Reduced contract risk through contract review digitalisation.
- Lead-to-Order: Launched Lead-to-Order streamlining to reduce time-to-quote for non-standard items. These enhancements are strengthening end-to-end standardisation and automation across product configuration, quoting, and contract/logistics workflows, supported by improved data codification and real-time performance dashboards. This initiative includes automation of key sub-tasks (including recipe and BOQ automation) to reduce manual effort and remove bottlenecks.
  * Productivity improvements are underway to increase the average quotes produced per day from 55 to 75.
  * SLA breaches targeted to reduce from 11% to 1%.

Next

- Continue translating global and sectoral strategies into regional execution priorities with measurable sales KPIs.
- Complete Lead-to-Order automation.

FOCUS AREA 2: Grow in priority segments and regions

6Cs: Commercials (also supports: Climate, Controls)

Capital impacts: Financial; Human; Social and Relationship; Natural.

Priority markets include APAC and Oil and Gas. A further focus was to identify additional priority segments based on above-average expected growth and/or attractive profitability dynamics.

Progress highlights:

- APAC delivered strong momentum in 2025, with both commercial traction and improved profitability, positioning the region for accelerated growth in 2026.
- In 2025, FPI strengthened its market intelligence through deeper market research and a more structured, evidence-based approach to market sizing and growth outlooks. This work informed the newly developed global sales strategy and plan and reinforced the need to sharpen priority sector focus and establish stronger sector management as the next step.
- A significant downhole Oil & Gas pilot failure in 2024 required a holistic recovery plan. In 2025, learnings were translated into corrective actions across product design, resourcing, and field execution:
  * Product robustness and client alignment: Retrofitting resulted in a more robust downhole design, approved by the client in principle. A one-well test pilot is planned for 2026. If successful, the client will begin returning USD 4.2 million of inventory for retrofit to the new design.
  * Field Services capability uplift: Field Services capability was strengthened through targeted hiring and training, with the updated team and plan approved by the client.
  * Ongoing challenges: Quality management and documentation readiness remain the primary gap. QA/QC implementation is behind schedule, and an external audit identified negative findings (particularly around documentation), resulting in continued client dissatisfaction.

Next

- Close external audit findings through demonstrable documentation discipline and deliver a successful one-well pilot test in 2026.

FOCUS AREA 3: Product development and innovation.

6Cs: Commercials (also supports: Continuous Improvement, Climate)

Capital impacts: Intellectual; Social and Relationship; Financial; Natural.

FPI continued to build partnerships, participate in standards committees, and strengthen its innovation governance to support future growth.

Progress highlights:

- Energy transition (Hydrogen): Achieved TÜV Hydrogen System Component Certificate for GRE products following hydrogen testing.
- Risk mitigation: Certification and structured governance reduce technical and commercialisation risk for new applications.
- New product capability: Introduced BPA-free pipe capability in response to increasing potable-water preferences and anticipated regulatory requirements.
- Downhole (Oil & Gas and geothermal): Completed and presented a comparison between the Geo guideline and the DNV guideline at the AMI conference.
- Governance and IP discipline: Established an R&D roadmap and governance structure, including a roadmap council and stage-gate approach.
- External collaboration: Collaboration with a Dutch university on hot-wet resin behaviour research (government subsidised).

GPS: PROFITABILITY

FOCUS AREA 4: Improve operational reliability.

6Cs: Continuous Improvement (also supports: Controls)

Capital impacts: Manufactured; Intellectual; Human; Financial

Building on the purposeful inward recalibration undertaken in 2024 — a year where FPI sharpened its focus on strengthening its own capabilities as the bedrock for sustainable, technology-driven growth — 2025 focused on targeted improvements for measurable impact. The systems and frameworks introduced in 2024 translated into improved operational reliability & consistency across plants.

FPI reinforced Manufactured Capital through greater asset readiness and execution discipline, strengthened Intellectual Capital through standardized decision frameworks, and enhanced Human Capital via upskilling and accountability.

Progress highlights

This progress was evident in the significant turnaround of USA and Indonesia operations, where quality and delivery reliability improved. Stronger integration into group standards for these units' elevated performance while preserving the necessary local flexibility.

Efficiency & performance outcomes:

- Output Efficiency (OTE) improved to 89% (vs 83% in 2024), reflecting stronger production discipline across the manufacturing footprint.
- The execution cadence and performance governance mechanisms described earlier in this report (including daily production meetings, MPR discipline, and inventory operating rhythm) continued to strengthen decision quality and issue resolution.
- Expanded capacity oversight and performance coverage by scaling monitoring to a machine base of 52 machines and 6 RTP process lines.
- Strengthened preventive maintenance insight and early-warning capability through a successful pilot in NLD of OEE and vibration plug-and-play sensors.

Quality & reliability outcomes:

- Sustained strong quality and reliability performance, reflected in stable First Pass Efficiency (FPE), controlled Total Scrap Rates (SCR), and improved Breakdown Rate (BDR) monitoring (as shown in the KPI overview table).
- Key contributors to performance stability—such as escalation discipline, mandatory upgrades, CMMS enablement, and hours-based maintenance—are detailed in earlier sections.

Digital, energy & cost outcomes:

- Lean digital work instructions in HOU supported cost savings through simpler execution with controlled versioning, multilingual shopfloor access, and integrated skills and competency tracking.
- LED implementation reached 87% across FPIG, with monthly energy consumption monitoring embedded into plant MPR reviews.
- Achieved a 20% reduction in global insurance premiums (~$0.4M annual savings) through improved commercial negotiation and enhanced risk visibility via dashboards.
- Broader digital and systems initiatives detailed earlier in this report—including Industry 4.0 pilots, ERP stabilization and migration, remote assistance deployment, and maintenance system enablement—further strengthened cost discipline, risk visibility, and operational transparency across the Group.

People & capability outcomes:

- Strengthened the global manufacturing structure and capability across FPIG, including HQ, Plant Managers, Maintenance, Inventory, and Process Control.
- PM Cross-Unit Knowledge Exchange enabled Plant Managers to share operational practices across sister locations.
- Leadership development progressed through online training and certification (including Lean Six Sigma and AI training).
- A paperless manufacturing digital audit strengthened performance management governance.
- Manufacturing Best Practice Awards continued, with ~40 best practices submitted and top contributors recognized.

FOCUS AREA 5: Year of Systems — standardise system use, data discipline, reporting.

6Cs: Controls.

Capital impacts: Intellectual; Financial; Manufactured; Social and Relationship.

In 2025, FPI moved from the 2024 Industry 4.0 plan into practical execution. To support a scalable rollout, FPI renegotiated licensing terms (with CFO approval) to lower long-term licensing costs and set up the next pilots for Dubai, KSA, and Oman by Dec 2026.

Progress highlights

In parallel, FPI reinforced the system's foundation, enabling disciplined execution and reliable reporting through:

- The Digital Champions program (including AI training and AI use-case sharing).
- CRM data cleaning and usage discipline (80% cleaned).
- Completion of the full LN upgrade to strengthen ERP stability and standardization.

Key Advancements towards Industry 4.0:

- Advanced Industry 4.0 execution through live Plex MES pilots (Abu Dhabi Plant - HW lines and CW-VLDP1 go-live in Nov 2025; CW-VLDP2 planned Jan 2026), strengthening real-time operational visibility and traceability.
- Expanded quality and performance insights by progressing QMS/ITP reporting (via IntelliPlex exploration) and evaluating analytics dashboards to improve visibility of OEE, scrap rates, and line performance.

Next

- Data Strategy & governance take centre stage as we work to ensure complete and accurate data is readily available to support data-driven decision-making.

FOCUS AREA 6: Improve cost and working capital performance through supply chain efficiency and inventory transparency.

6Cs: Cost (also supports: Controls, Climate)

Capital impacts: Financial; Manufactured; Natural.

Procurement and logistics are increasingly important levers for both cost and sustainability. In 2025, FPI strengthened its procurement strategy and logistics execution discipline to support margin protection, working capital performance, and delivery reliability.

Progress highlights:

- Procurement: Strengthened procurement strategy, processes, and governance.
- Inventory and working capital: Prepared the Global Inventory Management Procedure to strengthen inventory transparency and working capital discipline (rollout planned Q1 2026).
- Logistics and handling: Improved handling and packing techniques increased container capacity by 10%, supporting cost and emissions efficiency per shipment.

GPS: **SUSTAINABILITY**

FOCUS AREA 7: Build leadership capability, talent systems, and performance culture.

6Cs: Culture (also supports: Controls)

Capital impacts: Human, Social, and Relationship.

FPI strengthened leadership capability and performance culture through people development, clearer expectations, and stronger engagement mechanisms.

Progress highlights

- Strengthened leadership expectations and performance rhythm through CEO mandates and follow-up routines.
- Continued focus on training, competency development, and succession planning.

Next

- Further embed performance management maturity and leadership capability-building to sustain accountability at scale.

FOCUS AREA 8: Institutionalise HSSE leadership and shopfloor engagement.

6Cs: Culture (also supports: Controls)

Capital impacts: Human, Social, and Relationship.

FPI continued to strengthen HSSE leadership and deepen shopfloor engagement, advancing a culture where safety is embedded in everyday decisions and actions.

Progress highlights

- Continued Care Conversations and shopfloor engagement to promote open dialogue and early risk identification.
- Strengthened HSSE governance through clear accountability and active ownership at all levels across sites.

Next

- Further develop leading indicators to strengthen foresight and embed consistent HSSE practices across all operations

FOCUS AREA 9: Develop Sustainability Business Strategy.

6Cs: Climate (also supports: Controls, Commercials).

Capital impacts: Natural, Intellectual, Social, and Relationship.

In 2025, FPI formalised its Sustainability Business Strategy as a practical execution agenda, integrating decarbonisation, circularity, and ESG readiness into business decision-making.

Progress highlights

- Developed a 2030 vision and ambition with five strategic pathways.
- Defined goals and targets, adopting a balanced approach between first-mover leadership and fast-follower execution
- Strengthened the foundations for sustainability, transparency, and ESG ratings readiness.

Next

- Translate strategic pathways into implementation plans, prioritised initiatives, and measurable performance routines.

Embedding ESG into Operations

ESG criteria are progressively embedded into procedures and governance frameworks to enhance consistency in investment evaluation, procurement practices, and total cost of ownership assessments. In 2025, USD 2.6 million was allocated to projects with positive ESG impact, including fire safety upgrades, enhanced monitoring, dust collection and waterproofing improvements, and the introduction of electric vehicles. Of this, USD 1.5 million supported industrial automation initiatives to improve process consistency, reduce waste, and enhance workplace safety, contributing to resource efficiency and operational reliability.

These investments reflect a structured approach to improving performance, reducing risk exposure, and supporting sustainable long-term growth across environmental, social, and operational dimensions.

2.6M USD ESG-related investment

EcoVadis Performance Improvement

As part of strengthening investment readiness and external credibility, FPIG improved its EcoVadis score from 46 to 56 in 2025, reflecting progress in ESG management systems, governance, and data maturity. This improvement enhances transparency, strengthens stakeholder confidence, and supports positioning in customer assessments and due diligence processes.



Sustainability as a Value Driver

Sustainability is positioned as a strategic lens intended to inform how FPIG competes, allocates capital, manages risk, and builds long-term resilience, rather than operating as a standalone ESG programme focused solely on compliance or reporting. During 2025, progress was made to further integrate sustainability considerations into business planning, operational excellence, and risk management processes.
In practice, this means merging three agendas into one integrated strategy:

1. Compliance and "investment readiness" (credible ESG data, disclosure quality, ratings, and governance).
2. Operational performance (leaner, safer, more resource-efficient, low-carbon, more climate-resilient operations and supply chain)
3. Competitive advantage and positioning (using ESG credibility, circularity, and ESG-enabled innovation to win with customers and differentiate versus competitors).

The management team aligned on focusing on a small number of strategic areas, with clearly defined objectives and a deliberate stance for each — either First Mover (where we see high-impact competitive advantage and feasibility) or Fast Follower (where others have proven the approach and we can adopt and scale quickly, or where the strategic impact is lower). This approach ensures focus is where it matters most for differentiation, while also building credible maturity in areas that strengthen compliance, operational outcomes, and investment readiness.

2030 Ambition:
Five strategic pathways

Vision 2030:

To be a leader in climate-smart, circular, and responsible solutions, building a resilient and profitable business recognized for ESG excellence and investment readiness.



Goal 1 **Achieve ESG data-enabled Business Intelligence, Reporting, and Ratings Excellence.**

Strategic pathway: ESG leadership and Market Trust – First Mover

- What this means

Build balanced, "full-stack" ESG excellence across environmental, social, and governance dimensions, underpinned by strong ESG data systems, robust reporting, and improved ratings.

- Why this matters

This is a trust and valuation lever. Transparent, data-driven ESG credibility strengthens investor confidence, supports company valuation, and signals governance maturity, resilience, and long-term growth potential. It also increases customer trust in tendering and due diligence and establishes the foundation for CSRD readiness and market reputation.

Goal 2 **Conduct Business with Integrity (embed ethical governance and social responsibility across operations and supply chain).**

Strategic pathway: ESG leadership and Market Trust – First Mover

- **What** this means

Make integrity, ethics, and responsible practices a consistent operational standard across the group and supply chain, reinforced through governance, controls, and credible disclosures.

- **Why** this matters

It reduces reputational and compliance risk while strengthening customer trust and preference, especially in tendering and pre-qualification. It also reinforces investment readiness by demonstrating disciplined governance and responsible supply chain oversight.

Key 2030 targets (aligned with the pathway focus)

- Demonstrate year-on-year progress in GRI/CSRD reporting quality.
- Achieve certified ESG due diligence capability by 2030.

Goal 3 **Reduce Emissions in line with our Net Zero trajectory.**

Strategic pathway: Decarbonization – Fast Follower.

- **What** this means

Execute a pragmatic decarbonization plan that strengthens competitiveness and confidence, with Dubai positioned as a visible Net Zero manufacturing and product reference point.

- **Why** this matters

This is both a customer and a capital-markets enabler. Credible decarbonization progress strengthens market confidence and supports investor trust by demonstrating resilience and preparedness for evolving climate expectations. Strong ESG performance and transparent reporting influence financing decisions and due diligence outcomes, and contribute to IPO readiness by signalling mature governance, credible data, and future-proofed operations.

Key 2030 targets

- 25% reduction in Scope 1 and 2 emissions (FPIG)
- Net Zero Scope 1 and 2 in Dubai by 2030
- 100% renewable electricity share in the Dubai factory by 2030
- 100% green vehicles and forklifts in Dubai by 2030

Goal 4: Drive Product Circularity and Lead ESG-driven Innovation.

Strategic pathway A: Circular Manufacturing – Fast Follower
Strategic pathway B: ESG-enabled Product Innovation – mixed (First Mover for select GRE innovations; Fast Follower for select GRP innovations)

- **What** this means

A. Circular Manufacturing (Fast Follower)
Implement a closed-loop approach for selected GRP pipes using recycled content from granulated GRE and GRP scrap (4-phased approach).

B. ESG-enabled Product Innovation
- First Mover: Market leader in sustainable GRE pipes (BPA-free, bio-resins)
- Fast Follower: Sustainable GRP pipes (styrene-free, bio-resins)

- **Why** this matters

Circularity and ESG-enabled products strengthen differentiation where customers are moving from "performance only" to "performance plus ESG." Certified recycled content and lower-impact materials improve our positioning in tenders and customer ESG assessments, while also reducing disposal costs and addressing growing scrutiny on waste. From a capital and reputation perspective, this is part of building credible ESG maturity: strong ESG performance, product innovation, and transparent reporting increasingly influence both customer buying decisions and financing decisions and reinforce CSRD readiness and market reputation.

Key 2030 targets
- Up to 5% pre-consumer recycled content in selected GRP pipes certified by 2030
- 80% GRE/GRP scrap will be recycled and reused in selected GRP products by 2030
- Launch and certify ESG-enabled innovations for a low-carbon product portfolio by 2030 (GRE and GRP with bio-resins, and styrene-free GRP)

Goal 5: Enable Lean, Resource-Efficient and Climate-Resilient Operations .

Strategic pathway: Operational sustainability embedded into performance management (capability building and disciplined execution)

- **What** this means

Build operational systems that reduce resource intensity, strengthen resilience, and consistently improve efficiency and reliability, so sustainability is reflected in how we run the business day-to-day.

- **Why** this matters

This is where sustainability becomes operational credibility. Lean, resource-efficient, and climate-resilient operations lower cost-to-serve and improve reliability, while strengthening risk management and continuity. Just as importantly, operational maturity supports ESG credibility: investors and customers look for consistent execution, strong governance, and reliable data. High-quality ESG disclosure and ratings (enabled by operational performance and controls) strengthen investor trust and company valuation, increase access to capital, support IPO readiness, and reinforce CSRD readiness and market reputation.



Environmental Performance



06



6.1 Environmental Strategy and Management System

FPIG manages environmental impacts through structured policies and operational controls across its manufacturing locations. Operating in multiple jurisdictions, FPIG aligns its activities with applicable environmental laws and regulatory requirements. Eight operational sites are certified to **ISO 14001**, supporting systematic environmental risk management and compliance oversight at the site level.

In 2025, FPIG started developing a unified Global Integrated Environmental and OHS Management System **(aligned with ISO 14001 and ISO 45001)**. A Group-wide environmental gap assessment was conducted to review existing practices and identify areas for standardisation and improvement.

Based on the findings, environmental procedures, including (but not limited to) climate adaptation, waste management, and spill prevention. Air pollution prevention will be implemented in 2026. These procedures are designed to strengthen governance and harmonise environmental policies, procedures, and operational controls across FPIG locations. In 2025, these were used as internal guidance, as part of the ongoing development of the integrated HSSE Management System.

Environmental and Climate Priorities

FPIG's environmental strategy is structured around three core pillars

Environmental Compliance

FPIG aligns its operations with applicable environmental laws and regulatory requirements across the jurisdictions in which it operates. Compliance performance is monitored through the Corporate Environmental Gap Assessment process, which is conducted annually to help identify, prevent, and mitigate environmental risks, drive ongoing improvement, and support transparent ESG reporting.

Resource Efficiency

FPIG is developing a Group-wide strategy to improve energy and water efficiency and enhance waste diversion across operations, supporting operational optimisation and cost control.

Climate Mitigation and Adaptation

FPIG has assessed physical and transition climate-related risks and has defined an implementation pathway to reduce greenhouse gas emissions, strengthen site-level preparedness and operational resilience.



6.2 Emissions, Energy and Decarbonisation

6.2.1 Energy Management

Our energy strategy is anchored in the dual objectives of achieving long-term decarbonization and short-term operating cost optimisation. In 2025, we strengthened our approach to energy management by enhancing monitoring of electricity and fuel consumption at the business-unit level, while initiating the implementation of the ISO 50001 Energy Management System at our Oman facility. This initiative serves as a foundational step, with full certification expected in 2026, and will inform the company's approach to energy management going forward.

Energy Consumption Profile

FPIG currently reports energy consumption for operations within its own facilities & sales offices only and not outside the organisation. In 2025, we reduced our total energy consumption to 338,154 GJ, a 1% drop from 341,560 GJ recorded in 2024. We aimed to reduce energy intensity by 2.5% to a target of 1.91 GJ per ton of product; however, our actual energy intensity reached 2.02 GJ per ton of product (5.7% more than the target). The energy intensity target was not achieved due to variations in operational activity across facilities during the year.

Our 2025 energy profile reflects a shifting balance between grid reliance, renewable integration, and stationary combustion fuels. While we remain committed to a low-carbon transition, our reliance on the national grid increased this year, with consumption rising to 43,297,149 kWh (up from 42,308,047 kWh in 2024). Simultaneously, our solar energy output contracted to 2,833,105 kWh, resulting in a slight decline in our renewable energy share—from 6.88% in 2024 to 6.14% in 2025 due to increased grid electricity consumption. A detailed breakdown of electricity consumption by business unit is provided in Table 25, and energy intensity by business unit is shown in Table 26 of Appendix 1.

Our fuel consumption across petrol, diesel, and natural gas showed divergent trends:

- **Petrol:** We observed a significant 54% increase in petrol usage, totalling 463,043 litres. This generated 14,680 GJ of energy, representing a 54% surge in energy output from this source compared to the previous year, driven mainly by improved data completeness in petrol reporting.
- **Diesel:** Usage remained relatively stable at 884,762 litres, a marginal 1% decrease from 2024. This contributed 31,851 GJ to our operations, maintaining a consistent energy-generation ratio year over year.
- **Natural Gas:** In a positive shift toward reducing our most significant fuel source, consumption dropped by 9.4% to 3,915,144 m^3. Consequently, the energy generated from natural gas fell proportionally by 9% to 138,131 GJ.

Details of fuel consumption and the corresponding energy derived from these fuels are provided in Tables 27 and 28 in Appendix 1.



Renewable Energy: Powering our Transition

We are expanding our renewable energy capacity as a core lever in our decarbonisation pathway, reducing Scope 2 emissions across our operations.

- **Solar Excellence in Dubai:** Our on-site solar photovoltaic (PV) system in Dubai generated 2,833,105 kWh of electricity in 2025, supplying approximately 6.14% of the Group's total electricity demand. This generation delivered annual cost savings of approximately USD 120,000.

- **Strategic Expansion:** We are transitioning from pilot phases to a broader scale. A Solar Power Purchase Agreement has already been signed for a 1.6 Megawatt-Peak (MWp) installation in Abu Dhabi. Please refer to the 'Site-Specific Climate Mitigation and Adaptation Initiatives' section for details on solar project expansion at other sites.

Energy Efficiency and Operational Excellence

We are implementing a Group-wide Light-Emitting Diode (LED) Lighting Upgrade Programme.

By 2025, most factories—including Dubai (GEI), Abu Dhabi, Oman, Qatar, USA, KSA, and Indonesia—had reached or were nearing full LED conversion All BUs have significantly increased LED lighting use across their facilities year after year.

In 2025 alone, 1,790 LED fixtures were replaced across our multiple locations, reducing electricity consumption by 223,400 kWh, delivering operating cost savings of approximately USD 26,800, reducing the energy consumption and avoiding an estimated 112 tonnes of CO2 emissions annually. There is strong, consistent year-on-year growth in the adoption of LED lighting across all our BUs. Refer to Table 29 in Appendix 1 for the percentage of LED light conversion across different BUs for the years 2023, 2024, and 2025.

Further, as part of decarbonisation initiatives, in 2025, we introduced two electric vehicles at our Indonesia facility, achieving annual operating cost savings of approximately USD 6,900 per vehicle. FPI's switch to electric heaters reduced oil consumption by 13,500 litres annually, resulting in a further USD 8,500 in cost savings.

Energy Management Targets, KPIs, and Alignment

We have benchmarked our corporate energy management targets against industry best practices and have aligned our commitments with UAE Net Zero 2050, European Green Deal, Oman Net Zero 2050, UN SDGs 7 and 13, and UN Global Compact Principles 7–9. Our energy management objectives are to reduce energy consumption and intensity, increase the share of renewable energy, and embed systematic energy management across operations. Key KPIs include total energy consumption, energy intensity, and the share of renewable energy in our energy mix.

We have set clear targets to:

Reduce energy intensity by 2% by 2026	Complete 100% LED lighting deployment by 2026
Achieve a 12% renewable energy share, increasing to 100% renewable electricity in Dubai by 2030	We are committed to achieving 100% green mobility in Dubai by 2030 and 100% green vehicles and forklifts across all locations by 2050.

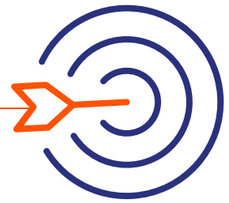


Table 2 - Energy Consumption Performance Summary

- Energy Consumption Performance Summary (GJ)

2024	2025	Target for 2025	Trend
341,560	338,154	N/A	↓

- Energy Intensity Performance Summary (GJ/Ton)

1.96	2.02	1.90	↑

The above table summarises the 2025 energy performance, highlighting a downward trend in consumption and upward trend in energy intensity compared to the previous year.

Table 3 - Fuel Consumption Performance Summary

- Fuel Consumption Performance Summary

Year	Petrol (litres)	Diesel (litres)	Natural gas (m^3)
2024	300,495	893,537	4,319,849
2025	463,043	884,762	3,915,144
Trend	↑	↓	↓

- Fuel Energy Performance Summary (GJ)

Year	Petrol (litres)	Diesel (litres)	Natural gas (m^3)
2024	9,519	32,167	152,404
2025	14,680	31,851	138,131
Trend	↑	↑	↓

This summary table evaluates the 2025 fuel consumption and fuel energy performance.

6.2.2 Emission Performance and Highlights

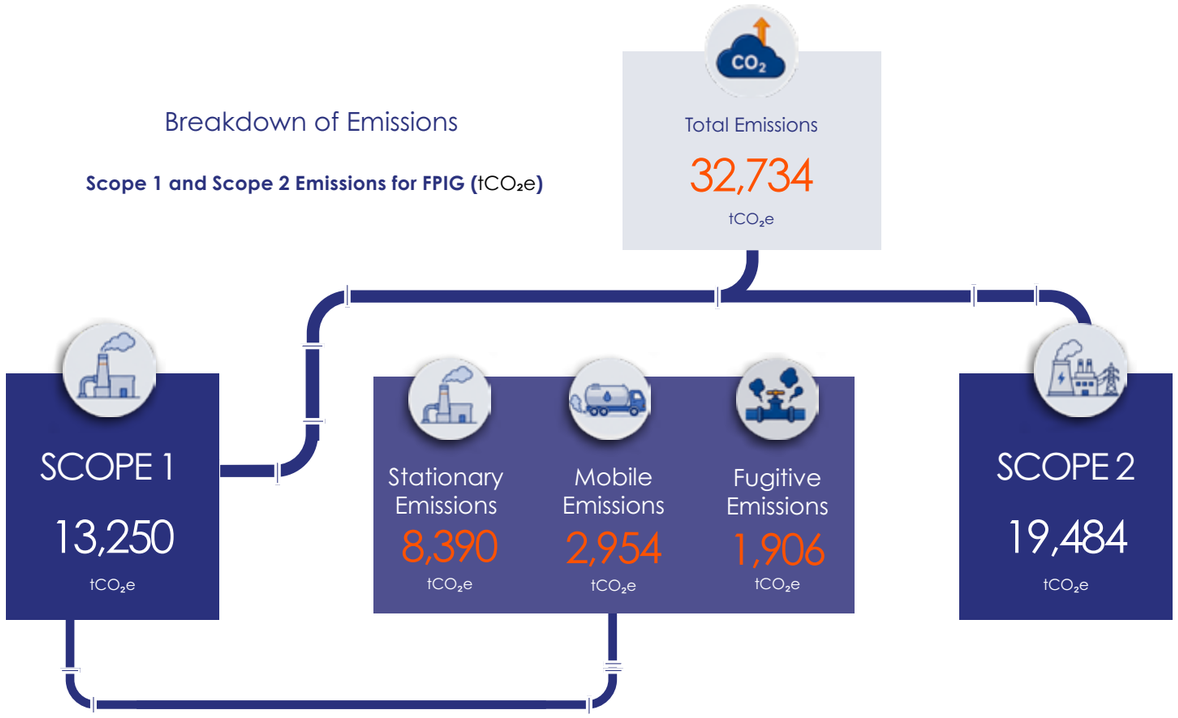
This report's emission performance and target encompass gases including Carbon dioxide (CO_2), Methane (CH_4), Nitrous oxide (N_2O), and Hydrofluorocarbons (HFCs) (refrigerant gases). The GHG protocol is exercised for measuring and reporting emissions.

Emission factor of UK Government (DEFRA) GHG Conversion Factors for relevant fuels and refrigerants, and 2024 factors for base year calculations, and 2025 factors for 2025 reporting were used.

Based on the 2024 baseline of 31,866 tCO_2e , we have set an ambitious goal to reduce our carbon footprint by 2.5%, aiming to limit total emissions to 31,069 tCO_2e. However, our total emissions for the year amounted to 32,734 tCO_2e; of this, Scope 1 emissions accounted for 13,250 tCO_2e comprising 8,389 tCO_2e of stationary emissions, 2,954 tCO_2e of mobile emissions and 1,906 tCO_2e of fugitive emissions. Scope 2 accounted for 19,484 tCO_2e. This resulted in a 1,665 tCO_2e gap relative to our ideal trajectory, primarily driven by increased electricity generation and delays in solar implementation in Abu Dhabi and KSA. Additionally, fuel (petrol) consumption rose in 2025 due to improved reporting accuracy, with the Netherlands commencing reporting during the year. Although the emissions reduction target was not achieved, a modest decrease was realised through LED retrofits and other site-specific climate mitigation measures, as discussed in the next section. However, these improvements were insufficient to offset increases from other sources, resulting in an overall rise in total emissions.

Breakdown of Emissions

Scope 1 and Scope 2 Emissions for FPIG (tCO_2e)



Mobile Emissions for FPIG (tCO_2e)

Diesel CO2	1,962
Diesel CH4	0.224
Diesel N2O	25
Petrol CO2	952
Petrol CH4	4
Petrol N2O	3
LPG CO2	8
LPG CH4	0.007
LPG N2O	0.005
Total Emissions CO2	2,922
Total Emissions CH4	4
Total Emissions N2O	28
Total Emissions	2,954

Fugitive Emissions (tCO_2e)

Total Emissions (tCO_2e)	1,906

Stationary Emissions for FPIG (tCO_2e)

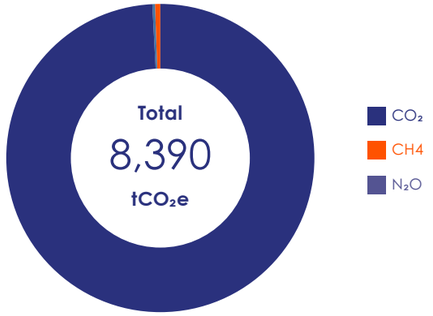
Diesel Generators CO2	283
Diesel Generators CH4	0.032
Diesel Generators N2O	4
Natural Gas CO2	8,076
Natural Gas CH4	12
Natural Gas N2O	4
Acetylene CO2	10
Acetylene CH4	0.004
Acetylene N2O	0
LPG CO2	1
LPG CH4	0.001
LPG N2O	0.001
Total Emissions CO2	8,370
Total Emissions CH4	12
Total Emissions N2O	7
Total Emissions	8,390

Mobile Emissions for FPIG (tCO_2e)



CO_2	CH_4	N_2O
2,922 tCO_2e	4 tCO_2e	28 tCOze

Stationary Emissions for FPIG (tCO_2e)



CO_2	CH_4	N_2O
8,370 tCO_2e	12 tCO_2e	7 tCO_2e

Another goal was to achieve a 5% reduction in total emission intensity, targeting an intensity of 0.174 tons of CO2 per ton of product. This target was not met, with total emission intensity reaching 0.195 tCO_2 per ton, representing a 9.9% variance from the target. This outcome was primarily driven by improvements in petrol data collection, resulting in higher reported emissions. The detailed BU-wise year-on-year data on electricity emission, total emission, and emission intensity are provided in tables 30, 31, and 32, respectively, in Appendix 1.Scope 3 emissions are not yet included in this report; however, FPIG plans to progressively assess and incorporate material Scope 3 categories as part of its ESG data maturity roadmap.

Site-Specific Climate Mitigation and Adaptation Initiatives

Indonesia Business Unit

The Indonesia BU implemented several initiatives to reduce energy consumption, optimize raw material use, and strengthen site-level resilience. These included installing fuel level sensors integrated with GPS tracking on forklifts and light vehicles to monitor and control fuel consumption, deploying two electric vehicles and one hybrid vehicle for company operations, and optimizing resin consumption through tank-heating installations. Additional measures included installing a sandbox heater in the Continuous Wave (CW) machine process to reduce resin usage and replacing the plunger pump with a gear pump in the day tank to enhance efficiency, with both projects extended to 2026. Looking ahead, planned energy efficiency measures for 2026 include implementing heat recovery systems, motion-sensor lighting, and air-conditioning timers.

Kingdom of Saudi Arabia Business Unit

To enhance resource efficiency and operational management, the KSA BU implemented several initiatives, including installing 20 solar lamps (100W) across its facilities, as well as installing diesel flow meters on diesel tanks to monitor and control fuel consumption. Additional measures involved reusing wooden pallets for material packaging to reduce raw material consumption and deploying a magnet sweeper to collect nails and scrap from the yard, thereby improving material recovery and housekeeping. 2026 plans include finalization of a solar project agreement and the installation of 20 additional solar lamps (150W) at the Danube yard.

USA Business Units

Preliminary planning for an electrification transition was initiated to evaluate the feasibility of adopting electric equipment and vehicles. 2026 plans include improving the drainage system for flood prevention as a climate adaptation measure, continued analysis on ventilation and dust collection, alongside energy efficiency enhancements.

The Netherlands Business Unit

At the Netherlands facility, several newly installed air-conditioning units have been upgraded to operate with R32 refrigerant, replacing older R410A and R22 systems. The transition to R32, which has a significantly lower Global Warming Potential (GWP), contributes to reducing climate impact and supports the Group's broader emissions reduction and climate action objectives. From 2026, the Netherlands factory will begin purchasing Guarantees of Origin, enabling it to source 10% of its energy from renewable sources as part of its decarbonization commitment.

UAE Business Units

In 2025 Dubai factory transitioned to electric heaters which reduced annual oil consumption by 13,500 litres and resulted in approximately USD 8,500 cost savings. In addition, one air compressor was replaced with an energy-efficient alternative with a Variable Speed Drive. The same initiative was recommended to other factories and included in the Decarbonization Policy drafted in 2025. Looking ahead, in 2026, Dubai and Abu Dhabi factories will implement a digital energy monitoring system to track energy use, identify hot spots, detect inefficiencies early, and make informed day-to-day decisions. The insights generated will guide targeted actions to enhance energy efficiency and reduce emissions.

Qatar Business Unit

In 2025, Qatar operations further improved energy efficiency through automated controls. Ventilation upgrades, low-VOC materials, and enhanced monitoring strengthened environmental performance and operational resilience. These actions support both climate mitigation and adaptation. In 2026, plans include solar deployment and installation of energy-efficient AC units and dust control systems.

Oman Business Unit

In 2025, Oman factory installed 2 cooling units, introduced 10 solar lights, and deployed energy meters across all machines, while initiating ISO 50001 to strengthen energy management and support emissions reduction. In 2026, plans include 2 dust collectors, cooling upgrades, and compressed air system improvements, alongside potential motion sensor lighting to enhance efficiency and resilience.

Climate Change Mitigation Targets and Emissions Trajectory

We have benchmarked our emissions targets against industry best practices and the UAE Net Zero 2050 framework. Our Scope 1 and Scope 2 emissions reduction pathway is defined as follows:

2025	2026–2030	2031–2040	2050
−2.5%	−5%	−8%	100%
(transition year)	Annually	Annually	Reduction (0 tCO_2e)

Key milestones for climate change mitigation include achieving:

2030	2040	2050
25%	67%	Net zero by 2050
Scope 1 and Scope 2 emissions reduction by 2030	Scope 1 and Scope 2 emissions reduction by 2040	

Table 4 - Emission Performance Summary

- Emission Performance Summary (tons of CO_2)

2024	2025	Target for 2025	Trend
31,866	32,734	31,069	↑

- Emission Intensity Performance Summary (tons of CO_2 emitted per ton of product)

0.183	0.195	0.174	↑

This table evaluates the 2025 emission and emission intensity performance, highlighting an upward trend in both metrics compared to the previous year.

6.3 Water Management

Monitoring Water Withdrawal and Consumption

At FPI, we use water across hydrotesting, wet cutting, calibration, cooling, and domestic activities. Water availability is a key operational dependency, particularly in water-stressed regions where several of our facilities operate.

We prioritise water reuse wherever technically feasible, including in the UAE, Qatar, Oman, KSA, and Egypt, to reduce freshwater withdrawal through basic filtration to remove oils and particulates, extending water usability. For example, Indonesia has successfully reused hydrotest water with filtration for three years, and the Netherlands has long applied chlorination-based treatment. Our approach ensures operational water efficiency while preventing contamination. This approach also mitigates exposure to water scarcity, regulatory, and cost-related risks.

In 2025, FPIG's total water withdrawal amounted to 224,820 m^3 sourced primarily from municipal utilities and third-party suppliers. Details of water sourcing are provided in table 33 in Appendix 1. In 2025, we achieved a significant reduction in our total intake. We reduced our global water consumption to 224,820 m^3, a 7.8% decrease from 243,898 m^3 in 2024. This downward trend reflects our disciplined approach to resource management across our facilities.

Parallel to absolute savings, we aimed to improve our water intensity by 2.5%, targeting a benchmark of 1.36 m^3/ton. During the reporting year, we achieved an intensity of 1.34 m^3/ton, outperforming the target by 1.6%. Further details on water consumption and water intensity across business units can be found in Table 33 in Appendix 1.

In 2025 Qatar facility installed sensor-activated touchless taps across office and restroom fittings to reduce water use, prevent wastage, and enhance hygiene. In 2026, we will pilot a digital water monitoring system in Dubai to track consumption, detect leaks early, identify unusual usage, and uncover reduction opportunities. Also, in 2025, the Morocco facility received a new digital machine, with installation scheduled for 2026. As part of this upgrade, the site will implement a dedicated closed-loop water filtration system for this machine, which is expected to significantly reduce freshwater consumption once operational.

Table 5 - Water Consumption Performance Summary

- Water Consumption Performance Summary (m^3)

2023	2024	2025	Target	Trend
183,891	243,898	224,820	N/A	↓

- Water Intensity Performance Summary (m^3/ton)

1.25	1.40	1.34	1.36	↓

The above summary table evaluates 2025 water performance, illustrating a downward trend in total consumption alongside a decrease in water intensity compared to the previous year.

Wastewater and Stormwater Management

Wastewater management at FPIG is aligned with local regulatory requirements and permit conditions. In locations where discharge is not permitted, wastewater is collected and managed by licensed contractors for off-site treatment, with compliance verified through documentation and, where required, laboratory testing.

Where discharge is permitted, wastewater is monitored through routine sampling in line with regulatory requirements. Corrective actions are implemented promptly when deviations are identified.

Stormwater is managed through controlled drainage systems, secondary containment, and routine inspections to prevent contamination.

In 2025, a voluntary monthly water-quality monitoring programme was introduced in KSA, enhancing oversight of potable, wastewater, and reused process water, and supporting proactive water management beyond regulatory requirements.

Managing Water-Related Risks and Impacts

FPIG's manufacturing processes depend on reliable freshwater access, including in several water-stressed regions. Water-related risks include supply constraints and evolving regulatory requirements for abstraction, discharge, and wastewater treatment.

Water-related risks may have financial implications through increased operating costs, capital expenditure for treatment and monitoring systems, and potential production delays if water access becomes constrained. Water-related risks are evaluated through permit compliance reviews, consumption data trends, wastewater monitoring results, and stormwater inspections. Findings inform corrective actions and continuous improvement initiatives at the site and corporate levels.

Management assesses water-related risks as operationally relevant, particularly in water-scarce jurisdictions. Mitigation measures—including water reuse, site-level monitoring systems, and strict discharge compliance controls—reduce exposure to material financial impacts; however, evolving climate and regulatory conditions could increase cost exposure over time.

Case Study: Rainwater Harvesting in Indonesia

The Indonesia facility implemented a rainwater harvesting system to reduce reliance on potable freshwater and support hydrotesting operations. Rainwater is collected from site surfaces, screened for debris, and supplied directly to the hydrotest tank. Repurposed fibreglass scrap pipes were used in constructing the system, supporting circularity and reducing material waste.

In 2025, the system harvested and reused 200 m^3 of rainwater. At full operational capacity, it is designed to capture up to 895 m^3 per month, reducing freshwater intake and improving the efficiency and resilience of hydrotesting activities.

6.4 Waste and Circularity

Our Waste Management Framework

For years, our facilities followed their own local waste management protocols. While effective, this created a patchwork of practices. Recognising the need for consistency and higher performance, the Corporate Waste Management & Minimisation Procedure was drafted in 2025. This procedure establishes unified, group-wide waste management requirements aligned with international best practice and the most stringent applicable regulatory obligations.

The procedure embeds circularity principles by promoting material recovery, identifying reuse opportunities, and strengthening recycling across key waste streams. It defines standards for waste segregation, flooring, and secondary containment, waste labelling, storage controls, contractor engagement, documentation, and application of the waste hierarchy. The phased implementation of the Corporate Waste Management & Minimisation Procedure will begin in 2026.

Waste Streams and Operational Impacts

Waste at FPIG arises primarily from chemical mixing, raw material preparation, production, grinding and cutting, hydrotesting, and maintenance activities. These processes generate both hazardous and non-hazardous waste streams. We have benchmarked our waste management targets against industry best practice and the UAE Net Zero 2050 frameworks.

In 2025, our waste management performance encountered significant headwinds as we worked toward our reduction goals. Total waste generation in 2025 increased to 33,433 tons, a nearly 3.4% increase from our 2024 baseline of 32,317 tons. Consequently, an upward trend was reflected in our waste intensity, which increased by 8%, rising from 0.185 to 0.200 tons of waste per ton of product. Total waste volumes also rose due to improved reporting discipline and more comprehensive data capture across the Group. FPIG set a target to recycle 12% of the total waste generated in 2025. With total waste generation reaching 33,433 tons, the recycling target was 4,012 tons. However, the total waste recycled during the year was 2,913 tons (8.7%), which was below the target. We did not achieve the 2025 recycling target due to the significant increase in scrap pipe generation by 32%, which has limited recycling opportunities across different BUs. Table 34 in Appendix 1 presents a comparison of waste generated, waste recycled, and waste intensity for 2024 and 2025. And for a detailed overview of BU–level categories of waste generation and recycling in 2025, refer to Tables 35 and 36, respectively.

Our efforts to promote a circular economy through recycling also faced setbacks:

- Recycling Volume: We recycled 2,913 tons of material in 2025, a decrease from the 2,945 tons achieved in 2024.
- Recycling Rate: This represents a decline in our recycling rate to 8.7%, down from 9.1% in the previous year.
- Target Variance: These results fall short of our ambitious 12% recycling target set against our 2023 baseline.

Managing Contractors and Ensuring Traceability

All waste generated by FPIG is managed through authorised third-party contractors. Contractor suitability is evaluated through a structured verification process that includes pre-qualification, contractual alignment, and documentation review. We verify permits, transport licences, treatment approvals, waste manifests, and disposal certificates to ensure correct classification, handling, treatment, and final disposal.

As part of the 2025 Corporate Health, Safety, Security, and Environment (HSSE) assessments, sample reviews of waste contracts and disposal documentation were conducted across business units. These reviews supported compliance assurance and identified opportunities to strengthen traceability.

The Contractor Safety Management Procedure, drafted in late 2025, reinforces the requirement to engage only licensed and authorised contractors and strengthens third-party oversight in line with our waste-management standards.

Table 6 - Waste Management Performance

- Waste Generation Performance Summary (ton)

2023	2024	2025	Target	Trend
16,829	32,317	33,433	31,671	↑

- Waste Recycled Performance Summary (ton)

1,545	2,945	2,913	4,012	↓

- Waste Intensity Performance Summary (tons of waste per tons of product)

N/A	0.185	0.200	N/A	↑

This table evaluates 2025 waste management performance, illustrating an upward trend in both waste generation and waste intensity, alongside a decrease in recycled waste.

2025 Milestones in Waste Reduction and Value Recovery

In 2025, the Corporate Office strengthened its internal recycling initiatives by introducing designated paper-recycling collection bins and setting up a centralized battery collection point for off-site recycling. Furthermore, in 2025, we strengthened waste management and circularity across our operations, delivering both environmental and financial results. In Dubai, we segregated and sold recyclable materials—including pallets, drums, batteries, plastics, tyres, used oil, cardboard, filters, and mixed steel—to licensed recyclers, generating approximately USD 120,000 in annual revenue. Additional savings of USD 131,500 were achieved through packaging reuse. We also ensured the safe destruction of hazardous waste in line with regulatory requirements at our Dubai facility. In 2025, the Egypt facility processed several waste streams (metal drums, plastics, sandbags, cardboard, and paper) through recyclers licensed by the Egyptian Environmental Affairs Agency (EEAA). The facility also recycled 225 tons of scrap fibreglass pipes. These recycling activities together generated approximately USD 185,000 through value recovery from recyclable materials.

In Qatar, we enhanced our plastics recycling program by implementing systematic segregation and ensuring that all plastic waste streams, including packaging materials, were processed through licensed recyclers.

Across the UAE, KSA, and Oman, we achieved 100% electronic waste recycling, with KSA reaching full compliance during the reporting year. KSA also upgraded its waste-management infrastructure with a purpose-built storage facility to improve segregation, safety, and environmental control. Additionally, in KSA, our pallet reuse system avoided over USD 78,000 in new purchases, reduced wood waste, and embedded cost-efficient reuse practices into daily operations. In 2025, FPIG Dubai evaluated an environmentally responsible, biodegradable, and non-corrosive alternative solvent to replace methylene chloride in specific cleaning tool applications. We conducted an initial trial to assess its cleaning efficiency. A pilot trial is planned for 2026 to further evaluate its effectiveness and operational suitability. In total, FPIG's waste sales generated approximately 689,000 USD.

Spill Management and Prevention

Spill management at FPIG is aligned with local regulatory requirements and site-level procedures. In 2025, a standardised Spill Prevention and Pollution Control Procedure was developed to enhance consistency and governance, with implementation planned from 2026 because during earlier periods, reporting practices were not fully consistent, which may have affected data completeness.

Spill risks are controlled through engineering and operational measures, including secondary containment, bunded storage, routine inspections, and proper chemical handling. Preparedness is supported by trained personnel, spill kits, defined reporting processes, and routine response drills. Spill waste is contained and managed through licensed contractors. Preventive initiatives, such as GRP pallets and repurposed drip trays, are applied at selected sites to reduce risks at source.

During the reporting period, zero significant spills were recorded. A total of 11 minor spills occurred, all of which were contained immediately with no environmental or operational impact. For example, a minor spill in a bulk storage area was fully contained with no impact to soil, water, or drainage, demonstrating effective controls and response readiness.

6.5 Safe & Sustainable Manufacturing Practices

Engineering Safety: The GRP Pallet Revolution (UAE)

In our Abu Dhabi facility, we faced a critical safety dilemma: wooden pallets in high-temperature post-curing ovens were a persistent fire hazard and structural liability. While external consultants suggested expensive steel replacements, we looked inward. Our team engineered an innovative, fire-retardant pallet using in-house GRP scrap materials. This didn't just eliminate the fire risk; it saved us USD 3,200 annually and proved that our own waste is often the best raw material for our safety solutions.

Closing the Loop on Chopped Roving Waste

In our CW machine operations, chopped roving waste was previously discarded, resulting in material loss and unnecessary cost. We introduced a structured collection and recycling process to recover this waste and reuse it in the lamination of manhole base sheets. Through this circular approach, we now reuse approximately 6.2 tons of chopped roving annually, achieving an estimated net saving of USD 5,000 per year. This initiative significantly reduces raw material consumption, minimizes waste sent for disposal, and reinforces our commitment to resource efficiency.

Digital Communication for a Paper-Free Workplace

We are officially pulling the plug on paper. By transitioning from traditional notice boards to real-time LED screens at our Dubai site, we have eliminated the lag time and physical waste of printed posters. This digital transformation allows us to communicate safety alerts and management updates instantly across the shop floor in multiple languages, significantly reducing our carbon footprint while fostering a more connected, informed workforce.

Smart Forklift Management Through GPS Tracking

We enhanced forklift safety and efficiency by installing GPS tracking systems across our fleet in KSA. With GPS-enabled monitoring, we gained 24/7 visibility into our operations. This data-driven approach has allowed us to eliminate idle hours, optimize routes, and curb excessive vehicle speeding. We aren't just moving goods faster; we are burning less fuel, reducing our carbon footprint, and extending the lifespan of our equipment through predictive maintenance.

Smarter Solid Waste Disposal Design

At the Oman facility, a newly designed resin-collection was introduced to improve the handling and consolidation of cured resin waste. The redesigned unit reduces the volume of solidified resin, standardizes containment, and supports more efficient disposal. This initiative lowers manual handling, reduces the frequency of waste-collection trips, and strengthens overall waste-management practices and site housekeeping. Designed and fabricated in-house, the solution also delivered approximately USD 2,500 in cost savings through reduced material use and lower disposal frequency.

Motorized Trolley System for Post-Curing Operations

Forklift-based loading of pipes and fittings into post-curing ovens previously caused product damage, heat loss, and safety risks. We revolutionized this process by implementing a motorized trolley mechanism. By automating the entry and exit of products, we've minimized the time oven doors remain open, drastically cutting heat energy loss. This innovation protects our finished goods from scratches and optimizes our energy consumption, proving that automation and sustainability go hand-in-hand.

Mechanized Scrap Cutting for Safer Operations

A mechanized scrap-cutting machine was developed in-house to improve the processing of pipe scraps. The solution reduces manual cutting effort, supports safer and more organised scrap handling, and enables the task to be completed with two operators instead of three. The initiative is delivering an estimated annual saving of USD 13,000 and strengthening overall waste-management efficiency.

One-Forklift Solution for Oversized Skid Loading

Loading oversized skids previously required two forklifts, causing delays, coordination challenges, and safety risks. We introduced a custom-designed stabilizing support frame at container entrances, allowing a single forklift to complete the task safely. This innovation has reduced loading time, eliminated cross-team dependency, optimized equipment utilization, reduced fuel consumption, improved safety compliance, and enhanced logistics efficiency.

Centralized Warehouse for Operational Excellence

Managing raw materials across multiple rented warehouses led to inefficiencies, higher costs, and complex inventory tracking. We implemented a centralized warehouse solution in KSA to consolidate storage. This has reduced rental and transportation costs, improved inventory control, enhanced safety compliance, lowered manpower requirements, and significantly improved supply chain efficiency.

Dedicated Post-Curing Oven for Moulded Fittings

Previously, moulded fittings were transported 1.5 km for post-curing, increasing energy use, handling time, and risk of damage. We installed a dedicated, smaller post-curing oven directly at the production site. This solution has reduced energy consumption, eliminated transportation needs, lowered diesel usage, minimized damage risk, and improved overall curing productivity.

AR-Enabled Maintenance Optimization and Safety Enhancement

We tested Augmented Reality (AR) industrial smart glasses at our Dubai corporate office and deployed them at our Houston facility in 2025 as part of a maintenance optimization pilot. The solution enabled real-time remote technical support, reducing travel and improving response times. Thermal imaging was used to detect abnormal heat patterns and equipment inefficiencies, enabling preventive maintenance and better asset performance. The hands-free, voice-controlled functionality allowed technicians to perform tasks without interruption, improving safety and situational awareness. Based on pilot results, we will proceed with a phased rollout across additional locations, subject to site readiness and operational requirements.



6.6 Biodiversity Management

At FPIG, we recognize the importance of biodiversity and the role we play in conserving natural ecosystems. Our approach to biodiversity management is primarily regulatory and site-specific, guided by applicable environmental legislation and the ecological context of each facility. Most of our operations are located within designated industrial zones, where biodiversity impacts are not considered material operational issues.

One of our facilities in the Netherlands falls within the scope of the Natura 2000 framework due to nitrogen impact assessment requirements under Dutch environmental law. At this location, biodiversity considerations are addressed through compliance with Dutch nature protection legislation and completion of regulatory nitrogen assessments. The facility itself is not situated within a protected area, does not occupy protected land, and is not adjacent to a Natura 2000 site. The regulatory applicability arises solely from nitrogen emission modelling, rather than direct interaction with protected habitats or species.

Assessment of Biodiversity Impacts

To date, we have not conducted a comprehensive biodiversity impact assessment covering the full product lifecycle, from raw material sourcing to end-of-life. Based on operational footprint and regulatory requirements, no significant positive or negative impacts on biodiversity have been identified at the group level.

Our operations do not involve land conversion, habitat disturbance, extractive activities, or the introduction of invasive species. Potential impact pathways, such as pollution, species reduction, habitat alteration, or changes in ecological processes, have not been identified as material. Any potential interactions with surrounding ecosystems are considered localized, temporary, and reversible.



6.7 Financial Effect of Environmental Performance

FPIG's environmental initiatives contribute directly to financial performance by improving operational efficiency, reducing cost exposure, and strengthening long-term cash flow resilience. Investments in energy efficiency, renewable energy, and resource optimisation reduce dependence on external energy sources, lower raw material consumption, and minimise waste management costs. Recycling and material recovery further create value from production by-products, supporting more efficient use of resources.

Targeted initiatives—including solar photovoltaic (PV) installations, LED upgrades, electric vehicle introduction, and the transition to more efficient heating technologies—enhance energy performance while improving cost predictability and reducing exposure to energy price volatility.

In manufacturing operations, resource efficiency measures such as packaging and pallet reuse, reuse of chopped roving, resin collection systems, and mechanised scrap processing reduce material losses, improve production efficiency, and lower procurement costs. Improved waste segregation and recycling also contribute to reduced disposal costs and additional revenue streams.

Environmental compliance plays a critical role in protecting financial performance by reducing the risk of regulatory penalties, operational interruptions, and reputational impacts. In parallel, strengthening climate resilience and adaptation—through improved resource management, infrastructure upgrades, and risk assessment—supports asset protection, reduces the likelihood of operational disruptions, and may contribute to managing and potentially lowering insurance premium costs over time.

Together, these initiatives enhance cost efficiency, improve operational resilience, and support stable and predictable financial performance.

FPIG is working to strengthen the integration of environmental performance considerations into capital allocation, operational investment decisions, and long-term cost optimisation strategies.

Social Performance



07



7.1 People Strategy and Workforce Profile



*Percentage is calculated based on the EcoVadis scoring methodology. Suppliers with an EcoVadis score above 45 are classified as "certified" for reporting purposes.



Our people are central to the organisation's ability to operate safely, deliver long-term value, and progress towards operational excellence. We are a global organization with a workforce of 3,130 employees from 54 nationalities. The organisation continues to strengthen its people by fostering a strong culture and investing in workforce development. By prioritising employee well-being and ethical workplace practices, FPIG aims to build a future-ready work environment that supports sustainable growth and long-term organisational effectiveness. Our workforce initiatives are designed to align individual performance with organisational objectives, reinforcing commitment to safety and ethical conduct, which enables employees to contribute meaningfully to long-term success. An overview of workforce composition, including total workforce, new hires, employee turnover, etc., is presented in Tables 37 and 38 in Appendix 1.

FPIG's management approach to employment is guided by clear policies and processes that ensure compliance with labour laws, fair employment practices, and equal opportunity across the entire organisation. Employee well-being and health & safety are prioritised, alongside training and development initiatives that support the workforce's capability building and long-term organisational effectiveness. Employment benefits are provided in line with local legal requirements and employment terms.

7.2 Employee Training and Development

FPIG's approach to training and development focuses on building employee capability and supporting continuous learning across the organisation. This is delivered through internal and external training programmes, leadership development initiatives, lunch-and-learn sessions, and role-specific development opportunities that enhance both technical and soft skills. During the year, the company delivered 26,800 training hours, increased the average training per employee to 6.5 hours, and substantially expanded mandatory e-learning programs, demonstrating FPI's strengthened commitment to workforce capability building and continuous professional development. Tables 39 and 40 in Appendix 1 present FPI's employee training and development metrics, highlighting a significant expansion of learning initiatives in 2025.

Future Talent Development

At FPI, investing in the next generation of professionals is a cornerstone of our People and Culture strategy. Through our Fresh Graduate Program, we recruit newly qualified engineers and immerse them in a structured, full-year rotational experience across all business functions, equipping them with the cross-functional perspective needed to thrive in a global organization. In 2025, we welcomed 14 engineers across our global operations, who completed their rotational training after 6 months and culminated their journey by presenting their final projects to senior management before transitioning into permanent roles within FPI. We are proud that 36% of this cohort are women, reflecting our continued commitment to gender inclusion in technical disciplines.

Complementing this initiative, our Internship Program offers students hands-on industry exposure through placements ranging from one to three months, serving as a vital pipeline for identifying and nurturing future talent. These programs embody FPI's long-term commitment to workforce development, inclusive hiring, and building the engineering leaders of tomorrow.

New Hires and Employee Turnover

We monitor employee retention and turnover rates to assess workforce stability and organisational health. These metrics support informed decision-making and help guide initiatives aimed at improving employee engagement, continuity, and long-term talent retention. As turnover and retention rates can vary across Business Units and operating locations, targeted actions may be required at the BU level to address specific workforce dynamics and retention needs. In 2025, the organization observed a significant improvement in workforce stability, with retention rates increasing and employee turnover decreasing substantially compared to previous years. This trend indicated stronger employee engagement and improved workforce continuity, reflecting the effectiveness of initiatives aimed at strengthening organizational culture, supporting employee well-being, and enhancing career development opportunities across the organization. The detailed figures for retention and turnover rates are presented in Table 41 in Appendix 1.

Overall, the People Strategy and Workforce Profile Summary Table demonstrates positive progress across key workforce indicators during the reporting period. The organisation recorded steady workforce growth, improved retention, and a significant reduction in voluntary turnover, indicating stronger workforce stability and employee engagement. At the same time, the increase in national diversity, female representation, and training investment reflects FPIG's continued focus on building a diverse and capable workforce. These trends highlight measurable progress against workforce development priorities and demonstrate the effectiveness of initiatives aimed at strengthening talent retention, skills development, and organisational culture.

Table 7 - People Strategy and Workforce Profile Summary

- People Strategy and Workforce Profile Summary Table

	2023	2024	2025	Trend
Total workforce	2,685	2,912	3,130	↑
Total new employee hires	426	581	488	↓
Employee voluntary turnover	425	304	203	↓
Emiratisation rate (AUH)	9.62%	11.48%	11.29%	↓
Emiratisation rate (DXB)	N/A**	N/A**	2%	↑
Nationalities	44	49	54	↑
Female employees	127	169	197	↑
Total Training hours	N/A	4,203 hours	26,800 hours*	↑
Average training per employee	N/A	1.4 hours	6.5 hours	↑
Number of e-learning mandatory training hours delivered	N/A*	1,365.5 hours	4,848 hours	↑
Amount invested in training	N/A	61,447 USD	201,232 USD*	↑
Retention Rate	88.50%	89.91%	90.76%	↑
Turnover Rate	14.08%	11.03%	6.7%	↓

*The Learning Management System was launched in 2024; there is no data to report for 2023.
** Emiratization requirements did not apply to FPI Dubai in 2023 and 2024.

7.3 Health, Safety, & Well-being

FPIG Culture of Safety and Caring is founded on Trust and Visible Felt leadership



7.3.1 Safety Leadership, Risk Prevention, and Worker Protection

We promote early identification of hazards through our Care, Assess, Report, Engage (C.A.R.E) Observation Program, which enables workers to report not only unsafe conditions or behaviours but also positive observations, through an accessible and transparent process. Reports may be submitted confidentially and are reviewed to determine corrective and follow-up actions. Workers are protected under FPIG's non-retaliation commitment, which encourages reporting of safety concerns in good faith. This principle is embedded in our Code of Conduct and reinforces a culture in which safety and accountability are shared responsibilities among the entire organisation.

7.3.2 Worker Engagement and Safety Training

FPIG also implements Stop Work Authority (SWA), which empowers all employees and workers to intervene and stop any task when conditions present an unacceptable risk. This authority is supported by FPIG's Life-Saving Rules, which define mandatory requirements for high-risk activities and require work to stop until risks are assessed and controls implemented. Workers are protected from retaliation for stopping work or reporting concerns, even in situations where a reported hazard is ultimately not confirmed.

7.3.3 Occupational Health and Employee Well-being

Occupational health and safety practices are implemented across all Business Units and aligned with international standards and ISO 45001 principles, with certification varying by location. The Abu Dhabi Business Unit initiated the first phase of ISO 45001 implementation during 2025, with certification targeted for 2026.

The approach applies to all employees, contractors, and operational sites, with stricter external requirements adopted where applicable. FPIG plans to implement an integrated global OHS and Environmental Management System from 2026 to enhance consistency and oversight. To further strengthen consistency and oversight, we plan to roll out a single Integrated Global Environmental and OHS Management System aligned with ISO 14001 and ISO 45001, beginning in 2026, integrating environmental and security elements to enhance governance and performance at the organisational level.
Contractors and operational risks are managed through defined controls, inspections, and audits, while customer and product-related risks are assessed to ensure compliance and continuous improvement. No non-compliance incidents related to product or service health and safety impacts were identified in 2025.

7.3.4 HSSE Monitoring & Performance Measurement

FPIG manages occupational risks through a structured, risk-based approach using Job Task Risk Assessments (JTRA) and the hierarchy of controls. In 2025, 14 new JTRAs were developed to strengthen control of key manufacturing risks. Findings from audits & inspections, incident investigations, and bi-weekly Critical Incident Learning Reviews—led by Plant Leaders—are used to identify trends, embed lessons learned, and prevent recurrence.

High-risk activities are systematically assessed and controlled. In 2025, five amputations linked to pinch points and stored energy led to targeted improvements in engineering safeguards, procedures, supervision, and training. Broader health risks, including chemical exposure, noise, dust, heat stress, and ergonomics, are managed through layered controls. Targeted engineering upgrades across key facilities further improved air quality, ventilation, and worker protection.

In 2025, targeted engineering upgrades were implemented across key facilities to enhance indoor air quality and worker protection. In Dubai, air quality was improved through an air purifier trial (with full deployment planned for Q1 2026), isolation of production areas, and installation of evaporative coolers. In the Netherlands and KSA, dust and fume control systems were upgraded through improved extraction and higher-efficiency collection systems, including pilot fume extraction. In Qatar, fume extractor exhausts were extended to further improve ventilation and reduce exposure.

Worker Engagement and Safety Training

We actively involve our workforce in shaping and improving our OHS management practices. Employee participation is embedded through involvement in risk assessments, safety committees, incident investigations, toolbox talks, and hazard reporting initiatives. Safety committees operate at the Business Unit level to monitor corrective actions and escalate risks where required. Input from short-term contractors is captured through alternative engagement channels such as Toolbox Talks and supervisory feedback.

Safety training combines general awareness programmes with role-specific instruction covering hazard management, safe operating procedures, and emergency preparedness. Training is delivered through inductions, toolbox talks, classroom sessions, and on-the-job coaching. Additional training is provided when operational changes occur or where lessons emerge from incident reviews. Safety information and updates are communicated through digital platforms, internal communications, and mandatory training sessions. Detailed figures for OHS training can be found in Tables 42 and 43 in Appendix 1 within this report.





Occupational Health and Employee Well-being

FPIG supports employee health through access to qualified medical providers, preventive health programmes, and company-provided medical insurance. These measures are complemented by well-being initiatives that promote physical and mental health through awareness programmes and health guidance. These programmes support employees in managing broader health risks beyond the workplace. Employee medical and personal information is protected through strict confidentiality and data-privacy controls, in line with our ethical standards and Code of Conduct.

We continued to promote active lifestyles and team engagement through a range of sports and fitness initiatives across our operations. Football, Basketball and Cricket matches and tournaments were held in Egypt, Morocco, Oman, and the UAE, alongside padel and badminton tournaments linked to broader health awareness campaigns such as Breast Cancer Awareness Month and World Heart Day. These initiatives were designed not only to encourage physical activity but also to strengthen teamwork, morale, and cross-functional engagement in an inclusive and energising environment.

Our health and well-being programme also focuses strongly on preventive care, early detection, and holistic employee wellness. Medical check-ups, respiratory function assessments, orthopaedic consultations, physiotherapy sessions, eye examinations, dental camps, and vaccination campaigns were conducted across the UAE, Egypt, India, Oman, and KSA. In KSA, a four-month Summer Drinks initiative was rolled out to help employees remain hydrated and protected during peak summer conditions. Mental well-being was also prioritised through global and local awareness sessions delivered by specialised providers, alongside initiatives marking Self-Care and Friendship Day to encourage connection and stress management. In addition, blood donation drives were organised in collaboration with local health institutions, and World Cancer Day was marked in the Netherlands in support of KWF Kankerbestrijding, combining fundraising with hospital outreach activities. In Qatar, our participation in the blood donation campaign was formally recognised with a Certificate of Appreciation issued by Hamad Medical Corporation, acknowledging our contribution to community healthcare initiatives.

In parallel, we strengthened workplace resilience and emergency preparedness through targeted safety and life-saving capability programmes. Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillator (AED) certification sessions were conducted in alignment with the Dubai Heart Safe City campaign in collaboration with the Dubai Health Authority, alongside heat stress awareness sessions for labour communities and World Day for Safety and Health at Work activities. These programmes enhance employee preparedness, reduce incident severity risks, and support compliance with occupational health and safety standards.

All our health, well-being, and safety engagement initiatives in 2025 delivered a total of 131 engagement hours globally and reflect an overall investment of approximately USD 24,685. This figure represents cumulative employee engagement across multiple activities, where individuals may have participated in more than one initiative. It underscores our commitment to preventive health, employee engagement, risk mitigation, and the long-term well-being of our workforce.











HSSE Monitoring & Performance Measurement

Safety performance is monitored through HSSE indicators, including incident rates, lost-time injuries, and training coverage. Monitoring these indicators supports risk prevention, operational continuity, and improved safety performance across the organisation. Detailed figures for OHS training can be found in Tables 42 and 43 in Appendix 1 within this report.

Table 8- Safety Performance

Total Manhour	13,155,273
Number of high-consequence work-related injuries	5
Number of recordable injuries	51
Number of lost-time injuries	40

In 2025, five high-consequence work-related injuries were recorded across more than 13 million working hours. The increase in these injuries is unacceptable. Each incident was investigated, and actions to prevent recurrence have been prioritized for 2026.

In addition to established practices such as HSSE training, near-miss reporting, and C.A.R.E observations, 2025 marked the introduction of new leadership-driven indicators to strengthen visible safety leadership on the ground. These included GeoMarket Manager (GMM) care conversations with shop-floor employees and GMM-led safety-downs, increasing leadership presence and accountability across Business Units. In 2025, we also conducted our first comprehensive corporate HSSE assessments, identifying more than 300 findings. These findings are being reviewed alongside incident trends to guide targeted prevention priorities and corrective actions for 2026.

HSSE performance can affect both current and anticipated financial outcomes through reduced operational interruptions, avoided incident-related costs, and effective management of insurance and compliance exposure. Where material incidents occur, potential financial effects may include unplanned downtime, repair costs, claims and premium adjustments, and regulatory penalties. At the same time, we recognise that the consequences of incidents may extend beyond operational and financial impacts, affecting the well-being of employees and their families.

Overall, training coverage continued to increase during the reporting period, while injury indicators showed partial improvement in 2025 compared with the previous year. Our primary lagging indicator is the Total Recordable Incident Rate (TRIR), which is monitored for year-on-year improvement. These trends indicate progress in strengthening safety awareness and preventive controls, while also highlighting the importance of sustained efforts to further reduce workplace incidents.

Table 9 - Health, Safety, and Well-being Summary Table

- Number of high-consequence work-related injuries

2023	2024	2025	Target	Trend
0	1	5	< 2025 value	↑

- Number of recordable injuries

31	52	51	< 2025 value	↓

- Number of lost-time injuries

22	43	40	< 2025 value	↓

- TRIR

0.50	0.88	0.78	≤ 0.78	↓

- Coverage of work-related illness

0	0	0	N/A	—

- Total OHS training hours

19,880	29,285	36,914	18*	↑

- OHS Training hours per employee

9.1	13	19.5	18	↑

*No specific target is set for total OHS training hours; instead, the organisation monitors and targets training hours on a per-employee basis.

7.4 Diversity, Inclusion, and Human Rights

7.4.1 Our Approach and Policy

At FPIG, our approach to diversity, inclusion, and human rights is embedded within our people management processes and supported by clear policies, workforce engagement, and leadership oversight. In 2025, this commitment was formalised through the issuance of our Group-wide Diversity, Equity, and Inclusion (DEI) Policy, which outlines commitments to fair treatment, inclusive recruitment, equal career opportunities, and pay equity. The policy also includes mandatory training on unconscious bias and cultural awareness, as well as confidential reporting channels through the Speak-Up platform. In recognition of the diverse cultural and religious environments in which FPIG operates, the policy also supports religious accommodation and region-specific adaptation in line with local labour regulations. These governance and transparency measures support stakeholder confidence, strengthen our eligibility in customer and supplier ESG evaluations, and contribute to maintaining access to markets and capital.

Beyond its social dimension, our DEI framework also supports financial resilience and long-term value creation. By promoting equitable recruitment, development, and retention practices, we reduce turnover-related costs, strengthen workforce stability in technically specialised roles, and protect productivity across manufacturing and project sites. Structured pay equity oversight and compliance with anti-discrimination laws mitigate legal and reputational risks that could otherwise result in financial penalties, litigation exposure, or loss of customer confidence. Our emphasis on inclusive leadership and diverse representation enhances decision-making quality and innovation capacity, contributing to operational efficiency and competitive positioning in global markets.

We apply consistent people management principles across the organisation, while allowing for local adaptation where required by legal or regulatory frameworks, ensuring our approach remains both globally aligned and locally compliant. In 2025, FPIG became the first organisation in the Middle East to be recognised by the Religious Freedom & Business Foundation under the Global Fortune 500 REDI Index, reflecting its commitment to fostering inclusive workplaces.



7.4.2 Gender Diversity - Supporting and Celebrating Women Across Our Global Operations

FPIG continues to promote gender diversity across its workforce while recognising the operational characteristics of a manufacturing-led workforce where male representation remains higher. We continue to work towards a more inclusive and diverse workforce through inclusive recruitment practices and initiatives. A detailed breakdown of workforce age distribution can be found in Table 45 in Appendix 1.

Table 10 - Gender Diversity Table

	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Total Employees	2,558	127	2,743	169	2,933	197
Employee Count (%)	95%	5%	94%	6%	93.7%	6.30%
Governance Members Count (%)	75%	25%	75%	25%	80%	20%
Total New Hires	379	47	511	70	398	59
Employee Turnover	387	38	278	26	175	28

The data indicates gradual progress in strengthening gender representation across the organisation. Female participation increased from 5% in 2023 to 6.3% in 2025, reflecting ongoing recruitment and inclusion efforts.



FPIG supports gender inclusion not only through recruitment practices but also through initiatives that recognise and celebrate the contributions of women across its global operations. International Women's Day continued to be celebrated across multiple Business Units in 2025, building on initiatives implemented in previous years through locally tailored activities combining recognition, engagement, and community impact. Activities ranged from interactive employee gatherings, storytelling sessions, and peer recognition moments to themed celebrations and team luncheons that created space for dialogue, appreciation, and connection. In several locations, the celebrations were also linked to community outreach, including hospital visits, charitable contributions, and partnerships with organisations such as Operation Smile, reinforcing the broader social purpose behind these events.

The organisation also recognised the contribution of women in technical disciplines through International Women in Engineering Day, highlighting female engineers across Business Units for their expertise and role in operational innovation. Additional regional celebrations included Omani Women's Day, where women contributing to education and social development were recognised through employee gatherings and appreciation events. In total, these initiatives engaged more than 708 female employees globally, with an investment of approximately USD 5,750. These activities support the development of an inclusive workplace culture where women are recognised, supported, and encouraged to advance in their professional growth.

We remain committed to promoting gender diversity and inclusion across the workforce. In 2025, the company recorded a 16.56% year-on-year increase (Table 46 in Appendix 1) in the hiring of female employees, reflecting its continued efforts to strengthen equal opportunity and broaden female participation across roles and regions.

These initiatives form part of FPIG's broader efforts to create a supportive and equitable workplace environment. In addition to encouraging greater female participation across its operations, the organisation seeks to ensure that employees are supported throughout different stages of their professional and personal lives. This includes implementing policies and practices that enable employees to balance work responsibilities with family commitments, thereby strengthening long-term workforce participation and retention.

FPIG supports employees during key life stages through parental leave provisions that promote work–life balance and family well-being. In 2025, FPIG recorded a 93% return-to-work rate and a 99% retention rate after 12 months, indicating that its policies effectively support employees while sustaining workforce continuity. These results reflect the strength of the organisation's family-supportive practices and contribute to FPIG's broader people strategy focused on workforce stability, employee well-being, and long-term talent retention across its operations.

Table 11 Parental leave:

Parental Leave	68
Employees who returned after parental leave (%)	93%
Parental leave return retention (12 months)	63
Retention Rate (%)	99%

7.4.3 Fair Recruitment, Equal Opportunity, and Pay Equity

FPIG's approach to fair recruitment and equal opportunity is supported through our non-discriminatory hiring practices. Hiring decisions are based solely on role requirements, skills, and experience, and no confirmed cases of discrimination in recruitment were reported in 2025. Remuneration practices are benchmarked using external salary data obtained from recognised providers such as Korn Ferry, Mercer, and Towers Watson to support fair and competitive compensation aligned with market standards.

Table 12 - Median Compensation

Median Compensation	Female	3,460 USD
	Male	603 USD
Female to Male ratio	Basic Salary Ratio	0.134
	Remuneration	0.160

Table 13 - Ratio of Basic and Remuneration of Women to Men

Ratio of basic and remuneration of women to men	Employee Category	Ratio
Basic Salary	UAE Management	1.085
	Professional	1.025
	Operations	2.202
Total Salary	UAE Management	1.193
	Professional	1.055
	Operations	3.416

Salary ratios vary by role category due to differences in workforce composition and job responsibilities across operational and professional functions. Overall, the organisation continues to monitor compensation structures to support equitable remuneration practices.

7.4.4 Empowering Emiratis Through Emiratisation:

FPIG supports local workforce participation in the UAE through recruitment practices aligned with national labour policies and Emiratisation frameworks. National talent development is integrated into the organisation's recruitment strategy, which prioritises fair hiring practices and the creation of opportunities for Emirati employees across operational and professional roles.

Table 14 - Emirate-specific Emiratisation

Emiratization	2023	2024	2025
GEI	8.49%	11.21%	12.40%
FPIG Abu Dhabi	9.62%	11.48%	11.29%
FPIG Dubai	N/A*	N/A*	2%

*Note: Does not apply to FPIG Dubai for 2023 – 2024 to hire an Emirati.

Emiratisation levels vary across entities due to differences in operational structure and regulatory requirements. However, gradual increases across locations demonstrate continued alignment with national workforce development objectives.

7.4.5 Employee Representation and Collective Bargaining

Employee representation rights are respected in accordance with applicable national legislation. In the United Arab Emirates, collective bargaining and trade unions are not permitted under labour law and therefore do not apply to FPIG's UAE operations. In business units located in countries where collective bargaining is legally recognised and where FPIG operates, employees are represented by active trade unions through legally binding CBAs in accordance with national legislation and applicable agreements. In the Netherlands, approximately 98% of employees are covered under the OWASE Collective Labour Agreement (CAO), which establishes legally binding minimum employment conditions, including wages, working hours, safety, and training. The CAO is renegotiated every 12-24 months.

7.4.6 Performance Management and Objective Alignment

To reinforce fairness and accountability across the organisation, we strengthened our Performance Management and Objective Alignment Framework to better connect individual contributions with strategic and financial priorities in 2025. The framework includes a formal performance management policy, structured annual performance reviews, and a balanced evaluation model that assesses both objective achievement and alignment with organisational values.

By aligning employee objectives with corporate targets, the framework supports operational efficiency, improves execution quality, and helps direct resources toward high-impact activities. Clear expectations and structured performance discussions also reduce misalignment risks and enhance workforce engagement, both of which contribute to stable margins and long-term business performance.

High completion rates of 83% indicate strong implementation of the performance management framework across the organisation, supporting clearer objective alignment and accountability. For the breakdown of the performance management in FPI, please refer to Table 48 in Appendix 1. Looking ahead, we aim to further improve the quality of performance discussions and strengthen the link between performance outcomes and reward mechanisms. This will be supported by HR systems, manager guidance, and clear governance structures.

7.4.7 Employee Well-being and Engagement Initiatives

We recognise that an inclusive workplace extends beyond policies to how employees feel supported, engaged, and connected. In 2025, we launched an Employee Well-being and Engagement Programme to support physical, mental, and social well-being across our workforce. Key actions included implementing well-being initiatives across sites and corporate functions, delivering engagement activities to strengthen morale and connections, and promoting participation through regular communication and awareness campaigns.

In 2025, engagement initiatives included cultural celebrations, wellness programmes, sports activities, community volunteering, and employee recognition initiatives across multiple Business Units. Cultural events such as Pongal celebrations in India and Saudi Foundation Day in KSA provided opportunities for employees to celebrate regional traditions and strengthen cross-cultural understanding. Similarly, initiatives marking International Women's Day and International Men's Day encouraged dialogue on inclusion and recognition of employee contributions.

Community-focused initiatives also formed a key component of engagement programmes. Examples included beach clean-up activities in Oman, tree-planting initiatives with local authorities, blood donation campaigns in Qatar, UAE and KSA, and charity-driven programmes such as the UAE Ramadan donation campaign and back-to-school initiatives supporting orphaned children in Saudi Arabia.

Health and wellness initiatives were implemented to support both physical and mental well-being. These included mental health awareness sessions, wellness campaigns, hearing conservation programmes, sports activities, and CPR/AED certification training conducted as part of the Dubai Heart Safe City campaign. In addition, a Mood Meter feature was introduced within the HRMS platform to encourage employees to regularly reflect on their emotional well-being.

Recognition initiatives also contributed to employee engagement. FPIG Dubai was shortlisted as a finalist in the Employee Happiness Awards UAE 2025 under the categories of Best Employee Wellness Initiative and Best Community Impact Initiative.

In addition, a Group-wide Corporate Environmental Day initiative invited employees and their families to participate in a virtual recycling art competition using recycled materials, promoting environmental awareness and cross-functional engagement across Business Units. These initiatives collectively contributed to strengthening employee engagement, promoting well-being, and reinforcing FPIG's inclusive workplace culture.

The annual survey, conducted in January 2025, reached employees across all business units and corporate functions. The survey comprised 112 questions across 16 cultural dimensions, deployed via a third-party platform to ensure confidentiality. A total of 302 employees responded, reflecting continued engagement across the organization. The overall agreement score for 2025 was 74.2%, indicating a stable level of employee alignment with the company's culture and values while highlighting opportunities for further improvement in key areas.

7.4.8 Human Rights and Fair Labour

FPIG demonstrates a strong commitment to human rights by embedding these principles within its Code of Conduct & Business Ethics, which extends to suppliers and business partners. Any suspected violation of our Code of Conduct is investigated, and violations result in swift action. The organisation adheres to the principles of the Universal Declaration of Human Rights and the conventions of the International Labour Organisation. We fully comply with labour relations regulations, which address critical issues such as the employment of minors, human trafficking, forced labour, and non-discrimination. These legal requirements also apply to our vendors, suppliers, and partners, ensuring that human rights are respected throughout our value chain. We ensure that, in addition to its regional operations, each of our international business units operates in full compliance with the laws and regulations of its respective jurisdiction.

Human rights principles are addressed within the mandatory Code of Conduct training, delivered through the company's learning management system (LMS), helping employees understand expected standards of behaviour and recognize potential risks. Based on the analysis of Speak Up grievances, FPIG had zero human rights violations in 2025

The workforce profile presented in the table below further reflects the organisation's approach to fair labour practices and inclusive employment. Female representation increased from 5% in 2023 to 6.3% in 2025, demonstrating gradual progress toward the 2026 target of 7% and indicating continued efforts to strengthen gender diversity across the workforce. The age distribution table in Table 45 in Appendix 1 also reflects a balanced workforce structure, with the majority of employees within the 31–49 age group, while the number of employees under 30 increased significantly from 390 in 2023 to 620 in 2025, highlighting a growing pipeline of younger talent entering the organisation. Together, these trends demonstrate FPIG's commitment to fair employment practices, equal opportunity, and workforce development, while maintaining compliance with labour standards and human rights principles across its operations.

Table 15 - Diversity, Inclusion, and Human Rights Summary Table

KPI	Sub KPI	2023	2024	2025	Target	Trend
Corporate Culture Survey (%)		74.4%	75.6%	74.2%	76%	↓
Total Employees (%)	Male	95%	94%	93.7%	93%	↓
	Female	5%	6%	6.3%	7%	↑

7.5 Supplier Engagement and Responsible Sourcing

At FPIG, we recognise that our suppliers play a critical role in delivering our sustainability objectives. Our suppliers are important partners in delivering our products and services. Supplier selection is primarily based on commercial and operational criteria, including price competitiveness, quality, value, and location. Suppliers are also expected to adhere to our Supplier Code of Conduct, which outlines our standards for ethical and responsible business practices. Responsible sourcing practices contribute to operational continuity and financial resilience by supporting supplier reliability, pricing stability, and compliance with customer procurement requirements. Supplier Labour, Human Rights, or Environmental non-compliance can result in operational disruption, requalification and audit costs, and may affect our ability to meet customer procurement standards. Such incidents may also expose FPIG to reputational damage, potentially affecting customer trust, contract renewals, and market positioning. To mitigate these risks, FPIG integrates ESG and HSSE requirements into supplier evaluation and monitoring processes.

Table 16 - ESG-Rated Supplier

Year	2023	2024	2025
Percentage of ESG-rated suppliers	12%	12%	13%

*Percentage is calculated based on the EcoVadis scoring methodology. Suppliers with an EcoVadis score above 45 are classified as "certified" for reporting purposes.

The proportion of ESG-rated suppliers increased to 13% in 2025, reflecting gradual progress in integrating sustainability considerations into supplier assessments.

Supplier Engagement and Assessments

Our approach to supplier engagement is designed to promote responsible business conduct, align expectations on health and safety, environment, human rights, and ethics, and progressively strengthen ESG integration across procurement and supplier management processes. Initial supplier engagement has focused on embedding ESG-related considerations into our supplier evaluation processes and encouraging supplier participation in materiality assessments supporting our ESG reports. In parallel, we maintain ongoing dialogue with selected suppliers on innovation topics, including the use of bio-resins and low-emission materials.

In 2025, supplier ESG assessments were conducted using baseline evaluation criteria applied during the 2024-2025 reporting cycle. Assessment criteria include: ESG ratings and scores, ESG certifications and policy commitments, and Environmental Product Declarations (EPDs) wherever available.

Supplier Standards, Ethics, and Human Rights

We require suppliers to align with our expectations by adhering to the Supplier Code of Conduct (SCOC), which sets standards related to health and safety, human rights, labour practices, and ethical conduct. In 2025, 93% of our suppliers formally signed the Supplier Code of Conduct. The remaining suppliers operate under their own Code of Conduct, which addresses equivalent ethical and labour standards.

FPIG maintains a Human Rights Policy Framework embedded within our ESG policy, Code of Conduct, and Business Ethics framework. These expectations extend to suppliers and business partners, ensuring consistent standards across the value chain. During the reporting period, no contracts with business partners were terminated or not renewed due to any corruption-related violations, and no significant actual or potential negative social impacts were identified within the supply chain.

Table 17 - Supplier ESG Screening

Suppliers screened using environmental and social criteria*	99
Percentage of Suppliers assessed*	92%

*Raw Material and Trading goods suppliers

A high screening rate indicates that most key suppliers are evaluated using environmental and social criteria, supporting responsible sourcing practices and supply-chain risk management.

Local Sourcing

We actively promote local sourcing as part of our responsible procurement approach. Increasing engagement with local suppliers supports national development objectives, strengthens supply-chain resilience, and contributes to lowering emissions within our value chain. Table 49 in Appendix 1 contains the breakdown for Local Suppliers for the past 3 years.

A key priority in all regions we operate is to increase the number of local suppliers, which enhances In-Country Value (ICV) performance while also reducing transportation-related emissions and therefore, positively influencing product carbon footprint. The table below contains the local sourcing percentages for countries where we operate:

Table 18 - Certified Local Sourcing by Country

Countries	Certified Local Sourcing Percentage
UAE ICV (FPIG)	55.54%
UAE ICV (Gulf Eternit Industries)	54.95%
KSA	28.37%
Qatar	26.86%

Future Roadmap and Continuous Improvement

Looking ahead, we plan to strengthen our supplier ESG framework. From 2026, planned actions include:

- Initiating Scope 3 GHG data screening through the Scope 3 Evaluator tool.
- Expanding supplier ESG assessment criteria to include greenhouse gas emissions data and climate-related targets.
- Introducing ESG due diligence processes and supplier audits as monitoring tools for social sustainability within the value chain.

Over a five-year horizon, we aim to transition towards a more structured and proactive supplier engagement programme, with a clear focus on value-chain decarbonisation, low-emission materials, and product sustainability. This approach is intended to enable deeper collaboration with strategic suppliers and support long-term business resilience.

Table 19 - Supplier Engagement and Responsible Sourcing Summary Table

KPI	2023	2024	2025	Trend
Percentage of ESG-rated suppliers*	12%	12%	13%	↑
Percentage of Local Suppliers (RM and Trading goods)	58%	56%	71%	↑
Number of Local Suppliers	63	60	77	↑

*Percentage is calculated based on the EcoVadis scoring methodology. Suppliers with an EcoVadis score above 45 are classified as "certified" for reporting purposes.

7.6 Communities & Social Impact

We recognise that our long-term success is closely linked to the well-being of the communities in which we operate. In 2025, our community engagement and Corporate Social Responsibility (CSR) initiatives focused on environmental stewardship, healthcare access, food security, education support, and social well-being, implemented in partnership with local organisations and community institutions across our operating regions. These initiatives are aligned with relevant UN SDGs and reinforce our commitment to responsible corporate citizenship.

Environmental initiatives included activities such as beach clean-up campaigns, tree planting programmes, and World Environment Day engagement activities. For example, employees in Oman participated in coastal clean-up efforts aimed at reducing marine pollution and raising awareness of responsible waste management, while teams in Qatar organised environmental awareness initiatives to promote sustainable practices within the community.

Community health and humanitarian initiatives also formed an important component of FPIG's CSR activities. During the year, blood donation drives were organised in collaboration with local healthcare institutions to support patient care needs, while food donation campaigns were conducted in partnership with organisations such as the Saudi Food Bank and Thrift for Good UAE to support vulnerable families during key cultural periods, including Ramadan.

In addition, FPIG implemented several social and community development initiatives focused on strengthening partnerships with local organisations and supporting education and social welfare programmes. These initiatives included community donation drives, environmental volunteering programmes, and collaborative projects with non-profit organisations across the regions in which FPIG operates.

Collectively, these initiatives contribute to strengthening stakeholder relationships and demonstrating how community investment supports both societal well-being and sustainable enterprise value creation, while also encouraging employee engagement through volunteer opportunities.

Table 20 - Community and CSR Engagement

Metric	Year
Annual Spend on Community Development and CSR	$21,934.39
Number of Initiatives	15
Employee Volunteering/Participation Hours	13,776*
Number of Participants	≈287

*Actual hours of CSR initiatives x number of volunteers





7.7 Financial effects of social performance

FPIG's social performance—particularly in areas such as workforce stability, occupational health and safety, and employee development—has direct implications for the organisation's financial performance and future cash flows. A stable and well-trained workforce supports productivity, operational reliability, and the timely delivery of projects across manufacturing and operational sites. Conversely, workforce disruptions, high turnover, or safety incidents can result in operational downtime, reduced productivity, and increased recruitment, training, and onboarding costs.

Health and safety performance also influences insurance premiums, claims exposure, and compliance costs. Workplace incidents may lead to medical expenses, compensation claims, or regulatory penalties, while strong safety performance helps reduce these risks and supports cost control over time. In addition, compliance with labour standards and human rights expectations reduces the likelihood of legal exposure and reputational damage that could affect market access or customer relationships.

Social performance can also influence FPIG's commercial competitiveness. Many customers and procurement frameworks increasingly assess suppliers based on health and safety practices, workforce management, and labour standards as part of tender qualification and contract renewal processes. Maintaining strong social performance, therefore, supports eligibility for customer contracts and strengthens FPIG's position in competitive bidding processes.

Overall, effective management of social risks and opportunities contributes to operational continuity, cost efficiency, tender competitiveness, and long-term business resilience, reinforcing the link between responsible workforce management and sustainable financial performance.

Governance & Ethical Foundations



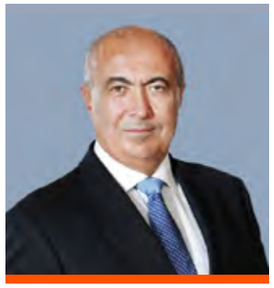
08



8.1 Governance Structure and Oversight

The Board of Directors serves as the highest governing and decision-making body of FPIG. It comprises both executive and non-executive members, including one woman and four men, with three members serving as Non-Executive Directors (NEDs).

FPIG Board of Directors:



Fouad Makhzoumi
Executive Chairman



May Makhzoumi
Non-Executive Director



Dr. Nasser Saidi
Executive- Vice-Chairman (FPIGL) & Audit & Risk Committee Chairman



Dr. Omar Ashur
Non-Executive Director (FPIGL) and (ARC member)



Dr. Ibrahim Mahlab
Independent Non-Executive Director (FPIGL) and (ARC Member)

The Board is responsible for guiding FPIG's overall strategy and performance, ensuring alignment with the company's purpose, values, and sustainability objectives. It also oversees the periodic review and update of these values and strategies, while monitoring key risks and opportunities, including climate-related risks and opportunities. While we have not yet implemented a formal Board evaluation system, the Board actively reviews ESG assessments to steer our governance improvements.
To ensure accountability, we utilise specialised committees:

- Audit and Risk Committee (ARC): oversees internal controls, risk management, financial reporting, and compliance effectiveness, including review of the annual risk register and alignment with strategic objectives and risk appetite
- Whistleblowing Committee: ensures all integrity concerns, whether raised internally or by third parties, are handled independently and confidentially, without retaliation, with oversight of the SpeakUp platform and related investigations
- ESG Committee: Oversees materiality assessments and ensures the accuracy of our reporting.

8.1.1 Sustainability Governance

Our ESG execution is driven by a cross-functional leadership model. The Head of Sustainability leads the Group's ESG strategy, including the development of sustainability metrics and reporting, integration of ESG and climate-related risks, the decarbonization policy and roadmap, and greenhouse gas (GHG) accounting to support the Group's Net Zero ambition.

The Environmental Specialist is responsible for environmental governance and for developing Group-level environmental procedures and the Group's unified Global Environmental Management System (EMS). This role also provides guidance to business units to ensure compliance with environmental regulations.

Both the Head of Sustainability and the Environmental specialist report to the Vice President of HSSE and Sustainability, who provides overall oversight of safety, security, environmental, and sustainability performance across the Group. At the site level, Local ESG Champions support the implementation of sustainability initiatives and promote best practices.

In parallel, the Employee Experience Manager and the Training & Development Manager report to the Vice President of People & Culture and play a key role in embedding sustainability into employee engagement, learning programs, and the broader organisational culture.

The FPIG ESG Policy serves as the Group's overarching framework for ESG governance, integrating environmental, social, and governance principles into strategy, risk management, and operational practices. The policy aligns with globally recognised frameworks such as the UNGC and the UN SDGs, while also supporting compliance with relevant regulatory requirements across all jurisdictions in which the Group operates.

This framework is designed to ensure clear accountability, effective oversight, and robust management of sustainability risks and data throughout the organisation.

ESG data is subject to a multi-layer verification process, including business unit-level validation against supporting documentation, central completeness and consistency checks, and analytical review by the Sustainability function to identify anomalies and data gaps. FPIG continues to enhance data validation processes and supporting documentation practices across the Group.

ESG accountability is embedded across functions, with KPI ownership assigned at both corporate and business unit levels.

Internal Audit reviews ESG disclosures and provides independent feedback as part of the Group's governance framework. It also supports the consolidation of ESG-related risks and their integration into the Enterprise Risk Management (ERM) framework.

8.1.2 Role of the Board and Management

The Board of Directors and Senior Management provide strategic oversight and leadership to ensure the effective integration of sustainability, environmental protection, safety, quality, and ESG principles across the organisation. The Board, through executive leadership, endorses key policies including Environmental, Decarbonisation, Occupational Health and Safety, and ESG-related frameworks, ensuring alignment with corporate strategy, regulatory requirements, and stakeholder expectations. Senior Management is responsible for translating these commitments into operational actions by allocating resources, establishing governance structures, monitoring performance against defined targets and KPIs, and overseeing risk management related to air pollution, climate change, occupational health, and responsible sourcing. Management functions—including HSSE, Sustainability, Procurement, People & Culture, Compliance, and Finance—collaborate to implement policies, conduct training and awareness programs, monitor emissions and supplier ESG performance, ensure compliance, and drive continuous improvement. Regular reporting to senior leadership and ESG governance bodies supports transparency, accountability, and informed decision-making in advancing the Group's sustainability objectives. ESG KPIs are reviewed annually by the Audit & Risk Committee, and the ESG report is approved by the Board of Directors.

8.2 Ethics, Compliance, & Integrity

At FPIG, ethical behaviour and responsible decision-making are central to the way we operate. Our organisational culture is guided by FPI's core values—Integrity, Trust, Courage, Accountability, Agility, and Safety—which influence how we collaborate, manage risks, and operate across our global footprint. These values promote transparency, mutual respect, and responsible ownership of decisions, while fostering a safe and accountable environment for our employees, partners, and the communities in which we operate.

This commitment is further reinforced through FPIG's participation in the UNGC and its adherence to the Ten Principles covering human rights, labour standards, environmental responsibility, and anti-corruption. These principles guide our policies and operational practices and help embed responsible business conduct into our strategy and day-to-day activities.

Our Code of Conduct and Business Ethics Policy establishes clear expectations for both employees and business partners. They prohibit bribery and improper payments, require the disclosure and appropriate management of conflicts of interest, and set standards for fair, transparent, and responsible business practices. Employees are also required to safeguard confidential information, protect company assets, and comply with all applicable laws and regulations in the jurisdictions where we operate.

To strengthen accountability and transparency, FPIG provides confidential reporting channels through the SpeakUp platform, enabling employees and stakeholders to raise concerns or report potential violations. All reports are reviewed and addressed in line with established compliance procedures. In 2025, FPIG received 68 reports, of which 46 have been reviewed and closed, with the remaining cases under review.

Together, these values, policies, and international commitments help ensure that integrity, transparency, and responsible business conduct remain embedded in FPIG's culture and governance framework.

8.2.1 Compliance Framework

FPI's compliance function has evolved from a traditional control mechanism into a central pillar of the Group's governance structure. Built around four core pillars, the framework now serves as a risk-based, system-enabled model guiding ethical conduct, third-party due diligence, and regulatory compliance across the organisation. Compliance Roll-out: As part of the Group's broader compliance transformation, the Legal function developed a structured policy framework in 2025 to establish consistent standards of behaviour and business conduct across all regions and operations. The framework includes key policies, including the Data Privacy Policy, Cookies Policy, Anti-Bribery and Gifts Policy, Antitrust and Competition Compliance Policy, and the Confidentiality and Information Security Policy. These policies have been drafted and are currently under review by the Board.

At the same time, the Group has begun developing a comprehensive Compliance and Business Integrity Program. This initiative includes strengthening the policy framework, followed by implementation, monitoring, and integration of the program into day-to-day operations throughout 2026.

8.2.2 Anti-Corruption and Fair Competition

FPIG adopts a zero-tolerance approach to corruption in any form. Bribery, corruption, and facilitation payments are strictly prohibited by us.

This includes both the giving and receiving of bribes, as well as involvement in any corrupt activities. We have adopted necessary preventive measures to avoid situations that could lead to bribery and corruption. Our stringent policies are designed to prevent bribery, conflicts of interest, and unethical practices. These measures extend to all levels of our operations, including suppliers and customers. Any violation triggers a thorough investigation followed by appropriate action. Anti-Corruption training was conducted for the employees and suppliers of FPI. In 2025, FPIG recorded zero confirmed cases of corruption, reflecting our strong commitment to integrity. Several whistleblowing reports remain under internal investigation.

Further, we are committed to maintaining fair competition in the marketplace by prohibiting practices such as price-fixing, unfair competition, and deceptive advertising. All employees are informed of, and required to comply with, the relevant competition laws, and the FPIG's Legal Department is available to offer guidance and advice on any sensitive competition-related issues. We can proudly confirm that no legal action has been taken against us for anti-competitive behaviour or monopoly practices

8.2.3 Data Protection and Information Security

We are committed to protecting the confidentiality, integrity, and availability of our information assets through robust data protection and information security practices. Aligned with internationally recognized standards such as Information Security Management Systems ISO/IEC 27001:2022, we implement structured controls to manage risks, safeguard sensitive data, and prevent unauthorized access. Through secure system design, access management, encryption, regular backups, and employee awareness programs, we strengthen our digital resilience and ensure responsible handling of information across our operations and stakeholder interactions.

8.2.4 Responsible Marketing and Product Transparency

We recognise that integrity extends beyond internal conduct to how we represent our products and services in the marketplace. Responsible marketing is achieved through clear guidelines governing how products and services are promoted across all channels. All marketing and labelling materials are subject to defined internal review processes to ensure that information is accurate, transparent, and compliant with applicable brand and regulatory requirements.

Cross-functional reviews involving technical and production teams validate product claims before release, ensuring that statements, labels, etc., are consistent with product specifications. Standardised brand guidelines and periodic reviews further safeguard brand reputation, support customer trust, regulatory compliance, and long-term success.

Throughout 2024–2025, the Marketing and Communications teams worked closely with the ESG function to strengthen internal oversight of sustainability-related claims. This collaboration aims to enhance alignment with evolving regulatory expectations, including emerging frameworks addressing greenwashing and sustainability claims within the European Union, as well as relevant requirements in other jurisdictions where we operate.

In parallel, training sessions were delivered to sales and marketing teams to build awareness of responsible communication practices and the appropriate use of sustainability-related terminology. These measures help minimise the risk of misleading claims while promoting transparent and credible communication with customers and stakeholders.

8.3 Stakeholder Engagement and Decision-Making

We engage with our stakeholders through structured and transparent channels to ensure their perspectives are integrated into our ESG strategy and decision-making. We engage with our Board through ARC meetings, while shareholders and potential investors are informed through our Integrated and Sustainability Reports. We maintain ongoing engagement with regulators via government portals and actively engage employees through sustainability reporting, materiality surveys, Viva Engage, SpeakUp mechanisms, annual culture surveys, and targeted training. Our customers and suppliers are engaged through sustainability disclosures, materiality surveys, customer satisfaction surveys, and ESG rating platforms such as EcoVadis. We engage banks through sustainability reporting and ESG rating agencies and work closely with local communities through in-person interactions and materiality surveys. Where applicable, we engage with trade and labour unions through Collective Bargaining Agreements. In addition, we actively engage in ESG-related industry events, conferences, and panel discussions, and collaborate with research and innovation centres and educational institutions that promote composite materials and develop and lead composite pipe standards, thereby supporting education, research, and innovation.





We have a working partnership with King Abdullah University of Science & Technology (KAUST) to expand the industrial application of non-metallics, and we continue our work with the National Composite Centre (NCC) and the Non-metallic Innovation Centre (NIC) to develop next-generation pipeline technologies.

Our commitment to corporate responsibility and the energy transition is further formalised through memberships in the UNGC UAE and the Clean Energy Business Council (CEBC). By combining the R&D partnerships with KAUST and our participation in global sustainability frameworks, we ensure our innovation pipeline supports both technical excellence and our long-term ESG commitments.

In Oman, we partnered with Recycling Services L.L.C. to support responsible waste management by recycling plastics, cardboard, tyres, steel scrap, and wood generated from our operations. We also strengthened our clean energy transition through a 25-year rooftop solar lease agreement with TotalEnergies Renewable Solutions at our Abu Dhabi facility, to deliver 1.6 MWp of renewable power directly to our operations.

Our commitment to innovation and industry collaboration was recognised during the certification ceremony at the Hydrogen Technology World Expo in Hamburg in October 2025, where our hydrogen transport composite material was certified by TÜV SÜD.

In addition, our long-standing partnership of more than 20 years with Fincantieri, a cruise vessel manufacturer, was celebrated when FPIG received an ESG Award at the Fincantieri Supplier Awards, recognising how our GRE pipe solutions support Fincantieri's sustainability objectives.

Materiality, key ESG Risks and Opportunities



09



9.1 Materiality Assessment

FPIG conducted a comprehensive materiality assessment in 2025 to identify and prioritise sustainability topics that are most significant to its long-term value creation, stakeholder trust, and business resilience. In addition to assessing environmental and social impacts, the 2025 process placed stronger emphasis on financial materiality — evaluating how ESG topics may influence revenue continuity, tender competitiveness, operating costs, regulatory exposure, insurance conditions, and access to capital over the short, medium, and long term. Throughout our lifelong operations, stakeholder engagement remains a key input into operational decision-making and strategic planning. Our activities affect and are influenced by a wide range of stakeholders across the value chain, including employees, suppliers, customers, regulators, and capital providers. The assessment, therefore, considered FPIG's global manufacturing footprint, sector exposure, evolving procurement expectations in infrastructure and energy markets, and increasing regulatory scrutiny on ESG performance.

Engagement channels in 2025 included a combination of surveys, operational and strategic meetings, and informal dialogue. These channels help gather insights into ESG priorities, stakeholder expectations, emerging risks, and opportunities for growth and improvement, while reflecting differing levels of stakeholder influence and interest. Stakeholder engagement formed a central component of the assessment process, and they were asked to assess the relative importance of identified ESG topics using a qualitative scale reflecting the perceived significance of each topic, ranging from Negligible to Major. Responses were consolidated and analysed to capture a balanced view of stakeholder priorities across the value chain.



FPIG applies an organised materiality methodology to prioritise ESG topics that are most relevant to our operations, value chain, and business success. A broad set of ESG topics was identified, which captures the potential environmental, social, and governance impacts across the organisation's activities and sector. This ensured that the scope of the assessment reflected both external expectations and internal strategic considerations. Since FPIG's operating scope is a provider of composite piping solutions to infrastructure, energy, and industrial markets, materiality topics from the oil and gas sector were also considered, which could have an impact on FPIG. A risk-based scoring approach is used to assess the significance of each topic, considering its impact on both Business Success and Environment and People. In 2025, weight was also given to topics that directly influence commercial outcomes, particularly those affecting project qualification, customer due diligence requirements, operational continuity in safety-critical environments, and exposure to compliance-related penalties or disruptions. As a result, the materiality assessment not only identifies areas of impact but also clarifies where ESG performance most directly protects revenue, margins, and long-term market positioning. The outcomes of this assessment are consolidated, and a heat map is created, which highlights the most material ESG topics.

Material Topics, Boundaries, and Rationale

The 2025 materiality assessment identified a set of ESG topics that are most relevant to FPIG and its stakeholders. These topics represent areas where FPIG has significant impacts, faces material risks or opportunities, or can influence long-term value creation through its operations and value chain. In 2025, the assessment demonstrated a clearer convergence between ESG performance and commercial performance. Occupational health and safety, asset integrity, and customer health and safety were prioritised not only for their human impact but also because performance in these areas directly affects project continuity, insurance exposure, and customer confidence in high-risk operating environments. Similarly, anti-corruption, environmental compliance, decarbonization, circularity, and safety performance topics remain central to participation in public and regulated tenders, where ESG performance can determine eligibility and market access. Sustainable supply chain management has gained further importance as customers increasingly embed ESG due diligence into procurement processes, making supplier qualification dependent on demonstrable controls and transparency.

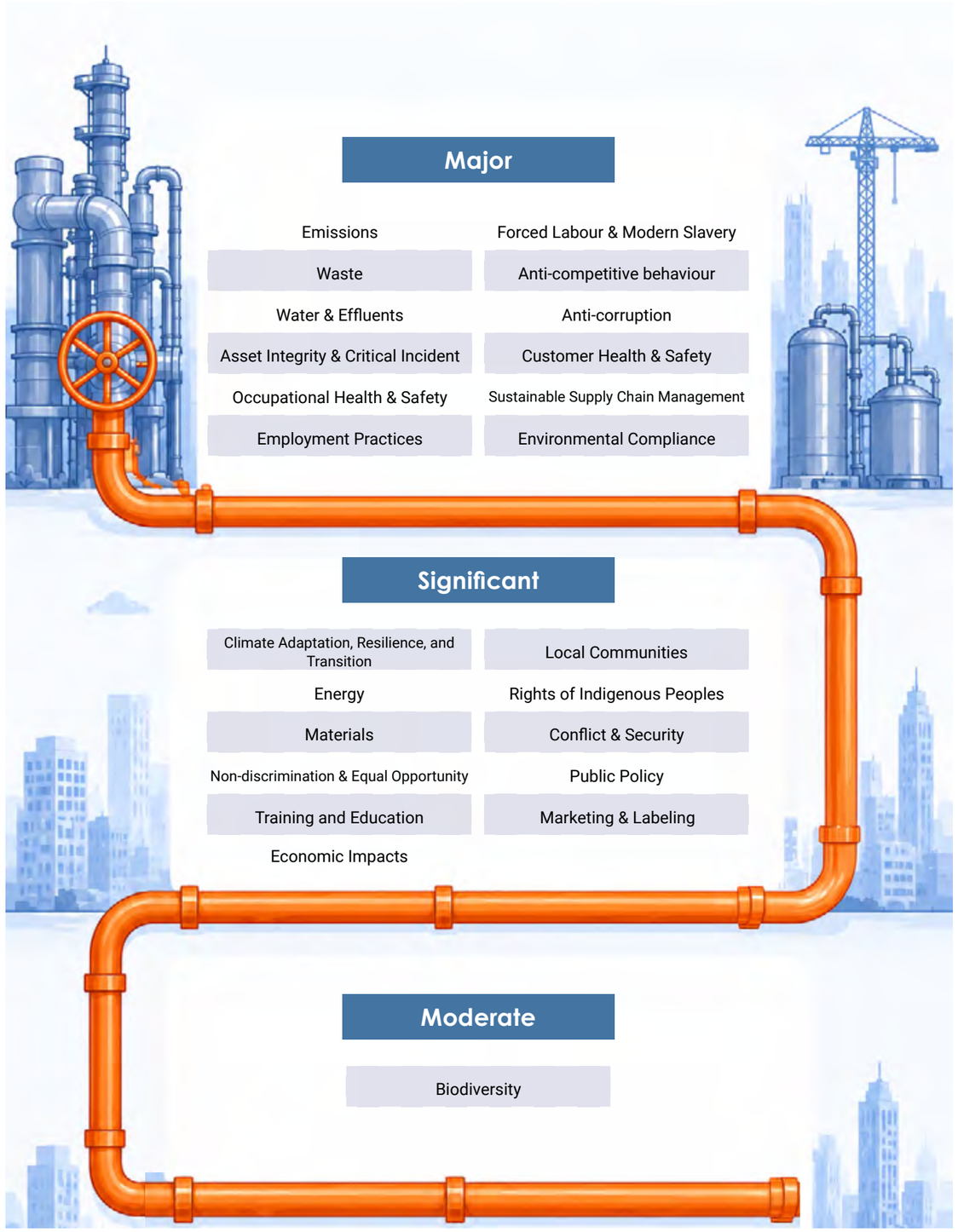
Climate-related topics, including emissions management and climate adaptation, were further reinforced in 2025. This reflects growing alignment between customer decarbonisation commitments, including Net Zero mandates, evolving regulatory expectations, and investor focus on transition risk. While the operational footprint of FPIG remains central to these discussions, the financial dimension is increasingly relevant to strategic planning and expected future changes.

For each material topic, FPIG considered the boundaries of impact across its own operations and, where relevant, to its upstream and downstream value chain. This includes assessing which stakeholder groups may be affected and where FPIG has direct control, shared responsibility, or the ability to influence outcomes through policies, supplier engagement, and collaboration. Topics were deemed material based on their significance to FPIG's long-term value creation, the scale and likelihood of impacts on people and the environment, stakeholder expectations, and the potential for regulatory, operational, or reputational risks.

The materiality grading presented in the table below reflects the relative importance of these topics based on their potential impacts and strategic relevance. Topics classified as Major represent areas where FPIG's operations have the most significant implications and where strong performance is essential for operational continuity, regulatory compliance, and customer trust. These include critical operational risks such as occupational health and safety, emissions, environmental compliance, Anti-corruption, etc. These grades reflect FPIG's commitment to fair standards, responsible employment practices, compliance with regulations, and reducing its environmental footprint.

Topics grading as significant capture areas where FPIG has meaningful influence, including climate adaptation, workforce development, and conflict & security, etc. These areas are increasingly important as customers, investors, and regulators expand expectations around transparency and responsible business practices. Finally, Moderate topics represent impacts that are currently less direct or where the scale of FPIG's operational influence is comparatively limited, such as biodiversity considerations.

Looking ahead, FPIG will continue strengthening the integration of material ESG topics into enterprise risk management, bid processes, and capital allocation discussions, etc. As customer and regulatory expectations evolve, the materiality process will remain dynamic, ensuring that emerging risks and opportunities are captured early and reflected in strategy, operations, and disclosures.



9.2 Integration with Enterprise Risk Management (ERM)

To strengthen integration between sustainability oversight and enterprise risk management, FPIG has aligned its ESG material topics with the Group's ERM risk categories. The top ESG priorities identified through the annual GRI-aligned materiality assessment are mapped to the Group's established enterprise risk management framework to ensure consistent risk identification, oversight, and accountability. This alignment enables sustainability-related risks to be captured and monitored within the same governance structure as other strategic, operational, market, legal, and compliance risks, clarifies primary and secondary ERM linkages, and supports prioritisation of controls and mitigation actions across corporate and business unit risk registers.

ESG risks, including climate-related risks, are integrated into the Group's Enterprise Risk Management (ERM) framework and monitored through the risk register. Key ESG-related risks are monitored through defined metrics and are subject to Board-level oversight through the Audit and Risk Committee.

While material topics are defined at the group level, risk exposure — particularly in areas such as health and safety, environmental compliance, and acute physical climate risks — varies across business units and operating sites. Accordingly, mitigation measures are defined and implemented at the appropriate site or business unit level, ensuring that location-specific risk profiles are addressed within the broader Group governance framework.

Table 21 - Material Topics and ERM Integration

Material ESG Topic	ERM-Aligned Risk Implication	Primary ERM Category	Secondary ERM Category	Examples of ERM-Identified ESG Risks
Occupational Health & Safety	Risk of workplace incidents or unsafe conditions leading to injury, liability exposure, operational disruption, tender exclusion, reputational loss and increased insurance costs	Operational Risk	Legal and Compliance Risk Strategic Risk Market Risk Human Resources Risk	Health and Safety violations Non-compliance with customer ESG standards and requirements Low ESG Ratings
Emissions and Climate Change	Risk of carbon pricing, non-compliance with emissions limits or climate regulations leading to penalties, customer disqualification, tender exclusion and loss of competitiveness and increased operating costs	Strategic Risk	Legal and Compliance Risk Strategic Risk Operational Risk Market Risk	Carbon taxes, Cap-and-trade, CBAM exposure Non-compliance with climate laws and regulations Non-compliance with customer ESG standards and requirements, change in customer preference Product and Technological Innovation Risk Low ESG Ratings Sustainability Claims non-compliance
Energy	Risk of inefficient energy use, failure to adopt clean energy and energy price volatility leading to increased operating costs, lower ESG ratings	Operational Risk	Market Risk	Non-compliance with customer ESG standards and requirements Product and Technological Innovation Risk Low ESG Ratings
Waste	Waste disposal non-compliance leading to penalties and loss of license. Failure to comply with regulatory and customer expectations for waste reduction and circularity leading to environmental degradation, reputational loss and tender exclusion	Legal and Compliance Risk	Strategic Risk Operational Risk Market Risk	Environmental non-compliance Non-compliance with customer ESG standards and requirements Low ESG Ratings
Water & Effluents	Failure to meet discharge standards, conduct mandatory testing, or maintain permits may result in contamination, penalties, restrictions, and reputational impact. Reduced freshwater availability in water-stressed regions may disrupt operations and increase operational costs	Legal and Compliance Risk	Operational Risk	Environmental non-compliance Low ESG Ratings
Asset Integrity & Critical Incident Management	Risk of equipment or asset failure or operational control potentially resulting in critical safety incidents or operational disruption. The effectiveness of preventive controls and incident preparedness influences the organisation's ability to respond and recover from such events.	Operational Risk	Legal and Compliance Risk	Acute Physical Climate risk: Extreme Heat, Flash flood, Extreme Storms (relevant to asset resilience) Health and Safety violations Low ESG Ratings
Non-Discrimination & Equal Opportunity	Risk of discriminatory practices leading to legal claims, reputational damage, or reduced talent attraction and retention	Human Resources Risk	Legal and Compliance Risk Strategic Risk Operational Risk Market Risk	Labour non-compliance; Human Resources – Teamwork, Performance, Scarcity of talents and retention, succession Corporate culture: Integrity & Ethics Low ESG Ratings
Forced Labour & Modern Slavery	Risk of supplier labour violations leading to customer audit failures, legal exposure, or supply chain exclusion	Legal and Compliance Risk	Market Risk	Labour non-compliance ESG-related issues in the company or its supply chain
Training & Education	Risk of insufficient workforce capability leading to quality issues, operational errors, or reduced productivity	Human Resources Risk	Operational Risk	Human Resources – Teamwork, Performance, Scarcity of talents, Retention, Succession
Economic Impacts	Risk of adverse macroeconomic or industry conditions leading to demand shifts, margin pressure, or resource constraints. Green economy transition impacts.	Strategic Risk	Market Risk	Strategic Alignment Product and Technological Innovation Risk Change in customer preference
Conflict & Security	Risk of geopolitical instability or conflict-related disruptions affecting supply chains, market access, and operational continuity. Crisis management preparedness influences the organisation's ability to respond to disruption events.	Strategic Risk	Operational Risk Market Risk	ESG-related issues in the supply chain (security-driven disruption) Strategic Alignment Health, Safety and Security
Anti-Corruption	Fraud and bribery risk or unethical conduct leading to legal penalties, financial and reputational loss	Legal and Compliance Risk	Strategic Risk	Internal Fraud Corporate culture: Integrity & Ethics Low ESG Ratings
Customer Health & Safety	Risk of product non-conformance leading to customer harm, liability exposure, or loss of certifications	Operational Risk	Strategic Risk Market Risk Legal and Compliance Risk	Health and Safety violations (customer-facing context) Low ESG Ratings

Material ESG Topic	ERM-Aligned Risk Implication	Primary ERM Category	Secondary ERM Category	Examples of ERM-Identified ESG Risks
Sustainable Supply Chain Management	Risk of supplier non-compliance, human rights or ethics violations, or delivery disruption leading to delays, cost increase, or reputational loss	Operational Risk	Market Risk	ESG-related issues in the company or its supply chain Sourcing – Suppliers' background Low ESG Ratings
Environmental Compliance	Environmental non-compliance leading to penalties, operational restrictions, reputational harm and licence loss	Legal and Compliance Risk	Operational Risk Strategic Risk	Environmental non-compliance; ESG Reporting non-compliance Low ESG Ratings
Employment Practices	Risk of labour law non-compliance, inadequate employee engagement or workforce grievances leading to legal exposure, operational disruption, high turnover, reputational damage, reduced productivity and competitiveness.	Human Resources Risk	Legal and Compliance Risk	Labour non-compliance Human Resources – Teamwork, Performance, Scarcity of talents, Retention, Succession Corporate culture: Integrity & Ethics Low ESG Ratings
Anti-competitive behaviour	Risk of anti-competitive conduct, collusion, price-fixing leading to regulatory investigation, penalties, reputational damage and loss of market access.	Legal and Compliance Risk	Strategic Risk Market Risk	Strategic alignment Low ESG Ratings
Climate Adaptation, Resilience, and Transition		Strategic Risk		Acute Physical Climate risk: Extreme Heat/ Heatwave Acute Physical Climate risk: Flash flood Acute Physical Climate risk: Extreme Storms Chronic Physical Climate risk: Water Scarcity Health and Safety risk
Materials	Risk of unsustainable sourcing, supply disruption, material price volatility or regulatory restrictions affecting raw materials leading to increased costs, operational delays and reduced product competitiveness.	Operational Risk	Market Risk Strategic Risk	Environmental non-compliance Product and Technological Innovation Risk Low ESG Ratings
Local Communities Rights of Indigenous Peoples	Risk of inadequate community engagement, land-use disputes, social conflict or failure to respect community rights leading to project delays, operational restrictions, legal exposure and reputational damage.	Strategic Risk	Legal and Compliance Risk Operational Risk	ESG-related issues in the company or its supply chain Low ESG Ratings
Public Policy	Risk of misalignment with public policy developments or regulatory advocacy exposure leading to legal exposure, reputational damage and loss of stakeholder trust.	Legal and Compliance Risk	Strategic Risk Market Risk	ESG Reporting non-compliance Non-compliance with climate laws and regulations Low ESG Ratings
Marketing & Labeling	Risk of misleading sustainability claims, inaccurate product labelling leading to penalties, reputational damage, customer loss.	Legal and Compliance Risk	Strategic Risk Market Risk	ESG – Sustainability Claims non-compliance Low ESG Ratings



9.3 Climate-related Risks and Opportunities

Climate Scenario Framework

We assess climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We conduct an annual scenario analysis to guide our capital allocation decisions, technology investments, and transition planning priorities.
To assess climate-related transition risks, we apply scenarios from the Network for Greening the Financial System (NGFS) Phase V framework. We selected a range of scenarios to capture diverse transition pathways:

- Current Policies (BAU): Limited additional climate policy action beyond existing commitments.
- Net Zero 2050 (Orderly): Early, coordinated policy action aligned with a 1.5°C pathway.
- Delayed Transition (Disorderly): Late and abrupt policy intervention following a prolonged period of inaction.

For each scenario, we applied relevant sensitivity assumptions, informed by NGFS pathways, to key transition risk drivers, including energy prices, carbon pricing, and the availability of low-carbon technologies. This enabled us to assess potential financial exposure and strengthen our operational resilience in the face of evolving climate-related risks.

Scope and Baseline

Our scenario analysis covers all business units. Operations in Dubai and Qatar are gas-free, with electric ovens fully implemented.
We use our 2024 full-year actual consumption and cost data as the operational baseline, representing the latest complete and auditable dataset available at the time the analysis was conducted for stress testing:

- Natural gas consumption: 152,404 GJ
- Electricity consumption: 42,308 MWh, including 3,122 MWh of on-site solar generation in Dubai
- Petrol and diesel consumption: 41,686 GJ

Total utilities and fuel costs in 2024 were approximately USD 5.7 million, with electricity and natural gas accounting for most of the expenditure. This dataset serves as the fixed starting point for forward-looking scenario modelling. Utilities and fuel costs have been volatile in recent years, reinforcing the need to improve energy efficiency and increase renewable sourcing to reduce exposure.

Concentration of Exposure and Structural Considerations

Energy consumption and transition risk exposure are concentrated in a limited number of sites:
Egypt, KSA, the Netherlands, and the UAE.
The Egypt facility is structurally distinct. It accounts for approximately 47% of our total natural gas consumption and 18% of total Organisation emissions. Natural gas is used for both heat and captive electricity generation. In 2024, approximately 21,709 MWh of natural gas energy input produced around 8,236 MWh of useful energy output, indicating low on-site generation efficiency, with approximately 62% energy lost in conversion. Egypt is therefore a primary leverage point for carbon pricing exposure, transition risk mitigation, and structural efficiency improvements.
In 2025, our natural gas consumption decreased by approximately 9.4% compared to 2024, mainly due to lower production volumes in Egypt. This reduction is disclosed for context and does not alter the 2024 baseline used in our scenario analysis.

Climate Risk Assessment

Physical Climate Risks

We assess physical climate risks qualitatively across all scenarios, covering both acute and chronic impacts.

Key acute risks include heat exposure, extreme storms, flash flooding, and severe weather events. These risks can affect employee safety, productivity, and operational continuity. Under the Current Policies pathway, risk severity increases over time due to higher levels of physical climate change. Across scenarios, acute risks are assessed as medium to high depending on location and exposure.

Chronic physical risks are currently assessed as limited across most operations. However, we continue to monitor these risks through our climate risk management processes.

We assess physical risks using qualitative and semi-quantitative probability and impact scoring across business units, aligned with our enterprise risk management framework. We have not conducted quantitative asset-level physical climate modelling at this stage.

Transition Climate Risks

We assess transition risks across policy, legal, market, technology, and reputational dimensions.
Key transition risks include:

- Carbon taxes, emissions trading schemes, and Carbon Border Adjustment Mechanisms (CBAM)
- Non-compliance with evolving climate and ESG reporting requirements
- Shifts in customer preferences and procurement standards
- Delayed adoption of lower-carbon technologies
- Reputational exposure linked to ESG performance and claims

These risks intensify under the Net Zero 2050 and Delayed Transition scenarios, with the highest concentration in energy-intensive operations.

Energy price volatility is a material transition risk driver for us, directly affecting operating costs. We assessed this exposure alongside broader policy, market, technology, and physical climate risks.

Energy Price Sensitivity

We assessed electricity and natural gas price sensitivity using NGFS Phase V–informed pathways, applied to our 2024 cost baseline.

We applied NGFS secondary electricity price indices to our 2024 average electricity cost baseline. These indices reflect relative price changes under different transition pathways. They are used to test sensitivity to volatility, not to forecast absolute future prices.

As NGFS does not provide end-user natural gas price indices, we applied NGFS-consistent directional price pathways to our 2024 gas cost baseline. This approach illustrates relative exposure under different transition scenarios and compares cost trajectories, not point price forecasts.

We assessed carbon pricing sensitivity by applying scenario-specific carbon prices to our 2024 emissions exposure of 31,866 tCO_2e.

The following carbon price assumptions were used, informed by NGFS, World Bank, and IEA benchmarks:

- Current Policies: USD 46.21/tCO_2e
- Net Zero 2050: USD 115.53/tCO_2e
- Delayed Transition: USD 173.30/tCO_2e

Under these assumptions, our annual carbon cost exposure ranges from approximately €1 to 4 million across all scenarios. Egypt alone represents approximately 15–20% of total exposure.

At these levels, carbon pricing becomes a first-order cost driver rather than a marginal expense. Impacts are non-linear and disproportionately affect gas-intensive and structurally inefficient operations.

Stress Testing of Key Transition Levers

We assessed four material transition levers under each climate scenario to evaluate financial feasibility, emissions impact, and operational constraints:

- Electrification of transport
- Electrification of curing ovens
- On-site solar power purchase agreements (PPAs)
- Energy efficiency and fuel switching

Energy efficiency and transport electrification are no-regret actions across all scenarios. They reduce emissions and improve cost control in the context of long-term energy price volatility.

Solar PPAs are economically viable in most locations across all scenarios, and feasibility is site-specific. Grid constraints limit renewable integration in certain markets, including the Netherlands and KSA.

Electrification of curing ovens is not economically viable under the Current Policies scenario. It becomes viable under higher carbon price environments (USD 115.53–173.30/tCO_2e), particularly where low-carbon electricity is available through grid decarbonisation or renewable sourcing. Transport electrification is financially feasible across all scenarios, including Current Policies, and can be implemented immediately.

Site-Specific Implications

Electrification outcomes are location-dependent.

In Egypt, curing oven electrification alone does not materially reduce emissions because electricity is largely self-generated from natural gas at low efficiency (approximately 62% energy loss in conversion, based on 2024 data). Emissions and cost reductions require electrification to be combined with access to low-carbon electricity. Under Net Zero 2050 and Delayed Transition scenarios (USD 115.49–173.23/tCO_2e carbon price), this structural inefficiency becomes a material financial risk.

Dubai operations are already gas-free. The Dubai pilot demonstrates that electrified processes are viable when supported by clean electricity. This approach is feasible under all scenarios and aligns with national net-zero and clean mobility objectives.

Assessment Approach

We supported the assessment with an indicative financial analysis, proportionate to our current transition planning stage.

- For transport electrification and solar energy, we conducted site-level feasibility assessments, including indicative capital expenditure and estimated annual operating cost impacts.
- Energy efficiency potential was based on a detailed energy audit at the Dubai site, with results extrapolated across the Group using scaling factors.
- For curing oven electrification, we assessed indicative capital expenditure and operating cost impacts by comparing electricity and natural gas price differentials under each scenario.

These analyses were used to assess relative feasibility and resilience under different climate pathways. They do not constitute final investment decisions.

9.4 Climate Risk Governance and Mitigation Actions

Key ESG Risks, Opportunities, and Mitigation Actions

FPIG's most material sustainability risks are concentrated within transition dynamics, particularly carbon pricing exposure, regulatory developments, evolving customer ESG requirements, and technology adoption. Carbon pricing represents a structurally significant financial risk under accelerated transition pathways, with gas-intensive and less efficient operations disproportionately exposed. As carbon prices rise, exposure may shift from a marginal cost consideration to a material operating cost driver. Energy price volatility further reinforces this exposure, affecting utilities and fuel costs and increasing sensitivity to long-term electricity and natural gas market dynamics. In parallel, market access risks linked to customer ESG standards, decarbonization requirements, and ESG ratings may affect competitiveness and revenue continuity. The risk of delayed adoption of cleaner technologies has also been formally recognised, reflecting the need to maintain transition readiness in a changing regulatory and commercial environment.

Acute physical risks, including heat exposure and severe weather events, remain relevant to employee safety and operational continuity, though current financial sensitivity is more strongly concentrated in transition-related drivers.

Alongside these risks, FPIG has identified opportunities that enhance resilience and long-term competitiveness. Energy efficiency measures provide structural cost control and reduced exposure to price volatility across all climate pathways. Transport electrification is financially feasible across scenarios and represents an immediately actionable lever. Solar power purchase agreements and renewable sourcing create opportunities to reduce carbon cost sensitivity where site conditions allow. The Dubai gas-free operations pilot demonstrates the viability of electrified processes supported by clean power and provides a scalable reference for future transition planning. Alignment with evolving customer expectations and national net-zero strategies may further support market positioning over time.

Mitigation actions focus on maintaining operational flexibility while progressing transition-ready initiatives. Climate-related risks are embedded within the enterprise risk register and governance processes, with ongoing monitoring of regulatory, carbon pricing, and customer developments. FPIG prioritises no-regret actions, including energy efficiency improvements and transport electrification, while advancing more capital-intensive measures selectively based on site feasibility and defined economic or regulatory triggers.

Climate Risk Integration & Methodology

Governance of the transition plan is overseen by Group executive management, with implementation coordinated across Operations, HSSE and Sustainability, Procurement, and Legal functions. Key responsibilities include approving climate-related targets and investment priorities, monitoring progress against the emissions reduction pathway, ensuring the reliability of climate-related data, and embedding climate considerations into operational and capital planning processes. Progress is assessed through regular ESG performance monitoring and management reporting

We have integrated climate risk into our Enterprise Risk Management (ERM) framework and linked it to the Group risk register, covering physical, transition, policy, market, technology, and reputational risks. This is not an isolated effort; it is a collaborative, tiered process that begins at our Corporate Headquarters. Climate-related risks and opportunities are reviewed annually by senior management and the Board as part of the ERM reporting process.

Our HSSE and Sustainability departments identify and rank systemic risks—such as extreme heat and flooding—using historical data, forward-looking projections, and insights from loss prevention and risk engineering surveys. These surveys include assessments related to climate and natural disaster exposure, support a comprehensive evaluation of physical risks to our assets and operations, and inform prioritisation, mitigation planning, and resilience measures across the organisation.

These findings are then stress-tested at the Business Unit (BU) level to account for regional and operational realities. Once consolidated, these risks are integrated into the Group risk register as part of the ERM framework.

Further, we conduct scenario analysis annually, with senior leadership reviewing the outcomes to assess the resilience of our strategy across different climate pathways. The insights generated guide our capital allocation decisions, technology investments, and transition planning priorities.

From Assessment to Action

Following the completion of our Group-wide climate risk assessment in 2024, we have established a defined implementation timeline for adaptation and mitigation actions:

- 2024: Completed the Group-wide physical climate risk assessment.
- 2025: Develop and formalise a Group Climate Adaptation Procedure to guide all Business Units.
- 2026: Issue the procedure to all Business Units, require development of site-level Climate Adaptation Plans, and initiate implementation of feasible adaptation measures.

By utilising an updated risk assessment methodology with expanded impact guidelines, we ensure that FPIG remains agile, protecting our assets and interests in an increasingly volatile global landscape.

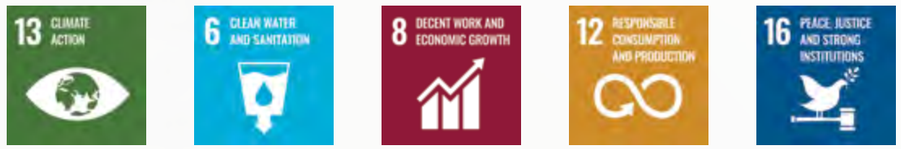
Table 22 - Climate-related risks based on TCFD

Risk category	Risk classification	Risk description and rating
Physical risk	Acute	Heat Exposure (R-00345 | High Risk)
		Extreme Storms (R-00348 | Medium Risk)
		Flash flooding (R-00346 | Medium Risk)
		Severe weather disrupting workforce access.and operations (R-00155| High Risk)
	Chronic	Monitored through ongoing risk reviews
Transition	Policy and legal	Sustainability Claims and Net Zero pledge non-compliance (R-00332 | Medium Risk)
		Non-compliance with climate laws and regulations (R-00340 | Medium-High Risk)
		Non-compliance with ESG reporting obligations (R-00331 | Medium)
		Carbon taxes, Cap-and-trade, CBAM exposure R-00341 | Medium Risk)
	Reputation	Non-compliance with customer ESG Standards R-00343 | High Risk)
		Change in customer preference (R-00342 | Medium-High Risk)
		Low ESG Ratings (R-00339 | Medium-High Risk)
		ESG-related issues in the company or its supply chain (R-00338 | Medium Risk)
	Technology	Failure to adopt cleaner technologies (R-00456 | High Risk)
	Market	Market access and competitiveness impacts. Ilinked to ESG expectations (R-00342 / R-00343 | High Risk)) Low ESG Ratings (R-00339 | Medium-High Risk

ESG Performance Summary



10



ESG Objectives, KPIs, Baselines, Targets, and Performance Trends

The table below presents FPIG's ESG objectives, KPIs, and performance outcomes for 2025, highlighting progress in implementing its sustainability strategy across environmental, social, and governance priorities. These KPIs help track performance against defined targets and support management decision-making across business units.

Overall, 2025 performance reflects progress in several areas. FPIG advanced key environmental initiatives, including approving its decarbonisation trajectory and piloting resource efficiency measures. Notably, engagement across the organisation improved, with several geomarkets advancing environmental and decarbonization action plans supported by the HSE and Sustainability team. Socially, the company continued to prioritise workforce well-being and safety, alongside ongoing investment in employee training and engagement. From a governance perspective, transparency and responsible business practices were strengthened through initiatives such as the launch of the external SpeakUp channel. In addition, FPIG strengthened its governance framework through the development and Board review of key integrity policies, reinforcing its corporate compliance and ethical standards. Together, these results demonstrate FPIG's continued efforts to integrate ESG considerations into its operations and management practices. In addition, FPIG improved its EcoVadis score from 46 to 56, reflecting progress in strengthening its sustainability management practices. The company also completed a pilot Sustainability Report assurance, enhancing the credibility and reliability of reported ESG data. Together, these results demonstrate FPIG's continued efforts to integrate ESG considerations into its operations and management practices.

Table 23 - Performance Targets and KPI Achievements - 2025

Topic	Objective	KPIs	2025 Targets	2025 Progress
Climate Adaptation	Develop Climate adaptation and emergency response plans	Climate adaptation plans and emergency response plans at each BU	Risk-based plans developed for each BU	Postponed
Emissions	Reduce absolute emissions	Scope 1 & 2 emissions (absolute)	-2.5% vs 2024	32,734 tCO_2e (target not met)
	Reduce emissions intensity	Emissions intensity	-5% vs 2024	0.195 (target not met)
	Set decarbonization trajectory 2025-2030	Decarbonization trajectory	Approved Trajectory	Trajectory approved
Energy	Increase share of Renewable Energy	Renewable Energy share	15%	6.14% (target not met)
	Reduce energy intensity	Energy intensity	-2.5% vs 2024	2.02 (target not met)
Environmental Compliance	To achieve 100 % compliance on (1) permits; (2) air, water, and noise monitoring tests completion	Environmental compliance	100%	91% (target not met)
	To reduce environmental spills	No. of spills	0 significant spills	11 minor spills
Waste	To increase waste recycling rate	Waste recycling rate	12%	8.71% (target not met)
	To reduce total waste generated	Waste generation reduction	-2% vs 2024	33,433 ton (target not met)
	To implement glassfiber waste recycling	Glassfiber scrap recycling	Pilot glass fiber scrap recycling	Pilot successfully conducted on the site
Water and Effluents	To reduce water intensity	Water intensity	-2.5% vs 2024	1.34 (target met)
	To implement rainwater harvesting system in Indonesia	Rainwater harvesting	Pilot rainwater harvesting	Implemented

Topic	Objective	KPIs	2025 Targets	2025 Progress
Diversity, Equity, and Inclusion	To engage employees in CSR activities for community impact	CSR activities	N/A	14
	To increase the share of female employees	Female employees share	7%	6.23% (target not met)
	To improve employee culture survey score & ESG awareness	Culture Survey score	75%	74.2% (target nearly met)
Health and Safety	Improve Total Recordable Incident Rate (TRIR) over the years	Total Recordable Incident Rate (TRIR)	≤ 0.88	0.78
	To improve C.A.R.E observation rate	C.A.R.E. observations rate	20% increase	129.71 (target met)
	To demonstrate Caring Safety Leadership	Care Conversations by GeoMarket Manager	N/A	83
	To improve near-miss reporting year over year	Near-miss reporting rate	N/A	1.7
	To complete spirometry and audiometry baseline tests in 100% factories	Health surveillance	11 (100% factories)	9 (target not met)
	To increase HSSE Training hours per employee	HSSE Training hours per employee	18 hrs per employee	19.5 hrs per employee (target met)
Training and Development	To increase training	Trainings	N/A	6.5 hrs per employee
	To conduct bi-annual leadership ESG trainings	ESG Trainings	2 leadership ESG trainings	3 leadership ESG trainings
Human Rights	To monitor Human Rights violations in FPIG operations	Human Rights incidents	0	0
Anti-Corruption and Business Ethics	To extend Speak Up to external stakeholders	Speak Up for external stakeholders	Link/QR Code on FPIG website	Published
	To monitor corruption violations in FPIG operations	Anti-corruption	0	0
ESG Governance	To establish ESG incentives scheme	ESG-linked remuneration and performance KPIs	ESG-linked remuneration and performance KPIs	Postponed
	To conduct third-party assurance of the Sustainability Report 2024	Sustainability Report assurance	3rd party assurance	Sustainability Report assurance is completed
	To increase EcoVadis score	EcoVadis Score	50+ score for EcoVadis	56 (target met)
ESG in Supply Chain	To conduct supplier ESG assessment	Supplier ESG Assessment	Conduct Supplier ESG assessment	99 suppliers assessed
	To increase the number of local suppliers	Local suppliers	60 local suppliers with combined business of 30%	77 local suppliers (target met)
	To conduct HSE audit for 3 suppliers	HSE audit for suppliers	Audit for 3 suppliers	Postponed for 2026

Objectives, Targets, and KPIs - 2026

The table below outlines FPIG's ESG objectives, KPIs, and targets for 2026, providing a forward-looking view of our sustainability priorities across environmental, social, and governance areas. These targets build on the progress achieved in 2025 and support the continued integration of ESG considerations into operational and strategic decision-making.

From an environmental perspective, FPIG aims to reduce Scope 1 and Scope 2 emissions and emissions intensity, while improving resource efficiency through reductions in energy, waste, and water intensity and increasing the share of renewable energy. Social priorities focus on improving health and safety performance, expanding employee development initiatives, and further strengthening diversity and inclusion. From a governance perspective, the company will strengthen transparency and accountability through regular leadership ESG performance reviews across sites, integration of ESG into capital planning, and continued Sustainability Report Assurance.

Table 24 - Objectives, Targets, and KPIs - 2026

Topic	Objective	KPIs	2026 Target
Emissions	To reduce absolute emissions	Scope 1 & 2 emissions (absolute)	Reduce Scope 1 & 2 emissions (absolute) by 5%
	To reduce emissions intensity	Emissions intensity	Reduce Emissions intensity by 5%
Climate Adaptation	Enhance climate resilience to reduce risks, downtime, and insurance costs.	Factories with climate adaptation plans	100% of Factories should have climate adaptation plans
		Emergency response plans	100% of the factories should have an emergency response plan
Energy	To increase the share of renewable energy	Renewable Energy share	Achieve a solar energy share of 12%
	To reduce energy intensity	Emissions intensity	Reduce the energy intensity by 2% compared to 2025
	To utilise LED lights	LED lights	100% LED lights
Waste	To increase waste recycling rate	Waste recycling rate	Recycle 12% of the total waste
	To reduce waste intensity	Waste intensity reduction	Reduce intensity by 2%
Water and Effluents	To reduce water intensity	Water intensity	Reduce water intensity by 2%
Environmental Compliance	To achieve 100% compliance	Environmental compliance	100% environmental compliance
	To reduce environmental spills	No. of spills	0 significant spills
Health and Safety	Ensure a safe and healthy working environment by preventing incidents and protecting people	Total Recordable Incident Rate	TRIR ≤ 0.67
		C.A.R.E observation rate	20%
		Care Conversations by GeoMarket Manager	72
		Near-miss reporting rate	≤1.70
		HSSE Training hours per employee per year	18 hours per employee
		Health Surveillance	11 (100% factories)
Training and Development	Incorporate ESG training	ESG training	2 leadership ESG trainings
Diversity, Equity, and Inclusion	Foster a diverse, equitable, and inclusive culture that enables high performance and supports sustainable leadership	Female employment share	7%
		Culture Survey score	76%
Human Rights	To monitor Human Rights violations in FPIG operations	Human Rights incidents	0 Human Rights incidents

Topic	Objective	KPIs	2026 Target
ESG in Supply Chain	Advance responsible sourcing by increasing ESG-focused procurement, boosting local value creation, and embedding ESG due diligence in supply chain decisions.	HSE Audit for new suppliers	Conduct 3 HSE/ESG audits
		% of procurement volume from ESG certified suppliers	5%
Business Ethics & Anti-Corruption	To establish SpeakUp for external stakeholders	Speak Up for external stakeholders	Link/QR Code in vendor agreements
ESG Governance	To conduct third-party assurance of the Sustainability Report	Sustainability Report assurance	3rd party assurance
	To increase EcoVadis score	EcoVadis Score	60+ score in EcoVadis

Data Limitations, Challenges, and Setbacks.

In 2025, FPI's sustainability performance was influenced by a combination of operational and implementation factors.

Variances between targets and actual performance are monitored through management review processes and inform corrective actions and future target setting.

Emissions reduction efforts were impacted by delays in solar installations—our key decarbonization initiative—limiting the contribution of renewable energy, as well as enhanced data accuracy, which resulted in higher reported emissions. Variability in production activity and energy intensity across operations further constrained performance improvements.

While total energy consumption declined, energy intensity targets were not met, highlighting the need for more consistent implementation of energy conservation measures across all units and stronger integration of efficiency considerations into operational decision-making. Progress on capex-free energy efficiency initiatives was also slower than anticipated, limiting the realisation of planned emissions and cost reductions.

Environmental compliance performance of 91% reflects site-level assessments against applicable regulatory requirements, based on available compliance registers, permits, and supporting documentation at the time of reporting.

Operationally, environmental performance continues to be influenced by existing production configurations and resource management practices at selected facilities. Reliance on conventional fuels, combined with financial and operational considerations across certain geo-markets, has limited the pace of improvement.

Waste performance reflects mixed progress. While recycling practices improved in several locations, reduced scrap recovery activities at certain sites impacted overall recycling rates.

From a health and safety perspective, although FPI continues to strengthen its Culture of Safety and Caring, challenges remain in maintaining consistent safety performance across operations. Key risk exposures are associated with task execution, machine and equipment safety, lifting operations, and fire and explosion hazards. Incident trends and assessment findings highlight the need to further strengthen early risk detection and control-of-work practices. Additional challenges include legacy equipment constraints and the need to consistently translate incident learnings into sustainable engineering controls.

Operational and ESG-related challenges across the Group are assessed for materiality and disclosed where relevant to ESG performance, risk, and stakeholder understanding.

These observations highlight the importance of further aligning ESG considerations within operational decision-making and capital planning, supported by enhanced data governance, clearer accountability, and more streamlined execution processes. Ongoing investment in systems and targeted initiatives will be critical to support sustained performance improvement.

Outlook and Priorities



11



Near-Term Priorities

In the near term, FPIG priorities are focused on disciplined execution and strengthening the foundations required to deliver on the Sustainability Strategy and the broader Growing Profitably and Sustainably (GPS) framework. The focus over the next 12 months is not on launching parallel initiatives, but on embedding sustainability into operational routines, governance structures, capital planning, and performance management processes. Operationally, this means reinforcing accountabilities, stabilising delivery performance across sites, and maintaining cost and cash control in line with the Six Cs execution model. Strengthening controls and improving standardisation remain immediate priorities to ensure reliable performance across geographies.

From a sustainability perspective, 2025 represents a foundational year. A dedicated Sustainability Strategy has been formalised to integrate compliance readiness, operational performance, and competitive positioning into a single strategic lens. Environmental objectives for 2026 include achieving 100% environmental compliance across operational jurisdictions, achieving a 5% reduction in Scope 1 and 2 emissions as a transition milestone, improving carbon and energy intensity, increasing renewable energy share, reducing water intensity, and improving recycling and reuse rates. Each business unit is also expected to establish climate adaptation and emergency response plans.

In parallel, near-term priorities include strengthening ESG data systems and improving ESG rating performance. Following the increase in EcoVadis score to 56 for 2025, further improvement efforts are underway to support medium-term rating ambitions. These actions support the stated objective of building ESG data-enabled business intelligence and reporting excellence under Vision 2030.

Comprehensive energy audits, digital monitoring of energy and water consumption, and strengthened data governance, in addition to solar energy sourcing, are key enablers for improving performance and advancing decarbonization. Initial steps under the Net Zero Roadmap are underway, with early initiatives such as LED and energy efficiency upgrades, metering and electrification. These measures support both operational efficiency and environmental performance.

Taken together, near-term priorities focus on building operational credibility, strengthening compliance readiness, improving environmental performance, and reinforcing governance discipline - establishing a structured platform from which longer-term ambitions can be delivered.

Medium-to Long-term Ambitions

FPIG's medium- to long-term ambitions are anchored in Vision 2030, which aims to position the company as a leader in climate-smart, circular, and responsible solutions, recognised for ESG excellence and investment readiness. Embedded within the GPS framework of Growing Profitably and Sustainably, sustainability is treated as a structural driver of resilience and competitiveness rather than a standalone initiative. A central ambition is to strengthen ESG leadership and market trust by advancing ESG data systems, improving reporting quality, and progressing toward higher ESG ratings benchmarks, alongside developing certified ESG due diligence capability by 2030. These efforts are intended to reinforce governance maturity and transparency in line with evolving stakeholder expectations.

Decarbonisation remains a core pathway, with a staged reduction trajectory targeting a 25% reduction in Scope 1 and 2 emissions by 2030 and Net Zero Scope 1 and 2 in the Dubai factory by the same year, supported by renewable electricity and green mobility. Longer-term ambitions extend toward full Net Zero across Scope 1, 2, and 3 emissions by 2050 through renewable energy scaling, supplier collaboration, and material innovation. Circular manufacturing and ESG-enabled product innovation also form part of the 2030 ambition, including recycled content in GRP pipes, higher scrap reuse rates, and certification of ESG-enabled product lines. Together, these pathways reflect a structured transition toward lifecycle-oriented performance, stronger ESG credibility, and long-term operational resilience within the GPS strategic model.



12.Appendices

12.1 Appendix 1– Tables and figures

Figure 1: Geographic distribution of Certifications

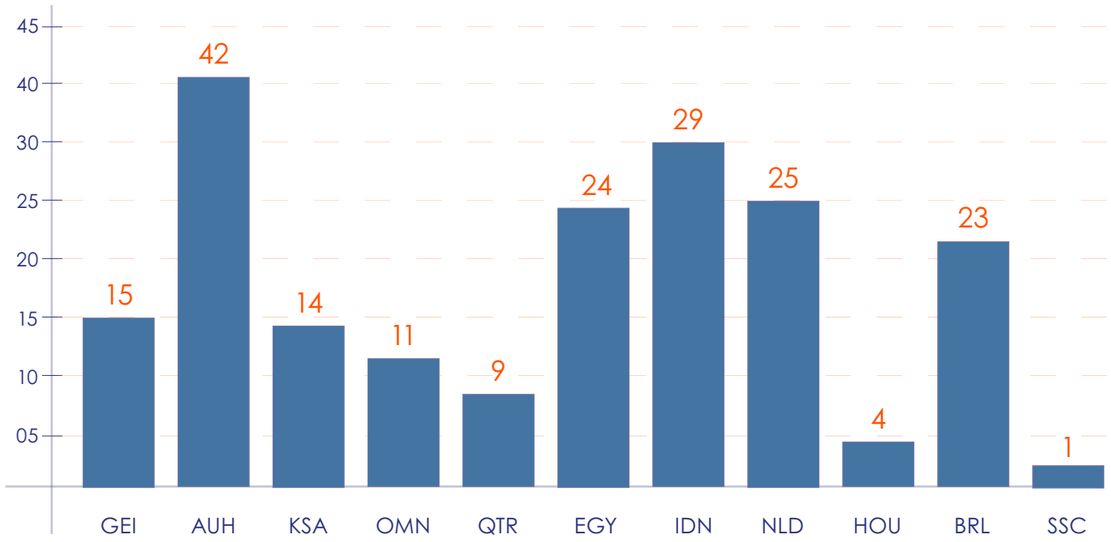
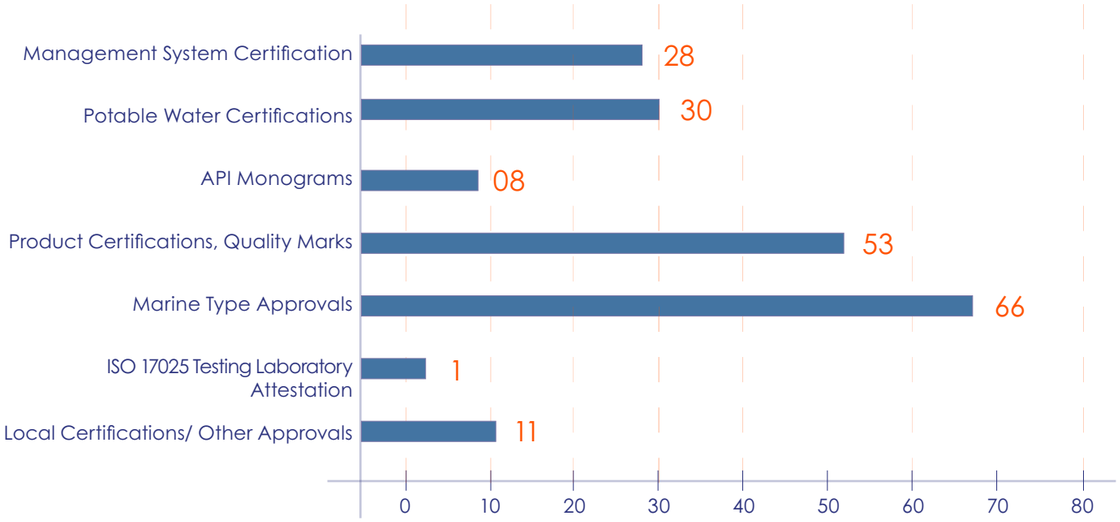


Figure 2: Certifications by Category



Certification Groups	Strategic Contribution
ISO 9001, 14001, 45001	Demonstrates mature QHSE systems, mandatory for many tenders
Potable Water (NSF, WRAS, ACS)	Unlocks high-value municipal water projects
API Monograms (Oil & Gas)	Access to upstream projects requiring proven high-pressure pipe systems
Marine Type Approvals (DNV, BV)	Enables work on offshore, shipbuilding, and naval installations
Local Regulatory (SASO, NOPWASD)	Ensures legal market access in key jurisdictions
ISO 17025	Establishes in-house test lab credibility—faster response, lower cost

Table 25 Electricity Consumption

- Electricity Consumption

BU	2024-Grid Electricity (kWh)	2024-Renewable Electricity (kWh)	2025- Grid Electricity (kWh)	2025- Renewable Electricity (kWh)
Abu Dhabi (AUH)	7,253,200	N/A	7,782,152	N/A
Baton Rouge (BRL)	579,189	N/A	420,475	N/A
Egypt (EGY)	4,834,026	N/A	3,572,143	N/A
Dubai (GEI)	5,591,299	3,123,953	6,599,406	2,833,105
Houston (HOU)	2,562,699	N/A	2,683,864	N/A
Indonesia (IDN)	1,094,615	N/A	1,531,334	N/A
Kingdom of Saudi Arabia (KSA)	12,907,077	N/A	11,626,763	N/A
Morocco (MAR)	63,769	N/A	65,813	N/A
Netherlands (NLD)	1,785,803	N/A	1,820,655	N/A
Oman (OMN)	1,755,613	N/A	2,376,063	N/A
Qatar (QTR)	3,610,920	N/A	4,522,333	N/A
Other Sales Offices	269,836	N/A	296,148	N/A
FPIG	42,308,047	3,123,953	43,297,149	2,833,105

The table presents BU-wise and total FPIG grid and renewable electricity consumption for 2024 and 2025. Grid electricity consumption increased in 2025 compared to 2024, while renewable electricity consumption decreased.

Table 26 Energy Intensity

Energy Intensity (GJ/ton)	
BU	2025 Energy Intensity (GJ/ton)
	Energy consumption per unit of production (ton).
AUH	1.17
BRL	8.27
EGY	3.59
GEI	1.22
HOU	8.13
IDN	5.32
KSA	1.88
NLD	22.35
OMN	1.67
QTR	1.08
FPIG	2.02

The table presents the energy intensity by BU for 2025, with NLD reporting the highest energy intensity and QTR the lowest

Table 27 Fuel Consumption

Fuel Consumption									
	Petrol (litres)			Diesel (liters)			Natural Gas (m^3)		
BU	2024 Petrol (litres)	2025 Petrol (litres)	Change in Petrol	2024 Diesel (litres)	2025 Diesel (litres)	Change in Diesel	2024 Gas (m^3)	2025 Natural Gas (m^3)	Change in Gas
AUH	48,874	30,769	-37%	173,169	187,840	8%	157,109	185,653	18%
BRL	0	0	0	4,648	8,640	86%	17,094	8,639	-49%
EGY	108,424	301,628	178%	178,500	78,128	-56%	2,484,654	186,1369	-25%
GEI	54,617	43,045	-21%	37,357	126,515	239%	0	0	0%
HOU	5,448	3,279	-40%	32,016	26,468	-17%	72,000	30,958	-57%
IDN	4,566	3,868	-15%	7,123	16,603	133%	197,000	309,290	57%
KSA	26,679	19,573	-27%	365,000	300,671	-18%	753,879	752,339	-0.2%
MAR	-	-	-	22,909	37,766	65%	-	-	0%
NLD	-	14,039	-	-	5,186	-	503,660	615,285	22%
OMN	11,383	13,387	18%	17,838	31,543	77%	127,422	151,565	19%
QTR	19,918	10,921	-45%	48,343	60,292	25%	-	-	0%
Other Sales Offices	20,587	22,534	9%	6,634	5,109	-23%	7,031	45	-99%
FPIG	300,495	463,043	54%	893,537	884,762	-1%	4,319,849	3,915,144	-9%

The table presents FPIG's fuel consumption—petrol, diesel, and natural gas—by business unit for 2024 and 2025, along with the percentage change between the two years. Overall petrol consumption increased significantly in 2025 compared to 2024, while diesel and natural gas consumption decreased slightly.

Table 28 Fuel Energy

Fuel Energy									
	Petrol (GJ)			Diesel (GJ)			Natural Gas (GJ)		
BU	2024 Petrol	2025 Petrol	Change in Petrol	2024 Diesel	2025 Diesel	Change in Diesel	2024 Natural Gas	2025 Natural Gas	Change in Natural Gas
AUH	1,548	975	-37%	6,234	6,762	8%	5,543	6,550	18%
BRL	-	-	0%	167	311	86%	603	309	-49%
EGY	3,434	9,556	178%	6,426	2,813	-56%	87,659	65,669	-25%
GEI	1,730	1,364	-21%	1,345	4,555	239%	-	-	0%
HOU	173	115	-33%	1,153	953	-17%	2,540	1,092	-57%
IDN	145	123	-15%	256	598	133%	6,950	10,912	57%
KSA	845	620	-27%	13,140	10,824	-18%	26,597	26,543	-4%
MAR	-	-	0%	825	1,360	65%	-	-	0%
NLD	-	445	0%	-	187	0%	17,769	21,707	22%
OMN	361	424	18%	642	1,136	77%	4,495	5,347	19%
QTR	631	346	-45%	1,740	2,171	25%	-	-	0%
Other Sales Offices	652	714	9%	239	184	-23%	248	2	78%
FPIG	9,519	14,680	54%	32,167	31,851	-1%	152,404	138,131	-9%

The table summarizes energy generated and consumed from petrol, diesel, and natural gas for 2024 and 2025, together with the percentage change between the two years. Energy from petrol increased in 2025, energy from diesel remained almost unchanged, while energy from natural gas decreased.

Table 29 LED Conversion rate

BU	LED % 2023	LED % 2024	LED % 2025	Number of lights re-placed in 2025
GEI	19%	36%	100%	973
AUH	100%	100%	100%	0
OMN	25%	66%	95%	34
QTR	85%	90%	100%	19
KSA	95%	98%	100%	60
MAR	10%	10%	30%	18
EGY	45%	N/A	60%	360
NLD	90%	90%	90%	0
HOU	5%	5%	82%	179
BRL	15%	63%	50%	12
IDN	32%	65%	100%	135

The table summarizes the year-on-year LED lighting conversion rate from 2023 to 2025 and also indicates the number of lights converted to LED in 2025. A notable increase in LED adoption is observed, with many BUs having achieved or approaching full conversion.

Table 30 Electricity Emissions

Electricity emissions (tCO_2e)	
2023	17,807
2024	18,453
2025	19,484

The table outlines electricity-related emissions from 2023 to 2025 and indicates that emissions in 2025 are higher than in both 2024 and 2023.

Table 31 Total Emissions

Total Emission (tCO_2e)					
BU	2024 Emissions	2025 Emissions	2025 vs 2024	2025	2025
	Measures actual emissions in tons of CO2	Measures actual emissions in tons of CO2	Change in actual emissions versus Last Year	Scope 1 (Fuel) emissions in tons of CO2	Scope 2 (Electricity) emissions in tons of CO2
AUH	3,939	4,578	16%	1,433	3,145
BRL	287	215	-25%	40	175
EGY	5,974	4,684	-22%	4,684	-
GEI	2,659	3,278	23%	611	2,667
HOU	1,330	1,263	-5%	147	1,116
IDN	1,308	1,889	44%	690	1,199
KSA	10,805	10,344	-4%	3,461	6,883
MAR	104	145	39%	97	48
NLD	1,624	1,911	17%	1,318	594
OMN	1,171	1,575	34%	436	1,138
QTR	2,114	2,547	20%	272	2,275
Other Sales Office	552	304	-45%	60	244
FPIG	31,866	32,734	3%	13,250	19,484

The table presents FPIG's total emissions for 2024 and 2025, along with Scope 1 and Scope 2 emissions for 2025. It also shows the percentage change in total emissions. The total emissions increased by 3% in 2025 compared to 2024.

Table 32 Total Emission Intensity

Total Emission Intensity	
BU	2025 Emissions Intensity
	Measures the carbon intensity of production in tons of CO_2 emitted per ton of product.
AUH	0.13
BRL	0.83
EGY	0.22
GEI	0.10
HOU	0.86
IDN	0.59
KSA	0.24
MAR	0.11
NLD	1.48
OMN	0.17
QTR	0.15
FPIG	0.195

Total emission intensity for 2025 across business units is outlined in this table.

Table 33a Water Consumption and Water Intensity

Water Consumption and Water Intensity					
BU	2024 Water Consumption (m^3)	2025 Water Consumption (m^3)	Change in Water Consumption (%)	2024 water intensity (m^3/ton)	2025 Water Intensity (m^3/ton)
AUH	29,144	25,298	-13%	0.83	0.70
BRL	1,163	2,635	127%	4.51	10.21
EGY	30,285	12,211	-50%	0.59	0.56
GEI	43,067	38,733	-10%	1.41	1.18
HOU	1,704	1,572	-8%	1.34	1.07
IDN	4,844	7,282	50%	2.97	2.26
KSA	74,989	76,113	1%	1.74	1.79
MAR	694	718	3%	0	0.55
NLD	1,807	1,193	-34%	1.98	0.92
OMN	5,863	4,018	-31%	1.62	0.43
QTR	36,787	48,610	32%	5.83	2.78
Other Sales Office	13,551	6,436	-53%	0	0
FPIG	243,898	224,820	-7.8%	1.40	1.34

Table 33b Water Breakdown

Environmental Parameters	Units of Measure	2025 Total	% of total
Volume of freshwater purchase from the utility companies	m^3	182,295	81%
Volume of freshwater from a third-party vendor delivered by truck	m^3	24,575	11%
Volume of groundwater from wells	m^3	3,766	2%
Volume of purchasing recycled water	m^3	14,184	6%
Total	m^3	224,820	

The table summarizes water consumption and intensity for 2024 and 2025. While total water consumption decreased by 7.8% year-over-year, the water intensity has also gone down. The table also explains the details on water breakdown.

Table 34 Waste Generation and Management

Waste Generation and Management								
BU	2024 Total Waste (ton)	2025 Total Waste (ton)	2024 Waste Recycled (ton)	2025 Waste Recycled (ton)	2024 Waste Recycled %	2025 Waste Recycled %	2025 Waste Intensity	Waste Intensity vs 2024
AUH	5,982	6,334	708	634	11.8%	10%	0.17	3%
BRL	102	46	6	2	5.9%	5%	0.18	-55%
EGY	6,950	3,527	1,383	582	19.9%	16%	0.16	21%
GEI	6,559	7,465	489	770	7.1%	10%	0.23	6%
HOU	165	187	0	2	0.0%	1%	0.13	-2%
IDN	811	1,530	13	250	2.5%	16%	0.48	-4%
KSA	9,357	10,393	202	462	2.2%	4%	0.24	13%
MAR	66	70	0	6	0.0%	9%	0.054	0%
NLD	363	329	53	16	12.3%	5%	0.25	-36%
OMN	377	1,254	61	155	16.3%	12%	0.14	31%
QTR	1,584	2,296	29	34	1.8%	1%	0.13	-48%
Other Sales Office	0	2	0	0.3	0	16%	0.00	0
FPIG	32,317	33,433	2,945	2,913	9.6%	8.7%	0.200	8%

The table provides a year-over-year comparison of waste metrics for 2024 and 2025. During this reporting period, waste generation increased, while the total volume of waste recycled has slightly gone down, the overall percentage of recycled waste declined. Consequently, 2025 saw a rise of 8% in waste intensity compared to the previous year.

Table 35 Waste Generated by Category

Waste Generated by Category (ton)									
BU	Hazardous	Non-hazardous	Metal	Wood	Paper	Plastic	Glass fibre Scrap	Food Waste	General waste
AUH	774	5,560	384	250	0	0	1,880	37	3,009
GEI	5,097	2,368	573	67	40	10	932	747	0
KSA	3,830	6,563	330	157	0	0	4,063	360	1,652
QTR	1	2,295	9	15	4	4	485	0	1,777
EGY	15	3,511	183	119	52	0	225	5	2,919
MAR	38	32	1	5.50	0	0.04	0	0	26
IDN	88	1,442	10	34	4	4	202	0	1,187
OMN	0	1,253	100	34	24	2	499	22	572
NLD	0	329	9	13	6	0.70	151	0	150
BRL	0	46	2	0	2	0	0	0	42
HOU	2	185	0	0	0	0	0	0	96
Other Sales Office	0	2	0	0	1	0.04	0	0	0
Total	9,847	23,585	1,601	696	133	20.80	8,437	1,171	11,429

The table categorizes waste generated in 2025, showing that non-hazardous waste significantly outweighs hazardous waste in total volume.

Table 36 Waste Recycled by Category

Waste Recycled by Category							
BU	Metal (ton)	Wooden Pallets (ton)	Paper (ton)	Plastic (ton)	Glass fibre Scrap (ton)	Other Wastes Recycled (ton)	Total Recycled (ton)
AUH	384	250	0	0	0	2	636
GEI	573	67	40	10	81	0	770
KSA	305	157	0	0	0	0	462
QTR	9	15	4	4	0	2	34
EGY	183	119	47	0	225	7	582
MAR	0	6	0	0	0	0	6
IDN	7	32	4	4	202	0	250
OMN	100	34	19	2	0	0	155
NLD	0	9	6	1	0	0	16
BRL	0	0	2	0	0	0	2
HOU	0	0	0	0	0	2	2
Other Sales Office	0	0	0	0	0	0	0
Total	1,562	690	122	21	509	13	2,915

The table categorizes the various types of waste recycled in 2025. Within the non-hazardous category, metal accounts for the highest volume of recycled material, whereas plastic represents the lowest quantity.

Table 37 - Headcount Details

Employment Type	Reporting Period	Female	Male	Not Disclosed	Total
Number of Total Employees (head count/FTE)	2023	127	2,558	-	2,685
	2024	169	2,743	-	2,912
	2025	197	2,933	-	3,130
Number of Permanent Employees (head count / FTE)	2023	122	2,506	-	2,628
	2024	166	2,495	-	2,661
	2025	193	2,671	-	2,864
Number of Temporary Employees (head count / FTE)	2023	-	-	-	57
	2024	3	248	-	251
	2025	4	262	-	266
Number of non-guaranteed hours Employees (head count / FTE)	2023	-	-	-	0
	2024	-	-	-	0
	2025	-	-	-	0
Number of part-time employees (head count / FTE)	2023	-	-	-	54
	2024	-	-	-	0
	2025	0	0	0	0
Number of Interns	2023	-	-	-	2
	2024	-	-	-	14
	2025	5	9	0	14

Table 37 outlines the organisation's workforce composition over the reporting period, showing steady growth in total headcount from 2,685 employees in 2023 to 3,130 in 2025. Permanent employees continue to form most of the workforce, indicating a stable employment structure, while the increase in temporary employees suggests added flexibility to support operational needs. Additionally, the rise in internship numbers reflects a continued focus on talent development and building a future workforce pipeline.

Table 38 Workforce composition:

Metric	2023	2024	2025
Total workforce	2,685	2,912	3,130
Total new employee hires	426	581	457
Employee voluntary turnover	425	304	203
Emiratisation rate (AUH)	9.62%	11.48%	11.29%
Emiratisation rate (DXB)	N/A*	N/A*	2%
Nationalities	44	49	54

* Emiratization requirements did not apply to FPI Dubai in 2023 and 2024.

The table presents the overall workforce composition and workforce dynamics at FPI over the three-year period from 2023 to 2025. In 2025, the organization experienced steady workforce growth alongside a significant reduction in voluntary turnover, indicating improved employee retention, while the increasing diversity of nationalities and the introduction of Emiratisation in Dubai reflect continued progress in strengthening workforce diversity and national workforce integration.

Table 39- Training Metrics

Metric	2024	2025
Total Training hours	4,203	26,800 hours*
Average training per employee	1.4 hours	6.5 hours
Number of e-learning mandatory training hours delivered	1,365 hours	4,848 hours
Amount invested in training	61,447 USD	201,232 USD*

*Total Training hours exclude HSE training hours, which are reported separately.

Table 40 - FPI's Employee Trainings

List of mandatory trainings	Number of Participants	
	2024	2025
Compliance Overview & Acknowledgement	680	402
FPIG HSSE Induction: An Interactive E-learning Experience	N/A*	919
Unconscious Bias	N/A*	118

*Unconscious Bias and HSSE were not part of the mandatory training in 2024.

The table highlights participation in FPI's mandatory training programmes in 2025, reflecting the company's continued focus on strengthening compliance awareness and workplace culture. During the year, 919 employees completed the FPIG HSSE Induction training, while additional programmes such as Compliance Overview & Acknowledgement and Unconscious Bias training supported the promotion of safe operations, ethical conduct, and inclusive workplace practices.

Table 41 - Workforce Retention and Turnover Rate

Year	Retention Rate	Turnover Rate
2023	88.50%	14.08%
2024	89.91%	11.03%
2025	90.76%	6.7%

The table presents FPI's employee retention and turnover performance, highlighting a retention rate of 90.76% in 2025 alongside a reduced turnover rate of 6.7%. These figures indicate improved employee stability and reflect the effectiveness of the company's efforts to strengthen employee engagement, workplace satisfaction, and long-term talent retention.

Table 42 - YoY OHS Trainings

Metric	2023	2024	2025
Total OHS training hours	19,880	29,285	36,914
OHS Training hours per employee	9.1	13	19.5

Training hours increased steadily over the reporting period, reflecting FPIG's continued investment in workforce safety awareness and competency development. The rise in training hours per employee indicates expanded coverage of safety programmes and increased emphasis on preventive risk management.

Table 44 Total Recordable Injury Rate (TRIR)

Years	2023	2024	2025
TRIR	0.50	0.88	0.78

The TRIR decreased in 2025 compared with 2024, indicating an improvement in overall incident frequency. However, the rate remains above 2023 levels, highlighting the need for continued focus on preventive controls and safety leadership initiatives.

Table 45 Workforce age profile

	2023			2024			2025		
	Under 30	31 - 49	50+	Under 30	31 - 49	50+	Under 30	31 - 49	50+
Total Employees	390	1,712	526	487	1,879	546	620	1,966	544
Total New Hires	231	171	24	195	334	52	225	209	23

The workforce profile remains concentrated within the 31–49 age group, reflecting the experience level required in manufacturing and engineering roles. At the same time, the steep increase in new employees under 30 demonstrates continued recruitment of younger talent entering the organisation.

Table 46 - Female employees YoY increase

Year	Number of female employees	YoY Increase
2023	127	7.63%
2024	169	33.07%
2025	197	16.56%

Female workforce participation continued to increase during the reporting period, reaching 197 employees in 2025, reflecting steady progress in strengthening gender diversity across the organisation.

Table 47 - FPIG Emiratisation Workforce Data

Emiratisation Workforce Data	2025
Emiratisation of total workforce (%)	3.50%
Emiratisation of senior management	0%
Total number of national employees	17
Total number of female national employees	8

National employees currently represent 3.5% of the workforce, including eight female Emirati employees, reflecting early progress in strengthening local workforce participation.

Table 48 - Performance Management

Performance Management	2024	2025
Annual Performance reviews completed (%)	95%	83%
Employees with documented objectives (%)	95%	83%
Managers completing performance discussions on time (%)	90%	83%

The data indicate that a structured performance management process has been in place since 2024, with high initial completion rates across key indicators. While completion rates declined slightly to 83% in 2025, the results demonstrate continued implementation of performance reviews, objective setting, and manager–employee discussions, while highlighting an opportunity to further strengthen consistency and timeliness across the organisation.

Table 49 - Local Suppliers

Year	Raw material (RM) spend	Number of Local Suppliers
2023	42%	63
2024	37%	60
2025	30%	77

While the proportion of local raw-material spend declined in 2025, the number of local suppliers increased to 77, indicating continued efforts to diversify the supplier base and strengthen local supplier engagement.

12.2 Appendix 2– IFRS S1 and S2 indexes

IFRS S1 Disclosures Index:

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
Governance	IFRS S1-27	(a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities, including information about:	(i) how responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	75, 76
			(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities;	94
			(iii) how and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities;	76
			(iv) how the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	23, 75, 84, 92
			(v) how the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets (see paragraph 51), including whether and how related performance metrics are included in remuneration policies.	76, 93
		(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about:	(i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee	75, 76
			(ii) Whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	76, 84
Strategy	IFRS S1-28	The objective of sustainability-related financial disclosures on strategy is to enable users of general-purpose financial reports to understand an entity's strategy for managing sustainability-related risks and opportunities.	Additional guidance - no disclosure requirement	
	IFRS S1-29	(a) the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects		84-91
		(b) the current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain		23
		(c) the effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making		23 - 26, 32

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
		(d) the effects of those sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning		45, 53, 62, 72, 81
		(e) the resilience of the entity's strategy and its business model to those sustainability-related risks		42-43, 85, 87, 89-91
	IFRS S1-30	(a) describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects		84-91
		(b) specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur		81
		(c) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making		N/A
	IFRS S1-31	Short-, medium- and long- term time horizons can vary between entities and depend on many factors, including industry-specific characteristics, such as cash flow, investment and business cycles, the planning horizons typically used in an entity's industry for strategic decision-making and capital allocation plans, and the time horizons over which users of general purpose financial reports conduct their assessments of entities in that industry.	Additional guidance - no disclosure requirement	
	IFRS S1-32	(a) A description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain		23, 18, 19
		(b) A description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets)		11-12, 34-36, 84
	IFRS S1-33	(a) how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making		32, 22-24, 39-41, 84, 88-91
		(b) the progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information		8-9,92-95, Appendix 1
		(c) trade-offs between sustainability-related risks and opportunities that the entity considered (for example, in making a decision on the location of new operations, an entity might have considered the environmental impacts of those operations and the employment opportunities they would create in a community		23, 24, 53
	IFRS S1-34	(a) the effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)		23, 29-30, 35, 53, 72
		(b) the anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).		24-26, 35,36,89

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
	IFRS S1-35	(a) how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period		23, 35-36
		(b) the sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements		N/A
		(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability related risks and opportunities, taking into consideration:	(i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to;	24-26, 32
			(ii) its planned sources of funding to implement its strategy	N/A
		(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities		24-26, 35-36
	IFRS S1-36	In providing quantitative information, an entity may disclose a single amount or a range	Additional guidance - no disclosure requirement	
	IFRS S1-37	In preparing disclosures about the anticipated financial effects of a sustainability-related risk or opportunity, an entity shall: (a) use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort; (b) use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures	Additional guidance - no disclosure requirement	
	IFRS S1-38	An entity need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity if the entity determines that: (a) those effects are not separately identifiable; or (b) the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful	Additional guidance - no disclosure requirement	
	IFRS S1-39	In addition, an entity need not provide quantitative information about the anticipated financial effects of a sustainability-related risk or opportunity if the entity does not have the skills, capabilities or resources to provide that quantitative information.	Additional guidance - no disclosure requirement	
	IFRS S1-40	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity applying the criteria set out in paragraphs 38–39, the entity shall: (a) explain why it has not provided quantitative information;		3,4
		(b) provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that sustainability-related risk or opportunity; and		23, 29-31, 35-36
		(c) provide quantitative information about the combined financial effects of that sustainability-related risk or opportunity with other sustainability-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.		N/A
	IFRS S1-41	An entity shall disclose information that enables users of general-purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.		23-26, 41-44
	IFRS S1-42	Other IFRS Sustainability Disclosure Standards may specify the type of information an entity is required to disclose about its resilience to specific sustainability-related risks and how to prepare those disclosures, including whether a scenario analysis is required.	Additional guidance - no disclosure requirement	
Risk Management	IFRS S1-43	(a) to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process		84-88
		(b) to assess the entity's overall risk profile and its overall risk management process		84-88
	IFRS S1-44	a) the processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about:	(i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	3,34
			(ii) whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks	41-44
			(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	N/A
			(iv) whether and how the entity prioritises sustainability-related risks relative to other types of risk	22-23, 84
			(v) how the entity monitors sustainability-related risks	23, 27, 30, 84
			(vi) whether and how the entity has changed the processes it uses compared with the previous reporting period	N/A
		(b) the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities		22,23, 84
		(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process		22,23, 84
Metrics and targets	IFRS S1-45	The objective of sustainability-related financial disclosures on metrics and targets is to enable users of general-purpose financial reports to understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.		8-9, 24-26, 92-95, Appendix 1
	IFRS S1-46	(a) metrics required by an applicable IFRS Sustainability Disclosure Standard;		36, 37, 41
		(b) metrics the entity uses to measure and monitor	(i) that sustainability-related risk or opportunity	8,9, 35 ,36, Appendix 1
			(ii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation	8-9, 24-26, 92-95
	IFRS S1-47	In the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability-related risk or opportunity, an entity shall apply paragraphs 57–58 to identify applicable metrics	Additional guidance - no disclosure requirement	
	IFRS S1-48	Metrics disclosed by an entity applying paragraphs 45–46 shall include metrics associated with particular business models, activities or other common features that characterise participation in an industry		35-36, 29-30

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
	IFRS S1-49	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken		3
Risk Management	IFRS S1-50	(a) how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source		3-4, 35-36
		(b) whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green—or RAG—status);		8-9, Appendix 1
		(c) whether the metric is validated by a third party and, if so, which party;		3-4
		(d) the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.		3-4
	IFRS S1-51	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose: (a) the metric used to set the target and to monitor progress towards reaching the target		8-9, 35-36, 92-95, Appendix 1
		(b) the specific quantitative or qualitative target the entity has set or is required to meet		8-9, 35-36, 92-95, Appendix 1
		(c) the period over which the target applies		8-9, 24-26
		(d) the base period from which progress is measured		8-9, Appendix 1
		(e) any milestones and interim targets		8-9, 96-98
		(f) performance against each target and an analysis of trends or changes in the entity's performance;		8-9, 92-95, Appendix 1
		(g) any revisions to the target and an explanation for those revisions		93, 94
	IFRS S1-52	The definition and calculation of metrics, including metrics used to set the entity's targets and monitor progress towards reaching them, shall be consistent over time.		8-9, Appendix 1
	IFRS S1-53	An entity shall label and define metrics and targets using meaningful, clear and precise names and descriptions.		8-9, Appendix 1
General Requirements	IFRS S1-54	In identifying sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects, an entity shall apply IFRS Sustainability Disclosure Standards.		3
	IFRS S1-55	(a) an entity shall refer to and consider the applicability of the disclosure topics in the SASB Standards. An entity might conclude that the disclosure topics in the SASB Standards are not applicable in the entity's circumstances		N/A
		(b) an entity may refer to and consider the applicability of:	(i) the CDSB Framework Application Guidance for Water-related Disclosures and the CDSB Framework Application Guidance for Biodiversity-related Disclosures (collectively referred to as 'CDSB Framework Application Guidance');	N/A
			(ii) the most recent pronouncements of other standard-setting bodies whose requirements are designed to meet the information needs of users of general-purpose financial reports;	3
			(iii) the sustainability-related risks and opportunities identified by entities that operate in the same industry(s) or geographical region(s).	19-20
	IFRS S1-56	In identifying applicable disclosure requirements about a sustainability related risk or opportunity that could reasonably be expected to affect an entity's prospects, an entity shall apply the IFRS Sustainability Disclosure Standard that specifically applies to that sustainability-related risk or opportunity.		3

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
	IFRS S1-57	In the absence of an IFRS Sustainability Disclosure Standard that specifically applies to a sustainability-related risk or opportunity, an entity shall apply judgement to identify information that: (a) is relevant to the decision-making of users of general-purpose financial reports;		3-4
		(b) faithfully represents that sustainability-related risk or opportunity		3-4
	IFRS S1-58	(a) an entity shall refer to and consider the applicability of the metrics associat-ed with the disclosure topics included in the SASB Standards. An entity might conclude that the met-rics specified in the SASB Standards are not applicable in the entity's circumstances		N/A
		(b) an entity may—to the extent that these sources do not conflict with IFRS Sustainability Disclosure Standards—refer to and consider the applicability of:	(i) the CDSB Framework Application Guidance	N/A
			(ii) the most recent pronouncements of other standard-setting bodies whose requirements are designed to meet the information needs of users of general-purpose financial reports	3
			(iii) the information, including metrics, disclosed by entities that operate in the same industry(s) or geographical region(s)	19-20
		(c) an entity may—to the extent that these sources assist the entity in meeting the objective of this Standard (see paragraphs 1–4) and do not conflict with IFRS Sustainability Disclosure Standards—refer to and consider the applicability of the sources specified in Appendix C		N/A
	IFRS S1-59	(a) the specific standards, pronouncements, industry practice and other sources of guidance that the entity has applied in preparing its sustainability-related financial disclosures, including, if applicable, identifying the disclosure topics in the SASB Standards;		3
		(b) the industry(s) specified in the IFRS Sustainability Disclosure Standards, the SASB Standards or other sources of guidance relating to a particular industry(s) that the entity has applied in preparing its sustainability-related financial disclosures, including in identifying applicable metrics.		11, 19-20
	IFRS S1-60	An entity is required to provide disclosures required by IFRS Sustainability Disclosure Standards as part of its general-purpose financial reports.		3-4
	IFRS S1-61	Subject to any regulation or other requirements that apply to an entity, there are various possible locations in its general-purpose financial reports in which to disclose sustainability-related financial information. Sustainability-related financial disclosures could be included in an entity's management commentary or a similar report when it forms part of an entity's general purpose financial reports. Management commentary or a similar report is a required report in many jurisdictions. It might be known by or included in reports with various names, such as 'management report', 'management's discussion and analysis', 'operating and financial review', 'integrated report' or 'strategic report'.		3-4
	IFRS S1-62	An entity may disclose information required by an IFRS Sustainability Disclosure Standard in the same location as information disclosed to meet other requirements, such as information required by regulators. The entity shall ensure that the sustainability-related financial disclosures are clearly identifiable and not obscured by that additional information (see paragraph B27).		2,3
	IFRS S1-63	Information required by an IFRS Sustainability Disclosure Standard may be included in sustainability-related financial disclosures by cross-reference to another report published by the entity. If an entity includes information by cross-reference, the entity shall apply the requirements in paragraphs B45–B47.	Additional guidance - no disclosure requirement	
	IFRS S1-64	An entity shall report its sustainability-related financial disclosures at the same time as its related financial statements. The entity's sustainability related financial disclosures shall cover the same reporting period as the related financial statements		3
	IFRS S1-65	Normally, an entity prepares sustainability-related financial disclosures for a 12-month period. However, for practical reasons, some entities prefer to report, for example, for a 52-week period. This Standard does not preclude that practice.	Additional guidance - no disclosure requirement	

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
	IFRS S1-66	When an entity changes the end of its reporting period and provides sustainability-related financial disclosures for a period longer or shorter than 12 months, it shall disclose: (a) the period covered by the sustainability-related financial disclosures;	Additional guidance - no disclosure requirement	
		(b) the reason for using a longer or shorter period;	Additional guidance - no disclosure requirement	
		(c) the fact that the amounts disclosed in the sustainability-related	Additional guidance - no disclosure requirement	
	IFRS S1-67	If, after the end of the reporting period but before the date on which the sustainability-related financial disclosures are authorised for issue, an entity receives information about conditions that existed at the end of the reporting period, it shall update disclosures that relate to those conditions in the light of the new information	Additional guidance - no disclosure requirement	
	IFRS S1-68	An entity shall disclose information about transactions, other events and conditions that occur after the end of the reporting period, but before the date on which the sustainability-related financial disclosures are authorised for issue, if non-disclosure of that information could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports	Additional guidance - no disclosure	
	IFRS S1-69	This Standard does not mandate which entities would be required to provide interim sustainability-related financial disclosures, how frequently, or how soon after the end of an interim period. However, governments, securities regulators, stock exchanges and accountancy bodies may require entities whose debt or equity securities are publicly traded to publish interim general purpose financial reports. If an entity is required or elects to publish interim sustainability-related financial disclosures in accordance with IFRS Sustainability Disclosure Standards, the entity shall apply paragraph B48	Additional guidance - no disclosure requirement	
	IFRS S1-70	Unless another IFRS Sustainability Disclosure Standard permits or requires otherwise, an entity shall disclose com-parative information in respect of the preceding period for all amounts dis-closed in the reporting period. If such information would be useful for an understanding of the sustainability-related financial disclosures for the reporting period, the entity shall also disclose comparative information for narrative and descriptive sustainability-related financial information (see para-graphs B49–B59).		8-9, Appendix 1
	IFRS S1-71	Amounts reported in sustainability-related financial disclosures might relate, for example, to metrics and targets or to current and anticipated financial effects of sustainability-related risks and opportunities.		23, 35-36
	IFRS S1-72	An entity whose sustainability-related financial disclosures comply with all the requirements of IFRS Sustainability Disclosure Standards shall make an explicit and unreserved statement of compliance. An entity shall not describe sustainability-related financial disclosures as complying with IFRS Sustainability Disclosure Standards unless they comply with all the requirements of IFRS Sustainability Disclosure Standards.		3
	IFRS S1-73	This Standard relieves an entity from disclosing information otherwise required by an IFRS Sustainability Disclosure Standard if law or regulation prohibits the entity from disclosing that information (see paragraph B33). This Standard also relieves an entity from disclosing information about a sustainability-related opportunity otherwise required by an IFRS Sustainability Disclosure Standard if that information is commercially sensitive as described in this Standard (see paragraphs B34–B37). An entity using these exemptions is not prevented from asserting compliance with IFRS Sustainability Disclosure Standards.		N/A
	IFRS S1-74	An entity shall disclose information to enable users of general-purpose financial reports to understand the judgements, apart from those involving estimations of amounts (see paragraph 77), that the entity has made in the process of preparing its sustainability-related financial disclosures and that have the most significant effect on the information included in those disclosures.		3-4
	IFRS S1-75	In the process of preparing sustainability-related financial disclosures, an entity makes various judgments, apart from those involving estimations, that can significantly affect the information reported in the entity's sustainability related financial disclosures. For example, an entity makes judgements in: (a) identifying sustainability-related risks and opportunities that could be reasonably expected to affect the entity's prospects;		3-4, 34
		(b) determining which sources of guidance to apply in accordance with paragraphs 54–58;		3
		(c) identifying material information to include in the sustainability related financial disclosures		3-4, 81-82
		(d) assessing whether an event or change in circumstances is significant and requires reassessment of the scope of all affected sustainability related risks and opportunities throughout the entity's value chain (see paragraph B11).		45, 48
	IFRS S1-76	Other IFRS Sustainability Disclosure Standards may require disclosure of some of the information that an entity would otherwise be required to disclose in accordance with paragraph 74		N/A
	IFRS S1-77	An entity shall disclose information to enable users of general-purpose financial reports to understand the most significant uncertainties affecting the amounts reported in its sustainability-related financial disclosures.		3-4, 41-44, 98-99
	IFRS S1-78	An entity shall: (a) identify the amounts that it has disclosed that are subject to a high-level of measurement uncertainty		3-4
		(b) in relation to each amount identified in paragraph 78(a), disclose information about:	(i) the sources of measurement uncertainty—for example, the dependence of the amount on the outcome of a future event, on a measurement technique or on the availability and quality of data from the entity's value chain;	41-44, 98-99
			(ii) the assumptions, approximations and judgements the entity has made in measuring the amount	41-44, 98-99
	IFRS S1-79	When amounts reported in sustainability-related financial disclosures cannot be measured directly and can only be estimated, measurement uncertainty arises. In some cases, an estimate involves assumptions about possible future events with uncertain outcomes. The use of reasonable estimates is an essential part of preparing sustainability-related financial disclosures and does not undermine the usefulness of the information if the estimates are accurately described and explained. Even a high-level of measurement uncertainty would not necessarily prevent such an estimate from providing useful information.	Additional guidance - no disclosure requirement	
	IFRS S1-80	The requirement in paragraph 77 for an entity to disclose information about the uncertainties affecting the amounts reported in sustainability-related financial disclosures relates to the estimates that require the entity's most difficult, subjective or complex judgements. As the number of variables and assumptions increases, those judgements become more subjective and complex, and the uncertainty affecting the amounts reported in the sustainability-related financial disclosures increases accordingly	Additional guidance - no disclosure requirement	
	IFRS S1-81	The type and extent of the information an entity might need to disclose vary according to the nature of the amount reported in the sustainability-related financial disclosures—the sources of and the factors contributing to the uncertainty and other circumstances. Examples of the type of information an entity might need to disclose are: (a) the nature of the assumption or other source of measurement uncertainty;	Additional guidance - no disclosure requirement	
		(b) the sensitivity of the disclosed amount to the methods, assumptions and estimates underlying its calculation, including the reasons for the sensitivity;	Additional guidance - no disclosure requirement	
		(c) the expected resolution of an uncertainty and the range of reasonably possible outcomes for the disclosed amount;	Additional guidance - no disclosure requirement	
		(d) an explanation of changes made to past assumptions concerning the disclosed amount, if the uncertainty remains unresolved.	Additional guidance - no disclosure requirement	
	IFRS S1-82	Other IFRS Sustainability Disclosure Standards may require disclosure of some of the information that an entity would otherwise be required to disclose in accordance with paragraphs 77–78.	Additional guidance - no disclosure requirement	
	IFRS S1-83	An entity shall correct material prior period errors by restating the comparative amounts for the prior period(s) disclosed unless it is impracticable to do so.	Additional guidance - no disclosure requirement	

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Page number
	IFRS S1-84	Prior period errors are omissions from and misstatements in the entity's sustainability-related financial disclosures for one or more prior periods. Such errors arise from a failure to use, or the misuse of, reliable information that: (a) was available when the sustainability-related financial disclosures for that period(s) were authorised for issue;	Additional guidance - no disclosure requirement	
		(b) could reasonably be expected to have been obtained and considered in the preparation of those disclosures	Additional guidance - no disclosure requirement	
	IFRS S1-85	Corrections of errors are distinguished from changes in estimates. Estimates are approximations that an entity might need to revise as additional information becomes known.	Additional guidance - no disclosure requirement	
	IFRS S1-86	If an entity identifies a material error in its prior period sustainability-related financial disclosures, it shall apply paragraphs B55–B59.	Additional guidance - no disclosure	

IFRS S2 Disclosures Index:

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
Governance	IFRS S2-5	The objective of climate-related financial disclosures on governance is to enable users of general-purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.		75, 76, 89
	IFRS S2-6	To achieve this objective, an entity shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	75
			(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate related risks and opportunities;	94
			(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	90
			(iv) how the body(s) or individual(s) takes into account climate related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	41, 89
			v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g))	84, 85, 89
		(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee;	89, 90
			(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	89, 90

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
	IFRS S2-7	In preparing disclosures to fulfil the requirements in paragraph 6, an entity shall avoid unnecessary duplication in accordance with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) (see paragraph B42(b) of IFRS S1). For example, although an entity shall provide the information required by paragraph 6, if oversight of sustainability related risks and opportunities is managed on an integrated basis, the entity would avoid duplication by providing integrated governance disclosures instead of separate disclosures for each sustainability-related risk and opportunity.	Additional guidance - no disclosure requirement	
Strategy	IFRS S2-8	The objective of climate-related financial disclosures on strategy is to enable users of general-purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities		40,41, 90
	IFRS S2-9	Specifically, an entity shall disclose information to enable users of general-purpose financial reports to understand: (a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);		42,43, 90,91
		(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain (see paragraph 13);		42, 43, 44, 45
		(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);		44, 45
		(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning (see paragraphs 15–21); and		43, 44
		(e) the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities (see paragraph 22).		39, 40
	IFRS S2-10	An entity shall disclose information that enables users of general-purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;		42, 43
		(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk		42, 43
		(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur;		N/A
		(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.		N/A
	IFRS S2-11	In identifying the climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects, the entity shall use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort, including information about past events, current conditions and forecasts of future conditions.	Additional guidance - no disclosure requirement	

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
	IFRS S2-12	In identifying the climate-related risks and opportunities that could reasonably be expected to affect an entity's prospects, the entity shall refer to and consider the applicability of the industry-based disclosure topics defined in the industry-based Guidance on Implementing IFRS S2.	Additional guidance - no disclosure requirement	
	IFRS S2-13	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate related risks and opportunities on the entity's business model and value chain.		90, 91
		(b) a description of where in the enti-ty's business model and value chain climate-related risks and opportunities are concentrated (for example, geo-graphical areas, facilities and types of assets).		42, 44, 45
	IFRS S2-14	An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose: (a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	35, 36
			(ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	35, 36, 39-41
			(iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);	68, 69
			(iv) any climate-related transition plans the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies;	36, 39-41
			v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	35, 36, 39-41
		(b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).		53
		(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).		35, 36, 37
	IFRS S2-15	An entity shall disclose information that enables users of general-purpose financial reports to understand: (a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects)		N/A
		(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects)		42, 43
	IFRS S2-16	Specifically, an entity shall disclose quantitative and qualitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;		N/A
		(b) the climate-related risks and oppor-tunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities re-ported in the related financial state-ments		90, 91

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
		(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration	(i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirement	N/A
			(ii) its planned sources of funding to implement its strategy	N/A
		(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).		53
	IFRS S2-17	In providing quantitative information, an entity may disclose a single amount or a range.	Additional guidance - no disclosure requirement	
	IFRS S2-18	In preparing disclosures about the anticipated financial effects of a climate related risk or opportunity, an entity shall: (a) use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort	Additional guidance - no disclosure requirement	
		(b) use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures.	Additional guidance - no disclosure requirement	
	IFRS S2-19	An entity need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity if the entity determines that: (a) those effects are not separately identifiable; or	Additional guidance - no disclosure requirement	
		(b) the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful.	Additional guidance - no disclosure requirement	
	IFRS S2-20	In addition, an entity need not provide quantitative information about the anticipated financial effects of a climate-related risk or opportunity if the entity does not have the skills, capabilities or resources to provide that quantitative information.	Additional guidance - no disclosure requirement	
	IFRS S2-21	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity applying the criteria set out in paragraphs 19–20, the entity shall: (a) explain why it has not provided quantitative information;		N/A
		(b) provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that climate-related risk or opportunity; and		42-45
		(c) provide quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful		35, 36, 40
	IFRS S2-22	An entity shall disclose information that enables users of general-purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose: (a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general-purpose financial reports to understand:	(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	41, 42, 44, 90, 91
			(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;	41, 44
			(iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including; (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience	39, 40

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
	IFRS S2-22	(b) how and when the climate-related scenario analysis was carried out, including:	(i) information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, among its scenarios, a climate related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	41, 44, 90, 91
			(ii) the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources); (4) energy usage and mix; and (5) developments in technology;	44
			(iii) the reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	N/A
	IFRS S2-23	In preparing disclosures to meet the requirements in paragraphs 13–22, an entity shall refer to and consider the applicability of cross-industry metric categories, as described in paragraph 29, and industry-based metrics associated with disclosure topics defined in the industry-based Guidance on Implementing IFRS S2 as described in paragraph 32.	Additional guidance - no disclosure requirement	
Risk Management	IFRS S2-24	The objective of climate-related financial disclosures on risk management is to enable users of general-purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.		88-91
	IFRS S2-25	To achieve this objective, an entity shall disclose information about: (a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	(i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	89
			(ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	90, 91
			(iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	90, 91
			(iv) whether and how the entity prioritises climate-related risks relative to other types of risk;	90, 91
			(v) how the entity monitors climate-related risks; and	89
			(vi) whether and how the entity has changed the processes it uses compared with the previous reporting peri-od;	N/A
		(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities		35, 36
		(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.		89
	IFRS S2-26	In preparing disclosures to fulfil the requirements in paragraph 25, an entity shall avoid unnecessary duplication in accordance with IFRS S1 (see paragraph B42(b) of IFRS S1). For example, although an entity shall provide the information required by paragraph 25, if oversight of sustainability related risks and opportunities is managed on an integrated basis, the entity would avoid duplication by providing integrated risk management disclosures instead of separate disclosures for each sustainability-related risk and opportunity.		N/A
Metrics and targets	IFRS S2-27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general-purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation	Additional guidance - no disclosure requirement	
	IFRS S2-28	To achieve this objective, an entity shall disclose: (a) information relevant to the cross-industry metric categories (see paragraphs 29–31);		35, 36
		(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and		
		(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).		40, 41
	IFRS S2-29	An entity shall disclose information relevant to the cross-industry metric categories of: (a) greenhouse gases—the entity shall:	(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; and (3) Scope 3 greenhouse gas emissions;	35-41, 107, 108
			(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25)	37
			(iii) disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	37
			(iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between: (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and (2) other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	37, 107, 108

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
		(v) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31);		37, 107, 108
		(vi) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63)		N/A
		(b) climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;		N/A
		(c) climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;		N/A
		(d) climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;		N/A
		(e) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;		N/A
		(f) internal carbon prices—the entity shall disclose:	(i) an explanation of whether and how the entity is applying a carbon price in decision-making (for exam-ple, investment decisions, transfer pricing and scenario analysis); and	44
			(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its green-house gas emissions;	44
		(g) remuneration—the entity shall disclose:	(i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and	N/A
			(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate related considerations.	N/A
	IFRS S2-30	In preparing disclosures to meet the requirements in paragraph 29(b)–(d), an entity shall use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort	Additional guidance - no disclosure requirement	
	IFRS S2-31	In preparing disclosures to meet the requirements in paragraph 29(b)–(g), an entity shall refer to paragraphs B64–B65.	Additional guidance - no disclosure requirement	
	IFRS S2-32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the entity discloses, the entity shall refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the industry-based Guidance on Implementing IFRS S2.		35, 36, 37

Topic	IFRS Index	Recommended disclosure item	Recommended disclosure subitem	Section in the Report
		(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);		24-26, 34
		(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);		25, 35-36
		(d) the period over which the target applies;		24-26, 35-26, 101-102
		(e) the base period from which progress is measured;		8-9, 103-108
		(f) any milestones and interim targets;		8-9, 92-95
		(g) if the target is quantitative, whether it is an absolute target or an intensity target; and		24-26, 35-36
		(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.		3
	IFRS S2-34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party;		3
		(b) the entity's processes for reviewing the target;		22-23
		(c) the metrics used to monitor progress towards reaching the target; and		8-9, Appendix 1
		(d) any revisions to the target and an explanation for those revisions		N/A
	IFRS S2-35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance	Additional guidance - no disclosure requirement	
	IFRS S2-36	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose: (a) which greenhouse gases are covered by the target		34-39, 107-108
		(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.		25, 36, 93, 96
		(c) whether the target is a gross green-house gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).		25, 36, 93, 96
		(d) whether the target was derived using a sectoral decarbonisation approach.		N/A
		(e) the entity's planned use of carbon credits to offset greenhouse gas emis-sions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the entity shall disclose information in-cluding, and with reference to para-graphs B70–B71:	(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	N/A
			(ii) which third-party scheme(s) will verify or certify the carbon credits;	N/A
			(iii) the type of carbon credit, including whether the underlying offset will be nature-based or aligned with technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	N/A
			(iv) any other factors necessary for users of general purpose financial reports to understand the credibil-ity and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	N/A
	IFRS S2-37	In identifying and disclosing the met-rics used to set and monitor progress towards reaching a target described in paragraphs 33–34, an entity shall refer to and consider the applicability of cross-industry metrics (see paragraph 29) and industry-based metrics (see paragraph 32), including those de-scribed in an applicable IFRS Sustain-ability Disclosure Standard, or metrics that otherwise satisfy the requirements in IFRS S1.		8-9, 24-26, 35-36, Appendix 1

12.3 Appendix 3- GRI and UN SDGs Index

Statement of Use - Future Pipe Industries Group has reported the information cited in this GRI content index for the period from 1st January 2025 to 31st December 2025 with reference to the GRI Standards.

GRI 1 Used - GRI: Foundation 2021

GRI STANDARD	DISCLOSURE	UN SDGs	LOCATION
GRI 2: General Disclosures	2-1 Organizational details	SDG 8	3, 11
	2-2 Entities included in the organization's sustainability reporting		Future Pipe Industries Limited
	2-3 Reporting period, frequency and contact point		3,4
	2-4 Restatements of information		3,4
	2-5 External assurance		3
	2-6 Activities, value chain and other business relationships	SDG 8, 12	11, 18
	2-7 Employees	SDG 5, SDG 8	57, 63, 68, 113, 116
	2-8 Workers who are not employees	SDG 5, SDG 8	113
	2-9 Governance structure and composition	SDG 5, SDG 8	75, 76
	2-10 Nomination and selection of the highest governance body		N/A
	2-11 Chair of the highest governance body		75
	2-12 Role of the highest governance body in overseeing the management of impacts		75, 76
	2-13 Delegation of responsibility for managing impacts		75, 76
	2-14 Role of the highest governance body in sustainability reporting		75, 76
	2-15 Conflicts of interest		N/A
	2-16 Communication of critical concerns		N/A
	2-17 Collective knowledge of the highest governance body		N/A
	2-18 Evaluation of the performance of the highest governance body		N/A
	2-19 Remuneration policies		N/A
	2-20 Process to determine remuneration		N/A
	2-21 Annual total compensation ratio		N/A
	2-22 Statement on sustainable development strategy		23-24
	2-23 Policy commitments		76, 69, 62
	2-24 Embedding policy commitments		76, 69, 62
	2-25 Processes to remediate negative impacts		N/A
	2-26 Mechanisms for seeking advice and raising concerns		62,68,77,79
	2-27 Compliance with laws and regulations	SDG 16	76
	2-28 Membership associations		N/A
	2-29 Approach to stakeholder engagement	SDG 17	79
	2-30 Collective bargaining agreements		67
GRI 3: Material Topics 2021	3-1 Process to determine material topics		81-82
	3-2 List of material topics		83, 84
	3-3 Management of material topics		81-88
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss		53
	101-2 Management of biodiversity impacts	SDG 15	53
	101-3 Access and benefit-sharing		N/A
	101-4 Identification of biodiversity impacts		52, 53
	101-5 Locations with biodiversity impacts		52
	101-6 Direct drivers of biodiversity loss		N/A
	101-7 Changes to the state of biodiversity		N/A
	101-8 Ecosystem services		N/A

GRI STANDARD	DISCLOSURE	UN SDGs	LOCATION
GRI 102: Climate Change 2025	102-1 Transition plan for climate change mitigation	SDG 13	45 ,40
	102-2 Climate change adaptation plan		39, 40, 90
	102-3 Just transition		N/A
	102-4 GHG emissions reduction targets and progress		40, 41
	102-5 Scope 1 GHG emissions		37, 107, 108
	102-6 Scope 2 GHG emissions		37, 107, 108
	102-7 Scope 3 GHG emissions		N/A
	102-8 GHG emissions intensity		37, 41, 108, 109
	102-9 GHG removals in the value chain		N/A
	102-10 Carbon credits		N/A
GRI 103: Energy 2025	103-1 Energy policies and commitments	SDG 7, 13	36
	103-2 Energy consumption and self-generation within the organization		35, 36, 103
	103-3 Upstream and downstream energy consumption		N/A
	103-4 Energy intensity		35, 36, 104
	103-5 Reduction in energy consumption		39, 40
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SDG 8	N/A
	201-2 Financial implications and other risks and opportunities due to climate change	SDG 13	90-92
	201-3 Defined benefit plan obligations and other retirement plans		N/A
	201-4 Financial assistance received from government		N/A
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	SDG 5, 8	N/A
	202-2 Proportion of senior management hired from the local community		117-118
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	SDG 9	N/A
	203-2 Significant indirect economic impacts	SDG 8	23
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SDG 12	70-71, 117

GRI STANDARD	DISCLOSURE	UN SDGs	LOCATION
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SDG 16	N/A
	205-2 Communication and training about anti-corruption policies and procedures		79
	205-3 Confirmed incidents of corruption and actions taken		79
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	SDG 16	79
GRI 207: Tax 2019	207-1 Approach to tax	SDG 16	N/A
	207-2 Tax governance, control, and risk management		N/A
	207-3 Stakeholder engagement and management of concerns related to tax		N/A
	207-4 Country-by-country reporting		N/A
GRI 301: Materials 2016	301-1 Materials used by weight or volume	SDG 12	N/A
	301-2 Recycled input materials used		48, 112
	301-3 Reclaimed products and their packaging materials		40, 49
GRI 302: Energy 2016	302-1 Energy consumption within the organization	SDG 7, 13	37
	302-2 Energy consumption outside of the organization		N/A
	302-3 Energy intensity		37, 105
	302-4 Reduction of energy consumption		37, 40
	302-5 Reductions in energy requirements of products and services		36
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	SDG 6	N/A
	303-2 Management of water discharge-related impacts		48
	303-3 Water withdrawal		45, 109, 110
	303-4 Water discharge		46, 47
	303-5 Water consumption		46, 109
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SDG 13	37, 107, 108
	305-2 Energy indirect (Scope 2) GHG emissions		37, 108, 109
	305-3 Other indirect (Scope 3) GHG emissions		N/A
	305-4 GHG emissions intensity		37, 108, 109
	305-5 Reduction of GHG emissions		34-37
	305-6 Emissions of ozone-depleting substances (ODS)		37, 38
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		37, 38, 39
GRI 306: Effluents and Waste 2016	306-3 Significant spills		50

GRI STANDARD	DISCLOSURE	UN SDGs	LOCATION
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SDG 12	48, 49, 110, 111
	306-2 Management of significant waste-related impacts		49, 50
	306-3 Waste generated		48, 110, 111
	306-4 Waste diverted from disposal		48, 112
	306-5 Waste directed to disposal		N/A
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	SDG 12	69, 70
	308-2 Negative environmental impacts in the supply chain and actions taken		N/A
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SDG 8	56, 57, 63, 114, 115, 116
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees		N/A
	401-3 Parental leave	SDG 5	65
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes		N/A
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SDG 3, 8	58-59
	403-2 Hazard identification, risk assessment, and incident investigation		58-59
	403-3 Occupational health services		58-61
	403-4 Worker participation, consultation, and communication on occupational health and safety		62, 115
	403-5 Worker training on occupational health and safety		62, 114, 115
	403-6 Promotion of worker health		58
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		N/A
	403-8 Workers covered by an occupational health and safety management system		58, 114
	403-9 Work-related injuries	SDG 3	60 - 62, 116
	403-10 Work-related ill health		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SDG 8	55, 114
	404-2 Programs for upgrading employee skills and transition assistance programs		55, 56
	404-3 Percentage of employees receiving regular performance and career development reviews		66, 117

GRI STANDARD	DISCLOSURE	UN SDGs	LOCATION
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SDG 5	63, 75, 116
	405-2 Ratio of basic salary and remuneration of women to men		65
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SDG 5	65
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		N/A
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SDG 8	70
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SDG 8	70
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures		N/A
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples		N/A
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	SDG 11	71,72
	413-2 Operations with significant actual and potential negative impacts on local communities		N/A
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	SDG 8	69, 70
	414-2 Negative social impacts in the supply chain and actions taken		N/A
GRI 415: Public Policy 2016	415-1 Political contributions		N/A
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	SDG 3	83, 88
	416-2 Incidents of non-compliance concern-ing the health and safety impacts of prod-ucts and services		88,84
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	SDG 12	79
	417-2 Incidents of non-compliance concerning product and service information and labeling		79
	417-3 Incidents of non-compliance concerning marketing communications		79
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SDG 16	N/A

12.4 Appendix 4- UNGC Index

Principles	Topic Covered	Report Section
Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Human rights commitment, ethical conduct, grievance mechanisms	Chapter 7 – Diversity, Inclusion and Human Rights
Principle 2 Make sure they are not complicit in human rights abuses	Supplier Code of Conduct, responsible sourcing, supplier screening	Chapter 7 – Supplier Engagement and Responsible Sourcing
Labour		
Principle 3 Uphold freedom of association and collective bargaining	Employee relations, labour practices, workplace policies	Chapter 7 – People Strategy and Workforce Profile
Principle 4 Eliminate forced labour	Labour standards, supplier requirements, ethical sourcing	Chapter 7 – Supplier Engagement and Responsible Sourcing
Principle 5 Abolition of child labour	Supplier code requirements and compliance expectations	Chapter 7 – Supplier Engagement and Responsible Sourcing
Principle 6 Eliminate discrimination in employment	Diversity, inclusion, equal opportunity policies	Chapter 7 – Diversity, Inclusion and Human Rights
Environment		
Principle 7 Support a precautionary approach to environmental challenges	Environmental management systems, risk management	Chapter 6 – Environmental Strategy and Management System
Principle 8 Undertake initiatives to promote environmental responsibility	Energy, emissions, water, waste reduction initiatives	Chapter 6 – Environmental Performance
Principle 9 Encourage environmentally friendly technologies	Product innovation, circularity initiatives, sustainable solutions	Chapter 5 – Strategy & Long-Term Value Creation and paragraph 6.5 Safe & Sustainable Manufacturing Practices
Anti-Corruption		
Principle 10 Work against corruption in all its forms	Anti-corruption policy, whistleblowing, governance controls	Chapter 8.2 - Ethics, Compliance & Integrity

12.5 Appendix 5- External Assurance Statement Summary

Assurance Provider
The selected ESG disclosures in this report have been subject to limited external assurance by the British Standards Institution (BSI).

Scope of Assurance
The assurance engagement covered the following key performance indicators for the reporting period 1 January 2025 to 31 December 2025:

- Scope 1 and Scope 2 greenhouse gas (GHG) emissions
- Waste generation and recycling data
- Diversity, Equity, and Inclusion (DEI) metrics

Level of Assurance
A limited level of assurance was provided. This level of assurance is lower than reasonable assurance and is based on enquiry, analytical procedures, and limited testing.

Standards and Methodology
The assurance engagement was conducted in accordance with internationally recognised assurance standards, including:

- ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information
- BSI's internal assurance methodology

Assurance Approach
The assurance process included:

- Review of data collection methodologies and reporting processes
- Evaluation of internal controls and data management systems•Sampling and verification of selected data points
- Interviews with relevant personnel responsible for ESG data and reporting

Limitations
The assurance was limited to the selected KPIs listed above. The procedures performed do not constitute a full audit, and therefore do not provide the same level of assurance as a reasonable assurance engagement.

Conclusion
Based on the procedures performed, nothing has come to BSI's attention that causes them to believe that the selected ESG disclosures are not prepared, in all material respects, in accordance with the stated reporting criteria.

Further Information
The full independent assurance statement, including detailed findings and conclusions, is available upon request.

12.6 Appendix 6- Glossary and KPI Definitions

AED: Automated External Defibrillator
AR: Augmented Reality
ARC: Audit and Risk Committee
API: American Petroleum Institute
AUH: Abu Dhabi
BRL: Baton Rouge
BU: Business Unit
CAO: Collective Labour Agreement
C.A.R.E: Care, Assess, Report, Engage
CBA: Collective Bargaining Agreements
CCUS: Carbon Capture, Utilization, and Storage
CEBC: Clean Energy Business Council
CEO: Chief Executive Officer
CFO: Chief Financial Officer
CH_4: Methane
CPR: Cardiopulmonary resuscitation
CSR: Corporate Social Responsibility
CSRD: Corporate Sustainability Reporting Directive
DEI: Diversity, Equity, and Inclusion
DFM: Dubai Financial Market
EGY: Egypt
EMS: Environmental Management System
EPC: Engineering, Procurement, and Construction
EPD: Environmental Product Declaration
ERM: Enterprise Risk Management
ERP: Enterprise Resource Planning
ESG: Environmental, Social, and Governance
FPIG: Future Pipe Industries Group
FTE: Full-Time Equivalent
GEI: Dubai
GHG: Greenhouse Gas
GJ: Gigajoule
GM: General Manager
GMM: GeoMarket Manager
GRE: Glass Reinforced Epoxy
GRI: Global Reporting Initiative
GRV: Glass Reinforced Vinyl Ester
GRP: Glass Reinforced Polyester
GWP: Global Warming Potential
HFC: Hydrofluorocarbons
HOU: Houston
HSSE: Health, Safety, Security, and Environment
HVAC: Heating, ventilation, and air conditioning
ICV: In-Country Value
IDN: Indonesia
IFRS: International Financial Reporting Standards (IFRS)
ILO: International Labour Organization
IoT: Internet of Things
IR: Integrated Reporting
ISO: International Organization for Standardization
JTRA: Job Task Risk Assessments
KAUST: King Abdullah University of Science & Technology
KG: Kilogram
KSA: Kingdom of Saudi Arabia
kWh: Kilowatt-hour
LCA: Life Cycle Assessment
LED: Light-Emitting Diode
LMS: Learning Management System
LSR: Life Saving Rules
m^3: Cubic Meter
MAR: Morocco
MWh: Megawatt-hour
MWp: Megawatt-Peak
N_2O: Nitrous oxide
NCC: National Composite Centre
NED: Non-Executive Directors
NIC: Non-metallic Innovation Centre
NLD: Netherlands
OHS: Occupational Health and Safety
OMN: Oman
P&C: People & Culture
PPA: Power Purchase Agreements
PV: Photovoltaic
QTR: Qatar
RM: Raw Material
SCOC: Supplier Code of Conduct
SDG: Sustainable Development Goals
SWA: Stop Work Authority
TCFD: Task Force on Climate-related Financial Disclosures
TCO: Total Cost of Ownership
tCO_2e: tonnes of carbon dioxide equivalent
TCP: Thermoplastic Composite Pipes
TRIR: Total Recordable Incident Rate
UAE: United Arab Emirates
UN: United Nations
UNGC: United Nations Global Compact
USD: United States dollar
VP: Vice President

KPI Definitions and Methodologies

This section provides definitions, calculation methodologies, and reporting boundaries for key ESG performance indicators presented in this report. The aim is to ensure transparency, consistency, and comparability of reported data across reporting periods.

Total GHG Emissions: Total greenhouse gas emissions generated from FPIG's operations, including direct (Scope 1) and indirect (Scope 2) emissions.

Calculation Methodology:
Calculated using activity data (fuel consumption, electricity use) multiplied by relevant emission factors in accordance with the GHG Protocol. Scope 1 includes direct emissions from owned or controlled sources. Scope 2 includes indirect emissions from purchased electricity.

Unit:
tCO_2e

Data Source:
Internal systems, site records, and utility/provider data.

Emissions Intensity: Total Scope 1 and Scope 2 GHG emissions per unit of production.

Calculation Formula:
Total GHG Emissions (tCO_2e) ÷ Total Production (tons)

Unit:
tCO_2e per ton

Energy Consumption: Total energy consumption within the reporting boundary.

Calculation Methodology:
Sum of energy derived from electricity and fuel consumption, converted into gigajoules (GJ).

Unit:
GJ

Data Source:
Internal systems and utility/provider data.

Energy Intensity: Energy consumption per unit of production.

Calculation Formula:
Total Energy Consumption (GJ) ÷ Total Production (tons)

Unit:
GJ per ton

Water Consumption: Total volume of water withdrawn for operational use.

Calculation Methodology:
Measured using site-level water meters and supplier records.

Unit:
m^3

Data Source:
Site records and utility data.

Water Intensity: Water consumption per unit of production

Calculation Formula:
Total Water Consumption (m^3) ÷ Total Production (tons)

Unit:
m^3 per ton

Waste Generation: Total volume of waste generated from operations.

Calculation Methodology:
Aggregated from site-level waste tracking and contractor records.

Scope:
Includes hazardous and non-hazardous waste.

Unit:
tons

Waste Recycling Rate: Percentage of total waste generated that is recycled.

Calculation Methodology:
Waste Recycled (tons) ÷ Total Waste Generated (tons) × 100

Unit:
%

TRIR (Total Recordable Incident Rate): Measure of workplace recordable incidents relative to hours worked.

Calculation Formula:
(Total Recordable Injuries × 200,000) ÷ Total Hours Worked

Unit:
Rate per 200,000 hours worked

Additional Notes

- KPI data is consolidated at Group level and reflects entities under FPIG's operational control for the reporting period.
- Data may be subject to restatement where improved accuracy or methodology changes are identified.



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