

INNIO GLOBAL REPORTING INITIATIVE DISCLOSURE

For the year-ended December 2020

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INTRODUCTION

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Prepared in accordance with the Core option of the GRI Standards, this 2020 INNIO Group Global Reporting Initiative (GRI) Index presents an inventory of the sustainability considerations used in INNIO’s corporate practices. The information provided in this report covers approximately 90% of INNIO’s business operations. This GRI Index covers activities carried out during the 2020 fiscal year and includes links to additional highlights of our sustainability work as well as disclosure of non-financial issues found in INNIO’s **Sustainability Report 2020** and on **our website**.

ABOUT INNIO GROUP

INNIO Group is a leading provider of renewable gas, natural gas, and hydrogen-based solutions and services for power generation and gas compression at or near the point of use. INNIO has a long history in the energy engineering power and heat generation sector, and has been operating independently as a privately owned enterprise since the end of 2018.

With our Jenbacher and Waukesha gas engines, we help provide communities, industry, and the public with access to sustainable, reliable, and economical power ranging from 200 kW to 10 MW. Our innovative technology is driven by decarbonization, decentralization, and digitalization to help lead the

way to a greener future. In addition to our advanced technology, we also provide lifecycle support and digital solutions to more than 53,000 delivered gas engines globally through our service network in more than 100 countries.

STAKEHOLDER ENGAGEMENT & MATERIALITY ANALYSIS

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INNIO undertook our first materiality analysis in 2021. The materiality analysis methodology helps us refine and assess the various environmental, social, and governance (ESG) topics related to the business and our stakeholders, both now and in the future. The topics identified from the materiality analysis flow into our ESG reporting, ESG strategy and Bold Sustainability Goals. Through recurring materiality analysis efforts, INNIO will be able to identify new issues as well as review and recalibrate previously identified issues.

In 2021, INNIO’s President & CEO, together with our Sustainability Review Board (SRB), held the company’s first ESG Strategy & Commitment meeting. The panel included our senior executives and expert stakeholders, such as ESG consultants with deep understanding of the business and industry as well as insight into the various aspects of sustainability. As part of our preparatory research, we studied

multiple international frameworks including GRI, Sustainability Accounting Standards Board (SASB), and United Nations Sustainable Development Goals (UN SDGs) as well as industry peers, the media, and several industry associations to compile an initial, extensive set of potential topics for analysis. This initial set of issues included 55 interrelated ESG topics, which then were refined and clustered.



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INNIO's C-level executives were asked to review each clustered material topic, provide their perspective, and collate information on the relevance of each topic. Their perspectives then were discussed at the meeting, where participants were asked to list the topics they considered to be most substantial. The outcome was 13 significant areas, which then were classified into four themes—Long-term Value Creation, People & Communities, Operations, and Climate & Natural Capital.

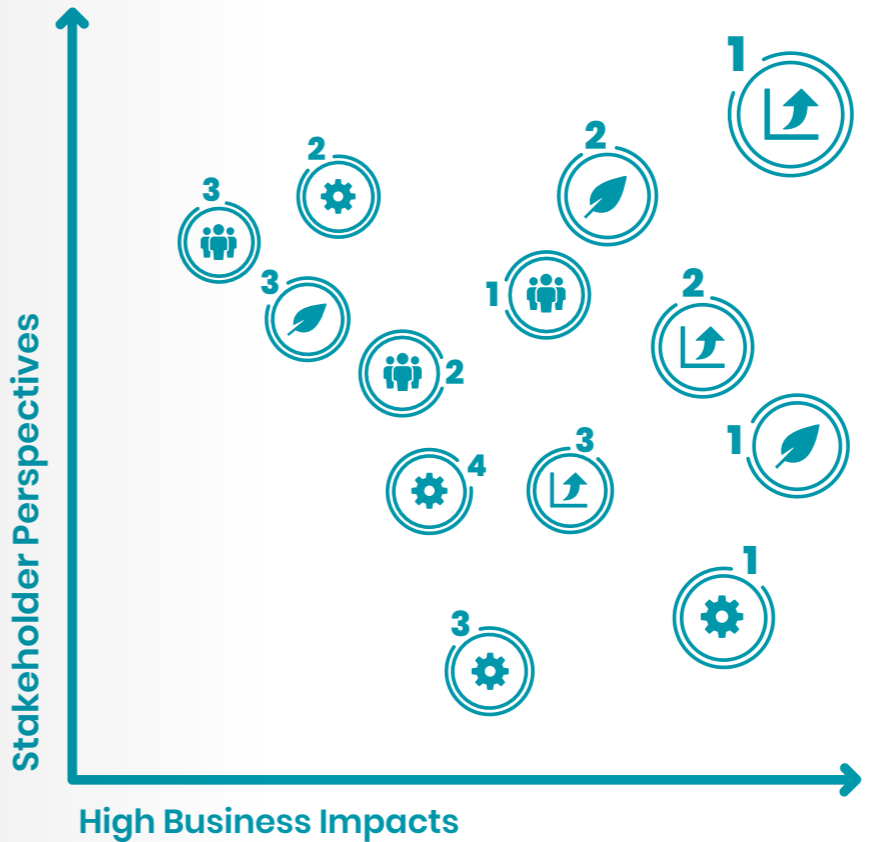
These four focus areas constitute the core of our business, enabling us to positively contribute to the environment and to international communities, address the current global climate challenges, and meet international standards.

This holistic approach to managing sustainability is in alignment with a variety of global goals and challenges of the future.

INNIO's SRB organized the 13 material issues into a materiality matrix that reflects the importance of each issue to stakeholders against potential business impacts. Prioritization was based on the economic, environmental, and societal importance to our business, as well as to the various stakeholder groups across our value chain. The results of our materiality assessment were confirmed by key internal audiences for validation and finalization.

NOTE: The positioning of the issues on the matrix does not indicate INNIO's level of action in managing them.

INNIO'S MATERIALITY MATRIX AS OF THE 2020 REPORT



Graph 1

-  **Long-term Value Creation**
 - 1. Leading the industry with technology & innovation
 - 2. Partnering with customers for the long term
 - 3. Providing analytics & digital solutions
-  **Operations**
 - 1. Ensuring operational excellence
 - 2. Upholding high standards of business conduct
 - 3. Applying high standards in procurement
 - 4. Delivering flexible energy efficiency toward carbon-free products

-  **Climate and Natural Capital**
 - 1. Leading role in energy transition
 - 2. Creating sustainability across the value chain
 - 3. Continuously improving environmental performance
-  **People and Communities**
 - 1. Continuously improving diversity & inclusion at all levels of hierarchy
 - 2. Improving employee experience
 - 3. Engaging with communities

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A summary of the significance of the issues across INNIO's value chain highlighting each topic's significance to various stakeholder groups



Material Topics	Suppliers	INNIO	Employees	Customers	Local communities	Society	Providers of Capital
Long-term value creation							
Leading the industry with technology and innovation	Medium	High	Medium	Low	Low	Low	High
Partnering with customers for the long-term	Medium	High	High	High	Low	Low	High
Providing analytics & digital solutions	Low	High	Medium	High	Low	Medium	Medium
Climate and natural capital							
Leading role in energy transition	Medium	High	Low	High	Medium	High	High
Creating sustainability across the value chain	High	High	Low	High	Medium	High	Medium
Continuously improving environmental performance	Medium	High	Low	High	High	High	High
Operations							
Delivering flexible energy efficiency towards carbon-free products	Low	High	High	Low	Medium	Low	High
Ensuring operational excellence	High	High	Low	High	Medium	High	High
Applying high standards in procurement	High	High	Low	High	Medium	High	Medium
Upholding high standards of business conduct	Low	High	High	Low	High	High	High
People & Communities							
Continuously improving diversity and inclusion at all levels of hierarchy	Low	High	High	Low	High	High	High
Improving employee experience	Low	High	High	Low	High	Low	High
Engaging with communities	Low	Medium	Medium	Medium	High	High	Medium

Table 1



GENERAL DISCLOSURES

102-1 NAME OF THE ORGANIZATION

INNIO Group

102-2 ACTIVITIES, BRANDS, PRODUCTS AND SERVICES

INNIO Group encompasses Jenbacher and Waukesha brands and is a leading provider of renewable gas, natural gas, and hydrogen-based solutions, services, and digital tools for power and heat generation as well as gas compression at or near the point of use. For more information, please visit [INNIO's website](#).

102-3 LOCATION OF HEADQUARTERS

INNIO Group is headquartered in Jenbach, Austria, at Achenseestraße 1-3, where our main corporate functions have offices as well as the production facility for the Jenbacher product lines.

102-4 LOCATION OF OPERATIONS

INNIO Group has offices in more than 30 countries worldwide including four production facilities in Jenbach and Kapfenberg, Austria, Welland, Canada, and Waukesha, U.S. INNIO also has large service and operations offices in Germany, Netherlands, Italy, Hungary, Russia, Spain, Poland, China, Brazil, and Mexico, to name a few.

102-5 NATURE OF OWNERSHIP AND LEGAL FORM

INNIO has a long history in the energy engineering sector and has been operating independently as a privately owned enterprise since the end of 2018.

102-6 MARKETS SERVED

INNIO provides lifecycle support and digital solutions to more than 53,000 delivered reciprocating engines globally through our sales and service network in more than 100 countries. A large portion of the company's net sales in 2020 were attributable to customers in Europe, the U.S., the Middle East and Asia. We deliver innovative technology driven by decarbonization, decentralization, and digitalization to help lead the way to a greener future. INNIO provides customers of all types – including municipalities, developing communities, hospitals, industrial businesses (such as agriculture and food

processing, automotive manufacturing, steel, and oil and gas) as well as government agencies managing disaster relief and other emergency power situations – the ability to generate reliable, sustainable power whenever and wherever it is needed.

102-7 SCALE OF THE ORGANIZATION

INNIO delivers more than 2 GW of newly installed base annually and works with customers and distributors in more than 100 countries. We have offices in more than 30 countries worldwide including four production facilities in Jenbach and Kapfenberg, Austria, Welland, Canada, and Waukesha, U.S. INNIO also has large service and operations facilities in Germany, Netherlands, Italy, Hungary, Russia, Spain, Poland, China, Brazil, and Mexico, to name a few.

102-8 INFORMATION ON EMPLOYEES



UN Global Compact: Principle 6

INNIO employs more than 3,500 people with 60% in the 30-50 age group and 17% women. Our employees have diverse backgrounds and represent more than 50 nationalities. More than 80%

are located in Europe. Companywide, about 15% of the supervisory positions are held by females, according to 2020 data. For more information, please refer to the [Workforce section](#) of INNIO's *Sustainability Report 2020*.

102-9 SUPPLY CHAIN DESCRIPTION

INNIO's supply chain is global, with a vast majority of suppliers in Europe, North America and Asia. We procure goods and services from companies with an exceptional track record of integrity and sound business practices. We also require every would-be supplier to sign an integrity commitment aligned with the UN's Global Compact principles. In addition to the usual goals of quality, timeliness, flexibility and competitiveness, INNIO also measures our suppliers on sustainability.



**102-10
SIGNIFICANT CHANGES
TO THE ORGANIZATION**

In 2020, we ramped up to full production capacity in our newly designed and built factory in Welland, Canada, where we manufacture gas compression engines. Additionally, in 2020, INNIO acquired a part of Nixon, Smith Power in the U.S. and Mexico, the Energas/EPG group of companies in Germany, and the ECI Distribution/PowerUp group in Austria.

**102-11
PRECAUTIONARY
APPROACH**

UN Global Compact: Principle 7

At INNIO, we commit ourselves to protecting the climate and natural capital. We measure our environmental impact and set ambitious goals to improve the way we operate while transparently communicating our progress. We use external standards and guidelines to manage and minimize our emissions, waste, and water use.

Within operations, we carry out detailed environmental, social, health and safety impact assessments while maintaining a focus on improving our energy efficiency. We are working to reduce waste and explore opportunities to integrate a circular economy approach in our operations and supply chains based on the concept that we design our products to last longer and be reused, repurposed or recycled.

**102-12
EXTERNAL
INITIATIVES**

As of the publication of this report INNIO has become an **official signatory and supporter** of the UN's Global Compact. This initiative encourages businesses around the world to adopt socially responsible and sustainable practices, and report on their implementation. Along with that, we are using the UN SDGs as a basis as we set our targets and take corporate action.

**102-13
MEMBERSHIP OF
ASSOCIATIONS**

INNIO works with different organizations to promote sustainability and low-carbon technology. These efforts help us learn, share best practices, achieve specific objectives, set future goals, and build trust with our stakeholders. Since 2017, our Jenbach site has taken part in the "KlimaAktiv" program, which was established by the Austrian Ministry of Climate, Environment, Energy, Mobility, Innovation and Technology for energy-efficient companies. As part of this collaboration, we continuously implement and report measures to increase energy efficiency in our operations while also contributing to further development of the "KlimaAktiv" program. We also apply "KlimaAktiv" knowledge and expertise in the implementation of our sustainability measures. Through these activities, we strive to help anchor the prevention of climate change in nature and society. INNIO also is active member of the Environmental Management Working Group of Tyrolean Industries and the Tyrolean Chamber of Commerce. This group encourages networking across the Tyrolean compa-

nies and allows experts from the Tyrolean industry to exchange their experiences, which is an important part of the working groups. To learn more about our external initiatives, go to the *Collaborations and Partnerships* section of INNIO's *Sustainability Report 2020*.

**102-14
STATEMENT FROM
SENIOR DECISION-MAKER**

INNIO's President & CEO writes about the role that sustainability plays in our strategic decisions in his letter, which can be found in the message from the management team within INNIO's *Sustainability Report 2020*.



ETHICS AND INTEGRITY

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102-16 VALUES, PRINCIPLES, STANDARDS, AND NORMS OF BEHAVIOR



UN Global Compact: Principles 1-10

In the past year, INNIO updated our corporate values. We invited more than 150 employees – representing all functions and from a variety of INNIO locations – to make recommendations related to our company’s values and provide their open feedback. The board reviewed the recommendations and approved the final version of INNIO’s updated values. Our six main values are at the center of all company actions every single day. They reflect our beliefs and bring our purpose to life – Energy Solutions. Everywhere, Every time.

Two of these values – “*Technology drives us*” and “*We are passionate about customer success*” – represent the core of everything we do and help support our other four values:

- ✓ People and teamwork are our core
- ✓ We make things happen
- ✓ We act as owners of our business
- ✓ We challenge the status quo

This is all underscored by our respect for safety, law, ethics and compliance, environment, people, diversity and inclusion, and communities.

102-17 MECHANISMS FOR ADVICE AND CONCERNS ABOUT ETHICS



UN Global Compact: Principle 10

We encourage our employees and associates to SPEAK UP! any time they are aware of potential unethical or unlawful behavior and potential violations or business risks either by talking directly to a supervisor or human rights representative or through our SPEAK UP! platform.

Because the underlying principle of the SPEAK UP! platform is *no fear of retaliation*, it provides multiple channels to report risks and concerns, including fully anonymous ones. Instrumental in enhancing transparency and trust, the platform strengthens our culture of compliance.

When incidents of discrimination are reported, our Compliance team works to assess the nature of the claim and strives to always take appropriate action in response, wherever merited.

To learn more, please refer to the **Corporate Governance** section of INNIO’s *Sustainability Report 2020*.

GOVERNANCE

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102-18 GOVERNANCE STRUCTURE

As a privately owned company, INNIO is governed by a Board of Directors, led by our President & CEO. The board is composed of C-level executives covering key areas of the business such as Finance, Sales and Services, Operations, Engineering, Human Capital, and Legal & Compliance.

Through their commitment to transparency and accountability, our board protects the interests of shareholders and provides direction for the company. Each director has deep industry expertise and insight into the various aspects of our organization. Through regular meetings, our board works to promote INNIO’s vision, purpose, and goals, addressing themes such as corporate development and growth, strategy and risk management, product innovation, leadership, and environmental, social and governance (ESG) performance. As a decision-making body, the Board of Directors reports regularly to INNIO’s shareholders.

INNIO’s Supervisory Board is comprised of experienced industry and functional experts tasked with further strategic development, supervising the activities of the Board of Directors and ensuring overall compliance. With those goals in mind, they have established various committees including the Audit Committee, the Nomination and Remuneration Committee, and the Executive Management Committee. The Executive Management Committee is led by the President & CEO and includes senior leaders representing the organization. In addition to weekly business and functional reviews by the Executive Management Committee, other committees offer transparent governance to functions and processes, such as Ethics and Compliance, Enterprise Risk Governance, Sustainability, and Diversity. The Supervisory Board designates members to these committees.



**102-19
DELEGATING
AUTHORITY**

Refer to the response provided in 102-18.

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**102-20
EXECUTIVE LEVEL RESPONSIBILITY
FOR ECONOMIC, ENVIRONMENTAL,
AND SOCIAL TOPICS**

INNIO’s sustainability agenda and governance are addressed through the Sustainability Review Board (SRB), which reports directly to INNIO’s Board of Directors and is entrusted with overseeing the implementation of our ESG strategy. INNIO’s Head of Compliance and Sustainability chairs this committee and coordinates our ESG activities. The members of the SRB are business leaders and external company advisors sourced across key business areas. They have diverse backgrounds and responsibilities within the group.

**102-21
CONSULTING STAKEHOLDERS
ON ECONOMIC, ENVIRONMENTAL,
AND SOCIAL TOPICS**



INNIO employs a variety of methods to communicate with our stakeholder groups on economic, environmental and social topics, at national and international levels. In most cases, consultation is delegated to INNIO’s management and staff, who integrate feedback into the operational design and report on consultations to the Board of Directors.

**102-22
COMPOSITION OF
THE HIGHEST GOVERNANCE BODY
AND ITS COMMITTEES**

At INNIO, we believe that strong and transparent governance are key enablers to the creation of long-term value and sustainable growth for our shareholders, employees and products. Providing direction for the company, the Board of Directors is composed of C-level executives covering key areas of the business such as finance, sales and services, operations, engineering, human capital, and legal & compliance. Through trust, mutual respect and open communication, our board works and debates strategic decisions openly to promote INNIO’s vision, purpose, and goals, addressing themes such as corporate development and growth, strategy and risk management, product innovation, leadership and ESG performance.

As a decision-making body, the board strongly believes in accountability. For this reason, board members engage with key stakeholder groups – including customers, suppliers, employees and local communities – to identify, discuss and integrate stakeholder issues into the company’s strategic decisions. Board members also organize special meetings when they deem they are necessary. Finally, the board meets and reports regularly to INNIO’s shareholders and protects their interests.

INNIO’s senior leaders carry responsibility over the company’s enterprise risk and report directly to the board or through respective committees. Board members are responsible for reviewing management’s proposals and its progress toward set goals and expectations. INNIO’s Chief Executive Officer and Chief Financial Officer, together with the board, also are responsible for overseeing the company’s ESG activities and reviewing INNIO’s ESG strategy. INNIO’s Sustainability Review Board (SRB), sometimes along with external and ESG experts, is responsible for organizing ESG training sessions and raising awareness about key ESG issues and the latest ESG developments, challenges, and opportunities to ensure that the board is completely informed on ESG topics.

The Board of Directors in 2020

In 2020, the INNIO Board of Directors met at least once a month and sometimes more often, playing a key role in employee health and safety, protecting communities and achieving business continuity. All directors attended at least 75% of the board’s meetings in 2020.

Characteristics of INNIO’s Board of Directors

The Board of Directors is made up of six directors, including INNIO’s President and CEO. The President has many critical duties, including approving the board agenda and fostering and reviewing board effectiveness. This review is intended to elicit the views of all directors about past board efficiency and future performance improvements.

Board members are elected individually. The average board member is 52 years old and average tenure is 3.5 years. Each director has more than 20 years of deep industry expertise and insight into the various aspects of our organization, including engineering, manufacturing, finance, marketing, technology, science and academics.

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INNIO's team of executive officers¹

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DR. OLAF BERLIEN
President & Chief Executive Officer INNIO
Jenbach, Austria

DR. DENNIS SCHULZE
Chief Financial Officer INNIO
Jenbach, Austria



DR. ANDREAS KUNZ
Chief Technology Officer INNIO
Jenbach, Austria

BUD HITTIE
President
INNIO Waukesha
Waukesha, WI, USA



¹ While the report was being prepared, Dr. Olaf Berlien joined the INNIO Group in October 2021 as the new CEO and President, replacing Carlos Lange.

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DR. KLAUS-PETER WEBER
Executive General Counsel
& Chief Compliance Officer INNIO

Jenbach, Austria



OLAF PETERS
Chief Human Resources Officer INNIO

Jenbach, Austria



Specialized committees and their key responsibilities

The executive management committee: Chaired by the Chief Executive Officer and composed of leaders representing key company overarching functions, this committee overlooks the management of the Group's operations and is responsible for company structure, strategic directives, and economic strategy. In addition, the committee monitors performance, deliberates on long- and short-term planning and coordinates company-wide initiatives.

The audit committee: Consisting of five core members, this committee provides oversight of the financial reporting process, the organization's budget, the audit process, the company's system of internal controls, and compliance with laws and regulations.

The nomination & remuneration committee: This committee consists of five core members and is responsible for overseeing the company's key affairs in areas of corporate governance. It evaluates the characteristics and performance of the board and makes proposals for the nominations, revocations,

dismissals and renewals for each board seat. In addition, this committee makes recommendations regarding the compensation and reward policy of the company's executive officers. It establishes and monitors compensation programs designed to align a significant portion of compensation with the achievement of multiple performance goals to attract and retain talent with the experience and leadership abilities necessary to develop and execute business strategies, achieve outstanding results, and build strong long-term value. The compensation of INNIO's executives is partially determined by the handling of the company's ESG material topics.

The information security committee: Consisting of five core members, this committee oversees the company's information security efforts and coordinates and communicates the direction, current state, and oversight of INNIO's information security strategy.



The Sustainability Review Board: Depending on the area of focus, various ESG-related aspects are handled in the aforementioned committees. Moreover, in 2020, the company created a cross-functional Sustainability Review Board (SRB) consisting of top leaders and key functions of INNIO.

The SRB's main responsibilities include:

- ✓ Developing and implementing policies, objectives, and guidelines on ESG matters
- ✓ Managing and overseeing INNIO's ESG strategy to reach ESG-related objectives
- ✓ Raising awareness and educating INNIO's staff about the latest ESG developments
- ✓ Reporting on performance against the Bold Sustainability Goals to the Board of Directors
- ✓ Engaging with industry bodies and other ESG-related initiatives to help bolster industry-wide sustainability best practices

As of today, INNIO's SRB comprises 16 members, two of whom are female, hailing from eight nationalities².

**102-23
CHAIR OF THE HIGHEST
GOVERNANCE BODY**

INNIO's President & CEO, is the Chairman of the Board of Directors. The Chairman overlooks many critical duties, including the approval of board agenda and the fostering and review of the board's effectiveness.

**102-24
NOMINATING AND SELECTING
THE HIGHEST GOVERNANCE BODY**

The nomination & remuneration committee is responsible for overseeing INNIO's key affairs in areas of corporate governance. It evaluates the board's characteristics and performance and makes proposals for the nominations, revocations, dismissals and renewals for each seat on the board. The committee maintains contact with our shareholders and management. The criteria the committee uses on nominating and selecting INNIO's executives and highest governance body are based on merit and on maintaining the interests of our shareholders.

The recommendation of candidates for election as members of the board must include explanations detailing how they fulfil the needs of the shareholders and the company, including information about the competence and capacity of each candidate. The information about the candidates also should include age, education, and professional and ESG experience. Considerations regarding gender, race and ethnicity also are included in the selection of board members.

**102-25
CONFLICTS OF INTEREST**



Every Board of Directors candidate must strive to represent all of the top long-term interests of our shareholders. For this reason, INNIO provides guidelines that establish that board members must be free of any conflict of interest that might violate any relevant laws or regulations or interfere with the appropriate execution of their obligations. At all times, board members should consider—from an objective point of view—whether there are any circumstances that may lead to conflicts of interest in connection with the board's handling of a case. Such circumstances must always be discussed with the board Chairman.

Finally, the board conducts an annual evaluation of its own activities and competence and shares the results with the governance and nomination committee. The board reviews the company's guidelines on ethics, anticorruption, and corporate responsibility annually.

**102-26
ROLE OF HIGHEST
GOVERNANCE BODY IN SETTING
PURPOSE, VALUES, AND STRATEGY**

INNIO's President and Chief Executive Officer and Chief Financial Officer, who are also members of INNIO's Board of Directors, are responsible for overseeing and approving INNIO's ESG-related strategy goals and initiatives. They receive regular updates from INNIO's Head of Compliance and Sustainability, and occasionally they participate in INNIO's cross-functional Sustainability Review Board (SRB) bi-weekly meetings. The Chief Human Resources Officer (CHRO) and the Vice President Communication & Diversity are core members of the SRB.

**102-27
COLLECTIVE
KNOWLEDGE OF HIGHEST
GOVERNANCE BODY**

Many members of INNIO's board and executive team have long-standing experience regarding environmental, social and governance topics. To further ensure the highest efficiency and understanding of the board regarding ESG topics and latest developments, INNIO's Sustainability Review Board (SRB), sometimes along with external and ESG experts, is responsible for organizing ESG training sessions and raising awareness about key ESG issues.

**102-28
EVALUATING THE HIGHEST
GOVERNANCE BODY'S
PERFORMANCE**

INNIO's governance and nomination committee is responsible for evaluating the characteristics and performance of board, and it makes proposals for the nominations, revocations, dismissals and renewals for each seat on the board. The board also conducts an annual evaluation of its own activities and competence and shares the results with the governance and nomination committee.

² A person's country of origin or citizenship



102-29 IDENTIFYING AND MANAGING ECONOMIC, ENVIRONMENTAL, AND SOCIAL IMPACTS



INNIO's Sustainability Review Board (SRB), chaired by the Head of Compliance and Sustainability, is responsible for the identification, management, monitoring and reporting of material environmental, social and governance (ESG) topics. Chair of the SRB provides regular updates directly to the board including the Chief Executive Officer and the Chief Financial Officer, who are responsible for INNIO's ESG disclosures. For more details regarding our SRB activities, please refer to the response provided in 102-20.

INNIO also understands the importance of periodic materiality assessments to identify and assess the various ESG impacts to our business and stakeholders.

The participants of the ESG Strategy & Commitment meeting are INNIO's President & CEO, our Sustainability Board, our senior executives, and expert stakeholders such as business ESG consultants with deep understanding of the business and industry and insight into the various aspects of sustainability.

For more information about our engagement with stakeholders, please refer to the **Corporate Governance** section of INNIO's *Sustainability Report 2020*.

102-30 EFFECTIVENESS OF RISK MANAGEMENT PROCESSES

One of the primary oversight roles of INNIO's Board of Directors is to monitor the efficacy of our internal controls and risk management systems. In every regularly scheduled meeting, the board receives updates about the company's significant risks.

102-31 REVIEW OF ECONOMIC, ENVIRONMENTAL, AND SOCIAL TOPICS

INNIO's SRB and Board of Directors, as part of their general oversight responsibilities, regularly review all economic, environmental, and social development issues related to our business. Refer to the response provided in 102-29 for additional details.

102-32 HIGHEST GOVERNANCE BODY'S ROLE IN SUSTAINABILITY REPORTING

Sustainability reporting is conducted by INNIO's Compliance and Sustainability team. The Head of Compliance and Sustainability jointly with our SRB oversees and edits sustainability reporting. The Board addresses our sustainability responsibility and bold goals with the respective functional leaders as part of their operating agenda and targets. The Board also is involved in the approval of strategy and reporting activities.

102-33 COMMUNICATING CRITICAL CONCERNS

INNIO's compliance team is responsible for managing, monitoring and continuously improving INNIO's Compliance Management Systems (CMS), making sure that policies and procedures are in place so that our business activities align with the relevant laws, regulations and international and local standards. The team also identifies potential risks and is responsible for reporting such risks to the board and/or Enterprise Risk function.

In summary, INNIO's compliance management consists of:

- ✓ Risk assessment: Identification of internal and external critical risks in regular business operations
- ✓ Policies & procedures: Global policies, procedures and standards to mitigate identified risk
- ✓ SPEAK UP! digital platform & case management: A whistleblower channel to indicate, report or discuss potential compliance breaches or questions and concerns. Once an issue or question is reported, the team investigates the merits, reports (as applicable and appropriate) and implements corrective actions
- ✓ Training & awareness: Appropriate training—such as mandatory Code of Conduct, Anti Money Laundering and Bribery, Business Courtesies, International Trade Compliance, Competition Law, IT security training and others—to educate and maintain awareness and prevent corruption or violations of laws and regulations

- ✓ Programs: Compliance programs and supporting tools that contribute to internal controls and overall governance, such as third-party risk management
- ✓ Monitoring & reporting: Tracking of compliance-related data as well as performance of internal and external reporting

With our people at the center of everything we do, the compliance team continuously reviews our compliance activities and updates our initiatives and programs when necessary. The team communicates regularly, receives feedback and discusses with internal and external stakeholders and business partners about current compliance matters, critical concerns, trends and goals.

INNIO's General Counsel and Chief Compliance Officer receives regular updates about the status of compliance activities, potential critical risks and possible compliance violations and reports directly to the rest of the board and the shareholders on a regular basis.



**102-34
NATURE AND TOTAL NUMBER
OF CRITICAL CONCERNS**

Zero critical concerns were raised during the reporting period. Should significant concerns occur they will be reported to INNIO's Board of Directors in a structured regular agenda or on an ad hoc and immediate basis as needed.

**102-35
REMUNERATION
POLICIES**

INNIO's remuneration process and policy are governed by the nomination & remuneration committee within our Governance structure. For more information, refer to 102-22.

**102-36
PROCESS FOR DETERMINING
REMUNERATION**

Confidentiality constraints. INNIO treats this data as confidential company information. Refer to the response provided in 102-22. INNIO, as a privately held company, is not making a disclosure on this data point.

**102-37
STAKEHOLDERS' INVOLVEMENT
IN REMUNERATION**

Confidentiality constraints. INNIO treats this data as confidential company information. INNIO, as a privately held company, is not making a disclosure on this data point.

**102-34
ANNUAL TOTAL
COMPENSATION RATIO**

Confidentiality constraints. INNIO treats this data as confidential company information. INNIO, as a privately held company, is not making a disclosure on this data point.

**102-39
PERCENTAGE INCREASE
IN ANNUAL TOTAL
COMPENSATION RATIO**

INNIO follows regulations related to compensation levels in line with jurisdictions of employment.

**STAKEHOLDER
ENGAGEMENT**

**102-40
LIST OF STAKEHOLDER
GROUPS**

Our stakeholder groups are: civil society; customers and suppliers; INNIO's employees and contractors; trade unions; local communities; shareholders; and providers of capital.

**102-41
COLLECTIVE BARGAINING
AGREEMENTS**

UN Global Compact: Principles 1, 3

INNIO supports several diverse types of labor relations groups, including country-specific works councils. In Austria, more than 90% of our employees are part of the collective bargaining agreement, to which we maintain compliance. Our employees also are covered by the corresponding works councils for Employees and Workers (Arbeiter- oder Angestellten-Betriebsrat).

**102-42
IDENTIFYING AND
SELECTING STAKEHOLDERS**

Engaging with INNIO's stakeholder groups strengthens our relationships and enables us to make better business decisions and deliver on our commitments. INNIO considers as our stakeholders any organizations and individuals that are either impacted by our company's operations or that, in a variety of ways, have an impact on the company's strategy and goal achievement.

Our stakeholders include suppliers, existing and potential customers, partners, investors and lenders, current and potential employees, regulators, other organizations, local communities and the society.

One of INNIO's core values is "People and teamwork are our core." We believe that a good dialogue with stakeholders is a valuable method to build trust and a clear understanding of the role our company plays in local communities and society.

For this reason, we operate responsibly by running and developing our operations profitably under fundamental ethical values and respect for people and society as a whole. We build trust by engaging directly with people in the markets in which we operate, especially those living in the areas around our operations and through third-party partnerships.

Details on how the board receives information from our key stakeholders and how the board engages with them directly are set out below.



Stakeholder Groups	Information flow to the board	Direct board engagement
Suppliers	<ul style="list-style-type: none"> ✓ Briefings from Group VP Procurement ✓ Audit Committee supplier risk review 	<p>INNIO's VP Procurement directly reports to INNIO's President and Chief Executive officer who is also the Chairman of the board.</p>
INNIO's Employees	<ul style="list-style-type: none"> ✓ HR and Diversity & Inclusion Committee report directly to the board ✓ Whistleblowing platform (SPEAK UP!) 	<ul style="list-style-type: none"> ✓ The CEO (and Chairman of the board) engages with employees Group-wide via regular internal announcements where employees can contact him directly. For example, the CEO introduced INNIO's ESG programs to all employees via an internal announcement. ✓ Members of the executive leadership who are also members of the board meet employees everyday as well as during official site visits. ✓ The executive team (CEO/CFO) periodically host a live webcast or a townhall meeting with all employees to share the latest updates and company news.
Customers	<ul style="list-style-type: none"> ✓ Monthly written reports from Executive Directors include material customer matters ✓ Strategic Partnership briefings 	<ul style="list-style-type: none"> ✓ During 2020, all board members had regular meetings with the Group's key customers. ✓ A Digital Distributor Conference was held.
Local Communities	<ul style="list-style-type: none"> ✓ Environmental, health, safety and updates ✓ Operations Committee local-communities risk review ✓ Monthly sector reports where applicable 	<ul style="list-style-type: none"> ✓ INNIO's VP Operations Jenbach and VP Operations Waukesha are responsible for engaging directly with local community representatives and they directly report to INNIO's CEO and to the board.
Regulators	<ul style="list-style-type: none"> ✓ Reports as applicable 	<ul style="list-style-type: none"> ✓ The board relies on dedicated functions, at a Group or business unit level, and does not have direct contact with regulators unless appropriate.
Providers of Capital	<ul style="list-style-type: none"> ✓ Reports from Investor Relations ✓ Treasury reports ✓ Investor meetings ✓ AGMs 	<ul style="list-style-type: none"> ✓ The board engages directly with investors through regular direct digital and in-person meetings discussing all relevant topics. ✓ INNIO meets our shareholders at the regular business update meeting, which provides an opportunity for investors to receive updates and ask questions directly to the board.



Examples on how the board took stakeholders' interests into account in key decisions in 2020:

Matters considered	Stakeholders most affected	Discussion and outcome
COVID-19: Pandemic response	Employees Customers Suppliers Providers of Capital	<p>COVID-19 had a material impact on the principal decisions of the board and influenced its engagement with stakeholders. In its discussions with stakeholders over the last financial year, the board decided that it was in the best interest of the company and its people to continue its operations while following all necessary measures to maintain a safe and healthy environment. The INNIO board took a very proactive approach in implementing and maintaining the highest safety standards to help ensure the health of employees.</p>
New corporate values	Employees Customers Suppliers Providers of Capital Society	<p>In the past year, INNIO updated our corporate values. We invited more than 150 employees—representing all functions and from a variety of INNIO locations—to make recommendations related to our company's values and provide their open feedback. The board reviewed the recommendations and approved the set of INNIO's values.</p>
ESG	All stakeholders	<p>Our stakeholders have high expectations of us to address many of today's social and environmental challenges. Their perspectives always play an important role in the development of our sustainability action plan. During the year, the Head of Compliance & Sustainability reported on progress with the new Group-wide ESG program. To progress the ESG program and to meet the high expectations of our stakeholders, the board approved INNIO's Bold Sustainability Goals and established a new governance structure to deliver them.</p>
Diversity & Inclusion	All stakeholders	<p>INNIO's executive team and the board engaged in many discussions with several stakeholders on the key role that diversity and inclusion play for the company. The board recognizes that a more diverse company can further cultivate a company-wide culture of diversity and inclusion through a clear tone from the top in support of INNIO's values. To make sure that it hears better the voice of the employees around issues such as inclusion and diversity, the board formed the Diversity, Equity & Inclusion committee. INNIO's Board of Directors, together with the Diversity, Equity & Inclusion Committee, is responsible for the oversight, revision and approval of the diversity, equity and inclusion objectives across the organization.</p>



102-43
APPROACH TO STAKEHOLDER ENGAGEMENT

UN Global Compact: Principles 1-10

INNIO engages with our stakeholders (including customers, suppliers, providers of capital, and others) through regular contact and collaborates with several organizations to promote sustainability and low-carbon technology. Our leaders and employees actively engage with local communities to ensure that their perspectives are captured in our decision-making process.

Stakeholder Groups	Frequency and Type of Engagement	Discussion Points
Suppliers	Regular virtual and face-to-face engagement meetings, conferences, webinars, bulletins, and newsletters	Environmental and social-related conditions, availability and quality of products and raw materials, and commitment to ESG standards
INNIO's Employees	Periodic employee engagement survey, weekly employee-related updates, newsletters and bulletins, and quarterly all-employee updates by the Leadership team	Employee development, training, diversity and inclusion, compliance, health and safety concerns, and updates on priorities and business developments
Customers	Regular virtual and face-to-face engagement meetings, conferences, trade shows, bulletins, and newsletters	Product-related discussions, commercial updates, ethics and compliance trainings, and sustainability expectations and developments
Local Communities	Community meetings, volunteering programs, and local aid initiatives	Environment, operations, charity involvement, and special topics such as the COVID-19 pandemic
Civil Society	Periodic and occasional meetings on an as-needed basis	Technology development, implementation of regulations, and operations
Regulators, Organizations, Working Groups	Conferences and individual engagement, virtual or face-to-face meetings	Climate-change, diversity and inclusion, technology development, energy transition, and compliance
Providers of Capital	Regular virtual or face-to-face meetings and tele-conferences	All relevant topics

Table 2



102-44 KEY TOPICS AND CONCERNS RAISED

At INNIO, we respect and take into consideration all of our stakeholder concerns. Even though no significant concerns have been raised during the reporting year, we provide some information related to topics that generally concern our stakeholders and could indirectly affect INNIO.

Employees

Employee engagement inside the organization as well as our commitment to a shared mission are the backbone to INNIO's success. We help ensure that all employees are updated and well informed through announcements, learning opportunities, newsletters, regular employee communication, and our newly developed "Ignition" channel.

INNIO monitors the participation rate of our periodic employee engagement survey, with the goal of maintaining a high engagement index. One of our Bold Sustainability Goals is: *Maintain high employee engagement of at least 85% by 2025.*

Through the survey, we invite all employees to express their opinions on key topics, including career development, inclusiveness, leadership, and working environment. Questions raised by employees are related to career development opportunities, diversity and inclusion, and specific events such as the COVID-19 pandemic.

Suppliers

INNIO regularly engages our suppliers in discussions related to environmental and social topics, including new standards, policies, and regulations. Their concerns during the reporting year were mainly related to business circumstances connected to the COVID-19 pandemic.

Customers

Our customers come to us for innovative solutions that will power their journey to a more sustainable future. For this reason, INNIO places significant focus on our customer engagement efforts. In alignment with the Paris Agreement, key discussion points with our customers include our energy-efficient and low-emission products.

Civil Society and Local Communities

Discussion with local communities helps INNIO increase the effectiveness of our decision-making process and further improve our organization. By listening to a wide range of views regarding potential impacts to our communities, we can strengthen our sustainability journey and community volunteer engagement programs.

Our focus areas related to civil society and local communities are:

- ✓ **Local Community Involvement:** Civil society and local communities generally raise concerns about the shrinking level of civic engagement. They want to ensure that companies take the concerns of local community members into consideration during strategic planning.
- ✓ **Health and Safety Practices:** In general, civil society is concerned about every company's health and safety practices. During the past two years, concerns have been primarily focused on the response to the COVID-19 pandemic.

REPORTING PRACTICE

102-45 ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Refer to the response provided in 102-4.

102-46 DEFINING REPORT CONTENT AND TOPIC BOUNDARIES

In 2021, INNIO conducted our first materiality analysis with the help of external ESG experts. The materiality assessment set the boundaries of the report and identified INNIO's ESG-related material topics.

For more information, refer to the [Our Approach to Sustainability](#) section of INNIO's *Sustainability Report 2020*.

- ✓ **Diversity and Inclusion:** Civil society is generally concerned about how companies are implementing programs for the inclusion of religious, ethnic, and sexual minorities, women and girls, youth, disabled people, and other groups.
- ✓ **Climate Change:** Civil society is generally concerned about how companies are working to reduce fossil fuels and the alignment of their strategies with the Paris Agreement.

Providers of Capital

Investors' general areas of interest include concerns about how companies conduct business internally, including business-as-usual activities, emergency preparedness, employee satisfaction, health and safety issues, and board member composition, to name a few. Providers of capital are interested in environmental, social and governance (ESG) disclosures, including public ESG reporting and requirements to follow a more holistic and complete ESG approach by incorporating sustainability into corporate and development activities.

Outcomes of the discussion points and concerns are considered in INNIO's ESG materiality assessment.

102-47
LIST OF MATERIAL TOPICS

Long-term value creation	
Leading the industry with technology and innovation	As the global energy economy transforms to reduce greenhouse gas (GHG) emissions and transition to more sustainable fuels, developing industry-leading technology and innovations will be central to INNIO's success and to the well-being of the global community. Providing solutions that allow customers the flexibility to use hydrogen, sustainable natural gas, and other fuels contributes to the reliability and affordability of the energy infrastructure.
Collaborating with customers for the long term	INNIO's customers and end-users rely on our engines and services to last for decades. As their businesses face a changing landscape of policy, regulations, economics and environmental factors, we aim to help drive their long-term success. Listening to our customers and being part of the solution as we navigate industry-wide changes will contribute to satisfaction with our products and services.
Providing analytics & digital solutions	INNIO embeds sophisticated analytics and digital solutions in our products and service offerings. These tools enable our customers to reduce downtime, lower costs, and extend the lifecycle of their equipment by predicting when maintenance will be required and analyzing performance data.
Climate & Natural Capital – includes environment, biodiversity, resources, waste, water, and climate change	
Taking a leading role in the energy transition	The world's energy systems are transforming to include an ever-larger percentage of renewable energy, very low or even net-zero carbon emission goals, and demands for greater efficiency. Because our equipment is considered part of the critical infrastructure in many electric power grids around the world, INNIO intends to take a leadership role in developing solutions and driving positive change through the energy transition, entailing zero-carbon hydrogen efforts. By balancing the variability of renewable energy sources, our gas peaking technology helps ensure system reliability. Through our technology and carbon-neutral applications, our customers can better adapt to a changing regulatory and economic environment.
Creating sustainability across the value chain	INNIO strives to operate responsibly and drive more sustainable practices across the breadth of our value chain. This means optimizing resource and material use, for example, through recycling and product lifecycle planning, maximizing circularity and managing waste effectively.
Continuously improving environmental performance	INNIO aims to maintain leading environmental stewardship practices in our operations, reduce resource and material consumption, and responsibly manage waste of all kinds. We work to continuously improve our environmental performance, including our Scope 1 & 2 emissions and our use of natural capital, including minerals, water and land; and the recyclability of our product components.

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Operations	
Delivering flexible energy efficiency toward carbon-free products	As a provider of critical infrastructure and essential components of the natural gas supply chains throughout the world, INNIO strives to increase the efficiency of energy use where we can in the energy value chain. By offering options to accommodate a variety of different, sustainable fuel types, such as hydrogen and biogas as well as natural gas, we deliver reliable, affordable, flexible and low-emission fuel solutions to our customers, helping them drive toward carbon neutrality.
Ensuring operational excellence	Operational excellence at INNIO relates to everything from workforce health and safety, to eco-efficient operations, to the highest product quality standards, to economical and responsible management of materials sourcing. We hold ourselves to high standards in these and other areas of operational excellence and will report on our performance in future sustainability reports.
Applying high standards in procurement	INNIO aims to attain the highest standards in supplier relations, manage risk, and promote best practices throughout the supply chain. Through responsible operation, we help drive environmentally and socially responsible processes across the breadth of the value chain. This means minimizing the environmental impact of our supply chain and ensuring suppliers uphold our standards and values related to the environment, human rights, child and forced labor, and health and safety.
Upholding high standards of business conduct	At INNIO, upholding high standards of ethical business conduct and complying with the letter and spirit of the law are fundamental to every aspect of our business activities. In managing the environmental, social and governance (ESG) aspects of our operations, we are committed to continuously improve the way we do business. Because we take our role as part of the critical infrastructure seriously, we regularly review our business continuity and emergency preparedness plans, as well as our cybersecurity framework, to prepare for unforeseen circumstances.
People & Communities	
Continuously improving diversity and inclusion at all levels of hierarchy	INNIO recognizes the positive impact that a diverse workforce and diverse leadership bring. We are working to measure and improve employee engagement and inclusion. Our industry has traditionally been less diverse than others, and we are considering ways of increasing the recruitment of women and other underrepresented groups at all levels, including the Board of Directors.
Improving employee experience	Our employees are the driving force behind our company. At INNIO, we look to attract the best talent and provide fulfilling careers so that our employees stay and develop with us. Training, development, employee engagement, and an inclusive workplace all are essential to the employee experience.
Engaging with communities	INNIO plays a vital role in the communities where we operate. As a company and as individuals, we make an effort to give back by donating to local charitable organizations and volunteering in local initiatives and activities. In addition to our regular involvement, we actively collaborate with various organizations and local governments to improve the energy infrastructure in the areas we operate. Our involvement doesn't end there. For instance, all our sites actively supported their communities and local businesses throughout the COVID-19 pandemic.

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**102-48
RESTATEMENTS OF
INFORMATION**

None

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**102-49
CHANGES IN REPORTING**

None

**102-50
REPORTING PERIOD**

2020

**102-51
DATE OF MOST
RECENT REPORT**

-

**102-52
REPORTING CYCLE**

Annual

**102-53
CONTACT POINT
FOR QUESTIONS**

For any questions related to this document please contact Susanne Reichelt, INNIO Media Relations (susanne.reichelt@innio.com, mobile: +43 664 80833 2382)

**102-54
CLAIMS OF REPORTING IN
ACCORDANCE WITH THE
GRI STANDARDS**

This report has been prepared in accordance with the GRI Standards: Core option

**102-56
EXTERNAL ASSURANCE**

INNIO's financial statement for 2020 has been audited by KPMG. Our carbon footprint (including Scope 1, 2, 3) was assessed by Bridge House Advisors, an ESG and Sustainability advisory firm, in line with the [World Resource Institute Greenhouse Gas Protocol](#) corporate standard.

**ECONOMIC
PERFORMANCE**

**201-1
DIRECT ECONOMIC VALUE
GENERATED AND DISTRIBUTED**

Economic and financial disclosures about INNIO Group are presented in our annual, audited financial statement.

**201-2
FINANCIAL IMPLICATIONS
AND OTHER RISKS AND
OPPORTUNITIES DUE TO
CLIMATE CHANGE**



UN Global Compact: Principles 7, 8, 9

Climate change presents both risk and opportunity for INNIO. (Please refer to our response to 102-15 for additional details.)

We always take climate-related risks into consideration and adapt our operational strategies accordingly.

INNIO operates in areas with low water-stress. Regarding energy usage, the electricity that is produced through the testing of the engines is used to power our sites, offices, and operations. INNIO also participates in several programs that prevent biodiversity loss, such as bat and bird conservation habitat programs.

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Our sustainability initiatives demonstrate a commitment to providing innovative solutions that make measurable differences and create sustainable outcomes—both for our customers and our own operations.

Many of our reciprocating engines offer industry-leading emissions levels and reduced carbon footprints and have passed stringent sustainability tests for efficiency and energy savings—delivering a major opportunity for climate change mitigation. In addition, INNIO has recently announced the launch of our “Ready for H2” portfolio, which includes 100% hydrogen-fueled Jenbacher H2-engines. This means that all Jenbacher engine types will be offered as “Ready for H2,” with the option to operate with up to a 25% volume of hydrogen in pipeline gas. All “Ready for H2” units—and most of the currently installed Jenbacher natural gas-fueled engines—can be converted to operate on 100% hydrogen.

For more information about INNIO's climate change solutions and opportunities, please refer to the [Value to our Customers](#) section of INNIO's *Sustainability Report 2020*.



**201-3
DEFINED BENEFIT PLAN
OBLIGATIONS AND OTHER
RETIREMENT PLANS**

Confidentiality constraints. INNIO treats this data as confidential company information. INNIO, as a privately held company, is not making a disclosure on this data point.

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**201-4
FINANCIAL ASSISTANCE
RECEIVED FROM THE GOVERNMENT**

No financial assistance was received from governments in countries in which INNIO operates.

MARKET PRESENCE

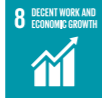
**202-1
RATIOS OF STANDARD ENTRY-LEVEL
WAGE BY GENDER COMPARED
TO LOCAL MINIMUM WAGE**



UN Global Compact: Principle 6

Because INNIO's employees are located in more than 30 countries, we follow jurisdictional employment regulations and international best practices for minimum wages and gender equality. INNIO's Code of Conduct clearly underlines our commitment to following legal regulations and ensuring that we provide wages that enable all our employees to live a sustainable lifestyle.

**202-2
PROPORTION OF SENIOR
MANAGEMENT HIRED FROM
THE LOCAL COMMUNITY**



UN Global Compact: Principle 6

As a global company, INNIO strives for diversity (in terms of ethnicity, age, gender, and other categories) across our management teams, at the corporate level as well as in the countries and regions where we do business. It is essential that we create diverse teams with strong leadership and business practices in place. INNIO, as a privately held company, is not making a disclosure on this data point; however, a substantial proportion of our senior management roles are local with respect to their place of employment.

**INDIRECT ECONOMIC
IMPACTS**

**203:103-1,2,3
MANAGEMENT APPROACH**

As a worldwide organization, INNIO assumes responsibility that extends beyond our core business. In collaboration with strong, long-term collaborators and dedicated employees, we take part in an expansive array of projects and measures intended to help society. We invest in infrastructure and services that impact our various company locations as well as supporting the extended community in the countries in which we do business.

**203:1
INFRASTRUCTURE INVESTMENTS
AND SERVICES SUPPORTED**



UN Global Compact: Principles 8, 9

Energy supply: In 2015, INNIO's infrastructure department began developing an innovative energy supply concept. We replaced two gas boilers with a Jenbacher J420 gas engine, which our Engineering team uses as a field test motor for new systems or components (such as spark plugs). Additionally, we merged our two power grids to make use of waste heat as well as the waste electricity produced from the test benches. To ensure better use of the waste electricity, we integrated a power-to-heat system that converts excess electricity into heat and stores it in two new heat storage tanks for later use. The waste electricity supplies four of the 25 charging stations at the site. The excess heat generated from the test bench is used to heat the Jenbach municipal swimming pool during the summer. In 2019, we put a second Jenbacher J612 gas engine into operation

at our recently renovated hydropower plant. With these changes, we now have an electricity recycling rate greater than 90%.

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Charging station infrastructure: To support the e-mobility of our employees, we have invested in additional electric vehicle charging infrastructure on INNIO's site in Jenbach. During the past year, INNIO opened 12 new e-fueling stations on site and released them for free use to employees. A total of 20 new charging stations have now been installed, with more planned in the near future.

Catalytic converter installation: An emission control solution has been installed on the two engines in our energy center in Jenbach as part of a joint project between our Technology and Infrastructure departments. We have produced and installed in-house „SCR/OXI Silencers,“ which combine an oxidation catalytic converter, SCR catalyst, and a silencer as well as the associated urea dosing system. This emission control solution reduces our NOx exhaust gas level. Further emission optimization projects are under active planning.

LED lighting on site: Over the last three years, INNIO has installed approximately 700 LED lighting elements in our Jenbacher production halls, thus replacing aging gas-discharge bulbs. As a next step, we will convert the lighting on all our outdoor buildings and free-standing outdoor lighting to LED. The switch to modern LED technology has numerous advantages such as decreased energy consumption per light source, increased service life and significantly reduced bulb replacement frequency. As an added benefit, we now have the recommend lighting solution in all of our workplaces.



203-2
SIGNIFICANT INDIRECT
ECONOMIC IMPACTS



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Refer to the response provided in 203-1.

PROCUREMENT
PRACTICES

204-1
PROPORTION OF SPENDING
ON LOCAL SUPPLIERS



As a company with global presence, INNIO works with an established network of facilities (including production sites and offices), along with our distributors, packagers, and third-party providers, allowing us to be close to and optimally serve our customers worldwide. Because we focus on total cost of ownership for our purchases (rather than just purchase price), local suppliers of raw materials, goods, and services, as well as suppliers who focus on energy efficiency and sustainable practices have a competitive advantage and a higher likelihood to be awarded bids by INNIO.

ANTI-CORRUPTION

205-1
OPERATIONS ASSESSED FOR RISKS
RELATED TO CORRUPTION



UN Global Compact: Principle 10

INNIO is an official signatory of the United Nations Global Compact. In line with Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery, we have a zero-tolerance approach toward any form of bribes, including facilitation of payments, solicitations, or kickbacks. All INNIO processes have been assessed for potential risk and to identify control mechanisms for prevention of fraud, bribery or money laundering. INNIO implemented a Business Courtesy Policy that defines obligations regarding gifts and hospitality for all employees. All of our international subsidiaries are responsible for adherence to and monitoring of compliance standards and must report in writing to the central compliance team. INNIO's global team of compliance ambassadors provides guidance to employees and business partners in all global locations. With our global operations, INNIO has a well-established KYC/KYS system to monitor current and future transactions.

As of the publication date of this report, INNIO had performed an internal risk assessment and analysis with a special focus on anti-bribery (FCPA). The analysis revealed no corruption instances. In addition, INNIO has implemented revised control steps as part of continuous process improvement and to prevent the risk of bribery and corruption going forward.

No cases of bribery or corruption were identified or confirmed in the reporting year.

205-2
COMMUNICATION AND TRAINING
ABOUT ANTI-CORRUPTION POLICIES
AND PROCEDURES



UN Global Compact: Principle 10

Compliance with laws and regulations and prevention of corruption are fundamental to INNIO Group. We require our stakeholders, including employees, management teams, suppliers, and customers, to strictly adhere to compliance standards. INNIO implemented our own learning platform to provide legal, compliance and anti-corruption trainings to all employees. In 2020, 100% of the INNIO workforce was assigned mandatory Code of Conduct training, consisting of learning elements in key areas such as responsibility for compliance, reporting of issues, preventive steps for employees and leaders, improper payments including zero tolerance for bribery and corruption, anti-money laundering, compliant relationships in procurement, international trade compliance, competition law, working with public authorities and governments, fair employment practices, intellectual property, data protection, and cyber-crime and security. Participation in the trainings is managed by INNIO's own digital learning system.

In addition, INNIO's suppliers and customers sign contractual compliance commitment clauses during the onboarding and/or renewal process and also take part in refresher training sessions to help ensure their adherence to compliance and corruption prevention.

205-3
CONFIRMED INCIDENTS OF
CORRUPTION AND ACTIONS TAKEN



UN Global Compact: Principle 10

INNIO's Compliance team collects and assesses any violation of the Code of Conduct or respective legal regulations. In 2020, no corruption-related violations occurred. INNIO follows a zero tolerance attitude and reserves the right to take disciplinary actions (from warning to dismissal) regarding breaches of the company's Code of Conduct or any unlawful activities, as applicable.

ANTI-COMPETITIVE
BEHAVIOR

206-1
LEGAL ACTIONS FOR ANTI-
COMPETITIVE BEHAVIOR, ANTI-
TRUST, AND MONOPOLY PRACTICES



INNIO reported no such cases. We take a proactive and preventive approach through regular staff training and diligently monitor the commercial activity process.

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TAX

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207-1 APPROACH TO TAX



INNIO's business activities generate a substantial amount and variety of taxes. INNIO Group pays corporate federal, state and local income taxes, stamp duties and a variety of other taxes. In addition, we collect and remit not only payroll taxes but also indirect taxes such as excise duties and VAT. The taxes we collect and pay represent a significant part of our economic contribution to the countries in which we do business.

207-2 TAX GOVERNANCE, CONTROL, AND RISK MANAGEMENT



Please refer to the **Corporate Governance** section of INNIO's *Sustainability Report 2020*.

207-3 STAKEHOLDER ENGAGEMENT AND MANAGEMENT OF CONCERNS RELATED TO TAX



INNIO, together with our stakeholders, is committed to complying with tax laws in a responsible manner and to having open and constructive relationships with the relevant authorities. We seek to limit risk on taxes to avoid double taxation and disputes.

207-4 COUNTRY-BY-COUNTRY REPORTING



INNIO files a Country-by-Country Report for the Group with the Austrian tax authorities in accordance with the Sec. 3 Transfer pricing documentation act and Action 13 of OECD'S Base Erosion and Profit Shifting Action Plan. This report breaks down among others from the consolidated financial statements the annual tax payments INNIO has made in the countries in which INNIO owns a legal presence.

ENVIRONMENT

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MATERIALS

301: 103-1,2,3 MANAGEMENT APPROACH

The efficient use of resources helps protect the environment and conserve natural capital. Because materials use is vital for the production and packaging of our engines, we commit to efficiently using the natural resources and raw materials required for our operations. We work to optimize the use of these resources in our business processes by implementing material-related measures applicable to the upstream and downstream links in our value chain as well as in packaging. We critically evaluate the environmental compatibility and recyclability of materials used in our production process.

For several years now, INNIO has used almost 60% recycled materials as input for our products and packaging. We require the use of recyclable materials for single-use and reusable packaging and load carriers (with reusable solutions preferred). Consequently, INNIO, in collaboration with our suppliers, pursues the environmental legislation's waste management goal according to the ecological principle „avoidance rather than reduction rather than recycling.“ This philosophy helps us make a consistent contribution to waste avoidance.

We carefully analyze every material used in manufacturing so that our raw and auxiliary materials, supplies, and consumables are more sustainable. We also aim to increase the service life of our tools, which has been the focus of about 40 innovation projects each year. For instance, regarding gas storage, tanks were enlarged to reduce the number of delivery trips. At the Jenbach site, we have reduced losses by switching from individual tanks to a piping system. During "5S" inspections, we check the system's effectiveness and functionality daily.

We use reusable loading equipment such as pallets or boxes for internal transport. Through exchanges with our suppliers, we help extend the use of wire mesh pallets and 'Euro' pallets. In addition, to use resources more sensibly, we repair defective loading equipment and, whenever possible, promote reusable packaging materials. In terms of sustainability, we continuously work to optimize our packaging. For our vendor parts, we have drafted a factory standard 890110 General Packaging guideline.



301-1 MATERIALS USED BY WEIGHT OR VOLUME



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UN Global Compact: Principle 7

Materials used for the INNIO Group in 2019 & 2020

Material usage (in metric tons)	2020	2019
Metals	34,920	43,932
Wood	2,781	3,499
Chemicals	2,356	2,965
Paper	933	1,173
Sand	76	95
Others	1,071	1,347
Total material usage	42,137	53,011
Percentage (%) of recycled input materials	58%	57%

Table 4

301-2 RECYCLED INPUT MATERIALS USED



UN Global Compact: Principles 7, 8
Refer to the response provided in 301-1.

301-3 RECLAIMED PRODUCTS AND THEIR PACKAGING MATERIALS



UN Global Compact: Principle 8
Please refer to the **Environmental Approach** section of INNIO's *Sustainability Report 2020*.

ENERGY

302:103-1,2,3 MANAGEMENT APPROACH

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INNIO's integrated management system (IMS) policy was created in compliance with international standards for environment management (ISO 14001), quality management (ISO 9001), occupational health and safety management (ISO 45001), and energy management (ISO 50001). Providing guidance to all employees, including managers, office employees and the production staff, the IMS policy establishes the fundamental requirements that apply to our facilities and obliges all employees to act in accordance with it.

INNIO's IMS team is responsible for implementing and monitoring the IMS policy to maintain consistency and good performance. In addition, the team monitors and assesses the implementation of action plans, conducts internal audits, and provides IMS policy trainings. Every quarter, during the IMS Management Review meeting, the IMS team reports out to the CEO and other site leaders, providing them with updates for the IMS-related key performance indicators (KPIs). During the meeting, the senior leaders provide feedback to the team. In addition, all parties review the IMS protocol and discuss future actions and communication plans.

Key aspects of our IMS policy are:

- ✓ We have a responsibility toward customers, society, neighbors, employees and shareholders.
- ✓ The lives and health of our employees and other stakeholders must be protected.
- ✓ The expectations and requirements of stakeholder groups are regularly analyzed, with the integration of relevant insights into our corporate processes.
- ✓ We learn from incidents and deviations and define corrective measures.
- ✓ We use high-quality materials to produce reliable, long-lasting, durable products.
- ✓ Our products reduce emissions, spare resource usage and are developed sustainably.

To ensure the continuous improvement of our IMS policy, INNIO encourages all employees working in our facilities to implement their own initiatives to decrease emissions and energy use and improve safety and quality.



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All of our facilities are evaluated regularly by our internal auditors. Our checklist for internal audits contains questions for managers, production staff, and office employees related to each facility's and department's IMS goals; plans to implement these goals; resources, tools and methods used; zero error culture; and performance evaluation. These areas are scored, and if the score is less than a specific threshold set by our EHS team, the senior management is informed and the noted department is required to implement improvement measures.

To make our sites more environmentally sustainable and to increase international competitiveness in the long term, we must reduce primary energy source use as much as possible while improving sustainability. We use several energy-related KPIs to measure our goals. Some of the actions that help us achieve our environmental goals are:

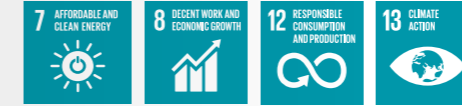
- ✓ Energy recycling, through the reuse of energy generated in the production process
- ✓ Storage, with better technological efficiencies
- ✓ Savings, through reduced energy consumption and increased use of renewable energy sources

Additionally, on a rolling basis, we analyze and evaluate our energy consumption using the Plan-Do-Check-Act cycle of continuous improvement for our processes, products and services. This root cause analysis methodology helped us:

- ✓ Mitigate gas consumption and emissions in the production area by dry testing the switch cabinets
- ✓ Greatly reduce the use of solvents by switching to electrostatic spraying methods in the paint works
- ✓ Lower gas consumption by dry testing components for various engineering projects

For more information about INNIO's environmental actions, please refer to the [Environmental Approach](#) section of INNIO's *Sustainability Report 2020*.

302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION



Energy Consumption (in GJ)	2020	2019
Non-renewable	752,189	749,098
Renewable	61,715	77,630
Electricity	150,236	174,000
Heating	136,606	136,050

Table 5

302-2 ENERGY CONSUMPTION OUTSIDE THE ORGANIZATION



UN Global Compact: Principles 7, 8
Refer to the table provided in 302-1.

302-3 ENERGY INTENSITY



UN Global Compact: Principles 7, 8
Refer to the table provided in 302-1.

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WATER AND EFFLUENTS

P. 48

303: 103-1,2,3 MANAGEMENT APPROACH

Based on our concerns regarding water scarcity, we consulted Aqueduct Water Risk Atlas³, a data platform run by World Resources Institute (WRI). Although it was determined that all INNIO sites and offices operate in areas with low water stress, we remain up to date on trends that could lead to the reclassification of our site areas.

INNIO's four manufacturing facilities, in Europe & the Americas, are located in low water-stressed areas

INNIO's Facilities	Major Basin	Minor Basin	Aquifer	Country	Province	Water Stress
Kapfenberg	Danube	Mura	-	Austria	Styria	Low (0-1)
Jenbach	Danube	Inn	-	Austria	Tyrol	Low (0-1)
Waukesha	Mississippi-Missouri	Fox	Cambro-Ordovician Aquifer System	United States	Wisconsin	Low (0-1)
Welland	St. Lawrence	Lake Erie	-	Canada	Ontario	Low (0-1)

Table 6

Through water management, we control water-related risks and seize opportunities to reduce operational costs and protect both our company and local communities from water stress. We systematically analyze our water withdrawal data and set clear reduction targets, and our team is responsible for compliance with legal requirements. At all INNIO sites, we closely manage water-related KPIs and set new ones.

We also review site-specific water management practices through internal audits at production and development facilities.

For more information, please see the **Environmental Approach** section of INNIO's *Sustainability Report 2020*.

³ Aqueduct offers tools that help companies, governments, and civil society understand and respond to water risks – such as water stress, season-to-season variability, pollution, and water access.

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303-1 INTERACTION WITH WATER AS A SHARED RESOURCE



UN Global Compact: Principle 7, 8
Refer to the response provided in 303: 103-1,2,3.

303-2 MANAGEMENT OF WATER DISCHARGE-RELATED IMPACTS



UN Global Compact: Principle 8
Refer to the response provided in 303: 103-1,2,3.

303-3 WATER WITHDRAWAL



UN Global Compact: Principle 8

Water Withdrawal	2020	2019
Groundwater (in m ³)	660,000	490,000
Third-party water (in m ³)	133,000	138,000

Table 7

303-4 WATER DISCHARGE



UN Global Compact: Principle 8

Water discharge	2020	2019
Groundwater (in m ³)	660,000	490,000
Third-party water (in m ³)	87,000	86,000

Table 8



BIODIVERSITY

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304: 103-1,2,3 MANAGEMENT APPROACH

INNIO seeks to understand, avoid, and respond to any potential impacts that our activities may have on biodiversity and ecosystems. We strive to protect the local environment near our operations, which may include rare flora and fauna and endangered species.

As part of our biodiversity management, we follow four actions: avoid, minimize, restore, and counterbalance. We avoid impacts on biodiversity and biological systems, and we intend to limit our effect and apply moderation measures.

We participate in biodiversity programs or undertake initiatives to make a positive contribution to the conservation and restoration of animal or insect populations.

For more about our actions toward biodiversity, please refer to the **Environmental Approach** section of INNIO's *Sustainability Report 2020*.

304-1 OPERATIONAL SITES OWNED, LEASED, MANAGED IN, OR ADJACENT TO, PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS



UN Global Compact: Principles 7, 8

Refer to the response provided in 304: 103-1,2,3.

304-2 SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS, AND SERVICES ON BIODIVERSITY



UN Global Compact: Principle 8

The construction of INNIO's industrial facility in Welland, Canada, resulted in the removal of part of a bat habitat. For this reason, our Welland facility is participating in the creation of a site that combines habitat restoration and structures that contain natural snag and cavity trees relocated from the original habitat as well as bat boxes. The completion of these activities and final report submission to the Ministry of Natural Resources and Forestry (MNRF) will be filed by October 2024 at the latest.

304-3 HABITATS PROTECTED OR RESTORED



UN Global Compact: Principles 7, 8

Bat habitat

Refer to the response provided in 304-2.

Grassland bird habitat

INNIO's Welland facility worked with the Niagara Parks Commission (NPC) to help redevelop and maintain a grassland habitat for the bobolink and eastern meadowlark, whose habitat was infringed upon by the Welland development. The Chippawa Grassland Bird Habitat Management Plan enhances existing pasture on the NPC property to support grassland-dependent species.

Butterfly conservation

As a significant part of a healthy ecosystem, butterflies can be food for birds and bats, and they play a role in flower pollination. In addition, butterflies are identified as helpful bioindicators because they are very responsive to changes in temperature, humidity, light and rainfall patterns, making them vulnerable to environmental pressures such as drought and habitat loss.

At our site in Jenbach, we follow initiatives that can help preserve the local butterfly population. In our 65,000-square-meter facility, we have created an insect-friendly habitat by establishing puddling and insect watering dishes. We also have built bug boxes and planted special host plants, such as milkweed, where butterflies can deposit their eggs and on which caterpillars will feed.

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EMISSIONS

305: 103-1,2,3 MANAGEMENT APPROACH

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Please also refer to the response provided in 302: 103-1,2,3.

In 2021, Bridge House Advisors⁴ reviewed our carbon footprint based on 2019 and 2020 data in line with the World Resource Institute Greenhouse Gas Protocol⁵ corporate standard. The emissions listed below (see 305-1 to 305-4) cover the INNIO Group using the operational control approach. All potential material sources of emissions were reviewed during initial project scoping. To calculate INNIO's carbon footprint, we included all internationally recognized greenhouse gases (GHG) regulated under the Kyoto Protocol, or a subset of these gases. For the calculation, we used actual data and, in some cases, assumptions were made. To be more specific, in some of our office locations where data was not available, emissions from natural gas, electricity, and waste generation were estimated based on employee headcount at each

location. For our Scope 1 emissions, we identified two main components: stationary combustion and mobile sources (such as service vans and corporate cars). Our Scope 2 emissions originate solely from purchased and consumed electricity. Our Scope 3 footprint does not yet include all the elements in the indirect scope of calculation. As of 2020, INNIO included upstream material transport, downstream product transport, waste, employee commuting, and business travel. We are in the process of expanding the components of our Scope 3 emissions to also include the use and end-of-life treatment of our sold products.

This carbon footprint exercise gave us a better understanding of our emissions sources, the waste or optimization potentials within our business in terms of energy consumption, and how we need to manage them.

305-1 DIRECT (SCOPE 1) GHG EMISSIONS



UN Global Compact: Principle 7, 8

Our Scope 1 emissions for 2019 and 2020 originate from:

⁴ <https://www.bridgehouseadvisors.com/>
⁵ WRI GHG Protocol: <https://ghgprotocol.org/corporate-standard>

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Scope Item	Emissions	Source of Information	Geography/ Business units
Scope 1	Stationary Combustion	Natural Gas Consumption Records	All entities located in Austria, the US, Canada, Hungary, Spain, Poland, Russia, Germany and the Netherlands Fuel combusted: natural gas
Scope 1	Mobile Sources	Service Van/Vehicle Lease Information	All vehicles used in Austria, Germany, the Netherlands, the US and Canada

Table 9

Our Scope 1 emissions results are:

Direct (Scope 1) GHG emissions	2020	2019
Scope 1 GHG emissions (in tons of CO2-e)	35,839	34,005

Table 10

305-2 ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS



UN Global Compact: Principle 7, 8

Our Scope 2 emissions for 2019 and 2020 originate from:

Scope Item	Emissions	Source of Information	Geography/ Business units
Scope 2 location based ⁶	Purchased and Consumed Electricity (Location-Based)	Electricity Consumption Records	All entities located in Austria, the US, Canada, Hungary, Spain, Poland, Russia, Germany and the Netherlands

Table 11

Our Scope 2 emissions results are:

Energy indirect (Scope 2) GHG emissions	2020	2019
Scope 2 GHG emissions (in tons of CO2-e)	7,617	10,458

Table 12

⁶ The location-based method reflects the GHG emissions from locally generated energy delivered through the grid. It transparently demonstrates local conditions and the impacts of energy conservation.



305-3 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS



P. 54 UN Global Compact: Principle 7, 8

Our Scope 3⁷ emissions for 2019 and 2020 originate from:

Scope Item	Emissions	Source of Information	Geography/ Business Units/ Assumptions
Scope 3	Upstream Raw Material Transport	Transportation mode/ distance records for raw materials purchased	All modes of travel for the transportation and distribution of products purchased by the Group in the reporting year between our tier 1 suppliers and our own operations
Scope 3	Downstream Product Transport	Transportation mode/ shipment records for all manufactured products	The transportation and distribution of all products sold by INNIO in the reporting year. It includes both the on-road vehicle and cargo ships' product transport
Scope 3	Waste	Waste records ⁸	All entities located in Austria, the US, Canada, Hungary, Spain, Poland, Russia, Germany and the Netherlands
Scope 3	Employee Commuting and Business Travel	Fleet information by INNIO's external associate	The data used for business trips with company-owned cars refers only to Europe and does not include Asia or America, whereas the data for air travel business trips refers to Austria and the Netherlands

Table 13

Energy indirect (Scope 3) GHG emissions	2020	2019
Scope 3 GHG emissions (in tons of CO ₂ -e)	11,659	14,394

Table 14

⁷ INNIO's Scope 3 footprint does not yet include all elements in the indirect scope of calculation. As of 2020, INNIO included upstream material transport, downstream product transport, waste, employee commuting, and business travel. We are in the process of expanding the components of our Scope 3 emissions to also include the processing, use, and end-of-life treatment of our sold products.
⁸ Assumptions were used in calculations for office locations.

305-4 GHG EMISSIONS INTENSITY



UN Global Compact: Principle 8

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Carbon Footprint Intensity	2020	2019
Carbon Intensity (in tCO ₂ e/tons materials)	1.03 ⁹	0.84

Table 15

INNIO's 2020 carbon intensity is higher due to an increase in Scope 1 emissions driven by expanded engine production and greater associated testing requirements. Since 2020, our engineering team has been using an extra machine for endurance testing, leading to increased permitted operating hours per year.

WASTE

306: 103-1,2,3 MANAGEMENT APPROACH

Please also refer to the response provided in 302: 103-1,2,3.

One of our most significant contributions toward climate protection involves continuous technology improvements to help conserve resources and substantially improve the eco-efficiency of our engines.

Our goal is to prevent waste before reuse, recycling, and eventually disposal. In addition, we follow local and national regulations to ensure the segregation and proper recycling or disposal of waste. We are aware that as a continuously growing business, further reducing the company's waste requires a cross-functional approach, including employee

engagement, supply chain, new product designs and packaging, so we promote multiple uses or usage in closed loops. In addition, we are committed to properly handling and recycling of hazardous waste as well as reducing its use. As part of this strategy, we are continuously working to improve the quality of our waste types. For example, by briquetting metal chips we have eliminated coolant residues and reduced space consumption during storage and transport.

For more information about our waste management approach please refer to the **Environmental Approach** section of INNIO's *Sustainability Report 2020*.

⁹ INNIO's carbon intensity is based on our combined Scope 1 (direct) and Scope 2 (indirect) GHG emissions. The intensity was calculated as tCO₂-e/tons of materials purchased.



**306-1
WASTE GENERATION AND SIGNIFI-
CANT WASTE-RELATED IMPACTS**



P. 56

UN Global Compact: Principles 7, 8
Refer to the response provided in 306: 103-1,2,3.

**306-2
MANAGEMENT OF SIGNIFICANT
WASTE-RELATED IMPACTS**



UN Global Compact: Principles 7, 8
Refer to the response provided in 306: 103-1,2,3.

**306-3
WASTE GENERATED**



UN Global Compact: Principles 7, 8

Hazardous and Non-hazardous Waste (in tons)	2020	2019
Hazardous waste	849	620
Hazardous waste for recycling	137	81
Non-hazardous waste	8,381	9,206
Waste for recycling	7,922	8,437
Non-hazardous waste for other recovery operations	225	505

Table 16

**306-4
WASTE DIVERTED FROM DISPOSAL**



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UN Global Compact: Principles 7, 8

Waste generated (in tons)	2020	2019
Waste generated	10,767	9,838
Recycled waste	7,922	8,437
Waste for other recovery operations	1,464	1,660
Waste diverted from disposal	9,617	8,536
Waste directed to disposal	1,098	1,105

Table 17

**306-5
WASTE DIVERTED TO DISPOSAL**



UN Global Compact: Principles 7, 8
Refer to the response provided in 306-4.



ENVIRONMENTAL COMPLIANCE

P. 58

307: 103-1,2,3 MANAGEMENT APPROACH

INNIO recognizes that we are accountable for the impact that our activities have on the environment. Failure to comply with national and international environmental regulations can not only result in monetary loss and damage to our reputation but also can severely impact the climate. Our business license depends on compliance with laws and regulations related to environmental protection, which is particularly important for government authorities, shareholders, and providers of capital. In past years, no environmental non-compliance warnings or fines for environmental breaches incurred.

At INNIO, we comply with applicable international and local environmental laws and regulations. Our environmental policy and methodology are based on ISO 14001 requirements and best practice standards. For facility compliance, we use and maintain one digital legal and compliance database that covers legal and permit requirements for environment, health and safety (EHS). The software lets us monitor and manage environmental risks and obligatory tasks to avoid non-compliance. Our EHS risk database includes information on existing controls for environmental risks as well as plans and requirements for future actions.

We also require each of our facilities to perform internal compliance audits on a regular basis to assess and review performance requirements in terms of energy use, emissions into the atmosphere, water use and discharge, the use of raw materials, waste management, hazardous substance handling, and biodiversity and ecosystem protection. Refer also to our response provided in 302: 103-1,2,3.

307-1 NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS



UN Global Compact: Principle 7
During 2020, we recorded zero fines for environmental non-compliance and environmental breaches.

SUPPLIER ENVIRONMENTAL ASSESSMENT

P. 59

308: 103-1,2,3 MANAGEMENT APPROACH

It is very important to INNIO that our suppliers share our values. Companies that want to become suppliers for INNIO first must commit in writing to the 10 principles of the UN's Global Compact. We also audit our suppliers to help ensure that they offer safe working conditions for their employees and that they respect the environment. Since 2020, our suppliers must be ISO 14001- and ISO 50001-certified to receive full points on our scorecards. Through these measures we set a high standard for our business associates and only work with companies that share our sustainability ambitions.

308-1 PERCENTAGE OF NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL CRITERIA.

UN Global Compact: Principle 7
At INNIO, we have three levels of environmental and social assessment for new suppliers, as described in our INNIO-GS7.4.1.2 Supplier Approval procedure:

✓ Level 1 is „minimal screening,“ which only applies to suppliers that do not provide direct supply, as covered in the “No PO, No Pay” policy and whose purchases are below 2,500 EUR. Before working with INNIO, Level 1 suppliers (as well as Level 2 and 3 suppliers) are required to review, agree, and sign the Supplier Integrity Commitment Declaration, through which they commit to following the 10 Principles of the UN's Global Compact.

✓ Level 2 entails a mandatory „vendor prescreen“ self-assessment that is conducted before INNIO will work with direct and indirect (environmental, logistics, and real estate) suppliers. In the vendor prescreen, Level 2 suppliers are asked to provide EHS, environmental, and energy management information. The vendor prescreen is reviewed by the Compliance team in INNIO's Procurement department to decide whether to approve or reject the supplier onboarding. In some cases, additional information is required from the supplier beyond that provided in the vendor prescreen process. All vendor prescreen responses are stored in dedicated databases, along with the suppliers' contact information.

✓ Level 3 is an in-depth and onsite audit performed by INNIO's Supplier Quality Engineer when the supplier's country Corruption Perception Index is above a baseline level. The audit records are stored in INNIO's audit tool.

The issues indicated in 308-2 a. and b. result from these audits



**308-2
NEGATIVE ENVIRONMENTAL IMPACTS
IN THE SUPPLY CHAIN AND ACTIONS TAKEN**

UN Global Compact: Principles 8

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GRI	Description	2020	2019
308-1 a	Percentage of new suppliers that were screened using environmental criteria	100%	40%
Negative environmental impacts in the supply chain and actions taken			
308-2. a	Number of suppliers assessed for environmental impacts	323	62
308-2 b.	Number of suppliers identified as having significant actual and potential negative environmental impacts	6	7
308-2 c.	Significant actual and potential negative environmental impacts identified in the supply chain	15	15
308-2 d.	Percentage of suppliers identified as having significant actual and potential negative environmental impacts—improvements were agreed upon as a result of assessment ¹⁰	100%, INNIO's Procurement department agreed with all six suppliers with identified environmental issues that corrective actions should be made	100%
308-2 e.	Percentage of suppliers identified as having significant actual and potential negative environmental impacts—relationships were terminated as a result of assessment and an explanation related to the termination was provided	0%	14%, One potential supplier was audited before supplier onboarding. Although corrective actions were agreed upon, the supplier was not able to complete the actions by the required deadline. As a result, INNIO did not start business with this entity.

Table 18

¹⁰To calculate the indicator, we considered the number of suppliers with whom improvements were agreed upon as a result of assessment divided by the total number of suppliers identified as having significant actual and potential negative environmental impacts.



EMPLOYMENT

401: 103-1,2,3 MANAGEMENT APPROACH

INNIO's performance is positively impacted by the commitment and engagement of each individual employee. A core value of our company is that we all must collaborate and engage to succeed. Individual knowledge and personal abilities are applied to benefit the company's overall performance. Together as a team, we consistently pursue our goals.

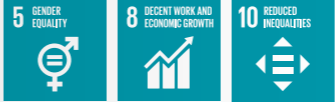
Professional standards and ethics are the norm in our day-to-day business and are embedded in our Code of Conduct. We are committed to fulfilling the highest compliance standards and are aware of our corporate social responsibility. Appreciation, problem-solving, performance and innovation – both internally and externally – are key pillars of our engagement with one another every single day.

INNIO promotes an inclusive, safe, progressive, and nurturing work environment where communication plays a significant role, and all employees are

equally supported and encouraged to grow and prosper within our organization.

With a global presence, compliance to different labor laws, legislation, and collective bargaining agreements are a foundation of our business. We put a structured and well-maintained talent development program at the forefront of our daily work. These activities are supported by INNIO's Human Resources Department led by the Chief Human Resources Officer (CHRO). In addition, we maintain company-wide policies to help assure an equal work environment.

401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER



UN Global Compact: Principle 6

New Employee Hires in 2020	Rate (%)
Total	12%¹¹
By gender	
Male	74% ¹²
Female	26%
By region	
Europe	67%
Asia	3%
Americas	30%
By age group	
< 30 years	27%
30–50	63%
> 50 years	10%

Employee Turnover in 2020	Rate (%)
Total	16%¹³
By gender	
Male	81% ¹⁴
Female	19%
By region	
Europe	42%
Asia	1%
Americas	57%
By age group	
< 30 years	17%
30–50	45%
> 50 years	38%

Table 19

401-3 PARENTAL LEAVE



UN Global Compact: Principle 6

At INNIO, we recognize that becoming a parent can be both wonderful and challenging, so we provide a high level of support to our employees with a policy that addresses pregnancy and child care needs. Aligned with legal guidelines, it includes paternity

and maternity leave of a length that is dependent on location/jurisdiction, adoption leave, and other time off such as for doctor's appointments, child counseling sessions, school visits and children's activities.

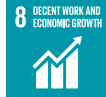
¹¹ Of total number of employees ¹³ Of total number of employees
¹² Of number of new employee hires ¹⁴ Of number of employee turnover



LABOR/MANAGEMENT RELATIONS

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402-1 MINIMUM NOTICE PERIODS REGARDING OPERATIONAL CHANGES



UN Global Compact: Principles 3
INNIO follows the jurisdiction rules and laws regarding operational changes in every country in which we operate.

OCCUPATIONAL HEALTH AND SAFETY

403:103-1,2,3 MANAGEMENT APPROACH

At INNIO, Occupational Health and Safety (OHS) is of the utmost importance—for both our employees and visitors. We don't simply comply with relevant national regulations and international protocols regarding OHS, we exceed them. Our OHS management system consists of an OHS policy, governance, planning, implementation, evaluation and actions for improvement, and we also provide OHS training to all employees. In addition, we assess the significance of the OHS risks in our supply chain by taking necessary mitigation measures, such as preventive protection programs including accident

prevention controls, medical examinations for staff working in specific areas with special requirements, ergonomic programs, audits and OHS training for suppliers. We only select suppliers with a strong OHS track record.

We continuously refine our safety procedures, modify our risk evaluation and assessment process, and set new goals to achieve a working environment where employees feel safe. While doing this, INNIO always acts according to the Plan-Do-Check-Act cycle of continuous improvement to avoid reoccurrences.

403-1 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM



Refer to the response provided in 403: 103-1,2,3.

403-2 HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION



Refer to the response provided in 403: 103-1,2,3.

403-3 OCCUPATIONAL HEALTH SERVICES

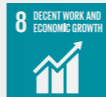


Annually, more than 40,000 individuals visit INNIO's Jenbach site. To help ensure their security, INNIO's Health and Safety Department worked with an IT company and developed an advanced electronic check-in system. In this next-generation entry protocol, visitors to INNIO's headquarters must complete an interactive safety and security training and pass a quiz before being granted a photo ID visitor's badge. This security and safety course is accessible in 11 languages.

403-4 WORKER PARTICIPATION, CONSULTATION, AND COMMUNICATION ON OCCUPATIONAL HEALTH AND SAFETY

Refer to the response provided in 403: 103-1,2,3.

403-5 WORKER TRAINING ON OCCUPATIONAL HEALTH AND SAFETY



Refer to the response provided in 403: 103-1,2,3.

403-6 PROMOTION OF WORKER HEALTH



P. 65

Refer to the response provided in 403: 103-1,2,3. Additionally, INNIO offers a "Health We Care" initiative that is designed to support and motivate all employees to live healthier lives through healthy leadership, sporting activities, health prevention, healthy nutrition, and mindfulness. In addition, this initiative provides employees with information about trends in workplace health through:

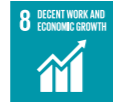
- ✓ **Digital newsletter:** Published monthly, the Health We Care digital newsletter updates employees about various health-related organized training and activity opportunities. It includes tips and useful links about topics such as mental health, healthy recipes, and childcare while working from home.
- ✓ **Ergonomic aids for office work:** To support a comfortable employee workplace, we offer our staff ergonomic aids for office work such as computer mouse gel pads, special keyboards, back support cushions, and footrests. We also help evaluate our employees' office workstations regarding the correct settings for table and chair heights and other important parameters.
- ✓ **Ergonomic aids in production:** We provide and maintain lifting and hoisting equipment to help employees avoid stresses or injuries caused by manual heavy load lifting. We also provide mats for ergonomic standing at the workplace for safety and comfort.



✓ **Physical activity:** INNIO's Betriebssport (our company sports program team) offers regular physical training opportunities for our employees for activities such as running, skiing, tobogganing, biking, hiking, soccer, darts, volleyball, air rifle shooting, Bavarian curling, and ice hockey. In addition, we offer onsite interval training, back training and yoga on a weekly basis.

✓ **Online training:** During the COVID-19 pandemic, our Health We Care team organized a series of on-line physical training programs (BaseFive physical training, keep fit back health, kids training, and body shape) focused on mobilization, stretching, endurance, and muscle strength.

**403-7
PREVENTION AND MITIGATION OF
OCCUPATIONAL HEALTH AND SAFETY
IMPACTS DIRECTLY LINKED BY
BUSINESS RELATIONSHIPS**



Refer to the response provided in 403: 103-1,2,3.

**403-9
WORK-RELATED INJURIES**



Work-related injuries	2020	2019
Rate of recordable work-related injuries ¹⁵	0.82	0.62 ¹⁶
Employee fatalities	0	0
Contractor fatalities	0	0

Table 20

¹⁵ Rate of recordable work-related injuries = [(Number of recordable work-related injuries)/(Number of hours worked)]* 200,000
¹⁶ The rate of recordable work-related injuries for 2019 excludes INNIO's site in Welland, Canada. The factory started full operation production in 2020.

**403-10
WORK-RELATED ILL HEALTH**



Work-related ill health	2020	2019
Number of fatalities as a result of work-related ill health	0	0
Number of cases of recordable work-related ill health	0	0

Table 21

TRAINING & EDUCATION

**404: 103-1,2,3
MANAGEMENT APPROACH**

At INNIO, we see talent development as a core business success factor, and we believe continued development – the main way to support talent retention – is essential to our business. We invest selectively and carefully in our employees and have built an exceptional team with extensive international knowledge and a broad range of experience. Our goal is to ensure that our employees feel valued and are clear about their roles and responsibilities. For this reason, we provide periodic employee surveys that enable us to receive feedback on a variety of work-related topics and determine our employees' satisfaction. Our employee engagement survey measures the degree to which our employees feel valued in their experience working at INNIO as well as their perspectives on the execution of our business strategy from their position in the business. In 2020, the response rate for our employee engagement

survey was 85%, and those surveyed rated the provision of employee development opportunities as our greatest strength and one of the most important drivers of their engagement.

Personnel development at INNIO focuses on helping employees perform their jobs to the best standards and resolve challenges in a fast-changing environment. As a link between the corporate strategy and our employees, personnel development encourages commitment and drives accountability, helping both employees and managers remain true to INNIO's vision and mission while achieving our goals. INNIO's standardized development cycle covers all employees at all levels.



We also emphasize continuous education to increase value alignment across everyone in the organization and create a safer and better work experience for all employees. In this way, we help ensure that all our employees gain and share best practices, a process that inevitably leads to increased engagement and company success.

In addition, we believe that our training strategy provides employees with support and encouragement in their ongoing development as contributors and shapers. Our common goal is to create an environment where employees can fully use and apply their talents and experience.

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**404-1
AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE**

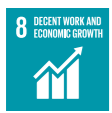


UN Global Compact: Principle 6

Gender	Male	5.8
	Female	4
Employee Category	Managers and supervisors	6.6
	White-collar employees	6.2
	Blue-collar employees	4.4

Table 22

**404-2
PROGRAMS FOR UPGRADING
EMPLOYEE SKILLS AND TRANSITION
ASSISTANCE PROGRAMS**



UN Global Compact: Principle 6

INNIO has two major pillars for training. In 2020, we introduced the “INNIO Development Landscape,” a fully flexible online training program. Areas include: Development for all Employees, Leadership Career Path, Expert Career Path, and special programs for specific target groups such as Sales Academy and Lean 6 Sigma. A free, 24/7 online learning library with more than 80 skill-focused courses also is included.

INNIO runs different leadership development programs focusing on specific employee groups, such as the Leadership Development Boutique and the 1st Wave leadership program, as well as functional and regional programs.

For further information about our training programs and initiatives please refer to the **Workforce** section of INNIO’s *Sustainability Report 2020*.

**404-3
PERCENTAGE OF EMPLOYEES
RECEIVING REGULAR PERFORMANCE
AND CAREER DEVELOPMENT REVIEWS**



UN Global Compact: Principle 6

All of INNIO’s office and professional employees across the globe participate in regular performance reviews and receive training during onboarding.

Personnel development at INNIO focuses on providing targeted training that helps employees perform their jobs to the best standards and resolve challenges in a fast-changing environment. As a link between the corporate strategy and our employees, personnel development encourages commitment and drives accountability, helping both employees and managers remain true to INNIO’s vision and mission while achieving our goals. INNIO’s standardized development cycle covers all employees at all levels.

We believe our company is stronger when the diversity of our employees reflects all of INNIO’s stakeholders across the globe. Teams consisting of employees with diverse perspectives and experiences generate more insights and ideas to solve our toughest challenges by sharing in candid, collaborative, and productive conversations.

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We realize that to be inclusive, diversity and fairness is a collaborative journey involving all stakeholders. In that spirit, we aim to create and sustain a culture of inclusion and move toward a more diverse workforce at all levels, and we have achieved initial baseline for future growth and development of diverse teams. In line with INNIO’s Diversity, Equity & Inclusion Policy, we follow specific actions and measures in our key people processes to prevent possible discrimination and promote an inclusive environment. INNIO’s actions towards diversity, equity and inclusion can be found in its Diversity, Equity & Inclusion Policy.

We also organize and promote diversity and cultural diversity training for all employees globally.

**DIVERSITY & EQUAL
OPPORTUNITY**

**405: 103-1,2,3
MANAGEMENT APPROACH**

As a global business, INNIO serves customers all over the world. A diverse workforce contributes a variety of experiences, backgrounds, and approaches to our work. It allows us to provide our customers and stakeholders with a broad range of creative and effective solutions and enables us to attract great talent.

One initiative that promotes diversity and inclusion is INNIO’s Diversity Network. The name was changed from the Women’s Network to make it clear that all employees are welcome. The group organizes training opportunities, regular meetings and informal knowledge sharing to discuss various aspects of diversity and cooperates with external bodies such as Management Center Innsbruck (MCI), sharing knowledge and promoting best practices.

For more information about INNIO’s diversity initiatives please refer to the **Workforce** section of INNIO’s *Sustainability Report 2020*.



405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES



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UN Global Compact: Principles 1,6
INNIO works to continuously improve our board diversity, including diversity in our succession planning strategy while also considering suitable qualifications. INNIO's executive team who also are board members are males hailing from three nationalities. They are located in INNIO's two major operating sites – Jenbach, Austria, and Welland Ontario – their average age is 52 and their average tenure is 3.5 years. Each director has more than 20 years of industry expertise and insight into the various aspects of our organization, including engineering, manufacturing, finance, marketing, technology, and academics.

Although most employees in our industry are male, our organization values diversity. Therefore, we always strive to create and sustain a culture of inclusion, and we are moving toward a more diverse workforce at all levels of our organization.

Employee diversity table with columns for gender, region, and age group.

405-2 RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN



UN Global Compact: Principle 6
INNIO's compensation system and processes are the same for women and men. For this reason, we cannot make any statements about the ratio of the basic salary and remuneration of women compared with men. The salaries we offer are based on the respective job description and our global compensation structure, with salary ranges based on merit and independent of gender. Variable salary components that fall under performance-based compensation are granted based on performance against agreed targets. INNIO's digital performance management system governs this process.

NON-DISCRIMINATION

406-1 INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN



INNIO's strong corporate culture, transparent communication and management practices enabled us to avoid any discrimination and harassment cases in 2020.

FREEDOM OF ASSOCIATION

407-1 OPERATIONS AND SUPPLIERS IN WHICH THE RIGHT TO FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING MAY BE AT RISK



UN Global Compact: Principles 2, 3
Both INNIO's Business Code of Conduct and Supplier Code of Conduct cover our respect to employees' freedom of association, right to bargain collectively, and all other workplace rights. Our suppliers are required to certify that they agree with our Supplier Code of Conduct. In the guide we clearly state that our suppliers are required to respect employees' freedom of association, right to bargain collectively, and all other workplace rights.

CHILD LABOR

408-1 OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOR



UN Global Compact: Principles 2, 5
There is no child labor or enforced labor of any form in any of INNIO's sites and none of our operations are identified as being at risk for any of these aspects. It is opposed to INNIO's Code of Conduct and Supplier

Code of Conduct, corporate values and ethics, our policies, recruitment practices and it is illegal in the countries in which we operate. We also participate in supply chains that conform to norms and regulations and aspire to the highest standards. The group has not identified any suppliers being at risk of child labor. Furthermore, through our SPEAK UP! Platform, all our employees and external partners can raise concerns about potential violations of law or INNIO policies, including child and forced labor. If a non-conforming supplier was identified, appropriate action would be taken. Explanation of INNIO's environmental and social risk assessment of suppliers is described in 308-1.

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FORCED LABOR

409-2 OPERATIONS AND SUPPLIERS AT SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOR

UN Global Compact: Principles 2, 4
Refer to the response provided in 408-1.

SECURITY PRACTICES

410-1 SECURITY PERSONNEL TRAINED IN HUMAN RIGHTS POLICIES OR PROCEDURES



UN Global Compact: Principles 1, 2
100% of security personnel have completed Code of Conduct training, which includes human rights policies and procedures.



RIGHTS OF INDIGENOUS PEOPLE

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411-1 INCIDENTS OF VIOLATIONS INVOLVING RIGHTS OF INDIGENOUS PEOPLE

UN Global Compact: Principle 1

INNIO knows of no incidents of violations involving the rights of indigenous people.

HUMAN RIGHTS ASSESSMENT

412-1 OPERATIONS THAT HAVE BEEN SUBJECT TO HUMAN RIGHTS REVIEWS OR IMPACT ASSESSMENTS

UN Global Compact: Principle 2

As a signatory of the UN's Global Compact, INNIO supports and respects the protection of internationally proclaimed human rights and makes sure that we and our business associates are not complicit in human rights abuses. We comply with applicable laws and respect internationally recognized human rights, wherever we operate.

Our human rights approach is based on the UN Universal Declaration of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, and the International Bill of Human Rights.

Human rights due diligence is embedded into INNIO's Business Code of Conduct and Supplier Code of Conduct, and it applies to our employees and contractors. The aforementioned guides define our efforts to assess, manage and mitigate the risks of non-compliance. They also help us define our expectations throughout the value chain.

412-2 EMPLOYEE TRAINING ON HUMAN RIGHTS POLICIES OR PROCEDURES

UN Global Compact: Principle 1

Our employees and contractors follow mandatory training on INNIO's Code of Conduct. The content of training is delivered through an interactive digital learning platform. Each session is accompanied by an understanding and compliance acknowledgment. While we do not record the specific number of training hours, we do monitor completion. We deliver training and awareness briefings to employees and external stakeholders via INNIO's website, through our own digital learning system or through compliance training videos.

412-3 SIGNIFICANT INVESTMENT AGREEMENTS AND CONTRACTS THAT INCLUDE HUMAN RIGHTS CLAUSES OR THAT UNDERWENT HUMAN RIGHTS SCREENING

UN Global Compact: Principle 2

INNIO's sites and offices must comply with local legislation and regulations and must conduct their activities in line with INNIO's core values of integrity and respect for people. Respect for human rights is embedded in our INNIO's Business Code of Conduct and Supplier Code of Conduct.

Our digital platform for employees and third parties with whom INNIO has a business relationship (such as customers, suppliers, and agents) allows users to raise concerns and report instances of potential non-compliance with our values and principles, in full confidence and without fear of retaliation. This platform is accessible to anyone, and the instructions for use can be found on INNIO's webpage.

We carefully review our suppliers' principle statements to ensure that they offer safe working conditions for their employees and avoid prohibited practices such as child and forced labor as well as human rights violations. Through these measures, INNIO sets a high standard for our business associates and sends an unequivocal message about our expectation to suppliers. Additionally, we apply a very structured approach to independently review customer and supplier information using renowned KYC/KYS tools.

LOCAL COMMUNITIES

413-1 OPERATIONS WITH LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS, AND DEVELOPMENT PROGRAMS

UN Global Compact: Principle 8

A complete review of our community engagement efforts can be found in the **Communities** section of INNIO's *Sustainability Report 2020*.

413-2 OPERATIONS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES

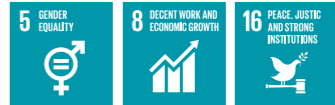
UN Global Compact: Principles 7, 8

INNIO's operations did not cause any significant negative impacts on local communities.

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SUPPLIER SOCIAL ASSESSMENT

414-1 NEW SUPPLIERS THAT WERE SCREENED USING SOCIAL CRITERIA



UN Global Compact: Principles 1, 2, 3, 5, 6

At INNIO, it is very important that our suppliers share our values. Companies who want to become suppliers for INNIO first must commit in writing to the 10 principles of the **UN's Global Compact**. We also audit our suppliers to help ensure that they offer safe working conditions for their employees and avoid prohibited practices such as child and forced labor as well as human right violations. Through these measures, we set a high standard for our business associates and only work with companies that share our sustainability ambitions.

For details related to the three levels of environmental and social assessment we apply to our suppliers, refer to the response provided in 308-1.



**414-1
NEW SUPPLIERS THAT WERE
SCREENED USING SOCIAL CRITERIA**

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GRI	Description	2020	2019
414-1 a.	Percentage of new suppliers that were screened using social criteria	100%	40%
Negative social impacts in the supply chain and actions taken			
308-2. a	Number of suppliers assessed for social impacts	323	62
308-2 b.	Number of suppliers identified as having significant actual and potential negative social impacts	5	9
308-2 c.	Significant actual and potential negative social impacts identified in the supply chain	17	33
308-2 d.	Percentage of suppliers identified as having significant actual and potential negative social impacts – improvements were agreed upon as a result of assessment ¹⁷	100%, INNIO Procurement agreed with all five suppliers with identified social issues that corrective actions should be made.	100%
308-2 e.	Percentage of suppliers identified as having significant actual and potential negative social impacts – relationships were terminated as a result of assessment and an explanation related to the termination was provided.	0%	11%, One potential supplier was audited before supplier onboarding. Although corrective actions were agreed upon, the supplier was not able to complete the actions by the required deadline. As a result, INNIO did not start business with this entity.

Table 23

¹⁷To calculate the indicator, we considered the number of suppliers with whom improvements were agreed upon as a result of assessment divided by the total number of suppliers identified as having significant actual and potential negative environmental impacts.



**414-2
NEGATIVE SOCIAL IMPACTS IN THE
SUPPLY CHAIN AND ACTIONS TAKEN**



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UN Global Compact: Principles 1, 2, 3, 5, 6
Refer to the response provided in 414-1.

PUBLIC POLICY

**415-1
POLITICAL CONTRIBUTIONS**



UN Global Compact: Principle 10
INNIO did not make any contributions to any political party during the reporting period.

**CUSTOMER
HEALTH & SAFETY**

**416-1
ASSESSMENT OF THE HEALTH AND
SAFETY IMPACTS OF PRODUCT
AND SERVICE CATEGORIES**

UN Global Compact: Principle 9
One of INNIO's primary concerns is the health and safety of our customers. Starting from design, we assess potential health and safety implications of all our product categories. We design our products for remanufacturing, and we test them to specific efficiency rates, including emissions efficiency. Possible hazardous materials used in the equipment components are controlled with appropriate safety management practices and safety data sheets.

Risks to health and safety are considered individually for delivery procedures that need unique logistic solutions. Products are carefully tested before being delivered to customers.

**416-2
INCIDENTS OF NON-COMPLIANCE
CONCERNING THE HEALTH AND
SAFETY IMPACTS OF PRODUCTS
AND SERVICES**



INNIO knows of no such incidents.

**MARKETING
& LABELING**

**417-2
INCIDENTS OF NON-COMPLIANCE CONCERNING
PRODUCT AND SERVICE
INFORMATION AND LABELING**



INNIO knows of no such incidents.

**417-3
INCIDENTS OF NON-COMPLIANCE
CONCERNING MARKETING
COMMUNICATIONS**



INNIO knows of no such incidents.

**CUSTOMER
PRIVACY**

**418-1
SUBSTANTIATED COMPLAINTS
CONCERNING BREACHES OF
CUSTOMER PRIVACY AND LOSSES
OF CUSTOMER DATA**



INNIO knows of no such incidents.

**SOCIOECONOMIC
COMPLIANCE**

**419-1
NON-COMPLIANCE WITH LAWS
AND REGULATIONS IN THE
SOCIAL AND ECONOMIC AREA**



INNIO knows of no such incidents.

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