

# **INNIO GROUP SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) DISCLOSURE**

Resource Transformation Sector  
Electrical & Electronic Equipment  
and Industrial Machinery & Goods Industries

For the year-ended December 2020



Topic	Code	Accounting metric	Category	Unit of Measure	Response	Description, References
Energy Management	RT-EE-130a.1/ RT-IG-130a.1	(1) Total energy consumed	Quantitative	Gigajoules (GJ)	813,904 GJ	At INNIO, energy management is a strategic issue that requires a networked, long-term approach and planning. In the last decade, we have succeeded in reducing the environmental impact at our Jenbach manufacturing site by lowering the plant's purchased electricity by about two-thirds and water requirements and waste by about one-third each. We are committed to continuing the journey of energy conservation at our sites through decreased emissions and energy usage and increased energy efficiency.  For further information, please refer to the <b>"Energy Management and Air Emissions"</b> section of INNIO's Sustainability Report 2020.
		(2) Percentage grid electricity	Quantitative	Percentage (%)	26% of total energy consumed was supplied from grid electricity	
		(3) Percentage renewable	Quantitative	Percentage (%)	8% of total energy consumed was renewable energy	
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated	Quantitative	Metric tons (t)	849 t	
		Percentage recycled	Quantitative	Percentage (%)	16%	
		Number of reportable spills	Quantitative	Number	0, INNIO had zero reportable spills in 2020.	
	RT-EE-150a.2	Aggregate quantity of reportable spills	Quantitative	Kilograms (kg)	0 kg	
		Quantity recovered	Quantitative	Kilograms (kg)	0 kg	
Product Safety	RT-EE-250a.1	Number of recalls issued	Quantitative	Number	INNIO had zero recalls in 2020.	At INNIO, we keep our consumers at the center of everything we do. To continue to earn and keep their trust, we are committed to providing them with products that are safe and high quality.  For this reason, we take a proactive and robust approach to pre-market safety design and quality testing, monitoring field safety performance, applying digital tools and conducting timely corrective actions, when necessary, to help protect consumers.
		Total units recalled	Quantitative	Number	0	
	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Reporting currency	INNIO had no monetary losses as a result of legal proceedings associated with product safety.	

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<b>Fuel Economy &amp; Emissions in Use-phase</b>	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton-miles	<p>INNIO is working on data analytics for disclosure of scope 3 emissions from products and their lifecycles. We are not measuring sales-weighted fuel efficiency, but rather overall mechanical, electrical and thermal product efficiencies. In addition, and specifically in relation to Code RT-IG-410a.4, we are not manufacturing any diesel equipment. Instead, we direct our investments toward research and development related to reciprocating engines that generate fewer direct emissions.</p> <p>An excellent illustration of this type of investment is INNIO's latest technology— "Ready for H<sub>2</sub>".</p>	<p><b>INNIO Jenbacher Gas Engines "Ready for H<sub>2</sub>"</b></p> <p><b>"Value to our Customers" section of INNIO's Sustainability Report 2020</b></p>
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Quantitative	Gallons per hour		
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Quantitative	Watts per gallon		
	RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NOx) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	Quantitative	Grams per kilowatt-hour		

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<p><b>Materials Sourcing</b></p>	<p>RT-EE-440a.1/ RT-IG-440a.1</p>	<p>Description of the management of risks associated with the use of critical materials</p>	<p>Discussion and analysis</p>	<p>n/a</p>	<p>A core activity of INNIO’s procurement organization is the ethical, responsible sourcing of products and materials in accordance with existing rules and regulations.</p> <p>In cooperation with our supply chain partners, we strive to stay informed about the conflict minerals regulatory space as well as to manage the social, environmental and business risks associated with procuring critical materials. We understand that the reputation of INNIO Group and our products may be impacted by the supply, price and regulation of these materials, including conflict minerals. Therefore, we use different tools and strategies to be socially responsible.</p> <p>Furthermore, INNIO Group uses a series of controls to better understand how our supply chain partners determine and ensure traceability of content throughout the product lifecycle.</p> <p>One example of these controls is the conflict minerals process as indicated in INNIO’s Supplier Code of Conduct. This recurring process focuses on more than 300 identified suppliers to identify how and from whom tin, tantalum, tungsten and gold (3TG) are sourced. For this purpose, we aligned with and use the Responsible Minerals Template from the Responsible Minerals Initiative organization, resulting in valuable information about the 3TG sources and smelters used. All discovered risk cases are addressed to our suppliers according to the regulatory due diligence processes.</p> <p>Other controls include requiring our suppliers to comply with the regulations for electrical and electronic equipment as described in our Technical Regulations and Standards Policy. Relevant compliance documents are collected from our suppliers, both at the first piece qualification and at serial production stages and are stored accordingly. In addition, we ensure compliance through quality audits performed by our Sourcing Quality Engineering team, including a dedicated resource that covers electrical and electronic equipment.</p> <p>We require all of our new and existing global electrical and electronic suppliers to comply with our Supplier Code of Conduct and our Supplier Integrity Commitment. In this way, we help ensure that critical materials going into our products have been ethically sourced.</p>	<p><b>INNIO’s Supplier Code of Conduct</b></p> <p><b>“Sourcing Standards” section of INNIO’s Sustainability Report 2020.</b></p>
<p><b>Remanufacturing Design and Services</b></p>	<p>RT-IG-440b.1</p>	<p>Revenue from remanufactured products and remanufacturing services</p>	<p>Quantitative</p>	<p>Reporting currency</p>	<p>A privately owned company, INNIO Group reported our economic performance in our 2020 audited Financial Statement.</p> <p>INNIO’s revenues from remanufacturing offerings have increased by 25% since 2018.<sup>1</sup></p>	

<sup>1</sup>Data only refer to reUp parts sold and do not include remanufactured engines.

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Business Ethics	RT-EE-510a.1	Description of policies and practices for prevention of: (1) corruption and bribery and (2) anti-competitive behavior	Discussion and analysis	n/a	<p>A cornerstone of INNIO's ethics and compliance culture is a focus on integrity in all we do, including our responsibility for our actions around business conduct, prevention of fraud or corruption, human rights, labor and employment rights, and international trade controls. With respect, transparency and dependability, INNIO is committed to unyielding integrity with compliance standards, international laws and regulations.</p> <p>This helps us maintain the trust of our employees and business associates. Our guidelines around compliance are framed in our Code of Conduct, which is widely available to all employees and external stakeholders via our website, through our own digital learning system or as a compliance training video. Our employees and distributors are required to take part in regular or annual compliance training programs, with topics ranging from anti-money laundering, foreign corruption practices, competition law and conflicts of interest to data protection and fair employment practices.</p> <p>Finally, our SPEAK UP! channel for reporting compliance concerns is indispensable to recognizing and resolving matters of misconduct. For further information please refer to the "Compliance" section of INNIO's Sustainability Report 2020.</p>	<p><b>INNIO's Code of Conduct</b></p> <p><b>INNIO's Compliance Video</b></p> <p><b>"Compliance" section of INNIO's Sustainability Report 2020</b></p>
	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	INNIO Group did not sustain any monetary losses due to legal proceedings associated with bribery or corruption in the reporting period.	
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	Reporting currency	INNIO Group did not sustain any monetary losses in the reporting period due to legal proceedings associated with anticompetitive behavior regulations	

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Employee Health and Safety	RT-IG-320a.1	(1) Total recordable incident rate (TRIR)	Quantitative	Rate	0.82	<p>We do not measure Near Miss Frequency Rate (NMFR), but we recognize the significance of thoroughly reviewing all work-related environmental, health and safety events, including near-misses.</p> <p>For this reason, INNIO encourages our employees to take an active role in their own and co-workers' health and safety. Near misses are reported and controlled on a local level.</p>
	RT-IG-320a.2	(2) Fatality rate	Quantitative	Rate	0 employees, 0 fatalities	
	RT-IG-320a.3	(3) Near miss frequency rate (NMFR)	Quantitative	Rate	N/A	
Accounting Metrics	RT-IG-000.A/ RT-EE-000.A	Number of units produced by product category	Quantitative	Number	INNIO Group delivers more than 2 GW of newly installed base annually.	For further information please refer to the <b>“Organizational Profile”</b> section of INNIO’s Sustainability Report 2020.
	RT-IG-000.B/ RT-EE-000.B	Number of employees	Quantitative	Number	INNIO employs more than 3,500 people, 60% of whom are in the 30–50 age group and 17% are women. They have diverse backgrounds and come from more than 50 nationalities. More than 80% of our employees are located in Europe. Companywide, about 15% of our supervisory positions are held by females, according to 2020 data.	For further information please refer to the <b>“Workforce”</b> section of INNIO’s Sustainability Report 2020.

<sup>2</sup> Rate of recordable work-related injuries= [(Number of recordable work-related injuries)/(Number of hours worked)] \* 200,000

