2025 Sustainability Report

Making Progress Together

Moving energy forward

INNIO

A letter from the CEO

Dear INNIO Group stakeholders,

We live in an age where energy is the decisive factor for our future. After two decades of stable demand, electricity consumption is skyrocketing, driven by the rapid development of AI and the electrification of industrial processes. We believe we are providing the right answers to this challenge. Together with our customers, we aim to shape the energy landscape of tomorrow and fulfill the promise of our purpose: We are changing the world with better energy.

Through technological innovation, we develop highly efficient and sustainable solutions, implementing them consistently in our business. Our successes speak for themselves. The outstanding development of our company in the areas of data centers, power generation, compression, and service enables us to invest sustainably – in our global team, our worldwide locations, and progressive technologies. This ensures that we can continue to take responsibility and make a positive contribution to our environment in the future.

Our efforts are being recognized. Particularly noteworthy is the German Sustainability Award for Companies 2026 in the “Engines and Turbines” category. I am also delighted that INNIO has received the EcoVadis Platinum Medal for the fourth consecutive year. This internationally recognized sustainability platform honors us as one of the best companies! This successful year is rounded out by numerous ISO initial and recertifications across all locations.

With our projects, we create long-term value for our customers and society. I would like to highlight two examples: In Stralsund, we have teamed up with SWS Energie to build a new energy center with two highly efficient combined heat and power plants and ammonia heat pumps. And in Greece, our Mavrorachi project, together with our partners Clarke Energy and HELECTOR, shows how landfill gas can be used to generate renewable electricity for communities. These projects exemplify the innovative strength and technological expertise of our company.

On this basis, we effectively align our business and our sustainability goals – whether in terms of low-carbon and circular products, resilient supply chains and manufacturing, or responsible operations. I cordially invite you to learn more about the progress we have made in these areas in this year's Environmental, Social and Governance (ESG) report.

After all, our success is only possible thanks to the trust and cooperation of you, our stakeholders. Let us continue to do everything we can to provide the right answers to the challenges of the new energy era. Because only together can we shape the future of better energy.

Yours sincerely,

Dr Olaf Berlien
President and CEO, INNIO Group

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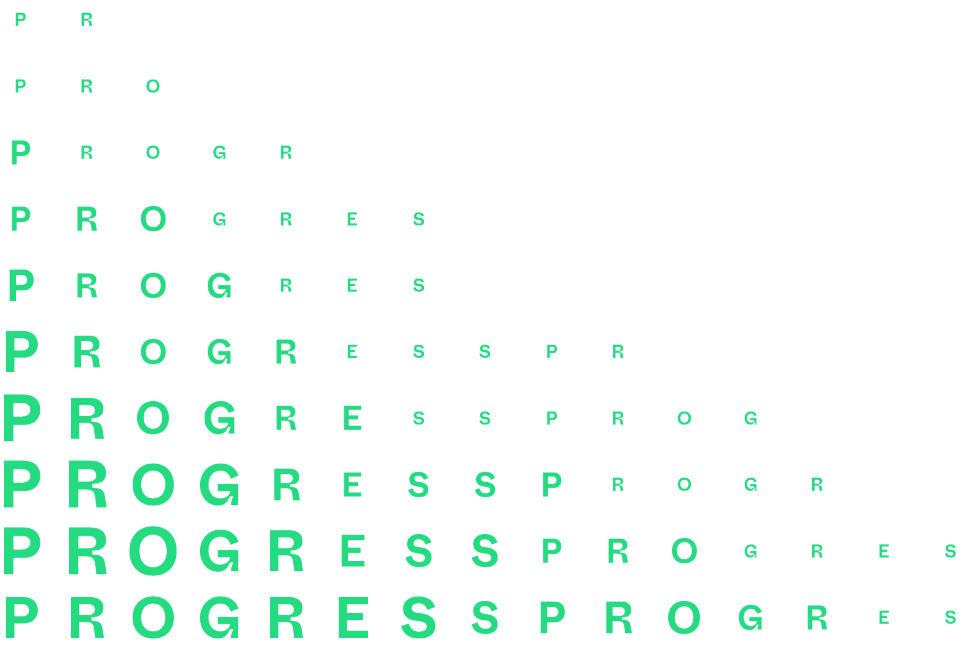


INNIO Group at a glance

About INNIO Group

INNIO Group is a leading energy solution and service provider that empowers industries and communities to make sustainable energy work today. With its Jenbacher and Waukesha product brands and its AI-powered myplant digital platform, INNIO Group offers innovative solutions for data center power infrastructure, distributed power generation, and compression applications. With its flexible, scalable, and resilient energy solutions and services, INNIO Group enables its customers to drive the energy transition across the energy value chain and helps ensure reliable energy supply even where the grid is not available.

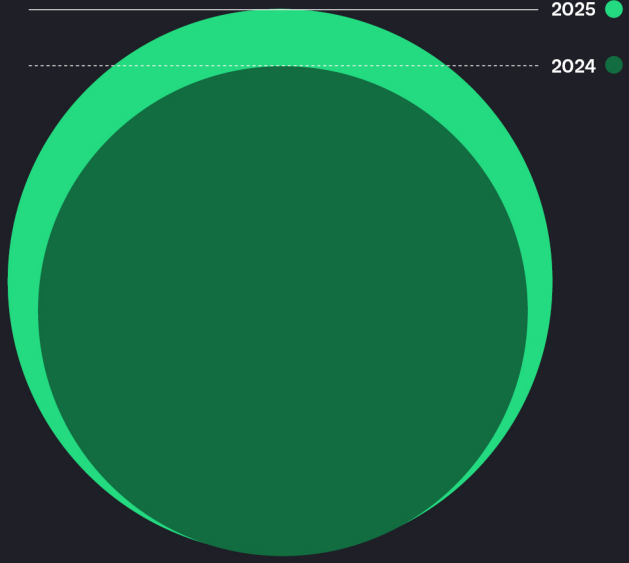
For more information, visit INNIO Group's website at **innio.com.**

Follow INNIO Group on **X** and **LinkedIn**.

ESG highlights

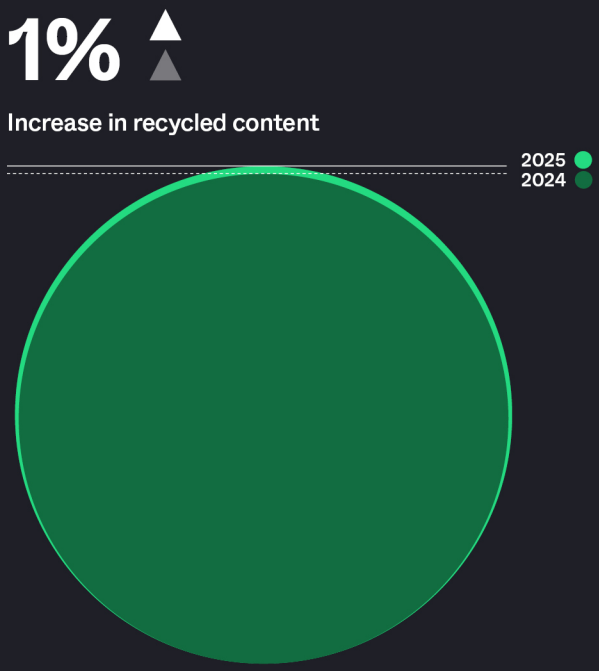
22%

Increase in revenue



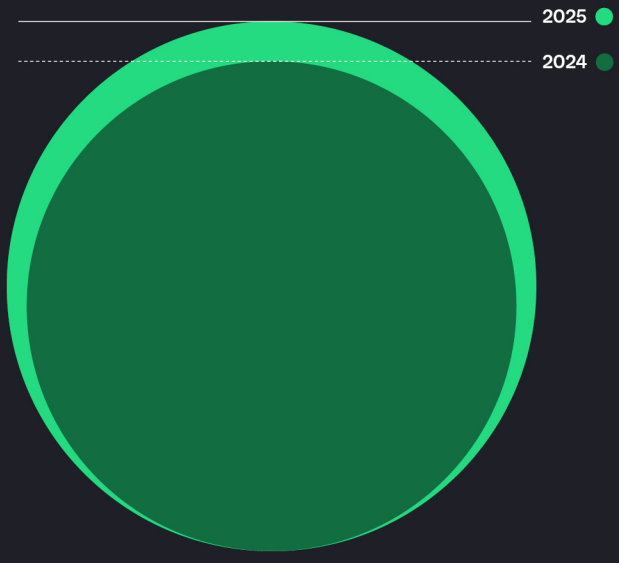
1%

Increase in recycled content



12%

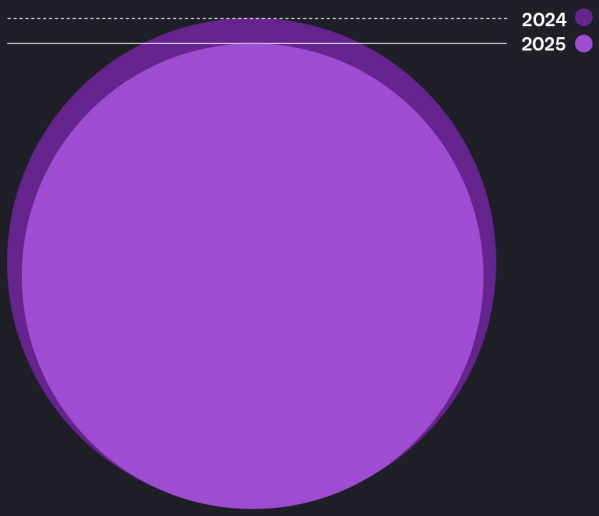
Increase in employee training hours



Growing our business while improving our sustainable footprint and social commitment

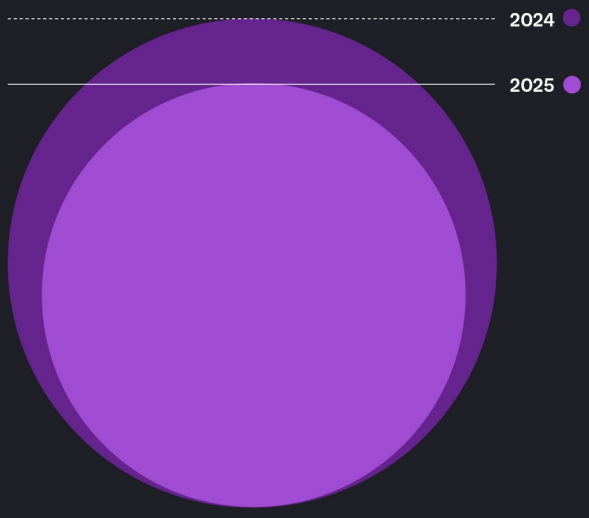
6%

Decrease in emissions intensity in core business[1]



22%

Decrease in LTIR



1 The emissions intensity reduction percentage shown excludes data from INNIO's Energy as a Service business, which commenced in 2025.

Customer case studies

Mavrorachi Landfill

Award-winning waste site uses landfill gas for power generation while lowering greenhouse gas emissions

→ Background

For more than 20 years, HELECTOR has worked in waste management and green energy production. Its significant expertise and specialization allow HELECTOR to provide integrated waste management solutions, including the design, construction, and operation of modern waste treatment plants, as well as alternative fuel production and biogas and biomass energy recovery projects.

Mavrorachi landfill has operated in the greater area of Langadas Municipality of Thessaloniki, Greece, since 2008. In support of the European goal of a successful and sustainable transition to a climate-neutral economy by 2050, HELECTOR was chosen to build and operate a modern power plant that would be powered by landfill gas (LFG) and to provide sustainable energy to the local community

→ Solution

Since August 2020, HELECTOR has operated the Mavrorachi LFG Power Plant, where three of INNIO Group's Jenbacher Type 4 engines each supply more than 1 MW of power. With a corresponding permit of up to 3.52 MW, the power plant is individually interconnected with the HEDNO medium voltage substation near Liti village to supply the local area with renewable electricity.

Clarke Energy Hellas LTD, the authorized distributor of INNIO Group's Jenbacher engines in Greece, was responsible for the engines' supply and commissioning.

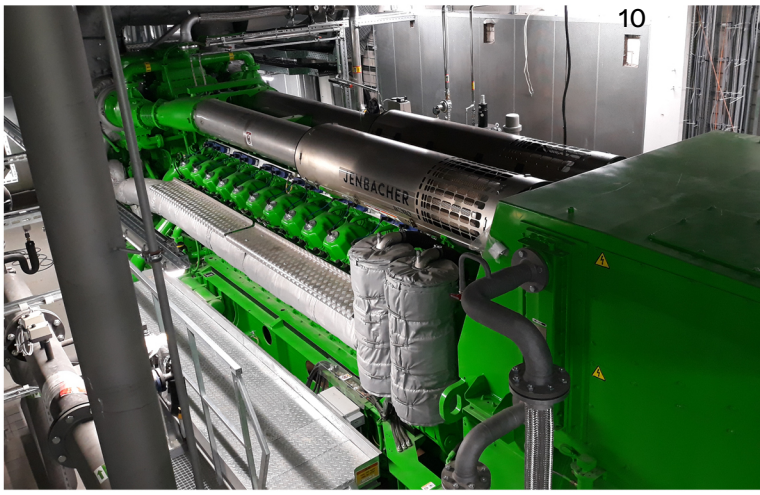
→ Result

Because the landfill gas produced in the landfill cells is collected and transferred to the power plant, renewable electrical energy is generated and greenhouse gas emissions are avoided, significantly improving air quality.

The project was so successful at turning waste into energy while reducing greenhouse gas (GHG) emissions that it received the Energy Globe Award in 2023 in the AIR category. According to the award, "The 3.52 MW landfill gas power plant effectively mitigates greenhouse gas (GHG) emissions and showcases the global potential of scalable waste-to-energy projects."

"This (award) recognition is not just evidence of our commitment towards environmental protection, but it also highlights the innovative approach of our project. We are proud that HELECTOR'S nomination stood out amongst numerous other initiatives on a global level for its contribution to a better and more sustainable future. We are happy to have achieved this sophisticated and outstanding project together with Clarke Energy and INNIO Group's Jenbacher solutions for landfill gas."

Christos Chasapopoulos, operations manager at the Mavrorachi site, at the Energy Globe Award 2023



Stadtwerke Stralsund

Innovative thinking takes plant beyond iCHP in a boost to the energy transition

→ Background

SWS Energie, a subsidiary of Stadtwerke Stralsund, supplies the Hanseatic city, in Germany and the surrounding area with electricity, gas, heat, and cooling. Through January 2022, the company already was generating more than 60% of its heat with combined heat and power (CHP) plants. When the CHP feed-in tariff expired, SWS opted to replace the plants with two new, higher-output Jenbacher CHP plants that began operating in 2023.

→ Solution

Upgrading the Stralsund plants has significantly increased both thermal and electrical output, along with a notable rise in heat production. The plant now operates cost-effectively and flexibly without the CHP subsidy.

This system uniquely integrates two Jenbacher CHP plants with two ammonia heat pumps. The advanced engineering allows for the extraction and use of waste heat, typically lost in similar systems, at multiple points. The large heat pumps enable the use of both calorific value and generator heat, providing sustainable heat for the district heating network.

→ Result

In the currently subsidized iCHP systems, heat pumps supply the required renewable heat share of at least 30% (river water, ambient air, etc.) separately from the CHP plant. To achieve this, the atmosphere first is heated unnecessarily with the available waste heat before a less efficient air/water heat pump provides the regenerative share of thermal energy. The new energy center in Stralsund, however, directly uses unavoidable waste heat from the CHP system via a water/water heat pump. This efficient and sustainable method isn't subsidized under the Combined Heat and Power Act but suggests ways to improve legislation.

Additionally, the CHP plant switches off when excess renewable energy is available, allowing the power-to-heat system to provide sustainable heat for the district heating network.

This innovative approach so strongly impressed a jury comprising members of the Bundesverband Kraft-Wärme-Kopplung e.V. (B.KWK, German Combined Heat and Power Association) in collaboration with Energie & Management (E&M) magazine that the project was named CHP Plant of the year in 2023.

“With our new energy center in Stralsund, we and the INNIO Group are providing a boost to the energy transition. Our blue-sky thinking goes beyond the existing legal requirements for iCHPs, and we see our innovative CHP system as food for thought for legislators going forward.”

Ralf Bernhardt, managing director SWS Energie

01

Sustainability at INNIO Group

A letter from the VP Sustainability

Dear stakeholders, employees, partners, and other readers of this report,

As we unveil our 2025 Sustainability Report – a reflection of our collective journey toward a more sustainable future – I find that I am both motivated and inspired.

This report not only documents our commitment to embedding sustainability into our operations but also highlights the significant progress we have made as one INNIO Team – together with our partners along the value chain.

In the past year, INNIO Group has reached remarkable milestones that reaffirm our dedication to sustainable innovation. Standout achievements included receiving the German Sustainability Award 2026 and EcoVadis Platinum Medal for the fourth consecutive time, as well as inclusion in the Prime Index of the ISS Stoxx rating agency.

Even as we take time to celebrate these accomplishments, we also recognize the challenges that lie ahead. The journey toward sustainability is intricate, demanding continuous adaptation and learning. As we work to master new regulatory standards, we simultaneously seek to unlock value from sustainability and technology innovation. We constantly monitor our goals and ambitions to remain true to our commitments as well as to ensure that we work on material topics that impact us and our surroundings and add value to our stakeholders.

As in previous years, we invested substantially in data management – their quality and auditability connected with digital collections, analytics, and reporting. We fully implemented a digital Environmental, Social, and Governance (ESG) platform that helps our organization track progress, understand dynamics, and also make the plans and initiatives necessary to reach our goals.

The good news is that INNIO is growing. And with that, our focus on creating more output with less burden to resources remains strong. To highlight some key figures: Our net sales increased by 22% and the volume of processed production components increased by 25%. The energy demand to support our own operations also increased by 22%. However, the intensity ratio improved by 6% compared to 2024 and by 41% compared to base year 2020.

A growing business also means more activities in our facilities and more worked hours, therefore health and safety remain at center of all we do and are clearly visible in our LTIR metric, which improved by 22% versus 2024 and 7% versus 2023. Looking forward, we enthusiastically follow our objectives for 2026 and beyond. Our clear focus is on providing our customers with innovative and more sustainable solutions as well as working with all our teams, employees, and stakeholders alongside the value chain on joint steps for process decarbonization, energy efficiency, and further expansion of the circular economy.

I extend my heartfelt gratitude to each of you for your ongoing support and commitment to our sustainability efforts. Together, we are not only making a difference but also fostering a movement toward a more innovative and sustainable world. I encourage you to delve into the contents of this report, which provides comprehensive insights into our initiatives, achievements, and future goals. Let us continue this journey together, striving to innovate and lead in sustainability.

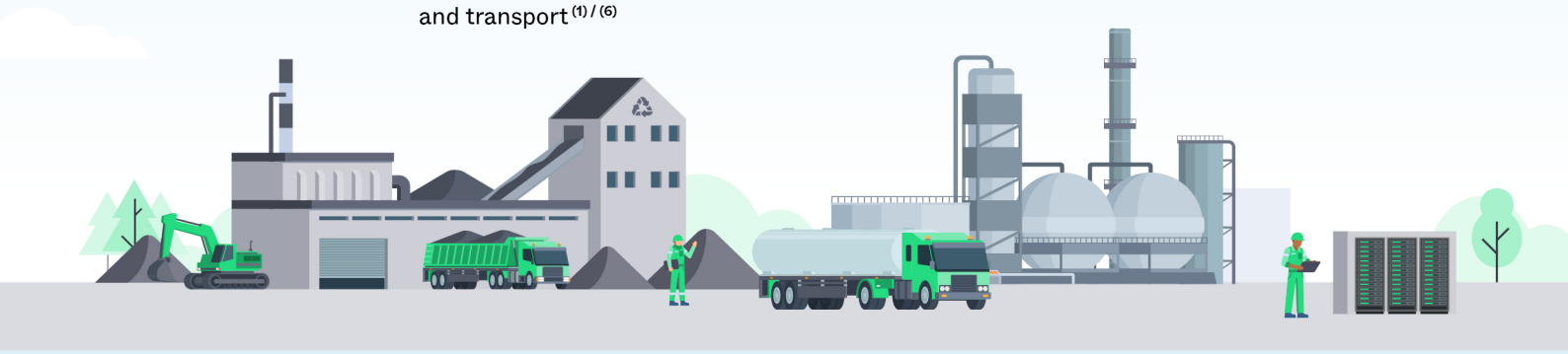
Thank you for your dedication and partnership.

Marcin Kawa
Vice President Group Sustainability

Value Chain Overview

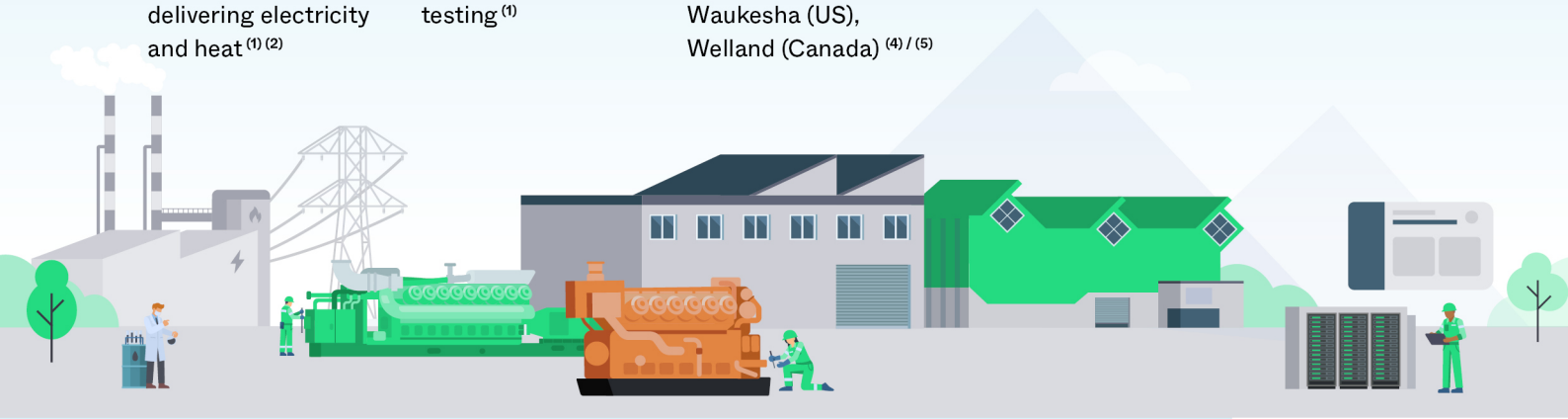
1. Upstream

1.1	1.2	1.3	1.4	1.5
Resource extraction and transport (1) / (6)	Equipment and material manufacturer and transport (1) / (6)	Virgin materials and recycled metals (3)	Fuels for combustion and as lubricants (1)	IT infrastructure (7)



2. Own Operations

2.1	2.2	2.3	2.4	2.5
Research and development test benches delivering electricity and heat (1) (2)	Engineering, (re-)manufacturing and quality testing (1)	Production sites: Jenbach (Austria), Waukesha (US), Welland (Canada) (4) / (5)	Remanufacturing & Overhaul program (3)	IT infrastructure (myplant, and others) (7)



3. Downstream

3.1	3.2	3.3	3.4
Internat. authorized distributors or contracts with end users on six continents (6)	Jenbacher service network worldwide (3)	Technology upgrade programs (1) / (2)	IT infrastructure (myplant) (7)

Strategic topics

(1) Climate Change
(2) Technology & Innovation
(3) Circular Economy
(4) Employee Experience
(5) Health & Safety
(6) Sustainable value chain
(7) Cyber Security
(8) Business Conduct

Collaborations and initiatives

We are dedicated to playing a significant role in creating a resilient, inclusive, near-zero carbon future. Since 2023, our near-term targets for Scope 1, 2, and 3 have been validated by SBTi. INNIO Group focuses on robust international coalitions, working with different organizations and participating in programs that promote sustainability and low-carbon technology.

Since 2021, we have been part of both the UN Race to Zero and UN Business Ambition for 1.5°C campaigns. INNIO Group also aims for collaborative action and integrating pioneering approaches into our business activity. In close collaboration with different organizations, we promote sustainability and innovative technology.

UNITED NATIONS GLOBAL COMPACT	**United Nations Global Compact**	INNIO Group proudly aligns our strategy and operations with the 10 universal principles related to human rights, labor, environment, and anti-corruption, and we take actions that advance societal goals and the implementation of the SDGs.
RESPONSIBLE MINERALS INITIATIVE	**Responsible Minerals Initiative**	The Responsible Minerals Initiative provides companies with tools and resources to make sourcing decisions that improve regulatory compliance and support responsible sourcing of minerals from conflict-affected and high-risk areas.
klimaaktiv	**Klimaaktiv**	“klimaaktiv” is a program established by the Austrian Ministry of Climate, Environment, Energy, Mobility, Innovation, and Technology for energy-efficient companies. As part of this association, we apply “klimaaktiv” expertise to continuously implement sustainability measures while contributing to the development of the program itself.
SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION	**Science-Based Targets**	Our near-term targets have been validated by the SBTi. INNIO Group commits to reduce Scope 1 and 2 GHG emissions 50% by 2030 from a 2020 base year. In addition, we commit to reduce absolute Scope 3 GHG emissions 42% by 2030 from a 2020 base year. INNIO Group is a proud supporter of Race to Zero, a global campaign established by the United Nations Framework Convention on Climate Change (UNFCCC) to bring together global leadership for a healthy, resilient, and zero-carbon future.

Table 01

Ratings and certifications

	**EcoVadis** **Platinum Medal**	EcoVadis is the world's largest and most trusted provider of business sustainability ratings. The EcoVadis Sustainability Scorecard illustrates performance across 21 indicators in four themes: environment, labor and human rights, ethics, and sustainable procurement. A Platinum medal is awarded to the top 1% of businesses. EcoVadis' sustainability recognition levels are based on the percentile rank of companies. Please see our EcoVadis Recognition Page here.
	**ISS ESG Rating B- Rating with Prime status**	ISS ESG provides independent ratings that evaluate a company's performance on environmental, social, and governance issues. The ISS ESG rating assesses how effectively companies manage ESG-related impacts, risks, and opportunities throughout their corporate value chain. In 2025, INNIO Group's rating was B- (on a scale of D- to A+) and INNIO was awarded the sector-specific "Prime" status.
	**CDP B Rating for Climate Change**	CDP is a global non-profit that runs an independent environmental disclosure system for organizations to manage their climate and environmental impacts. In the 2025 disclosure cycle, INNIO Group was awarded a B rating for climate actions and a B- for water stewardship.
	**German Sustainability Award**	The German Sustainability Award is a multi-stakeholder project that brings together all key players from politics, business, research, and civil society. The award is based on the goals of the 2030 Agenda and thus on the key areas of transformation such as climate, biodiversity, resources, supply chain, and society. In December 2025 INNIO was awarded the "Deutscher Nachhaltigkeitspreis" 2026.
	ISO certificates	INNIO Group has the following ISO standards across our various sites: • ISO 14001: 2015 • ISO 45001: 2018 • ISO 9001: 2015 • ISO 50001: 2018 • ISO 55001: 2014 • ISO 27001: 2023 INNIO Group received an annual renewal as of December 2025.

Table 02

Stakeholder management and engagement

Overview of the approach

At INNIO Group, stakeholder management and engagement are fundamental to our sustainability approach. We recognize that our long-term success relies on understanding and addressing the needs and expectations of our diverse stakeholders. For effective management, we cluster our stakeholder groups into two main categories.

Affected stakeholders on the one hand, are those directly impacted by our operations, such as our employees, suppliers, distributors and customers, local communities, as well as nature. Stakeholders who have a particular interest in our ESG data, on the other hand, include shareholders, financial community, and governments and regulatory bodies. In the reporting year, the stakeholder analysis was updated as part of the double materiality assessment.

Affected Stakeholders

EMPLOYEES

Description
INNIO's workforce includes both employees and non-employees, such as Employees on Record (EORs). In Austria, the company operates under collective bargaining agreements and has an established works council. Additionally, the European Works Council represents employees at the European level. For other international sites, INNIO helps ensure fair employment practices through its structure of local and regional HR representatives.

Expectations
Employees at INNIO expect competitive compensation and benefits, work-life balance with flexible working arrangements, and opportunities for recognition and career advancement. They value transparent communication and feedback channels, as well as job security and fair treatment. INNIO, in turn, expects employee engagement and motivation, alignment with company values and goals, and adaptability to change with a focus on continuous improvement. The company also emphasizes the responsible use of resources and encourages contributions to sustainability.

Engagement
INNIO fosters employee engagement and communication through regular annual appraisal interviews (twice a year), European Works Council meetings, and works council meetings in Jenbach. Local HR representatives are available to support employees at each site. The SpeakUp! whistleblower system enables confidential reporting of concerns. Employees participate in annual employee and ethics training courses and receive periodic updates from leadership teams to stay informed about company priorities and developments.

Board oversight
INNIO Group's Vice President of Human Resources reports directly to the Group's President and Chief Executive Officer (CEO), who also serves as Chairman of the Board. The HR Committee and the Inclusion and Belonging Committee report directly to the Board. The whistleblowing platform (SPEAK UP!) provides a confidential channel for reporting concerns.

SUPPLIERS

Description
Suppliers are a key stakeholder group, providing essential input and support for business operations. Purchased materials and products are structured into four categories: (1) direct materials, which are core components for manufacturing engines; (2) indirect materials, supporting operations but not included in the final product; (3) Balance of Plant (BoP), comprising auxiliary systems and equipment for complete engine installations; and (4) services, which encompass professional and technical support. Reliable supplier relationships are vital to help ensure quality, innovation, and sustainability across the supply chain.

Expectations
Suppliers expect long-term cooperation, fostering stable business relationships and mutual growth. INNIO expects suppliers to adhere to the Group's ethics and regulatory compliance standards, including the Supplier Code of Conduct. High raw material quality, commitment to ESG standards, and positive assessment results are essential. INNIO also values supplier contributions to circular economy initiatives.

Engagement
The supplier engagement process begins with Supplier Screening (Know Your Supplier, KYS) and a comprehensive onboarding process for all suppliers. Direct material suppliers undergo regular assessments and scorecards to evaluate performance, while on-site audits and targeted questionnaires ensure compliance and transparency. Ongoing engagement is maintained through regular meetings, both in-person and virtual, as well as specific webinars, bulletins, and newsletters.

Board oversight
The Chief Procurement Officer (CPO) of INNIO Group reports directly to the President and CEO, who also serves as Chairman of the Board. The CPO provides regular briefings to the Executive Board, updates on supplier risk, and resilience reviews to help ensure effective oversight and risk mitigation in the procurement function.

DISTRIBUTORS & CUSTOMERS

Description
Distributors and customers are central to INNIO's go-to-market strategies: direct sales to customers and indirect sales via distributors. Jenbacher engines are available through both direct and indirect channels, while Waukesha engines are primarily sold through indirect distribution. These stakeholders represent diverse industries such as agriculture, manufacturing, utilities, data centers, greenhouses, mining, steel, and wastewater treatment.

Expectations
Distributors and customers expect INNIO to understand and define market needs, support requirements for developing new products, foster innovation and growth, and provide excellent customer service and technical expertise. They also look for strong customer support, expertise in technology, and solutions tailored to their specific industry requirements. INNIO expects, in turn, active participation in product-related discussions, commercial updates, and adherence to ethics and compliance standards. By consistently supporting these principles, the foundation for long-term business relationships, mutual trust, and loyalty is built.

Engagement
The engagement process includes a Know Your Customer (KYC) assessment upfront. INNIO maintains ongoing relationships through regular in-person and virtual meetings, industry-specific webinars, bulletins, newsletters, trade shows, regional customer conferences, product training, and updates. Distributors and customers also interact with INNIO experts at major energy events worldwide.

Board oversight
The VP Global Sales, VP Global Service, and VP Product Management report directly to the President and Chief Executive Officer (CEO) of INNIO Group. These Executive Directors provide monthly updates on key customer matters and strategic partnerships. Board members are involved in selected customer interactions and partnership building.

NATURE

Description
Nature, as a stakeholder, includes the ecosystems, natural resources, and environmental conditions that are directly affected by INNIO's activities – particularly in areas where INNIO engines are operated. The natural environment is impacted by the extraction and consumption of limited resources such as minerals, as well as by the intensive industrial processes required to obtain and use these materials.

Expectations
Expectations toward INNIO Group are to use resources responsibly, minimize environmental impacts, and protect ecosystems. There is also an expectation to consider resource limitations and support climate protection. INNIO Group, in turn, strives for recognition of its technological solutions and the ability to operate in compliance with regulations. The company is committed to meeting the growing energy demand while continuously improving efficiency and sustainability.

Engagement
As part of its "Low carbon and circular products" strategy, INNIO Group continuously invests in R&D to develop more sustainable energy solutions. The company engages with nature through environmental management, monitoring, and sustainability initiatives, also in collaboration with external partners and industry associations, and in compliance with legal requirements.

Board oversight
INNIO Group's Engineering organization, under the leadership of the Chief Technology Officer (CTO) as part of the Executive Board, plays a pivotal role in driving innovation across the company. Together with the Product Management and R&D teams, it defines and manages product design, energy efficiency, and environmental impact, ensuring validation and alignment with INNIO's strategic direction and sustainability commitments.

LOCAL COMMUNITIES

Description
Local communities are key stakeholders, particularly in regions where INNIO Group's manufacturing sites are located. These communities are directly impacted by INNIO's operations, employment opportunities, and environmental practices.

Expectations
Local communities expect transparency, responsible operational management, and positive contributions to local well-being from INNIO. In turn, INNIO aims to fulfill all environmental thresholds, regulations, and reporting obligations – such as air pollution disclosures – while also being recognized as a valued local employer and responsible corporate citizen.

Engagement
Engagement with local communities includes regular reporting of environmental data to local authorities and the public through various platforms. INNIO also supports and sponsors local initiatives, fostering positive relationships and community development.

Board oversight
The Operations Committee provides direct reports to the CEO and Chairman of the Board. The VPs of Operations, in collaboration with the VP Human Resources and VP Communications, actively engage with local and international communities and organizations, all reporting directly to INNIO Group's President and CEO.

Users of Sustainability Statements

SHAREHOLDERS

Description
INNIO Group's shareholders are private equity investors who play a significant role in the company's governance, oversight, and long-term strategic direction. As financial stakeholders, they are actively involved in shaping INNIO's business priorities, supporting management in achieving sustainable growth, and helping ensure that the company remains competitive in a dynamic market environment.

Expectations
Shareholders expect INNIO to deliver strong business growth, robust financial performance, and continuous improvement in ESG metrics. They provide strategic guidance and advisory support, helping to shape the company's long-term vision and priorities. While shareholders contribute their expertise and oversight, ultimate decision-making authority rests with the INNIO Board, balancing shareholder interests with the company's broader objectives.

Engagement
Engagement with shareholders is structured and ongoing, enabling transparency and alignment on key business matters. The INNIO Advisory Committee, comprising representatives of private equity investors, convenes twice a year to review strategic progress and provide input on critical issues. Quarterly Business Review Meetings offer additional opportunities for in-depth discussion of operational performance, financial results, and emerging risks. ESG performance is a standing agenda item, with VP Sustainability presenting detailed updates and responding to shareholder inquiries.

Board oversight
VP Sustainability, reporting directly to the Chief Financial Officer (CFO), maintains regular communication with the Board through monthly meetings and formal presentations. Board-level engagement helps ensure that shareholders remain closely informed about INNIO's sustainability initiatives, risk management practices, and overall business trajectory.

FINANCIAL COMMUNITY

Description
The financial community comprises financing institutions, providers of capital, and organizations that assess INNIO's creditworthiness and financial stability. These stakeholders play a crucial role in enabling INNIO's access to capital markets, influencing financing conditions, and shaping the company's reputation in the broader financial ecosystem.

Expectations
Financial institutions and rating agencies expect INNIO to maintain transparency regarding its risk profile, including the management of sustainability topics. They require regular updates on the company's sustainability performance, strategy, and goals, as well as insights into macroeconomic trends, operational results, future growth potential, and measures taken in response to climate change and evolving energy policies. INNIO, in turn, seeks favorable financing conditions and competitive ratings to support its growth and investment plans.

Engagement
Engagement with the financial community is facilitated through ESG questionnaires, structured lenders meetings, and regular updates on sustainability strategy and performance. While most meetings are ad hoc, INNIO's Finance team organizes dedicated sessions with lenders, where ESG topics are discussed as needed. Investor Relations and Treasury teams provide detailed reports on financial and operational performance, helping to ensure that stakeholders are informed about key developments.

Board oversight
The Chief Financial Officer (CFO) and Executive Board maintain direct engagement with investors through regular digital and in-person meetings, covering all relevant topics. INNIO Group hosts regular business update meetings, offering investors and financial partners the opportunity to receive comprehensive

updates and interact directly with the Board, fostering transparency and trust in the company's financial and sustainability performance.

GOVERNMENTS & REGULATORS

Description
National governments – especially those in countries where INNIO operates and where its engines are in use – as well as the European Union, are key stakeholders. These bodies set the regulatory framework for energy, environmental protection, labor, and innovation, directly influencing INNIO's operations and strategic direction.

Expectations
Governments and regulatory bodies expect INNIO to fulfill all legal and reporting obligations, provide feedback on industry needs, and share insights on innovation and investment. INNIO, in turn, seeks recognition of its needs and challenges as an employer and innovator, including support for fuel availability and regulations (such as hydrogen), financial backing for R&D, and access to subventions.

Engagement
Engagement is mainly indirect, occurring through governmental working groups, alliances, and industry associations. INNIO participates in official correspondences, visits, interviews, conferences, and public hearings to provide industry expertise and advice. The company also engages with local authorities to fulfill legal reporting obligations in areas such as social and environmental compliance, regularly submitting environmental data via various platforms.

Board oversight
Regular compliance reports are provided as applicable, with direct reports from the Operations Committee to the CEO and Chairman of the Board. The VP Compliance reports directly to the CEO and Executive Board, while dedicated functions at Group or business unit level manage regulatory interactions. Board members follow clear political engagement rules and participate in speeches, conferences, and industry association discussions, helping to ensure strategic alignment and responsible engagement with regulatory stakeholders.

Double materiality assessment

Process description

In preparation for CSRD applicability, INNIO Group undertook a top-down double materiality assessment (DMA) in 2025, encompassing both the Jenbacher and Waukesha business lines. The DMA process was designed to ensure robust identification and evaluation of sustainability matters, integrating both impact and financial perspectives in line with evolving ESRS guidance. The process comprised the following key stages:

1. Preparation and Methodology Alignment:

The project team initiated the DMA by thoroughly documenting INNIO's business model and value chain, differentiating between project-based and non-project-based activities. Desk research and analysis of internal documentation informed the identification of relevant sustainability topics. The team established a transparent and consistent evaluation methodology, defining scoring criteria for both impact and financial materiality in accordance with ESRS requirements.

2. Stakeholder Identification and Proxy Selection:

A structured stakeholder mapping exercise was conducted, identifying all relevant stakeholder groups and their corresponding internal proxies. This approach leveraged both ongoing stakeholder engagement and insights from previous materiality assessment activities, ensuring that stakeholder perspectives were adequately represented throughout the process.

3. Identification and Evaluation of Impact Materiality:

The process began with the creation of a comprehensive longlist of potential impacts, drawing on desk research, prior materiality results, and benchmarking against industry peers. This longlist was refined in collaboration with the ESG team and distributed to workshop participants. A series of targeted workshops, differentiated where necessary by business line, facilitated the systematic review and evaluation of each impact using the agreed methodology.

The evaluation considered severity (scale, scope, irremediability) and likelihood, with materiality thresholds clearly defined. Workshop outcomes were consolidated, and divergent ratings were resolved by adopting the highest score to help ensure comprehensive coverage of material topics.

4. Identification and Evaluation of Financial Materiality:

Financial risks and opportunities were identified through a combination of desk research, review of INNIO's enterprise risk management (ERM) system, and analysis of preliminary impact materiality results. Risks were mapped to existing ERM categories, allowing for efficient transfer of risk ratings. The evaluation process mirrored that used for impact materiality, applying the same scoring logic and materiality thresholds.

5. Review and Management Alignment:

The consolidated results from both impact and financial materiality assessments were reviewed with the VP of Group Sustainability. The outcomes then were presented to INNIO's management board for discussion and final alignment, helping to ensure that the DMA process and its conclusions were fully integrated into the group's strategic decision-making.

Results of double materiality assessment

The double materiality assessment conducted using ESRS as a reference framework highlights key impacts, risks, and opportunities across climate change, pollutants, circular economy, workforce, value chain, end-users, and business conduct. The analysis covers upstream, INNIO's own operations, and downstream activities over short- to long-term horizons.

Significant findings include both positive and negative impacts, such as the demand for low-carbon energy solutions and resource depletion, as well as risks like technology shifts and compliance challenges. Opportunities were identified in areas such as circular economy practices, workforce development, and expanding service business models. The assessment underscores the importance of ongoing innovation, resource efficiency, and responsible business conduct to address evolving regulatory and market expectations.

ESRS	Impacts, Risks, and Opportunities (IRO)	Time horizon	Up-stream	Own operation	Down-stream
I... Impact | R... Risk | O... Opportunity | +... Positive | - ... Negative | A... Actual | P... Potential					
E1 Climate Change	(I) Significant fuel demand for R&D activities (-) (A)	short- to long-term		x	
	(I) Energy demand for running the facilities (-) (A)	short- to long-term		x	
	(I) Providing surplus energy to third parties (+) (A)	short- to long-term		x	
	(I) Contributing to climate change as part of scope 1, 2, and 3 (-) (A)	short- to long-term	x	x	x
	(I) Technology for low-carbon energy solutions, such as hydrogen (+) (A)	short- to long-term		x	x
	(I) Ongoing R&D activities for energy efficiency (+) (A)	short- to long-term		x	x
	(I) Providing reliable energy solutions in (increasingly) hostile environments (+) (A)	short- to long-term		x	x
	(R) Requirement for protective measures against extreme weather at facilities	mid- to long-term		x	
	(O) Rising demand for gas engines due to reliable performance in harsh conditions	mid- to long-term			x
	(R) Technology shift in order to meet greenhouse gas (GHG) reduction targets	long-term	x	x	
	(R) Customers shift towards new energy technologies	long-term			x
	(O) Growing demand for heat and electricity with natural gas engines as transition technology	short- to mid-term			x
	(O) Possibility to switch to hydrogen attracts customers by offering lasting investment value	short- to long-term			x
E2 Pollution	(I) Provision of lower-emission energy solutions to improve air quality (+) (P)	short- to long-term			x
E5 Resource Use and Circular Economy	(I) Depletion of non-renewable raw materials by using virgin materials (-) (P)	short- to long-term		x	
	(I) Depletion of non-renewable fuels due to reliance on natural gas (-) (P)	short- to long-term		x	x
	(I) Depletion of non-renewable resources using oil as lubricant in engines (-) (A)	short- to long-term		x	x
	(I) Safeguarding resources through circular design and remanufacturing program (+) (A)	short- to long-term		x	

ESRS	Impacts, Risks, and Opportunities (IRO)	Time horizon	Up-stream	Own operation	Down-stream
I... Impact | R... Risk | O... Opportunity | +... Positive | - ... Negative | A... Actual | P... Potential					
	(I) Safeguarding resources using recycled materials (+) (A)	short- to long-term		x	
	(I) Resource depletion and ecosystem disruption due to waste (-) (A)	short- to long-term		x	
	(I) Environmental and health hazards through hazardous waste (-) (P)	short- to long-term		x	x
	(R) Rising costs for primary materials required in production	mid-term	x	x	
	(O) Cost savings through circular materials and products	short- to mid-term	x	x	
	(O) Expanding service business through remanufacturing and product life cycle extension	short- to mid-term		x	x
	(O) Cost savings through waste reduction and higher recycling rates	short- to mid-term		x	
S1 Own Workforce	(I) Long-term job security fosters high employee engagement (+) (A)	short- to long-term		x	
	(I) Employee programs and benefits improve mental and physical health (+) (P)	short- to long-term		x	
	(I) Employer-financed training enhances workforce engagement and employability (+) (P)	short- to long-term		x	
	(O) Increased staff availability through health and safety initiatives	short- to long-term		x	
	(O) Employee training secures skills and reduces disruptions	short- to long-term		x	
S2 Workers in the Value Chain	(I) Significant bodily harm to value chain workers from work incidents (-) (P)	short- to long-term	x		
S4 Consumers and End-users	(R) Inadequate cybersecurity measures may result in financial consequences	short- to long-term	x	x	x
G1 Business Conduct	(I) Insufficient compliance awareness may lead to unethical behavior (-) (P)	short- to long-term	x	x	x

Table 03

Overview of ESG standards covered

The ESG standards addressed in the report cover a wide range of strategic topics, drawing on the European Sustainability Reporting Standards (ESRS) while also aligning with the guidelines of the Global Reporting Initiative (GRI) and relevant United Nations Sustainable Development Goals (SDGs).

In addition to the relevant topics identified through the double materiality assessment, we also voluntarily disclose further subjects to meet the requirements of stakeholders such as shareholders, customers, and the financial community. This approach helps ensure that INNIO's sustainability reporting meets both regulatory expectations and stakeholder demands for transparency and accountability.

Subject area	Strategic topic	ESRS	GRI	SDG
ENVIRONMENT	**Climate Change** **Technology & Innovation**	E1 – Climate Change E2 – Pollutants	GRI 302 [Energy]; GRI 305 [Emissions to air] GRI 308 [Environmental supplier assessment]	7, 13
	Circular Economy & Value chain	E5 – Resource Use and Circular Economy	GRI 301 [Materials] GRI 306 [Waste]	12
SOCIAL	**Employee Experience** **Health & Safety**	S1 – Own Workforce	GRI 401 [Own workforce] GRI 403 [Health & safety] GRI 404 [Training & education]	3, 5
	Sustainable Supply Chain	S2 – Workers in the Value Chain	GRI 414 [Social supplier assessment] GRI 408 [Child labor] GRI 409 [Forced labor]	10
	Cybersecurity	S4 – Consumers and End-users	GRI 416 [Customer safety] GRI 418 [Customer privacy]	9
GOVER-NANCE	**Business Ethics**	G1 – Governance	GRI 205 [Anti-corruption] GRI 206 [Anti-competitive] GRI 406 [Non-discrimination] GRI 415 [Public policy]	16
VOLUNTARY	**Water Stewardship**	E3 – Water	GRI 303 [Water]	6
	Tax Transparency	no ESRS	GRI 207 [Tax]	

Table 04

Governance structure

Overview of governance structure

INNIO Group's overall strategies and processes around ESG are under the direct supervision of the Executive Board. The Executive Board meetings of the INNIO Group are led by the President and CEO and serve as the central decision-making forum for the organization's top leadership. These meetings bring together C-level executives to review business performance, discuss strategic priorities, and approve key initiatives across all business functions, including sustainability. Chaired by the CEO, the Executive Board helps ensure alignment on the company's overall strategy and drives progress toward organizational goals.

INNIO Group established Sustainability Review Boards (SRB) as the highest level ESG decision-making body after the INNIO Executive Board for the Jenbacher and Waukesha business segments. Each SRB includes the functional leaders from business and Group level. The Vice President (VP) Sustainability chairs the SRBs and reports directly to the Group's CFO and the Executive Board. As part of the SRB, cross-functional collaboration takes place between functional and department senior leaders on ESG topics. Members of the SRB work to evaluate the Group's core operational capacity, establishing short-, medium- and long-term ESG goals. In addition, the SRB helps ensure INNIO's ESG goals align with international standards, gains insight into international trends, and builds a top-down operational model across the company.

Executive Board

Leads INNIO Group in the creation of strong, sustainable financial performance and long-term shareholder value; reviews and approves the Group's strategic plan; and supervises the conduct of the Group's activities within the structure of foresightful and effective internal controls.

Members: President and Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Executive General Counsel

Audit 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

Remuneration Committee

- Provides oversight of INNIO Group's key affairs in areas of corporate governance. Evaluates performance and the characteristics of the Board
- Make recommendations regarding the compensation and reward policy of the executive officers

Risk Committee

- Reviews and approves INNIO Group's risk profile
- Evaluates risk exposure and tolerance
- Identifies, monitors, and manages financial and non-financial risks, including ESG risk
- Reviews and evaluates the Group's practices with respect to risk assessment and risk management

Information Security Committee	Inclusion & Belonging Committee	Ethics & Compliance Commitee	ESG Committee
→ Provides oversight of INNIO Group's information security efforts	→ Creates and modifies Inclusion & Belonging Policy	→ Provides oversight of ethical and compliant business conduct	→ Reviews and approves ESG strategy, roadmap, and targets
→ Coordinates and oversees INNIO Group's information security strategy	→ Oversees, revises, and approves the inclusion objectives and activities across the organization	→ Oversees governance of the Compliance Management Systems (CMS)	→ Monitors implementation of standards and frameworks
	→ Communicates initiatives to stakeholders		→ Monitors progress and initiatives toward sustainable goals
	→ Evaluates the effectiveness of ongoing efforts		

Table 05

Sustainability governance

Agenda	Panel	Frequency
• Assessment of strategy • Review of resources & expertise • Strategic feedback	**Group ESG Advisory Committee**	2x per year
• Strategy implementation • Key achievements & highlights • Outlook	**Group ESG Update to Shareholders**	monthly
• Group-wide report-out to the c-level leadership • Strategy discussions • Key objectives & approvals	**Group ESG Update to the Board** INNIO Executive Board	monthly
• Strategic alignment with functional leadership • Tactical/operational update • Project review/escalations	**Jenbacher** Sustainability Review Board (SRB) **Waukesha** Sustainability Review Board (SRB)	periodically but min. 2x per year
• Topic specific workgroups • Project steer-cos • SME deep dives	Circular Economy/ Remanufacturing HR, Inclusion & Belonging Circular Economy/ Remanufacturing Energy Management Procurement/ Supply chain Procurement/ Supply chain Energy Management Resources Management	monthly, quarterly and project-related

Table 06

Sustainability Strategy and Goals

INNIO's sustainability strategy is built on three key pillars – incorporating the identified strategic sustainability topics and underpinned by governance: **(1) low carbon and circular products, (2) resilient supply chain and manufacturing, and (3) responsible operations and social responsibility.** The first pillar focuses on climate change, technology and innovation, and advancing a circular economy across the value chain. The second pillar ensures a sustainable and secure value chain, emphasizing both sustainable supply chain and robust cyber security. The third pillar prioritizes employee experience and health & safety, fostering a responsible and supportive workplace.

Strategic pillar	Target	Year	Status
Low carbon and circular products	All new Jenbacher engines are 'Ready for H2.' Engines can be offered with the option to operate with up to 25% (vol) H2 in the pipeline gas. All Type 4 engines are available for 100% H2 operations. The next flagship customer projects will be commissioned with 100% hydrogen operation.	2022	This goal has been successfully achieved.
	Beginning in 2025, INNIO Group's entire Jenbacher product line is expected to be rolled out for 100% hydrogen operation. Fleet upgrades will be available to transform most of the already installed engines into a 100% hydrogen engine on site.	2025	Engine data sheets for 100% H2 operation are available for all platforms, with more than 500 kW - Series 4, 6, and 9.
	All Jenbacher products will be available with a 90% reduction in methane emissions compared to today's regulatory limits (44. BImschV).	2030	Initiatives are being implemented so that all Jenbacher products emit 90% less methane than current regulatory limits (44. BImSchV) allow.
	New products and components are designed for circularity.	ongoing	New – replacing: All new products and/or components will be made with materials that will be in total (> 90% weight) reusable, remanufacturable, reclaimed, or recycled.

	Year-on-year increase in the proportion of recycled content (by weight) in our metallic components.	ongoing	New – replacing: All new products and/or components will be made with materials that will be in total (> 90% weight) reusable, remanufacturable, reclaimed, or recycled. Actual percentage increase will be defined at the beginning of the respective reporting year, starting with 2026.
	Year-on-year increase in the proportion of reUp parts (by weight) used in reUp engines.	ongoing	New – replacing: All new products and/or components will be made with materials that will be in total (> 90% weight) reusable, remanufacturable, reclaimed, or recycled. “reUp” refers to remanufactured engines and includes reused, repaired, refurbished and remanufactured components.
Resilient supply chain and manufacturing	Suppliers covering 80% of spend must receive a reputable ESG rating – by 2023 for direct suppliers and by 2025 for indirect suppliers.	2023 & 2025	This goal has been successfully achieved.
	The 50% reduction in Scope 1 and Scope 2 greenhouse gas (GHG) emissions (vs. 2020 base) will be fully implemented.	2030	This goal is under review in light of evolving legal requirements, international standards, and business growth.
	Suppliers covering 80% of direct and indirect spend must commit to net zero by 2050.	2030	More than 80% of our suppliers committed (spend-wise) to a 50% reduction in GHG by 2030, and this criterion is part of the supplier performance. In 2026, we will begin to focus on the net-zero commitment in the supply chain.
Responsible operations and social responsibility	Zero serious injuries for all employees and contractors.	ongoing	INNIO’s Health & Safety approach supports the ongoing goal of zero serious incidents through safe workplaces and clear procedures.
	A 25% increase of identified diversity groups across functions is planned, compared to the 2020 baseline.	2025	By the end of 2025, INNIO Group increased the representation of identified diversity groups across functions from 17% in 2020 to 19% in 2025. Although this reflects a 12% improvement—below the planned 25%—we will continue to monitor our progress closely and adjust future goals accordingly.
	People leadership diversity will continue to develop.	2030	This goal is continuously pursued in accordance with our Inclusion & Belonging Policy.

UN SDGs

All of INNIO Group’s goals are underpinned by governance, business ethics, and transparency.

02 Environment

Climate change

Overview of the approach

At INNIO Group, we recognize the importance of using our position as a global energy solutions provider to help drive a sustainable future. We see low-carbon technology as a key element of sustainable development as it meets the needs of our present society.

INNIO Group has our own ESG Policy as well as business unit-specific environmental policies for the Jenbacher and Waukesha operational sites.

Climate change adaptation

Related to climate change adaptation, we conducted a risk and opportunity analysis based on the Task Force on Climate-related Financial Disclosures (TCFD) guidelines – under consideration of the following key approaches:

- The Executive Board at INNIO Group oversees and approves our climate change vision and strategies.
- INNIO Group helps ensure the implementation of these strategies, applies adaptation and mitigation measures, and delivers advanced, sustainable technologies to help our customers boost their low-carbon competitiveness.
- Climate change is integrated into INNIO Group's enterprise risk management, including the identification of relevant climate risks and the assessment of their potential financial impacts.
- INNIO Group also considers the severity and trends of climate change when establishing performance indicators and quantitative targets, with progress and status updates regularly reviewed.

In the reporting year, INNIO updated its existing TCFD assessment by analyzing previously identified risks and opportunities against different climate scenarios. The analysis evaluated two climate scenarios: RCP8.5/SSP5, representing a high-emissions, fossil-fueled development pathway, and RCP2.6/SSP1, reflecting a low-emissions, sustainable development future. In addition, transition risks were assessed using the IEA Current Policies Scenario (CPS) and the IEA Sustainable Development Scenario (SDS). These scenarios reflect different levels of policy ambition and market transformation.

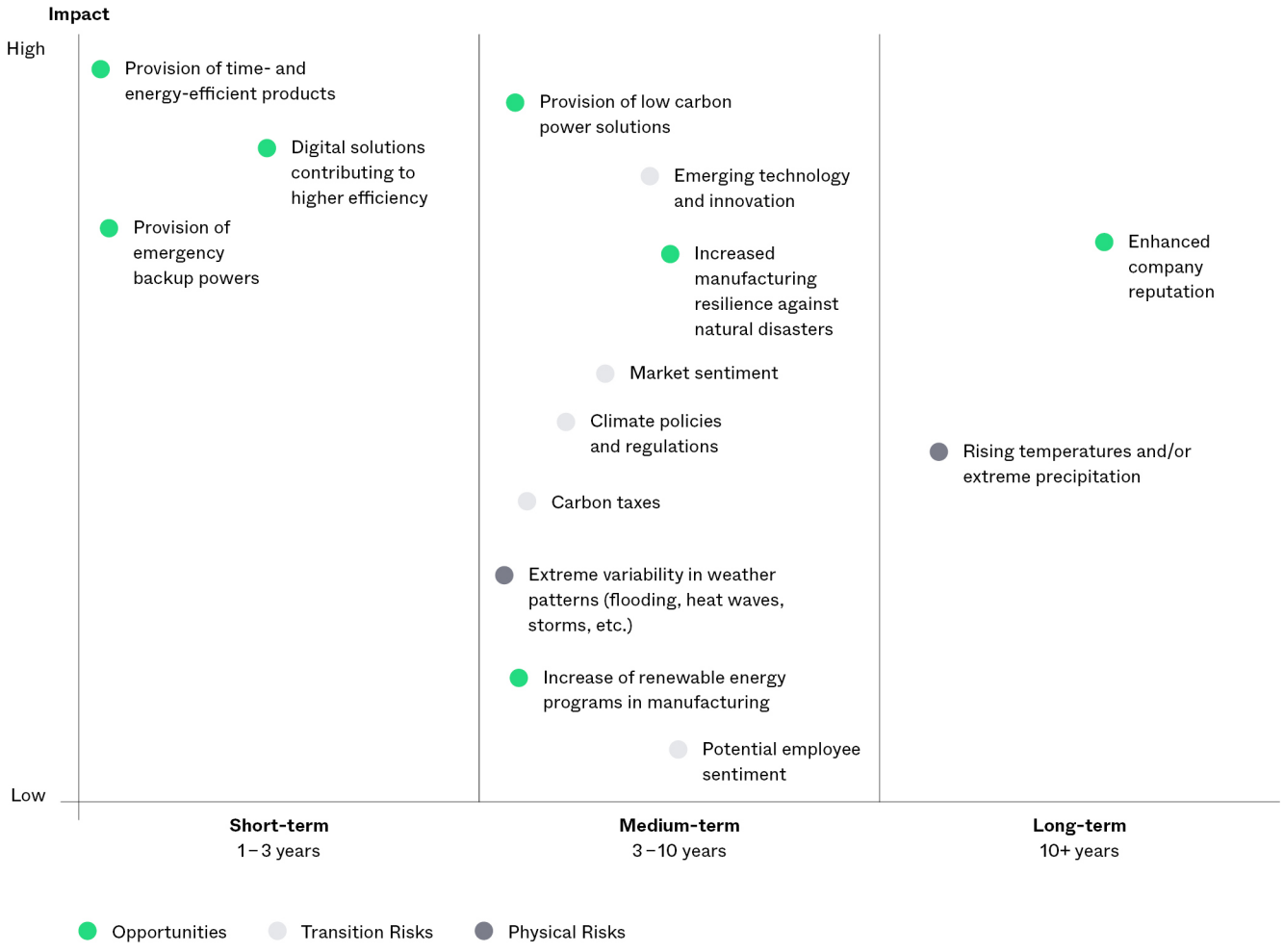
Physical risks such as extreme heat, wildfires, droughts, flooding, and strong winds were considered for INNIO's main sites in Jenbach (Austria), Waukesha (U.S.), and Welland (Canada), while transition risks focused on energy market developments, policy changes, and technology adoption. The analysis did not identify changes to the existing risks and opportunities but provided greater insights into the potential impacts of climate scenarios on INNIO's operations and strategy.

INNIO Group's adaptive measures against potential physical climate risks

Physical climate risk	Adaptive measure
Extreme heat	INNIO Group, given the location of our main facilities, is currently not exposed to extreme heat scenarios.
Wildfires	INNIO Group, given the location of our main facilities, is currently not exposed to wildfires.
Droughts	Since 2020, INNIO Group has adopted the Water Risk Atlas from the World Resources Institute to evaluate water-related risks for our main facilities. According to the analysis conducted in November 2025, the Waukesha site has a medium risk, and Jenbach and Welland sites both have a low-medium risk of drought.
Flooding	According to the analysis conducted in November 2025, the Waukesha site has a low risk, the Jenbach site has a low-medium risk, and the Welland site has an extremely high risk of riverine flooding. INNIO Group has implemented measures such as protection walls and pumping systems to prevent high water impact.
Strong winds	INNIO Group's facilities are built to high construction standards using durable materials to help ensure sufficient protection against strong winds and potential disintegration or structural damage of buildings or adjacent infrastructure.

Table 08

Short-, medium-, and long-term risks and opportunities



Climate risks & opportunities

Physical risks/opportunities	Potential financial impact	Key response strategy
→ Extreme variability in weather patterns (flooding, heat waves, storms, etc.) → Rising temperatures and/or extreme precipitation	→ Extended periods of extreme weather events (short-term) or rising temperatures (long-term) can lead to production or sourcing disruption, bringing increased operating costs.	→ We evaluate water stress risks for the company's manufacturing sites, and we consider the establishment of climate change-related risk-adaptive measures. → INNIO Group continuously designs and invests in the development of products that are time- and energy-efficient as well as resilient to extreme weather conditions.
→ Provision of time- and energy-efficient products → Provision of emergency backup power → Increased manufacturing resilience against natural disasters	→ Meeting customers' demands for time- and energy-efficient products translates to incremental revenues. → Strengthening climate resilience and lowering the risks of operational disruption can lead to reduced indirect operating costs and financial losses.	

Transition risks/opportunities	Potential financial impact	Key response strategy
→ Carbon taxes → Climate policies and regulations	→ Energy transition policies, pollution control regulation, policies on resource conservation, and public subsidies potentially could cause restrictions on manufacturing capacity expansion and increase operating costs.	→ INNIO Group continuously invests in research and development of energy-efficient products that can enable our customers to comply with existing and future climate policies and regulations. INNIO Group is one of the first OEMs offering hydrogen-ready engines and digital solutions for real-time monitoring and performance optimization. → INNIO Group already has established concrete renewable energy programs, and we plan to further accelerate renewable energy development in manufacturing. → INNIO Group's energy solutions provide versatile application and flexibility of fuels for near-zero emissions. → INNIO Group promotes climate-friendly corporate actions through our products and operations and adheres to transparent disclosures of our sustainability efforts.
→ Emerging technology and innovation → Digital solutions contributing to higher energy efficiency → Provision of low carbon power solutions → Increase of renewable energy programs in manufacturing	→ Revenues potentially could decrease due to competition from energy storage innovation systems. Incremental revenues could result from increased demand for INNIO Group's low carbon power and digital myplant solutions.	
→ Market sentiment → Potential employee sentiment	→ People's awareness (including investors, consumers, etc.) and expectations concerning climate change are increasing, creating a shift in their behavior, preferences, and decisions. Failing to meet stakeholders' expectations and company perceptions could harm INNIO Group's reputation.	
→ Enhanced company reputation	→ Attraction of best talent, reduced costs, and potentially increased revenues	

Table 09

Climate change mitigation

INNIO Group is dedicated to decarbonizing both our own operations and those of our customers, while also working to lower emissions throughout our supply chain. INNIO Group reports on Scope 1, 2, and 3 emissions, according to the GHG protocol. In addition, our near-term targets have been validated by the SBTi. INNIO Group aims for a 50% Scope 1 and 2 GHG emissions reduction by 2030 from a 2020 base year. INNIO Group also aims to reduce absolute Scope 3 GHG emissions 42% by 2030 from a 2020 base year. During the reporting year, progress on Scope 1 and 2 emissions was reviewed quarterly by the Executive Board, while Scope 3 updates are provided annually.

When considering INNIO Group's corporate carbon footprint, we focus on three main areas to reduce greenhouse gas emissions across our value chain:

- Building a resilient, low-carbon supply chain through close collaboration with suppliers.
- Improving energy efficiency and reducing GHG emissions by implementing innovative technologies and increasing renewable energy use in our operations.
- Continuing to invest in research and development to expand our flexible solutions and low-carbon technologies for both our own operations and those of our customers.

Upstream initiatives

INNIO Group's strategy for decarbonizing the supply chain centers on actively engaging suppliers and encouraging them to set their own climate change and circular economy targets, supported by our dedicated supplier policies and sustainability requirements. Following are our supplier policies:

→ Our common journey toward zero
→ Your environmental impact – recommended first steps for suppliers
→ Supplier Code of Conduct
→ Conflict Minerals Policy

External supplier assessment

We partner with EcoVadis, a global leader in third-party sustainability assessments, to externally monitor our suppliers. By using EcoVadis' methodology, we get greater insights into supplier performance, and this helps to promote responsible business practices throughout the supply chain. This process also provides valuable information about challenges and opportunities for collaboration to jointly decarbonize the supply chain.

To formalize these efforts, we have asked suppliers to set ESG and carbon-reduction targets. By the end of 2025, over 80% of our top 200 suppliers had pledged to reduce their GHG emissions by 50% by 2030.

Promoting circularity

By increasing the use of recycled and reclaimed materials and optimizing upstream logistics, INNIO Group supports a more sustainable and less carbon-intensive supply chain. Currently, recycled metallic input materials make up 56.1% of our products, and we aim to raise this percentage annually, promoting circularity throughout our products' life cycles.

Direct engagement with suppliers

In 2025, we engaged with more than 700 of our direct and indirect suppliers directly on various topics, including ESG ratings, scorecard improvement, GHG reduction goals, trainings, and circular economy. The Procurement team screens new suppliers to help ensure they meet strict environmental, social, and governance standards through risk assessments, self-evaluations, and audits. Supplier performance is monitored for both environmental and social impacts. Below you can see the results of 2025's new supplier environmental screening; for details about the assessment of social aspects across the value chain, please refer to the chapter "Workers in the value chain (ESRS S2)" on p. 52.

New suppliers screened for environmental impacts

5	suppliers identified as having significant actual and potential negative environmental impacts
10	significant actual and potential negative environmental impacts identified in the supply chain

→ **91%** of INNIO Group's new suppliers have been screened.

Table 10

INNIO Group has addressed all instances of identified actual or potential impact.

Initiatives at own operations

Fuel demand on site

INNIO is a leading manufacturer of gas engines with a strong focus on research and development (R&D), utilizing on-site energy for manufacturing and for powering advanced test benches as part of our R&D programs. For both business lines Jenbacher and Waukesha, especially Scope 1 emissions are driven by manufacturing and R&D. In 2025, INNIO launched its Energy Services business in Germany, which will also affect Scope 1 emissions and will be reflected in the corporate carbon footprint as part of this report for the first time. The requirements and measures for decarbonizing our production sites must be differentiated between product manufacturing and R&D activities on the one hand and new business segments on the other. Further details and emission figures are considered in the chapter “Gross Scope 1, 2, and 3 GHG Emissions” on pp. 37-38.

Purchased electricity and heat

Scope 2 emissions are managed in part by utilizing the electricity and heat generated at our test benches at our headquarters in Jenbach. All test benches, integrated and managed by our myplant energy management software, supply electricity and heat and connect to the public grid for energy feed-in. Additionally, at Jenbach, purchased electricity originates from 100% renewable energy sources, while at the Welland site, a low-carbon energy mix from the grid is used.

Decarbonization strategies

Investments in new technologies, such as PV, energy storage systems, and advanced heat boilers and industrial pumps, offer options for continuous reduction of GHG emissions in production processes. Additionally, further advancements are anticipated using INNIO’s myplant energy management software, which enables real-time monitoring, optimization, and intelligent control of energy flows on site, supporting both operational performance and the integration of renewable energy sources.

In the area of R&D, INNIO Group faces unique considerations due to our business model and the international nature of our business relationships. The ongoing energy transition, stricter regulatory requirements, and the need to adapt plants to changing climate-related (extreme) conditions to help ensure security of supply all drive a growing need for R&D activities. In this context, particular consideration is given to natural gas as a transition technology. At the same time, INNIO is actively investing in hydrogen-ready technologies and has partnered with the Tyrolean company TIWAG-Next Energy Solutions to construct an electrolysis facility at our main site in Jenbach. This facility will convert renewable electricity into green hydrogen, supporting our transition to low-carbon operations. It is planned to be fully operational in 2026.

Downstream initiatives

INNIO Group’s high-efficiency Jenbacher cogeneration (CHP) technology, which can run on low-carbon fuels and bioenergy as well as natural gas, has been instrumental in supporting decarbonization. We follow the principle of “Efficiency First,” aiming for higher efficiency and lower emissions.

Efficiency First

Since the product launch, we have increased efficiency by 50% and reduced the CO2 footprint by about 30%. Traditionally, heat production relied on on-site boilers alongside electricity generation, but CHP technology enables simultaneous electricity and heat generation, achieving overall efficiency above 90%. Our data shows that CHP technology can help customers cut CO2 emissions and primary energy use by around 30% compared to conventional methods.

Fuel flexibility

The Jenbacher product portfolio is characterized by high fuel flexibility, enabling operation on a wide range of gases, such as natural gas, biogas, landfill gas, and sewage gas. This versatility supports customers in adopting less carbon-intensive fuel mixes. In 2025, about 24% of our order intake was for units designed to operate on low-carbon fuels such as biogas, landfill gas, or sewage gas.

Ready for H2

INNIO Group continues to explore new ways to use hydrogen in our engines to increase power system flexibility. Jenbacher engines have operated with high hydrogen content for years, including steel and synthetic gases with up to 60% hydrogen by volume. These engines are already highly flexible in blending hydrogen with natural gas.

As hydrogen becomes more widely available, Jenbacher engines used for peaking and CHP applications can be converted from natural gas to hydrogen. In the short term, “Ready for H2” engines can run on natural gas blended with up to 25% hydrogen. Currently, Jenbacher Type 4 and 6 engines (output of 600 to 5,000 kW) are available for operation with 100% hydrogen or mixtures of natural gas and hydrogen. We received TÜV SÜD’s “H2-Readiness” certification for our Jenbacher Type 4 and 6 hydrogen product lines. By 2025, around 355 MW of INNIO Group’s pilot engine installations will be ready to use hydrogen.

	Generator output*	Hydrogen (H2) in pipeline gas		NG/H2 engine	Pure H2 engine
	kWel	<5% (vol)	<25% (vol)	0-100% (vol)	100% (vol)
Type 9	up to 10,000	●	●	25%	2025+
Type 6	2,000 to 4,500	●	●	100%	completed
Type 4	850 to 1,430	●	●	100%	completed
Type 3	635 to 1,060	●	●	60%	2025+
Type 2	335 to 360	●	●	60%	2025+

*At 50 Hz and natural gas (NG) as fuel.

Table 11

Ammonia and methanol utilization

As part of our R&D activities, we are exploring alternative e-fuels such as ammonia and methanol and have already demonstrated successful combustion processes. At the end of 2025, we commissioned our first 1 MW ammonia CHP demonstration unit. In a joint project with the Campfire Consortium – a group focused on advancing ammonia-based energy solutions – we are developing a container-based gas engine CHP plant for remote, off-grid locations. The project includes research, design, and testing to help ensure safe and efficient operation, with the goal of using these results to guide future developments.

Energy

At our Jenbach headquarters, the INNIO360 Energy Lab showcases a fully integrated microgrid, including PV systems, battery storage, CHPs, hydropower, and power-to-heat solutions. All systems are managed by the myplant digital platform, with on-site green hydrogen integration planned for the near future. The site’s energy management system is ISO 50001 certified, supporting continuous monitoring and improvement of energy consumption.

We use the advanced energy management system to power our operations through high energy recovery from electricity produced during engine testing. The production process utilizes both thermal and electrical energy generated on site, with any surplus supplied to the communal heating network or the public grid.

In 2025, a grid-tie connection was completed on the Waukesha site for one test unit in R&D. This unit can produce up to 1,350 kWe and, when in operation at the site, is offsetting our consumption from the grid. During evening hours when the Waukesha site’s electrical demands are lower, we have excess production that is fed back to the grid. Our goal is to utilize this cell when possible for endurance tests due to the benefits of having this grid connection.

Energy data at the production sites in Jenbach, Welland, and Waukesha are monitored monthly and presented to the Executive Board quarterly as part of the energy & emissions reports.

Energy	Availability of information	Unit	2025
Total energy consumption[1]	Group level	MWh	**235,781**
Energy intensity (MWh energy consumption/total net sales) [2]			0.00010
Energy intensity (kWh energy consumption/total net sales) [2]			0.10042
Non-renewable sources on site			
Natural gas			**221,659**
Renewable sources on site			
Hydropower			67
Photovoltaics			1,475
Others (balancing power)			162
Purchased energy			**33,585**
Purchased electricity			33,471
Purchased heat			114
Purchased cooling			—
Purchased steam			—
Sold energy			**21,053**
Electricity sold			20,738
Heat sold			315
Cooling sold			—
Steam sold			—

Table 12

[1] Total energy consumption within the organization = Non-renewable sources on site + Renewable sources on site + Purchased energy - Sold energy

[2] Energy and emissions intensity figures are based on EUR-denominated net sales.

Gross Scope 1, 2, 3, and total GHG emissions

Detailed GHG emissions inventory

In previous reporting years, all potential material emission sources of INNIO Group were analyzed and calculated in accordance with the World Resource Institute Greenhouse Gas Protocol (GHG Protocol). Building on this, the focus in 2025 again was on further expanding data quality. Based on the standards of the GHG Protocol, INNIO Group's corporate carbon footprint is structured in this way: Scope 1 emissions include all direct emissions from a company's activities or from activities under its control, including the combustion of fuels on site. Scope 2 emissions include indirect emissions from the purchase and use of electricity and heat by the company. Scope 3 emissions are defined as all other indirect emissions from activities of the company that originate from sources that the company neither owns nor controls, as well as emissions along the value chain. As part of INNIO Group's climate target submission to SBTi, we re-evaluated all Scope 3 categories in the reporting year. The following Scope 3 categories are considered to be relevant for INNIO Group's business model and, therefore, are included in the corporate carbon footprint: 3.1 Purchased Goods, 3.2 Capital Goods, 3.3 Fuel Indirect, 3.4 Upstream Raw Material Transport, 3.5 Waste, 3.6 Business Travel, 3.7 Employee Commuting, 3.8 Upstream Leased Assets, 3.9 Downstream Product Transport, 3.11 Use Phase, and 3.12 End of Life. In the reporting year, figures for Scope 1, Scope 2, Scope 3.1 Purchased Materials, 3.3 Indirect Energy-Related Emissions, 3.4 Upstream Transport, 3.11 Use Phase of Sold Products and 3.12 End-of-Life of Sold Products were updated back to the base year due to the availability of more accurate data.

In line with SBTi, we consider not only the tank-to-wheel but also the well-to-wheel method for all transport-related emissions. The emissions are demonstrated in tons of CO2-equivalents and cover more than 98% of INNIO Group, using the financial control approach. For the calculation, we used actual data, including data provided by suppliers or other value chain partners. In some cases, model-based 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. CO2 emissions factors are used from suppliers and databases, such as the U.S. Environmental Protection Agency (U.S. EPA), Environment Agency Austria (UBA-GmbH), Agence de la transition écologique (ADEME), and ecoinvent. GHG emissions include CO2 (GWP100 = 1), CH4 (GWP100 = 25), and N2O (GWP100 = 298) based on the Fourth Assessment Report (AR4) by the Intergovernmental Panel on Climate Change (IPCC). For some categories, emissions from F-gases also are considered. Our near-term targets have been validated by the SBTi.

INNIO Group aims to reduce Scope 1 and 2 GHG emissions 50% by 2030 from a 2020 base year. 2020 was chosen as the base year because since then the data for all applicable categories across the three scopes has been available in the required availability and quality. In addition, INNIO Group aims to reduce absolute Scope 3 GHG emissions 42% by 2030 from a 2020 base year. INNIO Group is a proud supporter of Race to Zero, a global campaign established by the United Nations Framework Convention on Climate Change (UNFCCC) to bring together global leadership for a healthy, resilient, and zero-carbon future.

Corporate carbon footprint in the reporting year

Driven by business growth, the Scope 1 and 2 emissions in 2025 increased by 20% versus 2024. However, the Scope 1 and 2 emissions intensity in the core business (tons of CO2e/net revenues[2]) decreased by 6% versus 2024. The core business figures exclude data from INNIO's Energy Services business, which commenced in 2025. Regarding Scope 3, the use phase emissions of sold products represent the biggest share. For this category, two figures are disclosed, use phase emissions representing the reporting year only and use phase emissions covering one life cycle of an engine (60,000 operating hours).

The calculation model relies on the operating model of the engines (actual operating hours), fuel application, and energy generated. INNIO Group's engines are designed for longevity and to operate for multiple life cycles. With this approach, the life cycle of engines can be extended and operated for a longer period in the field. Although there are higher GHG emissions in the use phase because of the extended life cycle, over time this extended life-cycle results in a decrease in upstream emissions by supporting the concept of circularity and protection of virgin resources. In the reporting year, the scope of the use phase calculation was expanded to now include remanufactured engines after their first life cycles.

GHG emissions [3]	Availability of information	Unit	2025
Total GHG emissions (Scope 1, 2, and 3) – reporting year			9,371
Total GHG emissions (Scope 1, 2, and 3) – life cycle [4]			110,635
Intensity			
Scope 1 and Scope 2 (market-based) emission intensity (tons of CO_2e/net revenues) [2]			0.00002117
Scope 1 and 2			
Total Scope 1			43.31
Scope 1 related to Energy Services [5]			4.31
Scope 2 – market-based [6]			6.41
Scope 2 – location-based			7.72
Scope 1 and 2 (market-based)			49.72
Scope 1 and 2 (location-based)			51.02
Scope 3			
Total Scope 3 – reporting year	**Group level**	**thousand tons of CO_2e**	9,312
Total Scope 3 – life cycle [4]			110,585
3.1 Purchased materials			199.95
3.2 Capital goods			65.60
3.3 Indirect fuel- and energy-related activities			11.97
3.4 Upstream raw material transport [7]			12.67
3.5 Waste			3.56
3.6 Business travel [7]			0.74
3.7 Employee commuting [7]			4.62
3.8 Upstream leased assets [7]			4.37
3.9 Downstream product transport [7]			5.94
Use of sold products (reporting year)			8,994
3.11 Use of sold products (life cycle) [4]			110,258
3.12 End of life			17.76
Total transportation emissions (Well-to-Wheel) [8]			37.33

Table 13

[3] The energy-related data for our main facilities comes from bills and on-site calculations and is used to calculate emissions for both Scope 1 and 2 emissions. Estimates are used where primary data is not available and are based on employee headcount. INNIO Group reports Scope 3 emissions for all relevant categories. For total GHG emissions, the market-based Scope 2 figures are used.

[4] One life cycle represents 60,000 operating hours of an engine. Total emissions during the life cycle of a product are dependent on the application and the operational model. INNIO Group's engines are designed and built to operate for multiple life cycles, significantly supporting the concept of circularity.

[5] In 2025, INNIO launched its Energy Services business in Germany.

[6] For Scope 2 market-based emissions, either supplier-specific or residual factors have been used to calculate emissions from all major sites. For sites calculated based on headcount, a location-based factor has been applied.

[7] Tank-to-Wheel boundary including direct emissions from fuel combustion.

[8] Well-to-Wheel boundary including direct emissions of fuel combustion and indirect emissions from upstream activities.

Pollution

Pollution of air

INNIO is dedicated to reducing air pollutants through robust management systems and targeted initiatives, both at its own sites and for its customers. Due to INNIO Group's updated double materiality assessment, pollution of air is being reported on for the first time in 2025.

On-site initiatives

At its headquarters and production sites in Jenbach, Austria, and Welland, Canada, INNIO operates under an integrated environmental management system certified to ISO 14001. This system ensures a systematic approach to identifying, controlling, and reducing air pollutants. INNIO utilizes advanced SCR (Selective Catalytic Reduction) and OXI (oxidation) catalyst systems, as well as software-supported recording and control technologies. Regular monitoring and reporting of emissions, including nitrogen oxides (NO_x), are conducted in accordance with local regulatory requirements, and results are submitted to the relevant authorities. The reporting scope and requirements vary depending on the location, but NO_x emissions must be reported at all production sites.

Product-related initiatives

INNIO has set an ambitious target for our Jenbacher products: By 2030, all Jenbacher engines will be available with a 90% reduction in methane emissions compared to today's regulatory limits, specifically those outlined in the 44th BImSchV (German Federal Emission Control Ordinance). INNIO selected the 44th BImSchV as the benchmark because it represents the available and forward-looking thresholds for 2025.

The 44th BImSchV (German Federal Emission Control Ordinance) was introduced in June 2019 as Germany's national implementation of the EU Medium Combustion Plant Directive (MCP) and will come fully into force in 2026, setting stringent emission limits for gas engines. The regulation introduces stricter emission thresholds, shorter measurement intervals, and expanded documentation and reporting requirements for gas engine types such as natural gas, biogas, and other gaseous fuels.

To achieve this challenging target, INNIO has launched comprehensive development programs focused on advanced combustion technologies, optimized engine design, and innovative aftertreatment solutions. These initiatives not only address methane emissions but also consider other regulated pollutants such as nitrogen oxides (NO_x), carbon monoxide (CO), and particulate matter. By continuously improving engine efficiency and emission control systems, INNIO is focused on meeting and exceeding future environmental standards, supporting the transition to cleaner energy solutions.

Air pollutants	Availability of information	Unit	2025
Nitrogen oxides (NO_x)	Jenbach, Waukesha, Welland	Metric tons	**72**

Table 14

Resource use and circular economy

Overview and approach

A circular economy is characterized by the continuous circulation of products and materials via processes such as maintenance, reuse, refurbishment, remanufacturing, and recycling. These principles, outlined by the Ellen MacArthur Foundation, are central to INNIO Group's circular economy strategy. To reduce the systematic waste of finite materials, products can be shared, maintained, reused and redistributed, refurbished or remanufactured, or recycled. With a global network, INNIO Group's Services offerings encompass a wide range of areas including maintenance, training, the provision of spare parts and consumables, upgrades, service agreements, digital solutions, consultancy, and remanufacturing. These services are designed to cover every aspect of our products' life cycle and assist in achieving peak performance.

Resource inflows and outflows

Raw materials in use

INNIO Group´s resource inflows include the raw materials, particularly metals, and components required for the production and operation of our energy solutions. From an average baseline of 47.1% recycled materials across Jenbacher and Waukesha engines in 2020, the Sustainable Procurement team increased this average to 56.1% in 2025.

Keeping resources in the loop

Comprehensive life-cycle support is at the core of INNIO's service business. We offer preventive and corrective maintenance, upgrades, parts supply, remote monitoring, and digital optimization via the myplant platform. Remanufacturing and overhaul programs further extend asset life and support sustainability goals. With a global network of service experts, customers benefit from excellent uptime, efficiency, and long-term value.

Overhaul & Remanufacturing

The aim of INNIO Group's Overhaul & Remanufacturing program is to follow a process of returning end-of-life products to the same condition as new ones. In our holistic and systematic five-step Remanufacturing process, our engines and parts are carefully re-assembled and comprehensively tested before delivery. In this way, we help ensure that all parts work together in harmony for optimal system performance.

The five steps of our Remanufacturing process are:

1. Disassembly & Cleaning
Engines and parts are disassembled and cleaned by skilled personnel to eliminate and remove elements that can hide flaws.

2. Inspection
The engines and parts are carefully inspected and thoroughly tested. We use OEM dimensions and tolerances to help ensure specifications are met.

3. Machine & Assembly
Skilled assemblers follow exact standards and specifications from the most current engineering drawings when remanufacturing parts. All worn parts that do not meet our strict requirements are replaced by new OEM parts.

4. Testing
Every engine and part that leaves the factory has been comprehensively checked. Each test is recorded and stored electronically to maintain quality control.

5. Painting, Packing, & Shipping
Engines and parts are painted or preserved and carefully packaged to help protect them from the elements. They can be installed right out of the box.

The remanufacturing program includes both the overhaul of an entire engine (reUp engine) as well as remanufactured core parts (reUp spare parts), such as cylinder heads, bypass valves, and intercooler as well as water and oil pumps. Remanufacturing processes are well established across INNIO Group's entire product portfolio.

Both our Jenbacher and Waukesha remanufacturing programs give an engine and its parts a new, longer life by returning used components to like-new conditions. Customers who buy Jenbacher or Waukesha reUp products get the same OEM quality and product reliability. In 2025, the average proportion of parts that were reused, repaired, refurbished, or remanufactured was 41% for Jenbacher reUp engines and 85% for Waukesha reUp engines. Compared to the previous year, this means an increase in the “reUp rate” of 5% for Jenbacher and 8% for Waukesha. Each year on average, the combined weight of Jenbacher and Waukesha engines that go through the remanufacturing process is around 7,900 tons.

Circular lubricants

In the Netherlands, INNIO is working with an external partner to recycle waste lubricants, with 236 tons processed and 197,740 kgCO2e saved in the previous year. Considering the lifetime of engine operations, circular lubricants offer significant potential for further resource conservation and environmental benefits. Expanding these recycling efforts can increase the positive impact, supporting circularity principles and more sustainable operations over the entire life cycle of the engines.

Waste

Waste management

INNIO implements comprehensive waste management practices at all of our production sites, focusing on waste reduction, recycling, and responsible disposal of hazardous and non-hazardous materials. Waste is systematically separated, handled, and disposed of in accordance with local regulations. At the sites in Jenbach, Austria, and Welland, Canada, these practices are also certified under ISO 14001 as part of the environmental management system. INNIO Group regularly reports on our waste management procedures to local authorities.

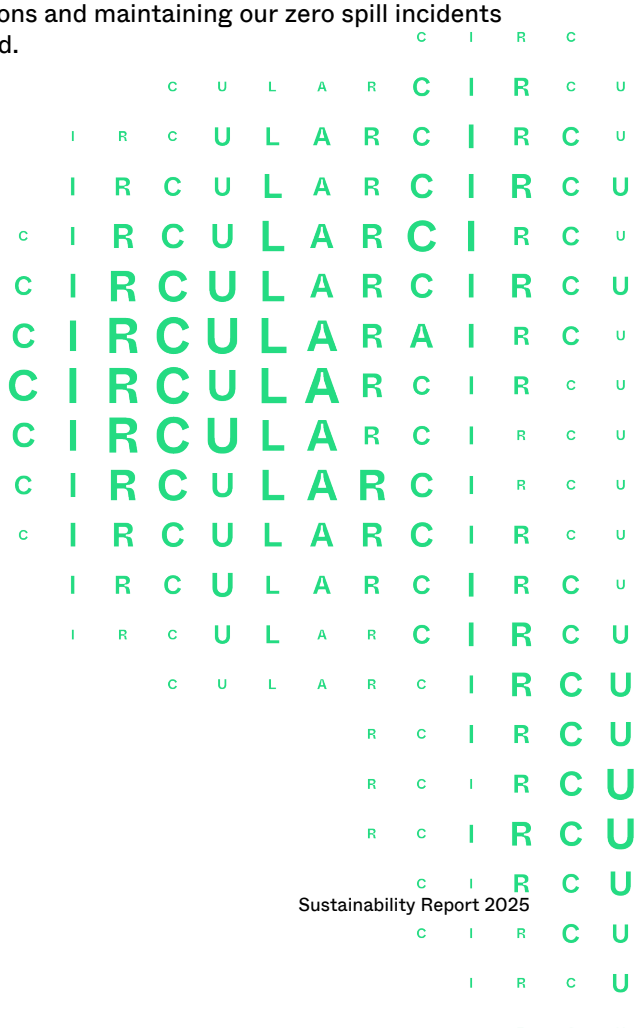
The Procurement team has set clear packaging and process guidelines for our suppliers to help ensure packaging is performed in an efficient and resource-responsible way. The recycling or reuse of raw materials is prioritized to reduce the amount of waste disposal. At our Jenbach site, we use an internal software platform for documenting and monitoring both the different types and weights of waste used as well as assessing their potential hazards.

Our activities generate solid and liquid waste, including non-hazardous residues. Examples of hazardous waste include emulsion and alkali mixtures, waste oils, and waste from cleaning and speciality detergents. Most of the waste generated, particularly non-hazardous waste, consists of scrap from production processes, which gets reprocessed by local recycling contractors. Total waste increased in 2025 due to increased factory output. Around 83% of our waste is non-hazardous, such as municipal waste, paper, and wood waste. Hazardous waste makes up about 17% of INNIO Group’s waste.

Spill prevention

INNIO Group defines spill management as the prevention and management of spills in operations and those resulting from an incident. Our management approach includes identifying hazards, conducting related risk assessments, taking preventive measures, and creating plans to respond to specific business conditions and emergencies as well as clean-up procedures.

Our spill management plan, which is under the direct control of INNIO Group’s EHS team, identifies the people responsible for dealing with spills and sets out the necessary clear responsibilities and actions should a spill occur. Our goal is simple: zero spill incidents. In 2025, and for several prior consecutive years, INNIO Group recorded no spill incidents in our main operations (including oil, fuel, and spills from wastes or chemicals). We are focused on continuing to follow best practices in our operations and maintaining our zero spill incidents track record.



Materials	Availability of information	Unit	2025
Total material usage	Group level	Metric tons	**101,210**
Materials by type			
Metals			89,160
Wood			2,657
Paper			377
Sand			121
Chemicals			1,197
Others			7,699
Percentage of recycled input materials used to manufacture the organization's primary products and services		Rate (%)	56.1

Table 15

Waste [9]	Availability of information	Unit	2025
Total waste generated [10]	Group level	Metric tons	**13,934**
Total non-hazardous waste			11,588
Total hazardous waste			2,346
Total weight of waste – diverted from disposal			**10,597**
Non-hazardous waste			10,475
Hazardous waste			122
Total weight of waste – directed to disposal			**3,337**
Non-hazardous waste			1,113
Hazardous waste			2,224

Table 16

[9] Primary data is used to calculate waste generation where INNIO Group operates. Estimates are used where primary data is not available.
[10] Waste generated is based on data from invoices and/or vendor/third-party reports. In the absence of actual data, estimations and assumptions are used based on this source for commercial offices and on employee headcount.

03 Social

Own workforce

General information

Policies and employee engagement

INNIO Group is focused on maintaining a comprehensive suite of policies that govern and guide our workforce:

- Code of Conduct
- Human Rights Policy
- Anti-Discrimination and Anti-Harassment Policy
- Travel and Living Policy
- EHS Policy

Each of these policies plays a crucial role in helping to ensure a fair, safe, and ethical work environment for all our employees. INNIO Group's Human Rights Policy, which is readily accessible to the public, comprehensively addresses an array of critical issues. These include trafficking of human beings, forced or compulsory labor, and child labor.

At INNIO Group, our Human Resources (HR) department is steadfastly dedicated to fostering an open dialogue with our employees on a broad spectrum of topics. This aim is facilitated through various platforms and forums designed to help ensure comprehensive communication and engagement.

Our intranet platform serves as a central hub for company-wide announcements, policies, procedures, and training materials. It is also the primary resource for all matters related to company culture and engagement. This platform is integral to maintaining transparency and fostering a sense of unity within our organization.

In addition, we leverage the social networking service Yammer and email communications to help ensure that our employees are well-informed and engaged. These platforms allow us to maintain a constant line of communication, enabling all employees to keep abreast of the latest developments within the company.

INNIO Group's Anti-Discrimination and Anti-Harassment Policy covers a broad range of examples and addresses the grounds of discrimination and harassment, including sexual harassment. The policy also includes various mitigation measures.

Accompanying this policy, a mandatory e-training is assigned for all employees. The policy is available in English, German, Italian, Spanish, Portuguese, Hungarian, Dutch, Polish, Thai, and Czech to accommodate all INNIO Group employees, including those whose first language is not English, so the policy can be understood by all. The policy was introduced to our INNIO Group employees via email and was followed by mandatory online training.

The HR team at INNIO Group is dedicated to fostering robust communication within the workforce. Regular touchpoints are maintained with people leaders, employees, and works councils to enable continuous dialogue. All employees are provided with exchange opportunities via the Viva Engage communication channel. At all locations that have employee representative bodies, such as works councils and/or unions, HR managers hold regular meetings with the employee representatives, strengthening our aim of open and effective communication. A regular calendar of meetings with the European Work Council (EWC) helps maintain the dialogue between INNIO Group site representatives and INNIO Group as represented by the VP Human Resources.

Process for remediation

INNIO Group's whistleblowing platform SPEAK UP! is open to all internal and external stakeholders and all kinds of concerns. In 2025, a number of potential HR-related concerns were raised via the various SPEAK UP! channels. All HR-related concerns were investigated and addressed by HR managers and the VP Compliance. Depending on the nature of the concern, several cases were investigated together.

All concerns raised via the various SPEAK UP! channels are tracked and categorized in ServiceNow. SPEAK UP! KPIs and relevant cases are reported to INNIO Group's Risk & Audit Committee on a quarterly basis. Regular communication on the SPEAK UP! platform particularly includes INNIO Group's Compliance Ambassadors.

Employee characteristics [11]

Number of employees	Full-time equivalent [12]	Headcount	Rate
Average [13]	4,833	5,081	
End of the reporting year	5,122	5,365	
Number of employees by gender			
Male		4,358	81%
Female		1,007	19%
Gender distribution at the top management level			
Male		113	88%
Female		15	12%
Number of employees by contract			
Permanent		4,876	91%
Male		3,976	
Female		900	
Temporary		489	9%
Male		382	
Female		107	
Number of employees in countries with 50 or more			
Austria		2,572	
United States of America		689	
Germany		675	
Hungary		379	
Canada		378	
The Netherlands		165	
Italy		129	
Thailand		73	
Spain		72	
Mexico		55	
Number of non-employees			
Total		228	
Employer of record (EOR)		48	
Independent contractor		17	
Leased worker		163	

Table 17

Recruitment

Our recruitment practices reflect our goal of promoting equal opportunities for everyone. We pay close attention at every step of the hiring process to manage unconscious bias. For instance, with every new job opening, we check the description for biased language. We use gender-neutral pronouns, avoid gender-charged words, and keep the number of job requirements concise to avoid deterring any candidate from applying. We advertise our job openings on a broad range of platforms, easily accessible to everyone.

Employee retention and promotion

At INNIO Group, we focus not only on attracting the best talent but also on furnishing conditions for growth and helping to ensure retention in the long term. Employee development opportunities and succession processes are based on merit at INNIO Group.

INNIO Group believes in the power of continuous learning and development. We invest heavily in our employees' growth, offering a wide range of training programs, workshops, and opportunities for further education. We promote and use in regular performance cycles our comprehensive performance and talent management process, which is instrumental in identifying and cultivating talent within the organization. This concentrated approach to talent and development not only facilitates the retention of our most valuable employees but also helps ensure a pipeline of skilled and capable leaders for the future.

We are focused on understanding and improving employee retention. To achieve this, we continuously track and monitor the reasons for resignations. Additionally, we use the off-boarding process and an online interview form in Workday to gather feedback from departing employees. This approach helps us identify key retention factors and enhance our practices to foster a more inclusive work environment.

[11] Since 2024, EORs are now classified as non-employees rather than employees. Top management refers to executives and directors. Non-guaranteed hours employees are not a relevant category for INNIO Group. In some departments we provide temporary contracts for the first period of employment. Interns and apprentices are included in INNIO Group's employee figures.
[12] Full-time equivalent includes part-time employees with their actual scope of hours, and does not account for employees who are on leave.
[13] Average number of FTEs is the figure provided in the financial statement.

Employee transitions at INNIO

New employee hires	Headcount	Rate
Total	1,159	
By gender		
Male	915	79%
Female	244	21%
By age group		
< 30 years	591	51%
30-50 years	472	41%
>50 years	96	8%
By region		
Europe	765	66%
Americas	386	33%
Asia	8	1%

Employee turnover	Headcount	Rate
Total – all employees [14]	630	12%
Total – permanent employees only [15]	383	8%
By gender		
Male	463	
Female	167	
By age group		
< 30 years	283	
30-50 years	250	
>50 years	97	
By region		
Europe	457	
Americas	167	
Asia	6	

Table 18

INNIO Group continues to strive to fulfill internal transfers and promotions to meet both rising demand for organizational growth and the need for personal career development. In 2025, approximately 20% of vacancies were filled through internal transfer. Internal transfers reduce turnover rates and build long-term career paths within INNIO Group. With that, we can create opportunities for individuals to gain valuable experience, acquire other perspectives, and expand their network.

We believe that to help ensure talent mobility and long-term growth, a natural employee turnover rate should not exceed 10%. This excludes the consideration of external influences such as economic shifts, international business factors, or unforeseen regional or global events that impact the business environment.

One of our long-term ambitions is to keep the annual employee turnover rate under 10%. The Group's total employee turnover rate in 2025 was 8% among permanent employees.

[14] The employee turnover rate (all employees) is determined by dividing the number of employees who left the company during the reporting period (the numerator) by the average number of employees during the same reporting period (the denominator). Methodology changed in 2024 to include internships.
[15] The employee turnover rate (permanent employees only) is determined by dividing the number of permanent employees who left the company during the reporting period (the numerator) by the average number of permanent employees during the same reporting period (the denominator).

Training and development

Learning and development are central to the positive and continuous growth of our employees and for INNIO Group. Our training programs support our organization's long-term strategy and growth by encouraging our employees' personal development. INNIO Group promotes learning and development in three ways: goal setting, regular performance feedback, and the promotion of internal opportunities. In addition, all employees are encouraged to undertake their own professional and personal development through the various training pillars available to them.

INNIO Group's training offerings range from general, often mandatory, content that is applicable to all employees to tailored, specialized, and function-specific packages. Our learning platform is hosted by our global Training Center team, and we are constantly working on keeping our training programs up-to-date and improving the digital features.

INNIO Group has two major pillars for training. The first is "INNIO Learning," created to help employees continuously develop their personal and professional skills. Through a variety of development offerings like eTrainings, webinars, podcasts, workshops, and other programs, employees can learn from renowned external trainers and coaches as well as directly from their colleagues across functions. To broaden employee perspectives on business-relevant topics and marketplace trends, corporate lectures led by INNIO Group's leaders and subject matter experts are offered as live online events.

The second pillar covers "Technical Product Training" for the Waukesha and Jenbacher product portfolios. This pillar is aimed at internal employees as well as distributors, customers, and maintenance personnel. Product training usually is carried out at one of INNIO's or our distributors' Training Centers with a primary focus on hands-on activities, instructor-led trainings, and eTrainings.

All field technicians from INNIO, authorized distributors, or key accounts participate in the respective field technician training program and receive a certificate upon successful completion. In 2025, over 147,400 hours of internal and external training for Jenbacher and Waukesha products were completed.

INNIO Group recognizes that our ongoing success and sustainable growth are driven by our employees' commitment and innovative engagement. In 2025, INNIO Group won the elearning Journal Award in the category 'Artificial Intelligence' with a focus on 'Digital Transformation'. During 2025, our employees completed 149,486 hours of training, an average of 29 hours of training per employee. The completion target for the mandatory annual trainings, which includes topics such as Legal & Compliance, Health and Safety, and Corruption Prevention, is 100%. In 2025, the completion rate for mandatory trainings was 98%.

Training and development	Availability of information	Unit	2025
Total number of training hours provided to employees	Group level	No.	149,486
Average hours of training that the organization's employees have undertaken [16]			29
Total number of training hours provided to customers			111,221
Percentage of total employees who received a regular performance and career development review [17]		Rate (%)	97

Table 19

[16] Average training hours per employee = Total number of training hours / Full-time equivalent
[17] Performance review figures consider the process completion rates from the year before, as the current cycle is ongoing at the time of publication of the Sustainability Report 2025.

Health & safety

Overview and approach

We provide our employees and contractors with a safe workplace by evaluating potential risks to safety and health and, if necessary, eliminating them or reducing them to an acceptable level. To help ensure the high standards at our two large production facilities and at some of our service locations, these are regularly certified by third parties in accordance with ISO 45001: “Occupational Health and Safety Management System.”

All employees must complete mandatory EHS training tailored to their specific location and job responsibilities to raise their EHS awareness and strengthen our safety culture. Incidents, near misses, and safety concerns are reported and tracked in EHS tools that help us find the root causes of these events to define and implement suitable measures to prevent their recurrence. The results of internal and external EHS audits are followed up, and appropriate measures are implemented. We regularly review, evaluate, and monitor the effectiveness of the implemented mitigation and improvements measures to constantly strengthen our safety performance.

Health and safety risks are incorporated into our overall enterprise risk management process and are reviewed by the company’s top management. Our Executive Board exhibits strong leadership and commitment to this goal. INNIO Group’s EHS management acts according to the Plan-Do-Check-Act cycle that enables us to improve our EHS performance through visible active leadership on all hierarchic levels.

EHS management	
PLAN	→ Leadership & responsibilities → Organization, personnel, & safety culture → Risk assessment & management
DO	→ Engineering & project management → Operations & performance management → Supplier management
CHECK	→ Information communication & sharing → Implementation → Crisis & emergency management
ACT	→ Accident management → Audit & management evaluation

Safety and security training for site visitors

At all three main sites, INNIO Group provides an advanced electronic check-in system to enable the security of our visitors. In this protocol, all visitors to INNIO Group’s headquarters must complete an interactive safety and security training and pass a test before being granted a photo ID visitor’s badge. This security and safety course is accessible in different languages.

Employee programs

Health Matters

To promote health and well-being among our employees, INNIO Group’s U.S. team provides a workplace wellness program, Health Matters. The Health Matters program includes up-to-date resources and forums that promote a healthy work environment and support the adoption of healthy habits by employees who want to improve their mental and physical health.

Health We Care

Analogous to the Health Matters program, Health We Care was launched in 2012 in Austria. The initiative is designed to support and motivate employees to live healthier lives through healthy leadership, individual or team sporting activities, preventative healthcare, healthy nutrition, and mindfulness.

Incidents in the reporting year

As illustrated in Table 21, INNIO Group had no high-consequence work-related injuries or fatalities in the reporting year. The other 53 recordable work-related injuries were minor, without further implications or, in some cases, resulting in only a few days of medical leave.

Environment, Health, and Safety (EHS) governance

INNIO Group's Executive Board	
Global EHS Steering Committee	→ Establishes global EHS policy and EHS guidelines → Defines annual targets and plans according to international standards, regulations, and international benchmarks → Helps ensure that EHS policy and EHS guidelines are shared with all employees → Helps ensure the continual improvement of the EHS management system → Supports the implementation of EHS trainings → Collaborates closely with the local EHS teams and/or EHS representatives → Demonstrates commitment through visible active leadership
Local EHS teams and EHS representatives	→ Control the implementation, maintenance, and continual improvement of the EHS management system → Provide information such as local regulations to local management → Support the implementation of necessary training programs to ensure that all employees, contractors, and other relevant parties are informed and aware of the INNIO EHS policy and EHS guidelines → Support the implementation, maintenance, and continual improvement of the EHS management system → Provide EHS-relevant data for regular EHS reviews
Department management	→ Helps ensure that EHS responsibilities and accountabilities are formally documented for the individual employee as well as known and understood by him/her → Helps ensure that employees are accountable for all aspects of EHS in their area of control → Performs a follow-up on reported incidents, accidents, and unsafe conditions, → works on the root cause analysis, and implements respective CAPAs → Demonstrates commitment through visible active leadership
All employees	→ Co-operate and follow the INNIO EHS policy, EHS guidelines, and regulations → Work in a safety-conscious manner and consider environmental protection in daily work → Support and encourage colleagues in safe work practices → Report all incidents, accidents, and unsafe conditions always immediately to the supervisor and/or EHS representative

Table 20

Health & safety	Availability of information	Unit	2025
Recordable work-related injuries	Group level	No.	53
Fatalities as a result of work-related injury			0
High-consequence work-related injuries (excluding fatalities) [18]			0
Near misses identified			110
Near miss frequency rate (NMFR)		Rate	2.37
Lost-time injury frequency rate (LTIFR)			5.72
Lost-time injury rate (LTIR)			1.14

Table 21

[18] The definition of “high-consequence” is a work-related injury that results in a fatality or injury from which the employee cannot, does not, or is not expected to recover fully to pre-injury health status within six months.

Workforce-related voluntary disclosures

Introduction

The following topics related to employee experience are not directly material. However, we still would like to publicly communicate information related to INNIO's living wage analysis, remuneration, and collective bargaining.

Living wages

INNIO Group is focused on fair pay. All employees receive more than 100% of the living wage in their respective country. In 2025, we conducted an annual living wage analysis covering 100% of our employees.

After comparing the contractual base salary as of November 1, 2025, with living wages, 100% of employees are above the target. INNIO Group consistently delivers more pay (+50%) or much more pay (+150%) than the living wage in all countries. This methodology does not include any extra payments or benefits made to employees.

At INNIO Group, our largest employee populations are based in Austria, Germany, Hungary, the U.S., Canada, Italy, and the Netherlands. We are focused on helping ensure that our workforce is safeguarded through either public programs or benefits provided by INNIO Group. In certain countries, we go above and beyond to provide additional benefits to our employees.

These include private medical care in some locations, supplementary sickness coverage, accident insurance, and short- and long-term disability insurance. We also adhere to the statutory severance labor laws of the respective employment country.

Our approach aligns with our focus on social responsibility and our dedication to our employees' welfare. Because the employee count in some countries is extremely limited, with some nations having only one INNIO Group representative, specific countries are not identified in our reports. In this way, we maintain the confidentiality of our employees' information.

Remuneration

Gender pay gap analysis

INNIO Group is focused on fair pay. Since 2023, our pay gap analysis has covered 100% of our employees. Salaries and bonus programs are dependent on position, employee group, and/or country location. They are equal for eligible employees regardless of gender. Globally, when looking at comparable jobs aggregated by job level, women's average annual base salary ranges between -2% to 0% when compared to men. Potential gaps might be justified by individual levels of expertise, skills, and level of contribution.

We are focused on maintaining a high level of continuous diligence and data analysis in this ongoing process. Our legal entities in Spain and Italy already have achieved official certification for equal gender pay, in accordance with Directive (EU) 2023/970 of the European Parliament and the Council.

Gender Pay Gap [19]

Level	1	2	3	4	5	6
Global	/	/	98%	98%	98%	100%

Table 22

Bonus payments

Bonus payments are made annually in March for the previous year. In 2024, all employees who were in the company and actively working for a minimum of three months in 2023 received a bonus payment either through the regular bonus program or by receiving a "Flexibility and Recognition Premium".

Collective bargaining (GRI 2-30)

At INNIO Group, 63% of employees are covered by collective bargaining.

[19] Gender pay gap analysis based upon annual base salary as of October 1, 2025. The analysis is run on a yearly basis November-October. For gender pay gap calculations, we currently consider Annual Base Pay. INNIO Group has six different company levels. Level 1 and Level 2 are excluded as, in these company levels, there are no positions held by both male and female employees. Therefore, an accurate gender pay gap analysis cannot be performed.

Workers in the value chain

Health & safety

INNIO Group has the following publicly available policies involving workers in the value chain:

→ Conflict Minerals Policy
→ Supplier Code of Conduct
→ Procurement and Supply Chain
→ Labor and Human Rights Policy

The Supplier Code of Conduct defines the expectations and responsibilities of INNIO suppliers and is embedded in our Terms of Purchase. It addresses key areas such as ESG standards, fair employment practices, and EHS requirements to help ensure safe and healthy working conditions throughout the value chain. The Code also covers human rights, anti-bribery and anti-corruption, competition law, intellectual property, security and privacy, trade controls, customs matters and tax, as well as business procedure controls.

The objective of this Supplier Code of Conduct is to establish a basis for the positive development of sustainable procurement practices through regular dialogues and ongoing working relationships with our suppliers. INNIO Group reserves the right to conduct audits to verify the supplier's compliance with its obligations under this Code, and to take action in case of severe violations of the Code, including and up to the termination of contracts.

INNIO Group aims to uphold fair labor practices. We adhere to all local and international labor laws and standards, and we have zero tolerance for any form of forced or child labor. Our focus on fair labor practices extends to our supply chain, where we expect our suppliers to adhere to the same high standards. INNIO Group's Know Your Customer (KYC) and Know Your Supplier (KYS) processes are integral to our focus on compliance and risk management. The KYC process involves verifying the identity and legitimacy of customers to prevent fraud and ensure compliance with legal and regulatory requirements. Similarly, the KYS process involves assessing and validating suppliers to ensure they meet INNIO Group's standards for quality, reliability, and ethical practices. These processes help us maintain strong, trustworthy relationships with our business partners while mitigating risks and upholding the company's values and reputation.

Our engagement with our suppliers involves regularly conducting both in-person and virtual meetings in a spirit of collaborative stakeholder engagement. These meetings serve as a platform for open dialogue, mutual learning, and continuous improvement. They allow us to work hand in hand with our suppliers, helping to ensure that we are all working toward the same goals.

As part of the Sustainable Procurement programs, we conduct regular in-depth audits covering environmental and social aspects at supplier sites for both new and existing suppliers.

New suppliers screened for social impacts

7	suppliers identified as having significant actual and potential negative social impacts
19	significant actual and potential negative social impacts identified in the supply chain

→ **91%** of INNIO Group's new suppliers have been screened.

Table 23

INNIO Group has addressed all instances of identified actual or potential impact. Some of the social issues identified during the 2025 audits relate to EHS topics, such as fire protection, fire prevention, and lifting equipment. All non-conformities are documented in INNIO's audit tool and assigned a strict closure timeframe. Suppliers successfully resolved 100% of these 2025 findings within the given 1–3 month period.

Consumers and end-users

Information security

Data and proprietary information protection

INNIO Group is focused on protecting data and proprietary information for all stakeholders, including customers, employees, and capital providers. The responsibility for information security lies with the Chief Information Security Officer (CISO), who works alongside the Information Security team and the Information Technology (IT) department. These teams oversee the development and implementation of security policies, manage risks, and conduct security audits throughout the organization.

The Information Security team convenes regularly to evaluate and update security guidelines and policies, helping to ensure that established information security measures are effectively implemented. In addition, the Executive Board receives monthly reports and updates on IT management performance, including relevant issues and strategic directions, as part of its role in overseeing corporate information security and cybersecurity management.

To maintain internal and external security posture, INNIO Group utilizes advanced technologies and services. The organization has instituted comprehensive organizational measures, such as mandatory annual security awareness training, security alerts for employees, and phishing simulations, to foster a security-conscious culture.

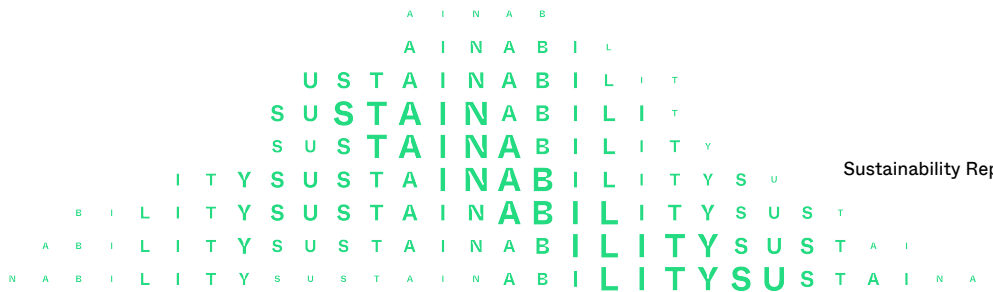
A variety of security tools are deployed to prevent, detect, and respond to potential attacks and intrusion attempts. These tools include adaptive security solutions such as firewalls, anti-virus programs, intrusion protection systems, VPN capabilities, artificial intelligence-driven systems for real-time threat prediction and prevention, as well as cloud and endpoint security platforms designed to investigate and mitigate advanced threats. Furthermore, multi-factor authentication (MFA) is mandated for all employees, providing an additional layer of defense against unauthorized access.

Vulnerability Review Board

The Group has continuous vulnerability management programs in place, including scheduled vulnerability scanning and patching. These programs review systems, networks, and applications for updates that remediate security vulnerabilities. INNIO Group's bi-weekly Vulnerability Review Board reviews the vulnerability status to ensure remediation is happening and assist with any issues.

ISO 27001 certification

INNIO Group was certified with ISO 27001 at the end of 2023 and continued to maintain the certification since then.



04 Governance

Business conduct

Business policies and corporate culture

INNIO Group's Code of Conduct applies to all employees, regardless of their level of position in the company, and it is available on INNIO Group's website and intranet in English, German, Spanish, Italian, Portuguese, Romanian, and Thai. It is important to us that employees internalize these rules and values. For this reason, all new and existing employees are required to complete a mandatory Code of Conduct eTraining on an annual basis as well as further regular Compliance trainings. These trainings enable our employees to familiarize themselves with all aspects of Compliance and the general principles of conduct that apply in day-to-day business. INNIO Group's Code of Conduct provides to all our internal and external stakeholders a framework and description of ethical and compliance standards, rules, and regulations as well as actions around business conduct.

In 2024, INNIO Group's Anti-Bribery & Anti-Corruption Policy (in English and German) was approved by the Executive Board and communicated to all INNIO Group employees on the same day. The policy was drafted with support from a leading international law firm and reflects all relevant jurisdictions (U.S. FCPA, UK Bribery Act, German and Austrian Strafgesetzbuch). Along with the new policy, a dedicated eTraining on the topic of anti-bribery and anti-corruption was rolled out in 2024. The eTraining is mandatory for all office workers and must be repeated regularly.

In April 2025, INNIO introduced a dedicated Compliance App. This innovative tool is designed to streamline our Compliance processes and provides INNIO's employees with easy access to all relevant Compliance policies. As a main feature, employees can submit mandatory pre-approvals for business meals, events, and gifts directly through the app. This supports our Anti-Bribery & Anti-Corruption Policy and helps ensure compliance with company standards. Requests are automatically routed to the appropriate approver – either the relevant manager or INNIO's VP Compliance. In addition, employees can use the app to raise concerns or speak up about any compliance-related issues.

INNIO Group's Competition Law Policy describes the competition law "Do's and Don'ts" in a clear and concise format. Additional guidelines on the key areas of Trade Associations, Handling Competitively Sensitive Information, and Contacts with Distributors and Customers (including Dual Distribution) also were implemented. To foster a deeper understanding of the Competition Law Policy, two eTrainings on competition law are provided. The General Principles eTraining is mandatory for all office employees. For employees in the Sales and Sales Support teams, an additional Competition Law & Distribution eTraining is mandated.

Corruption and bribery

Before we engage with new business associates, INNIO Group conducts exhaustive due diligence assessments. Such assessments involve the potential business associate as well as its direct and indirect shareholders, investors, and directly or indirectly involved legal entities. INNIO Group performs checks on counterparties to obtain information focused on corruption, money laundering, other criminal conduct, and related sanctions as per the Group's standardized KYC and KYS processes. Key red flags are connections to government officials and companies referred to in high-attention media reports related to political and corruption cases, sanctioned entities, or any other suspected involvement in criminal conduct.

Compliance investigations at INNIO Group are carried out by the Compliance function with support from external specialists (auditors, lawyers, forensic experts) if further expertise or resources are required.

INNIO Group has implemented a Compliance Management System (CMS) in accordance with the IDW Assurance Standard 980 (IDW PS 980 Grundsätze ordnungsmäßiger Prüfung von Compliance Management Systemen) for the areas of Anti-Bribery & Anti-Corruption and Competition Law.

INNIO Group's established CMS enables us to manage Compliance within the organization. Consisting of an integrated system of documents, processes, tools, controls, and functions, the CMS helps us better address risk management by assuring that our policies and procedures adhere to the requirements of applicable laws and regulations. It also enables us to address our culture of Compliance, which includes goals, risk identification, program, organization, training, communication, continuous monitoring, and corrective actions.

At INNIO Group, we make sure that our employees know their responsibilities regarding Compliance and that Compliance requirements are integrated into our business processes. We conduct periodic reviews to evaluate the effectiveness of the CMS. These reviews can include internal or external audits to deter, detect, and investigate bribery and other non-compliant behavior, risk assessment processes, and effectiveness testing. We report and provide periodic updates of the findings of these reviews to our Executive Board members, who ultimately are responsible for the management and improvement of our CMS.

Policies are communicated to those for whom they are relevant via the INNIO Group intranet and by email.

Confirmed incidents of corruption and bribery

In 2025, INNIO Group had no convictions or fines for violation of anti-corruption and antibribery laws. There were no confirmed incidents of corruption and bribery in 2025.

Protection of whistleblowers

We expect all employees who observe or become aware of potential or actual misconduct or violations of internal rules or statutory regulations – whether committed by other employees or business associates – to report these incidents.

At INNIO Group, employees have eight ways to speak up, including reaching out to their respective manager, Compliance leader, or Compliance Ambassadors. Concerns also can be raised via INNIO Group's webpage, dedicated SharePoint in INNIO Group's intranet, and INNIO's Compliance app. Our dedicated whistleblower platform, SPEAK UP!, is available to all internal and external stakeholders, since we believe that all stakeholders represent a valuable source of information that can help identify breaches of ethical standards. An additional SPEAK UP! channel is accessible to everyone – both INNIO Group employees and those outside the company.

There is no limitation to “classic” Compliance topics like Anti-Bribery & Anti-Corruption or Competition Law. In addition, all kind of concerns can be reported, and all reports are investigated, either by the Compliance function itself or by the relevant departments (HR, EHS, etc.). All reports are analyzed with the utmost discretion by INNIO Group’s dedicated Compliance experts, and SPEAK UP! data is treated with the highest confidentiality.

In fact, stakeholders can report an incident completely anonymously, if desired, without fear of retaliation as long as they have reasonable grounds to believe that their information is true at the time of reporting.

INNIO Group's strict no-retaliation policy is highlighted and communicated in our Code of Conduct and in our Whistleblower Protection Policy. INNIO Group's Whistleblower Protection Policy was published in December 2023 and is available in English, German, Spanish, Dutch, Italian, and Hungarian. The policy is available on INNIO Group's webpage and on the Group’s intranet.

In November 2024, an awareness campaign was initiated to promote the SPEAK UP! team of Compliance Ambassadors as a particularly important way to raise concerns or complaints. The network of Compliance Ambassadors covers several countries in Europe, North America, Latin America, APAC, and MENAT. Our Compliance Ambassadors act as personal contacts who enable INNIO Group’s employees to submit concerns in their native language. The awareness campaign included the distribution of posters across all our global locations and used various communication channels to emphasize the importance of whistleblower protection. In 2025, there were no confirmed cases of discrimination.

05 Voluntary disclosures

Water stewardship

Overview and approach

Water mainly is used in production for cooling our engines and cleaning purposes, while outside of production its main uses are for the canteen and sanitation. Because INNIO Group only uses third-party and groundwater, marine resources are not material.

Actions and resources

Water management at INNIO Group's main sites is covered by our IMS. In addition, our headquarters in Austria are ISO 14001 certified. Dedicated experts from INNIO Group are responsible for monitoring and managing water-related activities to help ensure that INNIO Group is compliant with applicable laws, regulations, and standards. Goals, KPIs, and corresponding management approaches are monitored regularly and communicated to the Executive Board at least quarterly. The Executive Board then provides feedback.

INNIO Group uses international tools and indices to conduct high-level water risk assessments on an annual basis. Since 2020, INNIO Group has adopted the Water Risk Atlas from the World Resources Institute (WRI) to evaluate water-related risks for our facilities. Both the Waukesha and Welland sites have a medium-high risk overall, while there is an overall low water risk at the Jenbach site.

INNIO Group withdraws water from two sources, groundwater and third-party water. Regarding discharge quality, INNIO Group adheres to locally legislated requirements. We systematically monitor and appropriately manage all water discharge. In addition, local regulatory authorities are involved, helping to ensure that we follow environmental regulations and obtain all required permits for direct and indirect water discharges.

INNIO Group's VPs of Operations and the Operations team are responsible for the sustainable management of our operating procedures. The team sets both internal and external environmental goals, some of which are described in INNIO Group's Environmental Policy. Additionally, the team implements new sustainability-related projects for our operations and conducts external audits (such as the ISO 14001 surveillance audit) to help ensure that our procedures align with applicable international standards, local laws, and regulations.

Water withdrawal

Due to the updated double materiality assessment, INNIO Group now voluntarily discloses water figures from the three main sites only (Jenbach, Waukesha, Welland). In 2025, the amount of water withdrawn decreased compared to 2024.

Water [20]	Availability of information	Unit	2025
Total water withdrawn [21]	Jenbach, Waukesha, Welland	ML	**768**
Surface water			0
Ground water			668
Seawater			0
Produced water			0
Third-party water			100
Total water discharged			**722**
Surface water			146
Ground water			522
Seawater			0
Produced water			0
Third-party water			54
Total water consumption			46

Table 24

[20] Primary data is used to calculate water withdrawal, discharge, and consumption.
[21] Water withdrawals are based on data from utility bills from our largest sites.

Tax transparency

INNIO Group supports tax policies and incentives that encourage enterprise innovation and foster economic growth. For this reason, the Group aims to be transparent about our tax approach disclosure. INNIO Group'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.

We are focused on always acting in compliance with applicable laws and regulations, being transparent in our financial reporting disclosures, and developing strong, mutually respectful relationships with tax authorities based on transparency and trust. INNIO Group files a country-by-country report 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.

Among other areas from the consolidated financial statements, this report breaks down the annual tax payments INNIO Group has made in the countries in which INNIO Group owns a legal presence.

06 Appendix

Key performance indicators

Financial information	Availability of information	Unit	2023	2024	2025
Net sales	Group level	USD (in millions)	2,015	2,159	2,637

Board effectiveness	Availability of information	Unit	2023	2024	2025
Average board meeting attendance	Group level	Rate (%)	0.90	0.90	0.96
Minimum of attendance of members required			0.57	0.57	0.57
Average board tenure		Months	39 (range 27-57 months)	49 (range 32-69 months)	57 (range 39-69 months)

Compliance	Availability of information	Unit	2023	2024	2025
Significant fines and non-monetary sanctions for non-compliance with law and/or regulations in the social and economic area	Group level	No.	0	0	0
Total monetary value of significant fines		USD	0	0	0
Total number of non-monetary sanctions		No.	0	0	0
Cases brought through dispute resolution mechanism			0	0	0

Cybersecurity	Availability of information	Unit	2023	2024	2025
Number of security incidents	Group level	No.	2	0	0
ISO 27001 certification		yes/no	n/a	yes	yes

Environmental compliance[22]	Availability of information	Unit	2023	2024	2025
Total monetary value of significant fines for non-compliance with environmental laws and/or regulations	Jenbach, Waukesha, Welland	USD	0	0	0
Total number of non-monetary sanctions for non-compliance with environmental laws and/or regulations		No.	0	0	0
Cases brought through dispute resolution mechanisms		No.	0	0	0

22 INNIO Group uses environmental, energy, and occupational health & safety law compliance management tools, integrated into our "Integrated Management System." These software-based tools provide the list of relevant EHS legal obligations the company must comply with, formulated as task, as well as changes in the law and a comparison of the previous and new legal situation. In this way, compliance with environmental, health & safety laws is reassured.

Supply chain management	Availability of information	Unit	2023	2024	2025
Supplier environmental assessments					
Percentage (%) of new suppliers that were screened using environmental criteria	Group level	Rate (%)	100	91	91
Number of suppliers assessed for environmental impacts		No.	85	763	814
Number of suppliers identified as having significant actual and potential negative environmental impacts			5	4	5
Significant actual and potential negative environmental impacts identified in the supply chain			14	6	10
Percentage (%) of suppliers identified as having significant actual and potential negative environmental impacts – improvements were agreed upon as a result of assessment		Rate (%)	100	100	100
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 provided			0	0	0
Supplier social assessments					
Percentage (%) of new suppliers that were screened using social criteria	Group level	Rate (%)	100	91	91
Number of suppliers assessed for social impacts		No.	85	763	814
Number of suppliers identified as having significant actual and potential negative social impacts			8	6	7
Significant actual and potential negative social impacts identified in the supply chain			29	29	19
Percentage (%) of suppliers identified as having significant actual and potential negative social impacts – improvements were agreed upon as a result of assessment		Rate (%)	100	100	100
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 provided			0	0	0

Workforce[23]	Availability of information	Unit	2023	2024	2025
Full-time equivalent (FTE)	Group level	No.	4,264	4,532	5,122
Employee headcount			4,468	4,778	5,365
Permanent			4,230	4,406	4,876
Temporary			238	372	489
Male			3,661	3,877	4,358
Permanent			3,476	3,602	3,976
Temporary			185	275	382
Full-time			3,521	3,707	4,172
Part-time			140	170	186
Female			807	901	1,007
Permanent			754	804	900
Temporary			53	97	107
Full-time			626	682	728
Part-time			181	219	225
By region (and employment contract)					
Europe	Group level	No.	3,502	3,788	4,087
Permanent			3,280	3,438	3,628
Temporary			222	350	459
America			888	950	1,167
Permanent			886	937	1,152
Temporary			2	13	15
Asia & Australia			78	40	111
Permanent			64	31	96
Temporary			14	9	15
By age group					
< 30 years	Group level	No.	860	995	1,169
30 – 50			2,658	2,786	3,109
> 50 years			950	997	1,087

23 Workforce data includes all INNIO Group employees, excluding contractors. Interns and apprentices are included in INNIO Group's employee figures. INNIO Group's workforce is not subject to any seasonal variations.

New employee hires	Availability of information	Unit	2023	2024	2025
Total number of new employee hires	Group level	No.	594	840	1,159
By gender					
Male	Group level	No.	467	648	915
Female			127	192	244
By age group					
< 30 years	Group level	No.	208	439	591
30 – 50			318	340	472
>50 years			68	61	96
By region					
Europe	Group level	No.	382	618	765
America			203	220	386
Asia & Australia			9	2	8

Employee turnover	Availability of information	Unit	2023	2024	2025
Total employee turnover	Group level	No.	394	582	630
By gender					
Male	Group level	No.	314	439	463
Female			80	143	167
By age group					
< 30 years	Group level	No.	103	278	283
30 – 50			206	211	250
>50 years			85	93	97
By region					
Europe	Group level	No.	285	420	457
America			102	156	167
Asia & Australia			7	6	6

Health and safety[24]	Availability of information	Unit	2023	2024	2025
Number of recordable work-related injuries	Group level	No.	47	60	53
Number of fatalities as a result of work-related injury		No.	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)		No.	0	1	0
Number of near misses identified		No.	80	93	110
Near miss frequency rate (NMFR)		Rate	2.07	2.27	2.37
Lost-time injury frequency rate (LTIFR)		Rate	6.09	7.32	5.72
Lost-time injury rate (LTIR)		Rate	1.22	1.46	1.14

Training and development	Availability of information	Unit	2023	2024	2025
Total number of training hours provided to employees	Group level	No.	127,321	133,033	149,486
Average hours of training that the organization's employees have undertaken[25]			30	29	29
Total number of training hours provided to customers			100,582	101,965	111,221
Percentage of total employees who received a regular performance and career development review		Rate (%)	98	97	97

Non-discrimination	Availability of information	Unit	2023	2024	2025
Total number of incidents of discrimination	Group level	No.	3	3	0

24 The health & safety data does not include contractors.
Work-related injuries = Lost-time injuries
The numbers of hours worked for 2025 is 9,268,259.
The full-time equivalent (FTE) in 2025 was 5,122.
LTIFR= (Number of lost-time injuries) / (Total hours worked in accounting period) x 1,000,000
LTIR= (Number of lost-time injuries) / (Total hours worked in accounting period) x 200,000
NMFR= [Number of close calls (near misses; near hits) identified x 200,000]/ Number of hours worked for all employees
Working hours: [38,5 Working hours/week * 47 weeks] * FTEs 2025

From 2025 INNIO Group reports the number of recordable work-related injuries in accordance with OSHA. Therefore the figures for 2023 and 2024 have been restated in accordance with OSHA.

25 Average training hours per employee = Total number of training hours / Full-time equivalent

Energy	Availability of information	Unit	2023	2024	2025
Total energy consumption[26]	Group level	MWh	192,333	196,194	235,781
Energy intensity (MWh energy consumption/total net sales)[27]			0.0001036	0.0000975	0.0001004
Energy intensity (kWh energy consumption/total net sales)[27]			0.1036	0.0975	0.1004
Non-renewable sources on site			186,101	182,859	221,659
Natural gas			186,101	182,859	221,659
Renewable sources on site			992	1,488	1,704
Hydropower			285	103	67
Photovoltaics			361	935	1,475
Others (balancing power)			346	450	162
Purchased energy			31,948	31,798	33,585
Purchased electricity			31,800	31,679	33,471
Purchased heat			148	110	114
Purchased cooling			0	0	0
Purchased steam			0	0	0
Sold energy			26,708	19,942	21,053
Electricity sold			26,324	19,573	20,738
Heat sold			384	369	315
Cooling sold			0	0	0
Steam sold			0	0	0

GHG emissions total (metric tCO_2e)	2020	2021	2022	2023	2024	2025
Total GHG emissions (Scope 1, 2, and 3) – life cycle of sold engines[28]	50,179,767	60,442,182	67,402,729	77,964,506	82,755,579	110,634,580
Total GHG emissions (Scope 1, 2, and 3) – reporting year	5,196,834	6,168,241	7,024,657	8,173,023	7,522,783	9,370,865
Scope 1, 2, and 3 emissions reductions – reporting year	n/a	969,909	853,707	1,149,685	-639,631	1,848,082

26 Total energy consumption within the organization = Non-renewable sources on site + Renewable sources on site + Purchased energy - Sold energy
27 Energy and emissions intensity figures are based on EUR-denominated net sales.
28 One life cycle represents 60,000 operating hours of an engine. Total emissions during the life cycle of a product are dependent on the application and the operational model. INNIO Group's engines are designed and built to operate for multiple life cycles, which significantly supports the concept of circularity.
29 The energy-related data for our main facilities come from bills and on-site calculations and are used to calculate emissions for both Scope 1 and 2 emissions. Estimates are used where primary data is not available and are based on employee headcount. INNIO Group reports Scope 3 emissions for all relevant categories. For total GHG emissions, the market-based Scope 2 figures are used. For more details about INNIO Group's GHG inventory, please see page 37.

GHG emissions intensity[27]	2020	2021	2022	2023	2024	2025
Scope 1 and Scope 2 (market-based) emission intensity (tons of CO_2e/net revenues)	0.00003234	0.00002666	0.00002213	0.00002314	0.00002053	0.00002117

GHG emissions in detail[29]	2020	2021	2022	2023	2024	2025
Scope 1 and 2 emissions – in thousand tons of CO_2e [metric ktCO_2e]						
Scope 1	35.92	31.43	30.73	36.35	35.56	43.31
Scope 1 related to Energy Services [30]						4.31
Scope 2 emissions (location-based)	9.17	7.27	7.26	7.65	7.31	7.72
Scope 2 emissions (market-based)[31]	7.12	6.58	6.03	6.60	5.76	6.41
Scope 1 and 2 emissions (location-based)	45.09	38.69	37.99	43.99	42.86	51.02
Scope 1 and 2 emissions (market-based)	43.04	38.01	36.76	42.95	41.31	49.72
Scope 3 emissions – in thousand tons of CO_2e [metric ktCO_2e]						
Total Scope 3 (reporting year)	5,154	6,130	6,988	8,130	7,481	9,321
Total Scope 3 (life cycle)[28]	50,137	60,404	67,366	77,922	82,714	110,585
3.1 Purchased goods	127.36	126.20	144.47	135.84	126.13	199.95
3.2 Capital goods	29.46	28.61	29.89	40.82	65.81	65.60
3.3 Indirect fuel- and energy-related activities	14.01	12.32	12.23	10.52	10.29	11.97
3.4 Upstream raw material transport[32]	11.19	13.73	11.63	12.39	8.30	12.67
3.5 Waste	2.37	1.17	3.06	2.96	3.06	3.56
3.6 Business travel[32]	0.33	0.28	0.75	0.71	0.75	0.74
3.7 Employee commuting[32]	2.54	2.96	4.41	3.91	4.22	4.62
3.8 Upstream leased assets[32]	1.76	3.08	3.72	3.64	3.28	4.37
3.9 Downstream product transport[32]	1.72	2.10	4.20	4.44	3.66	5.94
Use of sold products (reporting year)	4,949	5,928	6,760	7,901	7,242	8,994
3.11 Use of sold products (life cycle)[28]	49,932	60,202	67,138	77,692	82,475	110,258
3.12 End of life	13.84	11.61	13.52	14.35	14.22	17.76
Total transportation emissions (Well-to-Wheel)[33]	22.33	28.22	32.15	32.53	27.67	37.33

30 In 2025, INNIO launched its Energy Services business in Germany.
31 For Scope 2 market-based emissions, either supplier-specific or residual factors have been used to calculate emissions from all major sites. For sites calculated based on headcount a location-based factor has been applied.
32 Tank-to-Wheel boundary including direct emissions from fuel combustion.
33 Well-to-Wheel boundary including direct emissions of fuel combustion and indirect emissions from upstream activities.

Pollutants	Availability of information	Unit	2023	2024	2025
Nitrogen oxides (NO_x)	Jenbach, Waukesha, Welland	Tons			72

Spills	Availability of information	Unit	2023	2024	2025
Number of recorded significant spills	Jenbach, Waukesha, Welland	No.	0	0	0
Oil spills			0	0	0
Fuel spills			0	0	0
Spills of wastes			0	0	0
Spills of chemicals			0	0	0
Others			0	0	0

Waste[34]	Availability of information	Unit	2023	2024	2025
Total waste generated	Group level	Tons	12,099	12,227	13,934
Total hazardous waste			1,783	1,921	2,346
Total non-hazardous waste			10,316	10,306	11,588
Total weight of waste – diverted from disposal			9,378	9,334	10,597
Hazardous waste			115	70	122
Non-hazardous waste			9,263	9,264	10,475
Total weight of waste – directed to disposal			2,721	2,893	3,337
Hazardous waste			1,669	1,851	2,224
Non-hazardous waste			1,052	1,042	1,113

34 Primary data is used to calculate waste generation where INNIO operates. Estimates are used where primary data is not available. Waste generated is based on data from invoices and/or vendor/third party reports. In the absence of actual data, estimations and assumptions are used based on this source for commercial offices and based on employee headcount.

Water[35]	Availability of information	Unit	2023	2024	2025
Total water withdrawn[36]	Jenbach, Waukesha, Welland	mL	887	1,076	768
Surface water			253	225	0
Groundwater			497	699	668
Seawater			0	0	0
Produced water			0	0	0
Third-party water			137	152	100
Total water discharge			863	1,051	722
Surface water			253	225	146
Groundwater			497	699	522
Seawater			0	0	0
Produced water			0	0	0
Third-party water			113	126	54
Total water consumption			34	26	46

Materials	Availability of information	Unit	2023	2024	2025
Total material usage	Group level	Tons	69,762	64,007	101,210
Material by type (weight or volume):					
Metals	Group level	Tons	65,050	56,386	89,160
Wood			1,081	1,680	2,657
Paper			201	238	377
Sand			126	76	121
Chemicals			1,456	757	1,197
Others			1,848	4,869	7,699
Percentage of recycled input materials used to manufacture the organization's primary products and services		Rate (%)	55.2	55.7	56.1

35 Primary data is used to calculate water withdrawal, discharge, and consumption.

36 Water withdrawals are based on data from utility bills from our largest sites. As water is a voluntary disclosure for INNIO Group, figures from 2023 and 2024 have been restated to include only data from INNIO Group's main production sites.

GRI index table

Statement of use	INNIO Group has reported the information cited in this GRI context index for the period 1st January 2025 – 31st December 2025 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI standard	Disclosure	Location	UN SDG
GRI 2: General Disclosures 2021	2-1 Organizational details	pp. 6, 78	
	2-2 Entities included in the organization's sustainability reporting	100% operational cover; 99% coverage of INNIO Group's workforce	
	2-3 Reporting period, frequency and contact point	p. 78	
	2-4 Restatements of information	Materials: Due to better data availability, the materials figures have been restated including previous years (2023-2024). → Scope 2 market-based emissions: 2020 and 2024 figures have been restated. This is due to emissions factors for Welland and Waukesha sites being updated from location-based to residual mix factors. → Scope 3.1 Purchased goods: Due to better data availability, the calculation model was adjusted including previous years (2020-2024). → Number of recordable incidents: From 2025 INNIO Group reports incidents in accordance with OSHA. Therefore the figures for 2023 and 2024 have been restated. → LTIR: From 2025 INNIO Group reports incidents in accordance with OSHA. Therefore the figures for 2023 and 2024 have been restated. → LTIFR: From 2025 INNIO Group reports incidents in accordance with OSHA. Therefore the figures for 2023 and 2024 have been restated.	
	2-5 External assurance	pp. 80–82	
	2-6 Activities, value chain, and other business relationships	pp. 13–15	
	2-11 Chair of the highest governance body	pp. 24–25	
	2-12 Role of the highest governance body in overseeing the management of impacts	pp. 24–25	
	2-13 Delegation of responsibility for managing impacts	pp. 20–25	
	2-14 Role of the highest governance body in sustainability reporting	pp. 24–25	

GRI standard	Disclosure	Location	UN SDG
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	a. pp. 24–25, 55–56 b. zero incidents	
	2-22 Statement on sustainable development strategy	pp. 26–27	
	2-23 Policy commitments	pp. 33, 44, 52, 55–56 www.innio.com	16
	2-24 Embedding policy commitments	pp. 33, 44, 52, 55–56	
	2-25 Processes to remediate negative impacts	pp. 55–56	
	2-26 Mechanisms for seeking advice and raising concerns	pp. 55–56	16
	2-27 Compliance with laws and regulations	Zero instances (2024: zero instances)	16
	2-28 Membership associations	pp. 14–15	
	2-29 Approach to stakeholder engagement	pp. 16–19	
	2-30 Collective bargaining agreements	a. 63%	8
GRI 3: Material topics 2021	3-1 Process to determine material topics	pp. 20–23	
	3-2 List of material topics	pp. 20–23	
	3-3 Management of material topics	pp. 20–23, 29–56	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	pp. 55–56	
	205-3 Confirmed incidents of corruption and actions taken	Zero incidents (2024: zero incidents)	
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Zero instances (2024: zero instances)	
GRI 207: Tax 2019	207-1 Approach to tax	p. 59	
	207-2 Tax governance, control, and risk management	p. 59	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	p. 42	
	301-2 Recycled input materials used	p. 42	8, 9, 12
GRI 302: Energy 2016	302-1 Energy consumption within the organization	pp. 36, 66	7, 8, 12, 13

GRI standard	Disclosure	Location	UN SDG
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	pp. 66–67	3, 12, 13
	305-2 Energy indirect (Scope 2) GHG emissions	pp. 66–67	3, 12, 13
	305-3 Other indirect (Scope 3) GHG emissions	pp. 66–67	3, 12, 13
	305-4 GHG emissions intensity	pp. 66–67	13
	305-5 Reduction of GHG emissions	pp. 66–67	13
GRI 306: Effluents and waste 2016	306-3 Significant spills	p. 68	3, 6, 12
GRI 306: Waste 2020	306-3 Waste generated	p. 42	3, 6, 12
	306-4 Waste diverted from disposal	p. 42	3, 6, 12
	306-5 Waste directed to disposal	p. 42	3, 6, 12
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	p. 33	
	308-2 Negative environmental impacts in the supply chain and actions taken	p. 33	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 64	5, 8, 10
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	pp. 48–50	8
	403-5 Worker training on occupational health and safety	pp. 48–50	8
	403-6 Promotion of worker health	pp. 48–50	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pp. 48–50	
	403-9 Work-related injuries	pp. 48–50	3, 8, 16
GRI 404: Training and education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	p. 47	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	p. 56	5, 8
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Zero incidents (2024: zero incidents)	

GRI standard	Disclosure	Location	UN SDG
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Zero incidents (2024: zero incidents)	
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	p. 52	
	414-2 Negative social impacts in the supply chain and actions taken	p. 52	
GRI 415: Public policy 2016	415-1 Political contributions	pp. 55–56	
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	p. 52	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Zero incidents (2024: zero incidents)	
GRI 417: Marketing and labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	Zero incidents (2024: zero incidents)	
	417-3 Incidents of non-compliance concerning marketing communications	Zero incidents (2024: zero incidents)	
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Zero incidents (2024: zero incidents)	

SASB index table

Topic	Code	Accounting metric	Category	Unit of measure	Description, References
Energy Management	RT-EE 130a.1/RT-IG-130a.1	(1) Total energy consumed	Quantitative	Megawatt-Hour (MWh)	pp. 36, 66
		(2) Percentage grid electricity		Percentage (%)	
		(3) Percentage renewable			
Hazardous Waste Management	RT-EE-150a.1	Amount of hazardous waste generated		Metric tons (t)	pp. 41–42
		Percentage recycled		Percentage (%)	
		Number of reportable spills		Number	
	RT-EE-150a.2	Aggregate quantity of reportable spills		Kilograms (kg)	
		Quantity recovered			
Product Safety	RT-EE-250a.1	Number of recalls issued		Number	INNIO Group had zero recalls in 2025 and we had no monetary losses as a result of legal proceedings associated with product safety. Please also see pp. 52–53
		Total units recalled			
	RT-EE-250a.2	Total amount of monetary losses as a result of legal proceedings associated with product safety		Reporting currency	
Fuel Economy & Emissions in Use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Quantitative	Gallons per 1,000 ton miles	INNIO Group discloses Scope 3 emissions from products and their life cycles as illustrated on pp. 66–67. We do not measure 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.
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment		Gallons per hour	
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators		Watts per gallon	
	RT-IG-410a.4	Sales-weighted emissions of: (1) nitrogen oxides (NO_x) 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		Grams per kilowatt hour	

Topic	Code	Accounting metric	Category	Unit of measure	Description, References
Materials Sourcing	RT-EE 440a.1/ RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and analysis	n/a	pp. 40–42
Remanufacturing Design and Services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Quantitative	Reporting currency	INNIO Group's revenues from remanufacturing offerings have been systematically increasing since 2018.
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	pp. 55–56
	RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Quantitative	Reporting currency	Zero, pp. 55–56
	RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations			Zero, pp. 55–56
Employee Health and Safety	RT-IG-320a.1	(1) Total recordable incident rate (TRIR)		Rate	p. 65
	RT-IG-320a.2	(2) Fatality rate			p. 65
	RT-IG-320a.3	(3) Near miss frequency rate (NMFR)			p. 65
Accounting Metrics	RT-IG-000.A/ RT-EE-000.A	Number of units produced by product category		Number	INNIO Group delivers more than 2 GW of newly installed base annually.
	RT-IG-000.B/ RT-EE-000.B	Number of employees			p. 63

TCFD index table

Disclosure	Reference/report section
Governance	
Describe the board's oversight of climate-related risks and opportunities.	pp. 20–25
Describe management's role in assessing and managing climate-related risks and opportunities.	
Strategy	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	pp. 21–22
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	INNIO Group is working on expanding our TCFD-related practices by including climate-related scenarios in our initial identification of climate risks and opportunities that will further help us assess the resilience of our climate strategy.
Risk management	
Describe the organization's processes for identifying and assessing climate-related risks.	pp. 20–25
Describe the organization's processes for managing climate-related risks.	
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and targets	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	pp. 20–25, 66–67
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

UN Global Compact index table

Global Compact principle	Relevant policies & commitments	Sustainability Report reference
Principles 1 & 2		
Businesses should support and respect the protection of internationally proclaimed human rights.	Labor and Human Rights Policy, Supplier Code of Conduct	S1 – Own Workforce, S2 – Workers in the value chain
Businesses should make sure that they are not complicit in human rights abuses.		
Principle 3		
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Labor and Human Rights Policy, Supplier Code of Conduct	S1 – Own Workforce, S2 – Workers in the value chain
Principles 4 & 5		
Businesses should uphold the elimination of all forms of forced and compulsory labor.	Labor and Human Rights Policy, Supplier Code of Conduct	S1 – Own Workforce, S2 – Workers in the value chain
Businesses should uphold the effective abolition of child labor.		
Principle 6		
Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Labor and Human Rights Policy, Diversity, Equity, and Inclusion Policy	S1 – Own Workforce, S2 – Workers in the value chain
Principle 7		
Businesses should support a precautionary approach to environmental challenges.	Environmental Policy	E1 – Climate change, E2 – Pollution, E5 – Resource use and circular economy
Principle 8		
Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Policy	E1 – Climate change, E2 – Pollution, E5 – Resource use and circular economy
Principle 9		
Businesses should encourage the development and diffusion of environmentally friendly technologies.	Quality Policy, Environmental Policy	E1 – Climate change, E2 – Pollution, E5 – Resource use and circular economy
Principle 10		
Businesses should work against corruption in all its forms, including extortion and bribery.	Code of Conduct, Supplier Code of Conduct	G1 – Business conduct

About this report

This report is presented for the INNIO Group Holding GmbH, headquartered in Jenbach, Austria. It spans INNIO Group's Jenbacher and Waukesha brands and operations within the 2025 fiscal year. This sustainability report follows the same time span (fiscal year) as the financial report.

Scope, material topics, and boundaries

INNIO Group's 2025 Sustainability Report is a non-financial disclosure published annually. The first Sustainability Report 2020 was published in September 2021.

This 2025 disclosure was prepared with reference to the standards of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). The report also serves as our Communication on Progress (COP) for the UN Global Compact (UNGC).

Through our non-financial reporting, we describe our management and performance of environmental, social, and governance (ESG) issues. Our disclosures focus on the topics that were deemed most material to our business and stakeholder groups during INNIO Group's materiality assessment performed in 2025.

INNIO Group's alignment with the United Nations Sustainable Development Goals (UN SDGs) is based on the GRI and the UNGC's Business Reporting on the UN SDGs. This report mainly covers data from 2025. Wherever possible, it also presents a series of data over three years (2023, 2024, and 2025) to make the information transparent, relevant, and comparable.

While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities, or other, laws and regulations, even if we use the words "material" or "materiality" in this report.

This Sustainability Report has been externally assured. KPMG Austria GmbH Wirtschaftsprüfungs und Steuerberatungsgesellschaft has performed an independent limited assurance engagement on the consolidated sustainability reporting for the financial year 2025. For the assurance report, please see pages 80-82.

The data presented in the report is consolidated at Group level and covers 100% of business operations and of global location. This boundary applies to all material topics, unless clearly indicated otherwise for a particular material topic in the text of this Sustainability Report. All health, safety, and environmental data, including greenhouse gas (GHG) data for Scope 1, Scope 2, and Scope 3, cover INNIO Group using the financial control approach.

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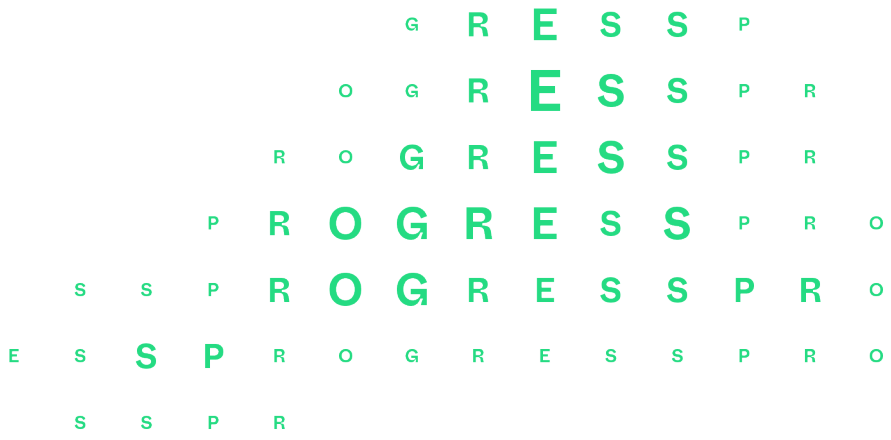
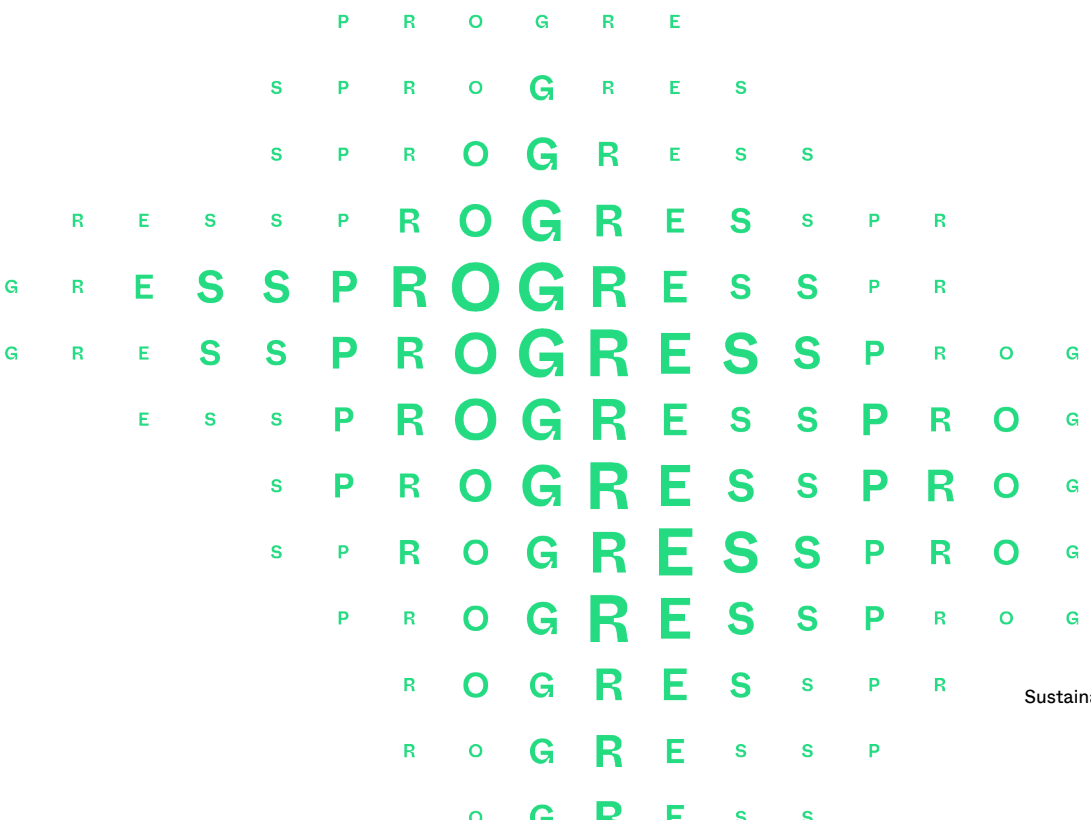


For the INNIO Group Holding GmbH

→ Dr Olaf Berlien
President & Chief Executive Officer

→ Dr Dennis Schulze
Chief Financial Officer



Independent assurance report on the voluntary sustainability reporting

We have performed a limited assurance engagement in the connection with the voluntary consolidated sustainability reporting (hereafter “sustainability reporting”) for the financial year 2025 of the

INNIO Group Holding GmbH,
Jenbach
(hereinafter also short “INNIO”
or “Company”),

Conclusion with limited assurance

Based on our procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the voluntary consolidated sustainability reporting (hereafter “sustainability reporting”) is not prepared, in all material respects, with reference to the Global Reporting Initiative (GRI) - Standards in its currently valid version.

Basis for conclusion with limited assurance

Our limited assurance engagement on the sustainability reporting was conducted in accordance with the legal requirements and Austrian Standards on Other Assurance Engagements (KFS/PG 13 and additional expert opinions) as well as the International Standard on Assurance Engagements (ISAE 3000 (Revised)) applicable to such engagements. The procedures performed in a limited assurance engagement differ in nature and timing from those performed in a reasonable assurance engagement and are less in scope. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than in a reasonable assurance engagement.

Our responsibility under those requirements and standards is further described in the “Responsibility of the auditor of the sustainability reporting” section of our assurance report.

We are independent of the Group in accordance with the Austrian professional regulations and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit firm is subject to the provisions of KSW-PRL 2022, which essentially corresponds to the requirements of ISQM 1, and applies a comprehensive quality management system, including documented policies and procedures for compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained up to the date of the limited assurance report is sufficient and appropriate to provide a basis for our conclusion as of that date.

Responsibility of the management

Management is responsible for the preparation of a sustainability reporting including the determination and implementation of the materiality assessment process with reference to the GRI-Standards. This responsibility includes:

→ identification of sustainability aspects and assessing the materiality of these sustainability aspects,

→ preparation of a sustainability reporting in compliance with the requirements of the GRI-Standards,

→ designing, implementing and maintaining of internal controls that management consider relevant to enable the preparation of sustainability reporting that is free from material misstatement, whether due to fraud or error; and to enable the materiality assessment process to be carried out with the requirements of the GRI-Standards “with reference to”.

This responsibility also includes the selection and application of appropriate methods for sustainability reporting and the use of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances.

Inherent limitations in the preparation of sustainability reporting

When reporting forward-looking information, the Company is obliged to prepare this forward-looking information based on disclosed assumptions about events that could occur in the future and possible future actions by the Company. Actual results are likely to differ as expected events often do not occur as assumed.

Responsibility of the auditor of the sustainability reporting

Our objectives are to plan and perform a limited assurance engagement to obtain limited assurance about whether the sustainability reporting is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on this sustainability reporting.

In a limited assurance engagement, we exercise professional judgement and maintain professional scepticism throughout the assurance engagement.

Our responsibilities include
→ performing risk-related assurance procedures, including obtaining an understanding of internal controls relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of expressing a conclusion on the effectiveness of the Group's internal controls;

→ design and perform assurance procedures responsive to disclosures in the sustainability reporting, where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Procedures – Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability reporting.

Our engagement does not include the assurance of prior period figures, printed interviews or other additional voluntary information of the Company, including references to websites or other additional reporting formats of the Company.

The nature, timing and extent of assurance procedures selected depend on professional judgement, including the identification of disclosures likely to be materially misstated in the sustainability reporting, whether due to fraud or error.

In conducting our limited assurance engagement on the sustainability reporting, we proceed as follows:

→ We obtain an understanding of the Company's processes relevant to the preparation of sustainability reporting.

→ We assess whether all relevant information identified by the materiality assessment process carried out by the company has been included in the sustainability reporting.

→ We perform inquiries of relevant personnel and analytical procedures on selected disclosures in the sustainability reporting.

→ We perform risk-oriented assurance procedures, on a sample basis, on selected disclosures in the sustainability reporting.

→ We obtain evidence on the methods for developing estimates and forward-looking information.

→ We evaluate the consistency of the requirements of the GRI-Standards in its current version, Option "with reference to", which apply to the group, to disclosures and indicators of the sustainability reporting.

→ We evaluate the overall presentation of the disclosures by critically reading the sustainability reporting.

Limitation of liability and terms of engagement

This limited assurance engagement on the voluntary sustainability reporting is a voluntary assurance engagement. We issue this conclusion based on the assurance contract concluded with the client, which is also based, with effect on third parties, on the "General Conditions of Contract for the Public Accounting Professions" issued by the Chamber of Tax Advisors and Auditors. These can be viewed online on the website of the Chamber of Tax Advisors and Auditors (currently at https://ksw.or.at/berufsrecht/mandatsverhaeltnis/). With regard to our responsibility and liability under the contractual relationship, point 7 of the AAB 2018 applies.

Restriction on use

Because our report will be prepared solely on behalf of and for the benefit of the principal, its contents may not be relied upon by any third party, and consequently, we shall not be liable for any third party claims. We agree to the publication of our report together with the sustainability reporting. However, publication may only be performed in its entirety and as a version that has been certified by us.

Auditor responsible for the assurance engagement

The auditor responsible for the assurance engagement of the sustainability reporting is Dr. Werner Gedlicka.

Vienna
07. April, 2026

KPMG Austria GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

→ Dr. Werner Gedlicka
Wirtschaftsprüfer
(Austrian Chartered Accountant)

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