

EQUATE GROUP

ESG REPORT 2025

Driving value through responsible
operations and continuous improvement

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LETTER FROM OUR PRESIDENT AND CEO

GRI 2-22



Mr. Naser Aldousari

President and CEO, EQUATE Group

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EQUATE Group is pleased to present its 2025 Environment, Social, and Governance (ESG) Report, continuing a journey of transparent sustainability reporting that has spanned more than a decade. Over the years, our focus on responsible growth has continued to evolve, supported by strengthened practices and measurable outcomes.

In 2025, we have received multiple recognitions and maintained our EcoVadis Silver rating, demonstrating resilience under more stringent, percentile-based assessment criteria. These recognitions reflect the consistency of our ESG approach and the continued integration of sustainability considerations across our operations and value chain.

Our environmental performance in 2025 reflects disciplined execution and a continued focus on operational efficiency. During the year, we achieved an approximately 39% reduction in waste generation compared to the previous year, alongside ongoing efforts across energy efficiency, emissions management, water stewardship, and circularity. These outcomes reflect a structured approach to resource optimization and environmental performance, as we continue progressing toward our long-term ambition of carbon neutrality by 2050.

On the social front, we continued to invest in our people and communities. We further enhanced our training and development programs to support workforce readiness in a changing industry landscape. Our community engagement efforts remained focused on targeted initiatives in health, education, and environmental preservation across our operating regions. We also maintained our focus on occupational health and safety, reinforcing established practices and sustaining a strong safety performance.

Throughout 2025, we maintained our commitment to human rights, fair labor practices, and equal opportunity, ensuring our operations and supply chain remained aligned with applicable standards. We understand that embracing diversity and inclusion not only strengthens our operational performance but also enhances long-term resilience.

Safety remains a cornerstone of our ESG approach. We continued to build on our established safety practices, maintaining a strong foundation in process safety and reinforcing accountability across our operations.

As we look ahead, EQUATE Group remains focused on delivering sustainable value through consistent, transparent, and performance-driven ESG practices. We welcome feedback on this report and remain committed to balanced and transparent disclosure.



Chapter 01

ABOUT THIS REPORT

ABOUT THIS REPORT

GRI 2-3



At EQUATE, transparency and accountability in our ESG practices remain the cornerstone of our corporate values. Recognizing our role in supporting a sustainable future, we continue to strengthen our efforts to manage environmental impacts, contribute to our communities, and uphold sound governance and ethical standards.

In this year's report, **"Driving value through responsible operations and continuous improvement"**, we present the progress achieved over the past year. The report reflects EQUATE Group's ESG performance through measurable outcomes aligned with our key priorities and KPIs, providing a clear view of the actions undertaken and the results delivered.

Information Covered

This report highlights EQUATE Group's ESG progress over the reporting period from 1 January 2025 to 31 December 2025. It outlines our ongoing and long-term efforts to enhance ESG performance, covering key actions undertaken, strategic objectives, and the progress achieved against them.

The information and analysis presented reflect operations and assets under the financial control of EQUATE Group across Kuwait, Canada, the USA, and Germany.

In this report, we continue to refine our reporting scope and strengthen transparency around ESG initiatives and their outcomes. Where relevant, reporting parameters for material topics are disclosed in the Materiality Assessment section (Page 18).

Restatement of Information

In 2025, certain previously disclosed 2024 environmental data were revised to reflect enhancements in the underlying calculation approach, implemented to improve accuracy and strengthen the consistency of reported information. These updates primarily relate to selected environmental performance indicators and do not materially affect the overall understanding of EQUATE Group's sustainability performance. In addition, the approach used for calculating local spend within our operations in Germany was updated to improve alignment with internal methodologies and ensure greater accuracy in reporting.

Reporting Frameworks

GRI 2-2

As part of our ongoing dedication to continuous improvement and adherence to global best practices, this report has been developed in accordance with the latest GRI Standards, ensuring it meets current sustainability reporting requirements. We have included relevant disclosures from the GRI 11: Oil & Gas Sector Standard 2021, capturing the distinct challenges and opportunities present in our industry. Furthermore, the principles and metrics of the Sustainability Accounting Standards Board (SASB) for the chemicals sector have been integrated, along with guidance from the Gulf Petrochemicals and Chemicals Association (GPCA) and the Boursa Kuwait ESG Reporting Guide for Listed Companies.

Our approach to reporting not only reflects our strong commitment to transparency but also highlights our ongoing efforts to advance the United Nations Sustainable Development Goals (UN SDGs). We align our initiatives with the Kuwait 2035 vision targeting carbon neutrality by 2060, and continue to support the global movement toward sustainability, including the Long-Term Strategy of the United States: as well as Canada's Federal Sustainable Development Strategy.

By utilizing this comprehensive reporting framework, we strive to present a complete picture of our ESG performance and reinforce our commitment to sustainable development.

Data Collection and Reporting Approach

EQUATE Group remains dedicated to the highest standards of precision and openness in ESG reporting. All data and findings in this report have been carefully gathered from relevant departments and teams, following the rigorous data requirements outlined in the GRI Standards. The GRI Content Index, available on pages 45, provides a guide to the specific standards and disclosures featured in our report.

Our data collection process is both organized and comprehensive, utilizing established calculation techniques, alternative approaches when direct measurement is unavailable, and clearly defined assumptions to ensure consistency and clarity. The tools, methodologies, and standards used for gathering and analyzing the data in this report are described in detail.

To safeguard the accuracy of our data, a comprehensive, multi-level review system is in place. This process includes assessment by department leaders and ESG Committee and final review and approval by EQUATE Group's management. The approach is intended to preserve the reliability and consistency of our reporting practices, as seen in prior years, while incorporating improvements in reporting standards and meeting stakeholder needs.

The 2025 ESG report demonstrates our continued commitment to giving stakeholders a clear and precise view of our ESG performance, as we work to build a sustainable and responsible business legacy. The information and data disclosed in this report have not been subject to external assurance or independent verification.

References to EQUATE

To maintain clarity and consistency throughout the document, references to the EQUATE Group may appear as 'EQUATE,' 'EQUATE Group,' or simply 'the Group,' except where specific distinctions are required. When addressing specific geographic operations, the terms 'EQUATE Group-Kuwait' and 'EQUATE Group North America' are used to provide clear context and relevance to our diverse stakeholders.

This consistent terminology is designed to simplify the narrative of our report, helping readers easily recognize the breadth and scope of our ESG efforts. We uphold this practice to keep information accessible while properly emphasizing our contributions to sustainability both globally and regionally.

Feedback and Suggestions

We invite all stakeholders to provide their insights and opinions regarding our activities and operations, including our ESG achievements, impacts, and pledges. For any comments or feedback, please contact us at **ESG@EQUATE.com.**

2025 KEY PERFORMANCE HIGHLIGHTS

*MT denotes metric tons

Note: Due to independent rounding, individual figures, percentages, and subtotals presented throughout this report may not sum exactly to the totals reported.



ENERGY AND EMISSIONS

Total energy consumption

28.7 million GJ 2024

30.1 million GJ 2025

Total GHG emissions

3.8 million $MTCO_2e$ 2024

3.6 million $MTCO_2e$ 2025

Energy intensity

3.09 GJ/MT 2024

3.26 GJ/MT 2025

Energy reduction

3.1 million GJ 2024

-1.2 million GJ 2025

GHG emissions intensity

0.49 $MTCO_2e$/MT 2024

0.46 $MTCO_2e$/MT 2025

Emissions reduction

-0.1 million $MTCO_2e$ 2024

0.6 million $MTCO_2e$ 2025



WASTE MANAGEMENT

Total waste generation

18,840 MT* 2024

11,506 MT* 2025

% Waste diverted

65% 2024

82% 2025

% Waste disposed

35% 2024

17% 2025

WATER MANAGEMENT

Total water consumption

15.8 million m3 2024

15.0 million m3 2025

% Water reduction

7.1% reduction 2024

5.1% reduction 2025



2025 KEY PERFORMANCE HIGHLIGHTS

Note: Due to independent rounding, individual figures, percentages, and subtotals presented throughout this report may not sum exactly to the totals reported.



DIVERSITY, EQUITY AND INCLUSION

% Overall female representation

2024	2025
11%	**11%**



EMPLOYEE RELATIONS AND HUMAN CAPITAL DEVELOPMENT

Total hours of training

2024	2025
110,628 hours	**128,427** hours

COMMUNITY INITIATIVES

Direct community contribution/ investment

2024	2025
1 million USD	**1** million USD



Chapter 02

EQUATE GROUP AT A GLANCE



ABOUT EQUATE GROUP

GRI 2-1

Mission

Maximizing stakeholder value by growth and sustainability

Vision

A global leader in petrochemicals through people, partnerships and business excellence

Values

- Excellence
- Quality
- Unity
- Advancement
- Trust
- Environmental, Health and Safety Responsibility

Established in 1995, EQUATE Group represents Kuwait's pioneering international joint venture, uniting government, international investors, and private sector entities. EQUATE is a leading global petrochemical producer and one of the largest ethylene glycol manufacturer worldwide, producing annually over 6 million tons of the highest quality grades of ethylene (E), polyethylene (PE), ethylene glycol (EG), and polyethylene terephthalate (PET).

EQUATE Group markets its products throughout Europe, Asia, the Americas, the Middle East and Africa. We provide reliable products and solutions that form the foundation of everyday consumables, contributing to a sustainable future.

Our organization owns and operates world-class petrochemical complexes in Kuwait, North America, and Europe. Under the EQUATE umbrella is the Kuwait Olefins Company (TKOC).

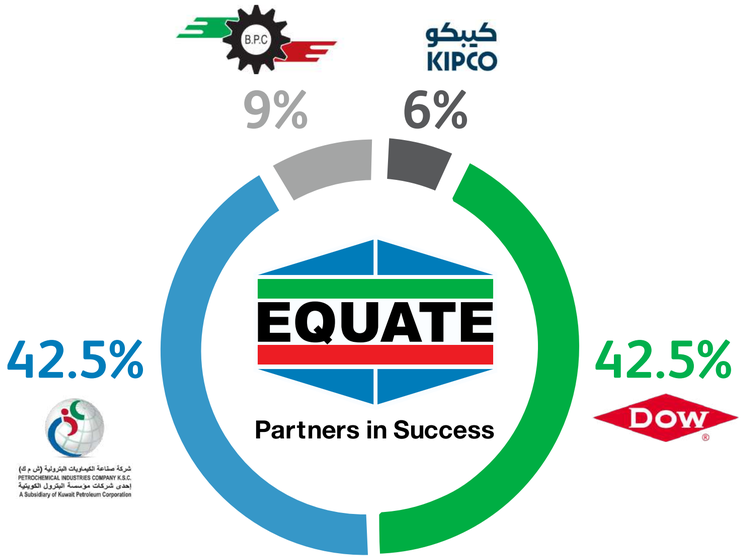
As a global manufacturer of petrochemicals, we strive to maintain our competitive edge in the sector while consistently creating lasting value for our stakeholders. We aim to reduce our ecological footprint and promote positive community outcomes by adhering to our objectives outlined in our ESG Framework.

Our Corporate Strategy

We maintain a group corporate strategy that undergoes revision and updates on a triennial basis.

Our business strategy embeds ESG elements within its objectives and focuses on four key pillars: people, operations, business, and Finance.

EQUATE Group Shareholder Distribution



- The Dow Chemical Company (Dow)
- Petrochemical Industries Company K.S.C. (PIC)
- Boubyan Petrochemical Company K.S.C. (BPC)
- Kuwait Projects Company (Holding) K.S.C (KIPCO)

Our Manufacturing Locations

KUWAIT | UNITED STATES | CANADA | GERMANY

Our Country-wise Production Capacities
(in million tonnes)

	KUWAIT	UNITED STATES	CANADA	GERMANY	TOTAL
PE	0.8				0.8
EG	1.6	1.0	1.4		4.0
E	1.8				1.8
PET				0.3	0.3

Our Main Products

Polyethylene

PE is a thermoplastic polymer used in a wide range of applications. It is one of the world's most widely used versatile plastic. It is used in several applications such as flexible food packaging, industrial packaging, agricultural films, medical and healthcare products, and containers for household and industrial chemicals.

Polyethylene Terephthalate

PET is a thermoplastic polymer resin of the polyester family, widely used in the production of beverage bottles, food containers, and packaging films. It also plays a key role in the manufacturing of polyester fibers for clothing and home textiles, as well as in industrial applications such as thermoforming, engineering resins, and 3D printing filaments.

Ethylene Glycol

Monoethylene glycol (MEG) and diethylene glycol (DEG) are collectively known as ethylene glycol which is a petrochemical product used in polyester fibers for fabrics, PET bottles and packaging, resins, deicing fluids, heat transfer fluids, construction materials, water-based adhesive material, shoe polish, printer ink, automotive anti-freeze and coolant.

Our Subsidiaries

To reinforce our leadership in the petrochemical industry, EQUATE acquired full ownership of MEGlobal and Equipolymers in December 2015. In September 2019, we started production at MEGlobal Oyster Creek's site in the United States. This strategic expansion leveraged MEGlobal's established presence in the MEG and DEG markets, enabling us to achieve significant economies of scale. The improved distribution network and greater operational flexibility enable us to effectively address the varied requirements of our customers. Additionally, the Oyster Creek site strengthens our global reach and aligns with our strategy to cultivate a value-added business as a premier EG producer and supplier.

Equipolymers was established in 2004 and later became a wholly owned subsidiary of EQUATE Group. This acquisition allowed EQUATE to expand its portfolio and strengthen its position in the global petrochemical market. Equipolymers' production facilities are located in Schkopau, Germany. Equipolymers, driven by innovation and high quality product standards is the preferred partner for brand owners and key value chain players in the PET market.

EQUATE's commitment to embedding ESG principles across all our operations extends consistently throughout our value chain. Our aim is not only to advance sustainability but also to make a significant and lasting impact.

MEGlobal An EQUATE Company

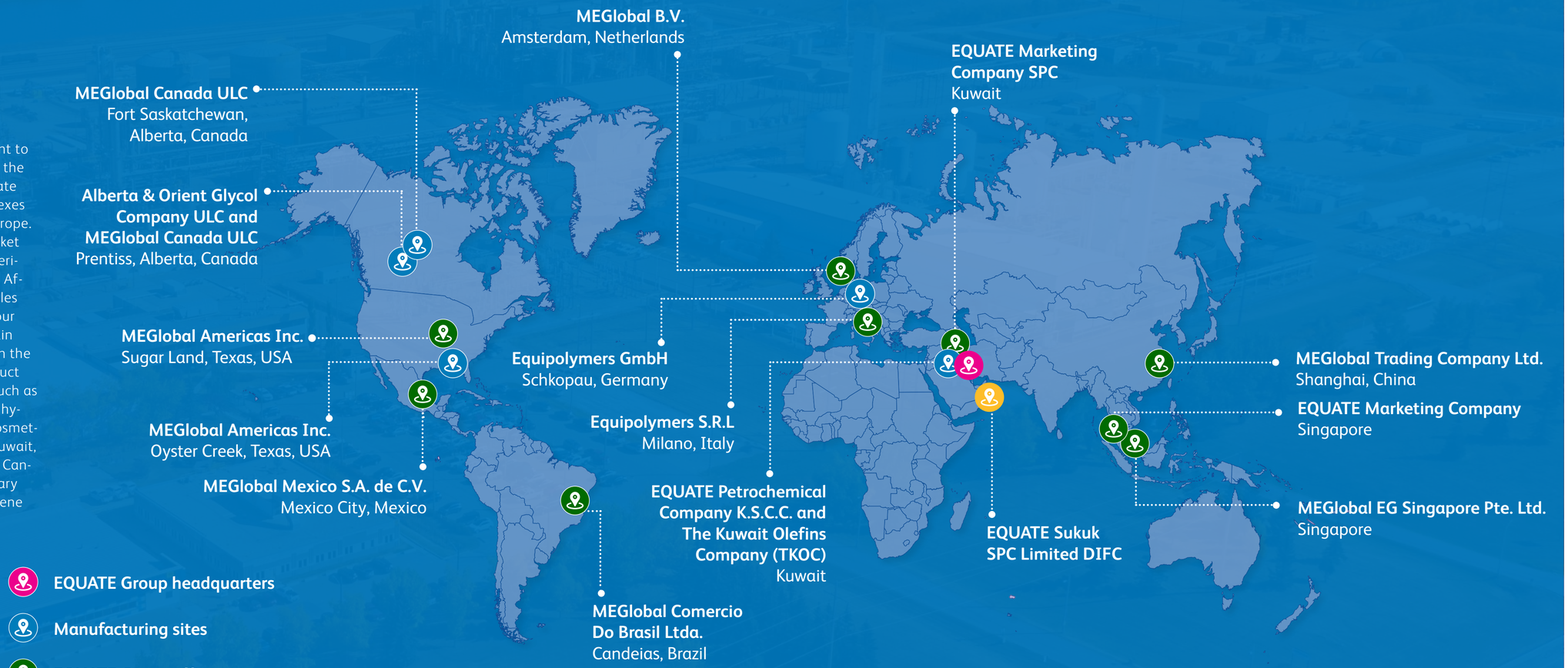
MEGlobal is a wholly owned subsidiary of EQUATE and part of EQUATE Group. MEGlobal has manufacturing facilities in Prentiss and Fort Saskatchewan in Alberta, Canada, and Oyster Creek, Texas, USA. MEGlobal is a global leader in the manufacture and marketing of ethylene glycol, marketing its products through Asia, the Americas, Europe, and the Middle East. MEGlobal is committed to the principles of Responsible Care®, prioritizing the safety of employees, neighbors, communities, and the environment in all operations.

Equipolymers

Equipolymers GmbH (EQP) manufactures and markets polyethylene terephthalate. With an integrated network of operations, EQP markets its products across Europe, the Middle East, Asia, and Africa. Focused on pioneering sustainable growth in PET production, EQP is a subsidiary of MEGlobal B.V. and part of EQUATE Group.

Our Global Presence

Our global presence is a testament to our commitment to excellence in the petrochemical industry. We operate world-class petrochemical complexes in Kuwait, North America, and Europe. Through our subsidiaries, we market our products across Asia, the Americas, Europe, the Middle East, and Africa. This extensive network enables us to meet the diverse needs of our customers worldwide and maintain our position as a leading player in the petrochemical industry. Our product range caters to various sectors, such as industrial packaging, healthcare, hygiene, food and beverage, and cosmetics. Our operational facilities in Kuwait, the United States, Germany, and Canada focus on producing our primary offerings, polyethylene and ethylene glycol.



Our Journey

1995 — EQUATE was established

1997 — EQUATE plant start-up

2004 — Inception of MEGlobal as JV between Dow and PIC

2005 — TKOC groundbreaking

2010 — TKOC inauguration

2015 — EQUATE acquires 100% of MEGlobal and Equipolymers

2016 — MEGlobal Oyster Creek, Texas site groundbreaking

2018 — Equipolymers launches Viridis 25 (V25)

2019 — Start-up of MEGlobal Oyster Creek site's production of fiber-grade, on-spec MEG

2020 — Equipolymers launches Viridis 30 (V30)

2023 — Transitioned from Sustainability to ESG Reporting



Market Performance

GRI-201

We have implemented a set of strategic performance metrics to monitor and evaluate financial performance across our operations. On a quarterly basis we review and evaluate our internal financial performance indicators related to productivity, cash flow, cost management, revenue, EBITDA, net income, and financial compliance. These evaluations influence the Group's annual incentive and bonus programs.

	2022 (USD Million)	2023 (USD Million)	2024 (USD Million)	2025 (USD Million)
Direct economic value generated (revenue)	3,947	3,135	3,814	3,802
Economic value distributed	4,926	3,115	3,746	3,712
Economic value retained	**-1,015**	**20**	**68**	**90**

Note 1: The economic performance refers to EQUATE Group consolidated and TKOC.

Note 2: Economic value distributed includes operating costs, employee wages and benefits, payments to providers of capital, payments to government by country and community investment.



2025 Awards and Recognition

American Society of Safety Professionals - ASSP GCC HSE Excellence Awards

EQUATE won both the Platinum Award for Manufacturing HSE Excellence and the Gold Award for HSE Initiative Excellence at the American Society of Safety Professionals (ASSP) – Gulf Cooperation Council HSE Excellence Awards, highlighting our unwavering commitment to top-tier health, safety and environment standards.

American Chemistry Council (ACC) – Responsible Care Company of the Year

MEGlobal Americas Inc. was selected as "Responsible Care Company of the Year," reflecting strong performance in responsible operations and safety leadership.

American Chemistry Council (ACC) – Initiative of the Year

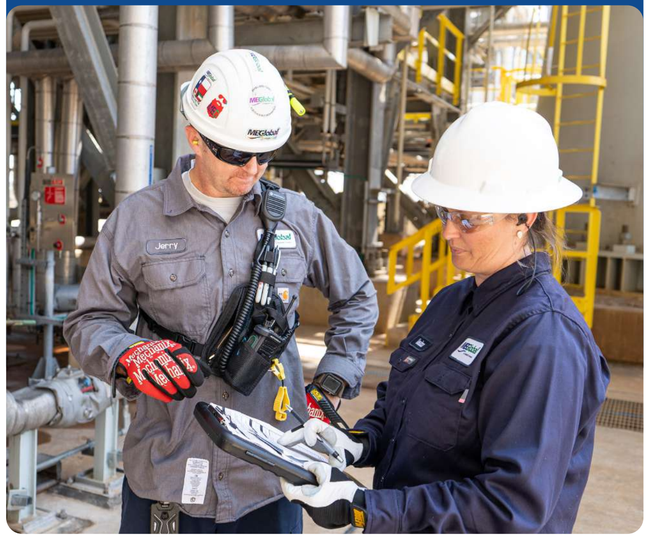
MEGlobal Americas Inc. received ACC "Initiative of the Year" award,- recognizing an outstanding safety / Responsible Care–related initiative delivered during the year.

Dr. Sam Mannan Process Safety Award (MEGlobal Oyster Creek Site)

MEGlobal's Oyster Creek Site won the prestigious Dr. Sam Mannan Process Safety Award from the Texas Chemical Council (TCC) and the Association of Chemical Industry of Texas (ACIT) for its outstanding achievement of zero process safety incidents.

Caring for Texas Award

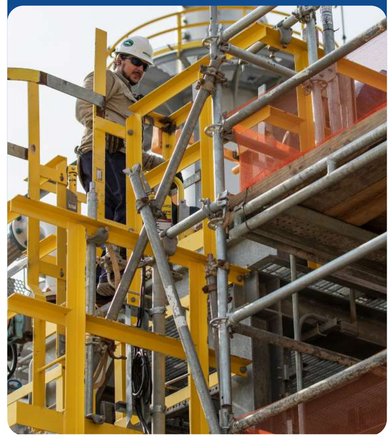
MEGlobal Americas Inc., a wholly owned subsidiary of the EQUATE Group received state-level safety recognition in Texas including the prestigious 2025 Caring for Texas Award for the outstanding safety performance of its Oyster Creek, Texas site.





Zero Employee Incident Rate Award

MEGlobal's Oyster Creek Site was awarded a "Zero Employee Incident Rate Award" for achieving zero safety incidents among employees in 2025 from the Texas Chemical Council (TCC) and the Association of Chemical Industry of Texas (ACIT).



Zero Contractor Incident Rate Award

MEGlobal's Oyster Creek Site was awarded a "Zero Contractor Incident Rate Award" for achieving zero safety incidents among contractors in 2025.



EcoVadis Silver Medal for ESG Leadership

In 2025, EQUATE Group maintained EcoVadis Silver rating (75/100), demonstrating resilience under more stringent, percentile-based assessment criteria.



Certifications

ISO/IEC 27001:2022

International Organization for Standardization's certification on information security management systems

ISO 9001:2015

International Organization for Standardization's certification on quality management systems

ISO 14001:2015 & RC14001:2023

American Chemistry Council's technical specification RC14001:2023 and ISO 14001:2015

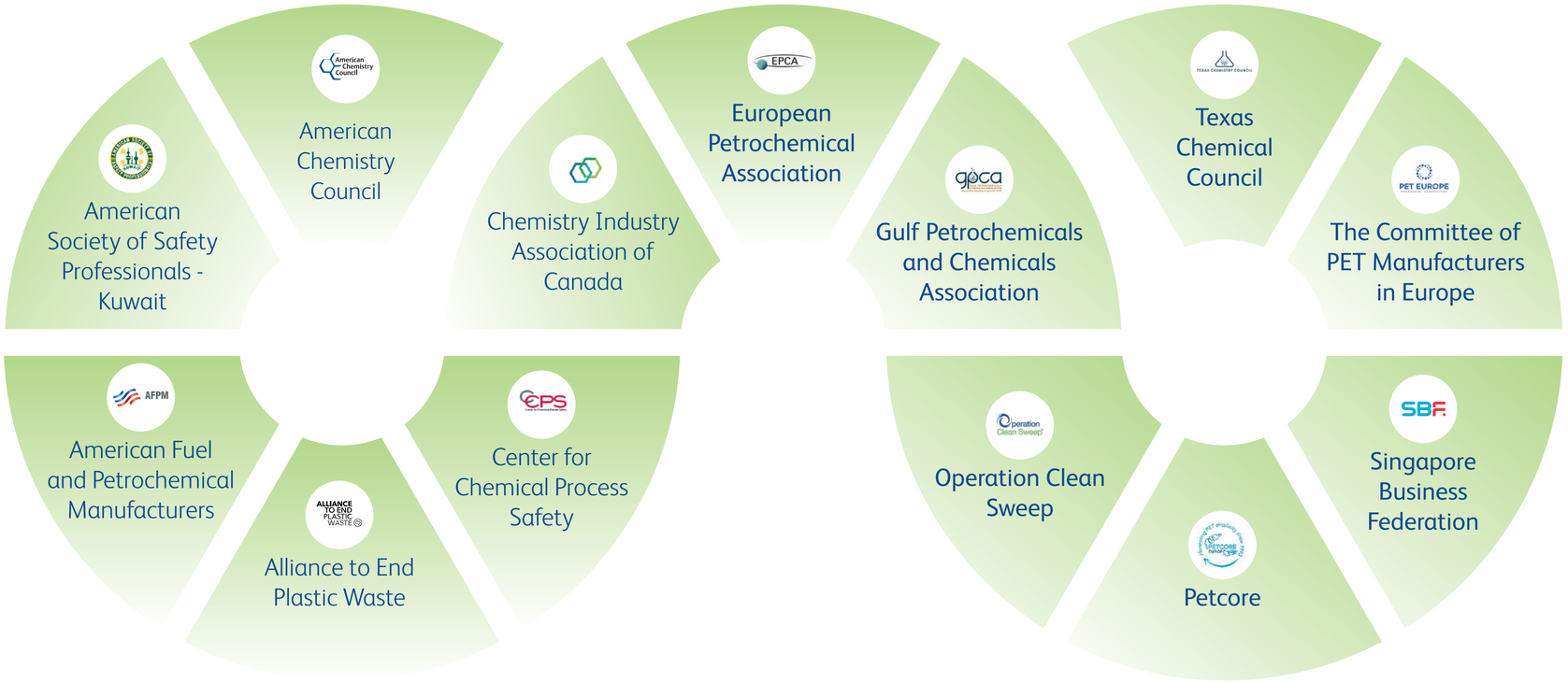
ISO/IEC 17025:2017 Accreditation

International Organization for Standardization's accreditation on laboratory quality management system (mechanical testing)

Our Memberships and Alliances

GRI 2-28

EQUATE Group works with numerous top-tier industry associations and partnerships to drive positive societal change. Through these alliances, we collaborate on innovative strategies to foster sustainability, reduce carbon emissions, and advocate for environmental stewardship, while strengthening trust through transparent initiatives and supporting local talent development.







Chapter 03

OUR APPROACH TO ESG

Our ESG Strategy

Our ESG strategy is developed to support the creation of a sustainable future. Guided by our management team and ESG Committee, the strategy is centered on advancing sustainability, strengthening resilience, and generating positive impact within the communities we serve.

ESG principles are integrated across all levels of the organization, from executive leadership discussions to operations within our corporate offices and manufacturing facilities in Kuwait, Germany, the United States, and Canada. These principles are deeply embedded in both our culture and daily operations. At the heart of EQUATE Group lies a strong ESG framework that promotes collaboration and commitment. Our strategy emphasizes building effective partnerships with government entities and local communities, bringing together diverse stakeholders to drive sustainability across all areas of our operations. Through targeted initiatives in community engagement, environmental stewardship, and employee well-being, we continue to demonstrate our commitment to addressing ESG-related challenges. Furthermore, we remain committed to contributing to the United Nations Sustainable Development Goals (UN SDGs) through purpose-driven initiatives aligned with these global priorities.

Over the past few years, EQUATE Group has undertaken a significant transformation, guided by a strong commitment to embedding ESG principles across our operations.

Our efforts are focused on aligning our strategic ESG priorities with identified material topics, while ensuring adherence to applicable regulatory requirements. In 2025, we continued to build on these initiatives, maintaining our commitment to the established priorities and ongoing regulatory compliance.

Stakeholder Engagement

GRI 2-29

Our stakeholder engagement strategy is designed to foster structured and meaningful relationships with key stakeholders. We categorize stakeholders into three main groups:

Operational Stakeholders

Key government and private bodies that impact day-to-day operations, business, and people

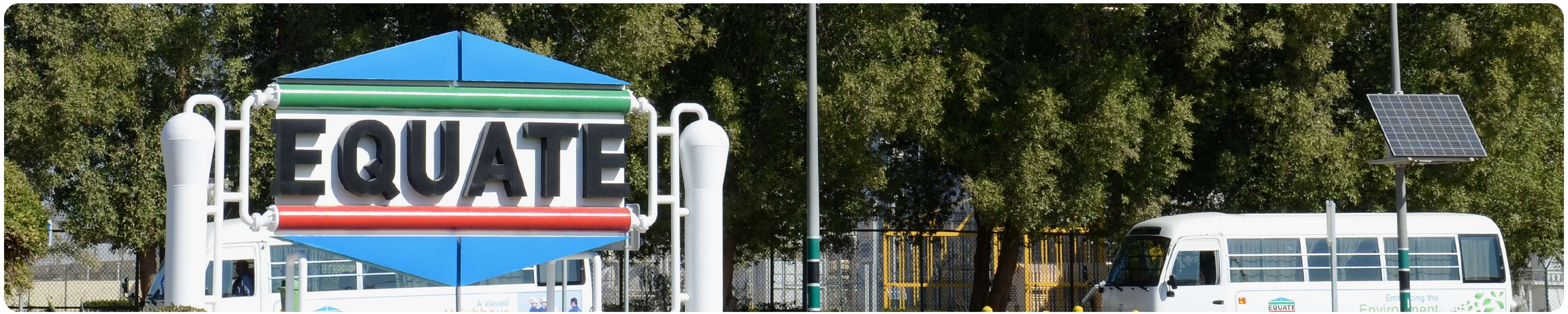
Strategic Stakeholders

Government, diplomatic, NGO, communities and private bodies that can support our economic contribution, growth, and business sustainability. These stakeholders influence policies, laws, regulations, and decision-making

People and organizations whose interests periodically intersect with EQUATE's strategic initiatives

A group that has occasional influence on our business

Our primary stakeholders include our shareholders, employees, customers and suppliers. We communicate with our stakeholder groups through different channels of engagement at varying intervals to ensure effective collaboration for achieving our shared environmental and social goals.



Materiality Assessment

GRI 3-1

At EQUATE, we are committed to aligning our initiatives with stakeholder expectations and international best practices. We periodically undertake a detailed materiality assessment, incorporating interviews, surveys, and comprehensive desktop research to capture the views and priorities of our stakeholders.

This approach enables us to gather both quantitative and qualitative insights from each stakeholder group, which are systematically analyzed to develop a final set of key and prioritized material topics. Our internal process for assessing and updating material topics is aligned with globally recognized frameworks, including the GRI Standards. The results of this assessment inform the development of our overall ESG strategy and priority focus areas.

We remain dedicated to continuously enhancing our ESG strategy to address the evolving expectations and requirements of our stakeholders. There have been no significant changes to our material topics since the previous reporting cycle.

GRI 3-2

The matrix below outlines the key material topics for EQUATE Group.



1 Energy
2 Emissions/climate change
3 Water and effluents
4 Waste management and circular economy
5 Product stewardship
6 Occupational health and safety
7 Diversity and equal opportunity
8 Local communities or CSR
9 Human rights/labor management
10 Asset integrity and process safety
11 Training and education
12 Business ethics and anti-corruption
13 Governance and compliance
14 Responsible supply chain
15 Data security and data privacy
16 Risk management and business continuity



Chapter 04

GOVERNANCE

ENSURING EFFECTIVE GOVERNANCE AND COMPLIANCE

ESG Governance

At EQUATE Group, our ESG governance framework guides our efforts in meeting our ESG goals and action plans. This framework involves the Board of Directors (BoD), senior management, the ESG Steering Committee, and regional committees focused on social investment. ESG matters are reviewed by the senior management, with input on integrating ESG into corporate strategy and risk management. EQUATE remains committed to embedding ESG principles throughout its operations to drive meaningful and sustainable impact.



In 2025, the EQUATE Group strengthened ESG governance by appointing an ESG Director and an ESG Specialist, working closely with the Senior Executive and ESG Steering Committee.

Board of Directors

Responsible for high-level approval of the ESG budget and ESG strategy

President and CEO

Responsible for sponsoring the ESG Committee and approvals of the ESG budget and ESG strategy

ESG Director

Responsible for development of the ESG strategy and oversight of the ESG budget

Senior Executive

Responsible for leading and directing the ESG committee

ESG Steering Committee

Responsible for the development and implementation of the ESG strategy and ESG initiatives for EQUATE Group

ESG Specialist

Leads the implementation of the strategy through coordinating various activities, data collection and progress monitoring

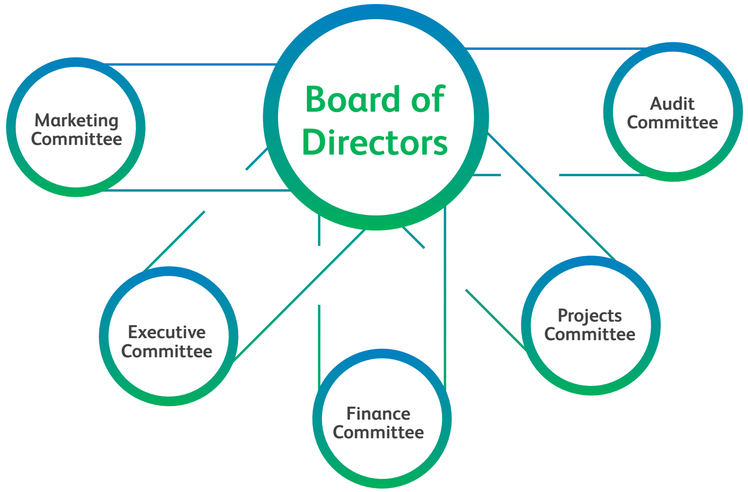
ESG Working Teams / ESG Focal Points

Supports implementation of ESG initiatives across functions, provides departmental input, and acts as focal points to drive ESG integration throughout the organization

Governance and Oversight

Our Board Committees

GRI 2-12 GRI 2-13



Role of the BoD in ESG Oversight

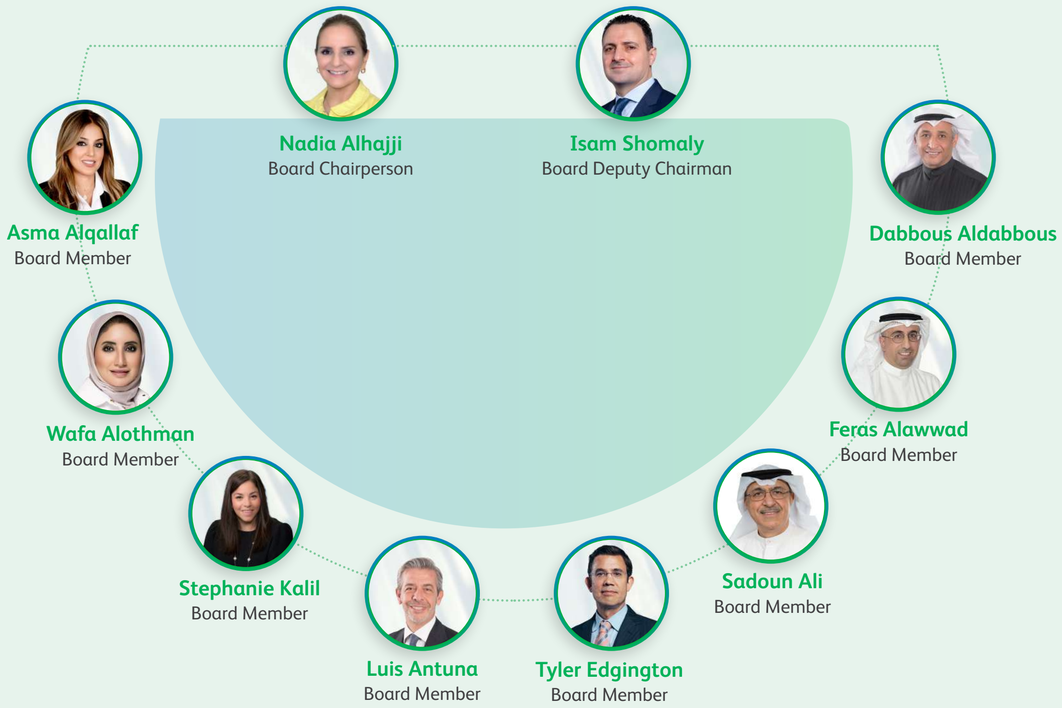
The BoD plays an important role in overseeing and working with the Executive Management Team to guide EQUATE's ESG agenda, including reviewing strategies, budgets and progress against targets. Sustainability updates, covering ESG and climate matters, are discussed in each Board meeting, with performance feedback provided through leadership and the ESG Committee.

Materiality assessment results, along with stakeholder feedback and market insights, provide valuable input into strategic planning and decision-making, ensuring alignment with overall business objectives

Our Diverse and Experienced Leadership

GRI 2-9 GRI 2-10 GRI 2-11

The BoD of EQUATE Group consists of ten members: four appointed by Petrochemical Industries Company (PIC), four by Dow, and one each by Boubyan Petrochemical Company (BPC) and Kuwait Projects Company (Holding) (KIPCO). The Board meets regularly, with seven meetings held in 2025.



EQUATE BOARD as per Aug 2026

EQUATE Executive Management Team (EMT)



Naser Aldousari
President and CEO



Dr. Issam Lazraq
Senior Vice President



Phisanu Sermchaiwong
Chief Financial Officer



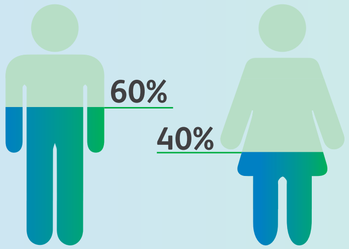
Dieter Schnepel
Vice President of Operations



Dr. Salman Alajmi
Vice President Technical Services

EQUATE Executive Management Team (EMT) as per Aug 2026

Gender



Board Independence*



**Independence is measured by assessing relationships, financial interests, and affiliations with the company or its stakeholders.*

For more information on our Board's experiences, see EQUATE BoD.

Corporate Governance and Compliance

GRI 2-27 | GRI 205-2 | GRI 2-15

Our Code of Conduct

Our Code sets out EQUATE Group's values, ethical principles, and policies that guide employees across all business activities. By adhering to the Code, we ensure our practices are aligned with applicable legal and regulatory requirements. EQUATE Group remains committed to upholding high standards of corporate governance and complying with all relevant laws, codes, and regulations. The Code provides a structured basis for ethical decision-making, equipping employees, suppliers, and contractors with the necessary guidance to make informed choices. Our compliance standards are applied consistently across all entities within the Group, ensuring alignment at a global level.

Ethics and Compliance Committee

The Ethics and Compliance Committee (ECC), a subcommittee of the EQUATE Group Board of Directors' Audit Committee, plays a key role in fostering a culture of ethical conduct and compliance across EQUATE Group. Members serve three-year terms, supporting the ECC's independence and objectivity in carrying out its responsibilities.

The ECC is responsible for establishing and maintaining ethical standards that protect EQUATE Group's values. Together, the Code and the ECC form essential components of the Group's governance framework, promoting transparency, accountability, and ethical decision-making across the organization.

You may view EQUATE's Code here: EQUATE's Code of Conduct

Business Ethics and Anti-Corruption

GRI 205-1 GRI 205-2 GRI 205-3

To support transparency and uphold high ethical standards, EQUATE Group adheres to a robust corporate governance framework anchored in the Code, including external audits and oversight by the BoD. Recognizing the adverse effects of bribery and corruption on reputation and fair competition, we promote ethical business practices through governance measures, employee awareness, and training programs that support integrity and responsible decision-making.

In 2025, 1,309 employees completed training on the Code and related policies, reinforcing our commitment to integrity and ethical decision-making across the organization.

Compliance with Laws and Regulations

GRI 419-1

During the fiscal year 2025, EQUATE Group did not incur any material penalties or non-monetary sanctions resulting from non-compliance with applicable environmental or socio-economic laws, regulations, or standards.

Human Rights Compliance

GRI 2-3 GRI 2-4

EQUATE is dedicated to respecting human rights across its operations and supply chain. We aim to identify, prevent, and reduce any negative impacts on human rights connected to our business activities and supply chain, while embedding responsible practices into our everyday operations.

Reporting and Grievance Mechanisms

GRI 2-16 GRI 2-26

EQUATE offers employees multiple channels to report concerns, including a dedicated website, a third-party ethics hotline, and access to the HR and Legal departments. Any issues or suspected breaches of the Code are evaluated by the Ethics and Compliance Committee, which conducts investigations when necessary. To ensure confidentiality and protect employees, anonymous reporting options are also available.

Remuneration and Performance-Based Incentives

GRI 2-19

EQUATE Group acknowledges the significance of individual and team performance in driving business success. We have incentive programs as rewards for individual or team excellence for achieving EQUATE Group's objectives. Our Programs include the following:

- **Short Term Incentives (STI) and Management Variable Incentive Program (MVIP):** These programs reward employees and leadership for their contributions and commitment towards achieving organizational goals. Performance is evaluated across categories: individual, departmental, and corporate.
- **Long-Term Incentive Program (LTI):** This program is designed to recognize and retain key employees who drive exceptional value and results for the organization.
- **EQUATE Reward System (ERS):** This program encourages and rewards collaborative efforts within and across teams, emphasizing peer-to-peer recognition.



RISK MANAGEMENT AND BUSINESS CONTINUITY

Enterprise Risk Management (ERM)

EQUATE Group's ERM framework aligns with Committee of Sponsoring Organizations of the Treadway Commission's (COSO) ERM framework and ISO 31000 risk management guidelines, enabling a structured approach to risk management practices. With clear policies and continuous updates, we assess and mitigate risks effectively, fostering a risk-aware culture to protect our assets, reputation, and long-term sustainability.

Risks are assessed across key areas such as safety, environment, finance, and reputation. We invest in continuous learning, with employees participating in global forums and specialized training to stay ahead of emerging risks and enhance operational resilience.

Business Continuity Management (BCM)

EQUATE Group integrates BCM framework into its core operations to ensure resilience and continuity of operations during and after disruptions by defining key activities, resources, and recovery solutions.

Our BCM framework is supported by internationally recognized standards, including ISO 22301 and the Good Practice Guidelines (GPG 7.0) by BCI.



DATA SECURITY AND DATA PRIVACY

GRI 3-3 GRI 418-1

EQUATE Group has implemented a comprehensive framework of policies and procedures to effectively govern its data security and data privacy practices, including:

- The Information Asset Management Policy
- Information System Acquisition & Development Policy
- Public Key Management, Encryption, Log Management & Monitoring Policy
- Internet Security Policy
- Acceptable Usage Policy
- Access Control Policy
- Email Security Policy
- Clear Desk and Clear Screen Policy
- Intellectual Property Rights Policy
- Compliance Policy
- The Generative Artificial Intelligence Policy

These policies ensure that data security and privacy are upheld at the highest standards across the organization. To further strengthen its data privacy framework, EQUATE Group has established a dedicated team to oversee its implementation, reflecting the company's commitment to protecting data and maintaining stakeholder trust.

Disaster Recovery Policy

EQUATE's business continuity is governed by the Disaster Recovery Policy, which outlines procedures for critical systems and is tested on an annual basis to ensure effectiveness. GPAD (Global Process Automation Department) and IT together works to meet established service level agreements (SLAs) with vendors to optimize incident response times, supported by advanced monitoring systems and incident reporting mechanisms. Meanwhile, EQUATE targets 99.80 % system availability, using monitoring tools to track and improve performance.

Emergency Scenarios

EQUATE's objective is to have zero Priority One cybersecurity incidents, a target that was achieved in 2025. The company's cybersecurity performance is assessed on a monthly and quarterly basis by a specialized steering committee made up of senior executives. To safeguard its digital assets, EQUATE employs sophisticated tools including Email Security, Privileged Access Management, and Security Information and Event Management (SIEM).

ZERO

complaints on customer privacy, breaches, identified leaks, and thefts or losses of customer data across all our operations.

RESPONSIBLE SUPPLY CHAIN

GRI 204

By procuring goods and services from 15 countries, EQUATE Group fosters a culture that establishes harmonized links and interfaces between basic corporate procurement and business elements. This approach enables the Group to achieve continuous value creation, improve cost efficiency, generate sustainable competitive advantages, and support business growth.

Financial Position
Financial statements with respective stakeholders are evaluated.

Value Proposition
Suppliers must submit a value proposition and are evaluated for price, quality, delivery/lead time, shipping terms, new technology, credit terms, product range, etc.

References/Experience and Partnerships
Sourcing specialists look for partnership certification and approach customers for feedback.

Safety, Sustainability and Others
ISO certification, safety records, and sustainability programs are evaluated from the supplier's records.

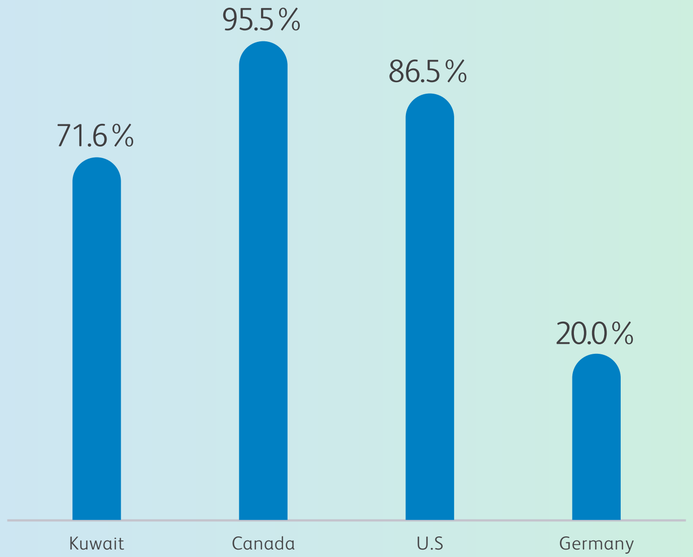
Technical Capabilities
Sourcing specialists cross check with the existing approved vendor/ manufacturer lists.

Local Spending

GRI 3-3 GRI 204-1

As responsible corporate citizens, we prioritize aligning supplier and contractor activities with environmental, health, and safety standards, as well as best business practices. We also support local suppliers, recognizing their role in driving economic growth and strengthening the economies in which we operate.

% of Local Spending in Kuwait, North America and Germany in 2025



Note: % local spending includes procurement, fixed, and supply chain spending





Chapter 05

Environment

INTRODUCTION

EQUATE Group remains committed to moving towards a greener and more sustainable economy, with a strong focus on actively lowering its environmental footprint.

By embedding sustainability at the heart of our operations, we strive to deliver lasting value to our stakeholders and foster a healthier environment. Our efforts are guided by robust EH&S standards and the Responsible Care® Management System. We ensure our workforce receives ongoing training, and our environmental progress is demonstrated through notable accomplishments and recognition. Through continuous innovation, responsible stewardship, and proactive engagement, we are committed to advancing a more sustainable future.



ENERGY

GRI 3-1 GRI 302-1 GRI 302-3 GRI 302-4

EQUATE Group remains focused on consistently optimizing its processes to enhance energy efficiency, guided by the Group's energy reporting policy based on the industry-standardized energy calculation methodology developed in accordance with the Ken Nelson Method. Energy is a critical component of operations, supporting processing units, cogeneration facilities, equipment, and infrastructure.

The Group's energy portfolio comprises grid electricity, externally procured steam, natural gas, and renewable sources, with natural gas remaining the primary energy source, while other fuels such as diesel are maintained for emergency backup.

Renewable energy initiatives

EQUATE Group understands the importance of diversifying its energy sources, with a focus on renewable energy, to reduce its carbon footprint and support long-term sustainability. As part of its strategy, the Group continues to advance initiatives aimed at increasing the adoption of renewable energy across its operations.

Our dedication is demonstrated through renewable energy projects in North America, led by MEGlobal Canada ULC and MEGlobal Americas Inc. In Canada, MEGlobal continues its ten-year agreement with Capital Power Corporation to support wind energy generation from the Whitla Wind facility in Alberta. While the agreement contributes to renewable electricity generation and an expected reduction of approximately 2.2 million metric tons of CO_2 equivalent ($MTCO_2e$) over the life of the agreement, the renewable electricity generated is not directly consumed by MEGlobal's production facilities. In 2025, the purchase and application of 376,000 MWh of renewable energy certificates (RECs) to sites in Alberta contributed to an avoidance of approximately 165,000 $MTCO_2e$.

At the Oyster Creek site in Texas, an agreement with Calpine Energy enables the use of renewable energy, which has resulted in the generation and retirement of approximately 999,000 megawatt-hours (MWh) of renewable energy certificates (RECs) since 2022, contributing to an avoidance of roughly 335,000 $MTCO_2e$.

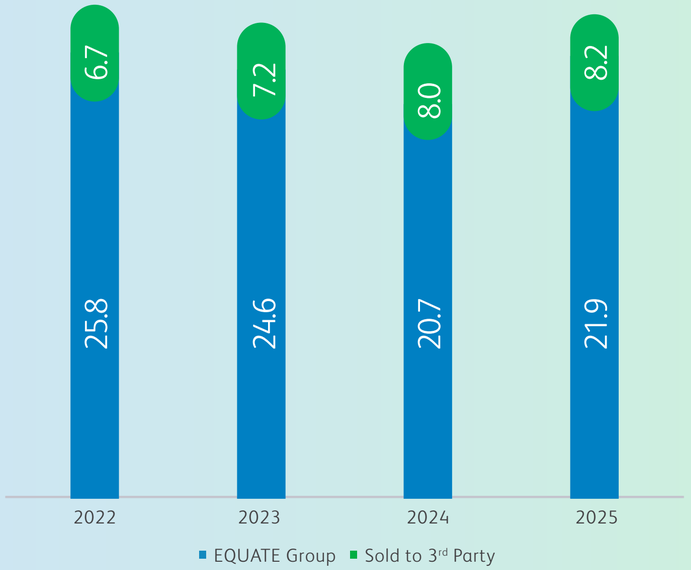
Energy intensity

The EQUATE Group's commitment to reducing energy consumption is reflected in its detailed energy reporting policy, which mandates consistent tracking of the Specific Energy Index (SEI) across all operations. SEI serves as a critical performance metric, representing the total energy consumption per unit of production and enabling effective monitoring of energy efficiency.

Our Executive Management Team (EMT) evaluates the SEI metric to ensure performance remains aligned with, or exceeds, industry benchmarks, in accordance with standards set by governmental bodies and the Intergovernmental Panel on Climate Change (IPCC) for energy measurement.

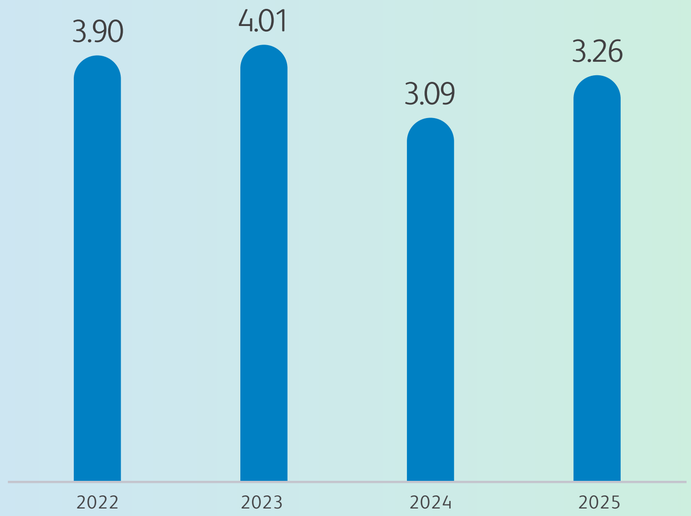
In addition, our ethylene glycol business is benchmarked every three years through external studies by Phillip Townsend Associates, which compare our performance to the industry standard.

Total energy consumption [million GJ]



** The 2024 total energy consumption value has been revised to reflect an improved calculation of steam consumption.*

Energy Intensity (GJ/MT of product)



EMISSIONS AND CLIMATE CHANGE

GRI 3-3 GRI 305

Target

Reduce Scope 1 & 2 absolute greenhouse gas (GHG) emissions by **40%** by 2035

EQUATE Group is striving to minimize greenhouse gas (GHG) emissions and address climate change by setting clear emissions reduction targets and implementing a structured decarbonization plan. Progress is guided by our step-by-step plan, called Multi Phase Project (MPP) roadmap, which outlines key actions and milestones across all manufacturing facilities, supported by monthly and annual emissions tracking. In 2025, additional focus was placed on Scope 3 emissions to enhance transparency and accountability across our operations.

At the governance level, our ESG Committee oversees emissions management across the Group, ensuring compliance with local regulatory frameworks, including Kuwait Environment Public Authority (KEPA), Alberta Environment and Protected Areas (AEPA) and Environment Canada and Climate Change (ECCC) in Canada, and Texas Commission on Environmental Quality (TCEQ) and Environmental Protection Agency (EPA) in the US.

GHG Emissions

GRI 305-1 GRI 305-2 GRI 305-4 GRI 305-5

In 2025, Scope 1 emissions for the EQUATE Group represented 74% of total emissions, with the remaining emissions linked to indirect sources, including purchased electricity and steam. Most Scope 1 emissions continued to originate from industrial processes, venting, and stationary combustion sources such as boilers. Total annual greenhouse gas (GHG) emissions were recorded at 3.6 million metric tons of CO_2 equivalent ($MTCO_2e$) on a net basis, of which 2.6 million $MTCO_2e$ were attributed to Scope 1 emissions and 0.9 million $MTCO_2e$ to Scope 2 emissions on a market-based basis. Meanwhile, the corresponding location-based Scope 2 emissions were 1.2 million $MTCO_2e$. The Group's continued efforts to improve operational efficiency and reduce emissions were reflected in a reduction of 0.6 million $MTCO_2e$.

EQUATE uses region-specific methodologies and advanced tools to track emissions across all sites. Emissions reporting aligns with international standards and is overseen by specialized teams and top management.

Propylene Flaring Avoidance

Implemented a solution to recycle propylene back into the feed stream instead of flaring it. This initiative helped avoid approximately 6,264 tons of propylene flaring, reduce nearly 18,792 tons of CO_2 emissions, and generate approximately 5,550 tons of additional ethylene production.

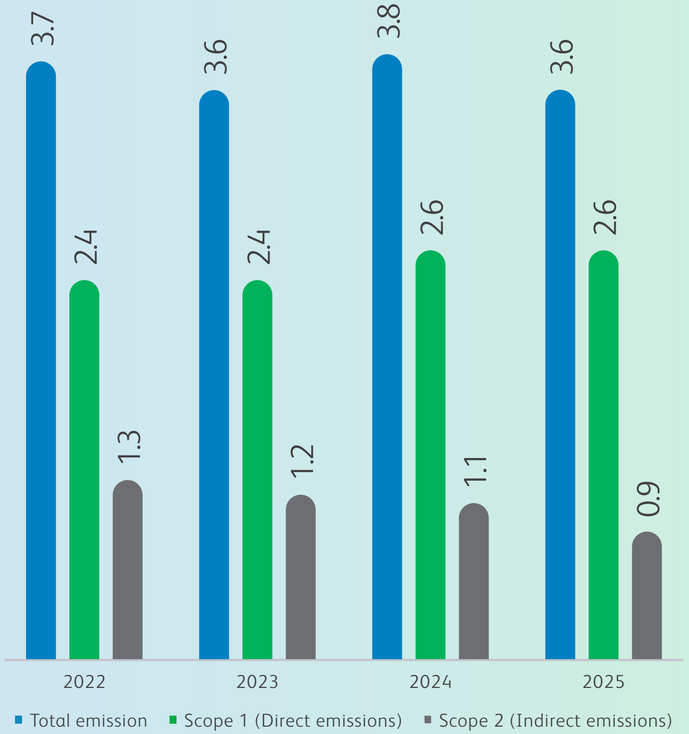


Sulfur Removal Unit Reliability Improvement

EQUATE improved sulfur removal unit reliability through an innovative vapor recycling solution. This initiative achieved an approximately 63% reduction in acid gas flaring, avoided nearly 5,000 tons of emissions per year, and improved operational stability and efficiency.

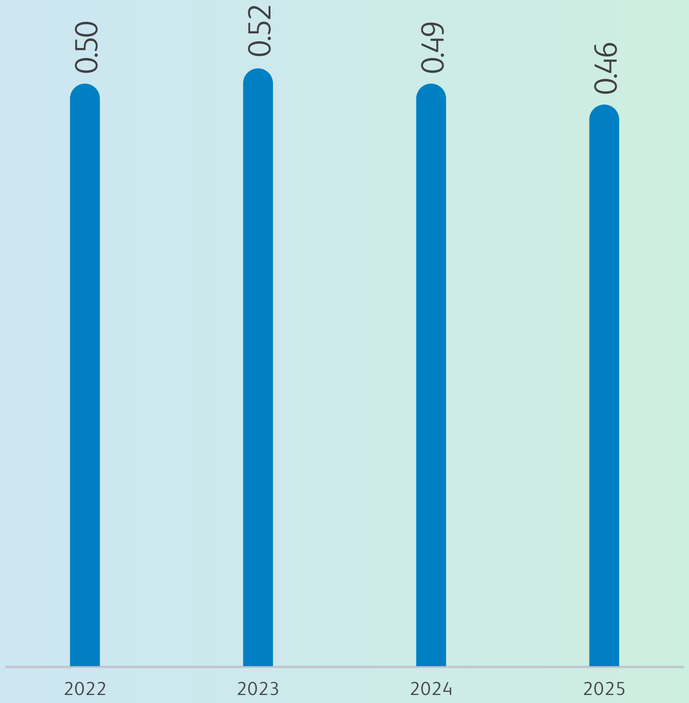


Net direct and indirect GHG emissions (million $MTCO_2e$)



** Scope 2 emissions values are reported on a market-based basis.*

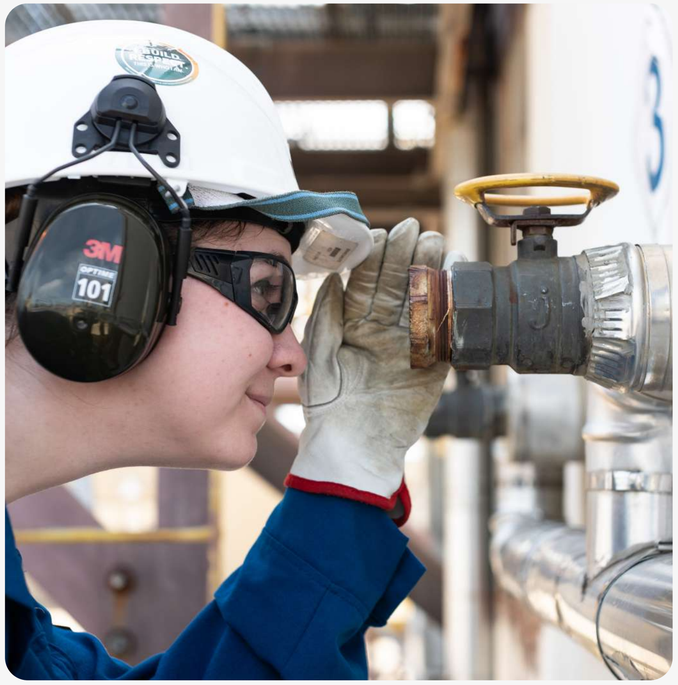
GHG emissions intensity (million $MTCO_2e$/MT of products)



Note 1: Denominator used: metric tons of ethylene, propylene, PE & EG for our Kuwait facilities, metric tons of EG for our North American facilities, and metric tons of PET for our German facility.
Note 2: GHG emissions included are Group-wide Scope 1 and Scope 2 emissions.
Note 3: Gases included in the calculation: Kuwait facility: CO2, CH4, HFCs; Germany and North American facilities: HFCs, CO2, CH4, and N2O.

MEGlobal Renewable Energy Certificates

MEGlobal expanded the use of renewable energy certificates from Calpine Energy to cover Alberta's electricity consumption. As a result, Alberta's market-based electricity emissions are now effectively zero CO_2/MWh, representing 100% renewable electricity on a market-based basis. The approach had previously been implemented for Oyster Creek and, starting in 2025, applies to all MEGlobal operations.



Nitrogen Oxides, Sulphur Oxides and other Significant Air Emissions

GRI 305-7

At our manufacturing facility in Kuwait, we comply with the guidelines and regulations established by the KEPA for the calculation and monitoring of air emissions. In Canada, our calculations align with the requirements of the National Pollutant Release Inventory, while in the US, we adhere to the Emissions Inventory Guidelines set forth by the TCEQ.

Air emission type (MT)	2022	2023	2024	2025
Nitrogen Oxides (NOx)	1,261	1,243	1,434	1,410
Sulphur Oxide (SOx)	2,220	2,052	3,097	3,238
Volatile organic compounds (VOC)	349	408	756	433
Hazardous air pollutants (HAP)	8	1	45	9
Particulate matter (PM)	47	45	38	43

Data boundary: NOx emissions include Kuwait, North American, and German operations. SOx emissions include Kuwait and North American operations. VOC and HAP emissions include North American operations and Kuwait operations (starting 2024). PM emissions are exclusively for the North American operations.

Note 1: Emissions factors used are obtained from the International Energy Agency for power, natural gas for our Kuwait operations.

Note 2: Sources include government methodologies, AP-42, and stack test results for our North American operations.

Note 3: The increase in VOC and HAP emissions in 2024 is due to the resumption of the Leak Detection and Repair Program in the Kuwait operations after being suspended for 3 years due to Covid-19. The reduction in VOC and HAP emissions in 2025 reflects repairs undertaken following leak detection activities, including immediate leak tightening and corrective actions completed during planned shutdowns.



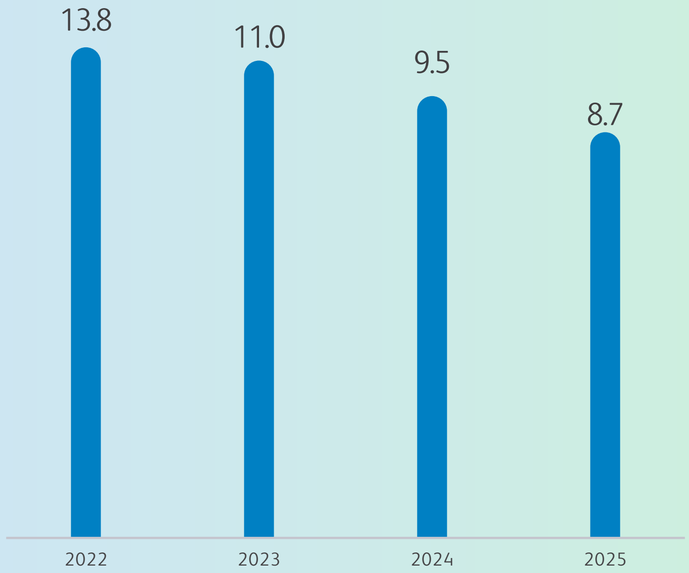
WATER AND EFFLUENTS

GRI 3-3 GRI 303-2

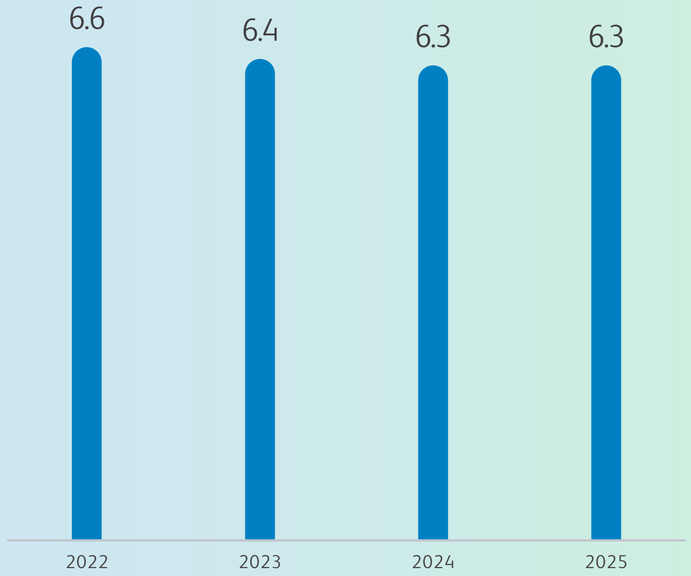
At EQUATE Group sustainability and innovation serve as the central elements of our value creation and growth strategy. We remain bound to minimizing water usage across our operations while ensuring full compliance with applicable regulatory requirements. Our North American operations have set a target to reduce net freshwater consumption by 10% by 2035 from a 2020 baseline, supported by ongoing investments in process optimization, wastewater reuse, and recycling initiatives.

In Kuwait, we strictly adhere to the regulatory requirements set by the KEPA and Public authority of Industries (PAI). In Canada, our operations comply with the regulations of AEPA. While in the US, we work with a third-party wastewater treatment facility to meet the standards of the EPA and the TCEQ for effluent water.

Net Seawater consumption (Kuwait Operations) (Mn m3)



Net Freshwater consumption (Germany and North America Operations) (Mn m3)



Water Withdrawal, Discharge and Consumption

GRI 303-1 GRI 303-3 GRI 303-4 GRI 303-5

At EQUATE Group, we set water-related targets prioritizing local water users, and monitor total water withdrawn, consumed, and discharged to evaluate our impact and ensure effective water management approach.

In Kuwait, we use both seawater and purified water from the Ministry of Electricity and Water (MEW) for both operations. Potable water is used for domestic and safety purposes, while distilled water serves process needs. Where seawater supply comes from PAI.

In North America, we rely solely on freshwater. The Prentiss facility in Canada sources and treats water from the Red Deer River in Alberta before treating and returning it, while our Oyster Creek and Fort Saskatchewan facilities use raw water from third parties. Wastewater generated is routed through a wastewater treatment plant prior to discharging back to the river or sea.

Our ongoing commitment to responsible water management is demonstrated through investments in process optimization, wastewater reuse, and recycling initiatives across our operations.

	Year 2024		Year 2025	
	Kuwait – Net Sea Water (Mn m^3)	North America & Germany – Net Fresh Water (Mn m^3)*	Kuwait – Net Sea Water (Mn m^3)	North America & Germany – Net Fresh Water (Mn m^3)
Water Intake or Withdrawal	444.0	8.2	442.5	8.2
Water Discharge	434.5	2.0	433.8	1.9
Water Consumption	9.5	6.3	8.6	6.3

** The variance in 2024 water data for North America & Germany is primarily attributable to an improved calculation methodology at Schkopau site in Germany. In previous reports, water consumption was estimated using an LCA-based factor equivalent to 1.7x PET production. In 2025, detailed site-level consumption data provided by EQP engineers for both 2024 and 2025 indicated that the previous methodology had overstated water consumption, as it was based on broader life cycle assumptions rather than actual water use within the site boundary.*

WASTE MANAGEMENT AND CIRCULAR ECONOMY

GRI 3-3 GRI 306-1 GRI 306-2

Target

Implement plastic waste circularity within EQUATE Group's recycling framework.

At EQUATE Group, we are committed to reducing waste generation and promoting a circular economy through waste management and strategic partnerships.

Our operations comply with applicable regulatory requirements across all jurisdictions, including AEPA guidelines for solid waste disposal and hazardous waste management in Canada, EPA and TCEQ for waste management requirements in the US, and KEPA standards for waste management and disposal in Kuwait, ensuring appropriate management of waste, including hazardous materials, emissions, and effluents. As a Responsible Care® company, MEGlobal carefully upholds the necessary programs for the responsible management of hazardous wastes, emissions, and effluents.

Waste Generated

GRI 306-3

EQUATE Group continues to enhance the environmental footprint of its operations through the implementation of cutting-edge waste management strategies. Waste generated across operations is categorized into hazardous and non-hazardous streams to ensure appropriate handling, treatment, and disposal. Hazardous waste includes materials such as degraded sulfonate, solidified process sludge, and spent activated alumina, while non-hazardous waste primarily consists of paper waste, ceramic materials, and organic waste. This classification enables the application of targeted strategies for waste management, recycling, and disposal, in line with our commitment to sustainability and regulatory requirements

Total waste generated at EQUATE Group (MT)

Type of Waste	2022	2023	2024	2025
Hazardous waste	6,018	6,799	5,898	5,187
Non-hazardous waste	7,766	7,445	12,942	6,319
Total waste generated	**13,784**	**14,244**	**18,840**	**11,506**

Waste Handling, Treatment and Disposal

GRI 306-4 GRI 306-5

EQUATE Group maintains structured waste management systems that integrate treatment, storage, recycling, and disposal. Recycling is prioritized for both hazardous and non-hazardous waste streams, with 100% diversion of plastic waste from landfills in Kuwait and recovery of valuable materials like silver and palladium across operations. Waste reduction is further enhanced through collaboration with specialists and product stewardship initiatives, which led to decreased disposal volumes and improved recycling outcomes in 2025.

Total waste diverted from disposal (MT)	2022	2023	2024	2025
Hazardous waste	5,352	4,909	5,377	4,270
Non-hazardous waste	6,876	5,231	6,839	5,188
Total waste diverted	**12,228**	**10,140**	**12,216**	**9,458**

Total waste directed to disposal (MT)	2022	2023	2024	2025
Hazardous waste	666	1,890	521	917
Non-hazardous waste	890	2,209	6,103	1,131
Total waste directed to disposal	**1,556**	**4,099**	**6,624**	**2,048**



PRODUCT STEWARDSHIP

GRI 3-3

EQUATE Group is committed to providing safe, high-quality, and responsibly sourced products. Product stewardship is integrated throughout every stage of the product life-cycle, from design to end-of-life management, ensuring compliance with international standards such as EU REACH, UK REACH, Turkey REACH (KKDIK), and the Bureau of Indian Standards (BIS).

EQUATE maintains a comprehensive product stewardship program to promote the safe handling and appropriate use of ethylene glycol. Recognizing the potential human health concerns associated with inappropriate uses of EG, the Group sets strict protocols and controls designed to prevent unapproved applications of EQUATE-manufactured EG products. In addition, to support responsible product use across the value chain, the product stewardship team provides annual training to the sales team and conducts annual customer audits focused on the appropriate handling and use of EG.

In 2025, PE and EG products were assessed against product stewardship requirements through lifecycle assessments, customer feedback, risk analyses, and Safety Data Sheets (SDS), all embedded within the ODMS for ongoing safety, compliance, and improvement.



SPILL MANAGEMENT

EQUATE Group acknowledges the environmental risks associated with unintended releases of products or hazardous materials from accidental spills. In line with our commitment to safeguarding the environment, we proactively address spill risks through stringent annual monitoring of environmental releases. Our comprehensive approach includes the development of responsive action plans, execution of thorough follow-up inspections, and the initiation of internal campaigns aimed at raising awareness and reducing the likelihood of spills. Through these efforts, we have not recorded any spill events since 2023, demonstrating our unwavering commitment to preventing spills and protecting the environment.





Chapter 06

SOCIAL

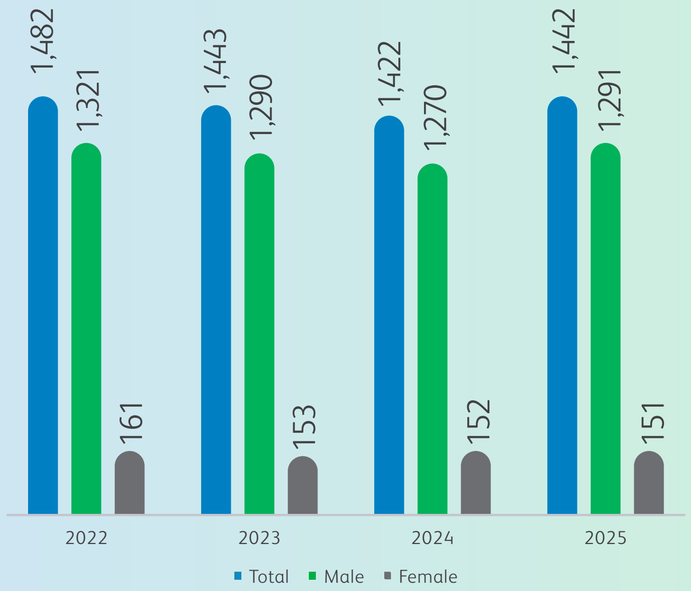
AN ENGAGED WORKFORCE

Our Workforce Profile

GRI 2-7

The 1,442 employees across our global workforce play a key role in accomplishing our mission and strategic objectives. We are committed to creating a safe, inclusive, and engaging environment, focusing on skill development, retention, and community involvement. By doing so, we drive innovation and deliver exceptional value across our global operations.

Employee Breakdown by total number of employees and gender



** The employee headcount data, including total workforce and gender breakdown, has been restated.*

Employee Engagement and Well-being

At EQUATE Group, we are committed to creating a meaningful and positive employee experience by empowering our workforce through targeted engagement and development initiatives. We provide opportunities for growth and regularly conduct engagement surveys to capture employee feedback on key areas such as engagement, inclusion, well-being, and alignment with the company's vision, mission, strategy, and values.

The organization offers a range of benefits and programs that support employee well-being, including health insurance, employee loans, education assistance, savings schemes, leave travel allowance, career development opportunities, and reward programs.

In addition, EQUATE implemented a corporate well-being program designed to enhance employee engagement and strengthen the employee value proposition. The program focuses on key dimensions of well-being, including physical health, mental health, social connections, financial security, career satisfaction, and community engagement.

Case Study

HR Process Automation

EQUATE advanced HR process automation by digitizing almost all administrative processes, replacing paper-based workflows and manual approvals with system-enabled processes and e-signatures. The initiative improved efficiency, reduced paper handling, enhanced traceability and auditability, and streamlined the employee experience through faster and more seamless HR transactions.



Talent Attraction and Retention

GRI 3-3 GRI 401-1

EQUATE Group's people-focused policies foster a supportive culture which emphasizes fairness, diversity, and performance through standardized recruitment frameworks and global mobility opportunities. Hiring practices are regularly reviewed and audited, with workforce planning sessions identifying future needs and benchmarking against market standards. The annual workforce plan tracks hiring and turnover, supported by KPIs and recruitment partnerships with local educational institutions. In 2025, 78 new employees were hired with focus on developing young talent, driving nationalization, and promoting gender diversity.



Employee Learning and Development

GRI 3-3 GRI 404-2

Fostering an engaged workforce and promoting excellence is a key focus of the EQUATE Group. Through our talent management system and training policies, we support skill development in key areas such as environment, health and safety, quality, and compliance. While employees own their individual development plans, they are supported by HR resources and leadership guidance to achieve their professional growth objectives.

Our Approach to Integrated Talent Management

Competency Management System

Provides each employee with individual development plans as per gaps in identified competencies relevant for each job role and function.



Career Opportunity Map

Provides transparent information about employees' career progression opportunities.

Enterprise Learning System

Supports employee training through courses identified as per specific employee developmental needs

Training classifications at EQUATE Group

Organization-wide training

Mandatory training for all employees within the organization (e.g., Code training)

Competency-based training

Based on identified competency development needs covering cultural capabilities, technical competencies and leadership code

Job-level training

Mandatory classroom- based training with assessment e.g., EH&S Life Critical Standards training

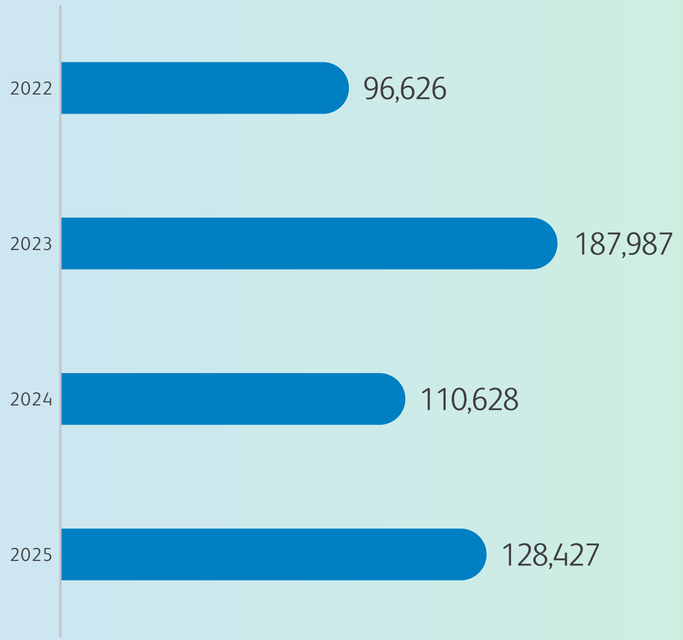


Employee Training Hours

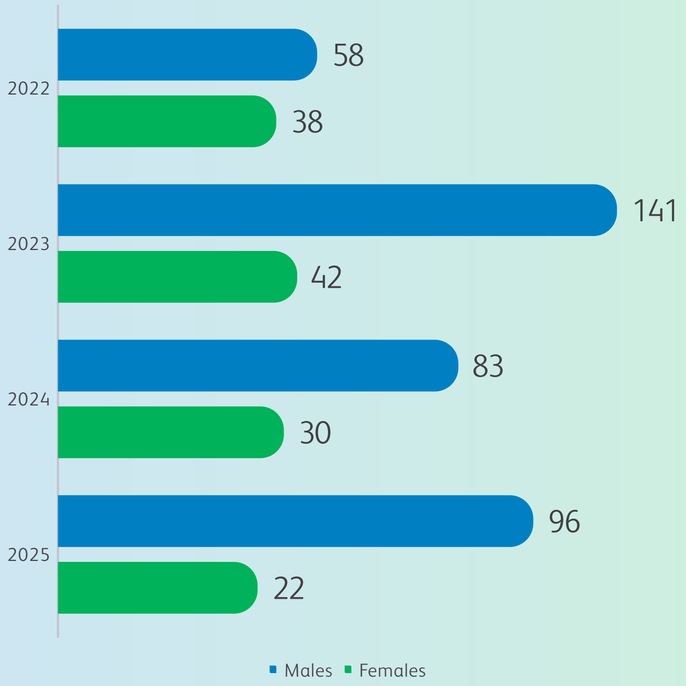
GRI 401-1

In 2025, EQUATE Group dedicated 128,427 hours in employee training, reinforcing our commitment to continuous learning and professional growth. Our structured training initiatives reach every level of the organization and are anchored by two essential policies: addressing regulatory and operational requirements, and supporting employee growth through competency-based development.

Total hours spent on training (hours)



Average hours of training breakdown by gender

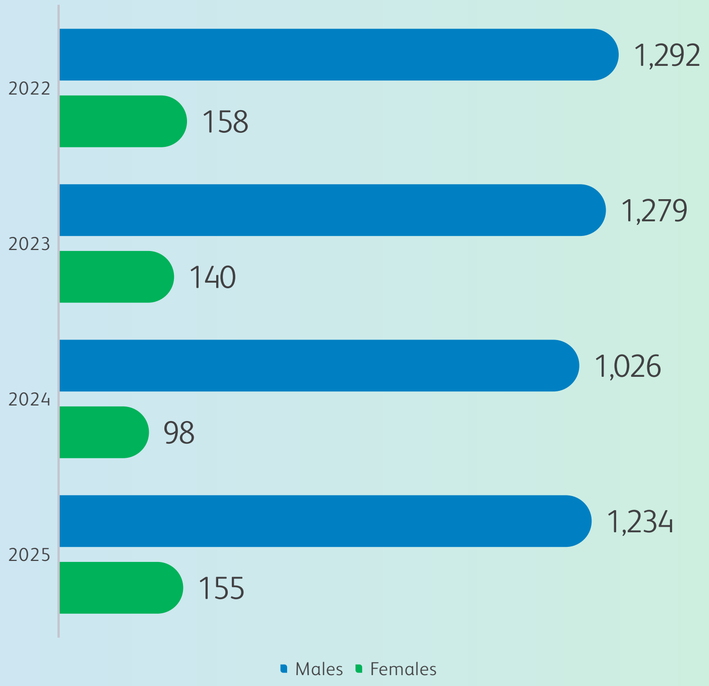


Employee Performance Evaluation

GRI 404-3

EQUATE Group emphasizes performance excellence and career growth for employees across all levels. To assess performance and identify development opportunities, we conduct regular evaluations through a structured annual review cycle. This performance-driven culture is grounded in clearly defined objectives and promotes continuous feedback, transparent communication, and a strong commitment to supporting employee growth and success. We are proud that we are using world-class electronic performance management system that provides effective tracking, documentation and follow-up to ensure compliance.

Total number of employees who received annual performance appraisal (by gender)



A CULTURE OF DIVERSITY, EQUITY, AND INCLUSION (DEI)

GRI 3-3 GRI 405-1

EQUATE Group is dedicated to fostering a culture of Diversity, Equity, and Inclusion across its global operations. We recognize DEI as a fundamental driver of economic growth and a crucial business imperative that influences our economic, operational, and environmental performance. Our HR policies and DEI governance framework properly promote and implement DEI standards. Progress is monitored using a centralized HR dashboard that evaluates the effectiveness of our DEI initiatives. During the reporting period, we remained fully compliant with DEI regulations. Regular internal and external audits are conducted to ensure ongoing adherence to our DEI policies and procedures.

Enhancing Kuwaiti Nationalization Rate

EQUATE Group is strongly committed to advancing employment opportunities and professional development for qualified Kuwaiti nationals, in line with Kuwait's Human Capital Development Vision 2035. We recognize the critical role qualified local talent plays in driving economic growth and innovation. To support this, we implement targeted initiatives to attract, retain, and develop qualified Kuwaiti professionals through structured training, mentorship, and career progression pathways.

To support the delivery of the 2025 strategic and annual workforce plans, recruitment efforts included participation in a job fair targeting diploma graduates, along with the execution of a focused hiring campaign for Operator and Technician roles.

Objective

Our targeted objective was to attain a workforce comprising 60% Kuwaiti nationals by the year 2025.

Progress

By the end of 2025, our operations in Kuwait have already achieved a commendable nationalization rate of 65%.



ENSURING WORKFORCE HEALTH AND SAFETY

GRI 3-3

EQUATE Group demonstrates a strong commitment to occupational health and safety (OHS) through active participation in both international and local initiatives. EQUATE prioritizes the well-being of employees, contractors, and surrounding communities, integrating OHS into the core of its ESG strategy. EQUATE ensures high safety standards by conducting thorough internal and external audits, fostering a safety-focused culture, and aligning its management systems with recognized international standards such as ISO 14001 and RC 14001, all unified under its Operational Discipline Management System (ODMS).

Case Study

OC Turnaround safety performance

EQUATE, through MEGlobal Americas Inc., enhanced turnaround safety management during the 2025 Oyster Creek Turnaround through strengthened governance, contractor engagement and proactive risk controls. The initiative supported safe execution of a complex maintenance event, resulting in zero serious safety incidents and successful achievement of operational objectives.





“Safety by choice, not by chance campaign

EQUATE launched the “Safety by Choice, Not by Chance” campaign to promote proactive safety behaviors, personal accountability and environmental responsibility.

Our Health and Safety Goal

As a Target Zero Group, our goal is to achieve Zero Incidents and Zero Injuries, underpinned by our commitment to workplace health and safety, our Code, and values.



Hazard identification, risk assessment and mitigation

GRI 403-2

EQUATE Group integrates hazard identification and risk assessment as core components of its risk management framework. Guided by our incident reporting and investigation policy, we apply structured procedures to assess, eliminate, and control hazards across both routine and non-routine tasks, ensuring the safety of employees and third-party workers.

Occupational injuries

GRI 403-9

EQUATE Group is committed to effectively track and document all work-related incidents involving employees and contractors, categorized as injuries, illnesses and motor vehicles in 2025.

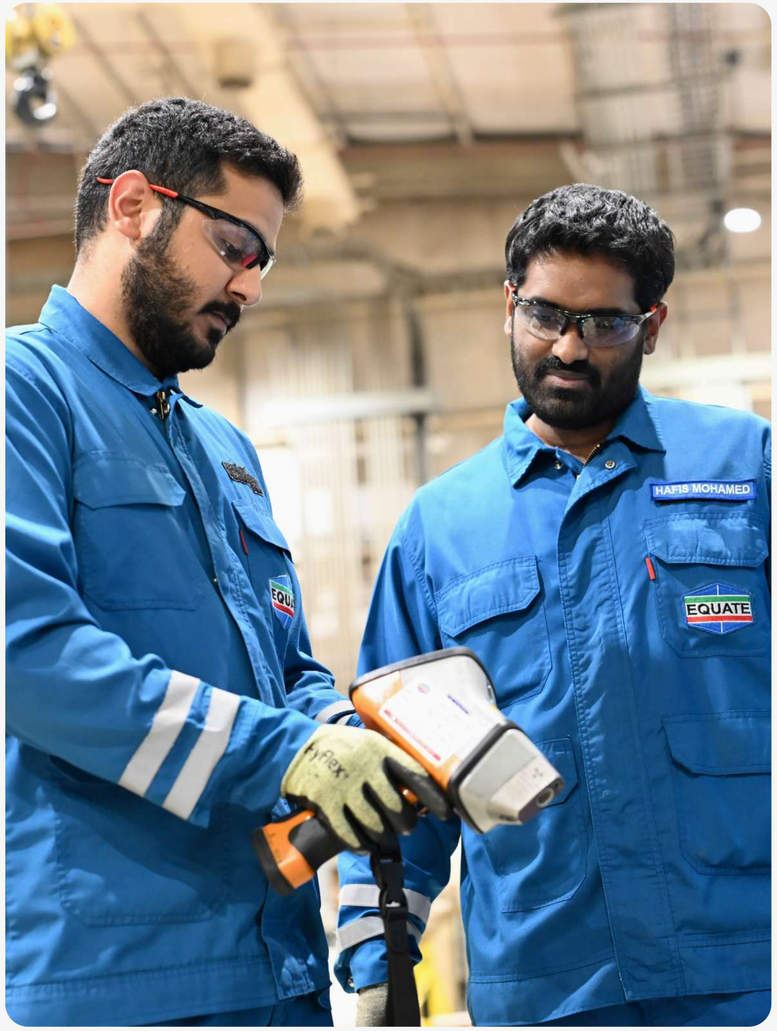
To eliminate these personal safety risks, we enforce our safety programs and tools, such as: Behavior Based Process (BBP) , Safe Work Permitting (SWP), detailed and regular risk assessments, alongside continuous awareness initiatives for employees and contractors. Adherence to our safety systems remains essential to minimizing the likelihood of serious workplace incidents.

EH&S trainings

EQUATE Group prioritizes the safety, health, and well-being of its employees and contractors through a range of initiatives, including medical check-ups, classroom and on-site safety training, and job-specific programs. In 2025, we delivered comprehensive training programs to enhance awareness and strengthen safety practices across our workforce. These efforts are supported by a combination of proactive and reactive EH&S initiatives aimed at reducing risks, promoting well-being, and maintaining a safe work environment.

Enhancing Heat Stress Monitoring through Real-Time WBGT Readings

EQUATE enhanced its summer heat stress program by installing a continuous monitoring device that provides real-time Wet Bulb Globe Temperature (WBGT) readings. The device automates heat stress measurements previously conducted manually on an hourly basis, supporting more timely assessment of heat stress risks across the workforce.

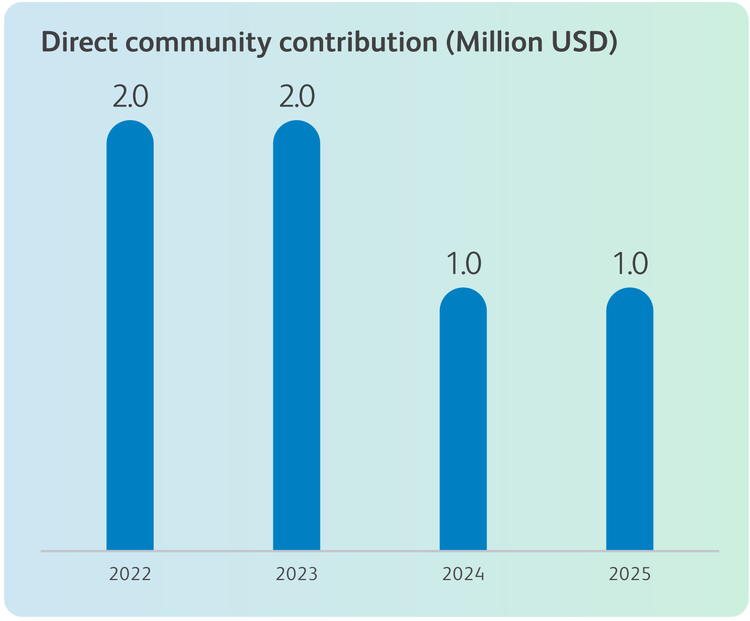


OUR COMMUNITY INITIATIVES AND ENGAGEMENT

GRI 3-3

EQUATE Group is committed to delivering positive societal impact through philanthropic partnerships, charitable contributions, and employee volunteerism. Our CSR initiatives align with our mission, values, and strategic priorities, while community engagement activities strengthen relationships, accountability, and reputation. In 2025, our community investments and sponsorships totaled approximately USD 1 million.

We remain dedicated to supporting the communities where we operate, contributing through employment, local procurement, and taxes, while advancing social and charitable initiatives. This commitment is guided by our Community Engagement and Outreach Policy and supported by a Sponsorship Policy to effectively manage global sponsorship activities.



Community Initiatives

Name of CSR programs undertaken	Details of program
Omniya Program	EQUATE sponsored the Omniya program in Kuwait and invested $81,367 in 2025. During the five-year collaboration with Omniya, EQUATE supported various initiatives, such as gathering single-use plastic bottles in schools, conducting awareness sessions, and showcasing inspiring artwork made from recycled plastics through the "Your School's Omniya" program.
NBK Marathon	EQUATE formed a strategic partnership with NBK to include individuals with disabilities as a separate category in one of the largest marathons in Kuwait for the first time. The sponsorship amount for the program was $33,000.
Braille Touch Device	EQUATE Group sponsored $28,389 for the Kuwait Blind by providing four Note Touch Braille Devices to enhance accessibility for visually impaired individuals supporting their higher education and research efforts.
GPCA - Kuwait University Students	EQUATE Group is committed to advancing the petrochemical industry by empowering the next generation of engineers, proudly sponsoring talented young students from Kuwait University at the GPCA 4th Youth Forum with a contribution of $15,632.
United Way Employee Charities Campaigns	EQUATE Group North America employees generously contributed personal donations, which were matched by MEGlobal, raising over $300,000 for the United Way and other charities in Central Alberta, the Alberta Capital Region, Brazoria County, and Greater Houston. The United Way supports a coordinated network of social programs that enhance the quality of life in local communities. These funds addressed urgent issues and helped vulnerable individuals access essential resources such as food, housing, and education. In addition to making direct contributions, MEGlobal employees engaged in special events like trivia, a dominoes tournament, lunches, auctions, and raffles, fostering camaraderie and company pride while supporting a worthy cause.
Fort Heritage Precinct Education Program	MEGlobal Fort Saskatchewan collaborates with The Fort Heritage Precinct to provide local schools with a range of curricular programs aimed at supporting historical thinking and the delivery and synthesis of knowledge as outlined in the Alberta Social Studies Curriculum. Through programs led by knowledgeable and enthusiastic interpreters, students and teachers have the chance to engage interactively with the rich history of Alberta and Canada. In 2025, over 300 students participated in the Fort Heritage Precinct's programs, with a total expenditure of $11,000 for this initiative.
Ellis Nature Centre Partnership	MEGlobal Canada ULC has been collaborating with the Ellis Nature Centre (ENC), a nationally recognized conservation and education centre, since 2004. The ENC conducts research and provides habitat for migratory songbirds, particularly the Mountain Bluebird. MEGlobal plays a vital role in supporting this important environmental education facility by providing its primary annual operational funding. In 2025 the contribution was $180,000.
Adopt a Family Program	MEGlobal's Sugar Land Office (SLO) participated in the Adopt-A-Family program in collaboration with the Shared Dreams Foundation, a nonprofit organization supporting families in need during the holiday season. The SLO team collectively supported a family facing significant challenges, including illness, job loss, and housing instability, by fulfilling their needs through donations of clothing, toys, food, toiletries, and gift cards. Team members also prepared and wrapped gifts, demonstrating a strong culture of compassion, teamwork, and community support.
ACTIONS Inc. Angel Tree Program	In Sugar Land, TX, MEGlobal implemented the Angel Tree program in 2025, through which employees "adopted" senior citizens by fulfilling their holiday wish lists. These lists included essential items such as toiletries, clothing, snacks, and personal care products. Employees purchased and thoughtfully wrapped the gifts, ensuring they were delivered with care, reinforcing a culture of compassion and demonstrating appreciation and support for elderly community members.
Ahmadi Bridge Paint Campaign	EQUATE Group initiated the "Ahmadi Bridge Paint Campaign" in Kuwait, investing $39,918.30 and contributing to community service through the voluntary enhancement of bridges.
Surfside Jetty Park Playground	EQUATE, through MEGlobal Americas Inc., supported the Surfside Jetty Park Playground project as part of a broader industry collaboration to enhance a public community space in Brazoria County. The initiative aimed to improve access to safe, inclusive recreational infrastructure while promoting environmental awareness and responsible plastic lifecycle management. EQUATE partnered with 14 petrochemical companies and the Brazoria County Parks Department to deliver a fully functional, ADA-compliant playground incorporating recycled plastic materials. The project also received national recognition through the American Chemistry Council's 2025 Responsible Care® Initiative of the Year Award.

GRI Content Index

Statement of use	EQUATE Group has reported the information cited in this GRI content index for the period starting January 1, 2025 and ending December 31, 2025 in accordance with the GRI standards
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-1 Organizational details	9-10			
	2-2 Entities included in the organization's sustainability reporting	5, 10-11			
	2-3 Reporting period, frequency and contact point	5			
	2-4 Restatements of information	5			
	2-5 External assurance	5			
	2-6 Activities, value chain and other business relationships	9-11			
	2-7 Employees	38			
	2-8 Workers who are not employees	38			
	2-9 Governance structure and composition	W-22			
	2-10 Nomination and selection of the highest governance body	20-22			
	2-11 Chair of the highest governance body	20-22			
	2-12 Role of the highest governance body in overseeing the management of impacts	20-22			
	2-13 Delegation of responsibility for managing impacts	20-22			
	2-14 Role of the highest governance body in sustainability reporting	20-22			
	2-15 Conflicts of interest	22-23			
	2-16 Communication of critical concerns	23			
	2-17 Collective knowledge of the highest governance body	20-21			
	2-18 Evaluation of the performance of the highest governance body		Evaluation of the performance of the highest governance body	Confidentiality constraints	Details regarding the evaluation of the performance of the highest governance body are subject to confidentiality requirements and are therefore not publicly disclosed.

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-19 Remuneration policies	23			
	2-20 Process to determine remuneration	23			
	2-21 Annual total compensation ratio	Page 5 annual report			
	2-22 Statement on sustainable development strategy	3, 9, 17			
	2-23 Policy commitments	24-26, 28-30, 35, 39, 41-43			
	2-24 Embedding policy commitments	24-26, 28-30, 35, 39, 41-43			
	2-25 Processes to remediate negative impacts	23			
	2-26 Mechanisms for seeking advice and raising concerns	23			
	2-27 Compliance with laws and regulations	22-23			
	2-28 Membership associations	15			
	2-29 Approach to stakeholder engagement	17			
	2-30 Collective bargaining agreements	38-43			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	18			
	3-2 List of material topics	18			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	13			
GRI 3: Material Topics 2021 (Procurement practices)	**3-3 Management of material topics**	**26**			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	26			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	23			
	205-2 Communication and training about anti-corruption policies and procedures	23			
	205-3 Confirmed incidents of corruption and actions taken	23			

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 3: Material Topics 2021 (Energy)	**3-3 Management of material topics**	**29**			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	6, 29			
	302-2 Energy consumption outside of the organization		Energy consumption outside of the organization	Information unavailable/incomplete	Energy consumption outside of the organization is not currently tracked or disclosed at Group level.
	302-3 Energy intensity	6, 29			
	302-4 Reduction of energy consumption	6, 29			
	302-5 Reductions in energy requirements of products and services	29			
GRI 3: Material Topics 2021 (Water and Effluents)	**3-3 Management of material topics**	**33**			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	33			
	303-2 Management of water discharge-related impacts	33			
	303-3 Water withdrawal	6, 33			
	303-4 Water discharge	6, 33			
	303-5 Water consumption	6, 33			
GRI 3: Material Topics 2021 (Emissions)	**3-3 Management of material topics**	**30-32**			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	6, 30-32			
	305-2 Energy indirect (Scope 2) GHG emissions	6, 30-32			
	305-3 Other indirect (Scope 3) GHG emissions		Scope 3 Emissions	Information unavailable/ incomplete	EQUATE Group is planning to report its scope 3 emissions in the future
	305-4 GHG emissions intensity	6, 30-32			
	305-5 Reduction of GHG emissions	6, 30-32			
	305-6 Emissions of ozone-depleting substances (ODS)	No emissions of ozone-depleting substances (ODS) were reported during 2025.			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	32			

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 3: Material Topics 2021 (Waste)	**3-3 Management of material topics**	**34**			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	34			
	306-2 Management of significant waste-related impacts	34			
GRI 306: Waste 2020	306-3 Waste generated	6, 34			
	306-4 Waste diverted from disposal	6, 34			
	306-5 Waste directed to disposal	6, 34			
GRI 3: Material Topics 2021 (Supplier Environmental Assessment)	**3-3 Management of material topics**	**26**			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	26			
	308-2 Negative environmental impacts in the supply chain and actions taken	26			
GRI 3: Material Topics 2021 (Employment)	**3-3 Management of material topics**	**38-40**			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	38, 40			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	38			
	401-3 Parental leave	In 2025, parental leave was available to 967 employees (50 female employees and 917 male employees). During the reporting period, 91 employees took parental leave (6 female employees and 85 male employees). All employees who took parental leave returned to work, resulting in a 100% return-to-work rate for both female and male employees.			
GRI 3: Material Topics 2021 (Occupational Health and Safety)	**3-3 Management of material topics**	**42-43**			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	42-43			
	403-2 Hazard identification, risk assessment, and incident investigation	43			

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services	42-43			
	403-4 Worker participation, consultation, and communication on occupational health and safety	42-43			
	403-5 Worker training on occupational health and safety	43			
	403-6 Promotion of worker health	38, 43			
GRI 403: Occupational Health and Safety 2018	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	42-43			
	403-8 Workers covered by an occupational health and safety management system	42-43			
	403-9 Work-related injuries	43			
	403-10 Work-related ill health	No work-related ill health cases were reported in 2025.			
GRI 3: Material Topics 2021 (Training and Education)	**3-3 Management of material topics**	**38-40**			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	38, 40			
	404-2 Programs for upgrading employee skills and transition assistance programs	39			
	404-3 Percentage of employees receiving regular performance and career development reviews	40			
GRI 3: Material Topics 2021 (Diversity and Equal Opportunity)	**3-3 Management of material topics**	**41**			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	21-22, 41			
GRI 405: Diversity and Equal Opportunity 2016	405-2 Ratio of basic salary and remuneration of women to men	Compensation and benefits are determined based on objective criteria, including role responsibilities, qualifications, experience, and performance, without discrimination based on gender.			
GRI 3: Material Topics 2021 (Non-discrimination)	**3-3 Management of material topics**	**41**			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No incidents of discrimination were reported during 2025.			

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 3: Material Topics 2021 (Local Communities)	**3-3 Management of material topics**	**44**			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	44			
	413-2 Operations with significant actual and potential negative impacts on local communities	44			
GRI 3: Material Topics 2021 (Supplier Social Assessment)	**3-3 Management of material topics**	**26**			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	26			
	414-2 Negative social impacts in the supply chain and actions taken	No significant negative social impacts within the supply chain were identified during 2025.			
GRI 3: Material Topics 2021 (Customer Health and Safety)	**3-3 Management of material topics**	**35**			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	35			
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compliance concerning the health and safety impacts of products and services were reported during 2025.			
GRI 3: Material Topics 2021 (Marketing and Labeling)	**3-3 Management of material topics**	**35**			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	35			
	417-2 Incidents of non-compliance concerning product and service information and labeling	No incidents of non-compliance concerning product and service information and labeling requirements were reported during 2025.			
	417-3 Incidents of non-compliance concerning marketing communications	No incidents of non-compliance concerning marketing communications were reported during 2025.			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	25			

Disclaimer

Certain statements and illustrations contained in this Report are forward-looking. These statements (including plans, objectives, targets, and trends) and illustrations provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact.

Forward-looking statements are typically identified by words or phrases such as “anticipate”, “assume”, “believe”, “continue”, “estimate”, “expect”, “foresee”, “intend”, “may increase”, “may fluctuate” and similar expressions (regardless of nomenclature or type), or by future conditional verbs such as “will”, “should”, “would” and “could”. These forward-looking statements involve known and unknown risks, uncertainties, and other factors, which may cause the Group’s targets and/or soft commitments provided herein to be materially different from any future results or prospects expressed or implied by such statements or cause the Group to not achieve its published targets. Such factors include, among others:

- The frequency, severity and development of insured claim events, catastrophes, human-made disasters, pandemics, acts of terrorism or acts of war.
- Mortality, morbidity, and longevity experience.
- The cyclicality of the commodities sector.
- Government intervention relating to international trade arrangements, adverse geopolitical events, domestic political upheavals, or other developments that adversely impact global economic conditions.
- Increased volatility of, and/or disruption in, global markets and supply chains.
- Changes in legislation and regulation, or the interpretations thereof by regulators and courts, affecting the Group or its ceding companies, including as a result of comprehensive reforms or shifts in uncertainties in estimating targets and processes.
- Legal actions or regulatory investigations or actions, including in respect of industry requirements or business conduct rules of general applicability.
- Changes in performance metrics, data methodologies, calculation approaches or reporting boundaries.
- Changes in standards, practices, or policies.
- Significant investments, acquisitions or dispositions, or similar activities.
- Extraordinary events affecting the Group, including shutdowns due to environmental disasters.
- Changing levels of competition.
- The effects of business disruption due to terrorist attacks, cyberattacks, natural catastrophes, public health and emergencies, hostilities or other events.
- Limitations on the ability of the Group’s subsidiaries to pay dividends or make other distributions.
- Operational factors, including the efficacy risk management and other internal procedures in anticipating and managing the foregoing risks.

These factors are not exhaustive. The Group operates in a continually changing environment and new risks emerge continually. Readers are conditioned not to place undue reliance on forward-looking statements. EQUATE Group undertakes no obligation to publicly revise or update any forward-looking statements, whether as a result of new information, future events or otherwise (regardless of nomenclature or type). This communication is not intended to be a recommendation to buy, sell or hold securities and does not constitute an offer for the sale of, or the solicitation of an offer to buy, securities in any jurisdiction, including the United States. Any such offer will be only made by means of a prospectus or offering memorandum and in compliance with applicable securities laws.

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