



Our responsible business journey

ALTRAD Group
Responsible Business Report 2023





ALTRAD is a world leading international provider of industrial services to a wide range of industrial sectors. The Group is also a recognised leader in the manufacturing and distribution of equipment dedicated to the Construction and Building market.

Headquartered in Montpellier, France, the ALTRAD Group operates across Europe, the Middle East, Africa, Asia, the Americas and the Pacific. It is led by its Founder and President Mohed Altrad.



Contents

Introduction	Helping to build a sustainable world	04
	Mohed Altrad, President and Founder	
	Performance highlights FY2023	06
	Group highlights	08
	Our presence	10
	Our group activities	12
	A united culture	14
	Sustainable market forces and the external environment	16
	Ran Oren, CEO	
Developing One ALTRAD	One ALTRAD	18
	Our proposition through a sustainability lens	20
	Setting out our sustainability commitments	24
	Pascal Gaüzère, Head of Sustainability	
	ALTRAD's sustainability timeline	26
	Helping to meet global challenges	28
	Group principles delivered through subsidiaries	30
	Clear ethical standards	32
	ALTRAD Integrated Reporting System (AIRS)	34
	Managing risk and opportunity	36
Results summary of risk audit 2022	38	
Workforce engagement	Our Group-wide commitment to safety	42
	Driving positive change	44
	Upskilling and reskilling	46
	Increasing diversity to reflect society	48
Preservation and protection	Addressing global challenges	54
	ALTRAD's climate strategy	56
	Calculating our own impacts	58
	Setting the foundations for decarbonisation	60
Philanthropic initiatives	Enabling our communities to help themselves	64

Helping to build a sustainable world



“Our purpose is to build a sustainable world, striving to create an inclusive and diverse work environment, and to make a positive contribution through our activities to create a meaningful legacy to society.”

Mohed Altrad
Founder and President



Humility



Courage



Respect



Conviviality



Solidarity

Dear Stakeholder,

For nearly 40 years, the ALTRAD Group has relied on a set of fundamental values, namely humility, courage, respect, conviviality and solidarity. Today, these values are expressed in an aspiration to build a sustainable world as well as a sustainable business.

Mindful of the long-term interests of future generations, the ALTRAD Group, with the strength of all its stakeholders strives to make a positive contribution to the world. This is in delivering responsible business practices within our own operations, as well as supporting customers in achieving their sustainability objectives.

It is our vision to be the market leaders in our products and services. Our mission to innovate and to provide opportunities for personal and professional development is aligned with the need for a resilient and sustainable business. Historically we have not employed a holistic programme for the whole Group to follow, but have provided guiding principles to steer a decentralised management team in executing the company's growth strategy, allowing them entrepreneurial freedom.

This means that we have traditionally devolved responsibility to our operating companies – placing accountability for both financial and non-financial performance at a local level. Indeed, our business units have always maintained strong responsible business practices – especially health and safety – as it remains a critical component to our commercial success as well as being a core requirement of positively contributing to society.

However, such are the varied stakeholder drivers of today's markets requiring the presentation of a Group-wide strategy, we have decided to evolve our approach to ESG risk and opportunity management. An integrated sustainability programme is developing at a steady pace: and we have made significant progress throughout this year, including the appointment of a dedicated team to advance our resolutions across the Group and its subsidiaries.

We have set a clear course to define ALTRAD's commitments relating to people, governance and our own environmental actions, whilst strengthening our support for our customers in achieving their sustainability goals, especially in regard to the energy transition. Importantly, by enhancing the responsible business practices of our own operations, we will naturally be able to help our customers move towards being more sustainable too.

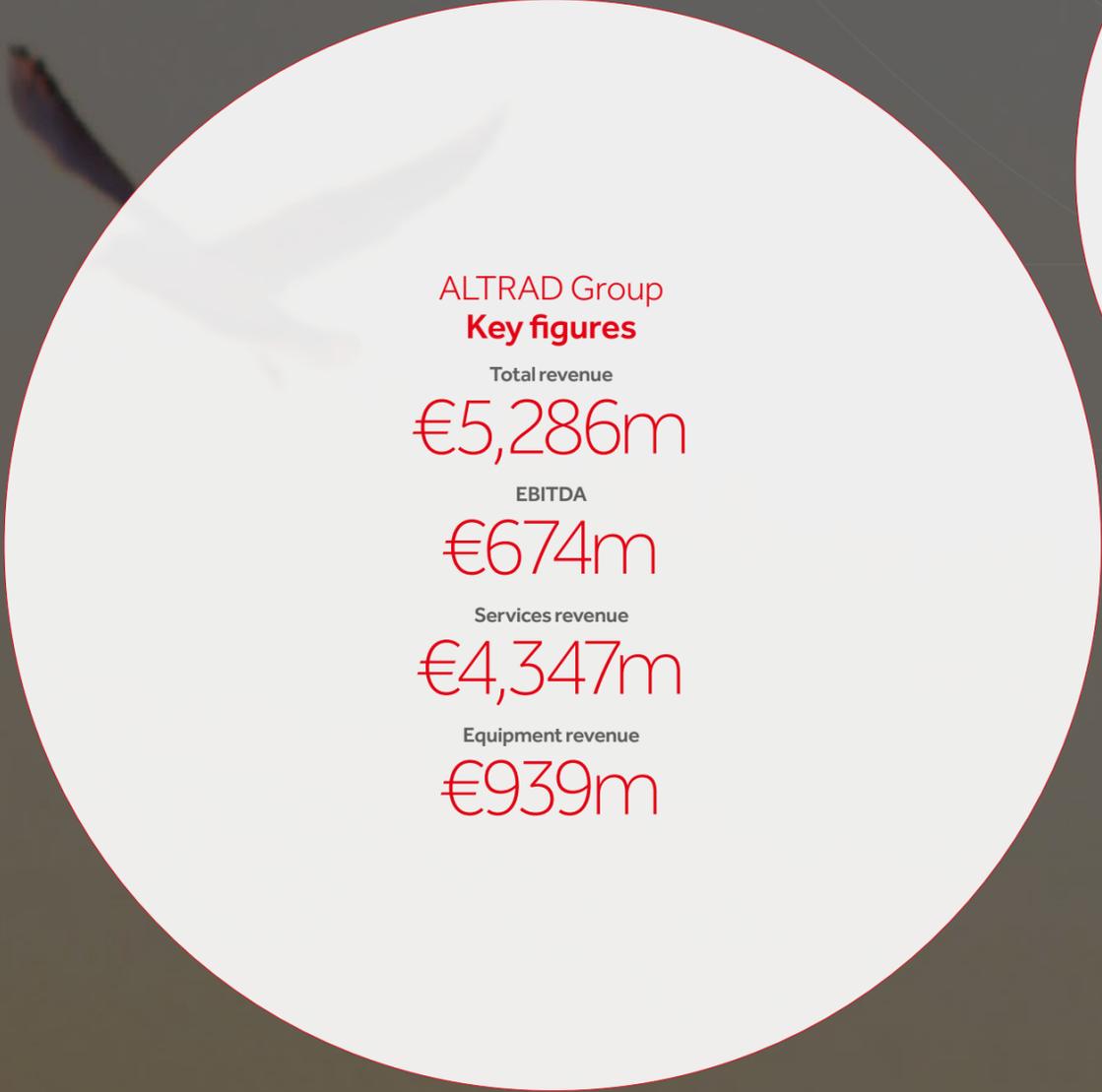
As we build out these strategies, we have considered what appropriate levels of disclosure we should be reporting given the wide range of voluntary standards and benchmarks for ESG disclosure that have existed over the past 10 years. Now that regulators and legislators are coalescing around European and global sustainability standards, we are embarking on a journey of assessment that will both identify our social and environmental impacts at business unit and group level, and report on our performance in line with a more settled taxonomy of metrics.

As part of this programme, we are developing more clearly defined commitments and objectives relating to staff, governance, our environmental actions and our philanthropic approach to society. Whilst some of these approaches are detailed in this report, we will be providing a fuller appreciation in subsequent disclosures.

We look forward to updating you on our further progress in our FY2024 reporting update.

Mohed Altrad

Performance highlights FY 2023





ALTRAD is a world leader in the provision of industrial services, generating high-added value solutions principally for the Energy, Power Generation, Process, Oil & Gas, Environment, and Construction sectors.

The Group is also a recognised leader in the manufacturing of equipment dedicated to the Construction & Building market. ALTRAD's multidisciplinary services range from engineering and technical services to maintenance, access solutions and specialised services for large enterprises.

The Group has developed through significant organic growth as well as the acquisition of several dozen companies, all duly recognized in their fields of activity and their areas of innovation, to complement our existing services. ALTRAD has always ensured the proper integration of these subsidiary companies into the larger organisation, whilst respecting cultural and organisational specificities. This is underpinned by a profound culture of accountability, to strengthen its sustainability as well as its competitiveness.

To achieve these goals, the Group endeavours to maintain a fair balance between economic performance, professional development, personal development, respect for the environment and social and civic engagement. These guidelines influence every decision taken and allows us to stay on the course that the Group has set itself: to leverage the skills of its people, to innovate and leave a positive imprint on the world.

The Group, whose head office is located in the south of France, employs around 60,000 people at the end of August 2023.

Breakdown of revenue

By division: Services ■ Equipment ■
€ millions YTD



Breakdown of workforce

By division: Services ■ Equipment ■
Number of employees



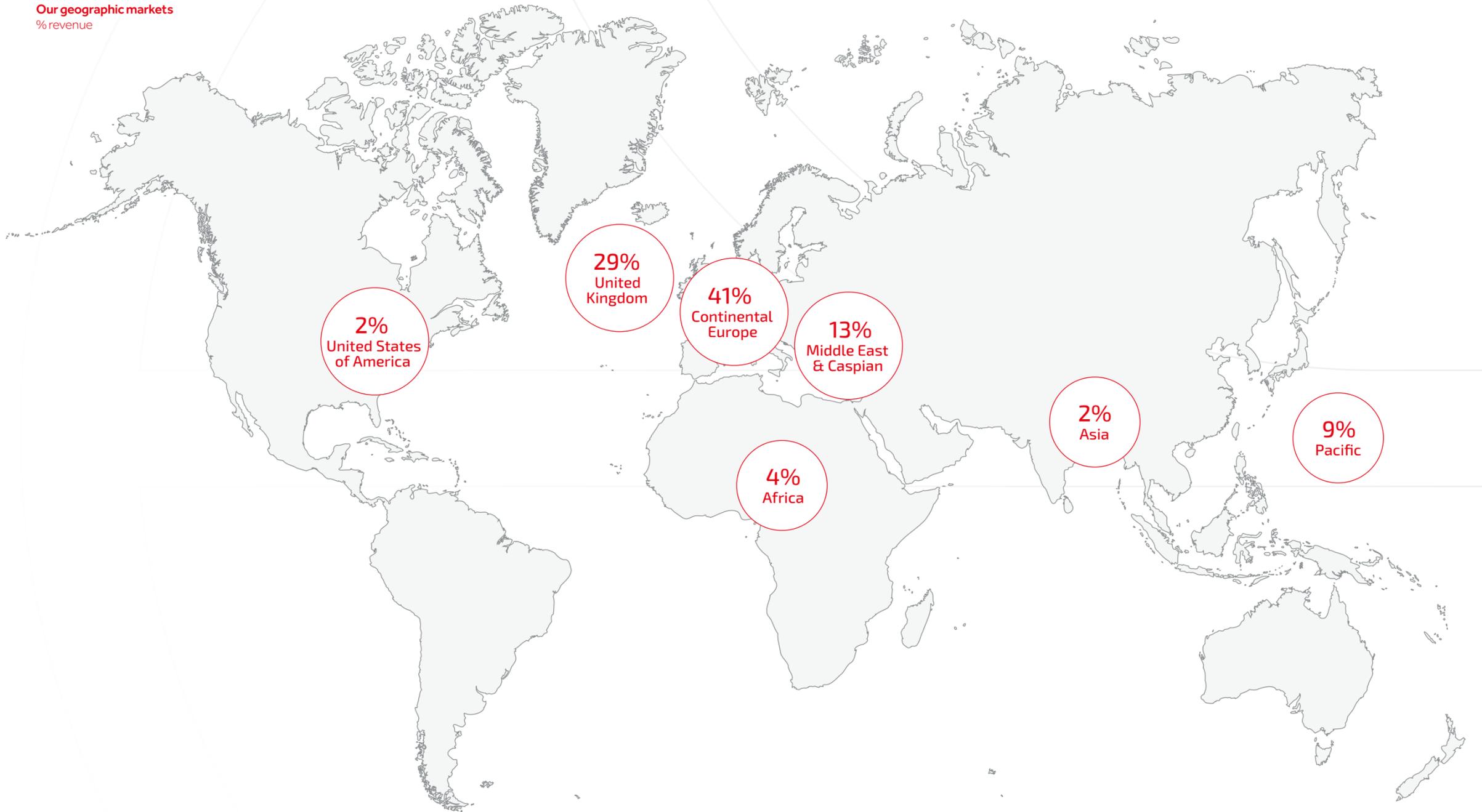
Breakdown of Services revenue
By market

	Revenue € millions FY2023	Percentage By revenue	
Oil & Gas	1,617	30%	
Chemicals & Petrochemicals	799	15%	
Pharmaceuticals & Food	82	2%	
Process	89	2%	
Power generation	Nuclear	871	16%
	Wind & Solar	45	1%
	Other	290	5%
Utilities	Water	31	1%
	Other	8	0%
Marine including defence	24	0%	
Construction, shipyards & infrastructure	238	4%	
Mining	125	2%	
Other	218	4%	

Our presence

A responsible global approach with sustainable local delivery

Our geographic markets % revenue



Number of employees worldwide
59,088

Regional employee breakdown

Africa	3,269
Continental Europe	17,587
United Kingdom	10,970
Middle East & Caspian	20,522
Pacific	3,128
Asia	3,006
USA	606

Training hours
1,064,190

Our group activities

ALTRAD is a leader in the provision of multidisciplinary industrial services to support clients with their business, efficiency and sustainability performance. Through value accretive acquisitions the ALTRAD Group has significantly extended its capabilities to support clients' assets through their full life cycle with new integrated service offerings.

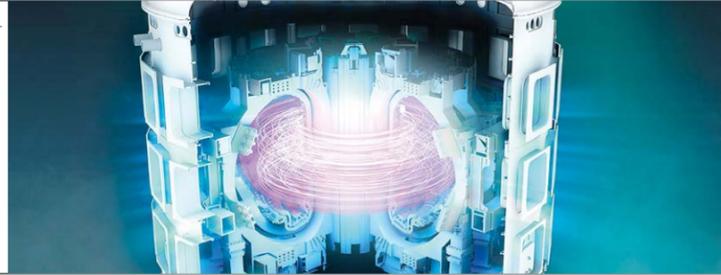
Services 83% of revenue

ALTRAD is a leader in the provision of multidisciplinary industrial services to the Energy, Power Generation, Process, Oil & Gas, Environment and Construction sectors. Through value accretive acquisitions the ALTRAD Group has significantly extended its capabilities to support clients' assets through their full life cycle with new integrated service offerings.

Solutions

Concept Design

Concept design
Front End Engineering Design (FEED)



Construction

Process engineering and design
Engineering Procurement Construction (EPC)
Construction management
Lifting services
Environmental services



Asset Management

Asset management
Maintenance engineering
Mechanical, Electrical Instrumental & Commissioning (MEI&C)
Inspection
Access
Insulation
Surface treatment
Passive fire protection
Mechanical works and projects
Lifting Services
Environmental Services



Late-life Support

Late-life asset support
Planning design engineering for decommissioning
Decommissioning access, materials removal, environmental services
Lifting services



Services revenue

Separated into maintenance and new projects



The maintenance activities consist of long term, sustainable recurring revenue streams in which ALTRAD partners with its customers to improve and extend the life cycle of their assets, often delivering innovative products to improve efficiencies and thereby reducing waste and harmful environmental effects.

The new projects activities largely consist of a more cyclical service in the construction of new build projects, whether from the ground up or major improvements to existing infrastructure. These projects enable ALTRAD to provide its innovative solutions and expertise during the construction phase and acquaint itself with the infrastructure and position it for the post-construction maintenance work.

Equipment 17% of revenue

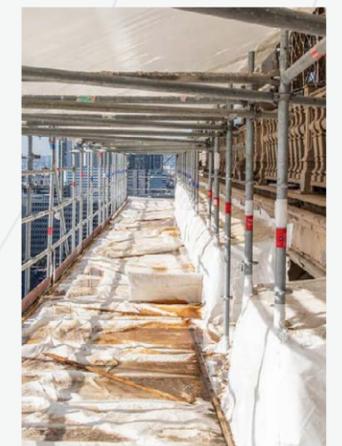
Every day, our teams manufacture and supply the best products and equipment to meet the requirements of the construction, building and public works industry. Our product lines create value and allow us to meet the specific needs of each customer.

Through an established network of manufacturing facilities and distribution centres, ALTRAD provides unparalleled proximity to its customers in Europe, enabling it to develop long term relationships and service levels. With a significant proportion of our products being in the scaffolding sector, we are able to benefit from a vertically integrated supply chain: from our factories in central, southern and eastern Europe as well as north Africa, to our distribution channels, this division can supply our own industrial services companies as well as external customers.

Our products continue to evolve through our ongoing research and development, allowing us to develop more durable, efficient products at the right price-point. In recent years ALTRAD has also developed a range of energy-efficient products, including battery powered and electric, to respond to the needs of the energy transition.

Solutions

Scaffolding systems
Building and construction products:
Hire and sale wheelbarrows, concrete mixers, compaction tools, pumps, cutting tools, wood and gardening, concrete work
Services for local authorities and street furniture
Scaffolding hire and sale
Props, shoring and formwork



One Purpose

To build a sustainable world, striving to create an inclusive and diverse work environment, and to make a positive contribution through our activities to create a meaningful legacy to society.

One Vision

To be the market leader in industrial services and equipment supply servicing a global client base in both the industrial and construction sectors.

One set of values

Since its inception by founder Mohed Altrad, the company has been built on a set of core values:

- Humility** 
- Courage** 
- Respect** 
- Conviviality** 
- Solidarity** 

One Team

We believe that diversity is a strength, and we are committed to creating an inclusive workplace where everyone feels welcome and valued. We define diversity as the variety of human experiences, perspectives and backgrounds that make us who we are.

Following on from the period of progressive acquisitions, there is now a focus on consolidating ALTRAD's multi-disciplinary leading position by developing synergies between the various subsidiaries. This results in cost savings and organic growth through joint actions between our subsidiaries, creating opportunities for our colleagues and maximum value for our customers.

One Future

As an innovator, creator, and a future-maker, ALTRAD helps its clients to find solutions to the most complex of challenges.

We are strategic partners for our customers, supporting them with the delivery of the technologies of today and tomorrow. We are diversifying our portfolio to support our planet's goals to reach Net Zero with growing presence in Nuclear and are a key engineering partner in Hydrogen and cutting-edge future technologies such as nuclear fusion. ALTRAD also has a growing presence in the renewables sector through its subsidiary Alpha, which specialises in the wind energy business providing blade repair, turbine servicing and installation support.

One World

ALTRAD is committed to reducing its own carbon footprint whilst also accompanying and supporting our customers on their own journey to decarbonise their assets to build a more sustainable world.

These shared values, strengthen the ALTRAD Group, building consensus and commitment to support its customers in forging a sustainable world for the long-term benefit of all.





Sustainable market forces and the external environment



What is ALTRAD's sustainable growth strategy?

Over some considerable time, the Group implemented a strategy of targeted acquisitions to deliver diverse growth in specialist sectors within high-growth markets and very much in alignment with the needs of our customers around the world. This is how ALTRAD stands out today as an international leader in a wide range of sectors such as petrochemical, oil and gas, construction, and power generation including nuclear as well as other renewable energies. This market adaptive strategy has been integral to ALTRAD's success and demonstrated the Group's contribution towards building a better world.

In order to respond to market dynamics, ALTRAD has seized opportunities to acquire companies with expertise in the various services contributing to the energy transition and covering green energy sectors such as wind turbines and hydrogen. This diversification of activities offers the Group long-term viability as we respond to the collective urgency of climate change through investment and the development of new energy solutions.

We can explain our acquisition strategy as two-fold: (i) diversification and (ii) future-proofing.

Diversification

This is about being present in more sectors with more specialist activities, and offering these in more geographies to more industrial customers – and becoming a world leader in each of our fields of work. This allows us to create a stable business with recurring revenues, able to withstand industry and geographic cycles, micro and macro-economic impacts and ultimately allows us to invest in our *raison d'être* (people, environment, governance, philanthropy).

Future-proofing

Within both the development of our current activities and products, as well as our M&A strategy, we have an eye on the future, which is most apparent in our activities that support the energy transition and renewable energy markets. And alongside social and environmental sustainability, we maintain a rigorous focus on financial sustainability. Our strategy is effectively conducted according to the purpose of "building a sustainable world".

So how does your continued work for traditional energy sector sit with this aim to leave a positive imprint on the world?

Our continued involvement in those sectors is not contradictory to our aim. The world needs a secure energy supply, to which ALTRAD provides a significant contribution through its support services to them. These services also enable our customers to reduce their own emissions, through improved energy-efficiency and by extending traditional asset lifecycles, reducing the need for new exploration. It is in this context that ALTRAD must remain financially sustainable and commercially relevant. These traditional sectors provide the financial strength that enables the Group to diversify and invest in sustainable energy transition and system transformation. As this industry develops, we are committed to working alongside our clients to support their transition strategies, be this through carbon capture and storage projects, hydrogen projects or small nuclear reactor developments.

How do you summarise ALTRAD's approach to its operational impacts and to measuring social and environmental performance?

The Group has developed a profound culture of accountability, both at Group and business unit level. To ensure and strengthen both sustainability as well as competitiveness, ALTRAD has endeavored to maintain a fair balance between economic performance, professional development, personal development, respect for the environment and social and civic engagement. This approach guides every decision taken and allows us to achieve responsible growth.

Our performance metrics to substantiate this approach are developing year on year. With an already mature financial, safety, socially responsible and ethical culture, we are expanding our tools to measure our impact more effectively and incorporate additional metrics, such as for gender diversity and carbon emissions. We are conducting a formal double materiality assessment, in line with the European CSRD regulations, that will allow us to better identify our Group-wide impacts and define operationally relevant metrics.

Do you foresee near and long-term risk from government policies aimed at addressing the energy transition leading to uncertainty for businesses in the O&G and wider energy sector?

No, at least not in the immediate future. Government policies to encourage greater corporate responsibility rightly require long-term transition plans to reduce dependency on carbon-intensive industries. However, those industries remain an essential part of the global energy mix, providing low cost, secure energy sources as well as important chemicals for everyday products. Importantly, our colleagues have the skills and training to help realise the energy transition – our core access, insulation, surface protection and piping and mechanical services can be transferred from a gas asset to a hydrogen or nuclear asset, without significant operational barriers and I believe the energy transition will create significant new opportunities, while the more carbon-intensive industries plateau and eventually reduce. Notwithstanding, ALTRAD will continue to listen to our local Governments, commercial markets, key clients and valued people to ensure our strategic relevance.

ALTRAD is committing to reducing its own carbon emissions as well as also helping our clients with their decarbonisation goals. With an M&A strategy that includes targeting business servicing renewable energy, we have developed a presence in the wind industry and the emerging hydrogen sector, alongside our established leadership position in the nuclear sector. ALTRAD can leverage its existing skills and capabilities to meet these future changes in the energy mix. The COP28 'UAE Consensus' to triple nuclear capacity from 2020 to 2050 is one such example of a significant opportunity for ALTRAD, especially given our market leadership in nuclear.

To illustrate this point, our revenues from solar, wind and nuclear at FY2023 hit €915m, with nuclear showing a 7% increase and wind and solar a 4% increase in absolute terms (as a % of turnover) compared to FY2022.

Any thoughts on oil and gas near and long-term investment outlook given the fact that governments are becoming more active in regard to energy transition policies?

As indicated by respected bodies such as the International Energy Agency, oil and gas is here to stay for some time, despite this being unwelcome for those wanting faster change. And critically, the revenues from this sector funds the energy transition. It is clear that the global economy isn't yet in a position to decouple from oil and gas, but as economies evolve – as is happening with the North Sea transition where assets are being repurposed for carbon capture – ALTRAD can be there to support them. So, ALTRAD is here for today and the future; meeting client and consumer demands now, so we can keep the lights on, but also enabling our clients' energy transition and energy efficiency ambitions within a lower carbon world.

What do you consider to be ALTRAD's core focus areas, to address the drive towards a more sustainable world?

We understand the universal issue of climate change and our responsibility as a global organisation. Accordingly, we have undertaken our second carbon emissions audit which has enabled us to better understand our carbon footprint. As we complete our third audit, we will have the data necessary to set carbon reduction targets which are both ambitious and achievable.

We view ourselves as a critical part of the supply chain, with the ability to support our clients with their energy reduction strategies. Our multidisciplinary services are relevant across many sectors and therefore adaptable to the renewable sector – this includes areas such as scaffolding and access, surface protection, insulation, piping & mechanical and environmental services.

As well as providing commercially relevant services, we also provide end-to-end services that cements our position as a long term partner. By being present across the lifecycle, we work in collaboration with our clients to ensure that their assets can operate and transition as reliably, effectively and safely as possible.

So, you can appreciate that we consider sustainability to be more than carbon reduction. We have a deep belief in the power of ALTRAD to sustain economies and employment, to contribute to the wellbeing of our communities and to help those in need through our philanthropic commitments.

What daily operational issues represent your most immediate goal?

Our continued focus is on the health and safety of our colleagues with a priority target to maintain our industry leading safety indicators (lagging TRIF indicator) as well as continue to develop our leading indicators, that will sustain an outstanding safety culture. Clients expect the very best in safety performance, but it's a personal commitment as well as a business imperative.

In order to create a more balanced and representative employment experience, we are also implementing a stronger push for gender diversity with the launch of our 'Pledge' and commitment to increase our female workforce by 2.5x (from c7% of workforce in 2022 to 15% of workforce by 2035; with interim targets of 9% by end 2027 and 13% by end 2030). We have no doubt that a more diverse workforce and inclusive culture will provide significant benefits to our performance at every level.





Sustainability drivers in our market

Opportunities to build scale, capability and diversification through acquisition and consolidation

The energy transition and the requirement to adapt global systems towards cleaner sources of power supply

Climate change risk and the challenge and opportunity of both ALTRAD and its clients to decarbonise their operations and manage resources more efficiently

Evolving global working practices and the need to provide a flexible and rewarding employment experience, where people can make a difference

The enhanced role of major organisations in shaping an improved society that has fairness, diversity and opportunity at the heart of its purpose

Regulatory sustainability disclosure requirements that are driving capital flows and corporate activity towards more responsible activities that place resource efficiency, ethical approaches and decarbonisation as core investment criteria



Economic, social & environmental value created

Customer

- Resource and cost efficiencies
- Asset life extension
- Meeting Net Zero targets
- Innovative solutions

Employee

- Safe and inclusive working environment
- Professional development and opportunities
- Social mobility

Society & Environment

- Decarbonisation through enhanced asset performance and innovation
- Improved resource management
- Meaningful socio-economic contribution to local communities

Supply Chain

- Driving ethics and quality standards
- Co-ordinating human rights and Net Zero ambitions



Our proposition through a sustainability lens

ACQUISITIONS TO SERVICE A CHANGING WORLD

Strategy: Within the M&A strategy we have an eye on the future, especially supporting the energy transition and renewable energy. We also see opportunity to consolidate and improve the quality of products or services which accompany clients' energy transition ambitions.

Identify: We consider both large transformative acquisitions as well as strategic bolt-ons, offering locked-in cash flow and long-term growth opportunities in growth areas. Any such acquisitions must respect our strong and conservative financial policy which ensures low leverage and low risk.

Acquire: These are well-established operations providing long-lead project and maintenance services, and growth opportunities through synergistic efficiencies.

Integrate: We enhance the specialist and complementary nature of these services to protect margins and better integrate with clients' requirements and operations.

Optimise: we invest as necessary to protect margins and deliver enhanced returns.

EXPANDING OUR SERVICE OFFERING

ALTRAD's strategy of diversification and consolidation provides a platform for growth as well as an enhanced client experience.

By bringing more solutions and disciplines on stream, we are able to add more value and create an unrivalled offering for our clients across the spectrum. The expansion of a service offering, with more high-end capabilities that now exist within One ALTRAD, provides material scope for cross-selling opportunities between subsidiary businesses across our global footprint.



Our multidisciplinary services including the likes of scaffolding and access, surface protection, insulation, piping, lifting, mechanical and environmental services are adaptable across traditional and emerging energy sectors, which provides a multitude of growth opportunities as well as resilience against specific sector cyclicality and market factors beyond our control.

INTEGRATION & ORGANIC GROWTH

2023 has been a year of integrating acquired businesses: organisationally, culturally and commercially – gaining a thorough understanding of the operating structures of recently acquired companies and their strategic risks and opportunities; ensuring lean structures in line with ALTRAD's business model; and aligning ALTRAD cultures & values alongside legacy company cultures & values.

Our model enables individual business units to manage the individual ESG-related risks and opportunities that are relevant to their specific business activities, whilst coordinating and finding alignment as a wider Group, to ensure we address common regulatory, customer or societal demands.



SOLIDARITY AND PHILANTHROPY

ALTRAD solidarity was born out of the group's desire to strengthen the influence and consistency of its philanthropic actions. This endowment fund aims to finance and provide more structured support to significantly enhance the social and charitable actions of ALTRAD throughout the world.

By relying on the values of mutual aid and solidarity which are at the heart of the group's values, and by always placing people at the center of its journey, ALTRAD Solidarity aims to develop concrete projects to contribute to a fairer and more sustainable world.

Projects: Our delivery of key project work enables us to support our clients on significant construction activities, with our historic know-how and capabilities able to adapt to the innovative solutions of the energy transition such as carbon capture and storage and hydrogen.

Maintenance: Maintenance is a critical service to ensure we support our clients improve their asset integrity, delivering safe and secure sustainable performance upgrades and extending the life cycle of assets.

Products: We work with our customers to develop innovative product solutions that enable them to better utilise material resources to improve operational efficiency as well as emissions.



Developing One ALTRAD





Setting out our sustainability commitments



Our approach to sustainability

This report introduces ALTRAD's group-wide approach to sustainability and includes some level of performance analysis over 2021 to 2023. Information is provided that demonstrates how sustainable development contributes to our long-term success and how we create value for our stakeholders including employees, local communities, customers and shareholders.

Whilst guidance is provided at Group level, ALTRAD has traditionally conducted the management of ESG-related risks and opportunities through the subsidiaries that carry out our business at a local level in line with our decentralised operational approach.

ALTRAD's ambitions are realised through our focus on three fundamental commitments: developing our people, protecting our environment and ensuring strong governance. As these commitments form the foundations of our raison d'être, we remain acutely aware that our ability to achieve our ambitions requires us to ensure resilient and sustainable financial performance. Through a strong set of management principles, clearly articulated financial discipline and an understanding of our business risks and opportunities, ALTRAD aims to make long-term commitments and a lasting positive impact on its communities and the environment.

Group ESG policy

ALTRAD's ESG Policy regulates and provides guidance for the management of activities to minimise adverse impacts on its workforce, community or the environment and to realise opportunities in these areas. The Company recognises that its principal concern must be the well-being of its people, whether employees, contractors, consultants, affected communities or other stakeholders.

The health and safety of those persons, and the sustainability of the environment in which they work or live, is a critical factor in measuring the long-term success of the Company's business. The Company is also committed to implementing and maintaining the best practical standards of governance and transparency and we are developing a range of key performance indicators that will provide a clearer picture of our performance going forward.

Current disclosure standards

The Company is committed to managing its activities in line with expected levels of disclosure for a company of our size and impact.

To meet this commitment, the Company will develop its group-wide internal reporting systems to address industry leading voluntary standards for ESG disclosure as preparation for mandatory ESG reporting in 2025 to capture key sustainability areas such as supply chain management, climate change, water use and health and safety.

Our overall objective is to ensure that the communities where we work are ultimately enhanced by our presence.

Adopting leading standards

Whilst we don't formally assess our Group-wide sustainability performance against any specific reporting standard, this disclosure is informed by the voluntary principles of:

- Climate risk management through the Task Force on Climate-Related Financial Disclosures ('TCFD')
- The Global Reporting Initiative ('GRI')
- Sustainability Accounting Standards Board ('SASB')

As ALTRAD formalises its sustainability approach, we are cognisant of the regulatory requirement under the EU Taxonomy to assess ALTRAD's contribution to sustainable activities, capture a range of ESG metrics and externally disclose in line with the Corporate Sustainability Reporting Directive (CSRD) from September 2025 (the beginning of our financial year).

The Group is undertaking a gap analysis during 2023 and 2024 that will assess where progress needs to be made in order to satisfy this mandatory disclosure, adopting European Sustainability Reporting Standards (ESRS). ALTRAD has launched a task-force to conduct an ESRS-based double materiality assessment on its activities and will report more comprehensively on this in its 2024 Responsible Business Report.

Lastly, ALTRAD is committed to supporting the goals of the Paris Agreement and working towards achieving Net Zero carbon emissions by 2050.

EU Taxonomy/CSRD/ESRS

As part of the European Green Deal, the Corporate Sustainability Reporting Directive is superseding the Non-Financial Reporting Directive and substantially increases reporting requirements for European firms who, like ALTRAD, meet the qualification criteria based on size and sources of revenue. This establishes a regulatory standard for sustainability performance disclosure that is based on an assessment of materiality.

Whilst a large proportion of ALTRAD's revenue is generated outside of the European Union, as a large enterprise that is domiciled in France with many cross-jurisdictional operations, we have determined that a single Group-wide adoption of the CSRD is the most effective way of harmonising our approach and provides us with equivalency should other regulatory jurisdictions adopt similar standards.

United Nations Sustainable Development Goals (UN SDGs)

We have historically considered our impacts in the context of United Nations Sustainable Development Goals. These standards seek to encourage positive contributions towards 17 key focus areas that support responsible growth in a credible way. Whilst we are

certain that our activities greatly support a number of the objectives supported by anecdotal evidence, we will improve the measure of these contributions as we develop the assurance of our Group-wide metrics.

Sustainability Accounting Standards Board (SASB)

SASB Standards identify the subset of environmental, social and governance issues most relevant to financial performance and enterprise value. SASB is now part of the IFRS Foundation and integration agenda of sustainability metrics.

It is likely that many of our operating jurisdictions will adopt IFRS S1 and S2 – a proposed sustainability disclosure standard from the International Sustainability Standards Board (ISSB) set up in the wake of COP 26 (see below). ALTRAD will track progress of this regulation and integrate its requirements where necessary into our Group standard.

Task Force on Climate-Related Financial Disclosures (TCFD)

The Task Force on Climate-related Financial Disclosures, is a guidance framework that helps companies to disclose climate-related financial risks to investors, lenders and insurers. This framework is also contributes to these new regulatory standards and its methodology provide a key tool for management when developing its decarbonisation strategy and Net Zero pathway.

International Sustainability Reporting Standards (ISSB)

Whilst the European Sustainability Reporting Standard is the current focus of our attention, the UK and other jurisdictions are set to adopt a similar or equivalent regulatory standard in 2024.

The ISSB was launched by accounting and disclosure standards-setter, the International Financial Reporting Standards ("IFRS") Foundation, during COP26.

Seeking to address the lack of cohesion across existing sustainability disclosure frameworks, the ISSB was charged with creating a standardised benchmark, that could be used on a global basis.

IFRS S1 (general) and S2 (climate) provides a set of disclosure requirements to enable companies to communicate to investors about the sustainability-related risks and opportunities they face over the short, medium and long term.

Whilst ISSB is still a voluntary standard until individual jurisdictions make it mandatory, it can be adopted by companies from January 2024. The European Commission has already announced that ISSB and EFRAG are working together to maximize the interoperability of their standards and they have confirmed high degree of climate-disclosure alignment.



Sustainability roadmap

With the introduction of the European Union's CSRD, ALTRAD's focus in this area is evolving from a decentralised approach that enabled individual business units to develop a jurisdictionally aligned approach to sustainability, towards an integrated and harmonised Group approach that meets the requirements of ESRS.

The following roadmap summarises the steps the Group is taking to address the regulatory requirement, utilising the disclosure framework as a management tool to improve value creation as well as value preservation.

Key milestones

Double Materiality

This process is a requirement of ESRS assessment that helps ALTRAD to determine which sustainability topics are relevant for us to address and report on as part of CSRD compliance.

Greenhouse Gas (GHG) Reporting

This adopts an internationally recognised methodology for emissions disclosure that will help the company determine its existing baseline and develop decarbonisation strategies. We are currently assessing Scopes 1 and 2 of the GHG Reporting protocol, and extending this assessment to capture Scope 3 elements as part of alignment with CSRD.

EU Taxonomy

This is a classification system to measure what proportion of the Group's capital expenditure and operating expenditure is invested in activities that contribute towards the greening of the EU economy.

Net Zero pathway

This is a strategic plan that the Group is developing that will clearly and credibly outline how ALTRAD will work towards meeting the carbon reduction ambitions of the Paris Accord and help limit global temperature rise to 1.5 degrees from a pre-industrial baseline.

ALTRAD's sustainability timeline



Helping to meet global challenges

The 17 UN Sustainable Development Commitments, also known as the Sustainable Development Goals (SDGs), were adopted in 2015 by United Nations member countries to guide global actions up to 2030 in the key areas of poverty, hunger, education, health, gender equality, water, energy, jobs, economic growth, innovation, sustainable cities and communities, responsible consumption and production, the fight against climate change, the protection of land and sea life, and the promotion of peace and justice.

Mindful of its footprint in the world, ALTRAD intends to carry out concrete actions to meet by Sustainable Development Goals (SDG) laid down by the UN and thus play the role that is its own, that of a responsible company aware of the challenges of tomorrow and of its duties towards future generations.

ALTRAD is developing its governance approach in order to develop a strategy that better integrates a culture of social and environmental responsibility within the Group. It is this strong desire that will ultimately make it a prerequisite for every action taken or decision taken across all the subsidiaries.

Our colleagues are being made aware of our plans and encouraged through internal communications, seminars or training, to:

- develop sustainable and responsible products and services;
- promote sustainability in the supply chain and relations with stakeholders.

These incentives will then be the subject of evaluations and measures that observe the progress and the results obtained, to derive ever more ambitious objectives.

Building on its values of respect, solidarity, courage, humility and conviviality, ALTRAD also supports the diversity, equality and inclusion agenda.

Due to our geographical presence on five continents, the Group brings within it different cultures that enrich it on a daily basis and enable it to constantly broaden its scope of possibilities. Since employees are not only also citizens of their countries but also of the world, we encourage all initiatives that contribute to the dissemination of good practices.



Eradication of poverty Fight against hunger

More than 700 million people still live in extreme poverty in developing countries but also in developed countries. Today, 30 million children are growing up in poverty in the world's richest countries. As a result, more than 750 million people suffer from hunger. The ALTRAD Group is convinced that well-being, a decent salary, and the opportunity to develop, both personally and professionally, contribute to the fulfillment of its employees and, by extension, to society as a whole, which is why in Asia, South America, Africa and in all the emerging countries where it operates, it creates jobs and promotes the development of communities.



Access to health

Despite the great progress made in recent years in improving people's health, inequalities in access to health care persist. One of the priorities of the ALTRAD Group is to create the conditions required for the health and well-being of its employees (physical, mental, social) while ensuring that the standards in terms of personal protection are applied for all its employees around the world.



Access to quality education

In 2018, 258 million children and young people aged 6 to 17 were still out of school worldwide. Yet education contributes to reducing inequalities and achieving gender equality. At ALTRAD, education is one of our priority objectives. Thus, we support various training actions and educational initiatives in the company but also within local communities. This desire materializes through a significant contribution in certain regions where we operate.



Gender Equality, Reduction of Inequalities

Women and girls make up half of the world's population, yet gender inequality persists everywhere and holds back social progress. The ALTRAD Group is convinced of the need to reduce and close the gaps, which is why we contribute to the reduction of inequalities in the local communities where we create jobs. We also work with associations to promote the integration of women and improve their chances through education and opportunities.



Fight against climate change, Aquatic life

Climate change affects all countries, on all continents. They arise from human activities and threaten the future of our planet. Their impact is visible both on land and in the oceans which provide essential natural resources including food, medicine, biofuels and other products. ALTRAD is committed to the fight against climate change through numerous actions and initiatives that we deploy in the different regions where we operate.



Group principles delivered through subsidiaries

Although the Group is not publicly listed, ALTRAD's commitment to the principles of good governance that underpin economic performance, exemplary administration and management, and trust and transparency has led it to adopt a governance framework that respects the core principles of the Autorité des Marchés Financiers (French financial markets authority).

The foundations of this governance system are the transparency of financial information, prudent financial and risk management, strong ethical principles, clear independence of directors in relation to the President and a commitment to providing stakeholders with accurate and timely information to ensure they have the greatest possible visibility.

This form of governance – with the participation of the corporate bodies – formalised in the Group's Governance Charter, is characterised by a high level of information and independence, enabling ALTRAD to make informed strategic decisions and helping to ensure the balanced development of its activities and is formalized in the Group's Governance Charter: "Les chemins du possible".

The objectives of governance are based in particular on the following principles:

- Implement and maintain the highest international standards for ethical behavior, prevention of fraud and tax evasion
- Prevent all forms of modern slavery
- Assess key business risks and implement associated actions to mitigate risk
- Maintain a balanced and independent Board of Directors to ensure accountability of the management team.

Governance framework

Since its foundation, ALTRAD has operated a decentralised operating model, seeking to enable management freedom within the business units ("green zones") provided they always adhere to Group rules ("red zones"). The red zones were originally viewed from a financial lens, allowing ALTRAD to establish market-leading financial performance and a strong fiduciary culture throughout its subsidiaries and management.

On the basis of the significant growth of the business over 10 years (from <€700m turnover to >€5bn turnover) and increased regulation, these red zones have developed significantly to encompass non-financial management tools. Our red zones now cover all matters relating to business ethics and integrity, human rights, contracting and risk management, health & safety, brand guidelines and the like. We also set the tone from the top of the organisation on Diversity & Inclusion, values and behavioural expectations.

The Group applies an 'Autonomy and Control' approach which affords the Group the ability to manage its own operations on a day-to-day basis, independent of the Board of Directors. In having these largely autonomous business units, the 'holding company' conducts a monitoring and supervisory role to ALTRAD's subsidiaries. Group oversight responsibilities are shared between Ran Oren and Jan Vanderstraeten, the Group's joint Chief Executive Officers. Ran Oren has corporate responsibility and Jan Vanderstraeten has operational responsibility. They report to the Board of Directors and the Chairman, Mohed Altrad.

Board and composition

- Six independent directors sit on the Board of Directors, to guarantee the objectivity of the discussions. Drawing on their experience, they contribute to the relevance of strategic decisions, particularly those relating to investment, restructuring or business takeovers
- One director representing the shareholders also sits on the Board of Directors, which is also characterised by the presence of observers and an overseer who attend meetings and take part in deliberations without voting rights
- Six board meetings were held this year, with an attendance rate of 86.2%.



Clear ethical standards



Ethics & Group Code of Conduct

It is impossible to build a better world, or a successful business, without a solid ethical foundation. ALTRAD is committed to maintaining a strong ethical culture that dictates how we do business. The Group has an obligation to maintain the highest standards in supporting human rights, combating discriminatory labor and social practices, improving environmental protection and fighting corruption in all its forms. Our clients and associates expect nothing less than a zero-tolerance policy for unethical conduct of any kind.

As is already advocated in the area of safety, ALTRAD believes that operational integrity and ethics must build on the example set at the highest level of the Group, reinforcing themselves at every level of management – from regional to local. The Group offers training in this area to all employees, and in particular to managers, providing them with guidance for irreproachable conduct in their day-to-day activities, as well as to members of the Board of Directors.

With this in mind, the Group has adopted a code of ethics and implemented formalised control and training procedures: these procedures identify conflicts of interest, raise awareness of the risks of corruption and abuse of power, encourage fair commercial practices, help the selection of suppliers in line with the Group's values, and enable employees to report any suspicion or unethical behaviour.

At Group level, the Risk Management function reports to the Executive Committee and is supported by the internal audit, control, legal and compliance functions. The Group has set up a digital Integrity Platform to meet the Group's compliance obligations (Sapin II law, US and UK laws: FCPA and UKBA).

The Integrity Platform is a tool dedicated to compliance. It currently hosts:

- All of the Group's policies and is widely disseminated through signature campaigns
- A third-party due diligence tool, designed to onboard and monitor third parties
- An internal alert line, guaranteeing anonymity, in addition to the existing telephone line and email address
- A tool for monitoring donations, gifts and invitations made within the Group
- A tool for declaring conflicts of interest
- A training and test area to keep employees' compliance information at a high level, while ensuring that they understand the programme.

Local compliance officers are appointed within the subsidiaries to act as intermediaries for the dissemination of the compliance programme.

The Group is also seeking to have its compliance programme certified by the International Standards Organisation, obtaining certification to the international standard ISO 37001. As part of this certification, ALTRAD's Anti-Bribery & Corruption management system is included in the compliance objectives of our subsidiaries. The aim of this certification is to strengthen the compliance programme by maintaining a culture of business ethics and integrity throughout the Group. As ALTRAD has made a number of acquisitions in recent years, obtaining ISO 37001 certification also demonstrates the consistent application of the compliance programme across all Group entities.

This structured and progressive approach – initiated by the complete mapping of risks at the level of each subsidiary mentioned above – is supplemented by:

- The signature by all staff of compliance policies
- The implementation of internal audit procedures aimed at ensuring compliance by customers and suppliers with compliance principles
- The carrying out of training and incentive campaigns to declare any conflict of interest
- Alert procedures and the protection system for whistleblowers.

The deployment of this structured and evolving process allows the Group to remain fully compliant with its obligations, and guarantees compliance with the most demanding standards in terms of integrity and business ethics. As our information systems develop further, we will be reporting more data relating to our compliance framework.

Supply chain governance

ALTRAD expects the same standards of behaviour from its supply chain as it sets for itself. During 2023, a new unit was established to coordinate our supply chain activities in order to establish a more complete overview than in prior years. This unit conducts uniform onboarding processes to verify and subsequently monitor our key suppliers for quality, safety, ethics, sustainability metrics and value.

We have established various supply chain centres in Europe, India and China, each of which is managed by our central procurement division in France and Hong Kong. In addition to the onboarding and monitoring process, our team constantly reviews our supply chain to ensure we minimise risks associated with single-source suppliers.

Modern slavery

We are committed to playing our part in eradicating all forms of slavery, child exploitation and human trafficking. ALTRAD has a zero tolerance policy towards modern slavery in all its forms, including in our supply chain.

The overall risk is considered low due to mitigating measures taken in high risk territories, and our internal audit team conducts modern slavery assessments and staff interviews to support the strongest governance process and prevent all forms of modern slavery.

In May 2022, a self-assessment on the fight against modern slavery was launched and distributed to fully integrated business units, with planned follow-up for units newly acquired in 2022. This aims to identify potential risks and ensure that appropriate measures are in place to address them.

Sixty-five Business Units received a personalised survey based on these criteria:

- Hiring abroad
- Hiring of local staff only
- Use of recruitment agencies to hire labour
- Direct recruitment of labour
- Use of subcontractors
- Use of own labour only.

The responses were provided collectively by local management and local compliance officers. Their analysis served as a basis for identifying potential high-level risks and defining additional action plans and, if necessary, mitigation measures to deal with them. In order to continue to strengthen its policy against modern slavery, the Group has decided to launch the following actions over the coming months and years:

- Issue a group guideline for the application of the policy to our supply chain
- Continue to strengthen communication at operational management level on recruitment practices
- Continue to develop communications and campaigns concerning the whistleblowing policy and 'Speak-up' procedures
- Appoint specialists in the fight against modern slavery at Group level to act as a point of reference for all other Group entities and to promote best practice in this area
- Continue to roll out in-house training (initial and additional) and awareness-raising for its employees.



ALTRAD Integrated Reporting System (AIRS)

AIRS has been specifically designed as a global system, and aims to cover the main group reporting criteria as well as HSEQ data, and our ambition is to roll this out into the entire sustainability reporting framework to enable us to collect the necessary data, assess impacts and implement all necessary monitoring and remediation tools. AIRS will be developed in consultation with our CSRD taskforce to meet the requirements of future sustainability-linked reporting and management obligations.

By providing a centralised and standardised approach to reporting, it will enable better coordination and consistency across the organisation's various business units and locations, facilitating efficient data collection, analysis, and reporting, and ultimately support the organisation in its health, safety, environment, and quality management efforts, which are central to our people commitment and relationships with customers.

The new system incorporates various functionalities to enhance the overall reporting and management process. These functionalities include:

Email notifications

The system sends automated email notifications to relevant stakeholders regarding submitted data, approvals, and other updates.

To support the Group's ability to develop insightful management information and provide audit-standard reporting data that provide the necessary assurance quality, ALTRAD has established a comprehensive Group-wide internal reporting system called AIRS (ALTRAD Integrated Reporting System). The catalyst for this development was the requirement for our HSEQ team to have a better understanding of safety performance across our operating units and provide enhanced management reporting for this priority area.

This enhanced reporting system allows in-depth analysis without the use of Excel reports and dual handling of data which has enabled the Group to improve data efficiency, provide better insights, and deliver a more seamless reporting experience. Employees are empowered to make data-driven decisions and it has fostered a proactive approach to health, safety, environment, and quality management at the Group level.

The new HSEQ Reporting Module was developed on our internal SharePoint system and designed to be a comprehensive platform used for reporting and managing various aspects, including:

- Incidents
- Hours Worked
- Quality Events
- Assurance (Audits & Inspections)
- Planned Activities
- Actions
- Group roll-out

Hub overview of all data submitted

A centralised overview of all the data submitted across different units allowing for easy monitoring and analysis.

Single entry point with multiple form types

Unified data entry point, and dynamic form generation.

Export to Excel

Ensuring greater flexibility in data handling.

Automatic dashboard/graphs creation

Automatically generated interactive dashboards and graphs, providing visual insights into key performance indicators and trends.

Modules interlinked with action tracking

Different modules within the system interconnect, facilitating seamless communication and data flow between incidents, actions, audits, inspections, planned activities, and other relevant components.

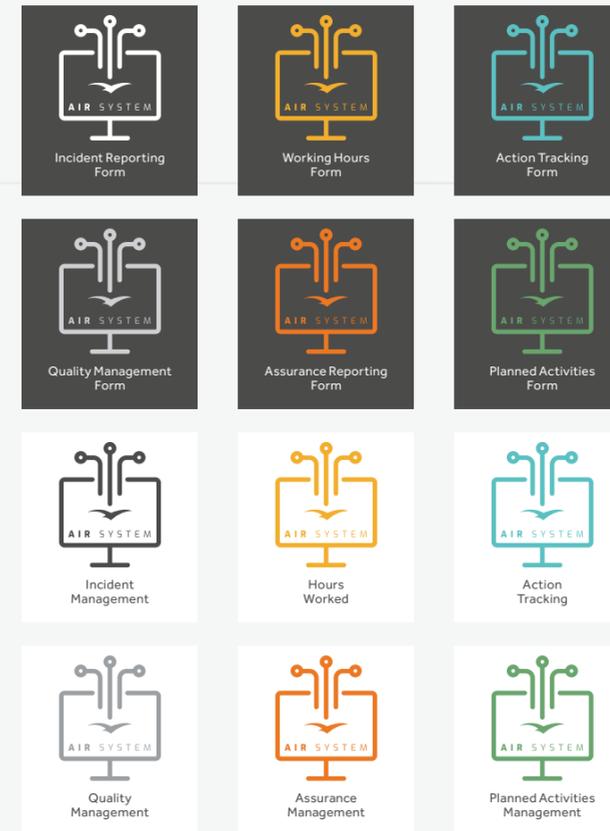
GDPR compliance

The system adheres to the General Data Protection Regulation (GDPR) guidelines to ensure data privacy and security.

Upload documents to separate libraries

The system allows users to upload supporting documents and files, which will make it easy to review uploaded information and maintain proper documentation.

The ALTRAD Integrated Reporting System has been developed to manage HSEQ reporting processes, and allow in-depth analysis of data to inform operational decision making.



Platform expansion

The future development of the AIR System will allow for more dynamic and cost-effective enhancements, adapting to the changing needs of the organisation efficiently. Some of the planned developments include:

Full change management request/log system

The system will incorporate a robust change management request and log system to allow stakeholders to propose changes, track their progress, and manage version control effectively.

AIR Development

Continuous improvements and updates will be made to the core AIR System to enhance its functionalities and user experience, incorporating feedback from users.

Migration/links to other SharePoint pages

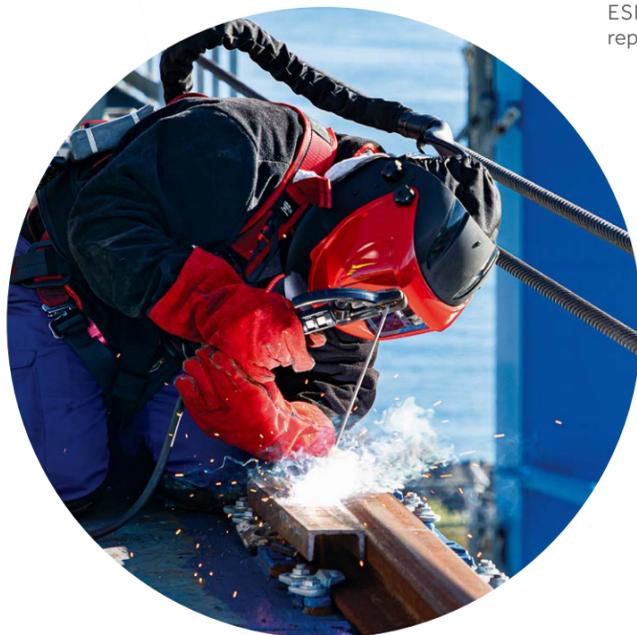
The system will be integrated with other SharePoint pages, such as Drops (daily reports) and RCA (Root Cause Analysis). This integration will streamline data sharing and ensure that relevant information is easily accessible from one centralized platform.

Additional reporting modules

New reporting modules will be added to cater to specific needs, such as tracking the organisation's Carbon Footprint or managing Improvement Plans.

These additional modules will provide comprehensive insights into specific aspects of HSEQ management and help drive sustainability and improvement initiatives

Managing risk and opportunity



Robust sustainability risk management

We define principal decisions as those which potentially have a long-term strategic impact and are material to the Group and are significant to our key stakeholder groups.

The Board has considered mechanisms by which the business and financial risks facing the Group are managed and reported to the Board. The principal business and financial risks have been identified and control procedures implemented. The Board acknowledges it has the responsibility for reviewing the effectiveness of the systems that are in place to manage risk.

Risk mapping

A risk mapping of the ALTRAD Group was carried out in 2022 in coordination with all subsidiaries. The primary objective of this mapping was to identify the key risks listed in two categories: the first relating to ESG risks, and the second to business processes.

These risks were the subject of a detailed questionnaire allowing the subsidiaries to assess them according to their probability and their potential impact in terms of damage. The results were then analyzed and presented in the form of "heatmaps" which the management team uses to define the Group's priority risk areas.

Main ESG risks identified

The result of this evaluation identified in the ESG category that human resource management, health and safety, and education were assigned a risk rating of "very high".

- Health and safety, priority and major concerns in our business sector
- Human resources management.

These priority areas were unsurprising and it is important that we maintain our ability to attract, train and retain our workforce.

This preliminary ESG risk mapping process will be augmented by the sustainability taskforce that is currently conducting the ESRS-aligned materiality assessment, and its findings will be reported in our next Responsible Business Report (2024).

Main business risks identified

The assessment of Business Processes identified tendering and negotiations, contract management, innovation and credit risk as having a risk rating of "very high".

Tendering & negotiations

ALTRAD creates unique value propositions that provide rewards for both parties such as integrated solutions that reduce overall project cost and interface risk for clients.

Contract Management

ALTRAD manages contracts in a transparent and effective way, while making commitment to its clients a priority maintains excellent client relationships and contract retention.

Innovation

ALTRAD embraces innovation in all that it does, always listening to its clients and looking for new solutions to support them streamline their projects and achieve their objectives.

Credit risks

With inflationary pressures embedded in almost all economies, client credit risk needs to be monitored and managed through the appropriate means. This remains a key priority for the Group.

In addition, there is a constant risk around business ethics and integrity. In view of certain events throughout the financial year, as well as the nature of parts of our industry and some of the geographies in which we operate, bribery, fraud and corruption are considered "high" risks and appropriate measures are regularly implemented and reviewed to mitigate the risks.

Robust sustainability risk management

At group level, the risk governance framework is the responsibility of the Executive Committee and is supported by the internal audit, control, legal monitoring and compliance functions.

The legal and compliance function monitors the roll-out of our compliance programme, conducts in-person training, reviews high-risk third party relationships and develops the tools needed for an effective compliance programme. It is supported by an independent internal audit team which conducts comprehensive business management control and business ethics audits on our subsidiaries throughout the year. Both teams will also be involved, as needed, to conduct investigations either alone or alongside external advisors.

Our internal audit team also conducts modern slavery assessments and interviews with staff to support the strictest governance process around the prevention of all forms of modern slavery. The overall risk is considered low thanks to the mitigating measures taken in high-risk territories.

Future reporting commitments

During 2024, ALTRAD will conduct an updated review of ESG materiality – in line with the regulatory requirements of the EU's CSRD – considering both impacts resulting from the company's activities and impacts of society and environment on the company.

Whilst providing more detail on relevant metrics and systems required for measurement, this exercise will address the important aspect of double materiality that will prepare for the requirement to disclose sustainability performance in accordance with the CSRD.

Whilst this assessment will form the framework for all future ESG disclosures, it will also inform a range of ESG improvement strategies for activation across the Group.

Corporate Sustainability Due Diligence Directive (CSDDD)

As supplement to the CSRD, the CSDDD aims to ensure responsible corporate conduct and establishes a corporate due diligence duty to identify, prevent or mitigate social or environmental impacts within subsidiaries and the supply chain, both inside and outside of Europe.

Whilst the directive has not yet been legislated, it covers potential violations of human rights such as freedom of thought and religion, labour rights including the prohibition of forced labour, child labour, freedom of association and collective bargaining, as well as environmental rights.

- In preparation for the potential requirements, Altad will conduct:
- A review of its code of conduct
 - Assess its responsible purchasing policies
 - Ensure any corrective actions resulting from social and environmental audits are properly implemented.

Results summary of risk audit 2022

Based on overall 2022 risk mapping survey results

Risk level: Low Medium High

ESG risk

Governance

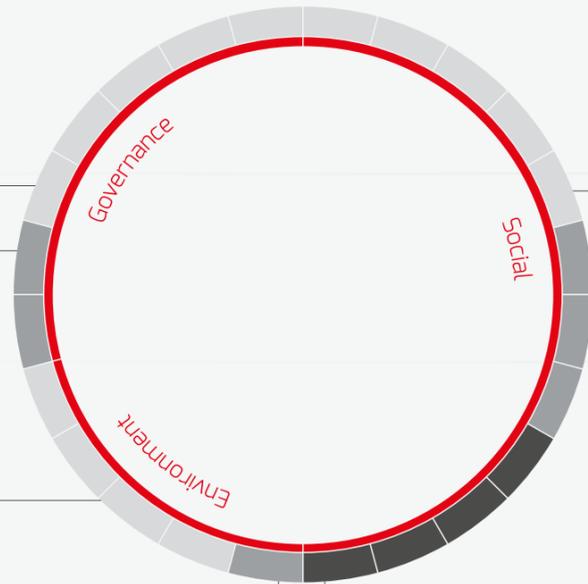
- Third party
- Growth
- Bribery
- Conflict of Interest
- Anti-competition practices
- Data Confidentiality
- Law and Regulations

Environment

- Waste Management
- Gradual Pollution
- Accidental Pollution
- Carbon Impact
- Natural Disasters

Social

- Human right violations
- Modern Slavery/Child Labour
- Diversity
- Management Issues
- Terrorism
- Biological risks – Chemical risks
- Psychosocial
- Education
- Catastrophe
- Human resources management
- Physical Risks
- Road Accidents



Business risk

Compliance

- Fraud
- Tax Risk
- Information Management
- Failure to Comply
- Incorrect specification
- Process

Reputational

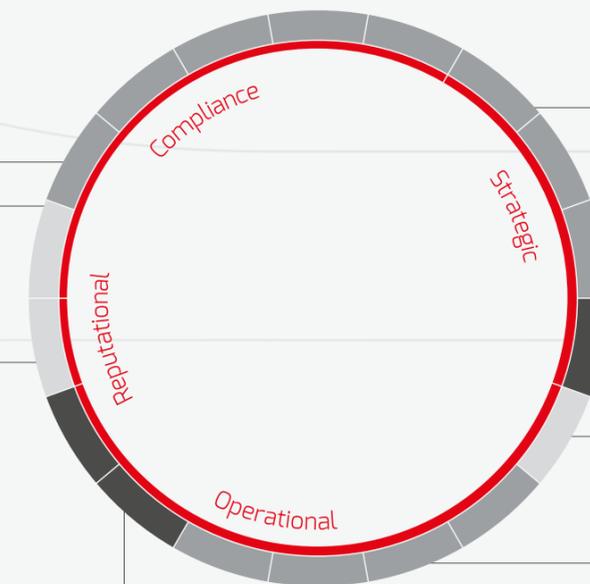
- Claims Low

Strategic

- Clients
- Default of Payments
- Tender Process
- Market Conditions

Operational

- Loss of Assets
- Innovation
- Loss of Data
- Negotiations Issues
- Contracts Management
- Credit Risk
- Assets Managements



Workforce engagement

Our Group-wide commitment to safety



Safety at ALTRAD

ALTRAD's continual focus is on ensuring positive human health and wellbeing and optimal operational safety performance. This commitment invests in the best interests of our employees, contractors and customers, adopting a socially responsible approach which respects the laws, human rights and communities in which we live and work.

With 12 large organisations joining the ALTRAD Group in the 2021-2022 period, there has been a need to merge and integrate these businesses and their own existing health and safety systems to create an appropriate standard for the Group. The year 2022/23, has been a period of stabilisation as these standards and procedures have been rolled out across the Group. This has been achieved by understanding the different cultures of the newly acquired companies, and then taking the time to integrate these into a 'One ALTRAD' mindset with a common Health & Safety approach. In 2023, 52% of staff benefitted from health insurance.



Group-wide commitment

ALTRAD unequivocally mandates the active commitment and accountability for Health & Safety from our leadership, employees and contractors. Each of our business units and subsidiaries are fully committed to working towards optimal levels of safety performance, in accordance with the ALTRAD core values and Group standards.

Leadership engagement is given a high priority as it provides the opportunity for management to witness firsthand conditions, challenges, and successes on worksites. ALTRAD recognises that at the same time, it is important for the workforce that senior leadership is visible, and that they are available to listen to and understand issues on site and provide feedback. In the last two years, the company has exceeded its leadership engagement targets. In addition to measuring the number of engagements, it is recognised that it is the quality of these engagements that holds the most significant impact.

Ensuring that the voices of employees are heard and valued, and seeing tangible actions taken based on their feedback, is among the key goals of these engagements. The importance of visible leadership and standard-setting in relation to safety cannot be underestimated. This can greatly impact the effectiveness of the program, fostering a sense of trust, collaboration, and alignment between leadership and the workforce as we continue our journey to strengthen our overall performance and continuing to create safe and healthy working environments.

One safety culture at ALTRAD

Historically, our subsidiaries have introduced a safety management system with clear objectives in terms of the results we wanted to achieve. However, beyond the figures, we have implemented a group-wide process intended to ensure we have a deeply embedded and sustainable safety culture.

We know that an integrated safety culture goes beyond the implementation of a classical and directive top-down set of safety policies and procedures. It is rather the result of a holistic approach to safety, which incorporates everyone within the organisation, in every country where we operate, from top management to field operators and support personnel.

Since 2021, the Group has been implementing a three-year safety strategy, utilising nine centralised standards and annual focus areas. The main objective of the strategy has been to establish a framework that annually builds a unified and consistent approach to safety across the Group. The result has been positive with performance outputs and indicators such as reduced incidents, improved internal compliance and enhanced environmental awareness all ahead of targets.

HSEQW Standards

FY 2021	FY 2022	FY 2023
Leadership & Commitment	Planning & Procedures	Performance Monitoring
Incident Management	Organisation & People	Communication & Consultation
Risk Management	Training & Competence	Audit & Assurance

The 2023 focus areas were: performance monitoring, communication and consultation, and audit and assurance, with the deliverables from these being enhanced transparency across the Group.

This now concludes the delivery of the nine centralised standards, but the integration and implementation of these remains part of ALTRAD's commitment to continuous improvement.

Focus on...	Results in...
Performance Monitoring	→ Greater visibility and monitoring of numerous performance metrics
Communication and Consultation	→ A better understanding of expectations through improved consultation and increased communication
Audit and Assurance	→ Ensuring compliance through physical audit and assurance, allowing accuracy of feedback with each respective business



Driving positive change

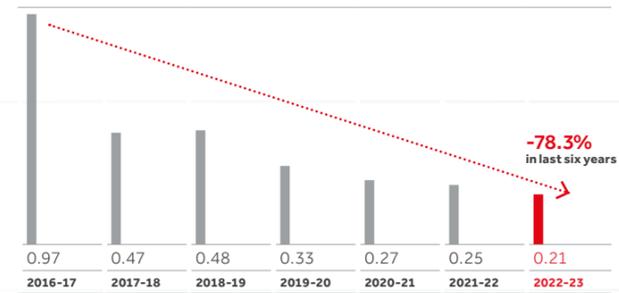
Safety performance

In 2023, we recorded a substantial amount of hours-worked – 140 million hours (2022: 115 million hours, 2021: 90million hours). This indicates a step change in the level of activity and productivity within the now enlarged group.

Despite this higher volume of hours worked, we have also experienced a positive decline in actual incident events. The reduction in incidents is captured by the Total Recordable Injury Frequency Rate (TRIFR), which currently stands at 0.21. The chart below presents ALTRAD’s progressive safety improvement since 2016, showing a 78.3% reduction in incidents.

Our 2023 safety performance represents a 13% improvement compared to the same period in the previous year, and a radical improvement since 2016/17. The positive decrease in incident events and the improvement in TRIFR demonstrates the effective implementation of our Group approach.

TRIFR historical data



Segmental safety analysis

Target safety performance

Company/Société	TRIFR Ceiling	TRIFR Actual
Services	0.22	0.18
ALTRAD Equipment PU*	1.89	0.50
ALTRAD Group	0.35	0.21

*EQ PU target is LTIFR not TRIFR

Actual safety performance

Company/Société	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Services	0.97	0.47	0.29	0.21	0.18	0.20	0.18
ALTRAD Equipment PU*	-	-	4.21	2.66	1.82	0.98	0.50
ALTRAD Group	0.97	0.47	0.48	0.33	0.27	0.25	0.21

*EQ PU target is LTIFR not TRIFR

Safety performance progress

In line with continuous improvement, and our ongoing leadership engagement focus, we have placed a significant focus on annual improvement planning and incident management, specifically the leading near miss reporting and ‘high potential identification program’ (HiPo). The HiPo program has been recognised as a highly successful scheme across the Group as it has led to a major improvement in both visibility and reporting.

The monitoring and gathering of strong leading and lagging indicator data has been instrumental in providing a comprehensive view of business unit performance. Using this holistic perspective has allowed us to gain insights into our risk profile, identify challenges within different business units, and proactively address potential issues before they become lagging occurrences. Having the ability to see these early signals has allowed us to adapt and implement proactive measures in our incident prevention space.

Looking forward

Individual wellbeing is high on Group’s agenda, and in 2024 a number of new proactive initiatives will be introduced with measures and support structures to further enhance the protection of our people. Simultaneously, there will be further focus placed on a back-to-basics approach, emphasising proficiency in the fundamental aspects of our daily operations.

There will also be a focus on areas that play a crucial role in maintaining operational efficiency and resilience such as, planning and preparation, verification and validation, and emergency preparedness. This will reinforce ALTRAD’s commitment to the journey of becoming a generative learning organisation, where continuous learning and improvement are ingrained in the company culture.

Initiatives such as the ‘ALTRAD Life-Saving Actions’, and AIRS have been embraced showing positive improvements and will be integrated further to ensure their long-term effectiveness.

ALTRAD Leadership Safety Tours

The ALTRAD Group’s priority is to offer its employees safe working conditions. The launch of the “ALTRAD Leadership Safety Tour” has enabled us to strengthen our global safety policy. Based on hands-on management, 136 subsidiary managers have signed up to this programme, which has resulted in 112 site visits per month.

In view of the improvements observed, the Group is working to leverage this progress action and launch the next strategic phase which will enable ALTRAD to evolve towards ever greater efficiency and safety. Internal messages are being sent out to raise awareness of best practice, and training is also being provided. In the same regard, the objective of the Group – a major part of whose activity is concentrated in high-risk environments – is to reduce its recordable accident rate (TRIFR).

Since 2016, the Group has reduced this rate by 78% thanks to all the actions and measures implemented. To achieve our ‘Zero Accident’ objective, we are aiming to reduce the TRIFR by 5% per year.



Upskilling and reskilling

ALTRAD places significant importance to training, upskilling and reskilling its workforce. This ensures they are able to carry out their work to the expected standards, in terms of quality, safety and efficiency, whilst also providing material opportunities for personal and professional development. A significant proportion of our senior staff across all disciplines have benefited from our training programmes and support to develop their careers.

In 2023, Group employees benefitted from 1,064,190 hours of training (2022: 714,474 hours). 60.5% of this consists of compulsory technical training and 39.5% of additional development training opportunities.

As the Group supports its clients in the energy transition, opportunities will also become available to transition or upskill employees into the green energy sector. Many of our employees' skills are already transferrable, such as scaffolders, welders or insulators. This provides us with a highly versatile workforce which can transition alongside our business mix evolution, supported where required by further training (for example, to meet the stricter demands of a nuclear work environment). Aware of the importance of bringing its employees to the highest level, the Group encourages them to train and undertakes to support them whenever they request it.

Social dialogue

ALTRAD believes in the benefits of social dialogue and union representation, ensuring a collegiate work environment where workers' voices are heard and the workers also understand the organisation's objectives so everybody works for a common interest.

Given the vast differences in regulation, norms and cultures across our international operations, we align ourselves to national regulations wherever we operate. Working with labour representations in all its forms, we encourage dialogue to create a harmonious work environment.

During 2023, ALTRAD also commenced the process for the set-up of a Group Committee (comité groupe), bringing together French labour representatives at the parent company level. This engagement will enable ALTRAD's parent company and executives to undertake meaningful dialogue with a wide employee representation.

Number of training hours

1,064,190



Increasing diversity to reflect society

Diversity, Inclusion and equal opportunity

ALTRAD is a global company with around 60,000 employees in more than 50 countries. We believe that diversity is a strength, and we are committed to creating an inclusive workplace where everyone feels safe, seen and valued. We define diversity as the variety of human experiences, perspectives, and backgrounds that make us who we are. This includes differences in age, gender, race, ethnicity, religion, sexual orientation, disability, and other factors. Inclusion is about creating a culture where everyone feels respected, accepted, and able to contribute to their full potential. This means creating an environment where everyone feels safe to be themselves and where their differences are celebrated.

Diversity & Inclusion policy

As stated in our Diversity & Inclusion Policy, the Group and all its subsidiaries are committed to workplace diversity and inclusion. ALTRAD recognises the benefits arising from employee diversity, including a broader pool of high-quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.

The Diversity Policy provides a framework for the Company to achieve:

- A diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals
- A workplace culture characterised by inclusive practices and behaviours for the benefit of all staff
- Improved employment and career development opportunities for women
- A work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity
- Awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity.

An evolving commitment

Diversity and inclusion are not mere buzzwords for us; they are at the very core of our values and vision for the future. To champion our commitment, ALTRAD has established a dedicated unit focused on promoting diversity and inclusion within our organization.

This unit serves as a central hub for fostering an inclusive workplace culture, developing policies, and implementing initiatives that drive diversity across all aspects of our business. The journey has been supported by our close collaboration with New Zealand Rugby and the opportunity for the D&I unit spend time with the iconic women's Rugby World Cup winning Black Ferns team.

“Women should be respected, celebrated and given equal opportunities to men in all our communities”

Ran Oren
Joint Group CEO

Committed to Equality at all levels of the Group

In 2022, the arrival of 15,000 employees through new acquisitions took the Group into a new dimension. With a presence in over 50 countries, ALTRAD has employees from various different regions and nationalities, working in a wide range of complementary sectors. Far from being a hindrance to day-to-day work, this diversity is perceived as an opportunity to share knowledge and drive excellence.

Our industry sectors are still marked with male over-representation. To broaden our appeal to potential female employees and to ensure everyone within the Group has room for personal development, ALTRAD is evolving its global strategy to stimulate the recruitment of women in every layer of the group and for each activity, entity and business area.

According to the company's annual internal survey, 71% of ALTRAD staff consider that diversity and inclusion are important factors in choosing an employer. These findings further reinforce the Group's initiative to set up a "progress unit" to address these issues and develop a strategy aimed at moving ALTRAD forward on these crucial subjects.

Gender equality

Our gender equality objective aims to reach 15% female employees by 2035 (9% by 2027 and 13% by 2030), with concrete actions and projects in every region to help achieve this target.

Today, 6.8% of the Group's employees are women. 41% of them hold "support" positions and 4% operational positions. Women represent 11.11% of the Board (AIA) and 11.8% of Senior and Middle Management. Our objective is to have 15% women across all function by 2035, with an interim milestone to be reached in 2030 of 13% women employees in the Group, at all levels.

Percentage of women at all levels of seniority and location (2023)

Board positions only directors at A.I.A level	11.1%
Senior and middle managerial positions	11.8%
Site-base operational	4.0%
Office-based non-operational	41.0%

Thailand

Whilst these targets appear challenging, our team in Thailand stands out as a shining example of inspiration for us. Comprising two sites, our workforce in this country boasts an impressive 40% female representation.

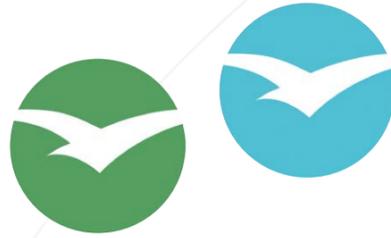
According to Kittiya Jannoom, our HR Director in Thailand, prioritising female representation has always been a key focus within this region.

“We incorporate gender balance initiatives from the initial phases of the hiring process to our mentoring programs. We strongly believe that the richness of diversity in talent, culture, and work approaches is a source of strength. This not only contributes to enhanced profits, but it is also crucial for the sustainable success of our business.”

Kittiya Jannoom
HR Director Thailand



Inclusivity



Let's fly together

ALTRAD's 'pin' is a symbol of our commitment to diversity. It serves as a powerful representation of our unwavering commitment to inclusivity, accountability and ultimately a call to action for all our employees.

"Let's Fly Together" is a totem of empowerment; encouraging employees to use their voices and stand up for what is right. It serves as a constant reminder that we are in this together and that every individual's contribution is vital to creating lasting change.

It also signifies our collective responsibility to speak up and address any behaviours or practices that hinder equality and inclusivity. It is a symbol of unity, strength, and our shared vision for a future where diversity and inclusivity is not just an aspiration, but a reality.

Inclusivity

Diversity is not just about gender equality. The Group plays an active role in the professional integration of disabled people. In concert with public bodies or through associations with enterprises dedicated to vocational training or insertion, ALTRAD's HR team welcomes new collaborations with those facing disability-related barriers to employment.

In addition, ALTRAD is committed to supporting employment opportunities of those candidates from under-represented ethnic groups, understanding that this representation is relative to the region of operation.



Number of staff with disabilities:

318

Employee Survey February 2023

Gender diversity – female employee ratio

	2022	2023	Variance
Group	6.4%	6.8%	0.4%
Operations	3.8%	4.1%	0.3%
Indirect	38.4%	40.6%	2.2%

At the end of 2023 the number of women within the group increased to 3,470 women or 6.8% (from 6.4%) of the total ALTRAD workforce. In operations the percentage increased from 3.8% to 4.1% and in indirect functions the females increased from 38.4% to 40.6%. Female management equals 11% of a total of 1,845 managers.

Targets:

- By 2027, we aim to achieve a female representation of 9%
- By 2030, our target is to elevate female representation to 13%; almost doubling the number of women within the organisation
- By 2035, we strive to reach a female representation of 15%.

Diversity campaigns

ALTRAD launched its diversity campaign at its annual seminar in April 2023, addressed to 350 group managers plus an online audience through ALTRAD TV.

The launch featured a three-hour segment dedicated to D&I featuring guest speakers who specialise in D&I in the workplace.

The campaign included a formal pledge, which now has over 1,750 signatories committing to creating an inclusive work environment at ALTRAD.

Campaign KPIs

- Set up unconscious bias training for 380 people attending our September 2023 BD seminar, presentation of 40 mins, and a guest speaker who is expert in unconscious bias
- Regular weekly communications throughout August & September around our D&I Pledge, as well as unconscious bias
- Set up Guidelines on acceptable work behaviours
- Shortly to launch our gender neutral language guidelines with education/awareness piece.

"I would like to encourage all females by saying: There is no limit to what you can accomplish. Go for it!"

Jan Vanderstraeten
Joint Group CEO



Women at ALTRAD

Celebrating our female workforce in Kazakhstan

In Kazakhstan, the ALTRAD Sparrows team consists of technical staff based at the TCO (Tengizchevroil, a joint venture between Chevron, ExxonMobil, KazMunayGas, and LukArco) facility in the country alongside our Atyrau office and training team. 18% of the workforce in this country are women.

One of these women is Aidana Ismagilayeva, an office administrator who joined the company last year. Born and raised in Atyrau, Aidana's parents are a school teacher and aviation engineer and Aidana also holds a bachelor's degree in engineering.

"I've been working in an environment with a strong gender balance for over 10 years now. With our team in ALTRAD Sparrows, we work as one team and gender isn't an issue at all."

"At the training centre here we trained the first ever female rope access technician in Kazakhstan. Her name is Inara Zhakupova and she was inspiring, she made me realise that if you want to succeed in any role you wish, you can do it when you apply yourself to it."

"I think what makes a more inclusive work environment is an open mind when dealing with any situation, no matter what the gender of the people you're working with or culture you're working in, and a willingness to listen and understand."

Aidana Ismagilayeva
Office Administrator



Preservation and protection

Addressing global challenges

Environmental commitments

Aware of our social and societal responsibilities, ALTRAD has made long-term commitments to the environment wherever it operates. The Group strives to protect existing resources and limit its impact on biodiversity, both by preventing pollution and reducing the consumption of natural resources, and by encouraging the reduction, reuse and recycling of waste.

Reducing the consumption of natural resources is paramount as society continues to increase demand on the Earth's available resources. As a consumer itself, ALTRAD seeks to reduce its energy consumption as well as the quantity of raw materials used in its various activities.

The ALTRAD Group supports the decarbonisation ambitions of the global community and is committed to becoming carbon neutral by 2050. As part of this commitment and in order to reduce our emissions, numerous actions and programmes have been put in place to reduce our operational footprint. We continue to innovate to support our own, as well as our customers', needs to reduce the environmental impact of their activities. Whether in the form of improved energy efficiency of client assets, or developing our own products, for example with our electric and battery-powered products for the construction sector, with the aim of reducing the carbon footprint of these activities.

At the same time, the Group has continued to develop its services and solutions to meet the challenges of climate change within our industrial markets, particularly in sectors linked supporting the energy transition – such as hydrogen technologies and carbon capture, where our activities have been strengthened. Through the acquisition of Babcock and Endel, ALTRAD has significantly reinforced its presence in the nuclear industry so that we now derive 16% of our turnover from the nuclear industry (2023: 9%). As the renewables and green sectors continue to grow, our ambition is to increase our revenue in those sectors both in terms of actual turnover but also as a share of our revenue mix.

Protecting the environment requires the constant commitment of all our employees, who are involved on a daily basis in assessing and effectively managing risks by developing best practices in environmental safeguards. In this way, the Group aims to become a reliable partner in the ecological transition for all its customers.



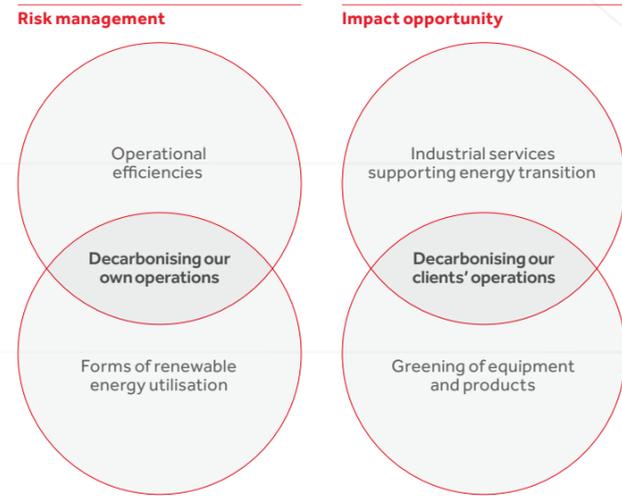
ALTRAD's climate strategy

ALTRAD's ambition is to contribute to the fight against man-made climate change. Our efforts are therefore focused on reducing greenhouse gas emissions from our activities throughout the value chain. And as a committed player in the ecological transition, ALTRAD offers services that support the key sectors of the energy transition such as construction, nuclear and renewable energies.

The ALTRAD Group supports the ambition and objective of the Paris Agreement and the long-term goal to keep the increase in global average temperature well below 2°C (3.6°F) above pre-industrial levels, and preferably to limit the increase to 1.5°C (2.7°F), recognising that this would significantly reduce the impacts of climate change.

Climate risk strategy

We have a simple two-part climate risk strategy that can be summarised as below:



Key initiatives

To reduce ALTRAD's operating emissions footprint, the Group has initiated a number carbon reduction activities. A selection of such initiatives include:

Solar panels

ALTRAD plans to reduce the footprint of certain facilities by adding solar panels as part of a decarbonisation solution.

In the Netherlands and Hungary, ALTRAD's subsidiaries ALTRAD Benelux and Hoffmanger have taken a significant step forward in their energy transition by installing an aggregate of solar panels covering a surface area of 8,798m² on the roof of their properties. This ecological and conversion initiative will enable the sites' energy consumption to be largely free from so-called 'fossil' sources, and will considerably reduce the environmental impact of their activities.

EV Fleet expansion

As part of its fleet greening strategy, ALTRAD UK Services has set itself the target of reducing the total carbon footprint of its fleet by 40% by 2026. They currently operate a fleet of more than 1,000 vehicles, and have equipped their vehicles with telematics devices to enable a detailed study of driver behaviour in order to increase the environmental efficiency of driving and reduce road risks.

This initiative has seen the annualised incident rate fall from 32% to 9%. This has also reduced the company's carbon footprint by 270 tonnes of CO₂ per year.

Real Estate

To exemplify our commitment, ALTRAD's newly constructed headquarters in Montpellier was designed with energy efficiency and carbon reduction at their core. The building is carbon neutral, using solar energy and is BREEM-certified.

Tree planting

In collaboration with the Ministry of Ecology and Natural Resources and as part of its sustainable development policy, the team from SOCAR Cape, the Group's Azerbaijan subsidiary, has been able to take part in the planting of some 4,000 olive, pine and alder trees on the Absheron peninsula in Azerbaijan. The aim of this project is to replant the entire landscape of the region, in line with our desire to make a lasting contribution to preserving our environment.



Calculating our own impacts

GHG assessment

ALTRAD has committed all of the Group's operating subsidiaries to measuring their carbon footprint in order to report on the greenhouse gas emissions generated by their activities.

Carbon audits have allowed us to identify where we emit most carbon and determine reduction plans. These include:

- Travel policies favouring trains over cars and planes
- The installation of EV charging points
- Bringing in more hybrid or fully electric vehicles into the fleet
- Transitioning to greener energy supplies; and
- The installation of solar panels at various sites.

In concrete terms, we have consolidated the main activity data relating to Scope 1 and Scope 2 emission items, i.e. respectively:

Scope 1

Consumption of fossil fuels (gas, fuel oil, propane, butane, LPG) for fixed uses: heating, processes or on-site electricity production, as well as the fuel consumption of our vehicles (company cars, HGVs, buses, commercial vehicles).

Scope 2

Electricity consumption at our sites.

Results from the 2022 Carbon Audit

Based on the data collected for the 2022 carbon audit, ALTRAD's Scope 1 and 2 total greenhouse gas emissions were estimated at 80,000 tCO₂e (Scope 1: 62,000 tCO₂e; Scope 2: 18,000 tCO₂e).

Carbon audits have allowed us to identify where we emit most carbon and determine reduction plans. ALTRAD is committed to reducing its carbon footprint wherever possible, whether that be by utilising solar panels at our facilities, transitioning our vehicle fleet to electric, or to actively exploring other initiatives to reduce carbon consumption at our facilities and offices.

Carbon audit	2023 (tCO ₂ e)	2022 (tCO ₂ e)	2021 (tCO ₂ e)
Scope 1	87,000	62,000	54,000
Scope 2	21,000	18,000	14,000
Total	108,000	80,000	64,000

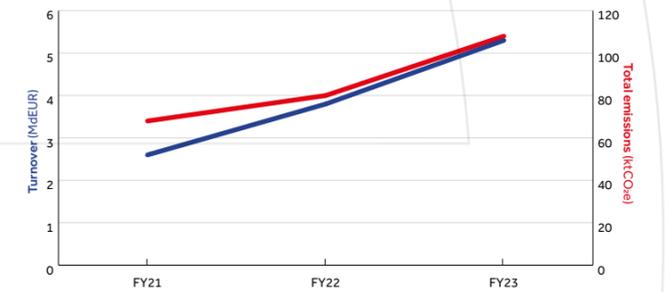
Results from the 2023 Carbon Audit

Based on the data collected for the 2023 carbon audit, ALTRAD's Scope 1 and 2 total greenhouse gas emissions were estimated at 108,000 tCO₂e (Scope 1: 87,000 tCO₂e; Scope 2: 21,000 tCO₂e).

The actions initiated in 2022 and 2023 have helped to reduce the increase in greenhouse gas emissions, while at the same time our operational activities have increased significantly over the last two years.

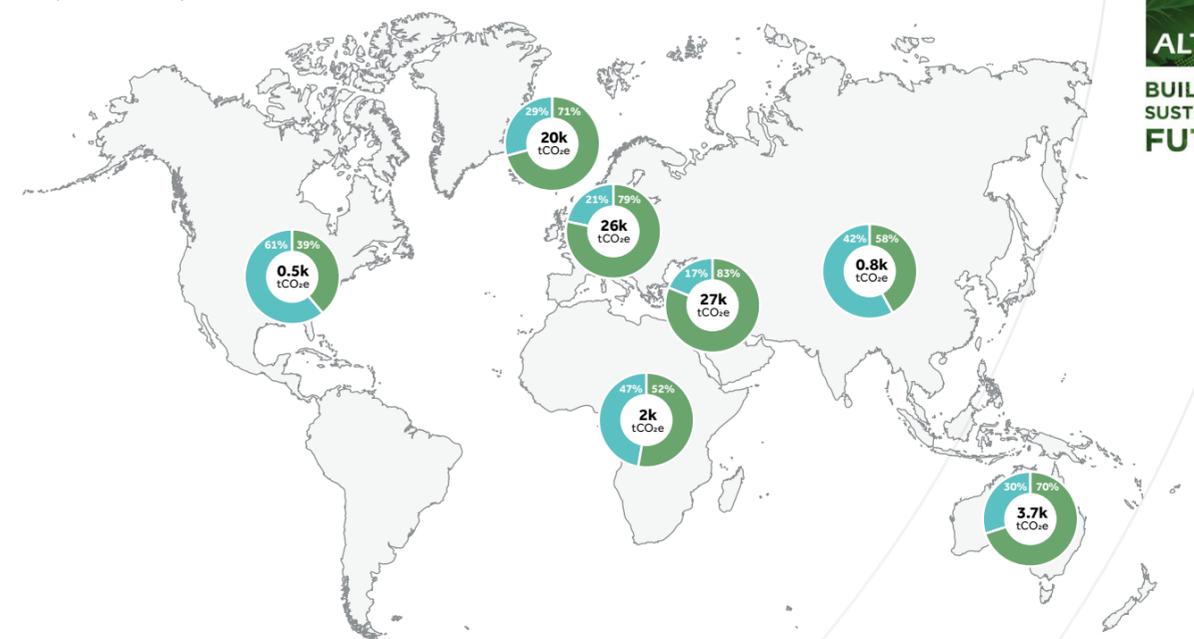
ALTRAD remains on a path to understanding and managing the Scope 3 emissions from our upstream and downstream value chain, which will inform a future roadmap and setting of targets.

Despite an increase in turnover of 103% since 2021, the Group has responsibly managed this growth to only realise a 58% increase in emissions during the corresponding period, lowering its energy intensity trend.



Global emissions 2023

By region
 Scope 1 (green) Scope 2 (teal)



Setting the foundations for decarbonisation

This is complex process that cannot be undertaken without the support of all the stakeholders at the heart of the territories where the ALTRAD Group operates, whether employees, clients or suppliers, with whom the ALTRAD Group is closely linked. ALTRAD wishes to strengthen its role and its positive impact through its services and solutions by contributing to the reduction of its customers' emissions towards carbon neutrality. The Group is a sustainable partner in its customers' energy transition.

This is why we are committed to developing our employees and all those around us so that together we can achieve the goals we have set ourselves and leave a positive legacy for future generations. The data we have collected will now enable us to establish the basis for our approach (i.e. the reference year) and define our reduction targets for the coming years.

Impact opportunity

In 2022, the Group implemented a strategy of targeted acquisitions to generate external growth through diversification in specialized sectors in high-growth markets and alignment with the needs of our customers around the world. Over the past decade, this strategy has been integral to ALTRAD's success and demonstrated the Group's desire to continue its journey towards a better world. This is how ALTRAD stands out today as an international leader both in terms of the provision of services and the supply of equipment in a wide range of sectors such as construction, nuclear, petrochemical oil and gas, and power generation as well as renewable energies.

In order to respond to the evolution of the various world markets, the Group has continued its development by seizing opportunities to acquire companies with expertise in the various services contributing to the energy transition and covering the green energy sectors such as wind turbines or hydrogen, nuclear and carbon capture. This diversification of activities offers the Group long-term viability as it responds to the necessity for us all to invest in products and services adapted to the climate emergency.

ALTRAD recognises that the oil and gas sector has a negative carbon impact on our environment. However, it is a reliable energy source which significantly outweighs other energy sources across the globe in terms of supply, infrastructure and cost. ALTRAD continues to support this sector to ensure energy security and affordability, as well as underpinning ALTRAD's financial performance, but is committed to supporting its clients as they transition away from fossil fuels. The Group is targeting a gradual pivoting of its activities away from carbon-intensive industries towards the greener renewable and nuclear industries; this is a long term transition which will require partnerships with clients, staff and supply chains as well as long term investments.

Regulatory alignment and Net Zero planning

As we establish more reliable data we will then set carbon reduction targets to align to the objective of becoming carbon neutral by 2050. This aligns with the intent and requirements of the EU's new sustainability standards, ensures our operational relevancy with customers and the actions expected by employees and society.

As our entire organisation develops its knowledge and data capture techniques, we will be able to better consolidate the data collected and extend the scope of application to all the emission items considered significant for ALTRAD. We will also seek to establish the carbon-reduction benefits of our activities; many of our services enhance the efficiency of our clients' assets (e.g. better insulation, capturing carbon, reducing energy waste) and allow us to accompany our clients on their own energy transition journeys.

These different elements will enable us to have a holistic view of the carbon impact of our activities and to translate our climate commitments into an operational action plan that matches our ambitions. Therefore, in order to be part of a process of progress, the ALTRAD Group intends to undertake the transformations necessary to decarbonise its services and equipment production activities.

Acquisitions



Alpha
Sparrows Group, a global provider of engineering, inspection, operation and maintenance services to the offshore energy, renewable energy and industrial sectors has a subsidiary, Alpha, specializing in the wind energy business which provides blade repair, turbine servicing and installation support.



Babcock
ALTRAD Babcock Limited, global provider of engineering design and construction, plant maintenance and asset integrity services for the nuclear, power generation, oil & gas, petrochemical, hydrogen and carbon capture sectors. With Nuclear, Hydrogen and Carbon Capture recognised as key technologies in a number of Government Net Zero strategies, ALTRAD is well positioned to leverage the heritage and expertise which Babcock brings to continue supporting the clean energy transition.



Endel
Endel, a leading French company, offers expertise and know-how in mechanical engineering and metallurgy, unmatched capabilities in many sectors, including the nuclear industry. Its leading role and its expertise on all nuclear sites are recognized and, alongside Babcock, allow ALTRAD to support the global demand for secure and reliable nuclear energy.



Valmec
Valmec offers turnkey execution of hydrogen facilities, including engineering, procurement and construction, project development support, feasibility analysis, detailed facility design, major equipment acquisition, facility construction, commissioning, operation and maintenance support.

Total green energy sales

Nuclear	€871m
Wind turbines	€45m
Total	€916m

In 2021, green energies accounted for just €27m of sales. Just two years later, this had risen to €916m – increasing by a factor of 33 and comprising 13% of our sales.

Operations



Equipment and products
Belle has developed a number of battery-related products such as Li-ion powered tip-up mixers providing practical support to customers without the need for an on-site electric supply and emits no emissions.



Industrial services
The nature of our service offering is to accompany our clients through their own energy transition. We provide labour for many projects, from carbon capture and storage, to hydrogen, to energy from waste plants; nuclear and renewables.

We help maintain life cycles of client assets and improve efficiencies – through installing insulation materials to reduce heat loss/maintain cold; to extending life of assets and avoid new builds.

We are experts in decommissioning in responsible and efficient manner. As many of the world's oil and gas facilities near their end of life, ALTRAD's positive impact can also be measured by its ability to decommission those assets to return the area to its natural state.



ALTRAD Babcock appointed as main contractor for world-first green hydrogen to homes demonstrator project on behalf of gas distribution company SGN in Fife, Scotland. It will become the first 100% green hydrogen-to-homes zero carbon network anywhere in the world, demonstrating the potential for the entire British gas network to deliver hydrogen gas.

Philanthropic initiatives

Enabling our communities to help themselves

Community contribution 2023

€1.6m

The ALTRAD Solidarity Fund

ALTRAD Solidarity was born out of the Group's desire to strengthen the influence and consistency of its philanthropic actions and sponsorship operations. This endowment fund aims to finance and support the implementation of social and charitable actions of ALTRAD.

While in our various subsidiaries, hundreds of actions are implemented each year to locally support various associative projects, under the impetus of our President and founder Mohed Altrad, the Group has decided to go further in its responsible business approach.

Convinced that no company wins in a world that loses and aware of its responsibility to contribute to the global challenges that await us all. The emergence of ALTRAD Solidarity symbolises this commitment to ultimately make the Group a company with a mission whose raison d'être is, for our contemporaries as for future generations, to leave a positive imprint on the world.

A shared ambition

The objective of ALTRAD Solidarity, a non-profit organization, is to engage in unifying actions contributing to missions of general interest. This support thus takes the form of donations to other non-profit organizations but can also take the form of fundraising to be donated to associations carrying out ambitious projects to which we fully subscribe. The structuring of our philanthropic and sponsorship approach is articulated around four pillars which are education & culture, health & well-being, integration & inclusion and the preservation of our planet.

These themes support our corporate objectives and are also in line with the United Nations Sustainable Development Goals on which we act directly:



League against obesity

According to the results of the Obépi study, obesity is constantly increasing in the world. In France, 17% of patients are obese compared to 35% in the United Kingdom and 50% in the USA. An alarming observation that affects both adults and children and which occurs particularly in underprivileged families. ALTRAD has actively supported the fight against obesity for several years as part of its CSR policy, in particular by contributing to the development of prevention programs but also by participating in the development of skills in the field and the practice of caregiver/patient partnership.



Association of the Hérault Valley

The town hall of Florensac and the Association Vallée de l'Hérault – which supports adults with disabilities – have joined forces with ALTRAD to build a new housing building for workers with disabilities and also for retirees from the ESAT (establishment and service of assistance through work) to allow them to continue their lives in a reassuring environment. This project is part of the continuity of the Group's support for disabled, retired or still active people, which began in 1985.



Philanthropy

JoinUs

JoinUs Foundation, which enables young people in the local community suffering from various difficulties to get back on the path to a fulfilling and meaningful daily life through fundamental elements such as sport, social activities and employment. In addition to providing direct financial support, the ALTRAD team is committed to providing mentorship and hopes to provide training and long-term employment opportunities for young people.



Astha Children's Refuge in Kathmandu

Since 2019, ALTRAD has supported the Astha children's shelter in Kathmandu, Nepal. This association promotes values that are dear to us such as education, gender equality, health, well-being and the fight against poverty. Created in 2005 to support young girls, the shelter offers them not only a loving and secure home but also the opportunity to take their destiny into their own hands in order to then integrate positively into Nepalese society.





ALTRAD
150, rue Le Pérugin – 34 000 Montpellier – France
Tel. +33 (0)6 07 84 12 01 – igarcia@altrad.com
www.altrad.com