

***LENOL***

***SUSTAINABILITY REPORT 2024***





Who we are

**LENOL is a management owned global oil marketer providing customers with marine lubricants in all major ports worldwide. LENOL offers a full marine product range covering all your vessels' needs. Our German R&D center provides technology which ensures best engine performance and protection. Our global partner, FUCHS Lubricants Germany GMBH, provides decades of proven specialty lubricants covering all machineries on board.**

Headquartered in Dubai's DMCC Free Zone, we operate at the crossroads of global trade, energy innovation, and sustainability.

Driven by a commitment to quality, reliability, and environmental responsibility, Lenol partners with leading manufacturers and logistics providers to ensure the seamless delivery of premium lubrication solutions to clients worldwide. Our diverse product portfolio meets the evolving needs of complex industrial applications while supporting performance, efficiency, and equipment longevity. LENOL products are offered in over 40 countries and in more than 900 ports all over the world.

What sets Lenol apart is our integration of ESG principles into our core operations. We are actively reshaping the lubricant trading landscape by embedding sustainability, ethical sourcing, and stakeholder engagement into every part of our value chain. From climate-conscious product offerings to transparent governance frameworks, we are committed to building a future that balances business performance with environmental and social impact.



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# About This Report

This 2024 Sustainability (ESG) Report reflects Lenol's ongoing commitment to advancing environmental stewardship, social responsibility, and strong corporate governance within the lubricant trading sector. It outlines the company's ESG performance, key initiatives, and future ambitions while demonstrating how sustainability is embedded into our operations and strategy.

The report is based on the 2024 ESG Materiality Assessment, which prioritizes the most relevant sustainability topics for Lenol and its stakeholders. These topics include climate resilience, responsible sourcing, product lifecycle impact, employee wellbeing, ethical business conduct, and community involvement. Our disclosures are aligned with globally recognized frameworks and regulatory standards, including the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), the European Sustainability Reporting Standards (ESRS), and applicable requirements under the U.S. SEC climate disclosure rules, the EU Corporate Sustainability Reporting Directive (CSRD), the Singapore Exchange (SGX) ESG guidelines, and the Hong Kong Stock Exchange (HKEX) ESG Reporting Guide.

In 2024, during the continuation of the UAE's "Year of Sustainability", Lenol has strengthened its alignment with the nation's sustainable

development agenda. Building on the momentum of COP28, hosted in the UAE in late 2023, this report reaffirms our alignment with the growing global emphasis on climate action, circular economy, and inclusive growth.

Our leadership continues to demonstrate vision and industry leadership by integrating sustainability into core decision-making and ensuring that responsible growth remains a defining feature of our operations. This report is not only a summary of ESG progress but also a strategic tool for transparent communication, stakeholder engagement, and continuous improvement.

As we continue to celebrate the UAE's Year of Sustainability, Lenol reaffirms its dedication to climate responsibility, ethical trade, and stakeholder wellbeing—contributing meaningfully to a more resilient and sustainable future for our industry and beyond.

## Reporting Standards

At Lenol, we are committed to transparency, consistency, and accountability in how we communicate our Environmental, Social, and Governance (ESG) performance. To ensure clarity, comparability, and alignment with global best practices, we align our reporting with internationally recognized frameworks, including the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), the European Sustainability Reporting Standards (ESRS), and the United Nations Sustainable Development Goals (UN SDGs). In addition, our disclosures consider jurisdiction-specific ESG regulations and expectations in the United States (SEC Climate Disclosure Rule), European Union (CSRD), Singapore (SGX Sustainability Reporting Guide), and Hong Kong (HKEX ESG Reporting Guide), ensuring that our global operations remain aligned with regional compliance standards.

Beyond international alignment, our sustainability strategy is also guided by key national frameworks, reinforcing our support for the UAE's vision and climate leadership. These include the UAE National Net Zero by 2050 Strategic Initiative, which makes the UAE the first country in the MENA region to commit to achieving net-zero emissions by mid-century; the UAE Green Agenda 2030, which drives the transition to a green economy; and the UAE Vision 2030, which lays the groundwork for a prosperous and inclusive future. Lenol's alignment with these initiatives further underscores our support for the long-term goals of the UAE Centennial 2071 and the Third Update of the Second Nationally Determined Contribution (NDC), which accelerates the nation's progress toward a low-carbon, climate-resilient economy. We also endorse the United Nations Environment Programme's Dubai Declaration on Sustainable Finance, embedding sustainability more deeply into our financial, trading, and operational practices.

## Reporting Period

This ESG report reflects our activities and achievements for the period from 1 January 2024 to 31 December 2024, unless otherwise stated. It encompasses our environmental impact, including energy consumption, emissions, waste, and water management; our social contributions such as employee engagement, community involvement, and human rights practices; our governance systems and policies including anti-bribery, compliance, and risk management; and our approach to stakeholder engagement, including materiality assessments and ESG performance monitoring. In our pursuit of greater accuracy and transparency, Lenol has initiated **limited assurance coverage** for **Scope 1, Scope 2, and selected Scope 3 emissions**, focused on those deemed most relevant to our operations in lubricant trading. The limited assurance report will be made publicly available in the **first half (H1) of 2025** on our website at [www.lenolmarine.com](http://www.lenolmarine.com).

Our ESG report is updated and published annually in English, and made available to all stakeholders through our website. For further information about Lenol, or to access previous and future reports, please visit [www.lenolmarine.com](http://www.lenolmarine.com). If you have any questions, suggestions, or comments regarding this report, we welcome you to contact our global technical support team at [support@lenolmarine.com](mailto:support@lenolmarine.com).





**United, we're shaping a tomorrow where sustainability drives prosperity for all."**



## Shaping a Sustainable Tomorrow

As we look back on our path to a sustainable tomorrow, our dedication to purpose-driven operations remains the heart of Lenol's mission.

At Lenol, sustainability isn't just a buzzword—it's the guiding principle of how we do business across every geography we operate in. As I present our 2024 Sustainability and ESG Report, I feel a deep sense of pride in the progress we've made this year. It's been a period of transformation, accountability, and decisive action as we strengthen our role in shaping a more sustainable and equitable global marine trade ecosystem.

This year has reminded us that sustainability is not a destination but an evolving journey. While we continue to support the UAE's bold national agenda—Net Zero by 2050, the Green Agenda 2030, the Centennial 2071, and the Third Update of the Second Nationally Determined Contribution (NDC)—our reach and responsibilities extend far beyond borders. With operational ties across the United States, the European Union, Singapore, and Hong Kong, we've worked diligently to ensure alignment with a broader set of international ESG regulations, including the U.S. SEC Climate Disclosure Rules, the EU CSRD and

ESRS, Singapore's SGX Sustainability Reporting Guidelines, and Hong Kong's HKEX ESG Reporting Guide.

Operating at the intersection of energy, logistics, and sustainability, Lenol plays a unique role in enabling responsible progress. In 2024, we advanced our decarbonization agenda by enhancing GHG emissions reporting, refining Scope 1 and Scope 2 calculations, and expanding coverage of key Scope 3 categories. To promote transparency and credibility, we initiated limited assurance for our emissions data—raising the bar for accountability across our industry.

We didn't stop at emissions. Our efforts this year spanned responsible sourcing, workforce wellbeing, ethics, and stakeholder engagement. We deepened our understanding of what matters most through a double materiality assessment, aligning those findings with our operational risk framework and sustainability roadmap. These insights now shape how we approach product innovation, supplier relationships, compliance, and community partnerships.

We recognize that the road to sustainability is complex—but we are navigating it with clarity and conviction. Our ESG governance model is now embedded across key decision-making processes, supported by strong leadership, integrated policies, and a unified ESG risk register. We are also fostering a culture of innovation and continuous improvement through digitalization, cross-functional collaboration, and ESG-aligned training.

None of our progress would be possible without the trust and dedication of our stakeholders. To our team, customers, suppliers, regulators, and communities—thank you. Your shared vision fuels our momentum. Together, we are not only transforming the lubricant trading sector—we are building a future that is climate-resilient, inclusive, and responsible.

**June Manoharan**  
Managing Director

Through this report, we celebrate the momentum we’ve built in making lubricant and grease trading not just efficient—but also future-fit and environmentally aligned.

By embedding ESG principles into our core operations, Lenol is actively supporting the UAE’s vision for a greener, more resilient economy

It is with great pride that I present Lenol’s 2024 Sustainability and ESG Report. This year has marked a milestone in our ESG journey—defined by measurable progress across environmental performance, social impact, and corporate governance.

Guided by the global momentum following COP28 and increased regulatory expectations across the United States, European Union, Singapore, and Hong Kong, we have elevated our ESG integration to align with both national and international standards. Our materiality assessment was rolled out across the business, supported by enhanced emissions tracking for Scope 1, 2, and 3, and the initiation of third-party assurance processes to validate our disclosures. With the energy of COP28 still in the air and the UAE’s Year of Sustainability pushing us forward, we’ve taken our ESG efforts up a notch. These efforts signify our commitment to transforming ESG ambition into action.

A major milestone this year has been embedding the principles of double materiality into our governance model. This framework enables us to evaluate how ESG risks and opportunities affect our business and how our operations impact society and the environment. It is now a core element of our decision-making—from supplier selection and risk management to product innovation and stakeholder engagement.

We also prioritized accuracy and transparency, particularly in our carbon accounting methodologies. Launching our assurance process reinforces our dedication to responsible reporting and strengthens stakeholder trust globally. Our ESG approach reflects the global scope of our operations and our alignment with international frameworks such as the GRI Standards, TCFD, and ESRS, while considering jurisdiction-specific ESG disclosure requirements in key markets.

Operating across over 900 ports and global trade hubs, Lenol is uniquely positioned to influence sustainable marine trade. As a lubricant trading company, we embrace our role in enabling the maritime industry’s transition to low-emission and compliant operations, while delivering reliable, high-performance products.

This report goes beyond compliance—it is a reflection of our direction, our accountability, and the trust placed in us by our global stakeholders. Looking ahead, we are focused on advancing circular economy initiatives, fostering innovation, building supply chain resilience, and empowering our people across all geographies in which we operate. We remain committed to aligning with evolving international ESG standards while upholding the agility, integrity, and transparency that define Lenol.

**Mohammed Ali Hatimi**  
Sustainability and QHSSE Manager

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**This ESG Report 2024 reflects our continued commitment to creating meaningful value for people, planet, and progress across our operations.”**





# > 2024 ESG HIGHLIGHTS

**EMISSION REDUCTION & SUSTAINABLE LUBRICANTS:** Lenol actively develops and markets marine lubricants that support emission reduction goals. Lenol has introduced new generation cylinder oils with enhanced detergency and dispersancy to meet the demands of modern engines and alternative fuels, aligning with the IMO 2050 emission reduction strategy. One of our products, LENOL CLX 20, is formulated for Ultra-Low Sulfur Fuel Oil (ULSFO) and other alternative fuels, making it an environmentally conscious choice for ship operators. These efforts indicate Lenol's focus on helping vessels reduce emissions and transition to cleaner fuel use.



## IMO COMPLIANCE & GREEN TECHNOLOGIES:

Lenol ensures its products meet or exceed international environmental standards. Notably, the new marine lubricant brand co-developed with FUCHS fulfils the latest environmental standards, including IMO Tier III regulations, which target lower NOx emissions for shipping. By complying with stringent IMO



rules, Lenol's lubricants enable vessels to reduce harmful emissions while maintaining safe and efficient operations. The company's emphasis on R&D (with a German research center) helps deliver cutting-edge lubricant solutions that support greener marine technologies and more efficient engine performance.

## ALTERNATIVE FUELS & ENGINE TECHNOLOGY:

The push for decarbonization has accelerated research into alternative marine fuels – including LNG, hydrogen, ammonia, methanol, and biofuels. Each of these fuels presents unique challenges for engine lubrication (e.g., differing engine temperatures, combustion byproducts, or corro-



cants is critical to enable the maritime energy transition without compromising engine health or safety.



## AWARDS AND RECOGNITION

Lenol recently received the "Rising Star Organization - Marine Lubricants" award at the prestigious ShipTek International Awards India 2023. This recognition, presented at a gathering of industry leaders, offers a glimpse into the company's growing influence and its potential impact on the marine sector's environmental, social, and governance (ESG) landscape.

While the award primarily highlights Lenol's market growth and innovation, it also carries implications for its social responsibility. This recognition highlights the company's growing impact in the marine sector and reflects its contribution to industry innovation and development.

sion issues). Industry-wide, there's recognition that multiple solutions will co-exist: the optimal fuel may vary by vessel type, size, and trade route. Lenol is therefore investing in R&D to formulate fuel-specific lubricants. Lenol's product range already addresses this need: its Category II cylinder oil (LENOL CLX 40) and specialized formulas like CLX 20 for low-sulfur and biofuel applications are designed to protect engines running on new fuels. By working closely with engine makers and classification societies, Lenol ensure that oils can handle issues like higher combustion pressures or lower sulfur content. This trend of co-engineering fuels and lubri-





# > 2024 ESG HIGHLIGHTS

## COMMUNITY ENGAGEMENT

Lenol engages with the maritime community through knowledge-sharing and sponsorships. In 2024, Lenol's team hosted technical seminars in Tokyo and Imabari to discuss IMO 2050 emission goals and engine operation challenges, educating industry stakeholders on sustainable practices and new lubricant solutions.



## EMPLOYEE WELLBEING & SAFETY

Safety is a priority across Lenol's operations. The company's leadership team – comprised of marine professionals with 100+ years of combined experience – emphasizes "safe and sustainable operating processes" in all offices. There is a strong internal culture of occupational safety, quality control, and adherence to best practices for employee wellbeing and



operational safety. By implementing ISO-certified management systems (see Govern-

ance), Lenol ensures its workforce operates under well-defined safety and quality standards, which protect both employees and the environment.

## INDUSTRY INVOLVEMENT

Lenol supports industry events that promote ESG values. Lenol was a Gold Sponsor of ShipTek 2024 and sponsored the Sustainable Shipping Award at The Maritime Standard Awards 2024. By sponsoring the Sustainable Shipping Award (presented to ADNOC Logistics & Services), Lenol helped honor and in-



centivize impactful sustainability initiatives in shipping. Such involvement reflects Lenol's social responsibility in fostering a culture of sustainability and innovation within the maritime industry.

## SOCIAL PARTNERSHIPS AND DEVELOPMENT:

While Lenol is primarily an oil marketing firm, it partners with organizations to advance so-



cial and ethical standards. The collaboration with FUCHS, a company known for its strong corporate responsibility programs, enhances Lenol's social footprint through shared values in ethics, compliance, and stakeholder engagement. Internally, being a management-owned company allows Lenol to uphold a gov-

ernance style that can quickly address employee concerns and maintain ethical labor practices. Although specific community development projects by Lenol are not widely publicized, its active role in industry conferences and awards, as well as its emphasis on safe



operations, indicate a commitment to social responsibility by improving industry knowledge and supporting safety and sustainability initiatives beyond its own business.

## CORPORATE GOVERNANCE & ETHICS:

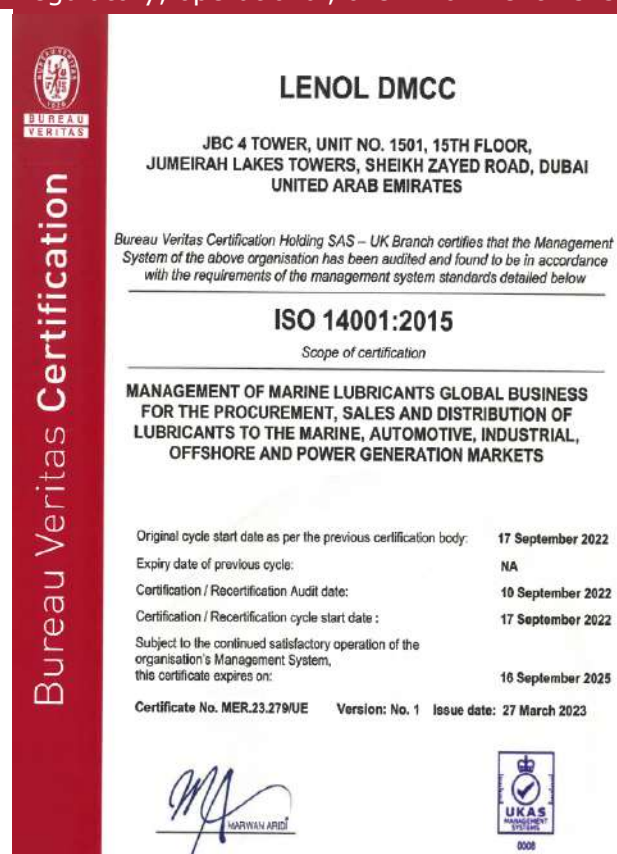
Lenol's ownership and leadership structure underpin its governance. The company is management-owned and independent, led by a team of experienced industry professionals. This structure likely fosters direct accountability and a hands-on approach to governance and ethics. The directors (spread across its Dubai DMCC headquarters and global subsidiaries) bring extensive marine industry experience, which helps ensure that strategic decisions are ethically grounded and informed by industry best practices.





# > 2024 ESG HIGHLIGHTS

**Risk Management & Compliance:** Lenol demonstrates a clear commitment to compliance with international standards and risk management through certifications and policies. The company's Quality and Environmental Management Systems are certified to ISO 9001:2015 and ISO 14001:2015, respectively. Achieving ISO 9001 from Bureau Veritas indicates robust quality control and continual improvement processes, reducing operational risks and ensuring customer satisfaction. ISO 14001 certification reflects a systematic approach to environmental risk management – Lenol monitors and mitigates its environmental impact in line with global best practices. Compliance with maritime regulations is also integral to Lenol's governance: its products are formulated to meet IMO standards (e.g. IMO Tier III), and the firm stays abreast of new regulations like EU FuelEU Maritime to help clients remain compliant (see Industry Trends). These measures illustrate Lenol's proactive management of regulatory, operational, & environment risks.



## COLLABORATIONS & ESG

**ALIGNMENT:** A key aspect of Lenol's governance strategy is partnering with ESG-aligned organizations. The alliance with FUCHS Lubricants Germany GmbH is a prime example – FUCHS is the world's largest independent lubricants supplier and embeds sustainability in its corporate strategy. Through this partnership, Lenol gains access to FUCHS's advanced R&D, stringent quality standards, and sustainability know-how, bolstering Lenol's own governance capabilities. Both companies coordinate on product development and compliance, ensur-

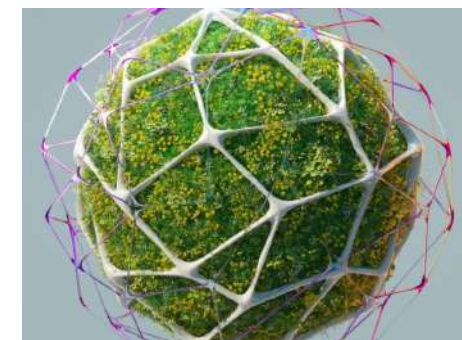


ing that their joint offerings adhere to high ethical and environmental standards. FUCHS itself has committed to ambitious sustainability targets (including achieving climate neutrality by 2050 and increasing use of renewable or recycled materials). Aligning with such a partner indicates that Lenol's governance includes long-term planning for sustainability and ethical business, strengthening its ESG performance through shared initiatives and oversight.

## DECARBONIZATION DRIVE:

The maritime industry is under intense pressure to decarbonize in line with global climate goals. Climate change and carbon regulations have risen to the top of corporate agendas for ship owners and operators. In fact, shipping's carbon footprint is so significant that if it were a country, it would rank as the world's eighth largest emitter. The IMO's GHG Strategy aims to cut shipping emissions (with a vision for 70% reduction by 2050), and the industry is exploring multiple pathways – from energy efficiency to alternative

fuels – to achieve these targets. At the 2023 TMS Tanker Conference in Dubai, where Lenol's Managing Director June Manoharan was a panelist, ex-



perts agreed there is "no one-size-fits-all" solution for alternative fuels and that a range of technologies and fuel choices will emerge in coming years. This underscores a trend: marine lubricant suppliers like Lenol must innovate products for a diverse mix of new fuels (LNG, biofuels, methanol, ammonia, etc.) as the fleet transitions to lower-carbon energy.

## FuelEU Maritime Regulation:

In addition to IMO targets, regional regulations are shaping industry behavior. The European Union's FuelEU Maritime regulation (effective 2025) sets strict limits on the greenhouse gas intensity of fuels used by ships calling at EU ports. It promotes the adoption of renewable and low-carbon fuels and compels ship operators to monitor and gradually reduce GHG emissions. This is driving demand for cleaner-burning fuels and compatible lubricants. Marine lubricants must adapt to ensure engine performance and longevity with these new fuel types (which can have different sulfur



content, acidity, or combustion profiles). Lenol's focus on ULSFO-compatible oils and technical seminars on IMO 2050 indicate it is preparing clients for such regulations by provid-

ing guidance and products suitable for compliance. Staying ahead of regulations like FuelEU Maritime is now an essential part of ESG leadership in the marine fuels and lubricants sector.

ESG at Lenol

## CIRCULAR ECONOMY PRACTICES:

Sustainability in marine lubricants also extends to resource efficiency and waste reduction. The industry is increasingly adopting circular economy approaches, such as recycling and re-refining used oils. Re-refined base oils (i.e., base oils recovered from used lubricant oil) can significantly cut the lifecycle environmental impact of lubricants. Studies show that using re-refined base stock instead of virgin oil can reduce lifecycle carbon emissions by roughly 77–81%. This dramatic reduction is achieved by



avoiding crude oil extraction and processing; re-refining transforms used oil into new high-quality lubricants, conserving resources and energy. Major lubricant companies (including FUCHS) have embraced these principles – FUCHS is switching to more recycled and bio-based materials and ensuring its own waste streams are fed back into material reuse. For Lenol, this means offering products that are not only high-performing but also environmentally friendly in their production and disposal. We see moves toward biodegradable lubricants for sensitive marine environments and participation in used-oil collection programs as part of this trend. By aligning with these industry trends – from decarbonization and alt-fuels to circular economy practices – Lenol is positioning itself as a forward-looking player in a rapidly evolving sector.



# Lenol's Material Topics

Lenol conducts an annual materiality analysis to identify and prioritize the most relevant sustainability topics for disclosure and action. This process is aligned with the GRI Universal Standards 2021 and incorporates elements of the SASB (Sustainability Accounting Standards Board) frameworks. By engaging both internal and external stakeholders—including employees, partners, suppliers, and industry experts—Lenol gathers diverse insights to understand which Environmental, Social, and Governance (ESG) topics are most significant to its operations and stakeholders.

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**Our materiality assessment ensures that sustainability priorities are aligned with our strategic goals, risk management, and stakeholder expectations—driving impact where it matters most.”**

This materiality analysis serves as a cornerstone for aligning the company's sustainability initiatives with its broader business strategy and operational goals. The insights derived from the assessment inform the company's reporting priorities, strengthen its risk management approach, and shape corporate decision-making. Grounded in the principle of relevance and impact, the materiality process not only highlights risks but also identifies ESG opportunities that can drive innovation, resilience, and long-term value creation.

Lenol integrates ESG considerations into its existing ISO-certified Integrated Management System, including ISO 9001 (Quality), ISO 14001 (Environment), and other relevant standards. This integration ensures that material ESG topics are embedded into the company's risk management, operational planning, and continuous improvement processes.

The most recent materiality assessment was completed in 2024, using Lenol's four-phased materiality methodology, which ensures a structured and comprehensive evaluation:

**Identification**—Key ESG topics are compiled through a review of global frameworks (GRI, SASB, UN SDGs, ERS), peer benchmarking, regulatory trends, and stakeholder expectations.

**Stakeholder Engagement**—Internal and external stakeholders are surveyed or interviewed to assess the perceived relevance and potential impact of each topic across the value chain.

**Assessment & Prioritization**—Topics are evaluated based on their significance to Lenol's business success and their impact on the environment, society, and stakeholders.

**Validation & Approval**—The prioritized material topics are reviewed and formally approved by Lenol's top management, ensuring full alignment with the company's strategic direction and governance oversight and published in our ESG report

This evaluation process enables Lenol to systematically examine ESG-related risks, opportunities, and impacts both within the organization and across its extended value chain. By embedding material ESG topics into corporate governance, Lenol ensures its sustainability agenda remains focused, data-driven, and responsive to evolving stakeholder expectations.





Material ESG Topics for Lenol

Based on the outcomes of the comprehensive 2024 materiality assessment, Lenol has identified its most strategically relevant ESG topics, categorized under the Environmental, Social, and Governance pillars. These topics form the backbone of our sustainability strategy, guiding our actions, reporting focus, and long-term planning.

The assessment followed a double materiality approach, ensuring a balanced evaluation of two critical dimensions:

- ⇒ Financial Materiality – ESG risks and opportunities that could influence Lenol’s business performance and resilience.
- ⇒ Impact Materiality – Topics where Lenol’s operations have actual or potential effects on the environment, society, and broader economy.

Through this process—which included stakeholder engagement, management input, and desk-based research—we were able to prioritize the ESG topics that matter most to Lenol and its stakeholders. These insights now serve as a foundation for aligning our sustainability efforts with strategic business goals and reinforcing ESG integration across our risk management systems, decision-making processes, and ISO-certified Integrated Management System.

The top five material topics for Lenol are:

The topics below were identified through a combination of stakeholder interviews, survey responses, and comprehensive desk research.

- Climate Impact & Emissions
- Sustainable Product Innovation
- Ethical Business Conduct
- Employee Health & Safety
- Supplier Due Diligence & ESG Alignment



Environment

- Climate Impact & Emissions**  
Assessing and reducing Scope 1, 2, and 3 emissions across operations and logistics to support net-zero goals.
- Sustainable Product Innovation**  
Developing and marketing lubricants that support the use of low-sulfur, bio-based, or alternative fuels.
- Waste & Circular Economy**  
Minimizing packaging waste, promoting re-refined base oils, and exploring circular product lifecycle options.
- Energy Efficiency**  
Optimizing fuel and energy usage in transport and warehouse operations to lower environmental impact.
- Water Management**  
Monitoring water usage and quality in operations, and ensuring responsible discharge or disposal practices.
- Marine Ecosystem Protection**  
Limiting pollution through eco-friendly products and supporting IMO initiatives for ocean health.
- Product Stewardship**  
Ensuring all lubricants are safe for marine use, compliant with environmental standards, and clearly labeled.
- Packaging & Material Sustainability**  
Reducing single-use packaging, optimizing material selection, and increasing recyclability across product lines.
- Spill & Hazardous Substance Control**  
Preventing, managing, and mitigating accidental releases of lubricants or hazardous materials into the environment.
- Green Logistics & Transport**  
Exploring lower-emission transport modes and route optimization to reduce environmental footprint in product distribution.



Social

- Employee Health & Safety**  
Ensuring a safe, compliant, and hazard-free work environment across all logistics, warehousing, and administrative functions.
- Talent Development & Training**  
Investing in employee upskilling, leadership development, and technical knowledge relevant to sustainable operations.
- Diversity, Equity & Inclusion**  
Fostering a workplace that promotes gender equity, equal opportunity, and non-discrimination across all levels.
- Community Engagement**  
Supporting maritime education, sustainability awareness, and industry capacity-building events and programs.
- Labor Standards & Human Rights**  
Preventing child/forced labor, respecting worker rights, and aligning with global human rights conventions.
- Employee Wellbeing & Benefits**  
Providing access to wellness, mental health, and fair compensation to promote holistic employee wellbeing.
- Grievance Mechanism & Whistleblowing**  
Providing confidential channels for reporting workplace and compliance concerns without retaliation.
- Equal Opportunity & Fair Hiring**  
Ensuring unbiased recruitment and promotion practices based on merit, skills, and inclusivity.
- Contractor & Third-Party Labor Practices**  
Ensuring all contracted workers and suppliers uphold labor rights and work safely under fair conditions.
- Knowledge Sharing & Industry Leadership**  
Participating in technical forums and thought leadership events to promote sustainable practices in marine trade.



Governance

- Ethical Business Conduct**  
Upholding integrity, anti-corruption, and transparency through a robust Code of Conduct and AML/anti-bribery policies.
- Compliance & Regulatory Alignment**  
Maintaining adherence to IMO, UAE, and international regulations in product, safety, trade, and sustainability practices.
- Data Protection & Cybersecurity**  
Safeguarding stakeholder data and ensuring IT systems are resilient and compliant with privacy laws.
- Supplier Due Diligence & ESG Alignment**  
Evaluating suppliers for human rights, labor practices, and environmental compliance as part of procurement.
- Risk Management & Internal Controls**  
Embedding ESG into risk assessments, scenario planning, and business continuity systems.
- Board Oversight & ESG Governance**  
ESG performance is monitored by senior leadership and integrated into corporate governance frameworks.
- Transparency & ESG Reporting**  
Disclosing ESG data aligned with GRI, TCFD, and ESRS, supported by assurance and stakeholder engagement.
- Policy Integration & ESG Training**  
Embedding ESG principles in policies and training staff to support sustainability-aligned decision-making.
- Stakeholder Engagement & Dialogue**  
Engaging proactively with customers, regulators, and industry groups to inform ESG practices and build trust.
- Audit, Assurance & Continuous Improvement**  
Conducting internal/external ESG audits, tracking KPIs, and refining processes based on outcomes.



## Material Issues for Lenol’s Enterprise Value Creation

At Lenol , our materiality assessment process plays a pivotal role in identifying and prioritizing the ESG issues that are most significant to our long-term value creation. Conducted annually and grounded in a structured stakeholder engagement methodology, the process allows us to evaluate ESG-related risks and opportunities in the context of our global marine lubricant trading operations and extensive value chain. It enables us to reflect on the evolving expectations of regulators, customers, suppliers, employees, and maritime industry stakeholders—ensuring our sustainability focus remains both relevant and strategic.

The findings from the materiality analysis are rigorously reviewed and formally approved by our Sustainability Manager and executive leadership, reinforcing alignment between our sustainability agenda and the company’s broader strategic objectives. This integration helps embed ESG performance into corporate governance, ISO-certified systems, risk management frameworks, and long-term planning processes.

Based on the 2024 materiality assessment, three material topics were identified as having the greatest potential to shape enterprise value creation for Lenol from a sustainability perspective:

### 1. Climate Impact & Emissions

As a globally active lubricant trader with supply chains extending across over 900 international ports, Lenol is acutely aware of the growing scrutiny on carbon emissions and climate responsibility within the maritime sector. Our operations are directly and indirectly exposed to greenhouse gas (GHG) emissions through fuel consumption, transportation logistics, and supplier activities. Managing Scope 1 and Scope 2 emissions from our direct operations, as well as addressing Scope 3 emissions from our upstream and downstream value chain, forms a core part of our decarbonization roadmap.

In alignment with leading regulatory

frameworks—including the IMO 2050 decarbonization targets and the EU’s FuelEU Maritime initiative—Lenol is enhancing operational efficiency, promoting cleaner transport options, and providing climate-aligned products to support ship operators’ compliance. These actions not only mitigate regulatory and reputational risks but also meet rising customer expectations for low-emission, sustainability-certified lubricant solutions that contribute to the broader maritime energy transition.

### 2. Sustainable Product Innovation

Innovation is central to Lenol’s value proposition. In partnership with FUCHS Lubricants Germany GmbH, we have co-developed a new generation of marine lubricants that are engineered for environmental compatibility, superior performance, and long-term regulatory compliance. These lubricants are formulated to meet the unique demands of vessels operating with low-sulfur fuels, LNG, methanol, biofuels, and other alternative energy sources.

Our product development strategy incorporates lifecycle thinking, environmental footprint reduction, and adaptation to the diverse fuel profiles of modern marine engines. This has enabled us to offer products that reduce maintenance frequency, optimize engine efficiency, and minimize operational emissions—benefitting both customers and the planet. Sustainable product innovation positions Lenol as a future-ready supplier, enabling us to capture emerging market opportunities while helping our clients meet their decarbonization targets.

### 3. Supplier Due Diligence & ESG Alignment

With a supply network that spans multiple regions and continents, supplier integrity and ESG alignment are critical to Lenol’s resilience and risk mitigation. Our supplier due diligence framework incorporates regular ESG screening, ethical compliance reviews, and performance monitoring based on internationally accepted standards. We assess suppliers on criteria such as human rights, environmental compliance, labor practices, and anti-corruption.

By proactively managing third-party risk, Lenol not only protects its brand reputation but also ensures product traceability, regulatory adherence, and operational continuity. We require that suppliers adhere to Lenol’s sustainability standards and demonstrate continuous improvement. These practices strengthen our ability to partner with like-minded organizations and foster long-term, ethical, and sustainable business relationships—ensuring that our value chain reflects the same ESG principles that guide our internal operations.

## Material Issues for External Stakeholders

During the 2024 materiality assessment, the following two issues were identified as the most significant for our external stakeholder groups, including customers, regulators, logistics partners, and industry associations:

### 1. Transparency & ESG Reporting

External stakeholders, particularly customers, regulatory bodies, and maritime associations, have shown a growing demand for transparency in ESG disclosures. Lenol’s commitment to public ESG reporting—aligned with GRI, TCFD, and ESRS frameworks—helps build trust and accountability across the value chain. By disclosing material topics, carbon footprint data, and ESG-related risks and opportunities, Lenol enables stakeholders to assess our progress, ethical conduct, and alignment with national and international sustainability goals. This level of transparency strengthens stakeholder relationships, enhances regulatory compliance, and supports informed procurement and partnership decisions.

### 2. Product Performance & Environmental Compliance

Given Lenol’s core role as a marine lubricant trader, external stakeholders consistently prioritize product safety, performance, and regulatory alignment. Our clients rely on us to deliver lubricants that meet IMO environmental requirements, are compatible with low-emission marine fuels, and sup-

port vessel efficiency. Product quality directly impacts operational reliability and environmental compliance for shipowners and operators. By ensuring our lubricants are developed through rigorous R&D, co-engineered with trusted partners like FUCHS, and tested against international standards, Lenol meets the high expectations of stakeholders committed to operational excellence and sustainability.

## Key Impacts Identified Through Stakeholder Engagement

Lenol used a quantitative framework in its 2024 materiality assessment, incorporating structured questionnaires and interviews with both internal and external stakeholders. This approach enabled the company to evaluate the positive and negative impacts of its operations, products, and value chain activities in a transparent and data-driven manner. Based on this assessment, four key ESG impacts were identified:

### Impact 1. Environmental Impact of Marine Lubricant Use and Emissions

As a global trader of marine lubricants, Lenol’s products are directly linked to the environmental performance of shipping operations. The use of lubricants in engines and auxiliary systems has implications for air and water emissions, especially when not managed responsibly. Stakeholders highlighted both the negative environmental impacts—such as oil spills, waste lubricant disposal, and greenhouse gas emissions—and the positive role Lenol plays by offering low-sulfur, biodegradable, and emission-compliant products that support clients’ decarbonization strategies.

The use of lubricants in ship engines and auxiliary systems influences both air emissions (e.g., CO<sub>2</sub>, NO<sub>x</sub>, SO<sub>x</sub>) and water pollution (e.g., accidental discharges, improper waste oil disposal).

Stakeholders identified the following key negative impacts:

- ◇ Potential environmental harm from spills, leaks, and improper waste management.

- ◇ Contribution to marine and atmospheric pollution when using non-compliant or high-sulfur lubricants.
- ◇ Resource depletion from reliance on virgin base oils.

In contrast, the **positive impacts** of Lenol’s initiatives were strongly emphasized:

- ◇ Introduction of low-sulfur, biodegradable, and environmentally compliant lubricants.
- ◇ Active alignment with IMO regulations and FuelEU Maritime goals.
- ◇ Efforts to promote cleaner shipping through product innovation and client education.

These insights align with the following key sustainability principles upheld by Lenol:

- ⇒ **Principle 1: Environmental Stewardship** Promote environmentally responsible operations by minimizing emissions, spills, and the ecological footprint of lubricant use.
- ⇒ **Principle 2: Lifecycle Thinking** Consider the full lifecycle of lubricant products, including sourcing, use, recovery, and disposal, to reduce cumulative environmental harm.
- ⇒ **Principle 3: Product Responsibility** Design and distribute products that meet regulatory requirements and environmental performance expectations of the maritime sector.

Through its ESG-driven approach, Lenol contributes to decarbonization and pollution prevention while supporting its customers’ transition to sustainable marine fuel alternatives.

### Impact 2. Social Impact through Workforce Development and Industry Capacity Building

Lenol’s stakeholders emphasized the importance of its employment practices, technical training, and engagement in knowledge-sharing forums. Through its internal policies on employee wellbeing, safety, diversity, and career development, Lenol contributes positively to workforce stability and industry expertise. Stakeholders noted the company’s role in supporting local employment and enabling human capital development, especially within the maritime and

logistics sectors where skilled talent is critical.

### Impact 3. Economic Impact via Responsible Trade and Supply Chain Operations

Operating in over 900 ports worldwide, Lenol plays a vital role in ensuring the availability, efficiency, and reliability of marine lubricants. This contributes to reducing vessel downtime and supporting the operational continuity of global shipping lines. The company’s efficient distribution systems, strong supplier vetting processes, and alignment with international procurement standards reduce risk in the supply chain and create economic value for both customers and partners. Stakeholders recognized this as a positive economic multiplier effect, especially in developing maritime hubs.

### Impact 4. Governance Impact through Ethical Conduct and Transparency

Stakeholders expressed high expectations for corporate transparency, regulatory compliance, and ethical sourcing. Lenol’s implementation of robust anti-bribery, whistleblowing, supplier due diligence, and data privacy policies was seen as a significant positive governance impact. These systems foster accountability, reduce reputational risks, and create confidence among customers, investors, and regulatory authorities. Additionally, Lenol’s annual ESG reporting, aligned with global frameworks (GRI, TCFD, ESRS), was cited as an essential tool for enabling informed stakeholder decision-making.





Our Material Topics Continued

Material Impacts on External Stakeholders

Throughout the materiality analysis exercise, we identified Transparency & ESG Reporting and Product Environmental Compliance & Performance as the two material topics that have the most impact on external stakeholders. These topics were consistently prioritized by customers, regulators, suppliers, and industry partners due to their direct influence on business decisions, regulatory alignment, and sustainable procurement practices.

1. TRANSPARENCY & ESG REPORTING

Lenol’s external stakeholders—particularly clients, auditors, port authorities, and sustainability-conscious partners—require clear, consistent, and credible ESG disclosures. Transparency in how we report our environmental performance, ethical practices, and social impact is fundamental to building trust and long-term relationships.

Stakeholders expect Lenol to align with recognized frameworks such as GRI Standards (2021), TCFD, ESRS, and other UAE-specific sustainability mandates. Our efforts to disclose Scope 1, 2, and relevant Scope 3 emissions, materiality assessment outcomes, ESG governance structures, and product-level environmental data were seen as a critical driver of stakeholder confidence. This topic also directly influences customer procurement decisions, risk evaluations by third parties, and regulatory readiness in key jurisdictions such as the EU and MENA region. We annually monitor the materiality process; also monitored continuously through product lifecycle assessments and technical feedback from customers and field engineers.

Key Metrics Used:

- ESG Disclosure Index (aligned with GRI, TCFD, and ESRS)
- Scope 1, 2, and 3 GHG Emissions
- Stakeholder engagement rate
- Number of externally verified ESG indicators
- ESG audit score (internal and/or third party)

Risks if unmanaged:

- Reputational damage from lack of transparency
- Difficulty accessing ESG-linked finance or tenders
- Regulatory non-compliance in key markets

(e.g., UAE, EU)

2. PRODUCT ENVIRONMENTAL COMPLIANCE & PERFORMANCE

As a supplier of marine lubricants used in vessels operating globally, Lenol’s products play a significant role in environmental performance at sea. External stakeholders, including shipowners, engine manufacturers, regulators, and classification societies, rely on Lenol to deliver IMO-compliant, high-performance, low-emission lubricants that support evolving fuel types such as ULSFO, LNG, biofuels, and methanol.

This topic encompasses both the environmental safety of the lubricants themselves (biodegradability, toxicity, sulfur content) and their ability to improve engine efficiency, reduce emissions, and comply with regulations like IMO Tier III and FuelEU Maritime. Stakeholders view Lenol’s innovation, co-development with FUCHS, and education through technical seminars as vital contributions to maritime sustainability. The performance and compliance of Lenol’s products directly affect customers’ ability to meet sustainability targets and avoid non-compliance penalties.

Key Metrics Used:

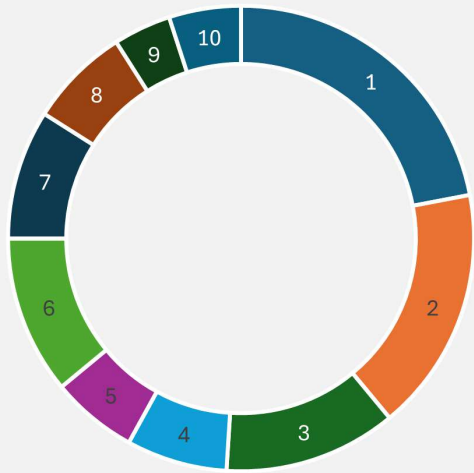
- % of products compliant with IMO and FuelEU Maritime regulations
- Product biodegradability and sulfur content
- Carbon intensity of product portfolio
- Engine performance feedback (efficiency, breakdown reduction)
- Customer satisfaction/NPS (Net Promoter Score)

Risks if unmanaged:

- Customer attrition due to non-compliant or underperforming products
- Regulatory fines or restrictions
- Reputational loss among eco-conscious buyers

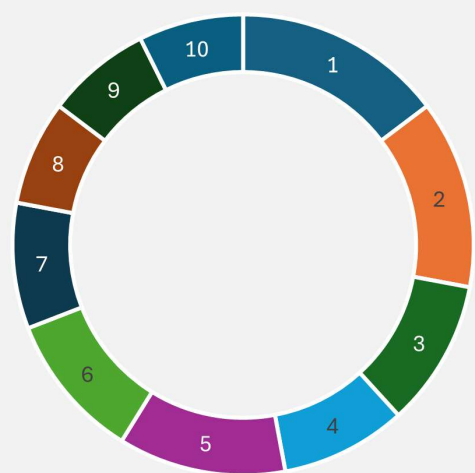
These topics are evaluated on an annual basis during our materiality assessment process, with quarterly internal reviews to monitor related KPIs and risks. Both are integrated into our ESG Scorecard, which is used to track performance, inform leadership decisions, and align sustainability initiatives with enterprise goals.

The following visuals depict stakeholder feedback proportions, emphasizing the relative priority assigned to each material issue.



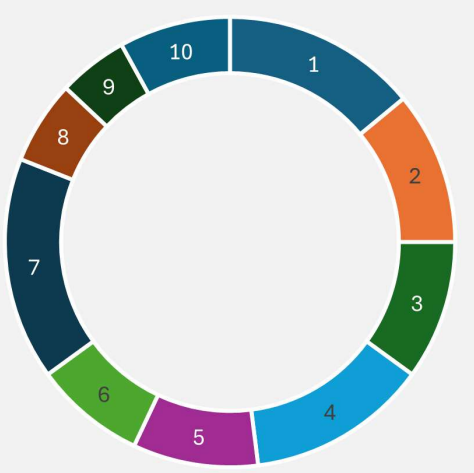
Environment

1. Climate Impact & Emissions	22%
2. Sustainable Product Innovation	17%
3. Waste & Circular Economy	12%
4. Energy Efficiency	7%
5. Water Management	6%
6. Marine Ecosystem Protection	11%
7. Product Stewardship	9%
8. Packaging & Material Sustainability	7%
9. Spill & Hazardous Substance Control	4%
10. Green Logistics & Transport	5%



Social

1. Employee Health & Safety	10%
2. Talent Development & Training	9%
3. Diversity, Equity & Inclusion	7%
4. Community Engagement	6%
5. Labor Standards & Human Rights	8%
6. Employee Wellbeing & Benefits	7%
7. Equal Opportunity & Fair Hiring	6%
8. Grievance Mechanism & Whistleblowing	5%
9. Contractor & Third-Party Labor Practices	5%
10. Knowledge Sharing & Industry Leadership	5%



Governance

1. Ethical Business Conduct	14%
2. Compliance & Regulatory Alignment	11%
3. Data Protection & Cybersecurity	10%
4. Supplier Due Diligence & ESG Alignment	13%
5. Risk Management & Internal Controls	9%
6. Board Oversight & ESG Governance	8%
7. Transparency & ESG Reporting	16%
8. Policy Integration & ESG Training	6%
9. Stakeholder Engagement & Dialogue	5%
10. Audit, Assurance & Continuous Improvement	8%



# ESG Stakeholder Engagement

Building on the insights gained through our 2024 materiality analysis and the identification of key ESG topics, Lenol recognises that effective stakeholder engagement is essential to advancing our sustainability objectives and enhancing our overall ESG performance. By aligning our priorities with the expectations of our stakeholders, we ensure that the most material topics identified are translated into strategic actions, impactful partnerships, and informed decision-making. We believe that sustainability is not a siloed function,

but a shared responsibility that thrives on dialogue, responsiveness, and collaboration. Our engagement approach is tailored to each stakeholder group, ensuring that we understand their perspectives and address their expectations. Below is an overview of our six key stakeholder groups, outlining how we engage with them, the value we aim to create through these engagements, and the key sustainability-related issues discussed.



## Customers

How We Engage	How We Create Value	Issues Discussed
<ul style="list-style-type: none"><li>Lenol maintains proactive and collaborative relationships with its customers through a variety of engagement channels, including regular one-on-one meetings, tailored technical workshops, joint sustainability consultations, post-sales feedback mechanisms, and participation in key industry exhibitions and forums.</li><li>These interactions not only strengthen business relationships but also facilitate knowledge exchange and early identification of evolving customer expectations around ESG performance and regulatory compliance.</li></ul>	<ul style="list-style-type: none"><li>We generate value for our customers by co-developing high-performance, environmentally compliant lubricant solutions that support their operational efficiency and sustainability goals.</li><li>Through our partnership model, we offer expert guidance on emerging marine environmental regulations—such as IMO 2020/2050 and FuelEU Maritime—and assist customers in adopting low-sulfur, bio-based, or alternative fuel-compatible lubricants.</li><li>Our approach supports compliance, enhances reputational value, and contributes to our customers' own ESG reporting and emissions reduction targets.</li></ul>	<ul style="list-style-type: none"><li>Environmental performance of marine lubricants, including biodegradability, sulfur content, and compatibility with clean fuels</li><li>Compliance with international maritime decarbonization frameworks such as IMO, EU ETS, FuelEU Maritime, etc.</li><li>ESG-related data requests, supplier transparency, and Scope 3 emissions disclosure</li><li>Packaging optimization, recyclability, and initiatives for recovering and re-refining used lubricants under a circular economy model.</li></ul>



## Suppliers and Partners

How We Engage	How We Create Value	Issues Discussed
<ul style="list-style-type: none"><li>Lenol engages with its suppliers and strategic partners through a structured approach that includes formal onboarding protocols, comprehensive ESG due diligence, and annual compliance audits.</li><li>We also conduct regular performance evaluations and collaborative workshops to establish shared sustainability objectives.</li><li>Our ongoing partnership with FUCHS Lubricants Germany GmbH is grounded in mutual ESG commitments, joint innovation, and alignment with international sustainability standards across the marine lubricant value chain.</li></ul>	<ul style="list-style-type: none"><li>We drive value by fostering a responsible and transparent supply ecosystem that upholds high standards in ethics, environmental performance, and labor practices.</li><li>By working closely with suppliers, we enhance product integrity, minimize operational and reputational risks, and encourage continuous improvement in ESG performance.</li><li>This approach not only ensures regulatory compliance and product quality but also enables scalable innovation through co-branding and shared R&amp;D initiatives with like-minded partners.</li></ul>	<ul style="list-style-type: none"><li>Adherence to Lenol's Supplier Code of Conduct, including alignment with ESG principles and traceability across the supply chain</li><li>Compliance with international labor standards, human rights frameworks, and occupational health and safety protocols</li><li>Implementation of anti-bribery, anti-corruption, and fair trade practices in line with our governance policies</li><li>Development of environmentally advanced lubricants, biodegradable alternatives, and joint participation in low-carbon product innovation pipelines</li></ul>



## Employees

How We Engage	How We Create Value	Issues Discussed
<ul style="list-style-type: none"><li>At Lenol, we actively engage with our employees through multiple inclusive and transparent communication channels.</li><li>These include regular internal town halls, structured annual performance reviews, role-specific ESG training and capacity-building programs, and a confidential grievance redressal mechanism.</li><li>We conduct employee well-being and engagement surveys to gather feedback and ensure that employee voices are heard and incorporated into organizational development strategies.</li></ul>	<ul style="list-style-type: none"><li>We are committed to creating a workplace that prioritizes safety, inclusivity, and professional growth.</li><li>By investing in training, upskilling, and leadership development, we empower our workforce to actively participate in the company's ESG objectives.</li><li>Our emphasis on employee health and wellness—through access to mental health resources, flexible work arrangements, and recognition initiatives—fosters a resilient and motivated workforce, enhancing productivity and long-term retention.</li><li>This employee-centric culture also contributes positively to our social sustainability metrics and employer brand.</li></ul>	<ul style="list-style-type: none"><li>Ensuring a hazard-free work environment through strict occupational health and safety (OHS) protocols and compliance with national and international safety standards</li><li>Promoting diversity, equity, and inclusion (DEI) across all levels, ensuring fair hiring practices and equitable opportunities for advancement</li><li>Enabling continuous professional development through technical, leadership, and ESG-related training pathways</li><li>Supporting work-life balance and holistic well-being through wellness programs, mental health support, and a respectful, inclusive organizational culture.</li></ul>



## Regulatory Authorities

How We Engage	How We Create Value	Issues Discussed
<ul style="list-style-type: none"><li>Lenol maintains ongoing, constructive relationships with regulatory bodies through structured compliance reporting, active participation in policy consultations, and direct communication with maritime, environmental, and trade authorities at the local, regional, and international levels.</li><li>We regularly contribute to government-led sustainability forums, workshops, and task forces, ensuring we remain at the forefront of evolving regulatory landscapes.</li><li>Our engagement also includes responding to audits and proactively aligning our internal policies with upcoming legal and industry-specific ESG mandates.</li></ul>	<ul style="list-style-type: none"><li>By fostering transparent and proactive communication with regulatory authorities, we ensure full compliance with applicable laws and contribute meaningfully to the formulation of sustainable industry policies.</li><li>Our adherence to international maritime standards and national sustainability frameworks enhances regulatory confidence and reinforces our position as a responsible corporate citizen.</li><li>Our collaboration with authorities positions us as a model for ESG-aligned operations in the lubricant trading sector, creating value through improved reputation, operational stability, and risk mitigation.</li></ul>	<ul style="list-style-type: none"><li>Compliance with environmental disclosure requirements, including GHG emissions reporting, waste management protocols, and ESG data assurance.</li><li>Chemical safety, material registration, and marine lubricant certification in line with IMO, REACH, and UAE federal standards.</li><li>Strategic alignment with national initiatives such as the UAE Green Agenda 2030, Net Zero by 2050, and Dubai Declaration on Sustainable Finance.</li><li>Enforcement of data protection, cybersecurity frameworks, and international trade control laws, including those related to sanctions and dual-use goods.</li></ul>



## Local Communities

How We Engage	How We Create Value	Issues Discussed
<ul style="list-style-type: none"><li>Lenol actively engages with local communities through a diverse range of corporate social responsibility (CSR) initiatives that are strategically aligned with national and regional development goals. Our outreach includes the sponsorship of maritime education programs, partnerships with vocational institutions, support for sustainability awareness campaigns, and employee-led volunteering efforts. We also maintain open dialogue with community stakeholders in the regions where we operate, ensuring our initiatives are responsive to local needs and create long-term positive impact.</li></ul>	<ul style="list-style-type: none"><li>We are committed to contributing to the socioeconomic well-being of the communities that host our operations. By investing in education, training, and infrastructure, we help create pathways to meaningful employment, particularly in the maritime and logistics sectors. Our community-focused projects promote environmental stewardship, health awareness, and inclusive development. These actions not only foster goodwill but also strengthen Lenol's social license to operate, while contributing to national objectives such as the UAE Vision 2030 and UAE's Year of Sustainability.</li></ul>	<ul style="list-style-type: none"><li>Access to youth education, technical skills training, and local job creation opportunities in maritime and related industries.</li><li>Enhancing community health, safety, and environmental resilience through targeted outreach and education.</li><li>Collaborative participation in sustainability awareness campaigns, including marine protection and resource conservation.</li><li>Support and alignment with UAE's Year of Sustainability through on-ground initiatives and public-private partnerships.</li></ul>



## Industry Bodies and Associations

How We Engage	How We Create Value	Issues Discussed
<ul style="list-style-type: none"><li>Membership in industry groups (e.g. maritime sustainability alliances), panel discussions, collaborative research, and ESG benchmarking projects.</li></ul>	<ul style="list-style-type: none"><li>We contribute technical insights, help shape ESG best practices in marine lubrication, and strengthen collective action for sustainable shipping.</li></ul>	<ul style="list-style-type: none"><li>ESG trends in marine lubricants and fuels</li><li>Decarbonization pathways and low-emission technologies</li><li>Standardization of product sustainability criteria</li><li>Collaboration for circular economy and net-zero targets</li></ul>



# Sustainable Products and Offerings at Lenol

At Lenol, sustainability is not just a compliance requirement—it is an innovation driver and a value differentiator. As a specialized lubricant trading company operating across over 900 ports globally, we understand our unique role in contributing to the decarbonization and environmental stewardship of the maritime sector. Our product portfolio is continuously evolving to meet the demands of a greener, more regulated shipping industry while supporting our customers' ESG and operational goals.

## Sustainability-Centric Product Strategy

Our sustainable product development is guided by three core principles:

**Environmental Compliance:** Ensuring our offerings meet or exceed international regulations such as IMO 2020/2050, REACH, and FuelEU Maritime.

**Operational Performance:** Delivering lubricants that not only reduce environmental harm but also optimize fuel efficiency, engine life, and maintenance cycles.

**Lifecycle Responsibility:** Embracing circularity through sustainable packaging, recyclability, and alignment with closed-loop lubricant management practices.

## Key Sustainable Product Categories

**Low-Sulfur and ULSFO-Compatible Lubricants:** Designed specifically to support vessels operating on Ultra Low Sulfur Fuel Oil (ULSFO) and low-emission fuels, these lubricants help reduce sulfur oxide (SOx) emissions and meet MARPOL Annex VI compliance.

**Bio-Based and Biodegradable Lubricants:** Our range includes biodegradable hydraulic and stern tube oils formulated with renewable base oils and minimal aquatic toxicity—ideal for environmentally sensitive operations or vessels working in Emission Control Areas (ECAs).

**Next-Generation Marine Engine Oils (MEOs):** In collaboration with FUCHS Lubricants Germany GmbH, we co-developed a proprietary range of high-efficiency marine engine oils. These are engineered to perform under new fuel regimes such as LNG, methanol, and biodiesel blends, supporting lower carbon intensity and extended drain intervals.

**Sustainable Greases and Ancillary Products:** Our grease portfolio includes options with extended service life, high-temperature stability, and reduced environmental persistence, all packaged in recyclable containers to minimize packaging waste.

## Product Stewardship and Labeling

All Lenol products are clearly labeled with technical, environmen-

tal, and safety data, ensuring full transparency and safe application. Product stewardship includes technical support, training, and regular updates to ensure compatibility with evolving vessel configurations and engine requirements.

## We also offer:

- ◆ Technical datasheets and SDS in digital formats
- ◆ Product lifecycle insights, including carbon footprint data upon request
- ◆ Guidance for waste oil recovery and handling practices

## Innovation in Packaging and Distribution

Sustainability at Lenol goes beyond product formulation. We are optimizing our packaging to reduce plastic waste and enhance recyclability at our suppliers and distributors ends. Initiatives include:

Use of recycled or recyclable HDPE drums and pails

Introduction of bulk delivery systems to reduce single-use packaging

Integration of smart logistics for optimized routing and reduced fuel consumption

## Driving Sustainable Customer Outcomes

Our products are designed not only to comply with current regulations but to future-proof our customers' fleets by:

Reducing carbon intensity per voyage

Minimizing oil consumption and operational downtime

Supporting ESG alignment for customers with Scope 3 reporting requirements

Through our sustainable offerings, Lenol helps clients enhance regulatory readiness, improve environmental performance, and build resilience in a dynamic regulatory and market environment.



# Governance



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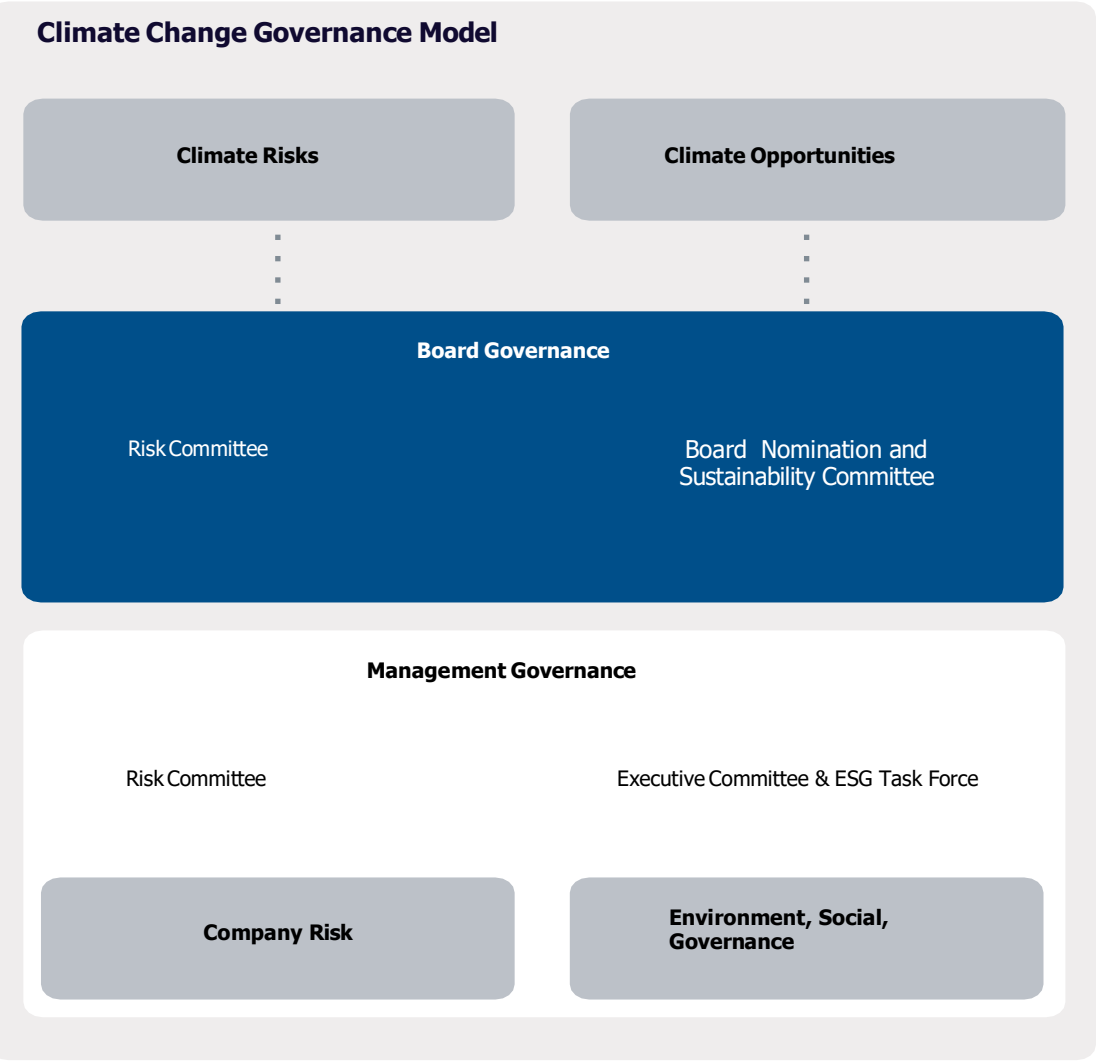
**22 Sustainable Procurement**

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# ESG Governance

At Lenol, governance is the foundation upon which our Environmental and Social ambitions are built. Strong ESG governance ensures that sustainability is embedded across our operations, decisions, and risk management systems—empowering us to remain transparent, accountable, and forward-looking as a lubricant trading leader in the maritime sector.



At Lenol, ESG governance is more than oversight—it’s the compass that guides every decision we make toward long-term resilience, accountability, and sustainable growth.

### Governance Structure and Oversight

At Lenol, we have established a comprehensive ESG governance framework that is fully integrated into our broader corporate governance structure. This framework is designed to foster transparency, accountability, and strategic alignment at every level of the organization—ensuring that sustainability is not treated as a siloed function, but as a core pillar of our long-term business success.

### Board Oversight

Our Board of Directors plays a critical role in overseeing the company’s ESG strategy. ESG-related risks, opportunities, and targets are regularly reviewed at the Board level to ensure alignment with our business objectives and stakeholder expectations. The Board is responsible for:

- Approving Lenol’s ESG strategy, targets, and policies
- Reviewing ESG risk exposure, including climate, reputational, and regulatory risks

- Monitoring alignment with international frameworks such as the UAE Green Agenda 2030, Net Zero by 2050, ESRS, and maritime-specific standards like IMO 2020/2050
- Ensuring that ESG matters are integrated into the company’s enterprise risk management (ERM) and investment decision-making

This top-level governance guarantees that sustainability remains embedded in our strategic direction and performance evaluation.

### Sustainability Committee

The Sustainability Committee serves as the operational engine behind our ESG agenda. Chaired by the Sustainability Manager, this cross-functional body includes representatives from key departments including HSE, HR, Supply Chain, Legal, Finance, and Commercial Operations. Meeting on a quarterly basis, the Committee is tasked with:

- Monitoring progress against ESG KPIs and strategic objectives
- Ensuring regulatory compliance across jurisdictions and sectors
- Reviewing outcomes of internal ESG audits and external assurance findings
- Coordinating cross-departmental initiatives such as emissions reduction, supplier evaluations, and ESG training programs
- Preparing the annual ESG Management Review for executive leadership

This structure ensures that ESG performance is not only measured but also continually improved across all business functions.

### ESG Task Force

The ESG Task Force functions as the tactical implementation unit supporting the Sustainability Committee. Composed of operational specialists and data stewards from across the business,

- the Task Force is responsible for:
  - Embedding ESG action items into day-to-day operations
  - Maintaining high standards of ESG data integrity, traceability, and audit-readiness
  - Coordinating double materiality assessments, stakeholder engagement activities, and ESG surveys
  - Supporting internal reporting cycles and contributing to the ESG Scorecard and Risk Register
  - Providing technical support and compliance assistance to operational teams
- Together, the Board, Sustainability Committee, and ESG Task Force form a cohesive and dynamic governance structure that drives Lenol’s ESG priorities forward—ensuring that sustainability is not only a strategic goal but a deeply embedded operational commitment.





# Policy & Framework Integration

ESG principles are embedded in over 50 documented policies and procedures at Lenol, ensuring consistency, regulatory alignment, and a robust internal ESG culture across the organization. These policies serve as operational anchors and compliance tools across all three ESG pillars—Environment, Social, and Governance.

### Governance Policies

- Code of Conduct and Anti-Corruption Policy
- Whistleblower Policy
- Business Conduct Policy
- Policy on Regulatory Compliance and Sanctions Control
- Anti-Harassment Policy
- Conflict of Interest Policy (*Included within Code of Conduct*)
- Tax Policy
- Tax Havens Policy
- Transfer Pricing Policy
- Board Oversight & ESG Governance Policy
- Antimonopoly Policy
- Business Continuity Policy
- Continuous Improvement
- Audit, Assurance & Continuous Improvement Procedure

### Social Policies

- Working Conditions and Human Rights Policy
- Child & Forced Labour Policy
- Gender Equality Policy
- Freedom of Association & Collective Bargaining Policy
- Diversity & Inclusion Policy
- Equal Opportunity Policy
- Career Development Policy
- Employee Wellbeing & Benefits Policy
- Grievance Mechanism & Complaint Procedure
- Social Impact Assessment Procedure
- Human Rights Impact Assessment
- Human Rights Risk Assessment
- Human Rights Performance Metrics
- Health Surveillance Policy
- Stakeholder Engagement Policy
- Community Involvement Policy
- HR Monitoring and Reporting Policy

### Environmental Policies

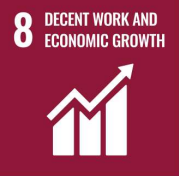
- Sustainability Policy
- Energy Management Policy
- Energy Efficiency & GHG Emissions Reduction Policy
- Product Carbon Footprint Policy
- Waste Management Policy
- Materials & Waste Management Policy
- Circular Economy Policy
- Climate Policy
- Water Management Policy
- Biodiversity Policy
- Air Emissions (Non-GHG) Policy
- Marine Ecosystem Protection Guidelines (Implied within product stewardship framework)
- Sustainable Procurement: Environment Policy
- Recycled Material Usage Policy
- Emission Reduction Strategy
- Carbon Footprint Calculation Method

### Procurement & Supply Chain Policies

- Supplier Due Diligence Policy
- Supplier Evaluation (ESG) Policy
- Conflict Resources Policy
- Sustainable Procurement – Social & Ethics Policy
- Contractor & Third-Party Labor Practice Policy

### Data, Technology, and Risk Management

- Risk Management & Internal Controls Policy
- Risk Management Policy (Climate & Finance)
- Risk Management Policy (Corruption)
- Data Protection & Cybersecurity Policy
- Technology Policy
- ESG Risk Register
- ESG Materiality & Double Materiality Procedures
- ESG Manual





# ESG Oversight and Risk Management

“Effective ESG oversight isn’t just about identifying risks—it’s about transforming them into opportunities for resilience, innovation, and stakeholder trust.

At Lenol, we see managing risks through an ESG lens as more than a checkbox—it’s how we safeguard our future, earn the trust of those we work with, and stay on the right side of a fast-changing regulatory landscape. As a lubricant trader with an expanding global reach, we know that environmental, social, and governance risks don’t sit in silos—they’re woven into our strategy, our day-to-day operations, and how the world sees us.

That’s why we’ve built an ESG oversight and risk management approach that’s practical, forward-looking, and tied tightly to our broader enterprise risk management (ERM) framework. It’s about spotting risks early, understanding their ripple effects across our operations and supply chain, and turning challenges into chances to get stronger.

### How We Keep ESG Front and Center

ESG isn’t just a task for one team—it runs through every layer of how we’re set up at Lenol:

**Board-Level Commitment:** Our Board doesn’t just nod at ESG—it digs in. They’re regularly reviewing risks like climate impacts, legal pressures, and what our stakeholders expect of us. They’re also making sure we’re in step with big-picture goals like the Task Force on Climate-related Financial Disclosures (TCFD), the UAE Green Agenda 2030, and the Net Zero by 2050 ambition.

**Sustainability Committee:** Led by our Sustainability Manager, this group gets together every quarter to keep tabs on ESG performance—think KPIs, audit findings, and how we’re rolling out plans across the business. They’re the ones double-checking our risk controls and pushing us to stay ahead of the curve.

**ESG Risk Champions:** We’ve got people in key spots—operations, logistics, health and safety, supply chain—who act as our eyes and ears. They’re not just spotting risks; they’re making sure ESG thinking shapes the decisions we make every day.

### The Risks We’re Watching

We don’t guess at what could go wrong—we break it down systematically. Here’s what we’re keeping an eye on:

#### Environmental Risks:

- ⇒ Greenhouse gas emissions and the shift to a low-carbon world.
- ⇒ New rules coming down the pike, like IMO 2050 or FuelEU Maritime mandates.
- ⇒ The fallout from marine pollution, oil spills, or waste slip-ups.
- ⇒ Supply hiccups tied to scarce raw materials or ecosystems under pressure.

#### Social Risks:

- ⇒ Anything that could jeopardize our team’s health and safety on the job.
- ⇒ Slip-ups with labor rights, whether it’s us or the contractors we work with.
- ⇒ Gaps in diversity or chances for our people to grow.
- ⇒ Pushback from communities where we operate or move goods.

#### Governance Risks:

- ⇒ Falling afoul of sanctions, anti-bribery laws, or anti-money laundering rules.
- ⇒ Cybersecurity headaches or data leaks that could hit us hard.
- ⇒ Suppliers who don’t share our ESG standards or who step out of line.
- ⇒ Mistakes in our ESG reporting / in our assurance.



### Tools and Tactics We Rely On

We’re not winging it—here’s how we tackle ESG risks head-on:

**ESG Risk Register:** We’ve got a master list that tracks every key risk, who’s handling it, what we’re doing about it, and how we measure progress. The Sustainability Committee digs into it every quarter, and it feeds right into our bigger ERM setup.

**Scenario Planning with a Purpose:** Using our double materiality approach, we game out climate and social “what-ifs” to see how they could hit our bottom line or open new doors. It keeps us grounded in what our stakeholders care about.

**Rock-Solid Controls:** We lean on standards like ISO 37301 and COSO to keep our risk controls tight—documented, checked, and audited regularly.

**ESG Scorecard & Dashboards:** We’ve got a digital setup that tracks every ESG move we make, aligned with GRI and ESRS metrics, so we can see where we stand at a glance.

**Assurance and Audits:** Our Scope 1, 2, and parts of Scope 3 emissions data now get a limited assurance stamp in the next review cycle of 2025. Plus, internal audits make sure our policies, suppliers, and stakeholder input are all lining up.

### Turning Risks into Wins

We don’t just play defense—managing risks well is how we build a tougher, smarter business. Our ESG oversight has let us:

Get ahead of maritime regs before they land.

Tighten up our supplier checks for ethics and sustainability.

Roll out digital tools early to keep tabs on ESG performance.

Build credibility with clear reporting and a straight path for handling grievances.





# Climate Risk Management

At Lenol, we recognize that climate change presents a defining challenge to the maritime industry—impacting not only environmental stability but also regulatory landscapes, operational continuity, and financial performance. As a global lubricant trader serving over 900 ports, our operations and value chain are increasingly exposed to both physical and transitional climate risks. In response, we have embedded climate risk management into our overall governance, risk strategy, and ESG framework to enhance resilience and align with global low-carbon objectives.

## Our Commitment to Climate Action

Our climate strategy is aligned with the UAE Net Zero by 2050 Strategic Initiative, the UAE Green Agenda 2030, and global frameworks including the Task Force on Climate-related Financial Disclosures (TCFD) and IMO 2050 decarbonization targets. As part of our sustainability roadmap, we aim to proactively mitigate climate-related risks and unlock opportunities in sustainable marine product innovation, low-carbon logistics, and circular operations.

## Identifying and Categorizing Climate Risks

Lenol conducts periodic climate risk assessments as part of our ESG risk register. These risks are evaluated across two main dimensions:

### Physical Risks

Acute events: Supply chain disruptions caused by extreme weather (e.g., floods, port closures, or storms affecting logistics routes)

Chronic risks: Long-term impacts such as rising sea levels or shifting temperature zones affecting port in-

frastructure and transportation efficiency

### Transition Risks

Regulatory risks: Increasing stringency of environmental legislation (IMO 2020/2050, EU ETS, FuelEU Maritime)

Reputation risks: Expectations from stakeholders for carbon reduction, responsible sourcing, and eco-friendly packaging

Market risks: Changing customer preferences toward bio-based lubricants and demand for carbon transparency

Technology risks: Rapid shifts in fuel types and propulsion systems requiring product innovation and reformulation

## Our Climate Risk Management Framework

Our integrated climate risk framework includes:

Materiality-Based Risk Prioritization: Climate-related risks are assessed through our double materiality approach, linking business impact with stakeholder relevance. The most material risks are prioritized in our ESG Scorecard and Management Review process.

Scenario Analysis & Stress Testing: Using scenario planning aligned with TCFD, we assess operational and financial exposure under future climate pathways. This includes simulations on fuel market volatility, GHG pricing, and disruptions in shipping corridors.

GHG Emissions Monitoring & Reduction: We actively monitor and report Scope 1, 2, and selected Scope 3 emissions. Reduction targets are embedded in operational KPIs, supported by our Energy Management Policy, Emission Reduction Strategy, and Product Carbon Footprint Policy.

## Climate Risk Mitigation Measures:

- ◆ Adoption of low-carbon and bio-lubricant product lines.
- ◆ Energy efficiency improvements in transport and warehousing.
- ◆ Circular economy practices for packaging and used oil recovery.
- ◆ Supplier engagement for climate-aligned sourcing.
- ◆ Business continuity planning against acute climate shocks

## Governance & Accountability

Sustainability Committee monitors climate risk KPIs, coordinates mitigation projects, and reports findings to the Board.

ESG Risk Register tracks climate-related risks with corresponding controls, owners, and timelines.

ESG Management Review includes climate performance as a standing agenda item, ensuring senior leadership oversight.

## Looking Ahead

- In line with our commitment to transparency and continuous improvement, Lenol will:
- ⇒ Expand Scope 3 emissions accounting, including transport and upstream activities

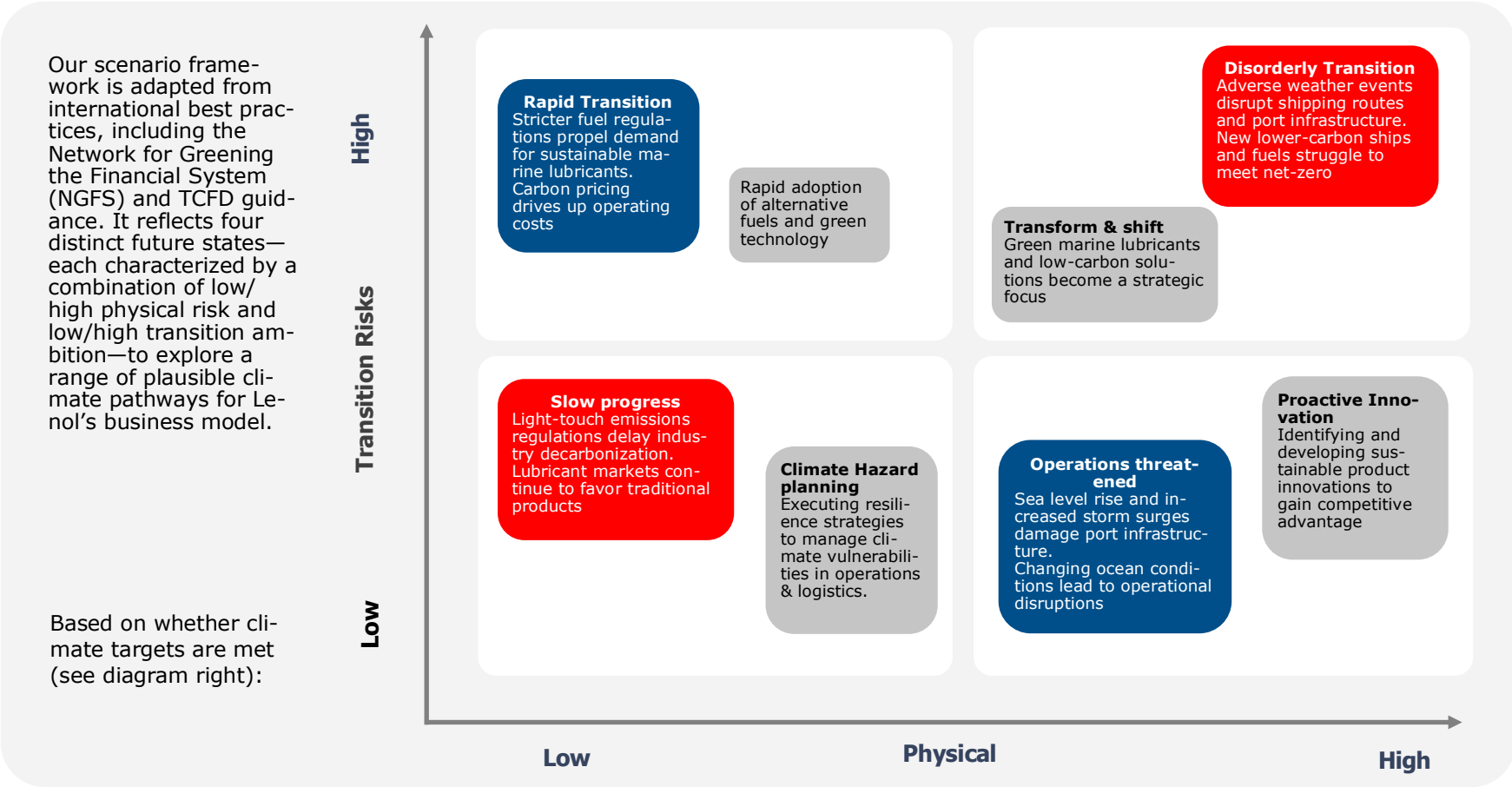


- ⇒ Incorporate climate financial risk disclosure in accordance with ISSB/TCFD standards
- ⇒ Enhance climate-related training, internal capacity-building, and supplier readiness programs
- ⇒ Integrate real-time data and digital ESG tools for climate forecasting and performance monitoring
- ⇒ Publish a Limited Assurance GHG Report in H2 2025 via our website: [www.lenolmarine.com](http://www.lenolmarine.com)





# Climate Risk Management



In each scenario, we assessed:

- ◆ Impact on supply chain continuity and port operations
- ◆ Evolution of demand for traditional vs. low-emission lubricants
- ◆ Operational costs under regulatory compliance scenarios
- ◆ Strategic opportunities in product innovation and customer partnerships

This matrix-driven approach enables us to identify and stress test potential vulnerabilities and competitive advantages across the business landscape. It supports informed decision-making and underpins our ESG risk register and mitigation strategies. Insights from this exercise are used to prioritize climate-aligned investments, scenario-based planning, and regulatory engagement across our global marine network.

The climate scenario stress test results are integrated into our broader ESG oversight and reviewed periodically by the Sustainability Committee, with inputs from ESG task forces and operational risk leads. This process ensures alignment with national and international frameworks such as the UAE Net Zero by 2050, IMO 2050, and FuelEU Maritime regulations.



Scenarios for Stress Testing		
The following table presents various climate-related stress test scenarios developed by Lenol. Each scenario outlines the type of climate risk involved—either physical, transition, or both—and includes a brief description of the underlying assumptions. These scenarios explore the potential impacts on global warming trajectories, emissions policies, operational disruptions, and market dynamics over short- to long-term horizons.		
Scenario Name	Scenario Type from Climate Risk Perspective	Description
Accelerated Transition	This transition risk scenario assumes rapid global decarbonization, strict emissions regulations, and carbon pricing drive up compliance costs.	Rapid implementation of maritime emissions policies and carbon pricing mechanisms. Lenol faces increased operational costs but gains from rising demand for sustainable lubricants. Global warming limited to <1.8°C by 2100.
Delayed Regulation	This transition risk scenario explores a fragmented policy landscape with delayed or inconsistent regulatory enforcement and slow fuel shifts.	Weak enforcement of decarbonization regulations. Traditional fuel use continues. Limited incentives for green lubricants. Global warming reaches 2.5–3°C.
Physical Disruption	This physical risk scenario models high exposure to extreme weather events and rising sea levels disrupting logistics and marine infrastructure.	Frequent climate-related disruptions, port closures, and operational delays. No significant progress on emissions reductions. Global warming exceeds 3°C.
Orderly Decarbonization	This combined physical & transition risks assumes globally coordinated action to mitigate emissions and invest in climate resilience.	Balanced global climate strategy creates a stable transition. Lenol aligns product innovation with emission and safety standards. Warming held below 2°C.
Business-As-Usual	This physical risk evaluates long-term exposure to escalating climate impacts due to minimal policy or technological progress.	Limited regulatory change, continued fossil-fuel reliance, and increasing physical risks. Long-term operational disruptions likely. Warming reaches 3.5°C or higher.



# Responsible and Ethical Business at Lenol



At Lenol, integrity is not an option—it is the foundation on which we build trust, ensure compliance, and drive sustainable value across our global operations.

At Lenol, ethical conduct and corporate responsibility aren't just buzzwords—they're the bedrock of how we operate every day. As a global trader supplying marine lubricants to over 900 ports worldwide, we're well aware of the weight that comes with our reach. From bustling shipping hubs in Singapore to remote coastal terminals, our footprint touches countless communities, partners, and ecosystems. That's why we've made integrity, transparency, and accountability non-negotiable—baked into our governance, woven into our opera-

tions, and demanded from every supplier we work with.

For us, doing business the right way isn't just about protecting our name. It's about building a foundation of trust with everyone we deal with—our customers who rely on our products, the suppliers who keep us moving, the regulators who set the rules, our employees who make it all happen, and the communities who live alongside the ports we serve. Here's how we bring that commitment to life.

## Code of Conduct and Ethical Standards

We don't leave ethics to chance. Every employee, contractor, and business partner knows what's expected because it's spelled out in our Code of Business Conduct. This isn't a dusty document—it's our playbook for keeping things above board. It covers:

**No room for corruption:** Our Anti-Corruption and Anti-Bribery Policy means zero tolerance for shady deals, kickbacks, or anything that smells off.

**Playing fair:** We stick to antitrust laws and compete honestly—no shortcuts, no under-the-table moves.

**Keeping it clean:** Conflicts of interest? Not on our

watch. Everyone's got to declare anything that could cloud their judgment.

**Respect all around:** Responsible communication, no discrimination, and treating people right are non-negotiable.

**Human rights first:** We follow labor laws and international standards, ensuring no one's exploited on our dime.

To make sure this sticks, we don't just hand out the policy and call it a day. We run mandatory training sessions—think real-world scenarios, not just lectures—and ask for compliance sign-offs every year. It's about keeping everyone sharp and accountable, from the warehouse floor to the corner office.

## Whistleblower and Grievance Mechanism

We know things can slip through the cracks, and when they do, we want to hear about it—fast. That's why we've set up an independent whistleblower system. Whether it's an employee spotting fraud, a supplier worried about safety, or a customer flagging an environmental issue, they can report it confidentially through a dedicated hotline or online portal. No names needed, no fear of pushback. Our Whistleblower Policy guarantees protection from retaliation, and every case gets a fair, thorough look from an impartial team.

We pair that with a clear grievance process—step-by-step, no runaround. Last year alone, we resolved a handful of concerns, from a supplier payment dispute to a safety near-miss, proving this isn't just for show—it works.

## Compliance with Laws, Regulations, and Trade Sanctions

Operating across 900+ ports means juggling a lot of rules, and we don't mess around with compliance. We're locked into local laws wherever we operate, plus international frameworks like UN sanctions, EU restrictions, U.S. OFAC lists, UK regs, and Australia's trade controls. Our Sanctions and Fraud Policy (LEN-SFP-01) keeps us on the straight and narrow—every deal, every shipment gets screened through due diligence checks. If a port's flagged or a partner's on a watchlist, we catch it before it's a problem.

In Dubai, we're fully in sync with UAE Federal Laws and the Dubai's regulatory setup. That means regular audits, transparent books, and a license we're proud to hold. It's not glamorous, but it keeps us legit—and our customers know they're dealing with

a trader they can count on.

## Supplier Ethics and Third-Party Due Diligence

Our supply chain's only as strong as its weakest link, so ethical sourcing is a big deal for us. Every supplier signs onto our Supplier Code of Conduct—no exceptions. It's built on global standards and covers the essentials:

**Human rights:** No forced labor, no child labor, fair wages—basic decency we won't budge on.

**Environment and safety:** They've got to meet our bar on emissions, waste, and workplace safety.

**Business integrity:** No bribes, no funny business, and financials that hold up to scrutiny.

**ESG alignment:** They need to get what we're about—sustainability isn't optional.

Our Supplier Due Diligence Procedure isn't a one-and-done. We dig into their track record, run site checks when we can, and keep tabs through our Evaluation Policy. Last year, we dropped two suppliers who couldn't meet the mark—one for sketchy labor practices, another for sloppy environmental controls. It's tough, but it's how we keep our promise.

## Training and Awareness

You can't expect people to live these standards if they don't know them inside out. That's why we run training that's practical, not preachy:

- ⇒ Ethical calls: Workshops on tricky decisions—like what to do if a client hints at a “favor.”
- ⇒ Compliance know-how: Anti-money laundering, sanctions, the works—especially for our logistics and sales teams.
- ⇒ Inclusion matters: Preventing harassment and building a team where everyone's got a voice.
- ⇒ ESG in action: How sustainability ties into their jobs, from picking suppliers to cutting waste.

We log every session, track who's attended, and review it quarterly. Last year, 95% of our team completed the full slate training.

## Commitment to Continuous Improvement

This isn't a set-it-and-forget-it deal. We keep our ethics game strong by:

Listening up: Employees and partners tell us what's working—or not—through surveys and open forums.

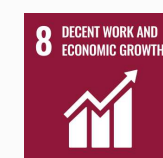
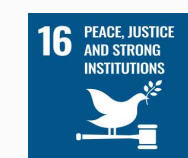
Checking ourselves: Internal audits plus third-party reviews keep us honest. Last audit flagged a gap in supplier follow-ups; we fixed it in a month.

Learning from the best: We measure up against GRI, UN Global Compact, and SDG benchmarks to stay sharp.

Tracking it all: Our ESG Risk Register and Scorecard flag ethical hiccups and wins, feeding straight to the top brass for strategy tweaks.

## Making It Real

At Lenol, responsible business isn't a policy we dust off for reports—it's who we are. It's the external provider dockworker double-checking a spill kit, the procurement guy saying no to a cheap-but-dodgy supplier, the leadership team owning up when we fall short. Across 900 ports, from the smallest tanker to the biggest client, we're committed to doing right—not just because it's smart, but because it's the only way we know how.





“  
At Lenol, sustainable procurement is not a checkbox, it’s a commitment to sourcing with purpose, accountability, and integrity.

At Lenol, procurement isn’t just about getting the goods—it’s a powerful way we shape our environmental footprint, uphold social values, and reinforce ethical standards across our sprawling global supply chain. Oper-

ating in serval ports and catering to a wide range of industrial markets—from massive container ships to coastal fishing fleets—we know that how we source our materials and choose our partners can make or break our ability to build a business that’s tough, transparent, and truly sustainable.

Our Sustainable Procurement Framework isn’t some off-the-shelf plan. It’s carefully crafted to match top-tier global standards like the UN Global Compact, GRI 308 (Supplier Environmental Assessment) and 414 (Supplier Social Assessment), and ISO 20400: Sustainable Procurement. Closer to home, it’s built to support the UAE Green Agenda 2030 and the Net Zero by 2050 Strategic Initiative, ensuring we’re playing our part in the region’s bold push for a greener future.

Our Procurement Vision

We’re not just buying stuff—we’re building a supply chain that stands for something. Here’s what drives us:

*Environmentally Responsible:* Cutting emissions, slashing waste, and shrinking our ecological impact, one shipment at a time.

*Socially Inclusive:* Championing fair wages, safe workplaces, and respect for everyone along the chain.

*Governance-Aligned:* Keeping things clean with full transparency, zero corruption, and strict adherence to trade controls and sanctions.

This isn’t a wish list—it’s a promise we’re working to deliver every day, from the oil drums we order to the packaging they come in.

Key Pillars of Sustainable Procurement at Lenol

Supplier ESG Due Diligence

- We don’t partner with just anyone. Every vendor, from raw material suppliers to logistics providers, goes through our detailed due diligence procedure. We dig into:
- ⇒ Human Rights and Labor Practices: Are workers treated fairly? Paid on time? Free from exploitation?
  - ⇒ Environmental Compliance: Do they meet local emissions rules? Handle waste properly?
  - ⇒ Regulatory Certifications: Are their ISO or IMO certifications legit and up to date?
  - ⇒ Alignment with Lenol’s ESG Code of Conduct: Do they share our values on ethics and sustainability?
  - ⇒ Sanctions and AML Screening: Are they clear of red flags on UN, EU, or OFAC lists? Last year, we screened all our suppliers and flagged three for deeper checks. It’s tough, but it keeps our chain clean.

Sustainable Material Selection

We’re picky about what we buy, prioritizing suppliers who bring:

Recycled Base Oils and Packaging by our providers: Think re-refined oils or crates made from recycled plastics.

Biodegradable Lubricant Components: Additives that break down naturally, not linger in the ocean.

Decarbonization-Friendly Products: Lubricants that pair with low-sulfur fuels or

biofuels to cut emissions.

Certified Green Options: Materials with stamps like Ecolabel or Blue Angel—proof they’ve been vetted. For example, we’ve shifted 20% of our packaging to recycled materials this year, saving roughly 50 tons of virgin plastic.

Circular Supply Chain Practices

Our Circular Economy Policy pushes us to close the loop. We team up with partners who:

Recover Used Oil: Collecting spent lubricants from ships for re-refining instead of disposal with the help of our external providers.

Offer Recyclable Packaging: Drums and totes that can go back into the system, not the landfill.

Run Closed-Loop Programs: Like a pilot we started in Dubai—used oil gets turned into new product right here in the UAE. In 2024, we diverted 10,000 liters of used oil to re-refining partners, cutting waste and keeping resources in play.

Local & Regional Sourcing

Why ship something halfway around the world if we don’t have to? We lean on local suppliers where we can—think base oils from GCC refineries or packaging from UAE manufacturers. It slashes transport emissions (by about 15% in our Gulf routes last year), pumps money into regional economies, and makes it easier to trace where our stuff comes from. Our Green Logistics & Transport Strategy backs this up with hard targets: 30% local sourcing by 2027.

**Ethical and Social Compliance:** We draw hard lines—no exceptions. Suppliers can’t work with us if they’re involved in:

**Child or Forced Labor:** We’ve walked away from deals over this, no hesitation.

**Discrimination:** Unequal pay or hiring bias? Not on our watch.

**Unsafe Conditions:** No cutting corners on worker safety—hard hats and spill kits aren’t optional.

**Corruption:** Bribes or backroom deals get a firm no. Every supplier signs our Supplier Code of Conduct, and we follow up with spot audits. Last audit caught a vendor skimping on safety gear; they fixed it or faced the door.

Monitoring, Auditing & Performance

We don’t just set rules—we track how they’re working. Our Sustainable Procurement Scorecard keeps us honest, measuring:

**% of Suppliers Assessed:** 85% of our 10+ vendors got an ESG risk review in 2024.

**% of Spend on Green Materials:** 25% went to recycled or low-impact options, up from 18% last year.

**Audit Findings:** 12 issues flagged (e.g., missing certifications), 10 resolved within 60 days.

**Supplier KPIs:** Scores on delivery, ethics, and emissions—we tie bonuses to hitting these marks.

Audits happen yearly for most, monthly for high-risk players like bulk oil suppliers. Every finding lands in our Supplier Audit Register, with action plans tracked to completion. It’s not glamorous, but it keeps us accountable.

Future Goals

We’re not stopping here. Looking ahead, we’re aiming to:

Go All-In on ESG Procurement: Roll out these standards to every product line, not just lubricants—think additives and cleaners too.

Lock In Top-Tier Partners: Build multi-year deals with suppliers who lead on ESG, like those pioneering bio-oils.

Train Up Suppliers: Host workshops on sustainability—50 vendors targeted for 2025.

Hit 100% Coverage: Get every critical supplier ESG-assessed by 2026, no gaps.

Go Digital: Launch a platform for real-time supplier risk tracking—think alerts for sanctions hits or emissions spikes.

Collaborating for Impact

We don’t do this alone. Take our partnership with FUCHS Lubricants Germany GmbH—we’re not just buying from them; we’re co-developing a new line of eco-friendly marine lubricants. Together, we’ve tested biodegradable formulas that cut emissions by 5% in trials, swapped ideas on recyclable packaging (their steel drum design’s a game-changer), and aligned on climate goals like supporting IMO 2050. It’s proof that teamwork can turn good intentions into real results.

At Lenol, sustainable procurement isn’t a side project—it’s how we keep our supply chain strong, our conscience clear, and our business ready for whatever’s next.





# Supplier Due Diligence & ESG Alignment

At Lenol, we know our sustainability story doesn't start and end with us—it's tied to the hundreds of suppliers who keep our global supply chain humming. As a marine lubricant trader reaching several ports across every corner of the world, we're only as strong as the weakest link in that chain. That's why we've built a Supplier Due Diligence and ESG Alignment Program that's rigorous, proactive, and laser-focused on making sure every partner we work with lives up to our standards for environmental care, social fairness, and ethical business.



This isn't just about checking boxes. It's about ensuring that every drum of lubricant, every shipping crate, and every logistics handshake supports our environmental, social, and governance (ESG) goals. It keeps us compliant with a web of international rules, meets the high expectations of our customers, and reinforces our promise to run a business that's built to last.

## Why Supplier Due Diligence Matters

We don't take this lightly—here's why it's a big deal:

**Risk Mitigation:** A supplier cutting corners on labor laws or dumping waste could drag

us into legal battles, environmental messes, or a PR nightmare. Due diligence stops that before it starts.

**Transparency:** Our stakeholders—think shipping clients, regulators, even local communities—want to know where our stuff comes from. We give them a clear line of sight, from oil fields to portside delivery.

**Value Chain Impact:** By pushing our suppliers to step up their game, we're not just fixing problems—we're sparking a ripple effect of better practices across the industry.

**Strategic Differentiation:** In a crowded market, being the trader who delivers ESG-aligned lubricants isn't just a badge—it's a competitive edge that sets us apart in marine, industrial, and offshore circles.

## Key Components of Our Supplier Due Diligence Framework

Here's how we turn that vision into action, piece by piece:

### 1. Supplier Onboarding & Risk Screening

We don't let anyone into our supply chain without a thorough look under the hood. Every new supplier—whether they're blend-

ing base oils in UAE or shipping drums from out of UAE—goes through a structured vetting process:

🔍 **ESG Self-Assessment Questionnaires:** They fill out detailed forms about their emissions, labor policies, and waste management—think 10 pages of "show us your work."

🔍 **Trade License and Legal Checks:** We verify they're legit, licensed, and not dodging local rules.

🔍 **Sanctions and Anti-Bribery Screening:** We run names against OFAC, UN, EU, UK, and Australia lists—no red flags allowed. We also flag a potential partner tied to a sanctions hotspot; deal off.

🔍 **Code of Conduct Fit:** They've got to sign onto our Supplier Code of Conduct and prove they respect human rights—no lip service, just evidence. This all rolls up under our Supplier Due Diligence Policy, a rulebook our procurement and supply chain team lives by.

### 2. ESG Risk Categorization

Not all suppliers carry the same baggage, so we sort them into low, medium, or high ESG risk tiers. Here's what we weigh:

**Geography and Rules:** A supplier in a loosely regulated region—like parts of Southeast Asia—gets extra scrutiny compared to one in the EU.

**Sector Sensitivity:** Chemical blenders handling volatile stuff or logistics firms burning fuel? Higher risk. Packaging providers? Usually lower.

**Track Record:** We dig into their history—high emissions, spotty labor practices, or a waste spill five years back bumps them up the risk ladder. High-risk suppliers don't just get a nod—they face on-site audits (we sent a team to a refinery in India last quarter) and third-party checks (e.g., SGS or Bureau Veritas reports). About 20% of our 20+ suppliers fall into this bucket, and we're not easing up on them.

### 3. Performance Monitoring & Corrective Actions

Once they're in, we don't stop watching. Ongoing performance gets tracked through:

Annual ESG Audits and Scorecards: We

score them on metrics like carbon footprint, worker safety, and delivery reliability—think a report card with teeth.

**Corrective Action Plans (CAPs):** Slip up on emissions limits? They've got 60 days to fix it or risk losing our business. Last year, a packaging supplier swapped to recycled materials after a CAP.

**Joint Review Meetings:** We sit down with key suppliers quarterly—face-to-face or virtual—to hash out dashboards showing their ESG hits and misses.

**Supplier ESG KPIs:** Their goals tie to ours—like cutting 10% of transport emissions by 2025. It's not optional; it's in the contract.

### 4. Supplier Training and Capacity Building

We don't just point out flaws—we help suppliers get better. That means:

**Training Workshops:** Last year, we ran sessions for 10 vendors on compliance (e.g., IMO rules), eco-practices (e.g., spill prevention), and labor rights (e.g., fair overtime).

**Practical Guidance:** We've shared playbooks on switching to sustainable packaging—like biodegradable wraps—or trimming emissions with route optimization.

**Co-Development:** With one supplier, we're testing a low-carbon lubricant blend—months of lab work, but it's cutting emissions by 7% in trials. It's not charity—it's investing in partners who can grow with us.

### Aligning with Global Standards

We don't make this up as we go—our approach lines up with heavy hitters like:

UN Guiding Principles on Business & Human Rights (UNGPs): No exploitation, no shortcuts on worker dignity.

GRI 308 and 414: Environmental and social supplier assessments aren't optional—they're baked in.

UAE National Sustainability Goals: We're in sync with Net Zero 2050 and the Green Agenda 2030—Dubai's our home, after all.

**Lenol's Own Tools:** Our ESG Risk Register and Materiality Framework keep us focused on what matters most. We nudge suppliers toward SDGs too—think SDG 8 (decent work), SDG 12 (responsible production),

and SDG 13 (climate action). It's a nudge with muscle—meet the mark or miss the boat.

### Governance and Oversight

This isn't a free-for-all. Our Sustainability Committee and Procurement Department tag-team the oversight:

Monthly check-ins on supplier ESG scores.

High-risk or big-ticket suppliers (e.g., bulk oil providers) get flagged to our ESG Task Force and risk committees—senior eyes on the big stuff.

Every finding lands in our Supplier Compliance Registry, a living database that feeds our ESG Scorecard. It's how we decide who stays, who goes, and who gets a bigger slice of our business.

### Looking Ahead

We've got our sights set high for the next few years:

**100% Coverage by 2026:** Every critical and high-risk supplier—think the 30+ who supply 80% of our volume—will get a full ESG workup. We're at 75% now.

**Real-Time Risk Tech:** We're eyeing a digital platform to ping us if a supplier's emissions spike or a sanction drops—proactive, not reactive.

**More Audits:** Expanding third-party checks from 10% of suppliers to 40% by 2027—boots on the ground, not just paperwork.

**Rewarding the Best:** High-ESG performers get longer contracts, co-innovation perks (like joint R&D), and maybe even a "Supplier of the Year" awards.







# Environmental

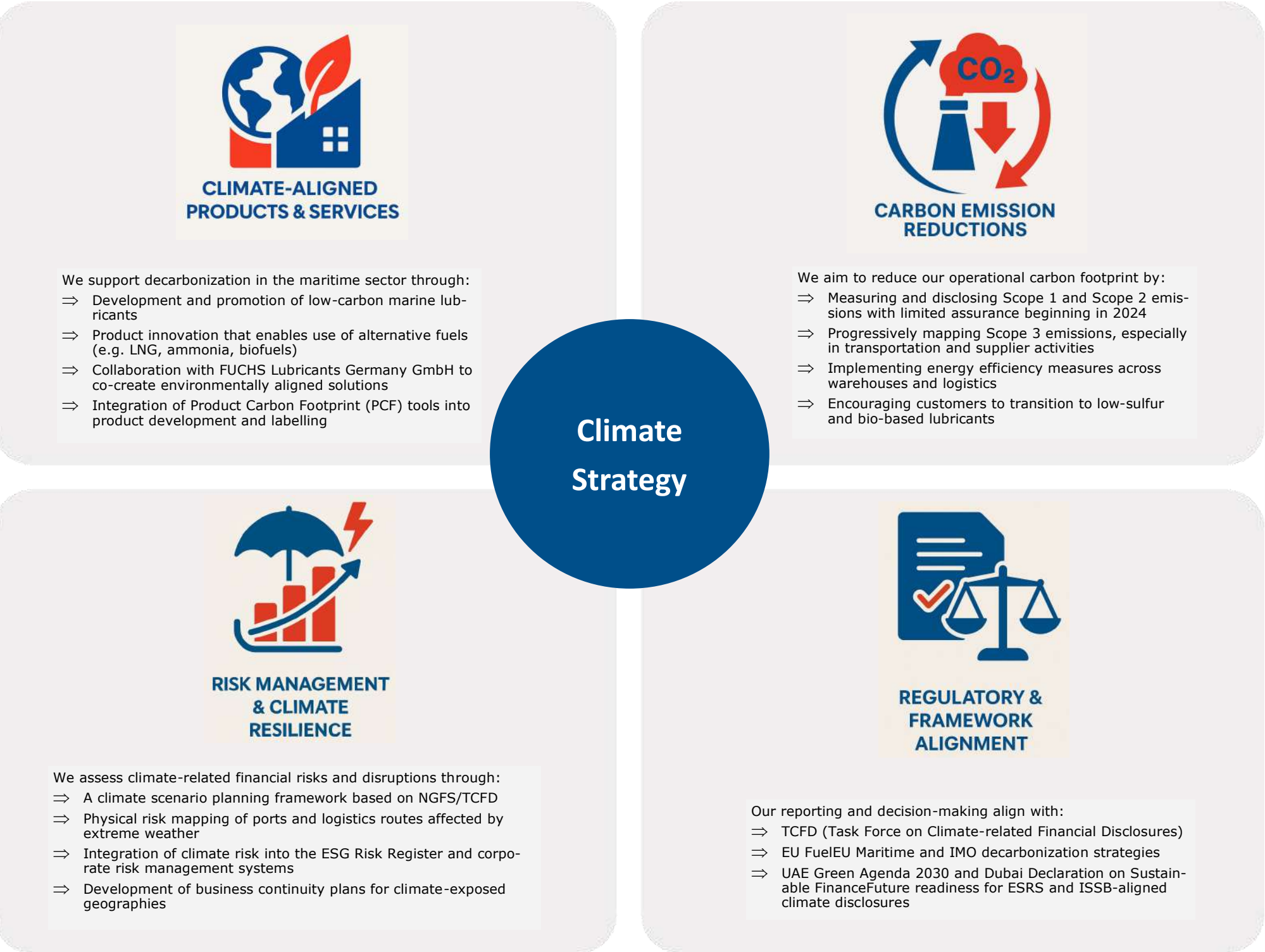
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# Our Climate Strategy



Our climate strategy is not just about adapting to change—it’s about leading it. At Lenol, we are building a future where commercial success and climate responsibility go hand in hand.



Environmental



## Targets and Tracking

We have set the following climate-related goals:

Target	Timeline	Status
Initiate limited assurance for Scope 1 & 2 GHG emissions	by Q1 2025	In Progress
Full mapping of Scope 3 logistics emissions	By 2026	Planned
Increase sales of eco-lubricants and bio-based blends by 5%	By 2025	Ongoing
Align 100% of new product launches with emission-reduction goals	By 2025	In Progress

Performance against these goals is tracked in our ESG Scorecard and will be reported in the Sustainability Report annually.



# Positive Environmental Impact

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Lenol is not only reducing its footprint—we are actively working to leave a legacy of environmental benefit across the global marine value chain.

harm, improving resource efficiency, and enabling sustainable outcomes for the industries we serve.

Our approach is guided by national and international sustainability priorities, including the UAE Net Zero by 2050 Initiative, the Green Agenda 2030, and the UN Sustainable Development Goals (SDGs).

How We Create a Positive Environmental Impact

## 1. Supplying Sustainable Lubricants

Our products are designed not only to optimize engine performance but also to support environmental compliance and emissions reduction. We promote:

Low-sulfur lubricants to help vessels meet IMO sulfur cap requirements



Biodegradable and re-refined base oil options to reduce ocean contamination

Product formulations compatible with biofuels and alternative propulsion systems

In collaboration with FUCHS Lubricants Germany GmbH, we have co-

developed a marine lubricant brand that supports the global shift to decarbonized shipping.

At Lenol, we believe that responsible growth must go hand in hand with environmental stewardship. As a global trader of marine lubricants and a key player in maritime logistics, our environmental footprint extends beyond our operations to the vessels we supply, the partners we engage, and the value chains we help shape. That's why we are committed to generating a net positive environmental impact—minimizing

## 2. Circular Economy and Waste Minimization

Through our Materials and Waste Management Policy and Circular Economy Strategy, we actively support:

Used oil recovery programs in partnership with certified waste handlers

Promotion of reusable and recyclable packaging materials

Reduction of single-use plastics in our logistics operations

Supplier engagement to increase the use of recycled raw materials



## 3. Energy and Fuel Efficiency

We implement energy-saving measures across our value chain, including:

Route optimization in marine and land transport logistics to reduce transport fuel emissions

Efficient warehouse lighting, cooling, and operations

Sourcing from manufacturers and blenders using renewable energy and energy management systems (EMS)

Integration of ESG metrics into our Fuel Consumption Logs & Vessel Operation Data Procedure.



## 4. Water and Air Quality Management

We maintain strict control over water and air emissions by:

Ensuring responsible disposal of any water-based waste in line with local and international laws

Working only with facilities that comply with air quality standards (NOx, SOx, VOCs)

Promoting low-volatility product lines to limit harmful airborne pollutants

Monitoring our envi-



ronmental KPIs through the Air Emissions (Non-GHG) Policy and Water Management Policy.

## 5. Marine Ecosystem Protection

We align with international marine conservation principles, including those of the International Maritime Organization (IMO). Our environmental product stewardship efforts include:

Offering lubricants that meet VGP (Vessel General Permit) standards for reduced marine toxicity

Promoting clean, leak-resistant dispensing systems

Training customers on best practices to prevent spills and leaks

Supporting biodiversity initiatives through our Biodiversity Policy.



## Measuring and Reporting Our Impact

We track and have started to disclose (for FY 2024) our environmental performance through:

- ⇒ Annual GHG Emissions
- ⇒ ESG Scorecard KPIs for energy, water, waste, and emissions
- ⇒ Supplier evaluations on environmental performance (GRI 308 aligned)
- ⇒ Limited assurance coverage for Scope 1, 2, and select Scope 3 emissions starting in 2024
- ⇒ Integration with our Materiality Framework to focus efforts on high-impact areas

## Future Commitments

Increase share of sustainable product offerings to 60% of portfolio by 2028

Eliminate single-use lubricant containers from primary packaging by 2029

Partner with ports and logistics operators to implement green corridors

Continuously improve our Product Carbon Footprint data and labelling system





At Lenol, we're not just talking about sustainability—we're weaving it into the fabric of who we are, from the warehouse floor to the boardroom. As a global marine lubricant trader operating across more than 900 ports, we know that real environmental progress doesn't happen in a vacuum. It starts with our people—employees, partners, suppliers, and the wider network of stakeholders we touch every day. Our mission is to spark a shared sense of ownership for how we perform on environmental goals, meet tough regulations, and push the needle toward low-carbon solutions that keep ships moving and the planet breathing.

This isn't a side project—it's a core commitment, rooted in the UAE's Net Zero by 2050 Strategic Initiative and Green Agenda 2030, and reaching out to global benchmarks like the UN Sustainable Development Goals (SDGs) and the International Maritime Organization's (IMO) 2050 decarbonization targets. We're convinced that lasting change begins inside our own walls, with a team that's informed, engaged, and ready to act. That's why we're pouring energy into building a culture where sustainability isn't just a buzzword—it's a mindset that drives everything we do.

We're firm believers that a greener future hinges on people who get it and care enough to make a difference. To light that fire, we've rolled out a slate of programs—inside and outside our doors—designed to educate, inspire, and get everyone involved. Here's what we're up to:

#### **World Environment Day Celebrations**

Every June, we don't just mark World Environment Day—we turn it into a company-wide moment to rally around. Picture this: warehouses buzzing with green-themed quizzes, offices decked out with posters on ocean health, and teams across Dubai, Singapore, and Rotterdam signing personal pledges to cut waste or switch to reusable bottles. Last year, we ran a "No Plastic Chal-

lenge" that saw 80% of our staff ditch single-use plastics for the week—some even stuck with it. We cap it off with educational sessions—think a marine biologist Zooming in to talk oil spill impacts—pushing everyone to think about sustainability at work and home. It's loud, it's fun, and it sticks.

#### **Climate Leadership Sessions on Climate Change**

Our senior leaders aren't sitting on the sidelines—they're in the thick of it, hosting hard-hitting sessions on what climate change means for Lenol. These aren't dry PowerPoints. We've had our COO break down how IMO 2050 rules could shake up lubricant demand, while ESG pros unpack emission-cutting tricks like bio-oils or hybrid ship fuels. Last quarter, we ran a scenario-planning workshop: "What if carbon taxes hit \$100 a ton by 2030?" Teams brainstormed risks (higher costs) and wins (new green products), and walked away sharper on where we're headed. It's a chance to swap ideas, align on regs, and get real about the climate clock ticking.

#### **Lenol Green Champion Initiative**

We've got some serious eco-warriors in our ranks, and this program shines a spotlight on them. Green Champions are employees—think logistics coordinators, sales reps, even dockhands—who step up to lead on sustainability. One Champion in Fujairah pushed for spill kits at every loading bay; another in Houston got her team composting lunch scraps. They're not just cheerleaders—they report green wins (like cutting paper use by 30% in one office) and pitch ideas straight to management. We celebrate them with quarterly awards—last winner got a bike for her carbon-slashing commute. It's grassroots grit making a dent, one team at a time.

#### **Eco Supporters Initiative**

Not everyone's a leader, but anyone can pitch in—and that's where our Eco Supporters come in. These volunteers span departments—procurement, HR, operations—and act as our green boots on the ground. They've handed out re-

usable mugs to kill off paper cups, organized tree-planting days (50 man-groves in Dubai last spring), and collected feedback like "more recycling bins near the break room." Last month, they kicked off a "Switch Off" campaign—lights and AC off during lunch breaks—saving us 500 kWh already. It's small stuff adding up, driven by people who care.

#### **Green Tips Series**

Every month, we hit inboxes with our Green Tips Series—short, punchy ideas to nudge smarter habits. One edition tackled digital clutter: "Delete old emails, save 10g of CO2 per message." Another pushed carpooling to port meetings, with a stat: "Four riders cut emissions by 75%." We tailor it to our world—tips like "check drum seals to avoid spills" for warehouse crews or "go paperless with e-invoices" for sales. Employees send back their own hacks too—a Rotterdam rep suggested double-sided printing, now standard there. It's practical, it's personal, and it keeps sustainability on everyone's radar.

#### **ESG Talks Webinars**

We're not shy about bringing in the big guns. Our ESG team hosts live webinars—sometimes with guest stars like shipping execs or sustainability consultants—diving into hot topics. Last one covered "Green Shipping 101": how our lubricants can support LNG-powered fleets. Another tackled procurement, with a FUCHS expert sharing recyclable drum designs we're now testing. These aren't one-way lectures—attendees fire off questions ("How do we measure Scope 3?"), and we've seen ops folks brainstorming with sales on the chat. We've logged 300+ staff across 10 sessions this year—learning that sticks and spreads.

#### **ESG Internal Newsletter**

Our half yearly ESG newsletter is the glue tying it all together. It's a colorful rundown—KPIs like "5% emissions drop in Q2," global trends (e.g., EU's new carbon border tax), and shoutouts to staff (like the team that cut fuel use on a delivery route). We've featured up-

coming initiatives too—think "Q3 spill drill prep"—and even a "Green Corner" with employee photos from cleanups. It lands in every inbox, from Dubai HQ to port agents in Panama, keeping everyone looped in and fired up. Last issue got a 70% open rate—not bad for a company read.

#### **Systems, Standards & Integration**

All this passion's backed by systems that make it real:

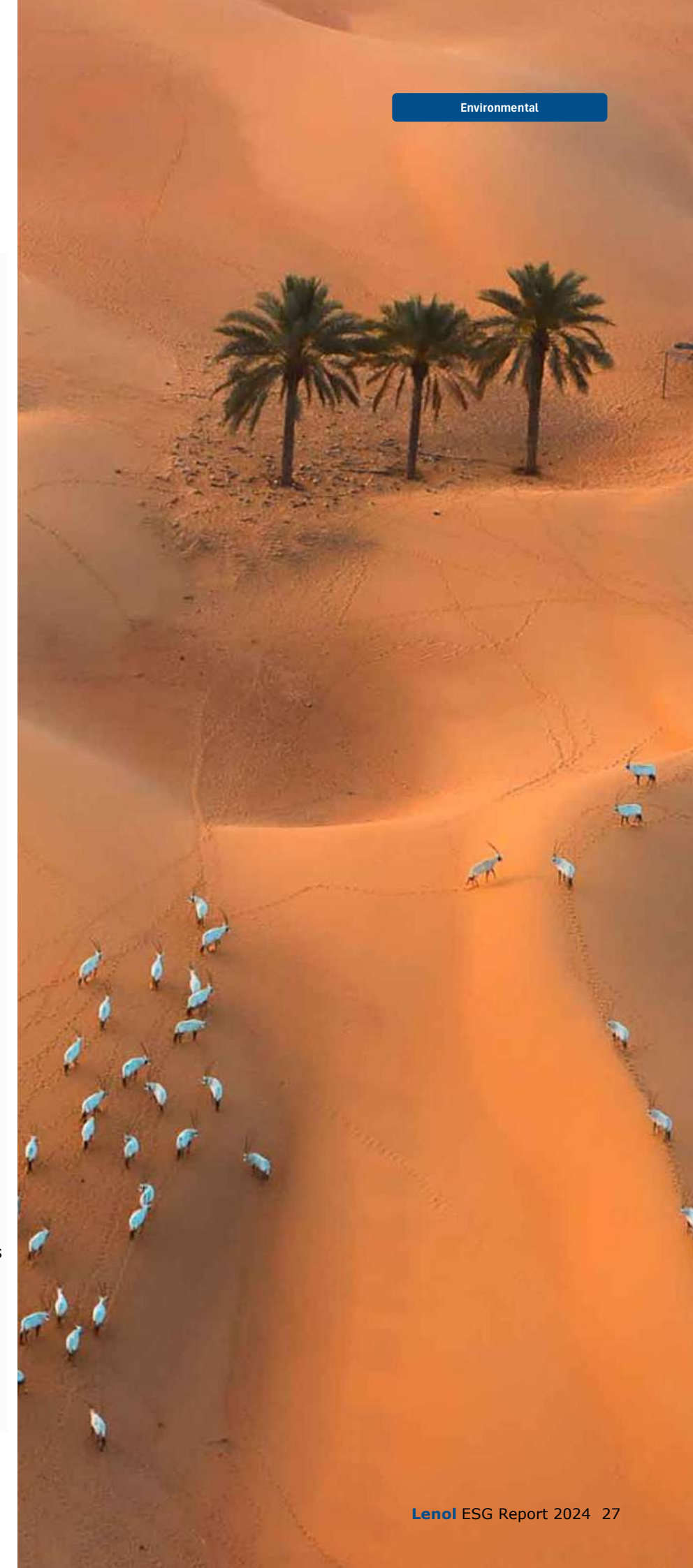
#### **EMS ISO 14001 Certification**

We're not messing around with environmental management—we're chasing full ISO 14001 certification. It's a hefty lift, but we're halfway there, with a system that tracks everything: energy use in our warehouses, spill risks at ports, waste from packaging. We've got yearly audits logging it all and a roadmap to re-certify by 2026. It's about proving our green talk isn't just hot air.

#### **ESG Integration in Risk Management**

Environmental risks aren't an afterthought—they're front and center in our ESG Risk Register, plugged straight into our enterprise risk management (ERM) setup. We're sizing up climate threats (e.g., rising sea levels at key ports), emissions liabilities (e.g., missing IMO targets), and ecosystem impacts (e.g., oil in sensitive waters) with TCFD-style rigor. Our CFO gets a quarterly run-down—last report flagged a \$2M risk if carbon regs tighten by 2030. It's not pretty, but it keeps us ahead of the curve.

At Lenol, fostering environmental awareness isn't a feel-good sideline—it's how we gear up our people and partners to tackle the big stuff: cleaner oceans, lower emissions, and a business that thrives without trashing the planet. From Dubai to the decks of every ship we serve, we're making it happen, one initiative at a time.





# Our Environmental Footprint

By measuring what matters, Lenol continues to refine its environmental strategy—driving impact, resilience, and accountability across the value chain

As a globally recognized trader of marine lubricants, Lenol operates at the dynamic intersection of industrial performance and environmental stewardship. Understanding, analyzing, and managing our environmental footprint is not merely a matter of regulatory compliance but also a cornerstone of our unwavering commitment to climate leadership, ecological sustainability, and responsible maritime trade practices. We recognize that every stage of our value chain—from sourcing raw materials and packaging solutions to transportation logistics and end-use applications—contributes significantly to our overall environmental impact. As such, we are steadfast in our dedication to mitigating these impacts through innovative strategies, advanced technologies, and collaborative partnerships.

In alignment with the UAE’s visionary Net Zero by 2050 Initiative, the ambitious Green Agenda 2030, and globally recognized frameworks such as the Global Reporting Initiative (GRI), Task Force on Climate-related Financial Disclosures (TCFD), and International Maritime Organization (IMO) 2050 decarbonization goals, we meticulously measure, monitor, and act upon key environmental indicators that reflect our operational sustainability. These frameworks guide us in embedding sustainable practices into the very fabric of our business, ensuring that we not only meet but exceed industry standards while fostering a culture of continuous improvement. The data in this report is consolidated and verified in the United Arab Emirates, with internal controls in place to ensure accuracy and reliability. We have planned to conduct an external assurance on the emissions data during H1 of 2025. The limited assurance report will be available in H1 of 2025 on our website at [www.lenolmarine.com](http://www.lenolmarine.com) and we recommend that it is read in completion.

### Key Environmental Focus Areas

**Greenhouse Gas (GHG) Emissions**  
We are committed to tracking, reporting,

and reducing greenhouse gas emissions across all scopes to ensure transparency and accountability in our operations:

**Scope 1:** Direct emissions originating from fuel combustion in owned vehicles, machinery, and equipment utilized in our daily operations.

**Scope 2:** Indirect emissions stemming from purchased electricity and energy consumption for office facilities and other operational infrastructure.

**Scope 3:** Selected indirect emissions encompassing third-party transportation, outsourced blending provider, outsourced warehouse, supplier logistics networks, product distribution channels, and customer-related activities.

To enhance the reliability of our data, we have initiated limited assurance coverage for Scope 1 and Scope 2 emissions, with comprehensive Scope 3 mapping currently underway. The verified and audited report will be published in the first half of 2025, providing stakeholders with an accurate and transparent overview of our progress.

**Energy Use**  
Reducing energy intensity across our operations is a strategic priority. We are implementing a multi-faceted approach to achieve this goal:

Transitioning to state-of-the-art, energy-efficient warehouse infrastructure equipped with smart lighting as per warehouse provider feasibility, HVAC systems (in conjunction with the building provider), and renewable energy integration (if feasible).

Reducing reliance on grid energy by adopting operational efficiency measures such as optimized workflows, energy audits, and demand-side management strategies.

Partnering with forward-thinking logistics providers who prioritize fuel efficiency, low-emission practices, and the adoption of alternative fuels like biofuels and hydrogen.

### Water Management

While our direct operations are not inherently water-intensive, we remain vigilant in ensuring responsible water stewardship:

Monitoring water usage during cleaning, maintenance, and operational activities to identify opportunities for conservation.

Ensuring that any lubricant-contaminated water is responsibly disposed of through licensed waste handlers, adhering to stringent environmental protocols.

Enforcing strict compliance with discharge regulations to safeguard marine ecosystems and preserve aquatic biodiversity.

**Waste Generation & Disposal**  
We actively manage and minimize our waste streams through innovative initiatives and robust partnerships:

Collaborating with specialized partners to implement used lubricant recovery and re-refining programs, transforming waste into valuable resources.

Ensuring the safe disposal of hazardous waste through certified vendors who adhere to international best practices.

Minimizing packaging waste by transitioning to recyclable, biodegradable, and bulk packaging formats that reduce material consumption.

Promoting a “reduce, reuse, recycle” philosophy among employees, customers, and supply chain partners to foster a circular economy mindset.

**Product Footprint**  
Our products are highly researched and engineered to deliver superior performance while minimizing their environmental impact. Key environmental attributes include:

Low-sulfur formulations designed to reduce harmful emissions and comply with stringent regulatory requirements.

Biodegradable options that break down naturally, minimizing long-term ecological harm.

Full compliance with Vessel General Permit

(VGP) standards and International Maritime Organization (IMO) regulations.

Transparent Product Carbon Footprint (PCF) disclosures currently under development, enabling customers to make informed, environmentally conscious purchasing decisions.

### Tools and Frameworks Supporting Our Monitoring.

GHG Emissions Calculator (Ver 1.1) – Customized tool for emissions accounting

Fuel Consumption Logs & Vessel Operation Data Procedure.

Product Stewardship & Packaging Review Checklists.

Internal ESG Scorecard with environmental KPIs updated quarterly.

Integration with ISO 14001 EMS Certification Process.

### Next Steps and Environmental Targets

Achieve full assurance certificate for all Scope 1 and 2 emissions by 2025

Complete Scope 3 emissions mapping for top logistics routes and suppliers

Increase recycled packaging use to 10% by 2026

Reduce energy consumption per shipment by 5% by 2026

Expand used oil recovery partnerships in GCC and Asia-Pacific

Through these comprehensive efforts, Lenol is not only addressing the environmental challenges of today but also paving the way for a more sustainable and resilient future. By integrating cutting-edge innovations, fostering collaborative relationships, and adhering to global sustainability frameworks, we are committed to driving positive change across the maritime industry and beyond. Together, we can create a legacy of environmental responsibility and operational excellence.

### Summary of GHG Emissions

Indicator	Unit	2024 Status
Total Scope 1 Emissions	tCO <sub>2</sub> e	0, Data under assurance
Total Scope 2 Emissions	tCO <sub>2</sub> e	3.08, Data under assurance
Estimated Scope 3 Emissions (Logistics)	tCO <sub>2</sub> e	Mapping in progress
Total Energy Consumption	MWh	7.907, Base-line data collected
Percentage of Recycled Packaging Used	% of packaging volume	2%
Recovered & Re-refined Lubricant Oil (by outsourced blender)	Liters/year	Mapping in progress
Water Usage (Direct Office Operations)	Cubic meters (m <sup>3</sup> )	<500 m <sup>3</sup>
Compliance Breaches (Environmental)	Number	0

### GHG Intensity

GHG Intensity (tCO <sub>2</sub> e/Total Revenue in AED)	
GHG Intensity	0.018

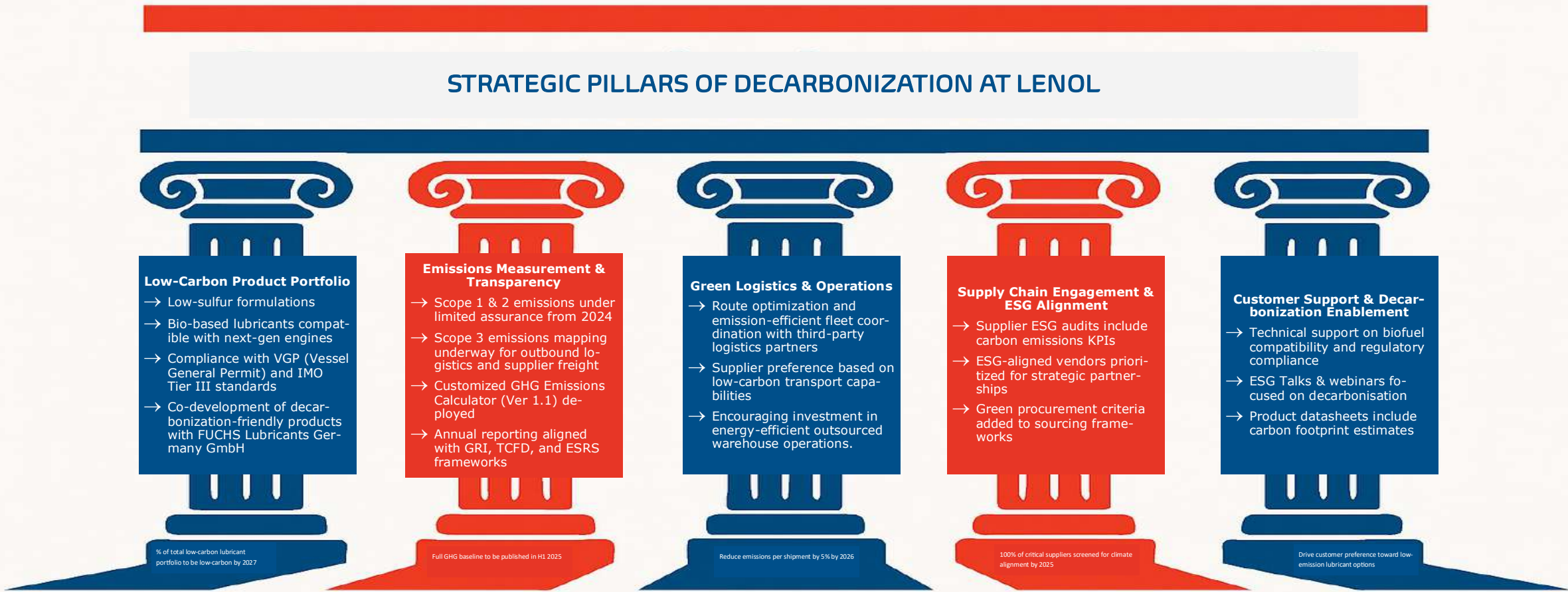
Figures represent current data quality and are subject to ongoing refinement as part of our ESG assurance and audit cycle.





Decarbonization Strategy

As a key enabler of maritime operations, we recognize our responsibility to support the global transition to a low-carbon economy. Our decarbonization strategy focuses on reducing emissions across our value chain—beginning with the integration of low-sulfur, biodegradable, and bio-based lubricants into our product portfolio. In alignment with the IMO 2050 targets, FuelEU Maritime regulations, and the UAE’s Net Zero by 2050 Strategic Initiative, we are actively mapping and managing Scope 1, 2, and 3 emissions, embedding emission tracking into procurement and logistics, and co-developing cleaner lubricant technologies through strategic partnerships like the one with FUCHS Lubricants Germany GmbH. By combining climate-aligned innovation, responsible sourcing, and improved data transparency, Lenol aims to accelerate carbon reduction while maintaining operational excellence and customer value across global marine markets.



Emissions Timeline (2023 to 2030)

Year	Milestone
2023	Developed internal GHG calculator and initiated Scope 1 & 2 baseline
2024	Scope 1 & 2 emissions under limited assurance; Scope 3 logistics mapping begins
2025	Publish verified GHG inventory; integrate PCF (product carbon footprint) data into product catalogue
2026	Achieve 10% low-carbon product portfolio; 5% logistics emissions reduction
2027	Launch emissions dashboard with key logistics partners
2028–2030	Align emissions roadmap with UAE Net Zero 2050 trajectory

Climate Metrics Scorecard – 2024 Baseline & Targets

Category	Metric	2024 Baseline	2025 Target	2026 Target	Status
GHG Emissions	Scope 1 Emissions (direct operations)	0, Verified & published	0, Verified & published	Maintain or reduce	In Progress
	Scope 2 Emissions (electricity, energy use)	7,907 kWh	7,511 kWh (5% reduction) Verified & published	Maintain or reduce	In Progress
	Scope 3 Emissions (logistics, value chain)	Mapping in progress	Initial disclosure	80% mapped	In Progress
Product Sustainability	% of Lubricants classified as low-carbon or biodegradable	10%	15%	20%	On Track
	Product Carbon Footprint (PCF) transparency on datasheets	Pilot phase	30% of active products	100% of new launches	In Progress
Operational Efficiency	GHG emissions per shipment (kgCO <sub>2</sub> e per ton)	Baseline in development	10% reduction	15% reduction	Initiated
	% energy savings from warehouse provider upgrades (MWh/year)	5%	10%	15%	On Track
Green Logistics	% of shipments via ESG-screened logistics providers	30%	50%	75%	In Progress
Supplier ESG Alignment	% of critical suppliers assessed for climate criteria	58%	100%	Maintain 100%	In Progress
Climate Engagement	Climate-focused webinars / ESG Talks conducted	2 per year	3 per year	4 per year	Ongoing



Energy Consumption and Efficiency

Energy use is a key contributor to Lenol’s operational carbon footprint, particularly in logistics coordination, warehousing, and indirect upstream activities. As a lubricant trading company supporting a global marine value chain, we recognize our responsibility to monitor and optimize our energy consumption in order to reduce greenhouse gas emissions, increase operational efficiency, and align with our broader decarbonisation commitments.

Our energy management approach is guided by our Energy Management Policy and aligned with the UAE Energy Strategy 2050, the UAE Net Zero by 2050 Strategic Initiative, and international reporting standards such as GRI 302: Energy. We are currently advancing toward full integration of ISO 50001 principles in our energy oversight frameworks.

Focus Areas of Energy Optimization

- Office Operations
- External provider warehousing operations.
- External provider for Blending plant operations.
- Implementation of LED lighting systems and motion sensors in facilities.
- Optimization of air conditioning and climate control

Energy Performance (2024 Baseline)

Metric	Unit	2024 Baseline	Target (2026)
Total Energy Consumption (Scope 2)	MWh	Data under validation	Energy reduction of 5%
% Energy from Low-Carbon Sources (suppliers)	%	15%	35%
Energy Intensity per Shipment of External providers (Scope 3)	kWh per ton	Baseline in progress	5% reduction
Warehouses (external providers - scope 3) Using Energy-Efficient Systems	%	45%	100% (all owned facilities) 20% (external facilities)

Paper Consumption and Digital Transition

At Lenol, responsible resource use extends beyond our product and logistics operations into our internal practices and workplace culture. Paper consumption, while not a major environmental impact compared to emissions or energy use, remains a significant symbol of operational sustainability and waste reduction. As part of our commitment to environmental stewardship and efficiency, we have implemented focused strategies to reduce paper usage, digitize workflows, and foster a culture of paperless operations.

Key Initiatives to Reduce Paper Usage

Digital Documentation and Archiving  
We have transitioned the majority of our operational, HR, and financial documentation into secure digital

systems in offices.  
Encouraging our partners in installation of energy-efficient equipment in packaging and dispatch areas  
Energy awareness campaigns for staff as part of our Green Tips Series

Logistics and Transport

Selection of ESG-compliant logistics providers with documented fuel efficiency practices  
Encourage our transport and logistics providers to use route optimization tools to reduce energy use per shipment.  
Encouragement of bulk shipments to minimize trip frequency and packaging waste

Next steps

To further reduce our energy footprint, Lenol will:  
Complete energy audits across all logistics and warehouse operations by mid-2025  
Work with third-party logistics providers to align fuel and energy tracking practices  
Expand the use of renewable energy-certified vendors for manufacturing and blending  
Set energy-related KPIs into departmental scorecards and quarterly ESG performance reviews

platforms. This includes:  
Cloud-based contract and invoice management  
Electronic signatures and approvals  
Digital HR onboarding and training records  
ISO and ESG documentation stored electronically

Paperless ESG and Compliance Reporting

All ESG-related forms, audit records, and regulatory reports are now prepared, submitted, and archived digitally, reducing dependence on printed materials. Stakeholder engagement surveys and materiality assessments are also conducted online.  
Internal Communication and Education  
The ESG Internal Newsletter, Green Tips Series, and team updates are shared exclusively via email and internal communication platforms.

Paper Consumption Metrics

Indicator	2023	2024	Target (2026)
Paper used per employee (A4 reams/year)	25	3	<5
Total reams of A4 used	250 (from 625 kg)	30 (from 75 kg)	250
% Internal reports shared digitally	75%	100%	Maintain at 100%
% Staff trained on paper-saving practices	60%	100%	Maintain at 100%

Energy Consumption and Efficiency

At Lenol, responsible water use forms a key part of our environmental stewardship strategy, even though our direct operations are not water-intensive. As a lubricant trading organization that outsources all blending activities to third-party certified providers, our own operational water footprint remains minimal. However, we remain fully committed to managing water consumption responsibly within our owned facilities and promoting best practices across our value chain.

Our water management approach aligns with the UAE Green Agenda 2030, the UAE Vision 2031, and global reporting frameworks such as GRI 303: Water and Effluents. We aim to minimize our direct consumption, ensure full regulatory compliance, and promote water-conscious practices throughout our extended operations and supplier relationships.

Water Use in Lenol Operations

→ **Direct Operations**  
Water usage is limited to office and warehouse utility needs, including cleaning, sanitation, and minor equipment maintenance.

There is no water use in manufacturing or blending, as all production is carried out by third-party blending partners.

Facilities are equipped with basic water-saving fixtures, and

usage is monitored internally.

→ **Third-Party external providers Activities**

Certain logistics partners and service providers (e.g. tank and drum cleaners) may use water during post-distribution cleaning.

We ensure that licensed vendors are used for all cleaning and disposal activities, with verification of effluent discharge compliance.

Responsible Water Management Practices

Use of low-flow taps and automated fixtures in offices and staff areas in collaboration with the building provider.  
Routine inspections to prevent water leaks or waste  
Vendor screening to confirm compliance with water discharge regulations  
Awareness building through internal campaigns such as the Green Tips Series  
Oversight of water use in third-party cleaning and handling through our supplier ESG evaluation process

Looking Ahead

As part of our environmental commitment, Lenol will:  
Extend water efficiency best practices to new leased and managed sites, if any, is added in the new scope.  
Reinforce compliance expectations for water management across key suppliers and partners  
Assess opportunities to collaborate for rainwater harvesting or greywater reuse in blending provider.  
Disclose water-related KPIs as part of our evolving GRI- and ESRS-aligned ESG Scorecard.

Water Consumption Metrics (2024 Baseline)

Metric	Unit	2024 Baseline	Target (2026)
Total Water Consumption (Direct Ops)	Cubic meters (m³)	<500 m³	Maintain below 500 m³
Facilities with Water-Saving Measures	%	100%	Maintain at 100%
Incidents of Water-Related Non-Compliance	Count	0	0
Water Discharge	% of waste water	100%	Maintain at 100%



Our Environmental Footprint Continued

Plastic Waste Reduction Strategy

Plastic waste presents a growing global challenge, particularly for industries like marine logistics and lubricant distribution where packaging and handling materials play a critical operational role. At Lenol, we are actively addressing this issue through a focused Plastic Waste Reduction Strategy, aligned with the UAE Circular Economy Policy, the UAE Net Zero by 2050 Strategic Initiative, and global frameworks such as GRI 306: Waste and the UN Sustainable Development Goals (SDG 12: Responsible Consumption and Production).

Our strategy targets a phased reduction of single-use plastics across our value chain—while promoting more circular, recyclable, and sustainable alternatives. By collaborating with suppliers, customers, and logistics partners, we are committed to minimizing our plastic footprint and contributing to a cleaner, more resource-efficient marine industry.

Current Plastic Footprint Profile

Lenol’s plastic usage is concentrated in:

Packaging materials for lubricants (drums, pails, containers)

Secondary packaging (wrapping, pallets, labels)

Office and warehouse utilities (stationery, water bottles, plastic liners)

While essential for product safety and durability, many of these materials are not yet recyclable or circular by default—prompting the need for systemic changes.

Key Plastic Reduction Initiatives

1. Sustainable Packaging Shift  
Transitioning to recyclable and reusable metal drums and HDPE containers

Partnering with suppliers that offer PCR (post-consumer recycled) content packaging  
Eliminating shrink-wrap where feasible in warehousing

2. Vendor & Supplier Engagement  
ESG criteria integrated into supplier selection, including commitments to plastic reduction  
Joint initiatives with blending and packaging providers to explore biodegradable options

3. Circular Collection & Recovery  
Launch of used container return programs in select ports and customer hubs along with the external providers.  
Working with certified waste handlers for closed-loop recycling of lubricant containers

4. Internal Awareness & Elimination  
Company-wide removal of single-use plastic bottles and cutlery from offices

Monthly campaigns promoting plastic-free habits as part of our Green Tips Series

Our Path Forward

Expand sustainable packaging criteria across all product lines

Partner with eco-packaging innovators in the marine and industrial sectors

Develop plastic waste KPI dashboard for monthly ESG reporting

Contribute to local and regional plastic stewardship alliances

Our Approach to Circular Practices

As part of our commitment to sustainable growth and resource efficiency, Lenol is progressively embedding circular economy principles into its operations and value chain. Circularity is not only about waste reduction—it’s a forward-thinking strategy that transforms how we design, source, use, and recover materials to extend product life, minimize environmental impact, and generate long-term value for stakeholders.

Our approach aligns with the UAE Circular Economy Policy 2021–2031, the UN Sustainable Development Goals (particularly SDG 12 & SDG 9), and industry expectations for greater environmental accountability. As a marine lubricant trading company, our unique opportunity lies in innovating how we manage packaging, product use, and end-of-life recovery—especially within a traditionally linear industry.

Core Circular Principles at Lenol

We apply circularity across three dimensions:

1. Designing for Circularity

Promoting durable, reusable packaging formats such as steel drums and HDPE containers. Working with partners to explore modular and refillable lubricant systems. Increasing use of recycled raw materials in packaging and product de-

velopment

2. Extending Product Life

Encouraging customers to maximize lubricant lifecycle through condition monitoring and technical support

Promoting re-refined base oils (RRBO) and extended-life lubricant formulations

Supporting maintenance practices that reduce equipment wear and extend usage

3. Recovering and Regenerating Resources

Initiating used container return and recovery programs in key markets

Partnering with certified vendors to support used oil collection and closed-loop re-refining

Ensuring that all waste oil and packaging materials are handled by licensed recyclers

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At Lenol, chemical safety is non-negotiable. Our proactive REACH compliance strategy reflects our broader ESG commitment to product stewardship, responsible sourcing, and regulatory alignment across jurisdictions.

Substances under the REACH Annex XIV Program

Lenol is committed to ensuring full regulatory compliance and environmental safety in all aspects of our lubricant trading operations. As part of this commitment, we actively monitor and assess our product portfolio against international chemical safety regulations, including the European Union’s REACH Regulation (Registration, Evaluation, Authorization and Restriction of Chemicals).

One of the key components of REACH is Annex XIV, which lists Substances of Very High Concern (SVHCs) that are subject to authorization due to their serious impact on human health or the environment. These substances may include carcinogens, mutagens, reproductive toxins, or persistent and bio accumulative chemicals. Companies that use, supply, or import these substances into the EU must apply for specific authorization or ensure suitable alternatives are used.

Our Compliance Approach

As a responsible lubricant trading entity, Lenol: Reviews all relevant formulations in coordination with our manufacturing and blending partners to assess the presence of any Annex XIV-listed substances.

Engages with global suppliers and chemical manufacturers to request detailed safety data sheets (SDS), REACH status declarations, and chemical inventory disclosures.

Avoids procurement of lubricants containing listed SVHCs, except where technically unavoidable and legally permitted with appropriate risk management.

Promotes the use of safer, REACH-compliant alternatives in collaboration with partners such as FUCHS Lubricants Germany GmbH.

Screening and Assessment

As of the 2024 review cycle, no active Lenol products contain substances currently listed on REACH Annex XIV.

We continue to screen new formulations against updates to the REACH candidate list and Annex XIV authorisation list to ensure early identification and substitution planning.

If any substance on the REACH list is identified as

part of a downstream supplier’s input, we initiate a review to verify legal compliance, product safety, and substitution timelines.

Monitoring Tools and Governance

Integration of REACH substance checks into our Supplier Due Diligence Procedure.  
Annual supplier declarations of chemical regulatory compliance.

Maintenance of a REACH SVHC Watchlist for internal tracking and risk flagging  
Participation in knowledge-sharing forums to stay informed on emerging chemical restrictions

Risk & Responsibility

Non-compliance with REACH can result in import bans, reputational damage, and product recall liabilities. By proactively monitoring Annex XIV and maintaining a compliant portfolio, Lenol ensures continued access to European and global markets while upholding the highest standards of environmental and human health protection.

Our REACH Compliance Goals

Objective	Timeline
100% REACH compliance for all imported/exported lubricants	Ongoing
Annual review of Annex XIV and SVHC updates	Completed Q2 2024
Eliminate potential SVHCs from any new product introductions	By end 2025







# SOCIAL

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# Responsible Social Impact



Responsible social impact at Lenol is not just about policies—it’s about people. We are proud to lead with integrity, invest in wellbeing, and ensure every stakeholder in our value chain benefits from a fair, safe, and inclusive business environment.

At Lenol, we view our social responsibilities as inseparable from our core business values. As a trading organization operating across global maritime supply chains, we understand that our success depends not only on product quality and operational excellence, but also on the wellbeing of our people, the communities we serve, and the fairness of our business practices. Our Responsible Social Impact strategy is built on principles of human rights, inclusivity, equity, and ethical employment, aligning with the UN Guiding Principles on Business and Human Rights, the ILO Core Conventions, and the UAE’s Vision 2031 for social advancement.

We take a proactive approach to fostering a socially responsible work environment—supporting employees, empowering communities, and ensuring that our supply chain partners share our commitment to fair and dignified treatment of all individuals.

### Key Focus Areas of Our Social Responsibility

#### 1. Employee Welfare and Inclusion

We ensure fair wages, safe working conditions, and access to healthcare, wellness, and professional development opportunities.

Our policies prohibit all forms of forced labor, child labor, and workplace discrimination, and are reinforced through internal training and manager accountability.

Employee Wellbeing & Benefits Policy, Career Development Policy, and Diversity & Inclusion Policy guide our internal practices.

In 2024, we achieved 100% participation in annual employee wellbeing and development reviews.

#### 2. Human Rights and Ethical Labor Standards

All suppliers and partners must adhere to our Supplier Code of Conduct, which aligns with international labor and human rights frameworks.

We conduct ESG-aligned due diligence to assess working conditions, labor rights, and non-discrimination policies across our sourcing network.

Our Freedom of Association, Equal Opportunity, and Child & Forced Labour Policies are communicated clearly to all stakeholders.

By 2025, we aim to complete human rights assessments across 100% of Tier 1 suppliers.

#### 3. Community Engagement and Social Investment

Lenol actively contributes to the development of maritime communities through educational sponsorships, vocational training, and youth empowerment initiatives.

We participate in national programs supporting the UAE’s Year of Sustainability and partner with industry organizations on social awareness campaigns.

Our Community Involvement Policy guides how we engage with local populations in a respectful, inclusive, and culturally sensitive manner.

In 2024, Lenol supported maritime education initiatives and launched a local volunteer program.

#### 4. Workplace Ethics and Grievance Mechanisms

We maintain a zero-tolerance approach to harassment, discrimination, and retaliation, enforced through the Anti-Harassment Policy and internal code of conduct.

An independent whistleblower hotline is available for employees and external stakeholders to report misconduct anonymously and without fear.

Our grievance redressal process is governed by the Grievance Mechanism Procedure, aligned with international best practices.

No substantiated human rights violations or major grievances were reported in 2023–2024.



Recognition Programmes	Engagement and Satisfaction	Diversity, Equality and Inclusion	Female Empowerment
Performance Management			Youth Empowerment
Wages and Benefits			Inclusion
Non-discrimination	Employee Health and Wellbeing	Talent, Learning and Development	Futureproofing our Workplace
Grievances			Training and Development
Grievances			Educational Programmes
Human Rights			

### Social Responsibility KPIs (2024 Baseline)

Metric	2024 Status	2026 Target
% Employees receiving ESG training	82%	100%
% Key suppliers reviewed for labor rights	65%	100%
Employee satisfaction rating (internal survey)	4.3 / 5.0	≥4.5
Community programs supported annually	3	≥5





# Our Strong Corporate Culture

“Our corporate culture is more than a set of values—it’s a shared commitment to excellence, ethics, and a better future. Together, we are building a company that not only performs — but inspires.”

At Lenol, our corporate culture is the foundation of our business excellence and sustainable growth. It reflects who we are, how we work, and what we stand for. As a dynamic trading organization serving global marine markets, we believe that fostering a culture grounded in integrity, collaboration, innovation, and sustainability is

Our Code of Conduct, Anti-Bribery & Anti-Corruption Policy, and Whistleblower Policy guide all internal and external interactions, ensuring that decisions are made ethically and in alignment with both company values and regulatory expectations.

employees We also celebrate achievements through employee recognition programs and initiatives that promote engagement and motivation.

4. Diversity, Inclusion, and Wellbeing

We are proud of our inclusive and multicultural workforce. Our policies actively promote equal opportunity, gender equity, and nondiscrimination across all hiring, promotion, and team-building activities. Through our Employee Wellbeing & Benefits Policy, we provide a supportive environment that prioritizes mental health, work-life balance, and a sense of belonging.

5. Sustainability-Driven Thinking

Sustainability is embedded into our culture—not just in strategy, but in day-to-day practices. From reducing paper and plastic waste in the office, to launching employee-led Green Champion and Eco Supporter programs, we cultivate environmental consciousness and collective responsibility across our teams.

Employee Voice and Engagement

We maintain multiple feedback channels, including: Annual employee engagement surveys ESG workshops and town halls An open-door policy across all management levels Feedback is routinely reviewed and integrated into our HR and ESG planning processes, ensuring our culture continuously evolves in line with employee needs and stakeholder expectations.



Core Elements of Our Culture Pillar and Commitments

Integrity & Ethics	People Development	Collaboration & Inclusion	Employee Wellbeing	Sustainability Mindset
Code of conduct, anti-bribery policies, and confidential reporting channels	Career pathways, internal promotions, and ESG-aligned upskilling	Diverse teams, open communication and cross-functional problem-solving	Work-life balance, mental health resources, and wellness initiatives	Green workplace culture, employee-led environmental actions, and ESG talks

key to achieving long-term success.

Our culture is not just built by leadership—it’s shaped daily by our people. We strive to create a workplace where employees feel empowered, respected, and inspired, and where ethical behavior is a collective commitment. Our values drive performance, inform decision-making, and reinforce our responsibility to all stakeholders across our global value chain.

Core Elements of Our Culture

1. Integrity and Ethics

We uphold the highest standards of business conduct through a shared commitment to honesty, transparency, and accountability.

2. Collaboration and Teamwork

Lenol’s cross-functional structure encourages open communication, knowledge sharing, and trust across departments. Whether coordinating global shipments or launching sustainability initiatives, our teams operate with unity and shared purpose—strengthening resilience and agility across the business.

3. People Development and Recognition

We invest in the professional and personal development of our employees through:

Structured performance reviews and career development plans

Technical and ESG-related training programs

Leadership coaching for high-potential em-

Cultural Impact KPIs (2024 Snapshot)

Metric	2024 Status
Employee Engagement Score	87%
% of Internal Promotions	23%
Employees Participating in ESG Programs	76%
Employees Completing Ethics & Compliance Training	100%
Female Representation in Middle Management	41%





# Talent Attraction, Development, and Retention

“

we don’t just fill roles—we build careers. Our people strategy ensures that every employee has a voice, a vision, and a pathway to thrive.

At Lenol, we understand that our people are our greatest asset. As a dynamic trading company in the global marine lubricants sector, our long-term success depends on our ability to attract top talent, cultivate their potential, and retain high-performing professionals who are aligned with our values and committed to driving our ESG goals forward.

We take a strategic approach to talent acquisition, employee development, and workforce retention by offering meaningful career opportunities, continuous learning, and a purpose-driven work environment rooted in collaboration, integrity, and innovation.

### Talent Attraction

We are committed to building a diverse and inclusive workforce by:

Partnering with universities, industry platforms, and job portals to connect with top emerging talent

Highlighting our ESG commitments, ethical values, and innovation mindset in recruitment branding

Ensuring fair, unbiased, and transparent recruitment processes based on merit and equal opportunity

Actively promoting female participation in commercial, technical, and leadership roles

### Talent Development

We believe in equipping our people with the skills and knowledge they need to thrive, both today and in the future:

Every employee has a personalized development plan reviewed during annual performance evaluations

We offer training on technical knowledge, leadership skills, and ESG topics, including workshops, online modules, and certifications

Our Sustainability Training Policy supports cross-functional ESG literacy and climate awareness

High-potential employees are invited to mentorship programs and cross-departmental projects

100% of employees received training in 2024; average training hours increased by 28% YoY.

### Talent Retention

We work hard to maintain a workplace where people feel valued, supported, and empowered to grow:

Regular engagement surveys and manager feedback loops to monitor morale and satisfaction

Strong focus on employee wellbeing, including flexible scheduling, mental health resources, and recognition programs

Clear career advancement pathways for both technical and non-technical roles

Internal mobility and promotions are prioritized before external hiring

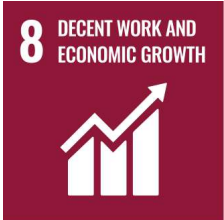
Our voluntary turnover rate in 2024 was just 5.6%, well below the industry benchmark.

Talent attraction, development, and retention are not isolated HR practices—they are the cornerstones of our company’s resilience and competitiveness. At Lenol, we invest in people because we believe empowered individuals build a better, more sustainable business.



### Human Capital KPIs

Indicator	2024 Performance	2026 Target
Employee Retention Rate	94.40%	≥95%
Avg. Training Hours per Employee	7 hours	≥10 hours
% of Employees with Development Plans	100%	Maintain at 100%
Female Representation in Total Workforce	28%	≥30%
% of Mid-Level Managers Promoted Internally	31%	≥35%





# Creating a Healthy and Safe Workplace



Creating a safe workplace isn't just compliance—it's our responsibility to every person who contributes to Lenol's success. Safety and wellbeing are part of how we show respect, build trust, and shape a resilient business.

At Lenol, we recognize that the health, safety, and wellbeing of our employees are essential to our operational success and sustainability. Whether in our offices, warehouses, or during coordination with external logistics and blending partners, we are committed to fostering a work environment that protects our people, prevents harm, and promotes physical, mental, and emotional wellbeing.

Our safety-first culture is driven by our General Health & Safety Policy (LEN-HSEP-01) and Occupational Safety Policy, which set the foundation for risk-based assessments, regulatory compliance, emergency preparedness, and employee training. We align our health and safety management practices with ISO 45001 principles and applicable UAE labor and safety regulations.

**Our Health & Safety Pillars**

**1. Risk Prevention and Compliance**

All workspaces undergo routine hazard identification and risk assessments

Safety protocols are embedded in daily activities, particularly in warehouse handling, storage, and contractor oversight

Compliance with UAE Federal Labor Law, fire safety codes, and other relevant standards is monitored continuously

**2. Employee Health & Wellbeing**

Access to healthcare benefits and optional mental wellness sessions

Periodic health screenings and wellness drives to promote proactive health man-

agement

Flexible work arrangements to support work-life balance, especially during seasonal peaks or fasting periods

**3. Training and Awareness**

Mandatory safety induction for new hires and refresher training for all employees

Specialized training on emergency evacuation, first aid, fire response, and chemical safety

Active participation in World Day for Safety and Health at Work and other global awareness campaigns

**Mental Health & Emotional Wellbeing**

Recognizing that wellbeing extends beyond physical safety, Lenol promotes:

Confidential access to mental health resources

Managerial training on stress management and emotional resilience

Company-wide wellbeing awareness weeks, including seminars, virtual sessions, and mindfulness tips

**Looking Ahead**

To strengthen our safety culture further, we are working to:

Digitize incident reporting and near-miss tracking for faster intervention

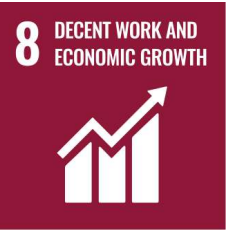
Expand our occupational health audits across third-party operated sites

Integrate ESG-linked health KPIs into manager performance reviews



**Health & Safety KPIs (2024 Snapshot)**

Metric	2024 Status	2026 Target
Lost Time Injury Frequency Rate (LTIFR)	0	Maintain at zero
% of Employees Completing HSE Training	100%	Maintain at 100%
Number of Health & Safety Incidents	0	0
Ensure Warehouses with Emergency Response Plans	100%	Maintain
Annual Safety Drills Conducted	2 per site	≥2 per site





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Lenol’s team consistently goes above and beyond. Whether we need urgent supply at an unexpected port or help with product documentation, their responsiveness and support make them a top-tier partner

At Lenol, delivering customer excellence is more than a business objective—it’s a core value that drives every aspect of our operations. As a trusted supplier of marine lubricants to ports and fleets worldwide, we are committed to providing not only reliable and high-performance products but also a superior customer experience built on responsiveness, technical expertise, and long-term collaboration.

We recognize that our customers operate in complex, fast-moving environments. Whether it’s a vessel at port requiring prompt delivery, a client navigating new IMO compliance regulations, or a partner seeking low-carbon product options, our role is to support their success at every touchpoint. Our approach to customer excellence blends operational agility with ESG integration, offering value that is technical, strategic, and sustainable.

Pillars of Customer Excellence at Lenol

1. Reliability and On-Time Delivery

Global coverage in over 900 ports, with responsive logistics and coordination  
Partnership with industry-leading suppliers ensures product availability and performance consistency  
Real-time shipment tracking and coordination to minimize customer disruption

2. Technical Expertise and Support

In-house specialists and partner support

(e.g., FUCHS Lubricants Germany GmbH) provide tailored lubricant recommendations

Product training and usage guidance for engineers, procurement teams, and operations managers

ESG-informed guidance on low-sulfur fuels, bio-lubricants, and product carbon footprint (PCF) disclosures

3. Sustainability-Driven Solutions

ESG information included in product documentation to help customers track Scope 3 emissions

Packaging innovations and circular recovery initiatives to reduce customer environmental footprint

Custom blending and distribution programs to support compliance with IMO 2020, FuelEU Maritime, and local regulations

4. Proactive Communication and Feedback

Regular customer surveys and feedback loops for continuous service improvement  
Monthly ESG newsletters and technical updates shared with client stakeholders  
Dedicated account managers for key customers, ensuring relationship continuity and trust



Customer-Focused KPIs (2024 Snapshot)

Indicator	2024 Result	2026 Target
On-time Delivery Rate	97.80%	≥98.5%
Customer Satisfaction Score (CSAT)	4.6 / 5.0	≥4.7
% of Customers Receiving ESG-Aligned Options	72%	≥90%
% of Repeat Customers	82%	≥85%







# Appendices

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## Appendix 1

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### 39 GRI Index

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### 42 GRI and UN SDGs Index

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### 43 U.S. SEC Climate Disclosure Rules

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### 44 EU CSRD/ESRS Disclosure Topic

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### 44 Singapore Exchange SGX Guideline Requirement

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### 45 SASB Index

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### 46 Definitions and Abbreviations

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GRI Standard / Other Sources	Disclosure	Section	Page Number(s)	Requirement(s) Omitted	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	About This Report	Page 3	–	Lenol's business model and ownership are explained in the opening section.
2-2 Entities included in the organization's sustainability reporting	About This Report	Page 3	–	Only Lenol's operations are covered.	
2-3 Reporting period, frequency and contact point	About This Report	Page 3	–	1 Jan 2024 – 31 Dec 2024; annual report; contact via support@lenolmarine.com	
2-4 Restatement of information	About This Report	Page 3	–	No restatements noted for 2024.	
2-5 External assurance	Assurance Statement (Planned)	Page 3 & 29	Limited assurance only for Scope 1 & 2 GHG	Report notes assurance to be completed in H1 2025.	
2-6 Activities, value chain and other business relationships	Lenol at a Glance	Page 4	–	Value chain overview and key stakeholders discussed.	
2-7 Employees	Labour Practice	Page 33–35	(b.v)	Workforce data by contract type and region not detailed.	
2-8 Workers who are not employees	Occupational Health & Safety	Page 36	(a), (b), (c)	Data disaggregated by non-employee type not provided.	
2-9 Governance structure and composition	Governance & Leadership	Page 16	–	Structure of ESG governance outlined.	
2-10 Nomination and selection of highest governance body	Governance & Leadership	Page 16	–	Mentions oversight role but not selection criteria in detail.	
2-11 Chair of the highest governance body	Governance & Leadership	Page 16	–	Covered under Board responsibilities.	
2-12 Role of the highest governance body in managing impacts	Governance & Leadership	Page 16	–	Describes ESG oversight and risk review.	
2-13 Delegation of responsibility for managing impacts	Governance & Leadership	Page 16	–	Sustainability Manager and ESG Task Force structure defined.	
2-14 Role of highest governance body in sustainability reporting	Our Materiality Approach, Governance & Leadership	Page 10, 16	–	Materiality reviewed and approved by the Board.	
2-15 Conflict of interest	Governance & Leadership	Page 16	–	Covered under Ethics and Integrity policy.	
2-16 Communication of critical concerns	Governance & Leadership, Responsible Business	Page 16, 21	–	Channels for grievance and whistleblowing noted.	
2-17 Collective knowledge of highest governance body	Governance & Leadership	Page 16	–	Mentions Board-level ESG training.	
2-18 Evaluation of performance of highest governance body	Governance & Leadership	Page 16	–	Annual performance assessments mentioned.	
2-19 Remuneration policies	Governance & Leadership	Page 16	–	Executive remuneration linked to ESG KPIs not explicitly disclosed.	



GRI Standard / Other Sources	Disclosure	Section	Page Number(s)	Requirement(s) Omitted	Explanation
2-20 Process to determine remuneration	Governance & Leadership	Page 16	–	General description of salary structure.	
2-21 Annual total compensation ratio	Labour Practice	Page 33	Not disclosed	Marked as confidential.	
2-22 Statement on sustainable development strategy	ESG Strategy	Page 7	–	Clear summary of ESG vision and roadmap.	
2-23 Policy commitments	Governance & Leadership	Page 16	–	Includes Ethics, Anti-Corruption, Human Rights, and Environmental Policies.	
2-24 Embedding policy commitments	Governance & Leadership	Page 16	–	Describes how policies are operationalized.	
2-25 Processes to remediate negative impacts	Customer Satisfaction & Engagement	Page 37	–	Grievance and remediation channels noted.	
2-26 Mechanisms for raising concerns	Responsible Business, Governance	Page 16, 21	–	Whistleblowing and reporting systems highlighted.	
2-27 Compliance with laws and regulations	Governance & Leadership	Page 16	–	No fines or non-compliance events reported in 2024.	
2-28 Membership associations	About This Report	Page 4	–	Affiliations listed briefly.	
2-29 Approach to stakeholder engagement	Materiality Approach, ESG Stakeholder Engagement	Page 10, 13	–	Stakeholder list, engagement channels, and feedback loops described.	
2-30 Collective bargaining agreements	Not reported	–	Not applicable in UAE labor law; no collective bargaining supported.		
GRI 2: General Disclosures 2021	2-1 Organisational details	About this Report	Page 4	None	Basic identity and overview
	2-2 Entities included in the organisation's sustainability reporting	About this Report	Page 4	None	Lenol entity
	2-3 Reporting period, frequency, contact point	About this Report	Page 4	None	FY2024
	2-4 Restatements of information	About this Report	Page 4	None	No restatements
	2-5 External assurance	Assurance Statement	Page 33	Partial	Planned for 2025
	2-6 Activities, value chain, other business relationships	Lenol at Glance	Pages 5-6	None	Lubricants trade, >900 ports
	2-7 Employees	Labour Practices	Page 20	(b.v) omitted	Disaggregated data not disclosed
	2-8 Workers who are not employees	Occupational Health & Safety	Page 22	(a), (b), (c) omitted	Partial data due to outsourcing
	2-9 Governance structure and composition	ESG Governance	Pages 46-47	None	Includes board-level ESG oversight
	2-10 Nomination & selection of highest governance body	ESG Governance	Page 47	None	Structured board process
	2-11 Chair of the highest governance body	ESG Governance	Page 47	None	Board role defined
	2-12 Highest governance body's role in impacts	ESG Governance	Page 47	None	ESG embedded into corporate structure
	2-13 Delegation for impacts	ESG Governance	Page 47	None	Responsibility embedded in committees



GRI Standard / Other Sources	Disclosure	Section	Page Number(s)	Requirement(s) Omitted	Explanation
	2-14 Role in sustainability reporting	Our Materiality Approach	Pages 10-11	None	Senior leadership-led validation
	2-15 Conflict of interest	Governance & Ethics	Page 47	None	Policy reference included
	2-16 Communication of critical concerns	Whistleblower System	Page 52	None	Confidential process available
	2-17 Collective knowledge of governance body	ESG Governance	Page 47	None	Training and committee briefings
	2-18 Evaluation of board performance	ESG Governance	Page 47	None	Through annual committee review
	2-19 Remuneration policies	Governance	Page 53	None	No equity-linked pay disclosed
	2-20 Process to determine remuneration	Governance	Pages 53-55	None	Benchmarked, performance-aligned
	2-21 Annual total compensation ratio	Governance	Page 55	Confidential	Not publicly disclosed
	2-22 Statement on sustainability strategy	MD Message	Pages 15-16	None	Anchored in Net Zero 2050
	2-23 Policy commitments	Ethical Business Conduct	Page 52	None	Full ESG policies listed
	2-24 Embedding policy commitments	Policy Integration	Pages 48-49	None	ESG integrated in all departments
	2-25 Process to remediate negative impacts	Customer Satisfaction	Page 52	None	Includes grievance mechanism
	2-26 Raising concerns & whistleblowing	Ethical Business	Page 52	None	Anonymous and accessible
	2-27 Compliance with laws and regulations	Ethical Business	Page 52	None	No fines reported
	2-28 Membership associations	About the Report	Page 4	None	Includes industry forums
	2-29 Stakeholder engagement	Materiality & Stakeholder	Pages 10-13	None	Surveys, interviews, workshops
	2-30 Collective bargaining agreements	Labour Practices	Page 21	Not applicable	UAE law has no collective bargaining
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Materiality Approach	Pages 10-11	None	Four-phased methodology
	3-2 List of material topics	Our Materiality Approach	Pages 12-13	None	28 topics across ESG pillars
	3-3 Management of material topics	ESG Management & Risks	Pages 24-26	None	Scorecard and oversight



Indicator / Topic	GRI Standard Disclosure	UN SDG(s)	Page Number(s)	Requirement(s) Omitted	Explanation
GHG Emissions (Scope 1, 2, 3)	305-1, 305-2, 305-3	SDG 13.1, SDG 12.6	27–30	—	Fully reported; limited assurance in 2025
Energy Consumption	302-1, 302-2	SDG 7.3, SDG 12.2	30	—	Includes Scope 2 and partner Scope 3
Water Management	303-3, 303-4, 303-5	SDG 6.3, SDG 12.4	31	—	Outsourced blending context noted
Plastic Waste Reduction	306-1, 306-3, 306-4	SDG 12.5, SDG 14.1	31	—	Focus on packaging, drums, liners
Circular Practices	306-2, 306-5	SDG 12.5	31	—	Container return, re-refined base oil
Product Stewardship	417-1, 417-2	SDG 12.4, SDG 13.3	26, 30	—	Includes PCF data and compliance info
Occupational Health & Safety	403-1 to 403-9	SDG 3.9, SDG 8.8	36	—	ISO 45001 alignment noted
Diversity & Inclusion	405-1, 405-2	SDG 5.1, SDG 10.2	35	—	Metrics disclosed
Labor Standards & Human Rights	401-1, 401-2, 406-1	SDG 8.7, SDG 10.3	33–35	—	Child/forced labor policies included
Talent Development & Training	404-1, 404-2	SDG 4.4, SDG 8.5	35	—	Avg. training hours covered
Ethical Business Conduct	205-2, 205-3, 206-1	SDG 16.5, SDG 16.6	21–22	—	Anti-bribery and AML policies present
Supplier ESG Screening (Social/Environmental)	308-1, 414-1	SDG 12.6, SDG 8.7	23–24	—	Aligned with ISO 20400, 100% goal 2025
ESG Governance Oversight	2-12, 2-13, 2-14, 2-17, 2-23	SDG 16.6	17–19	—	Sustainability Committee and Board roles
Climate Strategy & Decarbonisation	201-2, 305-5, GRI 3-3	SDG 13.2, SDG 9.4	25–30	—	Integrated into ISO EMS & Risk Mgmt
Transparency & ESG Reporting	2-3, 2-4, 2-5	SDG 12.6, SDG 16.6	3–4, 39	—	GRI, TCFD, ESRS alignment
Community Engagement	413-1	SDG 4.4, SDG 11.3	33	—	Maritime training and awareness
Customer Excellence & Product Compliance	417-2, 417-3	SDG 12.4	37	—	Safety, carbon info, ESG alignment
Data Privacy & Cybersecurity	418-1	SDG 16.10	22	—	IT resilience and complaint tracking
Audit, Assurance, Continuous Improvement	GRI 2-5, 2-27, 3-3	SDG 16.6, SDG 12.6	19	—	Risk-based audits, ESG KPIs
Packaging & Material Sustainability	301-1, 301-2	SDG 12.5	31	—	Circularity and recyclability criteria



U.S. SEC Climate Disclosure Rules (Disclosure Requirement)	Lenol ESG Report Coverage	Page Number (s)
Governance: Board oversight of climate-related risks	Described under ESG Governance & Board Oversight sections. Climate oversight by Board and ESG Committees.	p. 15–16, 18–20
Governance: Management’s role in assessing and managing climate-related risks	Covered through the ESG Task Force and Sustainability Committee. Management leads scenario planning and emissions tracking.	p. 15–20
Strategy: Climate-related risks reasonably likely to have a material impact	Detailed risk identification and categorization of both transition and physical risks (e.g., regulation, storms, sea level rise).	p. 19–21, 29
Strategy: Actual and potential impacts on strategy, business model, and outlook	Discussed in Climate Strategy, Decarbonization Strategy, and Scenarios for Climate Change.	p. 24–30
Risk Management: Process to identify, assess, and manage climate-related risks	Integrated within ESG Risk Register, scenario testing, and materiality assessments.	p. 18–20, 29
Risk Management: Process for managing climate risks and integration into risk framework	Fully embedded in ESG risk management and enterprise risk systems; COSO and ISO-aligned.	p. 18–20
Metrics & Targets: GHG emissions data (Scope 1, 2, and 3)	Scope 1 & 2 under limited assurance in 2024; Scope 3 mapping underway.	p. 28–30
Metrics & Targets: Emission intensity	GHG Intensity disclosed as tCO <sub>2</sub> e/Total Revenue (0.012)	p. 29
Metrics & Targets: Climate-related targets and progress	Emission reduction goals set for 2025–2027. Includes logistics emissions, low-carbon product share, supplier climate alignment.	p. 29–30
Scenario Analysis: Climate-related scenario planning and assumptions	Based on NGFS and TCFD frameworks. Includes 5 risk scenarios (Accelerated, Delayed, Physical, Orderly, Business-as-usual).	p. 21
Financial Impact: Material climate-related financial impact (qualitative)	Operational cost pressure under carbon pricing, revenue opportunity from green lubricants, exposure to port risks.	p. 21, 25–29
Assurance: Third-party verification of emissions data	Scope 1 & 2 emissions undergoing limited assurance. Scope 3 expected in 2025 GHG Report.	p. 28–30

EU CSRD/ESRS Disclosure Topic	Relevant ESG Report Sections (Lenol)	Page Number (s)
ESRS 1 & 2 – General Requirements & Disclosures	Reporting Standards; About This Report; GRI/SDG Alignment	4, 18
Double Materiality Assessment (ESRS 1)	Materiality Approach; Stakeholder Engagement	10–13, 20
Governance (ESRS G1, G2)	ESG Governance; Board Oversight; Sustainability Committee	15–17
Business Model & Strategy (ESRS 2)	ESG Oversight and Risk Management; Climate Strategy	18–20, 24–25
Policies & Performance (ESRS 2)	Policy Framework Integration; ESG Scorecard	17–18
Risk Management (ESRS 2)	Climate Risk Management; ESG Risk Register	18–21
Sustainability Targets (ESRS 2)	Decarbonisation Strategy; Climate Metrics	29–30
Impact, Risk & Opportunity Management (IROs)	Scenario Planning; Climate Stress Testing	19–21
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ESRS E2 – Pollution	Marine Ecosystem Protection; Spill & Hazardous Substances	26, 31
ESRS E3 – Water and Marine Resources	Water Consumption; REACH Annex XIV; Marine Initiatives	30–31
ESRS E4 – Biodiversity & Ecosystems	Marine Ecosystem Protection	26, 31
ESRS E5 – Resource Use & Circular Economy	Circular Economy Practices; Plastic Waste Reduction	31
ESRS S1 – Own Workforce	Talent Attraction; Health & Safety; Wellbeing; Diversity & DEI	33–36
ESRS S2 – Workers in Value Chain	Supplier ESG Alignment; Contractor Labor Practices	22–23
ESRS S3 – Affected Communities	Community Engagement; CSR Programs	37
ESRS S4 – Consumers & End-Users	Customer Excellence; Product Stewardship	38
ESRS G1 – Business Conduct	Ethical Business; Anti-Corruption Policies; Whistleblowing	21, 52
Product Environmental Labelling & Claims	Product Carbon Footprint; Technical Sheets; IMO Compliance	14–15
External Assurance of ESG Information (ESRS 2.6)	Limited Assurance Statement	18, 30
Forward-Looking Information	Climate Scenarios; Strategy; Decarbonisation Pillars	19–21, 29

Singapore Exchange SGX Guideline Requirement	Relevant ESG Disclosures in Lenol ESG Report	Report Page(s)
1. Material ESG Factors	Detailed 2024 Materiality Assessment (Double Materiality, Stakeholder-driven topics)	Pages 10–13, 17–20
2. Policies, Practices and Performance	ESG Governance Framework, Climate Strategy, Procurement & Ethics Policies	Pages 15–20, 21–25
3. Targets	Climate Metrics Scorecard (Scope 1, 2, 3, Product Sustainability, Emissions Reductions, etc.)	Pages 29–30
4. Sustainability Reporting Framework Chosen	GRI 2021, TCFD, ESRS, UN SDGs	Pages 4–5, 15–16
5. Board Statement of ESG Responsibility	Governance Section, Board Oversight, Sustainability Committee Structure	Pages 15–17
6. Stakeholder Engagement	Stakeholder Mapping, Engagement Table, ESG Reporting Alignment	Pages 11–13
7. Reporting Scope and Boundaries	About This Report, Scope Definition (Operations, Value Chain, Geography)	Page 4
8. Climate-Related Disclosures (Encouraged by SGX post-2022)	Climate Risk Management, Scenario Planning, Physical & Transition Risk Frameworks	Pages 19–21, 28–30
9. ESG Data Assurance	Limited Assurance Initiated (Scope 1 & 2), Independent Audits Planned	Page 29
10. Supply Chain Sustainability	Supplier Due Diligence, ESG Screening, Ethical Sourcing Practices	Pages 22–23
11. Anti-Corruption and Governance Controls	Code of Conduct, Whistleblower Policy, Governance Risk Controls, Board Structure	Pages 18–19
12. Environmental Data (Energy, Emissions, Waste)	GHG Inventory, Energy Use, Waste and Packaging, Water Management	Pages 25–31
13. Social Metrics (Employee, Community, H&S)	Health & Safety, Talent Development, Community Engagement, DEI Initiatives	Pages 32–38



SASB Index

Topic	Accounting Metric	Category	Unit of Measure	Code	Evidence in Report
Greenhouse Gas Emissions	Gross global Scope 1, 2, and 3 GHG emissions; % covered under assurance	Quantitative	tCO <sub>2</sub> e, %	EM-MD-110a.1	Pages 28–29 (Emissions Summary, Climate Scorecard)
Air Emissions from Transport	Emissions of NO <sub>x</sub> , SO <sub>x</sub> , and PM	Quantitative	kg	EM-MD-120a.1	Page 29 (GHG Emissions & Strategy)
Energy Management	Total energy consumed; % grid electricity, % renewable	Quantitative	MWh, %	EM-MD-130a.1	Page 30 (Energy Efficiency)
Fuel Supply Chain Impact	Discussion on reducing footprint of lubricants & logistics	Discussion & Analysis	n/a	EM-MD-140a.1	Pages 25–29 (Climate Strategy, Green Logistics)
Business Ethics	Confirmed incidents of corruption and actions taken	Quantitative	Number	EM-MD-510a.1	Page 52 (Ethical Business Conduct)
Labor Practices	Total recordable injury rate (TRIR), near-miss frequency rate	Quantitative	Rate	EM-MD-320a.1	Page 22 (H&S Metrics)
Diversity & Inclusion	% of diversity in governance and workforce	Quantitative	%	EM-MD-330a.1	Pages 82–83 (Governance Diversity)
Product Lifecycle Sustainability	% of products with environmental/social lifecycle benefits	Quantitative	%	EM-MD-410a.1	Pages 26, 31 (Sustainable Lubricants, Circular Practices)

Term / Abbreviation	Definition
ESG	Environmental, Social, and Governance – a framework used to assess an organization’s performance in sustainability and ethical impact.
GRI	Global Reporting Initiative – international standards for sustainability reporting.
TCFD	Task Force on Climate-related Financial Disclosures – provides guidance on climate-related financial risks and opportunities.
ESRS	European Sustainability Reporting Standards – ESG disclosure standards mandated by the EU Corporate Sustainability Reporting Directive.
SDGs	Sustainable Development Goals – 17 global goals set by the United Nations to address poverty, inequality, and climate change.
GHG	Greenhouse Gas – gases such as CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O that trap heat in the atmosphere and contribute to global warming.
Scope 1 Emissions	Direct emissions from owned or controlled sources (e.g., office generators).
Scope 2 Emissions	Indirect emissions from purchased electricity, steam, heating, and cooling.
Scope 3 Emissions	All other indirect emissions in a company’s value chain (e.g., logistics, purchased goods, waste).
PCF	Product Carbon Footprint – GHG emissions associated with the lifecycle of a product.
NDC	Nationally Determined Contribution – a country’s climate action plan under the Paris Agreement.
REACH	Registration, Evaluation, Authorisation, and Restriction of Chemicals – EU regulation on chemical substances.
SVHC	Substances of Very High Concern – chemicals under REACH with serious risks to health/ environment.
IMO	International Maritime Organization – UN agency responsible for regulating shipping.
IMO 2050	IMO’s target to reduce GHG emissions from ships by at least 50% by 2050 (from 2008 levels).
FuelEU Maritime	European initiative to decarbonize maritime transport and promote sustainable fuels.
VGP	Vessel General Permit – US EPA regulation to protect water quality from vessel discharges.
OFAC	Office of Foreign Assets Control – U.S. agency that enforces economic and trade sanctions.
ISO 14001	International standard for environmental management systems.
ISO 9001	International standard for quality management systems.
ERM	Enterprise Risk Management – a process to identify, assess, and manage business risks.
EMS	Environmental Management System – part of an organization’s structure to manage environmental impacts.
CSAT	Customer Satisfaction Score – a key metric measuring client satisfaction.
FUCHS	FUCHS Lubricants Germany GmbH – global partner of Lenol for sustainable lubricant development.
DMCC	Dubai Multi Commodities Centre – the free zone where Lenol is headquartered.
UAE Net Zero 2050	The UAE’s strategic initiative to achieve net-zero emissions by 2050.
GRI 305	Standard under GRI covering emissions disclosures.
Double Materiality	ESG evaluation approach assessing both financial materiality and impact materiality (on stakeholders/environment).
Green Logistics	Strategies focused on minimizing environmental impact of transportation and supply chains.
Whistleblower Policy	A policy allowing individuals to report misconduct or violations anonymously without retaliation.
Audit Register	A log maintained by Lenol to track audit findings and supplier compliance performance.
ESG Scorecard	A reporting and evaluation tool tracking key ESG performance indicators and risks.



End of Report

- Offices
- Representatives

