GARANT GROUP

ESG Report 2025 (Environmental, Social, & Governance)

2026

Introduction

Garant Group is committed to responsible business practices, environmental stewardship, social responsibility, and sound governance. This report outlines our 2025 performance across the ESG pillars and reflects our dedication to continuous improvement and compliance with national and international standards.

Environmental Performance

We aim to reduce the environmental impact of our maritime services, ship repair operations, and industrial projects through targeted action and innovation.

Key 2025 Achievements

Reduced total energy consumption by 5% through smart automation and increased use of renewable energy.

Decreased landfill waste by 6%, enabled by improved waste sorting and recycling infrastructure.

Conducted a carbon footprint audit at major operational sites.

CO2 Emissions (Scopes 1, 2, 3)

Scope	Description	Key Sources	Progress
Scope 1	Direct emissions from owned/ controlled sources	Company vehicles,shipyard operations, fuel burning	Emissions inventory established
Scope 2	Indirect emissions from purchased electricity	Office & workshop electricity use	Shift to renewables underway
Scope 3	Indirect emissions from upstream/ downstream activities	Travel, procurement, outsourced services	Supplier assessment in progress

CO2 Calculation Tool (as per Ministry of Environment):
https://am.lrv.lt/lt/veiklos-sritys-1/klimato-politika/klimato-kaita/kita-aktuali- informacija/-co2-pedsako-skaiciuokles/

Social Responsibility

We cultivate an inclusive, safe, and respectful workplace while promoting employee well-being and societal engagement.

2025 Highlights

Launched a 24/7 employee mental health initiative.

Achieved 35% representation of underrepresented groups in management.

Enhanced parental leave and introduced flexible work models.

All employees insured against accidents 24/7.

Social Practices

Zero tolerance for discrimination, harassment, or forced labor.

Transparent and merit-based pay system.

Active stakeholder engagement with communities and partners.

Governance Performance

Garant Group emphasizes transparency, accountability, and ethics in decision- making across its operational structure.

Governance Initiatives

Maintained 100% compliance on environmental and operational permits.

100% employee participation in ethics, anti-corruption, and compliance training.

Third-party audits performed across all sites.

Continued enforcement of zero-tolerance policies for corruption, bribery, and fraud.

Cybersecurity and Data Protection

Implemented robust cybersecurity controls to safeguard business systems and personal data.

Data processing complies with legal standards and individual consent requirements.

Strategic ESG Goals

Garant Group emphasizes transparency, accountability, and ethics in decision- making across its operational structure.

Goal	Target Year
10% GHG reduction (vs 2022 baseline)	2026
30% waste-to-landfill reduction (vs 2020)	2027
Net-zero operations (core facilities)	2030
Scope 3 emissions mapping and target-setting	2026

Conclusion

Garant Group is proud of the progress made in 2025 and remains committed to transparency, sustainability, and social integrity. This report reflects both our achievements and the areas we aim to further improve. We recognize the importance of collaboration with employees, partners, clients, and regulatory bodies in achieving lasting impact.

Annex 1

ESG STRATEGY 2026–2028 & KPIs

Strategic Objectives

ESG Area	Objective
Environmental	Reduce carbon footprint and resource use
Social	Build inclusive, safe, and engaged workforce
Governance	Ensure ethical, transparent, and secure operations

Key Performance Indicators (KPIs)

Area	Target	KPI	Deadline
Energy Use	↓ 10% vs. 2022	kWh/facility	2026
GHG Emissions	Scope 1+2 ↓ 10%	kWh/facility	2026
Waste	↓ 30% landfill waste	kWh/facility	2027
Diversity	40% leadership diversity	kWh/facility	2028
Well-being	85% employee satisfaction	kWh/facility	Annual
Training	100% compliance training	kWh/facility	Annual
ESG Reporting	GRI-compliant	kWh/facility	2027

Review & Oversight

Led by: Sustainability & Compliance Unit

Reviewed: Semi-annually or as needed

Approved by: GARANT GROUP CEO, Aleksandr Pigarev

Issued: January 2026

Annex 2

GREEN POLICY

Garant Group is committed to sustainable development and environmental stewardship. This Green Policy reflects our intention to operate responsibly, reduce our ecological footprint, and comply with both national and international environmental regulations.

Key Pillars

Energy Efficiency: Continue reducing energy use in offices, shipyards, and logistics by promoting virtual meetings, smart systems, and renewable sources (solar, etc.). Target: ↓ Energy consumption & GHG emissions by 10% by 2026.

Waste Reduction: Maintain recycling of 30%+ of operational waste; minimize packaging; digitize documents.

Water Conservation: Promote water-saving technologies and behavior. Carbon Footprint Reduction: Support remote work, use low-emission vehicles, and expand our carbon offset program.

SUSTAINABILITY AND COMPLIANCE

Purpose

This appendix outlines Garant Group's commitment to sustainability and regulatory compliance across all aspects of its operations. It complements the ESG Report 2025 and provides a structured overview of how the company meets legal, environmental, and ethical obligations in alignment with global standards and stakeholder expectations.

Sustainability Overview

Garant Group integrates sustainability into its core business practices to ensure long-term value creation for all stakeholders. Key sustainability efforts include:

- Environmental Responsibility: See Annex 2 – Green Policy for full details. We are actively reducing emissions, optimizing resource use, and implementing eco-friendly initiatives across operations.
- Social Impact: We maintain policies supporting fair labor practices, diversity and inclusion, employee wellbeing, and community engagement.
- Governance: Through strong corporate governance, transparent communication, and ethical leadership, we ensure accountability at all levels.

ESG Integration

Garant Group evaluates and reports ESG performance using recognized metrics and frameworks. This includes:

- Regular ESG assessments of our supply chain
- Integration of ESG metrics into vendor evaluation (cost, quality, sustainability) • Ongoing ESG risk monitoring using tools like Power BI and Salesforce

Regulatory Compliance

We ensure full compliance with applicable international and national laws and standards, including:

- Labor and Human Rights: In accordance with the ILO Conventions, UN Guiding Principles, and national labor laws.
- Environmental Regulations: Compliance with EU and local environmental regulations, including emissions, waste, and water management.
- Anti-Corruption and Ethics: Strong internal policies and training to prevent bribery, corruption, and unethical practices.

Supplier Due Diligence and Tiering

Garant Group conducts due diligence on all vendors using ESG criteria. Vendors are classified into performance tiers (A, B, C), with Tier A representing the highest-performing and most compliant suppliers. This supports a more transparent, ethical, and resilient supply chain.

Monitoring and Reporting

We actively track sustainability and compliance performance:

- Frequency: ESG and compliance data are collected monthly, quarterly, and annually.
- Tools Used: Power BI, Salesforce, and Microsoft Dynamics NAV
- Audits: Internal audits are conducted annually to validate compliance and identify improvements

Business Continuity

Garant Group is developing a formal Business Continuity Plan (BCP), supported by regular operational reviews.
Monitoring occurs weekly/monthly/quarterly/annually via Power BI, Salesforce, and Navision Dynamics to ensure readiness and operational resilience.

Stakeholder Engagement

Garant Group engages regularly with employees, clients, and partners to ensure expectations on sustainability and compliance are met. Whistleblower mechanisms and grievance procedures are in place and operate under a strict non-retaliation policy.

Continuous Improvement

We are committed to continuous improvement through:

- Annual ESG reviews and target setting
- Supplier development programs
- Employee training and awareness initiatives
- Integration of ESG and compliance into strategic planning