2025 Sustainability Report

Operating to a Higher Standard to Build a Better World

LINCOLN® ELECTRIC



From Higher Standard to RISE

For 130 years, Lincoln Electric's mission has been to help customers build better — and we've never stopped evolving how we work to do it. Our Higher Standard strategy (2020-2025) strengthened that foundation — advancing operational excellence, broadening capabilities and championing a deeper commitment to the safety of our people and the sustainability of our work.

RISE is our new strategy for 2030 and beyond. Its name reflects our aspiration to reach new heights together, and it stands for the four themes that will take us there — Reimagine, Innovate, Serve and Elevate. We're not starting over, and we're not changing who we are. We're building on what works and rising to the next level — continuing to evolve into an even more impactful customer-focused, innovation-driven industrial technology leader.

HIGHER STANDARD
2025 STRATEGY

2020-2025

- Customer Focused
- Solutions and Value
- Employee Development
- Operational Excellence

RISE
STRATEGY

2026-2030

REIMAGINE	INNOVATE	SERVE	ELEVATE
HOW WORK GETS DONE	TO DIFFERENTIATE	CUSTOMERS BETTER	SELF AND TEAM
CENTER-LED, STANDARDIZED AND SCALED	ACCELERATE INNOVATION	EXCEED EXPECTATIONS	PERFORMANCE AND COMMUNITY

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REPORTING DISCLOSURE

Please see page 78 for our note regarding forward-looking statements and other notes regarding statements and definitions used within this document.



CEO Letter

Dear Stakeholders,

For over 130 years, Lincoln Electric has been the Essential LINC helping customers build the world's critical infrastructure, advance manufacturing and meet growing global demand. As industries evolve and expectations rise, we are committed to delivering solutions sustainably, through safe operations, innovation, responsible resource management and investments in our team.

As we reflect on 2025, we are proud to have successfully completed our Higher Standard 2025 strategy. Over the past five years, we strengthened our business, expanded our capabilities, enhanced our sustainability governance and reporting and made meaningful progress toward our environmental and safety objectives. Highlights from this journey are detailed throughout this report and reflect the dedication of our team. We also developed a deeper understanding of how sustainability creates value for our stakeholders and strengthens our competitive position.

The progress achieved through the Higher Standard strategy has created a strong foundation for our next chapter. With the launch of our new RISE strategy, which is built around Reimagining how we work, Innovating to differentiate, Serving customers better and Elevating ourselves and our team, we are building on a strong foundation and have set new ambitions for 2030. Our sustainability commitments will advance the work already underway while focusing on where we can make the greatest impact for our customers, employees, communities and shareholders.

As sustainability expectations evolve, our customers increasingly rely on Lincoln Electric not only for products and technology, but for our technical expertise and leadership. We recognize that our responsibility extends beyond our own operations. Customers increasingly depend on us to help them improve efficiency, reduce waste, understand product impacts and advance their sustainability objectives. By combining innovation, application expertise and deep industry knowledge, we help customers navigate complexity and achieve their own sustainability goals.

Looking ahead, we believe sustainability will be an increasingly important source of competitive advantage and long-term value creation. Not only is it embedded in our commercial, innovation and operational excellence initiatives, but is reflected in our guiding principle, The Golden Rule, and reinforced by the values we put to work every day: promoting integrity, practicing candor, taking ownership, being agile and winning together.

I invite you to explore this report to learn how sustainability is helping us strengthen our business, support our customers, invest in our people and create value for all stakeholders.

Thank you to our employees, customers, suppliers, shareholders and communities for their partnership and support as we continue this journey together.

Sincerely,



Steve Hedlund
Chairman and Chief Executive Officer



About Lincoln Electric

With our deep history in welding and our track record of pushing the limits of possibility in automation, Lincoln Electric is a high-performance industrial machinery and technology leader that helps customers manufacture and maintain vital equipment and infrastructure. Our innovative solutions enable higher quality and productivity across a variety of processes, including welding, cutting, brazing, machining, process automation and field repair. We leverage proprietary technologies and expertise in materials science, power electronics, automation and intelligent software to help our customers build better and achieve resilience in their operations. We are the Essential LINC.

Our strengths, global presence and broad distribution network enable us to serve customers across various end markets, including:



General Fabrication: General manufacturing, HVAC, white goods, and small- and medium-sized fabrication shops.



Energy and Process Industries: Oil and gas, power generation (including renewables) and downstream process industries.



Heavy Industries: Agriculture, mining, construction, rail equipment, shipbuilding, and maintenance and repair.



Automotive and Transportation: Light vehicle, heavy duty truck and aerospace.



Nonresidential Structural Steel: Structural steel fabrication for construction and infrastructure (commercial buildings and bridges).

Developed in tandem with our RISE strategy over the last year, our mission, vision and values serve as the roadmap to guide us from being a traditional industrial leader to an innovative, customer-focused powerhouse that competes with the best in our industry.

MISSION

Be the LINC — Be the Essential LINC to help customers build better.

VISION

Solve more problems for more customers.

VALUES

We live and lead by the Golden Rule — which comes to life through our values.

PROMOTE INTEGRITY	PRACTICE CANDOR	TAKE OWNERSHIP	BE AGILE	WIN TOGETHER
We behave ethically, all day, every day, because the "how" is as important as the result.	We foster environments where curiosity and candor thrive so we can get better together.	We don't wait for others to fix it; we step forward, act boldly and drive the solution.	We don't settle for "good enough." We think and act differently to adapt and grow.	We win in a way that lifts everyone up, sharing knowledge to ensure collective success.

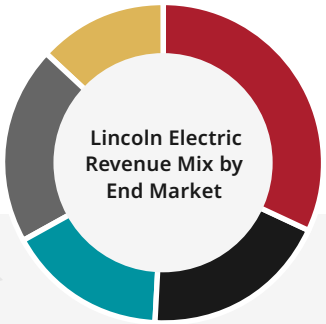
Our Operations

Our global operations exemplify our commitment to higher standards, delivering innovative solutions worldwide.



LOCATIONS

Manufacturing/Automation | Tech Center | Sales



- 32% General Fabrication
- 18% Heavy Industries
- 17% Energy and Process Industries
- 20% Automotive and Transportation
- 13% Construction and Infrastructure

71 Manufacturing Locations | **20** Countries | **$4.2B** Sales During FY 2025 | **77%** ISO 14001 Certified Manufacturing Sites

Our Products

Our innovation engine is a catalyst for growth. We innovate to solve customers' challenges — from labor shortages and safety to material changes and training.

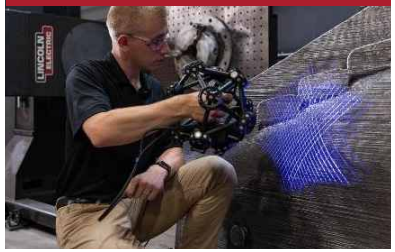
Our Expertise

MANUFACTURING EXPERTISE



We manufacture high-quality solutions with trusted reliability and consistency that withstand the rigors of factory and in-field use

INTELLIGENT SOFTWARE



Our smart, data-driven systems optimize operations with increased process control, productivity, monitoring and intuitive interfaces

POWER ELECTRONICS



Our high-performance, highly reliable power conversion solutions use advanced circuit design and in-house manufacturing to capitalize on electrification opportunities

MATERIALS SCIENCE



Our metallurgists and scientists develop solutions across a broad array of materials and alloys for joining, fabrication and coatings

ENGINEERING



Our diverse engineering team solves complex and unique challenges with creativity, speed and technical depth

AUTOMATION



Our application expertise, advanced motion control and smart sensor technologies create robust, intuitive and differentiated automation solutions

Our Solutions

- Arc and Laser Welding
- Specialty Gas Solutions
- Mobile Power Solutions
- Filler Metals and Wear Solutions
- Brazing/Soldering and Fabricated Parts
- Plasma, Oxyfuel and Laser Cutting Solutions
- Precision Fabrication and Machining
- System Design and Integration
- Cobot Fabrication Solutions
- DC Fast Chargers
- AGVs and AMRs

Awards and Recognition

Recognized for Our Leadership

NEWSWEEK®

World's Most Trustworthy Companies 2025

America's Most Responsible Companies 2025

America's Greatest Companies 2025

America's Greatest Workplaces for Manufacturing 2025

America's Greatest Workplaces for Culture, Belonging and Community 2025

America's Greenest Companies 2025

TIME®

America's Best Mid-Size Companies 2025

ETHISPHERE®

One of the World's Most Ethical Companies (7x Honoree)

USA TODAY®

America's Climate Leaders 2025

FORBES®

America's Best Mid-Size Employers 2025

America's Best Employers for Company Culture 2025

Partnering Organizations

Climate CDP 2025 B

BRONZE | Top 35% ecovadis Sustainability Rating FEB 2026

BSR®

RESPONSIBLE MINERALS INITIATIVE



Strategy Evolution

Concluding the 2025 Strategy

In 2025, we completed our Higher Standard strategy — the five-year plan we launched in 2020 to accelerate growth and deliver best-in-class performance across four strategy peaks: customer focused, solutions and value, operational excellence and employee development.

We are pleased to have achieved most of our financial and sustainability targets while navigating through dynamic operating conditions and rapidly expanding through 10 acquisitions. Our accomplishments highlight our strong "say-do" reputation and the relentless commitment of our global teams to overcome complexity and drive long-term value for our stakeholders.

Our 2025 sustainability goals, which were integral to our **Higher Standard strategy**, are summarized below and discussed in detail later in this report.

Metric	Target	Performance Results
Financial (2020 base year)		
SALES CAGR (ex-FX)	HSD%-LSD% with $1B in Automation sales by 2025	+11% (organic 7% and M&A 4%); $941M peak Automation sales in 2023
Average OP Income Margin	16% Avg (+/- 150bps)	16% Average (Range: 12.4% to 17.6%) @ 26% incremental margin
EPS CAGR	High-Teens% to Low-20%	19%
ROIC	18% to 20% (Top quartile)	21.9% average
Average Operating Working Capital Ratio	15% (Top decile)	17.9%

Metric	Target	Performance Results
Sustainability (2018 base year)		
Safety (TRCR)	52% Reduction	43% Reduction
GHG Emissions[2] (Scope 1 and 2)	10% Reduction	19% Reduction
Energy Intensity[1]	16% Reduction	4% Reduction
Recycling	80% Rate	79%
Landfill Avoidance	97% Rate	96%
Water Use	14% Reduction	39% Reduction

Completed | Incomplete | Almost Complete

[1]Energy Intensity is total energy consumption per total labor hours worked.

[2]Measured using location-based methods.

Looking Ahead:
2030 RISE Strategy Sustainability Goals

Sustainability is part of who we are and what we do, and it is embedded in our 2030 RISE strategy. Our sustainability commitments are designed to lead us into the future as an industry-leading industrial machinery and technology company and as a company committed to having a positive impact on our people, communities and world.

In short, our RISE strategy inspires us to do more — for our teams, our customers and our communities.



2030 Sustainability Goals (all targets compared to 2024 baseline)

Safety (TRCR)
34% Reduction

Renewable Energy
20%

Waste Directed to Disposal[3]
10% Reduction

GHG Emissions (Scope 1 and 2)[1]
30% Reduction

Water Intensity[2]
10% Reduction

Life Cycle Assessments[4]
10 Product Family LCAs

[1]GHG Emissions: Goal is based off Scope 1 and Scope 2 market-based emissions. Includes all company locations within our operational control.

[2]Water Intensity: Water intensity of manufacturing sites located in areas of high or very high water scarcity per WRI Aqueduct Tool. Measured as water withdrawn per dollar of product manufactured.

[3]Waste Directed to Disposal: Scope of goal includes all company facilities.

[4]Life Cycle Assessment: A Product Family is defined for this goal as a product serving a specific function or need for a customer. For example, all TIG consumable welding products lines may have separate LCAs, but would only count as 1 Product Family.

Sustainability at Lincoln Electric

Our Sustainability Evolution

At Lincoln Electric, we provide solutions to help our customers meet their sustainability goals, while also integrating sustainability into our business model. Our 2025 Higher Standard strategy helped further integrate sustainability into our operations, products and decision-making, and it is embedded in every pillar of our 2030 RISE strategy.

Over the last five years, we've expanded our sustainability expertise, and we continue to build our internal governance and organizational structure to support sustainability. Our dedicated Sustainability team members have helped expand our initiatives and reporting disclosures, including TCFD and CDP. The team conducted our first impact materiality assessment, as well as our first-ever **double materiality assessment (DMA)**. The results of the assessment helped refine and confirm the priority sustainability topics that are material for our organization from both a financial and impact perspective. It also helped shape our 2030 goals.

The DMA process led to more robust and complex dialogue across our enterprise at all levels and functions — from leadership and finance to risk management — elevating and focusing conversations about data and disclosures and illuminating a global perspective of our company's priorities, risks and opportunities.

The impact of these ongoing collaborative discussions can be seen in the transformational work across all of our operating and supporting functions. We've reimagined our global talent acquisition and launched a purposeful people strategy designed to solicit and respond to the voice of our employees. As we evolve our equipment platforms, we continue to replace energy-intensive units with inverter-based, energy-efficient equipment, and we focus on helping our customers with their sustainability journeys. To address labor shortages, we've focused on workforce development, investing in welding education and pipeline development, and simplifying the use and automation of our products to improve efficiency and speed. We've grown our automation business, one of the primary pillars of clean technology, to $870 million in 2025. Our local Environment, Health and Safety teams continue to improve safety and sustainability management systems at all Lincoln Electric facilities and to share best practices that help us to be better stewards of both our employees and the environment.

Above are just a few examples of how integration of sustainability strategies has aligned with superior performance and business growth. As we continue to grow and evolve and reach for new sustainability goals, we are focused on working smarter, investing in our people, serving our customers better and solving for what customers need.



Stakeholder Engagement

As part of our collaborative, people-focused approach, we continue to broaden discussions with our stakeholders to nurture long-term relationships, gain insights and perspectives, and build trust. Stakeholder engagement informs our long-term sustainability strategy and goals. Our ongoing dialogue includes the following.

Shareholder Engagement

We seek constructive discussions with shareholders and maintain an active Investor Relations program. In 2025, we met with 190 investment firms (holders and non-holders) and engaged with shareholders representing approximately 63% of our outstanding common shares. As part of our annual sustainability investor outreach, we invited stewardship teams from shareholders representing over 50% of outstanding common shares to discuss sustainability matters.

Our shareholder engagement includes broad access to company representatives beyond our Chair and CEO, Chief Financial Officer and VP, Investor Relations. We include our Lead Independent Director, General Counsel and Secretary, members of our executive leadership team, our Vice President of Environment, Health, Safety and Sustainability, as well as product development and application experts from various departments. We discuss a variety of topics, including business performance, strategic initiatives, innovation, corporate governance practices, corporate sustainability initiatives, executive compensation and other matters of shareholder interest.

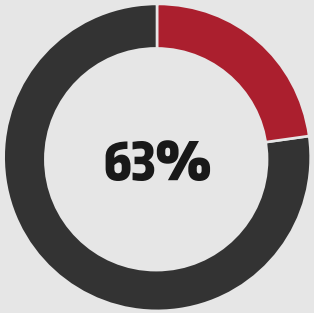
Specific topics related to sustainability discussed in 2025 included:

- Evolution of our Board and sustainability governance framework.
- Disclosures in the area of human capital and the environment.
- Climate risk strategy.
- Alignment of sustainability to business strategy and tie-in to executive compensation.

Our Board of Directors values an active investor relations program as it believes shareholder input strengthens its role as an informed and engaged fiduciary. Investment community feedback is shared regularly with the Board of Directors and Lincoln Electric's leadership team and is considered as we evolve our disclosures and strategic initiatives.

Our Investor Relations program includes:

- Participation in investor conferences.
- Individual and group meetings and tours hosted at our facilities.
- An accessible "open door" IR program throughout the year.
- Tradeshow tours.
- Perception studies.



In 2025, we engaged with shareholders representing **63%** of Lincoln Electric's outstanding shares. In our sustainability focused roadshow, we target outreach to stewardship teams from shareholders representing over **50%** of outstanding common shares to discuss sustainability matters.



Global Workforce and Employee Engagement

Our employees represent the foundation of our company and our future success. We engage employees through regular meetings, intranet platforms, employee resource groups, health and safety communications and initiatives, training and development, listening sessions, local town hall meetings, global intranet and mobile app, employee wellness and assistance programs, an ethics hotline, pulse surveys and a biennial global employee engagement survey. Visit the **Voice of the Employee section** to learn about the 2025 survey results.

Community Engagement

We are active members in the communities where we live and work. We participate in community meetings and local business associations, host plant visits, provide grants to nonprofit organizations, and donate resources and time through in-kind gifts, employee volunteerism and nonprofit Board service.

Customer Engagement

We serve an extensive global customer base, including distributors, manufacturers across an array of industries, engineering firms, metal fabrication shops, wholesalers, retailers, educational institutions and students. We engage customers through one-on-one discussions, joint development projects, our global network of 38 Application Resource Center (ARC™) locations, industry trade shows, surveys, seminars, and various media and social media channels.

Supplier Engagement

We engage with suppliers during the supplier development process and at conferences and associations. We work together to ensure legal compliance, and ethical, safe, sustainable practices in our supply chain.

Industry Engagement

As an innovation-driven industrial technology leader, we host and participate in seminars all over the world focused on industry solutions to solve customers' challenges. Lincoln Electric is also active in trade and education associations.

Double Materiality Assessment

Our first-ever DMA underscores our commitment to, and investment in, people, processes, products and governance. The results reinforced our continued work on climate and health and safety initiatives, led to a biodiversity assessment in 2025 and informed our RISE strategy and goals, positioning us to have a more positive impact on our people, communities and world.

Purpose and Process

We partnered with a third-party expert to conduct a DMA in preparation for our future reporting obligations under the Corporate Sustainability Reporting Directive (CSRD), a European Union regulation, as well as to provide valuable input for our RISE strategy goals. A double materiality assessment evaluates a company's impact on the environment and society and the impact of sustainability risks and opportunities on a company. It incorporates a broader and nuanced expansion of materiality to include not only financial materiality (financial effect on the company), but also impact materiality (effect of the company on people and planet). Objective and well-defined criteria were used to determine materiality, which provides consistency and a basis for repeatable and comparable analyses.

The four-step process of our DMA included:

Understanding
Understand the business, value chain and activities

Created a value chain map and aligned it to CSRD requirements to understand our operational and upstream and downstream activities.

Identification
Identifying impacts, risks and opportunities (IROs)

Collected reference materials and sourcing documents, communicated context for stakeholder feedback, and established understanding of the IRO development process and alignment on scoring methodology.

Determination
Determination of the material matters

Reached alignment on appropriate materiality threshold and ratified the list of subtopics and determined which sub-subtopics were deemed material for sustainability reporting.

Assessment
Assessment of Materiality

Conducted workshops to introduce pre-scored IROs, collected feedback, and aligned on inventory of final scored impacts, risks and opportunities.

Outcomes

The DMA refined, but did not significantly change, Lincoln Electric's list of priority sustainability topics. Based on the DMA's objective scoring methodology, four topics were identified as having the greatest potential for impact on the company or on people or the environment.

Material Topics From Our 2025 DMA

- Climate change mitigation
- Health and safety of workers in the value chain
- Health and safety of our workforce
- Biodiversity loss driven by climate change

Customer Focused

We enhance our value proposition and the ease of doing business with us by leveraging our Customer Relationship Management system and investments in industry-segment market-facing teams, product portfolios and Application Resource Centers.

Achievements Through Higher Standard Strategy: 2020-2025

Lincoln Electric twice hosted the Charging Interface Initiative (CharIN) event known as Testival North America at our campus in Cleveland, Ohio. The three-and-a-half-day event demonstrates the industry's focus on improving the electric vehicle charging experience.

As a key member of the Global Wind Energy Council (GWEC), we supported GWEC efforts to bring together players in the wind energy market through hosted conferences and training. As a key global supplier who supports the entire fabrication supply chain of assets and infrastructure, we see the global industry through a unique lens and can support advocacy for the goals of the council.

We taught the art and science of welding and support a strong pipeline of industry-ready welders through our robust training and education programs. Between 2020 and 2025, we trained tens of thousands of professionals at our ARC locations or our Welding Technology Training Center at our headquarters.

Working closely with technical associations, such as International Standards Organization (ISO) European Norm (EN), we provided expertise and language to standards touching many industry segments, such as automotive, energy and occupational health.



From Higher Standard to RISE

Under the RISE theme "Serve Customers Better", we aim higher — to exceed expectations, become the first call customers make and the partner they trust to get it right, every time.

Our Framework

Our customer-focused efforts are guided by a framework of three pillars that enable Lincoln Electric to solve more problems for more customers and help customers build better.

We utilize our strong network of technical experts in the field and a distributed network of Application Resource Center (ARC) locations to partner with customers to apply our technologies in ways that consume less power and fewer materials and improve safety and reliability.

We are addressing the trends reshaping our industry — including the ongoing labor shortage and reindustrialization — through **training and education**, as well as **automation**.

And, because of our unique position as an innovation-driven industrial technology leader, we are engaged with our industry peers, in trade associations and other forums, to help establish the standards for the sector.



Technical Expertise:
Delivered through our technical commercial sales teams, technical and industry segment experts, and hands-on Application Resource Centers (ARC).

Training and Education:
Specialized training and education on welding, cutting and brazing for customers and distributors as well as Lincoln Electric employees and trainees.

Industry Involvement:
Engaging with trade associations and standard-setting bodies, sharing our deep knowledge about the latest technology and best practices to advance the capabilities and quality of our industry.

Technical Expertise for Custom Sustainability Solutions

Technical Experts

Our engineers and trained technical experts offer effective solutions to our customers' needs, whether it's a custom solution or existing technology. Our experts help customers meet required technical specifications while also improving sustainability by maximizing energy efficiency and productivity, which minimizes cost and waste such as welding material. Keeping a pulse on the industry, our experts also provide insight on global best practices within each segment, as well as information on innovative and efficient use of our technology in construction, fabrication, energy and other specific industries.

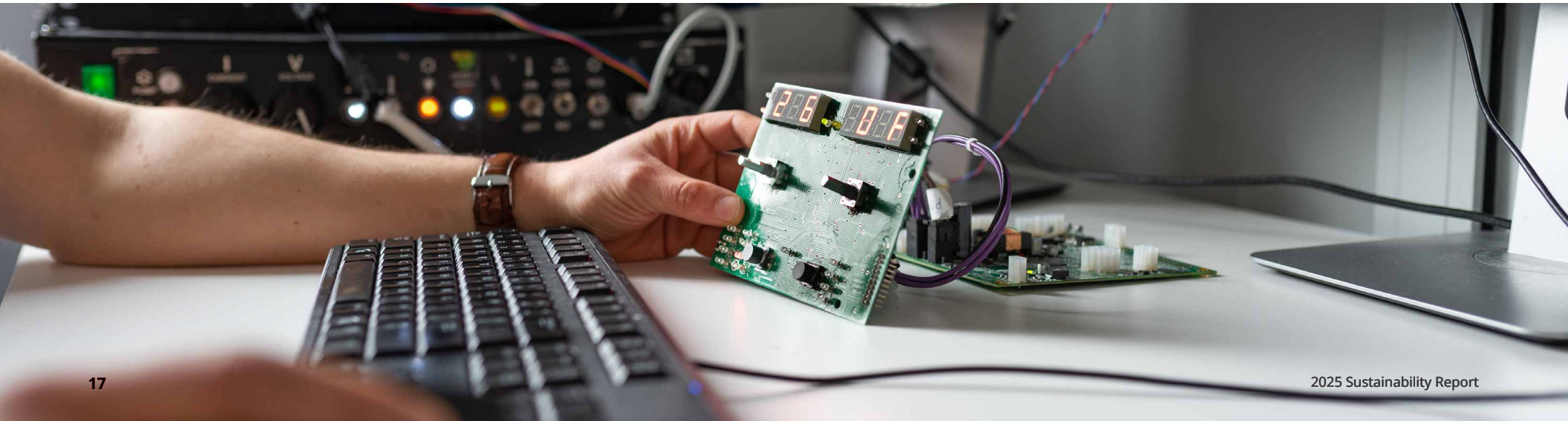
Application Resource Centers (ARC)

The activity center of our customer relationship is the ARC location. Our 38 global ARC locations, including one center that opened in Canada in 2025, ensure we are aligned with the evolving technology and fabrication needs of each end market we serve. ARC locations are geographically and strategically positioned to help customers in these markets achieve their product and sustainability goals.

Our ARC locations demonstrate efficient and productive ways for customers to use our solutions tailored to their operations. Each location offers training, product demonstrations and procedure development capabilities to best support the needs of our customers.

Three principles guide our efforts to optimize the sustainability profiles for our customers at our ARC locations:

- Facilitate partnerships that engage customers, suppliers and Lincoln Electric to solve problems related to the development, fabrication or deployment of alternative energy technologies, novel materials or automation.
- Utilize our ARC locations to help customers develop procedures and configure our technologies to improve efficiency, reduce cost or minimize raw materials consumption.
- Drive exchange on macro trends or issues, like climate and labor shortages, that impact an industry sector.



Custom Sustainability Solutions

The following are examples of our innovation at work through our technical expertise and ARC locations.

Energy Industry: Expanding Energy Solutions

We are helping the energy industry to construct and get plants of all types online faster to respond to the demand for increased energy production driven by trends such as the increase in data center construction and to drive down the rising cost of energy. We are uniquely poised to address these challenges due to our breadth of product offerings and expertise and our capacity to develop new products and solutions to meet specific needs.

The future of small modular reactor (SMR) infrastructure depends on rapid scale-up of high-pressure-containing vessels, piping and the structural fabrication of the core buildings. To help fabricators quickly meet the demand for structural steel in new power plant construction, our Zeman™ business provides solutions that automate complex welding jobs to help increase weld productivity, safety and quality. With our Zeman Steel Beam Assemblers, we bring automation to structural steel fabrication shops. We build machines to weld and assemble, to scan and sort plates, and to move plates autonomously through factories from one station to another using state-of-the-art robots and machine vision technology. We've focused on automating the hardest, most dangerous work on the factory floor, improving worker safety while also increasing production speed and precision.

To address specific needs and challenges in the nuclear power industry, we're enhancing and developing consumables for high-temperature applications, each specifically engineered to meet or to exceed the welding needs for the construction, maintenance and repair of nuclear power plants.

We continue to be a leader in supporting customers responsible for expanding the offshore wind industry. More than 327 gigawatts (GW) of new offshore wind capacity is forecast by the Global Wind Energy Council to be added in the next decade, scaling up global offshore wind capacity to 420 GW by the end of 2035. Foundation technology is evolving as well, meeting the trend of tower installations moving to locations farther from shore. Foundation formats now include monopile, jackets and floating foundations. However, the most significant barrier to growth presently lies in implementing serial fabrication on a large scale for jackets and floating foundations. Significant backlogs and lead times are present in the industry, demanding a technology shift, which we are addressing.

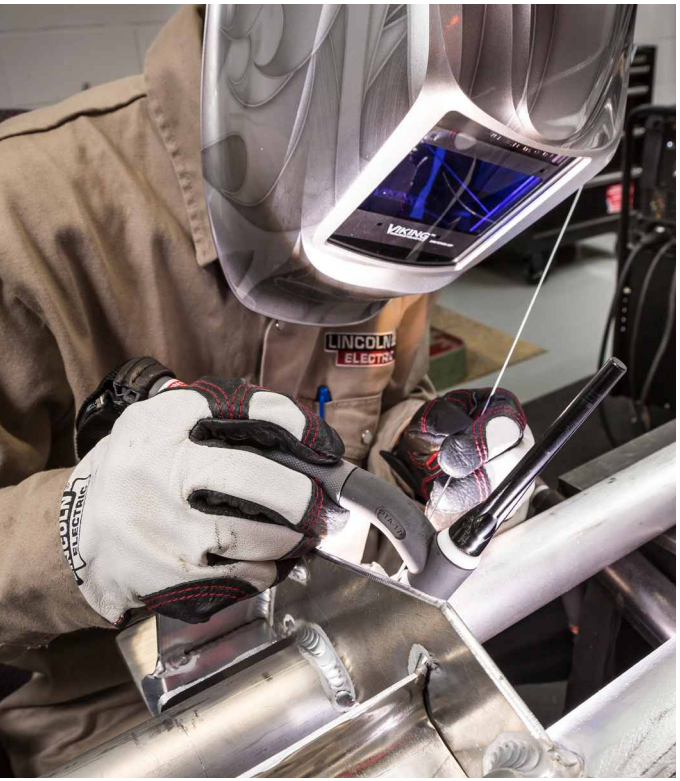
> "Offshore wind doesn't scale up at the speed of ambition; it scales up at the speed of fabrication."
>
> **Bryan O'Neil**
> Director, Global Equipment Strategy

Our high speed and efficiency welding solutions, including our HyperFill® STT® process, are known for large deposition rates, and energy savings. Our Long Stick Out Process enables the highest welding speeds of fixed and floating foundation components possible. We are also uniquely qualified to assist our customers who are moving toward high-speed serial fabrication — a stable process for manufacturing a larger number of parts with repeatable quality — for wind towers and foundations.

We remain at the forefront of research for new solutions in these areas of fabrication, recently becoming the leading industry partner for an industry and academic research lead project team funded by the German government to investigate improvements in foundation construction using additive manufacturing techniques. Our advances in **additive manufacturing** are providing new ideas for game-changing solutions for the manufacture of foundation components that reduce the number of structural sections required and reduce the requirements of precision joining of these sections.

In 2025, we helped bring online three new offshore wind factories in Europe, including sites in the United Kingdom and Poland. In 2025, we also hosted the second edition of the Global Wind Segment Seminar in Gdansk, Poland. The two-day event united industry leaders — from steel producers and fabricators to engineering companies — to address the challenges and opportunities shaping the wind energy market.





Automotive Industry: Improving Automobile Design and Production

Our close ties to the automotive industry — through customer and industry relationships, our participation and leadership in seminars with industry experts, and our collaboration and interaction with existing and potential customers in our ARC locations — make us a leader in assisting the industry in designing new manufacturing processes that improve efficiency.

Through conversations with original equipment manufacturers (OEMs) and their suppliers, we learned more about the challenges associated with joining high-pressure aluminum die castings (HPDC). When incorporated into an automobile body, aluminum's light weight improves the fuel economy of the vehicle. This same property of the material can also complicate manufacturing and joining.

Working with our customers, we developed four methods for joining high-pressure aluminum die castings used for lightweighting structural components to the rest of the vehicle body.

We work with each customer to determine which method to employ and then use Lincoln Electric automation to integrate it into the customer's manufacturing process.

Furthermore, we're helping to boost engine energy efficiency in the auto industry by offering a proprietary mirror bore coating product, LINCOLN® Arc Spray 13Mn6, that is applied by a thermal spray process and that reduces drag inside the engine and enables the removal of a cast iron cylinder liner that previously served as the buffer for friction and heat caused by the lightweight aluminum materials in the cylinder block. This technology helps improve fuel consumption and power.

Through our innovation, research and development, we are building trust with our customers and making automotive engines lighter, more durable and recyclable, thus reducing the number of parts needed for production and lowering the overall carbon footprint for Lincoln Electric and our customers.

We showcased our expertise in advanced welding solutions at the Automotive Seminar 2025 in Poland. The seminar brought together more than 30 participants from various companies, as well as representatives from the University of Zielona Gora, to exchange knowledge, discuss the latest developments in the automotive sector and strengthen industry and customer partnerships.

Our team provided live demonstrations of our SuperArc® XLS, Weld Sequencer Software, VRTEX® Virtual Weld Trainer and Cooper® Cobot.



Green Steel Industry: Partnering on Decarbonization

Our welding expertise and in-house laboratories make us a valuable partner to help steel manufacturers show that green steel performs as needed in use, a growing interest among steel purchasers as the focus on decarbonization of the steel industry increases.

Green steel broadly refers to steel that is made in a more sustainable way and with fewer resulting emissions, often quantified by calculating "embodied carbon" in the finished steel product. The lowest embodied carbon steel commercially available at scale is produced using electric arc furnace (EAF) technology. The EAF steelmaking process emits significantly fewer greenhouse gas emissions during the manufacturing process compared to the traditional blast furnace and basic oxygen furnace steelmaking process.

The EAF steelmaking process also uses significant amounts of recycled steel scrap as a feedstock, which while further reducing embodied carbon may also introduce impurities. Because steel-based welding consumables are used in applications that are highly dependent on weld strength and uniformity, products manufactured using green steel must be shown to be able to perform as required by international standards despite these impurities.

We have been working with some of our major steel suppliers to help them qualify new types of green steel products they are developing. The qualification process includes chemical analysis of the steel to identify tramp element concentrations; development of methods and parameters for welding, such as the welding process, shielding gas and electrical settings; and a review of the results, including:

- **Mechanical testing:** Testing of welded joints to ensure materials are performing as expected and meeting code requirements; this includes tensile strength testing, hardness testing and impact testing.
- **Non-destructive testing:** Using appropriate testing methods such as visual inspection, dye penetrant testing and radiographic inspection.
- **Documentation and traceability:** Maintaining proper documentation of materials used, welding procedures and inspection results provides traceability and supports quality assurance efforts.



Training and Education

As a pioneer in arc welding, we have been dedicated to teaching the art and science of welding, developing industry-ready welders and supporting a strong career pipeline for students and young professionals seeking to leverage welding as a core skill. We also offer this expertise to our customers and distributors to ensure their teams are working safely and efficiently based on the latest industry best practices.

In 2025, over **7,000 students** across the U.S. attended a training class either through the Welding Technology and Training Center (WTTC) or the Lincoln Electric Education Partner Schools (LEEPS) program.

We also regularly work with schools, military and youth organizations that share our passion for science, technology, engineering and math (STEM) and our vision for the future of welding. We partner with educators and nonprofits to educate local middle school students about the opportunities and career pathways in the manufacturing sector. We also partner with select high schools to offer experiential training in a manufacturing environment to supplement traditional classroom learning. Career fairs, hosted by local high schools and career centers, provide opportunities to highlight career paths at Lincoln Electric, promote our post-secondary tuition assistance programs and skilled trade apprenticeships, and help recruit future employees in manufacturing. We are working together to prepare the next generation of welders and reinforce our industry's high standards for education, safety and quality for years to come.

In 2025, Lincoln Electric provided financial support for welding education and competitions, including:

$200,000

in annual support for the AWS Careers in Welding Trailer, a state-of-the-art mobile trailer providing outreach to explore careers in welding.

$600,000

Over $600,000 in annual support for student organizations such as WorldSkills®, SkillsUSA® and FFA®.



Welding Technology and Training Center (WTTC)

The Lincoln Electric Welding Technology and Training Center is a 130,000-square-foot, state-of-the-art facility on our Euclid, Ohio, campus that is dedicated to offering training in the craft and science of welding to educators, industry leaders and skilled trade workers. As an internationally recognized foundation for the development of best practices in welding education, the WTTC features 155 welding and cutting booths, a virtual reality training lab, a 100-seat auditorium, and extensive seminar and welding classroom space to advance technical skills.

Our curriculum and programs are designed to meet the needs of industry by addressing every segment of the skills and knowledge spectrum — from basic welding and teaching concepts through the latest in advanced manufacturing technologies.

Through the LEEPS program, we help the next generation of welders obtain the credentials they need to advance their training and careers with a complete suite of portable and stackable welding certifications.

WTTC Partnerships

Skilled Trades

We support the skilled trades with our commitment to welding safety and leading-edge welding technology. From special pricing programs to welding training programs at the local and national levels across the country, we provide the skilled trades with the necessary welding materials, equipment and technological advances to perform the skill safely and effectively in today's workplaces.

We have been engaging in welding development collaborations with unions for many years, including with:

- International Association of Bridge, Structural, Ornamental and Reinforcing Ironworkers Union
- International Association of Sheetmetal, Air, Rail and Transportation Workers (SMART)
- United Brotherhood of Carpenters and Joiners of America (UBC)
- International Brotherhood of Electrical Workers (IBEW)
- International Brotherhood of Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers
- International Union of Elevator Constructors (IUEC)
- United Association (UA)

Welding Education

The WTTC partners with and supports associations that directly work on standards of welding education. For example, we provided a set of competencies and skills objectives to the International Institute of Welding (IIW) to integrate into welding education standards. Organizations we support through scholarships, sponsorships and involvement on boards and committees include:

- American Welding Society® (AWS)
- International Institute of Welding
- European Welding Association (EWA)
- DVS (German Welding Society)
- American Association of Community Colleges
- Erasmus+ European Program
- Advance CTE
- Association for Career and Technical Education (ACTE)
- National Coalition of Advanced Technology Centers (NCATC)
- National Association of Agriculture Educators (NAAE)
- National Coalition of Certification Centers (NC3)

Partnering with major universities provides a broader educational experience for students and helps spur new innovations. We have hosted a boot camp for Ohio State University's welding engineering students for more than 15 years, many of whom eventually become our employees. While experiential learning is the primary objective of the boot camp, industry-academic collaboration is mutually beneficial, as the partnership also provides us with a pool of future recruits.

In 2025, Lincoln Electric was a founding industry partner of North Shore Manufacturing Workforce Partnership, which unites five community colleges in northeast and northwest Ohio with key industry organizations. We also supported Case Western's recently funded $160 million NEO-SMART proposal to align cutting-edge research, workforce development and innovative manufacturing technologies to strengthen northeast Ohio's competitiveness.



Youth Skills Programming and Career Training Partners

Investing in nonprofit organizations helps build partnerships for Lincoln Electric and allows us to have global impact. The following are examples of organizations we engage with to provide educational opportunities across the globe.

Training with Industry: Lincoln Electric is proud to partner with the U.S. military's Training with Industry (TWI) program, which embeds service members into our organization for 12 months to advance their arc welding and cutting skills and position them as instructors in welding processes and procedures. TWI provides leading on-the-job experience and industrial skills that are then carried back to the military through TWI service members, who spend two years actively teaching what they learned.

Scouting America: Demonstrating command of basic welding techniques and safety protocols can earn a welding merit badge — an honor developed in conjunction with the American Welding Society and Lincoln Electric.

National FFA® Organization: The National FFA is a dynamic youth organization that changes lives and prepares members for premier leadership, personal growth and career success through agricultural education. For more than 75 years, we have partnered with National FFA (formerly Future Farmers of America) to promote welding technology and safety to the next generation of welding leaders.

4-H: 4-H offers opportunities in communications, leadership, career development, livestock, home improvement and computer technology to 7 million American youth. Programs are found in rural and urban areas throughout the U.S. and around the world.

SkillsUSA: SkillsUSA® is a partnership of students, teachers and industry representatives working together to ensure America has a skilled workforce. This national organization serves teachers and high school and college students who are preparing for careers in technical, skilled and service occupations, including health occupations. We are proud to be a sponsor of their welding competition and to engage with other regional SkillsUSA organizations.

EuroSkills: In Europe, we are working closely with EuroSkills® and affiliates, such as WorldSkills Germany and WorldSkills Ireland, on a project to be funded by Erasmus to enhance welding education.

Worldskills International: WorldSkills® International is a not-for-profit membership association open to agencies or bodies that are committed to vocational education and training in their respective countries or regions.

Women Who Weld® is a 501(c)(3) nonprofit organization that teaches women how to weld and find employment in the welding industry, developing economic opportunities for women and diversifying the workforce.



Lincoln Electric partnered with several companies to launch a state-of-the-art welding training center on the City of Refuge's campus in Atlanta, Georgia. City of Refuge® is a leader in social transformation and works to empower and equip individuals with the tools to succeed. The new center provides hands-on welding skills, industry-recognized certification and support for participants, including coaching and job placement, all designed to break down barriers to employment. We donated a total of $160,000 in value of product in 2025.

Thought Leadership: Industry Involvement

We continue to be a thought leader in the formulation of industry regulations and standards designed to move the worldwide welding industry forward. Our industry experts are actively involved in trade associations, vocational schools, universities, industry regulators and standards development organizations. Their leadership is key to improvements in safety, performance, productivity and sustainability in the design and fabrication of items and structures for critical industries such as military, nuclear, power and infrastructure that are served by welding.

We have numerous professionals that contribute to many different welding-related, standard-setting organizations, including the American Welding Society, American Petroleum Institute (API), American Society of Mechanical Engineers (ASME), International Standards Organization, Canadian Welding Bureau (CWB), European Committee for Standardization (CEN), American Institute of Steel Construction (AISC) and the International Institute of Welding. These organizations establish standards that enhance safety in the industry while providing a common language and methodology.

Many of our employees hold leadership positions on various committees. One example is a Lincoln Electric engineer who was recently elected as chair of the AWS Technical Activities Committee (TAC), which is responsible for all technical content at AWS, including standards. The TAC recently participated in a new standard for inspection of gas welding equipment in Europe, which was adopted by the European Committee for Standardization as EN 17931:2026.

Innovation Leadership

We are at the forefront of materials science and joining innovation. Our engineering expertise is often shared to grow or sustain the industry's safety and productivity through engineering methods and best practices. Through the Manufacturing and Materials Joining Innovation Center (MA2JIC) program, our Research and Development (R&D) department selects industry-relevant research projects for graduate students in some of the top universities in welding and research. This year, we hosted the gathering of researchers and students at our Weld Training and Technical Center in Cleveland.

We also partner with U.S. National Laboratories and recently extended a Cooperative Research and Development Agreement (CRADA) with Oak Ridge National Laboratory, which is involved with joint industry research projects, such as the data development for codification of additive manufacturing coordinated by the Electric Power Research Institute (EPRI).

In 2025, we were founding industry partner of North Shore Manufacturing Workforce Partnership, which unites five community colleges in northeast and northwest Ohio with key industry organizations. Lincoln Electric also supported Case Western's recently funded $160 million NEO-SMART research engine, which has been in development for more than three years. The engine will align cutting-edge research, workforce development and innovative manufacturing technologies to strengthen northeast Ohio's competitiveness as a national center for advanced materials and manufacturing — including polymers, metals, and chemicals and coatings. The goal is to convert materials-focused research and development into tangible economic growth and jobs in northeast Ohio. This program will not only help organizations like Lincoln Electric but will help transform northeast Ohio as a destination for innovation and research.

We support employees' involvement in the leadership of many research, engineering and industry organizations. Currently, a Lincoln Electric Senior Account Manager serves as a vice president of AWS; our Vice President, Global Consumables R&D, sits on the Board of the Northcoast Science Center; and a Lincoln Electric engineer is the Welding Industry advisor to the National Board. Lincoln Electric is a Gold Sponsor of the Cleveland Engineering Society and supports employees as members of various engineering and industry groups throughout the world.

Recognition for Our Contributions and Innovation

Cornerstone of Excellence Award in Engineering

We received the 2025 Cornerstone of Excellence Award, recognizing our long-time contributions to the Cleveland Engineering Society (CES) and Northeast Ohio Region. The award was presented by CES and MAGNET: Manufacturing Advocacy and Growth Network as part of the 73rd Annual Engineering in Construction and Manufacturing Conference.

William Spraragen Memorial Award in R&D

Our R&D consumable engineer recently became one of the co-recipients of the William Spraragen Memorial Award. She was recognized, along with another Lincoln Electric employee, for her work on the co-authored paper “Multiphysics Simulation of In-Service Welding and Induction Preheating.” It presents a comprehensive multi-physics finite element model to simulate in-service welding of Type B sleeve repairs in pipelines, integrating heat transfer, fluid flow and electromagnetic induction heating.

ASME Acclamation in Engineering

A team of our engineers were recognized by the ASME committee on nuclear standards for significant contributions to the rules for use of weld-metal (DED) additive in the nuclear industry. The allowance to use weld-metal additive parts in nuclear applications followed recent similar actions that were supported by us. These include opening the industry for use of weld-metal additive manufacturing in ASME pressure vessel and piping application, in API petrochemical and transmission piping applications, in AWS and AISC structural applications and in NBIC repair applications. We are leading the ongoing work to implement the same methodology in many other national and international standards.



Solutions and Value

We develop solutions that improve customers' ability to make their products better, safer and easier. Key initiatives include accelerating growth in automated solutions and additive manufacturing, enhanced software (Internet of Things and AI), and designing greater efficiency and sustainability into new products.

Achievements Through Higher Standard Strategy: 2020-2025

We conducted our first Life Cycle Assessment (LCA) study in 2023, comparing the environmental impacts of functionally equivalent steel products. We have significantly expanded this practice, conducting hundreds of LCAs across five product families of welding consumables to support our customers' sustainability efforts and to allow us to better understand the impacts of our products and services.

We've continued to expand our additive manufacturing capabilities (gas metal arc welding with sophisticated automation) to accommodate larger parts and provide a subsequent machining process.

We introduced the Velion family of EV chargers, including a mobile electric vehicle charging system offering unmatched charging flexibility.

We've scaled our automation business through targeted acquisitions and doubled our automation sales.



From Higher Standard to RISE

Under the RISE theme "Innovate To Differentiate", we accelerate innovation and set a higher bar — leading the industry with breakthrough products that solve more problems, faster than anyone else.

Sustainability Through Innovation

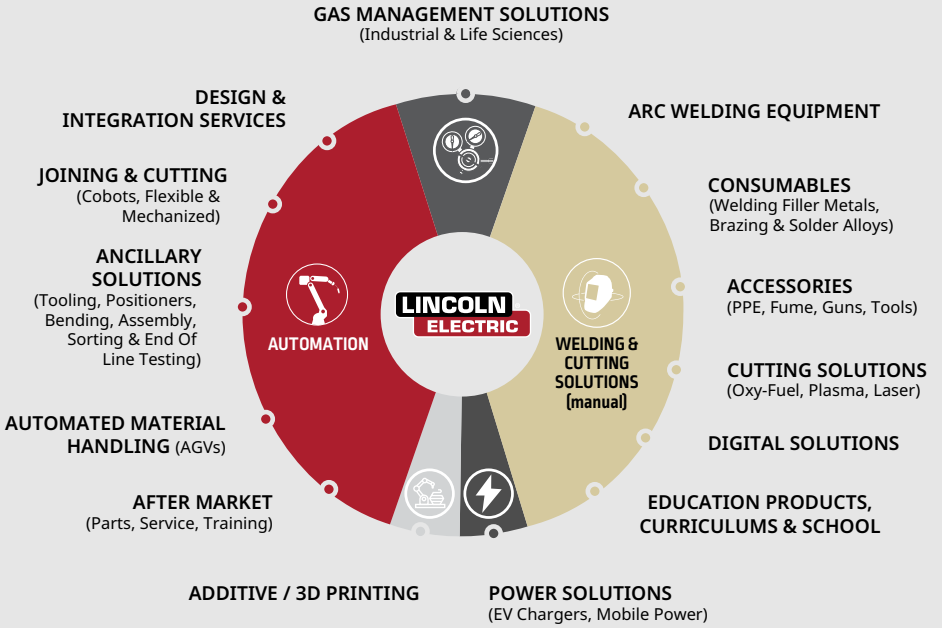
Our customer-first and collaborative development approaches drive our efforts to design new technology and solutions that deliver improved productivity, safety, quality and the sustainable features sought by customers. With our customers' sustainability goals in mind, we continually strive to improve raw material selection, energy efficiency and safety to support the entire product life cycle. Applying innovative strategies and technologies, our newest products are designed to reduce waste, improve fume control, optimize efficiency and reduce raw materials, among other sustainable benefits. We use our application expertise and proprietary solutions to help lead the expansion of clean technology by enabling the fabrication of renewable energy infrastructure and power generation, as well as the electrification of the transportation sector.

As a leader in welding technology and safety, our newest products, including automation products and enhanced software solutions, are designed to make a positive impact. In 2025, we continued to automate and innovate across our product portfolio. We discuss below several examples of **innovative sustainability-supporting products and solutions**.

Vitality Index

One measure of the effectiveness of our R&D innovation efforts and acquisition strategy is the Vitality Index. Our Vitality Index is the percentage of sales from new standard products launched or acquired within the past five years, divided by the company's annual revenue. New products exclude customized automation sales. A high Vitality Index indicates that a company is effectively using its R&D resources and capital allocation strategy to drive revenue growth.

130 Years of Market-Leading Solutions



Total Sales Vitality Index Score in 2025

36% calculated as the percentage of new product sales

58% calculated as a percentage of new equipment product sales

New Products

Cleaner Technology

Velion 50kW Mobile DC Fast Charger

Designed to adapt to any environment, from dealership service bays to rugged construction sites, the Velion 50kW Mobile DC Fast Charger mobile charger delivers unmatched flexibility without sacrificing performance.

- Scalable 12.5kW, 25kW, 50kW output
- Wheeled, ground-mounted and rugged roll cage options
- Flexible to reposition or relocate the system and plug it in
- CCS1 and NACS compatibility
- No trenching or permitting required



Extending Asset Life

Alloy Steel Acquisition

Alloy Steel is a manufacturer of maintenance and repair solutions headquartered in Perth, Australia. It supplies proprietary wear plate solutions, engineering services and digital monitoring to the mining sector primarily in the Asia Pacific region to help customers extend asset life and minimize operational downtime. Alloy Steel's offering complements Lincoln Electric's portfolio of maintenance and repair solutions for mining, steel, agricultural and industrial applications, and its solutions will be expanded into the North American market.

ARCOWELD® hardfacing welding consumable is one of Alloy Steel's products tailored to meet specific demand characteristics of industrial applications. It is used to repair and build up worn components and/or provide armored cladding of components subject to all types of abrasion, corrosion or impact.

With the application of hardfacing, most new or rebuilt components can meet service life targets unachievable in original OEM condition.

ALLOY STEEL
INTERNATIONAL
ASSET PROTECTION SYSTEM SPECIALISTS

Fume Control

PRISM® Robotic Fume Extraction Hood

Our latest addition to our PRISM® fume extraction hood product line is the Prism Robotic Line Hood. This innovative hood is engineered to fit large production lines (up to 30 robotic arms) with unique dimensions. As a configured-to-application product, the Prism Robotic Line Hood requires working closely with a Lincoln Electric environmental specialist to design the hood to fit specific needs.



Power Efficiency

Flextec® Multi-Process Welder Family

We added new options to our Flextec family to perform stick, DC TIG, MIG, flux-cored and arc gouging welding processes. Flextec delivers up to 815 amps of welding power for a variety of applications, including construction and fabrication. Using our latest inverter technology, Flextec reduces utility costs associated with welding operations.

One new option added in 2025 was the Flextec 335XS, a compact, 50-pound, multi-process power source built for rugged job sites. Designed exclusively for use with CrossLinc accessories and ArcLink feeders, it ensures seamless setup and dependable performance. Its no-front-controls design boosts durability, while ArcLink compatibility allows for synergic pulse, making it ideal for shipbuilding, repair and field welding.

The Flextec 500X DLF-84 Ready-Pak® comes with the Flextec 500X multi-process welder, DLF-84 bench wire feeder, Magnum® PRO Curve™ HDE™ 350 welding gun and flowmeter regulator, all fully assembled on a compact cart.



Weld-Pak® 225i Stick DV

This product replaces the long-manufactured AC-225 transformer welder, often referred to as the “buzz box” or “tombstone.” The inverter technology used in the new Weld-Pak 225i delivers significantly better efficiency than its predecessor. The new design weighs 20 pounds, making it lightweight, portable and great for many uses.



AlumaFab®Aluminum MIG Welding System

The AlumaFab® system is a straightforward, purpose-built solution for high volume aluminum MIG welding. Developed through a strategic partnership between Lincoln Electric and MK Products, the system combines industry-leading wire feeding with proven power source and waveform technology, providing smooth, consistent wire delivery and superior arc control. Its streamlined, operator-friendly design simplifies the aluminum welding process, allowing operators of any skill level to weld with confidence day after day.



Automation: Driving a Clean Technology Future

Automation plays a crucial role in advancing our clean tech ambitions by helping to minimize negative environmental impacts on air quality, waste and energy consumption. We focus on developing equipment and systems that remove inconsistencies from the welding process and maximize safety and efficiency. Additionally, we invest in strategic acquisitions that align with our clean tech vision and strengthen our industry leadership position.

Our automation story is one of constant innovation, with the goal of providing industry-leading tools for manufacturers around the world. Our combination of experience, expertise and customer support enables us to quickly get automation processes online for our customers. From welding robots and robotic laser systems to automated part inspection, automated cutting systems and automated guided vehicles, we remain focused on solutions that enable efficiency, reduce waste and enhance sustainability throughout the product life cycle.

Key Products

Automation Efficiency

ArcAdjust™



The shortage of skilled welders continues to challenge many industries, driving increased interest in automation. However, qualifying automated welding solutions can be complex in certain sectors. The ArcAdjust™ solution is a dedicated control box that connects to robotic systems and enables real-time adjustments to position, weld and weave parameters. Integration of the solution can support the classification of a collaborative robot as a mechanized welding solution, depending on industry requirements.

Cutting Safety

MasterPipe® 248



The Lincoln Electric MasterPipe® 248 robotic pipe CNC cutting system is the next generation of pipe profiling that integrates robotic accuracy, high-definition plasma quality, and a roller-bed architecture built for quick changeovers and speed. Many older chuck style and traditional CNC pipe cutting machines require manual processing, allow for inaccuracies and can be unsafe. Our features such as automated diameter verification, arc-voltage height control and robotic tool handling reduce the need for manual intervention during setup and cutting, minimizing operator exposure to moving parts and high temperature processes.

Advanced Logic

Inrotech Welding Technology

Every Inrotech® mobile welding robot solution is operated with intelligent software systems. They ensure the most reliable, advanced and intelligent use of INROTECH machinery. These systems remove the need for CAD drawing transfers, programming, teach-in routines, choosing of macros from pictures or scan, or any other skilled or semi-skilled functions. They also enable the robots to automatically cut the wire, clean the welding torch and deslag the groove during the welding process to ensure a perfect weld.

Additive Manufacturing

Vertical Integration for Rapid Manufacturing

Additive manufacturing represents our 3D metal printing services, where complex large-scale metal parts can be printed using welding consumables, offering a higher-quality and better-performing substitute for castings and forgings. A key benefit to additive manufacturing is the ability to quickly print, machine and replace a large worn unique cast part in a fraction of the time it would take to produce a new mold and casting. This minimizes downtime for the user of the part.

Vertical integration within us further increases the speed and quality from start to finish of the additive part and the carbon footprint associated with transporting the part.

As a premier manufacturer of high-quality welding wire, we have full control over the production of the wire used as a feedstock in the 3D printing process. In most cases, our wire is co-located in Ohio, optimizing supply. On the digital side, we use our own intelligent slicing and path-planning software, SculpPrint™ OS, which incorporates Lincoln Electric's vast metallurgical knowledge.

Engineers use in-process monitoring to intervene, if needed, and every part that comes off the printer is 3D laser scanned and compared with the actual CAD. We provide precision machining and finishing of parts in our Detroit, Michigan, facility, further shortening the manufacturing process. We can 3D print using a broad array of materials, including mild steel, high-strength low-alloy steel, 410 Ni Mo and 17-4 precipitation-hardened stainless. We continue to qualify new welding wire for the additive process to meet the rigorous specifications of the military and other customers with mission-critical applications.

Case Study



Enabling Faster Solutions

Lincoln Electric's additive manufacturing was a game changer for the Poe Lock in Michigan, which handles 88% of domestically produced high-strength steel shipments.

During routine maintenance, the ship arrestor system, which is essential for preventing damage to the lock, was found to have a compromised lever arm. The failure of a decades-old component, with no replacement part, underscored the challenges of sourcing rare, custom-fabricated components quickly. The component measured nearly 14 feet long and weighed over 6,000 pounds, requiring large-scale equipment and techniques. Casting would have required an 18-month turnaround, jeopardizing scheduled maintenance.

Through our additive manufacturing process, we printed the lever arm in just three months and enabled installation within the planned maintenance window, avoiding costly disruptions. The printed high-strength, low-alloy (HSLA) steel exceeded performance requirements, ensuring long-term durability and reliability.



Process Efficiency Audits: Identifying Waste and Enabling Automation

Our technical teams partner closely with customers to conduct comprehensive process audits that look across the entire manufacturing value stream — not just individual welding or cutting operations. Engagement typically begins with on-site discovery, where engineers and application specialists collaborate with production, quality, maintenance and operations teams to understand business objectives, product mix, throughput requirements and constraints. By mapping the flow of material from incoming raw stock through fabrication, joining, finishing and final assembly, the team develops a clear picture of how work actually moves through the customer's facility versus how it was intended to operate.

With this end-to-end view, our experts then apply lean manufacturing and automation best practices to identify sources of waste, variation and risk. This includes evaluating material handling and part flow, changeover times, work cell layout, arc-on time versus non-value-added activity, rework drivers, consumable usage and data gaps. Advanced diagnostics can incorporate time studies, digital simulation, weld and cut quality analysis, and safety and ergonomics assessments. The goal is to pinpoint bottlenecks and inefficiencies — whether they stem from manual processes, fragmented automation, inconsistent procedures or underutilized equipment.

The outcome of the process audit is a prioritized, actionable roadmap aligned to the customer's operational and financial goals. Rather than recommending isolated technologies, we integrate automation systems for welding, cutting and material handling into a cohesive solution that improves flow, quality and repeatability. Recommendations often include opportunities for standardization, modular automation, improved fixturing, smarter material movement and data-driven control strategies. By working side-by-side with customers throughout the assessment, we ensure that proposed improvements are practical, scalable and deliver measurable reductions in waste, from raw material receipt to finished product shipment.

Delivering Value Through Product Life Cycle Innovation

We focus on creating products that are safe, reliable and help our customers perform their jobs more efficiently and effectively — all crucial components of sustainability and life cycle thinking. These values have served us over time as we build products that support our sustainability objectives and those of our customers, such as minimizing environmental impacts and improving energy and production efficiency, safety, durability and user experience. Sustainability permeates our business strategy and is integral in our product development.

When considering product opportunities that meet the paramount objective of being responsive to customer needs, we employ a science-based approach that accounts for the entire life cycle of our solutions. By considering the full life cycle — from raw materials to end-of-life management — we can identify areas with the highest environmental or production impact, driving innovation to support clean technologies and sustainability throughout the life cycle.

Measuring Progress With Life Cycle Analysis

Widely considered the gold standard for product sustainability assessments, the environmental footprint tool Life Cycle Assessment (LCA) considers the entire life cycle of a product across a variety of environmental indicators such as carbon footprint, energy consumption, smog formation, ozone depletion and eutrophication, as well as product functionality to better inform comparability. LCA is able to consider product performance, quality and durability to ensure any optimization leads to a more sustainable outcome.

It is through this life cycle lens that we embed sustainability features in products throughout our broad solutions portfolio. When evaluating our products, we consider the entire life cycle, which includes assessing attributes outside our operational control. In 2024, we began to formalize our life cycle focus by developing and using an in-house LCA tool, which enabled us to uncover parts of the life cycle that can be improved. We published our first Environmental Product Declarations (EPDs) in 2025, a product disclosure providing information similar to nutrition labels but instead reporting environmental impacts such as carbon footprint, eutrophication, and smog formation rather than fat, calories, and protein.

Lincoln Electric has now performed LCAs on over 200 welding consumables across five distinct product families (solid wire, flux cored wire, metal cored wire, flux and stick electrodes) to support our customers.

Understanding the impact of products across the entire life cycle is more important than ever as regulations, and even technical standards, are starting to require some form of LCA. Some examples of the variations of LCA methodologies include product carbon footprint, embedded carbon estimation for the Carbon Border Adjustment Mechanism, EPDs and product environmental footprints.

We have the expertise to use all of these methodologies to help our customers be more sustainable while experiencing our best-in-class quality and customer service. One example is the incorporation of green steel into consumable products at our Gebze facility. While still meeting the same high-quality technical standards, LCAs have shown that being able to increase the use of green steel in our wire can reduce the carbon footprint of our products by more than half.

Product Stewardship and Product Safety

We care deeply about the environmental impact of our products and monitor our solutions to understand how they perform during use. Guided by our product stewardship initiatives, we strive to improve the material composition, quality and safety of our products. To minimize environmental and health impacts, we adhere to regulations and best practices throughout the entire life cycle of a product — from design and production to use and disposal.

As the regulatory landscape continues to evolve, our Product Stewardship program relies on a global network of subject matter experts to proactively identify, assess and interpret emerging regulatory requirements. Through continuous monitoring of regulatory developments across key markets, we maintain visibility into changing obligations that may impact our products, operations and customers. Cross-functional collaboration among Product Stewardship, Compliance, Legal, Operations, Supply Chain and Commercial teams enables the development and implementation of effective compliance strategies, helping ensure timely response to regulatory changes while supporting business continuity and sustainable growth.



Safety for Our Customers

We are dedicated to providing a safe experience for users of our equipment. We consider safety throughout the product life cycle — during design, production, use and end-of-life stages. In addition to building our products with features and controls to maximize customer safety, we provide operator manuals and offer resources, such as the **Weld Fume Resource Center**, so customers can learn more about welding safety and about using our products.

Restricted Material Compliance and Hazard Communication

Our Internal Chemical Information System (CIS) is a key enabler of our global compliance strategy. For consumable products, the information in our CIS — which includes hazardous product ingredients and potential fume constituents — is incorporated into product compliance specifications and outlined in Globally Harmonized System Safety Data Sheets (SDSs), label templates and safe use guidelines. We distribute our SDSs, including any updates or revisions, directly to customers via email. SDSs are also available to all current and prospective customers or end users through our website SDS search tool.

In addition, we comply with the European Union's (EU) Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulations. Where required and relevant, consumable substances and mixtures manufactured in and imported into the EU by Lincoln Electric have been registered in the EU. Similarly, our electrical and electronic equipment complies with applicable global regulatory requirements, such as the European Union's Restriction of Hazardous Substances (ROHS) Directive. For more information about our product stewardship efforts or to access product certificates of conformity, please visit our **website**.

Operational Excellence

We improve our quality, costs and processes by maximizing continuous improvement through our Lincoln Business System, further digitization of our operations and processes, and achievement of our sustainability goals.

Achievements Through Higher Standard Strategy: 2020-2025

Through our Higher Standard strategy sustainability goals, we minimized our environmental impact and improved safety through investments in new processes and systems. This resulted in:

- **39%** reduction in water use
- **19%** reduction in GHG emissions
- **79%** recycling rate
- **96%** landfill avoidance
- **4%** reduction in energy intensity
- **43%** reduction in our Total Recordable Case Rate

We rolled out a risk-based operating philosophy called the Human and Organizational Performance framework that resulted in improved safety results.

We completed a three-year capital plan to improve machine guarding across our manufacturing facilities.

We boosted the percentage of facilities with ISO 14001 and/or 45001 certifications by more than 20% over the last five years, representing 46 facilities in 2025.

Local teams submitted over 1,000 site improvements into our annual Best Practices contest, over the five-year period.



From Higher Standard to RISE

Under the RISE theme “Reimagine How Work Gets Done”, using a center-led, standardized and scaled approach, we improve how we work: we rethink it, to make our operations safer, smarter and more scalable.



Safety and Health

At Lincoln Electric, we prioritize the safety and health of our team members and strive for zero harm. Our rigorous safety and health program adheres to stringent safety standards and best practices to ensure that our manufacturing operations, related to processes and products, do not negatively impact the health and welfare of our employees, customers and community members.

Our management system approach to environment, health and safety (EHS) includes:

- EHS Policy and Global EHS Directives that establish the company's standard expectations — which often exceed compliance obligations — for EHS performance across our operations.
- Training across a wide variety of safety topics.
- Employee-led joint management safety committees that focus on improving our safety culture by identifying and addressing unsafe conditions, reinforcing safe acts and instructing one-on-one safe work practices.
- Extensive auditing and regular monitoring of our safety performance, which enables accountability at all levels of the organization and assesses the health of the program.
- Award and recognition programs, including our annual Chairman's Awards for Safety, Environment and Sustainability Excellence; a Safety Leadership Award for Plant/General Managers; Business Unit President Awards; and "Best Practice" designation for site-level projects that are innovative, impactful and transferable across the enterprise.
- Regular operational rhythms and business reviews that allow us to monitor safety performance and track execution of facility and business-specific risk reduction plans.
- Multiyear plans for investments in machine guarding, equipment upgrades and automation.

Over the last five years, we made great progress toward our 2025 Higher Standard strategy safety goal, reducing our Total Recordable Case Rate by 43%, although we fell short of achieving our 52% reduction target. Unsatisfied with our performance, we amplified our efforts over the last year to further improve safety through an enhanced engagement model and by investing in safer equipment and processes, as discussed below. In our RISE strategy, we've set a new 2030 safety goal aiming for an additional 34% TRCR reduction based on our 2024 baseline.

In 2025, we introduced a new cultural framework for safety to reduce risk and make our workplaces safer. The evolution from an individual behavior-based focus to a risk- and organizational performance-based focus has led to:

- Changes in how we lead and manage safety.
- Accelerated capital investments.
- Increased engagement with frontline workers and leaders around safety.
- New employee-driven innovations.
- Solutions for previously unsolved problems.

77% of all manufacturing sites and 100% of major manufacturing sites were ISO 14001 certified in 2025.

32% of all manufacturing sites were also certified to the ISO 45001 standard for occupational health and safety in 2025.

Transforming Our Safety Culture: Human and Organizational Performance

In 2025, we completed our rollout of the Human and Organizational Performance (HOP) framework at all our global manufacturing sites. The HOP philosophy recognizes that error is part of the human condition and that an organization's processes and systems greatly influence employee actions and choices, and consequently, their likelihood of success. It also engages employees in the problem-solving process, as those working with equipment know and understand it best.

The global deployment was led by a group of 10 HOP advocates — EHS site-level professionals in various regions of the world who received comprehensive training in HOP principles and the Lincoln Electric HOP toolkit designed to translate the principles into practice. We also hosted a HOP Safety Week to introduce the philosophy to our sites, and our Environmental, Health and Safety (EHS) team shared communications throughout the week with safety messages, discussion exercises and activity ideas emphasizing how HOP principles and tools help us think about safety differently to prevent injury.

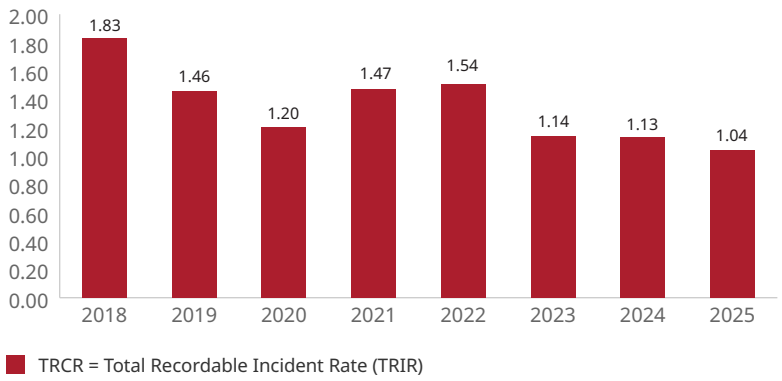
Our cultural shift and increased communication enhanced the dialogues that we have on the shop floor and in the boardroom around creating safe work environments. Feedback from employees, through our biannual employee survey, reinforced the positive impact of our shift in safety culture, with 89% of respondents saying they feel empowered to act in an unsafe situation and 86% indicating that their management works proactively to address hazards.

Leadership Accountability and Expectations

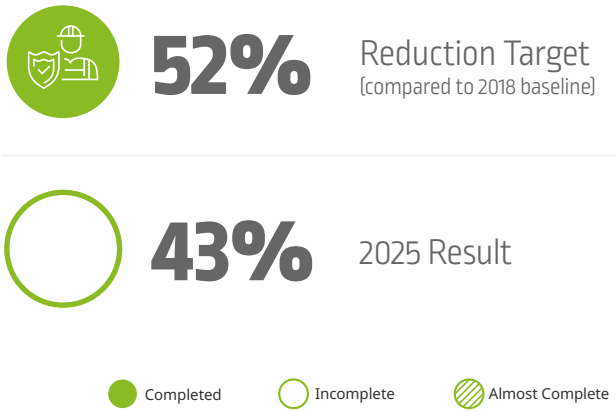
In 2025, we rolled out leader expectations with embedded metrics, including the number of blue line reviews and Learning Team sessions conducted, as well as work on heat maps and development of action plans. In addition, safety (specifically the DART rate) was included as a nonfinancial metric in the compensation program for our global leadership team.

2018-2025 Safety Performance

Total Recordable Case Rate (TRCR)[1]



[1]TRCR is calculated per the U.S. OSHA definition and is calculated per 100 full-time employees.



Investing in Safer Systems and Building Stronger Teams

Targeted Risk Reduction

The transformation of our safety culture involves more organizational accountability and risk-based approaches. Given the nature of our business, operating at the machine interfaces can be an area of risk. As part of a three-year plan, we've implemented targeted investments at all our manufacturing sites to help reduce risk. The company sets annual risk reduction objectives at both the business unit and site levels that are project- or activity-based.

EHS Talent Development and Training

As part of our efforts to improve safety and elevate talent, we bolstered our EHS organization through specifically designed training for our EHS site leaders and HOP advocates. In 2025, the focus of this training was on the facilitation and soft skills necessary to drive cultural change.

EHS training is available on our enterprisewide Learning Management System, which enables individual manufacturing sites to streamline and standardize the delivery of the training. The platform has a standard training matrix that is function- or job-task specific, is supported by a library of interactive content, and facilitates the automation of training assignments and status monitoring.

This learning is strengthened by key corporate communications, including the sharing of monthly EHS topics for toolbox talks, "lessons learned" incident review summaries and a monthly newsletter highlighting key safety leadership concepts. Our ongoing series of incident learning meetings allows EHS leaders around the globe to jointly share best practices, solve problems and encourage deeper organizational learning across sites.

Case Study



Improving Machine Guarding Safety

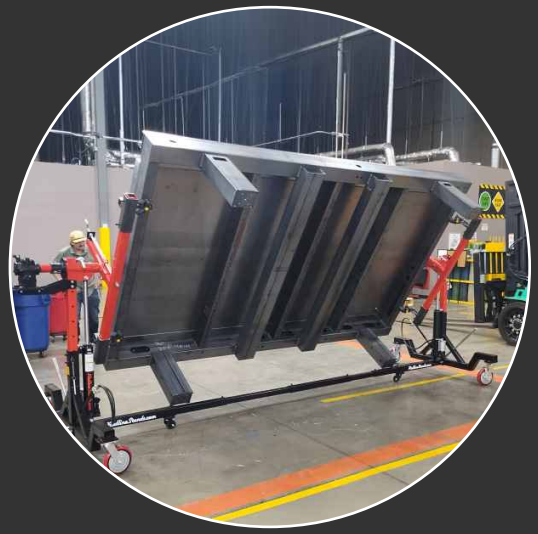
Our ongoing machine guarding safety projects are a prime example of our investment in safer systems. In addition to identifying and correcting guarding issues on existing manufacturing machinery, new equipment is reviewed before installation to guarantee our standards are met.

To promote machine guarding best practices and success stories across our global manufacturing footprint where many sites manufacture similar products, we established a hub of machine guarding repository stories on our intranet.

Many machine guarding projects were submitted in 2025 for our Lincoln Electric Best Practice contest, which recognizes projects that identify a new guarding challenge and resolve it within the calendar year. As an example, our wire drawing facility in Sheffield, United Kingdom, undertook a project looking at all aspects of guarding on finished wire winding machines. They implemented additional fixed barrier guards and safety interlocks, and worked closely with operators to ensure visibility and functionality were not compromised in the process.

We also established and track global guarding project execution metrics. In 2025, the number of resolutions exceeded the number of opportunities that were originally identified at the beginning of the year. This demonstrates that we are getting better at identifying hazards that necessitate guarding and are correcting potential new hazards from new or moved machines as well.

Case Studies



Enhancing Ergonomics

To improve the ergonomics and efficiency in the painting process of our plasma tables, we instituted a new, more flexible material handling solution in our Reno, Nevada, facility. We shifted from a stationary table approach that required employees to adjust their position to paint, to a new flexile process that moves and rotates the table to support weldments from fabrication through to painting and assembly, which optimizes ergonomics and process efficiency.



Virtual Reality Safety Training

To provide training on real-life scenarios in a safe environment, workers in our Torreon, Mexico, facility are using virtual reality to develop technical skills, identify hazards and apply preventive measures without physical exposure. The goal is to ensure workers have awareness, simulated experience and mastery of procedures before performing tasks in the field, as safety training in a classroom can only provide limited experience.



Working Alone Safety Improvements

In our Gebze, Turkey, facility, the team established preventative safety measures for employees working alone by developing a formal Working Alone Procedure, which includes the use of personal alarm devices and requirements that must be followed when working alone.

Greenhouse Gas Emissions and Energy Intensity

We are committed to reducing our carbon footprint through the reduction of greenhouse gas (GHG) emissions. Through 2025, we reduced location-based Scope 1 and Scope 2 GHG emissions by 19% compared with our 2018 baseline, thanks to continued investment in energy efficiency projects and improved operational efficiency. This exceeds our goal of a 10% reduction.



In 2025, Scope 1 GHG emissions (direct) constituted 40% (approximately 75,589 metric tons) of total GHG emissions and increased 6% compared with the prior year. Scope 2 GHG emissions (indirect from purchased energy) constituted the remaining 60% (approximately 111,916 metric tons) of total GHG emissions. Scope 2 GHG emissions decreased 7% compared with the prior year. The year-over-year reduction in total GHG emissions of 2% was predominately due to continued investment in energy improvement projects and by adding on-site electricity generation. We've set a new long-term emissions reduction goal through our **RISE strategy**. We will also introduce a commitment to increase the percentage of total energy consumption that comes from renewable energy sources.

Energy intensity — the total amount of energy consumed per labor hour worked — is also one of our key metrics. In 2025, we reduced our energy intensity by 4% compared with our 2018 baseline. We achieved reductions from our 2018 baseline by investing in more efficient manufacturing processes and equipment. As plant equipment and infrastructure is updated and replaced, more energy-efficient options are selected, such as high-efficiency motors, burners and lighting.

Building Better Plants

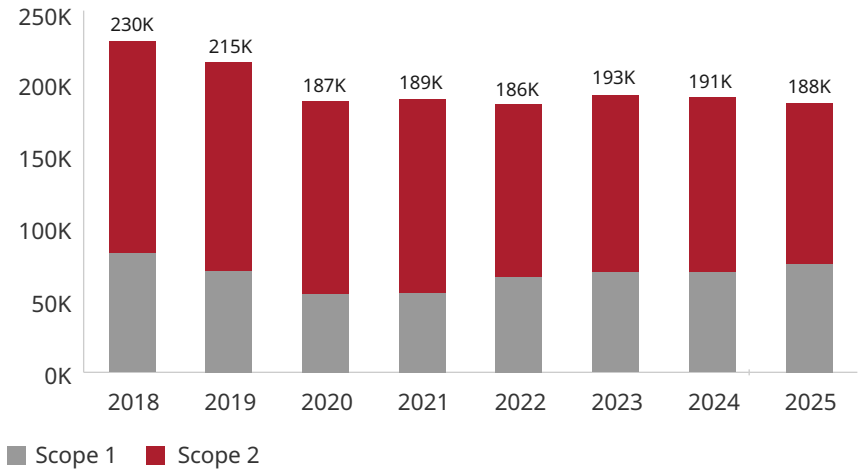
We are a member of the Better Buildings, Better Plants program led by the U.S. Department of Energy. This national leadership initiative works with industry partners in the pursuit of a common goal — to promote greater energy efficiency in the U.S. industrial sector as a means to strengthen American manufacturing, save energy and money, create jobs and protect our environment. Since joining the program in 2022, we have used the resources offered by the Department of Energy to engage operations and maintenance personnel at our most energy-intense sites to prioritize energy efficiency projects.

Third-Party Verification of GHG

Since 2022, Lincoln Electric has received Limited Assurance of our Scope 1 and 2 GHG emissions from Bureau Veritas. We are working with Bureau Veritas to be able to receive the same level of assurance for our Scope 3 emissions by 2027.

2018-2025 Emissions and Energy Intensity

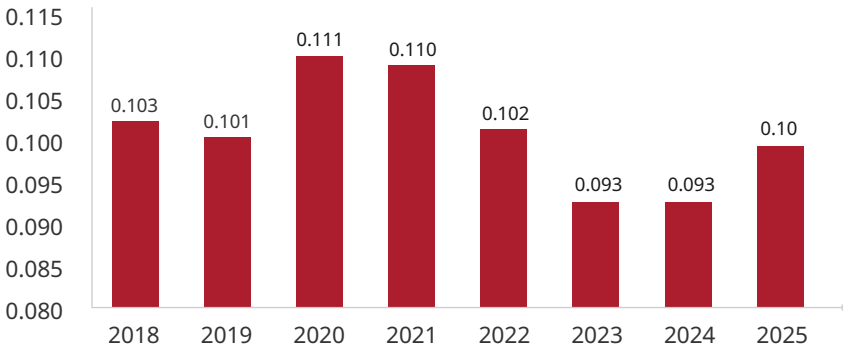
Absolute Metric Tons CO_2e of GHG[1]



10% Reduction Target
(compared to 2018 baseline)

19% 2025 Result

Energy Intensity by Year



16% Reduction Target
(compared to 2018 baseline)

4% 2025 Result

Completed | Incomplete | Almost Complete

[1]Measured using location-based methods.

Case Studies



New Steam Cleaning Process Reduces Our Environmental Footprint

In our Dzierżoniów, Poland, facility, a new steam-based cleaning device was deployed for their Strip Wire forming lines, which completely eliminated detergent consumption. This improved cleaning process reduced electrical energy consumption by an equivalent of 7,560 kilowatt hours per month, lowered their water use and improved employee safety.



New Heating Process Lowers GHG Emissions

Our Sao Paolo, Brazil, facility recently replaced the use of an oxyfuel torch to heat material prior to cutting by investing in a fully enclosed resistance heating process for their bar cutting process. The new system provides a more sustainable approach through greater temperature control and the elimination of liquified petroleum gas (LPG) and its associated risk of burns, gas leaks and fires. In addition, the new system reduces Scope 1 greenhouse gas emissions.



New Drying Process Improves Reuse

In our Albergaria-a-Velha, Portugal, facility, our cutting process generated filings that became saturated with cutting oil. In order to remelt and reuse the filings, an electric oven was used to dry moisture and hydrocarbons off the filings prior to remelting. The team identified that by relying instead on upstream washers to remove hydrocarbons and a filing centrifuge to remove moisture, the new operation would deliver a faster and resource-efficient remelt process. By eliminating the use of the oven, the facility significantly reduced energy costs and improved the facility's carbon footprint.

Biodiversity

In 2025, biodiversity and its impact on climate change emerged more clearly as a sustainability topic for Lincoln Electric through our double materiality assessment. This led us to more fully assess our risks and opportunities in this area.

We updated our biodiversity assessment using World Wildlife Foundation's (WWF®) Biodiversity Risk Filter to assess potential risks at all Lincoln Electric-owned or -operated sites. The WWF tool considers a variety of biodiversity impacts, including ecosystem condition, proximity to protected or sensitive areas, socioeconomic factors and invasive species. Our review of our manufacturing facilities showed that none are located in an area of high or very high biodiversity risk at this time.

Due to our product reliance on minerals, we've initiated cross-functional discussions about impacts, risks and opportunities related to our supply chain for minerals in our internal Global Chemicals meetings. Held twice per year and engaging subject matter experts from across our global research and development, product stewardship and procurement organizations, this effort builds upon existing work Lincoln Electric has pursued as a member of the Responsible Minerals Initiative to ensure we are sourcing responsibly mined materials.

Case Study



Bolstering Our Ecosystem

Our Cleveland, Ohio, facilities took part in the Greater Cleveland Partnership (GCP) Biodiversity Challenge to improve conditions to aid biodiversity on facility campuses, which led to Lincoln Electric receiving GCP's Gold Biodiversity Award. Some steps we took included:

- Converting over 200 square feet of existing grass lawn or pavement area into a no-mow native landscape area.
- Installing at least 5 bat/owl boxes or bee hotels.
- Planting over 15 new native trees or shrubs on-site.
- Hosting a staff volunteer cleanup and planting / tree maintenance day.
- Maintaining a wellness walking path for employees.

GCP's mission is to support Cleveland businesses through initiatives that promote "a world-class community growing through innovation, opportunity and an exceptional quality of life." Lincoln Electric is a member and active participant of GCP. Our Sustainability Director serves on their Sustainability Steering Committee and our Chairman and Chief Executive Officer is a member of the Board of Directors. GCP has been a valuable forum for our organization to engage with other industries and share best practices.

Waste and Water

Recycling and Landfill Avoidance

We aspire to achieve zero waste to landfill from our operations and made great progress toward our 2025 Higher Standard strategy goal for waste by ensuring that 96% of waste from our manufacturing facilities did not end up in a landfill. We also achieved a 79% waste recycling rate, which is slightly under our 80% goal but a 7% improvement over than our 2018 baseline. We will continue our efforts to reduce our waste through our **RISE strategy and 2030 targets**.

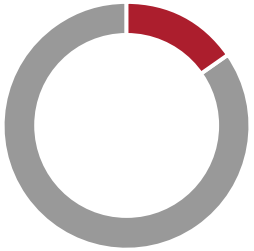
Our waste management program prioritizes a "reduce, reuse and recycle" approach to divert waste from landfills, leverage waste as a resource and increase recycling in our operations. Examples include expanding the use of our waste as a feedstock for third parties and introducing collection and handling systems that allow us to capture and reuse materials. We measure the percentage of all waste that we can reuse or recycle, the percentage of permissible waste that can be diverted from landfills and the percentage of hazardous waste.

Recycling Rate

80% Recycling Target
(compared to 2018 baseline)

79% 2025 Result

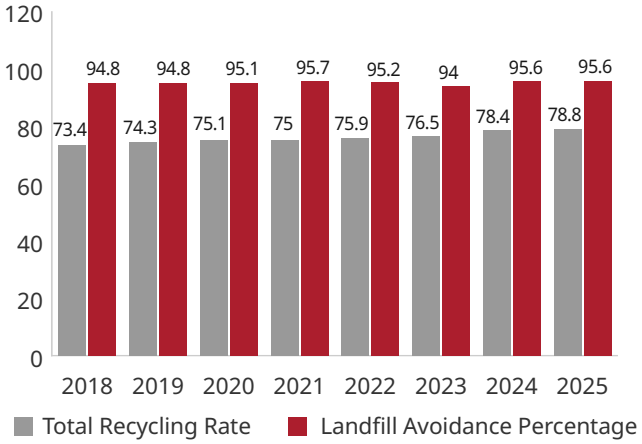
Waste (metric tons)[1]



Hazardous Waste
2,258

Non-hazardous Waste
12,353

Total Recycling and Landfill Avoidance Rates



Landfill Avoidance

97% Landfill Avoidance Target
(compared to 2018 baseline)

96% 2025 Result

[1]From manufacturing facilities.

Completed | Incomplete | Almost Complete

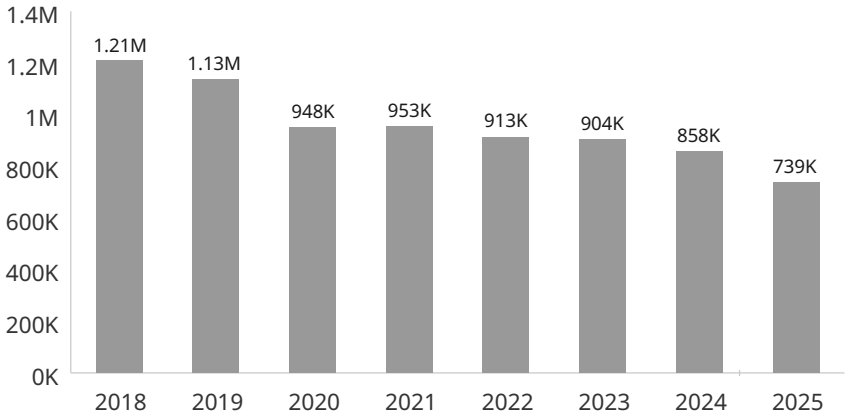
Water Management

Water is a vital natural resource, and we believe it's our responsibility to carefully manage our water use. Water is predominantly used in our consumable manufacturing processes, and we measure both absolute water use and water intensity (cubic meters of water used per labor hours worked).

Our water management initiatives focus on reducing water consumption and our reliance on freshwater. In 2025, we achieved a 39% reduction, or a 739,329 cubic meter reduction, in water consumed, compared to our 2018 baseline, exceeding our 2025 Higher Standard strategy target reduction of 14%. We achieved this by increasing water reuse and eliminating water-intensive processes.

We have also achieved greater water efficiency by investing in manufacturing processes that have lower water requirements. We currently have one "zero water discharge" facility and several manufacturing facilities that capture rainwater for reuse in manufacturing processes or for fire protection. We've set a new, long-term water intensity goal through our **RISE strategy**.

Water Withdrawal (cubic meters)



14% Reduction Target
(compared to 2018 baseline)

39% 2025 Result

Completed | Incomplete | Almost Complete



Case Studies



Helium Capture and Reuse to Save Resources and Emissions

In our Guadaloupe, Mexico, facility, leak detection testing on our products requires the use of helium, which is released into the atmosphere once testing is completed. We have now implemented an automated helium recovery system, that collects waste helium for reuse. Recovering and reusing helium avoids new extraction, which reduces our carbon footprint and saves up to 10,600 kilograms of CO_2 per year based on our average helium use.

Recycling and Waste Elimination Through Partnerships

Our Mason, Ohio, facility worked diligently in 2025 to institute processes for recycling materials that are traditionally difficult to recycle, including plastic, rubber and label waste. The facility worked with a local waste disposal company to join the Hefty Renew Program. This allows for recycling of hard-to-recycle plastics like utensils, foam containers, bubble wrap and packing peanuts. The facility also formed an agreement with a nearby paper mill that will purchase our scrap label paper release liners, which is one of the facility's largest waste streams. Rubber recycling agreements were also put in place with two alternative recyclers for casting seals. These actions divert an estimated 9,000 pounds of waste a year from landfills.

Segregating Water Streams Decreases Water Waste

In our Albergaria-a-Velha, Portugal, facility, water from a billet cooling circuit had traditionally entered the associated chiller's closed water circuit and would contaminate it with dirt and dust during extraction. This required periodic chiller circuit cleaning and daily filter cleaning. To optimize the process, two independent tanks were installed to separately handle the chiller circuit and the shower circuit. This new approach prevents contact, mixing or contamination between the two circuits, improves the process, eliminates the need for daily filter cleaning and reduces the frequency of chiller circuit cleaning. This has resulted in a reduction of approximately 10,000 liters of water per operation.

Closing the Loop

In our Dzierżoniów, Poland, facility, we instituted a Geiss system, which is a modern closed-loop delivery system for handling solvents with closed-cleaning equipment. The technology enhances the safe and sustainable transport, storage and handling of solvents, including changing solvent barrels used to degrease parts. The system also reduces vapor emission release and exposure.

Water Use Matched to Specific Needs

In our Mason, Ohio, facility, drawcutters use 24% of the facility's water. However, water usage was not optimized based on temperature control principles in relation to factors such as wire heat or feed rate. The team studied the critical heat transfer variables and was able to reduce the cooling water flow on drawcutters until a correlation between the flow and heat transfer to the water was identified. This precise control has now resulted in an annual reduction of 140,000 gallons of water.

Employee Development

We want to improve opportunities for our employees to learn and grow through new development programs, resource groups, engagement initiatives and enhanced HR systems and tools.

Achievements Through Higher Standard Strategy: 2020-2025

We increased the response rate to employee surveys and expanded employee communication channels.

We continued to evolve our employee skills training opportunities with more options, including our internship, co-op, apprentice and leadership development programs. More employees also participated in professional development.

We launched a new global talent acquisition organization designed to standardize our processes for recruiting and hiring, more effectively attract talent and enhance the onboarding experience.

We increased our focus on manager effectiveness and the important role managers play in the employee experience through expanded manager resources, enhanced manager training and live manager-focused Q&A sessions with key executive leadership.



From Higher Standard to RISE

Under the RISE theme “Elevate Self and Team”, we invest in our people and build a culture of belonging where growth is intentional, not accidental.

Our People Strategy

Elevating our people is central to our RISE strategy. Our 2030 vision — solve more problems for more customers — depends on talent and culture being ready to execute at the next level, and that takes more than any single program. A strategy is only as strong as the talented people who drive it, so we are investing in their development, creating clear pathways to grow and building a culture where growth is intentional — not accidental.

Our culture is one we live, not just talk about, and it begins with a principle we have lived by for more than a century — the Golden Rule: treat others how you want to be treated. It is the bedrock of our strength and the standard that connects our global mosaic of nearly 12,000 teammates across generations, roles and borders. Our five values extend the Golden Rule into clear, actionable behaviors that live not in a document, but in the choices our people make every day. Paired with a high-performance heritage — one that has long rewarded people for the problems they solve and the results they deliver — our values are how we work, how we lead and how we win together.

A purposeful people strategy. Designed to accelerate our business strategy — and much more — our people strategy is built on four strategic levers:

Performance and development. We are evolving how we grow and recognize talent. We have introduced a refreshed performance approach — simpler and more meaningful — that centers on the impact of a person's work, the challenges they have navigated and the progress they have made. A new rating scale and a streamlined process foster open, constructive conversations between managers and their teams, put development at the center, and align performance discussions more closely with how we plan the business.

Career growth and mobility. Our people told us it was not always easy to see the opportunities that exist across our businesses and functions. In 2025 we set out to change that — launching a global career site that makes openings more visible and career paths clearer, and equipping teammates to keep their talent profiles current so the right opportunities can find them. Paired with a centralized global talent organization, these tools are turning career mobility from something that happens by chance into something we make possible by design.

Recognition. Culture is built in everyday moments, so we are making recognition a habit. Through our Living Our Values program, launching in 2026, leaders and peers will recognize the behaviors that bring our values to life — specific, timely and visible — reinforcing what great looks like and strengthening engagement across the company.

Belonging and a culture of listening. We are a mosaic of cultures and perspectives united by a shared purpose, and with the Golden Rule as our platform we work to ensure every teammate feels valued, included and able to do their best work. Candor starts with listening. We have built continuous, two-way listening into how we work, and we are transparent about what we hear — including where we have work to do — because acting on that feedback is how we keep getting better, together.



Strengthening the Employee Experience

We strongly believe that employee engagement drives better business results and that a highly engaged workforce can increase innovation, productivity and bottom-line performance while reducing costs. Our engagement is driven by leaders who listen and inspire.

Giving our people a voice at our company is one of the most significant ways they can make an impact in their jobs, grow in their careers and contribute to our collaborative work culture.

Elevating Employee Communications

In 2025, our leadership team rolled out tools and processes to people managers to advance communications among their team members. This has led to more frequent, two-way dialogue, enabling managers to better understand employee sentiment, respond to questions and concerns, and give timely feedback.

Voice of the Employee

Elevating the voice of the employee is a central component of our new people strategy. This means we're placing more emphasis on understanding the employee experience and taking it into account as we make human capital decisions.

Our Global Employee Survey provides feedback from employees regarding their work experiences, thoughts and suggestions to help influence our workplace culture and processes. The survey is one of the tools that exists for employees to confidentially share their perspectives, contributing to the continuous improvement of Lincoln Electric. Results from the survey lead to improvements companywide.

Using Data to Manage the Employee Experience

We believe what gets measured gets improved. To gain further insight with the goal of improving the employee experience, we've invested in Power BI dashboards that measure numerous aspects of our human resources management, from acquisition and retention to performance management. The data is planned to be shared with managers worldwide, enabling them to make informed decisions that improve our processes and our culture. We also created a career mobility dashboard to track the promotion rates of internal employees. Our enterprise leadership team also receives data reports on a quarterly basis enabling them to better manage human capital as part of their business decisions.

Global Employee Survey Results (2025)

90% global completion rate of experience survey

89% agree their managers treat employees with respect

84% are comfortable discussing concerns with their managers

89% feel empowered to act in an unsafe situation

65% are motivated by the direction the company is heading

61% say there are career opportunities available at the company

Talent Acquisition

We recognize that our people are the essential link to our success. To strengthen our ability to attract and retain top talent, we centralized our internal and external talent recruitment through the creation of a Global Talent Acquisition team in 2025. The team has worked to develop a long-term, sustainable recruitment roadmap that includes a strong candidate experience as well as enhanced employee onboarding, and adopted tools and capabilities that enable hiring managers to better screen and select the best candidates.

In 2025, we launched a standardized global recruiting system that replaced manual, market-by-market processes with a single, streamlined workflow — enabling hiring managers to create requisitions directly, improving access to the data that informs better hiring decisions and giving candidates a more modern, mobile-friendly onboarding experience in the U.S., with international onboarding rolling out in 2026. We also refreshed our internal and external career sites and recruiting materials, making it easier for candidates and employees to explore global opportunities and better showcasing what makes Lincoln Electric an employer of choice.

We have begun to regularly measure key performance indicators (KPIs) around human capital management, including the candidate and onboarding experience as well as other standard talent acquisition measures. This data is shared with our recently formed Global Talent Council, which is composed of senior leaders, on a quarterly basis. The data enables our executive leadership team to better understand our talent needs and progress toward our KPIs, which informs business decisions and the ongoing refinement of our talent strategy.

Enhancing Internal Mobility

Our efforts to centralize our talent processes and tools through the Global Talent organization have led to new development opportunities and experiences for our employees, including an easier path to internal mobility within Lincoln Electric.

We've begun to create curated learning paths focused on employee development, wherein an employee and the company share responsibility for career growth, with us providing learning opportunities and employees taking the initiative to learn and grow.

Our **employee development programs** build a bench of talent that enables promotion from within.

2,201 New employees in 2025

11.1%[1] Voluntary turnover in 2025

27% Reduction in voluntary turnover 2025 vs 2024

15% Internal mobility based on Transfers and Promotions

[1]This population includes apprentices, employees, expats and trainees, but excludes contractors, consultants, seasonal employees and interns.

Focusing on Early Talent

We are strengthening our recruitment pipeline through a focus on early career talent. We hired an early talent leader who spent last year developing a best-practice program to attract high-caliber interns and trainees. New employees will soon receive Voice of Employee surveys throughout their onboarding experience so we can get real-time feedback and identify areas for improvement.

Early Talent Programs

Trainee development program: We partner with colleges and universities to develop the pipeline of talent necessary for our long-term success. This training and development program offers students and graduates the opportunity to learn and grow professionally while actively contributing to the success of the company.

Skilled trade apprenticeships: Our apprenticeship programs combine on-the-job learning with related instruction in technical areas, such as industrial maintenance, machining, welding, and tool and die, to prepare qualified productive employees for careers requiring precision skills at Lincoln Electric.

Internship and co-op programs: We sponsor an intern and co-op program that gives participants hands-on experience via multiple rotations in various departments. This program provides exposure to our world-class Weld School, professional development and educational seminars, and networking opportunities with executives, managers and other professionals.

Community organization participation: Our representatives attended the Society of Women Engineers Conference and Society of Hispanic Professional Engineers National Convention in 2025, which helped expand our early talent hire pipeline and led to five hires.

150

We continue to expand our internship program and supporting development programs, with more than 150 interns gaining on-the-job experience enterprisewide.

550

We offer a tuition reimbursement program with a $5,250 annual student loan forgiveness option (U.S. only). In 2025, over 550 employees participated in either our tuition reimbursement program or student loan forgiveness program.

Talent Management and Development

As we continue to grow and adapt in a fast-changing world, our internal practices evolve with us. We aim to build a stronger team through a culture where feedback is constructive, recognition is meaningful and development is continuous. This has led to new career development opportunities, a new performance management process and improved communication.

Developing Our People

Investing in our employees and their career development remains a crucial element in our company's long-term success. To ensure the competitiveness of our workforce as well as a strong succession pipeline, we provide development opportunities to advance skills, knowledge and expertise. Our programs include formal leadership, management and professional development programs, tuition reimbursement for external accredited programs, comprehensive employee safety and compliance training, early career and internship programs, mentoring and coaching assignments, self-guided online courses, instructor-led programs, and special project and rotational assignments that can lead to extensive global exposure.

In 2025, our Strategy, Project, Agility, Relationship and Knowledge (SPARK) program gave early- and mid-career team members an experiential development opportunity to tackle real business challenges, bringing global teams together to improve collaboration and add value to the company. Five regional teams — across Asia Pacific, Latin America, U.S. Automation, the U.S. and Canada, and EMEA — worked for months with coaches and HR facilitators on solutions ranging from regional pricing and product strategy to growth in laser welding and cutting and a global approach to capturing Voice of Customer data, then presented their findings and white papers to enterprise leaders. Beyond the deliverables, participants built stronger relationships across regions and functions and deeper understanding of our business — and their insights may spark further innovation across the company.

> Lincoln Electric has given me the opportunity to develop my skills. Initially, I focused on technical aspects, learning stick, MIG, and machine processes and products. Later, the company provided me with leadership training and increased my responsibilities within the organization.
>
> **Adrian Gonzalez,**
> **Operations Director, Torreon, Mexico**

HR Linc Learning Platform

Lincoln Electric's HR Linc Learning platform provides employees worldwide with access to a comprehensive catalog of learning opportunities across a range of business-critical areas, including career development, continuous improvement, environment health and safety, compliance and production. The global course catalog features over 17,000 learnings designed to support professional growth for all career levels and functional areas.

In addition to self-paced learning, we offer structured, cohort-based training focused on management skills, foundational competencies and Lean Six Sigma continuous improvement to foster leadership development and operational excellence.

Foundational Development

A global two-year blended learning journey for emerging talent, TalentLaunch helps our employees build relevant and foundational skills for career growth. Learning experiences and courses are aligned to our six global core competencies — emphasizing the capabilities that define how we do our best work, every day.

12.54 average training hours per employee



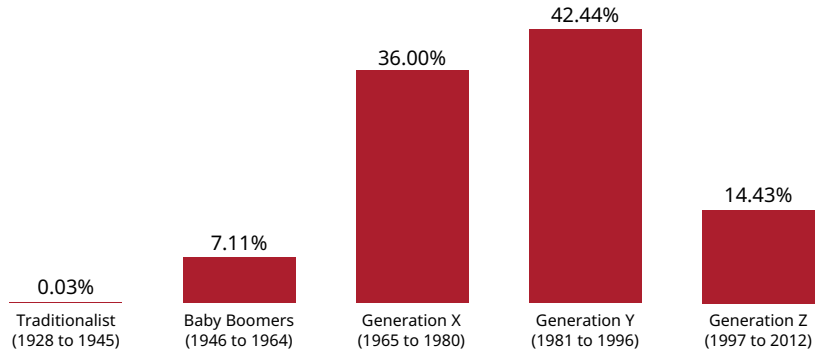
Celebrating Our Global Culture

We are proud of our culturally diverse foundation with nearly 12,000 people in 44 countries across the globe. Our teams come from many different backgrounds, bringing a wide range of perspectives, skills and experiences to our organization.

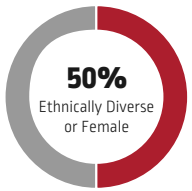
We have a longstanding commitment to equal opportunity in all aspects of employment — including employee compensation, job placement and promotion regardless of gender, race or other personal characteristics. We review and update our human resources processes and benchmark roles and compensation externally on a regular basis to help prevent bias and promote an engaged, industry-leading workplace.

Workforce Composition

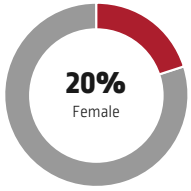
Generation Makeup



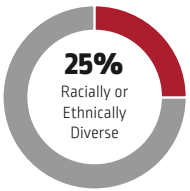
Executive Officers



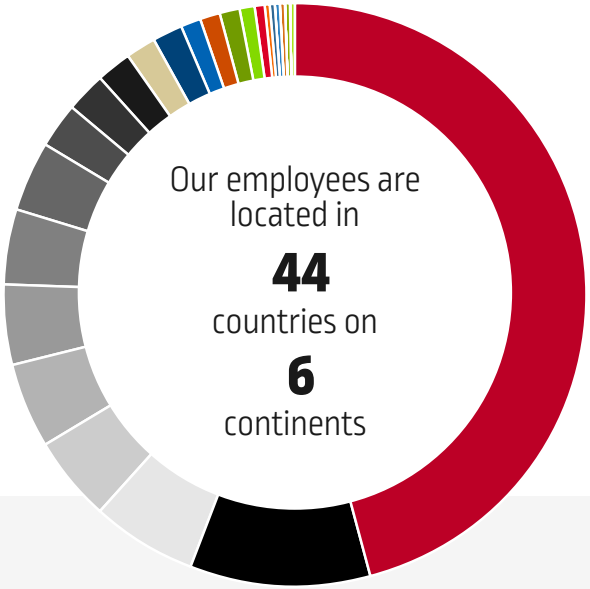
Global Workforce



US Workforce[1]



Geographic Profile of Our Workforce



- United States
- China
- Brazil
- France
- Australia
- Colombia
- Denmark
- Netherlands
- Chile
- South Africa
- Thailand
- Tunisia
- Bolivia (Plurinational State of)
- Egypt
- Taiwan
- Mexico
- India
- Romania
- Italy
- United Kingdom
- Spain
- Portugal
- Malaysia
- Peru
- Japan
- Argentina
- Indonesia
- Costa Rica
- Finland
- Vietnam
- Poland
- Canada
- Türkiye
- Germany
- Austria
- Korea (the Republic of)
- United Arab Emirates
- Singapore
- Saudi Arabia
- Belgium
- Sweden
- New Zealand
- Ecuador
- Nicaragua

[1]Lincoln Electric's definition of Racially and Ethnically Diverse is based on the historically underrepresented groups defined by the U.S. Equal Employment Opportunity Commission and reported through the company's EEO-1 filling.

Corporate Philanthropy and Volunteerism

The Lincoln Electric Foundation

The Lincoln Electric Foundation has been an active partner in our communities since 1952, dedicated to improving the quality and well-being of the communities where our employees live and work. Since its founding, the Foundation has donated more than $40 million in grants and scholarships to support programs that support resilience in our communities by working to alleviate poverty and illness and promote education and essential health and human services.

The Lincoln Electric Foundation also administers the U.S. Employee Gift Matching Program, which provides each U.S. employee with the opportunity to double their charitable donation to eligible nonprofits on a dollar-for-dollar basis, up to $1,000 annually. In addition, a Dollars for Doers volunteering match provides an additional match up to $1,000 annually, per U.S. employee, for their logged volunteer hours.

In 2025, the Foundation issued approximately $1.2 million in grants and established a new endowed scholarship in partnership with the American Welding Society to promote science, technology, engineering and mathematics degrees that support advanced manufacturing and automation. The first scholarships from this fund will be issued in 2026.

In-Kind Gifts

We provide product donations to schools and other nonprofit organizations to support weld training and skilled trade programs, and fundraising events and disaster relief efforts. In 2025, we provided approximately $4.3 million of in-kind donations, which includes the donation of robotic arms used in advanced manufacturing courses at technical colleges and 35 Cooper Cobots. Robot arms and corresponding software were donated to over 20 technical colleges. These combinations can be used to learn programming and interface design and are suitable for additional expansion into a system, including a welding apparatus and table for supporting welding projects.

In Verona, Italy, we support, largely via in-kind donations of welding equipment, the Don Calabria Social Cooperative, a nonprofit organization that provides opportunities for workers from disadvantaged countries to learn the welding trade and upgrade their earning potential. The cooperative hosted its first welding workshop in June 2025. Between 2023 and 2025, we donated a Vrtex® welding simulator, welding machines, a trolley-mounted fume extraction system, welding consumables and accessories, among other items.

Lincoln Electric *foundation*



- 31% Education
- 20% Human Service
- 20% Arts and Culture
- 12% Medical/Healthcare
- 7% Employee Matching
- 6% Economic/Community Development
- 4% Youth Programming
- <1% Disaster Relief

Volunteerism and Employee Donations

Community engagement is a key pillar of our sustainability strategy. By sponsoring volunteer opportunities throughout the year, we empower employees to support nonprofit organizations, address local needs and help build stronger, more resilient communities.

Volunteer Events in 2025

India

More than 60 employees at Lincoln Electric India donated blood through a collaboration with Chengapattu Government Hospital, supporting people in need and encouraging social responsibility among our employees. This initiative is part of a broader, ongoing commitment to employee wellness. In recent months, Lincoln Electric India has organized:

- Nutrition awareness sessions to promote healthier lifestyles.
- Bone density tests for early detection and prevention.
- Free dental camps to support oral health and hygiene.



United States (Georgia)

In Gainesville, Georgia, our Harris Products Group New Product Development (NPD) team proved that teamwork goes beyond the office by volunteering with amazing local organizations, including:

- **My Sister's Place:** Providing shelter and support for women and children escaping domestic violence.
- **United Way of Hall County:** Improving education, health and financial stability for local families.
- **Family Promise of Hall County:** Helping families experiencing homelessness find stability.
- **Georgia Mountain Food Bank:** Fighting hunger by distributing meals to those in need.

United States (Ohio)

In Cleveland, Ohio, our Young Professionals group volunteered to beautify the Collinwood community, a local arts district, with public art and cultural programming. Our Lincoln Electric team helped transform the neighborhood through mural and storefront painting, greenhouse and green roof weeding, and various street clean-up projects. In addition, the group participated in a local beach clean-up and sorted and packed food at the local foodbank.

Lincoln Electric also returned as the presenting sponsor for the annual Big Wheel Relay race benefiting the Cleveland Hearing and Speech Center (CHSC). The center serves people with special communication needs by providing speech-language, hearing, language interpreting and deaf services. By racing adult-sized big wheel tricycles for prizes and bragging rights, participants raised over $96,000 for CHSC, surpassing the fundraising goal.



United States (Wyoming)

Lincoln Electric and Yellowstone Forever, the official nonprofit partner of Yellowstone National Park, collaborated to enhance safety and preserve the park's natural beauty. Together, we've rebuilt critical railings along popular trails, helping to protect visitors and staff while safeguarding the environment. By combining our welding and fabrication expertise with Yellowstone Forever's commitment to conservation, this collaboration delivers lasting improvements that ensure everyone can experience Yellowstone safely for generations to come.

United Kingdom

A food gathering campaign at our U.K. facilities helped feed local communities during the winter holidays. In addition, these facilities run a "shoebox appeal" during the holidays, where employees take a shoebox, wrap it in festive paper and collect a certain number of desirable items to place therein for people, mostly homeless, in need. The employee, or one of their children, is asked to include a holiday note or card to provide a personal touch.



Germany, Austria and Switzerland (DACH)

An employee donation campaign in the DACH region led to the collection and distribution of a wide range of in-kind donations to various women's shelters. These institutions play a vital role in protecting and supporting women and children facing challenging life circumstances. The donated goods will help sustain and strengthen this important work over the long term — a powerful expression of solidarity and social responsibility within our organization.

Australia

Employees at our Gladstone, Australia, facility participated in R U OK? Day in September 2025, where the team shared a cuppa, a chat and yellow cupcakes, showing support for mental health awareness. The team also raised funds for the R U OK? not-for-profit organization, which promotes suicide prevention.

Governance, Compliance and Integrity

Lincoln Electric's efforts to become a more centralized and collaborative organization have strengthened our governance framework and oversight. Over the last five years, we've added and enhanced our committees to provide more comprehensive strategic oversight to sustainability matters, invested in more efficient processes and systems, and expanded our sustainability expertise. This evolution not only increases our efficiencies but also minimizes our risks, as we are managing risks at the enterprise level and making standardized, data-driven decisions for the future of Lincoln Electric.

Oversight of Sustainability

Our company has clear responsibilities and a robust governance structure related to sustainability matters. The Board receives a formal annual update on corporate governance matters, including sustainability developments and pending considerations, and reviews initiatives and progress made toward our long-term safety and sustainability metrics.

Lincoln Electric leverages our cross-functional governance structure to ensure that sustainability topics are considered through a variety of impact, financial and social lenses. Our governance structure is designed to incorporate both leadership and subject matter experts across business functions to ensure that our sustainability strategies are credible, consistent, relevant and meaningful. Interconnections are considered during our annual ERM review and in our review of scenario analysis results reported in accordance with Task Force on Climate-related Financial Disclosures. Additionally, sustainability metrics are incorporated into the annual individual goals of our CEO and other executives.

Supported by EVP, General Counsel and VP, EHS&S

Executive Sustainability Committee

Overseen by our General Counsel, this group of cross-functional company senior leaders reviews the sustainability strategy each quarter and the progress of key initiatives.

Sustainability Disclosure Committee

Overseen by VP, EHS&S, this multi-disciplinary group reviews the various public sustainability disclosures and annual sustainability report.

Product Sustainability Committee

Overseen by VP, EHS&S this committee focuses on enhancing product sustainability and developing sustainable product solutions.

Supported by VP, EHS&S and Sustainability Director

EVP, General Counsel
Oversees corporate EHS&S initiatives and global reporting and sponsors the Executive Sustainability Committee.

VP, EHS&S
Works closely with EVP, General Counsel, business unit leaders and local facilities to align EHS and Sustainability objectives to the business strategy, implement strategic objectives, and monitor and measure EHS&S performance.

Sustainability Director
Works closely with VP, EHS&S, business unit leaders, local facilities, R&D, sales and corporate divisions to implement, monitor and measure sustainability initiatives, disclosures and projects.

Ethics and Compliance

Our culture is shaped by integrity, ethics and a commitment to abide by the Golden Rule. Our Ethics and Compliance program includes strong governance and oversight, a global Code of Conduct, risk-based policies and training, confidential reporting channels, investigation protocols, and continuous monitoring designed to promote ethical behavior and compliance with applicable laws worldwide.

Our Director of Compliance reports to our Associate General Counsel Litigation and manages our Ethics and Compliance program, supports our business leaders on compliance matters and oversees compliance training initiatives. The Director also leads our internal Compliance Committee, which is composed of executive leaders from various functions (including legal, finance and human resources), and helps to ensure that compliance objectives are met. The Audit Committee of our Board of Directors receives updates on our compliance program at each meeting.

100%
of our salaried employees completed required online compliance training courses

4,200
global employees attended live training sessions on various topics

Code of Conduct

Our **Code of Conduct** contains our guidelines for conducting business ethically across all our global operations. It applies to our Board and employees at every level within the organization. Compliance is mandatory. We also expect our representatives, agents, suppliers and consultants to uphold the standards in our Code of Conduct, which is available in 15 languages. Topics covered in the Code of Conduct include conflicts of interest, anti-harassment, anti-corruption, trade compliance, fair competition, human rights, insider trading, and intellectual property and proprietary information.

As part of our compliance program, we require mandatory training on our Code of Conduct for all employees. Each year, all non-manufacturing employees are required to complete training on the Code of Conduct and sign an acknowledgment that they have read it and will abide by it. Additional mandatory compliance training is assigned depending on job responsibility.

Approach to Political Contributions

As stated in our Code of Conduct, Lincoln Electric maintains a nonpartisan stance, and the company does not operate an employee Political Action Committee (PAC) program. In response to evolving business needs and opportunities and in compliance with applicable laws, the company strategically engages with government, regulatory or other public officials directly or through trade associations to advocate for positions that are relevant and impactful to our operations. All such engagements are conducted strategically and with the utmost integrity, adhering to our values and applicable ethical and legal requirements.

Open Reporting

We strive to create an environment of open, honest communication, and we expect employees, officers, directors, vendors and commercial partners to report any conduct they believe violates our Code of Conduct, other policies or laws. Our global "Speak Up" policy (available in our Code of Conduct) provides information and guidance to help individuals understand our reporting requirements and the resources available for reporting potential misconduct and raising questions or concerns. Employees have an option to report anonymously, and we do not tolerate retaliation against individuals who speak out.

Individual employees may speak directly with our Compliance or Legal department. We also partner with EthicsPoint® to provide a confidential phone line and web portal for reporting. The toll-free telephone hotline is available 24 hours a day, seven days a week, in the local language for each of our locations. Additionally, individuals may submit a report at https://lincolnelectric.ethicspoint.com.

The Compliance team reviews and tracks concerns that come through the hotline, directly to us or from other sources.

100%

of hotline cases were reviewed and closed within an average of 32 days.

55%

of hotline case reporters disclosed their identity, demonstrating trust in our Speak Up program.

Corporate Compliance Committee

Our Corporate Compliance Committee provides additional oversight of the Compliance Program and meets periodically (at least bi-monthly and more frequently if needed). The Corporate Compliance Committee consists of the following:

- Executive Vice President Chief Financial Officer and Treasurer;
- Executive Vice President General Counsel;
- Executive Vice President Chief Human Resources Officer;
- Business Unit Leader, and the
- Compliance Director.

Regional Compliance Committees

Regional Compliance Committees in each Lincoln Electric region (North America, Latin America, EMEA and APAC) provide briefings to the Compliance Director and assist in the execution of the Compliance program in the regions. These committees include (at a minimum) the following personnel:

- Regional and/or Segment President;
- Country/Regional Manager;
- Finance Manager/ Director;
- Human Resources Manager/ Director, and
- Regional Legal Counsel.

Regional committees help us better understand how comfortable employees are with speaking up, identify high risk areas, and make improvements to training, processes and resources.

2025 Ethics and Compliance Awards

Lincoln Electric recognizes individuals who demonstrate tremendous ethics and compliance leadership by:

- Serving as role models by promoting our value of integrity and operating at the highest standard of ethics, compliance and accountability.
- Promoting our Speak Up program and fostering a workplace environment where employees are encouraged to speak up, share their ideas and voice concerns without fear of negative consequences.
- Applying diligent efforts to ensure that no retaliation takes place against those who speak up in good faith.
- Facilitating cross-functional communication as well as identifying and reporting potential compliance risks so they can be avoided or mitigated.

Our 2025 winners were:

- Maintenance Operations Manager in United States (Euclid, Ohio)
- Operations Director in Austria
- Senior Human Resources Manager in Mexico
- Senior Regional Marketing and Communications Manager in Asia Pacific, Middle East and Africa

Human Rights

We are determined to safeguard human rights throughout our global operations. We expect all employees to comply with our **Human Rights Policy** as part of our commitment to ethical operations. The policy is guided by international human rights principles encompassed by:

- The Universal Declaration of Human Rights
- The UN Global Compact's Ten Principles and the Sustainable Development Goals
- The UN Guiding Principles on Business and Human Rights (UNGP)
- The OECD Guidelines for Multinational Enterprises
- International labor standards, such as the International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- Applicable laws and regulations

Our Human Rights Policy includes sections on employee relations, forced labor and child labor, equal opportunity and anti-harassment, compensation and working time, freedom of association / collective bargaining and anti-corruption.

Our Compliance department oversees and promotes a culture of integrity and compliance across all our businesses worldwide to ensure our employees are knowledgeable, properly trained and aligned with our principles and applicable laws.

Supply Chain Management

We expect our suppliers to conduct business ethically, comply with applicable laws and regulations, and maintain processes to identify, prevent, and address compliance risks within their operations and supply chains. Our Supplier Code of Conduct sets expectations in key areas, including:

- Human rights and labor standards
- Health, safety and environmental responsibility
- Business ethics and compliance

We seek to build a supplier base that supports our global operations and reflects the communities, customers and markets we serve. We work with small, regional and diverse suppliers where they meet our requirements for quality, service, cost, compliance, safety and risk management.

We maintain due diligence processes designed to support responsible minerals sourcing and compliance with applicable conflict minerals disclosure requirements. Our cross-functional Conflict Minerals team, with oversight from the Vice President, Environment, Health, Safety and Sustainability, manages our **Conflict Minerals Policy** and related global due diligence procedures.

New and renewed supplier contracts include provisions requiring suppliers to implement procedures to identify and mitigate the risk of sourcing conflict minerals from the Democratic Republic of the Congo or adjoining countries, where applicable.

As part of our broader sustainability risk assessment process, biodiversity has emerged as a topic for further evaluation. Our biodiversity assessment identified potential supply chain exposure related to the procurement of minerals and other materials. We have begun reviewing these risks and opportunities through internal cross-functional forums, including our Global Chemicals meetings, to better understand potential impacts and appropriate next steps.

We are continuing to advance a more centralized Global Procurement Organization to improve efficiency, consistency, agility and visibility across our supply chain. This operating model is intended to strengthen supplier governance, support consistent application of supplier expectations and improve our ability to identify and manage supply chain risk.

Data Privacy and Cybersecurity

Lincoln Electric utilizes a defense-in-depth (multiple layers of security controls) approach to security, and has implemented a variety of physical, technical and administrative controls and processes to ensure appropriate protection of our assets and data, as well as those our customers and partners have entrusted us with. Lincoln Electric has carefully selected industry-leading solutions and service providers to protect systems and resources.

Global Cyber and Information Security Program Highlights

Governance

We have a robust governance framework in place, composed of various councils, policies, standards, procedures and employee resources to conduct business and serve our customers while meeting our legal, industry and contractual obligations related to information security.

Security Awareness and Education

We have a comprehensive information security awareness and education program, which includes annual trainings, phishing tests, cyber news articles, videos and more.

Artificial Intelligence

We have launched a robust artificial intelligence (AI) governance framework, composed of an AI Policy, AI Resource Center, AI literacy training, continued focus on compliance and ethical use of AI tools globally, and a governing body. This is to ensure we harness AI in a way that advances business objectives in a responsible, ethical and transparent manner that is aligned with our values.

Cyber Incident Response Program

We have a comprehensive cyber incident response program that provides a documented framework for identifying, containing and recovering from cyber incidents, encompassing coordination across all relevant internal and external parties.

Vulnerability Management

We have implemented enterprise-class vulnerability management solutions to identify, report and correct vulnerabilities.

Third-Party Risk Management

We utilize robust screening, contracting and continuous monitoring processes for critical and high-risk suppliers and third-party service providers.

External Reviews and Benchmarking

We contract with external firms to perform annual penetration tests, which allow us to validate and improve our ability to detect and remediate vulnerabilities and threats from malicious actors. Additionally, we regularly benchmark our cybersecurity program to continue advancing its maturity.

Regular Simulations

We partner with subject matter experts to perform table-top exercises to test our incident response and disaster recovery capabilities and plans across various threat scenarios, including those associated with new product offerings.

Managed Security Service Providers

We engage third-party services to provide security event incident management services through enterprise-class Threat Intelligence, Detection and Incident Response services and tooling.

We inform employees of certain rights they have regarding personal data and how that personal data may be processed and used by Lincoln Electric. Learn more in our Data Privacy Policy.

Summary

As we move forward, our RISE strategy enables Lincoln Electric to improve our alignment, agility and competitiveness to drive growth, engagement, productivity and superior returns. We will do this by growing our diverse portfolio of products and technologies while remaining committed to continuous improvement, sustainability and financial discipline.

We will reimagine how we work. We are evolving from a regionally led business to one unified enterprise with center-led functions that still nurture local agility. We will harmonize under standard systems, tools and processes that allow us to be more agile and leverage our scale. We will accelerate innovation to provide products that are better for the world and meet the evolving expectations of our customers for function and reliability. We'll serve our customers by partnering in their sustainability journeys, and support our team members' safety, health and well-being, while engaging our communities with purpose.

Our RISE strategy and goals build on our previous achievements and reach for new ambitious targets. They incorporate stakeholder feedback received through broad engagement across our enterprise, in part through our first-ever sustainability double materiality assessment (DMA), and address the priority topics, risks and opportunities identified in the DMA. Our RISE strategy also aligns us with various evolving sustainability frameworks and standards and advances our sustainability initiatives, which are core to our business.



SASB Content Index

DISCLOSURE #	DISCLOSURE	UNIT	2025 REPORT LOCATION OR DIRECT RESPONSE
Industrial Machinery and Goods			
Energy Management			
RT-IG-130a.1	1. Total energy consumed, 2. Purchased electricity consumed, and 3. Renewable electricity consumed from a. self-generation and b. direct contracts	Gigajoules (GJ), Percentage (%)	1. Total Energy = 2,257,740 2. Percentage Grid = 44% 3. Percentage Renewable = <1%
Employee Health and Safety			
RT-IG-320a.1	1. Total recordable incident rate (TRIR) 2. Fatality rate, and 3. Near miss frequency rate (NMFR) for a. direct employees and b. contract employees	Rate	1. TRIR = 1.04 2. Fatality Rate = 0 3. NMFR = 6.12 (includes direct employees and contract employees)
Fuel Economy and Emissions in Use-Phase			
RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Gallons per 1,000 ton-miles	Lincoln Electric does not manufacture medium- and heavy-duty vehicles.
RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Gallons per hour	Diesel-powered welding equipment = 0.460 gal/hr Gasoline-powered welding equipment = 0.612 gal/hr LP Gas-powered welding equipment = 3.53 lb/hr

METRIC CODE	DISCLOSURE	UNIT	2025 REPORT OR DIRECT RESPONSE
RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Watts per gallon	Lincoln Electric does not manufacture stationary generators.
RT-IG-410a.4	Sales-weighted emissions of: 1. Nitrogen oxides (NOx) and 2. Particulate matter (PM) for: a. Marine diesel engines, b. Locomotive diesel engines, c. On-road medium- and heavy-duty engines, and d. Other non-road diesel engines	Grams per kilowatt-hour	Lincoln Electric ensures that purchased diesel engines incorporated into our welding machines meet the emissions standards of the regions into which they are sold.
Materials Sourcing			
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	2025 Lincoln Electric Annual Report p. 7
Remanufacturing Design and Services			
RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Reporting currency	We do not presently report the individual or combined revenue from these specific services.
Activity Metrics			
RT-IG-000.A	Number of units produced by product category	Quantitative	We consider this proprietary information.
RT-IG-000.B	Number of employees	Quantitative	12,000

TCFD Disclosure

Task Force on Climate-related Financial Disclosures (TCFD) Index

To support and communicate our efforts to address climate change and prepare us and our customers for the transition towards a cleaner and more efficient energy future, Lincoln Electric has prepared this index in line with the recommendations of the TCFD.

Governance

a. **Describe the Board's oversight of climate-related risks and opportunities.**

Lincoln Electric's Board of Directors recognizes the importance of aligning our goals, including those related to sustainability, with the interests of our key stakeholders. Accordingly, the Board's oversight responsibility for Environmental, Social and Governance (ESG) matters is reflected in our Governance Guidelines. The Board's oversight role includes reviewing progress towards our long-term safety and sustainability targets, as well as other sustainability initiatives.

b. **Describe management's role in assessing and managing climate-related risks and opportunities.**

Our Vice President of Enterprise Risk Management oversees an internal corporate risk committee composed of members of our business units and various functional leaders (e.g., IT, Finance, Legal). Critical risks facing the organization are identified each year and assigned, as appropriate, to be reviewed with either the full Board or various Board Committees throughout the year. Sustainability, which includes climate-related risks, is currently considered a critical risk for the organization. In 2024, the Enterprise Risk Management committee participated in a Climate Scenario Analysis exercise to inform this disclosure.

Lincoln Electric's Executive Vice President, General Counsel and Secretary, is the executive sponsor for our Sustainability Executive Leadership Committee. Our Vice President, Environmental, Health, Safety and Sustainability, leads the Sustainability Executive Leadership Committee and manages sustainability strategy execution, metrics tracking and reporting, including those related to climate.

For more information about climate-related governance, see Board Oversight in this Sustainability Report.

Strategy

a. **Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.**

b. **Describe the impact of climate-related risks and opportunities on the organizations' businesses, strategy and financial planning.**

c. **Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.**

In 2023, Lincoln Electric partnered with BSR, a nonprofit sustainable business network and consultancy, to conduct its first comprehensive climate scenario analysis. This effort ("2023 Climate Scenario Analysis") identified Lincoln Electric's possible climate-related risks and opportunities based on three plausible climate scenarios developing through 2050. Identifying potential risks and opportunities across several possible futures provides valuable insights that, applied to our strategy development process, allows us to develop plans to bolster the resilience of our strategy and capitalize on potential opportunities.

The steps leading from scenario analysis to strategic action are as follows:

1. **Scenario development:** BSR used three climate scenarios developed by the Network for Greening the Financial System (NGFS): Current Policies, Net Zero 2050 and Delayed Transition. These climate scenarios provide the base narratives for Lincoln Electric's climate scenario analysis. BSR extended each of the narratives by adding content about how a range of business-relevant topics might plausibly play out in each of these scenarios, including analysis of key industrial sector physical and transition data projections supplied by NGFS. Each scenario and its underlying assumptions are described in Table 1.
2. **Identification of climate-related risks and opportunities:** As part of the scenario analysis effort, BSR conducted a workshop with approximately 15 Lincoln Electric participants from diverse functions and regions, including our ERM committee, to analyze the business impacts of the three scenarios and identify climate-related (transition and physical) risks and opportunities for Lincoln Electric. The identified climate-related risks and opportunities are set forth in Table 2.
3. **Impact quantification:** Lincoln Electric's sustainability, risk management and finance teams are assessing the possible financial categories impacted by the identified risks and opportunities, as well as estimated potential magnitude of the impact. This assessment helps prioritize our focus on areas of most significant potential impact. Our current assessment of potential categories of financial impact and magnitude of the risks and opportunities identified by the 2023 scenario analysis process are set out in Table 2.
4. **Integration with risk management and strategy development processes:** The insights provided by the scenario analysis are being integrated into our strategy development and risk management processes, which inform our financial planning, product and business development, operations, and other business processes and activities.
5. **Strategic interventions:** Based on a rigorous and continuing assessment of the results of the scenario analysis and the identified risks and opportunities, Lincoln Electric will develop strategic responses that mitigate potential risks, adapt to a changing physical and business environment, and position the company to act on business opportunities that may arise as a result of climate-related change.

Table 1. Climate Scenarios and Assumptions

	CURRENT POLICIES	NET ZERO 2050	DELAYED TRANSITION
Scenario	Existing climate policies remain in place, but there is no strengthening of ambition level and climate action remains minimal.	Stringent climate policies and innovation, reaching global net zero GHG emissions around 2050.	Climate policies are delayed, which forces a very aggressive policy response starting in 2030.
Impact of transition and physical risks	High physical risks Low transition risks	Low physical risks Medium transition risks	Medium physical risks Medium to high transition risk
Policy ambition[1]	3°C+	1.4°C	1.6°C
Policy reaction	No additional[2] policy reaction	Immediate and smooth policy reaction	Delayed policy reaction
Technology	Slow technology change	Fast technology change	Slow then fast technology change
Carbon dioxide removal	Low use of carbon dioxide removal	Medium/high use of carbon dioxide removal	Low/medium use of carbon dioxide removal
Regional policy reaction	Low regional policy variation	Medium regional policy variation	High regional policy variation

Scenario descriptions based on the NGFS scenarios framework as well as data from NGFS Climate Impact Explorer and NGFS IIASA Scenario Explorer.

[1]Above pre-industrial levels by 2100.

[2]Because NGFS's phase 3 data set was developed in 2022, this notably does not include major recent policies such as the U.S. Inflation Reduction Act.

Table 2. Climate-Related Risks and Opportunities

The climate-related risks and opportunities identified by the scenario analysis that may be most impactful to Lincoln Electric's business, as well as a description of the potential impact, are set forth in the tables below. Time horizons correspond to Lincoln Electric's 2023 CDP Climate Change Response: short-term is 1-3 years, medium-term is 3-5 years, and long-term is 5-10 years.

Transition Risks and Impacts

The following outlines transition risks that present the greatest potential impact to Lincoln Electric (LECO) across the three climate scenarios.

	TCFD CATEGORY	RISK	IMPACT	TIME HORIZON	IMPACT CLASSIFICATION
TRANSITION	Policy and Legal	Rising compliance costs	With new and upcoming climate-related regulations such as SEC rules, California bills, CSRD, CSDDD and jurisdictional adoption of ISSB standards, LECO and its suppliers will need to invest time and resources into compliance (e.g., capital). This will, directly and indirectly, increase cost for LECO as it sources and must comply across many regions.	Short, Medium, Long	Increased operating costs
		Decarbonization requirements	LECO faces the risk of substantial costs and disruptions due to decarbonization regulations necessitating significant alterations to high-emission inputs and manufacturing processes, potentially increasing sourcing, production, capital and R&D expenses.	Medium, Long	Increased operating costs
	Technology	"Greener alternatives" may be more expensive	Investing R&D and procurement resources into lower-emissions inputs and products (e.g., green steel) may be more expensive for LECO and may not be financially viable in the long term.	Long	Costs to adopt/deploy new practices and processes
	Market	Declining personal disposable income of consumers	If personal disposable income in the U.S. declines due to climate-induced economic distress, regulatory costs, unemployment and infrastructure damage, demand for LECO's welding products may decline.	Medium, Long	Reduced demand for goods and services

	TCFD CATEGORY	RISK	IMPACT	TIME HORIZON	IMPACT CLASSIFICATION
TRANSITION	**Market**	Shifting customer and product base	If the oil and gas industry encounters heightened fines and stricter regulations, and there is a push for grid transition to renewables, LECO could experience a decline in sales. This would necessitate adjustments in both product offerings and sales strategies.	Medium	Change in revenue mix and sources, resulting in decreased revenues
		Stress impacts to labor productivity	Workers are likely to experience heightened stress stemming from multiple factors such as geopolitical unrest, physical climate disruptions, inflation and decreasing disposable income. This increased stress and declining mental health could potentially impact productivity at LECO, leading to potential operational setbacks and heightened costs.	Short, Medium, Long	Increased production costs due to changing input prices and output requirements
		Labor market disruption	As manufacturing transitions to increased automation, physical impacts of climate change increase and climate migration continues to rise, workers may encounter employment challenges, prompting them to explore job options in alternative industries, requiring them to upskill their capabilities.	Medium, Long	Increased production costs due to changing input prices and output requirements
		Raw material scarcity	The availability of raw materials may decrease, either due to physical impacts from climate change, geopolitical turmoil or increased demand for materials. This may make it difficult for LECO to meet production deadlines, adhere to product specifications and quality standards, and maintain its product mix, and may result in increased costs.	Short, Medium	Change in revenue mix and sources, resulting in decreased revenues
	Reputation	Stakeholder expectations	LECO stakeholders, including investors, customers and employees, will increasingly insist on decisive steps toward decarbonization and robust sustainability measures to align with evolving market and regulatory expectations. Failure to meet these demands may tarnish LECO's reputation and impede access to capital.	Short, Medium, Long	Reduction in capital availability

Physical Risks and Impacts

The following outlines physical risks that present the greatest potential impact to Lincoln Electric across the three climate scenarios.

	TCFD CATEGORY	RISK	IMPACT	TIME HORIZON	IMPACT CLASSIFICATION
TRANSITION	Acute	Declining employee health	More frequent heatwaves, hurricanes, wildfires and water/air pollution will impact LECO facilities across the globe, as the health and safety of LECO employees and communities come under risk. This may result in increased costs via workers' compensation requirements as well as declining productivity, resulting in supply chain and operational disruptions.	Short, Medium	Reduced revenue and higher costs from negative impacts on workforce
		Increased disruption and costs in the supply chain and operations	With growing physical impacts from climate change, LECO's supply chain and operations are at risk of significant delays and disruptions. LECO may have to spend time and resources on crisis response and adaptation efforts instead of long-term financial growth and resilience.	Short, Medium, Long	Reduced revenue from decreased production capacity
		Energy instability	Persistent grid unreliability poses challenges for LECO and its suppliers in transitioning operations to renewable energy sources, heightening the risk of potential delays and disruptions.	Medium, Long	Increased operating costs
	Chronic	Declining regional labor productivity	As climate-related physical impacts, such as heat stress, disrupt labor productivity and employees' ability to work, operating costs will rise. LECO may face a competitive disadvantage if its supply chain and operations are based in regions that are relatively more affected by physical impacts.	Short, Medium, Long	Reduced revenue and higher costs from negative impacts on workforce
		Uninsurable assets	As owned and supplier assets face higher insurance premiums or become uninsurable because of high physical risk, including floods and wildfires, costs at LECO will rise as it must pay higher insurance premiums, carry risk in-house, or pay its suppliers higher prices for their goods.	Medium, Long	Increased insurance premiums
		Water shortages across the value chain	Water availability, critical for sourcing ingredients, production and the distribution of LECO products, may negatively impact LECO's raw material availability, operational efficiency and supplier logistics.	Short, Medium, Long	Reduced revenue from decreased production capacity

Opportunities and Impacts

The following outlines opportunities that present the greatest potential impact to Lincoln Electric across the three climate scenarios.

TCFD CATEGORY	RISK	IMPACT	TIME HORIZON	IMPACT CLASSIFICATION
Resilience	Local, shorter supply chains	LECO can opt to source more inputs locally to lower its costs and emissions, as well as reduce geopolitical risks.	Short, Medium	Reduced revenue and higher costs from negative impacts on workforce
	Staying ahead of sustainability regulation	If LECO progresses on sustainability ahead of competitors and mandatory regulatory requirements, it may shield itself from price shocks and regulatory penalties aimed at companies that have not been able to meet compliance standards.	Short, Medium, Long	Increased valuation through resilience planning
Resource Efficiency	Automation in manufacturing	Implementing more automation in LECO's operations and supply chain could mitigate the risk of equipment-related injuries, minimize delays caused by climate-related disruptions, and reduce expenses associated with workers' compensation, employee insurance and healthcare, while simultaneously enhancing process efficiencies.	Medium	Reduced operating costs
	Upskilling employees and attracting technical talent	By upskilling its existing workforce and attracting talent with sustainability and technical expertise for new technology products related to automation and the transition to a net-zero economy, LECO can enhance productivity and invest in a workforce with advanced skills.	Medium, Long	Benefits to workforce management and planning
	Streamlining regional processes	LECO could continue work toward aligning its regional facilities, manufacturing processes and products to reduce costs and complexity amidst rising input prices, tariffs and potential logistics delays.	Short, Medium	Reduced operating costs
Products and Services	Infrastructure build	In areas affected by natural disasters, LECO solutions can allow communities to rebuild critical infrastructure. Additionally, LECO supports the creation of diverse goods and services. As the world transitions towards a net-zero economy, the demand for advanced low-carbon manufacturing solutions will grow, and there is an opportunity for LECO to capture a significant portion of the manufacturing market.	Short, Medium	Increased revenue through new solutions to adaptation needs

TCFD CATEGORY	RISK	IMPACT	TIME HORIZON	IMPACT CLASSIFICATION
Products and Services	Electric vehicles	There is an opportunity for LECO to continue to invest in EVs, chargers and their infrastructure as they will be in high demand in the net-zero economy and can significantly grow LECO's sales and revenue.	Short, Medium, Long	Increased revenue through demand for lower emissions products and services
	Meeting the evolving energy market	LECO is uniquely positioned to offer products and solutions to the energy market, as it moves toward renewables and hydrogen (e.g., wind turbine fabrication, EV charging, distribution pipelines).	Short, Medium, Long	Increased revenue through new solutions to adaptation needs
	Sustainable inputs	LECO has the opportunity to integrate low-emission resources, such as green steel, into its production processes, potentially yielding cost savings amidst rising carbon taxes.	Short, Medium, Long	Increased revenue through demand for lower emissions products and services
	Recycled inputs	LECO has the opportunity to enhance its use of recycled materials, particularly steel, and adopt recycling processes, thereby reducing costs and emissions and advancing towards a circular economy.	Short, Medium	Increased revenue through new solutions to adaptation needs
Energy Source	Pivoting to renewables	LECO can begin pivoting its energy use away from fossil fuels and towards renewable energy sources, potentially achieving cost savings, as renewable energy is more resilient to volatile fossil fuel prices and high carbon taxes, and may have policy incentives available.	Long	Reduced exposure to future fossil fuel price increases
Markets	First-mover advantage	LECO can build or join collaborations with other manufacturers, proactively comply with climate regulations and decarbonize its business to position itself as a sustainability leader, and bolster its reputation and attract partnerships, employees, investment and sales.	Short, Medium	Increased revenues through access to new and emerging markets
	Product and process innovation	LECO has the potential to reimagine existing inputs and processes to create novel solutions that cater to emerging market demands, such as commercial solar and battery technologies. This presents an opportunity for LECO to innovate its existing products, processes and inputs to maintain market dominance throughout the transition to a net-zero economy.	Short, Medium, Long	Increased revenues through access to new and emerging markets

The scenario analysis process helped Lincoln Electric identify five areas of our strategy that may present meaningful climate-related risks and opportunities across the broad range of futures envisioned by all three climate scenarios.

- Supply Chain Impacts and Innovation. Physical climate impacts and geopolitical tensions may strain supply chains, particularly raw material availability and distribution networks. Innovation can be costly in the short term but may build resilience in the long term.
- Shifting Markets and Innovation. Customer and investor expectations are shifting as climate increasingly influences the market and the regulatory landscape. Pacing climate mitigation, adaptation and innovation is critical to long-term resilience.
- Workforce. The labor pool in the manufacturing industry is changing. Workers are migrating to new cities and new careers, younger employees prefer companies that signal ethics like their own, and heat stress may make employees less productive, while automation may render manual labor obsolete.
- Government Regulation. Though reporting is increasingly becoming mandatory, policies across jurisdictions can be fragmented. Where action is voluntary, businesses investing in climate may bear additional costs compared to competitors.
- Manufacturing and Operations. Climate-related physical impacts may damage facilities, disrupt operations or make assets uninsurable, hence raising costs for Lincoln Electric. Redesigning manufacturing processes to be more efficient as the energy market shifts and physical impacts become more widespread will involve coordinating processes across the globe, which comes at a high cost.

As described above, through its governance processes and systems, Lincoln Electric will develop strategic responses to the climate-related risks and opportunities that present the most significant potential impacts, including in the "hotspot" areas listed above. While the scenario analysis process has initiated the generation of ideas to enhance Lincoln Electric's resilience and refine its strategy, we are developing specific actions and strategic adjustments. Climate-related strategic refinement will be an ongoing process.

Risk Management

a. **Describe the organization's processes for identifying and assessing climate-related risks.**

The 2023 Climate Scenario Analysis helped identify, clarify and assess our climate-related risks and opportunities. Lincoln Electric has an established Enterprise Risk Management (ERM) process to review key risks, including climate-related risks and opportunities, as well as their associated mitigation plans. These risks and plans will be explained in detail to Board members.

ERM is a company wide initiative designed with the intent of prioritizing risks and allocating appropriate resources to address them. As a part of this process, the company identifies risks that have the potential to result in a loss of earnings or adversely impact business growth, or may damage the reputation or brand of the company.

b. **Describe the organization's processes for managing climate-related risks.**

We have a robust ERM process that integrates aspects of sustainability and Sustainability-related risks. Sustainability, which includes climate-related risks, is currently considered a critical issue and our Board receives related updates annually. We also develop mitigating measures for risk, such as establishing extended (e.g. five-year) targets, including targets for the reduction of GHGs and energy intensity. These targets are incorporated within our Higher Standard Strategy, along with traditional business goals.

c. **Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.**

In the course of our business, Lincoln Electric faces strategic, operating, compliance and financial risks that could have a material impact on our business, financial condition, operating results and cash flows. Our ERM process seeks to identify and address significant risks. As mentioned above, this company wide initiative is tasked with prioritizing risks and allocating appropriate resources to address such risks.

Our ERM approach is based on principles outlined by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), including the COSO WBCSD guidance for integrating Sustainability-related risks into the process. A key aspect of this approach is the consideration of emerging trends. Throughout the year, internal subject matter experts monitor and analyze information from a variety of external and internal sources to identify these trends. Annually, inventoried risks are evaluated using a ranking methodology that considers severity of impact, ability to mitigate, likelihood of occurrence and "velocity" — the time horizon over which the impacts will be felt by the business. The Audit Committee receives related updates on critical risks identified by this process at each Board meeting.

Metrics and Targets

a. **Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.**

Lincoln Electric is committed to reducing our carbon footprint through the reduction of GHG emissions. Energy intensity — the total amount of energy consumed per labor hour worked — is also one of our key targets.

b. **Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.**

- GHG Emissions 2025 data
  - Scope 1 = 75,589 tonnes
  - Scope 2 (location-based) = 111,916 tonnes
- Water Data 2025
  - Water Withdrawal = 739,329 m^3
- Recycling and Landfill 2025 data
  - Landfill Avoidance = 95.6%
  - Waste Recycling = 78.8%

c. **Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets**

- 10% Reduction in location-based Scope 1 and 2 GHG emissions (2018-2025)
- 14% Reduction in Water Withdrawal (2018-2025)
- Landfill Avoidance rate of 97% by 2025
- Recycling rate of 80% by 2025

These targets are evolving under the RISE strategy.

- 30% Reduction in GHG Emissions (Scope 1 and 2)
- 10% Reduction in Water Intensity
- 20% Renewable energy
- 10% Reduction in waste directed to disposal

Alignment With United Nations Sustainable Development Goals

Our sustainability initiatives align with several of the UN Sustainable Development Goals. The table below shows how our efforts support these global objectives. As we progress toward our goals, we are refining our strategies to maximize positive contributions to these global sustainability objectives while staying focused on operational excellence and innovation.

OUR PEAKS	ALIGNMENT	
Customer Focused	We promote sustainable industrialization and innovation through our 38 international Application Resource Center locations. The ARC™ locations provide an interactive, educational and collaborative space to showcase our unique solutions and application expertise to help customers drive greater operational excellence in their fabrication processes. Multiple sites were upgraded in 2025 with new demonstration equipment, including automation machines, that increase efficiency, reduce waste and result in faster production. In 2025 our Cleveland-based ARC executed 236 customer projects.	
Solutions and Value	We invest in new solutions and engineering expertise to support the infrastructure and energy end markets — like our Flexcut® Plasma Line for efficiently cutting metals, our Precision Power Laser ™ equipment that promotes a high-speed laser welding process and our mobile Velion® electric vehicle (EV) charging system. This investment yielded many new product applications in 2025.	
	We measure our innovation and commercial success through a Vitality Index score, calculated as the percentage of annual sales from new products (excluding custom solutions) launched within the last five years. In 2025, our Vitality Index reached 36% for total sales and 58% for equipment sales, maintaining our industry-leading position for innovation and demonstrating strong commercial success.	

OUR PEAKS	ALIGNMENT
Employee Development	We embrace cultural and thought diversity and support equal opportunity and hiring employees that represent a broad spectrum of cultural ethnicities. We also track and report gender representation at the leadership level and in our workforce, as it is an internal measure of success for our global workforce. In 2025, our voluntary turnover rate was 11% — an improvement of 27% when compared to 2024.
	We support career development opportunities by offering a tuition reimbursement program with a $5,250 annual student loan forgiveness option (U.S. only). In 2025, over 550 employees participated in either our tuition reimbursement program or student loan forgiveness program. Lincoln Electric also invests in initiatives and organizations, such as Women Who Weld®, to ensure women have access to the skilled trades.
	We continue to support local communities through philanthropy, led by grants, scholarships and a U.S. matching program provided by the Lincoln Electric Foundation, as well as in-kind gifts provided by Lincoln Electric businesses globally. Our Foundation giving themes focus on alleviating poverty and illness, promoting access to education with emphasis on STEM, and supporting health and human services.
Operational Excellence	We have transformed our safety culture and mindset and invested in new systems and processes to reduce injuries and improve employee well-being. Since 2018, we've achieved a 43% reduction in safety incidents, and we've set a new safety goal through our RISE strategy — an additional 34% reduction in our Total Recordable Case Rate by 2030.
	We continue to reduce our energy intensity, the total amount of energy consumed per labor hour worked. By the end of 2025, we reduced energy intensity by 4% versus our 2018 baseline through targeted energy efficiency initiatives. We're also redesigning our equipment and streamlining our processes to reduce energy consumption.
	Lincoln Electric set ambitious goals to reduce waste across our operations and targeted a recycling rate of 80% and a landfill avoidance rate of 97% by 2025. We came within 1% of each goal and have set a new waste goal through our RISE strategy.



About This Report

This report discusses Lincoln Electric Holdings, Inc.'s operations from January 1, 2025, through December 31, 2025, unless otherwise indicated. The report uses qualitative descriptions and quantitative metrics to describe our policies, programs, practices and performance. Note that many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. The information and opinions contained in this report are provided as of the date of this report and are subject to change without notice. Lincoln Electric does not undertake to update or revise any such statements.

In this report, we are not using the terms "material" and "materiality" as defined for the purposes of financial and SEC reporting in the United States or under federal or state securities laws, even including where we use it in connection with our materiality assessment. Instead, the terms refer to [environmental, social and governance issues that are of significant importance to our stakeholders and to the company. While this report describes events, including potential future events, that may be significant, any significance does not necessarily equate to the level of materiality of disclosures required under applicable law, including federal securities laws. This report covers our owned and operated businesses and does not address the performance or operations of our suppliers or contractors unless otherwise noted. All financial information is presented in U.S. dollars unless otherwise noted.

This report contains forward-looking statements relating to Lincoln Electric's operations that are based on management's current expectations, estimates and projections. See the adjacent "Cautionary Note Regarding Forward-Looking Statements". Therefore, the actual conduct of our activities, including the development, implementation or continuation of any program, policy or initiative discussed or forecasted in this report, may differ materially in the future. As with any projections or estimates, actual results or numbers may vary.

Cautionary Note Regarding Forward-Looking Statements

This report includes forward-looking statements, including statements relating to Lincoln Electric's sustainability, human capital, product development and other related strategies, policies, programs, commitments, estimates, expectations, projections, initiatives, targets, goals or prospects, within the meaning of federal securities laws. The use of words such as "aim," "anticipate," "believe," "commit," "ensure," "estimate," "expect," "goal," "intend," "mission," "plan," "seek," "strive" and "target" among others, generally identify forward-looking statements. These forward-looking statements are based on Lincoln Electric management's expectations and assumptions about future events as of the date of this report, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict.

Actual results (including, for the avoidance of doubt, our performance with respect to any sustainability, human capital, product development and other related strategies, policies, programs, commitments, expectations, projections, initiatives, targets, goals or prospects) could differ materially from those contained in these forward looking statements for a variety of reasons, including, among others, (i) technical and operating factors, (ii) assumptions not being realized, (iii) the outcome of current and future scientific research efforts and technological developments, (iv) evolving sustainability strategies and best practices and other factors set forth in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC and are subject to update by our future filings and submissions with the SEC.

Any forward-looking statement made by us in this report speaks only as of the date hereof. Other unknown or unpredictable factors that could also adversely affect Lincoln Electric's business, financial condition and operating results may arise from time to time.

We undertake no obligation to publicly update or to revise any forward looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.


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