



2024 Sustainability Report

Operating to a Higher Standard to Build a Better World



This report highlights the initiatives, goals and actions we have taken at Lincoln Electric to address sustainability in each of our four 2025 Higher Standard Strategy peaks. Through this strategy we aim to build value for our stakeholders and drive alignment with our operation, products and sustainability-related initiatives.

Our Guiding Principle: The Golden Rule

**Treat others as you would
like to be treated**

For 130 years, Lincoln Electric has achieved success through innovation and business practices that seek to align and generate superior value for all our stakeholders. Our long-term strategic initiatives and investments drive alignment by providing:

- Customers with market-leading solutions that are manufactured responsibly, operate safely and efficiently, and are supported by our superior technical application capabilities.
- Employees with an incentive and results-driven culture where engagement and professional growth and development is a priority.
- Suppliers with a shared commitment to responsible operations that are safe, compliant and efficient.
- Communities with a responsible and engaged partner who is focused on helping neighbors thrive.
- Shareholders with above-market returns.

Our Higher Standard 2025 Strategy



Our "Higher Standard 2025 Strategy" focuses on accelerating sales growth, profitability and earnings performance from 2020 to 2025 by putting customers' needs first, enhancing employee development and engagement, differentiating our business with innovative solutions and advancing operational excellence. Our 2025 Sustainability Strategy is integrated into four key strategic areas of the business, highlighted below.

Customer Focused

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

Employee Development

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

Solutions & Value

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

Operational Excellence

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.

Contents

CEO Letter	4
Sustainability Highlights	5
About Lincoln Electric	6
Board Oversight	12
Materiality Assessment	15
Code of Conduct	19

2025 STRATEGY PEAKS

Customer Focused 23

Technical Expertise for Custom Sustainability Solutions	24
Training and Education	28
Thought Leadership: Industry Involvement	31

Solutions & Value 33

Delivering Value Through Product Life Cycle Innovation	34
Vitality Index & New Products	36
Automation: Driving a Cleantech Future	41
Product Stewardship including Product Safety	43

Operational Excellence 44

Safety & Health	45
Greenhouse Gas Emissions & Energy Intensity	52
Recycling & Landfill Avoidance	56
Water Management	58

Employee Development 60

Seeking Success Through the Employee Life Cycle	61
Managing & Rewarding Performance	62
Employee Engagement	63
Developing Our People	65
Celebrating Our Global Culture	67

Corporate Philanthropy & The Lincoln Electric Foundation 68

Sustainability Performance Summary	70
SASB Content Index	71
TCFD Disclosure	73



REPORTING DISCLOSURE

Please see page 83 for our note regarding forward-looking statements and other notes regarding statements and definitions used within this document.

CEO Letter

Dear Stakeholders,

For 130 years, Lincoln Electric has been at the forefront of advancing metal fabrication technologies to improve the quality, safety and productivity of our customers' operations. As the global leader in arc welding solutions, we have a long-standing commitment to advance innovation and sustainability in our business and across manufacturing to help the industry build a better world.

I'm excited to report that in 2024, we progressed across nearly all sustainability metrics. Our achievements reinforce the effectiveness of the investments and programs underway to shape a more sustainable business and deliver a more positive impact to our customers and communities. This is our commitment in action.

This year's report highlights our continued focus on safety. We integrated Human and Organizational Performance (HOP) practices across our operations globally to build a more resilient and safer workplace. In 2024, our Total Recordable Case Rate (TRCR) continued to improve (38% lower than our 2018 baseline), advancing us closer to our 2025 strategy goal.

We have engineered sustainability into our solutions through greater energy efficiency, fume management, ergonomics, durability, operational

efficiency and automation. Now we are investing in life cycle assessment (LCA) ahead of the launch of a comprehensive LCA program next year. This program will help us better quantify the value creation of our efforts. We look forward to integrating life cycle thinking into our product roadmaps, which will also support customers' supply chain strategies.

Over the past year, we continued to make solid progress in our climate strategy due to ongoing investments in energy efficient systems and processes that reduce our carbon footprint. In 2024, we once again exceeded our 2025 strategic goal with an 18% reduction in Scope 1 and 2 GHG emissions versus our 2018 baseline. In addition, in 2024 our water withdrawal declined 5% versus the prior year and is 29% lower than our 2018 baseline.

All these achievements would not be possible without the focus and commitment of our employees, whose talents, expertise and hard work continue to drive operational excellence, innovation and teamwork across the company.

We're proud that our efforts have not gone unnoticed. For the seventh time, Lincoln Electric was named by Ethisphere® as One of the World's Most Ethical Companies. We also were recognized by *Newsweek* as one of the World's Most Trustworthy Companies and as one of America's Most Responsible Companies. Additionally, we were listed in USA Today's America's

Climate Leaders ranking, in TIME's America's Best Mid-Sized Companies ranking and in the Wall Street Journal/Drucker Institute's Top 250 Best Managed Companies.

We're on a journey and remain committed to improving our sustainability performance. Our teams are moving forward, learning as we go, and getting better every day. We believe that by winning together with our stakeholders, we can create a more sustainable future for all.

Thank you for your continued support and partnership.

Sincerely,



Steve Hedlund



Sustainability Highlights

In 2024, we continued to expand our holistic view of how sustainable decision making guides our products, operations and business processes. Efforts included launching our first double materiality assessment, conducting an in-depth analysis of Scope 3 emissions and expanding life cycle thinking for our products.



Deployed the **Human and Organizational Performance (HOP)** safety philosophy at several facilities



Launched **Life Cycle Assessment (LCA)** for select consumable products

Safety¹

On Track



38% 2024 vs 2018 baseline
52% 2025 goal

¹ Reduction in Total Recordable Case Rate (TRCR)

Energy Intensity²

Focus Needed



10% 2024 vs 2018 baseline
16% 2025 goal

² Reduction in energy intensity (calculated as total energy consumption/total labor hours worked)

Landfill Avoidance

On Track



95.6% in 2024
97% 2025 goal

GHG Emissions³

Goal Met



18% 2024 vs 2018 baseline
10% 2025 goal

³ Reduction in Scope 1 and 2 GHG emissions

Recycling

On Track



78.4% in 2024
80% 2025 goal

Water Withdrawal

Goal Met



29% 2024 vs 2018 baseline
14% 2025 goal

Accolades

Ethisphere:
One of the World's Most Ethical Companies – 2024 (7-Time Honoree)

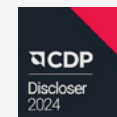
USA Today:
America's Climate Leaders 2024

Newsweek:
World's Most Trustworthy Companies 2024

TIME:
America's Best Mid-Size Companies 2024

**Wall Street Journal /
Drucker Institute:**
A Top 250 Best Managed Company 2024

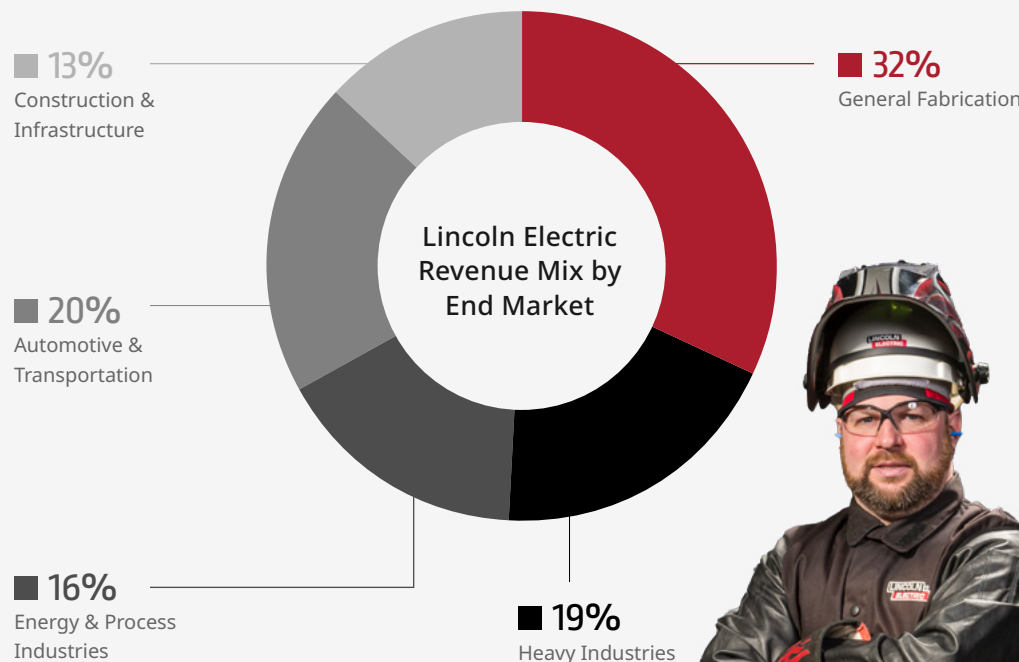
Partnering Organizations:



About Lincoln Electric

At Lincoln Electric, we operate to a higher standard to build a better world. We are the world leader in the design, development and manufacture of arc welding products, automated joining, assembly and cutting systems, as well as plasma and oxyfuel cutting equipment. We are also viewed as a global leader in brazing and soldering alloys.

Recognized as The Welding Experts™, we advance customers' fabrication capabilities through our leading material science, software development, automation engineering and application expertise. We leverage these strengths, our global presence and a broad distribution network to serve customers across end markets including:



General Fabrication

General manufacturing, job shops, wholesalers and resellers, etc.



Heavy Industries

Agriculture, mining, construction, rail equipment and shipbuilding



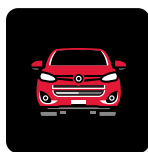
Construction & Infrastructure

Steel construction and infrastructure (commercial buildings and bridges)



Energy & Process Industries

Oil and gas, power generation (including renewables), and process industries



Automotive & Transportation

Light vehicle, heavy duty truck, aerospace and charge point operators



Our Operations

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

**71**Manufacturing
Locations**20**

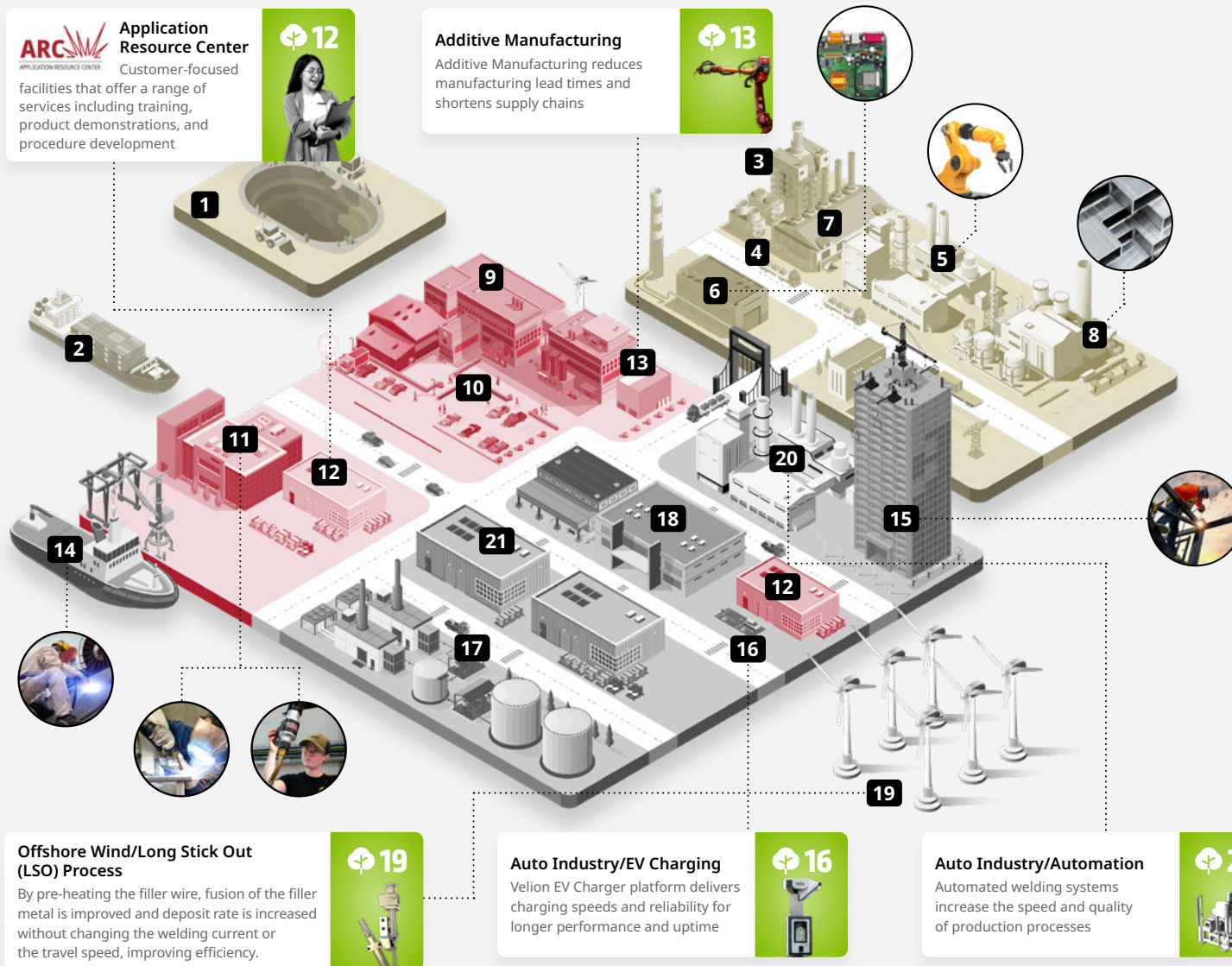
Countries

**\$4.0B**Sales During
FY 2024**76%**ISO 14001 Certified
Manufacturing
Sites

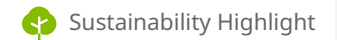
Locations

- Manufacturing
- Tech Center
- Sales

Snapshot: Sustainability Throughout Our Products and Operations



LEGEND



Upstream Suppliers

- 1 Mine/chemical producer
- 2 Logistics company
- 3 Steel refinery
- 4 Freight transport company
- 5 Robot supplier
- 6 Electronic components supplier
- 7 Engine supplier
- 8 Metal & alloy suppliers

Our Operations

- 9 Lincoln Electric factory
- 10 Employees
- 11 Welding Technology & Training Center
- 12 ARC locations
- 13 Additive Manufacturing

Downstream Customers

- 14 Heavy Industries/ Shipbuilding
- 15 Construction
- 16 Auto Industry (EV Charging)
- 17 Energy Industry
- 18 Retailers
- 19 Offshore wind generation (LSO)
- 20 Auto Industry (Automation)
- 21 General fabrication

2025 Higher Standard Strategy

Initiatives

- ▶ Utilizing Application Resource Centers (ARC) to educate members of the wind tower industry and resolve their challenges
- ▶ Continue to expand educational offerings through our Welding Technology & Training Center (WTTC)

Initiatives

- ▶ Strengthen global talent acquisition organization and processes



Customer Focused

Our industry leadership position reflects our “customer first” approach. We capitalize on both the art and science of welding, cutting and brazing to help customers solve their most complex problems.

Solutions & Value



We have a track record of developing innovative solutions that have a measurable impact on end-user efficiency and workforce Development.



Employee Development

Our employees are our number one asset, and the professional training and career planning services we provide help maximize employee potential and engagement.

Operational Excellence



Operating smartly and responsibly is not only an obligation but a key competitive advantage.



Initiatives

- ▶ Grow automation offerings through business acquisitions
- ▶ Expand introduction of EV chargers
- ▶ Commitment to product research and development

Initiatives

- ▶ Drive risk-based operational and capital plans for safety
- ▶ Evolve engagement and leadership model for safety
- ▶ Execute 2025 goals for reduction in emissions, energy intensity, waste and water withdrawal

United Nations SDGs

We align our sustainability initiatives with the UN Sustainable Development Goals as part of our 2025 Higher Standard Strategy. The table below shows how our efforts support these global objectives. As we progress toward our 2025 goals, we are refining our strategies to maximize positive contributions to these global sustainability objectives while staying focused on operational excellence and innovation.



OUR GOALS	TARGETS	PROGRESS	UN SDG
 Customer Focused	Invest in our network of 40 international Application Resource Center (ARC™) locations , which provide an interactive educational and collaborative space to showcase Lincoln Electric's unique solutions and application expertise to help customers drive greater operational excellence in their fabrication processes.	We successfully maintained our network of 40 locations globally, with multiple sites upgraded with new demonstration equipment.	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
 Solutions & Value	Invest in new solutions and engineering expertise to support the infrastructure and energy end markets – like our Elevate™ SLi Battery Powered Welder for use when away from traditional energy sources, our Flex Lase™ handheld laser welding solution and our Velion™ EV charging systems.	Our investment in infrastructure and energy market solutions yielded many new product applications in 2024.	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
	Maintain a leading new product Vitality Index score , which is a measure of our innovation and commercial success – calculated as the percentage of annual sales from new products (excluding custom solutions) launched within the last five years.	In 2024, our Vitality Index reached 36% for total sales and 50% for equipment sales , maintaining our industry-leading position for innovation and demonstrating strong commercial success.	

OUR GOALS	TARGETS	PROGRESS	UN SDG
 Employee Development & Engagement	Lincoln Electric's workforce is a global mosaic with many cultures, subcultures, religions, lifestyles and languages. Embrace cultural and thought diversity by enhancing our Talent Development strategy.	In 2024, voluntary turnover was 15.3%.	
	Introduce career development opportunities by offering an industry-leading tuition reimbursement program with a \$5,250 annual student loan forgiveness option (U.S. only).	In 2024, over 500 employees participated in either our tuition reimbursement program or student loan forgiveness program.	
	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.	The Lincoln Electric Foundation provided \$1.6M in grants in 2024, with approximately 50% supporting programs for economically challenged and under-served citizens.	
 Operational Excellence	Prioritize the health and safety of our workforce and communities by reaching a 52% reduction in safety incidents by 2025 (vs. 2018 baseline).	Through 2024, we've achieved a 38% reduction in safety incidents compared to our 2018 baseline.	
	Reduce our energy intensity – the total amount of energy consumed per labor hour worked – by 16% by 2025 (vs. 2018 baseline).	By end of 2024, we reduced energy intensity by 10% versus our 2018 baseline through targeted energy efficiency initiatives.	
	Making significant waste reductions across our operations and achieve a recycling rate of 80% and a landfill avoidance rate of 97% by 2025.	By end of 2024 our recycling rate was 78.4% and landfill avoidance was 95.6%.	

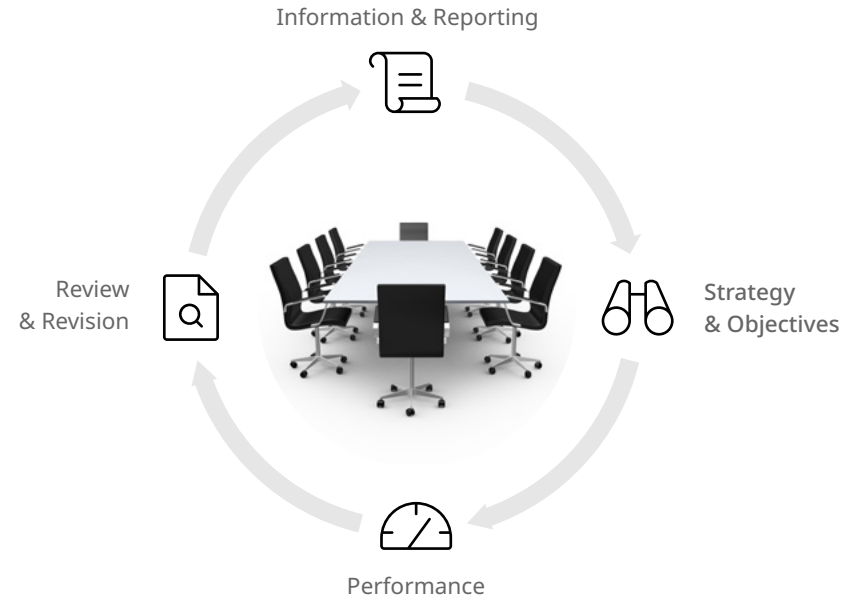
Board Oversight

Our Board of Directors recognizes the importance of aligning our goals, including those related to sustainability, with the interests of our key stakeholders. The Board's oversight responsibility for Environmental, Social and Governance (ESG) matters is reflected in our Governance Guidelines and includes reviewing progress toward our long-term safety and sustainability metrics and initiatives. Safety and sustainability goals are also incorporated into the annual performance goals of the CEO and other executives.

Our robust enterprise risk management (ERM) program includes aspects of sustainability and ESG. Our ERM process assesses critical risks, and the Board provides oversight as management addresses these risks. An internal corporate risk committee, composed of members of our business units and various functional leaders, is led by our Vice President of Enterprise Risk Management. Sustainability, human capital and cybersecurity are among the issues currently considered high priority. The Board or one or more of its committees receives regular updates on these issues.

Board Oversight of Sustainability Matters

Our sustainability programs include a range of initiatives around corporate responsibility, safety and environmental performance, and human capital topics, which reflects our Board's recognition of the importance of achieving our goals responsibly and aligning with our key stakeholders to drive long-term value creation. Issues that we focus on include workplace health and safety, reduction of the impact of our operational footprint through reduced emissions, lower energy intensity, conservation of natural resources, human capital management, workplace culture, employee development and engagement,



Governance & Performance Framework

Meet our Company Offices and Board Committee as well as access critical governance documents.

corporate governance, business ethics and compliance, cybersecurity and strong community partnerships.

Our company has clear responsibilities and a robust governance structure related to sustainability matters. The Board's oversight responsibility for sustainability is reflected in our Governance Guidelines. Additionally, sustainability metrics are incorporated into the annual individual goals of our CEO and other executives.

Board Oversight Responsibility

The Board has broad oversight responsibility for sustainability matters.

The Board receives a formal annual update on corporate governance matters, including Sustainability developments and pending considerations.

The Board reviews sustainability initiatives and progress made towards our long-term safety and sustainability metrics.

Nominating & Corporate Governance Committee

Oversees corporate governance matters, monitoring new issues, regulatory changes and trends in corporate governance, environmental and social responsibility matters.

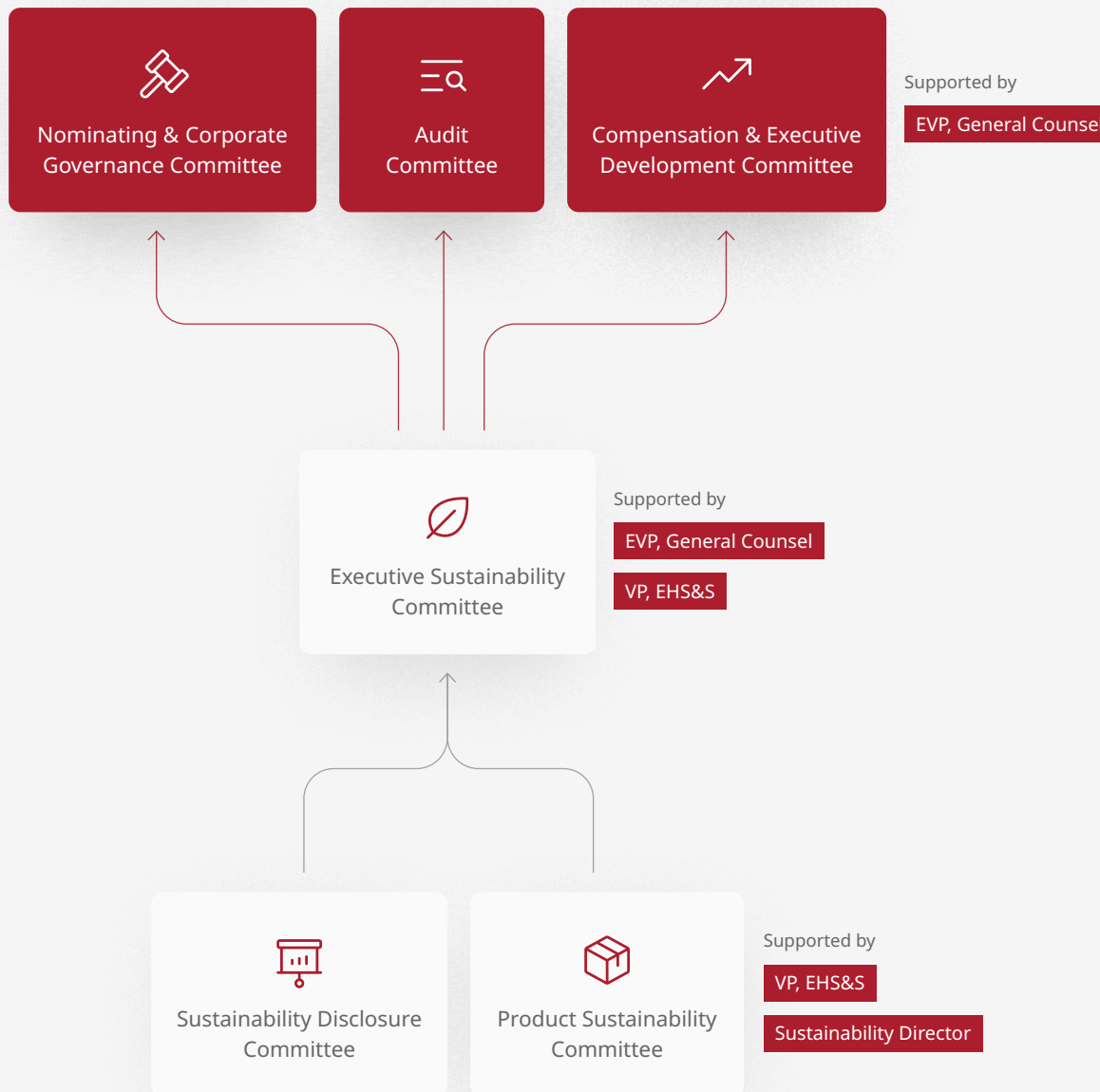
Audit Committee

Oversees our ethics and compliance programs and cybersecurity and reviews our ERM policies and processes.

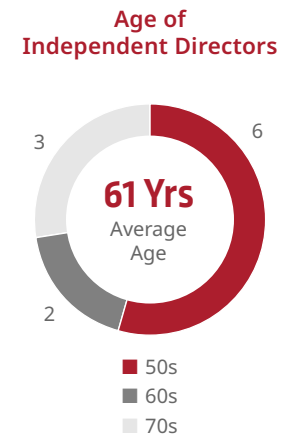
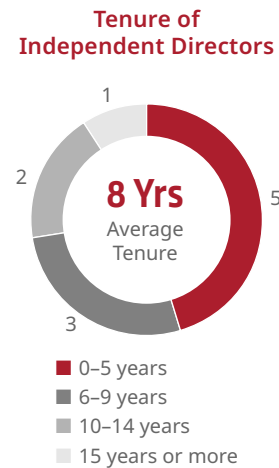
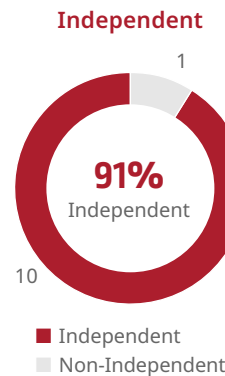
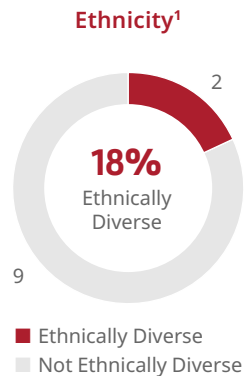
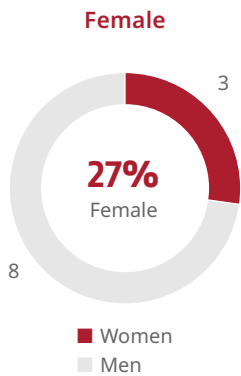
Compensation & Executive Development Committee

Oversees the implementation and effectiveness of the company's human capital policies and practices, and reviews initiatives and strategies related to employee recruitment, promotion, retention and attrition, employee engagement and workplace culture.

Board of Directors



Composition of Directors



¹ Lincoln Electric's definition of 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 filing

Lincoln Electric leverages its cross-functional governance structure to ensure sustainability topics are considered through a variety of impact, financial and social lenses. The Board's oversight responsibility for Sustainability matters is reflected in our Governance Guidelines. Our Executive Vice President, General Counsel (GC) oversees corporate Environment, Health, Safety and Sustainability (EHS&S) initiatives and global reporting, as well as

an Executive Sustainability Committee. The GC also works closely with our Vice President of EHS&S, business unit leadership and local facilities to implement, monitor and measure our EHS&S results. EHS&S oversees an internal Product Sustainability Committee that was established in 2020 with a primary focus on enhancing product stewardship and developing sustainable product solutions. EHS&S also oversees a multi-disciplinary Sustainability

Disclosure Committee. Lincoln Electric's governance structure is designed to incorporate both leadership and subject matter experts across business functions to ensure our sustainability strategies are credible, consistent, relevant and meaningful. In addition, interconnections are considered during our annual ERM review and in our review of Scenario Analysis results reported in accordance with TCFD (Task Force for Climate-Related Financial Disclosure).

Materiality Assessment

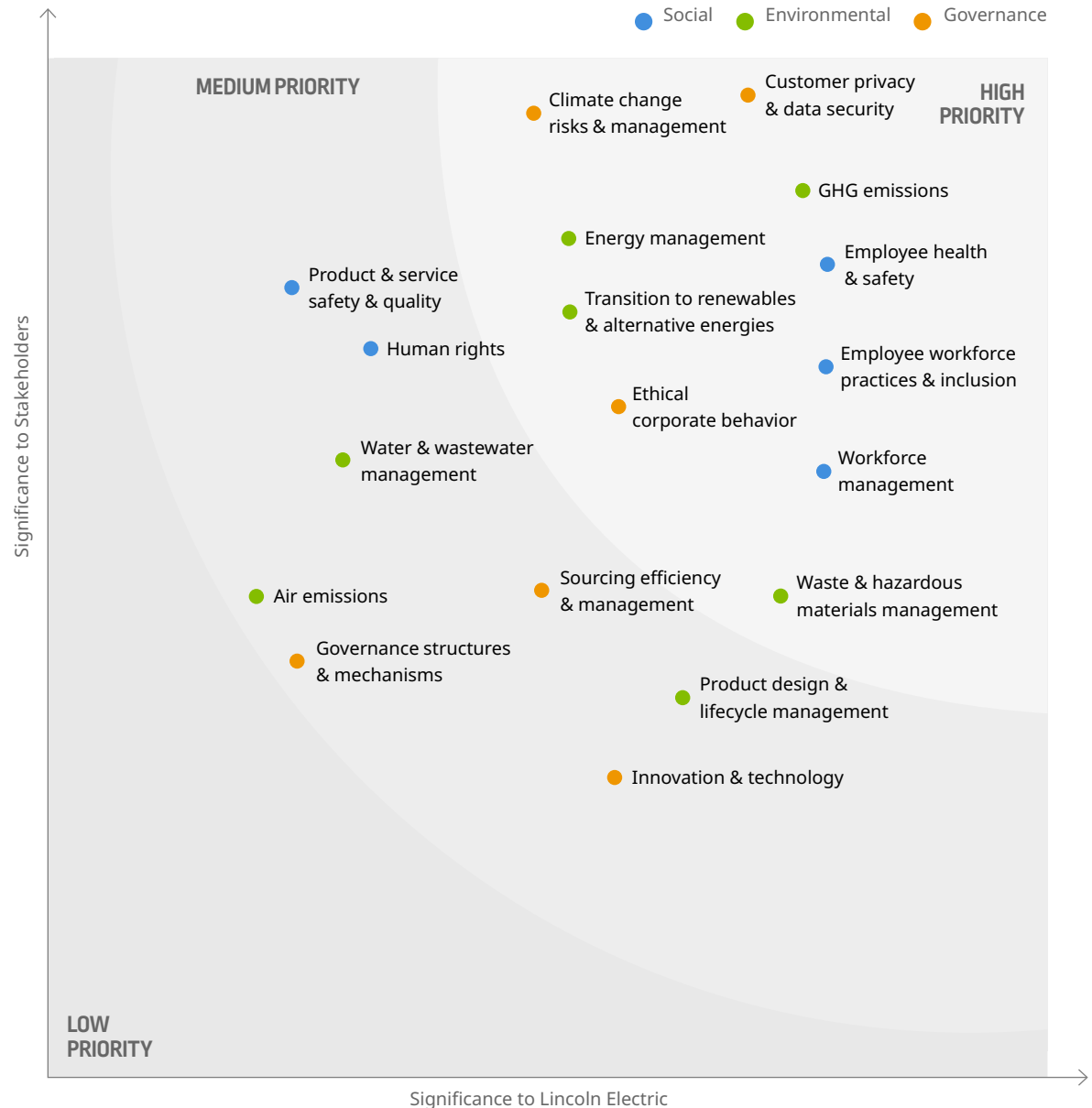
An impact materiality assessment, conducted in 2023, has helped inform our business strategy and operations, guide our disclosure, and identify stakeholder priorities to enhance our engagement.

The process enabled us to identify known, new or emerging issues that may impact our company, and the potential impact our business and operations may have on the environment and society. The outcome of the assessment serves as the foundation of our Sustainability governance and disclosure strategy. It also enabled us to advance internal collaboration and leadership knowledge.

In 2024, we began a double materiality assessment in preparation for European Corporate Sustainability Reporting Directive (CSRD) requirements. This assessment aligned with the results of the 2023 impact assessment illustrated to the right.

→ Related Material

Our TCFD study, based on Scenario Analysis is presented in page 73

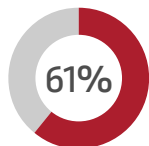


Top-Rated Topics and Issues

MATERIAL TOPIC	DESCRIPTION	REFERENCE
Climate Risks & Management	The physical and transition impacts, risks and opportunities presented by climate change and the transition to a low-carbon economy, as well as governance systems to manage climate-related risks and opportunities.	GHG p. 52 TCFD pp. 73-82
Employee Health/ Safety	A company's safety performance and the mechanisms in place to maintain a safe and healthy workplace environment. It captures protocols, training, work arrangements and the physical and mental working conditions to which employees are exposed.	Safety p. 45
Transition to Renewables	The transition from a predominantly fossil-based energy production system and consumption to renewable and alternative energy sources, including policies, goals, accounting instruments and technologies that facilitate that transition.	ARCs p. 24
Customer Privacy/ Data Security	The aspect of information technology that deals with the protection of private corporate information, critical information systems and networks from security breaches.	IT Security p. 22
Ethical Corporate Behavior	The moral code of conduct and guiding principles to the strategic and operational management of a business. It captures the management of risks and opportunities associated with ethical considerations, lawful behavior and compliance practice.	Code of Conduct p. 19
Waste & Haz. Materials Management	The gaseous, liquid and solid substances used or disposed of in business operations or present in products may threaten human health or the environment. Captures the generation, treatment, recovery, recycling and reduction of hazardous and non-hazardous waste.	Waste p. 56
GHG Emissions	Greenhouse gas emissions that an organization generates from activities under its control (Scope 1), from the energy it uses and purchases (Scope 2), and from business-related activities that are created from sources outside its ownership and control (Scope 3). It further captures disclosures on GHG emissions reductions and efficiencies, as well as smarter and eco-friendly transportation systems, infrastructure planning, and logistics management.	GHG p. 52
Energy Management	The company's management of its energy consumption, production, and recovery.	Energy p. 52
Workforce Management	The process of ensuring the workforce is functioning at its most productive levels and copes with organizational changes. It captures employee recruitment, retention and development practices.	Employee Development pp. 60-69
Employee Workforce Practices & Inclusion	The processes and mechanisms a company has in place to ensure equal opportunities and treatment for all employees.	Employee Development pp. 60-69

Materiality Assessment Inputs

Shareholder Engagement



In 2024, we engaged with shareholders representing over 61% of Lincoln Electric's outstanding shares.

We seek constructive discussions with shareholders and maintain an active investor relations program to nurture long-term relationships with the investment community. During 2024, we met with 180 investment firms, which included shareholders representing over 61% of our outstanding common shares and over 105 prospective firms. As part of our investor outreach, we engaged in a perception study to gauge awareness and alignment with our Higher Standard 2025 Strategy, and we invited stewardship teams from shareholders representing over 50% of outstanding common shares to discuss sustainability matters.



Our Investor Relations program also includes:

- Participation at investor conferences
- 1:1 and group meetings and tours hosted at our facilities
- An accessible "open door" IR program throughout the year
- Tradeshow tours
- Perception studies

As part of our shareholder engagement, we provide broad access to company representatives beyond our Chair and CEO, CFO, and IRO, including our Lead Independent Director, General Counsel and Secretary, members of our executive leadership team, our Vice President of Environment, Health, Safety & 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 discussed in 2024 included:

Governance

- Board composition
- Board risk oversight
- Expanded sustainability governance

Environmental & Social

- Human capital including safety performance, staffing levels and engagement
- Reporting frameworks

Cleantech

- Automation strategy
- Development of a DC fast charger for electric vehicles





The discussions yielded supportive feedback on the design and execution of our 2025 Strategy, our Board composition and practices, as well as advancements made in our sustainability disclosures and performance against goals. We also received positive feedback on these sustainability matters:

- The alignment of our strategic plan with our sustainability goals, compensation and risk management program.
- Expanded Board oversight and governance structure to advance sustainability initiatives and regulatory disclosures.
- The expansion of our reporting frameworks, which now include SASB and TCFD indices, a materiality assessment and enhanced Carbon Disclosure Project (CDP) submissions.

The Board values an active investor relations program as it believes that 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.

Global Workforce & Employee Engagement

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

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 (see our value chain graphic on page 8), 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 40 Application Resource Center locations, industry trade shows, surveys, seminars, and various media and social media channels.

Annual Supplier Awards

We presented annual awards to four suppliers – showcasing which suppliers are currently demonstrating the qualities we value in our supply chain including risk management and innovation.



Supplier Engagement

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

Code of Conduct

Compliance is mandatory. We also expect our representatives, agents, suppliers and consultants to uphold the standards in our Code of Conduct. Our Code of Conduct is available in 15 languages.

Our Director of Compliance reports to our General Counsel and manages our ethics and compliance program, supports our business leaders on compliance matters and oversees compliance training initiatives. They also lead our internal Compliance Committee, composed of executive leaders from various functions (Legal, Finance, Human Resources, etc.), and help ensure that compliance objectives are met. The Audit Committee of our Board of Directors receives updates on our compliance program and initiatives at each meeting and reviews the compliance program overall annually.

As part of our compliance program, we require mandatory training on our Code of Conduct on an annual basis. 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. Lincoln Electric is non-partisan and does not generally contribute corporate funds for political candidates or committees and does not have an employee PAC program, but we do participate in trade associations. From time to time, and in accordance with applicable laws, the Company engages with government, regulatory or other public officials to advocate for positions that are relevant and impactful to our business.

It is our policy to be a good corporate citizen. 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.



We require **mandatory training** on our Code of Conduct on an annual basis

100%

of our salaried employees completed required online compliance training courses

3,500

global employees attended live training sessions on various topics

100%

of hotline cases were reviewed and closed within an average of 43 days

Common topics include:



Anti-Corruption



Trade Compliance



Human Rights



Anti-Harassment



Fair Competition



Insider Trading



Conflicts of Interest



Intellectual Property and Proprietary Information



Keeping Accurate Books and Records



Our Code of Conduct in Action

(15 languages)

Our Code of Conduct is an important resource that defines our values in action and how we conduct our business as a leader in corporate ethics and integrity.

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 to report potential misconduct and raise 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.

In 2024, 100% of hotline cases were reviewed and closed within an average of 43 days, with 56% of the case reporters being named individuals disclosing their identity, which demonstrates trust in the company’s 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 speaking up, identify high risk areas, and make improvements to training, processes and resources.



2024 Ethics & Compliance Awards

At Lincoln Electric, our culture has been shaped by integrity, ethics and a commitment to abide by the Golden Rule. We continue to recognize individuals who have demonstrated tremendous ethics and compliance leadership by:

- Serving as a role model 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 2024 winners were:
 - **Director of Finance and Business Development; International Automation**
 - **Manager, Plant Engineering; Euclid, Ohio USA**
 - **Operations Manager; Columbus, Ohio Automation USA**

Human Rights & Modern Slavery

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 (UNGPR)
- 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 maintain rigorous ethics and compliance programs, to adhere to applicable laws and regulations, and to act responsibly and ensure that no illegal conditions exist in their supply chains. Our Supplier Code of Conduct outlines our expectations in the following areas:

- Human rights and labor standards
- Health, safety and the environment
- Ethics

In 2024, Lincoln Electric continued moving to a centralized Global Procurement Organization to drive efficiency, consistency and agility.

We also introduced BuyLinc, an initiative to help the company take advantage of our buying power around the world and create a process of increased efficiency in "indirect" purchasing of goods. New suppliers and those updating their information through BuyLinc are required to accept or not accept Lincoln Electric's Supplier Code of Conduct. If the supplier does not accept the policy, then they must enter a reason why and upload their own code of conduct, if applicable. If the supplier believes that they will violate our Code of Conduct, a Lincoln Electric compliance representative must review and help determine next steps for that supplier.

We are committed to taking internal actions to leverage a responsible supply chain and ensure compliance with federal laws and regulations requiring disclosure of the use of Conflict Minerals. Our cross-functional Conflict Minerals team – with oversight from the VP, Environment Health, Safety and Sustainability – manages our Conflict Minerals Policy and related due diligence procedures globally.



New and renewed supplier contracts include a provision which requires suppliers to implement identification procedures and mitigate the risk of purchasing Conflict Minerals sourced from the Democratic Republic of Congo (DRC) or its surrounding areas.

Additionally, we strive to support a supplier base that reflects the global mosaic of our employees, communities and customers worldwide. We work with many small and varied suppliers to leverage the unique value and perspectives they lend to our shared success.

Data Privacy & 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.



Our Data Privacy Policy

We inform employees of certain rights they have regarding Personal Data and how that Personal Data may be processed and used by Lincoln Electric.

Highlights of our Global Cyber & Information Security Program

GOVERNANCE

We have a robust governance framework in place, comprised 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.

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.

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.

SECURITY AWARENESS AND EDUCATION

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

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.

VULNERABILITY MANAGEMENT

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

ARTIFICIAL INTELLIGENCE

We have launched a robust Artificial Intelligence (AI)

governance framework, comprised of an 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, aligned with our values.

THIRD-PARTY RISK MANAGEMENT

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

MANAGED SECURITY SERVICE PROVIDERS

We engage third-party services to provide security event incident management services through enterprise-class Security Incident and Event Management (SIEM) tooling, as well as threat detection/ intelligence and incident response capabilities

Customer Focused

At the heart of Lincoln Electric's customer-focused approach are three principles that guide our efforts to optimize the sustainability profiles for our customers:

- 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 facilities 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.

What We Did

- Hosted 40 wind industry professionals in Germany where insights, developments and future trends were discussed by Lincoln Electric's partners and customers to enhance innovation.
- Breakthroughs in additive manufacturing helped position it as a major innovation for offshore wind foundations and other industries.
- Trained thousands of students through our LEEPS (Lincoln Electric Education Partner Schools) program to support the next generation of welders.
- Consumables R&D helped create a new American Welding Society classification for low silicon welding wires.

What We Learned

- Addressing shortages of labor in the skilled trades, especially welding and fabrication, requires an approach that marries technology innovation and pipeline development that begins during intermediate education.
- Application Resource Centers (ARC)TM can drive collaboration on like problems across multiple regions.
- Facilitating dialogues with our customers, industry experts, and other stakeholders leads to more effective solutions.
- Solutions leading to enhanced customer efficiency and/or lower resource use helps our customers meet their own sustainability goals.

Where We're Going

- Continue to deliver technical expertise to the end markets through our Application Resource Centers (ARC), where we can provide hands-on support and tailored solutions for our customers.
- Provide thought leadership and forums for collaboration for professionals from industries, e.g. the wind/energy segments, that intersect with Lincoln's core technologies or expertise.
- Leverage the Welding Technology & Technology Center to invest in innovative training pathways for welding education and community development.
- Actively participate in the standard setting organizations that establish safe guidelines for the welding, cutting, brazing, robotics and automation sectors.





Our Framework



Technical expertise:

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



Training & education:

Specialized ARC training and education 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

Lincoln Electric's commercial sales team (engineers and trained technical experts) are typically the first point of contact. They bring the most effective, solution to meet the customer's need, whether it's a custom solution or existing technology. Customers also have access to industry segment experts for answers about innovative and efficient use of Lincoln Electric's technology in oil, wind and other specific industries. With their pulse on the industry, these experts also can provide insight on global best practices within each segment.

Our technical experts work with customers to not only meet the required technical specifications, but also to improve sustainability through maximizing energy efficiency and productivity and minimizing cost and waste (e.g. reducing welding material usage).

Application Resource Centers (ARC)

The activity center of our customer relationship is the ARC. Our 40 global ARC locations ensure we are aligned with the evolving technology and fabrication needs of each end market we serve. The 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.



Renewable Energy: Offshore Wind

EDUCATION

In 2024, 40 industry professionals from the wind industry came together for Lincoln Electric's Wind Seminar, held in our ARC in Germany. Through a series of presentations, Lincoln Electric's partners and customers provided wind industry insights, including recent developments and future trends.

In addition to 11 presentations, attendees toured our Flux Plant to see the latest technology in action and gain a better understanding of the manufacturing process.

Participants also were able to connect with other professionals in the industry and share their experiences and knowledge during a networking event. Post-event feedback showed this opportunity was highly valued by the attendees, as it allowed them to build new relationships and strengthen existing ones in this highly specialized industry.

INNOVATION

We continue to work on and adapt one of our most unique capabilities, namely the production of structural nodes for jacket foundations via the process of additive manufacturing. Jacket foundations are made up of very large tubular connections – highly complex and critical parts of an offshore wind tower foundation that require significant project hours to produce. This foundation is subject to various dynamic structural and environmental loads, both from the turbine components above and the ocean currents surrounding the structure. Constructing the foundation currently requires hundreds of tubular pipe-to-pipe connections (called nodes), which can only be completed by the most exceptionally skilled welders.



Lincoln Electric recently was granted a U.S. Patent for our idea to produce these critical connections using additive printing. Additive printing allows for geometric orientation and internal design features not possible with traditional pipe-to-pipe connections. In our engineered model designs, we reduced the number of pieces and welds required significantly compared to the conventional means of producing the same foundation.

While work continues to attain full-scale industrialization, when commercialized, this will be a game changer for the entire production landscape for offshore wind foundations and other similar industries. This innovation demonstrates how Lincoln Electric's advanced welding and additive printing expertise can produce breakthrough solutions across the energy transition landscape – now and in the future. Developing technologies like this helps our

industry address challenges caused by the retirement of skilled welders and limitations in advanced process developments.

Benefits of additive manufacturing include improving safety, enhancing the speed of manufacturing and increasing the quality of production for new offshore wind turbines. Automation processes, like additive, not only help capture welding fumes at the source, they also can potentially reduce the entire carbon footprint of steel used in a traditional all-welded component foundation. Designers are working to optimize the connections using additive manufacturing with the goal to increase the life span of the new installed capacity, which will result in a better financial return for the overall project.

Automotive Industry

Lincoln Electric supports both OEMs and Tier suppliers across the automotive manufacturing industry, including the rapidly evolving battery electric vehicle (BEV) segment. Our solutions drive measurable benefits – from improved energy efficiency and increased production speeds to enhanced part quality and streamlined processes. Our wide range of product lines and technical expertise are typically delivered through our Application Resource Centers (ARC), where we can provide hands-on support and tailored solutions for our customers.

Examples of contributions along the automotive value chain include:

- **Component Manufacturing:** We work directly with OEM and Tier component manufacturers to enhance their processes through our most energy-efficient welding machines and consumables, process enhancements to increase efficiency (including robotic enhancements) and consultation.
- **Tooling, Machining and Prototyping:** Our capabilities in this space – particularly through our automation businesses and Baker Industries division – range from precision jigs and fixtures to work platforms, molds, dies and large-

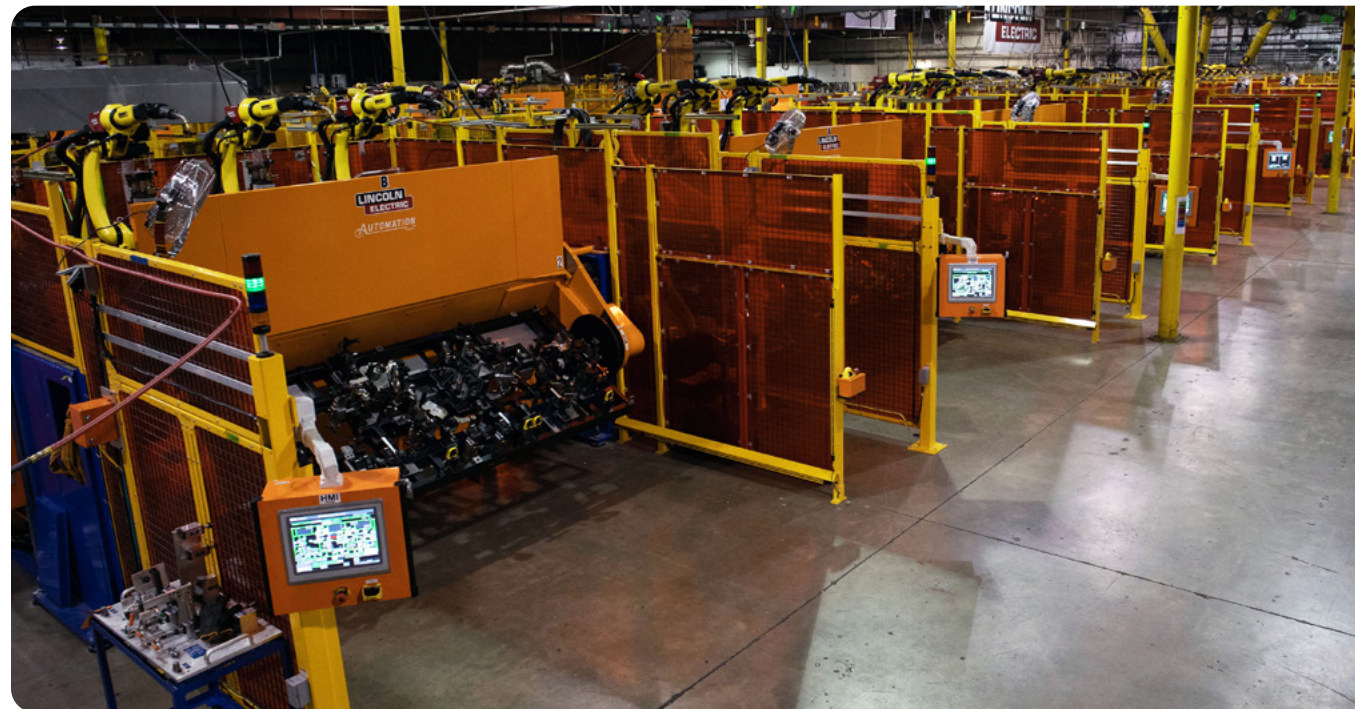
The automotive sector is focused on the sustainability performance of its supply chain and we work tirelessly to meet and exceed their requirements. Our efforts in ISO certification, automation and Life Cycle Assessment helps set us apart from others in our field and show our commitment to be an active partner in helping our automotive customers meet their sustainability goals.

scale weldments, supporting a wide variety of manufacturing needs. To further accelerate innovation and development, we operate the Automotive Prototype Center in Macomb, Michigan, which plays a critical role in supporting the evolving demands of the automotive industry.

- **Joining Processes:** The heart of our expertise is joining metal and providing industry leading machines, consumables and methods to accomplish this task. We focus on energy efficiency, scrap minimization, quality (to avoid waste and rework), speed and worker education (improving skills and operating safely). We provide the consumables needed for different alloys of steel, aluminum and others. Our consumables and processes are designed to provide engineered

solutions to meet our customers' challenges. We continue to innovate the welding processes through new technologies and methods of welding such as Precision Power Laser.

- **Automation:** Our automation solutions across the automotive industry include large line and cellular integration, body assembly systems, body-in-white and frame lines and conveyor systems. Our capabilities extend to spotMeld and spinMeld® friction welding, casting and part assembly automation, laser cutting and welding, as well as advanced inspection systems. These integrated technologies are designed to improve efficiency, precision and scalability throughout the manufacturing process.





Aerospace Industry

Lincoln Electric specializes in the design, build and integration of custom, high capacity, automated guided vehicles (AGVs) for many industries, including the aerospace, defense and space industries. Our AGVs provide automated material handling and assembly of aircraft components. We work directly with the OEM or Tier 1 tooling suppliers to develop an AGV that fits within the tooling footprint and production requirements of a project. Our AGVs have been used for a variety of aerospace applications including cockpit, fuselage, spar, panel, stringer, center wing box and wing assembly.

An effective AGV system needs robust safety measures and effective Vehicle Management systems (VMS). The VMS is required to schedule traffic, ensure safe process flow and integrate with other automated systems in the facility.

Industry Benefits:

The Aerospace Industry continues its focus on sustainability. Modern aircraft are designed with concerns regarding size (the ability to carry more cargo per flight), lightweighting (reducing fuel use), engine/fuel efficiency and overall safety.

AGV Safety Benefits:

- Safety scanners and bumpers
- Onboard safety programmable limit controller (PLC)
- Uniquely designed operator interface
- VMS capability to communicate with other plant production systems
- Reduced number of crane lifts/suspended load movements required

Training and Education

Throughout much of our history, Lincoln Electric has 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 2024, thousand of students across the U.S. attended a training class either through the Welding Technology and Training Center, LEEPS Program or Automation.

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.

Over \$1.75 million

in annual support for student organizations such as WorldSkills, SkillsUSA and FFA.

We 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 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.

Welding Technology & Training Center (WTTC)

The Lincoln Electric Welding Technology and Training Center (WTTC) is a 130,000-sq.-ft., 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
- 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 up through the latest in advanced manufacturing technologies.



Through the Lincoln Electric Education Partner Schools (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.

Lincoln Electric and the National Coalition of Certification Centers (NC3) joined forces to provide the curriculum and learning management resources necessary for benchmarking and standardizing welding performance.



WTTC Partnerships

Skilled Trades

Lincoln Electric supports 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 level 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.

Lincoln Electric has 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)

Welding Education

The WTTC also 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 help 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 (IIW)
- 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)

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

Nonprofit Organizations

Investing in nonprofit organizations helps build partnerships for Lincoln Electric and allows entry into markets globally through educational opportunities. The following are examples of organizations we engage with across the globe.



TRAINING WITH INDUSTRY PARTNER

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 twelve months to advance their arc welding and cutting skills and position them as instructors in welding processes and procedures. The TWI experience 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.



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.



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

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 60 years, we have partnered with FFA 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 seven million American youth. Programs are found in rural and urban areas throughout the U.S. and around the world.



worldskills

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/regions.

CITY OF REFUGE (ATLANTA)

City of Refuge was founded in 1997 with the mission to transform the lives of individuals and communities in Atlanta and beyond. The organization is a leader in social transformation and works to empower and equip individuals with the tools to succeed.

Lincoln Electric is working with City of Refuge and others to develop a welding program and source key equipment, including welders, VR, consumables and masks. The team will establish a classroom and training space for the program on City of Refuge's campus.

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.

NATIONAL SKILL DEVELOPMENT CORPORATION

In India, we have installed two welding laboratories at the National Skill Development Corporation schools, and an additional four are underway.

Thought Leadership: Industry Involvement

Throughout our history, Lincoln Electric has been a thought leader in the formulation of industry regulations and standards designed to move the welding industry forward. Our vertical industry experts regularly share data and knowledge to trade associations and standard-setting bodies as they develop standards, codes and welding guidelines designed to help the entire industry improve safety, performance, productivity, cost reduction and sustainability.



2024 International Institute of Welding Thomas Medal winner Teresa Melfi

IIW rewards an individual who has been involved in IIW/ISO international standards activities and can deliver a lecture on the incorporation of global studies into the standardization for welding technologies.

A Technical Fellow with Lincoln Electric, Teresa Melfi has been involved in the welding industry for more than 30 years, with roles in the manufacture, design and application of welding machines, consumables and processes. She supports the global welding and additive manufacturing communities through involvement in standards bodies, industry and academic projects, and technical seminars. Her collaborations with designers, specifiers, fabricators, owners, insurers and classification societies help to establish safe and meaningful rules for welding and additive manufacturing.

She currently serves on or chairs committees at industry associations including American Welding Society, International Institute of Welding, Canadian Welding Bureau, API, ASME and ISO, where she is involved in setting rules for welding qualifications, welding consumables and additive manufacturing. Teresa is the welding advisor to the National Board, a Counselor of the American Welding Society and a Fellow of the International Institute of Welding. She has published many technical papers and holds U.S. and international patents related to welding processes, fabrication, metal alloys, test methods and welding consumable slag systems.



New Standards

Our **Consumables R&D** group was instrumental in creating a new American Welding Society (AWS) welding classification for low silicon welding wires. As part of the process, we manufactured product from two different heats of steel and tested the material to the classification AWS requirements of our proposed classification. We then drafted a proposal for various changes to existing section AWS A5.18 to accommodate the new classification, along with a proposed change to shielding gas requirement for conformance testing. The proposal was eventually balloted for vote with the appropriate subcommittee. The total time from proposal to implementation was over two years.

Hosting EV Charging Event – Festival

In 2024, Lincoln Electric once again hosted the Charging Interface Initiative (CharIN) event known as Festival North America at our campus in Cleveland, Ohio. The three-and-a-half-day event demonstrated the industry's focus on improving the electric vehicle (EV) charging experience.

The largest Festival held to date gathered 415 participants, including engineers, researchers and executives from automakers, electric vehicle supply equipment (EVSE) providers, national laboratories and others in the EV charging ecosystem.

This year's event featured new technical advancements, including multi-PKI (Public Key Infrastructure) testing, prescribed testing for Plug & Charge and PKIs, end-to-end Plug & Charge testing and products tested with the ISO 15118-20 protocol.

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CharIN events like this, focused on ensuring robust interoperability, are crucial for the industry's growth and ultimately, for instilling consumer confidence. This ongoing partnership underscores our shared dedication to shaping the future of mobility with cutting-edge solutions that make EV ownership more convenient, accessible and secure.

Bruce J. Chantry,
Vice President,
Electric Vehicle Solutions



Solutions & Value

We have a track record of developing innovative solutions that have a measurable impact on end user efficiency, reliability, safety and workforce development, while supporting sustainability goals. For example:

-  Energy efficient and safe welding machines
-  Robotic systems that minimize waste and maximize safety
-  Cobots that provide an economical/easy entry into robotic welding
-  Consumable products for many methods of efficient joining
-  Environmental control systems that minimize fume exposure
-  Packaging solutions for our products which minimize waste and/or include recycled content



What We Did

- Introduced new products including:
 - Battery Powered Welder
 - Redesigned Accu-Pak® package
 - ClassMate® Cobot
 - Handheld laser welder
- Continued to invest in our automation portfolio with the acquisition of RedViking and Inrotech.
- Continued to invest in EV chargers and their infrastructure to address the evolution of electrification across the end markets that we serve.

What We Learned

- Customers continue to value reliability and extended product life in welding equipment.
- Our extensive portfolio consists of solutions with differing impact and benefits throughout the life cycle.
- Customers require increased data transparency across the value chain to help respond to regulatory complexity.

Where We're Going

- Investment in product Life Cycle Assessments (LCAs).
- Partnership with universities and other local companies to advance research on sustainable products/processes.
- Continue innovation across our product portfolio to make our products less resource-intensive, more efficient, more reliable and safer for our customers.
- Continue to strengthen robust supplier and global procurement processes to support risk management and data exchange.

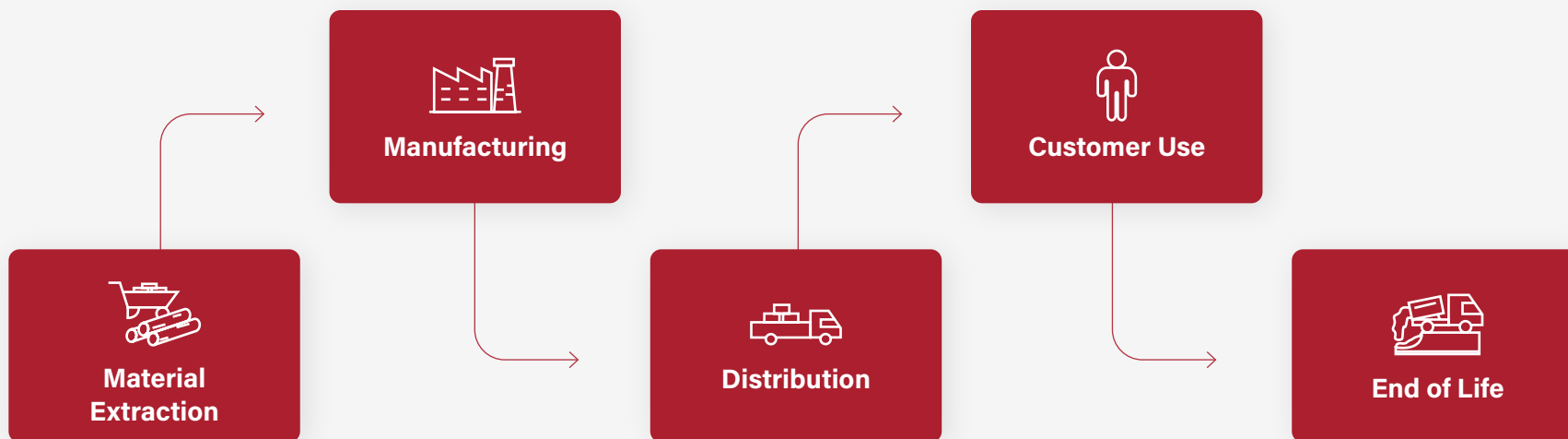
Delivering Value Through Product Life Cycle Innovation

For more than a century, Lincoln Electric has been committed to creating products that are safe, reliable, and help our customers perform their jobs more efficiently and effectively—all crucial components of life cycle sustainability. 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. In 2024, we continued to automate and innovate across our product portfolio, developing solutions that are less resource-intensive, more efficient, more reliable, and safer for our customers. This includes using 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.

Advancing sustainability in our customers' operations and designing solutions to support decarbonization across the end markets we serve are also key components of our business strategy. Our product stewardship initiatives focus on product life cycle to improve the design, manufacture, packaging, and transportation of our products, increasing recyclability and reducing our products' carbon footprint from cradle to grave.



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 lifecycle of a product across a variety of environmental indicators such as carbon footprint, energy consumption, smog formation, ozone depletion and eutrophication. LCA analysis also considers product functionality to better enable comparability.

It is through this life cycle lens that we embed sustainability features in products throughout our broad solutions portfolio. When evaluating our products, we take into account the entire life cycle, which includes assessing attributes outside our operational control. In 2024, we began to formalize our life cycle focus by using an LCA tool in-house, which will better enable us to uncover parts of the life cycle that can be improved. Our intent is also to use LCAs to produce Environmental Product Declarations (EPDs) for our customers, providing us with a standardized and transparent way to communicate the environmental impact of our products. The EPDs will be peer-reviewed against a variety of international standards to ensure their credibility. We anticipate the first EPDs to be issued in 2025.



LCA Identifies Positive Environmental Impacts of Lincoln Electric's Additive Process

Lincoln Electric conducted its first LCA study in 2023, comparing the environmental impacts of functionally equivalent steel products. One was manufactured by a traditional forging process and the other was our additive manufacturing process using Pipeliner® 80Ni1 welding wire. We found that the carbon footprint of our additive process compared favorably to the traditional forging process, especially when considering the impacts related to raw steel manufacturing technology, the part manufacturing process, our internal process for drawing welding wire to size versus forging, and transportation during distribution.

This initial study provided us with the capability to conduct LCAs in-house. We have begun life cycle assessments of our portfolio of products and will create corresponding EPDs. A valuable tool for product differentiation and increasingly being requested by customers, EPDs will help us support our customers and their sustainability efforts.



CRADLE-TO-GATE LCA OF

Carbolif 1 Welding Wire-MIG

Company Name	Lincoln Electric Holdings Inc.
Product Name	Carbolif 1 Welding Wire-MIG
Product Description	Carbolif 1 is a coppered welding wire used for general applications in both single- and multipass weld-ing. Especially suited for sheet metal applications where smooth weld beads are required.
Declared Unit	1 kg of finished product
LCA Software + Version	LCA for Experts (LCA FE) v10.9
Life Cycle Impact Assessment method	Base on EN15804+A2 (Environmental Footprint 3.1 [EF 3.1]) and ISO 21930 (TRACI 2.1, IPCC AR6)

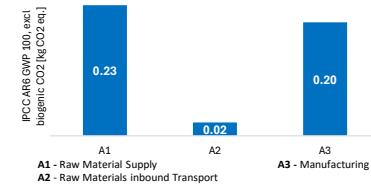
Life Cycle Impact Categories

The following environmental impacts were evaluated on cradle-to-gate based and the values are per kg of the product.

 Climate Change – Total: denotes changes in global climate patterns caused by an average increase in the temperature of the atmosphere near the Earth's surface and in the troposphere (global warming).	 Ozone Depletion: accounts for impacts related to the reduction of the protective ozone layer within the stratosphere caused by emissions of ozone depleting substances (CFCs, HFCs, and halons).	 Acidification: refers to the release of chemicals that may contribute to the formation of acid precipitation. The acidification potential is a measure of a molecule's capacity to increase the hydro-gen ion (H+) concentration in the presence of water, thus decreasing the pH value.	 Eutrophication: refers to the addition of chemical nutrients to surface waters, which promotes the excessive growth of plant life in those waters, such as algae which results in the depletion of oxygen and leads to the death of other aquatic life, such as fish.	 Photochemical Ozone Formation: deals with the formation of ground-level ozone, which is otherwise known as smog. The main contributors to smog are emissions of nitrogen oxides and volatile organic compounds, which react with sunlight to form ground-level ozone.	 Resource Use (Mineral): refers to the diminishing availability of mineral resources due to their extraction and consumption exceeding the rate at which they can be naturally replenished.	 Resource Use (Fossils): refers to the ongoing decline in the availability of finite fossil fuel resources – such as coal, oil, and natural gas – due to continued extraction and consumption.	 Water Use: a measure of the net intake and release of fresh water across the life of the product system. This is not an indicator of environmental impact without the addition of information about regional water availability.
4.28E-01 [kg CO2 eq.]	5.19E-12 [kg CFC-11 eq.]	2.74E-03 [Mole of H+ eq.]	5.81E-04 [kg N eq.] Marine	1.69E-03 [kg NMVOC eq.]	7.43E-06 [kg Sb eq.]	5.90E+00 [MJ]	1.31E-01 [m³ world equiv.]

Climate Change

IPCC AR6 100-year, kg CO2 eq per kg of product



A1 - Raw Material Supply	0.23
A2 - Raw Materials inbound Transport	0.02
A3 - Manufacturing	0.20

Material Composition, % weight

Chrome	0.05-0.15%	Molybdenum	0.05-0.15%
Copper	0.05-0.15%	Nickel	0.05-0.15%
Iron	95-98%	Silicon	0.05-0.15%
Manganese	1-2%		

Disclaimers:

The data in this factsheet are based on assumptions detailed in the accompanying LCA background report, critically reviewed by Tom Gloria, on behalf of Industrial Ecology Consultants. For a full understanding of the methodology, we recommend consulting that report.

Manufacturer Contact Info: Doug Mazeffa - douglas_mazeffa@lincolnelectric.com <https://www.lincolnelectric.com/>

Vitality Index: 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 product material, 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.

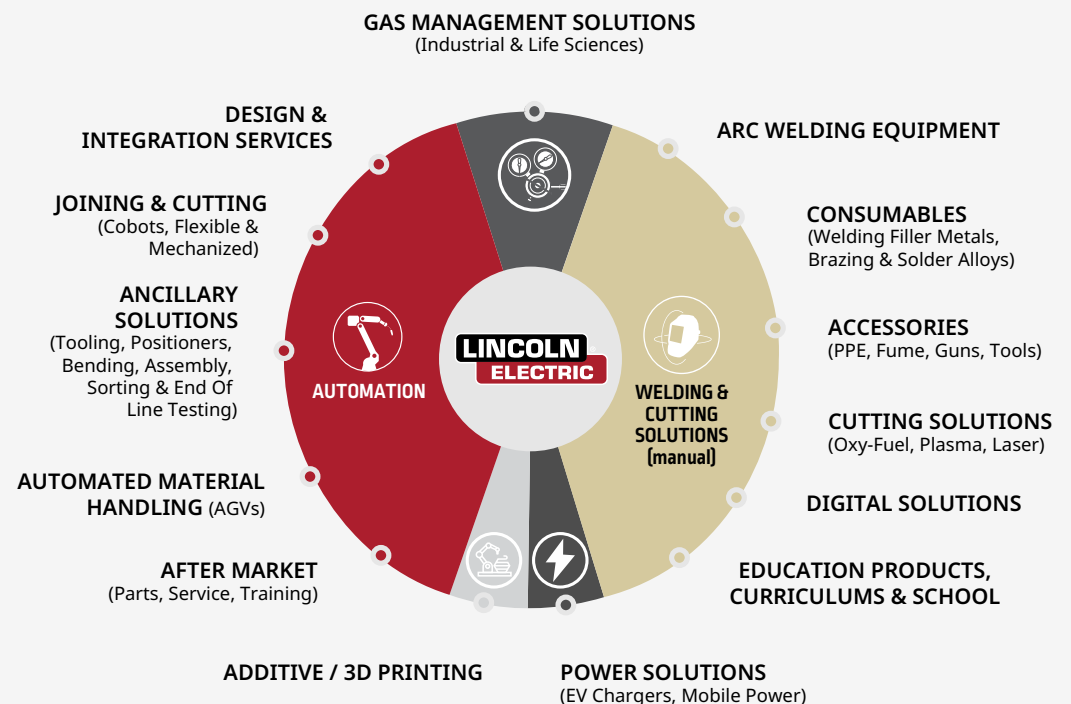
As a leader in welding technology and safety, our newest products are designed to make a positive impact, including automation products and enhanced software solutions. We consider our customers' sustainability goals in our product offerings, and continually strive to improve raw material selection, energy efficiency and safety.

Vitality Index

To measure the effectiveness of our R&D innovation efforts, we use a Vitality Index. Our Vitality Index is the percentage of new standard product revenues in the past five years, divided by the company's total revenues over the same period. New products exclude customized automation sales. A high Vitality Index indicates that a company is effectively using its R&D resources to develop new products that are driving revenue growth.

130 Years of Market-Leading Solutions

Our solutions enhance sustainability throughout the entire product life cycle. Several of our highly innovative new products are highlighted below.



Total Sales Vitality Index Score in 2024

36%

calculated as the percentage of new product sales

50%

calculated as a percentage of new Equipment product sales

Energy Efficient Equipment

ELEVATE SLi Battery Powered Cordless Welder

The ELEVATE™ SLi cordless battery powered welder is designed for operators who work remotely and need maximum portability. Our internal rechargeable battery enables the operator to weld anywhere, without being tethered to an external power supply. It optimizes the use of space by avoiding the need for gas-powered generators or extra cables. Other benefits include:

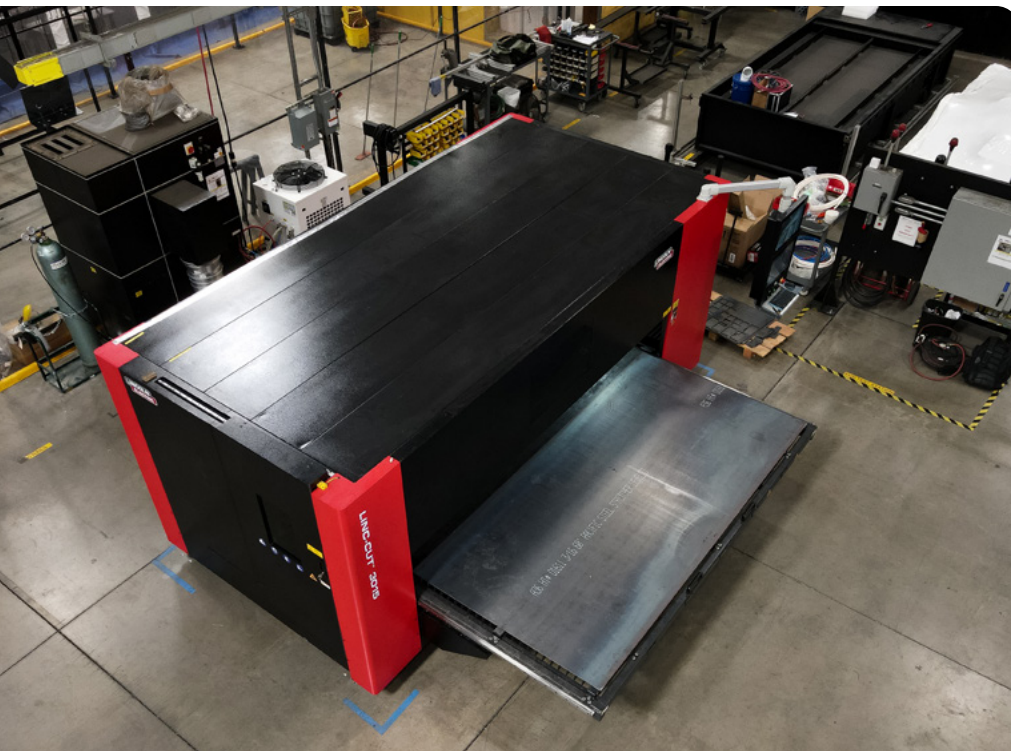
- Designed for easy transportation, weighing only 33 lbs. and featuring an adjustable shoulder strap for added convenience. An optional rolling case is available for added mobility.
- The integrated internal charging system can charge in 60 minutes using 120V input power, eliminating the need to carry a bulky external charger.
- Built to withstand challenging welding environments with an IP23S rating and fan-as-needed circuitry, ensuring long-lasting performance.

Energy Efficient Equipment

Flex Lase PPL Handheld Laser Welder

The easy-to-use Flex Lase™ handheld laser system puts power, speed, precision and versatility at an operator's fingertips. With 2kW of laser output power and a robust package, operators can tackle high-precision welding applications with faster travel speeds – up to 4x faster than TIG – helping to improve productivity without sacrificing quality. Flex Lase PPL also has HyperFill® capability for achieving larger welds.





Reducing Waste Through Precision

New Linc-Cut™ Fiber Laser Automated Cutting Systems

This laser cutting system was developed to more safely and cost-effectively offer repeatable cut quality for sheet metal fabrication needs. With motion speeds up to 2,874 inches per minute (73m/min) and laser output up to 4kW, the Linc-Cut system can cut up to 5/8-inch carbon steel quickly, easily and with no compromise to quality, and it can be run by a single operator.

Designed with safety in mind, the fully enclosed cell is emission-light safe from the infrared light of the laser cutting process, and can be teamed with a small and effective PRISM® Compact filtration unit to capture particulate matter.

Welding Fume Control

PRISM® Exhaust Booth

An Integrated welding/fume exhaust booth that requires no ductwork, which provides double coverage by combining source capture at the arc with a fume exaction arm and a vent at the bottom of the unit.



Optimizing Production Efficiency

HyperFill STT® and HyperFill RA

Our HyperFill twin wire welding solutions, already known for large deposition rates, speed and energy savings were enhanced in 2024 with HyperFill STT® (Surface Tension Transfer) and HyperFill RA (RapidArc waveform). These enhanced offerings conserve energy and increase travel speeds by up to 50% to provide improved production output.

Supporting Electrification

Velion EV Fast Charger

A new generation of electric vehicle chargers with the Velion™ EV Charger platform (DC fast charger - Level 3) is designed to deliver fast charging speeds and reliability for longer performance and uptime. The CSA/US-certified Velion DC fast charging station is designed and manufactured with safety features such as overcurrent and thermal protection, ensures efficient charging speeds and compatibility between the EV and charging system, and provides a user-friendly charging experience to the end user.





Reducing Raw Material Accu-Pak Packaging Redesign

The Accu-Pak (AP) box has been a staple in our product line for years and is a benchmark in the industry for dependability. The recent design of the box is square with an octagon liner and triangular corner stiffeners. The redesign has an internal and external octagonal shape, maintaining the octagonal footprint and winding patterns to ensure the same reliability that our customers expect with our GMAW wire.

This new packaging offers many benefits including:

- A reduction of up to 5.1 lbs of cardboard used in manufacture of each package
- A corresponding water reduction of up to 2.2 gallons of water in the manufacture of each package
- Easier breakdown of package for ease in recycling



Energy Efficient Design Vehicle Mounted Solutions

The 2024 acquisition of Vanair® Manufacturing LLC enables us to provide our customers with a line of efficient vehicle-mounted air compressors, generators, welders, hydraulics, Electrified Power Equipment, chargers/boosters, engine starters and custom products. Vanair engineers rugged and dependable products that are used to improve efficiency and productivity worldwide.

The Air N Arc® ALL-IN-ONE Power System® provides up to six forms of power in one compact machine: a welder, generator, air compressor, battery booster, battery charger and hydraulic output. Having a complete mobile workstation on the back of a truck saves resources by combining multiple functions in one vehicle.

Vanair serves many industries, including:

- Fire and Rescue: Our compressors are key components for Compressed Air Foam Systems and air knives, which support fire industry efforts to save lives.
- EV Mobile Charging: Vanair Level 1 and 2 EPEQ® EV Chargers are built to meet the demanding mobile power needs of rental fleets, parking garages, workplace parking lots, airports and homes, as well as other remote or transitive areas.
- Sewer Rehabilitation: Rehabilitation and maintenance solutions to the sewer industry include cured-in-place pipe, manhole monoforming, pipeline inspection cameras and grouter/cutter tools.



Extended Lifespan

Reliability: Our Key Value Proposition

Known for reliability, our products are designed to deliver long-term performance. Reliability—which encompasses endurance, resilience and adaptability— is essential to support a sustainable product lifecycle. We're proud that reliability has consistently been noted by customers as a key value proposition.

Features on many welding machines which contribute to reliability include:

PC Boards - Encapsulated components and protective trays provide protection from dust and humidity

Fan-As-Needed™ - Reduces power consumption, dirt intake and damaging thermal cycling

Protected electrical connections - Helps ensure long-term reliability in unforgiving environments

Temperature and dirt resistant - Double insulation and varnish on all primary components

Cooling tunnel design - Components arranged to protect against dust and dirt

Repeated life and reliability testing - Exposure to salt, rain, humidity, drop, jerk, vibration, impact and others in product testing

We also continually aim to help our customers meet their sustainability goals by extending the life of our products. Examples include:

- Lithium phosphate battery power on the Elevate SLi battery powered welder for longer lifespan
- Engine start-stop technology to reduce engine wear on several engine-driven welder models
- Extended duty oil which provides 300 hours of oil life on several engine-driven welders
- CheckPoint® cloud-based information tracking module – helps organizations track preventive maintenance activities and red flag welding related issues on any single welding machine or station in the production line, allowing engineers to prevent problems before they occur
- Basic welder maintenance tips, available on our [website](#)



Automation: Driving a Cleantech Future

At Lincoln Electric, automation plays a crucial role in advancing our clean tech ambitions by helping 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.

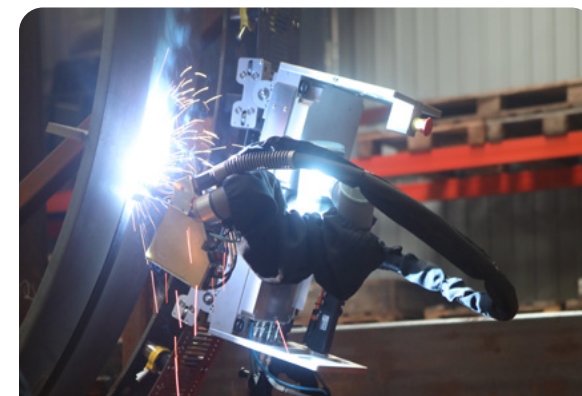
Our automation story is one of constant innovation, with the goal of providing industry-leading tools for manufacturers around the world. Our combination of experience, expertise and customer support enables us to quickly get automation processes online for our customers. From welding robots to next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

Automation Acquisition : Inrotech

In 2024, Lincoln Electric advanced our investment in clean technology through the acquisition of Inrotech, a company that is revolutionizing shipbuilding, offshore, renewables and heavy welding industries with innovative mobile welding robots. Inrotech developed the software that integrates the welding machine with the robotic arm, as well as sensing and scanning technology. The welding robot can automatically identify objects that need to be welded, no longer requiring advanced programming or the transfer of CAD-drawings.

Every Inrotech solution is operated with proprietary intelligent software systems, Inrotech-SensLogic™ and Inrotech-WeldLogic™, ensuring the most reliable, advanced and intelligent use of the machinery.

- Inrotech-SensLogic™ technology: Compared to other systems, which are partly or fully based on off-line programming, the Inrotech-SensLogic™ operation runs fully automatically requiring no programming, no transfer of CAD-drawings, and no back-end engineers, and with green/red button simplicity (green for start, red for stop). It is not necessary to place the robots or the workpiece in accurate positions, as the robot works autonomously.
- Inrotech-WeldLogic™ technology: Enables the robot to automatically perform multipass welding, taking tolerances of the weld groove into consideration and compensating for variations. Based on a scanning of the weld groove, the system automatically plans the full welding process: number of passes, location of each pass and the appropriate welding parameters given the allowed heat-input window, groove geometry and welding position.



Key Sustainability Benefits

- Safety/operator exposure: During the welding process the robot automatically cuts the wire, cleans the welding torch, and deslags the groove to ensure a perfect weld.
- Energy consumption: By bringing the robot to the job, the amount of shipping of components needing to be welded is reduced.

Inrotech: Solutions for Offshore Wind Industry

Offshore wind farms are increasingly complex, with heavier and larger foundations. Quality standards for the welded joints of offshore foundations are increasingly stringent. There is a demand for high welding speeds, but also for high welding quality. Inrotech specializes in customized automated welding systems for large offshore wind energy platforms. Our Inrotech technology has dramatically increased the speed and quality of welding and production processes for tower and foundation manufacturing.

“

We specialize in bringing the robot to the job, rather than the traditional method of bringing the job to the robot. This philosophy is the only way you can achieve automated welding on some of the very large structures we now see becoming a reality in many of the designs in floating wind industries.

Rasmus Faudel
System & Software Manager of Inrotech

Autonomous Mobile Robots

In 2024 we also acquired the company RedViking, which expertly integrates state-of-the-art Automated Guided Vehicles (AGVs), Autonomous Mobile Robots (AMRs), and custom automation solutions into a customer's processes and also provides engineering services to enhance those processes to elevate efficiency, cut costs and ensure safety.

Automation Cobot Family addition: Classmate® Cobot

The Classmate Cobot is a part of a portfolio of product offerings that can be utilized in a welding or robotics curriculum to prepare students for the job market. ClassMate Cobot systems operate at collaborative speeds and have force sensors in all 6 axes, providing a safer environment for a human operator to work alongside. It also includes a new cart design having a lightweight, slender profile, improving mobility and ergonomics. Work with Cobots has a low barrier to entry. The technology therefore creates opportunities for welders and can help experienced welders to upskill.



Additive Manufacturing

We continue to support industry needs for complex or large metal components. In 2024, new additive manufacturing cells at our facility allowed us to increase our capabilities to 3D print metal components. Our additive technology significantly reduces manufacturing lead times, shortens supply chains and enables design enhancements that may not be possible with traditional manufacturing methods.



Product Stewardship including Product Safety

We care deeply about the environmental impacts 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 overall speed, efficiency, 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.

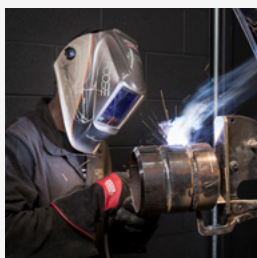
Safety for Our Customers

Lincoln Electric is 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 to learn more about using our products, including:



Welding safety

This video series and fact sheet package serves as a safety resource for weld shops and welders.



Weld Fume Resource Center

Product resources to help customers minimize weld fumes.

Product Component Safety

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](#).



Product Stewardship Declarations and Safety Documents

Operational Excellence

Operating Smartly and Responsibly is not only an obligation but a key competitive advantage. Some examples of how we operate:

- We follow a rigorous safety and health program that adheres to stringent safety standards and best practices to ensure that our manufacturing operations, related processes and products do not negatively impact the health and welfare of our employees, customers and neighbors.
- We are committed to reducing our carbon footprint through the reduction of greenhouse gas (GHG) emissions.
- 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.
- Water is an important natural resource, and we acknowledge our responsibility to manage water carefully.



What We Did

- Introduced the Human & Organizational Performance framework to strengthen employee engagement in safety and promote a learning culture
- Conducted climate scenario analysis to inform our forward-looking climate strategy
- Estimated Scope 3 emissions to better understand our footprint across the value chain

What We Learned

- A risk-based approach is required to effectively prevent the most severe injuries
- The reuse of scrap materials and recycling of waste metals is a cost driver for the business
- Strong operational roadmap and integration needed to deliver on Sustainability targets

Where We're Going

- Developing 2030 targets that further our commitment to environmental stewardship
- Continuing to use the HOP principles to guide our safety management approach and build resilient systems



Safety & Health

At Lincoln Electric, our vision is an accident-free workplace with zero safety incidents. We follow a rigorous safety and health program that adheres to stringent safety standards and best practices to ensure that our manufacturing operations, related processes and products do not negatively impact the health and welfare of our employees, customers and neighbors.

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. (<https://sustainability.lincolnelectric.com/policies.html>)
- 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.
- Multi-year plans for investments in machine guarding, equipment upgrades and automation.

76%

of all manufacturing sites and 100% of major manufacturing sites were ISO 14001 certified in 2024

32%

of all manufacturing sites were also certified to the ISO 45001 standard for occupational health and safety in 2024





Human and Organizational Performance

Human and Organizational Performance (HOP) is a risk-based operating philosophy which 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. This operating philosophy for safety is being implemented at all global Lincoln Electric manufacturing sites in 2024-2025.

Piloted in 2024 in our Cleveland and Mason, Ohio, facilities, the global deployment of HOP will be catalyzed by a group of EHS site-level professionals. These 10 HOP Advocates are in various regions around the world and received comprehensive training in the basic HOP principles and the Lincoln Electric tools designed to help translate the principles into practice. They participated in a monthly networking session, where best practices were shared and feedback on the deployment was gathered.



The HOP Principles

1. Error is **NORMAL**
2. Workers are MASTERS at **PROBLEM-SOLVING**
3. **CONTEXT** drives worker actions, choices & decisions
4. Leadership's **RESPONSE** [to failure] matters
5. Blame **FIXES** nothing
6. Improvement happens through **LEARNING**

Adapted from "5 Principles of Human Performance" by Todd Conklin

2024				2025		
Q1	Q2	Q3	Q4	Q1	Q2	Q3
Executive Presentation	HOP Fundamentals Training	Toolkit and Deployment Planning	HOP Advocate Training	Plant Mgmt Awareness Training	HOP Safety Week	Perception Survey

Building Resilient Systems

A critical requirement of HOP is to understand the complexities of work as it occurs in a manufacturing or office environment. Representatives of our safety groups, along with operational support and some shop workers, were asked to review their operations and record their findings using the following tools:

HAZARD HEAT MAPS

The Hazard Heat Map is a tool used to visualize the assessment of risk in any operation. Teams use these hazard heat maps at all levels of the organization to prioritize efforts to proactively add controls or safety defenses.

STRENGTH OF DEFENSE MATRIX

For each hazard on a heat map, a Strength of Defense Matrix identifies the layered safety defenses that may be in place to control that hazard. The Strength of Defense Matrix helps site teams to see gaps in their defenses and to validate that all systems are working as designed to prevent injury. The final matrices are also useful for cascading best practice for controlling hazards across similar operations at other facilities.

The work on Hazard Heat Maps and Strength of Defense Matrices is linked to a focus on hazards that drive the most severe outcomes in our operations. To complement this proactive work, teams are also now tasked with identifying, analyzing and tracking the causes of near misses that did not but could have had life-threatening or life-altering consequences. Tagged as PSIFs (Potentially Serious Injuries or Fatalities), they allow us to see new signals for driving systemic improvements across the sites.



Engaging Employees Differently

Blue Line Reviews: The “blue line” is a term used to describe the daily adaptations necessary to make products in complex manufacturing environments. To understand the “blue line” and, therefore, the hazards faced during normal work, operational leaders are tasked with spending time on the floor engaging in dialogues with employees. During a blue line review, leaders use open-ended questions, not to observe adherence to a procedure, but to learn and solve problems.

Learning Teams: A Learning Team is a group of individuals linked to a specific work event and/or possessing valuable insights related to a particular type of work that has a goal to foster a culture of operational learning and enhance operational knowledge within the organization. Learning teams must include the employees performing the work and create safe spaces for voicing concerns, dealing with the reality of work and designing solutions that can be quickly adopted by the organization.

Best Practice

NEW EMPLOYEE TRAINING – EMEA

Recognizing that a proportionally large number of recordable injuries were occurring to employees having a shorter period of employment with the company, several facilities in the Europe, Middle East and Asia (EMEA) region undertook programs to reform their onboarding process as it applied to health and safety.

For example, in Turkey, new employee training is conducted on average once a week. This duration of training remains consistent, regardless of whether only one or two employees are attending.

Onboarding in Turkey includes:

- A site introduction checklist for supervisors that has essential information for newcomers on their first day of employment.
- A training needs matrix, that serves as the main reference and provides detailed information about the type of training, name of the instruction and job titles.
- Pre-and post-tests for training.
- Foremen/managers trained to be mentors.
- Task-based checklists for high-risk tasks to ensure that mentoring of new employees is covered during manager safety walks.
- Special vests for mentors.
- Special training on topics like Lockout/Tagout (LOTO) and machine guarding.

Implementing these measures in Turkey led to a 75% increase in training time and has decreased the number of injuries involving new employees.

Other facilities in the EMEA region also have improved an employee program based on their needs/shortcomings. Many have added mentoring to their onboarding program including:

- Romania (mentoring lasts 2-6 months)
- Italy (a mentor accompanies the worker during the entire onboarding period)
- Poland (a trainer provides care and support throughout the entire process of preparing the employee to perform work)



Safety Performance

We monitor several safety metrics across our operations, including Days Away, Restricted or Transferred Case Rate (DART) and Total Recordable Case Rate (TRCR), which measure the frequency of safety incidents that occur within our facilities.

We also track and measure leading safety indicators such as the timeliness of incident investigations, the closure rate of audit findings, and the closure rate of safety concerns reported at our manufacturing sites.

Risk Reduction

The company sets annual risk reduction objectives at both the business unit and site levels that are project- or activity-based. Given the nature of our business, operating at the machine interfaces can be an area of risk. In 2024, we placed continued emphasis on machine guarding improvements.

We also planned and implemented targeted investments at all our manufacturing sites as a part of a three-year plan.

Organizational Learning

During 2024, we continued implementation of a new enterprise-wide Learning Management System that began in 2022. This move to a single global platform enables individual manufacturing sites to streamline and standardize the delivery of their EHS 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. As of the end of 2024, 90% of our manufacturing facilities had implemented the new platform. The remainder are scheduled for completion in 2025.

Continuing to build the competency of EHS professionals within our organization is also a central focus of our current roadmap. In 2024, we continued our ongoing series of incident learning calls, which allows EHS leaders around the globe to jointly share best practices, solve problems and encourage deeper organizational learning across sites. 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.

Safety Week

We continued our tradition of having a Safety Week at all facilities on May 13-17, 2024. The slogan for the week was, “A Vision of Zero Accidents: Safety Begins with Posture.” Data from 2023 suggested that our employees had several sprains and strains that were likely caused by poor ergonomic conditions. Resources were provided for sites to understand ergonomics, evaluate and create an ergonomic risk score for activities taking place on the shop floor, and institute solutions. Each site used these materials to engage employees in a fun and creative challenge that reinforced the concepts.



2018-2024 Safety Performance

Safety Performance

On Track

2025 Goal Progress



[reduction in Total Recordable Cases (TRCR) from 2018 to 2024]

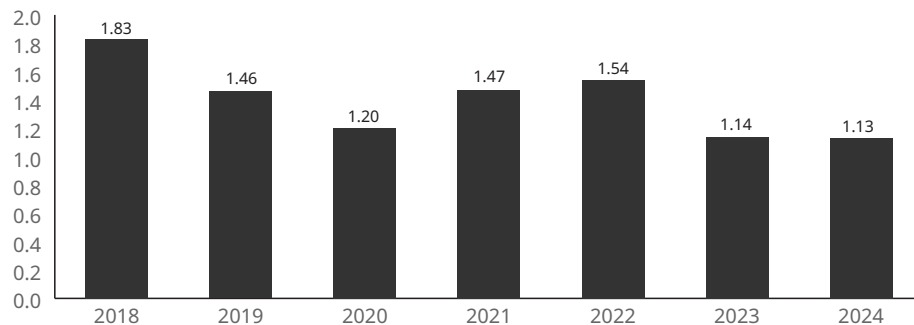
38% Reduction in Total Recordable Cases [TRCR]¹ (from 2018 to 2024)

0 Fatalities in 2024

[Target: 52% reduction in TRCR by 2025]

Annual data as of December 31 — end of each reporting year

■ TRCR



TRCR = Total Recordable Incident Rate (TRIR)

⁽¹⁾ TRCR is calculated per the U.S. OSHA definition and are calculated per 100 full time employees.



Case Studies

Musculoskeletal disorders, often resulting from poor posture or awkward positions at work are a key driver of injuries in our operations. In our Bielawa, Poland, facility, we implemented lower limb exoskeletons for operators to create a more ergonomic, comfortable and productive workplace. The exoskeleton supports a healthy and upright posture and prevents pain.



In our Reno, Nevada facility, we had a process which required the removal of several heavy, part-securing vises from a milling machine during process changeover. The legacy process had the potential to cause strains. Through redesign, namely using lighter weight rigid adapter plates, more varied types of parts can now be machined without the removal of the heavy vises. These plates move easily, are replaceable and allow for increased productivity at the work center.



In our Chennai, India, facility operators of Spooling Machines bend down to pick up empty spools from the pallet 70-100 times in a shift. A spring-activated retractor rack holds the empty spools and brings them up to the operator's working height. This prevents the operator from bending down to the spools. In this situation, the ergonomic Rapid Entire Body Assessment (REBA) score improved from 10 to 2.





Greenhouse Gas Emissions & Energy Intensity

We are committed to reducing our carbon footprint through the reduction of greenhouse gas (GHG) emissions. Through 2024, we reduced absolute Scope 1 and Scope 2 GHG emissions by 18% compared with our 2018 baseline, thanks to continued investment in energy efficiency projects and improved operational efficiency. Energy intensity – the total amount of energy consumed per labor hour worked – is also one of our key metrics. Through 2024, we reduced our energy intensity by 10% compared with our 2018 baseline.

We achieved reductions from our 2018 baseline by investing in more efficient manufacturing processes and equipment, and by adding on-site electricity generation. As plant equipment is updated and replaced, more energy efficient options are selected, such as high-efficiency motors, burners and lighting. We also have benefited from the local electricity grids trending towards renewable electricity generation, reducing their CO2 emission factor.

In 2024, Scope 1 GHG emissions (direct) constituted 37% (approximately 71,164 metric tons) of total GHG emissions and increased 3% compared with the prior year. Scope 2 GHG emissions (indirect from purchased energy) constituted the remaining 63% (approximately 119,828 metric tons) of total GHG emissions. Scope 2 GHG emissions decreased

3% compared with the prior year. The year-over-year slight shifts in total GHG emissions was predominately due to acquisitions offset by energy improvement projects. We already have achieved our 2025 goal and are working on setting our next long-term target.

Building Better Plants

In 2022, we joined The Better Buildings, Better Plants Program. Led by the U.S. Department of Energy (DOE), 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, Lincoln Electric has 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. For example at our site in Mason, OH, we utilized acoustic imaging technology to audit completely one of the facility's compressed air systems. We were then able to repair the leaks and reduce the energy required to generate compressed air for our needs.



2018–2024 Emissions & Energy Intensity

GHG Emissions

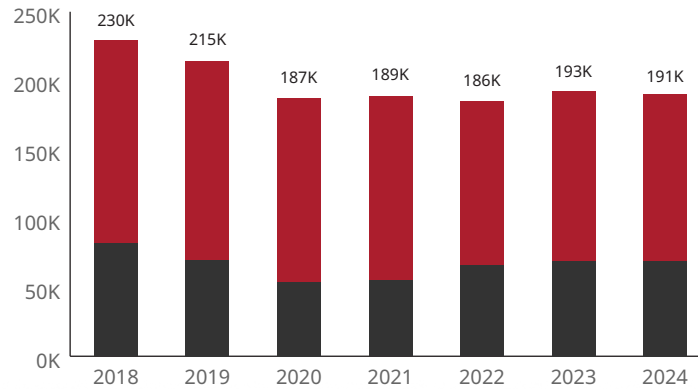
🟢 Goal Met

Scope 1 GHG emissions reflect the use of energy sources, including natural gas, coal, fuel oil and liquefied petroleum gas, at all Lincoln Electric facilities worldwide. We use the IEA (International Energy Agency) Emission Factors 2018 Edition, the IPCC (Intergovernmental Panel on Climate Change) AR5 Edition and the GHG Protocol 2001 to calculate this value.

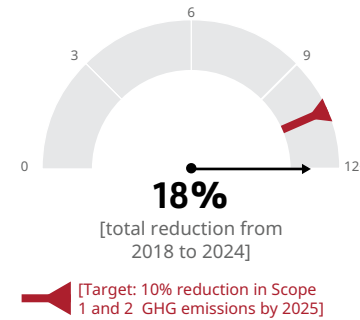
Scope 2 GHG emissions are calculated using the location-based method as outlined in the GHG Protocol Scope 2 Guidance 2015.

Absolute Metric Tons CO₂E of GHG

■ Scope 1 ■ Scope 2



Emissions Reduction Progress



10% 2025 Goal Reduction In Scope 1 and Scope 2 GHG emissions from 2018 baseline

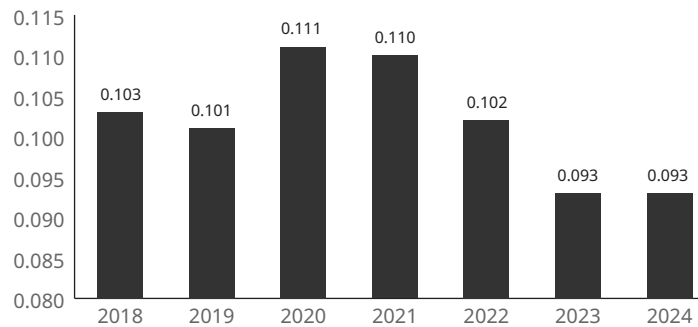
18% Our Progress

Energy Intensity

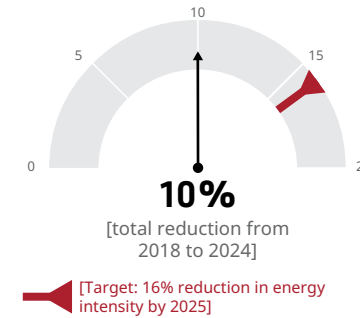
🟡 Focus Needed

Energy intensity is total energy consumption per total labor hours worked.

Energy Intensity by Year



Energy Intensity Reduction Progress



16% 2025 Goal Reduction from 2018 baseline

10% Our Progress

Scope 3 Emissions

2024 was Lincoln Electric's first year reporting Scope 3 emissions as part of its annual Carbon Disclosure Project submission. The assessment was done with an external partner with extensive experience in calculating Scope 3 impacts. However, given the complexity of our value-chain and the inherent uncertainty of Scope 3 impact estimations at this time, Lincoln is treating these results as directional until more primary source data is available. This exercise helped us identify which areas of Scope 3 emissions are most material to our business. The purchased goods and use of sold products categories were responsible for over 90% of our Scope 3 emissions. Lincoln will build off this foundational Scope 3 assessment in the coming years to enhance its reporting and disclosure efforts.

Third-Party Verification of GHG Emissions

Lincoln Electric engaged Bureau Veritas UK Ltd. to provide third-party verification of our Scope 1 and Scope 2 GHG emissions data for the period from January 1 to December 31, 2024. Bureau Veritas performed this Limited Assurance Engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised Edition. Visit our [website](#) to view the GHG Assurance Statement and other sustainability resources.

Scenario Analysis

In 2023-2024 we took steps to build resilience and maximize the opportunities in our business and risk management processes through a climate scenario analysis (using Network for Greening the Financial System [NGFS] scenarios) that explores three potential futures.

Through this analysis, we achieved a more holistic understanding of climate-related issues that will confront the business. We gained a better understanding of key risks, opportunities and options to enhance resilience. The climate scenario analysis was performed in line with the TCFD recommendations and is summarized in the appendix, starting on page 73.



Biodiversity Study

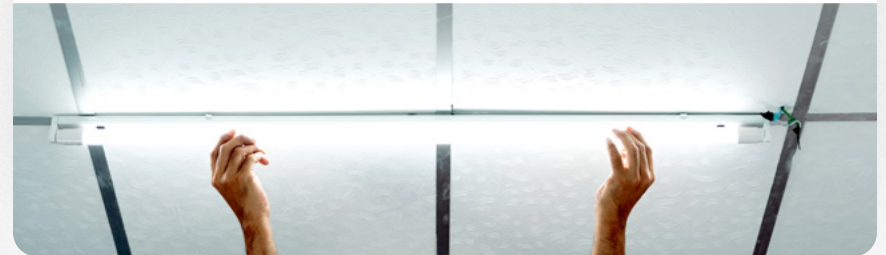
In 2024, we also conducted our first biodiversity assessment using WWF's Biodiversity Risk Filter to assess potential risks at all Lincoln Electric-owned or operated sites. The WWF tool considers a variety of biodiversity impacts ranging from ecosystem condition and being near key biodiversity areas to socioeconomic factors and invasive species. An initial review of our sites showed that none have a high biodiversity risk at this time. However, we will consider biodiversity impacts as part of our double-materiality process, which looks across the value chain so we can better understand the potential impacts of our suppliers and customers.

Case Studies

In our new facility in Torreon, Mexico, we added skylights to offset electricity consumption associated with lighting. Because skylights are located on the roof, they can result in unwanted additional heat in summer and loss of heat from the inside in the winter. To make skylights more energy efficient, we used skylights with heat-absorbing tints, insulated glazing and low-emissivity (low-e) coatings. Energy efficiency was considered in other elements of construction, including: the incorporation of LED lighting, motion sensors, variable speed drives for manufacturing lines and high-efficiency air compressors.



In 2024, our Bielawa, Poland, facility showcased that even small actions and improvements can add up. The first project undertaken was to upgrade the lighting system to LED lighting, which not only uses less energy but can also provide better illumination. The site also added occupancy sensors to certain rooms and created a program for certain portions of the facility to have its lighting turned off during break periods. These actions are easily replicable in other facilities and led to savings of approximately 400 tons of CO₂e and over \$200,000 per year.



One of the hallmarks of a sustainable process is having a closed loop around processes, energy and/or materials. Principles of recycling and reuse are relatively common for production materials, but being able to recycle heat/energy generated during the manufacturing process is often more challenging. Our Shanghai, China, facility was able to engineer and install a heat recovery system from its air compressors to heat water for its restrooms as opposed to relying on traditional water heaters. This action is estimated to save approximately \$7,500 per year as well as over 40 tons of CO₂e annually.



Recycling & Landfill Avoidance

We aspire to achieve zero waste to landfill from our operations. 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.

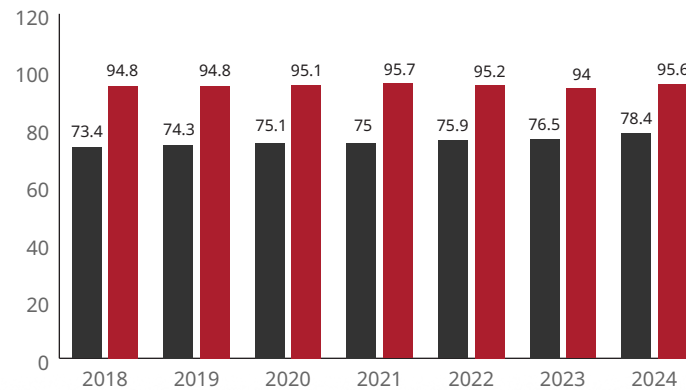
Landfill Avoidance

On Track

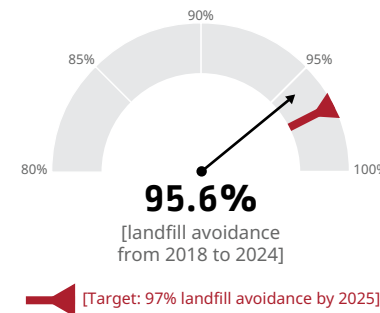
Reducing or eliminating the amount of waste sent to landfill by diverting it to more sustainable channels such as recycling, reuse, or repurposing.

Total Recycling & Landfill Avoidance Rates

■ Total Recycling Rate ■ Landfill Avoidance percentage



Landfill Avoidance Progress



97%

2025 Goal
Landfill Avoidance

95.6%

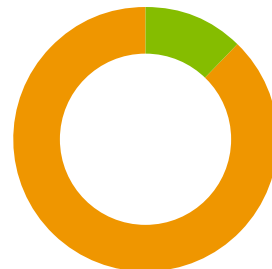
Our Progress

Recycling Rate

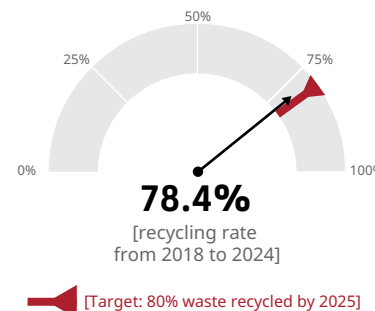
On Track

Converting what would have been a waste stream into a reusable material.

Waste (metric tons)



Recycling Rate Progress



80%

2025 Goal
Recycling Rate

78.4%

Our Progress

Case Studies

In our Mentor, Ohio, facility, our copper plating process for welding wire was improved, reducing the amount of non-hazardous water treatment filter cake generated. A new vision system is being used on production lines to reduce over-plating of the wire. Less plating results in less waste materials that need to be treated and disposed of as filter cake.



Supporting its ISO 14001 efforts, our Burlington, Canada, facility located a vendor that could compost organic waste. We switched to compostable coffee pods, cups, cutlery and bags along with providing bins for organic waste streams to segregate them for easy pickup.

This change achieved our landfill avoidance goals, reduced disposal by 402 kg per month, and reduced greenhouse gas emissions, while producing fertilizer.



In our Mason, Ohio, facility, palletized product that is shipped could be damaged when double stacked, especially when the upper surface was flat, despite pallets being labeled "Do Not Stack". A team member came up with the idea of re-using existing boxes that were from a different department, retooled into large cones, which are placed on top of the finished product pallet before wrapping.

This improvement helps extend the life of the boxes and also avoids damage from double stacking skids.



Water Management

Water is a vital natural resource, and at Lincoln Electric we believe it's our responsibility to carefully manage our water use. Predominantly used in our consumable manufacturing processes, we monitor and measure absolute water use and water intensity (cubic meters of water used per hour worked).

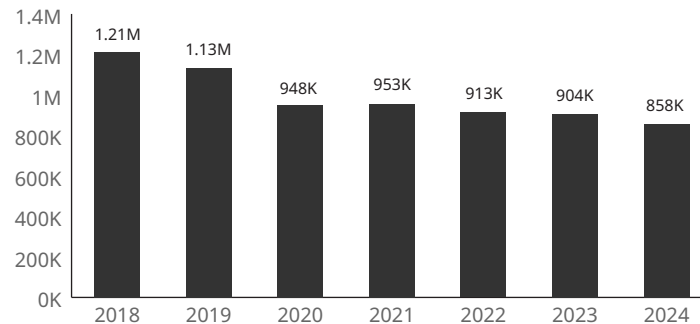
Our water management initiatives focus on reducing water consumption and our reliance on freshwater. In 2024, we achieved a 29% reduction, or 858,425 cubic meters compared to our 2018 baseline, besting our 2025 target reduction of 14%. We achieved this reduction by increasing water reuse and minimizing investment in 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.

Water Withdrawal

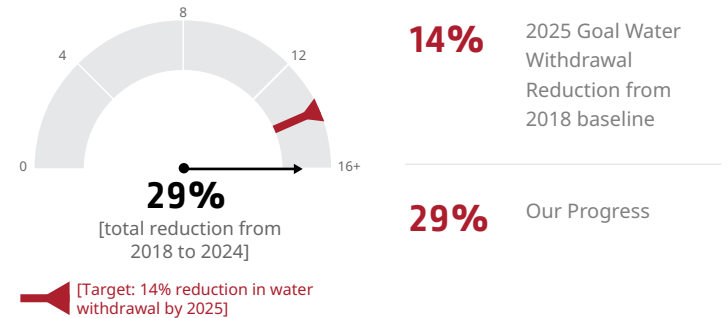
✓ Goal Met

In 2023, we started assessing which of our sites were in water-stressed areas using the WRI Aquaduct Tool. For 2024, 15% of Lincoln Electric's manufacturing sites were located in areas of high water stress. In the future, the company is considering setting water goals specific to sites in areas of water stress so we can focus on minimizing our impacts to these communities.

Water Withdrawal (cubic meters)



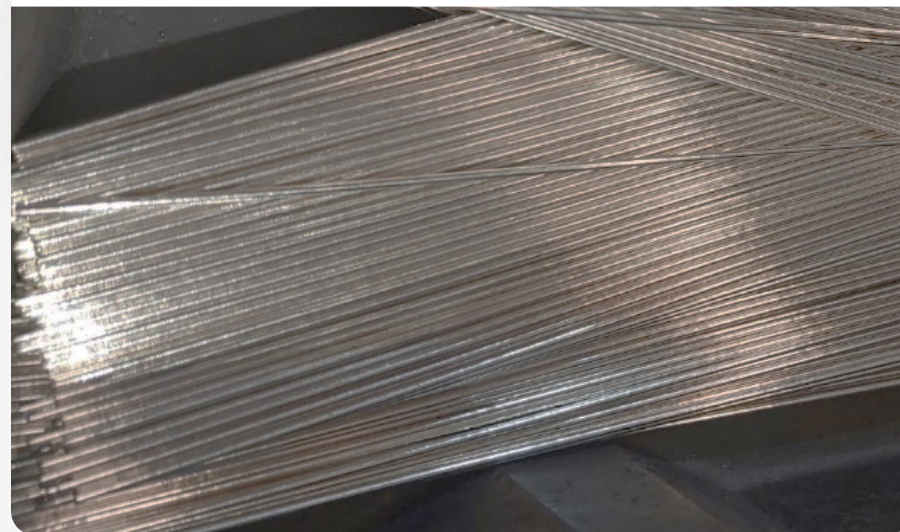
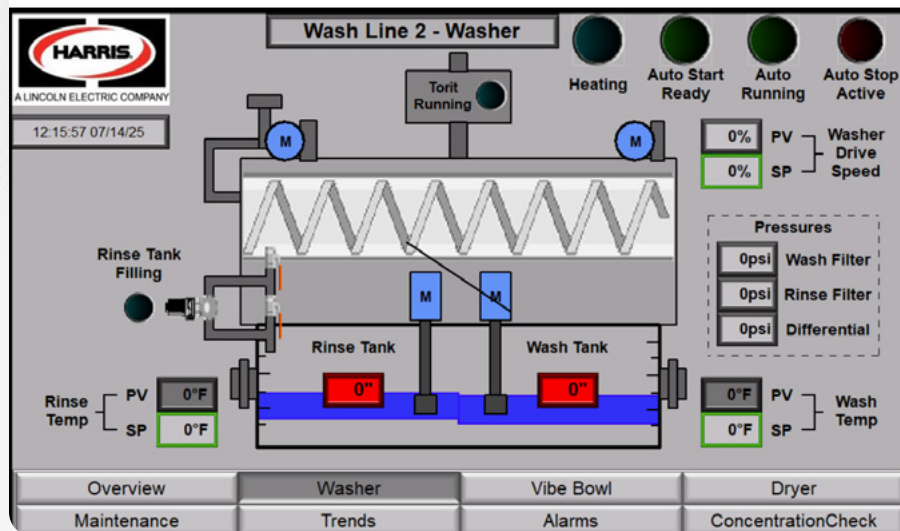
Water Withdrawal Progress



Case Studies

Our facility in Columbus, Ohio, improved a washline operation by reducing the temperature of the operation from 160F to 100F. As a result, the water-based chemicals used did not breakdown as quickly and electrical usage was also reduced. Benefits included less frequent chemical handling by operators, lower raw material usage (\$119,000/yr savings), lower electrical usage and lower risk of burns from the process.

In Sao Paulo, Brazil, with the aim of reducing employee exposure to acid vapors as well as the consumption of acids (sulfuric and phosphoric) and water, operations teams worked to eliminate the use of sulfuric acid from the finishing step of the high silver alloys product. Benefits include employee exposure reduction and chemical use elimination while maintaining product performance. 75 kg. of acid use is eliminated per year, as well as the water used to treat this acid.



Employee Development

At the heart of our company is our people and culture. Our employees are the core asset of our business, and the professional training and career planning services we provide are designed to maximize employee potential and engagement. We are a company where every employee can contribute to our progress. At Lincoln Electric, we seek to:

- ✓ Attract and retain the best talent
- ✓ Provide opportunities to learn and grow careers
- ✓ Listen, engage and improve employee experience



What We Did

- Used our strong performance management and profit sharing structure as a building block to help employees grow.
- Invested in a new Learning Management System, HR Linc Learning, to better support organizational learning and compliance.
- Strengthened our global talent acquisition organization and processes to ensure standard practice.

What We Learned

- New experiential learning and talent development models like SPARK and Talent Launch are needed to address the unique needs of our employees.
- Employee surveys and polls are an important driver of actions that improve our culture and company. We need to continue to seek directional insights from teams around the world.

Where We're Going

- Drive performance driven leadership to maximize sustainable impact and advance our commitment to build a better world.
- Cultivate a continuous improvement culture by empowering an engaged workforce that drives innovation.
- Activate best-in-class attraction and retention processes to build high-performing, diverse global teams.
- Making investments in career development and talent growth to ensure our future.

Seeking Success Through the Employee Life Cycle

Throughout the entire employee life cycle, Lincoln Electric focuses on supporting and developing our workforce in ways that maximize employee potential and engagement.

Attraction

In every role, our people are the essential link to our success. Every day we work together to challenge the status quo to create a better world in market categories like general fabrication, heavy industries, automotive and transportation, energy and process industries, and construction and infrastructure. To attract talent to our team, Lincoln Electric offers robust benefits including:

- Comprehensive medical, dental and vision insurance for our employees and their eligible family members.
- Paid vacation to our employees based on tenure.
- For eligible employees, the annual employee bonus, based on both company and individual performance.
- A co-op and internship program designed to allow individuals to gain practical work experience that will prepare them for a future with Lincoln Electric.
- Life and disability insurance, flexible (pre-tax) spending programs and a 401k plan for eligible employees.
- A robust profit-sharing program, rewarding eligible employees with a share of the company's profits.
- Ability to relocate to other areas of the company, within many regions of the world.



- Tuition reimbursement to eligible employees to further their education.

Programs & Connectivity

At Lincoln Electric, we believe that collaboration is the cornerstone of success. It's through working together, sharing ideas and leveraging each other's strength that we achieve our greatest accomplishments. Key programs that support our global culture and help us win together include:

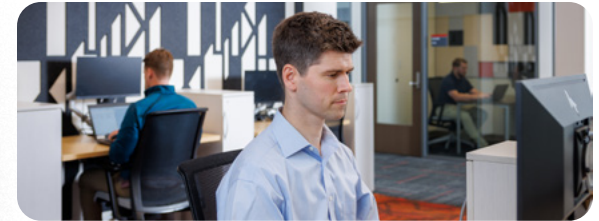
A performance management framework that measures how we achieve our goals and the behaviors and values we demonstrate each day.

Partnering with global customers and suppliers to understand their expectations and collaborate effectively.



Employee development programs that build a bench of talent that enables promotion from within.

Talent sourcing strategies and partnerships with external organizations that develop and supply many types of talent.



3,146

New Employees [2024]

15.3%¹

Voluntary Turnover [2024]

14.8% Voluntary Turnover [2023]

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

8 DECENT WORK AND
ECONOMIC GROWTH



Managing & Rewarding Performance

Our Incentive Management System is leveraged to align stakeholder interests around a performance-based system that encourages employees to maximize their potential, rewards operational efficiency and excellence, and generates superior value for shareholders.

As our company continues to grow and adapt in a fast-changing world, our internal practices evolve with us. We are committed to talent growth, talent recognition and continuous improvement.

A Proven Global Incentive Management System

Our global businesses operate under an incentive management philosophy that includes performance-based compensation programs, an open-door policy and, in some cases, profit sharing. Our incentive-based philosophy creates an atmosphere for employees to thrive, learn, grow and be rewarded for exceptional performance.

Performance Management

From the start, measuring and managing our performance has been a driver of success at Lincoln Electric. Along with their market-aligned base pay, our employees are part of an incentive-based pay system driven by their performance. Our vision is simple: to build a stronger team through a culture where feedback is constructive, recognition is meaningful, and development is continuous.

Shop floor employees receive performance feedback at least twice per year. All other employees participate in an annual process driven by individual goalsetting and managed through our Human Resources Information System (HRIS). Each employee's goals are directly related to how they contribute towards the overall goals of the organization.

Performance evaluation results provide the employee with an individual performance rating, which factors into their incentive compensation for the year as well as merit pay increases for the following year.



Reaching Our Full Potential: Core Competencies

Competencies, in their simplest form, describe how we do our best work. They are the behaviors and actions that matter most to Lincoln Electric, and they provide a roadmap to look to on our journey to be our best.



Employee
Engagement



Strong Business
Orientation



The Golden
Rule



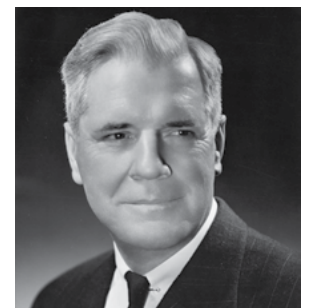
Operational
Excellence



Vision &
Strategy



Solutions &
Values



James F. Lincoln
Chairman
1929 to 1966

Employee Engagement

At Lincoln Electric, 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. Some examples of our engagement processes are shown in the illustration.

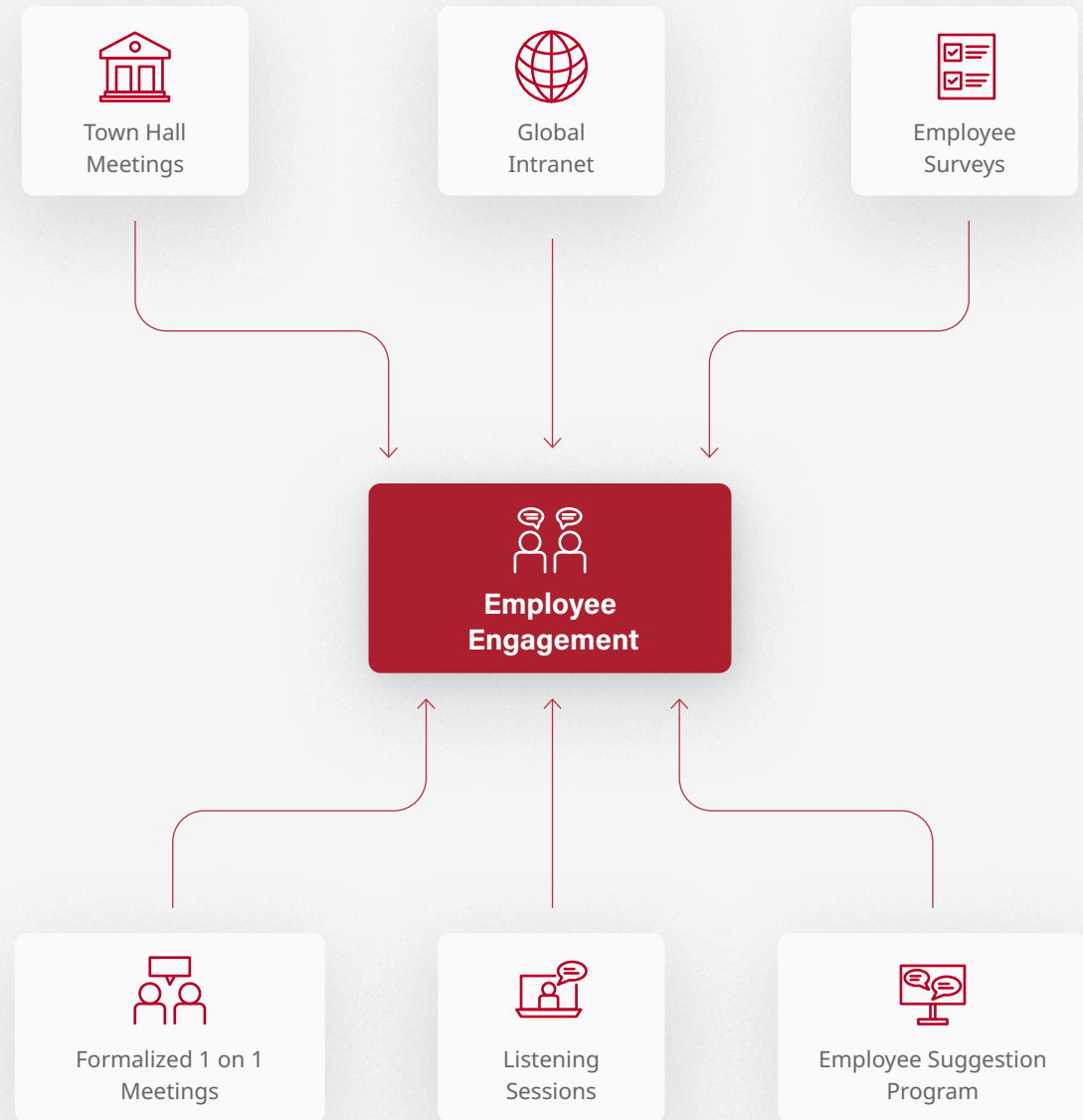
Global Employee Survey Provides Actionable Insights

Our Global Employee Survey provides feedback from employees regarding their work experiences, thoughts and suggestions to help influence our workplace culture, experiences, 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. Our goal is to provide near real-time feedback for managers and leaders throughout the employee lifecycle to continuously improve the organization and our employees' experiences. This commitment to listening more regularly helps us ensure improvements address real needs across all areas of our business.

In 2024, we used an AI-driven solution to give managers greater insights into their team's needs.

85.6%

Global Completion Rate of Experience Survey
(last performed in 2023)



Mental Health Campaign

On October 10th, our International welding teams recognized World Mental Health Day. By bringing more awareness and importance to mental health in the workplace, we're creating a positive, supportive culture, where open conversations are encouraged to benefit everyone. Our 2024 focus was on one of the crucial aspects that support our mental health: resilience.

Resilience isn't just about bouncing back from setbacks; it's about developing the strength to handle the challenges with a positive and adaptive mindset. In the workplace, resilience helps us navigate stress and see the positive sides of adversities. We communicated to all our employees about ways to grow resilience in the workplace with messaging that included:

- **Focus on Staying Flexible:** Be open to adjusting your approach if needed. Keep this thought in the back of your mind, "Sometimes best results come from paths we didn't plan."
- **See the Bigger Picture:** Reflect on how overcoming the current challenge will benefit you in the long run, whether it's in terms of personal or professional growth. Meaning, "Keep your eyes on the final goals, not just the stepping stone."
- **To managers and leaders:** it's crucial to model resilience by demonstrating empathy, flexibility and support. Your approach can inspire and empower your team to handle their own stress and challenges more effectively.
- **To all of us:** We should keep in mind the importance of self-care and well-being and encourage practices such as open conversations, mindfulness and physical activity.

In the U.S., our Employee Assistance Program (EAP) is a no-cost confidential counseling service to help address personal issues. A professional can help employees and their families cope with stress, alcohol or drug abuse, marital or family problems, financial concerns or depression. Counselors are available 24 hours a day, seven days a week.





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.

Lincoln Electric's 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 & Safety, Compliance and Production. The global course catalog features over 22,000 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.

11.9

Average Training Hours/Employee



Experiential Learning

SPARK: The SPARK (Strategy, Project, Agility, Relationship and Knowledge) program helps our employees develop their careers. The program brings global teams together, improves collaboration and delivers improvement projects that bring value to the company. In 2023-2024, more than 30 employees from 14 countries participated in the SPARK program. Working in project mode, teams collaborated to develop ideas addressing key business topics.



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, as well as networking opportunities with executives, managers and other professionals.

Middle School and High School Programs: 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.

Foundational Development

TalentLaunch: 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.



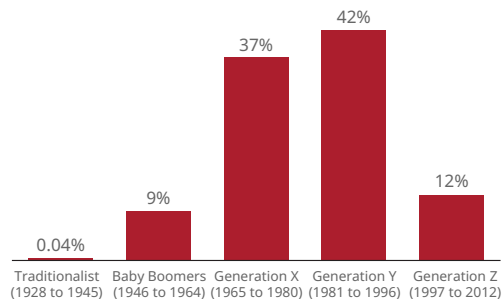


Celebrating Our Global Culture

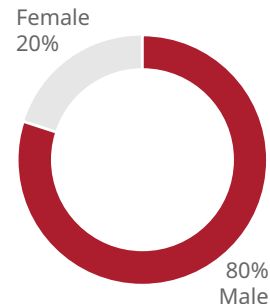
We are also proud of our culturally diverse foundation with 12,000+ people in 39 countries across the globe. Our workforce is a global mosaic with many cultures, subcultures, religions, lifestyles and languages. Our teams come from many different backgrounds, bringing a wide range of perspectives, skills and experiences to our organization. We celebrate our diverse backgrounds, languages and experiences, as they are what make us collectively stronger.

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. The company's culture is underpinned by its core values, including the Golden Rule: Treat Others How You Would Like to Be Treated. 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.

Generation Make-up



Gender Make-up

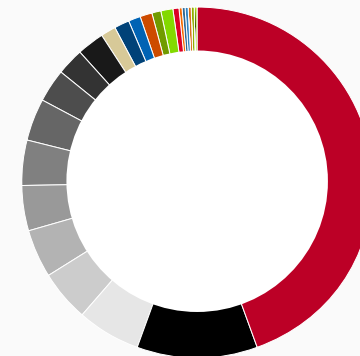


Board & Workforce Composition Highlights



Geographic Profile of our Workforce

Our employees are located in 39 countries on 6 continents



¹ Lincoln Electric's definition of Racially & 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 filing

Corporate Philanthropy & The Lincoln Electric Foundation

Lincoln Electric *foundation*

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 \$35 million in grants and scholarships to support programs that work to alleviate poverty and illness, promote education and provide health and human services.

In 2024, the Foundation issued approximately \$1.6 million in grants. Approximately 50% of the grants were issued to support programming for economically challenged and underserved citizens.

\$1,100,000

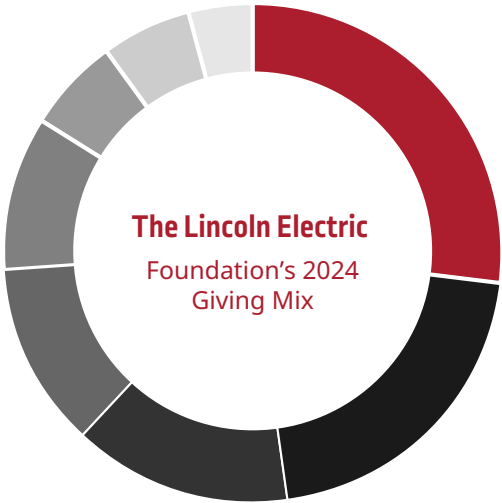
in-kind donations domestically in 2024

In-Kind Gifts: We provide product donations to nonprofit organizations to support fundraising events, disaster relief efforts, weld training and skilled trade programs. In 2024, we provided approximately \$1.1 million of in-kind donations domestically, in addition to donations made through the James F. Lincoln Foundation, product programs that support educational institutions and various international facility donations.

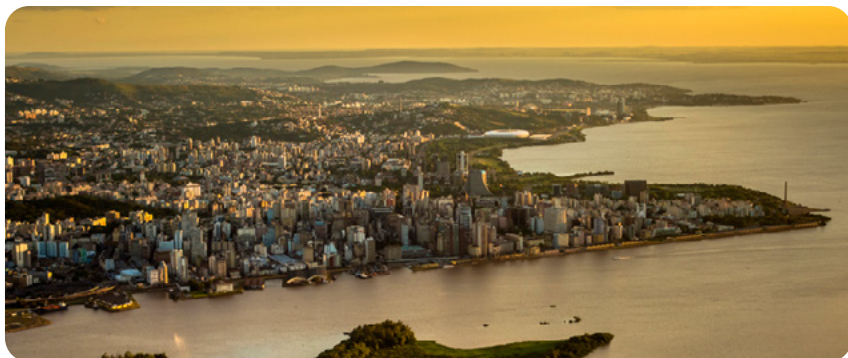
Employee Gift Matching Program: The Lincoln Electric Employee Gift Matching Program supports U.S. employees with the opportunity to double their donation to the nonprofits of their choice. Employees' gifts are matched dollar-for-dollar, up to \$1,000 annually.

Northeast Ohio Girl Scout STEM Center

The Lincoln Electric foundation supported the capital campaign for the STEM Center, which includes an 8,000-sq.-ft. building integrated with the outdoors in an existing 350-acre camp. The center houses a wet lab; workshop space, including tools needed for prototyping and invention; a tech space; podcast booth; observatory; weather station; and more. Outside includes a meadow with a honeybee exhibit, an outdoor pavilion with bat houses, a rain garden and an outdoor classroom.



■ Human Service	27%
■ Education	21%
■ Arts and Culture	14%
■ Medical/Healthcare	12%
■ Economic/Community Development	10%
■ Youth Programming	6%
■ Employee Matching	6%
■ Disaster Relief	4%



In response to flooding in Rio Grande do Sul, Brazil, our facilities in Brazil donated \$25,000 to the Caxias do Sul Foundation to support an emergency campaign aimed at helping communities and families affected by the floods. In addition, our employee volunteers collected clothes, health and personal care items, and household cleaning products to send to our Lincoln affiliate located in Caxias do Sul city to distribute to those affected.



Lincoln Electric volunteers in Cleveland, Ohio, came out to participate in the 12th Annual Big Wheel Relay race and ended up raising a record-breaking \$64,144 for the Cleveland Hearing & Speech Center. The Cleveland Hearing & Speech Center (CHSC) is the nation's oldest freestanding speech center, and Northeast Ohio's only nonprofit organization dedicated solely to serving those with special communication needs.



Lincoln Electric is a significant donor to Women Who Weld® which is a 501(c)(3) nonprofit organization that teaches women how to weld and find employment in the welding industry.

The organization leads intensive welding training programs to prepare women for full-time jobs, apprenticeships, or continuing education in the welding industry. Women Who Weld develops economic opportunities for women and is active in diversifying the workforce.



In the UK, we are an active partner with STEMunity, an organization that combines data, a wealth of industry experience and a tailored local approach on a national and global level to achieve transformative sector change – linking the community at every level of education to universities and professionals. STEMunity looks to achieve a collaborative, inquisitive and diverse education network in which students, teachers, working professionals and academics all prosper from real-life experiences and connections.

2025 Higher Standard Strategy

Sustainability Goals

		2025 GOAL	2024 PERFORMANCE	2023 PERFORMANCE
	Safety (TRCR)	52% Reduction	38% Reduction (vs. 2018 baseline)	38% Reduction (vs. 2018 baseline)
	Scope 1 and 2 Greenhouse Gas Emissions (Absolute)	10% Reduction	190,992 tons CO ₂ e 18% Reduction (vs. 2018 baseline)	193,088 tons CO ₂ e 16% Reduction (vs. 2018 baseline)
	Energy Intensity ¹	16% Reduction	0.093 10% Reduction (vs. 2018 baseline)	0.093 10% Reduction (vs. 2018 baseline)
	Recycling	80% Reduction	78.4% of waste recycled	76.5% of waste recycled
	Landfill Avoidance	97% Reduction	95.6% of waste diverted	94% of waste diverted
	Water use (Absolute)	14% Reduction	858,425 cubic meters 29% Reduction (vs. 2018 baseline)	904,542 cubic meters 25% Reduction (vs. 2018 baseline)

⁽¹⁾ Energy Intensity is total energy consumption per total labor hours worked.

SASB Content Index

Metric Code	Disclosure	Unit	2024 Report or Direct Response
Industrial Machinery & Goods			
Energy Management			
RT-IG-130a.1	1. Total energy consumed 2. Percentage grid electricity 3. Percentage renewable	Gigajoules (GJ), Percentage (%)	1. Total Energy = 2,181,714 2. Percentage Grid = 46% 3. Percentage Renewable = 1.5%
Employee Health & Safety			
RT-IG-320a.1	1. Total recordable incident rate (TRIR) 2. Fatality rate, and 3. Near miss frequency rate (NMFR)	Rate	1. TRIR = 1.13 2. Fatality Rate = 0 3. NMFR = 9.59
Fuel Economy & 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 = 0.46 gal/hr Gasoline-powered welding equipment = 0.61 gal/hr LP Gas-powered welding equipment = 3.53 lb/hr
RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Watts per gallon	Lincoln Electric does not manufacture stationary generators

Metric Code	Disclosure	Unit	2024 Report or Direct Response
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	2024 Lincoln Electric Annual Report p. 7
Remanufacturing Design & 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. ESG, 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 & Secretary, is the executive sponsor for our Sustainability Executive Leadership Committee. Our Vice President, Environmental, Health, Safety & 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 & 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
		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

TCFD CATEGORY		RISK	IMPACT	TIME HORIZON	IMPACT CLASSIFICATION
TRANSITION	Market	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, 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 & 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 & 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, 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, 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, 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, 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. ESG, 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 including 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 greenhouse gas (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 2024 data
 - Scope 1 = 71,164 tonnes
 - Scope 2 (location-based) = 119,828 tonnes
- Water Data 2024
 - Water Withdrawal = 858,425 M³
- Recycling and Landfill 2024 data

- Landfill Avoidance = 95.6%
- Waste Recycling = 78.4%

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

- 10% Reduction in 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

About This Report

This report discusses Lincoln Electric Holdings, Inc.'s operations from January 1, 2024, through December 31, 2024, 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, 2024 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.