

CSR Report

2026

Report on corporate social responsibility for the financial year 2026.



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The GFC Story

With more than 30 years of developing high performance fiber solutions, GFC has the experience, technology, and resources to solve your material challenges.

GFC uses ISO 9000 quality standards and surpasses the competition with a level of consistency and reliability that will improve cable throughput and productivity in the cable manufacturing process.

Granite Falls Composites (GFC) is the Pioneer in the application of FRP and flexible fiberglass yarns for the FOC/wire cable industry and composite reinforcements. Our brands, LIGHTLINE®, INSTANTBOND®, INSTANTDRY®, TACKYBOND®, SOFTSTRAND®, ARASTRAND®, PETSTRAND® and DROPSTRAND® are recognized globally for their quality and performance.

Located in the foothills of North Carolina, the Granite Falls facility has specialized in the manufacturing of fiberglass strength elements since the 1980's. We also manufacture aramid and polyester binder yarns (swellable and non-swellable), as well as a source for composite reinforcement materials.

We are your MADE IN AMERICA source for GRP/FRP, flex glass, aramid, polyester, and composite materials! Call us for your LOCAL solution with unsurpassed service, quality, and reliability!

Business model

GFC is a USA owner and operated company aiming to be the preferred supplier of high-performance fibre solutions to selected customers.

GFC develops, produces and sells fibre-based strength member materials for reinforcement purposes in industries such as telecommunications and composites. GFC products are developed in close collaboration with the key customers and meet the customers' strict quality, durability and safety requirements.

The model on this page illustrates the GFC value chain. GFC suppliers and customers are large global players.



Resources

Employees
100 employees with specific industry/professional experience and values focused on innovation and quality

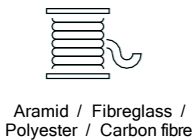
Technology and process know-how
+40 years of experience in designing high-performance fibers and developing technology with process know-how

Knowledge network
Value-adding partnerships with key suppliers with game changing innovation and competitiveness

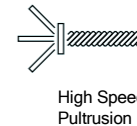
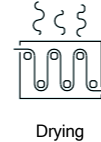
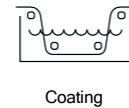
Core business

High-performance fiber solutions

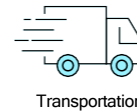
1. Raw materials




2. Processing





3. Documentation and transportation



Customer segments

 **Fibre Optic Cables**
GFC offers a wide range of products to manufacturers of fiber optic telecommunication cables

 **Copper W&C**
GFC PVC enhanced products are made specifically for adhesion to PVC jackets used in copper cables

 **Composites**
Composite sector customers are increasingly replacing traditional steel reinforcement with fiber solutions

Value creation

GFC wants to be the preferred business partner and to create lasting value for our stakeholders

Customers

We are a trustworthy, innovative and value-adding partner for customers demanding top quality, durability and safety standards

Environment and local communities

Integrating environmental considerations and making risk assessments, we manufacture products and support developments in our local community

Employees

We offer an attractive and stimulating workplace committed to a high level of job satisfaction and healthy values

Shareholders

With our investments in production, products and employees, we strive to generate solid long-term returns for our shareholders

CSR policy



GFC integrates corporate responsibility into how we operate, grow, and serve our stakeholders. We believe responsible business practices are essential to long-term success and to maintaining the trust of our customers, employees, and communities.

Our approach is grounded in:

- Compliance with all applicable U.S. laws and regulations
- Ethical business conduct
- Environmental responsibility
- Workplace safety and employee well-being
- Strong governance and accountability

Success defined by long-term success and maintaining the trust of our customers, employees, and communities.

<p>1 Ethical Business Conduct</p>  <p>Operating with good moral and honest standards that migrates to suppliers and customers</p>	<p>2 Environmentally Responsible</p>  <p>Ensure access to affordable reliable, sustainable and modern energy for all.</p>	<p>3 Workplace safety and employee well-being</p>  <p>Maintaining a safe work environment for all.</p>	<p>4 Strong Governance and Accountability</p>  <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<p>5 Partnerships for the goals</p>  <p>Strengthen the means of implementation and revitalize the global partnership for Sustainable Development.</p>
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ESG Ambition

In 2024/25, GFC established an ESG ambition. This is a means to manage our ESG impacts, initiatives, and goals in the period until 2030. Year by year, we will ramp up our ESG-related measures and investments to deliver on our sustainability goals.



E Environment

We will carry out responsible production and process optimisation paving the way for decarbonisation

- GHG Scope 1 & 2 emissions reduced by 38 % from base year.
- Establish baseline and 2030 target for GHG scope 3 no later than 2025.
- Total waste volumes from production processes reduced by 50 % from base year.

S Social

We will ensure that our employees thrive by providing a safe, inspiring and engaging workplace

- Achieve a Lost Time Injury Frequency Rate (LTIFR) below 6 without any Work-related fatalities or serious accidents.
- Achieve a high employee satisfaction score.
- Engage employees to drive for growth and ambition.

G Governance

We will operate based on responsible business practices and long-term partnerships

- System in place for circular product research & development.
- Improve governance procedures.
- Strengthen Corporate Sustainable Reporting and taxonomy alignment.

A scenic landscape of rolling hills and mountains under a sunset sky with a yellow arrow pointing to a cloud.

Driven by innovation.

Designed by experts.

Proven through performance.

Organization & Governance

Granite Falls Composites has established a CSR organization with a steering committee reporting to the Executive Management.

Responsibility for corporate responsibility and sustainability rests with GFC executive leadership. Internal oversight ensures that policies are implemented effectively across operations.

GFC maintains:

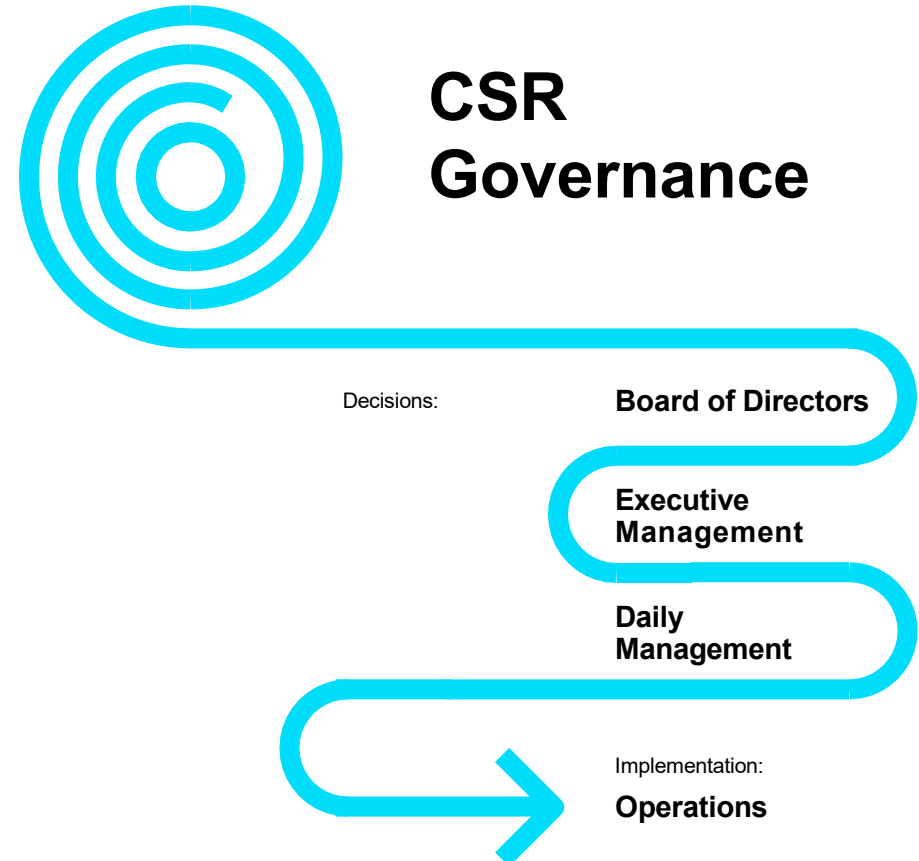
A formal Code of Conduct

Internal compliance and reporting procedures

Defined roles for operational and leadership accountability

Ongoing review of policies to align with evolving U.S. regulatory requirements

We are committed to maintaining transparency, accountability, and continuous improvement in governance practices.



Report on data ethics policy



GFC is responsible for handling the data which the Company receives, registers, processes and stores regarding employees, customers, suppliers and other business partners.

GFC handles business, employee, and customer data in accordance with applicable U.S. data protection and privacy laws.

Our approach includes:

Responsible collection and use of data for legitimate business purposes

Protection of sensitive information through secure systems and controls

Limiting data access to authorized personnel

Maintaining confidentiality and respecting individual privacy rights

We do not sell personal or business data and require third-party partners to meet similar standards.



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Designed by experts.

Proven through performance.

Environment and climate

We acknowledge GFC's role in the global responsibility for making our world more sustainable.

GFC considers corporate social responsibility to be a natural part of business, and we acknowledge that we have a responsibility for our employees and the society which we are part of.

We have naturally integrated CSR into our vision to execute our strategy. We interact with our customers and other stakeholders to maintain a CSR policy and implement measures that contribute to sustainable value creation.

GFC is a climate-attentive manufacturer committed to operating in an environmentally responsible manner and in full compliance with U.S. environmental laws and regulations.

We maintain compliance with applicable requirements including those governed by:

- The Environmental Protection Agency (EPA) Clean Air Act and Clean Water Act provisions
- Resource Conservation and Recovery Act (RCRA)
- Applicable state and local environmental regulations

Our environmental approach focuses on:

- Responsible use of raw materials and natural resources
- Safe handling and management of chemicals and waste
- Prevention of environmental incidents
- Continuous evaluation of manufacturing processes to reduce environmental impact

GFC operates under a structured environmental management system and regularly reviews operations to ensure compliance and continuous improvement.



Human rights

Policy

GFC supports and respects internationally recognized human rights and applies those principles within the framework of U.S. law.

We:

Prohibit forced labor, child labor, and human trafficking

Respect freedom of association and lawful workplace rights

Promote fair and equitable treatment of all employees

We expect our suppliers and partners to uphold similar standards and incorporate these expectations into our supply chain relationships.

Anti-corruption and bribery

Policy

GFC conducts business with integrity and in compliance with U.S. anti-corruption and fair competition laws, including:

Foreign Corrupt Practices Act (FCPA)

U.S. anti-bribery and fraud statutes

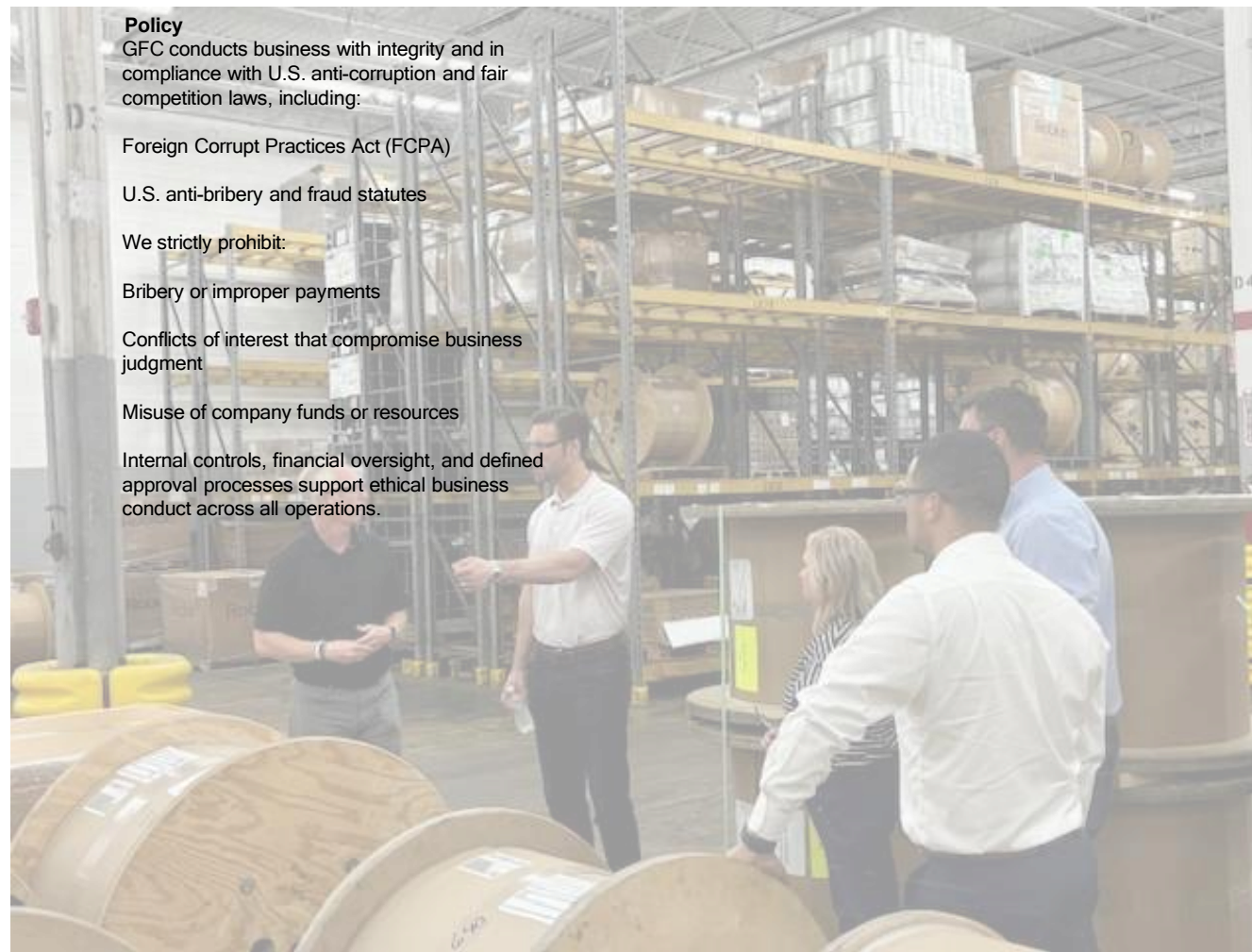
We strictly prohibit:

Bribery or improper payments

Conflicts of interest that compromise business judgment

Misuse of company funds or resources

Internal controls, financial oversight, and defined approval processes support ethical business conduct across all operations.



Community & U.S. Manufacturing Commitment

As a U.S.-based manufacturer, GFC is committed to supporting local communities and strengthening domestic industry.

Our focus includes:

Sustaining and growing American manufacturing jobs

Supporting local economic development

Maintaining strong relationships with employees, customers, and partners

Investing in long-term operational stability in the United States



Continuous Improvement

GFC recognizes that corporate responsibility is an ongoing process. We remain committed to:

Monitoring regulatory developments in the United States

Enhancing internal policies and procedures

Strengthening operational practices

Maintaining compliance while improving performance over time

Granite Falls Composites is committed to operating responsibly, ethically, and in full compliance with U.S. laws and regulations. Our approach reflects a long-term commitment to our employees, customers, community, and the environment—while reinforcing our position as a reliable American manufacturing partner.

**Granite Falls
Composites**

strength in every strand

GFC

strength in every strand

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