Corporate Responsibility Report

FY2025

Table of Contents

Letter from the CEO 3

AFL Company Overview 4

AFL: Who We Are 6

Materiality and Program Management 6

Program Management 7

Collaboration and Partnerships 8

Financial Performance 9

Achieving the Mid-Term 2028 and 2030 Vision 10

Customer Experience 11

Accelerating AI Infrastructure at Speed and Scale 13

Governance 14

Corporate Governance and Risk Management 15

Business Integrity and Ethics 16

Data Security and Privacy 17

Regulatory and Legal Compliance 18

Social 19

Community Involvement and Partnership 20

Attracting and Retaining Top Talent 24

Diverse and Inclusive Workforce 28

Employee Health and Safety 29

Responsible Procurement and Secure Supply Chain 31

Environment 32

Reducing Greenhouse Gas (GHG) Emissions 34

Circular Economy and Raw Material Efficiency 38

Waste and Water Management 42

AFL: Consolidated Report Appendices 44

Environmental Metrics 45

GRI Content Index 47

About This Report 53

AFL

AFLglobal.com

1 (800) 235-3423

Letter from the CEO

As I reflect on FY2025, I'm proud not only of what AFL achieved, but of how we achieved it. Across our global organization, associates demonstrated what it means to put people first, support our customers, strengthen our communities, and continuously improve. These efforts reinforce our belief that Corporate Responsibility is not a separate initiative, but an integral part of how we operate, innovate, and grow.

Our journey is anchored in AFL's core values of being Customer Focused and Community Centered. These principles guide how we approach opportunities and challenges, reminding us that lasting success is built through trust, accountability, and creating value beyond business results alone.

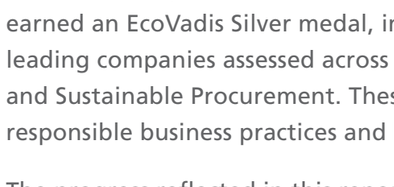
We remain deeply committed to our people and the communities where we live and work. During FY2025, The AFL Foundation announced its inaugural $1 million donation to the Middle Tyger Community Center in Duncan, South Carolina, reflecting our continued investment in the communities we call home. Across the globe, more than 900 associates contributed 4,486 volunteer hours supporting 115 community initiatives. Together, AFL associates and the company contributed more than $1.4 million through charitable fundraising efforts, supplemented by more than $374,000 in matching funds.

We also continued investing in the growth and development of our associates. More than 6,000 individuals completed over 100,000 learning activities, and mentorship programs expanded across multiple regions. We believe that when people are empowered to grow and contribute, our communities and our company are stronger.

Being Customer Focused means anticipating needs, adapting to change, and helping customers succeed in an increasingly complex world. During the year, we responded to more than 90 customer sustainability requests, completed AFL's first enterprise-wide climate risk assessment, and published our inaugural Climate-related Management Report. We also continued positioning AFL for growth in markets shaping the future, including AI infrastructure, intelligent edge networks, broadband access, and grid modernization.

Continuous improvement remains a defining part of AFL's culture. In FY2025, we earned an EcoVadis Silver medal, improving from Bronze and placing AFL among leading companies assessed across Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. These accomplishments reflect our commitment to responsible business practices and long-term value creation.

The progress reflected in this report gives all of us every reason to look ahead with humble confidence. What gives me the greatest sense of pride is the people behind this progress. To our associates, customers, suppliers, and community partners, thank you for your trust, support, and commitment to making a positive difference. It is an honor to serve as AFL's CEO and work alongside individuals so dedicated to our purpose, values, and one another.



Jaxon Lang,

President and CEO



Overview

Financial Performance

Governance

Social

Environment

Appendices

AFLglobal.com
1 (800) 235-3423

AFL Company Overview

AFL's Mission:

To connect our customers around the world with innovative technologies, exceptional products and high-quality services.

Founded in 1984, AFL is a global manufacturer providing end-to-end solutions to the energy, broadband, data center, AI and industrial markets.

With products in over 130 countries, AFL specializes in fiber optic cable and hardware, transmission/compression and substation accessories, connectivity solutions, fusion splicers, and test and inspection equipment. Guided by Customer-Focused and Community-Centered values and a strong commitment to safety, the company operates manufacturing facilities worldwide and provides a comprehensive portfolio of services and solutions supporting network infrastructure, data centers, service providers, wireless and power grid modernization. A subsidiary of Fujikura Ltd. of Japan, AFL employs over 11,000 associates worldwide.

Overview

Financial Performance

Governance

Social

Environment

Appendices

AFLglobal.com
1 (800) 235-3423

AFL: Who We Are

At AFL, we design, manufacture and deliver innovative technologies that help keep the world connected – but our impact extends beyond the products and services we provide.

We're a team of problem solvers, makers and innovators who believe progress happens when people care. Our core values – **Customer Focused** and **Community Centered** – underscore our culture and guide what we believe and how we operate worldwide. They help ensure that, regardless of geography, we remain committed to delivering exceptional customer experiences while making a positive impact in the communities where we live and work. These priorities reflect AFL's truly unique value proposition and bolster our company's growth.

Core values:

What we believe

- **Customer Focused**
- **Community Centered**

Mission:

To connect our customers around the world with innovative technologies, exceptional products and high-quality services.

Locations:

85% NA

10% APAC

5% EMEA

Why AFL:

Foundational strength

40+ years in U.S. electric grid. Infrastructure provider to energy, data center and broadband markets.

Growth engines

Broadband, grid modernization, large venue/campus wireless, hyperscale and GenAI data centers.

Financial stability

Resources, tools and a stable economic history lower risk in business decisions.

Innovative solutions

Products, services and strategic thinking to build a lasting partnership.

Business integrity

Transparent, consistent and high levels of accountability to meet your business needs.

130+
Countries Sold To

3,000+
Global Products

11,000+
Worldwide Team Members

14
Global Manufacturing Locations

Core market segments:

- **Broadband**
- **Data Center**
- **Energy**

Overview

Financial Performance

Governance

Social

Environment

Appendices

AFLglobal.com
1 (800) 235-3423

Materiality and Program Management

Our Corporate Responsibility Priorities

AFL's commitment to the three pillars of corporate responsibility – **Environment, Social and Governance** – is a strategic priority. Our corporate responsibility efforts bolster our value proposition, even while keeping financial performance and customer experience top of mind.

Financial

- Achieving the mid-term 2028 and 2030 vision
- Customer experience
- Accelerating AI infrastructure at speed and scale

Governance

- Corporate governance and risk management
- Business integrity and ethics
- Data security and privacy
- Regulatory and legal compliance

Social

- Community involvement and partnership
- Attracting and retaining top talent
- Diverse and inclusive workforce
- Employee health and safety
- Responsible procurement and secure supply chain

Environment

- Reducing greenhouse gas (GHG) emissions
- Operational energy efficiency
- Circular economy and raw material efficiency
- Waste management
- Water conservation

Program Management

AFL's Corporate Responsibility Program is owned by our executive vice president/ general counsel, who also serves on the Board of Directors and Executive Committee. Oversight is provided by our Corporate Responsibility Committee – a cross-functional group of representatives from across the company – that advises AFL's leadership on corporate responsibility strategy and performance. Our dedicated Corporate Responsibility core team is responsible for progressing our priorities and administrating the program's day-to-day corporate responsibility efforts.

Supported by the Corporate Responsibility core team, the Committee guides and monitors our corporate responsibility strategy, goals and progress, as well as oversees annual reporting and responses to stakeholder inquiries. It meets at least biannually and provides regular updates to the Executive Committee, which communicates key developments to the Board of Directors.

The Corporate Responsibility core team also provides ongoing training and works closely with teams across the global organization – including Leadership, Operations, Product, Services, Commercial, Finance and regional teams – to integrate sustainability throughout the business. The core team also engages with external partners across the value chain. This stakeholder engagement is necessary to support customer requests, data collection and reporting, product sustainability, operational efficiency and regulatory compliance.

Committee Structure:

Executive Sponsor
CEO

Owner
EVP/General Counsel

Committee Members

Members from the following teams:

- Legal/Compliance
- Sustainability
- EHSS
- Finance/Risk
- Supply Chain
- Human Resources
- Corporate Strategy
- Sales/Marketing

Bronze
FY2024

Silver
FY2025



AFL's investment in corporate responsibility has led to multiple instances of recognition. We are proud to have maintained a B "Management" score on our FY2025 CDP Climate Change questionnaire for the second year, demonstrating our proactive approach to managing our climate impacts. Swift progress to build our management approaches across Environment, Labor and Human Rights, Ethics, and Sustainable Procurement topics led to our achievement of an EcoVadis "Silver" medal for FY2025, improving from a Bronze medal the previous year.



88%

As members of the Sustainable Supply Chain Alliance, we received a score of 88% in FY2025 on The Sustainability Project (TSP) Sustainability practices questionnaire. The score was benchmarked against responses from over 1,920 companies regarding practices in the industry segment, evaluating sustainability, governance and management, data and metrics, and targets.

Collaboration and Partnerships

AFL actively participates in multiple industry associations, sustainability initiatives and collaborative partnerships at both regional and global levels. These relationships support our efforts to network, contribute and stay aware of current technologies and trends, while also making progress against our corporate responsibility goals.

We also support organizations within the communities where we operate. By combining local engagement with participation in broader industry initiatives, we strengthen our ability to contribute positively to society while continuing to learn from peers and stakeholders around the world.

In June 2025, Grant Burns, AFL's Executive Vice President and General Counsel, was elected as the chair of the South Carolina Manufacturers and Commerce Board of Directors. Grant's election to this new role reflected his long history of volunteer leadership and AFL's continued commitment to supporting the manufacturing community in South Carolina.



Business Ethics Leadership Alliance (BELA):

AFL is a member of BELA, a community of leading enterprises that share best practices and expertise in ethics and compliance.

Fiber Broadband Association (FBA):

AFL is a member of FBA, a trade association dedicated to advancing the deployment of fiber optic broadband networks in North and Latin America and participates in its sustainability working group.

The South Carolina Manufacturers and Commerce (SCMC):

AFL is a member of SCMC, a trade association advocating for businesses in South Carolina through policy leadership in workforce development, environmental stewardship and good governance in order to align with sustainable economic growth.

Sustain SC:

AFL is a corporate member of Sustain SC, a network of cross-sector organizations in South Carolina bringing commerce and conservation needs together, and continues to sponsor its Land and Water Action Platform (LAWAP).

Sustainable Supply Chain Alliance (SSCA):

AFL is a member of SSCA, an organization of utilities and suppliers working to advance sustainable supply chain practices.

Women in Manufacturing (WiM):

AFL is a member of WiM, an association focused on supporting, promoting and inspiring women in manufacturing careers.

Overview

Financial Performance

Governance

Social

Environment

Appendices

AFL
AFLglobal.com
1 (800) 235-3423

Financial Performance

AFL's mission is to connect customers worldwide through innovative technologies, exceptional products and high-quality services. Guided by our vision to create a positive impact in the communities we serve, we focus on several key priorities that support sustainable growth and long-term financial performance.

Achieving the Mid-Term 2028 and 2030 Vision

Customer Experience

Accelerating AI Infrastructure at Speed and Scale

Achieving the Mid-Term 2028 and 2030 Vision

Our Core Values: Customer Focused, Community Centered

Leading through understanding and solving challenges in the markets we serve and the communities where we live.

AFL delivered a strong FY2025 by successfully executing our strategic priorities and advancing our long-term vision for growth in rapidly expanding AI, network and critical infrastructure markets. We achieved our key business goals while building resilience and responsiveness into our approach, continuing to strengthen our position as a trusted partner to customers worldwide.

A defining theme of FY2025 was our continued evolution into a more integrated "One AFL" organization. We are working diligently to implement shared systems, values and operating principles across regions. To do so, we are investing in our people, culture, safety programs, digital capabilities and data-driven ways of working to build a future-ready organization. These efforts, combined with a growing focus on sustainability and alignment with Fujikura's broader initiatives, support our long-term business success.

As we look ahead to 2030, we recognize that through operational excellence, customer focus and a differentiated portfolio of products, services and solutions, we can continue to leverage our global footprint to create greater value and support a more equitable world.

Broadband Access and 5G

The delivery of high-speed broadband is critical to connect businesses, homes, schools and hospitals. The deployment of Converged Access Networks will bring together wireline and wireless into a single holistic network solution. Smart Technology venues (e.g., stadiums, parking garages) will drive the need for Distributed Antenna Systems (DAS), cabling infrastructure investments and on-premise edge computing.

Grid Modernization

The need for a resilient, reliable and modernized electric grid is critical to providing consistent and safe electric power. Electric utilities and co-operatives will deploy fiber products and solutions along with new conductor accessory innovations to improve efficiency and reliability.

Enabling AI Infrastructure and Intelligent Edge Networks

Supporting the rapid growth of generative AI, machine learning and data-intensive applications requires scalable, high-performance infrastructure capable of moving unprecedented volumes of data. AFL enables next-generation AI ecosystems through advanced fiber connectivity, optical interconnect solutions and network infrastructure that support hyperscale data centers, AI compute clusters and high-capacity data center interconnect (DCI) networks. As AI workloads expand from centralized training environments to distributed inference and edge deployments, AFL's solutions help customers build resilient, low-latency and highly scalable networks that connect data center, transport and edge environments.

As a proud member of the Fujikura Group, AFL supports Fujikura's vision of advancing a highly digital society and achieving carbon neutrality. Through innovative technologies, global manufacturing excellence and a shared commitment to sustainable growth, we create value for our customers and society.

Customer Experience

Our Customer-Focused core value guides both our business operations and corporate responsibility efforts. Building on more than 40 years of trusted partnerships with utilities, network service providers, hyperscalers and other customers, our associates embody this value by working to understand and meet customer needs around the world. Our relationships enable us to collaborate on shared sustainability priorities and identify opportunities to create value.

GLOBAL HIGHLIGHT:
Poland

In May 2025, AFL was named runner-up for the "Outstanding Contribution to Sustainability and Efficiency Award" at the 2025 DCS Awards, in recognition of our state-of-the-art manufacturing facility in Poland. The facility, in operation since 2024, combines environmental stewardship with end-to-end optical fiber manufacturing and logistics. Our presence in Poland brings high-speed connectivity solutions closer to regional demand to enhance the customer experience, while also reducing transport-related carbon emissions.



Throughout FY2025, AFL continued to engage key customers to better understand their evolving sustainability expectations and determine alignment with our own corporate responsibility goals. While regulatory requirements and reporting expectations continue to develop across global markets, our customers remain focused on transparency, environmental stewardship and responsible business practices.

To support these conversations, AFL advanced existing initiatives such as our Life Cycle Assessment (LCA) tool to better understand product impacts and inform decision-making. Cross-functional collaboration among commercial, engineering, operations, product line and packaging teams remained an important part of addressing customer inquiries and supporting sustainability-related requests; in FY2025 alone, we responded to >90 customer requests. Through ongoing engagement and transparent reporting, we can demonstrate our commitment to partnering with customers as they work toward their own sustainability objectives.

Broadband Access for Domestic Communities

In FY2025, AFL continued to strengthen our role in supporting domestic broadband expansion through ongoing investments in U.S. manufacturing, advanced production capabilities and domestic job creation. Building on our Build America, Buy America (BABA)-compliant product portfolio and National Telecommunications and Information Administration (NTIA) self-certification efforts, we formally reaffirmed our commitment to ensuring sufficient availability of BABA-compliant optical fiber and cable throughout the Broadband Equity, Access, and Deployment (BEAD) Program. We also committed to working directly with BEAD funding recipients to align product availability with deployment schedules, helping communities access reliable broadband infrastructure while supporting a resilient domestic supply chain.

Manufacturing Excellence

Since 2016, AFL has grown rapidly to meet rising customer demand as fiber, AI, IoT and cloud computing reshape our industry. This growth requires us to scale with stability, speed and purpose while maintaining strong operational controls.

AFL Manufacturing Excellence (AME) provides a disciplined system for doing so by linking our shared culture, commitments to customers and associates and competitive advantage to our operating principles. AME is structured around 12 pillars – three core and nine structural – supported by layered communication from associates, supervisors and managers through pillar and steering teams, as well as common activities, events, documents and tools. Each pillar has a defined purpose and measurable impact across safety, engagement, productivity, quality, delivery, communication, training and cost. Together, they help teams identify gaps, solve problems and continuously improve, allowing progress in one area to reinforce performance across the facility. More than an initiative, AME is a mindset that empowers associates at every level to lead change, advance AFL's strategic goals and deliver greater quality and value to our customers.

The launch of AME at AFL's Monterrey facility was a significant site-wide effort. The facility used associate engagement activities, games, awareness campaigns and training to build understanding, generate excitement and embed AME into daily operations. Strong associate participation demonstrated the site's commitment to continuous improvement and operational excellence. As AME continues to evolve across AFL facilities, the program will equip teams with consistent tools and practices to advance manufacturing processes, improve quality and strengthen market competitiveness.







Accelerating AI Infrastructure at Speed and Scale

AFL plays a critical role in enabling the infrastructure foundation of the AI economy. As artificial intelligence transforms industries and drives unprecedented demand for computational capacity, high-speed connectivity and reliable energy, AFL is focused on accelerating the deployment of AI infrastructure at the speed and scale required by hyperscale, colocation, electric utility and service provider customers worldwide.

The rapid expansion of AI data centers is creating a new generation of infrastructure requirements. These facilities demand significantly greater network density, lower latency, higher fiber counts, increased power availability and faster deployment cycles than traditional digital infrastructure. AFL is uniquely positioned to support this transformation through our expertise in optical connectivity, network infrastructure, power-enabling solutions, engineering services and end-to-end deployment capabilities.

In FY2025, AFL continued to strengthen our ability to support large-scale AI infrastructure investments through targeted capacity expansion, advanced manufacturing capabilities, engineering innovation and supply chain resilience. We are aligning our technology development, production footprint and service capabilities to help customers accelerate the deployment of AI data centers, high-capacity optical networks and the critical power infrastructure required to support next-generation AI workloads.

As the AI economy continues to scale, AFL remains committed to being a trusted partner in the design, construction and operation of the infrastructure that powers it. By combining innovation, manufacturing excellence and execution capabilities, we help customers deploy AI infrastructure faster, operate more efficiently and create the foundation for sustained technological advancement and economic growth.



Overview

Financial Performance

Governance

Social

Environment

Appendices

Governance

AFL integrates ethical principles and governance best practices into the way we do business, with a focus on the following core areas:

Corporate Governance and Risk Management

Business Integrity and Ethics

Data Security and Privacy

Regulatory and Legal Compliance

Corporate Governance and Risk Management

AFL's corporate governance framework enables sustainable growth, long-term value creation and effective management of global risks and opportunities. As a privately held subsidiary of Fujikura Ltd. of Japan, we collaborate closely with our parent company while maintaining governance structures and processes tailored to AFL's operations and priorities. Our commitment to transparent information sharing with Fujikura also promotes alignment and supports informed oversight across the organization.

Our leadership team models the values and behaviors we want to see throughout the organization, while encouraging growth and innovation. Our values and behaviors are embedded in multiple resources that are shared with our associates via a centralized policy management tool, which facilitates communication, tracking and ongoing management of corporate policies.

GLOBAL HIGHLIGHT:
Leadership

AFL reinforces our globally connected culture through leadership engagement across functions and regions. Global summits across teams including Sales, HR, Finance and EHSS bring employees together from around the world for collaboration, team building and community service.

AFL's risk management program is led by the internal audit function, which reports to the board through our Audit & Corporate Governance Committee. In FY2025, we built upon our prior corporate-wide integrated risk assessment by using the results to inform operational audit planning as well as our subsequent targeted climate-risk assessment. AFL also uses the Responsible Business Alliance's Self-Assessment Questionnaire (SAQ) to evaluate risk in alignment with customer expectations. Based on our completion of the SAQ, AFL continues holding a low-risk rating for the third year.

GLOBAL HIGHLIGHT:
Climate Management

In FY2025, AFL engaged dozens of internal stakeholders globally to conduct our first climate risk assessment. The assessment evaluated both physical and transition climate-related risks and their potential impact on our business. The process and subsequent reporting followed the Task Force on Climate-related Financial Disclosures (TCFD) guidelines and were published in our inaugural standalone Climate-related Management Report covering the FY2024 reporting year.

Additionally, in FY2025, we launched a new Corporate Contracts Policy designed to strengthen compliance, reduce risk and enhance operational efficiency across the organization.

Our third-party due diligence programs reduce our risk exposure to global supply chain challenges. Our Supplier Code of Conduct (SCOC) and Responsible Procurement Policy formalize our expectations of suppliers to align with ethical business practices. To proactively ensure full understanding of these policies, we require a Supplier Code of Conduct (SCOC) acknowledgment survey and a Supplier ESG Questionnaire as part of our formal vendor onboarding process. The data received provides valuable insights into upfront risks and opportunities for improvement across our value chain.

Business Integrity and Ethics

Operating across multiple countries requires more than compliance with local laws. AFL must foster a shared commitment to ethical business practices that speak to every associate around the world. This commitment is documented in our Code of Conduct, which is available in multiple languages and outlines expectations for upholding ethical business standards and treating our colleagues, customers, business partners and communities with respect.

As stated in our Code of Conduct, all known or suspected misconduct, including potential conflicts of interest, must be disclosed through one of the Reporting Channels (AFL Managers, Human Resources, Compliance Officer and the Legal Department) or the AFL Integrity Line, which offers a confidential and anonymous "whistleblower hotline" reporting option. The Integrity Line was implemented in 2025 and is available to all associates with both web-based and phone intake with local numbers and languages. In FY2025, we received 54 reports through the Integrity Line, which were reviewed by our Compliance team – alongside concerns raised through other reporting channels – to better understand how comfortable associates are speaking up, identify high risk areas, and make improvements to training, processes and resources. In FY2025, our hotline submissions exceeded benchmark* rates for substantiated reports.

All reported incidents are tracked and reported to our Compliance Committee, which includes representatives from business units as well as our general counsel, chief financial officer and chief human resources officer. AFL's compliance officer has the ultimate responsibility for evaluating potential conflicts of interest. This governance structure fosters regular dialogue on compliance activities from senior management through to our Executive Committee.

In December 2025, AFL introduced our new website-based Ethics and Compliance Console to help associates more easily complete training, acknowledge company policies and submit conflict of interest disclosures. The console includes AFL's interactive Code of Conduct to help associates better understand expectations and conduct business with integrity.

*Source: Navex 2026 Whistleblowing & Incident Management Benchmark Report

Responsible AI use, awareness and governance were key initiatives in FY2025. AFL recognizes that artificial intelligence can support productivity when used responsibly and with the appropriate safeguards. As AI tools become more common, we want to ensure associates are enabled to use them in ways that are secure and aligned with our commitments to privacy, information security and responsible business conduct. To do so, we are developing a generative AI Acceptable Use Policy designed to establish guardrails and reduce the risk of confidential company information being entered into unapproved systems, which will subsequently be followed by training in FY2026.



Overall, we continually build awareness regarding ethics and integrity by supplementing our formal policies and training requirements with ongoing communications, intranet resources, trainings and quizzes, while promoting our "Speak-Up Culture" and open-door policy to encourage associates to communicate concerns. All new associates are automatically assigned Code of Conduct training during onboarding and all associates refresh their training every two years. In parallel, leadership reinforces ethics and compliance through regular business-review messaging.

Our compliance ambassadors collaborate with advisors and managers globally on how to engage with associates sharing their concerns; these ambassadors also help disseminate print materials and posters in manufacturing environments and common areas. In addition, we publish monthly compliance articles and legal articles in our internal newsletter, supplemented with videos, infographics, links to relevant resources and other ways to enhance learning.

As a member of the Business Ethics Leadership Alliance (BELA), we benchmarked our program against the World's Most Ethical Companies honorees to identify gaps and opportunities, guiding upcoming initiatives and investments to strengthen our program.

Data Security and Privacy

AFL's data security and privacy management approach ensures security is a key consideration in network management, our company is compliant with data protection laws and that the protection of the rights and freedoms of individuals whose information AFL collects and processes is in accordance with privacy laws around the globe. Our approach to data privacy is formalized in our Code of Conduct and Privacy Notice.

Cybersecurity at AFL is led by the senior manager of cybersecurity, who oversees the company's security program and team. Our Cybersecurity Risk Committee provides strategic oversight and ensures alignment with AFL's business objectives and risk management priorities, regularly reviewing our program's initiatives and performance.



In June 2025, AFL successfully achieved ISO 27001 certification, the leading internationally-recognized standard for information security management, after two years of rigorous preparation. To align with the framework, AFL developed a comprehensive Information Security Management System (ISMS) to protect sensitive data, better anticipate cybersecurity and privacy risks and address potential gaps at the global level.

This achievement marked a major milestone and foundation for continuous growth in data security. Our performance KPIs, such as phishing simulation results, reporting rates and click-through rates, will help us continue to identify areas for improvement in pursuit of long-term information security maturity.

AFL actively promotes a culture of data privacy by maintaining consistent communication with associates on the importance of protecting personal information and corporate confidential data. This included publishing six data security and privacy-related articles on our dedicated intranet site, leveraging our IT services portal, messaging during corporate town halls, curated interactive learning system and social engineering simulations. Our network of compliance ambassadors also supported this messaging.



Our regularly disseminated practical "job aids" build awareness of the importance of data privacy, sharing guidance on safeguarding personal data and other relevant topics. We also began using AI-enabled phishing and social engineering simulations to help our associates recognize evolving cyber threats such as deepfake voice technology and other sophisticated impersonation tactics. These simulations are being introduced thoughtfully; we consulted with leadership on the approach to gauge comfort levels with the use of AI tools and began testing with higher-risk groups such as Finance, Supply Chain and IT help desk teams. Even while balancing awareness with privacy concerns, exposing associates to realistic scenarios in a controlled training environment will strengthen their ability to identify, question and report suspicious activity.

AFL's data governance programs identify and protect critical assets that safeguard both our own and our customers' data. We regularly evaluate our controls for compliance with their policies alongside our own, thus ensuring we align with industry best practices as well as contractual obligations. Additionally, we assess our suppliers to verify if they have appropriate technical and organizational security measures in place to protect personal and other sensitive data from inappropriate use.

Regulatory and Legal Compliance

AFL conducts our business in compliance with all applicable laws and regulations. As a global company, multiple teams maintain programs and collaborate to monitor geopolitical and regulatory developments and ensure continued compliance amidst rapid growth.

Our Governance and Compliance team works closely with our Corporate Responsibility Core team to track global sustainability regulations that may impact both AFL and our customers and provide regular briefings to our Executive Committee on key trends, including during Quarterly Business Reviews. By maintaining awareness of existing and emerging regulations, AFL can pursue readiness activities while also meeting the needs of customers who may be impacted by these developments.

We continued to build our product stewardship and materials compliance program and governance approach. The cross-functional collaboration includes the Corporate Responsibility core team in recognition of the increasing connection to sustainability, as materials transparency, packaging, circularity and supply chain responsibility requirements are likely to influence product design as well as our sustainability disclosures.

AFL's robust trade compliance program supports adherence with all applicable export, import and sanctions laws. Our customs compliance function was critical in navigating the volatile U.S. tariff environment throughout FY2025, conducting daily monitoring to ensure correct duty payments and accurate government reporting. The function also conducts thorough screenings of business partners to ensure our products are not sold in embargoed regions or to unauthorized end users, particularly where dual use technologies are involved and where foreign policy considerations apply. Our investment in these programs reflects our dedication to ethical global operations and responsible value chain management.

GLOBAL HIGHLIGHT:

Our Regulatory Roadmap

Acknowledging the increasing complexity of potential regulatory impacts, in FY2025, AFL developed a regulatory roadmap for the Europe, Middle East and Africa (EMEA) region documenting the breadth of markets and regulatory regimes being tracked, including EU regulations applying across 31 countries sold into during 2022–2025, multiple customer-specific requirements from companies with international footprints, and a forward-looking pipeline of evolving requirements covering topics such as supply chain due diligence, deforestation, packaging, pollutants and more.



Overview

Financial Performance

Governance

Social

Environment

Appendices

Social

As a global organization, AFL believes social responsibility extends beyond business operations. We are committed to supporting communities around the world and creating positive, lasting impacts on the lives of others.

Community Involvement and Partnership

Attracting and Retaining Top Talent

Diverse and Inclusive Workforce

Employee Health and Safety

Responsible Procurement and Secure Supply Chain

Community Involvement and Partnership

Community engagement is a longstanding part of AFL's culture and values. Our extensive Community Outreach Program benefits local communities through employee volunteerism, scholarship opportunities, charitable grants and giving campaigns. These efforts help create positive social impact while strengthening connections between our associates and the communities they serve.

Across our global operations, AFL engages associates in campaigns designed to encourage service, generosity and community involvement. The success of these initiatives reflects both the strength of our culture and the dedication of our workforce. In 2025, targeted engagement efforts by AFL's U.S. Services group resulted in more than double the associate participation and over triple the volunteer hours compared with the previous year's Month of Service campaign.

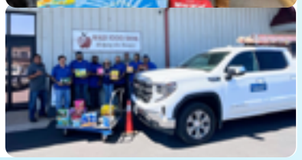
FY2025 Volunteerism Around the World

GLOBAL HIGHLIGHT:

United States

AFL's U.S. Services team volunteered with multiple food banks in Hawaii, including the Maui Food Bank and Hawaii Food Bank, assembling and distributing food to local communities.





GLOBAL HIGHLIGHT:

Mexico



In March 2026, our Monterrey facility launched the "Raíces AFL" program, when 78 volunteers planted 50 native trees in a single day near the communities where AFL associates live. The initiative helps create greener, more positive spaces that directly impact both our associates' family environment and the surrounding areas.

GLOBAL HIGHLIGHT:

Poland



Our Poland associates partnered with the Różyczka Foundation and the ISKIERKA Foundation, collecting more than 2,500 essential items for local families and children facing hardships. AFL further supported the effort with a donation tied to employee contributions, multiplying the initiative's impact.

GLOBAL HIGHLIGHT:

Australia



AFL Australia donated more than $20,000 to Eat Up Australia, the nation's only organization providing free lunches to students on a national scale. Inspired by the impact of this partnership, we also committed to a 12-month collaboration to support meal programs and expand opportunities for associate volunteerism.

The AFL Foundation

Established in FY2024 in celebration of AFL's 40th anniversary, The AFL Foundation reflects our enduring belief in the power of giving back. Backed by an initial $10 million commitment, the Foundation builds on decades of support for the communities where our associates live and work. AFL has long supported communities through disaster relief, volunteer initiatives, scholarships and hundreds of grants and sponsorships — directing more than $1.1 million to organizations in the three years prior to the Foundation's launch. Grounded in our Community-Centered core value, the Foundation brings greater structure, scale and lasting impact to this tradition of service. Foundation assets are invested through the Spartanburg County Foundation, which serves as its nonprofit fiduciary.



In FY2025, the Foundation announced the inaugural donation of $1 million to the Middle Tyger Community Center (MTCC), an innovative, comprehensive family resource center that addresses the complex needs of families living in rural Spartanburg, SC. AFL associates regularly volunteer and contribute to MTCC, demonstrating a deep, ongoing investment in the well-being of the community.

> *"AFL's commitment to the community is a huge part of why Middle Tyger can be successful and why families in our district can be healthy and thrive. Whether it's bicycles for children facing obstacles or this transformational gift to expand our capacity to serve, AFL shows up for Upstate families in ways that truly matter."*

Haley Grau

Executive Director of Middle Tyger Community Center

AFL's Outreach Program

Grants and Sponsorships

Our grant program targets three areas: STEM education, youth development and the Life Enrichment & Advancement Program (LEAP).

	FY2024 KPIs	FY2025 KPIs
	28 GRANTS	**40** GRANTS
		+14 IACT GRANTS
	56 SPONSORSHIPS	**45** SPONSORSHIPS
	50+ ORGANIZATIONS	**70+** ORGANIZATIONS
	$170,000 OF GRANTS	**$176,000** OF GRANTS
	254,000 SPONSORSHIPS	**240,000** SPONSORSHIPS

Volunteerism and Service

Every September, AFL associates partcipate in UNITE, our annual month of service—sharing in a company-wide effort to volunteer with local non-profit organizations.

Our AFL Community Team (ACT), Individual Action (iACT) and Volunteers Choose programs encourage associates to volunteer in their communities.

FY2024 KPIs	FY2025 KPIs
2,596 VOLUNTEER HOURS	**2,037** VOLUNTEER HOURS
600+ ASSOCIATES	**500+** ASSOCIATES
208 INITIATIVES SUPPORTED	**90** INITIATIVES SUPPORTED

	FY2024 KPIs	FY2025 KPIs
Giving		
AFL's annual ImagineThat! Giving Campaign encourages associates to make donations to non-profit organizations, supplemented by a matching grant from AFL to multiply their impact.	**$760,000** RAISED **$178,000** IN MATCHING CONTRIBUTIONS Outreach Award Finalist	**$1,422,000** RAISED **$374,213** IN MATCHING CONTRIBUTIONS AFL's Angie Myers, Sr Director, Benefits & Community Engagement, recognized as United Way of the Piedmont's Employee Campaign Coordinator of the Year
Environment		
Our Thrive Program helps support the preservation of our environment through action, including tree planting to beautify our communities while removing carbon from the atmosphere, as well as sponsoring regular cleanup of South Carolina roadways.	**900** trees provided, for total of 20,600 trees Sustain SC's LAWAP inaugural supporter **3** environmentally-focused community projects supported through company volunteering	**7** environmentally-focused community projects supported through company volunteering Drayton Mill Tree Planting; funding supported execution of an organized community forestry program

Attracting and Retaining Top Talent

Our success is driven by our people. As our workforce continued to grow, we remained committed to fostering regular touchpoints that demonstrate our investment in associates' development, well-being and sense of belonging, while ensuring they had the support needed to thrive.



February 2026 Associate Survey

86%

participation rate

We conduct annual Employee Engagement surveys to gauge our progress. Our most recent survey, conducted in February 2026, achieved an 86% participation rate and reinforced that associates feel strongly connected to AFL's mission and values, particularly our commitment to quality, customer outcomes and a culture that differentiates us as an employer. Of note, efforts such as newly structured onboarding programs, global compensation reviews and our reorganization from business units to market-focused units contributed to a 10-point rise in career growth perception.

Associates also identified opportunities to strengthen collaboration, decision-making, change management and performance management. As in years prior, AFL continues to evaluate and respond to this feedback through ongoing people and organizational initiatives. Notably, our plans for FY2026 include continuing roles and responsibility clarifications, formalizing succession plans and adapting to AI-driven workforce transformations. These plans will allow us to not lose sight of the strengths identified by our associates, building on them even as we work on our opportunities.

What Makes AFL a Great Place to Work

Associates strongly identify with AFL's mission

Quality and customer outcomes are seen as core to "doing the job right."

Culture is a differentiator at AFL

Emotional connection to colleagues, proud to be part of the organization. People are why they stay.

Safety is described as a core value

Not a compliance exercise.

Changes are linked back to input

Changes to pay, benefit, structure and process are linked to associate input.

Town halls and executive communications

Are seen as transparent and informative. There is an appreciation for leaders who speak plainly and acknowledge uncertainty and explain context.

Community impact strengthens emotional commitment

And reinforces AFL's values and commitments to corporate responsibility.

Learning and Development

FY2025 demonstrated that AFL's Learning and Development (L&D) program grew beyond a focus on training delivery to building the capabilities that drive leadership effectiveness, operational excellence and long-term performance. What that looked like included expanded global reach, stronger leadership capability and scalable learning infrastructure.

More than 6,000 associates across nearly every business unit and geography completed over 100,000 learning activities during the year. As this was driven primarily by voluntary participation in live webinars, podcasts and development programs rather than mandatory training, this growth is linked to increasing employee interest in professional development and skill-building opportunities.

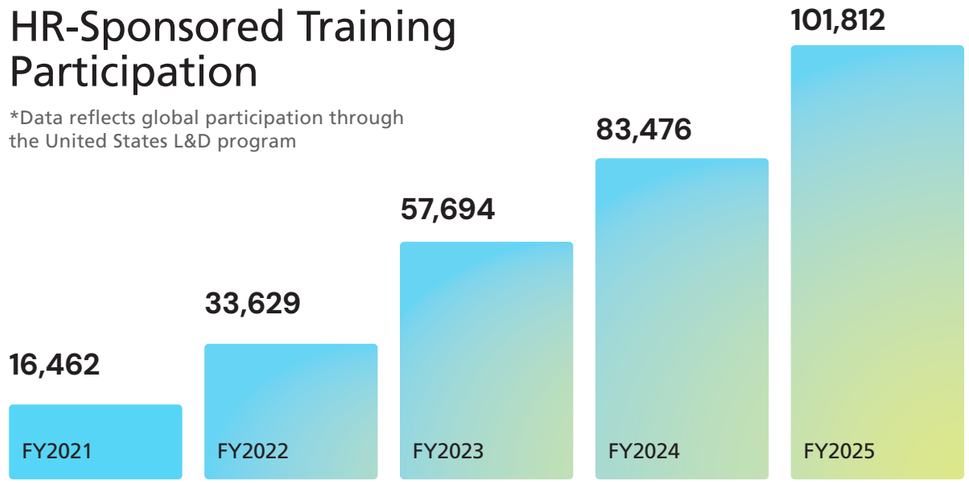
The L&D team substantially increased the number of custom programs tailored to specific functions, such as manufacturing, finance, IT, procurement and product solutions. These customized engagements often supported the rollout of new policies and procedures, while also helping teams refine those policies through collaborative design and feedback. Our international teams also continued to develop region-specific initiatives, such as Monterrey's Knowledge Transfer Network and Poland's multifaceted onboarding that provides hands-on training.

In addition to program growth, FY2025 marked important progress in enabling access to learning resources through new digital infrastructure. The team launched dedicated SharePoint sites for L&D and new employee onboarding, incorporating AI-powered agents to help associates locate training, navigate performance review processes and manage goals. L&D also continued to support behavioral assessments and performance management processes company wide.

Looking ahead, we are developing a more strategic partnership to collaborate with business units to both diagnose needs and design solutions to position us for sustained capability development. Our success is due to our associates, and they deserve an intentional approach to employee growth, capability building and organizational effectiveness.

HR-Sponsored Training Participation

*Data reflects global participation through the United States L&D program



In November 2025, AFL celebrated 15 associates from manufacturing operations across the United States who successfully completed the Women in Production (WiP) program. WiP is a 20-week online professional development course offered by the Women in Manufacturing Education Foundation (WiMEF).



Learning and Development Highlights and Offerings

As a trusted resource, we aim to equip everyone at AFL with practical tools and insights that strengthen skills, shape culture and bring our operating principles to life.

Learn:

Provide associates with accessible, continuous learning opportunities that build technical, professional and functional skills across AFL's global workforce.

- New employee induction
- Job-specific technical training
- Policies and procedures
- Leadership effectiveness skills

Develop:

Help associates grow their careers through structured development plans, feedback, coaching and opportunities to build new capabilities.

- Annual performance reviews
- 360 feedback
- Development goals
- One-to-one coaching

Advance:

Prepare the next generation of leaders through targeted programs that strengthen leadership capabilities, organizational effectiveness and long-term succession planning.

- "High Potential" leadership development program
- Voluntary Leadership with Intentionality and Transparency (LIT) program
- Core Management program for existing or future managers

Supported globally through:

Multiple learning modes:

Classroom, self-directed, podcasts, webinars and external training

Communication and collaboration:

Multilingual training, internal newsletter, and ties with business units and external partners

L&D infrastructure:

Online learning management system, AI-powered agents and dedicated intranet site

GLOBAL HIGHLIGHT:
Canada



AFL Integria's L&D team developed a white-glove, relationship-based mentorship program that is gaining momentum. Mentor-mentee pairs are carefully matched to align participants based on career aspirations, development goals and expertise. Building on a successful 15-pair pilot and positive feedback, subsequent launches increased to 30 mentorship pairs. The program is being rolled out to other regions, including U.S. Services and Australia, with future expansion planned for the United Kingdom and Poland.

GLOBAL HIGHLIGHT:
Mexico



AFL's Monterrey Knowledge Transfer Network is a comprehensive workforce training program designed to scale alongside our growing associate base. Developed with input from operators, supervisors and operational leaders, the program provides comprehensive training on safety, operations, leadership and workplace effectiveness. In FY2025, our associates completed nearly 200,000 training hours – a more than 150% increase from FY2023 – demonstrating our investment in employee learning and development.

Our award programs and peer recognition initiatives are an important way to build morale and celebrate our associates for their hard work. Our annual Employee Appreciation Day, Manufacturing Day, Champion's Club, Patent Hall of Fame and Star Award are available in different regions, work environments and formats to widen outreach. We introduce new initiatives as we grow; for example, AFL Integria's Catalyst Awards were launched in FY2025 as a peer-to-peer recognition program grounded in our operating principles.

Our multifaceted recruitment strategy helps connect purpose-driven candidates with meaningful career opportunities, a supportive culture and long-term growth potential within a dynamic industry.

In FY2025, AFL maintained our investment in early-career talent through internship, co-op, apprenticeship and vocational training programs, engaging more than 40 college students primarily in the Duncan, SC, region. The students gained hands-on experience supporting engineering and business initiatives through data analytics, reporting, process improvement and design work in both office and manufacturing settings.

We also strengthened our commitment to internal mobility and associate engagement. In Poland, a newly launched employee referral program generated more than 40% of all hires, while over 100 promotions and role changes were completed across a workforce of approximately 470 employees. Together, these efforts contributed to a significant improvement in retention at the location, with annual turnover decreasing from 50% in FY2024 to 20.9% in FY2025 – an absoulte reduction of over 29%.

Supporting our people is central to AFL's long-term success. By making our programs and practices more candidate-friendly, market-aligned and responsive to feedback, we show our appreciation for the time, talent and dedication our associates bring to AFL.

Diverse and Inclusive Workforce

AFL's global workforce reflects a diversity of identities and opinions that foster a more meaningful experience at work. As an equal opportunity employer, we are aligned with the Declaration of Promoting Diversity adopted in 2016 by our parent company, Fujikura. We demonstrate our commitment through internal culture-building efforts, community involvement, organizational memberships and recognition of Supplier Diversity.

We encourage engagement in organizations and events that highlight diversity and inclusion. Through sponsorships and partnerships with organizations, such as Upstate International based in South Carolina, the Diversity Leadership Initiative at Furman University, Women in Manufacturing (WiM), the Japan-America Association of South Carolina (JAASC), the European American Chamber of Commerce (Carolinas - EACC) and the UK Mindful Employer Network, we support opportunities for associates to participate in professional development programs and cross-cultural events that strengthen connections within our global workforce and communities.

GLOBAL HIGHLIGHT:

Mexico

To support a more inclusive and connected workplace, AFL's team in Mexico introduced blue vests for associates who are deaf or hearing impaired. Widely recognized as a symbol of accessibility, the vests help raise awareness, encourage more effective communication and reinforce that communication differences do not diminish an individual's skills, dedication or contributions.



AFL employee resource groups help create a culture of belonging by creating opportunities for associates to connect, engage and support one another. Through events, awareness initiatives and community-building activities, these groups help elevate diverse perspectives across the organization.



WeCONNECT WOMEN EVERYWHERE CONNECT

Women Everywhere Connect (WeCONNECT) promotes professional development, personal growth and enrichment opportunities via continuous learning, sharing and networking.

AYP AFL YOUNG PROFESSIONALS

AFL Young Professionals (AYP) organizes professional development opportunities, community outreach outings and social events to boost job satisfaction, encourage collaboration in the workplace and foster a learning-centric work environment.

MERG MILITARY EMPLOYEE RESOURCE GROUP

AFL's Military Employee Resource Group (MERG) focuses on three areas: transitioning service members, providing ongoing support for our current workforce and providing a forum for veterans to collaborate in support of community service activities.

MOVING AT THE SPEED OF LIGHT

Our Active Living group plans and attends internal and external events including networking, professional development, talent recruitment, mentoring at-risk children, bicycling, running and more.

Employee Health and Safety

Environment, Health, Safety and Security (EHSS) has been integral to AFL's culture since inception. Our approach to EHSS is rooted in the belief that every associate should return home safely each day. While our baseline EHSS principles are described in our EHSS Policy and Principles, in FY2025, we launched our EHSS transformation journey to move from "safety as the absence of incidents and injuries" to "safety as the identification and mitigation of operational risks."

We strengthened our EHSS strategy through clearer expectations, defined targets, three-year objectives and a balanced scorecard that incorporates leading, lagging and predictive indicators. This shift is supported by introducing risk matrices and risk registers across the business. This process is driving greater leadership accountability for Significant Injury and Fatality (SIF) potential events. We are also driving ownership through a rigorous review process that requires leaders to evaluate both near misses and incidents with the goal of eliminating or reducing risk. Our most ambitious efforts involve facilitating our workforce to own elements of safety. At year end, we engaged approximately 60% of our manufacturing associates in safety activities.

Consistent with our approach to risk, we implemented our new "Safety Absolutes" that focus on identification and mitigation of fatality potential events. These include working at heights, pedestrian/vehicle interaction, machine hazards and driving.

Our efforts have contributed to an 11% decrease in Total Recordable Incident Rate (TRIR) in FY2025 compared to FY2024. This performance puts us in the top 10% of safety performance among industry competitors.*

Our long-term objective is to create an environment where proactive hazard identification becomes an everyday practice for all associates. As an example, our Hazard Hound employee recognition program at South Carolina locations empowers associates to address operational risks. Total number of Hazard Hounds increased 62% from 1,839 in FY2024 to 2,981 in FY2025. Additionally, we leverage annual Safety Pledge Days to share insights and training on safety-related topics, while reinforcing the importance of maintaining our EHSS processes.

*Milliken Performance Solutions benchmarking

EHSS is one of our AFL Manufacturing Excellence (AME) pillars, which was developed to drive safety, productivity, customer service and quality. Our Corporate Safety Steering Team, sponsored by AFL President and CEO Jaxon Lang, set the structure and guidance for implementation of our safety pillars, while Safety Committees at all of our manufacturing locations review incidents, identify hazards, share knowledge, participate in audits and implement projects that reduce operational risk.

As of FY2025, the EHSS pillar has been implemented at 70% of our sites. Highlights from these efforts include projects that improve emergency response, enhance pedestrian safety, reduce ergonomic risks and increase our capability to verify safe conditions and behaviors. In FY2025, AFL successfully adopted Key Performance Indicators (KPIs) for risk and safety. With continued AME adoption in the coming years, the AME process will drive more safety improvements across our operations.



GLOBAL HIGHLIGHT:

EHSS Summit

In December 2025, associates gathered for the AFL Environmental, Health, Safety, and Security (EHSS) Summit to share ideas, strengthen collaboration and foster safety excellence. A highlight of the event was the Poster Session, where teams showcased creative solutions and best practices for workplace safety, demonstrating the power of global knowledge sharing and continuous improvement.





GLOBAL HIGHLIGHT:

Canada

AFL Integria uses AI to analyze photos to identify ladder safety risks. The AI agent reviews improper setup and hazardous working conditions. The insights generated support equipment improvements, coaching and training to reduce risk and improve efficiency.



Image Source: Copilot AI

In 2026, all five AFL manufacturing facilities in Duncan, SC, received the South Carolina Manufacturers + Commerce (SCMC) Plant Safety Award for the second consecutive year. Facilities with a low rate of incidents resulting in lost workdays, job transfers or restrictions below statewide manufacturing averages were nominated and earned the award.

AFL continued to strengthen our global security program through investments in workplace safety, site security and business resilience. During the year, we enhanced security-related processes, improved emergency preparedness capabilities and advanced governance practices across our operations. These efforts support AFL's ability to manage risk, protect our people and assets and maintain business continuity. By taking a proactive approach to security and preparedness, AFL cultivates a safe and resilient environment for associates, customers and other stakeholders.

Responsible Procurement and Secure Supply Chain

AFL's responsible supply chain approach is designed to support compliance with regulations related to human rights, ethical business conduct and materials management. Our Supplier Code of Conduct (SCOC) and Responsible Procurement Policy form the basis of the program, establishing expectations for ethical behavior across our supply chain and reinforcing our commitment to integrity, transparency and compliance with applicable laws and regulations. Our intention is to join the Responsible Business Alliance (RBA) and formalize our alignment with the RBA Code of Conduct, which will support enhanced supply chain due diligence processes. Beyond our supplier-facing efforts, we are committed to reinforcing responsible procurement practices internally, with training and acknowledgment of our Responsible Procurement Policy across our supply chain team.

A SCOC acknowledgement survey and Supplier ESG Questionnaire remain integrated into our vendor onboarding process to help identify and assess potential environmental, social and governance risks. We evaluate the responses through a risk-ranking process to support proactive risk management and identify opportunities for supplier engagement and improvement. AFL also responds to customer-driven compliance inquiries through platforms that provide visibility into potential regional and material-based supply chain risks.

AFL's Slavery and Human Trafficking Statement reflects our zero-tolerance approach to modern slavery in all its forms. Our risk-based model means supplier due diligence requirements are determined based on factors such as industry, country and other supplier characteristics. For new suppliers, completion of applicable due diligence documentation, including our Modern Slavery Questionnaire, is a prequalification requirement before onboarding. Suppliers subject to requalification or re-onboarding may also be required to complete the same risk-based due diligence steps.

Where feasible, AFL incorporates or expands "Right to Audit" provisions in supplier agreements to support further evaluation of potential risks, particularly in higher-risk areas. In addition, all new associates acknowledge our Modern Slavery Policy during onboarding, while procurement and supply chain associates receive annual training focused on identifying and mitigating supply chain risks.

Our Materials Compliance Program provides a structured framework to manage compliance related to Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), Restriction of Hazardous Substances Directive (RoHS), Conflict Minerals, Toxic Substances Control Act (TSCA), Prop 65 and more. These requirements address both product safety and responsible sourcing considerations. AFL continues to enhance processes that improve the collection, management and accessibility of compliance information, supporting more efficient responses to customer inquiries and evolving regulatory requirements.

AFL's Conflict Mineral Policy demonstrates our pledge to work with customers and suppliers to avoid sourcing minerals used in our products from conflict zones. As a global organization operating in a complex regulatory environment, our policies, programs and governance processes are continually assessed for opportunities to improve monitoring of emerging requirements and support responsible sourcing practices across our supply chain.



AFL

AFLglobal.com
1 (800) 235-3423

Environment

In FY2025, AFL advanced our strategic and integrated approach to sustainability, supported by validated science-based targets, strong environmental compliance practices and a focus on operational efficiency and emissions reduction. By embedding sustainability into daily decision-making across our global operations, we are making measurable progress toward our environmental goals while creating value for customers and stakeholders.

Reducing Greenhouse Gas (GHG) Emissions

Circular Economy and Raw Material Efficiency

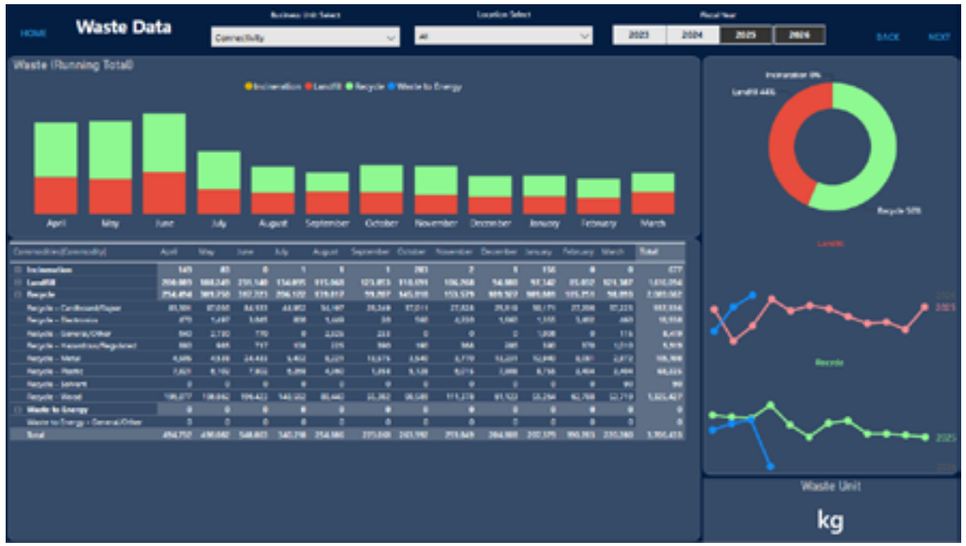
Waste and Water Management

Tracking the Data

AFL uses an ISO 14001:2015 aligned environmental management system to help maintain our compliance with regulations and implement environmental best practices for continuous improvement; in FY2025, all 11 certified sites passed their audits while achieving strong feedback from the auditors and over 100 positive observations at the Duncan sites alone.

AFL's Energy team leads efforts to monitor and reduce our environmental impact, facilitated by our Energy Management System built on ISO 50001 standards as well as EnergyCAP to automate data collection and analysis. In FY2025, the team leveraged these tools to enable a structured, data-driven strategy focused on operational efficiency, emissions reduction and embedding sustainability into day-to-day decision-making.

To strengthen tracking and accountability, the Energy team uses KPI dashboards in EnergyCAP to monitor and share energy, fuel, water and waste performance with plant managers, business unit leaders and other stakeholders across the company – with each user configured to view the most relevant information for their role. For example, our team has created facility performance dashboards that show energy, water and waste trends; energy management dashboards that track utility consumption and energy use intensity; customer- or program-specific dashboards for targeted reporting; and building operations dashboards that support ranking and comparison across sites. These dashboards improve transparency, highlight performance trends and help us identify the most impactful opportunities for operational improvement across AFL's global footprint.





Reducing Greenhouse Gas (GHG) Emissions

AFL's ambitious emissions reduction targets were validated by the Science Based Target initiative in FY2025, which we undertook alongside developing our long-term GHG emissions reduction roadmap.

FY2025 Key Focus Areas

1 **Invest in Onsite Renewable Energy** to increase clean energy generation, enhance energy resilience and reduce greenhouse gas emissions.

2 **Utilize Utility Renewable Energy Programs** in regulated markets where direct access to renewable energy is limited, enabling progress toward our renewable energy and emissions reduction goals.

3 **Improve Energy Efficiency Through Continuous Improvement** by implementing energy conservation measures identified through energy audits and prioritizing investments that deliver long-term energy and carbon reductions.

4 **Reduce Direct Operational Emissions** by implementing initiatives that lower fuel consumption and Scope 1 greenhouse gas emissions, including vehicle idling reduction, fleet efficiency improvements, equipment optimization and the evaluation of alternative fuel and electrification opportunities.

Scope 1 and 2 Emissions: Expanding Our Strategy

In FY2025, AFL expanded operations in several key regions, including Australia, Mexico and the EU to support business growth. While these investments position us to meet increasing customer demand, they also contributed to modest increases in Scope 1 emissions and more significant increases in Scope 2 emissions due to higher energy consumption across our operations.

AFL built a more structured approach in FY2025 to energy management to address these operational emissions. We initiated a multi-year effort to complete ASHRAE Level 2 energy audits at all manufacturing facilities by the end of FY2026; these audits provide a detailed understanding of energy consumption patterns and identify opportunities to reduce energy use, operating costs and greenhouse gas emissions. The program will establish a consistent roadmap for improvements across our global manufacturing footprint.

To ensure these identified opportunities result in measurable outcomes, we established implementation expectations for all audited facilities. Low-cost and no-cost energy conservation measures are to be implemented within one year of completion; in FY2025, 100% of these initiatives were implemented. Additionally, capital improvement opportunities are evaluated for feasibility and inclusion in the following year's capital planning process.

AFL also continued to advance renewable electricity procurement as a key component of our Scope 2 decarbonization strategy. During FY2025, we participated in utility-sponsored renewable energy programs where market structures limit direct procurement options, including TVA's Green Switch Program and Dominion Energy's Green Power Program, adding four new sites to these programs. These programs provide a scalable pathway to increase the use of carbon-free electricity across AFL's operations and reduce emissions intensity as the company grows.

A critical component of our strategy is engagement at the site level. During FY2025, the Corporate Sustainability team expanded collaboration with manufacturing facilities and business units by integrating energy and sustainability discussions into existing operational meetings rather than relying solely on corporate-led forums.

By making energy and sustainability a recurring discussion topic within established business processes, AFL is fostering greater ownership of emissions reduction initiatives and helping ensure efficiency opportunities are identified and implemented locally.

GLOBAL HIGHLIGHT:

Canada

During FY2025, AFL Integria in Canada launched a fleet efficiency initiative focused on reducing unnecessary vehicle idling. Using vehicle telematics data, the team identified idling as a significant source of fuel consumption and partnered with fleet supervisors and vehicle operators to provide training and increase awareness of its operational and environmental impacts. AFL also developed a business intelligence dashboard to track fuel consumption and idling performance, enabling data-driven decision making and accountability across the fleet. Based on the success of the program, AFL has begun expanding this approach to our U.S. Services fleet.



Over a 6-month initiative period:



REDUCED FLEET IDLING BY

41%

33.2

TONS CO_2e EMISSIONS AVOIDED

17,910

LITERS REDUCED FUEL CONSUMPTION

Our Carbon Footprint*

	FY2024	FY2025
	504,074 (metric tons CO_2e)	**584,839** (metric tons CO_2e)
Scope 1 DIRECT EMISSIONS (metric tons CO_2e)	3% 10,870	2% 10,581
Scope 2 MARKET-BASED (metric tons CO_2e)	4% 16,263	3% 17,523
Scope 3 INDIRECT EMISSIONS (metric tons CO_2e)	95% 476,941	95% 556,735

*Certain previously reported emissions figures have been restated to reflect updated data and methodology improvements. Further detail is provided in the Environmental Metrics Table.

Our Targets



42%

Scope 1&2

Reduce absolute Scope 1 and 2 GHG emissions 42% by FY2030 from a FY2023 base year.

51.6%

Scope 3*

Reduce Scope 3 GHG emissions 51.6% per kilometer of cable and cable assemblies sold from relevant categories* by FY2030 from a FY2023 base year.

Our Emissions Reduction Levers:

- Energy Efficiency
- Green Power
- Conversion
- Carbon Compensation

*Purchased goods and services, fuel and energy related activities

Scope 3 Emissions: Focus on Value Chain

AFL's SBTi-validated Scope 3 target is to reduce emissions from purchased goods and services and fuel- and energy-related activities 51.6% per kilometer of cable and cable assemblies sold by FY2030 from a FY2023 base year. This intensity-based approach enables us to pursue meaningful emissions reductions while accommodating business growth and adapting to evolving customer expectations, market dynamics and data quality. We aim to revisit our approach to our Scope 3 reduction target as our operations stabilize and we gain greater visibility into our impacts.

To achieve our target, we are both strengthening our value chain emissions accounting approach while continuing to develop our decarbonization plan to facilitate meaningful engagement and emissions reductions in our supply chain. Our Scope 3, Category 1 purchased goods and services represent 73% of our Scope 3 emissions and is the primary focus of our efforts. We use a mass-based calculation approach as much as possible as this granular detail can support potential material substitution, efficiency improvements and supplier engagement – and to further increase accuracy, we are incorporating supplier-specific emissions gleaned from direct engagement and Environmental Product Declarations. To do so, we are conducting focused engagement with key suppliers to pilot the approach, with the goal of a broader rollout in the coming year.

Our Supplier Sustainability/Environmental Questionnaire, required at onboarding, requests data that give a more holistic view of our supplier base and raw material procurement, helping us to understand both risk and opportunities in our supply chain. Our goal is to proactively engage prioritized suppliers to facilitate mutual learning, refine data and progress against our target objectives.

Focus on Integrated Business Planning

A current initiative, Integrated Business Planning (IBP), will support progress against our SBTi target. As the goal of IBP is to create better coordination across the business, subsequent benefits from an environmental perspective include reducing excess inventory, improving forecasting accuracy, decreasing waste, fewer unnecessary purchases and shipments and strengthening supplier collaboration. We believe IBP can contribute to lower Scope 3 emissions as a result of these impacts, even while improving operational efficiency.

GLOBAL HIGHLIGHT:

Customer Engagement

Sustainability is a business imperative for many of AFL's global customers, and they often seek greater visibility into the environmental impacts of their supply chains in pursuit of ambitious emissions reduction goals. We are responding by continuing to invest in and develop our product and emissions data capabilities while simultaneously engaging them in constructive dialogue around shared sustainability objectives.

Circular Economy and Raw Material Efficiency

AFL engages in the circular economy through multiple avenues, including operational efficiency improvements, collaboration with vendors and customers and innovation in product and packaging design. Our goal is to connect with stakeholders across all stages of the product lifecycle to drive mutual benefit.

Packaging

We take a lifecycle approach to packaging, considering environmental impacts from sourcing through end-of-life. When packaging cannot be reduced, we prioritize opportunities to increase reusability, recyclability and recycled content to increase landfill diversion. We also evaluate packaging configurations that improve shipping efficiency, helping to reduce transportation-related emissions.

FY2025 highlights include:

200 REELS RETURNED **18,400** KG

We continued our partnership with Sonoco EcoReel, offering an option for our US-based customers to send back reels for refurbishing; nearly 200 reels have been returned and recycled since the program's inception in 2024.

2,400 REUSED PALLETS **29,900** KG

Our Monterrey facility offers a pallet reuse program, with three suppliers utilizing these pallets to deliver purchased materials. In 2025, we reused 2,389 wood pallets (29,863 kg).

Cable assembly 32", 36" and 42" reels are made with recycled HDPE plastic, designed for disassembly and return to AFL for reuse in North America.

70% WOOD REELS

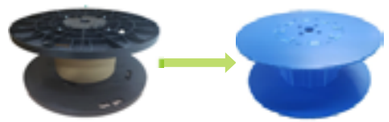
In addition, the facility has a permanent initiative in place to recycle wood reels, wood pallets and cardboard. On average, 70% of wood reels are refurbished for resale.

93% REELS REUSED

AFL Poland reused approximately 93% of reels for cut ultra-high fiber count cable shipments rather than newly purchased, extending the life of packaging materials and reducing waste generation.

GLOBAL HIGHLIGHT:
APAC

AFL's APAC teams reduced plastic waste by approximately 41,560 kg through multiple initiatives, including reel optimization, pulling innovation and improvements in packaging configurations.



Size reduction



Reusable, multi-cable pulling sock

AFL's sustainable packaging standard defines preferred materials and packaging configurations, including tapes, bubble wrap, shipping envelopes, inks and outer packaging. To support implementation, we provide training through our Learning Management System on material selection, regulatory considerations and sustainable packaging practices. Engineers are expected to incorporate lifecycle considerations into packaging design, evaluating material sourcing, energy use, end-of-life impacts and opportunities for recovery and reuse.

Material Reuse

We continued our partnership with Fujikura to collect empty plastic optical fiber spools, repackage them in their original boxes and send back for reuse:

45,800
EMPTY SPOOLS
returned, totaling 133,000 kg

45,800
CARDBOARD BOXES
returned, totaling 73,800 kg

2,500
WOODEN PALLETS
returned, totaling 46,200 kg

253,000 kg
approximate packaging material returned for reuse

Assuming 75% of the spools were reused and including the transportation impacts of shipping them back to Fujikura, we estimate a reduction of 360 mtCO_2e emissions* compared to manufacturing and transporting new spools; since the inception of the process, over 650 CO_2e has been avoided.

650 CO_2e
emissions estimated carbon avoidance since program inception based on 75% spool reuse assumption





AFL offers a long-standing program for customers to return four sizes of steel reels to AFL for reuse (60”, 72”, 84” and 96”).

	FY2024	FY2025
Number of steel reels returned	658	1,648
Avoided CO_2e emissions from steel production*	380	1,070 metric tons

*Avoided emissions figures are modeled estimates based on emission factors from ecoinvent and other documented sources, where applicable. Estimates are indicative and represent potential greenhouse gas emissions avoided through material reuse, recycling, recovery, or displacement of production of an equivalent material or product under the stated assumptions. Estimates exclude transportation (except Fujikura spool reuse estimate), processing and end of life. The estimates are not based on a full comparative life cycle assessment and have not been independently third-party reviewed or validated. They are not direct measurements of emissions reductions, and actual impacts may vary.

Product Sustainability

Embedding sustainability in product design is a strategic opportunity for AFL and our customers. Understanding and addressing customer use cases related to sustainability is critical to our partnerships and collective responsibility to the environment.

AFL has continued to invest in our Life Cycle Assessment (LCA) tool, aligned with ISO 14040/14044 standards and developed by a third party, since FY2022. As the tool's functionality and product coverage have expanded, it has become a cornerstone of our LCA and Environmental Product Declaration (EPD) program. To date, product-level environmental data has been generated for thousands of products, providing valuable insights into lifecycle impacts and supporting transparent product-level disclosures for customers and other stakeholders.

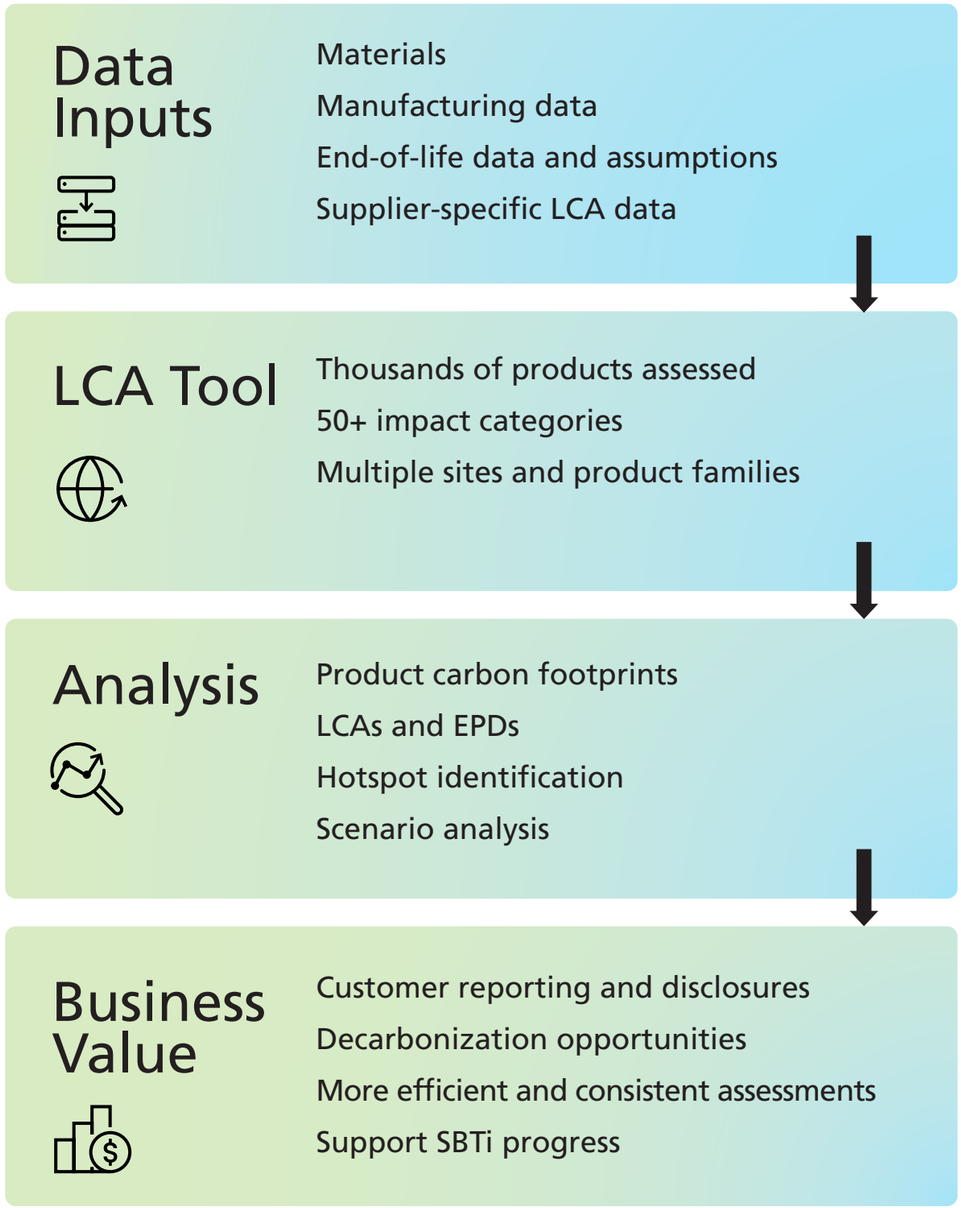
As customer demand for product carbon footprint information continues to grow, AFL increasingly leverages the tool to respond to both product-specific and customer-specific requests such as emissions allocated by customer. The resulting library of LCA results support more accurate emissions quantification and reporting, helps identify decarbonization hotspots across the value chain and enhances our ability to provide timely and transparent information to customers.

In FY2025, we continued expanding the functionality of our LCA tool to further increase its value as a scalable platform for environmental assessment and decision-making. The tool now incorporates more than 50 environmental impact categories across multiple product families, supports assessments for most AFL manufacturing sites and cable and cable assembly product portfolios and enables supplier-specific environmental data to be integrated directly into impact calculations. The impact categories measure product impacts across a variety of environmental categories including climate, water use, and impact on human and ecosystem health. These features create significant efficiencies and scalability by allowing a single platform to support a broader range of products, locations and customer requirements while improving consistency and transparency across assessments.

Importantly, the expanded functionality also enables scenario analysis, allowing users to evaluate how changes in sourcing strategies, transportation modes, manufacturing locations, material selections, recycled content and other variables can influence environmental impacts across the product lifecycle. These scenario analysis capabilities help us to identify decarbonization opportunities, respond to customer sustainability expectations and make more informed decisions about future product design, sourcing and logistics strategies.

The tool has created a multiplier effect for our progress. We are now able to generate a growing volume of LCAs, product carbon footprints, customer-specific analyses and EPDs with greater efficiency and consistency. The expanded functionality also supports progress toward our SBTi target by informing decisions related to sourcing strategies, transportation optimization, material substitutions and other initiatives that can reduce lifecycle environmental impacts.





Product Stewardship

In FY2025, AFL continued strengthening our product stewardship approach by building upon existing policies, business-unit processes and cross-functional collaboration. We maintain a Materials-Compliance Policy that establishes expectations for products and materials used or sold by the company to comply with applicable environmental regulations, with defined responsibilities across key functions including Supply Chain, Engineering and Quality Assurance. A cross-functional Material Compliance Committee helps align stakeholders, share expertise and coordinate compliance-related activities across the organization.

As regulatory expectations, customer requirements and materials-transparency obligations continue to evolve, AFL is further strengthening its product stewardship approach through an enhanced enterprise framework designed to support continued growth across global markets. This work includes strengthening governance, improving cross-functional alignment and identifying opportunities to standardize how product-compliance considerations are integrated thorough the product lifecycle. These efforts build upon AFL's existing material compliance program while maintaining focus on responsible growth, customer trust and continued alignment with applicable regulatory and market-access expectations.



Waste and Water Management

Even while we continued to expand operations and invest in new equipment to support our growing services in FY2025, AFL diverted approximately 61% of our waste by sending it for reuse, recycling, or waste to energy.

Highlights of our waste diversion efforts include:

We use collapsible yet durable containers in our Conductor Accessories business unit to send scrap castings (1,137 in FY2025) for remelting at our foundry and return them to manufacturing sites for finishing.

In FY2025, our Monterrey facility returned 109 200-liter steel drums, used for APEX gel, to the supplier for reuse.

We partner with a supplier to use heavy-duty containers that can be reused almost indefinitely to ship and store steel eyes for our inventory.

As much as possible, we reuse packaging including crates, cardboard and gaylords.

In FY2025, we collected over 75,000 kg of scrap aramid fiber to be spliced for reuse or sent for recycling as an input to other products, resulting in nearly 700 mt CO_2e of emissions avoided*.

We continued participation in a program to send back HDPE plastic packaging material to a supplier for reuse and recycling. In FY2025, approximately 97,800 kg of plastic was returned to the supplier; assuming 75% of this material was reused, the program avoided nearly 230 mt CO_2e of emissions*.

After establishing a vendor in FY2024, AFL improved our plastic/PBT scrap reduction project at our 112 Hidden Lake facility in Duncan, SC, by training associates, placing dedicated gaylords on production lines, adding signage and strengthening operational accountability so the PBT material was properly segregated and not mixed with trash. As a result, the facility recycled 16.5 tons of PBT in FY2025, up from 2 tons in FY2024.



Blackjacket production efficiency / scrap reduction

AFL's Duncan, SC, team used data to identify a production issue that was creating unnecessary rework and avoidable resource use in the Blackjacket process. By improving how the line detects true product concerns, the team reduced false alerts from about 48% to approximately 4%, helping prevent unnecessary respooling while improving efficiency and on-time delivery. The project is being shared with other AFL operations as a model for reducing process waste and strengthening future scrap-reduction efforts.



Although quantifying emissions avoidance of waste and scrap reduction initiatives remains complex, we are realizing lower energy consumption and improved resource efficiency by reducing the need for additional processing and material inputs. These types of projects demonstrate how operational excellence initiatives can support our environmental objectives.

Our Industrial Waste and Hazardous Waste Programs and Policies provide guidelines to characterize our waste streams, how to store them properly, identify recycling opportunities or other means for proper disposal, as well as how to ship the waste for disposal. These policies are aligned with regulations in the regions where we operate to support compliance.

Water stewardship is primarily owned, managed and monitored at the facility level where operational conditions, processes and local water considerations can vary. Projects are evaluated where opportunities exist to improve water management, wastewater handling or operational efficiency. For example, as our Connectivity site in Monterrey, Mexico, is in a water-stressed region, monitoring and implementation of water-conservation initiatives such as reusing water for garden irritation and low-flow fixtures support our commitment to our surrounding communities. Additionally, the team monitors water use intensity along with additional water KPIs as part of its ISO 14001 environmental management system.

AFL's water use is primarily tied to cable cooling processes and sanitary use at our operations, and remains relatively modest compared to more water-intensive industries. We continue to focus on managing water consumption efficiently and complying with wastewater and stormwater requirements.

*Avoided emissions figures are modeled estimates based on emission factors from ecoinvent and other documented sources, where applicable. Estimates are indicative and represent potential greenhouse gas emissions avoided through material reuse, recycling, recovery, or displacement of production of an equivalent material or product under the stated assumptions. Estimates exclude transportation, processing and end of life. The estimates are not based on a full comparative life cycle assessment and have not been independently third-party reviewed or validated. They are not direct measurements of emissions reductions, and actual impacts may vary.

AFL: Consolidated Report Appendices

FY2025 Employee Data

*Data as of end of FY2025: March 31, 2026

PERMANENT							
AREA	FEMALE	%	MALE	%	OTHER	%	TOTAL
Australia	51	9%	98	65%	1	1%	150
Canada	136	24%	428	76%	0	0%	564
Asia	45	61%	19	26%	10	14%	74
Mexico	5733	77%	1719	23%	0	0%	7452
New Zealand	1	0%	5	0%	0	0%	6
Poland	359	5%	85	1%	25	5%	469
UK	38	39%	60	61%	0	0%	98
US	726	25%	2223	75%	0	0%	2949
Total	7089		4637			36	11762

TEMPORARY						
FEMALE	%	MALE	%	OTHER	%	TOTAL
4	40%	6	60%	0	0%	10
7	64%	4	36%	0	0%	11
0	0%	0	0%	0	0%	0
0	0%	0	0%	0	0%	0
0	0%	0	0%	0	0%	0
0	0%	1	0%	0	0%	1
0	0%	0	0%	0	0%	0
8	23%	27	77%	0	0%	35
19		38		0		57

STAFFING AGENCIES
OTHER
0
0
0
0
0
0
0
0
141
141

FULL TIME							
AREA	FEMALE	%	MALE	%	OTHER	%	TOTAL
Australia	47	32%	98	67%	1	1%	146
Canada	141	25%	430	75%	0	0%	571
Asia	45	61%	19	26%	10	14%	74
Mexico	5733	77%	1719	23%	0	0%	7452
New Zealand	1	17%	5	83%	0	0%	6
Poland	359	76%	86	18%	25	5%	470
UK	35	37%	59	63%	0	0%	94
US	720	24%	2236	76%	0	0%	2956
Total	7081		4652		36		11769

PART TIME						
FEMALE	%	MALE	%	OTHER	%	TOTAL
8	57%	6	43%	0	0%	14
2	50%	2	50%	0	0%	4
0	0%	0	0%	0	0%	0
0	0%	0	0%	0	0%	0
0	0%	0	0%	0	0%	0
0	0%	0	0%	0	0%	0
3	0%	1	0%	0	0%	4
14	50%	14	50%	0	0%	28
27		23		0		50

AREA	# HIRES	TURNOVER %
Australia	16	7.2%
Canada	108	14.1%
Asia	16	11.0%
Mexico	11686	129.5%
Poland	155	20.9%
UK	10	11.2%
US	927	21.2%
Total	12918	

Turnover = Total number of terminations for the year/average active associates for the year
Turnover excludes retirees, deaths, lack of work, layoffs, expats
Hires exclude students and temps

Environmental Metrics

MT = Metric ton

Climate	Units	FY2023	FY2024	FY2025
Scope 1	**MT CO_2e**	**11,210**	**10,870**	**10,581**
Scope 2 – Location based	MT CO_2e	14,794	14,858	17,737
Scope 2 - Market based	**MT CO_2e**	**16,317**	**16,263**	**17,523**
Total Scope 1 & 2 (Market Based)	MT CO_2e	27,527	27,133	28,104
Scope 3 - Total	MT CO_2e	392,032	476,941	556,735
Category 1 - Purchased goods and service	MT CO_2e	293,477	328,923	404,049
Category 2 - Capital goods	MT CO_2e	8,431	15,452	10,088
Category 3 - Fuel- and energy related activities	MT CO_2e	7,799	7,921	8,044
Category 4 - Upstream transportation and distribution	MT CO_2e	36,577	73,814	71,754
Category 5 - Waste generated in operations	MT CO_2e	2,363	2,181	2,743
Category 6 - Business travel	MT CO_2e	3,566	4,176	4,637
Category 7 - Employee commuting	MT CO_2e	12,919	19,706	26,858
Category 9 - Downstream Transportation	MT CO_2e	15,690	12,376	9,618
Category 12 - End of life treatment of sold products	MT CO_2e	3,112	5,549	8,056
Category 15 - Investments	MT CO_2e	8,098	6,842	10,889
Scope 3 (percent of Scope 1, 2 & 3)	%	93%	95%	95%
Total Value Chain (Scope 1, 2 & 3)	**MT CO_2e**	**419,559**	**504,074**	**584,839**
Energy Usage				
Total Energy Use	**MWh**	**97,447**	**97,388**	**100,259**
Fossil Fuels (natural gas, propane, oil, diesel, gasoline)	MWh	48,919	47,199	44,069
Purchased Electricity	MWh	48,402	49,193	54,952
Purchased Electricity (Green Tariffs)	MWh	0	216	258
Municipal Steam	MWh	100	996	1,237
Renewable Electricity (Onsite Generation)	MWh	26	0	0

Climate	Units	FY2023	FY2024	FY2025
Water Withdrawal				
Water Usage	**m^3**	**57,722**	**60,352**	**75,329**
Municipal Supply (potable and grey water)	m^3	45,378	44,817	46,921
Groundwater	m^3	12,344	15,535	28,408
Waste				
Total Waste Generated	**MT**	**9,581**	**10,215**	**10,817**
Recycled/Reused	MT	5,552	6,385	6,345
Landfill	MT	3,512	3,419	4,202
Waste to Energy	MT	515	408	259
Combustion/Incineration (non-energy recovery)	MT	2	3	11
Waste Diversion Rate	**MT**	**63%**	**67%**	**61%**

[1] Emission impacts were calculated in accordance with WRI/WBCSD's Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard and the Corporate Value Chain Standard. All relevant AFL operations and greenhouse gases (i.e., CO2, CH4, N2O, HFCs) are included in the emissions calculations. CO2e has been quantified based on GWPs published in IPCC's 6th Assessment Report (AR6).

Scope 1 emissions include impacts from fuels used in all AFL owned or operated buildings and company owned or operated vehicles. Fossil fuel emissions and energy are primarily associated with AFL fleet fuel usage.

AFL uses a hybrid approach to estimate Scope 3 emissions from our value chain, using both unit-based and spend-based accounting methodologies according to best available data. Scope 3 categories 8, 10, 11, 13 and 14 (upstream leased assets, processing of sold products, use of sold products, downstream leased assets and franchises, respectively) are not applicable to AFL.

[2] AFL has chosen FY2023 as our base year.

[3] We have restated certain FY2023 and FY2024 historical emissions figures to reflect updates and corrections in calculation methodologies, as well as data quality improvements. These restatements apply to Scope Scope 3 Category 1, 2, 4, 6, and 9 emissions. The revised data enables better comparability with annual results to inform target progress and aligns with current best practices in emissions accounting.

[4] Data includes actual water tracked and water estimated at facilities that do not track volumes.

[5] Waste figures are based on available building-level records and is inclusive of hazardous and non-hazardous waste generated in global operations. Data includes actual waste tracked and waste estimated at facilities that do not track waste volumes, however may not fully reflect waste generation and diversion activities across all facilities. AFL continues to evaluate opportunities to enhance waste tracking, including the capture of reuse and recycling efforts.

GRI Content Index

Statement of Use	AFL has reported the information cited in this GRI content index for the period FY2025 (April 2025 to March 2026) with reference to the GRI Standards.	
GRI 1 Used	GRI 1: Foundation 2021	
GRI STANDARD	**DISCLOSURE**	**REQUIREMENTS / LOCATION(S)**
GRI 2: General Disclosures 2021	2-1 Organizational details	a. America Fujikura Ltd. b. Ownership and legal form: Wholly-owned subsidiary of Fujikura Ltd. of Japan c. Headquarters: 170 Ridgeview Center Drive, Duncan, SC 29334 d. Countries of operation: Australia, Canada, China, Hong Kong, Mexico, New Zealand, Poland, Singapore, United Kingdom and United States
	2-2 Entities included in the organization's sustainability reporting	a. All entities under AFL's operational control are included in our sustainability reporting. b. As a privately held company, our financial information is not publicly reported. c. The information disclosed in this report is consolidated under the operational control approach.
	2-3 Reporting period, frequency and contact point	About this Report a. This report reflects information from FY2025 (April 2025 - March 2026) unless otherwise stated. AFL publishes reports annually. b. Our financial information is compiled on the FY basis, aligned with this report. c. This report was published in October 2026. d. CorporateResponsibility@aflglobal.com
	2-4 Restatements of information	Certain FY2023 and FY2024 greenhouse gas emissions results have been restated; these are described in the accompanying footnotes in the Environmental Metrics Table.
	2-6 Activities, value chain and other business relationships	About AFL
	2-7 Employees	FY2025 Employee Data While no significant fluctuations occurred during or between reporting periods, the nature of the business in Mexico may cause as much as a 10% difference from month to month.
	2-8 Workers who are not employees	FY2025 Employee Data Associates hired from staffing agencies perform the same work as permanent associates and are almost always full-time manufacturing operators. At times, AFL hires them permanently depending on business needs and their performance. The contracts are with the staffing agencies. AFL reports these associates as full-time equivalents at the end of each month. Between months, the number of associates hired from staffing agencies can fluctuate as much as 50%, according to AFL's need to manage business fluctuations.
	2-9 Governance structure and composition	Leadership Team (data reflects leadership as of the report's publish date) Corporate Responsibility AFL's Executive Committee consists of the President and CEO, EVP and CFO, EVP and General Counsel and Vice Chairman. The Executive Committee oversees and approves AFL's Corporate Responsibility program including social, governance and environmental issues.

GRI 2: General Disclosures 2021 (Continued)	2-10 Nomination and selection of the highest governance body	The Nominating Committee nominates candidates for AFL's board of directors using a process that prioritizes relevant qualifications, qualities, skills and other expertise required to be a director and to develop and recommend to the Board for its approval criteria to be considered in selecting nominees for director.
	2-11 Chair of the highest governance body	Leadership Team AFL's Chairman also holds the role of President and CEO of Fujikura Ltd. headquartered in Tokyo, Japan. AFL's Executive Committee consists of the President and CEO, EVP and CFO, EVP and General Counsel and Vice Chairman.
	2-12 Role of the highest governance body in overseeing the management of impacts	In accordance with AFL's bylaws "the powers of the corporation shall be exercised, its business conducted and its property controlled by or under the direction of the Board of Directors."
	2-13 Delegation of responsibility for managing impacts	AFL Corporate Responsibility Our Corporate Responsibility Priorities
	2-14 Role of the highest governance body in sustainability reporting	AFL Corporate Responsibility Materiality and Program Management
	2-15 Conflicts of interest	AFL Code of Conduct Business Integrity & Ethics
	2-16 Communication of critical concerns	AFL Code of Conduct Business Integrity & Ethics A member of the Compliance Committee is designated to report to the Executive Committee with quarterly Compliance updates, which include metrics and information about the reporting channels.
	2-17 Collective knowledge of the highest governance body	Designated AFL staff educates the Executive Committee on material Corporate Responsibility matters on a semiannual basis, and ad hoc as important matters arise.
	2-18 Evaluation of the performance of the highest governance body	AFL does not currently have processes in place to evaluate leadership's oversight of AFL's Corporate Responsibility impacts. Currently, a report is delivered to the Executive Committee regarding status of objectives and impacts of the overall Corporate Responsibility program; while some evaluations are made with the support of independent consultants, most evaluations are conducted internally at AFL.
	2-19 Remuneration policies	a. For senior executives, AFL benchmarks jobs using salary surveys for both fixed and variable pay to use as a guideline. If hiring a new executive, AFL also considers their current salary and long-term incentive stock or payment to inform potential salaries and sign-on bonuses as appropriate. Termination payments are based upon country regulation. Absent country regulation, AFL follows internal procedure to determine how much, if any, termination pay will be paid. There are no special or unique retirement benefits. A compensation committee reviews and recommends remuneration increases for the Executive Committee (the highest governance body). b. Performance is considered; however, currently there are no metrics around ESG.
	2-20 Process to determine remuneration	AFL uses external salary surveys as described in 2-19, as well as an internal grade/salary structure. As stated in 2-19, AFL's compensation committee recommends renumeration for the Executive Committee that is taken to the Board of Directors for approval.
	2-21 Annual total compensation ratio	This information is confidential.

GRI 2: General Disclosures 2021 (Continued)	2-22 Statement on sustainable development strategy	Message from our President and CEO
	2-23 Policy commitments	AFL Code of Conduct Business Integrity & Ethics AFL maintains a policy library and policy campaign tool to request attestation from associates for key policies.
	2-24 Embedding policy commitments	AFL Code of Conduct Business Integrity & Ethics
	2-25 Processes to remediate negative impacts	AFL Code of Conduct Business Integrity & Ethics
	2-26 Mechanisms for seeking advice and raising concerns	AFL Code of Conduct Business Integrity & Ethics
	2-27 Compliance with laws and regulations	AFL Code of Conduct Regulatory & Legal Compliance AFL reports on the status of our Ethics and Compliance program using the "Compliance Dashboard," which includes metrics related to hotline reports, investigation status and fines/penalties imposed. This information is shared with the Executive Committee, senior leaders and our parent company.
	2-28 Membership associations	Affiliations
	2-29 Approach to stakeholder engagement	Materiality and Program Management Community Involvement and Partnership
	2-30 Collective bargaining agreements	As of FY2025, 0% of associates are covered by collective bargaining agreements. Approximately 60% of our total population are covered by workers' councils in Mexico (professional staff not included), which pose an opportunity for associates to be represented in a group akin to those that facilitate agreements (e.g. unions). For other countries, we follow the law and regulations for working conditions.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	AFL Corporate Responsibility Our Corporate Responsibility Priorities
	3-2 List of material topics	AFL Corporate Responsibility Our Corporate Responsibility Priorities
	3-3 Management of material topics	AFL Corporate Responsibility Our approach to managing each material topic is described throughout this report.

GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Fiscal Year 2024 Climate-related Management Report
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Corporate Governance and Risk Management Regulatory and Legal Compliance Internal audit also conducts a quarterly fraud risk survey.
	205-2 Communication and training about anti-corruption policies and procedures	AFL Code of Conduct Business Integrity and Ethics
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practice	AFL did not have any legal actions regarding anti-competitive behavior during the reporting period.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Environmental Metrics
	302-4 Reduction of energy consumption	Scope 1 and 2 Emissions: Expanding our Strategy
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Waste and Water Management
	303-2 Management of water discharge-related impacts	Waste and Water Management
	303-3 Water withdrawal	Environmental Metrics
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Metrics
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Metrics
	305-3 Other indirect (Scope 3) GHG emissions	Environmental Metrics
	305-5 Reduction of GHG emissions	Scope 1 and 2 Emissions: Expanding our Strategy In FY2025, AFL implemented 8 projects estimated to reduce emissions by 422 mt CO_2e.

GRI 306: Waste 202	306-1 Waste generation and significant waste-related impacts	Waste and Water Management
	306-2 Management of significant waste-related impacts	Waste and Water Management
GRI 306: Waste 202 (continued)	306-3 Waste generated	Environmental Metrics
	306-4 Waste diverted from disposal	Environmental Metrics
	306-5 Waste directed to disposal	Environmental Metrics
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Procurement and Secure Supply Chain
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Responsible Procurement and Secure Supply Chain
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	FY2025 Employee Data Data is currently not tracked by gender or age. Mexico turnover is caused by rapid changes in the business, which is the nature of the business, that can fluctuate as much as 10% from month to month. Additionally, turnover in Mexico was relatively higher due to continued significant business ramp-up.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health and Safety
	403-3 Occupational health services	Employee Health and Safety AFL's Occupational Medicine Policy at certain sites describes AFL's approach to providing professional and competent medical treatment and health screening.
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Health and Safety
	403-5 Worker training on occupational health and safety	Employee Health and Safety Relevant training is determined based on regulations and job function. All new hires receive training and orientation for safety. Training varies by job function including job shadowing, online and hybrid. Training addresses AFL's general approach to occupational health and safety as well as specific work-related hazards and actions including fire extinguisher, forklift, first aid, lockout/tagout, bloodborne pathogens, CPR, personal protective equipment, fall protection and driver safety.
	403-6 Promotion of worker health	Attracting and Retaining Top Talent

GRI 403: Occupational Health and Safety 2018 (continued)	403-8 Workers covered by an occupational health and safety management system	Employee Health and Safety EHS Policy and Principles AFL's safety program covers all AFL associates, temporary associates, contractors and visitors.
	403-9 Work-related injuries	Employee Health and Safety
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	Attracting and Retaining Top Talent
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	AFL's Leadership Team reflects the following diversity indicators as of the report publish date. To ensure clarity and avoid double-counting in this disclosure, individuals identifying as Hispanic are reported as a distinct category, separate from racial classifications. Gender: 24% female, 76% male Race and Ethnicity: 90% white, 5% Japanese, 5% Hispanic Age: 86% over 50 years old; 14% 30-50 years old; 0% under 30 years old
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Responsible Procurement and Secure Supply Chain
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	FY2025 AFL Slavery and Human Trafficking Statement Responsible Procurement and Secure Supply Chain
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	Community Community Involvement and Partnership
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	FY2025 AFL Slavery and Human Trafficking Statement Supplier Code of Conduct Responsible Procurement and Secure Supply Chain
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In FY2025, AFL received zero substantiated complaints concerning breaches of customer privacy, including from outside parties and from regulatory bodies. There were zero identified leaks, thefts or losses of customer data.

About This Report

America Fujikura Ltd. (AFL) is pleased to publish our third annual Corporate Responsibility Report, describing our commitment to responsible and sustainable business practices. AFL's Corporate Responsibility Committee is responsible for overseeing the development of the company's annual Corporate Responsibility Report and responding to stakeholder requests, with input and oversight from key leadership and subject matter experts across the company. This report is publicly available electronically on AFL's Corporate Responsibility page. Please direct questions related to this report and its contents to CorporateResponsibility@aflglobal.com.

Unless otherwise stated, this report covers AFL's fiscal year 2025 (April 1, 2025 – March 31, 2026) and 100% of the operations of AFL, a wholly-owned subsidiary of Fujikura Ltd. of Japan, with operations in the US, Mexico, Canada, Europe, Asia, Australia and New Zealand. The report references the Global Reporting Initiative (GRI) framework. AFL publishes annual Corporate Responsibility Reports to communicate our progress and performance.



Corporate Responsibility Report
FY2025

© 2026 AFL, all rights reserved.
BRO-13155 10.16.2026