

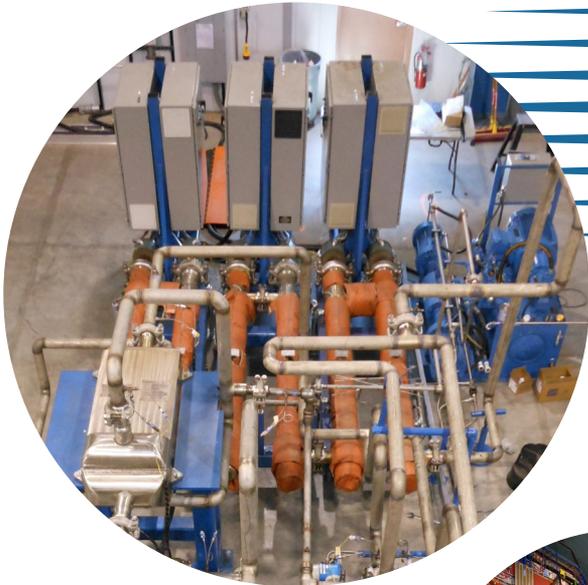


2022 SASB FACTSHEET



OUR MISSION

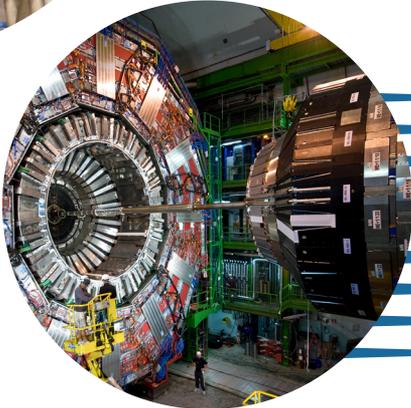
Build Better Companies to Deliver Superior Performance



Teamwork and communication between our customers, employees, suppliers, and communities are key to our success.



From space to advanced energy to physics research, Graham's engineered product serves customers' critical needs.



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ABOUT US

Graham Corporation is a global leader in the design and manufacture of mission critical fluid, power, heat transfer and vacuum technologies for the defense, space, energy and process industries. Our products and systems include custom-engineered ejectors, vacuum pumping systems, surface condensers, ejectors, and a broad variety of turbomachinery solutions that transfer energy between a rotor and a fluid.

With the acquisition on June 1, 2021, of Barber-Nichols LLC, a designer and manufacturer of turbomachinery products for the defense, aerospace/space, and advanced energy markets, we furthered our growth strategy. We also further diversified our product offerings and increased our exposure in the defense industry and added the space and advanced energy markets.

We were incorporated in Delaware in 1983 and are the successor to Graham Manufacturing Co., Inc., which was incorporated in New York in 1936. Our stock is traded on the New York Stock Exchange (NYSE) under the ticker symbol "GHM".

To help maintain our culture of truth, trust, communication, and continual improvement, our objective is to provide continued transparency as we further enhance our performance in areas of Environmental, Social & Governance ("ESG"). To support clear communication, we have engaged in robust data gathering and reporting, using the investor-focused disclosure standards developed by the Sustainability Accounting Standards Board ("SASB"). Working with investor stakeholders, SASB has developed industry-specific standards to provide standardized disclosure on the industry-specific issues most important to investors.

This report contains forward-looking statements, including our commitments, targets, and other statements that are not historical facts. These statements are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements are set forth in our SEC filings, including under the heading "Risk Factors" in our most recent Annual Report on Form 10-K filed with the SEC. All forward-looking statements are based on management's current assumptions, estimates, and projections and, except to the extent required by law, we expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or change in events, conditions, or circumstances on which any statement is based.

The disclosures within the SASB framework were prepared with the goal of developing future qualitative and quantitative reporting that will also align with industry best practices. By mapping our organizational programs against the SASB framework, Graham's sustainability efforts are now part of a broader set of organizational goals. We believe Graham is making meaningful progress within these SASB topics, and we plan to harvest other benefits indirectly resulting from improvements in these material ESG areas.

INTRODUCTION

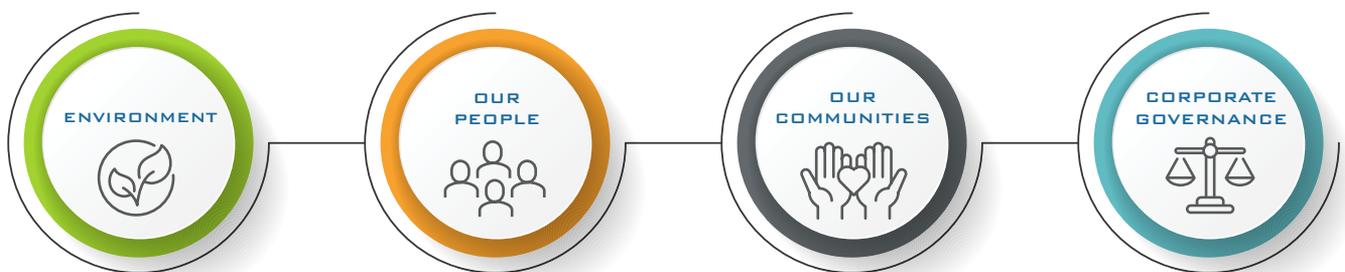
In 2021, we enhanced our ESG strategy to align with the broader transformation of our business. Our executive management team recognized the importance of embedding environmental and social priorities within our business operations and approved an enhanced and modernized ESG strategy intended to drive additional progress on initiatives that promote sustainability and increase transparency.

To help ensure our accountability and progress, the Board has appointed Mr. Thoren, Graham's Chief Executive Officer, as the lead officer with responsibility for overseeing and advancing the Company's efforts with respect to ESG initiatives. In such capacity, Mr. Thoren reviews our ESG efforts with the Board and the various Board committees as appropriate.

This year, we also established an ESG working group, which is responsible for leading our ESG strategy and monitoring our corporate social responsibility and environmental sustainability initiatives. This group includes cross-functional subject matter experts from across the business. Against this backdrop, we have — with the assistance of outside ESG expertise — performed an assessment of key indicators and engaged with our internal and external stakeholders on ESG topics to help further inform our future direction and tenets.

The four tenets of our ESG strategy are:

- (1) Environment
- (2) Our People
- (3) Our Communities
- (4) Corporate Governance



This is our inaugural Factsheet, which takes a materiality-based approach to disclosure and covers data to March 31, 2022, unless otherwise noted. This report was prepared in accordance with the SASB standard. In compiling this Factsheet, in FY 2020 and 2021, Graham Corporation completed a SASB materiality assessment. The assessment began by examining the priorities of a range of key stakeholders — including investors, customers, colleagues, and ESG rating organizations. We then reviewed the recommended ESG topics for inclusion in the sustainability disclosure, rating methodologies, investment decision-making, goal setting, and strategy.

FROM THE CEO

I am pleased to share our first global SASB Factsheet, which marks a significant step forward in our sustainability journey. Our Mission is to Build Better Companies to Deliver Superior Performance. Thus, we also believe that we must continue to invest in and leverage our unique value enhancing differentiators, including sustainability. At the same time, we never lose sight of the four tenets of our sustainable long-term strategy: (1) Environment, (2) Our People, (3) Our Communities, and (4) Corporate Governance.

During 2021, we continued execution of our business plan and growth strategy. Our transformation and expansion to Defense and Space expands our reach into what we believe are more stable, higher growth markets. In 2022, we believe we are well positioned for an inflection point in our sustainable growth strategy because of our ongoing focus on being responsible stewards of the environment and good partners to the communities in which we operate — all of which have the ability to deliver tangible business value.

We have over 490 employees across our state-of-the-art facilities, including our new 43,000 square foot state of the art manufacturing plant that is part of our 96,000 square foot facility in Arvada, Colorado, where our commitment to building a diverse and inclusive culture has never been stronger. Furthermore, we remain committed to reducing the waste we generate and utilizing our expertise to produce high-quality and sustainable products. A key aspect of our ESG strategy is climate change. We do not limit our thinking on emissions reductions simply to environmental enhancements. Rather, we consider the vast impacts climate change can and will have on all the communities we serve, especially on people who live in vulnerable areas and will be disproportionately affected.

This Factsheet formalizes our commitment to regularly communicate our ESG actions and performance. Building on our strong governance foundation detailed on our website and in our regulatory filings, we incorporated and utilized the SASB framework as part of this disclosure to further enhance transparency. While we are pleased to share this report, we do, however, remain conscious of the need to continue to embed the principles of a circular economy throughout our organization.

In the coming years, we will remain vigilant and expect to maintain rigorous ESG standards, enhance our sustainability efforts, and continue to be keenly focused on implementing a best-in-class program. Our focus ahead is unwavering. We are excited for what the future holds for Graham and to share our sustainability story with you in this Factsheet.

We appreciate your confidence and support.



A handwritten signature in blue ink that reads "Daniel J. Thoren".

DANIEL J. THOREN
President and Chief Executive Officer



ENVIRONMENT

We believe that a focus on environmental stewardship is fundamental and integral to the work we do every day to serve our customers, create value for our stockholders, and benefit our global community.

We have taken steps at both our business units in Batavia, NY, and Arvada, CO, to improve energy efficiencies and air quality that are intended to lessen our impact on the environment. Further, in addition to serving mature fossil-based end markets, we are also entrenched in, and support the development of, emerging and transformative end markets that rely on alternative and renewable energy sources.



IN FISCAL 2021

TOTAL RENEWABLE ENERGY

5.2%

Up from 1.5%
in 2020

TOTAL ENERGY CONSUMED

69,512

JOULES
Decreased 6.2%
Y/Y

HAZARDOUS WASTE RECYCLED

23.0%

Increased 1.0%
Y/Y

As climate change concerns become more prevalent, we recognize the need to comply with increased regulations and stricter environmental standards. Highlights of our environmental sustainability efforts and accomplishments include:

- ▶ Increased the use of e-records and e-signing technology resulting in carbon emissions reduction.
- ▶ Migrated technology infrastructure to a cloud environment, reducing energy usage, and accordingly, our carbon footprint.
- ▶ Encouraged environmentally friendly workplace practices by supporting recycling and separation of waste throughout our offices.

Each of our facilities are diligent in controlling hazardous waste and ensuring wastewater and storm sewer discharges are monitored to support greater access to clean water. We help minimize the sources of pollution in our communities with Adopt A Street activities, factory recycling programs, electric car charging stations, and energy-saving initiatives like LED lighting, motion sensors for lighting, smart compressors to manage energy loads, and installing programmable thermostats in our facilities.

We believe that our focus on environmental sustainability, with the objective of reducing costs and improving sustainability of our operations, will provide a strategic benefit. Going forward, we will continue to engage with suppliers throughout our global value chain to measure and manage these impacts in order to conserve resources, reduce costs, and promote ethical practices.

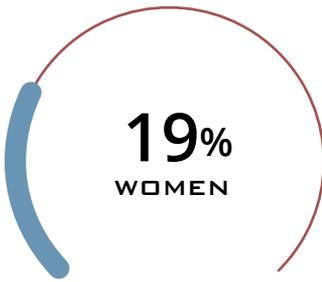


OUR PEOPLE

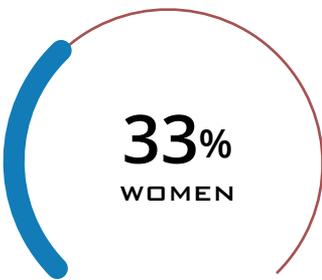
At Graham, we believe our most important asset is our people. We continually strive to use our knowledge, talents, and resources to improve the quality of life of our workforce. Our success depends on a highly skilled, properly motivated, and valued workforce.



Employee teams are key to our success! Culture committee, safety committee, softball team, and hiking club to name a few, build camaraderie, trust, and a sense of belonging.



Total Workforce



Independent Directors

Diversity, Equity & Inclusion (“DEI”) is very important to us at Graham. Our commitment starts with our goal of attracting, retaining, and developing a workforce that is diverse in background, knowledge, skill, and experience. As such, we are committed to providing equal employment opportunities and making all recruiting, payment, performance, and promotion decisions based on merit, without discrimination on the basis of gender, sexual orientation, age, family status, ethnic origin, nationality, disability, or religious belief. As of March 31, 2022, women represented approximately 19% and self-identified racial and ethnic minorities represented approximately 5% of our workforce.

Our Leadership recognizes that a diverse workforce and a culture of equity and inclusion helps us compete more effectively, sustain success, and build long-term shareholder value. We encourage every one of our team members to form deeper relationships with those around them based on mutual respect, dignity, and understanding. Graham has non-discrimination and anti-harassment policies as outlined in our employee handbook, as well as a formal Code of Business Conduct and Ethics. Furthermore, to encourage productive conversations within our organization, we have implemented employee surveys.

Supporting veterans

Graham has increased veteran recruiting including attending veteran career fairs. We host numerous events throughout the year to support Veterans. For example, we combine our Annual Ribfest Fundraising event to celebrate Veteran’s Day each year.



Our goals

Our goal is to be the preferred place to work and to attract the best people by creating a culture that is exciting, creative, and fun, and embraces continuous improvement. Graham team members are a valuable resource and we believe that employee development is vital to our continued success. We support the development of our employees through programs such as our internal weld school training, our partnerships for external weld training, our tuition assistance program, and management and employee training classes. Our management is continuously focused on developing an inclusive and respectful work environment where our employees are highly engaged and motivated. Management regularly engages with employees on a broad range of topics, including corporate culture, diversity and inclusion, health and safety, training and development, and compensation and benefits. Safety of our employees is our top priority.

Our team members' health and safety

We are dedicated to ensuring the health and safety of our team members by supporting the whole person. Our dedicated global health and safety function ensures that employees are trained on best practices to create a safe and healthy workplace for all. To ensure the health and wellbeing of our employees, we aim to provide a robust health and wellness package. We continually evolve our benefits plans to remain competitive and meet the needs of our workforce. Some of the various benefits we offer include:

- ▶ Competitive medical, dental, and vision benefits
- ▶ Flexible spending and health savings accounts for both healthcare and dependent care
- ▶ Short- and long-term disability insurance
- ▶ Paid maternity and parental leave
- ▶ 401(k) retirement savings program, including company matching contributions
- ▶ Employee Assistance Program providing free counseling services
- ▶ Wellness incentives, including a wellness consultant

Since the start of the COVID-19 pandemic in 2020 and throughout 2021, the health, safety, and wellness of Graham's employees and their families have been our highest priority. We ask employees and visitors to stay home if ill and maintain visitor logs to enable contact tracing if necessary. Our leadership continues to monitor the health and safety of our employees in accordance with the U.S. Centers for Disease Control (CDC) and Prevention and World Health Organization (WHO) guidelines.

"We hosted a Women in Manufacturing tour and panel event with a variety of employees from all levels of the organization sharing their stories of inspiration and growth in their fields of expertise."

Women from Barber-Nichols
"Share Her Story"



Passion with a Purpose:
"Supporting Pet Partners
Employee Fundraiser"



OUR COMMUNITIES

We believe that investing in local communities to create positive social and economic outcomes is at the heart of generating social impact. We believe in giving back to the communities in which we live and work. We support and empower our employees' efforts in their communities by providing opportunities to volunteer. Being a good Company means that we push ourselves to do our best, for our customers, for our shareholders, for the Company, for ourselves, for those around us, and for the world that we all share. We are committed to supporting the communities in which we do business by leveraging the power of our Company through donations, scholarships, education, and participation with certain charitable organizations.



Making a difference

We strive to use our capabilities, reach, and resources to make a lasting difference in the world. Notably:

- ▶ We are proud to be a partner with the Leukemia and Lymphoma Society Team in Training because we believe they emulate the same values as our Company.
- ▶ Graham participated in the GLOW Corporate Cup. The goal of this event is for local businesses to form racing teams, compete in a fun atmosphere, and crown a winner of the Corporate Cup. With the proceeds raised from this event, the YMCA is able to fulfill its mission of youth development, healthy living, and social responsibility in the GLOW region.
- ▶ We implemented a United Way Day of Giving, the largest community-wide volunteer event across our region serving Genesee, Livingston, Monroe, Ontario, Wayne, and Wyoming counties.
- ▶ We donated to a number of charities including The American Cancer Society and Habitat for Humanity.

Graham believes the industry needs to diversify and engage with young people if it is to avoid a future recruitment crisis. Furthermore, it is more important than ever to continue engaging with schools to attract the best talent. The need to attract the best talent in the industry remains — as does the need to be more inclusive and employ people from a diverse range of backgrounds. As key stakeholders in the industry, Graham partnered with nonprofit organizations to implement elementary school STEM programs, where 30+ volunteers engaged in science fair judging, tours, and career fairs and created STEM kits to support educational endeavors. Furthermore, we spearheaded Women in Manufacturing events to further bolster industry participation. Also, Graham assisted with college scholarship funds at many local colleges and universities, including Red Rocks Community College, Warren Tech, University of Colorado and Colorado State University.

We believe it is our responsibility to respect human rights in our operations, including, among other things, by opposing human trafficking and the exploitation of children. Accordingly, we have adopted a Human Rights Policy Statement to emphasize our strong commitment to human rights. This policy is available on our website at <https://ir.grahamcorp.com/corporate-governance/governance-documents>. We expect our business partners to also treat workers fairly and not engage in human rights abuses.

As another part of being a good corporate citizen, we adopted a Conflict Minerals Policy. This policy, available on our website at <https://ir.grahamcorp.com/corporate-governance/governance-documents>, is intended to support our commitment to sourcing components and materials from companies that share our values around human rights and ethics. We also communicate to our suppliers our expectation that they will cooperate with our efforts in this area.

Going forward, the company will look to partner with nonprofit organizations that work to decrease the number of individuals facing economic barriers and make our communities reflections of our commitments and values.



CORPORATE GOVERNANCE

Graham is committed to achieving excellence in our corporate governance practices. We emphasize a culture of accountability and conduct our business in a manner that is fair, ethical, and responsible to earn the trust of our stakeholders.

Graham has comprehensive corporate governance policies and structures in place to foster accountability and transparency for our management team. These policies reflect our underlying commitment to maintain the highest standards of ethics and integrity and to operate our business in compliance with all applicable anti-corruption, anti-bribery, and anti-trust laws and regulations.



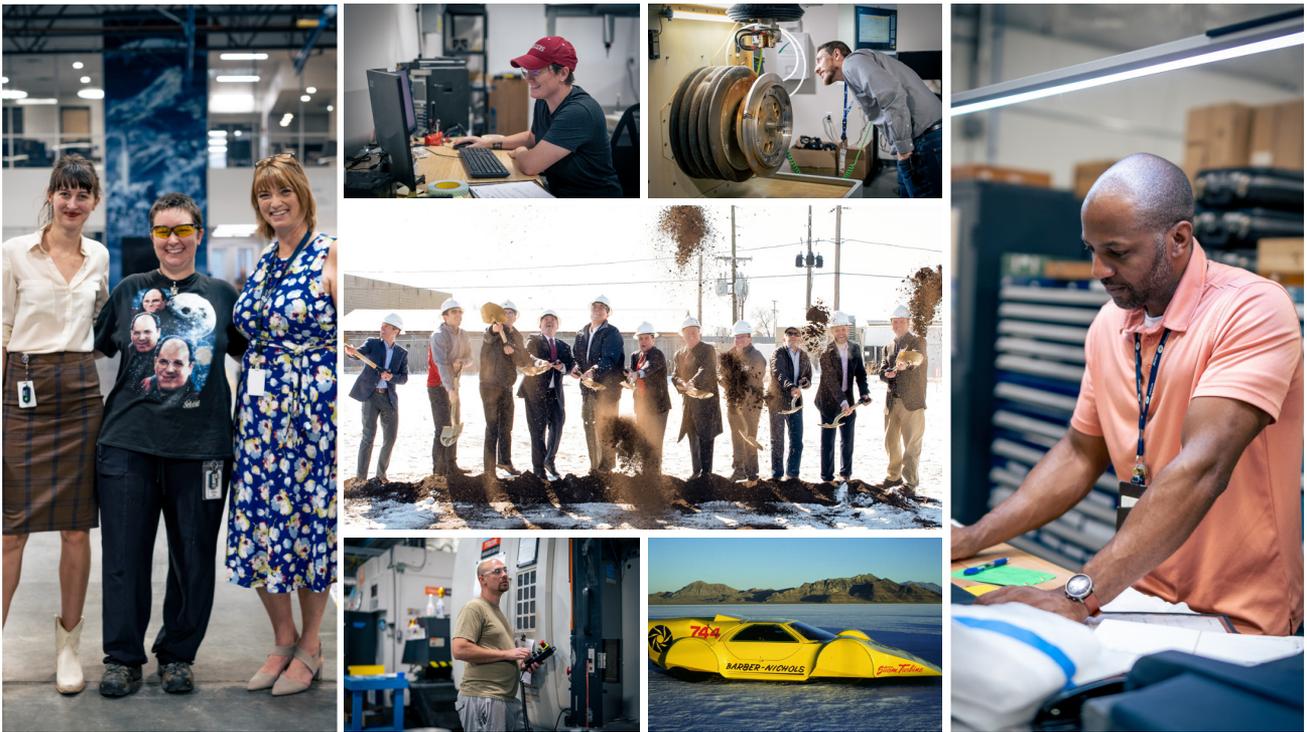
The Board of Directors is comprised of a majority of independent directors as defined by the NYSE listing standards and the Board's Corporate Governance Guidelines. All of the Board committees are comprised entirely of independent directors. The Board also believes that director refreshment is an important component of good corporate governance and, therefore, in March of 2022 nominated two new directors one of which was female.

Graham recognizes that effectively managing enterprise risks is critically important to the long-term success of our business. Management is responsible for our company's day-to-day risk management activities. Our Company relies on a comprehensive risk management process to aggregate, monitor, measure, and manage risks. While we exercise oversight, we do not have full control over our supply chain or the suppliers we do business with; however, we continually seek to partner with suppliers that share common values and a shared commitment to our ESG objectives.

As a global leader in the design and manufacture of critical electronics-enhanced turbomachines and turbomachine-based subsystems as well as vacuum and heat exchangers technologies, Graham is a trusted partner that meets the industry's high bar for data resiliency and security. We leverage the latest encryption configurations and technologies on our systems, devices, and third-party connections and further vet third-party vendors' encryption, as required, through our vendor management process.

ANNEX

This annex expands transparency through key quantitative data compiled in accordance with the SASB frameworks and standards, along with additional details on our workforce, revenues, sales, stakeholders, locations, and certification. Report data covers all global operations unless otherwise noted. In developing our Factsheet, we have compiled metrics organized by key ESG themes incorporated within our tables and throughout our organization.



SASB TABLE

SASB Data Table

Graham Corporation's member companies best classify into the Sustainability Accounting Standards Board classifications for RT-AE Aerospace & Defense and RT-1G Industrial Machinery & Goods. Our reporting reflects that dual classification.

TOPIC	METRIC	CODE	FY2020	FY2021	NARRATIVE RESPONSE
Energy Management	Total energy consumed	RT-AE-130a.1/ RT-IG-130a.1	74,072	69,512	Please also see page 6 of the Factsheet
	Percentage grid electricity	RT-AE-130a.1/ RT-IG-130a.1	25.9%	29.5%	
	Percentage renewable	RT-AE-130a.1/ RT-IG-130a.1	3.7%	5.17%*	
Employee Health & Safety	Total recordable incident rate	RT-IG-320a.1	5.27%	5.58%	Please also see page 8 of the Factsheet
	Fatality rate	RT-IG-320a.1	0%	0%	
	Near miss frequency rate	RT-IG-320a.1	0%	0%	
Hazardous Waste Management	Amount of hazardous waste generated	RT-AE-150a.1	5.6%	5.4%	Please also see page 6 of the Factsheet
	Percentage recycled	RT-AE-150a.1	22%	23%	
	Number of reportable spills	RT-AE-150a.2	0	0	
	Aggregate qty of reportable spills	RT-AE-150a.2	0	0	
	Quantity recovered	RT-AE-150a.2	0	0	
Data Security	Number of data breaches	RT-AE.230a.1	N/A	N/A	Graham has a strong commitment to providing for the security of our colleagues' and clients' information. Delivering a superior client experience, increasing shareholder value, and providing a workplace where talent and initiative can thrive, Graham ensures the confidentiality and security of personal identifiable information. As the cyber environment in which Graham, its clients, and customers operate within continually evolves, we are constantly monitoring safe and secure measures around the confidential information for which we are entrusted and implement change where necessary to uphold our security standards.
	% Involving confidential info	RT-AE.230a.1	N/A	N/A	
	Description of approach to identifying and addressing data security risks in (1) company operations and (2) products	RT-AE.230a.2	N/A	N/A	

*Percentage calculated using 2020 rate, 2021 rate not determined.

SASB TABLE

SASB Data Table Continued

TOPIC	METRIC	CODE	FY2020	FY2021	NARRATIVE RESPONSE
	Revenue from alternative energy related products	RT-AE-410a.1	\$1,862,093	\$2,408,000	
Fuel Economy & Emissions in Use-Phase	Description of approach and discussion of strategy to address fuel economy and greenhouse gas (GHG) emissions of products	RT-AE-410a.2	Please see Narrative Response		<p>Graham Corporation reduces energy use and greenhouse gas (GHG) emissions through improved energy and water management, materials conservation, and increased renewable energy use. By reducing energy consumption and water use in our operations, we reduce our associated carbon footprint and safeguard related natural resources.</p> <p>Annually, we evaluate potential resource savings projects at each of our facilities. Lighting, building, HVAC, water consumption, and compressed air projects along with material recycling netted significant savings across the corporation.</p>
Material Sourcing	Description of the management of risks associated with the use of critical materials	RT-AE-440a.1/ RT-IG-440a.1	Please see Narrative Response		<p>Graham Corporation relies heavily on metal market materials, along with other various materials, to manufacture our products. We use these in both our direct operations and through our supply chain partners. Carbon based products are the majority of usage, various specialty alloys are used in aerospace and defense applications, while non-ferrous materials such as copper, copper alloys and nickel are also used, but in limited volumes. We use these materials in both our commercial operations and Department of Defense offerings.</p> <p>Historically, we have been able to successfully mitigate risk for the timely receipt of material by advanced procurement, competitive global sourcing and block buys. We have been informed by numerous suppliers that cost and delivery of raw materials are fluctuating and may negatively affect the cost and availability of supplied material and products. While we believe we have taken appropriate measures to mitigate these risks, supplier and supply chain disruptions, labor availability, and issues associated with COVID-19 could result in delays, increased costs, or reduced operating profits or cash flows.</p>
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	RT-IG-440b.1/ RT-IG-440b.1	\$331,000	\$326,000	

SASB TABLE

SASB Data Table Continued

TOPIC	METRIC	CODE	FY2020	FY2021	NARRATIVE RESPONSE
	Total amount of monetary losses from legal proceedings associated with corruption, bribery, and/or illicit international trade	RT-AE-510a.1	\$0	\$0	
	Revenue from countries ranked in the "E" or "F" Band of Transparency International's Gov't Defence Anti-Corruption Index	RT-AE-510a.2	Band "E" \$726,635.03 Band "F" \$12,549.05	Band "E" \$7,322,195.72 Band "F" \$1,612,071	
Business Ethics	Discussion of processes to manage business ethics risks throughout the value chain	RT-AE-510a.3	Please see Narrative Response		<p>At Graham Corporation, we are committed to integrity and the highest standards of ethical conduct. We require all employees, consultants, contract laborers, and Board members to follow the standards as outlined in our Code of Business Conduct and Ethics. We work diligently to review our business opportunities, practices, and projects for legal, contractual, credit, and ethics risks, and we apply the same standards throughout our value chain.</p> <p>An important aspect of our commitment to ethical business practices is establishing and maintaining strong anti-bribery and corruption controls. The Graham Foreign Corrupt Practices Act training program directs our approach to anti-bribery and corruption, which applies to all of our employees, agents, and suppliers around the world. Graham Corporation maintains its own Whistleblower program and complies with our DoD customer's Whistleblower program to ensure the ability of our constituents to report ethics concerns.</p> <p>Graham Corporation is committed to compliance with the trade laws and regulations of the United States and all countries where we do business. Our commitment to ethics makes us a reliable and worthy partner to our customers and communities.</p>

SASB TABLE

SASB Data Table Continued

TOPIC	METRIC	CODE	FY2020	FY2021
Product Safety	Number of safety recalls issued	RT-AE-250a.1	0	0
	Total units recalled	RRT-AE-250a.1	0	0
	Number of counterfeit parts detected	RRT-AE-250a.2	0	0
	Percentage avoided	RRT-AE-250a.2	0%	0%
	Number of airworthiness directives received	RRT-AE-250a.3	0	0
	Total units affected	RRT-AE-250a.3	0	0
	Total monetary losses as a result of legal proceedings with product safety	RRT-AE-250a.4	Asbestos litigation expenses: \$513,386.15	Asbestos litigation expenses: \$311,279.99
Activity Metrics	Number of Employees	RT-IG-000.B	442	450
	Number of Units Produced	RT-IG-000.A	N/A	N/A



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<https://grahamcorp.com/sustainability/>