



Draslovka

SUSTAINABILITY REPORT 2022

Draslovka a.s.

Evropská 2758/11, Prague 6, 160 00

www.draslovka.com



TABLE OF CONTENT

01 Foreword from the CEO	4
02 Our Business	7
03 Our Approach to ESG & Sustainability	15
04 Our Sustainability Strategy	20
05 Innovating for Sustainability	22
06 Protecting and Developing our People	25
07 Preserving the Environment	30
08 Operating Responsibly	35
09 Oversight of our Sustainability Strategy	40
10 Looking Ahead	41



Pavel Brůžek Jr.

Chief Executive Officer

FOREWORD FROM THE CEO

Dear Reader,

I am pleased to share with you our inaugural sustainability report, covering our activities and collective approach to sustainability. The report provides an overview of our approach to sustainability and our progress so far, setting out a clear roadmap for consistent improvement in future.

The global headwinds of 2022 have not missed Draslovka. The Russian invasion of Ukraine and the ensuing energy volatility in Europe had an impact on our Kolín operations which, while relatively limited, led us to re-organise our production mix there. We also continue to manage the broader challenges of operating in a macroeconomic environment characterised by elevated inflation and related monetary tightening with impact across the supply chain. Nevertheless, the strong demand for our product and our agile business practices allowed us to adapt quickly and we continue operating profitably and within a comfortable financial and operational profile.

I am proud to say that Draslovka has continued to achieve significant strategic milestones this year. We have substantively completed the integration of our US-based operations in Memphis acquired from Chemours in late 2021. This was no easy task, and I am grateful for the dedication and hard work of those involved, as well as the enthusiasm and the patience shown by all our colleagues in the Draslovka family across geographies. We are all the stronger for those changes. Not only as a business that leads the market in scale and technology, but also as a management and operational team that is now boosted by the experience and expertise of our new colleagues across the globe.

Accordingly, we continue to evolve our corporate governance framework to meet the demands of our growing business. We have enhanced our Board of Directors with new members and established a number of group-wide policies, including a unified Code of Conduct and a third-party operated whistle-blower hotline.

Despite the changes to our organisation, our focus on putting our people's safety first remains unwavering. Given the nature of many of our products, the bedrock of Draslovka's strategy will continue to be ensuring that the highest health and safety standards are in place to protect our colleagues, partners and the communities in which we operate. We make no compromise in placing a relentless focus on safety within our culture, which is reflected at every level of our business.

Draslovka's global geographic reach and production capability allows us to maximise the opportunity offered by the transformative glycine leaching technology integrated into our business following the acquisition of Australia-based Mining & Process Solutions (MPS) at the beginning of 2022. We are in the process of testing the industrial application of our proprietary glycine product in the processing of gold, partnering with some of the largest gold producers in the world. The results of those tests have been extremely positive so far. The technology is not limited to gold, however. Copper, nickel, cobalt and zinc – the materials most in demand as the world tries to accelerate the transition to a low carbon world – are among the metals that can be leached with enhanced selectivity compared with conventional methods, while glycine's excellent environmental and safety profile makes it the sustainable choice. Indeed, the technology has shown significant promise in unlocking metals recovery from tailings and existing deposits that were hitherto uneconomical, with the potential to substantively

reduce the environmental impact of the mining industry.

Commercialisation of glycine leaching technology will add a strong service dimension to Draslovka's Mining Solutions business model. In anticipation, we are preparing new commercial service offerings, integrating them with our current distribution networks and sales channels, including the utilisation of Cloud applications and machine learning. Our chemistry expertise and chemical capability will be more important than ever, and we are also looking at our production facilities to ensure we are best positioned to take advantage of this technology.

Glycine adds to our existing portfolio of proprietary sustainable solutions that include EDN™ and BlueFume™, alternatives to environmentally damaging legacy products used in fumigation and pest control industries. As the flagship products of our Agricultural Solutions business, we are pressing ahead and increasing momentum in gaining regulatory approvals and rolling them out to the global market. Among the notable successes this year, we have seen adoption in New Zealand and Australia among other markets. The success and growth of our Agricultural Solutions business relies not just on the increased efficacy but most importantly on the substantive environmental improvement to the fumigation industry that the application of Draslovka's offering can bring about.

Promoting greater efficiency while mitigating the environmental impact of products is at the heart of Draslovka's technological advancements. We view the ability to innovate and develop sustainable alternatives to legacy products as one of our core competencies, supported by a strong focus on R&D. The successful roll out of environmentally sustainable solutions to specific industrial applications and client needs is central to our ability to realise our growth potential. Our business model is therefore aligned to

our sustainability goals, and we are committed to progressive future increases of the share of revenue from the sale of sustainable products and services. These and many other Draslovka's products will incrementally enable industrial transformation to a sustainable future of our planet and preservation of the global ecosystem.

The in-depth materiality assessment that forms the foundation of our inaugural sustainability report was conducted through extensive interviews with a wide range of internal and external stakeholders, in addition to our first employee-wide survey. The results showed that the sustainability aspects of our business are of clear importance to our stakeholders, just as they are to each and every member of the leadership team. The emphasis on sustainability across the business and our operations allows us to be ambitious in what we can achieve.

Our sustainability strategy is based on four pillars: Innovating for Sustainability, Preserving the Environment, Protecting and Developing our People, and Operating Responsibly. These pillars were derived from the materiality assessment we conducted in the first quarter of 2023 and allow the business to focus on where we can have the most impact. The sustainability pillars are designed to align and mutually re-enforce our values, our business, and our global activities. The strategy is underpinned by a corporate governance framework that ensures that responsibility for the most material sustainable impacts to our business lies at the highest levels of the organisation.

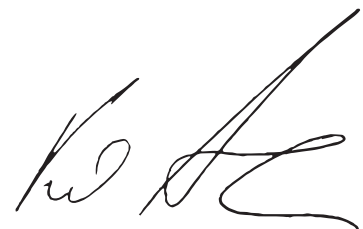
As our global footprint grows, however, we recognise it is ever more important that we publicly report on our performance and progress on a broad set of

material issues that affect us and our stakeholders. Unifying the sustainability metrics, policy and governance frameworks across the business, we are committing to improving our reporting and transparency across a range of sustainability issues, to correspond to the scale and complexity of our operation and to recognise the importance of these issues to our stakeholders.

This is our first sustainability report, marking the beginning of regular reporting on our Environmental, Social and Governance performance. Since we are in the process of formalising our sustainability strategy the group-wide data available to us in this report is relatively limited. We are in the process of consolidating and standardising relevant data collection across our business units and aim to be in a position to report a full suite of data for 2023.

I look forward to reporting on our progress against specific and measurable KPIs as we continue to develop our approach to sustainability over the periods ahead. I am also optimistic on reporting to you on the difference that the adoption of Draslovka's sustainable products and services makes to the environmental footprint of our customers and their industries, where we believe our ultimate impact lies.

Pavel Brůžek Jr.



OUR BUSINESS

Draslovka is a global leader in CN-based speciality and agricultural chemicals, including next generation fumigants and biocides. A private holding company based in the Czech Republic, it is owned by four Czech families and is building on fundamentals of more than 110 years of unparalleled experience in hydrogen cyanide (HCN) production and chemistry in the region.



Our Vision

Becoming the leading provider of environmentally sustainable solutions to specific industrial applications and client needs using R&D and applying our expertise to deliver at a pace that sets us apart. Put simply, we get there sooner.



Our Mission

Our dual objective is to unlock transformation through alternative chemistry-based solutions that are scalable, while being the leader in our respective global product and geographic markets. Safety and environmental sustainability are at the heart of everything we do.



2022 Financial Highlights

Revenue 2022: **USD 468.0 mil.** 2021: USD 121.3 mil.

Adjusted Pro Forma EBITDA for the year* 2022: **USD 77.3 mil.**

Total Assets 2022: **USD 850.2 mil.** 2021: USD 829.9 mil.

Total Equity 2022: **USD 342.4 mil.** 2021: USD 299.7 mil.

Total Liabilities 2022: **USD 507.7 mil.** 2021: USD 530.1 mil.

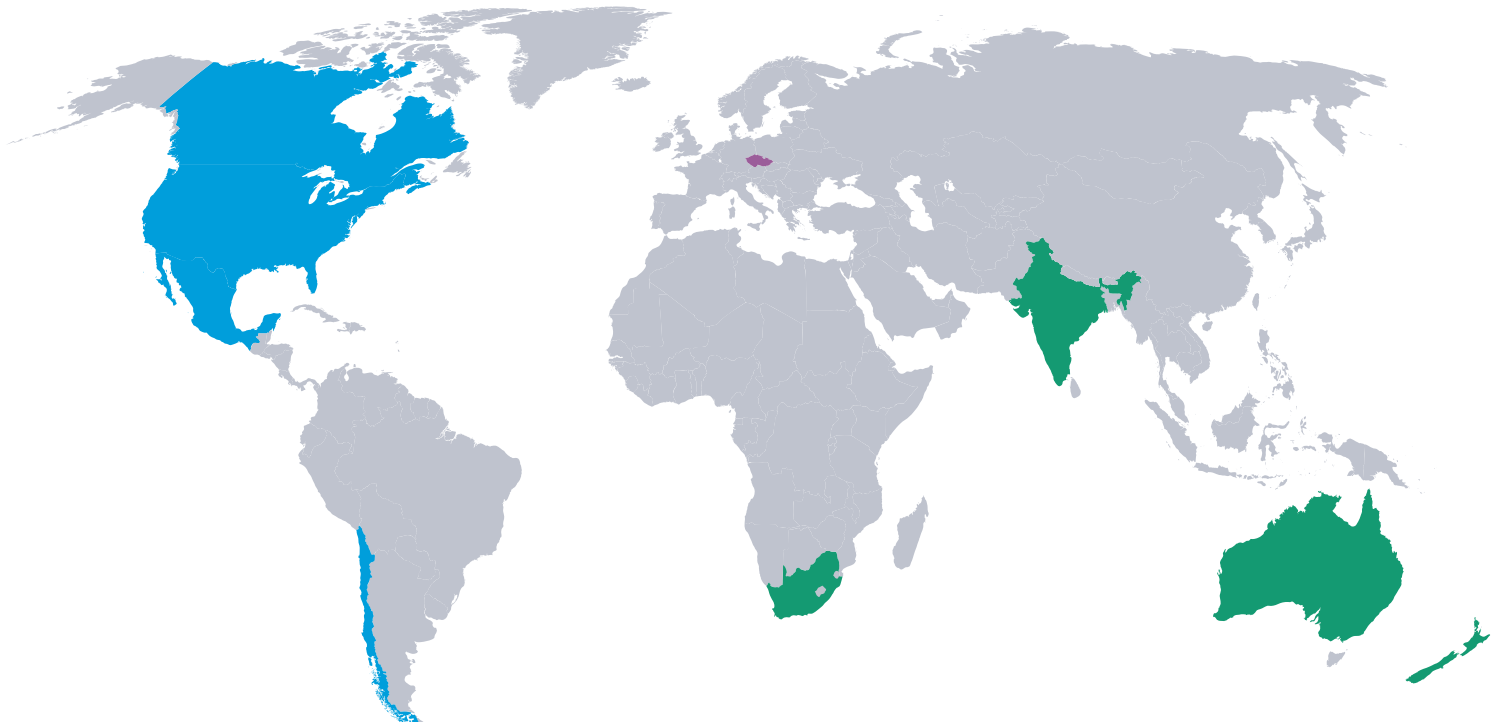
Free Cash Flows 2022: **USD 7.9 mil.** 2021: USD 24.6 mil.

*Adjusted Pro Forma EBITDA is calculated as Net income adjusted mainly by:

- | | |
|--|--|
| → interest expense and income | → extraordinary charge and income determined by management |
| → taxes, including income taxes and other tax or authority charges | → costs incurred in connection with acquisition of Intreso business |
| → depreciation and amortization | → pro forma adjustment related to implementation of costs saving initiatives |
| → non-cash expense and income, including impairment and foreign exchange differences | → other pro forma adjustments |

Adjusted Pro Forma EBITDA for the year 2022 is calculated as if the Intreso and MPS business was acquired on 1 January 2022 and therefore is an approximation that cannot be directly reconciled to the accompanying consolidated statements of Draslovka a.s.

Our Worldwide Presence



Mining Solutions

**Memphis
Tennessee, USA**

Key products

HCN, NaCN, GLT

Key regions

North America, Central America, South America, Africa, Australia

Agricultural Solutions

**Melbourne
Australia**

Key products

Bluefume, Efume, Fumigation

Key regions

Africa, Asia, North America, Australia

Specialty Chemicals

**Kolín
Czech Republic**

Key products

HCN, NaCN, KCN, DPG

Key regions

Europe, Africa, Asia, South America, North America

Our Business Model

Draslovka is made up of three business units comprising of **Speciality Chemicals, Agricultural Solutions** and **Mining Solutions**. Each of these businesses is headquartered in a different region of the world, creating an unparalleled worldwide presence and integrated business verticals offering innovative solutions, the highest standards of safety and excellence in customer service.

The Draslovka Group



MINING SOLUTIONS

- Drive efficiency and throughput
- Focus on safety with pristine track record
- Sustainably filling supply gaps in metals
- Unlock new opportunities through innovation



AGRICULTURAL SOLUTIONS

- Replace polluting/archaic products
- Offer innovative and green solutions of “tomorrow”



SPECIALTY CHEMICALS

- Bespoke solutions in fine and agro chemicals
- Focused on efficiency improvements and cutting edge R&D

Through its scalable chemistry-based solutions, Draslovka aims to unlock sustainable transformation and be the leading global player in the production of cyanides for use in synthesis, mining, and industrial and agricultural applications.

Our specialty manufacturing hubs in Memphis and Kolín provide the products which serve Draslovka’s global network and worldwide customer base. Our

plants put responsible operations at the core of their activities, ensuring the highest standards of health and safety for our team and contributing to our local communities. The Memphis plant focuses on serving the Mining Solutions business. The bulk of our Sodium cyanide is produced in Memphis, with the remainder of output coming from our Kolín plant. Both the Memphis and the Kolín facilities work in tandem to supply our Specialty Chemicals and Agricultural

Business Unit	Focus	Based In	Headcount
MINING SOLUTIONS	Complementing Draslovka’s proprietary Glycine Leaching Technology (GLT) with its industry leading sodium cyanide quality to offer a more environmentally sustainable and effective means of extracting precious metals from ores.	Memphis, Tennessee (US)	 274
AGRICULTURAL SOLUTIONS	Next-generation, environmentally sustainable, fumigants and biocides with a range of applications including the pre-quarantine treatment of forestry products, as well as the eradication of pests in industrial structures.	Melbourne, Australia (APAC) South Africa (Africa)	 108
SPECIALITY CHEMICALS	Deploying the hydrogen cyanide molecule through a team of scientists with more than 200 years of collective experience, creating products for use in a range of sectors including pharmaceuticals and agrochemicals.	Kolín, Czech Republic (EU)	 274

Solutions businesses to ensure our innovations reach customers around the world. Our main R&D hub and research center for all technologies is located in Kolín, supported by specialist research facilities in Australia.

Given the inherent nature of a large proportion of our products, product governance and stewardship are central to Draslovka’s business conduct. Our responsibilities do not stop at the point of sale; we provide training for our customers to support the safe and responsible application of our products. The sale and use of many of our products is strictly regulated by national and international legislation, with relevant authorities requiring the company to adhere to set regimes and protocols. This does not only include production and handling but also enhanced due diligence and licensing requirements applicable to

contractors and potential buyers. Draslovka maintains an active dialogue with the relevant regulators and undergoes regular inspections.

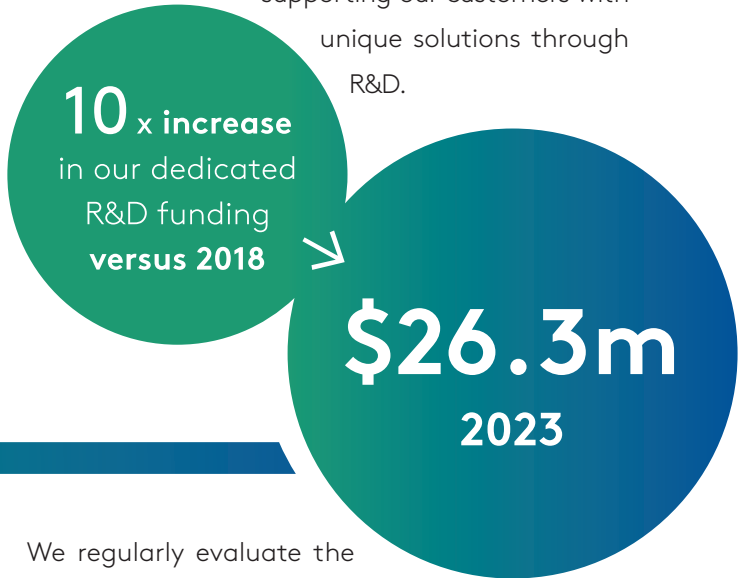
As recognition of its importance to the business, we proactively engage with third party organisations responsible for maintaining high standards of health and safety throughout the lifecycle of products. We provide extensive, high-quality, data to support the initial registration and approval of products, and train regulators to ensure safe and responsible use. For example, in 2022, our Agricultural Solutions business provided in-depth training to Environmental Protection Authority and WorkSafe teams following the registration and approval of EDN for fumigation at New Zealand ports.

Building Resilience through R&D

We are committed to investing in research and development (R&D) and have long committed significant funding to developing innovative technologies. We are focused on developing new, innovative solutions and creating chemicals with specific properties for our customers. We are increasingly focused on exploring how we can innovate towards sustainability by developing products with reduced or no environmental harm. We believe that through innovation we can support our customers in achieving our shared goals, improve our environmental footprint and build increased resilience.

To reflect our commitment to sustainable innovation, we have significantly increased our funding for R&D.

While our R&D funding has been higher than peers for some time, in 2023 we doubled down on our commitment to sustainable innovation by doubling our annual R&D funding to \$26.3m. This represents almost a 10 x increase in our dedicated R&D funding versus 2018 and underscores our commitment to building resilience, improving sustainability, and supporting our customers with unique solutions through R&D.



In addition to our dedicated R&D resources and significant budget, we ensure that the outcomes of our research are cutting edge through collaborations with leading universities. We work closely with Curtin University in Perth, supporting the development of leaching technologies for the extraction of minerals including gold, copper, cobalt and nickel. In Kolín we collaborate with the Czech Technical University in Prague, Masaryk university and the University of Chemistry and Technology in Prague on research and development projects.

We regularly evaluate the outcomes of our research and development efforts and ensure our innovations are appropriately patented. Protecting the intellectual property that arises through R&D is an important aspect of our ESG strategy and overarching governance approach. Protection of our intellectual property will continue to be an important aspect in ensuring that our sustainable innovations can support business resilience and galvanise our growth strategy.

Business Unit	FTEs dedicated to R&D
MINING SOLUTIONS	12
AGRICULTURAL SOLUTIONS	11
SPECIALITY CHEMICALS	9

Sustainability is Galvanising our Growth Strategy

	GlyCat™	GlyLeach™	Mining-as-a-service <i>AI-driven optimization tool</i>	Fumigation <i>EDN BlueFume eFume</i>
What	Glycine to at least partially replace cyanide in gold mining	New and more efficient leaching technology using glycine for copper, nickel and cobalt sulphides	AI-driven process optimization for mining, offers further synergies if combined with Glycat™/ GlyLeach™	Next generation “green” fumigants to serve as replacement of current archaic/ pollutive products on the market
Client impact	Cheaper and more sustainable additive to cyanide which boosts its efficacy	Unlock uneconomical/ untreatable reserves, lower costs and operate more environmentally friendly	Maximize throughput and recovery rates	Sustainable products with higher efficacy and shorter application time at similar pricing

Across our business, we offer world-leading alternative products and solutions which offer environmental benefits. Building on the successful acquisition of Chemours Mining Solutions business in 2021, we purchased Mining Process Solutions (MPS) from Australia’s Curtin University, bringing GLT into the Draslovka product family. **GLT is a game-changer for the mining industry and the environment, dramatically reducing the volume of sodium cyanide used in the leaching process** and creating fresh opportunities to use natural resources which would previously have gone to waste.

We are excited by this new, more environmentally sustainable, offering to the mining sector and look forward to continuing to build on recently established partnerships with some of the global

mining industry leaders, in the coming years. As the world attempts to shift to a low carbon future, batteries and fuel cells will enable technologies for lowering emissions across a range of products, most notably electric vehicles. Their adoption is forecast to grow exponentially in the coming years. Even though dependency on fossil fuels will be reduced, raw materials, in particular metals, will be needed in greater amounts for the manufacture of battery packs, fuel cells, electric vehicles and hydrogen-powered vehicles. Cobalt, lithium, graphite, nickel, manganese, platinum group metals, copper, rare earth elements, among many others, will be required to enable this transition. Our products will allow for the extraction of some of the most prominent of these materials in a manner that materially reduces the environmental impact of the process.

Our Agricultural Solutions business is pioneering the registration and commercialisation of a range of next-generation fumigants and biocides, creating a genuinely transformative opportunity for an industry which has relied historically on highly environmentally damaging substances. Our products, eFUME™, BlueFume™ and Ethanedinitrile (EDN™) are direct replacements for commonly used treatments which contain ozone-depleting substances or greenhouse gases while ensuring biosecurity is protected. We continue to make progress in our strategy to increase the number of countries where our products are available. This year, New Zealand and Turkey registered EDN™ for use on timber and logs, while Australia recently joined countries including the UK, France, Germany and New Zealand in registering BlueFume™ for the treatment of pests in industrial buildings.

The acquisition of Intreso, one of the largest fumigation companies in Europe and clear market leader in mission-critical pest control treatment

services for the global trade and cargo market, offers the potential for further vertical integration of the Agricultural Solutions business for the deployment of alternative fumigation solutions. The contribution of our Agricultural Solutions business to advancing a more sustainable future is being increasingly recognised. As a result of our sustainability efforts, we were ranked in the top 19% of entrants in the Australian Financial Review Sustainability Leaders list in July 2022, and received a commendation in the Australian Biosecurity Awards in April 2023.

Our Agricultural Solutions business is also a proud member of the World Alliance for Efficient Solutions, a non-governmental organisation promoting green energy and sustainable technologies, supporting collective efforts to build solutions for a more sustainable future.



OUR APPROACH TO ESG & SUSTAINABILITY

While this report is our first formal disclosure on ESG and sustainability, sustainability has been a focus of the business for a long time. Since the Bruzek family took over the plant in 1996, we have placed an increasing focus on our responsibility to have a positive impact on people, society, and the environment seriously. As we grow and evolve as a company, the importance of ensuring we foster positive change only increases, and this report signifies our commitment to ensuring we will do so, while recognising the importance of transparently reporting on our progress to all stakeholders.

Over time we are committed to increasing our focus on ESG reporting and continued development of sustainable business practises. Through the activities we have undertaken this year, we believe we are setting the foundations to become an industry leader in sustainability.

“ Since **1996,** we have placed an increasing focus on our responsibility to have a positive impact on people, society, and the environment.”

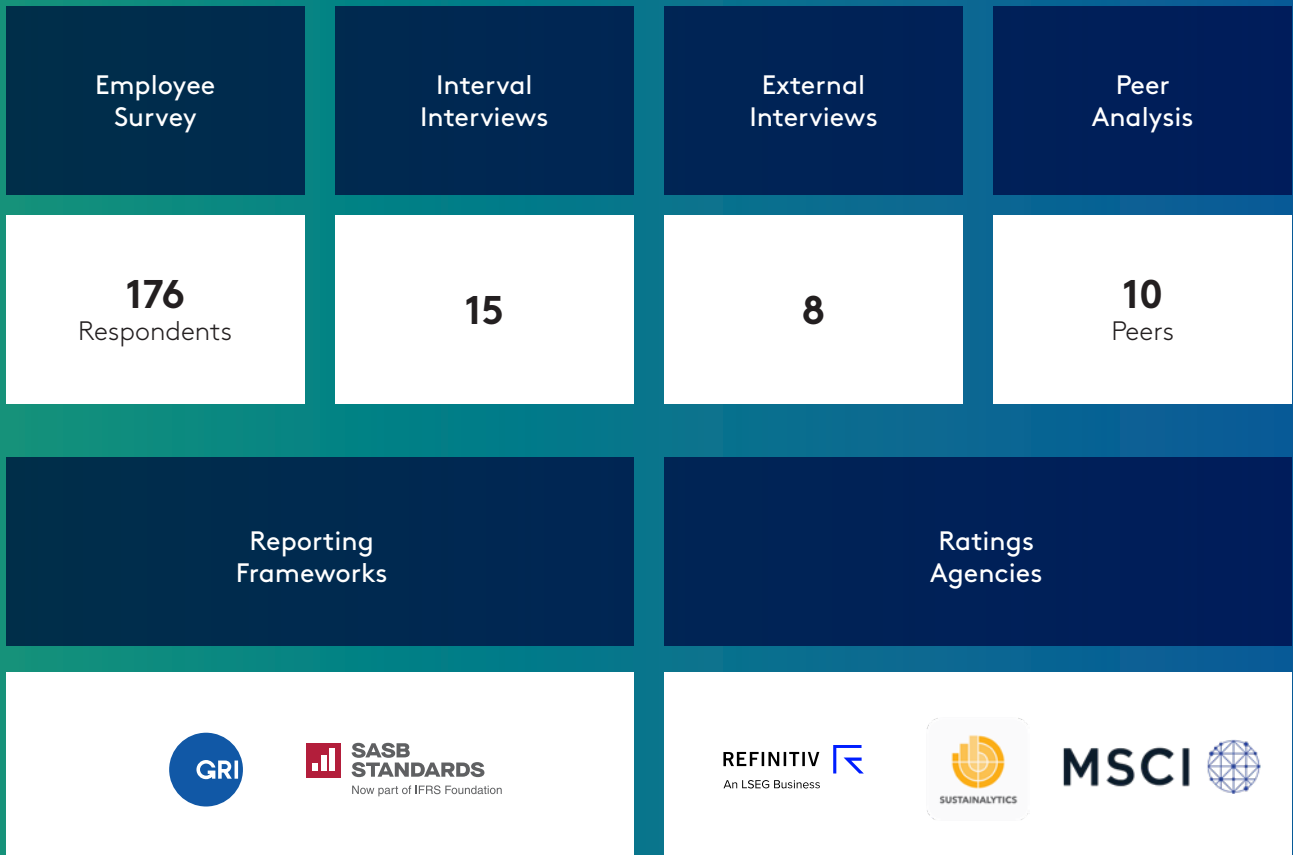
Time	Position
PRE – 2023	The company worked to ensure the highest levels of health and safety and environmental compliance, whilst adhering to the highest standards of business ethics, with rigorous policies and procedures in place. However, sustainability activities were not focused around a formal, central strategy.
2023 – 2024	We are developing a comprehensive sustainability strategy, covering areas of material impact. This includes expanding our focus areas to ensure we identify all areas of sustainability-related risks and opportunity. The creation of a formal sustainability strategy will enable us to set targets and measure progress against our goals.
2024 ONWARDS	We aim to be a leader in sustainability and ESG within our industry creating positive impact across environmental and social topics and providing transparency through regular disclosure of data to track progress against stretching targets and goals.

Identifying Material Issues

Over the past year we have been working to set a formal sustainability strategy which will enable us to have a positive impact as we continue to grow. While recognising we are in the early stages of formalising our sustainability strategy, from the outset we focused on ensuring that any strategy would be fundamentally aligned with the views of our most important stakeholder groups and on areas where we can have the most impact. In order to achieve these goals, we undertook a rigorous materiality assessment to identify the environmental, social and governance topics we should prioritise. The materiality assessment

identified our sustainability priorities by incorporating internal and external stakeholder views – through interviews and an employee survey – reporting frameworks including SASB, GRI and TCFD, reviewing global trends in sustainability, and benchmarking ourselves within our sector. This comprehensive approach included third party guidance and allowed us to identify the areas which are of highest priority to our business and most important to our stakeholders. We also assessed the impact our business could have on the environment and people by looking across our operations and value chain.

OUR RESEARCH



The materiality assessment was undertaken by an expert third party with the guidance of a group of senior leaders at Draslovka including representation from HR, communications, governance, EHS and the wider management team. In undertaking the materiality assessment,

we followed a stringent and in-depth process to ensure we captured the views of a variety of internal and external stakeholders, while integrating external trends and reporting frameworks to ensure a holistic set of topics were captured.

STAKEHOLDER INTEGRATION

1. Identify Relevant Topics

Through research on our existing ESG initiatives, external reporting frameworks, ratings agency methodologies and trends we identified a long list of potential topics for inclusion in our strategy.

2. Engage Stakeholders

We worked with both internal and external stakeholders through interviews and an employee survey to assess each topic and the risks and opportunities it presents to our business. We spoke with employees, customers, suppliers and investors.

3. Prioritise Topics

Based on our stakeholder engagement we were able to prioritise the topics which were relevant to us through the creation of a materiality matrix. This allowed us to understand the most important ESG issues for our business.

4. Develop ESG Strategy

Based on our most material topics, we created the four pillars of our sustainability strategy. This strategy will help us to deliver improvements in each of the areas which are important to our stakeholders.

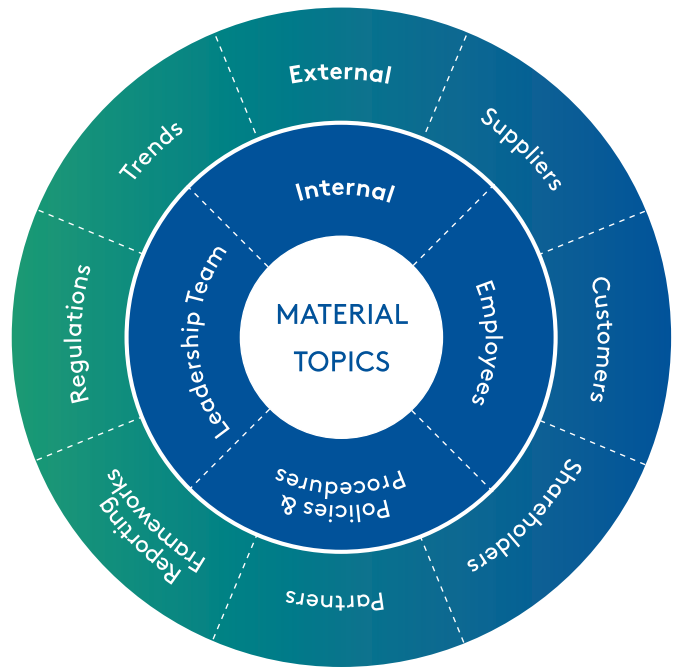
The process detailed above allowed us to understand the material topics which should form the foundations of our sustainability strategy. While our business units have historically strongly focused on sustainability within their operations there is enhanced value in formalising our approach around the issues that our important to our stakeholders, which is the foundation of further integration of sustainability into our corporate strategy. We used a combination of internal and external stakeholder views to identify the key risks and opportunities facing the business over the short, medium, and long-term, and we have commenced the process to ensure responsibility for the management of those risks and opportunities is set at the highest level of the organisation, overseen by our Board of Directors.

Transparency and accountability to stakeholders is also a key sustainability goal for our strategy development.

In undertaking our materiality assessment, we used the approach of double materiality, looking at the dimensions of impact and financial materiality to assess the sustainability impacts which were relevant for our business. Our selection of a double materiality approach allows us to capture the impact we can create by innovating and creating more sustainable solutions for our customers. The approach is also in line with upcoming EU sustainability regulations which, while they have not been finalised and do not apply to us yet, represent best practice for sustainability strategy development and reporting.

Material topics

Our rigorous materiality assessment process resulted in a materiality matrix, allowing us to select the issues which were the highest priority for the business and our external stakeholders. These priority topics form the foundation of our sustainability strategy.

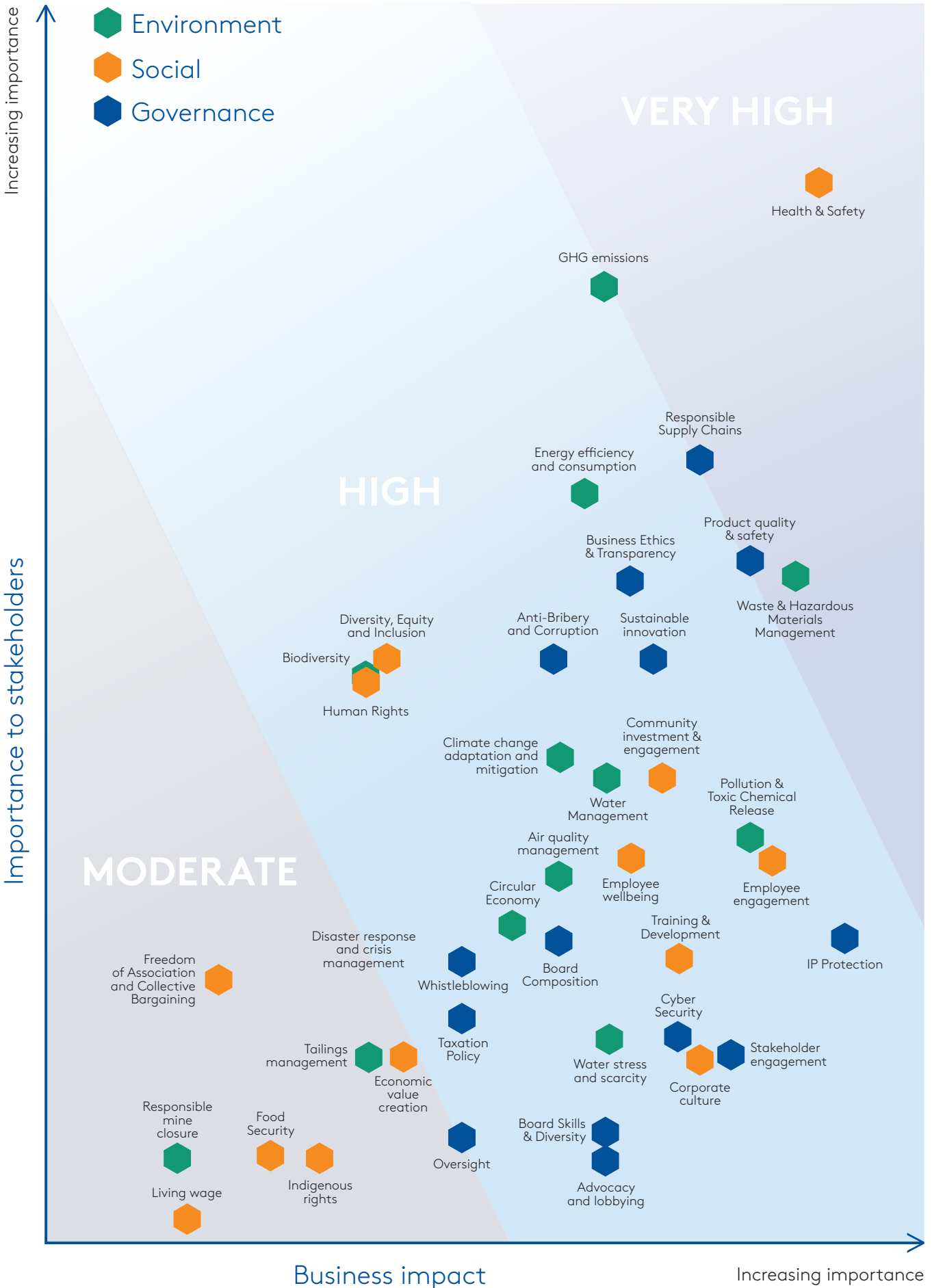


Materiality matrix

This materiality assessment assesses the current views of our stakeholders and considers the scale and severity of our impact on each of these issues. We are aware that our material topics will change over time so are committed to updating our materiality assessment on a periodic basis, every two years.



Materiality matrix



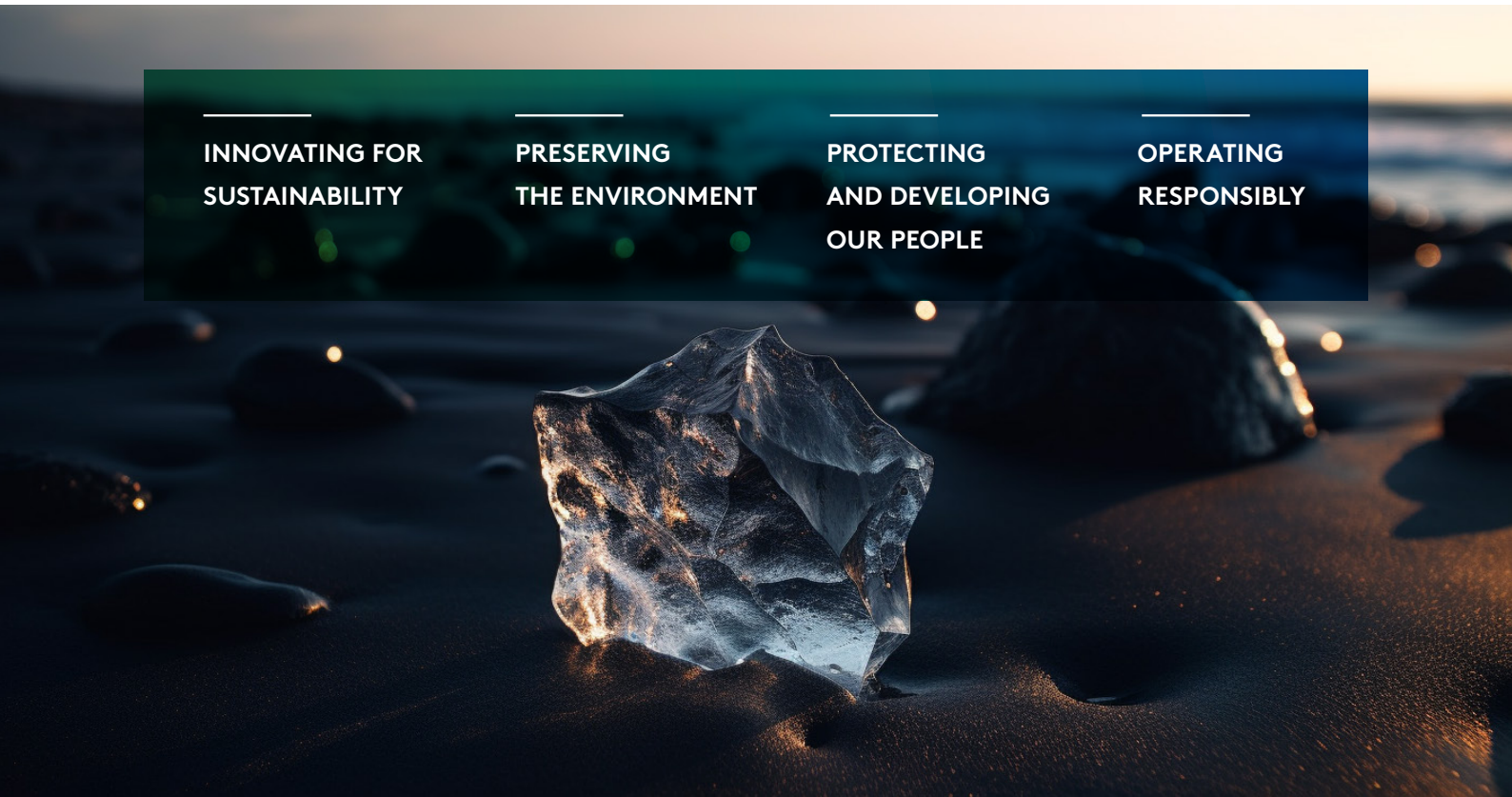
OUR SUSTAINABILITY STRATEGY

Based on our materiality assessment, we were able to identify the four core areas that will comprise our sustainability strategy. While our response to the outcomes of the materiality assessment is ongoing, we are committed to improving our performance across each of these areas.

We believe that we can create a positive impact for the environment and communities through the responsible production and handling of our products and in designing innovative solutions which are aligned with our sustainability targets. Our strategy rests on four core pillars; "Innovating for Sustainability", "Preserving the Environment", "Protecting and Developing our People", and "Operating Responsibly". These four pillars will guide our efforts to improve the sustainability of our

business as well as our external communication of progress and impact. The identification of key sustainability pillars represents an important step to formalising the positive efforts and initiatives underway across the business and each of our operations. Under each of those pillars, we are already making significant progress towards enhancing our performance; however, as a business, we recognise that initiatives and efforts must be accompanied by consolidated data and, in time, ambitious targets. The following pages sets out the oversight of those pillars from management and efforts to improve performance. In the years ahead, we will build on these foundations to drive even greater improvements and report on the data that underpins management and the Board's assessment of accomplishments in each area.

<hr style="width: 20%; margin: 0 auto;"/> <p>INNOVATING FOR SUSTAINABILITY</p>	<hr style="width: 20%; margin: 0 auto;"/> <p>PRESERVING THE ENVIRONMENT</p>	<hr style="width: 20%; margin: 0 auto;"/> <p>PROTECTING AND DEVELOPING OUR PEOPLE</p>	<hr style="width: 20%; margin: 0 auto;"/> <p>OPERATING RESPONSIBLY</p>
---	--	--	---



Our sustainability strategy

Innovating for Sustainability	Protecting and Developing our People	Preserving the Environment	Operating Responsibly
<p>We are excited by the role our products can play in helping build a more sustainable future, minimising environmental impact through innovative solutions.</p>	<p>Our people are the heart of our business, and we strive to create a healthy, safe and inclusive working environment that enables all employees to thrive.</p>	<p>We are committed to protecting the environment and minimising our impact by managing the use of hazardous materials and preserving natural resources.</p>	<p>We hold ourselves to the highest standards of ethical conduct and are committed to operating responsibly within our communities and supply chain.</p>
<ul style="list-style-type: none"> • IP Protection • Product Quality and Safety • Responsible Supply Chains • Impact of Products  	<ul style="list-style-type: none"> • Health and Safety • Employee Engagement • Diversity, Equity and Inclusion  	<ul style="list-style-type: none"> • Waste & Hazardous Materials Management • Pollution & Toxic Chemical Release • GHG Emissions • Energy Efficiency & Consumption • Water Management • Biodiversity   	<ul style="list-style-type: none"> • Community Investment & Engagement • Corporate Culture • Human Rights • Business Ethics & Transparency • Anti-bribery & Corruption 

At Draslovka, we believe that we can create a positive impact for the environment and communities through the innovative products we create. We are committed to developing innovative products, whilst ensuring we protect the environment and our people. Our strategy rests on four core pillars; Innovating for Sustainability, Preserving the Environment, Protecting and Developing our People, and Operating Responsibly. These four pillars will guide our efforts to improve the sustainability of our business.

We identified these priorities through a materiality assessment, incorporating internal and external stakeholder views, reporting frameworks including SASB and GRI, reviewing global trends in ESG and benchmarking ourselves within our sector. This comprehensive approach included third party guidance and allowed us to identify the areas which are of highest priority to our business.



INNOVATING FOR SUSTAINABILITY

Management Approach

To achieve our goals, we systematically look to find new and innovative ways to be more sustainable in our operations and through the products and services we offer to our customers. An innovation mindset is inherent to our corporate culture and business success. In our operations, we have used technology to support reductions in energy use, improve water management, and manage our emissions. An intrinsic component of this is putting particular emphasis on research and development to ensure we are using the most sustainable, cutting-edge techniques. As a technology leader in our field, we continue to invest in specific research facilities and talent.

Over time we have built on this approach and focused on developing innovative products that target reduced environmental impact while maintaining or increasing efficacy. Through the development of our non-ozone-depleting fumigants and Glycine Leaching Technology we are creating alternatives to traditional agricultural and mining solutions which in some cases drastically reduce GHG or ozone depleting substance emissions into the atmosphere. We are acutely aware of the role our products can play in helping build a more sustainable future and are focused on increasing our portfolio of sustainable solutions, and the proportion of our revenue generated from these. In our Mining Solutions business, we support our customers to retrieve more metals from tailings

and use less harmful products. Our Agricultural Solutions business aims to supply our customers with efficient products that will have substantively lower environmental impact than available alternatives, while our Specialty Chemicals unit supplies key products to enable green technologies and their applications in diverse industries.

We are aware of the emerging EU regulatory landscape, and specifically the EU Taxonomy which designates sustainable economic activities. Over time, and as the regulation expands to cover more industries and activities, we will seek to ensure that our economic activities meet the requirements to significantly contribute to one or more of the EU Taxonomy's objectives while doing no significant harm to the others.

We are excited to continue to develop innovative, sustainable products and partner with our customers in developing and implementing technologies to reduce the environmental impact of our value chain.

Progress on our Innovations

Agricultural Solutions

Driven by the widespread use and global impact of ozone-depleting fumigant products on the environment, Draslovka Agricultural Solutions was established to develop environmentally sustainable alternatives and bring them to market, removing the need for use of ozone-depleting substances or greenhouse gases in fumigation and agriculture.

For each equivalent kilogram of one of our products being applied – be it EDN™, BlueFume™, or eFUME™

possible have access to our range of alternative, environmentally sustainable, solutions. Our efforts have resulted in fresh progress over the last 12 months with New Zealand and Turkey joining Malaysia, South Korea and Australia in registering and approving EDN™. Most recently, Australia’s registration of BlueFume™, provides the opportunity for an alternative to legacy products in the fumigation of industrial buildings.

As a result of its contribution to an environmentally sustainable future for the industry, Draslovka Agricultural Solutions ranked in the top 19% of the Australian Financial Review’s Sustainability Leaders List 2022, and received a commendation in the 2022 Australian Biosecurity Awards. Our EDN™ product has previously been awarded the Solar Impulse Sustainability Award as a sustainable solution aimed at improving environmental health and safety.

Looking forward, we will continue to focus on ensuring our innovative fumigant products are approved across markets globally so that more customers have access to these lower impact products.

// **we estimate that we can eliminate 4.88 tonnes of CO₂e which would have been released to the atmosphere had alternative legacy products been used instead.”**

To reduce the environmental impact of the fumigation and pest control industries, we are working to ensure that as many markets as

AUSTRALIAN FINANCIAL REVIEW'S SUSTAINABILITY LEADERS SHORTLIST

AUSTRALIAN BIOSECURITY 2022 AWARDS

SOLAR IMPULSE SUSTAINABILITY AWARD



Glycine Leaching Technology

Critical minerals and metals – such as nickel, cobalt, copper and platinum group metals – are essential for the global transition to net zero. However, we are currently facing a global supply deficit of these important transition metals, while there is a growing focus on the potential negative externalities associated with a substantial increase in their production. Recognising this essential need, Draslovka has developed Glycine Leaching Technology (GLT) to provide a more sustainable means of extracting these essential metals, including from previously non-viable deposits.

GLT is fully recyclable, non-toxic, and considerably reduces the need for sodium cyanide as part of the leaching process. For example, in the extraction of gold, GLT can reduce the cyanide needed by 20%-80% and even eliminate detoxification and smelting requirements from the process. GLT also provides the ability to leach tailing deposits, turning what was previously waste into new resources, reducing the environmental footprint of mining and enhancing the efficiency of operations.

Draslovka is working with global leaders within the mining sector to roll out testing and implementation programmes for GLT who recognise the sustainability benefits GLT offers to their operations and society generally. As a result of the promise offered by the cutting-edge GLT, Draslovka was invited to be part of the OZ Minerals' Think & Act Differently incubator and their Waste-to-Value Challenge, which seeks to identify opportunities to reduce the global carbon footprint of the mining industry. We look forward to continuing our contributions to these forums by providing innovative products which seek to reduce the environmental impact of the mining industry.



PROTECTING AND DEVELOPING OUR PEOPLE

Management Approach

Our people are at the heart of our business, and ensuring our employees operate in a safe, healthy, and inclusive environment is a top priority for our business. Our commitment to ensuring the highest levels of health and safety performance is longstanding and best demonstrated through our focus on ongoing training and continuous improvement. As we grow our businesses, the culture formed by our health and safety policies, procedures and training, and reporting to management, serves as a foundation for ensuring that safety and health performance remains strong.

Progress on Health and Safety



In our line of work, health, safety, and security comes before all else."

We must be relentless in ensuring our occupational safety regulations always protect our employees and we are constantly pushing for higher standards for both ourselves and the wider industry.

That is why we were founding members of the International Cyanide Management Code – a voluntary initiative by members of the gold industry, including producers and transporters of cyanides used for gold mining purposes. We are also actively involved in the European Chemical Industry Council (CEFIC).

Our Memphis Plant is a three-time recipient of the Tennessee Occupational Safety & Health Administration's (TOSHA) Workplace Safety and Health Award. In addition, for the past four years the Memphis plant has also achieved the ACC's Responsible Care Facility Safety Award. Our Memphis Plant is 3rd party certified under the International Cyanide Management Code and American Chemistry Council's (ACC) Responsible Care 14001 (RC14001) standard. These certifications represent excellence in chemical management systems covering environmental, health, safety (EHS), and security. To reinforce our ongoing commitment to health and safety, we have also applied for these recognitions in 2022.

Our Kolín plant has similarly achieved third party certification reflecting a commitment to ongoing management and improvement of health and safety, quality management and environmental practices:

ISO 9001 – Quality management system
ISO 14 001 – Environmental management
Responsible Care 14001 (RC14001) standard
The International Cyanide Management Code

We are committed to ensuring ongoing improvement in the level of our technical processes to ensure high levels of health and safety across the organisation. As the business grows, we are are committed to best practice is in place across the organisation, ensuring all operations adhere to the standards of excellence we would expect. Alongside this we are also developing our corporate level Environmental, Health, Safety, and Security management systems to better support our global operations, supply chains, and customers.



Progress on Product Stewardship in the Value Chain

We manufacture, transport, and dispose of our products in an environmentally responsible manner. We work with our customers, distributors, carriers, and other suppliers to conform to all applicable regulations and ensure those involved with our products understand how to handle, use, and dispose of them safely.

Additionally, Draslovka only sells sodium cyanide to companies we believe are able to protect the safety of workers, the community, and the environment through safe handling of the product. New requests for product shipments from potential customers are processed through a series of internal checkpoints to consider the safety of a customer's operation, the intended end use for the product, and a customer's ability to handle the product safely. Only after it is determined that the potential customer can meet acceptable standards for handling sodium cyanide is the shipment approved.

The new customer evaluation and approval process is managed by one of Draslovka's Regional Field Technical representatives. These highly trained representatives provide hands-on product safety and handling training to customer personnel, on-site evaluation of customer safety management systems related to our products, and on-going technical and safety improvement support. In addition to our hands-on training, contract customers and truck-transport carriers are also given access to our cloud-based virtual training system to supplement their product safety training needs.

From an Agricultural Solutions perspective, the Draslovka AgSol Internal Certification Scheme is our commitment to customer safety, product stewardship and training to support the health, safety, and environmental impact of our partners. We take our responsibility seriously to ensure our products are used safely and in accordance with local regulatory requirements. It is our responsibility to provide customers with the highest quality product and clear, accurate health and safety information.

The Draslovka AgSol Internal Certification Scheme respects the legal requirements of the countries of use and provides comprehensive coverage of product health, safety, and sustainability. The completion of the Internal Certification Scheme and the receipt of a Draslovka certificate is a condition for the subsequent sale of Draslovka products to distributors and end-use customers. The scheme includes a set of theoretical and practical training and control elements that should ensure safe handling and use of our products by appropriately licensed and competent persons only.

Across our mining solutions and agricultural solutions businesses, our product stewardship requirements ensure that product users meet our strict criteria before they can purchase and use our products. This means that we work with customers, suppliers and partners who will appropriately use and handle our products and are appropriately licensed and registered, ensuring our partners meet the leading safety standards and values we set for ourselves.



Our people: Leaders in their field

Members of the Draslovka team are experts within their field; as part of our outward-facing engagement with stakeholders in a variety of fields, our staff make a broader contribution to science, innovation and industry.

Recognising her extensive experience in, and unwavering commitment to the chemical industry, **Claudia Elizabeth Márquez Medina**, a Global Commercial Director at Draslovka Mining Solutions, has been appointed as the President of Mexico's National Association of the Chemical Industry (ANIQ). An organisation established in 1959, Claudia has made history as the first woman to hold this esteemed position within the Association.

We are proud of Claudia's achievements and are confident that she will excel in her new role as the President of ANIQ. Her vision for a sustainable future aligns perfectly with our company's commitment to reinventing the possible and driving the industry into a new era where technology and sustainable development go hand-in-hand.



Dr Matt Hall, part of our Agricultural Solutions business, has also led efforts to highlight the ongoing detrimental impact on the ozone layer of the continued use of methyl bromide in fumigation. He regularly presents to the UN Environment Programme's Methyl Bromide Technical Options Committee (MBTOC), an international panel of experts dedicated to assessing the use and phase-out of methyl

bromide around the world. In addition to presenting insights on the problematic continued use of methyl bromide in various countries, Matt has provided extensive data to support the proof-of-concept of EDN as a sustainable alternative to legacy products.

Employee Union Engagement

We aim to be a company that works for our people. Our unionised employees are therefore key stakeholders in Draslovka and their buy-in is crucial. In 2022, we successfully negotiated a 5-year Collective Bargaining Agreement for our staff in Memphis. This means our staff know their wages, hours, working conditions, benefits, and the grievance and arbitration procedures they can expect as well as our responsibilities to them as managers. To continue with this positive relationship, we will negotiate again for a successor agreement before this agreement expires.

We want to ensure fairness to those impacted as the business grows and transforms. That is why, with the acquisition of the Chemours Mining Solutions business and subsequent transfer of affected employees, we structured benefits that are competitive and aligned to the benefits previously received.



PRESERVING THE ENVIRONMENT

Management Approach



We believe it is imperative to deliver sustainable long-term value by proactively taking steps to protect the world's natural environment. Given the nature of our business and the hazardous materials we handle, we have significant controls and policies in place to manage our environmental impact and have made significant progress across water consumption, energy use and waste generation."

Our use of water and energy, and the production of waste are materially important to our business. We have made significant progress in these areas whilst recognising our responsibility to reduce our wider impact on the environment through the long-term reduction of our greenhouse gas (GHG) emissions. While we see our innovative solutions,

GLT and EDN™, as potential gamechangers in reducing GHG emissions for the entire mining and fumigation industries, we also recognise the importance of reducing our own, operational GHG footprint. As a responsible manufacturer, we are committed to reducing our GHG and other emissions and ultimately our impact on the environment. While we have been implementing standalone environmental initiatives for some time, this report marks the beginning of a sustainability strategy which will enable us to measure our impact and progress in reducing our environmental footprint. As part of this process, we are beginning data collection to understand our operational GHG emissions and are committed to disclosing our Scope 1 and 2 emissions in our next sustainability report. We also recognise the impact of our up- and down-stream value chain on the environment and are working towards calculating our Scope 3 emissions. In addition to Scope 1 and 2 GHG emissions reporting, we are committed to disclosing against the Taskforce on Climate-related Financial Disclosure (TCFD) recommendations in our next report and assessing the climate-related risks and opportunities which are relevant to our business.

Progress on Preserving the Environment

Memphis Plant

In Memphis, we continue to ensure our efforts to improve our environmental impact remain at the heart of business objectives and in 2022 we reduced our well water consumption by 20% per pound of hydrogen cyanide (HCN) product produced. This water reduction was achieved through process technology and control changes to the water treatment system in the Hydrogen Cyanide Unit that eliminated excess water consumption. Historically, a portion of the HCN Iron Removal system routinely overflowed as part of its design basis, but installation of a control loop and level instrumentation eliminated this excess water consumption. **As a large water user with an operational reliance on clean water, we are aware of our responsibility to both reduce our water use and to support wider efforts to ensure freshwater availability.**

Kolín Plant

In Kolín, we have been incrementally improving our impact on the environment, with strong controls in place to prevent negative environmental impacts supported by yearly improvements to reduce water use, improve energy efficiency, and minimise waste. Improvements in 2022 focused on reducing energy use through a new absorption cooling unit, which enables the utilisation of excess heat, and results in electricity savings for the cooling process of up to 40%. Waste steam is also used for the steam turbine, which supplies 5% of all energy consumed in the plant. These initiatives have not only enabled us to reduce our energy usage but

As part of our efforts to support freshwater availability for our local community, we directly sponsored the University of Memphis' Centre for Applied Earth Science and Engineering Research (CAESER) study of the Memphis aquifer recharge zone - which is the main source of process water for the Memphis Plant. We strongly advocate for deepening the community's understanding of the Memphis aquifer hydrogeology given its importance as the primary water source for both the company and the community.

In 2023, we plan to go further and will be completing a technology transformation of our HCN storage facilities that will modernize the electrical and process control infrastructure, simplify the piping systems to reduce the potential for human error and upgrading the metallurgy of the storage tanks to the safest technology.

have also been effective in mitigating the impact of the ongoing European energy crisis.

Our attention is also focused on the production of industrial waste and pollution. In 2022, we implemented a change in the sorption material used in the production of DPG and Syntron and, despite an increase in production, this change led to a decrease in waste generated by 35%. Part of the chemical and biological treatment plant in Kolín was also reconstructed to improve its environmental performance. Combined with these reconstruction efforts, technological changes in

the production of DPG were carried out in 2021 resulting in a reduction of the discharged pollution for selected indicators by up to 30% compared to the previous period.

We are focused on ensuring exemplary environmental performance and were pleased that this was reflected in customer audits. Excellent results

were also achieved during routine customer audits that include a focus on ESG related topics such as process safety, environmental protection, and occupational safety & health. The Kolín plant also improved its EcoVadis ESG score, where it was awarded a bronze medal for its efforts to improve sustainability at the plant.

2022 Operational Highlights

Well water consumption lower by **20%**
Memphis - USA

Electricity savings for the cooling process **40%**
Kolín - Czech Republic

Waste steam from cooling generating **5%** of all energy in plant
Kolín - Czech Republic

Decrease of waste generated by DPG and Syntron production by **35%**
Kolín - Czech Republic

Reduction of the discharged pollution from DPG production by **30%**
Kolín - Czech Republic



Our Offices

While our greatest environmental impact lies in our manufacturing facilities, we are also implementing initiatives to ensure that we reduce the environmental footprint of our offices. Our Agricultural Solutions HQ in Melbourne has implemented energy saving technologies including the installation of solar panels on the office site, producing clean energy which is exported to the local grid. In addition to the installation of renewable technologies, an EcoGenica water heating unit was installed that uses 70% less energy than standard water heaters. The unit uses renewable energy technology to generate hot water from energy in the surrounding air. Going forward, we look forward to adding to these successes and ensuring we take a holistic view of our environmental impact across our operations and in our value chain.



70%
less energy
for water heating

OUR AGRICULTURAL SOLUTIONS
HQ IN MELBOURNE



Our Value Chain

Across all segments of our global supply chain, we act in an environmentally responsible manner, be it in the manufacturing, transportation, or disposal of our products. To ensure this approach is all encompassing, we go further by working with our customers, distributors, carriers, and other suppliers to conform to all applicable regulations and ensure members of our value chain understand how to handle, use, and dispose of our products safely.

// **We only sell sodium cyanide to companies we believe have the ability to protect the environment through the safe handling of our products."**

New requests for product shipments from potential customers are processed through a series of internal checkpoints to consider the safety of a customer's operations, the intended end use for the product, and a customer's ability to handle the product safely. The shipment is only approved after it is determined that the potential customer can meet all these conditions sufficiently.

Whether it is in our direct operations, on our sites or through our partnerships with customers and suppliers, we ensure environmental preservation is front of mind. We understand our responsibility in protecting the environment, minimising our use of natural resources, and developing solutions to minimise the environmental impact of our products. We are committed to a journey of continual improvement and look forward to implementing initiatives to further reduce our environmental impact.



OPERATING RESPONSIBLY

Management Approach

We believe that it is important for any business to hold itself to account. That is why we are committed to adopting and implementing the highest levels of ethical conduct within our operations and in our interactions with suppliers, customers, and partners. This begins by ensuring consistent policies are in place across our operations and extends to ensuring our corporate culture supports our goals.

In order for our business to operate responsibly, we must also ensure that we are proactive in engaging with our local communities. We have long been committed to building transparency and trust within our communities of operation and look forward to further expanding our community engagement efforts going forward.

Policy Development

All of our policies are based upon the core values we laid down in our Code of Conduct:

We put **safety first**

We constantly **reimagine** what is possible

We act like **business owners**

We build **strong relationships**

We always **do the right thing**

Our Code of Conduct is aligned to these values and emphasises the employees' personal accountability to deliver on them. Our Code of Conduct lays out our zero-tolerance approach to modern slavery, child labour and human rights abuses. The Code also sets out our expectations at all our employees relating to workplace safety, preserving the environment during our operations, bribery and corruption, money laundering, fair competition, protection of personal data, and general business conduct. The Code of Conduct undergoes regular review to reflect regulatory requirements and latest best practices.

Our Code of Conduct is the foundational element of our suite of policies. As the business has grown and continues to expand, we are focused on consolidating our internal processes and policies to ensure they are standardised across the business. While the business continues to expand and grow rapidly, we are taking steps to ensure that best practices are adopted and reflected in Code of Conduct that are globally applicable as well as effectively communicated.

To support our code of conduct and wider ethical business practices, we introduced an anonymous reporting Hotline for potential ethics violations run by an independent third party. Any information or concerns can be submitted to this Hotline 24/7 through an online portal, by phone or by email to ethics@draslovka.com.

We have a whistleblowing policy and investigations protocol in place to ensure all reported matters are investigated in a fair and responsible way, with the correct oversight and referral mechanisms. Through the whistleblowing policy and investigations protocol we have emphasised our zero-tolerance approach to retaliation. Finally, we are in the process of establishing Ethics Committees across the businesses. The aim of the Committees is to raise awareness amongst staff on ethical behaviour, ensure consistent approach, as well as to support investigations.

The Draslovka a.s. Board is ultimately accountable for the group compliance framework. Once the Board has agreed on a group policy, that policy becomes binding on all entities within Draslovka Group. Each entity is then responsible for local implementation while considering local regulatory requirements, raising awareness and ensuring proper employee training. The Board is regularly updated on the progress of policy implementation and receives an annual compliance report detailing the group policies and procedures which have been adopted over the past year and the workplan for the following period.





Cyber Security Management

We consider cyber security management essential for achieving and maintaining high standards of operational effectiveness, the proper functioning of the business and effective risk management. Information security and safeguarding our corporate and customer data are crucial to business continuity and building trust in our organization, and therefore form an important aspect of our operations.

We work to continually increase the resilience of our network against cybercrime. Our commitment is reflected in implementing and improving our cybersecurity management strategy supported by our Group Cyber Security Management Policy

and related guidelines and procedures. We are continuously adopting the latest technologies, robust process automation and increasing recognition and awareness of this topic with our employees.

In 2022, our strategy and implemented solution was recognized by Microsoft through the Microsoft Czech Republic Award for Modern & Secure Infrastructure and by EY CACIO through an award for the Best IT Project in the Czech Republic. As we look forward, we aim to continue to maintain these high standards while preparing for the upcoming EU cyber security regulation, NIS2.

Building a Shared Culture

As the business grows, our shared culture and vision becomes more important. Since the company has grown globally by acquisition, it is important to ensure we implement and maintain a cohesive global culture which recognises the need for nuance and specificity. In order to achieve this, we are launching a culture project. To kick off the culture project and galvanise our vision for the future, the Senior Leadership team took part in a “Shared Vision” workshop in Mexico

City in January. The team took a long-term view on culture and recognised how important engaging our employees will be as we develop this culture will be. Our Senior Leadership team are fully committed to developing an appropriate, diverse and inclusive culture that supports the success of our business. We hope that this commitment from the top of the organisation will drive the adoption of our culture globally.



Communities

Draslovka is committed to supporting the communities in which we live and work.



We take pride in being able to contribute positively to society and see ourselves as an active member of the communities that we are part of."

We aim to make a difference by actively supporting education initiatives in the communities local to our plants in both Kolín and Memphis. In Memphis, we are a corporate sponsor of the Woodstock Middle School. This is a local community partnership with our Memphis Plant and includes direct financial support, as well as personal donations. We also support our employees to volunteer time for improvement projects at the school.

In the Czech Republic, we support education through sponsorship of a competition to look for the Best Young Chemist in the Czech Republic, which is attended by secondary school students. We also work with some of the most prestigious universities across the country to collaborate on research and development, student theses and opportunities to practice directly in the production plant.

In addition to our contributions to education in our local communities, we are committed to making our resources available to the community where this can increase wellbeing and safety. In Kolín, we employ a fire brigade as part of our health and safety and incident preparedness planning. This fire brigade is part of the integrated rescue system

of the Czech Republic and is equipped to support in the instance of a local emergencies. The team supports in emergency planning for the city of Kolín and is equipped with defibrillators to provide first aid as required. In 2022, the Draslovka fire brigade was recognised by the Director of the Fire Rescue Service of the Czech Republic for its contribution to the city of Kolín and the chemicals industry through multiple awards. Rudolf Sedunka - the commander of the Draslovka fire brigade - was personally decorated with a State award for his service in training firefighters to respond to incidents in the chemical industry. The Draslovka fire brigade in Kolín has also received awards for its cooperation and long-term support of Fire Rescue Service of the Czech Republic. We are proud of this contribution to our local community and will to continue contribute to the health and safety of local residents.

To maximise engagement opportunities and integrate the views of the local residents and community organisations, we are forming a local Community Advisory Panel (CAP) for the Memphis plant. The CAP will create an open forum for dialogue between the local community and plant management, will include other local industry members and is expected to hold its first meeting in 2023. Once the CAP is established in Memphis, we will explore the possibility of setting up a similar group to create an open dialogue with our stakeholders in Kolín.

We complement our contributions to local causes with efforts to contribute to global causes. For example, as a response to the conflict in Ukraine we cooperated with the city of Kolín to provide material and financial assistance to people fleeing the war and seeking help in the Czech Republic.

OVERSIGHT OF OUR SUSTAINABILITY STRATEGY

Our sustainability strategy is underpinned by a strong governance framework that is responsible for overseeing the development and delivery of our strategic objectives. We recognise that sustainability considerations must be overseen with similar rigour to strategic and financial issues, given their material impact on our business and stakeholders.

To promote effectiveness within our governance framework, we have clearly defined the responsibilities between executive leadership and oversight of strategy. The responsibility for driving our sustainability strategy sits within the remit of our management team, and the oversight of management's action and the delivery of that strategy sits within the Board.

As we determine the most appropriate membership across the Board's committees and define the terms of reference of each, the progress of our sustainability strategy has been overseen by the entire Board of Directors. Sustainability is a regular topic of discussion at Board meetings, ensuring that our sustainability strategy continues to be developed with the input from different members of the Board, so that it benefits from the diversity of experiences and insights of our Directors. We have also set out details of an ESG Committee, which will be formalised in the year ahead. Discussions at Board level and, in time, at the ESG Committee, will be framed through the lens of our sustainability pillars to ensure alignment between oversight and strategy development.

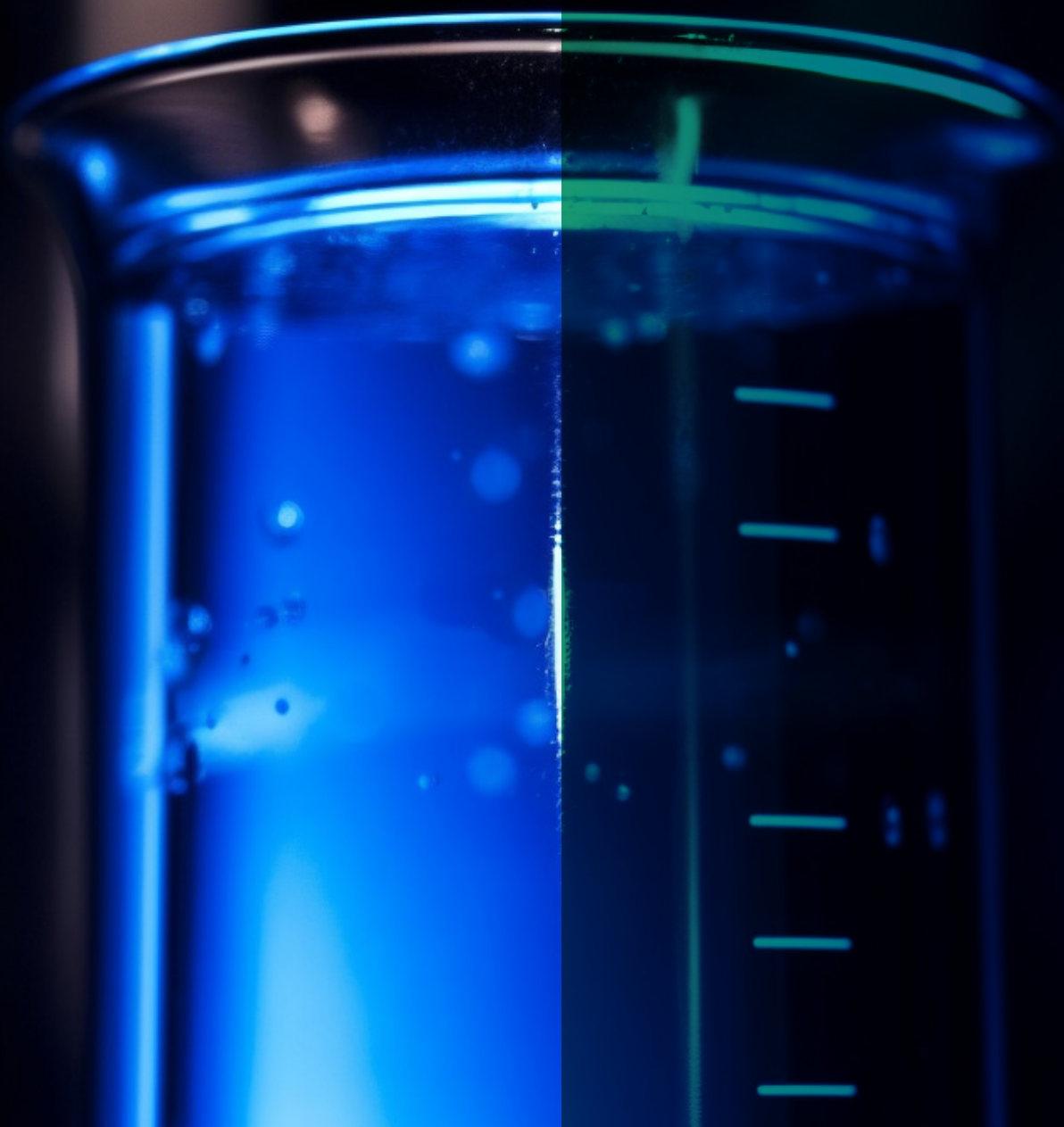
To further support the Board, particularly in the development of our people strategy, we recently appointed three members to the Human Resources and Remuneration Committee. This committee is currently composed of Anita Orbán (an independent non-executive director), the Global HR Director, and the Group Head of Compliance. As we grow and mature our business, the structure of the committee of the Board will be subject to an ongoing review to ensure our governance structures develop in line with best practice and regulatory expectations. Over past number of months, the Board has also overseen the materiality assessment, which has allowed us to identify the priority topics across environmental, social and governance considerations that underpin our strategy. Furthermore, we have finalised a set of key governance policies that guide Board, executive and employee action. All of our policies are communicated to our employees and made easily accessible, while our Code of Conduct is published on our [website](#), in line with our commitment to transparent reporting. As we further develop our suite of policies, we plan to make the most material policies publicly available on our website.

Overall, the progress of our sustainability strategy and policies has been developed concurrently with rigorous oversight mechanisms. Our approach has been designed with the objective of developing clear lines of accountability, between the Board, the management team and the wider operational teams, designed to ensure the integration of sustainability initiatives with our established strategic objectives.

LOOKING AHEAD

We will continue to work on minimising any negative externalities while promoting the positive impact our business can have on society and the environment. As the business continues to grow and evolve at pace, we are committed to ensuring that our approach to sustainability progresses in line with the expectations of all our stakeholders.

This report signals our commitment to ensuring ESG and Sustainability are considered within our business strategy going forward. We recognise that we have work to do to ensure our sustainability strategy is data-led and that we can demonstrate our efforts to improve our impact over time. Over the course of 2023, we will focus on data collection and initiatives to improve our impact.



Our Commitments

Looking forward, we will continue to place our sustainability efforts at the forefront of strategy. While we are pleased to have made significant strides in formalising our sustainability strategy, we recognise that this is only a starting point. In our next sustainability report, we are committed to disclosing:

● **Full TCFD report**

● **Scope 1 and 2 GHG emissions**

● **Health and safety data**

● **SASB data for our industry**

● **Details on the establishment of our ESG committee**

● **KPIs for each of our pillars**

● **Stretching, measurable sustainability targets**

Over the coming year, we will place a significant focus on the next stage of strategy development, with a view to ensuring we have a robust performance accountability framework in place, that motivates all levels of the organisation to improve our sustainability performance. As a business, we are excited by the potential of our products, which we fundamentally believe will play a pivotal role in transitioning society to a more sustainable path through positive impact on society, the environment, and our people.

Draslovka

