



 Kolmar

2023

Sustainability
Report

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Kolmar Group's Sustainability Journey

Kolmar Group AG (“Kolmar” or “we”) is a global enterprise with headquarters in Zug, Switzerland and a network of subsidiaries, agents and consultants worldwide. As a virtually integrated petrochemical, petroleum and renewable fuels company, we have the expertise, resources, experience and relationships to source, market and toll products throughout the entire value chain. We support our business partners with services such as financing, logistics, storage, risk management and market intelligence.

Our goal is to develop the business to address increasing market demand for renewable and low carbon products around the globe which we are doing by establishing and investing in biofuel production facilities in the US as well as investments in European production.

We are committed to integrating sustainability into our daily operations, while maintaining the trust and respect of our stakeholders and society. We are leading the energy transition to renewables, circular, and low carbon technologies and products.

Kolmar is committed to creating a positive, safe, and sustainable environment for its employees, customers, partners, and communities as part of its day-to-day decision-making process, and is continuously working on new sustainable development solutions for all stakeholders across the global supply chain and in order to reach our emissions reduction targets as detailed below.

In 2023, we made significant progress on our sustainability journey, launching several projects to enhance our sustainability management and performance, not only within our own operations, but across our entire value chain. Our journey is far from complete. As we move forward, we remain committed to building on the progress we have made and exploring new opportunities.

In 2023, we....

IMPLEMENTED OUR FIRST

**Sustainability
Code of
Conduct**

**Environmental
Policy**

**Procurement
Policy**

**Labor and
Human Rights
Policy**

**Business
Ethics
Policy**



Commercialized and marketed certified renewable fuels and feedstocks that potentially reduced more than

2.1m

tons of CO₂e_q in the road, aviation and maritime sectors



Conducted a comprehensive anti-corruption risk assessment across our operations

Shifted to

100%

renewable energy on our business premises

Supporting SDGs in our Business

We recognize the critical role that businesses play in achieving the United Nations Sustainable Development Goals (SDGs). As a result, we prioritize four SDGs that are particularly relevant to our operations and company values.

While these four SDGs are our primary focus, we are also working towards several other SDGs either through targeted projects or various aspects of our business operations.

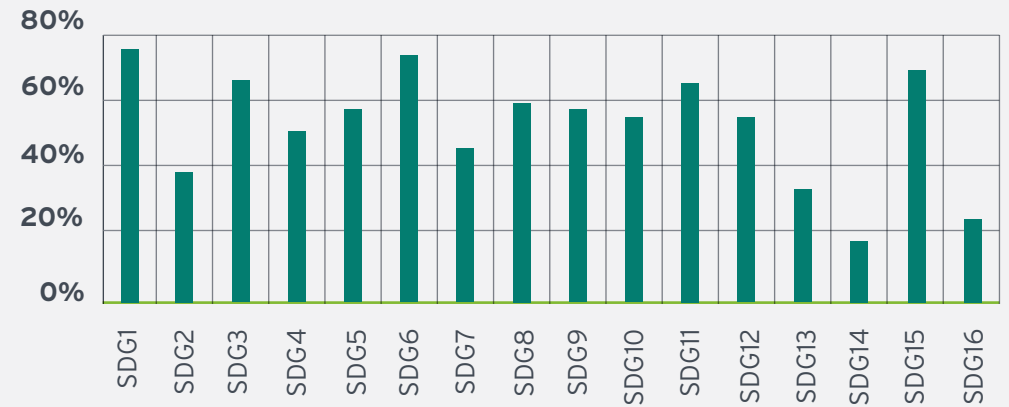
Kolmar is committed to combating deforestation, and loss of biodiversity through the purchase of sustainable materials which reduce greenhouse gas (GHG) intensity compared to fossil alternatives.

As a trading company specializing in biofuels and renewable fuels, we recognize the pivotal role energy plays in driving economic growth and fostering environmental sustainability. By focusing on the trade of biofuels and sustainable energy sources, we promote a cleaner, more sustainable future and actively contribute to the global effort to mitigate climate change.

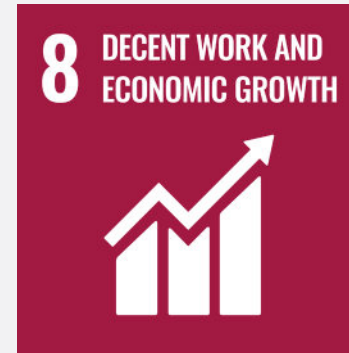
Our sustainable business practices include reducing waste in our operations, informing our stakeholders about eco-friendly choices and promoting circularity in our industry by using it as a business model. We are developing and implementing solutions for our business partners on sustainability topics such as carbon emissions and decarbonization of the petrochemical industry.

We participate in the ISCC assembly together with industry participants such as NGOs, national authorities and certification bodies to discuss relevant topics in sustainability certification.

Voluntary Standard to Sustainable Development Goals¹



¹Reference: TITLE ([intracen.org](https://www.intracen.org))



About This Report

This is Kolmar's inaugural Sustainability Report, highlighting our commitment to transparency and accountability in our environmental, social, and governance performance. The Report has been prepared with reference to the Global Initiative Reporting (GRI) Standards, and covers the fiscal year to 31st December 2023. The objective of the Report is to provide our stakeholders with a clear understanding of the sustainability issues we face and the steps we are taking to address them, to foster a deeper engagement with our stakeholders and to demonstrate our commitment to sustainable development.

Message From the CEO of Kolmar Group AG and the President of Kolmar Americas, Inc.



We are pleased to share with you Kolmar's continued progress on our sustainable journey, highlighted in this inaugural Sustainability Report, which reaffirms our dedication to integrating environmental sustainability and socially responsible practices into our business.

We are committed to conducting our business transparently, and sustainability is no exception. In this Report, we clearly present and highlight our achievements to date, the challenges we face, and our aspirations for the future. Among the recent significant opportunities to advance our strategy in renewable fuel production, a key highlight has been our investment in Synpet S.A., a company dedicated to converting difficult-to-recycle plastics into circular naphtha, an alternative to fossil naphtha. This investment underscores Kolmar's strategic ambition to invest in renewable, bio and low carbon technologies.

As the chemicals industry transitions from fossil-based to renewable and circular feedstocks, particularly in the EU driven by the European Green Deal, we see significant growth potential. Many of our stakeholders, including customers, suppliers, business partners, and employees view Kolmar as a leader and pioneer in sustainability.

This reputation is reflected in important initiatives such as the Synpet investment and our Gold rating with EcoVadis. We extend our heartfelt thanks to all our employees and business partners for their invaluable contributions to our sustainability journey thus far. Your immense support is driving our solid progress, and the work we are doing is making a positive impact.

As we look towards the future, we remain confident and optimistic. We will continue to grow, thrive, and achieve remarkable results by improving our environmental footprint and socially responsible practices, fostering a more sustainable future in the years to come.

Yours sincerely,

Ruth Sandelowsky
CEO of Kolmar Group AG

Raf Aviner
President of Kolmar Americas, Inc.



Taking Environmental Action

Environmental Policy and Management

The integration of environmental issues is prioritized in all aspects of our operations, minimizing our ecological footprint and promoting sustainable practices. Kolmar's 2023 Environmental Policy sets goals to reduce our environmental impact, focusing on carbon emissions, circular economy, customer health and safety, and energy efficiency.



To achieve **decarbonization** of our group business activities, we are:

1. encouraging and implementing good environmental practices throughout our supply chain, complying with environmental laws and regulations, such as the Renewable Energy Directive II and local renewable energy quotas;
2. specifying and formalizing our transition towards carbon neutrality in the petrochemical and refining sectors; and we have set the following quantitative objectives:
 - Determine our current level of GHG emissions.
 - Help our business partners to achieve the goals on "FIT FOR 55" (55% overall carbon reduction by 2030) and to achieve carbon neutrality in 2050 as set by the European Union.
3. registered with ISCC CORSIA (the Carbon Offsetting and Reduction Scheme for International Aviation);
4. providing regular tailor-made training courses, including e-learning, on climate awareness for our employees.



To ensure proper **waste management**, we are:

1. encouraging and implementing good environmental practices throughout the supply chain, complying with environmental laws and regulations;
2. promoting circularity by offering our business partners circular materials and sustainable alternatives by increasing the share of sustainable and circular products in our group's trading portfolio.
3. providing regular tailor-made training courses, including e-learning, on circularity principles and waste management for our employees.



To guarantee **customer health and safety**, we are:

1. ensuring that all business partners understand and comply with Kolmar's health and customer safety principles as outlined in Kolmar's Sustainability Code of Conduct;
2. implementing an external feedback system on health and safety issues.



To actively scale our **sustainable working principles**, we are:

1. using the most sustainable packaging and transport materials wherever possible;
2. reducing paper/cardboard usage by offering online services such as e-signatures, online orders, and electronic billing, and by achieving paper consumption reduction targets and measures; in particular we are:
 - reducing the number of pages printed annually in the office by 30% by the end of 2025;
 - increasing the number of contracts signed digitally vs signed manually by 50% by the end of 2025.
3. encouraging business partners to use more eco-friendly products and clean energy sources, and promoting circularity by offering circular materials and sustainable supply alternatives to the industry.

Environmental and Climate Action

Kolmar identifies and assesses environmental risks, utilizes and trades renewable energy, and reuses and recycles materials within the petrochemical supply chain. We actively encourage small waste collectors to obtain certification under voluntary sustainability frameworks, supporting a global zero waste and recycling policy. We remain committed to complying with international and national laws and regulations in all our business activities.

ENERGY CONSUMPTION, MWH

2022	156
2023	156

RENEWABLE ENERGY CONSUMPTION, MWH

2022	0
2023	116

We maintain continuous contact with multiple stakeholders to implement measures that protect the environment within our supply chains and production processes. Kolmar plays an active role in decarbonization of the global transport sector, the heating industry, and the petrochemical industry through the use of recycled petrochemicals and plastics.

Building on our proven experience as a leader in the commercialization of renewable fuels for road transport, Kolmar has taken a significant step in the

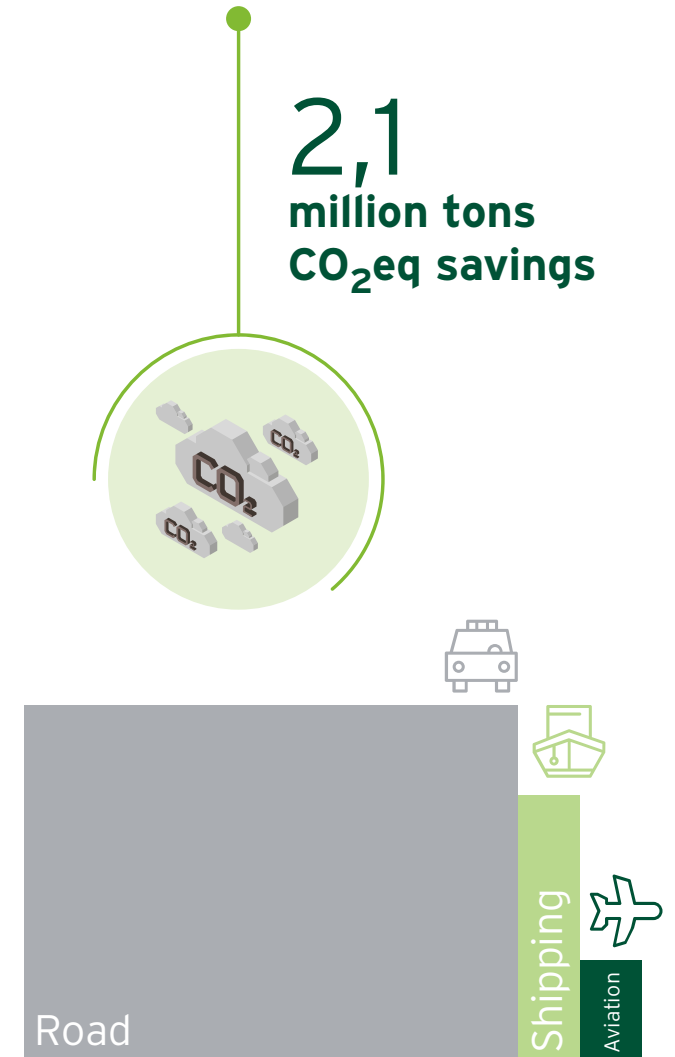
past year: we have expanded our efforts beyond road transport decarbonization by supplying advanced biofuels and niche renewable products to hard-to-abate transportation modes such as aviation and shipping.

In 2023, Kolmar commercialized and marketed certified renewable fuels and feedstocks that potentially reduced over 2.1 million tons of CO₂eq in the road, aviation, and maritime sectors.

Through our subsidiary in the USA, American GreenFuels LLC, we supply the market with sustainable biodiesel and heating oil. In Europe, in close cooperation with our industry partners, we provide Renewable Energy Directive II (RED II) compliant waste-based biofuels that are non-food, non-animal feed, and non-deforestation and land use sensitive, facilitating decarbonization of the European transport industry.

Kolmar and its subsidiaries are certified under multiple voluntary sustainability schemes, such as the International Sustainability and Carbon Certification (ISCC) System, and the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). These certifications support our efforts to reduce and decarbonize the international aviation sector. With the CORSIA certification, we have committed to achieving the ICAO member states' target of carbon-neutral growth in air transportation since 2020 and a 50% reduction in net aviation carbon emissions by 2050. We are committed to meeting CORSIA's ambitious targets by collaborating with our industry partners to produce and distribute sustainable fuels for the aviation industry.

KOLMAR CO₂eq EMISSIONS REDUCTIONS IN COMMERCIALIZED RENEWABLE FUELS



INVESTMENTS IN CIRCULAR BUSINESS MODELS

In 2023, Kolmar successfully achieved its first pilot operations with chemically recycled certified products of petrochemical origin. In contrast to mechanical recycling, innovative recycling techniques like pyrolysis have the capability to revert challenging-to-recycle plastic waste back into fundamental building blocks or raw materials, broadening the range of new products that the recycled materials can be made into.

We remain committed to actively reducing plastic waste and raising awareness of the global plastic waste problem, which affects everyone on our planet. This commitment drives our investments in new innovations and technologies that help reduce plastic waste and GHG emissions globally. Our collaboration with SynPet (Synpet Technologies) will give Kolmar the opportunity to offer circular feedstock to the chemical industry, supporting our ambitions for circularity and reducing plastic pollution.

Social Responsibility

Inclusion and Diversity

Our employees and agents are our most valuable assets. Their safety, health and well-being, and professional development are our top priorities. Kolmar employs individuals from over 30 countries globally, encompassing diverse cultures, ethnicities, and racial backgrounds. Diversity is our strength, and we ensure that no discrimination or inappropriate conduct occur in our hiring processes or employment practices. Every individual's contribution and professional development are recognized, valued, and encouraged.

We recognize that full compliance with all aspects of national and international legislation relating to non-discrimination, health and safety is essential. For this reason, we maintain a regular dialogue with our employees. Kolmar does not tolerate any form of discrimination due to race, color, religion, sex, nationality, age or disability and addresses this important issue in its Labor and Human Rights Policy and Code of Conduct.



Representation of women in our operations and managerial positions has always been and remains an essential aspect in our business since Kolmar's inception in 1997.

Ruth Sandelowsky has been instrumental in promoting diversity and inclusivity within senior management, particularly in achieving a significant representation of women in top executive positions.

We ensure equal opportunities and equal access to managerial positions, which are currently occupied by an equal number of men and women. This diversity has brought varied perspectives and experiences to strategic decision-making, ensuring comprehensive and balanced leadership across the organization.

In 2023, Kolmar became a Silver Corporate Member of WISTA Switzerland² and numerous female employees at the managerial level are actively involved in this organization. Inclusion and female leadership are natural elements of Kolmar's culture and value system, and Kolmar remains committed to promoting the empowerment of women.

² Women in Shipping and Trading Association

KEY FIGURES AT A GLANCE



No discrimination incidents were reported in 2022 and 2023.

PERCENTAGE OF FEMALE REPRESENTATION (%)

Women at Kolmar



Women in top executive positions



Women on the Board of Directors



Human Rights

Conducting its business activities while respecting human rights and good labor practices is a key expectation and priority for Kolmar. We recognize and uphold the laws and regulations regarding freedom of association, forced or child labor, harassment, diversity and equal opportunities, fair recruitment, human rights and labor due diligence, a safe and healthy workplace, personal and professional development, human resources procedures, and reporting mechanisms.

Child Labor and Assessment

Kolmar has zero tolerance of forced or child labor. In accordance with Swiss legal reporting and due diligence obligations³, and our own ethical standards, we conduct thorough assessments to prevent child labor in our value chain. These assessments ensure compliance with the Swiss Code of Obligations and international standards.

In 2023, our assessments confirmed that Kolmar does not offer products or services where there may be reasonable grounds to suspect child labor.

³Swiss Code of Obligations ("SCO") and the related Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour ("DDTrO"; SR 221.433)



Employee Health & Safety

We provide and maintain a safe and healthy working environment for every employee and for our service providers. We comply with international and local laws and regulations in the countries where we operate. We also identify any potential hazards or risks to increase workplace safety and prevent injury or fatality.

Kolmar issued its Labor & Human Rights Policy in 2023 which sets the following objectives:

KEY FIGURES AT A GLANCE - ZERO FATALITIES AND WORK-RELATED INJURIES



Lost time injury frequency rate for direct workforce⁴



Lost time injury severity rate for direct workforce⁵

- Comply with all relevant laws and regulations related to **health and safety** as laid out in the International Bill of Human Rights and the eight core conventions under the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at work.
- Provide regular **tailor-made training courses** (including e-learning) on health and safety for our employees.
- Continuously improve and optimize our **health and safety procedures**.
- Develop internal reporting on **health and safety** related KPIs.
- Provide **safety training** to 100% of active employees by the end of 2025.
- Maintain **zero number of injuries** in 2024 and beyond.

⁴(Total number of lost time injury events) x 1,000,000 / total hours worked company wide.

⁵(Number of days lost due to injuries) x 1,000 / total hours worked

Working Conditions

Kolmar issued its Labor & Human Rights Policy in 2023 which sets the following objectives:

- > Encourage and support our employees to maintain a healthy **work-life balance**.
- > Comply with the relevant laws and industry norms regulating **employee working hours, rest, holiday entitlement, and pay** (linked to the Gender Equality Act).
- > Implement a policy of **zero-tolerance of child and forced labor**, as detailed above.
- > Kolmar aims to increase the share of used vacation days vs. unused vacation days at the end of the calendar year by **3% by 2025**.

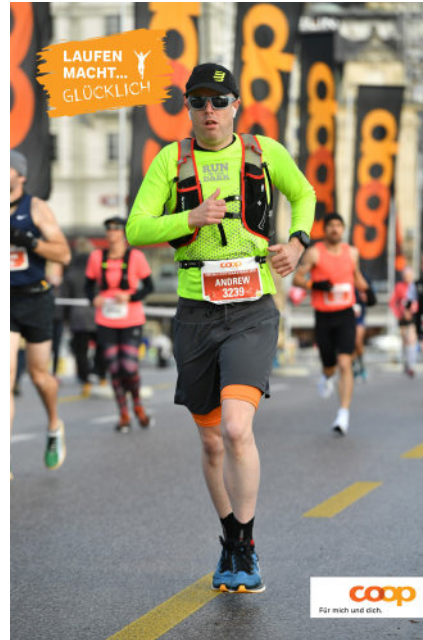
Training and Development

We encourage and support our employees to maintain a healthy work-life balance, providing them with ample opportunities for career advancement and access to professional development and skills training.

KEY FIGURES AT A GLANCE



Kolmar aims to increase the number of provided/arranged training hours per employee annually by 5% by the end of 2025.



Well-being - Kolmar Runs

In May 2023, more than a dozen Kolmar employees joined the 5.7 km B2Run in Zug, Switzerland to promote team building, health, and well-being.

Kolmar employees also took part in the Lucerne (Switzerland) marathon in October 2023 to support the new Zurich Children's Hospital.



Bike to Work Challenge

In May and June 2023, Kolmar participated in the Bike to Work Challenge and employees cycled to and from work for a period of two months, in order to promote and enhance team spirit, fitness, health and an environmentally friendly mode of transportation.

Care and Support for Communities

The success of our operations and our company's contribution to society depend to a large extent on the communities that surround us. We are committed to supporting local communities around the world through a variety of charity programs, in particular those with a special focus on educating women and girls. We also provide support to improve the lives of the disadvantaged, those with (mental) health conditions and the elderly community.



Kolmar supports A **New Way** in mixed cities in Israel. For over 25 years, "A New Way" has been committed to building a shared society in Israel through multicultural educational processes. It acts as a unifying force and challenges the existing rifts in Israeli Jewish-Arab relations.



Kolmar continues to support the educational program **Associazione di promozione sociale Il Papavero in Italy**, which helps children with learning difficulties by giving them extra tuition in subjects such as Italian and maths outside of school hours. Learning Italian in particular is very important for emigrant children so they can become integrated.



Kolmar's **ASJ Scholarship program** has been supporting needy and marginalized women students in **Gaza** since 2008 by providing them with a university education. These talented students would otherwise be unable to further their education after leaving high school due to financial constraints within their families. Most of the students have been able to start a promising career upon graduation, something they wouldn't have been able to do without the ASJ Scholarship. Kolmar's generous financial support has clearly reflected on the success and well-being of the students as it has allowed them to focus on their academic performance and to avoid distracting financial pressures.



Kolmar supports **Beth-El Center, USA**, which is a nonprofit organization that offers a continuum of services for men, women, families and veterans experiencing housing instability, homelessness, food insecurity and hunger. Their focus is to empower households while helping them achieve independence to become self-sufficient, connecting them to housing, food, and services within their communities. Their vision is to create a community where everyone is home and all are fed! Beth-El Center is located in Milford, Connecticut (USA) and serves 13 municipalities along the shoreline from Milford to Madison and within the Greater Naugatuck Valley.



BluePath Service Dogs, USA is a nonprofit organization that transforms lives by providing expertly trained service dogs for children with autism and their families - free of charge. A well-trained service dog makes a profound difference in the life of an individual with a disability - an impact that becomes exponential as an entire family experiences freedom and reconnects with their community.



Kolmar is sponsoring the secondary education of two students at the **Henry Gogarty School in Tanzania** so they can have a brighter future and to help them on the way to making their dreams come true. The aim of the school is to raise the education level of girls in Tanzania. By helping these students, Kolmar is not only changing the girls' lives, but also making a meaningful contribution to the empowerment of women in Tanzania.



Fellowship Place in the USA's mission is to serve adults living with mental health conditions by offering a full range of therapeutic support and rehabilitation services that promote independence, wellness and a meaningful life. The services that are provided are designed to increase stability, self-sufficiency, and help function at the highest level possible, including help with basic needs, meals, socialization, skill-building groups, case management, job training and career development services, expressive arts programs, computer classes, physical recreation and much more.



For 20 years, the **Fondation Pacifique, Switzerland** has been defending the values of human solidarity and environmental awareness in favor of people and the oceans. Kolmar is supporting Pacifique's Jeunes En Mer program, which gives young people in troubled situations the opportunity to spend some time at sea on a sailing boat as part of the crew, learning new skills and integrating as a team.



Since 2006, **Building Homes for Heroes, USA** has been at the forefront in making a significant difference to the lives of wounded American service members. Kolmar is supporting this organization that builds or modifies homes, and gifts them, mortgage-free, to injured veterans and their families, while providing support services to enable them to build better lives.



The Center for Family Justice, USA provides crisis and supportive services to victims and survivors of domestic and sexual violence, and child abuse. They provide cutting-edge prevention education and training in communities to create social change. Their goal is to break the cycle of violence by building healthy relationships, empowering communities, and mobilizing bystanders to speak out about abuse and violence.



Kolmar supports **Spooner House, USA**, which is a local organization in Shelton, Connecticut (USA) which assists those in need through the provision of food, shelter, and support services. Through their shelter and programs for the homeless, they are helping men, women, and families with children to get back on their feet, acquire the skills they need to take care of themselves and their families and break the cycle of homelessness. They work to help each client achieve self-sufficiency to strengthen the entire community.



Junior Achievement of Southwest New England, USA is an organization dedicated to giving young people the knowledge and skills they need to own their economic success, plan for their future and make smart academic and economic choices. Junior Achievement's programs include work readiness, entrepreneurship, and financial literacy. The goal is to ignite the spark in young people to experience and realize the opportunities and realities of work and life in the 21st century as well as inspiring and preparing young people to succeed in a global economy.



Kolmar made a donation to the **Swiss Glückskette** National Day of Solidarity, to help bolster solidarity for universal education and equal opportunities for all children and young people, and to lay the foundations for a fair and inclusive society.




Kolmar continues to support the **Lucerne Symphony Orchestra**, Switzerland's oldest symphony orchestra, founded in 1805/06. With its 200-year history, the Orchestra successfully combines tradition and innovation. It actively promotes new music through the commissioning of works from composers and the Orchestra is committed to fostering young talent, with its own orchestra academy and a comprehensive outreach programme.



The Eric M. Suhl Foundation, USA was created in memory of Eric Matthew Suhl who passed away aged 28 in 2016. The mission of the Foundation is to enjoy the company of family and friends while positively impacting and supporting causes Eric loved and issues he faced in his life. One of the Eric M. Suhl Foundation's founding principles is to help raise awareness for all types of mental health initiatives.

Maintaining Ethical Business Conduct and Governance



Our governance framework promotes accountability and ethical conduct across all our operations. Rigorous standards, defined by our company values, principles set out in our [ESG Policy](#), our Code of Conduct, and other internal regulations, guide our interactions with stakeholders, mitigate risks, and ensure compliance with regulatory requirements.

Kolmar's senior management and ESG Committee regularly assess environmental, social, and governance impacts on the business. This ensures alignment with our core values and strategic objectives while promoting sustainable practices and stakeholder engagement. Committed to ethical and responsible operations, Kolmar strives for sustainable growth and remains a trusted partner and industry leader.

Governance Structure

Kolmar’s governance framework is designed to uphold integrity, transparency, and accountability. It guides our strategic decision-making, facilitates risk management, and ensures compliance with regulatory standards. Key components include:



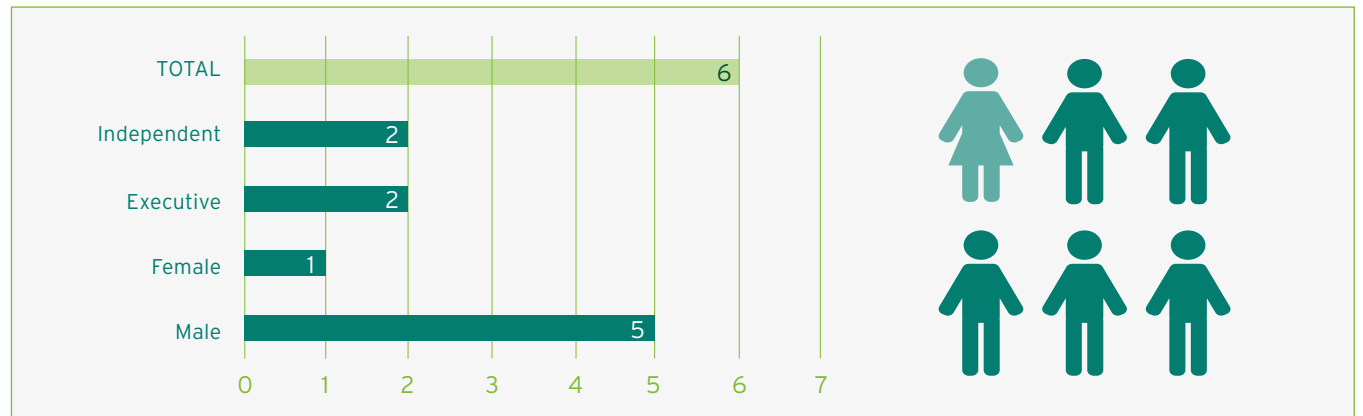
SENIOR MANAGEMENT LEADERSHIP

Senior management, led by CEO Ruth Sandelowsky, provides strategic direction and supervision. With decades of industry experience, Mrs Sandelowsky has led Kolmar since its foundation in 1997 and has been pivotal in promoting diversity and inclusivity within senior management. Her leadership ensures alignment with Kolmar’s core values and long-term objectives.

ROLE OF THE BOARD OF DIRECTORS

The Board of Directors provides independent guidance and oversees corporate governance. Composed of experienced professionals, the Board ensures that Kolmar’s practices align with shareholder interests, regulatory requirements, and industry best practices, further enhancing informed decision-making and long-term sustainability.

Composition of the Board of Directors:



ESG COMMITTEE

Founded in 2022, Kolmar’s ESG Committee identifies, assesses, and manages ESG risks and opportunities. The Committee, comprising senior executives and experts, reviews policies and performance related to sustainability, ethics, and corporate responsibility.

ESG Committee members:



Compliance

Kolmar adheres to national, regional, and international regulatory standards through its comprehensive corporate policies. Our policies address ethical matters, business integrity (Business Ethics Policy and Code of Conduct), the value chain (Procurement Policy), data protection, privacy, and cybersecurity (Data Protection and Privacy Policies).

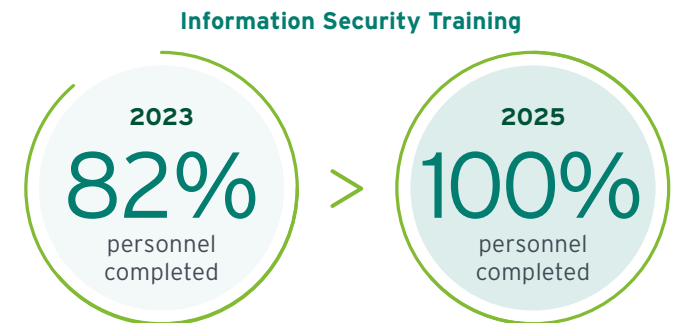
BUSINESS ETHICS POLICY

Kolmar issued a Business Ethics Policy in 2023, which reinforces ethical conduct and compliance across our Group. Key areas include:

- > **Corruption & Bribery:**
Strict prohibition of corruption and bribery.
- > **Competition (Anti-Trust):**
Compliance with anti-trust laws to ensure fair competition.
- > **Data Confidentiality & Privacy:**
Protection of sensitive information.
- > **Conflicts of Interest:**
Identification and management of conflicts of interest.
- > **Money Laundering:**
Robust controls to prevent money laundering.

BUSINESS ETHICS KPIs

To further strengthen our commitment to the highest ethical standards, we have set the following objectives in our Business Ethics Policy:



KEY FIGURES AT A GLANCE

2022 | 2023

zero

Total number of confirmed incidents of corruption (GRI 205-3)

zero

Total number of confirmed incidents in which employees were dismissed or disciplined for corruption (GRI 205-3)

zero

Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption (GRI 205-3)

zero

Public legal cases regarding corruption brought against the organization or its employees during the reporting period (GRI 205-3)

BRIBERY AND CORRUPTION

Risk Assessment

In 2023, Kolmar undertook a comprehensive anti-corruption risk assessment to strengthen our efforts in preventing corruption across our global operations.

Key elements include:

> **Risk Identification:** Assessing potential corruption risks.

> **Risk Mitigation:** Implementing due diligence, monitoring transactions, and internal controls.

> **Incidents Reported:** Zero incidents of corruption reported in 2022 and 2023.

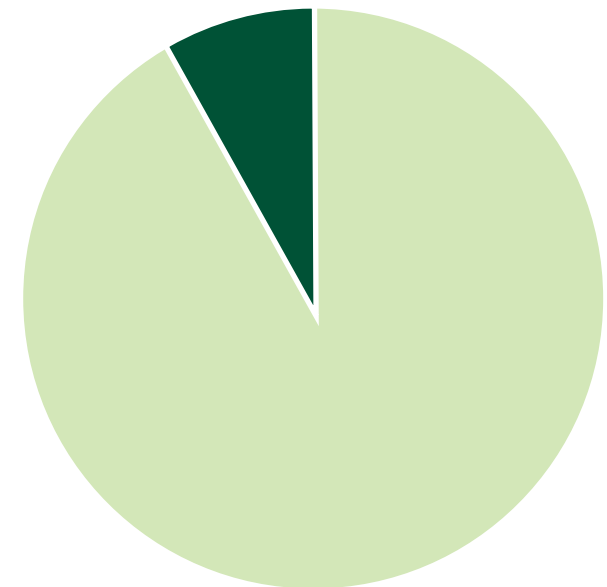
We are pleased to report that in 2023, there were no incidents of corruption reported or confirmed within our organization, consistent with previous years. This achievement reflects the proactive measures we take to prevent corruption and to maintain a vigilant compliance framework.

COMPLIANCE AND ANTI-CORRUPTION TRAINING

We offer regular training sessions covering topics such as anti-corruption laws, data protection, insider trading, and other relevant regulatory compliance areas. Training modules are tailored to address specific roles, jurisdictions, and emerging compliance challenges relevant to our industry.

As stated above, 92% of personnel completed the relevant training, and we are aiming for 100% by 2025.

Total percentage of employees that have received training on anti-corruption in 2023 (GRI 205-2)



● Received training ● Other

Know Your Customer (KYC) Practices

In 2023, Kolmar updated its due diligence procedures and introduced its Counterparty Due Diligence, Know Your Customer (KYC), Credit Clearance, and Registration Approval Processes. These enhancements included the implementation of a comprehensive KYC questionnaire aimed at bolstering our ethics and compliance framework.

Our new extensive KYC questionnaire includes questions about ownership, compliance with regulatory standards, and sustainability practices including whether a business partner has policies on ESG-related issues, which CSR initiatives a business partner subscribes to, whether a business partner is assessed by EcoVadis, etc. This robust questionnaire includes our Sustainability Code of Conduct which all Kolmar's business partners are requested to sign prior to commencing business transactions or to provide reasons if they cannot sign. As of the end of 2023, 90% of our newly onboarded business partners have completed our KYC Questionnaire.

Code of Conduct

Our internal Code of Conduct provides guidelines for all employees on ethical behavior and business integrity at Kolmar, emphasizing principles of honesty, fairness, respect, and compliance with laws and regulations.

Our Code of Conduct was revised in 2023 and now also outlines our commitment to ethical business practices, legal compliance, and a positive, inclusive work environment. The main topics covered by the Code of Conduct are:

100%

of our employees have signed and acknowledged their commitment to comply with the Code of Conduct.



Our Values

Our company culture incorporates the attributes Modesty, Allegiance, Teamwork, Tolerance, Excellence, Responsibility, and Stimulation (Kolmar MATTERS) as the guideline for our actions and decisions (read more⁶).



Organization & Governance

Our ESG Committee ensures compliance with our ESG Policy, evaluates impacts, and promotes responsible practices across all operations.



Compliance

We adhere to anti-trust, anti-bribery, and anti-corruption laws, protecting confidential information and avoiding conflicts of interest to maintain integrity and transparency.



Human Resources

We prioritize health and safety, fair employment practices, and a discrimination-free workplace, ensuring equal opportunities and supporting continuous development for all employees.



Reporting Mechanism

We encourage employees to report unethical behavior and to seek guidance on ethical issues, fostering an environment of accountability and open communication.

⁶ Company Culture - Kolmar (kolmargroup.com)

Sustainability Code of Conduct for Business Partners

Kolmar expects its business partners to uphold high ethical standards and in 2023 implemented its first **Sustainability Code of Conduct** to promote ethical and sustainable practices throughout its global operations. This code contains guidelines for all business partners, emphasizing compliance with international laws, regulations, and standards such as the Global Reporting Initiative (GRI), Task Force on Climate-Related Financial Disclosures (TCFD), SASB Standards, and the Ten Principles of the UN Global Compact. It requires adherence to principles covering labor standards, human rights, environmental responsibility, and business ethics.

While we encourage our business partners to sign our Sustainability Code of Conduct, it is not mandatory, and they may demonstrate compliance with the principles in this Sustainability Code of Conduct with their own code of conduct or through appropriate and effective company policies that ensure compliance with Kolmar’s standards.

However, as of the end of 2023, 33% of our newly onboarded business partners have signed and committed to our Sustainability Code of Conduct.



Value Chain

At Kolmar, we are committed to ethical and sustainable practices, including sourcing, production, and distribution, across our value chain. Our stringent measures ensure integrity and compliance with regulations.

SUSTAINABLE PROCUREMENT POLICY

In 2023, we formalized our Procurement Policy to promote sustainable practices. This policy outlines our objectives and measures to ensure responsible sourcing throughout our value chain.

SOURCING AND KYC PROCEDURE

Our sourcing strategy prioritizes suppliers who meet our rigorous Know Your Customer (KYC) standards. This involves comprehensive due diligence to verify the credibility, integrity, and compliance of our suppliers. We encourage business partners to share their sustainability reports and adhere to our Sustainability Code of Conduct, however they may also demonstrate compliance through their own policies.



Data Protection and Privacy

POLICIES

Protecting personal data is given the highest priority at Kolmar. Our Data Protection and Privacy policies ensure compliance with global regulations and safeguard sensitive information. Key measures include:

- > **Data Collection and Use:** Lawful and transparent handling of personal data.
- > **Data Security:** Protocols for encryption, access controls, and regular audits.
- > **Data Retention and Disposal:** Procedures to retain data only for as long as necessary and to securely remove it when no longer needed.

TRAINING

We prioritize ongoing training programs to educate our employees on data protection principles and best practices.



INCIDENTS REPORTED

Kolmar maintains a robust system for reporting and addressing data protection incidents. Employees are encouraged to report any suspected breaches or incidents through designated channels.

KEY FIGURES AT A GLANCE

2022 | 2023

zero

Confirmed information security incidents

zero

Confirmed GDPR infringements

zero

Substantiated complaints concerning breaches of customer privacy and losses of customer data (GRI 418-1)

GRI Content Index

Statement of use

Kolmar has reported with reference to the GRI Standards for the period between January 1, 2023 and December 31, 2023

GRI 1 Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	Disclosure 2-9 Governance structure and composition	"Governance Structure" p.23
GRI 205: Anti-corruption 2016	Disclosure 205-1 Operations assessed for risks related to corruption	"Compliance" p.25
GRI 205: Anti-corruption 2016	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	"Compliance" p.25
GRI 205: Anti-corruption 2016	Disclosure 205-3 Confirmed incidents of corruption and actions taken	"Compliance" p.25

GRI Standard	Disclosure	Location
GRI 302: Energy 2016	Disclosure 302-1 Energy consumption within the organization	"Environmental and Climate Action" p.10
GRI 308: Supplier Environmental Assessment 2016	Disclosure 308-1 New suppliers that were screened using environmental criteria	"Maintaining Ethical Business Conduct and Governance" p. 28
GRI 403: Occupational Health and Safety 2018	Disclosure 403-9 Work-related injuries	"Employee Health & Safety" p. 15
GRI 403: Occupational Health and Safety 2018	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	"Employee Health & Safety" p. 15
GRI 404: Training and Education 2016	Disclosure 404-1 Average hours of training per year per employee	"Training and Development" p. 16
GRI 404: Training and Education 2016	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	"Training and Development" p. 16
GRI 406: Non-discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	"Inclusion and Diversity" p. 13
GRI 408: Child Labor 2016	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	"Human Rights" p.14

GRI Standard	Disclosure	Location
GRI 414: Supplier Social Assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	"Maintaining Ethical Business Conduct and Governance" p. 28
GRI 418: Customer Privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	"Data Protection and Privacy" p. 31



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