Environmental, Social and Governance policy

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Application

At Alfa Chemicals, we are committed to conducting business responsibly and sustainably, recognising our impact on the environment, society, and the economy. We strive to minimise our environmental footprint, prioritise employee and community safety and well-being, and uphold the highest standards of ethics and governance. By embedding ESG principles into our core strategy, we aim to create long-term value and contribute to a sustainable future.

This policy outlines our commitment to sustainable growth through transparent practices, continuous improvement, and stakeholder collaboration.

1. ESG Awareness and Collaboration

We promote ESG awareness across our organisation and the wider business community by:

- Hosting annual ESG seminars and encouraging staff participation in external ESG workshops.
- Discussing ESG issues and plans monthly during Team and Board meetings
- Collaborating with industry initiatives such as the Chemical Business Association (CBA) and Roundtable on Sustainable Palm Oil (RSPO) to promote sustainable procurement and consumption.
- Positively engaging with people and entities throughout the supply chain to ensure continuous improvement.

2. Environmental Responsibility

We are committed to reducing our environmental impact through sustainable practices, resource efficiency, and responsible chemical and waste management, focusing on:

2.1 Carbon Footprint and Emissions Reduction

- Reduce Scope 1 emissions (direct emissions) by 1% by the end of 2026 through process optimisation, energy efficiency improvements, and renewable fuel adoption.
- Establish a methodology to measure Scope 2 (indirect emissions from purchased electricity) and Scope 3 (value chain emissions) by the end of 2026.
- Once the framework is in place, set reduction targets and collaborate with the supply chain to:
 - o Improve operational energy efficiency.
 - o Encourage suppliers to reduce emissions and adopt sustainable practices.
 - o Apply circular economy principles to reduce product lifecycle emissions.

2.2 Water and Resource Management

- Track and reduce water consumption by 1% by 2026 through staff engagement and sustainable workplace practices.
- Promote sustainable procurement to minimise resource depletion.

2.3 Waste Management and Circular Economy

- Cut the generation of Scope 1 waste by 1% by end of 2026.
- Implement circular economy practices by promoting material recycling and using recycled materials where feasible.

2.4 Pollution Prevention and Chemical Safety

- Commit to the CBA Responsible Care Programme, continuously improving chemical safety, health, and environmental performance.
- Engage Dangerous Goods Safety Advisors (DGSA) to prevent pollution and ensure compliance with the Carriage of Dangerous Goods Act.
- Maintain regulatory compliance through a legal register, industry body engagement, and regular internal monitoring.

3. Social Responsibility

3.1 Health & Safety

- Provide a safe working environment through clear policies, staff training, and regular auditing.
- Maintain a maximum total recordable incident rate (TRIR) of ≤ 0.5, reflecting our commitment to safety.

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3.2 Labour Practices

- Foster a workplace culture that promotes staff well-being, dignity and supports long term development
- Provide employee benefits exceeding legal minimums where possible and being open to alternative working arrangement where this is mutually beneficial for staff and the business.
- Ensure adherence by our organisation, our suppliers and our subcontractors to the ILO Declaration on Fundamental Principles and Rights at Work, including:
 - o Freedom of association and collective bargaining.
 - o Elimination of forced and compulsory labour.
 - o Abolition of child labour
 - o Elimination of discrimination in employment.
 - o A safe working environment.

3.3 Community Engagement

- Support local charities and communities by continuing to donate 1% of company profits
- Enabling staff to give time and their skills to their communities through our Employee Volunteering Programme.
- Increase employee volunteer hours by 20% by 2025.

4. Governance

4.1 Ethical Business Conduct

- Uphold transparency, fairness, and integrity through our Business Ethics, Bribery, Equal Opportunity, and Whistleblowing policies,
- Ensure staff understanding of ethical practice, especially those dealing with third party contracts and procurement, via our internal training programme.
- Using this policy to meaningfully shape supporting policy and business objectives.

4.2 Compliance and Transparency

- Engage with government and industry forums to maintain best practices and ensure our policies, processes and practices remain up to date.
- Ensure compliance with relevant laws, regulations, and industry standards through regular internal and external audits.

4.3 Risk Management

Implement robust risk monitoring and management practices to identify and mitigate ESG-related risks.

To ensure the continued efficacy of this policy we shall:

- Review the policy every 12 months.
- Incorporate this policy into the induction of every new starter.

Approved by on behalf of the Board:

Richard Parr - Director Industrial Date 28.03.2025