



ESG Report
Elemental Capital Group

2024

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Letter from the President of the Management Board

Ladies and Gentlemen,

I have the pleasure to provide you with another report showing the social and environmental impact of the Elemental Group. The Group, which was initially created by several Polish companies, and is now a very rapidly developing organization present on most continents. Such dynamic growth is associated with increasing challenges and expectations. Therefore we transparently and clearly inform our stakeholders about our activities here and now, but also about the future – the shape of our strategy, as well as risks and opportunities it addresses.

The Elemental Group is a vital part of the entire ecosystem of the circular economy. We know how strategic the role of the recycling industry is, on the path to a healthy and stable economy. We have been collecting various types of waste for years in order to reuse critical and

rare metals in recovery processes. These raw materials are essential elements of modern, low-emission technologies. As we all know, their natural resources are scarce and their extraction from ores is a process that is extremely burdensome to the environment. Therefore, so-called urban mining is the solution to these challenges. With adequate forms of processing, we are able to give a second life to these raw materials.

We are happy that the European Union notices the importance of both these raw materials and the industry, which contributes to the achievement of the green transformation and the development of a modern, competitive economy. This does not change the fact that our industry, like any other, faces various challenges brought by the changing environment.

After years of relative prosperity and peace, we have entered a period of unforeseen challenges. The war in Ukraine, conflicts in the Middle East, natural disasters – all these issues make us see that previous ways of acting and tools no longer work. We must quickly adapt our risk analyses and action scenarios to these changing times. At the same time, along with the unprecedented development of cutting-edge technologies, we must cultivate a humanistic approach according to which people are the focus of our actions.

In view of the foregoing, this report, just as the previous ones, focuses on presenting our influence on the natural environment, but we also want to present our social impact. By showing our development strategy, sharing our perspective on risks and opportunities, we want to get the Elemental Group closer to the recipient of this report. We are committed to building an efficient, flexible organization that will use the achievements of science and technology, and that will take care of its employees and collaborators.

In this respect, 2024 was a continuation of previously undertaken actions. Management of such a diverse and large organization involves navigating many challenges. We want to strengthen our Group by implementing uniform standards and adequate control tools. On the one hand, this will allow us to provide data on implemented actions and processes faster and more accurately, and on the other – we will be able to better manage them and adapt to changing conditions. Our Group keeps growing, we will soon start operations in completely new regions, which is why it is even more important for us to implement the same standards everywhere, use the vocabulary of risks and opportunities while maintaining dialogue with local communities. Respect for human rights and care for the natural environment are our top priorities.

Last year, our largest investment ever – the plant in Zawiercie – was officially put into operation, which means another step on the path of processing and recovery of critical metals. It enables us to process lithium-ion batteries and also refine platinum group metals from spent automotive catalytic converters. Thus, we support the development of Europe's independence of raw materials.

We work closely with our stakeholders. They include employees, suppliers, business partners, local communities, as well as investors and financial institutions. We know that the development of any organization is never separated from its environment. That is why we care about sharing knowledge and experiences.

At this point, I would also like to thank the Elemental Team, because all the developments in 2024 are the outcome of our joint effort.

Enjoy reading.

Paweł Jarski
President of the Management Board
Elemental Holding SA



About the Report

The report presented to you is the fourth one prepared by the Elemental Capital Group (hereinafter also referred to as: the Elemental Group; the Group; Elemental; the Organization). The reports are published on an annual basis. They are not subject to external certification. All previous reports can be found on the website www.elemental.biz.

The reporting period of this publication is the calendar year – from January 1 to 31 December 2024, unless otherwise stated in the content. The organization also publishes consolidated financial statements on an annual basis.

The report covers the parent company (Elemental Holding SA) and its subsidiaries, which conducted operational activities in the reporting period (hired employees, carried out business operations, generated consumption of raw materials, utilities, etc.). As a rule, the data include listed companies:

- ACC Recycling Services SRL
- AE Elemental Sp. z o.o. (joint venture, 50% share)
- Colt Recycling LLC
- Daniel Ball Converter Recycling, Inc
- Elemental Asia S.A.
- Elemental Asia SDN BHD
- Elemental Benelux B.V.
- Elemental Catalyst Recycling Sp. z o.o.
- Elemental EMEA Global Trade Center DMCC
- Elemental Geri Dönüşüm Anonim Şirketi
- Elemental Global Services S.A.
- Elemental Group Consulting Sp. z o.o.
- Elemental Holding SA
- Elemental h2tech Sp. z o.o.
- Elemental New Technologies Sp. z o.o.
- Elemental Strategic Metals Sp. z o.o.
- Elemental Resources Management Ltd.
- Elemental Recycling Middle East DMCC
- EMP Recycling
- E-Market Sp. z o.o.
- Kat Metal Estonia OÜ
- Kat Metal Oy
- Legend Smelting and Recycling LLC
- MD Core LLC
- Syntom Slovakia s.r.o. (previous name: Metal Holding s.r.o.)
- PGM Group Sp. z o.o.
- PGM of Texas LLC
- Precious Metal for Industry
- PT Prime Recycling Indonesia
- RECAT GmbH
- Syntom Metal Recycling Sp. z o.o.
- Terra Electrorecycling Sp. z o.o.
- Terra Recycling Sp. z o.o.
- Tesla Electrorecycling Sp. z o.o.
- Tesla Recycling Sp. z o.o.



The data are presented for the first time for the companies indicated below. The shares in the Romanian company ACC Recycling Services SRL were purchased in 2024, it does not yet fully conduct its operational activity. AE Elemental Sp. z o.o. was established as a joint venture in 2024; the Elemental Group holds a 50% stake in the company. Precious Metal for Industry, a company based in Saudi Arabia, started operations in 2024. The year 2024 also means a stronger presence in Africa. The Elemental Group concluded a partnership agreement with Romco relating to metal recycling. Also in 2024, the Group started preparations to conduct operations in India. Both operations in Africa and India will be reported as of 2025. In 2024, the Slovak company Metal Holding changed its name to Syntom Slovakia. In the reporting period, two companies from the Group also merged – Colt Recycling Southeast, LLC and Colt Recycling, LLC, which resulted in the emergence of only one company: Colt Recycling, LLC. In 2024, two companies began operating activities, which were included in the 2023 report already at the investment stage – Terra Electrorecycling and Elemental Strategic Metals. As a result, significant year-on-year increases were recorded in, among other things, water and electricity consumption.

Changes in the organizational structure mean that year-on-year data cannot be fully comparable without additional context and explanation. Apart from the structural changes referred to above, there were no other materials changes in the reporting period.

In addition to quantitative and qualitative data relating to the reporting period, the report also contains references to risks and opportunities which, if materialized, may differ from those described here, as they are potential events.

This report was prepared on the basis of international guidelines of the Global Reporting Initiative (GRI) Standards 2021. At the same time, the Group started work on the full implementation of reporting principles specified in the Corporate Sustainability Reporting Directive (CSRD). In its operations and reporting, the Organization consistently uses the international standards of the OECD (OECD Due Diligence Guidelines for Responsible Business Conduct), the European Bank for Reconstruction and Development (Environmental and Social Policy) and the International Finance Corporation (IFC Performance Standards).

Stakeholders of the Elemental Group

When working on its first sustainability report, the Group mapped its key stakeholders and has been regularly reviewing this list as well as the methods of communication and engagement since then. Various groups of stakeholders have different levels of interest in activities and the degree of influence on the Organization.



Key Stakeholders of Elemental Group

Stakeholder group	Engagement goals	Engagement method
Employees and collaborators¹	Building an engaging and safe workplace that cares about the needs of employees and promotes equality and diversity.	Regular communication, using both face-to-face meetings and electronic communication channels. The process of examining engagement and needs has begun. Supporting social activities through volunteering actions.
Shareholders	Transparent and open communication supporting the development and growth of the Organization. Compliance of the Organization's operations with the requirements and standards of the capital market.	Regular contact through reporting and regular communication.
Financial institutions	Transparent and open communication supporting the development and growth of the Organization. Compliance of the Organization's operations with the requirements and standards of the capital market.	Regular contact through reporting and ongoing communication.
Suppliers (upstream and downstream)	Building business activities based on transparent and honest relationships with business partners.	Regular, direct contact, surveys and questionnaires for suppliers, meetings during trade fairs and events.
Public administration bodies, including supervisory and control bodies	Conducting activities in accordance with regulations and standards.	Direct communication, events, conferences. Reporting according to the requirements of relevant bodies.
Residents/local communities	Building a positive impact on society.	Direct communication, educational activities and campaigns promoting care for the natural environment.
Industry organizations	Sharing knowledge, co-creating solutions and initiatives important for the industry.	Membership in organizations, communication within working groups, conferences and events.
Media	Communication with the media expands access to information for many groups of stakeholders.	Communication by answering questions, distributing press releases, meeting with journalists.

¹ Collaborator – in this report, a person who is not an employee but cooperates with the Elemental Group



Materiality analysis

In the process of creating the report, the current scope of material topics was verified in accordance with the GRI methodology. The scope and type of the Group's operations were taken into account, its value chain was mapped. Both external and internal stakeholders were involved.

At the beginning of the process, a broad list of material issues was created, taking into account general trends, external initiatives and standards. Topics previously mapped as material, being at least part of the ESG Strategy, were also added. Then, an analysis was carried out on how external and internal stakeholders perceive the impact of the Organization and what topics they identify as material. These topics were prioritized.

The next step was to consider these results and identify materials topics that are described in this report.

● E (environmental)

1. Waste management and circular economy
2. Climate change and CO₂ emissions
3. Energy efficiency
4. Sustainable supply chain
5. Pollution prevention
6. Water resources management

● S (social)

7. Safe working conditions
8. Equal opportunities and working conditions
9. Sustainable supply chain
10. Employee development and engagement
11. Local communities

● G (governance)

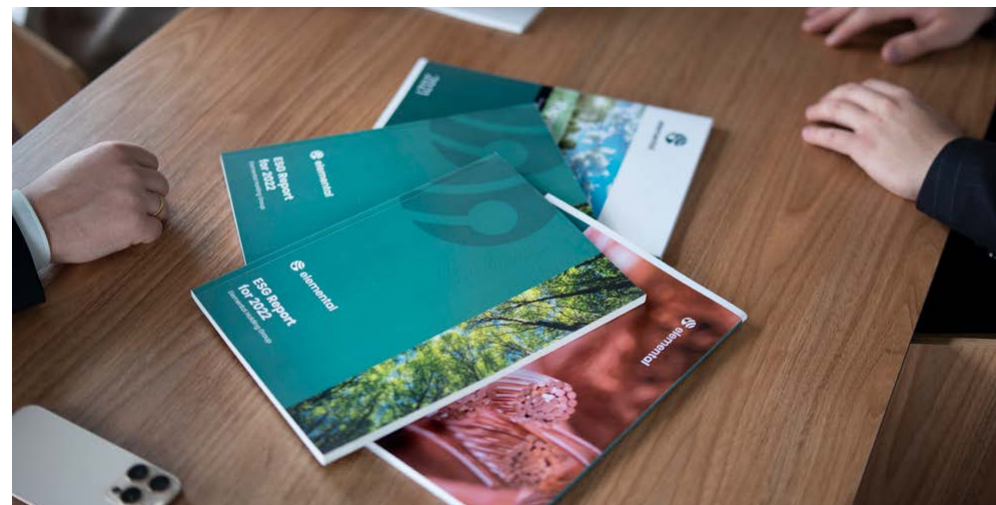
12. Responsible management
13. Digitalization and IT security

The report includes information on strategy, management, performance and future prospects. Data, both quantitative and qualitative, were carefully elaborated on so as to ensure their transparency, completeness, accuracy and sustainability context. The purpose of the publication is to provide stakeholders with information that is useful, understandable and comparable.

This report was created in cooperation with subsidiaries of the Elemental Group. The entire process was coordinated by the Sustainable Development Department. The final result of the work was accepted by the Management Board of the parent company.

In 2024, work on a double-materiality study was commenced, as specified in the European Sustainability Reporting Standards (ESRS). The study results will be the basis for subsequent reports of the Elemental Group.

Should you have any comments or questions regarding the presented content, you can send them to: sustainability@elemental.biz.



our i



Our values

—
honesty and responsibility

—
partnership based on respect

—
development

Our business lines



recycling of waste
electrical and
electronic equipment
and printed circuit
boards (WEEE + PCB)



recycling of
metals from spent
automotive catalysts
(SAC)

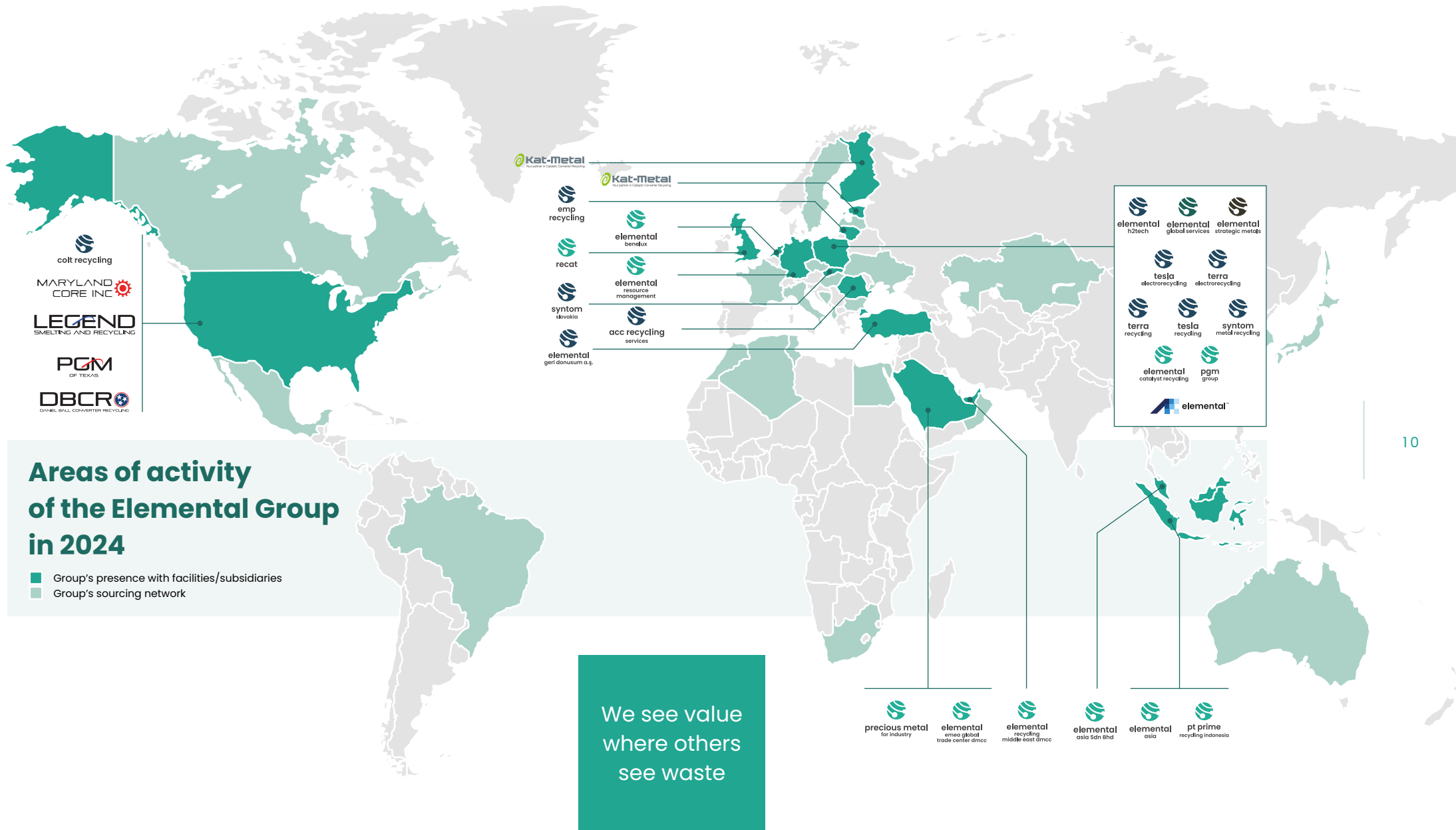


non-ferrous metal
waste management



waste lithium-ion
battery recycling

Year 2024



Key events in 2024:

1. Opening of the processing plant in Zawiercie
2. Launch of a modern e-waste processing line by Terra Electrorecycling in Grodzisk Mazowiecki
3. Establishment of a joint venture with Ascend Elements in the field of lithium-ion battery processing
4. Cooperation agreement with Romco company
5. The Elemental Group becomes an associate member of the London Platinum and Palladium Market (LPPM)

Awards and accomplishments:

- **WNP Award**, an award granted by the editorial team of the WNP.PL portal for implementing the idea of a circular economy in the raw materials industry
- **Dziennik Gazeta Prawna Award** as part of the campaign "There is no future without entrepreneurship"
- **Diament Zielonego Przemysłu** award granted by the Executive Club in the Lider Zielonych Technologii (Green Technology Leader) category
- **Biały Listek ESG** award granted by the weekly Polityka
- **Gold award in the Environmental category of the ESG Innovator 2024** competition organized by the Polish ESG Association
- **Money.pl award** – Entrepreneur of the Year for Paweł Jarski, President of the Management Board
- **Regionalny Czempion** award granted by the Money.pl portal on the occasion of Gala of the 35th Anniversary of Economic Freedom for Paweł Jarski, President of the Management Board

Key numbers of Elemental in 2024:

11



1381

employees and collaborators¹



over 12 000

hours of training



110,145.36 t

CO₂ carbon footprint (total market-based scope 1, 2 and 3 emissions)



nearly 70%

of electricity came from renewable energy sources



202,502.61 t

of waste subjected to recovery processes



29%

of Supervisory Board members are women

25%

of Management Board members are women

22%

of women employed in the Group



Certifications in the Group²:

9

Group companies with ISO:14001 certification

8

Group companies with ISO:9001 certification

7

Group companies with ISO:45001 certification

1

company with WEEELABEX certification

1

company with R2 certification

¹ Total number of employees and collaborators cooperating with the Elemental Group as at 31.12.2024

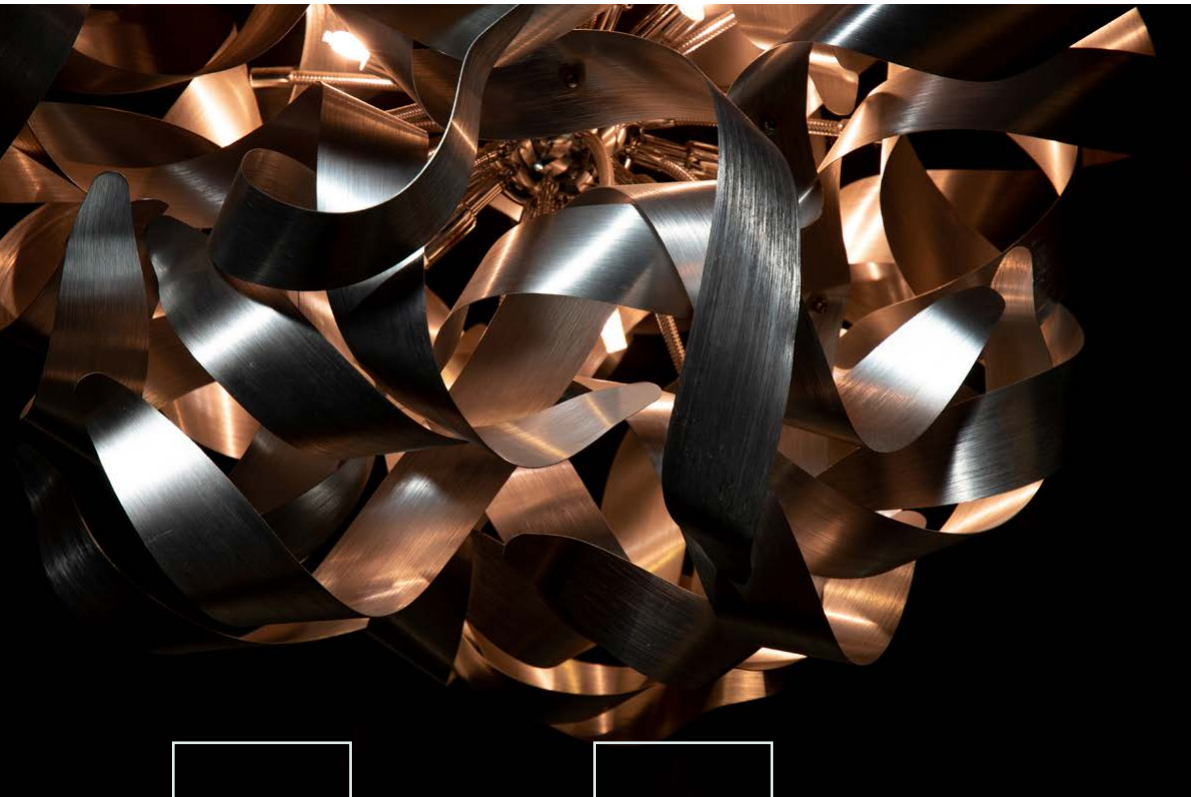
² Total number of ISO certified companies decreased by 1 on a year-on-year basis. This is due to the merger of two companies into one.



1

STRATEGY





Market description

Building and developing a competitive, sustainable economy requires various types of resources. One of them are the so-called critical raw materials, i.e. those that are key to the development of many technologies and industries, and at the same time, access to them may be difficult or disrupted. Examples of such raw materials include platinum group metals (iridium, osmium, palladium, platinum, rhodium, ruthenium) or lithium. Such raw materials are used in modern and clean technologies, e.g. electromobility, energy from renewable sources, defense, aviation and space industries. Only to produce an average smartphone, about 50 types of metals need to be used (according to research carried out at the University of Plymouth in 2020), of which critical raw materials are a considerable share. Without these raw materials, there would be no laptops, tablets, wind turbines, traction motors, photovoltaic cells, heat pumps, cables, batteries, modern robots, drones, energy-efficient lighting, space launchers and satellites. According to a report by the International Energy Agency, demand for critical raw materials is now more than twice as high as it was five years ago.

Critical raw materials



The European Commission, in its updated list of critical raw materials (CRM), published in March 2023, lists 34 raw materials essential for the functioning of modern economies.

A large portion of these raw materials is obtained from outside the EU member states. The EU has been making efforts for years to strengthen Europe's independence in this respect, for example by restoring these metals to circulation through the recycling process. In March 2024, the Council approved a new regulation, known as the Critical Raw Materials Act, which was agreed with the European Parliament. This document introduces three key benchmarks for the annual consumption of raw materials in the European Union: 10% of raw materials should come from domestic mining, 40% should be processed within the EU, and 25% should come from recycling. The recovery of as many as eight critical raw materials on a large industrial scale – palladium, platinum, ruthenium, cobalt, lithium, manganese, copper and nickel – is offered by Elemental Strategic Metals in Zawiercie.

Examples of technologies using selected critical raw materials:

Metals from the PGM (platinum group metals)

Ir
iridium

Os
osmium

Pd
palladium

Pt
platinum

Rh
rhodium

Ru
ruthenium

- Fuel cells
- Electrolyzers
- Data transmission networks
- Servers and data storage devices
- Smartphones, tablets, laptops
- Robots
- Drones
- Space launchers and satellites

Li
lithium

- Lithium-ion batteries
- Data transmission networks
- Smartphones, tablets, laptops
- Robots
- Drones
- Space launchers and satellites

Cu
copper

- Lithium-ion batteries
- Fuel cells
- Electrolyzers
- Wind turbines
- Traction engines
- Solar photovoltaics
- Heat pumps
- Data transmission networks
- Servers and data storage devices
- Smartphones, tablets, laptops
- Robots
- Drones
- Space launchers and satellites¹

According to estimates of the European Union, the demand for these raw materials is expected to grow exponentially, which is why it is so important to build broad access to these minerals. The adopted Critical Raw Materials Act is intended to improve the diversification of imports to the EU and, consequently, reduce dependence on third countries and minimize negative effects of possible disruptions in supply chains. In addition, taking into account recycling and, in a broader context, the circular economy is a clear signal that this area is key to stable development.

In comparison to primary mining, recycling is a highly competitive method of obtaining raw materials, especially considering environmental aspects. The primary metal extraction process is associated with much higher pollution than the extraction of secondary raw materials. In addition, recycling is more cost-saving and allows a higher recovery of elements compared to the mining of waste rocks and ores. The recycling industry faces a number of challenges, including the growing global demand for metals, also rare and precious metals. There is also an urgent need for technological innovations that will improve the efficiency of recycling processes. Furthermore, geopolitical tensions and limitations in the supply of critical raw materials increase the need to expand recycling capacities both locally and globally.



¹ Joint Research Centre, Supply chain analysis and material demand forecast in strategic technologies and sectors in the EU – A foresight study, 2023



Business model

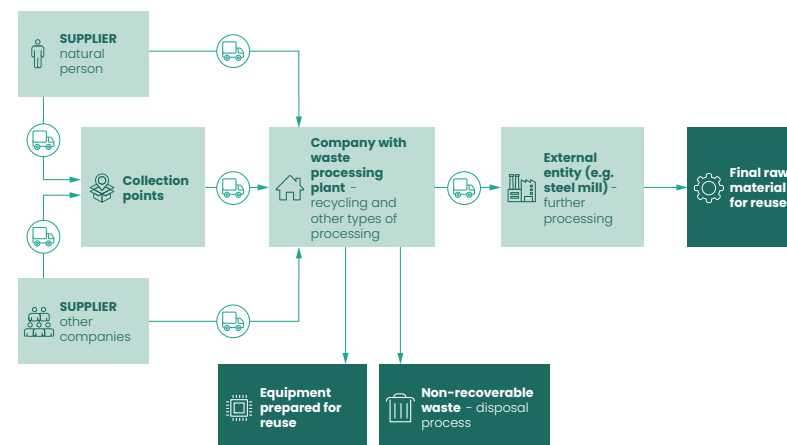
The Elemental Group is a global organization incorporated in Poland and dealing with recycling and urban mining. Founded in 2010, Elemental currently operates in dozens of markets all around the world.

The Organization specializes in collecting and processing various waste to recover valuable precious metals and other raw materials that can be re-used. Recycling processes cover various areas of business activity, such as:

- Recycling of waste electrical and electronic equipment (WEEE)
- Recycling of printed circuit boards (PCBs)
- Recycling of spent automotive catalysts (SAC)
- Recycling of lithium-ion batteries
- Recycling of non-ferrous metals

Waste is collected from various types of entities – both other companies and natural persons. Materials go to collection points or directly to a waste processing plant. In the case of waste electronic and electrical equipment, if its condition allows it, it is also possible to prepare it for reuse and thus return it to the market, reducing the amount of electronic waste. Waste that cannot be recycled is subjected to relevant processing. The processed material then goes to entities specializing in final recovery, which involves obtaining the final raw material in the form of precious metals for low-emission and innovative industries. Waste that cannot be recovered is handed over for disposal.

The path from waste to raw material



Elemental obtains waste containing non-ferrous metals and precious metals from entities collecting waste in the countries where group companies conduct business activities or neighboring countries in accordance with the principle of proximity, while ensuring economic efficiency.



When working on this report, the Organization's value chain was also analyzed. The compilation below presents the flow streams from the moment of manufacturing the product, namely a raw material in the context of the Elemental Group, followed by showing direct links with the Group at the level of suppliers, the Group's own operations and flows from the organization. The value chain model will also be used in subsequent ESG reports.

Within the value chain, the Elemental Group has distinguished Tier 3, 2 and 1 entities. Tier 3 are producers of materials that, after use, are sent as waste to Group companies for processing. Tier 2 are sub-suppliers – suppliers for Tier 1, i.e. entities with whom the Group has direct business relations. Tier 1 are Suppliers 1, 2 and 3. Suppliers 1 are entities from which raw materials for processing are obtained; this is a key group for business continuity. Suppliers 2 provide services and raw materials that support the implementation of the Group's strategic processes. Group 3 is made up of other suppliers. The Group's own operations have been divided into operational processes, support processes and sales. Downstream includes entities that take over materials processed by the Group – and either subject them to further processing (primarily smelters and other specialized entities) or disposal.

Elemental Group's value chain

	UPSTREAM					OWN OPERATIONS			DOWNSTREAM	
	Producers	Suppliers 4	Suppliers 3	Suppliers 2	Suppliers 1	Operational processes	Support processes	Sale	Counterparties	Waste disposal entities
	TIER 3	TIER 2	TIER 1			ELEMENTAL GROUP				
	Manufacturers of IT, RTV, household appliances, automotive and other equipment	Suppliers of raw materials and materials supplied to suppliers 2 and 3 from TIER 1	Service and product providers	Providers of services and products supporting the implementation of Group's processes	Raw material suppliers, core operations	Waste management (collection, storage, recovery, recycling)	HR	Sales of processed materials	Further processing	Waste disposal processes
Product and service categories	Supplying their products to the market, from where these products reach the Companies in the form of waste through Suppliers 1		Suppliers other than Supplier 1, 2 and 4	<ul style="list-style-type: none"> • utilities • transport/shipping • IT systems and telecommunications • consulting services • employment agencies • production line maintenance services • physical protection services • suppliers of materials/ equipment used in the production process • supplier of photovoltaic panels • cleaning companies • construction services • office space rental 		<ul style="list-style-type: none"> • procurement • logistics • management • marketing & PR • legal support • IT 	<ul style="list-style-type: none"> • OHS • administration • finance (accounting, controlling) 		<ul style="list-style-type: none"> • recipients of processed waste • refineries • steelworks • other specialized entities 	

Recycling of Waste Electrical and Electronic Equipment (WEEE) and Printed Circuit Boards (PCB)

E-waste (or WEEE) is a valuable source of secondary raw materials containing precious metals such as gold, silver, copper, platinum, palladium, rhodium, iridium and rare earth metals such as neodymium, gadolinium and terbium. These materials are of key importance for the high-tech industry and their recovery from electronic waste is crucial for the economy and the environment.

Waste electronic equipment is transported to recycling plants both by the Group's own vehicles and by third-party vehicles. Waste is collected from points operated by chain stores, manufacturers, service providers, directly from individuals in cooperation with recovery organizations and municipalities, as well as from local collection points. Some companies offer a free collection service from individuals, e.g. EMP Recycling Waste Taxi in Lithuania.

From 100 kg of refrigerators, the following can be recovered:

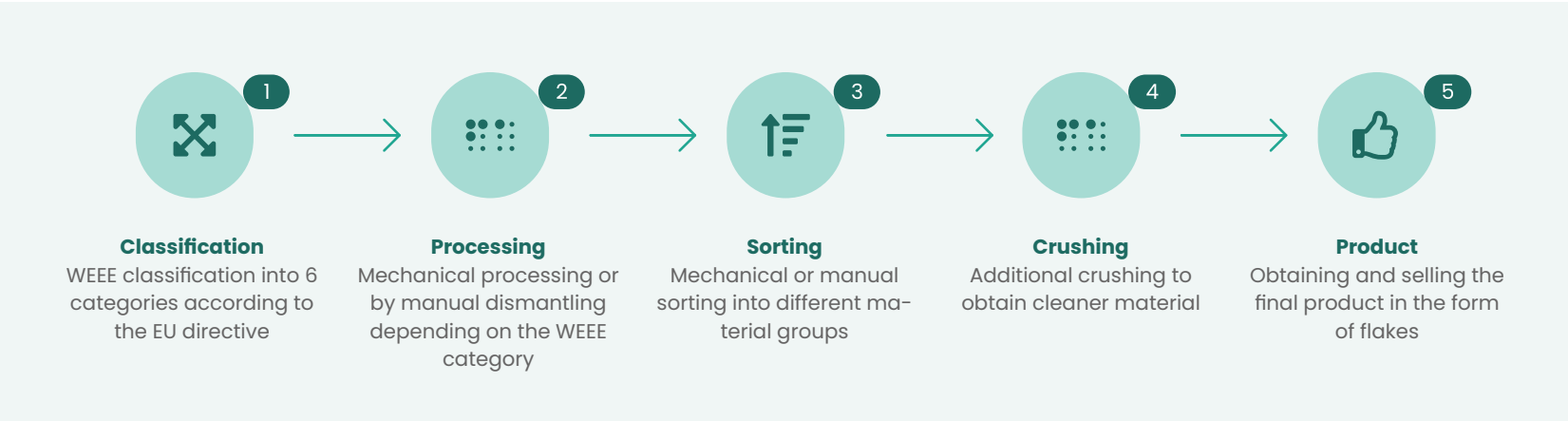
- Steel 39.8 kg
- Polystyrene 17.86 kg
- PUR foam 17.36 kg
- Non-ferrous metals (aluminium, copper) 19.63 kg
- Glass 4.73 kg
- Gases 0.62 kg

From 100 kg of PCBs, the following can be recovered:

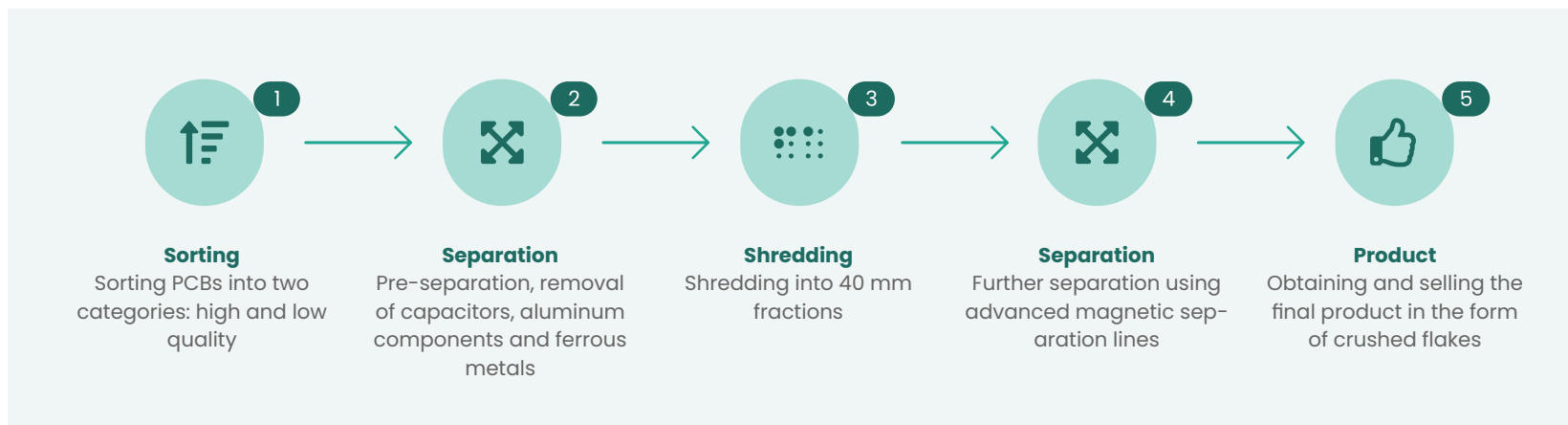
- Copper 21 kg
- Gold 0.075 kg
- Silver 0.5 kg
- Palladium 0.01 kg

The recycling process begins with weighing and classifying equipment by type and waste code. Then, such operations as selective dismantling of equipment, sorting it into fractions (metals, plastics, etc.), crushing of the metal fraction, as well as magnetic, electrostatic and eddy current separation are carried out. In the end, the metal fractions are processed using pyrometallurgical and hydrometallurgical methods to recover precious metals.

WEEE processing



PCB processing



The fractions of materials recovered from waste electrical and electronic equipment are recycled by external companies or by the Group's companies providing recycling services. Plastics and metals are sold to external entities. Waste that is not suitable for recovery is disposed of. Waste is stored in the

Group companies only for the period needed to achieve the logistic minimum required for transport, so as to maximize the optimization of the means of transport used and leave the smallest carbon footprint.

Elemental Group companies dealing with the WEEE and PCB recycling:

Europe



Asia



North America



Recycling of spent automotive catalytic converters

The recycling process of spent automotive catalytic converters involves the recovery of platinum group metals (PGMs), such as platinum, palladium and rhodium, which are key to many industries, including the production of new catalytic converters. A typical catalytic converter consists of blocks of ceramic or metal feedstock covered with a layer of precious elements. Due to the small amounts of these metals, their recovery process requires specialized methods and is time-consuming, but thanks to it, the extraction of hundreds of tons of ore can be avoided.

The recovery of metals from catalytic converters begins with selective collection and sorting of the catalytic converters. Then the catalytic converters are cut and the ceramic or metal material is separated from the metal casing. The separated insert is ground and homogenized, which allows for precise determination of the precious metal content. Analysis of the precious metal content can be performed using an XRF spectrometer or chemical analysis

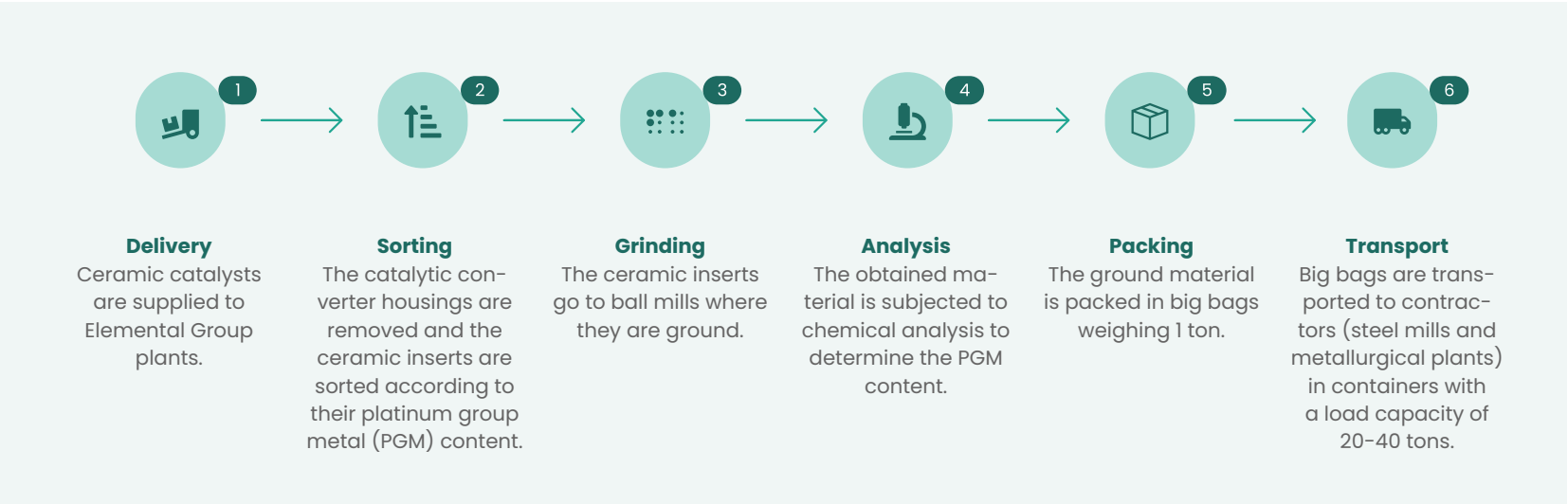
(ICP). The value of recovered metals is determined based on current prices of respective metals on world stock exchanges.

The ground ceramic inserts are transported to refineries and smelters in Asia, the United States and Europe. The metals remaining after mechanical processing of the catalysts, not containing precious metals, are sold for recycling to external entities.

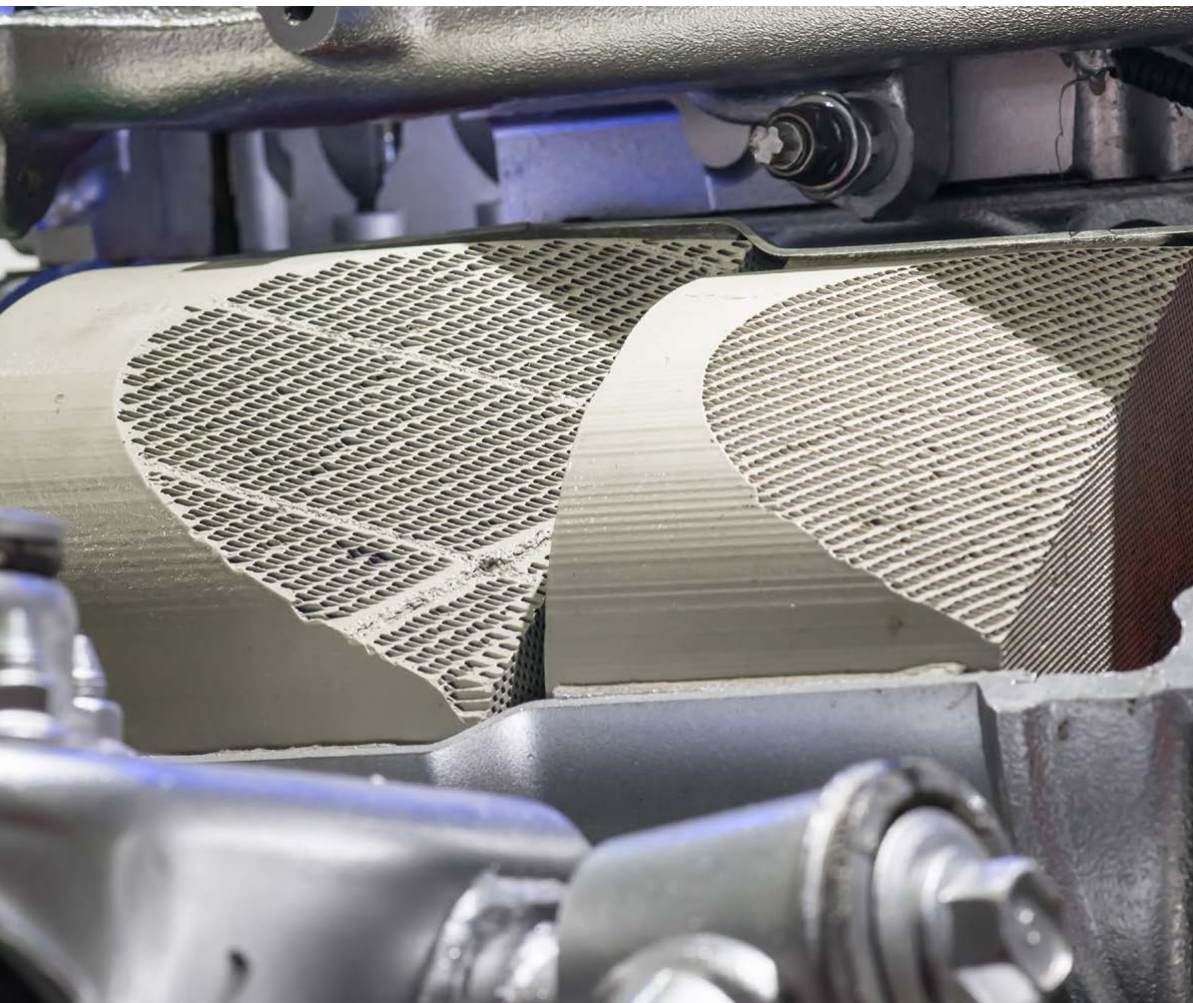
From 100 kg of catalysts, the following can be recovered:

- Rhodium 0.015 kg
- Palladium 0.13 kg
- Platinum 0.08 kg

Catalyst processing



Catalyst recycling processes are aimed at maximization of the recovery of metals, by returning them for reuse. Recycling efficiency, allowing recovery of up to 95% of the platinum content, which indicates not only economic but also environmental added value, minimizes the need for intensive extraction of natural raw materials.



Companies in the Elemental Group dealing with catalyst recycling:

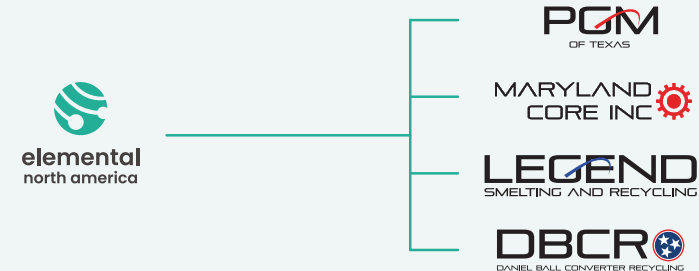
Europe



Asia



North America



Management of non-ferrous metal waste

Waste is collected at local collection points located in different regions of the country, where it is segregated into respective material fractions. Waste is segregated mainly to obtain uniform metal fractions. In the vast majority of cases, no additional processes are used here, except for grinding, magnetic separation and eddy current separation. Waste is brought to collection points by suppliers. In the case of larger production plants, waste is collected using the company's own means of transport (trucks). After achieving the logistical minimum, metals are transported to recipients (smelters) for melting, using the company's own means of transport or hired external means of transport (in each case it is heavy transport). Polish companies from the Group have implemented and certified the process of losing the waste status for the following non-ferrous metals: aluminum, copper and iron scrap.

Companies in the Elemental Group dealing with the processing of non-ferrous metal waste:

Europe



Recycling of lithium-ion batteries

Recycling of lithium-ion batteries is key to recovering raw materials such as lithium, cobalt and nickel. Poland, as a leader in the production of these batteries, has the potential to become an important recycling center, which will increase access to raw materials and create new jobs. Elemental has built the first EU plant specializing in recycling of car batteries in Zawiercie, in cooperation with Polish universities and global technology suppliers. Recycling technology is now so advanced that it allows the recovery of up to 95% of material left after processing of lithium-ion batteries and the reprocessing of up to 98% of the battery material.

Battery recycling is a multi-step process. Used batteries are collected from various sources, such as collection points and manufacturers, and then safely transported to recycling plants. Upon arrival at the plant, the batteries are discharged to remove any remaining energy, disassembled into their basic components, which are then shredded and sorted in the material grinding and separating processes. Metals are recovered using pyrometallurgical methods, based on high temperatures, and hydrometallurgical methods, which base on chemical processes. These technologies enable efficient recovery of metals such as lithium, cobalt and nickel. The recovered materials are then cleaned and prepared for reuse in the production of new batteries.

From 100 kg of batteries, the following can be recovered:

- Copper 11 kg
- Lithium 2.2 kg
- Manganese 7.8 kg
- Nickel 10.7 kg

Companies in the Elemental Group dealing with the processing of lithium-ion batteries:

Europe



Development of the capital group

The Elemental Group has been developing very dynamically in recent years. This has been happening by acquisitions of companies that strengthen the Group's overall position and capabilities with their experience and operations, by development of companies that are currently part of it or by establishing completely new companies. All this so as to increase its processing capacities and expand geographical reach to offer its expert knowledge and experience to new places.

In the reporting period, the launch of two production plants is worth noting – Elemental Strategic Metals (ESM) in Zawiercie and Terra Electrorecycling in Grodzisk Mazowiecki. Both these plants were built using the best available technologies and their modern solutions strengthen the Group in the area of e-waste processing (refrigerator processing line in Grodzisk) as well as battery recycling and refining of platinum metals from spent automotive catalysts (ESM).



Strategic goals of the Elemental Group include:

- world leader position in the segment of recycling of spent automotive catalysts
- European leader position in the segment of recycling of printed circuit boards
- strengthening the Group's position as a regional leader in the segment of recycling of waste electrical and electronic equipment
- strengthening the Group's position as a regional leader in the segment of recycling of non-ferrous metals
- improving profitability by implementing modern tools for managing the supply chain, prices and risk of changes in metal prices and exchange rates, achieving added value as a result of more advanced processing of waste from processing plants

Dynamic development is possible thanks to close cooperation between the Group companies and the synergy effects of their operations, as well as cooperation with the external environment, both industry organizations and academic centers. In 2024, Elemental became the main patron of the Leon Kozminski Academy, which opens a new chapter of cooperation with the Polish scientific community.

Elemental Group companies belong to various organizations and associations. As regards sustainable development, the list below shows those of particular importance:

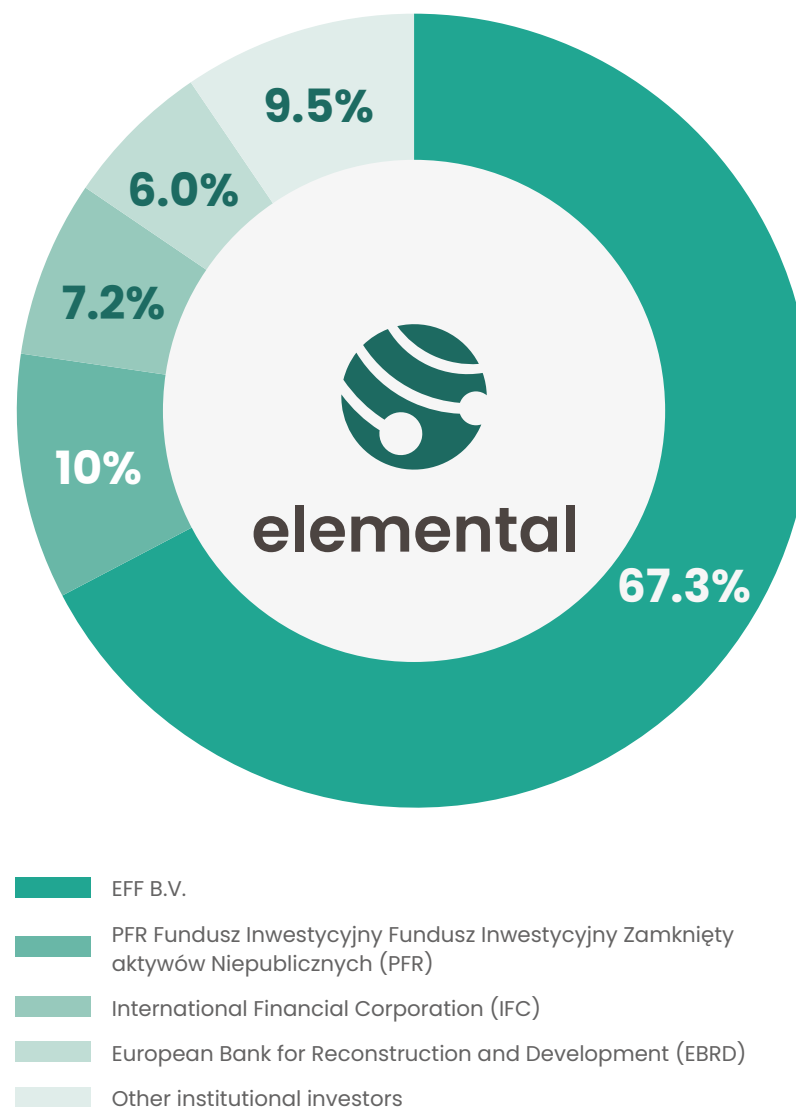
- Automotive Recyclers Association
- Bureau of International Recycling
- EIT RawMaterials
- Electronics Recyclers Association
- European Clean Hydrogen Alliance
- International Precious Metals Institute
- Recycled Materials Association

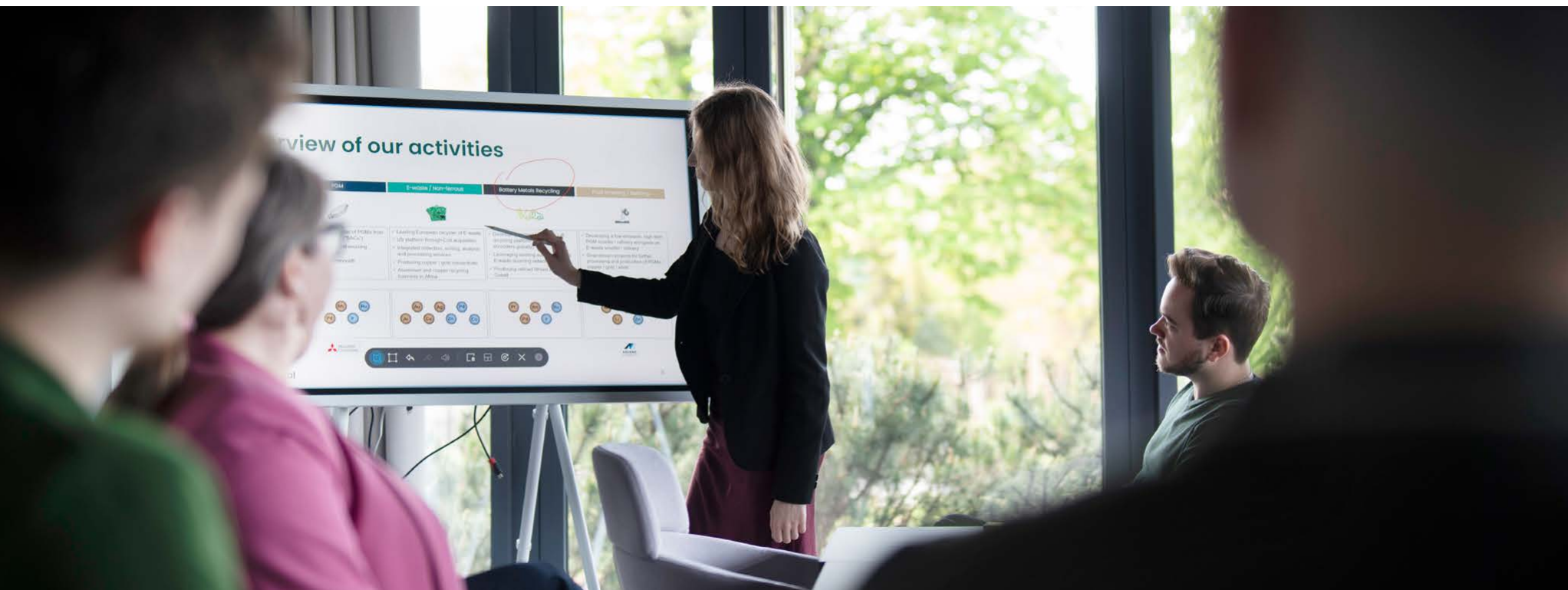


Corporate governance

The Elemental Capital Group consists of companies located in Europe, the United States and Asia. The Group's operations also cover Australia and Africa. Elemental Holding SA with its registered office in Luxembourg is the parent company consolidating sustainability reporting.

Shareholding structure of the parent company as at 31 December 2024





The Group companies conduct wholesale collection and purchase of waste as well as initial recycling, including dismantling, division into fractions, separation, grinding and subsequent recovery of metals through smelters and refineries. Moreover, since 2024, the Group has also started refining platinum group metals from spent automotive catalytic converters. In addition to these activities, the Group also has shared service centers. The Organization's operations have a global reach.

In all its activities the Elemental Group complies with applicable legal regulations, international standards and good practices. The internal regulatory system is built in such a way as to address key risks, areas of activity and ensure standardization in all companies of the Group. Proper implementation of these elements is supported by the management and supervisory

structure with responsibilities assigned to respective areas and positions (Management Board, Supervisory Board, General Meeting, Management Boards of subsidiaries, other bodies/organizational units).

In the reporting period, updates to some policies came into effect: the Code of Ethics, Anti-Corruption Policy, Human Resources Management Policy, Anti-mobbing Policy. A new document relating to conflicts of interest was also adopted. In 2024, activities aimed at effective implementation of regulations at the level of subsidiaries were continued.

Ethics

The overarching regulation applicable throughout the Elemental Group is the Code of Ethics, which is periodically reviewed and updated. It is a kind of guide for all employees and collaborators of the Group, as well as its stakeholders, showing them which principles are key to the Organization and which behaviors are strictly forbidden.

Values of the Elemental Group:

- honesty and responsibility
- partnership based on respect
- development

The Elemental Group, in its regulations, including the Code of Ethics, takes into account international standards and legal regulations (such as the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises, the International Labour Organization Declaration on Fundamental Principles and Rights at Work).

The most important rights included in the Group's Code of Ethics:

- the right to life,
- the right to human dignity,
- the right to freedom and personal security,
- the right to health care,
- the right to freedom of thought, speech, religion and political views,
- equality between women and men,
- employee rights, among which the following are particularly important: freedom to take up employment, the right to fair, favorable and safe working conditions, the right to fair remuneration and adequate rest, and the right to assemble and participate in works councils.

The Elemental Group attaches great importance to the protection of human rights, ensuring their constant observance. An important element of the Group's policy is also effective communication and implementation of the principles contained in the Code of Ethics.

The Code of Ethics consists of four main areas:

- Human rights – covering topics such as: employee rights; dialogue, freedom of association and the right to collective negotiations, health and safety at work in the workplace, prohibition of child labor, fair pay and remuneration principles, work-life balance, prohibition of discrimination and workplace bullying.
- External relations – governing relations with business partners, public administration and non-governmental organizations, promoting fair competition, anti-corruption activities, and managing conflicts of interest.
- Protection of the natural environment – taking into account the Organization's commitments to achieving sustainable development.
- Protection of information, business property and personal data – ensuring information security and responsible management of the Group's resources.

The Elemental Group remains politically neutral. If any involvement of employees or collaborators in political activities takes place, it is their individual and private initiative. The Elemental brand cannot be used for political purposes, and the fact of being employed by the Group cannot be used for political purposes. All forms of support for social initiatives are transparent and public.

In case of any doubts or suspected breach of the Code of Ethics, employees should immediately report this fact in accordance with the Whistleblowing Procedure.





Prevention of corruption

The Anti-Corruption Policy, together with the Code of Ethics, the Whistleblowing Procedure, the Anti-Mobbing Policy, and other regulations constitute the compliance system.

The Group does not tolerate any form of corruption, regardless of its scale. Employees, collaborators and members of the boards of subsidiaries are required to read the Policy and comply with it, which is a necessary condition for further cooperation. Violation of rules may result in disciplinary sanctions, including termination of the contract. More precise rules regarding conflicts of interest were also adopted during the reporting period.

The Group keeps records of benefits received and offered, as well as a central register of donations and sponsorships. Gifts may be accepted or given, but should be of a symbolic financial value only.

Mechanism of reporting violations

As part of implementing best practices, the Elemental Group has created a system dedicated to report violations. The procedure enables confidential or anonymous reporting and the available channels include:

- Written correspondence,
- Alert boxes in workplaces,
- E-forms available on the Group's and (or) subsidiaries websites,
- E-mail to a dedicated address.

Reports are sent to the Ethics Officer or, in certain cases, to the Management Board. Each report is analyzed by the Irregularity Team, which, after conducting an investigation, prepares a report containing recommendations for further action. The Management Board makes the final decisions and the reporting person receives feedback about taken steps. The system provides full protection for whistleblowers, enabling them to avoid any retaliatory actions. Every newly employed person must read the procedure for reporting violations.

Management board

The Management Board of the parent company is the top management body. It manages the Group’s affairs and represents it towards the outside, sets development directions, is responsible for implementing the strategy, manages assets and strategic risks. Members of the Management Board are appointed and dismissed by the General Meeting of Shareholders. During

the reporting period, the Management Board consisted of four members. None of the Management Board members represented employees or other persons performing work. All Management Board members have relevant skills and knowledge required to perform their functions, including those in the area of ESG. The Management Board members broaden their knowledge in the field of ESG by participating in meetings with experts, conferences and by exchanging knowledge within the Organization. Remuneration of the Management Board members is not linked to ESG objectives.

Composition of the Management Board as at 31 December 2024



Paweł Jarski
President
of the Management Board



Adam Kłapszta
Member
of the Management Board



Jakub Łomacz
Member
of the Management Board



Anna Sergiel
Member
of the Management Board

75%

of the Management Board members
are men

25%

of the Management Board members were
in the age group above 50 years

75%

of the Management Board members fell
into the age group of 30–50 years

25%

of the Management Board members
are women

Supervisory board

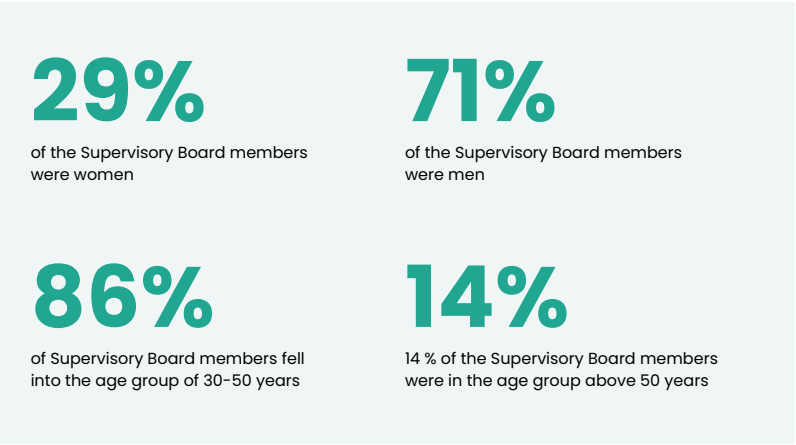
The Supervisory Board exercises constant supervision over the Group’s operations in all areas of its business and may request reports and explanations from the Management Board and employees.

In the reporting period, the Board consisted of seven members. They are appointed and dismissed by the General Meeting of Shareholders. In 2024, Tomasz Krzywański was appointed to replace Lidia Banach-Hoheker, who was resigning from the Board.

The biographies of the Supervisory Board members can be found on the Elemental Group website. All members have the required skills and knowledge, also in the area of sustainable development. The Chairman of the supervisory body is not a member of the management team. Remuneration of the Supervisory Board members is not linked to ESG objectives.

The following committees have been established within the Supervisory Board:

- Audit Committee
- Risk Committee
- ESG Committee



Composition of the Supervisory Board as at 31 December 2024

Name and surname	Audit Committee	Risk Committee	ESG Committee
William Thomas Bird		✓	
Agata Jarska		✓	✓ Chairwoman
Tomasz Krzywański			
Tomasz Malinowski	✓ Chairman	✓ Chairman	
John Mantzavinatos	✓		✓
Paweł Szaja			✓
Zofia Szewczuk	✓		

General meeting of shareholders

The General Meeting of Shareholders is vested such competence as: the election and dismissal of members of the Management Board and the Supervisory Board and the establishment of remuneration principles.



Risk management

The Elemental Group identifies risks in order to manage them appropriately and mitigate their potential negative impact. This also applies to the ESG perspective. Managing environmental and social impact requires cyclical analysis of risks and addressing them so as to ensure continuity of business processes.

The Management Board ensures the functioning of the risk, impact and opportunity management system for the entire Group. Management Boards of respective subsidiaries are responsible for risk management in their entities. Managers of organizational entities or other persons designated by the Management Board are the owners of risks identified in various management areas. The Supervisory Board supervises this process as part of its duties, using the Audit Committee and the Risk Committee. The Group is developing an internal control system, which is subject to regular reviews by the internal audit function.



The risk assessment and management process is cyclical and requires regular monitoring and review. Five main risk areas have been identified within the Group:

Risk description	Mitigation method
1. environmental and climate risks: this area covers risks related to environmental pollution, energy consumption and impacts on biodiversity and climate change (transformational and physical risks);	The Group focuses on minimizing these risks through consistent use of state-of-the-art technologies and practices. It minimizes the risk of harmful impact of waste on the environment by processing used materials in controlled conditions, which reduces the emission of toxic substances into the environment. Additionally, recycling strategic raw materials is less energy-consuming than their original production, which contributes to lower levels of CO ₂ emissions. The Group also assesses risks related to climate change that could affect the business; currently these risks are not at a high level. It establishes cooperation with reliable, global business partners.
2. regulatory risk: this area covers risks arising from changes in legislation applicable to recycling and waste management, including waste transport, as well as requirements in the scope of sustainable development and ensuring compliance with regulations in the Group;	The Group has focused on effective regulatory risk management by building strong internal structures that provide, among other things, legal support and regulatory compliance for its subsidiaries. In addition, as regards issues requiring specialist knowledge, companies consult legal advisors and external experts to have the best understanding of potential effects of changes in regulatory laws and take relevant actions.
3. operational risk: this area includes risks related to maintaining key business processes, as well as risks related to the availability of raw materials and maintaining high quality of recycling processes. It also includes risks related to the efficiency of IT infrastructure and cybersecurity, as well as other processes implemented by the Group to be able to carry out business activity;	The Group constantly aims at expanding its network of suppliers of catalysts, waste equipment and non-ferrous metals in order to minimize the risk related to the availability of raw materials. The Group companies become present in new markets and the Group's Management Board is also involved on a proactive basis in acquisition processes. Elemental also manages technological risks by developing relevant internal structures, systems and tools that ensure security in this area and enable better data management as well as taking quick and effective business decisions. In addition, it actively improves business and support processes to increase the efficiency of its operational activities.
4. financial risks: this area covers risks related to providing capital for planned and implemented investment projects and current operating activities;	The Group manages this risk by developing and improving the ESG management system, which translates into the ability to obtain financing for investments and current operations.
5. human right and social risks: this area includes risks related to expectations of the local community, the supply chain. This risk is also related to the HR area – attracting and retaining talent, building a committed and safe place of work.	The Group companies focus on building positive relationships with local communities, employees and contractors through active cooperation. Additionally, they place great emphasis on transparent communication regarding activities related to sustainable development. The Group has also adopted a Stakeholder Engagement Strategy and a Human Resource Management Strategy, which define goals for the Group in these areas and, consequently, facilitate risk management in this area.

Effective management of these risks requires a proactive approach, regular monitoring and implementation of modern technologies and practices to minimize potential negative effects and ensure sustainable development of companies in the metal recycling industry.

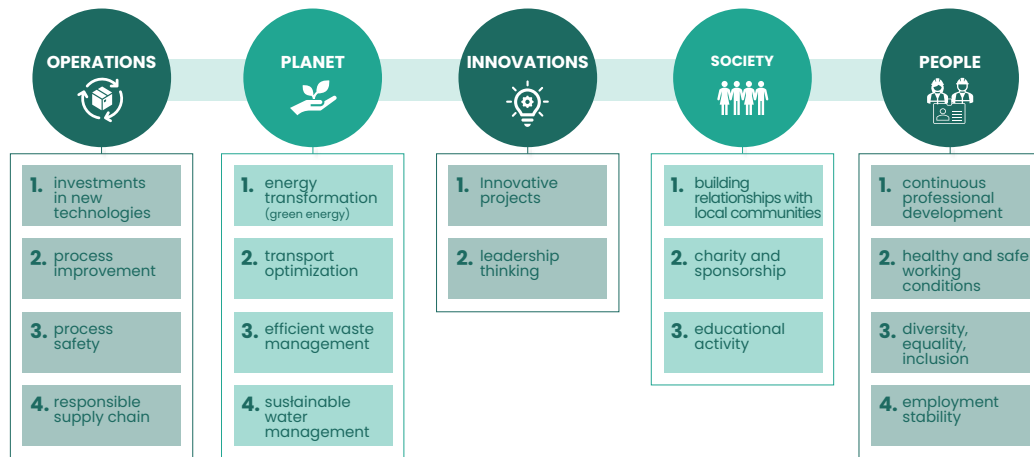


1 ESG strategy and social and environmental impact management system

From the very beginning of its existence, the Elemental Group has actively supported the development of a circular economy, while taking care of the natural environment and the social environment.

In order to better manage risks, impacts and opportunities, it has adopted the ESG Strategy, which the Group has been implementing since 2023. This document is intended to create and develop an effective organization, aware of its impact on the environment and ready to take actions to mitigate potential negative effects. The Group's goal is to increase business agility and become an ESG leader in the metals industry. More information about actions taken as part of the strategic directions can be found in the subsequent part of this Report.

Pillars of the ESG strategy at Elemental:



Sustainable development management structure

To ensure effective implementation of the ESG Strategy, the Group has developed a transparent management model in which respective corporate bodies play specific roles in the field of supervision and management of social and sustainable issues. This allows them to have access to expert knowledge and ensures comprehensive implementation of the strategy.

The Supervisory Board oversees the implementation of the ESG strategy, whereas the Management Board controls and coordinates its application. A key role in this process is played by the ESG Management Team, responsible for monitoring, updating and improving the strategy, as well as for its full implementation. Its main duties also include: identifying stakeholders' expectations in the context of Elemental's commitments. The Team consists of: Financial Director, Sustainable Development Director, Internal Audit Director, Compliance Department Director, and Communication Director, who all report to the Management Board.

The Group's Management Board takes into account environmental and social issues when developing strategies and projects and monitors the achievement of objectives. The Supervisory Board exercises general supervision over the implementation of the ESG Strategy.





2 ACTIVITIES AND RESULTS

This part of the Report will present activities undertaken in order to implement the assumptions of the Elemental Group's ESG Strategy, which provides for five strategic directions of development:

1. OPERATIONS



	During the reporting period, the following implementations took place:
Investments in new technologies	
<p>We invest in technology that increases the efficiency and safety of our processes:</p> <ul style="list-style-type: none"> • metal analysis laboratories • installations designed to process bulky waste in an environmentally safe manner • industrial sewage treatment plants • investments in recycling technologies for Li- Ion batteries and spent catalytic converters, as well as waste electrical and electronic equipment 	<ul style="list-style-type: none"> • launch of a modern production plant for battery recycling and refining platinum group metals from spent car catalytic converters, using the best available technologies (e.g. industrial wastewater treatment plant with closed water circulation); • launch of a modern refrigerator processing plant (WEEE segment).
Process improvement	
<ul style="list-style-type: none"> • we have created an interdisciplinary team that brings together specialists from various departments in order to streamline operational processes, increase the efficiency and effectiveness of our activities and develop common regulations for the Group 	<ul style="list-style-type: none"> • cross-area cooperation and cooperation between Group subsidiaries; • review of selected processes and procedures.
Process safety	
<ul style="list-style-type: none"> • we are implementing a common Personal Data Security Policy for the Group • we are implementing a common IT Security Policy for the Group • we are implementing a common Occupational Health and Safety Policy for the Group 	<ul style="list-style-type: none"> • implementation of good practices and policies in the Group
Responsible supply chain	
<ul style="list-style-type: none"> • when ordering products used in offices and plants, we verify whether the supplier applies the principles of the circular economy • we have implemented environmental and social assessments of suppliers in our Group, we assess whether they meet the requirements of our Code of Ethics, e.g. whether they do not use child labor, forced labor, whether they have environmental permits required by law and whether purchased materials do not come from areas affected by armed conflict • by the end of 2023, we will develop a Supply Chain Management Policy and implement it in the Group by the end of 2024 • by the end of 2024, we will implement solutions aimed at systematical improvement of skills of our supply chain employees to ensure an in-depth understanding of our sustainability transformation plan in relation to cooperation with suppliers and service providers in light of the Code of Ethics 	<ul style="list-style-type: none"> • revision of the Responsible Supply Chain Management and Anti-Money Laundering Policy together with the Supplier Code of Conduct • screening of selected suppliers of the Group

2. PLANET



	During the reporting period, the following implementations took place:
Energy transformation (green energy)	
<ul style="list-style-type: none"> we are moving towards zero greenhouse gas emissions (in scopes 1 and 2) and striving to gradually reduce GHG emissions by 10% p.a. per ton of processed waste we will strive to improve energy efficiency by 5% by 2025 we will strive to achieve 100% use of energy from renewable energy sources (RES) by 2030 we will continue to invest in photovoltaic infrastructure in our plants 	<ul style="list-style-type: none"> calculation of scope 1 and 2 carbon footprint for the Group subsidiaries; starting the process of calculating scope 3 carbon footprint; increase in carbon footprint year-on-year, while simultaneously launching new production lines; increase in the use of energy from renewable sources to approximately 70%; own photovoltaic farm at Elemental Strategic Metals in Zawiercie
Transport optimization	
<ul style="list-style-type: none"> when modernizing the fleet, we invest only in new means of transport that meet the EURO 6 emission standard, by 2026 – 100% of our fleet will meet the EURO6 standard when hiring an external transport service, we make sure that vehicles meet the exhaust emission standard of at least EURO 4 we modernize the passenger car fleet to include vehicles with smaller engine capacity (up to 1.6 l) or electric vehicles we train employees in cost-saving and safe driving we regularly service our vehicles 	<ul style="list-style-type: none"> gradual modernization of the car fleet
Efficient waste management	
<ul style="list-style-type: none"> we increase waste collection levels, ensuring environmentally safe recovery of secondary materials we increase the level of waste recycling we reduce the level of waste sent for disposal we reduce the use of non-recyclable materials in production processes we take care of segregation of municipal waste we strive to increase the level of waste processed by at least 5% per year 	detailed data are presented in the part of the Report dedicated to waste management and circular economy
Sustainable water management	
<ul style="list-style-type: none"> we increase the level of treatment of dirty rainwater we return clean rainwater to the natural environment we will conduct environmental audits of our plants to identify equipment requiring replacement by 2025, we will modernize the equipment for purifying dirty rainwater in our plants 	for more details, see the water management part of the Report

3. INNOVATION



	During the reporting period, the following implementations took place:
Innovative projects	
<ul style="list-style-type: none"> construction of the plant in Zawiercie – investment in recycling technologies for Li-ion batteries, spent catalysts and printed circuit boards Zawiercie – the plant that will be equipped with innovative technologies and advanced environmental protection systems, with RES installations, advanced sewage treatment plants, located in an industrial zone and with respect for rights of the local community 	<ul style="list-style-type: none"> launching a modern production plant for battery recycling and refining platinum group metals from spent automotive catalytic converters, using the best available technologies (e.g. industrial wastewater treatment plant with closed water circulation)
Leadership thinking	
<ul style="list-style-type: none"> development of our Group is largely based on the acquisition of companies that are leaders in local markets. We offer our partners access to new sales markets, joint logistics solutions, access to capital. We share our knowledge on sustainable development and together we strive to build a circular economy 	<ul style="list-style-type: none"> further integration of companies that have joined the Elemental Group in recent years, development plan for the Romanian market

4. SOCIETY



	During the reporting period, the following implementations took place:
Building relationships with the local communities	
<p>We cooperate with local communities and international organizations:</p> <ul style="list-style-type: none"> Elemental Group companies are members of many international organizations we are involved in dialogue with the local community and cooperate with local authorities 	<ul style="list-style-type: none"> dialogue with local communities in regions where we have production plants
Charity and sponsorship	
<ul style="list-style-type: none"> as part of implementing our ESG strategy, we strive to follow a coherent and reliable strategy for charitable activities. Elemental, originating from Poland, has been supporting Polish triathlon and outstanding Polish athletes for years. Thanks to the involvement of the Management Board in activities of the Polish Triathlon Association, the European Triathlon Championships have been held in Poland for several years. Group companies engage in numerous local initiatives to respond to the needs of the communities in which they operate we strive to develop a common strategy for charitable activities for the Group we will continue to support our employees in volunteering initiatives 	<ul style="list-style-type: none"> continued commitment to the development of sports continuation of charitable activities carried out by the Group
Educational activities	
<ul style="list-style-type: none"> we organize proactive educational activities dedicated to waste management and its positive impact on environmental protection by mid-2024, we will create a knowledge center for the recycling of strategic metals in Grodzisk Mazowiecki 	<ul style="list-style-type: none"> continuation of activities for pro-ecological education design of the knowledge center, implementation postponed to 2025

5. PEOPLE



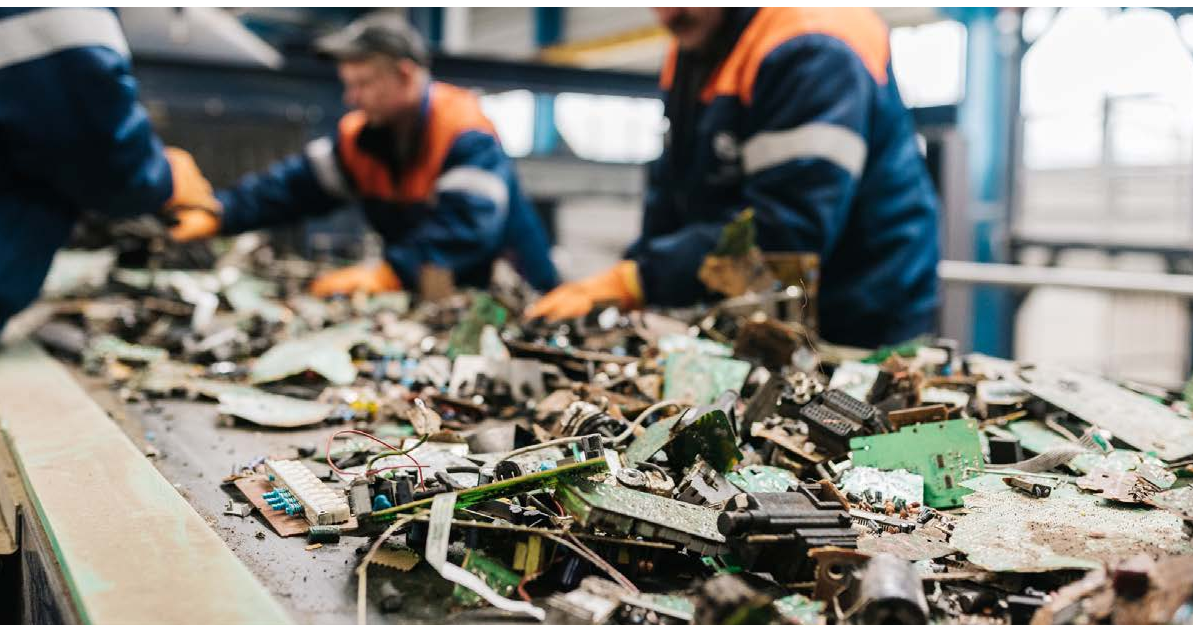
	During the reporting period, the following implementations took place:
Continuous professional development	
<ul style="list-style-type: none"> • we conduct regular and diverse employee training • we support the education and development of our employees through subsidies and flexible working hours • we participate in government HR development programs • we monitor the number of training courses and workshops conducted, as well as their topics • since 2024, we have been implementing annual training plans in the Group 	<ul style="list-style-type: none"> • continuation of development activities • training plans for Polish companies
Health and safe working conditions	
<ul style="list-style-type: none"> • we create a safe working environment, open to dialogue and diversity of opinions • by the end of 2023, we will implement an employee satisfaction survey across the Group • in 2024, we will develop a list of benefits that we guarantee to our employees in each company within the Group, adapted to the cultural and economic environment in the region 	<ul style="list-style-type: none"> • continuation of activities in this area • employee satisfaction surveys conducted in Polish and Lithuanian companies, coverage of all employees planned for 2025–2026
Diversity, equality, integration	
<ul style="list-style-type: none"> • we support and respect the diversity of our employees. We promote recruitment and management of staff based on skills and performance, regardless of age, ethnicity, gender or cultural background • we collect data on equal pay for women and men, employment figures split by age group and gender. By the end of 2023, we will develop a methodology to analyze collected data, taking into account the nature of respective positions and companies • we investigate the number of reports about discrimination or bullying in the organization <p>we strive to:</p> <ul style="list-style-type: none"> • increase the level of diversity in terms of both age and gender (with full respect for origin or religion) • our goal is to achieve at least 30% of women employed in managerial positions as compared to men • our goal is to achieve a pay gap of no more than 5% by the end of 2026 • we will implement mandatory unconscious bias training for all employees and additional training for employees holding management and leadership functions 	<ul style="list-style-type: none"> • continuing efforts for equality and diversity • collecting data on diversity • postponing the development of a unified system to analyze salary levels to subsequent years
Work safety	
<ul style="list-style-type: none"> • we will increase the level of safety of our employees by reducing the number of accidents and injuries at work • we will introduce internal audits in the scope of occupational health and safety. We will implement the Occupational Health and Safety Policy • we investigate causes of accidents and plan preventive measures • we strive to reduce the accident rate in our plants by 30% by 2025 and by 50% by 2027 • we measure the accident rate in our plants per man-hour • we will increase the number of plants in the Group that have implemented the ISO 45001 system 	<ul style="list-style-type: none"> • continuing efforts to ensure a safe workplace • collecting data on occupational health and safety in subsidiaries



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(E) Circular economy

The Group's activities in the area of waste management focus on waste collection and recovery, with particular emphasis on recycling of waste containing precious metals, including those from the platinum group (PGMs). This is a key element in developing a circular economy, which contributes to the efficient use of raw materials and reducing the exploitation of natural resources. Putting metals back into circulation reduces the need for their primary extraction, which not only saves valuable raw materials, but also significantly reduces the negative impact on the environment in comparison to traditional mining methods.



The Elemental Group operates in the so-called “urban mining” area, focusing on the recovery of raw materials from waste generated in urbanized areas. This process includes the processing of various types of waste devices and products, such as computers, televisions, mobile phones and household appliances.

The Group’s core business is management of waste, which is collected from contractors and subjected to recycling and other recovery processes. Elemental also ensures proper management of waste generated in its own operations. The priority is to maximize the recovery of raw materials, in line with the waste management hierarchy. There are also two stores in Poland and Lithuania where equipment prepared for reuse can be bought, compliant with the idea of extending the life cycle of products.

The Group’s objective is to increase the amount of waste processed by monitoring its volume and processing method with the use of dedicated recording systems.

The growth strategy in this area includes:

1. expansion of the waste collection network,
2. takeovers of companies specializing in its recovery,
3. educating the society about segregation and recycling,
4. investing in modern recycling technologies.

The Group companies operate pursuant to applicable legal regulations regarding waste management. Depending on the specific nature of their activity, they hold required permits, including for the collection, recycling, transport and storage of waste, also hazardous waste and waste intended for international transport.

Elemental is active in implementing the principles of the circular economy by using both reusable packaging (e.g. big bags, EURO pallets, metal containers) and recyclable materials, such as protective films.

One of the Group’s key investment projects is a modern plant in Zawiercie, which has begun operations in the area of advanced metal recycling and production processes. The plant was designed in line with the principles of sustainable development and its technologies were developed in cooperation with leading Polish universities and international suppliers of innovative solutions.

Waste generated (in tons)

	2022	2023	2024
Total waste generated, including:	199,141.38	268,743.18	218,378.10
Non-hazardous waste	171,342.59	249,023.89	206,952.20
Hazardous waste	27,786.29	19,719.30	11,425.90

Waste subjected to processes other than disposal (in tons)

	2022	2023	2024
Waste subjected to processes other than disposal, including:	113,081.45	175,075.65	202,502.61
Non-hazardous waste	99,754.42	158,568.62	198,943.92
Hazardous waste	13,327.03	16,507.02	3,558.69
a. Total waste prepared for reuse, including	2,870.42	2,235.22	477.80
Non-hazardous waste	2,869.43	2,229.28	473.52
Hazardous waste	1.00	5.94	4.28
b. Total recycled waste, including	39,534.39	103,008.15	201,776.75
Non-hazardous waste	39,297.39	93,191.22	198,326.20
Hazardous waste	237.00	9,816.93	3,450.55
c. Total waste subjected to recovery processes other than recycling and preparation for reuse, including	70,676.63	69,832.27	248.07
Non-hazardous waste	57,587.60	63,148.12	144.20
Hazardous waste	13,089.03	6,684.16	103.87

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Waste sent for disposal (in tons)

	2022			2023			2024		
	Non-hazardous waste	Hazardous waste	In total	Non-hazardous waste	Hazardous waste	In total	Non-hazardous waste	Hazardous waste	In total
Total waste sent for disposal, including:	5,155.06	1,170.05	6,325.06	3,938.84	11.90	3,950.74	6,254.10	267.91	6,522.01
Incineration with energy recovery	11.36	1,167.00	1,178.36	3,446.98	8.52	3,455.50	3,338.85	84.78	3,423.63
Incineration without energy recovery	0.00	0.00	0.00	0.00	0.25	0.25	2,513.32	65.61	2,578.93
Storage	159.20	3.00	162.20	328.16	1.82	329.98	396.69	0.15	396.84
Other disposal operations	4,984.50	0.00	4,984.50	163.71	1.31	165.02	117.37	5.24	122.61

(E) Climate change mitigation and adaptation

The Elemental Group's strategy focuses not only on the global reduction of greenhouse gas emissions through the development of recycling activities, which are more environmentally friendly than traditional mining of raw materials, but also on responsible management of its impact on the environment. Facing climate changes that require comprehensive actions from businesses, the Group undertakes initiatives aligned with the nature of its activities.



All plants of the Elemental Group are located in areas that have already been transformed by humans and that have no material natural value. Additionally, these facilities are located at an appropriate distance from areas of high biodiversity. When considering new locations, the Group conducts an environmental analysis.

None of the Group's operational facilities are located within or in the immediate vicinity of protected areas. Furthermore, none of the Group's owned, leased or managed facilities are located in areas of high biodiversity that could be classified according to international environmental standards such as the IUCN or the Ramsar Convention. There are also no habitats of protected species on the Group's land. In order to minimize the impact on the environment, "green zones" are created in plants – including those located in industrial areas – which partially compensate for the conversion of land for industrial operations.

The Group monitors its scope 1 and 2 carbon footprint, which enables effective planning of actions aimed at mitigation of the impact on the environment. Since 2022, it has been regularly calculating its carbon footprint in accordance with the GHG Protocol. The analysis for 2024, as in previous years, covered emissions generated by the operating activities of the Group companies and the results were consolidated according to the operational control principle.

The calculations used data from sources such as KOBIZE, DEFRA, AIB and Green-e® Residual Mix Emissions Rates. Global Warming Potential rates for refrigerants were determined in accordance with the IPCC Sixth Assessment Report. Emissions related to electricity were calculated using both location-based and market-based methods (in the case of this method, renewable energy had a zero emission rate, therefore there is a visible difference in these categories).

- ACC Recycling Services SRL
- AE Elemental Sp. z o.o.
- Colt Recycling LLC
- Daniel Ball Converter Recycling, Inc
- Elemental Asia S.A.
- Elemental Asia SDN BHD
- Elemental Benelux B.V.
- Elemental Catalyst Recycling
- Elemental EMEA Global Trade Center DMCC
- Elemental Geri Dönüşüm Anonim Şirketi
- Elemental Global Services S.A.
- Elemental Group Consulting Sp. z o.o.
- Elemental Holding SA
- Elemental Strategic Metals Sp. z o.o.
- Elemental Resources Management Ltd.
- EMP Recycling
- E-Market Sp. z o.o.
- Kat Metal Estonia Oü
- Kat Metal Oy
- Legend Smelting and Recycling LLC
- MD Core LLC
- Syntom Slovakia s.r.o
- PGM Group Sp. z o.o.
- PGM of Texas LLC
- Precious Metal for Industry
- PT Prime Recycling Indonesia
- RECAT GmbH
- Syntom Metal Recycling Sp. z o.o.
- Terra Electrorecycling Sp. z o.o.
- Terra Recycling Sp. z o.o.
- Tesla Electrorecycling Sp. z o.o.
- Tesla Recycling Sp. z o.o.

Operational limits of the calculations made

Scope 1 – Direct GHG emissions	Scope 2 – Indirect energy GHG emissions
Combustion of gasoline, diesel, light heating oil, LPG and natural gas.	Consumption of purchased electrical and thermal energy.
Refrigerant-related emissions.	

In 2024, compared to 2023, there was an increase in the number of companies forming part of the Group, but what is the most important, Elemental Strategic Metals started its operations, reporting the highest electricity consumption in the Group. However, it all came from renewable sources. In 2024, there was also a slight increase in the volume of waste subjected

to recovery processes. This in turn translated into higher fuel and energy consumption. The GHG emission intensity indicator¹ in 2024 was 0.0787 Mg per ton of waste processed, which means an increase compared to 2023 (0.0624 Mg). The Group continues its activities aimed at further reduction of its carbon footprint in the coming years.

Carbon footprint by GHG type in 2024 (tons of CO₂e) using the market-based method – without refrigerants

GHG scope	2024 emission	2024 CO ₂ * emission	2024 CH ₄ * emission	2024 N ₂ O * emission
Scope 1	8935.93	8840.94	6.73	88.26
Scope 2	2630.61	2617.23	0.00	0.00
In total	11 566.55	11 458.17	6.73	88.26

*As some emission factors are not broken down into respective greenhouse gases, their total emissions do not correspond to emissions expressed in CO₂e.

Carbon footprint emission using the market-based method (tons of CO₂e)

GHG scope	2022 emission	% of 2022 emission	2023 emission	% of 2023 emission	2024 emission	% of 2024 emission
Scope 1	6,619.75	64.05%	7,465.85	63.64%	8,974.95	77.33%
Scope 2	3,715.44	35.95%	4,266.42	36.36%	2,630.61	22.67%
In total	10,335.19	100.00%	11,732.27	100.00%	11,605.57	100.00%

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Carbon footprint emission using location-based method (tons of CO₂e)

GHG scope	2022 emission	% of 2022 emission	2023 emission	% of 2023 emission	2024 emission	% of 2024 emission
Scope 1	6,619.75	69.60%	7,465.85	67.70%	8,974.95	56.32%
Scope 2	2,892.02	30.40%	3,561.22	32.30%	6,962.01	43.68%
In total	9,511.78	100.00%	11,027.07	100.00%	15,936.96	100.00%

¹ The indicator is calculated as total GHG emissions (location-based) divided by the total mass of waste recovered.

Share of respective emission sources in the carbon footprint (market-based method)

Source of GHG emission	2022 emission [tons of CO ₂ e]	% of 2022 emission	2023 emission [tons of CO ₂ e]	% of 2023 emission	2024 emission [tons of CO ₂ e]	% of 2024 emission
Diesel oil	5,397.76	52.23%	5,382.28	45.88%	6,442.30	55.51%
Electricity	3,700.88	35.81%	4,251.10	36.23%	2,627.74	22.64%
Gas	442.39	4.28%	892.81	7.61%	1,055.37	9.09%
LPG	292.51	2.83%	408.49	3.48%	465.24	4.01%
Natural gas	269.71	2.61%	523.19	4.46%	851.56	7.34%
Heating oil	177.17	1.71%	161.32	1.38%	121.46	1.05%
R410a	40.21	0.39%	97.46	0.83%	37.71	0.32%
Heat	14.56	0.14%	15.32	0.13%	2.87	0.02%
R32	0.00	0.00%	0.31	0.00%	1.31	0.01%
Grand total	10,335	100.00%	11,732.27	100.00%	11,605.57	100.00%

Apart from the reduction of GHG emissions, the Group is committed to improving energy efficiency and increasing the share of renewable energy sources in its balance sheet. In the reporting period, the share of renewable energy increased to almost 70% of total consumption.

Annual consumption of electricity and fuels in the Elemental Group (GJ)

	2022	2023	2024
Energy	30,532.71	31,383.63	66,744.28
including energy from renewable sources	713.14	5,883.20	46,605.76
Diesel oil	66,731.04	77,389.68	92,604.61
Gas	8,516.69	14,236.79	16,934.55
Natural gas	4,822.70	9,320.69	15,148.13
LPG gas	4,707.17	6,573.35	7,486.59
Heating oil	213.79	1,835.29	1,381.81
Heat consumption	179.56	306.95	309.67

Energy and fuel consumption intensity per ton of waste subjected to recovery processes

	2022	2023	2024
Electricity	0.2700	0.1793	0.3296
Diesel oil	0.5901	0.4420	0.4573
Gas	0.0753	0.0813	0.0836
Natural gas	0.0426	0.0532	0.0748
LPG gas	0.0416	0.0375	0.0370
Heating oil	0.0019	0.0105	0.0068
Heat	0.0016	0.0018	0.0015

In 2024, Elemental Group embarked on a significant journey to measure and report its Scope 3 GHG emissions for the first time. These emissions are most substantial part of an organization’s carbon footprint. The Scope 3 GHG emission calculations included direct and indirect – energy-related emissions resulting from the organization’s activities.

The calculations did not include Category 8. Upstream – leased assets, Category 13. Downstream – leased assets, Category 14. Franchises and Category 15. Investments due to a lack of relevant operational activities among them, Category 11. Use of sold products was not included due to the specific nature of the products sold and the lack of sufficient data that would allow for accurate emission calculations.

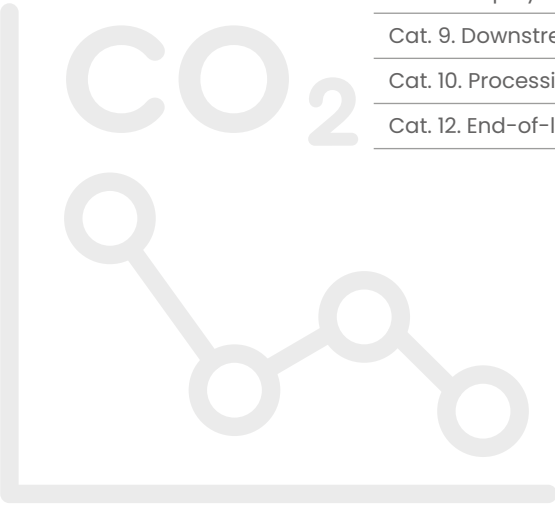
The Scope 3 carbon footprint of Elemental Group in 2024 amounted to:

Operational boundaries of the conducted calculations

Scope 3 – Other indirect GHG emissions
Cat. 1. Purchased goods and services
Cat. 2. Capital goods
Cat. 3. Energy and fuel-related emissions not included in Scope 1 and 2
Cat. 4. Upstream – transportation and distribution
Cat. 5. Waste generated in operations
Cat. 6. Business travel
Cat. 7. Employee commuting
Cat. 9. Downstream – transportation and distribution
Cat. 10. Processing of sold products
Cat. 12. End-of-life treatment of sold products

Carbon footprint emission (tons of CO₂e)

GHG scope	Category	2024 emission
Scope 3	1. Purchased goods and services	7 508,82
	2. Capital goods	7 051,67
	3. Energy and fuel-related emissions not included in Scope 1 and 2	2 942,71
	4. Upstream – transportation and distribution	16 061,14
	5. Waste generated in operations	573,54
	6. Business travel	676,52
	7. Employee commuting	777,47
	9. Downstream – transportation and distribution	4 011,97
	10. Processing of sold products	56 966,96
	12. End-of-life treatment of sold products	1 968,99
	In total	98 539,79





The largest share of Scope 3 emissions (80%) came from three categories – processing of sold products, transport and distribution and purchased goods and services.

The increase in processed waste leads to increased energy and fuel consumption, however the Group implements a number of actions to minimize this effect. Standard practices include extending the life of materials, regular maintenance of machines, replacing lighting with LEDs and reducing energy consumption by optimizing air conditioning and heating systems. In most companies, the temperature in rooms is maintained at 24–25°C in summer and 19–20°C in winter.

Also in terms of transport, environmental friendly actions are taken. When choosing means of transport, criteria such as exhaust emissions, vehicle size and transport efficiency are taken into account. Fleet Policy has been implemented in the majority of companies.

The Elemental Group consistently monitors its consumption and takes steps to reduce its negative impact on the environment, striving to further improve energy efficiency and sustainable development.

The Management Board has adopted a climate-related opportunity and risk management structure that enables the Organization to monitor, report and take relevant actions in the area of the environmental.

9 companies of the Elemental Group have implemented the ISO 14001 environmental management system and obtained relevant certificates. 8 companies have implemented the ISO 9001 quality management system and obtained relevant certificates.

In 2024, the Group began analysis of its business in terms of compliance with the taxonomy provided for in the EU Taxonomy, however, due to the announced amendments to the regulations already adopted, this process has not been completed and will be continued in 2025.

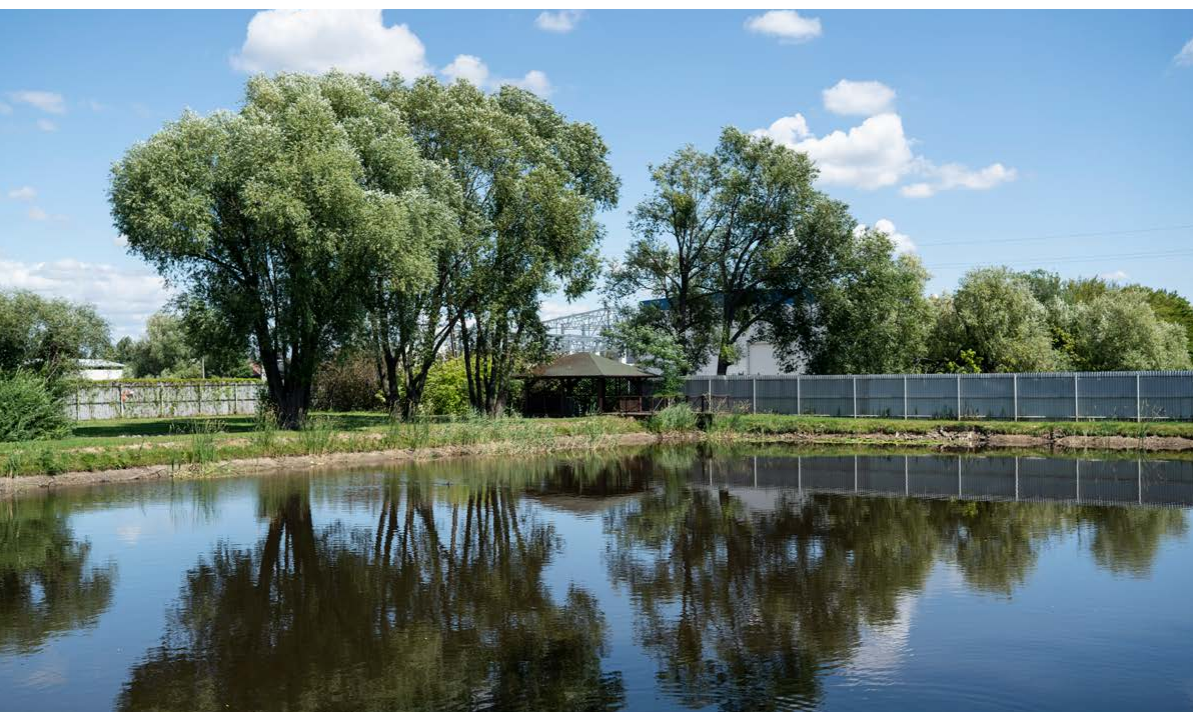


(E) Water management

The Elemental Group undertakes numerous activities to optimize water consumption, both in domestic use processes and in technological processes. Most of the Group companies use municipal water supply networks and in one location (Lithuania), water from a deep well is used without having any negative impact on the local environment.

Total water intake (liters)

	2022	2023	2024
Total water intake for domestic uses, including:	17,971.33	16,973.87	24,955.48
Water intake from municipal water wells/pipelines	16,753.33	15,654.87	23,684.68
Seawater intake	0	0	0
Surface water intake	0	0	0
Deep water intake	1,218.00	1,319.00	1,270.80
Water intake from drainage	0	0	0
Total water intake for technological purposes (from municipal pipelines)	No data available	217.50	10,500.00



In order to reduce water intake, technological solutions are used, such as photocells and aerators in taps or timers in shower faucets. Rainwater is used to irrigate greenery areas and in some plants it is collected for fire-fighting purposes.

Water used in technological processes in some plants is recycled, while in others it is directed to the municipal sewage system. Elemental Strategic Metals is a company which, due to its scale of operations and implemented processes, recorded the largest water intake in the entire Group, both as regards water for domestic uses and for technological processes. However, industrial sewage is not transferred to the sewage system because a closed circuit was used. Total amount of sewage discharged by the Group Companies in 2024 amounted to 24,392.78 liters.

Furthermore, the Group undertakes activities aimed at minimizing the impact on the soil and water environment, including control of the quality of rainwater and storage of raw materials in closed tanks. In 4 plants, dirty rainwater is collected and introduced into settling tanks, then into oil separators; 4 plants use clean water after purification for fire-fighting purposes, collecting it in tight retention and evaporation tanks, and in the case of 2 other companies, this sewage is discharged into the municipal sewage system.



(E) Education

The Elemental Group places great emphasis on building social awareness and promoting responsible behaviors in the context of environmental impact. These activities are aimed at both employees (e.g. internal communication via newsletter or intranet) and other stakeholders.

WEEE waste management companies conduct communication campaigns encouraging consumers to return such equipment to authorized entities. For example, EMP Recycling offers a free collection service called EMP taxi in larger cities in Lithuania, where residents can order collection by phone or online. They also provide waste containers for companies and institutions, which are regularly emptied and the collected devices are processed.

In Poland, Terra Recycling continued to collect WEEE waste, which can be placed in containers near people's places of residence. Containers are currently available in selected cities of the Mazovian Voivodship. In 2024, a total of 233,352 tons of waste was collected in this way. Also in the reporting period, Terra Recycling began cooperation with Poczta Polska and MB company. A pilot collection of small RTV and household appliances was organized. For the purposes of this cooperation, a special type of containers was created, which can be found in post offices or office premises. These containers are provided with instructions about what devices that can be placed in them. This builds awareness of responsible waste management. Waste is collected and transported to specialized recycling points. The pilot project was conducted in post offices located in three voivodships.

Educational activities also include a series of educational trips for school and preschool children who visited Elemental Group companies in 2024 – Terra Recycling, Terra Electrorecycling and Tesla Recycling. During the meetings, the youngest were introduced to the principles of operation of the plants, methods of processing waste electrical and electronic equipment and the benefits of recycling. During the visits, the children had the opportunity to see the process of recovering raw materials and learn about the possibilities of reusing materials. Elemental's internal experts were the guides to the world of recycling. Within the framework of this initiative, six trips were carried out, in which a total of 180 children took part.

In 2024, the "Build Your Own Beat Machine" workshop was organized in Bydgoszcz Tesla Electrorecycling supported this initiative and participants had the chance to create their own electronic musical instruments.

The Lithuanian company EMP Recycling continued its commitment to environmental education. For years, it has been cooperating with the University of the Third Age, also promoting the idea of a circular economy and responsible waste management among adults. EMP Recycling also began cooperation with the Centre for Contemporary Art, to which it will supply waste electronic and electrical equipment to be used in exhibitions, thus raising awareness of sustainable development.

As every year, experts from the Elemental Group took part in industry events, sharing their knowledge and experience in the area of circular economy and recycling. Representatives of the Group were present, for example, during the European Economic Congress in Katowice, the Climate conference Leadership 2024 in Warsaw or industry events in Lithuania – Waste Forum 2024 or Sustainability Plan 2024.





(s) Elemental's team

The Elemental Group owes its stable development to the team of people who create it. In order to best support employees and collaborators, a uniform human resource management system is implemented throughout the Group, thus providing tools to build a safe and engaging work environment. This enables attracting and retaining talented employees as well as increasing the level of engagement and job satisfaction.

As an international organization, Elemental places great emphasis on building teams based on respect and diversity. The priority is absolute respect for human rights, which includes:

- a ban on the employment of children under 15 years of age and the use of forced labor (the employment of minors aged 15–18 is possible only in accordance with national regulations, e.g. for the purpose of acquiring professional qualifications),
- prohibition of all forms of discrimination,
- counteracting workplace bullying,
- respect for freedom of association and the right to collective bargaining.

As part of counteracting workplace bullying, the Group has implemented the Anti-Mobbing Policy, which specifies standards of conduct and mechanisms for responding to manifestations of discrimination, bullying and harassment. A procedure for reporting irregularities has also been introduced, enabling anonymous reporting of violations via alert boxes and an online form. Each report is sent to the Ethics Officer in the parent company. Additionally, anti-bullying training for employees was planned in the reporting period and carried out in January 2025.

The Elemental Group employs nearly 1,400 people who work and cooperate with its companies in Europe, Asia and North America. In this report, we present the employment status as of 31 December 2024. Employment data includes people at all levels of employment except for company management boards and the Supervisory Board. A distinction was also made between staff working based on an employment contract and on the basis of other forms of cooperation.

People employed in the Elemental Group work in different regions of the world, have different skills and qualifications. The companies that make up the Group are either micro, small or medium-sized entities, taking into account the criterion of employment size in accordance with the Corporate Sustainability Reporting Directive (employing up to 250 people).

Employment in the Elemental Group as of 31.12.2024 (in persons)

Position	2024		
	Women	Men	Total
Director	15	46	61
under 30	2	1	3
31–50	9	32	41
over 50	4	13	17
Manager	21	86	107
under 30	0	8	8
31–50	17	58	75
over 50	4	20	24
Coordinator	11	30	41
under 30	1	4	5
31–50	8	17	25
over 50	2	9	11
Senior specialist	25	154	179
under 30	2	23	25
31–50	19	105	124
over 50	4	26	30
Specialist	130	351	481
under 30	21	64	85
31–50	82	204	286
over 50	27	83	110
Junior specialist	33	108	141
under 30	13	23	36
31–50	16	63	79
over 50	4	22	26
Assistant	40	200	240
under 30	7	52	59
31–50	22	66	88
over 50	11	82	93
Total	275	975	1250
under 30	46	175	221
31–50	173	545	718
over 50	56	255	311

Employment in the Elemental Group as of 31.12.2024, broken down by work area (in persons)

Area	2024		
	Women	Men	Total
Office	201	164	365
under 30	36	19	55
31-50	130	108	238
over 50	35	37	72
Transport / Logistics	4	144	148
under 30	0	18	18
31-50	4	91	95
over 50	0	35	35
Production	70	667	737
under 30	10	138	148
31-50	39	346	385
over 50	21	183	204
Total	275	975	1250
under 30	46	175	221
31-50	173	545	718
over 50	56	255	311

Employment in the Elemental Group as of 31.12.2024, broken down by region of employment (in persons)

Region	2024		
	Women	Men	Total
EU	191	669	860
under 30	35	99	134
31-50	120	365	485
over 50	36	205	241
Asia	8	10	18
under 30	0	3	3
31-50	8	7	15
over 50	0	0	0
USA	65	244	309
under 30	6	58	64
31-50	40	143	183
over 50	19	43	62
ME	11	52	63
under 30	5	15	20
31-50	5	30	35
over 50	1	7	8
Total	275	975	1250
under 30	46	175	221
31-50	173	545	718
over 50	56	255	311

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Employment by the period of employment in the Elemental Group as of 31.12.2024 (in persons)

Period of employment	2024		
	Women	Men	Total
Total	275	975	1250
fixed term	39	160	199
permanent term	236	815	1051

Number of non-employees cooperating with the Elemental Group as at 31.12.2024 (in persons)

Type of cooperation	2024		
	Women	Men	Total
Other contract (including B2B)	23	84	107
under 30	2	4	6
31-50	19	58	77
over 50	2	22	24
Commission/specific work contract	6	18	24
under 30	3	7	10
31-50	2	6	8
over 50	1	5	6
TOTAL	29	102	131



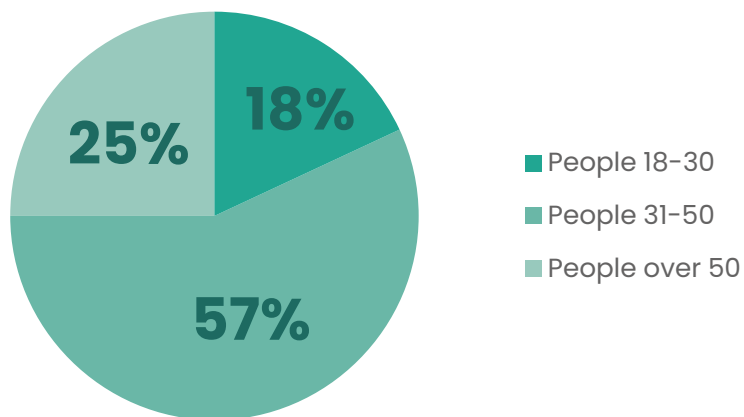
(S) Equal opportunities and working conditions

Diversity and Equality

Elemental values the strength brought by diversity to the organization and actively promotes equal treatment. The key assumption is to counteract all forms of discrimination, regardless of age, gender, origin or other personal characteristics. At all stages of cooperation, skills, knowledge and qualifications are the decisive criteria.



Division of the Elemental Group employees by age



Due to the specific nature of the industry, the majority of employees are men. However, the Elemental Group undertakes a number of activities to ensure equal opportunities, including:

- creation of a transparent organizational structure with clearly defined positions and requirements,
- prohibition of introducing discriminatory criteria in recruitment and promotion processes,
- analysis of remuneration policies to identify potential inequalities.

Any organizational changes introduced must be communicated at least 7 days in advance and in the case of countries requiring longer deadlines – in accordance with local regulations.

Two companies have collective agreements in place, covering all employees. In addition, nine companies have adopted the Regulations of Electing Works Councils.

In 2023, employee satisfaction surveys were also conducted in Polish companies and one Lithuanian company. The results of these surveys were used to develop activities tailored to employees' needs.

Considering the complexity of the Group, by the time of carrying out a detailed analysis of remuneration policies in respective companies and for respective positions, a comparison of remuneration between women and men will not be presented. Furthermore, the current data processing does not enable precise monitoring of such indicators at the level of the head office.

Women in the Elemental Group

29%

of women in the Supervisory Board

25%

of women on the Management Board

22%

of women employed in total



Benefits and Work-life balance

The Elemental Group supports work-life balance. Employees can perform work on a remote basis whenever possible, as well as taken parental and child-care leaves as prescribed by local laws. In countries where such possibilities are not regulated by law, they are offered as an extra benefit. In 2024, 24 women and 13 men took parental leaves (maternity/ paternity /child-care leave).

The Elemental Group offers a wide range of benefits, such as:

- life, personal accident and disability insurance,
- private medical care,
- Christmas vouchers,
- gym passes,
- employee meals,
- extra days off.

The type of benefits may vary across companies, but all employees of a given company have equal access to them, regardless of their working time basis.

In companies where local regulations do not provide for certain benefits, the Group offers, among other things, additional health and pension insurance and the possibility of taking child-care leave.





Development and training

Elemental focuses on the development of its employees, adapting the training offer to their needs and career paths. In 2024, employees participated in courses devoted to, inter alia:

- learning foreign languages,
- logistics and transport,
- trade negotiations,
- professional qualifications,
- accounting and finance,
- environmental protection,
- team management,
- information security,
- counteracting workplace bullying.

In 2024, the total number of training hours amounted to 12,219.25. The average number of hours per woman working in the Organization was 10.3, while per man it was 9.63.

Total number of training hours in 2024 by employment category and gender

	Director	Manager	Coordinator	Senior Specialist	Specialist	Junior Specialist	Assistant
Woman	484	182.5	193.75	254.5	1,074.25	187.75	196.5
Man	306.25	473	536.25	459	3,912.75	679.75	3021
Total	790.25	655.5	730	713.5	4,987	867.5	3475.5

(s) Occupational health and safety

Occupational health and safety is a key management area in the Elemental Group. Due to the specific nature of the business, the priority is to ensure the protection of employees and collaborators. Each employee is covered by the OHS management scheme applicable in the Group. The goal of the solutions put in place is to ensure maximum safety and health protection for all employees. OHS management is an integral part of the socio-environmental management system and is based on applicable legal regulations and best practices. As part of this procedure, companies may adopt additional internal regulations, adapted to the specific nature of their business.



Seven Group companies are ISO 45001 certified:

- Colt Recycling
- Elemental Geri Dönüşüm
- EMP Recycling
- Syntom Metal Recycling
- Terra Recycling
- Tesla Electrorecycling
- Tesla Recycling

Regular OHS inspections and audits are carried out, adjusted to applicable laws and regulations in respective countries. In the companies, people responsible for improving the OHS management system have been appointed and data on accidents, audits, controls and corrective actions are reported to the Sustainable Development Department.

Hazard identification, risk assessment and incident investigation

As part of Occupational Health and Safety management, potential hazards are regularly identified and risk analysis is carried out. Various factors are taken into account, such as:

- inappropriate employee behavior,
- working environment, infrastructure and equipment of workstations,
- environmental and fire hazards.

The risk assessment performed allows implementing relevant preventive measures. Outcomes of the occupational health and safety activities and the assessment of job risk are analyzed on a year-on-year basis. Full documentation, including audit results, accident and occupational disease records, is archived and used to implement improvement actions.

The key role in implementing safety measures is played by managers of plants belonging to the Group companies, who are responsible on a daily basis for the highest standards of work of both their own employees and subcontractors who perform work on the company premises. The Group companies also ensure involvement of employee representatives in consultations in the area of occupational health and safety. The consultation obligation in particular relates to aspects of occupational risk assessment for all job positions. Employees are invited to share knowledge, experiences and observations. The purpose of engaging employees is to make them aware of the importance of critical analysis of their own behavior and avoiding routine, and to sensitize them to the need to report any threats and irregularities noticed. Group plants also hold occupational health and safety meetings, which, depending on the adopted program, may be meetings of employees with representatives of the OHS Service, meetings of management staff or meetings of the OHS Service with the Management Board of a given company.

Fire protection and emergency medical rescue

Provision of effective fire protection is an important aspect of the OHS management. Higher risk areas are identified in plants, such as storage areas of refrigerant, gas cylinders or the area around ball mills. All companies use hazard zone labelling and inform employees about potential dangers and procedures to follow in these places.

Most Group companies have rescue teams consisting of trained employees, having knowledge about evacuation procedures, operation of fire extinguishing equipment and first aid. In addition, some companies have developed special procedures for responding to threats such as fires and explosions.

OHS communications and training

Each employee and collaborator of the Group receives comprehensive training on OHS rules, adapted to their position and scope of duties. Educational activities include:

- general and job-specific training,
- periodic training,
- first aid courses,
- emergency situation simulations,
- drills with local fire brigades.

The plants are properly marked in terms of safety, including with evacuation and fire protection marks. Anyone entering the company premises is required to comply with OHS regulations and use personal protective equipment.

Preventing and mitigation of occupational health and safety consequences directly related to business relationships

The Group companies, especially in investment processes, ensure through relevant contractual clauses, as well as through monitoring of whether they are properly complied with, that construction service providers and their subcontractors have been trained in the field of occupational health and safety before starting work. The companies hire contractors who have technical capabilities to manage the occupational health and safety of their employees by providing them with required personal and collective protective equipment and equipping their work areas with required devices.



Work-related accidents and injuries

The Group's priority is to eliminate the risk of accidents. In the event of an incident, investigations are carried out and corrective measures are implemented. Accidents, injuries and other hazards are recorded as specified in local laws.

In 2024, no fatal or collective accidents were recorded in any of the companies. However, mechanical injuries such as fractures, sprains, bruises and cuts were recorded. No cases of occupational diseases were reported.

Accident rate in the Elemental Group

	2023	2024
Total number of accidents at work	20	47
Total number of hours of absence from work due to occupational accident	3,636	4,545

* the average annual number of working hours per employee in the company is approximately 2,000 working hours

The Group companies ensure safe working conditions, required protective equipment and sanitary infrastructure adapted to needs of the staff. Employees are covered by preventive health care and in some countries medical packages are offered as a benefit.

Promoting a healthy lifestyle, physical activity and preventive examinations is an important element of actions aimed at ensuring the safety and well-being of employees.



(s) Local communities

Effective communication with stakeholders and their engagement play a key role in managing the impact of the Organization on its environment. Regular exchange of information and cooperation can bring benefits to both the company as well as local communities and regions in which it operates.



When entering new markets, the Elemental Group is guided by the principle of respecting the rights of indigenous peoples, as specified in the UN Declaration on the Rights of Indigenous Peoples and the European Parliament Resolution of 3 July 2018 on the protection of their rights. The process of acquiring real estate is subject to the supervision of the Management Board and is subject to analysis to avoid conflicts and ensure full respect for rights of local communities. None of the implemented projects entailed a restriction of access of local communities to land or natural resources. There were also no cases of eviction of people living in a given area without formal rights of use.

Strategic investments are implemented with respect for the rights of local communities and with their involvement. Before starting an investment, a stakeholder engagement plan is developed and then implemented. In the reporting period, particular attention was paid to a dialogue with the local community in Zawiercie, where the new Elemental Group's plant was established. Before the launch of operations, already at the stage of obtaining required environmental permits, an environmental impact report was developed and published in an understandable, non-specialist form on the Group's website. Then, after the official launch of operations, a dialogue is conducted with the local community, which shares its opinions and observations. This resulted in communications about the methods of running the plant, additional tree plantings or other activities that can minimize the impact of the plant on its immediate neighborhood. The plant in Zawiercie operates in compliance with all legal regulations and was built in the economic activity zone, nearby other industrial plants.

Moreover, the intention of the Group is to ensure that ownership of real estate is not acquired through expropriation or other nationally permitted procedures that would be of a compulsory nature. Negotiations with owners leading to settlement may not take place in situations where the lack of agreement would result in expropriation or other compulsory procedures. None of the projects implemented by the Group involve any involuntary restriction of land use or access to natural resources that could lead to loss of access by the community or a specific group of the community. There was no need to evict people occupying land without formal, traditional or recognized rights of use. There were no cases of restriction of access to land or other resources, including communal property and natural resources such as marine and water resources, timber and non-timber forest products, fresh water, medicinal plants, hunting and gathering areas, pastures and cultivated areas.

Sponsoring and Charity

The Elemental Group continues its commitment to sports. In the reporting period, Elemental was a partner of the Polish Triathlon Association and the company's CEO, Paweł Jarski, was the president of the Association. Just as in previous years, the Group supported the Elemental Tri Series triathlon competitions held in Olsztyn and Białystok. The Group also sponsored triathlete Robert Wilkowiecki and supported swimmer Radosław Kawęcki on his way to the 2024 Olympic Games in Paris.



In addition to active support for sports, Elemental is involved in numerous social initiatives in the regions where it operates. Employees of Polish companies have been participating in the Szlachetna Paczka campaign for years, helping people in need. Every year, families from cities where the company has its plants are helped. In 2024, aid was provided to families from Grodzisk Mazowiecki, Bydgoszcz, Tomaszów Mazowiecki and Zawiercie. The Company also actively cooperated with the Zacztyani.org foundation, by organizing book collections and funding two bookcases that support the development of reading.

The year 2024 brought exceptionally difficult conditions for inhabitants of southern Poland, which suffered from floods. The Elemental Group responded immediately, donating PLN 260,000 to the local fund named Fundusz Lokalny Masywu Śnieżnika, thus supporting communities affected by the natural disaster.

Terra Recycling actively participates in the "Eco-collection for Boguś" campaign, organizing the collection of electronic waste and scrap, the proceeds of which are allocated to little Boguś's treatment and rehabilitation.

The Lithuanian company EMP Recycling has been involved in activities for the benefit of society for years. In the reporting period, it continued to support the emotional support hotline, which offers help primarily to young people in mental crisis. The company was also recognized for its support for seniors - in 2024, it received the Social Assistance Order of the Order of Malta in Lithuania, an entity that has been running social programs, helping the elderly, the disabled, and other groups at risk of exclusion.

In order to ensure consistency of sponsorship and charity activities and make them bring real value to beneficiaries, the Elemental Group has set priority areas of engagement: promoting sports and healthy lifestyles, environmental education and supporting local communities. Additionally, the Communication Department keeps a Register of donations and sponsorships, which allows monitoring of all initiatives undertaken in companies and preventing corruption.



2.9

(E, S) Supply chain

The Elemental Group implements the policy of cooperation with suppliers based on transparency, honesty and ethical business principles. The Organization has committed to comply with antitrust regulations and does not accept practices that violate competition rules, such as price fixing, market restrictions or other unfair actions. This applies to relations with both suppliers and recipients. In commercial contacts, the Group pays special attention to the timeliness of settlements, especially to small and medium-sized enterprises.

The Elemental Group attaches great importance to economic, social and environmental aspects of its supply chain. In response to related challenges, in 2023, the Responsible Supply Chain Management and Anti-Money Laundering Policy, as well as the Supplier Code of Conduct, were introduced. In 2024, a review of risks in the Group's supply chain was carried out in terms of social and environmental risks. The purpose of these actions was to adapt tools used by the Group in the best possible, allowing it to identify and then mitigate risks.

As part of raising ethical standards, the Elemental Group has also adopted a Supplier Code of Conduct, which specifies expectations towards business partners. All suppliers and subcontractors are required to read it and accept the rules specified therein before starting cooperation. The Code is publicly available on the organization's website.



The document defines key standards for:

- Compliance with applicable laws at local, national and international levels.
- Conducting business in an ethical way, preventing corruption and avoiding cooperation with high-risk countries.
- Supporting sustainable development and minimizing negative impacts on the environment.
- Absolute prohibition of the use of child labor and forced labor.
- Ensuring equal treatment, diversity and an environment free from discrimination and abuse.
- Guaranteeing safe and hygienic working conditions in accordance with applicable standards.
- Taking care of the health and safety of local communities.
- Protecting personal data and confidential information.

Reading and accepting of the Group's guidelines by suppliers is a condition for establishing and maintaining cooperation. In the event of a breach of standards, the Group may decide to terminate a given business relationship and exclude the entity in question from the list of acceptable counterparties. The Elemental Group reserves the right to conduct audits to assess suppliers' compliance with the Code of Conduct.

In 2024, the Elemental Group also joined the London Platinum and Palladium Market (LPPM) as an Associate Member. This is a confirmation for stakeholders that we treat the highest standards within the supply chain as a key priority. LPPM has been guarding responsible trading in platinum and palladium for years. It sets refining standards, supervises transactions on the market, ensuring their transparency and compliance with international standards.



(G) Responsible management

During the reporting period, the Organization continued to implement the highest standards of corporate governance. This concerned both building an internal system for managing social and environmental impacts, as well as reporting to internal and external stakeholders.

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The Elemental Group has adopted the ESG management scheme described in the earlier part of the report. In 2024, the Director of the Sustainable Development Department participated in meetings with the Management Board and the Supervisory Board, presenting key information and development prospects.

The Company also continued to develop the ESG reporting process. In 2024, it published a report for 2023 and also started the process of ensuring compliance with CSRD and ESRS reporting requirements.

No cases of corruption were reported during the reporting period.

Three potential violations were reported. All were reviewed in accordance with the Group's procedure and clarified. In justified cases, actions to be taken were recommended.



GRI Index

The ESG report of the Elemental Capital Group was prepared for the period from 1 January 2024 to 31 December 2024 in line with the GRI Universal Standards 2021 (GRI 1: Foundation 2021). None of the Sector Supplements were used as they were not relevant to the Group’s activities. The report has not been subject to external assurance.

Indicator number	Standard Title	Indicator name	Place in the report	Comment
General disclosures				
The organization and its reporting practices				
2-1	GRI 2: General Disclosures 2021	Organizational details	About the Report Year 2024 Corporate governance	
2-2		Entities included in the organization's sustainability reporting	About the Report	
2-3		Reporting period, frequency and contact point	About the Report	
2-4		Restatements of information	About the Report	
2-5		External assurance	About the Report	
Activities and workers				
2-6	GRI 2: General Disclosures 2021	Activities, value chain and other business relationships	Business model	
2-7		Employees	(S) Elemental's team (S) Equal opportunities and working conditions	
2-8		Workers who are not employees	(S) Elemental's team (S) Equal opportunities and working conditions	

Indicator number	Standard Title	Indicator name	Place in the report	Comment
Management				
2-9	GRI 2: General Disclosures 2021	Governance structure and composition	Corporate governance	
2-10		Nomination and selection of the highest governance body	Corporate governance	
2-11		Chair of the highest governance body	Corporate governance	
2-12		Role of the highest governance body in overseeing the management of impacts	Corporate governance	
2-13		Delegation of responsibility for managing impact	Corporate governance ESG strategy and social and environmental impact management system	
2-14		Role of the highest governance body in sustainability reporting	About the Report Corporate governance	
2-15		Conflicts of interest	Corporate governance	
2-16		Communication of critical concerns	Corporate governance ESG strategy and social and environmental impact management system	
2-17		Collective knowledge of the highest governance body	Corporate governance	
2-18		Evaluation of the performance of the highest governance body	Corporate governance	
2-19		Remuneration policies		
2-20		Process to determine remuneration		
2-21		Annual total compensation ratio		Considering the global reach of the Group, this indicator is not an adequate measure of the equality of the remuneration framework. Additionally, current data processing does not allow accurate monitoring of such indicators at the head office level.

Indicator number	Standard Title	Indicator name	Place in the report	Comment
Strategy, policies and practices				
2-22	GRI 2: General Disclosures 2021	Statement on sustainable development strategy	Letter from the President of the Management Board	
2-23		Policy commitments	Letter from the President of the Management Board	
2-24		Embedding policy commitments	Corporate governance ESG strategy and social and environmental impact management system	
2-25		Processes to remediate negative impacts	Corporate governance ESG strategy and social and environmental impact management system	
2-26		Mechanisms for seeking advice and raising concerns	Corporate governance	
2-27		Compliance with laws and regulations	Corporate governance	
2-28		Membership associations	Corporate governance ESG strategy and social and environmental impact management system	
Stakeholder engagement				
2-29	GRI 2: General Disclosures 2021	Approach to stakeholder engagement	About the Report ESG strategy and social and environmental impact management system	
2-30		Collective bargaining agreements	(S) Elemental’s team	
Material topics				
GRI 3-1	GRI 3: Material Topics 2021	Process of determining material topics	About the Report	
GRI 3-2		List of material topics	About the Report	

Indicator number	Standard Title	Indicator name	Place in the report	Comment
Environmental Topics (E)				
Waste management and circular economy				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(E) Circular economy	
GRI 306-1	GRI 306: Waste 2020	Waste generation and significant waste-related impacts	(E) Circular economy	
GRI 306-2		Waste generation and significant waste-related impacts	(E) Circular economy	
GRI 306-3		Waste generated	(E) Circular economy	
GRI 306-4		Waste diverted from disposal	(E) Circular economy	
GRI 306-5		Waste directed to disposal	(E) Circular economy	
Climate change and CO ₂ emissions				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(E) Climate change mitigation and adaptation	
GRI 305-1	GRI 305: Emissions 2016	Direct greenhouse gas (GHG) emissions	(E) Climate change mitigation and adaptation	
GRI 305-2		Indirect greenhouse gas (GHG) emissions	(E) Climate change mitigation and adaptation	
GRI 305-3		Other indirect greenhouse gas (GHG) emissions	(E) Climate change mitigation and adaptation	
GRI 305-4		GHG emission intensity	(E) Climate change mitigation and adaptation	
GRI 305-5		Reduction of GHG emissions	(E) Climate change mitigation and adaptation	
GRI 304-1	GRI 304: Biodiversity 2016	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	(E) Climate change mitigation and adaptation	
Energy efficiency				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(E) Climate change mitigation and adaptation	
GRI 302-1	GRI 302: Energy 2016	Energy consumption within the organization	(E) Climate change mitigation and adaptation	
GRI 302-4		Reduction of energy consumption	(E) Climate change mitigation and adaptation	

Indicator number	Standard Title	Indicator name	Place in the report	Comment
Water resources management				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(E) Water management	
GRI 303-1	GRI 303 Water and Effluents 2018	Interactions with water as a shared resource	(E) Water management	
GRI 303-3		Water withdrawal	(E) Water management	
Pollution prevention				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(E) Circular economy	
Social topics (S)				
Occupational health and safety				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(S) Occupational health and safety	
403-1	GRI 403: Occupational Health and Safety 2018	Occupational health and safety management system	(S) Occupational health and safety	
403-2		Hazard identification, risk assessment, and incident investigation	(S) Occupational health and safety	
403-3		Occupational health services	(S) Occupational health and safety	
403-4		Worker participation, consultation, and communication on occupational health and safety	(S) Occupational health and safety	
403-5		Worker training on occupational health and safety	(S) Occupational health and safety	
403-6		Promotion of worker health	(S) Occupational health and safety	
403-7		Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	(S) Occupational health and safety	
403-8		Workers covered by an occupational health and safety management system	(S) Occupational health and safety	
403-9		Work-related injuries	(S) Occupational health and safety	Data about injuries are aggregated. More detailed data will be available once the reporting process is standardized across the Group.
403-10		Work-related ill health	(S) Occupational health and safety	
Training and development				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(S) Equal opportunities and working conditions	
GRI 404-1	GRI 404: Training and Education 2016	Average number of training per year per employee by employment structure	(S) Equal opportunities and working conditions	

Indicator number	Standard Title	Indicator name	Place in the report	Comment
Equal opportunities and working conditions				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(S) Equal opportunities and working conditions	
GRI 401-2	GRI 401: Employment 2016	Benefits provided to full-time employees that are not provided to temporary or part-time employees	(S) Equal opportunities and working conditions	
GRI 401-3		Parental leave	(S) Equal opportunities and working conditions	
GRI 405-1	GRI 405: Diversity and Equal Opportunities 2016	Diversity of governance bodies and employees	Corporate governance (S) Elemental's team (S) Equal opportunities and working conditions	
Supply chain				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(E, S) Supply chain	
Local communities				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(S) Local communities	
GRI 203-1	GRI 203: Indirect Economic Impacts 2016	Infrastructure investments and services supported through commercial activities, donations of goods and pro bono activities. Impact of these activities on society	(S) Local communities	
GRI 413-1	GRI 413: Local Communities 2016	Operations with local community engagement, impact assessments, and development programs	(S) Local communities	
Governance topics (G)				
Responsible management				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(G) Responsible management	
Ethics				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(G) Responsible management	
GRI 406-1	GRI 406: Non-Discrimination 2016	Incidents of discrimination corrective actions taken	(G) Responsible management	
Anti-corruption				
GRI 3-3	GRI 3: Material Topics 2021	Management of material topics	(G) Responsible management	
GRI 205-3	GRI 205: Anti-corruption 2016	Confirmed incidents of corruption and actions taken	(G) Responsible management	

