CORYTON

FOR A CLEANER FUTURE

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

1st JULY 2019 – 30th JUNE 2020

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ABOUT CORYTON

We are committed to making the world a better place through our technology and our company as a whole by reducing the extent of harmful emissions associated with the use of vehicles, responsibly managing our operations and encouraging best practices among our suppliers.

Coryton, an international company with offices located in the United Kingdom, Germany and South Korea, provides specialist, advanced hydrocarbon fuel solutions to forward-thinking partners across a range of industries on a global scale. We focus on continuously innovating the highest quality fuels and striving for a future that is better for everyone. We can produce 10 litres to millions of litres of any particular product. We create thousands of unique blends each year – more than 12 million litres of bespoke fuels in total – for use across the globe.

Our scientists possess decades of world-class fuels expertise. They identify customers' needs, then work collaboratively to apply their technical know-how to design specialist fuel solutions. As well as defining fuel specifications and creating bespoke fuels to support development programmes, we partner with industry research bodies to create 'future' fuels to aid research into, and offer solutions for, industry-wide issues.

SERVICING THESE SECTORS:

Non-Road Mobile Machinery (NRMM)
Heavy Duty Transport
Light Duty Vehicles
Motorsport
Research
Marine
Aviation

WHAT WE DO

The fuels we blend are to bespoke formulations that meet precise specifications and performance requirements. These can include certain physical properties, such as tailored lubricity to support mechanical testing or specific chemical attributes for research into combustion properties or lubricant development.

Our customers rely on us to create solutions that reflect the diversity of fuels in the marketplace – including 'worst-case' fuels. They can ensure their products are robust around the world by using fuels that deliver reproducible and repeatable results across multiple batches and test programmes.

In the race to address climate change, the pressure is on to decarbonize the transport sector, which is responsible for about 25% of Europe's Greenhouse Gas (GHG) emissions – 1,100 million tonnes of CO_2 each year. We're helping tackle this challenge head-on by developing responsible and sustainable fuels that contribute towards the push for net zero impact.

With the increasing ambition towards zero emission transport driving the demand for electric vehicles, it should be recognized that internal combustion engines can still be low emission and even net zero emission, with the use of the latest sustainable low carbon and carbon-neutral fuels. The stricter CO_2 legislation and concerns around air quality are the very factors that are guiding research into the next generation of internal combustion engines and fuels across all the market sectors.

This is where Coryton excels . It is at the forefront of research into engines that are using sustainable fuels, exhaust after treatment and fuels – all of which are still making remarkable steps forward.

A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

A DEFINING YEAR FOR THE FUTURE

'Beyond Covid, reversing climate change must become the number one priority for all responsible governments, organisations and businesses. For a small company, Coryton has the potential and desire to play a big part in this battle'

ANDREW WILLSON, CEO

By acting in an economically, environmentally, and socially responsible manner, we're helping pave the path towards a more sustainable future. We acknowledge that it is our organisational duty to do what we can to create a world fit for the future.

This report reflects our commitment to transparency in documenting, measuring and embedding our strategy for sustainability in the areas of environment, social value, and governance (ESG) and the duty we feel to share this with all stakeholders, both internal and external. The data contained within this report runs from 1st July 2019 through to 30th June 2020 and details our sustainability approach, goals, challenges, and progress made during the reporting period.

In 2020, the Covid-19 pandemic changed the world and people's lives in ways we could never have imagined. In response, we maintained continuous operation throughout the reporting period. Since the start of the coronavirus pandemic, we have maintained regular communication with our staff, stakeholders, the board and senior management as to the impact of Covid-19 and the company's response to mitigate risk and recover. We implemented various measures and established an open dialogue with staff and provided them with a point of contact for questions about the coronavirus. A risk assessment was undertaken and a set of guidelines outlining the company's position in relation to the Covid-19 pandemic was circulated amongst all Coryton personnel.

We would like to take this opportunity to thank all Coryton colleagues in particular. We would not have withstood the challenges of the past year without these outstanding efforts. They have shown incredible commitment under the most difficult circumstances and have demonstrated a huge amount of creativity and loyalty.

Although Covid-19 made 2020 a deeply challenging year, it was also a year in which we set a clear path for our future. 2020 was a decisive year for Coryton, where we looked ahead, identifying efficiency everywhere in our operation and addressing the environmental challenges facing the transport industry.

We undertook a review of the entire value chain with a view of improving sustainability at all levels of our commercial activities. Progress on this journey will be subject to regular evaluation and the strategy continually updated to secure the best possible outcomes.

OUR FOCUS

We have identified five principal areas which will require consistent focus for Coryton's activities:

CIRCULAR ECONOMY

Working to keep waste from our operation to a minimum and run our operations and supply chains so they can contribute to a circular economy.

DECARBONISATION

Working with customers and suppliers to develop cleaner energy alternatives. This will require expertise and innovation to deliver a consistent reduction in CO_2 emissions throughout the value chain.

SUPPLY CHAIN RESPONSIBILITY

Strong, sustainable partnerships with our supplier base will be critical to our future success. We remain focused on developing flexible, end-to-end supply chains that are collaborative, secure and provide a competitive advantage. This will require safe working conditions throughout our supply chain, workers being treated with respect and dignity, and manufacturing processes that are environmentally responsible.

DIVERSITY

A successful business today welcomes change and embraces diversity. To win now, and in the future, requires a truly diverse workforce with the best minds and an environment where everyone can fulfil their potential. This extends to increasing staff engagement and fostering stronger interpersonal connections.

GOVERNANCE AND TRANSPARENCY

Responsible company management and unconditional compliance to strengthen the trust of our stakeholders. Transparency and a move to clear performance indicators is a key ingredient in sustaining organisational values and will serve as a management tool to build a resilient culture.

THE FUTURE OF FUEL STARTS HERE

As a dedicated specialist fuels technology site, with storage capacity for over three million litres and a state-of-the-art laboratory with scientific research-class equipment, everything about our facility is exceptional and designed to enable us to create the sustainable fuels of tomorrow.

Advanced biofuels, manufactured from waste and non-food crops, offer a solution to lowering the fossil carbon content in fuels. We are also at the forefront of research into the use of synthetic and "e-fuels" – created from CO_2, water and electricity. All of which can offer near net-zero CO_2 transport. E-fuels represent a means of storing renewable electrical energy in a carbon neutral liquid, for use as a drop-in solution with existing infrastructure and powertrain technology.

We have already created various bio-ethanol/bio-butanol/bio-ETBE blends of traditional fossil based gasoline, as well as very high bio-content gasolines with up to 100% bio-derived components. Alongside this, we're working on a range of sustainable fuels, with a focus on bio-derived components.

In many vehicle sectors, a low carbon liquid fuel combined with an efficient powertrain is a compelling solution. We know that this same type of fuel, when used with a plug-in hybrid vehicle, can deliver class-leading CO_2 savings and produce zero harmful emissions in critical areas.

In accordance with the International Sustainability and Carbon Certification (ISCC) protocols we request a Life Cycle Assessment (LCA) of the components we use in our bio fuels to evaluate the GHG reductions they deliver. Without this approach it would be easy to reduce emissions at one stage only to make them worse elsewhere.

INTERNATIONAL SUSTAINABILITY AND CARBON CERTIFICATION (ISCC)

The ISCC is a globally applicable sustainability certification scheme for biomaterials and biofuels, which requires strict traceability to qualify source and quality. Coryton started the ISCC certification process in January 2014 and since then underwent a rigorous third-party auditing process, which is carried out annually, to ensure our compliance with sustainability requirements and greenhouse gas emissions savings that can be traced back throughout our supply chain.

We are proud to have recently received the annual recertification through the ISCC process which verifies that we meet the high standards required to hold the certificate, providing customers with added confidence in the GHG reductions our sustainable biofuels deliver. This certification reflects the company's committed and growing efforts to create sustainable workstreams across the full breadth of our operation.

OUR ESG OBJECTIVES

Key Objectives to achieve by July 2022

Reduce energy consumption by 10% by July 2022

Reduce waste to landfill by 10% by July 2022

Maintain >80% recycling rate by July 2022

Incorporate ESG questions into >50% of our tier one existing supplier annual appraisals

Implement a pathway to achieving net zero carbon within our operations

ENVIRONMENT

The automotive industry is rapidly evolving in response to its role in addressing climate change, improving local air quality and ensuring resource preservation. Great progress has been made in all areas of vehicle lifecycles, but as we work towards net zero, the scale of the challenge cannot be underestimated.

Natural resources are of critical importance to our business. The manufacture, distribution, consumption and disposal of our products all impact the environment, and we recognise the need for a clear, strategic approach to managing our footprint.

Every individual, business and organisation has a role to play in reducing the dependency on fossil fuels and supporting the urgent need for a transition to a net zero carbon and resilient world.

SOCIAL

This year, Covid-19 has flashed a spotlight on the "S" in ESG: the social side of businesses' behaviour and how companies interact with their staff, customers, shareholders and the wider community.

We rely on the innovation, talent, technical and communication skills of our staff, and we invest in their development for the benefit of all our stakeholders.

Our values and policies are designed to ensure that we and our suppliers operate ethically, honestly and meet human rights obligations.

As a responsible employer, we seek to protect and care for our employees by providing a safe and healthy work environment and by minimising the environmental impact of our operation.

GOVERNANCE

Effective governance is vital to support consistent performance in addressing material environmental and social risks and opportunities. Embedding these factors into a company's governance structures and processes, ensures that they receive appropriate attention and oversight and that the sustainability programs through which they may be managed are no longer siloed or sidelined, as they have often been in the past.

Everything we do is underpinned by strong governance, a disciplined approach to risk management and high standards of responsibility, which supports the sustainable development of our business.

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

With the world population expected to reach nine billion by 2050, societies are facing a range of issues, such as climate change, poverty and ongoing urbanisation. Developed by the United Nations, the Sustainable Development Goals (SDGs) are 17 overarching goals that provide a global framework for peace and prosperity in consideration of the environment.

While our actions and initiatives serve to support a number of SDGs, we have selected the following goals that we believe represent areas where we can have the greatest positive impact on our staff, customers, suppliers and other stakeholders and will serve to guide our focus and strategy for the future. To align with the UN SDG framework, we have selected seven SDGs that align with our company vision and values. We have aligned each of the chosen SDGs with our related ESG commitments to aid in the transparency of how we are contributing to each goal.

GOAL	RELEVANT TARGETS	OUR INFLUENCE
	TARGET 3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being. TARGET 3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	We promote health and well-being for our staff and maintain a robust safety culture to reduce workplace injuries and mitigate pollution and contamination, supported by effective communication and reporting.
	TARGET 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimising release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally.	We manage the water quality of wastewater at our site according to stringent standards.
	TARGET 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services. TARGET 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.	We apply world-leading chemistry and applications knowledge to help develop new sustainable fuel technologies.

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

GOAL	RELEVANT TARGETS	OUR INFLUENCE
	TARGET 8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead. TARGET 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.	Coryton creates high quality jobs to create value and achieve sustainable growth and affirms its commitment to observing and protecting human rights beyond our site and throughout the supply chain.
	TARGET 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	We work to protect the environment through business activities and the provision of revolutionary products, technologies and services to aid the reduction of GHG emissions.
	TARGET 12.2 By 2030, achieve the sustainable management and efficient use of natural resources. TARGET 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment. TARGET 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Ensuring we build resource efficiency and circularity principles into everything we do, for ourselves and our customers.
	TARGET 13.2 Integrate climate change measures into policies, strategies and planning.	Reducing our impact by ensuring we are actively promoting the use of low-emissions materials and resources wherever practicably possible.

OUR ENERGY AND WATER

REVIEW OF THE YEAR

Although energy consumption at Coryton is not a material factor in our operation, we capture and record accurate data in line with our environmental objectives.

The existing electricity supply for the Coryton site is derived via a private network within the area. Whilst to date there has been no immediate concern over the security of this supply, we have nonetheless engaged the services of Sustainable Advantage to investigate the possibility of installing a dedicated substation on site connected to the local Distribution Network Operator - UK Power Networks (UKPN).

This feasibility study will determine the potential opportunity to obtain a dedicated supply from the existing UKPN mains infrastructure and confirm whether the route and costs are viable. Whilst the current situation restricts us from selecting an energy supplier of our choice, 36% of the electricity provided via the private network is from renewable sources.

Along with our energy, we have also begun to track our annual water consumption albeit relatively immaterial to our operation. Our usage data provides us with a benchmark going forward to help us continually monitor any fluctuations or anomalies.

A Klargester unit on site treats all wastewater before the effluent is discharged to open water. This runoff water is routinely sampled and analysed to ensure HC levels are below a self-imposed minimum threshold that is well below recommended guidelines.

PLAN FOR NEXT YEAR

Reduce energy consumption by 10% by July 2022

Much depends on the results of the feasibility study to determine the potential of obtaining a dedicated supply from the UKPN before we can set any specific targets in this area. There are other ways we can reduce our energy consumption and costs, however, and will investigate switching our traditional lighting system to energy-saving LED lights and quantifying the annual savings we would be able to achieve through this investment.

In tandem, we will raise awareness to switch off energy consuming equipment when not required and consider the use of timer switches adjusting the control of the building.

ENERGY	1st July 2019 – 30th June 2020	1st July 2018 – 30th June 2019
Total electrical energy – kWh	492,252	528,907
Total electricity – tCO_2e	120.3	142.5
Renewable electricity – kWh	177,211 (36%)	166,606 (31.5%)
Gas	0	0
Total energy consumption – kWh	492,252	528,907

WATER	1st July 2019 – 30th June 2020	1st July 2018 – 30th June 2019
Total water usage – m^3	2,248	1,035


BARTEC

OUR WASTE

Reduce waste to landfill by 10% by July 2022

Maintain >80% recycling rate by July 2022

REVIEW OF THE YEAR

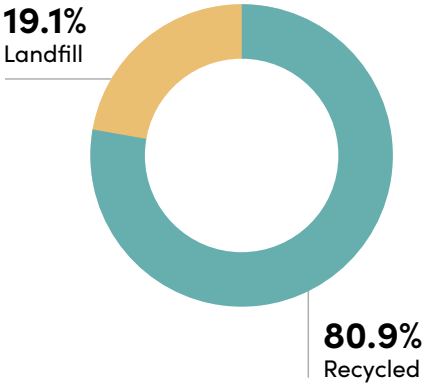
We have a clear responsibility to ensure waste streams are minimised and diverted into the highest value waste stream possible. We are proud of the fact that >80% of our waste is diverted from landfill and recycled or repurposed. Coryton's waste management system is based on a closed-loop system, otherwise referred to as the circular economy, where products are designed to last longer and be reused, repurposed and recycled. There is a clear link between a circular and low-carbon economy. In a low-carbon circular economy, the whole value chain is optimised for minimum climate impact. The aim is to avoid waste and return materials to the loop to protect natural resources.

All waste at Coryton is separated for collection based on the ISO 14001 certified environmental management system. To drive resource efficiency, we record and monitor our waste data which provides us with a baseline and means to evaluate our performance over time and set clear and realistic improvement targets. Wherever waste is produced, bins or containers are provided for each type of waste.

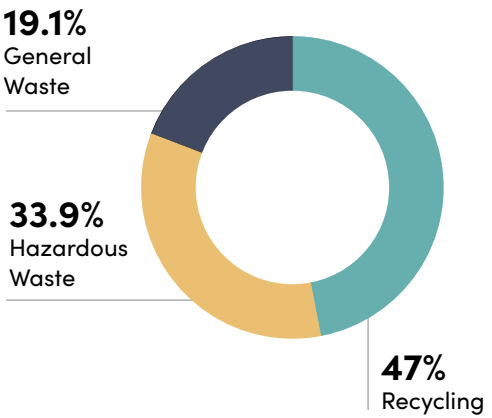
WASTE CONSUMPTION

1st July 2019 – 30th June 2020	kg	%	Recycling (kg)	Landfill (kg)
General waste	18,860	19.1%		18,860
Metal waste	21,560	21.8%	21,560	
Wood	3,960	4.0%	3,960	
Cardboard	3,840	3.9%	3,840	
Hazardous drums and IBC's	33,528	33.9%	33,528	
Non-Hazardous drums and IBC's	17,084	17.3%	17,084	
Total	**98,832**	**100%**	**79,972**	**18,860**

DISPOSAL METHOD



WASTE COMPOSITION



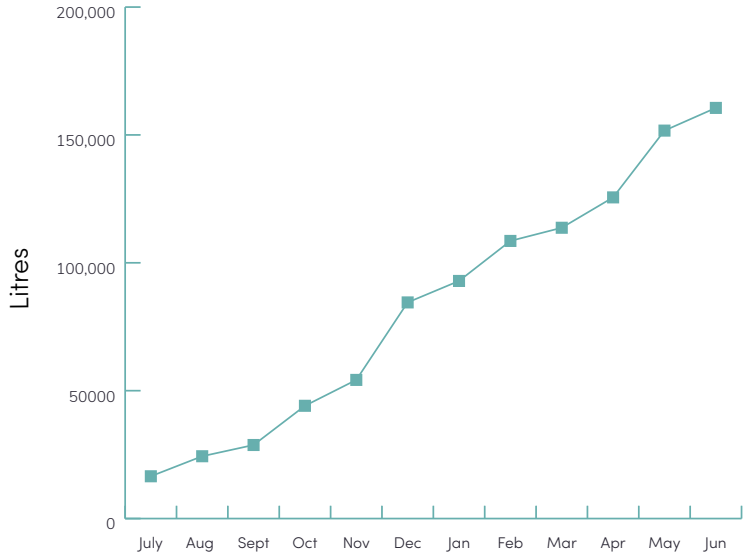
TOWARDS THE CIRCULAR ECONOMY

Reduce waste to landfill by 10% by July 2022

Maintain >80% recycling rate by July 2022

REPURPOSED VOLUME OF SUPLUS STREAMS

Part of this circular economy involves the repurpose of our surplus streams which would otherwise be sent to a chemical recycling company. We always aim to reuse as much of our surplus streams as possible. Furthermore, all our forklift trucks have been filled with surplus streams in FY20. This resulted in a total of 161,000 litres repurposed volume of surplus streams in FY20.



FY 2020

PLAN FOR NEXT YEAR

Our waste management processes drive good practice and relatively high quantities of reuse and recycling. We have identified the need to address the volume of waste that ends up in landfill, and will work with our waste contractors to verify how our general waste is ultimately disposed of and what proportion can be diverted from landfill. If our waste contractors cannot divert a significant volume of waste from landfill, we will reach out to other suppliers for resolution.

Hazardous waste is both harmful to the environment and an expensive cost to the business. It needs to be-disposed of, or recycled, safely and cost effectively via our selected waste contractor. We will be investigating further opportunities to reduce the impact on the environment upon disposal and ultimately to reduce Coryton's hazardous waste percentage.

We will also continually seek new ways to reuse or repurpose waste material within our operation and will continue to explore every possibility to maximise our sustainability performance. A particular focus in the coming year will be to further reduce the quantities of surplus blending streams shipped off-site for processing.


IFC Inflow

OPTIMISING OUR SUPPLY CHAIN

Incorporate ESG questions into >50% of our tier one existing supplier annual appraisals

REVIEW OF THE YEAR

Over many years we have adapted our end-to-end supply chain to provide the efficiency needed to meet the most challenging of briefs and lead times. At the heart of this are Coryton's Technical Services Team and the formulation models they employ to create our sustainable hydrocarbons.

Coryton's technical team works very closely with the procurement department to screen the market for new and innovative components. A detailed research study is carried out on potential technologies either still in the research phase or at the development stage. Our fuel experts establish technical relationships to better understand what kind of sustainable components can be produced and how they can be utilised in different applications. All components are scrutinised and verified in Coryton's on-site laboratory and the data is used to carry out multiple formulations to determine which applications each sustainable component would perform best.

THE IMPACT OF COVID-19

Procurement plays an important role in Coryton, with external partners accounting for a large proportion of our value creation. Although many of these components are sourced from distributors based in the UK, the origin of the materials is in Europe. At the onset of the coronavirus pandemic, we anticipated a major upheaval in our supply chain and our procurement team reacted quickly to assess the potential risks and map out contingency plans to protect supply lines.

Our integrated end-to-end value chain system, Access Supply Chain (ASC), which went live in July 2018, has been invaluable throughout this crisis and continues to provide real time product and logistics planning dashboards to monitor stock levels and facilitate the increasing demands placed upon the site. To date, there has been very little disruption to our supply chain management as a result of Covid-19, however this is monitored continuously by our procurement team for real time visibility on the developing situation.

OUR SUPPLY CHAIN MANAGEMENT SYSTEM

We are focused on increasing visibility, traceability and eliminating manual processes. The Customer Relationship Management (CRM) and ASC systems are fully integrated, providing an end-to-end value chain package that is used by Coryton to manage commercial activity, order management, procurement, manufacturing works orders, stock management, dispatching, invoicing and account payable processes. Since the original go-live date, the system has been developed and enhanced to further leverage its functionality and provide operational efficiencies to facilitate the increasing throughput demands placed upon the site. Such enhancements include system reporting, email notification and progress alerts, production and logistics planning dashboards and bespoke functionality to improve the efficiency of communication and the effectiveness of our quality system.

OPTIMISING OUR SUPPLY CHAIN

ASSESSING SUPPLIER PERFORMANCE

The component supplier appraisal and qualification process is essential in the achievement of quality assurance through the deployment of a robust strategic sourcing and supplier management system.

Under ISO 9001, there is a requirement to evaluate and select suppliers based on their ability to meet Coryton's requirements.

To achieve this, Coryton conducts a cyclic approach which involves three stages:

1. Supplier Approval
Placing the company on an approved list of suppliers

2. Supplier Appraisal
Assessment of a supplier's capability to control quality, delivery, quantity and price

3. Supplier Performance Review
A periodic review and indexing of the actual performance of a supplier

We ask all key suppliers if they are certified to ISO 9000, ISO 14000 and ISO 45000 standards, and all suppliers are encouraged to obtain these certifications. This also extends to whether they are ISCC and Authorised Economic Operator (AEO) accredited.

PLAN FOR NEXT YEAR

Incorporate ESG questions into >50% of our tier one existing supplier annual appraisals

The challenges introduced by Brexit will most certainly be compounded by the Covid-19 outbreak. We have already begun preparations by working with our UK distributors to ensure the continuity of supply of blending components and to overcome any issues that could affect importing EU sourced materials. As we approach 31st December 2020, Coryton will maximise stockholding of critical components and liaise closely with its supply chain to provide maximum notice of component demand.

For our non-UK based suppliers and distributors, Coryton has set up relationships with customs brokerage firms in order to undertake customs clearance of products that are imported from Europe. Coryton's German subsidiary company was leveraged to ensure that the EU customer base could be serviced; UK export and reciprocating EU import processes (including customs clearance formalities) had to be fully understood to set up a clear procedure process and system to mitigate risk.

As part of the above preparations, the company has applied for AEO status ahead of the Brexit transition deadline. AEO status streamlines the import and export process whilst providing an internationally recognised quality mark of customs control procedures, processes and paperwork.

There is a growing need for ESG questions to be incorporated into our supply chain qualification process to identify and manage issues that could arise. The Covid-19 pandemic has shone a light on inequalities and harmful practices in certain supply chains, which can have negative consequences if not managed with a robust framework. We will look to ensure we take into account the ESG risks and opportunities as an integral part of our supply chain management going forward.

OUR COMMITMENT TO NET ZERO

Implement a pathway to achieving net zero carbon within our operations

REVIEW OF THE YEAR

The business structures of the automobile industry are changing greatly in the face of demand to reduce CO_2 emissions and dependence on fossil fuels. As a global supplier of sustainable fuels, Coryton first and foremost needs to consider the CO_2 emissions it emits through its corporate operation, including its indirect spend on electrical energy and the transportation and operation of our vehicles.

OUR TRUCK FLEET

Besides electrical consumption, transport is our other source of emissions which makes up 44.2% of our gross carbon footprint and totals 95.5 tCO_2e. Coryton makes use of two diesel trucks to distribute specialist fuels to its valued client network and seven forklift trucks used to lift and transport pallet loads on site. Whilst we expect a reduction in mileage due to the Covid-19 pandemic, our fleet is a significant contributor to our carbon emissions, and we are focused on what can be done to reduce this impact in the coming year.

SCOPE 1
Carbon emitted from company-owned vehicles.

SCOPE 2
Carbon emitted from our site's electricity usage.

SCOPE 3
Carbon emitted from our employees' personal cars due to business travel.

PLAN FOR NEXT YEAR

Key activities for Coryton in 2021 will be to reduce carbon emissions from our corporate activities and services and investigate the possibility of realising carbon neutrality for the foreseeable future.

As part of our commitment to determine our carbon footprint as extensively as possible, we will include three further categories on indirect Scope 3 emissions in the next reporting period: waste, water and corporate travel. We chose these categories dependent upon their materiality and the data available.

*All emissions are reported in tonnes of carbon dioxide equivalent (tCO_2e) and follow the UK government guidelines: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/850130/Env-reporting-guidance_inc_SECR_31March.pdf

CARBON EMISSIONS

1st July 2019 – 30th June 2020	tCO_2e	tCO_2e %
Scope 1	90.0	41.7%
Scope 2	120.3	55.8%
Scope 3	5.5	2.5%
Gross Emissions	215.7	100%
Renewable Electricity	-28.6	
Net Emissions	187.1	

OUR PEOPLE

Despite all the changes in 2020, there is one thing we can be sure about: At Coryton, our people are at the centre of the company.

Taking care of our staff comes first. We aim to promote a positive physical and mental health environment in the workplace, enabling our people to thrive. By empowering our employees to be the best versions of themselves, we help them, and our business, work safely and effectively.

We are expanding opportunities for our employees to learn so that they can achieve their maximum potential. We aim to make continuous learning and talent development a part of our corporate culture and to create a dynamic work environment where the health and safety of our staff is a top priority.

We ensure that each individual can continuously learn and develop their potential to the fullest.

EMPLOYEE ENGAGEMENT

Whilst regular team meetings have been affected by Covid-19 restrictions, we continue to hold daily meetings with our staff during this time and our CEO convenes bi-monthly meetings with all staff, informing them about progress against business objectives.

Through the Investors in People platform, we survey staff every year to learn their views and reflect on our ongoing commitment to make Coryton a great place to work and where each individual can attain their personal and career goals. We draw on these results to formulate and execute improvement action plans for the business.

Coryton uses Qualtrics Experience Management, a software platform to engage with our customers to measure and analyse overall satisfaction and loyalty, which directs actionable insights.

There is great potential to use this software more effectively to measure and improve our employee, supply chain and customer experiences in the same space. Knowing that engaged employees, along with our supply partners, are a huge driver of customer advocacy, we want to reinforce this link to understand real-time insights to drive effective change.

TRAINING AND DEVELOPMENT

We keep training records on all employees and regularly identify skills gaps to arrange appropriate ongoing training. We use a training matrix to map out the necessary training required for all technical, production and quality assurance roles. All new starters at Coryton receive induction training on EQMS (Environmental, Quality Management System) and HSE (Health, Safety and Environmental) requirements.

Coryton has a training partnership with the Institute of Supply Chain Management (IoSCM) and maintains a corporate membership. Through the IoSCM we have delivered CMI level 7 NVQ's to three senior managers and currently have three middle managers studying CMI level 5 NVQ's, two junior managers studying CMI level 3 NVQ's and two senior staff members studying IoSCM level 5 NVQ's.

OUR PEOPLE

Training has also been provided to eight staff to obtain their NEBOSH general certificate in health and safety, reinforcing our commitment to place health and safety at the very core of our values. Training has also been provided to eleven of our staff at IOE level 4 NVQ's for international trade and compliance. Finally, we have also sponsored two staff members through their professional accountancy qualification.

We have established an apprenticeship partnership with Arden University and are in the process of designing a new customs-based role which is likely to be filled by an apprentice through the Institute of Export (IOE).

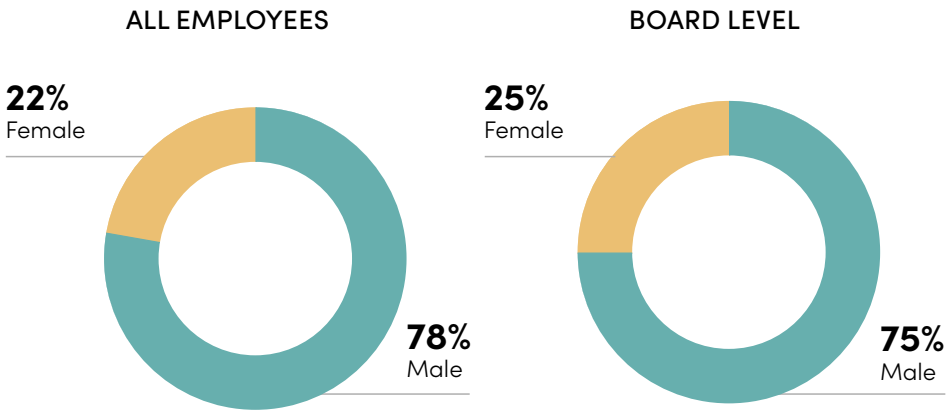
DIVERSITY, EQUITY AND INCLUSION

We support equality of opportunity for all employees and job applicants regardless of gender, sexual orientation, marital or civil partner status, pregnancy or maternity, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability, or age (protected characteristics).

We ensure discrimination and stereotyping play no part in the recruitment and selection process. Vacancies are advertised to a diverse section of the market, the wording is screened to avoid stereotypical language that may discourage particular groups from applying and job applicants are not asked questions that may suggest an intention to discriminate on grounds of a protected characteristic.

At the end of our financial year in 2020, the proportion of women at Coryton was 29.4%, an increase from 22.2% in 2019. The proportion of women at board level was 25%

GENDER DIVERSITY AS OF 30TH JUNE 2020



We celebrate our differences. Our ability to create value and innovate will always depend on a team that includes a diversity of people, ideas and skills, which is why we place great importance on establishing a workplace where our staff can demonstrate their potential to the fullest, and which is truly inclusive.

MENTAL HEALTH AND WELLBEING

Mental wellness is a priority at Coryton, and we actively promote measures that contribute to the health of our employees.

In 2017, we established a professional relationship with an independent psychologist who provides counselling services to staff on an as required basis. This service has been utilised by a number of employees requiring assistance for a variety of personal issues.

INVESTORS IN PEOPLE

In 2020 Coryton achieved the Investors in People Standard, acknowledging the company's commitment to excellence in the way we manage and engage the people in our business.

The standard recognises development, promotion and the upholding of good practice to raise the standard for people management for the benefit of everyone: our business, employees, clients and customers.

Coryton achieved the prestigious accreditation following assessments, employee interviews and observations to identify our strengths in the area of people management.

We are committed to achieving the Investors in People Silver accreditation in 2023 and will continue our investment into developing our people's skills and engendering a culture of transparency and regular review of individual priorities and outcomes. The key to this will be around actively seeking feedback and improving our employee engagement channels to identify opportunities for change and improvement.

OUR GOVERNANCE

We believe that sound governance structures and policies are needed to manage our business, drive performance, and create value responsibly and ethically. These processes and systems serve as the foundation for maintaining the stability of our company and its financial health. While remaining a successful business, we want our operations and activities to have a positive impact on the world. We employ a variety of governance systems and processes to manage different aspects of sustainability across our business. Our management processes, systems, committees and groups are designed to help us improve our sustainability performance, act responsibly and ethically, and take responsibility for the impact our activities have on society and the world around us.

THE BOARD

The Main Board (the Board) sits at the parent company level and comprises of the Chief Executive Officer (CEO), an Investor Director for Horizon Capital and two Non-Executive Directors, one of which acts as the Chairperson. In attendance at meetings of the Board are the Commercial Director (CD) and Operations Director (OD) from the Operational Board that sits at the principal trading company level. Together with the CEO, the CD and OD form the Executive Team.

The Board formally meets twelve times a year to receive the reports of the Executive Team and to consider and guide the strategic focus and development of the business. In addition, the Chairperson and the Investment Director form the Audit and Remuneration Committees: the former meeting annually to receive the Audit Findings Report prepared by the group's appointed auditors; and the latter as required to consider and approve the Executive Team's recommended changes to the reward packages provided to the group's personnel.

The Board is collectively responsible for ensuring the long-term success and viability of the Group, as well as the health, safety and wellbeing of its personnel, the general public and the environment. It does this by directing and having oversight of the Group's affairs including setting and approving the Group's strategy, vision and values.

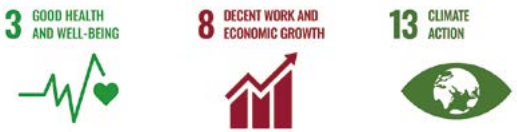
The Executive Team, to whom the Board has delegated responsibility for proposing and delivering the Group's strategy, is responsible for managing the day-to-day activities, operations and resources of the Group.

THE OPERATIONAL BOARD

The Operational Board sits every two to three weeks and comprises of the senior leaders of the UK and German trading entities. The meeting is chaired by the Operations Director and also includes the Commercial Director, Business Development Director, Technical Services Director and Head of Finance/HR.

The Operational Board is attended by those functional managers with ultimate accountability for their respective areas; as such the purpose of the Operational Board is to promote cross-functional alignment and to drive forward strategic initiatives through effective collaboration at the senior leadership level. The Operational Board is collectively responsible for the smooth running of the daily operation and to deliver the management objectives of the company and strategic objectives of the group.

In addition, the Operational Board monitors the health and safety performance and the effectiveness of its internal quality systems, prioritising action and resource to deal with recognised risks to the organisation and leverage identified opportunities. Finally, the Operational Board reviews compliance against internal systems and relevant external standards to ensure ongoing achievement of critical accreditations – ISO9001 and ISO14001; and that it upholds any regulatory or legislative obligations that apply to its operation.



OUR GOVERNANCE

ANTI-BRIBERY AND CORRUPTION

We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships.

WHISTLEBLOWING

To underline the importance of integrity in all relationships between employees and stakeholders, we have a whistleblowing policy that is communicated to all employees and forms part of our staff company handbook. Whistleblowing is the reporting of suspected wrongdoing or dangers in relation to our activities. This includes bribery, facilitation of tax evasion, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment and any breach of legal or professional obligations.

Employees can raise any concerns with their manager or a company director or via an external body for which contact details are provided.

PRIORITISING DATA PROTECTION

Coryton is fully compliant with the European GDPR which came into effect in May 2018. These regulations stipulate how companies and their employees must ensure that personal data has accurate protection measures in place when used by companies and other organisations.

MANAGEMENT SYSTEMS

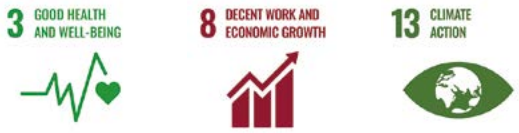
We continually strive to improve our environmental performance and transparently communicate about our progress.

Coryton operates certified Management Systems that satisfy the requirements of:

- ISO 9001: 2015 (Quality)
- ISO 14001: 2015 (Environment)
- ISO/IEC 17025: 2017 (Testing Laboratory)
- ISCC EU (Sustainability)

Coryton is working towards the following ISO Standards:

- ISO 14064-1: 2019 (Greenhouse Gases)
- ISO 45001: 2018 (Occupational Health and Safety Management Systems).



OUR GOVERNANCE

HEALTH AND SAFETY

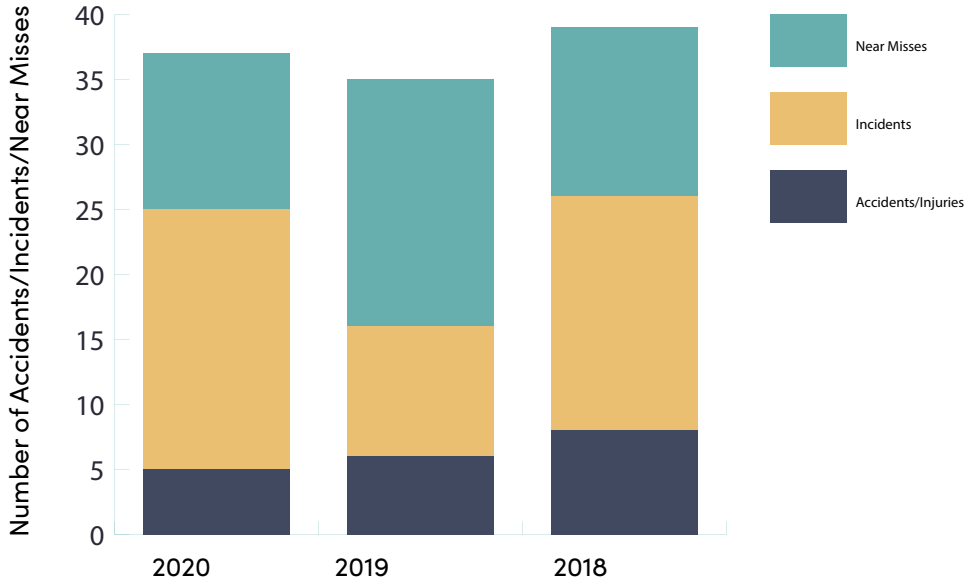
Coryton is committed to meeting and exceeding the legal requirements and obligations to safeguard the health and wellbeing of our employees, customers and members of the public affected by our operations. Health and safety is not seen as an interruption to getting the job done, but as a key element in ensuring work is completed successfully and in line with safe operating standards.

Our policy and processes are underpinned by the belief that many accidents are preventable. Our key initiatives focus on reducing accidental risk and improving the awareness and training of our managers and employees in health and safety matters.

We recognise the level of reportable accidents as a measure of performance in health and safety, and report all accidents, incidents and near-misses to the Board and remedial actions are assigned to the Senior Management Team. There was one reportable accident in fiscal 2020 in the way of a broken hand, which serves as a reminder to continue putting into practice the process of identifying and analysing incidents to prevent recurrences.

We started formally recording and acting upon safety observations during FY20 and throughout the period saw a steady increase in the quantity of observations reported, supporting our initiative to create a culture of openness and honesty, where ownership for health and safety performance is shared throughout the entire workforce.

OUR HEALTH AND SAFETY PERFORMANCE



	2020	2019	2018
Accidents/Injuries	5	6	8
Incidents	20	10	18
Near Misses	12	19	13
Is/NMs per 1ML	6.0	2.8	3.2

PERFORMANCE METRICS

We are measuring our performance in people, safety and the environment and will introduce new measures in sustainability in future reports.

PEOPLE		2019-2020
DEVELOPING OUR PEOPLE	Total employees Employees receiving training opportunities Apprentices hired	51 100% 0
CREATING A DIVERSE AND INCLUSIVE ENVIRONMENT	Female representation (all employees) Female representation (board level)	29.4% 25%

GLOBAL GREENHOUSE GAS (GHG) EMISSIONS	2019-2020
Scope 1 emissions from building gas usage and company owned vehicles (tCO_2e)	90.0
Scope 2 emissions from the site's electricity usage (tCO_2e)	120.3
Scope 3 emissions from employees' personal cars due to business travel (tCO_2e)	5.5
Gross emissions (tCO_2e)	215.7
Net emissions (tCO_2e)	187.1

TRANSPORT	2019-2020
Owned/leased – diesel (no of Vehicles)	2
Owned/leased trucks – diesel (L)	25,007.48
Owned/leased forklifts – diesel (L)	10,000
Owned/leased – diesel (miles)	70,096
Grey fleet – petrol/diesel (miles)	20,789

ENVIRONMENT AND RESOURCES		2019-2020
ENERGY	Electricity consumption (kWh)	492,252
	Proportion of renewable electricity (kWh/%)	177,211 (36%)
WATER WITHDRAWN	Water consumption (m^3)	2,248
WASTE	Total waste consumption	98,832
WASTE DISPOSAL	Waste for recycling (kg's/%)	79,972 (80.9%)
	Waste for landfill (kg's/%)	18,860 (19.1%)
HAZARDOUS WASTE	Non-hazardous waste (kg's/%)	65,304 (66.1%)
	Hazardous waste (kg's/%)	33,528 (33.9%)
WASTE COMPOSITION	Metallic waste (kg's/%)	21,560 (21.8%)
	Wood waste (kg's/%)	3,960 (4%)
	Cardboard waste (kg's/%)	3,840 (3.8%)
	General waste (kg's/%)	18,860 (19.8%)
	Drums and IBC's (kg's/%)	50,612 (51.2%)

SAFETY	2019-2020
Reportable injury accidents, incidents and near misses (RIDDOR)	1
Employees completed health and safety training	100%

GLOSSARY OF TERMS

BIOFUELS: Are non-fossil fuels, produced by the chemical and/or biological processing of biomass. They are energy carriers that store the energy derived from organic materials (biomass), including plant materials and animal waste. They may be solid, such as fuelwood, charcoal and wood pellets; liquid, such as ethanol, biodiesel and pyrolysis oils; or gaseous, such as biogas.

BIOMASS: An energy resource derived from organic matter. These include wood, agricultural waste, and other living-cell material that can be burned to produce heat energy. They also include algae, sewage, and other organic substances that may be used to make energy through chemical processes.

BIO-ETHANOL: When ethanol is fermented from glucose from some natural source, the result is the production of bioethanol. Bioethanol is another biofuel capable of providing energy when burnt to be used as a fuel for transport.

BIO-BUTANOL: Produced from biomass. It can be used in unmodified gasoline engines as a so to speak drop-in biofuel (similar to Bio-Ethanol).

BIO-ETBE: Ethyl Tertiary Butyl Ether (ETBE) is produced from ethanol and isobutylene in a catalytic reaction. The isobutylene is commonly still fossil based, whereas the ethanol forms the bio part of the Bio-ETBE. Bio-ETBE is used mostly because of its preferential air quality and Octane benefits.

CLIMATE CHANGE: Significant change in climate including temperature, precipitation, or wind that lasts for an extended period.

CARBON FOOTPRINT: Corresponds to the whole amount of greenhouse gases (GHG) produced to, directly and indirectly, support an individual, an organisation, a product or an event, among others. Carbon footprints are usually measured in equivalent tons of CO_2.

CLOSED-LOOP: A system where everything is recycled and reused.

CARBON NET ZERO: A state where any CO_2 or Greenhouse Gas (GHG) emissions leftover after decarbonisation are offset by negative emissions of an equivalent amount of CO_2 from the atmosphere, resulting in no net GHG impact. The offsets need to actively remove carbon dioxide from the atmosphere, as opposed to only avoiding emissions elsewhere which is allowed in the specification for carbon neutral.

CARBON NEUTRAL: Where the sum of GHG emissions produced is offset by natural carbon sinks and/or carbon credits.

CIRCULAR ECONOMY: Measures taken to retain the value of products, materials, and resources and redirect them back to use for as long as possible with the lowest carbon and resource footprint possible, such that fewer raw materials and resources are extracted and waste generation is prevented.

DIRECT (SCOPE 1) GHG EMISSIONS: GHG emissions from sources that are owned or controlled by an organisation

ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS: GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by an organisation.

OTHER INDIRECT (SCOPE 3) GHG EMISSIONS: indirect GHG emissions are not included in energy indirect (Scope 2) GHG emissions that occur outside of the organisation, including both upstream and downstream emissions.

DECARBONISATION: The process by which countries, individuals or other entities aim to achieve zero fossil fuel carbon existence. Typically refers to a reduction of the carbon emissions associated with electricity, industry and transport.

ESG: Environmental, social and governance issues that are identified or assessed in responsible investment processes.

ENERGY EFFICIENT: Using the smallest amount of energy possible to provide power.

ENERGY REDUCTION: the amount of energy no longer used or needed to carry out the same processes or tasks. This does not include overall reduction in energy consumption from reducing production capacity or outsourcing organisational activities.

GREENHOUSE GAS (GHG): The atmospheric gases responsible for causing global warming and climate change. The major GHGs are carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_20)

REDUCTION OF GREENHOUSE GAS (GHG) EMISSIONS: decrease in GHG emissions or increase in removal or storage of GHG from the atmosphere, relative to baseline emissions

HAZARDOUS WASTE: Waste that contains substances or has properties that might make it harmful to human health or the environment. Usually needs specialist disposal from a licenced hazardous waste carrier.

KLARGESTER UNIT: Packaged pollution control products, including wastewater treatment systems, reed beds, oil separators, grease traps, pumping stations and stormwater collection solutions.

LANDFILL: Used for the disposal of unrecyclable waste and refuse where no other waste process can be utilised. Waste is buried in excavated pits which are usually covered in soil once full.

LIFE CYCLE ASSESSMENT: The systematic analysis of the potential environmental impacts of products or services during their entire life cycle.

NON-RENEWABLE ENERGY SOURCE: energy source that cannot be replenished, reproduced, grown or generated in a short time period through ecological cycles or agricultural processes

RENEWABLE ENERGY SOURCE: Energy source that is capable of being replenished in a short time through ecological cycles or agricultural processes.

RECYCLING: The reprocessing of used materials into new products in order to reduce the usage of raw materials. Its purpose is to prevent the waste of virgin resources, reduce air and water pollution and decrease greenhouse gas emissions.

REUSE: Reusing is a process in which products are used again for their initial purpose and do not go through a recycling or waste process.

SUSTAINABILITY: Environmental practices that protect natural resources needed by future generations for a positive quality of life.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS: A United Nations document that features 17 sustainability goals and 169 smaller targets, including pledges to protect the world's oceans, improve water management and the energy system, and take urgent action on climate change. The overarching aim of the document is to 'end poverty'. Delegates from 194 member states adopted the agreement in September 2015.