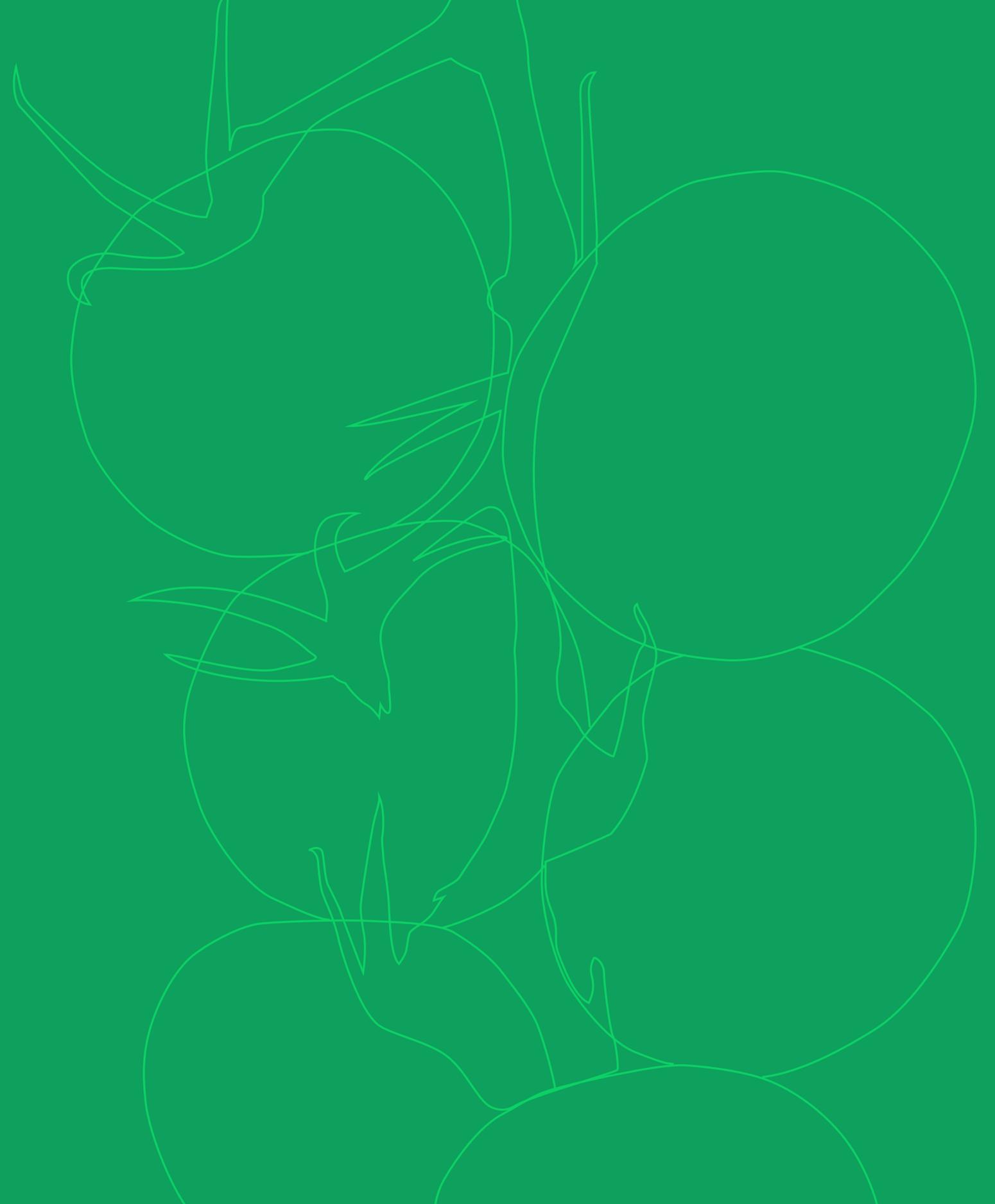

SUSTAINABILITY AT BOAL

BOAL
GROUP



STATEMENT FROM THE CEO

Climate change poses one of the greatest challenges of our time. We are in the midst of a global crisis that is likely to have far-reaching impacts on our lives and our environment, while also threatening to exacerbate global socio-demographic imbalances.

In the face of these challenges, we see a need to take a proactive stance and to contribute to the reduction of climate-change. In fact, sustainability is becoming a pivotal determinant for the future of businesses. We are observing a growing demand from our customers, employees, and communities to review and rethink the impact of our actions on our people, communities and natural environments.

We are proud to be taking these developments seriously and we have explicitly decided to implement a long-term ESG sustainability strategy - to optimize our environmental footprint - but also to render BOAL fit for the future.

In fact, we are putting sustainability at the center of our business strategy. In the process we will most certainly comply with the law, but we will clearly demonstrate leadership and differentiate ourselves from our competitors. It is about constantly striking a balance between people, the environment and economics, for all the companies which are part of the BOAL Group: currently Alumat Zeeman, BOAL Systems, BOAL Extrusion, HollandNetting, HollandScreens, WestNederLand

and Westland Dak & Wand.

We are determined to collaborate with our suppliers and customers on this crucial mission. Sustainability will be at the heart of our business and one of the key levers for our continued success: If we win in ESG, we will also win as a company.

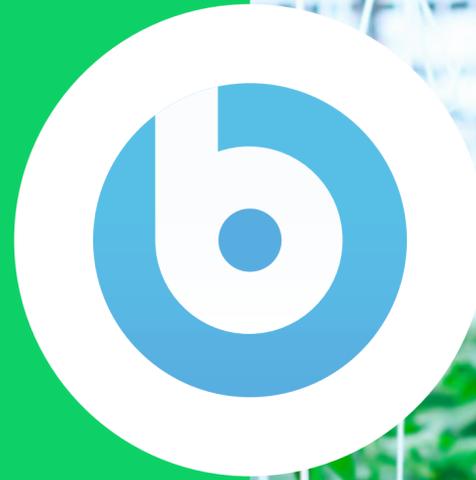
ADRI POLS ON BEHALF OF BOAL



Since 2022 the BOAL Group has been publicly committed to the UN Global Compact corporate responsibility initiative and its principles in the areas of human rights, labour, the environment, and anti-corruption.

01.

THE BOAL GROUP



OUR PURPOSE

It is our purpose to partner with builders and growers worldwide by engineering and manufacturing compatible components for high tech covered cultivation. Together we enable growers to flourish and to sustainably feed the growing population.



BOAL SERVES GROWERS AND BUILDERS WORLDWIDE

BOAL provides greenhouse builders with a comprehensive portfolio of modular systems and solutions for high-tech covered cultivation. It ranges from complete aluminum greenhouse structures with integrated insect netting and ventilation solutions to insulated storage areas, climate screen systems or individual greenhouse parts.

BOAL tailors its modular systems to the requirements of specific projects and delivers these direct to the construction site as a ready-to-build package. BOAL has a unique position in the value chain with its in-house extruded aluminum, which is 100% recyclable and a proven key differentiator, particularly in the current base material shortage environment.

Having established long-term collaborative relationships with regional and global greenhouse builders, BOAL has supplied over 8,000 hectares of greenhouses in over 50 countries. BOAL's systems significantly contribute to feeding a rapidly growing global population whilst minimizing the use of resources.

02.

PEOPLE FIRST



HEALTH AND SAFETY

A key aspect of our ESG strategy is health and safety. BOAL is committed to ensuring that its operations do not have a harmful effect on the health and safety of its employees. We are aware that the work environment can vary considerably within the companies of the BOAL Group. At BOAL Extrusion, there are for example entirely different hazards than at HollandScreens – requiring different risk management approaches.

Nevertheless, there is one common principle among all companies of the BOAL Group: “We do it safely or we don’t do it!”

The instructions and the corresponding signs on the work floor obviously guide the way here. However, the sign at the entrance of our extrusion company in Shepshed summarizes it best: “We want everyone to get home safely at the end of the working day!” >>

**OUR AMBITION
TO CONTINUOUSLY REALIZE
A TOTAL RECORDABLE
INCIDENT RATE (TRIR)
WHICH IS LOWER THAN THE
INDUSTRY STANDARD.**



>> **PERFORMANCE**

Our current stringent safety procedures and learning from the past have ensured that for almost a decade no fatal accidents have occurred at BOAL. We work continuously and intensively to build and promote a strong safety culture based on calling each other to account for safe behavior to reduce the frequency of accidents. We are driving this goal through our ESG strategy, as well as our ISO 45001 certificates, which have

integrated safety throughout our operations, with accountability extending from plant operators to top management.

03.

PRESERVING WATER



Water scarcity is a global issue - and even more so in the context of agriculture. In many regions of the world, such as Latin America, the Middle East, or Australia, the water supply, especially the supply of clean fresh water, is no longer guaranteed due to an increased frequency in droughts. Even in countries not traditionally associated with water scarcity, such as the United States or some European countries, climate change has led to significant water shortages over extended periods

of time. As climate change progresses, water stress and the associated public awareness will increase.

BOAL helps to preserve water by providing our customers with bespoke products which will contribute to reduce the amount of water they use. Although we are not directly affected by water scarcity risks due to our locations in low water stress areas, we also see it as our responsibility

to continuously optimize our water management to positively impact the communities and environments we operate in. >>

OUR AMBITION
15% REDUCTION IN WATER WITHDRAWAL BY 2025 FROM A 2020 BASELINE.



>> **WHERE WE STAND TODAY**

Our water withdrawal intensity in 2020 amounted to 69 m³ per million euro revenue. This value is considerably below the building products median of 443 m³/€m. Most of our water usage is attributable to water quench processes in our UK plant. That is, we use water primarily for cooling purposes and do not require it as an input for our products. After the treatment at our plants or those

of our recyclers, we recirculate 100% of the withdrawn water into local basins. As such our water consumption (i.e. water that is not recirculated into local basins), is equal to zero.

To provide context to these figures, all of our withdrawn water originates from local rivers (e.g. Rhine, River Maas and Soar) and has no negative effect on groundwater levels. All our production sites in the Netherlands and the United Kingdom

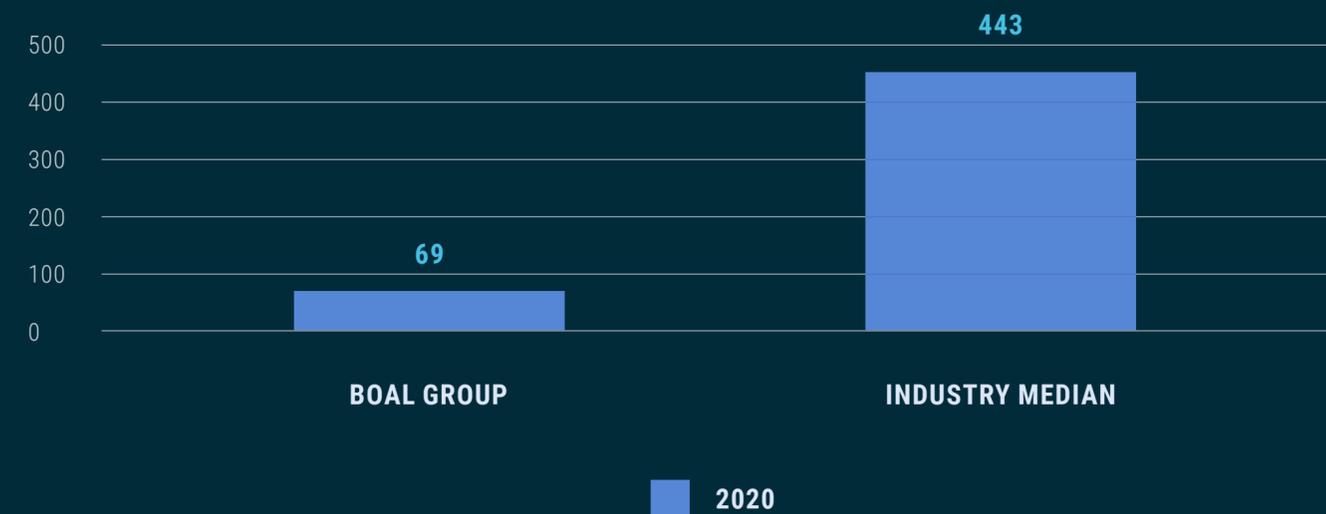
source their water from areas with low baseline water stress scores. This means that the ratio of total water withdrawals to available renewable surface and groundwater supplies in all our areas of operations is below 10% (in the Netherlands) and 20% (in the United Kingdom).

TABLE: WATER WITHDRAWAL INTENSITY BY AREA AND BASELINE WATER STRESS

BOAL OPERATION	WATER WITHDRAWAL (M ³)	BASELINE WATER STRESS
Netherlands	2.773	Low (<10%)
United Kingdom	9.295	Low to Medium (10%-20%)



TABLE: WATER INTENSITY BENCHMARKING (M³ / €M)



Based on our water related key performance indicators, we anticipate that neither physical water-related risks (i.e. restrictions on our operations or supply chains) nor transitional risks (reputational, regulatory or market risks) will have a material adverse effect on our ongoing business and/or assets in the foreseeable future.

04.

TOWARDS A CIRCULAR ECONOMY



One topic that preoccupies the horticulture building products industry is that of circularity – not least to secure the industry's own material needs for the future. In a circular economy, there is no waste. Rather, the product life cycle is to be regarded as a closed loop in which materials, components and products are recycled at the end of their life cycle and fed back into the material cycle.

We at BOAL are proud to actively promote the reuse of resources while making highest quality products, especially when it comes to aluminum. This goes way beyond recycling 100% of our aluminum scrap from BOAL Systems and BOAL Extrusion – which we see as the absolute minimum requirement for fostering a circular economy. In addition to that, we are striving for the optimal balance of primary and recycled aluminum we source from our suppliers.

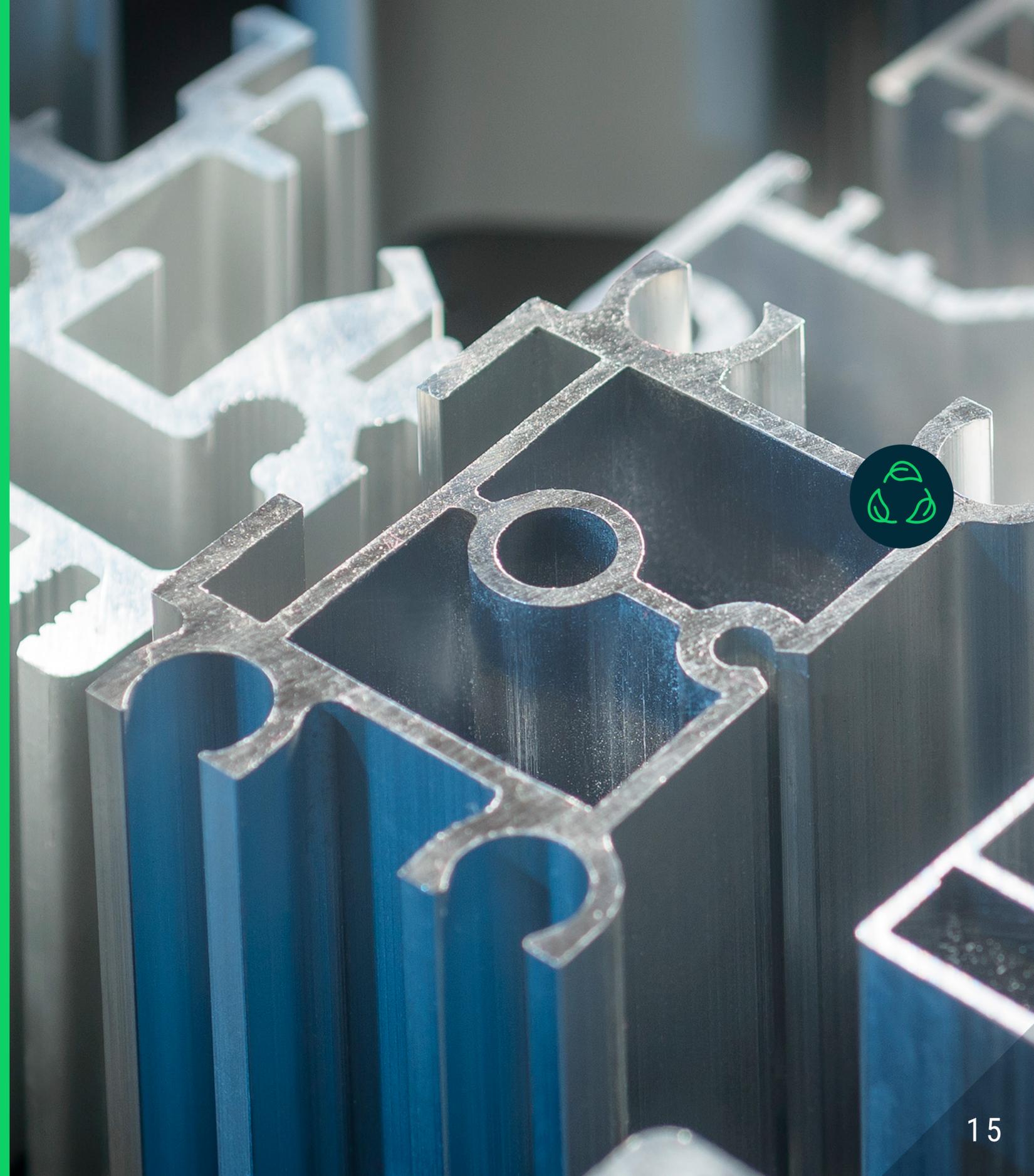
WHERE WE STAND TODAY

The reuse of materials, especially aluminum, is an important step in our ambition to contribute to circular economy. Today, our recycled starting materials equal around one third of the aluminum we use. >>

OUR AMBITION

FURTHER INCREASING OUR SHARE OF RECYCLED ALUMINUM AND LOWER CO₂-EMISSION ALUMINUM IN PERCENTAGE TO OUR OVERALL METAL REQUIREMENTS BY 25% - BY 2025 FROM A 2020 BASELINE.

Next to that, we will keep on actively driving down our internal scrap production to the absolute minimum by working together with our customers on requirements and by challenging technical limitations. This will pay off for the environment and for our business directly. >>





>> FOLLOWING OUR AMBITION, WE ARE CONSTANTLY WORKING ON WAYS TO PRODUCE OUR PRODUCTS MORE SUSTAINABLY

- We are committed to maximize the share of secondary aluminum we use in our production – that is, aluminum that has been recycled. The advantage is substantial: recycling consumes less than 10% of the energy needed to produce primary aluminum, which means a huge saving in CO₂ emissions per ton of aluminum.
- Our customers and suppliers are also involved in sustainability issues. We are continuously incorporating the feedback of our customers and suppliers on how to improve, e.g. in our sourcing strategy.

05.

CLIMATE CHANGE - A PIVOTAL CONCERN TO BOAL



Global climate change is one of the key challenges of the 21st century and is also a central concern for BOAL. Already today, it has triggered an average global warming of about 1.0 °C over the pre-industrial level. The Paris Agreement's 1.5 °C limit on global warming is likely to be reached and exceeded as early as between 2030 and 2050.

We recognize that the continued emissions of

greenhouse gases will lead to further warming and irreversible changes in the entire climatic system, thereby increasing the likelihood of severe, widespread and irreversible physical impacts on humans and ecosystems. Depending on the global warming scenario, sea levels may rise by 0.4 to 0.9 meters, posing a serious physical risk to low-lying coastal cities and regions, including our production facilities and supply routes in the Netherlands.

Proactively counteracting this change is a must – primarily because of our responsibility towards our environment. Passive behavior is becoming a risk for companies as government regulations tighten and climate-damaging behavior may lead to reputational damage. We are committed to set a good example. >>

OUR AMBITION

- >35% REDUCTION IN SCOPE 1&2 CO₂ EMISSIONS BY 2030 FROM A 2020 BASELINE
- ACHIEVE NET-ZERO CO₂ EMISSIONS BY 2050



>> WHERE WE STAND TODAY

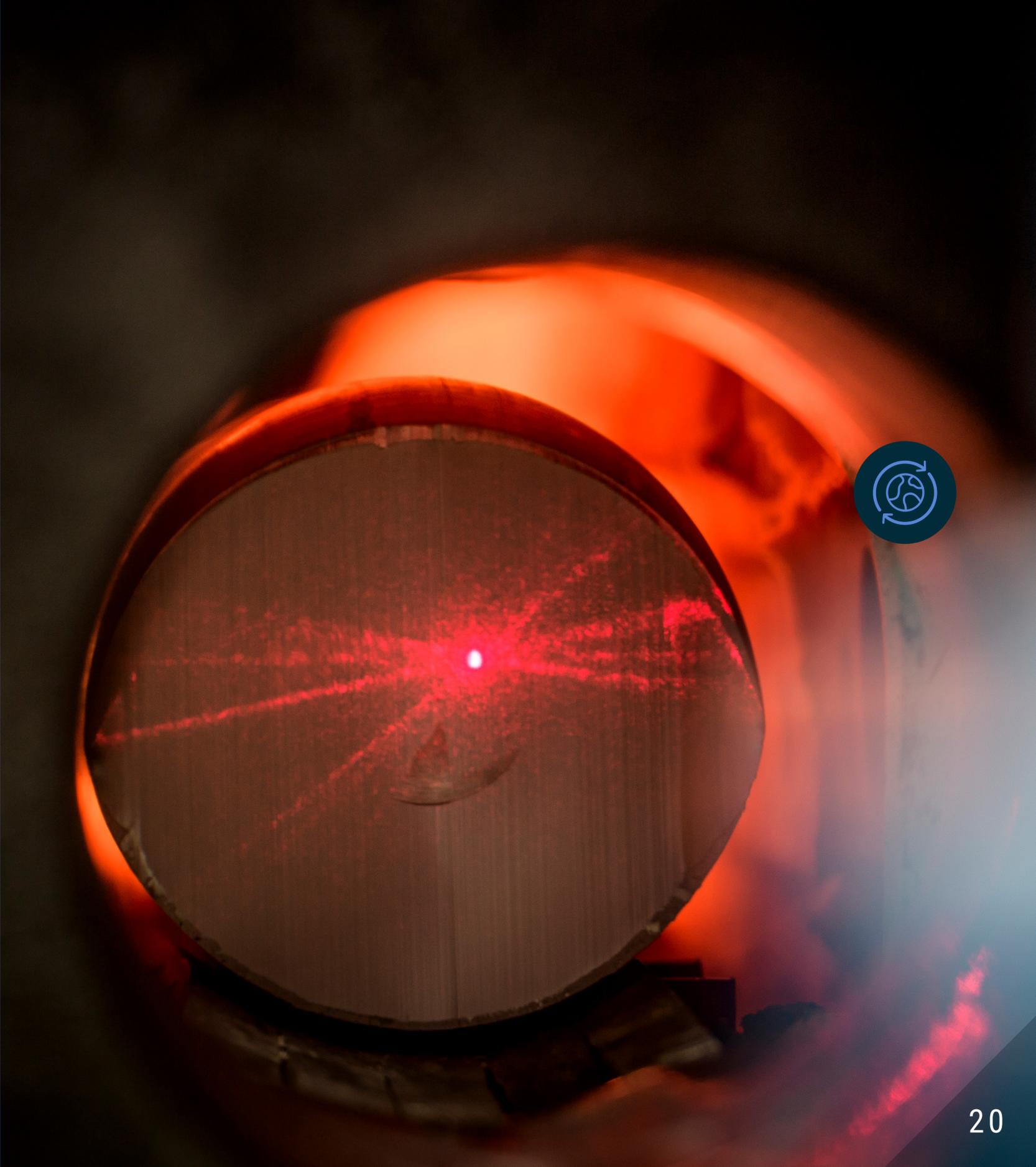
We are on a good path. Between 2019 and 2021, we have reduced our CO₂ intensity over 20%. On the one hand, this is due to rapidly rising raw material prices in 2021 but it is also achieved as a result of a long-term strategy, which focuses on energy efficiency improvements in our production facilities.

- **Energy Efficiency:** We have established a group-wide framework for our energy planning and conduct regular audits to identify the most energy-intensive processes and determine where the highest CO₂ savings can be realized. To date, we have taken a number of measures, such as Solar panels at WestNederland, renewing our lighting with LED, and we are currently investigating options for replacing our gas ovens (for extrusion) within the next ten years.

- **Renewable Energy:** We are in the process of switching from fossil fuels to renewable energy sources for the electricity we use.
- **Low Carbon Materials:** We are in the process of further improving our supply strategy and challenging the raw materials we source. That is, we are committed to optimize the share of secondary, low carbon or green aluminum we use in our production.

TABLE: **SCOPE 1-3 CO₂ EMISSION INTENSITY TREND**

	CO ₂ EMISSION INTENSITY		
	YEARS		
	2019	2020	2021
Scope 1 CO ₂ (tCO ₂ / €m)	39	37	23
<i>in % of Total</i>	1,68%	1,60%	1,26%
Scope 2 CO ₂ (tCO ₂ / €m)	27	27	21
<i>in % of Total</i>	1,16%	1,15%	1,13%
Scope 3 CO ₂ (tCO ₂ / €m)	2.240	2.262	1.807
<i>in % of Total</i>	97,16%	97,25%	97,61%
Total (tCO ₂ / €m)	2.305	2.326	1.851



06.

GOVERNANCE



Our ESG ambitions cover a wide range of topics, business areas and regions, which inevitably increases the complexity of their implementation. We recognize that we need a strong leadership and governance framework to successfully follow the path we have defined for ourselves and to emerge as an ESG leader in our industry.

We have developed and implemented structures and responsibilities that embed ESG in our organization.

This applies to our formal structures and policies as well as to our culture and the individual attitudes and actions of our employees. Morale, reliability, responsibility are all core values that we continuously foster at every level of the company - from our work floor to our board room.

OUR PRINCIPLE IS:

“Compliance is the foundation for everything we do at BOAL.” We are committed to creating a culture of

openness and integrity, maintaining our reputation of product excellence, and protecting trusted and reliable business relationships with our customers and partners. We expect everyone who works for BOAL to comply with our Code of Business Conduct, Ethics and Integrity, our policies and procedures, professional standards and regulations.

PROHIBITING POLITICAL INVOLVEMENT

A prime example of the guidelines and >>



>> measures we have adopted relates to the avoidance of political interference. It is our commitment to always act in a politically independent manner and not to exert any undue influence. BOAL does not permit any direct and/or indirect political involvement on behalf of the company. Thus, we are pleased to report that BOAL has not engaged in any direct and/or indirect lobbying activities or promoted any political affiliations, and no political expenditures have been made.

ESTABLISHING CHANNELS TO RAISE CONCERNS – OUR WHISTLEBLOWER SYSTEM

We recognize that our employees can face obstacles, difficult decisions, and ethical dilemmas in the course of doing their work. We know that it takes courage to speak up. Therefore, BOAL has implemented an anonymous whistleblower system that allows our employees and suppliers to communicate ethical concerns without fear of retaliation. In addition, we proactively encourage

our employees to take action when they have ethical concerns to help ensure that BOAL operates in accordance with its values and ambitions.

We are proud to report that in the past year we have acted in compliance with our Code of Conduct and the amending policies and have not received any whistleblower reports despite these channels being available.

“

**YEAR ROUND, SUSTAINABLE YIELD, GROWN LOCALLY.
IT IS OUR RESPONSIBILITY TO CONTRIBUTE WITH OUR
INTEGRATED SYSTEMS FOR OPTIMAL YIELD WITH
MINIMAL USE OF RESOURCES.**

- ADRI POLS, CEO

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BOAL
GROUP

