



**Altech Batteries**  
Limited

# ESG

**ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE  
DISCLOSURE REPORT**

**1 Jul 2024 to 30 Sep 2024**

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Altech Batteries Limited ("ATC" or the "Company") is committed to the principles of ESG as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals. In February 2023, we made a commitment to commence reporting on the Environmental, Social, and Governance (ESG) disclosures of the **Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF)**.

We are in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity and principles of governance that organisations can report on regardless of industry or region. This table represents our **reporting against the 21 core metrics**, being reviewed quarterly and updated periodically.

We use this universal ESG framework to align our mainstream reporting on performance against ESG indicators. By integrating ESG metrics into our governance, business strategy, and performance management process, we diligently consider all pertinent risks and opportunities in running our business. We continue to look for opportunities for further transparency on the topics which are material to our business.

To track our disclosure progress and demonstrate our sustainability performance against the WEF SCM framework we utilise **Socialsuite's ESG disclosure platform**. Socialsuite ESG enables us to demonstrate our ongoing commitment to ESG by providing a dedicated solution to track, report, and share our ESG disclosures. With Socialsuite ESG we have started the journey of building robust ESG credentials.

**Last updated: 24/9/2024**







# **OUR PURPOSE**

**IS TO REVOLUTIONISE ENERGY STORAGE**

**AND BATTERY MATERIALS IN ORDER**

**TO SUPPORT THE ENERGY TRANSITION FROM**

**A FOSSIL FUEL CARBON BASED ECONOMY**

**TO A RENEWABLE ENERGY ECONOMY.**

# GOVERNANCE

## GOVERNING PURPOSE SETTING PURPOSE

CODE	TYPE	STATUS	LAST UPDATED
GO-01-C1	Full disclosure	Verified	22 Jul 2024

At Altech Batteries Limited ("Altech"), our purpose is to revolutionise energy storage and battery materials in order to support the energy transition from a fossil fuel carbon based economy to a renewable energy economy.

We aim to achieve this through the commercialisation of solid state sodium batteries, and silicon-graphite anodes for higher energy density EV batteries. Our game changing technology, CERENERGY® Sodium Chloride Solid State (SCSS) battery, is an alternative to lithium ion batteries and supplies the energy storage market with this higher quality and lower risk product. By doing so, we can reduce the dependence on traditional, energy-intensive methods, creating a more sustainable and environmentally friendly process.

Altech's CERENERGY® battery does not rely on lithium, copper, cobalt, graphite or manganese, rather, it uses sodium chloride (common table salt) technology.

As we continue to grow, our purpose will guide us in making decisions that benefit our stakeholders, including our employees, shareholders, customers, and the wider community. We will do this by bringing to market batteries and battery materials that meet the growing demand for sustainable electric solutions. Our innovative approach provides an opportunity to transform the industry, generate long-term growth, and create a positive impact on the environment.

## QUALITY OF GOVERNING PURPOSE GOVERNANCE BODY COMPOSITION

CODE	TYPE	STATUS	LAST UPDATED
GO-02-C1	Partial disclosure	Verified	24 Sep 2024

Altech recognises the crucial role of its Board in providing overall good governance, oversight of its strategic direction, and delivery of accountable corporate performance in accordance with our goals and objectives. As such, the Board has the authority to determine all matters relating to the strategic direction, policies, practices, establishing goals for management and the operation of the Company.

The Board's roles and responsibilities are formalised in a Board Charter which is available on the Company's website. The Charter is reviewed annually to ensure it remains appropriate given the operations of the business and the responsibilities and composition of the Board.

Altech seeks to ensure that our Directors have a broad range of experience and commercial expertise, or appropriate professional qualifications most relevant to the sound governance of the Company. To ensure that the Board possesses the necessary skills and expertise, Altech maintains a Board skills matrix that identifies the skills, experience, and competencies required for the effective functioning of the Board (which can be found in Altech's Corporate Governance Statement). The Company recognises the importance of ESG competencies and seeks to have directors with experience and knowledge on ESG matters to help guide the company in meeting its sustainability goals.

The Board conducts an annual internal evaluation to assess its performance as a whole and the performance of individual directors. Furthermore, the Chairman regularly provides informal feedback to each Board member regarding their contributions and performance during Board meetings.



Altech values the independence of its non-executive directors and seeks to maintain a balance between executive and non-executive directors on the Board. Our Board Member profiles can be found on our website (see link below). The Company recognises the importance of diversity on the Board and seeks to have a diverse representation of directors when it comes to background, skills, expertise and experience.

As of September 2024, the Altech Board had the following make-up:

- 6 Board Members (+1 Alternate Director)
- 100% Male
- 67% Local directors (Australian), 33% directors being of overseas origin
- 83% (5) Non-executive directors;  
17% (1) is considered an Independent director
- All Directors are in the age group 50+

As part of the ASX Listing Rules, Altech's Board or a committee of the Board is expected to set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally. However due to Altech's size and limited scope of operations, the Company does not currently have a Diversity Policy in place and has not set any measurable objectives when it comes to gender diversity. Whilst the Board of Directors strongly believes in a socially inclusive and diverse Board, we acknowledge that we do not currently represent all these indicators at this point in time. As the Company's activities increase in size, scope and/or nature, the Board will consider the appropriateness of adopting gender diversity or other diversity objectives. It is important to note that the current Board has representatives from the three countries in which it operates; Australia, Malaysia, and Germany, thereby bringing a diversity of in-country skills and viewpoints to the oversight of the Company.


Altech Batteries considers director tenure, commitments, and obligations when assessing the composition of its Board, the parameters of which are set out in the Board Charter. The Company recognises the importance of continuity, while also ensuring that directors are not overcommitted and have the necessary time to fulfil their duties effectively. The details around Director tenure are included in the Annual Report (see link below).

The Board has also established an Audit Committee as well as a Remuneration Committee to assist with the effective governance of the company.

**See Also: Board Charter, Board Members, Annual Report 2024, Board Skills Matrix**





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# STAKEHOLDER ENGAGEMENT

## MATERIAL ISSUES IMPACTING STAKEHOLDERS

CODE	TYPE	STATUS	LAST UPDATED
GO-03-C1	Partial disclosure	Verified	18 Sep 2024

Altech highly values its continuous drive for effective communication with all of its stakeholders. We take pride in actively listening to concerns, opinions, and ideas related to our business and the communities in which we operate. By involving diverse voices from stakeholders in management of our Company, we foster genuine engagement and cultivate a social licence to operate and create value for all of our stakeholders.

We recognise the importance of identifying and addressing material issues that may impact our business and our stakeholders. As a publicly listed corporation, Altech has a responsibility to ensure equal and timely access to material information about the Company in a fair and comprehensible manner for all shareholders and market participants. Our Continuous Disclosure & Shareholder Communications Policy thoroughly outlines the obligations we must uphold to comply with the Australian Securities Exchange (ASX) Listing Rules and the Australian Corporations Act.

Altech uses stakeholder mapping to identify our stakeholders and understand their needs and interests. We engage in regular stakeholder consultations to gather feedback and ensure that we are addressing material issues. Feedback on material issues is provided to stakeholders in a timely and transparent manner, and the Company continues to engage in ongoing stakeholder consultation to ensure that it is meeting stakeholders' needs.

We recognise the utmost importance of keeping our stakeholders well-informed about our actions and progress regarding material information. To ensure transparency, we adhere to rigorous materiality guidelines as per the Corporations

Act that help us identify what constitutes a material issue, and whether it necessitates disclosure on the ASX or to our shareholders. We are committed to providing regular updates and feedback to our shareholders through various communication channels, including our website, reports, investor briefings, AGMs, and media releases.

In Q1 2024, we conducted our first double materiality assessment. Through engagement and analysis, we identified 8 sustainability areas that present material impacts, risks, and opportunities to our organisation. Our operations affect the economy, people, and environment, and material sustainability matters present risks and opportunities to our organisation.

The results of this assessment found greenhouse gas (GHG) emissions to be the most significant environmental matter to stakeholders. Employee health and safety was deemed the most important social matter, and market presence was deemed the most material governance matter.

To streamline our ASX and website communications on material issues, we leverage the Investor Hub software platform. Hosted on Altech's website, the Investor Hub offers a streamlined and efficient means of engaging with stakeholders and optimising investor communications. It serves as a centralised hub where stakeholders can access important information and engage with us effectively.

Interested parties are encouraged to engage with Altech directly by asking questions, watching video summaries and seeing what other shareholders have to say about this, as well as past announcements, at its Investor Hub at link provided below.

**See Also: [Continuous Disclosure & Shareholder Communications Policy, Investor Hub](#)**

# ETHICAL BEHAVIOUR

## ANTI-CORRUPTION PRACTICES

CODE	TYPE	STATUS	LAST UPDATED
GO-04-C1	Full disclosure	Verified	11 Sep 2024

Altech is committed to conducting business with the highest standards of ethics, integrity, and transparency. We recognise the detrimental impact that corruption can have on the Company and our stakeholders. As a publicly listed company, we are dedicated to combating corruption in all its forms.

While Altech does not currently have formal anti-corruption training, we take proactive measures to combat corruption. We emphasise the importance of ethical conduct and compliance with all applicable laws and regulations in the countries where we operate. It is our responsibility to ensure that our staff receives an up-to-date Company policy annually, and written confirmation of reading and understanding the policy are recorded.

Our commitment to fighting corruption is demonstrated through the following initiatives:

### a) Code of Conduct:

Altech Batteries has implemented a comprehensive Code of Conduct that sets clear expectations for all directors, officers, employees, and contractors. The Code of Conduct outlines our commitment to integrity, honesty, and objectivity, striving at all times to enhance the reputation and performance of the Company.

### b) Anti-Bribery and Corruption Policy:

We have established procedures to prevent corruption and bribery in all countries that we operate in. The policy set out the responsibilities of the Company and its management and personnel in upholding Altech's commitment to preventing any

form of bribery or corruption; and provide information and guidance to personnel on how to recognise and deal with any potential bribery and corruption issues.

### c) Whistleblower Policy:

We have established a Whistleblower Policy that encourages employees and stakeholders to report any suspicions or instances of corruption, fraud, or unethical behaviour. This policy ensures that individuals who in good faith, raise concerns or breaches, can do so confidentially and without fear of retaliation or recrimination.

As of the date of this disclosure, Altech has not experienced any reported incidents of corruption involving its employees or stakeholders. We maintain a zero-tolerance approach to corruption and actively encourage individuals to report any suspicions or incidents they encounter.

**See Also: Corporate Governance Policies**



# RISK AND OPPORTUNITY OVERSIGHT

## INTEGRATING RISK AND OPPORTUNITY INTO BUSINESS PROCESS

CODE	TYPE	STATUS	LAST UPDATED
GO-05-C1	Full disclosure	Verified	11 Sep 2024

Altech has a comprehensive Risk Management Policy in place that is designed to identify, assess, monitor and manage risks and opportunities and internal compliance and controls across our business operations. This policy is reviewed every two years (see link below).

The Board ensures that appropriate risk management and internal compliance and control is in effect to identify, assess, monitor and manage business risks, ensuring compliance with all regulatory requirements and setting the risk appetite within which the Board expects management to operate. The responsibility for undertaking and assessing risk management and control effectiveness is delegated to the management team who is required to report back to the Board periodically.

Our risk management policy includes a systematic approach including:

- establishing the Company's goals and objectives, and implementing and monitoring strategies and policies to achieve these goals and objectives;
- continuously identifying and reacting to risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- formulating risk management strategies to manage identified risks and designing and implementing appropriate risk management policies and internal controls; and

- monitoring the performance of, and continuously improving the effectiveness of, risk management systems and internal compliance and controls, including an ongoing assessment of the effectiveness of risk management and internal compliance and control.

The risk profile of the Company contains both financial and non-financial (or non-traditional, i.e. ESG risks or opportunities) factors including material issues arising from pricing, competitive position, currency movements, operational efficiency, ore reserve replacement, fuel prices, groundwater flows, product quality, investments in new projects, etc.

To mitigate these risks and as well as positioning the Company onto the broader opportunities for the financing process for its 120MWh CERENERGY® battery plant in Germany, Altech has appointed global corporate advisory firm KPMG to be the financial adviser for the Company on potential financing transactions and provide service on public grant/subsidies program in June 2024.

Altech is also exposed to risks and opportunities associated with climate change. Climate change and the energy transition is viewed as an opportunity for Altech, where the Company's goal is to develop and supply the materials and products to support a renewable energy system, thereby fighting climate change as evidenced in our work in achieving a "Medium Green" rating from the Centre of International Climate and Environmental Research (CICERO) for our battery materials coating plant project. The Company has also engaged CICERO to undertake a green assessment for its CERENERGY® project, and aims to receive a green rating for this project as well.

**See Also: Risk Management Policy, Appointment of KPMG as Adviser to CERENERGY® Finance**

## ETHICAL BEHAVIOUR

### MECHANISMS TO PROTECT ETHICAL BEHAVIOUR

CODE	TYPE	STATUS	LAST UPDATED
GO-04-C2	Full disclosure	Verified	11 Sep 2023

Altech is committed to maintaining the highest standards of conduct and ethical behaviour in all of our business activities. We promote and support a culture of honest, ethical behaviour, corporate compliance and sound corporate governance.

We recognise the importance of providing employees, Board members and other stakeholders with a safe and confidential environment to report any unethical behaviour. To achieve this, Altech has implemented a Whistleblower Policy that allows individuals to report any illegal, unethical, or inappropriate behaviours or practices in good faith without fear of retribution.

Our Whistleblower Policy provides an overview of the processes for dealing with disclosures and a confidential and anonymous mechanism for employees and stakeholders to report concerns that are construed as Disclosable Matters. This policy is communicated to all employees and stakeholders through the Altech intranet and website and applies to whistleblowers in all countries which Altech operates. The policy also outlines what constitutes a disclosable matter that can be reported, allowing the potential whistleblowers to understand whether the observation is or is not a reportable matter.

A disclosure/report can be made to any of the following Disclosure Officers:

- CFO
- Company Secretary
- Managing Director

In instances involving the Managing Director, a disclosure can be made to:

- Chairman

Reports can also be made by post to Altech's postal address found on the website.

Disclosable matters will be investigated by the Disclosure Officers as soon as practicable and will be treated with sensitivity and fairness. The investigation process will be clearly communicated to the whistleblower and the whistleblower's identity and confidentiality can be protected.

We remain committed to maintaining a culture of ethical behaviour and ensuring that our employees and stakeholders feel empowered to report unethical behaviour or seek advice when faced with ethical or illegal conduct. By establishing these mechanisms, the Company aims to promote a culture of transparency and accountability, which is essential to building trust with stakeholders and ensuring the long-term success of the Company.

**See Also: Whistleblower Policy**



# PLANET

## CLIMATE CHANGE GHG EMISSIONS

CODE	TYPE	STATUS	LAST UPDATED
PL-01-C1	Partial disclosure	Verified	11 Sep 2024

Altech recognises the importance of reducing greenhouse gas (GHG) emissions to address climate change and ensure a sustainable future. We are committed to measuring, reporting, and reducing our GHG emissions in line with industry standards and best practices.

### Altech Battery Materials Coating Plant in Germany:

Our Battery Materials Coating Plant project in Germany has been awarded a "Medium Green" rating by the independent Centre of International Climate and Environmental Research (CICERO). This evaluation, also known as a "green bond second opinion", confirms that the proposed project would be suitable for future green bond financing. The assessment was conducted as part of a preliminary feasibility study (PFS) for the proposed battery materials coating plant at Schwarze Pumpe Industrial Park in Saxony, being undertaken by Altech's 75% owned subsidiary Altech Industries Germany GmbH (AIG).

The plant is being designed with a specific focus on minimising environmental impact and will adhere to German, European, and international environmental standards. The CICERO assessment confirmed that the project aligns with green bond principles and rated the proposed governance procedures and transparency as "good". The plant is expected to have near-zero Scope 1 and Scope 2 emissions as its processes, including steam generation, will be fully electrified and powered by renewable electricity from on-site solar panels and renewable energy certificates.

In a carbon footprint assessment of the proposed 8,000-tonnes-per-annum plant, it was found that using coated silicon anode material instead of the traditional graphite-only anode in lithium-ion battery technology could result in significant reductions in carbon emissions (for Scope 3 emissions). The reduction could be around 19% when 5% coated silicon is used in a battery anode, and up to approximately 52% if 20% coated silicon is used.

While the battery materials coating plant project by Altech is still in the development phase, CICERO has advised the Company to adopt a strong supply chain sustainability policy and work with suppliers to address their sustainability impacts. This is particularly important as over 90% of the plant's carbon footprint is attributed to plant feedstock, such as graphite and silicon, as well as chemical feedstocks mined from raw materials (e.g. bauxite).

In addition, an independent study performed by the University of Bochum has reported that Altech's CERENERGY® battery has 50% less greenhouse gas emissions than a comparable lithium-ion battery.



°CICERO

Medium Green

### Corporate GHG inventory:

Altech CERENERGY® GHG emission current design basis states to emit significantly less than 10kg CO<sub>2</sub>eq/kWh produces battery capacity. In consideration of the entire production value chain, Altech successfully achieved its design basis.

By employing specially designed electric plasma tunnel kiln operated with renewal electricity rather than common gas powered tunnel kiln has helped to achieve the Company's objective of mitigating all fossil fuel powered process. This implementation is able to save more than 740tCO<sub>2</sub>eq/year. By using only locally generated renewable energy, the Company was able to further lower its CO<sub>2</sub> emissions by more than 7.000t CO<sub>2</sub> per year.

However, Altech is yet to conduct corporate-level GHG inventory across the entire business entity in line with the GHG Protocol Corporate Accounting and Reporting Standard. Due to our size and minimal level of activity as a start-up, we have not yet created a GHG emissions inventory and set any science-based reduction targets. Altech plans to understand its GHG inventory as part of the various financing and development stages of its projects. In addition, we aim to comply with German and European environmental regulations, as well as international standards such as the Equator Principles and IFC Performance Standards on Environmental and Social Sustainability.

This disclosure shall be updated when the projects progress further and we conduct the appropriate GHG inventory assessments. Altech is committed to reducing our GHG emissions in line with industry standards and best practices. We believe that our efforts to reduce emissions will not only benefit the environment but will also support our longterm business success and create value for our stakeholders.

**See Also: CICERO Report - HPA Plant**





# NATURE LOSS

## LAND USE AND KEY BIODIVERSITY AREAS

CODE	TYPE	STATUS	LAST UPDATED
PL-02-C1	Full disclosure	Verified	11 Sep 2024

Altech is committed to responsible land use practices across all of its operations. As a manufacturer of battery materials, the Company recognises the potential impacts of its activities on land and biodiversity and strives to minimise its environmental footprint.

Our operations are subject to relevant laws and regulations governing land use, including environmental permitting requirements in the countries where we operate. Altech Batteries' operations take place on land in Germany, Australia and Malaysia, and we work closely with landlords, government authorities, and local communities to ensure responsible land use practices.

Altech is also developing an Environmental Management System (EMS), which is expected to be certified under the ISO 14001 standard before the plant starts operations. In addition, the Company's management team reviews environmental compliance bi-annually. The projects also follow international recognised environmental standards and practises including the Equator Principles and International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability.

Altech's Sodium Chloride Solid State Battery project in Germany uses common table salt (sodium chloride), which is not a critical element, and nickel. Salt is much cheaper than lithium and readily available globally. The requirement to extract critical elements or rare earth minerals such as lithium, cobalt, copper and graphite and be subject to supply, environmental or geopolitical issues associated with the sourcing of such minerals is non-existent.

Altech Batteries is committed to preserving biodiversity and natural habitats, and the company strives to minimise the impact of its operations on sensitive ecosystems. The Company has implemented measures to protect biodiversity, including the use of low-impact drilling techniques and the implementation of reforestation programs to restore degraded land. A Mine Closure Plan (MCP) also has been developed in place to ensure that the Company are able to rehabilitate the disturbed areas.

In addition, Altech Batteries is committed to engaging in meaningful stakeholder consultation on land use issues, and works closely with local communities, government agencies, and other stakeholders to understand and address potential impacts of its operations.

Altech has conducted a Site Identification Aboriginal Heritage Ethnographic Survey in 2017. The survey included the identification of the spokespeople before the community consultation took place. Native title claims have been made with respect to areas which include tenements in which Altech has an interest. Altech is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Company or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

**See Also: Altech Green Bond Framework, Cicero Report - HPA Plant**

## FRESHWATER AVAILABILITY WATER CONSUMPTION

CODE	TYPE	STATUS	LAST UPDATED
PL-03-C1	Full disclosure	Verified	11 Sep 2024

Altech recognises the importance of water as a vital resource for sustaining life and the environment. We are committed to transparency and accountability in our operations, including the management of water consumption across our operations.

At an early stage of development, there are minimal activities ongoing across Altech's projects, with water withdrawal and consumption currently immaterial. Any water consumption is insignificant and not in the megaliters range. There may be water withdrawal and consumption in the future at some of our project sites and we will update this disclosure accordingly. For now we can report on the following water management information.

- CERENERGY® Battery Plant, Germany: A closed water cycle covering the entire production process has been developed in which up to 90% of the process water used can be reused. The remaining is treated by the local supplier and discharged into the established Schwarze Pumpe Industrial Park's drainage after treatment and filtration in accordance with the prevailing legal and environment requirements.

We plan to regularly monitor and report on our water consumption to ensure that we are in compliance with relevant regulations and standards in the countries where we operate.

## CLIMATE CHANGE TCFD IMPLEMENTATION

CODE	TYPE	STATUS	LAST UPDATED
PL-01-C2	Partial disclosure	Verified	7 Aug 2023

Altech has reviewed the requirements of the Task Force on Climate-Related Financial Disclosures (TCFD) as part of its pre-feasibility studies. Due to the current size, minimal activities, and early stage of its projects, the Company has not started implementing the TCFD recommendations but notes that it will consider doing so in the future. Although the TCFD framework and its recommendations are presently optional in Australia, there is an increasing anticipation from various parties such as investors, governments, customers, and the community that companies evaluate and disclose climate-related risks.

Based on the overall assessment of the projects conducted by CICERO, Altech's green bond framework receives a CICERO Medium Green shading and a governance score of Good. CICERO recommended that Altech implement and enforce robust supplier policies and engage suppliers to develop low-carbon feedstocks. Further supply chain risk mitigation can be achieved by setting targets on Scope 3 emissions and recycled material use, and by engaging battery and vehicle manufacturers to improve material recoverability and recyclability. The CICERO assessment also recommends that Altech assess and mitigate physical climate risks to its plant and supply chains.

Altech plans to establish a robust reporting approach that includes a commitment to obtaining third-party verification and will provide an update in a future ESG report.



# PEOPLE

## DIGNITY AND EQUALITY DIVERSITY AND INCLUSION

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C1	Explanation	Verified	7 Aug 2023

Altech acknowledges the importance of diversity and inclusion in fostering a vibrant and thriving work environment. While we are currently a small company with limited operations and scope, we recognise that as our activities grow, it becomes increasingly important to prioritise diversity and inclusion within our organisation. As such, the Board of Altech is committed to evaluating the adoption of a Diversity Policy as our business expands.

With a presence in Australia, Germany, and Malaysia, and with employees and directors from all three countries, we bring a diverse set of local expertise and global viewpoints to our business. Our team has a deep understanding and knowledge of the particular geographic areas we operate in, including its culture, customs, markets, environment, and specific skills required to navigate and operate effectively within those specific regions.

Altech does not yet collect diversity data sets for employees, management, or Board. However, as the Company expands and our workforce grows, we will undertake efforts to gather and report on diversity-related data to inform our future policies and initiatives. We understand that diversity encompasses a wide range of dimensions, including age, sex, ethnicity, and other characteristics that contribute to an inclusive and diverse workforce. By understanding and evaluating these indicators, we aim to ensure fairness, equality, and inclusivity in all aspects of our business operations.

Please note that this disclosure reflects the current state of our diversity and inclusion efforts. As our Company evolves and adopts new policies, we will provide updates and enhancements to our approach in future ESG reports.

## HEALTH AND WELL-BEING HEALTH AND SAFETY

CODE	TYPE	STATUS	LAST UPDATED
PE-02-C1	Partial disclosure	Verified	11 Sep 2024

All Altech employees have access to non-occupational medical and healthcare services.

Altech's Board, in conjunction with the senior management team, is responsible for ensuring the occupational health, safety and well-being of employees, contractors and community members, which is outlined in the Board Charter. This includes developing, overseeing and reviewing the Company's occupational health and safety systems to ensure it is effectively protecting employees, contractors and community.

Strict standard operating procedures are constantly developed, reviewed and updated. Despite these measures, the inherent risk of incidents is recognised and minimised through emergency drills, regular risk assessments and mandatory employee training.

This proactive approach ensures a comprehensive and constantly evolving safety framework and the mitigation of potential health, safety and environmental risks within the organisation.

## SKILLS FOR THE FUTURE TRAINING PROVIDED

CODE	TYPE	STATUS	LAST UPDATED
PE-03-C1	Partial disclosure	Verified	8 Sep 2023

Altech values the importance of the development of our people, as a skilled workforce not only improves a company's performance, but also contributes to overall employee satisfaction and enhances human capital.

Altech supports employees in completing their university degrees through financial and time contributions. Altech encourages all of its staff to engage in continuous education and supports its employees in doing so.

Altech Directors or key management personnel are all highly experienced and formal training is not common. However, any Director or key management personnel wishing to undertake either specific training or personal development courses is expected to approach the Chair for approval of the proposed course.

As the Company is very small, the collection and reporting of this data is insignificant and not material, therefore Altech does not currently report on training expenditure or hours. When the need arises as the Company grows, staff training shall be revisited and this disclosure will be updated in future reporting.

## DIGNITY AND EQUALITY PAY EQUALITY

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C2	Partial disclosure	Reported	24 Sep 2024

Altech upholds the principle of fair and responsible remuneration, recognising that a supportive work environment can only be realised through ensuring that all employees receive equal compensation for equal work.

As of 30 June 2024, Altech has 24 permanent employees across its operations.

As a small company in a highly competitive growth industry, we do not currently report on the ratio of basic salary and remuneration for each employee category by priority areas of equality (gender, ethnicity, etc.) Objectives on pay equality have not been explicitly set, however we facilitate equal employment opportunities based on relative ability, performance or potential.

We have established a Remuneration Committee which has four members comprising the Non-Executive Chairman, two Non-Executive Directors, and the Managing Director. The Committee is governed by the Remuneration Committee Charter and is responsible for assisting the Board in monitoring and reviewing any matters of significance affecting the remuneration of the Board and employees of the Company.



## DIGNITY AND EQUALITY

### WAGE LEVEL

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C3	Explanation	Reported	24 Sep 2024

An important priority for Altech is to offer our employees equitable and competitive compensation and benefits packages that duly acknowledge their valuable contributions to the Company's achievements. We believe that providing fair remuneration and benefits is crucial for fostering the financial welfare of our workforce and are committed to guaranteeing that our employees are compensated fairly and responsibly.

Our approach to CEO remuneration, as well as the compensation of directors and staff, is overseen by Altech's Remuneration Committee. The Committee operates under the governance of the Remuneration Committee Charter and adheres to the guidelines outlined in the Charter. Compensation made to the CEO, Directors and other members of key management personnel of the Company is set out in the Annual Report, ending 30 June 2024.

Altech is not disclosing wage levels at present due to the Company's small size and limited scope of operations. However, Altech's discloses in its Annual Financial Report remuneration in relation to its key management personnel.

**See Also: Annual Report 2024**

## DIGNITY AND EQUALITY

### CHILD, FORCED OR COMPULSORY LABOUR

CODE	TYPE	STATUS	LAST UPDATED
PE-01-C4	Partial disclosure	Verified	11 Sep 2023

Altech recognises the significance of addressing and preventing modern slavery within our business operations and supply chain. We are dedicated to adhering to all applicable laws and regulations pertaining to modern slavery in all the countries we operate, including the Modern Slavery Act 2018 (Cth) in Australia, the Supply Chain Due Diligence Act in Germany, and the Employment Act 1955 in Malaysia. Despite not being obligated to report on modern slavery annually in Australia due to falling below the reporting threshold, we approach this matter with utmost seriousness and remain committed to aligning our practices with the spirit and intent of the legislation and meeting all employment laws in these countries.

Altech acknowledges the potential risks of modern slavery in Malaysia. In Australia and Germany, we consider the risk of modern slavery in our operations to be low. We have not yet conducted a formal risk assessment on modern slavery in our business or supply chain, but we will review this decision as part of our ongoing commitment to responsible business practices.

Altech has not yet developed or adopted a formal Modern Slavery Policy or Statement. However, we are committed to preventing modern slavery in our business and supply chain, and we are reviewing our policies and procedures to ensure they are aligned with this commitment. We will consider developing and adopting a formal policy or statement in the future if deemed necessary.



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# PROSPERITY

## EMPLOYMENT AND WEALTH GENERATION RATE OF EMPLOYMENT

CODE	TYPE	STATUS	LAST UPDATED
PR-01-C1	Full disclosure	Reported	24 Sep 2024

Altech understands that the rate of employment serves as an indication of a company's ability to attract diverse talent, and contribute to employment in the countries where we operate.

As of 30 June 2024, the Company had 24 employees and utilises external consultants and contractors as and when required. As such, at this point in time, information detailing the turnover of staff, new staff hired, or staff to have exited the Company, is not disclosed. This will be reassessed in a future reporting period.

During the 12 months to 30 June 2024, the Company hired 4 new staff, of the new staff hired:

- 3 identified as female and 1 identified as male
- 2 were between the ages of 20 and 30 and
- 2 were between the ages of 30 and 40

During the 12 months to 30 June 2024, 3 employees ceased employment with the Company. Of the staff who exited the Company:

- 2 were female between the age of 41-50 and
- 1 was male between the ages 51-60

**See Also: Annual Report 2024**

## INNOVATION OF BETTER PRODUCTS AND SERVICES

### TOTAL R&D EXPENSES

CODE	TYPE	STATUS	LAST UPDATED
PR-02-C1	Full disclosure	Reported	24 Sep 2024

Altech established a dedicated research and development laboratory in Perth, Australia, and has produced the Silumina Anodes lithium-ion battery anode material with 30% higher energy retention and capacity than conventional graphite only anodes. Altech continues to work on increasing the battery capacity, with phase two R&D striving to attain capacity retention beyond the current 30%.

Altech entered into a strategic partnership with world class German battery research and development institute Fraunhofer IKTS for Silumina Anodes qualification. The independent performance testing and qualification of Silumina Anodes product by Fraunhofer IKTS will assist early market entry.

The details of Altech Batteries' total R&D expenses can be reviewed in the Annual Financial Report. Total R&D expenses for Altech Batteries for the financial year ending 30 June 2024 was AUD 6,710,361.

**See Also: Annual Report 2024**

## COMMUNITY AND SOCIAL VITALITY

### TOTAL TAX PAID

CODE	TYPE	STATUS	LAST UPDATED
PR-03-C1	Full disclosure	Reported	24 Sep 2024

Detailed information disclosing the total global tax borne by Altech Batteries can be found in the Annual Financial Report (page 29), for the year ending 30 June 2024.

**See Also: Annual Report 2024**

## EMPLOYMENT AND WEALTH GENERATION

### ECONOMIC CONTRIBUTION

CODE	TYPE	STATUS	LAST UPDATED
PR-01-C2	Partial disclosure	Reported	24 Sep 2024

Altech has not received any financial assistance from government bodies during the FY ending 30 June 2024.

Detailed financials can be reviewed in the Altech Batteries Annual Financial Report for the year ending 30 June 2024.

The EVG&D of FY24 can be seen below (in AUD):

- Revenue (total income): \$256,766
- Operating cost (net profit/loss from continuing operations): (\$32,293,676)
- Employee wages: (\$6,214,529)
- Cash flow from investing activities: (\$13,659,282)
- Cash flow from financing activities: (\$23,632,556)

**See Also: Annual Report 2024**

## EMPLOYMENT AND WEALTH GENERATION

### FINANCIAL INVESTMENT CONTRIBUTION

CODE	TYPE	STATUS	LAST UPDATED
PR-01-C3	Full disclosure	Reported	24 Sep 2024

Altech's disclosure of capital expenditure and other financial investment contributions can be reviewed in the Consolidated Statement of Cash Flows in Altech Batteries Annual Financial Report 2024 ending 30 June 2024.

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year (FY24).

There is currently no on-market buyback program for any of Altech's listed securities.

**See Also: Annual Report 2024**

## CORPORATE INFORMATION

### REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

Suite 8, 295 Rokeby Road,  
Subiaco, Western Australia 6008

**Phone:** +618 6168 1555

**Email:** [info@altechgroup.com](mailto:info@altechgroup.com)

**Website:** [www.altechgroup.com](http://www.altechgroup.com)

**Altech Batteries Limited**

ABN 45 125 301 206





**Altech Batteries**  
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