



# FYI Resources ESG Baseline Report

## ESG Mission

FYI's ESG mission is to be a key contributor to a sustainable world by innovating responsibly, giving back to our communities, and reducing environmental impact for our future generations.

## Our Commitment

- Building Environmental, Social, and Governance (ESG) credentials.
- ESG disclosures against the World Economic Forum (WEF) Stakeholder Capitalism Framework.
- The WEF framework is a set of common metrics for sustainable value creation captured in 21 core ESG disclosures aligned with the UNs Sustainable Development Goals.
- ESG reporting / disclosing quarterly.



## The universal ESG framework

The World Economic Forum has defined common metrics for sustainable value creation in a core set of 21 disclosures for organisations to align their mainstream reporting on performance against ESG indicators. The WEF metrics are based on existing standards, aiming to accelerate convergence and consistency in the reporting of ESG disclosures. By including these ESG metrics in the mainstream reporting and integrating them into the Company's governance, business strategy and performance management.

## Leading ESG disclosure technology and ESG expertise

To track the disclosure progress and demonstrate the sustainability performance against the WEF ESG framework FYI utilises the ESG Go disclosure platform from SocialSuite. By complimenting this platform with the services and expertise provided by Executive ESG, we have been able to clearly demonstrate our ongoing commitment to ESG by providing continuous updates on reporting our ESG disclosures.



## Governance

Setting Purpose	Partial Disclosure/Reported
<p>The FYI Resources' vision is to commercialise our innovative and fully integrated high quality HPA process to become a major participant in the HPA market.</p> <ul style="list-style-type: none"> <li>Operational excellence maximises margins and returns</li> <li>The quality of our project and study detail is a key differentiator from our peers.</li> <li>Create value in an environmentally sustainable manner.</li> </ul> <p>Our Goals and stated objective are:</p> <ul style="list-style-type: none"> <li>Establish and build material and sustainable businesses</li> <li>Create superior long-term value for all stakeholders</li> <li>Attract, retain and engage a first-class competent work force</li> <li>Promote a zero-harm culture for our work force and environment</li> <li>Develop and promote a strong and enduring relationship with everyone</li> </ul> <p>Core Values</p> <ul style="list-style-type: none"> <li>Lay solid foundations for management and Company oversight</li> <li>Act ethically and responsibly</li> <li>Structure the board to add value</li> <li>Safeguard integrity in corporate reporting</li> <li>Make timely and balanced disclosure</li> <li>Respect the rights of all stakeholders</li> <li>Recognise and manage risk</li> <li>Remunerate fairly and responsibly</li> </ul> <p>Links: Company Purpose  <a href="https://www.fyiresources.com.au/company/company-overview">https://www.fyiresources.com.au/company/company-overview</a></p>	
Governance body composition	Full disclosure/Reported
<p>FYI is currently in the process of updating the company website, part of this process is to update the bios of the Company's board members to include their ESG competencies, skills and experience. The company is also creating an in-depth matrix of the board's skills and competencies, inclusive of ESG specific competencies.</p> <p>75% of the FYI Resources Board directors are independent.</p> <p>FYI Resources Ltd (FYI) and all its related corporate bodies are committed to workplace diversity. FYI recognises the benefits arising from employee and Board diversity, including a broader pool of high-</p>	



Links:	<p>quality employees, improving employee retention, accessing different perspectives and ideas, and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, ethnicity, and cultural background.</p> <p>The Board did not set measurable gender diversity objectives for the past financial year because the Board considered the application of a measurable gender diversity objective requiring a specified proportion of women on the Board and in senior executive roles would, given the small size of the Company and the Board, unduly limit the Company from applying the Diversity Policy as a whole and the Company's policy of appointing based on skills and merit.</p> <p>Currently the board comprises of a 20% female representation and 80% male representation.</p> <p>Interests of the Directors in the shares and options of the company are disclosed in Directors' Report in the Company's Annual Report. The average director tenure is 8.2 years.</p> <p>Diversity Policy  <a href="https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf">https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf</a></p> <p>Corporate Governance Statement  <a href="https://fyiresources.com.au/wp-content/uploads/2022/02/2021.10.27-Corporate-Governance-Compliance-Statement.pdf">https://fyiresources.com.au/wp-content/uploads/2022/02/2021.10.27-Corporate-Governance-Compliance-Statement.pdf</a></p> <p>Annual Report  <a href="https://fyiresources.com.au/a_category/asx-announcements/">https://fyiresources.com.au/a_category/asx-announcements/</a></p>
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Material issues impacting stakeholders	<i>Full Disclosure/Reported</i>
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<p>FYI have conducted an in depth ESG workshop which included identifying key stakeholders. The list includes shareholders, investors, customers, government, media, suppliers, employees, industry bodies, regulatory bodies, community and partners.</p> <p>Ongoing stakeholder consultation is conducted through annual stakeholder materiality questionnaires and the AGM. A survey is sent out on annual basis to the above identified key stakeholders.</p> <p>Materiality assessments are conducted on annual basis before the AGM. The results from the materiality questionnaire are reviewed and assessed by the board, these are then embedded into the company objectives and goals and adopted as part of our ongoing strategy. The results and actions are then shared through the AGM and emails.</p>
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Anti-corruption practices	<i>Full Disclosure/Reported</i>
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<p>FYI Resources expects that its directors, officers, employees, agents, contractors and any other party representing FYI, wherever they are in the world, will act fairly, honestly, with integrity and in compliance with the law. FYI therefore has zero tolerance for bribery or corruption in its business. All countries in which we conduct business have laws that prohibit people and companies from engaging in corrupt conduct. Some of these prohibitions extend to cover bribes to private parties as</p>
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well as to government officials. Breach of anti-bribery and corruption laws could have serious consequences for FYI and its directors, officers, employees, agents, contractors or any other party representing FYI.

As part of the onboarding procedure all employees are required to acknowledge all company policies including the Company's approach to conducting all business activities fairly, honestly and with integrity.

Link: Anti-Corruption Policy  
<https://fyiresources.com.au/governance/>

**Mechanism to protect ethical behaviour** *Full Disclosure/Verified*

FYI Resources have adopted a Whistleblower Policy to ensure concerns regarding unacceptable conduct including breaches of the Company's policies and standards and relevant legislation can be raised on a confidential basis and without fear of reprisal, dismissal or discriminatory treatment.

This Policy outlines the Company's commitment to encouraging speaking-up and protecting those who report. It also outlines the protections available to whistleblowers and sets out the requirements for the management and investigation of reports made by whistleblowers.

The Company's Code of Conduct also clearly states how any breaches of the Code of Conduct can be reported.

Options for reporting a disclosable matter can be made both internally and externally via Authorised Officers of the company or via ASIC, the Company's auditor and other Commonwealth bodies.

Link: Whistleblower Policy  
<https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Whistleblower-Policy-December-2019.pdf>

Code of Conduct  
<https://fyiresources.com.au/wp-content/uploads/2022/06/Appendix-A-Code-of-Conduct.pdf>

**Risk and opportunity oversight** *Partial Disclosure/Reported*

Risk is inherent in our business and the identification and management of risk is central to delivering on the objectives of FYI Resources Ltd (FYI). Risk will manifest itself in many forms and has the potential to impact the health and safety, environment, community, reputation, regulatory, operational, market and financial performance of FYI and, thereby, the achievement of the objective. By understanding and managing risk we provide greater certainty and confidence for our shareholders, employees, customers and suppliers, and for the communities in which we operate.



In line with Company's obligations to the ASX Listing Rule 12.7, the company have established an Audit and Risk Committee. The committee is entrusted by the Board to provide appropriate quality assurance regarding procedures and processes within the business.

The Board meets on a regular basis of every 1-2 months, the top 10 ESG risks and opportunities provided by the Audit and Risk Committee and ESG committee are reviewed and discussed. FYI have also established an ESG Committee. The Committee assists the Board in defining FYI 'S strategy relating to ESG matters, reviews policies, programmes, practices and initiatives ensuring they remain effective and up to date and provides report and recommendations to the Board.

**Environmental:** the FYI Resources Limited's impact on the natural environment and its adaptation to climate change including greenhouse gas emissions, energy consumption, generation and use of renewable energy, biodiversity and habitat, impact on water resources and the status of water bodies, pollution, resources efficiency, the reduction and management of waste.

**Social:** the FYI Resources Limited's interactions with employees, host governments, commercial and state counterparties, stakeholders and the communities in which it operates and the role of the FYI Resources Limited in society, workplace policies (for example, employee relations and engagement, diversity, non-discrimination and equality of treatment, health and safety and wellbeing), ethical procurement, any social or community projects undertaken by the FYI Resources Limited and social aspects of the supply chain, community and stakeholder engagement or partnerships; and

**Governance:** the ethical conduct of the FYI Resources Limited's business including its corporate governance framework (including compliance with the Australia Corporate Governance Code), business ethics policies and codes of conduct, counterparty due diligence and onboarding policies and procedures, the management of bribery, corruption and money laundering risk and the transparency of reporting and financial and tax transparency.

The Company ensures effective data stewardship and climate change practices and is in the process of updating the Risk Management Policy to reflect the company's current processes. Please see the Sustainability policy for more information on how the Company commits itself to minimising its impact on our environment.

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Link:

Risk & Audit Charter

<https://fyiresources.com.au/wp-content/uploads/2022/06/Appendix-C-Audit-and-Risk-Committee-Charter.pdf>

Sustainability Policy

<https://fyiresources.com.au/governance/>



## Planet

GHG emissions	<i>Explanation/Reported</i>
<p>FYI are aware and understand the GHG Protocol and Accounting and Reporting Standard and is currently in the process of reviewing service providers to assist with ongoing disclosure and offset opportunities.</p> <p>FYI is contributing to a sustainable future. Our actions today will power a better and lasting tomorrow.</p> <p>From reducing our own environmental impact, to partnering to improve our new innovative, sustainable process for our end-markets that answer our stakeholders' needs, sustainability is embedded in our growth strategy, our values and in how we define our future success.</p>	
TCFD implementation	<i>Explanation/Verified</i>
<p>The Company secretary and CFO attended TCFD training organised by the ASX and are in the process of evaluating what TCFD reporting, and implementation means for the Company.</p>	
Land use and ecological sensitivity	<i>Full disclosure/Reported</i>
<p>Environmental studies have been conducted along with a mine closure plan. EPA assessment has been approved and more surveys will be conducted as required at different stages of the project. The projects is not located to an area that is considered a key biodiversity area or High Conservation Value area.</p>	
Water consumption	<i>Full disclosure/Reported</i>
<p>Water studies have been completed in Wongan Hills and studies to commence in Kwinana. FYI are following the guidance of the Water Authority.</p>	



## People

Diversity and inclusion	Full disclosure/Reported
<p>FYI Resources Ltd (FYI) and all its related corporate bodies are committed to workplace diversity. FYI recognises the benefits arising from employee and Board diversity, including a broader pool of high-quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background.</p> <p>25% of the Board are female.</p> <p>25% of members are aged 30-50.</p> <p>75% are aged over 50.</p> <p>25% of the Boards members are from Southeast Asia, the remaining 75% are from Australia &amp; New Zealand.</p> <ul style="list-style-type: none"> <li>a) FYI has several Diversity strategies as outlined in the Diversity and Inclusion policy.</li> <li>b) recruiting from a diverse pool of candidates for all positions, including senior management and the Board.</li> <li>c) reviewing succession plans to ensure an appropriate focus on diversity.</li> <li>d) identifying specific factors to take account of in recruitment and selection processes to encourage diversity.</li> <li>e) developing programs to develop a broader pool of skilled and experienced senior management and Board candidates, including, workplace development programs, mentoring programs and targeted training and development.</li> <li>f) developing a culture which takes account responsibilities of employees; and</li> </ul> <p>any other strategies the Board develops from time to time.</p> <p>Link: Diversity Policy</p> <p><a href="https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf">https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf</a></p>	
Pay equality	Explanation/Reported
<p>FYI understands that by promoting inclusion and diversity through company culture and pay equality we are contributing towards bridging diversity gaps, addressing social disparity and maximise professional opportunity irrespective of gender, colour, caste, creed, religion and other diversity aspects.</p> <p>At this stage the Company has a small team managing operations and do not have the personnel or data required to provide this information at this time.</p>	



Link:	Diversity Policy <a href="https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf">https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf</a>
<b>Wage level</b> <span style="float: right;"><i>Explanation/Reported</i></span>	
	<p>FYI understands that fair compensation and benefits contributes to the economic well-being of employees.</p> <p>At this stage the Company has a small team managing operations and do not have the personnel or data required to provide this information at this time.</p>
Link:	Diversity Policy <a href="https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf">https://fyiresources.com.au/wp-content/uploads/2022/06/FYI-Diversity-Policy.pdf</a>
<b>Child, forced, compulsory labour</b> <span style="float: right;"><i>Full disclosure/Reported</i></span>	
	<p>FYI Resources Ltd ('FYI') is committed to respecting human rights and believes that all people should be treated with dignity and respect. FYI seeks to prevent or mitigate any negative human rights impacts in connection with our operations or activities and maximise any potential positive impacts where we are present.</p> <p>All of FYI's stakeholders, including its directors, employees, contractors and suppliers, are required to comply with this Policy. FYI have identified no human rights risks within its operations, surrounding communities and supply chain.</p> <p>Respect for human rights is embedded in other FYI policies and management systems, including the Occupational Health and Safety, Environment and Community Relations Policy and all Human Resources Policies.</p>
Link:	Human Rights Policy <a href="https://fyiresources.com.au/governance/">https://fyiresources.com.au/governance/</a>
<b>Health and Safety</b> <span style="float: right;"><i>Full disclosure/Reported</i></span>	
	<p>Due to the size of the Company, FYI do not currently offer access to non-medical/health care services to the workforce. There is opportunity in making these options available as the Company and workforce grows.</p> <p>No Health and Safety incidents to report.</p>
Link:	HSE Policy <a href="https://fyiresources.com.au/governance/">https://fyiresources.com.au/governance/</a>
<b>Training provided</b> <span style="float: right;"><i>Partial disclosure/Reported</i></span>	
	On average FYI's employees have received 6 hours of training per employee.



## Prosperity

Rate of employment	<i>Explanation/Reported</i>
	<p>At this stage the Company has a small team managing operations and do not have the personnel or data required to provide this information at this time.</p>
Economic Contribution	<i>Full disclosure/Verified</i>
	<p>In December 2021, FYI received an R&amp;D tax incentive rebate payment of \$1.18m for the 2020/2021 financial year.</p> <p>The R&amp;D rebate is a reimbursed cash payment from the Federal Government for technical development work conducted on advancing the Company's HPA project. This includes direct project development, potential customer requested product finish specifications as well as zero-carbon studies and value add specialty downstream battery applications such as HPA coatings for anode and cathode coating architecture.</p> <p>Please refer to the Annual Report for financial disclosures and review of operations.</p> <p>Company Reports  <a href="https://fyiresources.com.au/a_category/company-reports/">https://fyiresources.com.au/a_category/company-reports/</a></p>
Financial investment contribution	<i>Full disclosure/Verified</i>
<p>Links:</p>	<p>FYI Resources economic performance and activities have been disclosed in the Annual Report. Investment strategies can be found in the Company Presentation on the website. There has been no share buy backs or dividend payments.</p> <p>Company Presentation  <a href="https://fyiresources.com.au/a_category/presentations/">https://fyiresources.com.au/a_category/presentations/</a></p>
Total R&D expenses	<i>Full disclosure/Verified</i>
<p>Link:</p>	<p>In December 2021, FYI received an R&amp;D tax incentive rebate payment of \$1.18m for the 2020/2021 financial year.</p> <p>The R&amp;D rebate is a reimbursed cash payment from the Federal Government for technical development work conducted on advancing the Company's HPA project. This includes direct project development, potential customer requested product finish specifications as well as zero-carbon studies and value add specialty downstream battery applications such as HPA coatings for anode and cathode coating architecture.</p> <p>Company Reports  <a href="https://fyiresources.com.au/a_category/company-reports/">https://fyiresources.com.au/a_category/company-reports/</a></p>



Total tax paid

Full disclosure/Verified

FYI Resources tax information is available in the Quarterly Activities & Cashflow Report. No monetary support has been received from the Government and the Company doesn't have any Global Tax Contributions at this stage.

Link:

Company Reports

[https://fyiresources.com.au/a\\_category/company-reports/](https://fyiresources.com.au/a_category/company-reports/)