

# Sustainability Report of Geomine a.s. for 2024

## Introduction

Geomine a.s. is a traditional manufacturer of custom-made industrial components and assemblies made of sheet metal. In its activities, it relies on the experience and high qualifications of its employees and uses the capacity of a fleet of top-notch CNC sheet metal processing machines - punching presses, laser cutting systems and press brakes. Other accompanying technologies are also available, with which the company provides comprehensive services for its customers at the highest possible level, such as welding (including laser), spot welding, on-welding, grinding, pressing, assembly, etc. In its activities, Geomine a.s. uses modern management methods, as well as, in the interest of sustainable development, consistently ensures a responsible approach to solving issues in the following areas:

- environmental protection
- human resources and human rights protection
- ethics
- supply chain sustainability

In the aforementioned areas, the company complies with all requirements of currently valid local legislation and in many ways goes beyond these requirements. Geomine a.s. is a long-term reliable supplier and partner of many multinational corporations, which regularly subject it to demanding supplier audits. This ensures and proves that even if the company may not necessarily be officially certified in some areas, its daily practice is in accordance with the general international principles of ESG responsibility.

## Environmental protection

The principle document in the area of a responsible approach to environmental protection is the integrated Quality Policy and Environmental Policy of Geomine a.s. within the framework of a certified quality system according to ČSN EN ISO9001:2015.

The basic objective of this environmental policy is to minimize the impact of the company's activities on the environment. Specific objectives and their fulfillment are regularly checked during internal audits and recertification audits carried out by authorized auditors.

## Energy consumption

Geomine a.s. consumed a total of 932.78 MWh of electricity in 2024 in a mix of:

- coal-fired power plants 39.62%

- nuclear power plants 38.09%
- gas-fired power plants 5.15%
- renewable sources 16.87%
- secondary energy sources 0.16%
- oil and other sources 0.11%

**Electricity consumption decreased by 58.66 MWh (6%) compared to 2023** with comparable production output.

Geomine a.s. also consumes **natural gas**, which is used exclusively for heating the building. Its consumption is therefore dependent on weather conditions. In 2024, the company consumed 14,468.20 m<sup>3</sup> of natural gas (equivalent to 158.072 MWh), i.e. a **decrease of 8,964 m<sup>3</sup> (38.26%) compared to 2023**.

In meeting the company's targets, its own vehicles consumed 19,022.22 litres of **diesel fuel** and 997.79 litres of **unleaded gasoline** in 2024, which is a **year-on-year decrease** of 2,404 litres (11.2%) of diesel fuel and 205 litres (17%) of gasoline.

The company is continuously working on measures aimed at reducing energy consumption. The machinery fleet is renovated by new and more energy-efficient technologies. Among the larger actions planned for 2025 is the replacement of the lighting in production facilities with new energy-saving light sources (LED).

### Water consumption

Geomine a.s. does not use water for technological purposes, so it does not produce technological wastewater. Wastewater is discharged through the sewage system and water consumption is regularly monitored and evaluated.

In 2024, the company consumed 540 m<sup>3</sup> of water, i.e. **10 m<sup>3</sup> (1.8%) less on year-on-year comparison**.

Reducing water consumption is one of the long-term goals of the environmental protection policy.

### Environmental sustainability

The company supports and implements measures aimed at maintaining and developing environmental biodiversity. It maintains the extent of green areas on its campus and, when maintaining them, takes care to create suitable conditions for the life and growth of plants and animals (absence of the use of chemical products, limited cutting of green areas, etc.).

In the coming period, the company plans to improve the conditions for local rainwater infiltration.

According to the classification of air pollution sources according to the applicable legislation (Act 201/2012 Coll.), Geomine a.s. does not have any sources of solid, liquid or gaseous substances installed in its production facilities that would be subject to monitoring, reporting or authorized measurement of emissions. The sources are also not subject to the obligation to record GHG (Act 695/2004).

According to the **carbon footprint calculation for 2024\***, Geomine a.s. produced:

- 79.4 t CO<sub>2</sub>e in **Scope 1 (reduction of 24 t CO<sub>2</sub>e, i.e. 23.7% compared to 2023)**
- 599.1 t CO<sub>2</sub>e in **Scope 2 (reduction of 39.7 t CO<sub>2</sub>e, i.e. 6.2% compared to 2023)**

which corresponds to

- 0.4225 g CO<sub>2</sub>e per 1,000 CZK of turnover in **Scope 1 (cut from 0.5583 g CO<sub>2</sub>e in 2023)**
- 3.1880 g CO<sub>2</sub>e per 1,000 CZK of turnover in **Scope 2 (cut from 3.4153 g CO<sub>2</sub>e in 2023)**

\*Free calculation tool of Česká spořitelna a.s. in cooperation with the LCA Studio expert team according to the GHG protocol.

Geomine a.s. responsibly approaches issues of environmental sustainability, among other things, by strictly adhering to the rules **limiting the consumption of monitored hazardous substances and pollutants. The company, as a manufacturer, does not produce these substances itself** and requires its suppliers to commit to complying with the relevant standards, such as

- Directive 2017/2102 of the European Parliament and of the Council of 15 November 2017, extending Directive 2011/65/EU on the restriction of the use of hazardous substances in electrical and electronic equipment (RoHS)
- Regulation 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), supplementing Directive 1999/45/EC
- Geomine a.s. products do not contain substances listed in European Commission Regulation 1907/2006 or later ECHA SHVC lists, or the content of these substances does not exceed 0.1% (w/w).
- Geomine a.s. products do not contain radioactive substances and no radiation sources are used in the production processes.

## **Waste management**

The production facilities of Geomine a.s. produce waste material (sheet metal scrap) during their activities. The company is constantly working to reduce scrap production, especially by improving sheet metal yield during the production process (nesting) and by repeatedly using suitable sheet metal scrap for further production:

- Personnel, especially CNC programmers, are trained and involved in a premium system for reducing the waste index.
- All waste material (scrap) is consistently sorted and sold to a specialized company.
- Other waste material (plastics, glass, paper) is sorted and recycled in cooperation with specialized companies.

## Human resources and protection of human rights

Geomine a.s. considers its **employees to be its greatest asset**. It consistently adheres to the **policy of equal opportunities and fair treatment** of its employees and ensures their further development.

When remunerating the work performed, a system of classifying employees is applied according to the importance of the position held, the qualifications achieved, as well as the time spent in the given position. Records are kept of the qualifications of employees (ILU matrix) and employees are motivated to expand their qualifications.

In addition to the basic salary and legal statutory bonuses for extra work or work in difficult conditions, there is an internal transparent system of incentive bonuses that reflects extraordinary one-off, but also long-term above-standard performance of the established indicators (quality, volume, on-time, willingness to work overtime or in extraordinary shifts, etc.).

Company-wide flat salaries revision reflecting development of cost of living is performed at least once per year.

Geomine a.s. adheres to the **rule of equal pay for equal work also for temporary agency employees**, if the company uses them. For this purpose, corresponding transparent reports are provided to cooperating employment agencies.

The company also provides its employees with above-standard benefits, which are continuously expanded after consultations with employees (extended vacation of 5 weeks, service vouchers, informal teambuilding events, etc.).

Geomine a.s. has developed a training plan for its employees, where in addition to statutory training (e.g. occupational health and safety, fire protection, drivers training), individual professional training is planned and implemented, as well as soft-skills training. The annual training plan is regularly evaluated.

Geomine a.s. consistently complies with all legal requirements for the **prevention and protection of the health of its employees**. In this regard, it cooperates with a professional external company that also performs and ensures appropriate inspection activities, consulting and reporting.

**No serious occupational injury** to employees was registered in 2024.

## Ethics

Geomine a.s. has developed and complies with the **Compliance Program** and the related **Code of Ethics**.

The Compliance Program ensures that the company, its employees and management comply with all applicable laws, regulations, standards and ethical rules. This program also provides a system for protecting whistleblowers against unethical, unfair or illegal conduct within and outside the organization (**Whistleblowing**).

**All employees are trained on the Compliance Program, the Code of Ethics and the Whistleblowing system.**

The **Code of Ethics**, which is also publicly available on the company's website ([www.geomine.cz](http://www.geomine.cz)) in the Download Zone section, contains 10 principles that Geomine a.s. is guided by:

1. We support and highly value international human rights in our sphere of influence
2. We will ensure that we do not complicit in human rights violations
3. We will preserve freedom of contract and assembly
4. We insist on the elimination of all forms of forced labor
5. We insist on the elimination of child labor
6. We insist on the elimination of discrimination in selection and hiring of employees
7. Our approach to solving environmental problems is prevention
8. We responsibly take measures in the field of environmental management
9. We invest in environmentally friendly technologies
10. We reject all forms of corruption, especially extortion and bribery

## Sustainability of the supply chain

Geomine a.s. supports compliance with the rules of the Code of Ethics, as well as other rules described in this report, also by its suppliers. In addition to the general principles and specific directives already mentioned, we require others in accordance with the area in which our supplier operates, such as:

- ISO14001 certification for surface treatment suppliers,
- declaration on conflict minerals or the use of conflict minerals,
- compliance with EU Council Regulation 833/2014 (Annex XVII) on the prohibition of direct and indirect import of iron or raw materials for iron production from Russia, etc.

Geomine a.s. confirms its **commitment to sustainability and social responsibility** through its activities, which seeks to minimize or completely eliminate negative impacts on the environment, strengthen positive impact on society, as well as manage the company and its employees in a transparent and ethical manner.