Itaconix®
2023 ESG Report

For Nature with Nature®
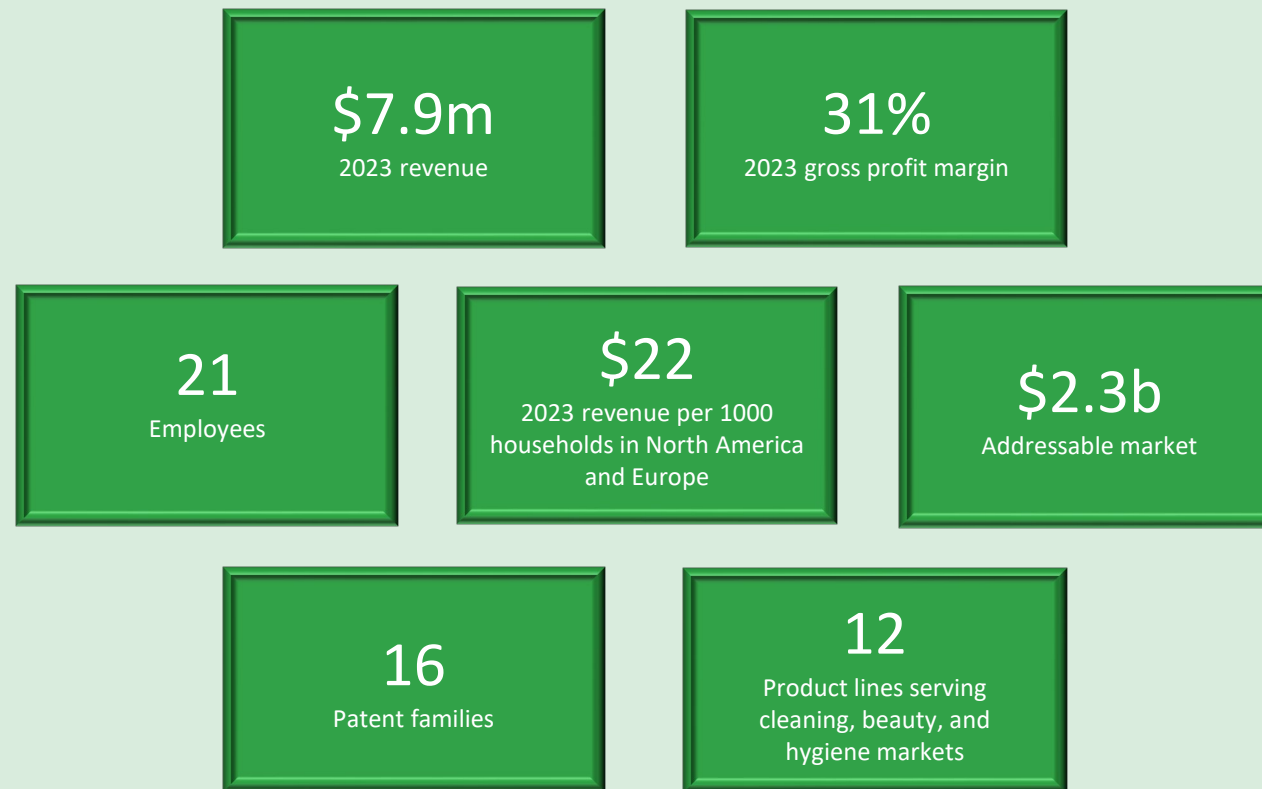
Itac⟳nix

Contents

Itaconix At A Glance

$7.9m
2023 revenue

31%
2023 gross profit margin

21
Employees

$22
2023 revenue per 1000 households in North America and Europe

$2.3b
Addressable market

16
Patent families

12
Product lines serving cleaning, beauty, and hygiene markets
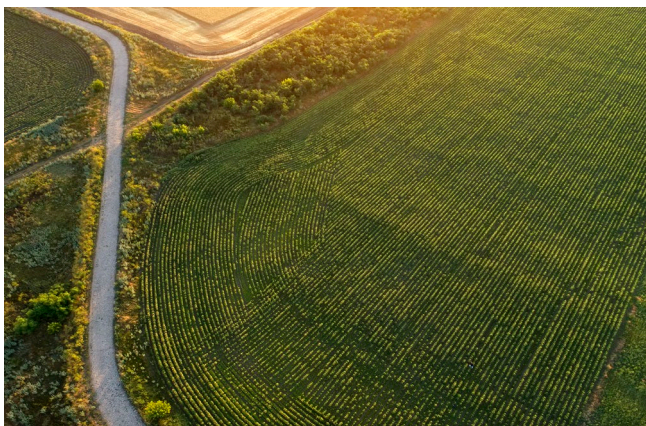
Visit **itaconix.com** for more information on our work and sustainability efforts

Chair Statement

For Nature With Nature
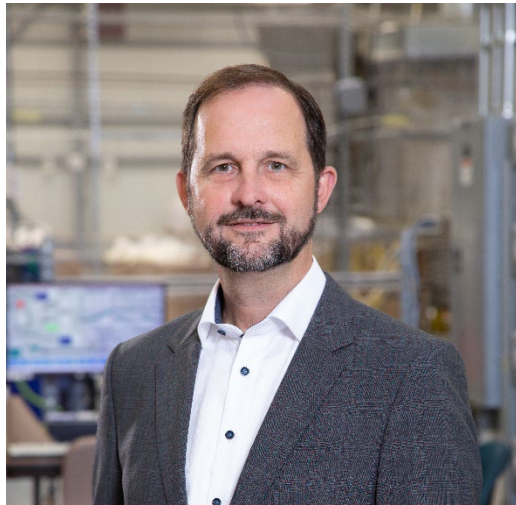
Dr. Peter Nieuwenhuizen
Non-Executive Chair

Everyday consumer products can exist in balance and harmony with nature and protect the safety and health of our environment.

At Itaconix, we believe that new generations of consumer products will make the world a better and safer place by how they are produced, transported, used, and disposed of. They will be less toxic to humans and the environment. They will not persist in the environment. They will contribute to rebalancing the planet's carbon cycle to maintain the continuity of all life forms.

We believe nature offers opportunities to make the world a better and safer place without placing costly new burdens on consumers and society. Itaconic acid is a natural ingredient produced in the human and plant world. We believe that itaconic acid has the potential as an

ingredient to displace acrylic acid or styrene across $20b of possible applications ranging from cleaning and hygiene to paints and composites.
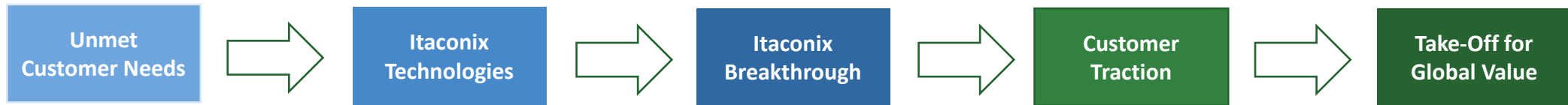
Our innovations in the production and use of consumer product ingredients using itaconic acid as a starting material are enabling new generations of safer consumer products with improved levels of performance, affordability, and sustainability.

With 16 patent families, we have by far the broadest technology platform for harnessing the value of itaconic acid within this $20b of possible uses. With a product line of 12 ingredients used in consumer products in households around the world, we are pursuing the largest new market opportunities for itaconic acid.

We are dedicated to further developing the unique functionality of itaconic acid as a base for plant-based solutions that are safer and more sustainable without compromising on performance or cost.

Itaconix Technology Platform:
From Opportunity to Valued Ingredient

Itaconix matches market needs against its technology platform to create ingredients that can become standard inputs in new generations of consumer product formulations

Unmet Customer Needs	→	Itaconix Technologies	→	Itaconix Breakthrough	→	Customer Traction	→	Take-Off for Global Value

New or changing consumer buying behaviors leave gaps between current and desired products in cleaning, beauty, and hygiene applications, including new expectations for safety, performance, cost, and sustainability.

We assess customer needs against technologies from Itaconix and like-minded advanced specialty ingredient companies to identify opportunities for new solutions to pressing market needs.

We develop and produce new functional ingredients from the Itaconix technology platform and collaborate with partners to formulate and enable a new generation of consumer products with advanced safety, performance, affordability, and/or sustainability.

We introduce new Itaconix solutions through purpose-driven brands and contract manufacturers to establish initial use and confirm acceptance and value for a new generation of consumer products.

Increasing market acceptance and traction generate broader customer success, set new standards for sustainable products, and create value for consumers and the environment.

FROST & SULLIVAN

2022 BEST PRACTICES AWARD

NORTH AMERICAN
BIO-BASED POLYMER
ENABLING TECHNOLOGY LEADERSHIP AWARD

Itaconix

Stakeholders: Valuable to People and the Environment

Employees

Itaconix employees' engagement, well-being, and skills are key components of our success. We work to ensure their health, safety, and professional growth. We seek to foster loyalty, productivity, and a positive work environment.

Customers

Our customers benefit from more sustainable and cost-effective products that enhance performance while reducing chemical use and environmental impact. We deliver outstanding value through our quality management system, with our commitment to ongoing engagement, development, and customer satisfaction.

Shareholders

We have adopted the Quoted Company Alliance Corporate Governance Code published in April 2018 (QCA Code) with the goal of generating medium- to long-term value through strategic decision-making. We have regular constructive dialogues with current and potential shareholders and offer regular updates to ensure shareholders are informed and engaged in the Company's growth.

Suppliers

In line with the Quoted Company Alliance Code, we strive to uphold high standards of moral and ethical conduct in all our interactions with stakeholders, including suppliers.

Partners

Our partners are crucial to how we deliver products responsibly and safely. We are dedicated to maintaining open communication with our partners. We adopt a proactive approach to their health and safety, minimizing their exposure to potential hazards. We recognize the importance of these responsibilities to long-term success.

Local Community

We actively engage with local organizations, help prepare students for leadership roles, and participate in conferences focused on sustainability, reinforcing our commitment to creating positive social and environmental change.

Industry

We actively engages in the transition to sustainable chemicals and play a major role in promoting sustainable practices within the specialty chemicals industry. With significant and growing demand for sustainability in consumer products, we are working to promote and improve sustainability efforts within the industry worldwide.

Society

Our commitment to sustainable practices not only benefits the environment but also promotes broader social well-being, aligning with our goal to drive positive change within the communities we serve.

Planet

By employing Green Chemistry, we minimize hazardous substances and lower the carbon footprint of specialty chemicals. With sustainability at the core of our innovation, we strive to rebalance the carbon cycle through solutions that leverage renewable resources, ultimately delivering products that positively impact the planet.

ESG: Sustainability Roadmap

Itaconix PLC (AIM: ITX.L, OTC: ITXXF) is a specialty ingredients company and leading innovator in plant-based polymers used to decarbonize everyday consumer products. By adhering to the key Principles of Green Chemistry and utilizing ingredients made from renewable resources, Itaconix is enabling new generations of everyday consumer products that are safer, have better performance, are affordable, and use sustainable resources. The Company aims to advance sustainability and environmental protection with little or no added economic burden to consumers and society.

This Sustainability Roadmap underscores Itaconix's commitment to these goals.

Environmental Stewardship

Itaconix uses its technology platform to produce ingredients that offer new solutions for unmet customer needs. From raw material sourcing through to the post-use environmental fate of its products, the Company assesses and monitors key aspects of its products and operations to increase safety, minimize environmental impact, and contribute to rebalancing the biogenic carbon cycle. Since 2020, Itaconix has operated under the Streamlined Energy & Carbon Reporting (SECR) framework, reflecting the Company's commitment to transparent and responsible environmental reporting.
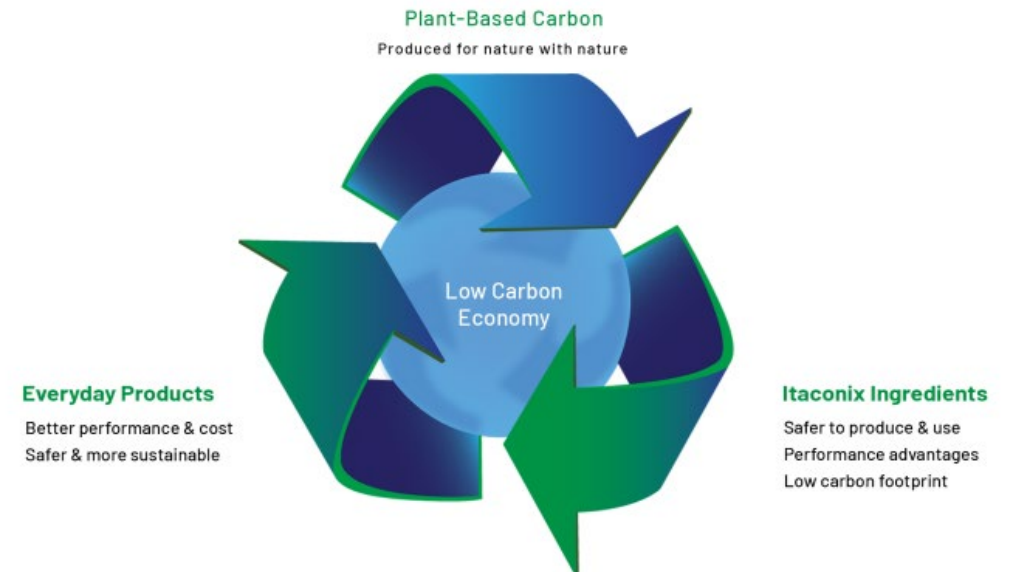
ESG Culture

Enabling new generations of everyday consumer products that have better safety, performance, affordability, and sustainability.

E: 12 Principles of Green Chemistry

S: Ethical use of renewable resources

G: Best business practices for long-term growth

Plant-Based Carbon
Produced for nature with nature

Low Carbon Economy

Everyday Products
Better performance & cost
Safer & more sustainable

Itaconix Ingredients
Safer to produce & use
Performance advantages
Low carbon footprint

Environment: For Nature with Nature™

We envision a future where safer consumer products are made with green and sustainable ingredients based on their chemistry, how they are produced, and how they are used.

12 Principles of Green Chemistry

Source: *Green Chemistry: Theory and Practice* by Anastas and Warner; image from Research Gate

Goals

Green Chemistry seeks to protect and preserve our planet for future generations through responsible and innovative chemistry.

First introduced by Paul T. Anastas and John C Warner in 1991, the Twelve Principles of Green Chemistry focus on designing products and processes that minimize the release of hazardous chemicals into the environment.

Our Commitment

At Itaconix, we are dedicated to implementing all 12 of these principles within our operations.

We follow these principles by working with cleaning, hygiene, and beauty brands to create next-generation plant-based products that return safely and sustainably to nature.

To help rebalance the carbon cycle and reduce the continuous increase in CO_2 and greenhouse gas emissions, we create products that reduce our use of fossil-based ingredients and that increase the carbon that we sequester.

Green Chemistry is crucial for protecting and developing the remaining healthy environment. These principles help reverse environmental degradation over time, enhance human health, achieve economic benefits, ensure regulatory compliance, build corporate responsibility, mitigate climate change, and support a circular economy. Adopting Green Chemistry leads to sustainable growth and long-term benefits for humans and the environment.

Environment: 12 Principles of Green Chemistry

1. Prevent Waste/Pollution

Our processes are designed to minimize the generation of hazardous waste. We have zero air emission waste.

2. Maximize Atom Economy

Our production processes have exceptional atom efficiency.

3. Design Less Hazardous Chemical Syntheses

Our syntheses methods are designed to minimize the use of hazardous substances and to generate materials that are less hazardous to human health or the environment than their alternatives.

4. Design Safer Chemicals and Products

We manufacture high-performance products that are less hazardous to human health or the environment than incumbent competitive products.

5. Use Safer Solvents/Reaction Conditions

Our production processes do not require solvents other than water.

6. Increase Energy Efficiency

Our production processes are conducted at low temperature and atmospheric pressure and are engineered to minimize energy requirements. We are committed to improving these as appropriate.

7. Use Renewable Feedstocks

Our primary feedstocks are plant-based renewable materials.

8. Avoid Chemical Derivatives

Our manufacturing processes are designed with no intermediary steps therefore minimizing the production of by-waste.

9. Use Catalysts, Not Stoichiometric Reagents

Although our products are created using stoichiometric reagents, all ingredients are fully consumed in the process. By-products and waste are minimized.

10. Design Products that Degrade After Use

Our products have a favorable environmental fate and do not persist in the environment. When disposed of in a manner that slows or prevents biodegradation, they safely contribute to sequestering carbon.

11. Analyze in Real Time to Prevent Pollution

Our itaconate polymers and co-polymers do not form hazardous substances.

12. Inherently Safer Chemistry for Accident Prevention

Our processes use no volatile organic compounds, solvents, or flammable chemicals. No pressurized reactors are used. The potential for chemical accidents is essentially nonexistent.

Environment: Decarbonization through Everyday Products

Our Products for the Low Carbon Economy:

The composition of our polymers, our patented process to produce them, their performance as ingredients in consumer product formulas, and how these formulas are packaged all contribute to the fight against climate change through carbon sequestration, energy efficiency, and lighter consumer products.

Our current catalog of ingredients supports key claims for consumers goods. By addressing market needs with safe, high-performance plant-based ingredients that focus on sustainable and economically viable products, Itaconix is positioned as a key player in the growing market for sustainable chemicals.

Use Case:

Itaconix® TSI 322 in automatic dishwashing detergent pods reduces the total ingredient costs in a more compact dosage by replacing two or more water conditioning materials. By reducing the pod size, chemical discharge into the environment is mitigated. It also increases the plant-based content to improve the sustainability of the end-product.

Use	Products	New Claims for Consumer Products		
		Better Performance	Lower Overall Cost	Increased Sustainability
Cleaning	Itaconix DSP® Itaconix TSI®	Auto Dishwash · Laundry · Janitorial	Lower Overall Cost · Less Material	Plant-based · Sequesters Carbon
Hygiene	ZINADOR® (Croda) Itaconix ONZ™ VELAFRESH®	Carpet & Upholstery · Odor Neutralizer · Pet Odor	Lower Overall Cost	Plant-based · Sequesters Carbon
Beauty	Amaze™ SP (Nouryon) VELASOFT®	Heat Protection · Styling Aids · Foam Enhancement		Plant-based · Sequesters Carbon

18 grams
Leading North American Formula

12 grams
ITACONIX® TSI 322 North American Formula

■ Plant-based ingredients

Environment: Progress

	OBJECTIVE	MILESTONE	PROGRESS		
Natural Capital Depletion			**2021**	**2022**	**2023**
Raw material sourcing	Assess our life cycle assessment (LCA) score for raw materials	Achieve LCA score objective by the end of 2025	N/A	N/A	We are collaborating with a consultant to assess LCA
Water stress	Reduce wastewater generation intensity	Reduce generation to 10% by 2024	0.22 gal/lbs	0.07 gal/lbs	0.07 gal/lbs
Climate Change					
Energy efficiency	Improve the use of green energy	Increase amount of green energy used in kW per ton	394,475 kWH to produce 0.8m lbs	453,082 kWH to produce 1.5m lbs	381,377 kWH to produce 1.6m lbs
Product carbon footprint	Increase number of plant-based ingredients	10 plant-based products on the market by 2023	7 plant-based ingredients	8 plant-based ingredients	10 plant-based ingredients
Greenhouse gas emissions	Reduce greenhouse gas emission intensity	Report direct and indirect greenhouse gas emissions (Scope 1 + 2)	212.8 tCO$_2$e	218.13 tCO$_2$e	209.94 tCO$_2$e
Reliance on fossil-based carbon	Increase displacement of fossil-based carbon with plant-based carbon	Displace 400,000 lbs of fossil-based carbon by end of 2023	~193,000 lbs of plant-based carbon	~367,000 lbs of plant-based carbon	~398,000 lbs of plant-based carbon

Scope 1, 2 and other greenhouse gas emissions (tonnes CO$_2$e)*	**2021**	**2022**	**2023**
Scope 1 — Site energy	167	182	156
Scope 1 — Site non-energy	15	13	13
Scope 1 — Total	181	195	169
Scope 2 — Total	21	28	28
Scope 1 & 2 — Total	202	222	196
Scope 1 & 2 — Intensity (tCO$_2$e per million USD of revenue)	78	40	25
Scope 1 & 2 — Intensity (tCO$_2$e per thousand lbs produced)	0.26	0.16	0.13

Social: Our Culture, Our Principles, Our People

Promote a corporate culture that is based on safety, teamwork, and ethical values and behaviors

Our Principles

» We are one team.

» We create value for our customers, their end-product consumers, and the environment.

» We protect the safety of our employees, the environment, and our customers.

» We imagine, plan, and execute for extraordinary outcomes.

» We innovate through listening, action, discovery, and improvement.

» We hire and develop the best people for Our Vision.

» We make and keep commitments.

» We have clear, direct, and respectful communication with everyone.

Our principles are at the center of our corporate culture, and we strive to implant these principles in all our business activities. We promote these principles through our ISO 9001:2015 quality management system, stage gate process, and the 12 Principles of Green Chemistry. We endeavor to build a business that supports all our stakeholders, from our employees to our planet.

We are ISO 9001 certified since December 2013. Our quality management system commits us to consistently deliver outstanding customer value and satisfaction through continual engagement, improvement, and development.

Our internal research and development activities uses a rigorous stage gate process, with five stages and four gates. The five stages are: Discovery, Concept, Prototype, First Sale, and Growth. Activities during each stage cross over multiple functional areas: Commercial, Technical Development, Product Stewardship, Fulfillment, and Finance.

Through our stage gate process and ISO 9001 quality management system, we create ingredients that meet safety standards for our employees, the environment, and our customers. We assess commercial and technical viability of our ingredients through a final product approval process that is reviewed by all key personnel before we launch a new ingredient to the market.

With these frameworks in place, we see our principles in action through our employees' daily routines. We support our employees with a safe work environment, resources, on-the-job training, competitive pay, employee benefits, and equity incentives. We believe that our success is built on our employees and partnerships.

Social: Our People

Supporting health and welfare

Itaconix addresses the physical and mental well-being of its employees. We have been compliant with OSHA (The Occupational Safety and Health Administration) standards since we began in 2008 and have never had OSHA recordable. We hold regular meeting on safety and report any accidents, incidents, or near-misses so that our team can learn and improve.

We provide a range of support services through our employee benefits and Employee Assistance Program (EAP). Our comprehensive benefits package includes paid time off, employer contributions to a 401(k) plan, health and dental insurance, long-term and short-term disability insurance, life insurance, and an employee stock option plan. We believe in supporting our employees in and out of the workplace.

Itaconix's operational approach to health and safety: reducing risk for our employees, partners, and investors

1. **Proactive Risk Management:** Conduct assessments to identify potential hazards and implement mitigation measures. Develop and enforce preventive measures/safety protocols to address identified risks.
2. **A Culture of Learning:** Foster a culture of continuous improvement, encouraging feedback, and learning from incidents. Implement training programs to inform employees of the latest safety practices and industry standards.
3. **Management Systems:** Utilize integrated management systems to streamline health and safety processes and ensure consistent application across all operations. Develop and maintain comprehensive standard operating procedures (SOPs).
4. **Industry-Leading Performance:** Benchmark health and safety performance against industry leaders to identify areas for improvement. Use KPIs to measure and track health and safety performance.
5. **Process Safety Management:** Conduct process hazard analyses (PHA) to identify and mitigate risks in chemical processes. Perform routine safety reviews to ensure all processes remain safe and compliant with regulations.
6. **Internal and External Auditing Programs:** Conduct internal and external audits to ensure compliance with health and safety regulations and company policies. Implement corrective actions promptly based on audit findings to continuously improve safety standards.
7. **Emergency Response:** Develop and maintain emergency response plans to address potential incidents. Conduct emergency response drills to ensure employees are prepared to act swiftly.
8. **Proactive Health and Safety Indicators:** Utilize leading indicators such as near-miss reports and safety observations to identify potential issues before they result in incidents. Analyse health and safety data to identify trends and areas for improvement.
9. **Environmental, Health, and Safety Training:** Deliver comprehensive training on environmental, health, and safety to all employees, contractors, and visitors. Offer certification programs for employees to become qualified in safety practices.
10. **Proactive Illness and Injury Reporting:** Encourage employees to report any illness or injury promptly, without fear of retaliation. Implement early intervention strategies to address reported issues and prevent further harm.
11. **Occupational Health Services:** Provide regular health monitoring and occupational health services to employees to ensure their well-being. Offer support services such as counseling and rehabilitation for employees affected by work-related health issues.
12. **Responsibility for Health and Safety Management:** Ensure leadership commitment to health and safety by making it a core value and priority. Involve employees at all levels in health and safety initiatives to foster a sense of ownership and responsibility.

Social: Progress

|	OBJECTIVE	MILESTONE	2023 PROGRESS
Human Capital			
Employee relations, diversity, equity & inclusion	Support gender balance in leadership and STEM roles by meeting national average percentage	Achieve gender balance (35% women in STEM roles & 25% women in leadership roles) by 2025	By the end of 2023, 50% of leadership roles and 25% of STEM roles were held by women
Working conditions (health & safety)	Maintain zero safety incidents per year	Zero significant process safety incident per year	OSHA recordable of 0.0 at the end of 2023
Employee training & development	Improve safety through learning from near misses by establishing safety meetings and protocols	Establish and hold bi-weekly safety meetings	20 of 26 meetings held
Third-party/supply chain labor standards	Establish standards of business and ethical practices with all third-party suppliers	Implement Supplier Code of Conduct by 2025	On target to complete
Product Liability			
Product safety & quality	100% product quality sold	Achieve 100% product quality sold by end of 2023	Sold 1.6m lbs of material. 100% of product sold met specifications
Privacy & data security	Implement multi-factor authentication	Implement by 2023	Implemented multi-factor authentication
Market penetration	Increase dollars per 1,000 household	$22 per 1,000 households by 2024	Achieved $22 per 1,000 households
Social Opportunities			
Access to communication	Improve access to information about company progress and positioning	Release new company website by 2024	New company website on target to launch in Fall 2024
Access to finance	Provide all full-time employees with a living wage ($23.58/hr minimum in New Hampshire)	Provide a living wage to all full-time employees by end of 2023	100% of full-time employees received a living wage
Access to healthcare	Provide all full-time employees with access to affordable health insurance	Provide access to affordable care to all full-time employees by end of 2023	100% of full-time employees received access to affordable health insurance

Governance: Transparency

Itaconix ensures adherence with all applicable laws and regulations in the regions where we operate. Our governance framework includes rigorous internal policies and procedures that promote ethical behavior, risk management, and drive constant improvements to deliver transparent financial reporting.

We operate to high standards of moral and ethical behavior. All members of the board fully support the value and importance of good corporate governance and our accountability to all the Company's stakeholders.

The corporate governance framework, including board leadership and effectiveness, remuneration, and internal control, is based upon practices which the board believes are proportionate to the risks inherent to the size and complexity of group operations.

The board considers it appropriate to adopt the principles of the QCA Code as an AIM-quoted company. We are incorporated in the UK and subject to the UK City Code on Takeovers and Mergers.
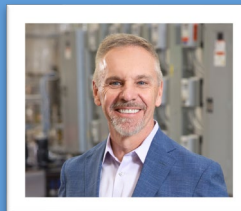
Audit Committee
Chair: Paul LeBlanc

The Audit Committee is responsible for reviewing the integrity of the financial statements of the Group, the Group's compliance with legal and regulatory requirements, and the adequacy and effectiveness of the Group's internal financial controls and risk management processes, including the extent to which internal audit review is required. It reviews the external auditors' performance and independence and makes recommendations to the board on the appointment of the auditors.

Remuneration Committee
Chair: Peter Nieuwenhuizen

The Remuneration Committee is responsible for determining and reviewing the policy for the remuneration of the executive directors and other members of the executive management it is designated to consider. Within the terms of the agreed policy, it determines the total individual remuneration of the executive directors. The Committee also approves the design of, and determines targets for, any performance-related pay schemes, reviews the design of any share incentive plans, determines awards to the executive directors, and determines the policy and scope of pension arrangements for each executive director.

Nomination Committee
Chair: Jonathan Brooks

The Nomination Committee is responsible for reviewing the structure, size, and composition of the board and recommending any changes. It is also responsible for succession planning and for identifying and nominating board candidates to fill vacancies when they arise. The Committee also reviews the results of the board performance evaluation process, the membership of the board's committees, and the re-election of directors at the annual general meeting.

Board Committees

Governance: Progress

	OBJECTIVE	MILESTONE	2023 PROGRESS
Corporate Governance			
Ownership	Provide UK and US shareholders with same access to trading shares	Make sure the shareholders could have access to hold shares electronically	50:1 share consolidation to provide US shareholders with the ability to hold, sell and buy shares electronically
Accounting standards	Issue Annual Report in April	Release Annual Report earlier to investors	Released 2023 Annual Report on 15 April 2024
Shareholder rights	Increase communications	Offer more avenues to engage with investors by end of 2024	Provided 11 opportunities through presentations, conferences, and videos
Cybersecurity	Secure corporate information	Share data via secure portal	Share data via secure portal to Board

The Road Ahead

Itaconix remains dedicated to advancing sustainable chemical solutions that benefit our customers, communities, and the planet. We are committed to enhancing our ESG practices and contributing to a more sustainable future.

We are dedicated to pioneering sustainable solutions through the innovative use of renewable resources in the specialty chemicals market. Our mission is to deliver high-performance, environmentally friendly products that meet the evolving needs of our global customers while contributing positively to the planet.

Additionally, through our SPARX program, announced in October 2024, Itaconix plans to bring together like-minded brands and product manufacturers to speed the production and release of sustainable, high-performance products.

This ESG report reflects our ongoing commitment to environmental stewardship, social responsibility, and governance excellence, underscoring our role as an innovator in sustainable chemical solutions.

This is our first report and over time we will add additional metrics as we reach key milestone objectives. Itaconix is not yet required to report on our environmental, social, and governance impact; however, we understand the importance of showcasing our sustainability contribution to all stakeholders.

We believe that significant value is generated for stakeholders, including investors, by creating a sustainability culture within our business. One of the key benefits is that sustainability cultures reduce operational risk, which in turn is reflected in lower discount factors, weighted average cost of capital, and in time, potentially higher valuations for stakeholders including shareholders.

The United Kingdom Sustainability Reporting Standards ("UK SRS") will set out corporate disclosures on sustainability-related risks and opportunities that companies face. The UK SRS will be based on the IFRS® (International Financing Reporting Standards) Sustainability Disclosure Standards that are issued by the International Sustainability Standards Board.

The draft UK SRS will be published for public consultation in Q1 2025. Although the date is yet to be confirmed and the reporting requirements for SMEs (small and medium enterprises) are yet to be standardized, Itaconix is starting its ESG transition process before it is mandated. At Itaconix we believe it is better to be ahead of the curve and to lead the way.

Itaconix PLC

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