

ESG Report

Dor Chemicals



2023



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CHAIR & CEO LETTER

It is with great pleasure that we present to you Dor Chemicals Ltd's ESG report for 2023. This is our second published sustainability report, and it reflects a significant year for Dor. In 2023, we made major progress towards our 2024 goals and made exciting new plans for the future.

Dor remains committed to achieving our vision **to mainstreaming sustainability**, and to do so while respecting and serving our people, our customers, our suppliers, and the local community, alongside whom we have grown and thrived for the past 60+ years. Every day, Dor employees contribute to lowering the emissions in some of the most critical industries. Our Carmel Blue additive, for example, is used in vehicles throughout Israel to reduce their engines' release of harmful gases into the atmosphere. As the largest hydrogen and high purity MTBE producer in Israel, we offer more environmentally friendly alternative for fuels and for fine chemical processes used by the pharmaceutical, agricultural, and food industries.

In 2022, we embarked on our journey into the ESG realm, setting modest targets for 2024. Thanks to our exceptional and dedicated team, we not only met but surpassed most of these targets, leading us to establish new supplementary targets for the upcoming year. This remarkable achievement underscores our commitment to continuous improvement.

We take pride in sharing our accomplishments and remain committed to fostering stakeholder trust, driving innovation, fulfilling social responsibilities, and attracting socially responsible investment for sustained long-term success.

Thank you for your continued support as we advance on our ESG journey together.

We have met many of our goals at our Haifa site, and did so a year ahead of schedule. In two years, we successfully reduced our environmental footprint by a huge 48%, earning a Gold Medal and a **top 3% rating from the EcoVadis** sustainability ratings platform. We also achieved new certifications, including Responsible Care, ISO 50001:2018 for energy management, and ISO 27001:2013 for cybersecurity. This past year was also a time to reach out and hear from our stakeholders. We engaged with our suppliers, customers, and employees on a wide range of topics.

Finally, this year, we expanded our efforts to include our entire supply chain, and began the complex journey of mapping and measuring our carbon footprint both downstream and upstream. We interacted with our suppliers and customers during groundbreaking ESG webinars and discussed how we all can do better.

Looking ahead, we keep seeking solutions to reduce reliance on fossil fuels and curb greenhouse gas emissions. In the energy field, our focus lies in keep achieving self-sufficiency in electricity consumption. Our focus is on further reducing air pollutants and moving to greener energy sources. As such, we added a new goal for the coming two years: **to increase our reliance on green energy sources by 60-80%.**

However, our company's successful year has been overshadowed by the tragedy and horrors of the 7th of October in Israel, and the war that has followed. As a country, and as a people, we are currently facing difficult and somber times.

At Dor, we felt, and continue to feel the effects of the ongoing Israel-Hamas conflict. We have had to deal with a sudden shortage of manpower, and adapted to ensure continued operations during emergencies and rocket sirens. We have also made a point of providing emotional support to employees facing various challenges.

On a societal level, we assisted small and medium-sized businesses, allowing our employees to contribute by volunteering during work hours.

In these dark times, more than ever, we hope that as humans, we can always find what unites and brings us together. We look forward to continuing this journey with you.



GIL DANKNER
DOR CHEMICALS
CHAIRMAN



ERAN HAIMOVICH
CEO

Eran Haimovich
CEO

Gil Dankner
Chairman

ABOUT THIS REPORT

This document represents the second annual reporting of sustainability-related data for Dor Chemicals Ltd, a privately owned company registered and headquartered in Israel.

The organizational boundaries of this report are the company's Haifa facility.

Shibolet ESG provided consultancy services in preparing this report. The process was led by Ofir Naous Gal (O.Naouse@Shibolet-esg.com) under the supervision of Dr. Liad Ortar, the head of Shibolet ESG (L.Ortar@Shibolet-esg.com). We would also like to express our gratitude to Mr. Navonel Glick (navonel@gmail.com) for his valuable support.

For any questions concerning Dor's ESG efforts or this report, please contact Dr. Ran Avidov (ranv@dorchemicals.com).

Dor has reported the information cited in this document for the period January 1st, 2023 to December 31st, 2023 with reference to the 2021 GRI Standards. The associated GRI Content Index can be found at the end of this report.





ABOUT DOR CHEMICALS

Dor Chemicals Ltd is Israel's largest company for marketing methanol, MTBE and hydrogen. In addition, the group is a leading provider of logistics services (primarily storage and distribution) for the Chemicals Industry.

Dor Chemicals was founded in Haifa in the early 1960s and was formally incorporated as the privately owned entity, the Dor Group, in 1972. By the end of 2023, Dor had 138 employees based at the company's main facility in Haifa Bay. The company has the most significant HP-MTBE production in Israel and Europe.

We have always relied on multidisciplinary expertise and continue to strive for excellence in an ever-changing world. We aim is to set a new bar regarding innovation, quality, and environmental impact in the industry. **Our vision is to energize a greener world - We are committed to the country of Israel, its people, and the environment.**

The experience, knowledge, and professionalism gained over decades of work, which includes considerable investment in research and development, have positioned us as a highly regarded knowledge provider and a leader in the clean fuel substitute industry. We also have sister Dor Group companies operating in the fields of energy, environment, industry, and trade of energy products, as well as logistics services.



CHEMICALS PRODUCTION FOR

- Pharma - Supplement to medications
- Agriculture - Soil Disinfection
- Cardbord Manufacturing
- Energy for power stations and transportation

CHEMICALS TRADE

- Chemistry
- Pharma

STORAGE & LOGISTICS SERVICES

- Storage Containers at Dor's Terminal
- Liquid chemicals Storage at Dor's tank farm
- Distribution of Chemicals

OUR NUMBERS AT A GLANCE

60 years of experience in producing essential Chemicals for the industry

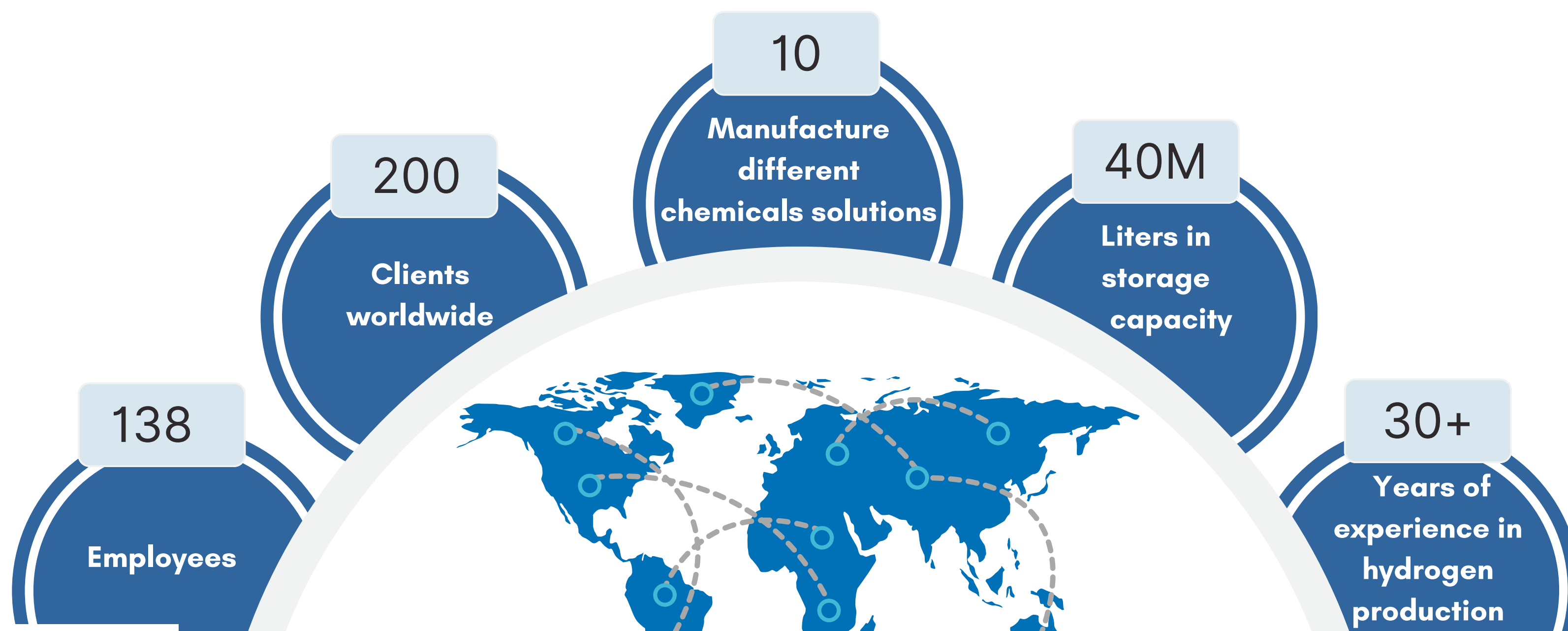
45% of the **world's HP-MTBE** production. Primarily supplied to the pharmaceutical industry

90% of **hydrogen gas** sales market in Israel



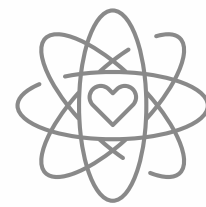
GOLD AWARD
IN THE TOP
3%

Ranking of 100,000 companies –
by EcoVadis





OUR CORE VALUES



Collaboration

We continually seek new opportunities to improve our internal and external communication, and to advance our collective knowledge



Economic & Sustainable Growth

We facilitate the production of high-quality, low carbon products which contribute to addressing climate challenges



Accurate Commitments

We define measurable goals and use effective tools and knowledge to meet them

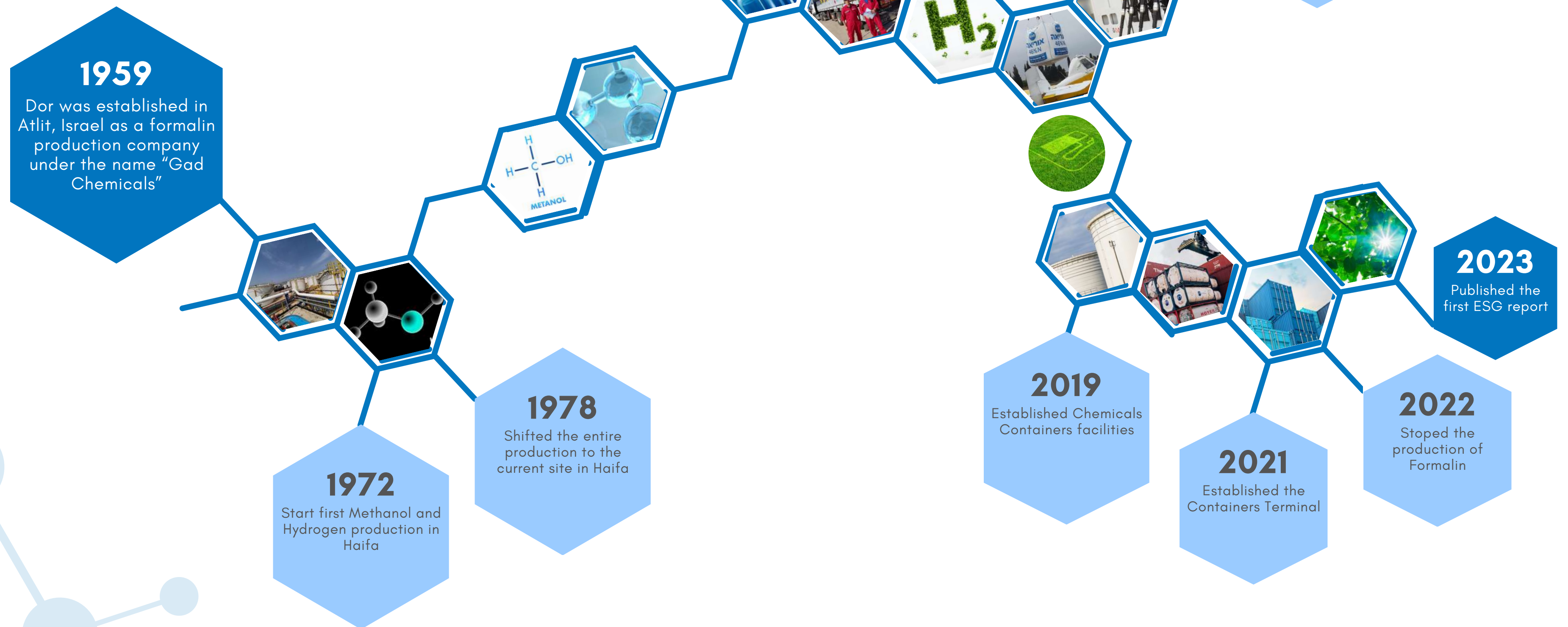


Innovation

We develop and implement innovative solutions and methodologies

OUR - STORY TIMELINE

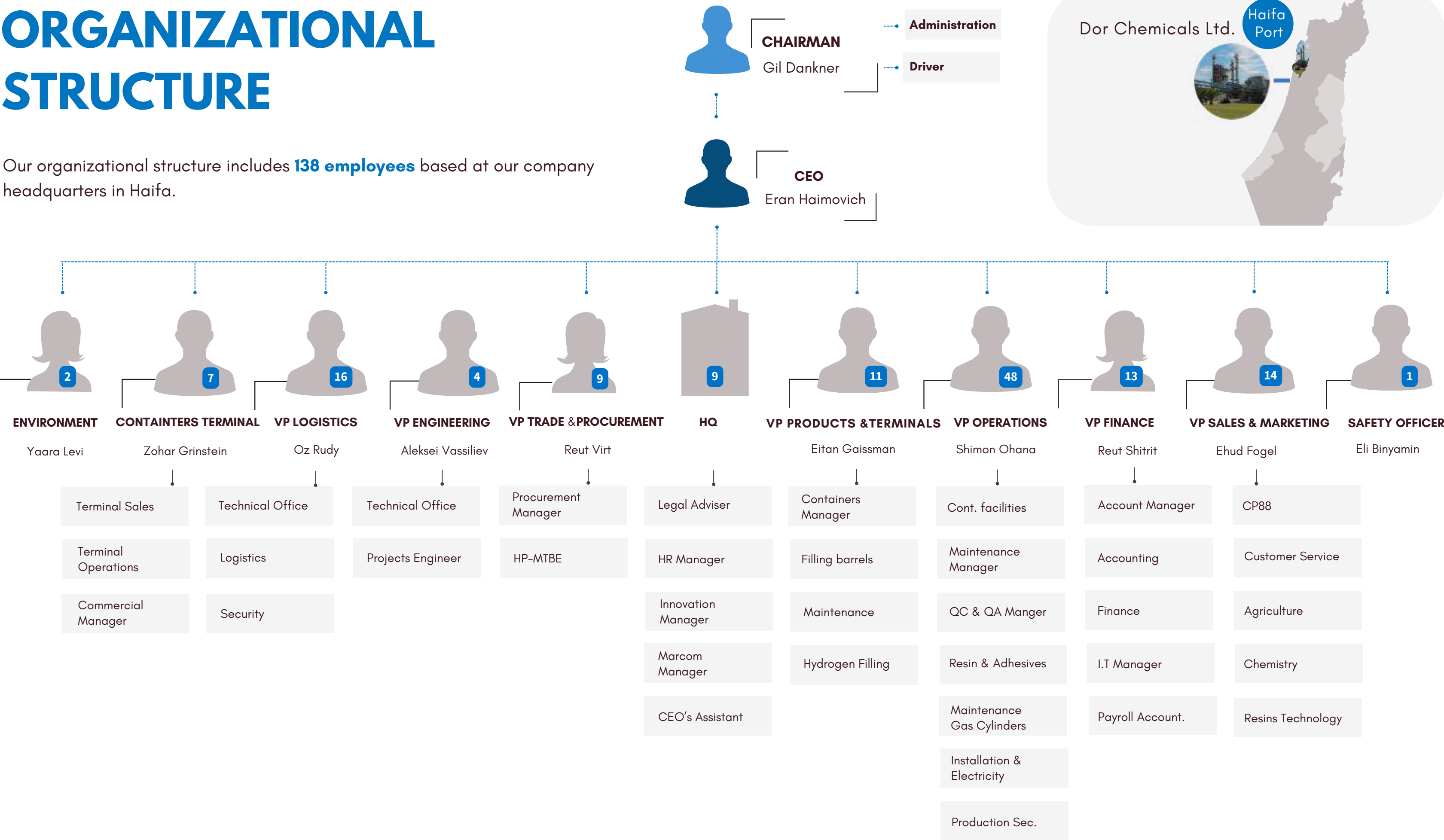
60 years Of excellence





ORGANIZATIONAL STRUCTURE

Our organizational structure includes **138 employees** based at our company headquarters in Haifa.



OUR PRODUCTS & SERVICES

CHEMICAL PRODUCTION

- **Hydrogen** Hydrogen production and supply for industry and as a clean fuel substitute.
- **Urea Solution** Reducing emissions into the air from heavy vehicles and power plants
- **MTBE** A unique fuel additive to increase octane
- **Fordor** A chemical substance used for disinfection purposes on a wide range of parasites, bacteria, fungi, etc
- **HP MTBE** A unique solvent for the pharmaceutical industries
- **CP-88** A strong, cost-effective, and waterproof solution for cardboard

CHEMICAL TRADE

- **Methanol** Supplying methanol to our customers for use in a wide range of applications.
- **Formalin** An aqueous solution of formaldehyde that is 37% by weight used as an antiseptic and disinfectant.
- **Paraformaldehyde** Solid polymer of formaldehyde

SERVICES

- **Dor Terminal** Storage of containers and hazardous substances
- **Chemical Tanks** Liquid chemicals and oils Storage at Dor's tanks farm



MTBE

Efficient use of fossil resources and better air quality

Methyl tertiary butyl ether (MTBE) is a well known chemical used as a gasoline additive. MTBE is manufactured via the chemical reaction of methanol and isobutylene. Methanol is primarily derived from natural gas, and isobutylene is derived from butane.

Applications:

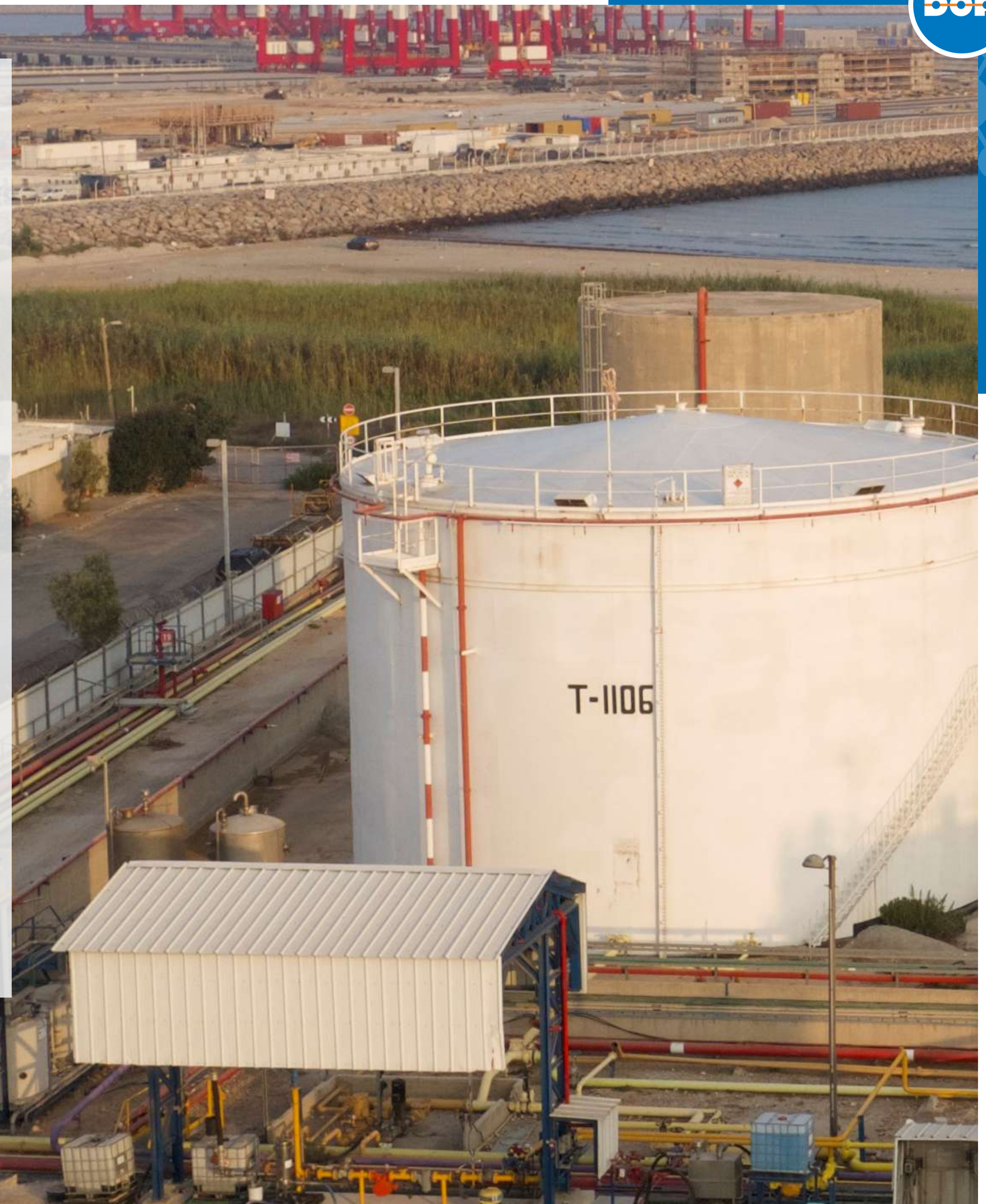
- Used in organic chemistry as a relatively inexpensive solvent.
- MTBE as a solvent is used also in the oil refining industry as a method for dewaxing waxy petroleum fractions.

The product is supplied in:

- Bulk (isotanks/road & rail trucks)
- Drums

Impact:

- Emission reduction- MTBE optimizes fuel burning in internal combustion engines and reduces both fuel consumption and harmful emissions. In gasoline, MTBE contributes to more efficient use of fossil resources and better air quality.
- Environmental quality - as a solvent, MTBE has advantage over most ethers - it has a much lower tendency to form explosive organic peroxides.





HP-MTBE

Helps the substances in the drug dissolve

High Purity MTBE (HP-MTBE) is a unique solvent for the pharmaceutical industries and special organic syntheses.

Dor is a leading global producer of HP-MTBE. With a quality of 99.9% MTBE minimum and produced from an additional distillation of MTBE, it is mainly marketed for export to the leading pharmaceutical and fine chemical companies such as Teva Global, Pfizer, Lonza, Novartis, Bayer.

HP MTBE is a non-chlorinated process solvent with excellent solvating properties for a wide variety of compounds, including unsaturated hydrocarbons and steroids. It is highly miscible with most organic solvents. It replaces methylene chloride, diethyl ether, tetrahydrofuran aromatics, and other solvents. HP MTBE is used in exemplary chemical processes, including pharmaceutical, agricultural, cosmetic, and food.

Applications:

- Extractions
- Reactions, e.g. Grignard Synthesis
- Crystallizations
- Solvent for chromatographic techniques.
- Anionic and cationic polymerization solvent

Impact:

- Human health - Helps the substances in the drug dissolve later in the human body. Going to drugs like the HIV cocktail and the Pfizer/Novartis drug - coronavirus pills.

45% of Worlds HP-MTBE production

METHANOL

Methanol-based clean fuel substitutes

Methanol is colorless liquid alcohol. Methanol is composed of oxygen, nitrogen and carbon and its basic use is as raw material in most of the chemical and fuel industries.

Dor Chemicals is the leading supplier of methanol in Israel, with 40 years' experience in the field. Dor owns a fleet of methanol-dedicated road tankers to supply methanol to our customers for use in a wide range of applications, including:

- Solvents – Pharma API, preservative solutions and others
- Raw materials – for formaldehyde, hydrogen, MTBE, dimethyl ether (DME) biodiesel
- Chemical in transesterification of triglycerides – to make biodiesel and clean energy source by burning methanol in engines, steam boilers, gas turbines etc.

Methanol can be provided in several grades:

- Methanol
- Methanol – HPLC

Main fields of application:

- Fuel for steam boilers, power stations, industrial boilers
- Fuel for diesel generators
- Transportation

Impact:

- Emission reduction– Methanol is dramatically reduces the greenhouse gases generated by burning methanol, as compared to all other fuels, especially fossil fuels and as such can be use as fuel for steam boilers, power stations, industrial boilers Fuel and for diesel generators.



HYDROGEN

The Future of Transportation

Hydrogen is a common gas and is used by the metal, electronics, food, power plants, laboratories, glass manufacturing and others industries.

Dor Chemicals Ltd is the leading company in Israel in the production and supply of compressed hydrogen used mainly for industry and marine transportation. We have a cumulative experience of over 30 years in the production and compression of hydrogen.

Dor provides cylinder and battery filling services for customers. It is also possible to rent Dor batteries and cylinders.

Our inspection procedures are approved by the Standards Institute of Israel according to Israeli Standard 712, and we have a safety system adapted to working with hydrogen. We perform periodic repairs and tests for cylinders and batteries and conduct cylinder and battery training before and after each inspection.

According to the most precise and strict schedules, Dor refuels the submarines of the Israeli Navy and the Italian Navy, in the waters of Haifa Bay and in international seaports.



CP – 88

Eco-efficiency in cardboard packaging

Our CP-88 is a series of starch glue additives that offer solutions for producing whole corrugated boards. Our premium resin products for the corrugated container industry have set quality standards since their introduction in 1988.

All of our resins are the result of continued research and development to meet our customer's needs and new environmental regulations.

Impact:

- Cost efficient- CP-88 saves saves production cost by increasing machine speed and save paper use.
- Improves quality - increases the values of ECT (Edge Crush Test), BCT (Box Crush Test), and PAT (Pin Adhesion Test). In addition, it is also waterproof: CP-88 is waterproofing starch glue according to FEFCO 9 and TAPPI standards.
- Environmental impact - In the past, cartons were coated with wax paraffin and this had negative environmental consequences at the end of the product's life cycle. Today, the glue with the additive makes it possible to recycle in a much more environmental way.

Major supplier in the European market

CARMEL BLUE

Urea additive for diesel reducing air pollution

Carmel Blue is a diesel exhaust fluid additive used in vehicles with Selective Catalytic Reduction (SCR) technology to reduce harmful gases being released into the atmosphere.

Carmel Blue is a synthetical produced, 32.5% urea aqueous solution of the highest purity and quality.

It is used for trucks, heavy commercial vehicles, ships and tractors, but also for different types of passenger cars.

Impact:

- Human Health - Reducing air pollution of NOX nitrogen oxides from vehicles and power. Nitric oxides increase the sensitivity of the lungs to diseases of the respiratory tract. The urea solution binds nitrogen oxides and turns them into nitrogen and atmospheric oxygen,



FORDOR

Agriculture – soil disinfection

We produce and market Fordor, a unique chemical substance used for disinfection from various parasites, bacteria, fungi and others. It is the product of many years of Dor's research and development in cooperation with scientists from the Volcani Institute and experts from the Ministry of Agriculture. Fordor is the most effective product for treating bacterial diseases.

Treating bacterial diseases in soil

FORMALIN

Aqueous solution of formaldehyde

Formalin is an aqueous solution of formaldehyde that is 37% by weight used as an antiseptic and disinfectant.

Main Uses:

- Raw material for the manufacturing of resins and adhesives of plastics and wood industries, fiberglass, dyes, paints, varnishes, coatings, explosives, medicines and slow release fertilizers.
- Biocide in applications such as bactericide and fungicide for agriculture and sterilization such as Fordor.

Formalin is packaged in bulk (stainless steel) road tankers, 200 liter plastic drums, or 25 liter plastic containers. It is stored in stainless steel or fiberglass tanks.

PARAFORMALDEHYDE

A solid polymer of formaldehyde

Paraformaldehyde (PFA) is the smallest poloxymethylene. It is the polymerization product of formaldehyde with a typical degree of polymerization of 8-100 units.

Main Uses:

- Manufacturing of resins for plastics (e.g. moulding powders) and for the wood industry
- Manufacturing of paints, varnishes, coatings, dyes and other specialty chemicals as a bactericide and fungicide

CONTAINERS TERMINAL

Exceptional cargo storage and supervised containers

We offer companies a supervised container terminal to store their shipping containers next to Port of Haifa.

Advanced logistics solutions according to customer requirements service by advanced computer systems with interfaces to the global gateway, ports, shipping agents, customs agents, carriers and customers.

Area - 14 dunams, around 1000 containers per month.

Container storage time can range from several hours to several months



TANK FARM

A Solution for the Storage of Hazardous Substances

We provide companies with a dedicated and monitored tank storage solution for essential chemicals in their liquid form. Our tank farm adheres to rigorous regulations, ensuring an efficient and convenient storage option. Additionally, our tank farm is directly connected to pipelines leading to the Port of Haifa, facilitating the transportation of liquid substances. Our chemical tank farm consists of around 100 tanks of varying sizes for different hazardous liquids. The potential storage capacity of the farm is approximately 40 million liters.

We provide companies storing goods in Dor with packaging and transportation services to local or external destinations. We have the capability to transfer cargo to ships, road tankers, isotanks, or containers. Our transportation service for hazardous materials ensures direct delivery to end customers, facilitated by innovative lifting devices that enable efficient and rapid service.

40 Million Ton Capacity





ESG AT DOR

- ESG strategy
- Stakeholder Approach
- Materiality Assessment
- Sustainable Development Goals (SDGs)
- External Programs and Affiliations
- ESG Highlights
- Progress & Future Targets

ESG STRATEGY

ESG STRATEGY

Last year marked our initial steps into the ESG realm. To ensure that we remain accountable, we set for ourselves modest targets for 2024. Now, barely a year later, thanks to our exceptional and dedicated team, we not only met but surpassed most of our targets, with still a year to spare. As a result, to continue to challenge ourselves to improve and contribute to the global battle against environmental degradation and climate change, we have set additional one year supplementary targets.

Looking forward, in 2024, we will establish a new set of long-term targets and specific commitments that reflect our dedication and deep sense of responsibility to ESG practices.

Recognizing the importance of robust Environmental, Social, and Governance (ESG) practices for chemical companies, we understand that proactively managing our environmental impact, ensuring regulatory compliance, and enhancing risk management are vital. Moreover, these practices contribute to fostering stakeholder trust, driving innovation and efficiency, fulfilling social responsibilities, and attracting socially responsible investors for long-term success in the dynamic global business landscape.

Dr. Ran Avidov, our dedicated ESG coordinator and Dor's QC and QA Manager, oversees our environmental impact, regulatory compliance, and risk management. As an ESG responsible, Dr. Avidov is continually undergoing training on various ESG topics. In 2023, the focus was on gender diversity through an online long course with the Women's Empowerment Principles (WEP) established by the UN Women and the UN Global Compact.



Dr. Ran Avidov

VISION

We want to foster a more sustainable world, and we are proud that our vision reflects our adherence to the principles of sustainability and investment in preserving the environment. In addition, we believe that our prosperity is tied to all our stakeholders and to our commitment to good governance practices.

To this effect, and to realize this vision, in 2021, we began a company-wide assessment of our ESG metrics, facilitated by the consultancy Shibolet ESG.



STAKEHOLDER APPROACH

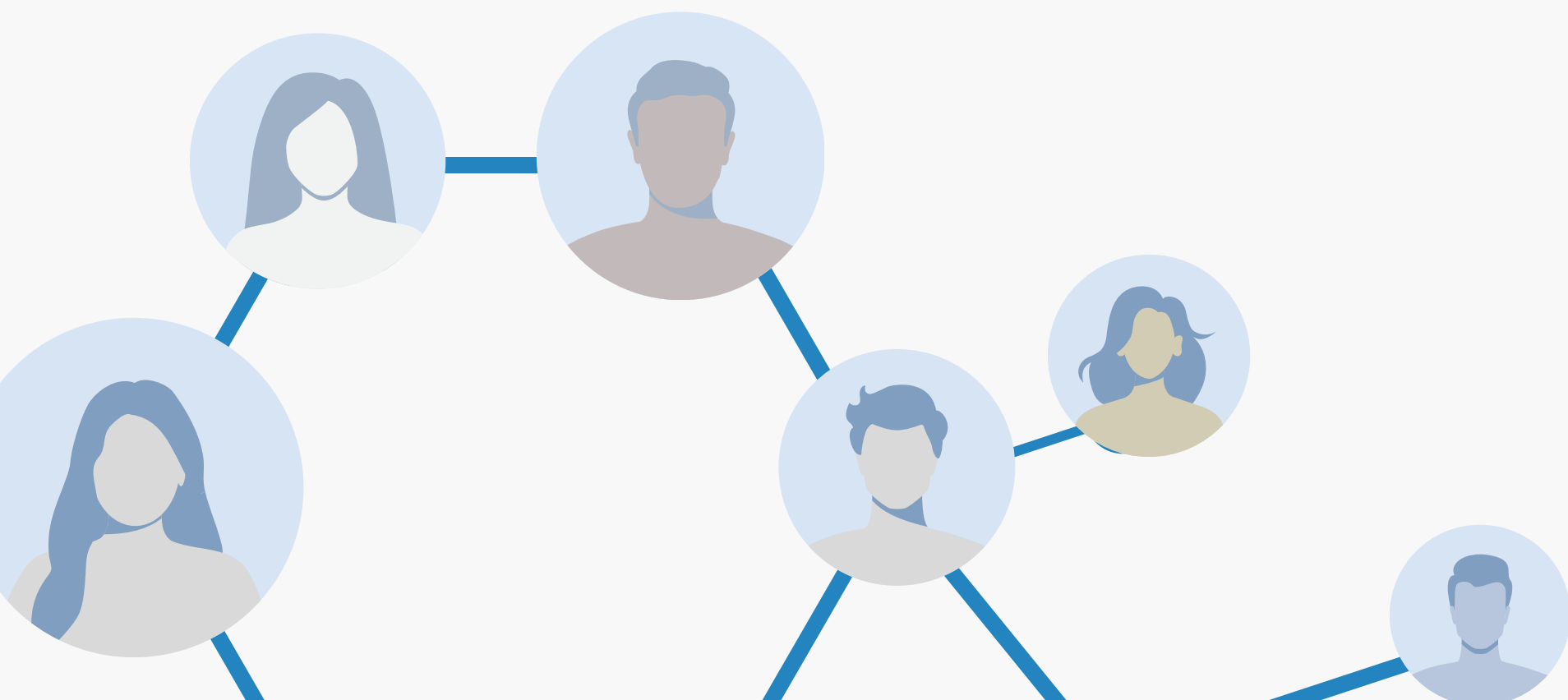
After over 60 years of operations in the same environment, we know that our success is dependent on how we listen to and engage with our many stakeholders. If they thrive, so do we.

For that reason, we build strong and long-lasting relationships with the government and our employees, customers, suppliers, and other partners. We regularly conduct surveys, organize informal gatherings, and create other opportunities for meaningful dialogue. We also know the importance of the local initiatives, and constantly communicate with local authorities, non-profits, and the general public.

In 2023, stakeholders have been identified and approached for feedback through surveys and direct communication channels. This feedback is invaluable in our continuous efforts to enhance various sustainability initiatives.

In 2023, we expanded and strengthened our communication initiatives with stakeholders.

This reflects our approach in both communication and action with them.



→ EMPLOYEES

We maintain ongoing communication with our employees through the WNDI LMS employee portal system, weekly team meetings, employees chat groups for daily updates, weekly open dialogues with the CEO and the HR manager, annual performance review and anonymous survey. This comprehensive platforms serves as a hub for general communication to address questions, needs, and updates and improvement opportunity.

→ CUSTOMERS

We insure to provide accessible and professional customer service, measurement of customer satisfaction, ongoing updates through our website, social media and webinars and nurturing personal lasting connections for business development.

→ OWNERS

Continuous communication and updates take place through routine office meetings, calls and directory conferences.

→ SUPPLIERS

We maintain transparent and direct dialogue through surveys, our website and on-site visits as part of collaborative process improvement initiatives.

→ COMMUNITY

We engage with the community through relevant local channels, consistently sharing information about our activities on social media and our website.

→ REGULATORS

We conduct compliance reviews with action plans, participate in industry events, workshops and conferences with bodies such as protection of the environment.



MATERIALITY ASSESSMENT

During the preparation of this report, we conducted extensive research efforts to understand what the top ESG topics are that should be included in this sustainability report. Our efforts included checking benchmark reports of industry peers, engaging the executive and manager levels of the company, and interviewing relevant stakeholders including employees, customers, and suppliers. We concluded that the top material issues (labelled according to the GRI 2021 index for clarity) are as follows:

Environment

- 301 Materials
- 302 Energy
- 303 Water and Effluents
- 304 Biodiversity
- 305 Emissions
- 306 Waste

Social

- 403 Health and Safety
- 404 Training and Education
- 405 Diversity and Equal Opportunity
- 416 Customer Health and Safety

We also considered the following Governance issues as material:

- Business Ethics
- Human Rights
- Sustainable & Resilient Value Chains
- Information Privacy & Cibersecurity

In addition to these topics of specific material importance, we have added to this report (and to the accompanying GRI Index) other information that was available.

SUSTAINABLE DEVELOPMENT GOALS

At the end of 2015, the United Nations General Assembly determined 17 sustainable development goals (SDGs) that form a roadmap for countries to reach sustainable development.

As a major producer and supplier of chemicals with a wide range of applications, ranging from reducing the emissions of transportation to supporting agricultural production to feed Israel's growing population, we see ourselves as an integral part of Israel's efforts to realize the SDGs.

As such, through our business and our products we contribute to the following goals:

SUSTAINABLE DEVELOPMENT GOALS

GOAL	INDICATOR	OUR ACTIVITY
 2 ZERO HUNGER	2.1, 2.2	We produce fertilizers and other agricultural products that increase agricultural output so we can help reduce hunger and malnutrition.
 5 GENDER EQUALITY	5.5	We encourage women to join at all levels of management and report our progress.
 8 DECENT WORK AND ECONOMIC GROWTH	8.1, 8.8	For over 60 years we have been providing local jobs, hiring local suppliers, and helping to drive the economy while emphasizing a safe and conducive workplace.
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9.5	We invest significantly in research and development and are driving innovation toward a cleaner and greener economy.
 10 REDUCED INEQUALITIES	10.2	We promote an inclusive workplace and report on our progress.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.4	All our waste is tracked and sent for specialized treatment, and we continually invest in efforts to reduce, reuse, and recycle waste.
 13 CLIMATE ACTION	13.2	We are committed to lowering our emissions, and reporting on our progress. Our products also contribute to lowering the emissions of the public

EXTERNAL PROGRAMS AND AFFILIATIONS

In 2023, Dor joined the UN Global Compact and voluntarily embraced the Responsible Care® initiative, a global effort in the chemical industry to boost sustainability. Dor proudly earned the Platinum Seal from the Standards Institute of Israel for meeting four top-quality standards, with expectations for more achievements this year

In 2023 we won the 'flag of beauty' and were named the 'Most Beautiful Plant in Israel'.



**WOMEN'S
EMPOWERMENT
PRINCIPLES**

Established by UN Women and the
UN Global Compact Office



In **1995**, our plant was awarded the '**Colleague of Beautiful Israel**' in recognition of **15 years of 5-star ratings**—a testament to our consistency in the protection and development of our surroundings.



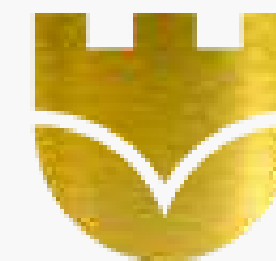
In **2021**, we won the '**40 year**' shield award for **40 consecutive years of winning 5 stars of beauty**.



In **2022**, we won the 'flag of beauty' and were named the 'Most Beautiful Plant in Israel'.



In **2023**, we won the 'flag of beauty' and were named the 'Most Beautiful Plant in Israel'.



THE COUNCIL FOR A BEAUTIFUL ISRAEL
SUSTAINING LIFE



ESG HIGHLIGHTS 2023

Our response to the emergency situation in Israel

During the past three months, we, like all organizations in Israel, have had to cope with the challenges of a nation at war. As an essential facility during emergencies, Dor has had to develop strategies to maintain high functionality and business continuity, while demonstrating flexibility and empathy towards our employees. We shifted to allow flexible work hours, provided emotional and material assistance as needed, conducted weekly follow-up conversations, and facilitated special packages and wellness kits for our people. For more, refer to page 47.

As part of our commitment to community support, the company's management decided to contribute by empowering Dor's employees to volunteer where they saw fit. In 2023, we invested in community volunteering hundreds of volunteer hours, valued at tens of thousands of ILS, all directed towards supporting local communities. For further details, please refer to pages 65-66.



EXEMPLIFYING EXCELLENCE: OUR ADHERENCE TO HIGH STANDARDS



TAKING OUR STAKEHOLDERS' BEYOND ESG

As we advance on our ESG journey, we have deepened our engagement with key stakeholders:

Suppliers, We have conducted onsite audits to enhance ESG performance within our supply chain, refer to page 39.

Customers: Transparency is crucial, and we have initiated open discussions about our ESG performance during a dedicated webinar, refer to page 59.

Employees: We showed our commitment to our workforce's well-being by implementing a dedicated ESG program. We also provided targeted training on sustainable procurement practices, aligning with our values, refer to page 46.



CURRENT PROGRESS

Advancements in Key Performance Indicators (KPIs) ■ Additional targets

TOPIC	BASELINE (2021)	2024 TARGET	2023 STATUS
Complete preparations to increase the production of renewable energy by 60-80%	---	Complete	---
Carbon footprint (Scopes 1&2) (CO ₂ e)	22,331	-30%	-48%
Greenhouse gas (GHG) emissions (Scope 1) (CO ₂ e)	18,437	-35%	-47%
Energy (CO ₂ e)	3,894	-5%	-53%
Scope 3	---	Report	Reported upstream of HP MTBE
Report Scope 3 upstream and production of Urea	---	Report	---
Reduce GHG emissions for HP MTBE production (ton)	0.126	-20%	-29%
Water (m ³)	115,483	-5%	-20%
Conduct hazardous waste mapping project	---	Complete	---
Integrate an automatic composter	---	Complete	---
Environmental compliance	---	ISO 50001	Complied
Safety Incident Rate (IR) (per 200,000 hours worked)	5.60	-50%	-14%
Customer substantiated complaints (number)	25	-76%	-52%
Suppliers signed on code of conduct (%)	0	100%	Started onboarding suppliers to our new Supplier Code and addressing ESG aspects via a questionnaire
Information security compliance	---	ISO 27001	Complied
Climate risk assessment	---	Complete	---
Employees salary benchmark	---	Complete	---





ENVIRONMENT

- Environmental Management
- Energy Management
- Carbon Footprint and Air pollutant
- Water and Effluents Management
- Materials and Waste Management
- Biodiversity
- Innovation
- Sustainable Supply Chain

ENVIRONMENTAL MANAGEMENT

At Dor, our commitment to environmental sustainability goes beyond reducing our own footprint—we are making it our business to drive the global transition to cleaner energy.

In 2023, we continued to drive global environmental sustainability efforts by selling products such as Carmel Blue, and reducing our facilities footprint.

We are devoted to environmental protection both within and outside the production facilities. All of our production processes are nonpolluting. Materials are sorted and recycled, and the gases resulting from the processes are burnt in specially designed ovens. Thus, a double benefit of minimal air pollution and energy saving is attained.

In addition, we have implemented the ISO 14001:2015 environmental management system and ISO 50001:2018 energy management system and we comply with all laws and other regulatory requirements.



**We are devoted to
environmental protection both
within and outside the
production facilities.**



ENERGY MANAGEMENT

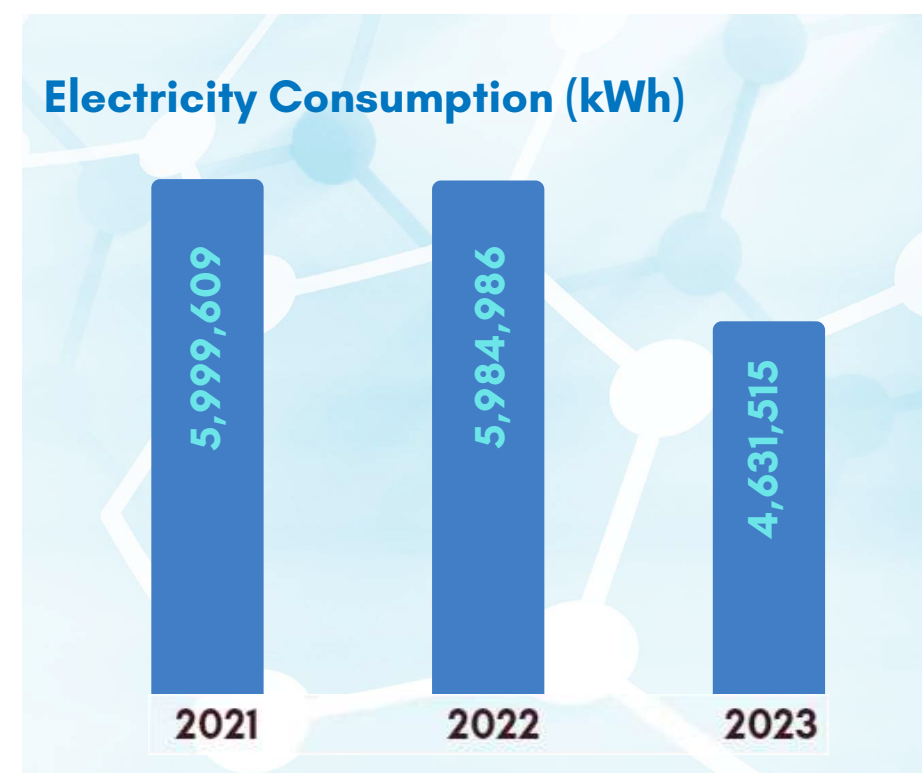
Dor Chemicals prioritizes efficiency energy management as part of its environmental commitments. The company is dedicated to establishing robust systems to enhance energy performance, achieve savings, and contribute to the efficient use of natural resources.

In March 2023, we finished a **five-year externally led energy audit**, enabling us to pinpoint technical energy losses and identify opportunities for reduction. Furthermore, in November 2023, we achieved accreditation for a new Israeli and international energy management standard, **ISO 50001:2018**.

Energy Consumption

In 2023, our energy requirements were 4,631,515 kWh. We have already exceeded our target of lowering our energy consumption by 5% by 2024, with a 23% reduction already in 2023.

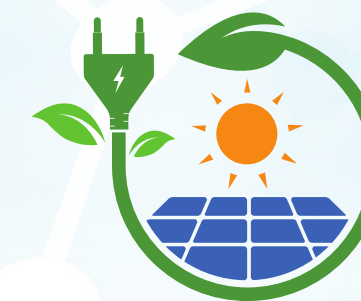
Dor's energy sources include natural gas and electricity for production, solar and gasoline for transportation, pumps, and generators. In 2023, the primary energy consumption was sourced mainly from natural gas.



In our MTBE, hydrogen, and methanol distillation plants we also use heat exchangers to recycle the heat generated during our processes and funnel it to other needs to save energy.

Reducing Energy

23% Less energy consumed
(compared to 2021 baseline)



Steps taken to decrease energy consumption and lower the associated GHG emissions:

- Transitioned to natural gas supply for internal energy consumption, as well as shifted electricity providers to move away from emissions-heavy sources (e.g., coal).
- Developed our infrastructure for the generation of solar energy. In 2023, solar panels on our premises generated 465,933 kWh of energy, which is ca. 10% of our total energy source needs. We plan to expand this significantly in the coming years
- Optimized the operating hours of manufacturing and transportation systems.
- Switched to energy-efficient LED lighting by replacing 33 lighting bodies, resulting in a reduction of 30,000 kWh.
- Addressed air leaks in accordance with the recommendations of our energy audit, leading to a significant decrease in the electricity consumption of air compressors.

CARBON FOOTPRINT

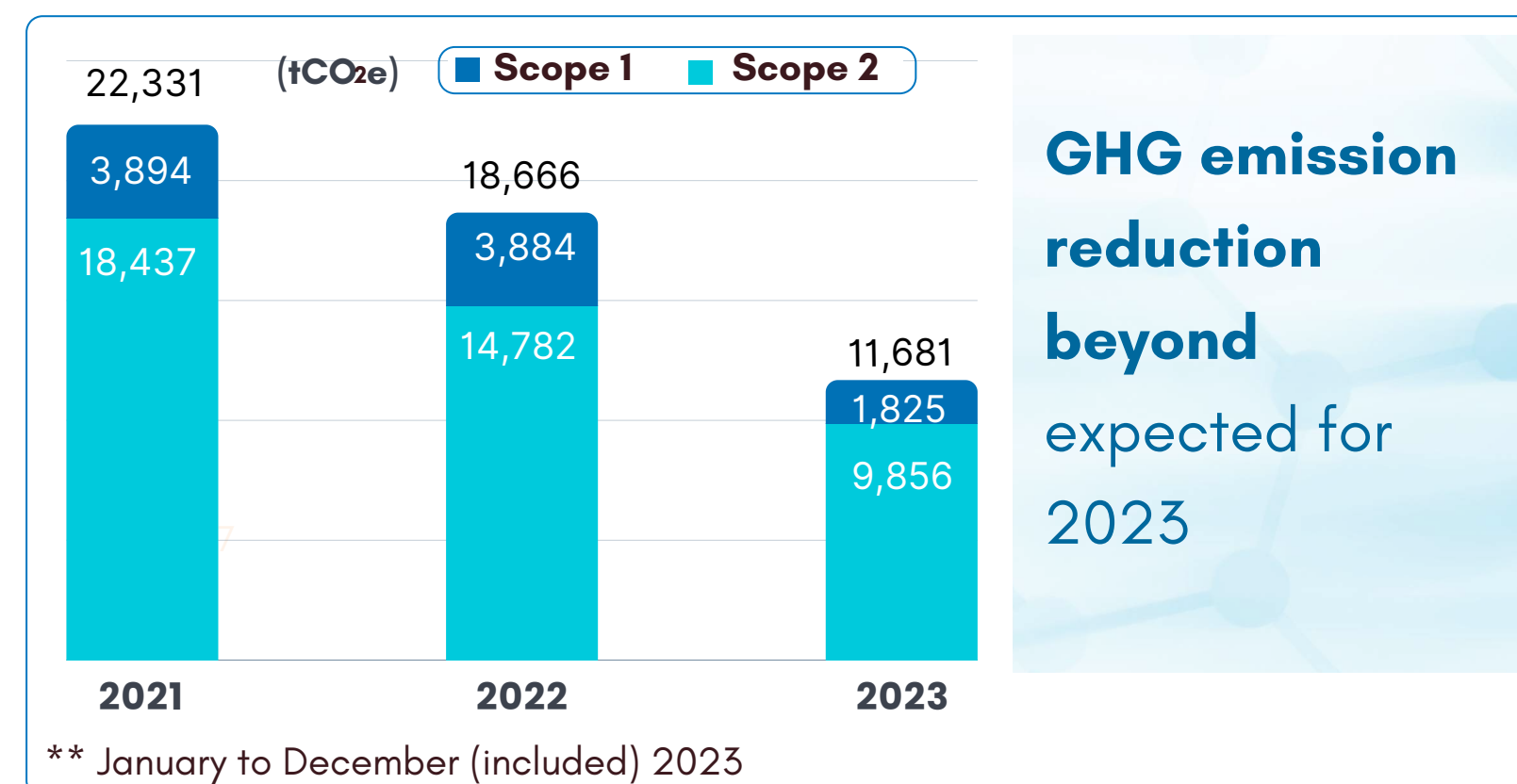
We recognize the urgent need to reduce greenhouse gas emissions that contribute to climate change. We strive to reduce our operations' GHG emissions from our direct activities (Scope 1) and our energy consumption (Scope 2). Calculations are according to the GHG Protocol Corporate Accounting and Reporting Standard.

GHG EMISSIONS

Scope 1 and Scope 2

The total Scopes 1 and 2 carbon footprint measured in Dor Chemicals Haifa for 2023 was **11,681 tCO₂e**, which is **48% less emissions than in the baseline year 2021** and **37% less than in 2022**.

Dor Chemicals Ltd GHG Emissions (tCO₂e per year) 2021-2023



	2022	2023	Reduction rate
Scope 1	14,782.27	9,856	-33%
Scope 2	3,884.26	1,825	-53%
TOTAL	18,666.53	11,681	-38%

In year 2023 we achieved a significant milestone by reducing our greenhouse gas (GHG) emissions by **48%** compared to the 2021 baseline

Scope 3 Up

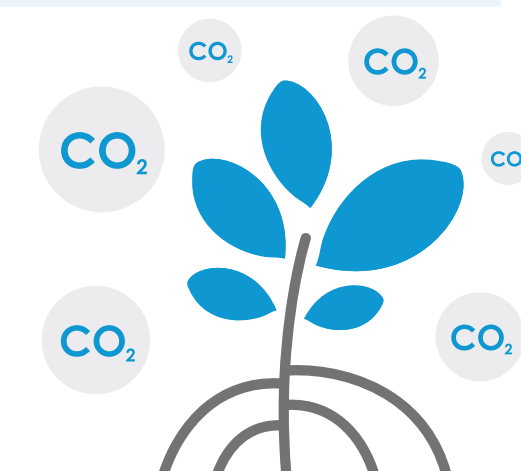
This year, we have started measuring Scope 3 upstream and production emissions for one essential product in our portfolio: HP MTBE. This includes emissions from raw material production, packaging, and third-party logistics transport. Our production calculations also account for energy usage in manufacturing and logistics, covering electricity and fuels.

HP MTBE - upstream and production

	Segment	GHG Emissions (Kg CO ₂ e)	Emissions rate
Upstream	Raw materials	0.459	77%
	Transport	0.045	8%
Production	Energy	0.090	15%
TOTAL CO ₂ e emissions intensity for HP MTBE (including upstream Scope 3)		0.594	100%

GHG emission reduction in HP MTBE production

Year	Kg CO ₂ e
2021	0.126
2023	0.090



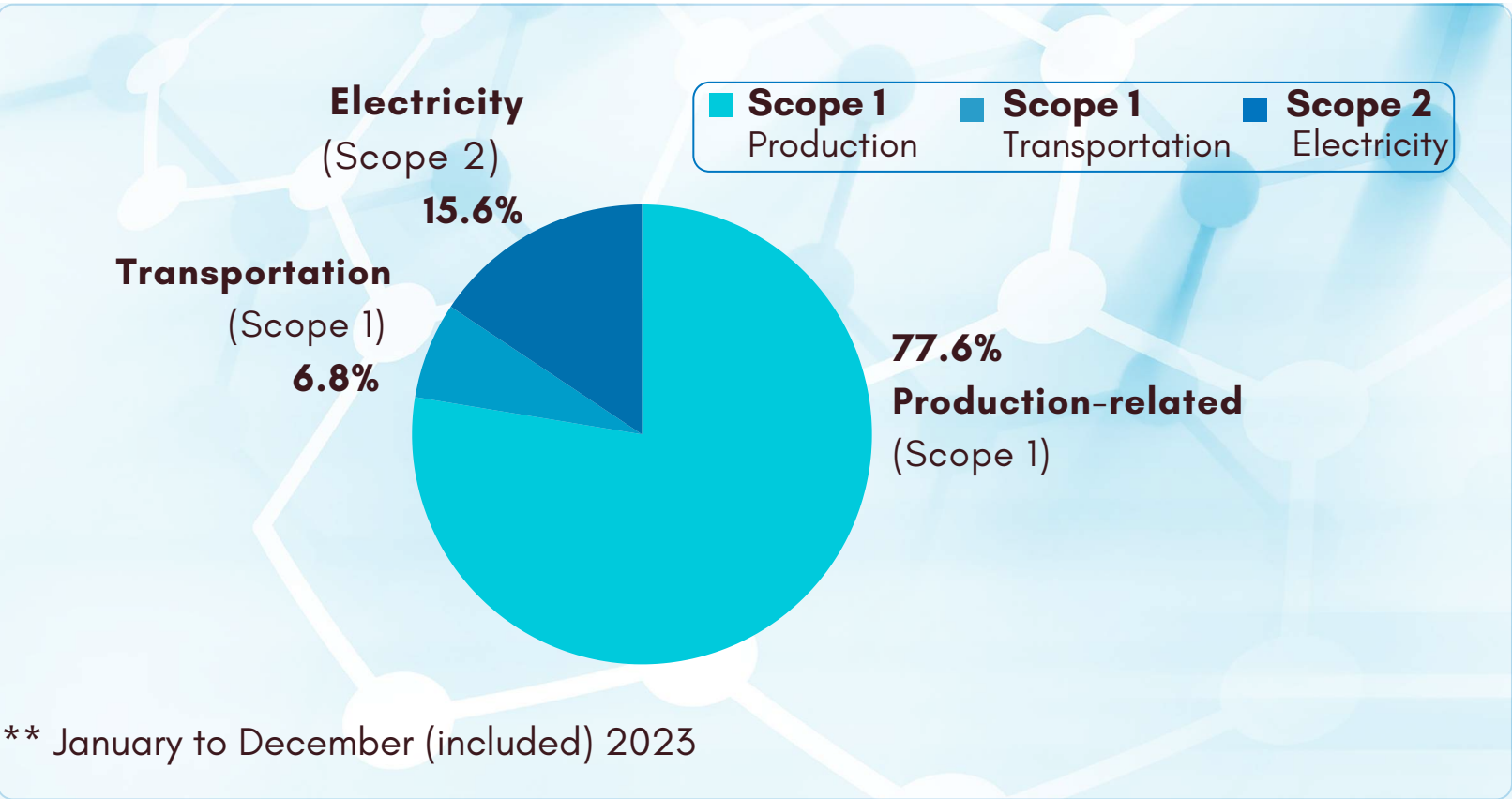
HP MTBE Production reduction of **29%** in 2023 compared to 2021



OVER
85%
of our fleet are hybrid /
electric / plug-in vehicles

GHG Inventory

The primary sources of our company's emissions are natural gas (Scope 1) with 77.6%, electricity (Scope 2) usage with 15.6%, and fuel for travel (benzene and diesel).



	2022	2023	Reduction rate
Production-related (Scope 1)	13,919.2	9,064.5	-35%
Transportation (Scope 1)	863.1	791.6	-8%
Electricity (Scope 2)	3,884.3	1,825.5	-53%
TOTAL	18,666.5	11,501.9	-37%

In 2022 the connection was completed, and we began using the gas in November 2022. The conversion process to connect to the natural gas system required extensive engineering and economic investments, and therefore was key to reaching our target of reducing our GHG emissions by 30% by 2024 (2021 baseline).

Over 83% of our fleet are hybrid / electric / plug-in vehicles. We are committed to replacing any vehicle that ends its rental period from the leasing company to hybrid or electric vehicles only.

LOOKING TO THE FUTURE

We are currently expanding our collection of Scope 3 greenhouse gas (GHG) emissions data, and we are releasing information on each category as it becomes accessible. The complete Scope 3 GHG emissions will be disclosed in forthcoming reports. By then, In 2024 We plan to report Scope 3 upstream and production of Urea

In 2024, we aim to establish a comprehensive, long-term strategy to complete our upstream footprint and extend our measurement efforts downstream, encompassing all of our key products.

We are also working on a plan to significantly increase our use of solar panels, targeting a 60-80% rise in reliance on green electricity across our factory facilities. Currently, we are mapping our utilities and procurement sources. We expect plan approval by 2024, and implementation is scheduled to start in early 2025.

We currently prioritize the procurement of reused plastic containers (IBCs) to minimize our environmental impact and are exploring additional strategies to decrease our reliance on new containers for transportation and Isotanks onsite. Further details on these initiatives will be provided in our upcoming 2024 ESG report. Moreover, wherever and whenever possible, we endeavor to substitute virgin materials with recycled and environmentally friendly alternatives. Further details on this effort can be found in the Waste and Material Management section on page 35.



AIR POLLUTANTS

Every year we invest significantly in new equipment to measure, monitor, and reduce our emissions and other environmental nuisances.

Reducing Air Pollutants

In 2023, we engaged in a multi-disciplinary collaboration across departments to reduce emissions and enhance real-time measurement and monitoring.

We successfully completed the transition to natural gas, with the main boiler in our generation plant now operating solely on natural gas. Thanks to our switch to natural gas, we have reduced:

99%

Particulate matter
emissions

99.9%

Sulfur oxides
emissions (SOx)

37%

Nitrogen oxides
emissions (NOx)

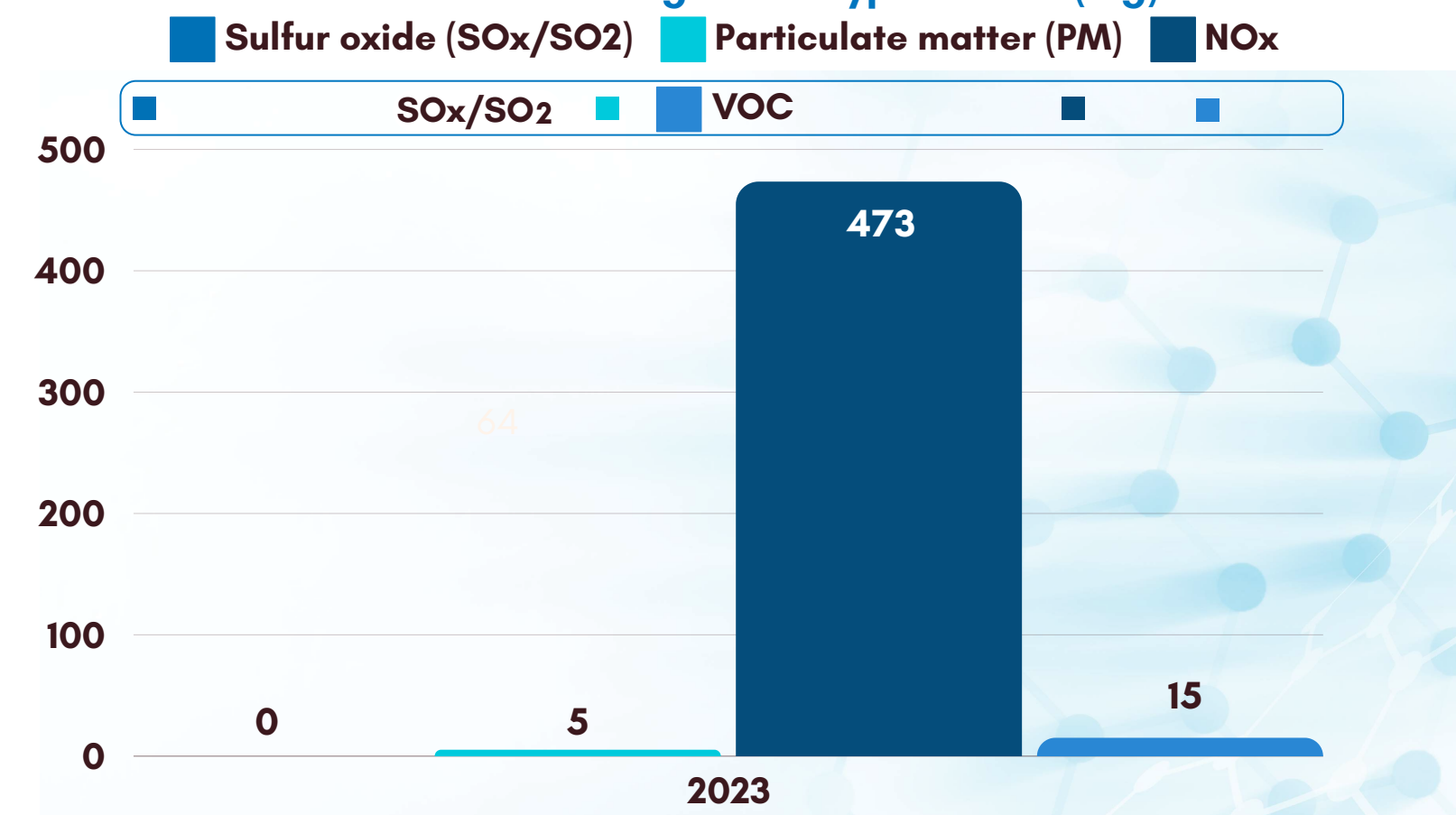
In this year, we assessed and mapped all streams to the furnace, checked volume, controls, and submitted a summary with an implementation plan to the regulatory authority for 2024, specifying our goals and the steps we will take.

We installed meters in our formaldehyde and incinerator scrubbers, actively contributing to the reduction of environmental emissions by using automatic hour meters in backup systems for managing air pollutants. We also installed a system in the control room to regulate the chiller's operation and installed level sensors and alarm systems for automatic tank filling and shutdown in some of the tanks. **In 2024, we aim to implement it in all of the tanks.**

We added floating roofs to some of the MTBE tanks for material protection and reduced emissions at the source. **In 2024, we aim to expand this initiative by adding more floating roofs to our MTBE tanks.**

In addition, our continuous efforts to minimize volatile substance emissions involved sealing open pipes using stoppers. Additionally, we implemented a 'leak detection pigs' system equipped with thermal cameras, enabling the identification and diagnosis of minor leaks along lines and pumps. In response to the recommendations from the energy survey, we took proactive measures. Upholding our commitment to environmental responsibility, we maintained the Leak Detection and Repair Program (LDAR) in collaboration with an ISO 17025 certified company. This program, aligned with the US EPA method 21, adheres to the standards set by the Ministry for the Protection of the Environment.

Pollutants emitted to air according to fuel type in 2023 (mg)



WATER AND EFFLUENTS MANAGEMENT

WATER

According to the World Resources Institute's 'Aqueduct Water Risk Atlas', our facilities in Haifa are rated as having a high overall annual water risk (3-4), and an extremely high level of annual water stress (>80%). As a result, we are continually investing in reducing our water consumption, and increasing our ability to reuse water.

In 2023, we consumed nearly 92 megaliters of water. This is a 23% decrease compared to base line year 2021.

We exceeded our target of reducing water consumption by 5% by 2024 a year early, reaching a 20% decrease

Activities to Reduce Water Consumption

Recycling Water in our Cooling System

We use cooling towers in a closed system and fans for cooling to save water consumption for our cooling purposes. This system saves water because the only water losses within this system are partial evaporation of the cooling water and partial drainage of water to maintain a conductivity value below the predetermined threshold. The cooling towers are used to cool all the facilities at Dor. In addition, the cooling fans cool auxiliary streams with the help of an air stream and without the use of water. We have two fans for the MTBE facility and another fan for the methanol distillation facility.



20%
Less water consumption
compared to the 2021 baseline

21% **Less compared**
compared to the 2022 baseline

We estimate that the cooling system reduce our annual water consumption by 50 times!

Reusing Filtered Water

We use an osmosis device that consists of two levels of filtration that we call RO1 and RO2. The facility consumes mains water and produces treated water with low conductivity for our boilers and resin dispenser. Our facility recycles water in that the brine from RO2 goes to feed RO1 along with the addition of network water, as the quality of the RO2 brine is acceptable to be used to feed RO1.

Thanks to our osmosis system, we estimate that in 2023 we saved over 9,500 m³, representing 11% of our total annual water consumption, consistent with the same rate from last year.

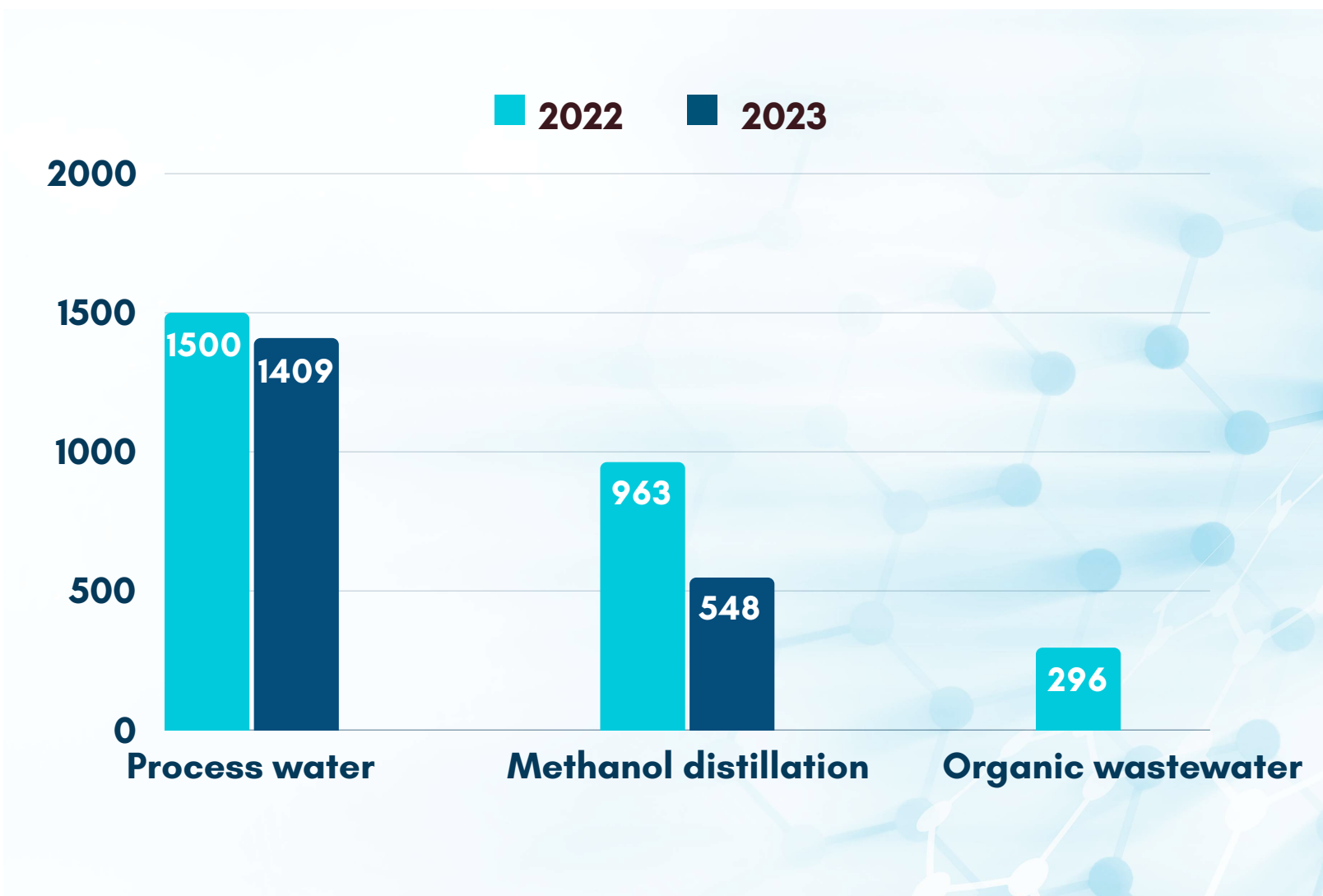
EFFLUENTS

Due to the sensitive nature of our business, we have installed significant measures to collect the effluents resulting from our processes, and the overflow on our premises, and send them out to certified facilities for treatment and disposal. The full data on hazardous effluents can be found in our hazardous waste section below.

Concerning our corporate offices, we are connected to the municipal network, and we regularly test our wastewater quality to ensure there is no contamination.

In 2023, we sent 1,957 tons for treatment, with 95% of it consisting of water.

Effluents Sent for Treatment in 2022-2023 (tons)



Efforts to Reduce Effluent Discharges

In addition to our efforts to collect and treat the wastewater that results from our chemical processes, we have also installed emergency procedures and mechanisms to mitigate any possible spills of hazardous chemicals and prevent the contamination of groundwater, sea water, or the soil outside our facilities.

To this effect, our plant is equipped with absorbent kits that include absorbent pads and booms.

In 2023, We continuously monitored sanitary effluents by adding conductivity and pH meters to the final drain of the plant.

MATERIAL AND WASTE MANAGEMENT

Waste

Mapping waste streams

We conform with all laws and regulations regarding the safe disposal of waste from our production processes. We have mapped all our waste streams to ensure the lowest possible environmental impact.

Municipal Waste: This non-hazardous waste is directed to certified companies specializing in recycling and/or disposal. Currently, our facility incorporates separate:



Hazardous Waste: We prioritize recovery and reuse wherever feasible. When it is not possible, we proceed with recycling as the primary option, and as a last resort, entrust the material to reputable third parties for safe disposal.

Organic Waste: On a daily basis, we dispose of approximately 40–50 kg of both food and organic waste. By using composting techniques, we aim to repurpose this waste and generate nutrient-rich compost.

Our plant emphasizes recycling to preserve the quality of the environment.

- Paper and cardboard are collected individually and delivered to a recycling company.
- Wooden products, pallets, and wooden packaging are collected separately.
- Used oils in barrels are collected and sent to an oil recycling plant.
- Used tin barrels are collected and delivered to a barrel recycling contractor.
- Metal waste, pipes, and cans are separated, sorted and delivered to a metal recycling contractor.



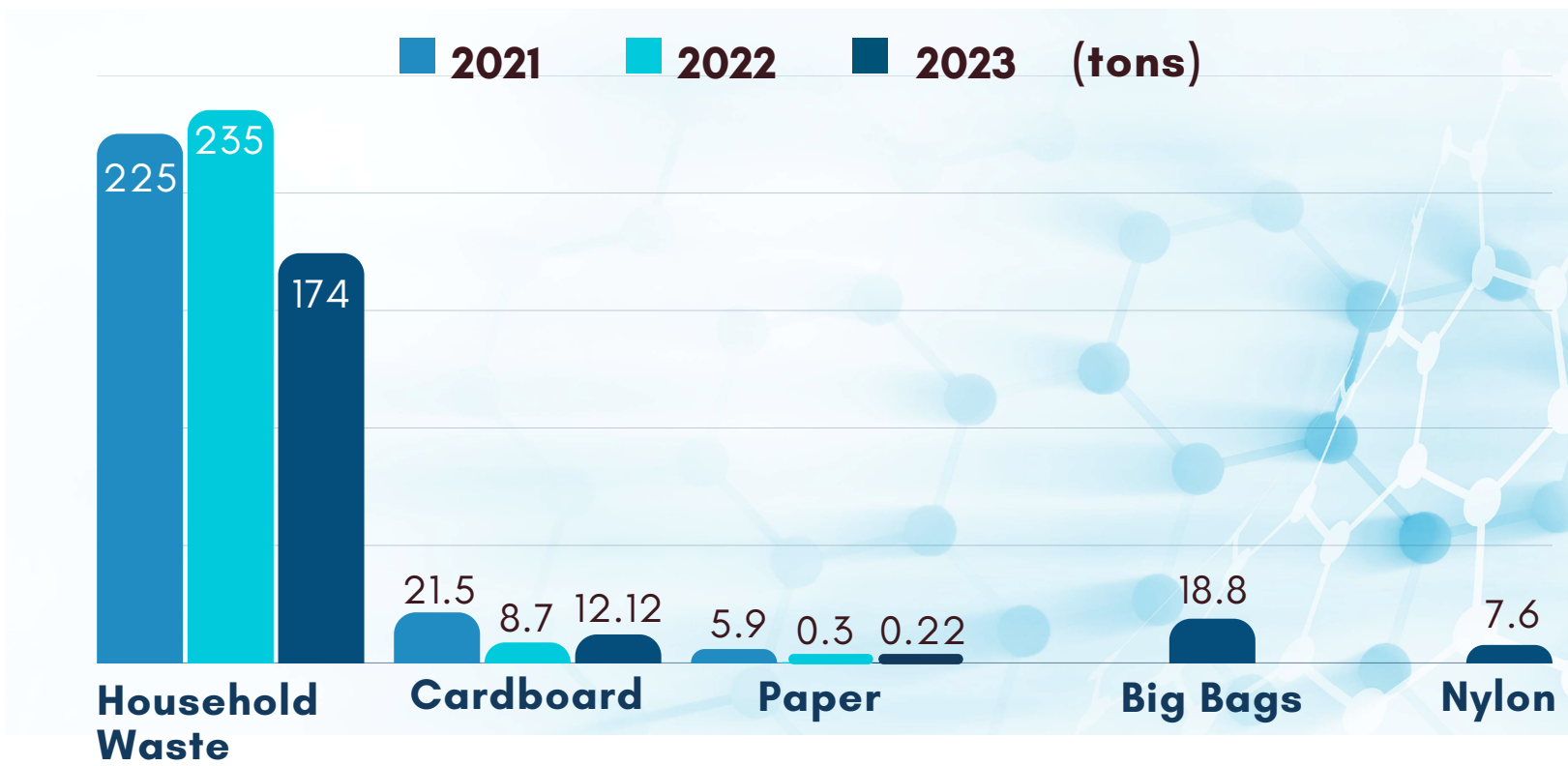
26% Less Household Waste

We also plan to integrate an automatic composter and start managing our organic kitchen waste

Non-Hazardous Waste

In 2023, we continued our efforts to decrease paper, cardboard, and wood waste, building on the progress made in 2022. Notably, we achieved a substantial reduction of over 26% in household waste compared to the previous year. We also initiated the measurement of plastic sub-streams such as Big bags and Nylons. To enhance source separation efficiency, we removed two waste bins from our facility.

Our success in reducing household waste is attributed to these efforts, complemented by focused campaigns to raise employee awareness and reduce usage. Additionally, redirecting all used wooden pallets to a sister company for reuse has been a successful venture contributing to our positive environmental impact.



Hazardous Waste

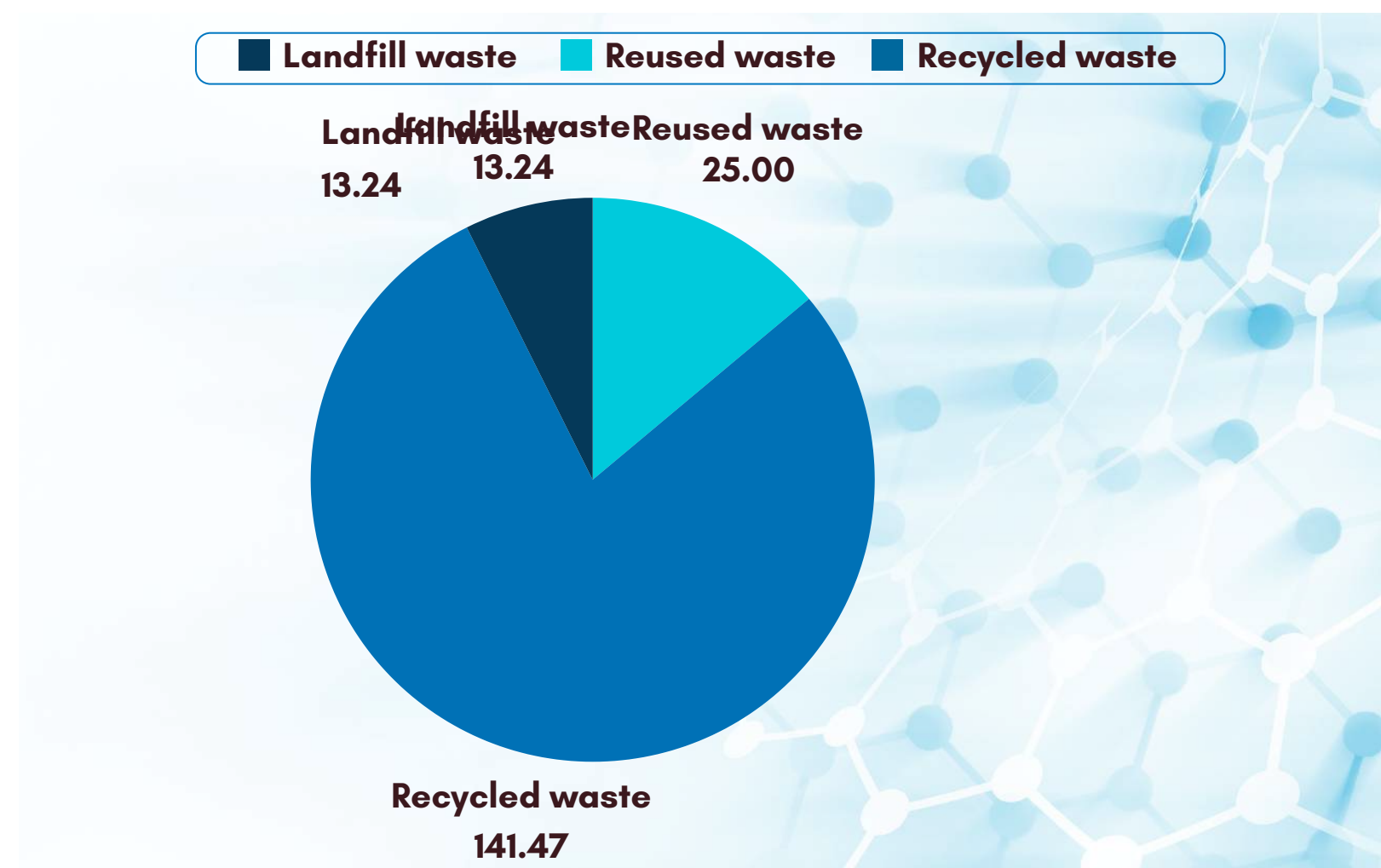
We conform with all local laws and regulations regarding the disposal of hazardous waste, and the associated packaging used during its transportation, handling, and sale. We work with certified local companies in Israel and are continually exploring new means of reducing the hazardous waste we generate.

To reduce the negative impacts of our hazardous waste, we separate the various types and send them out to certified third party disposal companies.

This year, we carried out a significant portion of asbestos removal triggered by a change in the intended use of the land.

In 2023, we produced 2,118 tons of hazardous waste, marking a decrease compared to 2022 and 2021. In this calculation we included water effluents, this is how we dealt with it:

Hazardous solid waste allocation in 2023 (Tons)



Reduce, Reuse and Recycle

REDUCE

We are continually researching ecological and organic alternatives to the hazardous materials that we use in our production. Some current examples include:

- Producing an ecological and organic alternative to boron for the cardboard industry
- Reducing the free formaldehyde percentage in treatment water from production of formaldehyde-based products

REUSE

On site, we have set up procedures to recover and reuse all of the nitrogen that results from our battery treatment process. Similarly, we have developed a system to recover and reuse the methanol formed during our distillation of HP-MTBE.

2,165 tons
of methanol

&

9.68 tons
of methanol

WERE REUSED IN 2023

Recycle

In addition, we work with licensed companies to clean and recycle the containers and other packaging materials so that we can reuse them. This circular system enables maximum reuse of materials and minimum waste.

In 2023, 787 separate packages were sent for **recycling**, totaling **30 tons of hazardous substance** packaging such Cubic, Jerrican Containers .

MATERIALS MANAGEMENT

Recycled materials and developing more eco - friendly products

We are always searching for new means to reduce our company's footprint.

In 2022, we began purchasing recycled acetone – the main material used in our resin production.

We also purchase recycled plastic containers to reduce our footprint.

We also strive to replace hazardous materials with ecological and organic materials. An example of this is our new Borax alternative product, based on organic green materials – this product will replace our borax additive for the glue in the cardboard industry. Borax is registered as a SVHC (Substance of Very High Concern).

By 2024 we aim to produce and commercialize a boron-free product for the cardboard industry and reduce formaldehyde-based production thanks to alternatives.



BIODIVERSITY

At Dor, we are aware of the rich biodiversity and marine surroundings on the coast where we operate. We comply with all environmental regulation regarding our ships and docks, and we have strict protocols in place to reduce the environmental impact, as well as to manage any and all emergency situations that may arise.

Our facilities in Haifa Bay are not within one of the sites classified by BirdLife International as being 'important bird areas', nor are any International Union for Conservation of Nature (IUCN) 'Red List of Threatened Species' present in our surroundings.

However, We will deepen our knowledge and activities in the coming years, and are committed to safeguarding the fauna and flora in our environment.

Additionally, we meet legal requirements by regularly assessing soil contamination. In 2022, we hired an external auditor to evaluate soil quality on our premises. Continuing in 2023, we conducted a ground gas survey and implemented a leak control simulation for both the pipelines connecting our plant to customers and suppliers, as well as for internal gas lines



INNOVATION

In an effort to always stay ahead on the latest research, we have contracted the environment, health and safety consultancy Yad Yarak to prepare quarterly updates on the latest research, innovations, and regulations that concern our products, environmental protection, emergency procedures, and health and safety.

We also collaborate with academic institutions and large organizations around the world in search of green energy and ecological solution technologies. Thanks to these efforts, and our own continued investment in research and development, we will continue **leading innovation for a better environment.**



SUSTAINABLE SUPPLY CHAIN

Dor Chemicals' corporate responsibility extends to its supply chain, reflected in its conscientious dealings. The company annually procures services and products worth millions of shekels.

In 2022, as part of our own journey toward environmental sustainability, social justice, and good governance, we began broadening the scope of our engagement with suppliers to reflect the values that are dear to us. The first step involved a mapping of our suppliers and their practices. To this effect, we conducted a survey with our main suppliers to assess their environmental and social practices.

In 2023, we began taking active steps to change our procurement process and relationship with suppliers. We began by signing our existing suppliers onto our new Supplier Code of Conduct, as well as taking the measure to make this step a mandatory part of our new supplier registration process. All these efforts were integrated into a new overarching Sustainable Procurement Policy.

At the same time, we recognize that every company is at a different stage in their ESG journey, and imposing sudden and drastic changes on our suppliers will not bring the change we need. Instead, we believe in an open, trust-based conversation to jointly tackle the ESG responsibilities that we have as companies.

Therefore, in 2023, we selected 3 of our top suppliers, conducted onsite audits, and then began a dialogue with them to bring ESG-related topics to the fore, as part of a participatory due diligence approach. This dialogue-based approach will complement our gradual reduction of engagement with suppliers that do not adhere to our renewed efforts to promote good environmental and social practices throughout the supply chain in a manner that minimizes the transition risk.

100%

Of Dor's procurement staff received specialized training on ESG and sustainable procurement

60+

Suppliers received Code of Conduct

3

On site audits of suppliers' ESG related development plan (Israel -based)

Sustainable Procurement plays a crucial role in advancing the primary objectives of Supply Chain Decarbonization and Sustainable Solutions



מטרות המפגש - הטמעה של רכש מקיים

1. מונחי יסוד עקרוניים - מה זה ESG, אחריות תאגידית או EcoVadis?
2. למה אחריות תאגידית משמעותית לדור?
3. מבט על דור ESG של דור ועל הנשאים המרכזיים המופיעים בו
4. מה הם יעדי אחריות התאגידית בתחום הרכש ובאיזה אופן הם מתחברים לעשייה שלנו
5. הצגת מדיניות רכש מקיים והאופן שבו היא משולבת בגישת הרכש באופן כללי
6. הכלים הקיימים בדור ליישום מדיניות רכש מקיים



EMPLOYEES

Human Management
Work conditions & Well being
Support Employees in Challenging Times
Fostering Dialogue
Diversity, Equity and Inclusion (DEI)
Training & Career Development
Health Safety & Security
Customers
Suppliers
Community

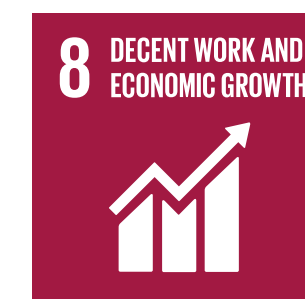
EMPLOYEES



PEOPLE AT THE HEART

Our employees are at the heart of the company, and our commitments to them are the most important part of what we do. We believe that earning their trust and encourage them to have confidence in their selves, will lead to our company prosperity. In addition, will contribute to the creation of a better society which we are all part of.

This is how we invested in them and their familie

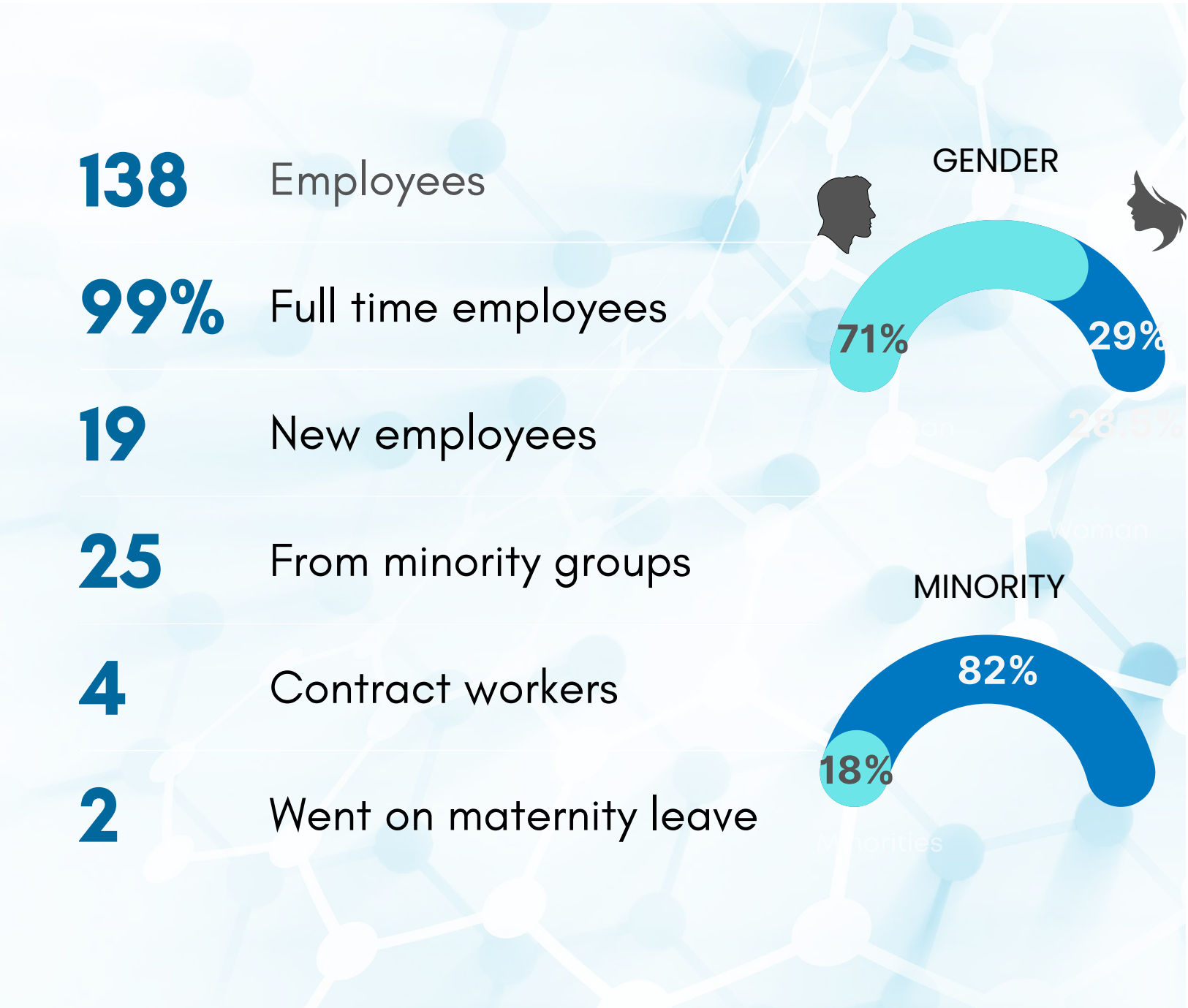


**We talk. We listen. We learn.
And together we grow.**

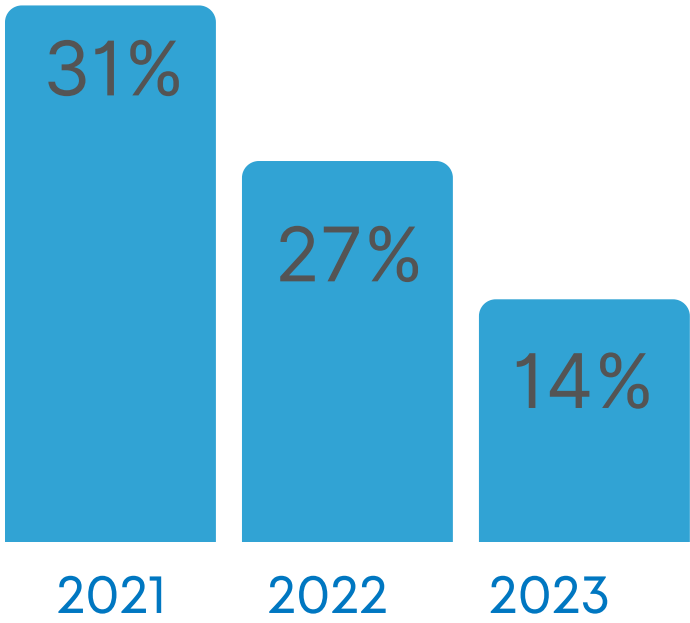
EMPLOYEES OVERVIEW

At the end of 2023, Dor Chemicals Ltd. employed 138 individuals.

With the exception of one employee, everyone held a full-time position. The majority fall within the age range of 30-50, and the overall employee count is similar to 2022. In 2023, we welcomed 19 new employees.



EMPLOYEES TURNOVER



The average tenure of employees at Dor is 9 years, more than double the local and global industry averages.

Prioritizing staying at the forefront of knowledge and attracting top talent, employee experience is crucial for organizational resilience.

Our recent efforts to understand and address turnover led to a 13% reduction.

2023	Age Group	Began Employment	Ended Employment
Woman	<30		
	30-50	4	2
	50+		
Man	<30	1	2
	30-50	9	10
	50+	5	4
Total	<30	1	2
	30-50	13	12
	50+	5	4
		19	18



HUMAN MANAGEMENT

Our organizational culture is our most valuable asset

Our employees are the cornerstone of our growth and prosperity. We focus on attracting diverse talents, retaining our employees and providing them with a safe, healthy, inclusive and empowering work environment.

Human Resources are overseen by the HR Director, in collaboration with the Vice President, CEO, and department managers, all based at the company's operational site in Haifa. This leadership team is entrusted with implementing and advancing various aspects of the company's human resources, aiming to foster a positive work environment conducive to high employee satisfaction and well-being.

In 2023, the Human Resources Policy has been specifically tasked with managing the following key areas:

Recruitment and Mobility: Recruit and promote highly qualified individuals who perform well, align with our values, and contribute to increased diversity within relevant teams.

Employee Experience: Identify and address employee needs by providing the necessary services and support.

Measurement of Human Resource KPIs: Evaluate and analyze data to gain insights into employee satisfaction, the efficacy of management approaches, and more.

Fostering dialogue: Provide opportunities for employees and supervisors to engage in reflective sessions, facilitating meaningful discussions on performance, communication, and career development.

Enhancement of new tools and methods: Analyze bottlenecks and identify opportunities and technologies for increased efficiency

Living wage, benefits, and compensation: Objective: Consider shifts in the living wage, establish appropriate salary benchmarks, and prevent internal disparities among employees in similar roles.

Complaints

In 2023, we did not receive any complaints related to human resources.

Employee human rights

We abide by Israeli labor laws, including those prohibiting any child labor, and uphold internationally recognized labor and human rights standards, including those of the International Labor Organization (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the Organisation for Economic Co-operation and Development (OECD), to name a few.



WORK CONDITIONS & WELLBEING

Parental leave

This year, only two employees went on maternity leave, both of whom resumed their roles at Dor afterwards.

In addition, in line with our commitment to employee wellbeing, we support young parents by allowing them to leave one hour early without salary deductions, in accordance with local regulations.



Living wage project

At Dor, we believe in providing employees with compensation that goes beyond the legal minimum wage. Instead, in 2023, we sought to benchmark ourselves against the ‘living wage’, meaning a minimum wage that would be enough for employees to meet their basic needs in a dignified manner. **In 2023, 86% of our workforce were paid more than the highest monthly living wage of 9,324 ILS, and 2% were paid less than the lowest monthly living wage of 7,605 ILS, as defined by WageIndicator.org.** This refers to the base salary alone, excluding social security, taxes, pension, extra hours, and other benefits.

In 2024 we plan to issue employees salary benchmark ensuring fair compensation to all employees

Compensation & benefits

We offer competitive salary packages and a host of benefits at each stage of employment, from hiring through professional growth, and until retirement. These include extra pay and rest days for working extra/outside normal hours, investing in education funds, performance-based bonuses, rewards for attendance, gifts for long-standing employees, and retirement grants. We also fulfil all legal obligations to contribute to employee pension plans and national healthcare.



In 2023, we were ranked the 6th best company to work for in Israel's chemical industry according to the BDi Code, and 11th according to duns 100. **Both are an improvement compared to 2022.**

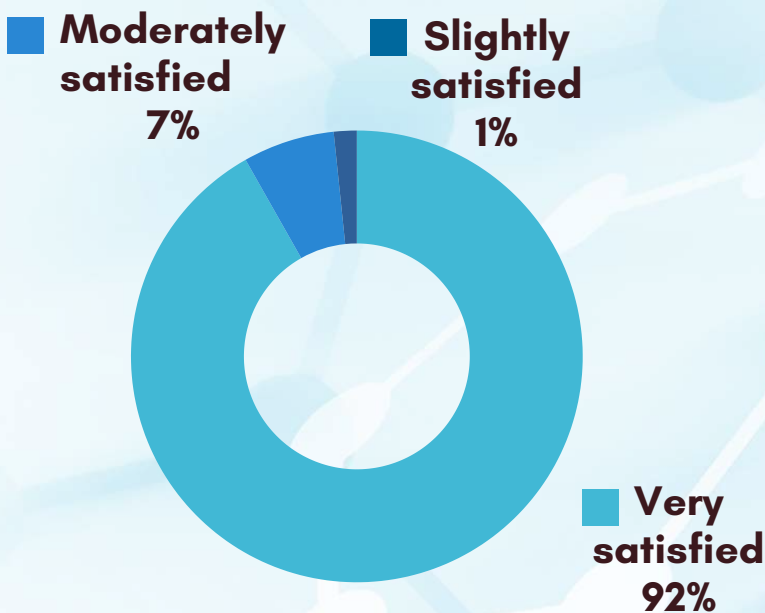


Wellbeing and satisfaction

In end of 2023, we conducted our annual ‘employee satisfaction’ survey to give everyone a platform to anonymously voice their opinions and give feedback on their experience at Dor. We thank all those who took the time to share their thoughts.

45% of all employees responded.

When asked to comment, **80% of those employees who chose to respond shared positive feedback about the company, 90% shared positive feedback on their job, and 25% asked for higher salaries and more benefits.**



"[Dor is] a company that feels like a family, [I am] grateful for the opportunity to make meaningful contributions.."



SOCIAL HIGHLIGHTS

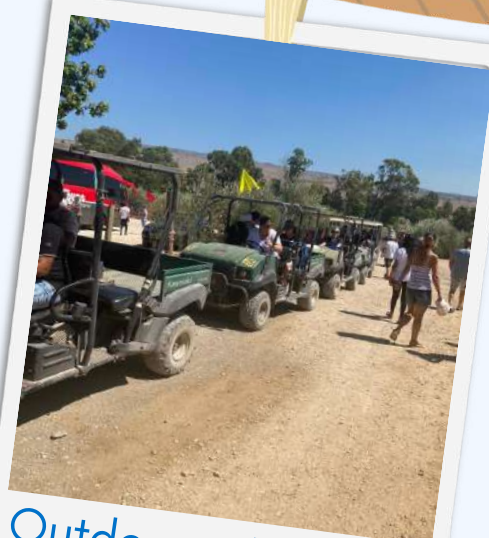
Welfare and fun activities

To help employees focus on their personal wellbeing, we provide gift cards, wellness packages, and restaurant vouchers to celebrate birthdays, holidays, and personal events, and we offer subsidized admission tickets for cultural and social institutions and events.

- All the company's employees are insured in a pension fund/executive insurance from their first day of employment.
- Parental leave and health insurance are provided according to, and often beyond, the provisions of the law.
- The company helps employees in times of need.
- We hold many social events during the holidays and throughout the year such as presented here, in this page.

Two days trip to the North

In 2023, we organized a two-day company-wide excursion to the northern region of Israel. Our time was filled with enjoyable activities, including kayaking, off-road adventures, shared meals, and team-building activities.



Outdoor adventure



River Kayaking



Farewell dinner



North trip

And more...

We recognize that empowering employees and their wellbeing also means supporting their ability to provide for their families. To that effect, we provide the following support for employees' children: In preparation for the start of the school year, we purchase schoolbags for the employees' children that are entering the first grade.

We sponsor up to 50% of academic studies for the employees' children, as well as participate in the payment of kindergartens and holiday camps. We distribute sweet packages to the employees' children on Hanukkah.

Happy
HOLIDAYS



Purim fun

- Laid-back evenings on the grass
- Get-togethers for first-grade children
- Warm wishes for seasoned workers
- Team-building events
- Birthday celebrations
- Nights at the theater and movies.



Hanukkah gifts

FOSTERING DIALOGUE

Two-way communication

At Dor, we believe that an honest, transparent, and safe two-way dialogue with our workforce is key to maximizing our business efficiency. That is why we conduct regular reviews, facilitate regular informal communication with senior leadership, including through our weekly 'get-together' with the CEO, and encourage employees to tell us how we are doing in our annual employee satisfaction survey.



Employees Handbook

The main criteria that make up the performance reviews are outlined in our periodic feedback policy which features in our Employee Handbook. Once completed, employees are presented with the results of their review, and have the opportunity to weigh in and comment. This transparent two-directional process builds an environment of productive feedback and conversation, and serves as a platform for trust building and renewed focus on and commitment to the company's success.



Regular Performance Reviews

Regular performance reviews offer our employees and their supervisors the opportunity to take stock and reflect, to see beyond their daily operations, and have meaningful conversations about performance, communication, and career development.



We recognize that different people are comfortable expressing themselves in different settings. That's why, in addition to formal initiatives such as employee surveys and institutionalized regular feedback sessions with supervisors, since 2023 we have hosted a weekly informal 'get-together' with our CEO.



These sessions are a wonderful opportunity for employees to get to know one another, to hear from senior leadership, to convey their thoughts, concerns, and simply share a moment together. In addition, the CEO and senior leadership team sit with all shift managers on a monthly basis to get feedback 'from the field'.



SUPPORTING EMPLOYEES DURING CHALLENGING TIMES

Since October 7th, 2023, organizations in Israel, including Dor, faced significant challenges due to the Israel-Hamas conflict. As a vital factory in times of emergency, Dor had to devise strategies to maintain high functionality and business continuity, while responding with flexibility and empathy towards its employees. We believe in supporting our employees when things get tough.

To support our employees' well-being during these challenging times, we provided flexible work hours and offered emotional and material assistance when needed. Our efforts to strengthen employee support included:



- **Remote Work Options:** All employees whose tasks were not dependent on onsite presence, were allowed to work remotely for two weeks with full pay to take care of important personal and family commitments.
- **Special Assistance Packages:** We created special packages, including wellness kits and restaurant vouchers, to help employees affected by conscription.

- **Weekly Follow-Up Talks:** We conducted weekly discussions to stay connected and offered assistance to employees whose life circumstances had changed significantly or who were in times of need.
- **Volunteering Initiatives:** As part of our commitment to a sense of purpose, we engaged in various volunteering activities (see below).

→ SENSE OF PURPOSE

We recognize that one way to empower our employees in stressful situations, is to allow them to take initiative and be effective in their actions.

To make work more meaningful, we give our employees opportunities to make decisions and take action in a way that suits them best. We have also created a safe environment for this. We want our employees to be part of making things better around them. That's why we have programs where our employees can volunteer and contribute to the community. This way, they're not just growing individually; they're also making a positive impact outside of work.

This effort has resulted in the contribution of **over hundreds of volunteer hours, valued as work hours worth tens of thousands of ILS**. For more details on our community engagement initiatives, please refer to the "[Community Engagement](#)" chapter in this report.



ENCOURAGING DIVERSITY, EQUITY AND INCLUSION (DEI)

Dor Chemicals places a strong emphasis on diversity and inclusion, recognizing it as a powerful asset that empowers us to cultivate a positive and equitable work environment for everyone.

Statement

Dor Chemicals Ltd is committed to encouraging diversity, equity, and inclusion among our workforce, and eliminating unlawful discrimination. We welcome people of all gender identities, ages, ethnicities, cultures, religious or political beliefs, languages, family statuses, sexual orientations and/or abilities/disabilities. We are vigorously opposed to any and all forms of unlawful and unfair discrimination.

Given the nature of our business, our facility must be operational 24/7. As a result, maintaining operations while respecting the individual needs of each employee according to their personal and religious beliefs requires a team effort based on openness, tolerance, and flexibility. We aim to empower each individual according to their needs and beliefs. To this effect, we facilitate adherence to diverging religious holidays through flexible days off and adjusted shifts. In Addition, we offer employees a direct line of communication (via email and telephone) with our Human Resources Manager to report any possible incidents that may occur. The confidentiality of such communication is strictly enforced, as is anonymity when requested and applicable.

We abide by Israeli labor laws, including those prohibiting any child labor, and uphold internationally recognized labor and human rights standards, including those of the International Labor Organization (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the Organisation for Economic Co-operation and Development (OECD), to name a few.

Gender diversity

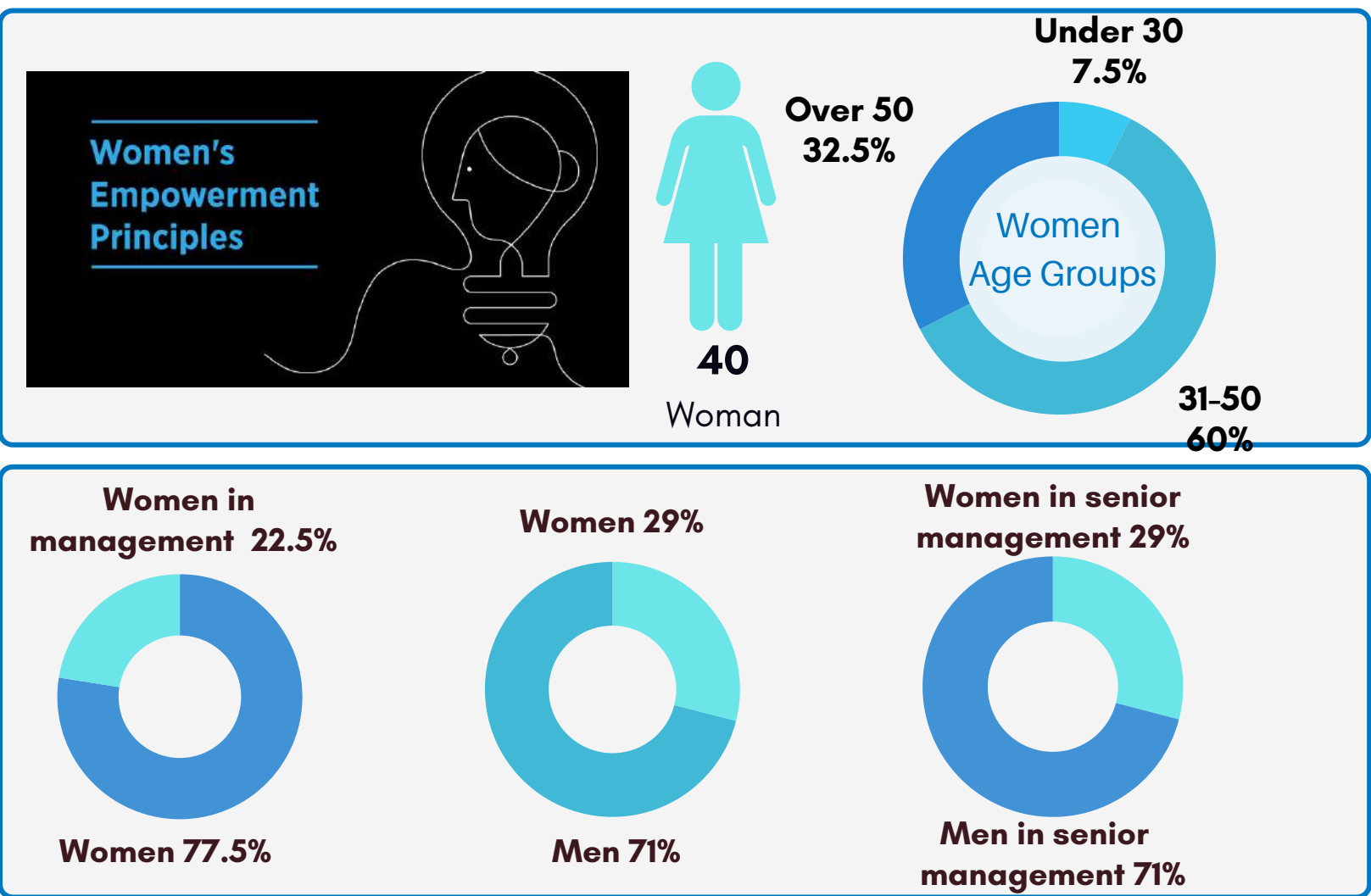
We recognize the industry-wide challenges in achieving equality in gender representation, and we continually strive to encourage women to join our company. One means of doing so is to increase the number of women in leadership positions.

We have **29%** of women among our top leadership, a percentage that is equal to the overall percentage of women in our company (29%). This is similar to 2022*.

Men and women receive equal pay, with a slightly higher average for women within comparable groups, including non-managerial roles, low-mid level management, and vice president positions. However, due to a limited representation of both genders in identical roles, we are considering the implementation of a salary benchmarking initiative. This aims to establish industry-accepted salary standards for specific positions, ensuring equitable compensation regardless of gender.

**The discrepancy between the percentage of women in management in 2022 and 2023 is due to diverging calculation methodologies.*

Dor Chemicals adopted the United Nation Women's empowerment Principles (WEPs) as part of its commitment to promote gender equality and women's empowerment in the workplace, marketplace and community.



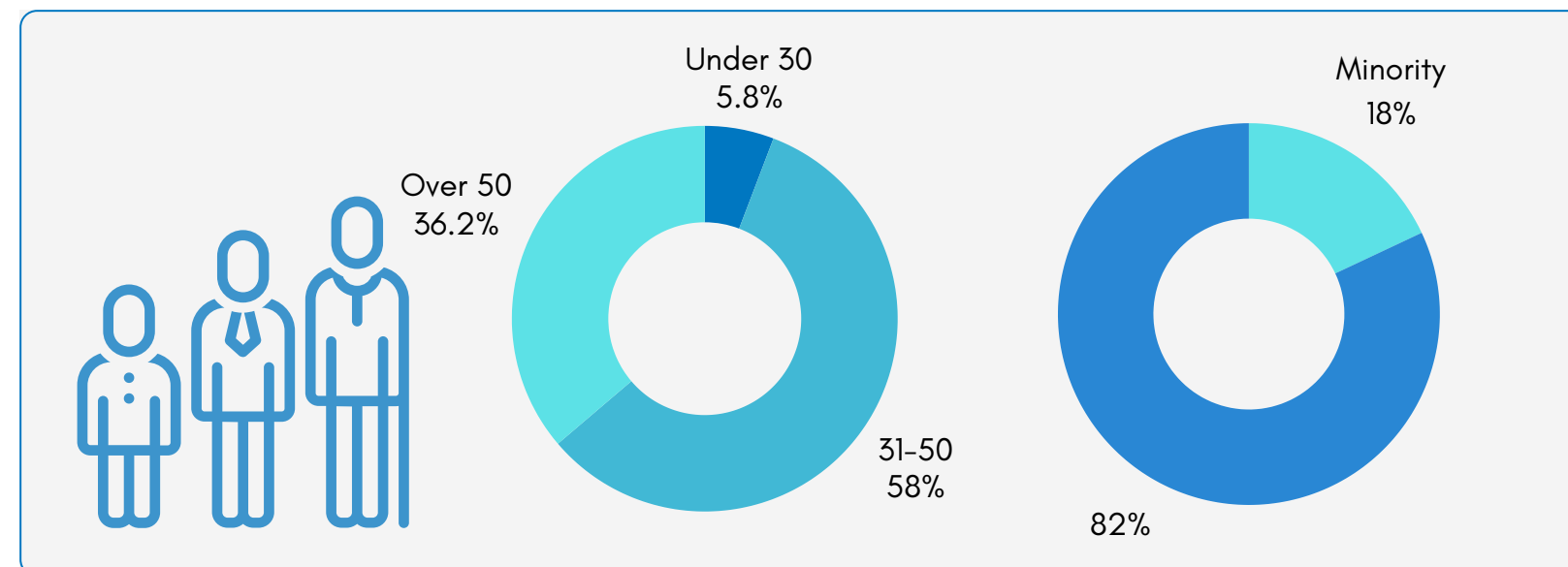
Other diversity indicators

Minority groups

According to our 2023 organizational structure, 18% of our employees came from minority groups, with a 6% representation in our management team. The discrepancy with 2022 is largely due to diverging calculation methodologies.

Age-diversity

One-third of the newly hired individuals were aged 50 or above.



Advancing a culture of inclusion

At Dor, we work on making everyone feel included. We help our team see things from different perspectives and give them tools to communicate and understand others.

- We offer lectures on inclusivity, such as the Netiv Bitan lecture
- We encourage diversity and inclusion in our company by organizing weekly meetings for all employees to enhance cross organizational meetups.
- If someone reports unfair treatment or harassment, we take it seriously and address it through our complaint procedures. Severe cases may result in termination.
- We support people with different needs in our community (see community chapter)
- We have policies promoting flexibility and diversity. We also adjust management and employment policies when necessary to ensure fairness and comply with law.
- Our employment policies and human development focus on welcoming diversity and including employees at all levels in the organization.
- Our designated ESG specialist joined training on gender-related matters offered by the Women's Empowerment Principles (WEP), a United Nations organization.

Policies covering Diversity, Equality, and Inclusion (DEI)

We have developed policies that encourage greater flexibility and diversity. Additionally, we make adjustments in our Code of Conduct to management and employment policies when necessary to ensure fairness and compliance with legal requirements.

Code of Conduct

Our updated employees' Code of Conduct also reflects our commitments to DEI principles and our employees' expectations regarding that. The code is signed by all employees yearly and is also publicly available on our website.

Netiv Bitan – Thriving with Autism

In a powerful lecture, 15-year-old Netiv Bitan, diagnosed with autism at age 3, has achieved global success in swimming with strong family support. Recognized as a natural leader, Netiv initiated a project to positively influence children on the autism spectrum, promoting equality, respect, and raising awareness about autism while advocating for zero tolerance towards violence.



Fostering an Inclusive Environment

Osnat is a dedicated professional who found her calling at Dor Chemicals. Starting as a temporary replacement, she quickly found herself at home within the company's customer service department. Her journey reflects both personal growth and the embrace of a workplace that honors her values and responsibilities.

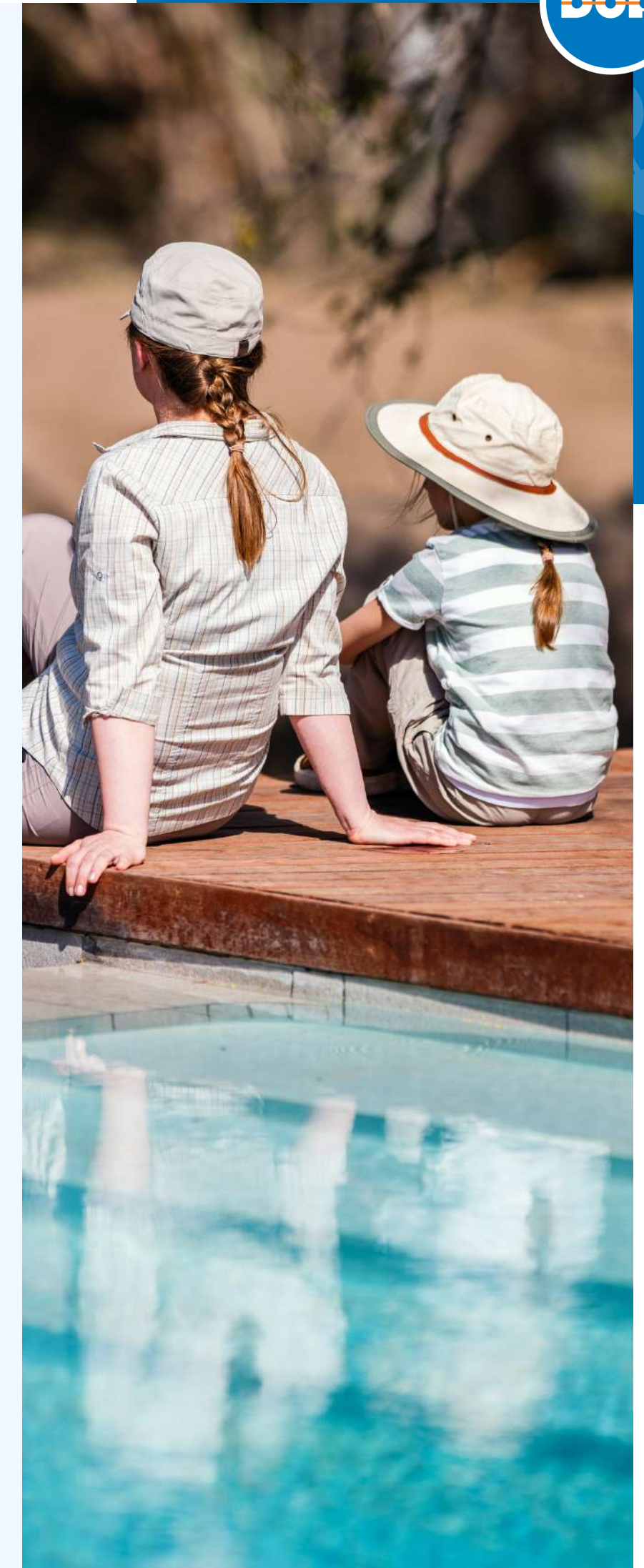
Raised in a religious family in Northern Israel, Osnat 's aspirations were clear from an early age: working with people and solving problems. Her academic pursuits in sociology and human resources at Western Galilee College were followed by decade-long contribution to the chemical industry. Amidst her professional endeavors, Osnat built a family, blessed with four children, some of whom require special attention due to their unique needs. At Dor Chemicals, she found a haven—a workplace that not only supported her career ambitions but also catered to her personal circumstances.

Describing Dor as an inclusive environment, Osnat emphasizes its unique ability to accommodate her religious beliefs and family commitments. Managers and colleagues consistently offer their help, fostering an atmosphere she describes as familial. The company's approach acknowledges her role as a mother, providing a high level of flexibility regarding working hours—a crucial aspect in her life's delicate balancing act. For Osnat, Dor Chemicals exemplifies how individuals with diverse backgrounds and family responsibilities seamlessly integrate into the workforce. The company's ethos transcends mere accommodation; it creates an environment where personal growth thrives across diverse fields.

Her story is one of growth and empowerment. Dor Chemicals not only recognized her potential but also invested in her development, offering specialized training and an additional role. This trust bestowed upon her not only helps her maintain equilibrium but also fuels her enthusiasm for embracing new opportunities within the company.



“ In a world where my responsibilities as a mother hold immense importance, Dor's supportive environment empowers me to navigate the intricate balance between my professional commitments and the needs of my family”



CAREER DEVELOPMENT AND TRAINING

To help our employees grow we combine investments in employee physical/mental safety and wellbeing with direct training opportunities. This effort is a built-in part of our employees' experience at the company.

Training

Based on regulatory requirements and the data collected from performance reviews, an annual training plan is created. Where possible, training courses are taught by internal staff, which in and of itself provides opportunities for employees to develop public speaking and teaching skills. Professional training by external parties is provided when there is no internal resource with the required skillset, and to comply with regulations (e.g. safety qualifications, etc.)

Employees took part in workshops on:

- 'Prevention of sexual harassment'
- 'Cyber protection'
- 'Safe driving'
- ESG training

Performance reviews

The training experience at Dor is built into our mandatory annual review process. A section of the feedback process is dedicated to sharing employee training requests. These are discussed with their supervisor, who then collects them, and makes recommendations for the human resources department. In 2023, because of the emergency in Israel, the review has been delayed to the first quarter of 2024.

Wendi LMS System

In 2023 we implemented a new training management system that helps us manage training, certification, and education activities within Dor.

Key features of the system include:

- Building customized training and certification plans based on individual profiles.
- Implementing performance evaluation processes.
- Providing oversight, control, and enforcement of guidelines.
- Developing and maintaining professional skills.
- Delivering personalized, efficient, accessible, and user-friendly learning content to employees.

Development options

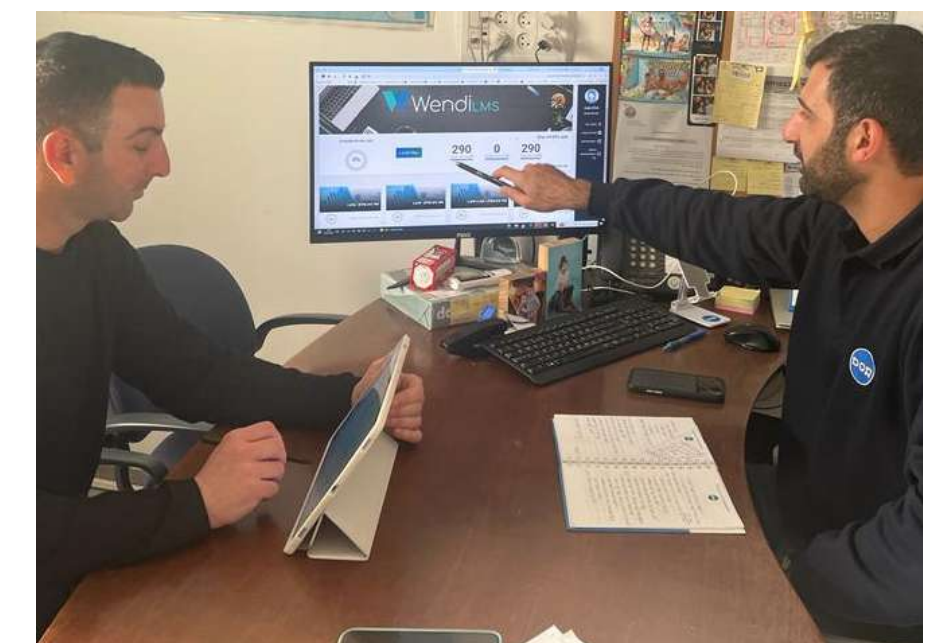
- Professional trainings
- Personal performance feedback from the direct manager
- Soft skills such as teamwork and communication skills
- Mobility

13

average hours of training
per employee

75+

Different training sessions,
courses, and professional
development programs in 2023



Tales of mobility and growing from within – the inspiring story of Nuriel Peretz, Dor’s delivery Dispatcher

Nuriel Peretz joined Dor over 41 years ago as a truck driver at the chemical plant in Haifa.

In his own words, growing up without parents, he prioritized ‘action over dreaming’. In the army, he served as an emergency warehouse commander, laying the foundation for the kind of professionalism that rapidly earned trust at Dor.

Today, Peretz manages around 10 drivers, and successfully implemented a unique program of incentives and bonuses to motivate and reward his team. Despite become eligible for retirement in December 2023, Peretz chose to stay, reflecting his deep commitment to the drivers and to maintaining a 24/7 support system.

In 2023, Peretz’s proactive and innovate leadership was rewarded with a certificate of excellence. In his acceptance speech, Peretz, a warm and humble person, described Dor's work environment as ‘familial’, ‘supportive’, and ‘empowering’. He shared a story of going the extra mile, spending from 10 AM to 11 PM with a driver stuck on the road after a tire blowout until the tow truck arrived. He also emphasized the importance of open communication and a culture that values every individual's voice.



HEALTH & SAFETY (H&S)

Safety at Dor

We strive to provide our employees, subcontractors and all of our stakeholders the best possible healthy and safe work environment

The safety and health of all our stakeholders is a top priority. Although this section features within the 'employees' segment of the ESG report, we are dedicated to safeguarding the health of all our employees, suppliers, customers, visitors, and the public, and we are continually investing in their protection. This commitment takes the form of health and safety policies and procedures, risk assessments, ongoing monitoring of all equipment and facilities, mandatory safety equipment, in-house and external training, drills and exercises.



To anticipate, reduce, and mitigate safety risks we use the Job Safety Analysis (JSA) methodology. JSA is a method for identifying risk factors, evaluating them and recommending solutions to reduce the level of risk. The method is part of our proactive approach to safety management, that is, the identification of potential safety incidents before a work accident or safety incident occurs.

Our Safety Officer, who is trained and certified, is responsible for building and implementing our annual health and safety plan across all our operations.

Applying JSA method includes checking compliance with laws, regulations, standards and other requirements relevant to our industry and operational facility, as outlined in our 'Identification of risk factors, risk assessment and determination of control measures' policy (04-01-003).

- Compliant with the requirements set out by the Israeli government
- Occupational health and safety management system adheres to ISO 45001:2018.

Accident Rate

Despite our continued significant investments in workplace safety, workplace injuries do occur in our line of work. Each of these events is recorded, rigorously investigated, and the learnings are used to review our safety policies and procedures. In another effort to reduce and mitigate safety risks, we require that all employees record 'near misses'—events that almost resulted in safety incidents, so that we can identify and respond to potential risks before they result in an incident.

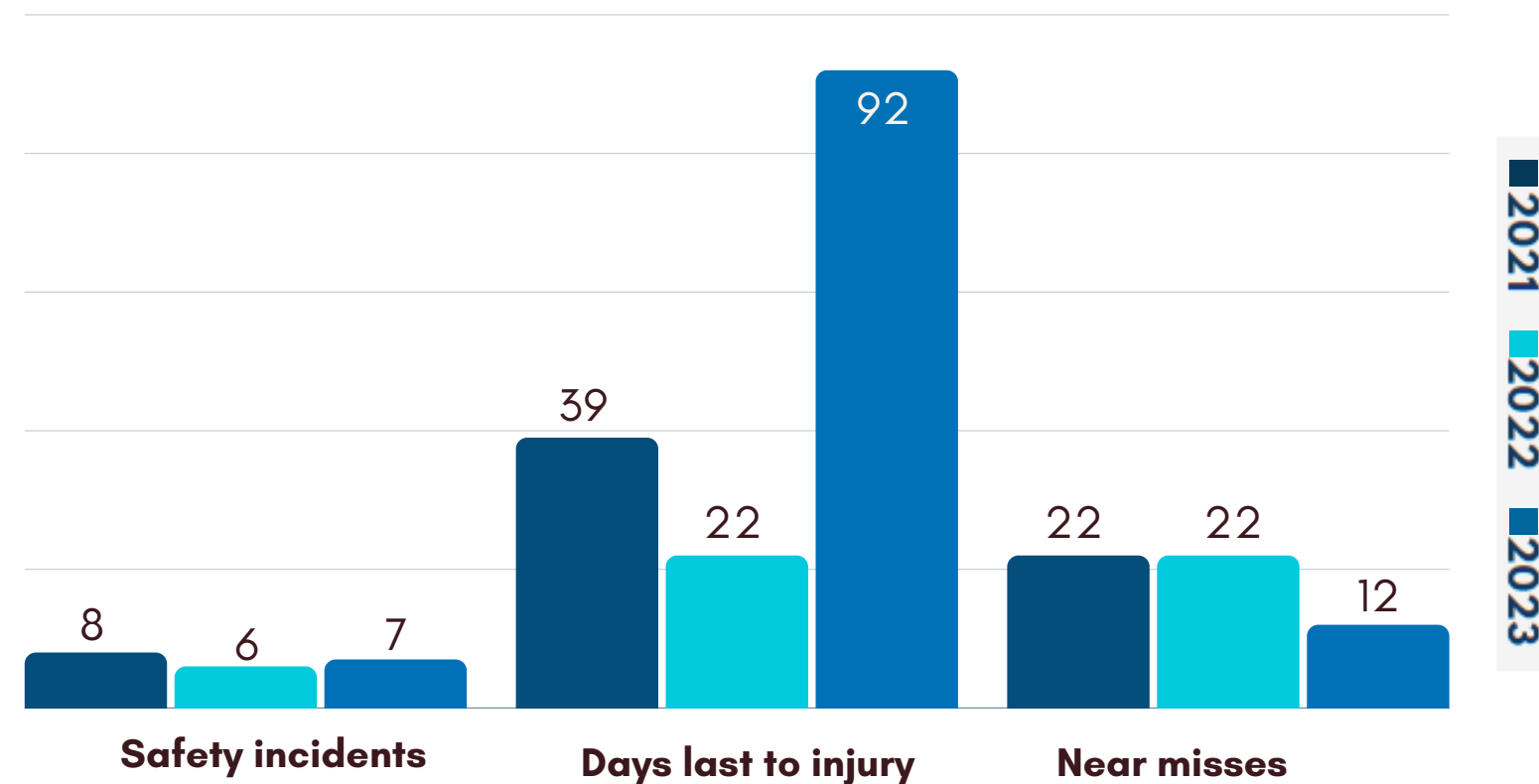
Recordable safety incidents 2021-2023

In 2023, 7 workplace injuries occurred, resulting in the combined loss of 92 working days. In addition, there were 11 'near misses'.



	2021	2022	2023
Near missed	22	22	12
Workplace injuries occurred	8	6	7
Combined loss of working days	39	22	92

The safety incidents in 2023 involved road accident, trips and falls. Only one of these incidents was serious (a fall with medium severity) that resulted in an employee being unable to work for five months during 2023. Dor aims to achieve fewer incidents by enhancing awareness through monthly safety meetings and maintaining 10 committees—double the regulatory requirement.



Our Incident Rate (IR) (safety incidents per 200,000 hours) was 4.78 and our incident Severity Rate (SR) (days lost to safety incidents per 200,000 hours) was 64. The table below also provides the corresponding data according to Lost Time Injury (LTI) frequency and severity rates.

Injury and severity rate 2021-2023

	2021	2022	2023
Incident Rate (IR) (safety incidents per 200,000 hours)	5.60	4.31	4.78
Incident Severity Rate (SR) (days lost to safety incidents per 200,000 hours)	27.31	15.80	62.8
Lost Time Injury Frequency Rate (LTI FR)	28.01	21.54	24
Lost time Injury Severity Sate (LTI SR)	0.14	0.08	0.31

Health System

Israel has a system of socialized medicine for all, and Dor Chemicals Ltd complies with all laws and regulations related to employer contributions to employee national health insurance.

In addition, we conduct noise checks on our premises, and regular hearing tests for all our relevant employees to ensure that our people are safe and healthy, and that the safety equipment is protecting them the way it should. Our safety program is based on key principals:

Maintenance and Equipment

We strive to provide our employees with the best possible safety equipment and machinery, and invest significantly in ensuring that they are kept in excellent working order. Our individual protection equipment policy (04-01-013) is updated to match the latest standards on protection, and all employees are provided with safety equipment accordingly. In addition to our own specific safety-related standard operating procedures and regular maintenance checks for each type of activity, we conduct periodic third-party audits and reviews of risks related to our current operations and any new activities.

In 2023, we also continued the efforts of replace our safety signs thought the plant, in addition to renewing the roads on our premises.

Safety Training

A cornerstone of our health and safety plan is awareness and education. Each and every employee that joins Dor Chemicals Ltd undergoes general safety training, as do all temporary employees and third parties such as contractors. This is followed by rich, in-depth training imparted by both the Safety Officer and external companies on a wide variety of topics according to each employee's role, and is complemented by drills and exercises to test procedures and maintain operational alertness. In addition, safety briefings are conducted for all visitors to the plant.

All employees received general safety training, and 114 employees (82%) received specialist training (an increase of 7% from last years) which included a 24-hour-long first aid training for 13 employees and fire training for 101 employees.

Among the training sessions we conducted in 2023:



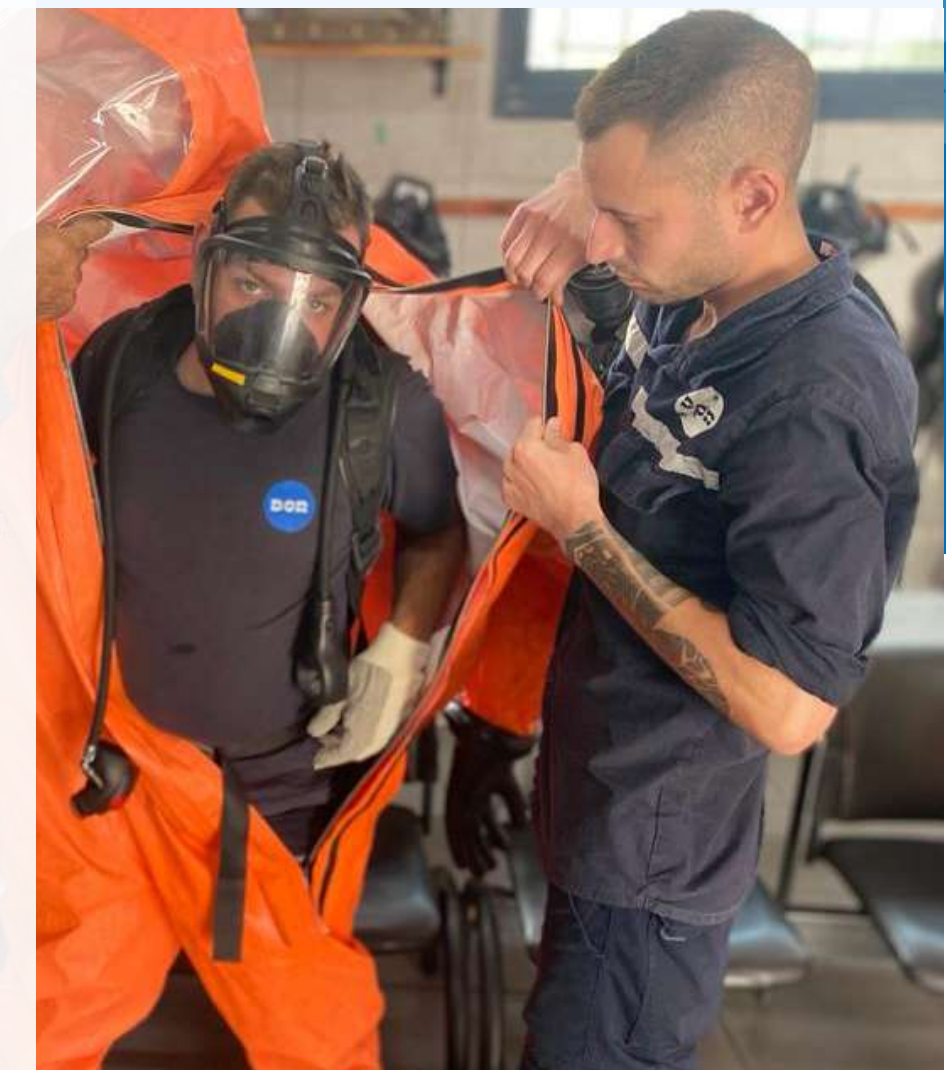
Training stand at our gate that includes both a briefing and a short multiple-choice exam that each and every visitor to the plant must complete.

And more...

- Hazardous material training
- Natural gas course for relevant departments
- Training on legal terms & labor laws
- First aid and proper operation of a defibrillator

Safety emergency exercises conducted in 2023:

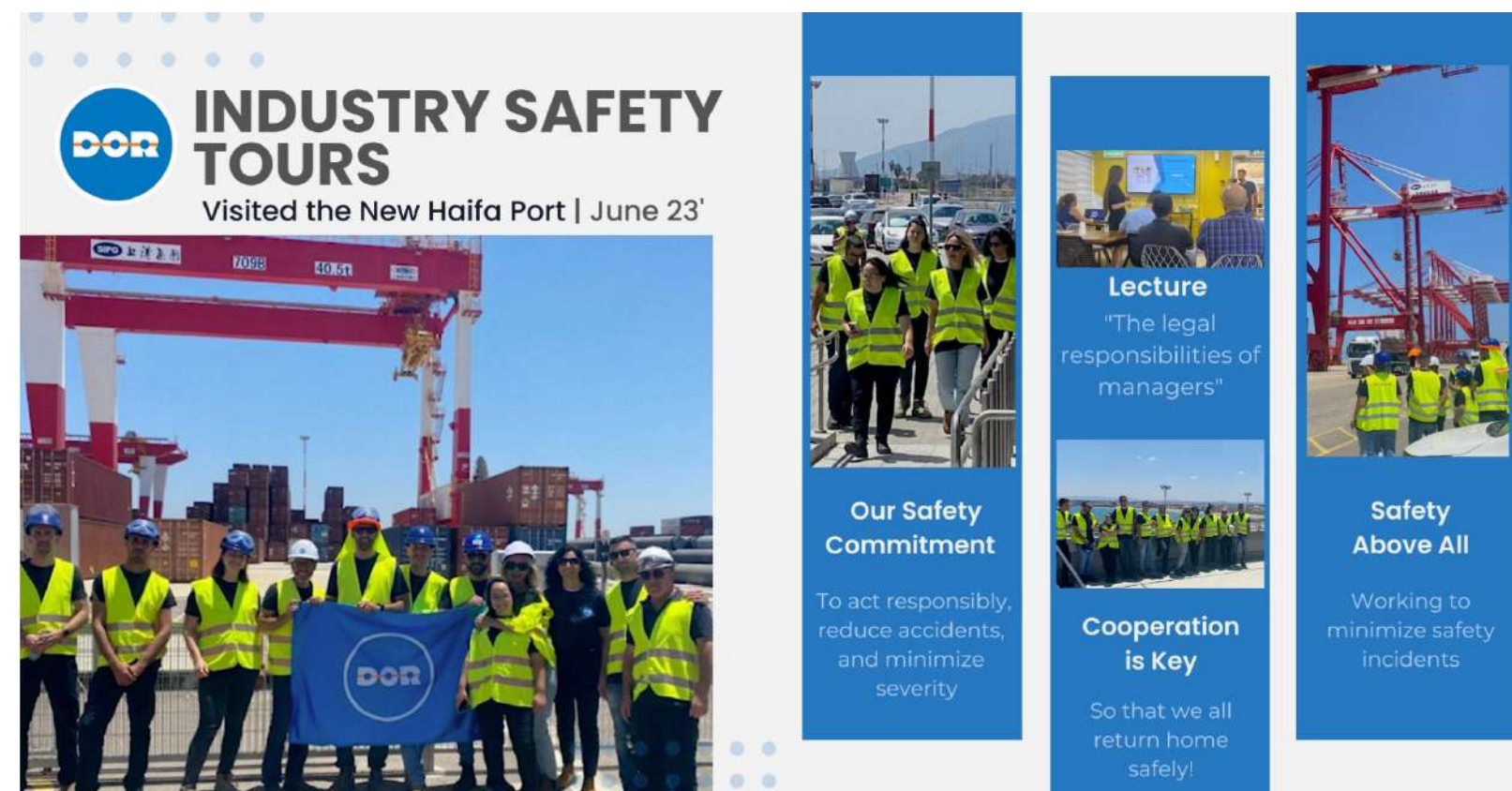
- Emergency drill in collaboration with the chemical terminal
- Annual emergency drill at the tank facility
- Three surprise drills at selected facilities
- Employee evacuation drill during an emergency
- Emergency entry drill to secure spaces
- Earthquake and tsunami drill



We conducted a comprehensive emergency preparedness drill in 2023, focusing on enhancing partnerships with rescue and relief organizations.

Additional health and safety activities and new initiatives

- **'Industry Tours':** Conducted hands-on visits to other manufacturing facilities. The tours provided valuable insights into safety practices in parallel industries. The first tour was of Haifa Bay Port in May.



- **Continuous Training:** Ongoing organizational and practical training sessions were conducted to ensure a deep understanding of safety among employees.
- **Legal Responsibility Lecture:** In June, a lecture clarified managers' responsibilities in task delegation for enhanced workplace safety.
- **Annual Drill at Israeli Center:** Our emergency response team honed skills in diverse scenarios, bolstering our preparedness for unforeseen events.
- **Employees Reporting:** To encourage reporting we streamlined the reporting process for employees. Among the actions taken was the establishment of a WhatsApp group for ongoing reporting by representatives from all departments (approximately 30 representatives).

- **Regular inspections:** involves a bi-weekly site tour with the CEO, Yard Manager, Production Manager, and Maintenance Manager. They identify safety hazards and best practices at the facility and related sites.
- **Digital revolution:** Work permits are now digitally managed, with access limited to authorized personnel, including supervisors, controllers, and the Chief Operating Officer.
- **Distress wristwatch:** Monitors heart rate and pressure changes for employees working alone. Pressing the distress button alerts the control room for immediate assistance. In 2023 fore departments received the watch.



- **Monthly meeting with the safety committee:**



In 2024 we plan to implement the recommendations issued by our external auditor:

- **Machinery and explosion-proof devices within the facilities**
- **Static electricity**
- **Chemical laboratory**
- **Port line**

Safe and protected work environment

0

Employees
complaints

0

Tolerance
for violence

100%

Employees trained
against sexual
harassments

2

Annual trainings
& lectures

Dor is committed to taking decisive measures in response to complaints of unlawful discrimination or violence, whether from employees, suppliers, customers, visitors, or any other individual within the company's scope of activity.

We provide training and guidance, and mandate that all employees undergo annual training on preventing sexual harassment. Throughout the company, there are posters aimed at preventing sexual harassment, assisting in raising awareness, and facilitating reporting.

We offer employees a direct line of communication (via email and telephone) with our Human Resources Manager to report any possible incidents that may occur. The confidentiality of such communication is strictly enforced, as is anonymity when requested and applicable.

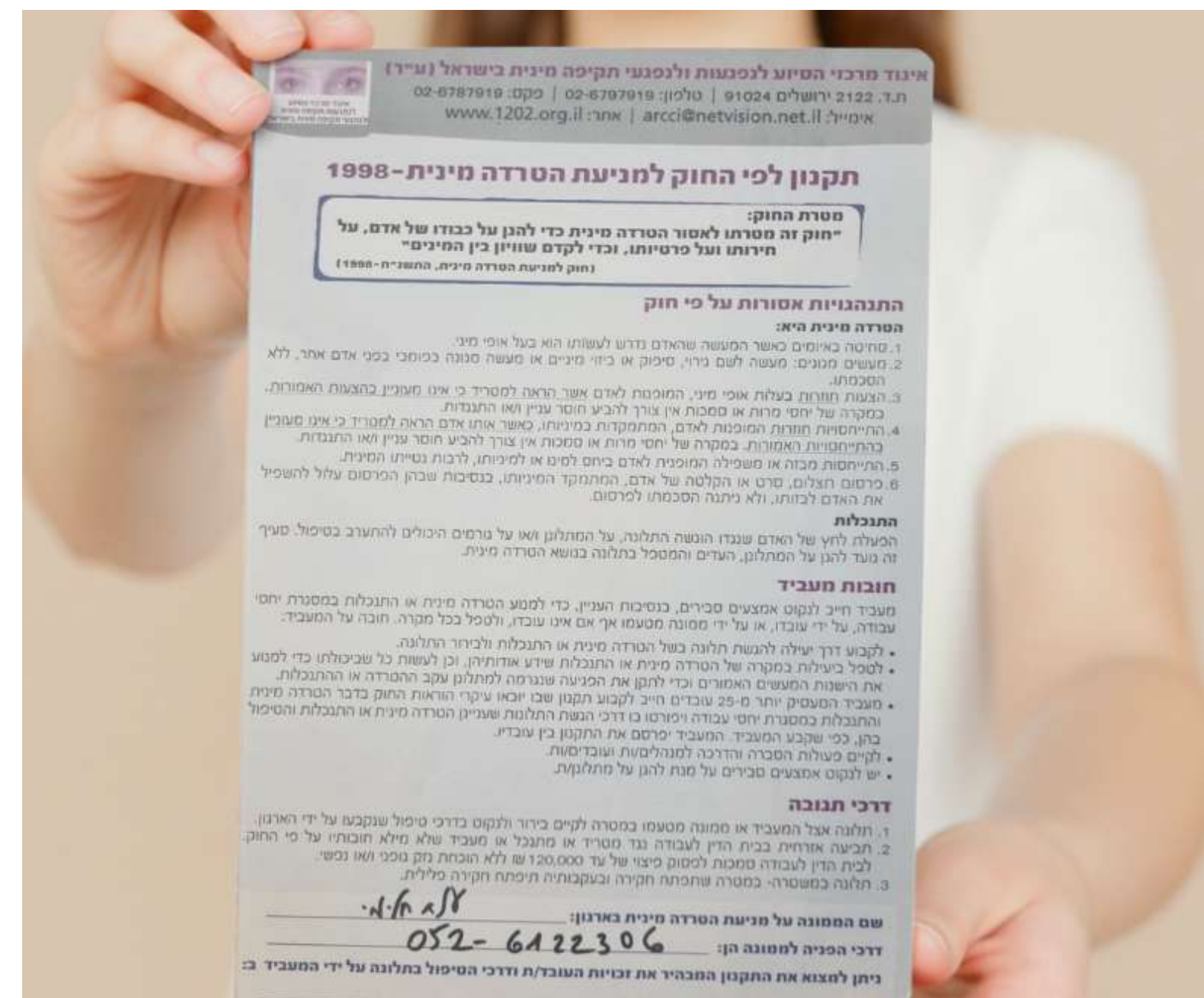
In 2023 we did not receive any complaints or reports of discrimination or harassment.



Nonetheless, we updated our Code of Conduct to reflect our commitment to preventing such incidents from occurring. Dor also has a policy to prevent sexual Harassment which is also features in our employee code of conduct.

To file a report of an incident of discrimination and/or harassment, please contact Anat Halimi, our Human Resources Manager.

Finally, in last half of 2023, we also hosted our annual training session on the 'Prevention of sexual harassment and promoting a safe work environment' which was attended by all our employees.



CUSTOMERS



Open dialogue with customers

Maintaining an open and honest conversation with our customers is part of our values, as well as our commitment to environmental, social, and governance (ESG) principles. We actively seek feedback, listen to concerns, and regularly communicate through surveys and other channels. This helps us understand our customers better and share information about our sustainability efforts and potential improvements. By keeping this dialogue going, we aim to build trust and ensure our practices align with the values of our diverse customer base.

In 2023, we proactively engaged with our customers through various channels, including customer surveys, website updates, monthly posts on social platforms like LinkedIn and Facebook, and webinars. These communication initiatives were designed to nurture lasting connections, support ongoing sales, and facilitate business development.

Ongoing updates in posts on social networks

Dor Group
936 followers
1mo •

Dor Chemicals is proud to announce our recent certification for **ISO/IEC 27001:2013**, a testament to our unwavering commitment to information security. This **#iso** certification underscores our dedication to robust **#riskmanagement** and **#cybersecurity** protocols, ensuring the highest standards of **#dataprotection**.

At Dor, we invest significantly in implementing, monitoring, and maintaining cutting-edge cybersecurity systems, fortifying our resilience against evolving **#cyber** threats.

Our commitment to business continuity and **#datasecurity** remains unwavering, positioning Dor Chemicals at the forefront of global information security standards.

Click to view the ISO / IEC certificates > <https://lnkd.in/djm3Ce6N>

#iso27001 #informationsecurity



To visit our [LinkedIn](#) and [Facebook](#) page

DOR
936 followers
1mo •

On the occasion of International Human Solidarity Day (#IHSDD), Dor Group ❤️ embraces and appreciates the **#volunteers** of **Enosh-The Israeli Mental Health Association** for their vital **#humanitarian** dedicated work during routine and challenging times.

"Enosh" is the Israeli largest Mental Health organization, delivering over 40 years, comprehensive community-based **#rehabilitation** services to people with **#psychosocial** **#disabilities** and their families.

Dor Group rallies and assists the "Enosh" organization and its **#community** by acquiring a defibrillator for the association's service, deepening the connection and **#support** between Dor employees and "Enosh" **#volunteers** through toast raising and organizing a local event (in Kiryat Yam) for people with psychosocial disabilities of the association.

In the photo, company employees and managers participate in a 🥂 toast raising for the recent Rosh Hashana holiday and team-building activity with the "Enosh" association.

☎ **Enosh's hotline 074-7556155** - is open to everyone with warm support and mental assistance.
"Enosh Association is delighted to welcome anyone interested in volunteering with the association - feel free to reach out to "Enosh."

#CommunityVolunteering #GivingBack #MentalSupport #esgleadership #Assistance

DOR GROUP EMBRACES "ENOSH" VOLUNTEERS
for their committed humanitarian efforts to community

ESG webinar

As part of our 'Open Dialogue' approach, this year, we hosted our first ESG webinar for clients. During this online session conducted with Dr. Liad Ortar from our ESG partners Shibolet ESG, we delved into environmental policies, societal impact, and legal compliance. We shared the company's sustainability commitments, discussed the reciprocal influence between business and society, and highlighted our efforts to align with legal requirements. Finally, Dr. Ortar imparted practical tools that our clients can use to integrate ESG goals into their daily operations.

ESG DEVELOPMENT

Webinar

29 Nov. 2023

8:00 PM - 9:00 PM EST

[Register >>](#)

We will share with you main insights from our latest ESG plans. We will cover topics such as carbon accounting, training, safety, social commitments to our employees and to you - our surrounding communities

DOR CHEMICALS

ESG REPORT 2022

[▶](#)

60 YEARS OF EXCELLENCE

Dr. Liad Ortar

ESG Development webinar **REC**

Customer service

We aim to provide our customers with quality products and fantastic service while ensuring they are provided with all the information and support that they require to use our products safely and responsibly.

To this effect, for each of our products, we have produced Safety Data Sheets (SDSs) that include instructions for safe handling and disposal of the product (including hazardous substances), customer support contact information, and a direct phone number in case of emergencies. In addition, our QC and QA Manager is in regular communication with our customers to discuss the safe use and handling of our products.

Complaints

Responding to customer complaints is a crucial part of maintaining the quality and excellence of our products and services. In 2023, we continued to review and improve our customer complaint investigation process, which is managed by our ERP SAP.

During 2023, we received 23 customer complaints. All of them were investigated and documented. Twelve were substantiated.

We are making progress towards our goal of reducing customer substantiated complaints by 52% compare to 2021 baseline.

15%

Less complaints

compared to the year 2022

52%

Less substantiated complaints

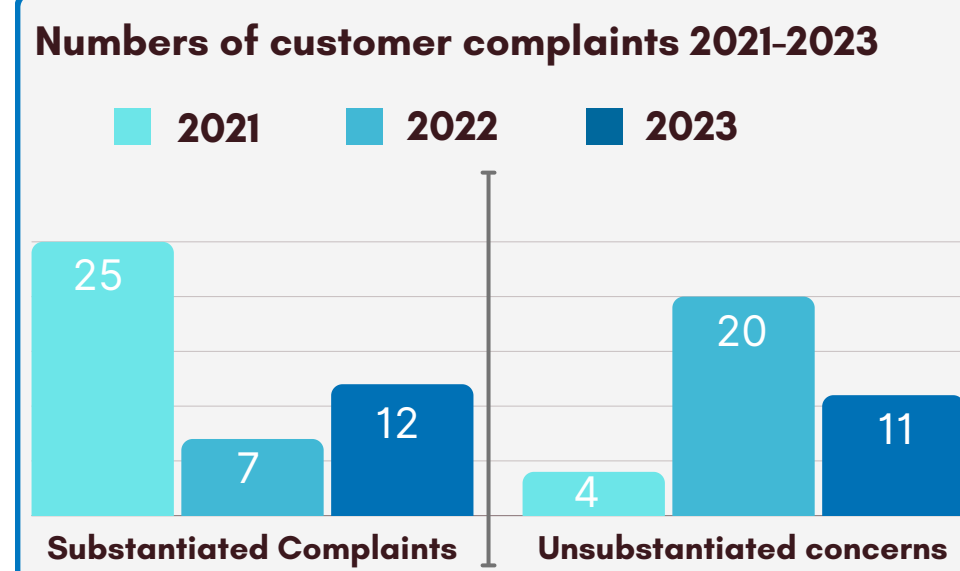
compared to the year 2021 baseline

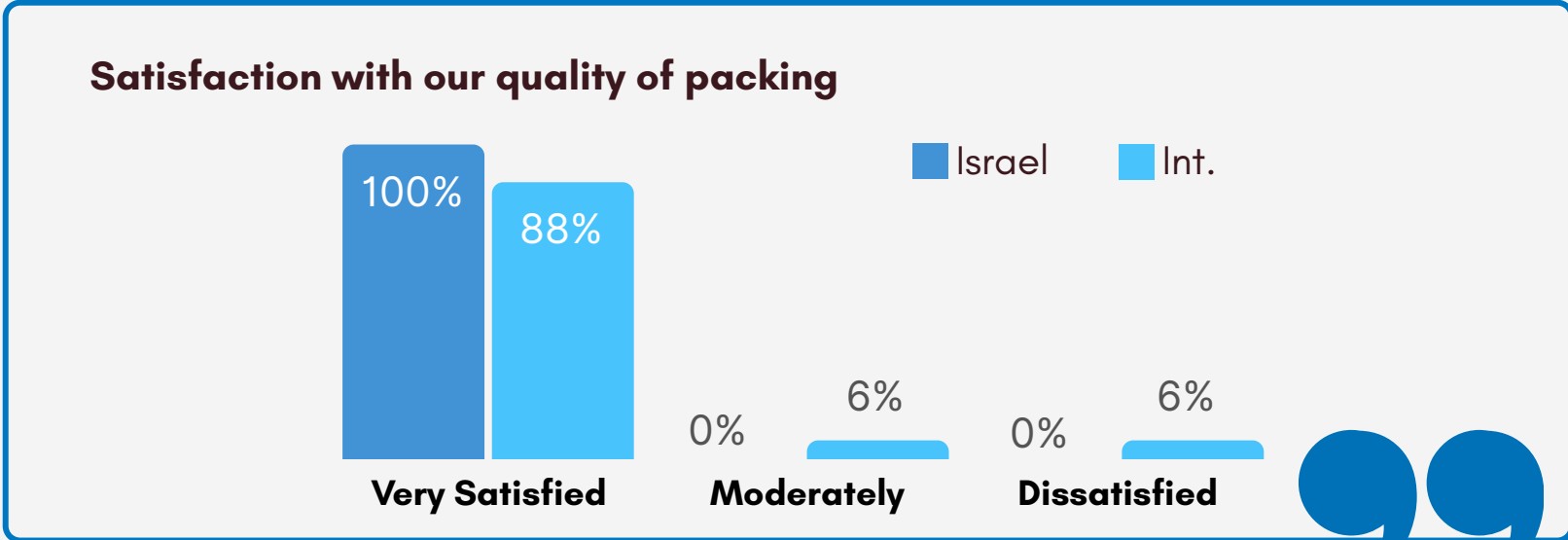
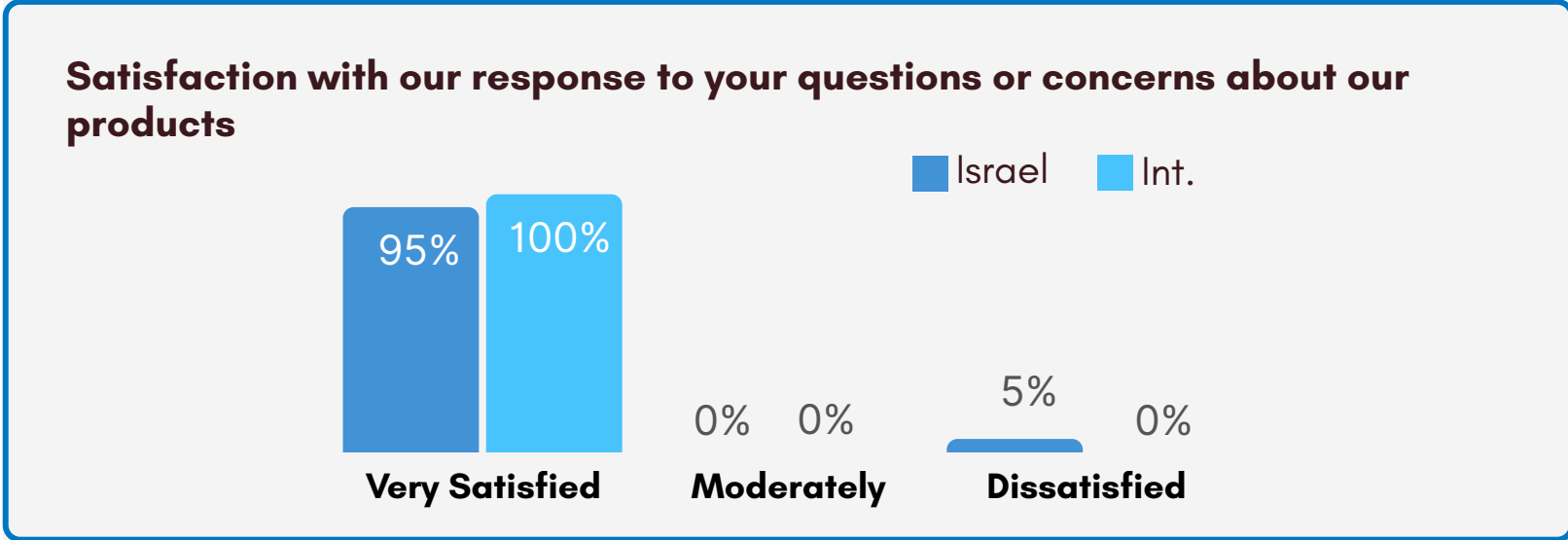
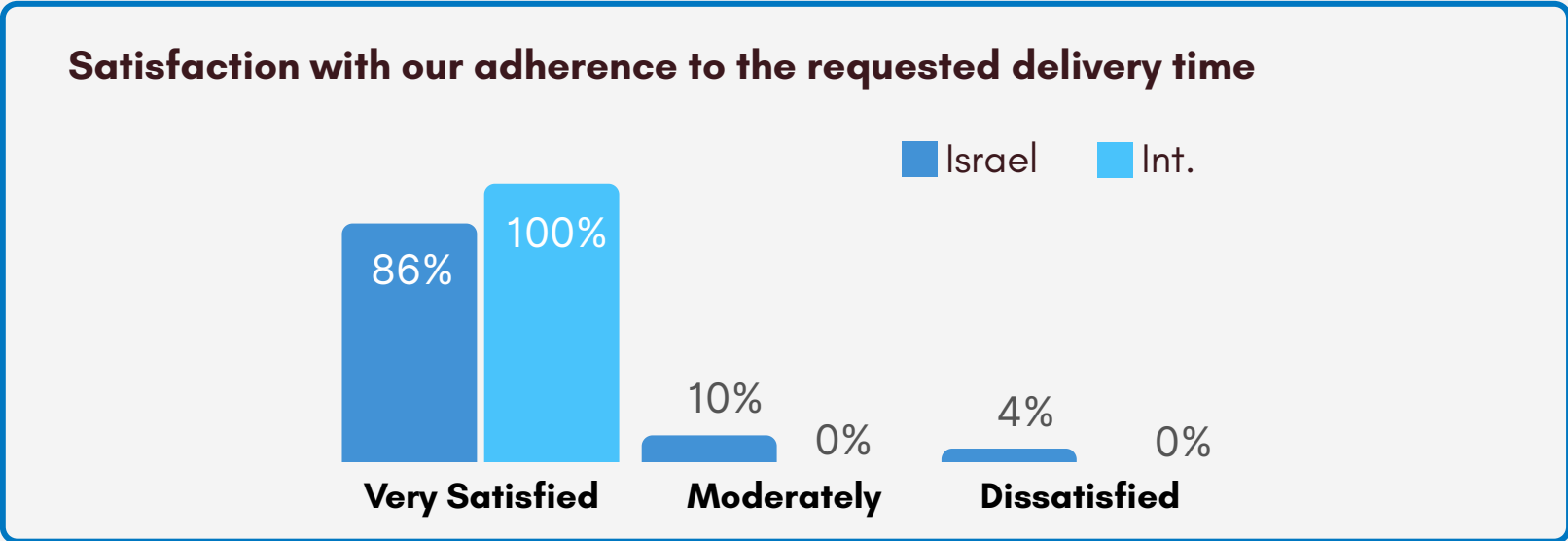
Customer satisfaction

To find out how we are doing, in 2023 we conducted our annual survey, this time of 21 customers in Israel, and 17 from the rest of the world. Here are the results:

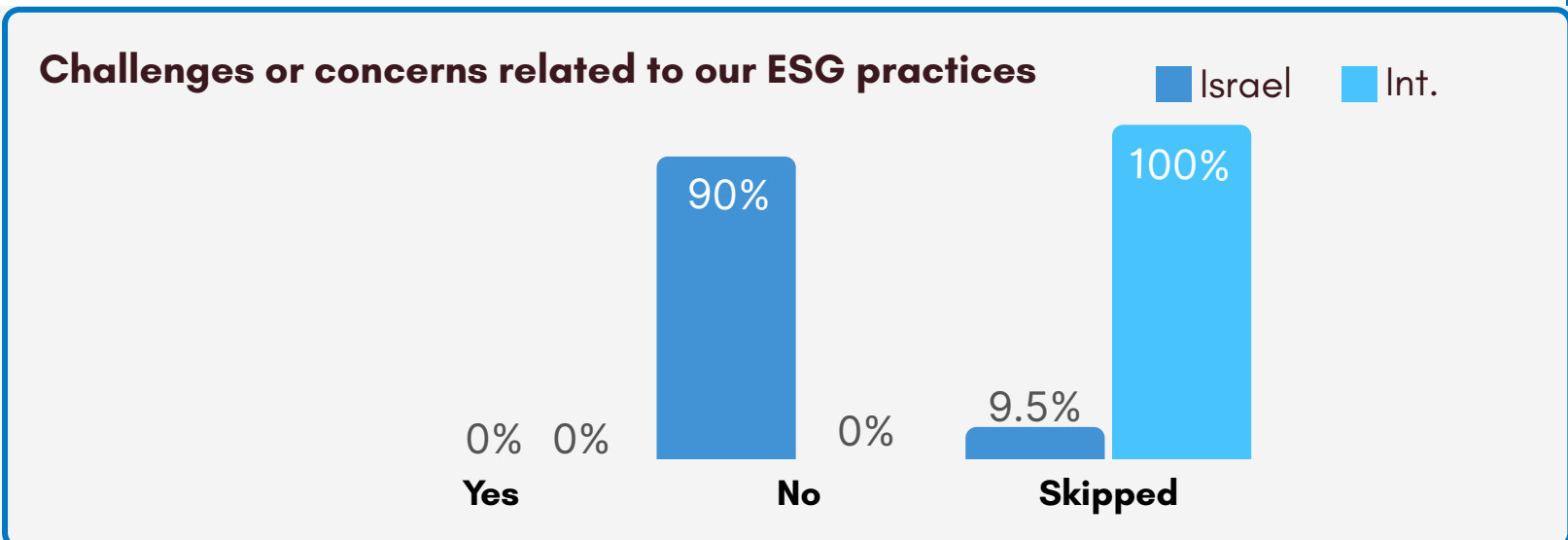
100% of overall respondents express their extreme or very satisfaction and highly recommend the quality of products and services received from Dor. Survey respondents also provided valuable input for improvement. Notably, 15% of Israelis stressed the need to adhere to requested timelines, 15% of the Israelis suggested enhancing product packaging.

Our target is to reduce our substantiated customer complaints by 76% by 2024. (2021 baseline)





Dor is very high level. [there is] always room to improve of course, but in this case the difficulty should be to maintain this high level as after 20 years of collaboration I can't recall any problem or issue"

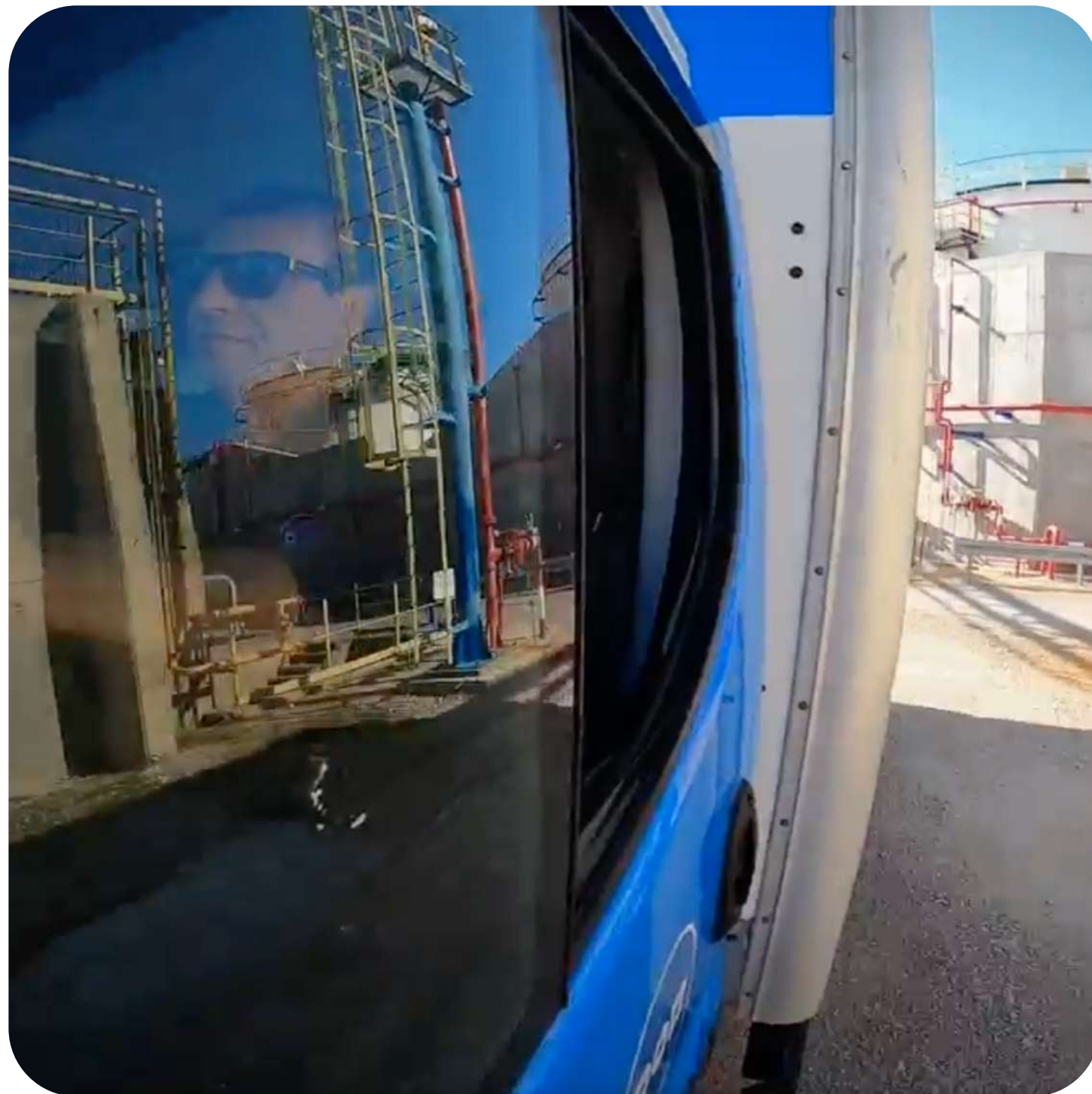


Customer satisfaction experienced a substantial increase in 2023. For instance, in 2022, 47% of Israeli customers reported being extremely satisfied, along with 72% of international customers. This indicates an improvement of 24% and 16%, respectively.

In addition, following our previous goals, we broadened our customer survey to reflect aspects of ESG to involve our customers in our ESG development and better understand their needs. The scope of our questions is to address further downstream considerations in accordance with our commitments to reduce GHG emissions throughout the entire supply chain.

We express our gratitude to the customers who answered our survey and will endeavor to listen, learn, and improve our services in 2024.

SUPPLIERS





Procurement volume

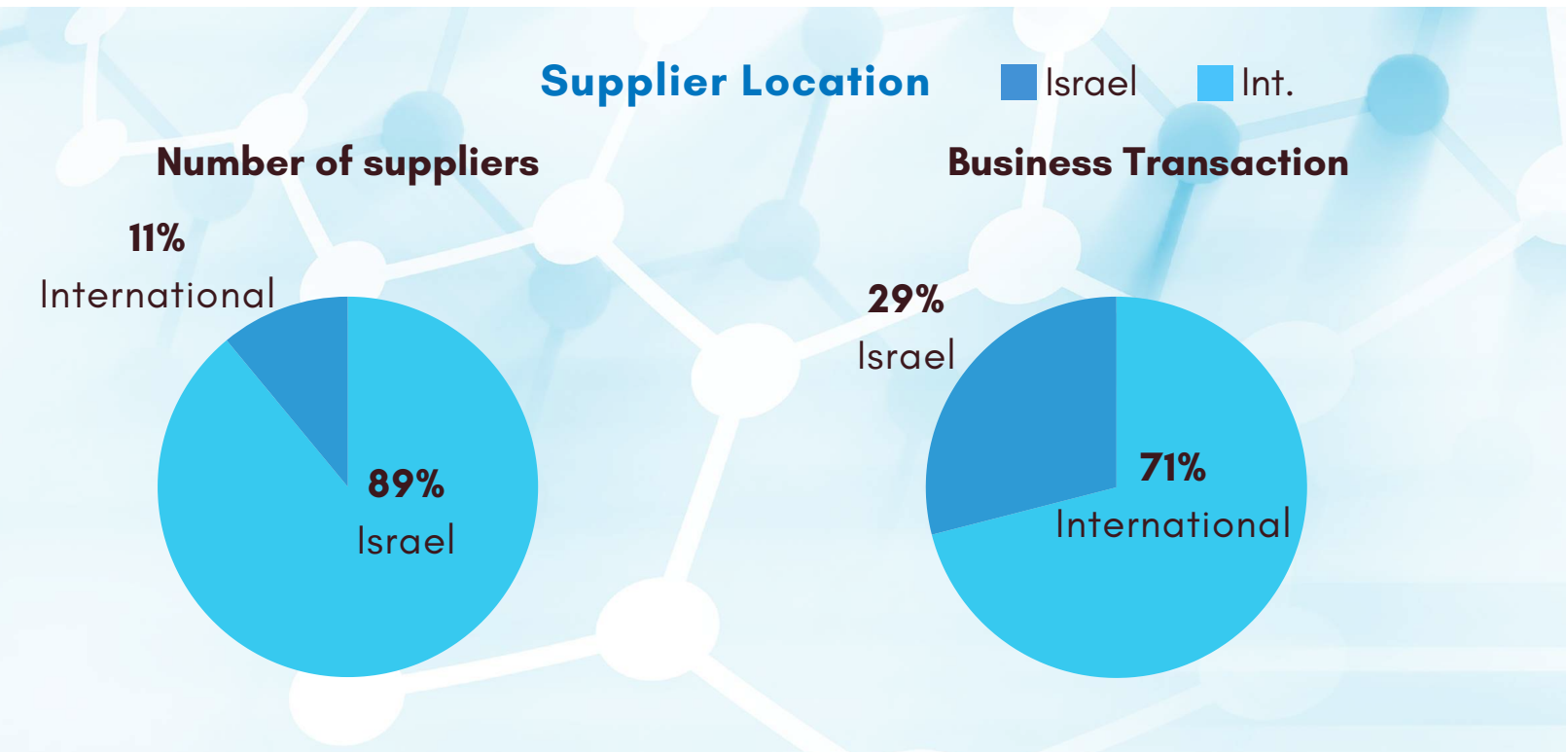
Our commitment to people and the environment extends across our entire supply chain. We work hand in hand with our suppliers to uphold the highest standards of quality, health, and safety.

In 2023, our procurement volume amounted to hundreds of millions of shekels.

Investing locally

As a company that was founded in Israel and has been based in the same location since our inception in the 1960s, our commitment to the local economy in Israel is an integral part of our vision. To that effect, we are proud to report that in 2023, over 89% of our suppliers are local suppliers.

This year, we also expanded our definition of suppliers to include partnerships, many of them based on long-standing ties, revealing that 70% of our budget is spent on international suppliers. The main driver for this is the need for raw materials that cannot be procured in Israel, challenging our ability to source locally. We are committed to purchasing locally whenever we can, both for the economy and for the environment.



Suppliers human rights

At our organization, our commitment to suppliers' human rights is an integral part of our ethical and responsible business practices. We prioritize and uphold fundamental human rights principles throughout our supply chain, fostering an environment of fairness, dignity, and respect for all individuals involved. This commitment is not only a moral imperative but also aligns with our values of corporate social responsibility. We collaborate closely with our suppliers, emphasizing the importance of fair labor practices, safe working conditions, and the elimination of any form of discrimination or exploitation. Through continuous dialogue, transparency, and due diligence, we aim to ensure that our suppliers share our commitment to upholding human rights standards, thereby contributing to a sustainable and socially responsible global supply chain.



COMMUNITY



LOCAL COMMUNITY

In addition to our commitment to employee safety and to lessening our impact on the environment, at Dor Chemicals Ltd we believe that giving back to our community is of the utmost importance. This commitment is based on a long tradition of caring and true partnership in the community in which we operate. As both a global organization and a significant local employer, our presence affects the society around us and the people in it.

This is why, in addition to hiring locally and selecting local suppliers, we also invest in voluntary activities throughout the year ranging from financial donations and raising funds for important causes to organizing activities that benefit disadvantaged populations. We also collaborate with academic institutions and large organizations around the world in search of green energy and ecological solution technologies.

An example of this is our longstanding relationship with the **Hapaot Center** for early childhood development in Tirat Carmel. Most recently, we supported their Hanukkah festivities with a delivery of tasty doughnuts ('Sufganyot')!



Since 1980, the independent, public, non-profit organization 'Beautiful Israel' has hosted the 'beautiful and sustainable industrial plants' competition together with the Ministry of Economy and Industry, the Association of Manufacturers in Israel, and the Kibbutz Industry Association.

Its purpose is threefold: to encourage environmental care and the improvement of the environment's appearance in the industrial sector for the wellbeing of the people and the community; to foster concern for the quality of life and the wellbeing of the employees; and, to contribute to the community as part of an overall concept of the quality of life.

Since the beginning of the competition, Dor Chemicals Ltd has been awarded '5 stars of beauty' every year, in addition to receiving 'gold stars', and the 'flag of beauty' that is handed out to the manufacturing plant of the year. This rating is in recognition of the high standard of cleanliness and care in our plant—both within and outside of the production area.



In **2022 and 2023** we won the 'flag of beauty' and were named the 'Most Beautiful Plant in Israel'.



THE COUNCIL FOR A BEAUTIFUL ISRAEL
SUSTAINING LIFE



THE COUNCIL FOR A BEAUTIFUL ISRAEL

Community Advancement

In 2023, we significantly increased our community involvement by advancing over a 14 different social projects and goals. We contributed through monetary donations, facilitated with products and equipment, and volunteered hundreds of work hours. Our community involvement expanded with volunteering programs for employees, contributing over hundreds work hours and more than tens thousand ILS to support local communities.

These projects reflect our organization's key values of inclusion, empathy, and patience towards diversity and those in need. We aspire to instill this spirit in our employees and managers, aiming to further expand our community involvement in the coming years.

This year **Dor Group** decided to purchase our **New Year gifts** by donating to an association that is close to our 🍷 hearts these days. TERRA UMA is a Winemakers organization dedicated to assisting post-traumatic combatants in overcoming personal limitations and enhancing their sense of value and beliefs. The goal is to facilitate their optimal reintegration into #society and a fulfilling life.



Giving with love

Established in 2002, the 'Giving with Love' association has been primarily involved in distributing food to needy families in Haifa. We provided assistance in packing food packages for the holiday and delivering them to families in need. Dor Chemicals employees volunteered during working hours.



Enosh

Dor rallies and assists the "Enosh" non-governmental organization, a 40-year-old Israeli mental health association. Dor helped acquire a defibrillator, fostered connections, and supported joint fundraising and local events in Kiryat Yam for individuals facing mental health challenges.



"Thanks to you [Dor Chemicals], we were able to bring joy to the families under care at the center during this challenging time, providing a bit of light and happiness. So, thank you for being here for us!"



Volunteering in times of emergency

As a part of community support, the company's management has decided to lend a hand and participate in a project to help struggling agricultural areas facing a labor shortage.





GOVERNANCE

GOVERNANCE

- Board of directors
- Compliance
- Business Ethics
- Information Management
- Risk Management
- Resiliency and Business continuity

GOVERNANCE MANAGEMENT

Dor Chemicals is a private owned company. We are a competitive international company, aiming to meet the highest global standards. We are dedicated to driving global environmental sustainability through our products, lessening our impact on the environment, providing a safe, conducive, and inclusive working environment for our employees and contractors, and serving our community. Realizing this vision relies on good governance practices at all levels of the company, and a commitment to ethical behavior. We operate in accordance with the law and adhere to good governance principles as well as those of quality management, as is illustrated by our compliance with relevant ISOs and other certificates.

In 2023, there were no incidents of non-compliance with laws governing marketing, labeling, or ethical conduct.

We are continuing our membership in the United Nations Global Compact, initiated last year, to engage with peers and glean insights into best practices regarding ESG and the SDGs. We eagerly anticipate becoming active contributors to these global initiatives

In 2023, there were no incidents of non-compliance with the governing laws.



BOARD OF DIRECTORS

The board is in charge of overseeing the company's operations, ensuring its resilience and success. Its role includes aligning the group's vision and policies with the company's management, ensuring their implementation, and supervising the CEO and the executive team's activities.

Our Board of Directors is made up of five individuals (four men and one woman), and is led by our Chairman.



Environmental, social, and governance issues are managed at the top managerial level. Our CEO oversees the ongoing operational aspects of ESG and sustainability and reports them to the Board of Directors, where they are personally inspected by the Chairman (and major shareholder), Mr. Gil Dankner.



In addition, board member Adv. Lior Shmueli is an environmental expert and acts as an advisor to the Chairman on ESG and sustainability-related matters.

BUSINESS ETHICS

We are committed to conducting our business in a manner that is ethical, fair, honest, and in full adherence with all applicable laws and regulations.

100% of our employees received training on ethics in 2023.

During Q1 of 2023, we briefed and sign our employees onto our updated Employee Handbook, and during Q4 on the updated Code of Conduct which includes renewed commitments to ethical practices, to diversity, equality, and inclusion, to preventing fraud and corruption, to ensuring fair competition, and to protecting whistleblowers.

For a list of our relevant policies, including our Business Code of Ethics, please visit the dedicated sustainability page on our website.



אתיקה בדור

דור מחויבת לקדם יושר, כנות, שקיפות ומקצועיות בכל תחומי הפעילות. ההצלחה העסקית של החברה במידה רבה תלויה במוניטין של החברה וביושרה. לפיכך, כלל עובדי החברה מחויבים בהקפדה על רמה אתית גבוהה, בינם לבין עצמם, בינם לעובדים אחרים בארגון וכלפי גורמי חוץ עימם הם באים במגע.

כל עובד צריך לשאול את עצמו את השאלות הבאות:

- האם מעשיי חוקיים? במידה וכן, האם הם גם אתיים?
- האם אני יכול להסביר את הפעולות שלי באופן ברור מול המנהל הישיר, עמיתים והציבור הרחב?
- האם מוטב להתייעץ עם המנהל הישיר לפני שפועלים?

COMPLIANCE



We believe that a culture of excellence, guiding both managers and employees towards professional and structured work methods at a high standard, is essential for organizational success. Dor's strength is derived not only from business achievements and employee capabilities but also from a commitment to meeting high standards and quality benchmarks.

For the past three years in a row, the Standards Institution of Israel has awarded Dor Chemicals the Platinum Mark in recognition of the company's processes, products, and management systems being at the highest standards of quality. We currently hold the following certifications:

Additionally, in 2023, we successfully attained two new ISO certifications: ISO 50001:2018 and ISO 27001:2013.

ISO 9001:2015	Quality Management Systems Standard
ISO 14001:2015	Environmental Management Systems Standard
ISO 45001:2018	Occupational Health and Safety Management Standard
ISO 50001:2018	Energy Management Systems Standard
ISO/IEC 27001:2013	Information Security Standard

Platinum Mark 2024	Israel Standards Platinum Mark 2024
Standards Mark	For our Carmel Blue
Standards Mark	For maintenance of portable gas cylinders

Additionally, our ISO 9001:2015 and ISO 14001:2015 standards are certified by the IQNet Association.



HUMAN RIGHTS

We recognize that in the conduct of our business activities, there could be a risk of potential or actual human rights infringements. As such, we strive to uphold the fundamental human rights of every individual and believe that all human beings on our planet should be treated fairly, and with dignity and respect. We base our approach on the 1948 United Nations Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, United Nations Sustainable Development Goals (SDGs), and the International Labor Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work.

We shall address any human rights infringements that may arise from our business activities by taking responsibility for them and acting swiftly and decisively to redress wrongs and uphold our here stated commitment.

We also expect our suppliers, business partners, and other stakeholders to also respect and not infringe upon human rights, and to respond decisively when incidents occur.

As such, we vigorously express our prohibition and rejection of any form of child labor, forced or bonded labor, or any kind of discrimination in all its forms throughout our supply chain.



For more details, please see our Human Rights policy and Diversity, Equality, and Inclusion policy.

To report an incident, visit the [sustainability page](#) on our website.

WHISTLEBLOWER PROTECTION

In 2023, a new Whistleblower Policy was published to ensure that any concerns raised regarding misconduct or an improper state of affairs or circumstances in relation to our business are dealt with effectively, securely, and appropriately. We encourage the reporting of any instances of suspected unethical, illegal, corrupt, fraudulent, or undesirable conduct involving our business. We are committed to ensuring that any person who makes a disclosure is treated fairly and may do so without fear of victimization or reprisal, that confidentiality is preserved in respect to all matters raised under this policy, and that, where relevant and necessary, the anonymity of such individuals who make a disclosure is safeguarded.

In 2023, we had no such reports.

For more details, or to report an incident, please contact our Ethics Officer [Yossi Atias](#) or visit the whistleblowing page on our website.

WHISTLEBLOWER REPORTING:

The aim of this form is to facilitate whistle-blower reporting as per the principles laid out in the Whistle Blowing Policy. We encourage the reporting of any instances of suspected unethical, illegal, corrupt, fraudulent, or undesirable conduct involving our business.

First Name	Last Name
Email	Phone
Subject of the report	
Description	



INFORMATION MANAGEMENT

Our commitment to good governance and ethical practices extends to our approach to the collection, handling, and use of digital data. In the course of our business activities, we are entrusted with the responsibility to provide services to clients who provide the company with confidential information. Inherent in this responsibility is an obligation to provide strong protection against theft of data and all other forms of cyber threats.

To this effect, the company has established the necessary mechanisms for the collection, handling, and storage of information and the protection of employee and third-party data, in accordance with relevant legal standards. Our Information Technology (IT) department has published a number of policy documents covering information security (01-06-003), the use of the company computer systems (01-06-008, 01-06-004-01-06-006), the maintenance of the company file servers, and cyber security matters.

Our data management network is fully protected with endpoint security and perimeter protection, and we are in the process of moving all our databases to the HANA2 version of SAP. Further, the head of our IT department is also responsible for the drafting and implementing of our IT annual workplan.

There were no confirmed information security incidents in 2023.



In 2023, we obtained ISO 27001:2013 certification. Additionally, we invested in separating OT from IT, thereby reducing the risks of information leakage and establishing a more secure foundation for the years ahead.

A Chief Information Security Officer (CISO) was appointed to oversee cyber risk management and to reduce, mitigate, and respond to all cyber-related risks and events. By the end of 2022, led by the CISO, we began connecting our network to an external Security Operations Center (SOC) to monitor traffic and data events and other issues regarding cyber security. The SOC is working 24/7 and provides ongoing alerts and weekly/monthly reports concerning cyber security issues.

In 2023, we achieved certification for the new ISO 27001:2013 standard. As part of our commitments to this standard, we undertook the following actions:

- An external cybersecurity consultant at Dor Chemicals operates according to a work plan derived from a survey by the Ministry of Environmental Protection regarding the maintenance of hazardous materials. They hold ISO 27001 certification.
- All employees receive training through two sessions on cybersecurity and information security.
- A new cybersecurity plan has been implemented, segregating operational networks from administrative networks (OT from IT). This ensures operational continuity in the event of a cyber breach.

RISK MANAGEMENT

Our risk management strategy is based on a risk-based approach that conforms with the requirements of ISO 9001:2015. Thus, risk management is integrated into daily operations in a systematic manner that enables threat potential detection before it becomes a real risk to the company.

Additionally, risk management at Dor Chemicals is managed from the highest possible authority: our Board of Directors. Our Board is regularly updated about all major risks that are facing the company, and presented with the related reduction, mitigation, and response strategies by senior executives.

At Dor, we are guided by our company values of safety, openness, and trust. These values are the foundation of how we conduct ourselves and interact with each other, our clients, members, suppliers, shareholders, and other stakeholders. We are committed to ensuring corporate compliance and promoting ethical corporate culture by observing the highest standards of fair dealing, honesty, and integrity in our business activities.

The goal of this policy is to establish a culture that is consistent with our values of safety, openness, and trust, and to safeguard the expectation of employees, partners, suppliers, and customers to be treated to fair business practices and a conducive, favorable work environment.

We have zero tolerance for fraud, corruption, and bribery, reflecting the company's complete and full opposition to the perpetration of any unlawful or irregular acts. This commitment extends to all employees and third parties in all circumstances, and without any exception. To uphold this commitment, the company promotes a culture of transparency, openness, and the maintenance of internal control mechanisms and due diligence on third-party providers to prevent, and where possible, detect and eliminate irregular and unlawful practices. For more details, please see the full policy on our website.

CLIMATE RISK

We are aware that we are a part of the global fossil fuel supply chain. We rely on raw materials produced by the fossil fuel industry and our products contribute to reducing the GHG emissions of fossil fuel combustion. We know that in order to tackle climate change efficiently there is a need for a long-term phase out of fossil fuels. To that effect, we are continually diversifying and researching new products and pioneering green technology innovations.

Additionally, according to WRI's 'Aqueduct Water Risk Atlas', in a 'business as usual' scenario, by 2030 our facilities will see a 1.4x increase in the level of what is already an extremely high level of annual water stress (>80%). It reach 2.0x those levels by 2040.

Thus, by 2024, we will conduct a climate risk assessment to assess the future implications of the climate crisis and draft a strategy for mitigating its risks.



GRI INDEX

GRI INDEX 2023

With reference

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LOCATION

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With reference

		LOCATION
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MAINSTREAMING SUSTAINABILITY



Dor Chemicals

ESG

2023