


**NUR**  **Ink**  
Innovations

# Sustainability Report

**2023**





# A MESSAGE FROM OUR CEO

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It is with pleasure and pride for me to present our second ESG report.

Since we founded the company, 2023 has been one of the most challenging and exciting years at Nur Ink Innovations. This year will also be remembered by the October 7th attack and massacre carried out by the terrorist organization Hamas.

I am proud that during this challenging and difficult year, we managed to adhere to our business plan, goals and objectives, while continuing the very important ESG journey.

During this year, we accomplished a few milestones, all of which bring us closer to commercialization of our products and to securing long-term business relationships with our customers and partners.

These milestones include receiving the approval for both Oeko-Tex Eco Passport & GOTS7 standards' certification, signing a long-term commercial agreement with a European digital printer manufacturing company, starting a few major pilot processes for our ink and white dispersion products at industry-leading companies, the appointment of Dr. -Ing. Christian Compera as a strategic advisor and last but not least – assembling 6 ink manufacturing lines in our Rosh Ha'Ayin, Israel facility.

Being water-based inks, our products, by definition are environmentally friendly and directly contribute to a safer and cleaner planet. We will continue focusing on developing even cleaner and safer products as part of our commitment to the ESG process. In addition, we continue to put emphasis and invest resources in promoting manpower safety, in waste management and recycling, inclusion and diversity, reducing our carbon footprint and water waste, all while enhancing our culture of ethical behavior standards and superb governance.

At the same time as we are starting the first steps of commercializing our products, we fully embrace the importance and need of sustainable operations, and it is our strong belief that taking this ESG path will not only have a positive impact on the environment and society but will also generate long-term value for our shareholders, employees, partners, and customers.

I continue to being personally committed to this important ESG journey and to updating you on our progress in the future.



Sincerely yours,

**Moshe Nur**

CEO & Chairman of the Board of Directors

A handwritten signature in black ink, enclosed within a large, thin-lined oval shape.

# FORWARD-LOOKING INFORMATION

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This report does not constitute an offer to purchase shares in Nur Ink Innovations Ltd (“Nur Ink” or “the company”), or an invitation to receive such offers, and is meant to provide general information only, which is by nature partial, as part of providing information about Nur Ink Technologies to institutional investors and analysts and/or third parties. This report was designed for overview and convenience purposes only, and cannot replace inspecting the reports that Nur Ink has released and releases to the public, which include the complete information about the company, before deciding about investing in the company’s shares.

This report includes forward-looking information, as defined in the 1968 (Israeli) Securities Law.

This information includes, among other things, forecasts, goals and estimates referring to future events and/or matters whose realization is not guaranteed and/or not in the company’s sole control. Forward-looking information does not constitute a proven fact and is naturally subject to substantial risks of non-realization. The aforementioned information is uncertain and impossible to predict accurately, and its realization or non-realization will be affected, among other things, by risk factors characterizing the company’s activities, as well as by developments in the general environment and the external factors affecting the company’s activities, which are not possible to predict and are not under the company’s control.

In light of the aforementioned, readers of this report are hereby warned that the outcomes and actual accomplishments of the company in the future may differ substantially from those provided in the forward-looking information included in this report.

In addition, forecasts and estimates of forward-looking information are based on information and data available to the company at the time of the report’s release, and the company makes no commitment to update and/or change any forecast and/or estimate to reflect events and/or circumstances which may occur after the release date of this report.

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**NUR**  **Ink**  
Innovations



# About Nur Ink Innovations



# WHAT WE DO

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Nur Ink Innovations is a prominent global player in the environmentally friendly water-based pigment inks sector for digital inkjet printing. Our collaborative approach involves, among others, working closely with printer manufacturers, print head manufacturers, and print systems integrators through OEM private-label partnerships. The technology at the heart of our products, Digital Sol-Gel™, utilizes advanced 3D cross-linking chemistry, introducing a groundbreaking category of water-based pigment inks for digital printing. These inks, tailored to specific printers, find applications in Direct-to-Garment, Direct-to-Film, Packaging, Direct-to-Textile, roll-to-roll advertising, and wallpapers. In addition, the company, protected by pending patents, is currently developing a water-based white pigment dispersion, with a broader vision of becoming a global leader in water-based pigment ink solutions for diverse industries, technologies, and applications.

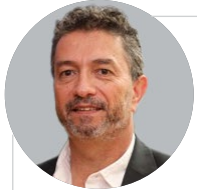




# COMPANY STRUCTURE



**Moshe Nur**  
CEO



**Eliav Priel**  
Business Development



**Moshe Nakash**  
CTO & VP R&D

## Operations & Manufacturing



**Ron Lefkovitz**  
Ink Factory Director



**Inbar Friedman**  
Operations Manager

## Marketing



**Eyal Brauner**  
Product Marketing Manager

## Application



**David Fontijn**  
Application Specialist



**Marjorie Elkouby**  
Application & Textile Specialist

**Liat Algranti**  
Chemical Engineer

## R&D

**Lior Cohen**  
Chemical Engineer

**Marina Kafri**  
Chemical Engineer

**Irit Bracha**  
Chemical Engineer

**Gregory Katz**  
Chemical Engineer

**Leonid Kozlov**  
Chemical Engineer

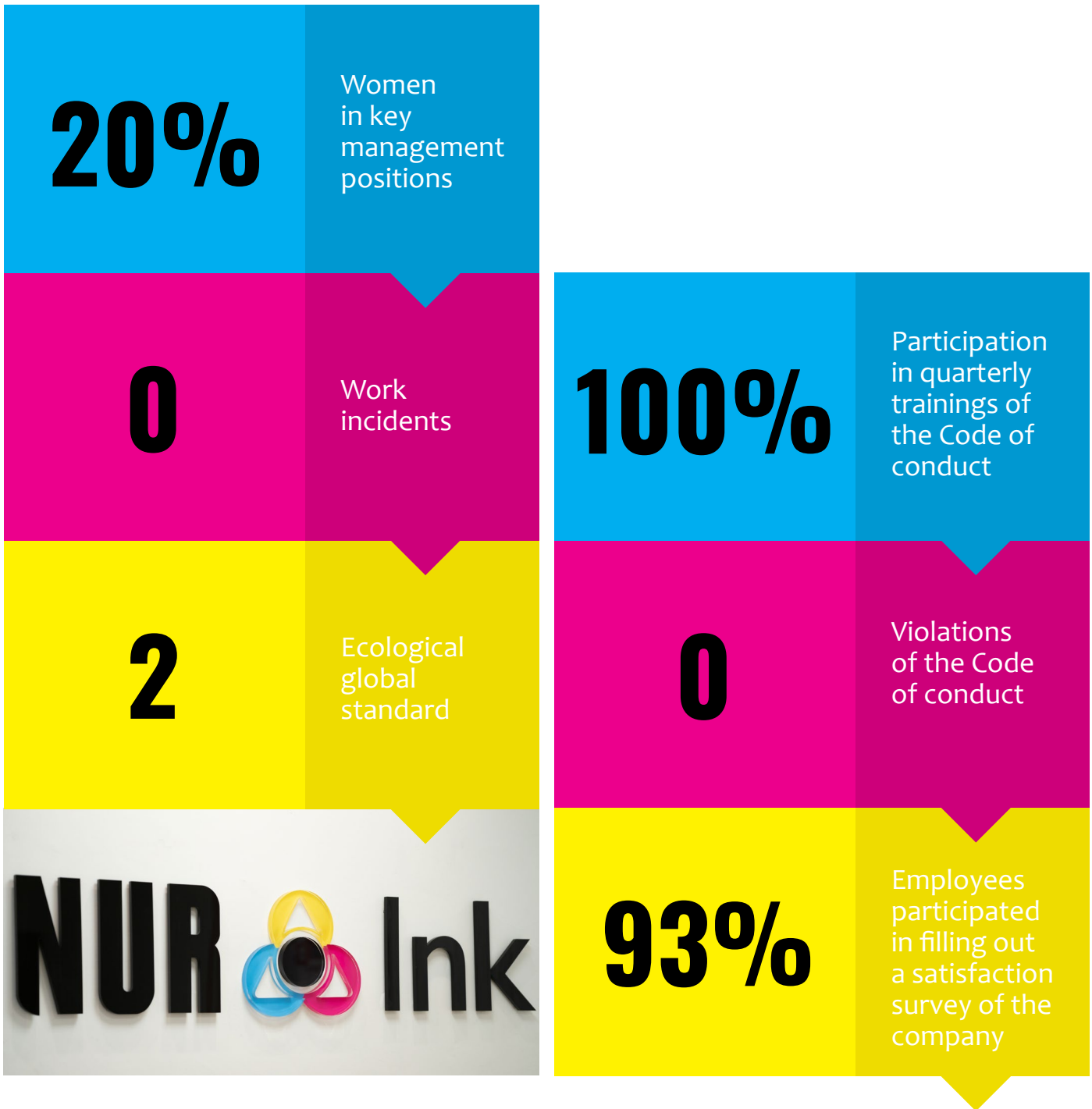
**Sivan Marcus**  
Chemical Engineer

**Dotan Avera**  
Print Head System Engineer

## Print Head

# 2023 SUSTAINABILITY ACHIEVEMENTS

Below are some ESG highlights for Nur Ink Innovations in 2023:





A close-up photograph of a laboratory setting. A hand wearing a blue nitrile glove is pouring a vibrant green liquid from a glass beaker into a graduated cylinder. The cylinder is held steady by another blue-gloved hand. The liquid in the cylinder is a mix of green and yellow. The background is a blurred laboratory environment. The text "OUR SUSTAINABILITY STRATEGY" is overlaid in large, white, bold, sans-serif font across the center of the image.

OUR  
SUSTAINABILITY  
STRATEGY



# OUR SUSTAINABILITY STRATEGY

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Nur Ink Innovations is driven by a mission to empower the world with essential innovations, reflecting a commitment to positive societal contributions and the belief in making a lasting impact.

Emphasizing Environmental, Social, and Governance aspects, Nur Ink integrates sustainability into its core operations, focusing on activities that create environmental value and prioritizing themes deemed material from an ESG perspective.

Nur Ink Innovations leadership in sustainability is deeply embedded in its distinctive and innovative technology ecosystem, which not only enables eco-efficient manufacturing processes but also cultivates more sustainable consumption and production patterns in comparison to conventional methods.

Our company is anchored in core values that encompass human rights, fair employment, diversity, inclusion, safety, ethical behavior, and environmental protection. We believe these principles are the cornerstone of sustainable innovation, underpinning ongoing growth, community involvement, and the attraction of top-tier talent. Every decision made by Nur Ink Innovations, whether it pertains to operations, product development, or its consequences, is firmly rooted in and shaped by these core values.

Continuously evolving, Nur Ink is proactively engaged in understanding and responding to the concerns of its stakeholders, encompassing employees, business partners, shareholders, communities, and the environment. Positioned as a genuinely sustainable company, Nur Ink Innovations is devoted to fostering positive impacts across diverse aspects of its operations.





# OUR PEOPLE





# DIVERSITY, EQUITY & INCLUSION

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## Ethical behavior:

**Nur Ink Innovations** places a strong emphasis on fostering and upholding a robust, ethical, and healthy organizational culture. Our core values define our identity and guide the interactions among employees, customers, suppliers, partners, shareholders, and the communities we engage with.

The Code of Conduct, integral to our company's goals and identity, serves as a comprehensive framework for daily conduct and business practices. It is designed to nurture a culture that champions ethical behavior, professionalism, and compliance with all relevant laws, while also upholding and protecting human rights.

Applicable to everyone associated with Nur Ink Innovations, from executives to employees, service providers, suppliers, and subcontractors, the Code of Conduct is rigorously enforced. Also, to oversee the implementation and enforcement of this code, Nur Ink Innovations has an ethics supervisor.

The Code of Conduct is an integral part of the orientation process for every new employee. Additionally, employees undergo comprehensive frontal training on the Code of Conduct every three months, with mandatory participation. In the upcoming year, the company intends to transform the training into a standalone online learning software, culminating in an assessment with a required passing grade. Furthermore, the Code undergoes annual updates facilitated by the headquarters, taking into consideration employee feedback to enhance and optimize its content and purpose.



This year **Nur Ink Innovations** formulated a Code of Conduct for suppliers, which obligatorily includes the essential values identified with the company. Nur Ink Innovations seeks collaboration with suppliers who share its values, with the Supplier Code of Conduct outlining minimum expectations.

In addition, we have an open communication policy that establishes that the doors to all managers' offices must always be open, making them readily accessible to all employees. Moreover, we have a "Malshinon" policy (whistleblowing system) which allows any employee to anonymously submit a complaint through a designated link on the company's website (available only to the company's employees). These complaints are directed to the ethics supervisor and the CEO for assessment, and appropriate disciplinary measures are determined based on the severity of the complaint.

In 2023, Nur Ink Innovations reported no violations of its Code of Conduct or external complaints in the ethical domain, reflecting the company's unwavering commitment to maintaining a high standard of ethical conduct.



# DIVERSITY, EQUITY & INCLUSION

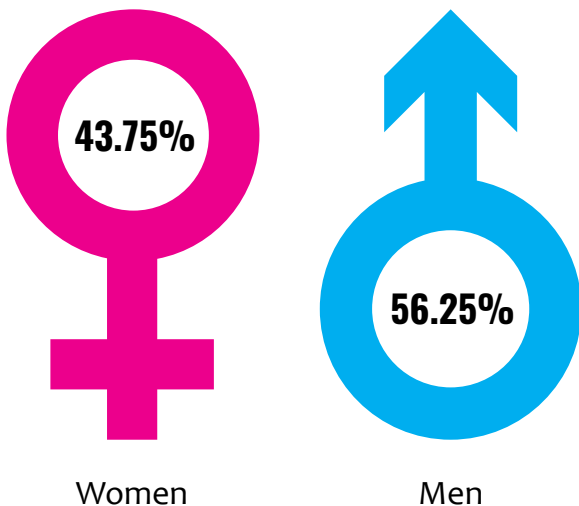
## Diversity, equity, and inclusion:

Diversity, equity, and inclusion form an essential foundation for the company's leadership, team dynamics, performance, and its ability to innovate, ensuring a sustained competitive advantage for the future. Our commitment lies in fostering and perpetuating an inclusive organizational culture by integrating equity into our business practices. This commitment ensures that everyone is embraced, provided with opportunities to thrive, and equally contributes to the company's success.

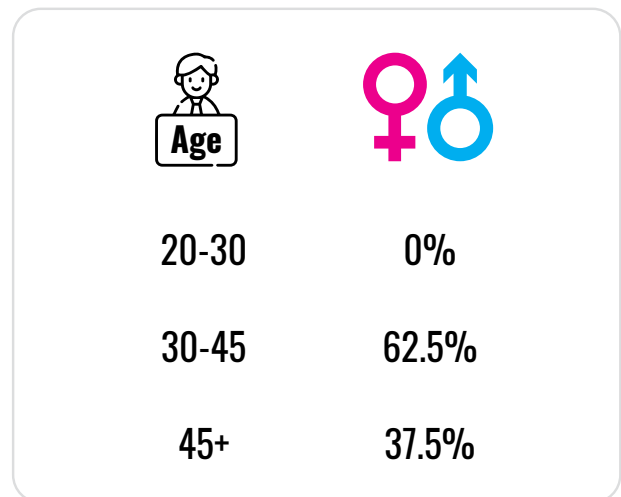
Nur Ink Innovations Code of Conduct explicitly bars all forms of discrimination, encompassing factors such as race, religious, age, social standing, family origin, nationality, ethnicity, religion, gender, sexual orientation, gender identity, physical or mental disability. The code also unequivocally prohibits demeaning actions, including bullying and harassment.

This strategic approach is integral to the company's management, firmly establishing a culture rooted in inclusion and diversity. Our success as a company is significantly attributed to our capacity to attract, hire, retain, and nurture a positive and productive workforce. Nur Ink Innovations recognizes and rewards the importance of diverse perspectives, fostering an environment where ideas, energy, teamwork, and dedication propel our success, enabling all employees to thrive and reach their full potential.

### Employees 2023



### Employees age range 2023



- While our company, particularly in infrastructure, has at this phase no employees below the age of 30 (due to the fact that we haven't received applications from suitable candidates under the age of 30), we place value on knowledge, and experience actively promoting diversity within our workforce.
- Our commitment extends beyond achieving gender diversity to ensure representation across all levels of the organization, from junior management to key positions. Nur Ink Innovations aspires to employ individuals from groups that are traditionally underrepresented in the job market. Despite our current relatively modest workforce size, we aim to be a welcoming home for all segments of Israeli society.

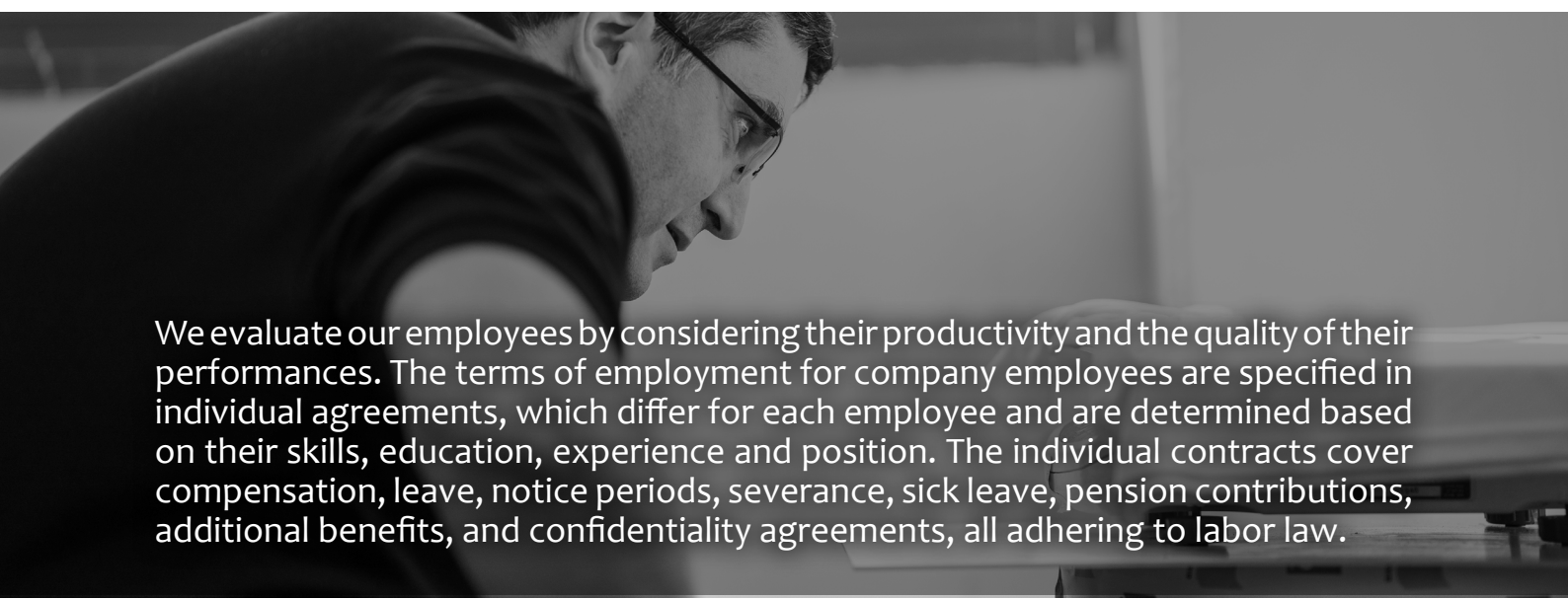
# EMPLOYMENT & ENGAGEMENT

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## Terms of employment:

At Nur Ink Innovations, our objective is to foster a work environment characterized by respect and empowerment, thereby guaranteeing a positive experience for our employees. To fulfill this commitment, the company is dedicated to maintaining an equitable employment environment and providing fair and just employment terms, as outlined below:

- We empower our employees by granting them the freedom to make decisions and entrust them with full responsibility
- Employees have the flexibility to choose their work location and working hours in collaboration with their respective line managers
- All employees have the option to work from home, except for professional staff required for ensuring a safe working environment, especially in processes involving raw materials
- Employees are allowed to receive IT equipment for the convenience of working from home, creating a comfortable work environment
- Overtime hours are monitored to ensure compliance with the weekly standard of 8.5 hours a day, allowing for a permissible deviation of up to 15% above the weekly standard
- The company supports employees in taking annual and sick leave based on their individual needs, implementing a highly flexible approach to manage absences
- The company actively encourages employees to utilize their annual leave before accrued vacation days are subject to deletion, occurring every two years
- In addition to the employee's salary, a monthly allowance for food is provided



We evaluate our employees by considering their productivity and the quality of their performances. The terms of employment for company employees are specified in individual agreements, which differ for each employee and are determined based on their skills, education, experience and position. The individual contracts cover compensation, leave, notice periods, severance, sick leave, pension contributions, additional benefits, and confidentiality agreements, all adhering to labor law.

# EMPLOYMENT & ENGAGEMENT

## Protected workplace:

The company operates with continuous communication and a positive working relationship between the company's management and its employees. There is a strict zero-tolerance policy towards all forms of harassment, including sexual harassment, from employees, suppliers, and partners.

## The company utilizes a various of measures to address harassment:

- The company has established a stand-alone Anti-Harassment Policy, explicitly covering sexual harassment, emphasizing our commitment to reporting without fear of retaliation for those who witness or experience such behavior. This policy outlines the complaint submission process, the investigation procedure, including the preservation of confidentiality and privacy for those involved
- A supervisor of sexual harassment prevention has been appointed, serving as the primary contact for harassment and bullying complaints, responsible for enforcing the company's policy of Anti-Harassment
- Annual tutorials on sexual harassment prevention are provided to all employees, accompanied by additional guidance and responsibilities for the management teams
- The company embraces an "open door" policy across all managerial levels, from department heads to the CEO. Any employee experiencing discomfort, harassment or bullying is encouraged to contact any member of the company's management

The company has instituted a whistleblowing system for reporting complaints related to sexual harassment and workplace abuse through an internal portal. Additionally, complaints can be directed to the sexual harassment supervisor. Furthermore, we have implemented a whistleblowing system that enables employees to report information anonymously. In cases of actual or suspected sexual harassment violations, the company will promptly and thoroughly investigate the facts and root causes of the incidents, striving to implement appropriate measures to address the matter.

Throughout the year 2023, there were no instances of sexual harassment, abuse, or bullying reported within the company's work activities. Nur Ink Innovations is dedicated to cultivating a workplace devoid of any instances of sexual harassment or bullying. Our objective is to establish a secure work environment characterized by the highest standards of professionalism and respect for all employees.



# EMPLOYMENT & ENGAGEMENT

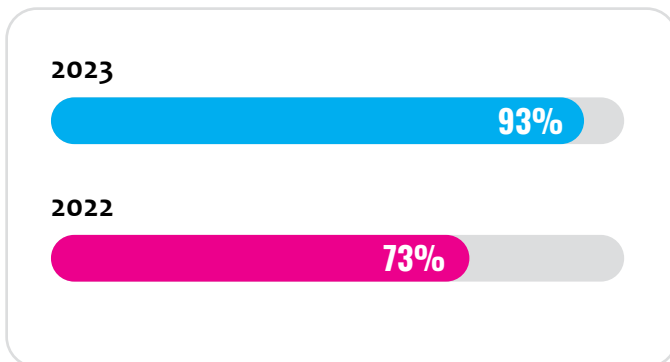
## Employees engagement:

Fostering employee engagement is a vital component of our objective related to the work environment and terms of employment. We strive to gain a deeper understanding of our employees' needs and create a work environment that is engaging, positive, and inviting.

Each year, the company administers an anonymous satisfaction survey to its employees. The company places significant emphasis on receiving feedback from employees and is proactively addressing concerns raised by certain team members. We meticulously analyze survey results and formulate targeted action plans to improve employee engagement, retention, and well-being.

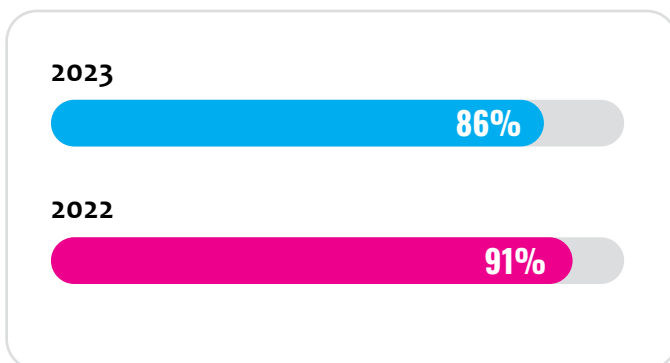
The survey included questions regarding individual engagement, flexibility, meaningful recognition, and understanding how each person's work contributes to the success of the Company.

## Participation Rate



In 2023, there was a rise in the employee participation rate compared to the 2022 survey, with 93% of employees taking part

## Satisfaction Rate



While the 2023 surveys indicated that the majority of our employees remain satisfied with their work and feel committed to our company's mission (86%), we noted a decline in scores compared to the previous year's results (91%), as general morale in the country decreased in 2023.

# BENEFITS & WELLBEING

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We hold the firm belief that every company employee plays a crucial role in our success. To acknowledge their contributions and attract top talent, we provide competitive compensation and a diverse range of benefits and programs dedicated to recognizing our employees' efforts and fostering their well-being. These include:

## Financial benefits

- Monetary support for significant life events such as weddings, births, and other family milestones
- Distribution of holiday gift vouchers
- Provision of loans on favorable terms for employees
- Allocation of bonuses and grants based on work achievements, commitment, and professionalism
- Financial bonuses as part of the “A Friend Brings a Friend” recruitment initiative
- Establishment of a Continuing Education Fund for each employee as part of their terms of employment
- The option for employees to receive share options after six months of employment
- Access to pension and insurance consulting for employees during work hours, facilitated by an external insurance company





# BENEFITS & WELLBEING

Well-being and mental health remained key focal points for our HR team throughout 2023. In light of this, the company prioritized the comprehensive care of employees and their families. We persistently offer the following:

## Employment welfare

- Organize social events and departmental gatherings
- Allow flexible work hours to accommodate employees caring for sick family members
- Permit employees to take paid or unpaid leave based on circumstances
- Provide support for employees returning from maternity leave, including reduced assignments, flexible work hours, and the option to work from home
- Embrace the philosophy of allowing employees to choose retirement rather than mandating retirement at a specific age
- Assist employees facing challenges affecting work and home life, such as depression, anxiety, stress, family concerns, or legal issues. This support may include subsidizing professional treatments and allowing for the treatments to take place during working hours at the company's expense

### October 7th War - "Iron Swords":

Following the events of the October 7th, some employees needed to take leave due to mental distress, concerns for personal safety, and managing household responsibilities in the absence of one of the spouses. In response, the company permitted these workers to take vacation days without deducting them from their vacation quota. Additionally, they were allowed to take additional vacation days beyond the standard quota without any reduction in wages.

# TRAINING & DEVELOPMENT

Acknowledging individuals as the most valuable asset in management, Nur Ink Innovations has committed efforts to invest in them and improve environments to optimize the capabilities of the company's personnel and the overall organization. The sustained progress and evolution of our team are fundamental to achieving success and fulfilling our business objectives. Our overarching objective is to foster and propel the careers of vital team members who will spearhead the growth of our business and steer the organization into the future.

As an integral facet of our continuous dedication to fostering personal and professional advancement, we administer thorough annual performance reviews. Through a dialogue-driven evaluation process encompassing feedback from both managers and peers, employees gain profound insights into their strengths and areas for improvement. We underscore the significance of goal setting, allowing team members to concentrate on pivotal performance metrics, discern strategic imperatives for organizational and career progression, and cultivate motivation alongside personal satisfaction.

## Performance review data:

Percentage of employees receiving regular performance reviews

2022



2023



We are offering various career development and employee training programs to support development and success:

**PROFESSIONAL DEVELOPMENT** - Emphasizing the ongoing growth of our workforce, we offer a comprehensive range of training programs aligned with organizational needs. This includes courses, training sessions, conference opportunities locally and internationally

**R&D TRAINING** - Monthly, a designated member from the R&D department imparts instructional sessions to the entire team, sharing insights into the latest developments and progress within the department

**INTERNAL CORPORATE TRAINING** - Employees engaged in training sessions focusing on internal compliance, encompassing topics such as information security, safety, code of conduct, harassment, and another relevant subject

Nur Ink Innovations is committed to nurturing a positive organizational culture, encouraging a workforce with passion and ambition. We empower colleagues to guide their professional development through a tailored mix of experience, exposure, and education.



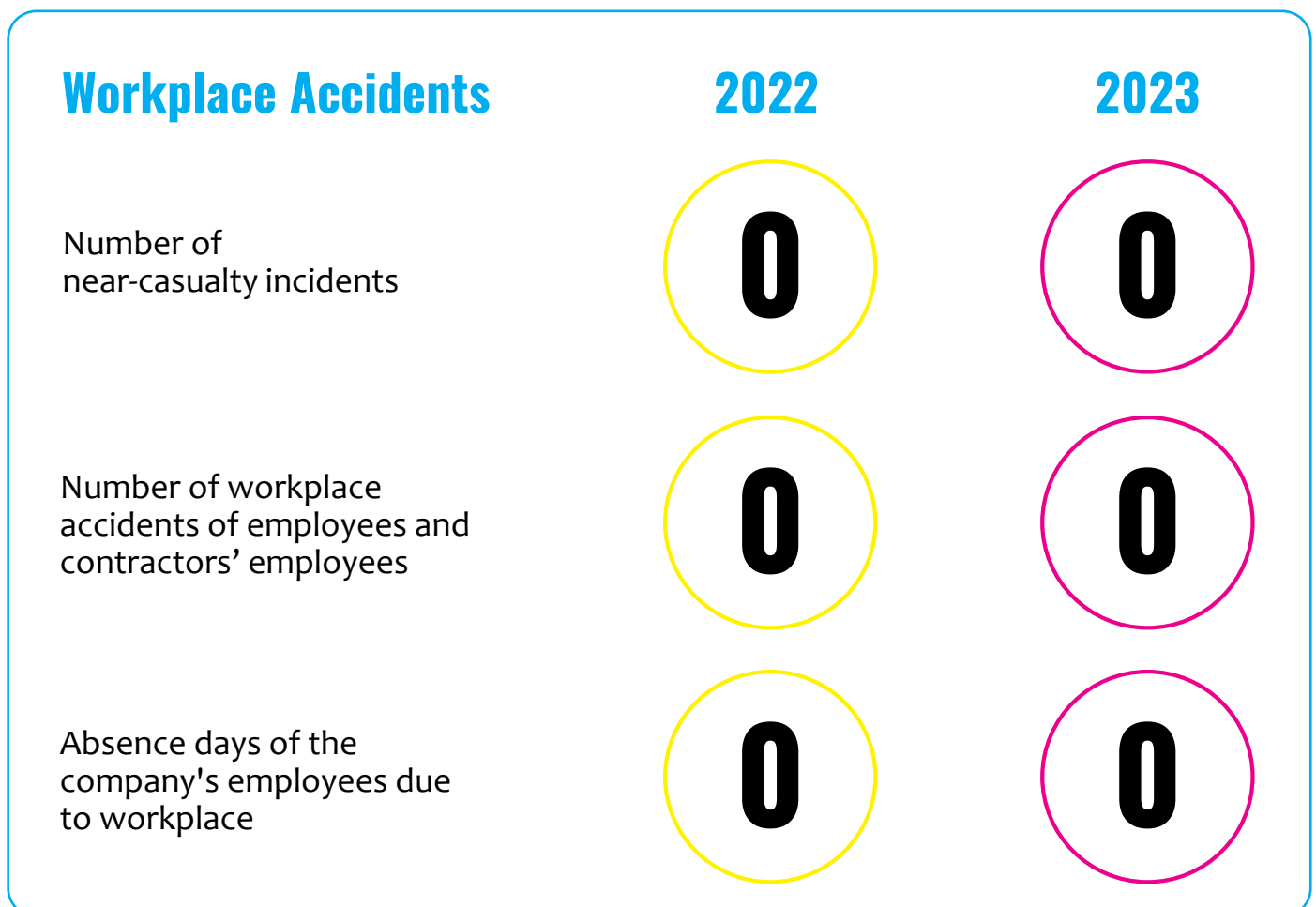
# WORK ENVIRONMENT & HEALTH

## Responsibilities, protocols & training:

Prioritizing employee health and safety, we implement rigorous protocols and comprehensive training programs as outlined in our Environmental, Health, and Safety (EHS) policy. This policy, endorsed by our board of directors, guides our proactive measures to ensure compliance with industry-wide standards and maintain secure working environments. To adapt to the evolving landscape, particularly with our ongoing production line expansion, the policy undergoes quarterly updates to address dynamic changes and enhance our safety measures.

In order to meet local safety requirements, the company has designated a safety officer and formed a safety committee with key representatives. In 2023, Nur Ink partnered with an external safety consultant to guide the establishment of the production line and infrastructure, offering continuous advice to the safety supervisor.

Our foremost core value revolves around safety, aiming for zero incidents within our facilities. Employees undergo thorough safety training, encompassing frontal presentations and guided facility tours. Quarterly sessions serve to reinforce procedures, while suppliers and subcontractors engage in tailored safety training. The company prioritizes and ensures full employee participation in ongoing safety initiatives.



# WORK ENVIRONMENT & HEALTH

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In the event of a safety incident, the external safety consultant will conduct an inquiry. The resulting findings will be forwarded to the safety committee for evaluation, guiding preventive measures. The company encourages employees to report any unsafe conditions, contributing to the overarching goal of maintaining a zero-incident rate at its facilities.

## Field Safety Implementation:

Nur Ink Innovations has implemented the following action guidelines to foster a comfortable and supportive workplace, prioritizing the health and safety of its employees:

- Adopting an ergonomic standard for workstations tailored to individual employee needs
- Providing first aid training to all employees with full participation
- Investing in capital improvements to enhance facility safety, including the installation of two emergency showers for chemical contact, hoods with advanced filtration systems, and fire and flood protection systems
- Supplying general Personal Protective Equipment (PPE) to lab employees, encompassing masks, glasses, anti-noise headphones, gowns, work shoes, and protective gloves
- Conducting regular internal safety inspections throughout the year for renewal and adjustments
- In 2023, conducting a specialized work safety survey to obtain state permits for the use of chemical substances
- Initiating a certified external risk survey in the field of occupational safety from the second quarter of 2024, to be conducted once every three years regularly

## Workplace Accessibility:

Nur Ink is consistently striving to adhere to accepted standards for ensuring accessibility in its facilities for individuals with disabilities. In pursuit of this objective, the company has designated an accessibility coordinator and undertaken the following measures:

- Ensuring that the company's facilities comply with legal accessibility requirements
- The company's premises does not feature any staircases within its facilities
- Installing services specifically designed for individuals with disabilities
- Ensuring the accessibility of the company's commercial website for people with disabilities



# COMMUNITY RELATIONS

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At Nur Ink Innovations, we firmly stand by the belief that a flourishing business actively contributes, demonstrates genuine care, and collaborates as a partner in social initiatives. Utilizing our distinct strengths and capabilities, we aspire to maximize our impact on a broad scale, working towards a world that is more sustainable, equitable and prosperous.

During 2023, we introduced a comprehensive community involvement policy, specifying budgets for voluntary activities and financial contributions. The specified areas of focus evolve annually and encompass a broad spectrum, incorporating support for vulnerable groups, healthcare, social welfare and additional sectors. Moreover, the company collaborates with employees in selecting volunteering initiatives and partnering associations, ensuring alignment with personal interests and community representation. Our positive influence on the community is grounded in two fundamental pillars: fostering volunteering programs in the regions where we operate and making substantial contributions and investments in the community.

## Volunteering programs:

In our commitment to advancing the growth of our business with a focus on responsibility towards our people, society, and the environment, we are excited to unveil our plans for 2024. This includes the introduction of a comprehensive cross-company employee volunteering programs, featuring projects seamlessly integrated into regular work hours. We will selectively engage in a variety of ad-hoc volunteer initiatives, collaborating with chosen causes, NGOs, and non-profits to foster enduring partnerships.

A dedicated resource basket will be allocated from the company's budget to support this volunteer program. Additionally, we actively encourage our employees to continue their volunteer efforts during their personal time outside of the workplace and / or work hours.

## Monetary donations:

Woven into the fabric of our corporate culture and inseparable from our community engagement efforts is a dedicated commitment to philanthropy. Since the company's foundation, we allocate resources to various local non-profit organizations that resonate with our fundamental values.

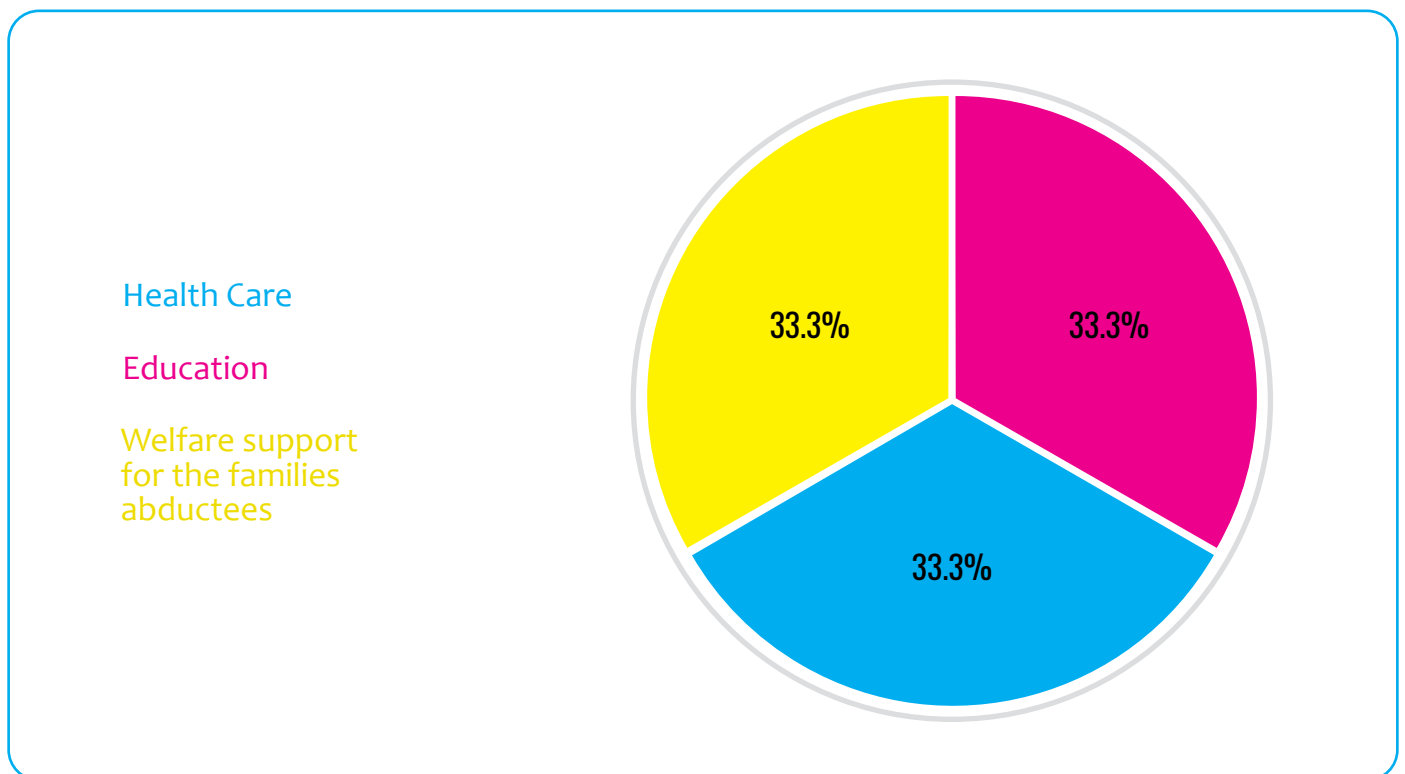
In the year 2023, the company contributed money towards charitable endeavors, supporting community partners in fulfilling their missions and creating a positive impact in localities.

# COMMUNITY RELATIONS

Among the recipients of our contributions were:

- "Families for abductees headquarters" association, promoting and executing activities for the recovery and treatment of the abductees, their families, providing relief, welfare, and health assistance and support to the families of the abductees and missing during the Iron Swords War
- "Bar Ilan" Association, one of the leading organizations in higher education
- "Make-A-Wish" Association, committed to fulfilling the wishes of children facing life-threatening diseases

## BUDGET 2023 | Area's division







**PROTECT  
THE ENVIRONMENT**



# ENVIRONMENTAL STRATEGY

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As part of its commitment to corporate sustainability responsibility, Nur Ink Innovations actively participates in environmental management and operates a dedicated ESG Work Group. The company aims to alleviate environmental impacts on society by offering eco-friendly products and services, while simultaneously minimizing its own ecological footprint. This involves conserving energy at its facilities and reducing the use of chemical substances.

Nur Ink Innovations recognizes the significance of enhancing the sustainability of its operations, emphasizing initiatives like improving energy efficiency, lowering greenhouse gas emissions, and adhering to green chemistry principles. The company collaborates with its managers to ensure compliance with current environmental regulations, both locally and globally, and strives to eliminate instances of non-compliance.

To institutionalize environmentally responsible practices throughout the organization, the company has established the Nur Environmental Policy, outlining actionable guidelines. The company also mandates adherence to environmental considerations for all suppliers and contractors in its supply chains. This commitment is formalized through a document called the 'Suppliers Code of Conduct,' which integrates ESG and environmental principles.

Nur Ink Innovations is dedicated to demonstrating continuous progress in energy reduction, emissions management, and overall environmental stewardship in product development and material sourcing, while maintaining compliance with relevant regulatory requirements.



# GREEN MANUFACTURING

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Nur Ink Innovations operates in the Green Chemistry sector, where the emphasis is on minimizing or eliminating the use of hazardous substances in chemical products and processes. As a responsible player in this field, the company is dedicated to producing environmentally friendly products in a sustainable manner and encourages their widespread adoption. Holding the Oeko-Tex Eco Passport and the GOTS7 global standards certifications, Nur Ink Innovations ensures that all components in its chemical products comply with statutory requirements and pose no health risks.

Aligned with green chemistry principles, Nur Ink Innovations specifically focuses on waste prevention, avoiding hazardous chemical syntheses, and promoting the use of safer chemicals and products. The company, as a green manufacturing entity, underscores the importance of product quality, adherence to ecological standards, resource circulation, global warming prevention, and fostering environmental awareness.

The company is currently in the process of securing toxics permit from the Ministry of Environmental Protection in Israel. To facilitate this, the company engaged an external environmental consultant who conducted a tailored risk assessment survey. This survey involved evaluating chemical raw materials, storage conditions, safeguards against leakage or flooding, and potential factors contributing to the spread of chemical substances.



# WASTE TREATMENT

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At Nur Ink Innovations, we understand the significance of mitigating the environmental consequences of waste generated in our direct operations. As an integral aspect of our environmental strategy, we have set a company-wide objective to consistently decrease landfill waste year after year. To attain this target, we strictly adhere to the waste management hierarchy, which outlines best practices for minimizing the environmental impact of waste.

Our primary focus is on diminishing the volume of waste produced by enhancing plant processes, efficiency, and material sourcing. In the development of our products and solutions, we consistently incorporate the goal of reducing production and application waste. In cases where waste generation cannot be entirely avoided, our aim is to explore avenues for diverting waste from disposal through recycling and reuse.

Waste management is meticulously regulated and monitored as stipulated in our Environmental Policy. The company maintains a systematic tracking system and provides estimated reports on its generated waste, utilizing records maintained by external waste collection organizations. In line with our commitment to the waste management hierarchy, we actively work to minimize waste generation throughout our business operations, thereby diminishing our overall environmental impact.

## Nur Ink implements a stringent waste disposal protocol, which involves:

### Chemical waste (not considered “hazardous waste”):

Most of the company’s waste arises from wear and tear in the ink manufacturing process. A licensed external company (called “Tabib”) collects the chemical waste, following regulations for the removal of hazardous materials (despite the fact that the waste generated by the company is **non-hazardous**). Tabib employs safety measures, utilizing specialized containers, and transports the chemical waste via trucks to a national toxic waste site (located in Ramat Hovav, Israel)

### Solid waste:

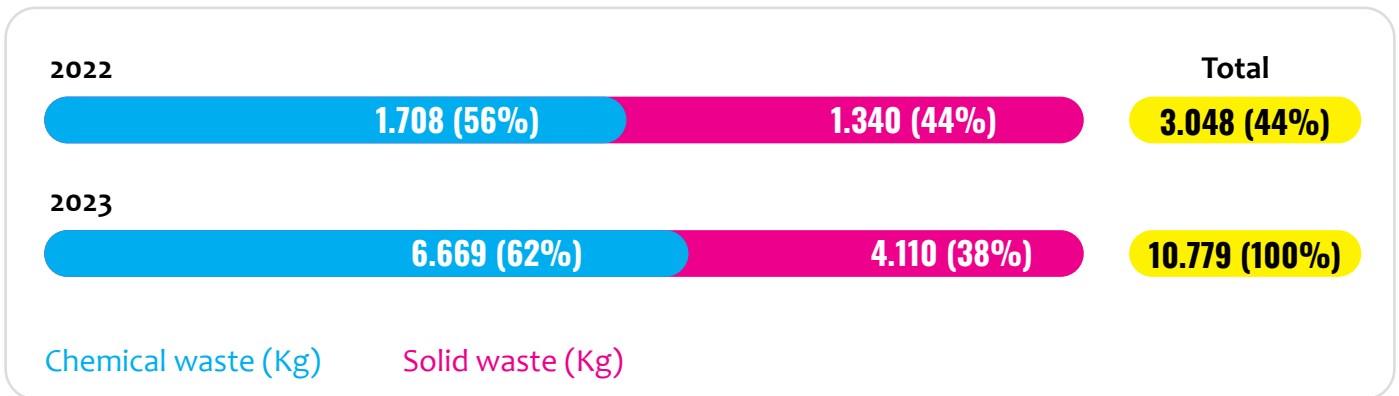
The company’s solid waste, which is partly generated from its office activities, is effectively recycled & managed in collaboration with “Yarok Hevrati”, an external company. “Yarok Hevrati” provides color-coded waste bins for different materials (paper, bottles, packages, cardboard, etc.), and at the end of each week, the waste is collected for recycling.

Notably, individuals with diverse disabilities are employed by “Yarok Hevrati” for the purpose of waste collection, reflecting the company’s commitment to a socio-ecological approach that promotes environmental and social justice.



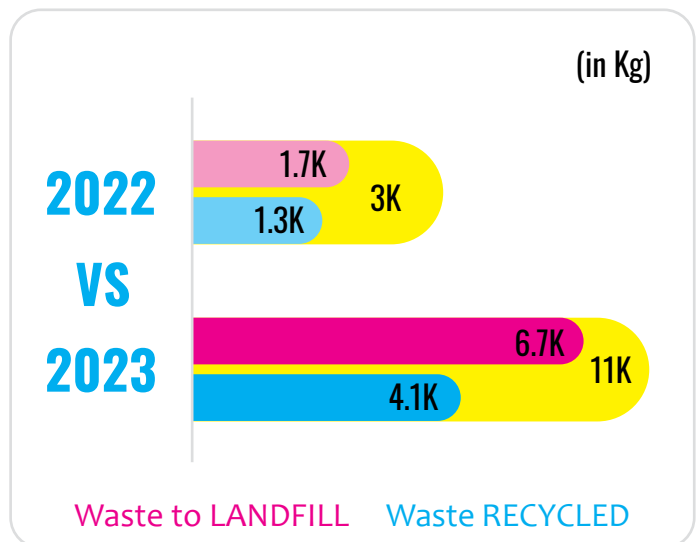
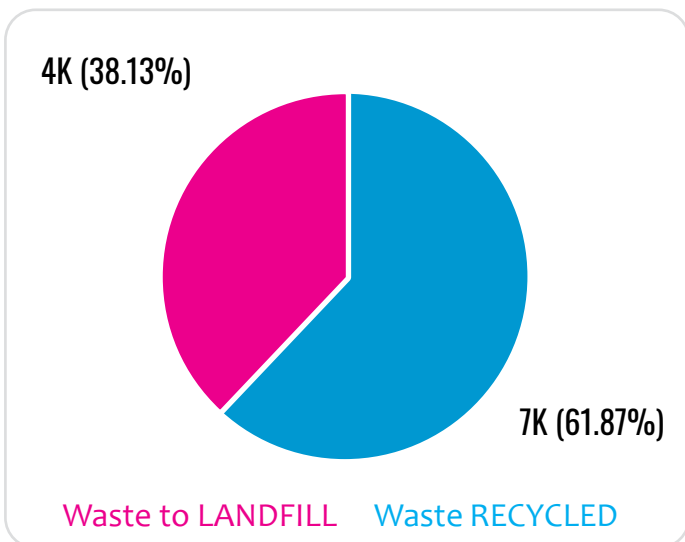
# WASTE TREATMENT

In 2023 we estimate to have produced around **10,779 Kg** of operational waste. There's a substantial increase compared to 2022, attributed to the initiation of a production line for our products. In the previous year, the process was in its early stages, and as time progresses, production has accelerated.



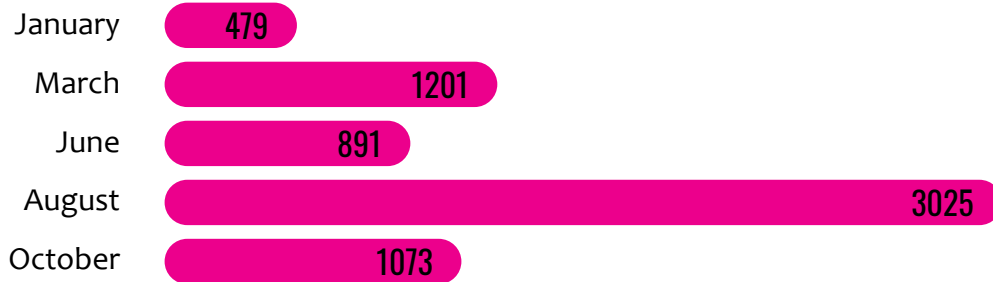
in 2022, the collection of solid waste for recycling commenced only in September. It is crucial to consider this when assessing the data and discerning the variances between the years.

## Total Waste 2023

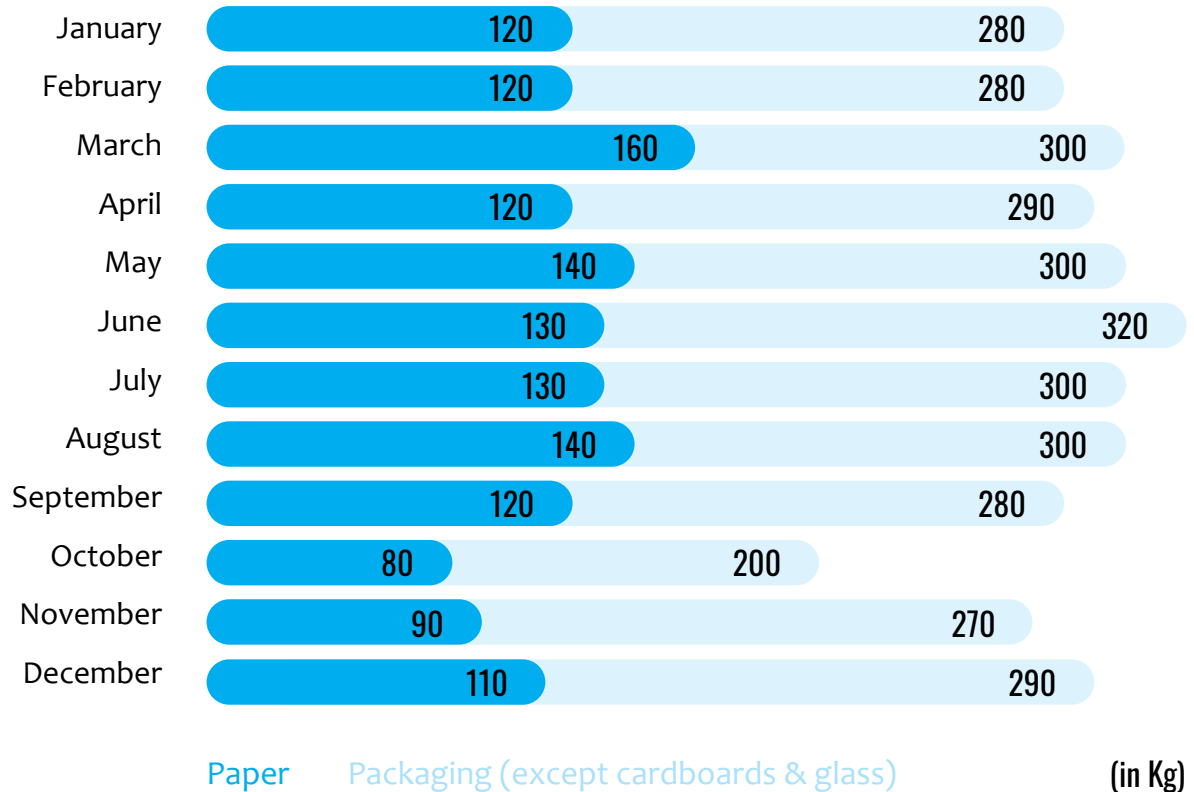


# WASTE TREATMENT

## Waste to Landfill (Chemical waste) in Kg - 2023



## Waste Recycled (Solid waste) in Kg - 2023



Nur Ink Innovations has dedicated efforts to improve our processes, capabilities, and reach, with the intention of extending our influence and incorporating more circular business models moving forward. Our ongoing encouragement includes researching opportunities to streamline operations, emphasizing the goal of continued reduction in waste generation throughout 2024.



# ENERGY & GAS EMISSIONS

Nur Ink Innovations is currently in the prototype development phase, preparing for the transition to a full production line. As a socially responsible green chemical company, we recognize the energy-intensive nature of manufacturing and prioritize effective energy management as a crucial step in minimizing our environmental impact and addressing climate change.

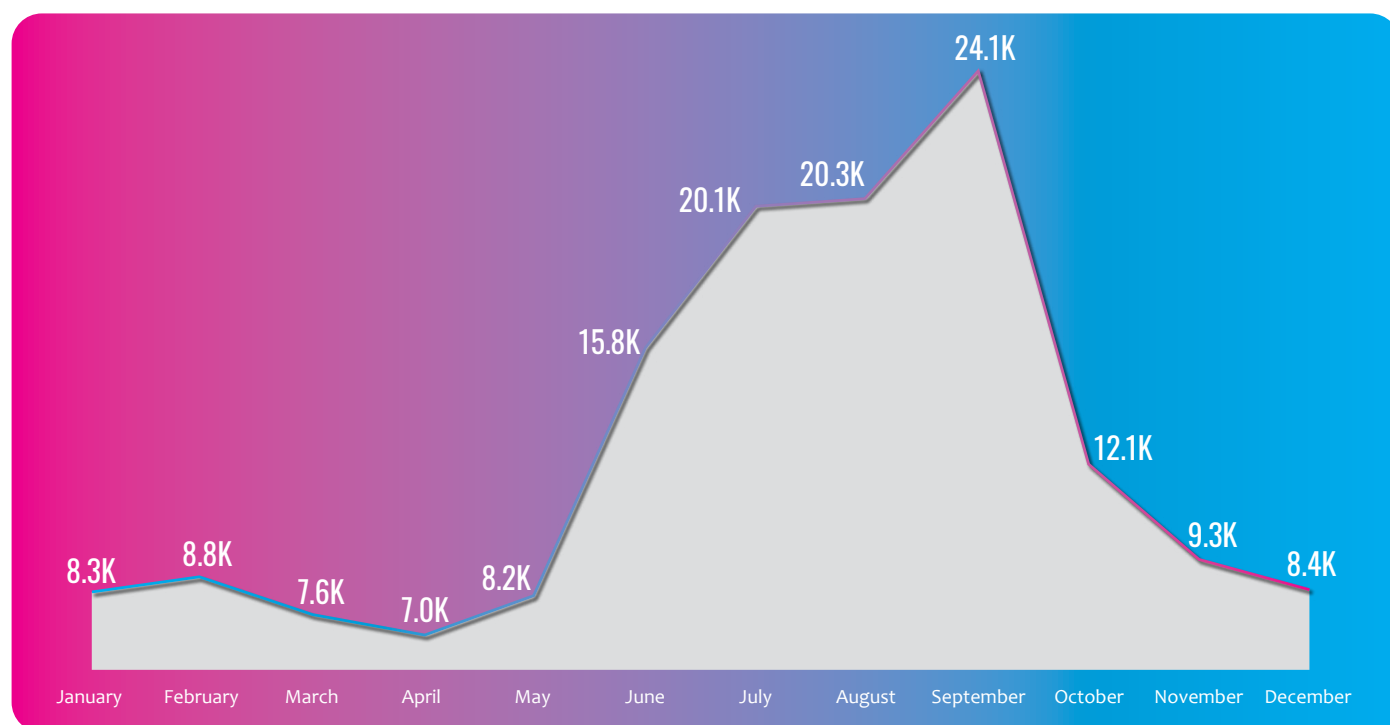
Nur Ink Innovations is committed to enhancing the energy efficiency of its operations to reduce greenhouse gas emissions and actively seeks opportunities for efficiency improvement. As part of its future production line design, the company plans to incorporate low-energy consumption measures. Additionally, the company has installed a 'Green' air conditioning system (VRF) designed for lower energy consumption.

As part of our ongoing efforts to reduce our environmental footprint, we are focusing on increasing the integration of renewable energy in place of fossil-based sources. In the coming years, we will explore renewable energy alternatives across our geographic presence and uphold our dedication to expanding the utilization of renewable energy within our facilities.

Moving forward, the company aims to assess scope 1 and 2 GHG emissions and establish targets for decreasing both direct and indirect carbon emission by the year 2025.

In 2023, the majority of the company's energy consumption was from electricity and also fuel for leased cars. The energy consumption data for the company in 2023 is outlined below:

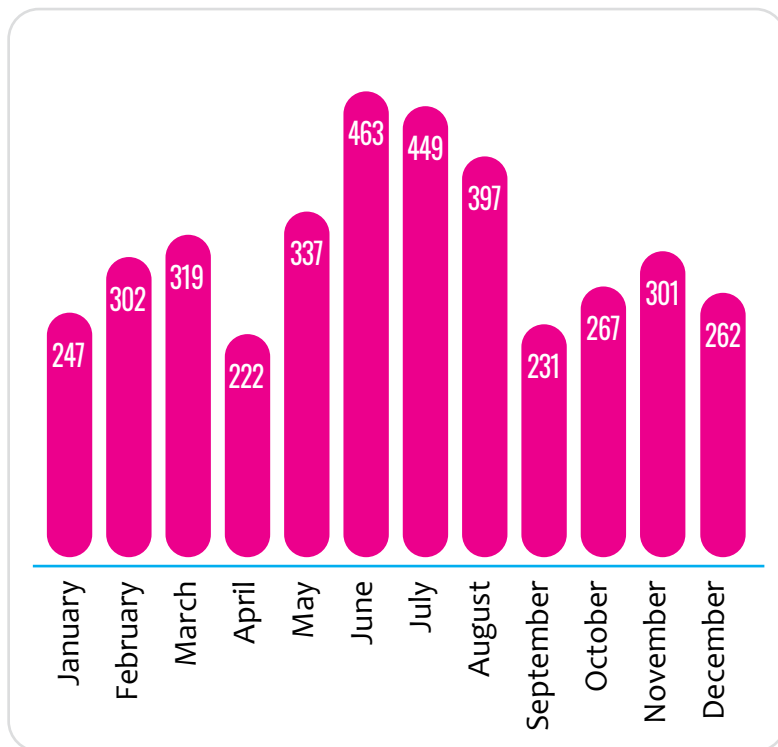
## Electricity Consumption (kW/h) - 2023



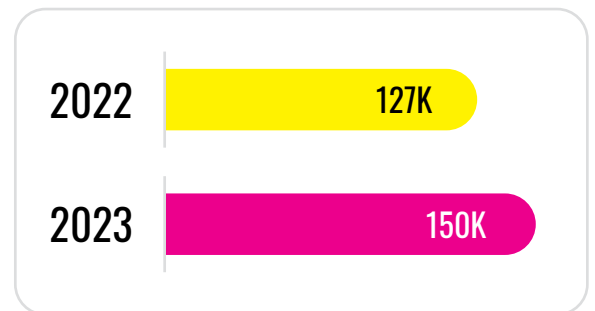
# ENERGY & GAS EMISSIONS

The rise in electricity usage compared to the previous year is attributed to the company's factory accelerating the production process

## Fuel Consumption (Liter) - 2023



## Electricity (Kwh) 2022 vs 2023





# WATER MANAGEMENT

Nur Ink Innovations is committed to reducing the use of water resources across its facilities, offices and among its employees. The company has introduced a water-based product to address a significant pollution concern in the digital printing industry. Emphasizing responsible water resource management is a vital aspect of the company's commitment to environmental causes.

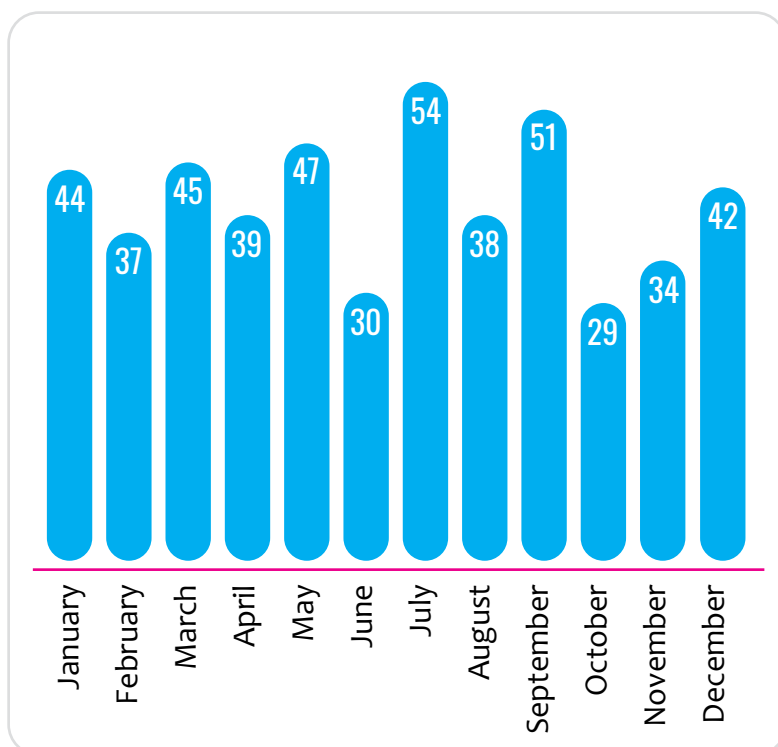
It is important to note that in the future, when the company will start producing its products on a large-scale, water consumption will rise dramatically.

Anticipated water consumption within the company is primarily associated with ink production, acknowledging the crucial role water plays in this process. Consequently, the future production lines are designed with water conservation in mind, and water usage will be closely monitored throughout the production stages. Additionally, to prevent water wastage, the company has implemented a unique flooding prevention system in its facility.

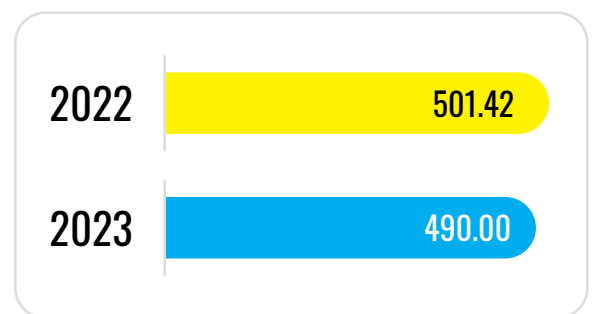
It's important to highlight that our operations do not lead to any discharge of industrial wastewater. The only wastewater associated with our operations is sanitary wastewater, treated by the municipal wastewater system.

Below, you can find details on the water consumption in our facility:

## Water Consumption (M3) - 2023



## Water (M3) 2022 vs 2023





# GOVERNANCE



# SUSTAINABILITY MANAGEMENT

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Nur Ink Innovations is committed to staying ahead of global developments by envisioning a future for society, expanding the community of stakeholders who share this vision, and actively leading the realization of that vision. Together, we will co-create a roadmap toward our envisioned future for society, addressing gaps and refining our understanding through this collective sustainability journey.

Our goal is to introduce innovative technologies and uphold high standards of excellence within society through our business activities.

Nur Ink Innovations management framework for sustainability:

In the year 2022, we established the Sustainability Work Group as a dedicated platform committed to promoting sustainability. The aim is to integrate social and environmental considerations into the decision-making processes related to the company's business strategy. The company introduced this new platform recognizing the escalating impact of ESG initiatives on corporate finances in an era of growing uncertainty. This Work Group includes the following:

- **ESG & Sustainability manager** - Tasked with establishing objectives, assessing work plans, and ensuring the timely accomplishment of milestone
- **Executive Management Member** - Responsible for consistently reporting ESG risks and gaps to the Board
- **Factory manager** - Supervises ESG-related activities, encompassing safety, procurement, production chain, and supplies
- **ESG Director** - Holds responsibility for strategically and policy-wise support and promotion of ESG and sustainability initiatives

Essential elements of sustainability management undergo thorough consideration by the ESG Work Group. Outcomes and discussions within this forum are regularly conveyed to the Board of Directors through the ESG Director. Subsequent to this reporting, the Board assumes responsibility for overseeing and monitoring these critical matters.

# CODE OF CONDUCT

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All Nur Ink Innovations employees and contractors, including the Board of Directors are expected to comprehend and adhere to our comprehensive Code of Conduct.

This code elucidates the embodiment of our core values - highest ethical behavior and respect for people. The code encompasses key areas such as:

- Legal compliance;
- Integrity and professionalism;
- Anti-bribery;
- Conflict of interests;
- Confidentiality;
- Data security;
- Insider trading;
- Supply chain ethics;
- Diversity, harassment and discrimination;
- Safety at work;
- Employment;
- Environmental responsibility;





# CODE OF CONDUCT

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Prevention of terrorist financing and money laundering; The code mandates that every employee conducts the company's business with integrity, abiding by applicable laws and excluding consideration of personal advantages.

The code is accessible in the employee's languages, and the company conducts bi-annual extensive training sessions on the Code of Conduct for all employees to ensure their understanding and appreciation of its significance.

The Board of Directors will be kept informed about reported Code of Conduct violations by management, including a summary of investigations and dispositions. There have been no violations so far.

Moreover, the company has integrated an [“Anti-Bribery and Corruption procedure”](#) as part of its internal enforcement program. We continually stress the implementation of the Anti-Corruption Policy to address evolving internal and external regulations and laws. This enables us to meet global standards and fulfill our societal responsibility. Our Anti-Corruption Policy outlines the best practices employed to proactively prevent any issues related to corruption, underscoring our unwavering commitment to a zero-tolerance stance on bribery and corruption.

The company, through the awareness fostered by its Code of Conduct and the enforcement program, aims not only to minimize negative impacts on society but also to maximize social value.

The company is a public company that has adopted an administrative enforcement and corporate governance program. In addition, there are procedures in accordance with SEC recommendations and guidelines regarding the work of the board of directors, insider information, etc. Also, the company conducts training for management and employees, there is a blackout period before the publication of material reports or financial reports. All the employment and services agreements includes NDA clauses and the prohibition of terrorist financing, money laundering, and the use of insider information.



# RISK MANAGEMENT & COMPLIANCE

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## Risk Management:

Every three years, we engage an external consultant to conduct our ERM (Enterprise Risk Management) process. This process oversees risks at the enterprise level, incorporating input from diverse business units and functions. It involves dedicated risk owners for each area, ensuring continuous review and updates to align with the evolving world and stakeholder challenges. The resulting risk registers and key indicators are presented to the Board of Directors, with detailed discussions on individual risk topics. ESG topics seamlessly integrate into the ERM process, encompassing operational resilience, chemical stewardship, human capital management, and compliance.

Furthermore, we routinely perform an internal risk assessment, where managers across the organization identify their top risks, threats, and opportunities. This assessment evaluates their impact and the effectiveness of internal controls. This mapping helps identify risks that could significantly affect the business and its goals. Among these, we designate certain risks as “priority risks” for comprehensive companywide management, implementing and evaluating measures to mitigate them.





# RISK MANAGEMENT & COMPLIANCE

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## Compliance:

Nur Ink Innovations is committed to instilling a culture of compliance throughout its organization, emphasizing that each manager and employee should consider compliance a personal responsibility by strictly adhering to the company's Code of Conduct. The active promotion of the code contributes significantly to fostering a corporate culture that prioritizes compliance.

To ensure effective compliance measures, managers at Nur Ink Innovations assume leadership and responsibility, collaborating with all departments to implement optimal measures within their respective areas. Furthermore, the company follows a comprehensive multi-year audit plan, successfully setting the goal of zero cases involving law violations, a testament to the effectiveness of its work program.

This multi-year program is grounded in audits that assess key company processes based on exposure levels, the likelihood of default events, and the potential scope of damage.

In addition, the company is preparing to introduce an anti-bribery and corruption policy for customers and suppliers in its future sales operations, similar to the policy for contractors and partners. The policy will involve due diligence checks, consideration of global corruption rankings for operating countries, and a commitment from partners to adhere to the company's code of conduct.

The company is a public company that employs an auditor for its financial statements and also employs an internal auditor who prepares an internal audit report every year in accordance with a multi-year plan approved by the company's audit committee.

The risk management policy is integrated into the corporate governance and enforcement program and is also expressed in the activity of the internal auditor (risk survey, audit reports).

# COMPENSATION POLICY

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The compensation policy of Nur Ink Innovations is designed to provide guidelines for remunerating company officers. It aims to balance the interests of compensating high-performing officers, attracting and retaining top talent, and aligning with pay norms that support the company's business strategy.

The policy focuses on quantifiable benchmarks and individual objectives, comprising fixed elements like base salary and variable components such as annual grants, retirement benefits, bonuses, and equity compensation. External directors' remuneration follows Israeli regulations.

The company emphasizes transparency by publishing its compensation policy on the Tel Aviv stock exchange website. The policy undergoes periodic review to align with company needs, stakeholder feedback, and legal requirements.

The authority to approve the terms of employment of the company's senior officers and the company's compensation policy lies with the compensation committee, which consists of two external directors.



# DATA SECURITY

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At Nur Ink Innovations we acknowledge our responsibility to safeguard the information assets entrusted to us by customers, business partners, suppliers and our own assets, trade secrets and intellectual property. This commitment is essential for delivering enhanced products and services and contributing to societal development. Aligned with this principle, the company identifies both information security and cybersecurity, as an essential theme from an ESG perspective. In support of this, Nur Ink has formulated “Data Security Program” that includes the following:

## Policies & Roles:

- The company has an official data security policy and protocols for information security encompassing guidelines for the employees on data backup and restoration, user administration, and addressing cyber incident
- The company has an insurance policy for cyber incidents
- The company appointed a dedicated external cybersecurity officer to oversee and manage cyber incidents

## Training & Monitor:

- Onboarding sessions of security training for new hires and annual refresher security awareness training for all employees
- Periodic internal targeted security assessments and penetration tests (such as assessing susceptibility to phishing emails)

## Information Management & Technology:

- External support is employed to reinforce the protection of the company’s sensitive information and cyber incidents
- External assistance is engaged to ensure the effective and ongoing operation of the company’s systems, information storage, and maintenance

In light of the company’s understanding of the importance of the issue, the internal audit report presented to the company by the internal auditor in 2022 dealt with information and cyber security.

# APPENDIX





# OUR REPORT

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This document represents Nur Ink Innovations' second annual report, covering the ESG (Environmental, Social, and Governance) performance and activities from January 1, 2023, through December 31, 2023. Our previous sustainability report was issued on August 2023.

The statements included in this Sustainability Report are shared with the public to enhance transparency regarding our ESG initiatives, responding to stakeholder requests and fostering a collective understanding of ESG issues.

The report adheres to the standardized indicators of 'Maala' and aligns with the principles outlined in the GRI Standards (Global Reporting Initiative)

The report comprehensively addresses Nur Ink Innovations operations, encompassing strategy, targets, goals, and performance related to ESG. All data and information presented apply to Nur Ink Innovations activities unless explicitly stated otherwise.

This marks our second annual ESG report, and we plan to continue this practice in the years ahead. Our commitment is to provide timely and accurate information to all stakeholders, promoting transparency and accountability.

For any inquiries about this report and our ESG activities, please reach out to Nur Ink Innovations Sustainability Officer, **Inbar Friedman**, at [inbar@nur-ink.com](mailto:inbar@nur-ink.com).

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