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ASX:FYI | OTC:FYIRF

FYI Improves Upon Excellent ESG Rating

Key points

- FYI has made a commitment to Environmental, Social, and Governance (ESG) reporting and continual improvement of its sustainability credentials
- FYI improves upon excellent inaugural ESG rating from independent, globally respected agency
- FYI now ranks in the top 4th percentile of its peer group
- The Risk Ratings measure a company's exposure to industry-specific material ESG risks and quantifies how well a company manages those risks

FYI Resources Ltd (**"FYI" or "the Company"**) (ASX:FYI; OTCQB:FYIRF; FSE:SDL) is pleased to advise that the Company has received an improved Environmental, Social and Governance (ESG) rating as a result of its continual improvement practices.

The independent ESG rating service company, Sustainalytics, a Morningstar Inc company, provides a best-in-class analysis and methodology to measure a company's exposure to industry specific ESG risks and consequently rates how well a company manages those risks. The ratings are comparable across cohorts and measured against a universe of approximately 14,000 global industry participants including a sub-industry category of 153 direct peer and competitor companies

The Sustainalytics rating process has provided FYI with a revised ESG score of 23.8 (initial ESG rating of 28.0 out of 100) and a ranking of 5th (previously 9th) out of 153 peers and a top quartile of 4th percentile (previously 6th percentile). Of note, FYI was top ranked in 3 categories and top 5 ranking in a further 5 categories.

Managing Director of FYI, Mr. Roland Hill commented: "FYI is continually demonstrating its commitment to its stated ESG objectives and is transitioning its corporate culture and stakeholder engagement to manage and grow our business under a defined ESG framework more efficiently and effectively. It is very pleasing to receive the revised rating and see the positive progression from our inaugural ESG rating. The rating itself is outstanding in the context of our peer group results and provides an excellent platform on which FYI can develop and improve our ESG aspirations. As a further commitment to achieving these goals, we are proud of the addition of Dr Chong to FYI. She will bring her many years of experience in sustainability and corporate governance to our team, and we look forward to her valuable contribution.



FYI's appointed ESG director, Dr Sandy Chong stated: "The current world is amid a global transformation due to multiple factors such as climate impacts and a COVID-19 pandemic, pushing decision makers across the world to transition towards a more sustainable and low carbon economy. Minimising risk, identifying opportunities, and safeguarding assets from detriments can all become long term benefits from environmental, social and governance reporting. "The power behind ESG strategies will allow for global economy to accelerate into a more sustainable future." said Dr Chong. This is supported by a body of evidence¹ that demonstrated correlation between strong ESG proposition and higher equity returns. Improvements in ESG also corresponds with a reduction in downside risk.

At FYI, a proactive approach has been taken to report and integrate ESG into the company's growth agenda, driven by broader consumer and stakeholder attention. Both executive and investors alike also contribute to the drive by realising that a forward thinking and strong ESG strategy can safeguard FYI's long-term success.

FYI is exceptionally proud of its ESG achievement so far and it will continue to apply both an ESG and economic overlay to the Company to ensure its long-term sustainability. We are confident that this will greatly enhance shareholder value as we continue the development of the Company's innovative, high quality, ultra-pure HPA project."

ESG disclosure progress

FYI's ESG commitments are structured around our corporate values and key areas relevant to our business. These progress and disclosures are captured under the four pillars of the World Economic Forum's (WEF) ESG framework of Governance, Planet, People, and Prosperity. FYI's ESG baseline report (below) shows the starting point of our Company's ESG journey with the indicators highlighting the progress being achieved over time. FYI will report our ESG progress on a quarterly basis.

Our ESG framework not only provides transparency over our own ESG management and activities, but it also includes full traceability of our entire integrated supply chain. This not only allows for the verification of the quality and ethical origins of our HPA, but also ensures that our work has the full confidence of our stakeholders as we continually seek to improve.

¹ Friede, G. et. al. (2015) "ESG and Financial Performance: Aggregated Evidence from More than 2000 Empirical Studies", Journal of Sustainable Finance & Investment, Volume 5, Issue 4, p. 210-233.



A summary table of FYI’s category results are shown in the table below:

fyi FYI Resources (FYI)		Socialsuite								
ESG Go Report		Action	E Explanation	D Development	R Reported	V Verified	A Audited			
Baseline 20/04/21										
Dashboard - Baseline		MATERIAL	PRIORITY	TIMEFRAME	DISCLOSURE	MATURITY				
						A1	A2	A3	A4	A5
GOVERNANCE 	GO-01-A	Setting purpose	Y	Y	Q2 2021	D	D	D		
	GO-02-A	Governance body composition	Y	Y	Q2 2021	D	D			
	GO-03-A	Material issues impacting stakeholders	Y	Y	Q2 2021	R	R	R	R	D
	GO-04-A	Anti-corruption practices	Y	Y	Q2 2021	R	R	D	D	
	GO-04-B	Mechanisms to protect ethical behaviour	Y	Y	Q3 2021	D	R	D		
	GO-05-A	Integrating risk and opportunity into business process	Y	N	Q3 2021	D	R	D		
PLANET 	PL-01-A	GHG emissions	Y	N	Q4 2021	D	D			
	PL-01-B	TCFD implementation	Y	N	H1 2022	D				
	PL-02-A	Land use and ecological sensitivity	Y	Y	Q2 2021	D	R			
	PL-03-A	Water consumption	Y	Y	Q2 2021	R	R			
PEOPLE 	PE-01-A	Diversity and inclusion	Y	N	Q3 2021	D	D			
	PE-01-B	Pay equality	Y	N	Q3 2021	D	D			
	PE-01-C	Wage level	Y	N	Q3 2021	D	D	D		
	PE-01-D	Child, forced or compulsory labour	N	N	- -	E				
	PE-02-A	Health and safety	Y	N	Q3 2021	D	D	D		
	PE-03-A	Training provided	Y	N	Q4 2021	D				
PROSPERITY 	PR-01-A	Rate of employment	Y	N	Q4 2021	D				
	PR-01-B	Economic contribution	Y	N	Q4 2021	D				
	PR-01-C	Financial investment contribution	Y	N	Q4 2021	D				
	PR-02-A	Total R&D expenses	Y	Y	Q2 2021	R	R			
	PR-03-A	Total tax paid	Y	Y	Q2 2021	R	R			



What is ESG

ESG refers to the three central criteria of the sustainability and societal impact of a company. The World Economic Forum (WEF) has defined common metrics for sustainable value creation in a core set of 21 disclosures for organisations to standardise a Company's stakeholder reporting on performance against ESG indicators. The WEF metrics are based on existing standards, aiming to accelerate convergence and consistency in the reporting of ESG disclosures.

By including these ESG metrics in FYI's reporting and integrating them into our governance, business strategy and performance management process we demonstrate that we diligently consider all pertinent risks and opportunities in running our business.

Analysis of these criteria is thought by some to help to better determine the future financial performance and potential investment merit in a company and to promote a sustainable business model and assist with our contribution in fundamentally reshaping the global economy with a change to our attitude and mindset via the goal to achieve net zero carbon emissions.

This announcement is authorised for release by Roland Hill, Managing Director

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About FYI Resources Limited

FYI's is positioning itself to be a significant producer of 4N and 5N HPA in the rapidly developing high-tech product markets.

FYI applies both an ESG and economic overlay of the Company and its operations to ensure long-term sustainable and shareholder value is created via the development of the Company's innovative, high quality, ultra-pure HPA project.

HPA is increasingly becoming the primary sought-after input material for certain high-tech products principally for its unique properties, characteristics and chemical properties that address those applications high specification requirements such as LED's and other sapphire glass products.

The longer-term driver for HPA, with forecasts of >17% CAGR*, is the outlook for the burgeoning electric vehicle and static energy storage markets where the primary function is in the use as a separator material between the anode and cathode in batteries to increase power, functionality and safety of the battery cells.

The foundation of the HPA strategy the Company's moderate temperature, atmospheric pressure innovative process flowsheet. The strategy's quality attributes combine resulting in world class HPA project potential.

* CRU HPA Industry Report 2021