

ESG Strategy for 2024 onward

1. Our overall approach

At ICS, we have been committed to sustainability and environmental responsibility for a long time. In 2022, we created our first formal ESG strategy and began to monitor and communicate our progress. In 2024, we reviewed our overall strategy, refreshed our vision, mission, and values, and redefined our ESG strategy.

This document outlines our Environmental, Social, and Governance (ESG) strategy and goals, reflecting our commitment to sustainable development and our intention to continuously improve our practices.

2. Our ESG strategy

At ICS, we wired the Environmental, Social, and Governance (ESG) principles into every aspect of our operations. Our strategy is designed to promote sustainability, enhance our social impact, and ensure robust governance.

Our ESG strategy is built on five strategic pillars.

Firstly, we emphasize Environmental Stewardship. We aim to reduce energy consumption and lower our carbon footprint through continuous improvement and innovation. Minimizing waste and promoting recycling and recyclability are key to our approach, fostering a circular economy.

Secondly, we focus on Product and Customer Engagement. Developing a portfolio of sustainable products is a core focus, driving innovation in product design and manufacturing. We actively engage with customers to promote sustainable practices and solutions.

Social Responsibility is another critical pillar. Ensuring high employee satisfaction and fostering a supportive work environment are top priorities. We are also committed to making a positive impact through community projects and initiatives.

Operational Excellence is integral to our ESG strategy. We prioritize responsible sourcing of materials to protect the environment and uphold ethical standards. Additionally, we enhance efficiency and sustainability through the digitalization of our operations.

Lastly, Governance and Transparency are essential components. Transparent communication and regular reporting on our ESG performance ensure accountability. Implementing systems to track and manage our sustainability metrics supports continuous improvement.

ICS's ESG strategy is focused on creating long-term value, reducing environmental impact, and enhancing social well-being. We invite our partners, customers, and other stakeholders to join us in our commitment to sustainability and responsible business practices.



3. Our ESG goals

At ICS, we have established clear and measurable ESG goals to guide our sustainability efforts and track our progress. These goals reflect our commitment to environmental stewardship, social responsibility, and robust governance. By setting ambitious targets, we aim to drive continuous improvement across all areas of our operations. The following table outlines our specific ESG goals, which serve as a roadmap for achieving a sustainable and responsible business.

	Area	Goal description	Rational
E	CO2 reduction	Reduce CO2 emissions	Reducing CO2 emissions is essential for addressing climate change. By setting ambitious reduction targets, ICS contributes to global efforts to lower greenhouse gas emissions and demonstrates leadership in sustainability.
E	Energy efficiency	Reduce energy consumption	Reducing energy consumption is crucial for lowering operational costs and minimizing the environmental impact. It aligns with global efforts to combat climate change and helps ICS enhance the sustainability of its operations.
E	Waste management and circular economy	Reduce waste	Effective waste management reduces environmental pollution and conserves resources. By promoting a circular economy, ICS can minimize waste generation, optimize resource use, and create value from by-products.
E	Sustainable products, customer engagement	Build a portfolio of sustainable products	Manufacturing sustainable products meets the growing demand for eco-friendly solutions. This initiative supports research and development of green products and aligns with customer values.
E	Biodiversity	Implement biodiversity conservation projects	Biodiversity conservation initiatives reflect ICS's commitment to environmental stewardship and contribute to the preservation of local wildlife and habitats.
E	Water	Reduce water usage	Water conservation is vital for sustainable operations. Reducing water usage helps ICS minimize its environmental footprint and ensures the sustainable use of a critical resource.
S	Employee well-being	Achieve desired employee mood rate	High employee satisfaction leads to increased productivity, reduced turnover, and a positive workplace culture. Fostering employee well-being aligns with ICS's values and enhances its reputation as an employer of choice.
S	Social impact, community engagement	Develop and implement community engagement projects	Community engagement projects build strong relationships with local communities and create positive social impacts. These initiatives support ICS's social responsibility goals and contribute to community development and well-being.



G	Sustainable material sourcing	Implement sustainable sourcing	Sustainable sourcing ensures that materials are obtained in an environmentally and socially responsible manner. This practice reduces the environmental impact of ICS's supply chain and supports ethical business practices.
G	Digitalization	Digitize operational processes	Digitalization improves operational efficiency, reduces waste, and enhances data accuracy. By digitizing processes, ICS can streamline operations, reduce costs, and support its sustainability goals.
G	Reporting and transparent communication	Set up regular reporting	Regular reporting enhances transparency and accountability, providing stakeholders with clear insights into ICS's ESG performance. This practice builds trust and demonstrates the company's commitment to continuous improvement.
G	ESG measurement and management	Implement monitoring systems for defined sustainability metrics	Effective monitoring systems allow ICS to track progress, identify areas for improvement, and ensure that sustainability goals are met. This capability supports informed decision-making and drives continuous enhancement of ESG practices.

Our ESG goals ensure that our efforts are aligned with our mission to create a positive impact on the environment, our communities, and our industry. Together with our stakeholders, we are confident that we can achieve these ambitious objectives and contribute to a more sustainable future for all.



4. Our KPIs

Area	Goal description	ICS
CO2 reduction	Reduce CO2 emissions	S1 + S2 50% by 2030, 100% by 2050 S3 10% annually
Energy efficiency	Reduce energy consumption	By 5% annually *per ton of used total material, **metal coefficient for Al/CU
Waste management and circular economy	Reduce waste	Waste of metals: max. 2.55% annually Non-production waste: 2% annually
Green products, customer engagement	Build a portfolio of green products	At least 1 sustainable product by 2030
Biodiversity	Implement biodiversity conservation projects	At least 1 project each year
Water	Reduce tap water usage	By 5% annually per ton of used material
Employee well being	Achieve desired employee mood rate	Mood level lower than 1.5 (while response rate higher than 75%)
Social impact, community engagement	Develop and implement community engagement projects	2 projects annually
Sustainable material sourcing	Implement sustainable sourcing	Sustainability questionnaire responses (top 80% of suppliers by annual volume) 50% of suppliers by 2030
Digitalization	Digitize operational processes	80% of processes digitalized by 2030
Reporting and transparent communication	Set up regular reporting	Regular reports to be prepared (i) ESG (ii) HR, (iii) IT (iv) sustainable purchase
ESG measurement and management	Implement monitoring systems for defined sustainability metrics	by 2025

