2025-07

Environmental & Sustainability Policy

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Policy Owner: HR & ESG Director
Approved by: IPCOM Board of Directors
Applies to: All IPCOM group companies, including its directors, management, staff and contractors working for the IPCOM group companies

1. OUR COMMITMENT

As a leader in distribution and conversion of innovative insulation solutions, we aim to contribute to a world that is sustainable, safe and comfortable to live and work in. We aim to increase our positive impact on society and environment by maximizing the positive sustainability impact of our products and minimizing our negative operational impact.

For this reason, the IPCOM Group has established an Environmental & Sustainability Policy as part of its broader sustainability framework. This policy is aligned with and complements the Group's other key policies, including the Master ESG Policy, Labour and Human Rights, Customer Health and Safety, Ethics and Compliance, and Procurement Policies. Together, these policies provide a cohesive foundation that enables the Group to effectively implement its mission, ambition, and strategy in practice.

We are committed to operating our business in a way that demonstrates our dedication to global environmental sustainability. This commitment is reflected in the following priorities:

- Offer the most sustainable and environment-friendly materials to our customers;
- Improving our environmental performance on a continuous basis; and
- Working with suppliers who operate with similar dedication to sustainability.

Each of our IPCOM group companies is responsible for establishing, monitoring and adjusting sustainability initiatives that are aligned with IPCOM's environmental sustainability priorities.

This Environmental & Sustainability Policy formalises our commitment and aims to implement environmental actions within the group.

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2. IMPACT OF OUR PRODUCT PORTFOLIO

With a product portfolio of insulation solutions, we can have a big impact to improve energy efficiency and reduce GHG emissions together with our customers and suppliers. The overall benefits from insulation are numerous, including thermal performance, personal comfort, sound control, condensation control and fire protection.

We strive to offer the most sustainable - e.g. natural materials or recycled components - and best performing materials to our customers.

We also continue to invest in a TIPCHECK (Technical Insulation Performance Check) certification, in order to help customers identify energy leaks and understand the return on investment/profitability of upgrading the facility. This service can result in significant (energy) savings for the end customer and, importantly, help reduce CO2 emissions.

3. COMPLIANCE WITH REGULATORY REQUIREMENTS AND COMPANY POLICIES

IPCOM's environmental audits help ensure that the company's facilities meet regulatory requirements and company policies and best practices. New IPCOM group companies with conversion activities will be subject to an environmental audit as part of the due diligence process and corrective actions will be taken when needed. However, we consider compliance with the applicable environmental regulations as a bare minimum.

Each IPCOM group company is responsible for complying with the IPCOM Environmental & Sustainability Policy. Everyone in the organization has a responsibility to preserve and protect the environment, conduct operations in a safe manner and recognize the potential impacts of our operations. As part of IPCOM's ongoing drive for overall operational excellence, many of our conversion businesses pursue third-party certifications, including those offered by the International Organization for Standardization (ISO).

IPCOM aims that 100% of its conversion sites (*) obtains ISO 14001 certification by 2030, or when it concerns future acquisitions, within 5 years after becoming part of the IPCOM-group.

(*) with the exception of minor conversion sites at which fewer than 3 FTE's are engaged in conversion activities.

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4. CLIMATE

Carbon footprint & SBTi

The fight against climate change is widely recognised as one of the greatest challenges of this century. The IPCOM Group is firmly committed to this global effort and actively supports the objectives of the Paris Agreement.

We are committed to reducing our carbon footprint throughout the group. Across all our businesses, we measure, manage and work to reduce the environmental footprint of our operations and products:

- ✓ Since 2021, IPCOM has measured its Scope 1 and 2 emissions in accordance with the GHG Protocol, the globally recognised standard for greenhouse gas accounting. In 2024, this effort was expanded to include a comprehensive Scope 1, 2, and 3 inventory, providing for the first time a complete overview of the climate impact across our operations and value chain. Going forward, IPCOM will calculate Scope 1, 2, and 3 emissions on an annual basis, with all Group companies – including the most recent acquisitions – participating in the annual carbon footprint assessment.

- ✓ In June 2023, IPCOM joined the Science Based Targets initiative (SBTi), committing to align our climate ambitions with the Paris Agreement objective of limiting global warming to 1.5 °C. In the meantime, we submitted our near-term targets with validation scheduled to begin in August 2025.

SBTi targets

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Specifically, these targets include the following:

- ✓ Reduce Scope 1 and 2 emissions by 42.0 % by 2030 (vs. 2024 baseline), aligned with the SBTi 1.5°C pathway.
- ✓ Since the majority of our footprint lies in purchased goods and services, IPCOM will engage with key suppliers to ensure that 68.6 % (by emissions covering purchased goods and services) set their own Scope 1 and 2 science-based targets by 2030.
- ✓ Since we have also entered the HVAC segment and anticipate further growth, we are committed to actively reducing the footprint associated with the use of sold products. IPCOM commits to reduce use of sold products emissions intensity 51,6% per euro value added by 2030 from a 2024 base year.

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In addition, IPCOM is also committed to continuously improving the accuracy and completeness of its carbon footprint assessment by enhancing data collection and strengthening monitoring systems. This ensures that its climate strategy remains robust, transparent, and aligned with best practices.

Reducing our operational emissions

To achieve our operational emissions reduction targets, IPCOM has implemented a comprehensive decarbonization strategy that combines efficiency improvements with the adoption of low-carbon technologies:

- Enhancing operational performance through energy-saving initiatives, material optimization, and circular economy practices.
- Expanding the use of renewable energy across IPCOM operations, with a target of at least 60% renewable electricity by 2027 and 90% by 2030

Key measures and investments in this regard include:

- Invest in renewable energy resources, such as solar panels,
- Drive continued energy reductions in our facilities, e.g. invest in LED lighting,
- Maximize purchase of green/clean electricity, Electrify fleet and invest in charging infrastructure,
- Renew and optimize truck fleet (fuel-efficient models, low-carbon fuels),
- Upgrade or modernize manufacturing equipment,
- Etc.

Each company in the IPCOM Group operates within its specific context and implements the measures most appropriate to its activities and value chain in order to reduce environmental impacts and contribute to the achievement of the Group's sustainability targets.

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5. AIR POLLUTION

Air pollution and climate change are closely intertwined as they share the same root cause of human emissions. We are aiming to improve air quality by reducing emissions from our own transport and operations and by incorporating air filtration systems into our conversion processes.

6. CIRCULAR ECONOMY

IPCOM is committed to promoting resource circularity across its operations by integrating eco-design principles, implementing take-back and recycling programs, and optimizing material use throughout the product lifecycle. Through these initiatives, we aim to minimize waste, extend product value, and reduce the environmental impact of our products and services.

7. CUSTOMER HEALTH & SAFETY

IPCOM Is committed to ensuring the health and safety of its customers and end-users by integrating safety into every stage of the product lifecycle, from design and production to distribution and support. It sets clear expectations for compliance, hazard identification, risk management, employee training, and oversight of both IPCOM-manufactured and third-party products. These commitments are further detailed in IPCOM's Customer Health & Safety Policy.

8. EFFECTIVE WASTE MANAGEMENT

IPCOM is committed to reducing the amount of waste from our operations and reusing and recycling materials when possible. The IPCOM group companies are taking initiatives, including but not limited to:

- Separate waste streams and engage in maximum recyclability;
- Finding beneficial reuse for waste from our conversion processes instead of disposal;
- Eliminate packaging wherever possible or (re)use recyclable packaging;
- Actively promote a paper-free way of working and invest in digital solutions.

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9. WATER

Although IPCOM has a low dependency on water for its business operations, we recognize that water is a finite and shared resource. As well as being a basic human right and fundamental to healthy ecosystems, water is vital to the functioning of the global economy. To this end, we work to promote sustainable water use, minimize operational water usage, protect water resources and avoid watershed contamination.

10. TOGETHER WITH OUR SUPPLIERS

IPCOM is committed to working with suppliers who operate responsibly and share our dedication to environmental & sustainability standards. Conducting supply chain due diligence is an important part of our overall environmental and sustainability efforts. We expect our key suppliers to acknowledge and sign IPCOM's Supplier Code of Conduct and to complete an annual self- assessment questionnaire, in order to verify their policies, commitment and initiatives.

IPCOM aims for all suppliers meeting the following criteria to sign IPCOM's Supplier Code of Conduct and complete a Sustainability Self-Assessment by 2027:

- Suppliers with an annual purchase volume of EUR 250,000 or more - whether per individual entity or cumulatively across the Group;
- Suppliers with lower purchase volumes if they operate in high-risk regions or sectors, as identified by recognized international benchmarks.

Moving forward, IPCOM will launch a Sustainability Awareness Training, which will help procurement teams recognize red flags but also marks of high ESG standards in the supply chain.

11. METRICS & TARGETS

IPCOM has set up a quarterly reporting, including environmental KPI's, such as waste, investments in energy efficiency improvements, etc. This environmental reporting will allow us to set objectives and targets and to measure the impact of our efforts.

12. SCOPE

The policy applies to all IPCOM group companies, including its directors, management, staff and contractors working for the IPCOM group companies.

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13. RESPONSIBILITIES

IPCOM's Board of Directors and management have approved and issued this Policy as part of its overall responsibility for IPCOM's sustainability and ESG approach. The management has primary and day-to- day responsibility for implementing this Policy and for monitoring its use and effectiveness. Management at all levels is responsible for ensuring that the Personnel reporting to management are made aware of and understand this Policy.

14. REVIEW

This Policy is issued on 26 October 2023. Recognizing that best practices and legal requirements evolve, IPCOM commits to regularly reviewing and updating this policy. The latest update was made on July 3rd, 2025.

Significant updates to the policy will be communicated across the organization and any other relevant stakeholders

15. CONTACT US:

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