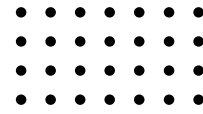# 2024
ESG
Report

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

IAC

IACGROUP.COM

ESG Overview

At International Automotive Components Group (IAC), our approach to environmental, social and governance (ESG) standards is grounded in responsibility. We believe companies have an obligation to operate in ways that protect people, communities, and the environment, and to consider the long-term impact of the decisions we make. This principle guides how we conduct business across all regions and functions.

As a global Tier One automotive supplier, IAC also recognizes that strong ESG performance builds trust with employees, customers, shareholders and other stakeholders. Integrating ESG principles into our operations supports IAC's reputation as a dependable business partner and contributes to long-term value creation and business resilience.

Our continued success depends on the commitment of employees at all levels to uphold corporate standards for social responsibility, ethical conduct and environmental stewardship. Senior management is responsible for developing and overseeing IAC's corporate social responsibility program, ensuring ESG considerations are embedded in governance structures, decision-making processes and daily operations. This approach supports transparency, accountability and consistency across the organization.

This report provides an overview of IAC's governance and management structure and outlines how ESG considerations are addressed across the business. Strong governance and effective management remain essential to achieving sustainability objectives and meeting stakeholder expectations.

Unless otherwise stated, this report covers company activities from January 1, 2024 through December 31, 2024.

The Board of Directors, the Corporate Responsibility Committee (CRC) and the management team maintain oversight of governance, risk management and strategy execution, while addressing emerging challenges. IAC's culture reinforces ethical behavior through training, open communication and clearly defined responsibilities.

In 2019, IAC established strategic goals related to carbon neutrality. That year serves as the baseline for measuring greenhouse gas emissions and other sustainability metrics, based on the availability of complete and reliable data. Using a consistent baseline allows IAC to set measurable targets, track progress over time and assess the effectiveness of sustainability initiatives. Alignment with recognized reporting frameworks, including the Global Reporting Initiative (GRI), supports transparency and comparability in our sustainability reporting.

A Message from Kevin Baird, CEO

At IAC, building a sustainable business starts with responsibility. We have a duty to operate in ways that protect our people, our communities, and the environment, and to consider the long-term impact of the choices we make. Sustainability is not a separate initiative at IAC. It is part of how we run the business.

Climate change remains one of the most significant challenges facing our industry and society. Reducing greenhouse gas emissions and improving energy efficiency require sustained effort and shared accountability. Across our operations, teams are taking practical steps to lower our environmental impact and strengthen the resilience of our business.

In the United States, our teams achieved a 25 percent reduction in energy intensity at U.S.-based operations through participation in the U.S. Department of Energy's Better Plants Program, reaching that milestone in 2023. This progress reflects the focus, discipline, and collaboration of our teams, and it reinforces the value of setting clear, measurable goals.

We are also mindful of the materials we use in our products, packaging, and operations. By sourcing materials responsibly and reducing waste across our supply chain, we continue to make improvements that benefit both the environment and our business.

Our responsibility extends beyond our own operations. IAC is committed to being a constructive presence in the communities where we operate and to contributing in ways that support long-term social and economic well-being.
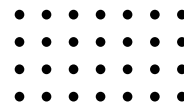
Each of us has a role to play. Everyday actions, whether at work or at home, contribute to the progress we make together. By staying focused and working as one team, we can continue to reduce our environmental impact and build a stronger, more sustainable future for IAC and the generations that follow.

Thank you for your continued commitment.

Sincerely,
Kevin Baird

IAC Group Summary

As part of a strategic business realignment, IAC Group successfully completed the divestiture of business units in the United Kingdom, Sweden and China in 2024. These transactions are part of a strategic path to strengthen IAC's profitability and optimize international footprint. 2024 sales figures are up to the date of the closing of each transaction. Due to the multiple transactions and internal realignments, the employee counts are post transactions.

IAC Governance and Management Approach

Our company has a clear governance structure in place, with the senior management team overseeing and ensuring that the company operates in an ethical and responsible manner. Our senior management team is comprised of individuals with diverse backgrounds and abilities, who provide guidance and oversight to the business.

In addition to the senior management team, IAC has a sustainability committee that oversees the development and implementation of our sustainability strategy. This committee is composed of senior executives from various functions including operations, health & safety, commercial, purchasing, legal, finance, and human resources, and is chaired by the CEO.
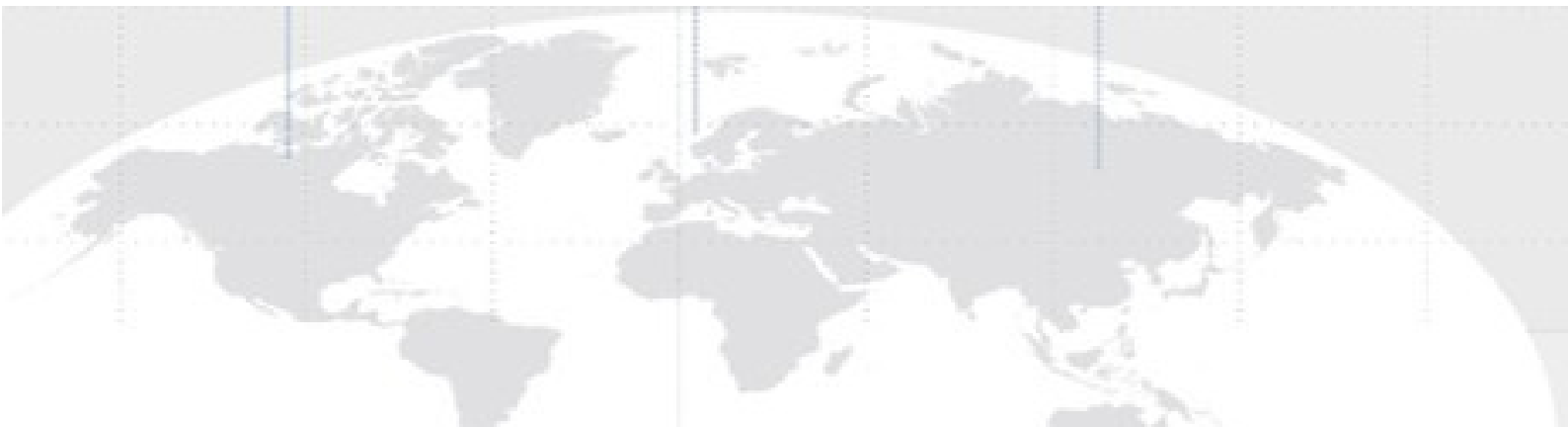
North America
- $1.4 Billion sales
- 7,100 Employees
- 12 Facilities
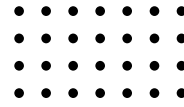- 3 Technical / Engineering and Commercial Centers

Global Headquarters
- Luxemburg

EMEA
- $1.9 Billion sales
- 4,636 Employees
- 15 Facilities

Governance & Management

Global Sustainability Committee	Function	Roles and Responsibilities
Chief Executive Officer (CEO)	Chairperson	- Senior person responsible for sustainability - Leader of the business - Business direction - Sustainability Policies - Board of directors
Chief Administration Officer (CAO)	Sustainability / Legal	- HSES policies and procedures for IAC Group - Environmental Social and Governance Lead
Chief Financial Officer (CFO)	Finance	- Business Performance Tracking
Chief Operations Officer (COO)	Operations	- Operations facilities sustainability performance - HSES policies and procedures for IAC Group
Executive Vice President Commercial	Customer Liaison	
Chief Human Resources Officer	Human Resources	- Working conditions - Job roles and responsibilities - HSES policies and procedures for IAC Group Works Councils
Global Energy Manager	Data Analysis & Reporting	- Environmental Social and Governance - Collating company sustainability data - CDP and ESG annual reports - EcoVadis membership and assessment - Customer sustainability portals
Manager Procurement, Business Processes and Procedures	Supply Chain Sustainability	- Managing supply chain assessments - Managing EcoVadis within the supply chain - Sustainability policies and procedures for supply chain compliance - Customer supply chain assessment requests.
Regional Senior HSES Managers	Health, Safety and Environmental	- Sustainability assessments (customer requirements) - HSES policies and procedures for IAC Group - CDP annual report - EcoVadis membership and assessment - ISO14001 & ISO45001 certification - HSE audit program
Global Energy Manager	Energy and efficiency	- Energy Efficiency Program - Carbon Reduction Strategy - Energy supply management

Policies and Commitments. We have a range of policies and commitments in place to ensure that we work in a sustainable and responsible manner. These include:

- **Code of conduct**: Our business code of conduct outlines our commitment to ethical business practices including fair treatment of employees, respect for human rights and compliance with laws and regulations.

- **Environmental & sustainability policy:** Our policy outlines our commitment to reducing our environmental footprint, including our carbon emissions, water use and waste generation and handling.

- **Laws and regulations:** Our policy identifies those responsible for legal compliance and additionally all IAC operational locations will maintain a register of legal and other requirements, to meet the local certification compliance of ISO14001, ISO45001 and ISO50001.

- **Diversity and inclusion policy:** We are committed to creating a diverse and inclusive workplace and have a policy in place that outlines our approach to achieving this goal.

- **Health and safety policy:** We value the health and safety of our employees and live by our commitment that 'Working Safely is the Most Important Thing We Do.' We have a policy in place that outlines our approach to managing health and safety risks in the workplace.
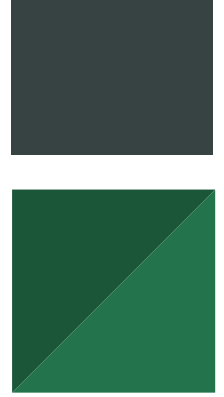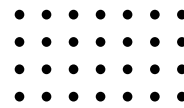
Management Systems: To ensure that we are effectively managing sustainability risks and opportunities, we have several management systems in place, including:

- Environmental management system: We have implemented an environmental management system that is certified to the ISO 14001 standard, which helps us to identify and manage our environmental impacts.

- Health and safety management system: We have a health and safety management system in place that is designed to identify and manage health and safety risks in the workplace.

- Quality management system: We have a quality management system in place that is certified to the IATF16949 automotive standard, which helps us to ensure that our products and services meet the needs of our customers.

- Energy management system: (Germany) We have an energy management system in place that is certified to the ISO-50001. Energy efficiency and reduction is integrated into our climate goals to reduce Scope 1 & 2 CO2e emissions.

Our governance and management approach are designed to ensure that we operate in a sustainable and responsible manner, while delivering value to our stakeholders. We have clear policies and commitments in place, and a robust governance and management structure that ensures accountability and transparency. We will continue to refine our approach to governance and management to meet the evolving needs and expectations of our stakeholders and to achieve our sustainability goals.

Our Approach to Materiality

Supply chain management

Health, safety & environment

Employment practices

Energy

Meeting customer needs

The CRC regularly performs materiality assessments to define the ESG topics that are most pertinent to IAC's business and stakeholders. The CRC performs a comprehensive assessment of all material topics and seeks feedback from all stakeholders. An initial review of publicly available material topics, including industry reporting protocols, guidelines and third-party sustainability reports, provided the focus areas to approach our company specific assessment. We then refined our list of potential material topics by engaging with our stakeholders, including our board of directors, management, employees, investors, customers and suppliers. The topics were ranked in accordance with

their potential impact on the business, our reputation, our brand, our customer satisfaction and safety and regulatory impacts, as well as broader social impacts. We then aligned the results of our company assessment with the external review results and determined our material focus areas.

Our material topics for 2024 were **supply chain management; health, safety and environment; employment practices; energy;** and **meeting the needs of our customers**. We are committed to reviewing our material assessment process and results on a regular basis to be sure we are addressing the topics most relevant to our business as well as our stakeholders.

IAC Employees

Our people are a key success factor at IAC. Throughout this report, "employees" including IAC employees, contract workers and agency workers, as IAC does not discriminate and treats all persons equally. Our commitment to safety is ingrained in all we do. Our model for operational excellence requires business professionals with core values in company-employee relationships to foster leadership capable of managing people, resources and results to find growth opportunities for the organization and the team. Sustainability is an essential topic at IAC; it is a core component of responsible and ethical business practices. Sustainability at IAC encompasses various aspects including economic, social, and environmental factors. IAC understands that employees play a crucial role in supporting sustainability efforts, particularly in addressing social issues.

Social issues can affect our employees' well-being and their ability to lead fulfilling lives. Social issues can include poverty, inequality, discrimination, lack of access to healthcare, education and other basic needs. IAC recognizes that we have a responsibility to contribute to addressing these issues, and we work with our employees to do so. Employees are critical stakeholders in our business and are essential to supporting sustainability and social issues. Their participation can have a significant impact.

How IAC's employees make a difference:

Freedom of Association & Collective Bargaining: All workers have the right to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly. IAC Group respects the right of workers to refrain from such activities and respects their freedom of opinion and expression. Additionally, workers and/or their representatives communicate and share ideas and concerns with management regarding working conditions and management practices, both without fear of discrimination, reprisal, intimidation, or harassment. IAC operates a speak up hotline, which also supports our employees, to ensure they can confidentially report any concerns without fear of any reprisals. All reports to the hotline are managed by the conduct committee and independently investigated.

Ambassadors for our company's values: Our employees are the face of IAC and interact with our customers, suppliers, and other stakeholders. With the participation of employees in our sustainability efforts, they become ambassadors for IAC's values. This will help build IAC's reputation as a socially responsible business and can contribute to attracting and retaining customers and employees who share those values.

Bring diverse perspectives and expertise. Sustainability issues are complex and require input from various stakeholders with different perspectives and expertise. IAC employees bring a unique perspective to the table, given their experience working at IAC and their knowledge of the automotive industry. They provide valuable insights into how IAC can operate more sustainably and address social issues effectively.
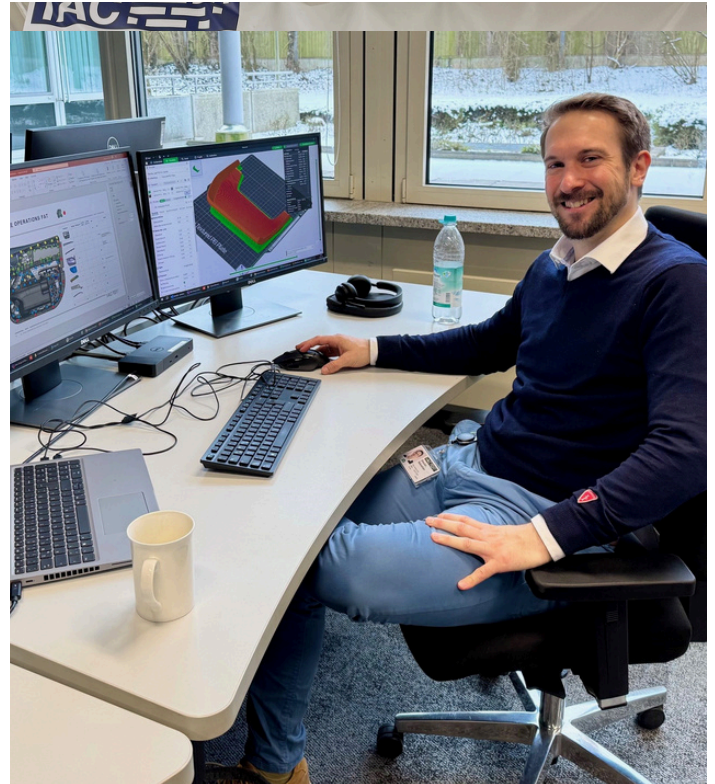
They drive innovation and change. Our employees are often the ones who identify inefficiencies and waste, and identify other areas where IAC can improve. Participation in sustainability initiatives drives innovation and change at IAC. This has led to cost savings, increased efficiency, and improved environmental and social outcomes.

Engaged and motivated. Our employees drive the sustainability program, and participate in sustainability initiatives that address social issues. In doing so, they are making a difference and contributing to something meaningful. IAC believes this can lead to increased job satisfaction, stronger employee retention and improved productivity.

Build a culture of sustainability:
IAC's engagement with sustainability initiatives is focused on providing all employees with the necessary training and resources to make a meaningful contribution. By doing so, IAC can build a culture of sustainability and contribute to creating a more equitable and sustainable future for all. When employees participate in sustainability initiatives, they build this culture of sustainability, promoting a mindset shift in which sustainability becomes a core component of how IAC
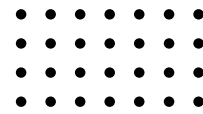

operates. We seek to foster collaboration and teamwork among employees to work towards a common goal: a more equitable and sustainable future for all. IAC is committed to developing competitive teams to drive innovation and intelligent connectivity to support our position as a leading supplier of automotive interiors.

We believe that a diverse and inclusive environment is critical to our success. Our teams throughout the world work to increase our positive impact in communities we live and work by contributing to solving social issues.

IAC will provide resources for occupational health, safety, environmental and sustainability to all persons employed on IAC premises (this does not include contractors, who are managed by a separate policy).

Occupational Health, Safety & Environment at IAC

The IAC Occupational Health, Safety and Environmental program is driven to succeed for our employees. IAC believes no one should get hurt while working. Our commitment to safety is ingrained in our company philosophy: 'Working Safely is the Most Important Thing We Do'. We strive to promote a positive culture across the business through effective management of health, safety & environmental concerns, control of risks and continuous improvement of work processes and systems. IAC has appointed qualified competent occupational health, safety, and environmental professionals to support and guide the management team with the implementation of the program. To strengthen our operational ownership commitment, we restructured the HSES organization to report into Operations within the regions. We continuously evaluate our safety program to improve the safety and well-being of our IAC family, and to meet our internal safety targets.

Occupational health & safety is an integral part of the overall business plan, where safety controls are designed into every aspect of our business. IAC global safety polices are integrated in all that we do. We strive to improve our safety culture and sustain a year-on-year reduction in workplace injuries and illnesses.

How do we manage this? At IAC we have an integrated Global Documentation System (GDS) which is the home of our management systems, for quality, occupational health, safety, environment and sustainability. The GDS is arranged to cover global and regional requirements, the system is certified to IATF16949 (quality management), ISO14001 (environmental management), ISO45001 (occupational health and safety management) and ISO50001 (energy management). The GDS management system covers all IAC locations, business activities, employees, contractors, and visitors. IAC uses a third-party reporting system, to record and track workplace accidents, monthly reports are created and shared with key stakeholders. IAC is Committed to Safety.

Main Topics

HAZARD IDENTIFICATION

RISK ASSESSMENT

INCIDENT INVESTIGATION

Hazard identification

One of the key benefits of hazard identification is it allows IAC to proactively identify potential incidents and take steps to mitigate them before they cause harm. We use an array of tools to do this, starting with a global policy for accident and incident reporting. This standard process is audited annually for compliance.

We conduct regular inspections and SAFE audits of the workplace (IAC Global Safety Standards) and provide training and education to employees on how to identify and report hazards. IAC focuses on elimination and reduction of hazards; any concern can be reported to the safety team or supervisors.

Within the plants, we have implemented a Stop/Call/Resolve process using mobile devices to allow easy reporting and prompt correction of hazards.

In some plants, this is also used to highlight safe work behaviors and recognize employee participation in identifying safe or unsafe conditions.

IAC operates a "Speak Up" hotline, which also supports our employees, to ensure they can confidentially report any safety or other concerns without fear of any reprisals. All reports to the hotline are managed by the conduct committee and independently investigated.

Risk assessment

The IAC risk assessment program is an essential component of hazard identification and allows IAC to evaluate the likelihood and severity of potential hazards and prioritize our efforts to mitigate them. The IAC global Risk Assessment Policy identifies the requirements for conducting routine and non-routine risk assessments, and involves assessing the likelihood of the hazard occurring, as well as the potential consequences for employees, customers, and the environment.

A team of personnel conducts risk assessments, with key stakeholders for specific tasks. Risk assessors are trained, competent employees; training is recorded on local training matrixes and part of the internal audit program. Each hazard on the risk assessment is scored on likelihood 1-4 versus severity 1-4 (LxS) = risk rating, and given an overall risk rating of Low/Medium/High for cumulative hazards identified. Action to reduce the risk rating is mandatory for any hazards scored between 8-16. The risk and control measures are communicated to our employees through briefings and Standard Operating Instructions / Procedures (SOI / SOP).

The risk assessments are a live document and are subject to regular review when incidents occur, or there is a notable change in the workplace risk. Risk assessments are included in the monthly and annual audit program.
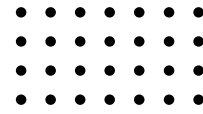
Incident investigation

IAC's Global Policy for Accident / Incident Investigations identifies how IAC manages the incident. Each time we investigate, it is important to identify the root cause to prevent a reoccurrence. Global investigation packs are available via the GDS. For recordable incidents and significant near misses, a Plan-Do-Check-Act (PDCA) escalation investigation is required and is reviewed during the escalation call. Investigations are conducted for all incidents; the depth of the investigation depends on the type of incident. Incident investigations are an essential component to support our health and safety management system; it is an opportunity for IAC to learn from the incidents and take steps to prevent them from happening again in the future.

Overall, hazard identification, risk assessment and incident investigation are critical components of the IAC health and safety management system. By proactively identifying and mitigating potential hazards, evaluating risks, and investigating incidents, IAC can create a safer and healthier workplace for our employees and customers, while reducing the risk of accidents and incidents

Communication and Consultation

Occupational Health and Safety (OHS) is a crucial aspect of IAC's business. Ensuring a safe working environment is not only essential for the well-being of our employees, but it also contributes to increased productivity and lower insurance premiums. Employees' participation, consultation and communication are essential elements in effectively delivering our policies and procedures.

Employee Communication

IAC uses several types of media to communicate occupational health, safety, environmental and sustainability (OHSES) topics. All employees joining IAC will receive an OHSES introduction which provides an overview of how IAC manages this program and their responsibility as an employee.

IAC has its own intranet (iNet), with regular posts about health and safety topics. iNet also provides employees access to all IAC policies and procedures. Safety and sustainability committees are held at local level, with employee representatives (union and or non-union members) invited. Effective communication is crucial at IAC in ensuring that OHSES policies and procedures are understood and followed by all employees. IAC provides clear lines of communication between management and employees to ensure that information is shared effectively. This is a critical partnership to help reduce workplace accidents and injuries.

Employee Participation & Consultation

IAC employees and their representatives participate in local committees and works councils to support the delivery of IAC OHSES policies and procedures, which has helped make the workplace safe for all. IAC appreciates the challenging work and commitment of the committees and councils that have helped improve the health and welfare for all. IAC values these partnerships, which have been critical to the success our safety program, bridging that connection to the shop floor. Additionally, our employee participation and consultation has been critical to help identify potential shop floor hazards, as our employees have a better understanding of the day-to-day operations, and the risks associated with them.

Worker Training on Occupational Health & Safety

Effective occupational health and safety training plays a critical role in mitigating workplace hazards, ensuring the well-being of all those employed on our premises. Occupational health and safety training at IAC is conducted for all employees, contract worker and agency workers. HSES induction training is provided when joining IAC, as well as specific work-related hazards, hazardous activities, or hazardous situations. IAC demonstrates its commitment to promoting a safe and healthy work environment for all individuals under our control. IAC recognizes the importance of providing relevant and targeted training programs to equip individuals with the knowledge and skills necessary to identify and address potential risks.

IAC has implemented training programs designed to educate all workers about fundamental occupational health and safety principles. These programs cover a wide range of topics, including, but not limited to:

- Introduction to occupational health and safety regulations and policies
- Hazard identification and risk assessment methodologies
- Emergency response procedures
- Safe work practices and procedures
- Proper use of personal protective equipment (PPE)
- Ergonomics and workplace ergonomics awareness
- Incident reporting and investigation protocols

Specific Hazard-related Training

To address work-related activities or situations, IAC provides specific training programs. These programs are tailored to the specific requirements of the IAC Global Safety Standards, some examples include:

- Hazardous substance handling and storage
- Machinery and equipment safety
- Powered Industrial Vehicles
- Electrical safety
- Working at heights
- Confined space entry and rescue
- Fire safety and evacuation procedures
- Chemical spill response and clean-up
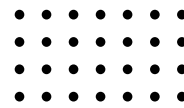- Manual handling techniques

Training Delivery Methods

IAC employs a variety of training delivery methods to ensure effective knowledge transfer and engagement. These methods include:

- Classroom-style training sessions led by competent trainers
- Online training modules accessible through a Learning Management System (LMS)
- Practical demonstrations and hands-on exercises
- Job-specific training delivered by subject matter experts
- Toolbox talks and safety meetings
- Posters, visual aids, and informational materials displayed in common areas & iNet (intranet)

Partnerships

Evaluation and Continuous Improvement: To gauge the effectiveness of the training programs, IAC conducts regular evaluations and collects feedback from participants. This feedback helps identify areas for improvement and allows for continuous enhancement of training initiatives.

Promoting Employee Health

Leadership Commitment

Leadership at all levels is a primary characteristic of IAC employees and drives the plan to perform all operations in a manner that is safe for employees and the public, by prioritizing safety as a core value, with our company safety message, Working Safely in the Most Important Thing we do! our leadership team send a clear message that the well-being of employees is paramount.

Accountability

The executive leadership team is committed to sustaining a compliant, safety conscious work environment. At every level of the company, managers are responsible for driving the company toward zero injuries, meeting the requirements of the Global Policy for HSES Roles and Responsibilities, which is included in the job descriptions and included in the H&S introduction for all employees to IAC.

Resource allocation

IAC ensures that adequate resources are allocated to worker health and safety initiatives. This will include providing necessary training, safety equipment, and tools to perform tasks safely.

Communication and engagement

The IAC Leadership Team is committed to improving the health safety & welfare for all of its employees. The focus of our communications, for all our employees to raise their knowledge and understanding with specific topics on health, safety, environmental and sustainability issues, we will not
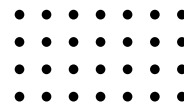
accept poor behaviors. As part of the leadership commitment to improve the safety & wellbeing of our employees, the IAC Leadership Team set an improvement goal to strengthen health and safety leadership.

Continuous improvement

IAC regularly evaluates its safety performance, analyzing incidents, and implementing corrective measures, IAC drives ongoing improvements in worker health and safety. This commitment to learning and adapting ensures that IAC evolves to meet evolving safety standards and challenges.

Promoting Employee Health

Work-related injuries

Statistics at IAC include the following, all IAC employees, contracted workers, and agency workers. Recording work-related injuries in categories based on working hours is a common practice for tracking and analyzing safety performance. At IAC, the five categories used to record work-related injuries are:

- Medical treatment injuries: Medical treatment injuries encompass incidents that necessitate medical treatment beyond basic first aid, but do not result in lost time from work.
- Recordable injuries: Recordable injuries refer to incidents that result in significant injuries or workplace illnesses requiring medical treatment beyond first aid. These injuries are recorded at IAC when they meet the criteria defined by our internal policy.
- Lost time injuries: Lost time injuries are incidents that cause injuries or illnesses that result in the affected employee being unable to perform regular job duties, at IAC lost time injuries are reported when our employees (IAC, contract, or agency worker) lose 1 shift from work.

DART Rate

Days away (LTI) & restricted time accidents (return to work post-accident but not able to complete normal duties).

Total Accidents vs 200,000 hours worked:

Health & Safety Indicators	2019	2020	2021	2022	2023	2024	Unit
Employees covered by a HS management procedure that is internally audited	100	100	100	100	100	100	%
Average hours of annual occupational H&S training per employee	2	2	3	4	4	5	#
Employee fatalities	0	0	0	0	0	0	#
Total Accidents (200,000 hours worked)	4.78	2.94	2.45	2.22	1.98	0.87	FR
Recordable Accidents	231	158	124	117	144	121	#
Recordable Accidents (200,000 hours worked)	1.05	0.96	0.65	0.54	0.64	0.58	FR
Lost Time Accidents (200,000 hours worked)	1.77	1.64	1.15	1.18	1.37	0.24	FR
Lost Time Days (200,000 hours worked)	0.052	0.045	0.036	0.02	0.025	0.029	FR
DART Rate (200,000 hours works)	0.52	0.58	0.29	0.29	0.44	0.37	FR
Total Hours Worked	44,183,664	32,958,365	38,314,640	43,084,162	46,465,706	42,061,306	#

Achieving Results: In 2024, IAC's Global Recordable Injury & Illness Incidence Rate was 0.58 – significantly lower than the comparable US industry rate (US BLS). The number of injuries and illnesses resulting in a lost workday was also down in both regions, as a result of leadership training and enhanced focus on preventing serious incidents in our operations.

Work-related ill health: Work-related ill health is an important aspect of IAC's ESG (Environmental, Social, and Governance) performance. This section of the annual report aims to provide an overview of our efforts and initiatives to address work-related ill health within our facilities.

Occupational Health and Safety Programs: We prioritize the establishment and maintenance of a safe and healthy work environment across all our operations. Our occupational health and safety programs are designed to identify, mitigate, and control hazards that may contribute to work-related injuries or ill health. We conduct regular risk assessments, monitor exposure levels, and implement appropriate control measures to reduce potential health risks.

Health Promotion and Awareness: We believe that promoting a culture of well-being and raising awareness about work-related health issues is crucial. We actively encourage employees to prioritize their health and take proactive steps to prevent work-related ill health. Throughout the year, we organize various awareness campaigns, training sessions, and workshops to educate our workforce about the importance of maintaining good health practices and recognizing early warning signs.

Employee Assistance Programs (EAP): We understand that work-related ill health can have a significant impact on employees' mental and emotional well-being. To support our employees, we offer confidential counselling services, access to mental health resources, and employee assistance programs. These initiatives are designed to provide a supportive environment and ensure that employees have the necessary resources to address their health concerns.

Ergonomics and Workplace Design: To minimize the risk of work-related musculoskeletal disorders and other physical health issues, we prioritize ergonomic principles in our workplace design. We conduct ergonomic assessments and promote ergonomic best practices to create a comfortable and safe working environment.

Occupational Health Surveillance: We recognize the importance of ongoing monitoring and surveillance to identify and address work-related ill health effectively. Our occupational health surveillance program includes regular health checkups, medical examinations, and early intervention measures. This proactive approach allows us to identify potential health issues at an early stage and provides timely support and interventions.

Collaboration and Reporting: We actively collaborate with external stakeholders, industry organizations, and regulatory bodies to share best practices and stay up to date with the latest developments in work-related health management. Additionally, we adhere to reporting requirements and communicate our work-related ill health performance transparently through various channels, including this annual report, to keep stakeholders informed about our progress and initiatives.

IAC Group is committed to creating a safe and healthy work environment where our employees can thrive. By prioritizing the prevention and management of work-related ill health, we aim to protect the well-being of our employees while promoting a sustainable and resilient organization. Through ongoing collaboration, monitoring, and improvement, we will continue to drive positive change and ensure the well-being of our workforce remains a top priority.

Working Safely is the Most Important Thing We Do.

Ethics

Improving Ethics and Integrity at IAC. At IAC, we recognize that integrity, ethics, and ethical conduct are fundamental pillars that drive both our short-term activities and long-term sustainability. Ethics serve as a reflection of our core values, providing guidance for the behavior of our company and our employees. We believe that integrity is rooted in respecting individual rights and establishing processes that enable our organization and employees to exercise those rights freely. By fostering credibility and reliability through ethical conduct, we reinforce our commitment to continuously improving the non-economic aspects of our business.

Our Senior Leadership team, in collaboration with the Board of Directors, plays a vital role in creating a framework that promotes a culture of ethical behavior. They provide guidance and support to ensure that ethical practices are ingrained in our organizational DNA.

To further strengthen our commitment to ethics and integrity, we have the following initiatives:

Employee Code of Conduct

IAC has built a powerful reputation for outstanding customer service, product quality and shareholder value. Because we value our reputation as a dependable and preferred business partner, our employees are actively engaged in preserving IAC's reputation and protecting its market position by supporting the highest standards of ethical behavior. Our reputation and continued success depend on the commitment of all IAC employees to adhere to the principles and guidelines in the IAC Code of Business Conduct and Ethics. The Code addresses principals of conduct including:

- Compliance with all laws and regulations including anti-corruption and antitrust laws.
- Conducting business fairly and ethically
- Environmental health and safety
- Ensuring respect for human rights
- Conflicts of interest
- Prohibiting insider trading
- Integrity of financial information
- Prohibition of child labor
- Protecting confidential information
- Proper communication
- Reporting of alleged violations
- Prohibiting retaliation of those making reports in good faith

The Code is also supported by supplemental policies relating to anti-bribery, anti-trust, export and import compliance, anti-money laundering, conflicts of interest, harassment and discrimination and data privacy. The Code in addition to the supplemental policies are reviewed annually and any changes are approved by the Board of Directors. All policies are communicated to employees and kept on the company intranet. Our salaried employees across the globe take part in an annual code of conduct training and certification program, ensuring understanding of our ethical expectations and certifying there is all potential violations of policies are reported.

Antitrust, Competition Laws, and Anti-Corruption IAC is committed to conducting business fairly, honorably, and with integrity. Bribes and corrupt payments are prohibited. Training is performed regularly to remind our employees of their individual obligation to prevent unfair business practices and report potential violations.

Ethics and Compliance Steering Committee The Ethics and Compliance Steering Committee helps management to enable the company to run according to the highest ethical standards and in accordance with applicable law. The committee is formed of members of senior leadership, internal audit, legal and human resources. The committee helps the development, implementation and operation of the ethics and compliance program, as well as resolve issues about the interpretation of the program.

Speak Up Hotline The Speak Up Hotline is a third party managed anonymous whistle-blower hotline which is monitored by our Compliance Department. The Hotline is available to all employees, where local regulations permit, and is available in various local languages. All complaints are reviewed by our Compliance department to decide if an investigation is warranted and completed. Investigations are conducted by Internal Audit, Legal, Compliance, Human Resources and other departments if considered necessary. On a quarterly basis, the complaints are reviewed with the Ethics and Compliance Steering Committee. Annually, the Compliance Department reviews the complaints with the Audit Committee.
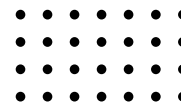
Cybersecurity Cybersecurity is the practice of protecting networks, systems, hardware, and data from digital attacks. IAC considers that a robust cybersecurity program is essential to maintain the integrity of our business. IAC continues to assess cybersecurity risks and invest in improvements to support our data privacy and system integrity. A number of new developments were implemented including a standardized Risk Management framework, data classification, improvements to physical security, enhanced HR and training processes, supply-chain security, and project management.

Transactions with Related Parties IAC keeps a policy for transactions with Related Parties. The policy is intended to show and check transactions between the company and other parties who may have a personal or professional in the business. Directors and officers are distributed a questionnaire requesting disclosure of Related Party Transactions (RPT). The company also distributes a quarterly report of all known Related Party Transactions to executive officers and other employees who would, during their employment, be aware of these transactions.

Continuous Improvement We understand that ethical practices evolve, and we are committed to staying up to date with the latest developments. We regularly review our policies and practices to ensure they align with industry best practices and reflect the evolving ethical landscape.

By prioritizing ethics and integrity, we create an environment where employees are empowered to make principled decisions, fostering trust and collaboration among team members. Together, we strive to uphold the highest standards of ethical conduct, promoting IAC's long-term success & sustainability.

Our Approach to Tax

IAC's global tax strategy is in line with their Code of Business Conduct and Ethics, the foundation of which is compliance with all laws and regulations.

Our strategy focuses on:
- Ensuring there are appropriate levels of governance, risk management and accountability.
- Complying with tax laws in a responsible manner
- Having open and constructive conversations with stakeholders, including governments and tax authorities

Tax Policy
IAC believes it is our responsibility, as a corporate citizen, to pay our fair share of taxes, including corporate income taxes, employment taxes, social contributions, property taxes, import & custom duties, and indirect taxes. The tax we pay is an integral part of our positive economic and social impact and supports the advancement of the countries in which we operate.

Tax Planning and Risk
IACs global tax organization partners with business leaders in each region to provide tax planning that aligns with our business operations, enhances value, and manages tax risk. We are committed to the arm's length standard in transfer pricing and OECD guidelines for international tax matters.

We have a low tolerance for tax risk and avoid tax planning opportunities that are not in line with our values. Where we believe uncertainty exists, we seek clarification from high quality external advisors.

Relationship with Tax Authorities
IAC is committed to the principles of openness and transparency with tax authorities and engages with tax authorities in all countries in which we operate with honesty and integrity and in a professional and collaborative manner, regarding all tax matters. We work constructively with tax authorities to attempt to resolve all issues in a timely fashion through appropriate methods of dispute resolution.
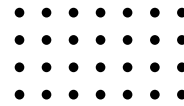
Risk Management, Compliance and Governance:
We comply with tax requirements in every jurisdiction in which we operate. IAC maintains internal policies and procedures to support its tax control framework and employs professionals that are experienced in the identification and management of tax risk, with appropriate support provided by external advisors as needed. Across our businesses, we ensure oversight and governance of tax matters through internal review and approval procedures by appropriate members of Tax, Legal, Treasury, and Accounting and Finance, including our CFO.

Senior Tax leadership participates in and provides regular report outs to IAC's Audit Committee and to its Board of Directors on all critical aspects of tax risk, planning and tax controversy to ensure timely feedback from the company's key stakeholders.

When tax incentives offered by government authorities are claimed, IAC seeks to be transparent and consistent with statutory and regulatory frameworks.
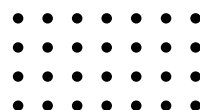
Enhancing Diversity and Inclusion

IAC is dedicated to fostering diversity and inclusion within its workforce and actively opposes any efforts to limit the potential of individuals. Our commitment to equal employment opportunity places a responsibility on both IAC as an organization and every employee, regardless of their position or level. We are devoted to creating a professional work environment that is free from all forms of illegal discrimination and harassment. This ongoing commitment builds upon IAC's long-standing policy to provide fair and equal employment opportunities to individuals of all backgrounds, including, but not limited to race, color, religion, sex, national origin, age, physical or mental disability, sexual orientation, genetic information, status as a covered veteran, or any other legally protected status.

We respect and value the diversity represented in our employees' various backgrounds, experiences, and ideas. Together, we cultivate an inclusive work environment that promotes respect for all our colleagues, customers, and business partners. Our workplace seeks to mirror the diversity found in the communities where we operate.

We have provided comprehensive training to our team, with a focus on mitigating bias and fostering understanding among individuals, emphasizing our shared qualities while celebrating our diverse perspectives.

Learning, Development and Wellbeing

IAC supports their employees in their professional development and career goals. To achieve this goal, we offer a variety of training classes through the Learning Academy, as well as encourage employees to acquire professional certification though continuing education.

The European Learning Academy (ELA) and the North American Learning Academy are online platforms that allow employees to access training, HSE information, self-learning, on-boarding, quality information, and other applicable information for all levels of employees.

The Learning Academy also encourages employees to think about their own mental health and wellbeing. Employees have access to internal training and other content, external podcasts, articles, self-care exercises and is piloting the IAC Wellbeing Ambassadors (trained IAC volunteers who provide a support network to their colleagues in Europe).
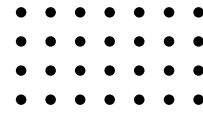
Investment in our people is especially important to IAC. Our approach is to dedicate time and budget for learning and development opportunities. By offering a variety of training solutions it allows our employees to complete the skills they need to do their job and grow and develop their talents to become the leaders of tomorrow. Current programs include:

- Leadership Learning Program: A 12-month development program focusing on how candidates lead themselves, others, and the business. The program also includes six sessions of coaching with an external coach and 360-degree feedback report.
- Team Leader and Supervisor Program – IAC also takes a train the trainer approach to certain training programs to ensure our employees are spreading their knowledge throughout the company. A Train the Trainer pilot for team leader and supervisor training was delivered in various countries so our leads could deliver the material in their language. This training was created to train our first line management.

Training, skills, and development	2019	2020	2021	2022	2023	2024	Unit
Employees have access to training	100	100	100	100	100	100	%
Employees that receive skills development	100	100	100	100	100	100	%
Employees receiving regular performance and career	100	100	100	100	100	100	%
Average training hours per employee	4	4	4	6	4	4	Hours
Fulltime employees				99	99	99	%
Part-time employees				1	1	1	%

Individual Development Plans: As a result of an Annual Leadership Review, high performing and identified successors to leadership roles receive an Individual Development Plan (IDP). These employees have the ability, engagement, and aspiration to rise to and succeed in more senior, critical positions. They have proven their ability and want to go beyond their essential job functions. These employees should display IAC's core attributes, as well as excel in their career level's core competencies.

The purpose of the IDP is to help the employee outline the next steps in their career by identifying what initiatives would help get them there. This process is employee led and management supported.

Design Thinking: IAC's pilot design thinking training program trains high potential employees across regions and functions on the design thinking method. Cross-regional teams use their knowledge of the design thinking method to create prototypes of solutions to IAC's customer problem statements. The best project (or projects) are chosen by a panel and receive funding to continue the innovation process.
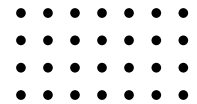

Employee Privacy: IAC respects the privacy and safeguards the security of the personal information we collect. We promote a work environment and conduct businesses in a manner that fosters confidence and trust. To accomplish this goal, we responsibly manage the personal data provided to us by our colleagues, customers, suppliers, and others. We monitor data protection laws in countries where we operate and establish protocols to ensure IAC follows those laws.

Environmental Responsibility

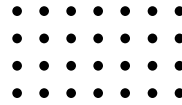## A commitment to sustainability across all aspects of our business

IAC's commitment to creating sustainable opportunities in every aspect of our global operations is an integral aspect of product design, our manufacturing processes, and the services we provide to customers. We maintain our obligations with all applicable health, safety, environmental management, and environmental stewardship standards wherever we operate.

IAC is aligning operations with environmental initiatives. We see this as a crucial step towards promoting sustainability and reducing our ecological footprint. We are focusing on energy efficiency, to reduce wastage and the associated CO2 emissions, and to increase our portfolio of environmentally friendly products. IAC is demonstrating a commitment to be environmentally responsible.

Consumer demand for enhanced interior content from renewable resources is a positive trend that reflects growing awareness and concern for sustainable practices. By incorporating renewable materials into our products, IAC is focused on reducing reliance on non-renewable resources and minimize our environmental impact while meeting the needs of our customers.

Our global focus on energy efficiency is an essential part to help reduce the impact on the climate, reduce greenhouse gas emissions from our operations and reduce costs. By prioritizing energy efficiency in our facilities, IAC can help mitigate the environmental impact from our operations.

Electric and hybrid products present opportunities for IAC to develop more innovative solutions. By offering components and systems that support these alternative technologies, IAC plays a vital role in driving the adoption of cleaner and more sustainable products.

By providing more environmentally friendly components that support our efforts to reduce our carbon footprint, IAC is a valuable partner for our customers, who share our commitment to environmental responsibility. This approach not only benefits the environment but supports IAC's focus to build a sustainable business for a sustainable future.

Driving Positive Environmental Impact: As part of IAC's ambitious goal to reduce Scope 1 and 2 CO2 intensity by 50 percent by 2030, the company has implemented operational sustainability projects that produce incremental changes to continuously improve sustainable practices. In 2024 alone, IAC successfully completed 186 energy and sustainability projects globally.
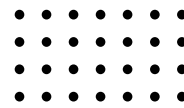
Enhanced Environmental Knowledge and Understanding: The implementation of sustainability kaizens has significantly contributed to an improved understanding of environmental impacts within IAC. Through these initiatives, employees have gained valuable knowledge, fostering awareness of sustainability issues and their implications. This newfound knowledge has empowered IAC to address waste handling and recycling, energy efficiency, and carbon emissions (CO2e). By leveraging this enhanced awareness, IAC has taken proactive steps to minimize its environmental footprint.

Reduced Environmental Impact: The multifaceted impact of continuous improvement has played a pivotal role in reducing IAC's environmental impact. By focusing on waste handling and recycling, IAC has adopted more efficient practices, leading to reduced waste generation and improved resource management. Additionally, heightened energy awareness has resulted in the implementation of energy-saving measures, directly impacting CO2e emissions. These efforts have not only helped safeguard the environment but have also led to tangible cost savings and increased operational efficiency.

Integration of Sustainability Values: IAC's commitment to sustainability goes beyond individual initiatives. By embedding sustainability values into the company's culture and operations, IAC has created a transformative shift towards a more sustainable future. Employees at all levels have become more conscious of sustainability issues, fostering a culture of accountability and driving sustainable practices throughout the organization. This holistic approach has ensured that sustainability is an integral part of IAC's decision-making processes and daily operations.
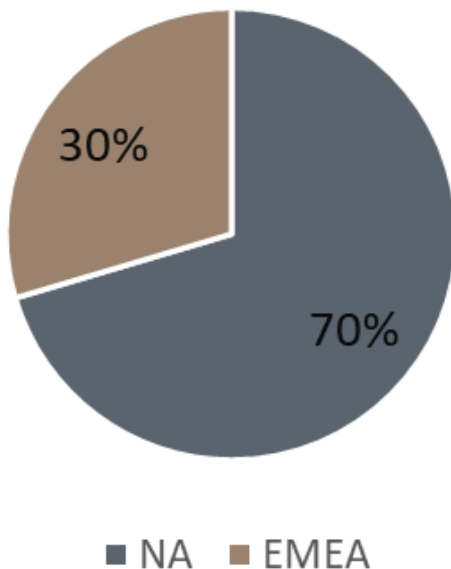
Local Communities: IAC works to improve the communities in which we work and live across the globe, aligning our goals with the 17 Global Goals of the United Nations Global Compact. From funding local educational programs in India to direct aid to communities impacted by disasters, IAC and the IAC team believe it is our responsibility to be an active corporate citizen in the community.}

2024

Sustainability Projects per Region

30%

70%

■ NA ■ EMEA

Meeting the Global Consciousness: The importance of environmental concerns cannot be overstated in today's world. With sustainability becoming a pressing global issue, IAC's proactive efforts to reduce its environmental impact will assist in regional and global goals. By prioritizing sustainability, IAC has positioned itself as a responsible corporate citizen, aligning its operations with the growing global consciousness towards environmental preservation.

Through the implementation of sustainability projects and a dedicated focus on continuous improvement, IAC has made significant progress on sustainability. The company's commitment to reducing Scope 1 and 2 CO_2 intensity by 50 percent by 2030 has paved the way for meaningful positive impact. By enhancing environmental knowledge, reducing waste, improving energy efficiency and integrating sustainability values into its culture and operations, IAC has established itself as a leader in sustainable practices. As the world increasingly emphasizes the need for environmental stewardship.

IAC's dedication to sustainability serves as a leader to other organizations seeking to make a positive difference, especially those within its business.

Operational Performance

IAC's operational environmental protection program is designed to continuously improve its environmental commitments in waste management, pollution control, and energy efficiency. IAC recognizes that environmental protection is a critical component of sustainable business practices and has set ambitious targets to reduce its carbon impact.

IAC set progressive targets to reduce its carbon impact, with a commitment to reducing its carbon emissions by 50 percent using global carbon intensity versus sales for Scope 1 & Scope 2 by 2030, compared to its baseline in 2019. By 2050, IAC aims to achieve net-zero emissions for all its operating activities and throughout its entire supply chain worldwide. IAC's strategy to achieve these objectives includes increasing renewable energy use, improving energy efficiency at all its locations, expanding engineering efforts for vehicle electrification and lighter weight products, and heightening sustainability requirements for its suppliers.
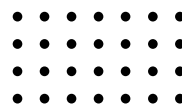
IAC facilities in the U.S. participate in the Department of Energy's Better Plants Program which has set a target of 25 percent reduction in energy intensity in 10 years. IAC North America was officially recognized in 2024 by the DOE for achieving this target in only five years.

We respect and value the diversity represented in our employees' various backgrounds, experiences, and ideas. Together, we cultivate an inclusive work environment that promotes respect for all our colleagues, customers, and business partners. Our workplace seeks to mirror the diversity found in the communities where we operate.

We have provided comprehensive training to our team, with a focus on mitigating bias and fostering understanding among individuals, emphasizing our shared qualities while celebrating our diverse perspectives.

Environmental Management Systems

IAC places great emphasis on the implementation of robust environmental management systems across all its manufacturing locations. By adhering to the international ISO 14001 environmental management performance standard, IAC aims to optimize resource utilization, minimize waste generation, gain a competitive advantage, and foster trust with stakeholders. This commitment to effective management systems underscores IAC's dedication to sustainable practices and responsible business operations.

ISO 14001 Certification: Nearly all IAC manufacturing locations have achieved certification to the internationally recognized ISO 14001 environmental management performance standard. This certification signifies IAC's adherence to a systematic approach in managing environmental aspects and impacts associated with its operations. By meeting the requirements of ISO 14001, IAC ensures that environmental considerations are an integral part of its management systems, enabling the company to drive continuous improvement in resource efficiency and waste reduction.

Enhanced Performance and Efficiency: ISO 14001 certification empowers IAC to improve performance by adopting more efficient resource utilization practices. Through comprehensive environmental management systems, IAC identifies areas for optimization and implements measures to minimize the consumption of resources such as energy, water and raw materials. This increased efficiency not only reduces environmental impacts but also enhances operational effectiveness.

Stakeholder Trust: By adopting ISO 14001 as the foundation of its environmental management systems, IAC demonstrates the company's commitment to sustainability and responsible business practices, providing a compelling differentiator to customers, partners, and stakeholders. The ISO 14001 standard is widely recognized and trusted, instilling confidence in IAC's ability to minimize environmental risks, comply with regulations, and continually improve its environmental performance.

Continuous Improvement: IAC's dedication to effective management systems extends beyond initial certification.

By embracing the principles of ISO 14001, IAC commits to a culture of continuous i improvement. The company regularly assesses its environmental management practices, identifies areas for enhancement, and implements necessary changes to align with evolving industry standards and best practices. Through continuous improvement and adaptability, IAC ensures that its management systems remain aligned with the highest environmental standards.

Legal and Other Requirements: To ensure adherence to this policy, we have designated individuals who are responsible for overseeing legal compliance within our organization. Additionally, we have implemented a register of legal and other requirements at all our IAC operational locations. For the certified locations, this register serves the purpose of meeting the local certification compliance requirements of ISO14001, ISO45001, and ISO50001.

By maintaining a register of legal and other requirements, we ensure that we stay informed of applicable laws, regulations, and other obligations. This enables us to effectively manage our environmental impact, prioritize the health and safety of our employees and optimize energy consumption.
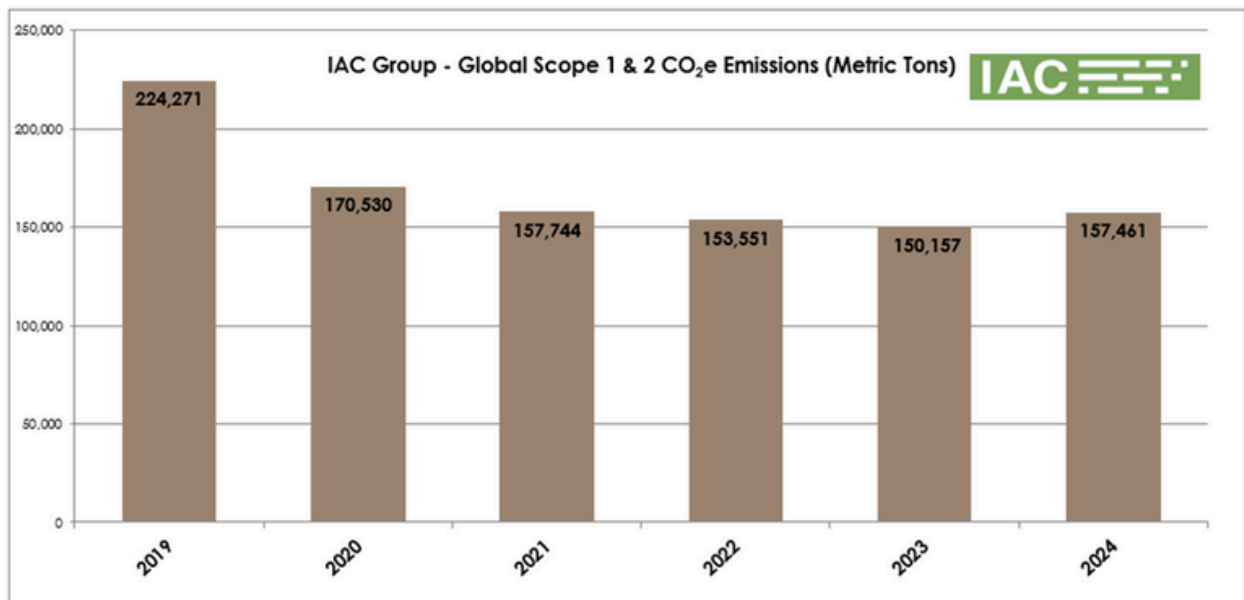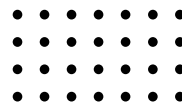
Energy Consumption

Energy Management: IAC has committed to a strategy of continuous improvement to use energy efficiently which reduces our energy consumption and greenhouse gas emissions. The principal aspects of our program include energy awareness driven by management; providing all necessary resources for the achievement of energy management objectives; the regular evaluation of processes with respect to energy efficiency, and the procurement of energy-efficient products and services. IAC also procured renewable energy for operations-based Sweden up to the date of divestiture. IAC evaluates procurement of renewable energy on a case-by-case basis with a strong focus on energy efficiency improvement as a source of carbon reduction.

In addition to energy conservation programs, a concerted effort was initiated to evaluate feasibility of on-site solar generation in European operations. Through this effort, a list of viable projects was developed, and two projects were implemented and operational in Spain and Sweden.

The Logrono plant in Spain has an onsite PV system which generated 1,200 mWh of renewable energy in 2024 in its first six months of operation.

Climate related issues are incorporated into our business objectives to satisfy the requirements of interested parties and to support sustainability. In addition to completing the Ecovadis assessment, IAC participates in the Carbon Disclosure Project. As part of our commitment and focus on energy management, IAC has aligned its new global energy policy to ISO50001 energy management standard. We see energy management as a critical part of our sustainability journey, 'Building a Sustainable Business for a Sustainable Future.' All IAC manufacturing locations target year-over-year energy consumption reduction through investment, including replacing older inefficient equipment and machinery with new energy efficient machines and lighting upgrades as well as energy hunts and audits at all our locations.

IAC Group - Global Scope 1 & 2 CO_2e Emissions (Metric Tons)

Year	Emissions
2019	224,271
2020	170,530
2021	157,744
2022	153,551
2023	150,157
2024	157,461

Committed to Improving: IAC joined the U.S. Department of Energy Better Plants Program by committing to reduce our energy intensity in U.S. facilities by 25 percent within 10 years. At end of 2023, IAC achieved this goal. Energy intensity reduction continues to be ahead of projected path to achieve the 2030 Target.
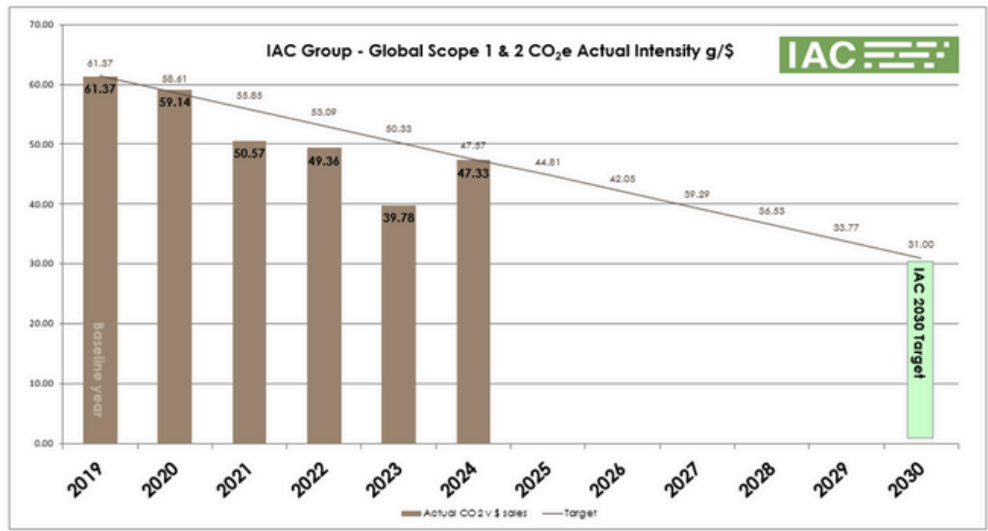
IAC's commitment to the Better Plants Program is a significant step toward improving energy efficiency and reducing our carbon footprint. The initiative provides access to valuable resources and expertise from the Department of Energy and other industry leaders to identify and implement best practices for energy efficiency. Additionally, IAC's involvement in the program confirms our reputation as a socially responsible and sustainable company, strengthening our partnerships with customers, investors and other stakeholders.

IACs Strategy for Achieving the 25 Percent Energy Intensity Reduction Goal: While committing to reduce energy intensity by 25 percent within ten years was an ambitious goal, IAC achieved it by implementing energy-efficient technologies, such as LED lighting, HVAC upgrades and process improvements. A robust energy management program was implemented to reduce energy waste, monitor and control our energy consumption. Additionally, IAC continues to engage employees and suppliers to boost our energy-saving efforts and incentivize them to adopt sustainable practices.
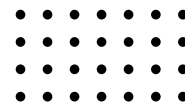
Impact of IAC's Commitment on the Environment and Society: IAC's commitment to reducing our energy intensity has far-reaching implications for the environment and society. By lowering our energy consumption, IAC will reduce greenhouse gas emissions, air pollution and other environmental impacts associated with energy production and consumption. This, in turn, can help mitigate the effects of climate change and improve public health. Furthermore, IAC's commitment can inspire other companies to follow suit and adopt similar sustainability goals, which can accelerate the transition to a low-carbon economy.

Share Progress and Results: To demonstrate our commitment to the Better Plants Program and energy efficiency, IAC regularly shares progress reports and results on its energy-saving efforts. This includes metrics such as energy intensity reduction, cost savings and emission reductions. Sharing this information will help IAC hold itself accountable to our sustainability goals, promoting our achievements to our stakeholders, and help identify areas for improvement.

Expand the Scope of Sustainability Efforts: While reducing our energy intensity, an essential component of reducing our carbon impact, IAC seeks to expand our improvement efforts to other areas, such as water conservation, waste reduction and sustainable sourcing. By adopting a holistic approach to sustainability, IAC can reduce its overall environmental impact and improve its social and economic performance. Additionally, IAC can engage with its suppliers and customers to promote sustainable practices throughout its value chain, which can have a significant impact on sustainability outcomes.

IAC Group - Global Scope 1 & 2 CO₂e Actual Intensity g/$

Sustainable Water Management and Resource Conservation

Water resources management and conservation are integral aspects of IAC's sustainability focus. While water stress is not currently identified as a material operational risk due to low water consumption in our processes, IAC recognizes the importance of proactively tracking water consumption and collaborating with water suppliers. Moreover, IAC encourages its sites to engage in local initiatives aimed at sustaining clean water resources. By setting 2019 as the baseline year and implementing an intensity matrix across all locations, IAC aims to improve water resources management and establish reduction targets. In alignment with the ongoing sustainability focus for 2024, IAC locations will continue to conduct sustainability-focused kaizens, focusing on prevention and resource reduction.
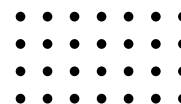
IAC understands the significance of monitoring water consumption despite its limited impact on operational risks. As part of responsible corporate stewardship, the company actively tracks water usage at its industrial sites. Regular assessments with water suppliers are conducted to ensure responsible sourcing and enhance transparency in the water supply chain. These efforts contribute to maintaining a sustainable water footprint and fostering responsible water resource management practices.

Intensity Matrix and Reduction Targets: To drive continuous improvement in water resources management, IAC established 2019 as a baseline year, and has an ongoing strategy to reduce water consumption in operations. By implementing an intensity matrix across all locations, the company can track water consumption relative to revenue. This matrix serves as a valuable tool to evaluate and benchmark water usage efficiency across various operations. By analyzing the intensity matrix data, IAC can identify areas of improvement and set reduction targets, further driving the company's commitment to responsible water consumption practices.

Sustainability-Focused Kaizens for Water Conservation: As part of IAC's broader sustainability focus for 2024, the company's locations conducted sustainability-focused continuous improvement projects specifically targeting water conservation. These projects aim to prevent excessive water consumption and reduce overall resource usage. By fostering a culture of continuous improvement, IAC encourages its employees to identify and implement innovative solutions to minimize water usage and promote sustainable practices within their respective operations.

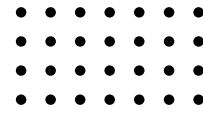# Sustainable Water Management and Resource Conservation

Collaboration and Local Efforts: IAC recognizes the importance of collaborative efforts to sustain a sufficient supply of clean water resources. The company actively encourages its sites to engage in local initiatives and participate in community activities that promote water conservation and responsible water resource management. By joining forces with local organizations, IAC contributes to the broader goal of ensuring the availability of clean water for future generations.

While water stress may not pose a material operational risk for IAC, the company remains dedicated to responsible water resources management and conservation. By tracking water consumption, conducting supplier assessments, implementing an intensity matrix, and setting reduction targets, IAC actively promotes efficient water usage across its global operations. Through sustainability-focused kaizens and collaboration with local efforts, IAC strives to make a positive impact on water conservation and contribute to the sustainable management of this vital resource. By integrating responsible water practices into its overall sustainability focus, IAC reinforces its commitment to environmental stewardship and supports a more sustainable future.

Resource Consumption	2019	2020	2021	2022	2023	2024	Unit
Water Consumption	529,765	426,107	437,196	454,040	540,040	481,752	m3
Intensity (Lt per $ revenue) -+	0.144	0.147	0.14	0.145	0.143	0.144	Liters- $
Performance vs baseline	Baseline	1.93	-3.31	0.69	0.1	0	%

Waste Management

IAC and its customers recognize the value and importance of being responsible managers of natural resources. Our social responsibility program includes waste management to ensure continued availability of resources needed to make our products and to capture the market of customers that value sustainability.
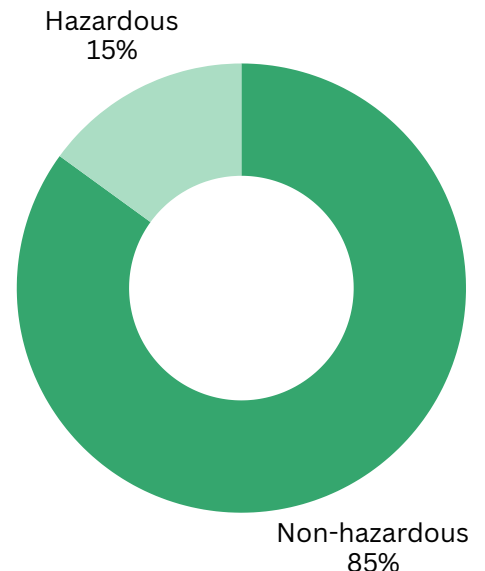
The elimination of waste and recycling the by-products from our production processes are key performance indicators used to check efficiencies and measure our progress toward achieving corporate sustainability targets. With IAC's average waste recycling rate over 64%, IAC locations have been tasked with reducing the amount of waste created. IAC has set a continuous improvement plan for 2024 with a 5% reduction target for total waste created. IAC will focus on the reduction of hazardous material, sourcing less harmful alternatives, protecting our employees and the environment.

IAC waste is reported in metric tons (Tn), any waste intensity metrics are reported as grams per dollar sales.

Global waste generation 2024: IAC generated 28,416 tons of industrial waste materials, which includes mixed municipal, plastic, foam, oil, foil, wood, paper, lubricants (oils, grease), metals, electronic equipment and other waste from operational activities.

Categories of waste: For business reporting, IAC collates all waste into two categories: non-hazardous and hazardous. In 2024 waste from IAC operations totaled 24,279 tons of non-hazardous and 4,137 tons of hazardous waste streams.

2024 Waste by Category

Hazardous
15%

Non-hazardous
85%

Methods of waste disposal: At IAC, the first focus is to reduce waste of resources with efficiency improvements and manage the waste streams from our facilities. Where practical, excess material from processes is reused or recycled. Where this is not possible, the disposal of waste material is managed by a competent third-party agent. This waste is handled according to local norms. Waste is sorted into different streams: reuse, recycle, waste to energy and landfill.

Recycling: IAC is working toward a circular process for waste materials, improving processes and identifying ways to prevent use of landfills. We see incineration as the better alternative to landfill but also face other business challenges. During 2024 18,615 tons (**44%**) of IAC's total non-hazardous waste was recycled.
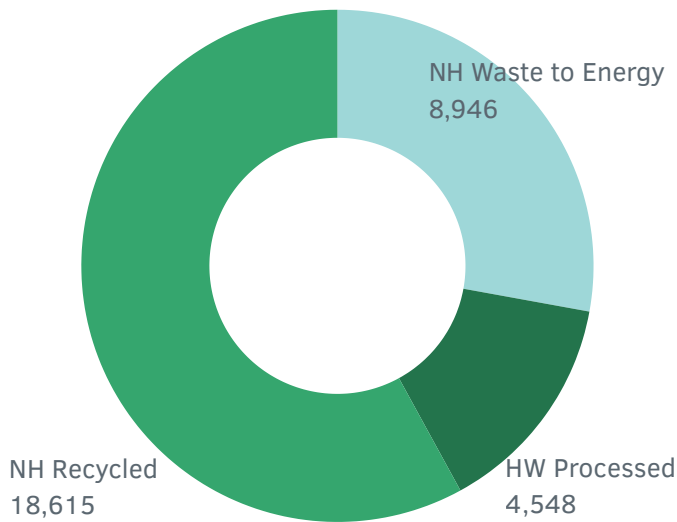
Waste to energy: During 2024 IAC sent **8,946** tons of waste to energy; this means that instead of being disposed of in landfills, this waste was used as a fuel source to generate energy.

While IAC aims to reduce the amount of waste sent to energy, it is recognized that waste-to-energy offers a more environmentally friendly alternative to landfilling. Each waste management option will be assessed based on its specific impact, evaluating our business needs. By adopting a circular economy approach, IAC can focus on waste reduction, recycling, and other sustainable practices to further minimize the generation of waste in the first place.

IAC will continually evaluate and explore additional waste management strategies to align with our sustainability goals and contribute to a more sustainable future.

Waste averted from landfill: IAC was able to prevent 32,109 tons of material from going to landfills in 2024. This approach aligns with the principles of a circular economy, where resources are used efficiently, and waste is minimized.
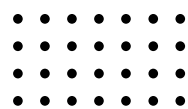
Waste Averted from Landfill 2024 (tons)

NH Waste to Energy 8,946

HW Processed 4,548

NH Recycled 18,615

Reusing materials helps extend their lifespan and reduces the need for new production. Recycling allows for the recovery and transformation of materials into new products, reducing the demand for virgin resources. Waste-to-energy, as mentioned earlier, provides an alternative to landfilling by converting waste into energy.

IAC engages in sustainable waste management practices. IAC not only avoids the negative environmental impacts associated with landfilling but also contributes to resource conservation and energy generation. IAC sees this as a positive step towards a more sustainable and responsible approach to waste management.

Waste to Landfill

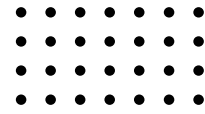17,942 tons of waste material was landfilled in 2024.

Hazardous waste: Waste from our processes that is identified as hazardous for disposal, is managed by licensed third party waste carriers, duty of care (DOC) audits is conducted on these waste carriers. 1,119 tons of hazardous waste was processed and averted from landfill, this was conducted with a combination of recycling and waste to energy. Each location will hold legal and other requirements register, which is audited by the internal audit program.

By reporting on these aspects of our waste generation, IAC can demonstrate its commitment to sustainability and responsible waste management. IAC will continue to identify areas for improvement and make informed decisions about waste management practices.

Scope 3 emissions from waste: IAC has calculated its waste emissions from its waste utilizing recognized standards. The emissions from waste are 10,298 metric tons CO2e.

Waste	2019	2020	2021	2022	2023	2024	Unit
Hazardous Material	3,531	3,096	3,953	4,460	4,548	4,137	Tons
Hazardous Material – processed	1,542	1,479	1,682	1,726	1,820	1,119	Tons
Hazardous Material – % processed	43.68	47.78	42.54	38.71	40	27	%
Non-Hazardous Material	40,297	32,543	35,035	36,698	42,783	24,279	Tons
Non-Hazardous Material recycled	17,013	12,104	13,311	16,186	18,615	5,905	Tons
Non-Hazardous Material % recycled	42.22	37.2	37.99	44.11	43.5	24	%
Non-Hazardous Material – energy	10,315	8,365	7,731	6,884	8,946	1,358	Tons
Electricity Generated (waste to energy)	5,673	4,600	4,242	3,786	4,920	747	mWh

Products and Design Engineering

IAC's product strategy is focused on resource conservation, reduction of carbon emissions and the circular economy while delivering mobile environments that are elegantly designed, precisely executed and inspiringly different. IAC advance development team focuses on lightweight products, sustainable materials and technologies and recyclability.

Advanced Development Projects: We are actively engaged in over 20 advanced development projects worldwide, with a strong focus on enhancing product sustainability and recyclability.

Extensive Sustainability Options: We have already developed more than 50 sustainability options for various product commodities such as door panels, instrument panels, and overhead systems. Step by step we will be implementing them in in current and future products in close cooperation with our customers. These options have been designed to promote lightweight products, reduce the use of fossil-based raw materials, replace fossil-based feedstock, and prioritize circularity through design for recyclability.

Continuous Dialogue and Benchmarking: We maintain an ongoing dialogue with our customers and supply chain partners to benchmark and gather feedback on our sustainability efforts. This allows us to identify new sustainability requirements, explore additional options, and implement effective measures across our operations.

Increasing Recycling Content: We are committed to continually increasing the amount of recycling content in the material compositions used for our products. This is achieved through the integration of recycling materials sourced from both post-industrial waste and post-consumer waste streams. By prioritizing the utilization of recycled materials, we contribute to the circular economy and reduce our environmental footprint.
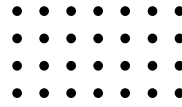
One-Material Concepts: Our dedication to sustainability extends to the development of one-material concepts for our core products. These concepts ensure that our products feature high recycling content right from the beginning and are designed for complete recyclability at the end of their life cycle. By adopting one-material concepts, we enhance the overall recyclability and reduce waste generation.

Exploring Recycling Options: We are continually involved in the development and evaluation of new recycling options for multi-material products. This includes exploring mechanical recycling, physical recycling, and chemical recycling techniques. By exploring diverse recycling methods, we aim to find innovative solutions that maximize the recyclability of our products and minimize waste generation.

Cooperative Recycling Efforts: In collaboration with our customers, IAC has successfully incorporated recycling content into our products. By consistently expanding our development projects, engaging in continuous dialogue, and embracing innovative recycling methods, we strive to lead the way in sustainable product development and foster a more environmentally conscious future.

Sustainable Products

IAC is dedicated to developing a family of interior products that prioritize the use of renewable up-cycled, recycled, and re-purposed materials. By incorporating these sustainable materials into our manufacturing processes, we aim to minimize our reliance on petroleum-based products and create lightweight solutions that contribute to a greener future. Our sustainable products are grouped in the following families:

EcoMat

EcoMat® is IAC's family of interior products manufactured with renewable, up cycled and recycled, and re-purposed materials. This green solution minimizes petroleum-based products and can offer lightweight potentials.

LiteTec

LiteTec® is IAC's family of technologies that are specifically designed to reduce mass in a vehicle. In concert with EcoMat®, reducing the number of materials into the value stream is the first step in sustainability. Examples include FiberFrame® used as light weight headliner reinforcement frames. Weight savings are up to 70 percent versus standards construction as well as having approx. 70 percent renewable eco-friendly materials.

HybridFleece Molding™ A unique process for combining the pressing of a thermoplastic-mixed fiber fleece of natural fiber, glass, or recycled carbon fiber with the molding of stiffening ribs and clips into a one-step process, with no need for added welding or gluing. The technology can be used to produce a variety of lightweight structural and visible (A-surface) interior components.
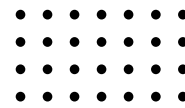
SafeTec

Safe-TEC ™ is IAC's family of technologies geared towards occupant safety and comfort, including a 100 percent recyclable injection molded safety crash countermeasure and in addition active or passive solutions that address interior cleanliness, and anti-microbial efficacy. It features renewable content from the non-food sourced, renewable castor bean that can replace 40-50 percent of the polyol part in the urethane foam. Thin foam can reduce the weight of the foam by 30-50 percent.

IAC and its supply chain follow the Registration, Authorization, and Restriction of Chemicals (REACH) directive and the International Material Data System (IMDS) program which enhance the safety and recyclability of our products and supports our continuous improve of our product stewardship program.

Supply Chain Management

Efficient management of the supply chain is critical to the success of the company. Our Supplier Network must consider environmental stewardship, labor and human rights, and sustainability of the supply chain through controls incorporating ethical values in our business transactions. To ensure our suppliers are committed to our collective environmental, social, and ethical goals, IAC has engaged with EcoVadis to assess our supply base.

Environmental Stewardship. All IAC Group suppliers are expected to collaborate proactively with us to reduce the environmental footprint of our products. All materials supplied to IAC must satisfy current governmental and safety constraints on restricted, toxic, and hazardous materials as well as environmental, electrical, and electromagnetic considerations applicable to the country of manufacture and sale. All suppliers must implement the international ISO 14001 Environmental management systems standard.

Labor. Suppliers to IAC shall not use forced or involuntary labor, regardless of its form, (ii) employ any child, except as part of a government approved job training, apprenticeship, or similar program, or (iii) engage in abusive employment or corrupt business practices.
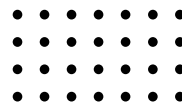
Code of Conduct. Suppliers to IAC must adopt and enforce a code of conduct for business practices with principles, policies, and procedures consistent with IAC's principles, policies, and procedures.
IAC conducts audits of the supply chain to ensure our codes are communicated and understood by our suppliers.

Related Party Transactions. All suppliers are required to provide IAC with written notice immediately upon becoming aware that any of its directors, officers or employees is also a director, officer, employee, or immediate family member of IAC, if the supplier is substantively involved in the supplier's business relationship with IAC or receives any direct or indirect compensation or benefit based on this business relationship.

Diversity. IAC Group is committed to supplying opportunities for certified minority and women owned businesses to become suppliers of our goods and services. When setting up this policy, IAC recognizes its responsibility to the communities it serves and the society in which it conducts business. The use of certified minority and women owned business enterprises is a key function of our sourcing strategy.

Energy Management. IAC is committed to a strategy that enables more efficient energy usage throughout our end-to-end supply chain. We expect our suppliers to take part by implementing programs to increase energy awareness, allocating resources to improve energy efficiency, and purchasing energy efficient products when feasible.

Conflict Minerals and Extended Minerals. IAC is committed to responsible corporate citizenship and is opposed to all human rights abuses. As part of that commitment, we look to source products, components and materials known as Conflict Minerals from companies that share our values on human rights, ethics, and environmental responsibility. IAC works in partnership with a third-party compliance vendor to complete CMRT and EMRT assessments within the IAC supply chain.

Supply Chain Assessments. Any new suppliers to IAC must complete a supplier audit questionnaire, which incorporates minimum requirement to meet internationally recognized standards for quality management (IATF 16949) and environmental management (ISO 14001). In addition, IAC has partnered with one of the leading sustainability rating services, EcoVadis, to aid us in assessing and improving the overall ESG performance of our supply base. IAC's strategic sourcing process will reward those suppliers that are aligned with our corporate ESG objectives.

Four pillars of the IAC supply chain assessment: These four pillars utilized through the EcoVadis assessment, provide IAC a comprehensive framework for assessing and improving the overall sustainability and responsibility of our supply chain. By addressing environmental, labor, and human rights, ethics, and sustainable procurement issues, IAC can work towards creating a more sustainable and responsible supply chain.
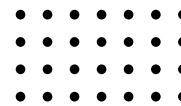
Environmental: This pillar focuses on ensuring that the supply chain operates in an environmentally responsible manner. IAC uses the EcoVadis assessment to evaluate and monitor energy consumption, water conservation, biodiversity, material usage, and chemical controls. IAC's goal is to meet recognized standards and promote sustainable practices throughout our supply chain.

Labor and Human Rights: This pillar emphasizes the importance of upholding labor and human rights standards within our supply chain. IAC uses the EcoVadis assessment for assessing and addressing issues related to health and safety, working conditions, social aspects, career management, and training opportunities for workers, with aims to eliminate practices such as child labor, forced labor, and human trafficking. IAC requires recognized standards for health and safety, working conditions, social, career management and training. To prevent child labor, forced labor and human trafficking.

Ethics: To achieve and keep standards to prevent corruption, anticompetitive practices and ensure responsible information management. IAC requires it suppliers to set and maintain international standards to prevent corruption, anticompetitive practices, and other unethical behaviors. We also require our suppliers to maintain information management practices to protect sensitive data and ensure data privacy.

Sustainable Procurement: The sustainable procurement pillar aims to establish and maintain standards that promote sustainability in the whole supply chain. To consider the environmental and social impacts of procurement decisions and working with their suppliers to adhere to similar principles. Through the EcoVadis assessment we review our suppliers focus on their practices that protect the environment and society throughout their own supply chains.

Supplier Environmental Social & Governance Assessment: It is mandatory for IAC suppliers to take part in IAC's Sustainability activities, to work together to protect our planet, minimize our collective environmental impacts, and support IAC and our customers sustainability goals.

EcoVadis monitors and scores the IAC supply base with their leading CSR and Sustainability reporting requirements. All new IAC direct suppliers must be registered with EcoVadis for assessment. To date, 527 direct and indirect suppliers have been assessed and have Scorecards, with 132 additional suppliers in process. IAC also uses a VDA6.3 self-assessment Supplier Audit questionnaire to evaluate a potential new supplier as part of the due diligence and risk assessment requirements for CSR and Sustainability before the development of a relationship with a new supplier. All potential new suppliers must complete the self-assessment Supplier Audit questionnaire.The CSR questions cover CSR Monitoring, Company Management, Working Conditions and Human Rights, Child Labor, Modern Slavery, Health & Safety, Business Ethics, Energy Management, Environment, Responsible Sourcing of Raw Materials, and Supplier Management.

Suppliers that decline to participate in IAC's Sustainability activities may be placed on New Business Hold where no request for quotes will be sent for new business and no awards of new business.

Negative environmental impacts in the supply chain and actions taken:
EcoVadis highlights any suppliers with a low score (high risk suppliers >30) in the IAC Supplier Dashboard within the EcoVadis portal. Currently all IAC scored suppliers have an overall score above 30 points, and only one supplier has a low environmental theme score.

Any significant actual and potential negative environmental impacts identified within the supply chain are highlighted as part of the Ecovadis audit. There are also daily 360-degree watch findings identifying issues within the supply chain when a supplier is highlighted in the news by media, governments, trade unions, NGOs, and other business networks. This will be considered when the suppliers scoring is re-validated by Ecovadis to determine whether the issue affects the suppliers score in a negative way. The Ecovadis portal gives the suppliers corrective actions and improvement areas which can be monitored as KPI's moving forward.

IAC has not terminated its relationship with any supplier for having significant and potential negative social and environmental impacts after assessment.

Energy Supply Management

Diversity / Energy Management	2019	2020	2021	2022	2023	2024	Unit
Energy Spend	$53 Million	$48 Million	$53 Million	$73 Million	$63 Million	$53 Million	USD
Green energy % (total kWh electricity used)	Baseline	12.5	16.9	18.5	18	0.03	%