

INTER CARS GROUP SUSTAINABILITY STRATEGY 2023-2030

SUSTAINABLE AUTOMOTIVE FOR PEOPLE AND CLIMATE



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In September 2023 the Management Board approved the revised *Sustainability Strategy*. In line with the document, by 2030 the Inter Cars Group will continue to ensure accessibility of “*Sustainable automotive for people and climate*” focusing on measures related to key governance, environmental and social topics identified in the course of materiality check including current trends and challenges that dominate in our business environment.



FIVE PILLARS OF SUSTAINABILITY STRATEGY OF INTER CARS GROUP






Our new strategy has been designed to include the entire value chain, from spare part manufacturers, i.e. our suppliers, all the way through our clients, i.e. garages. We have identified five sustainability pillars and defined our ambitions for each of them; we have made two specific commitments and KPI that will be used to monitor their implementation.



Vision

- We focus on ensuring **the safe and long-lasting use of cars**, giving widespread and competitive access to high quality car parts, professional knowledge and modern tools.
- We invest in sustainability, **supporting our suppliers, business partners and customers in green transformation and reducing the carbon footprint** of our operations.
- By **developing the market for remanufactured and used car parts**, and cooperation with garages on responsible waste management, we are consistently **moving towards a circular economy**.

INTER CARS GROUP SUSTAINABILITY STRATEGY 2030

PILLAR	<p>SUSTAINABLE SPARE PARTS</p> 	<p>GREEN LOGISTICS AND OPERATIONS</p> 	<p>GARAGES OF TOMORROW</p> 	<p>ENGAGED PEOPLE</p> 	<p>ORGANISATION OF THE FUTURE</p> 
AMBITIONS	<p>1 OUR PRODUCTS</p> <p><i>We deliver car parts while shaping SUSTAINABLE VALUE CHAINS</i></p>	<p>2 OUR LOCATIONS</p> <p><i>We aim to DECARBONIZE our operations in line with the Paris Agreement's scenario with focus on clean energy, efficient business operations and good environmental practices</i></p>	<p>3 OUR CUSTOMERS</p> <p><i>We are a first-choice partner for AUTOMOTIVE SERVICES of tomorrow</i></p>	<p>4 OUR PEOPLE</p> <p><i>WE GROW our organization by engaging in true PARTNERSHIP with our employees and communities</i></p>	<p>5 OUR ORGANIZATION</p> <p><i>We build our GOVERNANCE SYSTEM according to the best class practices supporting effective implementation of sustainability strategy</i></p>
COMMITMENTS	<p>1A We will work with our suppliers to develop industry best practice, incorporating product carbon footprint (Scope 3), environmental risk and human rights aspects into our standard purchasing processes, for both premium brands and private label products.</p> <p>1B As a market leader, we will actively drive development of car parts re-manufacturing segment and the sale of used car parts while shaping customer preferences around circularity and minimizing the influence of our packagings on the environment.</p>	<p>2A We will reduce our carbon footprint (Scope 1 & 2) and reduce the environmental impact of our logistics centres and offices.</p> <p>2B We will support our branches in efforts to minimize negative environmental impact and strengthen positive experience for our clients.</p>	<p>3A We will train and support the development of garages of the future, with a particular focus on green energy, circularity and expertise in the era of electromobility and new technologies.</p> <p>3B We will manage waste responsibly and reduce its mass through circularity and innovation.</p>	<p>4A At Inter Cars Group, acting in line with our values, we care about the engagement, diversity and skills of our employees at every level of the organisation.</p> <p>4B We will continue to support the development of accessible, safe, and responsible mobility for people and the climate.</p>	<p>5A We will continue to develop the area of compliance, integrity and fair practices within our organisation.</p> <p>5B Sustainability activities at Inter Cars in all pillars will be supported using of active digital tools.</p>



INTER CARS GROUP SUSTAINABILITY STRATEGY 2030

PILLAR	SUSTAINABLE SPARE PARTS	GREEN LOGISTICS AND OPERATIONS	GARAGES OF TOMORROW	ENGAGED PEOPLE	ORGANISATION OF THE FUTURE
COMMITMENT AND KPIS	1 OUR PRODUCTS	2 OUR LOCATIONS	3 OUR CUSTOMERS	4 OUR PEOPLE	5 OUR ORGANIZATION
	<p>1A We will work with our suppliers to develop industry best practice, incorporating product carbon footprint (Scope 3), environmental risk and human rights aspects into our standard purchasing processes, for both premium brands and private label products.</p> <p>KPI:</p> <ul style="list-style-type: none"> By the end of 2024, Inter Cars will have developed and implemented a Sustainable Purchasing Policy, with a particular focus on ensuring effective risk management and respect for human rights throughout the supply chain. Inter Cars also commits that 73% of its suppliers by emissions covering purchased goods and services, upstream transportation and distribution and downstream transportation and distribution, will set their science-based targets by 2028. 	<p>2A We will reduce our carbon footprint (Scope 1 & 2) and reduce the environmental impact of our logistics centres and offices.</p> <p>KPI:</p> <ul style="list-style-type: none"> By the end of 2030, we commit to reduce our absolute Scope 1 & 2 GHG emissions by 42% compared to the baseline year of 2021. From the start of 2030, all our new buildings will be carbon neutral. By the end of 2030, we will power our facilities with 100% renewable electricity. From the beginning of 2026, all new warehouse buildings will be BREEAM (excellent) or LEED (>=platinum) certified. 	<p>3A We will train and support the development of garages of the future, with a particular focus on green energy, circularity and expertise in the era of electromobility and new technologies.</p> <p>KPI:</p> <ul style="list-style-type: none"> By the end of 2025 in Poland and by the end of 2026 throughout the Inter Cars Group, we will develop and support the implementation of the "Garages of tomorrow" programme. By the end of 2025, we will expand the existing training programme for garage employees on new automotive skills. By the end of 2025, we will expand the scope of the existing training system for garages to include ESG elements. 	<p>4A At Inter Cars Group, acting in line with our values, we care about the safety, diversity and skills of our employees at every level of the organisation.</p> <p>KPI:</p> <ul style="list-style-type: none"> In our annual employee engagement survey, we will maintain the global eNPS result at a level of no less than 15%. From the beginning of 2023 in Poland and from 2024 in the Inter Cars Group, we will enable selected partner enterprises, e.g. companies managing the distribution network, to participate in employee engagement surveys. We will implement HR and eHR tools for the our employees and associates in order to release their potential and support a flexible and effective work model. We will implement the programme supporting managerial competencies in the Inter Cars Group. By the end of 2026 we will reduce the gender pay gap to max. 5%. By the end of 2026 we will develop a diversity and inclusion programme in the Inter Cars Group. 	<p>5A We will continue to develop the area of compliance, integrity and fair practices within our organisation.</p> <p>KPI:</p> <ul style="list-style-type: none"> We will implement a new ESG management structure covering all reporting processes and supervision of ESG strategy implementation across the Inter Cars Group.

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COMMITMENT AND KPIS	<p>1B As a market leader, we will actively drive development of car parts re-manufacturing segment and the sale of used car parts while shaping customer preferences around circularity and minimizing the influence of our packagings on the environment.</p> <p>KPI:</p> <ul style="list-style-type: none"> • By the end of 2026, we will increase the sales of remanufactured and used parts by 100% (compared to the sales level in 2022). • By the end of 2030, we will achieve an 80% annualised level of core returns (in the B2B market). • We will increase to min. 80% share of recyclate in the composition of unit packs of remanufactured and used products. 	<p>2B We will support our branches in efforts to minimize negative environmental impact and strengthen positive experience for our clients.</p> <p>KPI:</p> <ul style="list-style-type: none"> • By the end of 2025, we will develop a set of ESG recommendations for branches supporting them in their sustainability. 	<p>3B We will manage waste responsibly and reduce its mass through circularity and innovation.</p> <p>KPI:</p> <ul style="list-style-type: none"> • Each year we will increase the ratio of garages handing over waste (at least once every two years) according to the contract with Bio Service by 5% (compared to 2023 ratio). 	<p>4B We will continue to support the development of accessible, safe, and responsible mobility for people and the climate.</p> <p>KPI:</p> <ul style="list-style-type: none"> • By the end of 2030, we will have gathered a group of volunteers around the Foundation, who will have contributed a total of 6,000 hours of work for the implementation of social and environmental projects. • By the end of 2030, we will provide mentoring and scholarship support to 180 of the Foundation's charges. • We will enable Inter Cars business partners (branches, suppliers) in Poland to become involved in the projects and programmes implemented by the Inter Cars Foundation. 	<p>5B Sustainability activities at Inter Cars in all pillars will be supported using effective digital tools.</p> <p>KPI:</p> <ul style="list-style-type: none"> • We will disclose sustainability data on a regular basis (once a year) in line with current regulations and best standards. • We will ensure independent verification of ESG data disclosed in Sustainability Reports.



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