



GREENIMPACT

Sustainability Report

MAY 2024



OUR COMMITMENT TO GREENIMPACT

(Sustainability means meeting our own needs without compromising the ability of future generations to meet their own needs)

Sustainability at IMC

The IMC group ranks as the world's second largest conglomerate for metalworking tools and inserts.

The IMC Group incorporates environmental, social, and governance in its companies' daily decisions.

IMC members are committed to the IMC Policy.

IMC member companies produce a wide array of carbide inserts, carbide endmills, and cutting tools by using high technology to assure its customers and stakeholders' benefits. IMC companies mutually cooperate to ensure the safety and wellbeing of their employees and their communities to provide a sustainable future.

The COVID-19 pandemic has also prompted changes in the business environment. The IMC Group will advance its business activities by utilizing advanced digital technologies while maintaining sustainable values.

To achieve net zero greenhouse gas emission, the IMC Group will adopt circular economy principles within its supply chain.

The IMC Group continues to develop advanced tools, assuring that its customers work efficiently and reduce their energy consumption.



Jacob Harpaz
President and Chairman of the IMC Group

Environmental

IMC Companies strives to achieve an environmental impact and responsibility with a compliance program that conforms and commits to improved surroundings. Treating the environment with great care has been a long and intricate practice at IMC companies.

The company closely monitors its environmental impact by lessening risk factors, addressing products' life cycles, starting from raw material to production, transportation, application, packaging, and end-of-life management. The IMC Group continuously improves environmental performance values to assure a consistent and responsible approach to its environment. IMC committed to reducing GHG emissions by adding Solar panels worldwide, as well as improving the production process.

Manufacturing

IMC companies have a standardization system that works according to international standards such as ISO 9001, AS9100, ISO14001, ISO45001, and ISO50001.



Tungsten and Cobalt are strategic metals used to manufacture inserts. Cemented tungsten carbides become available for recycling when scrapped. Our goal is to help our customers to collect scrap metals and carbide and send them to be recycled.

Collecting scrap carbide and grinding worn carbide tools assures a cleaner environment.

In IMC companies managing the waste disposal is treated with high priority where the collection, recycling, and deposition of waste materials are handled daily to assure it is properly treated.

The waste management program includes monitoring and controlling the methods.

IMC companies' sustainable packages are carriers of corporate brands.

Corrugated cardboard and other forms of paper-based packaging are environmentally friendly, sustainable, and used to package various IMC companies' products.

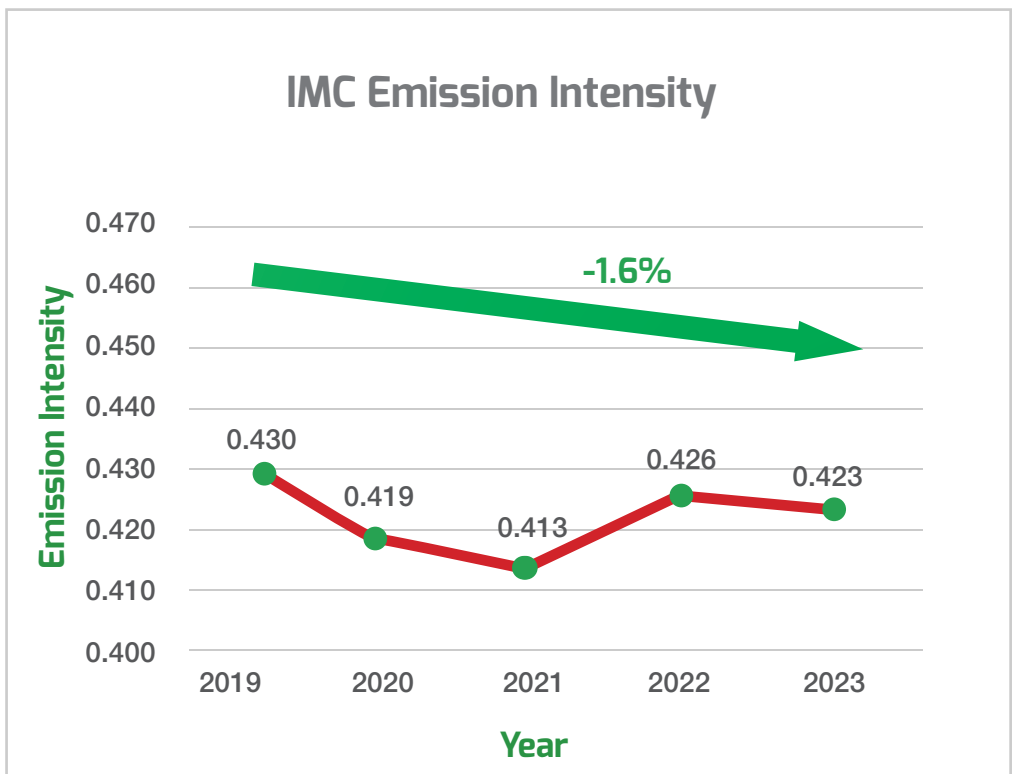
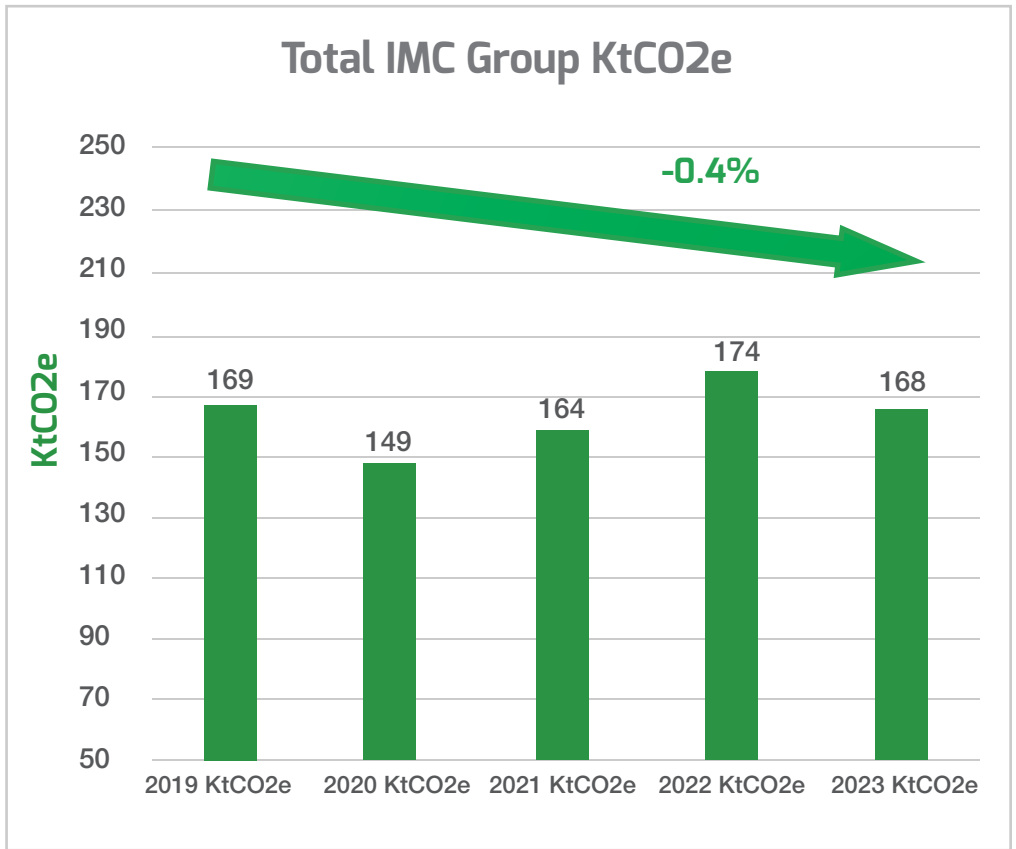
To package the tools and inserts, polyethylene and polypropylene plastic packages are used.

Technically these plastics can be recycled and transformed for reuse.

IMC's Target for 2030 is to have packages containing at least 30% recycled material.



IMC Total Energy Consumption





R&D Our Product Commitment

The IMC Group's research and development engineers focus on eco-innovation.

The group's R&D investment and activities improve productivity and efficiency, reduce costs and environmental impacts.

R&D has an important role in improving the environmental performance of industry being an important element in sustainable development.

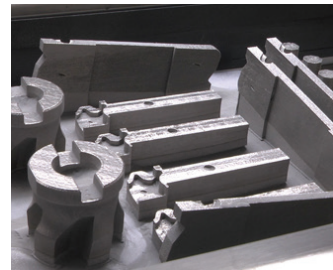
The IMC Group companies deploy relevant resource efforts to achieve innovation and competitive advantages.

The IMC Group's R&D efforts aspire to specific emerging technologies and digitalization processes, such as additive manufacturing and artificial intelligence, and provide customers with advanced tools and inserts for achieving higher productivity and cost reduction.

Cutting tools are of great importance to sustainability improvement.

While the cost of cutting tools is less than 4% of the machining cost, they account for up to 40% of the total downtime of machine tools and indirectly affect 30% of the total machining costs.

As a result, the more durable and capable a cutting tool is, the more cost resource and energy could be saved.



Social Engagement

IMC companies appreciate diverse cultures as they create an empowering environment, allowing equal opportunities for their employees to grow and professionally excel. IMC's high employment retention reflects an average tenure of over 15 years.

The IMC Group sees its social commitment indivisible from its business operations. The company practices a donation strategy and contributes to hospitals. IMC Group companies also donate to charity and to cancer research centers, and other social activities.

The IMC Group is a global multinational group, operating in countries with different cultures. The Group respects and honors the differences in cultures from one country to another and from one subsidiary to the next.



The IMC Group contributes to the local community by providing food, covering healthcare insurance, and assisting in the cost of renovating the homes of the underprivileged in the region.

Moreover, to contribute to a more caring society, IMC contributes to the operation of welfare facilities as well as operate a preschool aimed towards the education of the employees' children and the children of the neighborhood residents.

The IMC Group widens the employees' diversity and demonstrates its commitment to equality.

Governance, customer Service, delivery and Code of Ethics are of the essence in the IMC Group.

The IMC Group's sustainable customer service means identifying the true needs of customers while coinciding with the company's business processes.



Customer Service Delivery

The IMC Group aims to answer to the changing needs of customers in the competitive market of metal cutting tools. In the major IMC companies, there is an online shopping platform which is easy and straightforward. The website is based on the company's electronic catalog, which enables filtering and browsing through the many thousands of products that can be delivered quickly to any location around the globe.

By signing into the e-commerce system, customers can obtain personalized discounts and products geared for their requirements while encouraging less spending.

The IMC Group utilizes central warehouse services for improved stock management and to induce delivery optimization.



The centralized logistic centers in Europe, North America, and Eastern Asia improve business, reduce environmental impact, and assure the supply chains are greener and more cost effective for customers. The companies aim to boost customer loyalty in the short term and to assure an ever-more environmentally aware future with long-term customer loyalty. When sustainability becomes part of a brand's culture, it becomes a point of distinction, a core value, and has a large impact on the way customers perceive the brand. As part of sustainable customer service, the IMC Group continually strives to be socially responsible.

Code of Ethics

The IMC Group's compliance program is driven by high ethical standards and legal conformity in business practices.

Compliance prescribes a true code of conduct that does not tolerate violation of the law, nor the company internal regulations. The company's businesses are managed responsibly according to the regulatory requirements of the countries where each subsidiary is located.

The IMC Group's Compliance Officer is responsible for ensuring operations comply with any applicable law and internal standards.



The IMC Group's code of conduct compliance assures long-term success with its customers and employees. IMC Chief Sustainability Officer (CSO) work with managers, employees, and customers to address the organization's ESG objectives align with the United Nation's Sustainability Development Goals (UN SDGs').