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ICD GROUP

# ESG REPORT

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ICD

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# A MESSAGE FROM THE CEO



After being in business for over 70 years, one thing we know is to never stop learning, growing and evolving. We listen to our stakeholders and are proactive in providing solutions to our suppliers and customers. We support our communities and employees with care and intentionality. Despite ICD's strong growth over the last few years, we stay committed to our values of integrity, agility, rigor and community and are reinvesting in our values by self-selecting ESG as a strategic pillar of our business.

Prior to incorporating environmental and social sustainability into our governing structure and business activities, ESG principles were already central to our company identity. We have consistently demonstrated innovation in metals recycling, a strong focus on a domestic supply chain, manufacturing capabilities with low environmental impact, specialty product and service lines that are environmentally conscious and organic, and have joint partnerships with progressive new companies that are ESG-centric.

We view ESG reporting as an opportunity to further develop and demonstrate our resilience against climate risk, and to better serve our stakeholders through increased transparency, innovating throughout our business, and executing on meaningful ESG goals. We strive to be a leading ESG-focused company in the industries we serve. This means we are proactively improving in all areas of environmental impacts, social progress, and ethical governance. We want to be leading from the front but we also recognize this new venture is a journey, not a destination.

As we set out to be recognized as an ESG leader, we know we can constantly improve our data collection, environmental impact, social responsibility programs, and governance processes that deserve our attention, efforts, and investment. We are excited to demonstrate our growth in all of these areas.

Our past and future success would not have been possible without the collective input, creativity and hard work of our staff and our partners. With our values and ESG as guiding principles combined with the talents and commitments of our stakeholders, our impact and influence is infinite.

Thank you for reading our first ESG report and your support of ICD. We are immensely proud of how far we've come and look forward to our progress moving forward.

**ALEXANDRE LEVIANT**  
CEO, ICD GROUP

# ICD AT A GLANCE

**70+**

years of expertise and  
experience

**40+**

offices and warehouses  
in strategic global  
locations

**15+**

markets and growing. Our  
major clients are within  
national defense, aerospace,  
and energy storage.

**1.5K+**

clients & partners

## OUR MISSION IS TO LEAD AND GROW A FAMILY OF STRONG, INNOVATIVE COMPANIES THAT UPHOLD OUR ETHICAL PRINCIPLES.

This mission statement is further supported by our values, which dictate every action we take in all aspects of business.

**Integrity:** We treat our customers and suppliers with respect, always engaging with them honestly and transparently.

**Community:** We actively promote and invest in the success of our colleagues, customers, suppliers, and partners.

**Passion:** We are excited about our purpose and pursue excellence in our roles every day.

**Agility:** We are forward-thinking and quick to adapt to change.

It is our goal to provide a world-class level of service, integrity, and quality in all that we do- cornerstones of our business since its inception. In our 70+ year history, ICD has never once broken a single contractual obligation, proving our commitment as a trusted partner and ally to all of our clients.

### PURPOSE & SCOPE:

This report covers the environmental effects, social impacts, and governance practices of ICD Group HQ and its subsidiaries: ICD Alloys and Metals (A&M), ICD Europe, and the United Mineral and Chemical Corp (UMC) over 2021 and 2022, in order to benchmark our progress in the ESG space.

ICD has grown into a major international conglomerate with a presence in over 50 countries worldwide. Our focus remains in the manufacturing, trading, and distribution of specialized commodity products for today's modern markets. ICD's joint venture arrangements with suppliers, modern processing facilities, global logistics network, and unparalleled customer service is what enables us to supply products of uniform quality at the most competitive prices. Over our 70+ year history, we have prioritized innovation and resilient supply chains, which have solidified our trusted and reliable reputation among our peers and customers.





ORTHO-METALS AMERICAS

ICD EUROPE

CREATING A DOMESTIC SUPPLY CHAIN

DIRECT REP IN 40 STATES

GLOBAL DISTRIBUTION

REPRESENTATIVE OFFICE

UMC

HQ

MS

A&M

# A GLOBAL VIEW

ICD is one of the world's largest rare metals and specialty alloy recyclers, with recycling operations in North America and Europe. Sustainability and resiliency has been at the foundation of ICD Group's 70+ year history. Through innovation and cooperation, we provide a more hopeful future for the planet and its inhabitants. We are constantly working and adapting to meet the challenges of today and tomorrow.

# WE KNOW WHAT'S IMPORTANT

## MATERIALITY ASSESSMENT

The ICD Group materiality list was developed from a sector-level analysis of ESG materiality issues along with peer reporting of topics considered relevant. The materiality assessment included management's judgment and perception of importance to the business and to stakeholders.

Average matrix scores are found by multiplying the numerical value (one being lowest priority, 10 being highest) of the perceived importance to stakeholders by the perceived importance to the business of each topic within the category. Category averages tell us the overview of where our business should prioritize innovation, funding, and new practices and policies.

Our materiality report tells us that both governance and social topics are more relevant to our operations, and where we can create the most positive impact across our value chain and in our communities. This is why our focus during FY2021-22 has been ethical sourcing and innovation within domestic supply chains, both of which are tied to bolstering progressive labor practices. While our environmental materiality scored as a lower priority category, we are making huge efforts to fund innovation across ICD Group.

*Our materiality analysis shows high-priority items in business ethics, labor practices, materials and sourcing, and business model resiliency.*

**74.3** AVG. MATRIX SCORE FOR GOVERNANCE TOPICS

**64.3** AVG. MATRIX SCORE FOR SOCIAL TOPICS

**44.4** AVG. MATRIX SCORE FOR ENVIRONMENTAL TOPICS

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ICD GROUP

ESG REPORT

# ENVIRONMENTAL IMPACTS





## SOURCING AND SUPPLY CHAIN

Our supply chain operates across continents and can be vulnerable to poor labor practices from upstream suppliers given the scope of materials we source, and the historically rampant human rights abuses within mining and minerals extraction. This is why all of our subsidiaries perform extensive due diligence to ensure there is no use of forced, indentured, or child labor involved at any part of ICD's value chain. We never source from Conflict Affected and High-Risk Areas (CAHRAs) as outlined by the Organization for Economic Cooperation and Development (OECD). We have identified regions of risk and sourcing is done in alignment with CF2000:2021 and the Responsible Minerals Initiative (RMI). Compliance with the Art and Creative Materials Institute inc. (ACMI) and Foreign Supplier Verification Program (FSVP) standards ensure that we source materials from reputable suppliers and provide safe and effective products around the globe.

**WE ARE COMMITTED TO OPERATIONAL TRANSPARENCY TO ENSURE THE SAFETY AND TRUST OF OUR CUSTOMERS AND COMMUNITY.**



The Responsible Minerals Initiative (RMI) is a global resource in addressing responsible mineral sourcing throughout supply chains. The assurance process includes a third-party audit that determines the smelters and refiners who are aligned with international mining standards.

The mission of RMI is to bolster the supply chains which “contribute positively to socio-economic development globally” and to re-shape the dialogue around responsible sourcing and the bottom line. ICD A&M has an RMI downstream assessment in progress in an effort to demonstrate our responsible sourcing practices are aligned with the OECD Due Diligence Guidance for Responsible Mineral Supply Chains from Conflict-Affected and High-Risk Areas, and to provide validated information about its due diligence activities. We are on track to obtain full RMI certification in 2023.

**CF2000:2021****ICD EUROPE, ICD ALLOYS & METALS**

The CF2000:2021 standard helps organizations ensure transparency throughout the supply chain. It is especially applicable to conflict mineral sourcing and ensures these minerals are not processed through enslavement, or fund armed conflict. CF2000:2021 also falls under the Dodd-Frank Act which calls for transparency and accountability by financial institutions around mineral mining, and now requires companies to publicly disclose their use of high-conflict minerals from the Democratic Republic of the Congo (DRC), as well as surrounding regions. The minerals in question include Tungsten, Tin, Tantalum, and Cobalt- all of which are becoming more relevant to new forms of industry such as electric vehicle (EV) batteries and semiconductors.

**ISO 9001:2015****ICD EUROPE, ICD ALLOYS & METALS, UMC**

ISO9001:2015 contains quality management systems requirements for the International Organization for Standardization (ISO). ICD Group demonstrates our ability to consistently provide products that meet customer needs and necessary regulatory requirements, while also aiming to enhance customer satisfaction. This system includes processes for continuous

improvement and assurance of applicable regulatory requirements.

**ISO 14001:2015****ICD EUROPE**

This ISO standard is for an environmental management system (EMS) to enhance our environmental performance in a systematic manner that contributes to the environmental pillar of sustainability. The 14001:2015 standard focuses on evaluating direct environmental impacts, carbon footprints, risks, opportunities, and waste of resources in order to holistically and continuously improve these targets, while also developing a proactive management plan.

**ISO 45001:2018****ICD EUROPE**

The ISO45001:2018 standard for occupational health and safety management systems addresses employee health and safety issues and involves an external audit on the facilities' conditions. Organizations that implement ISO45001:2018 have a clear management structure with defined authority and responsibility, clear objectives for improvement, with measurable results and a structured approach to risk assessment. This includes the monitoring of health and safety management failures, auditing of performance and review of policies and objectives.

## ENVIRONMENTAL INNOVATION: EV BATTERY RECYCLING

ICD HQ encourages all of our subsidiary companies to pursue any initiatives related to sustainable product design and/or process innovation as part of our resiliency plan. Some of our recent innovations include financing a new scrap metal recycling facility in our metals division, new chemical lines that are more environmentally friendly, and recycled packaging for downstream distribution.

We recognize that global supply networks are at risk from climate change, geopolitical conflict, and exploitation of land and human capital. ICD is prioritizing building out a domestic supply chain grounded in the recycling of metals and rare earth minerals.

**EV BATTERIES ARE AT THE  
FOREFRONT OF THIS EFFORT.**

Looking to the not-too-distant future, electric vehicles (EVs) will be the main source of transportation on our roadways due to new legislation phasing out gas-powered cars, increased accessibility to EV purchasing, and the equitable distribution of EV chargers.

We are seeing megawatt battery production facilities open up in several states across the U.S. While this technology is rapidly developing and becoming mainstream, ICD sees the potential for huge amounts of waste from EV batteries once they have been replaced with updated technology, or once they have reached the end of their life. The EV battery recycling industry is still developing. This underscores the need for policies and proper incentives to be implemented at the federal level in order for the U.S. to keep EV supply chains domestic.

ICD is in a unique position to use our metal recycling capabilities to actively analyze and explore this specific niche of metals recovery. We will keep innovation within our markets as a top priority, and our team is constantly seeking new areas of opportunity to change the structure of a historically damaging industry, and invest in urban mining solutions to recover rare earth metals and minerals from waste products.





# 65%

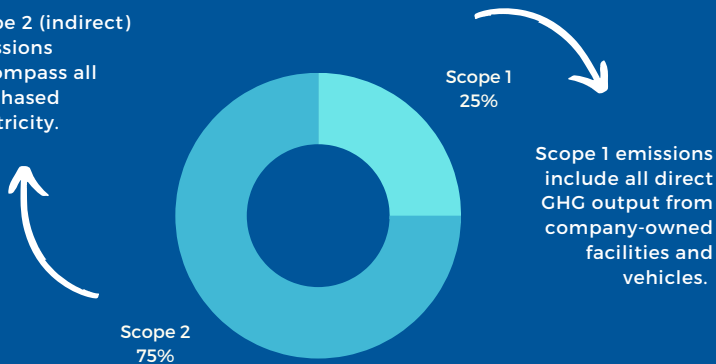
of ICD A&M's products come from recycled and recovered metals and scrap, rather than virgin materials through urban mining techniques.



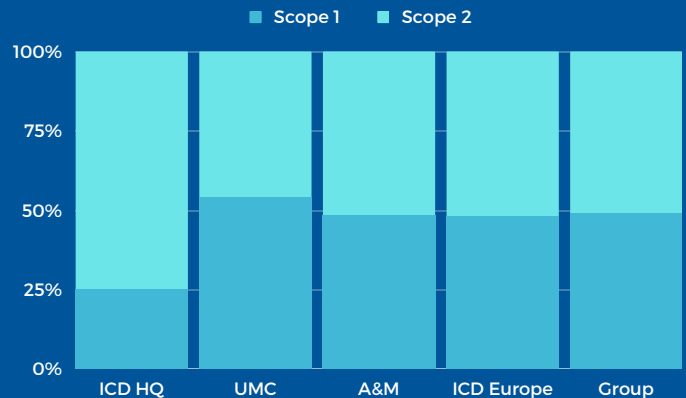
## **"URBAN MINING"**

is the process of reclaiming raw materials from waste products. The metal waste generated in industrial environments are a valuable resource to meet the demands of manufacturing, limiting the need for mined metal.

Scope 2 (indirect) emissions encompass all purchased electricity.



ICD HQ Scope 1 and 2 Energy Consumption, Percentage of Total, FY2021



ICD Group Scope 1 & 2 Emissions Percentages for FY2021

## ENERGY & EMISSIONS



We recognize that a global distribution network comes with an environmental cost in the form of greenhouse gas (GHG) emissions. FY2021 was the first year we quantified this impact in order to benchmark our future progress against these numbers. We plan on having a short-term goal of creating a more precise tracking methodology in order to offset our emissions, as well as create emission mitigation strategies to address our output at the source.

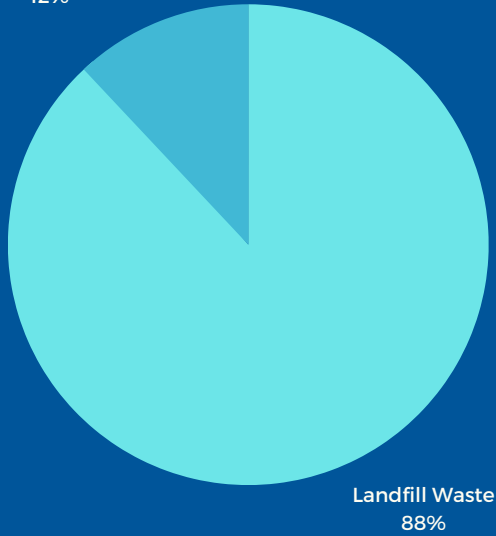
Scope 1 (direct) and 2 (indirect) emissions were estimated using the EEIO model from S&P Global based on the nature of our business. Scope 3 (indirect) emissions were not calculated for FY2021. Scope 1 emissions for ICD HQ were measured at 1.6 tCO<sub>2</sub>e, while Scope 2 was measured at 4.8 tCO<sub>2</sub>e. The energy intensity, or the measurement of energy use per employee, for HQ's 13 employees was 0.4 tCO<sub>2</sub>e.

Across ICD Group and its three subsidiary companies included in the scope of this report, total Scope 1 emissions were measured at 5,769.1 tCO<sub>2</sub>e; 58.9% from A&M, 25.3% ICD Europe, and 16.8% UMC. Total Scope 2 emissions came out to 5988.3 tCO<sub>2</sub>e; 60.7% from A&M, 26.0% ICD Europe, and 13.2% UMC. Total energy intensity per employee was 101 tCO<sub>2</sub>e.

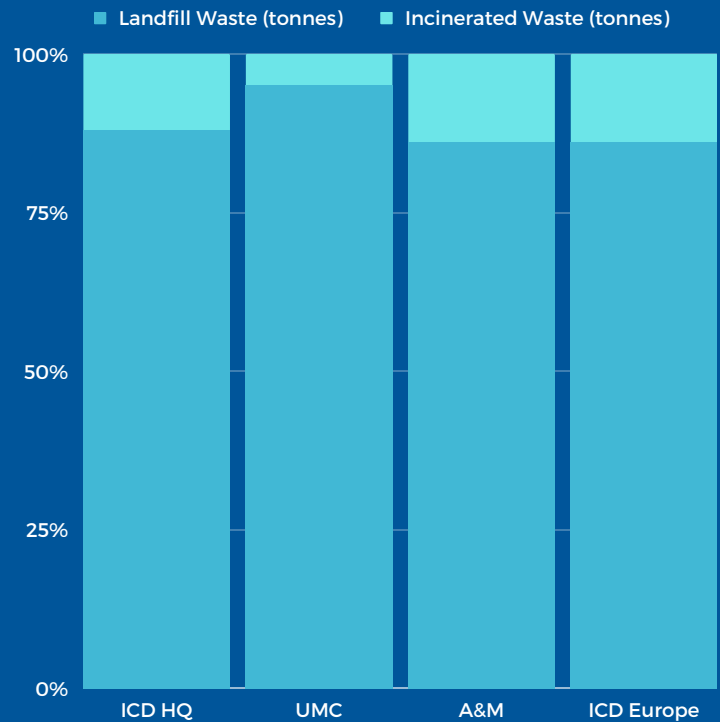
All ICD group sites are monitored for energy optimization, including temperature-controlled locations for a more efficient HVAC system. We have installed solar shades in our HQ offices which reduce heat and glare, and are Greenguard Gold certified to protect our employees from poor indoor air quality due to dangerous volatile organic compounds (VOCs).

We provide work-from-home flexibility to decrease commuting emissions, as well as encourage our employees to participate in public transit options.

Incinerated Waste  
12%



ICD Group Waste Disposal Routes as a Percentage, FY2021\*



ICD Group Waste Disposal Routes by Percentage, FY2021\*

## WASTE

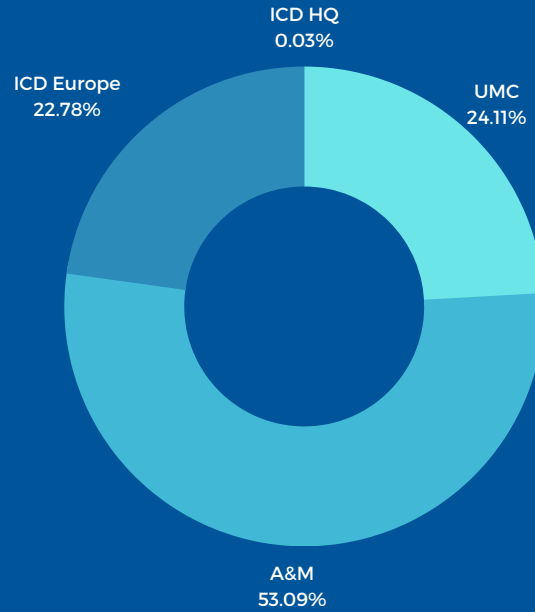
ICD Group’s waste was measured by the EEIO model and is an estimate based on the nature of our business. We measured a total of 0.4 tonnes of waste for HQ operations, largely due to the digitization of our operations, with an intensity of 0.03 tonnes per employee. ICD HQ is excited to continue our low-waste operations, and benchmark against the average U.S. waste intensity per citizen of 0.81 tonnes of waste per year, according to EPA estimations.

Across ICD HQ and our three subsidiaries contained in the scope of this report, total waste amounted to 997.2 tonnes with an intensity of 8.6 tonnes per

employee, and 5.4 tonnes per mUSD revenue. 88% of our waste went to landfills, while 12% was incinerated, mostly for energy recovery. This data does not include recycling and repurposing practices at ICD Group. We did not produce any hazardous waste in FY2021. Included in the estimated measurements of waste were materials packaging from our suppliers, which we have been repurposing and reusing for downstream distribution, as well as partnering with third-party recyclers to ensure proper disposal or extending the lifecycle of these products.

The EEIO model did not include or account for any in-office recycling nor materials repurposing. We hope to get more accurate data for our next ESG report to reflect our real recycling and repurposing practices.

\*This data does not include recycling and repurposing practices at ICD Group



ICD Group & Subsidiary Percentage of Water Consumption, FY2021

## WATER

ICD HQ’s estimated water consumption, based on the EEIO model, was 8.7 m<sup>3</sup>. This water was for domestic usage within our offices, and was sourced from the New York City municipal water supply. Across ICD Group and the three subsidiaries covered under the scope of this report, the total water consumption amounted to 34,476.4 m<sup>3</sup>, with an intensity of 297.21 m<sup>3</sup> per employee and 188 m<sup>3</sup> per mUSD revenue.

Across our operations, ICD did not source water from any areas under water stress. ICD HQ disposed of water discharge through a local municipal treatment plant.

Water is quickly becoming a precious and endangered resource as climate risk escalates. ICD Group is not involved in the sourcing or removal of water from areas of water stress, nor do we produce hazardous waste which can contaminate our water supply. While water is low on our materiality list of priorities, we are diligent about maintaining the integrity of our New York City watersheds, and the water sources of all our communities, which provide clean water to nine million people everyday. We will continue to monitor our water disposal routes, as well as waste effluent from our operations.

# NEW PARTNERSHIPS AND ACQUISITIONS:

# ICD MELTING SOLUTIONS & ORTHOMETALS AMERICAS



## ICD MELTING SOLUTIONS

ICD Alloys and Metals is driven by a purpose to bring ethical business solutions from mine to market for our customers. This purpose led to the acquisition of ICD Melting Solutions. For years, customers have asked if we could produce customized nickel and cobalt ingots and pigs, but we didn't have the capabilities until now.

ICD Melting Solutions, based in Albertville, Alabama, was a diamond in the rough with a solid electric arc furnace, AOD, and toll processing capabilities when it was acquired- but the facilities were in poor condition with low staff morale. Steve Conlin, ICD A&M's President, saw the opportunity to become a one-stop shop solution for our customers, and invest in a company to bring its people and community to a new level of pride, influence, and impact.

# 85%

increase in hiring during the first year of ICD Melting Solutions

The transformation in the facility and culture has been tremendous. Within the first year of ownership, ICD Melting Solutions has increased its workforce by 85%, improved safety procedures, modernized its lab technology, created pride in its staff, and completely refurbished the facility. Additionally, ICD Melting

Solutions has embedded itself into the community by actively participating in the local chamber of commerce, and became an employment partner with local high schools, technical colleges, and government agencies.



ICD Melting Solutions is a key component of ICD Group's innovative supply chain management; at least 65% of our materials are made with scrap metal. We prioritize "domestic urban mining" rather than invasive mining and reliance on international supply chains where transparency isn't always a priority. Metal products are everywhere in our built environment- in the glasses we wear to work, to the core structures of our homes. The global demand of these resources outpace the amount of raw, virgin materials we have access to through invasive mining techniques. This finite resource has become the center of an extremely destructive industry; ICD is changing this narrative. Closing the loop on metals production through scrap recycling and reclamation ensures that we can support our domestic needs for defense, aerospace, semiconductors,

and automobiles in a way that bolsters our own economy, brings valuable jobs to growing communities, and protects our natural environments.

## JOSH SHEFFIELD

ICD MELTING SOLUTIONS  
OPERATIONS MANAGER

Josh has handled just about every aspect of the business during his career at ICD A&M. He was one of the original three team members on the floor during the opening of Alloys & Metals in 2013. He views melt shops as the real magic of the business, and instantly took on the challenge of transforming an outdated foundry to a state-of-the-art facility with a highly-skilled team that is excited and ready to work together.

*“Melt shops are the heartbeat of this industry; it’s where the magic happens.”*

With Josh at the helm, and while working with the existing, experienced team, there has been a total shift in employee attitude, excitement for job progression, updated safety practices, and a facility which reflects the value ICD puts into each of its employees.

*“The journey is the fun part; you’ll never achieve perfection, and at the end of the day it’s not about that. It’s about continuous improvement and seeing the evolution since day one. We aren’t stopping until we can build something sustainable for our grandkids, as a premier employer in our community.”*

*-Josh Sheffield  
Operations Manager  
ICD Melting Solutions*



## ORTHOMETALS AMERICAS

Our ongoing priority is supporting new recycling initiatives within ICD to create an alternative to virgin material use and combat the continued reliance on invasive mining. To do this, we partnered with Orthometals BV, a Netherlands-based market leader in the niche recycling of metals post-cremation.

ICD Europe has been a long-time buyer of Cobalt-containing implants from Orthometals BV, and has cultivated a strong relationship with their team. We acknowledge our access to the American markets, with direct representation in 40 states, in which Orthometals BV is finding roadblocks and scaling issues for market entry. With the combined capabilities of niche recycling and access to the expansive American market, Orthometals BV and ICD joined forces under Orthometals Americas, LLC to become the market leader in alternative metal recycling for crematoria across the U.S. and Canada. We are preparing to launch our services in Spring of 2023 due to the high demand we have already been experiencing in requests for services.



**WE BELIEVE THAT WITH OUR OPEN, HONEST, AND INNOVATIVE APPROACH, WE ARE ABLE TO SHOW U.S. CREMATORIA THAT THERE IS A BETTER SOLUTION TO HIGH-VALUE METAL DISPOSAL.**



**40**

states with direct representation, to expand the American market

# LOOKING AHEAD: ENVIRONMENTAL GOALS FOR 2023 AND BEYOND

## 01

### IMPACT TRACKING

We will work towards increasing the accuracy of our environmental impact data within energy, emissions, and waste categories. By doing this, ICD can partner with third-party carbon offsetting programs to reduce our past impact.

## 02

### FOOTPRINT REDUCTION

We will reduce our on-site footprint in 2023 and beyond by:

- Installing LED lighting throughout our offices and warehouses
- Installing an auto-off sensor for our lighting systems
- Continuing to replace combustion-engine forklifts with electric
- Recycling all paper, plastics, and glass through municipality recycling and third-party partners to ensure proper disposal of waste

## 03

### MATERIALS RECYCLING PROCESSES

We will increase our scrap metal repurposing to remain above 65% of our overall supply volume, in order to reduce our dependence on mined raw materials and foreign suppliers, as well as encourage our markets to invest in recycled materials.

## 04

### INNOVATION INITIATIVES

ICD Group will advance our proactive recycling and repurposing initiatives to cement us further into the top one percent of innovative companies in our markets. A point of emphasis is to onshore production of critical metals for a conflict-free and reliable supply chain.

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ICD GROUP

ESG REPORT

# SOCIAL IMPACTS



## EMPLOYEE HEALTH AND SAFETY

Occupational health and safety management is critical to the nature of our business. We work in large scale distribution, smelting, metals recycling and more. That's why we invest in proper education, safety and hazard management, and continuously improve our processes using self and third-party safety audits.

Any and all hazards are investigated thoroughly and in accordance with risk management procedures which include identifying the hazard, who may be hurt and how, assessing the risks, and determining what safeguards will be taken. Each of our subsidiaries have their own health and safety management systems depending on their risk analysis and exposure. At ICD HQ, we keep emergency materials on hand, such as fire extinguishers and PPE, and we also have detailed standard operating procedures (SOPs) to record and report any incidents for a thorough investigation. We report and handle hazards according to OSHA at a group level. During FY2021, ICD Group had seven total workplace injuries over 193,381 total working hours resulting in 7.24 LTIFR. A Lost Time Injury Frequency Rate (LTIFR) is the frequency of lost productivity hours due to injuries in the workplace, and we are continuously updating our safety training to decrease injury risk, and our total LTIFR profile.

# 7.24

LTIFR for ICD Group during 2021

ICD Europe has reported the most workplace injuries, with a total of six during 2021, and three in 2022. Due to their location, ICD Europe has different reporting requirements than other ICD subsidiary companies for workplace injuries. As per UK legislation, reportable injuries include any accidents or near misses. Fortunately, over the past two years there were no serious injuries resulting in hospitalization or disability.

On each shift, ICD Europe has two first-aid individuals and one first-response trained individual, all externally certified. When an injury or near miss occurs, first-aid professionals take the injured employee to the medical room where the injury is addressed. Each injury becomes an accident report, inclusive of witness statements and root cause investigations in order to determine if it was due to operator error or machinery malfunction.

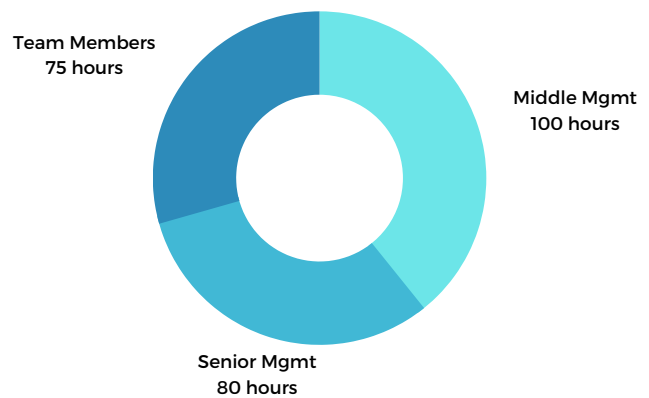
Immediate measures are put in place to ensure a similar situation will not happen again. Every injury is logged and dated, then addressed at weekly management meetings to close the loop on enhancing our employee health and safety (EHS) systems.

There have been zero major incidents since ICD Europe began in 2016, and during FY2022, there was a 50% decrease in reported injuries because we are continuously updating our EHS systems to reflect the most modern first-aid responses and practices.

### TRAINING AND EDUCATION

ICD prioritizes new employee training and continued education for robust human capital to power our global business.

development plans, annual goals, a quarterly management review, and an annual review with the COO and President. 100% of our employees received performance and career development reviews, and four of our employees benefited from our mentorship program to enhance their professional and personal goals during FY2021.



Training Hours Per Person Based on Mgmt Level, FY2021

At ICD HQ, employees had a total of 480 training hours over FY2021, while ICD Group had a total of 4,122 training hours. Male employees were given 3,123 hours (76%) and female employees had 999 hours (24%) which reflects the gender diversity in our industry. Senior management received the most leadership training during this year, followed by team members and middle management.

**100%**

of our staff received performance and career development reviews in 2021

That's why we developed a six month onboarding program to set up new employees for lasting success. Each employee has training sessions with all company departments, weekly check-ins with direct management, and biweekly check-ins under COO mentorship. At the six month milestone, employees receive career

**4,122**

total hours of training in 2021 at ICD Group

## LEADERSHIP COACHING

Talent development is a critical and continuous stage of the employee lifecycle. The investment of training role-related and leadership skills levels up engagement, productivity, and performance in the near term while targeting growth areas that strengthen career progression, a sense of belonging, and driving purpose and intentionality into every interaction they have inside and outside of the business.

ICD believes that offering one-on-one leadership coaching to our emerging leaders not only makes their performance stronger, but it also focuses on building skills, mindsets, and behaviors that elevate their personal lives and wellbeing. This investment in the whole person is good for them and good for ICD.

Our leadership coaching is differentiated and focuses on individualized goals designed to unlock their potential by developing the relational, strategic, and tactical skills that will enhance all facets of life.

*"Through this coaching, I have learned more about the kind of leader I am and want to be. Vocalizing the qualities of leadership which are meaningful to me definitely strengthens my resolve to achieve them."*

*-Zelos Hill  
Chief Operating Officer, UMC*



*"The most noticeable take-away I got from coaching was a huge boost in my confidence. This new confidence level allowed me to make more efficient and effective decisions for the Additives Business Unit and created a stronger trust within my team as the leader of the group."*

*-Aida Pleho  
Additives Business Unit Manager,  
UMC*





*"Regardless of skill-level or experience, leadership coaching facilitates self-reflection, critical evaluation and ultimately improvement of many facets of personal and professional life. Leadership coaching has provided me the tools to lead and live with intentionality increasing my productivity and overall happiness."*

*-Patrick Thomas  
Director of Mergers and  
Acquisitions, ICD Group*



*"The ICD internal leadership coaching program allowed me to close a chapter on previous projects while preparing me for the next set of goals. It provided validation and encouraged self-awareness in the work environment. It has made me more efficient, understanding, practical and respectful to and with my peers."*

*-Tigran Martayan  
Business Development  
Manager, ICD Group*



## ICD CONTINUING EDUCATION ENDOWMENT

We know formal education has a positive impact on an employee's contribution to the company, to their professional and personal development, and to their future career. ICD supports self-development and educational efforts by providing reimbursements for many of the expenses associated with continuing education courses, including: full tuition, registration, and lab fees.

All full-time, regular employees are eligible for benefits under this policy. Employees may pursue a degree or take individual courses at approved and accredited educational institutions under this program, provided the course of study is related to the employee's current position or a probable future assignment in order to maintain our highly-skilled and knowledgeable talent pool. ICD Group leadership had received overwhelming positive feedback from this program by participants, and we are excited to continue our prioritization of employee training and professional development.

## CASE STUDY: CHRIS BRZOWSKI

Chris Brzozowski is our Commercial Director at ICD Europe, responsible for running our daily operations, teams of traders, and finding the right products at the right price for both European and American markets. He was able to take advantage of ICD's Education Endowment Program and earn his MBA from 2020 to 2022. ICD gave Chris both financial resources and work time to undertake his studies and apply them to his daily role.

Chris has benefitted greatly from a well-rounded business education, especially on the financial side where he was able to gain valuable insight to help him lead cross-departmental teams and speak to a broader business strategy perspective. He feels more confident as a leader by being exposed to different facets of business, and one of the main takeaways from his MBA program was the connections he made within his cohort, and being able to network and learn from esteemed guest speakers during the two-year program.

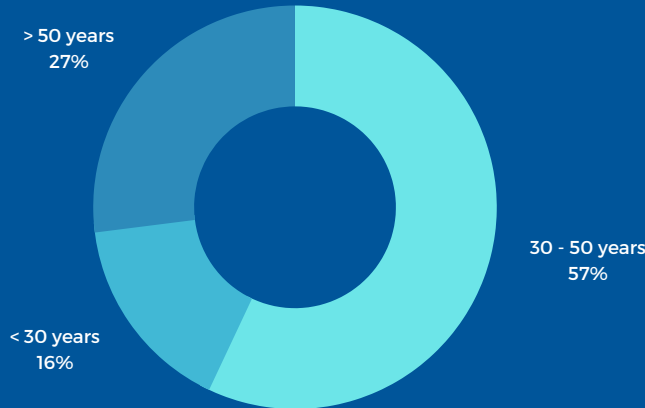
He is most proud of his dissertation which laid out a detailed business plan to open a new facility and increase ICD's geographical footprint. Chris presented his highly-researched

business plan to ICD executives during a strategy session in September of 2022, and is hoping to continue developing his findings through extensive market research. He received excellent feedback, and it was a great for ICD leadership to experience first-hand the benefits of supporting employee continued education, and for Chris to be able to apply his learnings in real-time.

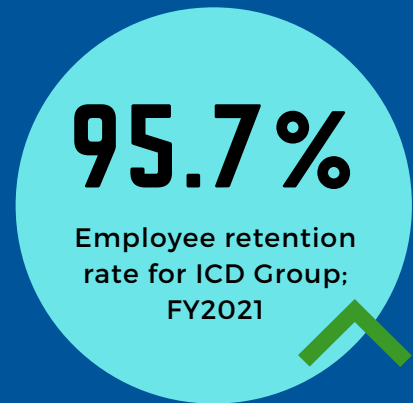
*"This program taught me more than a well-rounded knowledge of business; it gave me a higher sense of self-awareness and leadership tact which has helped me deepen my relationships with my peers at ICD."*

*-Chris Brzozowski  
Commercial Director, ICD Europe*





Age Group Breakdown by Percentage, FY2021 (ICD Group)



## DIVERSITY, EQUITY, INCLUSION (DEI)

The manufacturing and distribution industry has been historically male-dominated, and remains so today. ICD hopes to change this pattern through progressive hiring practices, active talent recruiting, and diversity, equity, and inclusion (DEI) training. Our current employee portfolio analyzes age and gender demographics, overlaid with management seniority to get a clear picture of where we need to improve.

We have 117 employees throughout HQ and our three subsidiaries. Eighty two percent are self-identified males, and 18% are self-identified females. Senior management is 100% male, while middle management and team members have 78% male, 22% female employees and 81% male, 19% female employees respectively. Our pay gap at ICD reflects the historically male-dominated industry we work in. Our total pay gap across ICD HQ and our subsidiaries is 26.39%; this statistic goes hand-in-hand with

focusing our efforts on reducing gender barriers in our industry, and creating a more balanced workforce throughout our company. This statistic was calculated based on UK guidelines; a positive figure shows us that women have a specified lower pay, whereas a negative figure reveals that men have a lower pay relative to women across management levels. At ICD HQ, the gender pay gap currently sits at 25%. Middle management is at 21%, and for team members it is -21%.

We employ differently abled persons throughout our company, and have a diverse age range consisting of 57% within the 30 - 50 year range, 27% over 50 years old, and 16% under 30 years.

We are proud of our employee retention, and work to keep our valued employees through robust benefits, generous parental leave, professional development plans, healthy workplaces, education and training opportunities, and a culture of honesty and integrity. During FY2021, we lost five employees and hired 17; 15 men and two women across all age groups, the majority being between 30-50 years.

## COMMUNITY ENGAGEMENT

ICD Group's community give-back program is supported by the Leviant Foundation, a family-owned and operated philanthropic venture which prioritizes its core values of integrity, community empowerment, and education. We are proud to have a diverse portfolio of charitable donations directed by our employees and stakeholders. Thus far, we have met all donation requests by our employees, which includes youth community sports teams, healthcare initiatives in South African hospitals, ongoing scholarships, and so much more.

The Leviant Foundation was created by Alexandre Leviant, ICD Group's current CEO and second-generation leader, as a way to pay tribute to his parents. Prior to ICD being incorporated in 1952 by Jacques Leviant as a bulk chemical trading company, the Leviant family had escaped the oppression of Communist Russia by fleeing to France, and before finally settling in New York. Before he died, Jacques Leviant consistently expressed gratitude toward the U.S. democratic system for providing a safe-haven to him and his family, while also giving him abundant opportunity to live a fulfilled life.

The Leviant Foundation's core charitable venture is to support the Navy Seal Foundation.



*"Navy Seals are the utmost examples of personal sacrifice in defending democracy for all U.S. citizens."*

*-Alexandre Leviant  
CEO, ICD Group*

Our funds support the families of Navy Seals after the five-year government assistance program ends. College scholarships, mental health treatment, and the financial needs of veterans and their families are just a few of the services this foundation offers. The Leviant Foundation has pledged support for years to come.

**\$500K+**

The Leviant Foundation has given in excess of \$500k per year in the areas we operate.

## UBUNTU PATHWAYS

The Leviant Foundation and ICD Group are proud sponsors of Ubuntu Pathways, a “nonprofit organization that provides an integrated support system of health, education, and social support in the townships of Gqeberha, South Africa,” formerly Port Elizabeth.

Ubuntu Pathways recognizes that there is no single solution to breaking the oppressive cycle of poverty. Whether it’s due to poor healthcare, failing schools, or unstable employment, poverty can feel impossible to escape. Ubuntu focuses on the core solutions to uplifting their community: state-of-the-art healthcare for mothers and children with HIV, and improving education systems through modernized school infrastructure, increased access to technology, and highly trained teachers and staff.

The Leviant Foundation has given a five year, \$375K grant (\$75K per year) to the Ubuntu Mother and Child HIV Clinic where they are leaders in “sustaining a 100% elimination of mother-to-child transmission” and treating all patients suffering from HIV.<sup>2</sup>

During the COVID-19 outbreak, the HIV clinic transformed into a pandemic response center. Ubuntu and hospital staff faced a chronic shortage of vaccines, electricity

outages, and low PPE supply. Despite these challenges, Ubuntu’s vaccine initiative has been “one of the most efficient and effective sites in the region” with over 40,000 people receiving doses (Report, 2021). Throughout the pandemic, and in addition to COVID-19 services, the Ubuntu HIV Clinic continued to care for their most vulnerable community members with uninterrupted treatment.



*“The Leviant Foundation’s support has allowed us to not only stem the current tide of suffering in our community, but also diminish the severity of future crises through long-term, sustainable change. Together, we will ensure that, even in the face of the COVID-19 crisis, our life-saving holistic programming remains a top priority, and that our community builds back even stronger and more resilient than before.”*

*-Ubuntu Pathways Team  
Report to the Leviant Family, 2021*

1. Report to the Leviant Family, 2021  
2. Ibid.

# LOOKING AHEAD: SOCIAL IMPACT GOALS FOR 2023 AND BEYOND

## 01

### IMPROVED DIVERSITY AT ALL LEVELS

Throughout our first ESG reporting process, we saw that diversity is a point of focus for us. To address this, we have a series of initiatives to address our diversity representation across all ICD companies. We are proud to be leaders in our markets for continuously pushing the needle on innovation, and in order to do that we rely on robust human capital.

- Updating our parental leave policy to reflect the U.S. Department of Labor Family and Medical Leave (FMLA) standards
- Company-wide annual DEI trainings
- Blind applicant screening during the hiring process
- Outreach to diverse hiring platforms or working groups for job postings and recruitment

## 02

### LOWERED LTIFR AND ABSOLUTE ZERO WORKPLACE INJURY

Employee health and safety is always our first priority. We have a goal of zero serious workplace injuries through in-depth trainings, updated safety management systems, and continued third-party safety audits.

## 03

### EMPLOYEE-DRIVEN PHILANTHROPY

We will elevate our support of our community and projects important to sustainable economic and social development. We look forward to our continued philanthropic efforts and supporting the passions of our employees and stakeholders through financial contributions that align with our values.

# GOVERNANCE

## **RISK MANAGEMENT IS A CORE PART OF OUR SUCCESS STRATEGY.**

We identify both long and short-term risks at every management meeting and we leverage the knowledge and expertise of a global team of specialty commodities experts to discover emerging risks and adopt adequate measures to both mitigate and adapt. Geopolitical and environmental risks cap our risk analysis and therefore take priority in strategic planning. We set up a series of measures to address business continuity across different key functions:

- Robust financial support to maintain operations
- Employee success via succession planning and comprehensive leadership and professional development training
- Maritime insurance across our distribution network
- Carrying ample inventory in case of shortages, warehouse organization and positioning, and sustainable scaling of our subsidiaries
- Diverse supply sources to offer the most relevant products with backup supply
- Monitor industry, supplier, and customer needs to ensure successful business relationships

Part of our risk management strategy is to keep a resilient business model through diverse suppliers, safe working conditions, and the agility to adopt and prioritize new ESG goals. We routinely improve the recycling capabilities of our subsidiaries in view of increased environmental regulations on the mining industry by turning scrap metal into final products. We hope to fully integrate EV battery recycling into our value chain in the next few years.

Resiliency is a grounding principle that underscores our sustainability and ESG initiatives. We are part of a global supply network which traditionally relies on fossil fuels, potential conflict minerals, and suppliers who may be susceptible to differing incentives. That is why we ensure transparency throughout our value chain, maintain the agility to pivot at any point where corruption could be possible, and invest in future technology to combat climate change.

### **BUSINESS ETHICS**

Protecting our ethical obligations as well as supporting a healthy and stable supply chain for our customers is essential to ICD Group's success and long-term growth.

Our strict ethics policies extend beyond the timeframe of this report.



**WE HAVE A LONG HISTORY OF NOT CONDUCTING ANY FORM OF BUSINESS IN COUNTRIES WITH THE 20 LOWEST RANKINGS IN TRANSPARENCY INTERNATIONAL'S CORRUPTION PERCEPTION INDEX (CPI) ACROSS OUR COMPANY.**

Our subsidiaries continuously audit their supply chains, and there is a zero tolerance policy towards bribery or corruption of any form. Internal practices to safeguard against corruption and ethical risks include extensive research on all potential suppliers or partners, robust Know Your Customer (KYC) requirements, visits to facilities and production locations of suppliers, investment in training sales representatives on the internal whistleblower policies and “can't do's” of business, and swift decision making by addressing corruption risks immediately at C-level committee meetings.

All executive members and board members have developed and been part of the integration and continuous management of our anti-corruption policies and procedures. This is applicable to 100% of the regions we are present in.

**CYBER SECURITY**

Proper and thorough data security ensures the information of our customers, suppliers, and employees remains protected. Data security has a direct reporting line to ICD Group management who are responsible for approving strategies and policies. The Group Management Service Provider (MSP) recommends strategic initiatives and facilitates processes in connection and data security, including:

- Incident Management Policy
- Network Security Policy
- Infosec Policy
- Vulnerability scans on all ICD group machines

**ZERO**

Confirmed security breaches in FY2021

To combat an uptick in business email compromise attempts and spam floods, ICD has been focusing on Employee Security Awareness training. ICD group follows the NIST CSF cybersecurity framework in conjunction with ISO/IEC 27001 to manage information security at the highest level.

# ICD GROUP ASSOCIATIONS

ICD Group is proud to be a member of several influential industry trade organizations which deliver legislative and regulatory advocacy, promote the highest levels of safety, and strengthen business intelligence and manufacturing operations. Active participation in these organizations empowers the entire industry by providing the latest industry knowledge, fostering networking and peer groups, and providing any necessary resources.



## LOOKING AHEAD: GOVERNANCE GOALS FOR 2023 AND BEYOND

# 01

### INTERNAL ESG TEAM

We will create an internal ESG steering committee in order to ensure fair ESG practices across all ICD companies, help us meet our annual and long-term ESG goals, and push our innovation through a holistic sustainability lens.

# 02

### WHISTLEBLOWER POLICY

We will cement in a whistleblower policy which protects all of our employees when reporting poor business practices. This policy will uphold our commitment to ethical labor and business practices across our value chain.

# 03

### FULL VALUE CHAIN TRANSPARENCY

We are implementing a strict Know Your Customer (KYC) due diligence process in order to get third-party verified information on leadership, ethical business practices, full traceability of products, and conflict-free assurance on all of our future suppliers and partners.

# 04

### OFFICIAL POLICY ADOPTION & DOCUMENTATION

We will begin and complete a documentation process in FY2023 which cements our policies and practices into our operations and ensures full incorporation of sustainability principles into our business model. These practices and policies include, but are not limited to: hiring processes, benefits and parental leave, employee health and safety management systems, supplier screening qualifications, KYC practices, risk management, and security policies.



## METHODOLOGY

S&P Global gathered, analyzed, and presented our ESG data through Sustainable1. They modeled environmental key performance indicators including GHG Emissions, water consumption, and waste generated for ICD Group and our subsidiaries. The modeled emissions, water consumption, and waste generation are calculated by first mapping each of the business segments to more than 450 business activities in the Sustainable1 extended input-output model (EEIO). The EEIO model is based on NAICS but goes into greater granularity in some areas and is used to estimate data for over 800 environmental and operational metrics across our entire operations of companies from the raw materials we depend on to the electricity we purchase to power our operations. Once the business segments and share of revenue apportioned to each are mapped, Sustainable1 is able to efficiently generate a data-modeled profile for ICD. S&P Global collected and determined data for this report.

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