DECARBONIZATION STRATEGY

DECARBONIZATION GOALS:

1. Reduce total emissions by 55% by 2030.
2. Increase the share of secondary raw materials used to 43% by 2030 at all locations of the Impol Group companies, up to a maximum of 50% at the Slovenska Bistrica location.
3. Enhance the energy efficiency of devices and increase the use of electricity from renewable sources to 37% by 2030.

The following aspects are considered in calculating the carbon footprint:
1. Direct emissions from the combustion of natural gas and oil at our company locations.
2. Indirect emissions generated in the production of electricity.
3. Emissions embedded in raw materials (aluminum and alloying elements) used in product manufacturing, including transportation.

The base year for setting decarbonization goals is the business year 2021.

Review of greenhouse gas emissions in 2021:

	Impol Slovenska Bistrica, Slovenia	Impol-TLM, Croatia	Impol Seval, Serbia	TOTAL
Direct emissions	39.653,90	16.810,70	38.125,50	94.590,10
Indirect emissions	42.622,24	8.113,38	49.630,79	100.366,41
Emissions embedded in raw materials	1.303.450,47	705.787,66	840.395,11	2.849.633,24
Total	**1.385.726,61**	**730.711,74**	**928.151,40**	**3.044.589,75**
Net production (t)	169.556,19	50.809,25	62.525,00	282.890,44
t CO_{2e}/t product	**8,17**	**14,38**	**14,84**	**10,76**

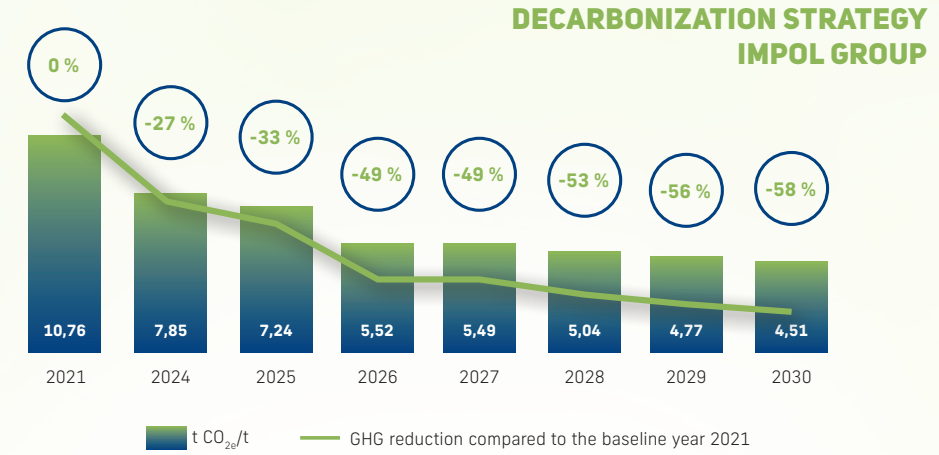
PROJECTED RESULTS

In the year 2021, emissions embedded in raw materials—aluminum in the form of ingots, billets, and blocks—accounted for as much as 93% of all emissions. To achieve the goal of reducing greenhouse gas emissions by 55% by 2030, it is imperative to select raw materials with lower embedded emissions.
The planned raw material supply outlined in the Impol 2024-2030 strategy already anticipates the use of resources that will facilitate the achievement of these goals.

Reduction of greenhouse gas emissions over the years and the use of low-carbon raw materials

Year	2021	2024	2025	2026	2027	2028	2029	2030
t CO_{2e}/t	10,76	7,85	7,24	5,52	5,49	5,04	4,77	4,51
Reduction compared to 2021	**0 %**	**-27 %**	**-33 %**	**-49 %**	**-49 %**	**-53 %**	**-56 %**	**-58 %**
Percentage (%) of Renewable Energy (RE) Sources	0 %	5 %	5 %	6 %	10 %	20 %	30 %	37 %
Percentage (%) of Low-Carbon Ingot < 4 t CO_{2e}/t Al	0 %	12 %	24 %	28 %	33 %	37 %	37 %	38 %
Percentage (%) of Low-Carbon Ingot < 8 t CO_{2e}/t Al	0 %	0 %	0 %	72 %	67 %	63 %	0 %	0 %
Percentage (%) of Low-Carbon Ingot < 7 t CO_{2e}/t Al	0 %	0 %	0 %	0 %	0 %	0 %	63 %	0 %
Percentage (%) of Low-Carbon Ingot < 6 t CO_{2e}/t Al	0 %	0 %	0 %	0 %	0 %	0 %	0 %	62 %

Graphical Representation of Emissions Reduction:



The GHG Emissions Reduction Plan ensures emission reduction pathways consistent with a 1.5°C warming scenario, using an ASI-endorsed methodology.

March 2024