



IC-Fluid Power, Inc.
Supplier Environmental Policy
IC-SEP.06.12.2026v1.0

Revision History

Changes	Role	Approving Manager	Date
Initial Publication	President	Bernd Hunger	06.12.2026
Next Review	President	Bernd Hunger	06.12.2028

PART 1: INTRODUCTION AND SCOPE

IC-Fluid Power, Inc. (IC-Fluid Power) connects U.S. companies with hydraulic component manufacturers through strategic sourcing and distribution. Our approach is grounded in environmental responsibility, regulatory compliance, and ongoing improvement. We look to our suppliers to embrace these same values, ensuring a consistent commitment to sustainability and integrity throughout our shared supply chain.

PART 2: PURPOSE

This document outlines expectations for supply chain partners to minimize environmental impacts and work toward creating a more sustainable future.

PART 3: ENVIRONMENTAL POLICY STATEMENT

IC-Fluid Power requires its suppliers to commit to continual improvement, environmental protection, and compliance with all applicable environmental legislation and regulations. Beyond compliance, we encourage our suppliers to seek out new ways to reduce environmental impacts and contribute to a healthier environment.

PART 4: APPLICABILITY

This policy applies to all IC-Fluid Power suppliers (see [IC Vendor List](#)) and contractors.

PART 5: ROLES

IC-Fluid Power's current leadership, Bernd Hunger (President), will oversee this document and is in charge of managing, reviewing, and updating this document every 2 years.

PART 6: ENVIRONMENTAL PRINCIPLES

IC-Fluid Power encourages suppliers to prioritize these principles for responsible health and environmental protection:

1. **Environmental Protection:** Suppliers are encouraged to prioritize pollution prevention, conservation of natural resources, and must comply with all environmental legislation.
2. **Business Operations and Facilities:** Suppliers are encouraged to integrate sustainable practices into core business operations, facilities, and services.
3. **Tracking and Reporting:** Suppliers are encouraged to identify environmental risks, commit to full disclosure of those risks, track performance, and pursue continuous improvement.
4. **Responsibility:** Suppliers are encouraged to establish clear accountability and extend these principles to their employees, partners, and subcontractors.

PART 7: LEGAL COMPLIANCE

IC-Fluid Power is committed to maintaining a safe and responsible sustainable operating environment. Suppliers and contractors **must fully comply** with all applicable federal, state, local, and international environmental laws and regulations.

To support effective compliance, suppliers are encouraged to be proactive by implementing the following measures:

1. **Assign Accountability:** Suppliers are encouraged to define specific roles to individuals (such as managers or executives) or specific departments for monitoring compliance, correcting issues, and sharing performance updates within their organization.
2. **Stay Informed:** Suppliers are encouraged to actively stay informed about ongoing environmental legislation. This includes monitoring regulatory updates, reviewing agency guidance, installing regulatory compliance software, and participating in relevant industry associations and conferences.
3. **Create Action Plans for Non-Compliance:** Suppliers are encouraged to develop and maintain an internal response plan that addresses remediation, prevention of future non-compliance, and legally mandated reporting to appropriate authorities.
4. **Monitoring:** Suppliers are encouraged to implement monitoring and procedures to ensure compliance with environmental regulations. This can include regular audits and inspections, an Environmental Management System (EMS), routine recordkeeping, strong documentation of permits, maintenance logs, incident reports, corrective actions, and audits.

PART 8: ENVIRONMENTAL POLICIES AND ACTIONS

The following **ACTIONS** detail IC-Fluid Power's goals for responsible environmental protection, improvement, and compliance:

1. ENERGY CONSUMPTION AND GREENHOUSE GASES

IC-Fluid Power requires suppliers to adhere to all relevant energy and environmental regulations in their operating regions. We further encourage the following measures to promote energy efficiency and reduce carbon footprints:

- Business and Operations:
 - Conserve energy in facilities and operations where feasible, such as installing energy-efficient rated equipment, lighting, and HVAC systems
 - Maintain equipment and machinery for optimal efficiency
- Energy and GHGs Reduction:
 - Conduct analyses to identify improvement opportunities and prioritize energy-saving initiatives
 - Set annual targets/KPIs to reduce energy consumption (Scope 1 and 2 GHG emissions)
- Tracking:
 - Monitor annual energy consumption using meters, utility records, or equivalent methods
- Employee Engagement:

- Implement company-wide training and awareness on basic energy conservation practices
- Provide advanced training for designated coordinators to oversee and monitor energy and GHG initiatives

2. WATER USE

IC-Fluid Power requires suppliers to adhere to all relevant water quality and discharge regulations in their operating regions. We further encourage the following measures to promote responsible water resource management:

- Business and Operations:
 - Conserve water in facilities (e.g., install low-flow plumbing fixtures)
 - Maintain plumbing and water systems for optimal efficiency
 - Upgrade to high-efficiency cooling systems
 - Identify and implement lean-manufacturing techniques for water consumption
- Pollution Prevention
 - Adopt best practices to prevent pollution and contamination of water sources
- Water Reduction:
 - Conduct analyses to identify improvement opportunities and prioritize water-saving initiatives
 - Set annual targets/KPIs to reduce water consumption
- Tracking:
 - Monitor annual water consumption using meters, utility records, or equivalent methods
- Employee Engagement:
 - Provide advanced training for designated coordinators to oversee and monitor water resource management

3. MATERIAL USE

IC-Fluid Power requires suppliers to adhere to all relevant regulations on materials sourcing, usage, and waste disposal in their operating regions. We further encourage the following measures to promote sustainable resource management:

- Business and Operations:
 - Optimize packaging, where feasible, with reusable and recycled materials
 - Maximize resource efficiency by optimizing material use throughout manufacturing processes
 - Follow applicable guidance on resource efficiency, waste reduction, and sustainable production issued by relevant regional environmental agencies (e.g., European Environment Agency, China's Ministry of Ecology and Environment)
- Sustainable Sourcing

- Procure materials from ethical, sustainable suppliers
- Follow recognized environmental standards and certifications during production (e.g., ISO 14001)
- Waste Reduction
 - Conduct analyses to identify waste reduction opportunities across production
 - Prioritize recycling, reusing, and repurposing to divert waste from landfills
 - Source recycled and sustainable materials where appropriate
 - Identify and implement lean-manufacturing techniques for waste reduction
- Inventory Management
 - Adopt best practices for inventory management to minimize excess material stockpiling
- Employee Engagement:
 - Implement company-wide awareness on basic waste reduction practices
 - Provide advanced training for designated coordinators to oversee and monitor responsible sourcing, material lifecycle management, and waste management

4. CHEMICAL AND ACCIDENTAL POLLUTION

IC-Fluid Power requires suppliers to adhere to all relevant chemical use, pollution prevention, and environmental regulations in their operating regions.

We require our suppliers to adhere to the following principles regarding PFAs and high-risk chemicals:

PFAS/High-Risk Chemicals

- Disclose all high-risk chemicals and products
- Provide declarations and compliance statements for PFAS/high-risk chemicals upon request
- Maintain transparency with IC-Fluid Power on restrictions and phase-outs for PFAS/high-risk chemicals

We further encourage the following measures to promote safe chemical handling and pollution prevention:

Business and Operations:

- Maintain an up-to-date inventory of hazardous chemicals with proper storage, labeling, disposal, and spill response procedures

Pollution Prevention, Environmental Protection, and Safety

- Substitute safer alternatives for hazardous substances where feasible
- Dispose of hazardous and special waste through licensed vendors

Employee Engagement:

- Provide advanced training for designated coordinators to oversee and monitor chemical handling, safety, and spill response

PART 9: SUPPLIER RESPONSIBILITIES

Suppliers and contractors working with IC-Fluid Power must comply with all requirements outlined in this policy and with all applicable environmental laws and regulations. Managers and executives at supplier organizations are expected to lead by example, establish and maintain appropriate environmental policies, and support continuous improvement in environmental performance.

Leadership should integrate environmental objectives into day-to-day operations, allocate sufficient resources to environmental initiatives, and promote a culture of environmental responsibility among employees at all levels.

PART 10: IMPLEMENTATION, MONITORING, AND REVIEW

Every two years, IC-Fluid Power will send suppliers an environmental questionnaire. Suppliers must complete it. The questionnaire will cover their environmental policies, standards, goals, and progress.

Bernd Hunger will review each completed questionnaire. Results may inform how IC-Fluid Power evaluates and works with suppliers going forward. Suppliers who do not meet expectations may be subject to corrective action.

This policy will be reviewed every two years.

PART 11: DOCUMENT LIST

IC-Fluid Power will maintain key documents in a centralized company folder named ESG Policies for 2026 environmental efforts (found on the Drive in Shared > Company > ESG Policies). The documents can be found in the folders: ESG Policies, Environmental, Sustainable Procurement, and Shared Resources.

- IC Supplier Questionnaire
- IC Sustainability Tracking (Supplier Policy & Progress Tracking)
- Completed Supplier Questionnaires