

## FORGITAL GROUP ESG POLICY

Forgital Group recognizes the importance of conducting business with ethics and integrity and believes that operating responsibly and sustainably creates long-term value for both the market and society.

All aspects of Forgital Group's business management are focused on fostering environmental sustainability, promoting social responsibility, and ensuring effective corporate governance. When setting the pillars of the Group's ESG approach, Forgital added to Environmental, Social and Governance also a fourth pillar, Innovation.

Company commitment is to keep the focus on ESG factors in our operations and to align them - and when possible, exceed - with needs and interests of the stakeholders: customers, employees, suppliers, investors, and local communities.

Approval of the company's strategic ESG direction falls under the responsibility of the Forgital Group Board of Directors.

This Policy applies to all Forgital Group employees and facilities worldwide:

- Forgital Italy S.p.a.;
- Fly S.p.a.;
- RTM Breda S.r.l.;
- Forgital Dembiermont S.A.S.;
- Forgital FMDL S.A.S.;
- Forgital USA Inc

### 1. Our approach to Environmental sustainability<sup>1</sup>

Forgital Group is dedicated to minimizing its carbon footprint through energy efficiency, decarbonization, and transparency, enhancing our and our customers' competitiveness.

We acknowledge forging's environmental impacts and proactively mitigate them to secure a sustainable future for the next generations.

Our transparent commitment to sustainability drives continuous innovation and improvement in our environmental performance, integrated within our operations and regularly evaluated.

Our environmental strategy is built around these key commitments:

- Compliance with environmental laws and formal targets to reduce GHG emissions and energy intensity
- Monitoring environmental performance
- Implementing energy-efficiency practices
- Reducing fossil fuel usage and investing in renewable energy
- Safely managing and disposing of waste
- Training our workforce in sustainable practices

By 2030, we aim to achieve the following environmental sustainability goals:

- 30% reduction in Scope 1, 2 and 3 GHG emission intensity, compared to 2023 baseline
- 25% reduction in energy intensity, compared to 2019 baseline
- Enhanced energy efficiency and greater use of renewable energy (through purchase of green electric energy and photovoltaic system).

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<sup>1</sup> Our sustainability efforts align with UN Sustainable Development Goals 11 (Sustainable Cities), 12 (Responsible Consumption), and 13 (Climate Action).

## 2. Our approach to Social responsibility<sup>2</sup>

Under the Social Responsibility pillar, Forgital emphasizes human capital development, employee health and safety, and active engagement with local communities.

### Human Capital

Our employees are a fundamental pillar of our success. We foster professional growth through comprehensive training and an inclusive, empowering workplace. We are committed to providing equal opportunities and maintaining a zero-tolerance policy towards discrimination, harassment, forced labor, child labor, and corruption.

### Health and Safety

Protecting our employees' health and safety is a top priority. We aim for zero workplace incidents through rigorous safety standards and continuous promotion of a proactive safety culture among our workforce.

### Local Communities

We actively contribute to the wellbeing of local communities through responsible employment practices and meaningful engagement, recognizing our broader social responsibilities.

Our primary social commitments are as follows:

- Implementing upgraded Group HR and H&S data collection process
- Reaching a target zero injuries for the whole of Forgital
- Reinforcing our diversity, inclusion and equality activities
- Progressing of our Group Human Resources Development Plan.

## 3. Our approach to Corporate Governance<sup>3</sup>

Managing ethics has played an important role in building our long-held reputation as a leader in our sector.

### Ethical Governance

Ethics and integrity underpin our operations, fostering trust across our value chain. Beyond legal compliance, we proactively prevent unethical practices such as corruption and unfair competition through comprehensive training and transparent management systems and whistleblowing procedures. We also prioritize data privacy protection for our employees, customers, and stakeholders.

### Responsible Supply Chain

Forgital promotes ESG principles within our supply chain by requiring adherence to our Code of Ethics and Supplier Code of Conduct, which outline our sustainability expectations.

Our core governance priorities are as follows:

- Monitoring and updating of the Group ESG commitment and strategy
- Integrating shared value across the value chain
- Integrating ESG factors into risk mapping
- Implementing a legal quantitative data collection system
- Defining of an ESG financing framework.

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<sup>2</sup> Forgital's social sustainability efforts align with key UN Sustainable Development Goals: Good Health and Well-being (SDG 3), Gender Equality (SDG 5), Decent Work and Economic Growth (SDG 8), Reduced Inequalities (SDG 10), and Sustainable Cities and Communities (SDG 11).

<sup>3</sup> Our Governance initiatives align with key UN Sustainable Development Goals: Good Health and Well-being (SDG 3), Decent Work and Economic Growth (SDG 8), Responsible Consumption and Production (SDG 12), and Peace, Justice, and Strong Institutions (SDG 16).

#### 4 . Our approach to Innovation<sup>4</sup>

Our culture of continuous improvement is the foundation for the knowledge and technical expertise that sets us apart in the market. Investing in our people to explore and innovate means that we can better meet the challenges of founding a sustainable future together with our partners.

##### **Continuous Improvement and Innovation**

Our culture of continuous improvement fosters knowledge and technical expertise, positioning us uniquely in the market. We invest in employee-driven innovation, enhancing our ability to sustainably address customer needs, particularly by reducing CO2 emissions, optimizing material use, and minimizing energy consumption.

##### **Commitment to Customers**

Forgital prioritizes exceeding customer expectations through safety, quality, efficiency, operational excellence, and sustainability, delivering highly valued products and services to our global customer base.

The following represent our main innovation commitments:

- Offering and promoting ESG focused products or services
- Understanding the ESG impacts of our own products.
- Enhancing and innovating sustainable production systems.

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**Meddah Hadjar**

Forgital Group CEO



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<sup>4</sup> Our sustainable innovation efforts support key UN Sustainable Development Goals: Decent Work and Economic Growth (SDG 8) and Responsible Consumption and Production (SDG 12).