

OUR SUSTAINABILITY JOURNEY



SUSTAINABILITY IN MARKET AND REGULATORY CONTEST

SUSTAINABILITY COMMITMENT

SOCIAL AND MARKET CONTEST	REGULATION REQUIREMENTS
<ul style="list-style-type: none">■ Market trends: Renewable energy, oil and gas, nuclear, and changing landscape and competitiveness.■ Human rights due diligence requirements.■ Raising importance of Work-Life balance, Employee Engagement practices, Diversity, Equity and Inclusion Awareness.	<ul style="list-style-type: none">■ Corporate Sustainability Reporting Directive (CSRD): Disclosure of environmental and social impacts of companies' activities, including associated risks and opportunities.■ Carbon Border Adjustment Mechanism (CBAM): European Union's tool to prevent carbon leakage by placing a carbon price on imports of certain carbon-intensive goods.

GOVERNANCE STRUCTURE

Group's Governance structure embeds its commitment to integrate the sustainability strategy and ethical code of conduct

into the core business strategy, decision-making processes, and operations, with clear accountability and responsibility assigned to relevant stakeholders.



SUSTAINABILITY STRATEGY PILLARS

1. Mastering the Science of Metals

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
<div>STRATEGY Corporale Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality</div> <div>Business conduct</div>	Management commitment towards the adoption of ethical and sustainable practices	Diversity in Board of Directors composition	Minimum % of diversity in BoDs.	
	Corruption and bribery	Communication and training on anti-corruption/ethics policies	100%	100%
	Cyber Security and Data Protection	ISO 27000 certification for all companies	Certification obtained	Ongoing
	Product Quality	Cost of poor quality	Maximizing the internal objective "Cost of Poor Quality"	TARGET FOR COMPANY ACHIEVED* *from 2025 target Group



SUSTAINABILITY STRATEGY PILLARS

2. People-centric



TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
Own workforce Workers in the value chain	Fair Working conditions and work-related rights	Injury frequency (Group)	-25% from previous year	+20%
		Injury severity (Group)	-25% from previous year	-26%
		Employee participation	100%	100%
		HSE TI (training indicator)	+10% from previous year	-23%
	Efficient and fair recruitment, selection of personnel and retention	Motivation for exit for cultural, environmental and professional reasons	25% max	22%
		Individual performance management (IPM) for employees	100% employees	100% employees
		Women % Group level (minimum at 2028)	14%	13%
	Diversity, Inclusion and Equal treatment and opportunities	Av. h training per employee (ITALY - minimum)	14h	14h
		Working conditions / Equal treatment and opportunities		
		Supplier Code of Conduct accepted by relevant suppliers	100%	100%

STRATEGY
Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance

SUSTAINABILITY STRATEGY PILLARS

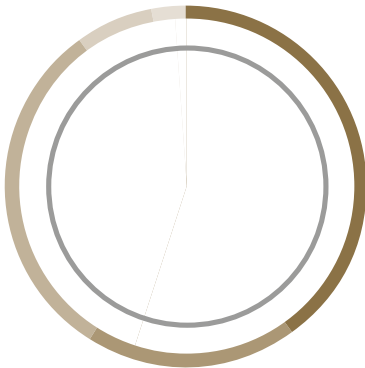
3. Creating shared value for the community

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025–2030	2024 ACTUAL
STRATEGY Ongoing and measurable positive impact on local communities	Affected communities	Economic, social and cultural rights of local communities	Yearly budget spending far donations and sponsorships	Spending up from previous year
				TARGET REACHED

INCREASE IN COMMUNITY SUPPORT (SPONSORSHIPS AND DONATIONS) COMPARED TO 2023*

+72%*

* Includes donations, sponsorships, and community projects related to the 2024 financial year. Membership contributions are not included.



- Support by pillar of the social strategy*
- 40% Social
 - 31% Institutional
 - 19% Sports
 - 7% Cultural
 - 3% Environmental



SUSTAINABILITY STRATEGY PILLARS

4. Awareness and commitment to the planet



TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
STRATEGIES Commitment towards efficiency, sustainability and decarbonization Sustainable use of natural resources	Climate Change	Energy		
		Yearly Gi (gas index)	0.9% compared with the previous year	Target for company
		Yearly ELE (electricity index):	0.5% compared with the previous year	Target for company
		ISO 50001 for all companies	Group certification	Certification process started
		SCOPE1&2 Decarbonization targets (vs 2020)	SCOPE1+2 (incl. offsetting) 2030:-40% 2040:-72% 2050:- 90%	
		Green Electricity	100% by 2030	
	Digitalization & Innovation	Yearly ESG Investment spending		
		Recycled input materials (minimum)	70%	
	Circular economy	WTL (waste to landfill)	-3% from previous year	77%
		Water withdrawals, consumption and use	-3% from previous year	-28%
Water and marine Resources	Biodiversity and Ecosystems	Wi (water index)	-3% from previous year	-28%
		Impact of activities on biodiversity	Avoid impact of operations on biodiversity	

4.1 Decarbonization strategy

FOMAS GROUP (tonsCO ₂ eq) Base year: 2020	2030	2040	2050
% absolute Carbon Neutrality Targets (incl. carbon offsetting)	-40%	-72%	-90%

FOMAS GROUP (TONSCO ₂ EQ)	2020 (BASE YEAR)
SCOPE 1	126,518
SCOPE 2 (market)	44,562
SCOPE 3	469,863
TOTAL	640,943

DECARBONIZATION LEVERS

RENEWABLE ENERGY

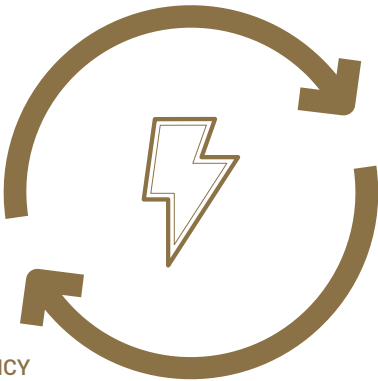
- Photovoltaic system
- Renewable Energy Certificate

ENERGY EFFICIENCY

- Revamping
- Digitalization
- Maintenance

RAW MATERIAL EFFICIENCY

- % of recycled material
- Low carbon technologies



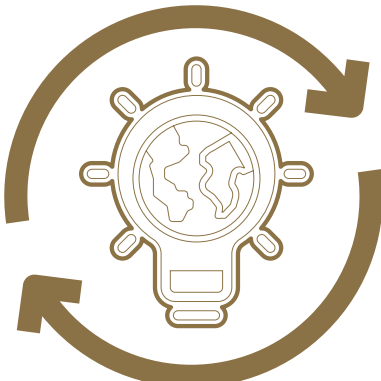
R&D

- Preventive measures for climate change
- R&D on new technologies

TRANSITION FROM GAS TO CARBON FREE TECHNOLOGIES

- Electrification
- Green Hydrogen instead of gas
- Biogas

100% GREEN ELECTRICITY BY 2030



SUSTAINABILITY STRATEGY PILLARS

5. Embracing the change with our partners

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
STRATEGY Sustainable procurement, from operational rules to strategy setting	Business conduct	Decarbonization targets Scope	SCOPE 3 decarbonization in definition	
		% Local spending (minimum)	80%	94%
		Sustainability score in the Supplier Assessment Procedure	Minimum % score	TARGET REACHED



PROCUREMENT FROM LOCAL SUPPLIERS – GROUP AVERAGE:

94%

The annual monitoring of average local spending is in line with the Group's target. 'Local' is defined as follows:

- For EU-based companies, within EU borders (including the United Kingdom)
- For other companies, the same country is considered "local"



REASONABLE COUNTRY OF ORIGIN

FOMAS Group carries out document-based Reasonable Country of Origin Inquiries on all tiers of respective supply chains



CONFLICT MINERALS

The Group has implemented a rigorous conflict minerals sourcing policy, to ensure none of the supplied materials is in breach of law provisions on supply of Conflict Minerals (including cobalt and mica) from Conflict Countries. Suppliers need to complete Conflict Minerals and Extended Mineral Reporting Templates, to confirm that all supplied products originate from non-DRC and/or adjoining countries' conflict areas, as well as official confirmation that any Conflict Minerals do not support conflicts.



SUPPLIERS CODE OF CONDUCT

All suppliers are requested to adhere with the principles and provisions in FOMAS Group Suppliers Code of Conduct: Compliance with Laws and Regulations, Ethical Business Practices, Governance accountability and responsibility, Fair Labor Practices, Human Rights, Environmental Responsibility, Health and Safety, Confidentiality and Intellectual Property, Data security and protection, Conflict minerals and Supply Chain Responsibility..



OCSE

FOMAS Group respects OECD, Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, complying with requirements for Union importers of tin, tantalum, tungsten, ores, gold originating in conflict zones or at high risk set forth in Regulation (EU) 2017/821.



SUSTAINABILITY SUPPLIERS MONITORING AND SCORING

FOMAS Group has included in the Suppliers Assessment Procedure a minimum Sustainability Score. All raw materials suppliers have been requested to supply disclosure on Environmental impact and strategy, Human rights and Health and safety standards, sustainability and ethical commitment and supply chain transparency.



mastering the
science of metals

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SUSTAINABLE
DEVELOPMENT GOALS

