

SUSTAINABILITY REPORT 2024

**MASTERING
THE
SCIENCE OF
METALS**



LETTER FROM THE CEO

Dear Stakeholders,

In 2024, FOMAS Group made significant progress on its journey toward Sustainability, strengthening its strategic and operational commitment to building an increasingly responsible future.

Governance and Strategy

In terms of Governance, the Sustainability and Risk Committee expanded its scope to include oversight of corporate risk management. At the same time, the Group's Sustainability Strategy was formally defined and publicly communicated.

Environment and Energy

On the environmental front, Product Carbon Footprint (PCF) models were developed for all Group companies, enhancing the ability to measure and manage emissions throughout the entire production process. Ambitious targets were also set for the decarbonization of Scope 1 and 2 emissions, supported by specific goals related to renewable energy. A major milestone was the achievement of ISO 50001 certification at Group level.

Social Sphere and Inclusion

On the social side, a new Individual Performance Management process was introduced to ensure a fairer and more transparent evaluation of individual performance. New policies were implemented to support parenthood, including dedicated incentives for both maternity and paternity. Additionally, a twelve-month awareness campaign was launched on the topics of diversity, equity, and inclusion (DEI).

Future Outlook

Looking ahead to 2025, the Group is preparing to take on even more ambitious challenges. These include defining a clear strategy for the decarbonization of Scope 3 emissions, with the goal of reducing impact across the entire value chain. The promotion of gender equality and inclusion will also continue, as key drivers of sustainable growth. With vision and determination, Sustainability continues to be the engine of responsible growth, aimed at creating value for all stakeholders.

Thank you for your continued support and collaboration.

Jacopo Guzzoni, President & Group CEO





SUMMARY

1. INTRODUCTION	7
1.1 Pillars of FOMAS Strategy	
1.2 Commitment to Sustainability	
2. IDENTITY	11
2.1 Group's History	
2.2 Values, Mission, Vision and Purpose	
2.3 A Truly Global Footprint	
2.4 Overview of Production and Markets	
3. GOVERNANCE	19
3.1 Governance and Sustainability	
3.2 Risk Management Approach	
3.3 Control and Methodology	
3.4 Materiality Assessment	
3.5 Stakeholder Engagement	
3.6 Value Generated for Stakeholders	
3.7 Group Policies	
4. SUSTAINABILITY STRATEGY AND OBJECTIVES	31
4.1 Sustainability Strategy	
5. MASTERING THE SCIENCE OF METALS	39
5.1 Management's Commitment to Ethical and Sustainable Practices	
5.2 Corruption and Bribery	
5.3 Cybersecurity and Data Protection	
5.4 Product Quality	
6. PEOPLE CENTRIC	49
6.1 FOMAS People	
6.2 Fair Working Conditions	
6.3 Health and Safety	
6.4 Diversity, Inclusion, Equal Treatment and Opportunities	
6.5 Recruitment and retention of talents	
6.6 Workers in the Value Chain and Human Rights	
7. CREATING SHARED VALUE FOR THE COMMUNITY	67
7.1 Pillars of the Social Strategy	
7.2 Local Communities Involved	
8. AWARENESS AND COMMITMENT FOR THE PLANET	75
8.1 Climate Change Mitigation and Adaptation	
8.2 Greenhouse Gas Emissions	
8.3 Climate Change Transition Plan	
8.4 Energy	
8.5 Digitalization and Innovation	
8.6 Biodiversity and Ecosystems	
8.7 Water Use and Conservation	
8.8 Resource Management and Use	
9. EMBRACING THE CHANGE WITH OUR PARTNERS	89
9.1 Responsible Sourcing and Traceability	
9.2 Suppliers	
10. GRI CONTENT INDEX	95
THE ICONOGRAPHIC ENSEMBLE OF REPORTS	
NARRATES THE GROUP'S HISTORY	101



SUSTAINABILITY REPORT 2024

INTRODUCTION

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1.1 PILLARS OF FOMAS STRATEGY

FOMAS Group's (hereinafter also Group) sustainability strategy reflects its commitment to promoting and integrating Sustainability across all areas of activity. To this end, five strategic pillars have been defined to guide the business toward more responsible and sustainable growth and development.

1



MASTERING THE SCIENCE OF METALS

- Management's commitment to ethical and sustainable practices
- Corruption and bribery
- Data protection and cybersecurity
- Product quality

2



AWARENESS AND COMMITMENT FOR THE PLANET

- Energy
- Climate change mitigation and adaptation
- Digitalization and innovation
- Circular economy: resource and waste flows
- Water use and conservation
- Biodiversity and ecosystems

3



PEOPLE CENTRIC

- Fair working conditions, health and safety
- Diversity, inclusion, equal treatment and opportunities
- Human rights
- Workforce in the value chain

4



CREATING SHARED VALUE FOR THE COMMUNITY

- Economic, social and cultural rights of local communities

5



EMBRACING THE CHANGE WITH OUR PARTNERS

- Supplier engagement in sustainable value chain

1.2 COMMITMENT TO SUSTAINABILITY

Reporting Scope

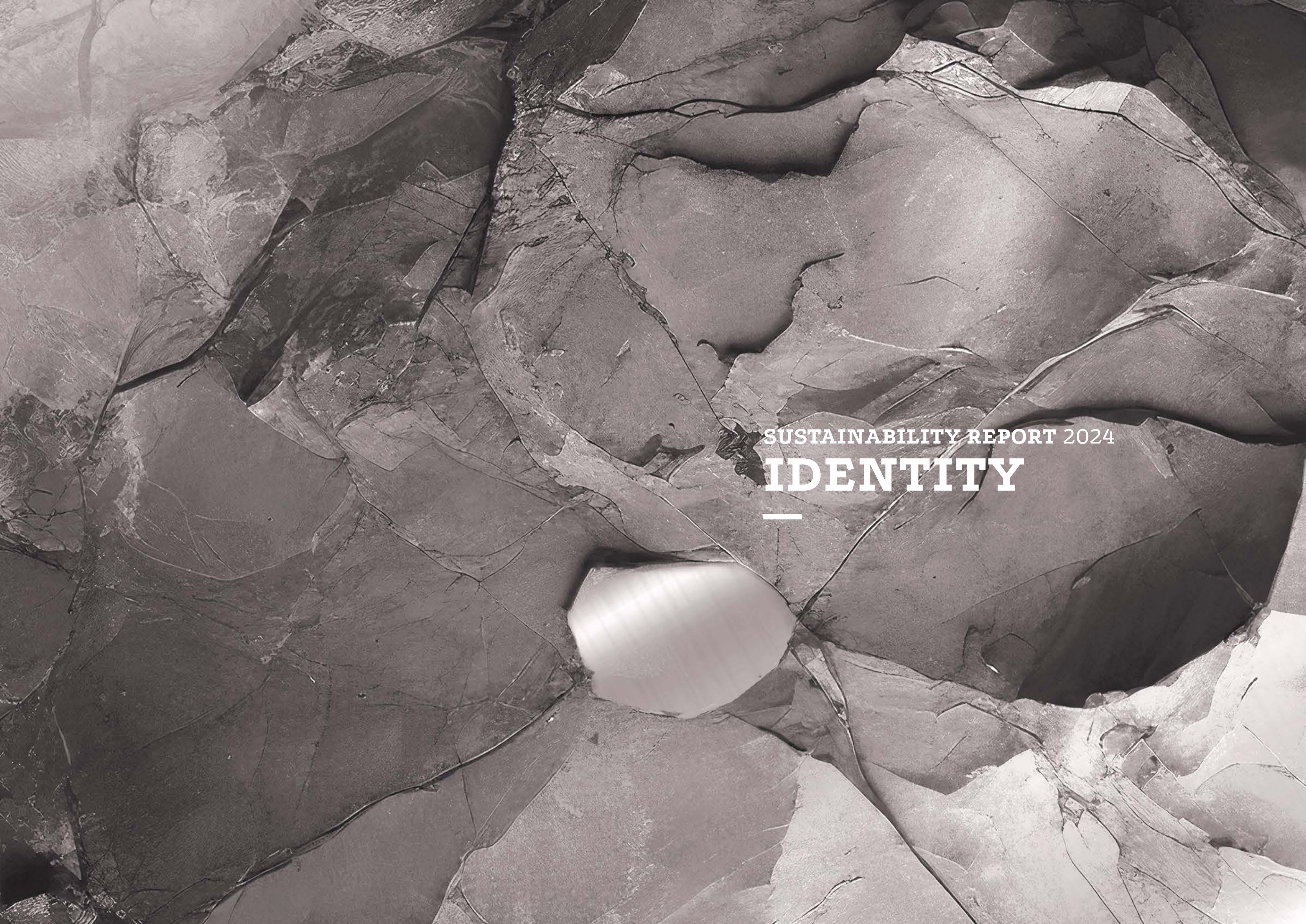
The Sustainability Report aims to provide stakeholders with transparency on the organization's sustainability performance in the three main areas: Environmental, Social and Governance (ESG). The document covers full year 2024, from January 1st to December 31st, aligned with the financial reporting period (statutory and consolidated financial statements). It includes all the following companies within the FOMAS Group perimeter, collectively referred to as the FOMAS Group: FOMAS HOP S.p.A., FOMAS S.p.A., ASFO S.p.A., HOT ROLL S.r.l., MIMETE S.r.l., BAY-FORGE Private Ltd., FOMAS Precision Forging (Dalian) Co., Ltd., LA FOULERIE S.A.S., and FOMAS, Inc.

Reference Framework

FOMAS Group 2024 Sustainability Report is published voluntarily in accordance with the international standards of the Global Reporting Initiative (GRI), without requiring third-party assurance. For any questions regarding the contents of the Sustainability Report, please contact:

sustainability@fomasgroup.com.





SUSTAINABILITY REPORT 2024

IDENTITY

—

2.1 GROUP'S HISTORY

FIRST STEPS
1956-1996

1956

Foundation of FOMAS S.p.A. (Osnago, Italy)

1969

Acquisition of ASFO S.p.A. (Chiuppano, Italy), production of large rings.

1990

Acquisition of HOT ROLL S.r.l (Busano, Italy), production of small rings.

1996

Greenfield BAY-FORGE Private Ltd. (Chennai, India), production of open-die forgings and large rings.

EARLY 2000

2005

Acquisition of LA FOULERIE S.A.S. (Carignan, France), production of small rings.

2006

Greenfield FOMAS Precision Forging (Dalian) Co., Ltd., production of small and large rings.

2009

Association to M4U (Busano, Italy), machining of small rings.

2010 - 2017

2011

ASFO S.p.A. adds a second plant from greenfield in Villamarzana, Italy.

2014

Acquisition of Ajax Rolled Ring & Machine, now FOMAS, Inc. (York, se, USA), production of small and large rings.

2017

Greenfield MIMETE S.r.l. (Biassono, Italy), production of metal powders for additive manufacturing.

2020 - 2024

2020

Acquisition of M4U Laminati (Busano, Italy), machining of rolled rings.

2022

Foundation of MadelnAdd, a Joint Venture of FOMAS Group in partnership with CDP Venture Capital Sgr and PUNCH Torino.

2.2 VALUES, MISSION, VISION AND PURPOSE

PURPOSE

The Purpose of the Group is to enable sustainable energy, reliable power and limitless motion by moving the needle in mastering the science of metals with a responsible approach.

MISSION

The mission of the Group is: "play to win with innovation, responsiveness and a passionate commitment to long-term partnerships".

VISION

The vision of the Group is: "be a multicultural, people-centric organization leading our core businesses by leveraging cutting-edge competencies in the science of metals and embracing the digital transformation".

VALUES

1. Proactivity
2. Integrity
3. Meritocracy
4. Accountability
5. Reliability
6. Transparency
7. Trust

1.



2.



3.



4.



5.



6.



7.



1,390



- FOMAS
- BAY-FORGE
- ASFO
- FOMAS DALIAN
- FOMAS USA
- HOT ROLL
- LA FOULERIE
- MIMETE

FOMAS, Inc.
York, SC (USA)

LA FOULERIE
S.A.S.
Carignan
(France)

FOMAS S.p.A.
Osnago (LC) (Italy)

HOT ROLL S.r.l.
Busano (TO) (Italy)

ASFO S.p.A.
Villamarzana (RO) (Italy)

MIMETE S.r.l.
Biassono (MB) (Italy)

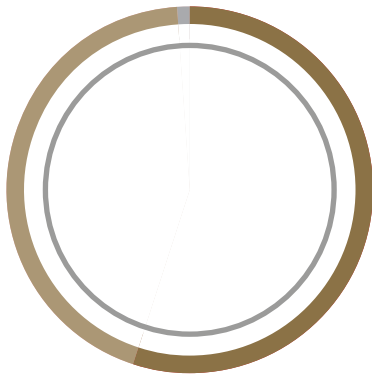
BAY-FORGE Private Ltd.
Chennai (India)

FOMAS Precision
Forging (Dalian)
Co., Ltd.
Dalian (China)

2.4 OVERVIEW OF PRODUCTION AND MARKETS

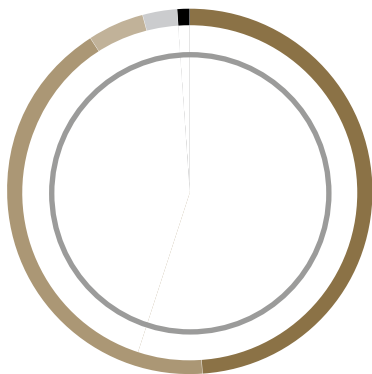
FOMAS Group produces forgings, rolled rings and metal powders mainly for the Power generation, Oil & Gas, Aeronautics, Space & Defense and Industrial markets.

PRODUCTION
OVERVIEW



- 54% Rings
- 45% Open-die forgings
- 1% Powders

MARKETS
SERVED



- 55% Power Generation
 - 38% Industrial
 - 3% Oil & Gas
 - 3% Aeronautic, Space & Defence
 - 1% Other
- *of which 11% renewables

IDENTITY
- FINANCIAL
STATEMENT

530,859
THOUSAND

(Direct economic value
generated: Revenues)



SUSTAINABILITY REPORT 2024
GOVERNANCE
—

3.1 GOVERNANCE AND SUSTAINABILITY

All companies within the FOMAS Group are private legal entities, incorporated in accordance with the national laws and regulations of respective countries. The Board of Directors continuously assesses the impact of business activities on the Group, the economy, the environment, and people, adopting an approach aligned with the values primarily expressed in the Group's Code of Ethics and, for Italian companies, in the Organizational, Management and Control Models adopted in accordance with Legislative Decree No. 231/2001.

Corporate governance integrates the commitment to Sustainability and ethics into all processes. Sustainability strategy is overseen by the Board of Directors of FOMAS S.p.A., which ensures alignment across all Group companies.

Roles and Responsibilities

1. Boards of Directors

The Boards of Directors are responsible for integrating the evaluation of risks and opportunities related to the company's business into corporate strategy, particularly regarding sustainability and climate change. They also approve the sustainability strategy, annual budgets, and related project investments.

- Inclusion of sustainability and climate-related risks and opportunities' evaluation in the corporate strategy;
- Approval of the Group Strategic Risk Assessment Plan;
- Approval of materiality assessment, sustainability strategy, and budget

2. President and Group CEO

President and Group CEO is responsible for the Sustainability strategy, the definition of the annual budget, and the ESG-related expenditures, which are then submitted for approval to the Boards of Directors of the respective companies. Additionally, the President and CEO defines and approves the composition of the Sustainability and Risk Committee.

3. Sustainability and Risk Committee (the Committee)

The Sustainability and Risk Committee meets twice a year. It is composed of the President and Group CEO, the Sustainability Manager, the Group CFO, the Sustainability Champions, and an external member with specific expertise in Sustainability.

- Definition of the strategy (goals, initiatives, and policies);
- Annual materiality assessment;
- Monitoring, evaluation, and reporting of sustainability policies and standards;
- Promoting awareness among employees and stakeholders;
- Annual evaluation of risks, the business continuity plan, the internal control system methodology, and risk management processes.

4. Sustainability Manager

- Coordinates and promotes the development of Group Sustainability initiatives;
- Periodically reports on Sustainability strategy and goals;
- Monitors, evaluates, and manages social and environmental sustainability risks.

5. Sustainability Champions

- Representatives from various departments, responsible for supporting the operational implementation of the sustainability strategy.

6. Diversity, Equity, and Inclusion (DEI) Committee

- Formally established in 2024, the DEI Committee is responsible for monitoring and implementing DEI-related KPIs;
- Reports to the Board of Directors;
- Communicates and aligns regularly with the Sustainability and Risk Committee;
- Periodically reports on DEI objectives

Composition, Skills, and Diversity

Group's policy on "Selection of Board Members" ensures a transparent and objective selection process, while promoting diversity within its composition. The main skills required include strong technical and professional qualifications relevant to the role, as well as integrity, ethics, and professional values aligned with the Group's Code of Ethics.

As for the Sustainability and Risk Committee, its members are selected based on their responsibilities and expertise in respective areas, ensuring representation from all departments. Additionally, the Committee includes an external member who serves as Strategic Sustainability Advisor, bringing independent perspectives and expert knowledge.

3.2 RISK MANAGEMENT APPROACH

FOMAS Group systematically identifies, analyzes, and evaluates risk areas to anticipate their consequences and implement effective control measures. The effectiveness of the risk assessment is verified at least once a year through the Quality Management System (QMS), as part of the Management Review. For each identified risk, causes and severity are analyzed, considering potential financial, operational, reputational, and regulatory impacts. Subsequently, risks are classified based on the likelihood of occurrence and significance, in accordance with the Group's Risk Management Procedure. The Board of Directors of FOMAS S.p.A. oversees the entire process to ensure that risk management is aligned with the Group's strategic objectives and consistently applied across the various companies.

Sustainability and climate change-related risks are reviewed annually by the Sustainability Manager in collaboration with the heads of various business functions, who contribute to defining mitigation actions. Furthermore, starting from January 2024, the Sustainability Committee was officially renamed the "Sustainability and Risk Committee" reporting directly to the Board of Directors of FOMAS S.p.A. The Committee also works in synergy with the Crisis Management Committees, designated to handle potential critical situations.

The Group's risk management model is structured into four main categories:

- External risks, linked to factors outside the Group's sphere of influence;
- Business risks, related to the industry and strategies adopted, which can represent either opportunities or competitive threats;



- Operational risks, concerning internal processes and the efficiency of business activities;
- Cross-cutting risks, with particular focus on sustainability and climate change.

Climate Change Risk Assessment

Climate risk assessment follows the guidelines established by the IPCC and the IFRS Foundation, examining both physical risks—acute and chronic—and transition risks. This analysis is updated annually to ensure continuous monitoring of impacts on business operations. Further details are provided in section 8.1.

3.3 CONTROL AND METHODOLOGY

The reporting process is based on the principles of transparency and accountability, with the aim of providing stakeholders with accurate, reliable, and up-to-date information, fostering trust and engagement. The data collection, monitoring, and reporting system related to sustainability was revised and approved in 2024. This process is built on several key elements:

- **Governance is fully involved**, and the process is reviewed and approved by the Sustainability and Risk Committee.
- **The sustainability strategy is integrated** with the business strategy to ensure responsible and long-lasting growth.
- **Key stakeholder groups are identified**, and their engagement is managed and communicated transparently.
- **The materiality assessment is updated annually** and submitted for approval to the Sustainability and Risk Committee and the Board of Directors.
- **Sustainability strategy, actions, and objectives are defined** considering short-, medium-, and long-term scenarios.
- **A detailed and accessible report is available** to all stakeholders, both internal and external.

Compared to 2023, the scope was expanded in 2024 to include the parent company FOMAS HOP S.p.A.

Data Collection

- 1. Internal Sources:** The primary data used for reporting is provided by Group's departments . The Sustainability Manager coordinates the process of data collection, verification, and approval, in accordance with Group's internal procedure *"Procedure for Data Collection for the Sustainability Report."*
- 2. External Verification:** No external company was appointed to review or validate the data for this report.
- 3. Stakeholder Engagement:** Stakeholder groups are reassessed annually, and their engagement is adapted according to category and specific objectives.
- 4. Industry Benchmarking:** To evaluate its performance, the Group adopts benchmark parameters based on industry-specific standards and best practices.

Data Analysis and Interpretation

The quantitative and qualitative data collected from various sources are analyzed to measure Group's sustainability performance. Key Performance Indicators (KPIs) allow the monitoring of progress in relation to goals and industry benchmarks.

3.4 MATERIALITY ASSESSMENT

The materiality assessment process and methodology are managed internally, based on internationally recognized standards and guidelines, including:

- The United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises;
- The GRI framework, including general standards and sector-specific guidelines (Oil & Gas Sector 2021);
- The European CSRD directive on sustainability reporting.

The Sustainability Manager coordinates the entire process with support from the Sustainability Champions. The resulting analysis is discussed by the Sustainability and Risk Committee and subsequently submitted for approval to the Board of Directors.

Materiality Assessment Process

- **Analysis of the business and sustainability context**, aimed at identifying current and potential impacts and assessing their significance. This analysis is integrated with the annual assessment of strategic risks, including both market-related and Group-specific factors.
- **Stakeholder engagement**, through the collection of feedback to understand their expectations and perceptions of the company's impacts.
- **Identification and analysis of impacts**, both positive and negative, derived from various sources such as industry benchmarking, the GRI framework, and stakeholder input. Negative impacts are categorized based on severity and likelihood of occurrence, while positive impacts are assessed in terms of scale and generated effects.
- **Prioritization of material topics**, to identify most significant impacts to be included in the sustainability report.
- **Transparent communication**, ensuring that results are disclosed clearly and are accessible to all stakeholders.
- **Continuous review and improvement**, annually updated to ensure the relevance and accuracy of the information provided.

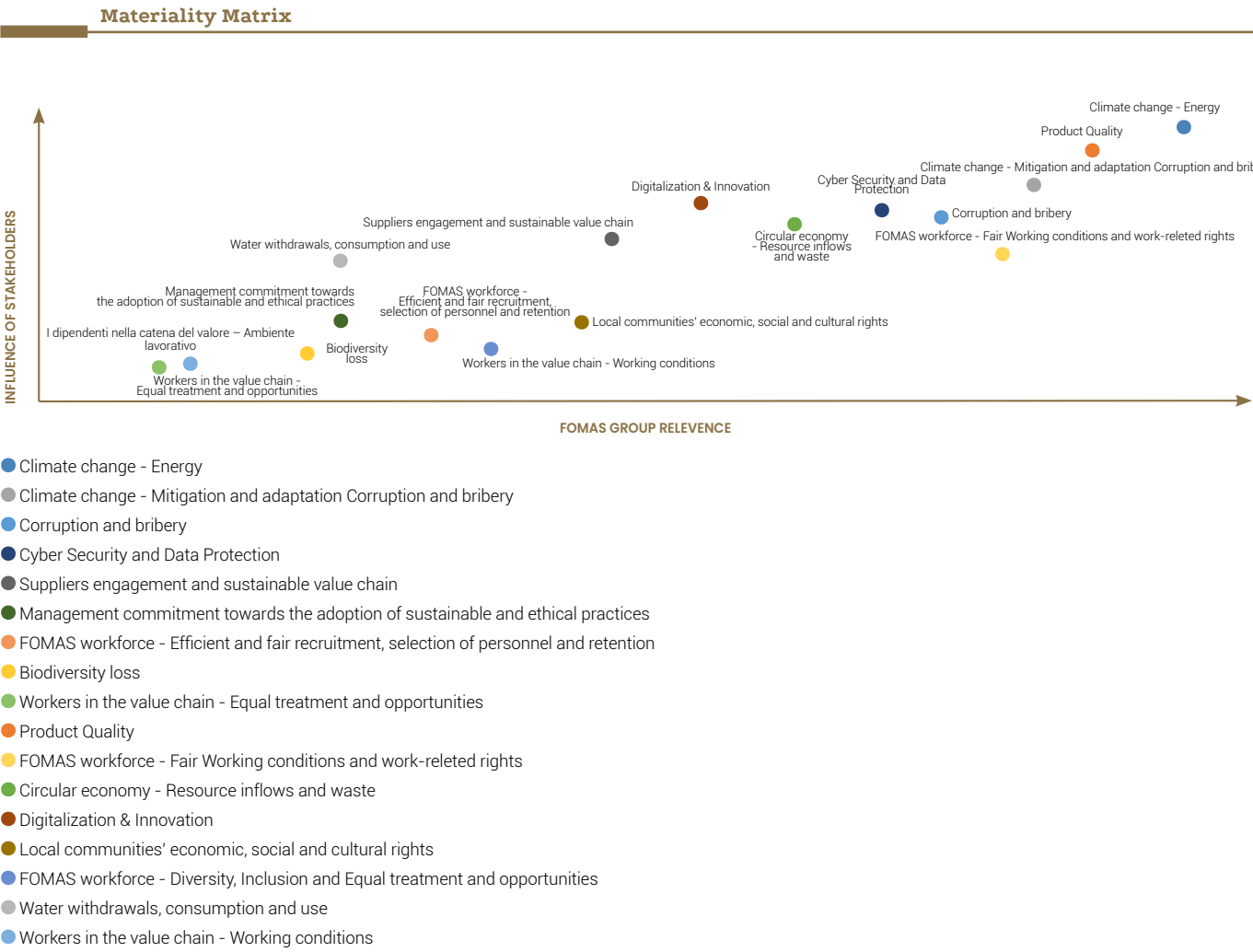
Material Topics

The integration of materiality into business strategy enables the FOMAS Group to improve risk management, optimize performance, and strengthen long-term sustainability. All material topics identified in 2023 have been reassessed and confirmed for 2024. Only the topic *"Efficient and Fair Recruitment, Selection, and Retention of Personnel"*, was merged under *"FOMAS Workforce – Fair Working Conditions and Protection of Workers'Rights"*, with a specific focus on occupational health and safety.

PILLAR	TOPIC	TOPIC	STRATEGY
Mastering the Science of Metals	Business conduct	Management commitment towards the adoption of ethical and sustainable practices	Corporate Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality
		Corruption and bribery	
		Cyber Security and Data Protection	
		Product Quality	
People Centric	FOMAS workforce	Salute e Sicurezza	Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance
		Fair Working conditions and work-re- lated rights	
		Efficient and fair recruitment, selection of personnel and retention	
		Diversity, inclusion and equal treatment and opportunities	
Awareness and commitment for the planet	Workers in the value chain	Working conditions	Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization
		Equal treatment and opportunities	
	Climate change	Climate change mitigation and adaptation	
		Energy	
	Circular economy	Digitalization & Innovation	
		Resources inflows and waste	
	Water Resources	Water withdrawals, consumption and use	
		Biodiversity	
Embracing the change with our partners	Business conduct	Suppliers Engagement and sustain- nable value chain	Sustainable procurement, from operational rules to strategy setting
Creating shared value for the community	Affected communities	Local communities' economic, social and cultural rights	Ongoing and measurable positive impact on local communities

In 2024, the five most relevant material topics remain the following:

- **FOMAS Workforce** – Fair working conditions and protection of workers' rights, with a particular focus on health and safety in the workplace;
- **Climate Change – Energy;**
- **Corruption and Bribery;**
- **Product Quality;**
- **Climate Change – Mitigation and Adaptation.**



3.5 STAKEHOLDER ENGAGEMENT

Classification and analysis of stakeholder categories were re-evaluated and confirmed by the Sustainability and Risk Committee, in alignment with the annual reassessment of stakeholders within the internal Management Review process and the ISO 14001 and ISO 45001 certifications.

Main Stakeholder Categories

FOMAS Group has identified the following as key stakeholder categories:

- Employees (including union representatives and Health & Safety officers)
- Shareholders and investors
- Customers
- Suppliers (including contractors, consultants, emergency service operators, and the company doctor)
- Local communities
- Environment
- Industry associations and media outlets (including social media platforms)

- Regulatory bodies (legislative entities and supervisory authorities)

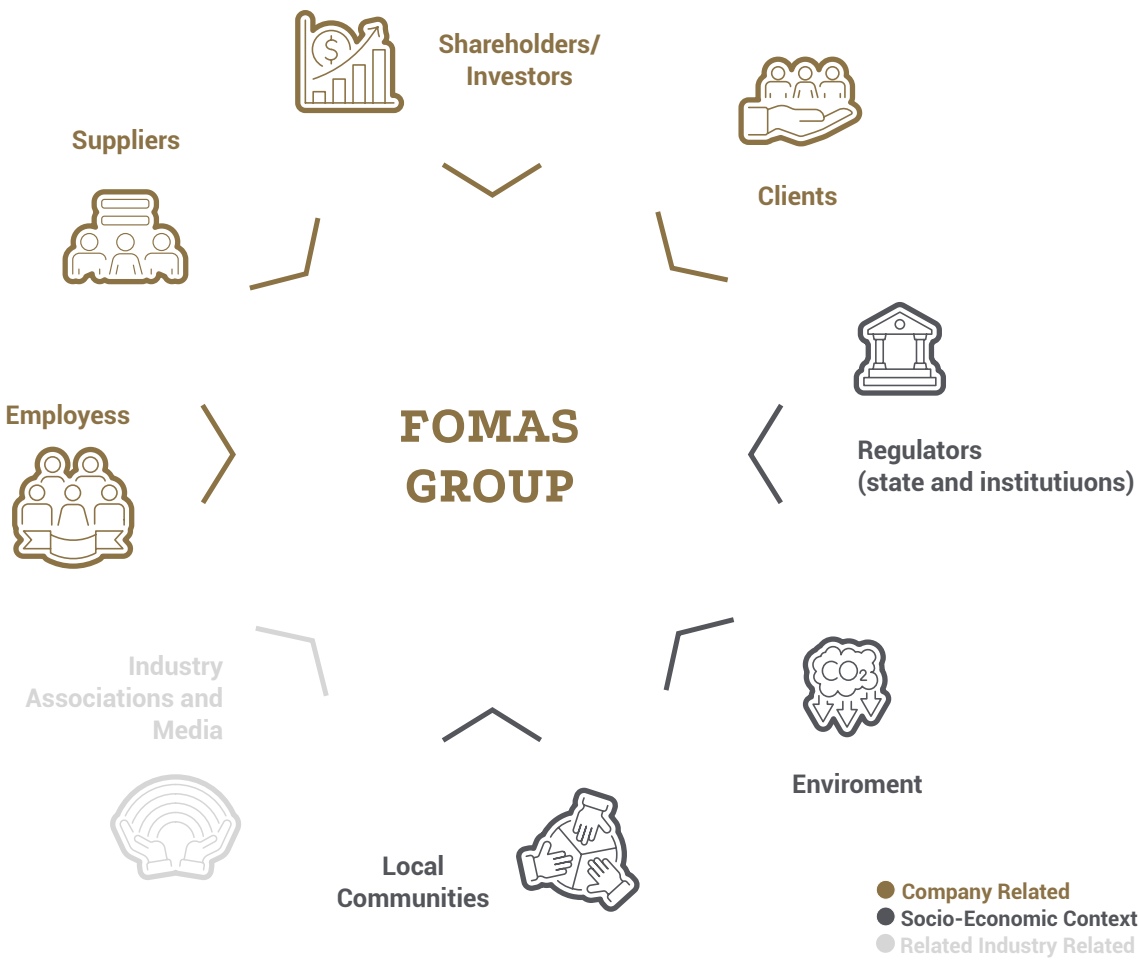
The Group has developed a progressive engagement plan aimed at interacting with all stakeholder categories. Information and feedback collected through various communication channels are analyzed and considered to continuously improve corporate strategies.

Annual Review of Stakeholder Engagement

The annual evaluation of stakeholder engagement effectiveness includes:

- Analysis of stakeholder groups, categories, and priorities
- Identification of expectations, risks, and key relevant topics
- Verification of communication methods and impacts
- Identification of improvement areas within the review process
- Monitoring and analysis of requests and communications received

Communication channels vary depending on the relationship with each stakeholder category, the purpose of data collection, and the size of the group involved.



PILLAR	AREA TOPIC	STAKEHOLDERS ENGAGEMENT
Mastering the Science of Metals	Business conduct	Shareholders/Investors: Board meetings; Committees; Website Regulators: Consultations; Policies; Regulations Customers: Surveys; Newsletters; Website; Contracts; Policies Suppliers: Contracts; Policies Employees: Intranet; Newsletters; Trainings; Surveys
People Centric	FOMAS workforce	Employees: Focus Groups; Newsletters; Corporate communication; Projects; Direct feedback; Reporting system; Engagement board Local Communities: Local bodies communication; Events; Initiatives Regulators: Local institutions communication; Events; Initiatives; Certification system; Local and national regulation compliance Workers' and trade union representatives: Meeting and engagement Industry Associations: Meeting; Initiatives; Programmes Customers: Audits
	Workers in the value chain	
Awareness and commitment for the planet	Climate change	Customers: Newsletters; Website; Questionnaires; Contracts Suppliers: Surveys; Events (fairs, suppliers day); Contracts; Supply agreements; Workshops; Policies Environment: Technical evaluations; Certifications; Consultancies Employees: Trainings; Feedbacks
	Circular economy	Local Communities: Communication with local government Industry Associations: Webinars; Conferences
	Water Resources	Regulators: Laws compliance; Reporting; Incentives; Communication with local government
	Biodiversity	
Embracing the change with our partners	Business conduct	Suppliers: Surveys; Events (fairs, suppliers day..) Industry associations and media: Conferences; Meetings Customers: Direct communication; Surveys; Events
Creating shared value for the community	Affected communities	Local communities: Technical evaluation, consultancies; Meetings with local bodies, associations, companies, schools Industry associations and media: Meeting with associations; Members of local associations; Conferences; Meetings Environment: Local associations, parks engagement; Technical evaluations Employees: Surveys; Employees' engagement board Regulators: Communication with local bodies/ municipalities

3.6 VALUE GENERATED FOR STAKEHOLDERS

In 2024, FOMAS Group generated direct economic value—primarily related to revenue—amounting to EUR 530,859 thousand. Approximately 90% of this value was distributed to stakeholders through various forms, including:

- Wages and salaries paid to employees
- Value distributed to investors (dividends) and capital providers (interest paid on different forms of financing)
- Payments to public authorities
- Contributions to the community
- Expenses incurred, including payments to suppliers of goods and services

The data concerning the economic value generated and distributed is reported from Group's consolidated income statement.

Reference	2024
	Euro/000
Direct economic value generated	530,859
Distributed economic value, of which	476,748
Operating costs	76.2%
to employees	17.3%
to capital providers	2.9%
to the Public Administration.	3.4%
to the community	0.2%
Economic value withheld	63,885

3.7 GROUP POLICIES

The main sustainability - related policies are outlined below:

Sustainability Policy

Outlines Group's commitment to practices and principles aimed at achieving environmental, social, and economic sustainability.

Group Code of Ethics

A set of principles and standards that define expected behavior and ethical conduct within the Group. The Code of Ethics is a fundamental and non-derogable element of the Organization, Management, and Control Model adopted by the Group's Italian companies, pursuant to Legislative Decree 231/2001.

Group Human Rights Policy

This policy commits to respecting international human rights standards such as the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the principles of the UN Global Compact.

Group Whistleblowing Policy

Through its dedicated digital platform, this policy encourages and facilitates the reporting of unethical, illegal, and improper conduct. It is available to all internal and external stakeholders.

Sustainable Procurement Policy

Outlines the commitment to integrating sustainable practices throughout the supply chain and procurement processes. Key principles include the assessment of sustainable materials and virtuous collaboration with suppliers.

Environmental, Health and Safety Policy

Defines the commitment to ensuring the health, safety, and well-being of employees, clients, and the environment, promoting a people-centered culture through the Integrated Management System compliant with UNI ISO 14001:2025 and UNI EN ISO 45001:2018.

Other relevant policies for sustainability reporting include:

Group Quality Policy

Defines the commitment and approach to maintaining and improving product and process quality.

Policy for the Selection of Board Members

Outlines the selection process and requirements for board member candidates.

Energy Policy

Governs and aims to continuously improve energy efficiency.

Policy on Managing Incidents of Violence and Harassment

Defines procedures and responsibilities for identifying and managing cases of violence and harassment against internal and external personnel.

FOMAS Group Diversity, Equity and Inclusion Policy

Defines the Group's commitment to promoting diversity, ensuring equitable treatment of staff, and fostering inclusion.

FOMAS Group Corporate Citizenship Policy

Regulates the Group's social responsibility towards its stakeholders and the communities where it operates.

Group Policy on Sustainability Requirements for Investments

Establishes sustainability considerations to be integrated into operational activities and investment decisions, especially in plants and machinery.

Policy on Impactful Team Building Activities

Provides guidelines for conducting and promoting team-building activities with the goal of generating positive impact.

Sustainable Event Organization Policy

Supports the organization of events in an environmentally sustainable and respectful manner.

Sustainable Travel and Mobility Policy

Defines rules and commitments to reduce the environmental impact of travel and transportation activities.

Data Breach Policy

Governs the identification and mitigation of potential data confidentiality breaches within the organization.

Group Privacy Policy

Outlines principles regarding the collection, use, and protection of personal data across all Group companies.

Parenting Policy

Promotes flexibility for employees welcoming a new child into their family, supporting a healthy work-life balance.

Group policies are developed based on the Group Master Policy structure and are approved by the Group President & CEO. They apply to all companies and are communicated with and made available to all employees. The Legal, Compliance & Internal Audit function ensures that the approved policies are adopted in line with the Group's defined strategies and procedures.



The background is an abstract composition of organic, layered textures. The left side is dominated by warm, vibrant orange and yellow tones, while the right side transitions into deep, cool blues and teals. The textures resemble marbled paper, liquid paint, or perhaps geological strata, with visible veins and folds. The overall effect is dynamic and visually rich.

SUSTAINABILITY REPORT 2024

SUSTAINABILITY STRATEGY AND OBJECTIVES

4.1 SUSTAINABILITY STRATEGY

Each year, FOMAS Group identifies short-, medium-, and long-term goals and targets within the framework of the five defined

pillars. Group's sustainability strategy enhances long-term resilience and adaptability by addressing socio-environmental challenges throughout the entire value chain.



LEADERSHIP TALK

Maurizio Cheli, Italian astronaut and former crew member of the Space Shuttle Columbia STS-75 mission, as well as Chief Test Pilot at Alenia Aeronautica, shared his life experience in space and the core values that guided him throughout his career at the Villamarzana (RO) facility. The talk focused on three fundamental pillars:

- Passion, as the main driving force to achieve ambitious goals.
- Leadership, in managing teams and navigating complex and unpredictable situations.
- Resilience, to face challenges and difficulties with determination.

The event was organized to offer an opportunity to draw inspiration from an extraordinary experience and to reflect on how to apply these principles in everyday and professional life.

Mastering the science of metals

FOMAS Group promotes a corporate culture based on principles of ethics, integrity, innovation, quality, and transparency, to ensure a healthy working environment and to build strong relationships with business partners.

To strengthen corporate resilience by identifying critical risks and implementing effective mitigation strategies, the Group is working on Business Impact Analysis and supplier assessments in the field of Cybersecurity. This is part of a broader path toward

compliance with major data protection regulations (ISO 27001, NIST), particularly the NIS2 (Network and Information Security) directive, which directly involves some of the Group's Italian companies. Furthermore, the Group is working toward implementing an anti-corruption policy and has initiated the 'double materiality' assessment to comply with the requirements of the CSRD (Corporate Sustainability Reporting Directive), which sets the standards for Sustainability Reporting in the coming years.

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
MASTERING THE SCIENCE OF METALS	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

MASTERING THE SCIENCE OF METALS

STRATEGY
Corporale Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality

Business conduct

Awareness and Commitment for the Planet

Operating in an energy-intensive sector such as the steel industry, the FOMAS Group is fully aware of its environmental impact and is committed to minimizing it through monitoring, more efficient technologies, renewable energy sources, and the integration of sustainability into every production process. The Group has set decarbonization targets (Scope 1 + 2) and

renewable energy goals, and aims to obtain ISO 14067:2018 certification to improve the management of product greenhouse gas emissions. In addition, it is defining decarbonization targets that include Scope 3 emissions and is conducting an analysis on waste reuse within the framework of the circular economy.

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL			
AWARENESS AND COMMITMENT TO THE PLANET	STRATEGIES Commitment towards efficiency, sustainability and decarbonization Sustainable use of natural resources	Climate Change	Climate change mitigation and adaptation	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				
		Circular economy	Resources inflows	Recycled input materials (minimum)	70%	77%	
			Waste	WTL (waste to landfill)	-3% from previous year	-28%	
		Water and marine Resources	Water withdrawals, consumption and use	Wi (water index)	-3% from previous year	-28%	
			Biodiversity and Ecosystems	Biodiversity loss	Impact of activities on biodiversity	Avoid impact of operations on biodiversity	

STRATEGIES
Commitment towards efficiency, sustainability and decarbonization
Sustainable use of natural resources

Creating Shared Value for the Community

Creating and sharing value with the communities where the Group operates is a fundamental pillar of its social strategy. The initiatives supported by the Group are carefully selected to reflect corporate values and generate a positive and tangible impact. Currently, the FOMAS Group is developing an accessibility strategy to improve communication and engagement for all employees who do not have access to a computer or a corporate email account.

Additionally, a business community is being launched to bring together local companies and industry associations, with the aim of fostering the exchange of best practices, shared interests, and growth opportunities.

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
CREATING SHARED VALUE FOR THE COMMUNITY	Affected communities	Economic, social and cultural rights of local communities	Yearly budget spending far donations and sponsorships	Spending up from previous year
				TARGET REACHED

People Centric

People Management is based on the principles of health and safety, equal opportunity, and non-discrimination, promoting development paths based on merit and individual skills. The promotion of diversity, inclusion, and equal opportunity is considered a fundamental pillar in building a fair and inclusive society. Furthermore, the FOMAS Group recognizes its responsibility to promote and protect human rights, adhering to key international frameworks such as the United Nations Universal Declaration of Human Rights, the International Labour Organization (ILO) Fun-

damental Principles, and the United Nations Global Compact principles. Among its objectives, the Group will implement an internal employee satisfaction survey and a review of individual performance. In addition, leadership training courses will be offered to all functional managers. Finally, the Group is working toward obtaining the UNI/PdR 125 certification, aimed at promoting gender equality and inclusion for Italian companies.

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL	
PEOPLE CENTRIC STRATEGY Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance	Own workforce	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
	Diversity, Inclusion and Equal treatment and opportunities		Women % Group level (minimum at 2028)	14%	13%
			Av. h training per employee (ITALY - minimum)	14h	14h
	Workers in the value chain	Working conditions / Equal treatment and opportunities	Supplier Code of Conduct accepted by relevant suppliers	100%	100%



Embracing the Change with Our Partners

FOMAS Group recognizes the strategic value of collaborating with suppliers who uphold high standards in terms of quality, compliance with environmental and safety regulations, and who share ethical, social, and good governance principles. For this reason, in 2024 the FOMAS Group raised the minimum score required for its most relevant suppliers, based on specific indicators related to environmental and social sustainability. Achieving this minimum score is a mandatory requirement in the Supplier Selection process for Italian companies. Furthermore, the Group's commitment to responsible management is reflected in structured policies and operational procedures that also involve Business Partners, including the Sustainable Procurement Policy and the Supplier Code of Conduct.

TOPIC	SUBTOPIC	INDICATOR	TARGET 2025-2030	2024 ACTUAL
EMBRACING THE CHANGE WITH OUR PARTNERS 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





SUSTAINABILITY REPORT 2024

MASTERING THE SCIENCE OF METALS

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5.1 MANAGEMENT’S COMMITMENT TO ETHICAL AND SUSTAINABLE PRACTICES

The Code of Ethics plays a central role, promoting and applying the values that inspire the Group. It is an integral part of the Organization, Management, and Control Model adopted by the Group’s Italian companies in accordance with Legislative Decree 231/2001.

The Code of Ethics applies to everyone operating within the FOMAS Group, including members of corporate bodies, management, employees, and business partners. It is globally valid and binding for all Group companies, both in Italy and abroad. The Code is publicly available on the Group’s official website at www.fomasgroup.com.

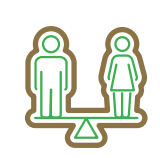
CODE OF ETHICS
IN LINE WITH FOMAS GROUP’S VALUES:



PROACTIVITY
Be positive and open towards continuous improvement and innovation



INTEGRITY
Be honest and an example in ethical actions



MERITOCRACY
Be objective and fair while recognizing merits



ACCOUNTABILITY
Be responsible for actions and performances



RELIABILITY
Be committed to your word while delivering sound results



TRANSPARENCY
Be straightforward and follow a fair process



TRUST
Be trustworthy by truly living all other values every day

- To manage potential violations, conflicts of interest, and updates to conduct standards, the Group relies on the following:
- **Governance Structure:** This includes the Sustainability and Risk Committee, the Code of Ethics Committee, the Legal, Compliance & Internal Audit function, and the administrative bodies (typically the Boards of Directors of the companies), which are responsible for overseeing and ensuring the proper implementation of corporate policies.
 - **Monitoring System:** A dedicated dashboard is in place to transparently track all reports received.

■ **Reporting System:** Accessible to all stakeholders, it ensures protection, transparency, and a structured process for handling reports.

The Group maintains ongoing dialogue with its stakeholders to better understand their needs and gather valuable feedback. Below is a table summarizing the main initiatives adopted, the policies implemented to prevent and mitigate potential impacts, and the overall strategy used to address the issue.

TOPIC	ACTIONS	POLICIES
Management commitment towards the adoption of ethical and sustainable practices	Governance Structure	
	Sustainability Committee meeting every 6 months	
	Communication and mandatory training on anticorruption, code of ethics, whistleblowing, sustainability	- Code of Ethics
	Whistleblowing Mechanism and Ethics Committee	- Selection of the members of the BoDs Policy;
	Sustainability parameters in Supplier Assessment Procedure	- Sustainability Policy;
	Corporate Risk Assessment, including Compliance, Human Rights, Climate change, Harassment risks	- Whistleblowing Policy; Human rights Policy;
	Certified Energy Management System ISO 50001	- Conflict Minerals;
	Member of UN Global Compact Italy network	- Anti Money Laundering and Sanctions Policy
TARGET		
Sustainability-related performance awards; Minimum diversity goal (least represented gender) among (unambiguous) board members.		
STRATEGY		
Corporate Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality		

In 2024, the FOMAS Group established two key objectives:
To ensure a minimum level of representation for the less represented gender on Boards of Directors;
To introduce a sustainability-related component in performance-based rewards.



CORPORATE VALUES – THE ‘FAST & CURIOUS’ INITIATIVE
In 2024, the “Fast & Curious” initiative continued its journey to encourage dialogue among participants about Group’s vision and values. The project emphasized the importance of collaboration, team spirit, and the promotion of fundamental principles such as trust, reciprocity, and respect for diversity. As per tradition, participants presented projects with a social or environmental impact, which were then evaluated by a specially appointed committee. The winning project, focused on enhancing green areas within or around company premises, will be implemented starting in 2025 and in the following years, contributing to the improvement of both the workplace and the surrounding environment.

SPORT WITHOUT BARRIERS: AN EXPERIENCE BEYOND LIMITS
Participants from 2022 and 2023 editions concluded their journey with a special team-building event: “Sport Without Barriers” in collaboration with the Tavecchio Foundation. This unique experience offered the opportunity to engage in sports alongside Paralympic champions, providing insight into what it means to overcome seemingly insurmountable obstacles. Participants experienced the value of resilience, discovering unexpected inner resources and developing a deep sense of solidarity and teamwork that transcends all barriers. The goal of this initiative is to demonstrate how sport, competition, and fun can become powerful tools to break down prejudice and transform diversity into a value to be understood, embraced, and supported.

Whistleblower Protection

The reporting system represents a concrete contribution to fostering a corporate culture rooted in ethics and sustainability, while also strengthening internal control mechanisms and ensuring regulatory compliance. Stakeholders—both internal and external—are encouraged to report any behavior, action, or situation that is misaligned with the Group's values, inappropriate, irregular, or illegal, and that could compromise the company's safety, the work environment, or employee well-being.

PROTECTION OF THE PERSON CONCERNED BY THE REPORT



Dashboard that allows completely anonymous reporting.



FOMAS Group guarantees people concerned by the report the right to be informed (within a maximum of 1 month) and to be able to give their reasons with respect to the content of the report



In the case of reports manifestly unfounded or made in bad faith, made for the sole purpose of discrediting or harassment, it is possible that sanctions may be established and/or a possible report to the appropriate judicial authority.

WHISTLEBLOWER PROTECTION



Dashboard that allows completely anonymous reporting.



FOMAS Group is committed to protecting the whistleblower and anyone involved in the investigation from any kind of retaliation, discrimination, or penalization.



A whistleblower who believes that he or she has suffered retaliation or discrimination as a result of the report may inform his or her immediate chief or the HR Function to assess whether the circumstances exist for the initiation of disciplinary proceedings.

ETHICS COMMITTEE

COMPOSITION

- Legal, Compliance & Internal Audit Counsel
- Sustainability Manager

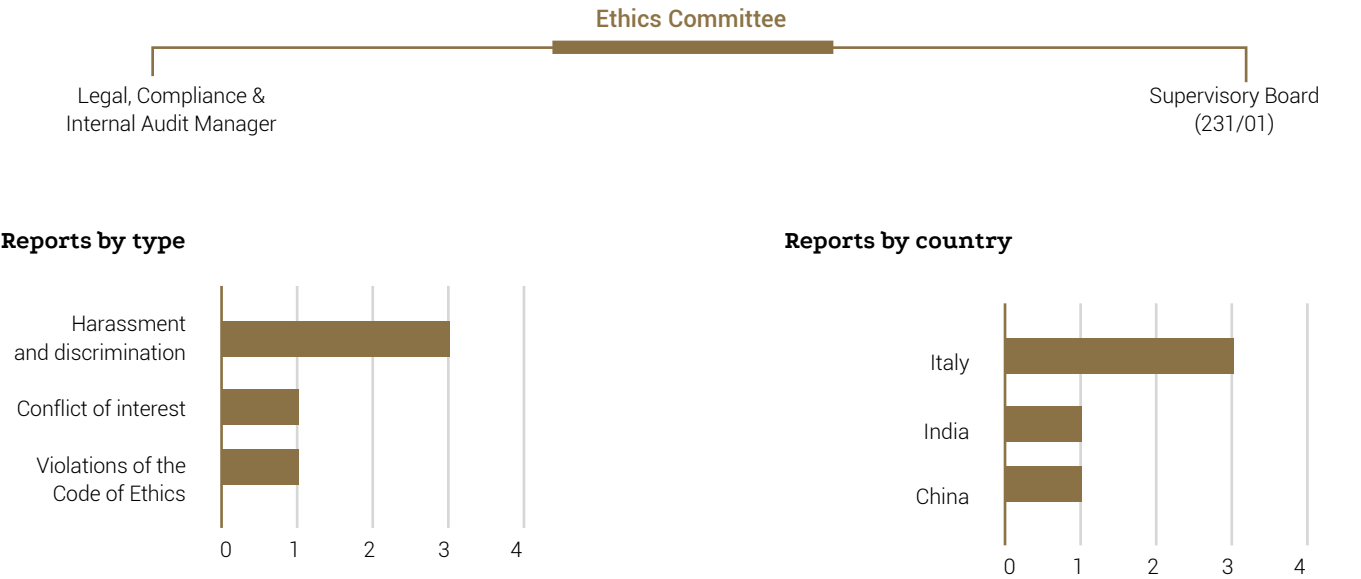
ROLE

- Handles reports respecting confidentiality of whistleblower and reported person
- Conduct a preliminary analysis of the relevance of the report

CONTACTS

- Whistleblowing Dashboard
- ethicscommittee@fomasgroup.com

FOMAS Group ensures protection and confidentiality for both the whistleblower and the person involved, guaranteeing a transparent, fair, and secure process. The initial handling of reports is entrusted to the Code of Ethics Committee, which ensures confidentiality and the protection of sensitive data. After a preliminary analysis, reports are classified based on their severity. If deemed relevant, they are forwarded to the members of the Supervisory Body for further admissibility assessment, in collaboration with the Head of Legal, Compliance & Internal Audit.



In 2024, the Code of Ethics Committee received and analyzed 5 reports, 4 of which were closed by the end of the year, and one during 2025. None of the reports were considered significant enough to proceed with the escalation process to the Supervisory Bodies

5.2 CORRUPTION AND BRIBERY

The risk of corruption and other unlawful conduct represents a significant threat to the Group, as it could undermine trust, reputation, and transparency. For this reason, the FOMAS Group has implemented a rigorous due diligence process, supported by awareness and prevention campaigns based on mandatory training programs for all employees.

The table below summarizes the main initiatives adopted, the policies implemented to prevent and mitigate identified impacts, the objectives set, and the overall strategy to address this critical issue

TOPIC	ACTIONS	POLICIES
Corruption and bribery	■ Communication and training regarding anticorruption/ ethics policies and procedures ■ Checks by the Supervisory Body (carried out by the Internal Auditor referred to Law 231/01 for Italian companies) ■ Whistleblowing Mechanism and Ethics committee	- Code of Ethics - Group-level Privacy Policy; - Whistleblowing Policy; - Anti Money Laundering and Sanctions Policy - Supplier Code of Conduct
TARGET		
100% training and communication about anti-corruption policies and procedures to all employees		
STRATEGY		
Corporate Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality		

Communication and Training on Anti-Corruption Policies and Procedures for All Employees*

Anti-corruption training, as training on the Code of Ethics and the whistleblowing mechanism, was completed in 2024 for all Group employees. Furthermore, this training has become an integral part of the onboarding process for newly hired personnel, managed by the Human Resources department.

5.3 CYBERSECURITY AND DATA PROTECTION

Cybersecurity and data protection are essential to safeguard the Group's people and business partners from potential negative consequences resulting from misuse or data loss. For this reason, the Group monitors changes in the regulatory landscape re-

garding privacy and manages relationships with clients through specific communications and contractual provisions. Regular assessments and updates of the risk management strategy are conducted, to ensure the Group's resilience in the face of evolving cybersecurity and information security challenges.

In 2024, a Data Protection Officer (DPO) was appointed for all Group locations.

Additionally, employees across the Group's companies are kept informed on data protection topics through ongoing training and testing activities.

The table below outlines the main actions taken, the policies implemented to prevent and mitigate identified impacts, the objectives set, and the overall strategy to address this issue.

TOPIC	ACTIONS	POLICIES
Cyber Security and Data Protection	■ Preparation for ISO 27001 certification and NIS2 compliance, where applicable	
	■ Periodical tests and assessments	- Data Breach Policy
	■ Backup, retained in separate and protected areas	- IT security Policy
	■ Controlled user authorizations	- Incident response Policy
	■ Data classification	Employee's On-Off Boarding Policy;
	■ Cyberattack simulation for security awareness	- Backup Policy;
	■ E-learning training about "cyber security"	- Classification Policy
	■ Company regulation for security	
TARGET		
ISO 27001 information security management systems certification and regulatory compliance where applicable		
STRATEGY		
Corporate Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality		

5.4 PRODUCT QUALITY

Group's Management is committed to ensuring high quality of its products, meeting the requirements of customers and stakeholders, in line with the transition plan toward low-car-

bon technologies and with the development, implementation, and continuous improvement of the Quality Management System.

1 MONITORING PROCESSES (KPIs)

Top Management annually establishes performance indicators to monitor Quality Management System processes (KPIs). These are reported in the annual Management Review and constitute input for the definition of both indicators and related targets, based on previous results.

2 TARGET SETTING

Quality objectives are planned, documented and communicated through 'Quality Improvement Plans', included in the Management Review, in which responsibilities, activities, timeframes and possible milestones are identified.

3 LESSON LEARNED

Top Management reviews Group's Management Systems at least once a year on the 'lessons learned' approach: experience is taken into account to reduce the likelihood of recurrence, as well as information from external sources that represent potential opportunities for continuous improvement.

Stakeholder needs and expectations are continuously monitored and assessed through direct engagement and risk management processes. Contracts and relationships with customers, internal and external audits, board meetings, and employee awareness initiatives highlight its importance.

The table below outlines the main actions taken, the policies implemented to prevent and mitigate identified impacts, the objectives set, and the overall strategy on Quality.

TOPIC	ACTIONS	POLICIES
Product Quality	■ QMS manuals, procedures and work instructions	- Code of Ethics
	■ QMS certified (ASME, 9001, 29001, etc.) and annually surveyed by accredited certification bodies (ASME, DNV-GL, TÜV, etc.)	- Quality
	■ Dedicated function (Quality Assurance)	- HSE
		- Privacy
		- Whistleblowing
TARGET		
Annual internal 'Cost of poor quality' KPI *		
STRATEGY		
Corporate Governance supporting ethical and sustainable business conduct, based on transparency, awareness, privacy and quality		

* Referring to the Code of Ethics and the 231 Organizational Model.

* 'Cost of Poor Quality' KPI was defined at the company level until 2024; starting in 2025, it will also be defined as Group's KPI.

Quality and HSE (Health, Safety, Environment) Management System Certifications

Quality, Environmental, Health & Safety, and Energy Management Systems are certified to enhance the Group's transparency and efficiency.

Certifications /Company	ISO 9001	ISO 29001	ISO 14001	ISO 45001	ISO 50001	ISO 3834-2	ISO 17025	EN 9100	EN 9120	IAFT 16949	ISO 19443	ASME
FOMAS S.p.A.	■	■	■	■	■		■				■	■
ASFO S.p.A.	■		■	■		■		■	■			
HOT ROLL S.r.l.	■		■	■	■					■		
MIMETE S.r.l.	■		■	■			■	■				
FOMAS Precision Forging (Dalian) Srl.	■		■	■								
BAY-FORGE Private Ltd.	■		■	■				■				
FOMAS, Inc.	■		■					■				
LA FOULERIE S.A.S.	■		■	■	■							

ISO 9001: Quality management system.
ISO 29001: Quality management system Oil&Gas. ISO 14001: Environmental management systems.
ISO 45001: Occupational health and safety management systems. ISO 50001: Energy Management.
ISO 3834-2: Welding Certification, Quality Requirements. ISO 17025: Testing and calibration laboratories.
ISO 17025: Testing and calibration laboratories
ISO 19443: Nuclear Quality Management Standard
ASME: American Society of Mechanical Engineers
EN 9100: Quality management system in aerospace industry.
EN 9120: Quality management system in Aviation, Space and Defence industries.
IAFT 16949: Quality management system in automotive industry.

Impacts on Health and Safety Caused by Products

The FOMAS Group is not responsible for the design of the products it supplies, but it ensures their safety by fully complying with contractual requirements, applicable laws, and regulations. The Group guarantees product safety through:

- Analysis of hazardous and contaminant elements and the risks associated.
- Assurance of repeatability in production processes.
- Transparent and timely communication with customers, followed by analysis of any event, defect, or non-conformity that could affect product safety.
- Adequate communication and training activities for personnel, including training on the concepts and principles of a 'Safety Culture'.

Cases of Non-Conformity Related to Health and Safety Impacts Caused by Products

In 2024, no non-conformities were reported with impacts on health and safety caused by products supplied by the FOMAS Group.

Non-conformities are regularly identified, addressed, and documented according to the internal non-conformity management

procedure. The analysis of non-conformities and the implementation of corrective actions are carried out by the Quality Assurance function. The effectiveness of each corrective action is subsequently verified.

If a deviation from customer requirements occurs during the production process, a non-conformity report is issued and sent to the customer for approval of the proposed solution.



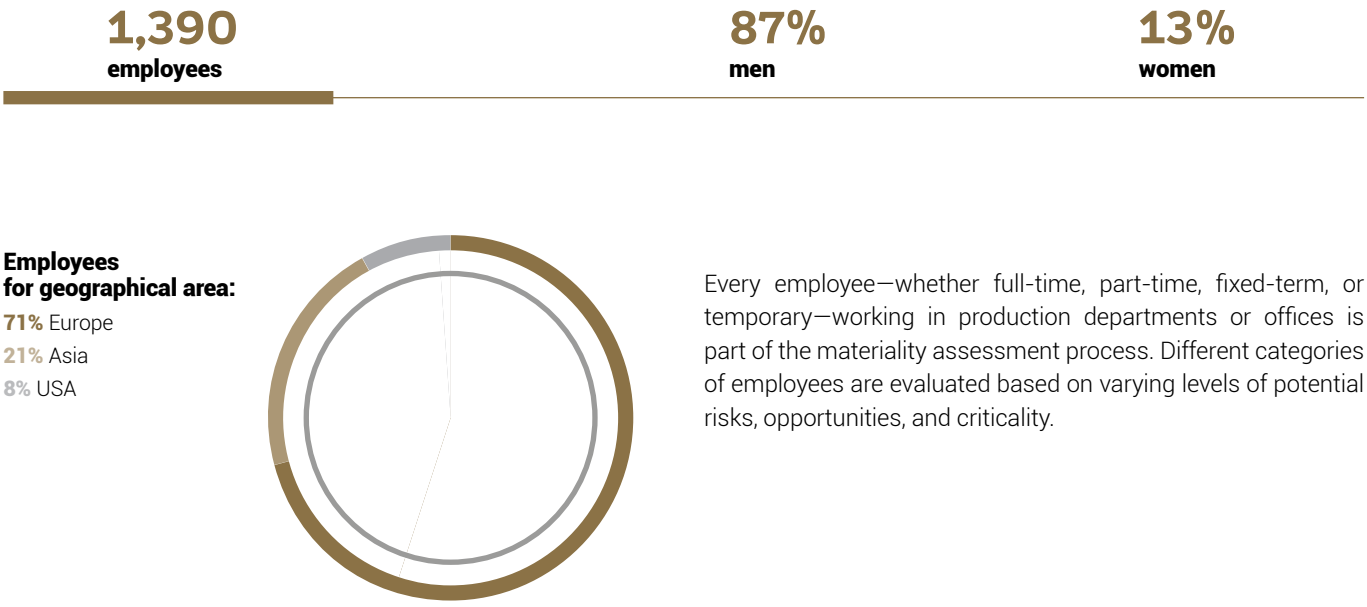


SUSTAINABILITY REPORT 2024

PEOPLE CENTRIC

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6.1 FOMAS PEOPLE



OPEN HOUSE FOMAS S.P.A.
On June 1st 2024, FOMAS S.p.A. opened its doors to employees' families. The day focused on guided tours of the production departments and workshops with Apicoltura Urbana for children, offering employees the opportunity to share their work environment, company values, and daily activities with their families.

Fair Working Conditions

The Group is committed to ensuring fair working conditions, including secure employment, appropriate working hours and wages, social dialogue, freedom of association and collective bargaining, work-life balance, fair and non-discriminatory HR processes, privacy protection, and health and safety. Additionally, the FOMAS Group condemns all forms of child and forced labor.

Employees play a crucial role in identifying potential improvements and suggesting effective solutions. The table below outlines the main actions taken, the policies implemented to prevent and mitigate identified impacts, and the overall strategy to address this topic.

TOPIC	ACTIONS	POLICIES
Working Conditions and work-related rights	- Sustainability Governance structure - Focus Groups (Work Environment: Well-being, Diversity and Inclusion, Parenting, Discrimination & Harassment) - Human Right internal Due diligence Engagement employees survey - Welfare structure - Awareness and Training on non discriminatory practices, human rights - Whistleblowing mechanism and ethics committee - Collective bargaining agreements or benchmarking to secure adequate salaries	- Group Code of Ethics - Human Rights - Sustainability - Diversity, Equity and Inclusion - HR Handbook/Procedures - Parenting - Whistleblowing
STRATEGY		
Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance.		

PARENTING SUPPORT

- In 2024, the FOMAS Group strengthened its commitment to an inclusive corporate culture, implementing concrete measures to support parenthood, including:
- Birth Bonus: a financial contribution to celebrate the arrival of a new member in an employee's family.
 - Extension of Mandatory Paternity Leave: an additional 2 days beyond the 10 days required by Italian law, for Italian companies.
 - Increased Allowance for Optional Parental Leave: enhanced financial support to help balance work and family life, currently implemented for Italian companies, the U.S. site, and for new mothers in India.
 - Return-to-Work Support Programs after Maternity Leave: personalized measures to assist and facilitate the professional reintegration of female employees after childbirth.



SURVEY COMPILATION:
Upon returning to work, HR sends a **survey** to interested person



INTERVIEW:
Once the HR department receives the completed survey, it schedules an interview that includes an individual **COACHING** session and an update on new **PROCESSES AND PROCEDURES**

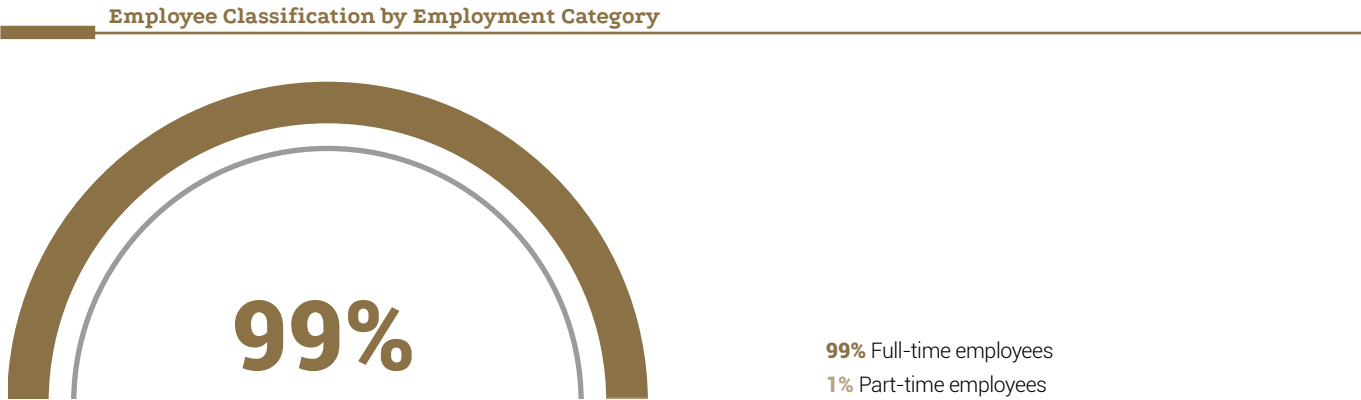
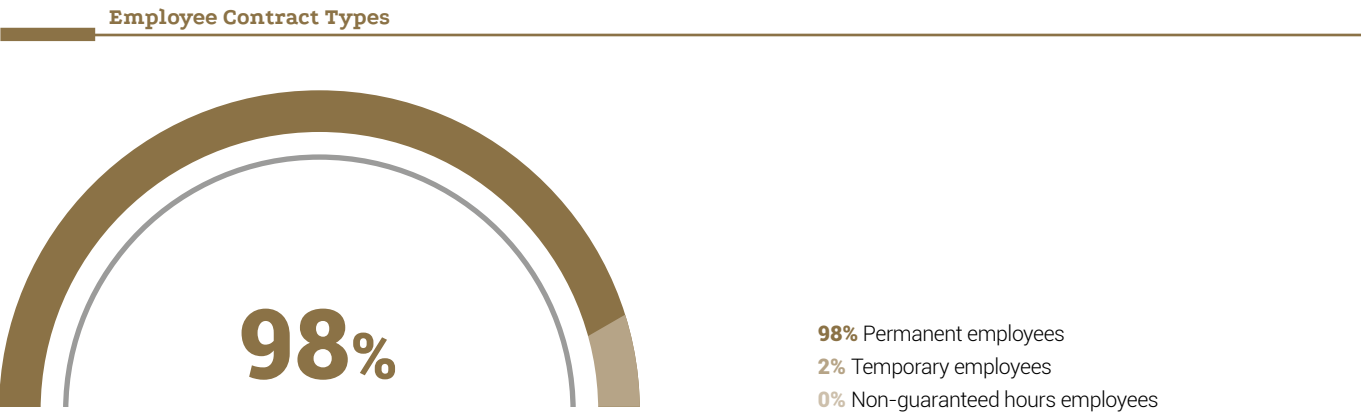


INDIVIDUAL COACHING:
An individual **COACHING** course is made available to the resource

- Summer Camps at Curone Park:** coverage of summer camp's fees organized at Curone Park for the children of FOMAS S.p.A. employees who requested it.

FOMAS Employee Contracts

The charts below illustrate the Group's commitment to workforce employment. Out of the Group's 1,390 employees, 98% hold per-
manent contracts and 99% work full-time.



Non-employee Workers	
Non-employee Workers	Units 2024
Consulting contract	2
Internship contract	3
Contractual relationship with a temporary employment agency	74
Temporary agency workers	32
Total	111

Total number of employees by type of employment contract, by gender and region

Employees by type of contract	Men	Women	Total
Non-guaranteed hours employees	0	0	0
Permanent employees	1189	171	1360
Temporary employees	22	8	30
Total	1211	179	1390

ITALY			
Employees by type of contract	Men	Women	Total
Non-guaranteed hours employees	0	0	0
Permanent employees	756	109	865
Temporary employees	19	7	26
Total	775	116	891

EUROPE (EXCL. ITALY)			
Employees by type of contract	Men	Women	Total
Non-guaranteed hours employees	0	0	0
Permanent employees	80	7	87
Temporary employees	3	1	4
Total	83	8	91

USA			
Employees by type of contract	Men	Women	Total
Non-guaranteed hours employees	0	0	0
Permanent employees	90	22	112
Temporary employees	0	0	0
Total	90	22	112

ASIA			
Employees by type of contract	Men	Women	Total
Non-guaranteed hours employees	0	0	0
Permanent employees	263	33	296
Temporary employees	0	0	0
Total	263	33	296

Total number of employees by employment type (full-time and part-time), by gender and region

Employees by employment type	Men	Women	Total
Full-time workers	1203	169	1372
Part-time workers	8	10	18
Total	1211	179	1390

ITALIA

Employees by employment type	Men	Women	Total
Full-time workers	772	106	878
Part-time workers	3	10	13
Total	775	116	891

EUROPE (EXCL. ITALY)

Employees by employment type	Men	Women	Total
Full-time workers	81	8	89
Part-time workers	2	0	2
Total	83	8	91

USA

Employees by employment type	Men	Women	Total
Full-time workers	87	22	109
Part-time workers	3	0	3
Total	90	22	112

ASIA

Employees by employment type	Men	Women	Total
Full-time workers	263	33	296
Part-time workers	0	0	0
Total	263	33	296

Collective Bargaining

The FOMAS Group supports and protects its employees' right to freedom of association and collective bargaining, opposing all forms of intimidation, harassment, or abuse. Open and constructive dialogue with all Representative Bodies is actively promoted. In its European locations, national collective labor agreements are applied, ensuring that 100% of employees are covered by collective agreements. In India and China, there is fully compliance with national labor laws. In the United States, the Group adheres to federal and state laws to safeguard workers' rights, ensuring employees full freedom in the context of employment.

All Group companies maintain a strong and constructive relationship with trade unions, collaborating on key topics such as health and safety, welfare, corporate goals, and investments.

New hires and turnover

New hires and turnover	Men	Women	Total
Employees leaving the company	148	22	170
Total number of new hires	125	26	151
Total	273	48	321

Total number of new hires

Total number of new hires	Men	Women	Total
Age above 50 years	14	3	17
Age below 30 years	45	9	54
Age between 30 and 50 years	66	14	80
Total	125	26	151

ITALY

Total number of new hires	Men	Women	Total
Age above 50 years	6	1	7
Age below 30 years	11	3	14
Age between 30 and 50 years	26	3	29
Total	43	7	50

EUROPE (EXCL ITALY)

Total number of new hires	Men	Women	Total
Age above 50 years	0	0	0
Age below 30 years	3	0	3
Age between 30 and 50 years	0	1	1
Total	3	1	4

USA

Total number of new hires	Men	Women	Total
Age above 50 years	7	2	9
Age below 30 years	23	4	27
Age between 30 and 50 years	26	7	33
Total	56	13	69

ASIA

Total number of new hires	Men	Women	Total
Age above 50 years	1	0	1
Age below 30 years	8	2	10
Age between 30 and 50 years	14	3	17
Total	23	5	28

Employees leaving the company

Employees leaving the company	Men	Women	Total
Age above 50 years	42	6	48
Age below 30 years	29	7	36
Age between 30 and 50 years	77	9	86
Total	148	22	170

ITALY

Employees leaving the company	Men	Women	Total
Age above 50 years	25	3	28
Age below 30 years	5	0	5
Age between 30 and 50 years	21	3	24
Total	51	6	57

EUROPE (EXCL ITALY)

Employees leaving the company	Men	Women	Total
Age above 50 years	4	0	4
Age below 30 years	3	1	4
Age between 30 and 50 years	8	0	8
Total	15	1	16

USA

Employees leaving the company	Men	Women	Total
Age above 50 years	8	3	11
Age below 30 years	17	3	20
Age between 30 and 50 years	31	5	36
Total	56	11	67

ASIA

Employees leaving the company	Men	Women	Total
Age above 50 years	5	0	5
Age below 30 years	4	3	7
Age between 30 and 50 years	17	1	18
Total	26	4	30

6.3 HEALTH AND SAFETY

Corporate culture values people's well-being, supported by the adoption of ISO 14001 certification and the UNI ISO 45001 Integrated Management System across all Group companies. Among the main risks addressed by the Group are:

- Workplace accidents
- Exposure to hazardous substances
- Ergonomic issues
- Exposure to high noise levels
- Inadequate safety protocols

In addition, the Group considers the risks associated with an aging workforce, with particular attention to the specific needs of older employees.

The FOMAS Group is also aware of the potential operational consequences of accidents and injuries, which could temporarily affect productivity and business continuity. For this reason, it implements a range of preventive measures, constantly monitors the application of established procedures communicated to all personnel, and systematically provides specific training to both production and office staff.



HSE EXTRA ACTIVITIES- FOMAS PRECISION FORGING (DALIAN) CO., LTD.

In China, the HSE Office supported several activities to promote employee well-being: Gynecological check-up for female staff, aimed at promoting women's health in the workplace.

Online wellness training, offering a selection of high-quality online courses on topics related to food safety, traditional Chinese medicine, physical well-being, and general health, supporting the personal and professional growth of all participants.

The table below lists the main actions taken, the policies implemented to prevent and mitigate the identified impacts, and the overall strategy to address them.

TOPIC	ACTIONS	POLICIES
FOMAS workforce -Working Conditions Health & Safety	■ ISO 45001 Safety and Health management system ■ Third party certification, internal audits ■ Specific machine risk assessments ■ Management of Change (MOC) policies for new equipment monitoring ■ Insurance coverage system ■ Group Procedures: HSE Hazard Identification; Risk Assessment and Controls; HSE Emergency Preparedness; Crisis Management ■ Focus on prevention and training ■ Project INSIEME (currently active in FOMAS S.p.A.; prep activities started in HOT ROLL S.r.l and ASFO S.p.A.; to be activated in all plants in 2024)	- Code of Ethics; - Human Rights Policy; - Sustainability Policy; - Occupational Health and Safety Policy.
TARGETS		
FOMAS Group sets yearly internal KPIs: - Injury frequency - Injury severity - Employee participation - HSE Training Indicator		
STRATEGY		
Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance		

Health&Safety Training

Training stem directly from risk assessments and are developed in accordance with national regulatory requirements, with the support of training experts and local industrial associations. Training, which is mandatory for all employees, is carried out during working hours, and its effectiveness is monitored through tests, practical exercises, and internal audits.

To continuously measure and improve the impact of training activities, specific indicators are defined, including the total number of training hours delivered and compliance with the minimum requirements set by law. Each year, the Group sets a target for the minimum number of hours dedicated to HSE training.



“INSIEME” Project – Promoting Participation in Health and Safety

In 2024, the “INSIEME” project to encourage active employee participation in workplace health and safety, was also imple-

mented at ASFO S.P.A. and HOT ROLL S.r.l. For sites where the program has not yet been introduced, the HSE function organized awareness sessions where employees can freely express their opinions, share experiences, and offer suggestions.

Workplace Injuries

Workplace Injuries	Units	2024		
		Men	Women	Total
Recordable Workplace Injuries		31	-	31
At work	N°	31	-	31
Commuting		-	-	-
Fatalities (due to workplace injuries)		-	-	-
At work	N°	-	-	-
Commuting		-	-	-
Severe Workplace Injuries (excluding fatalities)	N°	-	-	-
At work		-	-	-
Commuting		-	-	-
Total worked hours	Ore	32,648,550	-	32,648,550

All recordable workplace injuries are categorized under the type ‘mechanical – impact/bruise/crushing without involvement of machinery’.

Near miss	Units	2024		
		Men	Women	Total
Total near miss		-	-	-
Fomas Group	N°	130	-	130

Currently, aggregated data on hours worked by non-employee collaborators is not available.

Incidents and Risk Analysis

At the Group level, the provisions of Legislative Decree 81/08 and subsequent amendments are systematically applied for the management of all HSE-related risks. To thoroughly assess specific risks, international standards such as NIOSH, OCRA, INAIL, OSHA, UNI 9432:2011, UNI 9612:2011, UNI EN 458:2016, Legislative Decree 04/12/02, Legislative Decree 81/08, Legislative Decree 152/06, UNI EN 14255-1, UNI EN 170:2003, ISO 45001, and ISO 14001 are used.

Occupational Diseases

In 2024, no cases of occupational diseases were reported among either employees or external collaborators. Specific risk assessments, conducted in collaboration with the occupational physician, aim to proactively identify factors that could potentially expose personnel to occupational illnesses.

6.4 DIVERSITY, INCLUSION, EQUAL TREATMENT AND OPPORTUNITIES

Gender equality, pay equity, and equal opportunities for training and skills development are essential elements to ensure that no one is subject to discrimination.

In the assessment of potential risks, particular attention is given to categories such as women, workers with disabilities, and workers from international backgrounds, considering cultural differences and diverse global mindsets. Specifically, the Group is committed to addressing the challenge of the underrepresentation of women in the metalworking sector, which has traditionally been male dominated. To define the actions to be taken, stakeholder engagement is crucial. In addition to employees, worker representatives and industry associations are consulted through feedback platforms, regular meetings, and sharing tools.



DIVERSITY, EQUITY AND INCLUSION CAMPAIGN



In June 2024, the awareness campaign on Diversity and Inclusion was launched and will run until June 2025. This 12-month initiative aims to promote an inclusive and diverse corporate culture, recognizing the many benefits that diversity brings. The campaign involves all Group companies and includes professional development programs, awareness sessions, distribution of informative materials, and interactive activities to actively engage all employees.

Objectives

- Awareness: Increase understanding of the importance of diversity and inclusion.
Education: Provide knowledge and tools to better understand diversity and inclusion.
Growth: Integrate diversity and inclusion principles into the corporate culture, fostering a work environment where everyone feels valued and respected.
- Over the year, the campaign focused on six main topics:
- June–July 2024: Introduction to Diversity and Inclusion > Understanding the core concepts of diversity and inclusion and why they are critical to success.
 - September–October 2024: Gender Inclusion and Unconscious Bias > Exploring the role of gender in the workplace and how unconscious biases affect decisions.
 - November–December 2024: Harassment and Discrimination in the Workplace > Preventing and addressing harassment and discrimination to create a safe environment for all.
 - January–February 2025: Ethnic Diversity in the Workplace > Valuing the different ethnicities and cultures.
 - March–April 2025: Accessibility and Universal Design > Ensuring that workspaces and tools are accessible to all, regardless of physical ability.
 - May–June 2025: Generational Diversity in Teams > Recognizing and valuing the different perspectives that multiple generations bring to the teams.

Leadership courses for women

As part of the DEI Campaign, a Women's Leadership course was designed for all women within the Group with the goal of promoting empowerment and professional development in the workplace.

The Group has defined several specific objectives:

- **Training:** At Italian sites, the minimum average number of training hours per employee is set at 14. This target has been revised from 16 hours in 2023.
- **Gender Equity:** FOMAS Group aims to increase the percentage of women in the workforce, setting a minimum target of 14% by 2028, considering the historical challenges in recruiting women in the heavy manufacturing sector.

These commitments are detailed in a summary table listing the main actions taken, the policies adopted to prevent and mitigate identified impacts, and the overall strategy to address diversity and inclusion challenges

TOPIC	ACTIONS	POLICIES
FOMAS workforce Diversity, Inclusion and equal treatment and opportunities	■ Sustainability Governance and Legal Internal Audit & Compliance ■ Whistleblowing mechanism, Ethics Committee ■ Focus Groups (Work Environment: Well-being, Diversity and Inclusion / Parenting / Discrimination & Harassment risk assessment) ■ DEI Action Plan ■ UN Global Compact Target Gender Equality Accelerator Program ■ Human Right internal Due diligence ■ Training on ethical code of conduct ■ Training catalogue ■ Diversity, equity and inclusion awareness campaign	– Group Code of Ethics – Human Rights – Sustainability Diversity, Equity and Inclusion – Anti-harassment and remediation plan – Parenting – HR Handbook/Procedures
	TARGETS	
	FOMAS Group sets yearly internal KPIs: – Min. Av. of Training hours per employee per year for Italian companies – % of Women employees at Group level by 2028	
	STRATEGY	
	Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance	

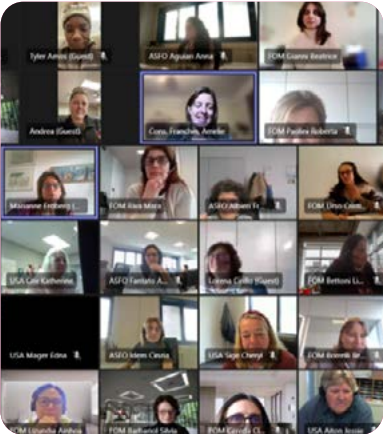
Board of Directors members*

Board of Directors members	2024		
	Men	Women	Total
Over 50 years old	23	1	24
Under 30 years old	0	0	0
Between 30 and 50 years old	5	0	5
Total	28	1	29
% gender	97%	3%	

* In the table, members of the Boards of Directors are not counted as unique individuals.

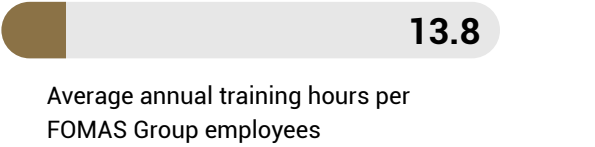
Employees	2024		
	Men	Women	Total
Directors			
Over 50 years old	14	1	15
Under 30 years old	0	0	0
Between 30 and 50 years old	10	1	11
Total Directors	24	2	26
Factory Workers			
Over 50 years old	268	2	270
Under 30 years old	75	2	77
Between 30 and 50 years old	488	7	495
Total Factory Workers	831	11	842
Managers			
Over 50 years old	24	10	34
Under 30 years old	1	0	1
Between 30 and 50 years old	39	8	47
Total Managers	64	18	82
Office workers			
Over 50 years old	59	35	94
Under 30 years old	39	19	58
Between 30 and 50 years old	196	92	288
Total Office workers	294	146	440
Total	1213	177	1390

Employees	Men	Women	Total
Directors	24	2	26
Factory Workers	831	11	842
Managers	64	18	82
Office workers	294	146	440
Total	1213	177	1390
	87%	13%	



INNER DEVELOPMENT GOALS – WOMEN DAY
To celebrate International Women's Day 2024, FOMAS Group supported an initiative aligned with the United Nations theme “Invest in Women: Accelerate Progress.” Meetings were organized for all the women across the Group to enhance self-awareness and promote female empowerment. These sessions involved colleagues from China, India, Italy, France, and the United States, with over 150 participants. The meetings focused on the Inner Development Goals framework, which aims to support personal development and to foster a prosperous future for all humanity. These were not traditional training sessions, but special moments dedicated to personal growth – a unique opportunity to strengthen self-awareness.

Employee Development and Training



Average training hours by gender and job level

Average training hours by gender and job level	2024		
	Men	Women	Total
Directors	6,1	38,0	8,6
Factory Workers	8,1	4,3	8,1
Managers	24,3	21,0	23,5
Office workers	26,8	16,1	23,3
Total	13,5	16,1	13,8

Training hours by type of training course

Type	% 2024
Health and Safety	39%
Job-Specific	26%
Management	4%
Personal Development	9%
Quality	6%
Tools and Methodologies	15%
Total	100%

In 2024, several Corporate-level training programs were introduced with the aim of improving and strengthening employee skills across various business functions. Additionally, a training catalogue was launched to summarize and define the learning offer for all companies within the Group.

Key initiatives include:

1. **Leadership Excellence Program:** Designed to enhance leadership capabilities, promote strategic thinking, and provide participants with tools to effectively manage teams in a rapidly evolving environment.
2. **Empowerment Workshops for Specific Functions:**

Finance: Focused on personal development, decision-making, and team performance.

Human Resources: Aimed at strengthening skills in talent management, employee engagement, and organizational development.
3. **Training on Communication, Negotiation, and Emotional Intelligence**

These courses targeted both managerial and non-managerial employees, with the goal of improving interpersonal skills, fostering effective communication, and developing emotional intelligence to enhance collaboration and conflict management.

6.5 RECRUITMENT, SELECTION AND RETENTION OF TALENTS

Attraction, selection and retention of talent

Effective management of employee recruitment and retention is a key element for success. Well-structured and fair selection processes are essential to attract a wide variety of talent, including professionals with valuable skills from different backgrounds.

To minimize the loss of technical skills and retain talent, the FOMAS Group acts, through its remuneration and training policies, to pursue the retention objective through a skilling, reskilling and upskilling plan.

- **Skilling:** supporting the growth of new hires in the company through specific on-the-job training.
- **Reskilling:** defining specific technical training courses, such as English courses for administrative staff or technical courses for laboratory staff.
- **Upskilling:** providing solutions to develop people's performance and talent, for example through Change Management courses.

Individual Performance Management

In 2024, a new performance evaluation system called Individual Performance Management (IPM) was implemented for all office workers. In 2025, the system is expected to be extended to the entire workforce, including factory workers. The data from the 2024 evaluations were collected according to the following categories:

FUNCTION	Men	Women	Total
Directors	8	2	10
Factory Workers	248	7	255
Managers	42	17	59
Office workers	216	135	351
Total	514	161	675
IMP completed/ employees	42%	90%	49%

The following table summarises the main actions implemented, the policies adopted to prevent and reduce any critical impacts and the overall strategy adopted to adequately address the issues related to this area.

TOPIC	ACTIONS	POLICIES
FOMAS workforce Efficient and fair recruitment, selection of personnel and retention	■ Sustainability governance, Ethics committee ■ Whistleblowing mechanism ■ HR Procedures in line with ethical code ■ Individual Performance Management process ■ Collaboration with local school	– Group Code of Ethics – Human Rights – Sustainability – Diversity, Equity and Inclusion – HR companies – Policies/ Handbooks/ – Procedures Anti-harassment and remedation plan Parenting
TARGETS		
Minimum % of exit motivation related to issues of difficulty of induction, corporate and professional culture. Individual performance management for all employees.		
STRATEGY		
Commitment towards the respect of human rights, health and safety, non-discriminatory practices, diverse and inclusive culture and work-life balance		

In 2024, the FOMAS Group introduced a new indicator (KPI) aimed at strengthening the monitoring of the quality of the work experience: the minimum percentage of reasons for leaving related to difficulties in integration, corporate culture and professional aspects. This indicator is tracked through interviews during the exit phase, with the aim of identifying any critical areas and activating corrective actions aimed at preventing the loss of skills and talents.

As part of the Group's commitment to nurturing talent and promoting professional development, it actively participates in various recruitment initiatives in collaboration with local schools and universities. Examples include participation in school-organized events such as Job Days, Career Days, and Job Fairs, aimed at helping students discover career opportunities and understand the skills required in today's job market. Additionally, three PhD scholarships were launched in 2024.



EXAMPLES

In 2024, **ASFO S.p.A.** took part in the inauguration of the **ITS (Higher Technical Institute)** in Rovigo, with a mechanical engineering focus. The company conducted interviews with students enrolled in the program and, starting in 2025, will host three interns. ASFO also welcomed several students from the mechanical engineering course at the **Viola Technical Institute** in Rovigo, who had the opportunity to visit the company and explore its production departments. ASFO S.p.A. also participated in the event **"WELCOME TO STEM – POSITIVE ACTIONS FOR GENDER EQUALITY,"** centered on the added value gender equality can bring to communities, society, and individuals, using STEM disciplines as the interpretive key. **FOMAS, Inc.** actively participates each year in the **"Job Fair York Comprehensive High School."**

6.6 WORKERS IN THE VALUE CHAIN AND HUMAN RIGHTS

Protection of Workers' Rights in the Supply Chain

Promoting respect for workers' rights—whether they are company employees or not—throughout the entire supply chain represents a concrete opportunity to generate positive and lasting impacts, both socially and in terms of sustainable development. The FOMAS Group, operating in various international contexts, often works in countries where issues related to equity, inclusion, and safe working conditions are not always guaranteed by clear or widely shared regulations. Furthermore, the heavy industry sector is historically male-dominated and characterized by high risks related to workplace safety.

Monitoring and Due Diligence

In 2024, no violations related to social or human rights were identified.

The **Human Rights Policy**, directly promoted by Top Management, aims to:

- Value and protect people;
- Promote a safe, fair, and inclusive working environment;
- Support the development of individual skills;
- Oppose all forms of discrimination, intimidation, bullying, or stalking.

Additionally, the Group has set as a priority objective the formal adoption of the **Supplier Code of Conduct** by all relevant partners. This document explicitly requires adherence to principles of fairness and ethical behavior toward workers.



UN GLOBAL COMPACT BUSINESS & HUMAN RIGHTS ACCELERATOR

In 2024, FOMAS Group took part in the **UN Global Compact Accelerator Program** focused on **Business & Human Rights**. The program provided a valuable opportunity for growth and in-depth learning on managing corporate human rights due diligence processes. As a result of this experience, a structured system for monitoring risks and impacts across the value chain was developed, including prioritization mechanisms and the definition of a continuous improvement action plan, in alignment with the **UN Guiding Principles**.



SUSTAINABILITY REPORT 2024

CREATING SHARED VALUE FOR THE COMMUNITY

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7.1 SOCIAL STRATEGY PILLARS

FOMAS Group has identified five priority areas of intervention to enhance the economic, social, and cultural dimensions of local communities (those located near the production plants):



7.2 LOCAL COMMUNITIES INVOLVED

MAIN TYPES OF SPONSORSHIPS AND DONATIONS

FOMAS Group defines an Annual Sponsorship Project Plan tending towards four types of sponsorship: cultural, social, sports and environmental. Moreover, the Group is adding a new focus area of sponsorship/donations: Institutional.

LOCAL FOCUS WITH GLOBAL APPROACH

Selection of projects to favor the local areas while maintaining the common objective of the Corporate Strategy of enhancing the 5 pillars of the Social, Cultural, Environmental, Sports and Institutional world.



FOMAS Group fosters ongoing dialogue with its local stakeholders in order to understand real needs, gather proposals, and maintain active engagement, with varying frequency.

The Group has actively collaborated with local associations and institutions, participating in meetings and conferences to discuss key local challenges, with a particular focus on supporting the educational system and environmental protection. The following table outlines the main actions undertaken, the policies implemented to prevent and mitigate identified impacts, the targets set, and the overall strategy to address the impacts of this material topic.

TOPIC	ACTIONS	POLICIES
Affected local communities	■ Internal Procedure on Sponsorship and Donations: Structured processes for monitoring, assessing and reviewing community support initiatives. ■ Internal survey on local association support at Group level ■ Local schools engagement ■ Whistleblowing Mechanism ■ ISO 140001 Environmental Management System ■ Trees planting (ASFO S.p.A.), Green areas surrounding the plant (BAY-FORGE Private Ltd.), bee apiary (FOMAS S.p.A.) ■ Fast&Curious employees engagement project focus on local communities	– Impactful teambuilding activities Policy; – Sustainable events Policy; – Corporate Citizenship; – Human Rights Policy – Whistleblowing Policy
	TARGETS	
	Minimum budget spending on local communities support to increase year over year	
	STRATEGY	
	Ongoing and measurable positive impact on local communities	

Throughout 2024, FOMAS has actively supported numerous projects benefiting local communities.

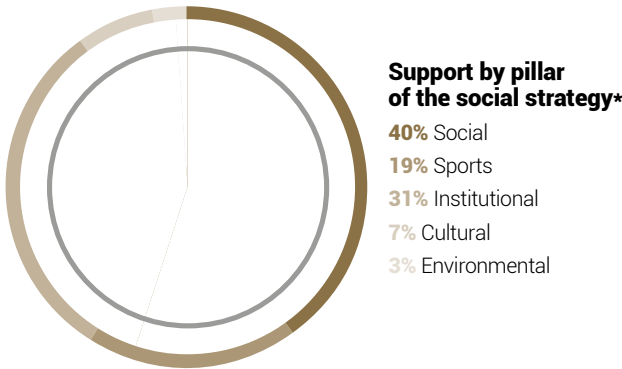
PLANT	ASSOCIATION	PILLAR	PROJECT
FOMAS, Inc	York Technical College for York Technical College Foundation.		Training at technical institutes
FOMAS, Inc	York County Crime Prevention Safety Education for York County Schools		Education on safety and crime prevention
FOMAS, Inc	York County Fire Education Program for Schools		Fire safety education for schools
FOMAS, Inc	LOVELIKELAUREN		Support for families with children affected by cancer
FOMAS, Inc	5K RUN		Employee charity challenge
FOMAS S.p.A.	FONDAZIONE COSTRUIAMO IL FUTURO		Sponsorships of local volunteer associations
FOMAS S.p.A.	CARAVAGGIO - FONDAZIONE COSTRUIAMO IL FUTURO		Art Project
FOMAS S.p.A.	SCUOLA DI MUSICA S. FRANCESCO		Agnesi Festival – orchestra
FOMAS S.p.A.	PROLOCO MERATE		Ice skating rink
FOMAS S.p.A.	PARROCCHIA OSNAGO		Local community support
HOT ROLL SRL	LA TORRE		Local community support
BAY-FORGE Private Ltd. *	ROTARY CLUB		Housing, school and health support

* Projects implemented in 2024, with reference to fiscal year 2023 for the CSR commitment of BAY-FORGE Private Ltd.

For Easter and Christmas 2024, FOMAS S.p.A. organized charity markets at the plant in support of the Maria Letizia Verga Association.

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.



2024 was a particularly impactful year, especially due to the organization of the Open Day at FOMAS S.p.A. and the company's direct participation in IFM. FOMAS S.p.A. supported several associations awarded by the **Costruiamo il Futuro Foundation**, which also operates in the area of MIMETE S.r.l.; the sponsorship of the **Merate ice skating rink** during the Christmas holidays; and the sponsorship of the **San Francesco Music School of Merate** for the **Agnesi classical music festival**, which this year concluded with a short concert at the Osnago plant, in addition to the usual Christmas music moment.

This year, FOMAS S.p.A. supported several families during the summer by offering employees' children a week at the **Curone Park**. As part of the **beekeeping project** at Curone Park, FOMAS S.p.A. also gave some employees the opportunity to experience the work of a beekeeper at the company's hives.

The most significant community engagement in 2024 was undoubtedly the sponsorship of **"Narcissus by Caravaggio"** held in November at **Villa Confalonieri** in Merate.

HOT ROLL S.r.l. supported the **La Torre Community**, an association dedicated to disability support. **ASFO S.p.A.** supported the **Rovigo Red Cross** and activities related to the local **patron saint's celebration** in August.

FOMAS Inc. continued its support of several local associations in **York**, such as:

- the **York youth softball team**,
- the **Love Like Lauren Foundation**, which supports families of children with cancer,
- the annual **Will Frederick 5K Run**, a charity event involving employee participation.
- donations were made to support students who cannot afford tuition at **York Technical College**, through the **York Technical College Foundation**.
- a **golf tournament organized by a customer** raised funds for associations benefiting children.
- support given to **York County Hospice and Community Care** and the **local police department** through sponsorship of a **school safety project**.

BAY-FORGE Private Ltd. contributed by:

- helping local schools build **canopies** to protect children during meals,
- funding the construction of **three homes** for a community north of Chennai,
- purchasing a **fully equipped ambulance** to provide medical care in remote communities,
- and organizing a **medical camp** at the company premises.



NARCISSUS BY CARAVAGGIO IN MERATE
FOMAS Group was one of the sponsors of the event **"The Great Art in Brianza: Caravaggio – Narcissus from Palazzo Barberini"** held at **Villa Confalonieri** in Merate. The project attracted **43,000 visitors in one month**, demonstrating the strong impact that art promotion initiatives can have on the local community.

Membership Associations

The FOMAS Group S.p.A. is affiliated with several industry associations. In Italy, it is a member of *Federacciai*, where President and Group CEO Jacopo Guzzoni has served as a board member since 2018. Another industry association is *AIM – the Italian Association of Metallurgy*, where four employees are actively involved in the technical committees for Forging, Heat Treatment of Additive Manufacturing, and Safety.

Mimete S.r.l. is a member of *EPMA* (European Powder Metallurgy Association). Internationally, and the Group is also member of the *FIA – Forging Industry Association* in the United States.

In 2024, we renewed our commitment to the *United Nations Global Compact Network (Italy)*. Additionally, in 2024, *ASFO S.p.A.* joined *AIAD*, the Federation representing Italian companies in Aerospace, Defense, and Security, and a member of *Confindustria*.



FOMAS S.p.A. HOSTS THE INTERNATIONAL FORGEMASTERS MEETING
In 2024, the Group's headquarters had the honor of hosting and participating in the *International Forgemasters Meeting (IFM)*, the international conference that brings together researchers, specialized technicians, and decision-makers in the open-die forging and ring rolling sectors. IFM participants had the opportunity to visit the Osnago plant.





SUSTAINABILITY REPORT 2024

AWARENESS AND COMMITMENT FOR THE PLANET

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8.1 CLIMATE CHANGE MITIGATION AND ADAP-TATION

Climate Risk Assessment: A Strategic Approach

In 2024, the FOMAS Group carried out a structured assessment of climate-related risks, in line with the guidelines of the IPCC and the IFRS Foundation. The analysis examined the potential impact of climate change on the Group's operational and strate-gic activities, with the goal of preparing for future scenarios and strengthening corporate resilience.

The governance of this process is entrusted to the Board of Di-rectors, which delegates operational monitoring and the imple-mentation of necessary measures to the Sustainability and Risk Committee.

Each risk is assessed in terms of:

■ triggering causes,

- operational, reputational, and regulatory impacts,
- likelihood of occurrence over short-, medium-, and long-term time horizons.

The assessment includes:

- Physical risks, both acute and chronic, for each pro-duction site;
- Transition risks, related to regulatory, political, technological, reputational, and market developments.

Alongside risks, the opportunities arising from a sustainable transition are also carefully analyzed, including:

- improved resource efficiency;
- diversification of energy sources;
- development of new sustainable products and services;
- expansion into new markets;
- strengthening of corporate resilience.

RISK CLASS	RISK TYPE	RISK	COUNTER MEASURES
TRANSITION	Technology	Cost of refurbishing/updating facilities to support transition of existing to lower emissions process/technologies	Equipment identification for optimization/ renewal R&D companies, universities collaboration on new technologies
TRANSITION	Technology	Lack of skills in low-carbon technologies and risk of delay /unsuccessful investments	Skills development Monitoring decarbonization technologies and best practices
TRANSITION	Technology	Product Quality With low carbon new technologies	R&D studies and tests Consultancies and collaborations
TRANSITION	Policy & Legal	Cost increase related to climate-changing emissions (carbon tax, pricing schemes, CBAM, ETS)	Monitoring of and compliance with regulatory developments and schemes Decarbonization strategy
TRANSITION	Market	Increased procurement costs due to suppliers' shift towards decarbonization (ex. from blast furnaces to electric furnace)	Diversifying suppliers Engage with suppliers on transition timing, not to lose competitiveness
TRANSITION	Market	New technologies replacing rolled/forged components Shrinking fossil fuels market and production chains (OIL&GAS, Fossil Power Gen)	Monitoring of product evolution and emerging technologies Evaluation of strategic investments

RISK CLASS	RISK TYPE	RISK	COUNTER MEASURES
TRANSIZIONE	Reputation	Reputation damage due to ineffective plan to reduce CO ₂ emission	Sustainability Governance Structure Decarbonization strategy Ethical Code, Sustainability policy Appropriate communication
PHYSICAL	Acute	Costs increase due to restoration of damages/ preventive measures arising from changes in climate extremes as more frequent and/or intense extreme weather events	ISO 14001 (water, gas, ele, waste KPI) CCI (climate change impact indicator) Wind and rain disasters measures (rainwater ditches, stop plates...) Regular review of insurance State of infrastructures monitoring tools Emergency Procedures; Design of infrastructures on recent technical, safety regulations and dedicated studies
PHYSICAL	Chronic	Environment changes BAY-FORGE Privare Ltd = Flooding FOMAS, Inc. = Hurricane HOT ROLL S.r.l. = Water scarcity	Decarbonization Flooding: dewatering stations and physical barriers CCI (climate change impact indicator) Water stress: local authorities cooperation for priority access Hurricane shelters and production building adaptation to resist impact of hurricanes and winds

Resilience and Adaptation to Climate Change

To strengthen its ability to respond to climate-related risks, the FOMAS Group has undertaken a structured path of assessment and enhancement of resilience. The Sustainability and Risk Committee has adopted a set of strategies that include:

- active stakeholder engagement;
- implementation of targeted adaptation measures;
- resilience planning at multiple levels;
- risk transfer, where possible.

Time Horizons and Scenario Analysis

The climate risk assessment was conducted across three time horizons:

- Short term: up to 2026
- Medium term: from 2026 to 2030
- Long term: from 2030 to 2050

While acknowledging the increasing uncertainty of long-term analyses, the Group has chosen to integrate these scenarios into its planning in order to build a more robust and forward-lo-oking strategy.

Ongoing Dialogue with Stakeholders

Expectations and feedback from stakeholders are collected and analyzed through multiple channels:

- Customers and suppliers: via contracts, questionnaires, and dedicated meetings;
- Employees: involved in continuous training programs and encouraged to propose ideas and suggestions;
- External community: through participation in trade fairs, con-ferences, and industry projects.

A summary table follows, detailing the actions taken and the expected outcomes.

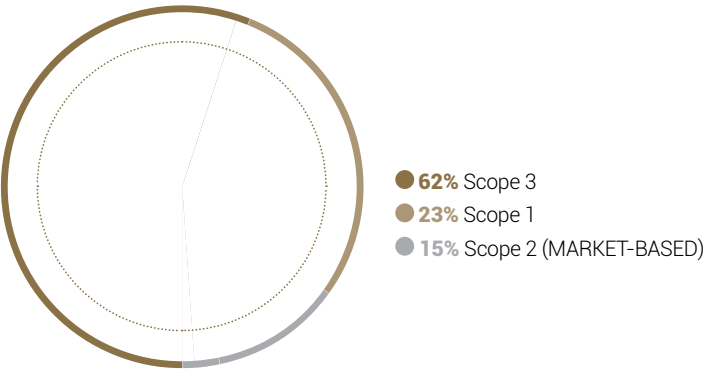
TOPIC	ACTIONS	POLICIES
Climate Change -Mitigation and adaptation	■ ISO 50001 and ISO 14001	
	■ Participation to conferences, events, tests, researches on energy- efficient technologies	– Group Code of Ethics
	■ Monitoring of regulatory developments of renewable energy market	– Sustainability
	■ Best practice for efficiency process shared across companies Skills development of low-carbon technologies;	– Safety and Environmental
	■ Group efficiency best practice shared	– Energy
	■ R&D/Innovation investments assessment including environmental factors	– Green Sourcing
	■ CCI (climate change impact indicator)	– Operations and Plant Investment Sustainability Requirements
TARGETS		
FOMAS Group has defined emission reduction targets: – Decarbonization SCOPE 1 + 2 targets – Green electricity targets: 100% Green Electricity by 2030		
STRATEGY		
Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization		

8.2 GHG EMISSIONS

Greenhouse gas emissions are integrated into the Group's production processes, and ongoing efficiency projects lead to a better cost-efficiency ratio and a reduced environmental impact. The calculation of greenhouse gas emissions has been carried out in accordance with the GHG Protocol.

GHG EMISSIONS 2024	TONSCO ₂ EQ
A) Gross Scope 1 GHG emissions	96,587
B) Gross location-based Scope 2 GHG emissions	37,532
B) Gross market-based Scope 2 GHG emissions	59,630
Total Scope 1 + 2 (location-based)	134,120
Total Scope 1 + 2 (market-based)	156,217
C) Gross Scope 3 GHG emissions	256,152
Category 1 - Purchased goods and services	172,322
Category 2 - Capital goods	5,487
Category 3 - Fuel- and energy-related activities	45,184
Category 4 - Upstream transportation and distribution	23,948
Category 5 - Waste generated in operations	2,300
Category 6 - Business travel	530

GHG EMISSIONS 2024	TONSCO ₂ EQ
Category 7 - Employee commuting	2,699
Category 9 - Downstream transportation and distribution	3,708
D) Total GHG emissions, with location-based method	385,741
D) Total GHG emissions, with market-based method	412,369



2024 Data shows a reduction in respect to 2023 data, mostly due to a reduction in Scope 3 category 3.1 emissions. This reduction is given by the utilization of primary data emission factors from suppliers with a more accurate estimate of emissions.

SCOPE 3 is the Main Source of Emissions in the FOMAS Group's Carbon Inventory

Scope 3 represents the primary source of emissions, with Category 3.1 – Purchased Goods and Services accounting for over 60%. Scope 3 calculation includes the following categories:

- Category 1 – Purchased goods and services (excluding non-relevant categories)
- Category 2 – Capital goods
- Category 3 – Fuel- and energy-related activities
- Category 4 – Upstream transportation and distribution
- Category 5 – Waste generated in operations
- Category 6 – Business travel
- Category 7 – Employee commuting
- Category 9 – Downstream transportation and distribution

Carbon Removal and Storage

FOMAS Group does not report any greenhouse gas removal and storage activities through direct or indirect investments in carbon credits.

Internal Carbon Pricing Schemes

No internal carbon pricing schemes have been implemented within the Group.

8.3 CLIMATE CHANGE TRANSITION PLAN

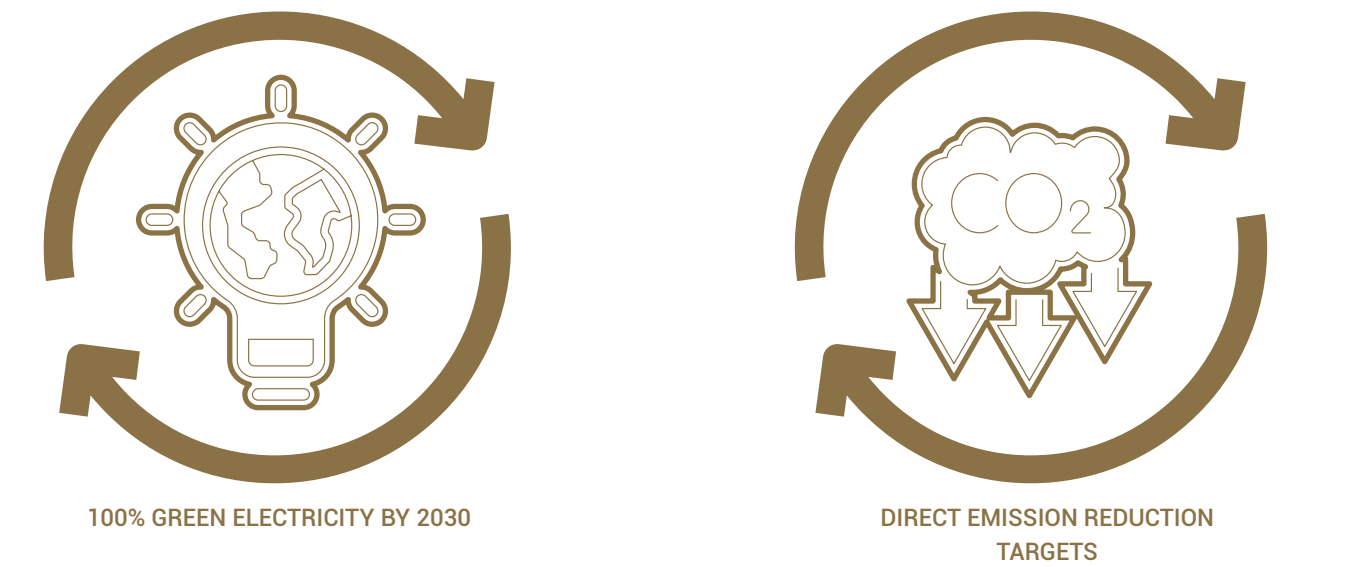
FOMAS Group Decarbonization Targets

FOMAS Group has defined a clear and ambitious path toward energy sustainability and emissions reduction. Among the most significant commitments is the goal to achieve 100% renewable electricity by 2030. In parallel, the Group has set targets to reduce Scope 1 and Scope 2 greenhouse gas emissions (including offsetting activities) from the 2020 baseline, according to the following milestones:

- –40% by 2030
- –72% by 2040
- –90% by 2050

Although the current targets are not yet formally “science-based,” the Group plans to validate them according to international scientific criteria.

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



Reference Year: 2020

The year 2020 has been designated as the reference year for the Group's transition plan and decarbonization strategy. Despite the COVID-19 pandemic, 2020 was chosen as a representative year because production and consumption levels remained stable.

FOMAS GROUP (TONSCO ₂ EQ)	2020 (BASE YEAR)	FOMAS GROUP (TONSCO ₂ EQ)	2020 (BASE YEAR)
SCOPE 1	126,518	SCOPE 1	126,518
SCOPE 2 (market)	44,562	SCOPE 2 (location)	54,909
SCOPE 3	469,863	SCOPE 3	469,863
TOTAL	640,943	TOTAL	651,291

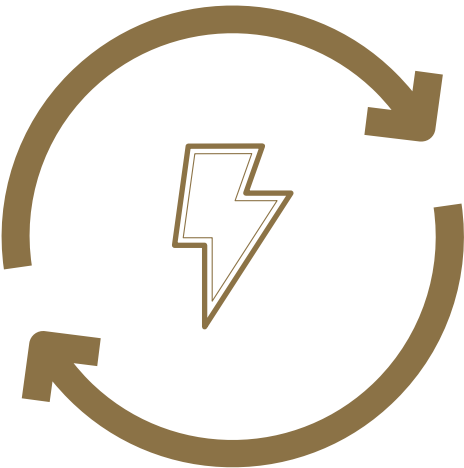
DECARBONIZATION LEVERS

RENEWABLE ENERGY

- Photovoltaic system
- Renewable Energy Certificate

ENERGY EFFICIENCY

- Revamping
- Digitalization
- Maintenance



TRANSITION FROM GAS TO CARBON FREE TECHNOLOGIES

- Electrification
- Green Hydrogen instead of gas
- Biogas

R&D

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

RAW MATERIAL EFFICIENCY

- % of recycled material
- Low carbon technologies

	CATEGORY	LEVER
SCOPE 1	Transition from gas to carbon free technologies	■ Electrification ■ Green Hydrogen instead of gas ■ Biogas
	Energy efficiency	■ Revamping ■ Digitalization and monitoring ■ Maintenance
	R&D	■ R&D on new technologies
SCOPE 2	Renewable energy	■ Photovoltaic energy generation ■ Renewable Energy Certificates
	Energy efficiency	■ Digitalization and monitoring ■ Maintenance
	R&D	■ R&D on new technologies
SCOPE 3	Raw Material efficiency	■ Greater % of recycled raw material ■ Suppliers production process with low carbon technologies

8.4 ENERGY

FOMAS Group's Journey Toward Energy Efficiency

The Group adopts a systematic approach to energy efficiency management, in line with the ISO 50001 standard. In 2024, the certification was extended to cover all companies within the Group.

Toward Greater Energy Efficiency: 2024 Efforts

In 2024, FOMAS Group continued its journey toward improved energy efficiency by implementing a series of targeted projects aimed at achieving its annual consumption reduction goals:

- Ongoing maintenance of equipment to prevent waste and inefficiencies
- Identification and repair of energy leaks
- Optimization of thermal insulation to reduce heat loss
- Integration of sustainability into investments related to processes and facilities

The following table outlines the main initiatives adopted, the policies implemented to prevent and mitigate identified impacts, the targets set, and the overall strategy to address energy-related impacts.

TOPIC	ACTIONS	POLICIES
Cambiamenti climatici - Energia	■ ISO 50001 Certified Energy Management System ■ Contractual conditions with suppliers, customers ■ Decarbonization strategy ■ Monitoring of regulatory developments and best practices and renewable energy market; ■ Development of low-carbon technologies skills; ■ Best practice for data management, efficiency process shared across companies ■ R&D/Innovation investments with sustainability factors Internal ■ Procedures and manuals	– Group Code of Ethics – Sustainability – Safety and Environmental – Energy – Green Sourcing – Operations and Plant Investment Sustainability Requirements
	TARGETS	
FOMAS Group sets yearly KPIs: – Yearly Gas index (Scm gas/Tons of steel worked) – Yearly Electricity index (kWh/T steel worked)		
STRATEGY		
Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization		

Energy Consumption and Sources Used

In 2024, FOMAS Group purchased all energy required from external sources, without the use of certified renewable sources or self-generation systems. Only one renewable electricity certificate was acquired by *FOMAS Precision Forging (Dalian)*

Co., Ltd., primarily as an internal test. The energy consumed in production processes—particularly for the processing of steel alloys—mainly came from natural gas and electricity.

The following table presents data on energy consumption from stationary combustion, excluding that from mobile sources.

ENERGY CONSUMPTION AND MIX	2024
(1) Fuel consumption from coal and coal products (MWh)	0
(2) Fuel consumption from crude oil and petroleum products (MWh)	44,461
(3) Fuel consumption from natural gas (MWh)	459,634
(4) Fuel consumption from other non-renewable sources (MWh)	0
(5) Consumption from nuclear products (MWh)	0
(6) Consumption of purchased or acquired electricity, heat, steam, cooling from non-renewable sources (MWh)	113,888
(7) Total non-renewable energy consumption (MWh)	617,984
Share of non-renewable sources in total energy consumption (%)	100%
(8) Fuel consumption for renewable sources (MWh)	0
(9) Consumption of purchased or acquired electricity, heat, steam, cooling from renewable sources (MWh)	1
(10) The consumption of self-generated non-fuel renewable energy (MWh)	0
(11) Total renewable energy consumption (MWh)	1
Share of renewable sources in total energy consumption (%)	0%
Total energy consumption (MWh)	617,985

8.5 DIGITALIZATION AND INNOVATION

The forging industry, traditionally rooted in established processes, requires innovative, flexible, and sustainable solutions to address climate challenges. In this context, FOMAS Group strategically invests in research, development, and digitalization, focusing on technologies that enhance production efficiency, reduce emissions, and meet evolving market demands.

Key Initiatives in 2024

- A new role, Strategic Innovation & Energy Governance, was established with focus on digitalization and management of Group's energy efficiency initiatives.

- NDT Digitalization: A pilot project was completed to digitize the non-destructive testing process, including the dematerialization of supporting documentation and test results.
- In-Plant Mobility Management: The project was consolidated at FOMAS S.p.A. and will be extended to other plants.
- Consumption Monitoring: At FOMAS S.p.A., energy consumption monitoring was expanded to include electricity usage, essential for identifying initiatives to improve plant efficiency.
- Generative AI (LLM): A generative artificial intelligence lab was launched to explore available platforms, understand

- their potential, and ensure the protection of company data.
- Data Analysis: Trials of open-source software platforms were initiated to enable accessible and reliable statistical data analysis.
- Agile Development with Low-Code Tools: Various applications and workflows were developed to simplify, improve, and automate repetitive processes. Development followed Agile methodology using no-code/low-code tools, enabling efficient, fast, and business-aligned software creation.

The Strategic Innovation & Energy Governance team operates in a context of deep transformation of corporate systems, focusing its initiatives on:

- Analysis and potential adoption of emerging technologies
- Analysis and potential adoption of mature technologies from other industries not yet present in the company
- Development of digital solutions tailored to the operational layer of production units, designed to complement and integrate MES / ERP / PLM functionalities
- Identification of initiatives and technologies that enable energy consumption reduction

Innovation is also driven by active dialogue with key stakeholders—customers, suppliers, employees, and associations—through surveys, projects, webinars, training courses, and best practice exchanges.

TOPIC	ACTIONS	POLICIES
Digitalization & Innovation	■ Low-carbon technologies skills development; ■ Analysis of decarbonisation technologies; ■ Efficiency best practice shared; ■ R&D/Innovation investment sustainability assessment ■ Flow of process inefficiencies ■ SCADA system ■ ML/IA applied to plant control ■ Lean Manufacturing ■ Internal Procedures and manuals ■ Tracking of materials and vehicles	– Sustainability – Operations and Plant Investment Sustainability Requirements
STRATEGY		
Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization		

8.6 BIODIVERSITY AND ECOSYSTEMS

Biodiversity

FOMAS Group operates primarily in industrial areas that are not identified as sensitive for biodiversity. Although its activities do not directly involve natural ecosystems such as forests or bodies of water, there are indirect impacts to consider, especially along the supply chain. 70% of the raw materials used come from recycled sources, helping to reduce environmental impact. However, the remaining 30% may involve the extraction of metals and minerals, which can have negative effects on biodiversity, such as habitat destruction, water resource depletion, and soil degradation.

Even though the production sites do not directly interact with natural environments, inadequate management could still cau-

se side effects such as spills, heat emissions, or noise. For this reason, the Group adopts responsible process management and promotes concrete initiatives to protect biodiversity. Among these is a beekeeping project aimed at strengthening local ecosystems, supporting pollination, and improving the environmental quality of surrounding areas. The FOMAS Group's transition plan includes increasing the use of recycled materials, engaging suppliers who are environmentally conscious, and integrating sustainability criteria into decisions regarding new investments, processes, and technologies. Even in the absence of quantitative targets, the Group's goal is clear: to minimize its impact on biodiversity through continuous monitoring and concrete preventive actions.



AN AFTERNOON AS A BEEKEEPER

In collaboration with *Apicoltura Urbana SRL* and the -, some employees had the opportunity to observe the work of a beekeeper at the apiary supported by FOMAS S.p.A. They learned about beekeeping techniques, the importance of bees for the environment, their life cycle, and their daily activities.

QUALITY TEAM BUILDING – A SIMULATED COP ON BIODIVERSITY

As a team-building activity, participants took on the roles of delegates from various nations, engaging in a realistic and engaging negotiation on key issues such as species and ecosystem protection, sustainable use of natural resources, and the fair sharing of biodiversity benefits. The activity was designed to:

- Raise employee awareness about the importance of biodiversity and global challenges;
- Promote understanding of the complex dynamics of international negotiations;
- Develop communication, negotiation, and critical thinking skills;
- Inspire employees to become biodiversity ambassadors both inside and outside the company.

TOPIC	ACTIONS	POLICIES
Biodiversity loss	■ ISO14001;	– Group Code of Ethics – Sustainability – Safety and Environmental
	■ Collaboration with local authorities and communities	
	■ Legal requirements compliance	
	■ HSE and sustainability departments	
STRATEGY		
Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization		



BEEES APIARY

From 2022 FOMAS S.p.A., in collaboration with the Regional Park of Montev ecchia and the Curone Valley and Apicolturaurbana, is supporting the management of a company apiary composed of four hives populated by bees of the Italian breed family (APIS MILLEFERA LIGUSTICA). To support the initiative, events dedicated to FOMAS staff, aimed at training on the fundamental role that bees have in preserving environmental biodiversity, are organized every year.

8.7 WATER USE AND CONSERVATION

The FOMAS Group’s Water Management

The FOMAS Group’s production process requires significant water usage, primarily for cooling through evaporative towers or closed-loop systems. Most facilities draw water from the public supply and use treatment systems to avoid direct discharge into water bodies. Rainwater is not currently utilized. Each facility tracks the Water Index (Wi) monthly, which measures the cubic meters of water consumed per ton of processed steel. This indicator is centrally verified and monitored, and it ser-

ves as the basis for setting water consumption reduction targets. The Group continuously monitors the water cycle in compliance with ISO 14001, assessing risks, impacts, and opportunities. In some locations—such as Chennai, Dalian, Busano, and Carignan—water scarcity is an increasing concern. Water stress management includes coordinated actions with local authorities to ensure operational continuity during shortages and to minimize environmental impacts throughout the production chain. There are currently no ongoing disputes related to water usage.

TOPIC	ACTIONS	POLICIES
Water withdrawals, consumption and use	Water index	– Group Code of Ethics – Sustainability – Safety and Environmental
	ISO 14001	
	Direct collaboration with local authorities and communities	
	Legal requirements compliance in all countries	
	Admin dept. fiscal check on water data	
	Local authorizations	
	CCI Index (climate change impact indicator)	
TARGET		
Yearly Water Index % reduction KPI(Water used/ Tons of steel worked)		
STRATEGY		
Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization		

The data related to water withdrawal are based on direct measurements.

WATER WITHDRAWAL BY SOURCE	UNIT	2024	
		All areas	Areas with water stress
Groundwater (total)	m³	0.00	0.00
Third-party water (total)		107,071	76,004
Surface water (total)		0.00	0.00
Sea water (total)		0.00	0.00
Water produced (total)		0.00	0.00
Total water withdrawals		107,071	76,004
Fresh water (<=1,000 mg/l total dissolved solids)		107,071	76,004

RECYCLED OR REUSED WATER	UNIT	2024	
		All areas	Areas with water stress
Total water withdrawals	m³	107,071	76,004
Total water recycled or reused		0	0
% of water recycled or reused	%	0%	0%

Water intensity 2024 (total water / Total produced tons)	1.6
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WATER WITHDRAWAL REDUCTION IN 2024 COMPARED TO 2023

-30%

This decrease is primarily due to Leak detection analysis projects, and the identification and repair of an actual abnormal leak.



8.8 RESOURCE MANAGEMENT AND USE

FOMAS Group Products and Circular Economy

FOMAS Group's products are custom-designed for clients and primarily manufactured using raw materials sourced from steel mills that incorporate a high percentage of recycled content. In 2024, the average percentage of recycled materials used reached 70%, based on incoming raw materials.

As a supplier of intermediate products, the Group does not have full control over their end-of-life, but it promotes the circular economy through efficient management of inbound and outbound flows, minimizing waste and environmental impact.

The Group regularly monitors environmental indicators such as total waste generation and the Waste to Landfill (WTL) index, which measures the percentage of waste sent to landfill. Annual reduction targets are set for these indicators.

The waste management supplier selection process includes an evaluation conducted by the HSE department and is based on a list of qualified operators.

The main types of waste include metal materials, such as chips and processing scraps. Measurement is ensured through certified weighing systems and compliance with legal protocols.

TOPIC	ACTIONS	POLICIES
Circular economy -Resources inflows and waste	■ Waste to landfill (WTL) index	
	■ ISO 14001 with EMS Framework	
	■ Suppliers assessment procedure incl. sustainability, HSE parameters	– Group Code of Ethics
	■ Compliance to legal requirements	– Sustainability
	■ Admin.dept. fiscal check of waste data	– Safety and Environmental
	■ All factories operate under local authorizations	– Green Sourcing
	■ HSE department internal procedures	
TARGET		
FOMAS Group monitors and sets yearly indicators reduction targets: – Waste to landfill (WTL) index – % of recycled material inflows		
STRATEGY		
Innovation and commitment towards efficiency, sustainable use of natural resources and decarbonization		

AVERAGE RECYCLED
INPUT MATERIAL

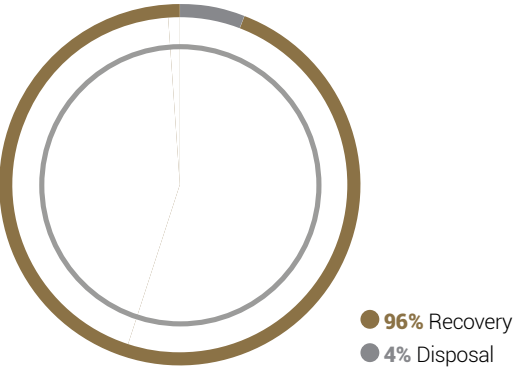
GROUP
LEVEL:

70%



COUNTRY	Quantity (Tons)
Total Waste (tons)	
Italia	25,085
Francia	7
Cina	2,258
Stati Uniti d'America	2,318
India	1,761

DANGEROUS	TREATMENT	Quantity (Tons)
Total Waste (tons)		
NO	Disposal	546
	Recovery	29,765
YES	Disposal	837
	Recovery	282
Total		31,429





SUSTAINABILITY REPORT 2024

EMBRACING THE CHANGE WITH OUR PARTNERS

—

9.1 RESPONSIBLE SOURCING AND TRACEABILITY



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.

Key players in the fomas group value chain

Suppliers: A Strategic Role
Within the Group's production framework, suppliers are essential partners in ensuring high standards of excellence and reliability. Quality, business ethics, and financial stability of suppliers are continuously monitored to foster a relationship built on trust, sharing values of environmental and social responsibility. In 2024, the Group raised the minimum weighted sustainability score required for key suppliers as part of the Supplier Evaluation Procedure for its Italian companies.

Customers: Innovation and Sustainability
The range of products and services offered by the FOMAS Group is developed to meet customer needs, delivering innovative solutions, high quality, and operational efficiency.

Ensuring a Sustainable Value Chain
To strengthen the value chain, numerous audits are conducted and received throughout the year, ensuring ongoing relationships with key business partners. In addition, adherence to management system certifications enhances the reliability of the Group and its partners. FOMAS Group's strategy places a sustainable value chain at its core, aiming to create value across the entire supply chain and promote responsible, long-term growth.

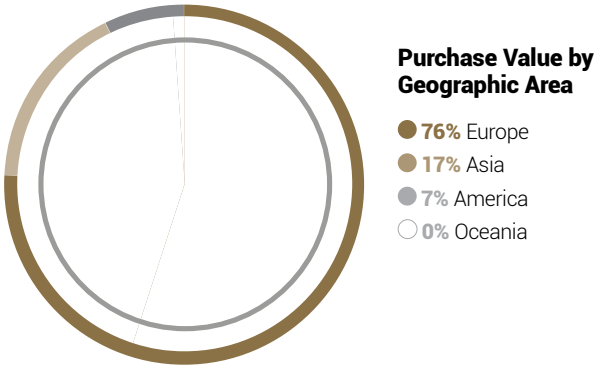
TOPIC	ACTIONS	POLICIES
Suppliers Engagement and sustainable value chain	- Suppliers's Health&safety score in Supplier Assessment Procedure - Suppliers Assessment Procedure, including Sustainability parameters - Minimum sustainability score for Suppliers - Evaluation of sustainable packaging/office material - Specific sustainability training for supply chain	- Green sourcing policy - Suppliers Code of Conduct
TARGETS		
- Recycled input materials used for primary product production minimum target - Proportion of spending towards local suppliers minimum target		
STRATEGY		
Sustainable procurement, from operational rules to strategy setting		

Risk and Opportunity Analysis in the Supply Chain
FOMAS Group's carbon footprint is heavily influenced by indirect Scope 3 emissions. This highlights the urgency of building strong collaboration with suppliers to improve the Group's environmental performance and to support its decarbonization journey. Moreover, sourcing decisions not only affect quality and operational efficiency but also directly impact working conditions across the supply chain and the overall environmental footprint.

For this reason, the Group promotes a procurement approach based on:

- Mapping and identifying key risks related to human rights, health, and safety;
- Direct engagement with the most strategic suppliers;
- Critical review of purchasing practices to identify potential negative impacts on workers;
- Development of responsible procurement strategies aimed at ensuring greater transparency and resilience.

9.2 SUPPLIERS



LOCAL SOURCING FROM SUPPLIERS

– GROUP AVERAGE:
94%

Annual average local spending is aligned with the Group's objective. "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"

PLANT	LOCAL PURCHASES %
ASFO S.p.A.	93%
BAY-FORGE Private Ltd.	77%
FOMAS Precision Forging (Dalian) Co., Ltd.	100%
FOMAS, Inc.	93%
FOMAS S.p.A.	100%
HOT ROLL S.r.l.	85%
MIMETE S.r.l.	99%
LA FOULERIE S.A.S.	72%





SUSTAINABILITY REPORT 2024

GRI CONTENT INDEX

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GRI STANDARD	DISCLOSURE	LOCATION (PAGE/SECTION)
General Disclosures	GRI 2-1 Organizational details	99 - Data
	GRI 2-12 Role of the highest governance body in overseeing the management of impacts	20 - Sustainability Governance
	GRI 2-13 Delegation of responsibility for managing impacts	20 - Sustainability Governance
	GRI 2-14 Role of the highest governance body in sustainability reporting	20 - Sustainability Governance
	GRI 2-15 Conflicts of interes	43 - Management commitment towards the adoption of ethical and sustainable practices
	GRI 2-16 Procedures for communicating critical concerns	42 - Management commitment towards the adoption of ethical and sustainable practices
	GRI 2-17 Collective knowledge of the highest governance body	20 - Sustainability Governance
	GRI 2-22 Statement on sustainable development strategy	32 - Sustainability Strategy
	GRI 2-23 Policy commitments	27 - Relevant Group Policies
	GRI 2-24 Embedding policy commitments	27 - Relevant Group Policies
	GRI 2-25 Processes to remediate negative impacts	42 - Management commitment towards the adoption of ethical and sustainable practices
	GRI 2-26 Meccanismi per richiedere chiarimenti e sollevare preoccupazioni	42 - Management commitment towards the adoption of ethical and sustainable practices
	GRI 2-27 Compliance with laws and regulations	100 - Data
	GRI 2-28 Membership of associations	72 - Membership associations
	GRI 2-30 Collective bargaining agreements	54 - Collective bargaining agreements
	GRI 2-3 Reporting period, frequency and contact point	9 - Our commitment towards Sustainbaility
	GRI 2-4 Restatements of information	9 - Our commitment towards Sustainbaility
	GRI 2-5 External assurance	9 - Our commitment towards Sustainbaility
	GRI 2-6 Activities, value chain and other business relationships	9 - Our commitment towards Sustainbaility
	GRI 2-7 Employees	52, 62 - Employees
	GRI 2-8 Workers who are not employees	52 - Workers who are not employees
	GRI 2-9 Governance structure and composition	20 - Sustainability Governance

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/SECTION)
Economic performance	GRI 201-1 Economic value directly generated and distributed	26 - Value Generated for Stakeholders
Procurement Practices	GRI 204-1 Proportion of spending on local suppliers	92 - Supplier Base
Anti-corruption	GRI 205-2 Communication and training about anti-corruption policies and procedures	43 - Corruption and bribery
	GRI 205-3 Confirmed incidents of corruption and actions taken	43 - Corruption and bribery
Materials	GRI 301-2 Recycled input materials used	86 - Resources Inflows
Waste	GRI 306-1 Waste generation and significant waste-related impacts	86 - Waste Management
	GRI 306-2 Management of significant waste-related impacts	86 - Waste Management
	GRI 306-3 Waste generated	86 - Waste Management
Water and Effluents	GRI 303-1 Interactions with water as a shared resource	85 - Water withdrawals and usage
	GRI 303-2 Management of water discharge-related impacts	85 - Water withdrawals and usage
	GRI 303-3 Water withdrawal	85 - Water withdrawals and usage
Employment	GRI 401-1 New employee hires and employee turnover	55 - New hires and turnover
Occupational Health and Safety	GRI 403-01 Occupational health and safety management system	57 - Health and Safety
	GRI 403-02 Hazard identification, risk assessment, and incident investigation	57 - Health and Safety
	GRI 403-04 Worker participation, consultation, and communication on occupational health and safety	57 - Health and Safety
	GRI 403-05 Worker training on occupational health and safety	58 - HSE Training
	GRI 403-06 Promotion of workers' health	58 - Health and Safety
	GRI 403-07 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58 - Health and Safety
	GRI 403-09 Work-related injuries	58 - Injuries at work
	GRI 403-10 Work-related illness	58 - Work related diseases

GRI STANDARD	DISCLOSURE	LOCATION (PAGE/SECTION)
Training and Education	GRI 404-1 Average hours of training per year per employee	63 - People trainings and development
Diversity and Equal Opportunity	GRI 405-1 Diversity of governance bodies and employees	61 - Diversity, Inclusion and Equal treatment and opportunities
Local Communities	GRI 413-1 Operations with local community engagement, impact assessments, and development programs	69 - Affected Local Communities
Customer Health and Safety	GRI 416-1 Assessment of the health and safety impacts of product and service categories	46- Health and safety impacts of product categoriesi
	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	47 - Cases of non-compliance concerning the impacts on the health and safety of products
Customer Privacy	GRI 418-1 Denunce comprovate riguardanti le violazioni della privacy dei clienti e perdita di dati dei clienti	44 - Cyber Security and Data Protection
Energy	GRI 302-1 Energy consumption within the organization	82 - Energy
Emissions	GRI 305-1 Direct (Scope 1) GHG emissions	78 - Greenhouse gas emissions
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	78 - Greenhouse gas emissions
	GRI 305-3 Other indirect (Scope 3) GHG emissions	78 - Greenhouse gas emissions
	GRI 305-4 GHG emissions intensity	79 - Greenhouse gas emissions

DATA

General Disclosures GRI 2-1 Organizational details

LEGAL ENTITY	COUNTRY	ADDRESSES	GOVERNANCE
FOMAS S.p.A.	Italy	Registered Office: Via Gioberti 1, 20123 Milano Sede operativa: Via Martiri della Liberazione 17, 23875 Osnago (LC) / Via Provinciale 34, 24040 Lallio (BG)	BoD, Board of statutory auditors, Supervisory Board
ASFO S.p.A.	Italy	Registered Office: Via Gioberti 1, 20123 Milano Sede operativa: Via Stradone del Dieci 24, 45030 Villamarzana (RO) / Via IV Novembre 12, Chiuppano (VI)	BoD, Board of statutory auditors, Supervisory Board
HOT ROLL S.r.l	Italy	Registered Office: Via Gioberti 1, 20123 Milano Sede operativa: Via Emilio Serena Imprenditore 4; Via Carlo Pomatto Imprenditore snc, 10080 Busano	BoD, Sole statutory auditor, Supervisory Board
MIMETE S.r.l.	Italy	Registered Office: Via Gioberti 1, 20123 Milano Sede operativa: Via Padania 10, 20853 Biassono (MB)	BoD, Supervisory Board
BAY-FORGE Private Ltd.	India	Sede legale e operativa: Palayanoor P.O., Vedanthangal Road, Madurantakam Taluk, Kanchipuram district, Tamil Nadu 600 308	BoD, Statutory auditor
FOMAS Precision Forging (Dalian) Co., Ltd.	People's Republic of China	Sede legale e operativa: No.5, Jinhuai Road, Economics & Technical Development Area, 116600 Dalian P.R.	BoD
LA FOULERIE S.A.S.	France	Sede legale e operativa: 2, rue de La Foulerie, 08110 Carignan	Président, Directeur Général, Commissaire aux comptes titulaire
FOMAS, Inc.	U.S.A.	Registered Office: 850 New Burton Road, Suite 201, Dover DE 19904 Sede operativa: 500 Wallace Way, York, SC 29745	BoD

The appointed audit firm, where applicable, is designated either in accordance with local legal requirements or on a voluntary basis.

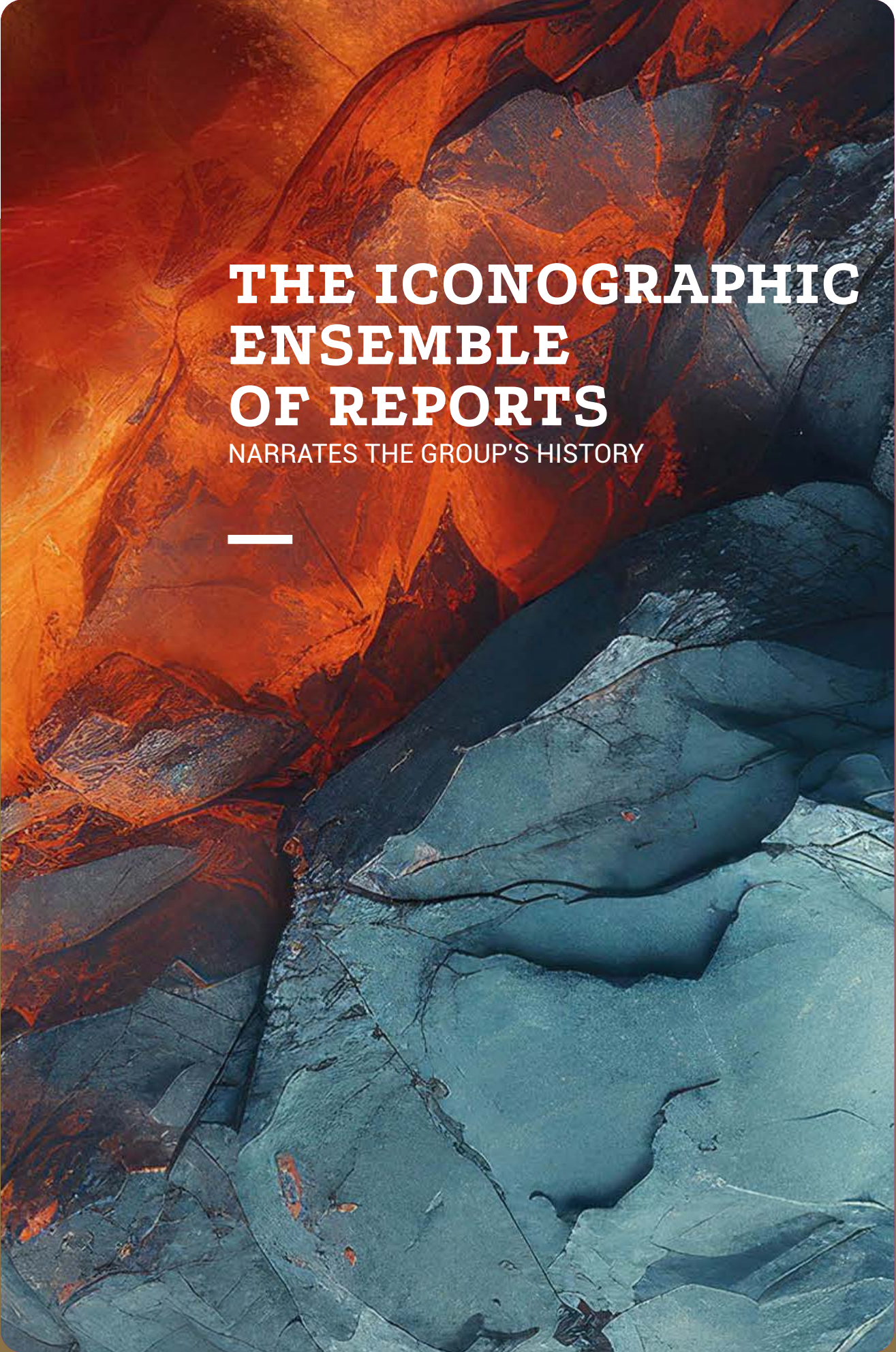
General Disclosures GRI 2-27 Compliance with laws and regulations

a) significant instances of non-compliance with laws and regulations during 2024

COMPANY	FINES*	2024	
		Non-monetary sanctions	Total
FOMAS Group	0	0	0

b) numero totale di sanzioni per non conformità a leggi e regolamenti pagate nel corso de 2024-.

COMPANY	2024
	Number
FOMAS Group	0



THE ICONOGRAPHIC ENSEMBLE OF REPORTS

NARRATES THE GROUP'S HISTORY

The **2023** edition marks the beginning of a new era: as of this year, the Financial Report will be accompanied by the Sustainability Report, which will become mandatory starting from the 2025 fiscal year. While in previous editions, the Sustainability Report had its own distinct graphic design, this year the two documents share a unified visual identity. This change reinforces the idea that the two reports are interdependent and that our business model is increasingly integrated and interconnected.

Last year, we have chosen to focus on the graphic theme of bees and their method of work. Our beekeeping project is becoming increasingly consolidated within our companies, and we have decided to highlight this initiative in our 2023 report as well.

Bees, with their extraordinary ability to work collaboratively and sustainably within their communities, perfectly symbolize the principles we aim to promote through our Financial Reports. This theme seeks to illustrate how synergy and interdependence, characteristic of bees' work, are fundamental to our approach to sustainability and corporate growth.

The photographic theme of this year aims to visually express, through an evocative color palette, the transformation of matter in our production process: a journey that begins with warm, living, and incandescent material and reaches the precision and coolness of mechanical processing. The selected colors represent this physical and symbolic evolution, guiding the viewer along the path that the material takes within our industrial cycle.

For the publication dedicated to sustainability, the cover maintains the same visual coherence as the main photographic theme, recalling the graphic continuity of this year's identity. However, within the document, the section separators assume different shades, each inspired by the representative colors of the various pillars of our sustainability strategy. In this way, each section is immediately recognizable and consistent with the environmental, social, and governance values we intend to communicate.



2024



2025



FOMAS S.p.A.
ASFO S.p.A.
HOT ROLL S.r.l.
MIMETE S.r.l.
LA FOULERIE S.A.S.
BAY-FORGE Private Ltd.
FOMAS Precision Forging (Dalian) Co., Ltd.
FOMAS, Inc.



mastering
the science
of metals


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