



Flamma Sustainability Policy POL-002.00

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Contact Officer	Anne-Lise Kopp, Corporate ESG Director				

1. Introduction

1.1. Purpose

At Flamma, our purpose is clear: "We embrace challenges to benefit people's lives, pursuing science with a human touch."

This policy embodies our commitment to sustainability, reflecting our core values of care, openness, simplicity, and accountability. We recognize that our long-term success relies on integrating sustainable practices into every aspect of our business, aligning with our purpose of creating common benefits.

1.2. Material and Legal Scope

Flamma Group (Flamma) adheres to relevant laws and regulations, including key EU directives and other ESG guidelines applicable to our operations. This policy aligns with our sustainability goals and legal requirements, ensuring our practices support both compliance and ethical standards.

1.3. Applicability

This policy applies to all entities within Flamma, including all our subsidiaries. It covers all employees, contractors, and stakeholders involved in our operations across all locations.

1.4. Roles & Responsibilities

- **Role of Leadership:** The Executive Committee will champion our sustainability initiatives, ensuring alignment with our strategic goals. Reporting directly to ownership, the ESG Director will lead the implementation of this policy, ensuring integration into all functions and sites.
- **Responsibility Assignment:** The ESG Director will lead the implementation of the sustainability strategy across the organization. Sustainability must be embedded into every function and site, with each director responsible for integrating this policy into their respective departments.
- **Employees:** Responsible for understanding and adhering to this policy.

2. Material Topics

Flamma is dedicated to embedding sustainability into every facet of our operations. This commitment is fundamental to how we do business and interact with our stakeholders.

Our sustainability efforts are guided by our core values:

- **Act with Care:** We prioritize the well-being of our people and communities.
- **Build Together:** We engage transparently with all stakeholders.
- **Make it Simple:** We aim to make our processes straightforward and effective.
- **Be accountable:** We hold ourselves responsible for our impact and actions.

Our commitment to sustainability will help us meet the challenges of today and tomorrow, benefiting our community, environment, and future generations.

2.1. Objectives

- 2.1.1. **People:** We are dedicated to creating the best conditions to ensure the well-being and professional development of our employees. We promote a culture of collaboration, trust, and a sense of responsibility, fostering an inclusive and supportive work environment where every individual is valued

- 2.1.2. Community: Flamma is committed to contributing to the development of the communities and territories in which we operate. We support initiatives that promote health, culture, and inclusivity, aiming to make a meaningful impact on society.
- 2.1.3. Sustainable Innovation: We strive to implement business practices and innovative industrial processes driven by principles of quality, health, and sustainability, collaborating with the entire value chain to ensure continuous improvement and adoption of best practices.
- 2.1.4. Environment: Protecting the environment is a cornerstone of our operations. We are committed to promoting an internal culture attentive to the environment, respecting the ecosystems impacted by our activities, and progressively evolving towards a zero-emissions business model.
- 2.1.5. Sustainable Profit: Ensuring the long-term financial viability of Flamma is essential. By integrating sustainability into our business strategy, governance, and decision-making processes, we aim to secure economic stability and growth, benefiting future generations and supporting our purpose.

2.2. Implementation

- Sustainability Integration
 - Decision-Making Process: Sustainability will be a key factor in strategic planning. We will work towards incorporating sustainability considerations at every level of decision-making within the organization
 - We will use a modular approach to create specific policies for different areas, ensuring consistency with this overarching policy while allowing flexibility and focus on action.
- Monitoring and Reporting: We will implement a sustainability management system to monitor and track our progress. The ESG Director will provide briefings a minimum of twice a year to the board to ensure alignment with our sustainability objectives and strategic goals. The Executive Committee will receive regular updates on our sustainability initiatives and progress. An annual sustainability report will be published to share our achievements and areas for improvement.
- Engagement and Communication
 - Stakeholder Engagement: We will engage with stakeholders, including employees, customers, suppliers, and the community, to gather input and feedback on our sustainability efforts. This inclusive approach ensures transparency and continuous improvement.
 - Value Chain Cooperation: We will collaborate closely with our customers and suppliers to promote sustainable practices throughout the value chain. This cooperation includes supplier audits, setting sustainability criteria in procurement processes, and working together on initiatives to enhance overall sustainability.
 - Training and Awareness: We will implement training programs to educate employees about sustainability practices and their role in achieving the company's objectives. This helps embed a sustainability culture within the organization.
- Innovation and Technology: We leverage new technologies to improve efficiency, reduce waste, and minimize environmental impact. Innovation and technology are key drivers in achieving our sustainability goals.
- Risk Management: We identify and manage risks related to sustainability through regular risk assessments and the development of mitigation strategies. This proactive approach helps us navigate potential challenges and seize opportunities for improvement.

2.3. Key Performance Indicators

Metric (KPI)	Description	Owner	Purpose
Training Hours per Employee	Tracks the average number of training hours per employee annually, covering all relevant topics.	HR Department	Monitor and promote continuous learning and development in various fields.
Volunteer Hours	Tracks the total number of hours employees volunteer for community service or charitable initiatives.	HR Department	Encourage and measure employee engagement in community service projects.
Diversity Metrics (Gender, Age, and Minority Representation)	Monitors gender diversity, minority representation, and inclusion metrics within the workforce and leadership.	HR Department	Ensure a diverse and inclusive workplace and leadership, while tracking demographic trends.
Charitable Contributions	Measures the amount of financial support provided to community initiatives.	ESG Department	Track financial support to communities and enhance contributions.
Investment in Capex and Opex	Tracks the percentage of the budget allocated to sustainability projects.	ESG Department	Ensure investment in sustainable innovation and operations.
Carbon Footprint (Scope 1, 2, 3)	Measures Scope 1, 2, and 3 greenhouse gas emissions.	ESG Department	Reduce overall carbon footprint through emissions tracking.
Cost Savings from Sustainability Initiatives	Quantifies savings achieved through energy efficiency, waste reduction, etc.	ESG Department	Measure the financial benefits of sustainability initiatives.
Stakeholder Engagement Frequency	Tracks the number of engagement activities with stakeholders.	ESG Department	Foster transparent stakeholder engagement and feedback.
Water Usage	Monitors total water consumption across operations.	HSE Department	Ensure sustainable water use practices and reduce consumption.
Waste Generation	Monitors total waste generated by the organization.	HSE Department	Track and minimize waste production.
Recycling Rates	Measures the percentage of waste recycled across operations.	HSE Department	Improve recycling rates and reduce landfill waste.

3. Policy, Review, Sanctions and Approval

3.1. Policy Review

A review will be carried out every 2 years by the ESG Director to ensure the continued validity and accuracy of this policy. Goals and measures will be revised closely, particularly if significant changes occur in Flamma's operations.

3.2. Sanctions

Non-compliance with this policy may result in disciplinary action in accordance with our Code of Ethics.

3.3. Supporting Documents

- Flamma Purpose and Values
- Flamma Code of Ethics

3.4. Policy Approval

This policy has been approved by the management of Flamma.

Name	Date	Position	Signature
GianPaolo Negrisoni	22/10/2024	CEO	
GianMarco Negrisoni	22/10/2024	Executive Director, Corporate Development	
Anne-Lise Kopp	22/10/2024	Corporate ESG Director	