



— Member of **Sumitomo** Drive Technologies

COMPANY POLICY

Lafert Group, as a global electric motors manufacturer, would like to **continuously, sustainably, and ethically grow**, becoming the ideal partner **to create value for its customers and stakeholders**.

To make that, Lafert Group is committed to ensure all necessary resources (human, instrumental, organizational, structural, economic, financial, etc.) to:

Ensure compliance with current **LEGISLATION** and the fulfillment of all applicable requirements and regulations, in whole organization, including all players of the supply chain

Promote at all levels an adequate culture of **RISK** prevention, in order to implement the most suitable actions to assess and deal with the risks associated with the processes, exploit and reinforce improvement opportunities

Maintain a modern system of external and internal relations based on **PARTICIPATION** and transparency in decision-making processes, **INVOLVING** in a preventive, proactive and continuous way both the company personnel, even by their representatives, and the whole supply chain

Enhance the technical and organizational solutions aimed to continuously **IMPROVE** quality, safety, environmental and sustainability of its products and production processes

Ensure the protection of the environment and the prevention of pollution

Providing adequate **TRAINING** and **INFORMATION** for the development of the knowledge and skills of all workers, ensuring the professional qualification of staff and strengthening the culture of ethical, qualitative and environmental aspects, as well as health and safety in the workplace, promoting the adoption of behaviors and language that can ensure an inclusive environment, which can recognize, respect and value the diversity of everyone

Ensure that buildings, machines, equipment, workplaces, processes and organizational aspects are managed to safeguard **HEALTH** and **SAFETY** of workers, third parties and the community in which the company operates

Apply personnel management and development practices that promote an inclusive culture at all stages of the human resources life cycle (selection and recruitment, career management, compensation, training), ensuring equal opportunities for all staff and supporting women's empowerment

Communicate transparently, internally and externally, its desire to promote a diverse and inclusive organizational culture

Being aware of the importance of ESG (Environmental, Social and Governance) sustainability principles and UN 2030 Agenda goals, commit to undertake a long-term project aimed at studying and implementing concrete interventions, aim to enrich the activities of the Company and its subsidiaries, make them economically responsible entities towards shareholders and all stakeholders.

In particular, for the Mid-Term (Y24-26) Lafert Group set the following objectives:



[01] Policy, ethics, organization

- a) Embed a continuous improvement culture, setting-up targets increasingly higher, to instill the healthy principle that things can always be improved, that the status quo can be challenged, and that ultimately the improvement depends on us, on our will of making things better and of having direct impact on the business through our actions
- b) Foster the tension for growth in sales and profitability with existing and with new customers, leveraging excellent service and innovation, doing our job preserving ethics, health and safety, sustainability, and respectful work environment as core values of our daily activities
- c) Design the leanest and most efficient Organization Structure to enable the company fulfilling the targets of growth in sales and in profitability
- d) Promote the belief of SEMPLIFICATION in everything we do
- e) Support PTC EMEA and SHI EU integration to help achieving the company targets

[02] Finance & corporate services

- a) Improve the existing Anti-Bribery (ABMS) rules, to achieve ISO 37001 approval in LSPA
- b) Implement J-SOX procedures in LSPA
- c) Empower analytics of monthly data to really support business management
- d) Maximize Business Intelligence as a leverage for improvement
- e) Empower and extend the code of ethics principles and legal principles of the organizational model 231 to all stakeholders
- f) Improve effectiveness of whistleblowing procedures
- g) update and improve the current Privacy rules (GDPR)
- h) respect and implement the principles of sustainability as outlined by European and Italian regulations, actively contributing to environmental protection, social well-being, and sustainable economic growth, while engaging all stakeholders in these efforts.

[03] Sales & Business development

- a) Grant a continuous growth both in sales and order entry
- b) Ensure a sustainable growth, it means both in turnover and profit
- c) Implement a CRM tool for a better headquarter and subsidiaries integration
- d) Implement common rules and policy in management contracts with customers
- e) Define a strategic Lafert Group plan for 2025-2030

[04] Project & product development

- a) Improve project management process through Market & Design Review (MR-DR) criteria
- b) Implement PDM and PLM tools as a leverage to improve design and development procedures
- c) Maintain UL (CTDP) laboratory approval
- d) Increase capacity and capability in verification/validation of new products and integrated solutions
- e) Promote products and process technology innovations

[05] Operations & Logistics

- a) Strive for operational excellence in all Lafert plants, improving the industrial KPI and particularly OTD, productivity, crap and COPQ
- b) Embrace and protect the 2 pillars of Lafert DNA: quality and customization
- c) Enhance the role of Supply Chain as pivot between suppliers and customers, improving the whole process of order receiving till shipment, through a proper planning activity and fine scheduling on production lines, to achieve 100% OTD, reduce LT where necessary and reduce inventory
- d) Implement tools like MES and CAQ, to standardize process controls and quality controls in LSPA and extend to all manufacturing plants



[06] Purchasing

- a) Maintain corporate supplier's qualification and evaluation/monitoring criteria
- b) Pursue RoHS, REACH, POPs, CMRT compliance, and all other EU rules, through the whole supply chain
- c) Standardize requirements for supplier's contracts (ethics, logistics, quality, sustainability, etc.)
- d) Support SHI/PTC-EMEA and SHI-Europe sharing opportunities to achieve the company targets
- e) Pursue maximum cost efficiency while ensuring the right degree of sourcing flexibility

[07] Human Resources

- a) Implement both training and succession plans
- b) Integrate recruitment procedure with respect of anti-bribery best practices and equal opportunity standards
- c) Complete implementation of Workday tool and procedures in all Lafert Group entities
- d) Consolidate the payroll system with adequate reporting
- e) Promote local agreements with the technical institutes to cover needs of specific competencies
- f) Manage skills and performances of human resources
- g) Obtain the UNI PdR125 certification, applicable to the Italian perimeter, and the Certification of the corporate human resources management model with respect to the ISO 30415:2021 Human Resources guideline

[08] Quality

- a) Pursue Quality targets and reduction of the Cost Of Poor Quality (COPQ) in all manufacturing plants
- b) Maintain ISO 9001 approvals and improve effectiveness of the QMS in all manufacturing plants
- c) Design and implement an Integrated Management System (IMS) merging all different company models/systems and standardizing all common elements, like context analysis, risk matrix, KPIs, audits and reports
- d) Promote know-how diffusion on behalf of the Document Management System (DMS)

[09] Health, Safety and Environment

- a) Pursue the objective of 0 (zero) accidents
- b) Renew and extend ISO 14001 and ISO 45001 approval to LSPA, LSL (Slovenija) and LSU (China)
- c) Improve rules to preserve health and safety in all workplaces
- d) Promote eco-design practices on new product / process developments
- e) Grant safety and security in all buildings access
- f) Transform LSPA into a "No-smoking Company"
- g) Collect data to design the ISO 50001 implementation in LSPA

[10] Information Technology

- a) Implement ERP JDE E1 and complete ITS integration between Lafert Group entities
- b) Improve the existing IT rules, to achieve ISO 27001 (Information Security System) approval of LSPA
- c) Always grant the effectiveness and security of IT systems for business continuity of Lafert Group (IT Room revamping and Disaster Recovery)

Approved by:
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