



UMBRA GROUP

Let's move
motion
technology
together

ESG Sustainability Policy – **UMBRA GROUP**

ESG Sustainability Policy – **UMBAGROUP.**

Locations

Italy · Germany · United States

Issuance Date

October 31st, 2025

Approved by

General Management

Preface

UMBAGROUP is an international industrial group headquartered in Foligno (PG, Italy), a leader in motion technology solutions for the industrial, aerospace, and defense sectors. The company designs and manufactures high-tech components for a wide range of applications, ensuring high performance, reliability, and precision in complex applications. Founded in 1972, UMBAGROUP boasts over 53 years of experience and innovation. The group has more than 1,600 employees worldwide who drive innovation and create value for over 3,000 customers in 130 countries. Operations span multiple facilities in Italy, the United States, and Germany, each playing a strategic role in the value chain. This global network allows the group to respond rapidly to customer needs, maintain high quality standards, and optimize the supply chain. UMBAGROUP's mission is to be a reliable Motion Solution Partner, capable of anticipating global market needs and designing innovative motion control solutions in close collaboration with customers and partners. For UMBAGROUP, sustainability means acting concretely and responsibly towards the environment, the ecosystem, people, and the broader community, through a constant commitment to development that is capable of meeting current needs without compromising those of future generations. In line with this vision, UMBAGROUP defines the guiding principles of its sustainable growth strategy, integrating environmental, social, and governance responsibility into all corporate activities. The company is committed to minimizing the environmental impact of its products and decarbonizing its production processes by researching and developing innovative technologies and solutions that meet customer needs while ensuring minimal impact on the ecosystem. Product design and life cycle management are central elements of the company's commitment to sustainability and innovation. In this regard, the company promotes the use of materials with low environmental impact that are compliant with international regulations

Particular attention is paid in creating a safe and inclusive work environment, aimed at ensuring physical and mental well-being and the recognition of diversity, promoting awareness initiatives and dedicated projects. Sustainability extends along the entire value chain, involving customers, suppliers, and partners in the dissemination of responsible practices aimed at reducing impacts.

In these areas, UMBRAGROUP draws inspiration from the Sustainable Development Goals of the United Nations 2030 Agenda and recognizes the strategic value of ESG (Environmental, Social, Governance) factors as a lever for the creation of sustainable value, risk mitigation, and responsible innovation. The company has launched a structured sustainability reporting process, with the aim of defining clear and measurable objectives, monitoring progress, and ensuring transparency and accountability throughout its development.

UMBRA GROUP adopts this Sustainability Policy with the aim of formalizing, embodying, and disseminating its shared values, founded on respect and protection of the environment and the society in which it operates, and from which it draws resources, materials, and inspiration for its work. This Policy document applies to all company offices and processes and guiding strategic and operational decisions.

1. Environmental (E – Environmental)

Environmental responsibility is a founding principle for UMBRAGROUP, pursued by reducing impact throughout the entire product life cycle. This commitment is realized through careful resource management and the continuous improvement of production processes, from the selection of raw materials to packaging and distribution. Innovative and sustainable technological solutions are adopted with the aim of promoting progressive decarbonization and actively contributing to the ecological transition.

Environmental objectives:

- Reduction of **Scope 1 CO_{2,eq} emissions** by 59% by 2030 compared to 2020.
- Reduction of **Scope 2 CO_{2,eq} emissions** by 100% by 2030 compared to 2020.
- Increase the use of electricity from **renewable sources** to 100% by 2030.
- Increase **industrial waste** recovery to 96% by 2030.
- Analysis and progressive reduction of **Scope 3 CO_{2,eq} emissions** by 2030.
- Optimization of **water use** in production processes, promoting recycling and reuse where possible.
- Responsible management of **chemicals** used in production processes, with the aim of minimizing risks to the environment and human health, promoting the use of safer alternatives where available.

Key actions:

- Adoption of **Energy efficient production processes** by adopting state of the art technologies, such as compressors and heat pumps, the replacement of obsolete systems, and the implementation of targeted actions to reduce energy consumption and direct and indirect CO₂ emissions.
- **Reduction of direct CO_{2,eq} emissions** through interventions on thermal and cryogenic systems and introducing technological solutions with lower environmental impact.
- **Energy transition to renewable sources** through the installation of photovoltaic systems at all sites and the signing of Power Purchase Agreements (PPAs) for the procurement of electricity from renewable sources.
- Introduction of **ESG criteria** in the supplier evaluation process.
- Engaging suppliers and sharing best practices to optimize the environmental performance of the **supply chain**.
- Adoption of measures aimed at reducing **Scope 3 CO_{2,eq} emissions** in all applicable categories.
- Strengthening **supply chain traceability** to ensure transparency and accountability along the entire value chain.
- **Adoption of certified Environmental Management Systems**, in line with the ISO 14001 standard, to strengthen the monitoring and continuous improvement of environmental performance. Certification is expected for all subsidiaries.
- Commitment to join the **Science Based Targets initiative (SBTi)** to define and pursue objectives based on shared scientific criteria for reducing greenhouse gas emissions, in line with international climate agreements.
- Adoption of **Ecodesign** criteria in product design to reduce environmental impacts throughout their life cycle.

2. Social (S – Social)

UMBRA GROUP promotes a development model centered on the person, ensuring safe, inclusive, and stimulating working conditions. Health and safety are a top priority, in accordance with the "Safety First" principle and a corporate culture that considers safety a shared commitment. Employee well-being, skills development, and personal growth are promoted, while also supporting the development of local communities.

Social objectives:

- Improve the **Safety Index** (hours of injury/hours worked * 100), with a 2030 target of 0.032.
- Increase **female employment** to 11% by 2030.
- Ensure **respect for workers' fundamental rights** throughout the value chain by promoting inclusive, safe, and regulatory-compliant work environments.
-

- Ensure the **protection of personal data** and the confidentiality of company information.

Key actions:

- Adopting **Occupational Health and Safety Management Systems**, in line with the ISO 45001 standard, accompanied by dedicated investments at all sites.
- Adopting structured programs for the progressive reduction of injuries, with annual objectives for improving the Safety Index for the entire Group.
- **Promoting DEI** through targeted recruitment, training, and professional development initiatives.
- Promoting **fair and non-discriminatory working conditions** throughout the value chain.
- Protecting **freedom of association and the right to collective bargaining** for all employees.
- Respecting fair and compliant working hours, promoting a healthy **work-life balance**.
- Adopting technical and organizational measures to ensure the **protection of personal data and the confidentiality of information**, in accordance with applicable regulations.

3. Governance (G – Governance)

For UMBRAGROUP, the ethical value of business represents a fundamental pillar of its corporate identity and a strategic opportunity to generate lasting value for all stakeholders. The integration of ESG issues into the governance system guides corporate decisions, promotes integrity and transparency in relationships with customers, partners, and communities, and enables the proactive management of social, environmental, and reputational risks.

Governance objectives:

- Strengthen internal control and ethical risk prevention systems, promoting **integrity and transparency** in all corporate activities.
- Integrate sustainability principles into corporate governance, ensuring that **ESG criteria** guide UMBRAGROUP's strategic choices.
- Ensure transparent **monitoring and reporting** of ESG performance, in line with best practices and international standards.

Key actions:

- Establish and consolidate a **Sustainability Committee** with international participation, responsible for overseeing and guiding sustainability strategies, integrating them into corporate decision-making processes.
- Implementation of a **sustainability reporting system** compliant with ESRS standards, with periodic publication of comparable and verifiable data on environmental, social, and governance progress.
- Introduction of a structured **ESG assessment process for strategic suppliers and the supply chain**, with the aim of promoting responsible practices throughout the value chain and mitigating social, environmental, and reputational risks.
- Linking **rewards** to ESG objectives.
- Creation of a **Group Code of Conduct** developed to define unambiguous ethical and professional standards shared by all Group companies. The document encompasses UMBRAGROUP's fundamental principles, such as ethics, honesty, reliability, integrity, compliance with the law, and transparency, and requires every employee to actively contribute to a work environment based on integrity and respect. The Code also includes an absolute prohibition on fraudulent and corrupt behavior. The Code of Conduct establishes an internal reporting system for each Group company, designed to collect and appropriately manage reports of unacceptable behavior and violations of the Code.

4. Implementation & Monitoring

This ESG Policy is approved by the General Management and is subject to periodic review. Monitoring is entrusted to the Sustainability Committee that works in coordination with the various countries.