

Modern Slavery and Human Trafficking Statement

Faist Group for the year 2022

Introduction

This is the Modern Slavery and Human Trafficking Statement for the financial year 2022 of the Faist Group.

This Statement articulates our firm commitment to averting slavery and human trafficking within our operational sphere and supply chain network and details the stringent measures and policies we have in place to safeguard our business and supply chains against any form of modern slavery or human trafficking.

Our sustainability goals

Our sustainability ethos, rooted in environmental stewardship, ethical business practices, and respect for human rights, guides our vigilance against these injustices.

We actively integrate sustainable development goals that emphasize fair labour practices and safe working environments, ensuring our business activities foster not only environmental sustainability but also the well-being and dignity of every individual in our workforce and community. This holistic view on sustainability reinforces our commitment to ethical operations and the continuous improvement of our practices, underpinning our efforts to eradicate modern slavery and human trafficking.

Organisational structure and supply chains

Faist Group is organized into the following Business Units: Industrial, Controls Systems, Light Metals, Truck Bodies, and Electronics, whereas each of them is autonomous in conducting the business.

The group consists of direct and indirect subsidiary undertakings located in such countries as Italy, United States of America, Mexico, China, Romania, United Kingdom, Turkey, Germany, Switzerland, France and Spain.

The events that characterised the year 2022 and the political and social disruption they brought about left a clear mark on the world economy and therefore on our organisation, too.

Our group had to face numerous challenges starting from increased transportation costs to a more complex supply chain, which clearly resulted in more costs for our business. Despite all of that, the group was able to confirm the consistent capability to support its customers also with increased volumes.

Our group remained solid despite the adversities from a geopolitical and economical level.

Below is the complete list of Faist undertakings as at 31/12/2022:

Direct subsidiaries

Company name	Country of incorporation	Holding
Faist Componenti SpA	Italy	100%
Faist Light Metals Limited	England and Wales	85%
Scattolini Otomotiv Ltd	Turkey	100%
Scattolini SpA	Italy	100%
Moor of Venice Srl	Italy	100%
Faist Electronics Srl	Italy	100%
Faist Precision Technology Suzhou Co. Ltd	China	35%

Indirect subsidiaries

Company name	Country of incorporation	Holding
Faist Light Metals Tennessee LLC	United States of America	85%
Faist Alucast S.de.r.l. de C.V.	Mexico	85%
Faist Systeme GmbH	Germany	85%
Faist Light Metals Switzerland GmbH	Switzerland	85%
Faist Light Metals Engineering Srl	Italy	85%
Faist Mekatronic Srl	Romania	85%
Scattolini FBT GmbH	Germany	100%
Scattolini Iberica Slu	Spain	100%
VFS Southampton	England and Wales	100%
Scattolini France Sarl	France	100%
Cabreta Sarl	France	100%
Sanmarco Industrial Srl	Italy	100%
Faist Green Tek LLC	United States of America	100%
Faist Metalmex S.de.r.l.	Mexico	100%
Faist Romania Srl	Romania	100%
Faist Emission Controls (Suzhou) Co, Limited	China	100%
Faist Metalworking Srl	Romania	100%

Faist Trade Co. Ltd	China	35%
E-Lectra Srl	Italy	54%
Morgane Sas	France	100%

Present in 31 sites over Europe, North America, Asia, on an overall 3.2mln square feet of manufacturing area, with over 4,000 staff, our business units are the following:

- Industrial: design and sale of high-quality metal stamping, injection molding components, chassis, enclosures and assemblies for the renewable energies, electronics, telecom, IT and industrial markets;
- Control systems: development and manufacturing of actuators, valves, components and assemblies for turbo chargers, emission control devices, as well as high-quality patented or licensed components and assemblies for the automotive market;
- Light metals: high quality aluminum die casting, precision machining and surface plating of components and assemblies for the telecom, automotive, electronics and industrial markets;
- Truck bodies: manufacturing of high-quality industrial bodies for light and medium weight trucks, such as one-way and three-way tippers, floats, tarp hoops, aluminum box bodies, minibuses and special purpose conversions, as well as the manufacturing of special cab protections for station wagons and sport utility vehicles;
- Electronics: providing solutions that support electric and hybrid mobility and all those applications which require autonomous power.

To carry on our diverse and worldwide business, we source materials, goods and services from suppliers across the globe who spread from industrial factories, hi-tech firms, precision material construction businesses, IT consultants, specialized IT factories, business consultants and so on.

Policies

Central to our core beliefs is the principle of human sustainability, guiding our global operations.

We prioritize not only the creation of products and services but also the enhancement of our people's and the environment's value. This principle ensures safety, respect, and the encouragement for everyone to excel, upholding their right to a decent life. Our commitment to human sustainability involves robust policies that uphold respect, essential in both our professional and personal lives. Amid challenges like the pandemic, we've adapted by prioritizing health and safety, including flexible work arrangements.

This statement reaffirms our ethical stance in all business dealings, emphasizing policies to thwart modern slavery and trafficking and to mitigate operational risks. Our policies focus on respecting individuals, adhering to our code of conduct, fostering education, ensuring policy implementation and monitoring, careful supplier selection, and encouraging whistleblowing to uphold our standards and address concerns.

In light of all the above considerations, this statement confirms our intention to act ethically in all of our business relationships.

The following policies set down our approach to preventing modern slavery and human trafficking and identify any risks in our operations:

- 1) **Respecting People**, which is a value that defines our approach to everything we do. This is why we place an important emphasis on our internal organisation, and on the growth of every single individual who works at FAIST.
- 2) **Code of conduct**, applicable to every member of the group, which embraces our values and our philosophy. It can be found on our website at the following address <https://www.faistgroup.com/who-we-are/sustainability/>
- 3) **Education**, as we believe the future of manufacturing companies is dependent on the right training and growth of people. That is why we commit to the support of schools and universities via an internship programme, which is vital for providing the new generations with improved experiences and prepare them for employment.
- 4) **Promoting and monitoring**, whereby our HR managers promote integration, sharing and collaboration, they make sure our policies are implemented within the group, they redress any issues and take any actions which may be needed to maintain human sustainability throughout our group and, to the best we can, at our suppliers' and business partners'.
- 5) **Selection of suppliers**, which has to be accurate and must have regards, besides any other relevant factors, of how their working conditions, values and idea of respect do compare to our owns.
- 6) **Whistleblowing policy** - we encourage all our staff, customers and other business partners to report any concerns related to our direct activities or our supply chains. Staff are expected to report their concerns as much as management is expected to act upon them.

Due Diligence Processes for Slavery and Human Trafficking

In addition to monitoring our existing suppliers and companies to ensure they align with our ethical standards, we proactively conduct evaluations of potential new suppliers. This rigorous process involves site visits to understand their operational and human rights practices, assessing risks related to modern slavery and human trafficking, engaging with relevant trade unions, and informing them about our ethical values. Our aim is to build enduring partnerships that foster sustainable and ethical business practices.

Risk assessment and high-risk activities

The risk of acts or conducts of modern slavery is real and, on this basis, we need to stay vigilant to make sure this does not happen in our companies or, to the best of our knowledge, in our supply chains.

It is therefore important to establish a risk assessment procedure and follow it as part of our due diligence on our own business, on new suppliers and on existing ones.

Starting from the idea that modern slavery, whatever shape it comes in, cannot be ruled out anywhere, we recognise nonetheless that some countries with low protection

for workers' rights may be more at risk, this mainly due to lack of specific local legislation.

It is our intention to make sure all the same that our companies comply with our sustainability principles and, as much as we can, businesses in our supply chains do so too.

As for high-risk activities, each Business Unit, supported by HR Business Partners, is in charge for creating and reviewing policies, performing our due diligence, checking on businesses' adherence to our best practice principles, reviewing health and safety at work, drafting periodical reports and, if needed, reporting any concerns to our management.

Training

We provide all staff with initial training on our code of conduct and hand such code both in paper and electronic format. And to deepen our staff's understanding of the risks associated with modern slavery and human trafficking in our business and supply chains, we complement initial training on our code of conduct with targeted sessions that highlight our sustainability and ethical commitments. These sessions draw upon the principles and practices outlined on our sustainability webpage, fostering a culture that values and actively promotes respect for human rights and environmental stewardship. This holistic approach ensures that our team is not only aware of our code of conduct in both paper and electronic formats but also fully understands the broader context of our sustainability efforts and how they contribute to combating modern slavery and human trafficking.

Measuring effectiveness

We use key performance indicators (KPIs) to measure how effective we are in ensuring slavery and human trafficking is not taking place in any part of our business or supply chains. In this respect, our BU Management with HR support do make sure the following actions are taken:

- Carrying out periodical assessments and compiling human resources management reports
- Checking such reports and comparing our performance with previous months;
- Gathering anonymous feedback from our staff
- Meeting with members of our staff in a confidential manner to understand their level of satisfaction within the company and whether there are or not any issues to discuss
- Having periodic meetings with our suppliers' management to understand the level of sustainability within their businesses.
- Periodically visiting our suppliers' premises to view in first person what their working conditions are

This Modern Slavery and Human Trafficking Statement will be regularly reviewed and updated as necessary.

The director of Faist Limited endorses this policy statement and is fully committed to its implementation.

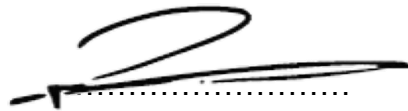
This Modern Slavery and Human Trafficking Statement has been approved and authorised by:

Name: Richard Alexander Nava

Position: Director

Date: 24.04.2024

Signature:

A handwritten signature in black ink, appearing to be 'R. Nava', written over a dotted line.