



# CLIMATE POLICY

## of the FORTE Group

Appendix to Resolution No. 11/2022 dated May 23, 2022. of  
the Management Board of FABRYK MEBLI "FORTE" S.A.



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## 1. PREAMBLE

The Management Board of FABRYK MEBLI "FORTE" S.A., being aware of progressing climate changes resulting in global environmental changes, as well as of dynamic development of the furniture industry, decided to adopt a document entitled Climate Policy of the FABRYK MEBLI "FORTE" Capital Group.

**The policy establishes an obligation to take measures aimed at, among other things, the use of the latest production technologies, the use of materials with the least possible impact on the environment and, in particular, the reduction in the consumption of natural resources.**

In this way, FORTE Group wants to give not only high quality of offered safe products and safety of production in relation to the environment, but also a long-term contribution to the achievement of the objectives of the Polish Environmental Policy and the European Union Climate Policy, in accordance with the objectives of sustainable development of the United Nations.



## 2. POLICY OBJECTIVES

The purpose of the Policy is the Group's participation in **combating climate and environmental change** and sustainable development for the sake of present and future generations. The Policy defines the FORTE Group's actions in support of keeping the temperature increase below 2°C relative to pre-industrial levels and adapting to this phenomenon, both in its operations and in its relations with other stakeholders.

The policy demonstrates how the FORTE Group can **contribute to climate neutrality** throughout the product life cycle, either by investing in technological solutions or by adjusting its offerings and organizational activities in key business areas of its operations.



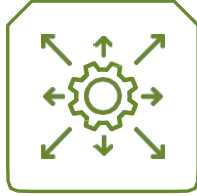
### 3. DEFINITIONS

- **Climate neutrality** - the balance between greenhouse gas emissions and their uptake by oceans/sea, forests and soils or - the capture of and use of carbon dioxide in industrial processes. Concept "Climate neutrality" applies not only to carbon dioxide, but also to other greenhouse gases (such as methane).
- **Anthropogenic sources of greenhouse gas emissions** are sources of emissions caused by human activities, such as the burning of fossil fuels, the use of carbonates, and land use.
- **Reduction in greenhouse gas emissions** not resulting from production **reductions** the amount of emissions that were not introduced into the air during the period as a result of measures taken to reduce the amount of emissions per unit of product created or per unit of raw material, material or fuel used.
- **Energy efficiency** - more efficient use of energy at all stages of the product life cycle.
- **Product life cycle** - the process in management including design, construction, commissioning, operation, maintenance, repair, modification, replacement, and decommissioning or disposal.
- **Supply chain** - all activities related to the flow from and to the Group of raw materials, materials, semi-finished products, finished products, recyclables, waste. The term also includes the flow of information that is relevant throughout the process.
- **Climate change risks are those among which are:**
  - **physical risks** arising from the physical effects of climate change that adversely affect FORTE Group's operations, in particular, risks arising from certain events related to weather (storms, floods, heat waves), climate change causing temperature changes or hydrological drought,
  - **Transition risks** including risks arising from the transition to a low-carbon and climate-resilient economy (e.g., regulatory, financial, social, technological, etc.).
- **FORTE or the Company** - FABRYKI MEBLI "FORTE" S.A. the parent company in the FABRYK MEBLI "FORTE" S.A. Capital Group.
- **FORTE Group or Capital Group**
  - FABRYKI MEBLI "FORTE" S.A. together with subsidiaries and affiliated companies, within the meaning of the applicable accounting regulations .
- **Business areas** - areas of the Group's core business, as defined in the business model and operational .



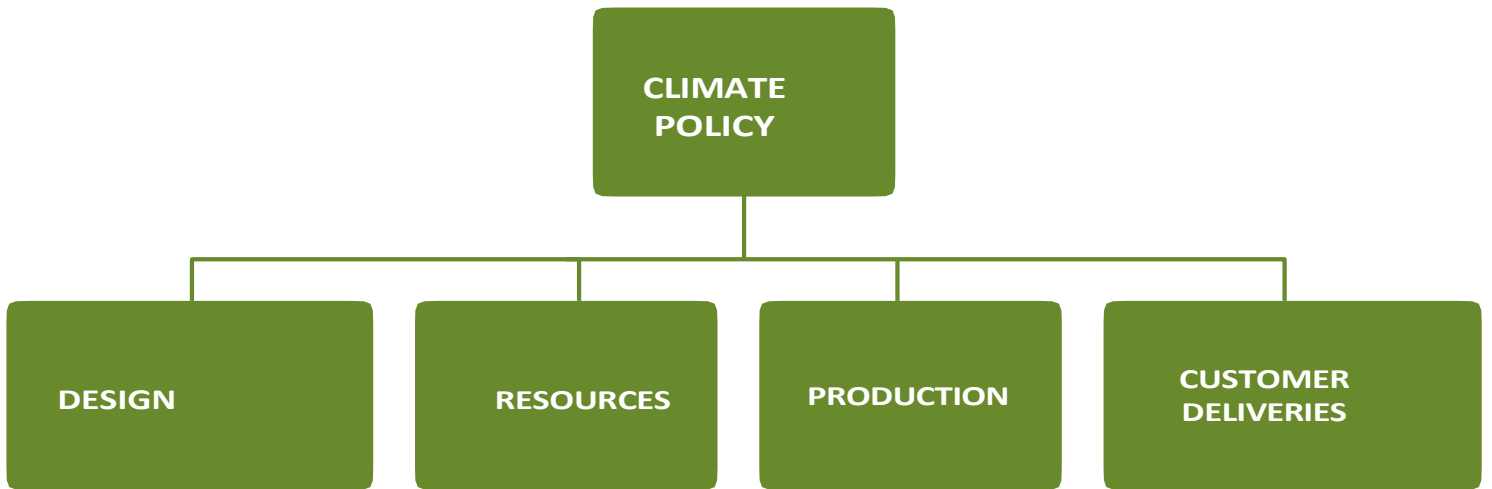
- **Policy** - this Climate Policy of the FABRIC FURNITURE GROUP "FORTE" S.A.
- **Contractors** - external entities, other than FORTE Employees, with which certain Group companies conduct or plan to cooperate.
- **Directors or Managers** - director or manager of the relevant FORTE organizational unit or Group companies Capital Group, responsible for supervising the activities of individual FORTE organizational units or companies From the Capital Group.
- **Compliance Officer** - a person responsible for overseeing the area of compliance assurance at FORTE.
- **Employees** - persons working or cooperating with FORTE regardless of the attitude of employment or form of contract linking them to a Group company, including apprentices and trainees.





## 4. Scope of policy application


- 1.1 The policy applies to all types of activity and **activities carried out within the FORTE Group's business areas** that are affected by climate change.
- 1.2 The Policy **applies to all Employees** of FORTE Group companies.







## 5. PRIORITIES


 **1.3** FORTE Group treats environmental protection, reduction of carbon and environmental footprint in the life cycle of products as **one of the priorities when making key business decisions**. FORTE Group's guiding principles for climate protection are the principles of sustainable development, in which the overriding value is the human being as part of the environment. The life and health of every human being including the quality of the environment are indisputable criteria at all levels of FORTE Group's activities.


 **1.4** FORTE Group operates in accordance with the applicable law of protection environment and with the values expressed in the Code of Ethics, i.e.


- **improves technology** to reduce the negative impact of operations on the climate,
- **Actively works to protect the climate** and promotes pro-environmental attitudes,
- **cooperates with external entities that share similar values.**


 **1.5** FORTE Group strives to **improve Energy efficiency** to reduce or not increase fuel and energy consumption.


 **1.6** FORTE Group **includes the impact on global warming** as an additional criterion for evaluating new activities or investments.


 **1.7** FORTE Group actively **seeks technical and organizational solutions** to minimize the impact of the Group's operations on climate change.

 **1.8** FORTE Group **monitors direct gas emissions** greenhouse gases from sources used by the Group.

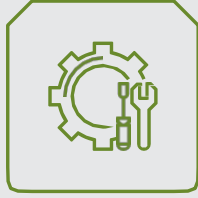
 **1.9** FORTE Group **identifies and documents** significant areas of the climate impact of all the Group's activities, at all stages of the product life cycle.

 **1.10** FORTE Group introduces **products that contribute to the to reduce the environmental impact of a product** during its life cycle and mitigate the effects of climate change.

 **1.11** FORTE Group strives for **continuous improvement** and expansion of knowledge and a culture of climate responsibility among employees and contractors within the Group's supply chain, and in particular supports access to climate change knowledge.

 **1.12** FORTE Group **cooperates with local governments** and with government bodies and entities to develop and implement climate change adaptation activities and solutions, including engaging in public policy on issues related to with the climate and membership in any relevant organizations or interest groups.

**FORTE shall update the Policy in** the event of a change in the Group's general direction or a change in the priorities to be followed by the Group on climate, environmental and legal issues.



## 6. TOOLS SUPPORTING IMPLEMENTATION climate policy

The tools supporting the implementation of the Climate Policy are:

- 6.1. Established **short- and long-term goals** related to climate and reducing the environmental impact of its operations throughout the supply chain (Long-term goals are reviewed at least once every 5 years)
- 6.2. Established **indicators and target values** for specific goals
- 6.3. **Integrated monitoring and reporting** to assess the achievement of targets under the commitments and significant environmental aspects
- 6.4. **Integrate and ensure the flow of information**, the way of internal and external communication of FORTE Group
- 6.5. External **regulations** and internal system arrangements
- 6.6. **Due diligence processes** in management areas:
  - a) Risks
  - b) Resources
  - c) Human resources



## 7. A NON-EXHAUSTIVE LIST OF RISKS ASSOCIATED WITH CLIMATE CHANGE

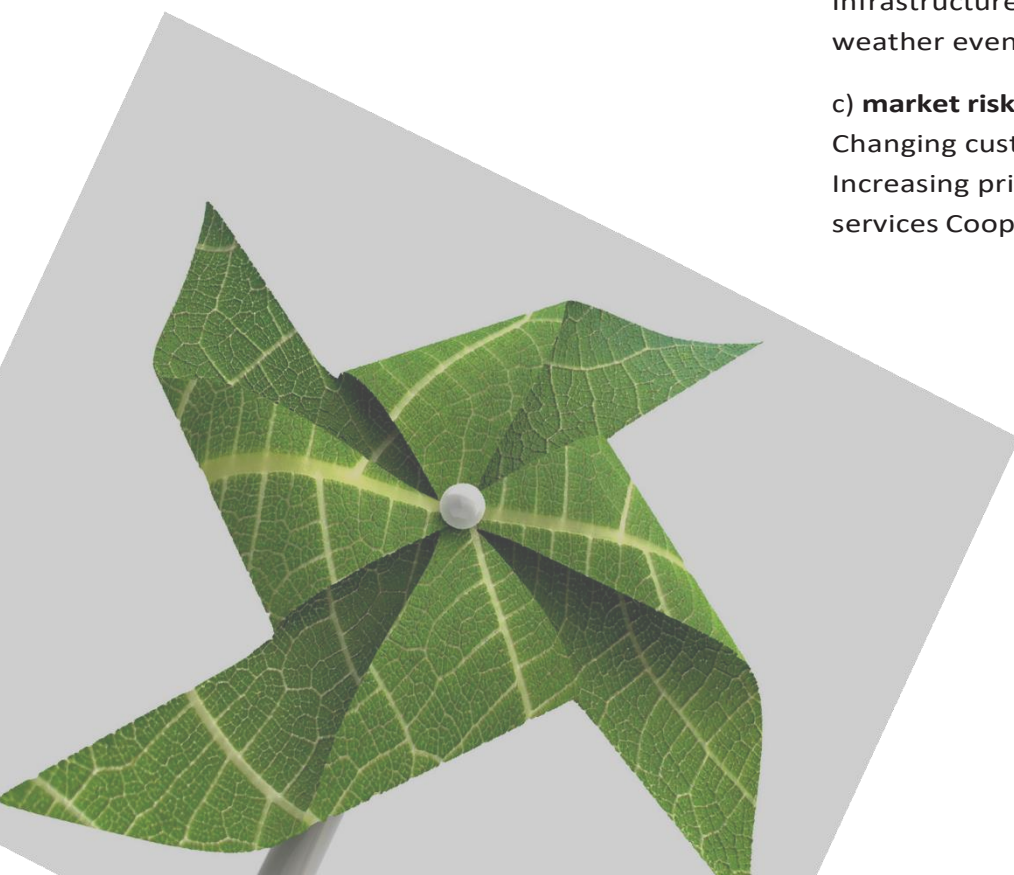
Although its business profile is not among the sectors most affected by the effects of climate change, FORTE manages the identified risks related to with the climate. The analysis was made on the basis of the document adopted by Resolution No. 67 of the Council of Ministers of July 16, 2019 on the adoption of the "National Environmental Policy 2030 - Development Strategy in the Area of Environment and Water Management" (Journal of Laws of September 6, 2019, item 794).

### Physical risks (sudden and long-term)

- Increase in average temperature
- Sudden weather events such as winds, hurricanes, heavy rains, droughts or floods
- Change in species composition of stands and weakening of their condition

### Transition risks

- a) **related to legal regulations** Closed-loop economy regulations  
Divergence of European law with the Polish law on greenhouse gas emissions and its reduction
- b) **Technological and technical risks**  
Emissivity of energy installations and equipment  
Infrastructure resilience to sudden weather events
- c) **market risks**  
Changing customer preferences  
Increasing prices of materials and services  
Cooperation with suppliers







## 8. ROLES AND RESPONSIBILITIES

### 8.1. Basic environmental responsibilities

8.1.1. **All Employees**, regardless of their position, are required to:

- a) Promoting ecological behavior,
- b) Knowledge of and compliance with environmental laws including Climate, as well as the Code of Ethics and the Policy,
- c) Internal reporting of all violations of laws and internal environmental regulations, in accordance with the rules of the Whistleblower Procedure.

8.1.2. **FORTE Directors and Managers** are responsible for:

- a) spreading and verifying the knowledge of environmental principles among subordinate Employees
- b) Conduct and organize subordinate processes in accordance with the objectives and priorities contained in the Policy
- c) Monitoring processes and ensuring timely, reliable and complete reporting of information on the degree of use of the environment within the established range

d) streamlining internal processes and applying modern technologies  
- to reduce its carbon and environmental footprint.

e) Developing and recommending directions for improvement measures to be taken by Group companies.

### 8.2. The managements boards of FORTE Group companies are

responsible for ensuring that adequate resources are available to conduct and organize activities in accordance with the goals and priorities contained in the Policy.

8.3. The **PRESIDENT** of the Management Board sets/approves the objectives and priorities of the Group's Climate and Environmental Policy.

8.4. **FORTE MANAGEMENT** is responsible for updating this Policy  
And the Director of the Management Systems Office  
- Board Agent.

8.5. Communication is provided by the Director of the Brand Management Office.

8.6. Supervision of the implementation of the provisions of this Policy and compliance is exercised by the FORTE MANAGEMENT BOARD and the Director of the Management Systems Office - Board Agent supported by the Compliance Officer.

President of the  
Management Board of  
Fabryki Mebli "FORTE" S.A.  
Maciej Formanowicz



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