



B&B
ITALIA

Sustainability Report 2022

B&B
ITALIA

A message to our stakeholders

B&B Italia Group is proud and honoured to share its new 2022 Sustainability Report, which allows us to transparently share our sustainability commitment to all stakeholders.

This year, sustainability has continued being central in our everyday operations and activities: we have renewed our commitment to contribute to the United Nations Global Compact's principles and to support the Sustainable Development Goals, while continuing to work towards the implementation of the set of ESG objectives we have established two years ago: we are pleased to announce that we have achieved the goal of 100% of electricity from renewable sources consumed and revamped the heating system in the Misinto site with more efficient technologies, while being on track to achieve all of the remaining goals we have set for the next years. Finally, as we believe that fully understanding the impacts the Group has on the climate is crucial for us, we have further extended the reporting perimeter of our indirect emissions occurring within upstream and downstream activities.

Moreover, our continuous quest for excellence and innovation, complemented by wholehearted attention to quality and sustainability has led to enhancing our focus on circularity principles: this year, we have continued to investigate the circularity of some of our collections, with the aim of improving products' recyclability and including circular economy principles in production and design processes. Cordoba Indoor and Outdoor sofas were among the products to be assessed on the matter in 2022, respectively scoring 93% and 90% on the circularity index. Moreover, this year we have adopted an eco-design framework with the goal to integrate eco-design principles and circular economy drivers into our processes, from product design and engineering to end-of-life. The framework is shared with all the other Brands of the Design Holding Group, as proof of the progressive intertwining of our sustainability strategy and Design Holding's.

Finally, as evidence of the role we have been playing for decades in shaping contemporary trends in the design sphere, we have received our fifth Compasso D'Oro for Gaetano Pesce's UP Series in 2022, the most prestigious award in the field of Italian industrial design: thanks to this achievement, we can proudly say we have become the company to have won the most Compasso d'Oro prizes in our sector.

Gilberto Negrini
Chief Executive Officer

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B&B Italia Group
design world

2022 highlights

284
millions of Euro
in economic value
generated

94%
employees
with a permanent
contract

59,128 tCO_{2eq}
in GHG emissions

712
people
employed

10
new products and
8 extension of
product range

100%
of energy
from renewable
sources*

B&B Italia Group at a glance



B&B Italia S.p.A. and its fully consolidated subsidiaries (hereinafter **B&B Italia Group** or the Group) operate in the residential furniture market with the brands **B&B Italia, Maxalto, Arclinea and Azucena**. The brands maintain their individual identity and original collections, while sharing the same philosophy: to create distinctive and elegant products, blending three unique elements: tradition, design, and innovation.

B&B Italia S.p.A. is a leading Italian furniture design company, born from an idea of the visionary Piero Ambrogio Busnelli in 1966. B&B Italia owes its success on its ability to foresee trends and to reflect contemporary culture in its design, constantly seeking new concepts to satisfy the tastes and needs of its clients.

MAXALTO

Launched in 1975 by Afra and Tobia Scarpa, Maxalto is one of the Group's most prominent brands. Since 1993, Maxalto collections have been coordinated by the architect Antonio Citterio, who continuously expanded the series of products which, nowadays, include a range of fittings for living rooms and bedrooms. Maxalto's unique ability in balancing tradition with innovation is recognised worldwide, as well as its distinctive know-how in processing high-quality materials, especially wood.

Arclinea

Arclinea Arredamenti S.p.A., founded by Silvio Fortuna in Caldogno in 1925, is a leading Italian firm, specialized in the design of high-end kitchens. It first started its business venture as an artisanal laboratory specialised in wood-processing and, over the years, has grown thanks to its ability to anticipate social change by combining tradition, innovation, and excellence in industrial production. In 1958, the Company launched the first modular kitchen, soon followed by the first kitchen with built-in electrical appliances and a stainless-steel hob. In the '80s, Arclinea started collaborating with famous architects and designers such as Antonio Citterio, who introduced the characteristics of a professional restaurant kitchen into home kitchens. Since then, several models have been produced in collaboration with Mr. Citterio, consolidating the brand's innovative traits and reputation. Arclinea became part of B&B Italia Group in September 2016.

AZUCENA

At the end of 2017, the Group acquired the Italian brand Azucena, with the intention of preserving its legacy and restyling a series of its iconic products. Azucena was founded in 1947 by Luigi Caccia Dominioni, Ignazio Gardella and Corrado Corradi Dell'Acqua, three visionary Italian architects of the post-war period. Over the years, Azucena has become an highly regarded Italian brand, famous for merging elegance, luxury and aesthetic in all its products. Some of Luigi Caccia Dominioni's greatest iconic products, such as the Catilina chair, the ABCD armchairs, the Toro sofa and pouf, the Cavalletto table and the Poltrona and Imbuto lamps grew to become symbolic examples in the history of Italian design.

With recorded revenues of approximately €284 million in 2022, B&B Italia Group is present in more than 80 countries worldwide and employs 712 people, mainly located in the Italian manufacturing sites of B&B Italia (Novedrate and Misinto, Lombardy - Italy) and in the Arclinea plant (Caldogno, Veneto - Italy). The remaining staff is employed in various flagship stores and in smaller commercial subsidiaries, namely B&B Italia USA Inc., B&B Italia London Ltd., B&B Italia München GmbH, B&B Italia Paris SARL, B&B Italia Pacific Ltd. and B&B Furniture (Shanghai) Co., Ltd.

B&B Italia productive plants

B&B Italia and Arclinea’s emphasis on sustainability includes progressively reducing the impact caused by its corporate facilities, comprising three manufacturing sites and two warehouses.

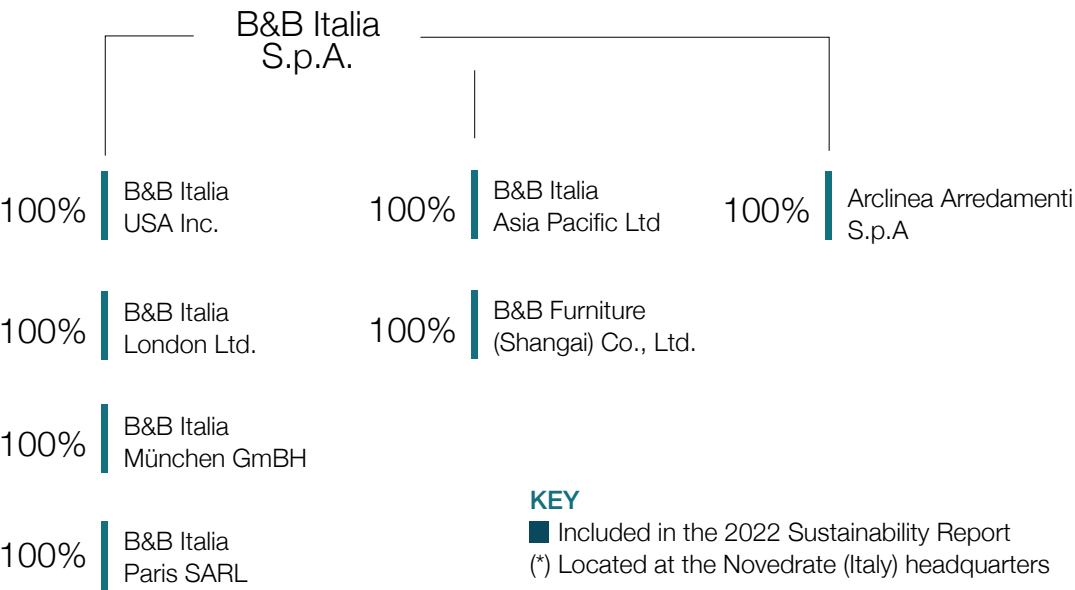
The Novedrate site (25,000 m2) hosts the head office, the upholstered furniture production department, the R&D Centre and the showroom. Within the plant, the polyurethane moulding line and a technological production centre equipped with two robots capable of changing the characteristics of foams in real-time by adjusting their density and resilience.

The Misinto plant (22,500 m2) is almost entirely dedicated to producing Maxalto collections, with particular focus on wooden products. Since 2011, the plant has also produced wall systems and wardrobes. Misinto possesses the most modern technological equipment, ranging from modern machinery to cut panels to paintbrushes and assembly lines.

The Caldogno plant (29,000 m2) is where Arclinea production activities take place. The factory is situated in the same site where the original wood workshop was based, in which the Company started its activities in 1925. In 2019, a new showroom and training centre was inaugurated.

Production organisation is complemented by two warehouses: an area of 8,000 m2 in Carugo stocks semi-finished products, raw materials, and components for outdoor products to be assembled, while raw materials, semi-finished products and finished products are stored in Arosio (5,500 m2).

Group’s Structure as of December 31st 2022



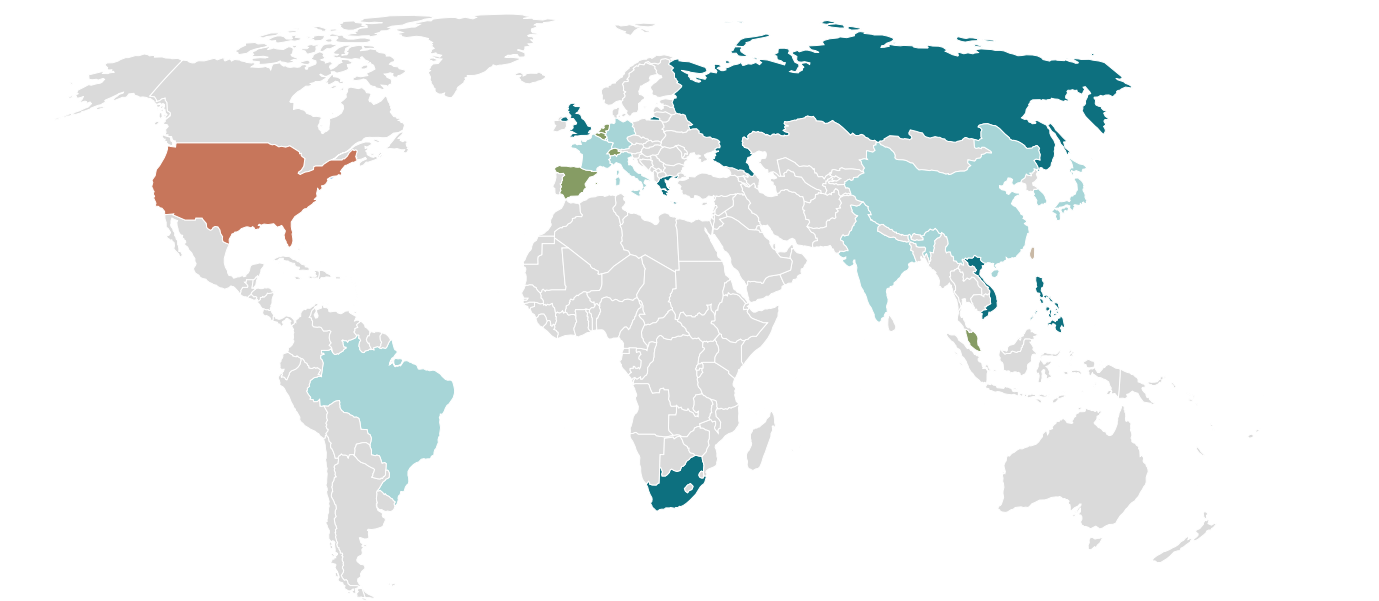
Cordoba
 Foster and Partners
 Industrial Design Studio

Over the years, the Group has grown an exclusive network composed of more than 1000 highly professional dealers and mono-brand stores, consolidating its international presence with the opening of wholly owned flag-ship stores in leading capital cities. Today, different B&B Italia Group flagship stores can be found in major design hotspots, such as in Milan, London, Paris (2 owned and managed stores), Munich, New York (2 owned and managed stores), Dallas, Miami, and Washington DC.

B&B Italia Design Studio, located in Via Durini, Milan, is characterised by wide spaces and high ceilings, flooded with natural light, merging both contemporary and classic features. Moreover, the historical store consists in a space of approximately 2,100 square metres, distributed on three separate levels. The flagship store was used during the Milano Design Week to exhibit, among other projects, the Stella McCartney x B&B Italia collaboration, which consists in the revisiting of the iconic Le Bambole collection by Mario Bellini.

Finally, during 2021, a new D Studio was opened in Copenhagen, hosting all Design Holding Brands. Located at Dokøen in the Holmen area and distributed across 1,760 square meters, the store will offer visitors a brand-new experience: the showroom is a wide flooded with light, where digital equipment has been installed to offer a better, unique customer journey.

B&B Italia Group international presence



EUROPE	AMERICAS	ASIA	MIDDLE EAST / AFRICA
<div>B&B Italia<ul style="list-style-type: none">• B&B Italia Milan*• B&B Italia London Limited*• B&B Italia Paris*•B&B Italia Saint-Tropez• B&B Italia Lyon•B&B Italia München GMBH*• B&B Italia Athens• B&B Italia St. Petersburg• B&B Italia Nicosia• B&B Warsaw• B&B Lusail</div> <div>Arclinea<ul style="list-style-type: none">• Arclinea Bruxelles*• Arclinea Paris*• Arclinea Frankfurt*• Arclinea Amsterdam*• Arclinea Breda*• Arclinea Barcelona*• Arclinea Klev• Arte Due• Ambiance Cuisine• De-code showroom• Arclinea Milan*• Arclinea Turin*• Arclinea Vicenza*• Arclinea Rome*• Arclinea Verona*• Arclinea Trento• Arclinea Naples*• Arclinea Padova*</div>	<div>B&B Italia<ul style="list-style-type: none">• B&B Italia New York*• B&B Italia Madison Avenue*• B&B Italia Washington DC*• B&B Italia Los Angeles• B&B Italia Chicago• B&B Italia USA Inc. – Miami*• B&B Italia Dallas*• B&B Italia San Francisco• B&B Italia Seattle• B&B Italia Sun Valley• B&B Italia Sao Paulo• B&B Italia Belo Horizonte• B&B Italia Huston• B&B Italia Scottsdale• B&B Italia Panama</div> <div>Arclinea<ul style="list-style-type: none">• Arclinea Los Angeles*• Arclinea New York• Arclinea Los Angeles-Diva</div> <div>Maxalto<ul style="list-style-type: none">• Maxalto San Francisco</div>	<div>B&B Italia<ul style="list-style-type: none">• B&B Italia Tokyo• B&B Italia Beijing• B&B Italia Shanghai• B&B Italia Nanjing• B&B Italia Chengdu• B&B Italia Foshan• B&B Italia Guangzhou• B&B Italia Hong Kong• B&B Italia Taipei• B&B Italia Taichung• B&B Italia Seoul• B&B Italia Busan• B&B Italia Manila• B&B Italia New Delhi• B&B Italia Ningbo</div> <div>Arclinea<ul style="list-style-type: none">• Arclinea Hong Kong*• Arclinea Singapore*• Arclinea Shenzhen*• Arclinea Hyderabad*• Arclinea Seoul*• Arclinea Tokyo*• Arclinea Guangzhou• Arclinea Shanghai</div> <div>Maxalto<ul style="list-style-type: none">• Maxalto Kaohsiung• Maxalto Ho Chi Minh</div>	<div>B&B Italia<ul style="list-style-type: none">• B&B Italia Hanoi• B&B Italia Ahmabad• B&B Italia Shenzen• B&B Italia jinan• B&B Italia Taizhou• B&B Italia Wenzhou• B&B Italia Wuuhan• B&B Italia Dalian• B&B Italia Suzhou• B&B Italia Jouannesburg• B&B Italia Kaohslung• B&B Italia Shenyang• B&B Italia Zhengzhou• B&B Italia Ulaanbaatar</div> <div>B&B Italia<ul style="list-style-type: none">• B&B Italia Dubai Bin Hendi• B&B Italia Tel Aviv• B&B Italia Johannesburg</div> <div>Arclinea<ul style="list-style-type: none">• Arclinea Tel Aviv*</div>

- Flagship store
- B&B Italia, Arclinea and Maxalto
- B&B Italia
- B&B Italia and Arclinea
- B&B Italia and Maxalto
- Arclinea

Design Holding

Design for the Planet, Design for People and Design for Culture.

Since November 2018, B&B Italia Group has been fully controlled by Design Holding S.p.A., jointly (and indirectly) controlled by Investindustrial funds and the Carlyle Group.

Design Holding is the largest global high-end design group which maintains a European heritage, bringing together complementary companies with a significant design legacy: Flos, Maxalto, Azucena, Arclinea, Louis Poulsen, Fendi Casa, Lumens and Audo. The companies all have strong individual identities and operate in different sectors in the realm of high-end design: lighting and accessories, high-end furniture, kitchens & vanities and omnichannel distribution.

The Design Holding Group

Design Holding was founded in September 2018 thanks to the shared vision of Investindustrial and The Carlyle Group, with the aim of creating a global high-end design group that brings together world-renowned and iconic design-focused Brands, inspired and beloved by interior designers, architects and consumers alike. The Group operates with the purpose “we design for a beautiful life”, believing its essence is to make beautify homes, public spaces, and life itself.

Design Holding has adopted a sustainability strategy founded on three sustainability pillars: **Design for the Planet**, **Design for People** and **Design for Culture**. The first pillar aims to foster a commitment to sustainability, blending innovation, eco-design, and circularity principles. The second focuses on ensuring a thriving workplace that guarantees fairness and inclusion as well as generating value for communities around the world. The last is a shared priority of Design Holding’s Brands: to nurture their own identity by preserving craftsmanship and design heritage, from scientific research to preserving design legacies.

The Group’s strong central leadership team ensures full alignment between the activities of the Brands, including the implementation of the sustainability pathway: a Sustainability Steering Committee has been formed in 2022 with the specific purpose of discussing the progression of Design Holding’s sustainable strategy, including key level personnel both at Group and Brands level. Since 2021, Design Holding has been publishing a Sustainability Report, further expanding its commitment to more sustainable practices along its entire value chain and ensuring accountability on the progress of the Group’s sustainability strategy.



Economic performance

In the past few years, the Group has kept pace with the latest trends and challenges that characterise the furniture and upholstery sectors. One of the elements that contributed to the success of the Group in this respect was internationalization, as foreign markets currently account for around 80% of B&B Italia’s revenue: after Italy, the United States and Germany represent the most important markets for the Group. Over the past few years, the Group has also increased its market presence in the Middle East and in the Far East: in 2022, several B&B Italia Group monobrand stores were opened in China, further extending the reach of B&B Italia in the Asian scene.

Thanks to its strategy centred on product quality and durability and its investments in research and development, the Group has achieved positive commercial success over the past few years. In 2022, revenues for the Group stood at 284 million, increased by 16% with respect 2021, denoting, once again, B&B Italia’s strength despite the unstable geo-political context, affected by components shortage, logistic-related troubles, and the energy crisis because of the Ukrainian war.

VALUE GENERATED AND DISTRIBUTED (ALL DATA ARE EXPRESSED IN K€)	2020	2021	2022
Direct economic value generated2	197,036	253,320	291,406
Direct economic value distributed	170,545	214,896	247,603
Operating costs	122,256	155,226	182,545
Employee wages and benefits	34,611	40,337	44,820
Payments to providers of capital	6,036	5,571	5,478
Payments to government	7,531	13,730	14,691
Community investment	112	32	69
Economic value retained	26,490	38,424	43,803

An active member of industry associations

B&B Italia is an active member of several national and international industry associations, such as:

- Altagamma Foundation
- ADI - Associazione per il Disegno Industriale (Association for Industrial Design)
- Unindustria Como
- INDICAM (Centromarca Anti-Counterfeiting Institution)
- AICE (Italian Foreign Trade Association)
- National Wool Trade
- Confindustria Vicenza
- FederlengoArredo
- Milano Durini Design Association

Lastly, as reported in “B&B Italia Group commitments to sustainability”, in November 2016, B&B Italia Group signed the United Nations Global Compact and since then the Group has supported the Fondazione Global Compact Network Italia (Global Compact Network Italian Foundation).



Tobi-Ishi
Edward Barber and Jay Osgerby

B&B Italia Group commitment to sustainability

B&B Italia Group creates furnishings that are durable, both in functional and aesthetic terms, as well as able to last over time through changing trends. Today, as in the past, these concepts encapsulate the Group’s philosophy: products stand out not only for their functionality, but also for the quality of materials, construction techniques, service ability and unique design. In other words, B&B Italia Group products are made to last and to be passed down from generation to generation. In fact, durability is a defining feature of B&B Italia Group’s identity, as it delineates the Group’s approach to usual business activities and sustainability practices. Indeed, long product lifecycles are a competitive asset for manufacturing firms since this allows a higher conservation of natural resources.

Throughout its history, the Group has been at the forefront of research and has initiated several “silent revolutions” that have profoundly influenced the upholstery and furnishing sectors. Even in the future, B&B Italia Group intends to continue introducing innovative ideas to face new societal needs emerging from changes in lifestyles, and, to do so, is currently focusing on innovative materials and production processes with a lower environmental impact.

At the same time, B&B Italia Group approach to sustainability is also reflected in its strong focus on people, since all the Brands strive for building and maintaining relationships with their stakeholders, based on trust, mutual respect, and ethics. The Group constantly promotes an open dialogue with employees and communities, both internally and externally.

Moreover, as part of its commitment to more sustainable practices, B&B has approved a Sustainability Policy. The document focuses on several aspect of the business, underlining the principles of legality, transparency, loyalty, and good faith that B&B follows in all its operations. These key principles and values constitute the basis for the Group’s sustainability strategy and are the foundations for this Report.

Additionally, the policy is founded on three main topics, which are used as guiding forces in all B&B Italia’s business activities. The three pillars of such Policy are the following:

- Energy and climate change, which regards the undertaking of a path for monitoring, and gradually reducing, carbon footprint across the value chain;
- Circular economy, with the aim of promoting and investigating the refurbishing and recycling of the materials used, while minimizing waste volumes and aiming at providing more durable and innovative products that may allow for the saving of natural resources in the long term;
- B&B’s people, fostering the strong nexus between sustainability and human resources by focusing on people’s development and self-realisation.

Design Holding has developed a shared strategic framework for all its portfolio companies, and B&B Italia, as a further proof of the profound synergy existing with the Holding, has inspired and aligned its ESG pillars, targets, measures and new impact materiality, in accordance with the 2021’s GRI Standards. The framework has been based on three main pillars: Design for the Planet, Design for People and Design for Culture.

Sustainability objectives

In the last years, B&B Italia Group decided to take a giant step in the strengthening of its sustainability engagement, by defining a set of specific ESG objectives to be achieved in the coming years. Thus, the commitment of the company is not secluded to the monitoring of Environment, Social and Governance metrics, but is characterized by the active promotion of internal initiatives focused on impact reduction and mitigation.

	ESG OBJECTIVES	KPI	TARGET YEAR	BASELINE	PROGRESS
	-27.5% emissions reduction by 2030	% reduction of Scope 1 + Scope 2 – Market-based GHG emissions	2030	5,789 tonCO ₂ e (2019)	On-track
	100% of electricity from renewable sources consumed by 2022	% of electricity covered by Guarantees of Origin purchased and consumed over the total electricity consumed	2022	0% (2020)	Achieved
	Revamping of 100% of heating plants with new and more efficient technologies	Start-up of the new heating plant (Misinto site)	2022	Not applicable	Achieved
	100% increase in the number of new products designed in accordance with circular economy principles by 2025	% of new products with circularity index > 60%	2025	4 products (2019)	On-track
	Increasing the use of reusable and recyclable packaging	Realisation of a feasibility study to reduce product packaging through reusable solutions	2022	Not applicable	Achieved 4

1. The target on GHG emissions reduction has been defined based on the WB2C (Well Below 2°C) scenario according to the methodology outlined by the Science Based Targets initiative.
2. The target refers to production plants, headquarters, and Italian showroom.
3. Product circularity measured in accordance with the Italian guidelines set by the Ministry of Environment in collaboration with the Minister of Economic Development.
4. Only refers to newly released products



The perfect
blend of heritage
and innovation

Exclusive design icons

Since its foundation, B&B Italia Group based its success on its strong relationships and cooperation with leading Italian and international designers and architects, aiming at researching innovative solutions whilst fostering design culture worldwide.

Over the years, the Group has collaborated with several professionals of its time, including Antonio Citterio, Piero Lissoni, Mario Bellini, Gaetano Pesce, Afra and Tobia Scarpa, Marco Zanuso, Vico Magistretti, Michael Anastassiades, Naoto Fukasawa, Vincent Van Duysen, Patricia Urquiola, Zaha Hadid, Jeffrey Bennett, Paolo Piva, Studio Kairos, Barber & Osgerby, David Chipperfield, Luigi Caccia Dominioni, Foster + Partner, Paolo Nava, amongst many others.



Le Bambole 2022
Mario Bellini

B&B ITALIA

2020	2021	2022
Mario Bellini <ul style="list-style-type: none">- Camaleonda- Cutter- Blitz- Gli Scacchi Yabu Pushelberg <ul style="list-style-type: none">- Naviglio Piero Lissoni <ul style="list-style-type: none">- Liagò	Monica Armani <ul style="list-style-type: none">- Allure O'- Flair O' Antonio Citterio <ul style="list-style-type: none">- Noonu- B&B Atoll Naoto Fukasawa <ul style="list-style-type: none">- Harbor Laidback- Awa Studio Kairos <ul style="list-style-type: none">- Sir Vito	Mario Bellini <ul style="list-style-type: none">- Le Bambole- Bamboletto Naoto Fukasawa <ul style="list-style-type: none">- Papilio Shell Piero Lissoni <ul style="list-style-type: none">- Pochette- Planck- Mjna Foster + Partners <ul style="list-style-type: none">- Cordoba Barber & Osgerby <ul style="list-style-type: none">- Tobi-Ishi Luigi Caccia Dominioni <ul style="list-style-type: none">- San Siro (Azucena) Naoto Fukasawa <ul style="list-style-type: none">- Harbor Laidback- Awa Studio Kairos <ul style="list-style-type: none">- Sir Vito

OUTDOOR

Piero Lissoni <ul style="list-style-type: none">- Borea- Spool Outdoor	Vincent Van Duysen <ul style="list-style-type: none">- Pablo Outdoor	Antonio Citterio <ul style="list-style-type: none">- Erica 19- Erica- Mirto Outdoor Patricia Urquiola <ul style="list-style-type: none">- Crinoline Monica Armani <ul style="list-style-type: none">- Flair O' Outdoor- Allure O' Outdoor Piero Lissoni <ul style="list-style-type: none">- Nooch Foster + Partners <ul style="list-style-type: none">- Cordoba Outdoor
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MAXALTO

Antonio Citterio <ul style="list-style-type: none">- Amoenus Soft- Aurae- Otium Soft- Ares- Intoto- Crio- Naos	Antonio Citterio <ul style="list-style-type: none">- Dives Soft- Lucrezia Soft- Abseo- Cuma- Convivio
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------

ARCLINEA

Antonio Citterio <ul style="list-style-type: none">- Thea



Mjna
Piero Lissoni

B&B Italia Group merges the expertise and creativity of many designers and architects with its own tradition of excellence in manufacturing, to create long-lasting value not only for clients but for all its stakeholders. In addition, through the implementation of the principles of eco-design, the Group is working to realize not only products that last over time but also products that are sustainable throughout their life cycle. Moreover, the Group is keen on offering a space of self-expression to these creative minds, while providing them with the technological know-how needed to conceive innovative products and make them a reality. B&B Italia Group creates long-lasting partnerships and promotes a constant line of dialogue between architects, designers and the Group's Research and Development Centre, which are involved in the process from brainstorming to product planning. Moreover, the extensive experience and critical skills of the R&D Centre guides each project to represent B&B Italia Group's personality in an ever-innovative way, by fully expressing designer's and architect's talents.

The ability to put innovative ideas into practice has allowed B&B Italia Group to win several awards, including 5 Compasso d'Oro prizes, the most prestigious award in the field of Italian industrial design, presented by the Association for Industrial Design (ADI): B&B Italia is also the only one company that can boast this many Compasso d'Oro, an achievement that proves the role it has been playing for decades in shaping contemporary trends in the design sphere.

The five Compasso d'Oro

1979 LE BAMBOLE

What makes Le Bambole so special is the apparent absence of a load bearing structure, the extreme naturalness of their shape, and the combination of comfort, softness, and elasticity that their appearance conveys. The series emerged as an icon for the 1970s, but it never ages.

1984 SISAMO

Sisamo is a wardrobe that becomes invisible after use, transforming itself into a smooth and elegant wall with perfect flush doors: it was designed as a container to be both functional and practical, blending in with the walls of the room without any loss of continuity. Its peculiar door opening and closing mechanism with flush sliding doors has become the main feature of its system and was later patented.

1987 SITY

A courageous step forward in the search for a seating system, Sity was conceived as a flexible and separable structure, capable of transforming new and complex living spaces: an important characteristic has been that all the elements are conceived as parts of a modular scheme, whilst preserving their own form and functional autonomy at the same time.

1989 B&B ITALIA

B&B Italia was the first design manufacturing company to be awarded the Compasso d'Oro for its contribution to the design industry.

2022 UP ARMCHAIR

Firstly designed in 1969 by Gaetano Pesce, the UP Armchair is a unique piece of design born from the extensive knowledge of B&B Italia in the processing of polyurethane injection. Blending technology and art, its unusual, anthropomorphic shape was revolutionary at that time it was conceived and remains innovative and topical to these days. 2022 was an extremely successful year for B&B Italia, since the Group and its designers were awarded, along with the prestigious Compasso d'Oro, with nine other prizes. Specifically, Monica Armani's "Allure O", a geometric shaped table with a distinct contemporary style, won three prizes: the EDIDA 2022 in the category "Furniture", the GOOD DESIGN Award 2022 and the Wallpaper* Design Award 2022, in the category "Best Dining Experience". The latter prize was also awarded to "Flair O", a chair designed once again by Monica Armani. In the design sphere, "Borea" and "Camaleonda" have been awarded with the 2022 Green GOOD DESIGN. Furthermore, "Borea", an outdoor sofa with a seamless design, exploiting aeronautical technologies for its metal manufacturing techniques, received the IDEAT Design Award 2022. Borea is made with recycled materials, such as 100% polyester fiber from recycled PET plastic bottles, blending comfort with sustainability. Last, but not least, the iconic "Le Bambole" by Mario Bellini, thanks to an innovative and sustainable approach, was recognized with both the GOOD DESIGN Award 2022 and the Interior Design Best of Award in the category "Best Reissue". In addition to the reported prizes, Maxalto's Creative Director Antonio Citterio was awarded the "Compasso d'Oro ADI – Career Award" for his longstanding contribution to the evolution of Italian design and the creation of iconic pieces which, still nowadays, are displayed in important exhibitions all around the world.

Recent prizes awarded to the B&B Italia Group

	AWARD	PRODUCT / COMPANY
2020	2020 Wallpaper* Design Award – Best Cover Up	Oh, It Rains! – B&B Italia Outdoor
	EDIDA 2020	Ribes – B&B Italia Outdoor
2021	2021 Wallpaper* Design Award – Best Outdoor Entertaining	Ayana – B&B Italia Outdoor
	2021 Wallpaper* Design Award – Best Reissues	Gli Scacchi – B&B Italia
	2021 IDEAT Design Award	Camaleonda – B&B Italia
	2021 Robb Report Best of The best	Camaleonda – B&B Italia
2022	XXVII Compasso d’Oro	Serie UP – B&B Italia
	GOOD DESIGN Award 2022	Allure O’ – B&B Italia Outdoor
	GOOD DESIGN Award 2022	Le Bambole – B&B Italia
	Interior Design Best of Award 2022 – Best Reissue	Le Bambole – B&B Italia
	EDIDA 2022	Allure O’ – B&B Italia Outdoor
	2022 Green GOOD DESIGN	Camaleonda – B&B Italia
	2022 Green GOOD DESIGN	Borea - B&B Italia Outdoor
	IDEAT Design Award 2022	Borea – B&B Italia
	Wallpaper* Design Award 2022 – Best Dining Experience	Allure O’ – B&B Italia Outdoor Flair O’ – B&B Italia Outdoor
	Wallpaper* Design Award 2022 – Best Dining Experience	Flair O’ – B&B Italia

An innovative DNA

Innovation is an intrinsic characteristic of B&B Italia Group

Innovation is an intrinsic characteristic of B&B Italia Group's industrial and technological vocation. The decision to establish a dedicated Research and Development Centre at B&B Italia headquarters and a Design Team in Arclinea has been a key factor in the Group's growth strategy, as shown by annual investment in research, that amounted to 0.8 million Euros in 2022.

B&B Italia Group has also always been dedicated to the protection of intellectual property, considered a strategic asset to ensure business continuity and safeguard the Group's creativity against counterfeit. To protect its know-how, B&B Italia actively collaborates with the Altagamma Foundation.

Cordoba Life Cycle Assessment (LCA)

The Cordoba is an armchair that blends oriental and Nordic designs in its wooden structure and leather seat. The armchair, available both for indoor and outdoor, has been designed by Foster + Partners, a British architectural design studio with a distinct innovative and sustainable approach to product and landscape design. In line with the eco-design principles implemented in 2022 by B&B Italia and responsible design practices, the different parts of the armchair can be removed separately, by easing the maintenance and the replacement of the materials according to costumers needs.

A thorough analysis of the environmental impacts has been carried out through the implementation of a Life Cycle Assessment (LCA) according to the ISO 14040 and ISO 14044 principles. The study was conducted from Cradle to Grave or, in other word, from the extraction, production and transportation of raw materials to the disposal of the armchair. To understand the processes and collect the primary data, fundamental for the capturing of the main aspects of the analysis, a direct engagement with the suppliers of each component has been made.

Innovation in Arclinea

Arclinea has its own internal R&D function, responsible for the development of new furniture components or even new models, as well as for the modification and improvement of already existing products: along with periodical market analysis, since 1986 Antonio Citterio has been Arclinea's reference designer.

The Company formed in 2006 a "Design-Team", composed by main and loyal customers in Italy and abroad. The Team is periodically convened to discuss ideas and requirements for potential new furniture components and models. A dialogue of this kind is almost unique in the design domain and usually marks the initial conception phase behind Arclinea's new creations.

Moreover, to continue its pursuits of innovation, since 2020 Arclinea undertook a path of technological renewal of manufacturing processes aimed at enhancing production efficiency, drawing up an Industry 4.0 investment plan with the goal of renewing production processes. This path started with the acquisition of a 3D precision printer that not only facilitates the rapid production of mock-ups, but also enables the internal moulding of small quantities of plastic pieces with high accuracy and repeatability, reducing outsourcing and warehouse inventory, and continued with the purchase of new machinery during the last years.

Innovation is a core feature of all Arclinea products. For instance, the kitchen Thea is in the process of a constant evolution in its materials, becoming more and more recyclable and recycled: 92% of the total material weight is currently made from recycled materials, as its chipboard is derived from 100% post-consumer recycled wood. The use of recycled and recyclable materials is a core feature of the eco-design principles of Arclinea, implemented in 2022, as well as a competitive characteristic able to reduce the environmental footprint of the products developed. A detailed life cycle assessment (LCA) has been carried on the Thea kitchen, more specifically focusing on three different stages: upstream, core and downstream activities. Focusing on the impacts on climate change, the analysis helped underline that the largest share of emissions is determined in the upstream phase, which considers the extraction, production, and transportation of raw materials.

During last years, new typologies of certified products were purchased, named CARB 2 and F4 wood star. In particular, the latter started to be purchased in 2021 and consists in a wood panel with reduced formaldehyde content, which was specifically analysed and processed in Arclinea's laboratories. In 2022, following a feasibility study focused on the substitution of expanded polystyrene (EPS) protection and nylon film packaging with recyclable materials, Arclinea bought a die cutting machine exclusively for the processing of cardboard boxes, to reduce packaging waste generated during the shipment.



One of the main examples of this avant-garde approach, used since the start of B&B Italia’s history, is the introduction of the revolutionary technology of injection moulding with cold moulded polyurethane foam. Piero Ambrogio Busnelli, B&B Italia’s co-founder, first conceived this technique in the ’60s: while he was in London for a business trip, he discovered a machine that processed cold moulded rubber ducks of injected polyurethane and had the idea to apply this technology on sofas. This led to a unique industrial process as well as to the creation of custom-made iconic pieces, still nowadays appreciated by interior design enthusiasts all around the world.

Further examples of these “revolutions” include the introduction of weavings in polyethylene for outdoor furniture in the early 2000s, the introduction of lightweight aluminium fusions for frames after 2010 and the design of circular and swivel products made up of recyclable materials and disassembly properties in more recent years. It has recently developed product with high circularity index, such as Ribes, Erica and Hyrid (2019), Camaleonda (2020) and Borea (2020 and 2021).

The “silent revolutions” of B&B Italia in the furniture sector

UPHOLSTERED FURNITURE	SYSTEM
<p>1966 Metal structures in upholstered furniture, substituting wood for increasing flexibility and resistance and reducing weight - Coronado Use of polyurethane for potentiating durability also in terms of shapes - Coronado Removable structures for increasing transportability and reducing volumes - Coronado Insertion of leaf springs into structures, to increase comfort and flexibility - Coronado Use of fibreglass in structures to increase resistance – Amanta</p> <p>1969 Vacuum packed chair to achieve maximum contraction - Up 10-year guarantee for padded structures</p> <p>1970 Use of integral polyurethane – Bonanza</p> <p>1976 Rigid polyurethane structures – Lauriana</p> <p>1980 Mechanisms to increase sofas’ comfort and modify height of seats – Alanda</p>	<p>1970 Polyester systems “100 gloss” to increase brightness – Olinto</p> <p>1980 Use of cast iron structures to enhance stability and holding – Dape</p> <p>1983 Coplanar sliding doors for wardrobes reducing the encumbrance – Sisamo</p> <p>1989 Use of extruded PVC 240 cm shelves allowing exceptional capacity and integration with lighting – Domus Vertical opening 240 cm shutters reducing the encumbrance – Domus</p> <p>1990 Fire-retardant HSC panel for marine environments – B&B marine</p> <p>1996 Introduction of wengé finishing – Maxalto</p>

UPHOLSTERED FURNITURE	SYSTEM
<p>1984 Use of tubular fibreglass for enhancing folding properties – Nena</p> <p>1986 Multiple seating typology to enhance the flexibility of seating systems – Sity</p> <p>1995 Use of die-cast pegs for increased lightness – Harry</p> <p>1997 Introduction of peninsulas and chaise longue – Charles</p> <p>2003 Use of preformed printed leather – Mart</p> <p>2007 Weavings in polyethylene for outdoor use – Canasta</p> <p>2016 Use of lightweight aluminium fusions – Charlotte</p> <p>2018 Eco-friendly padding – Erica ’19 and Ribes</p> <p>2019 Disassembly structure – Hybrid</p>	<p>1998 PVC panels substituting office walls – Abak</p> <p>2008 Aluminium modular library to increase lightness and stability – Flat.C</p> <p>2012 Roto-shifting opening for wardrobes – Backstage</p> <p>2014 Shellac finishing – Maxalto</p> <p>2020 New 4.0 automation production machines – Arclinea</p> <p>2021 New 4.0 Misinto production machines</p>

For B&B Italia Group, innovation means driving the market towards new solutions that are increasingly functional and aesthetically aligned with contemporary taste. To pursue this philosophy, the Group conducts continuous research to constantly evolve its model range: between 2020 and 2022, the Group launched over 40 new products and around 30 extensions to existing product ranges.

NEW PRODUCTS DEVELOPED AND LAUNCHED	2020	2021	2022
New products	19	15	10
Extension of product ranges	3	20	12

Since 2022, B&B Italia is following a set of eco-design principles, shared with the other companies' part of the Design Holding Group. The principles, developed by a cross-brand working group, are defined according to specific KPIs based on the different steps of the value chain. The focus of manufacturing remains on recyclability, modularity, and compliance, to ensure high quality products are released on the market while also trying to extend the life of each singular piece.

Design Holding's eco-design framework

- Design: to create design pieces that are timeless and long lasting, durable, and able to be disassembled, minimizing the use of raw materials.
- Materials: to employ recycled and non-virgin materials when possible, providing transparency on the environmental impact of our products and decreasing the overall toxic emission linked to products and processes.
- Components: to utilize high-quality components compliant with international standards, easy to maintain and efficient, resulting in a longer life cycle between replacements.
- Procurement: to select local vendors when possible, ensuring they work to reduce their environmental impact and secure proper working conditions.
- Manufacturing: to reduce energy consumption, securing a high degree of process control to reduce waste and scrap and ensuring the wellbeing of employees.
- Logistic & in-use: to use recyclable and certified raw materials to develop packaging to minimize volume, develop energy efficient products and offer availability of spare parts.
- End of life: to maximize the use of raw materials which can be recycled and use certified partners to secure handling of disposal and waste and explore how to extend the life of our products beyond the end of their use.

The Contract Division also interprets B&B Italia's innovative spirit in the development of new ideas in a customer-centric way. The Division conceives each single detail to satisfy specific customers' needs and invests in liaising with customers and architects, while co-ordinating research, testing and engineering for each element of a project.

Assessing products' circularity

B&B Italia has been one of the first companies in the furniture sector to investigate the circularity of some of its collections, following the guidelines set by the Italian Ministry of the Environment. The assessments, carried out by a third-party laboratory, aim at improving products' recyclability and including circular economy principles in production and design processes.

The first assessments were conducted on Ribes and Erica '19, both designed by Antonio Citterio. Then, B&B Italia decided to assess Hybrid by Antonio Citterio, Ayana by Naoto Fukusawa, Camaleonda by Mario Bellini, Borea by Piero Lissoni and Pablo by Vincent Van Duysen. All the products analysed had a high circularity index, evaluated through a set of indicators, including the recyclability of the input materials. Among the abovementioned products, Camaleonda's circularity index is equal to 70%, while Borea and Pablo's score 89%. These results can be ascribed on the modularity and disassemblability of the different components and to the use of recycled and recyclable pieces: in particular, both Pablo and Borea loungers make use of technical solutions aimed at simplifying the care and maintenance of their parts as well as improving disassemblability. The entire Borea collection is pivotal for the circular strategy of the Group: all the products of the collection are made of recycled, recyclable and modulable materials, such as the tubular aluminium structure, that can be separated at the end of their lifecycle for proper disposal. For instance, paddings of the 2020 outdoor armchair are made with polyester fibre filling coming from recycled PET plastic bottles enveloping a different density polyurethane core. Moreover, the starting point of the Borea 2021 outdoor loungers is the tubular aluminium structure, a material that represents a sustainable choice both because it is extremely resistant and durable and because it is entirely and easily recyclable, thus infinitely reusable to give life to new products every time.

In 2022, the circularity assessment was conducted on several newly launched products, that achieved all high circularity scores. For instance, Cordoba Indoor and Outdoor sofas, both designed by Foster + Partners, respectively scored 93% and 90% on the circularity index.

Other products that achieved high circularity scores are the Flair O' Outdoor, designed by Monica Armani, and the Nooch Sofa by Piero Lissoni. The former, with different levels of disassembly, is composed by polypropylene ribbons and aluminum frames, and achieved a 70% score in the circularity index. The latter instead achieved different ratings according to the singular parts considered, with scores ranging from 73% to 97%.

Nooch

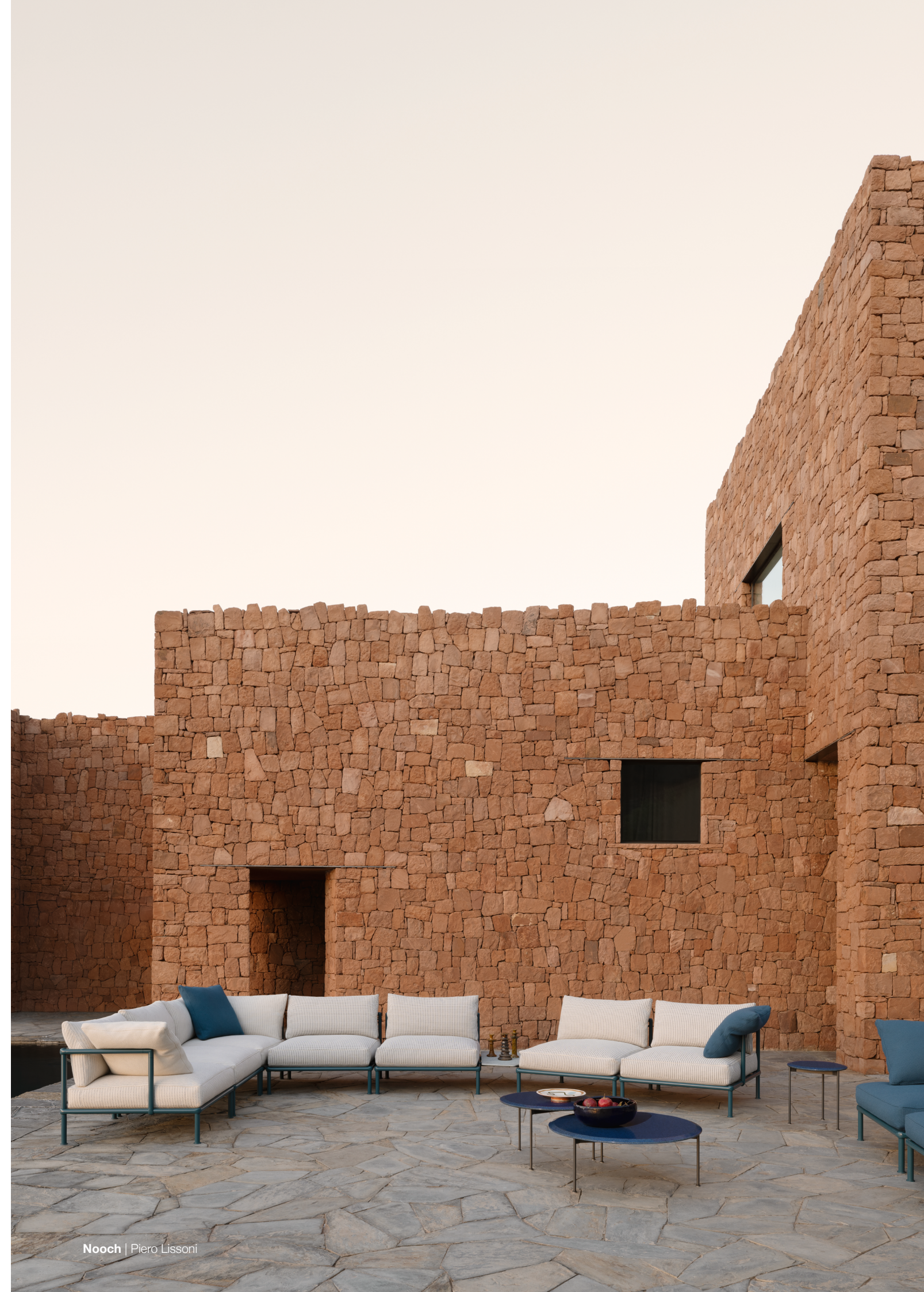
Designed by Piero Lissoni for B&B Outdoor and launched in 2023, the Nooch collection consists in a modular seating system composed by three sets: armchair, sofa, and table. Sustainability is embedded at the core of the product: in fact, the paddings of the armchair are made with layers of recycled polyurethane and virgin bio-polyurethane, later covered in recycled PET. Even the aluminum used in all tubular systems is entirely recyclable, in line with the eco-design principles adopted by the firm.

The design is highly versatile, since pieces can be broken down and rearranged according to customer preferences, ensuring modularity for the whole collection. Disassemblability is a key feature of the eco-design principles adopted by the brand since it extends the life of products while easing recycling practices.

Nooch blends contemporary design with the most recent engineering research in the design industry, ensuring an aesthetically pleasing collection for customers to enjoy and experience in their open spaces, without losing comfort and functionality. For B&B Italia, innovation also means taking into due consideration clients' and customers' needs.

Indeed, the Group's own stores encourage visitors to undertake a journey of discovery where design and sensation are blended, involving all senses: the stores are projected as a sequence of thematic areas that highlight the story of the products while contextualising them, creating a perfect harmony between products and the surrounding environment.

The Group also works closely with its partners to ensure the highest product quality, as well as a first-class purchasing experience for all its customers. These aspects are managed through a specific policy of extensive after-sales support, which includes proper training for dealers' staff and architects. Every year the Group organises several training courses for international architects, clients, and industry operators.



Design ambassador since 1966

Given the assumption that every cultural manifestation can be a vehicle to spread the design culture, B&B Italia Group supports and promotes cultural initiatives and exhibitions in every artistic domain. Over the years, B&B Italia Group has celebrated art and design by sponsoring several exhibitions dedicated to world-famous designers and architects, such as Gaetano Pesce, Luigi Caccia Dominioni, Mario Bellini and Zaha Hadid.

As a further proof of the commitment to broadcasting design culture worldwide, in recent years, B&B Italia Group was confirmed as a reference point in several events such as international fairs, exhibitions and cultural ceremonies organized all over the world. B&B Italia, for instance, sponsored the first exhibition named “Nobody’s Perfect” held in China and dedicated to Italian architect, designer, and artist Gaetano Pesce’s masterpieces, which was characterised by an extra-large UP sofa at the entrance of the exhibition. With approximately 100 pieces displayed, portraying the artist’s past and recent history, the exposition represents a journey through the evolution of design.

Moreover, B&B Italia participated to the Milan Design Week, which took place during June 2022: B&B Italia was able to present its 2022 novelties in its historical space, located in Via Durini, Milan. During this period, going from June the 7th to the 12th, the Group was able to publicly introduce the collaboration made with Stella McCartney. The project, which consists in the revisitation of the iconic ‘Le Bambole’ armchair by Mario Bellini, was subsequently launched at the Art Basel Miami Beach starting from the 30th of November. The same collection was also simultaneously launched in Shanghai at the pop-up store of the Group in hAo mArket.

Moreover, the new Maxalto space was inaugurated: the Flagship store in Via Durini, Milan, was reorganized to host the Heritage Perspectives collection of the brand. Different solutions for home studio and bedroom were arranged in an open space for costumers to see and feel.

Lastly, B&B Italia contributed to the Flos 60th anniversary held at the Fabbrica Orobica in Milan during the Fuorisalone 2022, by providing some of its masterpieces for the decoration of the industrial spaces, and celebrated the 15th anniversary of its outd.

Camaleonda: the 2022 bestseller

In 2020, the iconic Camaleonda celebrated its 50th anniversary: the designer Mario Bellini reworked the design of the modular sofa to make it more contemporary, which in 2022 received a lot of visibility by becoming a bestselling piece of the Group.

Designed for the first time in 1970, the sofa preserves some of its iconic characteristics also in its renewed edition, while becoming more sustainable and comfortable thanks to innovative technologies and Eco-design. In terms of materials employed, the paddings are made of polyurethane, while its core internal structure, as well as backs and armrests, employ wooden panels. What makes the piece extremely adaptable to every household and still modern is its modularity: Camaleonda can be rearranged at will to perfectly adapt to every interior of the homeowner, which can also choose among a wide range of textiles and leather.

This characteristic, together with the iconicity of the product, made it possible for Camaleonda to redefine marketing rules for the interior design industry: the sofa was referred to as “The Birkin of Interior design” by prominent design magazines.

Le Bambole

To celebrate Le Bambole’s 50th anniversary, Stella McCartney, has revisited the iconic armchair with a new and more sustainable offering. Launched at the Art Basel Miami Beach exhibition in December 2022 and later presented in other several exhibitions all over Asia, the capsule collection is characterized by a revolutionary recycled polyethylene frame combined with elements in polyurethane foam and thermoplastic elastomers.

The polyester used in Stella McCartney’s Le Bambole’s upholstery is 100% biodegradable and toxin free, ensuring that no microplastics are released during the life cycle of the product. To guarantee a larger disassembly rate, no glue has been used to seal the different parts together, making them removable. Thanks also to this innovative characteristic, the products maintain a high level of circularity, attesting at 81%. A detail that makes the product even more sustainable consists in the packaging: in fact, only cardboard boxes are used in the shipment, since in 2022 the company has decided to stop using Styrofoam for its shipping packages.

Le Bambole collection has also achieved good engagement rates on social medias: it has reached extended visibility thanks to its iconicity, largely renewed among design enthusiasts, but also following the interaction of different celebrities. This masterpiece won several prestigious awards in 2022, such as the GOOD DESIGN Award, an historical recognition celebrating design culture globally, and the Interior Design Best of Award as Best Reissue of 2022.

Arclinea Design Cooking School: a celebration of Italian food culture

Thanks to ongoing research, Arclinea is today a leading actor in professional design for cookery schools and restaurants. In order to celebrate its original blend between a refined design culture and a passion for the Italian food heritage, Arclinea has developed important partnerships with distinguished international chefs, by creating the Design Cooking School.

This consists of a series of cooking courses organised across Italy and presented by famous chefs. During these courses, students have the opportunity to use Arclinea kitchens, to learn how to cook and often become loyal customers for its products.

To date, the Design Cooking School has over 18 partners, such as Gianluca Aresu and Giuseppe Falanga’s Italian Chef Cooking School and Marion Muzi Falcon’s “L’apprentie pâtissière” in Paris.



The proper balance
between product
quality and impact



Cordoba
Foster and Partners
Industrial Design Studio

For this reason, B&B Italia Group goes beyond mere compliance and monitors these parameters through specific activities and tests, in accordance with various voluntary codes and regulations that can apply, depending on markets, national laws and clients' specific needs. Several tests, such as on strength and durability, are conducted on the most representative pieces of each product family and/or on items that require peculiar construction techniques. In particular, for Arclinea's products are subject to manual controls, carried out both during and at the end of the manufacturing process to ensure product integrity has been preserved. In case any defects or problems are identified, remedial steps are taken as soon as possible by the factory staff.

Furthermore, Arclinea's Quality Function organises a series of periodical internal working groups, aimed at brainstorming on potential improvements along the production phase. This allows the Company to deliver high quality products, whilst implementing new, replicable best practices to ameliorate future productions.

The continuous quest for product quality

The Group's mission is to provide long-lasting value for its clients, making the quest for quality and excellence a key element of B&B Italia's vision. The same vision also drives its approach to supplier relations, which are characterised by trust, collaboration, and innovation.

B&B Italia and Arclinea can count on a Quality Management System certified according to ISO 9001: the framework sets rules and boundaries that govern quality control at all levels, ensuring a constant foothold on those topics.

B&B Italia Group's products meet all relevant legal requirements, including European and US laws and regulations. In fact, in order to comply with the applicable ones, all product categories are assessed with respect to health and safety impacts, and are verified with the support of leading Italian and international test laboratories. No issues of non-compliance on matters of health and safety were registered in the last few years. In terms of customer service, the Group believes in the potential of its products as long-term investments and not as simple seasonal appliances, therefore it works on improving the lifecycle of its creations, while also ensuring quality and sustainability principles are met in the process. In this context, all B&B Italia products include an identification code, which allows the Company and its customers to trace back all the technical documentations and product standards for each item, aiming at increasing customers' interest in and awareness of product safety and durability.



Cordoba
Foster and Partners
Industrial Design Studio

Products in the making: from industrialisation to delivery

B&B Italia’s industrial process encompasses various phases, which represent a continuation of the three preliminary stages (design, prototyping, planning) described in “Exclusive design icons”.

01. Industrialization

Production begins with the industrialization phase, where all the possible technologies to be applied are analysed, to select the perfect mix between quality and aesthetics, cost optimisation and technical solutions. The aim is to ensure that the product can be produced on a large scale, while maintaining the original features and performance that characterize the Group’s products.

For example, when the “cold-moulded polyurethane foam” technology is used in sofas’ manufacturing, in the pre-production stage the metal load-bearing frame is chosen, guaranteeing the best results in terms of product durability and resistance. Then, the frames are integrated with various elements (elastic straps, springs, reinforcing, etc.) that enhance both comfort and functionality. Thereafter, frames are sunk in polyurethane injected into the mould.

02. Validation & production

The validation and production phase ensures that the product meets planned requirements and that all the industrial aspects are consistent. B&B Italia Group further validate quality through various tests and checks described above, to guarantee that the final product fulfils its original intended purpose and is thus ready to be delivered.

The results of all these controls and technical documentations are then archived into a product fact sheet, a true item ID. The product is then ready to be shipped. Inventories are taken in the storage warehouses at the start of production, and when a specific order is commissioned by a client.

03. Delivery

Lastly, the production chain ends with delivery: sofas, furniture and all the other systems are assembled, checked and then sent to retailers or clients.

Furthermore, the Product data sheet – Guarantee, provides to the costumer information about the designer and manufacturers, materials used, warranty conditions, and maintenance instructions, setting out the originality and uniqueness of the product. B&B Italia provides a 10-year warranty period for the frames of its padded furniture (sofas, armchairs, chairs and beds), covering original defects in the manufacture of the structural parts and free replacement or repair of the unusable or defective component identified. Similarly, Arclinea provides a 5-year warranty on products with production defects.

This overall approach to outstanding quality and precision has been rewarded by no product recalls between 2020 and 2022. In fact, the ratio of complaints on invoiced orders is set, for 2022, at 3.1%, showing a decrease with respect to past years.

Ratio of actual complaints on invoiced orders

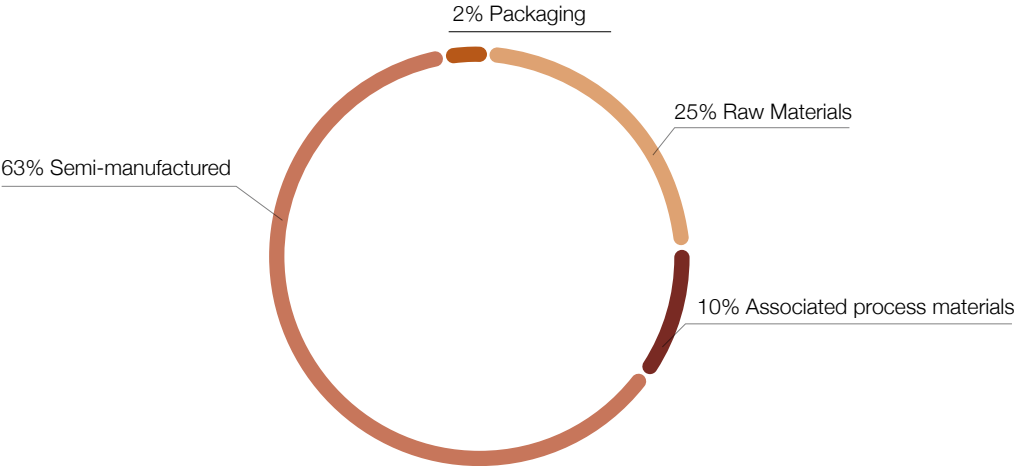
2020	2021	2021
5.2%	3.7%	3.1%

B&B Italia also embodies its commitment to quality through a careful selection of materials: the Company has put in place a series of thorough control practices regarding the procurement of semi-finished products from suppliers and contractors. These practices are essential for the selection of the highest quality materials available on the market.

The sourcing of raw components is managed by the Purchasing Department, which evaluates and selects the materials used for the internal structure (e.g., iron, steel, aluminium), as well as for the external coating (e.g., type of leather or fabric) or finishing (e.g., type of base, possible accessories). Several assessments are also performed, both by the Technical Office in charge of production and by the Quality Department, to prevent technical issues as well as to ensure quality, safety and durability.

The Group purchases a wide variety of raw materials and semi-manufactured goods, mainly wood, fabrics, leather, marble, metal, and foam mixtures for padding. In fact, the main category, with 63% of the total share, is represented by semi-manufactured products, mostly composed by wood and iron. Semi-manufactured goods can be further differentiated in two separate categories: mono material, which are products made with only one component, such as wood, polyester fibre, textiles and leather, and multi-component, which combine different materials. For B&B Italia, multi-components are residual and characterized mostly by polyurethane, used by the Company in its sofas, and glass, which it is usually varnished before being used. Packaging is composed by wood, paper and cardboard, polystyrene and polyethylene. Raw materials are composed by several categories, ranging from steel, wood and aluminium to paints and glues, and they represent 25% out of the total materials purchased. Lastly, associated process materials, consisting mostly in chemicals and wood, are needed for manufacturing but not embedded in the final product.

Materials by category



In terms of packaging, Arclinea has decided to implement specific measures to substitute plastic packaging with more sustainable alternatives. For this reason, it has purchased a die cutter which guarantees packaging made of cardboard for all the new furniture shipped by the brand. B&B Italia has similarly substituted the trays used for the transportation of fabrics within the plant, with more resistant ones made in cardboard. B&B Italia has also eliminated polystyrene for the shipment of new collections, more specifically for the Cordoba and Le Bambole. Furthermore, the Group has reduced the number of boxes needed for the shipment of distinct parts of the same item, such as in the case of the Nooch Outdoor. Previously, pillows and the main structure were shipped separately, but the Group has now decided to combine them to reduce logistics volume as well as packaging materials and waste.

The sourcing and procurement of raw materials is fundamental to ensure that sustainability practices are met within the Group and for the maintenance of an elevate quality of production. B&B Italia tries to rely on local suppliers, such as in the case of fabrics and leather, which are bought respectively from the Monza and Brianza districts and the District of Arzignano, Vicenza. Aluminium and steel, used by Arclinea, and iron, employed by B&B Italia, are mainly produced in Italy. The latter is purchased only as a semi-manufactured and constitutes the biggest share of substances outsourced by the Group after wood, with 21% of the total weight. Aluminium and steel, instead, are both purchased as semi-manufactured and raw materials, and their usage is limited to a small share at approximately 1% and 2% of the total materials bought throughout the year. On the contrary, some of the semi-manufactured materials, such as chair legs, are instead outsourced from China.

For B&B Italia Group, sourcing and procurement are fundamental steps in its practices since they influence the sustainability of its entire production processes, The monitored outsourcing from selected suppliers can lead to the avoidance of hazardous materials and, where feasible, to the use of natural, non-toxic, and recyclable components. Examples of this approach include using wood from trees at the end of their lifecycle, as well as trials with innovative and sustainable components. In fact, to be even more sustainable, wood used by Arclinea, is provided by FSC® certified suppliers (for further details see § “FSC® certified wood”). Specifically, top quality wooden slats are used for kitchen-front panels, whilst lower quality grades are employed for backing sections.

Moreover, in 2022, to align with more sustainable practices, the company has started substituting plastic components with water-repellent wood, a material intended to mitigate the impact of the products along their lifeline. In addition, another innovative component used is a new formulation of polyethylene entirely recycled and recyclable, adopted for the main structure of Le Bambole. The material ensures the same quality and strength of the original design, but its sustainable features extend the usage of certain components even beyond the life of the sofa. In addition, the employment of polyurethane foams for the new collection was reduced by 75% in comparison to previous lines.

Moreover, the Group has recently started to search for an alternative to polyurethane used in production: polystyrene and polyethylene have been selected as potential substitutes, since they are more resistant, easier to manage than traditional alternatives and fully recyclable.

Finally, materials circularity is another important aspect of B&B Italia's operations: for example, leather and fabric scraps are sold to an external company that uses them in their production cycles.

FSC® certified wood

The Forest Stewardship Council® (FSC®) is an international, non-profit NGO, offering a forest certification system recognised internationally. This certification aims at ensuring proper forest management and traceability of related products.

Since 2013, Arclinea* has implemented a Management System that complies with the principles and standards of the FSC®. As a result, 100% of Arclinea's wood supply and products can be FSC® Mix certified, thus guaranteeing that wood is supplied from FSC®-certified forests, recycled material, or controlled wood.

In 2018, B&B Italia** started working on unique products produced only with FSC® Mix certified wooden components.

B&B Italia's goal is to further increase the application of the FSC® Mix certification to its wooden products, by constantly integrating the list of parts subjected to the certification, with the goal of ensuring the sustainability of the supply of wood. Moreover, B&B Italia works together with designers in order to provide certified wood, if requested.

* Licence Code FSC-C118694, ** Licence Code FSC-C142045



The importance of sustainable sourcing

B&B Italia Group relies on a solid network of suppliers of materials, finished and semi-finished products and contractors which assemble finished products. The Group is keen on investing on local suppliers: over 90% of these partners are based in Italy and most of them in the Lombardy, Veneto, Marche, and Emilia Romagna regions: proximity to suppliers enables B&B Italia and Arclinea to collaborate closely with artisanal experts on complex high-quality works and to foster a continuous dialogue with them. As a result, in 2022, B&B Italia Group purchased approximately 85% of its materials' procurement volumes from Italian suppliers.

Moreover, the Group seeks to establish long-lasting relationships with its suppliers, built on a strong sense of partnership and trust, informed by its values – ethics, transparency, and innovation. Suppliers are often involved since the first phase of product design, communicating directly with the R&D Centre and the Quality Department to select and apply the newest technical solutions.

The Group is also keen on making sure its suppliers are constantly evaluated, to ensure that they hold the same ethical principles of the Group. To do so, when signing B&B Italia's purchasing conditions, suppliers also accept the Company's Code of Ethics, the Organisational, Management and Control Model pursuant to Italian Legislative Decree No. 231/2001 as well as health and safety regulations. In addition, B&B Italia lays down specific quality checks throughout the procurement chain, from raw materials to finished products, according to the specifications of the various items purchased: the vendor list is updated every year with a thorough assessment of suppliers' technical, economic, and quality performance.

Qualifying suppliers is fundamental for the Group: before starting a new commercial relationship, B&B Italia Group requires each potential supplier to submit a data sheet setting out relevant information. When adverse findings are encountered, partners must implement a set of specific actions. If instead the outcome of the assessment is positive, the supplier is included in the qualified vendors list.

To help maintain quality at all levels, B&B Italia Group's Quality Department undertakes both scheduled and unscheduled visits to supplier's plants, in addition to quality checks at the reception of materials and products, allowing an in-depth knowledge exchange of the respective partners' operating practices.

Furthermore, for outdoor finished products, whose production is mainly based in Bosnia, Indonesia, China, and the Philippines, Arclinea provides precise tender specifications to its suppliers. Partners must comply with these specifications and, each time an additional production line is established, Arclinea's inspectors conduct specific controls.

Environmental impacts across operations

The environmental characteristics currently monitored and managed by the Group represent the Companies' most relevant impacts, which include the use of materials, components and packaging consumed, energy consumption, Greenhouse Gas (GHG) emissions and waste management.

Moreover, in recent years, the Group increased its efforts in the monitoring and management of the environmental impacts of its sites, by implementing Environmental Management Systems to ensure full compliance with applicable laws and regulations. Between 2020 and 2022, no incidences of non-compliance with environmental laws and regulations were recorded. One of the applicable standards implemented by Arclinea is the ISO 14001, which provides requirements and guidance for the management of environmental topics.

Energy consumption

B&B Italia Group monitors and constantly rationalises its energy consumption through several energy efficiency initiatives, such as the energy monitoring systems in the Novedrate and Misinto plants and the new, highly energy efficient air conditioners in the Novedrate plant.

Moreover, in 2022, a new heating plant was activated in the Caldogno site, with the objective of maximising energy efficiency while reducing the overall consumption of the company: the implementation has subsequently led to a spike in GPL used throughout the year. A similar heating plant had previously been installed in Misinto, to reduce the overall heating expenditure.

In addition, in recent years, B&B Italia and Arclinea both worked to revamp the air intake system: this new methodology allows the airflow to be regulated based on actual needs instead of a usual constant-flow system, thus generating energy savings while avoiding unnecessary consumption.

Moreover, both Arclinea and B&B Italia have been working to replace conventional lighting with LED ones, to boost the overall energy efficiency of its sites and shops. This has been done in the Misinto and Novedrate plants, which now use LED lights in respectively 100% and 80% of their spaces, and, similarly, by Arclinea, in its Caldogno site. The company intends to cover 100% of its total surface with LED lights in the coming years, with the aim of reaching 100% of the total surface area within the coming years. Moreover, a similar initiative was put in place in B&B Italia's NY58 shop in New York: the initiative aims at upgrading the space and increasing energy savings for the shop.

Finally, the Group completed the purchase of Guarantees of Origin (GO) certificates in 2021 for all its production plants (Misinto, Novedrate and Caldogno), with contracts validity starting from the beginning of 2022. These certificates are issued within the European Union energy market as proof of electricity produced by renewable sources: with their purchase, B&B Italia and Arclinea have reached one of their ESG target, since they now outsource 100% of their electricity from renewable sources.

Between 2021 and 2022 the total energy consumption decreased by 8.8%: this trend is due to increasingly warmer seasons, which subsequently require reduced heating needs during peak months. In addition, following the surge in energy prices after the start of the war between Russia and Ukraine in 2022 B&B Italia has started monitoring more closely its natural gas consumption.



Delving deeper into the topic, the Group's total energy consumption is directly supplied by different sources. Natural gas constitutes the main share (50% of overall consumption), followed by electricity, which represents 31% of total consumption. Wood offcuts (12%) and fuels like fuel oil and diesel (around 6%) have important quotas as well. The spike in LPG used in 2022 is justified by heating needs in Arclinea's site during autumn months and to the installation of a new heating system. In fact, both consumption figures related to fuel oil and wood offcuts decreased considerably in 2022, respectively by 79% and 21% compared to 2021. To further decrease heating consumption, Arclinea has installed thermostats to monitor the temperature to switch off automatically the heating system after reaching a set temperature.

On the other hand, the increase in gasoline and diesel consumption is justified by a rise in B&B Italia Group's travels by car with respect 2021. B&B Italia Group's Energy Intensity Index, measured as the ratio between energy consumption and revenues multiplied by a factor of 1,000, amounted to 267.8 GJ/K€ in 2022, showing a decrease from 2021 due to higher revenues and an overall lower energy consumption. The figure is representative of the Company's achievements with respect to the implementation of energy efficiency measures within its plants.

ENERGY CONSUMPTION AND ENERGY INDEX	Unit	2020	2021	2022
Natural gas	GJ	32,293	43,336	37,668
Wood offcuts	GJ	6,188	11,405	9,058
Electricity	GJ	20,268	22,601	23,496
Gasoline	GJ	29	21	60
Fuel oil	GJ	3,918	3,173	681
Diesel (vehicles owned and leased)	GJ	2,419	2,845	3,464
LPG	GJ	-	0.3	1,631
Total energy consumption	GJ	65,115	83,381	76,057
Energy intensity index (energy/revenues)	(GJ/k€)	348	330	268

GHG emissions

In accordance with the GHG Protocol Corporate Accounting and Reporting Standard, B&B Italia Group identified and monitored all relevant direct GHG emissions (Scope 1) and indirect emissions resulting from energy purchased (Scope 2). Biogenic emissions from biomass combustion (wood offcuts for heating in Caldogno) are reported outside of Scope 1, since they are sequestered by organic matters, meanwhile the residual emissions (generated by NO2 and CH4 that are not absorbed during plant growth) amounted to 23 tCO₂eq and showed a downward trend from 2021 (where they were 42 tCO₂eq).

Furthermore, the Group estimated the indirect emissions occurring outside of its Companies (Scope 3). From 2022, to deepen its understanding of the emissions linked to its value chain, B&B Italia Group, in accordance with Design Holding, decided to expand the monitoring of Scope 3 emissions, by including new categories in its GHG inventory: "Downstream Transportation", "Use of sold products" and "End-of-life treatment of sold products". The table shows the description of all the Scope 3 emission categories that fall within 2022's GHG inventory

REPORTED GHG SCOPE 3 EMISSIONS CATEGORIES ⁵	DESCRIPTION
1. Purchased goods and services	Upstream emissions from the production of products purchased or acquired. The category includes both goods (tangible products) and services (intangible products).
2. Capital Goods	Upstream emissions from the production of capital goods purchased or acquired.
3. Fuel and energy-related activities	Emissions related to the production of fuels and energy purchased and consumed.
4. Upstream transportation and distribution	<p>Emissions associated with the transportation and distribution of products purchased in the reporting year, between a company's tier 1 suppliers and its own operations in vehicles not owned or operated by the reporting company.</p> <p>Emissions related to the transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics (e.g., of sold products) and transportation and distribution between a company's own facilities.</p>
5. Waste generated in operations	Emissions from third-party disposal and treatment of waste generated by the Group's owner or controlled operations.
6. Business travel	Emissions related to the transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics (e.g., of sold products) and transportation and distribution between a company's own facilities.
7. Commuting	Emissions from third-party disposal and treatment of waste generated by the Group's owner or controlled operations.
9. Downstream Transportation and Distribution	Emissions from the transportation of employees for business-related activities.
11. Use of sold products	Emissions from the transportation of employees between their homes and their worksites.
12. End-of-life treatment of sold products	<p>Emissions from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company.</p> <p>Emissions from the use of goods and services sold by the reporting company in the reporting year.</p> <p>Emissions from the waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life. This category includes the total expected end-of-life emissions from all products sold in the reporting year.</p>

Both Scope 1 and Scope 2 emissions recorded a decrease from 2021 levels, due to a reduction in emissions from fuel oil used for heating in the Caldogno plant and from natural gas heating, as reported by the trends previously highlighted in terms of energy consumption.

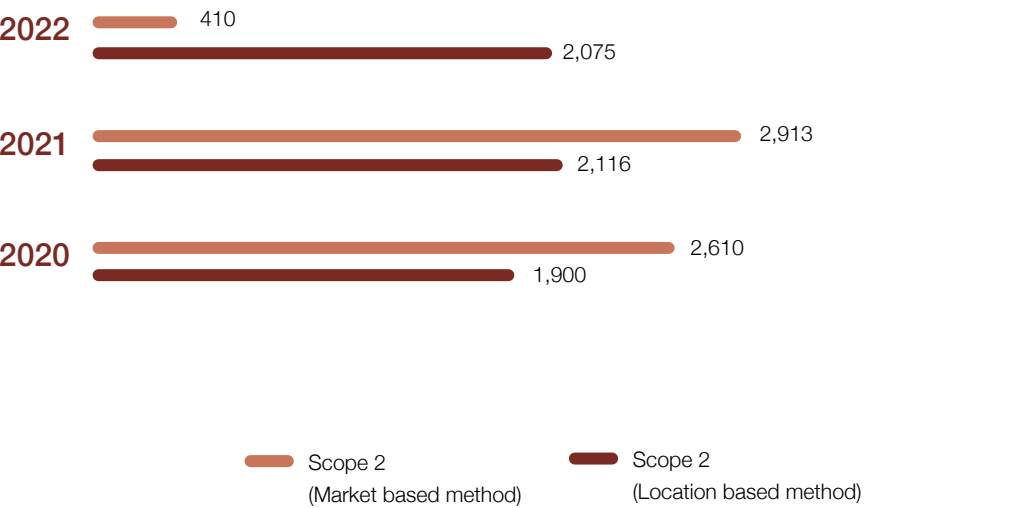
Specifically, Scope 1 emissions amounted to 2,693 tCO₂eq compared to 3,074 tCO₂ eq in 2021. This translates into a decrease of 12% in emissions.

Specifically, Scope 1 emissions amounted to 2,693 tCO₂eq , showing a 12% decrease from 2021 levels. New heating plants have been activated in Novedrate and Misinto: the latter has already led to emission reductions of approximately 30% from the previous reporting year.

In 2022, Location-based Scope 2 emissions amounted to 2,075 tCO₂ compared to 2,116 tCO₂eq in 2021: emissions have remained stable overall.

As anticipated in the previous reporting year, a sharp reduction in Scope 2 Market-Based emissions has been registered: starting from 2022, the Group has opted for electricity generated from renewable sources and certified with Guarantees of Origin (GO), which has led to a steep decline in emissions from electricity purchased, dropped from 2,913 tCO₂eq to 410 tCO₂eq in 2022.

Indirect Emissions - Scope 2 Market and Location based method



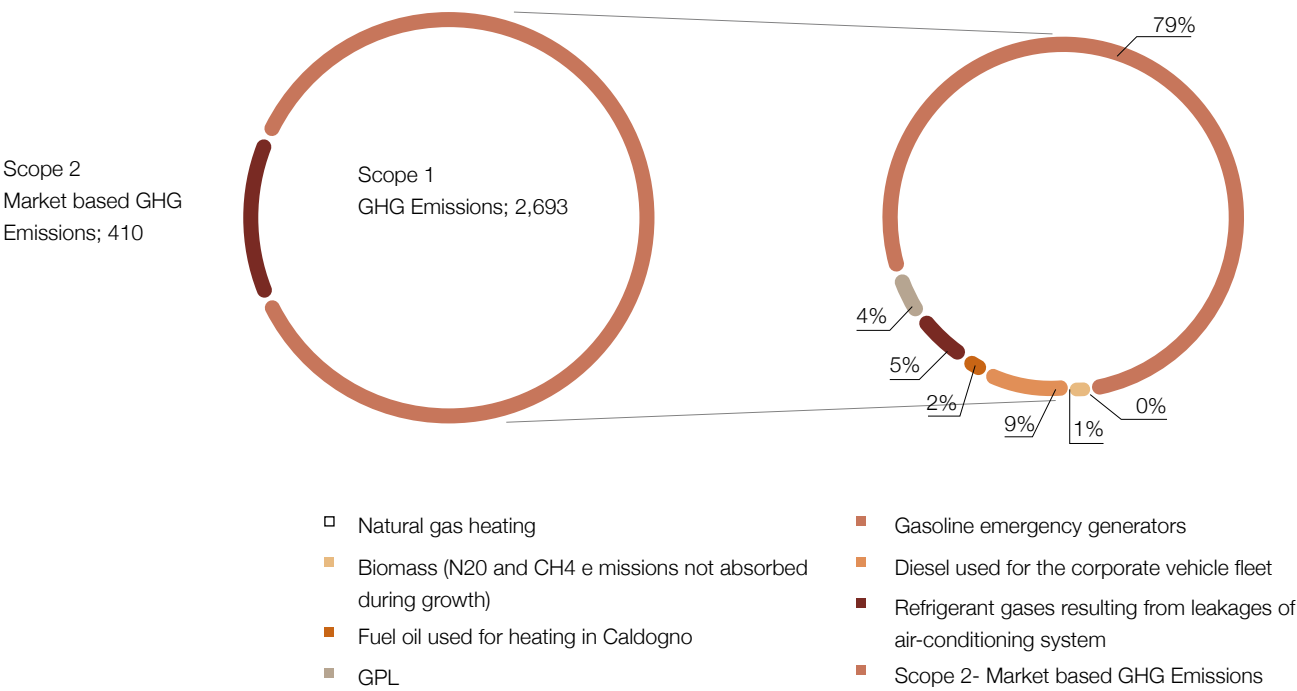
The majority of the GHG emissions generated by the Group are related to Scope 3 emissions, which account for 95% of total emissions for the 2022 (when considering Scope 1, Scope 2 Market Based and Scope 3). The main category is “purchased goods and services”, which represents 71% of all Scope 3 emissions: in 2022, the category has been evaluated following an average spend-based method, which uses the financial value of the purchased goods and their industry average emission factors to estimate the overall emissions produced. This methodology differs from the one used in previous reporting years, the so-called activity-based method, which instead estimates the GHG emissions based on internal data collected by the company or its suppliers.

The variations concerning “upstream transportation and distribution” and “business travels” can be justified by a change in the methodology adopted by the Group in the evaluation of Scope 3 emissions as well as by an overall improvement in data quality and availability.

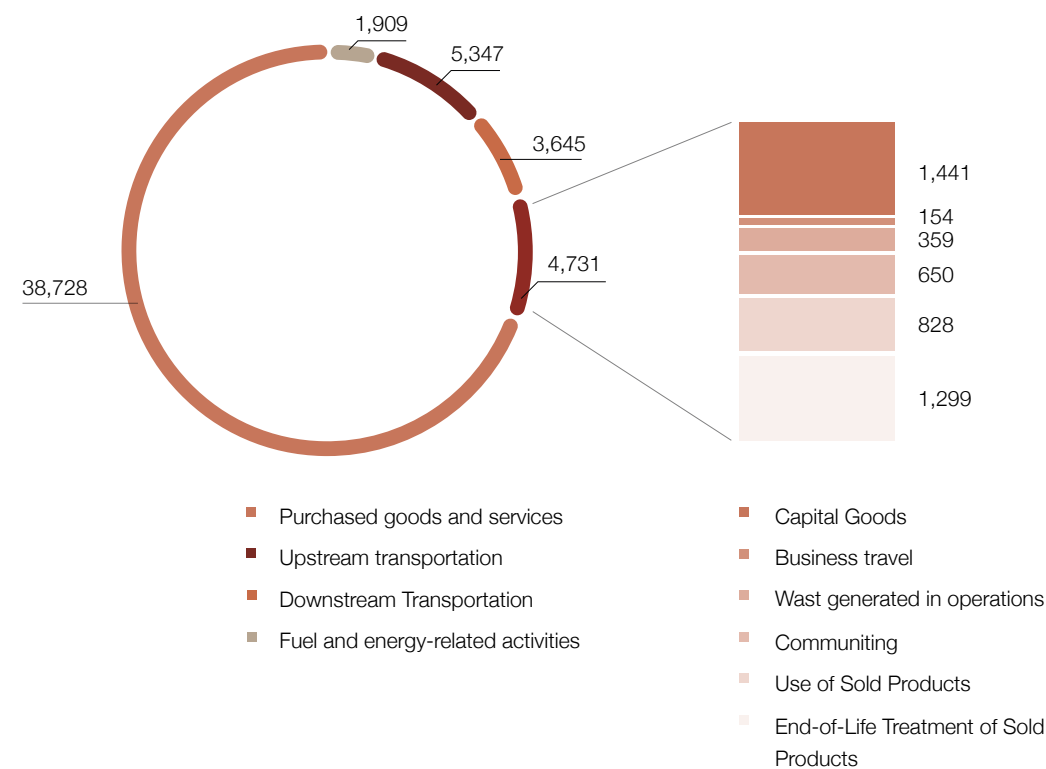
In addition, as previously stated, three new categories were added, in accordance with the GHG Protocol Corporate Accounting and Reporting Standard: “downstream transportation and distribution”, “use of sold products” and “end-of-life treatment of sold products”.

5. The Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard – Revised edition.

Scope 1 and Scope 2 - Market Based GHG Emissions



GHG Emissions - Scope 3 Categories (2022)



Carbon offsetting projects

As a complement to B&B Italia S.p.A.'s initiatives to manage and reduce its absolute greenhouse gas ("GHG") emissions, the Company has since 2020 purchased carbon credits to compensate for ("offset") its [residual] Scopes 1 and 2 operational emissions. The Company's primary climate mitigation approach is to reduce its absolute carbon emissions over time. Through the purchase of carbon credits, B&B Italia S.p.A. also provides carbon financing to climate mitigation projects beyond its value chain. As each credit corresponds to the reduction (or removal) of one ton of CO₂ equivalent (CO₂e), the Company can – under voluntary carbon market standards and guidance – claim it has reached carbon neutrality (Scope 1 and 2) each year by purchasing credits to offset its [residual] emissions. From the outset, the two projects from which B&B Italia S.p.A. has purchased carbon credits are the "Great Bear Forest Carbon" and the "Guatemalan Conservation Coast" projects. These two projects were chosen because of their strong credentials on environmental and biodiversity issues as well as their social initiatives.

Great Bear Forest Carbon project⁶, Canada

The Great Bear Forest covers c. 6.4 million hectares of north and central coast in British Colombia in Canada and is home to the First Nations people who have inhabited this land for up to 10,000 years. This rare and rich ecosystem is also home to rare species of plants and animals (including the Kermode Bear). The aim of this project is to improve forest management in the region, generating emission reductions through the protection of forest areas that were previously designated, sanctioned or approved for commercial logging. The project activities include changes in land-use legislation and regulation that result in the protection of forest areas and reduction of harvest levels.

Guatemalan Conservation Coast project⁷, Central America

The Guatemalan Conservation Coast programme works to address the drivers of deforestation through effective law enforcement, land-use planning, education, economic opportunities, and sustainable agroforestry initiatives. Some of the most important project achievements to date are the protection of 30 threatened tree species including the Baird's tapir and West Indian manatee, the protection of 54,157 hectares of threatened forest in the Mesoamerican Biological Corridor and the creation or support of 1,141 jobs for indigenous and local communities (41% held by women).

6. The Great Bear Forest Carbon project is registered on the British Columbia Registry under three different projects: Great Bear (South Central Coast) 104000000011319, Great Bear (Haida Gwaii) 104000000011559 and Great Bear (North and Central-Mid Coast) 104000000012798 aims to generate Improved Forest Management and reforestation-based carbon credits.

7. The Guatemalan Conservation Coast project is registered on the Verra registry, REDD+ Project for Caribbean Guatemala: The Conservation Coast 1622, applies Verra's Verified Carbon Standard (VCS Standard v4.3 VM0015) and the Climate, Community and Biodiversity Standards v.3.1, and will generate carbon credits from avoided unplanned deforestation representing c. 22 million tonnes of CO₂e.

Waste

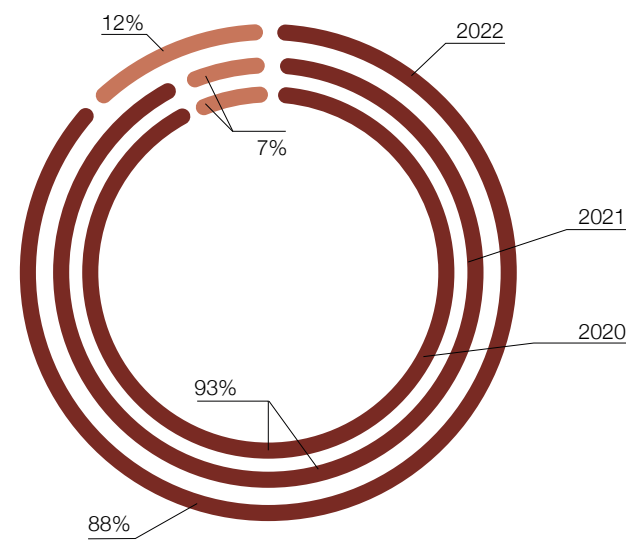
B&B Italia monitors and manages its waste production and disposal, in compliance with national laws and regulations. Waste generation is mostly related to packaging, such as paper, cardboard, mixed materials packaging, and production residues.

The total waste produced in 2022 amounted to 1,388 tons, showing a decrease of 13% from 2021 values. This downward trend is due to a lower amount of wood and non-municipal waste disposed by the Group. Moreover, even though the percentage of B&B Italia Group's recycled waste slightly decreased with respect to 2021, it accounted for 88% of the total waste produced throughout the year. To conclude, the overall amount of non-hazardous discharges decreased from 1,539 tons to 1,335 tons in 2022, meanwhile no variation has been recorded for hazardous waste generated yearly, since the figure has remained stable between 2021 and 2022.

Hazardous vs Non-hazardous waste



Recycled vs non recycled waste





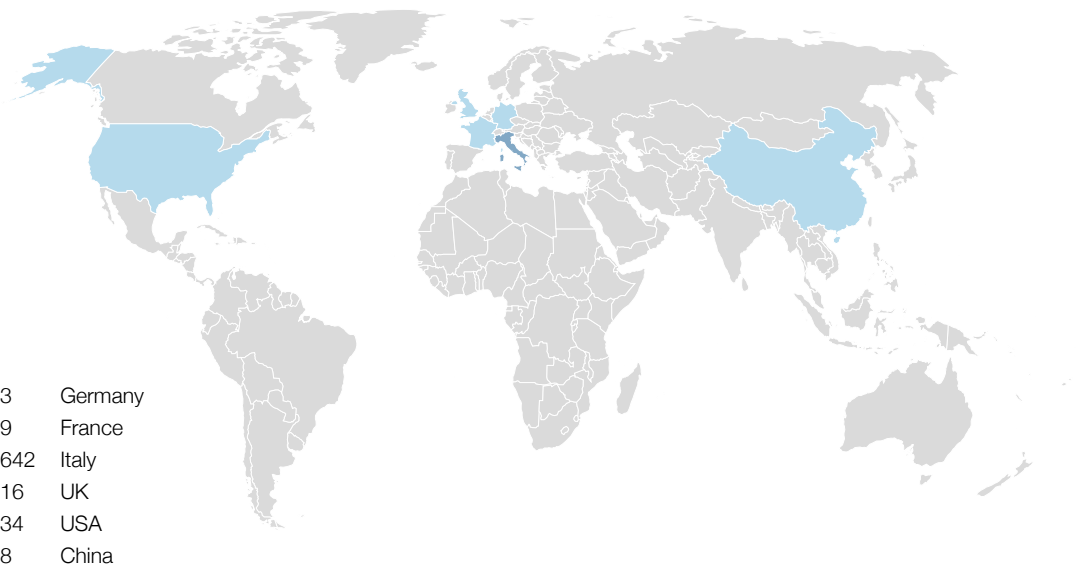
Promotion of
valuable relationships

People of the B&B Italia Group

The Group's mission is to provide long-lasting value for its clients, making the B&B Italia Group has always placed an emphasis on creating a working environment based on positivity, trust, and strong relations with its local community. The ability to build and maintain these ties over time reflects the Group's commitment to integrity and dialogue with its employees and to contributing to the social and economic wealth of the areas in which the Group's companies are located – so more so when considering that most of the Group's employees reside in the plants' surrounding areas.

At the end of 2022, B&B Italia Group's employees totalled 712, recording an increase compared to 2021, mainly due to an expansion of business activities. The majority of the Group's employees work in Italy, and they constituted 90% of the personnel in 2022. Due to the nature of its business, the largest share by employment category is represented by factory staff, which constitute 50% of all employees.

Distribution of employees by country



The contractual basis for company employees reflects B&B Italia Group's commitment to building stable and positive relationships with its employees. Indeed, in 2022, 94% of employees had a permanent employment contract, an overall stable figure across the last three years. Similarly, the percentage of those with full-time contracts recorded an increase compared to 2021, representing 97% of the employment contracts signed by the Group in the reporting year.

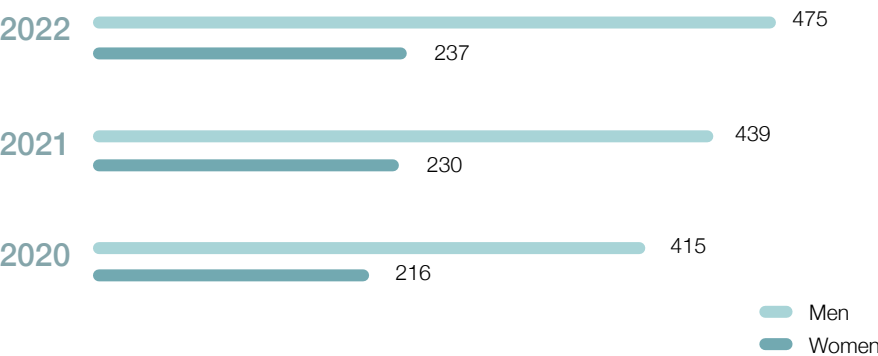
Employees by type of contract



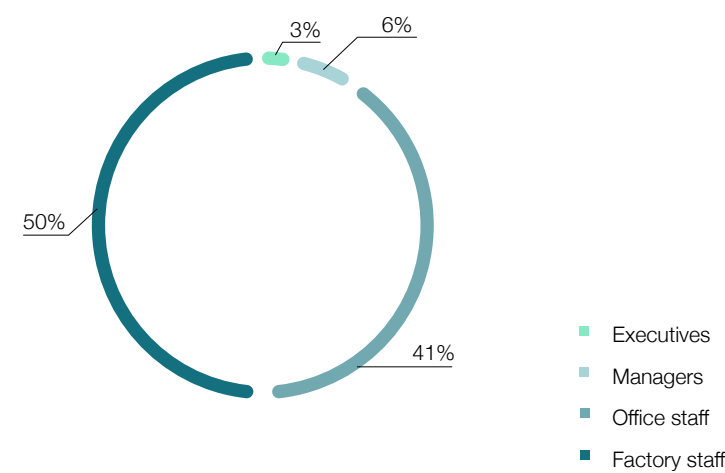
This is a clear indication of B&B Italia Group's commitment to retaining its employees. In fact, talent attraction and retention are topics of fundamental importance for the Group, which strives to ensure an inclusive, agile, and welcoming environment for all its employees, while also guaranteeing fair wages.

In the last three years, B&B Italia Group recorded a positive ratio in terms of gender diversity among its workforce: the prevalence of male over female employees is justified with the overall preponderance of men in manufacturing activities, due to nature of the activities workers are subjected to along the production line, such as handling and lifting heavy products and structures. Males, in fact, represent around 67% of total employees in 2022. Moreover, 50% of the total population of the Group is characterized by employees between 30 and 50 years of age, meanwhile the percentage of employees over 50 years remained almost stable in between 2021 and 2022, characterizing 37% of the total employees of the Group. Finally, people younger than 30 constitute the smallest range depicted, with 90 employees accounting for 13% of the total Group employees.

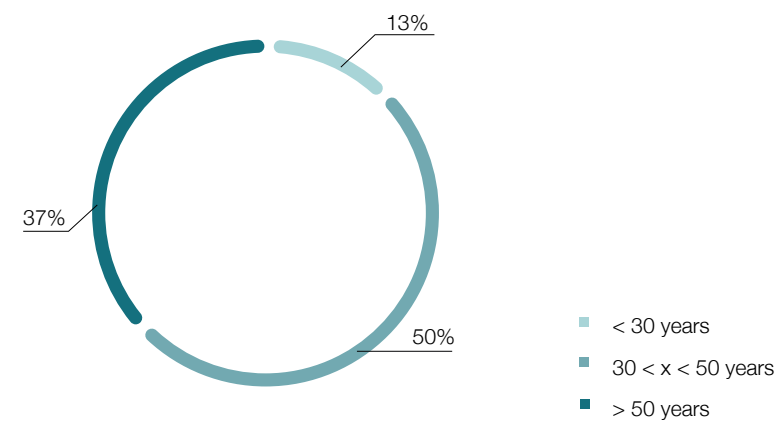
Employees by gender



Employees by employment category, expressed in percentages (2022)



Employees by age range, expressed in percentages (2022)



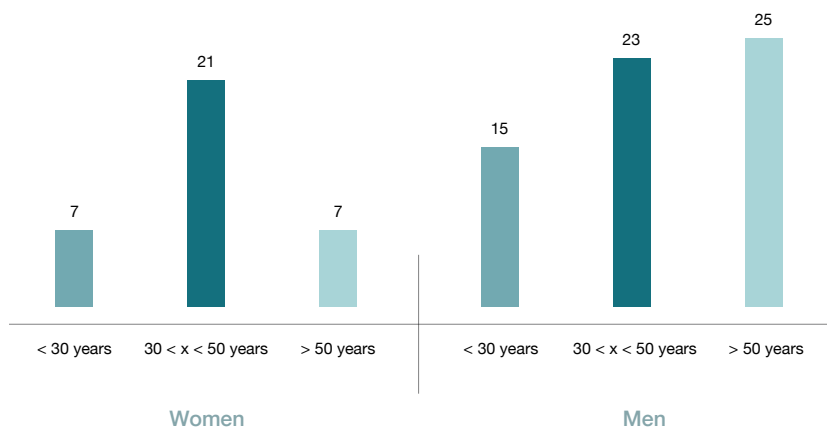
Furthermore, B&B Italia Group’s attention towards employees resulted in relatively low or stable turnover rates between 2020 and 2022, which are calculated as the number of staff leaving the Group, out of the total number of employees in the previous year. The turnover rate registered in 2022 is 14%, showing a slight increase with respect to 2021 figures (9%). Voluntary resignations in 2022 represented 58% of the total number of terminations.

Similarly, the hiring rate – measured as the ratio between the number of new hires and total employees at the beginning of the reporting year – grew slightly from 2021, going from 15% to 20% in 2022. Out of the hirings, 38% were male employees between 30 to 50 years of age.

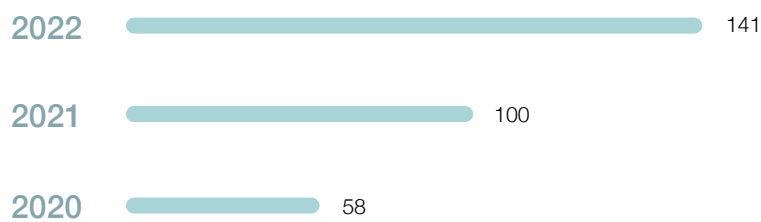
Total employees terminations



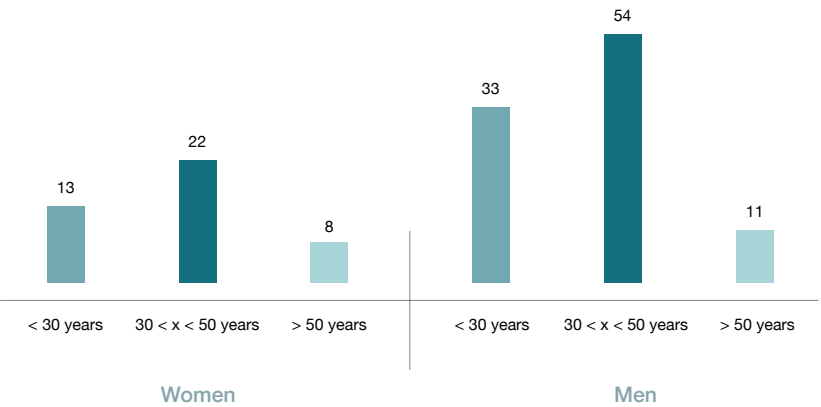
Total employees terminations, by age and gender (2022)



Total employees hirings (2022)



Total employees hirings, by age and gender (2022)



B&B Italia Group is committed to enhance diversity and equal opportunities in employment and condemns discriminatory practices. Regarding the salary ratio between women and men, 2022 showed a slight improvement in wage differences compared to 2021. The ratio across employment categories is 94% for executives and managers, meanwhile it remained almost stable for factory staff (97% in 2022 against 96% in 2021). Finally, the ratio between overall remuneration for females and males in executives' positions is 102% while office staff raised at 97%.

RATIO BETWEEN BASIC SALARIES FOR FEMALES AND MALES	UNIT	2020	2021	2022
Executives	%	84	87	94
Managers	%	93	90	94
Office staff	%	85	88	90
Factory staff	%	96	96	97

RATIO BETWEEN OVERALL REMUNE-RATION FOR FEMALES AND MALES	Unit	2020	2021	2022
Executives	%	88	87	102
Managers	%	91	96	96
Office staff	%	84	87	97
Factory staff	%	89	90	83

Finally, starting from 2022, the Group has adopted a brand new “Total Rewards” approach, which covers benefits, compensation, and rewards. This new method has been adopted to strengthen B&B Italia Group’s efforts with respect to people management and it is constituted by four pillars: Compensation (pay and monetary bonuses), Benefit (pension, health plans and insurance), Development (career paths, performance management, training) and Work Environment (organizational culture and leadership). The pay range is established based on market and internal values of the specific role evaluated, and one-off bonuses can be rewarded to employees with tracked good records but who are ineligible for wage increases since they have already reached the top of their rate ranges.

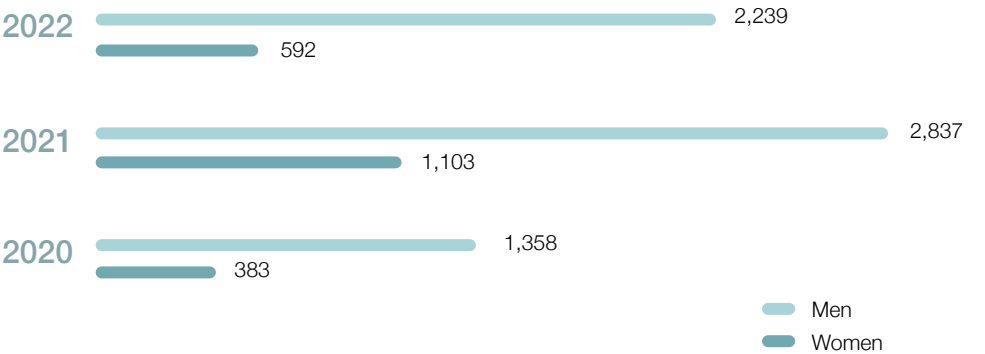
In addition, starting from 2022, the performances of B&B Italia’s executives and office clerks were assessed according to a specific set of KPIs as well as to Leadership components. The review is based on both quantitative and qualitative evaluations based on the achievements obtained and the execution of tasks throughout the reporting year. After the assessment is completed, a formal pay rise request is issued to Design Holding for approval and becomes effective only if consensus is obtained.

Training and welfare activities

B&B Italia Group considers the upskilling of its employees vital to provide quality and innovative solutions to its customers. Each year the Group conducts a series of training activities, ranging from purely technical (i.e., technical applications and design software, regulatory updates on national and international commercial practices, etc.) to soft skills ones, such as courses in foreign languages or on public speaking. Since 2021, B&B Italia Group can count on “Logic Learning” training suite, a mandatory academy for all its employees located in Italy touching upon several technical topics, among which sustainability and product certifications.

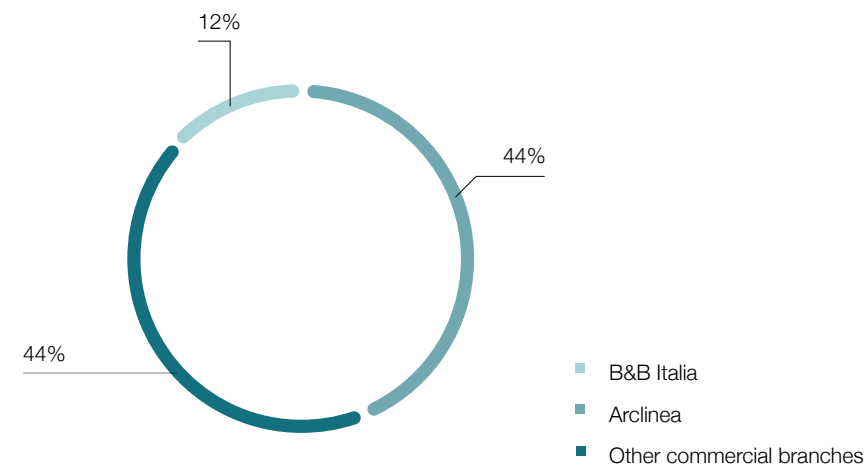
In addition, to support employees during their initial time in the Company, Arclinea organises a specific training programme lasting approximately 80 hours, other than trainings on sustainability topics. The activities are implemented to raise awareness among workers on environmental and social matters, but also to further specialize them by providing technical knowledge on LCAs.

Training hours per Employee, by gender



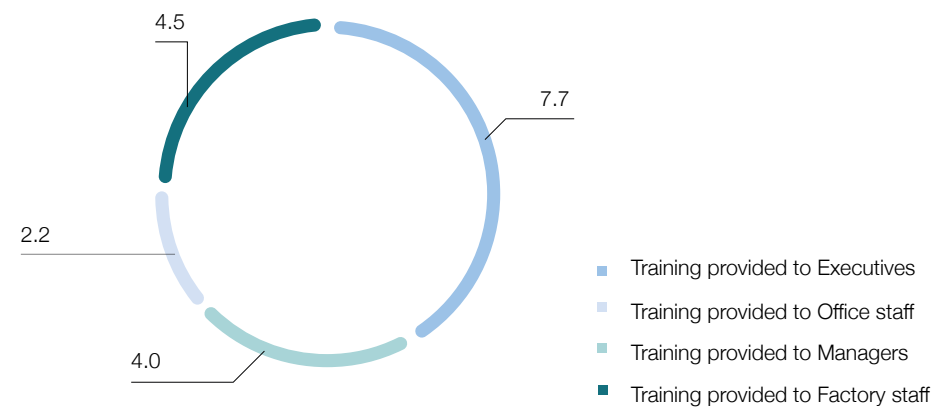


Total training hours by legal entity, expressed in percentages (2022)



Since 2020, the total number of training hours increased by 63%, highlighting the continuous effort of the Group in upskilling its employees' knowledge and technical know-how though the years

Average training hours by category per person (2022)



Concerning welfare initiatives, since November 2017 B&B Italia has offered to its employees transportation and assistance services for disabled relatives of family members, in partnership with the Associazione Anteas Onlus. Finally, B&B Italia has implemented smart working policies based on mutual trust, autonomy, and accountability, ensuring remote work for all the employees eligible for this hybrid way of working.

Arclinea has proposed several team building activities to facilitate social interactions between employees coming from different geographical areas and to identify more effectively issues and improvement areas for the company. However, smart working is still limited due to the nature of the manufacturing activities of the company.

Furthermore, B&B Italia has an agreement with Synlab in Monza, thanks to which the medical centre offers medical diagnosis and treatments at favourable rates to B&B Italia staff. The Group has also extended, above and beyond those stipulated in Italian collective agreements, the range of circumstances in which employees may draw upon severance indemnity.

Health and safety at work

Safeguarding employees' health and safety is at the core of B&B Italia Group's corporate culture. Over the past few years, the Group has focused on increasing its employees' awareness of potential health and safety hazards connected to their work activities. In 2022, the reported injuries were 9: 7 of the injuries happened in B&B Italia S.p.A., while the remaining 2 in the Arclinea's Caldogno. All 9 incidents were of minor significance. In the last three-year period, neither injuries with serious consequences and fatal injuries, nor occupational diseases were recorded.

HEALTH AND SAFETY INDICES	UNIT	2020	2021	2022
Worked hours ⁸	hours	999,111	1,167,785	1,255,270
Number of injuries ⁹	n.	8	8	9
Occupational diseases	n.	-	-	-
Injury rate [number of injuries/ hours worked x 1,000,000]	n./hours	8.0	6.9	7.2

The Health & Safety Management System of B&B Italia establishes the framework of internal rules and risk mitigation action plans: the Company conducts specific analysis to evaluate the risk of relevant accidents occurred due to polyurethane flammability, with the support of specialised external staff in compliance with the Legislative Decree No. 105/15 on the Prevention of major-accident hazards involving dangerous substances. The focus is on polyurethane because it releases dangerous substances when burnt at high temperatures. In fact, B&B Italia adopts strict preventative safety, storage, disposal measures. To increase employee awareness and knowledge on safety systems, B&B Italia has also set up an internal info-point on safety procedures at its Misinto facility. Every four months, the Group arranges a meeting with the Safety Representative for Workplace Safety which includes a safety training programme.

Arclinea has also obtained the UN ISO 45001:2018 standard, which ensures an update to the risk assessment for all the activities and internal processes along the company's production chain, to prevent the occurrence of injuries and occupational diseases.

8. Data included both B&B Italia Group employees and subcontractors.

9. No injury occurred to workers other than B&B Italia employees.

Active contribution to the community

B&B Italia Group sponsors several initiatives in collaboration with local and national schools and institutions with the aim of attracting new talents and facilitating young people's access to work opportunities. Indeed, in 2023, B&B Italia has collaborated with ENAIP, promoting an internship programme to support students in their first work experience.

Moreover, in the Monza and Brianza province, the Group has implemented a similar initiative in collaboration with Fendi DQM, a brand under Design Holding: the purpose of the project is to reduce the current mismatch between education and occupation in the local areas in which it operates. B&B Italia has offered apprenticeships to two students from C.F.P. (Centro di Formazione Professionale) "Giuseppe Terragni", located in Meda, as well as guided visits for the students at the institute to its Novedrate and Misinto plants.

Furthermore, since 2018 B&B Italia has funded three scholarships for deserving students of the Misinto municipality in the interests of supporting its local community's social and cultural development.

In parallel, Arclinea actively contributes to the strengthening of the technical skills of local manufacturers: for example, in 2022 the company participated to a regional announcement for the formation of carpenters.

In 2022, Arclinea financed a three-years PhD research program in collaboration with the IUAV University (formerly Istituto Universitario di Architettura di Venezia) in Venice, Italy. The research study will mostly focus on the influence of social behaviours, environmental factors, and new food and alternative proteins technologies at home, and will be conducted by merging scientific research and new design methodologies.

Additionally, B&B Italia Group is constantly determined not only to maintain the values of integrity and mutual trust that it fosters with its employees, but also to continue sponsoring philanthropic initiatives, actively contributing to social progress. Since 2015, B&B Italia has supported several charity initiatives combating cancer, by donating to the Cancro Primo Aiuto Onlus, an association that helps cancer patients in Lombardy, as well as to "Il Mantello", an association that focuses on palliative care support and patient welfare.

Additionally, since 2021, B&B Italia Group has made donations to support two organizations: ActionAid Italia and Love Design. The first one is an international association committed to fighting poverty and injustice, improving the education system in poor areas and combating violence against women, ensuring access to resources and respect for fundamental rights. The second one occurred on a biennial design event organised by AIRC (Italian association for cancer research) in collaboration with ADI (Association for industrial design): the event aims to transform products generously donated by companies into resources for cancer research. This event, launched in 2003 under the name "The design supports the research" is an opportunity to achieve a different kind of solidarity, where the best design brands and visitors tangibly help to raise funds for Italian cancer research.

Moreover, in 2022, Arclinea devolved donations to the organization "Bambini delle Fate", a social enterprise based in Castelfranco Veneto, in the province of Treviso. The local association organizes projects, fundraisings and awareness campaigns for children and young adults with disabilities and autism. Another initiative Arclinea has contributed to in 2022 is the devolvement of financial resources to guarantee a more inclusive local mobility: the company has supported the municipality in which it operates by granting funds for the purchase of Wheelchair Accessible Vehicles. In addition, the efforts of the company in ensuring more inclusive communities are further extended to its value chain. In fact, Arclinea has been outsourcing supplies from a cooperative which supports young adults with the down syndrome by offering them job opportunities.

Since the protection of Italian cultural heritage is at the core of the Group's ethical principles, B&B Italia is also a Corporate Golden Donor of FAI (Fondo Ambiente Italiano or National Trust for Italy), an Italian foundation with the objective of protecting and promoting the country's artistic, wildlife and landscape heritage.



Methodological note

Reporting principles and criteria

This report has been prepared with reference to the GRI Standards 2021. The contents of this report reflect the materiality analysis conducted by Design Holding, included in its Sustainability Report 2022.

B&B Italia Group has been a signatory to the United Nations Global Compact (UNGC) Initiative since 2016: the UNGC is a call for companies to voluntarily align their operations and strategies with ten universally accepted principles, focused on the safeguard of human rights, fair labour practices, environment protection and corruption prevention. For this reason, B&B Italia Group includes clauses concerning labour conditions and on respect for human rights in its Code of Ethics to mitigate social risks in its value chain. Furthermore, relevant human rights issues related to the Group's activities, such as the protection of worker's occupational health and safety, are matters on which the Group is continuously committed to report upon.

Commitment to UNCG principles requires B&B Italia Group to foster sustainable development by supporting the 17 Sustainable Development Goals of the 2030 Agenda — adopted by world leaders in September 2015. The SDGs aim to end poverty and other deprivation, develop strategies that improve health and education, reduce inequality, and spur economic growth, while tackling climate change and working to preserve oceans and forests. B&B Italia Group, through its activities and initiatives, contributes to meeting eight out of 17 SDGs, as highlighted in the figure below.



Erica
Antonio Citterio

Scope of reporting

This Sustainability Report provides information on initiatives, activities and related key performance indicators and refers to the period from January 1st to December 31st, 2022. In some cases, where available and as applicable, data were presented for the three years 2020, 2021 and 2022. Information refers to B&B Italia S.p.A., Arclinea Arredamenti S.p.A. and, where applicable, comprises data related to commercial branches and foreign affiliate companies: B&B Italia USA Inc., B&B Italia London Ltd., B&B Italia München GmbH, B&B Italia Paris SARL, B&B Asia Pacific Ltd. and B&B Furniture (Shanghai) Co., Ltd. Exclusions from this reporting scope are explicitly reported in the text. As of the date of publication of this Report, no significant event took place in 2022 requiring to be reported, in addition to what has already been mentioned in the text.

This Sustainability Report confirms B&B Italia Group's commitment to monitor and optimise its sustainability performance and strengthen its activities in the social and environmental domains. By means of this Report, the Group aims not only to comply with social expectations and to bolster communication with stakeholders concerning results achieved, but also to improve internal awareness on sustainable development.

Stakeholders and materiality

B&B Italia Group periodically performs an analysis to map and identify its key stakeholders, depending on both their dependence and their influence on the Group to better structure its sustainability commitment and actions.

Stakeholder mapping and engagement

For each key stakeholder category identified, a description of existing engagement activities is provided.

STAKEHOLDER CATEGORY	ENGAGEMENT TOOLS AND ACTIVITIES
Employees	Continuous dialogue with employees (i.e. internal communications, intranet, newsletter)
Suppliers	Continuous dialogue and periodic meetings
Dealers	Continuous dialogue and periodic meetings
Local communities	Website, press releases, social media
Customers	Website, catalogue, advertising campaigns, exhibitions and installations
Clients	Website, catalogues, fairs, advertising campaigns, exhibitions and installations, training sessions
Designers, architects and interior decorators	Continuous cooperation on research and development of new products

The following table outlines the connections between the identified material issues and the corresponding Topic-specific Disclosures. The sustainability topics reflect the most relevant impacts B&B Italia Group has through its operations and across its value chain on the economy, the environment, and people, including human rights. The impacts B&B Italia Group generates, or may generate, can be negative, if they produce harm to individuals, society, and the environment, or positive if, conversely, they generate a positive contribution to sustainable development.

MATERIAL TOPICS	GRI TOPICS
Inclusion & Empowerment	Employment (GRI 401)
	Training & Education (GRI 404)
	Diversity and Equal opportunities (GRI 405)
	Non-discrimination (GRI 406)
Business Ethics & Responsibility	Economic performance (GRI 201)
	Anti-corruption (GRI 205)
Eco-design & Circular Economy	Materials (GRI 301)
	Waste (GRI 306)
Energy & Climate Change	Energy (GRI 302)
	Emissions (GRI 305)
Responsible Sourcing & Sustainable Supply Chain Management	Supplier environmental assessment (GRI 308)
	Supplier social assessment (GRI 414)
Employee's wellbeing	Occupational Health & Safety (GRI 403)
Innovation & Product Quality	Customer Health & Safety (GRI 416)
	Marketing & Labelling (GRI 417)
Heritage & Design culture	Non GRI

Quality reporting principles

The drafting of B&B Italia Group’s Sustainability Report is conducted in accordance with principles of balance, comparability, accuracy, timeliness, clarity, and reliability, as defined by the GRI Standards. This document is a tool that allows for the identification not only of strengths and weaknesses, but also possible areas of improvement for the Group.

The data collection and reporting process is structured to guarantee the comparability over various reporting years and the clear interpretation of information by stakeholders.

B&B Italia Group’s Sustainability Report has not been subjected to external assurance.

Calculation methodologies

The methodologies and assumptions used to calculate performance indicators included in the Report are reported below.

- All data relating to injuries refer to B&B Italia Group employees, including contractors. Commuting injuries for which the transportation was not organized by the Group and first-aid cases are not included;
- Hiring and turnover rates have been calculated by using the total number of employees at the beginning of the reporting period as denominator;
- The rate of recordable work-related injuries was calculated as the total number of injuries multiplied by 1,000,000 and divided by the overall number of hours worked in the reporting period;
- Energy consumption from the fleet has been calculated starting from B&B Italia and Arclinea’s fleet (fuel consumption) available data.

The following table shows the conversion factors used to perform energy consumption calculations:

TYPOLOGY	UOM	SOURCE
Fuel density	l/t	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set, 2020, 2021, 2022
LCV (Lower Calorific Value)	GJ/t	
		UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set, 2020, 2021, 2022



Emissions of greenhouse gas emissions have been calculated based on the principles included in the GHG Protocol Corporate Accounting and Reporting Standard. As regards the GHG emissions calculation, the Group adopted an operational control approach to consolidate its GHG emissions calculation and applied the following emission factors and their related assumptions. Scope 1 emissions have been calculated as follows:

GHG EMISSIONS SCOPE 1

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
Natural gas for heating	Fuel Consumption	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set, 2020, 2021, 2022	CO ₂ equivalent.
Gasoline for heating			
Fuel oil for production processes			
Car fleet (long term leasing)			
Biomass			
Leakages of refrigerant gases from air-conditioning systems	Leakages		Global Warming Potentials (GWPs) are taken from IPCC Fifth Assessment Report (AR5) and sixth Assessment Report (AR6).

Concerning Scope 2 emissions resulting from the consumption of electricity purchased from the national grid, two calculation methodologies have been used: the location-based approach, which reflects the average emission intensity of grids considering both renewable and non-renewable productions, and the market-based approach, which reflects emissions from the electricity source that the Group has purposefully chosen through, for instance, contractual instruments.

Given that B&B Italia Group does not have contracts of any kind for the sale and purchase of energy bundled with energy generation and emissions attributes as required for a market-based method, a residual mix emission factor has been used.

Scope 2 emissions have been calculated as follows:

GHG EMISSIONS SCOPE 2 – LOCATION BASED METHOD

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Electricity purchased from national grid	Electricity consumption	Terna international comparisons on Enerdata figures, 2019, 2020	Only CO ₂ emissions were considered

GHG EMISSIONS SCOPE 2 – MARKET BASED METHOD

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Electricity purchased from national grid	Electricity consumption	AIB, European Residual Mixes, 2019, 2020, 2021 USA - Green-e Energy Residual Mix Emissions Rates, 2019, 2020, 2021	CO ₂ equivalent

In 2022, Scope 3 emissions comprise, in continuity with 2021, a selection of categories chosen according to criteria of relevance, data availability and improvement potential for future initiatives. B&B Italia expanded its Scope 3 monitoring and reporting in 2022 by adding new emission categories with the aim of furthering its understanding of its own operations at all levels of the value chain: these aspects focus on downstream transportation and distribution, use of sold products and end-of-life treatment of sold products (respectively, Scope 3 - Category 9, 11 and 12).

The calculations carried out relied on the following assumptions:

- Purchased Goods and services (Cat. 1): data includes raw materials, packaging, associated processed materials and semi-manufactured products. Two methodologies have been adopted to evaluate the category: a weight-based method, based on primary data provided by B&B Italia Group and its suppliers, and a spend-based method, using the purchased value of semi-manufactured and finished goods.
- Downstream transportation and distribution (Cat. 9): part of the emissions for Arclinea has been estimated due to data unavailability.
- Use of sold products (Cat. 11): only products sold by Arclinea were considered.

For further information regarding the categories involved in Scope 3 analysis please refer to the “GHG emissions” paragraph in the Chapter “The proper balance between product quality and impact”.

GHG EMISSIONS SCOPE 3 (2022)

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Materials and services procured (Cat.1)	Weight of raw, process and packaging materials, and finished products procured; cost of services purchased	Ecoinvent v.3.7.1 and Ecoinvent v.3.9.1 (2022) UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2020, 2021, 2022	CO ₂ equivalent
	Cost of purchased raw, processed and packaging materials; cost of services purchased	UK Department for Environment, Food & Rural Affairs (DEFRA), Table 13 – Indirect emissions from the supply chain	CO ₂ equivalent
Capital goods (Cat. 2)	Purchased production machinery, stamps, and tools	UK Department for Environment, Food & Rural Affairs (DEFRA), Table 13 – Indirect emissions from the supply chain	CO ₂ equivalent
Fuel and energy related activities (Cat. 3)	Fuel and electricity consumption	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2020, 2021, 2022	CO ₂ equivalent
Upstream logistics (Cat. 4)	Kilometers covered by airplane, truck or ship and kilometers covered by airplane, truck or ship multiplied by shipped weight	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2020 2021, 2022	CO ₂ equivalent
Waste disposal (Cat. 5)	Weight of waste disposed	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2020, 2021, 2022	CO ₂ equivalent
		Ecoinvent v.3.7.1 (2020) and Ecoinvent v.3.9.1 (2022)	

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Business travel by air, train, ship, and car (Cat. 6)	Kilometers travelled by air, train, ship and car	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2020, 2021, 2022	CO ₂ equivalent
		Ferrovie dello Stato Italiane, “Rapporto di Sostenibilità 2021”	
Employee commuting (Cat. 7)	Kilometers travelled	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2020, 2021, 2022	CO ₂ equivalent
		Ferrovie dello Stato Italiane, “Rapporto di Sostenibilità 2021”	
Downstream logistics (Cat. 9)	Kilometers covered by airplane, truck or ship and kilometers covered by airplane, truck or ship multiplied by shipped weight	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2022	CO ₂ equivalent
Energy consumed directly by sold products (Cat. 11)	Electricity consumed directly by the products sold during their entire lifetime	Terna international comparisons on Enerdata figures, 2020	Only CO ₂
Waste disposal of sold products (Cat. 12)	Weight of products and packaging sold in the reporting year, by treatment	Ecoinvent v.3.9.1 (2022)	CO ₂ equivalent
		UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2022	

In accordance with the GHG Protocol Corporate Accounting and Reporting Standard, out of scope emissions have been calculated to consider the direct carbon dioxide (CO₂) impact of burning biomass. The emissions are labelled “outside of scope” as the Scope 1 impact of these fuels has been determined to be a net zero since the fuel source itself absorbs an equivalent amount of CO₂ during its growth phase as the amount of CO₂ released through combustion.

OUTSIDE OF SCOPE EMISSIONS

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Biomass combustion - wood offcuts for heating in Caldogno	Fuel Consumption	UK Department of Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2020, 2021, 2022	CO ₂ (GWP = 1), CH ₄ (GWP = 25) and N ₂ O (GWP = 298). Global Warming Potentials (GWPs) are taken from IPCC Fourth Assessment Report (AR4)



Flair O Outdoor
Monica Armani



GRI Content Index

STATEMENT OF USE B&B Italia S.p.A has reported the information cited in this GRI content index for the period 01.01.2022 – 31.12.2022 with reference to the GRI Standards.

GRI 1 USED GRI 1: Foundation 2021

GRI 2: GENERAL DISCLOSURES 2021

ORGANIZATION	PROFILE	SECTION
2-1 Organizational details	B&B Italia Group at a glance	
2-2 Entities included in the organization's sustainability reporting	Scope of reporting	
2-3 Reporting period, frequency and contact point	Scope of reporting	
2-4 Restatements of information		Restatements and related reasons for restatements are clearly identifiable within the text
2-5 External Assurance	Quality reporting principles	
2-6 Activities, value chain and other business relationships	B&B Italia Group at a glance	
2-7 Employees	People of the B&B Italia Group	
2-22 Statement of sustainable development strategy	A message to our Stakeholders	
2-27 Compliance with laws and regulations		During the reporting period, no cases of non-compliance with laws and regulations have been detected
2-28 Membership associations	Economic performance	
2-29 Approach to stakeholder engagement	Stakeholders and materiality	
2-30 Collective bargaining agreements	Training and welfare activities	



Tobi-Ishi | Edward Barber and Jay Osgerby

GRID STANDARD

GRI STANDARD	DISCLOSURE	SECTION	NOTES
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics		
	3-2 List of material topics	Methodological note	

ECONOMIC PERFORMANCE

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Economic performance	
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	Economic performance	

ANTI-CORRUPTION

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Reporting principles and criteria	
GRI 205: ANTI-CORRUPTION 2016	205-3 Confirmed incidents of corruption and actions taken		During the reporting period, no cases of corruption have been detected.

MATERIALS

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	The continuous quest for product quality	
GRI 301: MATERIALS 2016	301-1 Materials used by weight or volume	The continuous quest for product quality	

ENERGY

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Energy consumption	
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	Energy consumption	
	302-3 Energy intensity	Energy consumption	

GRI STANDARD	DISCLOSURE	SECTION	NOTES
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	GHG Emissions	
GRI 305: EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	GHG Emissions	
	305-2 Energy indirect (Scope 2) GHG emissions	GHG Emissions	
	305-3 Other indirect (Scope 3) GHG emissions	GHG Emissions	

WASTE

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Waste	
GRI 306: WASTE 2020	306-1 Waste generation and significant waste-related impacts	Waste	
	306-2 Management of significant waste-related impacts	Waste	
	306-3 Waste generated	Waste	

SUPPLIER ENVIRONMENTAL ASSESSMENT

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	The importance of sustainable sourcing	
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria		There currently are no structured processes and/or procedures to screen suppliers according to environmental criteria.



GRI 400 SOCIAL STANDARDS SERIES

GRI STANDARD	DISCLOSURE	SECTION	NOTES
EMPLOYMENT			
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	People of the B&B Italia Group	
GRI 401: EMPLOYMENT 2016	401-1 New employee hires and employee turnover	People of the B&B Italia Group	
OCCUPATIONAL HEALTH AND SAFETY			
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Health and safety at work	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational Health and safety management system	Health and safety at work	
	403-2 Hazard identification, risk assessment, and incident investigation	Health and safety at work	
	403-5 Worker training on occupational health and safety	Health and safety at work	
	403-6 Promotion of worker health	Health and safety at work	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety at work	
	403-9 Work-related injuries	Health and safety at work	

OCCUPATIONAL HEALTH AND SAFETY

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Health and safety at work
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	401-1 New employee hires and employee turnover	Health and safety at work
	403-5 Worker training on occupational health and safety	Health and safety at work
	403-6 Promotion of worker health	Health and safety at work
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety at work
	403-9 Work-related injuries	Health and safety at work

TRAINING AND EDUCATION

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Training and welfare activities
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	Training and welfare activities

DIVERSITY AND EQUAL OPPORTUNITY

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	People of the B&B Italia Group
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	People of the B&B Italia Group
	405-2 Ratio of basic salary and remuneration of women to men	People of the B&B Italia Group

NON-DISCRIMINATION

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	People of the B&B Italia Group
GRI 406: NON-DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	During the reporting period, no episodes of discrimination have emerged.

SUPPLIER SOCIAL ASSESSMENT

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	The importance of sustainable sourcing
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	There currently are no structured processes and/or procedures to screen suppliers according to social criteria.

CUSTOMER HEALTH AND SAFETY

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	The continuous quest for product quality
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During the reporting period, no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services have emerged.

MARKETING AND LABELING

GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	The continuous quest for product quality
GRI 417: MARKETING AND LABELING 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	During the reporting period, no incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling have emerged.

Still life Photos: Luca Proserpio

Lifestyle Photos: Tommaso Sartori

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