

Sustainability Report

2023

Sustainability Report

2023

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A message to our stakeholders

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Marking another year of commitments, challenges and achievements, B&B Italia Group is proud to share the 2023 version of its Sustainability Report with all its stakeholders.

This year, sustainability has remained at the core of our daily operations and activities. We have reaffirmed our commitment to the United Nations Global Compact's principles and to support the Sustainable Development Goals, while continuing to pursue the Environmental, Social, and Governance (ESG) objectives we set three years ago. This year we have accomplished several achievements such as sourcing 100% renewable electricity in the productive plants of Novedrate, Misinto and Caldogno. In Novedrate, we also started purchasing thermal energy produced from a cogeneration plant owned by an adjacent company, thus reducing our natural gas consumption and, consequently, our Scope 1 GHG emissions.

Additionally, building on the work done in the last years to include in our reporting scope indirect emissions from upstream and downstream activities, we monitored Scope 3 GHG emissions in 2023 as well, as we believe that fully understanding the impacts the Group has on the climate is crucial for us.

Our ongoing pursuit of excellence and innovation, combined with a strong focus on quality and sustainability, has led us to enhance our commitment to circularity. This year, we developed new products according to eco-design and circularity principles, aiming at improving product recyclability and incorporating circular economy into our production and design processes. Three pieces of our new collections were assessed in terms of circularity to constantly improve the environmental performance of new released items and improve the design and engineering techniques chosen.

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The Tortello sofa, by Barber & Osgerby, is a monolithic seating structure composed without using adhesives or glues, making it completely disassembled and easy to recycle. Bambola Outdoor and Softcage, both creations of the striking mind of Mario Bellini, have been introduced in a new, circular format as part of the new Outdoor collection. The principles of eco-design and circularity adopted within our Group are aligned to the Eco-design Framework developed by Flos B&B Italia Group in 2022 and finalized this year.

We believe that sharing the expertise and knowledge we have acquired over the years in the high-end design furniture sector with our local communities is the key to growth and continuous innovation of our Brand. In the last years we collaborated with local and national schools and universities to spread our know-how among students, offering on-the-job experiences and training. We are pleased to announce that this year we collaborated with the Giuseppe Terragni Technical School in Meda, to honor the craftsmanship and skills that underpin our work and to help young talents obtain the technical and professional skills required for our daily mansions.

Proud of the results achieved this year, we are continuing the path we started on several years ago, in line with our core values and with the desire to inspire all our stakeholders for a more sustainable future.

May you have a delightful reading of our 2023 Sustainability Report.

Daniel Lalonde
President

Demetrio Apolloni
Chief Executive Officer

Highlights from 2023

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New openings
in the U.S.A. in 2023

100%

Of energy purchased
from renewable sources*

* With reference to B&B Italia, Maxalto
and Arclinea production plants.

97%

Employees with
a permanent contract

687

People employed

15

New product families
released in 2023

57,143

tCO2e in GHG emissions



Heri O' by Monica Armani

B&B Italia Group design world



Introducing B&B Italia Group

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B&B Italia S.p.A. and its fully consolidated subsidiaries (hereinafter referred to as “B&B Italia Group” or “the Group”) operate in the Residential, Luxury Retail, Office, Hotel and Hospitality furniture market through the Brands **B&B Italia**, **Maxalto**, **Arclinea** and **Azucena**. Each of them has its unique identity in which design, research, creativity and technology develop together, interpreting contemporary lifestyle and trends, while collectively adhering to a unified philosophy: the creation of distinctive and elegant products that seamlessly blend tradition, design, and innovation. The Group’s mission is to create the most innovative, iconic and timeless pieces of design furniture to inspire people around the globe through the power of the best creative minds, unparalleled R&D, industrial know-how and Made in Italy quality that make B&B Italia one of the world’s premier design companies.



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.

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.

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.

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 2023, B&B Italia Group is present in more than 80 countries worldwide and employs 687 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 Italia Furniture (Shanghai) Co., Ltd.

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B&B Italia

productive plants

B&B Italia and Arclinea prioritize sustainability by progressively reducing the environmental impact of their corporate facilities, which include three manufacturing sites and two warehouses. The Novedrate site, spanning 25,000 square meters, hosts the head office, the upholstered furniture production department, the R&D Centre, and a showroom. This facility features the fabric cutting and sewing, a polyurethane molding line and a state-of-the-art production center equipped with two robots that can adjust the density and resilience of foams in real-time.

The Misinto plant, covering 22,500 square meters, is primarily dedicated to producing Maxalto collections, with a special focus on wooden products. Since 2011, this plant has also been producing wall systems and wardrobes. It is equipped with advanced technological machinery, from panel cutting tools to paintbrushes and assembly lines.

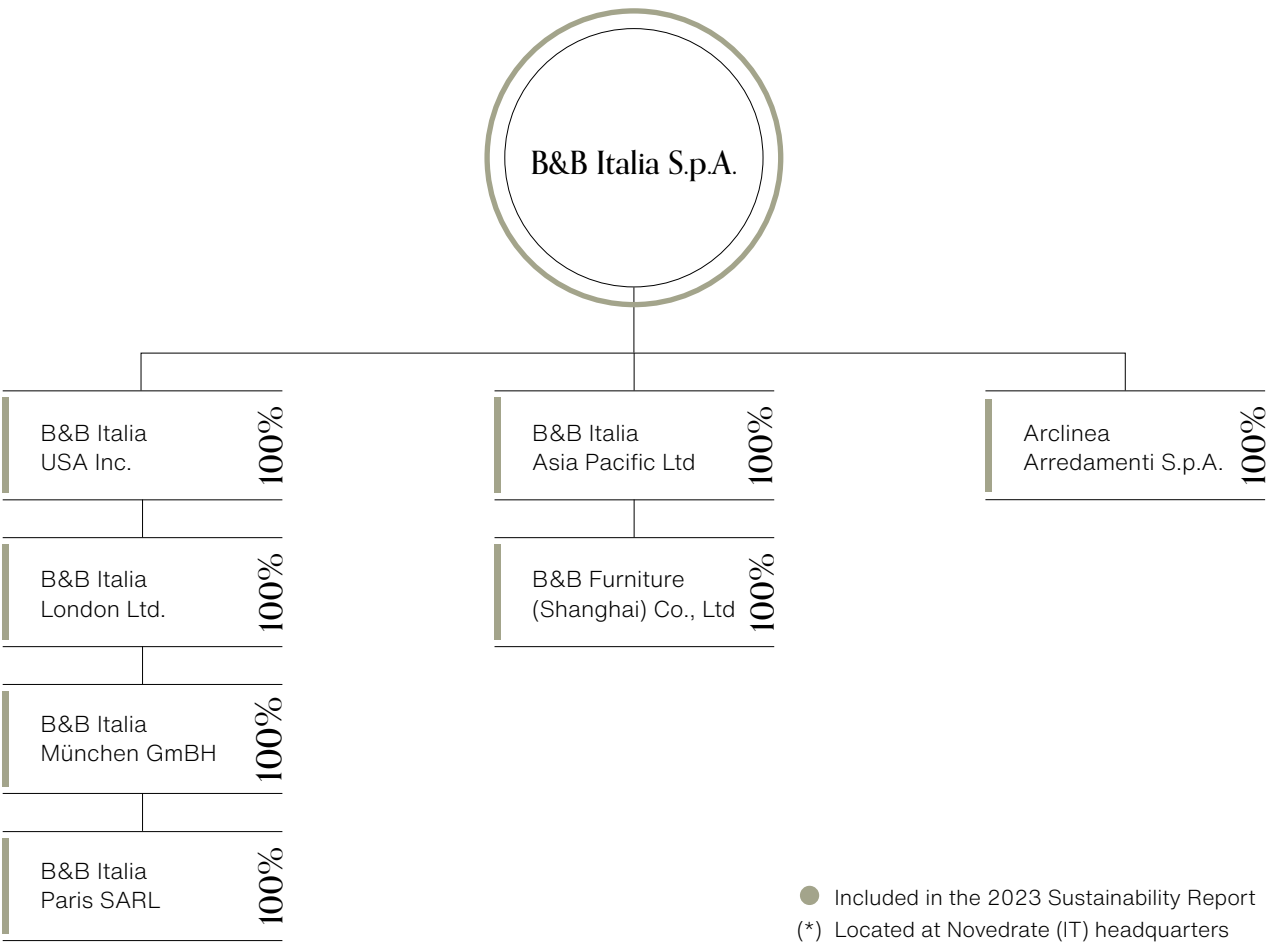
The Caldogno plant, occupying 29,000 square meters, is the hub of Arclinea's production activities. This factory is located on the original site where the company started its activities in 1925 as a wood workshop. In 2019, a new showroom and training center were inaugurated at this location.

The production organization is supported by two warehouses: an 8,000 square meter facility in Carugo that stores semi-finished products, raw materials, and components for outdoor products to be assembled, and a 5,500 square meter facility in Arosio that stores raw materials, semi-finished products, and finished products.



Dambo by Piero Lissoni

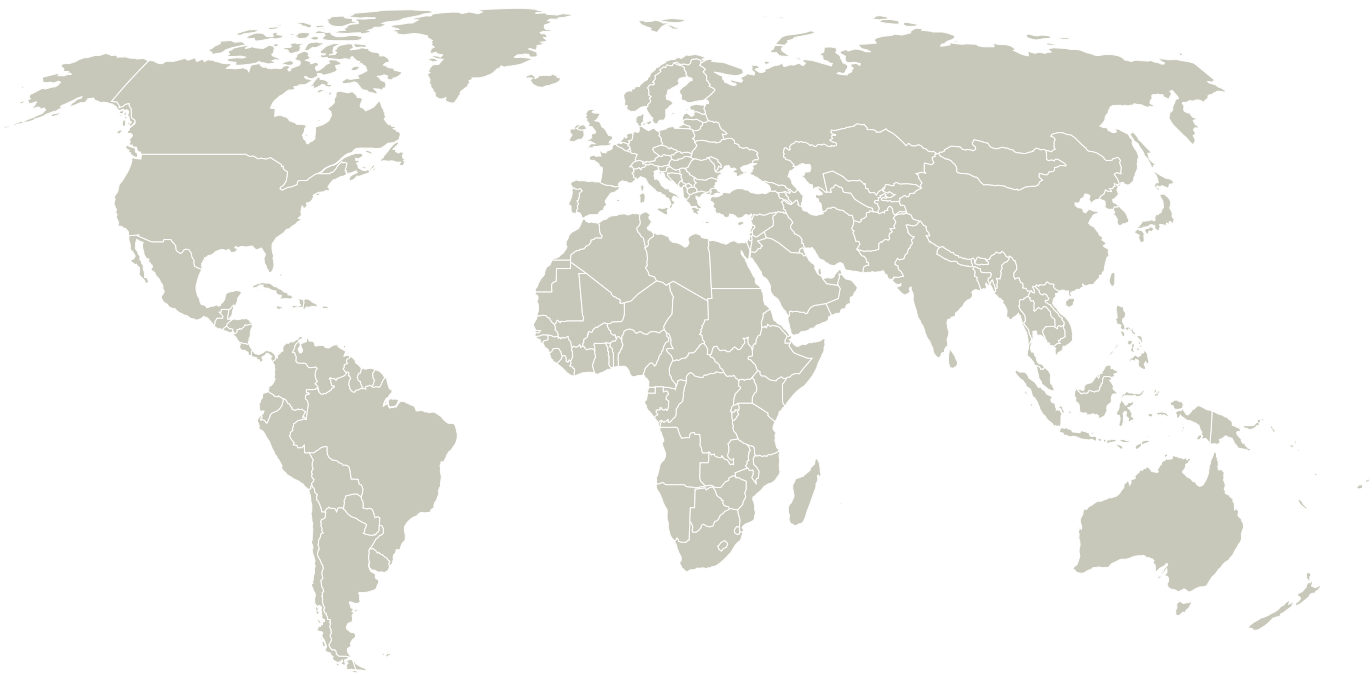
Group's Structure ad of December 31st 2023



Over the years, the Group has developed an exclusive network of more than 1,000 highly professional dealers and mono-brand stores, solidifying its international presence with the opening of fully owned flagship stores in major capital cities. Today, B&B Italia Group flagship stores can be found in key design hubs, including Milan, London, Paris (with two owned and managed stores), Munich, New York (with two owned and managed stores), Dallas, Miami, Washington DC and the brand-new store in Boston, inaugurated in 2023.

As of 31st December 2023, B&B Italia disposed of three Design Studios across the Western hemisphere. The historical B&B Italia Design Studio, located on Via Durini in Milan, features spacious areas with high ceilings and abundant natural light, blending contemporary and classic design elements. The store encompasses approximately 2,100 square meters, distributed across three levels. The Design Studio of Copenhagen, inaugurated in 2021, represents all Flos B&B Italia Group's Brands (formerly under the name of Design Holding). Situated in Dokøen in the Holmen area and spanning on 1,760 square meters, the store offers visitors a unique experience among the iconic products of the Brand, filled with natural light and equipped with digital installations to enhance the customer journey. Finally, 2023 marked the opening of the new B&B Italia Design Studio in Miami, inaugurated during the renowned international event of Art Basel. Designed by Lissoni & Partners, the prestigious space of approximately 1,500 square meters spread on two floors represents the first flagship store on the East Coast of the U.S. and hosts all the Brands of B&B Italia Group.

B&B Italia Group - Monobrand Store Worldwide



Europe

Americas

Asia

Middle East / Africa

B&B Italia B&B Italia Milan* B&B Italia London* B&B Italia et Maxalto Paris* B&B Italia Saint-Tropez B&B Italia Lyon B&B Italia Muenchen* B&B Italia Athens B&B Italia Saint Petersburg B&B Italia Nicosia B&B Warsaw B&B Lusall B&B Italia Dublin Arclinea Arclinea Bruxelles* Arclinea Paris* Arclinea Frankfurt* Arclinea Amsterdam* Arclinea Breda* Arclinea Barcelona* Arclinea Kiev Arte Due Ambiance Cuisine De-code Showroom Arclinea Milan* Arclinea Turin* Arclinea Vicenza* Arclinea Rome* Arclinea Verona* Arclinea Trento Arclinea Naples* Arclinea Padova Maxalto Maxalto Vicenza Maxalto Torino	B&B Italia B&B Italia New York* B&B Italia Madison Avenue* B&B Italia Washington DC* B&B Italia Boston* 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 Naples B&B Italia Sao Paolo B&B Italia Belo Horizonte B&B Italia Houston B&B Italia Panama B&B Italia Mexico City B&B Italia Toronto Arclinea Arclinea Los Angeles* Arclinea New York Arclinea Los Angeles-Diva Maxalto Maxalto San Francisco Maxalto Los Angeles*	B&B Italia 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 Xi'an 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 B&B Italia Hanoi B&B Italia Ahmedabad B&B Italia Shenzen B&B Italia Jinan B&B Italia Taizhou B&B Italia Wenzhou B&B Italia Wuhan B&B Italia Dalian B&B Italia Kaohsiung B&B Italia Shenyang B&B Italia Zhengzhou B&B Italia Ho Chi Minh City Arclinea Arclinea Hong Kong* Arclinea Singapore* Arclinea Shenzhen* Arclinea Hyderabad* Arclinea Seoul* Arclinea Tokyo* Arclinea Guanzhou Arclinea Shanghai Maxalto Maxalto Ahmedabab* Maxalto Ho Chi Minh Maxalto Kaohsiung	B&B Italia B&B Italia Dubai Bin hendi B&B Italia Tel-Aviv B&B Italia Johannesburg B&B Italia Beirut B&B Italia Doha Arclinea Arclinea Tel Aviv*
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Flos B&B Italia Group

Since November 2018, B&B Italia Group has been fully controlled by Flos B&B Italia Group, jointly (and indirectly) controlled by Investindustrial and Carlyle Group. Flos B&B Italia Group 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.

Flos B&B Italia Group was founded in September 2018 from the shared vision of Investindustrial and The Carlyle Group under the name of Design Holding, 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. In May 2024, the Group rebranded as Flos B&B Italia Group. It operates with the purpose to “design for a beautiful life”, acknowledging its essence is to beautify homes, public spaces, and life itself.

Flos B&B Italia Group 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 at fostering 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 the Group’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: since 2021, Flos B&B Italia Group has been publishing a Group 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 through the monitoring of Group-level performance and target setting. Furthermore, a Sustainability Steering Committee was formed in 2022 with the specific purpose of discussing the progression of the Group’s sustainable strategy, including key level personnel both at Group and Brands level.

The value we generate

In recent years, B&B Italia Group has remained at the forefront of the latest trends and challenges in the furniture and upholstery sectors. A key factor in the Group's success has been its focus on internationalization, with foreign markets now contributing to almost 78% of B&B Italia's revenue. After Italy, Germany and the United States are the Group's most significant markets. With regard to the latter, in 2023 B&B Italia counts five locations in the country, among which the new showroom in Georgetown and two in New York City, one new showroom dedicated to Maxalto and the historical, fully renovated store on the 51st street.



Tobi-Ishi Outdoor by Edward Barber and Jay Osgerby

Generating value through partnerships

B&B Italia actively participates in various national and international industry associations, including:

- **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**



As reported in "B&B Italia Group commitments to sustainability", B&B Italia Group has been a signatory member of the United Nations Global Compact (UNGC) since 2016, a voluntary initiative with the aim of encouraging companies to integrate the 10 universally accepted principles of the United Nations into their business strategies, operations and corporate culture, while striving to facilitate cooperation and collective action in alignment with the 17 Sustainable Development Goals (SDGs).

Since its adherence, the Group has also supported the Fondazione Global Compact Network Italia (Global Compact Network Italian Foundation).

Our commitment to sustainability

B&B Italia Group designs furnishings that are both functionally and aesthetically durable, capable of enduring through changing trends. These principles have long been central to the Group's philosophy, emphasizing products that excel in functionality, material quality, construction techniques, serviceability, and unique design. In essence, B&B Italia Group's products are built to last and be cherished across generations. Durability is a cornerstone of the Group's identity, guiding its business operations and practices towards more responsible products by choosing materials of quality and with long-lasting performance throughout their entire lifespan. Ensuring long product lifecycles is a competitive advantage both for the Group and for the environment, guaranteeing quality and top performance to customers while promoting greater conservation of natural resources.

Historically, the Group has led research initiatives and sparked numerous "silent revolutions" that have significantly impacted the upholstery and furnishing industries. Looking ahead, B&B Italia Group plans to continue innovating to meet new societal needs driven by lifestyle changes. This involves focusing on innovative materials and production processes with reduced environmental impacts.

B&B Italia Group's commitment to sustainability is also evident in its emphasis on people. All brands within Flos B&B Italia Group aim at building and maintaining relationships with stakeholders based on trust, mutual respect and ethics. The Group fosters open dialogue with employees and communities, both internally and externally.

In line with its dedication to sustainable practices, B&B Italia Group implements a Sustainability Policy. This document highlights various business aspects, underscoring the principles of legality, transparency, loyalty, and good faith that guide all our operations. These principles and values form the foundation of the Group's sustainability strategy and are at the heart of this Report.



Softcage by Mario Bellini

The policy is shaped according to three macro-areas representing the guiding lights of all B&B Italia's business activities:

- **Energy and climate change**, regarding the development and progress of a path for monitoring, and gradually reducing, carbon footprint across the value chain;
- **Circular economy**, with the objective 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 Italia's People**, fostering the strong nexus between social responsibility and human resources by focusing on people's development and self-realisation.

Flos B&B Italia Group has established a unified strategic framework for all its portfolio companies. As evidence of its strong synergy with the Group, B&B Italia aligns its ESG pillars, targets and measures with the 2021 GRI Standards and adopts the impact materiality analysis of Flos B&B Italia Group. The shared framework is founded on three main pillars: Design for the Planet, Design for People, and Design for Culture.

Design for the Planet

To foster our commitment to sustainability, blending innovation, eco-design, and circularity principles in our business activities, and throughout our value chain.

Design for People

To ensure a thriving workplace that guarantees fairness and inclusion as well as generating value to communities around the world.

Design for Culture



To nurture our Brands' identities by preserving craftsmanship and design heritage, from scientific research to the preservation of design legacies for the benefit of future generations.

Sustainability objectives

B&B Italia has been progressing on the path towards being a more environmentally, socially and economically responsible Group, a path designed by establishing specific targets to be reached in the short, medium and long term. Such targets do not limit the commitment of the Group to the monitoring of its ESG performance, but require it to actively promote and develop strategies and initiatives for the reduction and mitigation of its impacts.



La Bambola Outdoor by Mario Bellini

SDGS	ESG OBJECTIVES	KPI	TARGET YEAR	BASELINE	PROGRESS
	-27.5% emissions reduction by 2030³	% reduction of Scope 1 + Scope 2 – Market-based GHG emissions	2030	5,789 tonCO2e (2019)	On-track
	100% of electricity from renewable sources consumed by productive plants ⁴	% of electricity covered by Guarantees of Origin purchased and consumed over the total electricity consumed by productive plants	Maintenance	0% (2020)	Achieved for 2023
	100% increase in the number of new products designed in accordance with circular economy principles by 2025	% of new products with circularity index > 60% ⁵	2025	4 products (2019)	On-track



² For further information on the materiality analysis conducted by Flos B&B Italia Group, please refer to the Methodological Note of the present document.
³ 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 (SBTi).
⁴ The target refers to production plants, headquarters, and Italian showroom.
⁵ Product circularity measured in accordance with the Italian guidelines set by the Ministry of Environment in collaboration with the Ministry of Economic Development.

Our Group between
tradition and innovation



Exclusive design icons

B&B Italia has consistently affirmed and enhanced its creative and qualitative traits by offering a unique but timeless lifestyle to its customers. This concept derives from a multitude of contemporary products and the coherence of a comprehensive, global project which embraces diversified values, styles and visions from designers of national and international fame, with whom the Group has always shared its work.

Since its foundation, B&B Italia Group has collaborated with some of the most important Italian and international designers 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, Monica Armani, Enrico Trabacchi, Foster + Partners, Paolo Nava, amongst many others.

The past few years were characterized by the creation of important collaborations between the Group and renown designers, fostering the Brand growth and reputation at national and international level.



Heri O' and Allure O' by Monica Armani

	2021	2022	2023
B&B ITALIA	<div>Monica Armani<ul style="list-style-type: none">- Allure O'- Flair O'</div> <div>Antonio Citterio<ul style="list-style-type: none">- Noonu- B&B Atoll</div> <div>Naoto Fukasawa<ul style="list-style-type: none">- Harbor Laidback- Awa</div> <div>Studio Kairos<ul style="list-style-type: none">- Sir Vito</div>	<div>Mario Bellini<ul style="list-style-type: none">- Le Bambole- Bamboletto</div> <div>Naoto Fukasawa<ul style="list-style-type: none">- Papilio Shell</div> <div>Piero Lissoni<ul style="list-style-type: none">- Pochette- Planck- Mjna</div> <div>Foster + Partners<ul style="list-style-type: none">- Cordoba</div> <div>Barber & Osgerby<ul style="list-style-type: none">- Tobi Ishi</div> <div>Luigi Caccia Dominioni<ul style="list-style-type: none">- San Siro (Azucena)</div>	<div>Piero Lissoni<ul style="list-style-type: none">- Dambo- Eryt</div> <div>Barber & Osgerby<ul style="list-style-type: none">- Tortello- Tobi-Ishi</div> <div>Gabriel Tan<ul style="list-style-type: none">- Quiet Lines</div> <div>Gabriele & Oscar Buratti<ul style="list-style-type: none">- Alys 10</div> <div>Monica Armani<ul style="list-style-type: none">- Heri O'- Flair O' Couture- Allure O'</div> <div>Kensaku Oshiro<ul style="list-style-type: none">- Lemante</div> <div>Naoto Fukasawa<ul style="list-style-type: none">- Tetrami</div>
OUTDOOR	<div>Vincent Van Duysen<ul style="list-style-type: none">- Pablo Outdoor</div>	<div>Antonio Citterio<ul style="list-style-type: none">- Erica 19- Erica- Mirto</div> <div>Patricia Urquiola<ul style="list-style-type: none">- Crinoline</div> <div>Monica Armani<ul style="list-style-type: none">- Flair O' Outdoor- Allure O' Outdoor</div> <div>Piero Lissoni<ul style="list-style-type: none">- Nooch</div> <div>Foster + Partners<ul style="list-style-type: none">- Cordoba Outdoor</div>	<div>Mario Bellini<ul style="list-style-type: none">- La Bambola Outdoor- Softcage</div> <div>Monica Armani<ul style="list-style-type: none">- Tesa O'</div> <div>Barber & Osgerby<ul style="list-style-type: none">- Button Tables Outdoor</div>
MAXALTO	<div>Antonio Citterio<ul style="list-style-type: none">- Dives Soft- Lucrezia Soft- Abseo- Cuma- Convivio</div>		<div>Antonio Citterio<ul style="list-style-type: none">- Arbiter- Lilum- Cleide- Despina- Sileo- Privatus- Daikos</div>
ARCLINEA	<div>Antonio Citterio<ul style="list-style-type: none">- Thea</div>	<div>Antonio Citterio<ul style="list-style-type: none">- Staves door Thea- Up&down Table- Integrated handle for staves door- Frame door</div>	<div>Antonio Citterio<ul style="list-style-type: none">- Pocket system- g_cover finishing</div>

B&B Italia Group combines the expertise and creativity of numerous designers and architects with its own tradition of manufacturing excellence to create enduring value for clients and stakeholders alike. By embracing the principles of eco-design, the Group strives to deliver products that are not only durable, but also composed of natural, recycled or recyclable materials, which can contribute to lower their environmental impacts throughout their lifecycle. Additionally, the Group is dedicated to providing a platform for creative minds to express themselves, offering the necessary technological expertise to conceive and realize innovative products. B&B Italia Group fosters long-lasting partnerships and encourages ongoing dialogue between architects, designers, and the Group's Research and Development Centre. Such collaborations span from initial brainstorming to detailed product planning. The extensive experience and critical skills gained by the R&D Centre over the years ensure that each project reflects B&B Italia Group's distinctive personality while always inserting innovative features and traits, thus fully showcasing the talents of the designers and architects involved.

B&B Italia Group's ability to put innovative ideas into practice has enabled it to garner multiple recognitions, including five Compasso d'Oro prizes, the most prestigious accolade in Italian industrial design presented by the Association for Industrial Design (ADI). B&B Italia is the only company to have won these many Compasso d'Oro awards, underscoring its pivotal role in shaping contemporary design trends for decades.



Serie Up Compasso d'Oro Edition by Gaetano Pesce

The five Compasso d'Oro



1979 – Le bambole

Le Bambole's uniqueness lies in its seemingly structureless design, the exceptional naturalness of its form, and the blend of comfort, softness, and elasticity that its appearance suggests. Though it originated as an icon of the late 1970s, it remains timeless.

1984 – Sisamo

Sisamo is a wardrobe that becomes invisible after use, transforming itself into a smooth and elegant wall with perfectly flush doors. Designed to be both functional and practical, it seamlessly blends with the room's walls, maintaining continuity. Its distinctive door opening and closing mechanism with flush sliding doors has become a defining feature of the system and was later patented.

1987 – Sity

A bold advancement in the quest for a seating system, Sity was designed as a versatile and separable structure, adept at transforming new and intricate living spaces. A significant feature is that all the elements are conceived as components of a modular scheme, while simultaneously maintaining their individual form and functional independence.

1989 – B&B Italia

B&B Italia was the first design manufacturing company to receive the Compasso d'Oro, recognizing its significant contribution to the design industry.

2022 – Up Armchair

Originally designed in 1969 by Gaetano Pesce, the UP Armchair is a unique piece of design born from B&B Italia's extensive expertise in polyurethane injection processing. Blending technology and art, its unusual, anthropomorphic shape was revolutionary at the time of its conception and remains innovative and relevant today.

The year 2023 marked the achievement of another success for B&B Italia, with the Group and its designers receiving the esteemed Interior Design's 2023 Best of Year Awards for Tortello, one of the latest releases of the Brand signed by Barber & Osgerby. This accolade recognizes the year's most outstanding projects and products within the design industry. The winners, announced by Editor-in-Chief Cindy Allen, were celebrated not only during the event but also through a dedicated publication highlighting the top honorees in each category, thus marking another year of innovative design excellence. Thanks to the work of the British designers Barber & Osgerby, B&B Italia was also prized with the prestigious Wallpaper* Design Awards for 2023, with the Tobi-Ishi table, winning the 'Best Reissue' category.

Recent prizes awarded to the B&B Italia Group

	AWARD	PRODUCT / COMPANY
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 Outdoor
	Wallpaper* Design Award 2022 Best Dining Experience	Allure O' & Flair O' – B&B Italia Outdoor
	Wallpaper* Design Award 2022 Best Dining Experience	Flair O' – B&B Italia
2023	Interior Design's 2023 Best of Year Awards	Tortello – B&B Italia
	Wallpaper* Design Awards for 2023	Tobi-Ishi Table – B&B Italia

Innovation as the backbone of our products

Innovation lies at the heart of B&B Italia Group's industrial and technological ethos. Establishing, on the one hand, a dedicated Research and Development Centre at the Misinto and Caldogno headquarters and, on the other, a Design Team at Arclinea has been pivotal to the Group's growth strategy. This commitment is sustained by the continuous investments in research and development registered over the years, which in 2023 equalled 0.8 million euros.

Furthermore, B&B Italia Group has consistently prioritized the protection of intellectual property, recognizing it as a strategic asset crucial for ensuring business continuity and safeguarding the Group's creative output from imitation. To this end, B&B Italia actively collaborates with the Altagamma Foundation, an Italian organization which gathers High-End Italian cultural and creative companies with the mission of increasing competitiveness in the industry and contributing to its economic growth, to secure its intellectual property and uphold its innovative edge.



Tobi-Ishi by Edward Barber and Jay Osgerby

Innovation in Arclinea

Arclinea has an internal R&D division, tasked with developing new furniture components and models, as well as enhancing existing products. Since 1986, Antonio Citterio has served as Arclinea's principal designer, contributing to its innovative direction.

In 2006, the Company established a "Design-Team", comprising key and longstanding clients from Italy and abroad. The Team convenes regularly to brainstorm ideas and articulate requirements for potential new furniture components and models. Such collaborative dialogue is rare in the design industry and typically marks the inception phase of Arclinea's new creations.

Additionally, to further its commitment to innovation, Arclinea has embarked on a technological renewal of its manufacturing processes since 2020, aimed at enhancing production efficiency. This initiative is part of an Industry 4.0 investment plan designed to modernize production processes. The renewal began with the acquisition of a 3D precision printer, which facilitates rapid production of mock-ups and allows for the internal moulding of small quantities of plastic components with high accuracy and repeatability. This reduces the need for outsourcing and lowers warehouse inventory. The initiative has continued with the purchase of new machinery in recent years.



Thea by Antonio Citterio

Innovation is integral to all Arclinea products. For example, the kitchen model Thea is undergoing continuous evolution in its materials, becoming increasingly recyclable and recycled. Currently, 92% of its total material weight is made from recycled materials, with its chipboard derived entirely from post-consumer recycled wood. The use of recycled and recyclable materials aligns with the eco-design principles Arclinea is continuously implementing, thus reducing the environmental footprint of its products and serving as a competitive advantage for its product portfolio.

Last year, a detailed life cycle assessment (LCA) was conducted on the Thea kitchen, examining three stages: upstream, core, and downstream activities. The analysis, particularly focused on climate change impacts, revealed that the largest share of emissions occurs in the upstream phase, which includes the extraction, production, and transportation of raw materials.

In recent years, Arclinea has introduced new types of certified wood products, namely CARB 2 and F4 wood star. The latter, which began being purchased in 2021, is a wood panel with reduced formaldehyde content, specifically analyzed and processed in Arclinea's laboratories. In 2021, following a feasibility study on replacing expanded polystyrene (EPS) protection and nylon film packaging with recyclable materials, Arclinea acquired a die-cutting machine exclusively for processing cardboard boxes. This initiative aims to reduce packaging waste generated during shipment.

In 2023 Arclinea presented g_cover, an innovative finish for the wood panels of kitchens, by B Corp-certified company Alisea Recycled and Reused Objects Design.

One prominent example of B&B Italia's innovative approach, integral to the Brand's history, is the introduction of the ground-breaking technology of injection moulding with cold-moulded polyurethane foam. This technique was first conceived by Piero Ambrogio Busnelli, B&B Italia's co-founder, in the 1960s. During a business trip to London, Busnelli encountered a machine that processed cold-moulded rubber ducks using injected polyurethane. He envisioned applying this technology to sofas, resulting in an unique industrial process and the creation of custom-made iconic pieces that continue to be admired by interior design enthusiasts worldwide. Other significant innovations include the introduction of polyethylene weavings for outdoor furniture in the early 2000s, the use of lightweight aluminium for frames after 2010, and the design of circular and swivel products made from recyclable materials with disassembly properties in recent years. Notable products developed with a high circularity index include Ribes, Erica and Hybrid (2019), Camaleonda (2020), Borea (2020 and 2021) and Cordoba (2022).

Increasing circularity: Cordoba Outdoor

After the success registered by the introduction of the Cordoba armchair, Foster+Partners delivered a new, revised version of the model for the Outdoor collection. Cordoba Outdoor seamlessly blends oriental and Nordic design elements in its wooden structure and a completely new seat canvas cover made of polypropylene. The touch is pleasantly rough and reminiscent of a natural fabric in every way. The main feature of the product is its eco-design: all its components, when reaching the end of the lifecycle, can be separated and disposed following the most suitable path for each material.



Cordoba Outdoor
by Foster+Partners Industrial Design Studio

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

UPHOLSTERED FURNITURE	SYSTEM
<p>1966</p> <p>Metal structures in upholstered furniture, substituting wood for increasing flexibility and resistance and reducing weight - Coronado</p> <p>Use of polyurethane for potentiating durability also in terms of shapes - Coronado</p> <p>Removable structures for increasing transportability and reducing volumes - Coronado</p> <p>Insertion of leaf springs into structures, to increase comfort and flexibility - Coronado</p> <p>Use of fibreglass in structures to increase resistance – Amanta</p>	<p>1970</p> <p>Polyester systems “100 gloss” to increase brightness – Olinto</p> <p>1980</p> <p>Use of cast iron structures to enhance stability and holding - Dape</p> <p>1983</p> <p>Coplanar sliding doors for wardrobes reducing the encumbrance – Sisamo</p> <p>1989</p> <p>Use of extruded PVC 240 cm shelves allowing exceptional capacity and integration with lighting - Domus</p> <p>Vertical opening 240 cm shutters reducing the encumbrance - Domus</p> <p>1990</p> <p>Fire-retardant HSC panel for marine environments - B&B Italia marine</p> <p>1996</p> <p>Introduction of wengé finishing – Maxalto</p> <p>1998</p> <p>PVC panels substituting office walls – Abak</p> <p>2008</p> <p>Aluminium modular library to increase lightness and stability - Flat.C</p> <p>2012</p> <p>Roto-shifting opening for wardrobes – Backstage</p> <p>2014</p> <p>Shellac finishing – Maxalto</p> <p>2020</p> <p>New 4.0 automation production machines – Arclinea</p>
<p>1969</p> <p>Vacuum packed chair to achieve maximum contraction - Up</p> <p>10-year guarantee for padded structures</p>	
<p>1970</p> <p>Use of integral polyurethane – Bonanza</p>	
<p>1976</p> <p>Rigid polyurethane structures – Lauriana</p>	
<p>1980</p> <p>Mechanisms to increase sofas’ comfort and modify height of seats – Alanda</p>	
<p>1984</p> <p>Use of tubular fibreglass for enhancing folding properties – Nena</p>	
<p>1986</p> <p>Multiple seating typology to enhance the flexibility of seating systems – Sity</p>	
<p>1995</p> <p>Use of die-cast pegs for increased lightness – Harry</p>	
<p>1997</p> <p>Introduction of peninsulas and chaise longue – Charles</p>	

UPHOLSTERED FURNITURE	SYSTEM
<p>2003</p> <p>Use of preformed printed leather – Mart</p> <p>2007</p> <p>Weavings in polyethylene for outdoor use – Canasta</p> <p>2016</p> <p>Use of lightweight aluminium fusions – Charlotte</p> <p>2018</p> <p>Eco-friendly padding – Erica '19 and Ribes</p> <p>2019</p> <p>Disassembly structure – Hybrid</p>	<p>2021</p> <p>New 4.0 Misinto production machines</p> <p>2023</p> <p>New internal management system - Arclinea</p>

For B&B Italia Group, innovation involves steering the market towards new solutions that are both highly functional and aesthetically in tune with contemporary tastes. To achieve this philosophy, the Group engages in continuous research to evolve its product offerings. Between 2021 and 2023, the Group introduced over 40 new products and approximately 30 extensions to existing product ranges.

NEW PRODUCTS DEVELOPED AND LAUNCHED	2021	2022	2023
New products	15	10	18
Extension of product ranges	20	12	14

The Contract Division embodies B&B Italia's innovative spirit by developing new ideas with a customer-centric approach. The Division meticulously designs each detail to meet specific customer needs, investing in strong collaborations with customers and architects. It also coordinates research, testing, and engineering for every element of a project.

To further drive innovation and strive to reduce the environmental footprint of its products, B&B Italia adheres to the principles contained in the new eco-design framework finalized by the Flos B&B Italia Group. These principles, developed by a cross-Brand working group, are guided by specific KPIs based on various stages of the value chain. The manufacturing focus remains on recyclability, modularity, and compliance, aiming at ensuring the release of high-quality products while also extending the lifespan of each individual piece.

Flos B&B Italia Group's eco-design framework

In 2023, Flos B&B Italia Group finalized the ultimate eco-design Framework, which establishes a set of KPIs that all the Brands of the Group can refer to, assessing the eco-design advancement of products, both quantitatively and qualitatively. The Framework is composed of a first assessment based on seven principles for the evaluation of the product's design and lifecycle:

- **Design:** create timeless, durable design pieces that can be disassembled, minimizing raw material usage;
- **Materials:** use recycled and non-virgin materials whenever possible, ensuring transparency about the environmental impact of our products and reducing overall pollutants from products and processes;
- **Components:** utilize high-quality components that comply with international standards, are easy to maintain, and efficient, resulting in a longer lifecycle between replacements;
- **Procurement:** select local vendors when possible, ensuring they work to reduce their environmental impact and maintain proper working conditions;
- **Manufacturing:** reduce energy consumption, maintain a high degree of process control to minimize waste and scrap, and ensure employee wellbeing;
- **Logistic & in-use:** develop packaging from recyclable and certified raw materials to minimize volume, create energy-efficient products, and ensure the availability of spare parts;
- **End of life:** maximize the use of recyclable raw materials, partner with certified entities for disposal and waste management, and explore ways to extend the life of our products beyond their initial use.

Once the first analysis is conducted, a second, more qualitative assessment is suggested to obtain the final eco-design score.

Assessing products' circularity

B&B Italia has been a pioneer in the furniture sector by exploring the circularity of its collections, adhering to guidelines set by the Italian Ministry of the Environment. Third-party laboratory assessments have the objective of enhancing product recyclability and integrating circular economy principles into production and design processes.

The initial assessments focused on the Ribes and Erica '19 collections, both designed by Antonio Citterio. Subsequently, B&B Italia evaluated other collections, including Hybrid by Antonio Citterio, Ayana by Naoto Fukasawa, Camaleonda by Mario Bellini, Borea by Piero Lissoni, and Pablo by Vincent Van Duysen. All analyzed products demonstrated a high circularity index, assessed through indicators such as material recyclability. Notably, Camaleonda achieved a circularity index of 70%, while Borea and Pablo obtained a result of 89%. These scores are attributed to the modularity and disassembly potential of components and the use of recycled and recyclable materials. For instance, both Pablo and Borea loungers feature technical solutions that simplify maintenance and improve the amount of pieces to be disassembled.

The Borea collection, central to the Group's circular strategy, consists of products made from recycled, recyclable, and modular materials. The tubular aluminium structure, which can be separated for proper disposal at the end of its lifecycle, exemplifies this approach. Last year, both Cordoba Indoor and Outdoor sofas were evaluated according to their circularity, receiving a score of 93% and 90%. Other products with high circularity scores include the Flair O' Outdoor, designed by Monica Armani, and the Nooch Sofa by Piero Lissoni. The Flair O' Outdoor, composed of polypropylene ribbons and aluminum frames with varying levels of disassembly, achieved a 70% circularity index score.

The Nooch Sofa received different ratings for its various components, with scores ranging from 73% to 97%. The Group continues to assess the circularity of its products to constantly improve the environmental performance of new released items and improve the design and engineering techniques chosen.

Tortello: where creativity meets circularity

In 2023, the British designers Edward Barber and Jay Osgerby managed to further surprise the audience with their latest creation, the Tortello. "Following on from our Tobi-Ishi family of tables, we have designed a new collection of upholstered seating. Sculptural in form, the Tortello sofa and armchair are generous in proportion and extremely soft, giving ultimate comfort. The informal shape offers different seating positions and makes Tortello a centrepiece", the designers said. The new seat presents itself as a monolithic sofa and armchair that amuses with its generous, soft and cosy shapes. Regarding the materials, the new product presents several unexpected elements. The supporting structure is rotationally moulded from recycled polyethylene and completed by an elastomer mattress on which the foamed upper element is laid, a soft fabric-covered volume characterized by a peculiar profile thanks to a "pitched" stitching.

Tortello stands out for its commitment to responsible manufacturing, leveraging advanced technologies and state-of-the-art materials. This new collection emphasizes circularity and recycling, featuring a structure made from second-life polyethylene. It incorporates elements of polyurethane foam and thermoplastic elastomers, enhancing both its geometry and comfort.

Despite using minimal polyurethane, Tortello ensures softness through targeted construction techniques. The careful selection of materials and innovative construction methods enable the assembly of structural components without adhesives or glues, making Tortello easy to disassemble and recycle fully.



Tortello by Edward Barber and Jay Osgerby

The Group's own stores provide an immersive journey of discovery where design and sensory experiences converge, engaging all senses. These stores are designed as a series of themed areas that narrate the story of the products while placing them in context, achieving a seamless integration between products and their environment.

Furthermore, the Group collaborates closely with its partners to uphold superior product quality and deliver a top-tier purchasing experience to customers. This commitment is supported by a comprehensive after-sales policy that includes thorough training for dealers' staff and architects. Annually, the Group hosts multiple training courses tailored for international architects, clients, and industry professionals. These initiatives underscore the Group's dedication to continuous improvement and customer satisfaction.

Design ambassador since 1966

Embracing the belief that every cultural expression can serve to propagate design culture, B&B Italia Group actively supports and promotes cultural initiatives and exhibitions across various artistic domains. Throughout its history, the Group has honoured art and design by sponsoring exhibitions dedicated to renowned figures such as the Italian architect, sculptor and designer Gaetano Pesce, Luigi Caccia Dominioni, Mario Bellini, and Zaha Hadid.

B&B Italia Group constantly strives to disseminate the design culture on a global scale by serving as a pivotal presence in numerous international events, fairs, exhibitions, and cultural ceremonies worldwide. For example, the Group sponsored the inaugural exhibition titled "Nobody's Perfect" in China, dedicated to the masterpieces of Gaetano Pesce himself. This exhibition prominently featured a large UP sofa at its entrance and showcased approximately 100 pieces that trace the artist's evolution throughout his career, offering a comprehensive journey through the evolution of design.

As one of the pioneers in the Italian high-end design sector, B&B Italia took part in Milan Design Week 2023, where it unveiled its latest innovations. The exhibitions took place in the renowned store of Via Durini, which turned into a kaleidoscope of shapes, shades, lines, finishes and ideas with the aim of presenting the new collections. The showroom was transformed with essential graphics and primary colours that evolved into solid, three-dimensional geometries defining the space. The presentation was characterized by precise lines, bold colours, and arrangements of vertical and horizontal elements. Backlit or reflective volumes added a sensory and unexpected dimension to the display, emphasizing the novelty and creativity of the 2023 product lineup.

In 2023, B&B Italia also participated in the London Design Festival, hosting a unique event that combined design, conversation, and food at its flagship store on Brompton Road. This event celebrated the debut of their new 2023 collection, featuring an array of innovative indoor and outdoor designs signed by Piero Lissoni, Barber & Osgerby, Monica Armani and many more. Concurrently, Maxalto presented a distinctive window installation at the same location in South Kensington, London. Situated in the prestigious Brompton Design District, the B&B Italia flagship store hosted "Connections in Design," a designers' talk featuring British designers Edward Barber and Jay Osgerby, moderated by Rosa Bertoli, the esteemed design editor of Wallpaper*.

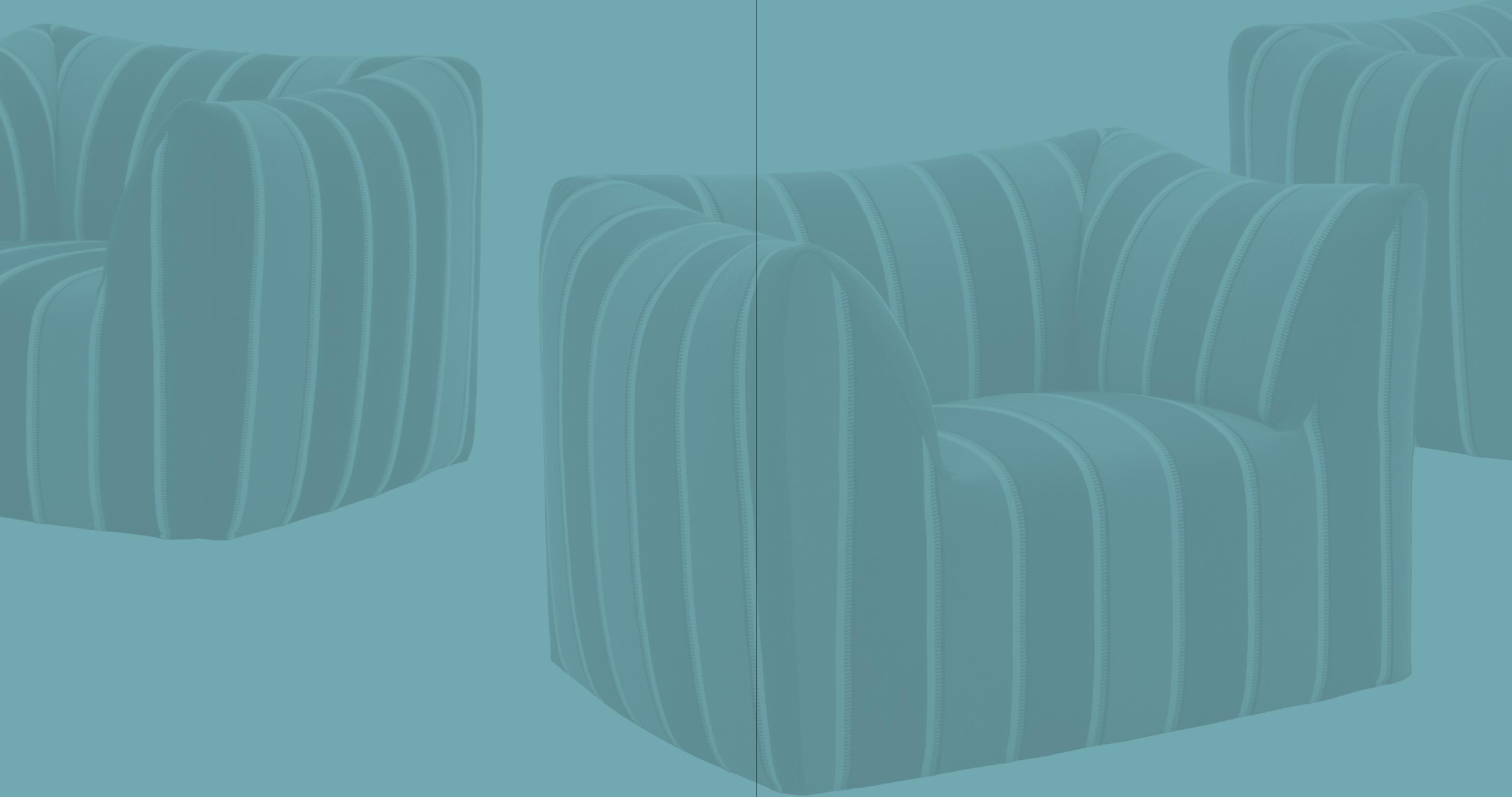
Dambo

Due to the success of the Nooch Outdoor collection, Piero Lissoni came up with a new, modular seating system, representing the third creation of this type signed by the designer for the Group. Dambo features irregular pentagons and rectangular modules, blending complex geometric shapes with linear elements, allowing for diverse compositions and settings. The pentagonal base elements, large and highly flexible, can serve as peninsulas when combined with other pieces or stand alone as monoliths. These cozy volumes can be placed centrally in a room, used to craft corner solutions, or customized for unique arrangements. For a more eclectic living room, they can be integrated with previous collections to create a dynamic array of combinations, where each element adds to a diverse yet cohesive narrative. "Dambo is a modular system that suggests a new way of sitting, a system of large islands. The sofa is assembled in a simple way and features an armrest with an asymmetrical movement. I imagined it as an island amid the ebb and flow of everyday life", said the designer. The high, enveloping backrests evoke the organic forms of the botanical world. The armrests, resembling petals, can be lowered and adjusted thanks to a front movement. There are five basic elements, each characterized by soft, plush ergonomics. The different geometries harmonize with each other, offering an informal yet functional and versatile design. The series features a cold-foamed construction system with state-of-the-art upholstery. Backrests and armrests attach to the base using a bayonet coupling system. The small feet, with their discreet and essential design, have an elegant oval section. The result is a light yet versatile piece, aligning with contemporary lifestyle trends that merge living spaces and home office areas. Dambo appeals to a wide audience, staying true to B&B Italia's tradition while embracing modern living artfully.

Arclinea Design Cooking School: a celebration of Italian food culture

Thanks to continuous research and innovation, Arclinea has established itself as a leader in professional kitchen design, particularly for cookery schools and restaurants. Emphasizing its unique blend of refined design culture and a deep passion for Italian culinary heritage, Arclinea has forged significant partnerships with renowned international chefs, leading to the creation of the Design Cooking School initiative. The Design Cooking School offers a series of cooking courses held throughout Italy, led by distinguished chefs. These courses provide students with the opportunity to work in Arclinea kitchens, learning culinary skills that often translate into long-term loyalty towards Arclinea products. Since its foundation in 2010, the Design Cooking School has boasted partnerships with esteemed collaborators across Europe and America, including Gianluca Aresu and Giuseppe Falanga's Italian Chef Cooking School, as well as Marion Muzi Falcon's "L'apprentie pâtissière" in Paris.

Managing our impacts on the environment



The continuous quest for product quality

The B&B Italia Group is dedicated to creating enduring value for its clients, with a commitment to quality and excellence central to B&B Italia's vision. This vision also guides its approach to supplier relations, emphasizing 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 continuous improvement and a constant foothold on those topics.

At B&B Italia Group, products undergo rigorous assessments to test their performance in terms of Health & Safety impacts on customers, with the support of leading Italian and international test laboratories to guarantee their compliance with relevant legal requirements, including European and US regulations. As a demonstration of the efforts abovementioned, there have been no instances of non-compliance in recent 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. To this end, every B&B Italia product includes an identification code, enabling both the company and its customers to access technical documentation and product standards. This initiative aims to heighten customer interest and awareness on product safety and durability. For this reason, B&B Italia Group surpasses mere compliance by actively monitoring these parameters through specific activities and tests, adhering to various voluntary codes and regulations applicable depending on markets, national laws, and clients' specific requirements. Comprehensive tests, including those on strength and durability, are conducted on the most representative pieces of each product family or those requiring specialized construction techniques. Particularly for Arclinea's products, manual inspections occur throughout the manufacturing process to ensure product integrity. If any defects or issues are detected, immediate corrective actions are taken by factory personnel.

Additionally, Arclinea's Quality Function regularly convenes internal working groups to brainstorm potential enhancements throughout the production phases. These efforts enable the company to deliver high-quality products while implementing new and replicable best practices to enhance future productions.

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 Paragraph "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 production 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.

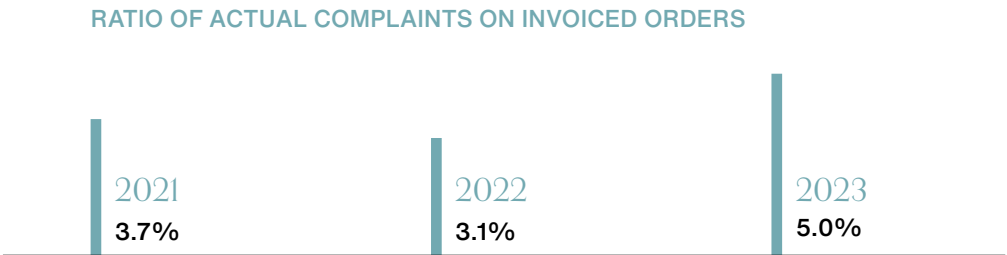
The results of all these controls and technical documentations are then archived into a product factsheet, a true item ID. The product is then ready to be shipped. Inventories are taken in the storage warehouses at the start of production, and when a specific order is commissioned by a client.

03.
delivery

Lastly, the production chain ends with delivery to costumers: sofas, furniture and all the other systems are inspected and, at last, sent to retailers or clients.

Each product sold by B&B Italia Group contains the Product datasheet – Guarantee, which provides customers with essential information about the designer, manufacturers, materials used, warranty terms, and maintenance instructions, emphasizing the product's originality and uniqueness. B&B Italia offers a 10-year warranty on the frames of its upholstered furniture, among which sofas, armchairs, chairs, and beds, covering original defects in manufacturing structural components. This includes free replacement or repair of identified defective parts. Similarly, Arclinea provides a 5-year warranty for products affected by production flaws.

As reported below, in 2023, the ratio of actual complaints on invoiced orders equalled 5,0%.



Lemante by Kensaku Oshiro

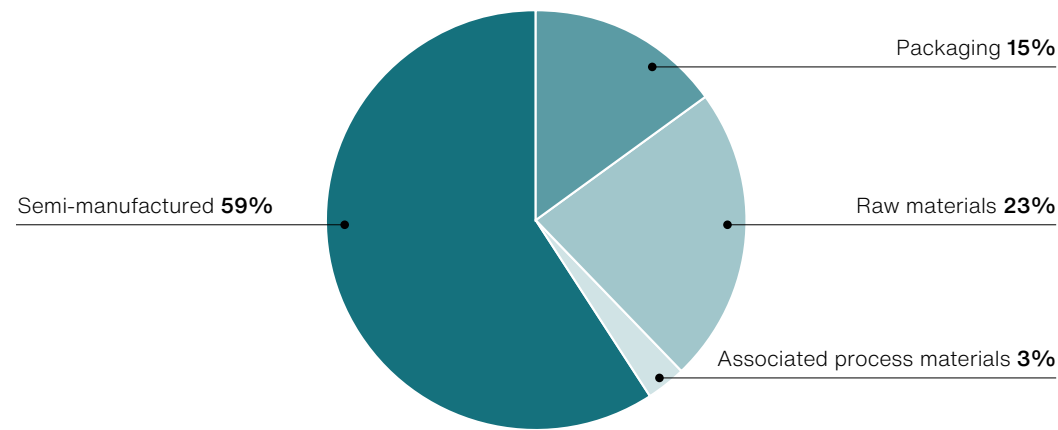
Quality lies at the heart of B&B Italia's identity: it represents its mission to provide long-lasting value for its clients worldwide and is the key to reaching excellence across its value chain, both in terms of supplier selection and material purchasing. The Brand implements rigorous control measures for procuring semi-finished products from suppliers and contractors, ensuring the selection of the highest quality materials available on the market.

The Purchasing Department oversees the sourcing of raw components, evaluating and selecting materials used for both internal structures, mainly composed of iron, steel or aluminium, and external coatings (such as leather or fabric types) or finishes (such as base types and accessories). The Technical Office is responsible for production and the Quality Department conducts multiple assessments to pre-empt technical issues and ensures standards of quality, safety, and durability are met.

B&B Italia Group procures a diverse array of raw materials and semi-manufactured goods, including wood, fabrics, leather, marble, metal, and foam mixtures for padding. Semi-manufactured products, primarily wood, iron and polyurethane, constitute the largest category of purchased materials, representing 59% of the total share. These can be further segmented into mono-materials and multi-component materials according to the differentiation of elements combined to obtain the final material. Examples of mono-materials are wood, polyester, textiles and leather.

Multi-components for B&B Italia typically include polyurethane, used predominantly in sofas, and varnished glass. Packaging materials comprise wood, paper, cardboard, polystyrene, and polyethylene. Raw materials, encompassing categories like steel, wood, aluminium, paints, and adhesives, make up 23% of total purchases. Lastly, associated process materials, mainly wood, are essential for manufacturing but are not integrated into the final product.

Materials by category - 2023



In the past years, the Group has focused its attention on the materials used during the production processes, striving to phase out those with higher environmental impacts on their products' life cycle. An example is the use of certified wood in Arclinea's production processes. In fact, the Brand uses wood sourced from FSC® certified suppliers, ensuring circular forestry practices. High-quality wooden slats are specifically used for kitchen-front panels, while lower-quality grades are employed for backing sections, showcasing a commitment to both sustainability and product quality.

FSC® certified wood

The Forest Stewardship Council® (FSC®) is an international non-profit organization that provides a forest certification system recognized worldwide. This certification is designed to promote responsible forest management and ensure the traceability of related products.

The Forest Stewardship Council® (FSC®) is a non-profit NGO, offering a forest certification system recognized internationally. The certification aims to ensure correct forest management and traceability of related products. Since 2013, Arclinea* has implemented a Management System that aligns with the principles and standards of the FSC®. Today, 80% of Arclinea's wood supply and products are FSC® Mix certified, accounting for approximately 70% of the entirety of B&B Italia Group's wood purchased.

Since 2018, B&B Italia** has been developing unique products produced only with FSC® Mix certified wooden components. The Brand aims to expand the application of FSC® Mix certification across its wooden products by continually adding to the list of components covered by the certification. This effort supports the sustainability of the wood supply chain. Additionally, B&B Italia collaborates closely with designers to facilitate the use of certified wood in their designs upon request.

* Licence Code FSC-C118694

** Licence Code FSC-C142045

Packaging constitutes 15% of the overall amount of materials purchased by the Group. In alignment with its environmental commitments, in past years the Brands of the Group have taken actions to transition to new, recyclable alternatives for packaging. In this context, in 2022 Arclinea purchased a die cutter which guarantees packaging is made of cardboard for all the new furniture shipped by the Brand. B&B Italia has optimized packaging efficiency by reducing the number of boxes required for shipping different parts of the same item, particularly relevant for orders of seating solutions. Material circularity is another key focus area for B&B Italia. For instance, leather and fabric scraps are sold to external companies that incorporate them into their production cycles, promoting resource efficiency and reducing waste. These initiatives underscore B&B Italia's commitment to integrating sustainable practices across its operations and product lifecycle, aiming at reducing environmental impact while maintaining high standards of quality and innovation. Circularity is monitored not only at the stage of primary and process materials but also at the end of the production process, at final product level. In 2023, B&B Italia conducted a circularity assessment of three of its new products: Tortello by Barber&Osgerby, Bambola Outdoor and Softcage, both designed by Mario Bellini.

Partnerships for innovation: Camaleonda with Stella McCartney

After the success registered by the previous Le Bambole edition signed by the renowned British luxury designer Stella McCartney, in 2023 B&B Italia reconfirmed the partnership by developing a new, special edition of the iconic Camaleonda sofa system signed by Mario Bellini. The Brand opted for the grand opening of its new Miami Flagship store as the perfect occasion to unveil the special edition of the Camaleonda, adorned in the brand-new fabric designed by Stella McCartney, so-called "S-Wave". The name recalls the DNA strings, soundwaves, sacred geometries and living in harmony with nature: a forever symbol embodying Stella McCartney's evolving commitment to material circularity, innovation and conscious leadership. This fabric is the result of a next-generation sustainability innovation introduced by the design company's R&D team: it is based on OceanSafe naNea yarn, biodegradable, Cradle to Cradle Certified® Gold level and does not contain harmful substances. Despite the innovative components and features of the fabric, it provides a performance similar to that of conventional materials. The entire sofa system, based on a modular design, is crafted from a wood fibre base-frame and composed of polyethylene seat upholstery.



Camaleonda Stella McCartney Edition by Mario Bellini

Arclinea's Ethical Design: introducing g_cover

Launched at Milano Fashion Week 2023, g_cover is an innovative finish for the wood panels of kitchens derived from the repurposing and recycling of graphite powder, a byproduct of electrode production, by the B Corp-certified companies Alisea Recycled and Reused Objects Design. This elegant kitchen finish adds a new layer of design excellence to the Brand's portfolio of kitchen innovations, yielding a unique grey tone produced from the mineral's powder. The introduction of g_cover brings important innovations and benefits to Arclinea's products. Firstly, its impressive properties enhance kitchens' durability, protecting wood from light and signs of ageing. Secondly, by using this new coating, the Brand contributes to the recycling of a precious mineral that would otherwise be lost to damaging landfill sites. The usage of g_cover for wood panels represents the first step on the Brand's journey toward having a positive impact on people, and a minimal impact on the environment.



Lignum et Lapis by Antonio Citterio

The importance of responsible sourcing

B&B Italia Group maintains a robust network of suppliers for materials, finished and semi-finished products, and contractors responsible for assembling the final products. Demonstrating a strong commitment to local investment, over 90% of these partners are based in Italy, particularly in the Lombardy, Veneto, Marche, and Emilia Romagna regions. This geographic proximity allows B&B Italia and Arclinea to work closely with artisanal experts on intricate, high-quality projects, and maintain continuous dialogue with them. As a result, in 2023, B&B Italia Group sourced approximately 85% of its material procurement volumes from Italian suppliers. The Group prioritizes a local value chain for key materials like fabrics and leather, sourced from districts such as Monza and Brianza for fabrics and Arzignano (VI) for leather. Aluminium and steel, utilized by Arclinea, and iron, used by B&B Italia, are predominantly sourced from Italy, while other semi-manufactured materials, like chair legs, are sourced from China.

For B&B Italia Group, meticulous sourcing and procurement practices are integral as they influence the sustainability of the entire production process. By monitoring outsourcing from selected suppliers, the Group aims at avoiding hazardous materials and whenever possible, utilizing lower-impact components.

For the abovementioned reasons, accurately selecting suppliers is an essential step for the Group's business. Before initiating a new commercial relationship, B&B Italia Group requires each potential supplier to submit a data sheet detailing relevant information. If the outcome of the assessment is positive, the supplier is included in the qualified vendors list.

With those suppliers that embrace the characteristics required by the Group, B&B Italia is dedicated to fostering long-term relationships, grounded in a strong sense of partnership and trust, reflecting its core values of ethics, transparency, and innovation. Suppliers are often engaged from the initial phase of product design, directly collaborating with the R&D Centre and the Quality Department to select and implement the latest technical solutions.

Ensuring durable relationships over time implies continuous evaluations on technical performance, legal and ethical compliance and social responsibility. For these reasons, when signing B&B Italia's purchasing conditions, suppliers are asked to 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. The Group implements specific quality checks throughout the procurement chain, from raw materials to finished products, ensuring adherence to the specifications of various purchased items. The vendor list is updated annually following a comprehensive assessment of suppliers' technical, economic, and quality performance.

To maintain quality across all levels, B&B Italia Group's Quality Department conducts both scheduled and unscheduled visits to suppliers' plants, in addition to performing quality checks upon receiving materials and products. This process facilitates an in-depth exchange of operational practices between partners. For outdoor finished products, primarily produced in Bosnia, Indonesia, China, and the Philippines, Arclinea provides detailed tender specifications that suppliers must meet. Each time a new production line is established, Arclinea's inspectors carry out specific controls to ensure compliance with these specifications.

Monitoring environmental impacts across operations

The Group strives to monitor and manage the environmental impacts generated across its own operations and along its value chain, from the materials and packaging used to the energy consumed and the Greenhouse Gas (GHG) emissions generated. In recent years, the Group has intensified its efforts to monitor and manage the impacts of its sites by implementing Environmental Management Systems to ensure full compliance with applicable laws and regulations. No instances of non-compliance with environmental laws and regulations were recorded in 2021, 2022 and 2023.

Improving energy efficiency at B&B Italia

In 2023, in synergy with a company with an adjacent facility to its Novedrate plant, B&B Italia reached an agreement aimed at increasing an overall efficiency in the use of resources and, ultimately, at reducing its Scope 1 emissions. Starting from Q4 2022, with full effects in 2023, B&B Italia started to purchase thermal energy produced in excess from the nearby cogeneration plant. Such technology allows for simultaneous generation of electricity and heat by capturing and re-utilizing the heat produced in excess during the electricity generation process. This is used for heating purposes and allows for a reduction of the plant's own natural gas consumption. The use of the new system enabled a decrease of approximately 24% in the GHG Scope 1 emissions from B&B Italia Group. Integral part of the project has been, furthermore, the collaboration with this company for the calculation of the emission factor so to correctly allocate GHG emissions.



Tetrami by Naoto Fukasawa

Both B&B Italia and Arclinea have revamped their air intake systems in recent years, allowing for regulated airflow based on actual needs rather than a constant-flow system. This innovation generates energy savings and prevents unnecessary consumption. Additionally, the companies have been replacing conventional lighting with LEDs to enhance energy efficiency in their sites and shops. The Misinto and Novedrate plants have been using LED lights in respectively 100% and 80% of their spaces, while Arclinea has implemented this change at its Caldogno site. The aim is to achieve 100% LED coverage in the coming years. A similar initiative was undertaken at B&B Italia's New York City shop to upgrade the space and increase energy savings.

Electricity is one of the main sources of energy consumed by the Group, second only to natural gas. Since 2021, the Group has been purchasing electricity from renewable sources with Guarantees of Origin (GOs) certificates for all its production plants of Misinto, Novedrate, and Caldogno, with contracts validity starting from the beginning of 2022. With this purchase, B&B Italia and Arclinea achieved their ESG target of sourcing 100% of the electricity consumed by productive plants from renewable sources . The target was maintained also in 2023, since both B&B Italia and Arclinea continued purchasing certified renewable electricity. Considering the entire Group perimeter, in 2023 about 83% of electric energy consumption were certified as renewable.

With respect to 2022, the total energy consumption decreased by 15%, a reduction to be attributed to warmer seasons which reduced heating needs during peak months combined with lower business activities registered during the year. The purchase of heat from the co-generation system mentioned above certainly contributed to such decrease, since it favored lower natural gas consumption for heating purposes.

Because of the different activities carried out by the Brands of the Group, its energy mix is composed of various sources. Natural gas is the most consumed source, as it accounts for more than 44% of the overall energy consumed, followed by electricity (35%), wood offcuts (11%), and diesel (5%). Arclinea made a strategic shift to using LPG driven by the installation of a new, more efficient heating system. This initiative led to a substantial decrease in the use of wood offcuts by 19% and 35% compared to 2022 and 2021, respectively and, more importantly, it facilitated the complete phase-out of fuel oil.

To further improve the efficiency of its plant, Arclinea disposes of thermostats to automatically switch off the heating system upon reaching a set temperature.

The Group's Energy Intensity Index, measured as the ratio of energy consumption to revenues multiplied by 1,000, equaled 232 GJ/K€ in 2023, reflecting a decrease in comparison with 2022 due an overall lower energy consumption and a slight decrease in revenue.

ENERGY CONSUMPTION AND ENERGY INDEX	UNIT	2021	2022	2023
Natural gas	GJ	43,336	37,668	28,650
Wood offcuts	GJ	11,405	9,058	7,357
Electricity	GJ	22,601	23,496	22,670
Gasoline	GJ	21	60	-
Fuel oil	GJ	3,173	681	-
Diesel	GJ	2,845	3,464	3,364
(vehicles owned and leased)				
GPL	GJ	0,3	1,631	2,488
TOTAL ENERGY CONSUMPTION	GJ	83,381	76,057	64,529
ENERGY INTENSITY INDEX (ENERGY/REVENUES)	(GJ/K€)	330	268	232

GHG emissions

In line with the GHG Protocol Corporate Accounting and Reporting Standard, B&B Italia Group has identified and monitored all relevant direct GHG emissions (Scope 1) and indirect emissions from purchased energy (Scope 2). Biogenic emissions from biomass combustion (wood offcuts for heating in Caldogno) are reported separately from Scope 1, as they are sequestered by organic matter, meanwhile residual emissions (NO2 and CH4 not absorbed during plant growth) amounted to 19 tCO2eq in 2023, recording a 17% reduction from the 23 tCO2eq registered in 2022 because of the lower amount of biomass burned over the year. The Group also calculates the indirect emissions occurring outside its operations (Scope 3). Below a description of all the Scope 3 emission categories included in the 2023 GHG inventory of the Group is reported.

⁶ As outlined in Chapter 1, the target refers to the electricity purchased in production plants, headquarters and Italian showrooms.

REPORTED GHG SCOPE 3 EMISSIONS
CATEGORIES EMISSIONS CATEGORIES⁷ DESCRIPTION

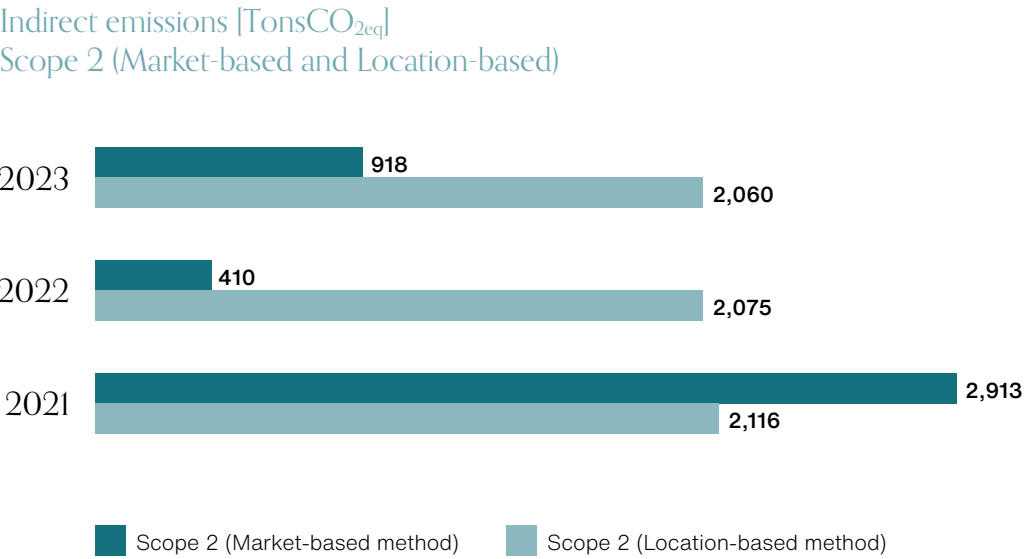
01. Purchased goods and services	Upstream emissions from the production of products purchased or acquired. The category includes both goods (tangible products) and services (intangible products).
02. Capital Goods	Upstream emissions from the production of capital goods purchased or acquired.
03. Fuel and energy-related activities	Emissions related to the production of fuels and energy purchased and consumed.
04. 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>
05. Waste generated in operations	Emissions from third-party disposal and treatment of waste generated by the Group's owner or controlled operations.
06. Business travel	Emissions from the transportation of employees for business-related activities.
07. Commuting	Emissions from the transportation of employees between their homes and their worksites.
09. Downstream Transportation and Distribution	Emissions from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company.
11. Use of sold products	Emissions from the use of goods and services sold by the reporting company in the reporting year.
12. End-of-life treatment of sold products	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.

⁷ The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard - Revised edition.

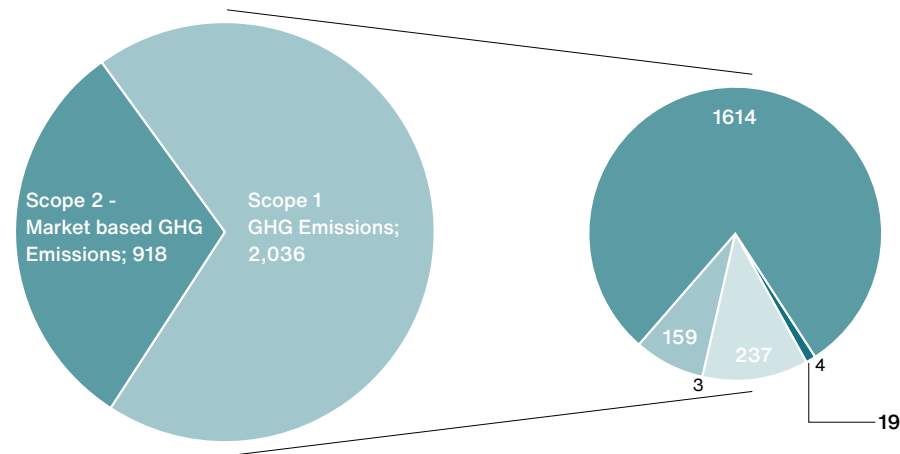
In line with the overall energy consumption trend, Scope 1 emissions recorded a decrease from 2022 levels. The main reasons can be found in an overall reduction in emissions from diesel used to power the corporate vehicle fleet and the phase out of fuel oil, previously used for heating in the Caldogno plant, combined with an overall reduction in the use of natural gas given the purchase of heat from the co-generation system. Specifically, Scope 1 emissions amounted to 2,036 tCO₂eq compared to 2,693 tCO₂eq in 2022, translating in a decrease of roughly 24% in emissions.

In 2023, Scope 2 Location-based emissions amounted to 2,060 tCO₂eq, which, if compared to the 2,075 tCO₂eq in 2022, indicate an overall stable trend.

In comparison with Scope 2 Market-based emissions registered in 2022, in 2023 this category shows a stable trend.



2023 GHG Emissions [TonsCO_{2eq}] Scope 1 and Scope 2 Market-based

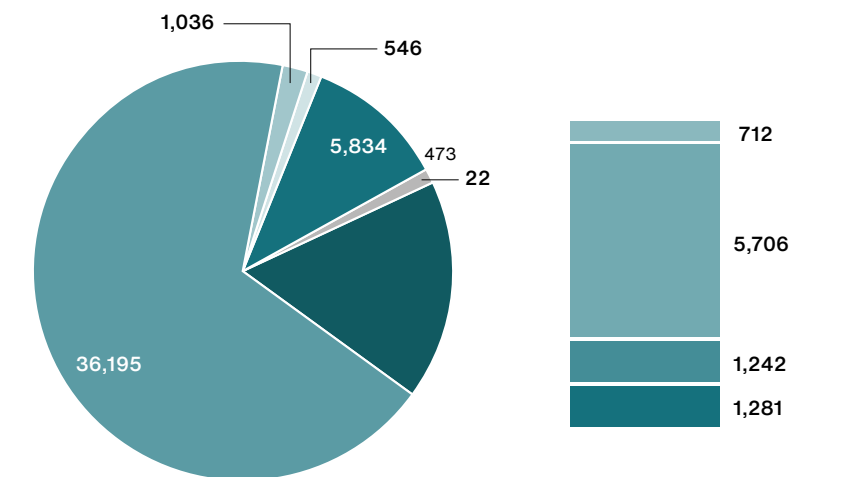


- Emissions resulting from natural gas heating
- Emissions resulting from biomass (N.O and CH, emissions not absorbed during growth)
- Emissions of refrigerant gases resulting from leakages of air-conditioning systems
- Scope 2 - Market based GHG Emissions
- Emissions resulting from gasoline emergency generators
- Emissions resulting from diesel used for the corporate vehicle fleet
- GPL

The main component of the GHG emissions generated by the Group is related to Scope 3 emissions, which account for 93% of total emissions for 2023 (when considering Scope 1, Scope 2 Location-Based and Scope 3). The most impactful category is the one related to purchased goods and services, which represents 68% of all Scope 3 emissions: in 2023, B&B Italia's category was calculated following an hybrid method consisting, on the one hand, of 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, and on the other, of a weight-based method, which calculates emissions based on the actual weight of the purchased materials and their specific emission factors. The latter method was also used to calculate Arclinea's emissions associated with purchased goods and services.

The variation concerning emissions generated from fuel and energy-related activities can be justified by a change in methodology. In fact, until last year, the emissions related to the generation and transmission of the fuels used to power the corporate car fleet, business travels and logistics were accounted for in this category, thus increasing the overall mount of emissions associated to it. Starting from 2023, such emissions were included in each other category, registering an overall increase in the GHG emissions generated from categories 4 and 9 – Upstream and Downstream transportation and distribution, 6 – Business travels and 7 – Commuting.

2023 GHG Emissions [TonsCO_{2eq}] Scope 3 categories



- Cat. 1 - Purchased goods and services
- Cat. 2 - Capital Goods
- Cat. 3 - Fuel and energy-related activities
- Cat. 4 - Upstream transportation
- Cat. 5 - Waste generated in operations
- Cat. 6 - Business travel
- Cat. 7 - Commuting
- Cat. 8 - Leased assets
- Cat. 9 - Downstream Transportation
- Cat. 10 - Franchises
- Cat. 11 - Use of Sold Products
- Cat. 12 - End-of-Life Treatment of Sold Products

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 neutralise ("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 removal of one ton of CO₂ equivalent (CO_{2eq}), the Company can – under voluntary carbon market standards and guidance – claim it has reached carbon neutrality (Scope 1 and 2) in a given 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 project⁸, 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 project⁹, 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 487 jobs for indigenous and local communities.

⁸ 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.

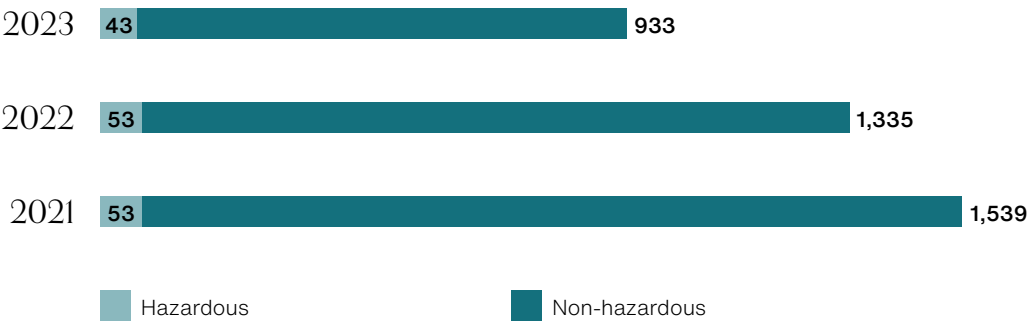
⁹ The Guatemalan Conservation Coast project is registered on the Verra registry, REDD+ Project for Caribbean Guatemala: The Conservation Coast 1622, applies Verra's Verified Carbon Standard (VCS Standard v4.3 VM0015) and the Climate, Community and Biodiversity Standards v.3.1, and will generate carbon credits from avoided unplanned deforestation representing c. 22 million tonnes of CO_{2eq}.

Waste

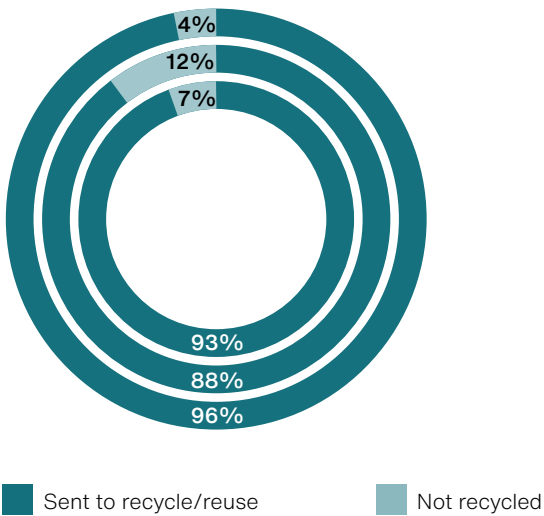
B&B Italia monitors and manages its waste production and disposal, in compliance with national laws and regulations.

Most of the waste generated during production processes is related to packaging, including paper, cardboard, mixed materials, and production residues. This year, B&B Italia Group focused on the reduction of polyethylene and polystyrene-based waste in favor of paper-based solutions. In 2023, the total waste produced amounted to 976 tons, reflecting a decrease of 30% with respect to 2022. This reduction is primarily due to a lower amount of wood waste and aqueous solutions disposed of by the Group. Beside the overall reduction of the amount of waste generated, the quantity of waste recycled, reused or recovered increased in relative terms in comparison with 2022, representing approximately 96% of the total waste. Regarding non-hazardous waste, the overall amount decreased by 30%, equaling 933 tons, while the total hazardous waste amounted to 43 tons against 53 of 2022.

Hazardous vs Non-hazardous waste [Tons]
2021 - 2022 - 2023



Recycled vs non recycled waste
2021 - 2022 - 2023



Promoting valuable relationships



Our people

B&B Italia Group has consistently focused on fostering a positive work environment characterized by trust and strong relationships with the local community. Its dedication to building and sustaining these connections highlights the Group's commitment to integrity, open dialogue with employees, and contributing to the social and economic prosperity of the regions where its companies operate. This commitment is particularly significant, given that many of the Group's employees live in the areas surrounding the production plants and offices.

As of 31st December 2023, B&B Italia Group counted a population of 687 FTEs, recording a slight decrease in comparison with 2022. Being the Group headquartered in Italy, the employees working in Italy represent approximately 90% of the personnel. Because of the international expansion of the Group's market over the years, today B&B Italia Group has people stretched across six countries in three continents, from Germany, the United Kingdom and France, to China and the U.S.A.

DISTRIBUTION OF EMPLOYEES BY COUNTRY (FTEs)

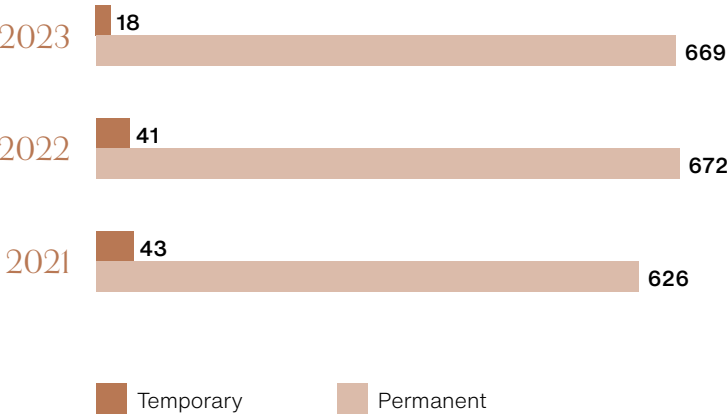
Germany	3
France	12
Italy	616
UK	16
USA	34
China	6

Due to the nature of its business and the market in which B&B Italia operates, requiring craftsmanship and technical skills for the development of the final products, the largest share by employment category is represented by factory staff, which constitute 49% of all employees.

B&B Italia Group strives to foster stable and positive relationships with its workforce. Such efforts are reflected in the amount of employees with a permanent employment contract, which this year increased by 3% with respect to 2022 and reached 97% of the total Group population.

¹⁰ Employee data are expressed in Full-time Equivalents (FTEs), a unit of measurement used to count employed persons in a way that makes them comparable although they may work a different number of hours per week. At B&B Italia Group, FTEs are valued at 2,080 hours per year (40 hours per week for 52 weeks per year).

Employees by type of contract (FTEs)

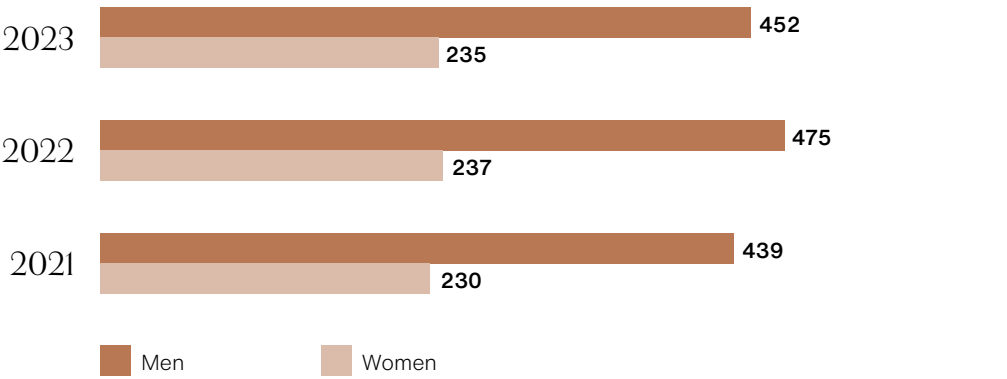


Attracting and retaining talent is of crucial importance to the Group, since people are its most valuable resource. B&B Italia is committed to providing an inclusive, agile, and welcoming environment for all employees, while also ensuring fair compensation and an adequate work-life balance.

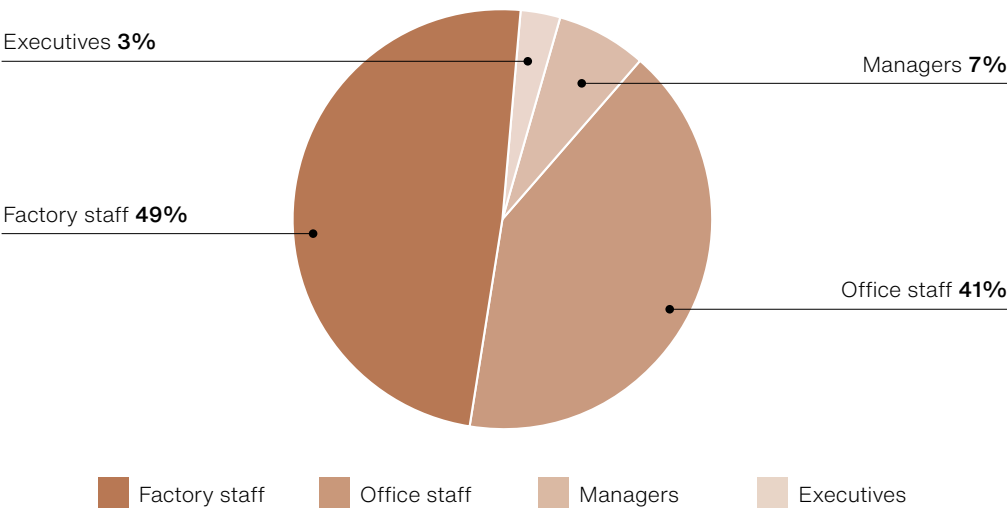
In the past years the overall gender ratio has remained overall stable within the company's population. As of 31st December 2023, male employees amounted to 452, recording a 5% reduction in comparison to the 475 of the previous year and comprising approximately 66% of the total workforce. Conversely, 235 employees were women, whose presence decreased by less than 1% with respect to 2022 data.

In terms of age groups, 49% of the Group's employees fall within the 30-to-50 age bracket. The percentage of employees aged over 50 remained relatively stable between 2022 and 2023, representing 38% of the total workforce. Conversely, employees under the age of 30 form the smallest demographic group, with 87 individuals representing roughly 13% of the overall employee base.

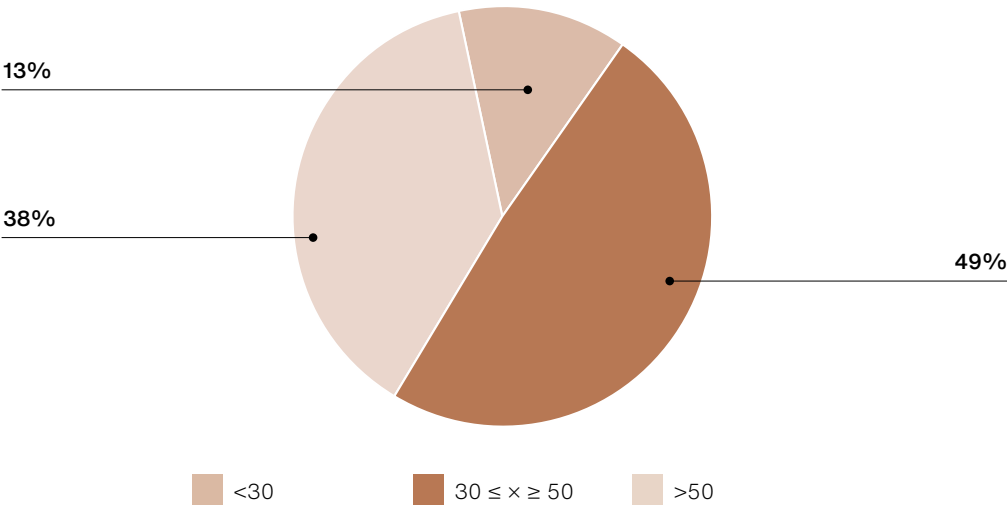
Employees by gender



2023 Employees by employment category (%)



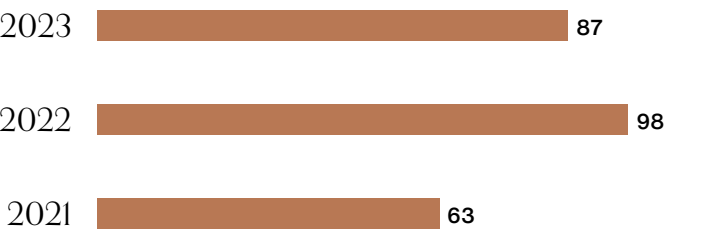
2023 Employees by age group (%)



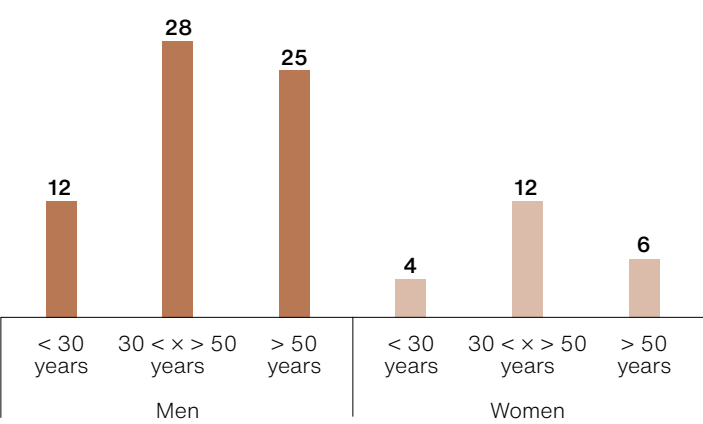
As of 31st December 2023, the Group recorded 87 employees terminations, representing a 12% decrease with respect to 2022. The majority of the departing employees, equalling to 46% of the total, was between 30 and 50 years old. The turnover rate of the Group, calculated as the number of staff leaving the Group out of the total number of employees in the previous year, is a relevant indicator of the employee retention capacity of a company, since it provides insights on the reputation, efficiency and stability of the workplace. In the reporting year, the overall turnover rate equalled 12%, showing a slight decrease with respect to 2022 values, which amounted to 14%.

Regarding new hires, 60 new employees joined the Group this year, out of which approximately 85% were hired in the B&B Italia and Arclinea Italian plants. The hiring rate, measured as the ratio between the number of new hires and total employees at the beginning of the reporting year, amounted to 8% in 2023. Of the new staff, 56% are between 30 and 50 years old, while 28% of them are younger than 30 years old.

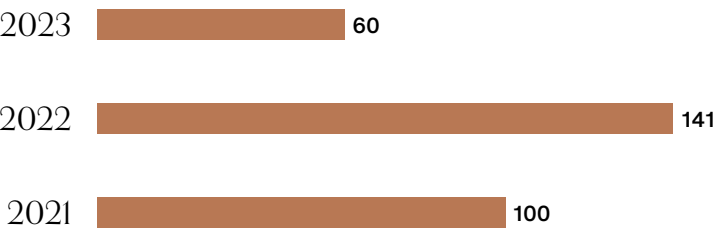
Total Employee terminations (FTEs)



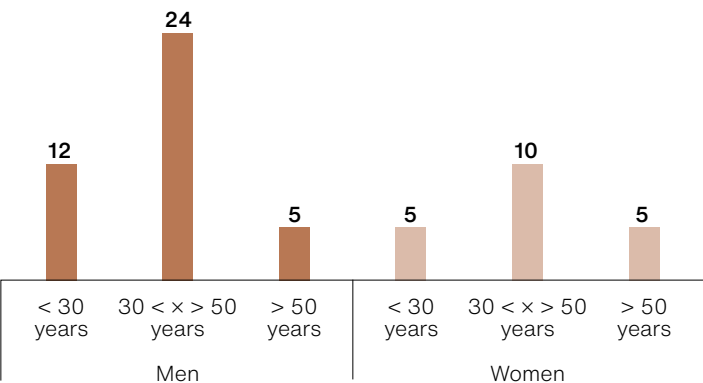
2023 Employee terminations, by age and gender



Total Employee hirings (FTEs)



2023 Employee hirings, by age and gender



Promoting diversity and guaranteeing equal opportunities to its employees is a fundamental value for B&B Italia Group, which condemns discriminatory practices and stands against any form of violation of human rights. Ensuring an equal and fair salary is part of such commitment. With the aim of creating a working environment, founded on the criteria of merit and performance as the only variables considered in the compensation process, the Group has been monitoring the salary ratio between female and male employees over the last years. In 2023, the ratio across employment categories was 86% for executives, while it remained almost stable for managers, whose salary ratio amounted to 96% in comparison to the 94% of 2022, and for office staff (91% in 2023 with respect to 90% in 2022). In terms of overall remuneration, the salary ratio between female and male employees increased from 96% to 101% for managers, while no relevant changes were recorded for office and factory staff.

RATIO BETWEEN BASIC SALARIES FOR FEMALES AND MALES	UNIT	2021	2022	2023
Executives	%	87	94	86
Managers	%	90	94	96
Office staff	%	88	90	91
Factory staff	%	96	97	94

RATIO BETWEEN OVERALL REMUNERATION FOR FEMALES AND MALES	UNIT	2021	2022	2023
Executives	%	87	102	85
Managers	%	96	96	101
Office staff	%	87	97	98
Factory staff	%	90	83	86

Since 2022, B&B Italia Group has adopted a “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 comprised of four pillars:

- Compensation, which includes pay and monetary bonuses;
- Benefits, covering pension plans, health plans, and insurance;
- Development, with a focus on career paths, performance management, and training;
- Work Environment, encompassing organizational culture and leadership.

The pay range is determined based on both market standards and internal evaluations of the specific role. Additionally, one-off bonuses may be awarded to employees with outstanding records who have already reached the top of their pay scale and are ineligible for further wage increases.

The adoption of such a pragmatic approach is linked to the development, within the Group, of a structured performance review process. In fact, since 2022, the Group has conducted performance review assessments of B&B Italia’s executives and office clerks using a specific set of KPIs and Leadership components. This review incorporated both quantitative and qualitative assessments, considering achievements, target-setting and task execution throughout the reporting year. Upon completing the assessment, a formal pay rise request is submitted to Flos B&B Italia Group for approval, becoming effective only if consensus is reached.

Training and welfare

The B&B Italia Group views employee upskilling as essential for delivering quality and innovative solutions to its customers. Every year, the Group offers a range of training activities, covering not only technical subjects, such as technical applications, design software, and regulatory updates on national and international commercial practices, but also soft skills, among which people management and public speaking.

Since 2021, the B&B Italia Group has utilized the “Logic Learning” training suite, a mandatory program for all its employees in Italy. This academy covers various technical topics, including sustainability and product certifications.

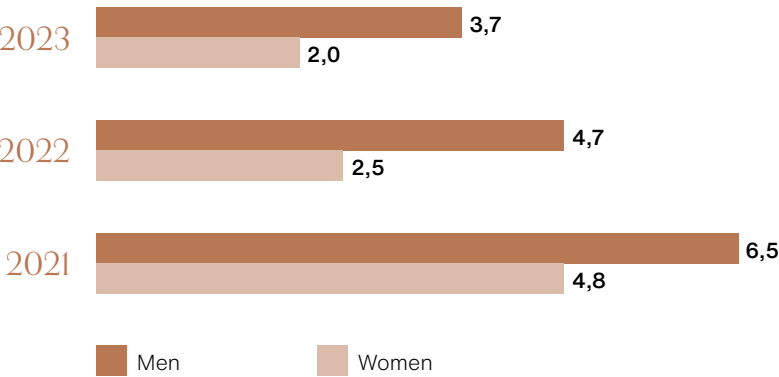
Additionally, Arclinea supports new employees with a specific training program lasting approximately 80 hours, along with sustainability training. These activities aim to increase workers' awareness of environmental and social issues and provide specialized technical knowledge on Life Cycle Assessments (LCAs). In 2023, the overall training hours recorded at Group level amounted to 2,132, of which 32% was compliance training. Apart from the recurrent mandatory sessions on Health & Safety for factory workers, B&B Italia, in collaboration with the Whistleblowing figure of the Brand, finalized a structured training session on whistleblowing and the corporate Organizational Model adopted, in line with the Italian Legislative Decree 231/2001.

Among the initiatives introduced in the reporting year, B&B Italia developed a program reserved to executives and clerks aimed at improving their soft skills, among which performance efficiency and planning and professional development. The objective of the Group is to extend this type of training also to managers, for which specific activities are expected to be delivered in 2024.

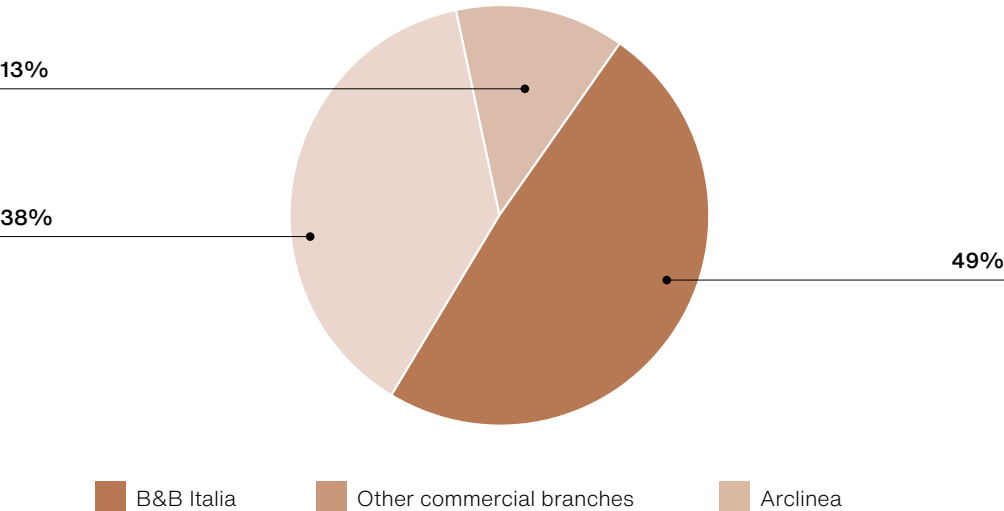
Spreading the design culture: B&B Italia Academy

In 2021 B&B Italia introduced "B&B Italia Academy", structured as a sequence of e-learning modules disseminated through a specialized virtual platform primarily tailored for the sales force. Its core objective is to empower and educate B&B Italia's sellers regarding the fundamental aesthetic and technical attributes of its design collections. In 2022 the Academy expanded to encompass six distinct languages and continued improving during 2023. Over the last year, the Academy registered 970 participants, representing a significant growth with respect to the past years, mainly affected by the Covid-19 pandemic emergency which had the Academy arrange its entire activities virtually.

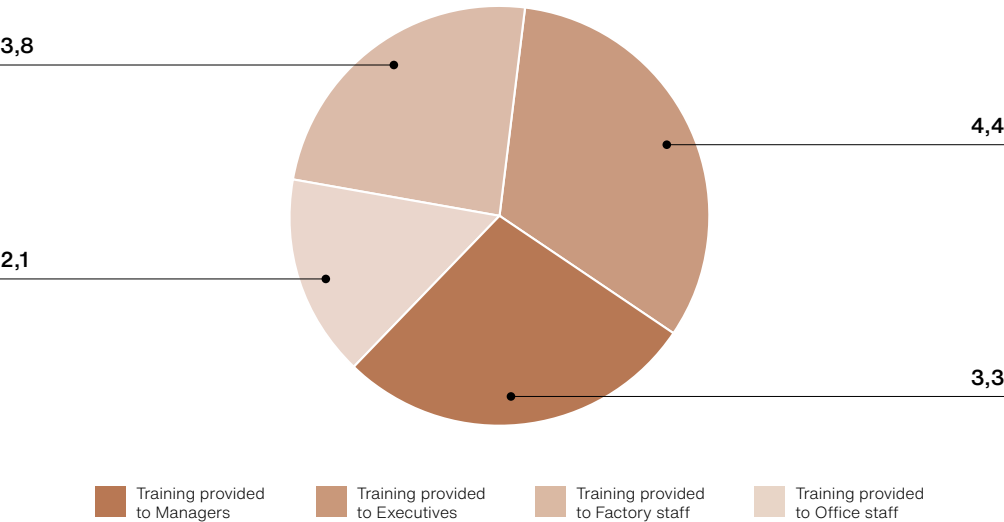
Training hours per employee (FTEs) by gender



2023 Total training hours by legal entity (%)



2023 Average training hours per employee by category



Employees' wellbeing is considered a relevant element to guarantee the health of employees and maximizing performance. For this reason, the Group strives to provide its people with various welfare plans and initiatives aimed at enhancing their work-life balance and improve their professional experience at B&B Italia Group.

Regarding welfare initiatives, B&B Italia partners with several associations to provide its employees and their families with medical assistance and support. Since November 2017, Associazione Anteas Onlus provides transportation and assistance services for employees' disabled family members, while the agreement with Synlab in Monza offers B&B Italia employees access to medical diagnoses and treatments at preferential rates. Additionally, the Group has expanded the range of situations in which employees can access severance indemnities, going beyond the provisions of Italian collective agreements.

In 2023, Arclinea provided its employees with fringe benefits under the form of day-care reimbursements. Furthermore, over the years it has introduced various team-building activities to enhance social interactions among employees from different regions and to better identify company issues and areas for improvement.



Quiet Lines by Gabriel Tan

Health and safety at work

Prioritizing employee health and safety is fundamental to B&B Italia Group's corporate culture. In recent years, the Group has concentrated on raising awareness among employees about potential health and safety risks associated with their work activities and daily environment. Group-wide requirements on health and safety measures and behaviours are equally applied to both employees and subcontractors of the Group.

In 2023, 11 injuries were reported across the Group's facilities and offices: 8 of the injuries took place at B&B Italia S.p.A., while the remaining 3 in the Arclinea's Caldogno plant. All the registered incidents were of minor significance. In the last three-year period, neither injuries with serious consequences nor fatal injuries, nor occupational diseases were recorded. The table below reports data for both employees and non-employees.

HEALTH AND SAFETY INDICES	UNIT	2021	2022	2023
Worked hours	hours	1,167,785	1,255,270	1,229,834
Number of injuries ¹¹	n.	8	9	11
Occupational diseases	n.	-	-	-
Injury rate ¹²	n./hours	6.9	7.2	8.9

The Health & Safety Management System at B&B Italia establishes a comprehensive framework of internal regulations and risk mitigation plans. The Company conducts detailed analyses to assess the risks associated with accidents related to polyurethane flammability, employing specialized external staff in accordance with Legislative Decree No. 105/15 on preventing major-accident hazards involving dangerous substances. Given that burning polyurethane releases hazardous substances at high temperatures, B&B Italia enforces stringent safety, storage, and disposal measures. To enhance employee awareness and knowledge of safety systems, the Misinto facility is equipped with an internal info-point on safety procedures. Additionally, every four months, the Group organizes a meeting with the Workplace Safety Representative, which includes a safety training program.

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.

¹¹ No injury occurred to workers other than B&B Italia employees.

¹² Injury rate is calculated as the ratio between the total number of injuries recorded during the reporting year and the overall amount of hours worked and multiplied by 1,000,000.

Generating value for the community

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B&B Italia Group actively collaborates with local and national schools and institutions to attract emerging talent and improve young people's access to job opportunities. Indeed, in 2023, B&B Italia has collaborated with ENAIP (Ente Nazionale ACLI Istruzione Professionale), promoting an internship programme to support students in their first work experience. Moreover, since 2018 the Company has funded three scholarships for outstanding students from the Misinto municipality to support the social and cultural development of the local community.

Preserving craftsmanship: the collaboration with CFP Giuseppe Terragni

In October 2023, B&B Italia initiated a training collaboration with the Giuseppe Terragni Technical Institute in Meda, as part of the Altagamma "Adopt a School" initiative. The objective is to honor the craftsmanship, technical expertise, and skills that underpin our work. To this end, the project aims to support and empower aspiring students pursuing programs in textile production and upholstery. The project is carried out in collaboration with the Ministero dell'Istruzione e del Merito, with the goal of promoting educational collaboration between schools and high-end manufacturing. Additionally, it received backing from the European Commission and was integrated into the activities for the 2023/2024 school year, as part of the European Year of Skills, an initiative promoted by the Commission itself. "Adotta una scuola" tailors customized and collaborative training paths between schools and businesses, aiming to bridge the gap between the demand and supply for technical and professional skill sets. This is achieved through jointly developed educational programs closely aligned with the needs of high-end enterprises. Activities within the project encompass various aspects, from designing the school year (defining content and training methodologies) to detailed planning (mentoring, creation of educational materials, company visits, expert-led classroom sessions, laboratory workshops, internships, real-world projects, provision of materials for production, and teacher training). Collaboration is formalized through a specific framework agreement for each partnership between a school and a company, outlining the number and characteristics of involved classes, coordination and mentorship references, specific content and activities, as well as commitments from the school, company, and students involved.

In 2022, Arclinea sponsored a three-year PhD research program in partnership with IUAV University, formerly Istituto Universitario di Architettura di Venezia, in Venice, Italy. This research explores the impact of social behaviors, environmental factors, and emerging technologies in food and alternative proteins on home environments, integrating scientific research with innovative design methodologies.

B&B Italia Group is committed to upholding the values of integrity and mutual trust it shares with its employees while also continuing to support philanthropic efforts and contribute to social progress. Since 2015, B&B Italia has backed various charitable initiatives aimed at combating cancer, including donations to Cancro Primo Aiuto Onlus, which assists cancer patients in Lombardy, and "Il Mantello," an organization dedicated to palliative care and patient welfare.

Among charitable activities conducted by the Group, since 2021 donations have been made to support 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.

In 2023, Arclinea renovated its support to the organization "Bambini delle Fate", a social enterprise based in Castelfranco Veneto, in the province of Treviso, through an annual donation. The local association organizes projects, fundraisings and awareness campaigns for children and young adults with disabilities and autism.

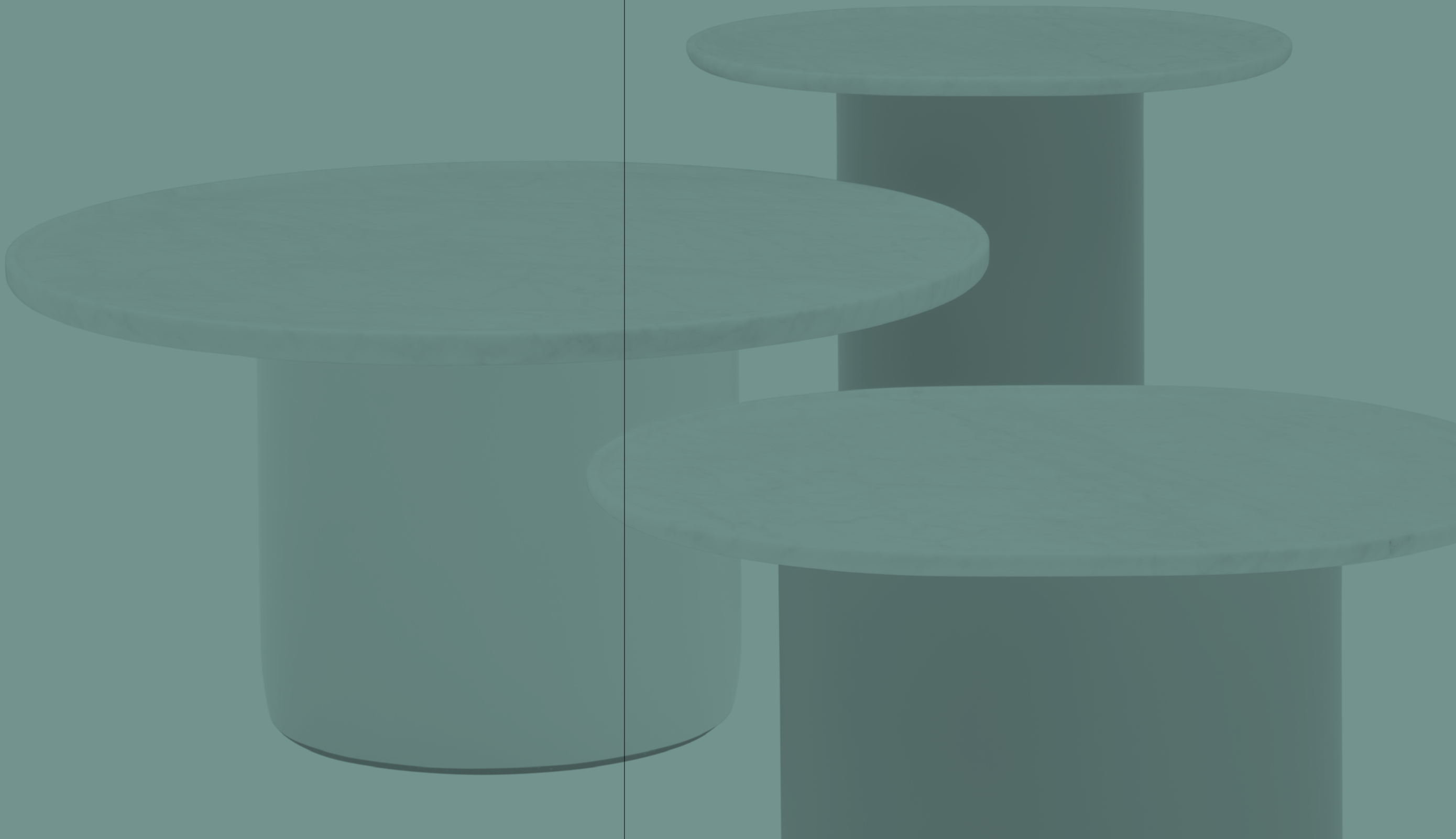
Since the protection of Italian cultural heritage is at the core of the Group's ethical principles, B&B Italia is also a Corporate Golden Donor of FAI (Fondo Ambiente Italiano or National Trust for Italy), an Italian foundation with the objective of protecting and promoting the country's artistic, wildlife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



Eryt by Piero Lissoni

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Methodological note



Reporting principles and criteria

The herein document represents the fifth edition of the Sustainability Report of B&B Italia Group. It outlines the measures and actions undertaken by the Group to manage environmental, social, and employee-related matters, while presenting the position gained within the high-end design sector at national and international level. Its purpose is to provide stakeholders with an accurate, comprehensive, and transparent view of the Group's performance and results in the past year. The document has been prepared with reference to the GRI Standards 2021. The contents of this report reflect the materiality analysis conducted by Flos B&B Italia Group and included in the Group's Sustainability Report 2023.



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, 2023. In some cases, if applicable, data were presented for the years 2021, 2022 and 2023. 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. The legal entities falling within the scope of the Sustainability Report are in:

- B&B Italia S.p.A. – Strada Provinciale Novedratese 32, Novedrate (Como, Italy);
- Arclinea Arredamenti S.p.A. – Viale Pasubio 70, Caldogno (Vicenza, Italy);
- B&B Italia London Ltd. – 250 Brompton Road, Cross SW3 2AS (Londra, Regno Unito);
- B&B Italia München GmbH - Maximilianplatz 21 (Monaco, Germania);
- B&B Italia Paris S.à.r.l. – 3 Rue du Colonel Moll (Parigi, Francia);
- B&B Italia USA Inc. - 150 East 58th Street (New York City, United States of America);
- B&B Italia Asia Pacific LTD - PCCW Tower, Taikoo Place, 979 King's Road, Quarry Bay (Hong Kong).

Moreover, as of this Report's publishing date, no noteworthy event occurred that necessitates reporting except that, on May 16th, 2024, Design Holding rebranded as Flos B&B Italia Group S.p.A. As part of the Group's rebranding, International Design Group S.p.A. has been renamed into Flos B&B Italia S.p.A.

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 is willing not only to comply with social expectations and to bolster communication with its main stakeholders concerning the results achieved, but also to improve internal awareness on environmental, social and economic development.

As a further proof of its effort, B&B Italia Group has been a signatory member of the United Nations Global Compact (UNGC) Initiative since 2016. Through its activities and initiatives, B&B Italia Group contributes to meeting eight out of the 17 SDGs, as highlighted in the figure below.

Stakeholders engagement and materiality analysis

B&B Italia Group periodically performs a stakeholder analysis to map and identify its key stakeholders, depending on both their dependence and influence they have 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 table below highlights the links between the identified material issues and the corresponding Topic-specific Disclosures. The sustainability topics represent the most significant impacts that B&B Italia Group, as a relevant part of the Flos B&B Italia Group, has on the economy, the environment, and people, including human rights, through its operations and value chain. These impacts can be either negative, causing harm to individuals, society, and the environment, or positive, contributing to sustainable development.

MATERIAL TOPICS	GRI TOPICS
Own workforce	Employment (GRI 401) Occupational Health & Safety (GRI 403) Training & Education (GRI 404) Diversity and Equal opportunities (GRI 405) Non-discrimination (GRI 406)
Business conduct	Anti-corruption (GRI 205)
Circular Economy and resource use	Materials (GRI 301) Waste (GRI 306)
Climate Change	Energy (GRI 302) Emissions (GRI 305)
Workers in the Value Chain	Supplier environmental assessment (GRI 308) Supplier social assessment (GRI 414)
Consumers and end-users	Customer Health & Safety (GRI 416) Marketing & Labelling (GRI 417)
Heritage & Design culture	Non GRI

Button Tables Outdoor by Edward Barber and Jay Osgerby



Quality reporting principles

B&B Italia Group's Sustainability Report is drafted following the GRI Standards' principles of balance, comparability, accuracy, timeliness, clarity, and reliability. This document serves as a tool to identify the Group's strengths, weaknesses, and potential areas for improvement. The data collection and reporting process is designed to ensure comparability across different reporting years and to provide stakeholders with clear and interpretable information. B&B Italia Group's Sustainability Report has not been subjected to external assurance.



Tetrami by Naoto Fukasawa

Calculation methodologies

The methodologies and assumptions used to calculate the performance indicators in this Report are detailed below:

- The injury data encompass all employees of the B&B Italia Group, including contractors. Commuting injuries where the transportation was not arranged by the Group and first-aid cases were excluded;
- Hiring and turnover rates are determined based on the total number of employees at the start of the reporting period as the denominator
- The rate of recordable work-related injuries was calculated by multiplying the total number of injuries by 1,000,000 and then dividing by the total number of hours worked during the reporting period;
- Energy consumption from the car fleet has been calculated using available data on fuel consumption from B&B Italia and Arlinea's fleets.

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, 2021, 2022, 2023
LCV (Lower Calorific Value)	GJ/t	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set, 2021, 2022, 2023

Greenhouse gas emissions have been quantified using the guidelines outlined in the GHG Protocol Corporate Accounting and Reporting Standard. To calculate these emissions, the Group implemented an operational control approach to consolidate its figures, utilizing specific emission factors and associated assumptions. The calculation for Scope 1 emissions proceeded 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, 2021, 2022, 2023	CO ₂ equivalent
Gasoline for heating			
Diesel for car fleet			
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)

Regarding Scope 2 emissions resulting from purchased electricity consumption from the national grid, two calculation methodologies have been employed: the location-based approach, which accounts for the average emission intensity of grids incorporating renewable and non-renewable energy sources, and the market-based approach, which reflects emissions from specifically chosen electricity sources through contractual arrangements.

Apart from the heat purchased from a local cogeneration system, B&B Italia Group lacks contracts of any kind for the sale and purchase of energy bundled with electricity generation and emissions attributes necessary for a market-based method. For this reason, a residual mix emission factor has been applied to Scope 2 emissions calculations.

The calculation for Scope 2 emissions proceeded as follows:

GHG emissions scope 2 - location based method

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
Electricity purchased from national grid	Electricity consumption	Terna international comparisons on Enerdata figures, 2019, 2020 European Environment Agency, Scope 2 Emission Factors, 2022	Only CO ₂

Purchased heat	Heat consumption	ISPRA, 2021	Only CO ₂
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GHG emissions scope 2 - marked based method

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GLOBAL WARMING POTENTIAL (GWP)
Electricity purchased from national grid	Electricity consumption	AIB, European Residual Mixes, 2022 Terna international comparisons on Energy data figures, 2019, 2020 USA - Green-e Energy Residual Mix Emissions Rates, 2021, 2022, 2023	CO ₂ equivalent Only CO ₂ CO ₂ equivalent

Purchased heat	Heat consumption	ISPRA, 2021	Only CO ₂
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The calculations were based on the following assumptions:

- Purchased Goods and services (Cat. 1): data encompasses 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 obtained from both B&B Italia Group and its suppliers, and a spend-based method, using the purchased value of semi-manufactured and finished goods.
- Capital Goods (Cat. 2): due to unavailable data, investments were estimated according to the relative reduction of units produced in 2023 compared to the previous year.
- Downstream transportation and distribution (Cat. 9): emissions for Arclinea were estimated due to unavailable data.
- Use of sold products (Cat. 11): only products sold by Arclinea were taken into account.

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”.



Flair O' Couture by Monica Armani

GHG emissions scope 3 (2023)

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	Ecolnvent v.3.10 (2023)	CO ₂ equivalent
	Cost of purchased raw, processed and packaging materials; cost of services purchased	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2021, 2022, 2023	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, 2021, 2022, 2023	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, 2021, 2022, 2023	CO ₂ equivalent
Waste disposal (Cat. 5)	Weight of waste disposed	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2021, 2022, 2023	CO ₂ equivalent
		Ecoinvent v.3.10 (2023)	
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, 2021, 2022, 2023	CO ₂ equivalent
		Ferrovie dello Stato Italiane, “Rapporto di Sostenibilità 2022”	



Dambo by Piero Lissoni

GHG emissions scope 3 (2023)

SOURCE	ACTIVITY DATA	EMISSION FACTOR	GWP
Employee commuting (Cat. 7)	Kilometers travelled	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set, 2021, 2022, 2023	CO ₂ equivalent
		Ferrovie dello Stato Italiane, “Rapporto di Sostenibilità 2022”	
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, 2023	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	Ecolnvent v.3.10 (2023)	CO ₂ equivalent
		UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2021, 2022, 2023	

In accordance with the GHG Protocol Corporate Accounting and Reporting Standard, out of scope emissions have been calculated to account for the direct carbon dioxide (CO2) impact of burning biomass. The emissions are categorized as “outside of scope” because the Scope 1 impact of these fuels has been assessed as net zero. This determination arises because the biomass fuel source absorbs an equivalent amount of CO2 during its growth phase as the 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 for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2021, 2022, 2023	CO ₂ (GWP = 1), CH ₄ (GWP = 28) and N ₂ O (GWP = 265). Global Warming Potentials (GWPs) are taken from IPCC Fifth Assessment Report (AR5)

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 01.01.2023 – 31.12.2023 with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

ORGANIZATIONAL PROFILE	SECTION	NOTES
2-1 Organizational details	Introducing B&B Italia Group	-
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	Introducing B&B Italia Group	-
2-7 Employees	Our people	-
2-22 Statement of sustainable development strategy	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 and the value we generate	-
2-29 Approach to stakeholder engagement	Stakeholder engagement and materiality analysis	-
2-30 Collective bargaining agreements	Training and welfare	-

Material Topics

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

GRI STANDARD	DISCLOSURE	SECTION	NOTES
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	Our people	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our people	-
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	-
TRAINING AND EDUCATION			
GRI 3: Material topics 2021	3-3 Management of material topics	Training and welfare	-
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training and welfare	-
DIVERSITY AND EQUAL OPPORTUNITY			
GRI 3: Material topics 2021	3-3 Management of material topics	Our people	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our people	-
	405-2 Ratio of basic salary and remuneration of women to men	Our people	-
NON-DISCRIMINATION			
GRI 3: Material topics 2021	3-3 Management of material topics	Our people	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-	During the reporting period, no episodes of discrimination have emerged.

GRI STANDARD	DISCLOSURE	SECTION	NOTES
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.

For further information about this Sustainability Report, please contact:

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