

Sustainability

Report 2024

⁰¹ Design for the Planet

⁰² Design for People

⁰³ Design for Culture



FLOS
B&B ITALIA
Group

Sustainability Report 2024

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Letter to Stakeholders ^[2-22]

As we reflect on another year in our journey, we are pleased to unveil the fourth edition of the Flos B&B Italia Group Sustainability Report. For us, sustainability is not a trend, but a commitment marked by continuous learning and incremental progress, spanning themes of environmental stewardship, social responsibility and conservation of cultural heritage.

Across our Brands, the Group is cultivating a shared vision in which design values aim to elevate both the aesthetics and the ethics inside each product—with the ambition to shape a world that is inspiring for all. Our identity as pioneers in conscious, high-end design is embedded in every product we create.

Each piece is the result of a deliberate, evolving process that blends decades of expertise, artisanal excellence, and refined sensibility with progressively improving principles such as eco-design, circularity, and innovation. This philosophy is captured in our purpose: to “design for a beautiful life”.

Our people are the driving force behind everything we do, and help drive this purpose forward. They are the hands, minds, and visionaries behind the exceptional products we bring to life — the true enablers of our mission to enrich homes and public spaces with beauty and meaning.

Over time, Flos B&B Italia Group has laid the foundations of a sustainability strategy that is now embedded in our way of working. The establishment of a Policy and Governance structure has allowed the Group

to take steps toward implementation, anchoring our efforts across environmental and social dimensions. With these foundations in place, we are steadily maintaining our reporting practices, weaving circular principles into design, and adopting shared frameworks that inform and inspire our product development. By prioritizing durable materials and designing with longevity and reuse in mind, we are shaping a model of excellence that can continuously evolve and expand. While we recognize that the road ahead is long, our resolve remains strong. We embrace the challenge of the transformation of luxury design toward a lower impact future. In this context, the Group’s global footprint is matched by a commitment to inclusion and diversity. We believe that a diverse workforce enriches our culture and strengthens our business, bringing fresh perspectives and ideas that fuel innovation across all our Brands. This belief extends to the communities we engage with, where we aim to create lasting social value. As we look to the future, we are determined to preserve the heritage and craftsmanship that define our Brands, while continuing to push the boundaries of design and innovation. Through global collaborations with designers, cultural institutions, and academic partners, Flos B&B Italia Group is sharing its vision of beauty and progress with the world. Our growing international presence has enabled us to launch impactful initiatives with local communities—partnering with schools, universities, and NGOs to inspire the next generation. This latest edition of our Sustainability Report offers a transparent account of the challenges we have faced and the milestones we have reached. Pleased with our progress to this point, we remain driven by a spirit of curiosity and ambition—ready to explore new paths as advocates for a more beautiful and sustainable way of living.

Piero Gandini,
Executive Chairman, Flos B&B Italia Group

2024 Highlights

The Group

768,05 mln €

2024 Group revenues

9

Brands ¹

2,159

Employees
worldwide

10

Industrial facilities

+130 countries

Global presence

+7.010

Points of sale, of which:
20 Directly Operated Stores
162 Monobrand Stores
914 Shop in Shop



¹ On 1st July 2025 Flos B&B Italia Group S.p.A. announced the termination of its participation in the joint venture Fashion Furniture Design (FF Design) by mutual agreement with FENDI.

The structure of the Group

We, as Flos B&B Italia Group, stand at the forefront of the global high-end design industry, setting new standards through a curated collection of iconic and complementary Brands. In a sector often marked by fragmentation, we have created a unified and visionary platform, thoughtfully assembling some of the world's most esteemed names in design.

Our Group includes Arclinea, Audo, Azucena, B&B Italia, Fendi Casa, FLOS, Louis Poulsen, Lumens, Maxalto.

Spanning various categories—such as premium lighting and accessories, luxury furniture, and kitchen and cabinet solutions—each Brand retains a unique identity and heritage. Yet, all Brands are bound by a shared commitment to aesthetic excellence, craftsmanship, quality, innovation, and awareness of environmental responsibility ^[2-6].

Flos B&B Italia Group was formed in November 2018 from the joint vision of Investindustrial and Carlyle, who sought to bring together the best of design under one roof. On May 16th, 2024, the Group officially rebranded as Flos B&B Italia Group S.p.A., a strategic move that reinforces our global positioning through the powerful recognition of our flagship Brands, FLOS and B&B Italia. As part of this initiative, International Design Group S.p.A. was renamed Flos B&B Italia S.p.A.

After rebranding to Flos B&B Italia Group in May 2024, the Group continues pursuing the journey to strengthen its identity within the luxury design industry by leveraging directly on the founding brands in its portfolio. The Group aims, in the future years, to increase integration within the two divisions, lighting under the Flos and Louis Poulsen brands and furniture under the B&B Italia brand, by further empowering the strong management teams of the two divisions, already equipped with deep industry expertise. The lighting and furniture divisions will continue their revenue expansion strategy, with a view to further enhancing efficiencies in supply chain, procurement and production, while at the same time preserving the strong heritage that makes the Brands unique.

On October 29, 2024, the city of Valencia in Spain—home to FLOS's Architectural operations—experienced severe flooding that caused extensive damage to the area. The event resulted in the loss of inventory stored in the warehouse and required significant effort and resources to restore factory operations, which resumed by the end of November 2024. The flooding also significantly impacted the Antares facility and many of its employees living in the surrounding area. In response, the Flos Group acted swiftly to support those affected, offering interest-free loans to Antares employees to help cover urgent and essential expenses, such as home repairs and vehicle replacement. This event not only had a negative impact on the economic performance of FLOS and the Group as a whole, but also underscored the growing importance of climate resilience and proactive risk management in the face of increasingly frequent extreme weather events. It further reinforced the Group's commitment to employee well-being and its responsibility to provide timely, concrete assistance during times of crisis.

THE HISTORICAL BACKGROUND OF INVESTINDUSTRIAL AND CARLYLE

Flos B&B Italia Group is jointly owned by the independently managed investment companies of two global private equity leaders, Investindustrial and Carlyle. Together, they provide support to the Group, underpinned by aligned values and a shared commitment to long-term growth and excellence.

Investindustrial

Founded in 1990, Investindustrial is one of Europe's foremost independent investment groups. It specializes in high-quality mid-market companies, taking an active and transformational approach to ownership. The firm operates across four key sectors: Industrial Manufacturing, Consumer, Healthcare & Services, and Technology. With over 200 professionals spread across eight international offices—including the UK, Switzerland,

Our strategic model embraces a dynamic exchange of inspiration, blending both top-down leadership and bottom-up innovation.

Each Brand contributes to the collective strength of Flos B&B Italia Group by sharing knowledge, best practices, and excellence across the organization. In parallel, we apply our global expertise to empower each Brand—expanding their reach, enhancing focus, increasing scale, and maximizing impact.

Flos B&B Italia Group is committed to its mission of crafting beautiful products. This ambition is pursued through a clearly defined strategy focused on elevating brand desirability via cutting-edge R&D and the continual development of iconic, responsibly crafted product lines. At the same time, the Group is strengthening a renewed focus on the industrial heritage of each Brand, recognizing that their unique identities and craftsmanship are key drivers of long-term value. The aim is to reinforce the distinctiveness of each business within the Group.

Our ambition also extends to becoming a leader in the high-end contract sector, delivering tailored furniture and lighting solutions for residential, hospitality, and public spaces.

Spain, France, Luxembourg, the U.S., the United Arab Emirates, and China—Investindustrial has built a strong presence on a global scale. To date, the firm has raised €17 billion in capital, consistently driving sustainable value creation across its portfolio.

Carlyle

Carlyle is a globally recognized investment firm known for its deep sector expertise and disciplined approach to private capital. Operating across three main business segments—Global Private Equity, Global Credit, and Global Investment Solutions—Carlyle brings strategic insight and operational rigor to every investment.

As of December 31, 2024, the firm manages approximately \$453 billion in assets, supporting a diverse network of investors, portfolio companies, and communities around the world. Carlyle's global footprint includes over 2,300 professionals working across 29 offices on four continents, all unified by a core mission: to invest with purpose and generate lasting value.

Flos B&B Italia Group operates across three core segments of the high-end design market:

- **High-End Lighting:** comprising Brands that develop premium lighting solutions for both residential and architectural settings, indoors and outdoors.
- **High-End Furniture & Accessories:** home to Brands that are design pioneers, known for iconic furnishings and accessories that have shaped the global design narrative in both private and public environments.
- **High-End Kitchens & Cabinets:** where our Brands create innovative kitchen systems and complementary solutions that blend functionality with design sophistication.

Additionally, the Group maintains a strong digital commerce presence through Lumens, a leading platform for high-end design products. Our Brands utilize a broad omnichannel distribution network, encompassing both B2C channels—including contract projects, e-commerce, and directly operated stores—and wholesale channels, such as mono-brand stores, shop-in-shops, and multi-brand retailers ^[2-6].

THE GROUP'S BRANDS

EST. 1966

B&B
 ITALIA


Camaleonda sofa by Mario Bellini, B&B Italia

PURPOSE

Inspire people through the most innovative, iconic and contemporary Design furniture.

B&B Italia is a globally acclaimed Italian design brand and a leader in the luxury furniture industry. Operating in both the residential and contract sectors—including hospitality, retail, office, and nautical—B&B Italia Group forms the backbone of a network that also includes Maxalto, Arclinea, and Azucena. Each brand carries its own distinct identity, yet they all converge on the shared pillars: design excellence, creative innovation, and technological sophistication, each attuned to modern lifestyles and global trends.

The company's headquarters in Novedrate (Como), designed in 1971 by the visionary architects Renzo Piano and Richard Rogers, symbolize its pioneering spirit. Today, B&B Italia Group boasts a team of 701 employees and a global presence spanning over 80 countries, supported by a network of 59 mono-brand stores and 612 specialized retailers.

Since December 2018, B&B Italia Group has been part of Flos B&B Italia Group, a global leader in high-end design encompassing a portfolio of legacy brands in luxury furnishings and lighting, deeply rooted in European cultural heritage.

Founded in 1966 by Piero Ambrogio Busnelli, B&B Italia has become a symbol of contemporary culture, driven by a relentless commitment to research, innovation, and a design language that blends timeless elegance with cutting-edge vision.

The company's Research & Development Centre serves as an incubator for creativity and excellence. Its collaborative model—pairing in-house expertise with some of the world's most influential design voices—has led to the creation of furniture pieces that have become icons of modern design. Celebrated products such as Serie Up, Le Bambole, Charles, and Camaleonda are the result of such fruitful partnerships with globally renowned designers, including Antonio Citterio, Piero Lissoni, Mario Bellini, Gaetano Pesce, Naoto Fukasawa, Patricia Urquiola, Barber & Osgerby, Doshi Levien, Michael Anastassiades, Monica Armani, Vincent Van Duysen, Foster+Partners and many others.

Over the decades, B&B Italia has earned numerous recognitions for its outstanding contributions to design, including the prestigious "Compasso d'Oro", Italy's highest honor for industrial design which the company has been awarded an impressive five times.

EST. 1975

MAXALTO

PURPOSE

Excel in timeless lifestyle interiors.

Lucrezia Soft sofa, Febo armchairs by Antonio Citterio, Maxalto

Founded in 1975, Maxalto represents the Group's expression of modern classic design—blending refined aesthetics with traditional craftsmanship and contemporary sophistication. The brand offers a comprehensive collection of elegant furnishings that emphasize premium materials, precise detailing, and tailored customization. With its Maxalto Atelier service, the brand provides bespoke solutions, offering clients the ability to customize sizes and finishes, reflecting Maxalto's artisan heritage. Since 1995, Maxalto's creative direction and design have been fully entrusted to Antonio Citterio, whose vision continues to define its iconic style and understated luxury.

EST. 1947

AZUCENA

PURPOSE

Interpret modern Italian Design since 1947.

Catilina armchair by Luigi Caccia Dominioni, Azucena

Founded in 1947 by architectural luminaries Luigi Caccia Dominioni, Ignazio Gardella, and Corrado Corradi Dell'Acqua, Azucena stands as a timeless icon of Italian modernism. Acquired by the B&B Italia Group in 2018, the brand is devoted to preserving and reintroducing the legacy of post-war Italian design. Azucena's curated collection reissues more than 20 historic pieces by Luigi Caccia Dominioni—such as the Catilina chair, ABCD chair, Toro chair, Monachella lamp, and Cavalletto table—available through select retailers in Italy and internationally. Each piece captures the distinctive blend of functionality and poetic design that defines Azucena's enduring appeal.

EST. 1925

Arclinea

PURPOSE

**To inspire everyday connections
in extraordinary kitchen spaces.**



Thea kitchen by Antonio Citterio, Arclinea

Founded in 1925 by Silvio Fortuna in Caldogno, Italy, Arclinea Arredamenti S.p.A. began as a small artisanal woodworking shop and evolved into a leading name in high-end Italian kitchen design. Known for its ability to anticipate lifestyle changes, Arclinea blends traditional values with a forward-thinking approach toward innovation and production.

In 1958, the Company introduced Italy's first modular kitchen, followed by pioneering solutions such as built-in appliances and stainless-steel hobs. In the 1980s, the company began working with prominent architects and designers, eventually

forming a deep and ongoing collaboration with Antonio Citterio, who became the brand's principal designer in the late 1990s. His influence helped position Arclinea not just as a kitchen manufacturer, but as a creator of architectural living spaces.

Today, Arclinea is a globally respected brand and a powerful ambassador of the Made in Italy ideal, with a presence in both retail and contract markets, including residential, hospitality, and marine sectors. Since 2016, Arclinea has been part of the B&B Italia Group, enhancing its international reach and aligning with the Group's vision of design excellence.

EST. 1962

FLOS

PURPOSE

FLOS' flame enlightens the world.



Taccia lamp by Achille & Pier Giacomo Castiglioni, FLOS

A global icon of Italian design and technological innovation, FLOS has been a pioneer in high-end lighting since 1962. Renowned for pushing boundaries, FLOS has won numerous international awards, and many of its designs are housed in the world's most prestigious museums' permanent collections, including the MoMA (New York), the Victoria & Albert Museum (London), and Le Centre Pompidou (Paris). The Brand's strength lies in its enduring partnerships with some of the world's most influential designers

and architects, such as Achille & Pier Giacomo Castiglioni, Antonio Citterio, Patricia Urquiola, Jasper Morrison, Michael Anastassiades, and Vincent Van Duysen. With its main operational hubs in Brescia (Italy) and Valencia (Spain), FLOS operates across four specialized divisions—Decorative, Architectural, Outdoor, and Custom—each supported by dedicated R&D units. Its global reach spans over 90 countries, anchored by flagship stores in Milan, Paris, and New York.

louis poulsen

PURPOSE

Design to shape light.



PH Artichoke designed by Poul Henningsen, Louis Poulsen

Founded in 1874, Louis Poulsen is a celebrated Danish lighting brand known for its timeless designs that seamlessly blend form and function. With a legacy rooted in Scandinavian design philosophy, the brand has created some of the most iconic lighting pieces in history, thanks to legendary collaborators like Poul Henningsen, Arne Jacobsen, Vilhelm Lauritzen, and Verner Panton. Louis Poulsen continues this legacy today, partnering with contemporary talents such as Christian Flindt, Shoichi Uchiyama, Oki Sato, Øivind Slaatto, and Olafur Eliasson. Headquartered in Copenhagen with production in Vejen, Denmark, the brand showcases its lighting solutions through dedicated showrooms in Copenhagen, New York, Miami, Oslo, Singapore, Tokyo, and Düsseldorf, while serving a global distribution network spanning more than 50 countries.

EST. 2001



PURPOSE

Inspire and connect the world with good Design.



IC Lights Suspension 1 by Michael Anastassiades, FLOS

Lumens is North America's premier destination for modern lighting, furniture, and décor, serving both trade professionals and design-conscious consumers. Founded in 2001 in the San Francisco Bay Area, and incorporating the legacy of YLighting, Lumens has become a leader in curating innovative, global design. With a portfolio spanning over 350 international brands, including exclusive and custom offerings, Lumens is driven by a passion for delivering a best-in-class customer experience through its robust e-commerce platform, expert design content, and a team of seasoned advisors and ALA-certified product specialists. As part of the Group, Lumens plays a vital role in expanding the reach of high-end design across North America.

EST. 1988

FENDI
CASA

PURPOSE

Combine FENDI extraordinary creativity with excellent craftsmanship.



Five sofa by Marcel Wanders Studio, FENDI Casa

In May 2021, Flos B&B Italia Group and FENDI joined forces to launch Fashion Furniture Design (FF Design)—a joint venture aimed at accelerating the global growth of Fendi Casa, with the Group holding the majority share. This collaboration combines FENDI's distinctive style and luxury DNA with the industrial and design expertise of Flos B&B Italia Group. Together, they committed to creating collections that celebrate 'Made in Italy' excellence, delivering the well-known FENDI aesthetic through home furnishings crafted with design-forward thinking. On 1st July 2025 Flos B&B Italia Group S.p.A. announced the termination of its participation in the joint venture Fashion Furniture Design (FF Design) by mutual agreement with FENDI. The closure of the partnership between Flos

B&B Italia Group and FENDI followed a thoughtful and in-depth analysis of the Group's development plan, in the context of the strategic repositioning that began at the end of 2024, with the optimization of its lighting and furniture divisions and the appointment of Piero Gandini as Executive Chairman. Flos B&B Italia Group will thus be able to focus its resources on the growth and consolidation of its portfolio of historical brands and strong heritage.

EST. 1978

Audo
COPENHAGEN

PURPOSE

A Sense of Community.



Offset Loose cover by Norm Architects, Audø

Audo is a Danish design Brand offering contemporary furniture, lighting, and accessories in the premium segment.

Serving both professionals and retail customers in over 50 countries, Audø blends timeless Scandinavian craftsmanship with a modern, global perspective.

Founded in 1978, the company is headquartered at The Audø—a unique hybrid space that functions as a showroom, concept store, and boutique hotel. With around 100 employees, Audø collaborates closely with talented designers to craft high-quality products rooted in the Scandinavian design tradition.

Audo represents over a century of Danish design heritage while embracing

innovation and global ambition. Every piece—from furniture to lighting to home accessories—is shaped by purposeful details, premium materials, and thoughtful attention to how people live and interact with their spaces. The Brand's mission is to foster meaningful connections and lasting partnerships through thoughtful design. Bridging tradition and modernity, local roots and international reach, Audø's designs are catalysts for creativity, collaboration, and communal inspiration. Found in spaces across the globe, Audø envisions a future where its designs and icons continue to inspire new generations, nurturing a shared sense of community through exceptional design and shared experiences.

Flos B&B Italia Group across the globe

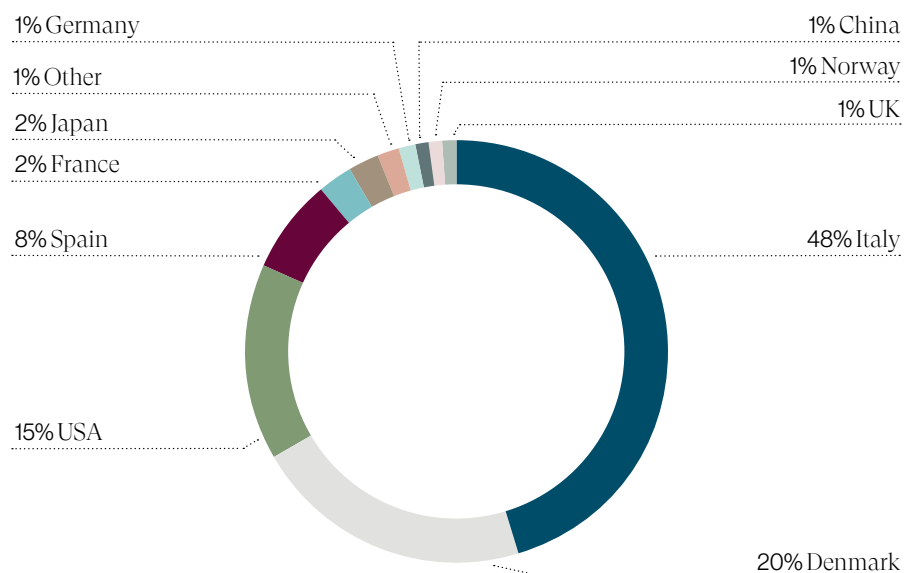
Due to the geographical diversity of its Brands, Flos B&B Italia Group has established a broad presence across more than 130 countries globally, employing a dedicated workforce of 2,159 people², primarily located in Italy, Denmark, and the USA³ ^[2-1, 2-7].

As of December 31st, 2024, our sustainability reporting perimeter comprises:

- Flos B&B Italia S.p.A. (including the parent company Flos B&B Italia Group S.p.A., headquartered in Milan, Italy ^[2-1])
- Louis Poulsen Group (headquartered in Copenhagen, Denmark)
- FLOS Group (headquartered in Bovezzo, Italy)
- Lumens INC (headquartered in Sacramento, California, USA)
- FENDI Casa Group (headquartered in Milan, Italy)⁴
- B&B Italia Group (headquartered in Novedrate, Italy and Arclinea headquartered in Caldogno, Italy)
- Audo (headquartered in Copenhagen, Denmark)
- Flos B&B Italia Group Hong Kong Limited ^[2-2].

2024 Employees global distribution

2,159
Employees

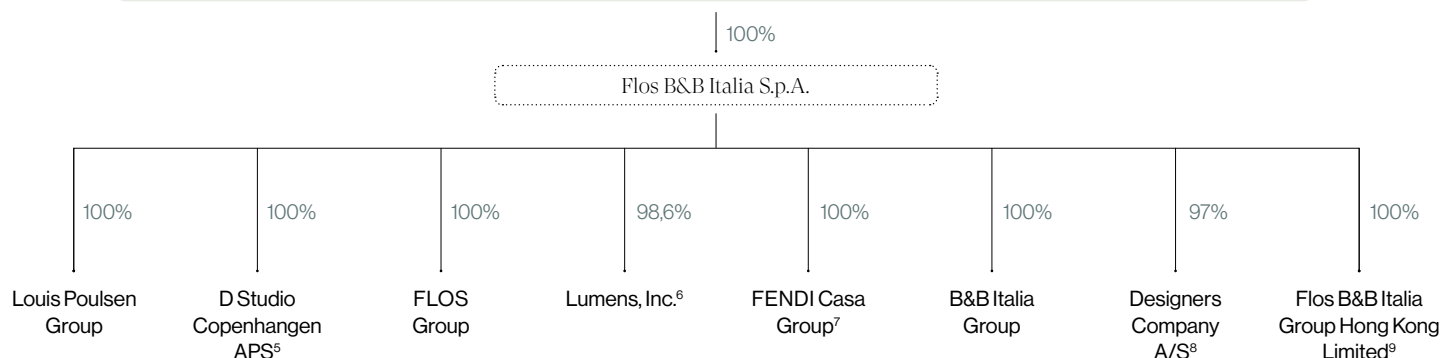


² Employee's data refer to the full Group's perimeter on December 31st, 2024, including productive plants and commercial branches. Data are expressed in FTEs, standing for full-time equivalent (FTE), a unit to measure employed persons in a way that makes them comparable although they may work a different number of hours per week. The Group considers an FTE to be valued at 2,080 hours per year (40 hours per week for 52 weeks per year).

³ Other countries with fewer employees are Singapore, the Netherlands, China (Hong-Kong, Shanghai), the United Arab Emirates (Dubai), Belgium, South Korea, Sweden, Switzerland, Finland, Central and South America, Germany, Japan, Spain, Norway, France.

⁴ Included in the Group perimeter starting from 2022. FENDI-Casa Group, as joint venture, is owned by Flos B&B Italia Group S.p.A. (indirectly) (80%) and FENDI S.r.l. (20%).

Flos B&B Italia Group S.p.A.

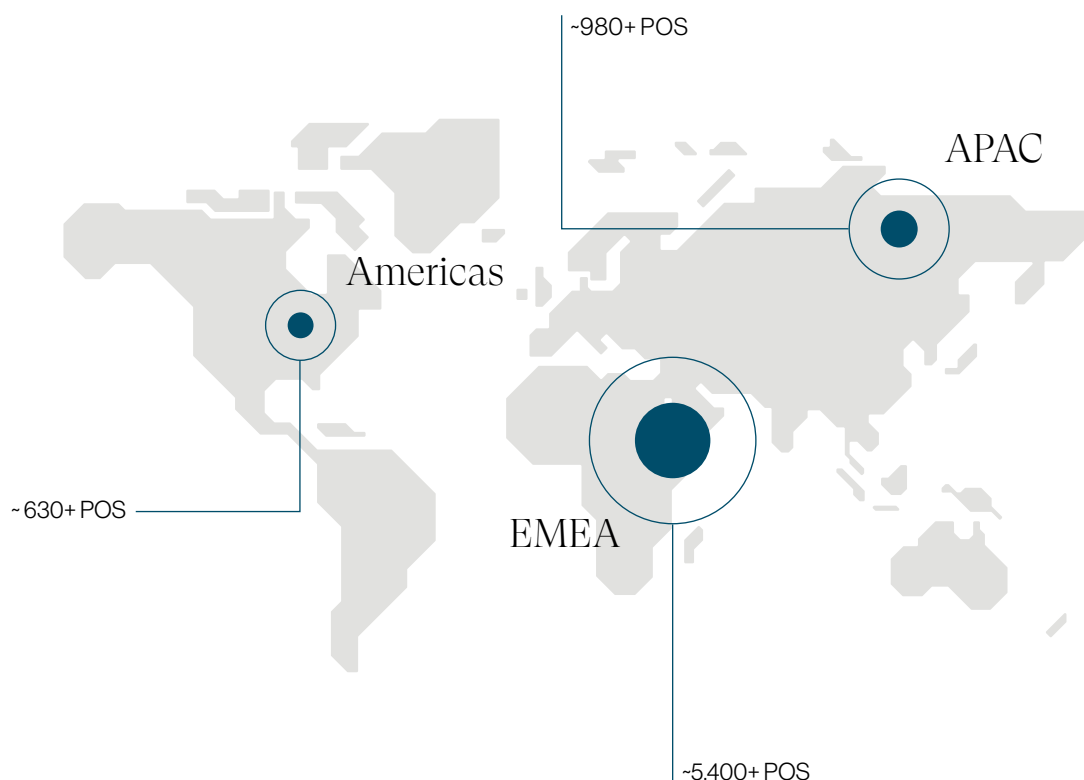


In 2024 the Group carried on its growth strategy through further expansion of its international reach with a focus on North America, China and the Middle East.

In a year marked by persistent macroeconomic headwinds, the Group demonstrated resilience across its portfolio. While core markets faced pressure, encouraging signs emerged from key regions and channels, with notable momentum in APAC and a rebound in certain Brands. Strategic investments in retail and digital touchpoints, alongside a solid pipeline of contract projects, have laid the groundwork for renewed growth, reinforcing the Group's long-term vision in high-end design.

The graph shows an overview of our global presence ^[2-1, 2-6]:

Global presence



⁵ D Studio Copenhagen APS: following the closure of the store D-Studio Copenhagen, on September 13, 2024 D-Studio Copenhagen Aps, entity fully owned by Flos B&B Italia S.p.A. initiated a liquidation process, which was completed in 2025.

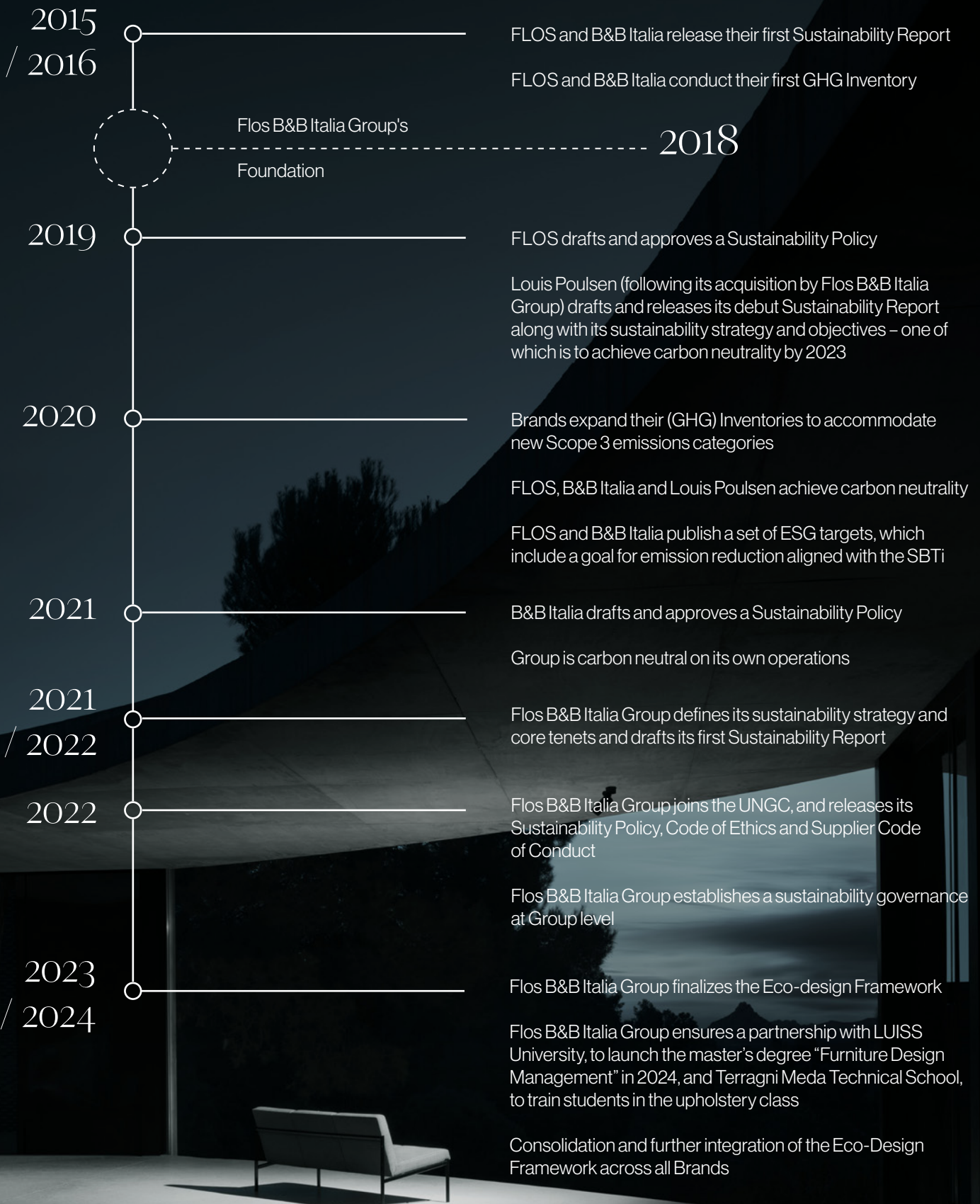
⁶ Lumens Inc.: on Jan 1, 2023 Lumens LLC was merged into YDesign Group which in turn merged into IDG Apollo Parent Inc. and at the same time was renamed in LUMENS Inc.

⁷ FENDI Casa Group is composed of several legal entities. International Design Group owns 100% of DQM (the ownership percentage above reported), while DQM owns 80% of FFD. 20% of FFD is held by Fendi S.r.l. Fendi Casa exited the group as of 30 June 2025.

⁸ In May 2022 the Group acquired Designers Company, a Danish group that includes Brands such as Menu and by Lassen, merged, then, into AUDO.

⁹ Flos B&B Italia Group Hong Kong Limited: company previously included under B&B Italia Group, transferred to Internation Design Group S.p.A. (now Flos B&B Italia Group S.p.A.) in 2023, with direct control (100%).

Sustainability Path



Spine lamp by Vincent Van Duysen, FLOS Outdoor

ESG Highlights 2024

Planet

Scope 3

Maintenance of Scope 3
GHG emissions inventory

447,101 tCO_{2e}

total GHG emissions: Scope
1, Scope 2 market-based and
Scope 3

Carbon neutral

Carbon neutrality for the fifth
consecutive year

7 eco-design principles

Group-level Eco-design
framework

172 GJ/K€

Energy intensity

73%

Clean electricity: % share of
Renewable Electricity

People

2,131

Employees worldwide

46%

Women

6,311

Total training hours

98%

Permanent contracts

4.46 hours

Average number of training
hours per employees

3.02

Direct employee lost time
injury frequency rate¹⁰

Culture

10

Design awards won by
Flos B&B Italia Group
Brands in 2024

8

Social media where the
Brands of the Group are
present

Partnership with LUISS University

Launch of master's degree
"Furniture Design Management"

3

Brand's Academies

Innovators Council

Second year of Lumens'
Innovation Council

¹⁰ A Lost Time Injury is an injury or disease which has caused the injured party at least one complete day or shift off work. Lost Time Injury Frequency Rate (LTIFR) is calculated as the total number of lost time injuries multiplied by 200,000 and divided by the total number of hours worked in the reporting period.

Flos B&B Italia Group's sustainability ethos: the driving force of all our actions

At Flos B&B Italia Group, sustainability continues to inform our design approach in meaningful ways. While our mission remains centered on creating visually striking products, we increasingly view sustainability as a valuable pathway toward achieving enduring beauty—one that is shaped by innovation, creativity, and a growing sense of responsibility.

As global leaders in the luxury design sector, we understand the weight of our influence and the responsibility it carries. We aim to use our platform to encourage thoughtful progress, contributing to a broader conversation about what luxury can represent today: a refined vision of excellence that increasingly embraces the principles of sustainable development.

In this spirit, we are pleased to share our fourth Sustainability Report. More than a formal publication, it reflects our ongoing efforts and awareness around sustainability. Intended as a transparent account of our progress and an open invitation for dialogue, through this report we reaffirm our aspiration to shape a more thoughtful vision of luxury, design, and enhancing life's beauty.

Our purpose

We design for
a beautiful life

Since its inception, Flos B&B Italia Group has been dedicated to sharing beauty and design culture across the globe. A deep respect for craftsmanship, innovation, quality, and enduring values has consistently guided our work—laying a timeless foundation for our continued pursuit of excellence in high-end design.

Departing from a culture increasingly driven by disposability, our focus is on creating lasting products—pieces that not only enhance spaces with elegance but also bring lasting value to communities and individuals

alike. Sustainability is not a separate initiative, thus embedding itself within our operations. Across all Brands within the Group, we uphold a shared conviction: that beauty shall be born from responsible practices. From thoughtful production methods to the stewardship of resources, we remain attentive to the long-term implications of our operations.

We aspire to offer products that endure—a vision of luxury where quality and longevity define true value. Every day, our teams live this philosophy, while honoring the distinct identity and creative DNA of each Brand under our umbrella. Whether working in lighting, furniture, or other design disciplines, every entity within Flos B&B Italia Group is united in this purpose.

At the heart of our mission are beauty, craftsmanship, and quality—values that continue to guide our work. Sustainability and heritage preservation are increasingly important to us as we look toward the future. We support design talent, scientific research, and bold, creative collaborations that help shape the icons of tomorrow. In doing so, we aim to contribute to a lasting culture of design excellence.

Our design heritage

At Flos B&B Italia Group, we are deeply committed to preserving the artisanal craftsmanship and design legacies that define each of our Brands' unique heritage, while simultaneously extending the global reach of their iconic creations.

Our Brands continually evolve to meet the ever-changing desires and expectations of their customers. By redefining the boundaries of design, investing in advanced research, and forging exceptional creative partnerships, they have emerged as torchbearers of Italian and Scandinavian design excellence on the world stage.

This vision has been made possible by a vibrant ecosystem of internationally renowned designers and a dedication to manufacturing excellence—hallmarks that have long set our Brands apart. For example, Audio draws on the legacy of historic Nordic figures like Ib Kofod-Larsen, Alf Svensson, and Flemming Lassen, while also collaborating with contemporary talents such as Norm Architects, Danielle Siggerud, and Colin King. FENDI Casa, meanwhile, continues to shape modern luxury through the work of acclaimed designers like Controvento, Atelier Oi, Toan Nguyen, Formafantasma, and Piero Lissoni.

The superior production quality that defines our Brands has earned them global recognition and an impressive array of accolades.

We hold great pride that Flos B&B Italia Group has received, through its Brands altogether, 18 Compasso d'Oro awards, the most prestigious distinction in Italian industrial design, presented by the Association for Industrial Design (ADI)—a record-breaking achievement within the industry.

Notably, B&B Italia became the first manufacturing company to be ever honored with a Compasso d'Oro for its influential role in shaping Italian design. Among our most recent accolades, the Belt lighting system by Ronan & Erwan Bouroullec for FLOS was awarded the



UP 50 armchair by Gaetano Pesce, B&B Italia

2022 Compasso d'Oro ADI, celebrated for its sophisticated blend of functionality and aesthetics. That same year, the iconic "Up" Series armchair by B&B Italia received the XXVII Compasso d'Oro Award for Product Career, a tribute to its enduring impact and legacy.

This achievement was made possible through a visionary collaboration with Gaetano Pesce—renowned architect, artist, and designer—whose boundary-defying work shaped generations and earned a place in design history. His creations, like those of our Brands, are celebrated globally and housed in the permanent collections of the world's most prestigious cultural institutions, including the Museum of Modern Art (MoMA) and the Metropolitan Museum in New York, the Victoria and Albert Museum in London, the Centre Pompidou in Paris, the Vitra Design Museum in Germany, and many others. The global design community mourned Pesce's passing on April 3, 2024, in New York, at the age of 84, but his legacy endures through the timeless relevance and international recognition of his work—and ours¹¹.

These accolades and cultural recognitions underscore our Brands' role in shaping the global design narrative—where innovation meets legacy, and where timeless beauty is crafted with purpose.

¹¹ For more detailed information please refer to chapter "Design for Culture".

Flos B&B Italia Group materiality analysis ^[3-1,3-2]

“ We at the Group share a purpose to beautify the world. Whether through revolutionary and poetic light, timeless comfort, or iconic design, our Brands constantly devote their inspiration, creativity, craftsmanship, and passion for quality, innovation, and sustainability to shape the spaces we exist in and transform them into beautiful locations.”

Flos B&B Italia's Code of Ethics

Sustainability is an increasingly important element of Flos B&B Italia Group's journey, progressively integrated into various aspects of our operations. It plays a growing role in shaping our direction as we strive to act responsibly within the global luxury design landscape.

This document has the main purpose of reporting the Group's sustainability strategy, which is grounded in a structured analysis. As part of enhancing the theoretical underpinning of our approach, we have refined our materiality analysis to reflect the evolving landscape. This analysis examines the most critical economic, environmental, and social impacts linked to our operations and value chain, including issues related to human rights. These impacts may be negative—either as actual harm that has occurred, or potential risks that could lead to adverse outcomes for individuals, communities, or the environment. Conversely, our activities can also generate positive impacts that support sustainable development.

The topics highlighted in this year's Sustainability Report were determined through the refined materiality analysis,

conducted in alignment with the GRI Standards 2021. This process involved the following key steps:

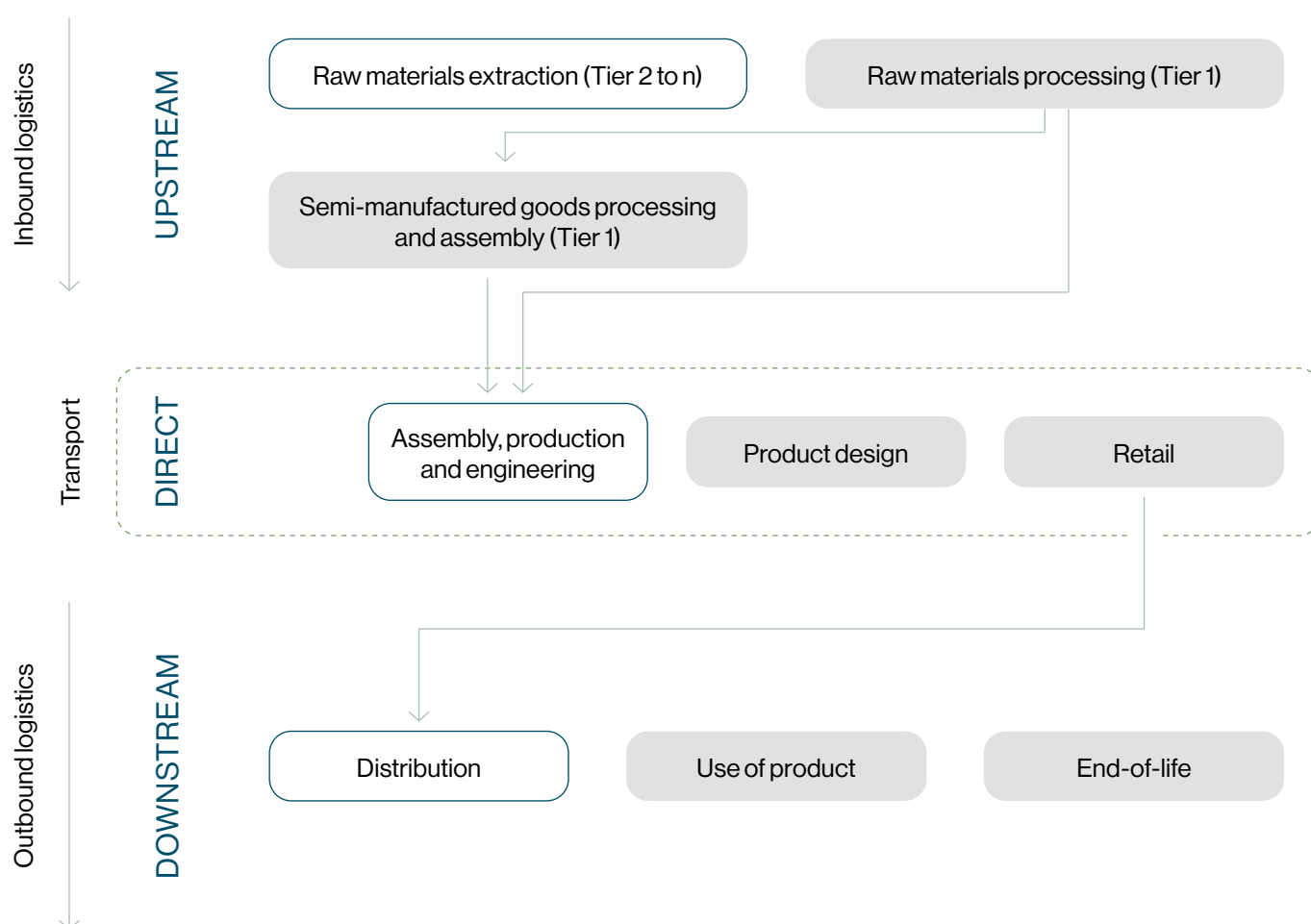
- 01 Refining of our understanding of the context in which Flos B&B Italia Group operates;
- 02 Examination of the actual and potential positive and negative impacts across our operations and value chain;
- 03 Revaluation of the significance of each impact, taking into account both its severity and likelihood, and prioritizing them accordingly;
- 04 Pinpointing the material topics tied to the most significant impacts;
- 05 Validating the results of the refined analysis internally.

The context in which we operate

To evaluate the impacts generated by our organization, we conducted a comprehensive and renewed mapping of the Group's entire value chain. This process entailed identifying activities directly managed by the Group, as well as those overseen by our Brands (Core), alongside external operations carried out by suppliers and other stakeholders operating both upstream and downstream.

Our value chain is characterized by a diverse array of production processes spread across multiple geographic locations. Given this complexity, we delegate supply chain management to our Brands and designated subsidiaries. This decentralized structure is designed to optimize local responsiveness and accommodate distinct production demands [2–6]. In doing so, our Brands are positioned to engage with local suppliers and foster development in the communities where they operate. This model strengthens supply reliability, accelerates delivery timelines, and builds long-term relationships with partners.

Each Brand within our Group operates under a resilient business model that combines in-house production facilities with a carefully curated network of suppliers. This network plays a critical role in maintaining and advancing our manufacturing capabilities.



We intentionally balance insourcing and outsourcing to, on the one hand, retain control over the most critical stages of our operations and, on the other hand, maintain a strong hold on the Group's strategic know-how. By doing so, we ensure the highest standards of quality and service for our clients. Accordingly, our Brands primarily focus on the core components of the value chain—design, engineering, production, assembly, and retail.

The value chain mapping exercise provides a clear framework for identifying where our organization exerts the most influence, both currently and potentially. These insights were derived from a targeted industry analysis, a review of sustainability concerns highlighted in the media, and benchmarking against the practices and impacts of leading competitors and peer companies.



Nooch sofa by Piero Lissoni, B&B Italia Outdoor

Identification and evaluation of significant impacts

This year, initial steps have been undertaken in order to align with the Corporate Sustainability Reporting Directive (CSRD) and the connected European Sustainability Reporting Standards (ESRS). As part of this endeavor, in 2024 we updated and refined the Group's materiality analysis and assessed its impacts in line with the newly established principles.

To determine our most significant sustainability impacts, we approached with a structured evaluation process that considered two key dimensions:

- **Severity** of the impacts, assessed in terms of the scale (the extent of harm caused), scope (how broadly the impact is felt across the value chain), and the irremediability (the difficulty of reversing or mitigating the damage);
- **Likelihood** of such impact, which is the probability of the impact occurring.

The process was fully endorsed by the Group's Top Management.

Material topics	Description of material topic	Impacts	Value chain
Own workforce	To foster a safe, inclusive and empowering workplace for everyone, ensuring equal opportunities, growth pathways and fairness in our business activities	Discrimination and lack of equal opportunity due to inadequate D&I practices	Core
		Violation of human and workers' rights, including health and safety, resulting from inappropriate working conditions	Core
		Positive impact on employee upskilling through dedicated training activities	Core
Business conduct	To ensure social, ethical and environmental compliance throughout our operations and value chain	Damage caused by unfair business practices	Core
Circular economy and resource use	To integrate circular economy drivers and eco-design principles into our processes, from product design and engineering to end-of-life	Environmental pollution due to the mismanagement of waste generated during the Group's operations	Upstream Core Downstream
		Promotion of Eco-Design and Circular Economy principles	Upstream Core Downstream
		Damage to ecosystems due to the sourcing of virgin raw materials	Upstream
Climate Change	To actively engage in the fight against climate change by reducing emissions across our Value Chain and by encouraging the use of renewable energy	Negative impact on climate change within and outside the organization due to greenhouse gas emissions	Upstream Core Downstream
Workers in the Value Chain	To strengthen our foothold on our value chain by actively engaging our commercial partners while ensuring the utmost respect of all working conditions	Violation of human and workers' rights, including health and safety, resulting from inappropriate working conditions along the value chain	Upstream
Innovation and product quality	To secure the highest product quality and safety standards while adopting the best technologies and committing to delivering the highest product experience	Creation of unique and life-lasting products	Downstream
Consumers and end users	To ensure transparency in marketing and communication practices	Damages to consumers and loss of Brand credibility due to non-reliable marketing and labelling practices	Downstream
Heritage & Design Culture	To preserve the heritage of design icons and promote and disseminate across the global community	Preservation of cultural and design heritage	Downstream

The Three Pillars of Sustainability

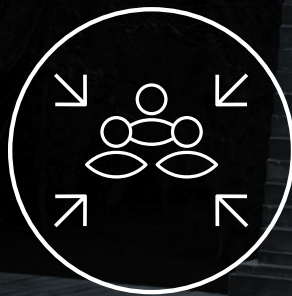
Flos B&B Italia Group's strategy is built on three core principles that underpin our commitment to sustainability in our practices.

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

Our products are more than just visually compelling; they reflect a thoughtful process that increasingly takes into account environmental considerations, the interests of our stakeholders, and our deep-rooted heritage and community values. These elements are all woven together, reflecting the three pillars of our Sustainability Strategy:

- By **‘Designing for the Planet’**, Flos B&B Italia Group continues to explore more environmentally conscious practices across its operations—from production to office activities. This includes the gradual integration of Eco-Design principles into the design and engineering processes of the Brands, along with ongoing efforts to assess key elements throughout the value chain and monitor ESG-related risks. The Group is working to address climate change with greater transparency and evolving targets. In collaboration with its suppliers, the Group seeks to improve its own performance while fostering awareness and encouraging broader engagement.
- By **‘Designing for People’**, Flos B&B Italia Group is committed to fostering an inclusive work environment where diversity is supported. The Group is equally focused on nurturing a mindset that empowers employees to grow professionally and pursue their full potential. Additionally, Flos B&B Italia Group strives to be contributed to the communities it belongs to, forging partnerships that generate meaningful social value over time.
- By **‘Designing for Culture’**, Flos B&B Italia Group is dedicated to preserving the craftsmanship embedded in its products and celebrating the historical significance of its iconic designs. The Group supports scientific research and works to safeguard design legacies for future generations. By fostering innovation through research, strengthening ties with communities, and advancing design culture, the Group aims to create enduring value that spans across generations.

The three pillars represented the foundation for the development of our Group’s Sustainability Policy.

Approved by the Board of Directors in November 2022, this policy provides direction for our sustainability strategy in the years ahead. It stands as a declaration of our responsibility toward the environment, with a focus on minimizing the impact of our activities by progressively adopting practices and standards aligned with ethical principles. It also reflects our commitment to the communities where we operate. Through this communication, we aim to promote a way of working that blends excellence with durability and circularity, resulting in the creation of timeless, lasting works of art.



Coordinates floor lamp by Michael Anastassiades, FLOS

Our Sustainability Policy is guided by the principles outlined in the Flos B&B Italia Group's Code of Ethics,

which was approved by the Board of Directors in November 2022. These principles are fundamental to the conduct of every individual and entity within the Group: Legality, Transparency, Accountability, Beauty, and Sustainability:

- **Legality:** Any activity carried out by the Group and its representatives must be based on honesty, good faith and absolute compliance with applicable laws and regulations, International Labor Organization and United Nations Conventions, and any other relevant statutory requirements. Relationships with public authorities and officials shall be handled with utmost diligence and cooperation.
- **Transparency:** Anyone working on behalf of the Group undertakes to provide its stakeholders with truthful, material, and accurate information, bearing in mind that it is essential to keep the solid trust that third parties place in our reliability, while preserving business confidentiality. Information shared with the public shall always be based on reliable sources and, to the possible extent, verifiable criteria. Transparency also inspires our everyday operations and the way we approach public authorities, our competitors, and our customers.
- **Accountability:** We and each of our representatives strongly believe in the responsibility that comes with our purpose. We investigate and consider both the positive and the adverse effects, internal and external, of our own activity and of those associated with us and stand accountable for them. We also exercise our influence over our partners to help them meet our standards. Moreover, we identify and respect the proper allocation of tasks and responsibility in accordance with our internal policies and procedures to guarantee due diligence and compliance.
- **Beauty & Sustainability:** We believe in sustainability as a fundamental means to beautification, and as something inherently beautiful itself. We understand and pursue sustainability as pertaining equally to our impact on the planet, on our people, and on culture. Through our timeless products and by our example, we purport to pass on our values and traditions to future generations. As part of this process, we foster a fair and inclusive work environment, and we promote the utmost respect for health, safety, self-expression, dignity, and individuality. We repudiate and condemn all forms of unfair discrimination and undertake the task to ensure that any decision involving a judgement on the person is taken according to neutral and objective criteria.



Blow Up sofa by Controvento, FENDI Casa

Corporate Governance ^[2-9, 2-10, 2-11, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20]

Flos B&B Italia Group operates with transparency, responsibility, and full compliance with applicable laws. To ensure these principles guide our decision-making and management of economic, environmental, and social matters, the Group has established a Corporate Governance structure as follows:

- A shareholders' meeting;
- A Board of Directors, composed of seven members, among which the Executive Chairman and six Directors¹². This body ensures the ordinary and extraordinary management of Flos B&B Italia Group;
- A Board of Statutory Auditors, comprising a Chairman, two statutory members and two alternate members;
- A Supervisory board, comprising the Chairman and deputy member, performing controls related to Model 231 and supporting the Ethic Committee.

Additionally, the Group has appointed an independent auditing firm.

The Board of Directors¹³

The Board of Directors is responsible for overseeing and managing the Group's sustainability strategy and for approving all strategic ESG documents, including the Sustainability Report. In this capacity, the Board takes all necessary actions to achieve the Group's objectives. The Board members possess the expertise essential for effective decision-making: the Executive Chairman brings extensive managerial experience from its role in various luxury sector companies, while the non-executive members have backgrounds in private equity, consultancy, and retail management. To enhance the Board's understanding of key ESG issues, its members are familiar with and have endorsed the Group's core ethical documents, including Model 231, the Code of Ethics, the Supplier Code of Conduct, the Whistleblowing Policy¹⁴, and the Sustainability Policy. The Board carries out its duties with the support of internal resources, guided by the advice of shareholders.

Board members

Piero Gandini	Chairman of the Board and Executive Chairman
Marco De Benedetti	Board member
Dante Razzano	Board member
Roberto Maestroni	Board member
Daniel Lalonde	Board member
Chiara Palmieri	Board member
Alessandro Varisco	Board member

¹² The composition of the Board of Directors changed in 2025, with a reduction from eight to seven members.

¹³ The remuneration package for the members of the Board of Directors is approved by the Shareholders' Meeting. As for the time being, no ESG related incentives and targets are included within the remuneration package.

¹⁴ The tenure of the members of the board is three years, as outlined by the Italian law. Moreover, the board is made up of one male executive members and of six non-executive members (five male and one female), with no independent members. No board member belongs to under-represented social Groups. Board members are appointed by Flos B&B Italia Group's shareholders, while no other stakeholder is involved in the election process. There are no board evaluation processes in place at the present time.ers, while no other stakeholder is involved in the election process. The Chairman of the board is not a senior executive in the organization and there are no board evaluation processes in place at the present time.

Sustainability Governance^[2-12, 2-13, 2-14]

In 2024, as part of our efforts to ensure closer alignment between the Group's overarching strategy and the unique visions of each Brand, specific sustainability responsibilities were assigned to the Flos B&B Italia Group CEO and the Brand CEOs. However, in 2025, these responsibilities were reallocated to Silvia Milanese, Flos B&B Italia Group General Counsel, and Elisabetta Scotti, Flos B&B Italia Group CFO.

Today, sustainability initiatives are coordinated across the Group through key leaders at both corporate and Brand levels. These individuals meet regularly to exchange updates, define priorities, and collaboratively advance the Group's agenda.

FLOS B&B ITALIA GROUP AND ESG RATINGS

As a leading force in the high-end design industry, we recognize our responsibility to adopt best practices and exemplary behaviors in building a responsible business model. We take pride in being assessed by an independent ESG rating since 2022: the S&P Global Corporate Sustainability Assessment (CSA). The S&P Global CSA is a global rating system that evaluates the sustainability practices of over 13,000 companies, offering annual assessments to stakeholders and investors. In 2024, the Group demonstrated solid performance, achieving a score that stood above the industry average.



SuperWire by FormaFantasma, FLOS



Elizabeth Lounge Chair by Ib Kofod-Larsen and Pagode Sofa by Tove & Edvard Kindt-Larsen, Audio

Our journey towards sustainability

As we continue on the path toward becoming a company increasingly focused on environmental responsibility, 2024 showcased our maintained attention to the impacts we have on the environment, people, and the communities we engage with in our business operations.

Our global leadership position in the industry reflects the collective efforts and achievements of our Brands, each of which aligns its actions with both its individual ESG goals and the broader KPIs set at the Group level.



We operate with synergy in mind, and the belief that integrating sustainability strategies of our Brands and creating a unified vision for the future is crucial to our success—not only as a Group but also as a player in advancing the collective sustainability commitment within the luxury design market.

Flos B&B Italia Group has been an active participant of the United Nations Global Compact Initiative (UNGC)¹⁵ since 2022, with the goal of continued integration of sustainable practices into our corporate strategy. Established over 20 years ago, the UNGC encourages businesses worldwide to incorporate corporate social responsibility principles into their operations. Today, the initiative includes companies that voluntarily commit to adhering to ten universally recognized principles on human rights, labor, the environment, and anti-corruption, while also supporting UN objectives, including the Sustainable Development Goals (SDGs).

Due to the internal reorganization processes carried out in 2023 and 2024 by some of our Brands, target years for the actions listed below have been amended.

¹⁵ [Flos B&B Italia Group | UN Global Compact](#)

	Targets	Target year	Update	
Supply Chain Management	Sustainability needs to be a guiding principle across our supply chain. Our objective is to implement an ESG suppliers' rating system that enables us to assess each relevant supplier's (defined according to specific criteria and thresholds) ESG risks, and to treat risky variables by engaging business partners.			
	Definition of a global framework for the supplier ESG evaluation	2028	In progress	
	100% of relevant suppliers mapped and assessed	2028	In progress	

	Targets	Target year	Update	
Diversity and Inclusion	As a global team, we offer a diverse working environment. We truly believe that a diverse workforce, supported by an inclusive and caring environment that respects and nurtures people, is a way to improve well-being and our business performance.			
	At least 50% employees attending specific training to manage their biases and practice new behaviors.	2026	In progress	
	We are working to increase the proportion of female senior leaders. By the end of 2021, the percentage of women in senior positions was 37%. Our aim is to reach 42% by the end of 2026.	2026	In progress	
People empowerment	Continuous Improvement – Introduce bottom-up committees as well as a structured review process for evaluating and ultimately implementing proposed career development initiatives.			
	Completion of a survey on the entire Group's population to define its current Net Promoter Score (NPS)	2026	In progress	

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.”

Mayday lamp by Konstantin Grcic, FLOS Outdoor

Paving the way for the future of eco-design

'Designing for the Planet' reflects our growing commitment to environmentally conscious practices across the Group — from production to everyday office operations. We are gradually evolving our design and engineering processes to embed principles of eco-design and the circularity, guided by our Eco-Design Framework. This Framework serves as the foundation for a more environmentally responsible approach towards innovation, helping to inspire and align the initiatives of all our Brands.

It also reinforces our intention to reduce environmental impact throughout the manufacturing lifecycle. Acting as both a roadmap and a catalyst, the Framework supports our Brands in exploring circular strategies, exchanging best practices, and refining their approaches. In parallel, our design protocols — including selected and upcoming collections — are being progressively updated with the aim of improving environmental performance, including the use of cutting-edge, recyclable materials wherever possible.

Across the Group, our Brands are exploring the use of innovative materials, design techniques, and collaborative partnerships that drive progress in environmental responsibility. This evolution stays attuned to both technological advancements and an ever-changing regulatory landscape.



Cordoba Outdoor, B&B Italia Outdoor, design Foster+Partners Industrial Design

Flos B&B Italia Group's Eco-Design Framework

As outlined in our Sustainability Strategy, Flos B&B Italia Group seeks to adopt a responsible approach toward the environment across operations—from production to product use.

Over the past few years, a dedicated cross-Brand working group conducted an in-depth study on eco-design principles, aiming to establish a common set of eco-design KPIs to be adopted at both the Brand and Group levels for the future development of products with built-in sustainability features. The introduction of this Framework marks a milestone in achieving our goals related to Eco-design and Circular Economy, aligning with SDG 12 – Sustainable Production and Consumption. It also reinforces the Group's leadership role in advancing the sustainable development of the luxury design market.

The set of standardized KPIs introduced by this framework enables our Brands to measure the progress of eco-design initiatives through both quantitative and qualitative lenses.

To further support this effort, we have also developed a product maturity assessment tool designed to span all Brands and product categories across the Group—including lighting, furniture, kitchens, and accessories. This tool provides a structured methodology for evaluating products, combining measurable data with qualitative insights to ensure a holistic view of their sustainability performance.

The quantitative assessment: the 7 eco-design principles

The Framework outlines seven quantitative principles for evaluating product design and lifecycle performance. These principles guide our efforts toward sustainable innovation across all stages of development:

- **Design:** our goal is to create timeless, durable design pieces that embody the legacy and high standards that define our brand. Products are conceived to endure both aesthetically and functionally, reinforcing our reputation for longevity. We also design with end-of-life in mind—engineering products for easy disassembly to facilitate the separation and recovery of individual components. This

approach promotes recycling and upcycling, supporting a circular model of material reuse. Additionally, we focus on optimizing material efficiency in every design element, reducing raw material usage as part of our broader commitment toward more responsible resource management.

- **Materials:** we seek to use recycled and non-virgin materials whenever possible, evaluating alternatives with a lower carbon footprint to align with our sustainability goals. Transparency is a key aspect of our materials strategy: we provide clear and detailed information about the composition and environmental impact of all materials and components. In parallel, we work to reduce toxic emissions throughout the product lifecycle by leveraging advanced production techniques that limit the release of harmful substances—safeguarding both the environment and public health.

- **Component:** we select high-quality components that comply with international standards, ensuring durability, optimal performance, and extended product lifespans. Our design process is centered on enabling easy maintenance and potential upgrades, further enhancing product longevity. In addition to emphasizing longevity and reliability, we prioritize component efficiency to reduce emissions related to performance, including aspects such as lighting geometry and quality.
- **Procurement:** we aim to source materials and services locally wherever feasible to reduce transportation-related environmental impact. Our commitment extends to ensuring that our suppliers align with our ESG principles, as defined in our Supplier Code of Conduct. We expect them to actively engage with international frameworks such as the UN Global Compact and to comply with globally recognized environmental, health, and safety standards.
- **Manufacturing:** reducing energy consumption in our production facilities remains a goal of the Group. We are striving to decrease our direct energy use while increasing the share of renewable energy in our operations, thereby lowering our overall carbon footprint. Alongside these efforts, we emphasize process control to enhance production efficiency and minimize waste and material scraps. Moreover, we place the utmost importance on the health and safety of our workforce—our most valuable asset. Our corporate policies enforce rigorous standards and preventive measures to significantly reduce the risk of workplace injuries.
- **Logistic & in-use:** our efforts in this area are geared towards two main goals: minimizing the environmental impact of packaging and improving the energy efficiency of our products. We are committed to using recyclable, certified materials in our packaging, while also reducing their volume, wherever possible. Energy efficiency is an important pillar of our product design process—particularly for lighting and electrical devices, where energy use during operation is a major contributor to lifecycle emissions. We aim to develop products that consume less energy without compromising performance. Additionally, we ensure the availability of spare parts in accordance with our warranty policies. This supports product longevity, minimizes waste, and delays the need for full product replacement.

- **End of life:** our approach to end-of-life management is built on responsible recycling, disposal, and waste management. We prioritize the use of recyclable raw materials and, where recycling is not possible, collaborate with certified partners to ensure proper treatment and disposal. Beyond disposal, we are exploring innovative ways to extend product life beyond conventional use. Initiatives such as upcycling projects, take-back schemes, and second-life solutions are being evaluated to give products renewed value and purpose. We recognize the complexity of this challenge and remain committed to investigating all viable pathways.

For each of the seven principles, a rating methodology and guidance on the performance of the assessment have been identified. The output of the quantitative analysis is an average score of the results of each KPI indicated on a scale from 1 to 5.



C ramique lamp by Ronan Bouroullec, FLOS

The qualitative assessment: the Maturity Assessment Model

After a product is evaluated against the seven quantitative eco-design principles, a second, more qualitative assessment is carried out to determine its final eco-design score. To guide continuous improvement, we have established five maturity levels that reflect the product's advancement in eco-design over time. This qualitative evaluation focuses on assessing the product's maturity across 21 specific criteria, providing a comprehensive understanding of its sustainability performance beyond numerical indicators:

- **Timeless and long-lasting design**, since we refer to our strong heritage and culture to deliver an ever-existing image;
- **Durable materials**, derived from quality and wear, which are both a measure of current excellence and a distinct part of our legacy;
- **Optimized**, the sizing of all design elements is defined in order to minimize the use of raw materials;
- **Design for disassembly**, embedded in the concept and engineering of our products;
- **Sustainable raw materials** used, such as non-virgin, recycled materials with a lower CO₂e carbon footprint;
- **Transparency**, providing complete and clear information on our products through appropriate documentation;
- **Environmentally respectful materials**, considering, for example, the amount of toxic substances contained in the product;
- **High-quality** of the materials used, in order to ensure compliance with international standards and durability and optimal performance;
- **Ease of maintenance**, a key feature to ensuring a longer lifespan of the product;
- **Low emissions**, in order to assess the product efficiency;
- **Transportation**, favoring the selection of local vendors and suppliers;
- **Cascading requirements**, to ensure the adoption of ESG-related principles along our entire value chain;
- **Vendor vetting**, to ensure the monitoring of all our processes by category, vendor and geography;
- **Energy consumption**, reducing direct consumption and drive the degree of green energy;
- **Scrap and disposal**, consisting in the amount of scrap produced for the production of the item;
- **Health & Safety**, assessed to guarantee the wellbeing of our employees and reduce cases of Lost Time Injury;
- **Packaging**, since we strive to use recyclable raw materials and minimize packaging volumes;
- **In use energy consumption** (lighting), to assess the efficiency of our products during their lifecycle;
- **Repair** (spare parts), since we, as a Group, offer availability of spare parts as stated in our warranty policies;
- **Recycling**, disposal and waste, to ensure the recyclability of our products and, if not possible, their secure handling by certified partners;
- **After life**, based on potential upcycling projects, take-back schemes, and other initiatives to extend the life of our products.

All of the qualitative elements mentioned above are taken into account to determine the eco-design maturity level of each analyzed product. The final eco-design score is derived by combining the quantitative average with the qualitative maturity evaluation, offering a holistic view of the product's sustainability performance.

By applying the methodology outlined in the Framework, we can technically and consistently evaluate how each of our Brands is integrating eco-design and circularity into their products. Designed with flexibility in mind, the Framework is adaptable across all product lines—ranging from lighting and furniture to kitchens and accessories—ensuring a unified approach to sustainable innovation throughout the Group and ready to be easily and modularly adapted to the most recent EcoDesign trends and regulations.

ECO-DESIGN MATURITY LEVELS

Across the Flos B&B Italia Group, we have established five eco-design maturity levels to assess and guide the integration of sustainable design practices:

- 01 **Initiation:** At this early stage, eco-design and lifecycle principles are applied in a flexible and exploratory manner. Success is often reliant on individual initiative, with limited consistency or repeatability across projects.
- 02 **Developing:** At the developing stage, foundational efforts have been made to incorporate eco-design and lifecycle considerations. Basic practices are in place, and successful outcomes in key areas can be repeated, though they may still lack full integration.
- 03 **Defined:** At the defined level, standardized procedures are adopted to ensure that eco-design and lifecycle principles are systematically embedded. This stage is characterized by increased documentation, formalization of processes, and greater alignment across teams.
- 04 **Managed:** At the managed level, the application of eco-design principles is actively monitored and controlled through data collection and performance analysis. This enables informed decision-making and continuous quality improvement.
- 05 **Optimised:** At the optimized stage, products undergo ongoing enhancement based on feedback from Branding, R&D, Production, Sales, and Customers. Innovations are regularly introduced, ensuring that products evolve to meet higher standards of sustainability and performance.



Luce Orizzontale lamp by Ronan & Erwan Bouroullec, FLOS

Our Eco-Design Guide

01 Design

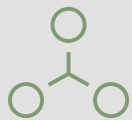


02 Materials



03 Components

04 Procurement



05 Manufacturing

06 Logistic & in use



07 End of Life

“At Flos B&B Italia Group, we use design to bring beauty into people’s lives — through thoughtfully crafted, innovative objects that are made to last. We believe in creating pieces that not only inspire but also consider their impact on the world around us. Sustainability is part of our design culture, guiding us as we create meaningful beauty for individuals, our communities, and the broader environment”.

Piero Gandini,
Executive Chairman, Flos B&B Italia Group

01 Design

Design choices that are timeless, and optimized to improve durability, recyclability and to reduce waste.

Fundamental elements: Timeless and long-lasting / Durable / Optimized / Design for disassembly



IC Lights F1 lamp by Michael Anastassiades, FLOS

Timeless and long-lasting

Building on our strong heritage and design we aspire to deliver long-lasting design.

- 01 What elements of our heritage and design can we incorporate to create products that stand the test of time?
- 02 How can we balance modern trends with classic design to ensure long-lasting appeal?
- 03 What materials and techniques can we use to make products that will still look great years down the line?
- 04 How can we make sure our products remain relevant as styles and preferences evolve over time?

Durable

Quality and wear. Quality will always be reflected in our products. We are conscious that a reputation for quality is something earned over time and something that we must always continue to earn. It is both a measure of current excellence and a distinct part of our legacy.

- 01 How can we maintain our reputation for quality while also keeping our products accessible?
- 02 What testing procedures can we put in place to ensure our products meet our high standards for durability and wear resistance?
- 03 How can we educate our customers about the importance of investing in quality, long-lasting products?
- 04 What can we do to ensure our products remain functional and attractive even after years of use?
- 05 How can we use customer feedback to continually improve the durability and wear of our products?

Optimized

The sizing of all design elements is defined in order to minimize the use of raw material.

- 01 What materials can we use to reduce the environmental impact of our products without compromising on quality or durability?
- 02 How can we use technology to optimize our design elements and minimize waste?
- 03 How can we encourage customers to choose products that are optimized for resource efficiency?
- 04 What metrics can we use to measure our progress in reducing the use of raw materials?
- 05 How can we incorporate sustainable design principles into our products without sacrificing style or functionality?

Design for disassembly

Concept and engineering are driven by the target to be able to easily disassemble the product. All designs and developments work towards a construction which ensures ease of segregating components and materials at the end of their life – either for recycling or upcycling (reusability).

- 01 What steps can we take to ensure our products are easy to disassemble and recycle at the end of their life?
- 02 How can we design products that can be easily repaired, rather than replaced, in order to extend their lifespan?
- 03 What partnerships can we develop with recycling and upcycling organizations to ensure our products are disposed of responsibly?
- 04 How can we communicate to customers the importance of disassembling and recycling products at the end of their life?
- 05 What challenges do we anticipate when designing for disassembly and how can we overcome them?

02 Materials

Choosing raw materials that are inherently sustainable, non toxic and that are transparent in their traceability and specifications.

Fundamental elements: Sustainable raw materials / Transparency / Environmentally respectful materials



IC Anniversary by Michael Anastassiades, FLOS

Sustainable raw materials

We strive towards the majority of our raw materials being sustainable. We use recycled and non-virgin materials when possible, and seek to use materials with a lower CO2 footprint.

- 01 What alternative raw materials can we use that have a lower environmental impact without compromising quality and durability?
- 02 How can we ensure the sustainability of our raw materials throughout the entire supply chain?
- 03 What certification programs can we use to verify the sustainability of our raw materials?
- 04 How can we educate customers about the importance of sustainable raw materials?
- 05 What challenges do we anticipate when sourcing sustainable raw materials and how can we overcome them?

Transparency

By using the appropriate documentation, such as a complete and transparent material and component specifications list, we will be able to provide transparency on the environmental impact of our products..

- 01 What information should be included in our material and component specifications list to provide complete transparency on the environmental impact of our products?
- 02 How can we communicate the environmental impact of our products to customers in a clear and concise way?
- 03 What steps can we take to ensure our suppliers also provide transparent information on their materials and processes?
- 04 How can we use customer feedback to continually improve the transparency of our products?
- 05 What potential risks or challenges do we anticipate in providing transparency and how can we mitigate them?

Environmentally Respectful materials

We are working on decreasing the overall toxic emission linked to our products and processes.

- 01 What alternative materials and processes can we use to reduce the toxicity of our products?
- 02 How can we measure the toxicity of our products and processes?
- 03 What internal policies and standards can we put in place to ensure the safety of our products for both customers and employees?
- 04 How can we educate customers and employees on the importance of reducing toxicity?
- 05 How can we ensure that our suppliers also adhere to our standards for reducing toxicity?
- 06 What challenges do we anticipate when reducing the toxicity of our products and processes and how can we overcome them?
- 07 How can we measure the success of our efforts to reduce toxicity?
- 08 What partnerships can we develop to further research and develop new technologies that reduce toxicity?
- 09 How can we balance the need for reducing toxicity with maintaining quality and performance standards?
- 10 What potential unintended consequences do we need to be aware of when reducing the toxicity of our products and how can we mitigate them?

03 Components

Focus on a product's elements in terms of overall quality and durability, ease of maintenance, and emissions impact.

Fundamental elements: High-quality / Ease of maintenance / Low emission



Granbambola sofa by Mario Bellini, B&B Italia

High-quality

We aim at utilizing high-quality components that are compliant with international standards. This ensures longer durability and performance of the components resulting in a longer life cycle between replacements.

- 01 How do we ensure that our components meet international quality standards?
- 02 What measures do we take to ensure that our products are durable and long-lasting?
- 03 How do we balance cost with quality when selecting components for our products?
- 04 How can we continuously improve the quality of our products over time?
- 05 What certifications or quality control processes do we have in place to ensure high-quality standards?

Ease of maintenance

Maintenance is key to ensuring the long life of a product. This is particularly important in harsh environments. All products are designed and developed to ensure that life-extending maintenance and upgrades are possible and available.

- 01 What steps do we take during the design and development process to ensure ease of maintenance?
- 02 How do we educate customers on the importance of maintenance and provide them with the necessary tools and resources to perform maintenance themselves?
- 03 How do we ensure that replacement components are readily available for our products?
- 04 What partnerships can we develop to further research and develop new technologies that make maintenance easier?
- 05 How can we use customer feedback to continuously improve the ease of maintenance of our products?

Low emission

All components are carefully selected not only to have high durability and quality but also to achieve the highest efficiency. This results in products with the lowest possible emissions for the designed/intended geometry and light quality of the product.

- 01 How do we measure the emissions of our products and ensure they meet or exceed industry standards?
- 02 What components or materials can we use to further reduce emissions?
- 03 What impact does the design and geometry of our products have on emissions and how can we optimize these factors?
- 04 How do we educate customers on the importance of low emissions and the environmental impact of our products?
- 05 How can we continuously improve the efficiency and emissions of our products over time?
- 06 What challenges do we anticipate when reducing emissions and how can we overcome them?
- 07 How can we collaborate with suppliers and partners to reduce emissions throughout the entire supply chain?
- 08 How can we ensure that our products remain high-performing while also reducing emissions?
- 09 What potential unintended consequences do we need to be aware of when reducing emissions and how can we mitigate them?
- 10 What role can technology play in reducing emissions in our products and processes?

04 Procurement

Ensure that our procurement of materials and resources are in-line with our values and ambitions.

Fundamental elements: Transportation / Cascading requirements / Vendor vetting



Tearoom Lounge chair by Nick Ross, Audio

Transportation

When identifying and evaluating new and existing suppliers, we aim at selecting local vendors when possible.

- 01 How do we evaluate and prioritize suppliers based on their proximity to our manufacturing facilities?
- 02 What measures do we take to reduce the environmental impact of transportation for our raw materials and finished products?
- 03 What role do alternative transportation methods, such as rail or sea freight, play in our transportation strategy?
- 04 How can we ensure that transportation costs and lead times are balanced with our sustainability goals?
- 05 How can we collaborate with suppliers and logistics partners to optimize transportation and reduce emissions?

Cascading requirements

The ambition is to ensure that our suppliers work with the ESG principles declared in our SCC, embrace relevant frameworks like UN Global compact and HSE standards and in general work to reduce their environmental impact and secure proper work conditions.

- 01 How do we ensure that our suppliers are aligned with our ESG principles and relevant frameworks such as UN Global compact and HSE standards?
- 02 What measures do we take to monitor and audit our suppliers' environmental impact and work conditions?
- 03 How do we collaborate with suppliers to improve their sustainability practices and reduce their environmental impact?
- 04 What role do incentives and penalties play in encouraging suppliers to improve their sustainability practices?
- 05 How can we ensure that our suppliers' sustainability practices align with our own goals and values?

Vendor vetting

Our vetting procedures, processes and system secure proper documentation and ensure the ability to monitor progress by categories, geographies and vendors.

- 01 What documentation and information do we require from our vendors during the vetting process?
- 02 How do we assess and evaluate vendor performance and progress over time?
- 03 What criteria do we use to categorize and prioritize vendors for monitoring and evaluation?
- 04 How can we ensure that our vendor vetting procedures are efficient and effective?
- 05 How do we balance the cost and time required for vendor vetting with the benefits of ensuring proper documentation and monitoring?
- 06 What role do technology and automation play in vendor vetting and monitoring?
- 07 How can we collaborate with other companies or industry groups to improve vendor vetting and monitoring processes?
- 08 How do we handle vendors who do not meet our vetting requirements or fail to make progress over time?
- 09 How can we use vendor feedback and insights to improve our own procurement processes?
- 10 How can we ensure that our vendor vetting procedures align with our own values and sustainability goals?

05 Manufacturing

An essential factor in the manufacturing of our products not only includes the energy we consume but also the people behind the machines who make our products a reality and those affected by that production.

Fundamental elements: [Energy consumption](#) / [Scrap and disposal](#) / [Health & Safety](#)



Production plant, Vejen, Denmark, Louis Poulsen

Energy consumption

Focus is on reducing direct consumption and drive the degree of green energy.

- 01 What measures are we taking to reduce our direct energy consumption?
- 02 How are we transitioning to green energy sources such as solar, wind, or geothermal power?
- 03 How are we optimizing our energy usage across different manufacturing processes?
- 04 How can we collaborate with energy providers to reduce our carbon footprint?
- 05 How can we leverage technology and automation to optimize energy usage and reduce waste in our manufacturing processes?

Scrap and disposal

Secure a high degree of process control in order to increase production yield and reduce waste and scrap.

- 01 How are we optimizing our manufacturing processes to reduce scrap and waste?
- 02 What measures are we taking to ensure that our waste and scrap are disposed of responsibly and sustainably?
- 03 How can we collaborate with suppliers and customers to reduce waste in our supply chain?
- 04 How can we leverage technology and data analytics to improve our manufacturing yield and reduce scrap?
- 05 How can we incentivize employees to reduce waste and scrap in their day-to-day activities?

Health & Safety

The wellbeing of our employees is our main priority and we have corporate policies in place to set the bar and work proactively to reduce cases of Lost Time Injury.

- 01 What policies and practices do we have in place to prioritize employee health and safety?
- 02 How are we communicating and enforcing our health and safety policies across all levels of the organization?
- 03 How are we identifying and mitigating potential health and safety risks in our manufacturing processes?
- 04 How are we training and educating employees on best practices for maintaining health and safety in their work environment?
- 05 How can we incentivize and reward employees for demonstrating good health and safety practices?
- 06 How do we track and report on incidents and accidents in our manufacturing facilities?
- 07 How do we ensure that our health and safety policies align with industry best practices and relevant regulations?
- 08 How can we continuously improve our health and safety practices over time?
- 09 How can we collaborate with other companies or industry groups to improve health and safety practices across the industry?
- 10 How can we incorporate health and safety considerations into our product design and development processes?

06 Logistic and in use

Ensure all logistic processes and packaging choices are designed for more uses and new versions.

Fundamental elements: Packaging / In use energy consumption (lighting) / Repair (spare parts)



Production plant, Vejen, Denmark, Louis Poulsen

Packaging

We strive to use recyclable and certified raw materials to develop packaging in order to minimize volume.

- 01 How could the packaging material fit into scalable recycling?
- 02 How could the packaging be reused for other purposes?
- 03 How could the package teach the consumer something about the product's concept and/or about sustainability?

In use energy consumption (lighting)

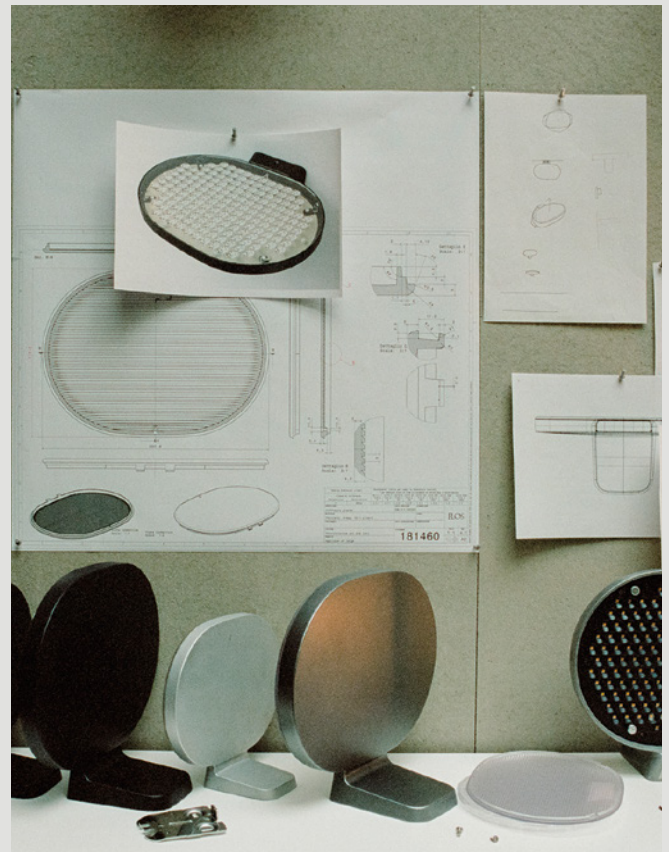
The most significant driver of CO₂ emissions in electrical products is the energy consumption during use; therefore, our objective is to develop energy efficient products.

- 01 Which are the technologies that we can use to drive an efficient energy consumption?
- 02 Which product's features can help the consumer to use the product with an attitude that reduces the energy consumption?

Repair (spare parts)

We will offer availability of spare parts according to our warranty policies to drive product durability and to reduce life cycle based CO₂ emissions.

- 01 How can we provide a service to easily repair the products?
- 02 How can we communicate the availability of spare parts to customers?
- 03 How could our business model be adjusted to add value to how we receive, repair and return products?



Oplight lamp by Jasper Morrison, FLOS

07 End of life

Consideration of our products' life cycle is a key element in the circularity of our mission.

Fundamental elements: Recycling, Disposal & Waste / After life



PH5 Retake lamp by Poul Henningsen, Louis Poulsen

Recycling, Disposal & Waste

Recycling, Disposal & Waste is a fundamental element and our objective is to maximise the use of raw materials which can be recycled, and if not, to use certified partners to secure handling of disposal and waste.

- 01 How are we ensuring that our products are designed for disassembly and recyclability?
- 02 How are we collaborating with suppliers and partners to reduce waste and increase recycling rates?
- 03 How are we implementing waste reduction measures across our manufacturing and supply chain operations?
- 04 How can we educate and incentivize customers to properly dispose of our products and packaging?
- 05 How are we measuring and reporting on our waste and recycling rates, and what are our targets for improvement?

After life

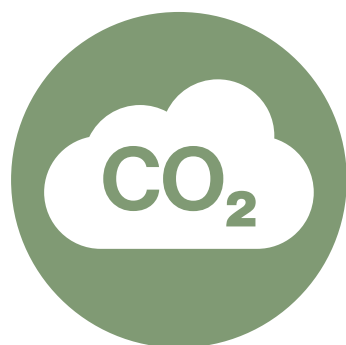
We want to explore how to extend the life of our products beyond the end of their use. It is a challenging process that we will explore to the best of our abilities in order to identify potential upcycling projects, take-back schemes, and so forth.

- 01 How can we extend the life of our products beyond their intended use?
- 02 What upcycling opportunities exist for our products, and how can we collaborate with partners to realize them?
- 03 How can we incentivize customers to participate in take-back schemes or other programs to extend the life of our products?
- 04 What data and insights can we gather from the end-of-life cycle of our products to inform future design and development decisions?
- 05 How can we incorporate circular economy principles into our product design and development processes to minimize waste and maximize resource efficiency?



Convivium kitchen by Antonio Citterio, Arclinea

We are committed to addressing climate change by closely monitoring our greenhouse gas (GHG) emissions across all operations. Our approach involves setting clear and measurable emissions reduction targets aligned with the latest climate science. To realize these objectives, we work as one with all our Brands, tracking and supporting their individual journeys toward emissions reduction. This collective effort ensures consistent progress across our organization.



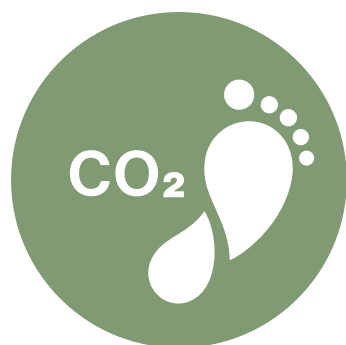
447,101tCO_{2eq}
TOTAL GHG
EMISSIONS

Total Scope 1, Scope 2 market-based and Scope 3



CARBON
NEUTRAL

Flos B&B Italia Group's own operations are carbon-neutral¹⁶ since 2020



9.6 TonsCO_{2e}/€
OF EMISSION
INTENSITY

Emission intensity Scope 1 + Scope 2 Market-based in 2024



73%
CLEAN
ELECTRICITY

Share of renewable electricity out of the total

¹⁶ Carbon neutrality for own operations is achieved by purchasing carbon credits to offset Scope 1 and Scope 2 emissions.



Bibambola de "Le Bambole", B&B Italia, design Mario Bellini

Our Group's Global Production

With a strong global presence, Flos B&B Italia Group recognizes the importance of playing a role in environmental stewardship. While past strategic acquisitions and market entries have contributed to our international footprint, our current focus is on deepening our impact by promoting environmentally conscious practices.

A portion of our environmental impact originates from manufacturing activities, the majority of which are concentrated in Europe, where many of our Brands maintain their production facilities.

B&B ITALIA GROUP

B&B Italia's corporate facilities include three major manufacturing sites in Italy:

- Novedrate, Italy site houses the head office, the upholstered furniture production section, the R&D Centre, and the showroom.
- Misinto, Italy: this plant is dedicated to the production of the Maxalto collection, with a specialization in woodwork. It is equipped with advanced technologies, covering every stage of the process, spanning from cutting panels to painting and assembly.
- Caldogno, Italy: Home to Arclinea's production, this facility is located on the historic site where the original woodworking shop began operations in 1925.

- Valencia, Spain: home to Antares Iluminación, where architectural lighting solutions are developed. These include customized residential and commercial lighting systems as well as soft architecture products.
- Collebeato, Italy: Hosts operations for FLOS's bespoke lighting segment.
- Brooklyn, New York, USA: the custom product manufacturing hub for FLOS Inc., our U.S. subsidiary.

LOUIS POULSEN

- Vejen, Denmark: This is the primary site for Louis Poulsen's production operations.
- Copenhagen, Denmark: Headquarters for the Brand.

FLOS

FLOS production activities are also located across three main sites:

- Bovezzo, Italy: Specializes in FLOS S.p.A.'s decorative lighting solutions, including table, floor, pendant, wall, and ceiling fixtures.
- Bernareggio, Italy: dedicated to the FLOS Outdoor collection, which includes design-driven lighting for public and exterior spaces.

FENDI CASA

- Production is conducted at the Misinto, facility in Italy.

Product Development

At Flos B&B Italia Group, we believe that sustainability should be merged with the beauty our products embody. This belief is brought to life through our "design for life" philosophy — an approach that places lasting quality and enduring appeal at the heart of everything we create.

Guided by eco-design principles, we aim to incorporate durable materials and timeless aesthetics where possible, with the intention of extending product lifespan and reducing environmental impact.

To support this vision, we have developed a comprehensive eco-design framework that spans across the Group. Aligned with the ESG objectives of our Sustainability Plan, this framework provides structure and direction, while allowing each Brand to tailor and integrate its principles into their unique production processes and strategies.

In this context, Louis Poulsen, a standard-bearer of Nordic design, carries a long-standing tradition of creating high-quality, long-lasting products that exist in harmony

with their surroundings. Many of our Brands were born in rural environments where a deep respect for nature is intertwined with the local culture and way of life.

For instance, B&B Italia is located near the scenic Lake Como in Northern Italy — a region renowned for its artisanal excellence and furniture-making legacy. Even the company's infrastructure reflects this respect for nature, such as the R&D center designed by Antonio Citterio and Patricia Viel, which was conceived to blend seamlessly into its natural surroundings. Likewise, Maxalto and Fendi Casa share a production facility in Misinto, nestled within the Parco delle Groane, a 7,700-hectare protected natural park just north of Milan — a testament to the Group's long-standing relationship with nature and place.

Our Brands are aiming to advance eco-design by exploring new materials and reimagining how products are conceived and made. Both FLOS and B&B Italia exemplify this commitment by investing in innovative, lower-impact materials and exploring circular design principles to re-engineer existing products. FLOS, for example, introduced the Bellhop Glass and SuperWire lamps this year, both exemplifying a commitment to sustainable design. Meanwhile, B&B Italia Group unveiled an expanded collection of its 'Erica' sofa line, designed with environmental responsibility in mind.



Tortello sofa by Edward Barber & Jay Osgerby, B&B Italia

Our efforts to mitigate products' impacts throughout their lifecycle

Our Brands continue to advance the integration of circularity and eco-design principles across multiple stages of their production processes.

This approach not only aims to drive the development of new products, but also encourages revisiting and improving existing collections—enhancing their environmental performance and incorporating lower-impact, more forward-thinking materials.

LOUIS POULSEN'S TAKE-BACK SCHEME

A standout example is Louis Poulsen's Take-Back Scheme. Launched in 2021, it extends the life of used or damaged products through in-house upcycling. Initially limited to Denmark and 100 products, it expanded in 2022 to include the iconic PH5 pendant. Refurbished items are resold with a full warranty. As of 2024, the program continues with the same range. The Brand has also introduced a digital platform for portable lamps, using standardized components to simplify repairs and extend lifespan—exemplified by the Panthella Portable Opal V2, which features a replaceable, Qi-compatible battery.



Jærmuseet museum in Nærbø, Norway, Louis Poulsen

CAMALEONDA: THE RESULT OF THE POWERFUL PARTNERSHIP WITH STELLA MCCARTNEY

In 2023, following the successful relaunch of the 'Le Bambole' series in collaboration with Stella McCartney, B&B Italia marked the grand opening of its new flagship store in Miami's Design District with the debut of a special edition of Mario Bellini's iconic Camaleonda sofa system. This limited-edition piece embodies the shared commitment of both Brands to environmental responsibility. It also showcases Stella McCartney's latest sustainable innovation: the "S-Wave" printed fabric. Developed by the Brand's R&D team, the upholstery is made primarily from *OceanSafe naNea yarn*—a biodegradable synthetic textile that meets the rigorous Cradle to Cradle Certified® Gold standard and contains no harmful substances. Offering the performance of conventional materials, this next-generation fabric minimizes environmental impact by eliminating the release of persistent microplastics.



B&B Italia Design Studio Miami, US

CONSCIOUS CRAFTMANSHIP: THE EXPANDED ERICA OUTDOOR COLLECTION BY B&B ITALIA

In 2024, B&B Italia unveiled an expanded collection of the 'Erica' sofa family, which now includes a variety of sofas, armchairs, sunbeds, and tables, resulting in a complete outdoor collection. This innovative line emphasizes environmental adaptability by incorporating aluminum and recycled PET padding, both of which are fully recyclable at the end of their life cycle. The sofas are designed for easy disassembly into individual components, promoting recycling and minimizing waste. The seating cushions are made from a fully biodegradable fiber derived from recycled PET, with all layers engineered for straightforward separation. Additionally, the tables are offered in aluminum and heat-fused glass, or with tops crafted from FSC-certified solid teak, underscoring our commitment to using, where possible, lower impact materials.

FLOS AND TEATRO ARCIMBOLDI'S TRANSFORMATIVE RELIGHTING PROJECT

In 2024, FLOS joined forces with the Teatro Arcimboldi in Milan to embark on a transformative relighting project for the foyer, reflecting the Brand's efforts towards sustainability. This initiative involved the installation of around 300 customized lighting fixtures, which not only elevated the aesthetic appeal of the space but also led to a significant reduction in energy consumption. By replacing the outdated lighting system with more efficient solutions, FLOS demonstrated its dedication to innovative design that prioritized environmental responsibility, also leaving a meaningful impact on both the theater and the community it serves.

FLOS AND B&B ITALIA AT CASA ITALIA PARIS 2024

In 2024, FLOS and B&B Italia joined forces as Official Partners of Casa Italia Paris 2024, the Italian hospitality house during the Olympic Games. Set within the historic Le Pré Catelan in the Bois de Boulogne, the project celebrated Italian design excellence on a global stage. B&B Italia furnished the indoor and outdoor spaces with some of its most iconic pieces, including the UP Series by Gaetano Pesce and the Camaleonda sofa by Mario Bellini, while FLOS curated a lighting concept that blended heritage and innovation—featuring both classic designs like Viscontea and contemporary collections such as Arrangements and Captain Flint by Michael Anastassiades. Together, the two Brands created a refined and immersive environment that reflected the elegance, creativity, and cultural depth of Made in Italy design.



Lignum et Lapis kitchen by Antonio Citterio, Arclinea

Lastly, Audo has committed to integrating eco-design principles from the outset of the research and development process by establishing a set of responsible design and manufacturing standards. The Brand highlights the significance of product durability, lasting appeal, and tactile quality, acknowledging that a product's real-world lifespan greatly influences its environmental impact. To identify products with a lower environmental impact, Audo requires that items meet at least seven out of nine defined criteria during the design and manufacturing phases to be classified as 'responsible' within the collection:

- Made Well for Longevity - Products must be designed with materials, production processes, and warranty policies that help increase their quality and prolong their lifespan.
- Solutions for Repair and Revitalization - The design should encourage repair or updates to the product to extend its useful life.
- Design for Disassembly - Products should be designed with materials and components that can be taken apart at the end of use.
- Declaration of Materials - Complete transparency regarding the materials and substances used is mandatory.
- Safe Substances - - All materials in the product must be thoroughly assessed, excluding any chemicals classified as CMR (carcinogenic, mutagenic, or toxic to reproduction), indoor air pollutants, or known allergens.
- Material Life Cycle Screening - Products should be designed with consideration for their entire lifecycle.
- Near-market Production - Opportunities for near-market production should be explored, and products should be manufactured close to their point of sale whenever feasible.
- The Code of Conduct - Suppliers must adhere to a code of conduct prioritizing responsible and sustainable production practices.
- Certifications - Products must receive approvals from recognized third-party environmental and legal labeling schemes, such as FSC, Oeko-Tex (a well-known label for textiles tested for harmful substances), and Declare (a product transparency disclosure listing all materials used).

Life Cycle Assessments (LCA) are emerging as a key tool for gaining a detailed understanding of the environmental impacts of products. Our Brands are aiming to increasingly adopt this methodology to identify hotspots, guide design decisions, and support more sustainable product development across their portfolios. These assessments cover the entire lifecycle of a product—from raw material extraction to production, distribution, usage, and eventual disposal. The LCAs provide quantifiable data on the environmental impact associated with each stage of a product's lifecycle. Armed with this valuable information, our Brands become well-positioned to identify areas for improvement, select more sustainable materials, and make informed decisions that lead to environmental advancements.

LIFE CYCLE ASSESSMENTS: A TANGIBLE METHOD TO QUANTIFY OUR ENVIRONMENTAL IMPACT

Several products across the Group's portfolio have undergone Life Cycle Assessments (LCA) in recent years, reflecting a growing effort to better understand and reduce environmental impact throughout the product lifecycle.

The Cordoba armchair

The Cordoba armchair, including its outdoor version, has been evaluated through an LCA to assess its environmental footprint. Designed in collaboration with Foster and Partners, it features natural teak wood and a polypropylene-reinforced canvas cover. The cover is easily removable, allowing for straightforward maintenance and separation at end-of-life to support responsible disposal.



Cordoba armchair by Foster+Partners Industrial Design Studio, B&B Italia

Lighting products

A wide range of lighting products have also been assessed through LCAs, leading to the development of over 17 Environmental Product Specifications aimed at improving transparency around raw materials and emissions.

The Thea collection

In the kitchen segment, several components of the Thea collection—including base unit drawers and shelves, columns, and wall units—have been analyzed using a "cradle to gate" approach. This method assesses environmental impact from raw material extraction through to the product leaving the factory, offering data-driven insights to support more sustainable production choices.

Responsible Purchasing

As a Group, we are committed to reducing our overall environmental footprint. A key part of this commitment lies in minimizing the use of harmful chemicals and single-use materials —while maintaining the exceptional quality that defines our design ethos.

Our Brands evaluate the materials and components they use, shifting procurement strategies toward less impactful and more resource-efficient options. This begins at the very start of the production process — prioritizing the avoidance of hazardous substances and favoring natural or recyclable alternatives wherever possible.



Arches table by atelier oi, FENDI Casa

The table below presents data on the volumes of raw materials and semi-finished products purchased across 2022, 2023, and 2024. The increase observed in the initial part of the considered timeline is linked to an expansion in the reporting scope, while the decrease in the most recent years reflects a subsequent decline as purchasing volumes began to stabilize. However, it is important to note this movement is not uniform across the board. In fact, there is significant variation among the different Brands, each of which offers a diverse product portfolio. These portfolios include items with fundamentally different characteristics and materials, which in turn influence the individual price points. As a result, while the overall direction is upward, not all categories or items show increases, reflecting the complex and heterogeneous nature of the market.

Materials used by weight (ton)¹⁷ [301-1]

Materials ¹⁸	2022	2023	2024	% on total materials (2024)
A) TOP 3 MATERIALS				
Wood	5,395	4,062	4,108	36%
Aluminum	2,502	2,330	2,417	21%
Iron/steel	2,865	2,309	2,172	19%
Total materials	10,762	8,701	8,697	76%
B) OTHER MATERIALS				
Marble	646	450	626	5%
Plastic	706	405	490	4%
Fabrics	542	566	430	4%
Glass	693	327	404	4%
Polyurethane	355	394	299	3%
Appliances	92	116	186	2%
Brass	53	52	78	< 1%
Foam		28	57	< 1%
Paints	45	43	46	< 1%
Copper	9	13	43	< 1%
Leather	68	51	39	< 1%
Gypsum	29	23	28	< 1%
Other metals	2	5	14	< 1%
Glue	12	9	13	< 1%
Ceramic	18	4	10	< 1%
Paper	1	1	9	< 1%
Rubber	7	4	6	< 1%
Concrete	2	1	1	< 1%
Chemicals	160	-	-	< 1%
Cotton	2	-	-	< 1%
Zinc	11	-	-	< 1%
Silicone	45	-	-	< 1%
Total materials	14,260	11,193	11,476	

¹⁷ Reporting perimeter includes FLOS, B&B Italia and Louis Poulsen.

¹⁸ The data related to B&B Italia has been estimated based on the Brand's revenue for 2024.

Our Brands showcase a remarkable diversity in the selection of materials used in our design pieces, which underpins the wide range of purchasing choices. Wood remains the most used material, making up 36% of the total purchases. It is primarily used in Arclinea's kitchen systems and B&B Italia's furniture collections. Leather, by contrast, is used exclusively in the production of sofas and chairs, mainly within B&B Italia and its subsidiaries.

Among metals, aluminum plays a key role, representing 21% of total purchases, with FLOS accounting for the majority—approximately 78% of the Group's aluminum use.

FLOS not only monitors data related to raw materials, semi-finished goods, and packaging but also tracks the purchase of semi-finished items.

Electronic components ¹⁹ [301-1]	UoM	2022	2023	2024
Electrical components	Units	7,538,872	7,252,731	7,164,110
LED and LED components	Units	5,874,335	3,926,371	4,579,391
Transformers & power supply	Units	310,015	174,806	169,802

Regarding packaging materials, the table below presents the quantities purchased in 2022, 2023 and 2024²⁰.

Packaging by weight (ton) ^[301-1]	2022	2023	2024
Paper	1,917	1,891	2,053
Wood	443	468	493
Polyethylene / Plastic	122	74	107
Polystyrene	54	9	9
Total packaging	2,536	2,442	2,662

¹⁹ Data is related to FLOS.

²⁰ 2024 reporting perimeter includes FLOS, B&B Italia and Louis Poulsen. The data related to B&B Italia has been estimated based on the Brand's revenue for 2024.

SHINING A LIGHT ON THE IMPORTANCE OF HIGH QUALITY, SUSTAINABLE PACKAGING

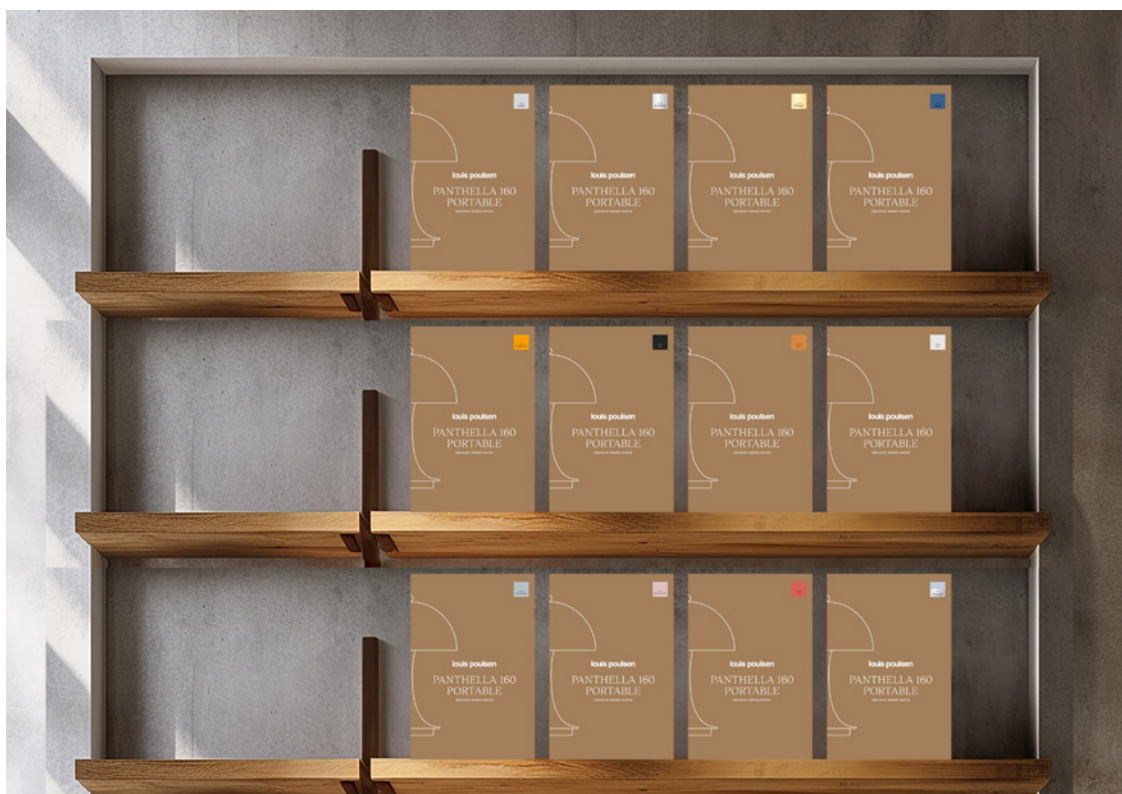
Louis Poulsen

Across the Group, efforts to reduce the environmental impact of packaging have grown in recent years, with a clear focus on using recyclable and recycled materials, minimizing waste, and phasing out problematic components such as expanded polystyrene and single-use plastics.

Several products now use FSC-certified cardboard, often combining responsibly sourced virgin fibers with recycled content. Innovative paper-based solutions are replacing traditional packaging foams, and many plastic components—such as bags—now contain a minimum percentage of 30% recycled material. These updates are the result of close collaboration between design and R&D teams to ensure that packaging remains protective while meeting sustainability goals.

The Group is also working to streamline packaging volumes overall, optimizing box sizes and reducing the number of materials used. Where possible, printed marketing materials have been replaced with digital alternatives, and clear communication tools—such as QR codes—have been introduced to inform customers about the environmental attributes of product packaging.

Looking ahead, the Group is committed to phasing out all single-use plastics in packaging by 2026 and continues to explore lower-impact alternatives through active collaboration with suppliers.



Panthella 160 Portable Lamp packaging design 2024, Louis Poulsen

Mitigating Climate Change impacts

As companies around the world increasingly take action to reduce their contributions to climate change, we, as a Group, have chosen to follow a similar path. We are dedicated to moving positive transformation forward within our industry and fostering a collective commitment to climate responsibility throughout our value chain.

Starting in 2020, we began implementing concrete measures to address climate change.

As an initial group-wide action, we invested in carbon credits to offset our residual Scope 1 and Scope 2 market-based greenhouse gas emissions. This initiative enabled us to achieve carbon neutrality for our direct operations across five consecutive years: 2020 through 2024. Used as a transitional tool, the purchase of credits helped us mitigate our environmental footprint while we continue to work on more permanent emission reduction solutions across the Group.



Production plant, Vejen, Denmark, Louis Poulsen

CARBON OFFSETTING PROJECTS

As a complement to Flos B&B Italia Group'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, Flos B&B Italia Group also provides carbon financing to climate mitigation projects beyond its value chain. As each credit corresponds to the removal of one ton of CO_{2e}, 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 Flos B&B Italia Group 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 project,²¹ Canada

The Great Bear Rainforest is one of the world's largest remaining, intact rainforests. Stretching across 6.4 million hectares on British Columbia's northern coast, it contributes to carbon absorption on a massive scale. This landscape is home to diverse wildlife, including

the rare Spirit Bear. First Nations communities have protected and cared for this rainforest for over 14,000 years.

The Great Bear Forest Carbon Projects protect the ecological and cultural integrity of the Great Bear Rainforest and Haida Gwaii. Revenue from these projects funds vital initiatives such as forestry planning, marine and biodiversity management, and investment in sustainable industries – including renewable energy, tourism, shellfish aquaculture, and non-timber forest products. By purchasing carbon offsets from the Great Bear Forest Carbon Projects, buyers contribute to a globally recognized conservation effort that safeguards ancient forests, upholds Indigenous rights, and supports resilient communities.

Guatemalan Conservation Coast project,²² 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.

²¹ 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.

²² 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_{2e}.

Reducing GHG emissions and energy consumption

At Flos B&B Italia Group, our endeavor is to oversee and curtail our energy usage and the associated greenhouse gas emissions. Our Brands are working to advance towards our Energy and Climate Change objective. In 2024, and in line with last year, we monitored all direct GHG emissions (Scope 1), as well as the indirect emissions resulting from energy purchased (Scope 2) in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

As per Scope 1, the total direct emissions decreased by 3%, showing a consistent trend with respect to previous year's levels.

Scope 2 emissions, which derive from electricity purchased from the national grid as well as from the purchase of heat and steam, have risen compared to the previous years. These emissions have been calculated using both Location-based and Market-based methods. The former reflects the average emission intensity of the grids, taking into account both renewable and non-renewable energy sources, while the latter represents emissions from the specific electricity sources selected by the Group.

Scope 2 Location-based emissions rose by 26% compared to 2023, primarily due to the increased use of district heating at Flos and B&B Italia, which has replaced some

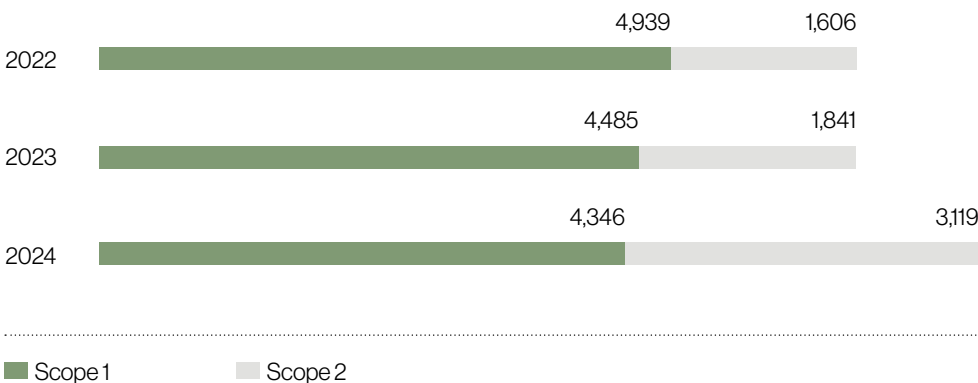
of the gas consumption associated with heating (Scope 1), and due to seasonal temperature variations. Similarly, Scope 2 Market-based emissions have increased by 69%. These results are influenced not only by greater energy utilization and updated Emission Factors—which now more accurately reflect the residual energy mix of the countries where the Group operates—but also by increased electricity consumption recorded at certain affiliates, and by the first full-year purchase of heat from B&B Italia's cogeneration plant. Also, some branches improved and updated the internal consumption monitoring system, which allowed for more precise data.

Our Brands carry on responsible purchasing strategies to reduce their overall carbon footprint.

FLOS and B&B Italia have been covering 100% of the electricity needs for their productive plants with Guarantees of Origin (GOs) since 2021.

Over the years, Louis Poulsen has consistently invested in purchasing electricity with Guarantees of Origins, covering on average 81% of its yearly consumption since 2020.

Scope 1 + Scope 2 (Market-based) emissions (tCO_{2e})



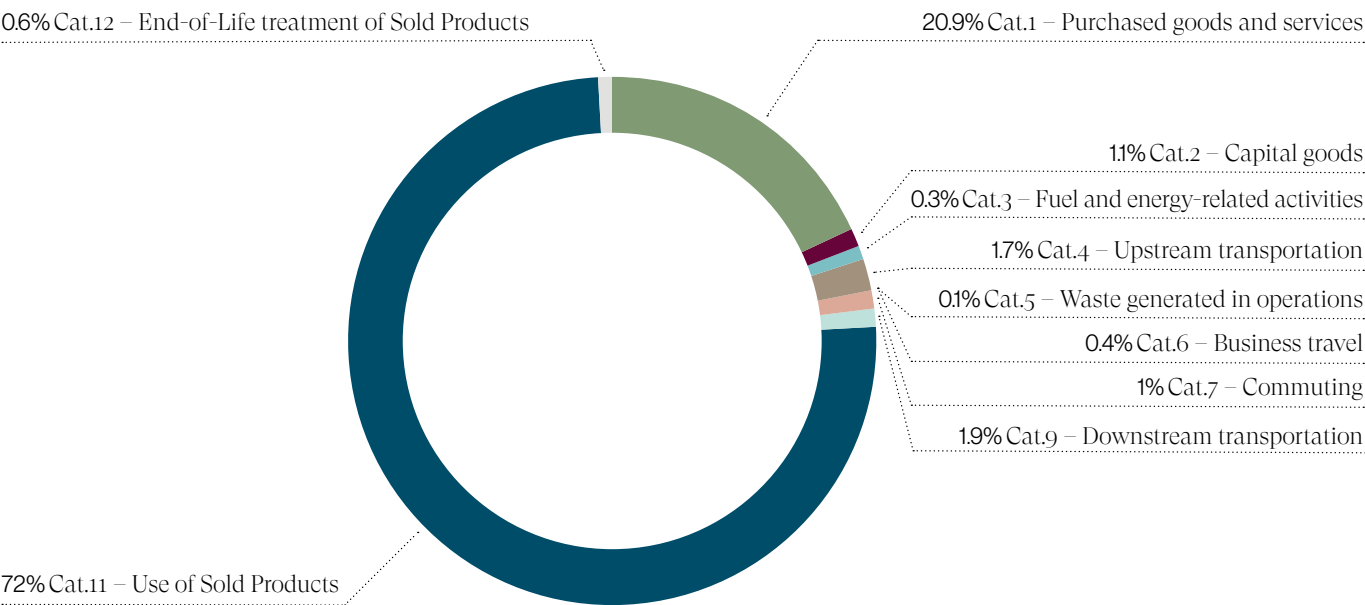
In comparison to the previous year, Scope 3 emissions decreased by 12%, a reduction primarily driven by reductions across several emission categories associated with a reduction in products sold with respect to 2023. Notable contributions came from lower emissions associated with upstream logistics, capital goods and use of sold products. Since 2022, the Scope 3 emissions perimeter have included all our Brands and Milan Headquarters, encompassing emissions from the 10 most significant categories out of the 15 identified by the GHG Protocol:

Scope 3 Categories

Category 1 Purchased goods and services	Category 1 includes all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products).
Category 2 Capital goods	Category 2 includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year.
Category 3 Fuel-and-energy-related activities not included in Scope 1 or Scope 2	Category 3 includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in Scope 1 or Scope 2.
Category 4 Upstream transportation and distribution	Category 4 includes emissions related to the transportation and distribution of products purchased by the reporting company in the reporting year between a company's tier 1 suppliers and its own operations (in vehicles and facilities not owned or controlled by the reporting company). It also includes transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics, and transportation and distribution between a company's own facilities (in vehicles and facilities not owned or controlled by the reporting company).
Category 5 Waste generated in operations	Category 5 includes emissions from third-party disposal and treatment of waste generated in the reporting companies owned or controlled operations in the reporting year. This Category includes emissions from disposal of both solid waste and wastewater.
Category 6 Business travels	Category 6 includes emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.
Category 7 Employee commuting	Category 7 includes emissions from the transportation of employees between their homes and their worksites.
Category 9 Downstream transportation and distribution	Category 9 includes emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company.
Category 11 Use of sold products	Category 11 includes emissions from the use of goods and services sold by the reporting company in the reporting year. A reporting company's Scope 3 emissions from use of sold products include the Scope 1 and Scope 2 emissions of end users. End users include both consumers and business customers that use final products.
Category 12 End-of-life treatment of sold products	Category 12 includes 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.

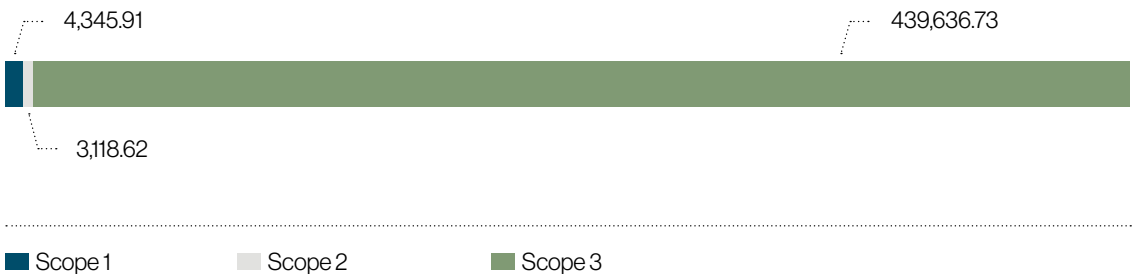
As shown in the pie-chart, Category 1 constitutes about 21% of the total Scope 3 emissions, including all upstream emissions from the production of products purchased or acquired by the Brands. Similarly, Category 11, comprising the use of sold products, represents a significant portion of the overall Scope 3 emissions, accounting for almost 72% of the total. This Category encompasses all emissions arising from the use of goods sold by our Brands during the reporting year ¹³⁰⁵⁻³¹.

2024 Scope 3 GHG emissions (%)



As the graph demonstrates, the vast majority of our emissions derive from Scope 3, accounting for 98% of our overall emissions (Scope 1, Scope 2 market-based and Scope 3).

Total 2024 GHG emissions by Scope (tCO_{2e})

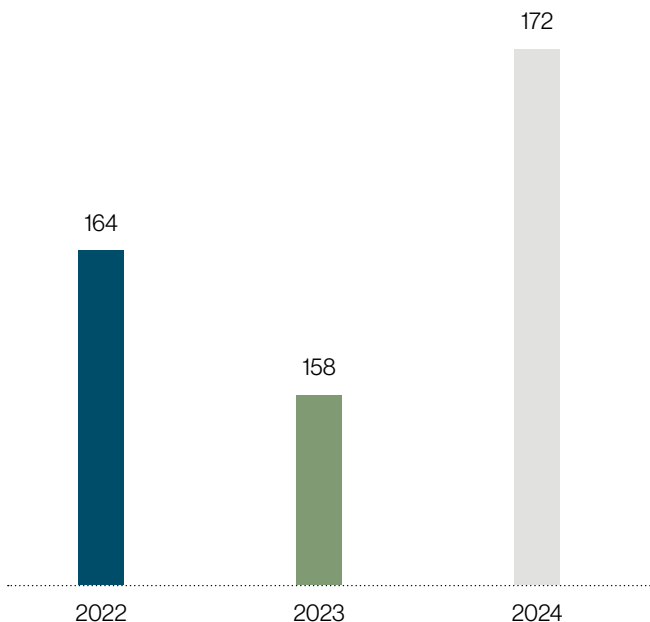


Energy consumption

In 2024, in conjunction with the reporting perimeter, the overall energy consumption exhibited stability, showing an increase of 1.2%.

B&B Italia partnered with a neighboring business to improve energy efficiency and reduce Scope 1 emissions. Since late 2022, the Brand has been sourcing surplus thermal energy from a nearby cogeneration plant. This recovered heat is used for space heating, significantly reducing the need for natural gas. The collaboration also involved joint work to define an appropriate emission factor, ensuring accurate allocation of associated GHG emissions.

Energy intensity (GJ/ K€)

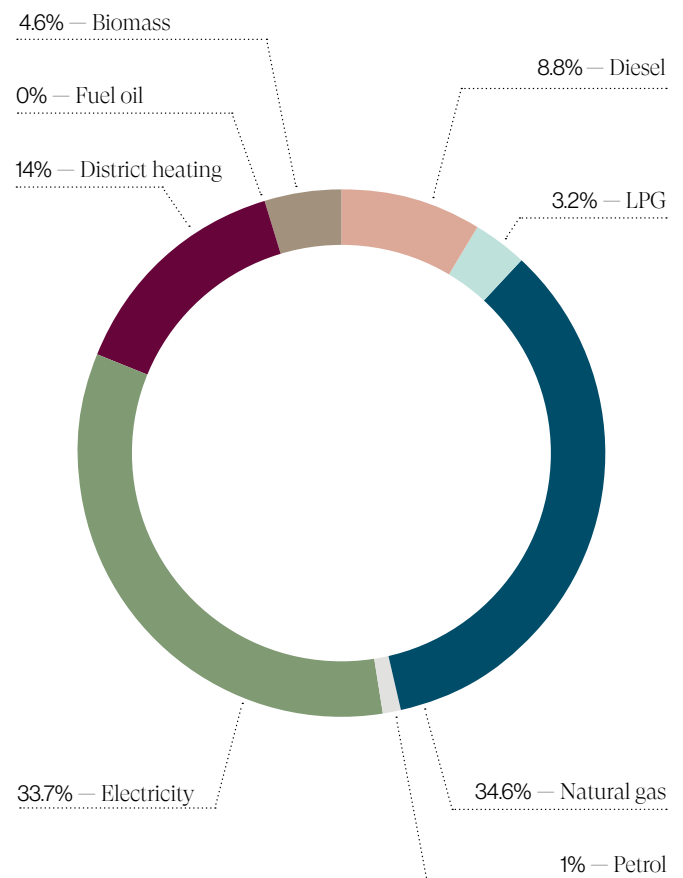


This project is thus an example of partnership between different actors in the same district working together in order to improve the allocation of resources, increase energy efficiency and reduce overall GHG emissions.

During the reporting year, the Group's energy intensity increased from 158 GJ/k€ in 2023 to 172 GJ/K€ in 2024²³.

The chart illustrates the leading factors contributing to the energy consumption and their significance. Notably, electricity is primarily used for lighting and operating industrial machinery, while natural gas is mainly consumed for heating purposes. The furniture segment of the Group²³ is more energy-intensive (55% of total), primarily due to the specific production processes involved in manufacturing these design pieces.

Energy consumption (2024) (GJ)



²³ Audo is considered as part of the furniture sector, despite selling a portion of lighting products.

Waste management

We are striving to continuously improve our waste management and recycling practices with the goal of encouraging a culture of environmental responsibility across our operations. This involves engaging our employees in environmental conscious routines and decision-making at every level of their work.

Our Brands are making strides in developing innovative strategies to design long-lasting, high-quality products using materials sourced from worn, damaged, or returned items. For instance, FLOS has introduced an advanced customer service program that includes repair, exchange, and replacement options—helping to significantly reduce waste. In parallel, we are collaborating with our Brands to analyze the rate of defective components received from suppliers. This initiative not only seeks to reduce costs and prevent operational delays but also aims to identify and eliminate unnecessary waste at its source.

CARE, REPAIR & REUSE – LOUIS POULSEN APPROACH TO REDUCE WASTE

Louis Poulsen demonstrates a commitment to reducing environmental impact by prioritizing product maintenance and repair to extend product lifecycles. This initiative forms a cornerstone of their sustainability strategy, which focuses on conserving resources and minimizing waste.

Product Repair

Louis Poulsen has built a robust repair infrastructure capable of restoring up to 70% of all returned products—including a large proportion of lamps—to full functionality. About 10% of these repairs are performed through a global network of authorized partners, including service workshops in Denmark, Norway, and Spain. This regional coverage ensures localized support and convenient service for customers worldwide.

Materials and Recycling

When products are beyond economical or practical repair, Louis Poulsen ensures their proper disassembly, allowing for efficient recycling of materials in compliance with environmental regulations and standards.

Expansion of Partnerships

Looking ahead, the Brand is focused on expanding its network of authorized service centers. This expansion will not only improve access to repair services for customers but also reinforce a global ecosystem of sustainable service providers.

FLOS

In 2024, Flos continued its commitment to waste minimization with the introduction of two innovative lighting solutions: the Bellhop Glass and SuperWire lamps. The Bellhop Glass lamp stood out as a remarkable piece crafted entirely from blown glass, reflecting Flos' dedication to environmentally conscious design. A standout feature of this lamp

was its emphasis on sustainability and ease of disassembly. Rather than relying on glue, Flos chose silicone, glass, and aluminum, enabling users to effortlessly remove each component without the need for tools. This intentional design not only enhanced recyclability but also encouraged consumers to participate in responsible disposal practices.

Next, the SuperWire lamp, which showcases a unique light source composed of customized LEDs housed within concentric tubes. This design allows users to replace the bulbs without any electrical intervention. The lamp is constructed using flat glass and aluminum, with the aluminum treated with an innovative approach: instead of traditional chrome plating, a unique alloy is anodized, which prevents the need for polishing. This results in a brilliant surface achieved without galvanic processes or protective treatments, allowing the material to be remelted and reworked without the addition of alloys.

We monitor and manage our waste generation and disposal practices across all our operations, ensuring full compliance with the relevant legal regulations in each Country. The accompanying table indicates a modest increase in the total waste produced, which can be linked to the unique characteristics of the new products launched by B&B Italia and Flos, as well as the impact of flooding affecting some of B&B and Flos's facilities.

Waste generated (ton) ^[306-3]

Waste typology ^{24, 25, 26}		2022	2023	2024
PACKAGING	Wood	647	283	386
	Metal materials	204	180	207
	Non-municipal waste	52	143	185
	Aqueous solutions	229	250	93
	Other	336	270	90
	Paper	126	70	69
	Plastics	14	53	25
	Paintings	22	21	22
	Sludge	23	14	12
	Glass	14	8	10
	Construction materials	441	50	5
	Bottom ashes	18	-	-
	Mixed materials	391	368	376
	Wood	203	192	305
	Paper/Paperboard	219	212	190
	Plastics	31	18	10
	Glass	4	4	4
	Metal	-	-	-
	Total waste	2,973	2,136	1,989

²⁴ Waste data for Fendi Casa (Flos B&B Italia Group) have been estimated for year 2024.

²⁵ Audo's figures on waste produced in 2024 are not included. The Brand is committed to improve their monitoring for future reporting periods, aligning with other Brands of the Group.

²⁶ The categories "Aqueous solutions", "Packaging Mixed materials" and "Metal materials" present a high level of variation between 2023 and 2024 due to an update of the categorization process of the waste produced.

Sharing our environmentally conscious approach with our suppliers

Integrating eco-conscious approaches into procurement plays a role in advancing our Sustainable Strategy. As part of this commitment, we aim to prioritize working closely with our suppliers to align their operations with our core environmental values. We expect them to assess and adopt management systems aimed at minimizing or preventing ecological impact.

All suppliers are required to comply with internationally recognized sustainability and traceability standards. These include the International Bill of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, as well as applicable ILO Conventions and Recommendations.

Beyond environmental responsibility, suppliers are also expected to uphold our ethical and social benchmarks—this encompasses anti-corruption initiatives, legal compliance, and a clear stance against anti-competitive behavior²⁷.

Suppliers are also expected to comply with data privacy, intellectual property, transparency, insider trading, bribery, and conflicts of interest. They must observe laws concerning fair competition, anti-money laundering, embargoes, and customs procedures, and are responsible

for extending these requirements to their subsidiaries and affiliates.

Among our Brands, B&B Italia actively assesses its wood product suppliers to ensure they meet standards for responsible sourcing, material processing, and handling in accordance with FSC guidelines ^{[308-1][414-1]}.



The Tired Man lounge chair by Flemming Lassen, Audio

²⁷ To reinforce adherence to ESG principles, the Flos B&B Italia Group's Board of Directors formally approved the Suppliers Code of Conduct in 2022, establishing it as the cornerstone of the relationship with suppliers on ESG-related matters.

B&B ITALIA, ARCLINEA AND THE FSC® STANDARD

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, Arclinea²⁸ has implemented a management system to evaluate its suppliers in accordance with FSC® principles. Around 80% of Arclinea's wood supply and products are FSC® Mix certified – accounting for 70% of the entirety of B&B Italia's wood purchased.



Convivium kitchen by Antonio Citterio, Arclinea

B&B Italia has long demonstrated a strong commitment to environmental stewardship, as shown by its decision to produce selected furniture using exclusively FSC® Mix certified²⁹ wooden materials. Over time, the number of fully certified products has steadily grown, reflecting the Brand's ongoing efforts to expand the use of certified materials across its collections.

Additionally, Audo has adopted the Declare label for several of its collections, reinforcing transparency and affirming its accountability in sustainable product development.

AUDO'S QUEST FOR TRANSPARENCY AND ACCOUNTABILITY

Audo has recently committed to using Declare, a renowned global transparency label that offers comprehensive information about products. This includes details on material composition, sourcing, expected lifespan, and end-of-life options. Additionally, Declare certifies compliance with the Living Building Challenge (LBC) Red List³⁰ requirements. The Declare methodology encompasses the entire lifecycle of a product, from its creation to disposal, allowing manufacturers to disclose the substances used in their products. This transparency empowers consumers and design professionals to make more informed decisions about their product choices.

²⁸ Licence Code FSC-C118694

²⁹ Licence Code FSC-C142045

³⁰ The Living Building Challenge (LBC) Red List comprises materials, chemicals, and elements recognized for their significant hazards to human health and the broader ecosystem, and which are commonly found within the building products sector.

ESG and Risk Management Assessment across our supply chain

Each Brand manages unique production processes and supplier protocols, tailored to its specific market and manufacturing needs. The responsibility for overseeing supply chain operations is assigned directly to the Brands, empowering them to meet production demands while preserving the highest standards of quality and craftsmanship—from initial design and material sourcing through to assembly and final manufacturing stages ^{[2-6] 31}.

Due to the dislocation of our Brands' production facilities in different geographies, they strive to engage with local suppliers, strengthening the communities in which they operate.

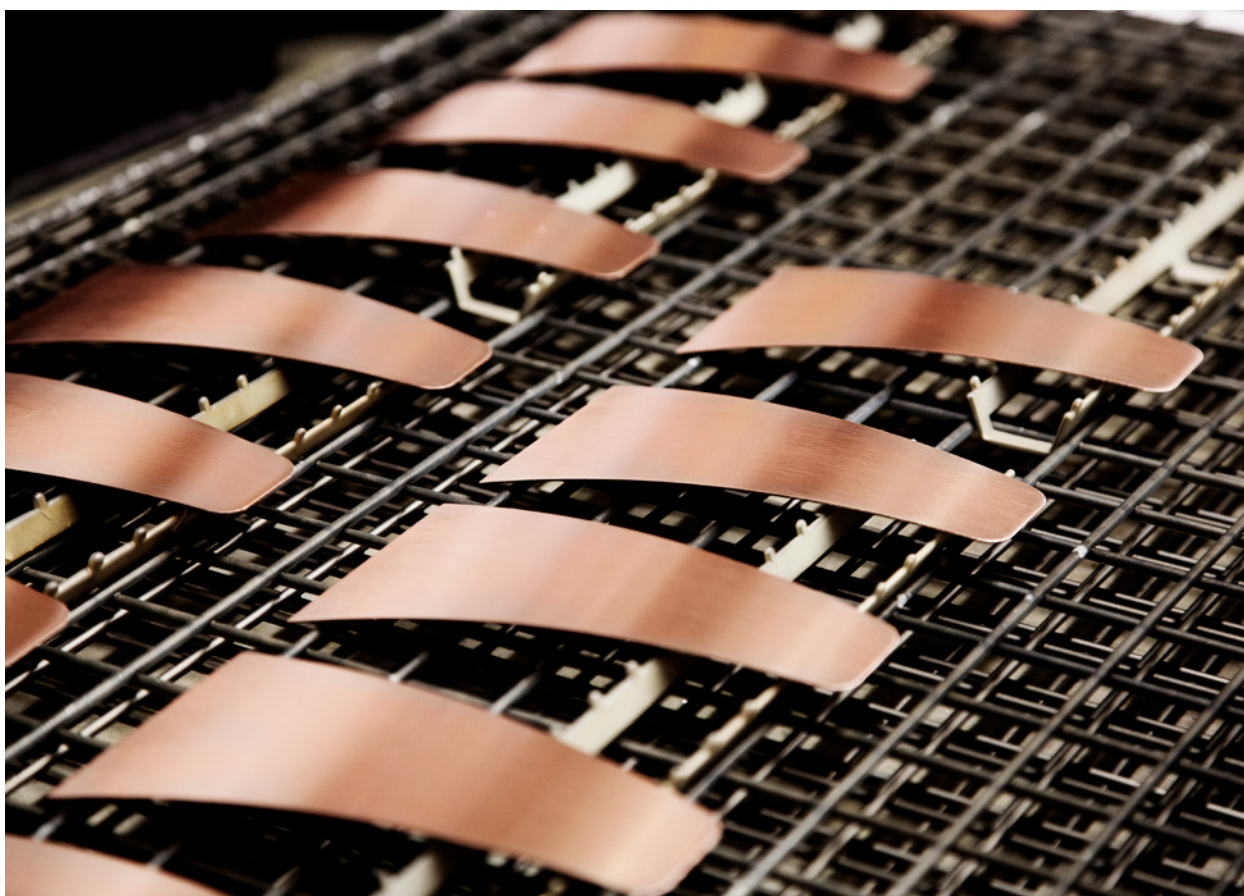
As most of our operations take place in Europe, more than half of our preferred suppliers are located within the continent.

Each of our Brands is committed to reducing the environmental and social impact of their supply chain activities. To support this goal, they are aiming to implement structured supply chain management systems. For instance, Audo has set a goal to assess its top ten suppliers on environmental and human rights issues by 2025. By the end of last year, 80% of Audo's suppliers had already adopted the Group's Supplier Code of Conduct. Similarly, Louis Poulsen has introduced a risk-based approach to responsible supply chain governance, embedding ESG principles throughout its supplier network. A key initiative has been identifying strategic new suppliers within the EU to support local sourcing and reduce dependence on Asia-Pacific partners. By the close of last year, 81% of Louis Poulsen's supplier-related spend adhered to the Code of Conduct.

³¹ The perimeter of the analysis only includes FLOS Group, B&B Italia Group and Louis Poulsen.

At the Group level, we are embracing a forward-looking approach to ESG integration across our supply chains. Guided by the objectives outlined in our Sustainability Plan, we are looking toward enhancing supplier engagement and deepening collaboration. A structured ESG screening protocol for onboarding new suppliers is currently under development, to be implemented in the coming years. This process will help us identify and mitigate ESG risks while encouraging our partners to adopt more responsible practices.

By 2025, we aim to complete the mapping and evaluation of our key suppliers. Demonstrating progress toward these commitments, Audio carried out two additional audits of its top suppliers in Asia during the past year.



Production plant, Vejle, Denmark, Louis Poulsen

Design for People

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

At Flos B&B Italia Group, our people are at the core of everything we do.

They are the hands, minds, and visionaries behind the products we bring to life

— the true enablers of our mission to enrich homes and public spaces with beauty and meaning.

Our success is built on the talent, craftsmanship, and creativity of our teams. Across every area of our operations, from design and engineering to materials and production, we strive to spread the principles of diversity and inclusion, leveraging a broad spectrum of technical expertise and shared values to maintain our reputation for excellence in luxury design.

We are committed not only to nurturing professional development but also to empowering our employees to grow personally. We value individuality and diversity, recognizing that the unique traits and perspectives of each person enrich our culture and strengthen our Group.

To this end, we strive to create an inclusive and inspiring working environment, where everyone has the tools, opportunities and freedom to reach their full potential. We foster collaboration, open dialogue, and cross-functional teamwork as foundations for a passionate, high-performing organization ready to lead the future of high-end design.

At Flos B&B Italia Group, we are deeply committed to fostering a passionate and balanced working environment. By promoting teamwork and encouraging continuous dialogue among our members, we strive to cultivate a dynamic and professional Group dedicated to innovation in high-end design. Our commitment is reflected in practical initiatives, such as the ongoing development of a Group-wide structured feedback process led by our HR function. Started in 2023 in its pilot phase, this initiative aims to enhance managerial relationships and promote greater self-awareness, with a full rollout planned for the near future.

Last year, we hosted the second edition of the Global Leaders Workshop, gathering top management from each Brand to shape a unified vision for people management across the Group. This collaborative effort, organized into thematic committees, aimed to build a shared leadership culture rooted in empowerment and strategic alignment.



97%
PERMANENT
CONTRACTS

% of our workforce permanent contracts



46%
WOMEN

% of women in our workforce



> 78%
ADDITIONAL
BARGAIN
AGREEMENTS

% of our workforce benefitting from additional best-favor bargaining agreements

THE VALUES OF OUR GROUP

Entrepreneurial Spirit - Acting as if the company were yours, with passion and courage, continuously energizing and inspiring people.



Customer First - Delight our customers, placing them at the heart of whatever we do, being so close to them as to anticipate their needs.



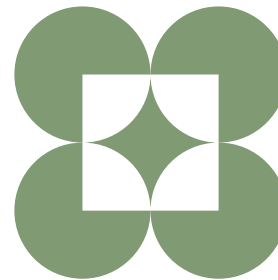
Passion for Design & Creativity - Make every day extraordinary, by challenging the status quo with unlimited curiosity and the excellence of our craftsmanship, to realize an avant-garde design.



Sustainable Beauty - Merging ethics and aesthetics across all our products, in a nutshell our ethos of beauty.



Stronger Together - Collaborate without boundaries, leveraging on the principle that unites each of us as a "We".



Creating a thriving, inclusive, and equitable work environment is not only a core value at Flos B&B Italia Group, but also a strategic priority. We are deeply committed to embedding the principles of diversity and inclusion, empowerment, and gender equality across all facets of our operations.

Our hiring process serves as the first meaningful expression of this shared culture. It is here that we welcome individuals from a wide array of nationalities, backgrounds, and perspectives — each bringing unique strengths, experiences, and values. This diversity is a powerful asset, enriching our workplace and strengthening our collective identity.

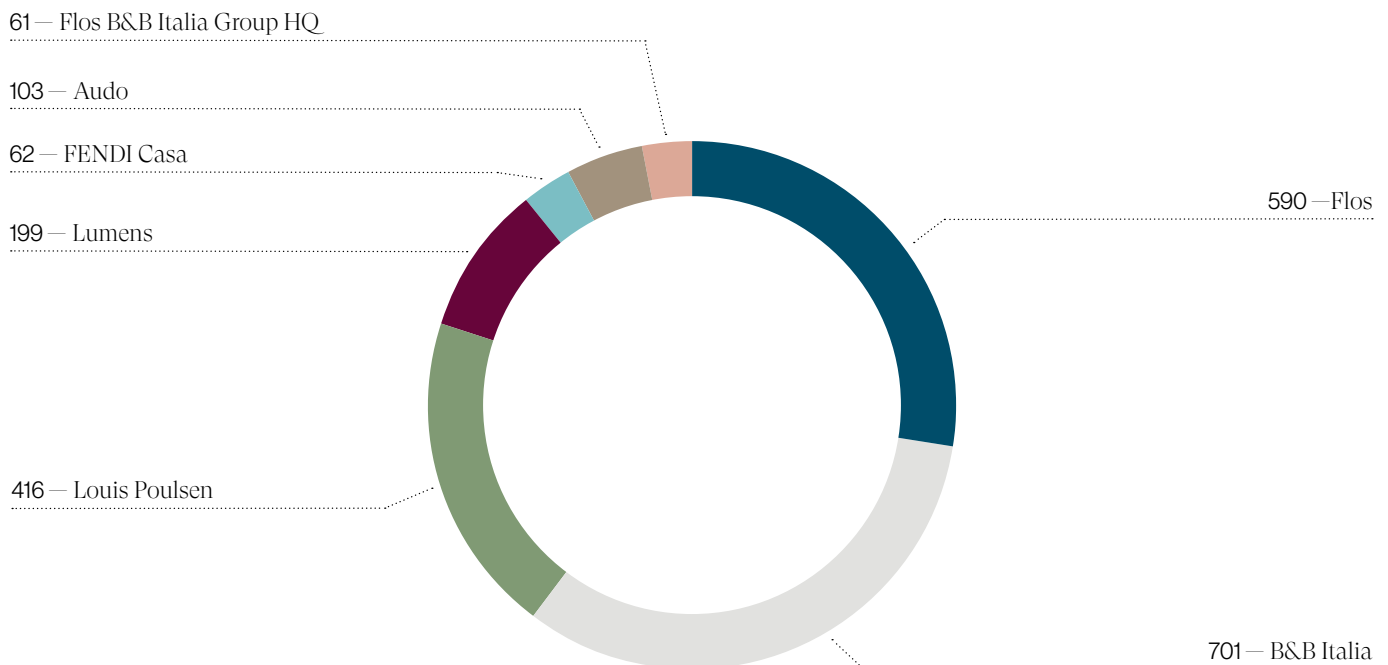
By cultivating a culture rooted in inclusion, we aim to go beyond representation — fostering real connection, mutual respect, and a sense of belonging within every Brand across the Group.

Ultimately, our goal is to realize our ambitions through a clear and structured set of values and principles — fully embraced by our teams and Brands. By doing so, we ensure that everyone across the Group experiences and contributes to the shared culture that defines Flos B&B Italia Group.

Our People

Since the foundation of the Group in 2018, we have continued to diversify our workforce in terms of size, gender, and geographic distribution. Today the Group's employees amount to 2,131³² FTEs, spread across nearly 20 countries worldwide.

Due to the size and significance of FLOS and B&B Italia, Italy hosts the largest share of the Group's total workforce—accounting for 48% of Flos B&B Italia Group employees—distributed across headquarters and production sites in the northern part of the Country. The remaining half of our people are located outside Italy. Of this share, 20% of our workforce is based in Denmark, primarily in the metropolitan area of Copenhagen and the city of Vejen, where Louis Poulsen and Audio operate their administrative offices and production facilities.



With the American branches of B&B Italia and FLOS, along with those of Audio and Lumens, the United States represents the Group's third-largest employment hub, accounting for 15% of the global workforce. Spain also plays a key role in our international footprint, with the Antares facilities—the Architectural Collection of FLOS—comprising 8% of our employees.

Although representing a smaller share, we maintain a strategic presence in several other Countries—including France, Germany, China, the United Kingdom, Japan, and Norway—which together account for approximately 7% of our global workforce.

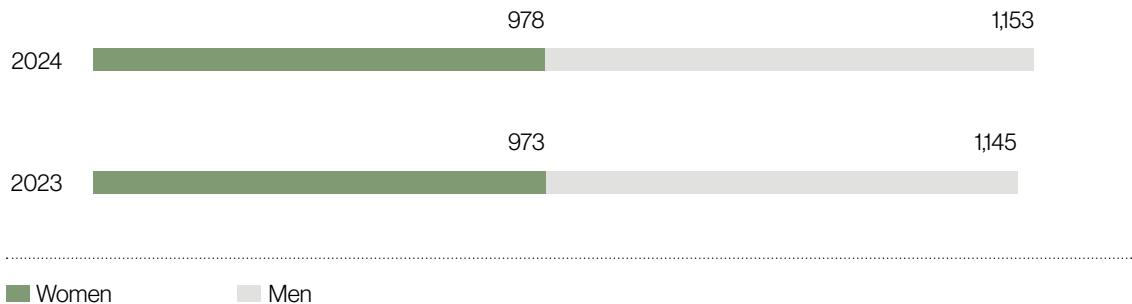
³² Employees' data refer to the Group's reporting perimeter as of December 31st, 2024; the full Group's perimeter does not coincide with the reporting perimeter. Data are expressed in FTEs, standing for full-time equivalent (FTE), a unit to measure employed persons in a way that makes them comparable although they may work a different number of hours per week. The Group considers an FTE to be valued at 2,080 hours per year (40 hours per week for 52 weeks per year).

Our goal is to foster a working environment grounded in fairness and transparency, where equality is upheld across all levels, starting with gender balance. In 2024, female employees represented 46% of Flos B&B Italia Group’s global workforce, amounting to 978 FTEs ^[405-1], showing a stable trend in comparison with 2023.

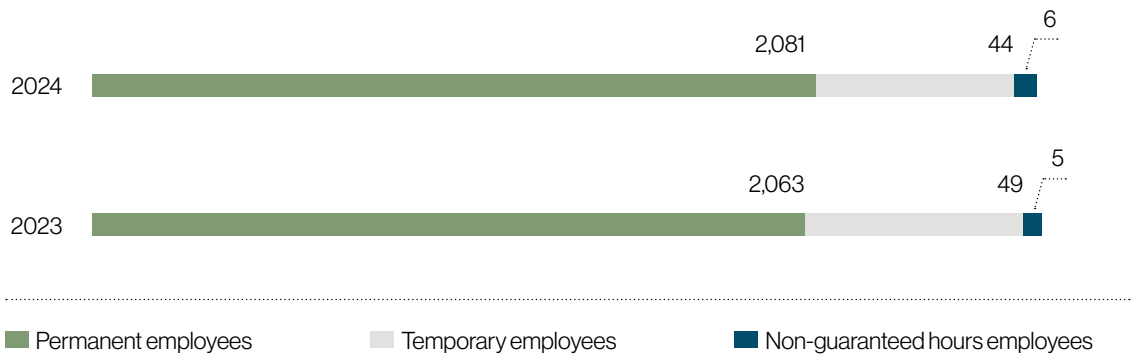
As a globally influential Group, we recognize our responsibility towards the communities in which we operate and the people who drive our success. We place strong value on our employees and are committed to providing meaningful and rewarding employment opportunities. This commitment is reflected in the stability of our workforce: in 2024, over 97% of our employees held permanent contracts, consistent with the levels recorded in 2023.

Following the trend of the past years, the majority of our workforce is made up by full-time workers, amounting to 2,056 in 2024 and representing approximately 96% of our total employee population. The remaining percentage is composed of 69 employees working part-time and 6 as non-guaranteed hours employees³³^[2-7]. All Group companies apply local national contracts and more than 78% of our workforce³⁴ benefits from additional best-favor collective agreements ^[2-30].

Total workforce 2023 vs 2024



Total workforce by type of contract 2023 vs 2024

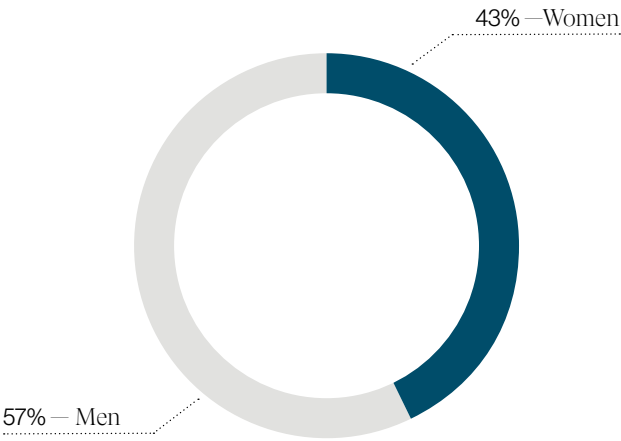


³³ Non-guaranteed hour employees are those who are not guaranteed a minimum or fixed number of working hours per day, week, or month, but who may need to make themselves available for work as required. In 2024, the Group recorded 6 non-guaranteed hour employees from Louis Poulsen, Audo and B&B Italia Group.

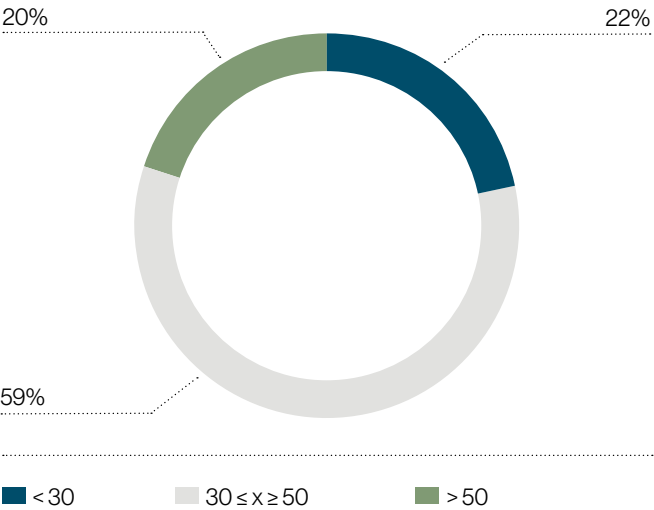
³⁴ The employees that are not covered by collective bargaining agreements are those located in Countries where such contracts are not of common use or provided by law, such as the USA.

In terms of new hiring activities, we onboarded 363 people, of which 157 were women and 206 were men.

Total new hires by gender

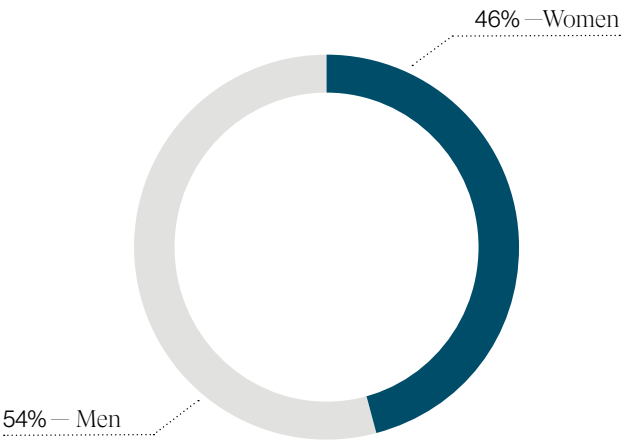


New hires by age group

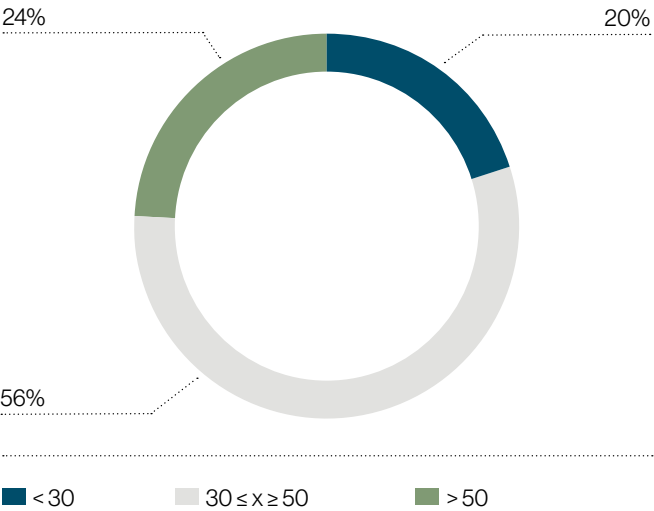


In 2024 we registered 303 job terminations, representing a 24% decrease compared to the 397 job departures in 2023. The trend is supported by the internal reorganization of some of the Brands of the Group started in 2023, which implied an increasing trajectory in overall terminations in the previous reporting year ^[401-1].

Total terminations by gender



Total terminations by age group



Fostering diversity and promoting inclusion

At Flos B&B Italia Group, we are committed to fostering an inclusive, dynamic, and forward-thinking workplace culture. Over the years, we have made meaningful progress in diversifying our teams at both Brand and Group levels — with a particular focus on gender representation and the integration of inclusive practices.

Through our Brands, we are deepening this commitment by embedding diversity into the recruitment process itself — not only by expanding representation but by actively recognizing and nurturing the unique strengths and qualities of each candidate throughout the evaluation phase.

At the Group level, we are working proactively to ensure equal opportunities in employment and to eliminate any form of discrimination, aligning our actions with the guiding values outlined in our Code of Ethics — a foundational document that defines our ethical standards and principles for responsible conduct.

Diversity and inclusion are not abstract ideals; they are put into practice through targeted initiatives and Brand-led programs introduced year after year. These efforts reflect our shared belief that embracing diversity fuels innovation, enriches collaboration and strengthens our identity as a modern, purpose-driven organization.

In this context, Lumens introduced a series of its Diversity, Equity, and Inclusion (DEI) training program for employees, aimed at providing further options for engaging with candidates and potential employees from diverse backgrounds. The relevance given to the matter is reflected in the number of different training courses offered that relate to DEI principles, which is the third highest category of training after Product Knowledge and Leadership training courses.

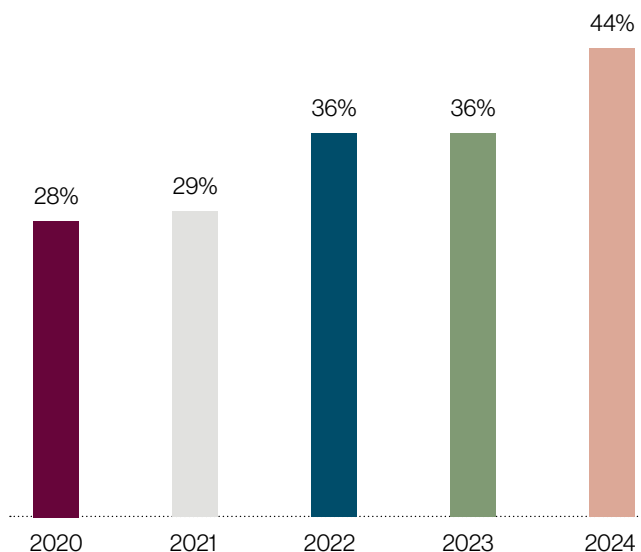
Following the success gained by the Women in Design Summit of 2023, Lumens reprised such platform in 2024 with the purpose of celebrating the women of international design that led the way for entire artistic eras and movements, inspiring generations of young female design fanatics to follow their models and disrupt the mainly male-driven design industry. The Summit has now become an annual event and a hallmark of Lumens programming in March, gathering designers from across the globe to share their insights and experiences. The 2024 Summit was mediated by Jill Singer, co-founder and editor-in-chief of Sight Unseen, and was centered on the experiences of relevant trendsetters in the high-end design world and the challenges that they have faced. The event saw the participation of other names such as Lauren Rottet, founding principal and president of Rottet Studio, Nina Magon, founder and principal of Nina Magon Studio and Emily Del Bello, founder and principal of Emily Del Bello Interiors.

Louis Poulsen strives to advance the implementation of its Diversity Policy and recruitment guidelines, first introduced in 2021. In line with the Group's broader commitment to diversity and inclusion across all operational levels, the Brand is actively fostering a culture grounded in respect and continuous improvement, with a focus on embedding these principles in both hiring practices and talent retention initiatives. In 2024, the Brand continued progressing toward its target—set in 2021—of achieving at least 40% female representation in managerial positions by 2030, in line with recommendations from the Danish Business Authorities. In 2024, women held 30% of managerial positions, maintaining a stable trend compared to 2023. This consistent performance over the past two years reflects the Brand's ongoing commitment to increasing workforce diversity by actively enhancing its hiring practices and people management strategies. Focusing on C-level positions, 2024 saw 40% of these covered by women, representing an increase of 2 positions in absolute terms and showcasing a dedication to gender diversity even at the Brand's highest levels.

EMPOWERING FEMALE LEADERSHIP AT AUDIO COPENHAGEN

As part of the Group's broader ambitions, we place strong emphasis on empowering female leadership across all our Brands, with a target of achieving 46% female representation among senior leaders by 2026. Audio stands out as a strong example of this commitment within Flos B&B Italia Group. In 2022, the Brand conducted unbiased recruitment and development training focused on diversity for all managers. That same year, the percentage of female leaders in management rose to 36%, compared to 2021. This figure remained steady in 2023 and increased further in 2024, reaching 44%, reflecting meaningful progress toward our goal.

Audio women in management (%)



Our People, our driving force

In 2024 we remained committed to fostering a workplace where our people feel proud, valued, and deeply connected — both to the Group and the communities we're part of.

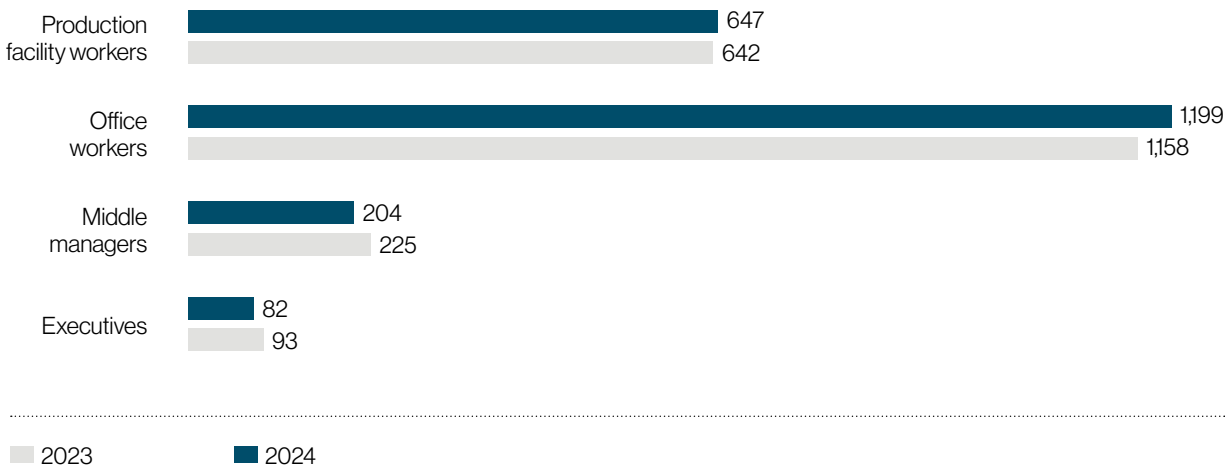
At group level, we strive to implement a wide array of new and improved welfare and wellbeing programs. As an example, in 2021 we prepared a survey to gain structured feedback on our Brands' ways of working in terms of people management, which was rolled out in 2022 and 2023 to all the people managers of the Group. We are constantly working to enhance the output of the

responses for future years, obtaining more insights and further implementing our strategy.

Given the diversity of functions and roles across our Group, we offer a wide range of employment contracts and job categories. In 2024, 30% of our workforce was employed in production facilities, while the majority held roles within our Brands' offices and headquarters. Of the overall employee population, 13% cover managerial roles ^[2-7, 405-1].

Our Brands continue to develop innovative approaches to support employee wellbeing, with a strong focus on promoting equitable work-life balance and respecting cultural diversity across the Group. They are responsible for the day-to-day management of these efforts, remaining closely attuned to the unique needs and dynamics of their local contexts.

Employees' category trends 2023 vs 2024



Employee engagement programs at Brand level

Over the years, Lumens has placed employee wellbeing and a strong sense of belonging at the heart of its priorities, supported by regular engagement surveys and company events. In 2024, Lumens held monthly employee meetings and continued its program of training sessions—complete with quizzes and prizes—to boost participation and foster ongoing learning. Weekly vendor visits offered employees the chance to engage directly with high-end design products, providing both hands-on training and variety in their daily routines. Furthermore, as 2024 marked its 20th anniversary, Lumens organized a series of special initiatives, including a raffle with a dedicated visit from the Brand's founder Ken Plumlee and its partner Peter Weight, and a series of gifts offered to the Brand's employees. The celebrations fostered a strong sense of community and appreciation within the organization and highlighted the path and the evolution of the Brand over the years. Louis Poulsen has consistently maintained its employee feedback platform launched in 2021, which captures and addresses real-time feedback on various workplace aspects. This platform facilitates managers across all departments in gaining valuable insights and continually improving the working environment according to the responses collected. Introduced in 2022, in the following years the Brand launched quarterly pulse surveys, designed to continuously monitor and promote employee engagement and wellbeing across the Brand.

Launched in 2023, B&B Italia's first performance review process—initially focused on managers—continued to be implemented in 2024. The initiative aims to gather structured feedback from direct superiors, and it is being rolled out across the Brand's European sites. In the coming years, it is expected to extend to additional employee groups as part of a broader effort to strengthen performance management and professional development.

In alignment with the initiative launched in 2022, FLOS has been implementing the Exit Interviews project,

engaging with all employees who have resigned. This initiative aims to gather valuable feedback and insights from these individuals, which will subsequently be presented to the Executive Chairman and the managers associated with the departing employee.

After the introduction and the success of the carpooling initiative in 2023, FLOS repoposed plan in 2024, as well. Designed to facilitate collaboration among employees commuting from various locations, this initiative not only promotes teamwork but also enhances cohesion among staff members. The project features a cashback program for participants, offering shopping vouchers as an incentive, with plans for expansion in the coming years to further encourage carpooling practices.

Furthermore, in early 2024, a new HR Director was appointed with the objective of supporting human resource management. The primary emphasis is on acquiring a thorough understanding of the current organizational landscape and pinpointing areas for enhancement—whether through targeted training programs or strategic personnel adjustments—aimed at improving overall team performance and fostering development.

As part of its people management programs, Audio conducts employee satisfaction surveys on a yearly basis. As done in previous years, in 2024 the Brand proposed an eNPS survey³⁵, from which it recorded an overall total response rate from its employees of 95%. Through such instrument, Audio aims to obtain insights on the views and comments of its employees on different social matters, from inclusion in the workplace, to overall working conditions and communication and people management. In 2024, alongside standard training for new hires, Audio also supported continued education of its employees, including external programs such as certification education and training. Additionally, Audio is home to an employee-driven social club dedicated to bringing employees together for social events and team building experiences, fostering stronger connections and a sense of community across the organization.

³⁵ Employee Net Promoter Score (eNPS) is a metric used to evaluate the satisfaction of a company's employees. According to the score obtained, respondents are classified as Promoters, Passives or Detractors of the company.

Preserving our people's talent through upskilling initiatives

We recognize that the growth and upskilling of our people are essential to the Group's long-term success. With this in mind, we are committed to fostering a strong managerial culture across our Brands by developing targeted training programs for high-level personnel and top performers.

These initiatives are designed to provide both technical and professional development, equipping our teams with the knowledge and skills needed to excel in their roles. This commitment is reflected in our efforts to engage a significant portion of Top Performers and High Potential employees in structured career development initiatives, and to ensure broad participation in Group-wide unconscious bias training, as outlined in our Sustainability Plan.

As a Group, we strive to deliver impactful and meaningful training to our people regarding our Code of Ethics and our Whistleblowing policy. In previous years we organized Group-wide training sessions on the latest versions of such documents, and we are committed to maintain all our employees up to date with any change or news. As they are the driving force of our Group, we believe it is fundamental to provide our employees with a common vision on these topics.

In 2024, Group-wide online training sessions on the Code of Ethics and Whistleblowing Policy achieved strong engagement, with an overall participation rate of 95% and over 1,500 employees enrolled. Notably, participation reached 100% at the Group's headquarters in Italy and China, as well as at DQM and Fendi. Lumens followed with over 97%, FLOS with 96%, and both Arclinea and B&B Italia recorded 94%. Louis Poulsen and Audo also demonstrated solid involvement, with participation rates of 84% and 81% respectively.

In parallel, a dedicated training session on the corporate Organizational Model, in accordance with Italian Legislative Decree 231/2001, was delivered specifically for the Group's Italian brands.

How Our Brands Nurture their Talents

In line with our Group's training and upskilling strategy, our Brands continue to prioritize the professional growth and development of all employees, supporting their ambitions and career progression. In 2024, this commitment was reflected in the launch of new training and development initiatives, alongside the continued implementation of established programs and events introduced in previous years across the Group.

As part of its annual training plan, B&B Italia delivers both technical and non-technical training sessions to its employees. In 2023, the Brand introduced a leadership training program specifically designed for executive-level staff, aiming to improve their people management skills and relational performance. Following the positive feedback received, the initiative, which continued in 2024, placed particular emphasis on soft skills, such as improving work efficiency. In addition, the Brand continued to provide mandatory Health & Safety training for factory workers and, in collaboration with its designated Whistleblowing Officer, finalized a structured training session on whistleblowing procedures and the corporate Organizational Model, in alignment with Italian Legislative Decree 231/2001³⁶.

Over the years, Flos has placed significant emphasis on the training and professional development of its employees. The Brand implemented a variety of initiatives, ranging from mandatory training on Health & Safety to public speaking courses and foreign language lessons, all aimed at equipping its workforce with essential professional and technical skills. In previous years, particular focus was placed on soft skills training sessions to enhance the overall knowledge and capabilities of both employees and managerial staff, alongside coaching activities specifically designed for managerial roles. Training courses have been conducted both in-person at the Brand's main offices and through online platforms provided by the training entity. Particularly, in 2024 an annual training related to Health & Safety matters was delivered to employees and temporary workers. General training, along with the specific course for video terminal operators, was conducted entirely online to maximize accessibility. All other sessions were held in person, including the five-year recurring mandatory training and specialized modules on firefighting, defibrillator use, forklift operation and other safety-related topics. Targeted training programs specifically designed for workers were also implemented to address their operational needs. Flos is committed to continuing these valuable training activities in the future, reinforcing its dedication to the growth and development of its workforce.

In 2024, Lumens upheld their training program which, similarly to 2023, was structured around two key objectives: fostering a shared culture rooted in a passion for design and tailoring learning experiences to address the diverse knowledge levels across its workforce. The Brand delivered both in-person and online sessions to maximize participation, covering a wide range of topics from product knowledge to various DEI topics. The training program is enriched with interactive elements such as quizzes and prize incentives, promoting team building and strengthening cohesion among employees.

At FENDI Casa, compulsory training sessions were carried out covering both general and specific health and safety topics, applied consistently across both S.p.A. entities. Employee training was harmonized accordingly to ensure uniform standards. Emphasis was placed on H&S training at DQM, the Brand's production entity, where safety remains a core operational priority. Additionally, a new cybersecurity training initiative was launched, delivered in monthly micro-learning sessions and extended to all branches of FENDI Casa and DQM, including international offices. This program aims to raise awareness and strengthen digital security practices across the entire organization.

Louis Poulsen gives significant relevance to the topics of diversity and inclusion throughout its overall organization. In particular, the Brand delivers dedicated training sessions focused on gender representation at managerial level. In parallel, in previous years Louis Poulsen launched the innovative 'EXPECT' program, aimed at empowering employees by strengthening the skills needed to thrive in their roles. Embedded in Louis Poulsen's corporate culture, the program established a structured framework for ongoing dialogue between managers and their teams. Guided by clear protocols, these conversations explore individual aspirations, development opportunities, and collaborative goals, embedding continuous skill development into the daily rhythm of the company—well beyond the traditional confines of annual performance reviews.

³⁶ Training sessions on whistleblowing procedures and the corporate Organizational Model, in accordance with Italian Legislative Decree 231/2001, were delivered across all Italian companies within the Group (i.e. Flos B&B Italia Group S.p.A., B&B Italia, Arclinea, and FLOS).

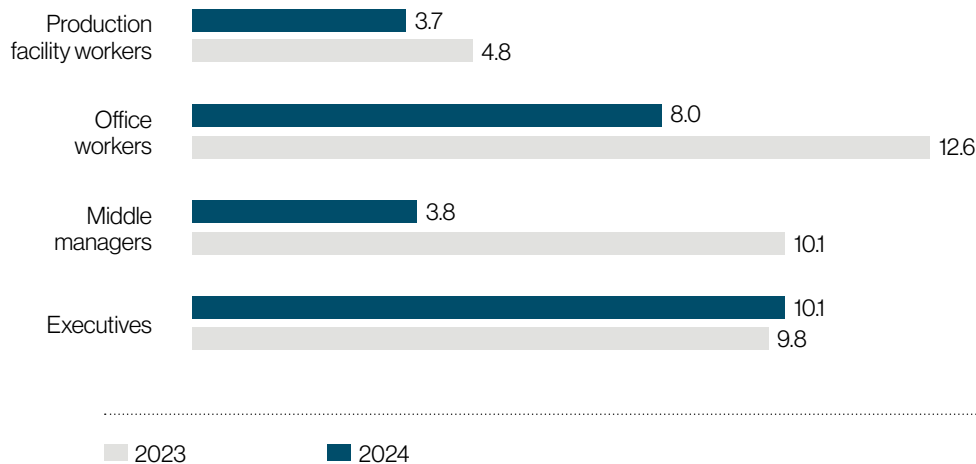
Our performance in numbers

With respect to 2024, our Group delivered a total of 6,311 hours of training [404-1], recording a decrease in comparison with 2023 data³⁷. The reduction in training time is a result of internal reorganization and changes at Group level and within each Brand happening in 2023 and affecting also the current reporting year, considering the periodic provision of mandatory training, as well, which does not necessarily recur on an annual basis.

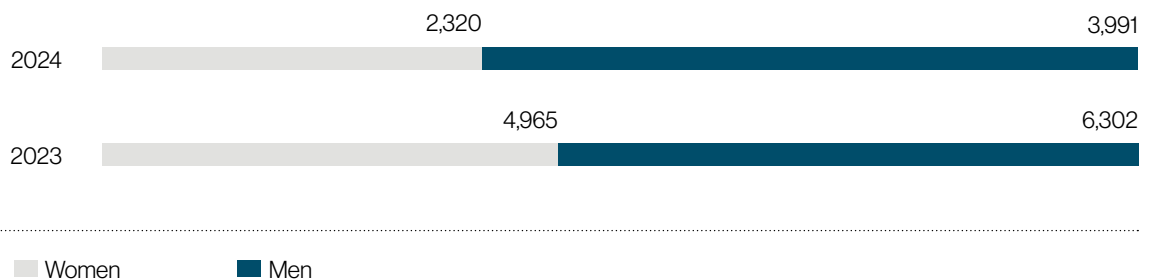
Our Brands remain unwavering in their commitment to equipping employees with the necessary tools and knowledge to operate safely and achieve peak performance on a daily basis. This dedication not only fosters the growth of our business but also solidifies our success as leaders in the high-end design industry.

In terms of average training hours per employee category, the amount of training provided increased for executives. Our Brands strove to pay close attention to the development of leadership capabilities, reinforcing their commitment to nurturing soft and managerial skills as part of the Group's broader strategic direction. Furthermore, due to the increasing presence of female managers and executives, the relative value of training hours offered to women increased by 3% with respect to 2023.

Training hours by category 2023 vs 2024



Total hours by gender 2023 vs 2024



³⁷ Lumens is not included in these figures since, for the time being, the Brand does not monitor training hours by gender. Louis Poulsen is not included in these figures as training hours were not tracked during the year. In 2024 data on training hours by employee category have been reported by Lumens. Both Brands are committed to improve their monitoring for future reporting periods, aligning with all the other Brands of the Group.

An inclusive and Safe Working environment ^[403-1-7]

A core element of our employee care strategy is ensuring a healthy, safe, and risk-free working environment—one that supports the highest standards of wellbeing.

Health and safety management is carried out at the Brand level through tailored, comprehensive systems.

Across all operations, conditions are continuously monitored, with dedicated H&S managers (or their local equivalents) overseeing compliance and conducting regular risk assessments. These procedures are designed to identify potential hazards and proactively prevent work-related injuries.

Demonstrating a strengthened commitment to health and safety, several Brands within our Group have adopted internationally recognized certification systems. In 2024, FLOS Group once again achieved the UNI ISO 45001:2018 certification for its production facility in Bernareggio, underscoring its dedication to occupational health and safety management. This milestone follows the path set by Arclinea—part of the B&B Italia Group—which obtained the same certification in 2019 and renewed it again in 2024.

At Group level, we recorded a slight increase in the number of injuries in 2024, totaling 43. The significant increase is primarily due to Louis Poulsen's enhanced monitoring system, which now offers a far more granular and comprehensive view of health and safety performance monitoring. As a result, the rise in reported cases reflects improved detection and reporting capabilities with regard to the Brand's Health & Safety performance. As of December 31st, 2024, none of the reported cases were classified as severe incidents.

Importantly, throughout the three-year period from 2022 to 2024, the Group did not experience any high-consequence work-related injuries or fatalities.

^{[403-9] 38.}

Health and safety ³⁹	UoM	2022	2023	2024
Total number of worked hours	h.	2,634,392	2,990,796	2,848,157
Total number of recordable work-related injuries	n.	18	16	43
Rate of recordable work-related injuries ⁴⁰	Rate	6.8	5.3	15.1

³⁸ Moreover, Flos, B&B Italia, Louis Poulsen, Fendi Casa-DQM and Flos B&B Italia Group HQ also monitor health and safety performances of their subcontractors and agency workers: they aggregately reported an overall of 155,897 hours worked, with two non-severe injuries that occurred.

³⁹ Data for 2024 Lumens' working hours are not available, as the Brand did not monitor them; however, only 1 injury was reported by the Brand in 2024. The Brand commits to improve monitoring in future reporting periods.

⁴⁰ Calculated as the total number of injuries divided by the overall number of hours worked in the reporting period and multiplied by 1,000,000.

Our social footprint

Our commitment to wellbeing extends beyond our own teams to include our entire value chain and the communities we touch. Given the complexity of our global supply chain, it is essential that all individuals involved in the production of our goods are treated with fairness, dignity, and respect. To this end, we build long-term partnerships with key suppliers and uphold ethical standards rooted in human and labor rights—core principles of our Group. These expectations are formalized in our Supplier Code of Conduct and Code of Ethics.

We also strive to create a positive impact in the communities where we operate, supporting local initiatives, charitable organizations and schools. Each of our Brands contributes actively to this shared mission of building a more inclusive and responsible future. Due to the expertise and know-how gained over the years, they share their knowledge to generate positive impacts.



Foglio lamp assembly, FLOS headquarter



GamFratesi at Louis Poulsen headquarter

LOUIS POULSEN: LIGHT MATTERS CAMPAIGN

High-quality indoor lighting affects both people's productivity and happiness. Many spend most of the day inside, at work for instance, or inside homes. Therefore, it is important to remember that high-quality indoor lighting also affects both our productivity and happiness.

Through its "Light matters" campaign, Louis Poulsen provides some insights and recommendations for people to catch daylight when possible, striving to spread the key message of the benefits that

natural light gives us. Especially in northern Europe, where wintertime is characterized by extremely dark months, getting some natural light can help ward off seasonal depression, improving sleeping quality as well. For instance, just 15 minutes exposure to natural light is enough to trigger the release of endorphins and serotonin, also nicknamed "happy hormones". The health advantages of spending time outdoors and absorbing natural daylight are significant. Sunlight exposure, in fact, allows the skin to synthesize Vitamin D, which is recognized for its role in preventing osteoporosis and lowering the risk of heart disease and other health issues. Inadequate lighting is linked to various health problems, both physical and mental, including eyestrain, headaches, and fatigue. These issues can all be mitigated by utilizing appropriate lighting solutions.

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.”



Arco lamp by Achille & Pier Giacomo Castiglioni, FLOS



3 BRANDS' ACADEMIES

Foster design culture & heritage

Our Brands originate from rich and diverse design traditions, rooted in regions where craftsmanship is an essential part of local culture and identity. At Flos B&B Italia Group, we are committed to honoring this heritage while expanding the global presence of our Brands, encouraging the next generation of designers to shape the future of design through innovation and creativity.

Our mission is to safeguard and promote iconic design works, ensuring that their cultural and artistic value continues to inspire. We believe design is a powerful vehicle for passing down cultural heritage across generations.



10 DESIGN AWARDS

World-recognized design awards won by Flos B&B Italia Group Brands in 2024

By preserving these irreplaceable design icons, we aim not only to strengthen our Brands' legacies but also to enrich the global design community and extend the impact of design excellence worldwide.

Because our Brands possess strong local insight, we prioritize working through them when engaging with communities. Their proximity and understanding allow for tailored collaborations that protect local know-how and encourage region-specific initiatives.



PARTNERSHIP IN EXHIBITIONS

Anchor lighting and furniture partners in major design and art exhibitions across the world

At the global level, we aim to translate our commitment into a more holistic strategy—developing centralized programs to support emerging talent and promote inclusivity within the design ecosystem. This includes partnerships with vocational institutes, universities, business schools, and NGOs to foster design education and mentorship.

We also actively support the cultural fabric of the communities in which our Brands operate, contributing to exhibitions, fairs, and cultural events that celebrate and advance design and the arts.



6 PARTNERSHIPS WITH SCHOOLS / UNIVERSITIES

Preserve craftsmanship and support new talents

Promoting Design Culture

Like other major art forms, design thrives on the transmission of knowledge across generations. While innovation and creativity are essential to the evolution of design culture, they are most effective when paired with strong technical proficiency and hands-on skills both of which are vital to bringing ideas to life.

Recognizing this fundamental synergy, our Brands have long committed to fostering both creative innovation and design heritage through a broad spectrum of initiatives. Each of them has shaped its own unique interpretation

of an “Academy”, a platform designed to accelerate the development of practical expertise and nurture a design-oriented mindset.

In 2024, our Brands continued to affirm their leadership within the global design community by driving a variety of training programs, delivered through a combination of in-person sessions and digital platforms. These Academies play a pivotal role not only in equipping employees and partners with the technical knowledge required for excellence, but also in transmitting the deeper cultural and artistic value embedded in each of our creations.

Through this ongoing investment in education and skills development, we ensure that the craftsmanship, identity, and distinctiveness of our design legacy are preserved and strengthened for future generations.

DIFFERENT NUANCES OF ACADEMIES

The Light Academy – FLOS

Following its own idea of Academy, Flos has established the "Light Academy", an internal training platform designed to assist commercial representatives throughout the Flos network in developing a profound comprehension of Flos' design principles, product aesthetics, and technical procedures. By imparting education and training to its internal sales team alongside retailers, professionals, and key accounts prior to product launches, Flos not only cultivates extensive expertise surrounding its innovative designs but also promotes the dissemination of lighting design culture. The Academy is structured with a customer-centric approach, covering various topics to offer the most comprehensive insight possible in meeting customer requirements.

Louis Poulsen Academy

Louis Poulsen has continued to cultivate its own concept of “Academy” as a strategic platform

for accelerating the development of hard skills, craftsmanship, and a design-oriented mindset. In 2024, the Brand reaffirmed its role as a key player in the international design community by delivering to all its new employees a wide range of training initiatives, both in person and through its digital platforms. The Louis Poulsen Academy, held on a monthly basis, also remains a cornerstone of onboarding and development—introducing new employees to the Brand's heritage, design philosophy, and product portfolio—while strengthening a shared cultural foundation across teams.

B&B Italia Academy

Following a similar trajectory, B&B Italia launched its own interpretation of the "Academy" concept in 2021, which expanded to six languages by 2022 and continued to evolve through 2023 and 2024. The "B&B Italia Academy" consists of a structured series of e-learning modules delivered via a dedicated digital platform, designed to serve the entire B&B Italia Group. While the initiative primarily targets the sales force—equipping them with essential aesthetic and technical knowledge of the Brand's design collections—it also forms the foundation for broader training efforts. In 2024, B&B Italia Academy saw the participation of a total of 423 people, among which architects, B&B Italia employees and agents.



Lumens Innovators Council

SPREADING THE DESIGN CULTURE: LUMENS' INNOVATORS COUNCIL

In 2022, with the goal of inspiring and educating both trade and consumer audiences, Lumens inaugurated the "Innovators Council," comprising distinguished figures in the design industry chosen for their distinctive viewpoints and rich experiences. Lumens endeavors to utilize its platforms for trade and consumer engagement to amplify the significance of the Innovators Council and cultivate a community centered around their insights. Concurrently, the Council aims at contributing with its expertise on subjects such as interior design trends, product inspiration, and business strategies. Through

behind-the-scenes footage, comprehensive articles, and other educational initiatives, this endeavor disseminates invaluable knowledge and fosters a culture of innovative thinking.

In 2024, four of the members of the Innovators Council (Alvin Wayne, Adi Goodrich, Shari Francis and Victoria Tonelli) attended 3 Days of Design, one of the most important design festivals in Europe and of international fame taking place in the Danish capital of Copenhagen. During the 2024 edition, Alvin Wane, New York City-based interior designer, Victoria Tonelli, designer from Toronto, Shari Francis, owner and principal designer of the Dadapt, and Adi Goodrich, artist and special designer, held interviews and behind-the-scenes of their careers and their journeys in the design industry, sharing inspiring ideas and motivating the Brand's community.

Central to our strategic focus on design culture is the belief that future generations are an invaluable source of fresh and disruptive ideas. With this in mind, our Group has established lasting partnerships with local schools and universities over the years. These collaborations aim not only to attract emerging talent but also to support younger generations as they transition into the professional world, helping them navigate the complexities and opportunities of the design industry.

For instance, in 2023, Flos B&B Italia Group collaborated with Luiss Business School, an Italian business school located in the heart of Rome, and other leading industry players to develop the new “Furniture Design Management” major, part of the Master in Management of Creative and Cultural Industries. Officially launched in 2024, the program is designed to equip emerging professionals with the necessary managerial competencies and sector-specific knowledge to navigate the evolving furniture and design landscape. Conducted over 12 months and delivered in English, the course offers participants—both national and international—a comprehensive overview of production processes, industry dynamics, and global business strategies. As part of the curriculum, students also benefit from Luiss Business School’s Career Service and have access to internship opportunities within our Brands, supporting the transition of young students into our world. Thrilled to take part in such project, the Group believes that it is an opportunity to shape the future talents of the sector by sharing the expertise, know-how and innovation that Flos B&B Italia Group has gained over the years and led it to its leadership.



FLOS headquarters, Bovezzo, Italy

FLOS has cultivated longstanding partnerships with universities in the Italian territory over the years. In fact, the Brand has been serving as one of the main sponsors of the Master in Lighting Design for several years at the Polytechnic University of Milan. This collaboration underscores the Brand’s enduring commitment to education and innovation in lighting culture, offering students the opportunity to engage with real-world design challenges and benefit from FLOS’s industry expertise. Another relevant partnership that FLOS has strengthened regards the three-year project with the École des Beaux-Arts, one of Paris’s most prestigious art institutions. Initiated two years ago, the collaboration includes curated exhibitions and interactive workshops centered on design fundamentals, with a particular focus on lighting. This initiative aims to introduce emerging designers to the Flos universe, enhance brand visibility, support educational engagement, and foster long-term connections with students and alumni for potential future collaborations.

Furthermore, FLOS collaborated with Domus Academy, a private school of design in Milan, to launch a lighting design workshop dedicated to students. The initiative focused on developing more sustainable outdoor lighting solutions, with particular attention to reducing light pollution and enhancing energy efficiency. This high-level educational project provided a platform for experimentation with innovative materials and concepts, reinforcing the Brand’s commitment to fostering design excellence and environmental responsibility through education.

In October 2023, B&B Italia initiated a training collaboration with the Giuseppe Terragni Technical Institute in Meda, in the Italian province of Monza and Brianza, as part of the Altagamma “Adopt a School” initiative. The aim of this project is to honor and pass on the craftsmanship, technical expertise, and specialist skills that are the foundation of our work. Specifically, it supports and empowers students pursuing studies in textile production and upholstery. Promoted in collaboration with the Ministry of Education and Merit, the initiative fosters educational collaboration between schools and high-end manufacturing companies. It also received backing from the European Commission as part of the European Year of Skills 2023/2024. “Adotta una scuola” establishes tailored training paths between schools and businesses to bridge the gap between demand and supply for technical and professional skills. Activities include defining course content and methodologies, mentorship, educational material development, company visits, classroom sessions led by experts, hands-on workshops, internships, real-world projects, provision of materials, and teacher training. Each partnership is formalized through a specific agreement outlining class involvement, coordination, content, and shared commitments by all stakeholders. In 2024, the initiative continued with further efforts to



Production plant, Novedrate, B&B Italia

engage students. The R&D department of B&B Italia held a dedicated presentation at the school, offering more detailed insights into the Group's structure, operations, and technical expertise. This provided students with a clearer understanding of the company and its design and production processes, reinforcing the collaborative nature of the program and its role in preparing young talent for future careers in the industry.

In 2022, Arclinea launched a three-year scholarship program in collaboration with IUAV – University of Venice, within the Department of Design. The PhD research initiative explores the accountability of products and services from an environmental, economic, and social sustainability perspective. It also investigates how social behaviors and emerging technologies are reshaping domestic environments, with a specific focus on the evolving role of kitchen spaces amid globalization, digital transformation, and shifting nutrition trends—such as the growth of agri-food value chains and the rise of alternative proteins. The program is divided into four key phases: research, synthesis, experimentation, and conclusion. As a complement to the academic framework, it also includes a six-month training experience within Arclinea, offering participants hands-on exposure to the Brand's industrial processes.

Spreading awareness of design worldwide

We believe in harnessing our global presence to promote design awareness and inspire emerging talents. Our commitment is rooted in using this platform to champion responsible beauty and innovation

To achieve this, we pursue a cohesive communication strategy that integrates our well-established virtual channels with the physical touchpoints of our Brands. Notably, in 2024 various Brands celebrated milestone anniversaries, which boasted opportunities to celebrate both internally and with the surrounding design communities, spreading the word about our lasting legacy.

Louis Poulsen's 150 Year Anniversary

This year marked Louis Poulsen's 150th anniversary, a significant milestone in the Brand's history, reflecting its rich heritage and enduring influence in the world of design and lighting. Since its foundation, Louis Poulsen has elevated lighting to an art form, prioritizing visual comfort and technical precision, all while pushing the boundaries of innovative design. For this special occasion, the Brand's "150 years and still making history" motto was chosen for its international anniversary campaign. To commemorate 150 years of excellence, the Brand unveiled a striking Anniversary Collection featuring some of its most iconic designs in elegant white and pale rose hues accented with brass details. Among the highlights were the PH Artichoke Anniversary Edition and the PH Snowball Anniversary Edition, with only 300 uniquely numbered pieces of each produced. Celebrations spanned the globe, with over 20 events held worldwide, including the launch of a special 150-year coffee table book. One standout event was 3daysofdesign in Copenhagen, where Louis Poulsen collaborated with the acclaimed Danish artist duo Oliver Sundqvist and Frederik Nystrup-Larsen. Their bold reinterpretation of the classic PH Artichoke lamp, titled A Heart of Light, paid tribute to the Brand's legacy while infusing it with a contemporary artistic vision—an unforgettable highlight of a truly historic year for the First House of Light.

Lumens' 20 Year Anniversary and New Headquarters

To celebrate its 20th anniversary, Lumens organized a series of special initiatives, including a town hall

celebration featuring appearances by the two founders, Ken Plumlee and Peter Weight. Brand partners contributed through donations and every employee received a product as a token of appreciation. Additionally, an employee raffle was held, offering over 230 products to be won. In honor of this milestone, a custom Zettl's chandelier was created by the acclaimed designer Ingo Maurer, complete with anniversary notes and well wishes from brand partners.

In addition to the anniversary celebrations, Lumens signed the lease for a new headquarter and showroom in San Francisco, scheduled to open in 2025. Situated in Jackson Square among some of the city's most notable architecture firms, the new space offers ample room for employees to work, meet, and collaborate, while providing visitors with enhanced opportunities for product discovery and engagement with the broader design community.

The showroom will include a front gallery space that, every six months, will feature a Designer-in-Residence who will create unique installations using Lumens' catalog. This initiative aims to position Lumens not only as a luxury brand but also to establish the San Francisco showroom as a design destination for inspiration and sourcing. The inaugural Designer-in-Residence will be Ghislaine Viñas, acclaimed for her joyful and spontaneous design approach, with work featured in prestigious publications like Architectural Digest, Elle Décor, and Interior Design magazine.

Together, Lumens' 20th anniversary celebrations and the upcoming launch of their new San Francisco headquarters underscore the Brand's growth and deepening

commitment to fostering community engagement and design innovation.

Flos B&B Italia Group Flagship Store in New York City

In another notable opening, on March 7th, 2024, the inauguration of Flos B&B Italia Group's flagship at 135 Madison Avenue marked a bold new chapter in the Group's presence in the United States. This 25,000-square-foot destination unites iconic products of B&B Italia, Flos, Louis Poulsen, Maxalto, Arclinea, and Azucena under one roof, offering a curated experience that blends European design heritage with the dynamic spirit of New York City. Through intentional architecture and immersive storytelling, the space fosters a dialogue between the Brands and the local design community—inviting architects, designers, and enthusiasts to explore a shared vision of beauty, innovation, and craftsmanship. It is not just a store; it is a cultural landmark that connects the Group to the city through the universal language of design.

FLOS Hosting is a series of convivial evening events created to bring together talents and share inspiring stories of design, architecture, and creativity within FLOS showrooms around the world. Since its launch in 2022 and its enrichment in 2023, the format has featured spontaneous conversations among selected experts who explore fresh perspectives on both current and timeless themes. In 2023, a notable episode took place at Flos' Professional Space in Milan in collaboration with Fosbury Architecture, curators of the Italian Pavilion at Biennale Architettura 2023, where the theme "Spaziale: Everyone Belongs to Everyone Else" was discussed. In 2024, FLOS Hosting expanded further, organizing events in key cities including Paris, Amsterdam, Copenhagen, New York, and Tokyo. Each event, attended by 50 to 100 guests such as architects, designers, and local art personalities, focused on specific design-related themes. Led by high-profile cultural moderators, these gatherings provided valuable opportunities to deepen engagement with the Brand's community and foster dialogue on innovative and relevant design topics.

Arclinea highlighted the significance of promoting design awareness through its project "Extraordinary, Everyday." This newly launched narrative initiative is featured on the brand's website and social media platforms, where it explores what makes everyday life extraordinary. The project is structured as a series of episodes, each presented through videos, photographs, and personal stories that follow the protagonists in their daily lives. The first episode, titled Rain Harvest Home, is set in a nature reserve in Mexico and features architect Javier Sanchez, who lives in a house he co-designed with colleague Robert Hutchinson. This home serves as a prototype of regenerative design, with a focus on rainwater collection. Another episode, Nature for Inspiration, takes place in Iceland where local chef, speaker, food activist, and restaurateur Gísli Matt currently lives. He has collaborated with Arclinea to host dinners and events at the brand's Milan showroom, where

he shares the cultural richness of his local cuisine. Through this series, Arclinea not only celebrates the beauty of design in daily life but also fosters a deeper connection between culture, creativity, and the spaces we inhabit.

Keeping the focus on communication activities, in December 2024, Louis Poulsen held a landmark auction at Sotheby's New York, featuring 12 heritage items that underscored the legacy, quality, and timelessness of our designs. These unique pieces, developed with long-term vision and craftsmanship in mind, resonated deeply with collectors and design enthusiasts alike. The primary goal of this event was to boost brand awareness in the U.S. market, where its presence is less established. By showcasing heritage pieces meant to last generations—whether as treasured home items or museum artifacts—the auction reinforced the Brand's commitment to culture and craftsmanship, setting it apart from other lighting brands.

The auction not only achieved record-high sales revenue but also generated meaningful social media engagement, amplified by the attendance of prominent actresses and influencers, further elevating Louis Poulsen's profile in a key global market.

This auction exemplifies our commitment to spreading awareness of design worldwide by connecting our heritage and craftsmanship with new audiences and markets, highlighting the enduring cultural value of our Brand on a global stage.



Louis Poulsen x Home in Heven, 3daysofdesign 2023

When commitment translates into participation

As a Group, we strongly believe in the importance of active engagement with the global contemporary art and design communities, viewing it as essential to preserving and advancing design culture for future generations. Our distinguished portfolio of design Brands carries a long-standing tradition of participation in major design fairs and exhibitions worldwide. Among these, the annual Salone del Mobile in Milan, also known as Milan Design week, stands out as a leading stage for presenting innovative creations and visionary projects.

During Milan Design Week 2024, **FLOS** staged a captivating exhibition at the historic Palazzo Visconti — a venue typically closed to the public — an installation about the value of elective affinities in design: it is the center of a journey that also includes the flagship store and the showroom in Corso Monforte, which quickly became one of the most visited installations of the week. The Brand unveiled four new collections and played a central role in other major events across the city. Furthermore, at the historic location of Palazzo Bovara, FLOS served as the exclusive lighting partner for the Material Home exhibition, enhancing the visitor experience through thoughtful illumination. These activations were supported by a robust digital communication strategy, with the creation of high-quality content that significantly boosted engagement and expanded the its social media community.

Milan Design Week was also a highlight of the year for **B&B Italia**, where the brand introduced The Collection under its new CEO Demetrio Apolloni. This concept explores the evolution of B&B Italia over time, showcasing

both iconic past collections and new models, spotlighting not only on new products, but also on collections that have marked epochs in the world of design, acting as true trendsetters that revolutionized the concept of living.

Furthermore, during Milan Design Week, **Arclinea** unveiled Proxima, the latest addition to its kitchen collection. Designed and coordinated by Antonio Citterio, Proxima brings to life a high-performance, professional-grade kitchen concept that integrates large American appliances while celebrating individuality and personal expression. The Brand also introduced Hortus, part of the Duet collection, created for growing aromatic herbs and small vegetables. Additionally, Arclinea presented the Inverso column unit, a sophisticated solution for customizing kitchen and drawer storage. These innovations reflect Arclinea's ongoing commitment to blending functionality with refined design.

FENDI Casa implemented a new data-sharing platform to enhance its e-commerce experience. Shared with Arclinea and officially launched during Milan Design Week 2024, the platform is designed to serve four key user groups—dealers, architects and material decorators, journalists, and private consumers—by centralizing access to curated content. Accessible via the “My Fendi-Casa” section of the website upon registration, the platform offers a comprehensive library that includes press releases, 2D and 3D images, material specifications, press kits, and an archive of product imagery. The Group actively monitors the platform to ensure quality and relevance of the shared resources.

FENDI CASA AND LOUIS POULSEN COLLABORATION

Louis Poulsen and **FENDI Casa** joined forces in a distinctive collaboration that highlighted their shared commitment to creative excellence. The partnership reinterpreted five of Louis Poulsen's most iconic Poul Henningsen lamps through the lens of FENDI Casa's refined aesthetic. Each piece was enhanced with FENDI's signature color palette and the recognizable Pequin pattern, merging Danish lighting heritage with Italian luxury design.

More than a design exercise, the collaboration served as a celebration of two storied legacies. Louis Poulsen's relationship with Henningsen began in the 1920s—the same decade FENDI was established—underscoring a century-long dedication to craftsmanship and innovation. By reimagining these iconic lamps, the project ensures their continued cultural relevance and aligns seamlessly with our Design for Culture pillar: preserving historical design excellence while offering fresh perspectives for new generations of design enthusiasts.

Throughout the year, **FLOS** actively contributed to prominent exhibitions around the world. It was selected as one of the featured companies in The Great Brands exhibition at Palazzo Piacentini, a Ministry of Made in Italy initiative celebrating iconic Italian products and industries. The Brand also represented Italian design excellence at the Shanghai Expo in the Italian Pavilion and also participated in a design and contemporary art exhibition at the Museo Arte Gallarate.

FLOS also continued its role as a valued technical sponsor for key cultural initiatives. In Miami, FLOS illuminated the Collectors Lounge at a major design fair, contributing both lighting and furnishings in collaboration with other Group Brands. In Paris, it supported a variety of events, including the lighting concept for a pop-up restaurant created with a renowned artist, and a contemporary art exhibition curated by Whitewall magazine, where we illuminated works by six artists in a striking venue. In Stockholm, it provided lighting for a high-profile venue as part of a design partnership initiative.

In 2024, **B&B Italia** was actively present at several major international design events, underscoring its leadership in innovation, heritage, and sustainability. **Maxalto** participated in Maison&Objet in January, where the latest collection of Mario Citterio for 2024 was presented.

In December, the Group closed the year at Art Basel Miami, collaborating with the Miami Design District and furnishing the VIP Lounge, reinforcing its global design presence.

2024 marked an important milestone for B&B Italia and Flos as well. During summer 2024, in fact, the two Brands took part in the Casa Italia Paris 2024 project, the hospitality house that hosted the athletes and guests during the XXXIII Olympic Games, held in the French capital from 26th July to 11th August 2024. The two Brands participated for the first time in the initiatives showcasing their most iconic creations, both classic and contemporary, in the venue's indoor and outdoor spaces, taking guests on a spectacular and evocative journey that epitomizes Italian elegance and beauty. The venue chosen by CONI - Italian National Olympic Committee - was Le Pré Catelan, a Napoleon III-style building with the largest park of the city, as well as an important symbol in the history of the Olympic Games. Within this context, B&B



FENDI Casa and Louis Poulson, Capsule collection, MDW 2023

Italia, investing the role of Official Partner of Casa Italia Paris 2024, furnished the living, lounge and outdoor areas with some of its most recognizable products, such as the UP Series by Gaetano Pesce, the Camaleonda sofa and Le Bambole seating by Mario Bellini or the Allure O' table and Flair O' chairs by Monica Armani. Flos worked at the lighting project as Official Supplier, in collaboration with the lighting and innovation technology laboratory Fabertechnica, the interior designer Bianca Patroni Griffi and the architecture firm IT'S, with the aim of making light a precious element for highlighting the works of art and the objects that enrich the setup of the Italian hospitality house, so that the exhibition and its narrative itinerary can be enjoyed both during daytime and nighttime hours. The lightings displayed included some of the most iconic projects of Flos' collection such as the models Taraxacum and Viscontea by Achille and Pier Giacomo Castiglioni and Zeppelin by Marcel Wanders, but also more recent and timeless pieces as Glo-Ball by Jasper Morrison and Arrangements by Michael Anastassiades.

Our Brands support events, exhibitions, and design festivals not just by showcasing their masterpieces but also through donations, light installations, furniture lending, and, most importantly, partnerships and collaborations with prestigious art, architecture, and design museums worldwide. To immortalize design pieces renowned for their iconic status, many of our Brands have donated or loaned parts of their collections to global institutions. These pieces have become part of the permanent collections at iconic museums such as the Museum of Modern Art (MoMA) in New York, the Triennale in Milan, and the Centre National d'Art et de Culture Georges Pompidou in Paris.

Groundbreaking design recognized with International Awards

As testament to the significant impact of our Brands on the global design scene, they have garnered numerous prestigious national and international design awards over the years. At Group level, Flos B&B Italia Group is particularly proud to hold a record of 18 Compasso d'Oro awards, a distinguished achievement in the design industry. Moreover, in 2024, our Brands won different world-recognized awards across the high-end lighting and furniture sectors.

WALLPAPER* DESIGN AWARDS

In 2024, Flos' Ceramique lamp trio by Ronan Bouroullec was honored with the Wallpaper* Design Award, celebrating its poetic form and innovative use of ceramic in lighting design.

EDIDA (Elle Decoration International Design Awards) in the "Seating" category. Voted by the 25 international editions of the Elle Decoration network, EDIDA recognizes the global excellence in the interior design world and is given to the best projects and designers in different categories.

ADI DESIGN INDEX 2024

After the nominations obtained in 2023, the ADI Design Observatory has once again recognized Flos as a benchmark of Italian excellence in lighting design. The award addressed My Circuit by Michael Anastassiades and Bilboquet by Philippe Malouin, earning a place in the prestigious ADI Design Index 2024 and a nomination for the 2026 edition of the Compasso d'Oro.

MONOCLE DESIGN AWARDS 2024

Recognized Flos with the Best Lamp award for Céramique by Ronan Bouroullec.

DEZEEN DESIGN AWARDS 2024

Flos received the Lighting Design of the Year award for Bilboquet by Philippe Malouin.

ELLE DECORATION INTERNATIONAL DESIGN AWARDS 2024

Tortello sofa, designed by Edward Barber and Jay Osgerby for B&B Italia, has been awarded the 2024

TARGET AWARDS 2024

honored Flos in the Home category for the IC 10 Anniversary lamp by Michael Anastassiades.

ALTAGAMMA DIGITAL AWARDS

As part of the seventh edition of the Altagamma Digital Awards, B&B Italia received a special mention as best improver in the design furniture sector.

XXVIII COMPASSO D'ORO ADI

Flos and B&B Italia earned a Menzione d'Onore at the XXVIII Compasso d'Oro ADI, respectively for To-Tie by Guglielmo Poletti and the iconic Cordoba by Fosters+Partners.



2022 GOOD DESIGN® Award for The Allure O' table by Monica Armani, B&B Italia

Preserving Design authenticity

To uphold the iconic craftsmanship of our Brands in an increasingly competitive market, the Group is committed to building a unified platform for sharing best practices.

This collaborative approach supports the preservation of quality, beauty, and sustainability across all Brands. In parallel, our Brands continue to actively register patents to safeguard their unique designs and innovations.

As an example of our collective commitment to protecting original design, several of our Brands—Louis Poulsen, Lumens, and FLOS—have joined forces through the association Be Original Americas. This non-profit organization is dedicated to informing, educating, and influencing manufacturers, artisans, design professionals, and consumers about the economic, ethical, and environmental value of authentic design. Notably, FLOS is also a charter member of the association.

Furthermore, to safeguard its design expertise, B&B Italia collaborates with the Altgamma Foundation⁴¹. Since 2011, the company has registered over 280 design models across key markets, including Italy, Europe, the USA, Australia, China, and Korea.

FLOS has been a pioneer in protecting its creations and intellectual property. Since 2021, the Brand has implemented a strategy of depositing product renderings to safeguard the distinctive light effects produced by its designs. This approach not only protects the technical aspects of lighting dispersion but also reinforces the value of its research and development efforts, helping to prevent imitation and preserve the uniqueness of each product.

Another vital aspect of protecting our product rights and preventing fraud lies in the ongoing monitoring of unauthorized use of our Brands' products across websites and social media platforms. The Group is committed to identifying and addressing online infringements, including the misuse of copyrighted images and text, as well as the unauthorized sale of counterfeit products.

This proactive strategy is increasingly important in response to the rapid growth of online commerce, where the risk of counterfeit sales is especially high.

Specifically, FLOS continues its effort to transition to a more qualitative distribution network, with the objective of improving oversight and ensuring greater transparency and alignment with the Brand's integrity and responsibility values.



"Originality Deconstructed" exhibition by Be Original Americas, FLOS

⁴¹ The Altgamma Foundation is the Italian luxury brands committee comprising companies across various sectors such as design, fashion, food, jewelry, automobiles, and hospitality. The Foundation conducts global research studies on behalf of its members, aiming to safeguard their luxury reputation.

Making a difference through donations and involvement

We firmly believe in our responsibility to support the communities in which we operate; recognizing that each of us has a role in shaping a better world, we are committed to driving positive and lasting change in society.

Louis Poulsen and FLOS continues its commitment to charitable endeavors by generously donating its products to auctions and fundraising events. Last year, Louis Poulsen provided financial support to several organizations, including the Red Cross, Save the Children, and the Multiple Sclerosis Association of America.

FLOS reaffirmed its commitment to community support through annual donations to non-profit organizations. The Brand has contributed to supporting local

youth education and Womankind, a charity focused on strengthening and supporting women's rights organizations and movements, offering both financial support and donations of lamps and unique design pieces.

Lumens consistently promotes employee engagement through corporate volunteering initiatives. In 2023, the Brand established the "Lumens Design Committee", an internal group dedicated to organizing charitable activities. As part of its efforts, the committee partnered with Habitat for Humanity—an organization focused on building and renovating housing for low-income families—resulting in a volunteer event held in May 2024 that saw the participation of 38 employees.



Amref, Guns Collection by Philippe Starck, FLOS

Methodological note

Reporting principles and criteria

Flos B&B Italia Group's 2024 Sustainability Report has been prepared in accordance with the GRI Standards 2021. The content of the herein document reflects the outcomes of the materiality analysis as outlined by these Standards, along with quantitative data, management approaches and disclosure practices related to the Group's material topics. Additionally, the Report has been structured in line with the Sustainability Accounting Standards Board (SASB) guidelines, specifically referencing the standards for the Building Products & Furnishings industry.

Scope of reporting

This Sustainability Report outlines the objectives, actions, and key performance indicators for the period between January 1st, 2024, through December 31st, 2024^[2-3]. As of the publication date, no significant events requiring disclosure occurred in 2024⁴².

Through this Report, the Group aims not only at meeting social expectations and enhancing communication with stakeholders regarding its performance, but also at fostering greater internal awareness of sustainable development.

The scope of Flos B&B Italia Group's sustainability reporting includes the following⁴³:

- Flos B&B Italia Group S.p.A. – Via dei Mercanti 12 (Milan, Italy)

- Flos B&B Italia Group Hong Kong Limited – 5/F Manulife Place, 348 Kwun Tong Road, Kowloon, (Hong Kong)
- Design Holding Co., Ltd. (Shanghai, China)
- FLOS Group:
 - Flos S.p.A. – Via Angelo Faini, 2 (Bovezzo, Italy)
 - Flos S.p.A. – Corso Monforte, 15 (Milano, Italy)
 - Flos (Outdoor) S.p.A. – Via dell'Artigianato, 15 (Bernareggio, Italy)
 - Flos Bespoke S.r.l. – Via Alcide de Gasperi, 2 (Collebeato, Italy)
 - Antares Iluminación S.A.U. – Carrer Mallorca, Polígono Industrial Reva, Calle Turia, Ribarroja de Turia (Valencia, Spain)
 - Flos GmbH – Obermünsterstraße, 18 (Regensburg, Germany)
 - Flos Benelux NV – Romeinsesteenweg, 1000 (Wemmel, Belgium)
 - Flos BV – Cruquiusweg, 109-Q (Amsterdam, The Netherlands)
 - FLOS Scandinavia A/S – Kuglegårdsvej 13-17, 1434 (Copenhagen, Denmark)
 - Flos Japan Co. Ltd – 1-23-5, Higashi-azabu, Minato-Ku (Tokyo, Japan)
 - Flos France S.a.s – 20 Pas Dauphine 20-22 (Paris, France)
 - Flos Norge AS – Drammensveien 12002, 77 (Oslo, Norway)
 - Flos USA Inc. – 36 E 31 St, 10016 (New York City, United States)

⁴² As announced in Flos B&B Italia Group's 2023 Sustainability Report, in May 2024 the Group, previously known as Design Holding S.p.A., rebranded as Flos B&B Italia Group S.p.A. As part of this initiative, International Design Group S.p.A. was renamed Flos B&B Italia S.p.A.

⁴³ The reporting perimeter has been extended with respect to 2021 Sustainability Report, now including Flos' commercial branches (Flos GmbH, Flos Benelux NV, Flos BV, Flos Scandinavia A/S, Flos Japan Co. Ltd, Flos France S.a.s), as well as the newly acquired Designers Company and the Joint Venture DQM-Fendi Casa.

- Flos UK Ltd - Crown Chambers, Princes Street, Harrogate (North Yorkshire)
- Arclinea:
 - Arclinea Arredamenti S.p.A. - Viale Pasubio 70, Caldogno (Vicenza, Italy)
- B&B Italia Group:
 - B&B Italia S.p.A. - Strada Provinciale 32, 15 (Novedrate, Italy)
 - B&B Italia S.p.A. - Via S. Andrea 1-3 (Misinto, Italy)
 - B&B Italia S.p.A. - Via Dante Alighieri (Arosio, Italy)
 - B&B Italia S.p.A. - Via Dante Alighieri 6 (Carugo, Italy)
 - B&B Italia USA Inc. - 150 East 58th Street (New York, USA)
 - B&B Italia London Ltd. - 250 Brompton Road (London, United Kingdom)
 - B&B Italia München - Maximiliansplatz, 21 (Munich, Germany)
 - B&B Italia Paris SARL - 35 Rue du Bac (Paris, France)
 - B&B Furniture (Shanghai) Co., Ltd - Shatou Industrial Area (Foshan, China)⁴⁴
- Lumens: Inc
 - Lumens - 2020 L Street (Sacramento, USA)
- Louis Poulsen:
 - Louis Poulsen Lighting A/S - Kuglegårdsvej 19 - 23 (Copenhagen, Denmark)
 - Louis Poulsen Lighting A/S - Industrivej Vest, 41 (Vejen, Denmark)
 - Louis Poulsen Sweden AB - Hudiksvallsgatan 8 (Stockholm, Sweden)
 - Louis Poulsen Norge AS - Lysaker Brygge 37/39 (Lysaker, Norway)
 - Louis Poulsen Finland OY - Kyllikinportti 2 (Helsinki, Finland)
 - Louis Poulsen UK Ltd - c/o Goodwill Ltd.St. James House 13 Kensington Square (London, United Kingdom)
 - Louis Poulsen Germany GmbH - Liesegangstraße 17 (Düsseldorf, Germany)
 - Louis Poulsen USA Inc. - 3260 Meridian Parkway (Fort Lauderdale, Florida)
- Louis Poulsen Holland BV - J.A. van Seumerenlaan 5-7 (Uithoorn, The Netherlands)
- Louis Poulsen Japan Ltd. - 〒106-0032, Minato City, Roppongi (Tokyo, Japan)
- Louis Poulsen Switzerland AG. - Töpferstrasse 5 (Luzern, Switzerland)
- Louis Poulsen Asia Pte Ltd. - 5 Purvis Street #01-02 (Singapore, Singapore)
- Flos B&B Italia Group Korea LLC - 9th Floor, 428, Seolleung-ro (Gangnam go, Seoul)
- Louis Poulsen Lighting LLC - (Shanghai, China)
- Audo:
 - Audo - Århusgade, 130 (Copenhagen, Denmark)
 - Audo US - 65 N Moore St, NY 10013 (New York City, USA)
- FENDI Casa Group (DQM-FENDI Casa):
 - Design Quality Manufacturing S.p.A. - Via S. Andrea 1-3 (Misinto, Italy)
 - Fashion Furniture Design S.p.A. - Via Verdi 2 (Milan, Italy) ^[2-2]
 - Fashion Furniture Design UK Ltd. - 111 Park Street, Mayfair (London, UK)
 - Fashion Furniture Design USA Inc., 4100 NE 2nd Ave suite 105 (Miami, FL, USA)
 - Fashion Furniture Design Shanghai Co., Ltd - Unit 116, No.1818, Nanjing West Road, Jing'an District, (Shanghai, China)

Quality reporting principles

In accordance with the reporting principles defined GRI Standards 2021, Flos B&B Italia Group's 2024 Sustainability Report adheres to the criteria of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. By applying these principles, the Group ensures the quality and integrity of the information presented, enabling stakeholders to make informed assessments and decisions regarding the organization's impacts and its contribution to sustainable development. The Report highlights the Group's strengths, challenges, and areas for improvement. This Sustainability Report has not been subject to external assurance⁽²⁻⁵⁾.

⁴⁴ The entity is currently dormant and does not include B&B Italia employees as 31.12.2024.

Material topics and GRI disclosures

Flos B&B Italia Group conducted an updated materiality analysis to identify the most significant impacts the Group has on the environment, its people, and the wider community. The table below illustrates the alignment between the Group’s material topics—introduced in the opening chapter of this Report—and the corresponding GRI Standards topics (Topic-specific Disclosures).

Flos B&B	Flos B&B Italia Group material topics	GRI topics
Own workforce		Diversity and Equal opportunities (GRI 405)
		Occupational Health & Safety (GRI 403)
		Training & Education (GRI 404)
		Employment (GRI 401)
		Non-discrimination (GRI 406)
Business conduct		Anti-corruption (GRI 205)
		Economic performance (GRI 201)
Circular economy and resource use		Materials (GRI 301)
		Waste (GRI 306)
Climate Change		Emissions (GRI 305)
		Energy (GRI 302)
Workers in the value chain		Supplier social assessment (GRI 414)
		Supplier environmental assessment (GRI 308)
Consumers and end-users		Customer Health & Safety (GRI 416)
		Marketing & Labelling (GRI 417)
Heritage & Design culture		Non GRI

Stakeholder engagement ^[2-29]

As part of our commitment to implement sustainability matters throughout our operations and value chain, we continually strive to enhance our relationships with key stakeholders to guarantee transparency and clarity in all our interactions. Flos B&B Italia Group has identified the most relevant stakeholders associated with its direct operations and value chain activities. Each stakeholder category is paired with the engagement activities conducted by the Group at Holding level or by individual Brands, as detailed in the table below.

List of stakeholders

Employees	Continuous dialogue between HR department and employees, specific initiatives
Board of Directors	Formal meetings
Suppliers	Continuous dialogue and periodic meetings
Clients	Website, fairs, catalogues, social networks, communication campaigns, and meetings
Media	Press releases
Architects and interior designers	Continuous cooperation on research and development of new products
Providers of financial capital	Formal meetings and periodic management reports
Local communities	Website, press releases, social media, exhibitions, fairs, cultural events
Public Administration	Formal, continuous dialogue
Regulatory bodies	Membership of working groups

In 2024 Flos B&B Italia Group did not make any contributions to and spending for political campaigns, political organizations, trade associations and other tax-exempt groups, or other groups whose role is to influence political campaigns or public policy and legislation.

Sustainability risk assessment

As part of its assessment of the most significant topics, Flos B&B Italia Group carried out an analysis to identify the ESG-related risks which are most likely to impact the organization. This included areas such as human rights, environmental protection, social responsibility and anti-corruption practices. The main identified risks have been addressed and mitigated internally—primarily the 231 Model, the Group's Sustainability Policy, and the Code of Ethics—as well as externally, notably through the Group's Supplier Code of Conduct. The results of the sustainability risk assessment, along with the main mitigation actions implemented, are summarized in the table below.

Aspects	Potential risk	Mitigation activities
Human rights	<ul style="list-style-type: none"> ○ Potential exposure to human rights risks along the supply chain (e.g., child labor, bonded labor or living wage). 	<ul style="list-style-type: none"> ○ Long lasting relationship with key suppliers, also through ESG risk assessment and oversight; ○ Ethical requirements related to human and labor rights for suppliers; ○ Implementation of the principles of the Supplier Code of Conduct and Code of Ethics.
Environment	<ul style="list-style-type: none"> ○ Physical risks correlated with climate change on owned assets and facilities; ○ Physical risks correlated with raw material depletion and waste related impacts in the supply chain and direct operations; ○ Transitional risks correlated with climate change and energy transition; ○ Potential interruption of procurement and distribution channels due to direct and indirect effects of climate change; ○ Reputational risks coming from noncompliance with environmental legislation both in own operations and across the value chain; ○ Risk of limited energy supply and rising energy costs; ○ Inability to respond to market and legislative trends concerning the environmental impacts and performance of products. 	<ul style="list-style-type: none"> ○ Producing long-lasting solutions and investing in R&D to further expand products lifecycle and progressively reduce carbon footprint by using more sustainable materials and ensuring energy efficiency in use phase; ○ Supply chain ESG risk assessment and oversight; ○ Implementation of dedicated internal policies and law-compliance activities; ○ Compliance with the principles of the European Eco-design Framework Directive; ○ Diversification of energy supply sources to ensure reliability in procurement; ○ Implementation of the principles of the Supplier Code of Conduct and Sustainability Policy.
Social	<ul style="list-style-type: none"> ○ Inability to attract and retain talents with adequate skills and backgrounds; ○ Potential nonconformity or reputational impact related to cases of discrimination; ○ Inability to ensure high Health and safety standards and performance both within own operations and across the supply chain. 	<ul style="list-style-type: none"> ○ Employer branding initiatives and employee engagement; ○ Implementation of adequate training and development programs; ○ Implementation of a whistleblowing system and a Code of Ethics; ○ H&S management systems along with clear guidelines and procedures for mitigating health and safety-related risks and accidents; ○ Implementation of the principles of the Supplier Code of Conduct; ○ Monitoring of H&S performance of key suppliers.
Anti-corruption	<ul style="list-style-type: none"> ○ Potential non-conformity and reputational risks related to cases of corruption, unfair competition or unethical business practices. 	<ul style="list-style-type: none"> ○ MOG 231 and related procedures and instruments; ○ Implementation of the Code of Ethics and Whistleblowing Policy; ○ Full alignment with applicable national legislations.

As a gradual process to align with the Corporate Sustainability Reporting Directive (CSRD), Flos B&B Italia Group has taken initial steps to conduct its first exercise of Financial Materiality, in order to identify the most relevant ESG-related risks impacting the organization in line with the new standards. The progress of such activity will be included in future Sustainability Reports according to the upcoming legislative requirements.

Calculation methodologies and assumptions

The methodology and assumptions used to calculate the performance indicators presented in this Report are outlined below:

- Injury-related data refer to both Group's employees and contractors. Commuting injuries involving private transportation and first aid cases are excluded;
- Hiring and Turnover Rates have been calculated using the total number of employees at the end of the reporting period as the denominator;

- The recordable work-related injury rate was determined by dividing the total number of injuries by the total hours worked by the Group's employees during the reporting period and multiplying the result by 1,000,000;
- Waste-related Data of Flos B&B Italia Group HQ have been estimated using average waste production per square meter of office space, based on data provided by the Municipality of Milan for the reporting period;
- Emissions associated with employee commuting (Scope 3, Category 7) have been calculated using data collected via a commuting habits questionnaire distributed to Group employees.

Any variations in the consolidation of information across different disclosures are clearly indicated through footnotes in the text ^[2-2].

The table below presents the sources of the conversion factors used for energy consumption and distance estimations:

Typology	UoM	Source
Fuel density	l/t	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set, 2024
LCV (Lower Calorific Value)	GJ/t	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set, 2024

Scope 1 emissions were calculated using the following emission factors for each source:

GHG emissions – Scope 1

Source	Activity data	Emission factor	GWP
Car fleet	Fuel consumption (petrol and diesel)	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set 2022, 2023, 2024	CO ₂ equivalent.
Fuels for boilers, heating, and air conditioning	Fuel consumption (natural gas, fuel oil, biomass)	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set 2022, 2023, 2024	CO ₂ equivalent.
Leakages from air-conditioning systems of refrigerant gases	Leakages (kg)	Global Warming Potentials (GWPs) are taken from IPCC Fifth Assessment Report (AR5) and sixth Assessment Report (AR6).	-

For Scope 2 emissions associated with the consumption of purchased electricity from the national grid, Flos B&B Italia Group adopted both the Location-based and Market-based approaches. The Location-based method reflects the average emissions intensity of the grid, considering both renewable and non-renewable generation. The Market-based method, on the other hand, indicates emissions from electricity sources that the Group has deliberately chosen through contractual instruments.

Scope 2 emissions have been calculated using the emission factors detailed in the following table:

GHG emissions – Scope 2

Source	Activity data	Emission factor	GWP
Electricity purchased from the national grid (location-based approach)	Electricity consumption	Terna international comparisons on Energy data figures, 2019	Only CO ₂ .
		USA - Green-e Energy Residual Mix Emissions Rates, 2024	
		European Environment Agency, Scope 2 Emission Factors, 2023	
Electricity purchased from the national grid (market-based approach)	Electricity consumption	AIB, European Residual Mixes, 2023	CO ₂ equivalent.
		Terna international comparisons on Energy data figures, 2019	
		USA - Green-e Energy Residual Mix Emissions Rates, 2024	
District-heating purchased from the waste-to-energy plant	Heat consumption	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors – Full set 2022, 2023, 2024	CO ₂ equivalent.
		ISPRA, Rapporto 363/2022	Only CO ₂ .

Building on the progress made in the past years, the Group was able to calculate the majority of its Scope 3 emissions for this reporting year, covering impacts from both upstream and downstream activities across the value chain. The calculation includes a selection of categories deemed most relevant to the operations of the Group's Brands. Compared to 2023, no changes in the emissions boundary have been applied.

The calculations were based on the following assumption:

- **Cat. 1 – Purchased goods and services:** part of the weights of the materials purchased are estimated due to data unavailability.
- **Cat. 2 - Capital goods:** the Category is not applicable to Flos B&B Italia Group HQ as it did not report significant investments in 2024. Part of the investments has been estimated due to data unavailability.
- **Cat. 4 - Upstream transportation:** as the means of transportation was not available in some instances, such information was assumed based on the departure and arrival points of sold products. Part of the emissions has been estimated due to data unavailability. The Category is not applicable to Flos B&B Italia Group HQ.
- **Cat. 5 - Waste generated in operations:** part of the emissions has been estimated due to data unavailability.
- **Cat. 6 - Business travel:** part of the emissions has been estimated due to data unavailability.
- **Cat. 7 – Employee commuting:** part of the emissions has been estimated due to data unavailability.
- **Cat. 9 - Downstream transportation and distribution:** part of the emissions has been estimated due to data unavailability. The Category is not applicable to Flos B&B Italia Group HQ.
- **Cat. 11 - Use of sold products:** part of the emissions has been estimated due to data unavailability. The Category only refers to the Brands of the Group belonging to the lighting sector and to those belonging to the furniture sector that sell home appliances together with their core products (e.g., kitchens), as the products sold need to consume energy to function.

- **Cat. 12 - End-of-life treatment of sold products:** part of the emissions was calculated from the total quantity of materials purchased in the year, assuming that the total input quantity of materials equals to the output quantity and reportioning data on materials based on products sold by geography. Part of the emissions have been estimated due to data unavailability. The Category is not applicable to Flos B&B Italia Group HQ.

Due to the peculiarity of Lumens e-commerce business, emissions for Categories 1, 2, 4, 9, 11 and 12 only refer to the share of products that are directly managed by the Brand and do not belong to the other Brands of the Group. Emissions for these Categories were estimated.

Scope 3 emissions were calculated using the following emission factors for each source:

GHG emissions – Scope 3

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	EcolInvent, v.3.11 CUTOFF (2024) UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	CO ₂ equivalent.
	Cost of purchased raw, processed and packaging materials	UK Department for Environment, Food & Rural Affairs (DEFRA), Table 13 – Indirect emissions from the supply chain	CO ₂ equivalent.
Capital goods (Cat. 2)	Purchased production machinery, stamps and tools	UK Department for Environment, Food & Rural Affairs (DEFRA), Table 13 – Indirect emissions from the supply chain	CO ₂ equivalent.
Fuel and energy related activities (Cat. 3)	Fuel and electricity consumption	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	CO ₂ equivalent.
Upstream logistics (Cat. 4)	Kilometers covered by airplane, truck, ship or rail and kilometers covered by airplane, truck, ship or rail multiplied by shipped weight	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	CO ₂ equivalent.
Waste disposal (Cat. 5)	Weight of waste disposed	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	CO ₂ equivalent.
		EcolInvent, v. 3.11 CUTOFF (2024)	
Business travel by air, train, ship and car (Cat. 6)	Kilometers travelled by car, train or air	Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	CO ₂ equivalent.
		Ferrovie dello Stato Italiane, "Rapporto di Sostenibilità 2023"	
Employee commuting (Cat. 7)	Kilometers travelled	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	CO ₂ equivalent.
		Ferrovie dello Stato Italiane, "Rapporto di Sostenibilità 2023"	
Downstream logistics (Cat. 9)	Kilometers covered by airplane, truck, ship or rail and kilometers covered by airplane, truck, ship or rail multiplied by shipped weight	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	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 Energy data figures, 2019	Only CO ₂ .
		European Environment Agency, Scope 2 Emission Factors, 2023	
Waste disposal of sold products (Cat. 12)	Weight of products and packaging sold in the reporting year	EcolInvent, v. 3.11 CUTOFF (2024)	CO ₂ equivalent.
		UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor – Full set 2022, 2023, 2024	

Our compliance system ^[2-23, 2-24, 2-25, 2-26]

At Flos B&B Italia Group, we integrate our commitment to responsible business conduct throughout all our activities and relationships via a comprehensive compliance system implemented within each Brand. This system ensures full adherence to applicable laws while defining the core values and principles guiding us toward our business goals.

Regarding product compliance, we strive to comply with all domestic and foreign laws and regulations on Product Compliance applicable in those countries in which our Brands operate and are willing to continuously improve the effectiveness of product quality, safety and compliance procedures, processes and tools to enhance outcomes for our customers. To support such commitment, in 2024 the **Global Product Compliance Policy** was adopted. The document delegates to the Top Management of each Brand the duty to ensure that all Brands and their subsidiaries operate in compliance with applicable reference legislation. Accordingly, each Brand is committed to develop a Brand product Compliance Procedure, which includes also internal processes and procedures, tailored on their specific businesses and applicable legislation. In case of actual or suspected claims of product non-compliance, these are timely and thoroughly investigated by each Brand, adopting the necessary corrective and remedial actions to mitigate any negative consequence and to avoid any similar episode in the future.

Our **Sustainability Policy** formalizes our dedication to environmentally and socially responsible practices, along with transparent reporting of our sustainability performance. Complementing this, the Supplier Code of Conduct establishes the ethical standards we expect from all business partners, emphasizing respect for human rights, labor rights, freedoms, and environmental protection.

Additionally, the Group has adopted the Organizational, Management, and Control Model pursuant to Legislative Decree 231/2001—a voluntary framework aligning company procedures with legal requirements related to administrative and criminal liability for offenses such as misconduct involving Public Administration, corporate crimes, market abuse, environmental violations, and health and safety breaches. This Model identifies associated risks and outlines preventive measures. It also mandates the establishment of effective reporting channels to enable whistleblowers to submit credible reports of unlawful conduct.

Our **Whistleblowing Policy** complements this framework by providing a dedicated Group-level channel and clear guidance for employees, suppliers, customers, and other

stakeholders to report violations of company policies—including the Code of Ethics, Supplier Code of Conduct, and the 231 Model.

Reports may concern a wide range of issues, from breaches of internal policies to violations of law, such as extortion, bribery, competition law infringements, fraud, financial crimes, product safety and quality concerns, harassment and discrimination, trade controls, data protection, human rights abuses, significant environmental damage, and conflicts of interest.

To handle these reports, **Ethics Committees** have been established within each Brand. These Committees review whistleblowing submissions, respond to requests for clarification regarding codes and policies, supervise compliance efforts, and investigate potential misconduct or non-compliance in accordance with established principles and procedures.

Reports to the whistleblowing system can be submitted through three primary channels:

- An online whistleblowing platform used by all Brands (except for Arcelinea, which will transition to the Group platform next year). The platform offers multiple submission options depending on the company involved. Each channel is managed by the respective Ethics Committee.
- Email submissions directed to one or more members of the Ethics Committee.
- In-person reports made directly to one or more members of the Ethics Committee.

Anti-retaliation principles are strictly enforced to protect whistleblowers. Employees who violate the adopted codes and policies may face disciplinary actions, alongside potential civil, criminal, or administrative consequences, applied proportionally and following a fair, confrontational process.

The **Code of Ethics**, a cornerstone of the Organizational Model, defines the principles that each Brand strives to uphold in achieving its business objectives. It embodies our core values and serves as an ethical and practical guide in daily operations, covering areas such as communication with investors and stakeholders, environmental and social responsibility, respect for human and labor rights, health and safety, anti-corruption, taxation, and accounting.

This Code applies to all employees, temporary workers, consultants, business partners, suppliers, and wholesale resellers across all Group Brands. It governs the implementation of due diligence, audit, and verification processes throughout our supply chain to ensure compliance with our principles, assess risks, and identify opportunities for improvement. The Code of Ethics is publicly accessible on our website.

The two documents have been approved by the Board of Directors in November 2022. In particular, the Code of Ethics serves the function of channeling the Group's policy commitments through four principles:

- **Legality:** any activity carried out by the Group and its representatives must be based on honesty, good faith and absolute compliance with applicable laws and regulations, International Labor Organization and United Nations Conventions, and any other relevant statutory requirements. Relationships with public authorities and officials shall be handled with utmost diligence and cooperation.
- **Transparency:** anyone working on behalf of the Group undertakes to provide to its stakeholders truthful, material, and accurate information, bearing in mind that it is essential to keep the solid trust that third parties place in our reliability, while preserving business confidentiality. Information shared with the public shall always be based on reliable sources and, to the extent possible, verifiable criteria. Transparency also inspires our everyday operations and the way we approach public authorities, our competitors and our customers.
- **Accountability:** we and each of our representatives strongly believe in the responsibility that comes with our purpose. We investigate and take into account both the positive and the adverse effects, internal and external, of our own activity and of those associated with us and stand accountable for them. We also exercise our influence over our partners to help them meet our standards. Moreover, we identify and respect the proper allocation of tasks and responsibility in accordance with our internal policies and procedures as a way to guarantee due diligence and compliance.
- **Beauty & Sustainability:** we believe in sustainability as a fundamental means to beautification, and as something inherently beautiful itself. We understand and pursue sustainability as pertaining equally to our impact on the planet, on our people, and on culture. Through our timeless products and by our example, we purport to pass on our values and traditions to future generations. As part of this process, we foster a fair and inclusive work environment, and we promote the utmost respect for health, safety, self-expression, dignity, and

individuality. We repudiate and condemn all forms of unfair discrimination and undertake the task to ensure that any decision involving a judgement on the person is taken according to neutral and objective criteria.

To reinforce these principles, Flos B&B Italia Group strives to deliver targeted training on Model 231, the Code of Ethics, the Supplier Code of Conduct and the Whistleblowing Policy to its employees, keeping them up to date with the main changes and updates of the documents shaping our Group. We remain committed to providing this training to all employees across the Group in upcoming reporting periods.



Panthella lamp by Verner Panton, Louis Poulsen

Appendix

General disclosures

GRI 2-7 | Employees (FTEs)

	2022	2023	2024
Employees	2,159.6	2,117.6	2,131.4
EMEA	1,812.5	1,718.1	1,691.6
Women	760.8	743.3	719.2
Men	1,051.7	974.8	972.4
AMERICA	270.0	328.5	331.5
Women	168.0	188.5	197.5
Men	102.0	140.0	134.0
APAC	77.1	71.0	108.3
Women	47.5	40.8	61.1
Men	29.6	30.2	47.2

	2022	2023	2024
Full-Time employees	2,091.5	2,044.0	2,056.4
Women	918.9	915.5	921.1
Men	1,172.6	1,128.5	1,135.3
EMEA	1,751.5	1,660.5	1,624.9
Women	708.9	696.0	668.6
Men	1,042.7	964.5	956.3
AMERICA	267.0	325.5	328.5
Women	166.0	186.5	195.5
Men	101.0	139.0	133.0
APAC	73.0	58.0	103.0
Women	44.0	33.0	57.0
Men	29.0	25.0	46.0
Part-Time employees	64.8	68.7	68.9
Women	55.4	53.52	53.6
Men	9.4	15.16	15.3
EMEA	57.7	52.7	60.6
Women	49.9	43.7	47.5
Men	7.8	9.0	13.1
AMERICA	3.0	3.0	3.0
Women	2.0	2.0	2.0
Men	1.0	1.0	1.0
APAC	4.1	13.0	5.3
Women	3.5	7.8	4.1
Men	0.6	5.2	1.2
Non-guaranteed hours employees	3.3	4.9	6.2
Women	2.0	3.6	
Men	1.3	1.3	
EMEA	-	4.9	6.2
Women	-	3.6	3.2
Men	-	1.3	3.0
AMERICA	-	-	-
Women	-	-	-
Men	-	-	-
APAC	-	-	-
Women	-	-	-
Men	-	-	-

	2022	2023	2024
Permanent employees	2,085.7	2,063.4	2,081.3
Women	944.6	947.8	955.4
Men	1,141.0	1,115.7	1,126.0
EMEA	1,745.6	1,674.9	1,648.5
Women	733.2	722.5	699.8
Men	1,012.4	952.5	948.8
AMERICA	269.0	323.5	327.5
Women	167.0	186.5	196.5
Men	102.0	137.0	131.0
APAC	71.1	65.0	105.3
Women	44.5	38.8	59.1
Men	26.6	26.2	46.2
Temporary employees	70.6	49.3	49.3
Women	29.6	21.3	19.3
Men	41.0	28.0	24.6
EMEA	63.6	38.3	36.9
Women	25.6	17.3	16.3
Men	38.0	21.0	20.6
AMERICA	1.0	5.0	4.0
Women	1.0	2.0	1.0
Men	-	3.0	3.0
APAC	6.0	6.0	3.0
Women	3.0	2.0	2.0
Men	3.0	4.0	1.0
Non-guaranteed hours employees	3.3	4.9	6.2
Women	2.0	3.6	3.2
Men	1.3	1.3	3.0
EMEA	3.3	4.9	6.2
Women	2.0	3.6	3.2
Men	1.3	1.3	3.0
AMERICA	-	-	-
Women	-	-	-
Men	-	-	-
APAC	-	-	-
Women	-	-	-
Men	-	-	-

GRI 2-8 | Workers who are not employees (FTEs)

	2022	2023	2024
Workers who are not employees	74.8	76.0	61.75
Agency workers	53.8	51.0	39.75
Women	13.8	18.0	10.00
Men	40.0	33.0	29.75
Other subcontractors	5.0	10.0	10.00
Women	-	2.0	4.00
Men	5.0	8.0	6.00
Internships	16.0	15.0	12.00
Women	8.0	3.0	3.00
Men	8.0	12.0	9.00

Economic performance

GRI 201-1 | Direct economic value generated, distributed, and retained (€/000)⁴⁵

	2022	2023	2024
Direct economic value generated	847,981	790,537	774,378
Direct economic value distributed	748,824	712,896	733,350
Operating costs	496,204	444,237	439,359
Employees' wages and benefits	169,131	169,679	170,451
Payments to providers of capital	61,160	85,637	97,639
Payments to the government	21,223	12,881	25,477
Community investment	1,107	461	423
Economic value retained	99,157	77,642	41,029

⁴⁵ Following a revision of the reported information for the years 2022 and 2023, a restatement of the economic value retained for the two reference years is provided.

Materials

GRI 301-1 | Materials used by weight or volume (ton)

	2022	2023	2024
Iron/Steel	2,864.7	2,309.0	2,171.5
Fabrics	541.9	566.1	429.7
Wood	5,395.2	4,062.5	4,108.4
Chemicals	160.0	-	-
Marble	646.3	450.2	625.7
Ceramic	18.4	3.8	10.0
Appliances	92.6	116.1	186.4
Aluminum	2,501.9	2,330.0	2,417.0
Leather	67.9	51.2	38.9
Paints	44.8	42.6	45.5
Paper	1.2	1.1	9.1
Polyurethane	355.1	393.7	298.8
Plastic	706.0	404.9	490.0
Glue	12.1	8.5	13.1
Glass	692.6	327.4	403.8
Gypsum	29.0	23.0	28.3
Brass	52.9	52.2	77.9
Rubber	6.9	3.9	6.1
Concrete	2.0	1.0	0.8
Copper	9.4	13.4	43.3
Cotton	2.1	-	-
Foam	-	27.8	57.2
Zinc	10.5	-	-
Silicone	44.5	-	-
Other metals	1.8	5.0	14.4
Total raw materials	14,259.8	11,193.5	11,476.0
Paper	1,917.6	1,890.8	2,053.0
Polystyrene	53.7	8.7	9.2
Polyethylene / Plastic	121.8	73.6	107.2
Wood	442.8	468.3	493.0
Total packaging	2,535.9	2,441.4	2,662.4
Total	16,795.7	13,634.9	14,138.4

Energy

GRI 302-1 | Total fuel consumption within the organization from non-renewable sources

	U.M.	2022	2023	2024
Natural gas for heating and production processes	m³	1,608,429.6	1,413,071.4	1,274,243.6
Diesel consumed by vehicles owned and leased	L	441,451.6	461,656.7	329,089.8
LPG for heating	L	67,023.0	101,914.0	176,553.0
Petrol consumed by vehicles owned and leased	L	34,421.1	31,864.3	41,980.0
Fuel oil for heating and production processes	Kg	16,000.0	-	-
Biomass for heating	T	580.0	471.1	390.0

GRI 302-1 | Indirect energy consumption (kWh)

	2022	2023	2024
Electricity (purchased)	12,691,136.6	11,840,197.9	12,471,964.1
of which sourced from energy provider with Guarantee of Origin	9,841,987.0	9,200,952.0	9,060,638.6
District Heating	2,021,754.0	2,959,412.0	5,176,921.0

GRI 302-1 | Total energy consumed (GJ)

	2022	2023	2024
Natural gas for heating and production processes	57,718.0	50,707.2	46,279.4
Electricity purchased from national grid	45,688.1	42,624.7	44,899.1
Diesel consumed by vehicles owned and leased	15,921.2	16,649.9	11,717.9
District heating purchased from external waste-to-energy plant	7,278.3	10,653.9	18,636.9
LPG for heating	1,631.1	2,480.3	4,297.1
Petrol consumed by vehicles owned and leased	1,118.0	1,034.9	1,355.4
Biomass for heating	9,057.7	7,357.1	6,090.5
Fuel oil for heating	681.1	-	-
Total	139,093.5	131,507.9	133,276.3

Emissions

GRI 305-1 | Direct (Scope 1) GHG emissions (tCO_{2eq})

	2022	2023	2024
Natural gas for heating and production processes	3,242.2	2,880.4	2,596.7
Diesel consumed by vehicles owned and leased	1,240.1	1,304.7	974.3
Fuel oil for heating	51.7	-	-
Refrigerant gas leaks	147.9	3.2	102.2
Petrol consumed by vehicles owned and leased	129.7	119.3	137.1
Wood combustion for heating	23.1	19.1	16.7
LPG for heating	104.4	158.7	518.9
Total	4,939.0	4,485.4	4,345.9

GRI 305-2 | Energy indirect (Scope 2) GHG emissions (tCO_{2eq})

	2022	2023	2024
Electricity consumption (Location – Based)	3,868.4	2,699.9	2,751.4
Electricity consumption (Market – Based)	1,260.5	1,075.0	1,512.3
District Heating	345.3	766.6	1,606.3
Total Location Based	4,213.5	3,465.5	4,357.7
Total Market Based	1,605.7	1,840.6	3,118.6

GRI 305-3 | Other indirect (Scope 3) GHG emissions (tCO_{2eq})

	2022	2023	2024
Cat. 1 - Purchased Goods and Services	109,073.3	100,256.1	92,093.0
Cat. 2 - Capital Goods	8,113.6	6,641.9	4,651.4
Cat. 3 - Fuel and Energy-Related Activities	4,715.7	1,237.0	1,269.1
Cat. 4 - Upstream Transportation and Distribution	12,506.6	10,042.6	7,583.2
Cat. 5 - Waste Generated in Operations	540.6	249.3	250.8
Cat. 6 - Business Travel	1,534.6	1,937.2	1,708.0
Cat. 7 - Employees Commuting	3,639.1	4,267.7	4,235.7
Cat. 9 - Downstream Transportation and Distribution	6,889.6	8,115.0	8,342.0
Cat. 11 - Use of Sold Products	446,276.1	357,584.9	316,699.5
Cat. 12 - End-of-Life Treatment of Sold Products	3,762.3	2,899.5	2,804.0
Total	597,051.5	493,231.3	439,636.7

Waste

GRI 306-3 | Waste generated (t)

	2022	2023	2024
Aqueous solutions	228.5	198.0	92.9
Bottom ashes	18.2	-	-
Construction materials	440.5	50.0	5.3
Glass	14.4	8.0	14.1
Metal materials	204.3	180.0	207.2
Non-municipal waste	52.1	395.0	394.0
Other	335.6	119.9	93.8
PACKAGING	Glass	3.9	4.1
	Mixed materials	390.9	318.1
	Paper/Paperboard	219.2	211.6
	Plastics	30.9	18.1
	Wood	202.6	192.5
	Wood	220.6	202.6
	Paintings	21.7	21.7
	Paper	126.5	70.0
	Plastic	14.0	53.2
	Sludge	23.1	14.2
	Wood	646.6	282.8
	Total waste	2,972.8	2,136.1
			2,282.8

Employment

GRI 401-1 | Employee hires (FTEs)

	2022	2023	2024
Total hires	432.6	275.6	362.5
Gender			
Women	205.6	130.8	156.9
Men	227.0	144.8	205.6
Age brackets			
<30	134.0	72.0	79.3
30 ≤ x ≤ 50	247.0	166.6	212.5
>50	51.6	37.0	70.7

GRI 401-1 | Turnover (FTEs)

	2022	2023	2024
Total terminations	372.0	396.5	302.8
Gender			
Women	184.5	184.0	139.9
Men	188.0	212.0	162.9
Age brackets			
<30	105.0	82.1	59.1
30 ≤ x ≤ 50	190.0	230.8	169.8
>50	77.0	83.6	73.9

Health and safety

GRI 403-9 | Work-related injuries

	U.M.	2022	2023	2024
Employees				
Total number of hours worked	n.	2,634,392.5	2,990,795.9	2,848,156.7
Total number of recordable work-related injuries	n.	18.0	16.0	43.0
Rate of recordable work-related injuries	Rate	6.8	5.3	15.1
Agency workers				
Total number of hours worked	n.	155,570.0	111,438.1	155,897.29
Total number of recordable work-related injuries	n.	-	2.0	2.00
Rate of recordable work-related injuries	Rate	0	17.9	12.8

Training and education

GRI 404-1 | Average hours of training per year per employee (h)

	2022	2023	2024
Gender	13,998.0	11,266.9	6,311.2
Women	4,395.1	4,965.2	2,320.3
Men	9,602.9	6,301.6	3,990.9
Employee category			
Executives	7.5	9.8	10.1
Middle managers	13.0	10.1	3.8
Office workers	10.6	12.6	8.0
Workers	6.7	4.8	3.7

Diversity and equal opportunity

GRI 405-1 | Diversity of employees (FTEs and %)

	2022		2023		2024	
Gender	FTEs	%	FTEs	%	FTEs	%
Women	976.3	45.2	972.6	45.9	977.8	45.9
Men	1,183.3	54.8	1,145.0	54.1	1,153.6	54.1
Age brackets	FTEs	%	FTEs	%	FTEs	%
<30	271.0	12.5	253.1	12.0	218.6	10.3
30 ≤ x ≤ 50	1,248.1	57.8	1,206.1	57.0	1,188.5	55.8
>50	640.5	29.7	658.4	31.1	724.3	34.0

GRI 405-1 | Diversity of employees (FTEs and %)⁴⁶

	2022		2023		2024	
	FTEs	%	FTEs	%	FTEs	%
Executives	82.0	3.8	93.0	4.4	82.0	3.8
Women	20.0	24.4	28.0	30.1	24.0	29.3
Men	62.0	75.6	65.0	69.9	58.0	70.7
Middle managers	196.9	9.1	224.5	10.6	203.50	9.5
Women	86.5	43.9	102.0	45.4	93.0	45.7
Men	110.4	56.1	122.5	54.6	110.5	54.3
Office workers	1,178.2	42.4	1,158.1	54.7	1,199.3	56.3
Women	652.9	55.4	637.1	55.0	658.6	54.9
Men	525.3	44.6	521.0	45.0	540.7	45.1
Workers	702.5	32.5	642.0	30.3	646.6	30.3
Women	216.9	30.9	205.5	32.0	202.2	31.3
Men	485.6	69.1	436.5	68.0	444.4	68.7

⁴⁶ Data on the subdivision of employee categories by gender were disclosed from 2022.

GRI Content Index

Statement of use	Flos B&B Italia Group has reported in accordance with the GRI Standards for the period 01.01.2024 – 31.12.2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not currently available.

Disclosure		Page	Notes	Omission		
				Requirements omitted	Reason	Explanation
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	14, 15				
	2-2 Entities included in the organization's sustainability reporting	14, 111, 115				
	2-3 Reporting period, frequency and contact point	110				
	2-4 Restatements of information		There have been no restatements in the reporting period.			
	2-5 External assurance	111				
	2-6 Activities, value chain and other business relationships	7, 8, 15, 21, 78				
	2-7 Employees	84, 88, 122-123				
	2-8 Workers who are not employees	125				
	2-9 Governance structure and composition	27				
	2-10 Nomination and selection of the highest governance body	27				
	2-11 Chair of the highest governance body	27				
	2-12 Role of the highest governance body in overseeing the management of impacts	28				
	2-13 Delegation of responsibility for managing impacts	28				
	2-14 Role of the highest governance body in sustainability reporting	28				
	2-15 Conflicts of interest	27, 135				
	2-16 Communication of critical concerns	27				
	2-17 Collective knowledge of the highest governance body	27				

Disclosure	Page	Notes	Omission		
			Requirements omitted	Reason	Explanation
2-18 Evaluation of the performance of the highest governance body	27				
2-19 Remuneration policies	27				
2-20 Process to determine remuneration	27				
2-21 Annual total compensation ratio			a, b and c	Omission due to Confidentiality constraints	
2-22 Statement on sustainable development strategy	4				
2-23 Policy commitments	119				
2-24 Embedding policy commitments	119				
2-25 Processes to remediate negative impacts	119				
2-26 Mechanisms for seeking advice and raising concerns	119				
2-27 Compliance with laws and regulations		Flos S.p.A. received a notice of regulatory non-compliance regarding the Brand's products exported to China and related to the compliance with the China Compulsory Certification (CCC). The non-conformity report does not pertain to product safety. The Brand is currently undergoing the investigation process and is collaborating with the Chinese and national authority. A final decision. on the matter is pending.			
2-28 Membership associations		For more information, please consult Flos B&B Italia Group's Brands sustainability reports publicly available on their websites.			
2-29 Approach to stakeholder engagement	113				
2-30 Collective bargaining agreements	84				

Material topics	Disclosure	Page	Notes
GRI 3: Material Topics 2021	3-1 Process to determine material topics	20	
	3-2 List of material topics	20	
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	15	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	125	
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	30, 76, 114, 119	
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	33, 34, 35, 36, 41, 42, 43, 44, 45, 51, 57, 62, 63, 65, 66, 67	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	65, 66, 126	
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	49, 50, 52, 70, 71, 72, 83	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	127, 128	
	302-3 Energy intensity	73	
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	45, 47, 51, 54, 68, 69, 70, 71, 72, 73	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	128	
	305-2 Energy indirect (Scope 2) GHG emissions	129	
	305-3 Other indirect (Scope 3) GHG emissions	72, 129	
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	35, 40, 41, 49, 53, 71, 74, 75	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		
	306-2 Management of significant waste-related impacts		
	306-3 Waste generated	75, 130	
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	31, 43, 76, 77, 78, 79, 94	
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	76	For the time being there are no structured processes and/or procedures to screen suppliers according to environmental criteria.

Material topics	Disclosure	Page	Notes
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	14, 15, 30, 31, 80, 81, 82, 83, 84, 85	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	131	
Occupational Health And Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	49, 93	
GRI 403: Occupational health and safety 2018	403-1 Occupational Health and safety management system	93	
	403-2 Hazard identification, risk assessment, and incident investigation		
	403-3 Occupational health services		
	403-4 Worker participation, consultation, and communication on occupational health and safety		
	403-5 Worker training on occupational health and safety		
	403-6 Promotion of worker health		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		
	403-8 Workers covered by an occupational health and safety management system		
	403-9 Work-related injuries	93, 132	
Training and Education			
GRI 3: Material Topics 2021	3-3 Management of material topics	31, 86, 87, 90, 91, 92	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	92, 132	
Diversity & Equal Opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	31, 81, 82, 86, 87, 88	
GRI 405: Diversity & Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	84, 88, 133	
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	119, 120	
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		During the reporting period, no episodes of discrimination have emerged.
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	31, 76, 78, 79, 94	
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	76	For the time being there are no structured processes and/or procedures to screen suppliers according to social criteria.

Material topics	Disclosure	Page	Notes
Customer Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	64	
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 Labelling			
GRI 3: Material Topics 2021	3-3 Management of material topics	108	
GRI 417: Marketing and Labelling 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.

Sasb disclosure index

For the second consecutive year, Flos B&B Italia Group has produced the Sustainability Accounting Standards Board (SASB) Index to illustrate how its reporting aligns with the Building Products & Furnishings industry guidelines.

Building Products & Furnishings | Sustainability Disclosure Topics

Topic	Category	SASB Code	Accounting Metric	Page	Notes
Business Ethics & Responsibility	Management of chemicals in products	CG-BF-250a.1	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products		No relevant risks and hazards associated with chemicals are involved in Flos B&B Italia Group Brands' productive processes. The Group is fully compliant with local laws. For more information, please consult Flos B&B Italia Group's Brands sustainability reports publicly available on their websites.
		CG-BF-250a.2	Percentage of eligible products meeting volatile organic compound (VOC) emissions and content standards		Given the peculiarities of the Brands' productive processes, no relevant impacts on volatile organic compound are recorded. Nonetheless, Flos B&B Italia Group is fully compliant with local environmental laws. For more information, please consult Flos B&B Italia Group's Brands sustainability reports publicly available on their websites.

Topic	Category	SASB Code	Accounting Metric	Page	Notes
Eco-design & Circular Economy	Product Lifecycle Environmental Impacts	CG-BF-410a.1	Description of efforts to manage product lifecycle impacts and meet demand for sustainable products		For more information, please consult Flos B&B Italia Group's Brands sustainability reports publicly available on their websites.
		CG-BF-410a.2	1) Weight of end-of-life material recovered, (2) percentage of recovered materials recycled		Currently, Flos B&B Italia Group does not recover end-of-life materials at a Group level. In 2024, Louis Poulsen carried on the activities related to the take-back scheme for its PH5 lamp, for which 100% of the materials used for the 3.5 kg lamp were recovered. Moreover, cardboard is made from minimum 75% recycled fiber mass, while additional cardboard material comes from an FSC approved sources. Finally, the aluminum shades are 100% recycled from pre-used PH5 lamps.
Energy & Climate change	Energy Management in Manufacturing	CG-BF-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable		
Responsible Sourcing & Sustainable Supply Chain Management	Wood Supply Chain Management	CG-BF-430a.1	(1) Total weight of wood fibre materials purchased, (2) percentage from third-party certified forestlands, (3) percentage by standard, and (4) percentage certified to other wood fibre standards, (5) percentage by standard		

Building Products & Furnishings | Accounting Metrics

Activity Metric	Code	Page	Note
Annual Production (Production shall be disclosed in typical units tracked by the entity such as number of units, weight, and/or square feet).	CG-BF-000.A		Number of units: 2,969,856
Area of manufacturing facilities The scope shall be limited to total area under roof, including manufacturing and administrative functions).	CG-BF-000.B		Square meters: 3,057,540

Credits

Cover	Tommaso Sartori
p. 06	Mattia Balsamini
p. 09	Tommaso Sartori
p. 10	Fabrizio Bergamo
p. 10	Jessica Soffiati - Francesca Iovene
p. 11	Federico Cedrone
p. 11	Zoe Ghertner
p. 12	Courtesy of Louis Poulsen
p. 12	Courtesy of Lumens
p. 13	Andrea Ferrari
p. 13	Jonas Bjerre Poulsen
p. 16	Tommaso Sartori
p. 19	Tommaso Sartori
p. 22	Tommaso Sartori
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p. 25	Tommaso Sartori
p. 26	Silvia Rivoltella
p. 28	Robert Rieger
p. 29	Jonas Bjerre-Poulsen

p. 32	Tommaso Sartori
p. 33	Tommaso Sartori
p. 35	Courtesy of Ronan Bouroullec
p. 37	Federico Torra
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p. 42	Daniel Riera
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p. 46	Jonas Bjerre-Poulsen
p. 48	Courtesy of Louis Poulsen
p. 50	Courtesy of Louis Poulsen
p. 51	Antonia Adomako
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p. 57	Tommaso Sartori
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p. 59	Emilio Collavino
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p. 64	Andrea Ferrari
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p. 100	Piero Fasanotto
p. 101	Niccolò Biddau
p. 103	Courtesy of Louis Poulsen
p. 105	Courtesy of Louis Poulsen
p. 107	Tommaso Sartori
p. 108	Little Comb Productions

p. 109	Carlo Banfi, C41
p. 121	Courtesy of Louis Poulsen

For further information about this Sustainability
report please contact

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