



Design for evolution

Sustainability report 2023

FREZZA

Letter to our stakeholders

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Letter to our stakeholders



Dear Readers, it is with great pleasure that I share with you Frezza's second Sustainability Report, drafted on a voluntary basis and covering the year 2023.

We have chosen to keep the same title as our first edition, "Design for Evolution", as an expression of our ongoing commitment to constant improvement and new sustainability goals.

We've been producing furniture since 1954, yet we are aware that the scope of our work has significantly changed in recent years. Our evolution has led us today to consider new forms of production and consumption, new ways of approaching both the environment and the non-renewable resources of our Planet, new relationships with people, be they customers, suppliers, end consumers or communities.

Every day we experience our belonging to a 'world system' towards which we have great responsibility and on which we absolutely depend.

Precisely for this reason, we have decided to apply the double materiality principle introduced by the

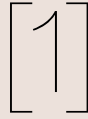
new European CSRD directive in our Report. In the following pages you will therefore find reported, in a dual perspective, both our impacts on the economy, the environment and the people, and our efforts to reduce them, as well as the ways in which we manage the risks and opportunities arising from sustainability issues.

In this Report we began by understanding the context, dialogue and engagement with our stakeholders, analysing and transparently measuring our performance and then identifying our concrete goals for the future.

Our commitment is to continue our evolution, with an increasing sense of responsibility and consistency, for the creation of a long-lasting and shared value.

A special thanks goes to all the people who are involved in our exciting and ambitious evolutionary journey and without whom no progress would be possible.

Cristian Faggiani
General Manager Frezza Srl



Not he who begins
well, but he who
perseveres.

Leonardo da Vinci

Since the beginning of our history, we have put people and their evolution first. Needs, tastes and lifestyles change.

People's ideas, sensitivity, values and priorities change. This has always been the case, but even more so at a time where pressing environmental and social demands have pushed evolution forward at an extremely fast pace.

At Frezza we pay great attention in observing and understanding people's changes, but that's not all. Today, more than ever, we feel bound to drive change and channel it, with all our skills and energy, towards increasingly sustainable and responsible production and consumption. This implies a reconsideration of our very own concept of design. Design becomes a project, not only of a space, but also of a new vision of the world, of relationships and of our way of being together.

For some years now, we have been on a path that leads us today to the publication of our second

Sustainability Report, drafted on a voluntary basis. In carrying out this project, we started once again by listening to and involving people, our stakeholders: customers, suppliers, employees, designers, collaborators, consumers. We then went on to measure our impacts and assess the risks and opportunities we face as a company in dealing with climate change. We have set ourselves targets for improvement, in this major challenge we cannot and will not shy away from.

We are aware that we are only at the beginning of a long journey, which will require perseverance and determination, but we also know that we are not alone. We are accompanied and guided by the experiences of those who collaborate with us and share our same goals.

We would like to give space in this Report to some of these collaborations, as a sign of gratitude and as a source of inspiration, to embrace and promote new models of sustainable development with increasing consistency and commitment.

[2]

DESIGN FROM 1954
OVERVIEW

A responsible design must first and foremost aim at satisfying people's real needs and increasing their state of well-being, energy and vitality.

Arch. Matteo Colombo for Progetto CMR
Interview pag 15



A long history that intertwines beauty, passion and innovation. An idea of environmental and social sustainability intrinsically linked to the company purpose, which finds growth and practical expression in clear, forward-thinking strategies and policies.

A vision shared with our partners and stakeholders, who through dialogue and comparison drive us towards continuous improvement.

[2.1]

MISSION AND HISTORY

The story of Frezza began in 1954 when the Frezza family founded a small furniture factory near Treviso. A passion for beauty and innovation, combined with the best Made in Italy craftsmanship tradition, soon made it a successful industrial reality.

It was in workspace furnishings that Frezza concentrated its activities, conquering growing market shares in Italy and abroad from the 1970s onwards.

At the height of its international expansion, Frezza was acquired by the Doimo family in 1992. New people, new intuitions, new investments: the brand continues to grow and establish itself thanks to an innovative idea of workspaces, in the name of technology, ergonomic research, living and working wellbeing.

In the same period, the acquisition of Emmegi, a company specialised in office seating, completed the brand's offer, making it even broader and more competitive.

Today, Frezza is one of Italy's leading industrial companies in the professional furniture sector.

The company is part of a holding company created by the heirs of Ettore Doimo and has three business branches (Furniture, Seating and Partitions) with a dense distribution network in Italy and abroad (Europe, Asia, the Middle East and America).

At the same time, Frezza continues to be a strongly rooted company in both its territory and community, which is why environmental sustainability and social responsibility are issues close to its heart. They are the criteria that guide every entrepreneurial, design and production choice. Putting people first means always working for their well-being and that of the planet, in a logic of total cohesion between the individual and the context. Innovation is a great ally in this process and provides the necessary tools to achieve increasingly efficient production standards that are lighter on the ecosystem.

For Frezza design also has ethics, and the environmental certifications and awards it has received are a testament to this.



↑ Frezza's headquarters, Vidor (TV)

[2.2]

CERTIFICATIONS AND ACKNOWLEDGMENTS

Frezza's sustainability is guaranteed by organisational and product certifications that ensure compliance with the most recognised national and international protocols and standards.

ISO 9001:2015 certification

IQ Net certified Quality Management System compliance

ISO 14001:2015 Certification

IQ Net certified Environmental Management System compliance

ISO 45001:2018 Certification

IQ Net certified Health and Safety Management System compliance

Organisation, Management and Control Model 231

(ex D. Lgs n. 231/01)
IQ Net certified

Forest Chain of Custody

Material traceability for purchase of melamine chipboard, MDF, FSC 100%, FSC Mixed and FSC Recycled furniture components, FSC 100% plugs, FSC 100% and FSC Mixed veneer Production. Production of FSC Mixed office furniture. (ICILA-COC-004241 certificate and licence code FSC-C158203)

US EPA TSCA Title VI compliant and CARB P2 compliant

All finished fibreboard panels and products are manufactured in compliance with the strict formaldehyde emission limits imposed by US EPA TSCA Title VI compliant and CARB P2 compliant standards

Membership Certificate in the Ecological Panel Consortium

Certification for panel made from 100% post-consumer wood (code CQ-COC-000001) with certified formaldehyde emission levels in CARB class (CATAS Quality Award certificate)

CQA Formaldehyde 56/04 product certification

Certification for urea, hydrophobic, fire-retardant, EPF-S raw particle board regarding low formaldehyde emission characteristics, verified by CATAS laboratories

Legality Rating

In 2023 Frezza obtained the renewal of the Legality Rating, pursuant to art. 6 paragraph 2 of the regulation adopted by the Italian Competition Authority with a score of ★★++

[2.3]

STRATEGY AND BUSINESS PLAN

Promoting the continuous evolution of human living through design: this is Frezza's purpose, expressed through the company payoff "Design for evolving Humans".

The company's strategy therefore does not end with the production of quality products with a high aesthetic appeal, but goes further to accompany and encourage the evolution of mankind towards new models of living and working that place the wellbeing and health of people at the forefront, which are essential to the preservation of the natural ecosystem.

Sustainability is therefore, for Frezza, an aspect that is intrinsically linked to the quality of its products, an opportunity, a competitive advantage and an element of differentiation from its competitors.

In 2023, Frezza presented its Industrial Plan 2023-2028, which identifies four strategic guidelines:

- the development of its brand identity and its consolidation in the medium-high end of the market
- commercial development abroad
- the strengthening of internal production for the purposes of increasing efficiency, quality control and sustainability
- the focus on strategic assets



Radar ↑



Be.1 ↓

[2.4]

UN 2030 AGENDA GOALS

Within a systemic vision that takes into account all 17 goals of the UN 2030 Agenda, Frezza has identified 4 goals as priorities for its work and 6 secondary goals that are strongly connected to the previous ones.

Priority goals



SDG 3/ Health and well-being

Development of products that promote well-being in workplaces, promotion of an inclusive, rewarding and collaborative corporate climate and culture, assurance of safety at work and support for local communities are the undertaken commitments.



SDG 12 / Responsible consumption and production

Designing with a view to eco-design and circular economy, extending lifespan, favouring reparability, facilitating recycling, valorising waste and favouring a short supply chain are topics on which we are focusing our investments.



SDG 13 / Countering climate change

Responsible use of resources, energy efficiency and renewable energy are among the priorities for reducing climate-changing gas emissions, as are efficiency strategies linked to all phases of the product life cycle.



SDG 17 / Partnership for the goals

Sharing vision, know-how and tools with stakeholders; participating in joint circular economy projects. In particular, eco-sustainable design requires the intervention of multiple actors in the different phases of the product life cycle: this is why we have started to create a coordinated partner network that operates with the common goal of reducing the impact of the product.



SDG 4 / Quality Education

The continuous education of our people, also in terms of sustainability, is a tool for aligning skills and fully sharing goals.



SDG 5 / Gender equality

Equal opportunities and female leadership are considered a competitive advantage and a guarantee of resilient growth.



SDG 7/ Clean energy

For an increasing use of renewable energy, we are planning major infrastructure investments over a 3-year period.



SDG 8/ Decent work and economic growth

We guarantee full and stable employment, adequate remuneration, the opportunity for growth and expression of one's potential and business continuity.



SDG 9 / Innovation

We invest in research, development and technologies to introduce innovative and energy-efficient processes.



SDG 10 / Reducing inequalities

We are committed to combating all discrimination inside and outside the company, for a fair distribution of value.

Secondary goals

[2.5]

ROADMAP TO SUSTAINABILITY

In line with the identified goals, Frezza has designed a roadmap of concrete actions that it intends to undertake within a four-year timeframe, which will be described in more detail in the following chapters.



	2024	2025	2026	2027
SDG 3 Health and well-being	Improving the ergonomics of corporate workplaces to preserve long-term health			
SDG 4 Quality Education	Internal training plan and development of new skills			
SDG 8 Decent work and economic growth	Production insourcing and business continuity, international business development, focus on strategic assets, brand identity development			
SDG 12 Responsible consumption and production	Improvement of packaging, both in the choice of materials and in terms of the volumes of disassembled products			
	Impact measurement of products and organisation: LCA Life Cycle Assessment and Organisational Carbon Footprint			
	Adaptation of products to obtain CAM 2023, Level, Well and Leed credits certifications			
SDG 13 Countering climate change	Purchase of new energy-efficient machinery			
	Installation of the photovoltaic system			
	Led relamping in the company			
	Replacing window frames in both offices and production departments			
SDG 17 Partnership for the goals	Collaboration with eco-design studios, universities, and sustainability experts			

[2.6]

FREZZA'S SUSTAINABILITY, A SHARED VISION

The world of design is a vast universe where creativity, functionality and environmental responsibility intertwine to shape the day-to-day environment. It's within this context that Frezza has found common ground with leading international design studios.

What guides our excellent collaborations is an awareness of the impact that the design industry can have on the environment and a commitment to reducing its ecological footprint: from the choice of materials to responsible production, from waste reduction to recycling.

The combination of skills and knowledge has led to the creation of desks, tables, furniture and office accessories that not only meet the needs of the present, but also anticipate the demands of the future.

Dialogue and daily confrontation with our designers inspire us every day, renewing our vision and values, and the pursuit of an ever more conscious sustainability mission.



Claesson Koivisto Rune



Claudio Bellini



Ramos Bassols



Marco Zito



Luca Nichetto



Giorgio Topan



Giovanni Giacobone -
Massimo Roj
(Progetto CMR)



Stefano Boeri Interiors



d.Flux

INTERVIEWS
Stefano Boeri Interiors
Claesson Koivisto Rune
Matteo Colombo
(Progetto CMR)

[2.6]

INTERVIEWS



Stefano Boeri Interiors

How is design reinterpreted in light of today's new lifestyles and sustainable consumption choices?

In today's world, our profession faces ever-changing, often unexpected, unpredictable challenges. Navigating these complexities requires an interdisciplinary approach, broader perspectives and the ability to draw inspiration from diverse and sometimes seemingly unrelated disciplines. We dedicate ourselves to projects that not only fulfill functional and expressive roles but also create new, fluid and synergic connections with environmental issues. I believe we must embrace a versatile design philosophy, capable of reimagining traditional materials into creations that surpass conventional expectations and enrich our everyday environment with new forms and meanings.

Nowadays, those who design products and services must tread the path of climate neutrality and sustainability. What are the opportunities and what are the obstacles?

We are very fortunate to have chosen a field that serves as an extraordinary experimental laboratory. Our projects aim to synthesize durability, inherent to the materials we use, with innovative construction solutions. The materials we select are part of an ethical approach, such as those that can be reintegrated into the production process. Our architectural choices are designed to be functional not only for their intended use but also in terms of sustainability, meeting various needs, such as prefabrication for rapid construction. Technology is also a fundamental part of our creative process. We employ devices and tools that make space usage more intuitive and controlled, offering solutions that enable users to engage with their environments more responsibly. This approach fosters new relationships between our daily actions and the resources we use, whether we are working, cooking, resting, or sharing experiences, even remotely.

Eco-design means reducing the impact of products placed on the market and considering their entire life cycle. The role of the designer is increasingly central in the sustainable transition of companies: how is this responsibility perceived?

For years we have embraced the idea that living nature and plants should be integral to both our architecture and interiors, not merely as a decoration but as a fundamental component of our design. This approach has heightened our awareness that sustainability and ecological transition extend beyond just 'green' initiatives. They encompass the materials we use, the product life cycle, recycling, reuse and post-use conversion. This involves addressing critical issues such as the water cycle and the utilization of resources across different scales. The designer's role has become increasingly vital, not only as a key figure in shaping a project but also in actively engaging with the entire production process. By understanding its limits and potential, the designer ensures that the final outcome reflects a more integrated and responsible complexity.

*Arch. Stefano Boeri
Stefano Boeri Interiors*

[2.6]

INTERVIEWS



Claesson Koivisto Rune

How is design reinterpreted according to today's new lifestyles and sustainable consumption choices?

Although there were tendencies before, perhaps more as a business strategy than a truly holistic response to emerging lifestyle choices, recent events such as the pandemic, have accelerated the intermingling or cross-pollination between the spheres of work and home. In many respects, progressive working spaces are being designed to express more of the values prized within more informal spaces, such as the domestic environment. To this end, there is an increasingly intense studying and adoption of materials and methods of production that offer more sustainable ways of meeting today's demands for healthier, people-centric spaces while also reducing the impact on our shared biosphere. The new European Eco design regulations (ESPR) will only serve to bolster our collective strive towards greater circularity, energy performance and sustainability.

Today, those who design products and services must tread the path of climate neutrality and sustainability. What opportunities and what obstacles could be encountered on this journey? How is eco-design evolving?

There are many opportunities for those creating and designing new products and services to offer solutions that capitalise on materials and energy sources that are more sustainable and in many cases are now derived

from renewable sources. A challenge or obstacle can also be viewed as an opportunity. For example, working not just towards a net zero carbon footprint but going beyond that to establish systems and materials that have exceptional performance but also have, directly or indirectly, the ability to sequester carbon is a challenge that is already being tackled.

Eco-design is evolving to not only be about the type and amount of materials and processes used it is looking further and further down the supply chains, looking at where parts are made, working in partnership with suppliers to facilitate the successful compliance with the new ESPR regulations. Eco-design has become not just about using more ecological materials and production processes but about designing products with a high level of separateability, allowing for greater upgradeability and repairability as well as making them easier to recycle.

The recently approved new Ecodesign Regulation sets the guidelines for eco-design: which criteria have been considered in this project? (e.g. durability, materials etc.)

From the outset of the Radar Lounge seating collection, which we actually began discussing in the first days of the pandemic, Frezza's ambitions for the scope of the project were really forward-thinking. Our initial response to the brief continued the theme of modularity established in the previous

Radar designs, however, the new Radar Lounge items take this to a completely new level. Each component has been carefully analysed and optimised for its complete lifecycle.

For example, both the rigid seat shell and soft padding are actually made of the same highly recycled and recyclable polymer technology, just with different densities, allowing both the padding and shell to be recycled at the same site, using the same process. The seat and padding have been carefully engineered to interlock, with no glue needed, while being kept in place by the upholstery cover, making them easy to separate for both replacing or upgrading of parts or recycling. The seat shell has just the right amount of material in the right places to provide a reassuring rigidity yet offers impressive durability, allowing the product to survive things like untoward bumps in transport. Furthermore, in order to offer a range of product functions to a variety of customers, a number of options have been seamlessly integrated into the seat, such as a selection of adjustable headrest sizes and types, and tilt controls for individual comfort needs. This is just one example of how the Radar Lounge has truly been designed with durability, reusability, upgradeability and repairability in mind.

Eco-design means minimising the impact of products placed on the market and considering their entire life cycle. The role of the designer is becoming increasingly central in the sustainable transition of companies: how is this responsibility perceived?

We all have to be part of the solution. We must all do our part. Participating in an ongoing dialogue and the sharing of information across disciplines, with the early inclusion of people with specialist insights, informs the way forward realisation of robust and compelling proposals that have a future-orientated outlook and are well equipped to meet the coming challenges.

[2.6]

INTERVIEWS



Giovanni Giacobone -
Massimo Roj
(Progetto CMR)

How is design reinterpreted according to today's new lifestyles and sustainable consumption choices?

Contemporary design is undoubtedly shaped by evolving lifestyles, increasingly centered on sustainable consumption choices. New generations view every human artifact, from mass-produced products to designed spaces, with a broader and more discerning perspective. They focus not only on aesthetics and functionality but also on sustainability, ethics and user benefit. Designing for future generations necessitates the use of sustainable materials, eco-friendly production processes and solutions, including technological innovations that reduce consumption and waste while promoting durability and recycling. Thus, products are not only beautiful and functional but also environmentally respectful and community-conscious, contributing to a healthier and more responsible lifestyle.

Nowadays, those who design products and services must tread the path of climate neutrality and sustainability. What are the opportunities and what are the obstacles?

The opportunities presented by this new market approach are significant. Ambitious goals such as climate neutrality and total sustainability drive the continuous search for innovative solutions in materials, technologies, processes and logistics. These goals can inspire virtuous behavior and even create new markets. However, there are also obstacles to overcome, including the high initial costs of developing sustainable solutions, resistance to

change from many companies and the need for designers to continually update their skills. From a business perspective, evolving environmental regulations can also pose challenges in maintaining compliance and implementing sustainable practices.

How does eco-design evolve?

A responsible design must first and foremost aim to satisfy people's real needs and increase their state of well-being, energy and vitality. I believe that the induction of needs for commercial purposes, which produces the multiplication of objects and spaces that are in fact non-functional in their own nature, can be considered the first real enemy of sustainability: a useless and ephemeral product is in fact a waste of resources, both natural and other, whose impact on our ecosystem can only be negative.

That said, the design of a virtuous and broadly useful product for our world must evolve towards an increasingly eco-intelligent approach, integrating sustainability criteria into every stage of the product's life cycle. This involves not only using raw materials with a low environmental impact, such as renewable, recovered, or industrial by-products, but also designing production and logistics strategies to minimise energy consumption. It includes adopting the cleanest possible production processes and seeking solutions for products that are durable, reusable or recyclable to minimise waste and reduce discarded materials.

The recently approved new Eco-design Regulation sets the guidelines for eco-design: what criteria were considered in this project? (e.g. durability, materials etc.)

The new Eco-design Regulation is part of the broader European Green Deal, an initiative aiming to make Europe the first climate-neutral continent by 2050. This regulation introduces specific eco-design criteria and requirements for a wide range of products to enhance energy efficiency and reduce environmental impacts throughout their life cycle. Key parameters include the use of sustainable materials, reduction of harmful substances and increased durability, reparability and recyclability of products. Other criteria address energy efficiency, such as the requirement for electronic devices to have an energy-saving mode, the adoption of sustainable packaging and the provision of information kits for proper waste management. EU Member States are responsible for enforcing these regulations and may set additional national requirements to further strengthen product sustainability in their markets.

Eco-design means reducing the impact of products placed on the market and considering their entire life cycle. The role of the designer is increasingly central in the sustainable transition of companies: how is this responsibility perceived?

The responsibility that the designer carries with him is founded on the awareness of being able to create a better future for people: every object and every space we design is born to

last and produces an effect on the user that imposes on us, at every stage of the project, reflections that are not only aesthetic and functional, but also ethical, social, economic and obviously environmental. When the survival of the planet is at stake, the pressure naturally increases. In this context, the creation of new normative standards provides a valuable reference point for designers, offering an opportunity to work more precisely and effectively towards eco-friendly design. These standards serve as an additional tool to seize new opportunities, guide innovation towards more ecological and sustainable solutions, support the industry in adopting ethical business practices and encourage responsible behavior in consumers.

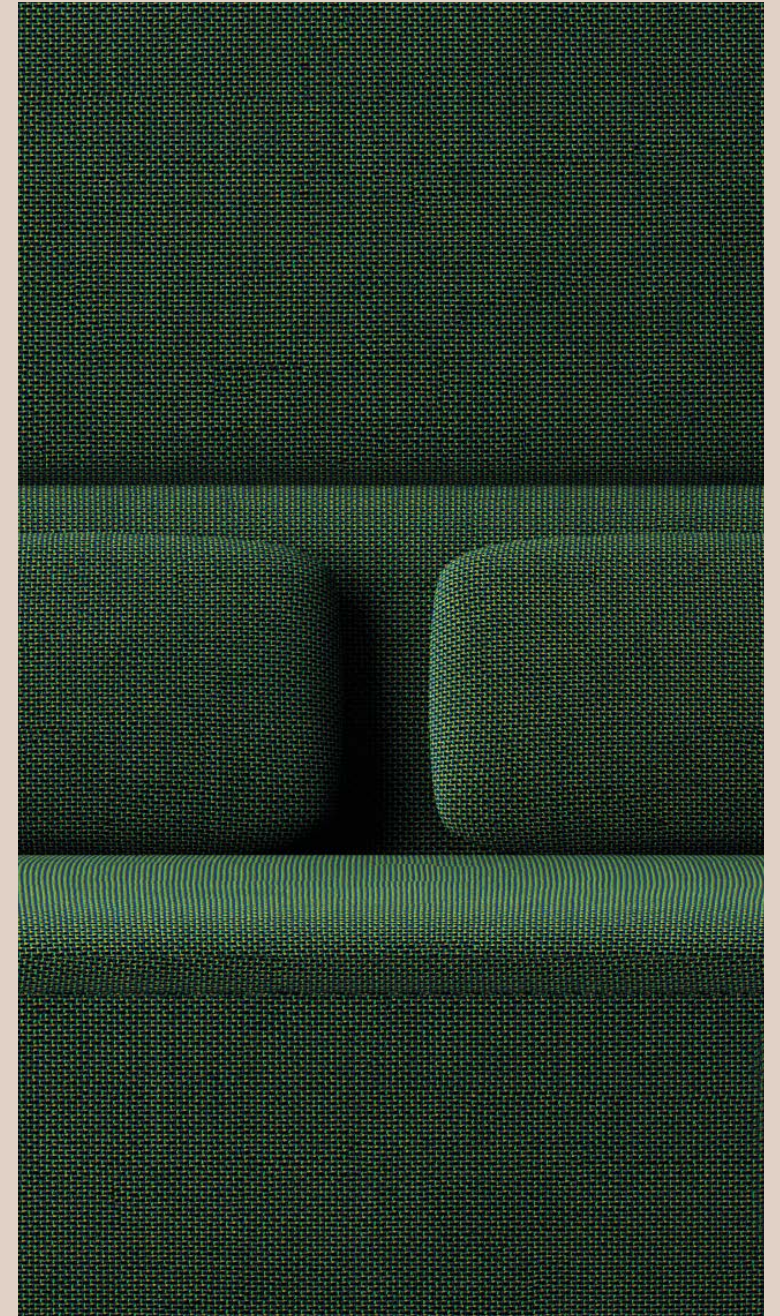
Arch. Matteo Colombo for Progetto CMR

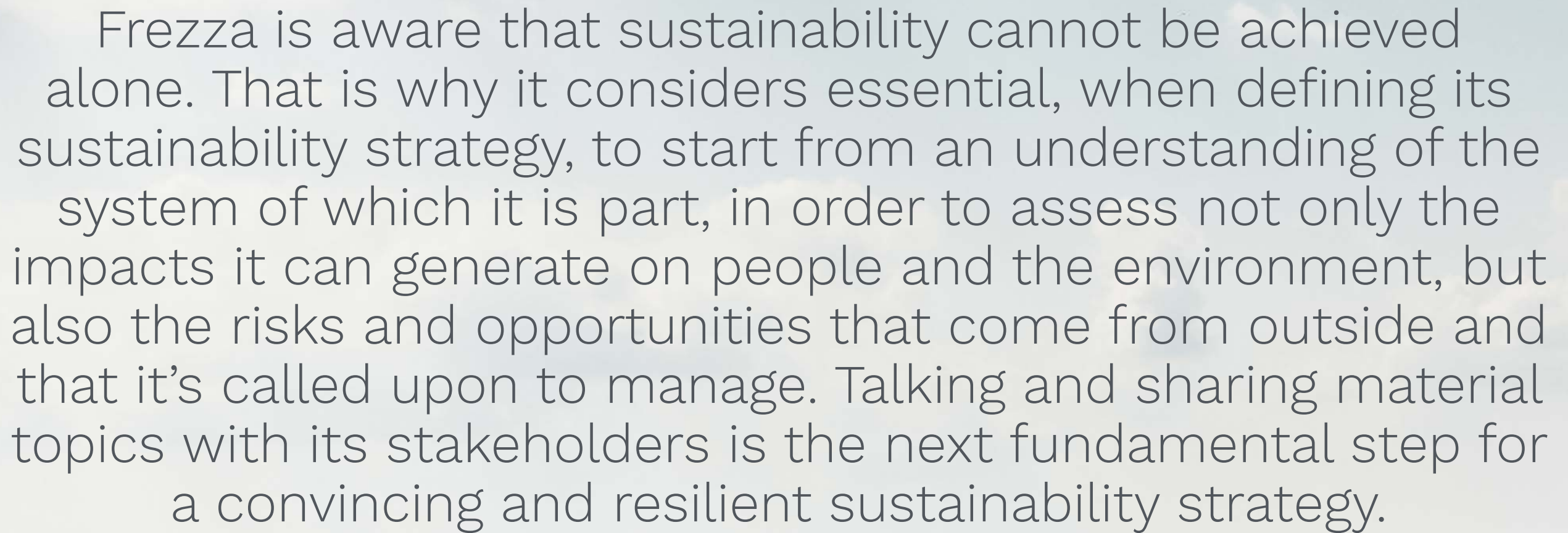
[3]

UNDERSTANDING AND SHARING
MATERIALITY ANALYSIS AND STAKEHOLDER ENGAGEMENT

We all have to be part of the solution. We must all do our part. Participating in an ongoing dialogue and the sharing of information across disciplines, [...] informs the way forward.

Claesson Koivisto Rune
Interview p. 14





Frezza is aware that sustainability cannot be achieved alone. That is why it considers essential, when defining its sustainability strategy, to start from an understanding of the system of which it is part, in order to assess not only the impacts it can generate on people and the environment, but also the risks and opportunities that come from outside and that it's called upon to manage. Talking and sharing material topics with its stakeholders is the next fundamental step for a convincing and resilient sustainability strategy.

[3.1]

CONTEXT ANALYSIS

The furniture sector has undergone considerable changes in recent years, particularly within an international context marked by the war in Ukraine, which has caused slowdowns especially in the old continent, fuelling inflation, amplifying the energy crisis and slowing down global trade.

According to Area Studi Mediobanca's "Report on home, office and community spaces" published in June 2023, world furniture production in 2023 is still growing (+5%), but at lower levels than in 2021 and 2022. Long-term forecasts would bring production to EUR 690 billion in 2027.

Italy is the second largest furniture exporter in the EU-27 after Poland and is ranked fourth worldwide. Its success on foreign markets is due to the quality of the industry's offer and its specialisation in high-end products, recognised and appreciated globally. In this specific segment, Italy has managed to beat its competitors to a number of fast-developing markets, becoming the leading player in a global market that exceeded EUR 50 billion in 2022.

The greatest opportunities are driven by the increased spending power of consumers in emerging markets as well as the demand for high quality sustainable products by younger generations.

Environmental safeguard is high on the agenda of the Italian furniture industry. The use of materials (innovative, non-toxic, recyclable, certified and safely disposable) is of great importance, as is the trend towards longer furniture life, which requires higher quality products and greater availability of after-sales service in terms of maintenance and supply of spare parts.

The main critical issues in the sector are related to the ageing workforce and the difficulty in finding

qualified professionals and skilled artisans. Another critical issue is the reliance on foreign suppliers with less favourable economic conditions.

ESG issues are an important part of the corporate policies of furniture companies.

On the Environmental front, the main actions are aimed at achieving energy efficiency, the use of recycled material, a circular waste management and decarbonisation combined with the reduction of pollutant emissions. Within the social sphere, particular attention is paid to the working conditions of employees, for whom forms of corporate welfare and initiatives to balance work and personal time are also being provided.

Finally, within Governance, the most represented topics are effective and transparent communication and ethical management of the company*.

** Source: Report on home, office and community spaces and ESG sample survey by Area Studi Mediobanca (2023)*

Radar →



[3.2]

STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

Stakeholders are “individuals or groups that have an interest that is or could be affected - positively or negatively - by the organisation’s activities”.

For many years, Frezza has undertaken an ongoing process of stakeholder engagement, aimed at understanding, dialoguing and collaborating with them on several fronts. Within this process, the direct involvement of stakeholders in the materiality analysis, conducted by Frezza for the second year, is not an isolated episode, but the natural consequence of a relationship that has been cultivated with care and a sense of responsibility.

Below are the internal and external stakeholder groups and the ways in which Frezza has established ongoing relations with them during the reporting period.



Stakeholder identification	Dialogue and continuous collaboration methods
Employees and collaborators	Periodic individual skill assessment meetings; periodic meetings; internal newsletter; social channels; website
Clients	Clients Company visits, trade fairs, social channels, website
Design and architecture firms	
Suppliers of raw materials, products and machinery	
Business partners	
Consultants/service providers (safety, training, sustainability)	Individual meetings, social channels, website
Employment agencies	Regular meetings, participation in events
Local communities	Participation in activities proposed by civil society and the world of volunteering
Banking system	Periodic meetings

[3.3]

DESCRIPTION OF THE MATERIALITY ANALYSIS PROCESS

Material topics are those aspects that reflect the significant economic, environmental and social impacts of a company and/or influence stakeholder assessments.

Based on the context analysis (see section 3.1) and the process of continuous dialogue with its stakeholders (see section 3.2), Frezza conducted a materiality assessment according to the principle of Dual Materiality introduced by the new Europe Directive 2013/34/EU (see also Methodological Appendix). The principle of Double Materiality considers, for each theme, the importance both from the impact point of view (i.e. the extent and relevance of the impacts, positive or negative, that the company has or could have on people and the environment with respect to the theme itself), and from the financial point of view (i.e. the likelihood and extent of the financial risks and opportunities borne by the company with regard to the theme itself).

Frezza identified 16 material topics, which were internally assessed according to the principle of dual materiality by assigning a value from 1 to 10 for both.

The results are shown in the following illustration. ↓

	FINANCIAL MATERIALITY										IMPACT MATERIALITY									
	10	9	8	7	6	5	4	3	2	1	1	2	3	4	5	6	7	8	9	10
ENVIRONMENTAL TOPICS																				
Energy efficiency																				
Decarbonisation																				
Eco-design																				
Use of recycled/ regenerated materials																				
Reduction of polluting emissions on land/water/sea																				
Reduction of waste and scraps																				
Control of the production chain																				
SOCIAL TOPICS																				
Full and stable employment																				
Prevention and safety																				
Workers' well-being																				
Work-life balance																				
Training and equal growth opportunities																				
Support for the local community																				
GOVERNANCE TOPICS																				
Clear and effective governance																				
Ethical and responsible business conduct																				
Supply chain management																				

Fig. 1. Frezza's double materiality analysis

[3.3]

DESCRIPTION OF THE MATERIALITY ANALYSIS PROCESS

In a second phase, all material topics were verified through the involvement of a representative composition of all stakeholders.

Through a digital questionnaire, on a voluntary and anonymous basis, the stakeholders expressed, on the same topics, a judgement of impact materiality by evaluating 2 aspects: the relevance of the topic (rating from 1 to 10) and the extent of Frezza's impact, positive or negative, real or potential, in relation to that topic (rating from 1 to 10).

The two materiality analyses (company and stakeholder) were then superimposed, thereby creating a single matrix where the company considered for each topic the highest value between materiality and financial impact and the stakeholders considered for each topic the average value between the evaluation of relevance and scope of impact.

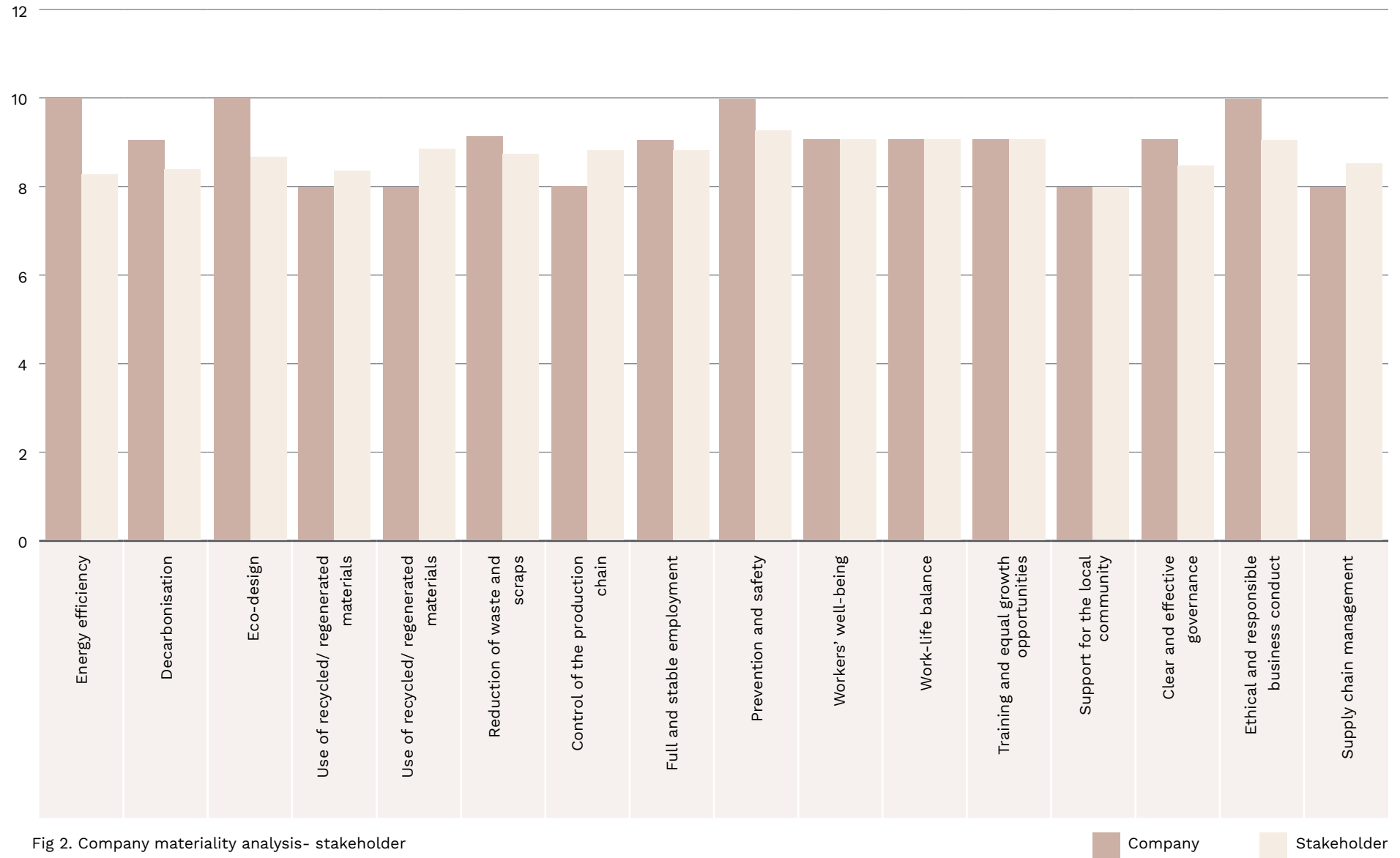


Fig 2. Company materiality analysis- stakeholder

[3.4]

IMPACTS, RISKS AND OPPORTUNITIES

Below are the impacts, risks and opportunities identified by the company, for which Frezza supported significant sustainability investments as described in section 4.9.

Radar↓



TOPIC	IMPACT MATERIALITY	FINANCIAL MATERIALITY	
		IMPACTS	RISKS
Energy efficiency	Reduction of GHG emissions	Efficiency costs/ purchase of new machinery	Reduction of energy purchase costs
Decarbonisation	Reduction of GHG emissions	Costs for ecological transition	Reduced energy purchase costs/ energy self-sufficiency
Eco-design	Extended product lifecycle	R&D and certification costs, costs of finding/ training qualified personnel (eco-designer), costs of after-sales service and spare parts supply, costs of compliance with regulatory and legal frameworks	Competitive advantage
Use of recycled/ regenerated materials	Waste reduction	Increased raw material purchase costs, costs of finding new suppliers, costs of testing and certifications	
Reduction of polluting emissions on land/water/ sea	Ecosystem preservation	Costs of production adjustments	Competitive advantage
Reduction of waste and scraps	Ecosystem preservation		Reduction of waste disposal costs, industrial symbiosis
Control of the production chain	Product quality	Costs of finding new suppliers, costs of production internalisation	
Full and stable employment	People's well-being and satisfaction	Costs/difficulties in finding qualified staff; high recruitment/training costs	Reduction of turnover-related costs
Prevention and safety	People's well-being	Safety costs	Reduction of absence-related costs
Workers' well-being	People's well-being and satisfaction	Increased HR costs (welfare...)	Ability to retain/attract new talent (reduced costs linked to turnover)
Work-life balance	People's well-being and satisfaction	Organisational/HR costs	Ability to retain/attract new talent (reduction of turnover-related costs)
Training and equal growth opportunities	People's well-being and satisfaction	Costs for setting up training programmes/female empowerment; costs/difficulties in recruiting female technical staff	Capacity to retain/attract new talent (reduction of turnover-related costs)
Support for the local community	Social growth of the area	Costs for charitable activities	Reputational value growth
Clear and effective governance	Increased stakeholder trust		Efficient internal processes
Ethical and responsible business conduct	Increase in generated and distributed value	Costs for adopting new models and procedures (e.g. adoption of Model 231)	Acquisition of new customers
Supply chain management	Greater credibility, traceability, also with a view to Digital Passport	Costs of research, selection and evaluation of suppliers according to new environmental/social criteria	Competitive advantage

[4]

GUIDING AND LEADING
GOVERNANCE

I believe that the induction of needs for commercial purposes, which produces the multiplication of objects and spaces that are in fact non-functional in their own nature, can be considered the first real enemy of sustainability: a useless and ephemeral product is in fact a waste of resources, both natural and other, whose impact on our ecosystem can only be negative.

Arch. Matteo Colombo for Progetto CMR
Interview p. 15



Frezza recognises sustainability as a real corporate asset and mission, and directs its strategic and organisational choices towards it with a holistic approach. Through its governance processes, Frezza promotes transparency, accountability and participation, to ensure that sustainability is an increasingly key element in the company's decisions and investments and a guarantee of its business continuity, for the benefit of all stakeholders.



SDG 8
Decent work and economic growth



SDG 9
Industry, Innovation and Infrastructure



SDG 10
Reducing inequalities



SDG 17
Partnership for the goals

[4.1]

THE ORGANISATION'S GOVERNANCE

Frezza Srl is part of a holding company that includes a group of companies working in the design sector, operating in the enhancement of different specialisations, born also with the purpose of encouraging the integration process of originally separate companies, rationalising their resources and working on every economic scale.

Like all companies in the group, Frezza implements a governance model that entrusts managers with a wide margin of decision-making autonomy. To support the managers themselves, a network of professionals and consultants has been assembled, who are nevertheless involved in the management in order to achieve the desired results which are shared with them.

Networking is one of the company's goals: the partners and consultants share the company's long-term vision of sustainability and care for human capital.

The Board of Directors, which remains in office until revoked, is predominantly female (2 out of 3 members are women).

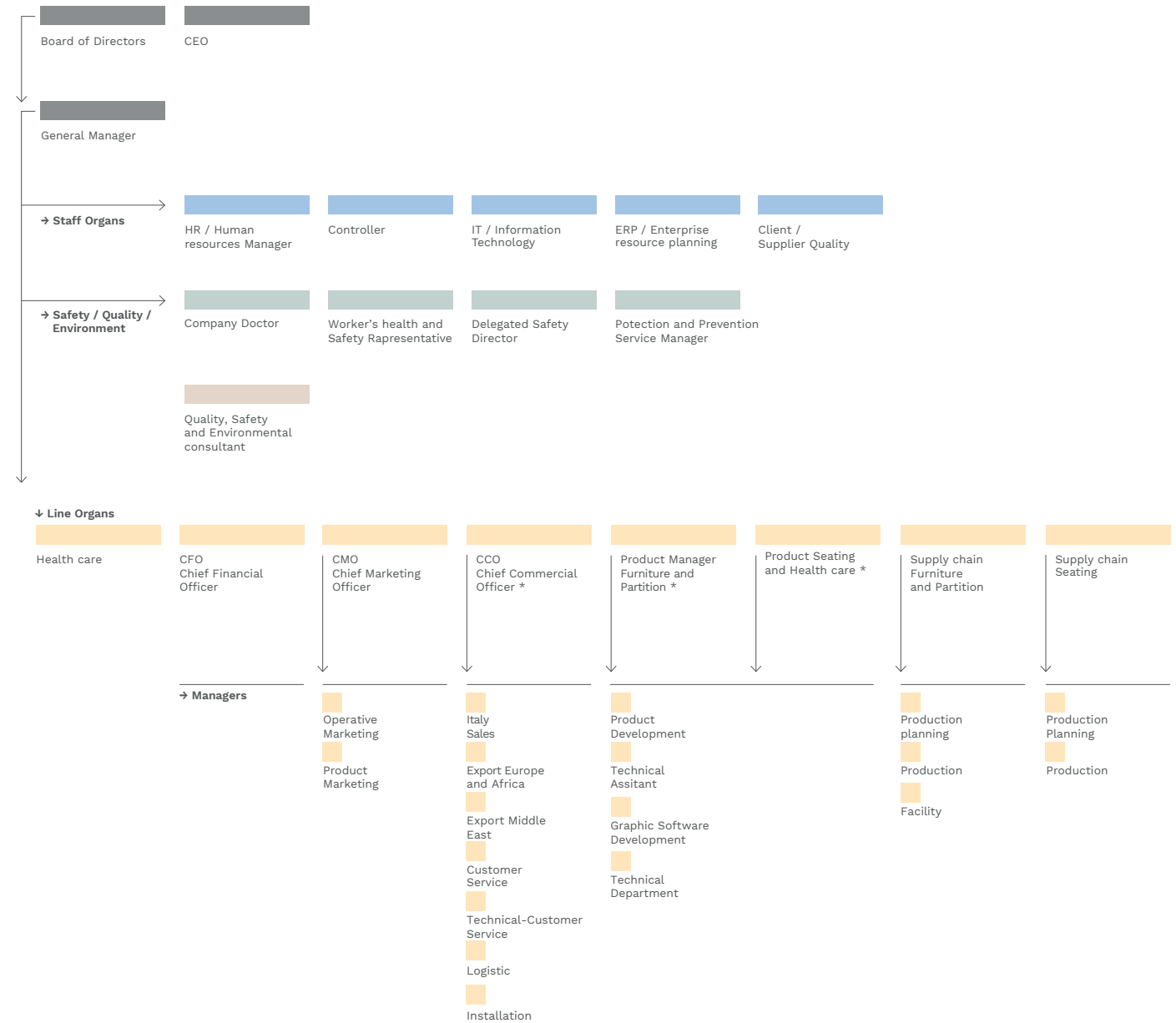
The Chief Executive Officer (employer) reports to the General Manager.

The General Manager reports to:

- **5 staff organs**
- **8 line organs**

Function managers then report to the first-level line organs, for a modern and organised corporate structure oriented to the distribution of responsibilities and the enhancement of each person.

The organisational chart also identifies 4 delegated safety figures as specified in the Risk Assessment Document (Safety Delegate Manager, RSPP/ Prevention and Protection Service Manager, RLS/ Workers' Safety Representative, Competent Doctor) and 1 consultant for Quality, Environment and Safety.



* Members of the mixed working group dedicated to Sustainability

[4.2]

RESPONSIBILITY AND AUTHORITY FOR SUSTAINABILITY

The organisation’s governance envisages close cooperation between the Executive Board and line management for planning, scheduling and controlling sustainability issues.

The Executive Board is responsible for setting the direction and, together with the line management, determines strategies and policies. The line management is responsible for defining the operational programme for strategy and policy implementation.

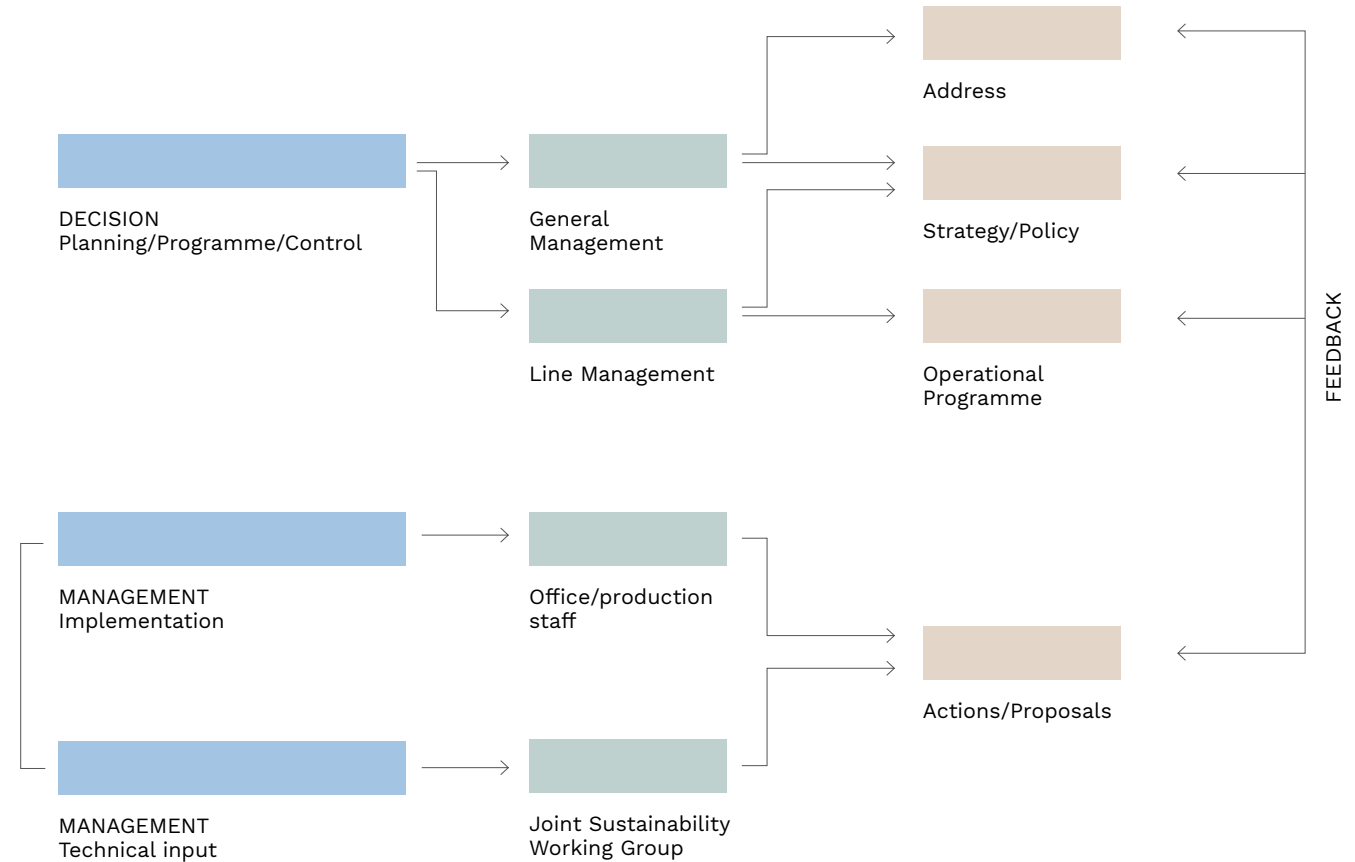
Involving and motivating all personnel is something the company considers essential for the effective implementation of sustainability programmes.

Collaboration and mutual exchange relationships, together with the collection of feedback on all levels, are becoming more important than ever to identify and manage the organisation’s real impacts on the economy, the environment and the people, within an approach of continuous adaptation and improvement.

A joint working group dedicated to sustainability was also set up in 2023. This working group, coordinated by the General Manager, consists of the following persons:

- 1 Commercial Director
- 1 Customer/Supplier Quality Manager
- 1 Partition and Healthcare Product Manager
- 1 Seating and Healthcare Product Manager
- 1 HR Manager

These figures offer a specific technical contribution, each for their own areas of competence.



During 2023, decision makers on sustainability issues were involved in a training programme, conducted by Sustain Me consultants, for the purpose of updating and continuously improving their knowledge on sustainability issues (see section 6.4).

[4.3]

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS

Integrated Quality-Environment-Safety Management System

Frezza holds

→ **ISO 9001:2015 Certification** (IQ Net certified Quality Management System Compliance)

→ **ISO 14001:2015** (IQ Net certified Environmental Management System Compliance)

→ **UNI ISO 45001:2018** (IQ Net certified Health and Safety Management System Compliance).

As part of the integrated Quality-Environment-Safety Management System, Frezza has adopted an **IT regulation** that identifies IT security and data protection practices (cybersecurity).

Afina ↓



Frezza

Design for evolution

Model 231

Frezza adopts the **Organisation, Management and Control Model 231** (ex Legislative Decree no. 231/01), a set of protocols that regulate and define the company structure and the management of its sensitive processes, thus reinforcing its governance over areas related to such risks.

The Model is inspired by the following general control principles

- Every operation, transaction, action must be verifiable, documented, consistent and congruous;
- No one can autonomously manage an entire process;
- The control system must keep a record of the carried out verifications.

Frezza has identified a **Supervisory Board (SB)** with a three-year term of office, which, in line with the recommendations of the Guidelines of the most representative trade associations, meets the requirements of autonomy, independence, professionalism, continuity of action and honourableness.

The 231 Model includes the “**231 Code of Ethics**”, a document officially adopted by the company’s top management, available and viewable by anyone who has the right to consult it (see section 4.4).

The 231 Model provides for appropriate ways of reporting offences and violations of the Code of Ethics and the Organisational Model that protect **whistleblowers** and an adequate system of sanctions.

Risk Assessment Document

The Risk Assessment is a precise ‘non-delegable obligation’ on the Employer’s part, which is implemented in the ‘Risk Assessment Document’ provided for and drafted, as required by law, in collaboration with the Head of the Prevention and Protection Service and the Competent Doctor.

The Risk Assessment includes the selection of work equipment and the chemical substances or preparations used, the workplace layout, all risks to workers’ health and safety, including those related to work-related stress, those concerning pregnant workers, as well as those related to gender differences, age, and origin from other countries.

The Risk Assessment Document is used as a guide by all those involved in the company safety management system to ensure compliance with the prevention and protection measures identified in relation to the specific identified risk factors.

The identified prevention and protection measures and safety prescriptions are absolutely mandatory, and must be observed personally and used correctly and continuously.

The Worker’s Safety Representative was consulted in advance and in a timely manner regarding the risk assessment and received a copy of the Risk Assessment Document, which can be consulted within the company in accordance with the Consolidated Safety Act.

Frezza’s Risk Assessment Document is periodically audited to ensure the adequacy of its contents and its effectiveness over time.

For further details, please refer to chapter 6.5 (Health, safety and human rights).

Fior di Loto Upholstered →



[4.4]

CODE OF ETHICS

Frezza's Code of Ethics ensures that all of the organisation's work activities comply with the company's sense of responsibility and moral integrity.

The Code of Ethics identifies the following guiding principles:

- Act in an informed manner in compliance with the law and regulations in force in Italy and in the countries in which the company operates
- Treat customers, shareholders, employees, suppliers, the surrounding community and institutions, as well as any third party with whom one enters into relations for professional reasons, with honesty, fairness, impartiality and without prejudice
- Compete fairly on the market with competitors;
- Protect one's own health and safety and that of third parties;
- Monitor and, where appropriate, minimise the potentially harmful effects of activities on the environment;
- Maintain the confidentiality of information concerning the Company, its know-how, employees, customers and suppliers;
- Operate according to the principle that every operation or transaction must be correctly recorded, authorised, verifiable, legitimate, consistent and congruous; avoid or declare in advance any conflicts of interest with the Company; use the Company's intellectual and tangible assets in such a way as to protect their preservation and functionality.

The Code of Ethics also identifies the methods of prevention, control and sanctions through a system of delegated powers and functions.

Frezza pledges to widely disseminate its Code of Ethics internally, making it available to any Company interlocutor. A copy of the Code of Ethics is available in a place accessible to all employees and is brought to the attention of the Company's main Stakeholders.

Recipients are required to know and respect the provisions of the Code of Ethics, to actively contribute to its implementation and to report any violations to the Supervisory Board.



Design for evolution



[4.5]

MANAGING RELATIONSHIPS WITH THE VALUE CHAIN

Frezza only uses suppliers that operate in accordance with the applicable regulations and the rules set out in its Code of Ethics. The selection of suppliers and the determination of purchasing conditions are based on an objective assessment of the quality, price of the products and services offered, and the ability to supply and promptly guarantee services and products of a level adequate to the Company's needs.

Suppliers of machinery and equipment are also selected on the basis of the compliance of the supplies with work safety and hygiene regulations.

Supplies of protective and safety equipment must comply with the obligations concerning certification and suitability, both general and specific, in relation to the intended use.

Before entrusting third parties with activities within the framework of tender, work or supply contracts, the technical and professional suitability of the third party shall be verified, as well as compliance with the legal obligations concerning occupational safety and hygiene.

Frezza pledges to respect the industrial property rights held by third party suppliers and designers on materials, products, processes and designs.

The Company maintains relations exclusively with companies that ensure respect for childhood and adolescence according to the principles stated in the relevant international conventions.

Frezza's supply methods are defined by a specific procedure of the Integrated Quality Environment Safety Management System (DQ.02).

The Purchasing Department addresses its orders exclusively to the suppliers listed in the 'Qualified Supplier List', whose evaluation considers the following aspects:

- Historicity;
- Price competitiveness;
- Delivery times and commercial flexibility;
- Competence levels and qualification of personnel;
- Availability of technical and safety documentation to support the supply;
- Detected non-conformities.

Periodically, the purchasing office evaluates the suppliers appearing in the Qualified Suppliers List with regard to the above-mentioned parameters in order to confirm or not their Qualification. The assessment may also be modified during the year in view of extraordinary events (poor quality, repetitive non-conformities, lack of supplier cooperation, etc.).

Incoming goods are subject to a special procedure for quantity and quality control. The possible reporting of non-conformities is managed with the help of the company's management system (Practor).

Fedra →



[4.6]

THE COMPANY'S CONDUCT

Frezza's Code of Ethics dictates the conduct of the company also with regard to relations with customers, competitors, public administration and the media.



Relations with Customers

Frezza directs its activities towards the maximum satisfaction of its customers through high standards of product quality research, development and marketing, and by paying attention to customers' requests.

In its relations with customers, the Company ensures fairness and clarity in commercial negotiations, as well as the correct and diligent fulfilment of contracts. All communication addressed to customers is based on criteria of simplicity, clarity and completeness, avoiding the use of any deceptive and/or unfair practice. In conducting business with customers, Frezza establishes equal treatment for customers in the same conditions and in any case in accordance with market practices typical of the sector.

When conducting any negotiations, situations in which the parties involved in the transactions are or may appear to be in a position of conflict of interest must always be avoided. Frezza will resort to litigation only when its legitimate claims are not duly satisfied by the other party.

Frezza commits to promote the widest possible dissemination of the Code of Ethics among its customers, facilitating knowledge, communication and discussion of the issues it deals with.

Fair competition

Frezza promotes free and fair competition and directs its actions towards obtaining competitive results that reward capability, experience and efficiency.

Every person acting on behalf of Frezza is bound to act in accordance with the utmost fairness, including in relations with the Public Administration.

Any action aimed at altering the conditions of fair competition is contrary to Frezza's corporate policy and is therefore forbidden to any person acting on behalf of the Company.

Relations with the Public Administration

In its relations with the Public Administration, Frezza pays particular attention to every act, conduct or agreement, so that they are characterised by the utmost transparency, fairness and legality.

To this end, Frezza will avoid, as far as possible, to entrust the entire process to a single individual, on the assumption that the plurality of persons and functions allows to minimise the risk of interpersonal relationships inconsistent with the Company's will.

In relations with public officials, any conduct that, directly or indirectly, is likely to influence the counterparty's decision incorrectly is prohibited. All requests for payments, contributions, financing or allowances to public, national or EU bodies are made in compliance with the applicable regulations and, in particular, with the principle of segregation of duties, registration and documentability.

Frezza does not provide contributions, advantages or other benefits to political parties and workers' trade union organisations, nor to their representatives, except in compliance with applicable regulations.



Radar Lounge ↑

Gifts, presents and benefits

No form of gift that may be interpreted as exceeding normal business practices or courtesy is allowed.

In particular, any form of gift to Italian and foreign public officials, or to their family members, that may influence their independence of judgement or induce them to secure any advantage is strictly forbidden. It should be noted that this rule concerns both gifts promised or offered and those received, a gift being understood as any type of benefit (free participation in conferences, promise of a job offer, etc.).



Gifts offered to third parties, in any case not belonging to the P.A., must be of modest value and adequately documented and authorised to allow the appropriate checks.



Gifts offered by the Company are characterised by being aimed at promoting cultural, sporting and humanitarian initiatives or the corporate brand image.



Individuals who receive gifts or benefits not of modest value, or receive payment solicitations from public officials or public service providers or customers/suppliers or third parties, are required to notify the Supervisory Board.

Relations with the media

All Company news and communications to the outside world must be truthful, clear, transparent and unambiguous or instrumental. Those persons who are called upon to externally disclose any kind of information concerning the Company's goals, strategies and results when attending conventions, public events or when drafting publications, are required to obtain the authorisation of the hierarchically superior function and of the function in charge of relations with the mass media (or directly of the top management), so that the contents of the statements expressed are agreed upon and shared in line with the Company's policies and internal development plans.

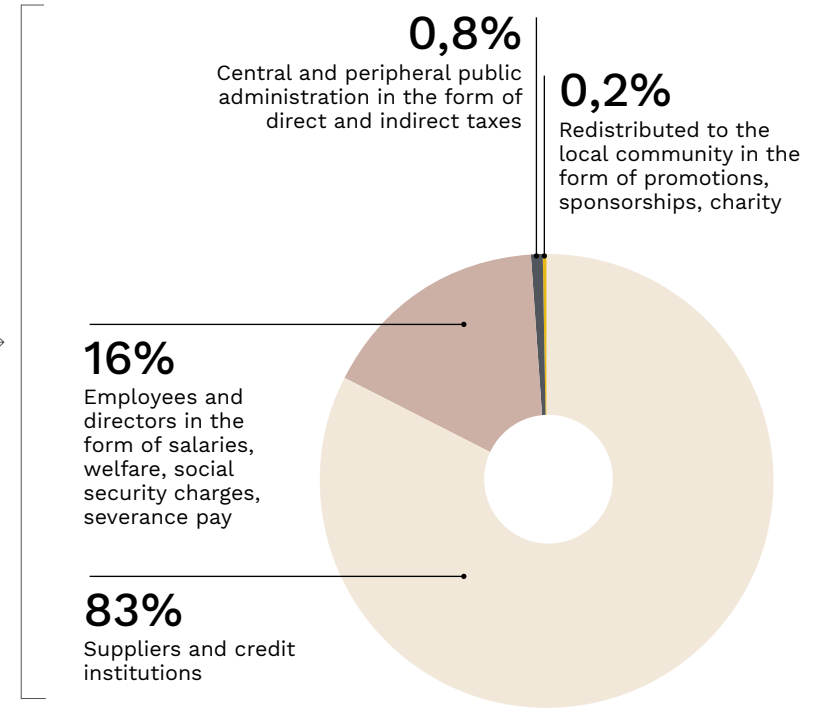
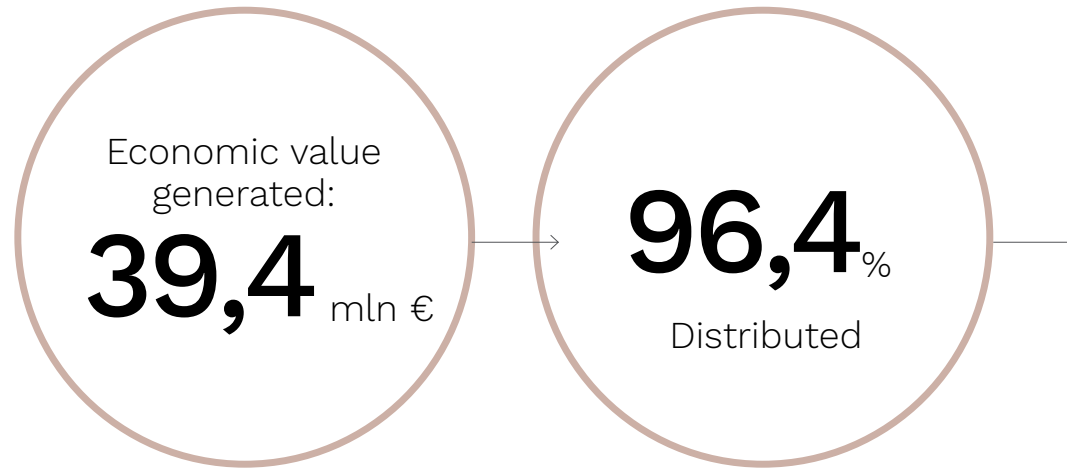
Under no circumstances may false or tendentious news or comments be divulged.



[4.7]

GENERATED AND DISTRIBUTED ECONOMIC VALUE

The generated and distributed economic value is the sum of the economic and financial benefits generated by Frezza to its stakeholders. In other words, the latter can be considered the 'wealth' produced and distributed by the company in its territory: to employees, suppliers, Public Administrations, etc.



Its subdivision highlights the company's consistency, in objective and quantitative terms, with the ethical and social responsibility principles it has adopted.



47% of suppliers are local, i.e. based within the Veneto Region, corresponding to 39% of the total economic value of supplies.

Yo →



[4.8]

BUSINESS CONTINUITY

Frezza's governance is focused on ensuring Business Continuity, the primary goal of any good governance.

This goal is ensured by:

- Awareness and compliance with legislative obligations
- Wise and well-considered economic management in relation to its possibilities
- Consistent sustainable financial investments, constant monitoring and review of results
- Confidence and solvency towards creditors
- Strong focus on people's well-being
- Compliance with customer requirements
- Compliance with commitments to employees, financial institutions, suppliers and communities
- Satisfaction of shareholders/investors
- Respect for stakeholders' needs

Growth, profitability and solvency indicators are all positive. This allows the company to face the necessary investments for sustainable development with confidence.

DR↓



Growth indicators	2023	2022	2021
Revenues (€/mln)	37,3	38,5	29,2
Revenue growth rate	-3,1%	31,9%	-3,1%
New investments in tangible and intangible assets (€/mln)	0,8	1,5	1,5

Profitability indicators	2023	2022	2021
GOP (€/mln)	2,5	1,9	1,7
EBITDA/Turnover	6,7%	4,9%	5,7%
Net ROE	0,3%	0,7%	0,5%
Gross ROE	0,4%	0,5%	0,3%
ROI	4,5%	1,1%	0,2%
ROS	3,0%	0,8%	0,2%

Solvency indicators	2023	2022	2021
Availability margin (€/mln)	7,2	2,7	3,1
Availability quotient	1,4	1,1	1,2
Treasury margin (€/mln)	(2,4)	(7,2)	(4,9)
Treasury quotient	0,9	0,6	0,7

[4.9]

SUSTAINABILITY-RELEVANT INVESTMENTS

SUSTAINABILITY ASPECTS	SUSTAINABILITY ACTIVITIES 2023	ANNUAL AMOUNT
Reduction of polluting emissions	Purchase of machinery/software to make the production process more efficient; maintenance and overhaul of vehicles	€ 58.000
	Machinery maintenance	
Eco-design	R&D Costs	€ 228.381
	Certifications (CAM, Level, Well, Leed Credits)	€ 27.973
Employee safety	Worker safety Training, PPE and OSH costs	€ 11.151
	Medical examinations and health protocol	€ 4.883
	Fire extinguisher maintenance	€ 1.160
	Sprinkler system maintenance	€ 3.261
	Cleaning and sanitising	€ 36.521
Employee welfare	Bonuses, incentives and Christmas gifts	€ 50.803
Support to the local community	Donations, sponsorships, charitable activities	€ 39.950
Certifications	Audits, renewals	€ 11.050
Industrial relationships	Membership of trade associations Federlegno, Confindustria	€ 19.213
Legislative compliance	Auditor	€ 40.341
	Supervisory Board	€ 4.500
	Technical, administrative, health and safety, sustainability consultancy	€ 44.180
Total		€ 642.987

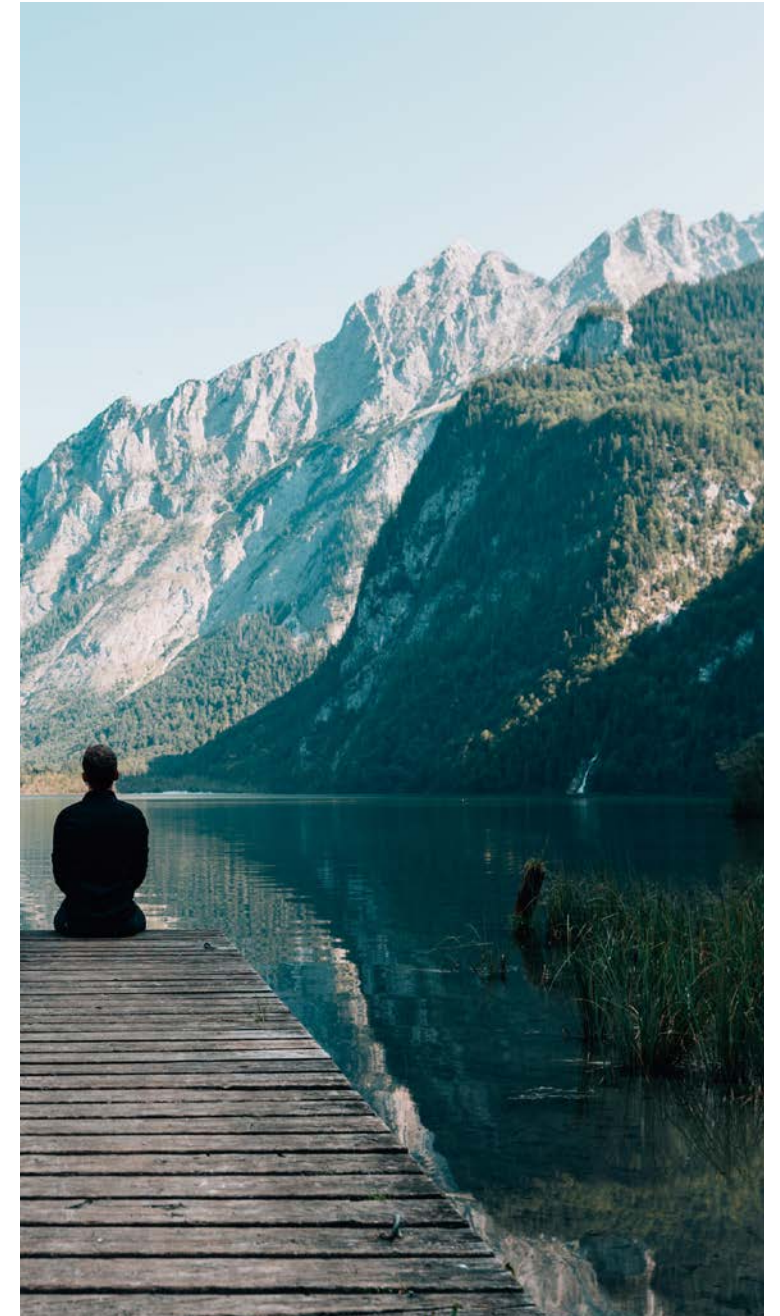


[5]

SHAPING THE WORLD
ENVIRONMENT

Technology is also a fundamental part of our creative process. We employ devices and tools that make space usage more intuitive and controlled, offering solutions that enable users to engage with their environments more responsibly. This approach fosters new relationships between our daily actions and the resources we use, whether we are working, cooking, resting or sharing experiences, even remotely

Arch. Stefano Boeri
Interview p. 13



Designing from an eco-design perspective: this statement summarises all of Frezza's environmental strategies. Frezza is committed to assessing the product's environmental impacts throughout its life cycle, starting from the purchase of raw materials to its production, transport and disposal.

To achieve this, it collaborates with the best design firms and forges alliances with responsible suppliers who share its vision. It measures and monitors its consumption and emissions as a starting point from where it can implement progressive actions for improvement.



SDG 7
clean energy



SDG 9
Industry, Innovation and Infrastructure



SDG 12
Responsible consumption and production



SDG 13
Countering climate change



SDG 17
Partnership for the goals

[5.1]

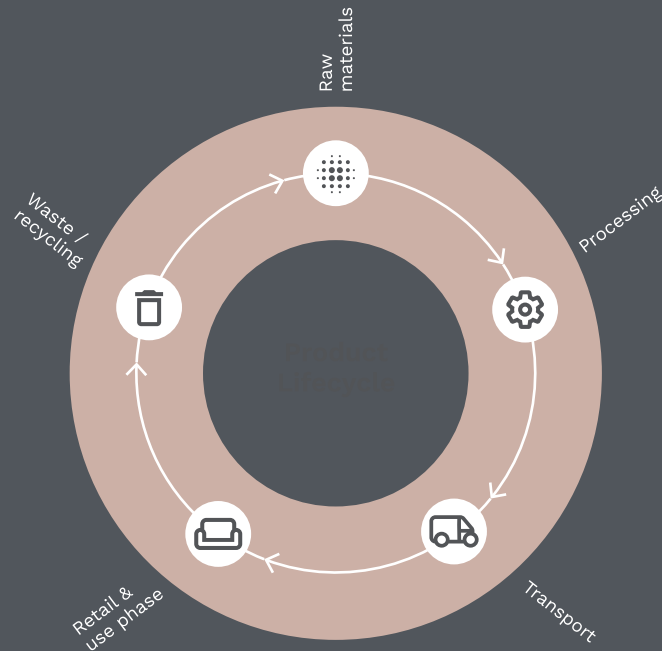
ECO-DESIGN AND RESPONSIBLE PRODUCTION

In 2014, with the study “Ecodesign your future – How ecodesign can help the environment by making products smarter,” the Commission provided a very explicit figure: up to 80 percent of the product’s environmental impact is determined at the design stage.

That is why, in order to achieve the production of goods and services with reduced environmental impact, it is crucial to design in terms of “eco-design,” defined as “the systematic integration of environmental aspects into product design in order to improve the environmental performance of the product throughout its life cycle” (Dir. 98/2008/EC).

In 2022 Frezza started a training program that involved the technical department and other complementary areas to apply the principles of eco-design to its projects with increasing awareness. The same principles guide external design studios, with which Frezza collaborates in an effort to exchange knowledge and experience and continuously improve.

Frezza’s design considers the entire product life cycle, from raw material selection to production, transportation, sale and use to disposal and recycling whenever possible.



From this perspective, the evaluated aspects are as follows:

- The product’s durability (with the extension of the warranty to 10 years)
- The product’s reparability (with the gradual inclusion of spare parts for new products in the catalogue)
- The responsible use of raw materials (with particular attention to the choice of the supply chain)
- The absence of hazardous chemicals (Frezza chooses only partners who use water-based paints and have paint recovery facilities)
- Recycled content (in 2023 Frezza introduced/implemented the use of new materials with reduced environmental impact)
- Transport sustainability (in 2023 Frezza focused on progressively improving packaging, both in the choice of materials and the volumes of disassembled products)
- The valorisation of waste and scraps (Frezza gives up panel scraps to other companies)
- Production efficiency (Frezza constantly monitors its consumption, as described in section 5.2 below).

In this approach that takes into account the entire product life cycle, the supply chain choice is crucial. As a result, in part, of its control of the supply chain, Frezza holds important certifications:

- Forest chain of custody: Material traceability for purchase of melamine chipboard, MDF, furniture components **FSC 100%, FSC Mixed** and **FSC Recycled, plugs FSC 100%**, veneer **FSC 100%** and **FSC Mixed**. Production of **FSC Mixed** office furniture. (**ICILA-COC-004241 certificate** and **license code FSC-C158203**)
- US EPA TSCA Title VI compliant and CARB P2 compliant. All finished panels and fiberboard articles are produced by meeting the stringent formaldehyde emission limits imposed by US EPA TSCA Title VI compliant and CARB P2 compliant standards
- Certificate of membership in the Ecological Panel Consortium. Certificated panel made from 100% post-consumer wood (code CQ-COC-000001) with certified formaldehyde emission levels in CARB class (CATAS Quality Award certificate)
- CQA Formaldehyde 56/04 product certification certificate. Certification for panels of urea, water repellent, fire retardant, EPF-S raw particleboard regarding low formaldehyde emission characteristics, verified by CATAS laboratories

In cooperation with qualified partners, in 2023, Frezza began its journey towards obtaining CAM, LEVEL, LEED, WELL certifications.

In the near future, Frezza plans to carry out LCA studies for some products, as described in section 2.5.

[5.2]

ENERGY AND GHG EMISSIONS

All actions related to the abatement (i.e., primarily reduction, and then eventually offsetting) of climate-altering gas emissions are pivots of a company's sustainability strategy, especially in the manufacturing sector, i.e., with a business model related to the production and sale of consumer goods.

In addition to the already reported efforts (including in the first Sustainability Report in 2022) regarding the application of eco-design strategies, it is also necessary to proceed with the expansion of the quantification of emission sources related to our business.

At a macro level, Frezza confirms its decarbonisation goal through the following actions:



Calculate its GHG inventory (commonly called organisation carbon footprint) by including all significant categories for the company according to ISO 14064-1:2018 to define an initial baseline



Based on the results of the first inventory, define an **abatement and offset strategy** that aspires to carbon neutrality by 2030

For this second sustainability reporting exercise, the company has effectively expanded the GHG inventory calculation, which is however kept only for internal use and unverified. It is confirmed there will be a review of the feasibility of starting and concluding the externally validated inventory by 2026 with the inclusion of all remaining categories considered relevant.

Anyway, as required by the GRI reference standard, the calculation methodology follows the requirements of the ISO 14064-1:2018 standard, as detailed in the following pages.



[5.2]

ENERGY AND GHG EMISSIONS

Calculation method according to the requirements of ISO 14064 - 1:2018

Organisational and reporting limits

The sites included in this GHG reporting correspond to the locations mentioned in Section 2.1. The reporting period corresponds to the period analysed in this report (January 1st, 2023 to December 31st, 2023).

Calculation method and reported emission sources

Within the established organisational and reporting limits, sources of GHG emissions were identified and available data was collected in order to quantify GHG emissions.

The calculation method used is based on the multiplication between the "Activity Data," which quantifies the activity, and the corresponding "Emission Factor."

GHG emission = Activity data * EF where:

- GHG emission is the quantification of GHG emitted by the activity, expressed in terms of tons of CO₂ (tCO₂) or tons of CO₂ equivalent (tCO₂e);

- Activity data is the quantity, generated or used, describing the activity, expressed in terms of energy (kWh), mass (kg) or volume (m³ or l);
- EF is the emission factor that can transform the quantity into the resulting GHG emission, expressed as tCO₂e emitted per unit of given activity.

The values used as activity data and emission factor are derived from the following documents/ data:

- Activity data: primary data provided by the organisation, such as invoices referred to gas services, electricity, internal statements of purchased diesel fuel, etc.;

- Characterisation factors: characterisation factors that are also accepted when certifying the calculation in accordance with ISO 14064-1:2018 are considered in all cases, primarily from the latest compilation of 2023 emission factors carried out by the UK Department for Environment, Food and Rural Affairs (DEFRA) and from one of the most well-known and widely used LCA databases in the world, ecoinvent 3.10 (latest version available).



Metro 15 →



[5.2]

ENERGY AND GHG EMISSIONS

Sources of greenhouse gas emissions were identified and grouped according to ISO 14064-1:2018. Following the above criteria, the surveyed emission sources characterised and reported in this inventory are therefore as follows:



Category according to ISO 14064:2018 (and according to GHG Protocol)	Emission description	Sources of emissions for Frezza s.r.l.
Category 1 (scope 1)	direct emissions arising from activities under the control of the organisation	<ul style="list-style-type: none"> • Direct emissions from stationary combustion (on-site natural gas) • Direct emissions from mobile combustion (diesel)
Category 2 (scope 2)	indirect emissions from purchase of electricity from the grid	<ul style="list-style-type: none"> • Indirect emissions from imported electricity (on-site)
Category 3 (scope 3)	indirectly produced emissions related to transportation	<ul style="list-style-type: none"> • Emissions from employee commuting • Emissions from waste transportation • Upstream emissions from fuel generation and transportation/distribution (WTT) – diesel • Upstream emissions from transport/distribution of purchased power and network losses

Categories that are not included in the above-mentioned calculation have been omitted for the following reasons:

- They are not relevant to the organisation, as for example category 5, emissions related to sold products, which isn't applicable
- Specific data cannot currently be calculated, e.g. it's currently impossible to quantify in terms of weight or volume the purchased raw materials, since this information isn't available in the suppliers' transport documents and/or invoicing. Therefore it's not possible to quantify category 3, transport of upstream materials, and category 4 related to emissions from the production of these same materials

[5.2]

ENERGY AND GHG EMISSIONS

Therefore, the calculation detailed below is not validated by an independent third party. It is planned by 2026 to start calculating this indicator in an externally validated manner, in accordance with ISO 14064-1:2018, and therefore with the inclusion of all significant categories in compliance with the norm, after evaluating what management needs to be implemented to be able to gather evidence, as reported in section 2.5.

Meanwhile, and as an improvement from the previous year, new emission categories were quantified for the reported period, adding to the previous calculation:

- Emissions related to waste transport
- Upstream emissions related to fuel transport and distribution (a category called well to tank, WTT)
- Upstream emissions related to the transport and distribution of purchased electricity and network losses

Emissions related to activities within the reporting limits of the Inventory therefore amount to 945.93 tons of CO₂ equivalent as detailed beside:

Emission category	tCO ₂ e	Abbr. category.	%	Emission factor	Emission factor source
Category 1: Direct GHG emissions					
Direct emissions from stationary combustion (natural gas in situ)	188,86	1. Heating	19,97	2,040	DEFRA, sheet "Fuels", dataset "Natural Gas", kgCO ₂ e/smc, 2023
Direct emissions from mobile combustion (diesel)	155,08	1. Diesel	16,39	2,660	DEFRA, sheet "Fuels", dataset "Diesel (100% mineral blend)", kgCO ₂ e/l, 2023
Category 2: Indirect emissions from purchased energy consumption					
Indirect emissions from imported electricity (in situ)	228,54	2. Electricity	24,16	0,242	ecoinvent 3.10 - dataset "Italy, electricity, low voltage, residual mix Cut-off, U",
Category 3: Indirect emissions derived from transportation					
Emissions from employee commuting	201,73	3. Employee commuting	21,33	0,157	DEFRA, sheet "Passenger vehicles", dataset "Medium car, CNG", kgCO ₂ e/km, 2023.
				0,167	DEFRA, sheet "Passenger vehicles", dataset "Medium car, diesel", kgCO ₂ e/km, 2023.
				0,178	DEFRA, sheet "Passenger vehicles", dataset "Medium car, petrol", kgCO ₂ e/km, 2023.
				0,109	DEFRA, sheet "Passenger vehicles", dataset "Medium car, hybrid", kgCO ₂ e/km, 2023.
				0,157	DEFRA, sheet "Passenger vehicles", dataset "Medium car, CNG", kgCO ₂ e/km, 2023.
Emissions from waste transport	2,82	3. Waste transport	0,30	0,116	DEFRA, Sheet "Freighting goods" dataset "HGV-all diesel, Articulated (>3.5-33t), 50% laden", 2023.
Upstream emissions resulting from generation and transport/distribution of fuels (WTT) - diesel	36,66	3. WTT-diesel	3,88	0,629	DEFRA, GHG Conversion Factors, Table "WTT-fuels", 2023
Upstream emissions from transport/distribution of purchased power and network losses	132,25	3. Electricity distribution and losses	13,98	0,140	ecoinvent 3.10, Electricity Emission Factors Scope 2 and 3 - Sheet Scope 3 all GHGs - dataset "IT electricity, low voltage, residual mix"
Total	945,93		100,01		

[5.2]

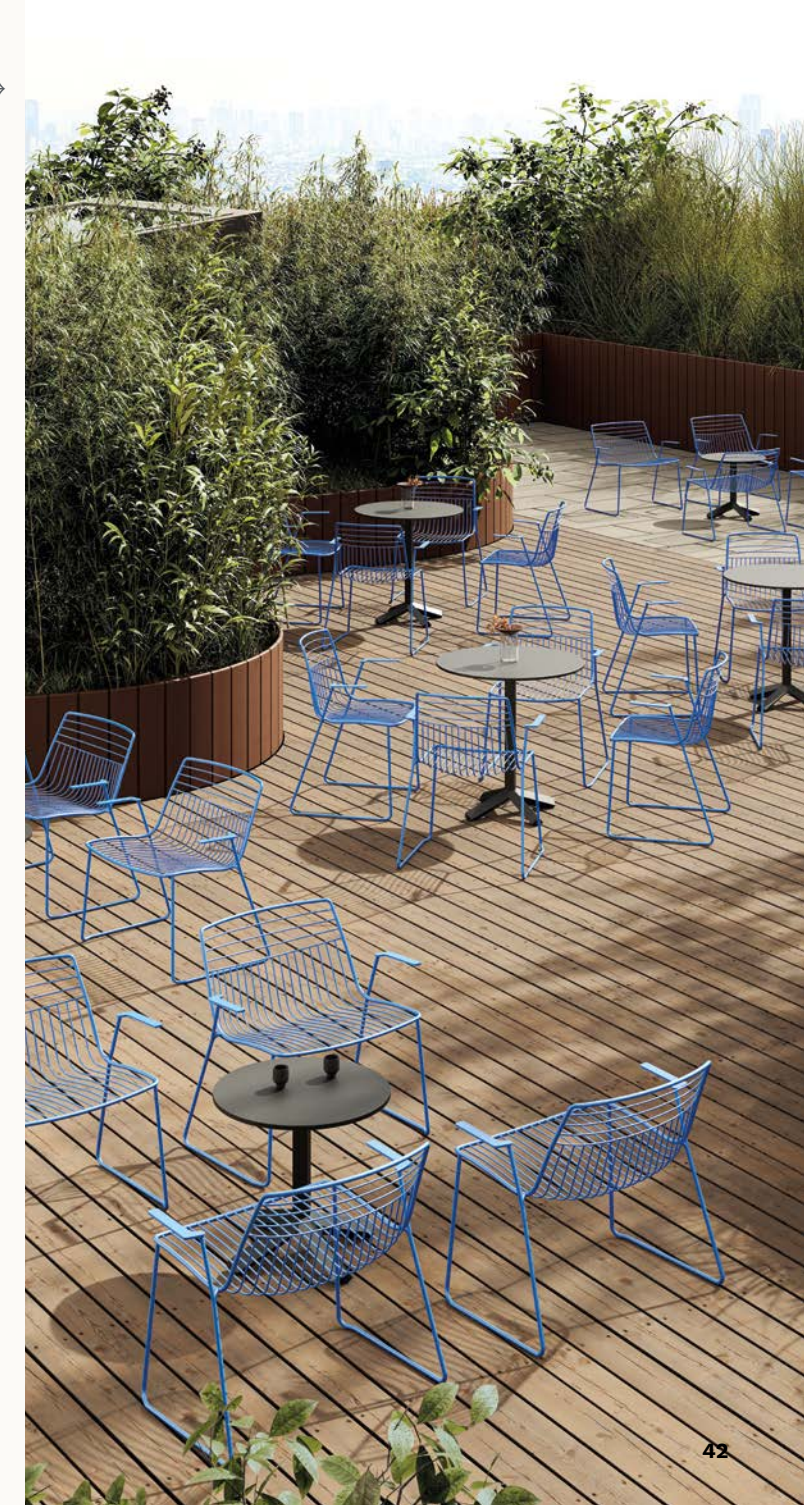
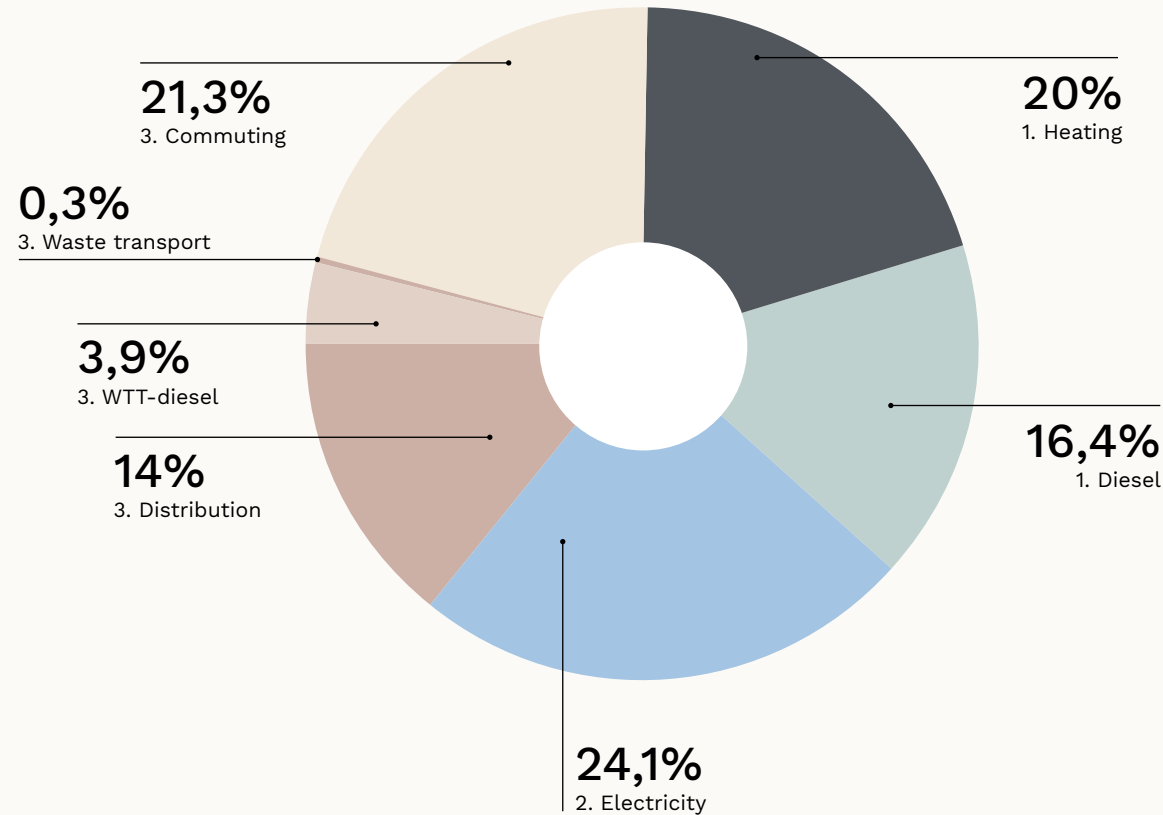
ENERGY AND GHG EMISSIONS

The carbon intensity, calculated according to the formula tCO_2eq/t produced¹, is 0.13 tCO_2eq for each ton of sold product, which is slightly higher than the previous year but bearing in mind that more emission categories were included in this calculation.

Below is a detailed breakdown of the GHG inventory for the reported period according to the various emission source

Almost a quarter of all emissions for the reported categories (24.2%) are caused by the fulfilment of electricity needs, all of which is purchased from the electricity network.

¹ Considering that the total tons sold in 2023 amount to 7,227.71.



[5.2]

ENERGY AND GHG EMISSIONS

The next most impactful categories are respectively the yearly employee commuting (21.3%) and the emissions related to the use of natural gas for infrastructure heating.

Compared to the calculation made in the previous year, the emissions related to scope 1 and 2 decreased slightly, but the emissions related to employee commuting increased slightly, as 9 people joined the workforce during the reported year.

Analysing the overall consumption of energy resources during the reporting period, overall it is estimated that the organisation uses 298.5 toe (Tonnes of Oil Equivalent), which is almost 10% less than in 2022.

The biggest decreases are in the use of natural gas (-22%), largely due to a delayed switch-on during the winter period, and diesel (-15%).

	2020		2021		2022		2023		
Data	quantity	toe	quantity	toe	quantity	toe	quantity	toe	Variation 2022-2023
Fuel oil (kg)	63.050	61,81	0	0	0	0	0	0	
Medium voltage electricity (KWh)	983.002	226,1	1.053.075	242,21	954.512	178,5	944.612	176,64	-1,0%
Diesel fuel (lt)	15.606	15,45	43.564	43,12	61.385	52,3	58.302	44,44	-15,0%
Natural gas(mc)	53.806	44,12	114.104	93,56	118.648	99,2	92.578	77,40	-22,0%
Total toe		347,48		378,886		330		298,48	-9,6%



Highlighted in detail is the composition of the values for 2023 where most toe is consumed by electricity use (59.2%).

VECTOR	U.M.	Value 2023	Conversion factor to toe	PCI or EER	TEP 2023	%
Electricity	kWh	944.612,00	$0,187 \times 10^{-3}$		176,64	59,18
Natural gas	Sm3	92.578,00	$EER \times 10^{-7}$	8.360	77,40	25,93
Diesel	t	48,68	$PCI (kcal/kg) \times 10^{-4}$	10.200	44,44	14,89
Total					298,48	100,00



[5.3]

RESOURCE USE AND CIRCULAR ECONOMY

Frezza's environmental management system, which has been implemented for more than 20 years, has enabled the company to build a dashboard that monitors the main consumption related to its activities, including:

- Purchase of raw materials by product category
- Consumption of energy vectors (already detailed in the previous section)

The business model is based on small, medium and large project-driven sales.

The product collections are partially available in stock, in accordance with a stock policy focused on high turnover ratios.

Upon customer request, the company can design and produce custom-made products.

As a result, production is calibrated to the commercially confirmed level of activity, which means that the raw materials involved in the production are optimised with respect to a business model where production has standard targets.

With regard to the used raw materials, an inflection of almost all categories can be observed with respect to 2022, mainly related to the use of wood and packaging, in favour of the use of cardboard.

Data	Unit of measurement	2021	2022	2023	Variation 2022 - 2023
MDF	Mc	80,07	15,90	16,80	5,7%
Laminated panels	Mc	7.650,52	7.637,04	5.813,00	-23,9%
Chipboard panels	Mq	7.096,14	3.014,00	2.100,00	-30,3%
Polystyrene	Pz	790.623,00	140.245,00	19.155,00	-86,3%
Cardboard	Pz	68.236,00	373.590,00	911.763,00	144,1%
Glues	Kg	990,00	1.077,00	885,00	-17,8%
Plastic	Pz	720.325,00	17.524,00	16.997,00	-3,0%
Aluminium	Pz	115.387,00	88.223,00	56.696,00	-35,7%
Glass	Pz	13.658,00	12.933,00	12.157,00	-6,0%
Cut panels	Mq	25.634,00	15.500,00	8.965,00	-42,2%
Water	Mq	2.182,00	1.568,00	1.364,00	-13,00%



The data is constantly under close observation and the target and commitment will tend to deepen the awareness of the critical hotspots; for example, Frezza intends, within the next two years, to delve into product environmental assessment studies (LCA) in addition to the GHG inventory of climate-altering gases (organisation carbon footprint) to define strategies for abatement and compensation of emissions and consequently, consumption (see section 2.5).



[5.4]

WASTE

For the reasons mentioned in the previous section, the quantity of waste produced by the organisation is relatively small, a mere 5.9%.

The EWC codes are various, but most go to recovery (97.7% with recovery code R13). The remaining 2.7% refers to the only waste considered hazardous that was produced during the reported year, which is related to oily waste water.



74.26% is wood-based waste.

Frezza's path of awareness has led the company to understand that waste production is a consequence of a linear economic system, i.e. one that does not design products to minimise waste at each stage of the supply chain and after its use phase, i.e. at the end of the product's life cycle.

CER code	Description	Kg Quantity			End-of-life treatment
		2021	2022	2023	
03.01.05	Sawdust, shavings, cuttings, wood, particle board and veneer other than those mentioned in 03.01.04	400.620	331.120	361.480	Recovery
08.01.11*	Waste paint and varnish containing organic solvents or other dangerous substances		200		Recovery
08.03.18	Used printing toner other than those mentioned in 08.03.17		420		Recovery
10.11.12	Waste glass other than those mentioned in 10.11.11	6.510	8.400	13.100	Recovery
12.01.01	Metal filings and turnings	6.580	11.920	25.140	Recovery
12.01.03	Non-ferrous metal filings and turnings	14.000	13.140	16.980	Recovery
13.05.07*	Oily water from oil/water separators	7.340	9.130	11.430	Disposal
15.01.01	Paper and cardboard packaging	32.720	27.140	24.480	Recovery
15.01.02	Plastic packaging	13.940	13.820	13.340	Recovery
15.01.06	Mixed material packaging	27.600	23.520	20.660	Recovery
16.02.13*	Discarded equipment other than those mentioned in 16.02.09 to 16.02.12		80		Recovery
16.02.14	Discarded equipment other than those mentioned in 16.02.09 to 16.02.13		240	140	Recovery
16.03.05 *	Organic waste containing dangerous substances		140		Disposal
16.06.01*	Lead batteries		110		Recovery
17.04.05	Iron and steel	8.460			Recovery
17.04.11	Cables other than those mentioned in 17.04.10		560		Recovery
17.06.03*	Other insulating materials containing or made of dangerous substances		1.070		Disposal
17.06.04	Insulating materials other than those mentioned in 17.06.01 and 17.06.03		30		Disposal
17.08.02	Chalk-based construction materials other than those mentioned in 17.08.01		780		Recovery
20.01.21*	Fluorescent tubes and other mercury containing waste		30		Recovery
TOTAL		517.350	441.850	486.750	

[5.4]

WASTE

Frezza's main goal in this area is to develop its products from an eco-design perspective in order to extend their use (or reuse) as much as possible and minimise their impact even during their end-of-life phase, taking into account the differences and specificities of the markets in which it operates.

This effort, combined with the above-mentioned in-depth technical study, and a tendency to re-integrate some previously outsourced production processes, will give the company greater control over production waste, and the impact of its products in general.

ASPECT	2021	2022	2023
Total amount of produced waste (kg)	517.350,00	441.850,00	486.750,00
Waste disposal costs (€)	32.143,00	29.500,00	26.388,00
Wood based waste (codes CER 030105 and 150103) (kg)	400.620,00	331.120,00	361.480,00
Other waste summation (kg)	116.730,00	110.730,00	125.270,00
Wood based waste/other waste summary (kg)	3,43	2,99	2,88
Electricity consumption (KWh)	1.053.075,00	954.512,00	944.612,00
Work hours (h)	178.872,00	182.012,00	158.187,00
Methane quantity (mc)	114.104,00	118.648,00	92.578,00
Tons sold	6.894,72	8.257,64	7.227,71



[6]

SHAPING RELATIONSHIPS
PEOPLE

Recent events have accelerated the intermingling or crosspollination between the spheres of work and home. In many respects, progressive working spaces are being designed to express more of the values prized within more informal spaces, such as the domestic environment.

Claesson Koivisto Rune
Interview p. 14



At Frezza, we strive to ensure that each of our employees can feel good, find their own personal path and express their talents.

We therefore strive to improve and enhance the assets and skills possessed by each person. We protect the dignity and moral integrity of every individual and ensure equal opportunities for all employees based on their professional qualifications and individual abilities.

We strive to create safe and comfortable working environments that stimulate dialogue and the sharing of values and visions, demanding honesty and fairness from our employees and collaborators, in compliance with the rules and principles defined in our Code of Ethics.



SDG 3

Health and well-being



SDG 4

Quality Education



SDG 5

Gender equality



SDG 8

Decent work and economic growth



SDG 10

Reducing inequalities



SDG 17

Partnership for the goals

[6.1]

STAFF COMPOSITION

Total employees	→	112
Permanent contracts	→	89%
Full time	→	96%
New hires	→	12
Employees left	→	4
Growth rate	→	3,7%
Turnover rate	→	7,1%

In 2023 Frezza employs a total of 112 people (+4 compared to the previous year, which corresponds to a growth rate of 3.7%).

There are 12 new hires, 9 of which are replacements for 8 contract terminations. The turnover rate (terminated staff/total staff) is 7.1%.



Breakdown of new hires by gender and age

Age	Male	Female	Total
< 30 years	1	3	4
30<50	6	1	7
>50	1	0	1
Total	8	4	12

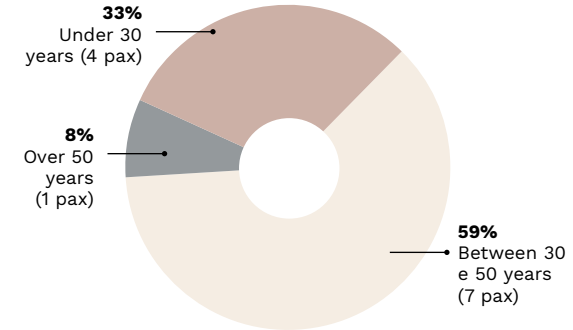
Breakdown of new recruits for replacement by gender and age

Age	Male	Female	Total
< 30 years	1	3	4
30<50	4	0	4
>50	1	0	1
Total	6	3	9

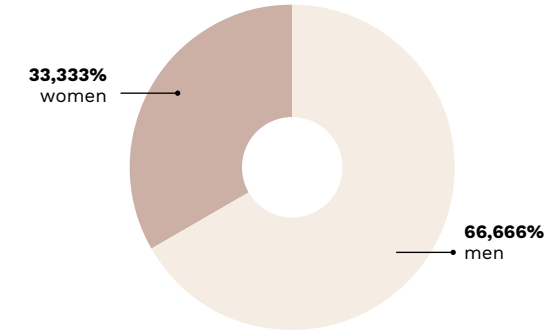
Breakdown of contract terminations by gender and age

Age	Male	Female	Total
< 30 years	1	0	1
30<50	1	0	1
>50	6	0	6
Total	8	0	8

Breakdown of new hires by age



Breakdown of new recruits by gender



100% of the employees are subject to the Collective Labour Agreement for the Wood and Furniture Industry Sector.

89% of our employees are on permanent contracts, a sign of the company's desire to establish stable relationships with its employees.

96% are employed full time. Part-time employees have requested this form of contract for personal needs.

	Permanent contracts		Fixed-term contracts		Total employees
	Full Time	Part time	Full Time	Part time	
PRODUCTION WORKERS	8	1	37		46
PRODUCTION APPRENTICE WORKERS			1		1
OFFICE WORKERS	3		55	3	61
APPRENTICE OFFICE WORKERS			1		1
MID-LEVEL MANAGERS			2		2
EXECUTIVES			1		1
Total	11	1	97	3	112

[6.2]

EMPLOYEE INVOLVEMENT AND WELFARE GENERATION

At Frezza we encourage collaborative dynamics based on active listening and sharing, starting with our physical spaces, which are spacious, open and bright and encourage eye contact and empathy, without compromising confidentiality and the need for concentration.

Part of Frezza's focus on creating well-being for its workers lies in the creation of comfortable and dynamic workstations, designed to accommodate different habits and preferences.

In 2023, Frezza replaced 20% of its desks with new height-adjustable desks. The new workstations, by allowing frequent changes of position even while standing, improve posture and blood circulation



The Vidor headquarters provides spaces for collaboration and relaxation, including a fully equipped kitchen area for workers who do not go home for lunch breaks.



All benefits granted to full-time and permanent employees are also granted to fixed-term or part-time employees.

In 2023, in order to promote the organisational and productive climate, Frezza granted all employees a bonus consisting of electronic shopping vouchers as follows

- 'Grocery shopping' voucher
- 'Fuel' purchase voucher

For part-timers and employees who started working during the year, the amount of the benefit was re-proportioned.



Be.1 table and Karl Stools ↑



Pop Easy →

[6.3]

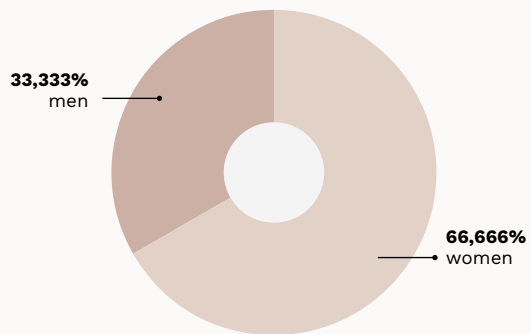
DIVERSITY AND INCLUSION

At Frezza, 66% of the board members are female.

Board of Directors composition by gender and Age

Age	Male	Female
Board of Directors	1	2
of which >50 years old	1	2

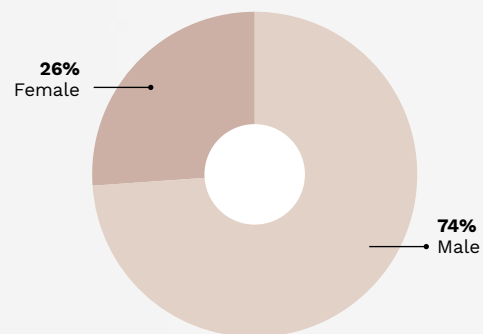
Board of Directors composition by gender



The employee composition sees a predominance of men (74%), which is typical of the industrial field mainly due to the employee composition in the production departments.

In offices, the gender composition sees a greater balance, with an overall trend towards a better gender equidistribution than in 2022.

Employee composition by gender.



Employee composition by gender by category. Comparison year 2022-2023

	Year 2022				Year 2023			
	Male	%	Female	%	Male	%	Female	%
Production Workers	43	93%	3	7%	43	93%	3	7%
Production Apprentice workers	2	100%	0	0%	1	100%	0	0%
Office workers	34	62%	21	38%	36	59%	25	41%
Apprentice office workers	0	0%	1	100%	0	0%	1	100%
Mid-level managers	3	100%	0	0%	2	100%	0	0%
Executives	1	100%	0	0%	1	100%	0	0%
Total	83	77%	25	23%	83	74%	29	26%

Stand by Light →



[6.3]

DIVERSITY AND INCLUSION



Overall composition by age group

Year 2022

<30 → 11%
 30<x<50 → 52%
 >50 → 37%

Year 2023

<30 → 13%
 30<x<50 → 50%
 >50 → 37%



Employee composition by age

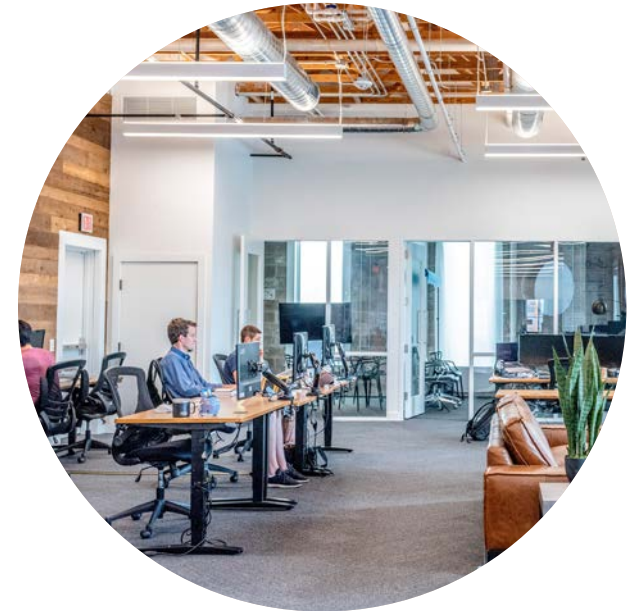
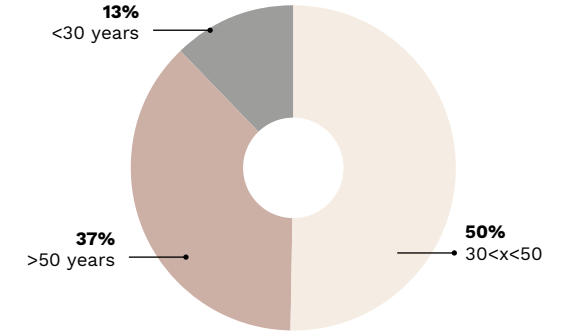
The composition of employees by age group sees a predominance of the 30-50 age group as a result of the high degree of employee loyalty (41% of employees have been with the company for more than 20 years, 53% for more than 10 years).

Again, comparing the percentages with the previous year, there is a trend towards a better equidistribution by age group than in 2022.

Employee composition by age per category. Comparison year 2022-2023

	Year 2022						Year 2023					
	<30	%	30<x<50	%	>50	%	<30	%	30<x<50	%	>50	%
Production Workers	3	6%	17	37%	26	57%	3	6%	17	37%	26	57%
Production Apprentice workers	2	100%	0	0%	0	0%	1	100%	0	0%	0	0%
Office workers	6	11%	36	65%	13	24%	9	15%	36	59%	16	26%
Apprentice office workers	1	100%	0	0%	0	0%	1	100%	0	0%	0	0%
Mid-level managers	0	0%	2	66%	1	33%	0	0%	2	100%	0	0%
Executives	0	0%	1	100%	0	0%	0	0%	1	100%	0	0%
Total	12	11%	56	52%	40	37%	14	13%	56	50%	42	37%

Employee composition by age



[6.3]

DIVERSITY AND INCLUSION

Frezza employs 12 people of non-EU nationality (10 in the production departments and 2 in the sales offices), a sign of its inclusive policy but also of its ability to attract diversified talent.



Employee composition by job position, gender and age

	Male			Female		
	<30	30<x<50	>50	<30	30<x<50	>50
Production Workers	3	15	25	0	2	1
Production Apprentice workers	1	0	0	0	0	0
Office workers	3	22	11	6	14	5
Apprentice office workers	0	0	0	1	0	0
Mid-level managers	0	2	0	0	0	0
Executives	0	1	0	0	0	0
Total	7	40	36	7	16	6

Equal opportunities

Frezza guarantees equal pay for equal roles, experience and seniority in the company. The gap between the basic salary/ remuneration ratio of women and the basic salary/ remuneration ratio of men is mainly due to the higher corporate seniority of the male gender.

Ratio of basic salary between women and men

	Male	Female
Production Workers	0,61	0,66
Production Apprentice workers	0,70	-
Office workers	0,58	0,63
Apprentice office workers	-	0,72
Mid-level managers	0,42	-
Executives	1	-



Wait →

[6.4]

TRAINING AND SKILLS DEVELOPMENT

Frezza recognises training as a fundamental tool for keeping its employees up to date and developing their professional skills, in order to guarantee a constant improvement in the levels of efficiency, effectiveness and quality of its activities.

In the first months of 2023, decision makers on sustainability issues were involved in a training course conducted by Sustain Me that was divided into 2 stages:

- On-demand virtual training on the SustainMe Platform. 6-step recorded video course divided into macro themes (no. 20 credentials provided).
- Specialised technical sessions on the topics of greatest interest for the co-creation of a strategic work plan.

In addition and as a complement to the aforementioned technical course, brainstorming sessions were conducted on transversal and interdisciplinary topics:

- Session 1. From Inside Out: Embodying Sustainability. Interactive individual and group activities oriented towards the alignment of values, awareness of the messages that must be communicated and the creation of a new value proposition (8 hours of total face-to-face activities addressed to a mixed management group: Director, HR, administration, marketing, sales, production, technical department).
- Session 2. Design for (educating) the consumer's new way of thinking. Interactive activities aimed at creating an overview of design as a vehicle for messages and good practices in consumption/ green behaviours, and how the individual's experience and decision-making mechanisms work (8 hours total in-presence activities addressed to the technical design area group).



Consistent with Ministry of Labour and Social Policies Decree No. 142 of 2nd August 2022, in June 2023 Frezza launched a training programme through which it intends to facilitate the introduction of digital and technological innovation and modernisation paths, linking them with individual and group skills and the pursued goals.

Among the important and substantial innovations envisaged by the training course are:

- Renewal and upgrade of the equipment used in the work cycle;
- Digital transition;
- IT upgrade, by implementing new software and hardware systems;
- Projection towards new markets or niches that have not been addressed until now;
- Raising the skill levels and expertise of personnel through the incorporation of new specific skills;
- Absorption of new techniques and skills necessary for the use of new computerised and automated systems;
- Adaptation of production processes to the new activities and procedures;
- Improvement of sustainability skills (eco-design, sustainability report).



[6.4]

TRAINING AND SKILLS DEVELOPMENT

The two-year training programme is aimed at all office staff.

The desired results are basically two:

- Provide the involved staff with new knowledge and develop, step by step, all necessary skills required to use new tools and software, according to the new procedures that will be introduced in the business cycle.
- Develop more flexible and complete professional profiles among the current employees, who will be able to perform tasks and duties that they have not performed before within the framework of the current intervention, while respecting their personal inclinations

The Staff Training Project foresees that the training activities will be developed in two ways:

Theoretical training, carried out in lessons organised using traditional methods, supported by tools such as slides, case histories, interactive lessons, etc. for a maximum total of 32 hours in 24 months

Practical training, which enables the acquisition, development and enhancement of on-job skills, according to the well-established ‘learning-by-doing’ method. This training is basically aimed at acquiring new and advanced skills, related to different areas and tasks or the performance of tasks with machinery that has never been used before. This phase of the training process is divided into specific modules and learning units per macro-area and department, defining for each module: reasons, goals, contents, recipients, method.

The tasks and departments concerned by the training are as follows:

- GOODS ACCEPTANCE DEPT.
- PURCHASES DEPT.
- ADMINISTRATION DEPT.
- AREA MANAGERS
- IT DEPT.
- CUSTOMER SERVICE DEPT.
- MARKETING AND COMMUNICATION DEPT.
- CUSTOMER-SUPPLIER QUALITY DEPT.
- RESEARCH & DEVELOPMENT DEPT.
- TECHNICAL SALES DEPARTMENT DEPT.
- OFFICE AND SHIPPING DEPT.

The training activity focuses on the pivotal idea that the learning process is all the more effective when supported by innovative (and not only traditional) knowledge transmission methodologies.

Practical training, which predominates over theoretical training, is based around the principle of on-the-job learning, according to which it is possible to improve one’s cognitive process by

performing all of the operations required by the various tasks, not only by mechanical and habitual skills, but also by regaining their rational value within the entire production process.

The training programme foresees moments of formal periodic review and revision for all employees, in order to effectively improve their skills



[6.5]

HEALTH, SAFETY AND HUMAN RIGHTS

The protection of health and safety at work is a primary goal for Frezza, established by the Code of Ethics, guaranteed by the UNI ISO 45001:2018 Certification (Compliance of the Health and Safety Management System) and implemented in accordance with the Risk Assessment Document.

Frezza operates, at all levels, to ensure the physical and moral integrity of its employees, to guarantee working conditions that respect their individual dignity and to ensure a safe and healthy working environment, in full compliance with the regulations in force.



Frezza meticulously assesses all risks to the safety and health of its employees, including the selection of work equipment and chemical substances or preparations used, as well as workplace layouts. Workers shall carry out their work under such technical, organisational and economic conditions that ensure adequate accident prevention and thus a healthy and safe working environment.

Every company decision, of every type and level, regarding occupational safety and health, must take the following criteria into account:

- Avoid risks;
- Assess risks that cannot be avoided;
- Tackle risks at the source;
- Adjust the job to suit the worker, in particular to mitigate monotonous and repetitive work;
- Take into account the degree of technical development;
- Replace what is dangerous with what is less so;
- Give collective protective measures priority over individual protective measures.

Frezza plans specific prevention activities, striving for a coherent overall approach that takes into account technique, organisation, working conditions, social relations and in general all factors that influence the working environment.

Frezza is committed to spreading and consolidating a safety culture among all its employees by developing a risk awareness.

ACCIDENT STATISTICAL ANALYSIS	2021	2022	2023
No. of accidents	6	2	2
No days of absence	650	30	34
Hours worked	178.872	182.012	158.187
No. of workers	102	108	109
Frequency index: no. of accidents per million hours worked	33,54	10,99	12,64
Severity index: total days of absence due to injury x one Thousand hours worked	3,63	0,16	0,22
Average injury duration: days of absence per injury	108,33	15	17
No. reported missed accidents	3	5	2



In 2023, two accidents occurred, including 1 commuting accident, for a total of 34 days of absence.



During the reporting period, there were no incidents, complaints and serious human rights impacts.

[6.6]

COMPLAINT MECHANISMS

The 231 Organisation, Management and Control Model adopted by Frezza defines a specific protocol for so-called Whistleblowing.

The procedure is aimed on one hand at protecting the integrity of the company by properly processing the received whistleblowing reports and preventing unfounded reports; on the other hand at protecting the confidentiality of the

whistleblower, safeguarding him/her from any discriminatory act or retaliation.

The procedure identifies two different reporting channels (by e-mail and by post) addressed to the Supervisory Board, which promptly proceeds to analyse and process the report, in full compliance with privacy and the GDPR.



SHAPING OUR WAY OF BEING TOGETHER
COMMUNITY

The responsibility that the designer carries with him is founded on the awareness of being able to create a better future for people: every object and every space we design is born to last, and produces an effect on the user that imposes on us, at every stage of the project, reflections that are not only aesthetic and functional, but also ethical, social, economic and obviously environmental.

Arch. Matteo Colombo for Progetto CMR
Interview p. 16



Frezza designs and distributes solutions all over the world that are designed to last, guaranteeing an enjoyable way of living and working. The concept of ‘Sustainable Living’ translates into the way we relate to the outside world, oriented towards building ongoing relationships based on satisfaction and trust. This is the approach that guides our relationship with people, whether they be customers, consumers or the local community.



SDG 3

Health and well-being



SDG 10

Reducing inequalities



SDG 12

Responsible consumption and production



SDG 17

Partnership for the goals

[7.1]

CUSTOMER RELATIONS

Frezza gauges the satisfaction of its customers by focusing on indicators related to delivery times, complaint handling and service management.

Milan 2023 ↓



With regard to delivery times, there are 3 indices, which are monitored annually.



With regard to complaints, the incidence in relation to the number of shipped packages is monitored.

	2021	2022	2023
Days of difference between customer order and release date	1,31	1,25	0,73
Days of difference between release date and delivery document date (DDT)	17,6	19,83	16,16
Days of difference between expected delivery and DDT date	2,61	2,92	3,72

	2023					2022		
	Number of complaints	Var. previous year	Number of shipped packages	Var. previous year	one complaint for every x packages shipped	Number of complaints	Number of shipped packages	one complaint for every x packages shipped
FURNITURE	1.166	-11,80%	447.207	-9,26%	383,54	1.322	492.855	372,81
FREZZA EDUCATION	8		5.901		737,63	0	0	
PARTITIONS	391	-7,35%	39.271	-7,41%	100,44	422	42.412	100,50
SEATING	426	2,16%	45.684	-13,58%	107,24	417	52.864	126,77
Total	1.991	-7,87%	538.063	-8,51%	270,25	2161	588.131	272,16

Complaints for shipped packages

2023 → one complaint for every 270 packages shipped
 2022 → one complaint for every 272 packages shipped
 2021 → one complaint for every 254 packages shipped

[7.2]

RELATIONSHIPS AND INVOLVEMENT WITH THE LOCAL COMMUNITY

Frezza engages with the local community through initiatives aimed at creating long-term social value. Through sponsorships and donations, it has expressed its support for amateur sports, the promotion of tourism in the area and organisations committed to assisting people in difficulty.



Sponsorships

- Sponsorship of the competitive activities of ASD VIDOR CALCIO (A.S. 2022/2023) and ASD VIDOR QDP (A.S. 2023/2024)
- Sponsorship of the book ‘Treviso’ of the Grand Tour collection (Edizioni Chartesia S.r.l.)
- Sponsorship of a vehicle used to transport people with disabilities in the municipality of Valdobbiadene for the ‘Progetti del cuore’ association

Liberal donations

- Liberal donation in favour of La Rete Società Cooperativa Sociale ETS for the support of the Comunità Alloggio Casa Maria Adelaide and the ‘Il Sole’ Day Center
- Liberal donation in favour of LILT Lega Italiana Lotta contro i Tumori Associata Provinciale di Treviso ODV



[7.3]

MARKETING AND COMMUNICATION

In 2023, Frezza participated to a series of international events and trade fairs to present its promise worldwide: “Design for evolving Humans”. Humanity, with its habits, needs and discoveries continues to progress and so does Frezza’s design. Lifestyle and design, mentality and form, culture and space influence and contaminate each other in a virtuous circle that leads to continuous and mutual evolution.

This is how Frezza’s relations with its stakeholders aim to be, oriented towards continuous progress in order to respond more efficiently to the urgent demands of social and environmental sustainability.



Workspace Expo Paris

From 4th to 6th April, Frezza reconfirmed its presence at Workspace Paris, the French trade fair dedicated to the office world. On a 70 square metre stand, Frezza proposed its vision of workplaces that evolve with the needs of those who live in it on a daily basis. Professional spaces are changing and becoming increasingly dynamic and versatile. Frezza’s furniture is designed to be a key element in ensuring multifunctionality. Each featured product is the result of a design that evolves together with the culture of our time, and was designed in accordance with the guiding principles of environmental sustainability.



Milano Design Week

From 18th to 21st April, during the 60th edition of the Salone del Mobile, Frezza presented its new collections at the IBM Studios.

The installation provided an immersive experience in a sort of city on a human scale, where plants and paths merge with Frezza products to create micro-architectures in a 700 square metre space.

Dynamism, empathy and welcoming places foster relationships in a fluid and natural way. All products have been designed according to guiding principles focused on environmental respect. Production processes and selected materials strictly adhere to the themes of recycling and reuse.



Index Workspace Dubai

For more than 30 years, Index Workspace Dubai has been one of the most important events in the Middle East for the office sector.

The 2023 edition, which focused on people’s well-being and the optimisation of spaces to improve productivity, was held from 23rd to the 25th of May at the World Trade Centre in Dubai.

In a space of 48 square metres, Frezza created five types of hybrid and versatile work environments. The stand was complemented by a small training room.

Index Workspace Riyadh

From 10th to 12th September 2023, Frezza participated in the Index Saudi Arabia exhibition, the main event in Saudi Arabia for interior design and furniture. On this occasion, the company presented its personal vision of workspaces, designed to meet the evolving needs of people.

Small workspaces with different functionalities and a strategic use of colours, designed to evoke calm and relaxation or concentration, vitality and productivity, always in the name of well-being in life and at work.



Celebrity Golf Open Gate Ufficiostile-Frezza

On Saturday 16th September, in Rome, at the Fioranello Golf Club, Ufficiostile and Frezza in partnership sponsored the ‘Ufficiostile-Frezza Celebrity Open Gate’ event.

The “Celebrities”, both experienced and amateur golfers, all took part in the Louisiana game formula, which allows players to choose and retry their best shot. Among the celebrities were Laura Freddi, Claudio Chiappucci, Flavio Montrucchio, Vanessa Gravina, Massimo Lopez, Beppe Dossena, Giuseppe Incocciati, Stefano Masciarelli, Prisca and Paolo Taruffi, the President of the Lazio Region Francesco Rocca, the actor Giuseppe Zarbo, the journalist Massimo Caputi, and the Head of the Cabinet at the Vice Presidency of the Council of Ministers, Sandro Menichelli, and many others, with a total number of participants of over 140 players.

The event was an opportunity to present its vision to a target audience of potential decision makers and influencers, for a new way of living and working.



Moreover, since 2019, Frezza has been curating a weekly corporate magazine “Frezza Landscapes”, dedicated to the topics of Well Being, Work Life, How To and Inspirations, with which it wishes to be a spokesperson and amplifier of ESG strategies and good practices.

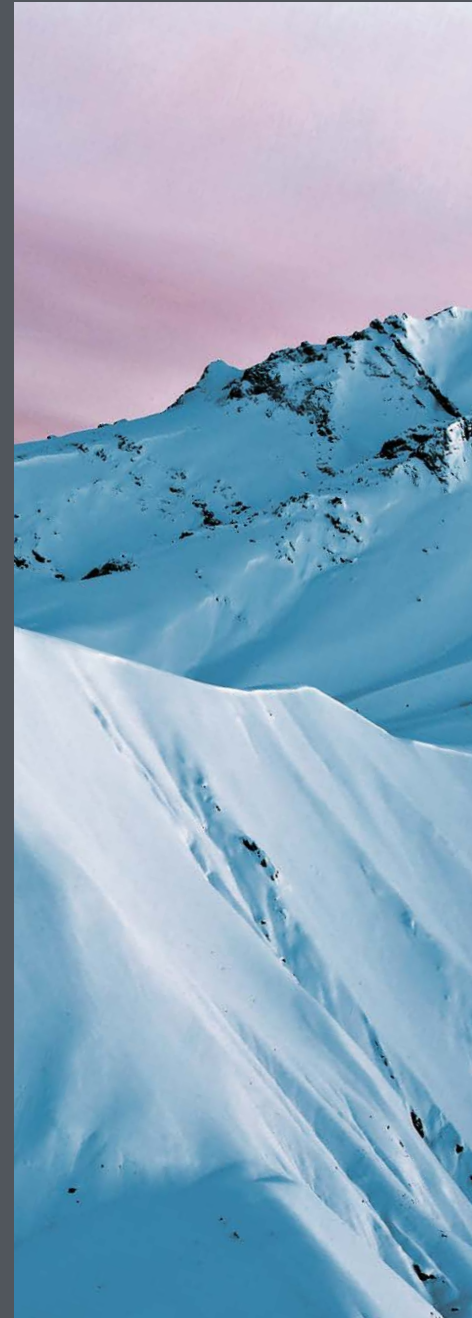
The contents are disseminated through the Frezza social channels, with the aim of sharing goals and strategies with all stakeholders, customers, partners, suppliers and end users.



APPENDIX

Count what can be counted, measure what is measurable, and make measurable what is not.

Galileo Galilei





1

Reporting Objectives and Practices

Frezza's Sustainability Report 2023 aims to provide transparent insights into the company's contributions and commitment to sustainable development, with reference to the GRI Standards: 2021 guidelines.

In a progressive effort to adapt to the new principles introduced by the CSRD, information has been supplemented with some disclosures introduced by the new ESRS standards (simplified SME version on a voluntary basis), in particular concerning:

- The process of identification of material issues (concept of dual materiality)
- The information related to strategy and business model
- The information related to context analysis
- The description of impacts, risks and opportunities
- Information related to business continuity
- Information on investments relevant to sustainability.

This is the second edition of the Report, with which the company pledges to continue its annual public reporting on its impacts on the economy, environment and people, integrating information on how it manages financial risks and opportunities arising from sustainability issues.

2

Principles for Report Content Definition

The content of the report was defined according to these principles:

- Analysis of the context in which the company operates
- Dual materiality analysis: topics are dealt with according to their importance both financially (influence on the company's activities) and in terms of impact (influence on people and the environment)
- Stakeholder Inclusiveness: stakeholders, with whom the company has an ongoing commitment to dialogue and discussion, have been involved in defining material topics.
- Systemic approach: the report considers all dimensions of sustainability (economic, environmental and social).
- The reporting boundary of this report has been based on the company's activities.

3

Principles for ensuring the quality and adequate presentation of the contained information

This report has been prepared in accordance with the principles of accuracy, balance, clarity, completeness, verifiability and comparability of information with respect to the year 2022 and in some cases with respect to the year 2021.

With reference to the broader context of sustainable development, understood as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs," the Sustainable Development Goals (SDGs) that the company has taken into account in pursuing economic, social and environmental sustainability were indicated.

Finally, with reference to the principle of timeliness: reporting began at the same time as the 2023 Annual Report and published as soon as it was available.

Stakeholders were informed at the time of publication through direct and indirect activities and dissemination through the website and digital channels.

The information provided in this report is consistent with that in the financial statements from the same period.

Appendix | GRI Content index

Gri	Disclosure	Chapter	Notes and omissions
Universal standards			
GRI 1	Key principles	8 (Methodological Note); Statement of Use	
GRI 2	General disclosures		
The organisation and its reporting practices			
2.1	Organisational details	2.1, 4.1, colophon	
2.2	Entities included in the organisation's sustainability reporting		The report includes only the Frezza Srl entity and not the Holding to which it belongs
2.3.	Reporting period, frequency and contact point	8 (Methodological Note); Statement of Use	
2.4.	Information review		There are no revisions to the information
2.5.	External assurance		No external assurance was carried out
Activities and workers			
2.6	Activities, value chain and other business relationships	2.1, 3.1, 4.5, 4.6, 7.1	
2.7	Employees	6.1	Detail of distribution of non-EU geographical region of permanent employees omitted; omitted geographical region distribution of fixed-term employees; omission of breakdown by gender and geographical region of full-time and part-time employees
2.8	Temporary contract employees	6.1	The temporary contract resource is comparable in terms of tasks to employed resources
Governance			
2.9	Governance structure and composition	4.1, 4.2	
2.12	Role of the highest governance body in overseeing the management of impacts	4.1, 4.2	
2.13	Delegation of responsibility for managing impacts	4.1, 4.2	
Strategies, policies and practices			
2.22	Statement on sustainable development strategy	Letter to stakeholders, Introduction, 2.1, 2.2. 2.3, 2.4, 2.5, 2.6	
2.23	Policy commitment	4.3, 4.4	
2.26	Mechanisms for seeking advice and raising concerns	6.6	
Stakeholder engagement			
2.29	Approach to stakeholder engagement	3.2, 3.3	Integrated with ESRS 1 (European Sustainability Reporting Standard) in accordance with the general requirements
2.30	Collective bargaining contracts	6.1	
GRI 3	Material Topics 2021		
3.1	Guidance to determine material topics	3.3	
3.2	List of material topics	3.3	

Appendix | GRI Content index

Gri	Disclosure	Chapter	Notes and omissions
Specific standards: Economic			
GRI 201	Economic performance		
201.1	Generated and distributed direct economic value	4.7	Omitted payments to capital suppliers (aggregated value data distributed to suppliers)
201.2	Financial implications and other risks and opportunities	3.4, 4.8, 4.9	Failure to classify risks (physical, financial, other)
GRI 203	Indirect Economic Impacts		
203.1	Infrastructure investments and supported services	4.9, 7.2	
GRI 204	Procurement Practices (local suppliers)		
204.1	Proportion of spending on local suppliers	4.7	
Specific standards: Environmental			
GRI 301	Materials		
301.1	Materials used by weight or volume	5.3	Omitted distinction between non-renewable and renewable materials
GRI 302	Energy		
302.1	Energy consumption within the organisation	5.2	Omitted distinction between renewable and non-renewable sources
GRI 305	Emissions		
305.1	Direct greenhouse gas (GHG) emissions (Scope 1)	5.2	
305.2	Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	5.2	
305.3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	5.2	
305.4	Intensity of greenhouse gas (GHG) emissions	5.2	
GRI 306	Waste		
306.1	Waste generation and significant waste-related impacts	5.4	
306.2	Management of significant waste-related impacts	5.1, 5.3	
306.3	Generated waste	5.4	

Appendix | GRI Content index

Gri	Disclosure	Chapter	Notes and omissions
Specific standards: Social			
GRI 401	Employment		
401.1	New employee hires and employee turnover	6.1	
401.3	Parental leave	6.1	
GRI 403	Health and safety at work		
403.1	Occupational health and safety management system	6.5	
403.2	Hazard identification, risk assessment and incident investigation	6.5	
403.5	Worker training on occupational health and safety	6.5	
403.9	Accidents at work	6.5	
GRI 404	Training and education		
404.2	Employee skills updating and transition assistance programmes	6.4	
GRI 405	Diversity and equal opportunities		
405.1	Diversity within governance bodies and among employees	6.3	
405.2	Ratio of basic salary and remuneration for women compared to men	6.3	
GRI 413	Local communities		
413.1	Operations with local community engagement, impact assessments and development programmes	7.2, 7.3	Brief description

Statement of Use

This Sustainability Report, referring to the company Frezza Srl for the period 01.01.2023 – 31.12.2023, was made public on 21.10.2024 and published on www.frezza.com

Frezza Srl reported the information mentioned in the GRI Content Index for the period 01.01.2023 – 31.12.2023 with reference to GRI Standards. Frezza Srl has notified the use of the GRI Standards and the Declaration of Use by sending an e-mail to reportregistration@globalreporting.org.

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COLOPHON

Frezza 2024

Sustainability Report 2023

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Frezza S.r.l. is UNI EN ISO 9001:2015
UNI EN ISO 14001:2015 - UNI ISO 45001:2018
Activity IAF:23.

Design, manufacturing and laying of office furniture, partitions and equipped walls and fittings (working panels, assembly, packaging and shipment). Frezza S.r.l. is in compliance with the standards FSC-STD-40-004 v3.0. We can supply FSC® certified products on request.