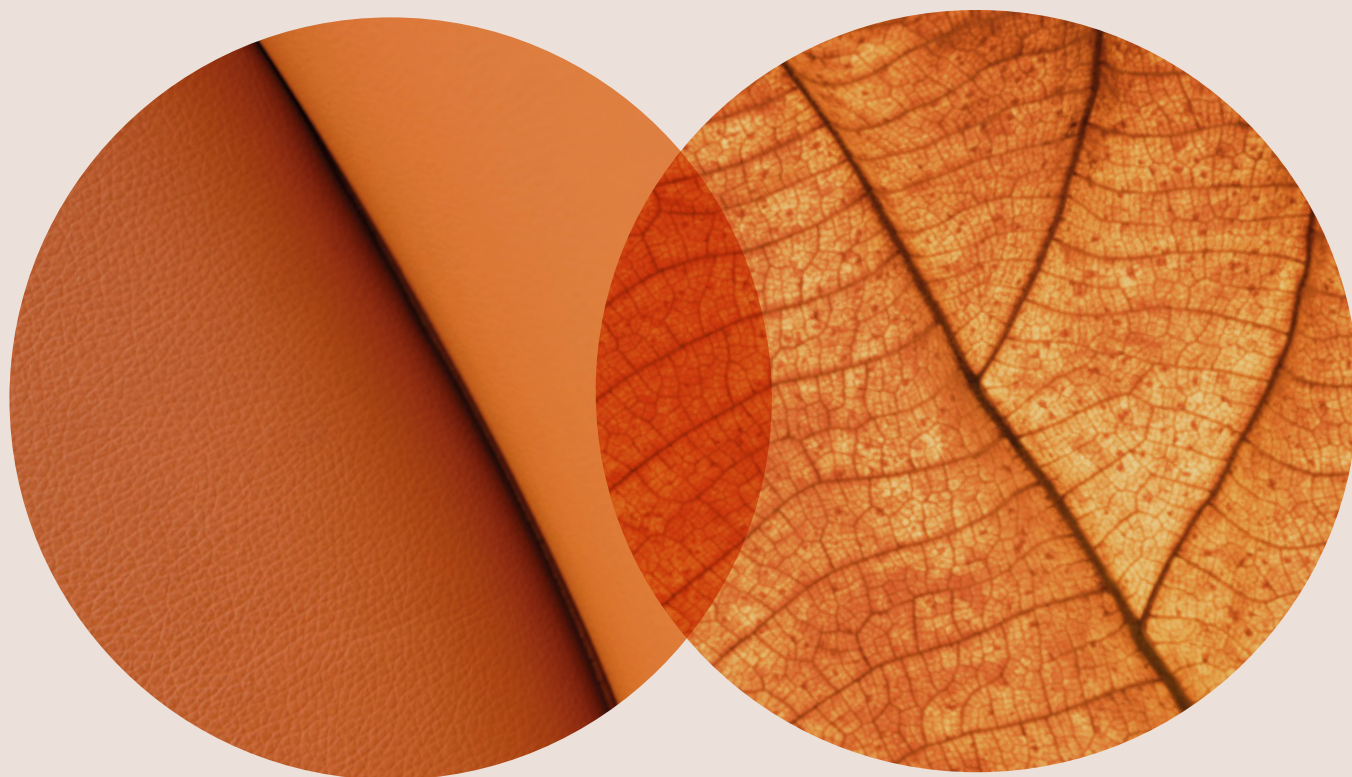




Design for Evolution



2022
Sustainability
Report

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Dear Readers,
it gives me great pleasure to share with you Frezza's first Sustainability Report for the year 2022.

We have titled it *Design for Evolution*, choosing words that embody our current work ethic and represent our commitment to the future.

“Design” means “project”: this term can obviously be used to refer to an object, but it can also be applied to a lifestyle and, even more so, to a valuable proposal.

“Evolution” means change: change of behaviour, attitude and vision.

“For” implies a relationship. It means conceiving one's business as a responsibility that goes beyond the mere creation of economic value, but aims at the creation and distribution of value for the multiplicity of stakeholders.

In 2022 we launched our payoff *“Design for evolving Humans”* to express our purpose, which is to encourage the continuous evolution of human living through the design of their spaces.

In this Report our claim takes on an even broader meaning.

We want to **encourage, through design, an evolution towards a new lifestyle, and a new increasingly regenerative economic model** capable of creating lasting value for both people and the environment.

We conducted a careful analysis to measure our impacts and came up with a concrete action plan.

This plan includes reducing the energy intensity of our production processes, creating durable and less polluting products, experimenting with new totally recycled and certified materials and evaluating the wellbeing of people, whether they be employees or end users.

Our commitment for the future is to continue along this path, always setting increasingly important and shared goals along the way.

We will continue to place people at the heart of our journey, striving to become not only a benchmark in the design field, but also a virtuous model of innovation.

Cristian Faggiani
General director
Frezza Srl

1. INTRO. AN EVOLVING IDEA OF DESIGN

Now is
the most
exhilarating
time to be
an innovator

Ellen MacArthur
Foundation

Since its origins in 1954, Frezza has found **its greatest inspiration in the changing reality**. Expanding dynamics, emerging different needs, global trends, personal evolutions: there are many drivers of change which inevitably influence the spaces in which we work. Keeping a keen eye on market trends has always been an integral part of our design versatility philosophy.

In recent years, however, we have witnessed an unprecedented acceleration of change. The pressing global environmental and social challenges, together with their interconnections, demand us to reflect, with a sense of responsibility and vision, not only on the **evolution of our products** and solutions, but also on **Frezza's very role and value proposition**.

We understand that every organization is, in essence, a “complex system” with specific objectives, strategies and intricate relationships within an ever-shifting business environment that is always seeking dynamic balance. **Frezza is no exception.**

But like every system that exists on our Planet, our system-company depends on its alignment with a so-called central system: an incredibly complex system called “Nature”. This awareness prompts us to rethink and enhance our objectives, strategies and relationships with a valuable proposition that is closely aligned with Nature and, **as a result, as regenerative as possible.**

For some years now Frezza has been on a sustainability journey, which we are presenting for the first time in this Report.

It's an ambitious and intricate path, **which requires us to re-imagine our fundamental concept of “design.”** Design, for us, is not merely about “drawing” but extends to encompass “project” in its broadest and most literal sense.

We began by focusing on **people**: our employees, as well as our suppliers, customers and end users, because we know that “you cannot be sustainable alone”. We started with the “design” of a shared mindset and a robust and resilient strategy, to become the best version of ourselves.

Our journey has just begun: we will provide you with more insights in the following pages.

The measure
of intelligence
is the ability
to change
when
necessary

Albert
Einstein



Almost 70 years of history with all kinds of changes. New talents, new insights, new investments, yet always maintaining consistency and commitment to our roots.

We change the leaves but retain the roots. Our idea of design continues to evolve and expand, yet our principles remain unaltered.

2.1 FROM ROOTS TO BRANCHES

Frezza’s story is rooted in the best made in Italy craftsmanship tradition. It began in 1954, with the founding of a small family furniture factory near Treviso, and evolved by embracing passion for beauty and innovation.

Our production soon pivoted toward providing furniture solutions tailored for modern **work environments**. In the 1970s, Frezza’s signature office furniture gained growing market share, earning the admiration of diverse customer segments through innovative and cost-effective products.

In 1992, Frezza embarked on an international journey when it was acquired by the Doimo family. Substantial investments were injected to strengthen the brand’s **technological capabilities, conduct ergonomic research and enhance the well-being** of those working and living with our products. Simultaneously we reinforced our synergy and shared vision by welcoming Emmegi into our fold, a company specializing in office seating.

Today, thanks to its incessant research into materials, processes and forms and the collaboration with important designers, Frezza stands as one of Italy’s foremost industrial companies in the realm of professional furniture, and its products are now renowned in working environments all over the world as symbols of **quality, reliability and aesthetics**.

As a part of the holding company established by Ettore Doimo’s heirs, Frezza collaborates with sister companies to embark on a **strategic growth plan**. This plan focuses on developing three core business branches – Furniture, Seating Solutions and Partition Walls – and establishing a robust distribution network in Italy and across international markets, including Europe, Africa, the Middle East and the Americas.

All this without forgetting its **roots in the territory** and its **social responsibility**, which have always been part of its work, and which today translate into the increasingly conscious and integrated adoption of **sustainable development models**.

→
Frezza
headquarter
Vidor (Treviso)



2.2
GOVERNANCE

Frezza Srl is part of a group that includes 9 enterprises in the design sector, operating in the enhancement of different specializations, born also with the purpose of encouraging the integration process of originally separate companies, rationalizing their resources and working on every economic scale.

As all companies in the group, Frezza implements a governance model that intends to distinguish ownership from management. Our managers enjoy significant decision-making autonomy, supported by a network of professionals and consultants.

These experts play a vital role in achieving the shared objectives and collaborate closely with our management. Emphasizing a networked approach is one of our organization’s core objectives, where partners and consultants share our long-term vision of sustainability and a commitment to nurturing human capital.

Our corporate governance highlights gender diversity, with 66% of our CDA being female. Our Board of Directors (BoD), which remains in office until revoked, predominantly comprises women, with two out of three members representing female leadership.

The Chief Executive Officer (CEO) reports directly to the General Manager. The General Manager in turn, oversees:

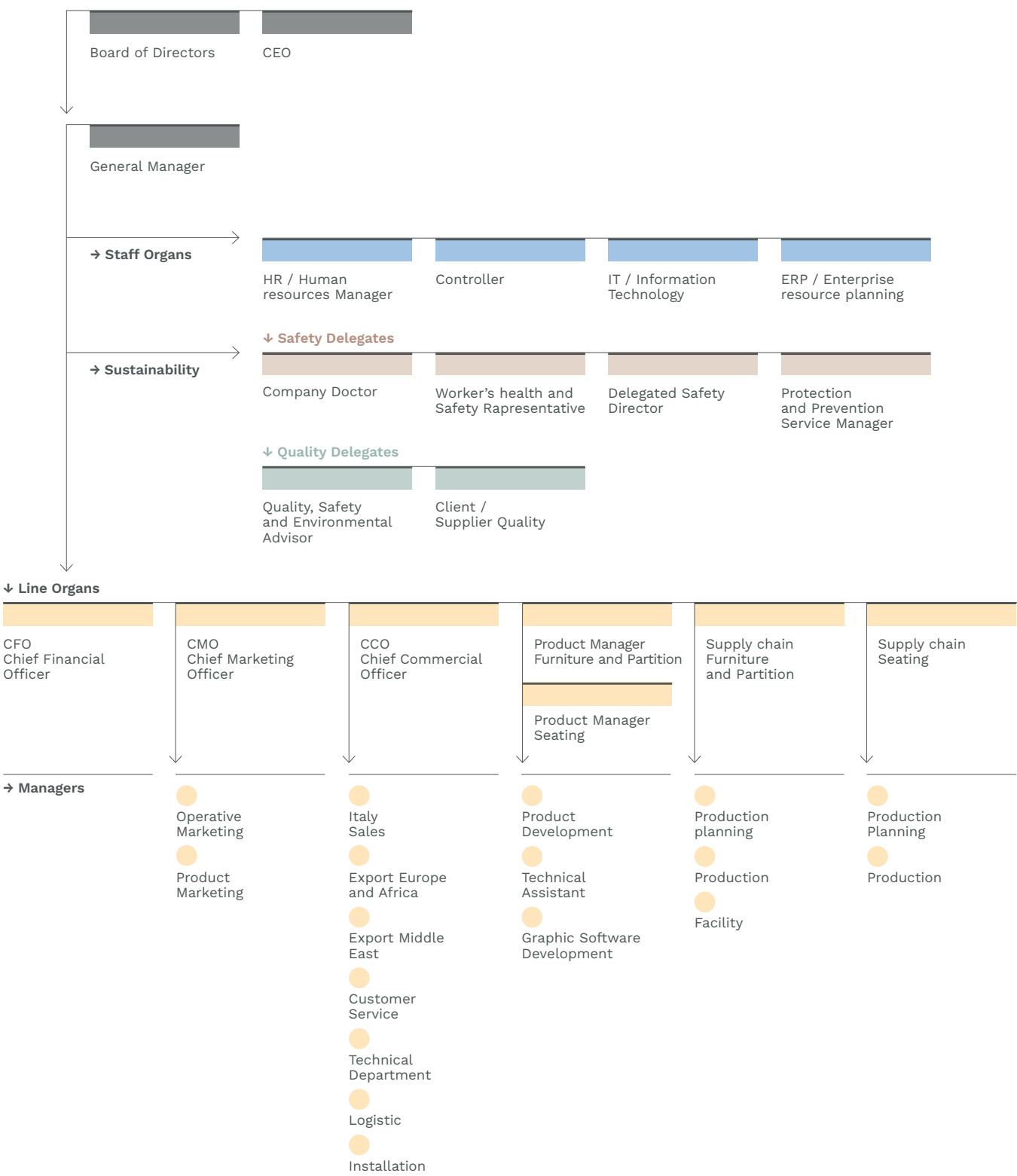
- four staff organs
- seven line organs

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.

Our organizational structure identifies six key roles dedicated to sustainability, including:

- four figures responsible for safety
- two figures assigned to quality

We are also in the process of establishing a Sustainability Committee by 2023, comprising these key figures and coordinated by a dedicated Sustainability Manager.



2.3
SUSTAINABLE
LIVING

“Fostering the continuous evolution of human living through design” encapsulates the essence of our new corporate slogan launched in 2022: “Design for evolving Humans.”

Today our brand’s purpose extends far beyond the creation of quality products with high aesthetic value. It delves deep into comprehending the needs of our end users.

These needs have shifted towards a demand for product systems that offer **elevated standards of quality in life and work, well-being** and individual health. Furthermore, these product systems need to be harmonious with the environment and committed to preserving the **natural ecosystem**. But there’s more to it.

Indeed, we recognize that at the core of sustainability lies the imperative need for individuals to fulfill their most fundamental necessities. These necessities, often latent and subconscious, represent the pathway to a balanced and fulfilling lifestyle. This approach is likely to reduce compulsive consumption and promote sustainability.

At Frezza we refer to this as “**Sustainable Living**.”

2.4
DESIGN
FOR ETHICS

At the foundation of Frezza’s operations are principles of fairness, loyalty, integrity, and transparency. These principles are not only integral to our ethical standpoint but are also recognized as a genuine **competitive advantage**.

In line with this commitment, Frezza has documented its **Code of Ethics**, a voluntary framework written by company management targeting employees, directors, supervisory bodies and internal and external partners.

The Code of Ethics governs interactions with customers, suppliers, employees, collaborators, competitors and public administration. It sets out guiding principles related to **health, safety, the environment and the handling of information**. It also outlines principles of corporate conduct, along with mechanisms for **implementation, monitoring, reporting and sanctions** for any violations. This ensures that the document serves as a tangible and effective guideline.

→ Spike
↘ Radar



2.5
PROCESSES
AND COMPLIANCE

Environmental and social responsibility, together with transparency, are the driving forces that guide all our business, design and production choices.

Innovation plays a pivotal role in this process, providing us with the tools to achieve increasingly **efficient and eco-friendly production standards**. Our commitment to environmental responsibility is affirmed through a range of international certifications and recognitions.



UNI EN ISO 9001:2015 Certification
compliance of IQ Net certified Quality Management System
UNI EN ISO 14001:2015 certification:
conformity of the Environmental Management System certified IQ Net
UNI ISO 45001:2018 certification
compliance of IQ Net certified Health and Safety Management System IQ Net



Forest chain of custody
Guaranteeing material traceability for the purchase of melamine chipboard, MDF, FSC 100%, FSC Mixed, and FSC Recycled furniture components, FSC 100% plugs, FSC 100%, and FSC Mixed veneer. This includes the production of FSC Mixed office furniture (ICILA-COC-004241 certificate and license code FSC-C158203)

US EPA TSCA Title VI Compliance and CARB P2 Compliance
Ensuring that all finished fiberboard and fiberboard articles adhere to the stringent formaldehyde emission limits set by US EPA TSCA Title VI and CARB P2 compliant standards

Within the integrated quality and environment management system, in particular, Frezza has established IT regulations that encompass **IT security and data protection practices**.

Furthermore, Frezza has implemented a Reporting (**Whistleblowing**) Procedure Process to guarantee the integrity of our organization and maintain the confidentiality of the reporter's identity. This procedure guarantees that whistleblowers are protected against discriminatory actions or retaliation and prevents baseless reports driven by malice or negligence.



Membership Certificate in the Ecological Panel Consortium
Validating our 2023 certification for panels made from 100% post-consumer wood (code CQ-COC-000001) with certified formaldehyde emission levels within CARB class (CATAS Quality Award certified).

CQA Formaldehyde 56/04 product certification certificate
certification for urea, hydrophobic, fire retardant, EPF-S raw particle board regarding low formaldehyde emission characteristics, verified by CATAS laboratories (01-01-2020)



Frezza also adopted the **231 Organization, Management and Control Model** (ex Legislative Decree No. 231/01). This comprehensive framework establishes protocols governing the company's structure and the management of sensitive processes, ultimately mitigating the risk of criminal offenses and fortifying governance in these areas.

2.6
GOALS AND
COMMITMENTS

Every system operates based on its own set of objectives, which dictate its course of action. In full awareness of this principle, we find it imperative that our activities align with clear, ambitious goals that resonate with the demands of the new era and emphasize value creation.

To chart our path towards greater sustainability, we have identified several Sustainable Development **Goals** from the UN 2030 Agenda as **focal points** for our endeavors.

↓ Priority Goals



SDG 3 / Health and well-being
We commit to developing products that enhance well-being in the work environment, fostering an inclusive, rewarding and collaborative corporate culture, ensuring workplace safety and supporting local communities.



SDG 12 / Responsible Consumption and Production
We aim to design products from an ecodesign and circular economy perspective, considering the entire product lifecycle. Our focus is on extending product shelf life, promoting reparability, facilitating recycling, valorizing waste and favoring a shorter supply chain.



SDG 13 / Countering climate change
Our priority is responsible resource use, energy efficiency and the promotion of renewable energy sources. We implement efficiency strategies across all phases of the product life cycle to reduce emissions of climate-altering gases.



SDG 17 / Partnership for the Goals
We are dedicated to sharing our vision, knowledge and tools with stakeholders, including employees, collaborators, customers and suppliers. We actively engage in joint circular economy initiatives for a systemic and global approach. Eco-sustainable design requires the involvement of multiple actors across different stages of the product life cycle, which is why we are establishing a network of coordinated partners working towards the shared goal of reducing product impact.

Concurrently, we have identified **supplementary goals** that are intricately linked to the aforementioned ones.

↓ Supplementary Goals



**SDG 4 /
Quality education**

We emphasize ongoing training for our workforce, particularly in the context of sustainability, to align skills and foster a shared commitment to our objectives.



**SDG 5 /
Gender equality**

We actively promote equal opportunities and the leadership of women, viewing it as a competitive advantage and a guarantor of resilient growth.



**SDG 7 /
Clean energy**

Our commitment is to increase the use of renewable energy sources, including through imminent infrastructure investments.



**SDG 8 /
Decent work
and economic growth**

We are dedicated to ensuring adequate compensation, access to benefits and opportunities for growth and self-expression within an ethical and equitable business environment, which we consider fundamental for sustainable economic growth.



**SDG 9 /
Innovation**

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



**SDG 10 /
Reduce inequality**

We strive to eliminate all forms of discrimination, both within and outside the company, working towards an equitable distribution of value.



2.7
ROADMAP

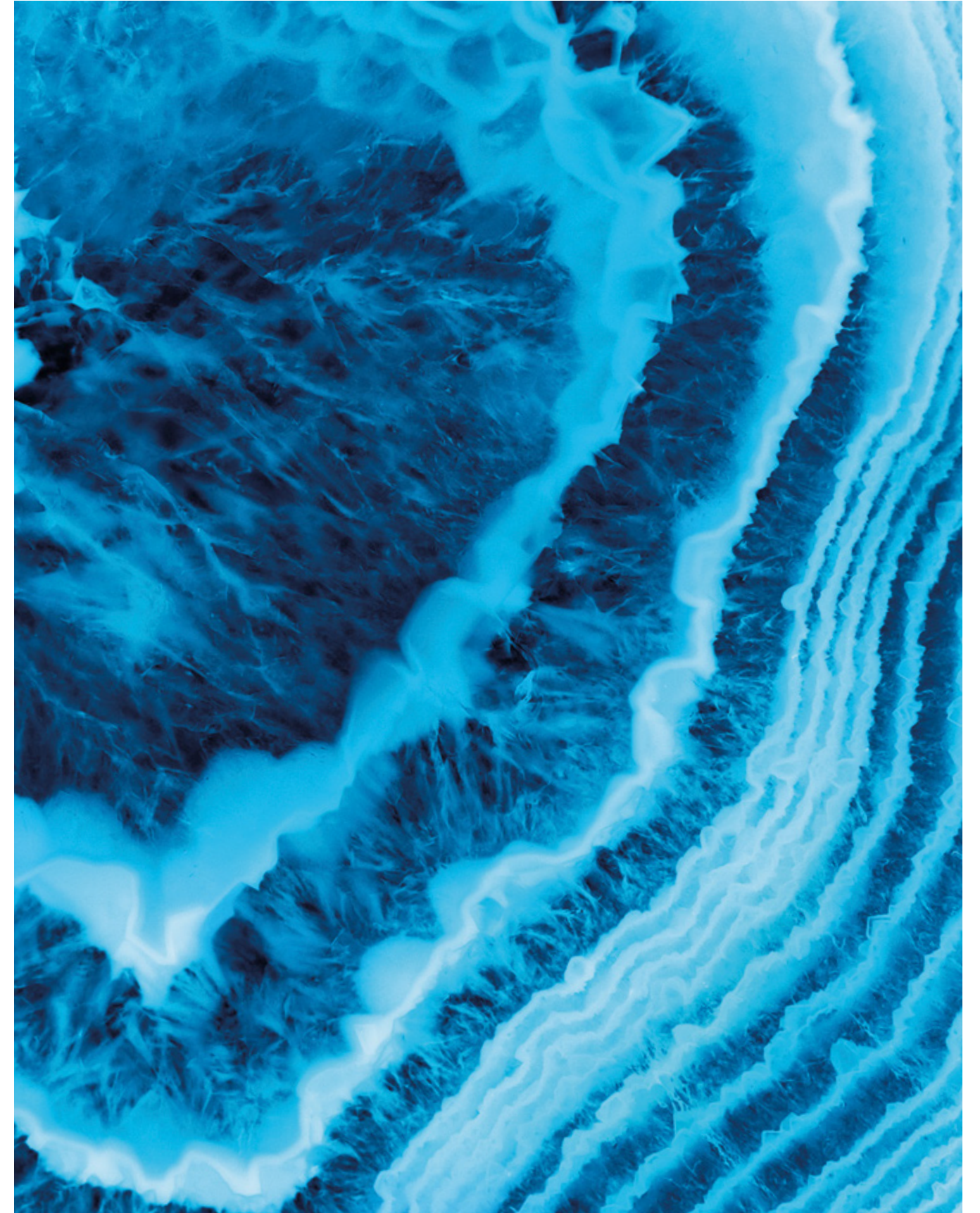
In alignment with these established goals, Frezza has formulated a concrete roadmap for a 4-year timeframe. This roadmap will be elaborated further in subsequent sections.

	2023	2024	2025	2026
 SDG 3 Health and well-being		→ Improving the ergonomics of corporate workplaces to preserve long-term health		
 SDG 12 Responsible consumption and production	→ Improved packaging, both in terms of choice of materials and volumes of disassembled products	→ Development of ecodesign techniques to decrease the impact of products		
 SDG 13 Countering climate change	→ Adaptation of products to obtain CAM 2023, Level, Well and Leed credits certifications			
 SDG 17 Partnership for the Goals		→ Purchase of new energy-efficient machinery		
		→ Installation the photovoltaic system		
		→ Led relamping in the company		
		→ Replacement of fixtures in offices and production		
		→ Assessment of product impacts through LCA methodology to understand critical life cycle hotspots of the studied products		→ Externally validated carbon footprint

3.
AN EVOLVING IDEA
OF HUMANS

For a new world,
we need to
start with people

Otto
Scharmer



We believe in human’s unceasing instinct for change, an untamable impulse that renews itself daily under the influence of numerous stimuli.

Mindset evolves, habits evolve, living standards evolve. Frezza accompanies this change, anticipates and supports it, but that’s not all.

We wish to be at the forefront of this transformation, to promote and guide it, designing increasingly dynamic and empathetic spaces that encourage collaboration and symbiosis, shifting from competition to active listening and the sharing of common values.

We are committed to ensuring that every person, whether an employee, customer or end-user, can chart their personal journey and construct their own future.

Placing people at the center is the most sophisticated and intuitive way to drive change.

**Related
SDG Goals**

Priority Goals

-  **SDG 3**
Health and well-being
-  **SDG 12**
Responsible consumption and production
-  **SDG 17**
Partnership for the Goals

Supplementary Goals

-  **SDG 4**
Quality education
-  **SDG 5**
Gender equality
-  **SDG 8**
Decent work and economic growth
-  **SDG 10**
Reduce inequality

**3.1
HUMANS,
OUR MOST PRECIOUS
RESOURCE**

At Frezza we understand that our success hinges on the skills and expertise of our people. This is why we are dedicated to building a cohesive, passionate and responsible team that shares our vision and goals and collaborates to make a positive impact.

Total employees → 108
Permanent contracts → 93%
New hires → 17
Employees left → 11
Growth → 5,88%

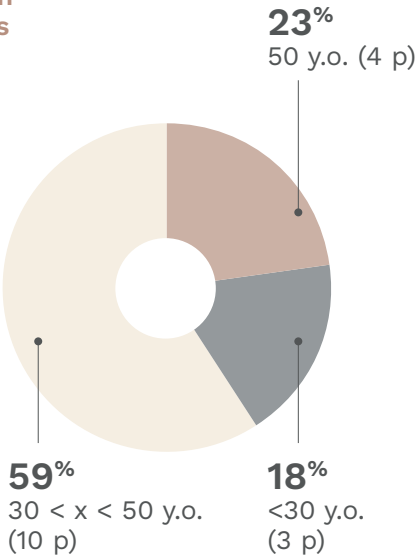
Composition of employees

In 2022, Frezza had a total of **108 employees**, with 106 working full-time and 2 part-time due to personal circumstances. One employee returned after parental leave. We welcomed 17 new hires, while 11 employees left. Consequently, we created 6 new positions, reflecting a **growth rate of 5.88 percent**.

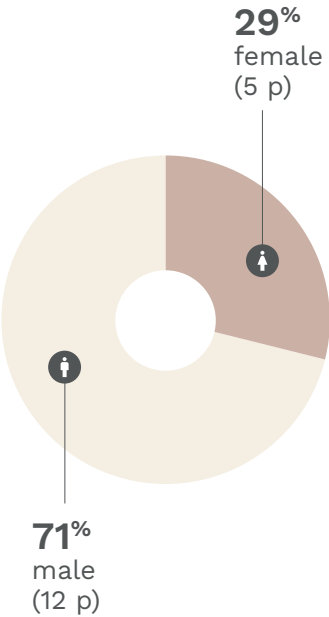
93% of our employees are on permanent contracts, underscoring our commitment to long-term relationships with our team.

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

Composition of new hires by age

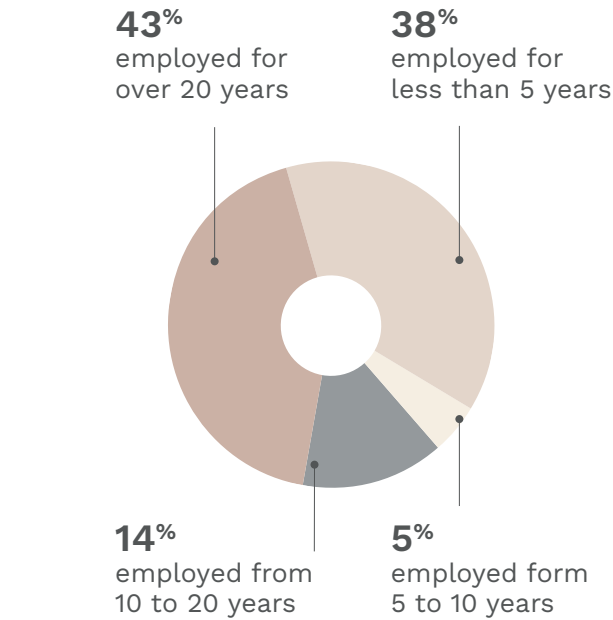


Composition of new hires by gender



Corporate seniority

Frezza has consistently prioritized the attraction and **retention of talent**, as evident in the tenure of our employees. **Approximately 43% have been with the company for more than 20 years, while 57% have a tenure exceeding 10 years.**



Understanding people’s needs

To ensure employee satisfaction, Frezza takes a multi-faceted approach, beginning with a thorough **understanding of our people’s needs**.

In 2021 we conducted a comprehensive business climate analysis, focusing on personal and professional development. 57 percent of Frezza employees responded to the “Company Climate Observatory.”

The questions focused on people’s perceptions of their work and their relationship with colleagues and their direct supervisors.

More than 90 percent of the responses showed satisfaction regarding job security, company flexibility, sense of individual responsibility and clarity in internal organization.

An impressive 89% of employees perceive Frezza as an externally valued company.

First places
(by average)

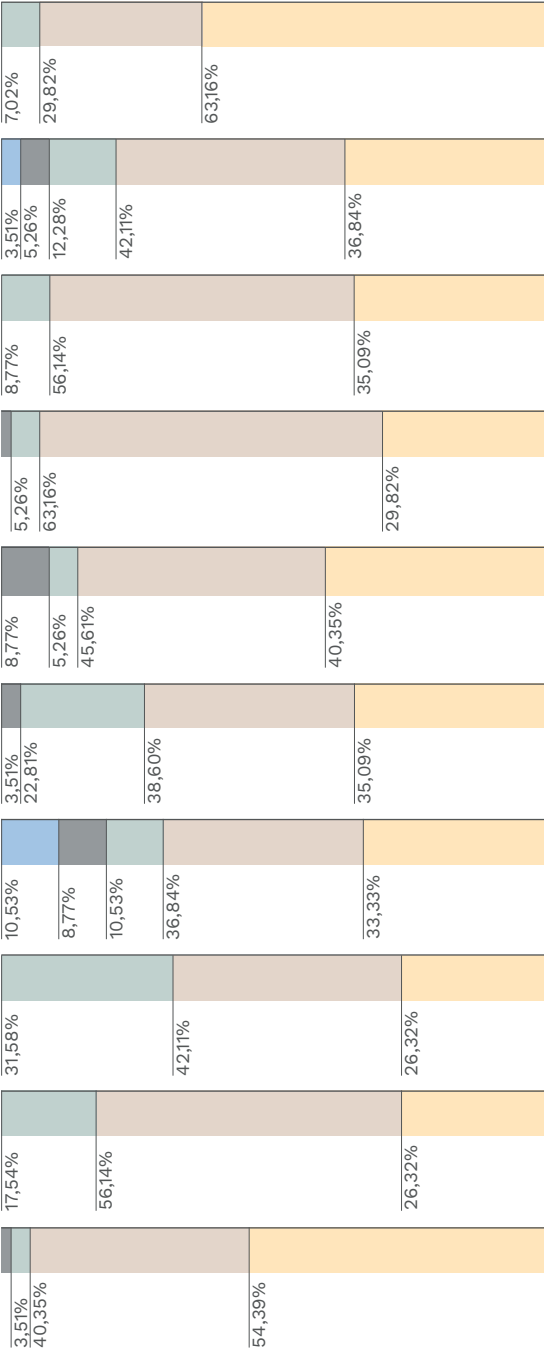
Workplace safety is assured	93%
I can balance my family commitments with the needs of the company by talking to my superiors	93%
I am willing to take on job-related responsibilities	97%
I know who my boss is	98%

Last places
(by average)

The environment in which I operate promotes concentration and quality of my work	64%
When there is a new product or technology, I am informed even if it does not affect me directly	57%
I get insecure when I am proposed to do new activities	55%

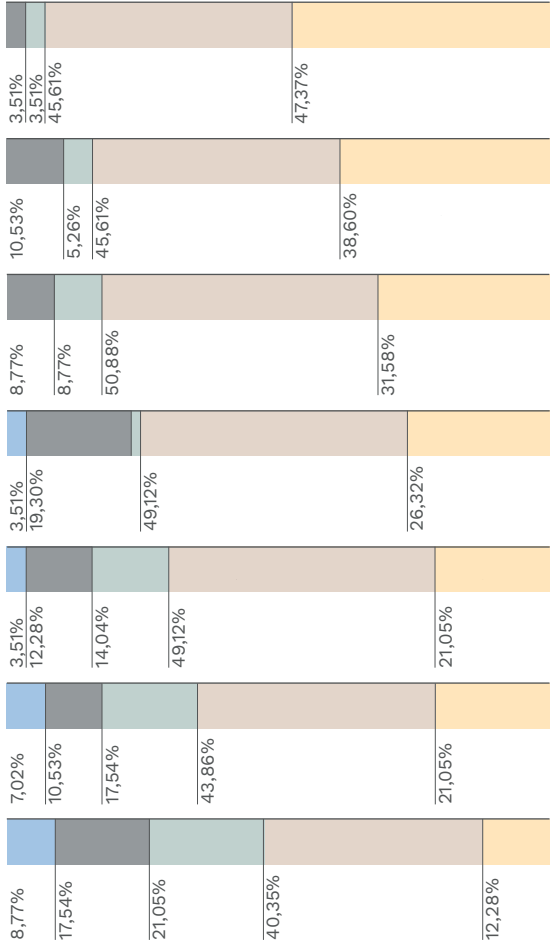
The company

	Purchasing Technical department	Administration	Sales Marketing	Logistics Shipping Production	Total
I am part of a company valued in the market	85%	100%	89%	100%	89%
Our ability to propose innovation is an important value	65%	86%	83%	100%	76%
The quality we offer customers is very high	77%	89%	83%	100%	82%
The manufacturing quality of the products we offer customers is high	74%	89%	83%	100%	80%
The company encourages team spirit and collaboration instead of competitiveness and individuality	70%	93%	84%	100%	79%
In my living environment (family, friends, territory), being a Frezza employee is appreciated	74%	79%	76%	100%	76%
In the company, those who work well have a chance to advance	58%	75%	75%	100%	68%
For customers, our teamwork is visible and appreciated	66%	68%	82%	100%	74%
Our company offers products with an excellent quality/price ratio	72%	71%	83%	100%	77%
I can easily explain my work and my company's products to people who don't know us	84%	82%	91%	88%	87%
% I agree / I quite agree	73%	83%	83%	99%	79%



Communication

	Purchasing Technical department	Administration	Sales Marketing	Logistics Shipping Production	Total
I know who my supplier and my direct customers are (who is before and after my work phase)	89%	89%	77%	88%	84%
I am kept abreast of the work that affects me	73%	82%	80%	100%	78%
If an answer from me is not accepted, I am explained why	73%	86%	75%	100%	76%
When someone makes a mistake, the question is not "who did it?" but rather "how can we prevent this mistake from happening again?"	68%	82%	64%	88%	69%
I am adequately informed about the company's market orientation and expectations	64%	64%	72%	88%	68%
I am adequately informed about our customers (who they are and how they are valued in the company)	55%	61%	77%	75%	65%
When there is a new product or technology, I am informed even if it does not affect me directly	54%	46%	63	75%	57%
% I agree / I quite agree	68%	73%	73%	88%	71%



Carried out activities

While our internal communication scored positively in most areas, there was room for improvement in conveying information about new products or technologies and self-assessment of new skill acquisition. In response, we initiated an **internal training program** in 2022, **concentrating on soft skills, managerial competence** and communication abilities (see section 3.2).

Another aspect to enhance was the **reorganization of workspaces** to **promote concentration**. This change was implemented in 2022 to elevate the quality of work.

To further enhance employee satisfaction, Frezza introduced a **corporate welfare** tool in 2022. This included a “bonus” of 330 euros in electronic shopping vouchers for all employees, which can be used at Ali and Aliper supermarkets. Part-time employees and those with employment relationships initiated during the year received a prorated benefit.

→
Be.1



3.2
NURTURING TALENTS
AND REALIZING
POTENTIAL

At Frezza we want our people to feel they are in the ideal place to fully unlock their potential and achieve their aspirations, and that's why we invest in their training and professional development.

Together with other companies of the group and in collaboration with CUOA Business School, we have launched the **We.Do Academy**. This initiative is designed to foster the cultural and managerial growth of our office staff through ongoing and structured knowledge sharing.

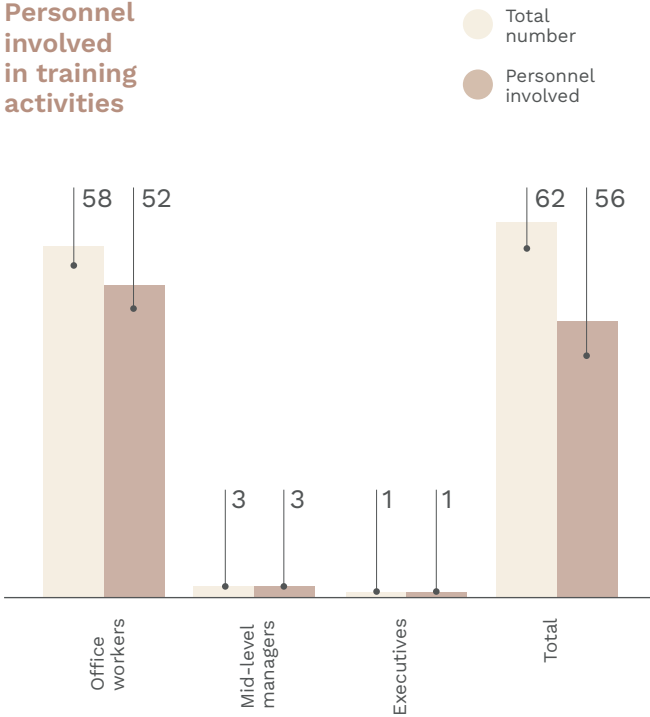
In 2022, 3 distinct paths were developed, involving a total of 56 people:

- **Professional path:** Focused on enhancing collaboration and belonging, this path involves 24 hours of in-person training over 4 months.
- **Middle Management Path:** Designed for area coordinators, this path builds managerial competence and addresses work-related motivation. It encompasses a combination of online and in-person training activities, totaling 65 hours over 7 months.
- **Top Management Path:** Tailored for senior executives, this path enhances knowledge and skills related to the challenges faced by corporate top management. It places special emphasis on the UN Agenda Goals and Sustainable Living, spanning 42 hours over 4 months.

These initiatives provided a total of **1,830 hours of training**, equivalent to 33 hours per employee.

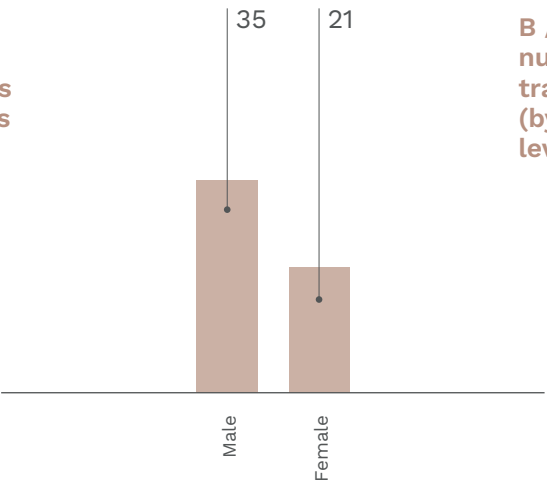


Personnel involved in training activities

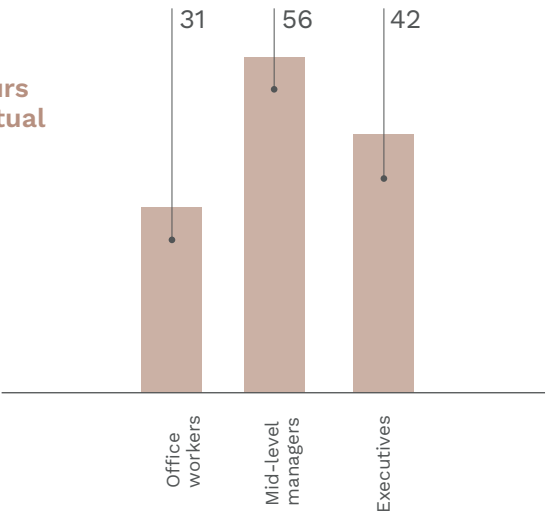


In addition to this formalized training, Frezza offers regular *on-the-job training* activities to office and production employees. This particular training is provided both by senior colleagues to juniors within the same office and crosswise to different offices, for example, regarding software upgrades or introduction of new processes or products. Frezza's goal for the next few years is to report on this type of activity as well.

A / Average number of training hours on employees involved (by gender)



B / Average number of training hours (by contractual level)



A–B) Details / Average number of training hour by gender and contractual level

	<div>Personnel involved</div>	<div>Training hours</div>	<div>Average training hours</div>	<div>Personnel involved</div>	<div>Training hours</div>	<div>Average training hours</div>	<div>Total personnel involved</div>	<div>Total training hours</div>	<div>Average training hours</div>
Office workers	31	1024	33	21	596	28	52	1620	31
Mid-level managers	3	168	56	0	0	nd	3	168	56
Executives	1	42	42	0	0	nd	1	42	42
Total	35	1234	35	21	596	28	56	1830	33

3.3
EMBODYING
SUSTAINABILITY

In 2022, we initiated a training course dedicated to sustainability in collaboration with SustainMe Hub. The program was designed to meet the needs of a diverse group of 20 individuals spanning five departments: human resources, sales, marketing, production and the technical department.

The training began with foundational concepts of sustainable development and an overview of available tools to implement sustainability in companies and products. Participants engaged in live sessions with interactive experiences to achieve several objectives:

- Establish a shared understanding of fundamental sustainability concepts and the underlying environmental and social issues.
- Cultivate soft skills essential for individual and corporate change towards sustainability, including roles, active listening and values.
- Explore the potential of enhancing Frezza’s value proposition through ecodesign strategies.

The ultimate aim of the program was to work on a collective mindset that consistently and cohesively embraced a sustainable development strategy with a holistic systems approach. The initial outcomes of this program are described in Chapter 4, “Nature.”



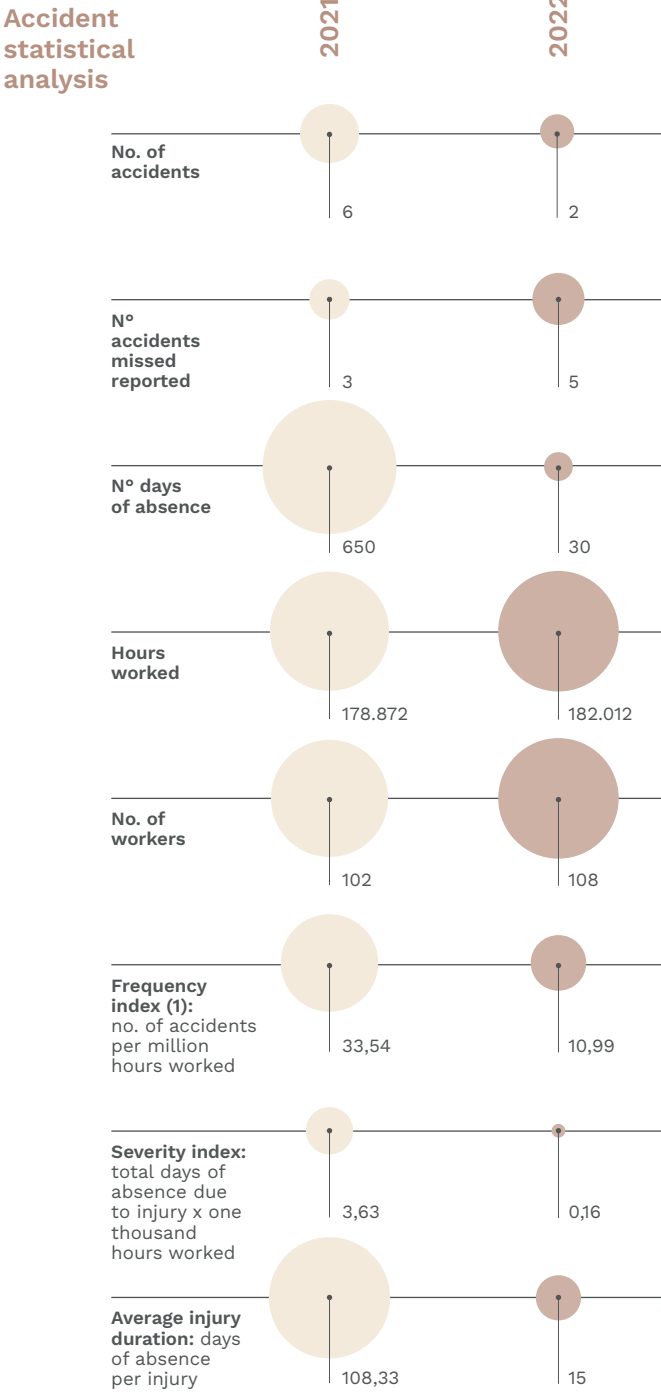
3.4
ENSURING A SAFE
(AND COMFORTABLE)
WORKING ENVIRONMENT

Ensuring the protection of occupational health and safety is a primary objective at Frezza, as stipulated in the Code of Ethics and enforced through our Risk Assessment Document (DVR).

At all levels, Frezza is committed to **safeguarding the physical and moral well-being of its employees** and maintaining working conditions that uphold individual dignity. We are fully compliant with current regulations in providing safe and healthy working environments.

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, organizational and economic conditions that ensure adequate accident prevention and thus a healthy and safe working environment. Our commitment extends to creating work conditions that **ensure accident prevention** and a **healthy work environment**, especially or tasks that are monotonous and repetitive.

- All business decisions of all types and levels regarding occupational safety and health must take into account the following criteria:
- avoid risks;
 - evaluate risks that cannot be avoided;
 - combat risks at the source;
 - adapt the work to man, especially to mitigate monotonous and repetitive work;
 - take into account the degree of technical development;
 - replace what is dangerous with what is less so;
 - prioritize collective protective measures over individual protective measures.



Frezza **programs** specific prevention activities, aiming for a coherent ensemble that integrates technique, organization, working conditions, social relations and all factors affecting the work environment.

We are **committed to spreading** a safety culture among all our employees and promoting risk awareness.

During the year 2022, 447 hours of compulsory safety training courses were provided, the effectiveness of which was verified through tests, meetings and interviews. During the same period, 2 occupational accidents and 5 near-misses occurred at work, resulting in a total of 30 days of injury-related absence. Our frequency and severity indices indicate an improvement compared to the previous year, and our primary objective is to aim for zero accidents.

Moreover, promoting quality work is at the core of our value proposition, with our corporate headquarters serving as a testing ground for new solutions.

We design and manufacture office solutions that meet high aesthetic and functional standards, promoting **well-being**, concentration and collaborative dynamics.

Attention and responsibility towards the choice of materials and production processes, inspired by the principles of eco-design, allows Frezza to consider both people and environment safety. The environmental certifications and international awards we’ve earned are the starting point of a continuous improvement journey, driven by innovation, as described in Chapter 04 “Nature.”



→ Afina



3.5 RESPECTING DIVERSITY AND EQUITY

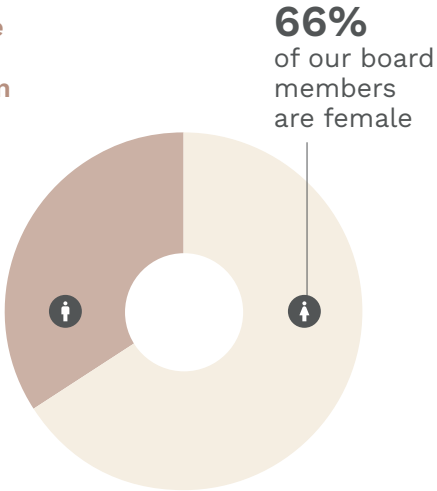
At Frezza we consider diversity, equity and inclusion as strengths that contribute to our corporate culture. We are dedicated to creating a work environment where equal opportunity and collaboration are cherished.

Governance bodies composition (by gender and age)

	 M	 F
Governance body	1	2
Members > 50 y.o.	1	2

Governance bodies composition

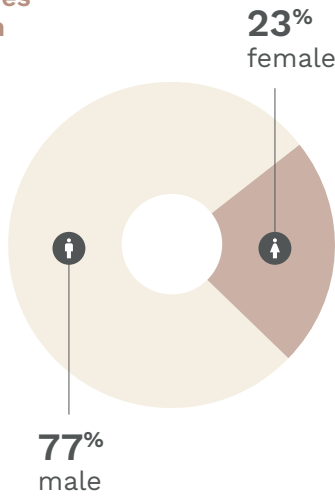
Governance bodies composition by gender



Personnel composition

As a typical feature in the industrial sector, 77% of our **workforce is male**. This is due to the physical effort required in production and the difficulty of finding female technical figures in the labor market. The age composition of our employees skews towards the **30-50 age** group due to our **high employee retention rate**. Specifically, 43% of our employees have been with the company for more than 20 years, and 57% for over a decade.

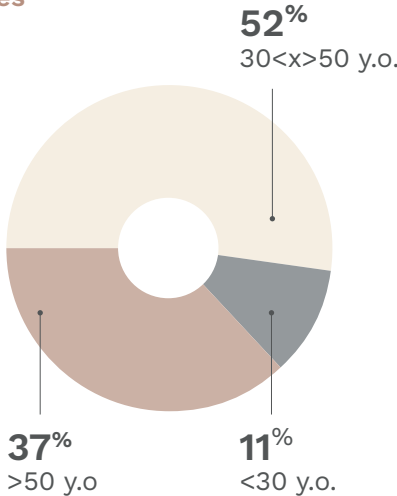
A / Employees composition (by gender)



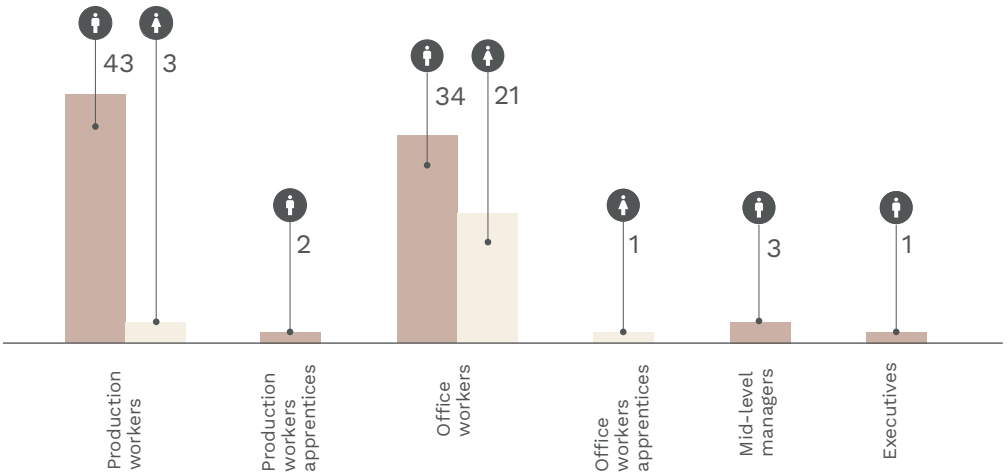
Employee composition by contractual level, gender and age

	<div><div></div><div></div></div>			<div><div></div><div></div></div>		
	<30	30<x>50	>50	<30	30<x>50	>50
Production workers	3	15	25	0	2	1
Production workers apprentices	2	0	0	0	0	0
Office workers	3	22	9	3	14	4
Office workers apprentices	0	0	0	1	0	0
Mid-level managers	0	2	1	0	0	0
Executives	0	1	0	0	0	0
Total	8	40	35	4	16	5
Total per gender	Total men → 83			Total women → 25		

B / employees composition (by age)

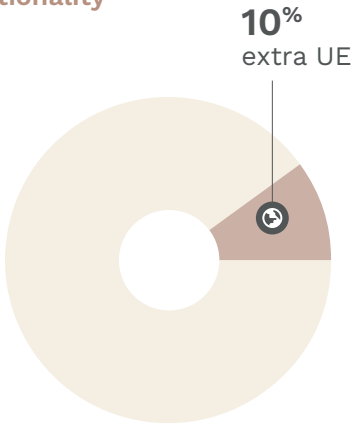


A-B Employees composition by contractual level and gender



Frezza employs **11 non-EU nationals**, with 9 in production departments and 2 in sales offices, reflecting our inclusive hiring **policy and ability to attract diverse talent**.

Employees composition by nationality



Equal pay

Furthermore, we guarantee equal pay for equal roles, seniority and experience. Our salary ratio for women, compared to men in comparable positions, is higher on average.

Salary ratio by contractual level and by gender

	<div><div></div><div></div></div>	<div><div></div><div></div></div>
	M	F
Production workers	56%	63%
Production workers apprentices	65%	ND
Office workers	53%	58%
Office workers apprentices	ND	64%
Mid-level managers	36%	ND
Executives	100%	ND

→ Yo





3.6 COMMITMENT TOWARD LOCAL COMMUNITIES

Movement serves as a metaphor and catalyst for social evolution and long-term value creation.

This strategy is driving Frezza to define an annual plan of collaborations with the local community. Our sponsorships and liberal donations primarily focus on **amateur sports and supporting individuals with disabilities in their mobility.**

Sponsorships:

- Vidor Amateur Soccer Team Sponsorship
- Contribution to the purchase of Vidor soccer team uniforms
- Procurement of vehicles for disabled transportation in the municipal area of Valdobbiadene for the “I progetti del Cuore” association

Liberal donations:

- Donations to “La colonna Onlus” in Mirano (VE), supporting individuals with spinal injuries and raising awareness about this disability.
- Contributions to “Il Puzzle della Vita Onlus” in Onigo di Piave (TV), providing support to patients with infantile cerebral paralysis and their families.



3.7
BRINGING COMFORT
AND BEAUTY

Frezza designs and distributes office solutions worldwide that are meant to last, for an enjoyable lifestyle and work.

The quest toward solutions that promote work well-being is relentless. In 2022, we introduced new **electric adjustable** desks to facilitate users in changing their working postures throughout the day.

Additionally, the new **Denzel** seat mold allows users to move the back in all directions, alleviating the strain associated with maintaining constant postures over time.

We are also exploring the integration of **sensors** that encourage proper posture and movement within the office.

Denzel

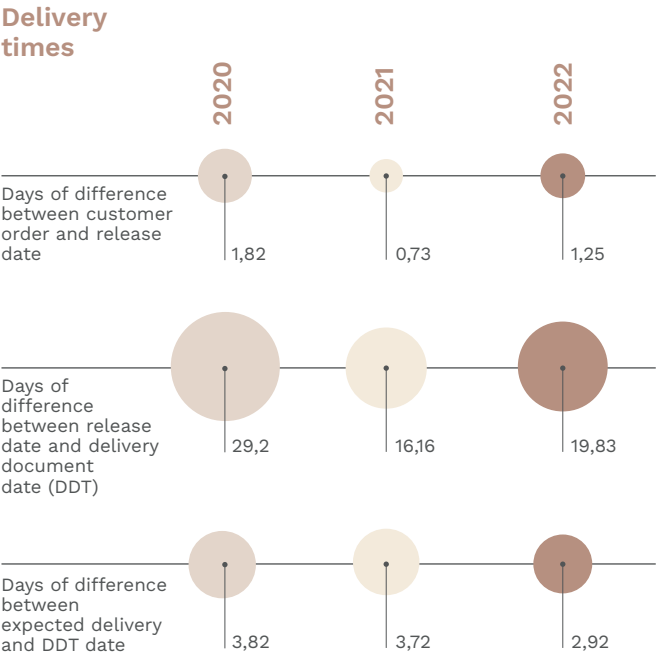


“Comfort” and “beauty” also carry another meaning for us: they symbolise our commitment to **respond promptly and accurately** to customer requests, ensuring satisfaction and trust.

We gauge customer satisfaction by tracking indicators related to **delivery times**, complaint handling and service management. Regarding delivery times, we monitor three indices.

In terms of **complaints**, we track the incidence compared to the number of shipped packages.

In 2022, we received one complaint for every 272 shipped packages, constituting 0.37% of shipments. This figure reflects an improvement from the previous year, even with a more than 16% increase in shipments.



Complaints for shipped packages

2022 →
1 complaint for every 272 shipped packages

2021 →
1 complaint for every 254 shipped packages

	2022				2021		
	Number of shipped packages	Var. Prec. year	Number of complaints	Complaints/Shipments	Number of shipped packages	Number of complaints	Complaints/Shipments
Furniture	492.855	16,22%	1.322	0,27%	424.053	1.228	0,29%
Partitions	42.412	-9,88%	422	1,00%	47.060	491	1,04%
Seating	52.864	52,78%	417	0,79%	34.602	270	0,78%
Total	588.131	16,30%	2.161	0,37%	505.715	1989	0,39%

3.8
SPREADING
CONSCIOUSNESS

Frezza, a leader in the professional furniture industry for 70 years, considers it part of its corporate social responsibility to contribute to the promotion of a culture of sustainability.

Recognizing that we are at the outset of this journey, we remain convinced of the necessity of forging partnerships for collective goals. In 2022, Frezza invested in opportunities to meet and discuss these crucial issues. Two significant initiatives were undertaken in 2022:

- **Participation in FuoriSalone 2022**
From 7th to 10th June 2022, at Gabriel’s showroom in Milan, Frezza presented the “Armocromia – beyond sustainability” project. Colour is part of life and our way of being. It helps us convey the different emotions of living in physical, cognitive and sensory ways. Harmony and colour thus become empathy and psychophysical well-being. Frezza and Gabriel presented together a new balance between form and substance, to be and convey value. The ergonomic and soft design of Frezza’s seating meets the ethical and sustainable fabrics from Gabriel’s armocromatic nuances. Personality, sustainability and balance to put man and his life at the center of everything.

- **Participation in the Paris Workspace Expo**
Frezza reaffirmed its presence at Workspace Expo 2022 in Paris, a French trade show dedicated to the office world. From 30th May to 1st June, on a 70 square metre stand, Frezza showcased the evolving nature of workplaces, adapting to the daily needs of office users. The stand featured poufs, sofas, mobile tables, multifunctional panels and modular platform elements promoting functionality and support for different types of working styles. Additionally, we hosted a cocktail party on 31st May to strengthen relationships with clients and partners.

- **Sponsorship of the Golf Challenge Ufficio Stile–Frezza**
This initiative consisted of four events involving over 500 players and 1,500 guests and was held at prestigious Golf Clubs in Italy. The aim was to present Frezza’s vision to potential decision-makers and influencers, offering a fresh perspective on living and working.

In addition, since 2019, Frezza has been publishing the corporate magazine “Frezza Landscapes” on a weekly basis, addressing themes related to well-being, work-life balance, how-to guides and inspirations. The magazine serves as a platform for amplifying ESG (Environmental, Social, and Governance) strategies and best practices. The content is disseminated through Frezza’s social channels, with the goal of sharing objectives and strategies with all stakeholders, including customers, partners, suppliers and end-users.



← FuoriSalone 2022
at Gabriel's
Showroom in Milan

↙ Paris
Workspace
Expo

↓ Golf Challenge
Ufficio
Stile–Frezza



4.
AN EVOLVING IDEA
OF NATURE

Look deep into
nature, and
then you
will understand
everything better

Albert
Einstein



In recent years our work has become more complex and at the same time incredibly more ambitious and challenging.

We used to design products; today we design a new way of being a company.

We used to design for individuals: we now focus on designing for a globally interconnected network of individuals.

As new tools and technologies grant us unprecedented access to information, imagination has never been more essential. Our aim is to craft increasingly sophisticated, efficient and innovative solutions that provide tremendous value to people while simultaneously regenerating our world. This is our approach to circular design.

Related
SDG Goals

Priority Goals

-  **SDG 12**
Responsible consumption and production
-  **SDG 13**
Countering climate change
-  **SDG 17**
Partnership for the Goals

Supplementary
Goals

-  **SDG 7**
Clean energy
-  **SDG 9**
Innovation

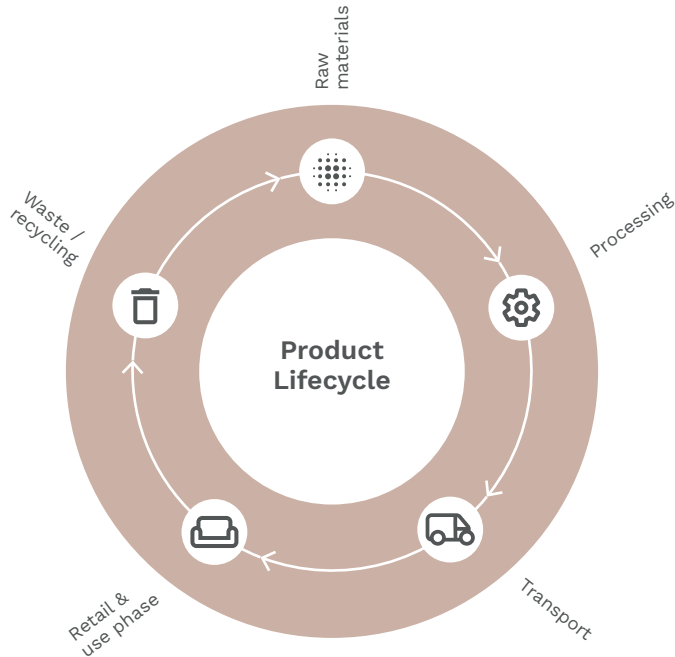
4.1
OUR ECO-DESIGN
AND CIRCULAR
PRINCIPLES

The European Commission recently reminded us that up to 80 percent of the environmental impact of products is determined by the design phase. To produce goods and services with reduced environmental footprints, we emphasize “eco-design,” which entails the systematic integration of environmental considerations into product design to enhance its environmental performance throughout its lifecycle (Directive 98/2008/EC).

From a conceptual point of view, eco-design is thus characterized by three core aspects: **designing products, reducing their environmental impact, and considering their entire lifecycle.**

Eco-design considers various elements such as product **durability, reusability, upgradability** and **repairability** as well as the presence of **hazardous chemicals** and **production efficiency** in terms of **energy and resource** utilization, recycled **material content**, **remanufacturing** potential, **high-quality recycling**, **sustainability in transportation and distribution.**

Strategies include extending product lifespans (e.g., **offering 10-year warranties**), enhancing repairability, and utilizing monomaterials (e.g. padding) where possible. We also employ sustainable business management strategies, including **waste valorization** (panel scraps are given to other companies) and **sourcing from responsible, locally situated suppliers.**



Acknowledging that eco-design demands new expertise and knowledge, in 2022 we initiated a training program aimed at acquiring eco-design principles, involving the technical department and other cross-functional representatives (20 participants).

We started with fundamental circular economy concepts and delved into specific aspects like:

— **Principal engagement**

How to enhance our eco-design choices among clients and customers, how to contribute to the **dissemination of these themes**, how to create partnerships for the objectives

— **Trends and regulations**

E.g., the **Proposed Ecodesign Regulation** submitted to the European Commission in March 2022

— **Material assessment criteria**

Model-related criteria for considering a material “sustainable” or “circular” and how to confirm these criteria with scientific methods (such as life cycle assessment, LCA)

— **Business models**

Effective tools to implement **eco-design principles**.

In 2022, Frezza began to take concrete steps and initiatives aimed at enhancing the entire product lifecycle by collaborating with its service and material suppliers.



4.2 A RESPONSIBLE USE OF MATERIALS

A sustainable supply chain

To enhance the environmental and social performance of our products, Frezza has adopted an approach that encompasses the entire product lifecycle, beginning with the sourcing of raw materials.

Key suppliers are evaluated to measure water and energy consumption, waste generation and emissions across the value chain. This enables Frezza to **favor suppliers with lower environmental impacts**. Some of the questions in the evaluation **also focus on social aspects**, promoting diversity and inclusion.

For **melamine panels**, preference is given to suppliers using FSC® and CARB-certified materials.

A significant emphasis is placed on selecting partners who use **water-based paints** and operate **paint recovery facilities**, reducing overspray wastage and cutting production and disposal costs.

Certifications

Through supply chain control, Frezza has achieved essential environmental certifications:



UNI EN ISO 14001:2015

Environmental Management System for more than twenty years (firstly obtained in 2002) for all activities related to the organization without exclusions, which allows us to identify and manage through the requirements of the standard for the significant environmental aspects (direct and indirect) related to the company’s activities, and to spur continuous improvement of our environmental performance



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 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 fiberboard and fiberboard articles are produced meeting the strict formaldehyde emission limits imposed by US EPA TSCA Title VI compliant and CARB P2 compliant standards



Certificate of membership in the Ecological Panel Consortium
2023 certification panel made from 100% post-consumer wood (code CQ-COC-000001) with certified formaldehyde emission levels in CARB class (CATAS Quality Award certified);

CQA Formaldehyde 56/04 product certification certificate
certification for urea, water repellent, fire retardant, EPF-S raw particle board regarding low formaldehyde emission characteristics, verified by CATAS laboratories (01-01-2020).

In collaboration with qualified partners, in 2022, Frezza finally started to evaluate pathways for achieving CAM, LEVEL, LEED and WELL certifications.

Materials and product research

In 2022, Frezza engaged in research and testing of materials with lower environmental footprints.

This includes the use of **recycled polyester (rPET)** a synthetic textile fiber obtained by melting plastic and trimming it into a new polyester fiber, in seating products such as:

- **Connect fabric** / made from 41% post-consumer polyester;
- **Rivet fabric** / made 100% with post-consumer polyester;
- **Rondo fabric** / made 99% with post-consumer polyester.

Two product families have been introduced using **100% “Rinasco”** material derived from a blend of recovered materials, made from a mix of recovered materials including both **regenerated polymers** from post-industrial sources and **recycled polymers** from post-consumer sources (i.e., sorted waste, such as packaging, textiles, toys), at about 50% rate. The collected materials are monitored and sent to specialized laboratories, where they are processed until they reach the required quality parameters. In the future, efforts will be made to enhance the choice of recycled polymers options.

In the area of *soft seating*, the engineering department has begun to study **BIO foams** in 2022. Frezza’s intention is to evaluate their use, once their functionality is guaranteed and certified, to ongoing products as well as new products.

The technical department has begun testing the inclusion of **ECONYL® finishes**, “the nylon thread” regenerated from fishing nets, fabric scraps, carpeting and industrial plastics.

For the future, an important topic for the technical department to focus its research on is the **disassemblability** of products, with positive spin-offs in both transport and distribution and end-of-life.

→
Fior di Loto
100% made of
Rinasco material



4.3
FROM SUSTAINABLE
PRODUCTION
TO CONSUMPTION

Production

In the Frezza production cycle, a particularly sensitive issue is the management of production waste.

A new fabric cutting bench was purchased in 2022, to progressively ensure a reduction in waste.

A future goal is to look for partners who can still use textile waste as a raw material for making small merchandising items (pen holders, bags, etc.).

The business plan also includes renewing the panel processing machinery fleet to minimize energy consumption and reduce waste.

These choices will bring many benefits, ranging from the **energy absorption** to scrap production, which will lead to a significant reduction in waste.

Volatile organic compound (VOC) tests have been conducted on some product lines to ensure compliance with emission regulations.

Distribution

Sustainability efforts extend to packaging materials, with an emphasis on reducing plastic usage and adopting more eco-friendly alternatives.

On some product lines, starting in 2022 we’ve been eliminating polystyrene and other plastics in favor of cardboard, and as **a result purchases of these materials dropped from 2021 to 2022 by 41.8 percent and 82.3 percent, respectively.**

In the seating business unit, the option was given to choose a disassembled package instead of an assembled one, to reduce the amount of cardboard used but also to reduce the cubic meters transported and thus consuming less at the product distribution stage.

Polystyrene → 82,3% less
2021 → 790.623 units 2022 → 140.245 units
Other plastics → 41,8% less
2021 → 30.115 kg 2022 → 17.524 kg

Consumption

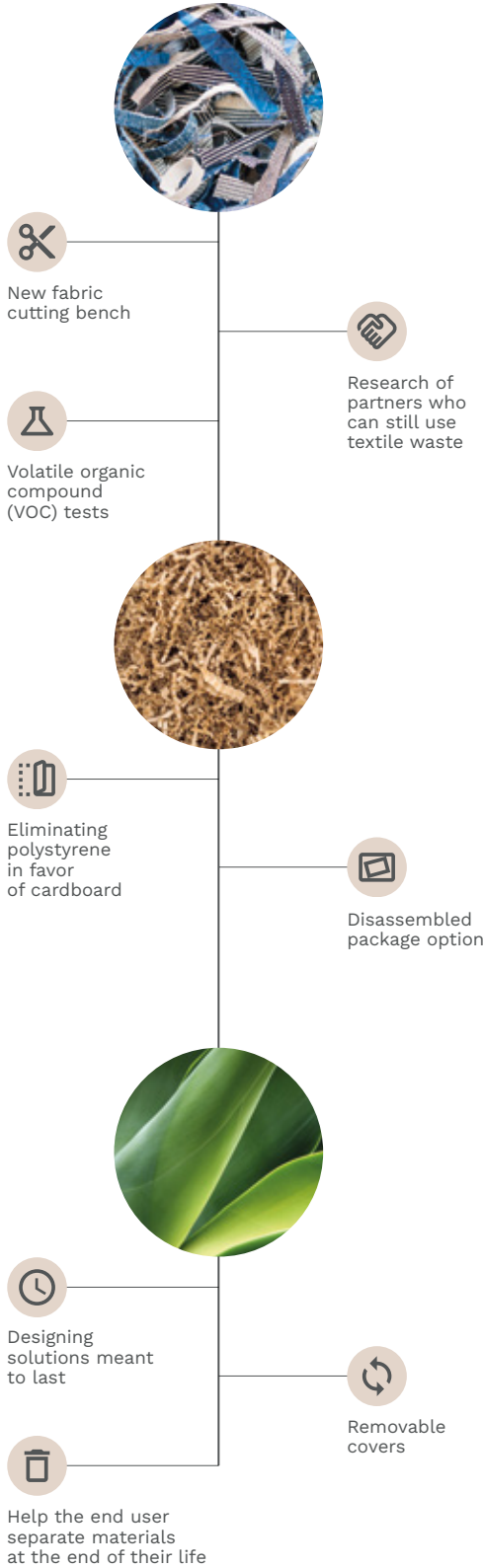
Designing solutions that are meant to last is the first step in taking care of the environment, decreasing resource consumption and waste generation.

Not coincidentally, “sustainable” translates to “durable” in French.

Frezza assures long-lasting solutions by offering **up to 10-Year Warranty** on all products.

In upholstered products, the technical department is evaluating the possibility of making products with **removable covers**. This ensures the supply of spare parts, which allows to extend the life of the product and makes it possible to separate materials at the end of their life.

We started to create sheets that can help the end user separate materials at the end of life for proper disposal.



4.4
REDUCING EMISSIONS
AND ENERGY CONSUMPTION

One of the key goals on a path toward sustainability is decarbonization.


Global change is one among many planetary limits that we are forcing through our business-as-usual activities. The magnitude of climate change and the risks it poses to the entire world for economy and human life are so significant that it is absolutely necessary for Frezza to **define actions for the near future to reduce** where possible in a direct way its own emissions and to offset those that cannot currently be eliminated.

Our decarbonization goal therefore includes: **calculating our first GHG inventory** (commonly called organization carbon footprint) 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.

However, for this first integrated reporting exercise, the company has made a preliminary GHG inventory calculation, currently for internal use and not yet verified. It is planned by 2026 to begin calculating this in an externally validated manner with the inclusion of relevant additional categories.


- The measurement involved the following emission categories:
- **Category 1 (scope 1):** direct emissions that result from activities under the organization’s control (emissions from combustion, emissions during production, emissions from company vehicles): 395.54 tCO2eq (43.47% of the total)
 - **Category 2 (scope 2):** emissions produced indirectly from purchase of electricity from the grid: 243.97 tCO2eq (26.81% of the total)
 - **Category 3 (scope 3):** indirect emissions of other types. For this measurement, emissions related to employee transportation on the home-work commute (commuting) were accounted for: 270.47 tCO2eq (29.72% of the total).

A



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

B



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



The accounted emissions amounted to 909.98 tCO2e for 2022.

The carbon intensity, calculated according to the formula tCO2eq/t produced, is 0.11 tCOe for each ton of product sold.



Emission category		tCO2e	Emission factor	Emission factor source
Category 1 Emissions and direct GHG removals	Direct emissions from stationary combustion (methane gas in situ)	229,87	53,1145	EPA, “Emission Factors for Greenhouse Gas Inventories,” Table 1 Stationary Combustion Emission Factors, March 9, 2018
	Direct emissions from mobile combustion (diesel)	165,67	10,216	EPA, “Emission Factors for Greenhouse Gas Inventories,” March 9, 2018
	Subtotal	395,54		
Category 2 Indirect emissions from purchased energy consumption	Indirect emissions from imported electricity (in situ)	243,97	0,2556	ISPRA, 2023
	Subtotal	243,97		
Category 3 Indirect emissions derived from transportation	Emissions from employee commuting	270,47	Miscellaneous (8,812; 10,216; 4,514)	EPA, “Emission Factors for Greenhouse Gas Inventories”, March 9, 2018; WRI, GHG Protocol - Emission Factors from Cross-Sector Tools, April 2014
	Subtotal	270,47		
	Total	909,98		
	Tons produced	8.257,64		
	Carbon intensity (tCO2eq/t produced)	0,11		



Analyzing the total consumption of energy resources during the reported period, overall it is estimated that the organization uses 330 toe (Tons Oil Equivalent). The largest consumption is due to electricity, which covers more than 54% of the total amount.

Vector	U.M.	Value 2022	Conversion factor to toe	PCI o EER	TEP	%
Electricity	kWh	954.512,0	0,187 x 10 ⁻³		178,5	54,09
Natural gas	Sm3	118.648,0	8.360 x 10 ⁻⁷	8.360	99,2	30,06
Diesel fuel	t	51,3	PCI (kcal/kg) x 10 ⁻⁴	10.200	52,3	15,86
Total		330,0				100,00



Compared with the previous year, TOE decreased, mainly due to lower use of electricity, such as detailed.

	2020		2021		2022	
Data	quantity	toe	quantity	toe	quantity	toe
Fuel oil (kg)	63.050	61,81	0	0	0	0
Medium voltage electricity (KWh)	983.002	226,1	1.053.075	242,21	954.512,0	178,5
Diesel fuel (lt)	15.606	15,45	43.564	43,12	61.385	52,3
Natural gas (mc)	53.806	44,12	114.104	93,56	118.648,0	99,2
Total toe		347,48		378,886		330,0

4.5 PRESERVING THE ENVIRONMENT

The territory

Frezza’s headquarters are located in Vidor, an Italian town in the province of Treviso, Veneto. We are within walking distance of the Piave River, 30 kilometers from the capital city and 70 from Venice. The hilly part of Vidor is part of the UNESCO World Heritage site “Prosecco Hills of Conegliano and Valdobbiadene.” We are part of a region known for its vineyards, history and excellence.

A land that we honor every day, renewing its natural spirit of hospitality and the delicate balance it holds to protect endangered species. We take into account the territory’s sensitivity in our company’s operations. We’ve assessed the impact of our environmental aspects on the land through our environmental management system, always considering these impacts as negligible during any interaction with the territory.

We’ve evaluated the environmental aspects and impacts as outlined in the specific system procedure DAS 03.01, which focuses on risk identification and environmental impact evaluation. Our analysis adheres to industry standards, with assessments conducted under three conditions:

- ‘N’ **Normal** during regular steady-state activities, and typical machinery startup and shutdown phases.
- ‘An’ **Abnormal situations** such as plant shutdowns and extraordinary maintenance.
- ‘E’ **Emergency situations** including accidents, spills, fires, or unusual natural events.

→ Frezza territory



Monitoring Consumption
and Environmental Metrics

Our well-established environmental management system, with over two decades of implementation, has empowered us to create a monitoring dashboard to track critical consumption-related data.

This includes:

- procurement of raw materials categorized by product type
- the consumption of energy carriers, which is already detailed in section 4.4.

Over the past two years, our operations faced disruptions during health emergencies, leading to certain indicators falling below average, like fuel consumption for vehicles. Consequently, we’ve observed significant increases in some consumption categories over the three-year period under review.

We maintain a dedicated commitment to further enhance awareness of critical areas. For instance, beginning in 2023, we plan to conduct environmental **product assessments (LCA)** and develop a **greenhouse gas (GHG)** inventory to create strategies for emission reduction and consumption management.

Waste Reduction

Our path to greater environmental consciousness has enlightened us about the implications of waste generation within a linear economic system. Such a system, which fails to design products with waste minimization across the supply chain and product life cycle, eventually leads to excess waste generation.

In this context, Frezza’s primary goal is to adopt an ecodesign approach, focusing on product development that extends usage or reuse to minimize environmental impact, even during the product’s end-of-life phase.

This effort, combined with the technical insights shared earlier and our ongoing trend toward re-integrating some previously outsourced production processes, grants us better control over production waste and reduces the overall impact of our products.



Trends in energy carrier consumption and raw material purchases

	Aspects	u.m.	2020	2021	2022
Energy Carriers	Electricity consumption	kWh	983.002	1.053.075	954.512
	Work hours	h	149.587	178.872	182.012
	Energy intensity (electricity per hour worked)	kWh/h	6,57	5,89	5,24
	Gas consumption	mc	53.806	114.104	118.648,0
	Diesel consumption	l	15.606	43.564	61.385
Raw Materials	MDF panels	mc	21,7	80,07	15,9
	Laminated panels	mc	6.598,73	7.650,52	7637,04
	Chipboard panels	mq	5.921	7.096,14	3014
	Cut panels	mq	20.372	25.634	15.500
	Polystyrene	pz	752.652	790.623	140.245
	Cardboard	pz	60.587	68.236	373.590
	Glue products	kg	820	990	1.077
	Plastics	kg	30.172	30.115	17.524
	Aluminum	pz	106.740	115.387	88.223
	Glass	pz	13.468	13.658	12.933
	Water consumption	mc	1.219	2.182	1.568



Waste production trends

Aspect	u.m.	2020	2021	2022
Total amount of waste produced	kg	505.640	517.350	441.850
Waste disposal cost/ farm turnover	%	0,93	1,1	0,77
Wood-based waste (EWC codes 03.01.05 and 15.01.03)	kg	381.340	428.220	331.120
Other waste summation	kg	124.300	116.730	110.730
Wood-based waste/ summary other waste	kg	3,07	3,43	2,99
CONAI packaging quantity	kg	94.963	98.254	148.364
Packaging quantity/ total waste	%	0,18	0,19	0,34
Water	mc	1.219	2.182	1.568

5.
AN EVOLVING IDEA
OF VALUE

Using business as a force for good

B-Lab



Since the 1800s, the capitalist economy has been based on a single goal, defined by Marx as “the ceaseless motion of earning.” This view, however, is based on a misconception: the belief that the resources of our Planet are infinite and that the growth of the human system can be so well.

Today, on the other hand, we realize that the capitalist paradigm can no longer function with the current rules founded in the concept of “business as usual”: an economic system that extracts value unlimitedly from the context in which it operates is doomed to self-destruction because it degrades the natural and social systems on which it depends.

Frezza conceives business as a positive force, as a mean of creating lasting and shared prosperity.

Frezza accounts for the “total value” it creates and distributes, with an ultimate goal: to achieve a profile that is as regenerative as possible, capable of creating more ecosystem value than it takes in to function.

Trust, equity and transparency are the values that drive our economic performance, for the benefit of current and future generations.

Related
SDG Goals

Priority Goals



SDG 12
Responsible
consumption
and production



SDG 17
Partnership
for the Goals

Supplementary
Goals



SDG 8
Decent work
and economic
growth



SDG 9
Innovation

5.1 CREATING AND SHARING VALUE

Generated and Redistributed Value is the summation 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 the territory: to suppliers, employees, Public Administrations and so on. Its subdivision **highlights in objective and quantitative** terms the company’s consistency with its ethical and social responsibility principles.

The concept of **distribution of economic value** makes it possible to interpret the data in the Annual Report through the use of a different key. According to this multi-stakeholder perspective, in fact, the wealth produced by a company is not limited to the economic result achieved during the year but embraces a universe of multiple “rewards” that represent the true economic “footprint” that the company imprints on the community.

In 2022, Frezza generated revenues of more than **38 million euros**, with a 31.9 percent revenue growth rate over the previous year. Growth and profitability indicators are positive and up from the previous year.

The economic value distributed by Frezza in 2022 is more than **40 million euros** (38% more than the previous year).

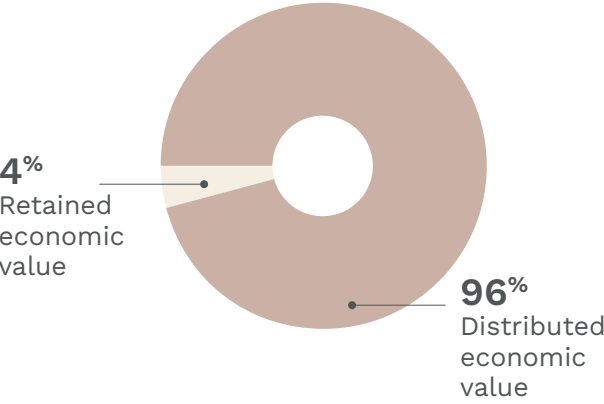
The economic value distributed in 2022 corresponds to 96% of the economic value generated.

Of the total distributed economic value, the largest share (**80.6%**) **went to suppliers and lending institutions; 15% to employees and administrators** in the form of salaries, welfare, social security charges, severance pay; **0.2% to the central and peripheral administration** in the form of direct and indirect taxes; and **0.2% is redistributed to the community** in the form of promotions, sponsorships, charity.

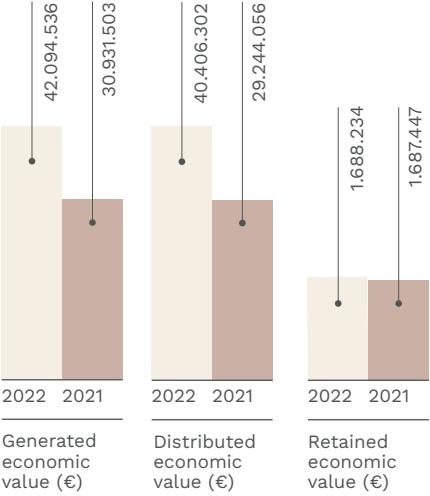
→
Karl



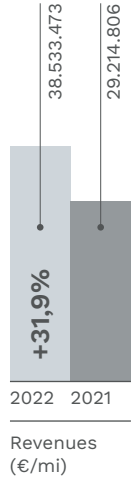
Economic value generated and distributed (2022)



Distributed economic value



Growth indicators



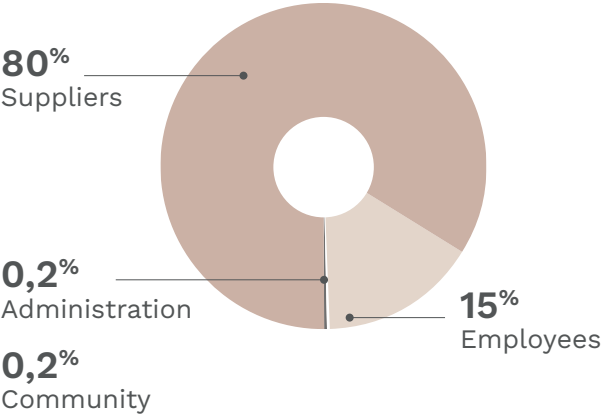
5.2. SUSTAINING LOCAL ECONOMIC GROWTH

At Frezza, we consider the local context to be Treviso and its neighboring provinces.

Over 85% of our workforce resides in Treviso, demonstrating our significant contribution to the local economy.

When it comes to our suppliers, approximately 61.34% of them are located within a 200-kilometer distance. These numbers reflect Frezza’s ability to make a positive impact in the areas where we operate.

Economic value distribution (2022)



Growth indicators and profitability

	2022	2021
Revenues (€/mi)	38,5	29,2
Revenue growth rate	31,9%	-3,1%
New investments in tangible and intangible assets (€/mio)	1,5	1,5

GOP (€/mio)	1.894.118	1.664.017
EBITDA/Turnover	4,9%	5,7%
Net ROE	0,7%	0,5%
Gross ROE	0,5%	0,3%
ROI	1,1%	0,2%
ROS	0,8%	0,2%



5.3
ENSURING
TRUST

Frezza’s approach to working with lenders is characterized by collaboration and active engagement. We aim to develop mutually beneficial strategies that strike a balance between capital investments and financial resources.

Our **solvency indicators** provide evidence of the financial and economic sustainability of our operations.

Solvency indicators	2022	2021
Availability margin (€)	2.685.105	3.102.923
Availability quotient	1,1	1,2
Treasury margin (€)	(7.201.476)	(4.892.343)
Treasury quotient	0,6	0,7

→
Yo
Plastic



5.4
(RE) GENERATING
FUTURE

In 2022, Frezza invested nearly €1.5 million in tangible and intangible assets. This amount encompasses research and development expenses for creating new product lines and eco-designing existing products to reduce their environmental footprint and conserve raw materials.

In the same vein, Frezza is currently outlining its **business plan for the 2024-2028 period**. This plan includes substantial investments to support the roadmap described in Chapter 2.

Frezza is aware that the future can only be increasingly oriented toward a **circular economy, i.e. one that emphasises regeneration**, and that adopting this model will require major efforts, such as upgrading facilities to enhance productivity, energy efficiency, quality and supply chain efficiency, all while reducing time-to-market.

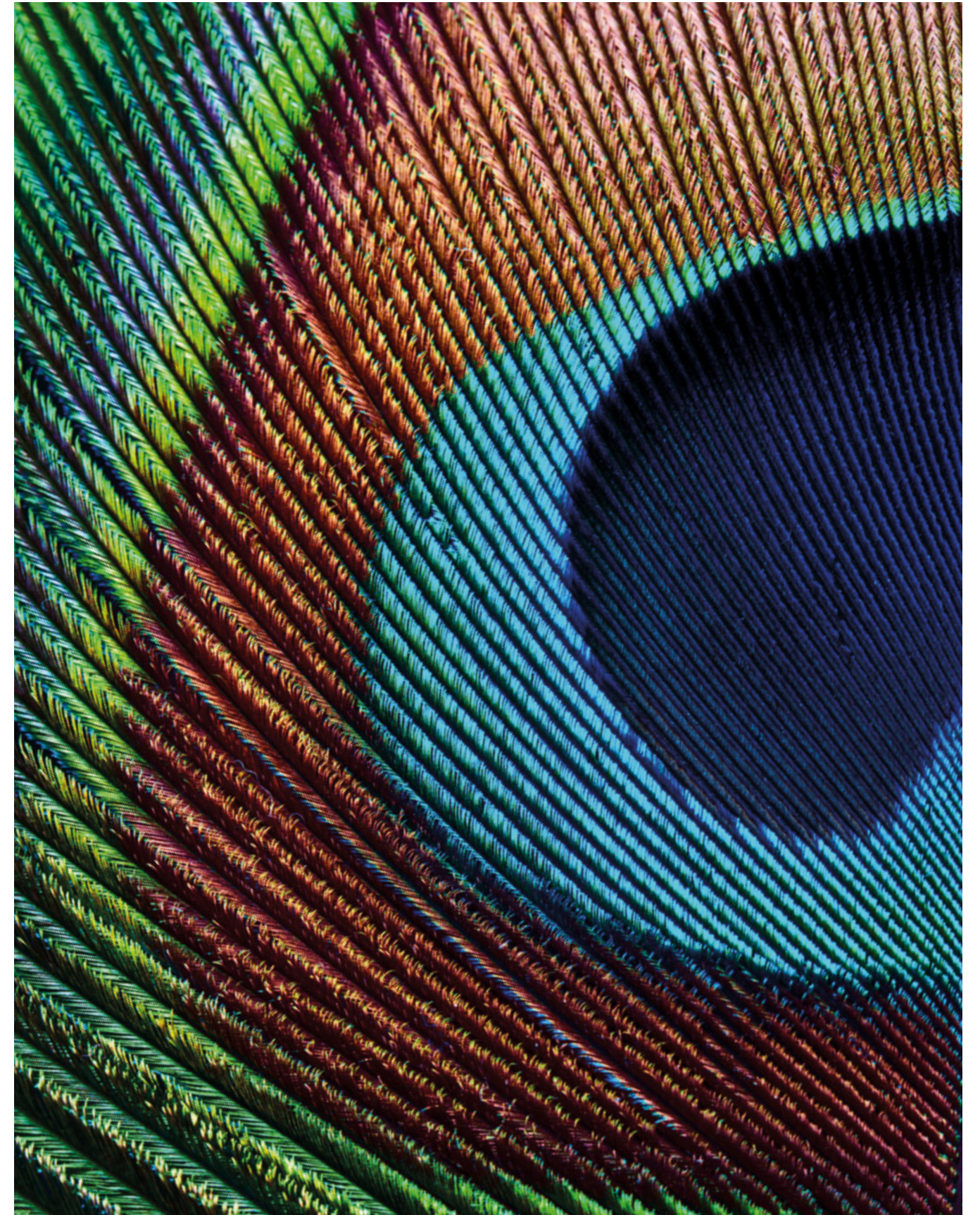
Transitioning from goods to services necessitates a focus on **quality, circularity and efficiency, prompting the reengineering of processes and employee training**. But our commitment goes beyond process and facility upgrades; it also encompasses product redesign and, in some cases, reinvention. Concepts like **longevity, recyclability and repairability** are becoming increasingly essential.

While we acknowledge that the journey toward the **‘fourth industrial revolution’** is long and fraught with challenges, we are well-equipped with the necessary tools, awareness and skills. We are prepared to do our part.



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 2022 aims to provide transparent insights into the company’s contributions and commitment to sustainable development. This inaugural edition marks our commitment to annual public reporting on our economic, environmental and social impacts and how we manage them. We align our reporting with the GRI Standards: 2021.

2. Principles for Report Content Definition

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

- Stakeholder Inclusiveness: We actively engage stakeholders who are part of our ongoing dialogue and discussion efforts. They play a role in identifying material topics.
- Materiality Analysis: We prioritize topics that have substantial environmental and social impacts and are valuable both for Frezza and for its stakeholders.
- Sustainability Context: Our report covers all aspects of sustainability, including economic, environmental and social dimensions. We set the reporting boundary based on our company’s activities.

3. Principles for Information Quality and Adequacy

This report adheres to the principles of accuracy, balance, clarity, completeness and verifiability. Although we couldn’t fully compare data with previous years for this inaugural edition, we did provide some data comparisons with the end of 2021 and 2020. We also aligned our report with sustainable development goals and emphasized timely reporting.

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 2022 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.

4. Stakeholder engagement

Stakeholders are “individuals or groups that have an interest that is or could be affected, positively or negatively by the organization’s activities.” Frezza has identified the following stakeholders:

- Employees and contractors
- Customer firms
- Supplier firms
- Employment agencies
- Banking system
- Local communities

Throughout 2022, we maintained a continuous dialogue with our stakeholders, fostering two-way communication. From the various interaction activities, no particular critical issues with stakeholders emerged during the reporting period.

5. Determination of material themes

Frezza identified material themes through an ongoing process, involving stakeholders and sustainability experts.

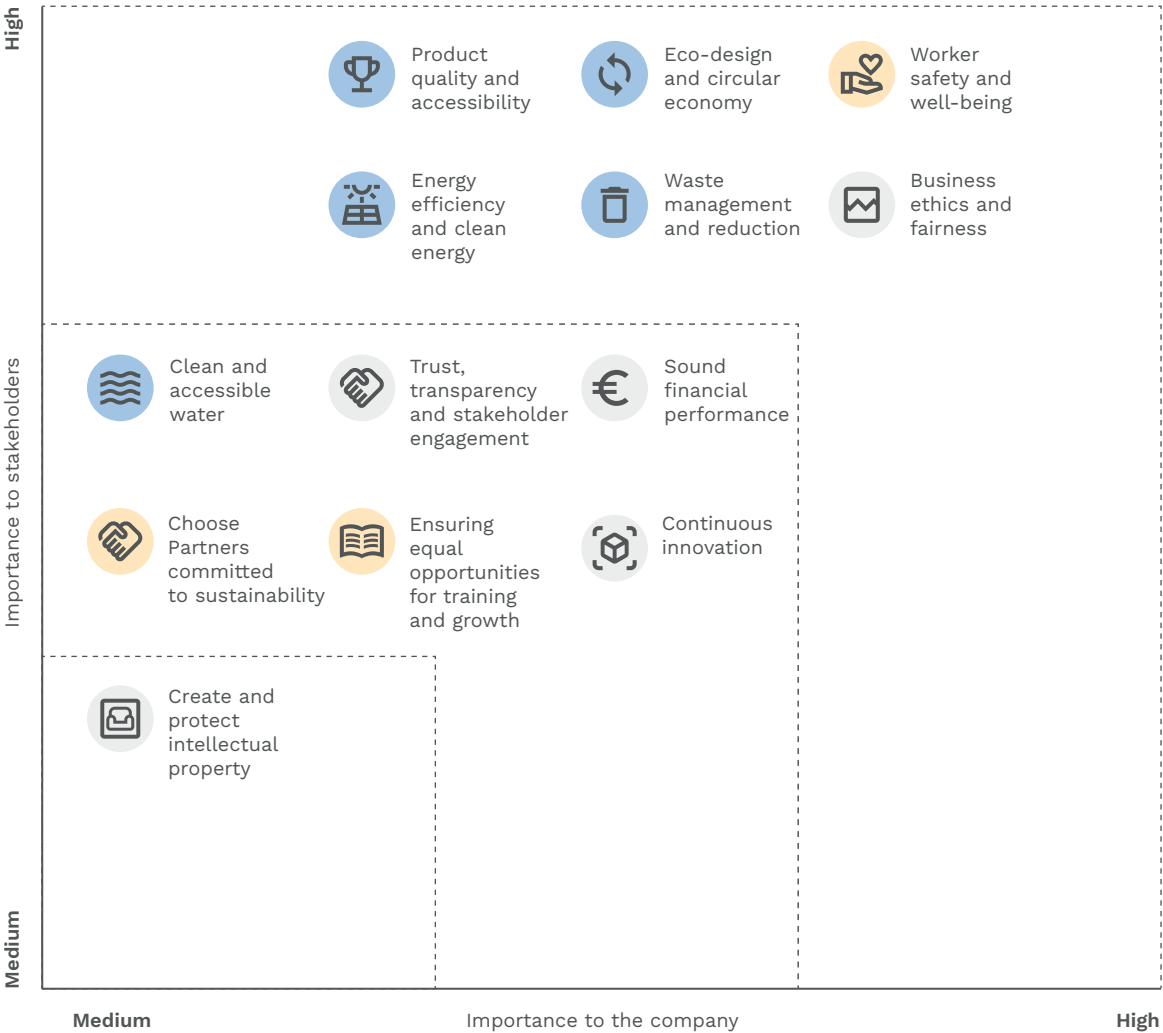
We conducted a materiality questionnaire with more than 800 representatives from various stakeholder categories. The questionnaire featured 37 questions, and participants rated each question’s *materiality* on a scale from 1 to 5.

We established a correspondence threshold at a score of 3.5. Based on the results, we created a materiality matrix that maps 13 material issues reported in this document.

The axes show the values from 3.5 (**Medium**) to 5 (**High**) representing the total responses assigned to each theme by all stakeholders who answered the assessment.

In summary, our analysis indicated alignment between Frezza’s ratings and those of our stakeholders across all sustainability areas (environmental, social, and governance).

Materiality matrix



APPENDIX

GRI Content Index

GRI	Disclosure	Chapter	Notes and omissions
Universal Standard			
GRI 1	Foundation	6 (Methological Note); Appendix (Statement of use)	
GRI 2	General Disclosures		
	The organization and its reporting practices		
2.1	Organizational details	2.1, 2.2	
2.2	Entities included in the organization'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	Appendix (Statement of use)	
2.4.	Restatements of information		There are no revisions to the information
2.5.	External assurance		No external assurance was carried out
	Activities and workers		
2.7	Employees	3.1, 3.5	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
	Governance		
2.9	Governance structure and composition	2.2	
2.12	Role of the highest governance body in overseeing the management of impacts	2.2	
2.13	Delegation of responsibility for managing impacts	2.2	
	Strategy, policies and practices		
2.22	Statement on sustainable development strategy	Letter to stakeholders, 01, 2.1, 2.2, 2.3, 2.4, 2.5, 2.6, 2.7	
2.26	Mechanisms for seeking advice and raising concerns	2.5	

	Stakeholder engagement		
2.29	Approach to stakeholder engagement	6 (Methodological Note)	
2.30	Collective bargaining agreements	3.1	
GRI 3	Material Topics		
3.1	Guidance to determine material topics	6 (Methodological Note)	
3.2	List of material topics	6 (Methodological Note)	
Specific Standards: Economic			
GRI 201	Economic Performance		
201.1	Direct economic value generated and distributed	5.1	Omitted payments to capital suppliers (aggregated value data distributed to suppliers)
GRI 203	Indirect Economic Impacts		
203.1	Infrastructure investments and services supported	5.4	
GRI 204	Procurement Practices		
204.1	Proportion of spending on local suppliers	5.2	Economic indicator omitted, the % of suppliers based within a 200 km radius was indicated
Specific Standards: Environmental			
GRI 301	Materials		
301.1	Materials used by weight or volume	4.5	
GRI 302	Energy		
302.1	Energy consumption within the organization	4.4	Distinction between renewable and non-renewable sources omitted
302.4	Reduction of energy consumption	4.4	
GRI 304	Biodiversity		
304.1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	4.5	
GRI 305	Emissions		
305.1	Direct (Scope 1) GHG emissions	4.4	
305.2	Energy indirect (Scope 2) GHG emissions	4.4	
305.3	Other indirect (Scope 3) GHG emissions	4.4.	

GRI 306	Effluents and Waste		
306.1	Waste generation and significant waste-related impacts		
306.2	Management of significant waste-related impacts	4.5, 4.1	
306.3	Significant spills	4.5	
Specific Standards: Social			
GRI 401	Employment		
401.1	New employee hires and employee turnover	3.1	Regional turnover omitted
401.3	Parental leave	3.1	
GRI 403	Occupational Health and Safety		
403.1	Occupational health and safety management system	3.4	
403.2	Hazard identification, risk assessment, and incident investigation	3.4	
403.5	Worker training on occupational health and safety		
403.7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.4	
403.9	Work-related injuries	3.4	
GRI 404	Training and Education		
404.1	“Average hours of training per year Requirements per employee”	3.2	
404.2	Programs for upgrading employee skills and transition assistance programs	3.2	
GRI 405	Diversity and Equal Opportunity		
405.1	Diversity of governance bodies and employees	3.5	
405.2	Ratio of basic salary and remuneration of women to men	3.5	
GRI 413	Local Communities		
413.1	Operations with local community engagement, impact assessments, and development programs	3.6	Synthetic description

Statement of Use

This Sustainability Report, referring to the company Frezza Srl for the period 01.01.2022 – 31.12.2022, was made public on 03.11.2023 and published on **www.frezza.com**.

Frezza Srl reported the information mentioned in the GRI Content Index for the period 01.01.2022 – 31.12.2022 with reference to GRI Standards.

Frezza Srl has notified the use of the GRI Standards and the Declaration of Use by sending an email to reportregistration@globalreporting.org.

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Frezza 2023
2022 Sustainability
Report

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*Strategy
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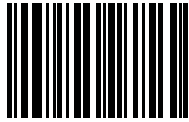
Printing
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UNI ISO 45001:2018 - Activity IAF:23.
Design, manufacturing and laying of office furniture, partitions
and equipped walls and fittings (working panels, assembly,
packaging and shipment).
Frezza S.r.l. is in compliance with the standards FSC-STD-40-004
v3.0. We can supply FSC® certified products on request.

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