













**PEOPLE** 

PEACE

PLANET

**P**ARTNERSHIP

**PROSPERITY** 

# IMPACT REPORT

2023

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# LETTER FROM THE IMPACT MANAGER

Diemmebi S.p.A. transitioned to become a Benefit Corporation in May 2023 further to the wishes of the owners, who, in celebrating the company's 40th anniversary, wanted to put down on paper their dedication to ensuring a sustainable future.

Becoming a Benefit Corporation has heightened the general awareness that existing practices within the company should be structured into a strategic framework, prioritising investment in people and nurturing our stakeholders' trust in both the company and our way of doing business. It presents an opportunity for a forward-looking approach aimed at generating value while serving the interests of all parties involved.

The journey required training and familiarisation with European sustainability legislation, this being the starting point in order to better navigate the complexities of the world around us.

In this inaugural Impact Report, we have captured an ESG overview of our operations in 2023, using specific metrics to gauge our environmental and social footprint. We have aligned these efforts with our common benefit goals and the sustainable development goals outlined in the 2030 Agenda. Looking ahead to 2024, our commitment is underscored by a series of initiatives designed to steer the company towards environmental and social equilibrium, in which we are called to do our part.

Our aim is to implement a planning approach that not only considers the economic aspects of our operations but also evaluates their broader impacts, identifying actions that can significantly mitigate adverse effects while supporting positive outcomes.



Marisilva Dal Cin Board Member and Impact Manager

# DIEMMEBI S.P.A. BENEFIT CORPORATION

Diemmebi was founded in 1983 in San Fior in the province of Treviso, thanks to the vision of several ambitious young entrepreneurs who sought to acquire the business they worked for and continue the production of metal furniture structures for third parties. The company subsequently relocated to Colle Umberto and since 2006, after years of continuous growth and evolution, found its permanent home in Vittorio Veneto. Driven by unwavering determination and strategic management aimed at projecting the company into an international context, Diemmebi today manufactures and exports furniture components worldwide, renowned for their beauty, functionality and quality.

Diemmebi's products are crafted and distributed in industrial batches, primarily targeting manufacturers of chairs and tables in the business and commercial sector. In light of this collaboration, which leads to the creation of the finished product, the company is positioned as a reliable partner, ensuring continued investment in innovative furniture solutions while respecting its clients distributive independence.

Over time, Diemmebi has diversified its expertise, extending its design prowess to encompass chairs, tables and complementary pieces tailored for *community* and *urban* environments. The precious contribution of the art direction and creative drive of the architects and designers who collaborate with Diemmebi is evident in the company's evolution, where innovative ideas, skills and an entrepreneurial spirit converge to advance industrial design.

Product research and development, metal fabrication processes like cutting, bending, moulding, welding and painting, as well as product assembly and packaging for shipment are all performed in-house.

Diemmebi has always prioritised environmental sustainability and human health throughout its production processes. Embracing the principles of the circular economy, the company designs and develops its products supported by multiple certifications ensuring the integrity of its work and processes.

40

Years of experience

53%

International turnover

60

People

100%

Made in Italy

50,000

Tables sold annually

200,000

Chairs sold annually

On 5 May 2023, Diemmebi S.p.A. became a Benefit corporation, changing its corporate purpose accordingly and incorporating, alongside its business practices, the general common benefit goals the company would pursue, aiming to have a positive impact on the environment and the society in which it operates.

A Benefit Corporation constitutes a real legal status, recognised by Italian law and regulated by art. 1, para. 376-382, of Law no. 208 of 28 December 2015. Benefit Corporations voluntarily pursue, in their business practices, not only profit but also one or more common benefit purposes, understood as the pursuit of one or more positive effects or mitigation of negative effects on people, communities, territories and the environment, cultural and social assets, organisations and associations, and other stakeholders.

Being a Benefit Corporation is a way of expressing the company's will and commitment through a model of society that charts the course for a more sustainable future, in line with the objectives of the 2030 Agenda set by the United Nations. A tangible opportunity for a forward-looking vision that aims to create value, while also pursuing the interests of all stakeholders.

The general common benefit goals stated in the company's articles of association, are to:

- 1. BRING SUSTAINABILITY INTO GOVERNANCE: Diemmebi's commitment to evolving the group according to the sustainability paradigm by integrating sustainable development into its "think first, then act" strategy.
- 2. CARE FOR THE ENVIRONMENT: Diemmebi's commitment to monitoring and reducing waste, designing and developing solutions to extend the life of its products in line with the circular economy, constantly striving to improve its energy efficiency, increasing the use of renewable energy and taking actions that contribute to mitigating climate change.
- 3. SUPPORT THE VALUE OF PEOPLE: Diemmebi's commitment to fostering a corporate culture, enhancing technical and personal skills, and creating a workplace characterised by shared values, attentive to the potential and well-being of its people.
- 4. SUPPORT THE COMMUNITY: Diemmebi's commitment to creating value for the local community through solidarity initiatives, collaborations with schools and universities, and support for sports activities to promote social inclusion, tradition and the strengthening of community ties.



In 2023, Diemmebi's business model integrated profit objectives with the pursuit of common benefit goals.

A process was implemented for collecting and processing data and information to measure the impacts generated by business practices according to ESG (Environmental, Social and Governance) criteria. These three pillars of sustainability, endorsed by the European Union, guide best practices in key areas of change and represent the macro-objectives to which specific goals are linked.



The Environmental criterion concerns the impact the company has on the environment, considering factors such as the use of natural resources, waste management, emission reduction policies, and climate change adaptation.



The Social criterion refers to the relations the company holds with workers, suppliers, clients and the communities in which it operates. Aspects considered include human rights, working conditions, diversity and inclusion, and engagement with the local community.



The Governance criterion concerns how the company is managed, including the structure of the Board of Directors, remuneration policies, corruption, corporate integrity and tax transparency.

Within the three macro-areas defined by the ESG factors, GRI Standard indicators were used to report on corporate sustainability performance, aligning them with the new ESRS Standards, which define sustainability reporting according to EU Directive 2022/2464. The European Union has made an important step towards ensuring the transparency and comparability of sustainability data. In particular, with a view to harmonising the use of resources and the circular economy, the landscape has been marked by the introduction of the ESRS E5 standard. This tool is part of the European Sustainability Reporting Standards (ESRS), a set of reporting standards created to assist companies in more efficiently communicating and managing their sustainability performance.

Lastly, the 2030 Agenda for Sustainable Development serves as a guiding framework for identifying and categorising all kinds of sustainability actions. It is an action plan for people, the planet and prosperity, signed in September 2015 by the governments of the 193 UN member countries. It encompasses 17 Sustainable Development Goals within a comprehensive action plan, totalling 169 targets or milestones. This plan is directed towards all countries, manufacturing businesses and individuals, and can be summarised by five key concepts, represented by the five "Ps":



PEOPLE



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PLANFT



Partnership



**P**ROSPERITY

# **ENVIRONMENT**



# MATERIAL CONSUMPTION

GRI 301-1, GRI 301-2 ESRS E5

The main materials used in the manufacturing process are semi-finished iron for components, semi-finished plastics and wood for desks, chairs and backrests, and packaging materials such as cardboard and pallets.

MATERIALS USED	U.M.	QUANTITY
semi-finished iron products	pieces	1,689,584
semi-finished plastics	pieces	3,790,521
semi-finished wood and HPL	pieces	61,002
nylon bags	pieces	328,173
cardboard (FSC)	pieces	133,649
pallets	pieces	7,056
ferrous materials (rolled drawn tube)	metres	778,622
stretch film	kg	9,797

When selecting raw materials, the company prefers those that are partly derived from recycled industrial waste. To ensure maximum transparency, the percentages of recycled content are verified with appropriate supporting documentation. Specifically, the following resources are used:

MATERIALS USED	% RECYCLED	DOCUMENTATION
polypropylene (PP)	63	Certifications - chain of custody
acrylonitrile butadiene styrene (ABS)	63	Certifications - chain of custody
acrylonitrile butadiene styrene (ABS)	45	Certifications - chain of custody
acrylonitrile butadiene styrene (ABS)	50	Certifications - chain of custody
iron/steel tubes	26	Supplier's documents
solid iron/steel bars	80	Supplier's documents

For the first four plastic materials, the certified chain of custody ensures compliance and transparency with respect to traceability criteria, providing proof of adherence

to cross-cutting standards that address occupational health and safety, social and environmental sustainability, and product identity.

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Regarding iron/steel materials, suppliers are able to provide documents on the casting and origin of the raw materials used.

# **WASTE MANAGEMENT**

GRI 306-1; GRI 306-2; GRI 306-3; GRI 306-4; GRI 306-5 ESRS E5

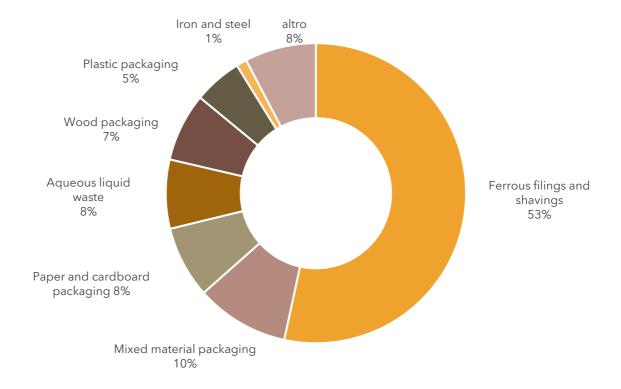
The current production process does not allow for the reintegration of production waste. Such waste is deposited in designated containers, sorted by type, to ensure proper disposal or recovery by a specialised company. All third parties involved in the disposal process are authorised and registered, and all loading and unloading operations are recorded in the appropriate logbook. Transport is accompanied by a waste management form and all operations are declared in the Consolidated Environmental Declaration Form.

WASTE PRODUCED	NON- HAZARDOUS (t)	HAZARDOUS (t)	TOTAL (t)
diverted from disposal	123.028	11.330	134.358
directed to disposal	0	69.000	69.000
total	123.028	80.330	203.358

WASTE PRODUCED	QUANTITY (t)
diverted from disposal	134.3
mixed material packaging	13.5
plastic packaging	7.0
paper and cardboard packaging	10.4
wood packaging	9.9
waste paints and varnishes	5.0
ferrous filings and shavings	71.7
iron and steel	1.5
aqueous liquid waste	10.0
halogen-free emulsions and solutions for machinery	5.0
other	0.3
directed to disposal	
phosphate sludge	69.0

Sales returns are carefully inspected, and the metal/ferrous parts are recovered and reintroduced into the production cycle as "raw for painting". Plastic materials are analysed and, if in good condition, reused within the production chain. Otherwise, they are used as secondary raw materials by other production activities.

Wastewater is collected in two dedicated tanks and treated as waste.



Percentage distribution of waste directed to disposal by type

Waste diverted from disposal amounts to 134,358 kg and is deposited in designated collection containers. The sorted material is collected by authorised transport companies and delivered to authorised collection centres, where it is recycled.

A packaging return project, which applies particularly to pallets and wooden crates, is in place for certain clients.

At trade fairs, set-ups are rented in an effort to minimise waste production.

## THE CIRCULAR ECONOMY AND CERTIFICATIONS

ESRS E5



In order to achieve the EU's climate neutrality target by 2050, it is crucial to move away from the linear economy model based on the logic of "extract, produce, use and dispose of", adopting the circular economy as the production and consumption model of choice, which aims to extend the life cycle of products and helps reduce the generation of waste.

With this in mind, Diemmebi products are designed to be:

- MODULAR/FLEXIBLE to allow customisation at the time of purchase.
- DEMOUNTABLE to allow simple and proper recycling and the possibility to replace damaged parts.
- MONOMATERIAL to facilitate disposal and recyclability.
- DURABLE to last over time.
- ERGONOMIC AND HEALTH-ORIENTED to protect people's health.

As a guarantee of our commitment to providing not only quality products, but also products recognised for their transparency, reliability and sustainability, international standards are used to attest to their characteristics, including certifications, authorisations to use trademarks, memberships to consortia and assessments by third-party, independent bodies.

#### REMADE IN ITALY

REMADE is the environmental product certification issued by ACCREDIA (Italian national accreditation body), which verifies the traceability and recycled content (or byproducts) of a given product. It is recognised as a means of proof in "Green Procurement" and in the Minimum Environmental Criteria (Criteri Ambientali Minimi or "CAM"), which list the requirements to be included in tenders for each sector, and is compliant with the "Procurement Code" (Legislative Decree 50/2016) and provisions for the use of eco-labels as a presumption of conformity. It is also crucial in order to be eligible for the tax incentives in place to encourage recycling and recycled content in products, insofar as tools that promote the circular economy. This certification has been used for plastic products produced by Diemmebi since 2019. All new products are moulded from recycled plastic obtained from industrial waste.

#### **FSC**

FSC (Forest Stewardship Council) certification ensures that products come from responsibly managed forests, thus providing environmental, social, and economic benefits. FSC aims to serve as a benchmark for the legality and sustainability of the

wood-paper supply chain, in accordance with the latest standards for responsible forest resource management.

Diemmebi has held FSC Chain of Custody (CoC) certification since 2022, guaranteeing the traceability of materials from well-managed forests, from controlled sources, from recovered materials or a combination of these sources, thus facilitating a transparent supply chain flow.

#### **ECOMETAL**

Ecometal is a non-profit consortium for the sustainable development of the electroplating industry, promoted by Assogalvanica and founded in 1994 by several member companies thanks to the support of the Veneto Region's Environmental Department. It proposes environmental projects for the research and development of new technologies and the promotion of the electroplating industry.

Diemmebi is authorised to use the brands: Plated in Italy, which qualifies and distinguishes Italian electroplating companies that produce according to the strictest environmental regulations in the world, and which guarantee products of absolute quality; Hygienic Surface, which certifies that surfaces treated with electroplated coatings are able to strongly resist bacterial colonisation, can be easily cleaned and disinfected, and remain clean for longer; Infinitely Recyclable, which emphasises the value of processes that allow metal goods, at the end of their life cycle, to be melted or forged into new goods, a process that can be repeated an infinite number of times without any loss of material.

#### **CATAS**

With operational centres in San Giovanni al Natisone (UD) and Lissone (MB), it is considered Europe's most important testing and applied research laboratory in the wood-furniture sector. It works to improve the safety, quality and reliability of its partner companies' products, benefiting both end users and the environment. CATAS is Diemmebi's daily contact for certificates of conformity attesting to specific technical product requirements.

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# **ENERGY EFFICIENCY**

GRI 302-1; GRI 302-3; GRI 302-4 ESRS E1

The main type of energy required for production activities is natural gas, the consumption of which is equal to 185,128 Sm<sup>3</sup>, followed by electricity, amounting to 725,033 Kwh.

ENERGY CONSUMPTION (DIRECT)	U.M.	QUANTITY
natural gas	GJ	7,294
Purchased electricity	GJ	2,610
total energy consumed	GJ	9,904
total finished products	pieces	2,147,436
energy intensity	MJ/piece	4.6

To reduce energy consumption, the company is gradually replacing its old neon lights with LED lamps (40% coverage). All areas of the company, including offices and production, are equipped with digitally regulated heating. The offices are also equipped with digitally regulated cooling.

## **AIR EMISSIONS**

GRI 305-1; GRI 305-2 ESRS E1

The main cause of climate change is the greenhouse effect. The European Union, a signatory to the Kyoto Protocol, has set a target to reduce "greenhouse gas" (GHG) emissions by at least 40% by 2030 compared to 1990 levels. To achieve this goal, all production departments must do their part. Companies and organisations around the world can calculate their greenhouse gas emissions; Diemmebi has estimated the tonnes of CO2 equivalent derived from its primary direct and indirect emissions to better understand the scope of its environmental impact.

GHG EMISSIONS	CO2 e. (t)	e e
direct emissions (scope 1) natural gas	37	77.66
fuel (diesel) used in company vehicles	5	50.65
indirect emissions (scope 2)	21	9.98

Sources for emission factors: DEFRA, EPA, ISPRA

The main type of energy needed to run the business is natural gas, followed by electricity.

The transport means that run on diesel fuel include 2 cars, 1 van and 1 truck.

The forklifts used within the company are electric.

In 2023, the CO2 equivalent produced was estimated at 648 tonnes.

### Stack emissions monitoring

The Autorizzazione Unica Ambientale (Single Environmental Authorisation or "AUA") is the provision introduced by Presidential Decree No 59 of 2013, which replaces various acts of communication, notification and authorisation in environmental matters as required by industry regulations. The AUA applies to activities that do not fall under the Autorizzazione Integrata Ambientale (Integrated Environmental Authorisation or "AIA"), but shares the same general objectives. The AUA conducts a comprehensive assessment of the environmental compatibility of production activities that could potentially impact the environment, ensuring a unified approach.

Diemmebi received the Single Environmental Authorisation from the Province of Treviso on 01.04.2019 with an expiration date of 26.05.2030. Having verified the presence of smokestacks with suitable dust filtration systems at the company, and having reviewed the analytical air emission measurements, which are well within the regulatory limits, the company is no longer required to carry out annual inspections. Should there be any changes to its facilities (such as the addition of a new smokestack), the overall project will need to be updated and the emissions analysis reassessed.

For stack emissions measurements, Diemmebi uses an accredited test laboratory and the documentation must be submitted to the Province.

There are currently 17 monitored smokestacks.

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# WATER CONSUMPTION

GRI 303-3, GRI 303-5 ESRS E1, ESRS E3

Total water consumption from the aqueduct was 1,152 litres.

The company uses a well for direct extraction of water from the aquifer with an electromechanical suction pump and collection in a holding tank.

The Civil Engineering Office of Treviso has issued a special permit for the use of water for production purposes and to supply the company's fire-fighting system. In 2023, 170 cubic metres of water were consumed.

The company also has a rainwater collection system that discharges directly into the municipal rainwater network.

Workers all have a thermal drink bottle and have access to suitable drinking water dispensers for their daily consumption.

## **PEOPLE**

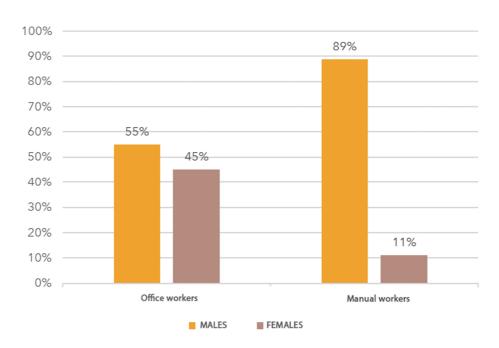
GRI 2-7, GRI 2-8, GRI 401-1, GRI 405-1 ESRS S1

As at 31 December 2023, Diemmebi employed 56 people, 88% of whom had permanent contracts. 23% of women have a part-time contract.

Manual workers account for 64% and office workers for 36%, confirming the company's strong manufacturing vocation.

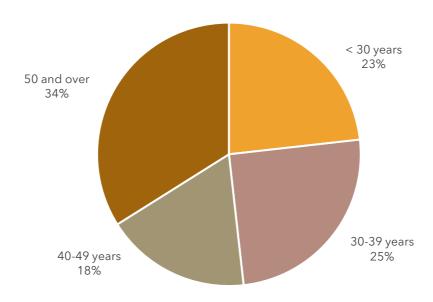
Women work mostly in the office area and make up 45% of the total number of office workers.

The foreign workforce currently accounts for 16%.



Percentage distribution of workers by gender and type

With regard to the distribution by age group, one in two employees is over 40 years of age and, more precisely, 34% of employees are over 50 years of age, and 18% are between 40 and 49 years of age. 23% of employees are under 30 years of age. A combination that strikes the right balance between experience and new generations.



Percentage distribution of workers by age group

EMPLOYEES	MALES	MALES FEMALES	TOTAL	OF WHICH	
LIVII LOTLLS	IVIALLS	I LIVIALLS	TOTAL	< 30 years	foreigners
hires	9	1	10	3	3
turnover	6	4	10	1	0
balance (E-U)	3	-3	0	2	3

The turnover rate was 35% with a good balance of hires and turnover.

At certain times of the year, it is necessary to manage production peaks, so Diemmebi relies on the collaboration of workers through specialised employment agencies. In the course of 2023, four workers were subsequently added to the company's workforce with a fixed-term contract.

## **EMPLOYEE BENEFITS**

GRI 401-2 ESRS S1

In 2023, a total of €33,153 were disbursed, divided into shopping vouchers, fuel vouchers, partial coverage of meal vouchers, and direct payments.

For lunch breaks, the company provides two dining areas, one for the production facility and one for the offices, equipped with a kitchen and tables, typically used by about twenty employees every day.

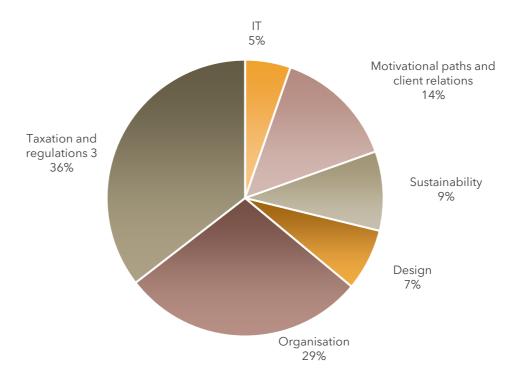
# TRAINING AND PROFESSIONAL DEVELOPMENT

GRI 404-1, 404-2 ESRS S1

A total of 750 training hours were provided, including 442 hours of specific training for skills updating and 308 hours of occupational health and safety training. Additionally, a specific training program dedicated to sustainability and the transformation of the company into a Benefit Corporation was launched, involving multiple individuals from key areas of the organisation. It was an opportunity to raise awareness and involve various departments, aiming to better understand how to direct programming from an ESG perspective.

In May 2023, Diemmebi shared with all employees the efforts and tangible actions characterising it as a Benefit Corporation.

SPECIFIC TRAINING SKILLS	HOURS	PEOPLE	HOURS/PERSON
computer	23.5	2	11.8
motivational paths and client relations	63	5	12.6
sustainability	41	29	1.4
design	32	5	6.4
organisation	126	9	14.0
tax and regulatory	157	19	8.3
total	442.5		



Programs for upgrading employee skills and transition assistance programs

# OCCUPATIONAL HEALTH AND SAFETY

GRI 403.2, GRI 403.3, GRI 403.5, GRI 403.6, GRI 403.9 ESRS S1

To ensure the protection of its workers and maintain a focus on any risks present in the company, an organised and structured management and monitoring system has been implemented. The Risk Assessment Report is constantly monitored and updated with every production change (last official version published on 8 March 2023). In addition to the general and main text, the Risk Assessment Report includes numerous specific risk assessments (exactly 14) relevant to changes in the company's production process over time and regulatory updates that have been introduced in the safety framework over the years.

The company's safety organisational chart includes two external figures, namely the Prevention and Protection Service Manager (RSPP), ensuring compliance with regulations, and the Authorised Doctor, responsible for evaluating workers' fitness for the assigned task, who performs periodic checks. Furthermore, a Prevention and Protection System Officer (ASPP) reports to the Prevention and Protection Service Manager (RSPP) and is responsible for activities aimed at identifying and preventing risks for workers. The H&S Workers' Representative, elected by the workers, collects any reports on dangerous situations or anomalies that could pose a risk to the

environment and people. Lastly, the chart includes the Supervisors, First Aid Officers and Emergency Fire Risk Officers, and all other figures required by Legislative Decree 81/2008 for whom training and refresher courses are regularly held.

The key points on prevention are:

- 1) education and training of individual workers at risk levels determined by the Risk Assessment Report;
- 2) management, safety monitoring and scheduled maintenance of all machines and installations in the company.

The results and data from this system form the basis for continuous improvement measures in relation to the monitoring of machinery, which has always been the company's primary risk, and in relation to training workers on the safe use of such machinery.

Based on this data, actions are scheduled to improve the safety of the machinery (or its replacement), and specific training is planned on the basis of any accidents or *near misses*.

The prevention service is managed in collaboration with the Conegliano Medical Centre and, specifically, Dr. Zara Davide has been appointed as the company's authorised doctor. The service is provided at the Conegliano and Vittorio Veneto sites and directly at the company when necessary. The company has set up a dedicated area with a waiting room and a small medical examination room.

The Medical Centre communicates the results of medical examinations only to the individual concerned and keeps the results of analyses and examinations available, but confidential. The Authorised Doctor sends the company the fitness for duty document and reports any necessary limitations and/or prescriptions.

Occupational health and safety training activities held for workers include legally required refresher courses for high-risk and low-risk workers, for the H&S Workers' Representative and for supervisors. In 2023, 280 training hours were provided, involving all employees.

HEALTH & SAFETY TRAINING	HOURS	PEOPLE H	OURS/PERSON
general training	16	3	5.3
low risk training and refresher courses	46	8	5.8
high risk refresher courses	162	41	4.0
H&S worker representative refresher courses	8	1	8.0
training and refresher courses for supervisors	48	6	8.0
training and refresher courses for management	28	3	9.3
total	308		

Within the framework of employee benefits, employees have access to medical and healthcare services on a direct or indirect (reimbursement) basis at affiliated facilities.

Health insurance is also provided for certain employees in the production department.

In 2023, the number of workplace accidents was zero.

# PROCUREMENT PRACTICES

GRI 204-1, GRI 308-2, GRI 414-2 ESRS S2

Diemmebi has always been committed to generating value within the community in which we operate, selecting local suppliers, where possible, headquartered in the same province or neighbouring areas. In order to guarantee the quality of our products, we conduct annual third-party audits on our suppliers. A specific checklist is used to check social aspects too, such as forced labour, discrimination, the use of child labour, workplace safety and environmental aspects such as air emissions, consumption and waste. The audit also verifies the certifications held by the companies examined.

Diemmebi sits at the end of a supply chain consisting of over sixty small- and large-sized enterprises, all suppliers of semi-finished and raw materials, of which approximately 60% are located in the Treviso area.

In 2023, we visited 10 of our most prominent suppliers of semi-finished products, tubes, screws and packaging, who also provide painting and chrome-plating services.

# **CUSTOMER HEALTH AND SAFETY**

GRI 416-1, 416-2, 417-1 ESRS S4

The systematic initiatives undertaken by the company to assess the health and safety impacts of our products involves the preliminary definition, during the design stage, of safety requirements and impacts on health according to the provisions of Law 24/2002, which implements Directive 1999/44/EC on consumer sales and guarantees, and of Legislative Decree 206/05, Legislative Decree No 206 of 6 September 2005.

The following design regulations are followed in order to ensure the safety of our products:

DESIGN REGULATIONS	PURPOSES
UNI EN 1728:2018 UNI EN 16139:2013 UNI EN 1730:2012 UNI EN 15372:2016	resistance and durability of seats non-domestic seating stability and durability of tables
UNI EN ISO 16000-9:2006 and ISO 16000-6:2021 UNI EN ISO 9227:2017 UNI 8457:2010 UNI 9174:2010 UNI 9177:2008	voc emissions corrosion tests reaction to fire reaction to fire in the presence of radiant heat classification of reaction to fire of
ANSI-BIFMA standards ministerial approvals CAM Declaration of Conformity - Ministerial Decree 23.06.22	combustible products office chairs and furniture in the US market reaction to fire

The paints used are non-toxic and are checked every six months in accordance with the REACH regulation (European Union regulation of 18 December 2006 concerning the registration, evaluation, authorisation and restriction of chemicals).

The chemical evaluation analyses all hazardous substances used at the company based on the type and level of risk, the quantities used during the given period, the frequency and time of exposure for use during the period. Checks are also carried out to ensure that no substances banned by the ECHA (European Chemicals Agency) are contained in the purchased products.

There were no episodes of non-conformity with the regulations concerning the health and safety impacts of our products and services.

The Sales Department provides clients with environmental product data sheets on request, quantifying the resources in INPUT (incoming materials) and in OUTPUT (end-of-life destination). There are plans to publish the data sheets on the company's website.

# **CLIENT RELATIONS**

ESRS S4

Diemmebi has a Quality Management System in place certified in accordance with UNI EN ISO 9001:2015. The primary scope of ISO 9001 is to pursue client satisfaction with regard to the supplied products and services, as well as ensure the continuous improvement of the company's performance. The ISO 9001 model is a strategic tool as it is aimed at assessing the context and stakeholders, by analysing risks and opportunities as a basis for defining appropriate actions, controlling costs, increasing productivity and reducing waste.

With this in mind, an Industry 4.0 digital transformation path is being implemented, which affects several of the company's departments. In the production facility, investments are focused on enhancing production efficiency and quality. In recent years, numerous new machines and software have been purchased to enable state-of-the-art production.

Diemmebi participates in selected industry trade fairs. In May 2023, we participated at Interzum in Cologne, the most important international trade fair for furniture production and interior design, which welcomed roughly 62,000 visitors from more than 150 countries. Sustainability was the trade fair's central theme. By focusing on the neo-ecology concept, Interzum brought the issue of sustainability, environmental awareness, resource efficiency and long-term planning to the fore. In this stimulating context, Diemmebi developed its own stand with a selection of products on display, highlighting all those characteristics tied to the use of recycled, recyclable and reusable materials, which are both durable and safe, creating an inspirational video wall representing our commitment in terms of sustainability and in line with the exhibition's overarching theme: 'the future of furniture'.

Aiming to raise awareness and inspire change within the business across the board, in May 2023 all clients and suppliers received an update specifically produced to share the tangible efforts and effective commitments characterising Diemmebi as a Benefit Corporation.

## COMMUNITY ENGAGEMENT

GRI 413-1 ESRS S3

## Regional value - Collaboration

Diemmebi has long collaborated with the Association "la Nostra Famiglia" active throughout the region and dedicated to caring for and rehabilitating people with disabilities. Its actions are focused on restoring autonomy and manual dexterity.

## Regional value - Education

Diemmebi strongly believes in establishing contact with local schools, it being crucial to create a bridge in order to better prepare young people in addressing the realities of the business world and its requirements. In 2023, projects were launched with 2 high schools aimed at training 2 students, who completed an internship at Diemmebi for a total of 240 hours.

### Regional value - Sport

To support the organisation of tournaments and events for certain sports activities, in particular for youths, namely the U.P.D. Costa (Vittorio Veneto) volleyball club, the Sanfiorese (San Fior) and GS gelati Sanson (Scomigo) cycling clubs, and the Teglio Veneto football club, a total of €8,500 were granted to help organise the events.

# Regional value - Culture and Society

In order to support local community and social inclusion projects (Pro Loco Conegliano, Padua Prison Laboratory, San Fior Leisure Time Association), €10,800 were granted to help organise the events.

# STRUCTURE AND COMPOSITION OF BoD

GRI 2-9, 2-13 ESRS G1

The Board of Directors of Diemmebi S.p.A. is composed of three members, of which one woman, who has been delegated to deal with sustainability issues in order to pursue the common benefit goals identified insofar as a Benefit Corporation.

# SUSTAINABLE DEVELOPMENT STRATEGY

GRI 2-22 ESRS G1

Diemmebi is committed to evolving the group in accordance with the paradigm of sustainability. To this end, the company, having become a Benefit Corporation, wishes to clearly formalise this objective for all stakeholders. In order to integrate our business practices with the environmental and social dimension, Marisilva Dal Cin has been appointed as Impact Manager, who, supported by the Sustainability Committee nominated on 20 June 2023 by the Board of Directors and composed of Costanza Lot, Nicole Pavan and Mattia Falsetti, is responsible for proposing, developing, implementing and coordinating actions aimed at achieving the specific common benefit goals. The Impact Manager and Sustainability Committee must report to the Board of Directors on the choices made.

In order to better understand what it means to embark on a path of sustainability, the Board of Directors underwent specific training on ESG principles, regulatory developments, the analysis of the socio-economic context and possible future shortand medium-term risks.

The Impact Manager and members of the Board of Directors also underwent specific training in order to accurately identify the priorities.

To take more responsibility for managing our impacts, we produced our first Sustainability Report to increase our understanding of how to plan our company strategy in the future.

# **POLICY COMMITMENTS**

GRI 2-23 ESRS G1



Since November 2019, Diemmebi has had an Organisation and Management Model in place as required by Decree-law No 231 of 2001. Model 231 implements a commitment to comply with national and international standards on matters including labour, civil rights, child protection, anti-corruption and environmental safeguarding, all themes integral to sustainability.

The Board of Directors nominated the Supervisory Board (SB) composed of three members, of which two are external, to supervise the correct application of the protocols outlined in the model.

Diemmebi also has a Code of Ethics in place, which defines and expresses the key values and ethical concepts that guide the company's business and activities. It includes the ethical-behavioural measures implemented in respect of all individuals directly or indirectly involved in the company's activities.



# **TARGETS FOR 2024**



Specific targets for the year 2024 have been identified, based on the areas of common benefit articulated in the corporate purpose, as well as the UN 2030 Agenda's Sustainable Development Goals, to which enterprises are also called upon to respond.

Specific actions have been planned for which targets have been identified and will be measured with suitable KPIs at the end of the year, making explicit the changes that Diemmebi aims to achieve in terms of direct recipients, the environment and the community (effects and impacts).

The specific goals and actions are broken down according to the ESGs.

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# **ENVIRONMENT**







GOAL	ACTION	TARGET 2024	EFFECTS / IMPACTS
	QR Code for disposal of sold product waste	100%	waste collection efficiency and regulatory compliance
WASTE MANAGEMENT	separate waste collection in offices	organisation of bins for paper and plastic collection	reduction of mixed waste collection
	changes to vending machines	elimination of plastic disposable cups	reduction in plastic waste
	installation of photovoltaic system	surface area: 700 m2 production: 800 kWh	reduction in fossil fuel consumption
AIR EMISSIONS	entry of the industrial zone into the energy community	adhesion by December	reduction in CO2 emissions
	installation of LED lights	60%	reduction in consumption and emission of climate- changing gases
MATERIALS USED	use of packaging from recycled and/or certified materials	100% packaging bags, stretch film and cardboard	reduction in use of virgin plastic and forest protection
IVIATERIALS USED	optimisation of paper consumption	reuse of sheets destined for waste	reduction in raw material consumption
PRODUCT LIFE	implementation of database for non- conformity analysis (clients and suppliers)	80% monitoring	reduction in scrap waste
CYCLE	product eco-design sheets	implementation for each item	reuse and recycling incentives

# SOCIAL, PEOPLE, COMMUNITY











GOAL	ACTION	TARGET 2024	EFFECTS / IMPACTS
TRAINING	training courses for employees	20 courses	skills improvement
HEALTH PROMOTION	preventive medical examinations for employees	at least 80% adhesion	health protection of community employees
EMPLOYEE WELL- BEING	flexible leave program	availability for all personnel	work-life balance
	company bikes for facility-canteen route	4	worker well-being during lunch break
CUSTOMER SATISFACTION	customer satisfaction	distribution of satisfaction surveys	involvement of clients in determining needs
SCHOOL- UNIVERSITY PARTNERSHIPS	ITS RED Academy partnership	1 institute	creation of employment opportunities
	university contest	3 scholarships	protection, preservation and enhancement of the landscape through innovation projects
SOLIDARITY	partnership with social cooperative	distribution of satisfaction surveys  1 institute	support for special- needs groups
INITIATIVES	donations of our products		community awareness
SPORTS SPONSORSHIPS	economic contribution		promotion of well- being and sharing
TRANSPARENCY	renewal of the website		information on sustainability-related commitments and actions

# GOVERNANCE









GOAL	ACTION	TARGET 2024	EFFECTS / IMPACTS
COMPOSITION OF BOARD OF AUDITORS	include ESG qualifications	1 person	administration and control according to sustainability principles
ETHICS	integrated sustainability	three-year planning of activities	environmental and community protection
ORGANISATIONAL WELL-BEING	review of organisational chart	assignment of sustainability targets	making sustainability pervasive
	employee involvement	periodic correspondence	information and employee involvement



# Diemmebi S.p.A. Società Benefit

Via dell'Industria 14 31029 Vittorio Veneto, TV, Italy Tax Code and Reg. No. at Italian Business Registry: TV-BL 01664230263 Administrative and Economic Index TV-161319 Share Capital €1,500,000 fully paid-up info@diemmebi.com www.diemmebi.com









