

Poliform



Administrators' Letter

Dear Stakeholders,

2021 marks an important milestone for Poliform with the publishing of our first Sustainability Report. Always committed to observing a business model based on corporate social ethics and responsibility, we decided to open a new, clear and transparent, communication channel. The Sustainability Report is a document that summarizes what has been done to date thanks to the skills, sense of responsibility and dedication of the people who work for the company.

The year closed with a business turnover of 205 million Euros, an increase of 28% compared to the previous year, and 16% compared to 2019. An extraordinary achievement, the outcome of the work done in previous years, which confirms the strength of the company and its continuous expansion in international markets.

We focused on three areas of interest, our pillars, which we defined as Human company – Circular economy – Made in Italy. Human company means that we put our people first, 696 individuals who found in Poliform a community which guarantees stability and safety.

Our approach to the environmental issue is best described with the concept of circular economy. In 2021 we invested in low impact productive plants and installed a new photovoltaic system, our fourth, to self-produce zero-emission renewable energy. Still in a perspective of circular economy, we focused on maximizing the recycle of waste and internally repurpose it by installing thermal energy and spent solvents recovery plants. Made in Italy is the value connected to our territory, which has always been our strategical asset. In 2021, as is our custom, we implemented several activities in the community, aimed at safeguarding the environment and supporting culture, believing that, today more than ever, a socially responsible company must serve the community and the system in which it operates.

We are firmly committed to continuing along this path, with more and more challenging, shared and endorsed goals. Together, with all the people that with their work make Poliform what it is: a company made of people, an industrial excellence, which is not only a famous interior design brand, but an example in innovation worthy of trust.

Alberto Spinelli, Aldo Spinelli e Giovanni Anzani

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Our commitment for sustainability

HUMAN COMPANY

An industrial excellence, whose true assets are its people, work culture seen as a social value and the protection of the territory. The constant consideration for people, as single individuals and as a community, is what drives Poliform to meet various needs and requirements, managing a series of initiatives aimed at improving the standards of life inside and outside the company.

CIRCULAR ECONOMY

Circular economy is a fundamental element of the sustainable economic model promoted by Poliform. Our design process is based on the efficient use of resources and materials, reducing the environmental impact linked to production, and, above all, contributing to the reduction of generated waste, focusing on the durability, the possibility to repair, update and recycle our products.

MADE IN ITALY

All Poliform products are manufactured in Italy, thus guaranteeing the careful and accurate monitoring of all production stages. The components and raw material are selected and purchased from the best suppliers in the area.

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At Poliform we are committed to operating responsibly in every aspect of our business.

We are loyal to our values and family roots, and, at the same time, we feel responsible towards our employees, suppliers, customers, and the community in which we operate. For this reason, we are constantly engaged in the pursuit of the 17 United Nations sustainable development goals, an international framework used to meet the challenges posed by our country and the social and cultural context in which we operate.

Our approach calls for the alignment of the SDGs to our material topics used to develop the materiality matrix analyzed in the final methodology note:



GOOD HEALTH AND WELLBEING

Material topics

- Health and safety in the workplace
- Product quality and safety
- Customers' satisfaction and experience (Customer Experience)
- Compliance with laws and regulations



QUALITY EDUCATION

Material topic

- Personnel training



GENDER EQUALITY

Material topic

 Equal opportunities, diversity, inclusion and non-discrimination policies



AFFORDABLE AND CLEAN ENERGY

Material topic

- CO₂, greenhouse gasses and climate change
- Consumption of natural resources (electricity, natural gas, fuel, water...)



DECENT WORK AND ECONOMIC GROWTH

Material topic

- Corporate wellbeing and work-life balance
- Professional growth opportunities
- Corporate strategy and economic performance
- Data safety and protection, Business Continuity



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Material topic

- Research, creativity and excellence
- Correct management of the supply chain
- Efficient logistics and distribution
- Development and innovation



SUSTAINABLE CITIES AND COMMUNITIES

Material topic

- Projects to support local communities

ζ.

RESPONSIBLE CONSUMPTION AND PRODUCTION

Material topic

Responsible procurement of raw materials



CLIMATE ACTION

Material topic

 GHG (CO₂ and greenhouse gasses) emissions and climate change



PARTNERSHIPS FOR THE GOALS

Material topic

- Partnership for common growth

SUSTAINABILITY REPORT 2021 10 10 17 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



THE COMPANY

A global institution, between design and lifestyle

Poliform was established in 1970 from the evolution of an artisanal business founded in 1942. With the objective to take advantage of assembly and engineered production lines and meet the transformation of an ever-increasing global market, the company showed a strong industrial connotation from the start.

Connection with innovation has always been Poliform's distinctive mark, an in-depth talent in understanding the needs and tastes of a heterogeneous and international public, anticipating and interpreting today's interior design trends. Poliform collections include furnishings systems and complements for every area in the home. In 1996 we acquired the historical Varenna brand, exclusively dedicated to the production of kitchens, which was officially rebranded Poliform in 2018, to show the definite willingness to represent a single and coherent corporate identity. The Contract division was established in the first years of the new millennium: Poliform is now one of the leading brands in the sector of large contract supplies.







History

1942

THE ORIGINS

The Spinelli and Anzani families set up a small artisanal business in Inverigo, Brianza.

1970

AN INDUSTRY IS BORN

Poliform is founded by cousins Alberto Spinelli, Aldo Spinelli and Giovanni Anzani.

1987

THE EVOLUTION OF FURNISHING

Modularity and flexibility will influence the design of Poliform systems for years to come.

1990

AN INCREASIN-GLY INTERNA-TIONAL BRAND

The brand enters the European markets and becomes a leader in the wardrobe sector.

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1996

VARENNA KITCHENS

The company acquires the historical Varenna kitchens brand with the objective to bring Poliform stile to every area of the home. 2001

INTERNATIO-NAL PROJECTS

The beginning of the new millennium sees the birth of Poliform Contract, dedicated to the development of large-scale custom projects in the residential, retail e hospitality-sectors.

2010

THE UPHOLSTERY DIVISION

To expand its offer from a lifestyle perspective, Poliform starts the production of upholstered furnishings. 2018

THE COMPASSO D'ORO

The Association for Industrial Design ADI honors the founders of Poliform with the Compasso d'Oro Lifetime Achievement Award.

2020

FIFTY YEARS OF POLIFORM

2020 marks our fiftieth anniversary, a milestone celebrated by the photographer Paolo Roversi with our company's history in pictures. 2022

CONSTANT EVOLUTION

Poliform is now present in 5 continents, it offers complete home furnishing solutions, cohesive from a stylistic and product point of view.

SUSTAINABILITY REPORT 2021 18 THE COMPANY HISTORY 19

The company

The key player of a growing development, Poliform started a gradual process of globalization to better meet market needs, but kept its headquarters in the Brianza district, of which it has preserved the tradition and values. Today Poliform controls an international corporate asset consisting of 8 companies.

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POLIFORM SPA Inverigo, Italy

PROJEX CONTRACT LTD. 100%

POLIFORM QATAR LLC 49%

ENNERRE SRL 100%

Number of employees

8 people

Turnover

€ 1.847.934

Stores

- Piazza Cavour 2 - Milano

SPAV S.A.R.L 50%

Number of employees 8 people

Turnover

€ 865.004

Stores

29-37 Rue du Bac,
 75007 Paris

POLIFORM USA INC 100%

Number of employees 68 people

. .

Of which

36 women

Turnover

\$37.319.024,94

Warehouses

- 1 Eastern Rd, Suite 7-9 Kearny, NJ, 07032
- 6109-6111 NW 72nd Ave Miami, FL, 33166
- Netbonds (Third party vendor)
 13936 South Broadway
 Los Angeles, CA, 90061

Stores

- The A&D Building 150 E 58th Street, FI 6 New York, NY, 10155
- 112 Madison Ave New York, NY, 10016
- 8818 W Beverly Blvd West Hollywood, CA, 90048
- 4100 NE 2nd Ave Miami, FL, 33137

Offices

- 112 Madison Ave,12th FI New York, NY, 10016
- 4100 NE 2nd Ave, FI 3
 Miami, FL, 33137

POLIFORM UK LTD 100%

Number of employees 33 people

.

Of which

16 women

Turnover

€ 15.500.000

Warehouses

 Unit 5 Beverley Trading Estate 190 Garth Road, Morden, Surrey SM4 4LU

Stores

- 276-278 Kings Road, London SW3 5AW
- 51-61 Wigmore Street London
 W1U 1PU

ASIA PACIFIC LTD. 100%

Number of employees

5 people

Offices

 1403, B Tower, V Center, No.6 Changhui Road, Chao Yang District, Beijing, China, 100025

POLIFORM CHINA LTD. 100%

Number of employees

3 people

Turnover

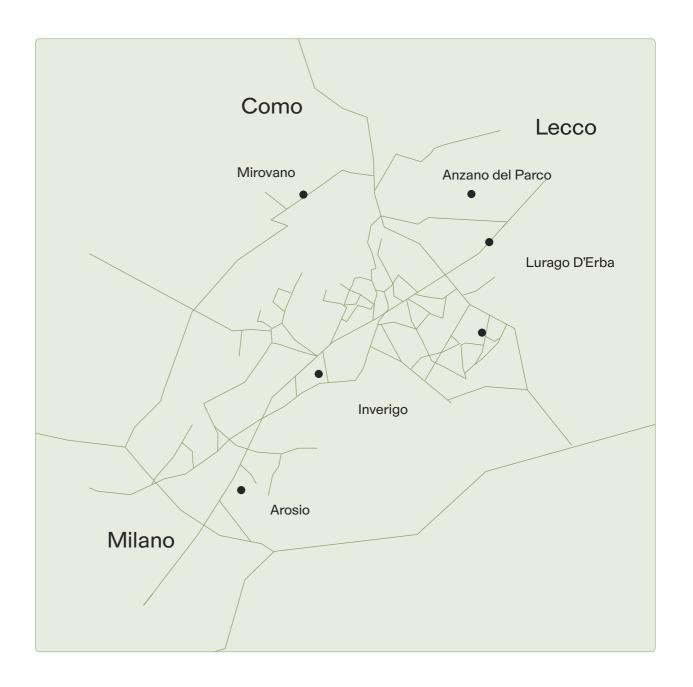
HK\$ 5.029.643

Offices

 Suite C, 9/F, Grand Progress Building
 58-62 D'Aguilar Street Central, Hong Kong Island
 852 - HONG KONG

SUSTAINABILITY REPORT 2021 THE COMPANY THE COMPANY 23

Locations



The carefully designed Poliform production units are located close to each other, and include the headquarters, corporate showrooms and areas dedicated to production, for a total covered area of more than 115.000 square meters.

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POLIFORM LAB Inverigo Santa Maria

Various professional skills, from marketing to photography, from visual to web technologies and design, are concentrated in the creative laboratory dedicated to communication. The total surface covers 12.000 sq. m. and employs 40 people.

POLIFORM LAB A WINDOW ON POLIFORM CREATIVITY

Poliform Lab was developed as a unit dedicated to communication, with the aim to shorten distances between the company and its customers. Training, workshops, publications, collections, and archives are integrated in a physical location which becomes an observatory on trends, a laboratory of ideas, and the company showroom. Poliform Lab Experience, born in 2020 from the Lab experience, is the tool that translates the company showroom contents into digital format.

POLIFORM CAFÉ

An exclusive restaurant café, connected to local traditions, which offers typical, in-season and local products: this is the concept behind Poliform Café. Located inside the Poliform Lab, the Poliform Café was born to welcome local and international customers and designers, to share local culinary traditions and experiences.





POLIFORM HEADQUARTERS FACTORY 1 Inverigo

Executive, sales, administrative, financial and technical offices. The headquarters also house the manufacturing facility dedicated to the production of day systems. The headquarters occupy a 17.000 sq. m. area and employ 160 people.





POLIFORM FACTORY 2 Arosio

The unit houses the production area for night system and the Poliform day and night components. It occupies an area of 40.000 sq. m. and employs 130 people.

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POLIFORM SOFAS FACTORY 3 Anzano del Parco

Inaugurated in 2020, it is entirely dedicated to the production of sofas and upholstered furniture. It covers an area of 13.500 sq. m.

and employs 100 people.





POLIFORM KITCHENS HEADQUARTERS FACTORY 4 Lurago d'Erba

The facility located in Lurago d'erba is the headquarter of the Poliform kitchens division. It covers an area of 30.000 sq. m. and employs 150 people.

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POLIFORM FACTORY 5 Mirovano

Part of the production of components for the day and night areas is done in the Mirovano facility. It occupies an area of 5.000 sq. m. and it employs 50 people





POLIFORM CONTRACT Inverigo Santa Maria

The Poliform Contract division, designed to develop large projects, has its operative headquarters in Inverigo. Contract represents a parallel and complementary activity for Poliform, and is the sole reference for contractors, supplying turn-key solutions and contributing to each stage of the project. The total surface covers an area of 1.000 sq. m. and employs 20 people.

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Market presence

With its global presence, Poliform has developed an international network that spans from Italy to Europe, from the USA to Brazil, from the Middle East to Southeast Asia, is present in 85 countries around the world with single-brand stores and a large network of authorized dealers.

The Poliform network can currently be estimated in more than 500 stores, 180 of which are located in Italy and 320 abroad.

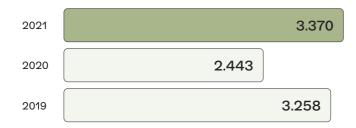


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The following charts show the number of products sold by Poliform in the three-year period being reported. We identified five macro production categories. Poliform's growth trend is shown by the increase in the number of pieces sold in almost all production categories compared to 2019. To be noted that the decline seen in 2020 was strongly influenced by missed production during the pandemic lockdown.

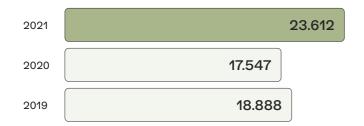
DAY SYSTEMS

Systems, Bookcases

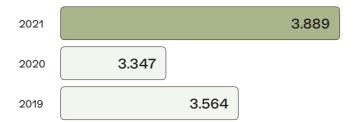


SOFAS AND ARMCHAIRS

Armchairs, Sofas, Seats and Modular elements

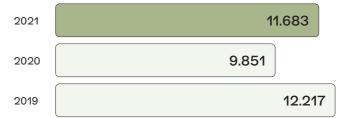


KITCHENS



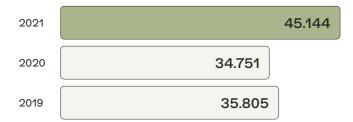
NIGHT SYSTEMS

Wardrobes, Walk-in closets, Lexington, Senzafine Drawer Unit, Set Up Drawer Unit



COMPLEMENTS

Sideboards, Tables, Chairs, Beds, Chest of drawers and Night Tables, Poufs, Coffee Tables, Carpets



SUSTAINABILITY REPORT 2021 36 THE COMPANY MARKET PRESENCE 37



THE PEOPLE

A human company

An industrial excellence, whose true assets are its people, its work culture as a social value and the safeguard of the territory.

Constant consideration for its people, as single individuals and as a community, is what guides Poliform to meet various needs and requirements, managing a series of initiatives aimed at improving the standards of life inside and outside the company.



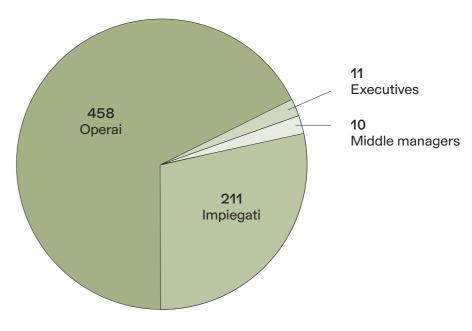




Company workforce

Poliform has kept a constant level of growth in terms of turnover and personnel since its establishment. The company workforce consists of 696 people (690 are directly employed and 6 have agency work contracts) the highest number since its foundation.

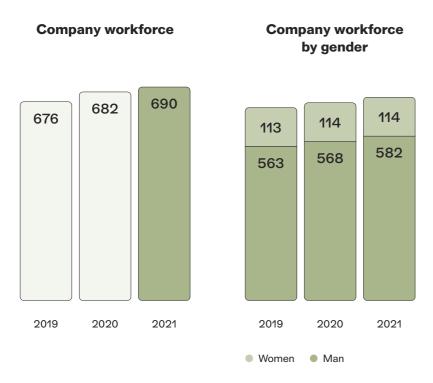
Company workforce according to contractual framework(with the exclusion of agency work contracts) in 2021





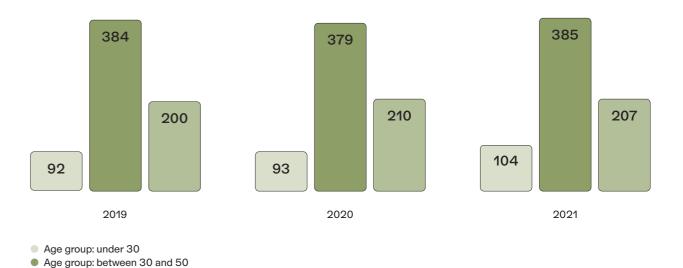
SUSTAINABILITY REPORT 2021 42 THE PEOPLE 43

Data show that the composition of the workforce is rather stable for what concerns gender percentages. There are 114 women, which translates in approximately 16% of total workforce. The presence of women is predominant in clerical jobs, where it reaches 86% of the total number of women and 41% of the total number of employees. The number of male employees is predominant (96%) in the activities connected with production.

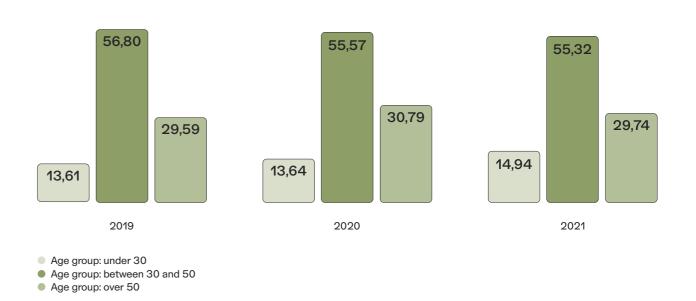


The following charts show Poliform's employees divided according to age group, both in absolute value and in percentage. Approximately 55% of the workforce is in the 35–50-year-old group. It is to be noted that most of the work done in the company requires specific experience and a variety of technical skills.

Company workforce by age group



Company workforce - percentage

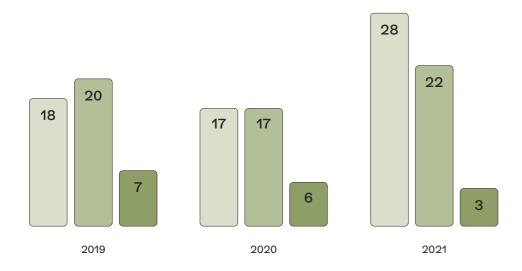


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Age group: over 50

The employment of young people in the company is a strongly felt issue: in 2021 Poliform started a recruiting campaign mainly targeted at people under the age of 30. The following chart shows an increase in this sense: 28 young people were hired during the year, representing approximately 53% of total new hires.

New hires by age group in absolute value

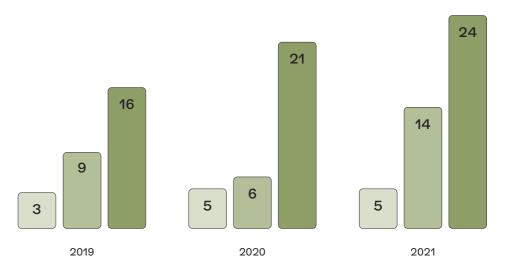


- Age group: under 30
- Age group: between 30 and 50
- Age group: over 50

28
young people hired in 2021

The following data show the trend of separations in the three-year period being reported. It is to be noted that 23 people (approximately 54% of the total number of employees who left the company) reached retirement age.

Separations by age group in absolute value

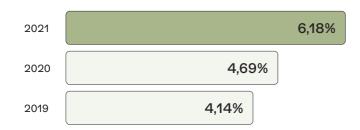


- Age group: under 30
- Age group: between 30 and 50
- Age group: over 50

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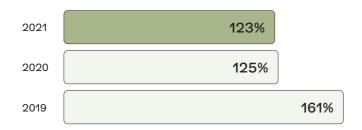
The analysis of personnel turnover confirms the stability and the positive climate inside the company: in a context strongly marked by the "job-hopping" phenomenon (that is, the increasing tendency in the current job market to frequently change jobs), Poliform turnover is generally low, with a slight increase in 2021 (also due to the high number of employees who reached retirement age), but well within the limits of expected company turnover.

Negative employees' turnover rate



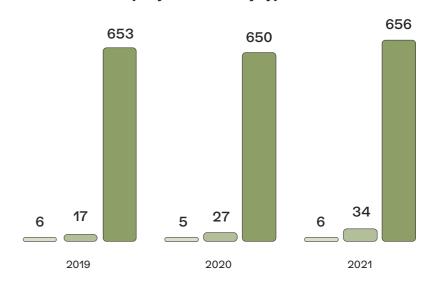
The turnover offset rate was calculated based on data previously listed. This is useful to calculate the difference between new hirings and separations. The formula used is, in fact, given by the number of new hires in the period / the number of separations in the period X 100. A result higher than 100% shows that the company workforce has grown, equal to 100 shows that the number of new hirers is the same as the number of people who left, and therefore, the average workforce in the year has not grown. To be noted that in 2021 the rate decreases due to the high number of separations.

Turnover offset rate



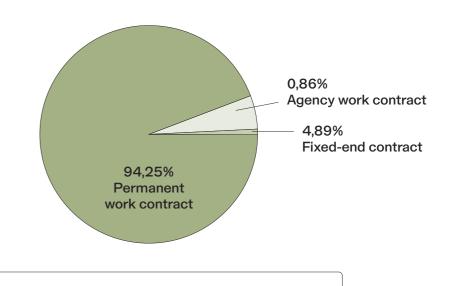
In terms of type of contract, the majority of employees has a permanent work contract, more than 94%, which represents a further guarantee for long-term employment and job security.

Company workforce by type of contract



- Agency work contract
- Fixed-end contract
- Permanent contract

Company workforce by type of contract, 2021

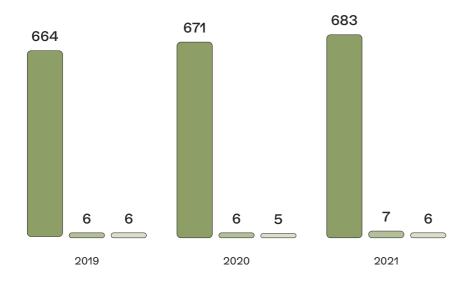


94% Employees with permanent work contract

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The creation of jobs in local communities is measured by the percentage of local employees, that is, residents in the towns near Poliform's factories and offices, out of the total workforce. The strong link with local communities is demonstrated by the company's ability to create jobs in neighboring municipalities: approximately 95% of employees come from local communities. Not many employees work part-time schedules due to the nature of work, which requires a full-time presence in the company.

Company workforce by type of working schedule



- Full time
- Part time
- Agency work

95%

Employees from local communities in 2021

WORKING TIME FOR MOTHERS

To make life-work balance easier, Poliform offers flexible working hours for working mothers. Women who have children under the age of 8 can have a shorter lunch break and leave work half an hour earlier. Fifteen women are currently using this option.

CORPORATE RATES FOR EMPLOYEES

Poliform offers the possibility to every employee to take advantage of corporate rates for insurance and banking services with various local banking institutions. The services of a local accounting firm are also available to employees for filing tax returns. Corporate rates are also available in local shopping centers, mechanics, gyms, pharmacies and physical rehabilitation centers.

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Training

In spite of the complex situation linked to the Covid 19 pandemic outbreak and the difficulty in organizing some types of activities, in 2020 Poliform was able to start a training program focused on safety and health issues, involving all employees in the company. This resulted in a considerable increase in the number of mandatory training hours. The same topics were covered again in 2021 for the induction of new employees.

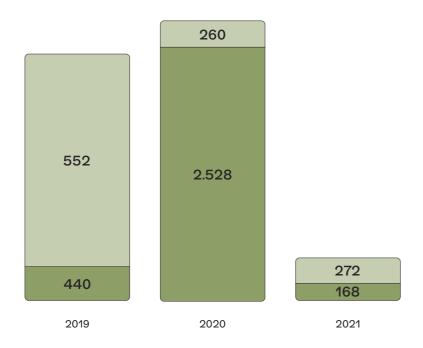
Hours of training



SUSTAINABILITY REPORT 2021 52 THE PEOPLE TANGIBLE ANSWERS TO PEOPLE'S NEEDS 53

Together with mandatory training, Poliform carries out an annual analysis on the needs of every corporate function. The Human Resources department exchanges information with Function managers concerning training requirements and evaluates the possibility to activate the courses requested. The topics are diverse: from foreign languages to more specialized ones according to functions (graphic design, production planning, etc.). Training courses are financed, whenever possible, by corporate funds, such as FondImpresa (Italian interprofessional fund established by Confindustria) following approval by the trade unions.

Hours of training by type



- Total hours non-mandatory training
- Total hours mandatory training

CUSTOMER TRAINING AS A COMPETITIVE ADVANTAGE

Building an internal continuing training program is one of the fundamental elements for a company's development prospects. At the same time, creating customized training programs for their external stakeholders is crucial for those companies that intend to maintain a relationship based on trust, deriving competitive advantages and tangible long-term benefits.

Poliform has therefore structured an internal department, staffed by two people, exclusively dedicated to training resources for customers, architects, interior designers or investors. The training courses, either in the form of webinars or visit to the company in its various locations, are custom designed to meet the needs of the interlocutors and cover various topics, such as products, processes, software, price lists, etc. Poliform plans to develop a portal dedicated to training which will be implemented in the near future.

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Health and safety

The culture of health and safety is shared at all levels, thanks to the support of the Head of the Prevention and Protection Service (in Italian RSPP, Responsabile del Servizio di Prevenzione e Protezione) and it provides for the full involvement of the corporate organization, from company management to employees.

In compliance with regulations, the company has developed a very specific assessment of the risks connected with the health and safety of workers. The risk assessment report, updated on a regular basis, examines every department and every processing stage. Said assessment made it possible to identify all the safety risks connected with work activities and the prevention and protection measures to be put into effect. It also defines continuous improvement actions based on collected data. In addition to routine inspections and maintenance on productive plants, training courses on environmental and safety issues are organized on an annual basis to raise awareness among employees and supervisors.

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Twelve work-related injuries were reported in 2021, 3 of which sustained while commuting to or from work. Data listed are essentially in line with data from 2019. Decrease in injuries and in all indexes in 2020 is due to the reduction in worked hours due to the Covid 19 pandemic.

Injuries, including while commuting

	2019	2020	2021
Number of injuries	11	7	12
Rate of injuries	1,8%	1,2%	1,8%
Seriousness index	0,18	0,07	0,21
Frequency index	9,04%	6,34%	9,46%
Type of injury	Hand wounds, commuting inj.	Contusions to feet, commuting	Hand wounds, commuting inj.

53%

of total hirings are young people under 30

696

Company workforce (+2% compared to 2020)

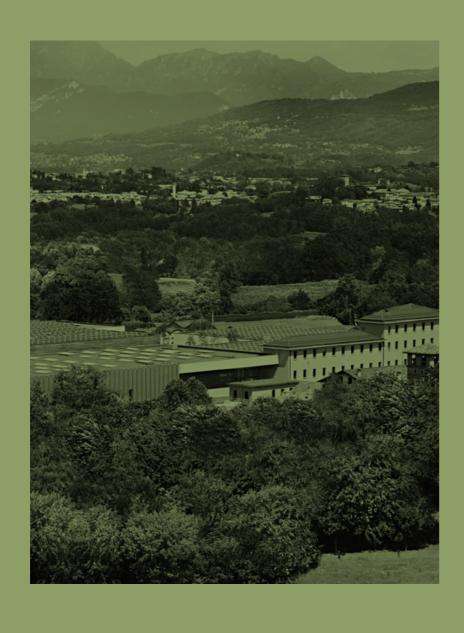
94%

Employees with permanent work contract

95%

Employees that come from local communities

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THE ENVIRONMENT

Environmental responsibility and safeguard of the territory

Poliform is aware of the role it has in the local community in which it operates and is actively committed in safeguarding the environment and the surrounding area. Protecting the environment is behind every choice made by the company. For years the company has been promoting a culture of sustainability at every level, from projects shared with suppliers to communication to customers. This proved to be a winning strategy: it permitted to efficiently apply the principles of circular economy, operating on the entire supply chain and adopting systems solutions that allow maximum exploitation of resources.

To better manage every environmental aspect of its activities, Poliform has adopted the UNI EN ISO 14001:2015 standard certified environment management system since 2018...

The system, as well as being in full compliance with laws and regulation, aids the company in promoting the continuous improvement of its environmental performances and in defining risks and opportunities.

The most relevant environmental aspects and the ones on which to focus all improvement efforts are:

THE MANAGEMENT OF WATER RESOURCES

THE OCCUPATION OF LAND AND SAFEGUARDING BIODIVERISTY

THE MANAGEMENT OF ENERGY

EMISSIONS INTO THE ATHMOSPHERE

WASTE AND CIRCULAR ECONOMY

SUSTAINABLE MOBILITY

UNI EN ISO 14001:2015

Certified environment management system



SUSTAINABILITY REPORT 2021 62 THE ENVIRONMENT 63

The water resource

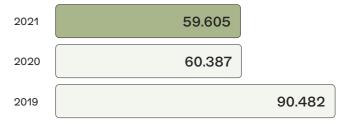
Poliform is committed to reducing its water footprint. The majority of water consumption is of a domestic type, with water drawn from public water works. Water resources are used in very limited quantities during production processes and exclusively for painting processes. Spray paint boots, installed in some of our facilities, are fitted with water recycling systems, where the same water is used for many cycles. The are no industrial effluents, any wastewater coming from spray booths is handled as waste.

Water consumption (cubic meters)



The trend in the three-year period shows a significant reduction in water consumption in the year 2020, data which proves that the majority of water is used for domestic purposes. The Covid 19 pandemic in 2020 caused, in fact, a significant reduction in the number of personnel working on company premises, promoting teleworking. Consumption data recorded in 2021 show a significant reduction compared to 2019, despite the increased levels of production processes and 20 new employees hired. This proves that the continuous care in the efficient use of resources and raised awareness in the employees resulted in lower water consumption. This result is further highlighted by the following chart which compares water consumption to company turnover. A decrease in consumption equal to approximately 31 L every 1.000 € invoiced in the three-year period.

Water consumption in liters compared to company turnover (L/K€)



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Respect for the landscape

All company's buildings, which stand out for their rational and rigorous architecture, were built to be carefully integrated with the surrounding landscape.

The sites are located very close to each other, which permits to optimized intra-site shipments, reducing the distances and therefore emissions into the atmosphere. All sites are also surrounded by green areas to better integrate with the surrounding landscape, promoting local thermoregulation and partially contributing to the absorption of greenhouse gas emissions produced by the company. Poliform has 7 sites located in the Brianza Legno e Arredo (Wood and Furnishing) district.

Total surfaces of each company-owned facility

Facility	Occupied surface (sq. m.)
Poliform Lab	9.350
Via Trento, 2 Inverigo	
Poliform Headquarter	15.400
Via Monte Santo, 28 Inverigo	15.400
Poliform Factory 2	22.700
Via Valassina, 4 Arosio	33.700
Poliform Sofas Factory 3	4740.00
Via Cavolto, 37 Anzano del Parco	17.10,00
Poliform Factory 4	0.050
Via Pascoli, 143 Alzate Brianza (Mirovano)	8.650
Poliform Kitchens Headquarters	07000
Via degli Artigiani, 51 Lurago d'Erba	27.600
Poliform Contract	
Via Trento, 2 Inverigo	3.370

115.170

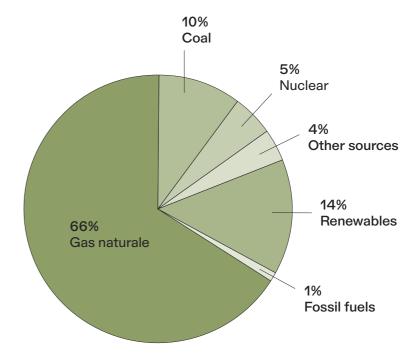
Total square meters

SUSTAINABILITY REPORT 2021 66 THE ENVIRONMENT 67

Energy management

Effective management of energy resources is crucial for Poliform since it represents the environmental aspect with the highest impact in terms of consumption. Our production plants are exclusively powered by electricity. Poliform's production units and offices are heated using energy produced by our own combustion power plants, which produce energy from wood scraps. 14% of the electricity supplied by the grid in 2021 comes from renewable sources.

Mix of energy sources to produce purchased energy



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To increase the use of electricity from renewable sources Poliform installed photovoltaic plants on the roofs of its production sites. The plants located in Anzano del Parco and Lurago d'Erba were put into operation in 2021. An additional photovoltaic plant in Factory 4 in Mirovano will be built pending authorization.

Energy produced from photovoltaic plants (kWh)



523.753

kWh of energy produced from photovoltaic plants

In 2021, Poliform produced 523.753 kWh of electricity thanks to its photovoltaic plants, covering 6,3% of the company total energy requirements. This percentage doubled in 2021 compared to 2019, and we expect a further increase in the future.

Energy from renewable sources (purchased or self-produced) for a total of 1.623.866 kWh, equal to 20% of the company's total energy requirements, was used in 2021.

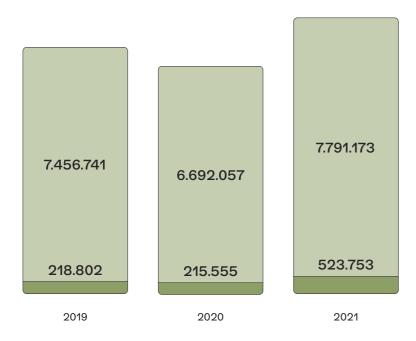
Self-produced electricity from photovoltaic plants (kWh)

	2019	2020	2021
Poliform Headquarter Inverigo (198kWP)	218.802,00	215.555,00	224.050
Poliform Sofas Anzano del Parco (279kWP)			247.217
Poliform Kitchens Lurago d'Erba			52.486

SUSTAINABILITY REPORT 2021 70 THE ENVIRONMENT ENERGY MANAGEMENT 71

Electricity consumption increased in the three-year reporting period; however, the same data compared to company turnover, shows a reduction trend of approximately 4kWh less every 1000€ invoiced sales in 2021 compared to 2019.

Trend of energy consumption (kWh)



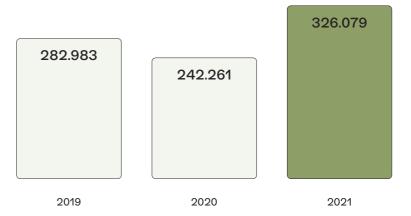
- Purchased electricity
- Self-produced energy from photovoltaic plants

Electricity consumption/company turnover ratio (kWh/K€)



The volumes of methane gas purchased, compared to turnover, show a slightly decreasing consumption trend; our figures show, in the three-year period being reported, a reduction of 0,05 Sms every 1,000€ invoiced sales in 2021 compared to 2019.

Trend of methane gas consumption in Standard cubic meters (Smc).



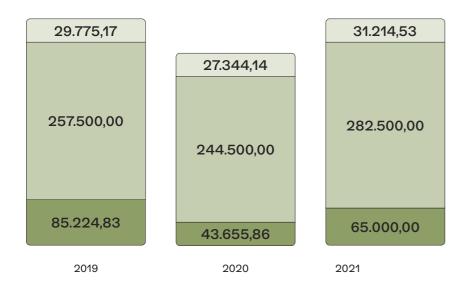
Trend of methane gas consumption in Standard cubic meters compared to company turnover (Smc/K€)



SUSTAINABILITY REPORT 2021 THE ENVIRONMENT ENERGY MANAGEMENT 73

A significative increase in methane consumption was reported in 2021, due to the installation of a new furnace in the Poliform Factory 4 facility in Mirovano, which substituted the old diesel fuel furnace. This furnace is used to produce thermal energy both for production purposes and to heat the premises. It resulted in the reduction of approximately 20.000L of diesel fuel consumption for heating purposes in 2021 compared to 2019. We expect a further significant reduction in the consumption of diesel fuel for heating purposes in 2022, since the methane gas furnace in Mirovano was only installed in September.

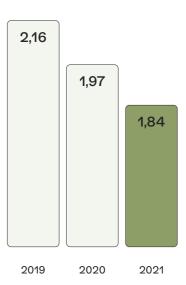
Diesel fuel consumption broken down according to type of use (L)



- Diesel fuel for automotive (other fuel pumps)
- Diesel fuel for automotive (Poliform Headquarters Inverigo internal fuel pump)
- Diesel fuel for heating

Diesel fuel is also used for transport; there is a fuel pump at the Inverigo site to refuel company's vehicles. Diesel consumption is also gradually decreasing if compared to company's turnover, there was a reduction in consumption of diesel fuel in 2021 of 0.32L for every 1,000€ of turnover compared to 2019.

Diesel fuel consumption compared to company turnover (L/K€)



SUSTAINABILITY REPORT 2021 74 THE ENVIRONMENT ENERGY MANAGEMENT 75

Emissions into the atmosphere

All productive sites are fitted with chimneys which release the byproducts of wood cutting and painting processes into the atmosphere. All chimneys are listed in the environmental authorizations of each facility and undergo routine inspections to verify the conformity with permitted emission limits.

All inspections have always confirmed the full compliance with emission limits for all chimneys. Poliform conducted an analysis and inventory of greenhouse gas emissions (GHG) in the 2019-2021 three-year period. Direct emissions generated by company activities (scope 1) and indirect emission resulting from the purchase of energy (scope 2) were calculated in detail:

SCOPE 1 SCOPE 2
natural gas and diesel purchased electricity
fuel consumptions, new
installations of equipment
containing coolant gas

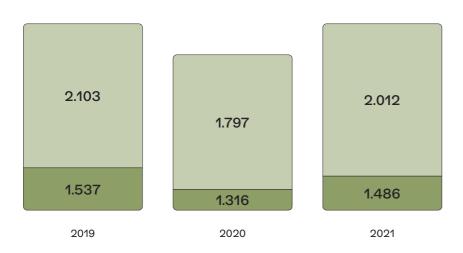
Scope 2 emissions were calculated using the "Location based" method. Said method establishes that national average emission factors are to be used to calculate the emissions resulting from the consumption of electricity. The following table summarizes the result of said analysis:

GHG emission (Ton CO₂ eq)

	2019	2020	2021
Scope 1 Tot. Tonn CO₂ eq	1.537,05	1.316,29	1.486,54
Scope 2 Tot. Tonn CO ₂ eq (location based)	2.103,55	1.797,49	2.012,46
TOTALE CO ₂ eq (tonn) location based - Poliform	3.640,60	3.113,78	3.499,00

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GHG emissions scope 1 and 2



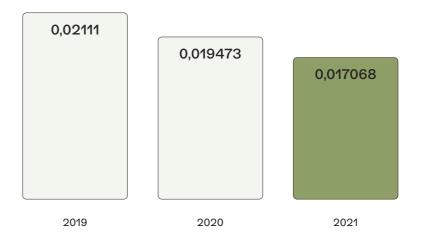
- Tot. Tonn CO₂eq. Scope 1
- Tot. Tonn CO₂eq. Scope 2 (location based)

The graph shows a decrease in Scope 1 emissions in 2021 compared to 2019, a result obtained thanks to the reduction of diesel fuel for heating purposes achieved with the new methane furnace installed at the Poliform factory 4 in Mirovano.

A further decrease of Scope 1 emissions is expected in 2022.

The production of energy from renewable sources from photovoltaic plants has prevented the emission into the atmosphere of about 150 Tons of CO_2 eq. in 2021.

CO₂ eq emissions compared to turnover (Ton CO₂ eq/K€)



The final figures on greenhouse gas emissions, expressed as kilograms of CO₂ eq. and compared with turnover shows a decrease in emissions in the three-year period being reported equal to 0,004 kg/ CO₂ equivalent every 1.000 €/turnover.

150

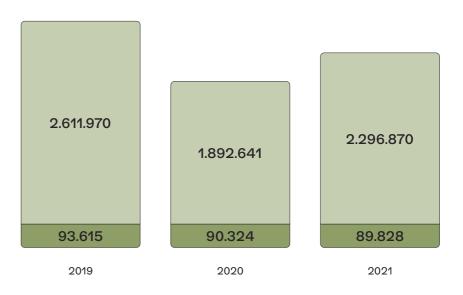
CO₂ Tons prevented

SUSTAINABILITY REPORT 2021 78 THE ENVIRONMENT EMISSIONS INTO THE ATMOSPHERE 79

Waste and circular economy

Poliform has always considered the management of waste and scraps a significant issue. The company has shown its commitment by implementing projects of circular economy over the years. Recovery of materials or energy, rather that disposal, are privileged processes for waste shipped to third parties for processing. The quantity of waste sent to be recycled in the 2019-2021 three-year period average 94% of total waste produced. This result was obtained by carefully differentiating waste inside the company. The graph shows the trend of total waste produced by Poliform in the three-year reporting period. Hazardous waste represents a very small percentage of the total amount, equal to less 4% in the 2019-2021 three-year period. The careful management of waste has allowed a significant decrease in quantities produced over time, with a reduction of 318.887 kg of waste in 2021 compared to 2019.

Waste produced (kg)



- Non-hazardous waste
- Hazardous waste

94%

of waste sent to recycling

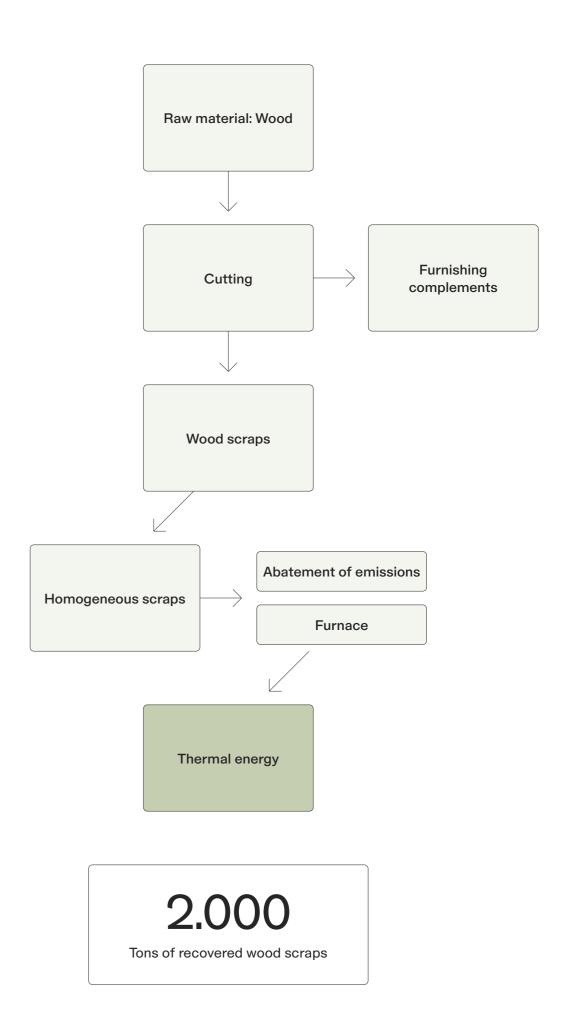
SUSTAINABILITY REPORT 2021 80 THE ENVIRONMENT 81

Plants to produce thermal energy by conbusting wood dust were installed at the Poliform Factory 2 - Arosio, Poliform Headquarters - Inverigo and Poliform Kitchens Headquarters- Lurago d'Erba facilities. Wood dust, a byproduct of cutting scraps, is thus employed to produce energy to be used internally in each production site. Approximately 2,000 tons of scrap wood are recovered every year, with a thermal yield of approximately 4 billion kilocalories.

The following graph shows the quantities of wood dust recovered from each site in the three-year reporting period. To be noted that the quantities of wood scraps recovered to produce energy are constantly increasing.

Recovery of wood dust





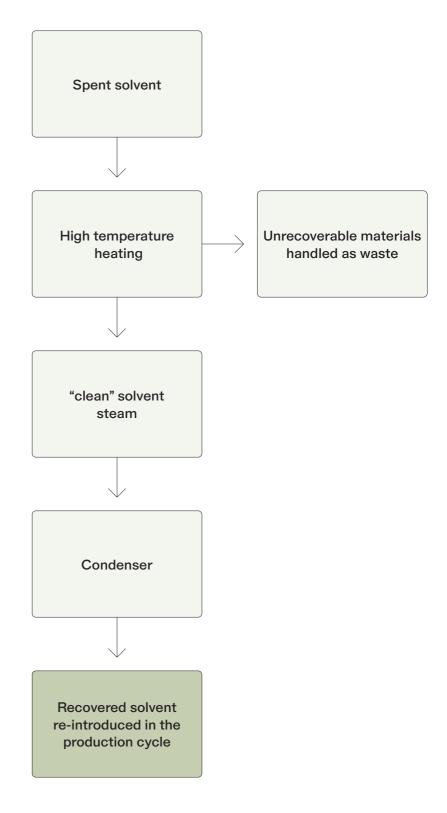
SUSTAINABILITY REPORT 2021 82 THE ENVIRONMENT WASTE AND CIRCULAR ECONOMY 83

Distillation plants for spent solvents were installed at the Poliform Factory 2 - Arosio, Poliform Headquarters - Inverigo and Poliform Kitchens Headquarters- Lurago d'Erba sites. This solution permits to regenerate spent solvents which can then be reintroduced into the production cycle, with obvious advantages in terms of reduced quantities of solvents purchased, and the environmental impact and economic costs for their disposal.

The following chart shows the quantities of spent internally recycled in the three-year reporting period. Also in this case, the attention to the valorization of resources and circular economy is shown by the ever-growing volumes of spent solvents being recovered.

Recovery of materials (r2) - solvent distillation





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SUSTAINABLE MOBILITY

A two-column charging station for cars and electric bicycles was installed at the Poliform LAB in Inverigo. This station was especially useful during Milan Design Week, when Poliform made its debut in an exclusive partnership with Audi to present Audi City Lab in the setting of Spiga 26, in the hearth of the Milan Fashion District. On that occasion 10 electric cars were used to drive customers back and forth from the Poliform LAB and the city center for the duration of the event, saving 1,68 kg di CO₂ equivalent for each trip.

20%

of company's energy requirements in 2021 from renewable sources 523.753

kWh self-produced electricity from photo voltaic plants

4

kWh less electricity per 1.000 €/ turnover 0,32

L less diesel fuel per 1.000 €/ turnover in 2021 compared to 2019

20.000

L less diesel fuel for heating purposes in 2021 compared to 2019 150

CO2 Tons prevented thanks to the installation of photovoltaic plants

0,004

kg of CO₂ saved every 1.000 €/ turnover in 2021 compared to 2019 94%

of waste produced destined to recovery

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THE PRODUCT

Made in Italy quality

A wealth of knowledge of materials that has its roots in the artisan tradition of the Brianza district, one of the most important in the sector at a global level, is at the core of Poliform's quality. Poliform's production philosophy has allowed us, over time, to fine-tune a production method that makes the most of industrial processing to guarantee the best finished product.

This pursuit of quality is also based on an ISO 9001 standard certified management system for the Contract division, which Poliform has now adopted for several years. Focusing on continuous improvement, innovation and creativity, also means searching for excellence in the production chain.



Culture and know-how

Poliform's most valuable assets are its cultural heritage and technological know-how. With unlimited creativity and with the expertise inherited from the tradition of the best furniture district in the world, combined with cutting-edge know-how, Poliform can meet the needs of an international audience while maintaining a typically artisanal approach.

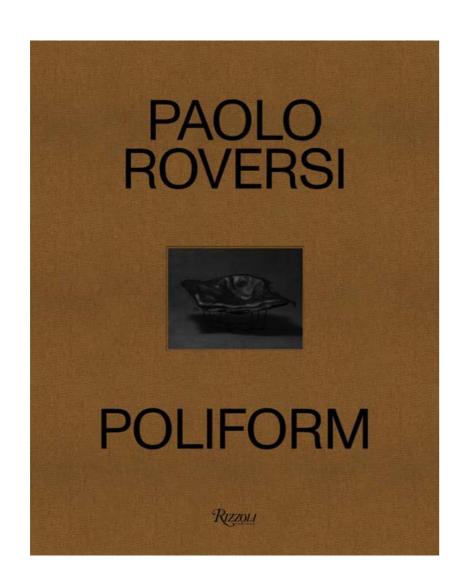
A team of 30 employees in the Research & Development department oversees the design of each product. The three artisan workshops – the beating hearth of the company – are the place where Poliform's production approach, the "magic triangle", takes shape: the interconnection between design, craftsmanship and business. This is the place where we experiment, where wood species, shapes and colors are tested based on the input of internationally renowned architect and designers. At the end of this long prototype creation and development process, we start the product industrialization phase, which is based on a philosophy that exploits the product possibilities to maximum levels, to guarantee the highest quality.

Working spaces in our production sites are rational, tidy and clean, and every worker cultivates the value of "doing things well", being aware that it is a fundamental component of Poliform's quality.

30

Employees in R&D

SUSTAINABILITY REPORT 2021 PRODUCT AN ARTISANAL APPROACH IN AN INDUSTRIAL CONTEXT



An editorial project dedicated to Poliform universe. For its fiftieth anniversary Poliform has decided to tell its story through the eyes of photographer Paolo Roversi. The pages of Time, Light, Space are a journey into Poliform's universe: images that sum-up years of innovation, challenges and encounters.

SUSTAINABILITY REPORT 2021 94 PRODUCT TIME, LIGHT, SPACE

Materials and processes

Poliform collection includes home decor systems and complements for every area in the home, kitchens, bookcases, wall systems, wardrobes, beds, chairs, tables and upholstered furniture.

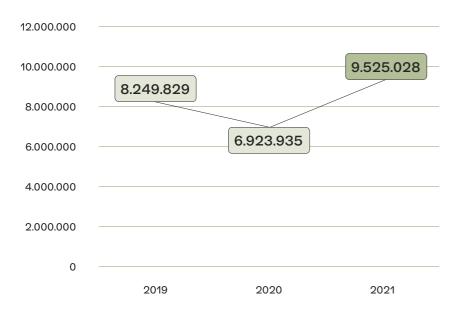
Poliform is highly committed in ensuring that all its products can perform their function over time, always guaranteeing the highest quality. Poliform adopts a clean and minimalistic style, without non-essential details, to develop products that will last in time. This aesthetic longevity is accompanied by high-quality design, high level of engineering in our modular systems, the accurate choice of raw materials and the safety of flawless installation. To guarantee the longest possible life cycle, Poliform furnishing are designed to be easily repurposed or recycled when no longer in use. The following tables show the procurement of raw materials, according to the different units of measure described. Poliform's growth and expansion trend is also evidenced by the steady increase in purchases, all categories show, in fact, an increasing trend, following the increase in sales previously reported in chapter 1, paragraph 1.5.

SUSTAINABILITY REPORT 2021 96 PRODUCT 97

Wood. The raw material most used by the company, the one which made it possible for Poliform to be a leading brand in the wood-furnishing sector. Wood is 100% natural, recyclable and the product used to make the majority of Poliform's products. The FCS certification guarantees the origin from responsibly managed forests and the sustainability of the entire supply chain.

Wood-based products are completely recyclable to recover material or energy (see chapter 3 on the recovery of wood scraps).

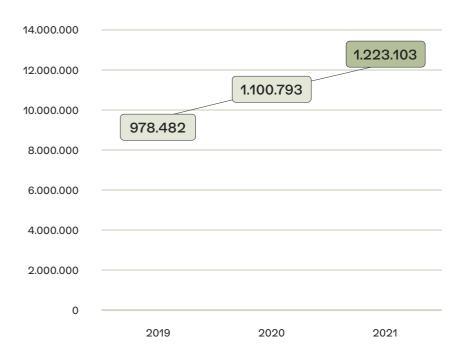
Purchases of wood-based materials (particle board etc. (€)



Plastics and derivatives. Poliform uses plastic materials mainly for the covers of furnishing complements. ABS and polyethylene are predominantly used.

ABS is a very durable plastic that does not corrode easily. Given its properties, it can be heated repeatedly and is considered one of the most suitable plastic materials for recycling. It is also impact resistant and extremely durable. Polyethylene or polyzene is a thermoplastic resin with excellent insulating properties and chemical stability. It is a very versatile, inexpensive material.

Purchases of plastic-based materials and derivates - number of pieces

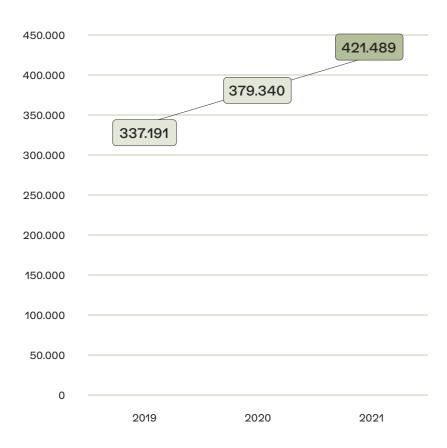


SUSTAINABILITY REPORT 2021 98 PRODUCT MATERIALS AND PROCESSES 9

Metal semi-finished products. Poliform's handles, feet, bases and frames are made of steel and aluminum.

Steel is the most recycled material in the world, with a recycling rate of 70%, and in some applications even well over 90%. Lightweight aluminum is an extremely durable material and is 100% recyclable.

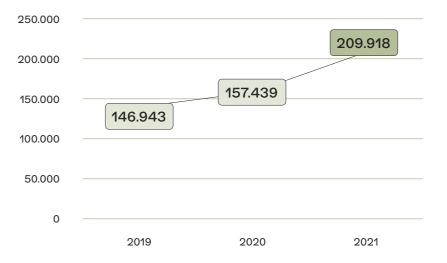
Purchases of semi-finished metal products – number of pieces



Fabrics. They are used in our upholstered furniture divisions. Poliform mainly uses fabrics made with natural fibers, such as cotton and linen, or artificial fibers, such as viscose. Natural fibers are considered, by their nature, to be sustainable, given their recyclability and the limited consumptions of auxiliary resources (such as chemicals or energy resources during the processing/production stage). Poliform works with a selected network of local suppliers, chosen for their reliability, traceability and transparency.

The fabrics are chosen based on their sustainability characteristics and the performance of the finished product.

Purchases of fabrics in linear meters



SUSTAINABILITY REPORT 2021 100 PRODUCT MATERIALS AND PROCESSES 101

Chemicals. Some processes, for example gluing and painting, require the use of auxiliary chemicals. However, our industrial processes are optimized to reduce the consumptions of chemicals according to the production unit, and consequently, reduce the risk connected to each auxiliary material. To this regard, the company is researching the best possible solutions available for painting processes, preferring water-based paints instead of the solvent-based ones. This solution, in addition to obvious advantages in terms of health and safety in the workplace, has resulted in a lower impact on the environment for what concerns the dangerousness of waste produced.

Quantity of auxiliary chemicals purchased - in (kg)

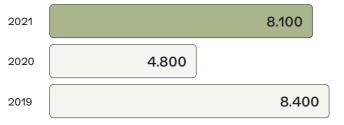
2021		409.317
2020	283.029	
2019	283.507	

SUSTAINABLE PACKAGING

To reduce the use of plastic materials and provide customers with 100% recyclable packaging, Poliform has chosen to replace all external plastic packaging with recycled cardboard. The company was also able to avoid using plastic derivatives for the external packaging of upholstered furniture (armchairs, sofas and beds), where polystyrene was replaced by recycled cardboard. The adopted solution guarantees high flexibility and a reduction of waste: the internal production of packaging by-passes the standardization of materials and is therefore easily adapted to the extremely different variety of dimensions of Poliform's products. Every year we use approximately 3,000,000 square meters of recycled cardboard for the packaging of our upholstered furniture.

Office paper. Since Poliform is a product design and development company, paper still plays a key role in our day-to-day work. However, the company is engaged in an awareness campaign to reduce printed documents in the office. In addition, paper is entirely procured from FSC sources. From 2019 to 2021 the consumption of paper decreased by 300 reams despite an increase in employees, thus preventing the production of 714 Kg. of paper.

Purchases of reams of paper for office use (500 sheets per ream)



300

reams of paper saved in 2021 compared to 2019

SUSTAINABILITY REPORT 2021 102 PRODUCT MATERIALS AND PROCESSES 103

Supply chain

The supply chain is a fundamental part of Poliform's value, which is why the company has chosen to work with a network of mainly local suppliers (artisans and others), who offer a priceless combination of creativity and experience. Thanks to its procurement policy and the compliance with official certification programs, Poliform guarantees that purchased materials meet the conditions that the company has committed to comply with, in terms of human rights and environmental standards. 97% of Poliform's suppliers come from Italy and 88% of them from the region where the company's facilities are located.

3%

Foreign suppliers

97%

Italian suppliers

12%

Suppliers from other regions

88%

Suppliers from the region (Lombardy)

SUSTAINABILITY REPORT 2021 104 PRODUCT 105

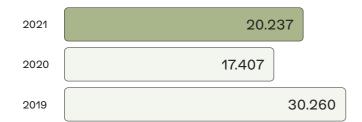
The FSC Custody Chain certification guarantees the traceability of materials ensuring they are sourced from FSC certified forests, and it is indispensable to affix FSC labels on the products.

This certification, one of the better known and most recognized in the world, guarantees that the raw material used for the production of furnishing consists of material sourced from responsibly managed forests or from recycled material. The company has been complying with these requirements since 2013.



Certificate No. ICILA-COC002489)

FSC material, sq. meters purchased



The TSCA Title VI certification aims at reducing and controlling formaldehyde emissions from wood-based materials used in the United States of America. The TSCA Title VI certification, a natural extension of the Californian CARB certification, was also taken as a reference standard by important multinational corporations in the wood-furnishing sector, thus influencing many European manufacturers of semi-finished or finished products.



SUSTAINABILITY REPORT 2021 106 PRODUCT SUPPLY CHAIN 107

Logistics

Over the last few years, Poliform has been at the center of a major organizational change, aimed at achieving increased efficiency and sustainability at a logistics level.

The company went from a "Make to Stock" to a "Make to Order" system, that is, a system in which products are made only when they have already been sold, thus avoiding waste due to over-production, and making warehouse management more efficient.

Special attention is paid to the optimization of incoming, internal and outgoing logistics. An internal resource oversees the efficient planning of pick-ups and deliveries at the suppliers, as well as the handling of goods inside the facility.

SUSTAINABILITY REPORT 2021 108 PRODUCT 109

Contract

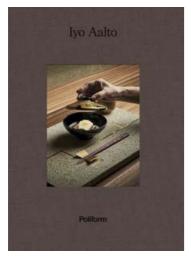
Poliform Contract develops projects with leading architecture and interior design firms in Europe, the Americas and Asia, dealing with different markets, contexts, aesthetic choices and performances.

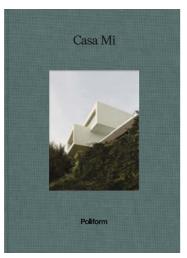
A team of approximately 30 people is in charge of carefully monitoring every phase of the projects, from feasibility studies to turnkey deliveries. These creative and production resources are also in charge of improving the company's technological know-how to ensure that Poliform can tackle ever changing aesthetic and functional needs: the Contract division is, in fact, able to manage small-medium sized accounts as well as large ones, offering customized solutions for every single project.

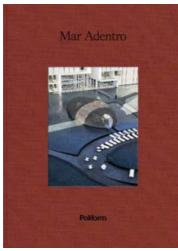
Each work in progress is overseen by a specialized construction team, where all the resources involved in the production phase are coordinated.

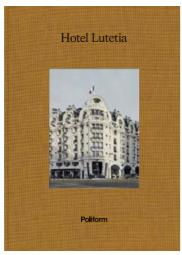
With the adoption of the ISO 9001 certification, Poliform Contract guarantees a solid structure, appraised by a third-party certifying body. The certification demonstrates the governance of all aspects of its business and guarantees the reproducibility of performances by working for the continuous improvement of quality standards.

SUSTAINABILITY REPORT 2021 110 PRODUCT 111









In 2019 Poliform launched an editorial project dedicated to the most prestigious achievements of the Contract division.

The books illustrate Poliform's know-how through images, on one hand, and the dialog with architects and designers interviewed for the occasion, on the other. Four volumes have been published so far: Mar Adentro, Casa Mi, Hotel Lutetia e Iyo Aalto.

30

people employed in Research & Development

3

artisan workshops

-714 kg

of printed paper in 2021 compared to 2019

100%

external packaging produced with recycled cardboard

97%

Suppliers from Italy

88%

Suppliers from the region

SUSTAINABILITY REPORT 2021 PRODUCT SUSTAINABILITY INDICATORS 113



THE COMMUNITY

The value of a local dimension

Poliform has made the enhancement of "made in Italy" and the territory its main strategic assets, recognizing the impact that its industrial activity has on the community, both in terms of social development and common economic wellbeing.

The company, therefore, is always working to pursue high ethical and deontological standards.

Poliform specifically focuses on the concept of work ethics, which, in addition of representing a value in itself, guarantees business continuity, benefitting all Group's stakeholders (employees, suppliers, customers, the public administration).

Poliform also strives to improve the quality of life, placing people at the center of its sphere of attention.

In addition to internal initiatives for the employees, the company developed a series of activities in the social field, in environmental protection and the support of culture, with the firm conviction that, today more than ever, a business must be socially responsible, at the service of the territory, the local community and the system in which it operates.



Projects for the local community

One of the foundations of Poliform's philosophy is the attention paid to the people, both as single individuals and as a community. In this perspective of social responsibility, the company has, over the years, implemented various initiatives for the benefit of its employees, young people, and the artistic and environmental heritage in which it operates.

Poliform also supports cultural development and research programs with publications and competitions and has been sponsoring sports initiatives and clubs.

The contributions to several foundations, associations and in general non-profit organizations which are active in humanitarian projects in Italy and abroad, are worth mentioning among the various philanthropic initiatives supported by Poliform. In this sense, significant is the support to the Comunità San Patrignano, to the Cancro Primo Aiuto non-profit organization and the Italian Amyloidosis Society and the Nostra Famiglia in Bosisio Parini.

Poliform also supports the parishes connected with the company's sites and other local associations.

SUSTAINABILITY REPORT 2021 118 COMMUNITY 119

THE VALUE OF SPORT

Aware of the value of sport for the well-being of individuals and the community, Poliform actively sponsors sports clubs at the municipal and national level. Special fees at gyms and sports facilities are available for Poliform's employees.

CONCRETE HELP TO FACE THE COVID-19 PANDEMIC

In 2020 Poliform decided to support the institutions most engaged on the frontlines of the health emergency that hit the country, allocating 100,000 Euros to the Fondazione Provinciale of the non-profit organization of social utility Comunità Comasca to tangibly help in the management of the crisis linked to the Covid 19 pandemic, and purchase machinery and instruments for health procedures. This donation made it possible to purchase medical devices for the intensive care units of the Valduce and San'tAnna hospitals in Como.

19

associazioni sostenute nel 2021

21

associazioni sportive sostenute nel 2021

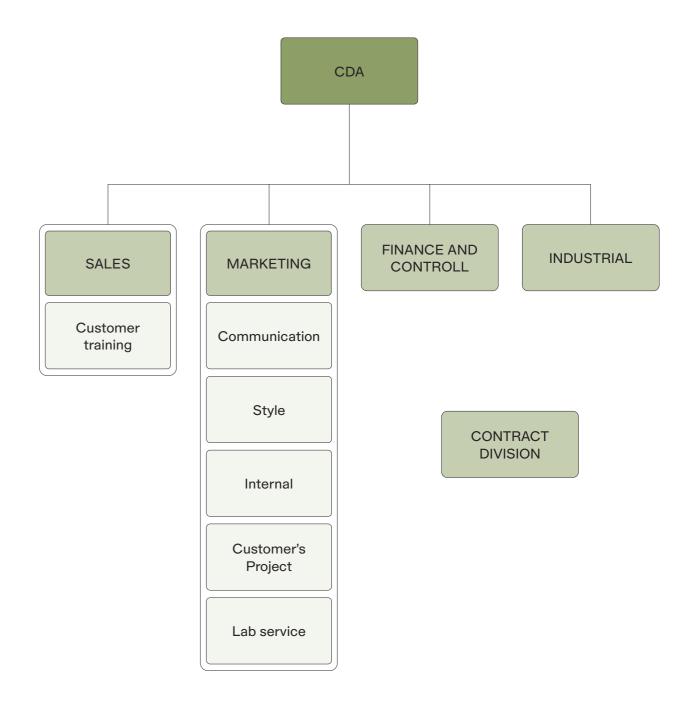
SUSTAINABILITY REPORT 2021 120 COMMUNITY SUSTAINABILITY INDEXES 121



GOVERNANCE

Corporate Governance structure

Poliform's long history has allowed a family-owned company to structure itself over the years, both internally and as an internationally renowned brand – to be found today in showrooms, flagship stores and foreign subsidiaries in an increasing number of countries. The company has maintained its principles involving all internal and external stakeholders and structured a governance model that fully reflects its values and allows to effectively pursue its goals.





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Poliform's governance is structured is such a way to "give space" to the various skills. To guarantee the best possible management outcome, each Function Manager is responsible for governing a specific process. The CEO is effectively supported by an underlying managerial organization to streamline decision-making processes. Sales, marketing and communication, finance and industrial production processes report directly to the Board of Directors. Sustainability is integrated into all decision-making processes; all management figures are strongly involved in sustainability issues, involvement driven both by company executives and by customers' and other relevant stakeholders' requirements.

The Contract divisions can be defined as "a company within the company", an office dedicated to handling specific customers' accounts. In the corporate organizational chart, it reports directly to the Board of Directors, but it is independent for what concern sales, purchases, R&D and production processes, which must be defined based on the customer's specific requirements.

The company has defined specific organizational charts for the management of those issues strictly connected with the environment and occupational health and safety; among the professional figures that report directly to the Board of Directors we find the Head of the Environmental Management System (RSGA in Italian) and the Head of the Prevention and Protection Service (RSPP in Italian). The role of these department heads is to effectively govern environmental and health and safety risks, ensure full legislative compliance and, wherever possible, implement improvement measures.

The presence of said figures demonstrates the company commitment to deal with socio-environmental issues with a concrete and pro-active approach. The company has drawn up a charter of corporate values, which lists the fundamental principles of our business philosophy:

HUMAN CAPITAL

CONSIDERATION FOR THE TERRITORY AND THE ENVIRONMENT

CIRCULAR ECONOMY THE CULTURE OF KNOW-HOW

INNOVATION AT THE SERVICE OF PEOPLE

"MADE IN ITALY" FAMILY TRADITION

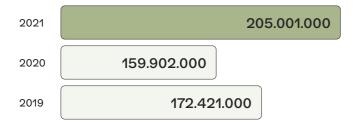
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Economic performance

The solidity of Poliform and its continuous expansion in international markets have resulted in a steady growth over time, demonstrated by the trend of the economic performance. The economic value directly generated was calculated by reclassifying the revenue account. The main component of said value is revenues. It is to be noted that the only interruption in this trend of steady growth was recorded in the year 2020 due to the Covid 19 pandemic. The pandemic scenario caused a decline in production and sales volumes at an international level, nevertheless, the decline in turnover was limited to 7% compared to 2019, thanks to the solidity of the company. In 2021 Poliform resumed a journey of steady growth demonstrated by the turnover generated, equal to 205 million Euros, an increase of 22% compared to the previous year and 16% compared to 2019.

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Generated turnover expressed as revenues (€)



+16%

Turnover increase compared to 2019

+28%

Turnover increase compared to 2020

The same trend was recorded for the distributed economic value. Operating costs have, in fact, grown in value proportionally to the generated turnover, in the same manner, the cost of employees' wages and benefits has grown in relation to the increase of the number of people employed by the company. Payments to capital providers were significantly reduced in the year 2020, this decision permitted to keep the current assets necessary to cope with the pandemic period in the company.

Investments in research and development activities did not stop, and, despite the difficult period, they recorded a 15% increase compared to 2019.

Detail of distributed economic value (€)

	2019	2020	2021
Revenues	172.421.000	159.902.000	205.001.000
Operating costs	123.061.000	110.625.000	139.217.000
Employees' wages and benefits	34.492.000	33.424.000	38.232.000
R&D investments	3.118.000	3.651.000	3.965.434
Payments to capital providers	4.015.000	795.000	795.000

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Methodology note

The Sustainability report represents the tool Polifom is using to communicate the results of its journey toward sustainability to its stakeholders on an annual basis.

It also represents the tool we use to report our commitment to the United Nations Sustainable Development Goals, SDGs, to which we dedicate the various chapters of this report, each chapter reports on the company's efforts to achieve specific targets related to the 10 priority goals for its sustainability strategy.

In compliance with the new GRI Standard guidelines, Poliform identified and analyzed some "relevant" topics that were discussed with the main internal and external stakeholders in January 2021. The relevant SDGs have been associated to the material topics.

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The reporting scope of this report is represented by Poliform Spa, in its locations of:



Poliform Lab & Poliform Contract Via Trento, 2 Inverigo



Poliform Sofa Via Per Cavolto, 37 Anzano del Parco



Poliform Headquarter Via Monte Santo, 28 Inverigo



Poliform Factory Via Pascoli, 143 Alzate Brianza (Mirovano)



Poliform Factory Via Valassina, 4 Arosio



Poliform Kitchen Via degli Artigiani, 51 Lurago d'Erba Data and information contained in all chapters of this Report, as well as the reporting tables and the topics related to the materiality matrix are within the reporting scope listed in this Methodology Note.

In the event the reported data do not include all company sites or all the information necessary for the best evaluation, it will be duly indicated in the test. If reporting data is extended to other sites belonging to the Group, but external to Poliform S.p.A, it will be duly indicated in the text.

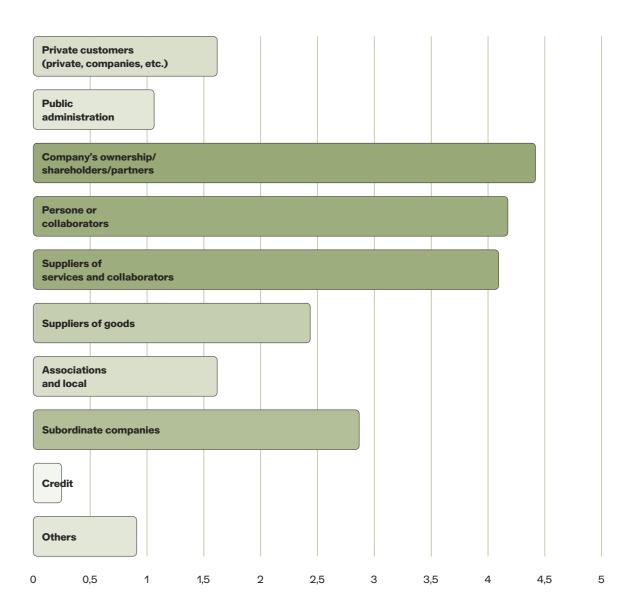
Every time the words "Poliform", "the Organization", "the Company" are to be found in this Report and in this Note, they are to be intended as Poliform S.p.A, with its previously listed local sites. This document included a description of the initiatives and activities carried out during the solar year 2021, as well as the related key performance indexes (KPIs), reported for the entire 2019-2021 period, if available. Data collection processes and the publication of this report are done on an annual basis.

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Stakeholder Analysis and Materiality Matrix

An accurate mapping of the Stakeholders was done during the identification of the materiality topics, with the purpose to analyze and identify all interested parties, their relationship, and their relevance. The following chart shows the relevance of the stakeholders being considered.

Stakeholders' relevance analysis



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The stakeholder engagement activities have allowed Poliform to identify the material topics and produce its own materiality matric in January 2022.

The material topics were identified taking in consideration the evolution of the Company and the context in which it operates. The stakeholders' engagement process involved both internal stakeholders and external stakeholders deemed relevant to company's activities and sustainability issues.

The following activities were performed for the purpose of this report:

- Interviews with the managers of the main corporate functions with the purpose to investigate the main elements of their activities, establish interests in sustainability issues and identify relevant projects/initiatives that can be the subject of specific reporting.
- Random sample interviews with employees and operative personnel in the various corporate functions
- Interview with the CEOs of the main Partner companies (Poliform UK and Poliform USA)

All interviews were conducted based on a "common questions" format, which represented a canvas on which reflections, points of interest and considerations on the issues were raised. The results of the interviews were shared with Corporate Managements. The following table lists all the relevant issues raised during the interviews with the stakeholders and the discussion with Corporate Management concerning the material topics according to GRI Standards and their scope within the report.

Material topics	SDG	GRI reference	Scope
GHG emissions (CO ₂ and greenhouse gasses) and climate change	(a) ==	305	internal-external
Consumption of natural resources (electricity, methane, gasoline, water)	× ==	302	internal-external
Responsible procurement of raw materials	S	301	internal-external
Equal opportunities, diversity, inclusion and non-discrimination policies	ē. •=	405-406	internal
Personnel training	4==	401-404	internal
Health and safety in the workplace	3===	403	internal
Corporate wellbeing and work-life balance	*==	102-401-405	internal-external
Professional growth opportunities	*===	Non rendicontato da uno specifico indicatore	internal
Product quality and safety	3 ====	416-417	internal-external
Research, creativity and excellence	9===	Not reported by aspecific index	internal
Customer's satisfaction and experienc (Customer Experience)	3 ====	416	external
Correct management of the supply chain	9===	204-414	internal-external
Efficient logistics and distribution	9===	Non rendicontato da uno specifico indicatore	internal-external
Corporate strategy and economic performance	*==	201-204	internal
Compliance with laws and regulations	3 	205-206	internal
Development and innovation	9===	Not reported by aspecific index	internal
Data safety and protection, Business Continuity	*==	Not reported by aspecific index	internal
Projects supporting local communities	n===	413	internal-external D22
Partnerships for common growth	n==	413	internal-external

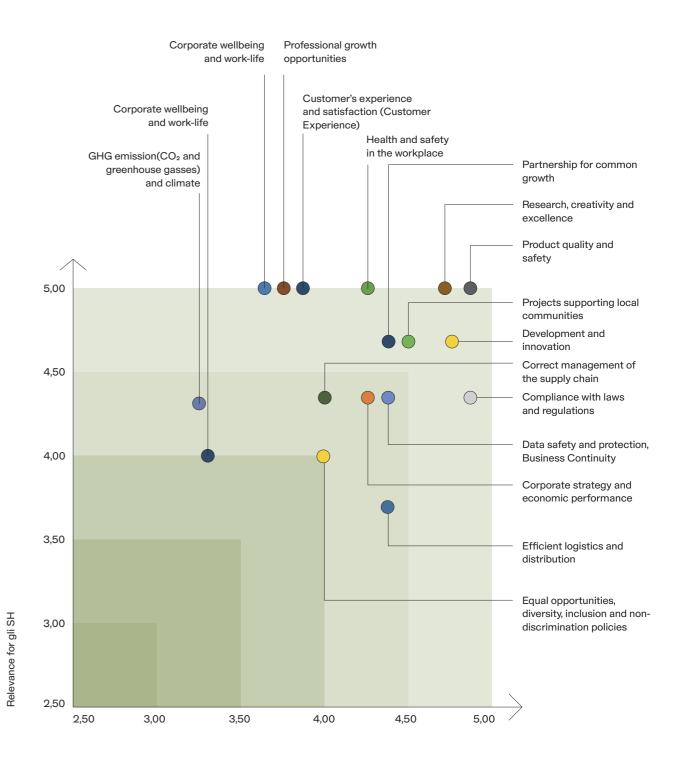
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This sustainability report follows an approach that can be defined as "GRI Standards inspired", which means that it uses the requirements of the GRI standards for sustainability reporting (GRI standards v.1) as a reference, but does not claim to be exhaustive as far as being "in accordance" with the mandatory indexes to be reported.

In some cases, certain data on some company characteristics have been included in addition to the ones required by the GRI standards. This report has not been audited by third parties but, being a first edition strongly pursued by Corporate Management, it represents the first step of a journey for continuous improvement.

The report is also formally approved by the Chief Executive Officer in his opening letter to stakeholders.

Materiality Matrix



Relevance for Poliform

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GRI content index

SUSTAINABILITY REPORT 2021

GRI Indexe

Reference in the text

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(-12) 7(1)		INFORMATION
	CILIVLIAL	

GITI 102	GENERAL INI ORIVIATION	
102-1	Organization name	The company
102-2	Activities, brands, products and services	The company - Market presence
102-3	Location of main office/headquarters	The company - Company - Locations
102-4	Place of work	The company - Company - Locations
102-5	Nature of ownership and legal status	The company - Company - Locations
102-6	Markets served	The company - Market presence
102-7	Size of the organization	The people - Company population
	Total number of employees	The people - Company population
102-8	Information on employees and other workers	The people - Company population
102-9	Supply chain	The product - Supply chain
102-11	Preventive measure principle	The product - Supply chain
102-12	External initiatives	The community
102-13	Membership to associations	The community
102-14	Statement from a senior executive	Letter to stakeholders
102-15	Key impacts, risks and opportunities	The environment
102-16	Values, principles, standards and rules of conduct	Environmental responsibility and safeguard of the territory
102-18	Governance structure	Governance
102-19	Delegation of authority	Governance
102-20	Responsibility at the executive level on economic, environmental and social issues	Governance
102-21	Consultation with stakeholders on economic, environmental and social issues	Methodology note
102-23	President of the highest governing body	Governance
102-27	Collective knowledge of the highest governing body	Governance
102-32	Role of the highest governing body in the sustainability report	
102-40	List of stakeholders involved	
102-43	Stakeholders engagement procedure	
102-44	Raised issues and critical points	
102-45	Subject included in the report	
102-46	Definition of report contents	Methodology note
102-47	List of material topics	
102-50	Reporting period	
102-51	Date of most recent report	
102-52	Reporting frequency	
102-54	Declaration on reporting in accordance with GRI Standards	
102-55	GRI content index	

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GRI numb	oer Indexes	Reference in the text
GRI 20°	1 ECONOMIC PERFORMANCE	
201-1	Directly generated and distributed economic values (EVG&D) on ar accrual basis, including basic components for the global activities of the Organization	Governance - Economic performance
201	Investments for sustainability and distributed economic value	
GRI 20	4 PROCUREMENT PRACTICES	
103-1	Explanation of material topic and related scope	The product
103-2	Management practices and their components	The product - Supply Chain
204-1	Percentage of expenses incurred with local suppliers	The product - Supply Chain
GRI 30	1 MATERIALS	
103-1	Explanation of the material topic and its perimeter	The product - Materials and processes
103-2	Management practices and their components	The product - Materials and processes
301-1	Materials from renewable sources processed in conformity with sustainability and certified principles	The product - Materials and processes
301-2	Use of recycled materials	The product - Materials and processes
301-3	Recovered or recycled products and related packaging material	The product - Materials and processes
GRI 30	2 ENERGY	
103-1	Explanation of material topic and related scope	The environment - Energy management
103-2	Management practices and their components	The environment - Energy management
302-1	Energy consumed inside the organization	The environment - Energy management
GRI 30	3 WATER AND EFFLUENTS	
103-1	Explanation of material topic and related scope	The environment - The water resource
103-2	Management practices and their components	The environment - The water resource
303-1	Interaction with water as a shared resource	The environment - The water resource
303-3	Water withdrawal	The environment - The water resource
303-4	Effluents	The environment - The water resource
303-5	The environment	The environment - The water resource
GRI 30	5 EMISSIONS	
103-1	Explanation of material topic and related scope	The environment - Emissions in the atmosphere
103-2	Management practices and their components	The environment - Emissions in the atmosphere
305-2	Indirect GHG emissions from energy consumption (Scope 2)	The environment - Emissions in the atmosphere
GRI 30	6 EFFLUENTS AND WASTE	
103-1	Explanation of material topic and related scope	The environment - Waste and circular economy
103-2	Management practices and their components	The environment - Waste and circular economy
306-2	Waste according to type and disposal method	The environment - Waste and circular economy

Reference in the text

GRI number Indexes

GRI number Indexes		Reference in the text	
GRI 401 EMPLOYMENT			
103-1	Explanation of material topic and related scope	The people - Company population	
103-2	Management practices and their components	The people - Company population	
401-1	New hires and employee turnover	The people - Company population	
GRI 40	3 OCCUPATIONAL HEALTH AND SAFETY		
103-1	Explanation of material topic and related scope	The people - Health and safety	
103-2	Management practices and their components	The people - Health and safety	
403-5	Workers' training on occupational health and safety issues	The people - Personnel training The people - Health and safety	
403-9	Accidents at work	The people - Personnel training	
GRI 40	4 TRAINING AND EDUCATION		
103-1	Explanation of material topic and related scope	The people - Personnel training	
103-2	Management practices and their components	The people - Personnel training	
404-1	Average hours of training per year per employee	The people - Personnel training	
GRI 40	5 DIVERSITY AND EQUAL OPPORTUNITY		
103-1	Explanation of material topic and related scope	The people - Company workforce	
103-2	Management practices and their components	The people - Company workforce	

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