

FLOS



Sustainability Report 2024

2024

Sustainability Report

FLOS

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A Message To Our Stakeholders

Reflecting another year of meaningful progress, we are proud to present the 2024 edition of the Flos Group Sustainability Report. Our commitment to advancing a thoughtful approach in high-end lighting continues to shape our product development - driven by a design and production process that is both intentional and ever-evolving. Guided by the three foundational pillars outlined in our Sustainability Policy - Energy and Materials, Development and Wellbeing, and Heritage and Know-How-we have continued to embed sustainability into our operations. This year, our dedication has translated into reinforcement across all three areas, remarking our role as innovators in responsible design.

Throughout 2024, we maintained a strong focus on integrating circularity and efficiency principles into our product development, prioritizing solutions that are both innovative and elegantly simple. Among the key projects, the SuperWire lamp stands out for its distinctive lighting system, which uses custom LEDs housed within concentric tubes. This design enables easy bulb replacement without any need for electrical intervention. Similarly, the Bellhop Glass lamp was specifically engineered for disassembly and recyclability, allowing each component to be easily separated by hand.

We recognize that today's business landscape demands both resilience and adaptability. In line with our environmental commitments, we continue to report our annual emissions across the entire value chain. At the same time, we are advancing our efforts to integrate eco-design and circularity principles into new products - prioritizing recycled, high-quality, and durable materials, minimizing energy consumption throughout the product life cycle, and promoting reuse and recycling practices. While our journey is ongoing, we remain steadfast in our commitment to lead the high-end lighting sector toward a more responsible and sustainable future.

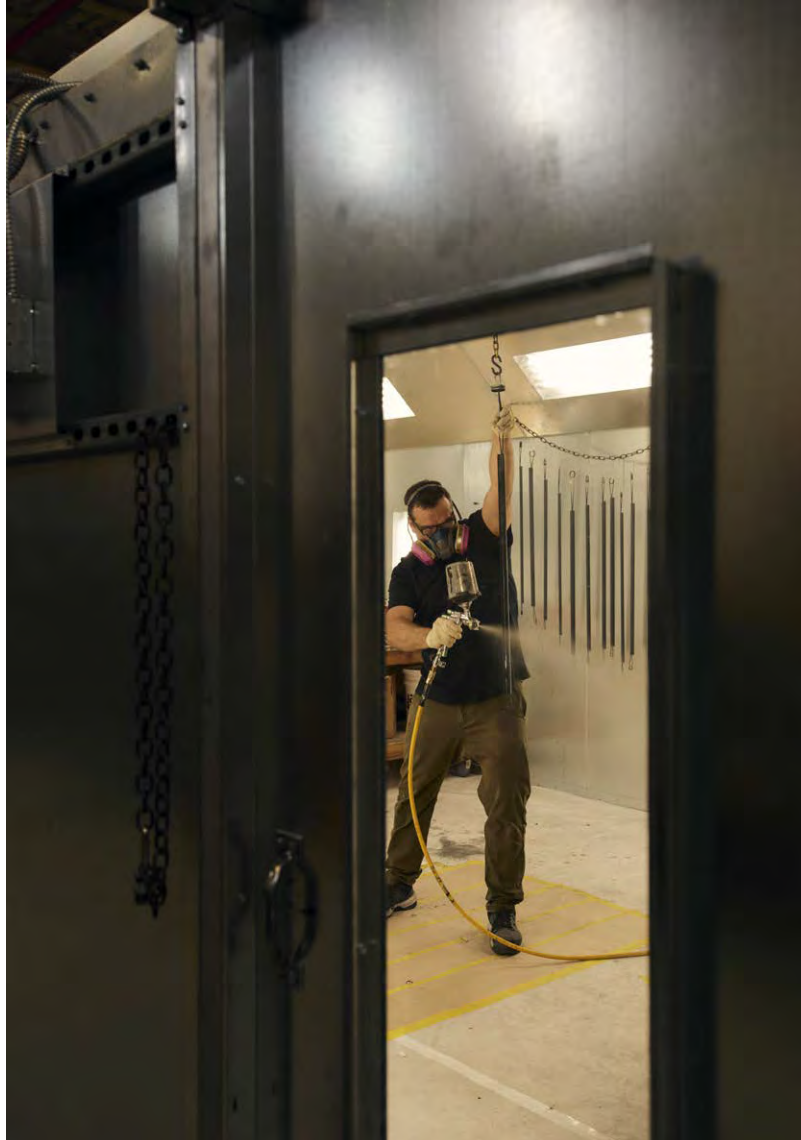
In a world of constant transformation, we remain committed to nurturing craftsmanship and preserving the heritage that defines Flos' unique identity. Our ambition is to serve as a reference point for innovation and progress in the lighting industry. Through our products and the global network we have built - collaborating with designers, international museums, and associations - we continue to share the essence of our Brand with the world. Our strong presence in the Italian and European lighting sectors has enabled us to launch new initiatives in the local communities that we belong to. These include partnerships with technical schools

and universities, helping us spread our values of beauty and innovation more broadly across society. Conscious of our leadership role in the high-end lighting market, we have renewed our commitment to the principles of the United Nations Global Compact and reaffirmed our dedication to the Sustainable Development Goals and the 2030 Agenda. In October 2024, severe flooding in Valencia - home to FLOS's Architectural operations - caused significant disruption with a temporary halt in production. Thanks to swift recovery efforts, operations resumed by the end of November. This event highlighted the tangible risks posed by climate change and reinforced our commitment to strengthening climate resilience and proactive risk management across the Group.

Through this 2024 Sustainability Report, we share both the challenges we encountered and the milestones we reached over the past year, offering our stakeholders a clear and comprehensive view of our journey. Some of our ESG targets have been revised to reflect external developments and to remain aligned with the Group's strategic direction and growth objectives. While we take pride in the progress made, we remain focused on moving forward - working together to support and inspire our people as we shape the next chapters of our story.

We hope you find this year's report an engaging and insightful read.

Matteo Luoni
CEO, Flos



Painting department



R&D department



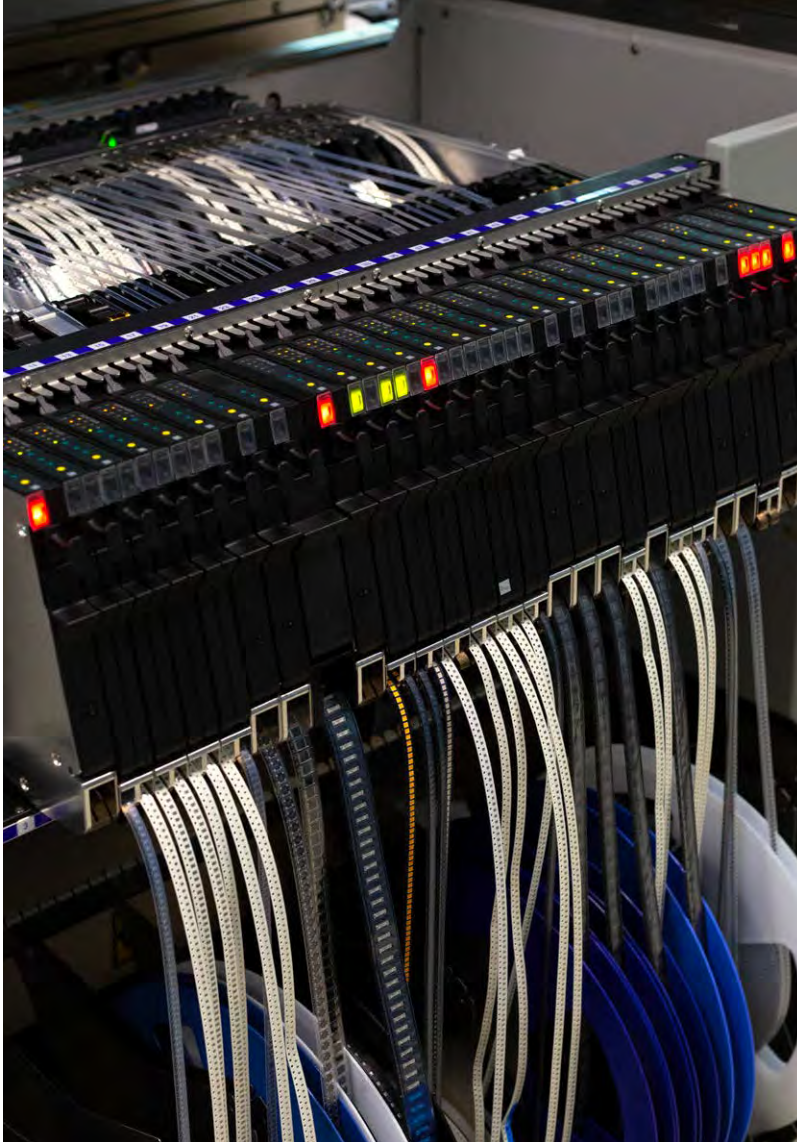
Electronic department



Quality control



Custom product department



LED assembly department



Logistic department



Outdoor production department



Taraxacum by Achille & Pier Giacomo Castiglioni, 1960

Introducing Flos World

Since its founding in 1962, Flos - named after the Latin word for “flower” - has consistently positioned itself at the forefront of design innovation. From the outset, the company earned a reputation for pioneering creations that elevate the visual identity of any space. With a legacy spanning over sixty years, Flos continues to be celebrated for seamlessly merging poetic form with cutting-edge technology. This enduring heritage empowers the brand to push creative boundaries, producing timeless, iconic pieces that unite design and engineering with art and culture in deeply resonant ways.



“In Flos, you can’t find a uniform design model, but rather a strong desire to make design that can express broader meanings of the ‘sense of our time’, meanings that are often capable of adding cultural values even to expressions of taste.”

— Achille Castiglioni

Flos is internationally recognized as a leading manufacturer of high-end lighting solutions across decorative and architectural sectors. Guided by a holistic, human-centered design philosophy, Flos operates through four specialized divisions—each supported by its own dedicated production facility: Architectural (Valencia, Spain), Decorative (Bovezzo, Italy), Outdoor (Bernareggio, Italy), and Custom (Collebeato, Italy, and Bushwick, NY, USA).

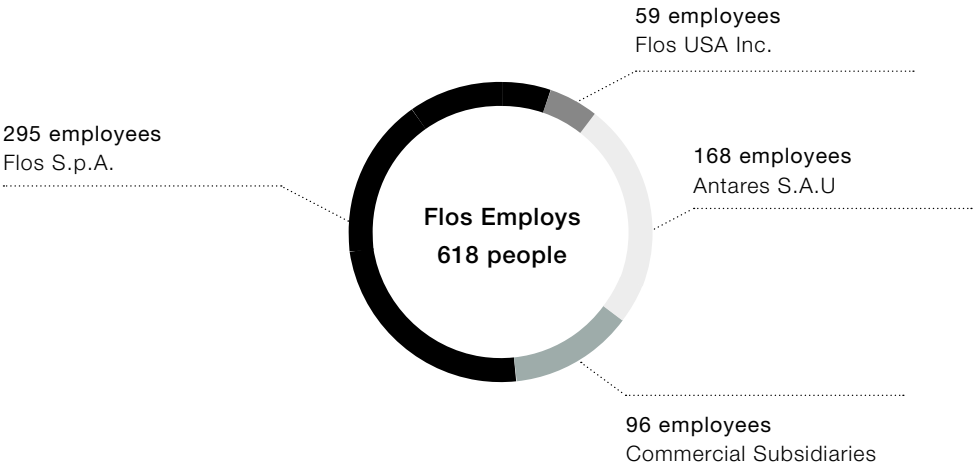


Snoopy, ph. by Luciano Svegliado

Sustainability Highlights 2024

The Group	Revenues 224 M€	People 618
Value Chain	Local suppliers in Italy 88 %	Spend on local suppliers in Spain 68 %
People	Employees 604	Permanent contracts 92 %
Environment	Lower-impact packaging 83% Decrease in polyurethane foam purchased in comparison with 2013	Electricity from renewable sources 71 %
	Carbon neutrality 1,852 tCO ₂ eq Scope 1 + Scope 2 (Market based) emissions offset in 2024	GHG emissions reduction target -27.5 % Scope 1 + Scope 2 target by 2030 in line with the WB2C scenario (2019 Baseline)

Structure and global presence



In November 2018, Flos joined Design Holding S.p.A., a group formed through the joint (and indirect) ownership of private equity firms Investindustrial and The Carlyle Group. On May 16, 2024, the group underwent a strategic rebranding, adopting the

name “Flos B&B Italia Group S.p.A.” This move was designed to reinforce its market presence by uniting its globally recognized brands under a stronger, more cohesive identity.

Flos B&B Italia Group

Flos B&B Italia Group stands as a global leader in high-end design, rooted in a rich European cultural heritage and distinguished by an exceptional portfolio of iconic brands and a robust multi-channel distribution strategy. Guided by the purpose “We design for a beautiful life,” the Group is committed to creating with care for the planet, people, and culture. Its brand family includes Flos, B&B Italia, Louis Poulsen, Maxalto, Arclinea, Azucena, FENDI Casa, Audo, and Lumens. Each company within the Group maintains an individual identity while operating across diverse segments such as lighting and accessories, furniture, kitchens and vanities, and omnichannel retail. The Group’s catalogue features design icons created by some of the world’s most celebrated designers, including Achille and Pier Giacomo Castiglioni, Tobia Scarpa, Luigi Caccia Dominioni, Poul Henningsen, Arne Jacobsen, Antonio Citterio, Gaetano Pesce, Philippe Starck, Piero Lissoni, Konstantin Grcic, Jasper Morrison, Patricia Urquiola, Michael Anastassiades, and many more.

Flos B&B Italia Group has embraced a sustainability strategy anchored in three core pillars: **Design for the Planet**, **Design for People**, and **Design for Culture**. The first pillar reflects the Group’s commitment to environmental responsibility, integrating innovation with principles of eco-design and circularity. The second pillar focuses on fostering an inclusive and equitable workplace while generating positive impact within local communities around the world. The third pillar, a shared priority across all brands, is dedicated to preserving and celebrating each brand’s unique identity - through the protection of craftsmanship, the advancement of scientific research, and the safeguarding of design heritage.

In 2022, the Flos B&B Italia Group established a dedicated Sustainability Steering Committee tasked with overseeing the evolution and execution of its sustainability roadmap. This cross-functional body brings together senior leaders from both the Group and individual brands to drive alignment and accountability.

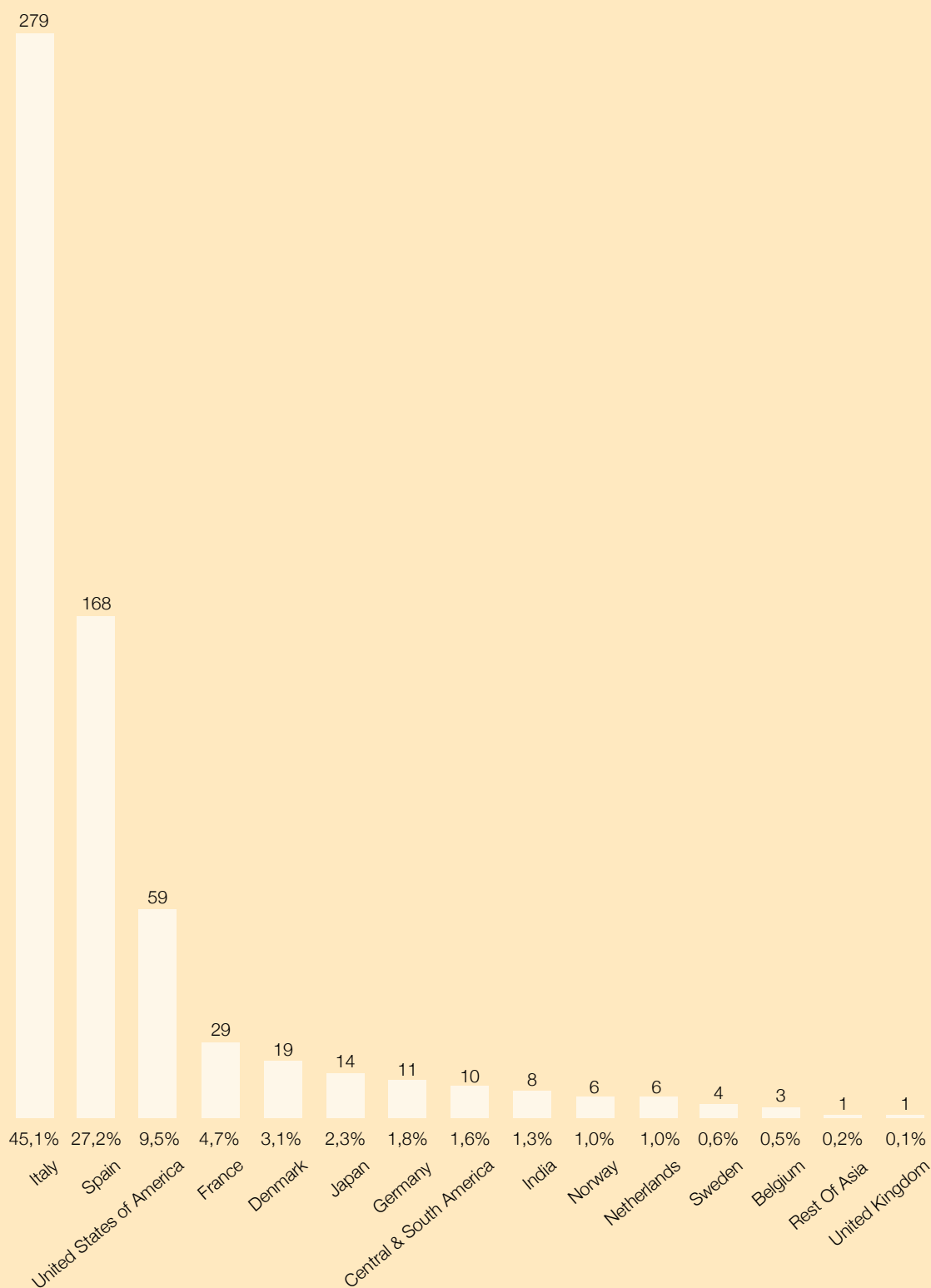
Since 2021, the Group has published an annual Sustainability Report, reinforcing its commitment to transparency and continuous improvement across the entire value chain. In addition, in 2024, differently than in previous years, as part of efforts to deepen the alignment between the Group’s overarching strategy and the distinct visions of its Brands, specific sustainability responsibilities were entrusted to Flos B&B Italia Group Executive Chairman and the CEOs of the Brands related to sustainability topics.

On October 29, 2024, the city of Valencia in Spain - home to FLOS's Architectural operations - experienced severe flooding that caused extensive damage to the area. The event resulted in the loss of inventory stored in the warehouse and required significant efforts and resources to restore factory operations, which resumed by the end of November 2024. This environmental disaster not only disrupted normal business activities but also had a negative impact on the economic performance of FLOS and the Group as a whole. The incident underscores the growing importance of climate resilience and the need for proactive risk management in the face of increasingly frequent extreme weather events.

In 2024, Flos totalled 618¹ people, Italy and Spain accounting for just over 70% of the total. In 2023, the reporting perimeter was enlarged to give a view of the impacts generated by a selection of commercial subsidiaries, with the intention of covering the full perimeter in the coming years. Therefore, in line with 2023, the reporting scope for 2024 comprised Decorative (Flos S.p.A., headquartered in Bovezzo, Italy), Outdoor (Flos S.p.A. Outdoor division², Bernareggio, Italy), Architectural (Antares S.A.U., Valencia, Spain) and Custom (Flos S.p.A. Bespoke division, Collebeato, Italy) collections, the commercial branches Flos Benelux NV (Wemmel, Belgium), Flos BV (Amsterdam, The Netherlands), Flos France S.a.s (Paris, France), Flos GmbH (Köln, Germany), Flos Japan Co. Ltd (Tokyo, Japan) and Flos Sverige AB (Stockholm, Sweden). The Custom division manufacturing subsidiary, Flos USA Inc. (New York, USA) and the commercial subsidiary Flos Norge AS (Oslo, Norway) were also included, in line with 2023. The remaining employees are working in the commercial subsidiary Antares Illumination PTE Ltd (Singapore).

¹ Number of full-time equivalents (FTE) derived by taking into account employees employed under contracts of service, both permanent and temporary, at the end of the reporting period.

² previously Ares S.r.l., fully incorporated in Flos S.p.A. during 2024.



Flos Employee Worldwide Distribution 2024

Regarding the economic performance registered in 2024, as part of an international company such as Flos B&B Italia Group, we continued to face the effects of persistent global inflation and elevated interest rates, which remained a challenge for the global economy. These macroeconomic pressures, together with ongoing geopolitical instability, influenced commercial performance throughout the year. In this context, Flos generated consolidated revenues of approximately €224 million.

In terms of the perimeter, Europe remained the main market in which we operated, followed by the Americas and APAC.

Sales by Country

Americas

13%

EMEA

76%

APAC

11%



Manufacturing Plants

Outdoor Collection

Flos S.p.A. Bernareggio (MB), Italy

Decorative Collection

Flos S.p.A. Bovezzo (Brescia), Italy

Custom Collection

Flos S.p.A.
Collebeato (Brescia), Italy
Flos USA Inc.,
New York, United States

Architectural Collection

Antares Iluminación S.A.U.
Valencia, Spain

Showrooms - Flagship Stores - Offices

Flos Norge AS

Oslo, Norway

Flos Showroom

Stockholm, Sweden

Flos Scandinavia A/S

Copenhagen, Denmark

Flos BV

Amsterdam, Netherlands

Flos France Store and Showroom

Paris, France

Flos USA Inc.

New York, United States

Flos Co Ltd.

Tokyo, Japan

Flos Flagship Store & Showroom

Milano, Italy

Flos Global Presence



Flos Decorative

Flos's Decorative collection - its original core business - embodies the Brand's signature fusion of advanced technical research, imaginative design, and emotional resonance.

This synergy is made possible through enduring collaborations with visionary designers. All products in the Decorative line are conceived and developed at the company's headquarters in Bovezzo, Italy, and span a wide range of categories, including table, floor, pendant, wall, and ceiling lighting solutions.

IC 10 Anniversary by Michael Anastassiades



Superwire Floor and Table by Formafantasma
Bellhop Glass by E.Barber & J.Osgerby



Flos Architectural

The Architectural collection is dedicated to advanced interior lighting systems designed for both residential and professional environments.

This division frequently collaborates with architects and engineering firms to deliver tailored solutions for large-scale retail - particularly in fashion and hospitality - as well as for private clients. Its focus spans professional and residential lighting, custom-built systems, and soft architectural elements. All development and operations for this line are based at the Antares Iluminación S.A.U. headquarters in Valencia, Spain.

Workmates by Flos Architectural



Emi by Erwan Bouroullec
Magic Stick by Jorge Herrera Studio
C1 Double by Vincent Van Duysen



Flos Outdoor

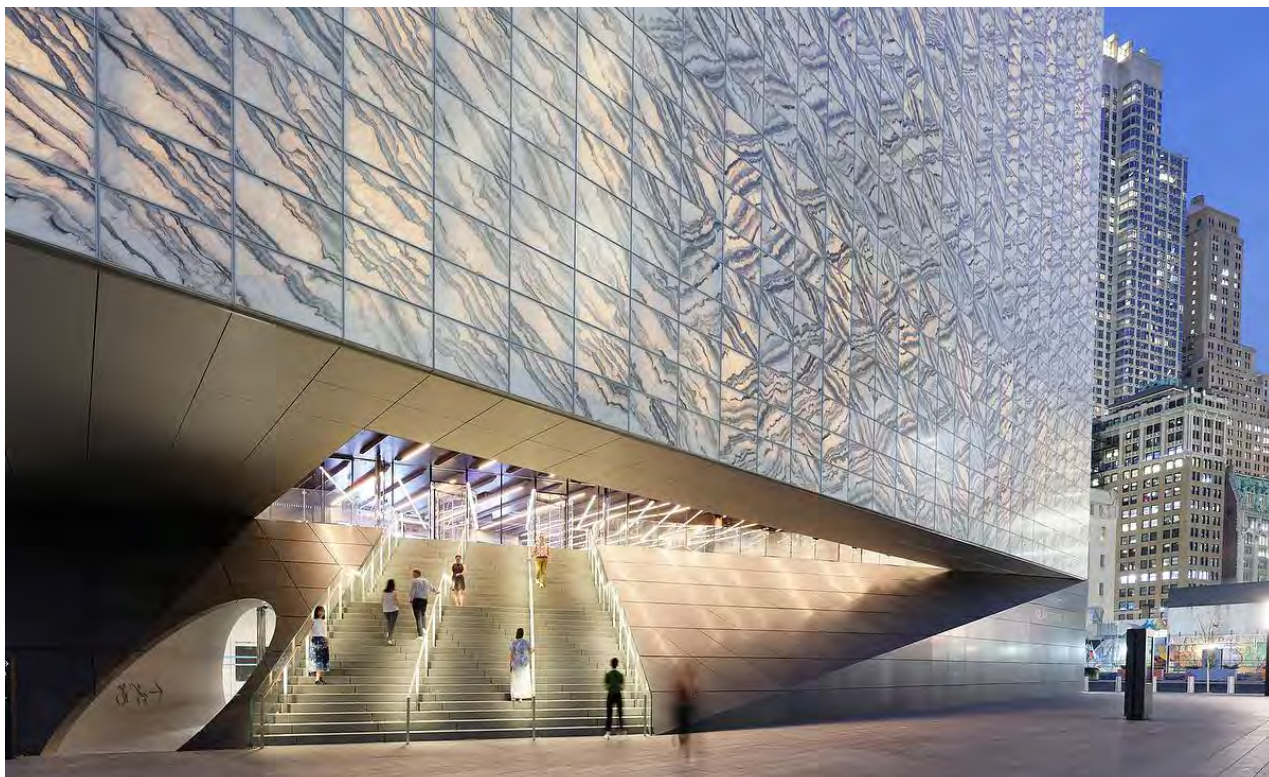
The Flos Outdoor collection was conceived to illuminate exterior spaces through a design philosophy that harmonizes with its surroundings. Whether subtly blending into the natural landscape or making a bold architectural statement, each piece is crafted to strike a thoughtful balance between discretion and identity.

Today, production of the Outdoor line is primarily based at the company's facility in Bernareggio, Italy, where innovation and craftsmanship converge to shape lighting solutions for the open air.

Spine 0 by Vincent Van Duysen



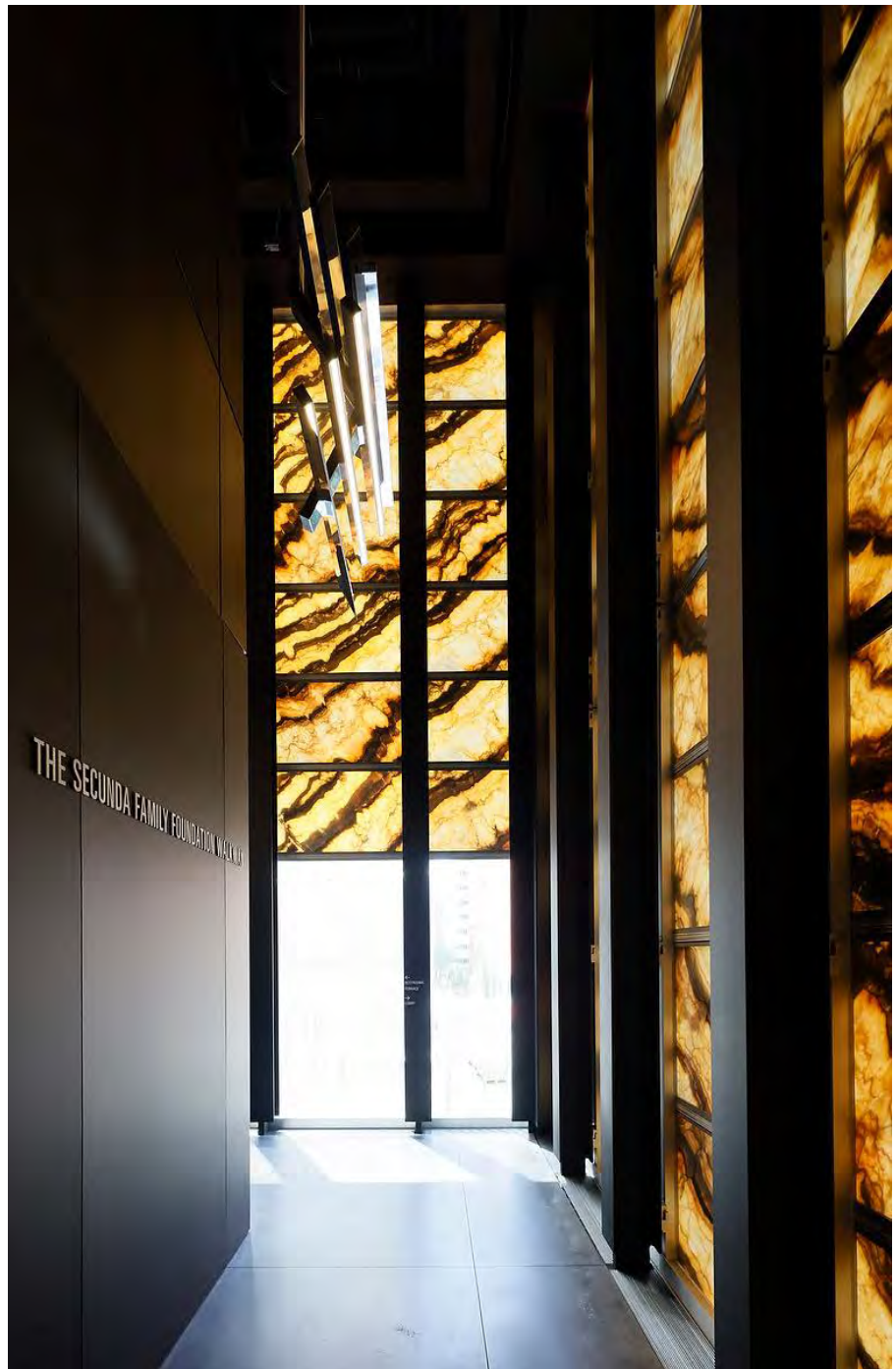
Spine 0 by Vincent Van Duysen



Flos Custom

Created to meet the growing demand for exclusivity, the Custom collection is dedicated to delivering bespoke lighting solutions tailored to individual customers needs. For over twenty years, this specialized segment has been nurtured within the Italian operations and is now expanding further through the efforts of Flos USA Inc. As the brand continues to evolve, the Custom division is playing an increasingly strategic role - strengthening brand cohesion while offering customers a deeply personalized design experience.

Perelman Performing Arts Center (NYC) by Flos Bespoke



Perelman Performing Arts Center interior

Value creation



Flos transforms visionary concepts from lighting designers and architects into tangible, high-performance products through a structured and collaborative development process. This journey begins with the in-house R&D team and continues through the skilled hands of expert artisans, all underpinned by rigorous quality assurance protocols. Flos oversees the entire design and prototyping

phase, ensuring that each product meets the highest standards of performance and safety. While much of the manufacturing, assembly, and logistics is entrusted to a carefully curated network of trusted suppliers, customer care remains a vital part of the value chain - focused on delivering responsive, seamless support to ensure a consistently positive client experience.



Product development

The creation of iconic lighting pieces and the development of new design concepts at Flos are made possible through dynamic collaboration between the company's internal R&D team and a diverse network of established and emerging designers, architects, and engineers. This synergy fuels innovation and ensures that each product reflects both technical excellence and creative vision.

The Development of New Lighting Solutions

Conception

The design process at Flos begins when architects, designers, or engineers submit their initial concepts and sketches to the R&D team. These early-stage ideas are then reviewed by top management, who assess their potential before greenlighting the development of prototype models. This structured approach ensures that each project aligns with the brand's standards of innovation, quality, and design integrity.

Pre-series Production Process

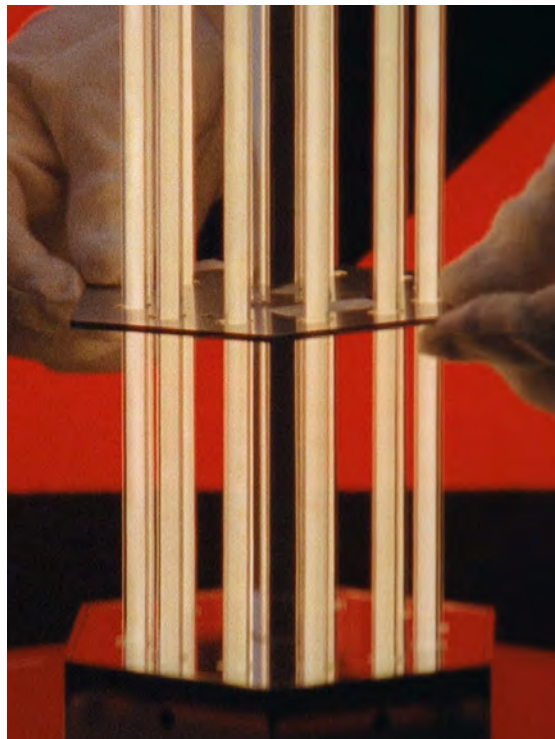
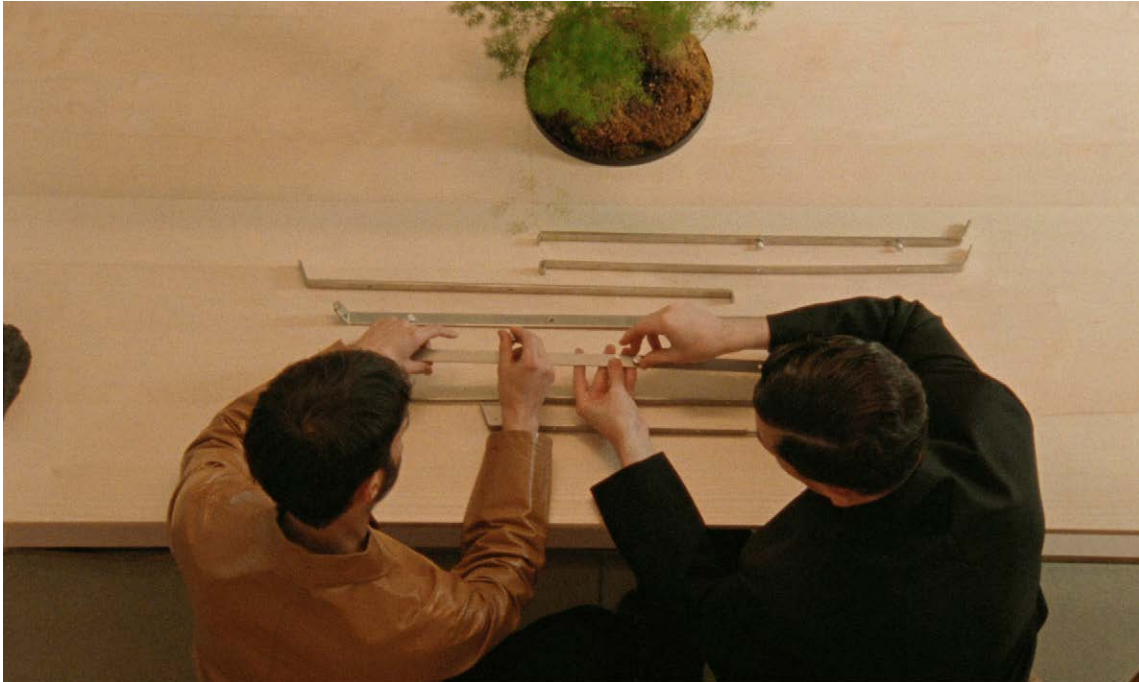
Once a concept receives approval, Flos's R&D team collaborates closely with designers, architects, and engineers to transform the idea into a fully realized product. A pre-series is produced to rigorously assess the mechanical and electrical design, evaluate material options, and identify optimal suppliers and manufacturing methods. This stage also allows for fine-tuning and enhancements to the luminaire. Throughout the process, each prototype undergoes a series of detailed evaluations to ensure structural integrity, technical performance, and compliance with safety standards.

Quality and Compliance

Before a product reaches final production, the pre-series undergoes extensive testing to ensure it meets all quality and compliance standards. For the Decorative collection, selected prototypes from this phase are shared with pilot customers, who are invited to provide structured feedback. Their evaluations offer valuable insights into various aspects of the product - ranging from functionality and installation to packaging, end-of-life considerations, and the overall emotional and user experience. This collaborative step plays a key role in refining the final design and ensuring it resonates with the end user.

Product Launch

Once a prototype meets the expectations of pilot customers (for the design collection), satisfies Flos's internal quality benchmarks, and complies with all relevant regulatory standards, it is approved for market release. At that point, the product transitions into full-scale production, marking the final step in its development journey.



Superwire processing

Following the prototype and pre-series phases, production begins with the sourcing of individual components. Given the wide variety of materials and techniques involved in crafting Flos products, much of the manufacturing is entrusted to specialized external partners. These include artisans skilled in hand-blown glass, technical textiles, advanced coating methods, and the precision shaping of plastics and metals. Once production is complete, all components are delivered to Flos facilities for a rigorous quality inspection to ensure full compliance with safety standards and internal benchmarks.

Assembly is carried out with meticulous attention to detail, guided by the original design and engineering specifications. While most assembly is outsourced to a trusted network of artisans - primarily located in Lombardy and Valencia - the Custom collection is an exception, produced and assembled entirely in-house at the Collebeato facility. Each finished product undergoes a final quality check in Flos's laboratories before release.

To meet market demand and maintain operational efficiency, Flos also operates a dedicated assembly line in Nave, near the Bovezzo headquarters. This facility follows lean manufacturing principles, specifically the 5S methodology: Sort, Set in Order, Shine, Standardize, and Sustain. This approach enhances productivity, safety, and service quality through organized, clean, and standardized workspaces.

Supplier selection and management

In addition to sourcing electronic components - often procured from global suppliers - Flos maintains strong partnerships with key vendors located primarily in northern Italy and the Valencia region. This approach supports the Brand's commitment to blending innovation with its distinctive design heritage. By prioritizing local sourcing, Flos benefits from a more agile and responsive supply chain, reducing lead times while reinforcing ties with local communities. Geographic proximity also plays a critical role in enabling timely and thorough quality control checks on both semi-finished and final components, ensuring each product meets the brand's exacting standards.

The Decorative, Outdoor and Custom collections emphasise the concept of the "Made in Italy", recognized as a model of expertise, craftsmanship and innovation worldwide, by meticulously opting for local suppliers. In fact, 88% of the Collections suppliers are located in the Italian territory, mostly within the Lombardy region (accounting for approximately 67% of the overall suppliers engaged during 2024).

Suppliers' Provenance by number and spending - Decorative, Outdoor Collection and Custom Collection

	2022		2023 ³		2024	
	Number	Spending	Number	Spending	Number	Spending
Italy	435	83.6%	698	86.9%	689	88.3%
Lombardy region ⁴	340	60.1%	523	65.3%	519	66.7%
Italy (rest)	95	23.5%	175	21.6%	170	21.6%
Other Countries	71	16.4%	128	13.1%	121	11.7%
Total	506	100%	826	100%	826	100%

³ Data on suppliers count concerns the Decorative and Outdoor collections. The percentage on spending per supplier provenance includes the Custom collection as well.

⁴ Data includes the Verona district. For the definition of "local suppliers", the Verona district was also considered, based on its proximity to the Bovezzo HQ.

As it regards the Architectural collection, the procurement process necessitates greater flexibility within the supply chain due to fluctuations in demand and shifts in the availability of raw materials and components. Consequently, the selection of suppliers is predominantly based on their geographical location. Notably, 68% of the Collection's suppliers are based in Spain. More specifically, Valencia and its surrounding areas account for approximately 37% of the total number of suppliers engaged during 2024.

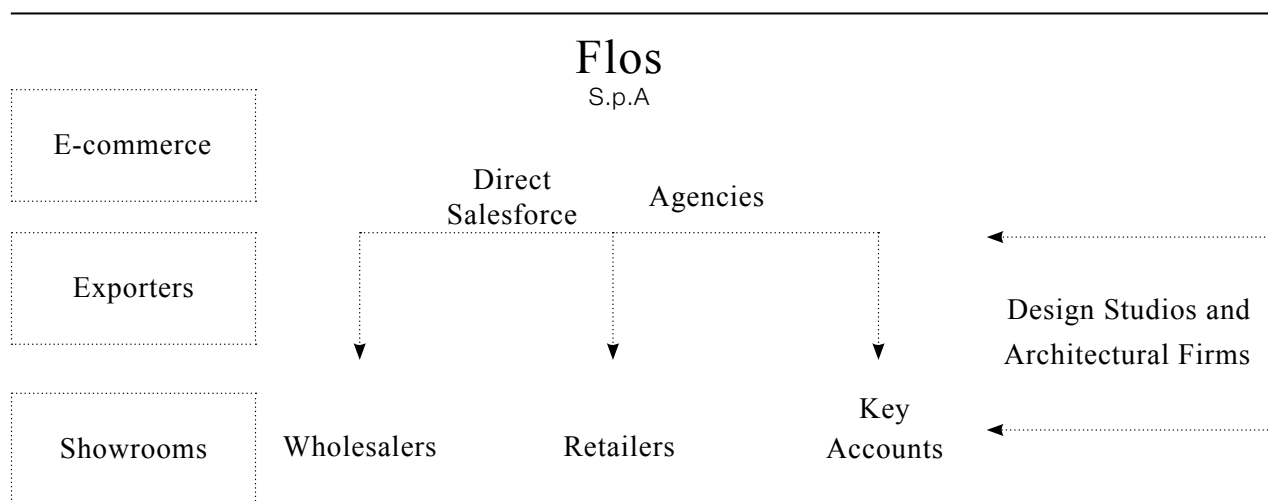
Suppliers Provenance by number and spending – Architectural collection						
	2022		2023		2024	
	Number	Spending	Number	Spending	Number	Spending
Spain	151	77.6%	138	67.8%	139	68.3%
Valencia and surrounding areas	80	51.1%	69	45.0%	67	37.1%
Spain (rest)	71	26.5%	69	22.8%	72	31.2%
Other Countries	68	22.4%	72	32.2%	73	31.7%
Total	219	100%	210	100%	212	100%

To ensure that its suppliers uphold high standards in both environmental responsibility and labor practices, Flos includes specific contractual provisions addressing product and workplace safety, environmental impact, and employment conditions. These agreements also empower the company to monitor sustainability performance by requesting detailed data on factors such as waste generation, raw material usage, energy consumption, and workplace safety metrics like accident rates. Additionally, Flos reserves the right to conduct environmental and social audits to verify compliance with its standards.

In alignment with Flos B&B Italia Group's broader ESG objectives, Flos shares the objective to implement an ESG supplier's rating system, which would enable the company to assess the ESG risks of each relevant supplier (defined according to specific criteria and thresholds), and to treat risky variables by engaging business partners. As part of this initiative, Flos also continues to promote the Group's Supplier Code of Conduct across its supply base.

The relationship with our clients

Flos demonstrates its dedication to clients by delivering lighting systems that are both technologically advanced and beautifully designed. This commitment extends beyond the product itself, encompassing clear, attentive communication and a streamlined service model for repairs and replacements-ensuring a seamless and satisfying customer experience from start to finish.



To meet the varied expectations and technical requirements of its global clientele, Flos leverages a diverse network of sales and distribution channels. These include electrical wholesalers and lighting specialists who supply products to installers and general retailers, as well as key accounts and B2B clients who access the brand through direct distribution partnerships. Additionally, Flos collaborates with agencies that work closely with design studios and architectural firms to actively promote its offerings. In regions where traditional channels are limited, the company relies on exporters to reach intermediaries and end users.

In the past years, Flos has revitalized its presence through in-person events and presentations hosted at showrooms, offices, and dedicated venues. Showrooms remain a vital sales platform, operating under both B2C and B2B models. At the same time, digital channels-such as the brand's e-commerce platform - continue to thrive, offering customers and resellers a flexible and engaging experience that complements physical retail.

Customer Proximity in the Digital Era: Flos' Professional website

Flos continues to prioritize the integration of customer needs and technological innovation as a key driver in the evolution of its digital platforms. The overarching goal remains to deliver new and enriching experiences-whether through product discovery or access to artistic creations. In line with this vision, the Flos Professional website underwent a strategic redesign to better serve both retail customers and professional audiences.

This update emphasizes a refined user experience and a restructured architecture that enables users to locate relevant information with the appropriate level of detail. Through this initiative, Flos aims to unlock the full expressive potential of its iconic designs while enhancing communication around its comprehensive portfolio of solutions and services.

To ensure effective resolution of customer complaints and the implementation of corrective actions, Flos coordinates regular cross-functional meetings between its front office and key departments such as Quality, Production, and R&D. The company closely tracks both the volume of product returns and the performance of a key quality metric - calculated as the ratio between the cost of returned products and the total cost of goods sold. This indicator spans all product lines, including Decorative, Outdoor, Custom, and Architectural collections, and plays a role in determining annual employee bonuses, reinforcing accountability and continuous improvement across the organization.

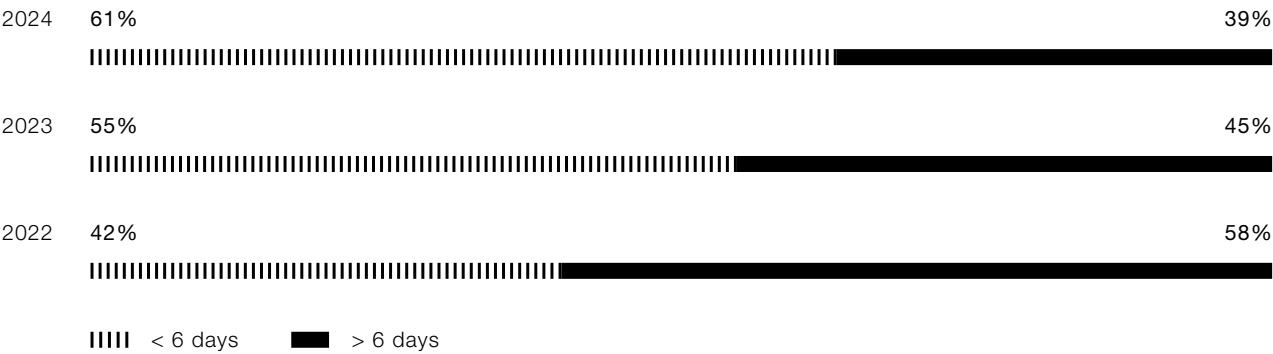
Quality Indicator	U.M.	2022	2023	2024
Cost of returned product for faultiness reasons on cost of goods sold	%	0.82	0.74	0.50

Flos maintains a proactive approach to quality assurance by closely monitoring customer feedback related to product malfunctions or defects. Each complaint is carefully evaluated to determine the most effective and customer-centric resolution. Depending on the nature of the issue, Flos may retrieve the product for a detailed root cause analysis, offer a prompt replacement, or deploy a technician from its internal quality team to conduct an on-site inspection. This responsive process not only ensures swift resolution but also supports continuous improvement in product development and customer satisfaction.

Building long-lasting relationships with clients implies ensuring efficient shipments and delivery times of the purchased products, to guarantee customer satisfaction, quality, and order fulfilment. For this reason, Flos prioritizes the analysis and management of delivery timeliness⁵. During 2024, Antares facilities in Spain were greatly impacted by an extreme flooding event, leading to detrimental impacts on operations and an extensive recovery process. This event therefore largely effected the time lag and delivery of Architectural products during the end of 2024 and initial months of 2025., Despite procurement and transportation challenges for both raw materials and finished products encountered in recent years that originated delays between orders and deliveries for the Decorative collection, 2024 recorded an improvement, as only 39% of orders were delivered with a recorded time lag of more than six days during the year.

⁵ Due to intrinsic production processes relating to the Architectural and Custom segments that prevent the presentation of consistent figures concerning time lag, data is exclusively reported for the Decorative and Outdoor collections.

Time lag - Decorative Collection





IC 10 Anniversary installation, Flos Store Milan

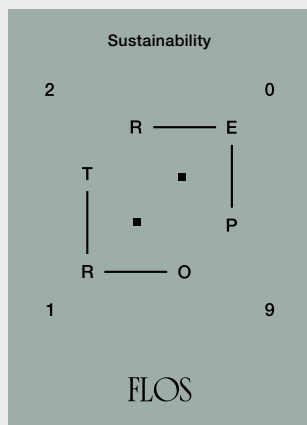
Flos' Sustainability path: from reporting to planning



Flos' sustainability strategy is built on three core pillars, as outlined in its Sustainability Policy, each reflecting a deep commitment to responsible growth and long-term impact:

- **Energy and Materials:** Acknowledging the global urgency around climate change and resource scarcity, Flos is dedicated to reducing and optimizing both direct and indirect consumption of energy and materials. This commitment supports the transition toward a circular economy.
- **Development and Wellbeing:** People are at the heart of Flos' strategy. The company fosters an inclusive, inspiring, and motivating work environment that values every employee, regardless of role, and promotes personal and professional growth.
- **Heritage and Know-How:** Flos views its legacy of iconic design and technological expertise as a vital asset in its sustainability journey. This pillar reflects the strong alignment between Flos and the broader Flos B&B Italia Group, whose sustainability framework serves as both inspiration and structure for the brand's strategic direction.

Lampadina plastic-free packaging



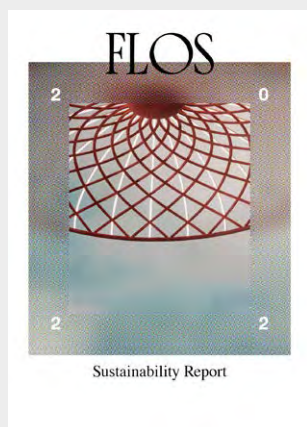
2019



2020



2021



2022



2023



2024

Sustainability Report covers

Design for the Planet	To foster our commitment to sustainability, blending innovation, eco-design, and principles of circularity in our business activities, and throughout our value chain.
Design for People	To ensure a thriving workplace that guarantees fairness and inclusion as well as generating value for communities around the world.
Design for Culture	To nurture our Brands' identities by preserving craftsmanship and design heritage, from scientific research to the preservation of design legacies for the benefit of future generations.

Building on its three sustainability pillars, Flos has defined a forward-looking commitment by setting clear ESG targets and public pledges for the coming years. This strategic direction was shaped through a collaborative process involving multiple business functions and direct engagement from senior management. As a result, Flos prioritized objectives aligned with its “Energy and Materials” and “Development and Wellbeing” pillars - focusing on three key areas: emissions reduction, circular economy, and waste management. These priorities serve as the foundation for actionable initiatives and measurable progress. Each target is mapped to relevant Sustainable Development Goals (SDGs), reinforcing the alignment between Flos’ sustainability strategy and the United Nations’ 2030 Agenda for Sustainable Development.

For select commitments outlined below, target timelines have been adjusted and objectives revised to ensure that our ESG initiatives remain aligned with the Group’s evolving strategy and development priorities.

Pillar	SDGs	Target	KPI	Baseline	Update
Energy and Materials		-27.5% emissions reduction by 2030 ⁶	% reduction of Scope 1 + Scope 2 – Market based GHG emissions	1,955 tCO2e (2019)	Ongoing
		100% of electricity from renewable sources consumed by 2026	% of electricity covered by Guarantees of Origin purchased and consumed over the total electricity consumed	31.4% (2020)	Ongoing ⁷
		At least 80% of new products' components can be disassembled and recycled by 2026 ⁸	% of new products' components can be disassembled and recycled over the total	Varies depending on the collection ⁹	Ongoing
		100% of new products with recycled textile from 2023 onwards	% of new products with recycled textile over the total of new products with textile ¹⁰	Varies depending on the collection ¹¹	Ongoing

⁶ The target for GHG emissions reduction has been defined based on the WB2C (Well Below 2°C) scenario according to the methodology outlined by the Science Based Targets initiative.

⁷ The previous target set for 2022 has been achieved. In 2023 the reporting perimeter was enlarged and the target renewed.

⁸ The target does not refer to the Custom collection and refers to main components only. The Decorative collection's specific target is set at 100%.

⁹ The baseline varies from one collection to the next and ranges from almost 0% for Decorative to 80% for Architectural.

¹⁰ The target refers to Flos S.p.A., whose textile products as of 2023 were all crafted from recycled textile materials.

¹¹ Flos did not launch any new products in 2024 that included textile components.

Flos Group's Internal Sustainability Scoring

In line with the Flos B&B Italia Group's Sustainability Strategy - which integrates innovation, eco-design, and circular economy best practices - Flos has developed an Internal Sustainability Scoring system to embed these principles across its operations. This methodology introduces a set of key performance indicators (KPIs) designed to assess the progress of eco-design initiatives and evaluate the ESG attributes of products from both quantitative and qualitative perspectives.

The Scoring outlines four macro areas related to product design, manufacturing and logistics and life cycle:

- **Design:** At Flos, we strive to create timeless, durable designs that reflect our heritage and uphold the highest standards of quality. Our products are engineered for easy disassembly, enabling recycling and upcycling while minimizing the use of raw materials. By selecting premium components that meet international durability and performance benchmarks, we ensure long-term functionality, ease of maintenance, and upgradeability. Our design priorities focus on efficiency and reducing CO₂e emissions, with a strong emphasis on incorporating recycled and lower-impact materials, while aiming to minimize toxic emissions during production, protecting both the environment and public health.
- **Manufacturing & Procurement:** We are committed to reducing our energy consumption and increasing the use of renewable energy across our facilities. By applying strict process controls, we work to minimize waste while ensuring the health and safety of our teams. In managing our supply chain, we prioritize local suppliers to help lower transportation-related CO₂e emissions and to ensure alignment with our ESG principles and standards.
- **Logistics:** We are committed to improving the efficiency of our logistics and product lifecycle. This includes using recyclable packaging materials and continuously working to enhance the energy efficiency of our products. To extend product lifespans and reduce the need for replacements, we ensure the availability of spare parts-supporting long-term use and minimizing environmental impact.
- **Use & Recycle:** We prioritize the use of recyclable materials and partner

with certified entities to ensure responsible disposal practices. In addition, we actively explore upcycling opportunities and take-back programs to extend the lifespan of our products and reduce environmental impact.

The final product score, derived from both quantitative and qualitative KPIs, serves as a foundational benchmark for evaluating the ESG characteristics of each product. This assessment helps to identify key areas for improvement and supports efforts to reduce the overall environmental and social impacts across the product's life cycle.

Material Topics

- Workers in the value chain
- Circular Economy and Resource Use
- Innovation and product Quality
- Climate Change

United Nations SDGs



Highlights

83%

Decrease in
polyurethane foam
purchased with
respect to 2013

71%

of electricity certified as
produced from renewable
sources in 2024

8,814 MWh

Of energy
consumed in 2024

1. Design for Planet: Energy and Materials

At Flos, our primary objective is to reduce the environmental impact of our operations and across our entire value chain. Recognizing that global environmental challenges are intrinsically tied to energy consumption and the extraction and use of materials, we strive to reduce and optimize both our direct and indirect resource usage. To this end, Flos is dedicated to:

- Continuously monitoring energy and material consumption, along with the associated greenhouse gas (GHG) emissions;
- Leveraging the best available technologies and solutions to strike a balance between product quality, performance, durability, and environmental impacts;
- Identifying and implementing strategies to enhance energy and material efficiency, with the goal of progressively reducing the environmental footprint of our operations.

Our “Design for Planet” pillar reflects our deep commitment to embedding sustainable practices throughout our business, making environmental responsibility a core pillar of our Brand. A fundamental principle of our design philosophy is the continuous reduction of environmental impact throughout the entire product lifecycle - from conception to end-of-life. This commitment is evident in every facet of our operations, including research and development, product design, and lifecycle performance monitoring. As the lighting industry undergoes a shift from a linear to a circular economy, it seeks to decouple economic growth from the consumption of finite resources. Over recent decades, increased sustainability awareness-spurred by evolving energy efficiency regulations and the rise of voluntary certification schemes - has driven significant improvements in lighting technologies. These developments have encouraged industry-wide innovation, but meaningful climate action also requires company-level initiatives. Like the broader manufacturing sector, the lighting industry is being called to reduce both direct and indirect GHG emissions, which are closely linked to energy use and circular economy principles.



Workmates by Flos Architectural

1.1 Balancing languages of light and environmental challenges



Flos firmly believes that transitioning to a low-carbon and circular economy requires a collective and systemic effort from all stakeholders across the industry. No single company - no matter how innovative or disruptive - can achieve this ambitious transformation alone. For this reason, Flos actively collaborates with industry peers and associations, including Assoluce¹, to help shape more effective national and international regulations and standards within the lighting sector.

A key focus of Flos' efforts is the advancement of

safety standards, particularly in relation to cutting-edge and energy-efficient LED technologies. This includes addressing emerging regulatory needs concerning electromagnetic fields, the integration of magnets for securing internal lighting components, and power sourcing equipment (PSE) for wall-mounted luminaires with external cables. Through its involvement in Assoluce, Flos also works in close partnership with Lighting Europe² to promote the adoption of regulatory frameworks that support circular economy principles.

¹ Assoluce is the Italian national association comprising more than 150 luminaire manufacturers, which is part of FederlegnoArredo, the Italian wood and furniture industry association.

² Lighting Europe is the industry association representing the lighting industry in Europe. Its mission is to promote the efficiency and sustainability of lighting systems, focusing on environmental challenges, human comfort, and customers' health and safety.

This collaborative advocacy reinforces the lighting industry's leadership role in the evolution of energy-efficient solutions. Beyond regulatory engagement, Flos is actively embedding circular economy principles into product design. This includes a strong emphasis on modularity, regenerative design, and the long-term durability of materials - core elements evaluated through Flos' internal Sustainability Scoring system.

Among the various goals Flos has set to reduce the environmental impact of its operations, one key objective is to increase the use of recycled and recyclable materials in the production of luminaires. This is achieved without compromising product quality or performance. The same principles guide our packaging strategy, where we are transitioning to more low carbon materials and redesigning packaging to improve efficiency and reduce environmental impact - while ensuring optimal protection during transport.

ESG Targets

At least

80 % of new products' components can be disassembled and recycled by 2026³

Within its R&D activities, Flos remains committed to striking a careful balance between efficiency, customer expectations and quality standards, while staying true to its distinctive identity and design philosophy. Through continuous exploration and innovation, Flos aims to reimagine iconic products and introduce new, groundbreaking designs. These initiatives frequently lead to pioneering advancements, particularly in the choice of materials used for both manufacturing and packaging. In recent years, Flos has placed special emphasis on exploring advanced materials that not only elevate craftsmanship but also reduce environmental impact across the entire product lifecycle. The R&D department is deeply focused on material and product innovation to enhance both energy efficiency and overall environmental performance.

³ The target does not refer to the Custom collection and refers to main components only. The Decorative collection's specific target is set at 100%.

Reimagining materials: the SuperWire lamp

Featuring a unique lighting system built from custom LEDs encased in concentric tubes, the SuperWire lamp allows for bulb replacement without any electrical intervention. It is constructed from flat glass and aluminium, with the latter undergoing a cutting-edge treatment: instead of conventional chrome plating,

an anodized alloy is used. This eliminates the need for polishing and galvanic processes, resulting in a lustrous finish that maintains material purity. As a result, the aluminium can be remelted and reused without the introduction of additional alloys - enhancing both sustainability and circular potential.

One of the most significant challenges in recent years has been the development of recyclable plastic materials that can match the electrical, thermal, and mechanical standards of traditional alternatives. To meet this challenge, Flos has engaged in active research alongside key industry partners to identify and develop lower-impact plastics. The objective is to overcome the technical constraints often associated with sustainable alternatives, yet without compromising the high standards of quality that define Flos' products. In parallel, the principle of modularity has gained increased importance. Designing products for easy disassembly into individual components is essential for improving recyclability and long-term durability. This approach is being applied not only to new collections but also to Flos' classic designs. In the case of heritage products, this means reengineering them to meet circular economy standards while preserving their iconic character and status.

To support this transition, Flos' R&D department has successfully replaced nearly all glue-based assemblies with mechanical dovetail solutions. This innovation allows products to be disassembled more easily, significantly enhancing their recyclability and extending their lifespan.



Superwire Floor by Formafantasma

Designing for disassembly: the Bellhop Glass lamp

The Bellhop Glass lamp emerged as a standout example of sustainable design, crafted entirely from blown glass. True to Flos’ environmentally conscious approach, the lamp was engineered for disassembly and recyclability. Instead of glue, materials such as silicone, glass, and aluminium were used - allowing

each component to be easily separated by hand, with no tools required. This design not only simplifies recycling but also empowers users to participate in more responsible end-of-life disposal, reinforcing Flos’ dedication to circular design principles.

A major milestone was reached last year when Flos achieved its goal of producing 100% of new products of the Decorative Collection with recycled textile materials. As part of a broader commitment to sustainability, the Brand expanded this target the same year: from 2023 onward, all new products featuring textile components will be made exclusively from recycled or organic fibers, marking another step forward in aligning product innovation with Flos’ long-term environmental vision⁴.

ESG Targets

100 %
of new products with recycled textiles

⁴In 2024, Flos did not launch any new products that included textile components.



Bellhop Glass Table and Suspension by E. Barber and J. Osgerby



Emi Floor, Ph by Bouroullec Studio

1.2 Monitoring and optimising resource consumptions



The most significant environmental impacts associated with Flos' production processes originate from outsourced activities, while a smaller share stems from internal operations such as assembly and packaging at the Architectural Collection plant in Valencia and the Decorative Collection facility in Bovezzo. Additional impacts arise from the manufacturing activities at the Bernareggio site (Outdoor Collection) and the Collebeato site (Custom Collection).

These impacts primarily involve the consumption of materials and energy, the generation of production and assembly waste and the discharge of process water containing toxic substances used in coating and painting. Furthermore, indirect greenhouse gas emissions - linked to logistics, supply chain

operations, and material procurement - play a considerable role.

Flos acknowledges that a truly effective sustainability strategy must address environmental impacts throughout the entire value chain. As such, the Brand prioritizes environmental assessments and mitigation strategies at every stage of the production cycle. From the earliest phases of research and design, Flos carefully selects materials and production methods that align not only with aesthetic and quality standards but also with its commitment to minimizing environmental harm - beyond merely complying with current regulations. This dedication is reflected in the company's growing focus on environmental monitoring and its increasing attention to impacts beyond its immediate organizational boundaries.

Outdoor collection's environmental impacts

The headquarters of Flos' Outdoor Collection, located in Bernareggio, within the Monza and Brianza province of Italy, spans 12,000 m² and hosts key departments including R&D, testing laboratories, and an advanced painting and coating system. Last year, the facility underwent a major energy efficiency upgrade with the installation of a state-of-the-art drying oven. This new system significantly reduces natural gas consumption, contributing to the Brand's broader energy-saving goals. The Bernareggio plant also includes a specialized division featuring an automated assembly line for circuit boards, as well as departments responsible for wiring and general assembly. These manufacturing activities involve considerable water usage and air emissions, particularly from painting processes and electronic circuit production, which includes welding and the use of chemical compounds. To manage these impacts, the facility is equipped with a modern air treatment system designed to capture particulate matter and harmful

substances, fully compliant with current environmental legislation. Additionally, the site operates a certified water treatment plant that discharges into the municipal sewage system, with regular testing conducted by external laboratories to ensure regulatory compliance and optimal system performance. In alignment with its sustainability goals, Flos has been actively investigating alternatives to conventional chemical-based painting methods used for the Outdoor Collection. A major milestone was reached with the introduction of a new painting system that eliminates the use of chrome - enhancing both environmental sustainability and workplace safety. Building on this innovation, Flos successfully completed its transition to a painting process free from chrome-based chemicals by the end of 2024, marking a significant achievement in its commitment to safer and more sustainable production practices.

Materials and waste

Flos is actively addressing its most pressing environmental challenges by prioritizing inventive, lower-impact solutions throughout its design and production processes. This includes reimagining iconic products where possible and adopting modular construction techniques that avoid the use of glues and harmful chemicals - both of which can compromise recyclability and sustainability. These design principles are evident in recent creations such as the Workmates lamp collection.

Reducing the use of chemicals in our products: the example of Workmates

The Workmates series by Flos Architectural embodies the values of alignment with circular economy principles through proper disposal and recycling of parts.

Designed for office environments, these lamps are constructed entirely without adhesives, and all lighting

units are easily disassembled for routine maintenance or component replacement. This design significantly extends the lifespan of the products and supports a sustainable, repair-friendly model.

In parallel with its design innovations, Flos rigorously monitors the quantities of materials and components sourced for its lighting systems, as well as the volume of waste produced in the process. The Brand is firmly committed to reducing the use of non-recyclable or hazardous materials. This approach not only supports more sustainable product lifecycles but also reflects Flos' broader dedication to environmental responsibility and continuous improvement across the value chain.

ESG Performance

83 %

Decrease in polyurethane foam purchased with respect to 2013

3,286 tons

of materials processed within the Decorative, Custom, Outdoor and Architectural collection facilities

In 2024, the total volume of raw materials purchased rose slightly compared to 2023, increasing from 3,004 to 3,286 tons. This variation is consistent with the specific material requirements of the new products introduced during the year.

Processed Materials ⁵	U.M.	2022	2023	2024
Aluminium and Zamak ⁶	t	2,086	1,949	1,891
	kg/k€	8.88	7.89	8.42
Marble/Concrete	t	537	362	498
	kg/k€	2.29	1.46	2.22
Plastics	t	369	330	319
	kg/k€	1.57	1.34	1.42
Iron	t	494	165	310
	kg/k€	2.10	0.67	1.38
Glass	t	371	152	196
	kg/k€	1.58	0.61	0.87
Gypsum	t	29	23	28
	kg/k€	0.12	0.09	0.13
Brass	t	35	16	28
	kg/k€	0.15	0.06	0.13
Ceramic	t	-	3	9
	kg/k€	-	0.01	0.04
Rubber	t	7	4	6
	kg/k€	0.03	0.02	0.03

Since 2022, Flos has phased out conventional lamps in favour of more eco-friendly alternatives, marking a shift in its procurement strategy. This choice was driven by the adoption of Regulation 2015/1428/EU, which prohibits the bundling of traditional light bulbs with lamps. The regulation enables customers to independently choose between LED and conventional light sources, supporting Flos's broader commitment to environmental responsibility and informed consumer choice.

⁵ Data are related to the Decorative, Outdoor, Custom and Architectural collection plants. Intensity ratios refer to the net sales of the Decorative, Outdoor, Custom and Architectural collection.

⁶ Zamak is a family of alloys with a base of zinc and alloying elements of aluminum, magnesium and copper.

Currently, data related to materials, components, and packaging used in the Custom Collection remain unavailable and are therefore excluded from reporting. However, the division is fully committed to improving data collection processes. Active efforts are underway to recover the missing information and ensure it is systematically captured for inclusion in future sustainability reports.

Electronic Components⁷	U.M.	2022	2023	2024
Electrical components	units	7,538,872	7,252,731	7,164,110
	units/k€	903.13	29.36	31.90
LED and LED components	units	5,874,335	3,926,371	4,579,391
	units/k€	25.93	15.89	20.39
Transformers & power supply	units	310,015	174,806	169,802
	units/k€	1.37	0.71	0.76

Packaging remains a significant area of environmental impact within Flos' operations. To address this, the Brand continually seeks innovative alternatives to replace conventional packaging materials with options that are either recyclable or have a lower environmental footprint. In 2023, Flos achieved a key ESG target set in its Sustainability Plan, reaching at least 90% recyclable packaging across its product lines. Notably, 76% of the packaging used was made from recycled or recyclable paper, reflecting a stable trend in line with last year.

In recent years, Flos has taken substantial steps to phase out non-recyclable polyurethane foam, replacing it with custom-designed cardboard boxes. These alternatives are engineered to meet the same high standards for protection during logistics, particularly for new collections produced at the Bovezzo plant, but with significantly less environmental impact. This shift has led to a 83% reduction in polyurethane foam purchases in 2024, compared to the project's launch year in 2013.

Further reinforcing its sustainability goals, Flos has also replaced plastic

⁷ Data are related to the Decorative, Outdoor and Architectural collection plants. Intensity ratios are calculated on Decorative, Outdoor and Architectural collection's net sales.

bags - once used to cover lamps in the Decorative Collection - with paper alternatives that are both recycled and recyclable. In 2022, all external packaging materials for the Outdoor Collection were sourced from recycled content. For newly launched products in this collection, the company also prioritized packaging made from pre-recycled paper and cardboard, underscoring Flos' commitment to sustainable practices across every phase of its production and logistics.

Reflecting the general trend in raw material usage, the volume of packaging materials procured in 2024 saw a slight increase compared to the previous year.

Packaging Materials⁸	U.M.	2022	2023	2024
Paper and cardboard	t	1,243	984	1,116
	kg/k€	5.5	4.0	5.0
Wood	t	365	252	277
	kg/k€	1.6	1.0	1.2
Plastics	t	87	50	73
	kg/k€	0.4	0.2	0.3

⁸ Data refer to the Decorative, Outdoor and Architectural collection plants. Intensity ratios are calculated on Decorative, Outdoor and Architectural collection's net sales.

ESG Performance

504 tons

The total tons of waste produced in 2024

As Flos moves downstream in the material life cycle, a significant portion of waste originates from packaging and defective components that do not meet the Brand's stringent quality or aesthetic standards and must be returned to suppliers. To reduce overall waste, Flos actively works to recover and reuse undamaged parts from defective products, maximizing material reuse and minimizing waste wherever possible.

A key part of Flos' waste reduction strategy involves close collaboration with suppliers to address non-compliance in incoming materials. The company conducts detailed inspections and continuous monitoring to evaluate the rate of defective components from each supplier. These efforts help identify root causes of non-conformities and areas where suppliers may face challenges. In response, Flos engages directly with its partners to implement corrective actions and provides the necessary training and tools to support improvement. This collaborative approach is embedded in the Brand's supply chain values and reflects Flos' commitment to shared accountability and long-term partnerships.

In 2024, Flos continued to strengthen its waste management and recycling initiatives across all operational units. One example includes the initiative allowing employees to purchase non-saleable defective products at discounted prices - an effort that not only reduces waste but also promotes resource circularity. At the Bernareggio Outdoor Collection facility, the installation of water dispensers eliminated the use of plastic bottles, encouraging more sustainable habits among employees and reinforcing the Group's environmental goals. Over the past few years, Flos has intensified its waste segregation processes, particularly at the Bovezzo and Bernareggio plants, to improve recycling outcomes. Notable progress has been made in the dedicated management of wood-based packaging waste. In line with its ESG commitments, the Group is prioritizing the reduction of mixed-material waste by replacing it with single-material alternatives - such as paper, plastic, metal, and wood - to streamline recycling and improve treatment efficiency throughout its production processes.

In 2024, Flos recorded an approximate 31% reduction in total waste generation compared to 2023, mainly driven by a fluctuation in the types and quantities of materials processed during production. Looking ahead, all branches of the Group remain committed to enhancing the precision of their waste monitoring practices. This includes refining data collection and classification methods to ensure increasingly accurate reporting across all waste categories in future reporting cycles.

Regarding hazardous waste, the majority continues to originate from the Bernareggio facility. This is primarily due to manufacturing activities such as painting and coating, which require the use of chemical substances.

Waste Type		U.M.	2022	2023	2024
Non-municipal waste		t	24.03	103.25	40.54
Metal Materials		t	60.02	84.13	30.74
Aqueous solutions		t	14.91	40.14	21.02
Construction Materials		t	358.36	29.58	0.40
Other		t	266.38	10.44	9.77
Paint		t	1.27	5.81	6.63
Glass		t	10.45	1.75	1.28
Sludge		t	3.70	0.64	0.94
Plastics		t	0.40	0.10	0.10
Wood		t	0.10	-	-
Packaging	Mixed materials	t	159.32	270.30	173.37
	Paper/Paperboard	t	115.12	96.45	73.56
	Wood	t	77.81	77.32	139.91
	Plastics	t	22.72	10.37	5.48
Total		t	1,115.2	730.3	503.8
Of which hazardous		t	19.6	2.5	7.35
Of which non-hazardous		t	1,095.6	727.8	496.5
Of which sent to recycle/reuse		t	402.5	500.7	332.4
Of which not recycled		t	712.7	229.6	171.4

Energy and GHG emissions

Alongside monitoring material consumption, Flos places a strong emphasis on tracking energy use and related greenhouse gas emissions. These emissions mainly arise from heating and cooling systems, as well as the use of fossil fuels within the corporate vehicle fleet. Notably, the Bovezzo production site is powered by Brescia's district heating network - an integrated system that utilizes waste-to-energy incineration. In contrast, natural gas remains the primary energy source for heating and painting operations at the Bernareggio and Collebeato facilities. Due to its smaller scale, the Custom Collection contributes minimally to overall energy consumption and GHG emissions.

ESG Performance

8,814

the total energy
consumption in MWh

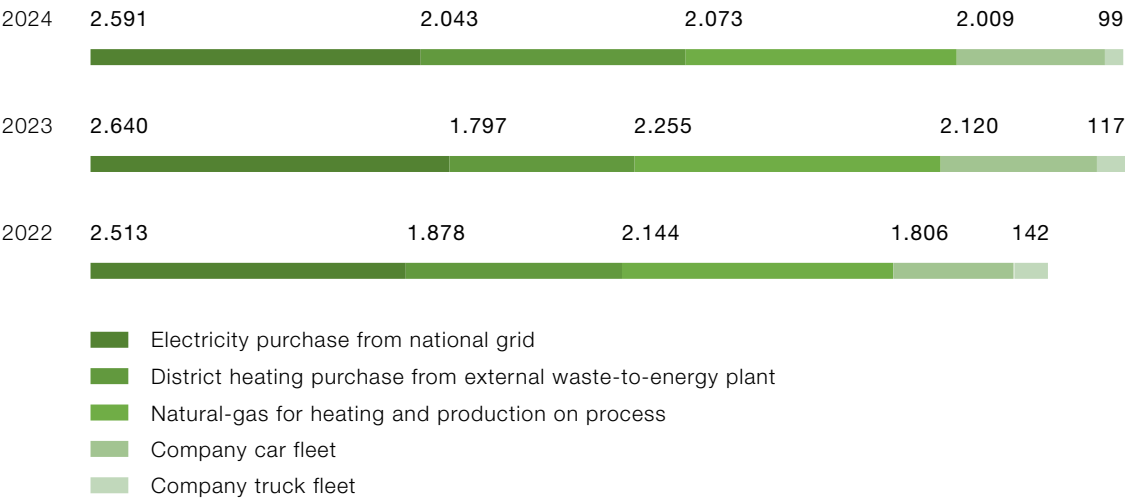
71 %

The electricity certified as produced
from renewable sources.

To optimize energy efficiency, Flos has implemented a real-time energy monitoring system at the Bovezzo plant. This tool has been helpful in identifying energy-intensive processes and operational inefficiencies, enabling more strategic energy use. Complementing this, the thermostat control system installed in 2022 allows for precise temperature regulation, further improving energy performance and efficiency.

Across the Group, total energy consumption in 2024 reached 8,814 MWh—a 1 % decrease compared to 2023. This can be partially attributed to a reduced reliance on the company's car and truck fleet, leading to a 7% decrease in diesel use. In 2024, in fact, Flos continued to prioritize a diverse vehicle fleet by incorporating electric and hybrid models, further strengthening its dedication to environmentally conscious mobility solutions.

Energy Consumption (MWh)



Flos’ broader environmental strategy includes monitoring and managing Greenhouse gas emissions throughout its value chain, with an aim to both reduce and offset these emissions over time.

ESG Targets

-27,5%

Scope 1 and Scope 2 - Market-based emissions by 2030

Carbon Offsetting Projects

As a complement to Flos Group's initiatives to manage and reduce its absolute greenhouse gas ("GHG") emissions, the Company has since (2020) purchased carbon credits to neutralise ("offset") its residual Scopes 1 and 2 operational emissions. The Company's primary climate mitigation approach is to reduce its absolute carbon emissions over time. Through the purchase of carbon credits, Flos also provides carbon financing to climate mitigation projects beyond its value chain. As each credit corresponds to the removal of one ton of CO₂ equivalent (CO₂e), the Company can - under voluntary carbon market standards and guidance - claim it has reached carbon neutrality (Scope 1 and 2) in a given year by purchasing credits to offset its residual emissions. From the outset, the two projects from which Flos has purchased carbon credits are the "Great Bear Forest Carbon" and the "Guatemalan Conservation Coast" projects. These two projects were chosen because of their strong credentials on environmental and biodiversity issues as well as their social initiatives.

Great Bear Forest Carbon project⁹, Canada

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

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

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

Guatemalan Conservation Coast project¹⁰, Central America

The Guatemalan Conservation Coast programme works to address the drivers of deforestation through effective law enforcement, land-use planning, education, economic opportunities, and sustainable agroforestry initiatives. Some of the most important project achievements to date are the protection of 30 threatened tree species including the Baird's tapir and West Indian manatee, the protection of 54,157 hectares of threatened forest in the Mesoamerican Biological Corridor and the creation or support of 487 jobs for indigenous and local communities.

⁹The Great Bear Forest Carbon project is registered on the British Columbia Registry under three different projects: Great Bear (South Central Coast) 104000000011319, Great Bear (Haida Gwaii) 104000000011559 and Great Bear (North and Central-Mid Coast) 104000000012798 aims to generate Improved Forest Management and reforestation-based carbon credits.

¹⁰The Guatemalan Conservation Coast project is registered on the Verra registry, REDD+ Project for Caribbean Guatemala: The Conservation Coast 1622, applies Verra's Verified Carbon Standard (VCS Standard v4.3 VM0015) and the Climate, Community and Biodiversity Standards v.3.1, and will generate carbon credits from avoided unplanned deforestation representing c. 22 million tonnes of CO₂e.

Flos actively identifies and tracks all significant direct greenhouse gas emissions (Scope 1) and those associated with energy consumption (Scope 2), in full alignment with the GHG Protocol Corporate Accounting and Reporting Standard.

In 2024, Scope 1 emissions totalled 1,226 tCO₂e-representing a 1% increase compared to the previous year. For Scope 2 emissions, Flos applied both the location-based and market-based calculation approaches. The location-based method accounts for the average emissions intensity of the local grid, while the market-based method reflects emissions from energy sources intentionally selected by the Brand. Since August 2018, the Decorative Collection headquarter in Bovezzo has sourced electricity certified by Guarantees of Origin (GOs), ensuring it comes from renewable sources and achieving zero carbon emissions under the market-based method. In 2022, all of Flos' production sites reached 100% electricity coverage through GOs, fulfilling the previous ESG objective. Building on this achievement, Flos renewed its commitment in 2024. This year, all Italian production facilities continued sourcing 100% of their electricity through GOs. However, the group's overall coverage of purchased electricity reached 71%, primarily due to a decrease in consumption and GOs purchases at Antares caused by flooding in October 2024, as well as normal variations within Flos S.p.A.

ESG Targets

100 %

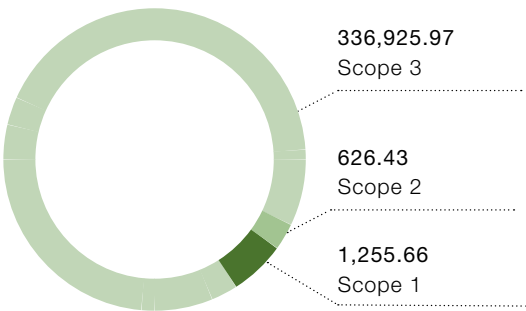
of electricity from renewable energy sources consumed by 2026

In 2024, the majority of Flos' GHG emissions fell under Scope 3, which covers indirect emissions across the value chain.

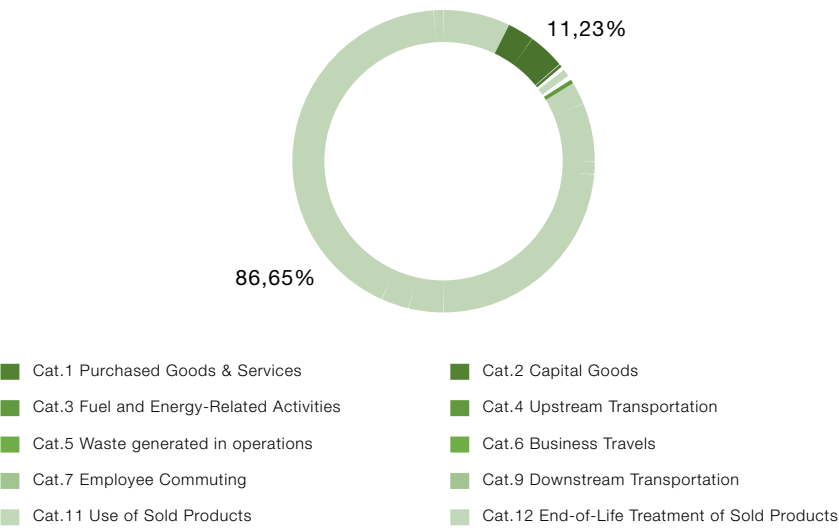
Flos monitors all relevant Scope 3 categories according to GHG Protocol standards. Among these categories, "Use of sold products" is the most impactful, accounting for over 86% of total Scope 3 emissions. This reflects the energy consumed by products throughout their entire operational lifespan. The second-largest category, "Purchased goods and services," comprises approximately 11% of Scope 3 emissions and includes semi-finished and finished products acquired during the year. Emissions from this category declined by 4% compared to 2023, in line with this year reported figures.

The dominance of these two categories highlights the critical importance of product design. Incorporating eco-design principles - particularly in material selection and energy efficiency during product use - is essential for minimizing the overall environmental footprint and improving Flos' sustainability performance across the entire life cycle of its products.

GHG Emissions - Market Based (2024) - (tCO₂ eq)



GHG Emissions 2024 - Scope 3 (tCO₂ eq)



GHG Emissions by activity	U.M.	2022	2023	2024
Direct Emissions (Scope 1)	tCO₂ eq	1,082	1,219	1,226
-Natural gas combustion for heating and production processes	tCO ₂ eq	434	457	420
-Diesel consumption for truck fleet	tCO ₂ eq	37	30	25
-Diesel consumption for car fleet	tCO ₂ eq	500	626	597
-Gasoline consumption for car fleet	tCO ₂ eq	111	106	89
-Refrigerant gases from leakages of air-conditioning systems	tCO ₂ eq	0	0	94
Indirect Emissions (Scope 2) - Location Based	tCO₂ eq	1,014	1,016	1,006
-Electricity purchased from the national grid	tCO ₂	693	693	639
-District heating purchased from external waste-to-energy plant	tCO ₂ eq	321	323	367
Indirect emissions (Scope 2) – Market Based	tCO₂ eq	369	531	626
-Electricity purchased from the national grid	tCO ₂ eq	48	208	259
-District heating purchased from the waste-to-energy plant	tCO ₂ eq	321	323	367
Other Indirect Emissions (Scope 3)	tCO₂ eq	448,090	363,850	336,926
Total Location Based	tCO₂ eq	450,186	366,085	339,157
Total Market Based	tCO₂ eq	449,541	365,600	338,778

Focus: Scope 3 GHG Emissions	U.M.	2022	2023	2024
Other indirect Emissions (Scope 3)	tCO₂ eq	448,090	363,850	336,926
Cat. 1 - Purchased Goods and Services	tCO ₂ eq	42,259	39,406	37,835
Cat. 2 - Capital Goods		3,020	2,185	2,187
Cat. 3 - Fuel and Energy-Related Activities	tCO ₂ eq	1,246	370	356
Cat. 4 - Upstream Transportation	tCO ₂ eq	1,576	1,536	1,360
Cat. 5 - Waste Generated in Operations	tCO ₂ eq	182	74	66
Cat. 6 - Business Travel	tCO ₂ eq	257	338	408
Cat. 7 - Commuting	tCO ₂ eq	753	971	804
Cat. 9 - Downstream transportation	tCO ₂ eq	2,202	819	1,514
Cat. 10 - Use of sold products	tCO ₂ eq	395,777	317,728	291,949
Cat. 12 - End-of-life treatment of sold products	tCO ₂ eq	818	424	446

Material Topics

- Own workforce
- Workers in the Value Chain

United Nations SDGs



Highlights

92%
Employees with
permanent contracts

4,103 h
Training Hours

0.5
Injury Rate

2. Design for People: Development and Wellbeing

Flos believes that its employees, through their passion and expertise, represent the core of its brand global success. Regardless of their position, Flos places its team at the heart of its strategic planning, with the goal of fostering a work atmosphere that is stimulating, welcoming, and encouraging.

To this extent, Flos undertakes to:

- Invest in training activities and development programs dedicated to employees' personal and professional improvement;
- Promote a rewarding and inclusive working environment to recognise and empower employee talent, in line with everyone's potential and aspiration.

Flos continues to place its people at the center of strategic development and decision-making, firmly believing that every individual should have access to the tools and opportunities needed to build diverse skills and meaningful experiences. This belief has been instrumental in shaping the company's achievements - past and present.

Regarding the organization of human resources, a new function was introduced in 2021 to enhance processes and ensure uniformity across employees' initiatives: the Head of Human Resources. A new individual has assumed the role as of 2024, and holds crucial responsibility in coordinating Flos' different divisions at a central level, identifying areas of improvement.

2.1 Employees as the essence of brand success



In 2024, the workforce¹ at Flos included 628 individuals, a slight decrease with respect to the previous year (646 FTEs).

¹ Number of full-time equivalents (FTE) derived by taking into account employees and workers who are not employees of the Group such as Agency workers, Subcontractors and Interns, at the end of the reporting period.

ESG Performance

628

Flos' reporting
perimeter workforce

92 %

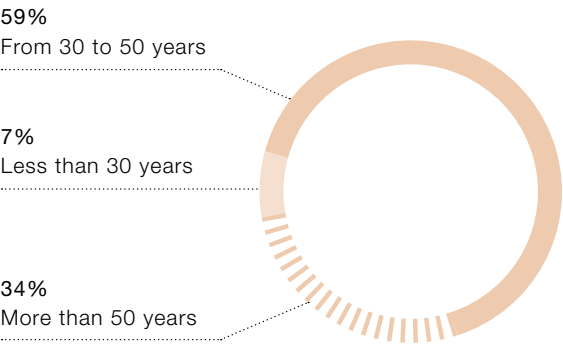
Percentage of employees with a
permanent contract

Workforce, by Employee Category and Gender	U.M.	2022	2023	2024
Total Workforce	FTEs	606	646	628
Employees	FTEs	563	605	590
Supervised workers	FTEs	39	33	28
Interns	FTEs	5	8	10
Workforce by Gender				
Women	%	42%	43%	43%
Men	%	58%	57%	57%

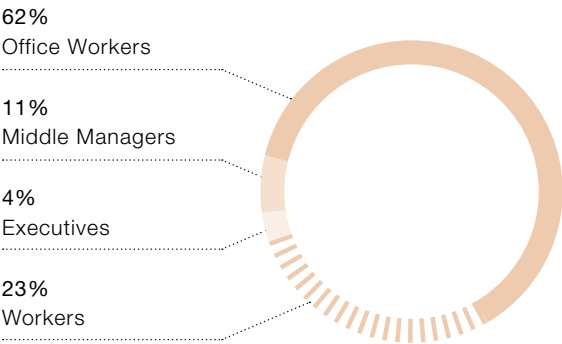
Flos' workforce in the reporting perimeter decreased slightly from 646 to 628, a 3% year over year. Permanent contracts represented 92% of all employment agreements, underscoring the company's dedication to long-term professional relationships. At the same time, the proportion of part-time employees reflects 5% of the workforce, demonstrating a consistent and inclusive approach to flexible work arrangements.

In 2024, almost 78% of Flos employees were covered by collective bargaining agreements, a slight increase compared to the 75% covered in 2023.

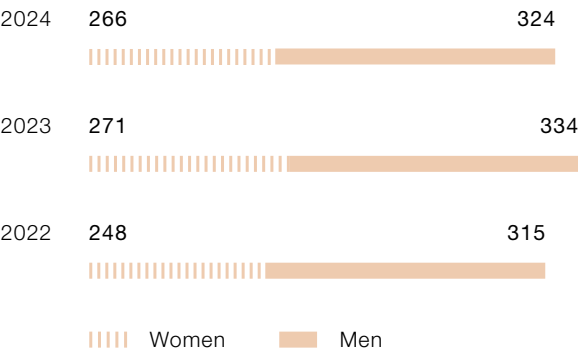
Employees, by Age



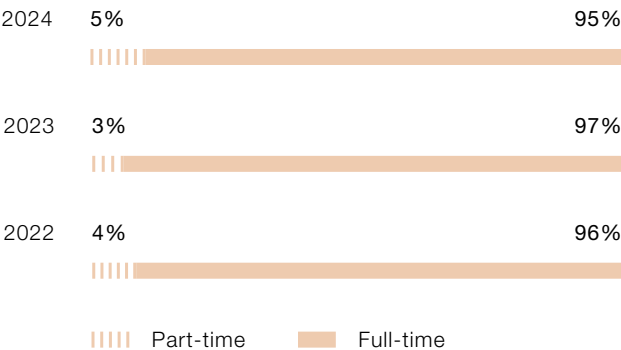
Employees, by Category



Employees, by Gender



Full-time vs Part-time Employees



Employees, by Gender and Contract Type	U.M.	2022	2023	2024
Permanent	FTEs	551	594	576
Women	FTEs	242	268	263
Men	FTEs	309	326	313
Temporary	FTEs	12	11	14
Women	FTEs	6	3	3
Men	FTEs	6	8	11
Total	FTEs	563	605	590

Concerning hires and terminations, the dedicated table shows a decrease in growth at Flos in comparison with the previous year: in 2024 the hiring rate² was equal to 7% compared to almost 12% in 2023. The turnover rate³ decreased, with an 8.7% rate compared to 17.9% in 2023. Flos maintains a structured approach to its hiring process by conducting exit interviews with all departing employees, both in Italy and internationally. These conversations serve as a valuable channel for collecting insights and feedback, which are then shared with company managers and CEOs. The findings play a key role in identifying areas for organizational growth and are actively used to shape training initiatives - ensuring that learning programs are aligned with the evolving needs and expectations of the workforce.

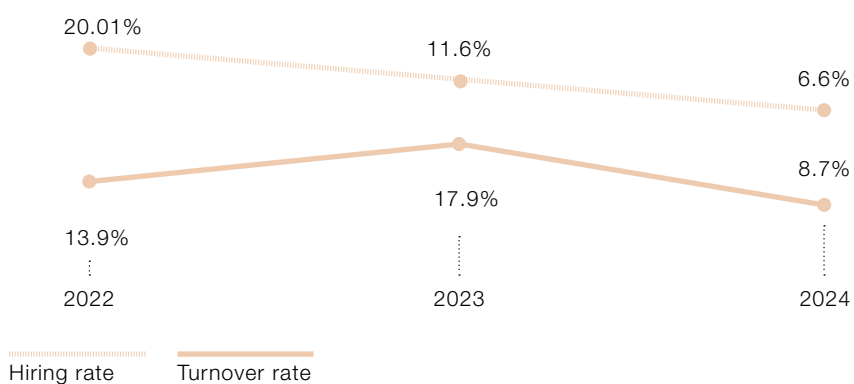
In 2024, total hires were equal to 38, of which 15 were women and 23 were men. The number of terminations in 2024 were equal to 53, of which 22 were women and 31 men.

In 2024, following an internal reorganisation, Ares S.r.l. was fully merged into Flos S.p.A., resulting in the complete integration of the former into the latter.

² The ratio between the number of hires and the total number of employees at the beginning of the reporting year.

³ The ratio between the number of terminations and the number of employees at the beginning of the reporting year.

Employee Hiring and Turnover Rates

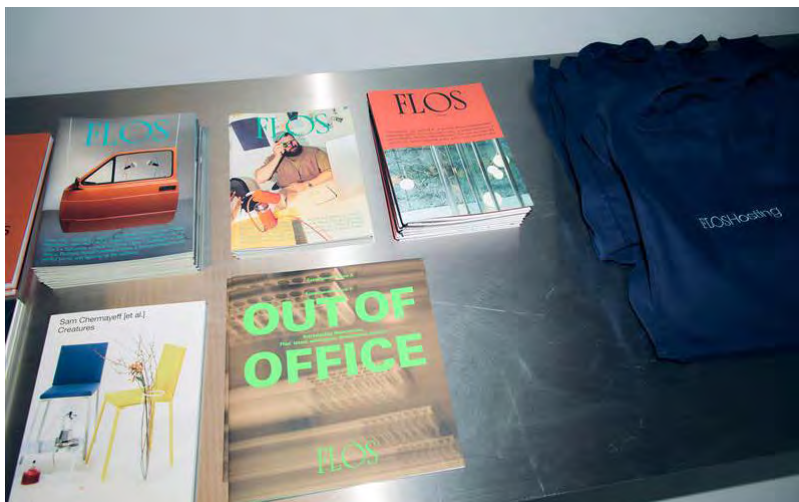


Hires, by Gender and Age	U.M.	2022	2023	2024
Women	FTEs	42	27	15
Men	FTEs	49	38	23
Less than 30 years old	FTEs	19	21	11
From 30 to 50 years old	FTEs	64	35	20
Over than 50 years old	FTEs	8	9	7
Total Hires	FTEs	91	65	38

Terminations, by Gender and Age	U.M.	2022	2023	2024
Women	FTEs	30	52	22
Men	FTEs	33	48	31
Less than 30 years old	FTEs	10	12	10
From 30 to 50 years old	FTEs	44	60	34
Over than 50 years old	FTEs	9	28	9
Total Terminations	FTEs	63	100	53



2.2 Training for personal and professional improvement



In 2024, Flos delivered a total of 4,103 hours of training, showing a decrease compared to 2023. The reduction in training time is a result of internal reorganization and changes at Group level and within each Brand happening in 2023 and affecting also the current reporting year, considering the periodic provision of mandatory training, as well, which does not necessarily recur on an annual basis.

In the years to come, Flos remains committed to investing steadily in the development of its workforce. The company will continue to ensure a consistent level of training activities while actively monitoring both market trends and employee needs. This forward-looking approach aims to keep learning relevant, responsive, and aligned with the evolving landscape of work.

To support both individual and organizational growth, Flos has developed and maintained a dynamic, customized training program designed to meet the diverse needs of its employees and the company's evolving responsibilities. This program is structured to help employees unlock their full potential by strengthening both soft and technical skills essential for navigating today's complex business environment and adapting to ongoing technological and regulatory changes - at both national and international levels. In designing the program, Flos carefully assessed employee training needs and established minimum learning requirements for each functional area. As a result, the offering includes both ad hoc courses - such as e-commerce and product design - and non-technical training covering regulatory topics like RoHS, Eco-design, import/export compliance, as well as communication skills development in English, French, and German.

2024 training highlights include technical training sessions geared toward R&D, engineering, and architecture departments at Antares, learnings surrounding the introduction of a new SAP management system that was integrated at Flos Outdoor, and health and safety trainings carried out across the Brand both online and in person, offering essential knowledge regarding proper use of H&S equipment. Due to internal organization changes, while this year new training programs were not elaborated, the intention remains for the introduction of new trainings activities to be introduced in the coming years.

Flos continues to invest in the professional development of its workforce through its Digital Academy platform, which features thirteen curated learning pathways. These include self-assessment modules, progress tracking reports, and certification options, offering a structured and inclusive approach to upskilling. The platform is designed to meet a wide spectrum of learning styles and competencies, and provides access to subsidized training programs. Its extensive course catalog spans foundational business disciplines as well as specialized content that supports mastery in key operational areas.

In parallel, Flos continues to offer technical training initiatives to address critical competencies across the organization. These sessions cover topics such as advanced lighting methodologies, compliance with sector-specific regulations, safety protocols for working at height, and the correct handling of

lifting equipment -ensuring that employees are equipped with both theoretical knowledge and practical skills to operate safely and effectively.

Flos continues to invest in the development of leadership that places people at its core. The company defines the role of a “people leader” as a fundamental competency for senior management, emphasizing full-circle responsibility for team members and complete ownership of team dynamics. This approach reinforces the belief that effective leadership is not only about strategic direction, but also about nurturing talent, fostering engagement, and building trust across the organization.

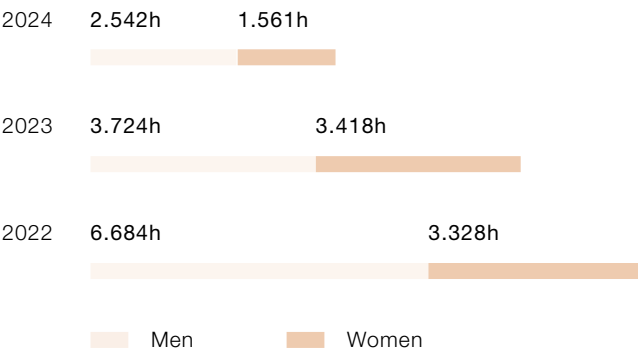
Technical Training for Leveraging Innovation

Alongside its continued focus on lean manufacturing training, Flos has, in recent years, introduced a range of specialized technical courses aimed at deepening the expertise of its staff and lighting designers. These initiatives are designed to strengthen the company's ability to respond to evolving commercial demands while honoring its commitment to heritage and craftsmanship. The training offer includes sessions on

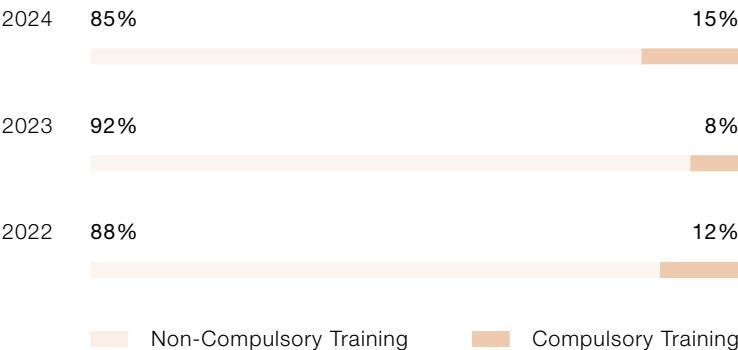
advanced lighting techniques and regulatory frameworks tailored to diverse environments - such as residential, hospitality and wellness spaces, educational institutions, workplaces, museums, and places of worship. This targeted approach ensures that employees are equipped with the knowledge and skills needed to excel in a rapidly changing industry landscape.

In 2024, reckoning the non-compulsory training - i.e., excluding training activities required by national regulations, such as health and safety training - the average training hours per employee was equal to 5.0, representing 85% of the total training hours for the year. Additionally, training for supervised workers and interns amounted to 271 hours in 2024. Looking ahead, Flos reaffirms its ongoing commitment to providing inclusive and comprehensive training opportunities for all employees in the coming years, regardless of their role or contract type.

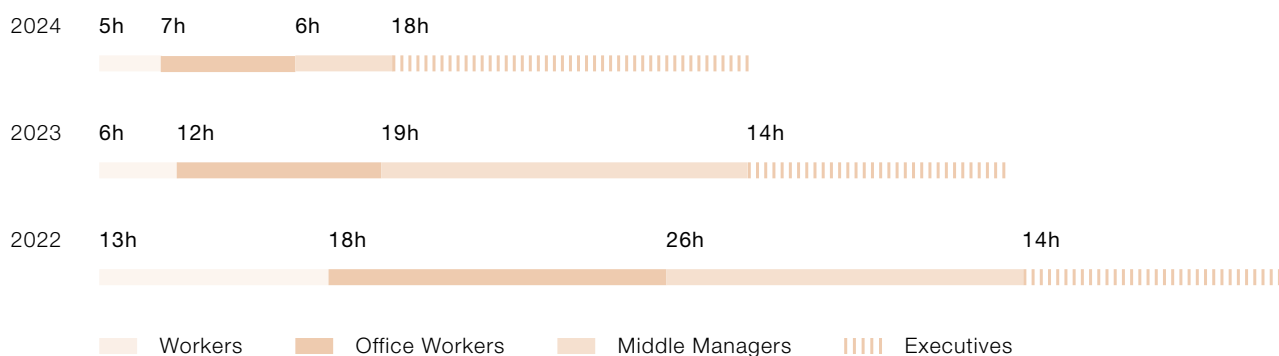
Training Hours by Gender



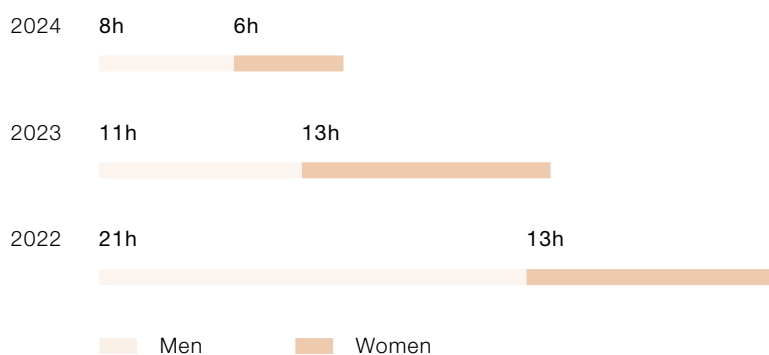
Compulsory vs Non-Compulsory Training



Average Training Hours, by Employee Category

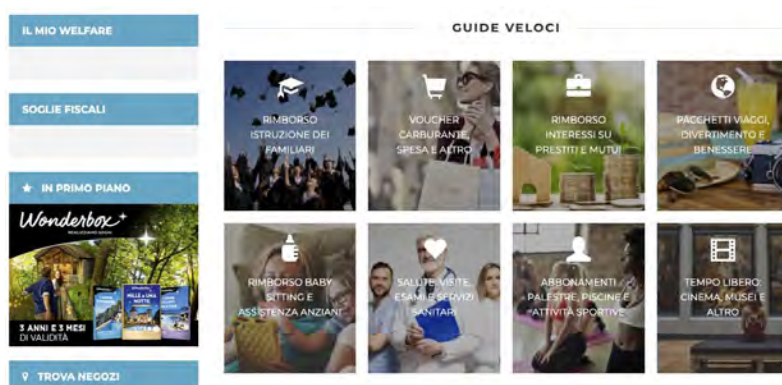


Average Training Hours, by Gender Category





2.3 An inclusive and safe working environment



Flos recognizes that supporting work-life balance is essential not only to honour the dedication and talent of its employees, but also to foster an inclusive workplace culture that prioritizes individual well-being. This commitment is reflected in a comprehensive benefits package designed to address employee needs beyond compensation - reinforcing the company's belief that personal fulfilment and professional success go hand in hand.

In continuity with previous years, Flos has reaffirmed its commitment to employee well-being

by maintaining a comprehensive suite of benefits. These include health insurance, disability coverage, and access to canteen services. The company also reinforced its performance-based compensation model, rewarding individual and team contributions through bonuses linked to product quality and overall business performance.

To foster alignment across its diverse brand portfolio, Flos continued to utilize its SAP-based performance evaluation framework. This system ensures that employee objectives are clearly connected to

Employee welfare

broader organizational goals, enhancing both coordination and operational effectiveness.

Flos remains committed to equity in its benefits approach, striving to offer the same advantages to full-time and part-time staff, and extending them - where feasible - to temporary workers. Notably, fuel vouchers were also made available to fixed-term employees during the reporting period.

Additionally, Flos continued to embrace its digital transformation in HR through use of an integrated online platform for managing employee benefits and performance bonuses. This tool simplifies access to the full range of available benefits and incentives, ensuring transparency and ease of use for both white- and blue-collar employees.

Beyond its commitment to employee well-being, Flos places the highest importance on health and safety across all areas of the organization. The company continuously monitors key safety indicators and actively promotes a culture of prevention and accountability at every level. In line with this approach, Flos carries out ongoing initiatives to strengthen occupational health and safety practices and to raise awareness among employees - ensuring that safety is embedded in both daily operations and long-term strategy.

As training and education activities are at the core of Flos commitment to guaranteeing high safety standards, nearly 390 hours of health and safety training were provided in 2024.

Flos extends its commitment to health and safety beyond internal operations to include its broader value chain. Recognizing the importance of responsible sourcing, the company actively monitors the working conditions and performance of its suppliers - particularly small and local partners - through regular commercial site visits. This proactive approach supports the integration of safety and quality standards across the supply network and reinforces long-term relationships built on trust, transparency, and shared values.

ESG Performance

387

The number of training hours on
Health and Safety topics

0.5

The injury rate

Health and Safety ⁴	U.M.	2022	2023	2024
Total number of worked hours	h	1,141,156	1,306,400	1,173,428
Total number of recordable work-related injuries	n.	4	5	3
Rate of recordable work-related injuries ⁵	n.	0.7	0.8	0.5

Health and Safety Management

Health and safety within Flos' production facilities are managed locally, with policies and systems tailored to comply with national legislation and internal protocols. These frameworks are supported by shared procedures and cross-functional collaboration to ensure consistency and accountability across all sites. Monitoring and enforcement involve multiple organizational levels, each with defined responsibilities. Health and safety managers - or their local equivalents - oversee risk assessments, conduct regular inspections, and engage directly with employees to identify potential hazards, evaluate risks, and implement preventive measures. This same approach is applied to the management of work-related injuries, with responses calibrated to the severity of each incident. A mandatory risk assessment process is in place to identify the most significant threats to employee well-being. Key risks include internal traffic flow, use of fixed and portable ladders, object storage,

transport methods, fire and explosion hazards, physical strain, manual handling, exposure to vibrations, noise, and chemical substances. To further safeguard its workforce, Flos has implemented an internal monitoring system to protect employees from any repercussions related to health and safety whistleblowing. In accordance with legal requirements, a medical professional is integrated into all health and safety management procedures, ensuring a comprehensive and compliant approach.

As a demonstration to its commitment to delivering the service necessary for guaranteeing and constantly improving the supervision of H&S matters among the Group's population, in 2024 Flos maintained the UNI EN ISO 45001:2018 certification on the management of Health & Safety at its Bernareggio, Bovezzo, and Nave sites.

⁴ Data reported in the table refer to the employees of the Group perimeter.

⁵ Calculated as the total number of injuries multiplied by 200,000 and divided by the overall number of hours worked in the reporting period.

Material Topics

- Heritage & Design Culture

United Nations SDGs



Highlights

7

Design awards received by Flos in 2024

4

Specializing courses organized with European universities

3. Design for Culture: Heritage and Know-how

Flos' commitment to sustainability is deeply intertwined with its heritage of iconic design and technological innovation. Building on this legacy, the Group aims to harness its intangible assets to address the evolving artistic and technological challenges within the lighting industry. As part of this mission, Flos is driven to:

- Take a leading role in developing innovative solutions that enhance both physical and emotional wellbeing, supported by strategic investments in research and technological advancement;
- Promote the value of art and design culture within the broader community, embedding it as a core element of its sustainability strategy.

A vital component of Flos' sustainability vision lies in its strong connection to the community. This is pursued through a twofold strategy: preserving its design legacy by upholding exceptional standards of quality and expertise and actively promoting design as a cultural asset. Flos is dedicated to generating social value by honoring and advancing the artistic heritage of the sector, both nationally and internationally. By continually revitalizing its creative patrimony, Flos has solidified its status as a benchmark in lighting design.

In 2024, Flos continued to build on its longstanding reputation for engaging with the public through active participation in fairs and exhibitions. These appearances served not only to present Flos' latest innovations but also to reaffirm its influential role within the industry. Through these events, Flos fostered meaningful connections with clients, designers, and peers, staying attuned to emerging trends and technologies. This ongoing involvement highlights the Brand's dedication to excellence and its ambition to shape the future of lighting design while maintaining a leading presence in the global design community.



Flos Hosting Amsterdam 2024

3.1 Promoting the design culture



Flos places the advancement of design culture at the heart of its strategic vision, viewing it as a vital means of strengthening relationships with stakeholders. Over the years, its creations have been featured in world-renowned museums and temporary exhibitions, including the Museum of Modern Art (MoMA) in New York, the Triennale di Milano, the Centre Pompidou in Paris, and the Museum of Art Pudong in Shanghai. Flos' lighting solutions have also been chosen to illuminate the halls and galleries of prestigious art institutions across the globe.

With over 60 years of history, Flos has consistently championed the design world - not only through its

presence at international events, exhibitions, and festivals, but also by actively giving back to the community. Each year, Flos reaffirms its dedication to social responsibility through donations to non-profit organizations, supporting causes that align with its values. The Brand has contributed to local youth education initiatives and extended its support to Womankind, a charity committed to advancing women's rights globally. This support has included both financial contributions and the donation of lamps and distinctive design pieces, reinforcing the company's belief in design as a tool for positive change.

Elle Decor Material Home Exhibition in Palazzo Bovara, Milan



Pop Up restaurant by Carsten Höller for WE ARE ONA

The Brand also invests in the next generation of design professionals through educational partnerships. One such initiative includes its collaboration with the Fundación Universitat Jaume I in the Valencia region, where Flos provides students with hands-on training and internship opportunities in areas such as project management and lighting consultancy. Flos further contributes to academic development by sponsoring the Master's program in Lighting Design at the Politecnico di Milano. In addition, it partnered with the university to host three specialized training courses at the “Flos Professional Space” in Milan, offering a platform for practical learning and industry engagement. Moreover, the Brand collaborated with Domus Academy, a renowned private design school in Milan, to launch a dedicated lighting design workshop for students. The initiative focused on the development of sustainable outdoor lighting solutions, emphasizing the reduction of light pollution and the enhancement of energy efficiency. This advanced educational project served as a platform for students to explore innovative materials and forward-thinking concepts, encouraging creative experimentation within a real-world design context. By supporting this initiative, Flos reaffirmed its ongoing commitment to design excellence, environmental responsibility, and the promotion of sustainability through education.

Flos and the École des Beaux-Arts in Paris

Following its establishment in 2022, Flos has continued its three-year partnership with the École des Beaux-Arts, one of Paris' most prestigious art institutions. This collaboration is rooted in a shared commitment to cultivating a strong design culture among emerging generations of artists and designers. Through this initiative, Flos contributes directly to students' education by expanding their understanding of advanced lighting solutions. The École, known as a hub for artistic experimentation and innovation, has hosted a series of

exhibitions showcasing Flos' iconic creations within its premises. Complementing these exhibitions, a series of hands-on workshops have been organized for all students across the years, offering them the opportunity to engage directly with lighting design concepts and deepen their practical knowledge. This ongoing partnership reflects Flos' dedication to supporting creative talent and fostering meaningful dialogue between art, design, and technology.

On a global scale, Flos reinforces its presence and influence by actively participating in exhibitions, sponsoring events, and curating immersive installations. This continued engagement reflects its unwavering commitment to fostering design excellence and preserving its cultural legacy. Flos champions the powerful intersection of art and design, recognizing their potential to generate meaningful societal value. Central to this mission is the promotion of top-tier design talent - empowering creatives to combine premium materials with visionary ideas to bring exceptional projects to life.

In 2024, the Brand was featured in Identitalia - The Iconic Italian Brands exhibition at Palazzo Piacentini - a Ministry of Made in Italy initiative celebrating iconic national products and industries. Flos also proudly represented Italian creativity at the Shanghai Expo, showcasing its work in the Italian Pavilion, and took part in an interesting exhibition exploring the dialogue between visual arts and design, held at the MA*GA - Modern and Contemporary Art Gallery Foundation in Gallarate. Continuing its long-standing commitment to supporting the arts, Flos served as a technical sponsor for several high-profile cultural initiatives. In Miami, the Brand illuminated the Collectors Lounge at major art and design fair Art Basel/Design Miami, providing both lighting and furnishings in collaboration with other Brands from the Group. In Paris, it contributed to multiple creative events, including the lighting concept for a pop-up restaurant developed with renowned artist Carsten Höller, as well as a contemporary art exhibition curated by Whitewall magazine, where Flos lit works by six artists in a dynamic, visually impactful setting. In Stockholm, Flos also contributed to a prominent design partnership initiative by supplying lighting for 'The Reading Room', a lounge created by Formafantasma for the Stockholm Furniture Fair, further showcasing its technical expertise and design leadership.

Flos and B&B Italia Illuminate Casa Italia at Paris 2024

In the summer of 2024, Flos joined forces with B&B Italia to participate in Casa Italia Paris 2024, the official hospitality house for Italian athletes and guests during the XXXIII Olympic Games, held in Paris from July 26th to August 11th. This marked the first time both Brands took part in the initiative, presenting their most iconic creations - ranging from timeless classics to contemporary designs - within the venue's indoor and outdoor spaces. Together, they created an immersive and visually striking experience that celebrated Italian design, beauty, and craftsmanship. The venue, Le Pré Catelan - a historic Napoleon III-style building set within Paris's largest park - was selected by CONI (the Italian National Olympic Committee) for its symbolic

significance and grandeur. Within this distinguished setting, Flos served as the Official Lighting Supplier. In collaboration with lighting innovation lab Faber Technica, interior designer Bianca Patroni Griffi, and architectural studio IT'S, Flos curated a lighting concept that elevated the exhibition's narrative and ambiance, allowing it to shine throughout both day and night. Featured lighting designs included some of Flos' most celebrated works: Taraxacum and Viscontea by Achille and Pier Giacomo Castiglioni, Zeppelin by Marcel Wanders, as well as modern classics like Glo-Ball by Jasper Morrison and Arrangements by Michael Anastassiades. The result was a captivating journey through Italian design excellence, perfectly aligned with the spirit of the Olympic Games.

Through these global engagements, the Brand continues to promote innovation, support artistic expression, and reinforce its status as a leading force in the world of lighting and design.

Milano Design Week 2024

During Milan Design Week 2024, Flos presented an evocative exhibition at the historic Palazzo Visconti - an architectural gem typically closed to the public. This exclusive installation explored the concept of elective affinities in design and served as the central point of a broader journey that extended to the Brand's flagship store and showroom on Corso Monforte. Together, these spaces formed one of the most visited and talked-about experiences of the week. Flos unveiled four new lighting collections and played a prominent

role in several key events throughout the city. Notably, at Palazzo Bovara, the Brand acted as the exclusive lighting partner for the Material Home exhibition, enhancing the atmosphere through carefully curated illumination. These activations were amplified by a strong digital communication strategy, featuring high-quality content that significantly increased audience engagement and expanded the Brand's social media community.

Celebrating design excellence: Bilboquet wins Dezeen Award for Lighting Design of the Year

Bilboquet table lamp, designed by Canadian designer Philippe Malouin in his debut collaboration with the Brand, has been named Lighting Design of the Year at the Dezeen Awards 2024. Organised by Dezeen - one of the world's leading platforms for architecture and design - the Dezeen Awards programme celebrates the finest achievements in global architecture, interiors,

product design, and sustainability. The Bilboquet lamp stands out for its unique functionality and playful elegance. It features two colored cylinders joined by a magnetic sphere that enables smooth, precise rotation - allowing the user to intuitively direct the light. Its design draws inspiration from the 16th-century French game "bilboquet", from which it takes its name.

3.2 Fostering design know-how

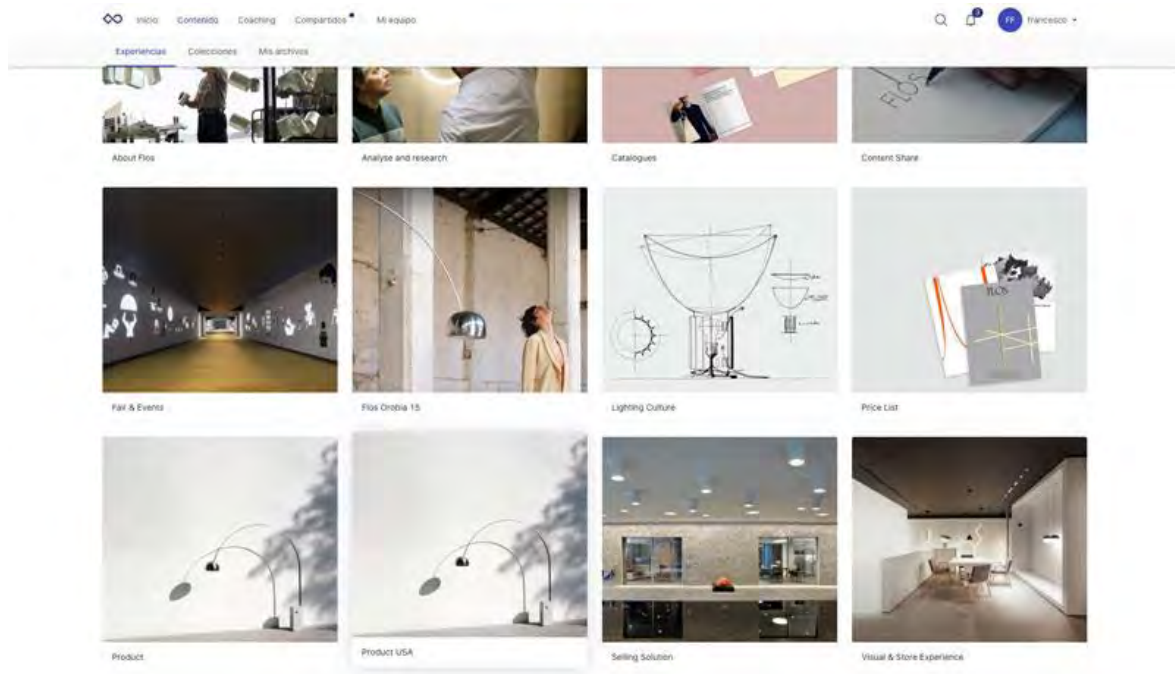


Flos offers a comprehensive suite of training programs designed to meet the varied needs of its customers and partners - including agents, distributors, and lighting designers - by sharing the in-depth expertise behind its products. For example, specialized courses focused on the Architectural collection are developed to deepen technical knowledge and streamline the installation process, making advanced solutions more accessible and user-friendly.

Central to this educational mission is the Flos Light Academy, a key platform for transmitting the Brand's heritage and technical know-how to design professionals and clients. Functioning as an internal storytelling and training hub, the Academy supports sales efforts by enhancing the relationship between

Flos and its audience. It serves a wide range of stakeholders, including the sales force, retailers, industry professionals, and key accounts, ensuring they are fully equipped with essential knowledge prior to new product launches. These training initiatives are designed not only to engage and inform but also to cultivate a broader appreciation for lighting design. The Academy covers diverse topics tailored to the specific interests and applications of each audience, fostering a culture of innovation while preserving and promoting the Brand's legacy. Through this dynamic platform, Flos continues to strengthen its connection with the design community - delivering technical expertise, supporting sales excellence, and nurturing a deeper understanding of its pioneering products and values.

Flos Light Academy platform



Flos webinars

Product traceability and smart technology integration

In 2024, Flos introduced a QR code-based traceability system applied to a selection of its products. This initiative serves two main purposes: first, to collect data on the number of users registering products via QR code; second, to establish a traceability mechanism across the supply chain, allowing the company to monitor the destination of products after shipment by linking the serial number to the final recipient.

To optimize logistics and manage operational costs effectively, the system has been applied only to a strategically selected group of flagship products. In parallel, Flos launched a second project focused on integrating NFC (Near Field Communication) technology directly into its products. This innovation enables customers to register their purchases, activate warranty extensions, and supports customer loyalty initiatives.

Protecting Flos' Ideas

Flos actively addresses the demands of a global and highly competitive market through comprehensive strategies aimed at safeguarding its innovations. The company takes a proactive approach to intellectual property protection, regularly filing patents and evaluating the most effective legal tools to defend its product categories across key international regions. These protective measures include registered designs, utility model, trademarks and invention patents, as well as copyright filings. In an effort to further strengthen its intellectual property framework, Flos has also adapted its filing strategy for design using products' renderings to protect also the distinctive lighting effects created by its designs. This approach not only reinforces the work of the Research and Development team but also serves as a deterrent against imitation and unauthorized reproduction. Due to the nature of Flos' product portfolio, the majority of patents fall under the registered design category, while a smaller portion pertains to inventions-primarily within the architectural segment. These invention patents are designed to protect both the original concepts and any future variations that may arise. For the Decorative collection, Flos typically

initiates patent filings in Italy before extending them to the European Union and other strategically important markets. In contrast, for the Architectural collection, patents are usually filed directly at the EU level. Registered designs have a limited lifespan-25 years in Italy, for instance. To ensure long-term protection for some of its iconic products, Flos complements design registration with copyright filings in Italy and other key countries like China. The company also actively combats digital infringements, such as the sale of counterfeit products and unauthorized use of Flos' images and content online-issues that have become increasingly common with the rise of e-commerce. To further reinforce its protection strategy and support the "Made in Italy" Brand value, Flos is a committed member of INDICAM, an association representing nearly 180 companies and organizations united in the fight against counterfeiting. This coalition includes industry leaders, legal experts, and IP professionals dedicated to defending branded products from unlawful imitation. In pursuit of long-term Brand value and quality assurance, Flos has transitioned from a broad distribution model to a selective distribution system in several European

markets. Under this model, Flos carefully selects its partners based on qualitative criteria, in order to prevent free-riding and strengthen incentives for high-standard retail practices. This system segments customers into specific clusters aligned with distinct sales channels, each governed by tailored criteria. The objective is to preserve product quality, maintain Brand integrity, and ensure that Flos products are distributed in line with its standards. Although the implementation of this model presents challenges-such as legal compliance checks, multilingual documentation, and ongoing performance monitoring-Flos remains committed to its successful execution. Authorized resellers under this framework must meet stringent requirements related to Brand promotion, high level post-sale support, and customer engagement. To support compliance, Flos offers practical tools, guidance, and resources, ensuring partners are well-equipped to uphold the values of the selective distribution model and contribute to the enduring prestige of the Flos brand.

As above hinted, Flos safeguards its innovations through a proactive intellectual property strategy, including registered designs, invention and utility patents, and copyright filings. Alongside its protection activities, Flos has undertaken a process of patent portfolio rationalization aimed at maximizing the effectiveness of maintained protections. This strategy involves the selective abandonment of titles related to designs no longer in production or for which maintaining registration is no longer strategically necessary. For new products, the company adopts a rigorous approach that includes in-depth study of each design's distinctive characteristics and targeted selection of the

drawings and versions to be protected, ensuring that every intellectual property investment is aligned with business objectives. This portfolio streamlining allows Flos to allocate greater and more targeted resources to fight against counterfeiting, with particular focus on certain complex cases in the Chinese market. The objective is to initiate thorough investigations and undertake exemplary legal actions that can serve as a significant deterrent, thereby strengthening the company's competitive position and the credibility of its commitment to defending Italian innovation and design.

To fight against counterfeiting and digital misuse, Flos monitors online activity, such as the sale of counterfeit products and unauthorized use of Flos' images and content thanks to the help of an external web brand protection service. The online monitoring not only enables Flos to promptly identify counterfeit products and unauthorized use of images and content, but also serves as a strategic tool for analysing infringement trends and optimizing the intellectual property protection strategy. Through systematic analysis of collected data, the company is able to identify priority cases requiring intervention, including through cease-and-desist letters managed in-house by the legal team. To further strengthen this vigilance system, Flos has activated a dedicated email address, reportfake@flos.com, which allows all colleagues-particularly the commercial team, who interact daily with the market-to promptly report any copies or infringements they encounter. This collaborative approach enables the company to respond in the most appropriate and timely manner, protecting brand integrity and the value of its creations.

Appendix

Training hours delivered by gender and by compulsory training				
Training	U.M.	2024	2023	2022
Total Hours	h	4,103	7,142	10,012
Men	h	2,542	3,724	6,684
Women	h	1,561	3,418	3,328
Average Hours	h/FTE	7.0	11.8	17.8
Men	h/FTE	7.8	11.1	21.2
Women	h/FTE	5.9	12.6	13.4
Non-Compulsory Training				
Percentage on total training	%	85	92	88
Compulsory Training				
Percentage on total training	%	15	8	12

Reporting Principles and Criteria

Our 2024 Sustainability Report has been prepared with reference to the GRI Standards 2021. The contents of this report reflect the materiality analysis carried out by Flos B&B Italia Group, which is included in its 2024 Sustainability Report.

Since 2015, Flos Group has been a signatory of the United Nations Global Compact (UNGC) initiative. While the company does not currently address UNGC principles on Human Rights in a dedicated framework - given that most of its operations and suppliers are based in Europe, where human and labour rights are governed by robust national and international legislation - Flos remains committed to upholding these values. To mitigate any potential risk of complicity and to demonstrate its dedication, Flos has incorporated clauses on labour conditions and human rights into its contracts. Furthermore, it aligns with the ethical standards and social responsibility principles outlined in the Flos B&B Italia Group's Code of Ethics¹.

Scope of Reporting

This document includes a detailed description of initiatives, activities and the associated key performance indicators, if available, covering the period spanning from January 1st 2024 to December 31st 2024. The data gathering process and the publication of the report occur on an annual basis. The Sustainability Report includes information referring to Flos S.p.A. and its fully controlled operating subsidiaries and agencies (Antares Iluminación S.A.U., Ares S.r.l. which has been fully merged into Flos S.p.A. since April 2024, Flos GmbH, Flos Benelux NV, Flos BV, Flos Scandinavia A/S, Flos Japan Co. Ltd, Flos France S.a.s., Flos Norge AS and Flos USA Inc.). Any exceptions to this reporting scope are explicitly indicated in the text. The Companies falling within the scope of the Sustainability Report have their registered headquarters in:

- Flos S.p.A. – Via Angelo Faini, 2 (Bovezzo, Italy)
- Antares Iluminación S.A.U. – Carrer Mallorca, Polígono Industrial Reva, Calle Turia, Ribarroja de Turia (Valencia, Spain)
- Flos GmbH – Große Brinkgasse 26-28, (Köln, Germany)
- Flos Benelux NV – Romeinsesteenweg, 1000 (Wemmel, Belgium)
- Flos BV – Cruquiusweg, 109-Q (Amsterdam, The Netherlands)
- FLOS Scandinavia A/S - Kuglegårdsvej 13-17, 1434 Copenhagen, Denmark
- Flos Japan Co. Ltd - 1-23-5, Higashi-azabu, Minato-Ku (Tokyo, Japan)
- Flos France S.a.s - 20-22 Passage Dauphine (Paris, France)

¹For further information, please visit Flos B&B Italia Group's Code of Ethics.

- Flos Norge AS - Drammensveien 12002, 77 (Oslo, Norway)
- Flos USA Inc. - 36 E 31 St, 10016 (New York City, United States)

Flos Sustainability Pillars

Flos reaffirmed its commitment to sustainability in 2019 by formalizing its first Sustainability Policy. This document outlines the core principles and values that guide the Brand’s sustainability strategy. The Sustainability Pillars of Flos are closely aligned with those of the Flos B&B Italia Group, ensuring a unified and coherent approach across the organization.

Energy and Materials	Flos is committed to improving its overall environmental footprint across the entire value chain. Aware that global challenges are closely linked to energy and material consumption - which in turn are influenced by climate change and circular economy dynamics-the company actively works to mitigate and optimise both its direct and indirect use of these resources.
Development and Wellbeing	Flos recognizes its employees as the cornerstone of the brand’s global success, driven by their enthusiasm and expertise. The company places its workforce - regardless of role - at the heart of its strategic vision, with the aim of cultivating an inspiring, inclusive, and motivating work environment.
Heritage and Know-How	Flos considers its heritage of design icons and technological expertise as key assets in advancing its sustainability journey. The company is therefore committed to actively leveraging its tangible resources to help address the challenges facing the lighting industry - both from artistic and technological perspectives.

Key Stakeholders

Flos is committed to embedding sustainability considerations throughout its operations and across the entire value chain, with the aim of strengthening relationships with its key stakeholders. The table below offers an overview of these stakeholders, categorized by their level of influence and connection to Flos. For each group, the table also outlines the current engagement activities and tools used to foster dialogue and collaboration.

Flos' Stakeholders Category	Engagement Tools and Activities
Employees and Trade Unions	Continuous dialogue between HR department and employees/trade unions, specific initiatives
Suppliers	Continuous dialogue and periodic meetings
Clients	Website, fairs, catalogues, social networks Training course organized for clients Preliminary analysis of customer satisfaction on a sample of clients
End-User	Social networks, communication campaigns, fairs and meetings
Competitors	-
Media	Press releases
Architects and Interior Designers	Continuous cooperation on research and development of new products

Material topics and
GRI disclosures

The table below illustrates the alignment between the identified material issues and their corresponding topic-specific disclosures.

Material Topics	GRI Topics
Own Workforce	Employment (GRI 401)
	Training & Education (GRI 404)
	Diversity and Equal opportunities (GRI 405)
	Non-discrimination (GRI 406)
	Occupational Health & Safety (GRI 403)
Business Conduct	Anti-corruption (GRI 205)
Circular Economy and Resource Use	Materials (GRI 301)
	Waste (GRI 306)
Climate Change	Energy (GRI 302)
	Emissions (GRI 305)
Workers in the Value Chain	Supplier environmental assessment (GRI 308)
	Supplier social assessment (GRI 414)
Consumers & End Users	Customer Health & Safety (GRI 416)
	Marketing & Labelling (GRI 417)
Heritage & Design culture	Non GRI

Quality Reporting Principles Flos' Sustainability Report is drafted in accordance with the principles outlined in the GRI Standards 2021: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability. The document highlights Flos' strengths, weaknesses, and potential areas for improvement. The data collection and reporting processes are designed to ensure year-over-year comparability and to provide key stakeholders with an accurate interpretation of Flos' performance. The 2024 Sustainability Report is not subject to external assurance.

Calculation Methodologies The methodologies and assumptions used to calculate the performance indicators included in the Report are detailed below:

- Data related to injuries pertains to Flos' employees and contractors. Commuting injuries, where transportation was not organized by Flos, and first-aid cases are not included;
- Energy consumption from the fleet has been calculated based on the following available data: Flos' and Flos GmbH car fleet (kilometres covered), Flos Outdoor, Antares, Flos Bespoke, Flos Belux, Flos France, Flos BV and Flos Scandi's fleet (fuel consumption);
- Hiring and turnover rates have been calculated using the total number of employees at the beginning of the reporting period as denominator;
- The rate of recordable work-related injuries was calculated as the total number of injuries multiplied by 200,000 and divided by the overall number of hours worked in the reporting period;

The table below presents the conversion factors utilized for energy consumption calculations and distance estimates:

Typology	U.M.	Source
Average car fuel consumption	l fuel/100 km	UK Department for Transport, Fuel Consumption 2020
Fuel density	l/t	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2024
LCV (Lower Calorific Value)	GJ/t	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024

All greenhouse gas emissions calculations have been conducted in accordance with the principles outlined in the GHG Protocol Corporate Accounting and Reporting Standard. Scope 1 emissions have been calculated as follows:

GHG Emissions Scope 1			
Source	Activity Data	Emission Factor	GWP
Flos and Flos GmbH' car fleet	Kilometres covered	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set 2022, 2023, 2024	CO ₂ equivalent.
Ares, Antares, Bespoke, Flos Belux, Flos France, Flos BV and Flos Scandi's car fleet	Fuel consumption (gasoline and diesel)	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set 2022, 2023, 2024	CO ₂ equivalent.
Fuels for heating	Fuel consumption (natural gas)	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set 2022, 2023, 2024	CO ₂ equivalent.
Leakages from air-conditioning systems of refrigerant gases	Leakages (kg)	Global Warming Potentials (GWPs) are taken from IPCC Fifth Assessment Report (AR5) and sixth Assessment Report (AR6).	

Regarding Scope 2 emissions stemming from electricity consumption acquired from the national grid, two calculation methods have been utilized: the location-based and the market-based approaches. The former represents the average emission intensity of grids, encompassing both renewable and non-renewable sources, while the latter reflects emissions specifically from the electricity source chosen by the Group, often through contractual arrangements. Scope 2 emissions have been calculated as follows:

GHG Emissions Scope 2			
Source	Activity Data	Emission Factor	GWP
Electricity purchased from the national grid (location-based approach)	Electricity consumption	Terna international comparisons on Energy data figures, 2019 European Environment Agency, Scope 2 Emission Factors, 2023	Only CO ₂

Electricity purchased from the national grid (market-based approach)	Electricity consumption	AIB, European Residual Mixes, 2023 Terna international comparisons on Energy data figures, 2019 USA - Green-e Energy Residual Mix Emissions Rates, 2024	CO ₂ equivalent.
District-heating purchased from the waste-to-energy plant	Heat consumption	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factors - Full set, 2022, 2023, 2024	CO ₂ equivalent.

In 2024, Scope 3 emissions for Flos encompass a range of categories selected based on relevance criteria. Building on the progress made in the past years, Flos was able to calculate the majority of its Scope 3 emissions for this reporting year, covering impacts from both upstream and downstream activities across the value chain. The calculation includes a selection of categories deemed most relevant to the company’s operations, aligning with the GHG Protocol Corporate Accounting and Reporting Standard. Compared to 2023, no changes in the emissions boundary have been applied. The table below outlines the description of all emission categories falling within Scope 3 for the 2024 GHG Inventory.

Reported GHG Scope 3 emissions categories ²	Description
1 - Purchased goods and services	Upstream emissions from the production of products (raw materials, semi-finished and finished products) and services purchased or acquired.
2 - Capital Goods	Upstream emissions from the production of capital goods purchased or acquired.
3 - Fuel and energy-related activities	Emissions related to the production of fuels and energy purchased and consumed.
4 - Upstream transportation	Emissions associated with the transportation and distribution of products purchased in the reporting year, between a company's tier 1 suppliers and its own operations in vehicles not owned or operated by the reporting company. Emissions related to the transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics (e.g. of sold products), and transportation and distribution between a company's own facilities, as well as Well-to-Wheel logistic-related emissions.
5 - Waste generated in operations	Emissions from third-party disposal and treatment of waste generated by Flos' owned or controlled operations.
6 - Business travel	Emissions from the transportation of employees for business-related activities and Well-to-Wheel business travel emissions.
7 - Commuting	Emissions from the transportation of employees between their homes and their worksites, as well as Well-to-Wheel commuting-related emissions.
9 - Downstream Transportation	Emissions from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company, as well as Well-to-Wheel logistic-related emissions.
11 - Use of sold products	Emissions from the use of goods and services sold by the reporting company in the reporting year.
12 - End-of-life treatment of sold products	Emissions from the waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life. This category includes the total expected end-of-life emissions from all products sold in the reporting year.

² The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard - Revised edition.

The calculations were based on the following assumptions:

Cat. 1 - Purchased goods and services: part of the weights of the materials purchased were estimated due to lack of available data.

Cat. 4 - Upstream transportation: in cases where transportation details were unavailable, assumptions were made based on the departure and arrival points of sold products.

Cat. 11 - Use of sold products: part of the emissions was estimated due to lack of available data on the destination country of sold products and average consumption.

Cat. 12 - End-of-life treatment of sold products: a portion of the emissions was calculated using the total quantity of materials purchased for the year, under the assumption that the total input quantity of materials equals the output quantity. Data on materials were then redistributed based on products sold by geography.

For further information about the categories analysed within Scope 3, please refer to the “Energy and GHG emissions” paragraph in Chapter I - Energy and Materials.

Scope 3 emissions were calculated as follows:

GHG emissions – Scope 3			
Source	Activity Data	Emission Factor	GWP
Materials and services procured (Cat. 1)	Weight of raw, process and packaging materials, and finished products procured; cost of services purchased	Ecolinvent, v.3.11 CUTOFF (2024) UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024	CO ₂ equivalent.
	Cost of purchased raw, processed and packaging materials	UK Department for Environment, Food & Rural Affairs (DEFRA), Table 13 - Indirect emissions from the supply chain	CO ₂ equivalent.

Capital goods (Cat. 2)	Purchased production machinery, stamps, and tools	UK Department for Environment, Food & Rural Affairs (DEFRA), Table 13 - Indirect emissions from the supply chain.	CO ₂ equivalent.
Fuel and energy related activities (Cat. 3)	Fuel and electricity consumption	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024	CO ₂ equivalent.
Upstream logistics (Cat. 4)	Kilometers covered by airplane, truck, ship or rail and kilometers covered by airplane, truck or ship multiplied by shipped weight	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024	CO ₂ equivalent.
Waste disposal (Cat. 5)	Weight of waste disposed	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024 EcolInvent, v. 3.11 CUTOFF(2024)	CO ₂ equivalent.
Business travel by air, train, ship and car (Cat. 6)	Kilometers travelled by car, train or air	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024 Ferrovie dello Stato Italiane, "Rapporto di Sostenibilità 2023"	CO ₂ equivalent.
Employee commuting (Cat. 7)	Kilometers travelled	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024 Ferrovie dello Stato Italiane, "Rapporto di Sostenibilità 2023"	CO ₂ equivalent.
Downstream logistics (Cat. 9)	Kilometers covered by airplane, truck or ship and kilometers covered by airplane, truck, ship or rail multiplied by shipped weight	UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024	CO ₂ equivalent.
Energy consumed directly by sold products (Cat. 11)	Electricity consumed directly by the products sold during their entire lifetime	Terna international comparisons on Energy data figures, 2019 European Environment Agency, Scope 2 Emission Factors, 2023	Only CO ₂ .
Waste disposal of sold products (Cat. 12)	Weight of products and packaging sold in the reporting year	EcolInvent, v. 3.11 CUTOFF (2024) UK Department for Environment, Food & Rural Affairs (DEFRA), Conversion factor - Full set 2022, 2023, 2024	CO ₂ equivalent.

GRI Content Index

Statement of use	Flos S.p.A. has reported the information cited in this GRI content index for the period 01.01.2024 - 31.12.2024 with reference to the GRI Standards.
GRI1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	N/A

Material Topic	Disclosure	Section	Notes
General Disclosures			
GRI2: General Disclosures 2021	2-1 Organization Details	Structure and global presence	
	2-2 Entities included in the organization's sustainability reporting	Structure and global presence Reporting principles and Criteria	
	2-3 Reporting period, frequency and contact point	Reporting Principles and Criteria	
	2-4 Restatements of information	-	Restatements and related reasons for restatements are clearly identifiable within the text.
	2-5 External assurance	Reporting Principles and Criteria	
	2-6 Activities, value chain and other business relationships	Structure and global Presence Supplier selection and management	
	2-7 Employees	Structure and global presence Employees as the essence of Brand success	
	2-8 Workers who are not employees	Employees as the essence of Brand success	
	2-22 Statement of sustainable development strategy	A message to our stakeholders	
	2-27 Compliance with laws and regulations	-	Flos S.p.A. received a notice of regulatory non-compliance regarding the Brand's products exported to China and related to the adoption of and the compliance with the China Compulsory Certification (CCC). The non-conformity report does not pertain to product safety. The Brand is currently undergoing the investigation process and is collaborating with the Chinese and national authority. A final decision as well as relative incurred fines on the matter is pending.
	2-28 Membership associations	Balancing languages of light and environmental challenges	
	2-29 Approach to stakeholder engagement	Reporting Principles and Criteria	
	2-30 Collective bargaining agreements	Employees as the essence of Brand success	

Material Topics	Disclosure	Section	Notes
GRI 3: Material Topics 2021	3-1 Process to determine material topics	-	For more information, please consult Flos B&B Italia Group's 2024 Sustainability Report, publicly available on its websites.
	3-2 List of material topics	Reporting Principles and Criteria	
Anti-Corruption			
GRI 3: Material topics 2021	3-3 Management of material topics	Reporting Principles and Criteria	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	-	During the reporting period, no cases of corruption have been detected.
Materials			
GRI 3: Material topics 2021	3-3 Management of material topics	Monitoring and optimising resource consumptions	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Monitoring and optimising resource consumptions	
Energy			
GRI 3: Material topics 2021	3-3 Management of material topics	Energy and GHG emissions	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy and GHG emissions	
Emissions			
GRI 3: Material topics 2021	3-3 Management of material topics	Energy and GHG emissions	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Energy and GHG emissions Reporting Principles and Criteria	
	305-2 Energy indirect (Scope 2) GHG emissions	Energy and GHG emissions Reporting Principles and Criteria	
	305-3 Other indirect (Scope 3) GHG emissions	Energy and GHG emissions Reporting Principles and Criteria	
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Monitoring and optimising resource consumptions	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Monitoring and optimising resource consumptions	
	306-3 Management of significant waste-related impacts	Monitoring and optimising resource consumptions	
	306-3 Waste generated	Monitoring and optimising resource consumptions	

Material Topics	Disclosure	Section	Notes
Supplier environmental assessment			
GRI 3: Material topics 2021	3-3 Management of material topics	Supplier selection and management	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier selection and management	Currently, there are no structured processes and/or procedures to screen suppliers according to environmental criteria.
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier selection and management	No suppliers were assessed for environmental impacts.
Employment			
GRI 3: Material topics 2021	3-3 Management of material topics	Employees as the essence of Brand success	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employees as the essence of Brand success	
Occupational Health and Safety			
GRI 3: Material topics 2021	3-3 Management of material topics	An inclusive and safe working environment	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and safety management system	An inclusive and safe working environment	
	403-2 Hazard identification, risk assessment, and incident investigation	An inclusive and safe working environment	
	403-3 Occupational health services	An inclusive and safe working environment	
	403-4 Worker participation, consultation, and communication on occupational health and safety	An inclusive and safe working environment	
	403-5 Worker training on occupational health and safety	An inclusive and safe working environment	
	403-6 Promotion of worker health	An inclusive and safe working environment	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	An inclusive and safe working environment	
	403-9 Work-related injuries	An inclusive and safe working environment	
Training and Education			
GRI 3: Material topics 2021	3-3 Management of material topics	Training for personal and professional improvement	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Training for personal and professional improvement Appendix	

Material Topics	Disclosure	Section	Notes
Diversity and Equal Opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees as the essence of Brand success	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Employees as the essence of Brand success	
Non-discrimination			
GRI 3: Material topics 2021	3-3 Management of material topics	Employees as the essence of Brand success	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-	During the reporting period, no episodes of discrimination have emerged.
Supplier Social Assessment			
GRI 3: Material topics 2021	3-3 Management of material topics	Supplier selection and management	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier selection and management	There currently are no structured processes and/or procedures to screen suppliers according to social criteria.
	414-2 Negative social impacts in the supply chain and actions taken	Supplier selection and management	No suppliers were assessed for social impacts.
Customer Health and Safety			
GRI 3: Material topics 2021	3-3 Management of material topics	Product development The relationship with our clients	
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	During the reporting period, no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services have emerged.
Marketing and Labelling			
GRI 3: Material topics 2021	3-3 Management of material topics	Product development The relationship with our clients	
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	-	During the reporting period, no incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling have emerged.

For further information about this Sustainability report please contact

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