

Sustainability Report 2019

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A vision towards the future



Ernesto Gismondi & Carlotta de Bevilacqua,
photographed by Pierpaolo Ferrari

Artemide has been involved in the last 60 years in designing and producing light through a synthesis of humanistic vision, scientific research, manufacturing, technè (the art of know-how) measured with the values of environmental and social sustainability.

There wouldn't be Artemide without technology and innovation. Since its foundation, Ernesto Gismondi has always combined knowledge and know-how. He immediately invested in research on production technologies, on materials and on the most innovative sources, opening a dialogue with the main Italian and international architects aiming in an interpretation of the different cultures of light. Artemide has always listened to the world. In fact, the project is not the object itself, it interprets cultural, technological, humanistic and sustainable contemporaneity to illuminate the future.

"You don't live on light bulbs alone, you live on innovation, which is not only technological, but is mainly innovation of thoughts."

Ernesto Gismondi

Today, more than ever, light is a unique energy. Light makes the world visible and supports spaces perception, it interacts with life, with psychological and physiological well-being, dialogues with the environment through intelligences, can transmit data and information.

Today, through the results of Artemide's research, light can also sanitize spaces and bring people back together experiencing them. In the last years, lighting sector has seen a very important technological acceleration: the LED and electronics revolution at first and now the photonic are redesigning the planning and production boundaries, making research, invention patents and immediate application in products an increasingly significant competitive factor.

Products and services that we can offer today are the tools of a broad awareness, they generate sustainability by contributing to a positive energy balance of the spaces they illuminate. Artemide declares its perspective towards the future more and more explicitly: a values-driven approach to design, pushed not only by scientific research and technological and productive competence but also by a humanistic and ethical approach.

Artemide is "The Human & Responsible Light". The path towards a project that is aware and careful to man and the planet is a reality that in recent years we have wanted to witness and measure through the Sustainability Report.

It is a commitment that has led to the achievement of ISO 9001, ISO 14001 and ISO 45001 certifications. In 2019 Artemide joined the United Nations Global Compact confirming the goal of promoting, together with its collaborators, a solid and sustainable development project on which to base the strategy and the day-by-day functioning of the company.

Vision, project culture, competence, know-how, made in Italy together give life to a "good light" that can contribute to a better and sustainable life for man and the planet, distributing value by restoring not only function but also emotion and beauty.

Thus Artemide's light projects the future into the present.

Carlotta de Bevilacqua
Vice President & CEO

Sustainability highlights

Innovation and Made in Italy

Invention patents in the last 3 years
17 of which
7 in 2019

Patents registered and kept 31.12.19
102

Revenue dedicated to Research and development
5.4% (5,2 in 2018)

Design awards received since 1960
+280

Architects and designers
62 from
15 countries

102
patent registered
up to 31.12.19

17
between
2017-2019

7
in 2019

Environment¹

Purchase made to suppliers in the European Union
95.4%
 of which Italian suppliers
76.4%

Reduction of total energy consumption equal to
2%
51,359 GJ against 52,597 GJ in 2019

Reduction of direct emissions of CO₂ equal to around
1%
1,825 ton di CO₂ against 1,847 ton di CO₂ in 2017

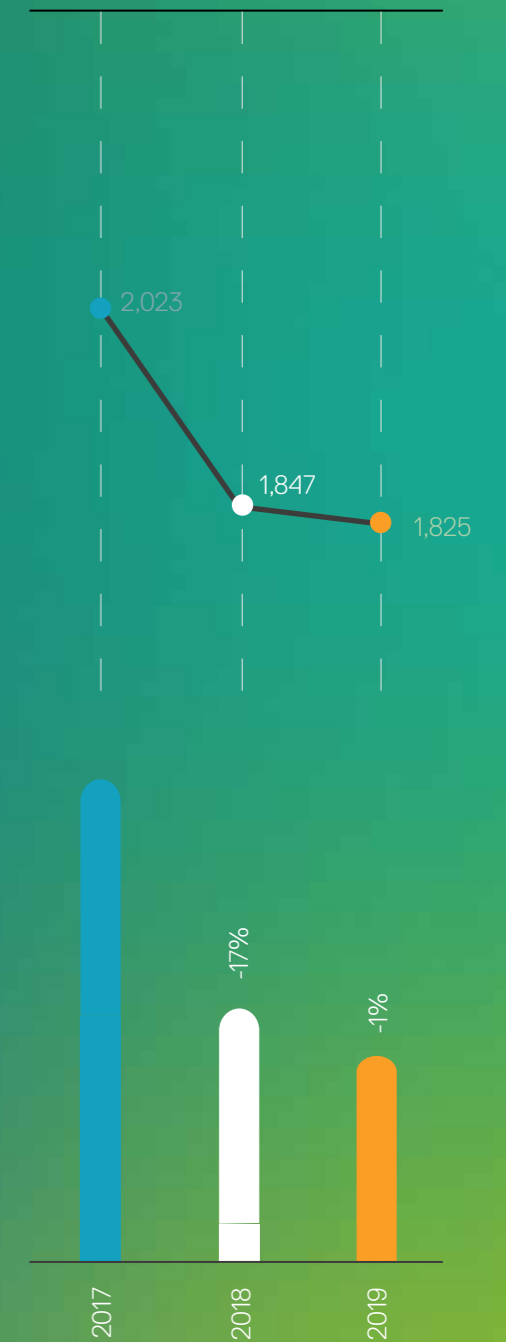
Reduction of plants dangerous waste production equal to
10%
369 ton of waste against 408 in 2018

Waste is destined for recovery
95%

Reduction Total Energy



Reduction CO₂ Emission



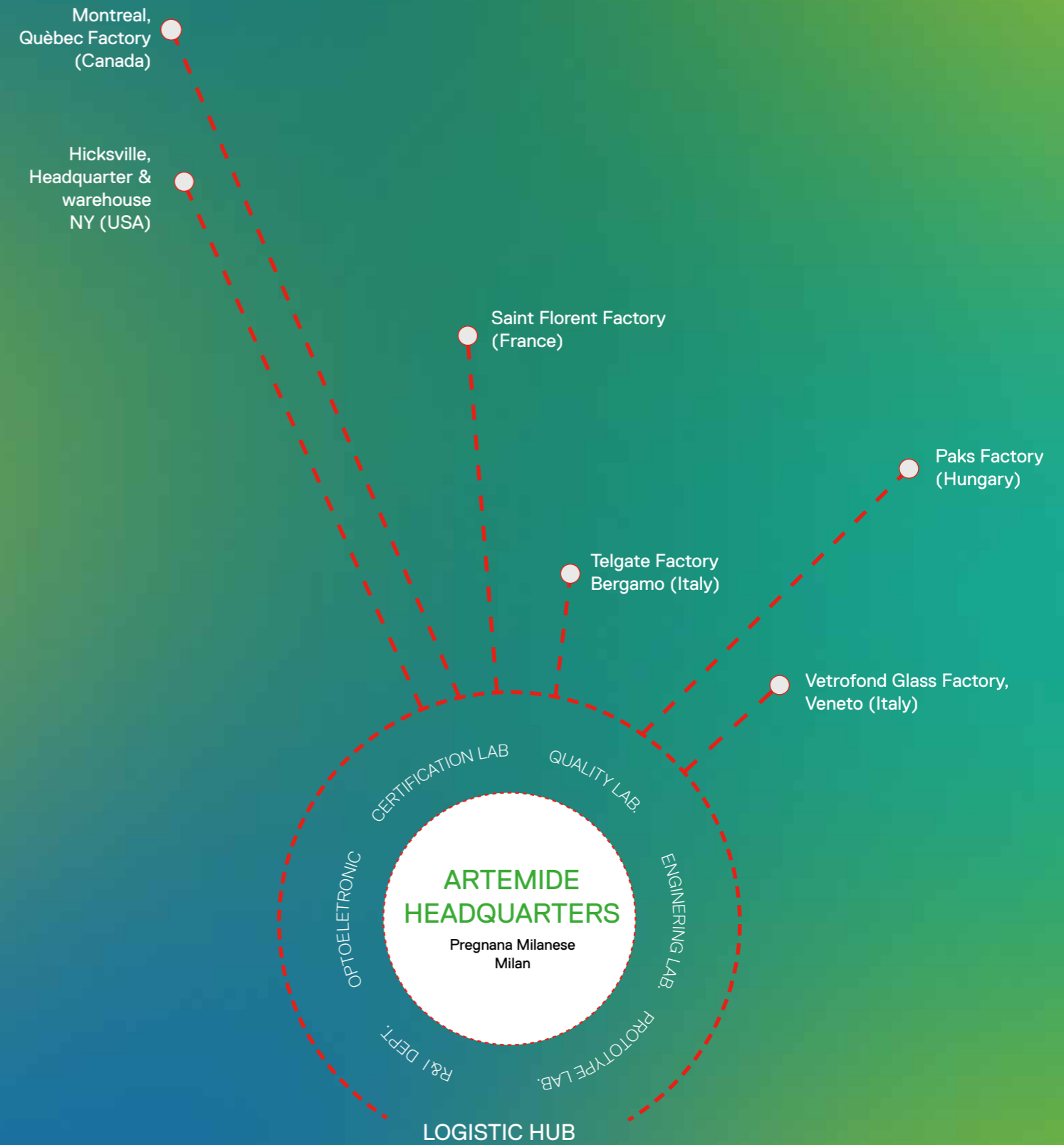
¹For any details related to the perimeter limitations of the environmental data, see the section "Environmental responsibility. More with less" of the document.

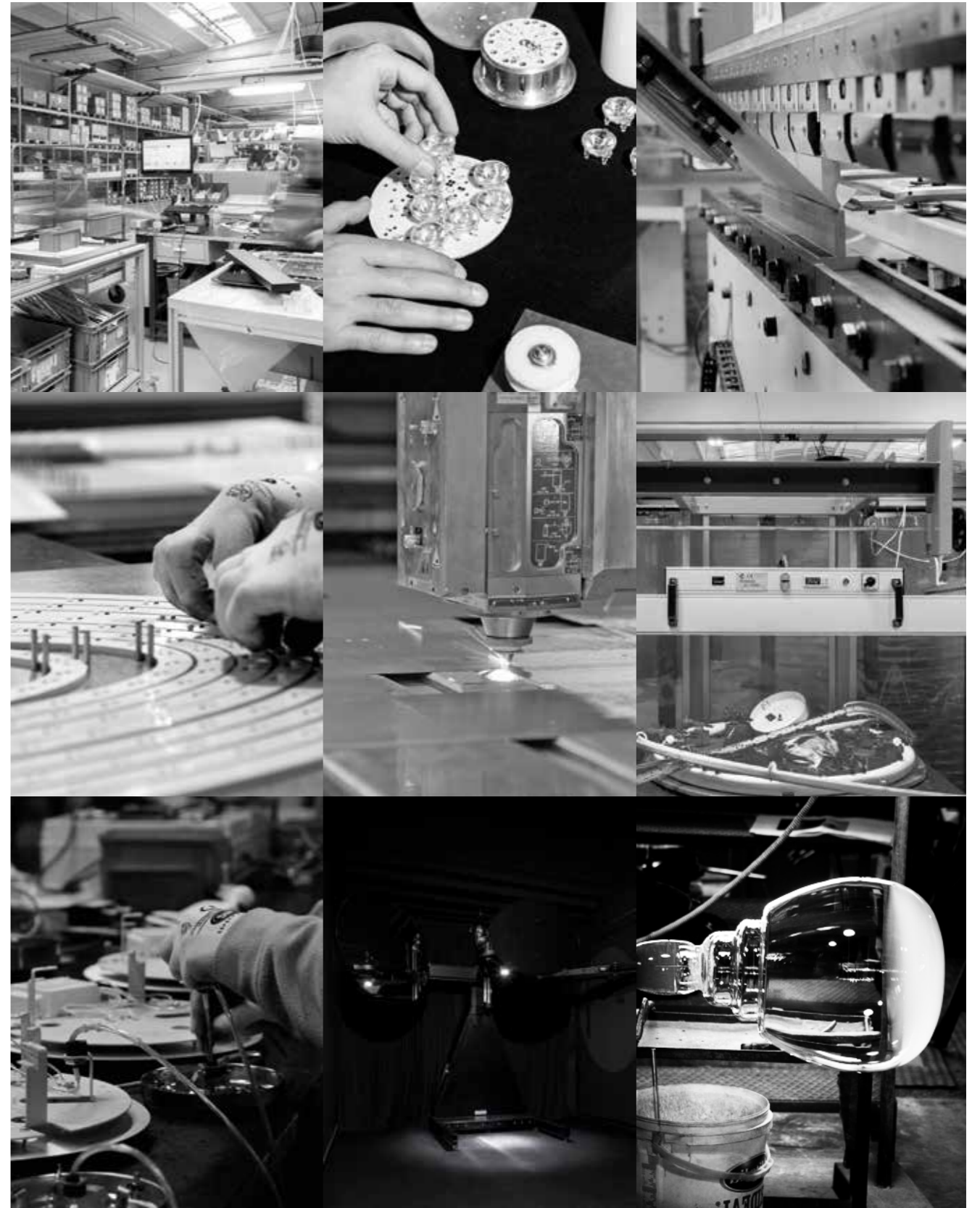
Our people

Increase in the training hours pro-capite 56% <i>12,2 hours in 2019 against 7,7 hours in 2018</i>	Permanent contract 92%
Employees 654	Women employees 44%
	Men employees 56%

Global presence

Revenues 106 mln €	Showrooms 15
Distribution in over 96 Countries	Export quota 76%

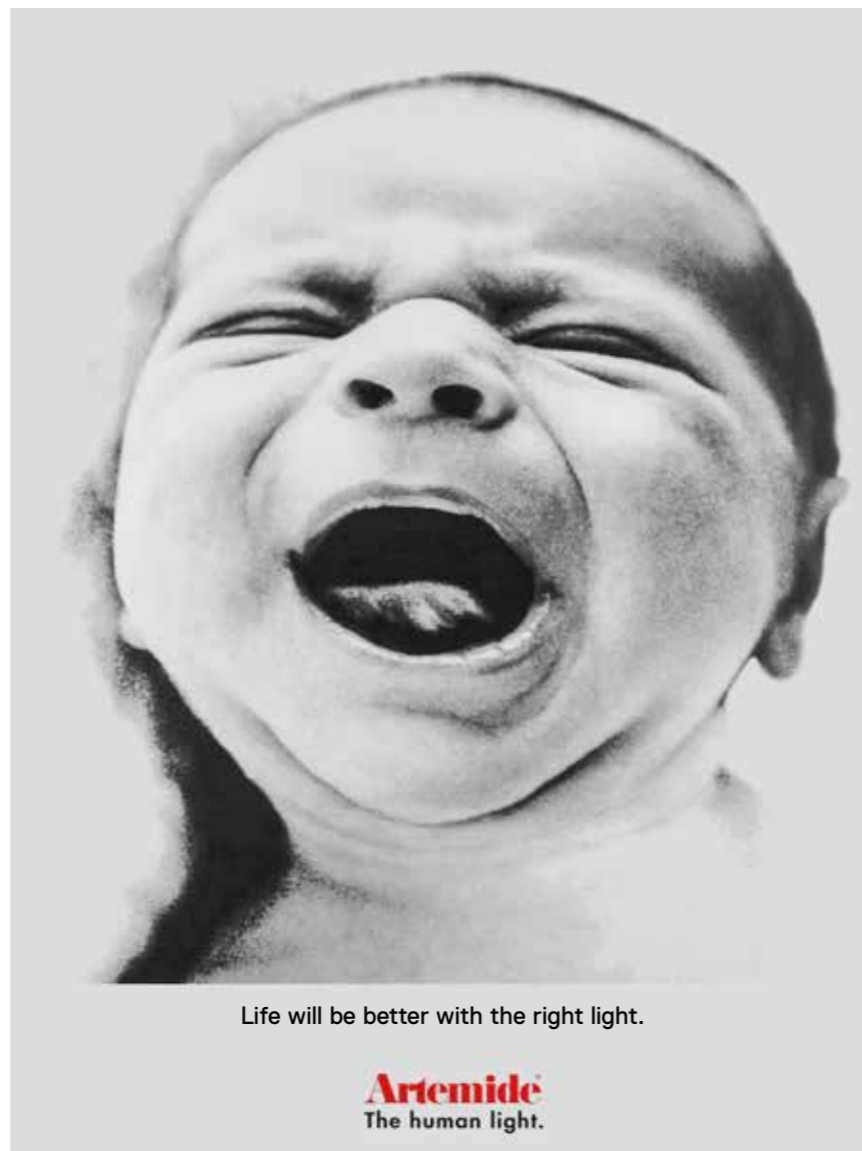




01 Artemide

The Human & Responsible Light

01.1 Our identity between innovation and design



ADV Campaign, The Human Light, 1998

Heritage

Founded in 1960 by the Engineer Ernesto Gismondi, Artemide has been a leader in lighting design ever since. Synonymous with innovation and Made in Italy, its products are considered icons of contemporary design at an international level. Based in Milan, Artemide is recognized across the world for its expertise in lighting design, thanks to its innovative approach and products, which are an expression of its continuous research and high manufacturing quality.

Innovation

A leading player in research in the field of light, Artemide has registered numerous invention patents for its technological, mechanical and optoelectronic innovations. Technological development, collaborations with great architects and socio-cultural research are an integral part of Artemide's approach to its innovative projects, which capable, even over the course of time, of illuminating the future. Throughout its path of innovation, it has forged research partnerships with prestigious Italian and international Universities: thanks to its technological and scientific innovation, Artemide's Human and Responsible Light philosophy rethinks products' relation to the environment, resources and energy in terms of ecosystem in fostering a better quality of life. In this way, Artemide not only contributes to the wellbeing of the places and people directly associated with it, but to the wellbeing of the community as a whole.

Light is a means of communication between people and spaces, providing new experiences and emotions and transforming every space into a place where people would want to live. Its products encapsulate the technological qualities of performance and aesthetics into a light capable of exciting as well as ensuring perfect functionality and perception.

Made in Italy

In recent years, Artemide has explored new boundaries in research in the fields of photonics, where light goes beyond the product: through the **Internet of Things (IoT)**, interactive management systems (**Artemide App**) and information (**Geo Li-Fi**) and communication (**Li-Fi**) applications.

Artemide's Made in Italy culture has been its cornerstone since the very beginning of the brand during an era that marked the development of Industrial Design in Italy. This is continuously nurtured by the centralized product development process, which occurs at the Milan headquarters, from idea to realization. In addition to the manufacturing facility, the headquarters in Pregnana Milanese also host the renowned Innovation & Design Centre, which houses the Research & Innovation and Product Development departments, where the design phase is continuously supported by Quality and Certification Laboratories on site. Artemide also owns 50% of a historic glassworks factory in Veneto. Concurrently, Artemide has chosen to internationalize its manufacturing: some of its manufacturing facilities are also located, as well as in Italy, in **France, Hungary and Canada**.

Artemide generates around 76% of revenue from foreign markets thanks to a widespread international distribution presence that includes **flagship showrooms** in some of the most important cities worldwide and a whole network of retailers and distributors, supported by global partnerships with the most prestigious architecture and design offices. In line with the Group's growth strategies, the 2019 saw a development of the projects segment, which benefited from existing partnerships with brands, architects and lighting designers. During the financial year there was an increase in the share of international business resulting from framework agreements that involved, in particular, the Retail and Automotive business sectors. The significant contribution of Office sector projects was confirmed by the positive contribution of the new products, especially by systems that can be controlled through the Artemide App.

As of December 31, 2019, the Group employed **654 employees, 62** of whom in **Research & Innovation** and **Product Development**, demonstrating the pivotal role of innovation in its success. Artemide is a leading player in the field of light research and contributes, with its laboratories, to the development of scientific and technological knowledge.

5 Collections

At the same time, the brand engages in other cultural domains with workshops, seminars and collaborations to develop broader insights into contemporary society, its changing needs and future.

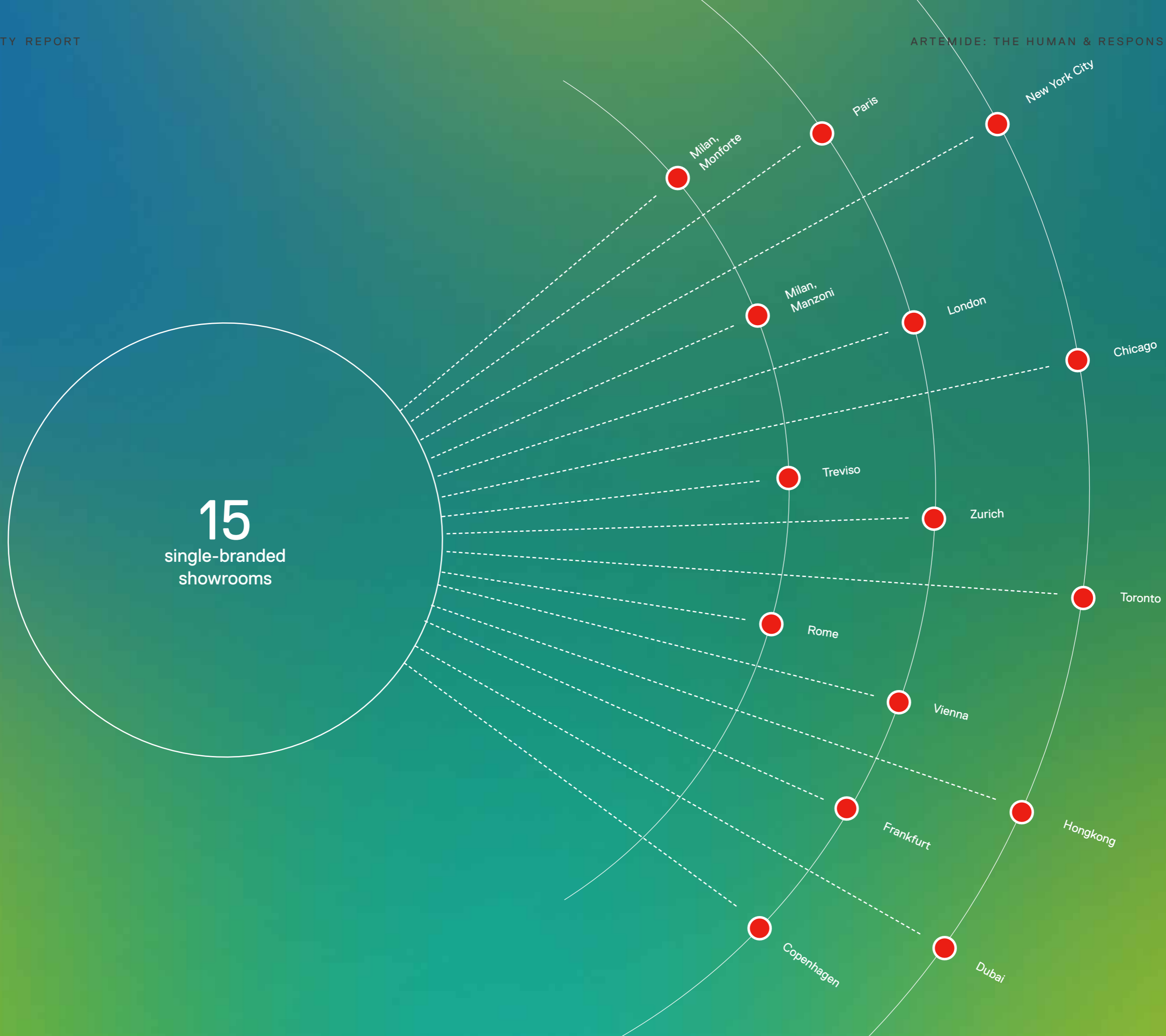
An unmistakable sign of its role throughout the history of international design lies in the display of its products in the most important contemporary art museums and world collections, among which the **MoMA** (Metropolitan Museum of Art in New York), the **Victoria and Albert Museum** in London, the **Museo Nazionale della Scienza e della Tecnica**, the **Triennale** in Milan, the **National Modern Art Gallery** in Rome and the **Centre Georges Pompidou** in Paris.

Artemide strives to offer a comprehensive range of products in which cutting-edge technology and long-standing expertise converge to meet the lighting needs of numerous sectors: **Residential, Hospitality, Retail, Museum, Office & Education, Public Spaces, Urban and Landscape Outdoor**.

The lighting appliances designed, produced and marketed by Artemide can be traced back to product collections such as Design, Architectural Indoor and Outdoor, Scenarios' Library and Danese Milano, which also includes interior design elements.

In recent years, the collections have witnessed an increasing integration thanks to an open and transversal approach to lighting and other products.

15 flagship stores



Prizes and awards

The numerous international awards received by Artemide over the years highlight how the Group's philosophy and values lead to the creation of products capable of becoming icons of Italian design around the world.

Wallpaper Magazine's "Wallpaper Design Award" in recognition of the world's most representative people and products of the year of design, fashion and art, was awarded in 2019 to project Gople as "Life enhancer of the year", designed by BIG - Bjarke Ingels Group, who are a group of architects and designers working in architecture, urban planning, research and development with offices in Copenhagen, New York City, London and Barcelona. With them, Artemide has also developed, among others, "La Linea", also winner of the 2019 Archiproducts Design Award in the Lighting category. Chosen by a jury of leading figures in architecture and design, the winners stood out for their unique concept, demonstrating excellence in creativity, technology and research.

Among the numerous prizes received in recent years are the prestigious 2018 **Compasso d'Oro** award for the Discovery project, designed by Ernesto Gismondi, who in the same year received the **Compasso D'Oro Lifetime Achievement Award** from the Industrial Design Association for his achievements and merits as a polyhedral personality: aerospace engineer, university professor, entrepreneur and designer.

In 1994, Artemide had already received the Compasso d'Oro Lifetime Achievement Award, in addition to several awards for products such as the **IN-EI collection** (2014, by Issey Miyake), **Pipe** (2004, by Herzog & de Meuron), **Tolomeo** (1989, by Michele De Lucchi and Giancarlo Fassina) and the iconic **Eclisse** (1967, by Vico Magistretti), all of which received the Compasso d'Oro award. More details can be found in the dedicated "Awards" section of the Artemide website. Artemide has also received the prestigious **European Design Prize** in 1997 and the "Premio Leonardo Qualità Italia 2012" as well as numerous other important international awards that underline its contribution to Italy's cultural and creative heritage.

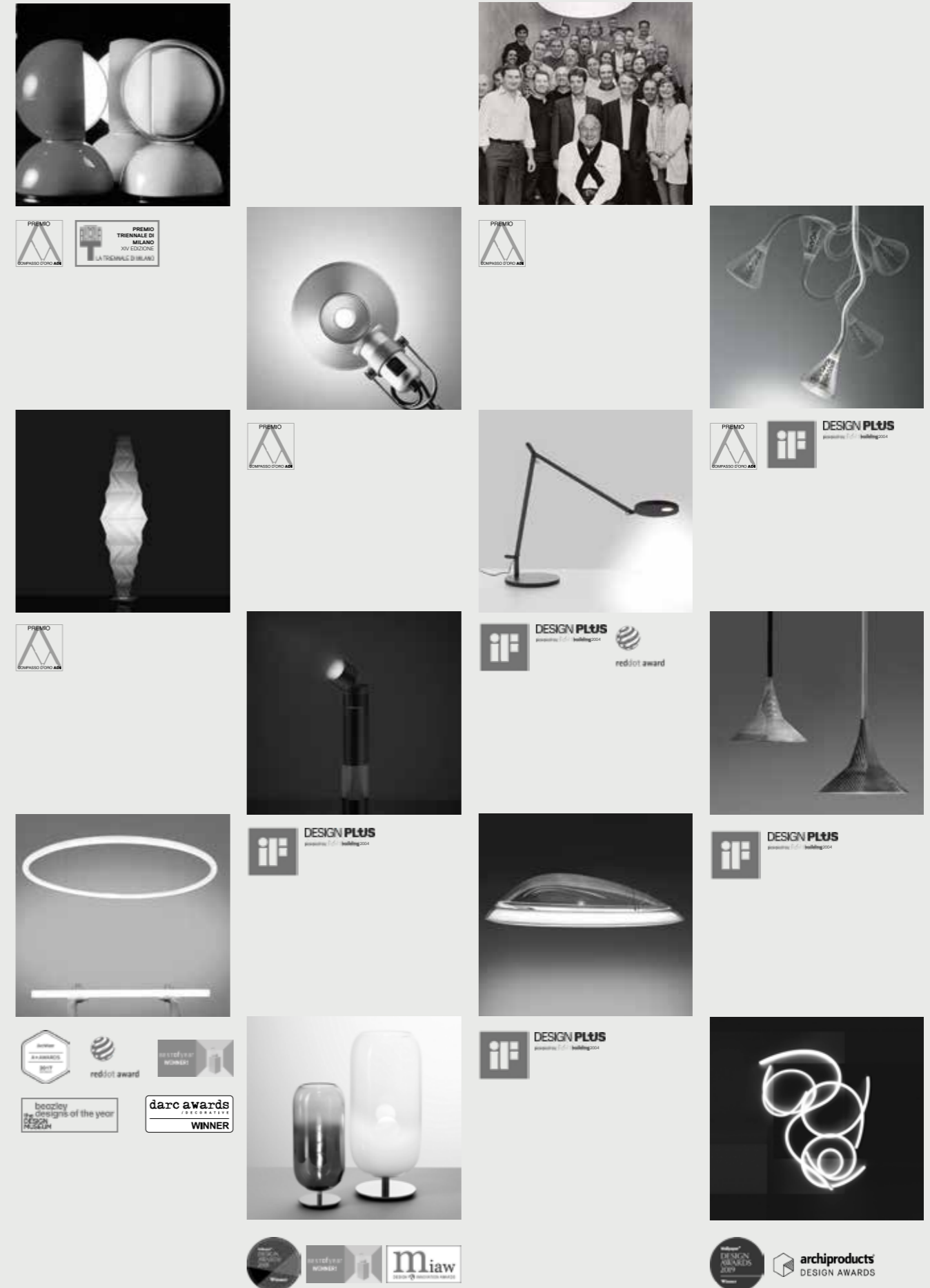
+280
design awards

2018

- Ernesto Gismondi
Award to the Career
- Discovery
Ernesto Gismondi



- 7 Compasso d'Oro awards
- 9 Compasso d'Oro honourable awards
- 5 "Triennale di Milano" Award
- 20 Reddot Design Awards
- 9 Reddot Design Awards - Best of Best
- 34 Reddot Design Awards: High Design Quality
- 32 IF Product Design Award
- 2 IF Product Design Award - Best of Best
- 17 Design Plus Light + Building
- 10 Good Design Chicago Award
- 1 Green Good Design Award
- 1 European Design Prize '97
- 7 Wallpaper Design Awards
- 1 European Design Awards '17
- 3 Architectural SSL
- 1 Best of the Year Awards
- 1 Archiproducts Design Awards



National and international events and fairs

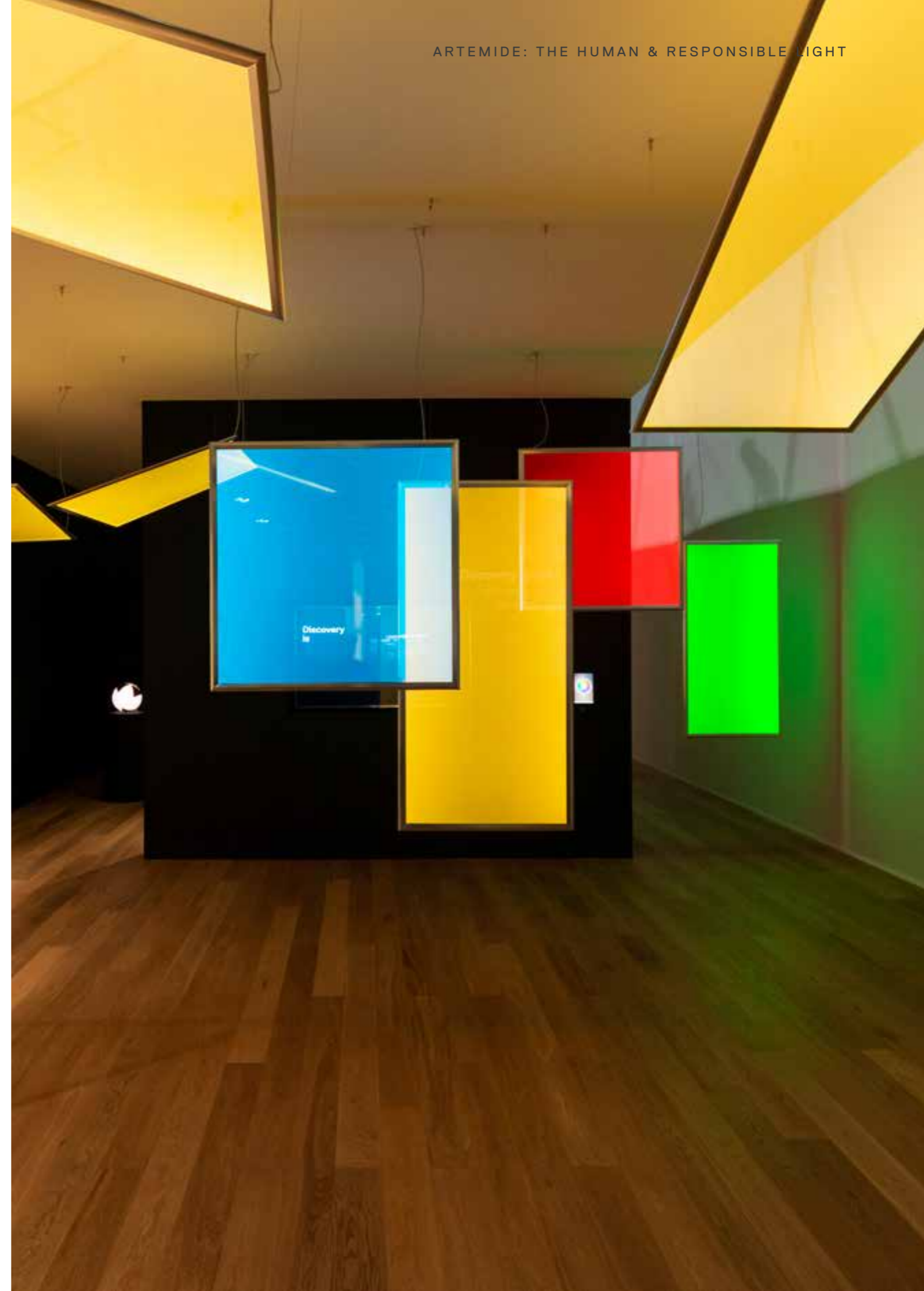
Every year, Artemide participates in several trade fairs around the world, where it not only presents products and lighting systems, but also advanced interaction systems, the result of continuous research, experimentation and technological innovation.

The two main trade fairs in the sector, **Euroluce** and **Light & Building**, respectively in Milan and Frankfurt, feature Artemide's participation every two years: these events are considered extremely important for the promotion of the Group's brand and the products, given their reputation as showcases where new collections are introduced. In 2019, Artemide played a prominent role in Euroluce from the 9th to the 13th of April 2019 with products and services demonstrating its continuous research, experimentation and technological innovation.

Once again, Artemide presented several innovations at the 2019 Fuori Salone of Milan, with products ranging from indoor to outdoor lighting, from private environments to large urban architectures. All feature a common denominator: innovation and attention to the environment. Milan Design Week has always been an opportunity to present new collections in Artemide's showrooms as well as take part in important cultural events and partner with other brands.

Artemide participated in the 2019 **Salone del Mobile Milano Shanghai** with products and services resulting from continuous research, experimentation and technological innovation guided by a sustainable approach. Artemide, once again, explores new frontiers in design by starting from a disruptive approach based on sustainable innovation, established know-how, a human approach and an ethical perspective. Artemide has renewed its participation in this event, confirming its deep interest in the East, as shown by the work undertaken since 2017 with the Neri&Hu studio, which was awarded the prestigious DFA World's Outstanding Chinese Designer 2018.

In the exhibition booth, light is lived, in terms of environmental quality, emotion and perception, interaction and interactivity. Artemide not only presents products but also services for an increasingly dynamic lighting, ready to follow the needs of the spaces and rhythms of those who live them. Artemide App and Geo Li-Fi make the user experience engaging and generate tools with high added value for the designer and for those who manage the spaces.



For 60 years a pioneer in the field of light design, Artemide has always collaborated with important architectural firms interpreting different cultural perspectives on lighting design. This is why the participation in the **Stockholm Furniture & Light Fair** has been renewed, in which Neri&hu with "The Unfolding Village" are Guest of Honour, want to represent and capture the essence of traditional Chinese villages through their project thanks to products centred on reflections on issues such as nostalgia, home, family and individual relationship within a collective.

NH and Yanzi, the families of lamps developed with Artemide, are therefore part of this journey through Chinese culture, between tradition and innovation and a sustainable interaction between material, form and light.

As further evidence of its openness towards new cultures, Artemide participated in the **Dubai Design Week 2019**, the event that celebrates and promotes design and creativity in the United Arab Emirates. Artemide brought its Made in Italy craftsmanship and passion through a magical and innovative installation of the new Discovery Spaces in the Events area of the Downtown Design fair, on a project curated by Wilsons Associates, Consulting Architects and the lighting design studio Studio Mark.

On occasion of the **ICCF** (International Contemporary Furniture Fair), the Artemide showroom in New York presents the new collections that arise from collaborations with major international architecture firms and the research of cutting-edge technologies. Artemide addresses a variety of cultural perspectives on lighting project, opening up to the international market alongside the main players in contemporary architecture: BIG (Bjarke Ingels Group) with avant-garde projects such as Ripple and Gople, Neri & Hu with the NH family, Alejandro Aravena's Elemental studio with the Huara and "O" projects and Fratelli Campana with Irupè, the lamp inspired by nature.

Artemide introduces lighting that crosses applications in private and public spaces, whether residential or work, as in the new Discovery Space luminaries by Ernesto Gismondi, a synthesis of the company's optoelectronic skills and expertise, and Calipso System by Neil Poulton - products from the design collection that provide a perfect addition even for work spaces. Other evidence of Artemide's lighting expertise include indoor systems such as A.24 and Walking, designed by Carlotta de Bevilacqua.

"It is not a question of exporting a culture, but of exchanging it. Sitting at the table of contemporaneity means bringing each person's skills and making them available for a confrontation in which we all have something to learn."

Carlotta de Bevilacqua
Vice Presidente & CEO Artemide



01.2 Sustainability management & economic responsibility

Artemide Factory, Photographed by Elliott Erwitt, 2001



MOG and Code of Ethics

Corporate Governance, Ethics and Integrity

As of December 31, 2019, **Artemide's Group** is comprised of Artemide Group S.p.A. and by its **18 subsidiaries**. The Group's organizational structure follows a traditional system characterized by the presence of a Board of Directors, Shareholders' Meeting and a Supervisory Board.

The Group's corporate governance consists of a set of policies, guidelines and procedures, each of which describes and codifies a different activity and is constantly updated and shared within the Artemide Group.

In accordance with the Legislative Decree no. 231/01, Artemide SpA and all Italian companies have adopted an **Organizational, Management and Control Model (MOGC)** that dictates the main rules of conduct for all employees of the Company and defines the so-called "sensitive" activities (at risk of crime 231), the associated management processes and controls. The Model 231 is updated periodically in line with changes to the regulatory landscape; specifically, the last update dates back to June 2019.

The whole Group has adopted a common Code of Ethics, last updated in March 2016, which encompasses the set of rules on which the founding values of Artemide are based, as well as indications regarding the prevention of misconduct. The recipients of the Code of Ethics are all those who, directly or indirectly, permanently or occasionally, work with or for Artemide. Artemide's values, based on fairness and ethics towards customers, human resources and suppliers are:

- **Customer-orientation.** Understanding the market in which the Group operates and considering the impact of any action and behavior on customers. Taking advantage of all the opportunities that arise in the interest of the customer and their needs.
- **Skill Responsibility and strive for results.** Striving resolutely for results, making a personal commitment to the definition of the programs, monitoring development and generating concreting results.
- **Transparency.** Being open and fair about financial results. Being prepared to disagree if there are alternative courses of action. Accepting different points of view and encouraging change. Mutually exchanging information at all levels of the organization.

Artemide Factory, Pregnana Milanese

- **Innovation.** Being the first to imagine radically new solutions for products, services and processes that can actually be implemented. Pursuing excellence without accepting current standards as a satisfactory level. Continuously seeking for opportunities to develop the existing processes and systems.
- **Integration.** Realising how a specific behaviour fits within the broader business framework. Working across and within business functions and geographies towards a common goal. Increasing efficiency while minimizing the duplication of efforts.
- **Speed.** Perceiving the urgency of developing solutions that satisfy clients while anticipating competitors. Reacting quickly to development needs, effectively identifying the most appropriate solution.
- **Professional excellence.** Attaining the technical expertise and leveraging it to be the leader. Working methodologically, following rules and taking satisfaction in what you do.

The Group recognizes the importance of free, open and fair competition; therefore, the Group's companies repudiates any form of unlawful conduct and abuse of dominance. Artemide rejects any form of bribery of public and private entities. Italian or foreign companies are committed to complying with the six principles expressed by the **UK Bribery Act 2010** to prevent bribery; this policy is the subject of a specific training plan. During 2018, in relation to recent regulatory updates on whistleblowing,

Artemide has adopted a system to report irregularities and potential wrongdoing by employees and third parties, supplementing the channels already provided for reporting to the **Supervisory Board**. In support of the Group's founding values of respect for people and the environment, the Code of Ethics encompasses the commitments and rules that the Group has adopted, with a particular focus on sustainability. Investments and business choices are addressed with consideration for the environment and public health, as well as the needs of local and domestic communities, while supporting scientific, cultural and social initiatives.

Furthermore, the companies of the Artemide Group consider environmental issues when making decisions, also through the adoption of special technologies and production methods that make it possible to reduce the environmental impact of their activities even beyond what mandated by law.



Stakeholder’s map and materiality analysis

Artemide is well aware of the role that customers and all the stakeholders play in the Group’s choices when defining and pursuing its objectives. For this reason, by actively listening to the needs of its **stakeholders**, it is able to anticipate their expectations with the goal of defining a strategy that aims at **creating value** for everyone in the medium to long term.

Artemide has always paid particular attention to listening, fostering dialogue and the transparent reporting of its activities through specific engagement activities that seek to understand and anticipate new trends and needs on the behalf of the customer and final consumer. In particular, the Group has numerous internal communication tools that provide a space for sharing ideas, suggestions, contents and updates. Among these, **Artemide Cloud** is a tool that allows Group employees to share material and information, and the distribution network and website visitors to download documents according to personalized access levels. The Group has always invested in research and development with the aim of ensuring a strong relationship of trust with its customers and providing them with the best possible experience in terms of quality and service offering.

Artemide constantly communicates with the media and trade magazines, through interviews, presentations and dedicated events. Moreover, the brand is committed to contributing to the promotion of information campaigns relating to technological innovations, sector news or any actions taken in favour of the community and environment. This is done to encourage greater **transparency** and **involvement** of the main stakeholders within the Artemide reality.

In the following page a table with the main dialogue initiatives is reported:

Stakeholders	Engagement tools and communication
Customers	<ul style="list-style-type: none"> ➤ Website, catalogues ➤ Events invitations, fairs and collections presentations ➤ Custom design solutions
End-users	<ul style="list-style-type: none"> ➤ Meetings at the showrooms ➤ Websites and catalogues ➤ Campaigns of communication ➤ Artemide Cloud
Human Resources	<ul style="list-style-type: none"> ➤ Constant dialogue with HR and the other functions ➤ Training programmes ➤ Channel for the gathering of violations and regulation signals of the Group ➤ Artemide Cloud
Architects and designers	<ul style="list-style-type: none"> ➤ Cooperation on research and development of new design solutions ➤ Contamination for ideas and needs for the use of space
Schools and universities	<ul style="list-style-type: none"> ➤ Internships and traineeships promotion ➤ Projects with important universities and schools in Italy
Centres of research	<ul style="list-style-type: none"> ➤ Definition and sharing of technical and qualitative standards. ➤ Sharing of know-how
Media	<ul style="list-style-type: none"> ➤ Interviews ➤ Company events and trade fairs ➤ Press and workshop
Suppliers	<ul style="list-style-type: none"> ➤ Constant dialogue and specific meetings
Local Community	<ul style="list-style-type: none"> ➤ Donations and Sponsorships ➤ Collaborations with organisations and non-profit entities for supporting solidarity initiatives
Financial Institutions	<ul style="list-style-type: none"> ➤ Institutional website ➤ One-to-One Meetings
Regulatory entities and Public Administration	<ul style="list-style-type: none"> ➤ Relations with entities ➤ Formal communications

Materiality matrix

By conducting a materiality analysis, Artemide defines and updates the spectrum of material issues for the Group and its stakeholders on which the report focuses.

In 2019, the Group confirmed the issues raised by the materiality analysis conducted in the previous year. For more details, please consult the Artemide Group 2018 Sustainability Report published on the website.

The issues were identified by defining the material aspects in light of the economic, social, governance and environmental impacts. This process included a benchmark analysis with the main peers and competitors in the sector and an in-depth analysis of the various sources within and outside the Group with the aim of identifying and updating sustainability trends in the sector. Subsequently, an internal stakeholder engagement activity was used to assess the relevance of each material issue for Artemide and its stakeholders, in accordance with the reporting standard.

The figure aside shows the materiality matrix where the main issues, the subject of this report, have been grouped into four **macro-categories**:

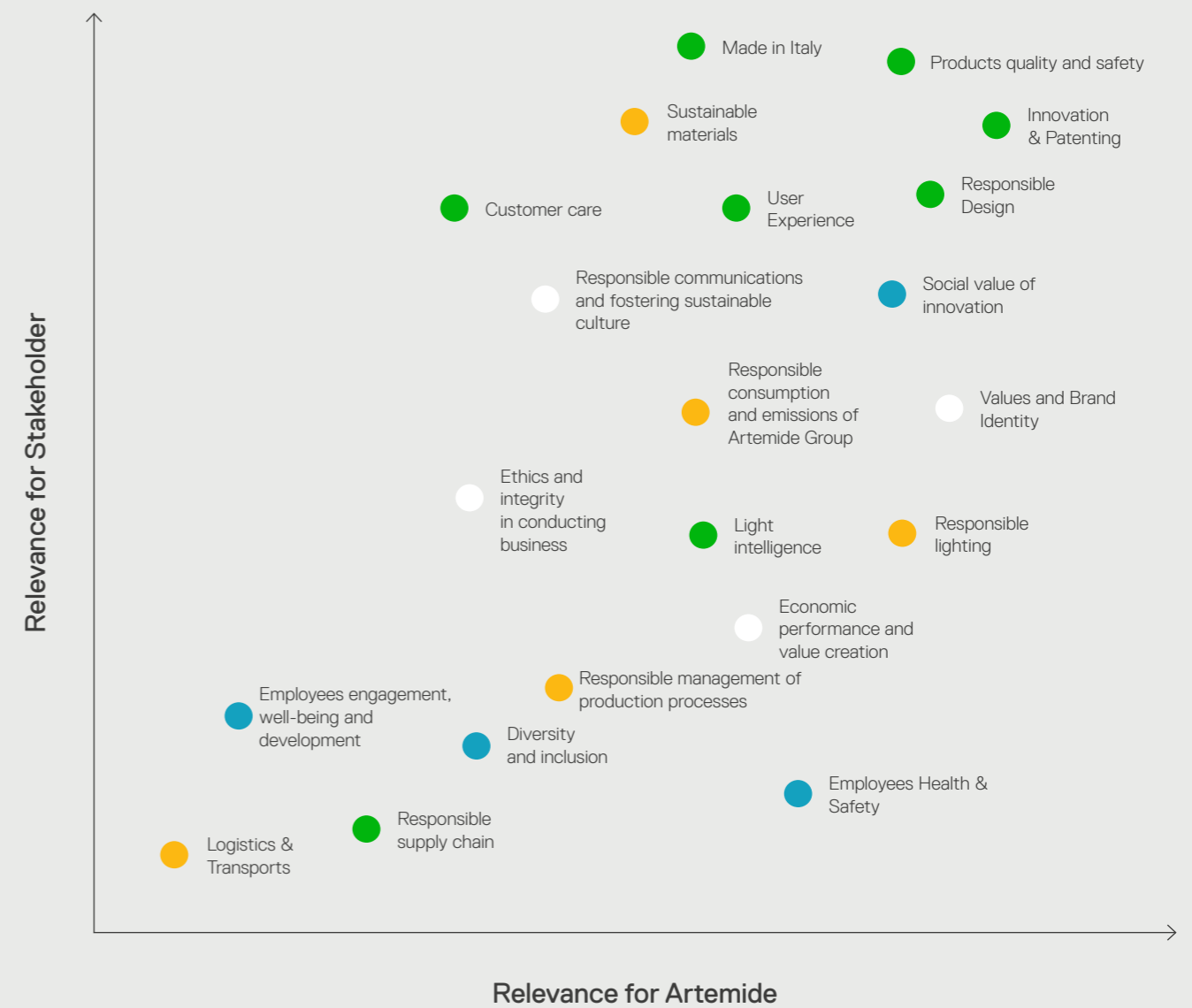
- Identity, Ethics and Value Creation
- Products and Services
- Social Responsibility
- Environmental Responsibility

For each macro-category, material issues have been identified and are positioned in the matrix according to their relevance for the Group, also considering the markets in which it operates, and its stakeholders.

Materiality analysis of the Group Artemide 2019

Key:

- Identity, Ethics and Value Creation
- Products and services
- Social Responsibility
- Environmental Responsibility



Value Generated and distributed to the stakeholders

Artemide's product offering strives for sustainability, implementing innovations that seek to improve products' energy efficiency by reducing their energy consumption.

Through its activities, Artemide generates economic resources that are subsequently distributed among the main categories of stakeholders such as employees, investors, the community and the public administration, in the form of raw material purchases, employee salaries and tax contributions.

The breakdown of the economic value generated and distributed has been made by reclassifying the items in the income statement of the Group's consolidated financial statements as at **31 December 2019**. This year, the total economic value generated by the Group is **EUR 106,091 thousand**, of which approximately 90% is distributed while 10% is retained within the Group.

In particular, the largest share of economic value was distributed to Suppliers, for a total of **64%** of the aggregate value distributed; this item includes the purchase of raw materials, ancillary materials and consumables and other operating costs such as costs for services, costs for the use of third party assets and other operating expenses. Next, the other stakeholder category to which a significant share of economic value was distributed was personnel, accounting for more than 34% of the economic value distributed by the Group. This share includes costs incurred for wages and salaries, social security contributions, severance pay and other personnel-related costs.

Over 1% was distributed to investors, attributable to financial charges. The remaining economic value was distributed to the community in the form of donations, sponsorships and contributions. It should be noted that, due to accounting adjustments, the remuneration distributed to the Public Administration was zero.

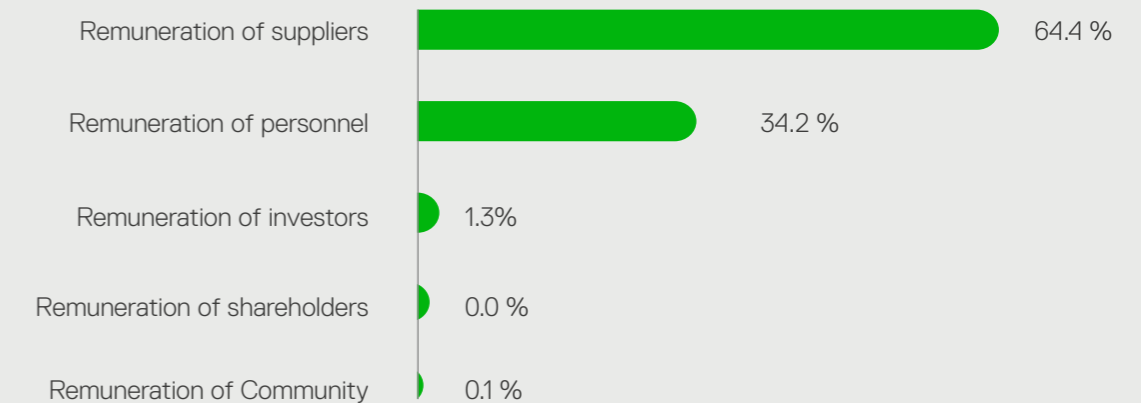
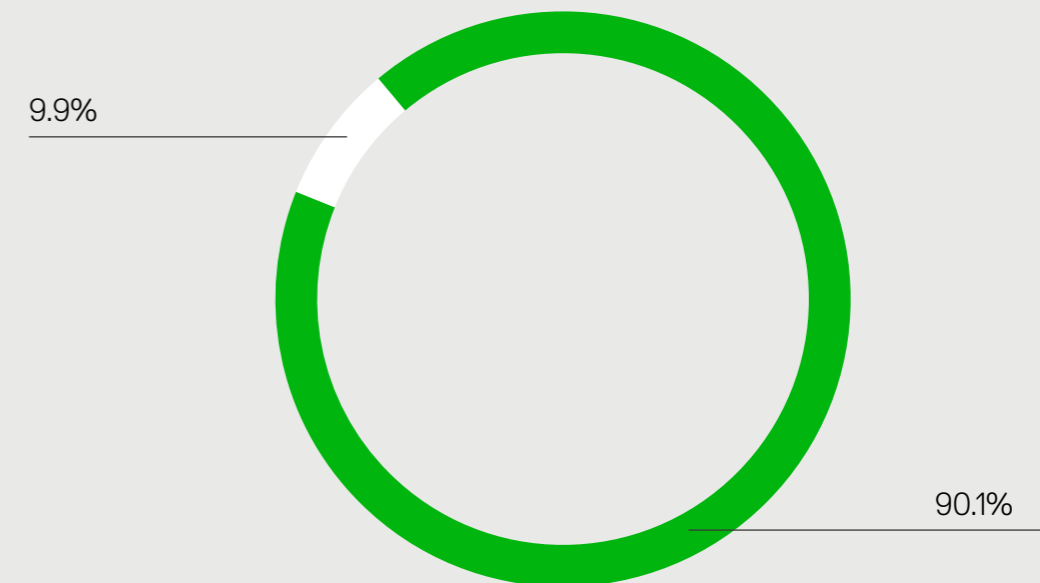
Finally, 10% constitutes the economic value retained by the Group, with reference to the result for the financial year allocated to reserves, depreciation, provisions and write-downs.

Distribution of generated value

Economic value generated and distributed by the Group by December 31, 2019

Key:

- Economic value distributed
- Economic value retained



Social commitment

The Group has focused on promoting and developing activities that contribute to the social, economic and cultural development of the communities in which it operates. Artemide contributes to educational/formative initiatives aimed at the development of people and the territory and supports numerous initiatives of a social, cultural and scientific nature by making contributions and donations amounting to over 109 thousand euros, including the Venice Biennale exhibition and the Master Lighting Design at the Politecnico di Milano.

Cultural and social initiative

For Artemide, research and attention to the culture of projects are aimed not only at corporate growth but also at the open sharing of knowledge and skills. For several years now, Artemide's support for institutions such as the Politecnico di Milano and other schools and universities has also taken the form of participation in courses with seminars and workshops held by company professionals.

In 2019 Artemide was a key partner of **ASP (Alta Scuola Politecnica)** providing the course "Light and sense-able interactions in the city of the future" in which light was explored as an intelligent energy infrastructure capable of providing innovative services to the cities of tomorrow and their citizens.

As the city itself is a key junction between many aspects of people's lives such as light, data transmission, mobility, security and pollution, the aim of the course was to design a state-of-the-art design system that would improve the quality of life for the city ecosystem of the future.

Many activities in support of the community are carried out through technical partnership whereby Artemide, thanks to its know-how in lighting, seeks to requalify spaces favouring better environmental quality, usability and the development of a new sociality. Lighting becomes a tool for wellbeing, illuminating, for example, "caring" spaces such as the **TOG (Together To Go)** Foundation, which aims to cure children with nervous system disorders.

As further evidence for the social commitment of a company that has transformed the way of thinking about light by putting human needs at the centre of each of its projects, Artemide supported **Food for Soul** in 2017, the non-profit organisation founded by chef Massimo Bottura, on occasion of London Food Month, the festival dedicated to British culinary diversity in London. The Group has supported this significant solidarity project lighting the new community canteen, the Refettorio Felix, located in the historic St Cuthbert centre. The Refettorio Felix joins other important projects carried out by Food for Soul including the

Refettorio Ambrosiano, created in Milan on occasion of the Expo 2015, where Artemide deployed its lighting in helping make this space welcoming and familiar.

Artemide has also demonstrated its support for local social cooperatives through the entrustment of work orders to ensure their working continuity by involving disadvantaged groups. Other local sponsorships concerned local schools and in particular the schooling activities of a comprehensive Institute of Pregnana Milanese.

Artemide also supported several non-profit organisations through product donations, including the **Fondazione Albero della vita - La voce dei bambini** (Tree of Life Foundation - The voice of children), which operates several projects to ensure the well-being, protect and promote the rights, and foster the development of children, their families and their communities. In particular, in 2019, donations in kind were made to the "A night for children" event, organised by the non-profit organisation: an exclusive fundraising gala dinner aimed at supporting welfare initiatives in favour of single mothers with children.

Artemide also supports the efforts of other non-profit organisations by providing lighting to charity events such as the photo exhibitions **"My dream Home"** and **"EY You!"** for the Rava Foundation.

During 2019, Artemide sponsored **Formgiving**, a BIG Architecture studio exhibition, with which it has been collaborating since 2016, by designing innovative lighting solutions. From the Big Bang to life on Mars, the exhibition guides visitors, with over 70 projects, on a journey through time and space, centred on perceiving how

Biennale di Venezia

In 2019, Artemide has renewed its collaboration with **La Biennale di Venezia**, which began in 2015, supporting one of the most prestigious Italian and international cultural institutions promoting new visions in art and architecture. As in past editions, this choice expresses the commitment to invest in the culture of architectural design and light, driven by shared of themes and values. **"May You Live in Interesting Times"**, edited by Ralph Rugoff, invites us to conceive of multiple perspectives, considering unfamiliar alternatives when facing of times of crisis. A future-oriented attitude that, in art as in design, leads to experiences capable of changing the way we interpret everyday life.

Artemide participates in this contemporary art exhibition of world-renowned prestige not only as a sponsor but also with its lighting designs, accompanying visitors along the exhibition's paths, both indoors and outdoors.



Alphabet of light
Broken Nature, Triennale Milano



Gople RWB
Broken Nature, Triennale Milano

Triennale Milano

In 2019, Artemide was lighting partner of the XXII International Exhibition of Triennale di Milano **Broken Nature: Design Takes on Human Survival**, with a lighting project creating an immersive experience for the special exhibition: the Nation of Plants. Artemide has always supported the projects with which the Triennale di Milano promotes design culture. This year's theme on taking nature as an example to learn from, clearly reflects this shared vision being one of Artemide's long-standing research topics in the development of a Human and Responsible Light. This proximity is not only manifested in the topics, but also in an approach that combines scientific research with engaging communication, just as Artemide lighting translates rigorous technological principles and optoelectronic innovations into emotion, experience and perception. Artemide investigates the nature of light at 360° through technological, scientific and humanistic research, a path that has already acquainted the company with Professor Mancuso's research in the past.

Manifatturiera Tabacchi

Continuing the collaboration started with Professor Stefano Mancuso at the XXII Milan Triennale, Artemide has supported an innovative project to reduce indoor pollution: the "Fabbrica dell'Aria", within the Manifattura Tabacchi in Florence. This installation by PNAT reduces indoor pollution by exploiting the ability of plants to absorb and degrade atmospheric pollutants. Artemide is an integral part of this innovative project to reduce indoor pollution with its patented RWB² technology in Gople and Una Pro lamps.

In fact, it nourishes the plants by providing them with the most suitable light throughout the different stages of growth, supporting their development in an enclosed space where natural light is insufficient. The air is collected and conveyed through pipes in modules that are specifically designed to force the passage through the soil and plants, resulting in a 97% reduction of atmospheric pollutants after having crossed the botanical filter at a rate of 5000 mc of air purified every hour.

² RWB technology is an invention patent filed in 2010, generates a careful light not only to the staging of nature but also to its development, has an emission able to support even the most correct perception by man and to create scenic and exciting effects through dynamic colours and colour temperatures.

The "Fabbrica dell'Aria" features a unique combination of design and botany that is scalable and readily replicable, which exponentially increases plants' natural capacity to remove the pollutants present in living spaces, commercial and work spaces. With its participation in this project, Artemide follows on its path of technological, scientific and humanistic research towards an increasingly innovative and sustainable "Human and Responsible Light".

In 2019 was held by the Order of Engineers of the Province of Milan a seminar on design with LED light, the contents of which were curated by specialized engineers of Artemide.

GenerAction Artemide

Artemide has started another project as well, which will continue throughout 2019 and beyond: **GenerAction**. An innovative project that aims to support and highlight the passion for humanity and the future of the planet of Gen Z, the generation of girls and boys who have recently come of age. Artemide gives voice to young Centennials, who have distinguished themselves in different fields thanks to their personal skills and innovative ideas, supporting their studies and research paths. The campaign is underway and celebrates the Group's 60th anniversary.

ADV, GenerAction Artemide, 2018-2019



GenerAction Artemide is an innovative project that aims to support and highlight the passion that Generation Z expresses for humanity and the future of our planet

Artemide gives voice to young Centennials who have distinguished themselves in various fields thanks to their skills and ideas and supports their studies and research.

GenerAction is an ongoing project that listens to and welcomes Generation Z from all over the world.

Gitanjali Rao has received numerous awards for her device, which detects lead in water faster than current techniques. She has also distinguished herself for her projects against opioid addiction and cyberbullying. As a STEM promoter, she encourages innovation especially among young female students. In 2020 she was named 'kid of the year' by Time, after having been recognised as 'top young innovator' by Time.



01.3 Sustainable culture

Artemide Factory, Photographed by Elliott Erwitt, 2001



Sustainable values

Artemide's path towards sustainability continued throughout 2019 and the objective of transparency with respect to its work has been translated into a reporting process for the initiatives and projects carried out by the Group in the field of materials innovation, eco-effectiveness, Made in Italy and respect for the environment and its people – aspects that are essential to the company's success and to all stakeholders, which the Group discloses in its second **Sustainability Report**.

For Artemide, sustainability is a domain that stretches beyond the safeguard of resources and the natural habitat, to a definition of efficiency intended as an improvement in the quality of life, and of savings as an essential premise of every act of design.

Artemide spreads the **culture of light** by believing in **values** that have become primary requirements at every stage of design and production: tradition and innovation for improving the quality of its products, technological research and social and environmental responsibility. In its communication campaigns, Artemide has always emphasized values that go beyond the product; over the years, there have been a succession of communication choices regarding the **qualities of light**, their positive relationship with **people, innovation** and **sustainability**, but also ethical and social issues.

In fact, the Artemide Group believes in sustainable global growth in the common interest of all stakeholders and is aware of the impact that its activities have on the economic and social development and general well-being of the communities within which it is embedded. For this reason, business choices take into account the respect owed to the environment and public health, as well as the needs of local and national communities.

United Nation Global Compact

In 2019, Artemide signed the **United Nations Global Compact**, expressing its support for the ten principles that include human rights, labour, environment and anti-corruption. Artemide's commitment is to internalise the principles of the Global Compact as a key element of the strategy, culture and activities that the Group is implementing in these regards.

With an eye to defining an integrated action plan for people, the planet and prosperity on a global level, since 2019, Artemide has begun a process of defining its own objectives in the field of sustainability, starting with an analysis of the **17 Sustainable Development Goals (SDGs)** unanimously adopted by the Member States of the United Nations in 2015, and forming part of the United Nations' 2030 Agenda for Sustainable Development. Ensuring the achievement of the SDGs requires a collective effort to reduce inequality, poverty and unemployment, and to promote a development path that minimizes negative impacts on the environment, favoring the promotion of research and innovation, decarbonization and the establishment of sustainable production and consumption patterns.

The essential characteristic of the SDGs is that they are **universal, interconnected and indivisible**: they must take into account the specific territorial realities and are potentially applicable everywhere, at a global, national and local (regional and/or urban) level.

In seeking to create shared value through the development of products and the implementation of innovative and sustainable production processes, Artemide has identified the Objectives for its contribution: this process has taken shape by analysing the **interconnections** between the international framework and the Group's **material issues**, identified through the materiality analysis as previously described in section 1.2.

SDGs

	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
Material topics								
Economic performance and value-creation				■				
integrity and ethic in conducting business				■			■	
Values and Brand Identity							■	
Responsible communications and fostering sustainability culture					■		■	
Made in Italy	■			■				
Innovation & Patenting					■			
Light Intelligence	■		■					
Responsible design			■		■	■	■	
Products quality and safety	■						■	
Customer care	■			■				
User experience	■						■	
Responsible supply chain	■			■			■	
Employees engagement, well-being and development				■				
Employees Health and Safety	■			■				
Inclusion and diversity		■		■				
Social value of innovation						■	■	
Sustainable materials							■	
Responsible management of production processes			■	■	■		■	
Responsible consumption and emissions of Artemide Group							■	■
Responsible lighting			■			■		■
Logistic & Transport						■	■	

The potential contribution of Artemide's activities to sustainable development

Spreading «good light» is essential for man and fundamental for life

→ **Sustainable** and almost entirely Made in Italy **supply chain** respecting the values of belonging

→ **Lean Manufacturing**, with a view to optimising operational processes and systematically reducing time, material and energy

→ **Positive employment** and economic impact on local communities

→ Revenues in partly devoted to **research and development** of new technologies

Impacts on employment and the economy

→ **Innovative technology** and **responsible** product design to achieve human psycho-physical well-being by applying a specific combination of emotional and circadian lighting

→ Constant **monitoring** of changing lifestyles to conceive innovative solutions of interaction between light, humankind, architecture and nature

→ **Safe and healthy workplace** for employees through accident prevention programmes, behavioural safety laboratory

→ Partnerships with **non-profit organisations** and bodies to support initiatives with positive socio-economic impacts for local communities

Impacts on people and health

→ **LED base lighting systems** with solar photovoltaic technology that aim to reduce the environmental impact when using the product

→ Outdoor design with interactive «**smart**» and **safe intelligences** that do not alter urban areas and promote a sustainable dimension for cities and their people

→ Search for new and **more efficient** production technologies, materials and finishes with low impact on the environment

→ Logistics **optimisation** of product delivery and related packaging

→ Activities of **relamping** and minimizing waste in operating offices

Impacts on the environment



Artemide's activities are born out of "know how", a concept that combines manufacturing with deep knowledge and a tangible awareness of the impacts resulting from the manufacturing of its products.

→ Firstly, there are the impacts **on employment and the economy** through inclusive growth and the enhancement of people's professional development, while respecting the values of belonging and Made in Italy;

→ Secondly, the impacts on **people and health**, through the dissemination of well-being and the ensuring of intuitive access to major technologies and innovations, carried forward in increasingly smart and sustainable environments;

→ Thirdly, in order to realize these benefits, it is necessary to act with consideration of one's own **environmental impacts**, thereby reducing emissions and establishing, as Artemide has done, a constant dialogue with the surrounding environment and the surrounding reality.

→ Finally, Artemide products extend their impact in terms of sustainability to all the applications in which they are involved. The efficiency of the product is not reduced to a figure that concerns the company but is reflected in its use and consumption, bringing a positive result in the energy balance of the spaces in which it is applied thus "generating sustainability".

The priorities for Artemide and its stakeholders reflect the Objectives identified and outlined above, to which the Group believes it can make a greater contribution through its innovation, its people, its sustainable products and technologies, and thanks to its ability to create a "good light" aimed, above all else, at nurturing the psychophysical well-being and health of people while respecting the limited resources of our planet.

“In the relationship that is created between light and mankind, the ability to determine one's space must be viewed through a lens of respect for the planet, fostering a positive energetic balance and committing to the upkeep of its resources”

Carlotta de Bevilacqua
Vice Presidente & CEO Artemide

Best practice

The Group has embarked on and will continue to pursue, a path towards sustainability that acts on two fronts in parallel – the search for people's maximum wellbeing and the respect for the environment.

This leads the Group to realize its commitment through a concept of design quality that is constantly renewed and self-sustaining:

→ Continuous understanding and interpretation of the diverse and ever-changing lifestyles to conceive innovative solutions of interaction between light, man, architecture and nature.

→ attention to the efficiency of the lighting solutions proposed, from the consumption of the single product in use, to the intelligence of the lighting project, through opto-electronic and material innovations that optimise performance, to the integration of management systems that can interact with the environment and the users

→ research into new and increasingly efficient production technologies and into materials and finishes with a low environmental impact through the use of innovative production processes, thanks to agreements with suppliers who share Artemide's innovative approach and attention to reducing the size of packaging and using sustainable packaging made of recycled and recyclable materials

→ commitment to the development of information tools and documents, at the service of the designer, and detailed technical product sheets illustrating the energy performance of the use phase and the material composition of the products

→ Constant monitoring of technological and cultural feedback from different markets.



A sustainable journey

- Key:
- Company Milestones
 - Design Milestones
 - Environmental & Ethics actions
 - Cutting-Edge interactions
 - Innovative Vision Manifesto

1960

In Milan, Ernesto Gismondi and Sergio Mazza founded Artemide; the first was born, Alfa, designed by Sergio Mazza in 1959.

1967 First Compasso d'Oro

This is the first important recognition for one of the products that have become icons in the Artemide collection. Eclisse designed by Vico Magistretti invites a new human interaction with light.

1972 Headquarters Pregnana Milanese

The inauguration of the Pregnana Milanese plant which still host Artemide Headquarters. Ever since the start Engineer Ernesto Gismondi invests in growth and in valorising competencies, of know-how and of internal production.

1972 Tizio

Designed by Richard Sapper it is a highly innovative table lamp and designed starting from the 12 Volt halogen source.

1987 Artemide R&D centre "Giacinto Gismondi"

It is the centre of those activities related to product development. The Centre, with its divisions of optics, electronic design, materials and light sources, together with a workshop specializing in the production of prototypes and a modern test laboratory, shows how the realization of the project is always based on research, competence and innovation.

1987 Tolomeo

Thanks to the collaboration with Michele De Lucchi and Giancarlo Fassina, Artemide launches Tolomeo on the market, a lamp that over the years becomes an iconic symbol of Made in Italy of common presence in homes and workplaces around the world. Two years later, Artemide won the Compasso d'Oro with Tolomeo.

1994 Compasso d'Oro to the Career

Artemide receives this prestigious award "for the articulated contribution to the culture of furnishing, for the often advanced use of materials and technologies, also through Ernesto Gismondi's design skills, and for the overall quality of production and image".

1996 The Human Light

New manifesto that identifies the vision of Artemide: light at the service of man and his needs. Through a research workshop Artemide states that man with his activities and his rhythms is at the centre of the project. The focus is not the product, but its performance and the relationship with those who live its light.

1996 Metamorfosi

The Metamorfosi collection introduces coloured light as a tool not strictly emotional and scenographic, but also aimed at the psychophysical well-being of man, opening the possibility of choosing scenarios that follow our life, emotions.

2000 LED Engine

Presented the first two LED lamps, Sui and Kaio, designed respectively by Carlotta de Bevilacqua and Ernesto Gismondi. The "Led Revolution" begins, well before then actually sanctioned by the European Directives for energy saving, becoming over time the privileged solution with a view to saving energy, efficiency and quality of light.

2002 Environmental total quality

Air, Light, Sound and Other. The collection was created so to allow the integrated management of important environmental parameters such as air, light and sound. The light project opens up to accept an idea of total environmental quality that depends not only on the light performance but also on sound and air quality for a total wellbeing.

2006 My White Light

Artemide opens a new frontier in lighting: the My White Light. The research is carried out over the years, starting from coloured fluorescent tubes with the possibility of obtaining, by adding red, green and blue lights in different and appropriate quantities, the different intensity and colour temperatures of white light up to the most current developments of the Tunable White technology, together with applications of high-end technologies both in terms of LED solutions and in management drivers.

2007 Analysis LCA

In collaboration with the Polytechnic University of Milan, this research was carried out to assess the impact on the environment during the entire life cycle of Tolomeo (1987). Its sustainability was evaluated according to the various models and lamping available and the guidelines for the development of new products were outlined underlining the fundamental importance of the efficiency of the appliance and its correct use.

2008 Human and Responsible Light

"Responsible" becomes an integral part of the The Human Light concept that identifies Artemide's project. Artemide's light opens up to the world of which man is part of and is committed to become an actor aware of the destiny of the natural, social and civil environment. It becomes an act of responsibility. The concept of environmental quality, combined with conscious consumption, officially becomes the unit of measurement of the perceptive, expressive and emotional experience of the project.

2008 Brief manifesto on Good Light

"Duties, principles and rights" are declared to bring the project to the field of values but are interpreted as a system open to confrontation and constructive dialogue. The grid of values expressed in the Manifesto indicates a vision that guides the technological trajectory and the project towards responses to the needs of individuals respecting the limited resources of the planet.

2008 Code of Ethics

The Italian companies of the Artemide Group have adopted their own Organizational, Management and Control Model (MOG) pursuant to Legislative Decree 231/2001 and a common Code of Ethics that is constantly updated to incorporate the legislative changes on the subject.

2010 Feeding the nature Feeding the man

RWB patented Technology is a specific combination of "red + white + blue" LEDs generates light that is attentive not only to the staging of nature but also to its development. Defines an emission capable of supporting even the most correct human perception and of creating spectacular and exciting effects through dynamic colours and colour temperatures.

2011 TCO

It is a calculation tool that was offered in the transition phase between traditional technologies and LED technology. It evaluates and compares the energy and economic impacts of different lighting solutions over time. It is also a digital tool developed by Artemide to encourage a conscious choice aimed at design solutions with greater efficiency, while verifying its economic sustainability based on real or hypothetical usage conditions.

2012 IN-EI

A fabric composed of recycled PET able to maintain through special folds a 3D geometry and to close in a flat pack, giving life to a collection of lamps based on material innovation and sustainability, developed by Issey Miyake + Reality Lab.

2014 Acoustic Quality

The will to offer a total environmental quality that falls in the development of the Light Acoustic Collection that combines light with acoustic absorption.

2015 New Innovation Centre & Laboratories

Opens a new centre with state-of-the-art test laboratories accredited by certification bodies according to international standards of the International Electrotechnical Commission (IEC), Underwriters Laboratory (UL) and Intertek to support all phases of product development starting from research to its release on the market. Here qualified technicians perform photometric tests, tests for electrical and electromagnetic safety, mechanical tests, tests on the quality of materials and finishes.

2015 First IoT experience

Ameluna App is presented, the first Artemide application to control light from which Artemide App evolves. It is the first step in defining a system of intelligence and services related to the photonic interpretation of light, which are fundamental today to offer new interactions and experiences also in favour of a better energy balance.

2016 Feeding Living Beings

Spectral Light is a project that explores the decomposition of the light spectrum and its effects on humans, animals and plants. It identifies and implements the use of only the wavelengths needed to see, to grow, to feed on the benefits of light by dividing them into "artificial rays" whose colours remain visible before joining, by colour addition, in white.

2017 Target Point

Target Point is an advanced interaction system that brings parametric design to the Human Light through devices and sensors that open a dialogue between the desired and designed light and the surrounding environment. It records the environmental changes and integrates them to maintain a dynamic balance with respect to the targets set for the maintenance of a physiological or chromatic quality of the perceived.

2017 Visible Light communication

Visible light is used for data transmission. The transmission takes place in a two-way direction, without altering in any way the optical properties and light performance of the device. Artemide opens up new scenarios for integrating light into intelligent projects that need to manage high baud rates in a timely and secure manner in private or public contexts.

2017 Artemide App & new intelligences

Artemide App is presented, an intuitive management system able to dialogue with all the products of the Artemide collection to make each author aware of their own light scenarios. It is an advanced project tool that integrates intelligence to offer services beyond light.

2019 Sustainability Report

Publication of Artemide's Group first Sustainability report.

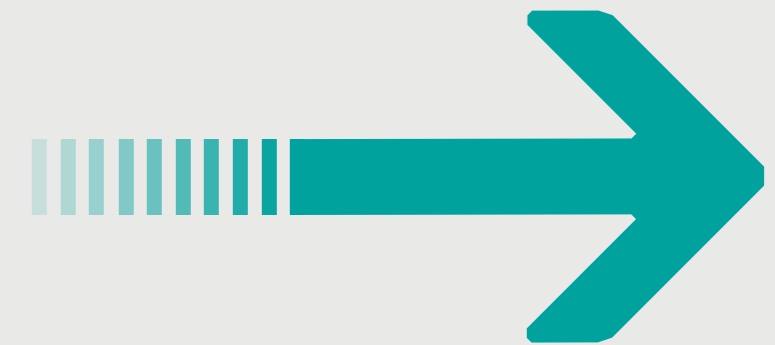
2019 United Nations Global Compact

Artemide signs the United Nations Global Compact by engaging once again in the adoption and implementation of sustainable and socially responsible policies.

2019 Artemide GenerAction

Artemide is committed to communicating and supporting the projects of Generation Z youth from all over the world who have distinguished themselves for their innovative ideas in support of humanity and the future of the planet.

Next steps



2020 INTEGRALIS®

Artemide presents Integralis, a patented light technology that combines sanitizing efficacy with light performance and the beauty of design

Key:

- Company Milestones
- Design Milestones
- Environmental & Ethics actions
- Cutting-Edge interactions
- Innovative Vision Manifesto

02

Values, knowledge & know-how
to realize universal projects

Ernesto Gismondi with the R&D Team,
at the entrance of "Giacinto Gismondi Innovation Centre",
Photographed by Elliott Erwitt, 2011

Application fields

Artemide represents the culture of Italian **know-how** and has always been synonymous with Innovation and **Made in Italy**. In every Artemide light there is a balance between technology, intelligence, creativity, quality, attention to people and sustainability of the project.

There is the energy of a company that believes and invests in research that supports Made in Italy and produces in Europe. Made in Italy remains at the heart of the Group's path, and enables it to preserve a wealth of knowledge of inestimable value.

Artemide plays a leading role in lighting in every public or private field of application: **Residential, Hospitality, Retail, Museum, Office & Education, Public Spaces, Urban and Landscape Outdoor**. The completeness of the range of its collections is a focal point in satisfying the needs of every space, combining typology, functionality, performance, applications, aesthetics and, above all, latest-generation intelligent services for users with ethical and sustainable values.

Artemide goes beyond the classic distinctions between technical and design products, opening up a different approach to lighting spaces. The competence in designing and producing light is key, and is expressed in the ability to develop custom solutions according to a complete, integrated and transversal vision, from the product to its application.

Today, Artemide is not only able to design the most suitable lighting for each specific space. It is also a platform of open possibilities for the creation of new services with high added value. Suitable for being integrated with many products and services of the collection, these technological solutions combine an innovative interpretation of the interaction with advanced digital protocols such as the **Artemide App, Geo-LiFi, Li-Fi, IoT interaction sensors**.

Public Spaces



Artemide offers an immersive lighting experience thanks to the performance of its products and their interaction with the Artemide App. Using dynamic light that is attentive to the human scale of the project, Artemide's products are modeled on paths and activities, drawing a perceptive and socially interactive rhythm. Thanks to sensors and intelligent services like the Artemide App, the artificial light engages with the natural light and the environmental conditions, favoring a positive energy balance. A wide variety of products answers multiple requirements of those spaces with solutions that are functional, minimal, integrated or scenic and remarkable. Artemide not only acts on light but also takes care of environmental quality through its acoustic collection, which aims at diminishing the sound reverberation or the integration of sensors for the air quality.

Fondazione Giangiacomo Feltrinelli - Italy
Saratov Airport - Russia



Office & Education

Artemide develops systems that satisfy the changing needs of workspaces, which are becoming more digitalized, but often also contaminated and scattered. At the heart of each product is the quality of the light, which should be correctly perceived and supportive of users' well-being, while being considerate of UGR, contrast and chromatic rendering parameters. The products are designed to model an uneven and inconsistent scenery of light calibrated on the needs and the dynamics of the activities, the occupation of the spaces and the natural light. Artemide goes beyond the traditional interpretation of light in the working spaces with professional high performing products that are remarkable and scenic and provide lighting with a unique emotionality.



Corporate Offices - Milan

Alphabet of light, BIG - Bjarke Ingels Group
IBM Offices - Italy



Eggboard, Progetto CMR
A.24, Carlotta de Bevilacqua
Giuntini Offices, Italy



Ripple, BIG - Bjarke Ingels Group
Alphabet of Light, BIG - Bjarke Ingels Group
Giuntini Offices, Italy



BIG Offices
New York City, USA



Retail

Artemide offers highly specialized lighting: a complete offering of product families for diverse applications, flexible systems, and wide range of standard possibilities in the choice of light performance. Artemide's products are essential and are characterised by high performance and efficiency, making them suitable for any type of retail space: fashion, jewellery, beauty, technology, automotive, food. Artemide is also able to customize the qualities of the light, from the design of optics that shape the emission to the selection of the most suitable light spectrum to enhance the product on display. Artemide introduces new user experiences with services that go beyond lighting thanks to new intelligent services such as Artemide App or Geo Li-Fi. Artemide App grants unprecedented freedom when changing the lighting scenarios, while doing so with simplicity and ensuring significant savings during the installation and use phase. It is a tangible tool at the service of the designer, which is also capable of providing the user with feedback and usage data

JLR showroom - Varese, Italy



Bugatti - Geneva International Motorshow



Buccellati Showroom
Paris, Francia



SSence - David Chipperfield
Toronto, Canada

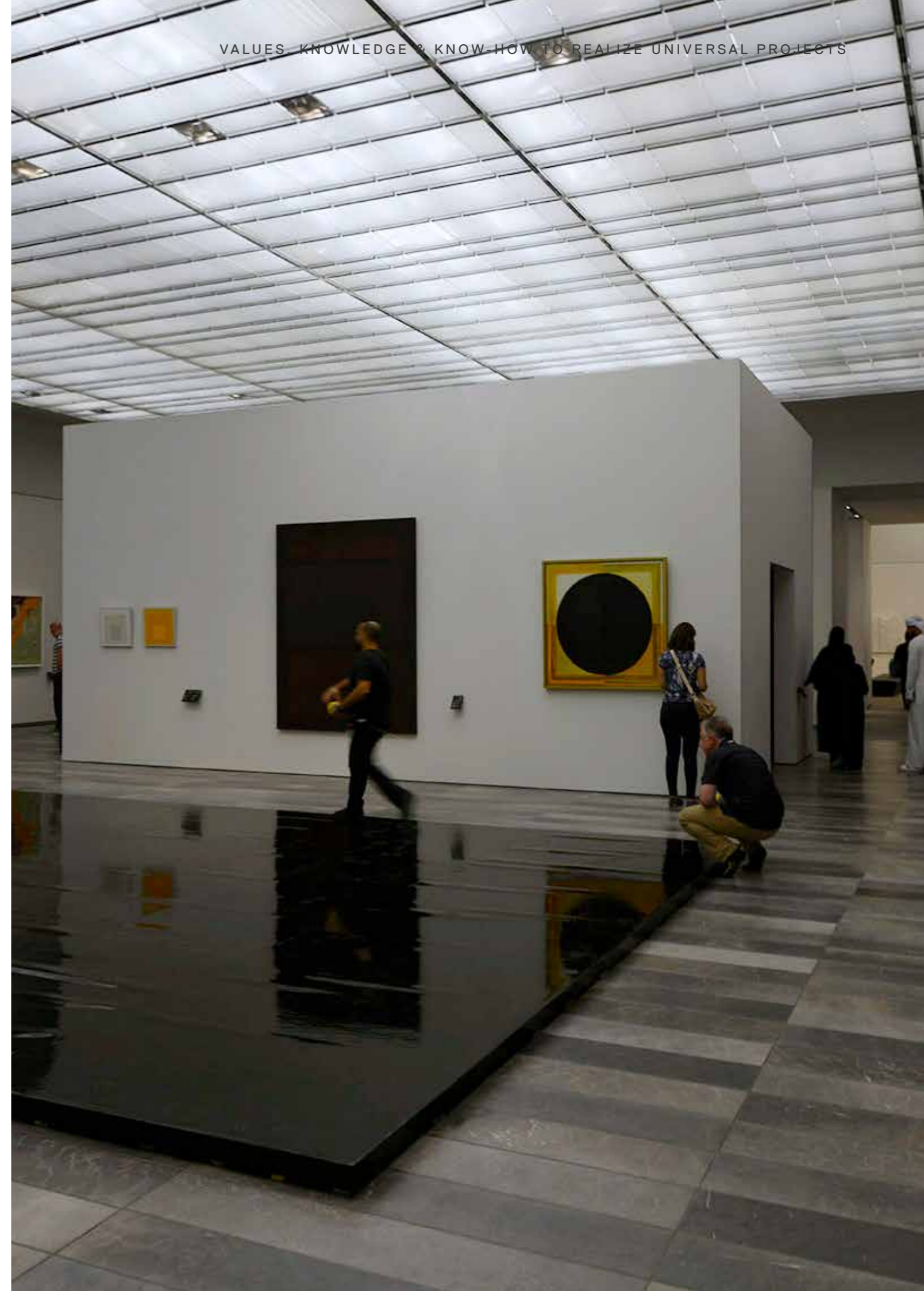


Museum

Artemide lighting offers control over every detail, making it perfect for the highly specialised lighting conditions required by museum spaces. In addition to the quality of the light emission, it builds on several innovations to provide an interactive and engaging experience. Target Point, integrated in Artemide App, allows the lighting to engage with the environment while keeping the works at a constant luminosity and colour temperature. Thanks to Geo Li-Fi, the light can guide the visitor through the museum's expositions and contents, while returning information on visitor flows to the museum's administrators.



Cata, Carlotta de Bevilacqua
Louvre Abu Dhabi - Jean Nouvel



Hospitality



A complete range of products responds to the multiple needs of these spaces with solutions that are functional, minimal and integrated or scenic and surprising. Artemide is specialised in the creation of bespoke products that are perfect for characterizing spaces or satisfying specific lighting or image requirements. New intelligent services such as Artemide App offer dynamic and involving experience and more. They provide useful services to the administrators of the spaces by returning information on their use. The freedom to configure and program scenarios is within everyone's reach with Artemide App.



Empatia, Carlotta de Bevilacqua
The Pink Lobster
Warsaw, Poland

A.24, Carlotta de Bevilacqua
The Modernist Hotel
Trieste, Italy



Orsa, Foster + Partners
Palazzo delle Pietre
Rome, Italy

Residential



Artemide offers a wide collection with countless solutions adaptable to every space and moment of everyday life in a way that everyone can be the author of their own light. Technology and innovation are translated into an aesthetic that fosters a relationship with the lighting. Artemide's iconic creations are timeless and long-lasting products that accompany us through life thanks to their very high quality. Artemide Human Light is attentive to the physiological and psychological wellbeing of users; for instance, colour and different colour temperatures of white can help create dynamic scenarios in the home environment, while intuitively being controlled through the Artemide App.



Gople, Big - Bjarke Ingels Group
Private Residence - Germany

Lesbo, Angelo Mangiarotti
Private Residence - Italy



Scopas, Neil Poulton
Private Residence
Luebeck, Germany



Look at me, Alida Catella & Silvio De Ponte
NH S4, Neri & Hu
Private Residence, Italy



Tolomeo Maxi, Michele De Lucchi & Giancarlo Fassina
Private Residence, Denmark



City after City - Milan Expo 2015

Urban and Landscape Outdoor

The Artemide outdoor collection is designed for every type of outdoor space, public or private, shaping any urban or natural landscape. It combines technical performance with an approach that is attentive to nature and innovative in its dialogue with control intelligence and its relation with the surrounding natural environment or the smart city. It not only offers standard solutions for paths, green areas, architecture but also custom solutions dedicated to installations, monuments or landscapes. The quality of materials and finishes is tested to resist weathering over time, even in the most extreme conditions.

Reeds - Klaus Begasse
Private Villa, New Zealand

Custom Lighting installation "Sternzauber"
for Passagenviertel, Hamburg



Bespoke Projects

Artemide's dedicated internal department develops custom projects and individual solutions in collaboration with the research, development and innovation team.

Within the Scenarios projects, Artemide is able to develop customised product solutions, whether from both existing products in the catalogue or by designing and producing bespoke solutions with specific requirements.

Artemide's optoelectronic innovation capabilities, technological expertise and high-quality manufacturing are available to customers and designers to support the design of custom products, shape the behavior of light in spaces and its interaction with humans and the environment.

Artemide has traditionally established important collaborations with international architecture and lighting design studios and with the most prestigious brands, resulting in unique solutions in terms of cultural, technological, material and design. Many of these collaborations have given shape to products that are currently offered in the catalogue.

Other products that converge in the Scenarios projects offer solutions that are no longer present in the catalogues.



Pietà Rondanini Museum
Milan



Discovery Space - Bespoke installation
Private Residence, Italy



Audi City Lab. - MAD Architects
Milan

Worldwide designers – Listen to differences

The Group collaborates with designers and architects from all over the world, aware that the background from which designers come from contaminates and increases the quality of the project.

Thus, Artemide becomes a hub where different skill sets meet: our designers not only share technical and production aspects with us but also contribute to increasing the cultural network that grows around our company.

In this way, a technical meeting may give rise to a new product or a new collaboration. Similarly, a discussion on a prototype may lead to new ideas for innovative materials or more sustainable production solutions.

The design process is viewed as a chance to meet, discuss, fostering the professional and experiential exchange between experts of different backgrounds and cultures. The principle that ideas are “lighter than matter” is manifested fully in this collaborative process.

Diversity is thus taken as a key resource, leading to the creation of products with exceptional aesthetic, technological and environmental qualities. **Shanghai, Tokyo, Melbourne, Dubai, London, Paris, Oslo, Sao Paulo, New York and Chicago** are just some of the cities in which our designers work.

In 2018, the collaboration with Alejandro Aravena’s Elemental studio, winner of the 2016 Pritzker Prize, added a sixth winner of the prestigious award to the list of designers who have signed products in the Artemide collection: from **Aldo Rossi to Norman Foster, Jacques Herzog & Pierre de Meuron, Zaha Hadid and Jean Nouvel**.

During 2018 and 2019, respectively, six and three new contracts were signed with external designers relating to intellectual property rights on products, typically Intellectual Property transfer agreements.



6 Pritzker prize

02.1 Lighting culture between research and innovation

Sui, Portable LED Lamp, Photographed by Elliott Erwitt, 1999



Innovation Centre

Artemide has always paid particular attention to research and innovation, which are considered key factors in the success of the brand. In this context, research and development activities are of fundamental importance for the conception and design of Artemide products, which are characterised by a high design content and a high level of technological innovation.

Research & Development activities are carried out in the Group's Innovation Centres, which play a crucial role in fine-tuning each new product from concept to industrial production. Innovation lies in the need to develop a product that is unique in terms of technology, materials, finishes, performance, management but above all that offers new offers perspectives on the interaction between light, people and spaces.

The 'Giacinto Gismondi' Innovation Centre in Pregnana Milanese, as indicated in the Sustainable Journey (see 'Sustainable Culture' section) boasts the optics, electronic design and materials and finishes divisions and, since 2015, includes a new center with accredited testing and certification laboratories.

In recent years, Artemide has focused on important research topics in photonics and new technologies to support its future vision – a new way of interpreting and living light. During this year, Artemide confirmed significant investments in research and development aimed at maintaining and strengthening its skills and introducing new, highly innovative products. Overall, **Research & Development** investments constitute **approximately 5.4%** of revenues, substantiating the willingness to explore new boundaries in design, where the focus is not limited to the product anymore but integrated with intelligent apps and information management. Artemide's research, as The Human and Responsible Light philosophy states, is not only aimed at the technological aspects of the components of a lighting fixture, but also at all the possibilities of interaction between man and space through light, its performance and its perceptive, psychological and physiological implications, and even at investigating aspects that involve health and safety.



Goniophotometer, Artemide Laboratories

“For us innovation is the starting point of a project. It is based on research and on scientific thought, thus on the ability to see things differently than before. Rather than being only rigorous research, science is also vision. It can expand our knowledge for discerning the future, it can open new borders. Thanks this scientific and technological innovation, light allows us to re-consider the environment, its resources and the energy project in ecosystem terms for a better life quality for human beings but also for all the other beings of the planet”

Carlotta de Bevilacqua
Vice President & CEO Artemide

Innovation process

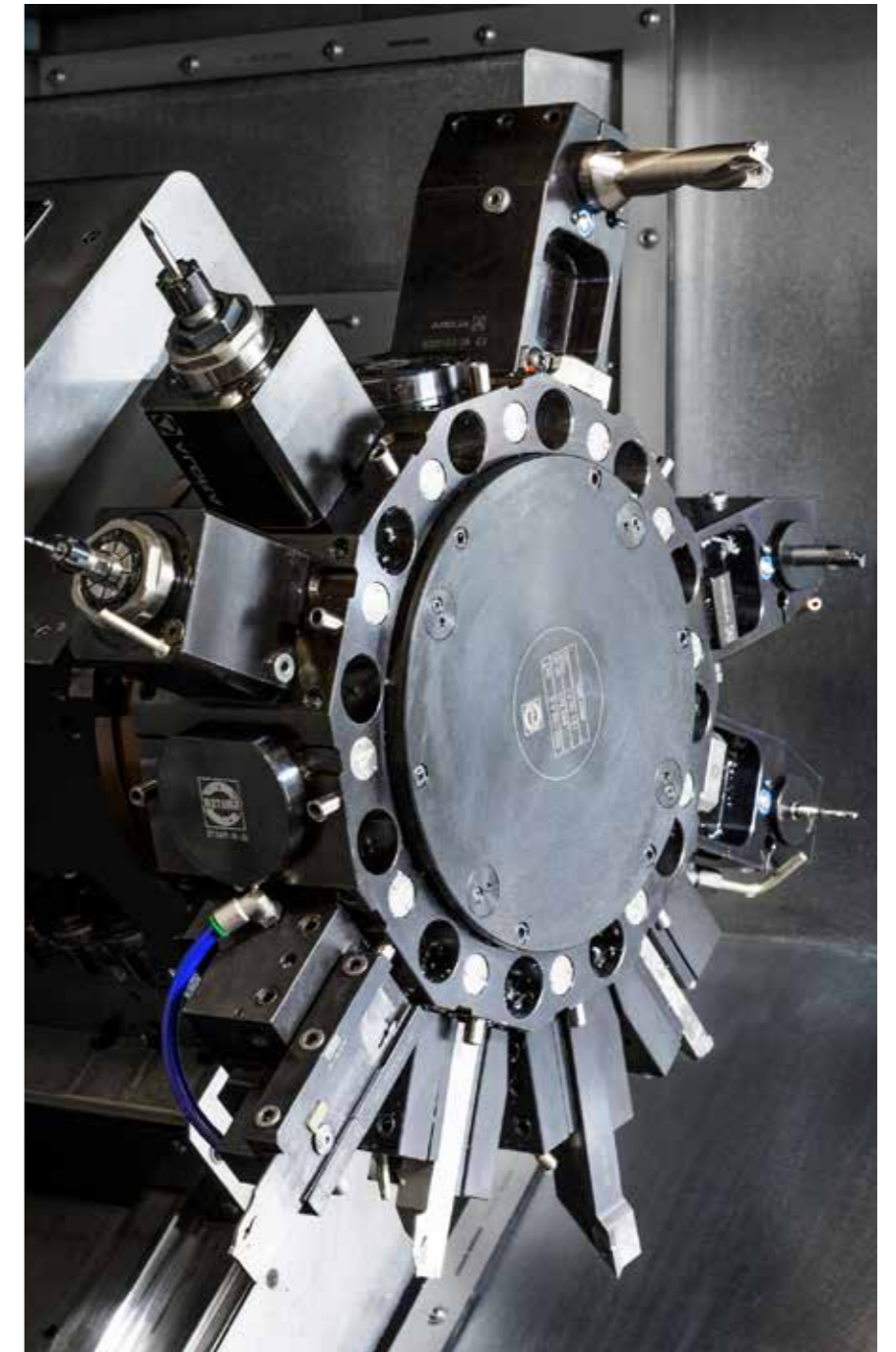
The driving force behind innovation is commitment combined with a sincere desire to offer an alternative to what already exists. The innovator is indeed the one who is able to dream of something different, something better that goes beyond what is presently understood.

Therefore, at the basis of the innovation process, we always find a vision, which must then be translated into technical specifications that satisfy the functioning expected of the product/system. In particular, in the field of lighting, conceiving an innovative product is an activity that involves several people from **different backgrounds**, who may not necessarily be product technicians.

Several methods may guide the innovation process. The most frequent is the ability to apply new technologies that are present in the marketplace in a critical and creative way, which may not derive from a single, specific field.

In other cases, the lighting market witnesses a **process of integration**, taking more or less mature technologies from adjacent sectors; specifically, this relates to Hardware and Software systems derived from consumer electronics that later used as control and management devices. In particular, as will be discussed in the next paragraph, the main lines of research, developed thanks to relations with international partners and innovators, have concerned Light Intelligence solutions including **Artemide App, Target Point, Geo Li-Fi** and **Li-Fi**.

A historic example for Artemide was the use of halogen sources derived from the automotive world and of automatic wax buttons readapted as early as **1972** in the Tizio lamp, nominated for the Compasso d'Oro award in 1979 and winner of numerous other international awards. It resulted in a lamp with a low-voltage halogen source, no power supply wires and a metal structure acting as a current conductor, which allows for considerable freedom and perfect balancing, while using buttons as both mechanical and electrical joints. The Tizio would later become one of the world's best-selling lamps and, at the same time, a "cult" object, demonstrating how that which is "innovative" reaffirms its uniqueness over time.



CNC 4-Axis Machine, Artemide prototyping lab

Light as
Wavelength

Light as
Quanta

The ideas that lead to the development of new products are also developed by collaborating with external parties who help shed light on new needs and opportunities; hence the value of collaborations with leading architects and designers.

The design of a new concept is then carried out according to different phases that include activities' systematic development and their subsequent verification - according to technical criteria in line with the initial product specifications - and that consider, as further specified in the documents relating to the company's Quality System, not only costs and investments, but also important aspects of sustainability.

LED revolution

The so-called **LED revolution** of the 2000s marked a turning point in the field of lighting, leading to a disruptive approach to product design, mechanics and optoelectronics. These aspects of the product are now considered highly interconnected variables in lighting design, with a view to maximizing luminous and material efficiency, enabling miniaturization and longer duration.

Photonic revolution

The **Photonic Revolution** introduced a new paradigm shift for what is now regarded as the century of photonics. Today, Artemide is able to write in the language of light, through which lighting fixtures may be connected together or to other smart devices, exchanging data and information through a continuous parametric dialogue. The new technologies allowing communication between objects have opened up innovative and unexpected scenarios both in terms of user experience and of business model by companies, revealing the new frontiers of light as a service.

The Apps and services that integrate these new technologies are conceived as open platforms, continuously updatable in terms of performance, but above all, scalable over time and in terms of network of interaction and compatibility with other systems. To achieve these results, the design process takes place according to the principle of Open Innovation, a strategic and cultural approach that allows Artemide to create added value by choosing to implement its vision - born of internal ideas and resources - with solutions, tools and technological skills that may originate externally, particularly from startups, universities, research institutes and inventors with whom the Group collaborates.

The key criteria in the development of these new technologies is sustainability.

Collaboration researches

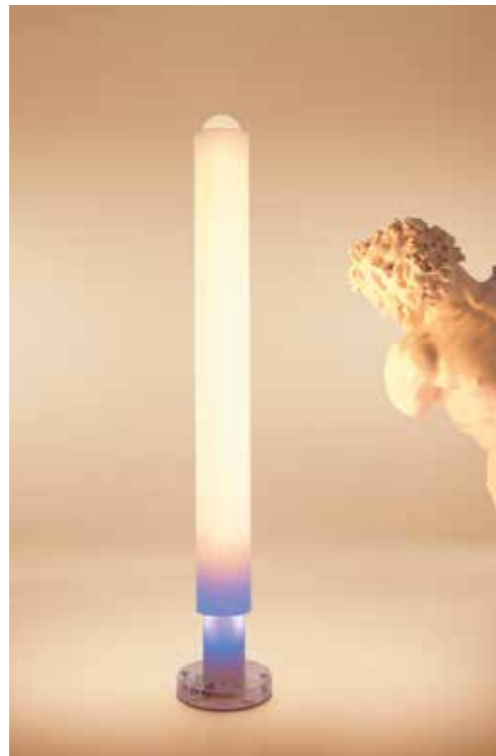
The energy infrastructure to be provided within a lighting space becomes the functional support for value-added services, thus avoiding a waste of resources and minimizing costs.

The integration with different types of sensors (daylight, presence, environmental quality meters, etc.) makes it possible to save energy based on the variables allowed by the environment, providing continuous, real-time metering of energy consumption.

These technologies reaffirm the central role of individuals and their self-determination through time and space, by enabling them to truly become authors of their "**lighting landscape**", while encouraging a more responsible and sustainable behavior.

The Research and Development department features collaborations with several research institutions such as the University of Padua, the Milan Politecnico and the San Raffaele Hospital on projects aimed at improving product efficiency and developing design competences capable of responding promptly to the ever-changing needs of sustainability.

Interdisciplinary research has always been a cornerstone of Artemide, starting with the *Metamorfosi* collection - through working groups with professionals and with Milan's leading universities - to trace a research stream that stretches from evaluating man's physiological responses to the cognitive and emotional responses to light and lighting situations.



Metacolor - Ernesto Gismondi
My White light Collection

Prometeo - Aldo Rossi
Metamorfosi Collection

Spectral Light Exhibiton, Philippe Rham, 2016



Gople Lamp is a new witness of Artemide's research path on light quality and colour. Its **system RWB** (Red- White-Blue), patented in 2011, is a shift in paradigm. It is a new way of interpreting colourful light to have a light that cares about the well-being of people but also of the environment. Through its direct and controlled emission RWB is unified with a **white light** which is also **indirect**, diffused and manageable separately.



Growing Light - Una Pro

Growing Light - Gople RWB

Light as a wavelength: perception and psycho-physiological well-being

Light and colour temperature

Since the early studies on light's colour and its psycho-physiological impact on people that gave rise to the Metamorfosi project, Artemide's research has investigated the effects of white light on circadian rhythms and perception with "My White Light", developing families of products with proprietary technologies based on fluorescent sources. These studies were renewed in light of new LED technologies with Metamorfosi 2.0 and Artemide TW (tunable white) and incorporated in the Artemide App for IoT management of products and lighting scenarios as specific functionalities, such as the "Circadian Cycle".

Many last-generation product families incorporate TW and RGBW technologies in order to assure an excellent quality of light in every space, guaranteeing the highest visual and perceptive comfort. Increasingly transversal and expressive product families, like the Discovery, or with more technical and architectural performance, like the A.24 and A.39, accompany users through the different spaces and moments of life, supporting their lighting needs and concurrently ensuring their psycho-physiological well-being by using color or dynamic white light.

Circadian Rhythm

This feature was developed using patented software that controls light based on the principles governing our circadian cycles. Psychophysical wellbeing depends on complex "internal clock", synchronized with the natural cycle of night and day through natural stimuli such as sunlight and ambient temperature, affecting hormonal responses and the sleep-wake cycle, both strongly influenced by light.

Building on geo-localisation and temporal location, the Artemide App regulates the intensity variation and colour temperature of artificial light to best suit these rhythms.

The parameters relating to geographical and temporal contextualisation are supplemented by behavioural models that recognise three different types of representative lifestyles in order to calibrate the lighting to the rhythm of the activities that each person carries out.

The modulation of light starts with a warm, soft glow upon awakening which, to stimulate activity, gradually shifts towards cooler tones throughout the morning, recreating a pause with warm light towards the middle of the day, moving towards a second peak of stimulation with cold light in the afternoon and ultimately providing a more relaxing atmosphere towards the end of the day.

In addition to this complex programming, the user is able to adjust the range of temperature and intensity, as well as the duration over which the light modulation moves. In this way, everyone can achieve their lighting needs in a way that follows the course of circadian cycles in relation to their daily life habits.

Light and nature

A comprehensive consideration of human well-being has increasingly been broadened to the entire ecosystem. In 2010, for instance, the RWB (Red-White-Blue) patent combined light that promotes plant growth with correct perception for humans. The research on "Spectral light" carried out in cooperation with Philip Rham investigated the perception of all living beings.

Integralis

Research into the effects of light on human wellbeing and the environment has given rise to important developments in helping people live more safely in spaces by protecting their health. In 2019, Artemide's scientific research focuses on studying the effects of light on pathogenic microorganisms, leading to the development of Integralis technology. Integralis is a patented light technology that combines and integrates the visible and invisible spectral range in an innovative formula capable of sanitizing and improving the environmental quality of spaces. Specific frequencies of visible light inhibit the development and growth of bacteria, fungi and molds, while UV light deactivates pathogenic microorganisms.

INTEGRALIS®

A light for a safe environment

INTEGRALIS® combines sanitizing efficacy with luminous performance and design beauty.

INTEGRALIS® also integrates itself in both the environments and moments of life by interpreting the rhythms and needs of humankind.

INTEGRALIS® was born from Artemide's scientific and technological research and humanistic and social vision.

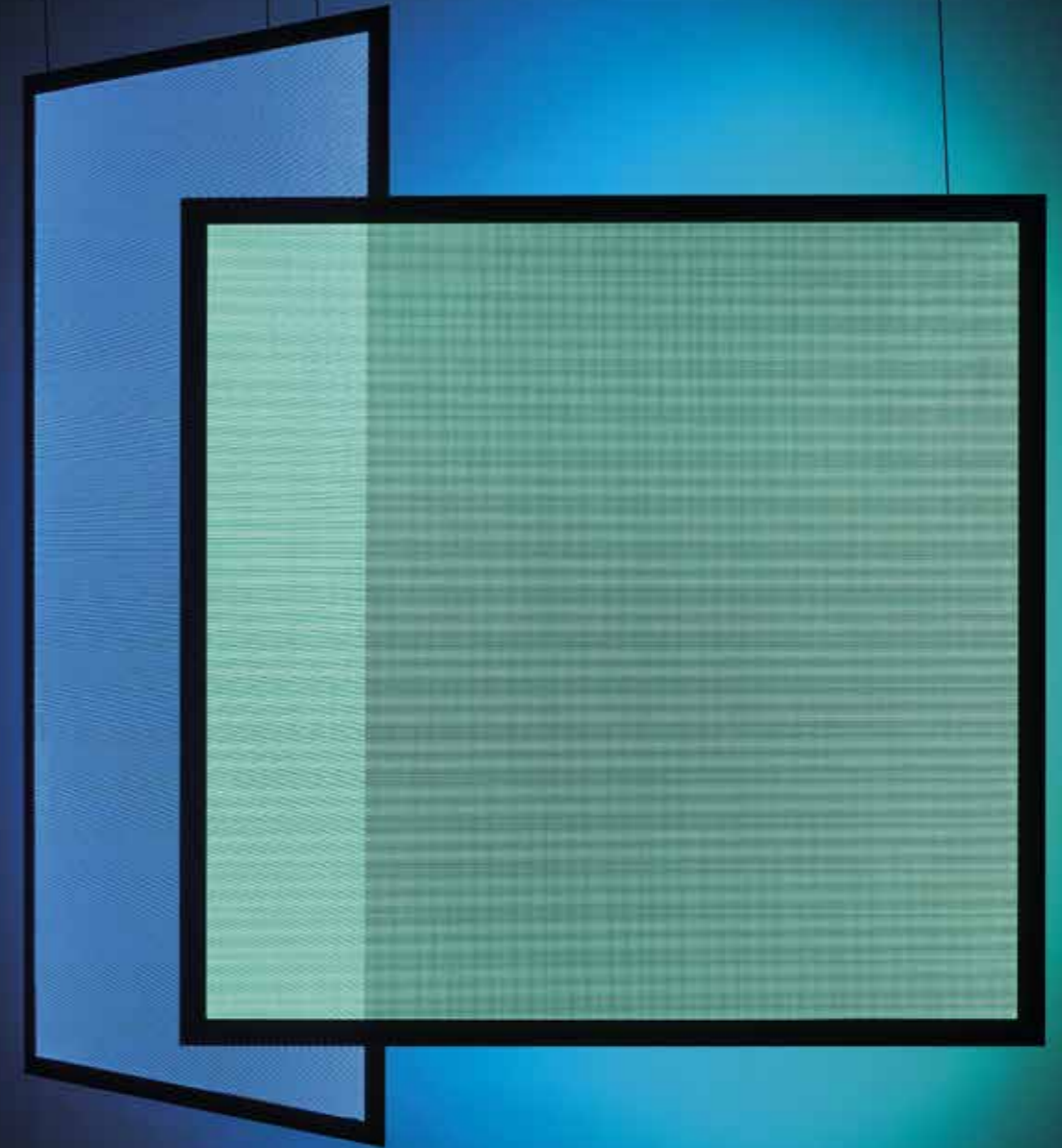
INTEGRALIS® is an innovative and a sustainable light platform aimed at a conscious and responsible use towards the environment.

01
INTEGRALIS®
is sanitizing light

02
INTEGRALIS®
follows the rhythm of
human presence in spaces

03
INTEGRALIS®
is sustainable design

04
INTEGRALIS®
is an open platform



Discovery Space - Ernesto Gismondi
Photographed by Giovanni Gastel

Gamut Index

Research into perception finds ready application in retail. Thanks to the opto-electronic expertise matured by studying existing sources and their characteristics, Artemide is able to identify and provide the LED light source that ensures the correct balance between the different variables that influence the end users' perception.

It is therefore possible to evaluate numerous LED sources in terms of **Fidelity Index (Rf)** and **Gamut Index (Rg)** but above all in terms of spectral quality analysis in order to establish, together with the customer and according to his needs, the most appropriate source to put on stage in the best possible colors, materials and textures.

The spectral quality of the sources used in Artemide products is such that the chromatic response of the illuminated objects is particularly similar to reference sources, such as traditional warm incandescent light or the more neutral sunlight. It is thus possible, thanks to the use of such sources, to recreate different atmospheres, such as the warm light once used, rich in red radiation, or the more modern and balanced natural daylight, capable of making colours more natural. This research investigates the nature of light and its wavelength.



Light solutions with customized spectra

Issey Miyake Flagship Store
Milano



Light as quanta: photonic and innovative interactions

Artemide has embraced the photonic era by creating a new generation of lighting, scientifically backed by quantum physics. Composed of energy particles or quanta, light may become “intelligent” with particular enabling technologies acting as an information carrier for advanced IoT applications.

As a manufacturer of high-end lighting fixtures, Artemide has entered a new dimension in lighting, evolving into a company that also provides services. A dimension linked to the new product-service paradigm that is changing the nature and perception of light in different spaces.

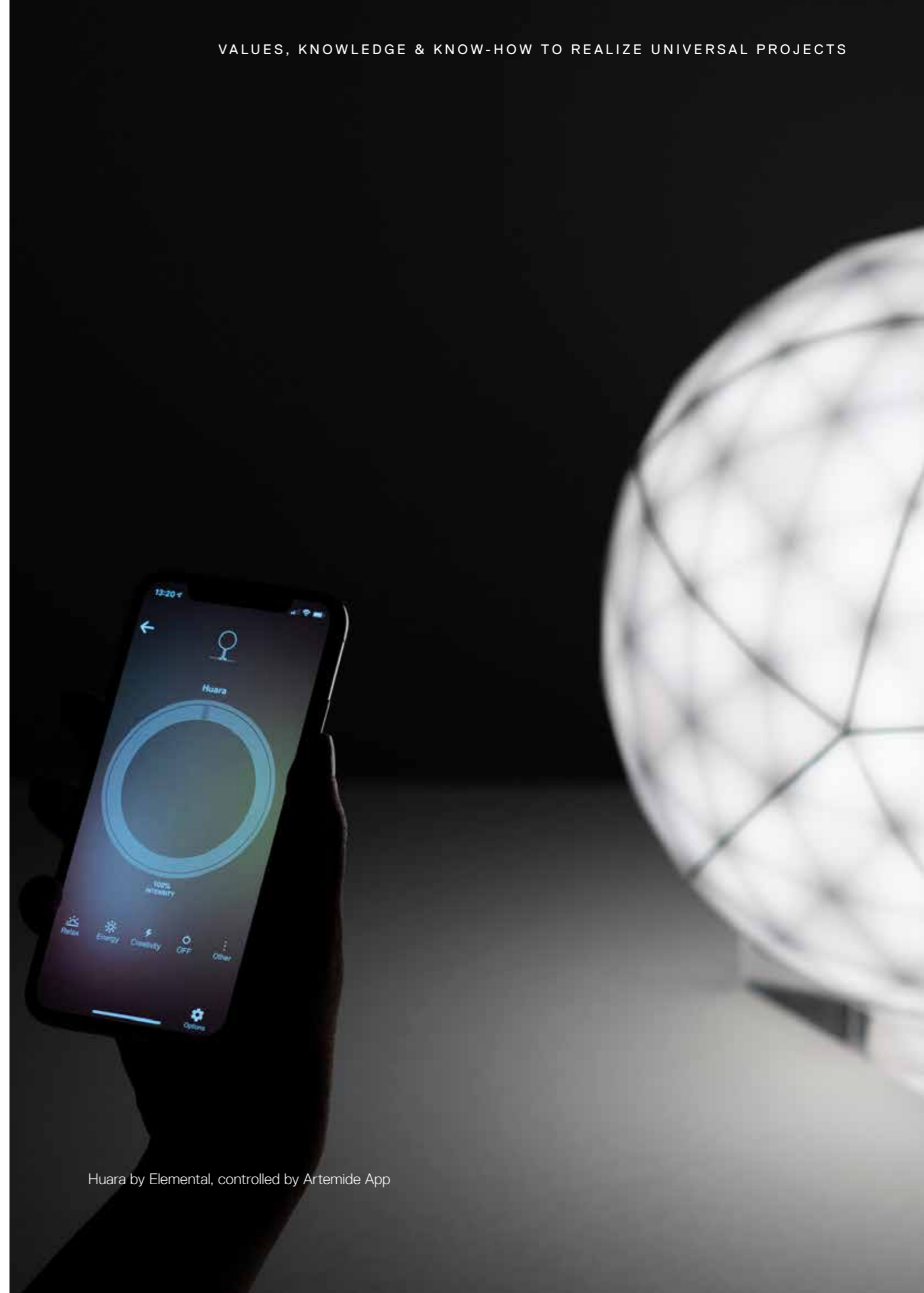
Light and data

Today's leading edge lies in the "intangible" with products capable of carrying and exchanging data act as the link between humans and their shifting environments. In this way, promoting a higher environmental quality and more responsible energy consumption. Everything may now be monitored remotely, and maintenance even occur in real-time.

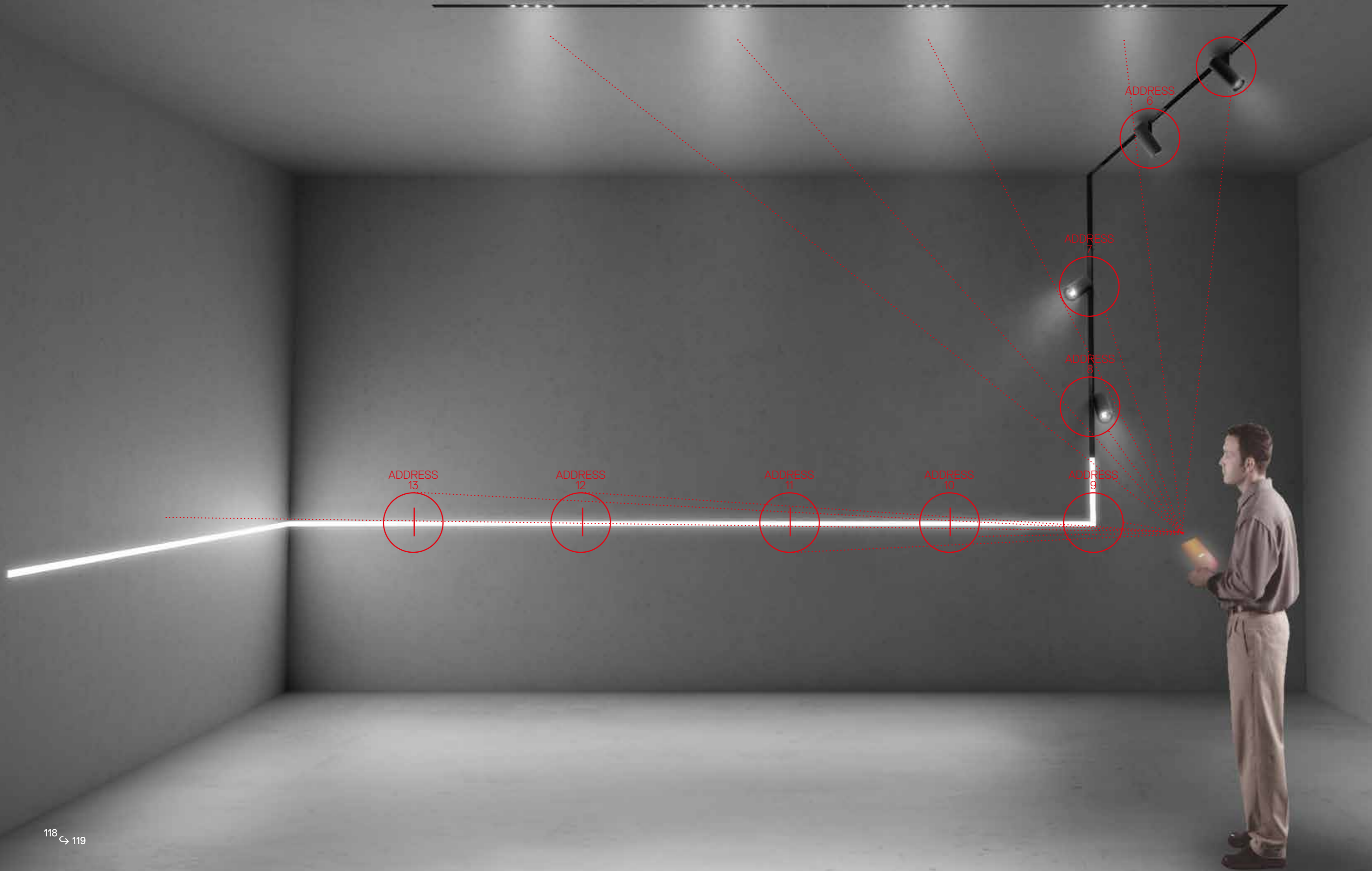
For this reason, the integration with sensors and smart systems becomes fundamental and indispensable, allowing the user to interact with light in new ways, from motion activation to smart devices, voice command and beyond. This suggests how the company must respond with agility with respect to the tools that support customers by duly updating platforms and providing help-desk services that can promptly assist users.

The innovation of these services is twofold: on the one hand, they enable unexpected experiences and new interactions that evolve and change organically following the changing needs of users over time. On the other hand, usability lays at the heart of these innovations, given how they employ the all the necessary lighting infrastructure without requiring complex arrangements, installations and programming.

Light thus becomes a bearer of meaning – a form contemporary storytelling – and of value, both inside and outside the spaces we share.



Huara by Elemental, controlled by Artemide App



Artemide App

The Artemide App revolutionizes the approach to lighting control and makes it possible to exploit fully the precise management capabilities offered by LED technology, while keeping the user at the center. Everyone can become the author of their own lighting landscape, controlling up to 500 lights for each network, adjusting single lights or groups thereof (homogeneous or heterogeneous), activating "interactive actions" in real time, which require, in some cases, a collaboration between BLE (Bluetooth Low Energy) and Wi-Fi.

"Interactive actions" refers to the possibility of managing light intensity, colour temperature and colour point in addition to the application of static or dynamic scenes. A special interface dedicated to the control of RWB technology and plant growth has been introduced into the Artemide App ecosystem. In particular, this advanced interface allows the user to choose a set-up dedicated to humans (based on TW dynamic light) or plants (based exclusively on RWB technology), assisted by light "recipes" recommended by Artemide or freely managing colour and intensity parameters. To make light control even more immediate and intuitive, interaction commands with motion sensors and voice control through Alexa or Google Home have also been developed.

The Artemide App also uses stand-alone or integrated sensors to interact with environmental variables making it possible to monitor air quality indicators such as humidity, levels of VOCs (Volatile Organic Compounds) and CO₂, the temperature of an environment, to set the behavior of light through a Daylight sensor, to obtain information through the Heat Maps function on how users move around in a given space over time and to set up scheduling that shifts the light setting based on the day of the week.

Artemide has also implemented a Circadian Cycle functionality, which recommends specific light combinations associated with the psychophysical well-being. A special algorithm, developed internally and based on different inputs entered by the user, elaborates custom light combinations to support the user's physiological well-being, while providing a wide choice in the variation of the light scenes.

A proprietary cloud system ensures the reliability of the service, making network information secure and allowing the administrator

user to manage their network and restrict other users access to its settings. A Multi-Network control on a Wi-Fi basis broadens the range of possibilities by enabling the management of different networks, even if located on different floors, from a single point. Especially for contract projects, the Multi-network command and the ability to create Multi-Network groups, i.e. sets of groups belonging to different networks/floors, allows to take full advantage of the Artemide App platform to create a sustainable and engaging light experience for those who enjoy the space.

Target point

Artemide Target Point, a feature of the Artemide App, is a system of appliances and sensors that regulate desired light and projected light within the surrounding environment. This system's innovation lies in the ability of adjusting the parameters of choice in accordance with a point of interest rather than the appliance itself. The targets are the environmental parameters, a concept that goes beyond a normative value of lightning or color rendering. Target Point leads to a continuous exchange of information between lighting and the environment by recording environmental variations and integrating them to maintain a dynamic balance against preset targets. This translates into a dynamic perception of the light's physiological or chromatic quality. With Target Point, technology is at the service of users becoming a tool to achieve a state of physiological well-being and enhancing how spaces are experienced.



*Target Point, museum application.
Parametric dialog between a Tunable White artificial
light and enviromental phenomena.*

Geo Li-Fi

Offering unprecedented possibilities for interaction within spaces, Geo Li-Fi is the ideal technology for a variety of applications: in museums, whereby the very beam that illuminates the artwork can transmit targeted information to the observer, or in retail spaces or public environments, guiding the visitor by providing useful services and added value. Through visible light, modulated according to a coded logic, location data can be activated. The frequency of these light pulses is imperceptible to the human eye but generates a signal that can be elaborated by the camera of any smart device. Communication takes place via wireless connection while the light source, equipped with the Geo-LiFi device, acts both as a light coordinate for geo-positioning and as a trigger, for the wireless reception of contents, which are visible through a special App on the user's device. This may be static content such as a message, an image or dynamic content such as a video. It can also link to external web sources, becoming a bridge to wider applications. The content can also be customized according to the profile of the end user, thus opening up to new pathways of interaction between light, space and information.

Li-Fi

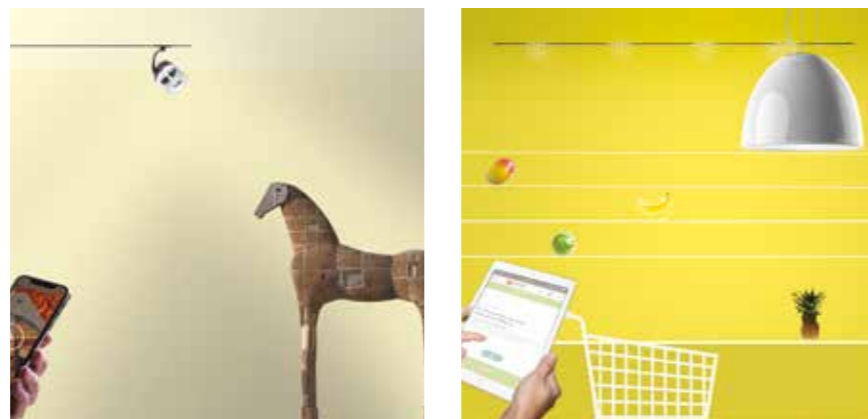
Li-Fi makes it possible to transfer data wirelessly thanks to the rapid intermittence of LEDs at a frequency that is not visible to the human eye. Compared to conventional wireless solutions, Li-Fi does not generate electromagnetic fields and ensures higher security standards by limiting network access to a defined physical area outside which light cannot be modified or intercepted, let alone data of any kind.

Smart City. Artemide is developing outdoor lighting solutions capable of giving character to the urban lighting environment, communicating with city management systems and individual users to generate different types of lighting effects depending on the inputs, and distributing data and energy. Based on VLC (Visible

Geo Li-Fi, retail & social space application



Geo Li-Fi, museum & supermarkets application



Li-Fi, Personal workplace



Li-Fi, Meeting room



Smart City

Light Communication) or IR (Infrared Light), the outdoor lighting network can support communication through specific emitters, which Artemide is applying to both indoor and outdoor systems. The outcome of these studies will also depend on the availability of smart-devices with native VLC or IR wireless functions.

Solar Tree

Solar Tree was created as a lighting appliance that combines a unique and innovative design by Ross Lovegrove, LED technology and solar photovoltaics.

On the one hand, the project aims to reduce the environmental impact of the product's use phase as far as possible, while on the other, it seeks to ensure the expected lighting performance without being affected by weather patterns or falling prey to the over-sizing of the photovoltaic component; hence the choice of a hybrid battery + grid solution. Solar Tree thus becomes an intelligent, last-generation platform capable of establishing a personal connection with the individual user or interacting with a smart, "SENSEable" city network.

The project lends itself to new perspectives in urban lighting by interpreting the current artistic, cultural, social and environmental needs. Solar Tree has been designed to work both independently and in conjunction with public lighting.

In ordinary operation, the product will not draw energy from the power supply but will use the energy generated by the solar panels for its functioning and battery charging. Sundown is autonomously detected by monitoring the output of the solar panels; from then on, the LED sources will be switched on until dawn. The energy stored in the battery will allow the device to operate for about 25 hours in the absence of an external energy supply. If, on the other hand, the lighting is wired for joint operation with street lighting, its operation will be linked to the surrounding lighting.



Solar Tree - Ross Lovegrove
Piazza Gae Aulenti, Milan

SENSEable Village

With Deloitte's support, Artemide has launched working groups involving a variety of actors interested in developing innovative solutions for a Smart City, whose meetings and discussions may lead to innovative projects not only in the immediate future, but also in the medium to long term. The objective is to develop a joint research and development project upon which to structure an innovative business model to support tangible projects aimed at present and future SENSEable Cities.

The cities of the future are a pivotal field of innovation, a meeting point for numerous issues relevant to the people's lives (data, mobility, pollution, safety) that affect different stakeholders. For years, Artemide has been active in the design of an outdoor light designed to follow the needs of urban areas not only with functional solutions, but also with interaction and energy intelligence in promoting a new, sustainable and social dimension for cities and people.

Starting from the notion that a network of energy and lighting devices could become a new technical platform upon which to develop innovative services for the city, Artemide's ambition is to create new services for the citizens of smart cities by enabling new collaborative and business models, which will encourage organizations to reach beyond their specific field of expertise and collaborate with actors from other sectors.

“It is the space where the interaction between humans, nature and technology enhances the quality of life.”

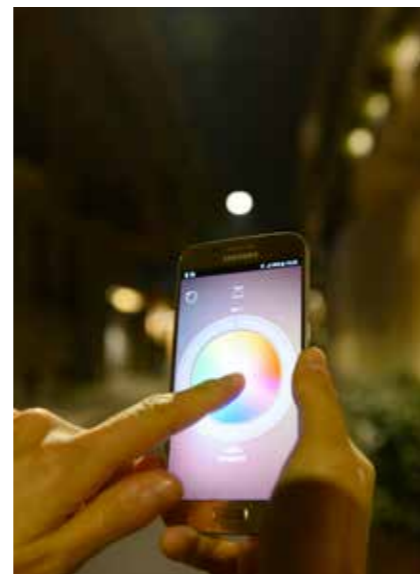
SENSEable Village Manifesto

The flow of light

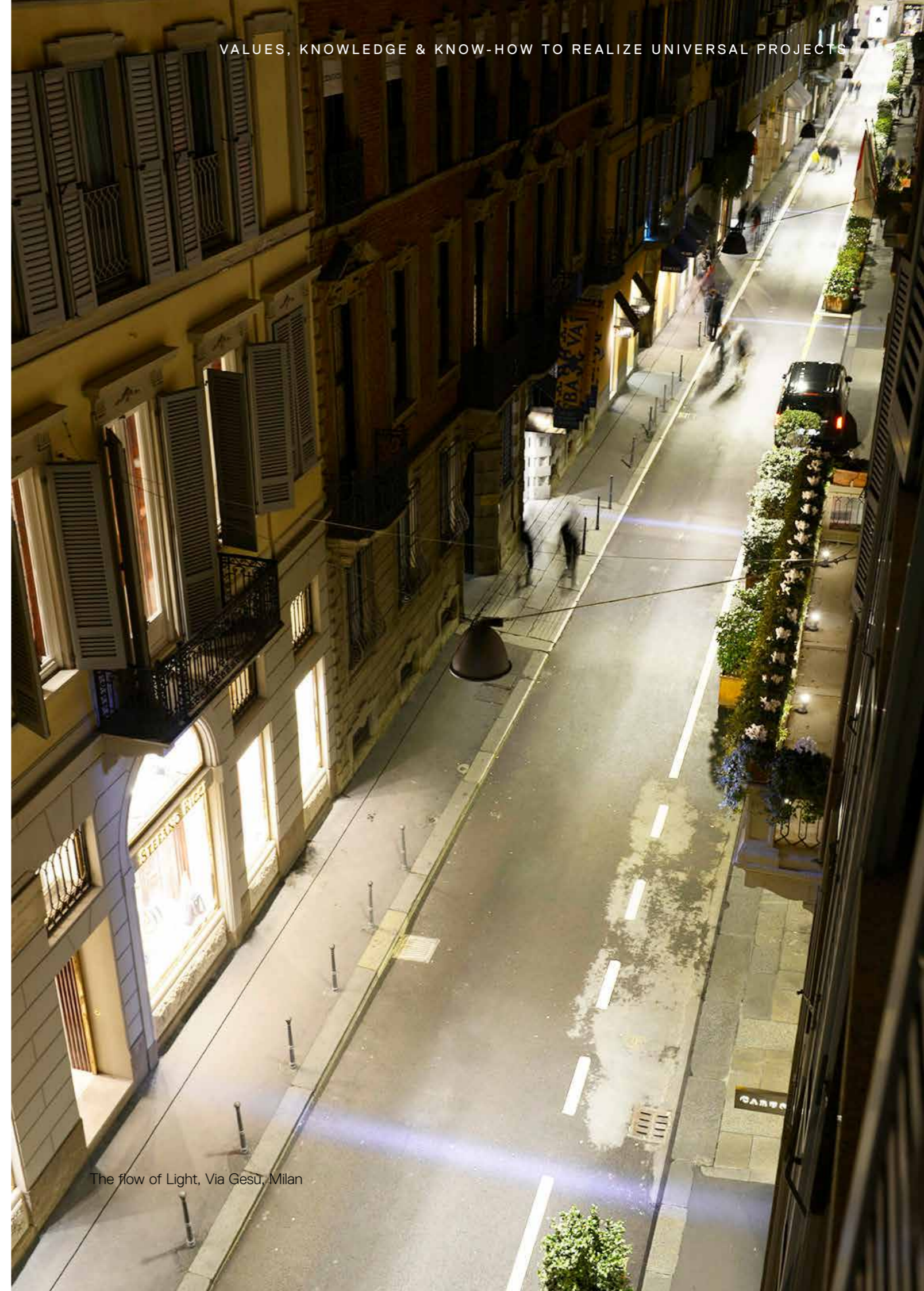
Unique among the streets of Milan's "Quadrilatero", the fifteenth-century Via Gesù becomes the focus of an innovative lighting project, which aims to enrich the idiosyncrasies of this unique street, dotted with refined boutiques, artisan shops and antiques dealers. Located alongside the neo-Renaissance house Bagatti Valsecchi museum and the Four Seasons Hotel Milano, once the Convent of Santa Maria del Gesù, it is also increasingly becoming an ideal space for the many of resident families.

An initiative that tangibly applies the concept of Smart City, of which the Municipality of Milan has long been a promoter, bringing information, relationships and culture together through light. A "river of light" will be created with Nur lamps – "light" in ancient Egyptian – designed as a special Outdoor version for Via Gesù, which will accompany visitors through a new perceptive experience along the street that links the prestigious Via Montenapoleone to the equally exclusive Via della Spiga.

The lighting will illuminate the facades of buildings with luminous blades of color, all managed through the Artemide App, marking the path while revealing the history and the architectural beauty of those facades and balconies to passersby.



The flow of Light,
controlled by Artemide app



The flow of Light, Via Gesù, Milan

Protection of Know-how

Among the essential elements to Artemide's success are its expertise and intellectual property, which includes trademarks, product design, innovations in materials, components and system solutions. Therefore, the protection of expertise and the rights of third parties is of utmost importance.

To this end, Artemide has always followed a strategy based on registered industrial property rights, i.e. rights that allow exclusive use of the technological or application solutions developed. Over the years, Artemide has obtained numerous patents in optics, mechanics and electronics and, in recent years, digital management and interaction sensors.

Today, technology transfers occur ever more rapidly, allowing Artemide to promptly apply and distribute the innovations developed through research. Patented solutions expand the knowledge base of the company with wide repercussions on the different collections where they are often embedded different products.

Artemide mainly holds invention patents on its proprietary or in-use technological solutions. As of December 2019, the ratio of invention patents to utility models held is 98 to 4, respectively, for a total portfolio of 102 patents on 46 different technical solutions. The ratio between the national domains of the patents included in the portfolio as of 12/31/2019 is as follows: Italy (where the first filing occurs) represents 37%, Europe 50%, and the U.S. 13%.

Innovation patents and Utility Models

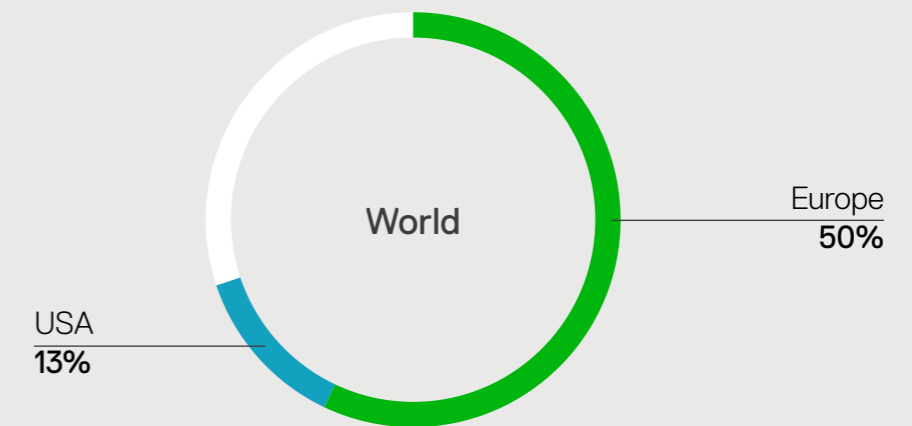
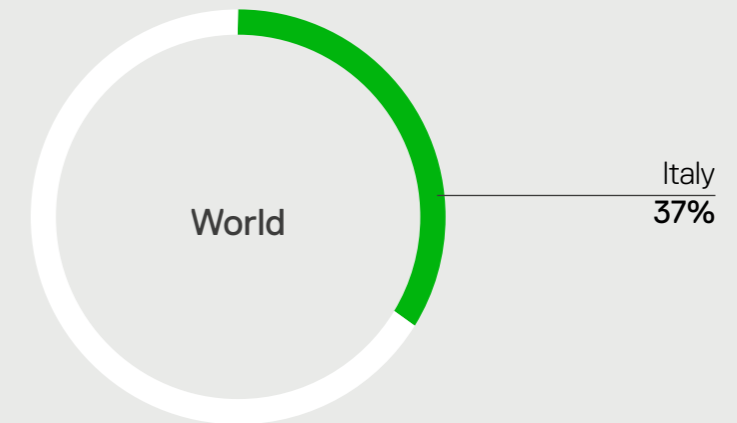
Registered models

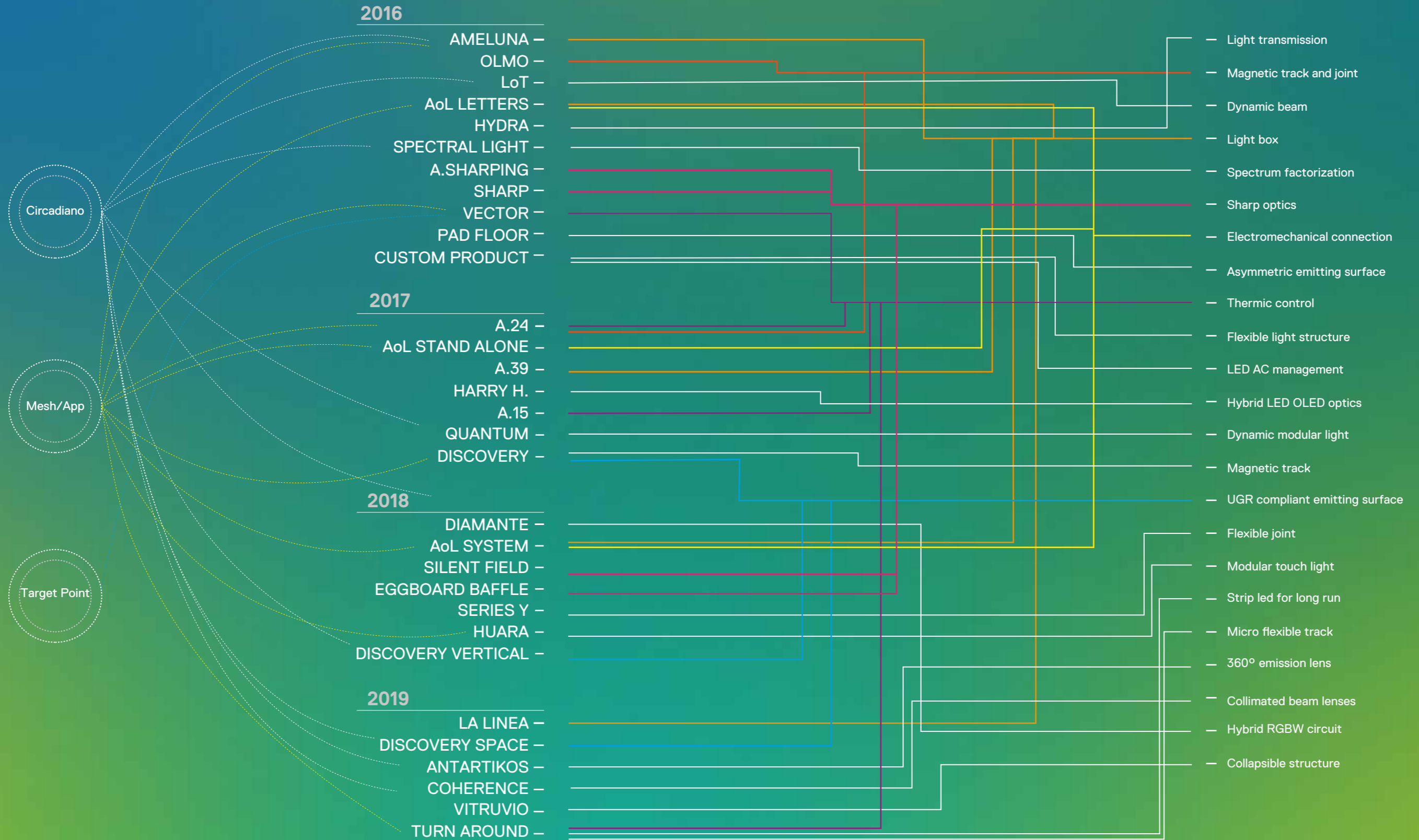
With regard to the design patents used to protect the aesthetic of products, Artemide considers it of primary importance to provide each design with a registered patent title. The Company policy is to register new products designs within one or more multiple design patent registrations in the European Community each year. The registered patents are fundamental for the protection of original products from counterfeits, especially in online markets, which the Company has been overseeing for 8 years through an international partner that is specialized in brand monitoring. This activity allows the removal of counterfeit products from the online sales platforms with the highest volumes.

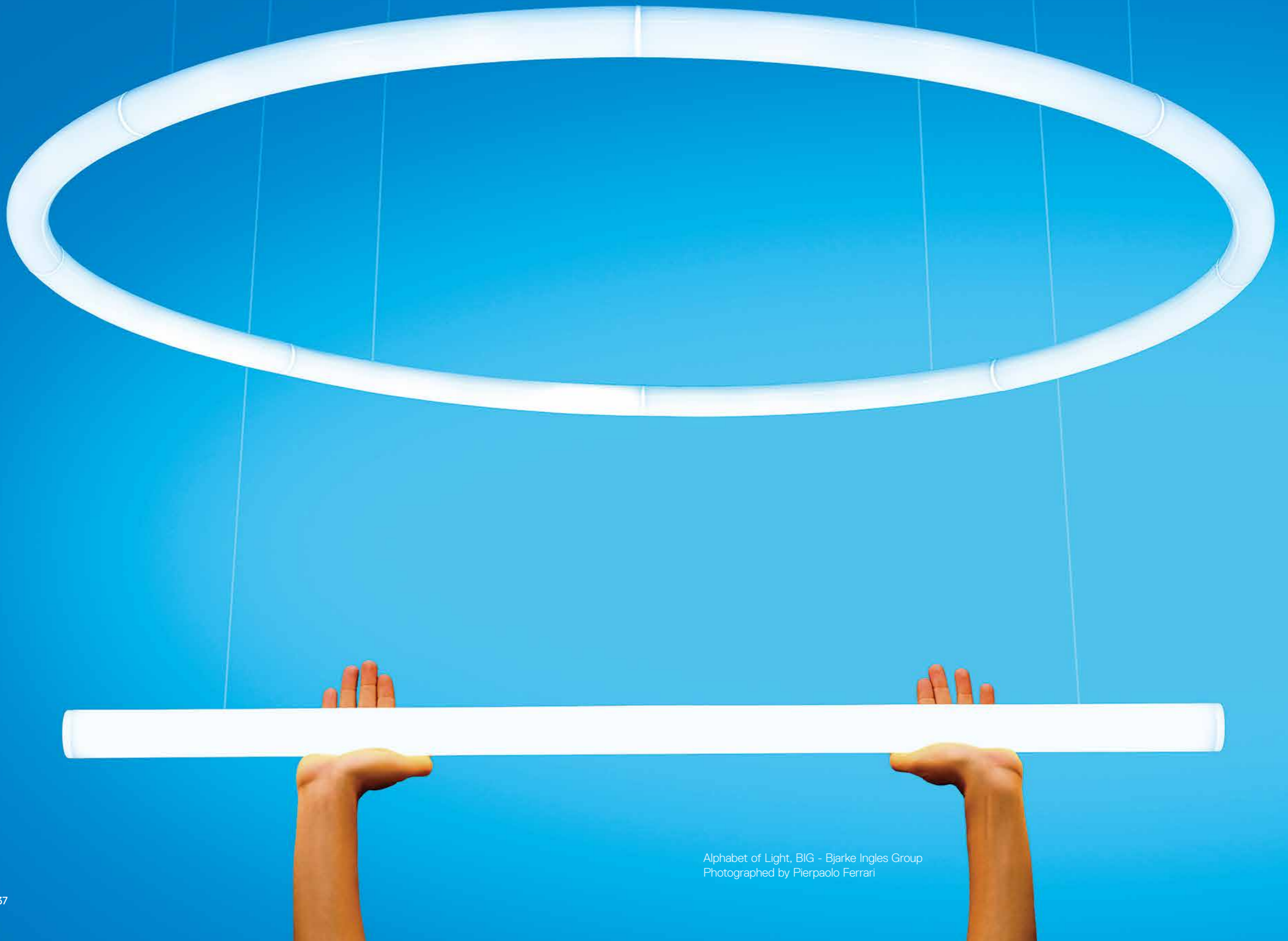
Ratio of Patent Nationalities

Ratio of patent nationalities included in the portfolio as of 31.12.2019:

Italy (where the first deposit is made): **37%**
 Europe: **50%**
 U.S.A.: **13%**







Alphabet of Light, BIG - Bjarke Ingles Group
Photographed by Pierpaolo Ferrari

02.2 Actions for Eco-effectiveness

Logico, photographed by Elliott Erwitt, 2001



Téchne

Artemide's design is grounded in the ability to anticipate change through innovation, culture and creativity, manufacturing and sustainable economics, thus combining action with expertise. Science is strictly linked to "téchne", a term in ancient Greek, which means "the art of doing" and "passion for knowledge". It implies how creativity and competence are not only a prerequisite for technology, but also a language and a form of expressing beauty. For Artemide, research and vision, guided by an open approach, have always been key tools in interpreting and translating contemporaneity, transforming "téchne" into quality, art and emotion.

The true value of Italian design lies in the unique intersection of scientific competencies, technique and human heritage, yielding a culture capable of creating a knowledge economy through the beauty of its innovative products, in response to society's needs. All of Artemide's choices have been focused on a single objective: the commitment to improving humankind's quality of life and its relationship to the environment through a responsible design.

The present and future of light builds on this vision through the following values:

Responsible Design = Reduce to innovate, more with less.

New projects are acts of responsibility towards the planet and translate into creative innovation: less materials and no energy waste, without compromising performance, quality and beauty. A critical and more efficient approach that goes to the heart of the project and extends fully to its application. Artemide promotes the culture of light and offers tools for a conscious choice and a mindful use of light, qualifying it in terms of energy and economic savings.

Long lasting = Long-lasting project. Emancipation of the logic of consumption, through the quality of the product. A careful selection of innovative materials and an intelligent design help to create a lasting emotional bond with the product. Durable projects mean quality.

Incremental systems = The open platform project. The product is not a closed system, but an open and net-positive system that can constantly grow and update itself through maintenance and updates.

Good Light = Reconnecting to nature.

Light is indispensable for all living beings. By studying its relationship with humans, space and the environment, it is possible to create a light that takes care of the psycho-physiological well-being also in relation to the rhythms of natural light. A good light can also abet the growth of nature and its photobiological processes, respecting the planet and all its inhabitants.

The entire Artemide collection is an expression of responsible and careful design. There has always been a drive to develop new products with an intrinsic attention to the environment. Artemide is committed to continuous research in an attempt to develop lighting systems that pursue the maximum energy efficiency. Artemide pushes the boundaries of design beyond the product itself through the design of interactive systems that adapt to spaces.



Tolomeo, Michele De Lucchi & Giancarlo Fassina,
Photographed by Elliott Erwitz



“Enduring Beauty – An innovative vision to design a sustainable beauty”

“O” Suspension, Elemental



Vector by Carlotta de Bevilacqua,
LEED compliant.
Photographed by Pierpaolo Ferrari

Sustainable approach

Artemide pays particular attention to sustainability and, as stated in its environmental philosophy, the Group is committed to designing products that minimize their environmental impact by following three key principles:

- energetic evaluation impact:
Life Cycle Assessment and Energy Metric Centric
- material selection
- definition of the productive processes

The **Life-Cycle Assessment (LCA)** lays the grounds for the definition of design priority indicators as a decisional support in effectively shaping lighting design towards eco-efficient solutions that minimize the environmental impact associated with all stages of a product's life cycle.

Life Cycle Assessment

In collaboration with the **Politecnico di Milano**, research was carried out to assess the environmental impact of the Tolomeo table lamp throughout its entire life cycle. The purpose of this study was to provide Artemide with design recommendations for the development of future products, defining guidelines aimed at addressing the transition towards environmental sustainability in a rapidly evolving regulatory framework.

The analysis was carried out in 2007 in accordance with the LCA methodology and ISO 14040 set of standards to identify the different impact categories in relation to the phases and processes of the product's life cycle. The purpose was to identify the "hotspots" of the Tolomeo table lamp to inform the design of highly eco-efficient lighting.

The assessment highlighted how the main impacts are produced during the use phase. This finding directed the attention to design choices aimed at maximizing the energy efficiency of the product and reducing energy consumption. The analysis also shows how it is equally important to raise awareness among customers and users to foster a more mindful use.

LCA Tolomeo

The **Tolomeo** lamp, designed by Michele De Lucchi and Giancarlo Fassina, already met the design conditions that are essential strategies to the design of a new lamp today in 1987:

- low material consumption by the product and its accessories;
- use of non-depletable materials for conservation and biocompatibility;
- longevity of product life-cycle;
- recyclability of the material used;
- ease of disassembly.

Through the analysis of the Tolomeo lamp's life cycle, it has emerged how the greatest environmental impact occurs during the use phase. Energy consumption is significantly more impactful than that incurred during the phases of pre-production, production, distribution and disposal.

Although impacts vary according to the actual time of use of the appliance, it may be argued that the use phase of a lamp equipped with a traditional incandescent 100W light source accounts for more than 90% of the overall environmental impact, assuming it is turned on for 3 hours a day.



Tolomeo Mega Floor, Michele De Lucchi & Giancarlo Fassina
Photographed by Pierpaolo Ferrari



Energy Metric Centric

Artemide adopts design criteria that aim to maximize the energy efficiency of products, paying particular attention to the measurement of the energy consumed according to a logic of "Energy-centric metrics" that enable the monitoring of the energy use per square meter of illuminated space to ensure the right light in terms of quality and quantity.

All products are designed with state-of-the-art LED sources. Legacy products have been updated to accommodate low-energy, high-performance and efficient sources. Where possible, they have been designed from scratch to accommodate an integrated LED source.

The use of LED sources in Artemide products guarantees a **reduction in consumption of up to 80%**, depending on the case, compared to the same appliance equipped with traditional sources, minimizing the impact of the use phase on the product's life cycle and enabling the design of lighting appliances with a life expectancy of at least 75,000 hours.

The studies on dissipation have been guided by the desire to reduce the use of materials that disperse heat as much as possible, while retaining the high performance of LEDs. The heat sinks are sized to preserve the life of the sources according to the globally recognized **IES LM80-TM21** methodology, which correlates the life of the LED with the temperature during use. Artemide tests the LED sources in accordance with reference standards and sets on all its products a temperature during use that is lower than 85°, which ensures a remarkable duration over time (L80 B10 > 75,000 hours).

Statistically, this implies how after 75,000 hours of use, only 10% of appliances will have a luminosity that is lower than 80% of their initial performance. For Artemide, tests on products and their components are an integral part of the engineering process and not just a final step, aimed at certifying the result.

In 2019, **79.2%** of sales were attributable to sustainable products based on LED technology (78.7% in 2018).

In addition to reducing energy consumption thanks to LED sources, the current introduction of management systems brings further advantages in terms of **energy savings** and, consequently, economic savings, by dynamically relating the performance of light to environmental variables and the activities carried out in the spaces.

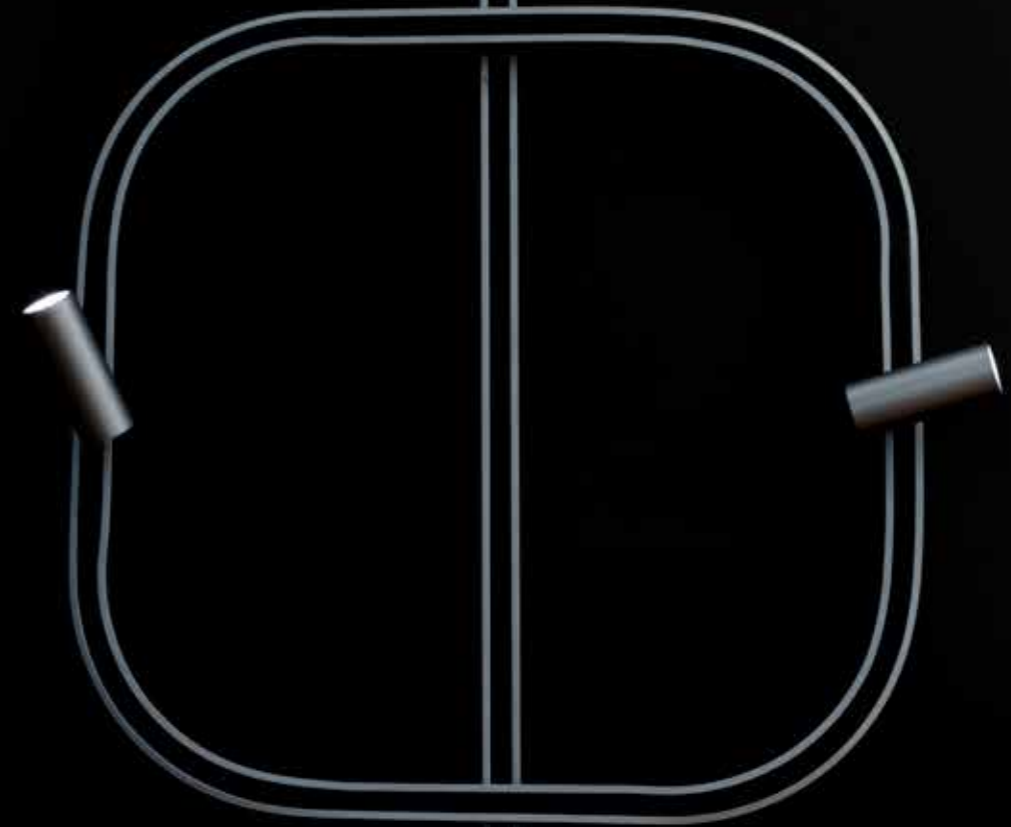
Many Artemide appliances integrate light management systems that allow their control according to natural light, in the case of Daylight-Detector, or through third-party sensors (motion sensors, integrated presence systems, etc.), allowing the system optimization of entire buildings according to their use and their users' needs.

Materials and productive processes

During the design phase, **materials** are chosen in a way that is compatible with the aesthetic and design requirements of the product, favoring **recycled** or **recyclable raw materials** with low environmental impact. This constitutes one of the focal points for Artemide's research aimed to identify new generation production processes, materials and finishes that improve the environmental impact of the product. In some cases, this activity opens up to application fields beyond lighting or leads to the development of dedicated and innovative solutions in partnership with suppliers.

In 2019, Artemide will once again support Material Connexion, reinstating a partnership that began several years ago and has led to new frontiers in the pursuit of innovative solutions from both a material and process standpoint.

Often research leads to significant process results that are less visible in the final product design but have important implications in terms of sustainability, leading to a continuous improvement of the impacts during production or surface finishes, a reduction in waste or materials used.



Turn Around, Carlotta de Bevilacqua

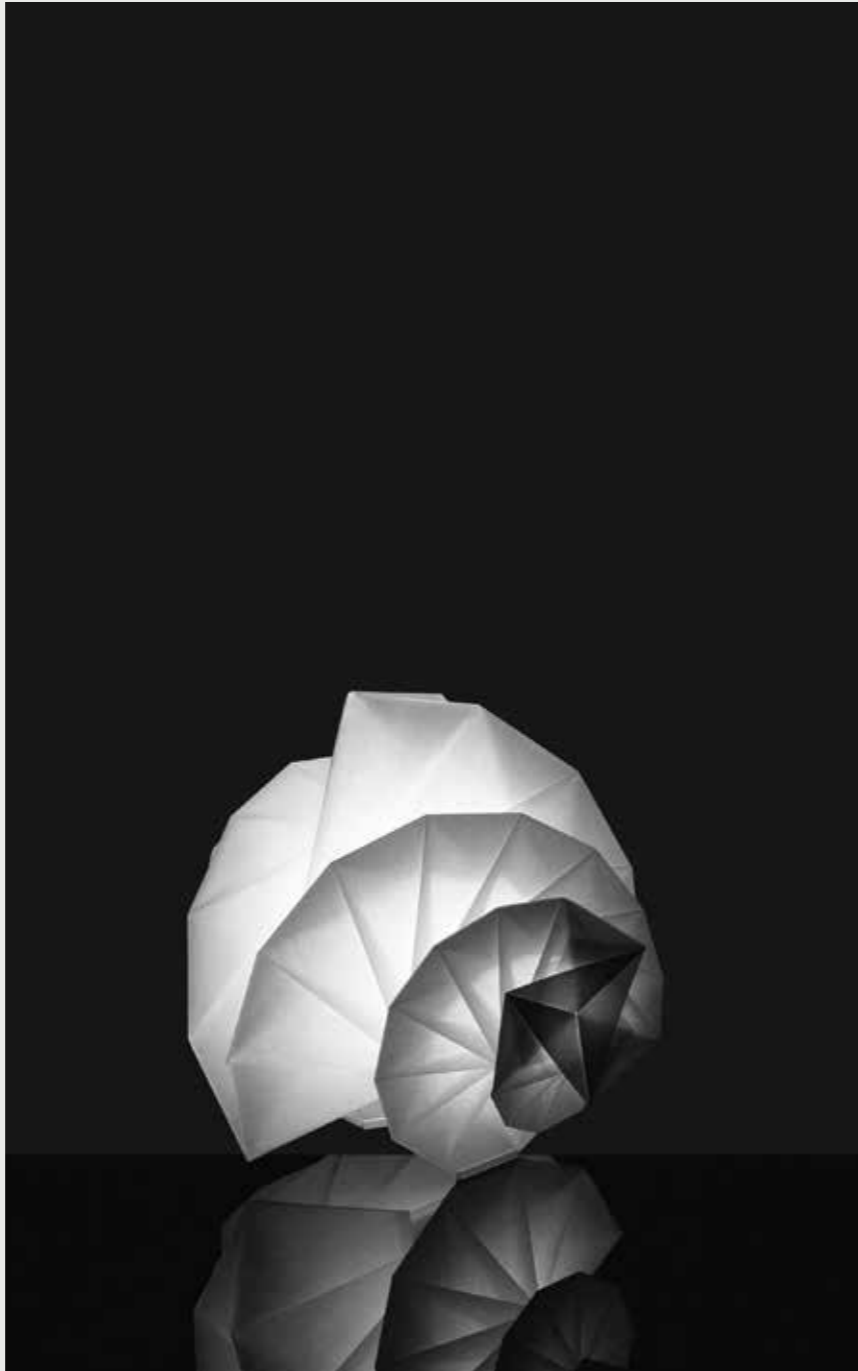
The **IN-EI ISSEY MIYAKE** collection by Artemide is a series of table and floor pendant lamps.

Their shadows are created using mathematical principles, and are casted in two or three dimensions, intersected by subtle and beautiful luminous nuances.

The inimitable folds, which determine the plastic forms and the solidity of the lamps, are made with a proprietary technology created by Issey Miyake.

Thanks to the recycled materials from which they are made, with a luminous transparency superior to that of paper, these lamps maintain their shape without the need of any internal structure: the folding process creates statuesque shapes that are solid enough to be reshaped without problems.

When not in use, they can be stored folded.



The metallic versions of **Gople** are a perfect example of how Artemide's research into materials, finishes and processes is strongly oriented towards sustainable solutions. In the design choice, the environmental impact is a key factor that has primacy on the final aesthetic result. In this case, the silver, bronze, copper and sapphire blue finishes are made with an innovative and sustainable process of vacuum metal deposition. From an environmental standpoint, "sputtering" is one of the cleanest coating technologies:

→ It only uses metals that are not harmful to health

→ It completely abates emissions, particularly those resulting from sulphuric acid and cyanide that are normally produced by galvanic processes

The next stage of protective painting transparent, aimed at ensure long life to the aesthetic quality of the finish, employs a solid paint with at most 5% of solvents (compared to a traditional one 75%). The waste generated by the process are very limited.

Ø2.3 Designed in Italy, produced in Europe, worldwide distributed³

ISO 9001:2015

Artemide HQ, Pregnana Milanese, photographed by Elliott Erwit



³ The quantitative data related to the supply chain for the year 2017 are not available.

Lean Manufacturing

Artemide is known all over the world for its high quality standards, which guarantee the longevity of its products. What makes it possible to maintain the high levels of quality is the production process, carried out entirely within the Group's own factories or entrusted to qualified, highly specialized subcontractors who fulfil the excellence criteria necessary for the realization of the products.

A tangible sign of Artemide's attention to quality is the requirement for its suppliers to act in accordance with the principles of the **Group's Code of Ethics** and the adoption of the **ISO 9001:2015** Quality Management System, based on international standards, which enables it to demonstrate its ability to supply, on a regular basis, products that meet specific requirements relating to product and system standards.

Artemide has always invested in the continuous analysis of production processes with the aim of making them more efficient, making it a cutting-edge company over time. In fact, adopting a strategy aimed at continuous improvement is an essential requirement for successfully meeting the challenges and dynamics of the market. With this in mind, Artemide has adopted new tools to further improve process control, enhancing the current competitive advantages by implementing, since 2011, a production process in line with the Lean Manufacturing philosophy.

Lean Production (Lean Manufacturing) is a set of principles, methods and techniques for managing operational processes, which aims to increase the value perceived by the end customer and systematically reduce waste in terms of time, materials and energy.

The aim of Lean Manufacturing is to “do more with less”:

- less **time**
- less **space**
- less **effort**
- less **machines**
- less **material**



Artemide Factory - Pregnana Milanese

Lean Thinking

For this purpose, Lean Manufacturing uses a single framework in all areas of the company: product development, sales and marketing, production, logistics and management. The integration of this philosophy has only been possible through the early involvement of staff and the operational support of people dedicated to continuous improvement. The system therefore presumes a "continuous improvement", and for this reason,

Artemide has provided specific training in 2018 through targeted actions, which will also be implemented during 2019.

The basis of Lean Manufacturing is Lean Thinking, which comprises a set of operational tools and methods for applying lean principles in the company.

The concept of Lean Thinking emphasises that Lean, as well as being a method to be applied, is first and foremost a mindset, i.e. the way of thinking that inspires the method itself.

Lean Manufacturing is based on **five** principles:

→ **Value.** The starting point is always the definition of value from the customer's perspective. Value is just what the customer is willing to pay for; everything else is waste and must be eliminated

→ **Mapping.** In order to eliminate waste, it is necessary to "map" the value stream, i.e. to outline all the activities that constitute the operational process, distinguishing between value-added and non-value-added activities.

→ **Flow.** The value creation process is seen as a continuous flow, resulting in a reduction of the materials' lead time.

→ **Pull.** Satisfying the customer means producing only what they want, only when they want it and only in their desired quantity. Production is thus 'pulled' by the customer, rather than 'pushed' by the producer.

→ **Perfection.** Perfection corresponds to the complete elimination of waste and is the benchmark against which we must strive without end through continuous improvement



Artemide Factory
Pregnana Milanese

Efficiency and service

In short, the fundamental philosophy that underlies Lean Manufacturing is the elimination of inefficiencies from the company's processes, employing a systematic approach to shorten their duration and provide a product that meets the needs of customers, both in terms of greater resource efficiency and improved service levels.

In addition, by reducing wasted time, production line operators are able to compare and share their work towards common goals. The ultimate goal being to achieve **'zero defects'**.

As stated last year, a new tool to support production units called **Execution Management System (MES)**, was implemented during 2019. The system is able to collect and monitor real-time production data, including production timing and progress status, any halting and its causes. This investment, in line with the Lean Manufacturing philosophy, has been made to exploit its functionalities through 2020 in the Italian and French plants, where feasibility studies have been carried out.

One of the operational advantages lies in the real-time monitoring of order progress. Artemide strongly believes in its territory's value: while the internal drive is to extend the range of action as much as possible, for the transportation of goods, it is rather to minimize distances to reduce CO₂ emissions.



Artemide Factory
Pregnana Milanese

Productive Network

Artemide's production network is underpinned by the best companies and craftspeople for each technological sector: Artemide strongly believes in the quality resulting from Made in Italy production chains and entrusts production to certified subcontractors who represent the excellence of the Italian modus operandi throughout the world. In addition to yielding considerable energy savings in the transport of goods, their proximity makes it possible to constantly monitor the quality level of the products.

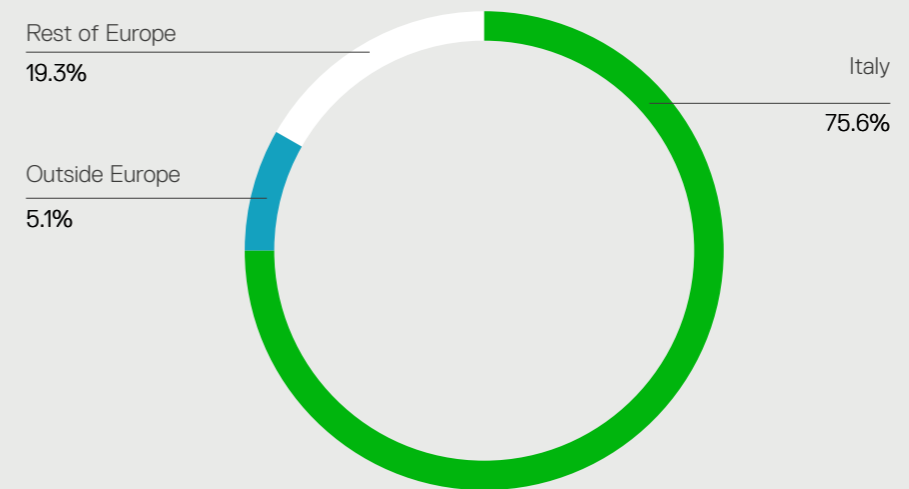
The choice to involve local suppliers limits transport distances and allows the creation of a solid network that fosters innovation and design culture. Partnerships are created with selected suppliers; the expertise of designers allows constructive dialogue to be established with external companies for the development of increasingly advanced solutions.

Artemide's production process involves the use of pre-assembled components and, to a lesser extent, raw materials. This makes selected suppliers and subcontractors a key part of the value chain and for this reason, relationships with suppliers looked after and nurtured over time.

Artemide mainly uses aluminium, steel, plastic and glass as raw materials for production. It also sources basic electrical components and light sources from some of the world's leading manufacturers. As of December 31 for 2019 and 2018, the Group's costs for raw materials and components accounted for **17.8%** and **18.9%** of total costs, respectively. This expenditure resulted from the use of 3,051 tons of materials in 2019 for the production and packaging processes, which are distinguished, as of last year, between renewable and non-renewable materials - 28% and 72% respectively.

Proportion of expenses towards suppliers

Naionality Suppliers	2019	2018
Italy	76.4 %	75.6
Rest of Europe	19.0 %	19.3
France	5.8 %	5.0
Hungary	6.5 %	6.9
Others	6.7 %	7.4
Outside Europe	4.6 %	5.1



On one hand, renewable materials that derive from abundant, regenerating resources include wood, paper, cardboard and glass. On the other, non-renewable materials that do not regenerate include aluminium, brass, iron, plastics, paint and others.

Some of the non-renewable materials used include electronic components with respect to which, Artemide complies with the European legislation commonly known as the **Restriction of Hazardous Substances Directive (RoHS)**. The directive imposes restrictions on the use of certain hazardous substances. Artemide, upstream of its supply chain, requires suppliers to complete a questionnaire regarding their compliance with RoHS. The questionnaire also allows Artemide to map the certifications and controls adopted by the supplier, the location of the registered office and operating sites and the type of main production activity. The Group has always paid great attention to the choice of materials. An example of its respect for the environment is also manifested by the replacement of lamp instruction booklets and office paper with **100% recycled paper** with **Nordic Swan and Blue Angel certifications**, from 2020 onwards. For all of its printed communication tools, Artemide uses only FSC (Forest Stewardship Council) certified paper.

With respect to purchasing activities, broken down by geographical area, these remain in line with those made in 2018. More than 76% come from Italy and 19% in the Rest of Europe, which includes Germany, France, Hungary and 12 other European Union countries, while about 5% come from the Non-European Union area, which includes the United States, Switzerland, China and Taiwan.

Number of suppliers

Nationality of suppliers	2019	2018
Italy	449	447
European Union	253	265
France	168	183
Hungary	45	42
Others	40	40
Extra European Union	35	36
Total	737	748

Materials used for production and packaging

Materials ⁴	2019 (ton)	2018 (ton)
Renewable material (wood, paper, cardboard, glass)	848	826
Non renewable material (Aluminium, brass, iron, plastic, electronic components, paints, other)	2,203	2,145

⁴ The calculation of the materials used for the year 2019 has provided the use of an estimate on the base of the purchases realized in the course of the year (+2.7%) according to the methodology applied last year

Finishing process - Varnishing

The coating plants in Italy, Hungary and France are designed and built to respect the environment and environmental safety regulations pertaining to Powder coating is completely **"waste-free"**: it uses automatic booths for application and recovery of all dispensed parts and does so by means of filters that retain 99% of the coating waste.

These booths do not contain solvents and the processing waste is confined and appropriately disposed of as special (non-toxic) waste. The pre-treatment tunnel consists of six closed-cycle washing tanks, free of organic volatile compounds, containing water and a 3% solution of iron phosphates.

The effluent is recycled and purified downstream by means of demineralisation rinse columns. The tanks last on average 6/8 months and, once exhausted, the substances are disposed of in third-party purification plants, in full compliance with environmental regulations.

To complete the powder coating, liquid finishing uses paints (made exclusively for us in cooperation with Basf and Akzo) of a medium-high solid, low-solvent acrylic nature, and the technical yield is superior to any approved bodywork paint (a smaller quantity is needed than is usually used elsewhere). We also have an instant paint mixing plant that optimises raw material preparation and consumption.

In order to recover and optimise production costs, an atmospheric solvent distiller is used: this makes it possible to recover all the reusable parts of the cleaning and paint preparation solvents. Lastly, this allows lowering the threshold of "VOCs in the atmosphere", for which Artemide draws up a consolidated account to be submitted for the environmental controls of the regional body to which Artemide is linked for plant authorisations. In the spray booth, the solid parts of the overspray are captured and retained in special, certified dry filters which, once exhausted, are always disposed of in compliance with regulations.



Coating Machinery - Artemide Factory
Pregnana Milanese



Coating Machinery - Artemide Factory
Pregnana Milanese

In the departments, the rules for the disposal of all the various compounds are respected, such as the cataloguing by compatibility categories: from gloves, to rags, abrasives, detergents and other components in production. There is an internal mission at Artemide to optimise production flows and cycles.

With regard to the latter, Artemide carries out continuous technical research to make use of the best solutions for painting products. For example, in 2009 Artemide was able to change a number of pre-existing constraints to liquid paint by eliminating the use of a primer, reducing the quantity of paint used and the labour required, thus optimising product lead times.

Code of Ethics

Sustainable procurement practices

Individual supply contracts include special clauses that require suppliers, agents and collaborators to comply with the Group's Code of Ethics.

In particular, in contracts entered into with suppliers from countries considered 'at risk', defined as such by the relevant organisations, contractual clauses are introduced that provide for:

→ **Self-certification** by the supplier regarding the adherence to specific social obligations (e.g. measures guaranteeing workers' respect for fundamental rights, principles of equal treatment and non-discrimination, protection of child labour);

→ The possibility of undertaking **monitoring activities** at the production units or operating sites of the supplier company in order to verify the fulfilment of these requirements.

Artemide's suppliers must also conform to the principles of the Code of Ethics in the relationships with their stakeholders.

Artemide inspects, as far as possible, the commercial and professional reliability of new suppliers, in order to ascertain that there are no links of any kind with criminal, terrorist or mafia organisations.

During 2019, the implementation of a supplier portal on Artemide's web platform continued. Through this initiative, suppliers can register online and enter the information and requirements required by Artemide in order to start a business relationship. The portal will thus allow mapping registered suppliers and displaying each supplier's materials.



Automatic Shipping Warehouse - Artemide Factory
Pregnana Milanese

Automatic warehouse

In 2012, the automatic warehouse for finished products came into operation at the Pregnana Milanese plant.

The automatic system has made it possible to eliminate manual handling by employees and drastically reduce the risk of accidents. The system works by having automatic machines take charge of incoming products, which are then organised in the warehouse. This system also allows for an accurate and up-to-date inventory management.

In 2019, with the aim of optimising the logistics of its distribution network, the Group has launched a project to identify a preferred supplier at the European level.

The centralised management by a single transport company of all shipments at international level would allow an analysis of movements and possible improvement actions, as well result in environmental benefits.

The project is at an advanced stage of testing in four European countries: Germany, Spain, England and Scandinavia.

In Italy, the Group operates through a single supplier that is a member of Sedex, a non-profit organisation for the promotion of responsible and ethical business, which is **ISO 14001** and **OHSAS 18001 certified**, i.e. standards relating to the environment and worker health and safety, respectively.



Automatic Shipping Warehouse - Artemide Factory
Pregnana Milanese

02.4 Product quality and Certifications

Tizio by Richard Sapper, Photographed by Elliott Erwitt, 2001



International Standard

The Group is constantly working to maintain the high quality standards for which it is recognised worldwide. The high quality and safety standards of its products is ensured by complying with international certification standards.

Generally, Artemide obtains third-party certification for its products in European, American, and Chinese markets and, to a lesser extent, the Australian market.

In 2019 Artemide obtained:

➤ **33** new certifications for the European market, of which 15 related to product families

➤ **22** certifications for the US-Canada market of which 2 related to product families

➤ **8** product certifications for China, of which 2 related to product families

➤ **1** certification for the Australia/New Zealand market

Compared to 2018, there was a reduction in certifications for the US market due to the availability of products for the market and to the Group's development strategies. Business opportunities related to large main-contractors retained their focus on **International Electrotechnical Commission (IEC)**.

Regarding the safety certifications for the markets that follow the technical rule of the **International Electrotechnical Commission (IEC)**, the Artemide laboratory is accredited by both Underwriters Laboratory and Intertek. The same goes for the American and Canadian market; hence, the laboratory is accredited according to UL regulations by both Underwriters Laboratory and by Intertek for ETL mark.



Gople RWB Assembling - Artemide Factory
Pregnana Milanese



Marcatura CE



Marcatura EAC



UL Underwriters Laboratories



Certificazione di conformità
europea ENEC



Marchio CCC
China Compulsory Certificate

In-house Laboratories

For Artemide, testing the product and its components is an integral part of the engineering process and not solely a final step aimed at certifying the result. The internal laboratories work closely with the Product Development department to find the best design solutions and maximise performance. The development, design and engineering phase includes several sub-phases that focus on quality control.

An initial stage, for example, involves the simulation of the optical and lighting performance, starting from component drawings and the properties of the sources to arrive at the performance verifications with respect to the design targets on real prototypes. The physical and mechanical aspects (thermal and electrical) are then verified and analysed. Various laboratory tests are also carried out on both individual components and integrated systems. These tests include, for instance, accelerated ageing tests of components or products through thermal cycling at 35°C, UV light and salt spray; by simulating harsh conditions of use, these tests are of fundamental importance in outdoor applications. In developing efficient products, Artemide has always carefully analysed their use conditions in order to guarantee long life and high efficiency over time.



Photometric Measurements - Goniophotometer with rotating mirror



Photometric Measurements - Ulbright Sphere



EMC Test - Triple Loop Antenna



Safety Test - Temperature



Safety Test - Endurance



Corrosion Test - Salt-acetic fog chamber

02.5 Customer care

Artemide Factory, Pregnana Milanese, Photographed by Elliott Erwitt



artemide.com

The customer and their relationship with the Group are key to a trusting and lasting relationship, which is why the Group takes care of its customers through several channels. In addition to the traditional toll-free number, the main tool is the website's dedicated contact section staffed by a specific department to provide prompt assistance and communication to those who request it.

The various questions and reports collected on social networks are managed by dedicated resources within the Communications department. The Group has implemented CRM systems in all European and American subsidiaries with the aim of maintaining customer relations and managing commercial relationships professionally and effectively. In support of new tools such as the Artemide App, a dedicated Help-Desk service has been introduced in both Italian and English, to guarantee an immediate and qualified assistance via phone or ticket.

webinar

In 2019, an invitation-only webinar programme was set up, transversally dedicated to internal and external professionals working with Artemide products worldwide. In this way, providing a deeper knowledge of the product and its technological innovations in support of a better service to the end-users. The programme has been dedicated to designers and retailers as well as to internal staff who work with customer care and product orders.

Communication is increasingly shifting towards digital tools, supporting and partially replacing paper-based instruments. As a result, the artemide.com website has been restyled as a responsive platform providing contents and services dedicated to lighting, design enthusiasts and professionals. Many are the levels of detail of the various sections, all enriched with new content and images. Navigation is quick and intuitive through increasingly image-driven paths that help create a personalised experience, enabling each user's own perspective on the Artemide world; as such, users are always just a few clicks away from getting to the information they seek.

Users can also access a personal **"My area"**, in which products or projects can be saved and organized into folders from which convenient personalised brochures can be automatically generated, thus becoming a working tool.

Central to the Artemide site is the continuous and automatic updating of all data relating to products, creating a reliable tool that supports designers and professionals in the sector, who may now find all the information they need for their projects (3Ds, lighting technology files, instruction sheets and technical brochures, etc.).

Through the completely redesigned "Store Locator" section, it is now possible to quickly view all Artemide showrooms, dealers and service centres around the world. Through smartphones' GPS, it will be easier than ever to reach the nearest shop.

2019 will feature three updates to abet the user-friendliness of the tools. The first will be an important graphic overhaul, the second will see the introduction of new sections such as Artemide Journal, dedicated to in-depth analyses linked to events, projects and new product launches, while the third will add a dedicated configurator area. The latter is a useful tool simplifying the design of your own systems composition such as Alphabet of light and A.24. After defining the size of the space, it is possible to design the desired system by "building" it with a practical drag and drop function for the different available modules. Once the project has been completed, the system returns a datasheet with the project's details, allowing the user to proceed directly to the order.

Artemide offers its customers an extended 5-year complimentary warranty, testament to the quality and longevity of the products, if used and maintained correctly. The warranty, activated by registering the product online within 2 months of purchase, provides the purchaser the right to have their product repaired or replaced free of charge if the product is acknowledged to possess a defect in material or manufacturing flaw as outlined in the warranty's terms and conditions.

5 years warranty

5 YEARS
WARRANTY

Artemide®



03

Environmental responsibility. More with less

Artemide Factory, Pregnana Milanese, Photographed by Elliott Erwitt



ISO 14001:2015

The Group continues to pursue its objective of developing lighting products and designs that interact with people, their needs and the diverse ways in which they experience living, working and public spaces. In the same way, it is of fundamental importance that the Group's products do not compromise the environment throughout their entire life cycle but rather contribute, with their intrinsic qualities, to improving the quality of the human environment in its broadest sense.

Artemide's future commitments include several projects aimed at pursuing the company's strategy to fight climate change and reduce its emissions. In this context, a project to upgrade the energy efficiency of the buildings at the Pregnana Milanese headquarters has been planned. A first phase of the project involves the installation of a heat pump. This intervention is the result of careful planning aimed at optimising energy efficiency, with the objective of lowering management costs and improving installation convenience, effectiveness and economic management.

Next, a solar photovoltaic system with a capacity of 382 kW will be installed on the same site, which will save approximately 144 kg of CO₂ per year. In 2019, an electric charging station was also installed in the Milan office, and two more stations are planned at the Pregnana headquarters.

ISO 9001:2015

In order to strengthen environmental controls, Group management procedures and operating guidelines have been implemented at each site. **A Quality-Environment Manual** (compliant with ISO 9001 and ISO 14001 certifications) has also been adopted, aimed at all Group personnel, as well as customers and suppliers who wish to view it, describing the Group's activities through the application of the Environmental Quality management system.

The ISO 14001 Environmental Management System provides the specific requirements for an environmental management system, which is used to monitor and evaluate environmental performance. The standard, aimed at supporting the systematic management of environmental responsibilities, contributes to Group's sustainability goals and helps achieve the results expected of its environmental management system.

Plant Certification

AEO

Artemide Spa holds the AEO authorisation issued in 2016 by the Customs and Monopolies Agency. The Authorised Economic Operator Status provides a guarantee of the Group's compliance with customs and security regulations in international trade operations to Artemide's business partners.

ISO 9001:2015

The quality system of Artemide Spa and its operating units in Pregnana and Telgate (Italy), Paks (Hungary) and St. Florent (France) complies with the ISO 9001:2015 standard for the design, development, manufacturing and servicing of indoor and outdoor lighting appliances and systems.

ISO 14001:2015

Artemide's environmental management system complies with the ISO 14001:2015 standard (for further details see the information in the Environmental responsibility section. More with less).

ISO 45001:2018

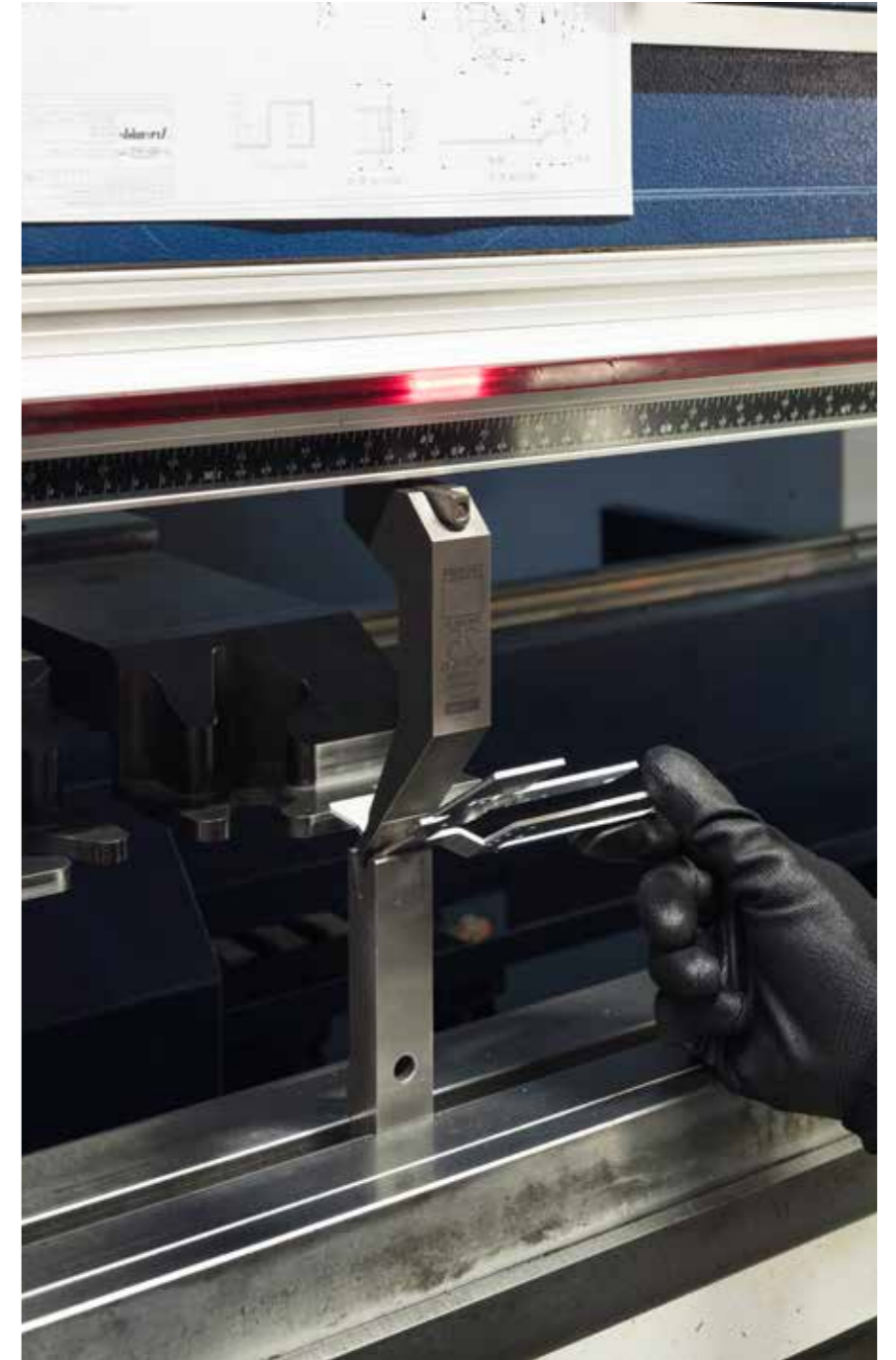
In 2019, Artemide achieved the UNI ISO 45001:2018 certification of its occupational health and safety management systems for its European production sites.

Thanks to the implementation of environmental certifications, the Group is committed to managing the way in which products are designed, manufactured, distributed, consumed and disposed of using a life cycle perspective that avoids the unintentional shift of environmental impacts to other phases of the life cycle.

Artemide has been conducting experimental research on the concept of “reduction”, while improving the performance of the products. Today, the design approach broadens its boundaries and addresses its responsibility towards a world that is increasingly in crisis. This approach translates into the combination of performance and component optimization to achieve production optimization and ease of disassembly.

Artemide strives to uphold its’ products state-of-the-art technology and performance. Well in advance of regulatory requirements, it has introduced the use of high-efficiency light sources in its collections.

“We are committed to creating products and systems that minimize energy consumption during use and reduce waste production for the end customer, through the use of innovative technologies and materials”.



Artemide Factory
Saint-Florant, France

Energy Balance

In recent years, the attention to the environment has particularly focused on improving the efficiency of production processes, limiting waste and developing new technologies in order to reduce direct and indirect emissions and promote a corporate culture of respect for the environment.

Plants and production

During 2019, the Group committed to improving its environmental performance by monitoring the key indicators and planning activities with the aim of increasing efficiency in the use of energy sources and reducing environmental impacts in terms of atmospheric emissions, noise and electromagnetic pollution, through the adoption of efficient machinery or by modifying existing plants through LED re-lighting activities.

Since 2018, a gradual replacement of lighting fixtures with LED lighting systems has been underway at the Pregnana site. This reduction has resulted in electricity savings amounting to 922 GJ. In 2019, the **Group's energy consumption**⁵ amounted to approximately 52 thousand GJ, down 2% compared to the previous year. Consumption is primarily driven by the use of natural gas, which stands at approximately 33 thousand GJ, a slight decrease compared to the previous year, and electricity with 16 thousand GJ, a decrease of 4% compared to last year due to the activities implemented by the Group and its employees as part of their work activities.

As for **energy intensity**, compared to 2019 production volumes, the energy consumed per finished product is 0.071 GJ/finished product. Absolute energy consumption is equal to the energy consumed within the organisation and includes non-renewable and renewable sources and purchased electricity. When combined with consumption, the monitoring of this index helps to put the organisation's efficiency into context in relation to a specific parameter – the finished product.

CO₂ emissions of the Group

The quantity of greenhouse gas emitted are proportional to the organisation's energy consumption. For this reason, as last year, there was a slight but steady decrease in the tons of CO₂ emitted into the atmosphere by the Group during the reporting period.

The reporting standard used (**GRI Sustainability Reporting Standards**) provides for two different calculating approaches of emissions Scope 2: "Location-based" and "Market-based".⁶

Direct CO₂ emissions (Scope 1⁷) have been equal to 1,825 tons of CO₂, while indirect CO₂ emissions (Scope 2⁸) have been equal to 1,245 tons of CO₂ (location based) and 1,855 tons of CO_{2e} (market based).

In terms of emission intensity, compared to 2019 production volumes, the rates for absolute GHG emissions are reported below:

Scope 1	(tCO ₂ /finished product)	0.003
Scope 2 location based	(tCO ₂ /finished product)	0.002
Scope 2 market based	(tCO _{2e} /finished product)	0.003

As with energy intensity, the monitoring of these indices helps to contextualize the efficiency of the organization, in relation to a specific parameter, the finished product.

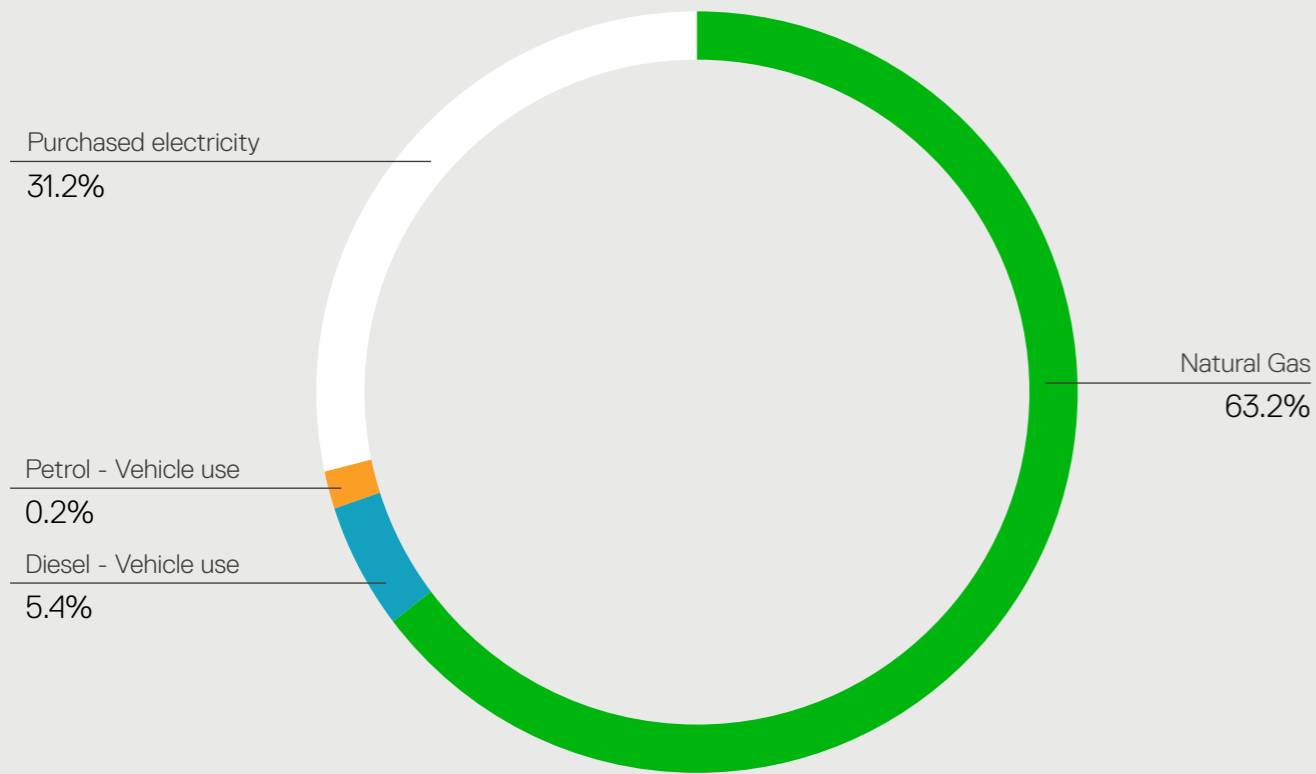
⁵ The boundary refers to Pregnana's Headquarters, at the Group's production plants based in Italy, France and Hungary, and at the Italian showrooms under Artemide's Italia s.r.l. control. Fuel for vehicles refer to the Italian company⁶⁶.

⁶ The "Location-based" approach involves the use of average emission factors relating to the specific national energy mix of electricity production. The "Market-based" approach involves the use of emission factors defined on a contractual basis with the electricity supplier. In the absence of specific contractual agreements between the Group and the electricity supplier (eg purchase of Guarantees of Origin), the emission factor relating to the national residual mix was used for the "Market-based" approach.

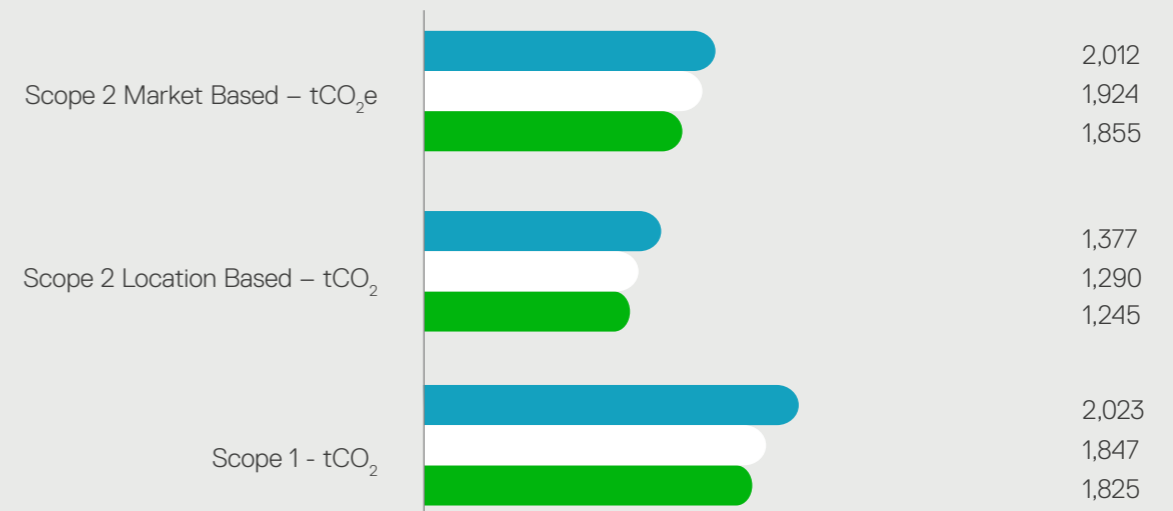
⁷ Scope 1 (direct emissions): emissions from sources owned or controlled by the organization fall into this category. Scope 1 emissions are expressed in tonnes of CO₂, as the source used does not report the emission factors of other gases other than CO₂.

⁸ Scope 2 (indirect emissions): emissions derived from electricity consumption are included in this category. Scope 2 location based emissions are expressed in tons of CO₂, however the % of methane and nitrous oxide has a negligible effect on the total greenhouse gas emissions (CO₂ equivalent) as can be deduced from the technical reference literature.

Energy consumed within the Group (GJ)



Scope 1 and Scope 2 Group's emission - location-based and market based methods



Energy consumed within the Group

Source	2018	2019
→ Natural Gas	823,468 m ³	816,037 m ³
→ Diesel - Vehicle use	74,427 l	72,564 l
→ Petrol - Vehicle use	2,368 l	2,919 l
→ Purchased electricity	4,638,682 kWh	4,454,734 kWh

Key

- 2017
- 2018
- 2019

Waste management

Waste generated during production is managed in accordance with national directives that require its categorization into hazardous or non-hazardous and its appropriate disposal through a waste management company.

The policy of waste and waste minimization was taken into account in the design and planning of the product. Consequently, the amount of waste produced in each reporting year is related to product design and manufacturing.

Compared to 2018, there was a slight increase in the total amount produced by the Group : in fact, there were approximately 1,053 tonnes of waste compared to 1,044 tonnes last year, with a decrease in the share of waste disposed in landfills.

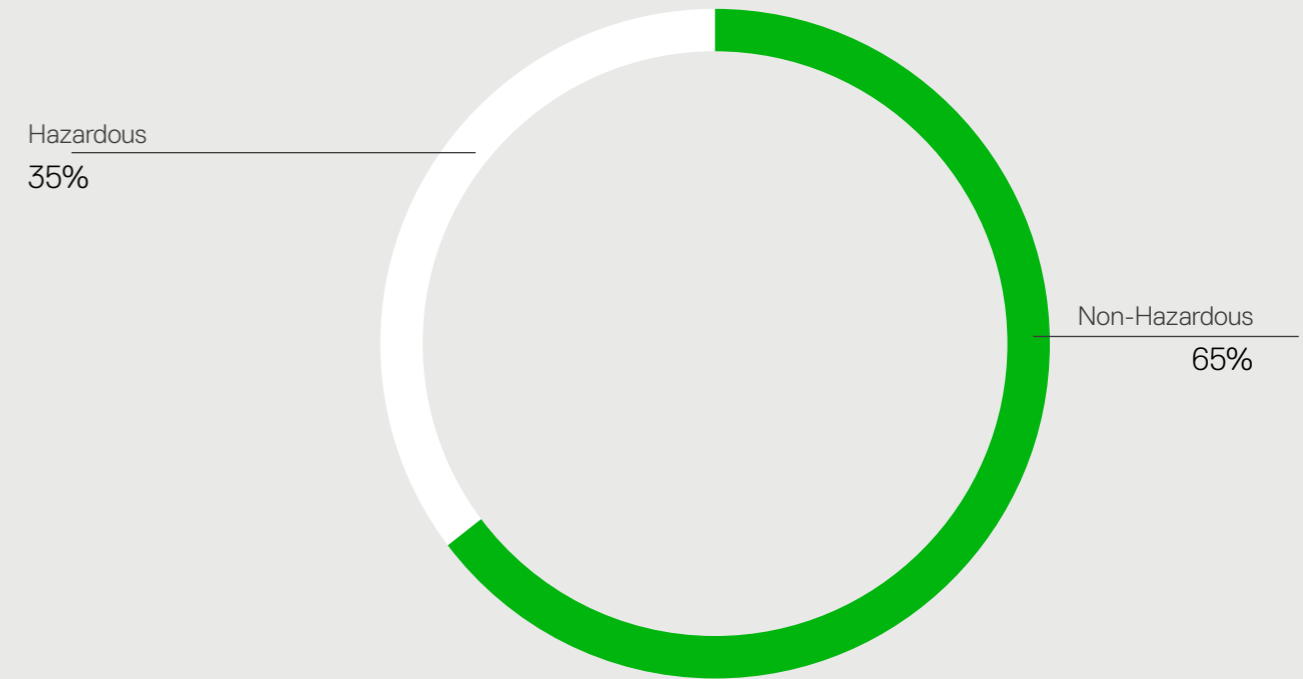
Artemide addresses the disposal of appliances' electronic in pursuit of its objective of eliminating landfilled materials by employing a waste sorting system within the production sites, which makes it possible to recover a greater share of materials and allowing for the proper disposal of special categories of waste.

95% waste recovery

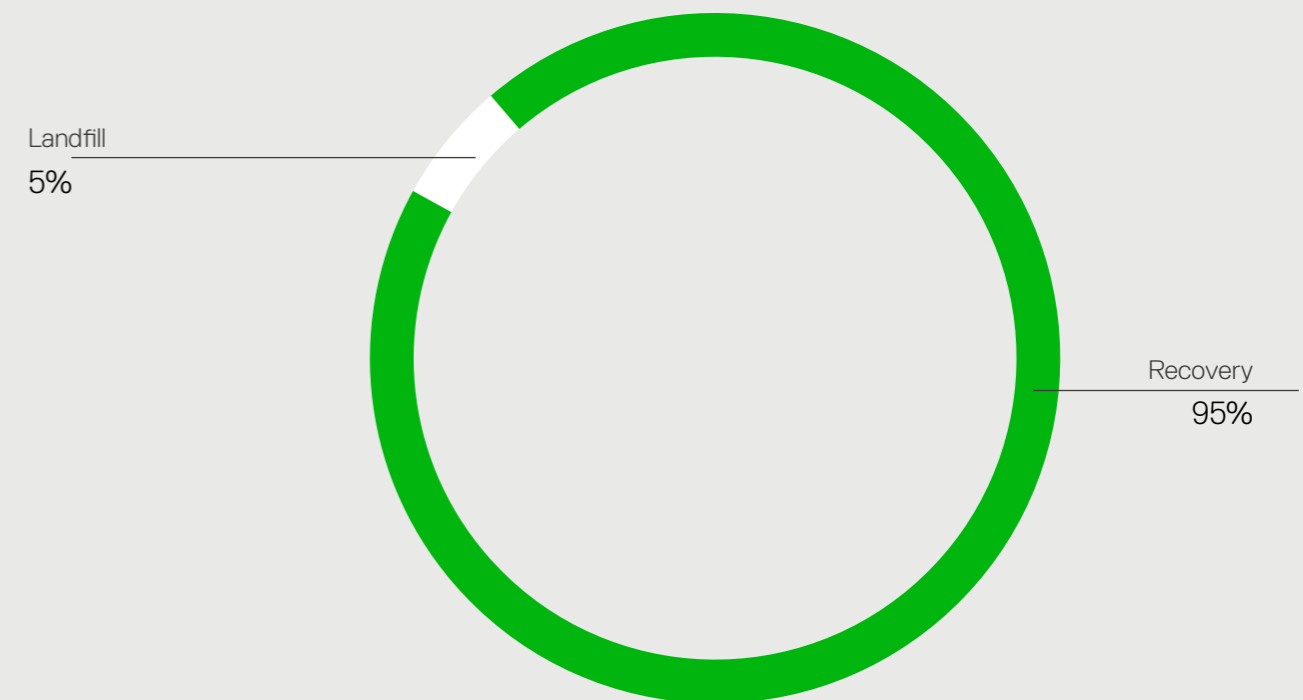
The 10% decrease in hazardous waste generated as compared to last year demonstrates the continuous responsible management of waste and the particular attention paid to the disposal and treatment of hazardous waste.

For more details on the data, see the "Attachments" section at the end of the document.

Group's waste by type of waste (2019)



Group's waste by disposal method (2019)



⁹ The boundary is referred to the Group's production plants based in Italy, France and Hungary.

Less Material

The policy of reducing environmental impacts is transmitted along the entire value chain.

During 2018, the Artemide Group started implementing a project to be able to reduce the number of packaging suppliers.

The project envisages the logistical optimisation of the supply of packaging materials and the related packaging of the finished product. The objective is to reduce the number of codes to be managed in order to obtain an advantage in terms of consumption and management costs. In addition, the sole supplier will proceed with an analysis to verify the effective optimisation of packaging in terms of system and materials.



04

Social responsibility. Our Team

RA System, photographed by Elliott Erwitt, 2001



04.1 The well-being and development of our employees

654 employees

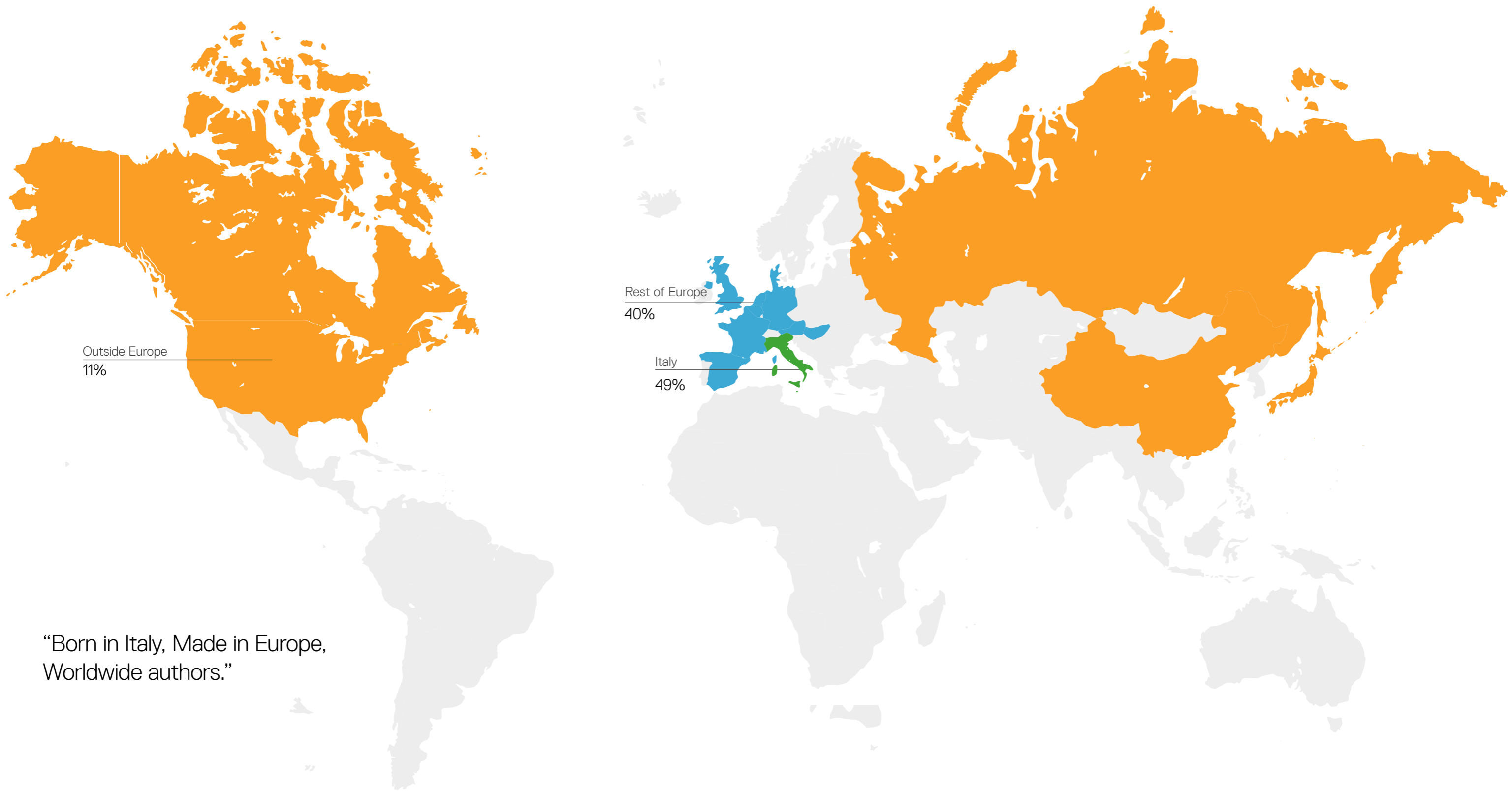
Despite 2019's complex macroeconomic context, Artemide has continued to invest in its human resources, strengthening several key strategic areas such as design, product development and sales.

The Group's total headcount as of December 31, 2019 was 654 employees, of which 366 men and 328 women. The Group also relies on an external workforce in order to support its activities, for a total of 685 employees.

The "external workers" category mainly includes temporary workers (in Italy, France and Germany), almost all of whom are employed within the production units – a trainee in support of staff, design and technical personnel and, to a lesser extent, self-employed workers.

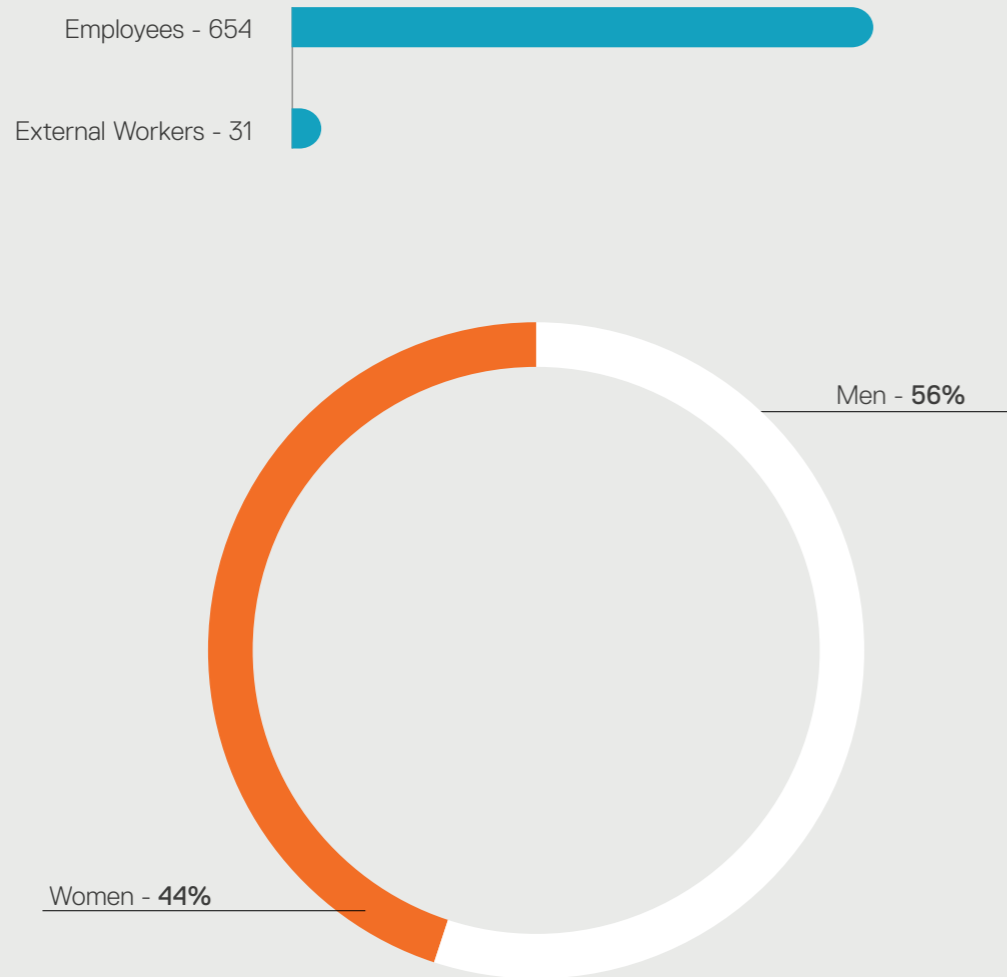
At December 31, 2019, around **92%** of employees were employed with a permanent contract, demonstrative of the company's policy of creating stable working relationships with its workers. Similarly to the previous year, employees prefer full-time solutions (over **96%**), while around **4%** of employees have part-time contracts. The "Senior Managers, Managers and White Collars" professional category features the highest number of employees (**336**), followed by blue-collar workers (**293**), which is normal given the Group's sector of operation.

Suggestive of the 'Made in Italy' context in which the Group operates, with a strong international component, **49%** of employees reside in Italy, **40%** in the rest of Europe and the remainder outside Europe.



“Born in Italy, Made in Europe,
Worldwide authors.”

Work Force (2019)



Diversity and inclusion

The Group is particularly attentive to diversity and inclusion across all its companies, considerate of the circumstances of each of its employees. Valuing differences is of fundamental importance for an international reality like Artemide, which collaborates with people of different nationalities, with widely diverse cultural and professional backgrounds.

In line with 2018, the share of personnel residing outside Italy was 51%, while the breakdown by gender is indicative of a balanced organization, with **56% men** and **44% women**, similarly to 2018.

The age-group segmentation is as follows: 56% of employees are between 30 and 50, 35% are over 50 and 9% are under 30. In promoting the Group's sustainable growth, Artemide favours the implementation of effective systems for personnel attraction and selection, in order to guarantee transparency and fairness in respect of equal opportunities, regardless of age or gender, and the development of individual skills.

The Group recruited professionals with specialist skills from all around the world: in particular, high seniority figures were recruited, as well as young talents from the most prestigious Italian and international universities and from specialist courses, such as master's degrees.

In continuity with the previous year, youth employment continued to be encouraged through internships and professional apprenticeships, which provide both theory and on-the-job training, through the acquisition of specific skills and the consolidation of knowledge acquired during previous studies. A placement program was also continued in the operations area, with the aim of strengthening skills in production and planning.



Artemide Innovation Centre
in Pregana Milanese, Milan

Particular mention should be made of the **welfare provisions** in contracts for the three-year period 2017-2019, whose value has increased year on year. In Italy, a supplementary contract is in place, providing additional welfare benefits available to each worker, which can be accessed through a specific platform that offers numerous services for both employees and their families, including school expenses, medical expenses and vouchers. Also in Italy, a supplementary contract is in place, with its latest version providing extra-contractual leave for personal medical appointments and for children up to 18 years of age, leave in the event of illness, flexible working hours, special attention to part-time workers and a specific online portal for the use of welfare services. In addition, all non-executive staff of Artemide S.p.A. can benefit from a Performance Bonus, which is authorized under current legislation.

Over time, Artemide has built and nurtured strong trade union relations in countries where trade unions or similar structures exist. Preventive confrontation is considered a useful tool to continuously improve the company's competitiveness, the working conditions of employees and their level of engagement. With respect to the operating activities of the Group's Italian companies, the **National Collective Labor Agreement** for the Private Metalworking and Plant Installation Industry is in place. The **right and freedom of association** and **collective bargaining** have always been protected, in recognition of the indispensable value of these freedoms, while respecting national legislation in terms of collective agreements, individual bargaining rights and freedom of association.



Tolomeo Micro
Michele De Lucchi & Giancarlo Fassina

In Italy, all employees are covered by collective bargaining agreements (**CCNL** for the Private Metalworking and Plant Installation Industry); in France, personnel is divided into **Cadres** and **Non-Cadres**; hence, the Convention collective de la métallurgie of the relevant region (Paris or Cher) applies to Non-Cadres personnel. For the Cadres of both French companies, the Conventions collectives des cadres apply.

In addition, supplementary agreements are in place at the company level that provide for the payment of a prime de participation to French employees. In all countries where there is a collective bargaining agreement of reference, Artemide is committed to adopt it.

Among its foreign subsidiaries, and specifically in France, monthly reports are communicated electronically to the Comité Social et Economique and, for 2019, an agreement is in place for the "Macron bonus", in addition to the annual report for Syndex.

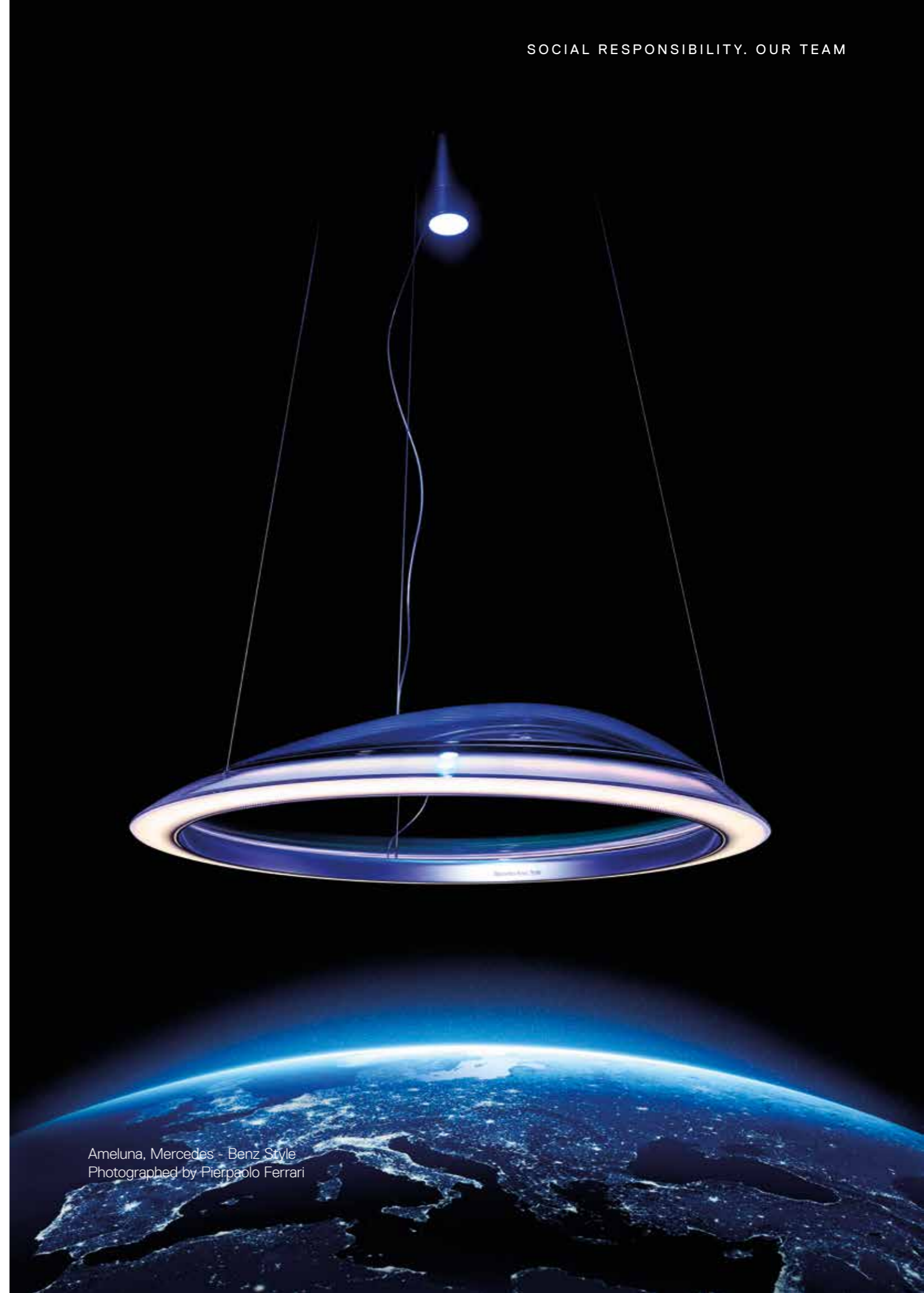
The Group complies with all the labour regulations regarding organizational changes to collective bargaining agreements, including communications with unions, the timeliness thereof and unions' direct involvement. The minimum notice period in the event of organizational changes therefore follows the different national and local legislation on the subject

“In relations with its stakeholders, the Artemide Group’s companies avoid any form of discrimination based on age, sex, sexual habits, health status, race, nationality, political opinions and religious beliefs of own interlocutors.”

Group’s Code of Ethics
2008



Ameluna, Mercedes - Benz Style
Photographed by Pierpaolo Ferrari



Encourage internal skills

Training represents a key lever for employee development to increase and consolidate the managerial and professional skills of employees, while stimulating growth and innovation within the Group.

With this in mind, training is provided in various ways: classroom courses, online courses, participation in conferences and seminars, on-the-job training.

2019 witnessed a significant increase in the number of hours allocated to training and professional updates for Group employees (almost **60% more** than in 2018) with the aim of developing their skills and increasing technical knowledge.

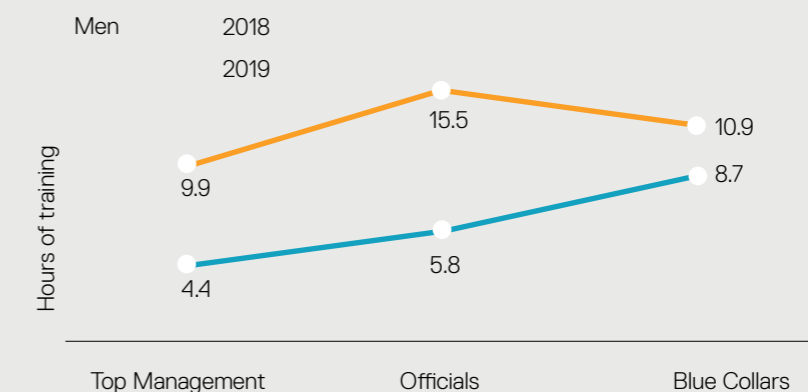
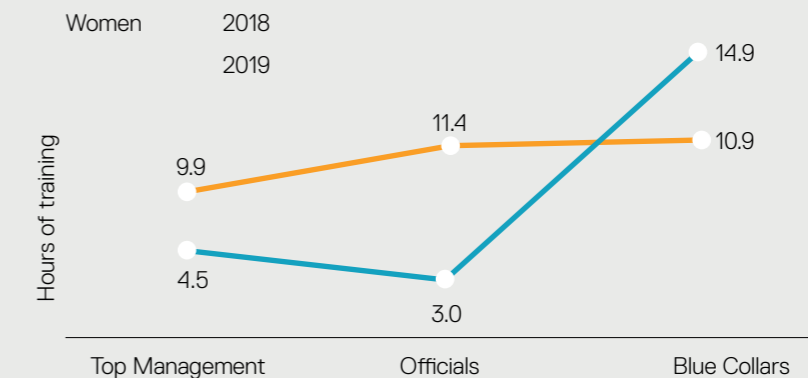
During 2019, with specific reference to Italy, the following training courses were started and, in some cases, continued: **Safety** (compulsory courses), **Lean Manufacturing**, **Language Training**, **Technical Training** on software and regulation in the field of lighting, Training and updates on new products, as well as specific courses intended for the relevant personnel. Among these, special mention should be made of the "**Behavioral Safety Project**", which was launched in the second half of 2019 to be completed in 2020 (for further details, please see the Health and Safety Training section). In addition, a training plan, diversified by role, was implemented for all Group companies on Legislative Decree. Lgs.231.

During 2019, the Group provided **7,976 hours** of training, comprising 13.0 hours per capita for men and 11.2 hours per capita for women. About **57%** of all training activities were provided to blue collars, followed by managers and top management.

As aforementioned, the Artemide Group is a historic sponsor of the **Master in Lighting Design & LED Technology** of the Politecnico di Milano, dedicated exclusively to the study of issues related to the world of light and aimed at training professionals in the field. This is a postgraduate course completely in English, which is attended by young graduates from the most important Italian and international universities.

The sponsorship of the Master is an important opportunity for employer branding for Artemide, also providing students with the opportunity to become involved with the company for their mandatory curricular internship.

Average hours of training pro-capite



04.2 Occupational health and safety

Artemide drew inspiration from the international standard **UNI ISO 45001:2018** on occupational health and safety management systems to implement an occupational health and safety management system for the high-risk activities carried out by the Group.

The production sites of Pregnana and Telgate (Italy), Paks (Hungary) and St. Florent (France) have been selected for certification, which is currently pending, with the reference: "Design, development, manufacture and servicing of lighting appliances and systems for interiors and exteriors through mechanical processing, painting and assembly".

The standard specifies the requirements for instituting an occupational health and safety (OHS) management system, which enables a company to provide safe and healthy workplaces, preventing work-related injuries and illnesses, while proactively improving its performance. Compliance with this standard supports the Group in eliminating hazards, minimizing risks, seizing opportunities, and identifying and addressing any non-conformity in the activities.

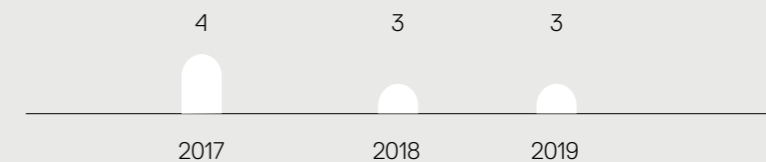
➤ Risk identification

The identification of health and safety risks is carried out periodically by the internal HSE (Health, Safety and Environment) department at each site of the Group, as part of a process that must comply with the legal obligations of the relevant geography. This analysis allows to contextualize the activities carried out at each site in order to identify any significant risk for activities.

“Artemide has always been committed to foster and consolidate a safety culture through a greater risk consciousness and the distribution of responsible behaviour by all collaborators. A primary objective is to shelter the human resources, financial and patrimonial, seeking for the necessary synergies not strictly internally, but also in external stakeholders involved in its activities.”

Group's Code of Ethics
2008

Number of injuries ¹⁰



¹⁰ Injuries data is available to employees of the Group's Italian companies. Artemide will go in-depth with the analysis with respect to the significance of other non-employee workers, in order to assess the need to collect data from employers of external collaborators and suppliers that operate at Group sites and / or under the control of the Group, evaluating the quality and accuracy of such data over which it does not exercise the direct control of.

The analyses are consolidated into a **Risk Assessment Document**, which identifies preventive measures to eliminate and, where not possible, reduce to a minimum, the risks to workers' health and safety. The final document is approved by the company's management.

This process allows the Group to identify possible improvements to the management of the issue, which are subsequently included in a plan aimed at improving worker health and safety conditions over time.

Regarding the processes set in place to facilitate health and safety communications with employees, **periodic meetings are held**, specific to the geography in question, between management and employees, in order to share problems, exchange information and define improvement plans and programs. During both "institutional" instances, such as periodic safety meeting or in occasion of health and safety risk assessments, and on other more informal occasions, worker consultation and participation is encouraged and active contribution is ensured, so that everyone can contribute to improving risk management practices.

Depending on the regulations of each country, workers have their own representatives who, by law, are able to make requests regarding health and safety.

As part of the management of personal information on the health of workers, the Group's established practice addresses workers' health monitoring in relation to the health and safety risks to which they are exposed: information on health checks is confidentially managed and filed and disclosed within the company only insofar as it strictly concerns operational obligations.



ADV Campaign, 2007, Christopher Broadbent

Injuries and emergency management

Artemide has put in place the necessary measures to protect the health and safety of employees, collaborators and all those who operate in workplaces owned by Artemide, adopting organizational models to constantly improve safety in the workplace. Employees can refer to various internal company procedures relating, among others, to the management of emergencies and accidents.

With regard to the production facilities, the greatest risks are linked to the use of equipment (machinery etc.). To eliminate or at least reduce these risks, employees in Italy are equipped with specific Individual Protection Devices (**PPE**) depending on the activities carried out and their department. The importance of using these protective devices is also stressed during training.

In Italy, during 2019, three minor work-related injuries occurred¹⁰. Each event was analyzed to assess the causes and identify corrective measures to improve the existing prevention system. Actions taken to eliminate other work-related hazards may include specific training and refresher courses. Employees may freely refrain, without consequence, from any activity that exposes them to serious and immediate danger, reporting the event to their supervisor and management.

Health and safety training

As part of its policy on workplace safety, Artemide provides awareness training on the issue to all personnel. Artemide has always strived to increase worker' awareness of health and safety, both through specific training and by setting up a mailbox for reporting risks.

With respect to compulsory trainings, this is the subject of regulation at a national level, which provides specific timescales for the provision of training and refresher courses.

In 2019, the **Behavioral Safety Workshop** was launched, involving both factory and clerical staff of the Group's three Italian companies.

This course, lasting a total of 24 hours per person, aims to raise workers' awareness of safety issues through the observation of self and surroundings, acting on their behavior (becoming "Safety Leaders") and improving certain soft skills, such as communication and collaboration.

Several short meetings, known as "pills", were organized on the relevant topics, including driving behaviors, managing emergencies, posture and handling loads. The course began in June 2019 and will end in 2020.

Within this course, a day dedicated to fire-fighting training with the use of virtual reality and equipment was planned. This innovative approach to training updated the compulsory training with a practical test that directly involved the participants.

¹¹ Injury data is available for employees of the Group's Italian companies. Artemide provides an in-depth analysis with respect other non-employee workers, in order to assess the collection of data from employers of external collaborators and suppliers operating in Group sites and/or under the Group's control, evaluating the quality and accuracy of data over which it does not exercise direct control.



Artemide HQ, Pregnana Milanese, Photographed by Elliott Erwitt

Table of material

aspects and GRI

Macro - area	Material Aspects	GRI Standards	Scope of material aspects	Type of impact
Identity, Ethics and Value Creation	↗ Economic performance and value-creation	GRI 201: Economic performance	Artemide	↗ Directly caused by Artemide
	↗ Integrity and ethic in conducting business	GRI 205: Anti-corruption	Artemide	↗ Directly caused by Artemide
	↗ Values and Brand Identity	N/A	Artemide	↗ Directly caused by Artemide
	↗ Responsible communications and fostering sustainability culture	N/A	Artemide	↗ Directly caused by Artemide
Products & services	↗ Made in Italy	N/A	Artemide	↗ Directly caused by Artemide
	↗ Innovation & Patenting	N/A	Artemide	↗ Directly caused by Artemide
	↗ Light intelligence	N/A	Artemide	↗ Directly caused by Artemide
	↗ Responsible design	GRI 301: Materials	Artemide	↗ Directly caused by Artemide
	↗ Products quality and safety	GRI 416: Customer health and safety	Artemide, Suppliers	↗ Directly caused by Artemide ↗ Indirectly caused by Artemide's activities through business relationships
	↗ Customer care	GRI 417: Marketing and labeling	Artemide	↗ Directly caused by Artemide
	↗ User experience	N/A	Artemide	↗ Directly caused by Artemide
	↗ Responsible supply chain	GRI 204: Procurement practices	Artemide, Suppliers	↗ Diretto – Causato da Artemide ↗ Indirectly caused by Artemide's activities through business relationships

Table of material

aspects and GRI

Macro - area	Material Aspects	GRI Standards	Scope of material aspects	Type of impact
Social responsibility	↗ Employees engagement, well-being, safety and development	GRI 401: Employment GRI 402: Labour\management relations GRI 404: Training and education	Artemide	↗ Directly caused by Artemide
	↗ Employees Health & Safety	GRI 403: Occupational Health and safety	Artemide	↗ Directly caused by Artemide
	↗ Diversity and inclusion	GRI 405: Diversity and equal opportunity	Artemide	↗ Directly caused by Artemide
	↗ Social value of innovation	N/A	Artemide	↗ Directly caused by Artemide
Environmental responsibility	↗ Sustainable materials	GRI 301: Materials	Artemide	↗ Directly caused by Artemide
	↗ Responsible management of production processes	GRI 307: Environmental compliance	Artemide	↗ Directly caused by Artemide
	↗ Responsible consumption and emissions of Artemide Group	GRI 302: Energy GRI 305: Emissions GRI 306: Effluents and waste	Artemide, Suppliers	↗ Directly caused by Artemide ↗ Indirectly caused by Artemide's activities through business relationships
	↗ Responsible lighting	N/A	Artemide, Clients	↗ Directly caused by Artemide ↗ Indirectly caused by Artemide's activities through business relationships
	↗ Logistics & transport	GRI 204: Procurement practices	Artemide, Suppliers	↗ Directly caused by Artemide ↗ Indirectly caused by Artemide's activities through business relationships

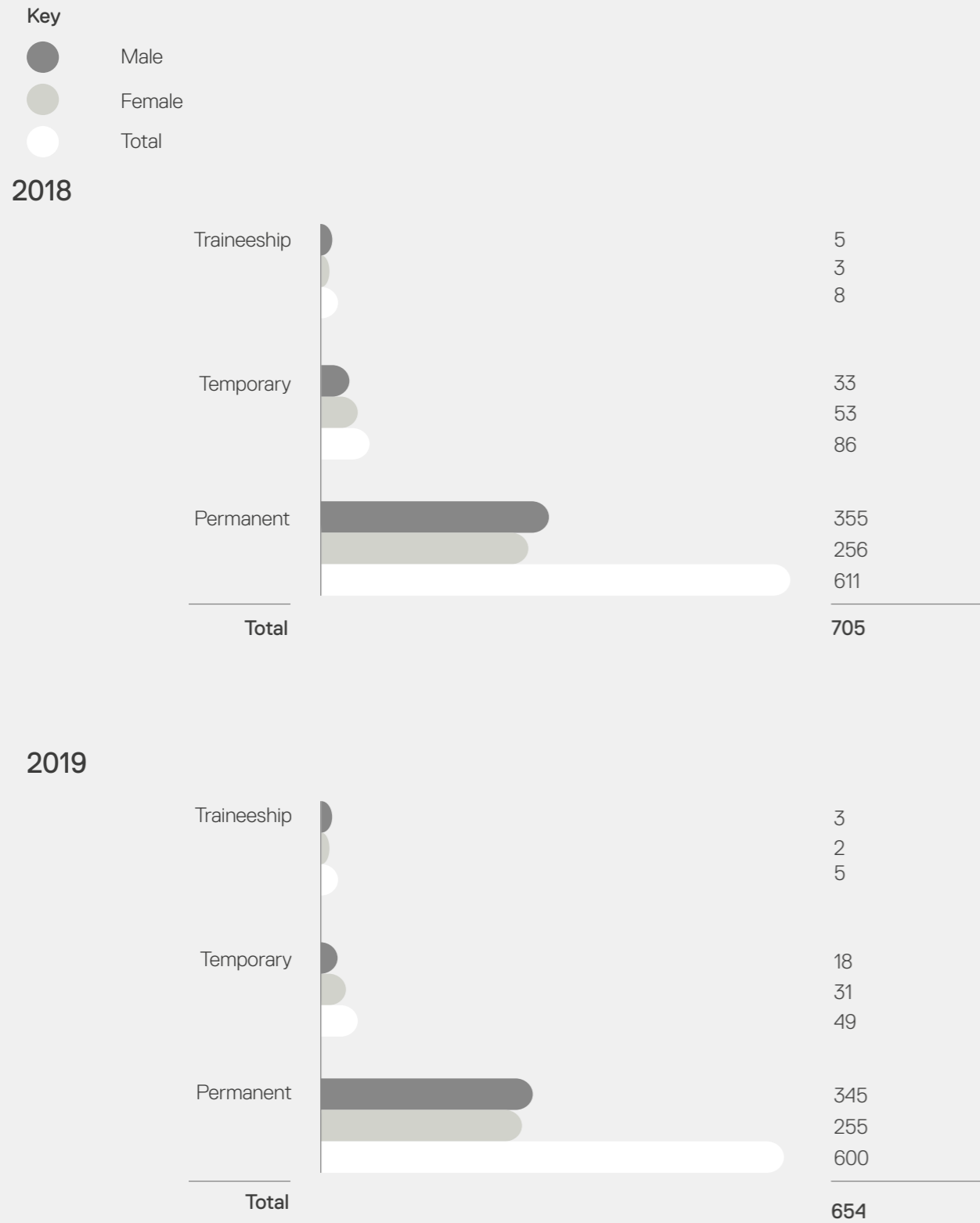
Attachments

Artemide's Group organizational chart up to 31.12.2019



- Key
- Holding
 - Industrial companies
 - Distributors
 - Agencies
 - Associated companies

Total number of employees (head count) by employment contract (permanent, temporary and traineeship), by gender



Total number of employees (head count) by employment contract (permanent, temporary and traineeship), by geographical region

Employment contract	2018			2019		
	Men	Women	Total	Men	Women	Total
Italy	207	123	330	202	117	319
Permanent	200	119	319	196	115	311
Temporary	2	1	3	3	0	3
Traineeship	5	3	8	3	2	5
Rest of Europe	138	152	290	123	137	260
Permanent	109	102	211	110	108	218
Temporary	29	50	79	13	29	42
Traineeship	0	0	0	0	0	-
Outside Europe	48	37	85	41	34	75
Permanent	46	35	81	39	32	71
Temporary	2	2	4	2	2	4
Traineeship	0	0	0	0	0	-
Total	393	312	705	366	288	654

Total number of employees (head count) by employment type (full-time, part-time), by gender



Percentage of employees (head count) by employee category, gender and age group 2018

% of employees	Men				Women			
	<30 years old	30-50 years old	>50 years old	Total men	<30 years old	30-50 years old	>50 years old	Total women
Top Management	0%	2%	8%	4%	0%	2%	1%	1%
Officials	38%	54%	41%	48%	47%	56%	53%	54%
Blue collars	62%	44%	51%	48%	53%	42%	46%	44%

Percentage of employees (head count) by employee category, gender and age group 2019

% of employees	Men				Women			
	<30 years old	30-50 years old	>50 years old	Total men	<30 years old	30-50 years old	>50 years old	Total women
Top Management	0%	4%	9%	5%	0%	3%	1%	2%
Officials	40%	54%	40%	47%	56%	58%	53%	57%
Blue collars	60%	42%	51%	48%	44%	39%	46%	41%

Total number and percentage of employees (head count) by vulnerable categories (employees with disabilities)¹⁰ - 2018

Employee category	Men	Woman	Total
Top Management	0	0	0
Officials	2	2	4
Blue collars	8	6	14
Total	10	8	18

Total number and percentage of employees (head count) by vulnerable categories (employees with disabilities)¹⁰ - 2019

Employee category	Men	Woman	Total
Top Management	0	0	0
Officials	2	2	4
Blue collars	8	6	14
Total	10	8	18

Total number of external workers by gender¹¹ - 2018

External workers	Men	Women	Total
Independent contractors	11	12	23
Interns	2	1	3
Independent employees with VAT number	2	0	2
Total	15	13	28

Total number of external workers by gender¹¹ - 2019

External workers	Men	Women	Total
Independent contractors	14	14	28
Interns	1	0	1
Independent employees with VAT number	2	0	2
Total	17	14	31

Average hours of training by employee category and by gender - 2018

Training hours	Hours for men	Total men employees	Hours per-men pro capite	Hours for women	Total women employees	Hours per women pro-capite	Total hours	Total employees	Total hours pro-capite
Top Management	70	16	4.4	18	4	4.5	88	20	4.4
Officials	1,084	187	5.8	516	170	3.0	1,600	357	4.5
Blue collars	1,661	190	8.7	2,063	138	14.9	3,724	328	11.4
Total	2,815	393	7.2	2,597	312	8.3	5,412	705	7.7

Average hours of training by employee category and by gender - 2019

Training hours	Hours for men	Total men employees	Hours per-men pro capite	Hours for women	Total women employees	Hours per women pro-capite	Total hours	Total employees	Total hours pro-capite
Top Management	174	19	9.2	60	6	9.9	234	25	9.3
Officials	2,677	173	15.5	1,851	163	11.4	4,528	336	13.5
Blue collars	1,913	174	11.0	1,302	119	10.9	3,215	293	11.0
Total	4,764	366	13.0	3,213	288	11.2	7,976	654	12.2

Total work-force

External workers	2018			2019		
	Men	Women	Total	Men	Women	Total
Total employees	393	312	705	366	288	654
Total external workers	15	13	28	17	14	31
Total	408	325	733	383	302	685

Composition of Board of Directors

	Men				Women			
	< 30 years old	30 - 50 years old	> 50 years old	Total men	<30 years old	30-50 years old	> 50 years old	Total women
members	0	2	1	3	0	0	2	2
%	0%	40%	20%	60%	0%	0%	40%	40%

2018/2019



ADV Campaign, Elliott Erwitt, 2001

Total energy consumption within the organization¹²

Consumption type	Unit of measurement	2019	2018	2017
Natural gas	GJ	32,455	32,975	36,521
Diesel – For vehicle use	GJ	2,768	2,840	3,222
Petrol – For vehicle use	GJ	99	82	52
Purchased electricity	GJ	16,037	16,699	17,453
Total	GJ	51,359	52,597	57,248

Consumption type	Unit of measurement	2019	2018	2017
Natural gas	m ³	816,037	823,468	891,049
Diesel – For vehicle use	l	72,564	74,427	84,483
Petrol – For vehicle use	l	2,919	2,368	1,516
Purchased electricity	kWh	4,454,734	4,638,682	4,848,019

Consumption type	Unit of measurement	2019	2018	2017
Fuel consumption from non-renewable sources	GJ	35,322	35,897	39,795
Purchased electricity	GJ	16,037	16,699	17,453
Total	GJ	51,359	52,597	57,248

CO₂ Emission¹¹

GHG Emissions	Unit of measurement	2018	2017
Direct emissions of CO ₂ - Scope 1	tCO ₂	1,847	2,023
Indirect emissions of CO ₂ - Scope 2 - Location Based	tCO ₂	1,290	1,377
Indirect emissions of CO ₂ e - Scope 2 - Market Based	tCO ₂ e	1,924	2,012

Energy Intensity ¹²	Unit of measurement	2019
Energy consumed per unit of product	GJ/unit of product	0.071

Intensity of GHG emissions¹³

Emissions categories	Unit of measurement	2019
Direct emissions of CO ₂ - Scope 1	(tCO ₂ /unit of production)	0,003
Indirect emissions of CO ₂ - Scope 2 - Location Based	(tCO ₂ /unit of production)	0,002
Indirect emissions of CO ₂ e - Scope 2 - Market Based	(tCO ₂ e/unit of production)	0,003

¹¹ The following emission factors have been used for the calculation of emissions for 2019:

- Scope 1:** ISPRA (Higher Institute for Environmental Protection and Research) for the Italian perimeter and UK Government – GHG Conversion Factors for Company Reporting 2019 for the international perimeter;
- Scope 2:** - Electricity (Location-based): ISPRA (Higher Institute for Environmental Protection and Research) for the Italian perimeter and TERNA - International comparisons for the international perimeter;
- Electricity (Market-based): AIB - European Residual Mixes Vers. 1.1 of 28/05/2019 both for the Italian and international perimeter.

For 2018:

- Scope 1:** ISPRA (Higher Institute for Environmental Protection and Research) for the Italian perimeter and UK Government – GHG Conversion Factors for Company Reporting 2018 for the international perimeter;
- Scope 2:** - Electricity (Location-based): ISPRA (Higher Institute for Environmental Protection and Research) for the Italian perimeter and TERNA - International comparisons for the international perimeter;
- Electricity (Market-based): AIB - European Residual Mixes Vers. 1.1 of 28/05/2019 both for the Italian and international perimeter.

¹² The information regarding the Energy intensity is available only for the year 2019.

¹³ The information regarding the Emission intensity is available only for the year 2019.

Total weight of waste by type and disposal method ¹⁴

Waste type	Unit of measurement	2019		2018		2017	
		total	%	total	%	total	%
Hazardous	t	369	35%	408	39%	788	49%
Non hazardous	t	684	65%	635	61%	833	51%
Total	t	1,053	100%	1,043	100%	1,621	100%

Disposal method	Unit of measurement	2019		2018		2017	
		total	%	total	%	total	%
Reuse	t	1,001	95%	980	94%	1,228	76%
Landfill	t	52	5%	63	6%	393	24%
Total	t	1,053	100%	1,043	100%	1,621	100%

Work-related injuries and injuries rates

Total number of injuries	2019	2018	2017
	3	3	4
of which fatalities	-	-	-
of which high-consequence work-related injuries (excluding fatalities)	-	-	-
of which recordable work-related injuries	3	3	4

Rate of work-related injuries ¹⁵	2019	2018 ¹⁶	2017
Rate of fatalities as a result of work-related injury	-	-	n.a.
Rate of high-consequence work-related injuries (excluding fatalities)	-	-	n.a.
Rate of recordable work-related injuries	1.16	1.76	n.a.

Proportion of spending on local suppliers



Number of worked hours in 2019:
518,394 in Italy (340,283 in 2018)

¹⁴ The scope includes the Group's production plants based in Italy, France and Hungary.

¹⁵ The work-related indexes are calculated by applying the following formula:
 - Rate of fatalities as a result of work-related injury = (number of fatalities resulting from work-related injuries \ number of hours worked) * 200,000
 - Rate of high-consequence work-related injuries = (number of high-consequence work-related injuries (excluding fatalities) \ number of hours worked) * 200,000
 - Rate of recordable work-related injuries = (number of recordable work-related injuries \ number of hours worked) * 200,000
¹⁶ The boundary of the reporting data is limited to the Group's Italian companies.

Reading Guidance

This document represents the second Sustainability Report of Artemide (group formed by Artemide Group S.p.A. and its subsidiaries – hereinafter “Artemide” or “Group”) and reports on the issues deemed material, to the extent necessary to ensure the understanding of the business, its performance, its results and of the social and environmental impact it generates. In particular, the identification of the material aspects was performed through a materiality analysis, which is described in the “Sustainability management & economic responsibility” chapter of this document.

The Sustainability Report has been prepared in accordance with the Core option of the “GRI Sustainability Reporting Standards”, published in 2016 by the Global Reporting Initiative (GRI). With regards to the specific GRI 403 indicator (Occupational Health and safety), the most recent version of 2018 was adopted.

The data in the document refers to the period from January 1 to December 31, 2019. Where available, the data for the previous year has been included for comparative purposes to facilitate the assessment of the performance of the Group’s activities. In particular, it should be noted that the text contains comparative data for 2018 and 2017 with reference to the environmental and health and safety aspects, while the data on the Group’s human resources are available for 2018 only.

The scope of economic and financial data and information reported is the same as that used in the Consolidated Financial Statement of Artemide Group as of December 31, 2019. The scope of the social data and information reported includes all the companies consolidated on a line-by-line basis in the Consolidated Financial Statement of Artemide Group S.p.A. .

The scope of the environmental data and information reported includes the Headquarter of Pregnana Milanese, the production plants based in Italy, France and Hungary and the consumption of the Italian showrooms under Artemide Italia’s S.r.l. control.

Moreover, the vehicles consumptions are reported only for the Italian societies. Any further scope limitation is indicated in the text. The use of estimates has been limited as much as possible and, if used, it is based on the best available methodologies and appropriately reported. The periodicity of the Sustainability Report reporting is set on an annual basis. This document is subject to a limited review (“limited assurance engagement” in accordance with the criteria indicated by the ISAE 3000 Revised principle) by Deloitte & Touche S.p.A

¹⁷ For the consolidated list of companies on a line-by-line basis, please refer to the Group Directors’ Report and Consolidated Financial Statements of the Group as of 31.12.2019.



GRI Content Index

GRI 102: General disclosures (2016)

GRI Standard	Disclosure	Page number / external reference
Organisational profile		
102-1	Name of the organisation	224-225
102-2	Activities, brands, products and/or services	16-19
102-3	Location of headquarters	13
102-4	Location of operations	13; 18
102-5	Ownership and legal form	224-225
102-6	Markets served	18-19; 65-89
102-7	Scale of organisation	12; 18; 199
102-8	Information on employees and other workers	199; 202; 226-231
102-9	Supply chain	18; 170
102-10	Significant changes to the organisation and its supply chain	No significant changes to the organisation and its supply chain were occurred.
102-11	Precautionary principle or approach	33; 212
102-12	External initiatives	52; 62; 155; 185-187
102-13	Membership of associations	22
Strategy		
102-14	Statement from senior decision-maker	7

GRI Standard	Disclosure	Page number / external reference
Ethics And Integrity		
102-16	Values, principles, standards and norms of behaviour	33-34; 51-58
Governance		
102-18	Governance structure	33
Stakeholder engagement		
102-40	List of stakeholder groups	37
102-41	Collective bargaining agreements	206-208
102-42	Identifying and selecting stakeholders	36
102-43	Approach to stakeholder engagement	36-37
102-44	Key topics and concerns raised	36
Reporting Practices		
102-45	Entities included in the consolidated financial statements	224-225
102-46	Defining report content and topic Boundaries	38
102-47	List of material topics	39
102-48	Restatements of information	240
102-49	Changes in reporting	240
102-50	Reporting period	240
102-51	Date of most recent report	240
102-52	Reporting cycle	240
102-53	Contact point for questions regarding the report	sustainability@artemide.com
102-54	Claims of reporting in accordance with the GRI Standards	240
102-55	GRI content index	244-254
102-56	External assurance	255-256

GRI 200: Economic Performance (2016)

GRI Standard	Disclosure	Page number / external reference
↗ Economic Performance		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	40-43
103-3	Evaluation of the management approach	41; 240
GRI-201: Economic Performance (2016)		
201-1	Direct economic value generated and distributed	41
↗ Procurement practices		
GRI-103: Management approach (2016)		
103-1	Material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	155-162; 170-172
103-3	Evaluation of the management approach	162; 170-172; 240
GRI-204: Procurement practices (2016)		
204-1	Proportion of spending on local suppliers	10; 162-163; 238

GRI Standard	Disclosure	Page number / external reference
↗ Anti-Corruption		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	33-34; 51
103-3	Evaluation of the management approach	33-34, 240
GRI-205: Anti-Corruption (2016)		
205-3	Confirmed incidents of corruption and action taken	During 2019, no cases of corruption were occurred.

GRI 300: Environmental Performance (2016)

GRI Standard	Disclosure	Page number / external reference
↗ Materials		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	56-58; 97; 145-146; 150-153; 162-164
103-3	Evaluation of the management approach	162-164; 240
GRI-301: Materials (2016)		
301-1	Materials used by weight or volume	165; 238
↗ Energy		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	185-191
103-3	Evaluation of the management approach	185-191; 240
GRI-302: Energy (2016)		
302-1	Energy consumption within the organisation	10-11; 192; 236

GRI Standard	Disclosure	Page number / external reference
↗ Emissions		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	185-191
103-3	Evaluation of the management approach	185-191; 240
GRI 305: Emissions (2016)		
305-1	Direct GHG emission (Scope 1)	10-11; 193; 237
305-2	Energy indirect GHG emissions (Scope 2)	10-11; 193; 237
↗ Effluents and waste		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	194
103-3	Evaluation of the management approach	194; 240
GRI 306: Effluents and waste (2016)		
306-2	Waste by type and disposal method	10-11; 195; 238
↗ Environmental compliance		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	33-34
103-3	Evaluation of the management approach	33-34; 240
GRI 307: Environmental Compliance (2016)		
307-1	Non-compliance with environmental laws and regulations	During 2019, no relevant monetary sanctions related to the violation of laws, regulations or voluntary environmental codes were identified.

GRI 400: Social performance (2016)

GRI Standard	Disclosure	Page number / external reference
↗ Employment		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	338-39; 220-223
103-2	The management approach and its components	206
103-3	Evaluation of the management approach	206; 240
GRI-401: Employment (2016)		
401-2	Benefits for full time employees that are not provided to temporary or part-time employees	206
↗ Labour management relations		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	208
103-3	Evaluation of the management approach	208; 240
GRI-402: Labour management relations (2016)		
402-1	Minimum notice periods regarding operational changes	208

GRI Standard	Disclosure	Page number / external reference
↗ Occupational Health and Safety		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	216-217
103-3	Evaluation of the management approach	216-217; 240
GRI-403: Occupational Health and Safety (2018)		
403-1	Occupational health and safety management system	166; 172; 185; 187
403-2	Hazard identification, risk assessment, and incident investigation	212; 216
403-3	Occupational health services	216
403-4	Worker participation, consultation, and communication on occupational health and safety	216
403-5	Worker training on occupational health and safety	217
403-6	Promotion of worker health	206
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	216
403-9	Work-related injuries	213; 239
↗ Training and education		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	157; 210; 217
103-3	Evaluation of the management approach	210; 240
GRI-404: Training and education (2016)		
404-1	Average hours of training per year per employee	12; 211; 232-233

GRI Standard	Disclosure	Page number / external reference
↗ Diversity and equal opportunity		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	94; 203
103-3	Evaluation of the management approach	203; 240
GRI-405: Diversity and equal opportunities		
405-1	Diversity of governance bodies and employees	12; 229; 234
↗ Customer Health and Safety		
GRI-103: management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	125; 155-160; 166; 174-179
103-3	Evaluation of the management approach	155-160; 174-179; 240
GRI-416: Customer Health and Safety (2016)		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	During 2019, no relevant cases of non-compliance related to the health and safety of products and services were reported.
↗ Marketing and Labelling		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	180-182
103-3	Evaluation of the management approach	180-182; 240
GRI-417: Marketing and Labelling (2016)		
417-2	Incidents of non-compliance concerning product and service information and labelling	During 2019, no cases of non compliance related to information and labelling of products and services were reported.

GRI Standard	Disclosure	Page number / external reference
↗ Values and Brand Identity		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	17-19; 51-58
103-3	Evaluation of the management approach	17-19; 51-58; 240
↗ Responsible communication and fostering sustainable culture		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	36-37; 51-58; 60-63
103-3	Evaluation of the management approach	36-37; 51-58; 60-63; 240
↗ Made in Italy		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	8; 17-19; 65; 162; 203
103-3	Evaluation of the management approach	17-19; 65; 162; 240
↗ Light intelligence		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	97-130
103-3	Evaluation of the management approach	97-130; 240

GRI Standard	Disclosure	Page number / external reference
↗ Innovation & patenting		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	8; 100-105; 132-133
103-3	Evaluation of the management approach	65-86; 91; 104-130; 240
↗ User experience		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	65-86; 91; 104-130
103-3	Evaluation of the management approach	65-86; 91; 104-130; 240
↗ Social value of innovation		
GRI-103: management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	42-47
103-3	Evaluation of the management approach	42-47; 240
↗ Responsible Lighting		
GRI-103: management approach (2016)		
103-1	Explanation of the material topic and its boundary	38-39; 220-223
103-2	The management approach and its components	104-121; 126-127; 149-151
103-3	Evaluation of the management approach	104-121; 126-127; 149-151; 240

Independent Auditors' Report



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INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

To the Board of Directors of
Artemide Group S.p.A.

We have carried out a limited assurance engagement on the Sustainability Report of Artemide Group S.p.A. and its subsidiaries (hereinafter also "Artemide Group" or the "Group") as of December 31, 2019.

Responsibility of the Directors for the Sustainability Report

The Directors of Artemide Group S.p.A. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by the GRI – Global Reporting Initiative ("GRI Standards"), as stated in the paragraph "Reading guidance" of the Sustainability Report.

The Directors are also responsible, for such internal control as they determine is necessary to enable the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the identification of the objectives related to the sustainability performance and for identification of the stakeholders and the significant aspects to report.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards. We conducted our work in accordance with the criteria established in the "International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the Sustainability Report, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

1. Analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods used for the identification and prioritization of material aspects for stakeholders and to the internal validation of the process results;
2. Comparison between the financial data and information included in the chapter "Sustainability management & economic responsibility" of the Sustainability Report with those included in the Group consolidated financial statement;
3. Understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of Artemide Group S.p.A. and with the personnel of Artemide S.p.A., and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of data and information to the department responsible for the preparation of the Sustainability Report.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
 - a) with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- With regard to the Pregnana Milanese (MI) site of Artemide Group S.p.A. and to the Pregnana Milanese (MI) site and production plant for Artemide S.p.A., which we selected based on their activity, their contribution to the performance indicators at the consolidated level and their location, we carried out site visits / remote call conferences, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the Artemide Group as of December 31, 2019 is not prepared, in all material aspects, in accordance with the GRI Standards as stated in the paragraph "Reading guidance" of the Sustainability Report.

Other matters

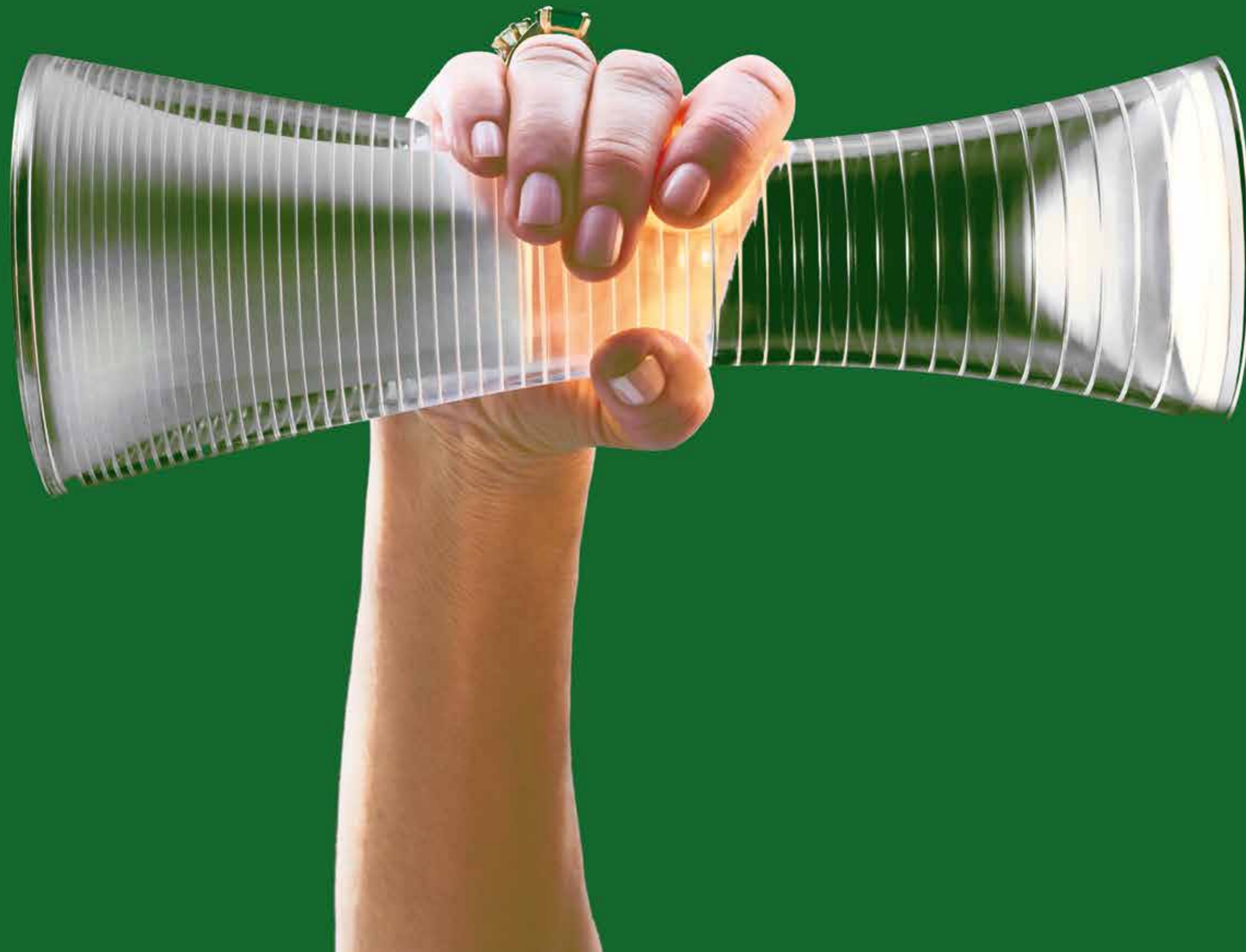
The comparative data presented in the Sustainability Report for the years 2017 and 2018 have been verified with reference only to the year 2018, to the extent necessary for the issue of our Report.

DELOITTE & TOUCHE S.p.A.

Signed by
Ernesto Lanzillo
Partner

Milan, Italy
April 7, 2021

*This report has been translated into the English language solely
for the convenience of international readers.*



Artemide[®]
The Human and Responsible Light

Artemide