

Artemide

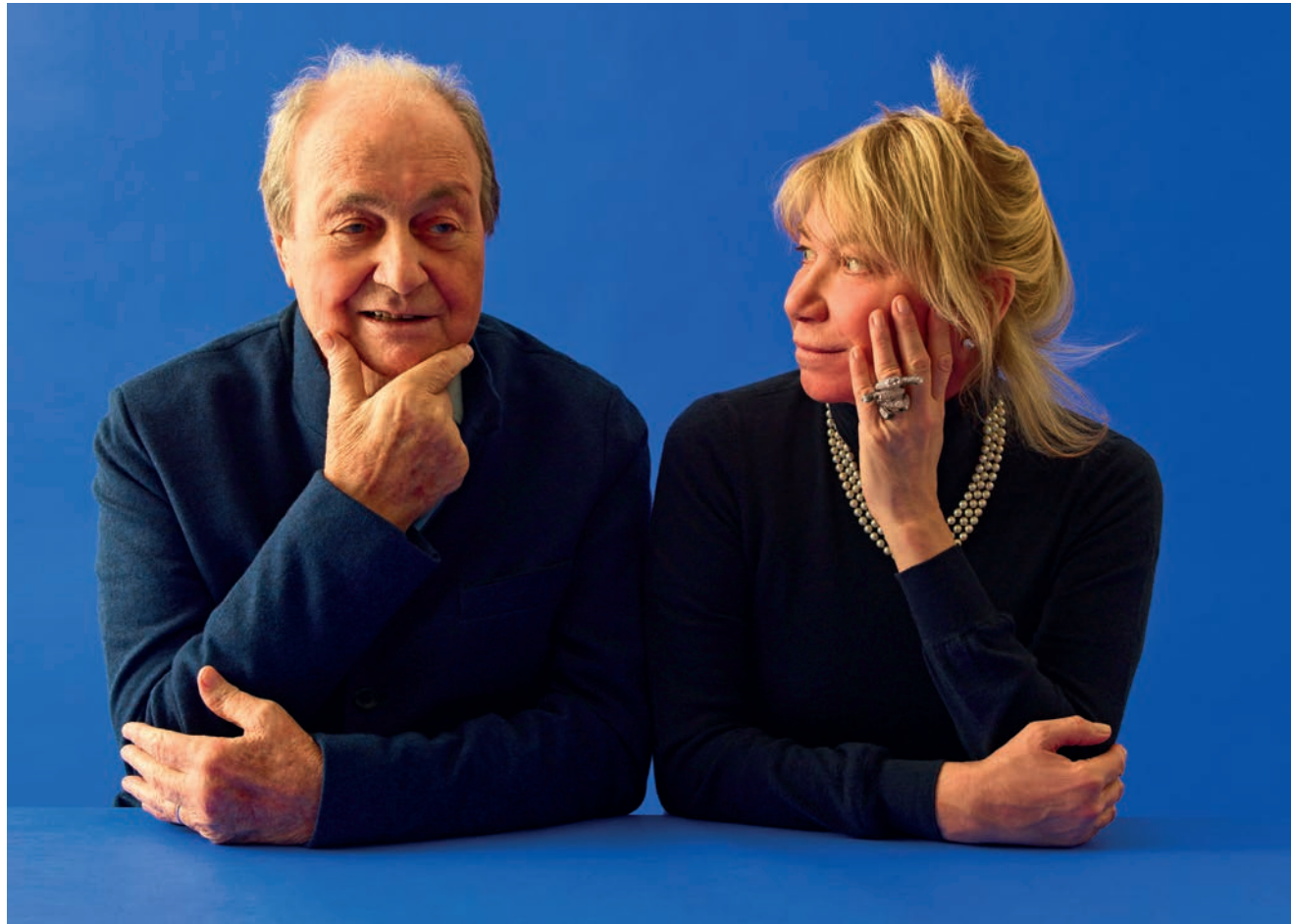
**Sustainability
Report 2020**

Sustainability Report 2020

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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, techne (the art of know-how) measured with the values of environmental and social sustainability.

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 the light of the patented technology Integralis can also sanitize spaces and bring people back to experience them together.

2020 was a complex year on a global, corporate and personal level. The pandemic has changed our daily life and has led us to redesign the balance of production and trade. The death of Ernesto Gismondi, founder and president of Artemide, my life partner, marked the end of this year.

Ernesto Gismondi taught us to look to the future with a visionary and innovative spirit, curiosity, commitment and a solid foundation of know-how.

Thanks to this we have reconsidered the role of the company and of shedding light in a new dimension of the rhythms of life starting from the limits, fundamental elements of every project.

Crisis means a break with the past and an opportunity for rebirth in the present towards the future.

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.

The depth of knowledge allows us to immediately apply research and invention patents in our products. The lighting sector has seen a very important technological acceleration: first the LED and electronics revolution and the photonic one are now redesigning the design and production boundaries, offering us the opportunity to interpret the true meaning of design as a project capable of giving a perspective, distribute quality and improve life.

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
President & CEO



Ernesto Gismondi

Entrepreneur, aerospace engineer, inventor and university professor for over 60 years Ernesto has guided Artemide with a visionary spirit, anticipating the future of the light in the present.

A great protagonist in the history of design and a brilliant multifaceted figure, he has integrated research, technological innovation and beauty by editing timeless products.

Witness of the Made in Italy in the world, Ernesto Gismondi has promoted the culture of design while interacting with the most important international architects and illuminating every space of human life.

A pioneer in interpreting the values of environmental and social sustainability, his example will be the guide for the future of Artemide.

"We do not live on light bulbs alone,
we live on innovation,
which is not only technological.
It is mainly innovation of thought."

Ernesto Gismondi

Discovery - Ernesto Gismondi
Photo by Pierpaolo Ferrari



Sustainability highlights

Innovation and Made in Italy

Invention patents
2018-2020
12 of which
1 in 2020

Patents registered
and kept until 31.12.20
114
(102 as of 31.12.19)

Revenue dedicated to
Research and development
5.5%
(5.4% in 2019)

Design awards
received since 1960
+285

Architects and designers
63 from
15 countries

114
patent registered
until 31.12.20

12
between
2018-2020

1
in 2020

Environment¹

Purchase made to suppliers in the European Union
92%
 of which Italian suppliers
77.5%

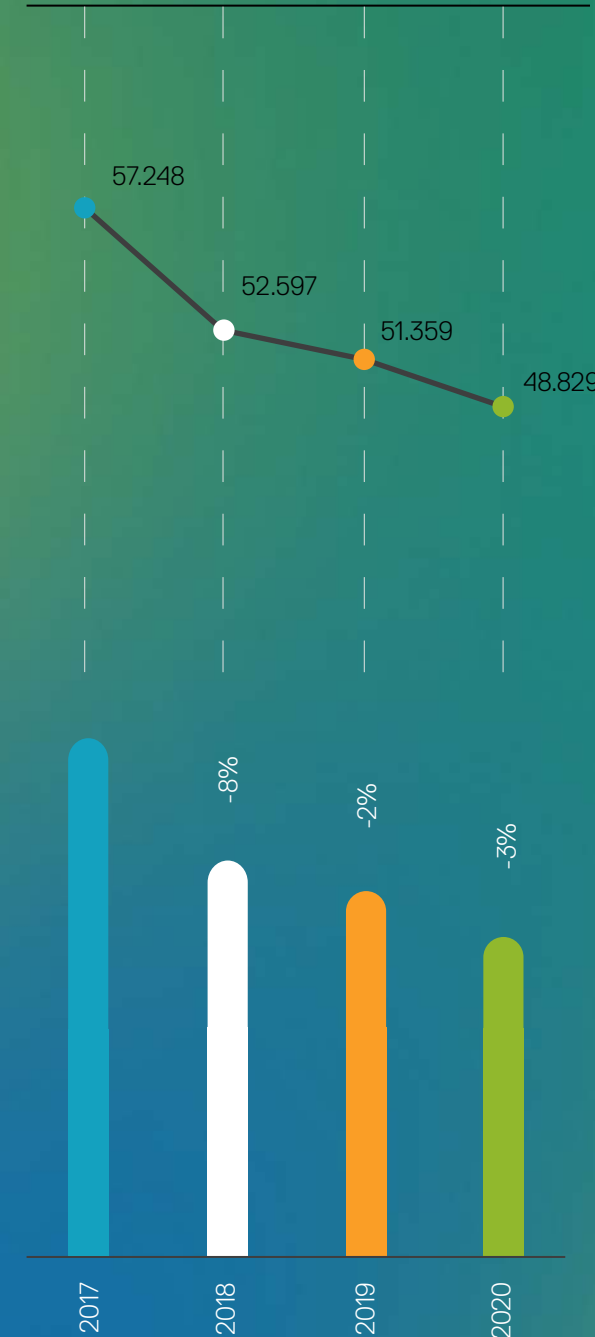
Reduction of total energy consumption equal to
3%
48,829 GJ against 51,359 GJ in 2019

Waste is destined for recovery
93%

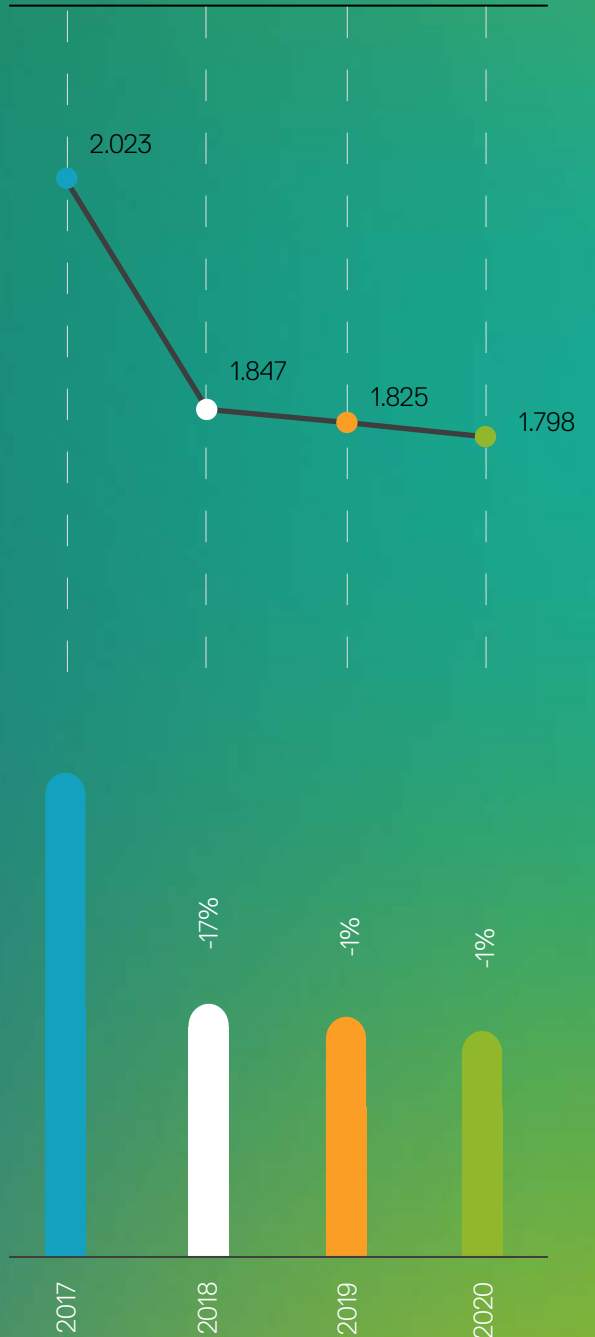
Reduction of direct emissions of CO₂ equal to
1%
1,798 ton di CO₂ against 1,825 ton di CO₂ in 2019

Reduction of indirect emissions of CO₂ Scope 2 (market based) equal to
14,6%
1,585 ton di CO₂ against 1,855 ton di CO₂ in 2019

Total energy consumption reduction (GJ)



Direct CO₂ Emission reduction (t)



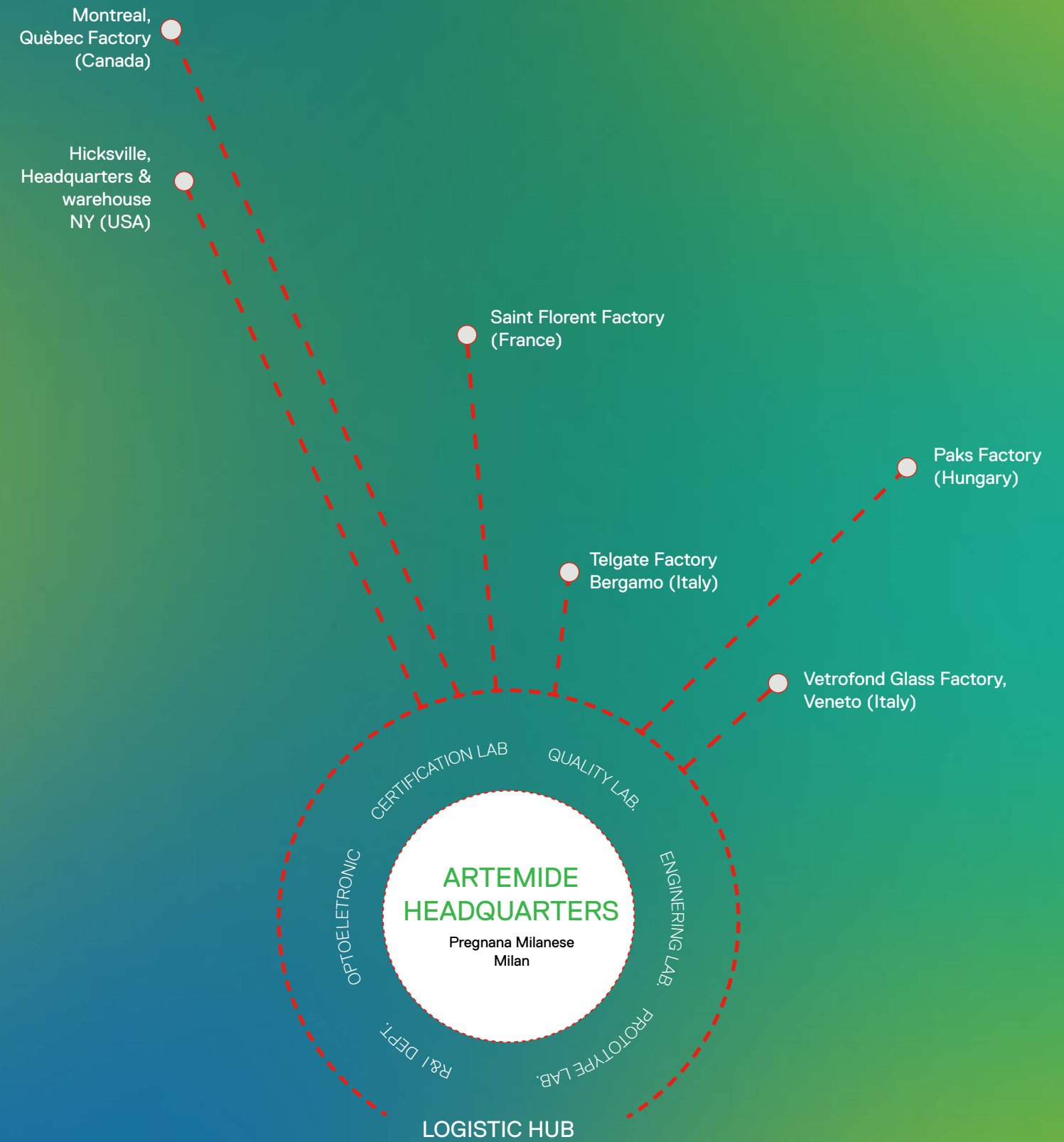
¹For any details related to the perimeter limitations of the environmental data, see the section "Environmental responsibility. More with less" of the document.

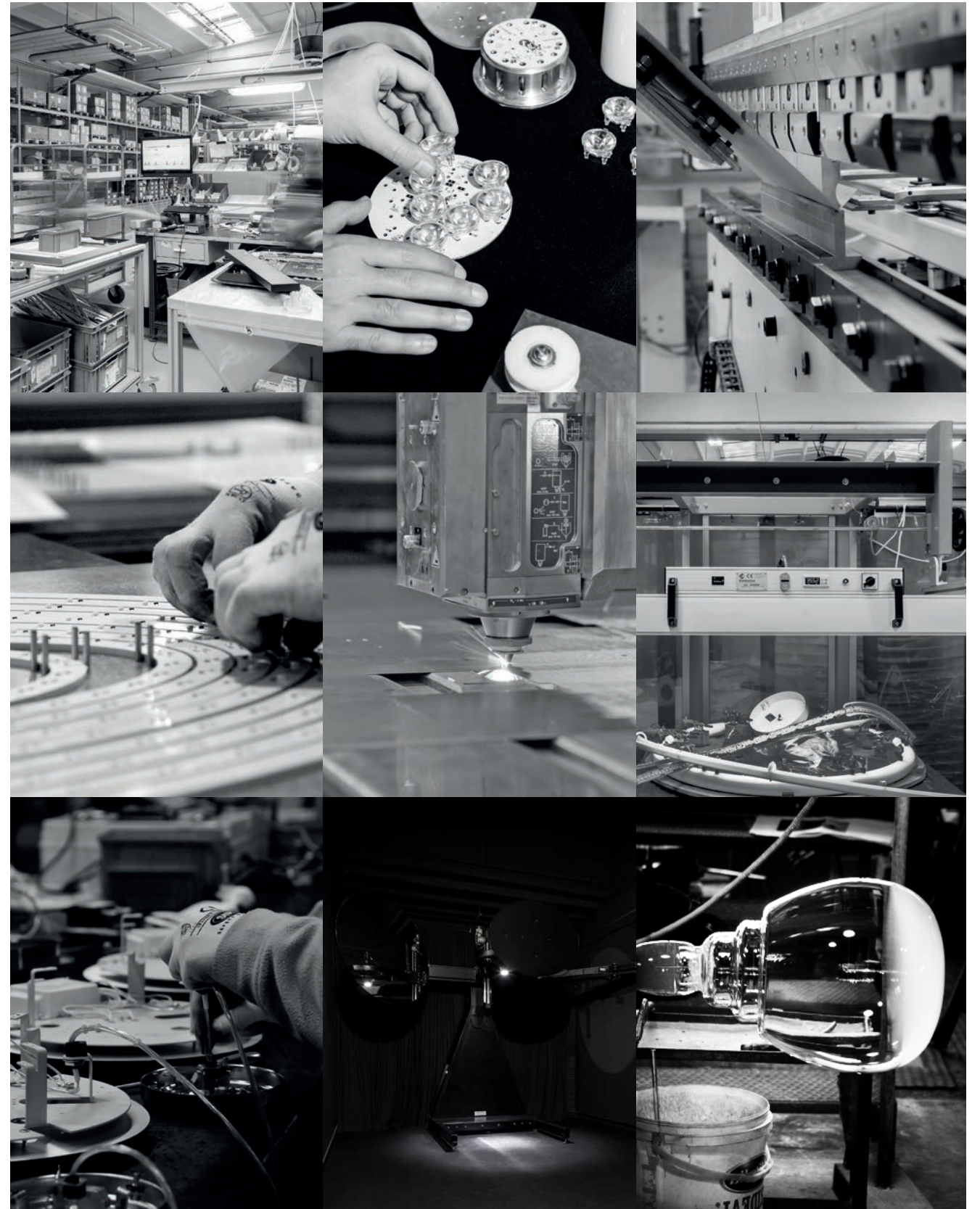
Our people

Employees	652	Women employees	45%
Indefinite contracts	89%	Men employees	55%
		Training hours	4.335 h

Global presence

Revenues	94 mln €	Distribution in over	80 Countries
	<i>(106 mln € in 2019)</i>	Showrooms	14
		Export quota	75%

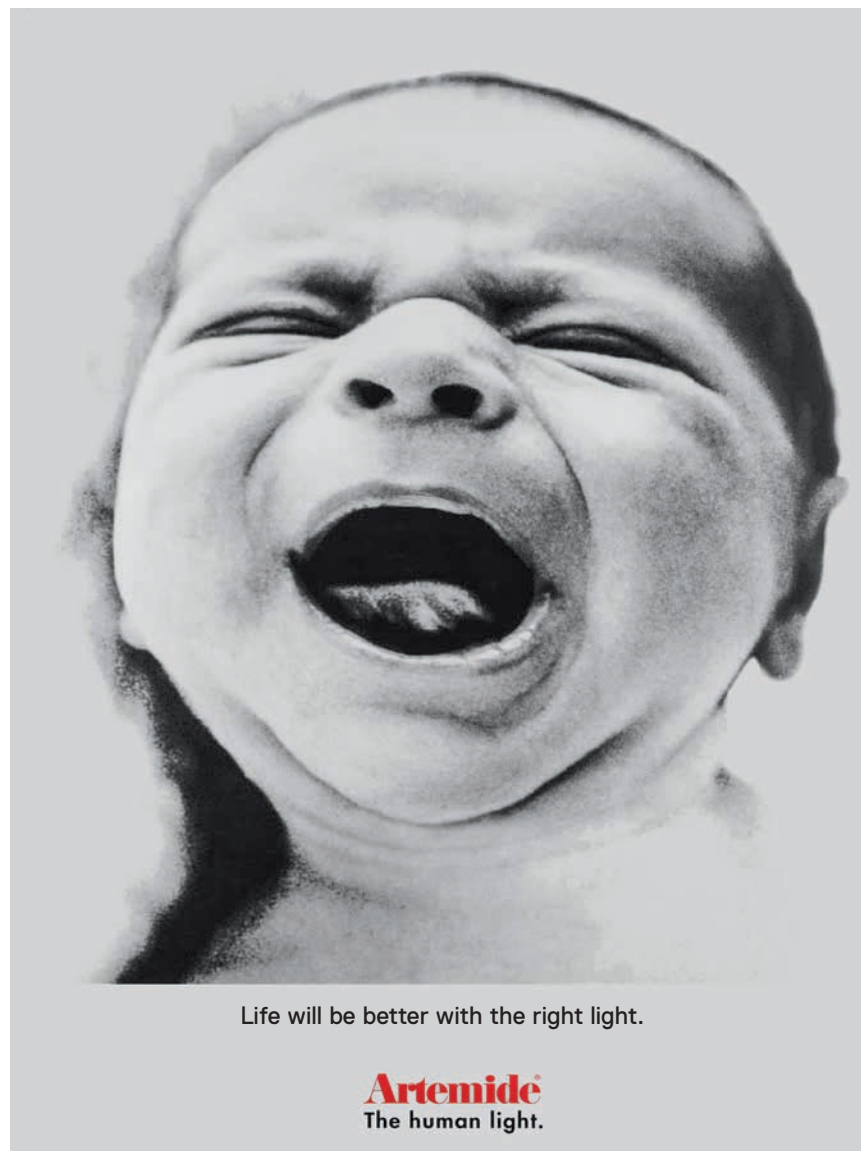




01 Artemide

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 can regenerate spaces, stimulate the creation of new relationships and even bring us back to living together in safety. Based on research conducted by Artemide, the patented INTEGRALIS® technology can use light to sanitise spaces, restoring our personal and shared spaces.

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 giving emotions as well as ensuring perfect functionality and perception.

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.

Made in Italy

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 Center**, 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. At the same time, Artemide has chosen to internationalise its production: in addition to Italy, its production facilities are located in **France, Hungary and Canada**.

Artemide generates approximately **75%** of revenues in foreign markets thanks to a widespread international distribution presence that includes **14 flagship showrooms** in some of the world's most important cities and a wide network of retailers and distributors, supported by global partnerships with many of the most prestigious architecture and design offices. In 2020, Artemide consolidated its presence in Northern Europe with the opening of a new showroom in Copenhagen. The showroom will showcase all of Artemide's collections, from the most iconic pieces to the most innovative systems developed with leading international architectural firms such as BIG, in a synthesis of cutting-edge technology and manufacturing quality. This latest development confirms Artemide's philosophy of offering not only products but also services and expertise, becoming a reference point for an informed choice of lighting, offering complete and personalised support to professionals in the sector.

In line with the Group's growth strategies, the 2020 financial

year witnessed the development of the projects segment, which built on existing partnerships with brands, architects and lighting designers. A conscious choice of lighting, offering a complete and customised support service. During the year, international business increased as a result of framework agreements that involved, in particular, the Retail and Automotive business applications. There was also a significant contribution from projects in the Office sector thanks to the performance of new products, especially those that can be controlled with the Artemide App.

As of 31 December 2020, the Group **employed 652 people**, **56** of whom in **Research & Innovation and Product Development** activities, confirming the key role of innovation as a driver of success. With its laboratories, Artemide is a leading player in the field of light research, contributing to the growth of scientific and technological knowledge. At the same time it opens up to humanistic culture with workshops, seminars and collaborations to develop far-reaching considerations on contemporary society, evolving needs and social scenarios.

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, Health & Care, 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.

14
flagship
stores

5
Collections



Prizes and awards

+285
design 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.

Award-winning products stand out for their unique concept and ability to represent excellence in creativity, technology, manufacturing and research. Gople Portable won the **Archiproducts Design Award** in 2020 while La Linea won the **Denmark Design Awards 2020** and the **Wallpaper Design Award 2020**. Both are projects resulting from the collaboration with BIG. **Bjarke Ingels Group (BIG)** is a group of architects and designers working in the fields of architecture, urban planning, research and development with offices in Copenhagen, New York City, London and Barcelona. With them, Artemide has for some years now been developing innovative lighting solutions that have been highly successful for their ability to intelligently and sustainably interpret contemporary and future spaces.

In addition to the awards for its products, in 2020 Artemide also received the **Pambianco "Le Quotabili20"** award and the CEO Italian Awards. Pambianco celebrated the 15th edition of the "leQUOTABILI20" award and gave Artemide a "special prize" by naming it as the most attentive company to Sustainability.

The **Forbes CEO Awards** recognise the best top managers leading Italian companies who, during the 2020s, stood out for their boldness and initiative, consolidating the competitiveness of their businesses on international markets and, at the same time, making them better places to work and more attentive to people's needs. Carlotta de Bevilacqua received the CEO Italian Awards for representing Italian design around the world over the years.

Carlotta de Bevilacqua has also been included by Forbes in the **"100 successful women of 2020"**.

The numerous awards received in recent years include the prestigious **Compasso d'Oro 2018** award for the **Discovery** project, designed by Ernesto Gismondi, who in the same year received **the Compasso d'Oro Career Award** from the Associazione per il Disegno Industriale for his achievements and merits as a polyhedral personality: aerospace engineer, university lecturer, entrepreneur and designer.

In 1994 Artemide had already received the **Compasso d'Oro Lifetime Achievement Award** in addition to awards for products such as, apart from the aforementioned Discovery, **the IN-EI collection** (2014, by Issey Miyake), **Pipe** (2004, by Herzog & de Meuron), **Tolomeo** (1989, by Michele De Lucchi and Giancarlo Piretti) 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 in 2013 the "Premio Leonardo Qualità Italia 2012" as well as numerous other important international awards that confirm its contribution to the cultural and creative strengthening of Italy.

“It is precisely the word Italy that takes us back to the place where design was born. Design means a project, it is always born from a synthesis of scientific research, humanistic vision, manufacturing, "téchne" (the art of making), which today is increasingly measured against the values of environmental and social sustainability. Artemide has been designing and producing light design for 60 years, and through Italian knowledge and know-how it dialogues with the international project.”

Carlotta de Bevilacqua



La Linea, BIG - Bjarke Ingels Group
Photo by Giovanni Gastel

- 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
- 8 Wallpaper Design Awards
- 1 European Design Awards '17
- 3 Architectural SSL
- 1 Best of the Year Awards
- 2 Archiproducts Design Awards
- 1 Denmark Design Award

1967

Eclisse,
Vico Magistretti



1994

Artemide



1987

Tolomeo,
Michele De Lucchi
Giancarlo Piretti



2014

Demetra,
Naoto Fukasawa



2004

Pipe,
Herzog & de Meuron



2013

IN-EI Collection,
Issei Miyake + Reality Lab



2014

Objective Family,
Jean Nouvel



2019

Gople,
BIG



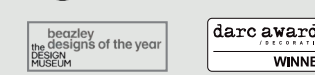
2017

Unterlinden,
Herzog & de Meuron



2017

Alphabet of Light,
BIG



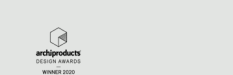
2019

La Linea,
BIG



2020

Gople Portable,
BIG



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 interactive solutions, which are the result of continuous research, experimentation and technological innovation.

In 2020, the national and international scenario was characterised by the progressive propagation of Covid-19 and the consequent restrictive measures for its containment that were implemented by the Governments of the affected countries. The Covid-related emergency has greatly accelerated numerous changes that were already underway, particularly in the digital field.

The possibility of participating in digital trade fairs and conferences has opened up great opportunities. Where possible, Artemide has sought to combine a digital presence with live meetings in safety and in compliance with the rules. These new opportunities are seen as tools that can contribute to renewing and enriching the trade fair experience without replacing it. Artemide has always supported and participated in trade fairs and cultural events, which are considered not only commercial occasions but also moments of exchange and sharing. As demonstration of this commitment, Artemide has already committed to participating in the 2021 edition of EuroLuce.

These events are extremely important not just for the promotion of the brand and the Group's products, being important showcases in which the new collections are presented, but also act as spaces for meeting and exchanging visions and knowledge, capable of promoting Italian Design.

Artemide shares the commitment of the city's institutions in supporting Milan as the international capital of Design. Today, more than ever, Milan affirms its central role in interpreting the culture of design and entrepreneurship, and translating it into the beauty of an innovative and sustainable future.

Following a Milan Design Week held exclusively through digital events in June, **Milan Design City 2020** was held in September. On this occasion it was possible, also with meetings in the Milan

showroom in Corso Monforte, to present new products and services that are the result of continuous research, experimentation and technological innovation guided by a sustainable approach.

Artemide is once again opening up new frontiers in design, starting with a disruptive approach based on sustainable innovation, knowledge as know-how, with a humanistic approach and an ethical perspective. Artemide introduced the patented **INTEGRALIS®** technology that combines sanitizing effectiveness with luminous performance and design beauty. By means of its Human & Responsible Light, Artemide makes it possible to rethink the environment in terms of the energy ecosystem, the perception of space, the experience of well-being and now, with **INTEGRALIS®**, also of human health for a better quality of life.

On the occasion of the **3DaysOfDesign** event, Artemide inaugurated its new **showroom in Copenhagen**, presenting the new collections that are the result of collaborations with leading international architectural firms and research into cutting-edge technologies. Artemide addressed a variety of cultural perspectives on lighting design, opening up to the international market alongside one of the main players in contemporary architecture: BIG (Bjarke Ingels Group) with avant-garde projects. In parallel, Jakob Lange, Partner of BIG, offered a preview of the architecture studio's new products including La Linea, winner of the Design Awards 2020 and other new products.

Artemide participated in **Dubai Design Week 2020** with a digital presence at the Downtown Design Digital Fair and with several installations in the Dubai Design District "d3".



BIG

Gople System
↔ BIG
Patent Pending

AOL

Milano Design City 2020
Artemide Monforte Showroom, Milan

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, 2020, **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.
- **Responsibility and striving 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, including instances of non-compliance with environmental, human rights and personal integrity laws and regulations 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.



Covid-19 health crisis

In its daily activities, Artemide has always given primary importance to the health and well-being of its workers.

Since January 2020, the national and international scenario has been characterised by the progressive propagation of Covid-19 and the consequent restrictive measures for its containment put in place by the governments of the countries concerned.

As noted above, the absence of specific initial remedies to the virus has made it necessary to close down production and trade activities in many countries, also compelling their governments to adopt extraordinary measures to protect their economies and support the incomes of their population. The so-called 'lockdown' lasted between two and three months on average and in Italy starting on March 9 of 2020 for about 10 weeks. From November 2020 until January 6 2021, due to the fear of a second wave of the epidemic, very restrictive measures were once again adopted in many countries, especially in relation to commercial activities.

In this context, Artemide invested in the health and well-being of all its employees, consultants and customers. In order to deal promptly with the Covid-19 emergency, protective measures were activated to safeguard the health of employees and business continuity. In addition to complying with all current protocols, Artemide was supported by the advice of specialists from San Raffaele in order to provide the best possible care for all its employees. Concurrently, a vast smart working programme was activated, providing all employees with the specific tools needed to carry out their respective tasks at home. In addition, a supplementary protocol was signed for the prevention of the Covid-19 virus in view of its gradual re-emergence.

In fact, "Artemide did not stop". It worked according to a "European project" with production units and a network of Italian and European suppliers that made it possible to continue operations in almost total continuity even in terms of production, while investing first and foremost in the health and wellbeing of all its employees, consultants and customers, anticipating the necessary measures in advance.

This set of measures was constantly updated and periodically reported to the Board of Directors, the Board of Statutory Auditors, the Control Committee and the Supervisory Board. This experience has reaffirmed and strengthened the values that guide the Artemide perspective.

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

- Website, catalogues
- Events invitations, fairs and collections presentations
- Custom design solutions

End-users

- Meetings at the showrooms
- Websites and catalogues
- Campaigns of communication
- Artemide Cloud

Human Resources

- 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

- Cooperation on research and development of new design solutions
- Contamination for ideas and needs for the use of space

Schools and universities

- Internships and traineeships promotion
- Projects with important universities and schools in Italy

Centres of research

- Definition and sharing of technical and qualitative standards.
- Sharing of know-how

Media

- Interviews
- Company events and trade fairs
- Press and workshop

Suppliers

- Constant dialogue and specific meetings

Local Community

- Donations and Sponsorships
- Collaborations with organisations and non-profit entities for supporting solidarity initiatives

Financial Institutions

- Institutional website
- One-to-One Meetings

Regulatory entities and Public Administration

- 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.

With reference to 2020, the Group confirmed the issues that emerged from the materiality analysis process conducted in 2018. These issues are still valid and subject to reporting, but due to the global events of 2020, the topic of "Health and Safety" has acquired a more important position. For more details, please consult the 2018 Sustainability Report of the Artemide Group 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:

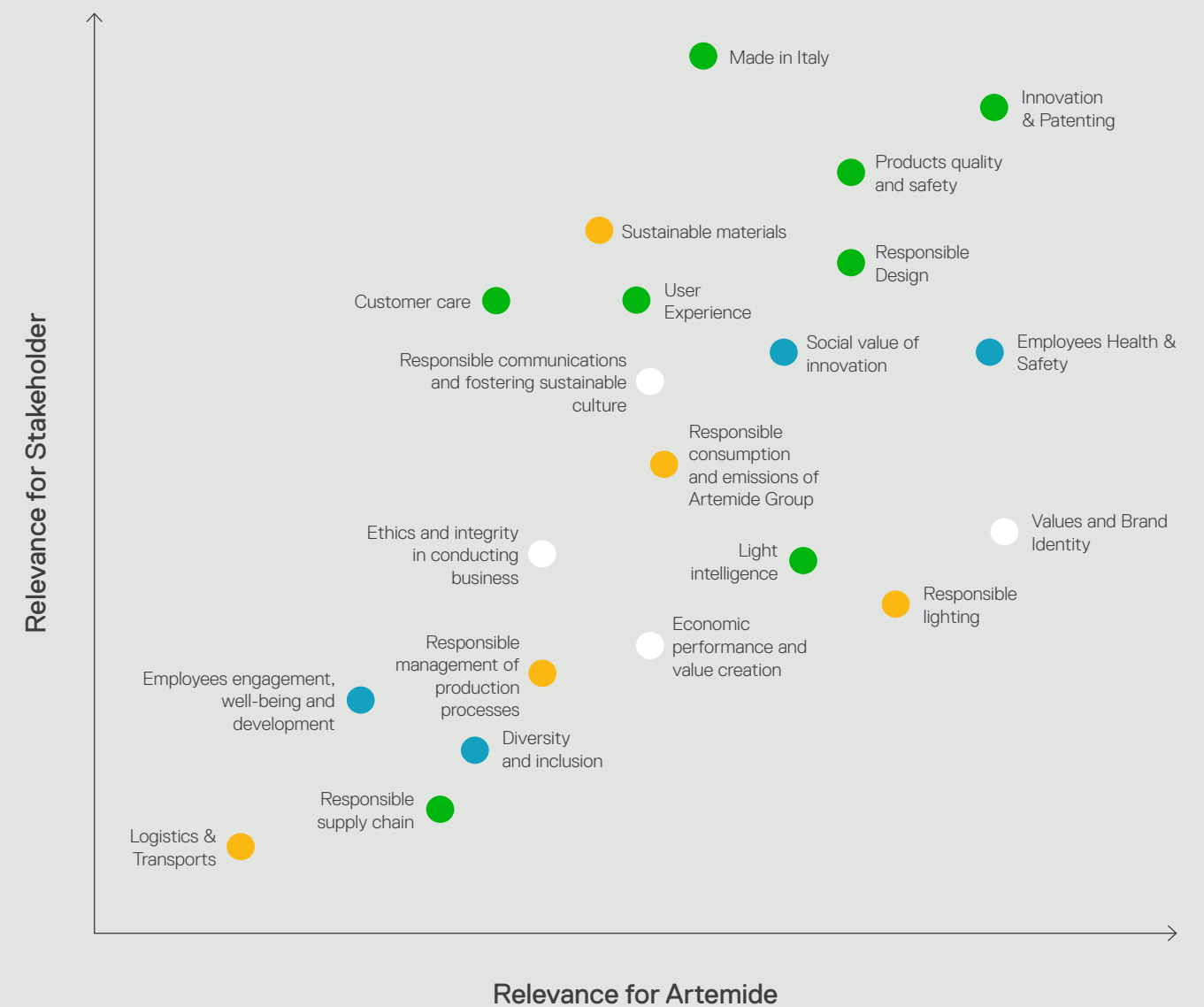
- Identity, Ethics and Value Creation
- Products and Services
- Social Responsibility
- Environmental Responsibility

For each macro-category, material issues have been identified

Materiality analysis of the Group Artemide 2020

Key:

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



Value Generated and distributed to the stakeholders

and are positioned in the matrix according to their relevance for the Group and its stakeholders in light of the markets in which the Group operates.

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, shareholders, its communities** 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 of 31 December 2020. This year, the total economic value generated by the Group is equal to **EUR 97,438 thousand**, of which approximately **85%** was distributed and **15%** was retained by the Group.

In particular, the largest share of economic value was distributed to Suppliers, for a total of 65.5% of the aggregate value; 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.

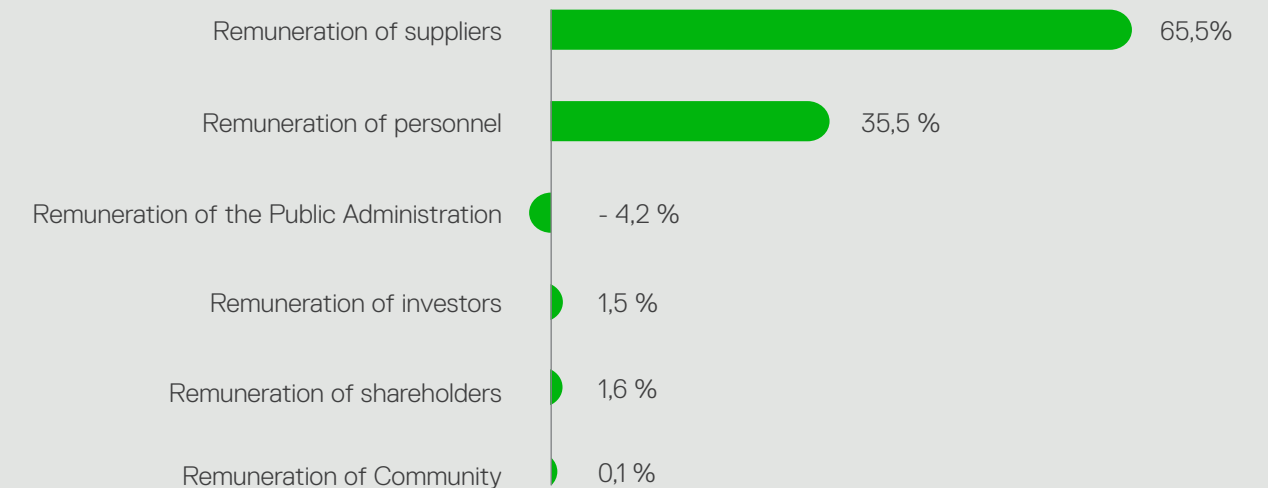
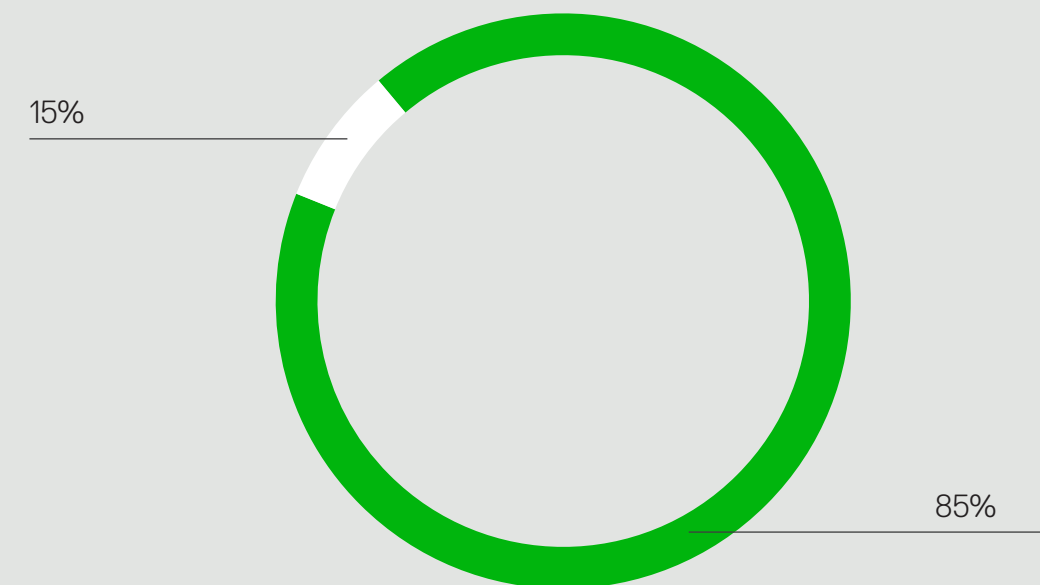
The next stakeholder category to which a significant share of economic value was distributed was personnel, accounting for more than 35.5% of the economic value distributed by the Group. This share includes costs incurred for wages and salaries, social security contributions, severance pay and other personnel-related costs. Over 1.5% 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 arising from the revaluation for tax purposes of the Artemide trademark held by Artemide Spa, the remuneration distributed to the Public Administration was -4.2%. Finally, 15% 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, 2020

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 EUR 71 thousand.

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) for the course "**Light and sense-able interactions in the city of the future**". In 2020 Artemide was a partner company of the Final Synthesis Laboratory "**Light and interactivity**" of third year students at the Faculty of Industrial Design of the Politecnico di Milano, supporting the students with its design expertise.

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 of the social commitments of a company that has transformed the way of thinking about light by putting human needs at the centre of all its projects, since 2015 Artemide has, on various occasions, supported **Food for Soul**, the non-profit organisation founded by chef Massimo Bottura. With its lighting projects, Artemide has contributed to making the spaces of the **Refettorio Ambrosiano** in Milan, the Refettorio Felix located in the historic St Cuthbert's centre in London welcoming and familiar, and is collaborating on the creation of new community canteens.

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 regularly supports various non-profit organisations through donations of products for events and fundraising auctions, which unfortunately, given the current health emergency, were not held in 2020.

In 2020 Artemide supported with a donation the Telethon fundraiser in partnership with BNL.

Biennale di Venezia

Also in 2020, Artemide has renewed the collaboration started in 2015 with the Venice Biennale to support one of the most prestigious Italian and international cultural institutions in promoting new visions in art and architecture. Due to the international context, the Venice Biennale has been postponed to 2021 and Artemide has nevertheless confirmed its contribution. This choice expresses an ongoing commitment to supporting culture. It is a support dictated by a sharing of values and closeness of themes. The Venice Biennale focuses on ethical issues and social research. "How will we live together?" invites us to reflect on living spaces and togetherness according to new associative geographies to address the current crises with inclusiveness and spatial identity. A future-oriented attitude that in art, as in design, leads to experiences that are capable of changing the way everyday life is interpreted with new energies.

Artemide is a partner of Triennale Estate "A garden of voices and colours", renewing a long collaborative relationship with this prestigious cultural institution. Artemide's collaboration with Triennale Milano confirms a synergic sharing of themes linked to a local reality, Milan, which opens up to an international environment, welcoming new stimuli and relaunching innovative solutions and ideas, acting as an engine of innovation for the future.

Triennale Estate

As part of the Triennale Estate programme, a number of presently central themes will be addressed with a multidisciplinary approach. Artemide supports culture in all its different expressions, believing in transversality and the sharing of knowledge and innovation.



Gople RWB
Fabbrica dell'Aria, Manifattura Tabacchi, Firenze



Gople RWB, Una Pro RWB
Fabbrica dell'Aria, Manifattura Tabacchi, Firenze

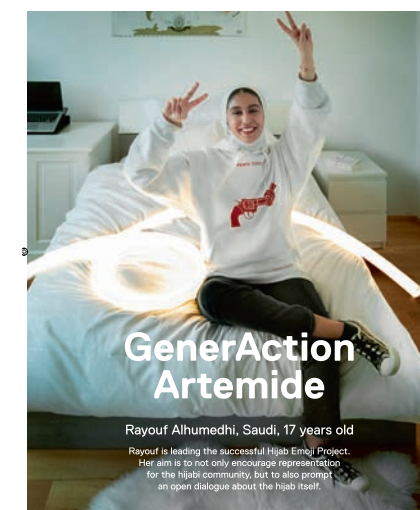
Manifattura Tabacchi

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 played an integral part of this innovative project by reducing 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. 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 working spaces.

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, 2019-2020



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.

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.



Gitanjali Rao, photographed by Giovanni Gastel, 2019

01.3 Sustainable culture

Artemide Factory, Photographed by Elliott Erwitt, 2001



Sustainable values

Artemide's path towards sustainability continued throughout 2020 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 third **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 the pursuit of a model of sustainable and inclusive development, the commitment to supporting human rights is a fundamental element of the Group's business management system, as expressly required by the Code of Ethics and in line with the provisions of national labour legislation and the CCNL. To this end, the Artemide Group places particular importance on the recognition and protection of Human Rights, committing to the promotion and protection of a safe working environment, where the physical, moral and cultural integrity of people are highly valued, and always ensuring equal opportunities, without prejudice on the grounds of nationality, language, gender, race, religious belief, political and trade union membership, physical and psychophysical conditions.

This objective is also pursued in its external dimension, in relations with suppliers and partners as well as in the definition of its own business operations.

With a view 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
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						■	■	

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 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 feeding the psychophysical well-being and health of people while respecting the limited resources of our planet.

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

→ **Innovative technology** and **responsible** product design to achieve human psycho-physical well-being and protect his health by sanitizing

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

→ **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

→ **Positive employment** and economic impact on local communities, constant even in the period of crisis related to Covid-19

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

→ **Safe and healthy workplace** for employees through accident prevention programmes, behavioural safety laboratories, and Covid-19 prevention protocols

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

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

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

→ Implementation of measures for the **reduction of greenhouse gas emissions** with interventions aimed at improving energy efficiency and the adoption of energy from renewable sources

Impacts on employment and economy

Impacts on people and health

Impacts on the environment



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:

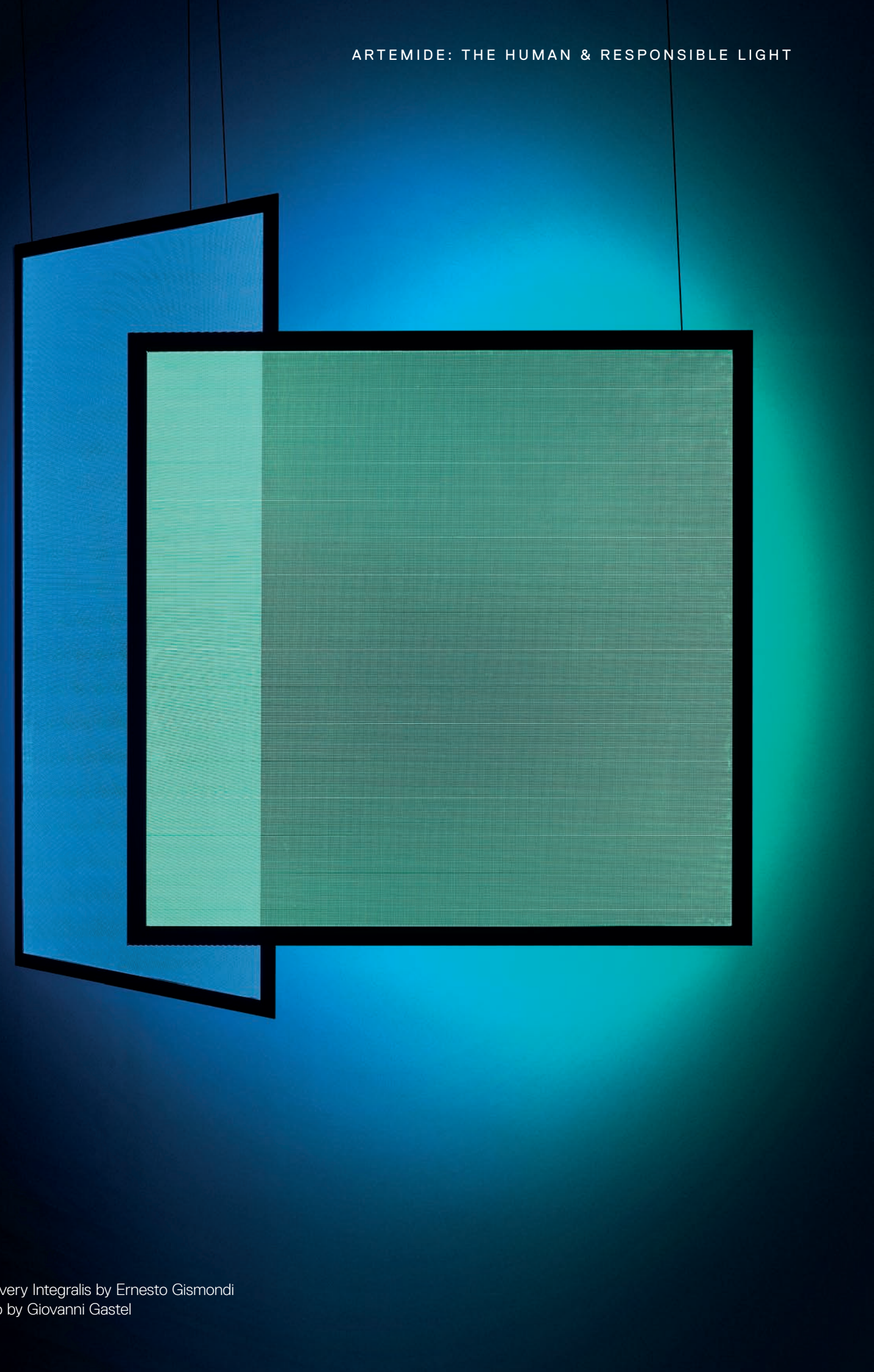
→ Continuous **understanding and interpretation** of the diverse and ever-changing lifestyles to conceive innovative solutions of interaction between light, man, architecture and nature.

→ 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 lamp was born, Alfa, designed by Sergio Mazza in 1959.

1967 First Compasso d'Oro

The first important award for one of the products that have become icons of the Artemide collection. Eclisse designed by Vico Magistretti invites to a new human interaction with light.

1972 Headquarters
Pregnana Milanese

The Pregnana Milanese plant is inaugurated, where the Artemide Headquarters are still located to this day. From the start, Engineer Ernesto Gismondi invested in growth and in valorising competencies, know-how and internal production.

1972 Tizio

Designed by Richard Sapper, a highly innovative table lamp designed from the 12 Volt halogen source.

1987 Artemide R&D centre
"Giacinto Gismondi"

The centre of activities related to product development. The Centre, with its optics, electronic design, materials and light source divisions and a workshop specialising in the creation of prototypes, demonstrates how, for Artemide, the realization of a project has always based on research, expertise and innovation.

1987 Tolomeo

Thanks to the collaboration with Michele De Lucchi and Giancarlo Fassina, Artemide launches Tolomeo, a lamp that, over the years, has become an iconic "Made in Italy" symbol, commonly present 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 its 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

A new manifesto identifying the vision of Artemide: light at the service of humans and their needs. Through a research workshop, Artemide states that humans, with their activities and rhythms, are at the centre of the project. The focus is not the product, but its performance and the relationship with those who experience its light.

1996 Metamorfosi

The Metamorfosi collection introduces coloured light as a tool not only for emotional and scenographic purposes, but also for human psychophysical well-being, opening up the possibility of choosing scenarios that follow our life, our emotions.

2000 LED Engine

Presentation of the first two LED lamps, Sui and Kaio, designed by Carlotta de Bevilacqua and Ernesto Gismondi respectively. The "Led Revolution" began, well before the European Directives on energy saving, and over time became the preferred solution for energy saving, efficiency and quality of light.

2002 Environmental
total quality

The collection was created to allow the integrated management of important environmental parameters such as air, light and sound. The lighting design opens up to embrace an idea of total environmental quality that depends not only on lighting performance but also on sound and air quality for all-round well-being.

2006 My White Light

Artemide opens up a new frontier in lighting: the My White Light line is presented. The research is carried on 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 intensities and chromatic temperatures of white light, and the most current developments of Tunable White technology, with applications of high-end technologies both in terms of LED solutions and in terms of management drivers.

2007 Analysis LCA

In collaboration with the Milan Polytechnic, research was carried out to assess the life cycle impact on the environment of Tolomeo (launched in 1987). Its sustainability was demonstrated and guidelines for the development of new products were outlined, emphasising the fundamental importance of the efficiency of the product and its correct use.

2008 Human and
Responsible Light

"Responsible" becomes an integral part of The Human Light concept that identifies Artemide's project. Artemide's light opens up to the world of which humans are 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 stated to bring the project into the realm of values but are interpreted as a system open to comparison 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 while 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 RWB patent

A specific combination of "red + white + blue" LEDs generates light that is not only suitable to the presentation of nature but also to its development. It defines an emission capable of supporting the correct human perception while creating spectacular and exciting effects through dynamic colours and colour temperatures.

2011 TCO

A calculation tool that was offered throughout the transition phase from traditional technologies to LED technology in order to assess and compare the energy and economic impact of different lighting solutions over time. Developed by Artemide, it is a digital tool aimed at encouraging a conscious choice for the most efficient design solutions, allowing the verification of their economic sustainability based on real or hypothetical conditions of use.

2012 IN-EI

A fabric made of recycled PET capable of maintaining, through special folds, a 3D geometry and of folding into a flat pack, creating a collection of lamps based on material innovation and sustainability, developed by Issey Miyake + Reality Lab.

2014 Acoustic Quality

The desire to offer total environmental quality is reflected in the development of products that combine light and sound absorption.

2015 New Innovation Centre & Laboratories

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

2015 First IoT experience

The Ameluna App is presented, Artemide's first application for controlling light, which then evolved into Artemide App. It is the first step in the definition of an intelligent system linked to the photonic interpretation of light, nowadays essential to offer new interactions and experiences while favoring a better energy balance.

2016 Feeding Living Beings

Explores the breakdown of the light spectrum and its effects on humans, animals and plants. It identifies and uses only the wavelengths needed to see, to grow, to feed on the benefits of light, breaking them down into "artificial rays" whose colours remain visible before merging, by chromatic addition, into white.

2017 Target Point

Target Point is an advanced interaction system that brings parametric design to the service of Human Light through devices and sensors that allow the interaction between the desired and the designed light and the surrounding environment. It records environmental variations and integrates them in the lighting to maintain a dynamic balance with respect to pre-set targets for the maintenance of a physiological or chromatic quality of perception.

2017 Visible Light communication

Visible light is used for data transmission. Transmission takes place bi-directionally, without altering the optical properties and lighting 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 capable of dialoguing with all the products in the Artemide collection to make everyone the author aware of their own lighting scenarios. It is an advanced design tool that integrates intelligences to offer services beyond light.

2019 Sustainability Report

Publication of Artemide's Group first Sustainability report.

2019 United Nations Global Compact

Artemide joins the United Nations Global Compact, committing once again to the adoption and implementation of sustainable and socially responsible policies.

2019 Artemide GenerAction

Artemide is committed to communicating and supporting the projects of young people from Generation Z around the world who have distinguished themselves through their innovative ideas in support of humanity and the future of the planet.

2020 INTEGRALIS®

Artemide presents INTEGRALIS®, a patented light technology that combines sanitising effectiveness with lighting performance and beautiful design

2021 Sustainability Plan

As part of its sustainable growth path, the Artemide Group is moving according to a development plan based on an integrated strategy aimed at the creation of long-term value, capable of combining business growth and financial solidity with social and environmental sustainability.

In 2021, with the aim of translating the Group's strategic vision of sustainability into actions aimed at achieving quantitative objectives that can be measured over time, work will begin on drafting the Sustainability Plan, which will be approved and communicated during the year.

Artemide, with the definition and implementation of its plan, intends to confirm its commitment to the ten principles of the Global Compact and aims to strengthen its contribution to the achievement of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

In the context of this Plan, the Group wants to formalize a roadmap on a medium and long term time horizon with the aim of actively participating in the achievement of the objectives of environmental protection and social inclusiveness defined in the European Green Deal.

In fact, the definition of Artemide's strategy reflects full adherence to the idea of a clean and circular industrial model, in which investment in research and innovation plays a central role in the development of energy- and resource-efficient products.

In this context, in the first part of 2021 the materiality matrix was realigned, redefining objectives and priorities also in the light of the impacts resulting from the global health emergency arising from the spread of COVID-19 has profoundly changed the economic and social context in which Artemide operates. With the drafting of the Plan, actions will be defined.

The action plan will include measures to enhance the development opportunities arising from the offer of sustainable products and services, as well as the adoption of measures to intensify the transition to supply policies aimed at the use of clean energy and the use of low-emission technologies. In this context, an investment plan for research and innovation will be presented in order to mobilize new resources for the green and digital evolution of products and processes.

Next steps



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 is the protagonist of lighting projects both in public and private application field: **Residential, Office & Education, Retail, Hospitality, Health & Care, Museum, 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.

San Silvestro Cathedral - Italy



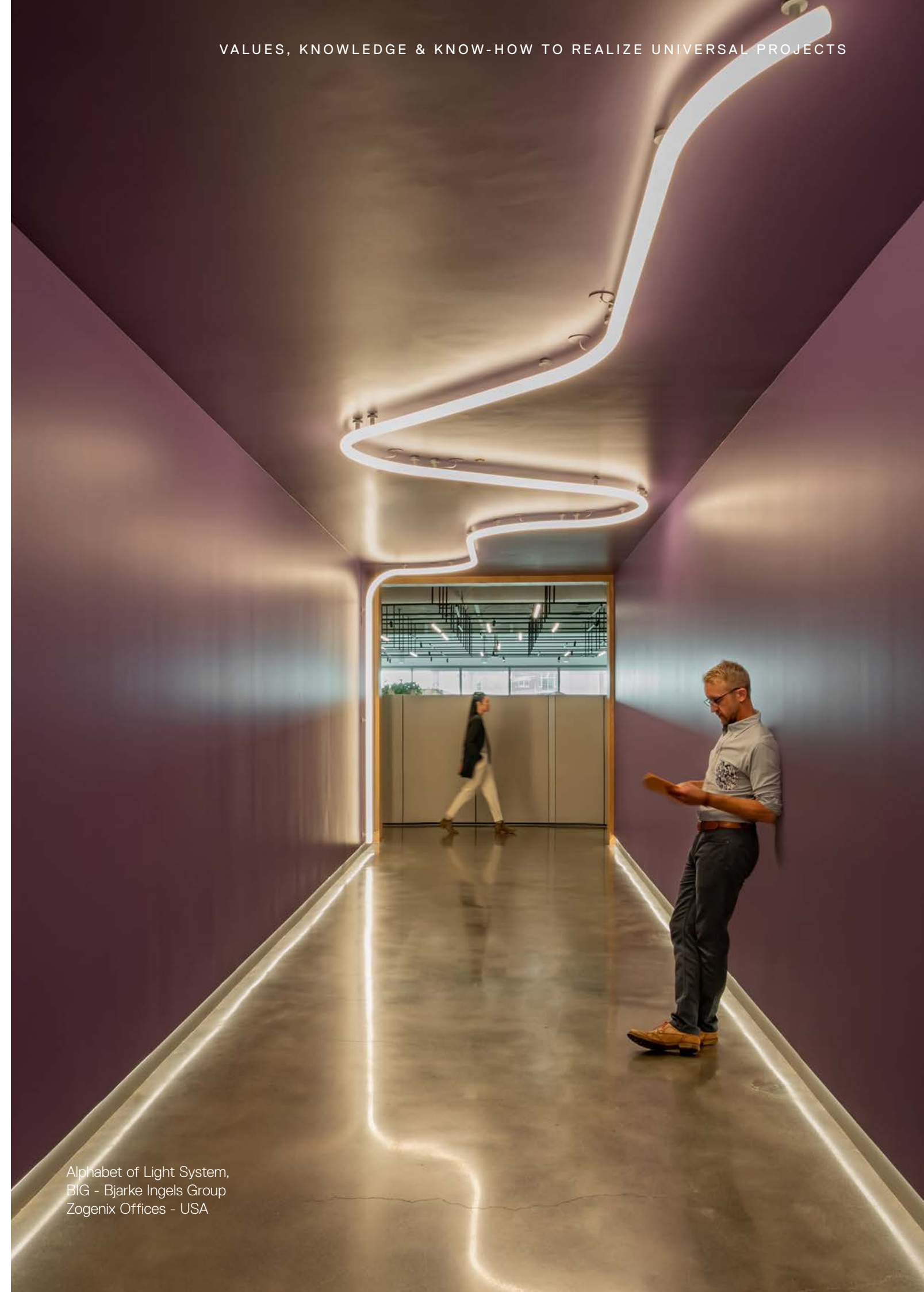
Saratov Airport - Russia

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.



Lavazza Headquarters, USA



Alphabet of Light System,
BIG - Bjarke Ingels Group
Zogenix Offices - USA



A.24 Circular, Carlotta de Bevilacqua
CML Europe GmbH, Germany



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



A.39 controlled emission,
Carlotta de Bevilacqua
Romo Headquarters, UK

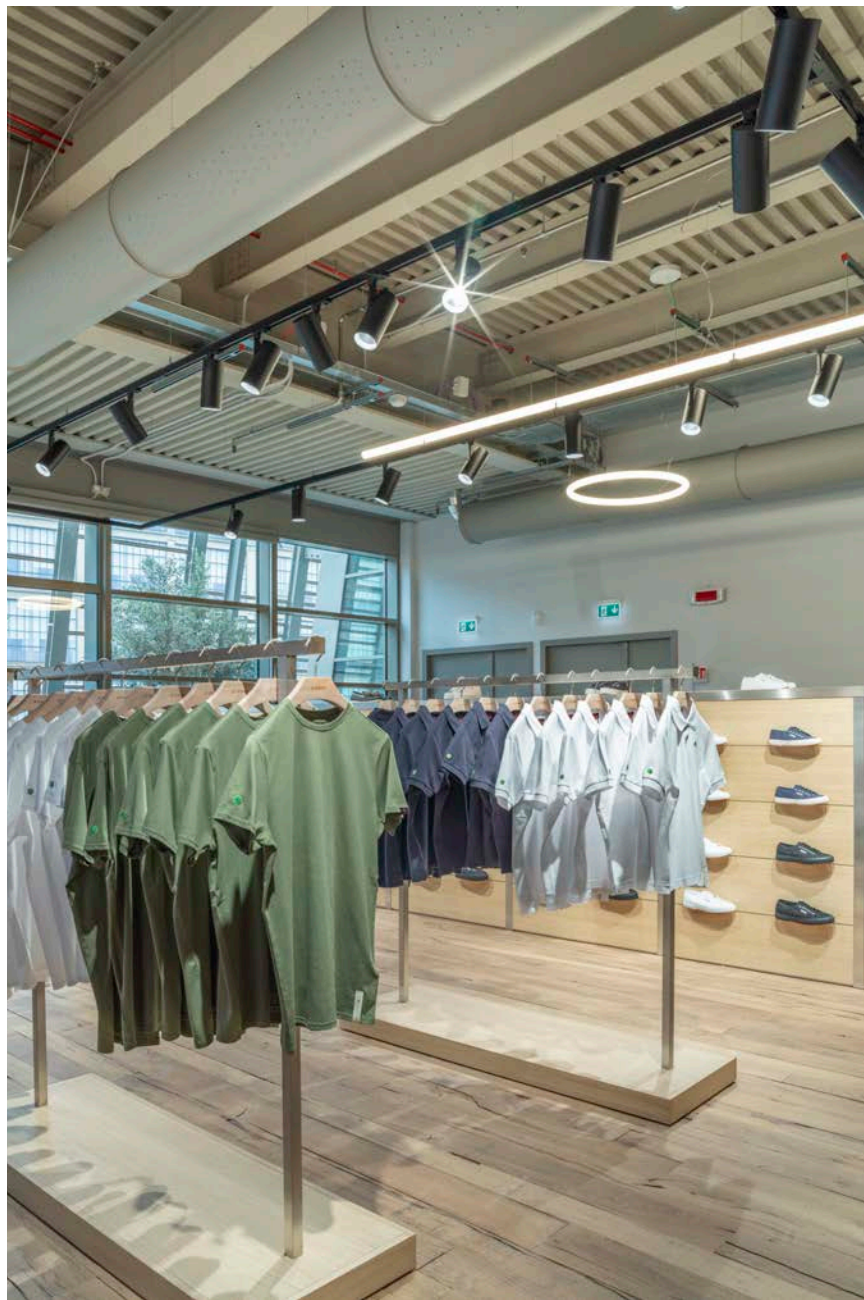
Retail

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.

A.39, Carlotta de Bevilacqua
Gople, BIG - Bjarke Ingels Group
Audi showroom - UK



A.24, Carlotta de Bevilacqua
Buccelati Showroom - UK



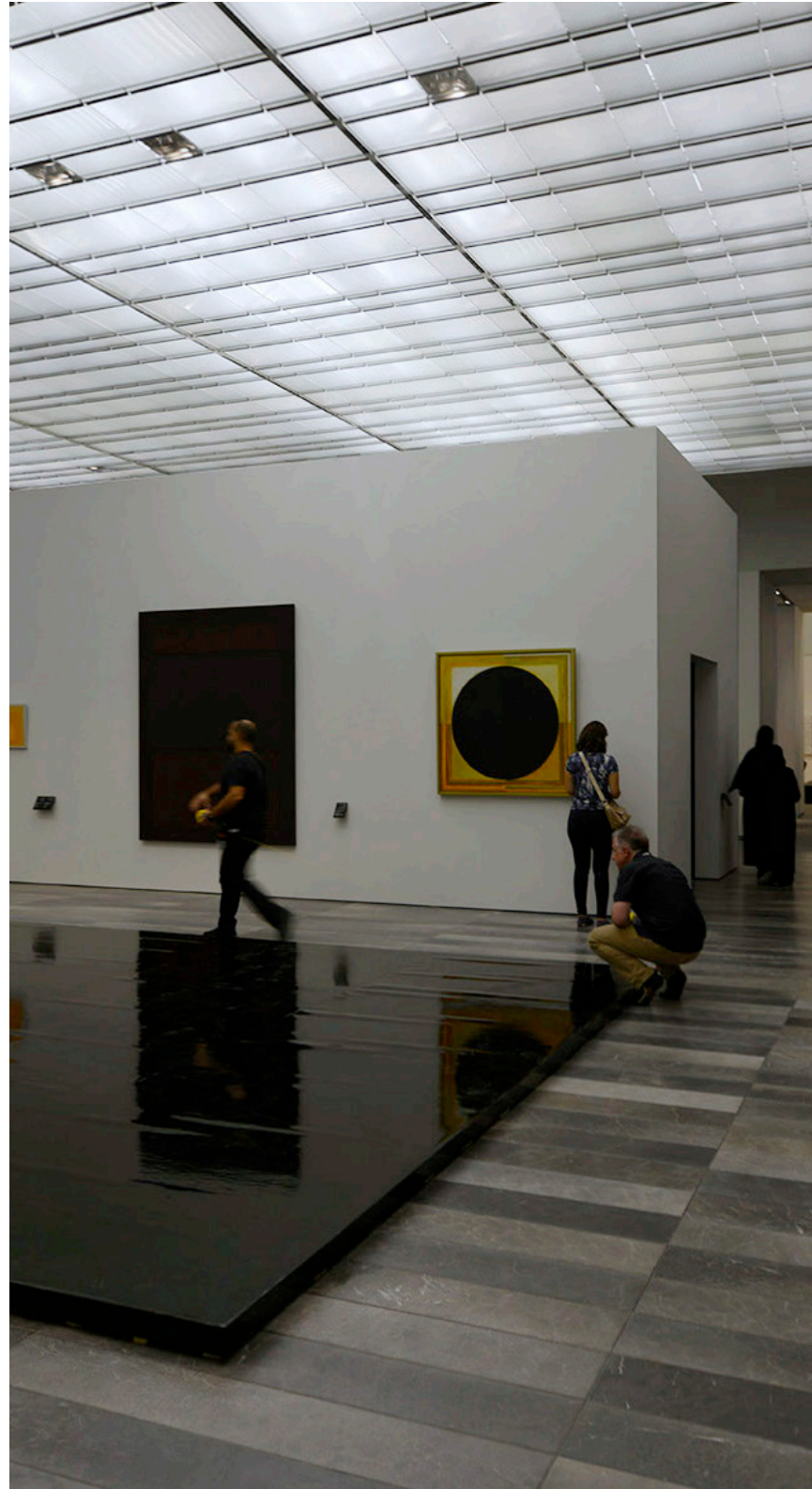
A.24, Carlotta de Bevilacqua
ALphabet of Light,
BIG - Bjarke Ingels Group
Discovery, Ernesto Gismondi
Green Pea, Italy



A.24, Carlotta de Bevilacqua
Rubner House, Italy

Museum

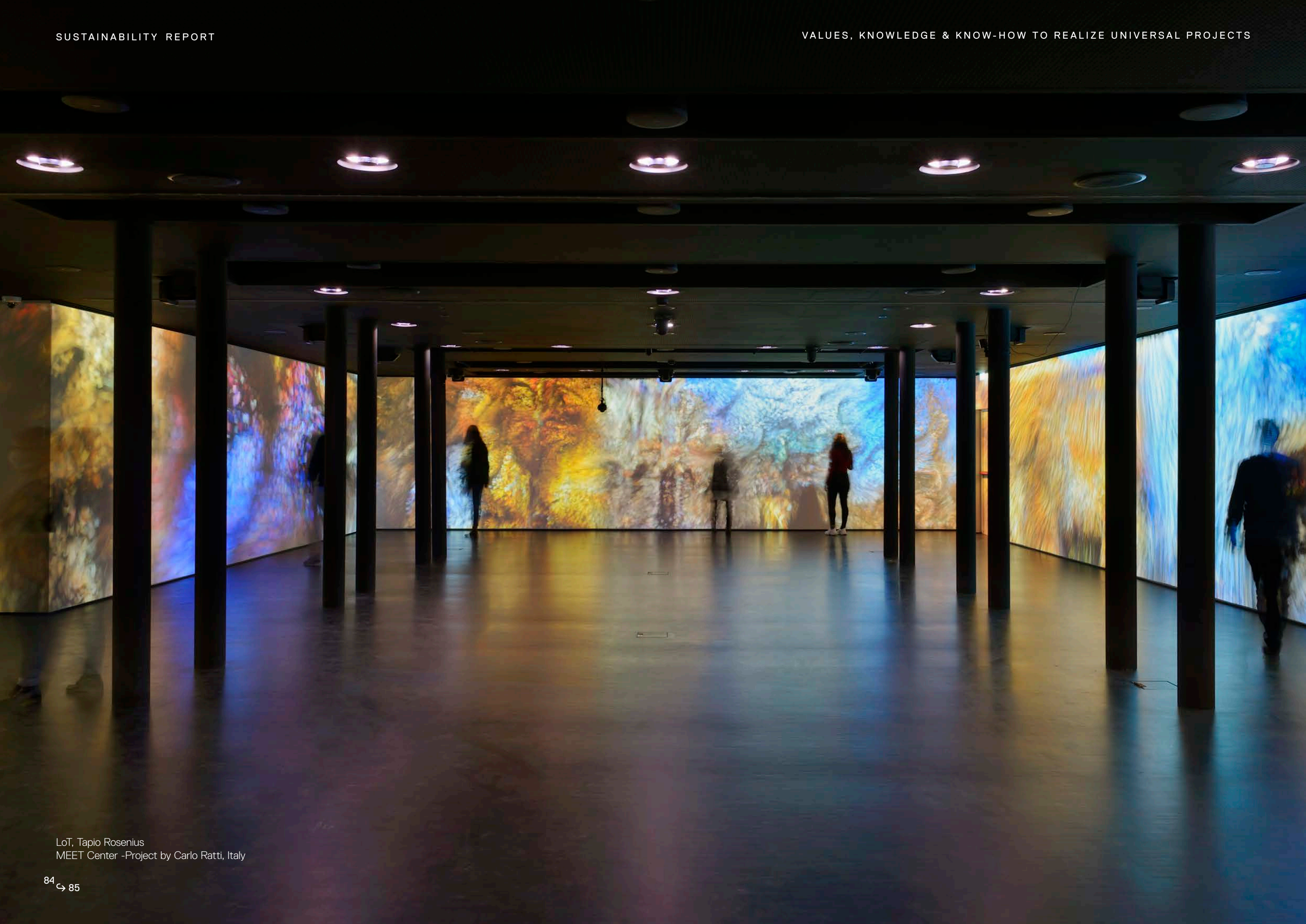
Artemide lighting offers control over every detail, making it perfect for the highly specialised lighting conditions required by museum spaces. In addition to the quality of the light emission, it builds on several innovations to provide an interactive and engaging experience. Target Point, integrated 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



Custom Projector,
Pietà Rondanini Museum,
Project by Michele De Lucchi, Italy



LoT, Tapio Rosenius
MEET Center -Project by Carlo Ratti, Italy

Hospitality



Discovery RGBW, Ernesto Gismondi
Viva Restaurant, Italy

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.



nh circular, Neri&Hu
Harena, Italy



Alphabet of Light, BIG
21 WOL Hotel, Italy



Alphabet of Light, BIG - Bjarke Ingels Group,
A.24, Carlotta de Bevilacqua
Inter Club House, Italy

Health & Care

Artemide offers lighting solutions that are attentive to people's psycho-physical wellbeing, thanks to the possibility of choosing the right wavelengths of light and managing them to follow the rhythms of life and activities. The application of INTEGRALIS® technology opens up countless applications in healthcare facilities, where the healthiness of spaces is central and must be combined with the creation of pleasant and welcoming environments.



A.39, Carlotta de Bevilacqua
Private Gym, UK



A.39, Carlotta de Bevilacqua
Healthcare Department, Canada

Residential

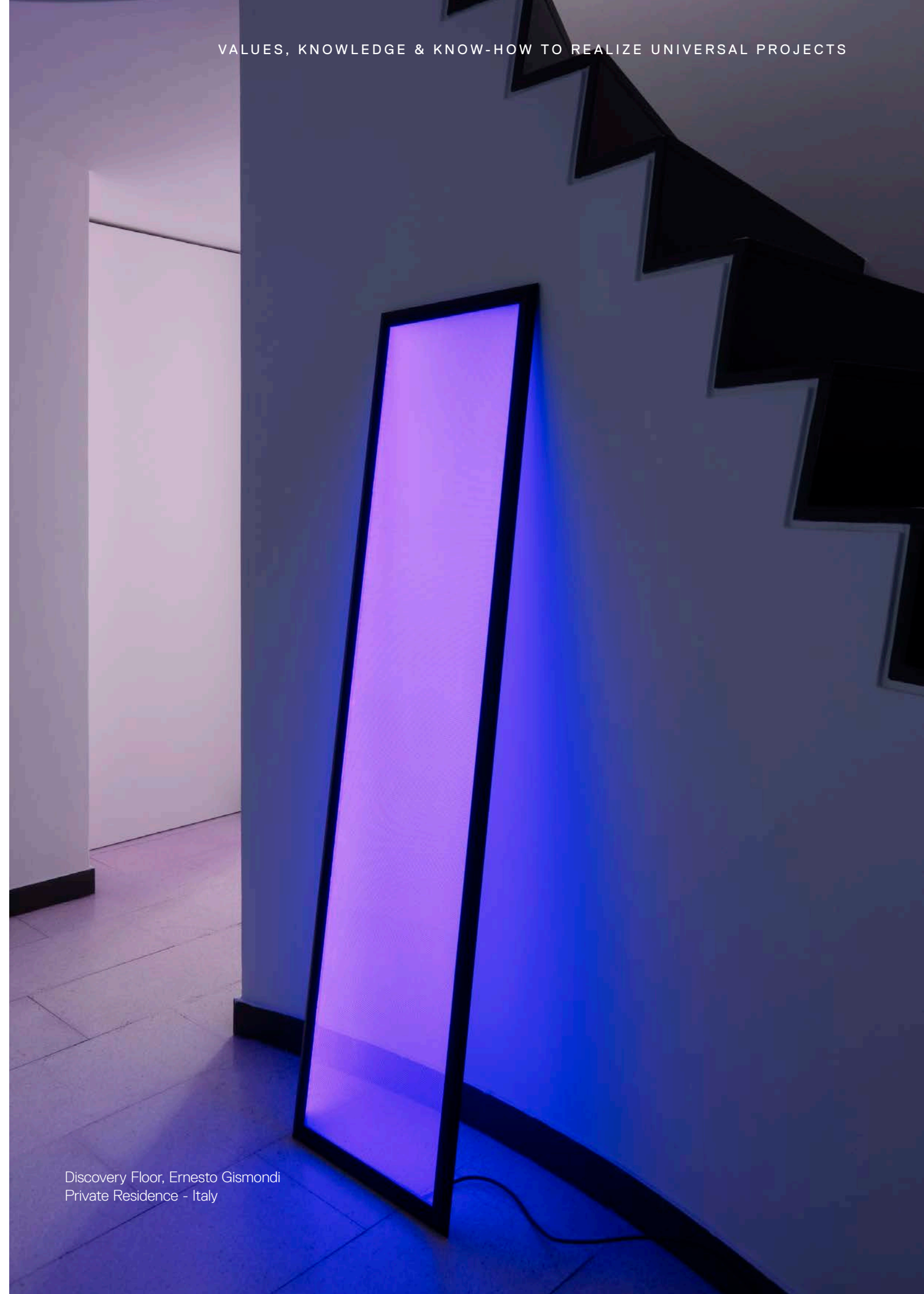


Artemide offers a wide collection with countless solutions adaptable to every space and moment of everyday life in a way that everyone can be the author of their own light. Technology and innovation are translated into an aesthetic that fosters a relationship with the lighting. Artemide's iconic creations 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.



La Linea, Big - Bjarke Ingels Group
Private Residence - Italy

Huara, ELEMENTAL
Private Residence - Italy



Discovery Floor, Ernesto Gismondi
Private Residence - Italy



nh S4, nh floor, Neri & Hu
Gople, BIG - Bjarke Ingels Group
Private Residence, Germany



Empatia Chandelier, Carlotta de Bevilacqua
Private Residence, Germany



Gople Outdoor, BIG - Bjarke Ingels Group
Private Villa, Italy

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.



"O", ELEMENTAL
Private Villa, Italy

Custom Lighting Installation "The Living Chapel"
Laudato Si' Garden by Mario Cucinella Architects



Bespoke Projects

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

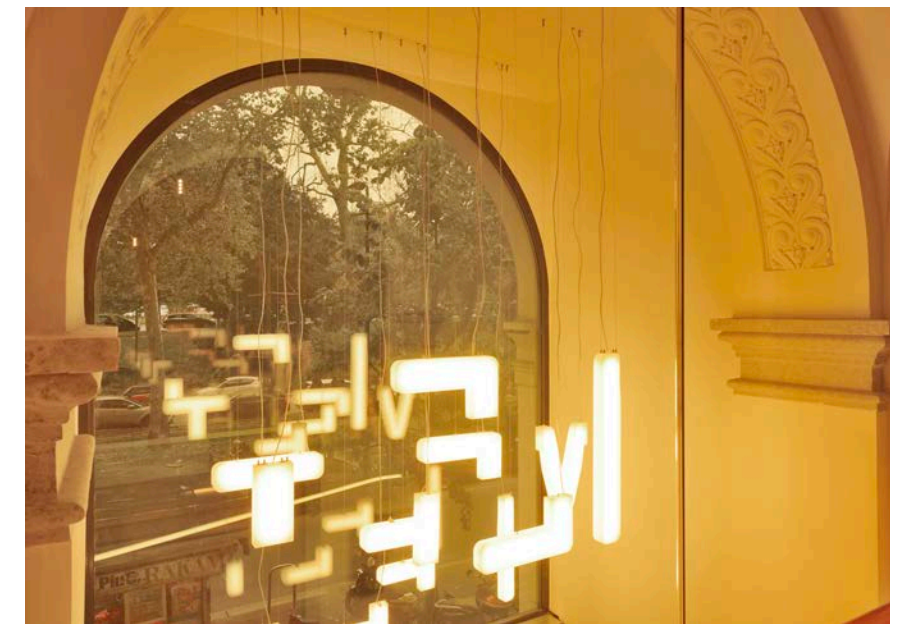
Other products that converge in the Scenarios projects offer solutions that are no longer present in the catalogues.



"Parrucca" Bespoke product
by Herzog & de Meuron
Stadtcasino Basel
Switzerland



Bespoke installation by Carlo Ratti
MEET Center, Milano



Worldwide designers – Listen to differences

The Group collaborates with designers and architects from all over the world, mindful of how designers' background enriches and increases the quality of projects.

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. **London, Paris, Copenhagen, New York and Chicago Shanghai, Tokyo and Dubai** are just some of the cities where the members of Artemide's creative community are based.

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**.

In 2020, as in 2019, 3 new contracts were signed with external designers related to intellectual property rights on the products, normally **Intellectual Property** transfer contracts. The sharing of values is what drives the birth of these new collaborations as happened with **Mario Cucinella**, an Italian architect internationally known for his sustainable approach.



6 Pritzker Prize

02.1 Lighting culture between research and innovation

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



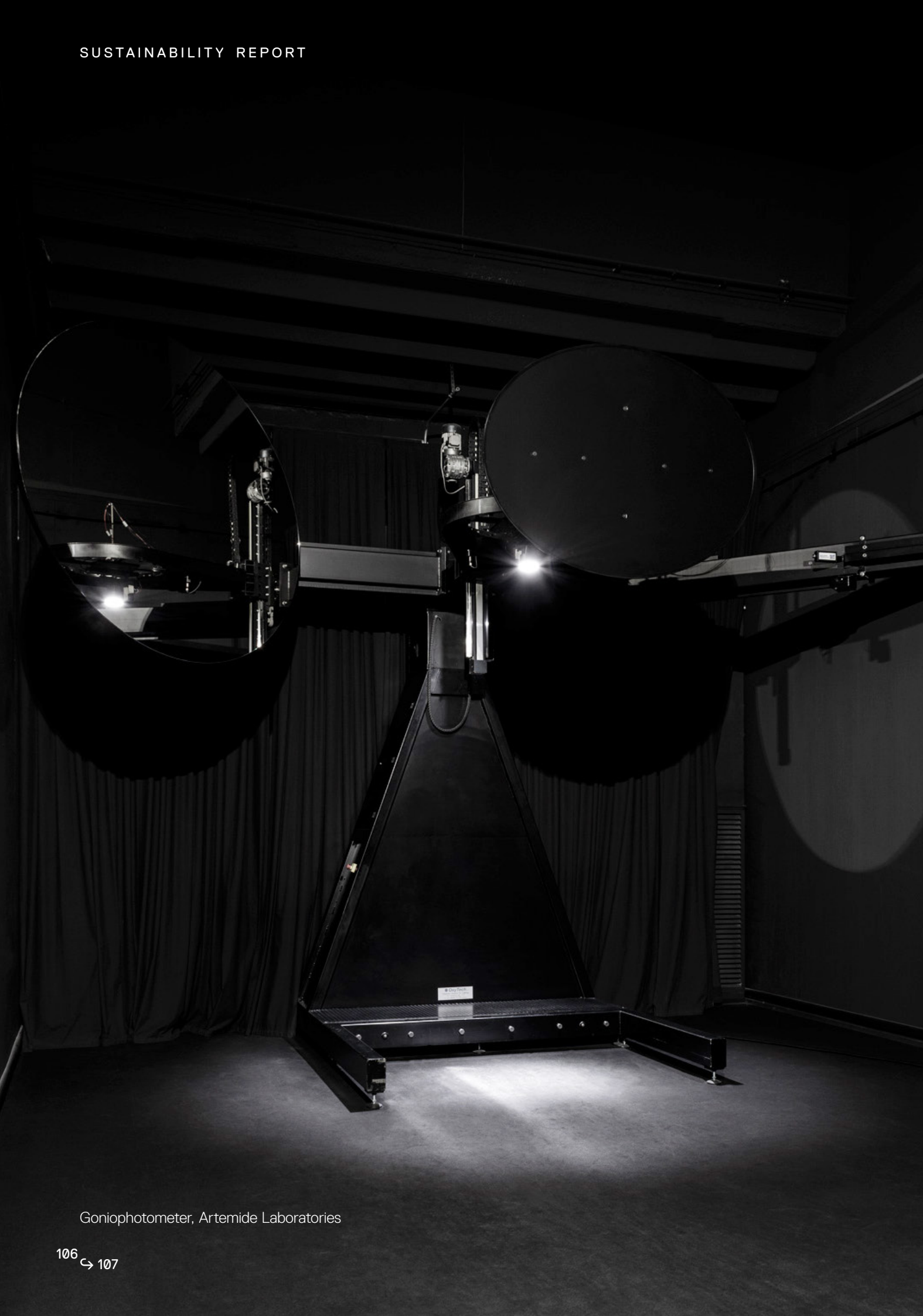
Innovation Centre

Artemide has always paid particular attention to research and innovation, which are considered key factors for 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 characterized by a high design content and a high level of technological innovation.

Research & Development activities are carried out in the Group's Innovation Centers, which play a crucial role in fine-tuning each new product from concept to industrial production. Innovation lies in the need to develop a unique product from the technical, material, finish, performance and management points of view, but above all one that offers new perspectives on the interaction between light, man and space and on the interpretation of the project/product.

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 **5.5%** of its turnover: 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

Innovation process

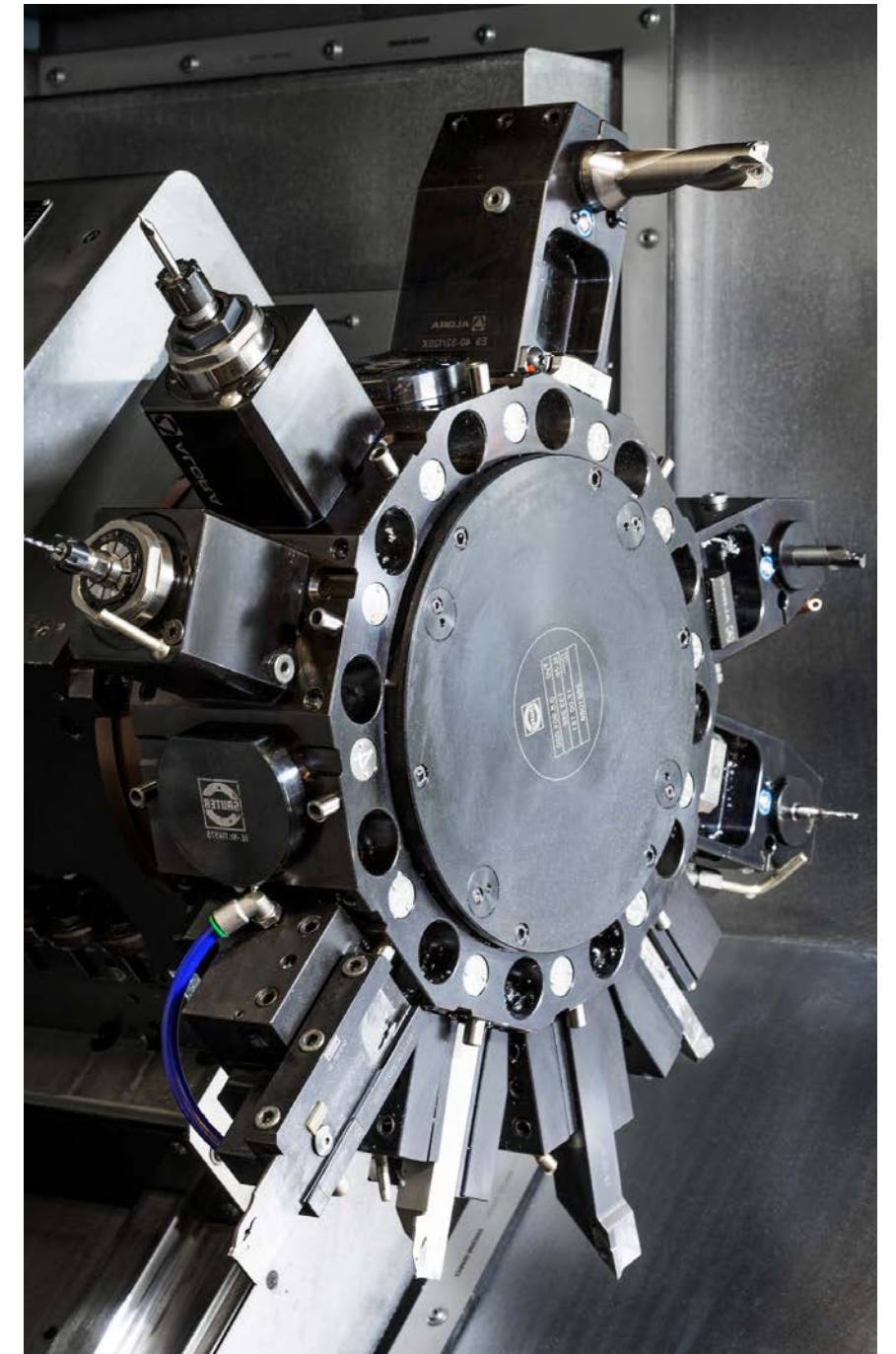
The driving force behind innovation is commitment combined with a sincere desire to offer an alternative to what already exists. The innovator is indeed the one who is able to dream of something different, something better that goes beyond what is presently understood.

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.

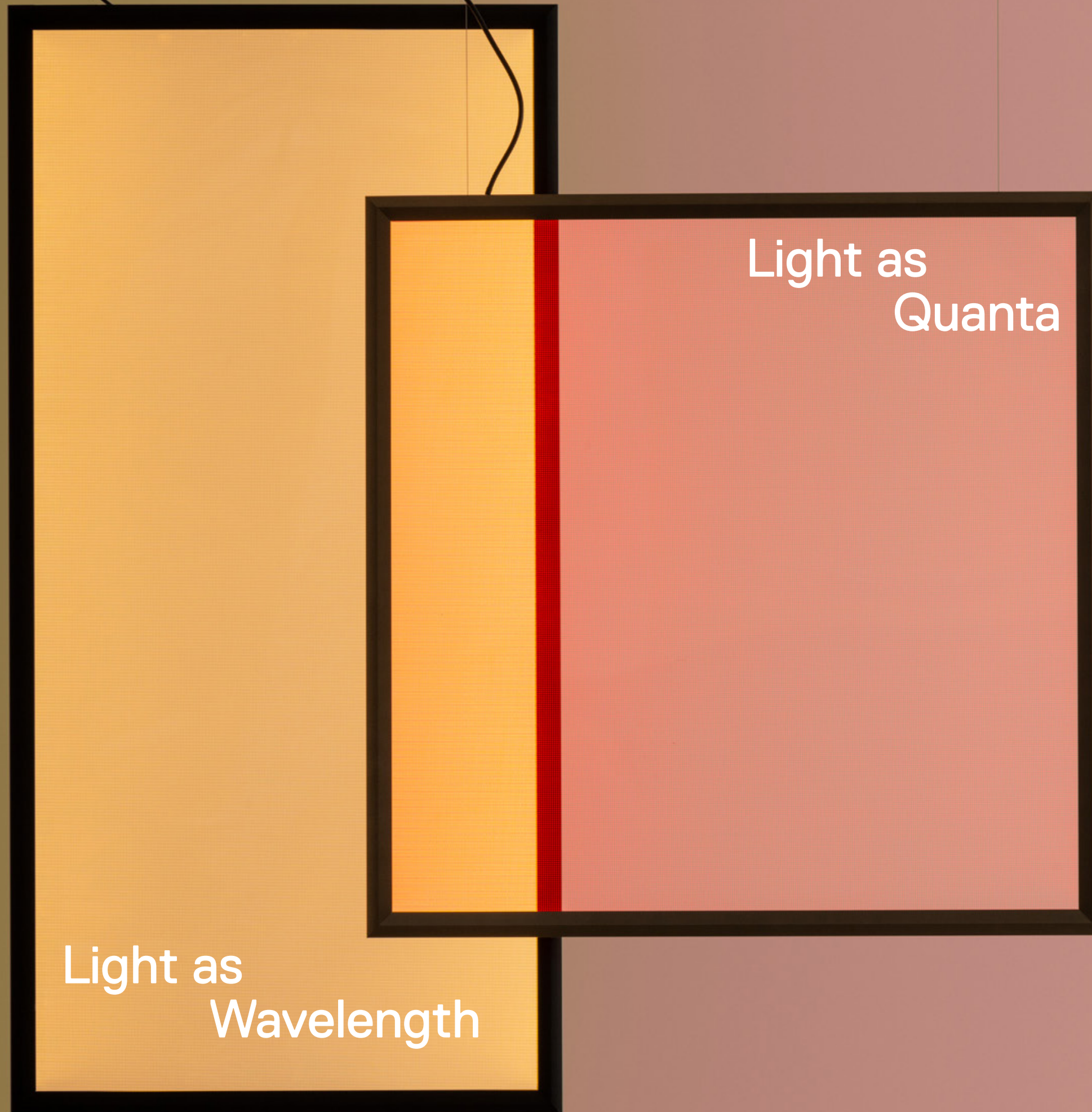
In other cases, the lighting market witnesses a **process of integration**, taking more or less mature technologies from adjacent sectors; specifically, this relates to Hardware and Software systems derived from consumer electronics that later used as control and management devices. In particular, as 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.

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.



CNC 4-Axis Machine, Artemide prototyping lab



Light as
Wavelength

Light as
Quanta

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. 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.

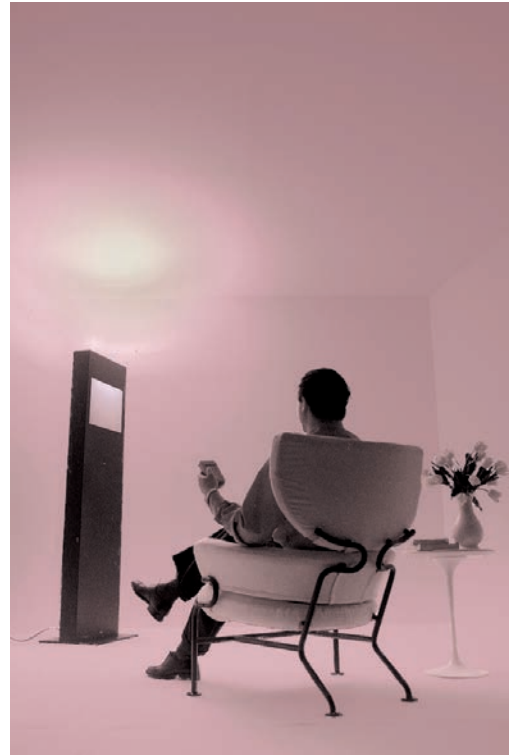
Collaboration researches

The Research and Development department has several **collaborations** to generate interdisciplinary research and projects aimed at improving the efficiency of products as well as develop a design expertise that can respond 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.

Among the main research partners, there are qualified institutes and important universities such as the **Polytechnic of Milan, the San Raffaele Hospital, the University of Padua and the University of Insubria in Varese**.

In particular, with the latter, a strong collaboration has been carried out, which is still ongoing, respectively with the Department of Molecular Medicine (University of Padua) and the Department of Biotechnology and Life Sciences (University of Insubria) for the development of **INTEGRALIS®**, in order to support the innovative design vision of this technology with a rigorous and repeatable scientific background.



Metacolor - Ernesto Gismondi
My White light Collection

Prometeo - Aldo Rossi
Metamorfosi Collection

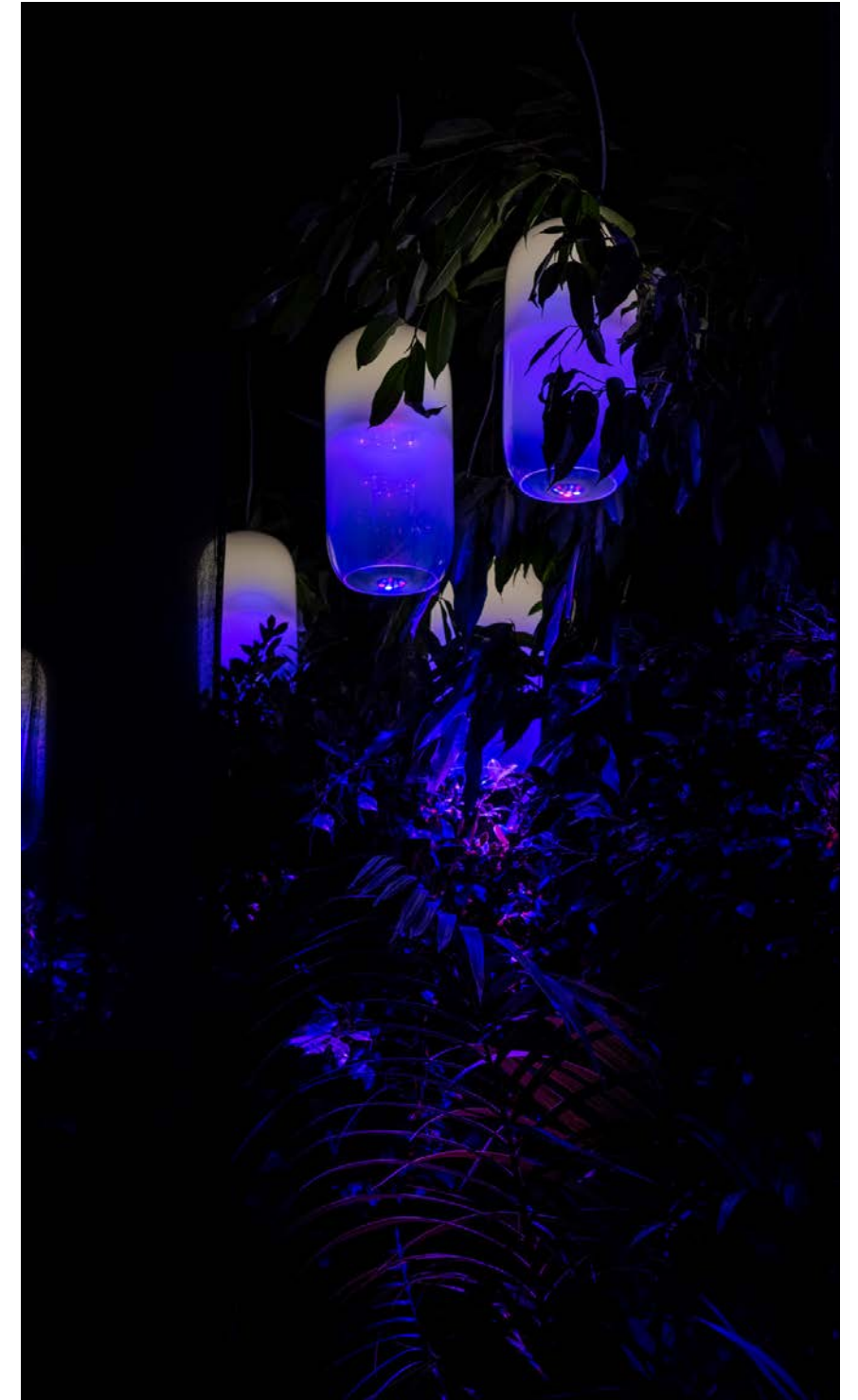
Spectral Light Exhibiton, Philippe Rham, 2016



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, psycho-physiological well-being and health

Light and colour temperature

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

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 well-being and the environment has opened up important perspectives to help people live more safely in spaces while protecting their **health**. Well before the emergency dictated by Covid-19, Artemide's scientific research focused on the study of the effects of light on pathogenic microorganisms, leading in 2020 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 that can **sanitize and improve** the environmental qualities of space. Selected frequencies of visible light inhibit the development and growth of bacteria, fungi and mold, and UV light deactivates pathogenic microorganisms. INTEGRALIS® works on the concept of **"dose"**, that is, it adapts the intensity of the sanitizing action to the rhythm of permanence and absence of people in the spaces, to the typology of the environments and to the objective of the intervention.

Different methods of sanitization can be applied individually or integrated with each other by combining technologies, power, time and results.

In spaces where the presence of people is constant during the day, but to be interrupted in the evening - such as offices or stores, museums and educational spaces - it is possible to implement sanitization at night with maximum intensity of radiation.

In that same space, during the day, it is possible to opt for a non-offensive radiation to preserve the sanitization, thanks to the special spectral component of the patented technology INTEGRALIS®.

Artemide's expertise and know-how also translate into customized design solutions through dedicated consultations in order to give a measured response to the needs of each space and rhythm of life.

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.

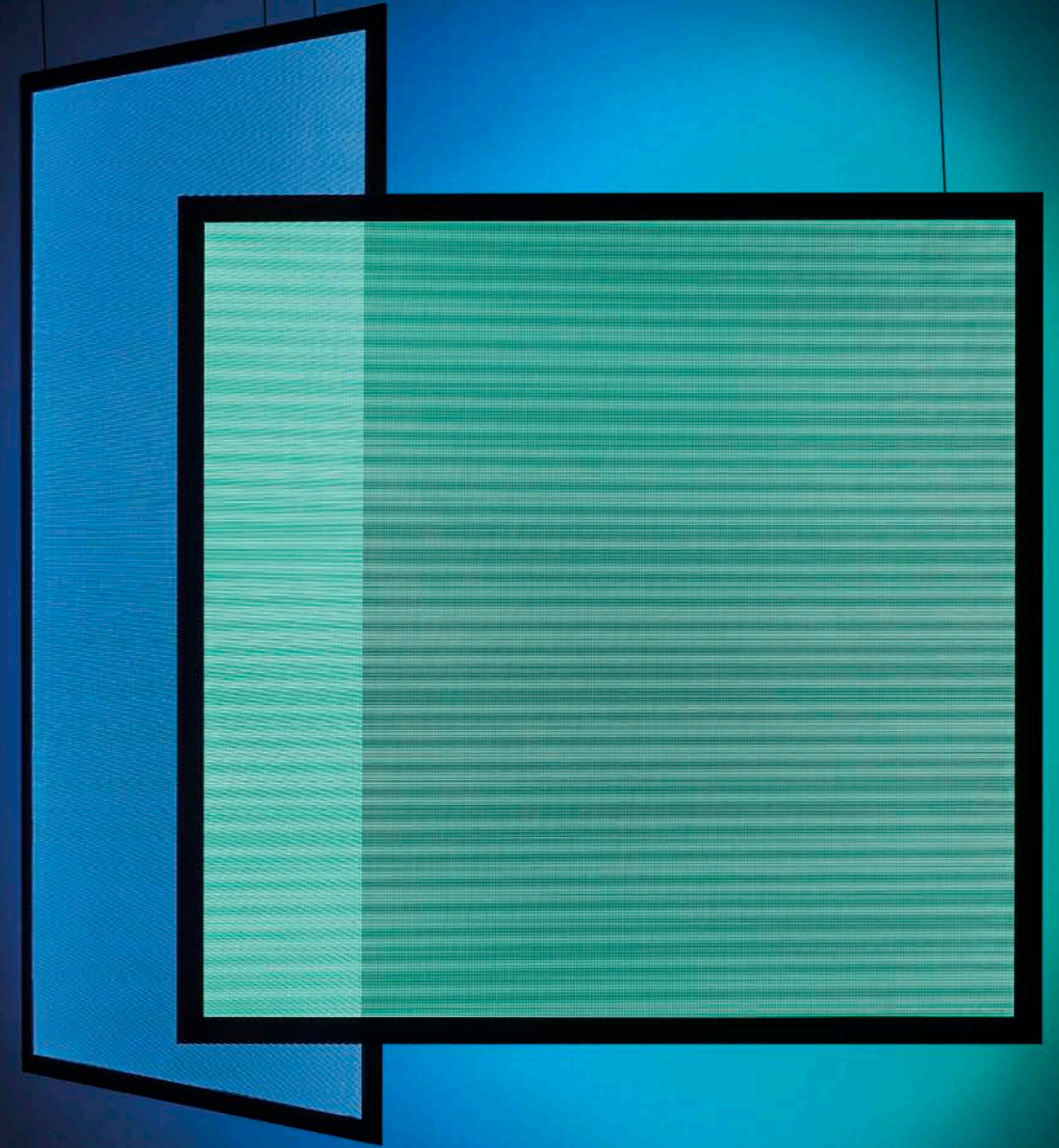
INTEGRALIS® is an innovative and a sustainable light platform aimed at a conscious and responsible use towards the environment.

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

W/cm²
IRRADIANCE
 RADIANT POWER / UNIT AREA

the radiant power/unit area* to be irradiated in a certain time to reach the desired microbial photoinactivation
 * also used as mW/cm²

t(s)
TIME

irradiation time to reach the desired microbial photoinactivation

J/cm²
ENERGY DOSE
 ENERGY / UNIT AREA

the necessary energy dose to achieve inactivation of potential pathogenic microorganisms

INTEGRALIS[®] Eco-System

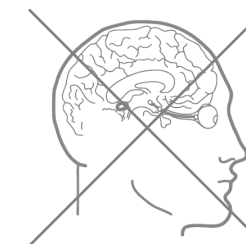
VISIBLE LIGHT



THE GOOD LIGHT
 TO SUPPORT
 DAILY HUMAN ACTIVITIES



NOT VISIBLE LIGHT



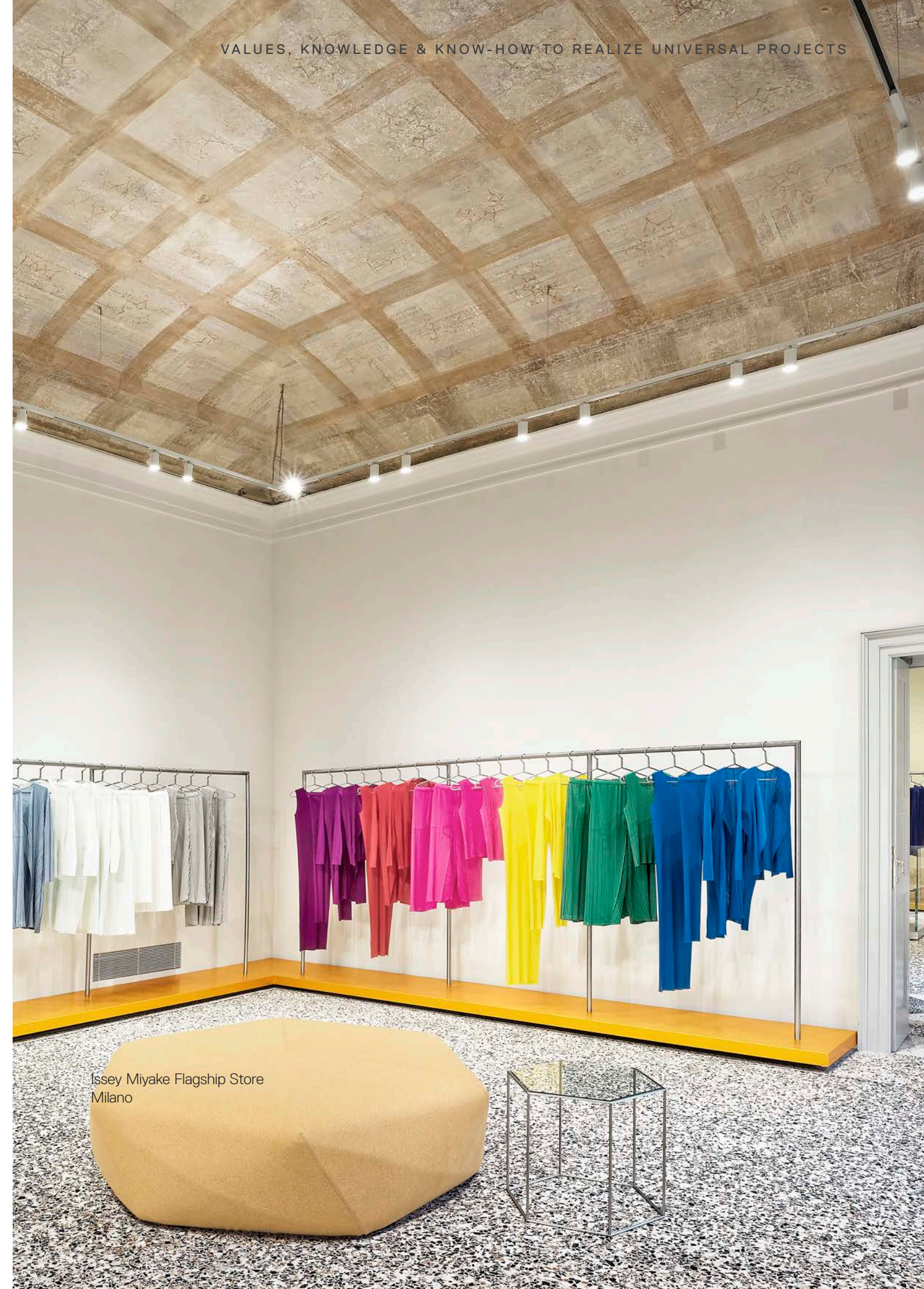
Gamut Index

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 a range of LED sources in terms of **Fidelity Index (Rf)** and **Gamut Index (Rg)**, and particularly in terms of spectral quality in order to establish, working with customers and in function of their needs, a light source that conveys colours, materials and textures in a way that enriches the space around them.

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 a quantum: innovative photonic 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.

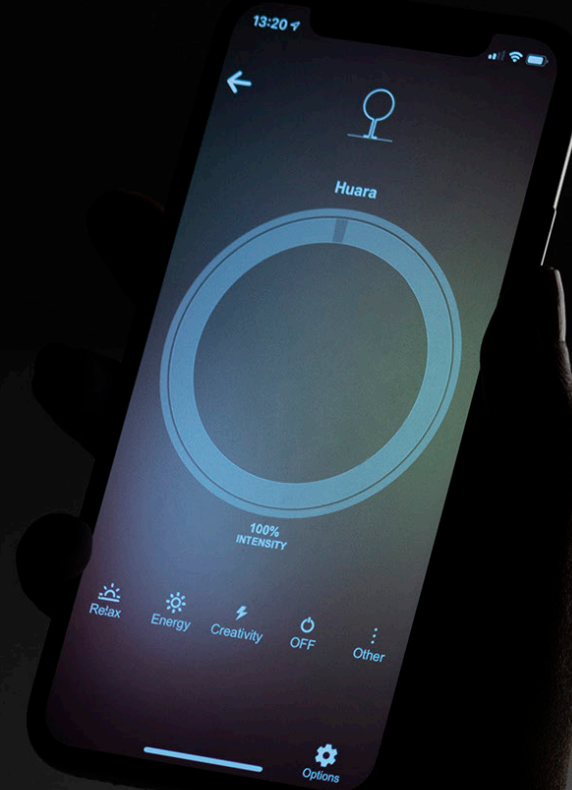
Light and data

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 **remotely monitored** with maintenance occurring in real-time.

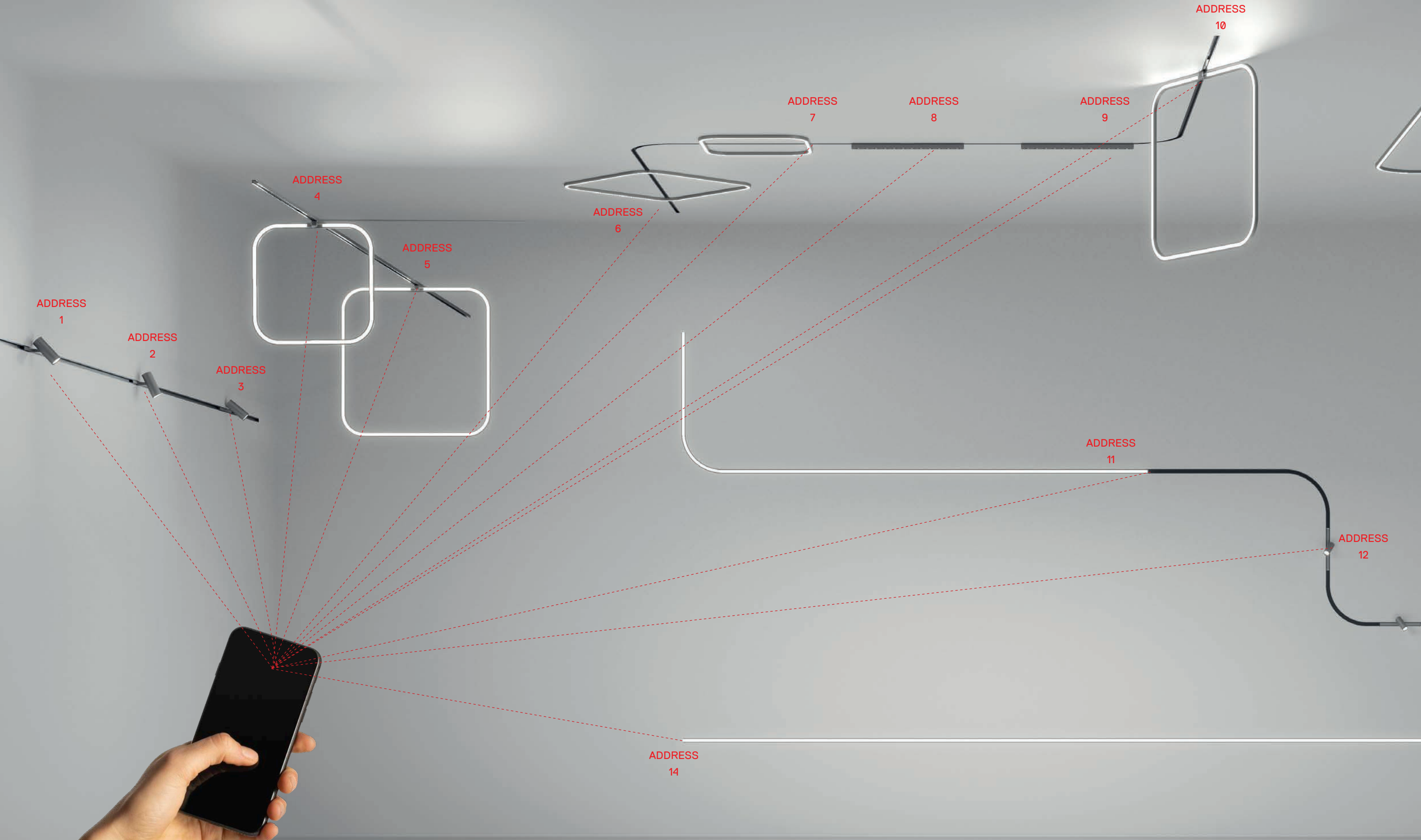
For this reason, the integration with sensors and smart systems becomes fundamental and indispensable, allowing the user to interact with light in new ways, from motion activation to smart devices, voice command and beyond. This suggests how the company must respond with agility with respect to the tools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

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



Turn Around by Carlotta de Bevilacqua, 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.

Artemide App INTEGRALIS®

Artemide App also allows the advanced management of INTEGRALIS®, activating different **real-time sanitizing modes** or recalling pre-set scenarios through the specific digital interfaces or wireless wall switches.

In the design of the dedicated interfaces, declined on the different INTEGRALIS® technologies available, the effort of Artemide was concentrated in creating formulae of white light containing the correct sanitizing dose, compatible with the human presence, thus ensuring the safety of the individual. Upholding safety as a fundamental requirement, the intelligence developed entirely in-house ensures the management of the protocol for the proper functioning of INTEGRALIS®. This depends on the inputs coming from the elements placed in a space, such as presence sensors or door contacts, which send signals to the control interface when the space is not occupied.

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.*

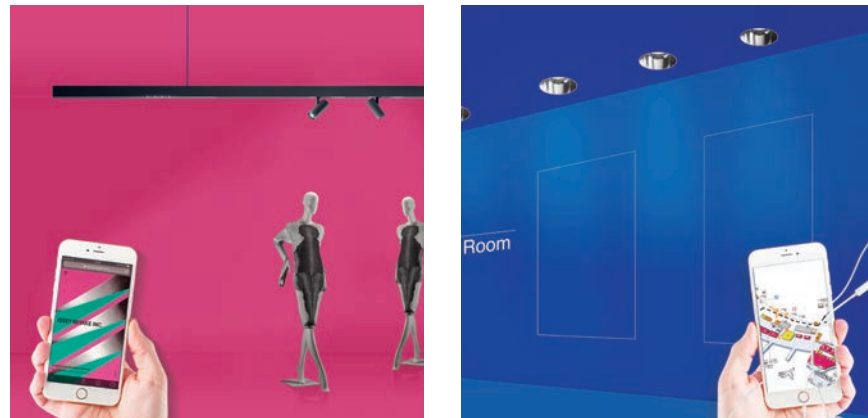
Geo Li-Fi

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.

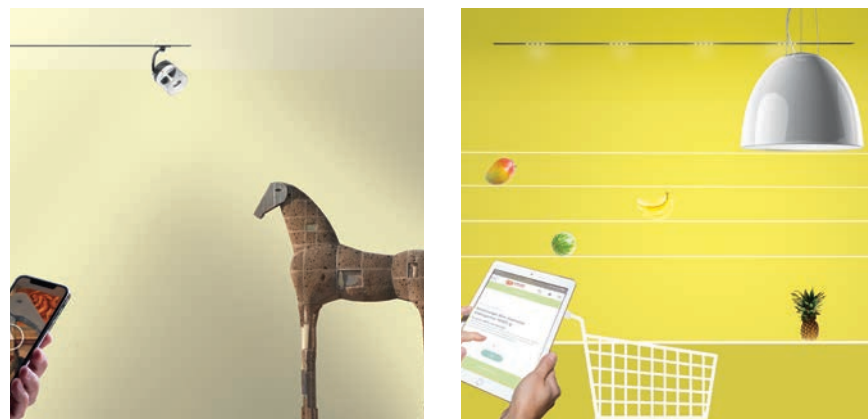
Li-Fi

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.

Geo Li-Fi, retail & social space application



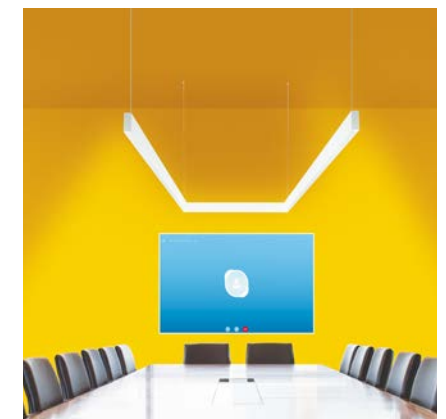
Geo Li-Fi, museum & supermarkets application



Li-Fi, Personal workplace



Li-Fi, Meeting room



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 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

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

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.

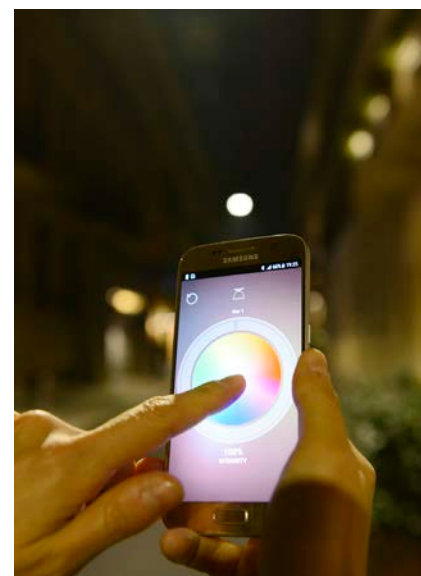
“It is the space where the interaction between humans, nature and technology enhances the quality of life.”

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 primarily holds invention patents on its proprietary or in-use technological solutions. As of December 2020, the Group held 114 invention patents and utility models, covering 47 different technical solutions. The breakdown between the national domains of the patents included in the portfolio as of 31.12.2020 is as follows: Italy (where the first filing occurs) represents 32%, Europe 54%, and the U.S. 14%.

Innovation patents and Utility Models

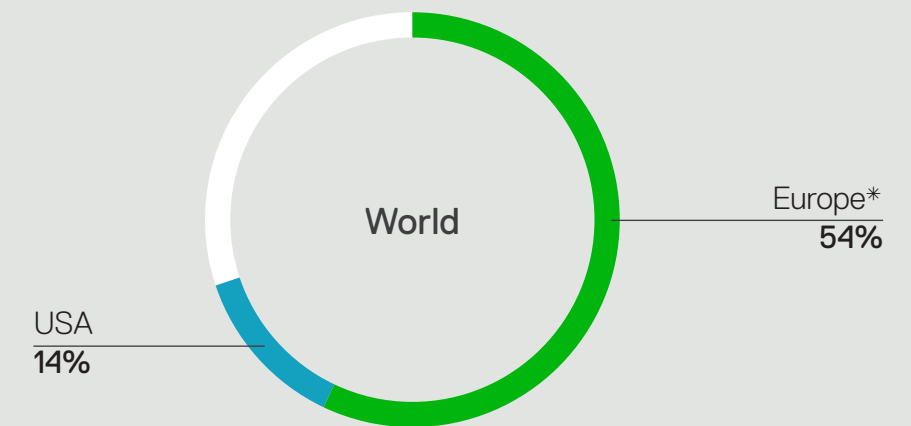
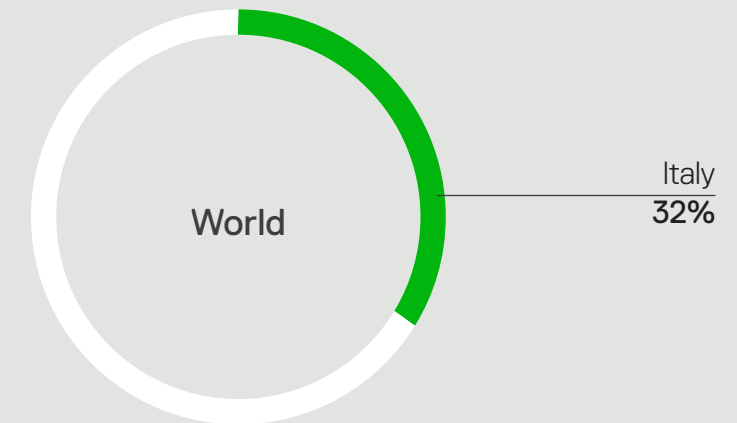
Registered models

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 9 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.

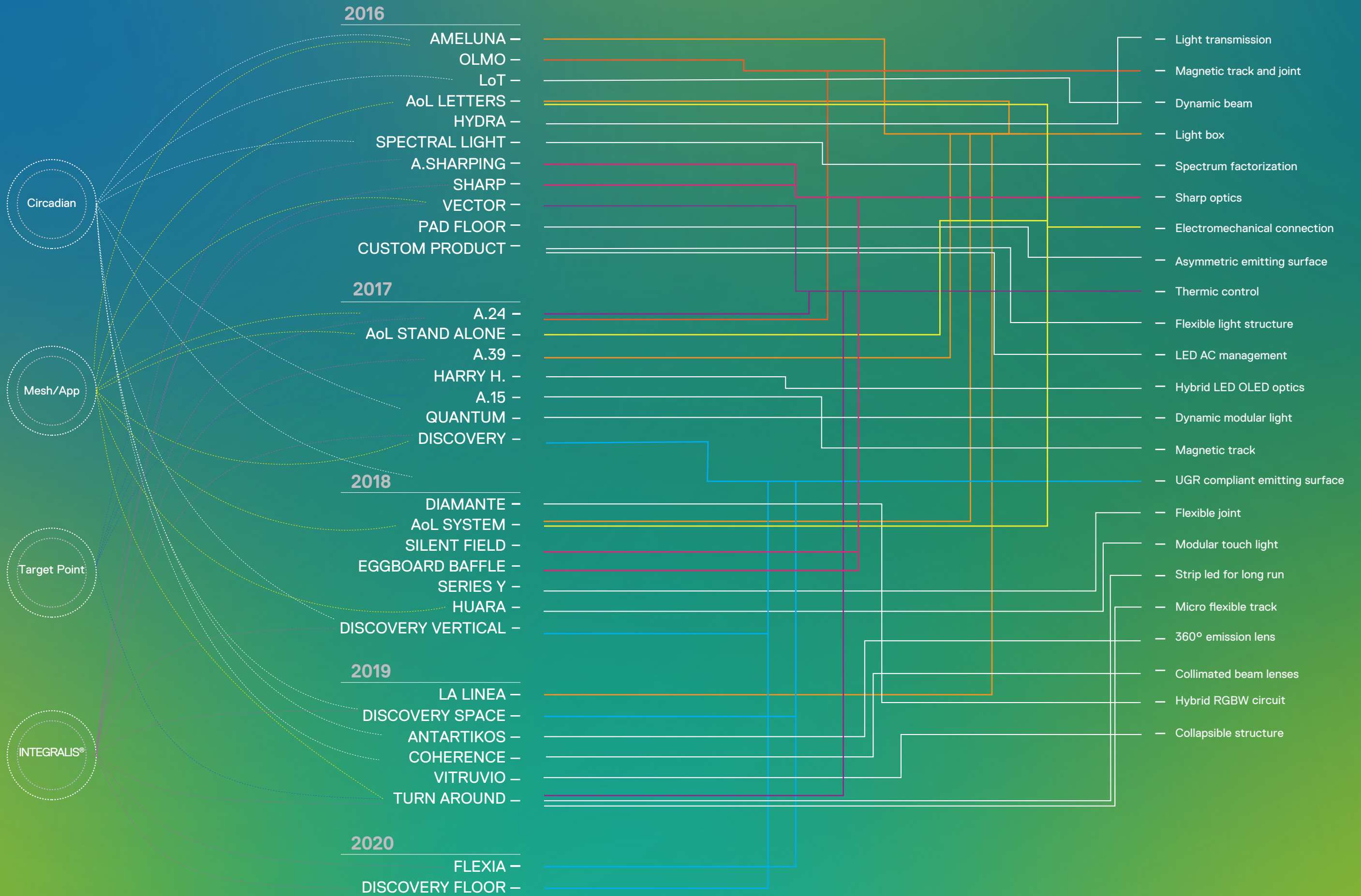
Ratio of Patent Nationalities

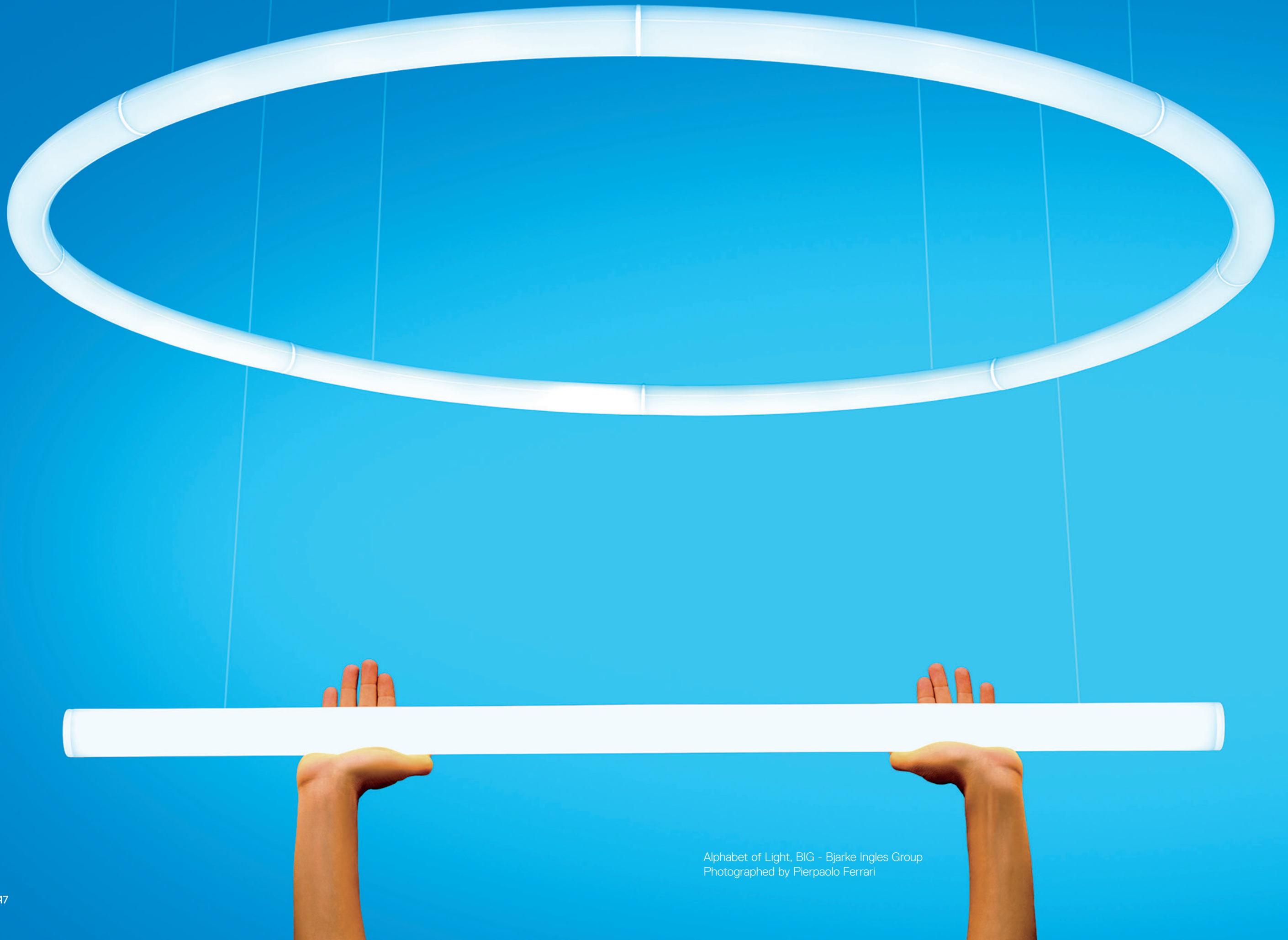
Ratio of patent nationalities included in the portfolio as of 31.12.2020:

Italy (where the first deposit is made): **32%**
 Europe: **54%**
 U.S.A.: **14%**



*Europe it means European countries other than Italy.





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 Duration = Long duration of the 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 = Projects as open platforms. 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 with 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.



Gople System, BIG - Bjarke Ingels Group



“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

Life Cycle Assessment

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.

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 2020, 79,2% of sales were attributable to sustainable products based on LED technology, compared to 79.2% in 2019 and 78.7% in 2018.

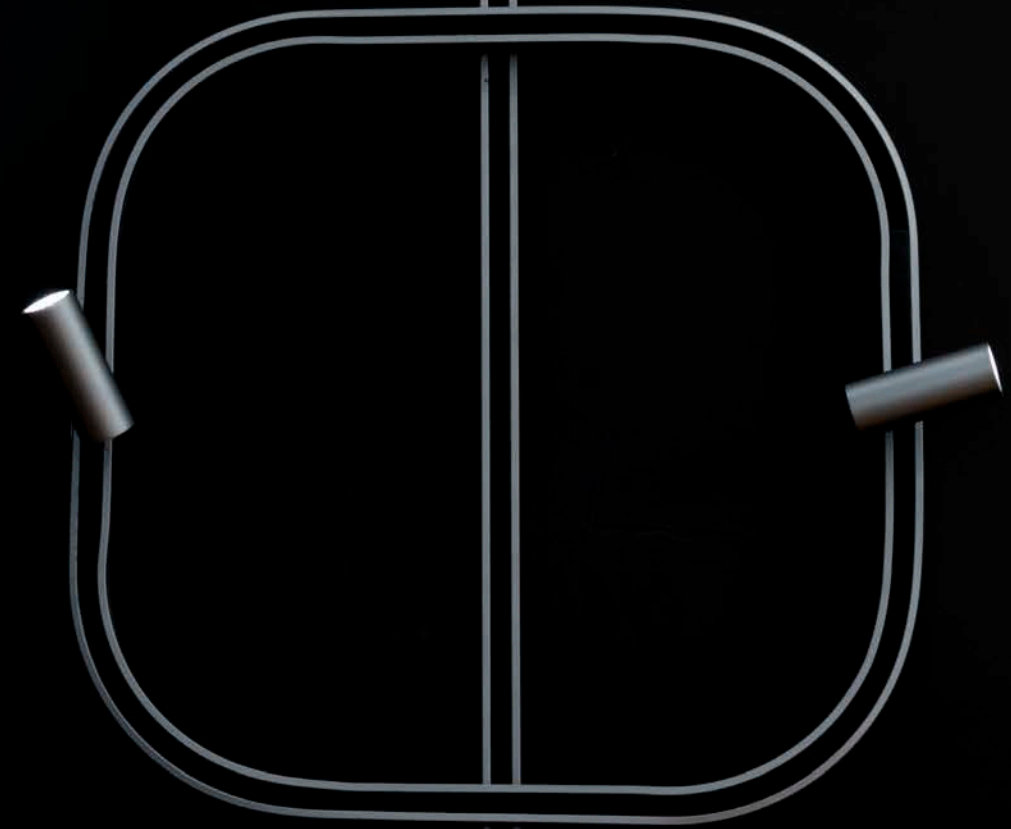
In addition to reducing energy consumption thanks to LED sources, the current introduction of management systems brings further advantages in terms of energy savings and, consequently, economic savings, by dynamically relating the performance of light to environmental variables and the activities carried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

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.

02.3 Designed in Italy, produced in Europe, worldwide distributed

Artemide HQ, Pregnana Milanese, photographed by Elliott Erwitt



ISO 9001:2015

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. 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

The best companies and craftspeople for each technological sector underpin Artemide's production network: 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.

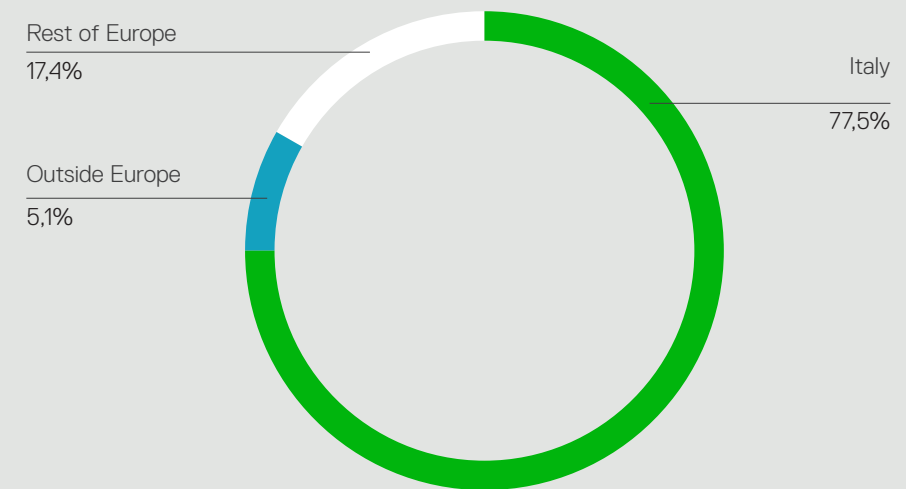
Artemide's production process involves the use of pre-assembled components and, to a lesser extent, raw materials. This makes selected suppliers and subcontractors a key part of the value chain and for this reason, relationships with suppliers looked after and nurtured over time.

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, 2020, the Group's costs for raw materials and components accounted for 19.4% of total costs, compared to 17.8% in 2019. This expenditure resulted from the use of 2,966 tons of materials for the production and packaging processes in 2020, which are to be distinguished, as of last year, between renewable and non-renewable materials – 28.2% and 71.8% respectively.

Proportion of expenses towards suppliers

Naionality Suppliers	2020	2019	2018
Italy	77,5 %	76,4 %	75,6 %
Rest of Europe	17,4 %	19,0 %	19,3 %
France	5,6 %	5,8 %	5,0 %
Hungary	6,2 %	6,5 %	6,9 %
Others	5,6 %	6,7 %	7,4 %
Outside Europe	5,1 %	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 2019. **Over 77.5%** of purchases originate from **Italy** and **17.4%** from the **Rest of Europe**, which includes Germany, France, Hungary and 12 other European Union countries, while **approximately 5%** of purchases derive from **Non-European Union regions**, which include the United States, Switzerland, China and Taiwan.

Number of suppliers

Nationality of suppliers	2020	2019	2018
Italy	437	449	447
European Union	257	253	265
France	168	168	183
Hungary	49	45	42
Others	40	40	40
Extra European Union	33	35	36
Total	727	737	748

Materials used for production and packaging

Materials ⁴	2020 (ton)	2019 (ton)	2018 (ton)
Renewable material (wood, paper, cardboard, glass)	835	848	826
Non renewable material (Aluminium, brass, iron, plastic, electronic components, paints, other)	2.131	2.203	2.145

⁴ The calculation of the materials used for the year 2020 has provided the use of an estimate on the base of the purchases realized in the course of the year 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.

Artemide design is based on the ability to anticipate change through innovation, culture and creativity, manufacturing and sustainable economy.

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:

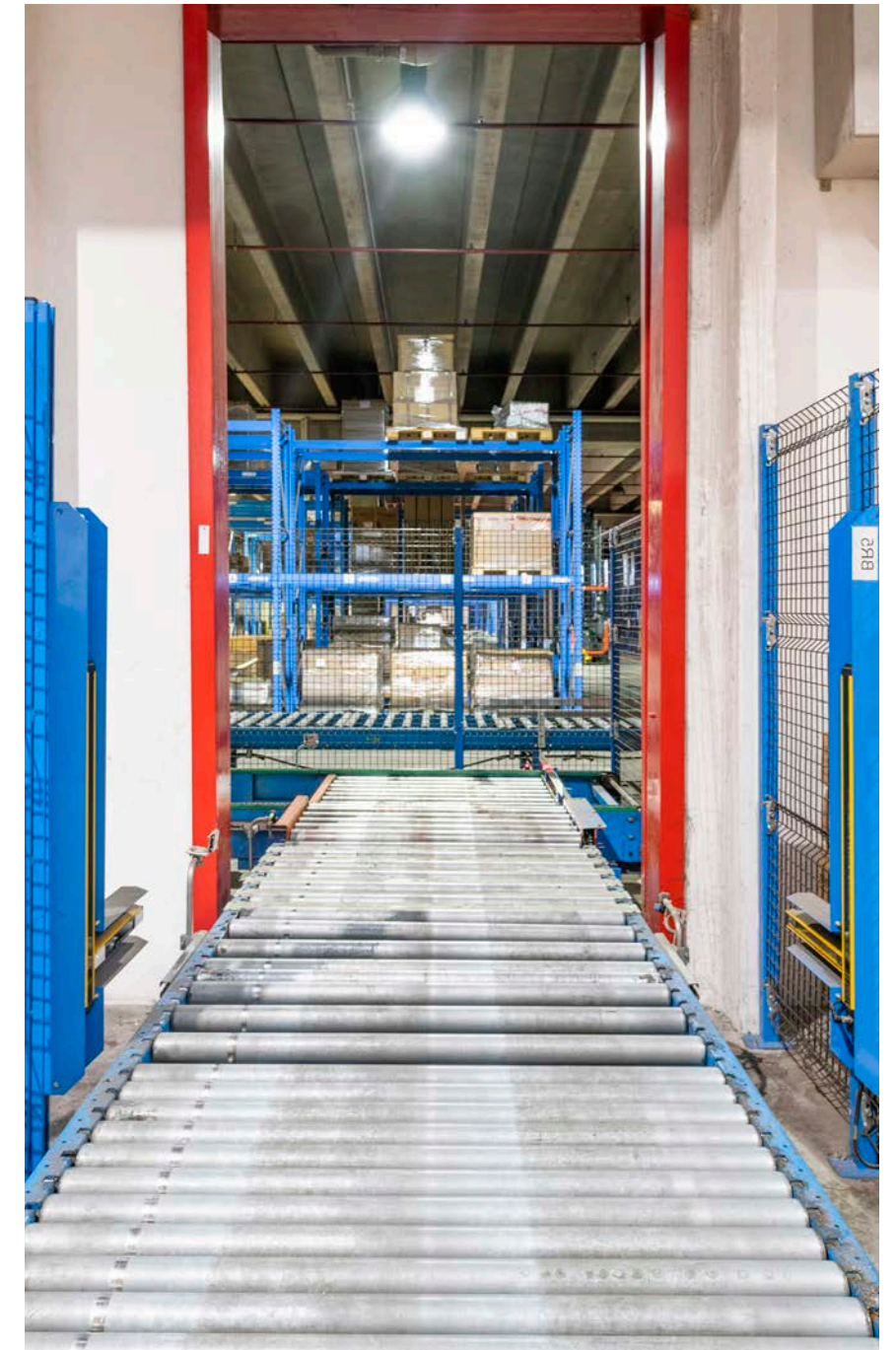
→ A **self-certification** by the supplier regarding the adherence to specific social obligations (e.g. measures guaranteeing workers' respect for fundamental human rights, principles of equal treatment and non-discrimination, protection of child labour);

→ 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 verifies, 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.

Actions continue to involve the supply chain in an extended sustainability project with developments planned for 2021, aimed at ensuring that suppliers are selected on the basis of criteria of sustainability, ethics and compliance with international regulations.



Automatic Shipping Warehouse - Artemide Factory
Pregnana Milanese

Automatic warehouse

In 2012, the automatised warehouse for finished products came into operation at the Pregnana Milanese plant. The automatised 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 2020, with the aim of optimising the logistics of its distribution network, the Group has continued to pursue a project, which began in 2019, aimed at identifying a preferred supplier at the European level. The project has been initiated in a selection of European countries.

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 ISO 45001 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 **2020** Artemide obtained 18 new product certifications.

Compared to 2019, no new certifications were obtained for other geographies; nevertheless, several existing certifications have either been renewed or modified. These activities have not affected the total number of certifications. Business opportunities related to large main-contractors retained their focus on **International Electrotechnical Commission (IEC)** areas.

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 further 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



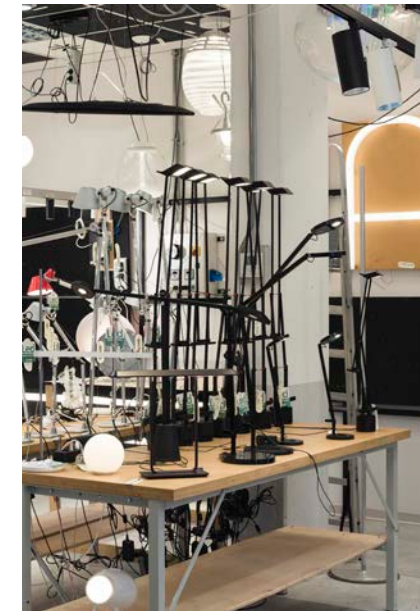
Photometric Measurements -
Ulbright Sphere



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



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. What happened in 2020 led to the intensification and diversification of this webinar program dedicated to architects and retailers as well as to internal staff who work with customer care and product orders.

artemide.com

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.

In 2019, interventions were made to give increasingly clear and usable tools to the customer, from the introduction of new sections such as Artemide Journal, dedicated to in-depth information related to events, projects and the launch of new products, to the presentation of the area dedicated to configurators.

The latter are useful tools to simplify the design of your own composition of systems such as Alphabet of light and A.24. After defining the dimensions of the space, it is possible to design the desired system by reconstructing it with a practical drag and drop of the different modules available. Once the project is completed, the system returns a complete datasheet with all the components and details that allow you to proceed directly to the order.

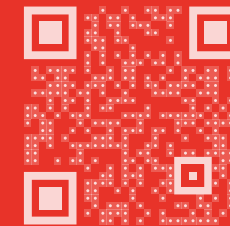
The graphic revision of the Artemide.com corporate website presented in 2019 was developed in 2020 to increasingly implement the application of accessibility criteria aimed at various types of disabilities.

5 years warranty

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

Artemide®



03

Environmental responsibility. More with less

Artemide Factory, Pregnana Milanese, Photographed by Elliott Erwitt



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, which will see a first phase of implementation in 2021. 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.

The Group has also planned the installation of a 700 kWh solar **photovoltaic system** and the addition of two heat pumps with the aim of reducing consumption and saving costs. It has also been decided that from 2021 the Artemide S.p.A. and Artemide Italia offices in Italy will purchase 100% of their energy from renewable sources with a certificate of origin.

After the installation in 2019 of an electric charging car station in the Milan office, two more stations have been added in the Pregnana office with the aim of encouraging electric corporate mobility.

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. In particular, the following have obtained this certification: Artemide Spa in the Pregnana Milanese and Telgate (BG) offices, A&A Zrt. in the Paks (Hungary) office,

System Certifications

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 completed the activities relating to the UNI ISO 45001:2018 certification of its occupational health and safety management systems for its European production sites.

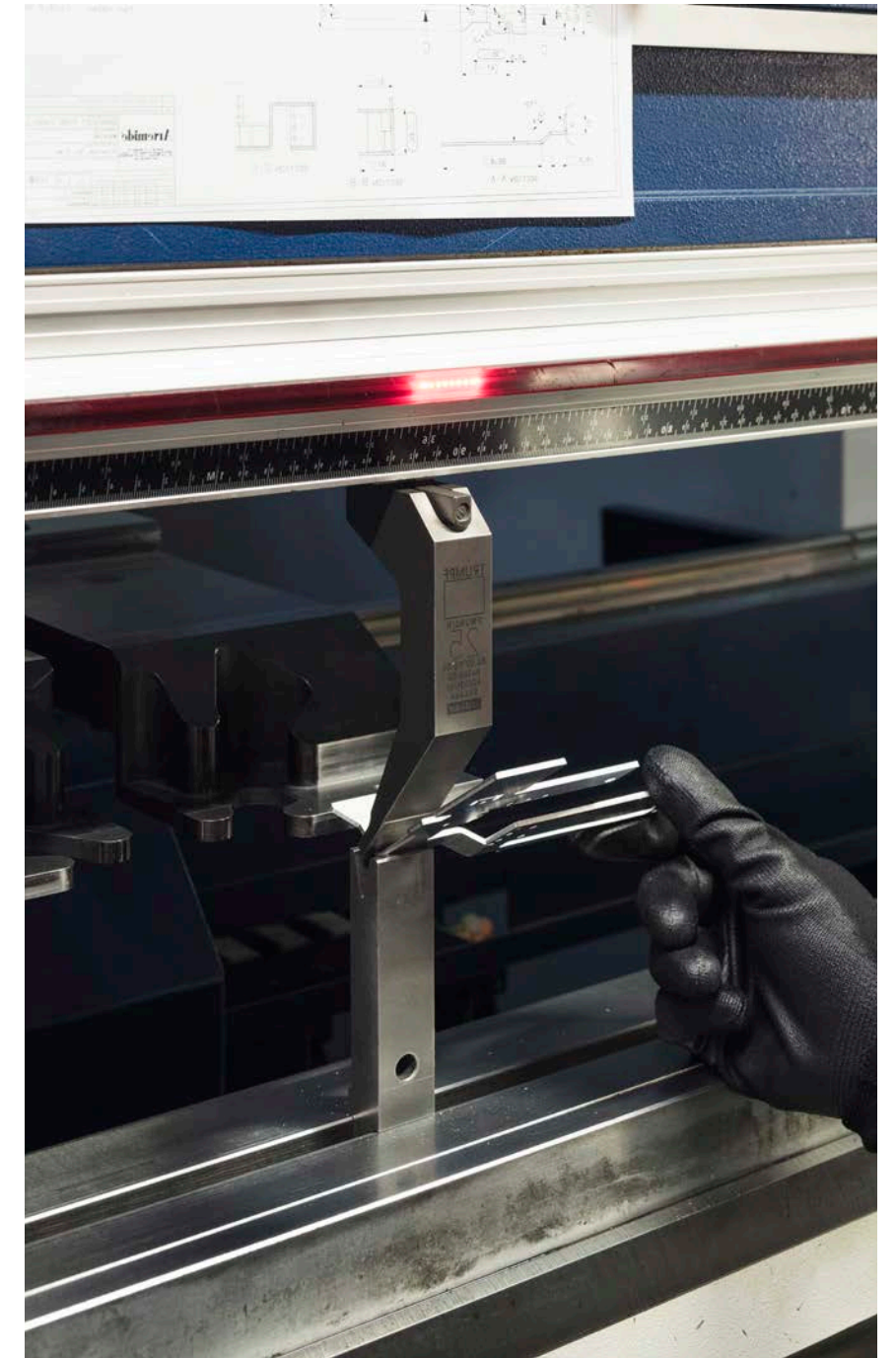
Artemide Saint Florent SAS in Sain Florent Sur Cher (France) and Artemide Italia Srl in the Pregnana Milanese offices.

The ISO 9001:2015, ISO 14001:2015 and ISO45001:2018 certifications remain unchanged and in effect throughout 2020. 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 2020, 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. Throughout 2020, Artemide continued the replacement of lighting fixtures with LEDs systems at Pregnana site, with the objective of fully substituting the existing sources.

In 2020, the gradual replacement of lighting fixtures was continued, with the aim of replacing them completely at the Pregnana site. In 2020 the **Group's energy consumption**⁵ amounts to approximately 50 thousand GJ, down 3% on the previous year. In particular, this consumption is driven by natural gas consumption, which remains at around 32 thousand GJ, slightly up on the previous year, and electricity consumption of 15 thousand GJ, down 6% on last year thanks to the various activities carried out by the Group and its employees as part of their work.

In terms of **energy intensity**, compared to 2020 production volumes, we report that energy consumed per finished product for the year is 0.069 GJ/finished product, a 3% decrease from 2019. Absolute energy consumption is equal to energy consumed within the organization and includes non-renewable and renewable fuel and purchased electricity. Together with the organization's consumption, monitoring this index helps contextualize the organization's efficiency, in relation to a specific parameter - the unit of product.

It should also be noted that, despite the impacts of the pandemic, and with the conviction that even in the most critical periods it is possible to identify and seize opportunities, during 2020 Artemide has slightly increased its production volumes. Moreover, the Group is committed to ensuring interventions aimed at avoiding possible waste and energy losses caused by the closures imposed by the lockdown.

CO₂ emissions of the Group

The quantity of greenhouse gas emitted are proportional to the organisation's energy consumption. For this reason, similarly to 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 1,798 tons of CO₂, while indirect CO₂ emissions (Scope 2⁸) have been equal to 1,039 tons of CO₂ (location based) and 1,585 tons of CO_{2e} (market based).

In terms of emission intensity (**GRI 305-4**), with respect to 2020 production volumes, the rates for absolute GHG emissions are reported below.

Scope 1	(tCO ₂ /finished product)	0.002
Scope 2 location based	(tCO ₂ /finished product)	0.001
Scope 2 market based	(tCO _{2e} /finished product)	0.002

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

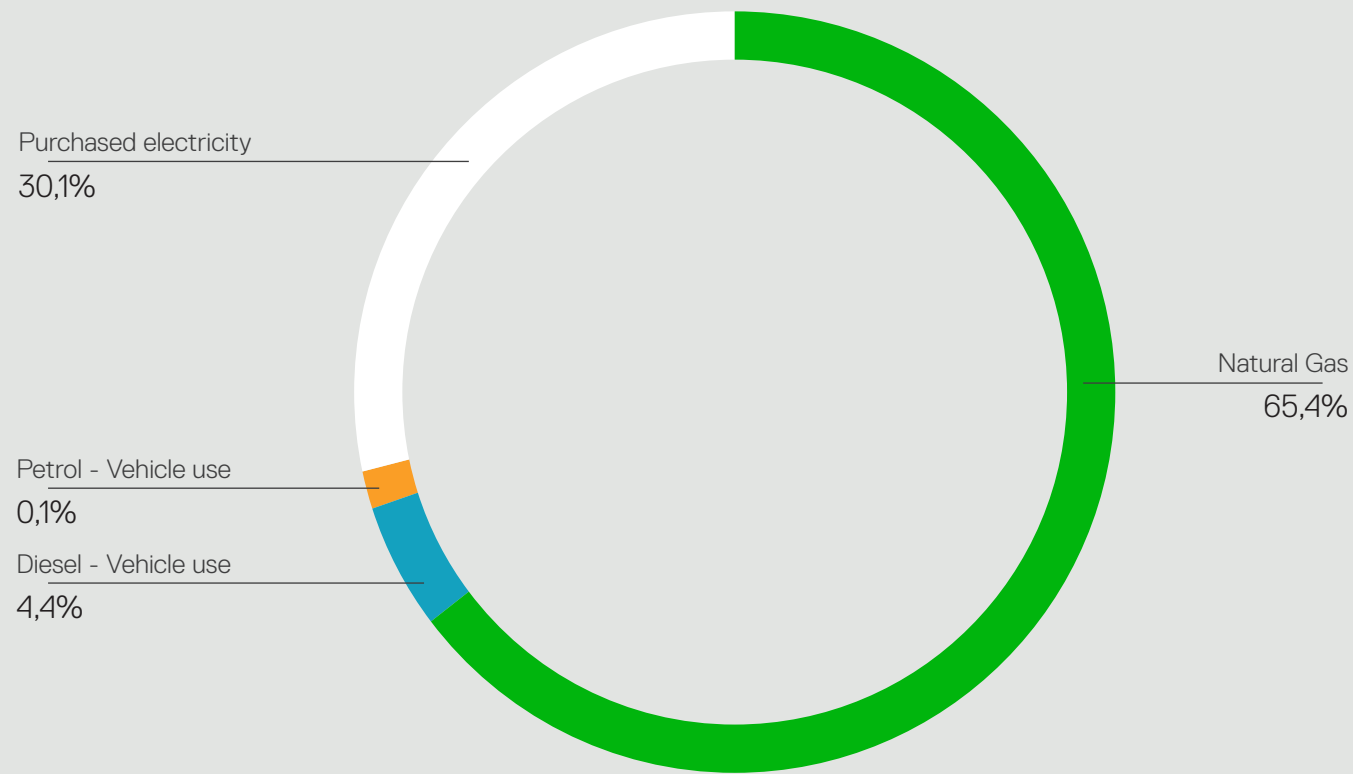
⁵ The boundary refers to Pregnana's Headquarters, at the Group's production plants based in Italy, France and Hungary, and at the Italian showrooms under Artemide's Italia s.r.l. control. Fuel for vehicles refer to the Italian company^{***}

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.

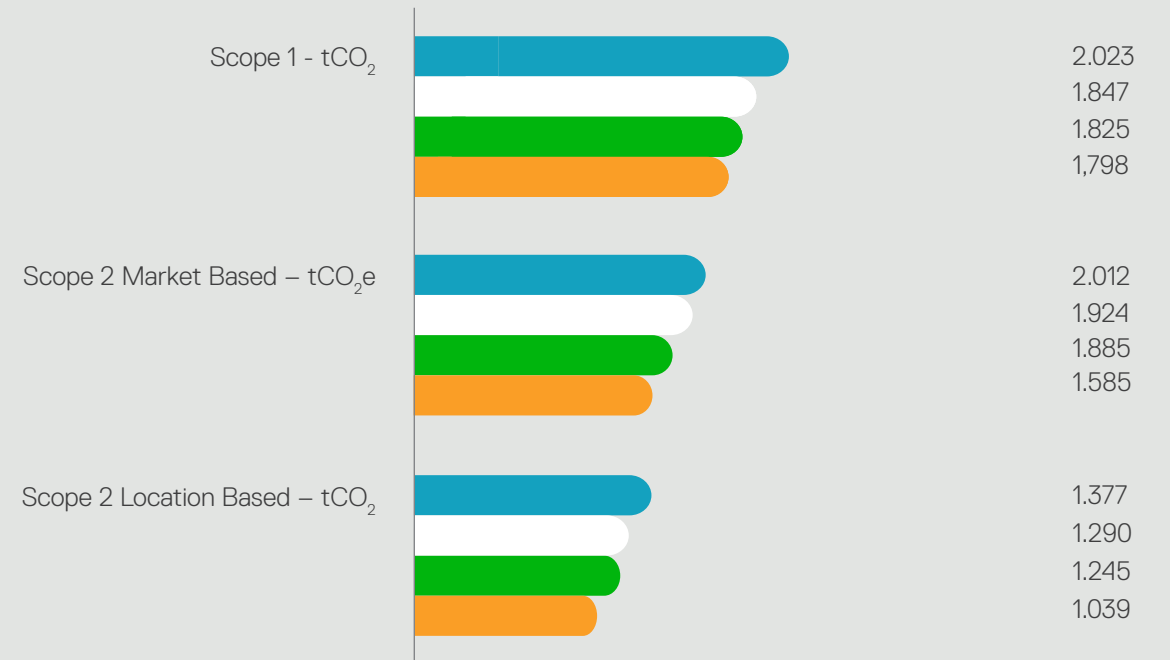
⁷ Scope 1 (direct emissions): emissions from sources owned or controlled by the organization fall into this category. Scope 1 emissions are expressed in tonnes of CO₂, as the source used does not report the emission factors of other gases other than CO₂.

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)



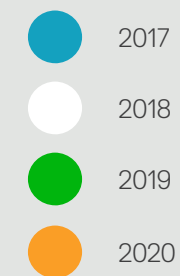
Scope 1 and Scope 2 Group's emission - location-based and market based methods



Energy consumed within the Group

Source	2020	2019	2018
Natural Gas	821.948 m ³	816.037 m ³	823.468 m ³
Diesel - Vehicle use	57.237 l	72.564 l	74.427 l
Petrol - Vehicle use	2.164 l	2.919 l	2.368 l
Purchased electricity	4.167.799 kWh	4.454.734 kWh	4.638.682 kWh

Key



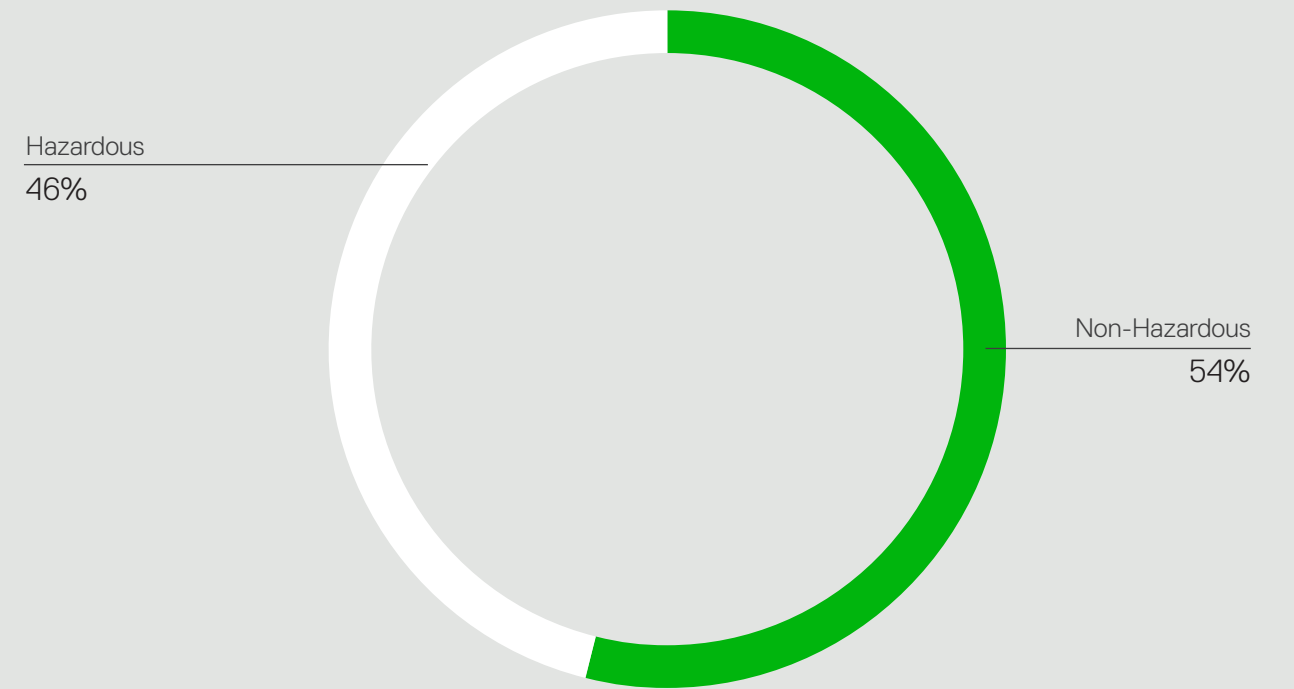
Waste management

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.

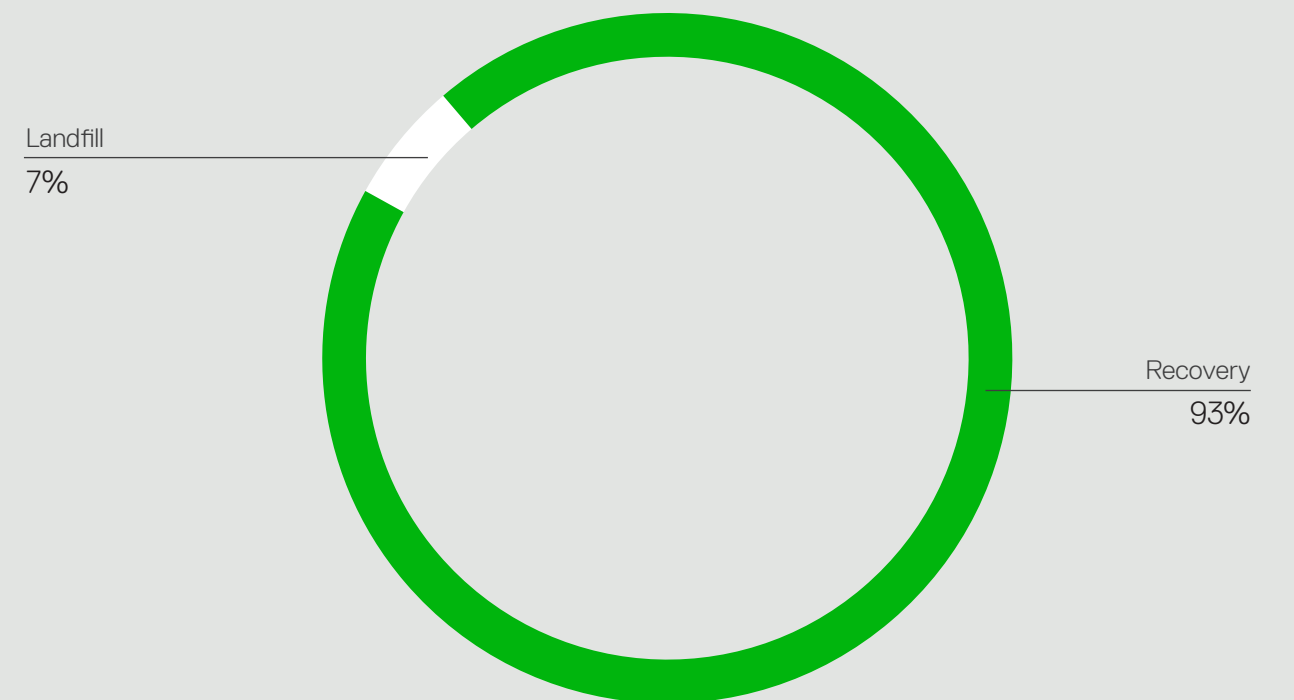
Compared to 2019, the total amount of waste generated by the Group decreased: in fact, approximately 958,32 tonnes of waste were generated compared to 1,053 tonnes last year, concurrent to a decrease in the share of waste disposed in landfills. Artemide addresses the disposal of appliances' electronic 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.

For more details on the data, please see the Annex at the end of the document.

Group's waste by type of waste (2020)



Group's waste by disposal method (2020)



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

Less Material

The Group's policy aimed at reducing environmental impacts is conveyed along the entire value chain. In 2020, the Artemide Group continued the implementation of a project 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**.

Artemide's attention to a responsible use of the limited resources of our planet is translated not only in conscious production choices but also in the daily gestures shared by Artemide employees.

For example, there is an ongoing plastic reduction project, which started with the company canteen at the Pregnana Milanese site, which from the end of 2019 is **Plastic Free**.



Walking, Carlotta de Bevilacqua

04

Social responsibility. Our Team

RA System, photographed by Elliott Erwitt, 2001



04.1 The well-being and development of our employees

652 employees

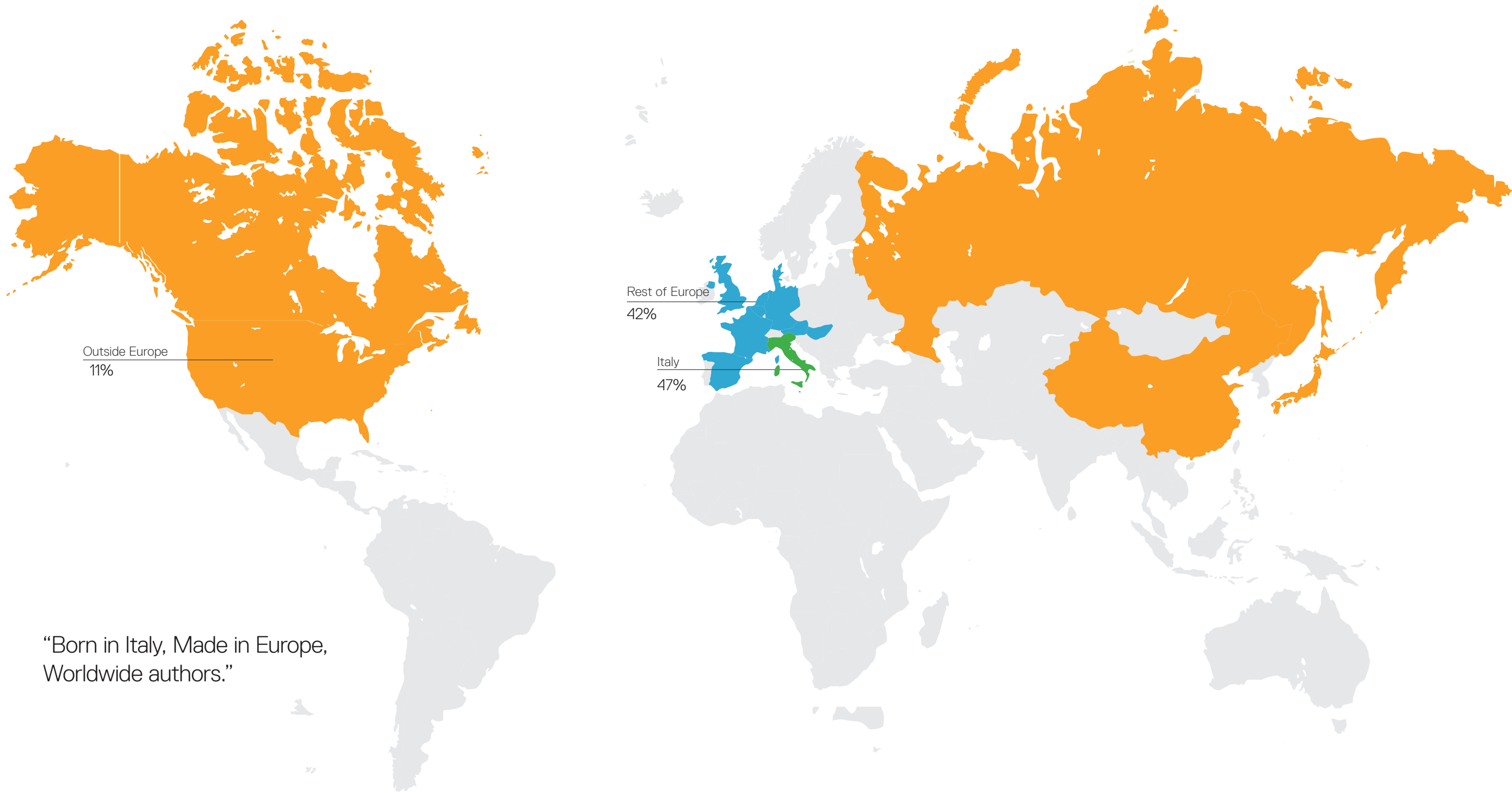
Throughout 2020, notwithstanding the complex macroeconomic context, Artemide continued to invest in its human resources, strengthening several key strategic areas such as design, product development and sales.

The health emergency linked to Covid-19 has greatly accelerated many changes already underway. In particular, it has emphasised a different pace of living, both work-related and personal, and led to the intersection between physical and digital. In Artemide, this change has generated a new paradigm that brings these opportunities together not as exclusive alternatives but as an integrated solution. Digitalisation has made it possible to maintain remote operations, but it remains important to continue, in utmost safety, to enable relationships, exchanges and sharing in presence. In Artemide, several professional roles entail work that cannot readily be performed remotely, not only with respect to production activities. Many phases in the product design, development and testing process require tools, prototypes, components and dialogue between different fields of expertise.

The evolution of working models has therefore enriched personal experience and integrated digital opportunities into everyday life. It has made information flows and exchanges more agile and efficient, while concurrently allowing for greater flexibility and freedom in terms of space and time, albeit without necessarily entailing a radical change in working practices or employees' lifestyles.

The Group's total workforce as of December 31 2020 comprised **652 employees**, of which 356 men and 296 women. The Group also relies on external workers to support its activities, for a total headcount of 673 people.

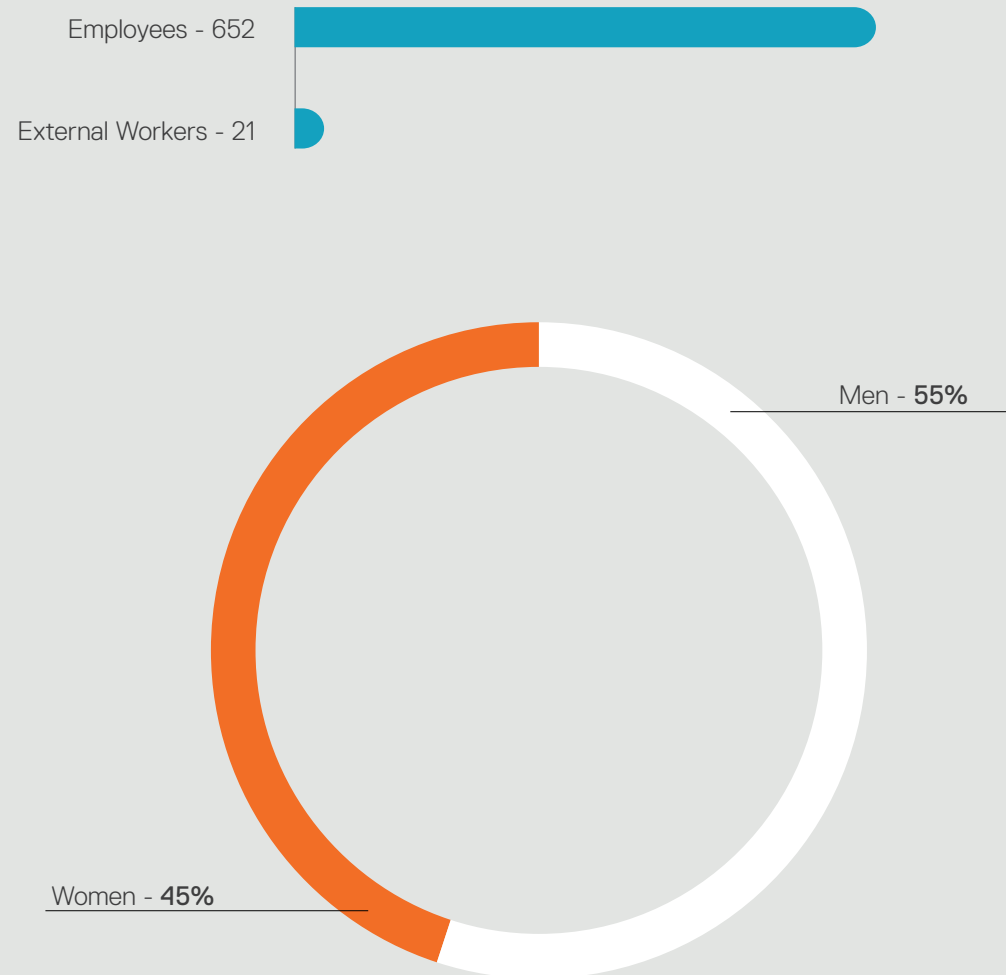
Employees by geographical region



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

Work Force (2020)

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.



Diversity and inclusion

As of December 31 2020, approximately 89% 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 95%), while around 5% of employees have part-time contracts. The "White Collars" professional category features the highest number of employees (317), followed by blue-collar workers (311), in line with the Group's sector of operation.

Suggestive of the 'Made in Italy' context in which the Group operates, with a strong international component, 47% of employees reside in Italy, 42% in the rest of Europe and the remainder outside Europe.

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 2019, the share of personnel residing outside Italy throughout 2020 was 53%, while the breakdown by gender is indicative of a balanced organization, with 55% men and 45% women.

The age-group segmentation is as follows: 54% of employees are between 30 and 50 years of age, 37% are over 50 and 9% are under 30.

In promoting the Group's sustainable growth, Artemide supports 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: attention has been paid to recruiting high seniority figures, as well to attracting young talents from the most prestigious Italian and international universities and from specialist programmes, such as master's degrees. As with previous years, Artemide is committed to fostering youth employment by continuing its historic sponsorship of the **Master in Lighting Design & LED Technology at Politecnico di Milano**. The Master's is a postgraduate course taught entirely in English and attended by young graduates from the most important Italian and international universities. The latter is an important opportunity of employer **branding** for Artemide, which also offers the opportunity to one or



Artemide Innovation Centre
in Pregana Milanese, Milan

more students to conduct their compulsory curricular internship.

The company is also committed to consolidating a pleasant and dynamic working environment, paying particular attention to disabled staff and other socially disadvantaged categories, promoting initiatives to facilitate their access to the company in compliance with the law. As proof of this commitment, in 2020 the **number of employees belonging to protected categories** increased by 28% compared to 2019.

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 developed solid and constructive trade union relations in countries where trade unions or similar structures are present. Artemide engages in dialogue with unions to regularly review the progress made and jointly identify priorities for the future. It is believed that preventive dialogue is a useful tool for achieving continuous improvement in corporate competitiveness, workers' conditions and the level of engagement. Artemide promotes social dialogue with workers and union representatives, respecting the rights of workers as established by the International Labour Organization (ILO), encouraging welfare (including pensions and health care) and wage guarantees. 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.

Among its foreign subsidiaries, and specifically in France, monthly reports are communicated electronically to the Comité Social et Economique. 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
Photo by Pierpaolo Ferrari



Encourage internal skills

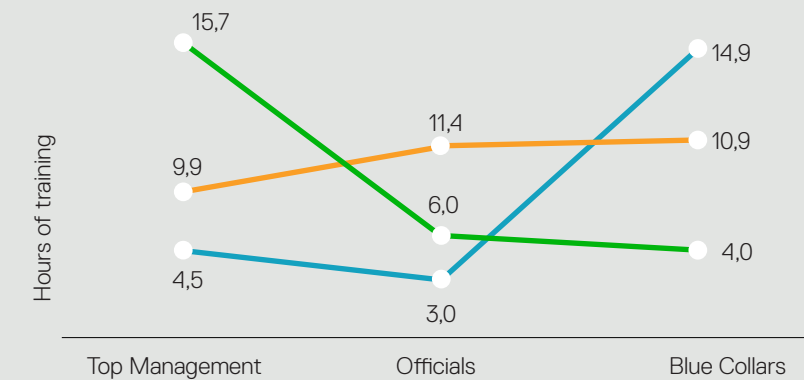
Training represents a key lever for employee development to increase and consolidate the managerial and professional skills of employees, while stimulating growth and innovation within the Group.

The global epidemiological emergency that has ensued since early 2020 has had a significant impact on training activities and the methods through which they are carried out, resulting in a 45% compared to the previous year. Despite the periods when face-to-face activities were temporarily suspended, Artemide pursued its objectives of updating and increasing the technical and transversal skills of its employees, promoting and maintaining various training courses. With particular reference to the Italian companies of the Artemide Group, the following training courses were held in parallel with the compulsory training on Health and Safety in the workplace: language training, product training courses, an online course on privacy and personal data management in light of regulatory updates at the European level and technical courses specific to several areas. Notably, among the latter, the following courses involved the Pregnana Milanese HQ: the continuation of the Behavioural Safety course, refresher courses on lighting technology standards and regulations, and courses dedicated to Product Design and Electronics.

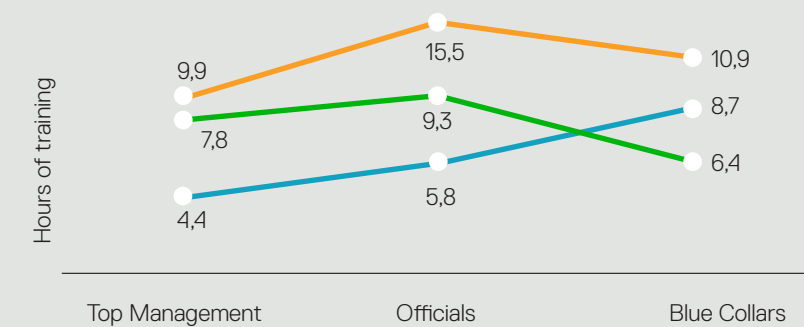
During 2020, the Group provided approximately 4,335 hours of training, of which 7.8 hours per capita for men and 5.3 hours per capita for women. About 56% of all training activities were provided to blue collars, followed by managers and top management.

Average hours of training pro-capite

- 2018
- 2019
- 2020



- 2018
- 2019
- 2020



04.2 Occupational health and safety

Artemide began working on safeguarding its employees and collaborators from the Covid-19 pandemic in January 2020 with the introduction of safety measures for its Asian facilities, which resulted in the definition of the **#staysafe** project. Through a process of continuous education and training aimed at the employees of its facilities worldwide, the Group implemented advanced prevention and monitoring measures.

The collaboration between Trade Unions and employees has been indispensable and continuous and has led to the drafting of several versions of detailed Artemide Protocols for each local situation. At the end of February 2020, before the Protocol of March 2020, a round table was set up with the Workers' Safety Representatives (RLS), RSPP, HR, Competent Doctor and CEO. The implementation of Covid-19 prevention measures has affected the management of working hours, the company canteen and even breaks from work, as well as leading to the launch of Smart Working projects. In the first half of March 2020 a Smart Working plan was officially launched, involving over 140 people.

The production activity of the Telgate site was prudentially suspended on March 17, 2020, in advance of the lockdown instituted on March 23. Meanwhile, the production sites of Pregnana Milanese and Telgate (BG), the Milan offices and the Italian showrooms were sanitized as a precautionary measure. In the meantime, for all foreign subsidiaries where the virus subsequently spread, Asian and Italian practices were put to use. It is undeniable that many relationships have been affected by the Covid-19 emergency, not least by technology; as such, this phenomenon has been embraced by Artemide as an opportunity for improvement. This has created new ways of communicating between the company and employees, such as the digitalisation of the administrative tasks, and the creation of union chats, new employee email addresses and mailing lists with employees' private addresses to assure a timely and capillary communication.

For a certain period of time, it was necessary to work remotely, but in a research, product design and manufacturing company like Artemide, a new in-presence routine was also introduced. As aforementioned, technology and digitalisation have become an integral part of a new work rhythm rather an alternative. In this respect, the entire Artemide organisation has benefited from the advantages of digitalisation that, rather than dematerialising personal relationships, has strengthened communications and brought the Artemide community around the world even closer together.

The policy currently in use provides for the delivery of a **"Manual of Prevention and Protection Measures to counter and contain the spread of the Covid-19 virus"** and of an **"Artemide Supplementary Protocol for the prevention of the Covid-19 virus"**, a protocol that is periodically updated. In addition to the measures already in place, such as staggered entry and exit times, the daily delivery of disposable surgical masks, it should be noted the reopening of the company canteen in Pregnana Milanese, which took place in November 2020, a canteen specially renovated in anti-counterfeiting mode with individual named stations.

Also worthy of mention is Artemide's most recent commitment, strongly supported by the de Bevilacqua Gismondi family, a free screening program using molecular swabs for Italian employees, carried out in collaboration with Milan's San Raffaele Hospital.

Injuries and emergency management

Artemide has drawn inspiration from the international standard **UNI ISO 45001:2018** on occupational health and safety management systems to devise and implement an occupational health and safety management system for the higher-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, currently pending, within the scope of: "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 the institution 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's ambition to eliminate hazards, minimize risks, seize opportunities, and identify and address any non-conformity across its activities.

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 aimed at constantly improving safety in the workplace. Employees can refer to various internal company procedures relating, among others, to the management of emergencies and injuries.

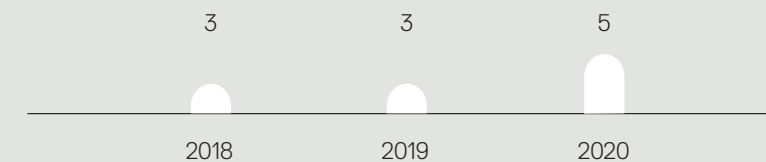
In Italy, during 2020, 5 work-related injuries occurred¹⁰, a slight increase compared to three injuries in 2019, due to damages occurring in the course work-related activities.

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.

“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 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.

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

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.

With regard to its production facilities, the greatest risks are linked to the use of equipment (machinery etc.). To eliminate or minimise 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 appropriately is also stressed during training.

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.

With respect to 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.

Health and safety training

As an integral part of its policy on workplace safety, Artemide provides awareness training on the issue to all personnel. The Group has always strived to increase worker' awareness of health and safety, both through specific training and by setting up a specific mailbox for risk reporting. Compulsory trainings relating to health and safety are the subject of national regulation, which provides specific schedules for the provision of training and updating courses.

In 2020, the **Behavioral Safety Workshop** was continued, involving both factory and office 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, good posture and handling loads. The course started in June 2019 and continued throughout 2020, subject to the limitations and training requirements imposed by the pandemic.

As part of this course, there was also a day dedicated to fire-fighting training using virtual reality visors and equipment, which took place in July. Through this innovative training method, the contents of the compulsory training were updated both theoretically and experientially by means of a practical test that involved the participants personally.



ADV Campaign, 2007, Christopher Broadbent



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	↗ Directly caused by 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

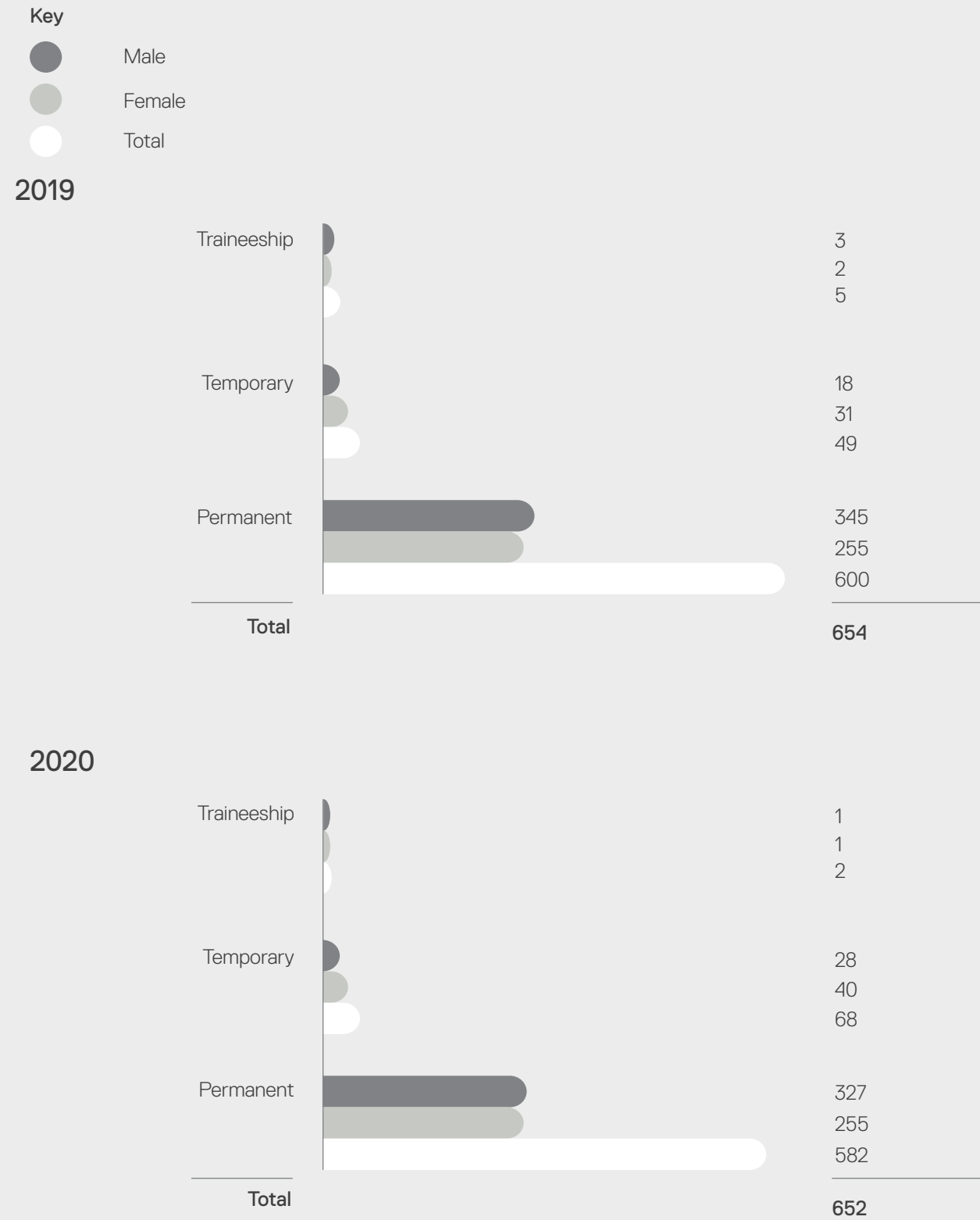
Attachments

Artemide's Group organizational chart up to 31.12.2020



- 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	2019			2020		
	Men	Women	Total	Men	Women	Total
Italy	202	117	319	193	114	307
Permanent	196	115	311	190	113	303
Temporary	3	0	3	2	0	2
Traineeship	3	2	5	1	1	2
Rest of Europe	123	137	260	125	151	276
Permanent	110	108	218	101	113	214
Temporary	13	29	42	24	38	62
Traineeship	0	0	-	0	0	-
Outside Europe	41	34	75	38	31	69
Permanent	39	32	71	36	29	65
Temporary	2	2	4	2	2	4
Traineeship	0	0	-	0	0	-
Total	366	288	654	356	296	652

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 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%	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 2020

% 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%	8%	5%	0%	3%	1%	2%
Officials	29%	52%	39%	45%	44%	54%	54%	53%
Blue collars	71%	45%	53%	50%	56%	43%	45%	45%

Total number and percentage of employees (head count) by vulnerable categories (employees with disabilities) - 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 and percentage of employees (head count) by vulnerable categories (employees with disabilities) - 2020

Employee category	Men	Woman	Total
Top Management	0	0	0
Officials	3	4	7
Blue collars	9	7	16
Total	12	11	23

Total number of external workers by gender - 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

Total number of external workers by gender - 2020

External workers	Men	Women	Total
Independent contractors	13	6	19
Interns	2	-	2
Independent employees with VAT number	-	-	-
Total	15	13	21

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

Average hours of training by employee category and by gender - 2020

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	140	18	7,8	94	6	15,7	234	24	9,8
Officials	1.485	159	9,3	946	158	6,0	2.431	317	7,7
Blue collars	1.142	179	6,4	529	132	4,0	1.671	311	5,4
Total	2.766	356	7,8	1.569	296	5,3	4.335	652	6,6

Total work-force

	2019			2020		
	Men	Women	Total	Men	Women	Total
External workers						
Total employees	366	288	654	356	296	652
Total external workers	17	14	31	15	6	21
Total	383	302	685	371	302	673

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%

2019/2020



ADV Campaign, Elliott Erwitt, 2001

Total energy consumption within the organization

Consumption type	Unit of measurement	2020	2019	2018
Natural gas	GJ	32.571	32.455	32,975
Diesel – For vehicle use	GJ	2.181	2,760	2,840
Petrol – For vehicle use	GJ	74	99	82
Purchased electricity	GJ	15.004	16,037	16,699
Total	GJ	49.829	51.359	52.597

Consumption type	Unit of measurement	2020	2019	2018
Natural gas	m ³	821.948	816,037	823,468
Diesel – For vehicle use	l	57.237	72,564	74,427
Petrol – For vehicle use	l	2.164	2,919	2,368
Purchased electricity	kWh	4.167.799	4,454,734	4,638,682

Consumption type	Unit of measurement	2020	2019	2018
Fuel consumption from non-renewable sources	GJ	34.825	35,322	35,897
Purchased electricity	GJ	15.004	16,037	16,699
Total	GJ	49.829	51,359	52,597

Energy Intensity ¹¹	Unit of measurement	2020	2019
Energy consumed per unit of product	GJ/unit of product	0.069	0.071

CO₂ Emission¹²

GHG Emissions	Unit of measurement	2020	2019	2018
Direct emissions of CO ₂ - Scope 1	tCO ₂	1.798	1.825	1.847
Indirect emissions of CO ₂ - Scope 2 - Location Based	tCO ₂	1.039	1.245	1.290
Indirect emissions of CO ₂ e - Scope 2 - Market Based	tCO ₂ e	1.585	1.855	1.924

Intensity of GHG emissions¹³

Emissions categories	Unit of measurement	2020	2019
Direct emissions of CO ₂ - Scope 1	(tCO ₂ /unit of production)	0,002	0,003
Indirect emissions of CO ₂ - Scope 2 - Location Based	(tCO ₂ /unit of production)	0,001	0,002
Indirect emissions of CO ₂ e - Scope 2 - Market Based	(tCO ₂ e/unit of production)	0,002	0,003

¹¹ The information regarding the Energy intensity is available only for the years 2019 and 2020.

¹² 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.

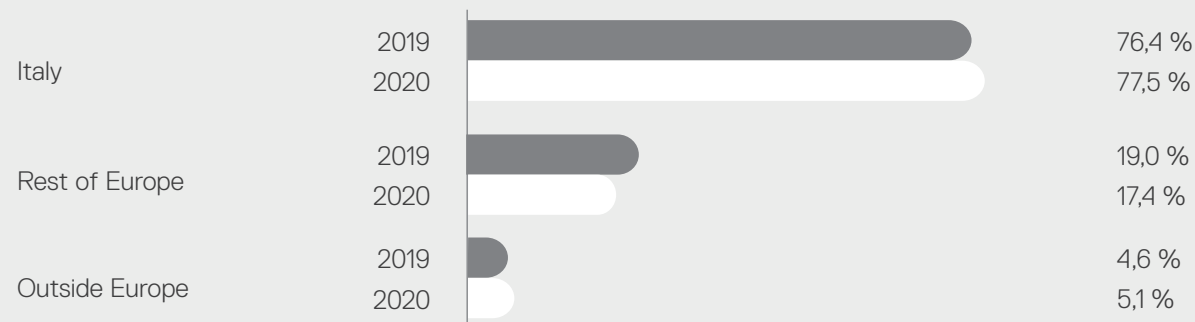
¹³ The information regarding the Emission intensity is available only for the years 2019 and 2020.

Total weight of waste by type and disposal method ¹⁴

Waste type	Unit of measurement	2020		2019		2018	
		total	%	total	%	total	%
Hazardous	t	436	46%	369	35%	408	39%
Non hazardous	t	522	54%	684	65%	635	61%
Total	t	958	100%	1.053	100%	1.043	100%

Disposal method	Unit of measurement	2020		2019		2018	
		total	%	total	%	total	%
Reuse	t	892	93%	1.001	95%	980	94%
Landfill	t	67	7%	52	5%	63	6%
Total	t	958	100%	1.053	100%	1.043	100%

Proportion of spending on local suppliers



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

Work-related injuries and injuries rates

Total number of injuries	2020	2019	2018
Total number of injuries	5	3	3
of which fatalities	-	-	-
of which high-consequence work-related injuries (excluding fatalities)	-	-	-
of which recordable work-related injuries	5	3	3

Rate of work-related injuries ¹⁵	2020	2019	2018 ¹⁵
Rate of fatalities as a result of work-related injury	-	-	-
Rate of high-consequence work-related injuries (excluding fatalities)	-	-	-
Rate of recordable work-related injuries	2.16	1.16	1,76

Number of worked hours in 2020:
463.765 in Italy (518.394 in 2019)

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 third Sustainability Report of Artemide (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 2020 to December 31, 2020. Where available, the data for the previous years has been included for comparative purposes to facilitate the assessment of the performance of the Group’s activities. 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, 2020.

The scope of the social and environmental 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.¹⁷; any 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 31.12.2020.



GRI Content Index

GRI 102: General disclosures (2016)

GRI Standard	Disclosure	Page number / external reference
Organisational profile		
102-1	Name of the organisation	240
102-2	Activities, brands, products and/or services	18-21
102-3	Location of headquarters	15
102-4	Location of operations	15; 20-21
102-5	Ownership and legal form	236-237
102-6	Markets served	20-21; 68-103
102-7	Scale of organisation	14; 20; 209-211
102-8	Information on employees and other workers	238-241
102-9	Supply chain	20; 180
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	35; 222
102-12	External initiatives	56-61; 165; 195-198
102-13	Membership of associations	24-25
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	35-36; 55-62
Governance		
102-18	Governance structure	35
Stakeholder engagement		
102-40	List of stakeholder groups	40-41
102-41	Collective bargaining agreements	216-218
102-42	Identifying and selecting stakeholders	40-41
102-43	Approach to stakeholder engagement	40-41
102-44	Key topics and concerns raised	40-41
Reporting Practices		
102-45	Entities included in the consolidated financial statements	236-237
102-46	Defining report content and topic Boundaries	42; 252
102-47	List of material topics	43
102-48	Restatements of information	252
102-49	Changes in reporting	252
102-50	Reporting period	252
102-51	Date of most recent report	252
102-52	Reporting cycle	252
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	256-267
102-56	External assurance	268-269

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	42-43; 232-235
103-2	The management approach and its components	44-45
103-3	Evaluation of the management approach	45; 252
GRI-201: Economic Performance (2016)		
201-1	Direct economic value generated and distributed	45
↗ Procurement practices		
GRI-103: Management approach (2016)		
103-1	Material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	165-167; 180-182
103-3	Evaluation of the management approach	172-173; 180-182; 252
GRI-204: Procurement practices (2016)		
204-1	Proportion of spending on local suppliers	174-175; 250

GRI Standard	Disclosure	Page number / external reference
↗ Anti-Corruption		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	35-36; 55
103-3	Evaluation of the management approach	35-36; 252
GRI-205: Anti-Corruption (2016)		
205-3	Confirmed incidents of corruption and action taken	During 2020, 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	42-43; 232-235
103-2	The management approach and its components	62; 105; 155-156; 158-163; 172-175
103-3	Evaluation of the management approach	172-175; 252
GRI-301: Materials (2016)		
301-1	Materials used by weight or volume	175; 250
↗ Energy		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	195-202
103-3	Evaluation of the management approach	195-202; 252
GRI-302: Energy (2016)		
302-1	Energy consumption within the organisation	202; 248

GRI Standard	Disclosure	Page number / external reference
↗ Emissions		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	195-202
103-3	Evaluation of the management approach	195-202; 252
GRI 305: Emissions (2016)		
305-1	Direct GHG emission (Scope 1)	203; 249
305-2	Energy indirect GHG emissions (Scope 2)	203; 249
↗ Effluents and waste		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	204
103-3	Evaluation of the management approach	204; 252
GRI 306: Effluents and waste (2016)		
306-2	Waste by type and disposal method	205; 250
↗ Environmental compliance		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	35-36
103-3	Evaluation of the management approach	35-36; 252
GRI 307: Environmental Compliance (2016)		
307-1	Non-compliance with environmental laws and regulations	During 2020, 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	42-43; 232-235
103-2	The management approach and its components	213-220
103-3	Evaluation of the management approach	213-220; 252
GRI-401: Employment (2016)		
401-2	Benefits for full time employees that are not provided to temporary or part-time employees	216
↗ Labour management relations		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	216-218
103-3	Evaluation of the management approach	216-218; 252
GRI-402: Labour management relations (2016)		
402-1	Minimum notice periods regarding operational changes	216-218

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	42-43; 232-235
103-2	The management approach and its components	222-224
103-3	Evaluation of the management approach	222-224; 252
GRI-403: Occupational Health and Safety (2018)		
403-1	Occupational health and safety management system	224
403-2	Hazard identification, risk assessment, and incident investigation	226-227
403-3	Occupational health services	222-224
403-4	Worker participation, consultation, and communication on occupational health and safety	222-224
403-5	Worker training on occupational health and safety	228
403-6	Promotion of worker health	222-224
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	222-224
403-9	Work-related injuries	224-225; 251
↗ Training and education		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	220-221; 228
103-3	Evaluation of the management approach	220-221; 228; 252
GRI-404: Training and education (2016)		
404-1	Average hours of training per year per employee	221; 244-245

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	42-43; 232-235
103-2	The management approach and its components	102; 213
103-3	Evaluation of the management approach	213; 252
GRI-405: Diversity and equal opportunities		
405-1	Diversity of governance bodies and employees	238-241; 246
↗ Customer Health and Safety		
GRI-103: management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	135; 165-170; 176; 185-189
103-3	Evaluation of the management approach	165-170; 185-189; 252
GRI-416: Customer Health and Safety (2016)		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	During 2020, 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	42-43; 232-235
103-2	The management approach and its components	191-192
103-3	Evaluation of the management approach	191-192; 252
GRI-417: Marketing and Labelling (2016)		
417-2	Incidents of non-compliance concerning product and service information and labelling	During 2020, 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	42-43; 232-235
103-2	The management approach and its components	19-21; 55-62
103-3	Evaluation of the management approach	19-21; 55-62; 252
↗ Responsible communication and fostering sustainable culture		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	55; 64-67
103-3	Evaluation of the management approach	55; 64-67; 252
↗ Made in Italy		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	10; 19-21; 69; 172; 213
103-3	Evaluation of the management approach	19-21; 69; 172; 213; 252
↗ Light intelligence		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	105; 140
103-3	Evaluation of the management approach	105; 140; 252

GRI Standard	Disclosure	Page number / external reference
↗ Innovation & patenting		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	108-113; 142-145
103-3	Evaluation of the management approach	108-113; 142-145; 252
↗ User experience		
GRI-103: Management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	68-102; 112-140
103-3	Evaluation of the management approach	68-102; 112-140; 252
↗ Social value of innovation		
GRI-103: management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	46-53
103-3	Evaluation of the management approach	46-53; 252
↗ Responsible Lighting		
GRI-103: management approach (2016)		
103-1	Explanation of the material topic and its boundary	42-43; 232-235
103-2	The management approach and its components	97-130; 149-163
103-3	Evaluation of the management approach	97-130; 149-163; 252

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, 2020.

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.

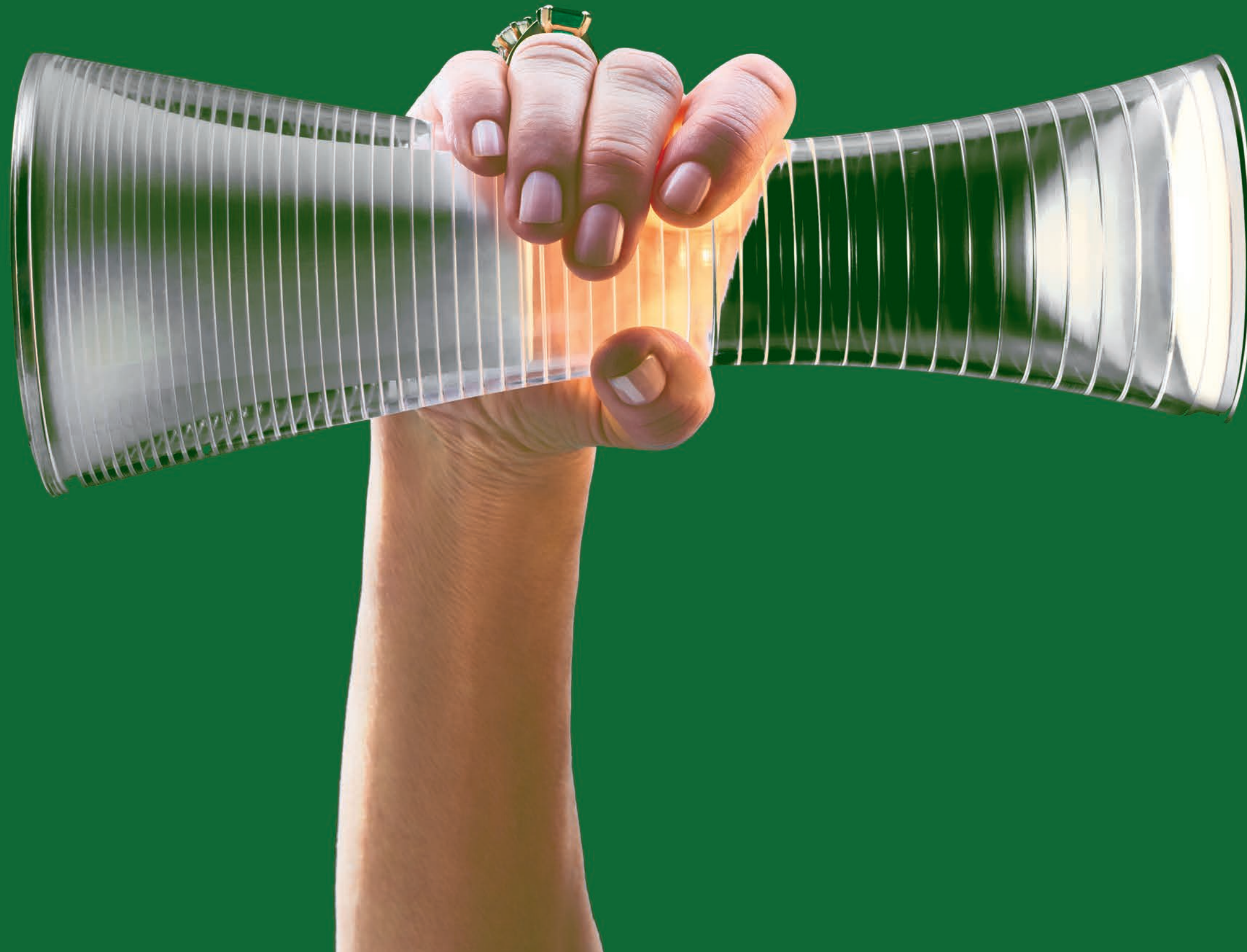
Conclusion

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, 2020 is not prepared, in all material aspects, in accordance with the GRI Standards as stated in the paragraph "Reading guidance" of the Sustainability Report.

DELOITTE & TOUCHE S.p.A.

Signed by
Ernesto Lanzillo
Partner

Milan, Italy
August 3, 2021



Artemide[®]
The Human and Responsible Light

