

# EU DESIGN BUSINESS HOLDING SPA SUSTAINABILITY REPORT 2022



This document represents  
the Sustainability Report of the EU Design Group.  
Created by EU Design Business Holding Spa Società  
Benefit, it is part of the Project  
of Group Sustainability.

The work is the result of a shared commitment with the  
main stakeholders and is made possible by the  
collaboration of all the companies of the Group and of  
the various corporate functions, under the coordination  
of the General Management of EU Design Business  
Holding Spa, which is entrusted with the task of  
pursuing the objectives of common benefit envisaged  
by the regulations of the Benefit Companies.



# The force of the EU Design Group. Productive integration, international vocation, capillary commercial network.

**EU Design Business Holding Spa** is the operating holding company and beating heart of the **EU Design Group**: a multinational reality that integrates manufacturing and commercial companies with offices in Italy, the United States, Hong Kong, Germany and India.

Production integration, international vocation and widespread commercial network are the main strengths of the Group.

Born in 1999, as a distributor of accessories and trimmings in the United States, the **EU Design brand** has grown up to occupy today a prestigious role worldwide in the creation, production and marketing of articles intended for the fashion and home sectors textile: buttons, accessories, jewellery, objects, cases and solutions for packaging, decorations and trimmings.

With the acquisition of the historic **Fenili button factory** and of **other Italian companies** specialized in various metalworking technologies – die casting and rubber fusion, coating, varnishing and polishing, galvanic treatments –, the **EU Design Group** has completed since 2015 a large project of production integration and supply chain verticalization.



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## BECOME BENEFITS COMPANY: WHY WE COMMIT

In 2020 **EU Design Business Holding Spa** has assumed the legal form of Benefit Company, declaring in its statute and by integrate the typical economic objectives of doing business with the desire to generate a positive impact on people, society and the environment.

The term Benefit Company identifies a new legal form, introduced in 2010 in the United States and subsequently adopted in Italy with Law No. 208 of 28 December 2015.

Companies that become Benefit Companies undertake to:

- incorporate in its statute, in addition to profit objectives, purposes of common benefit;
- measure all its impacts and communicate them every year in a transparent and complete way through a report that describes both the actions carried out and the plans and commitments for the future.

**EU Design Business Holding Spa** subscribes to these commitments with deep conviction.



From the Statute **EU Design Business Holding Spa**:

*As a Benefit Company, pursuant to and for the purposes of the Law of 28.12.2015, single article, paragraphs 376-384, the company also intends to pursue, in addition to the objectives of an entrepreneurial activity, more purposes of common benefit and operate in responsible, sustainable and transparent way towards people, communities, territories and the environment, cultural and social assets and activities, bodies and associations and other stakeholders.*



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# 01 HIGHLIGHTS 2022

## Employees

**201**

+ 39% on 2021

## Sales

**€30,719,935**

+39.86% on 2021

## Margin Ebidta

**22.61%**

+3.5% points on 2021

## Economic value distributed to stakeholders

**€25,865,389**

equal to 84% of the economic value generated



**THANKS TO  
TO  
€112,184**

of investments in sustainability made at group level

## You consume in TeP

**+42%**

on 2021

## Emissions in TCO<sub>2</sub> eq

**+22%**

on 2021

**Mix electricity from renewable sources  
50%**

+3% points on 2021

**Electricity locally produced from photovoltaic**

**188 MWh**

# 02

## Identity and governance of the group.



**The EU Design Group** includes a team of manufacturing and commercial companies based on three continents: Europe, Asia and North America.

As operational holding, **EU Design Business Holding Spa** performs a general coordination role and provides the other group companies with consultancy services in administrative, financial, management and business management matters.

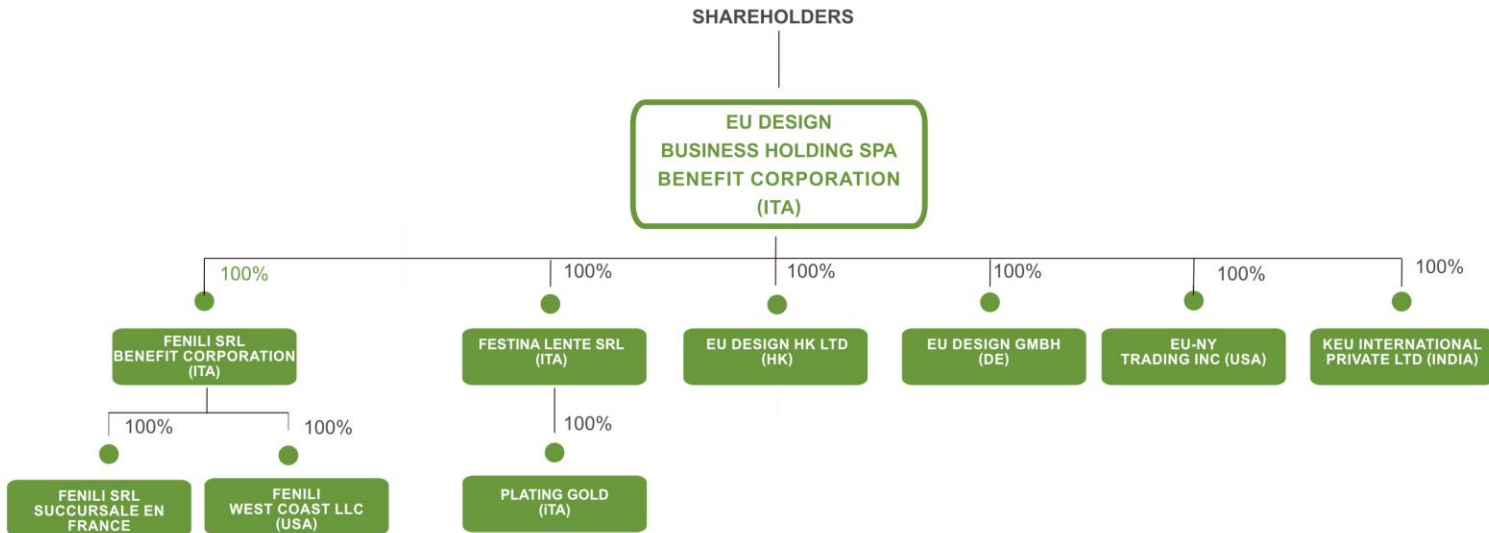
EU Design Business Holding also offers tools and know-how for the implementation of the Group's sustainability plan, which has the **B Corp Certification**.

**B Corp** it is the brand that identifies companies capable of reconciling the goal of profit with the highest standards of sustainability and social responsibility.





# THE ORGANIZATIONAL CHART OF THE EU DESIGN GROUP



EU Design Business Holding Spa Società Benefit presents an ownership structure characterized, **at shareholder level\***, from qualifying elements from a sustainability perspective:

- prevalence of the female gender among the shareholders (over 50% of the quotas belong to women);

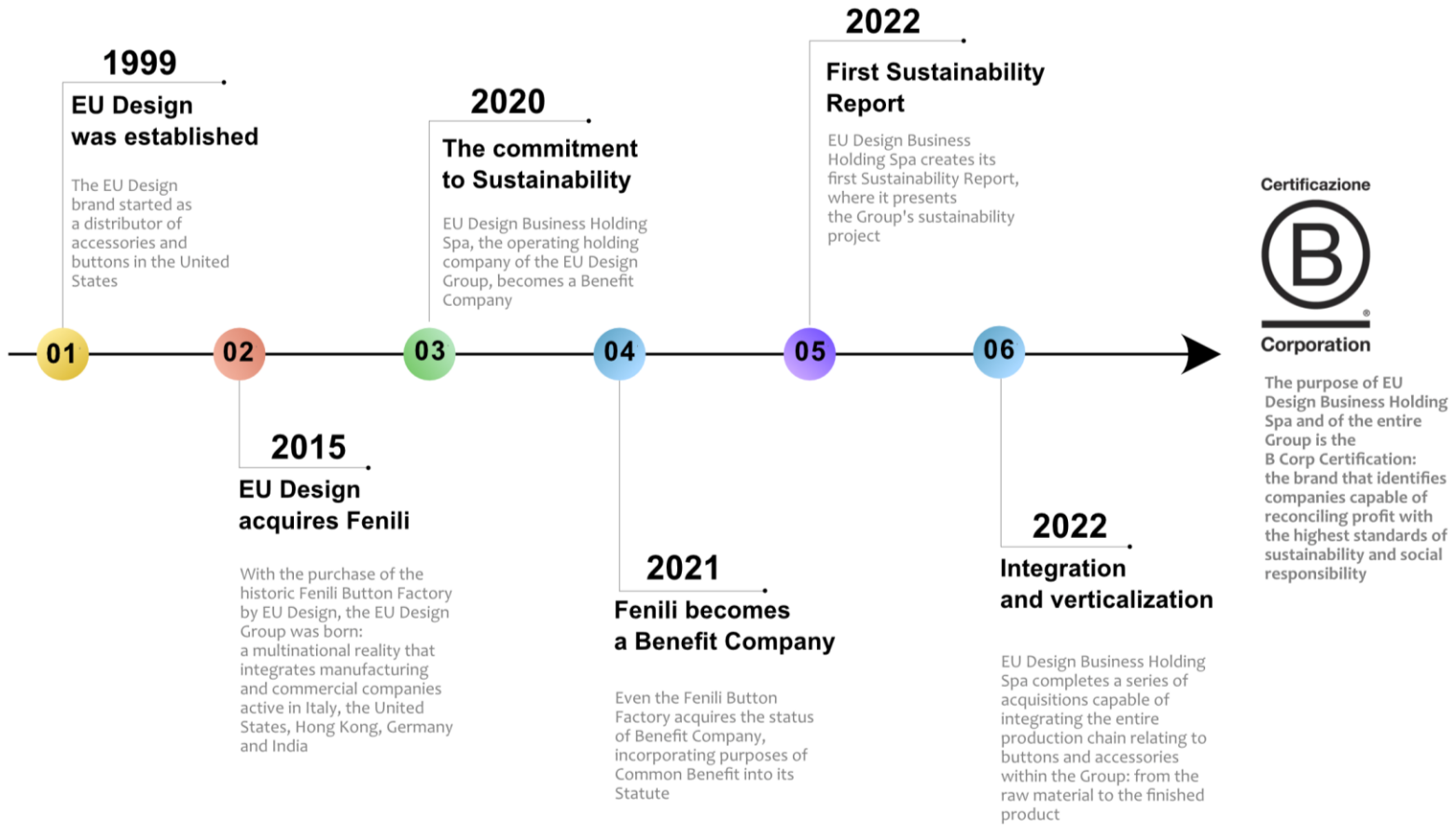
- presence of employees of the Company or of other Group companies among the shareholders;

- multinational and multicultural profile of the shareholders, in line with the multinational and multicultural identity of the Group.





# THE EVOLUTION OF THE EU DESIGN GROUP



Starting from June 2023 EU Design Business Holding Spa SB changed its company name to EU Design/Fenili Group Spa SB. This denomination will identify the EU Design Group starting from the 2023 Sustainability Report.



# B-IMPACT ASSESSMENT

Sustainability is one of the keywords for EU Design Business Holding. What does it mean?

Our goal is to integrate and make compatible three dimensions in company management:

- economic and financial solidity
- the protection of the environment and natural resources
- respect for people and communities.

As part of **B.Corp Certification** process, **the EU Design Group** has carried out an assessment of the impact generated in 2022 by the pursuit of the purposes of common benefit on the basis of the **international external assessment standard B Impact Assessment (BIA)**.

The score obtained in self-assessment by **Group EU Design is well above 80 points**, minimum threshold for access to the B Corp Certification process.



# 03

## The economic and financial performance

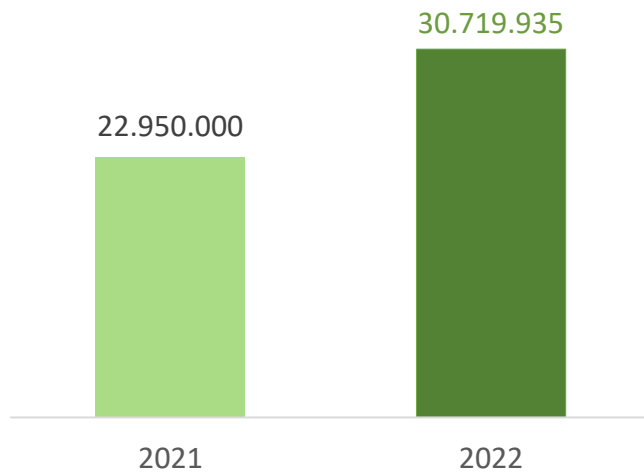


In 2022, the EU Design Group achieved significant economic and financial performance, at the level of individual companies and of the group as a whole, both in relation to sales turnover volumes and profitability.

It is a result that confirms the functionality of the Group's corporate architecture and the effectiveness of the production integration strategy completed in 2022, with the acquisition and incorporation of some Italian companies specialized in metalworking technologies.

The integrity and solidity of the EU Design Group's business are at the same time one of the results of the sustainability policies implemented - at an economic, environmental and personnel management level - and the prerequisite for relaunching the Group's sustainability path towards new goals.

# TURNOVER E PROFITABILITY



**Turnover increase** **+ 36.86%**

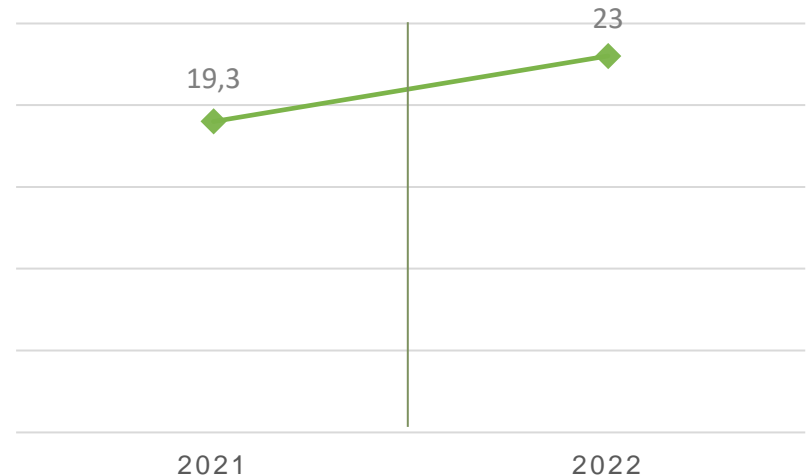
In 2022 the consolidated sales turnover of EU Design Group, net from the intercompany sales, has an important increase.

The growth of 36.86 % vs. 2021, is from the sales increase from each Group legal entity due to the enlargement of the Group perimeter.

**Increase Ebitda margin** **+ 3.3** points percentages

The integration of the production processes has allowed saving and internal efficiency on the cost of sales allowing EU Design Group to increase the Ebitda by 3.3 points percentages, from 19.3 to 22.6%.

A result reached up despite the uncertainty of some elements such as the increase of raw materials, and energy price.





# THE RE-DISTRIBUTION OF VALUE TO STAKEHOLDERS

The economic value generated and distributed expresses in monetary terms the economic impact of the EU Design Group's activities and its redistribution among the various categories of stakeholders (suppliers, employees and collaborators, Public Administration).

In other words, it provides a measure of the interactions of the EU Design Group with the socio-economic system within which the company is located.

**In 2022, the EU Design Group generated economic value of 30.7 million euros and distribute 83.4% of it to the various stakeholders.**

	2021	2022
<b>Economic value generated</b>	<b>€22,446,070</b>	<b>30,719,935 €</b>
<b>Distributed economic value</b>	<b>€19,213,294</b>	<b>25,624,389 €</b>
Operating costs	12,591.277€	17,252,352 €
Remuneration of collaborators	€5,969,769	7,292,102 €
Remuneration of Public administration	€652,248	1,079,935 €
<b>Economic value withheld</b>	<b>€3,232,776</b>	<b>5,095,546 €</b>

### OPERATING COSTS

they include costs incurred for the purchase of raw materials, ancillaries, consumables and goods and for services

### COLLABORATORS REMUNERATION

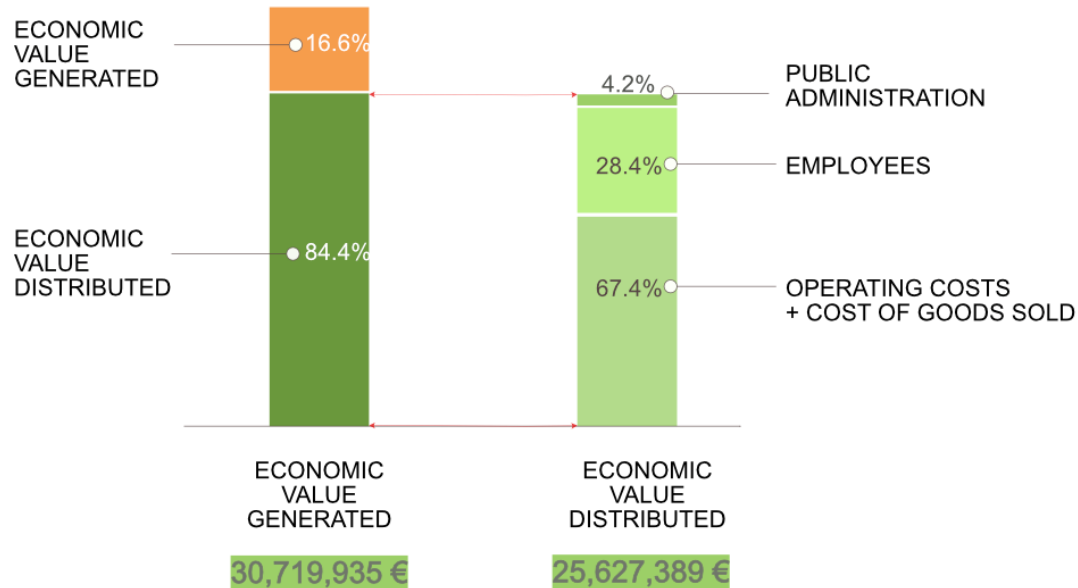
includes all costs incurred for personnel management (e.g. wages and salaries, social security contributions, severance pay, etc.)

### REMUNERATION P. ADMINISTRATION

mainly includes taxes paid on income



# THE ECONOMIC VALUE GENERATED AND DISTRIBUTED

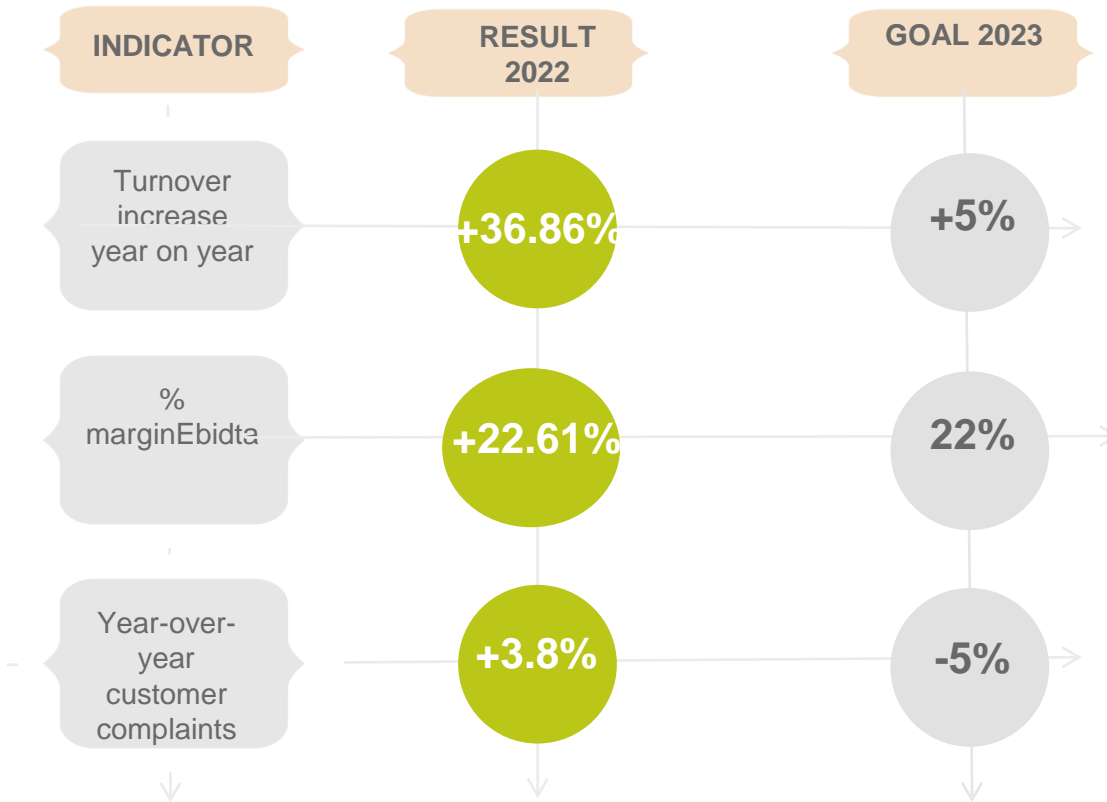


The graph represents the distribution in % among the various stakeholders of the value generated by the EU Design Group during 2022.

# SUMMARY FRAMEWORK OF OBJECTIVES & RESULTS

The EU Design Group has identified a series of significant indicators to monitor the solidity of its economic-financial performance and sales.

These indicators have been assigned, a **target value** to improve and/or consolidate from year to year. We report the summary framework of indicators, results and expected objectives





# 04

## The protection of the Planet



The commitment of the Eu Design Group for the future of the planet is divided into two levels: **process management & product development**.

On the management level, it translates into an environmental policy that aims **to the optimization of production processes** to reduce energy consumption, waste and waste production.

At the product design level, it consists in the privileged use of **raw materials and additives of natural origin**, even in the most delicate processes, such as coloring.

With aim to **reduce of CO emissions<sub>2</sub> and greenhouse gases**, one of the most important results of 2022 is represented by the on-site production of electricity through a photovoltaic system of a part of the energy used in the Fenili di Mozzo plant.

Today the Group earns **50% from renewable sources** of the energy it needs.



## THE NEED FOR ENERGY

The energy requirement necessary for the operation of the EU Design Group has been divided into three main categories:

1. combustible energy (methane gas)
2. electricity (in turn divided into purchased energy and locally produced energy from photovoltaics)
3. automotive diesel.

For each category, consumption was recorded for the two-year period 2021-22, transformed into tonnes of oil equivalent (TeP) and compared to verify the increase or decrease in energy demand.

The **TeP (Tons of oil equivalent)** they are the unit of measurement of energy which corresponds to the quantity of energy released by the combustion of a ton of crude oil ;allows you to compare the consumption of different energy sources.



# ENERGY CONSUMPTION

		Unit of measure	Consumption 2021 per unit of measure	Consumption in TeP *	Consumption 2022 per unit of measure	Consumption in TeP *	Difference 2022 on 2021
<b>1</b>	<b>Fuel energy (CH<sub>4</sub>)</b>	m <sup>3</sup>	91,129	76.1	68,123	56.9	<b>-25%</b>
<b>2</b>	<b>total electricity, of which</b>	kWh	780,666	145.9	1,306,288	244.2	<b>+67%</b>
<b>3</b>	Purchased electricity	kWh	780,666	145.9	1,117,898	209	
<b>4</b>	Electricity produced locally by photovoltaics	kWh	0	0	188,390	35.2	
<b>5</b>	<b>Automotive diesel</b>	L	15,044	12.9	36,746	31.6	<b>+144%</b>
<b>TOTAL (1 + 2 + 5)</b>			-	<b>235.1</b>	-	<b>332.8</b>	<b>42%</b>

**+42%**

ENERGY  
CONSUMPTION

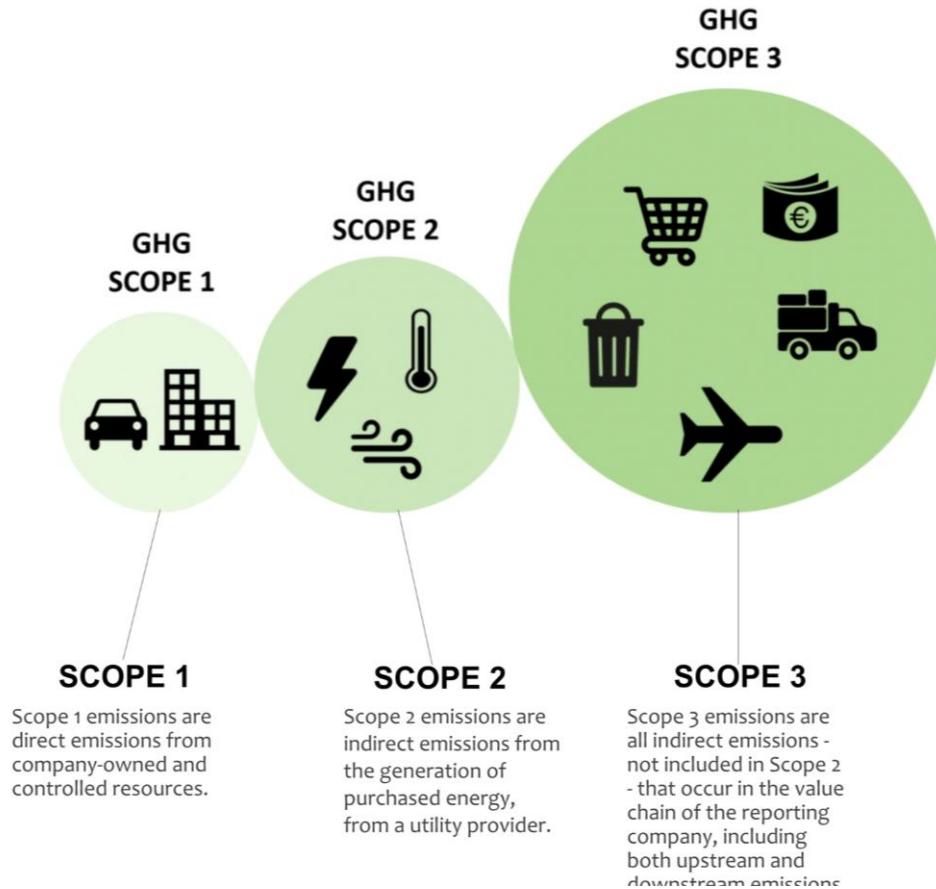
This figure is consistent with the extension of the group perimeter, through the acquisition of new companies, and with the general increase in productivity determined by market demands.



# GREEN HOUSE GAS EMISSIONS

Starting from energy consumption, we calculated the greenhouse gas emissions associated with the operations of the EU Design Group, expressing them in tons of CO2 equivalent\*.

According **to the Green house Gas Protocol (GHG)**, which represents the international standard for accounting for greenhouse gases, we have therefore classified the emissions in **SCOPE**, as illustrated by the figure alongside, limiting ourselves for now to investigating the Scope 1 and Scope 2 categories.



\* The **Tons of CO<sub>2</sub>** equivalent is the unit of measurement used to weigh and compare the emissions of various greenhouse gases on the basis of their global warming potential and therefore their altering effect on the climate.



## EMISSIONS IN TONS. CO<sub>2</sub> EQUIVALENT

		Unit of measure	2021	2022	Difference 2022 on 2021
1	<b>Methane</b>	TCO <sub>2E</sub>	180.4	134.8	<b>-25%</b>
2	<b>Diesel</b>	TCO <sub>2E</sub>	39.7	97	<b>144%</b>
3	<b>Purchased electricity</b>	TCO <sub>2E</sub>	523	748.9	<b>43%</b>
4	<b>% renewables in purchased energy</b>	TCO <sub>2E</sub>	245.8	374.4	<b>52%</b>
<b>TOTAL (1 + 2 + 3 - 4)</b>			<b>497.3</b>	<b>606.3</b>	<b>22%</b>

**+22%**

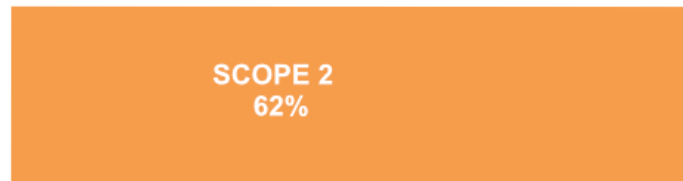
OF EMISSIONS

However, the increase in emissions is limited compared to the increase in production recorded at group level. This result was obtained both thanks to the use of renewable energy produced locally from photovoltaics and to the increase in the % of renewables in the energy purchased.



## EMISSIONS DIVIDED ACCORDING TO THE GHG PROTOCOL

		Unit of measure	2021	2022	% SCOPE in 2022
<b>SCOPE 1</b>	<b>Methane</b>	TCO <sub>2E</sub>	180.4	134.8	<b>38% SCOPE 1</b>
	<b>Diesel</b>	TCO <sub>2E</sub>	39.7	97	
	<b>Total Scope 1</b>	TCO <sub>2E</sub>	220.1	231.8	
<b>SCOPE 2</b>	<b>Electric energy</b>	TCO <sub>2E</sub>	277.2	374.4	<b>62% SCOPE 2</b>
	<b>Total Scope 2</b>	TCO <sub>2E</sub>	277.2	374.4	





# WASTE MANAGEMENT

## Types and quantities of waste produced

The politics of the EU Design Group is oriented at the reduction and at the correct management of the waste to dispose. Below is reported the volume in 2022 based at the partition between dangerous and not dangerous waste.

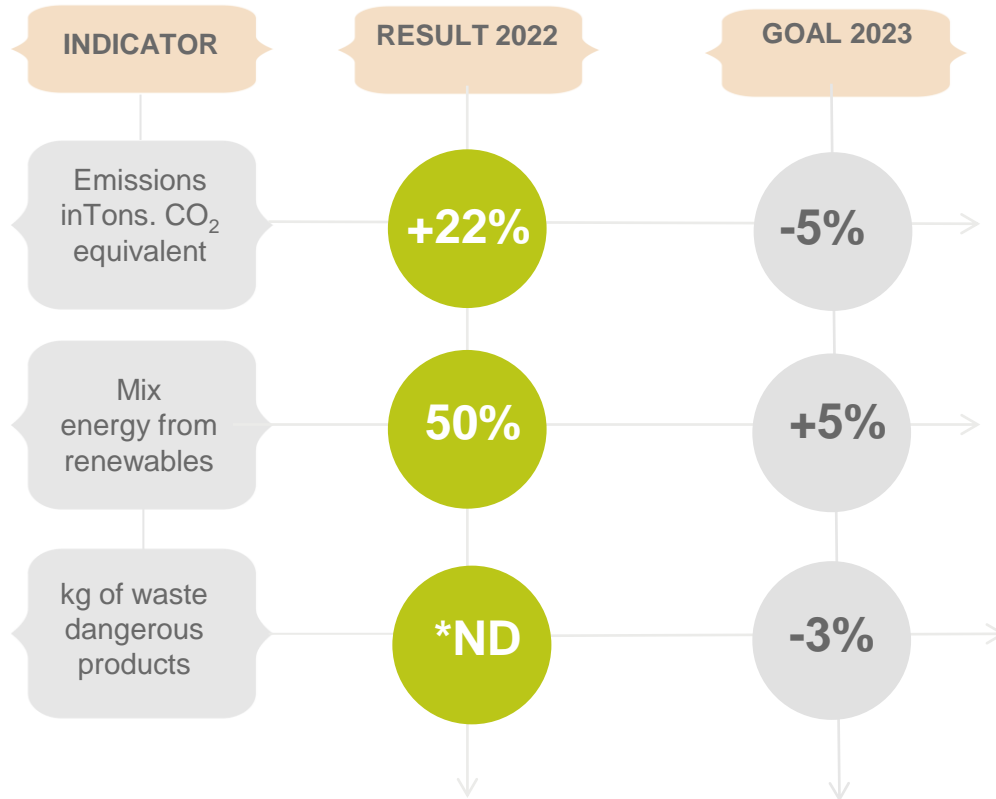
Typology of waste	Unit of measure	Quantity disposed of in 2021	Amount disposed of in 2022
<b>Non-hazardous waste</b>	Kg	na	109,352
<b>Hazardous waste</b>	Kg	na	145,468
<b>TOTAL</b>	Kg	<b>na</b>	<b>254,820</b>

The quick evolution of the Group and the incorporation of new reality it hasn't permitted to gather with precision the given relative to the waste products in the 2021.





# SUMMARY FRAMEWORK OF OBJECTIVES & RESULTS



The EU Design Group has identified a first set of significant indicators to monitor the solidity of its environmental performance

These indicators have been assigned, starting from 2023 a **target value** to be improved year after year thanks to investments in photovoltaics and the energy efficiency of new industry 4.0 machinery

We report the summary framework of indicators, results and expected objectives

\*the % value of reduction of kg of dangerous waste produced is not available as the 2021 reference value is missing. In any case, a reduction on the 145 Tons recorded in 2022 is expected for 2023.

# 05

## People and community



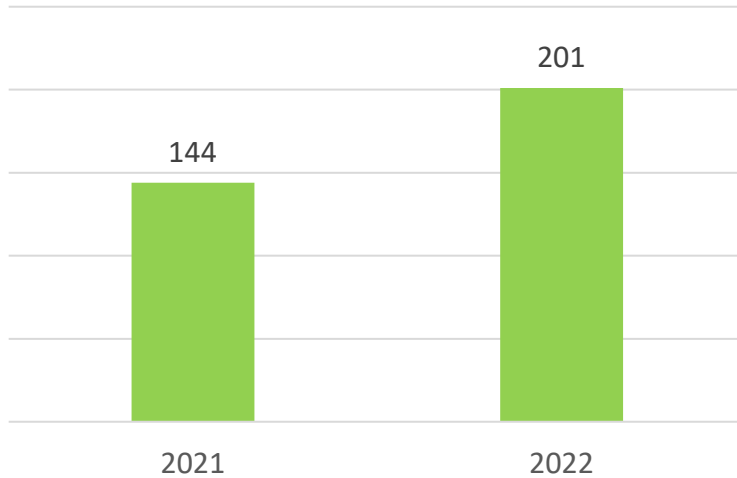
For the EU Design Group **employees** are a capital to be safeguarded, valorised, retained and rewarded. The development of the company goes hand in hand with the growth and retention of employees, with the enhancement of their talent, with the protection of their health and physical integrity.

For this reason, the Group offers the personnel of all companies, in Italy and abroad, training activities **professional training**, invests in the protection of **Health** and prevention of **risks**, distributes **bonuses and economic incentives**, work for the improvement of **business climate**.

EU Design also protects the **equal opportunities** and the **gender equality**, whole **diversity**, promotes a **culture of transparency** and offers support to those who carry out **voluntary activities** in favor of the local community.



## PERSONNEL EVOLUTION



The mergers and acquisitions completed by the Group in 2022, while achieving economies of scale and optimisations, did not translate into personnel cuts, which on the contrary increased significantly to respond to new market demands.

He signed up an **incoming turnover of 46%** (relating to new hires) and an **outgoing turnover of 15%** (relating to resignations or retirements). In general, a decrease in the average age of employees can be observed.

### Relevant indicators

**+39%** Employee growth

**60.2%** Women workers

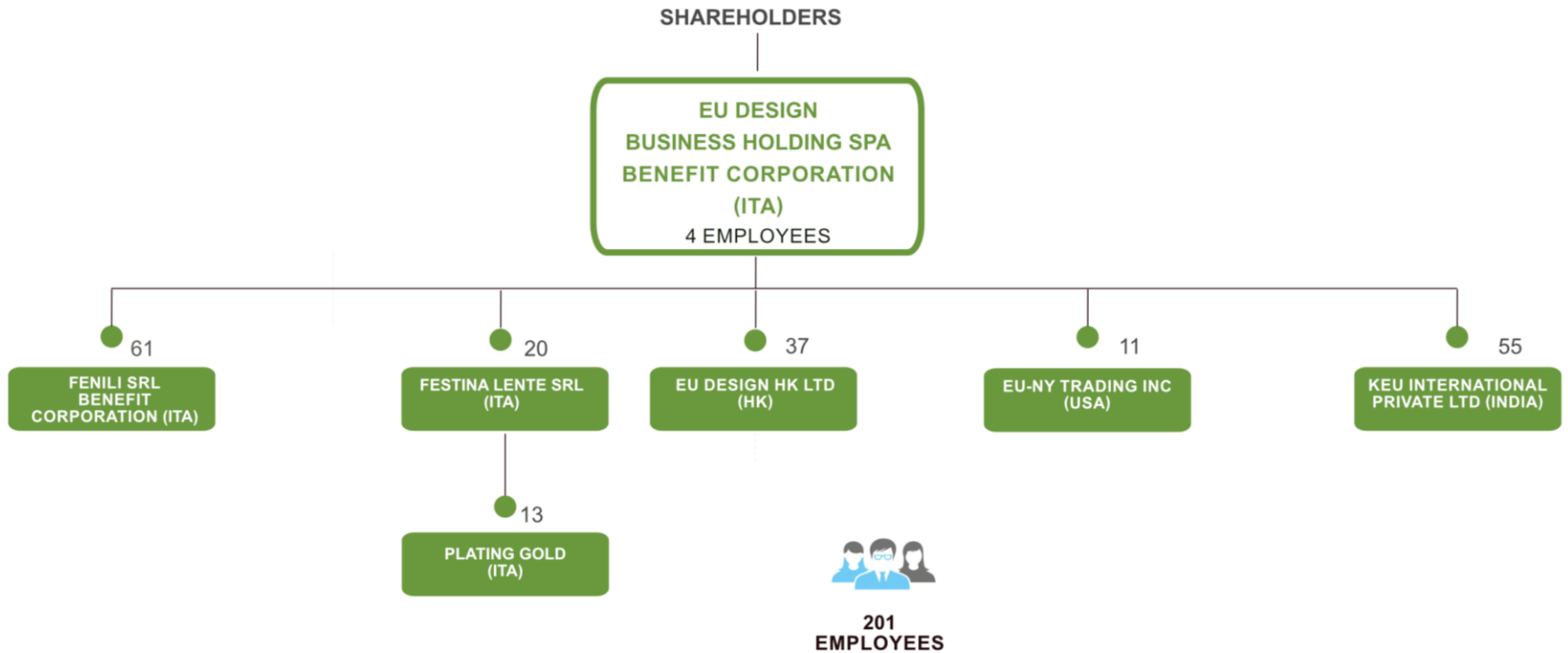
**8** belonging workers  
**to minority or disadvantaged groups**  
figure referring only to the Italian  
companies

**6.4 YEARS** Seniority average  
Of service agency

**23.4%** Workers with seniority  
Of service more than **10 years**



# THE REDISTRIBUTION OF THE PERSONNEL IN SOCIETY OF THE GROUP





# SAFETY AND TRAINING



## INDUSTRY 4.0 TRAINING

It has been accomplished training on the use of numerical control machines and 3D printers for the creation of prototypes



## SALES FORCE TRAINING

Management training and coaching activities were carried out for the sales force in all the companies, in Italy and abroad



## INJURIES

In 2022 the groupEU Design recorded 13 injuries for a total of 32 overall injury days



## INTERNSHIPS ACTIVATED

5 routes of internships activated



## CONFIRMED INTERNSHIPS

1 internship course transformed into an employment relationship



# WORK-LIFE BALANCE, BONUSES AND WELFARE



## HOLIDAY ENJOYMENT

Delivered over **63%** of scheduled holidays  
Reduced to **2.6%** the share of employees with residual holidays greater than **150 hours**



## EMPLOYEE BONUS

Fuel bonuses paid for a total of **€85,624**



## PHILANTHROPY AND SPONSORSHIP

Donations for over **29,000€**  
**24,269€** intend to support the university studies of a young Indian  
**4,800 €** as a contribution to the purchase of a van for transporting the disabled  
Sports sponsorships for **2,289.91 €**



## WHISTLEBLOWING AND TRANSPARENCY

Initiated training plan on the subject of **anti-corruption** and adequate anonymous reporting mechanisms in place

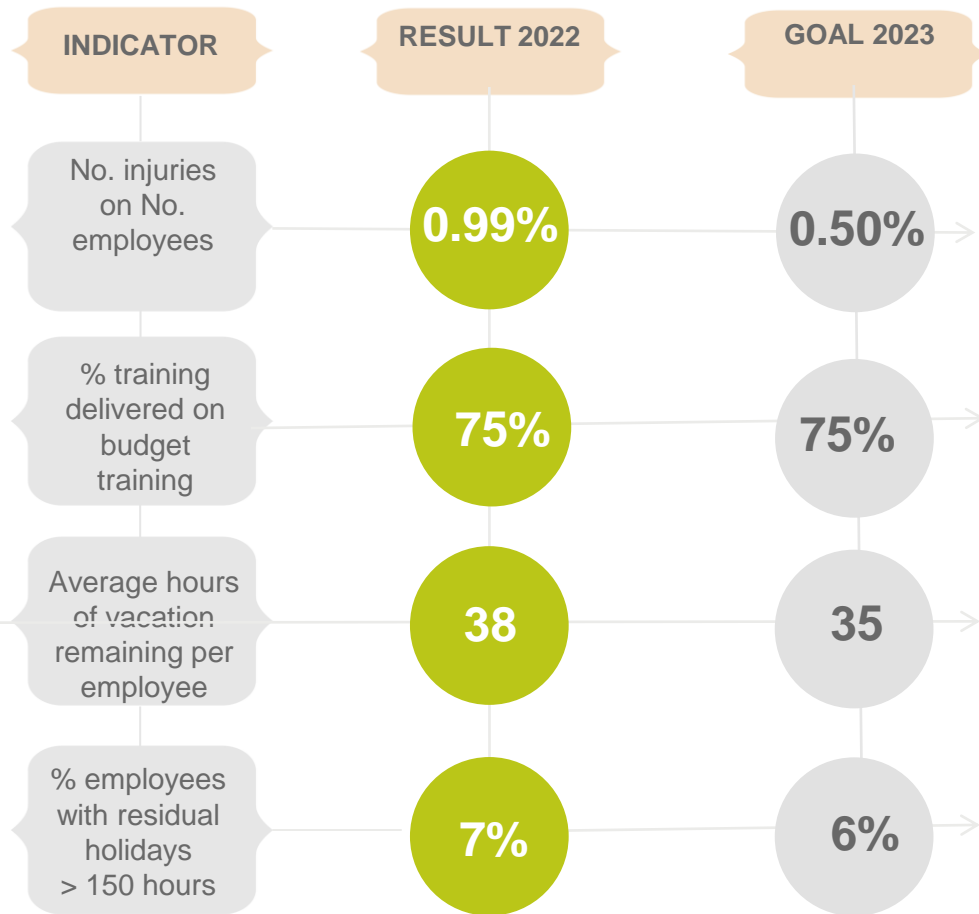


## COMPLEMENTARY SECURITY

It is foreseen in some Group companies **a private health insurance**



# SUMMARY FRAMEWORK OF OBJECTIVES & RESULTS/01



The EU Design Group has identified a first set of significant indicators to monitor the solidity of its performance in personnel management.

These indicators have been assigned, starting from 2023 a **target value** to improve from year to year.

We report the summary framework of indicators, results and expected objectives





## SUMMARY FRAMEWORK OF OBJECTIVES & RESULTS/02



# 06

## EU Design and the UN Sustainable Development Goals

In 2015, the UN approved the 2030 Agenda for Sustainable Development: a program of commitments in favor of people's well-being and the protection of the planet which is structured and summarized in 17 fundamental Objectives.

Each objective corresponds to an area of intervention.

Within the UN Agenda 2030, the EU Design Group has identified **6 Specific objectives** to which it contributes thanks to a sustainable management of his business activities.

The 6 objectives identified are:

- Health and wellness
- Quality education
- Decent work and economic growth
- Innovation and infrastructure companies
- Responsible consumption and production
- Fight against climate change



# THE 17 UN SUSTAINABLE DEVELOPMENT GOALS



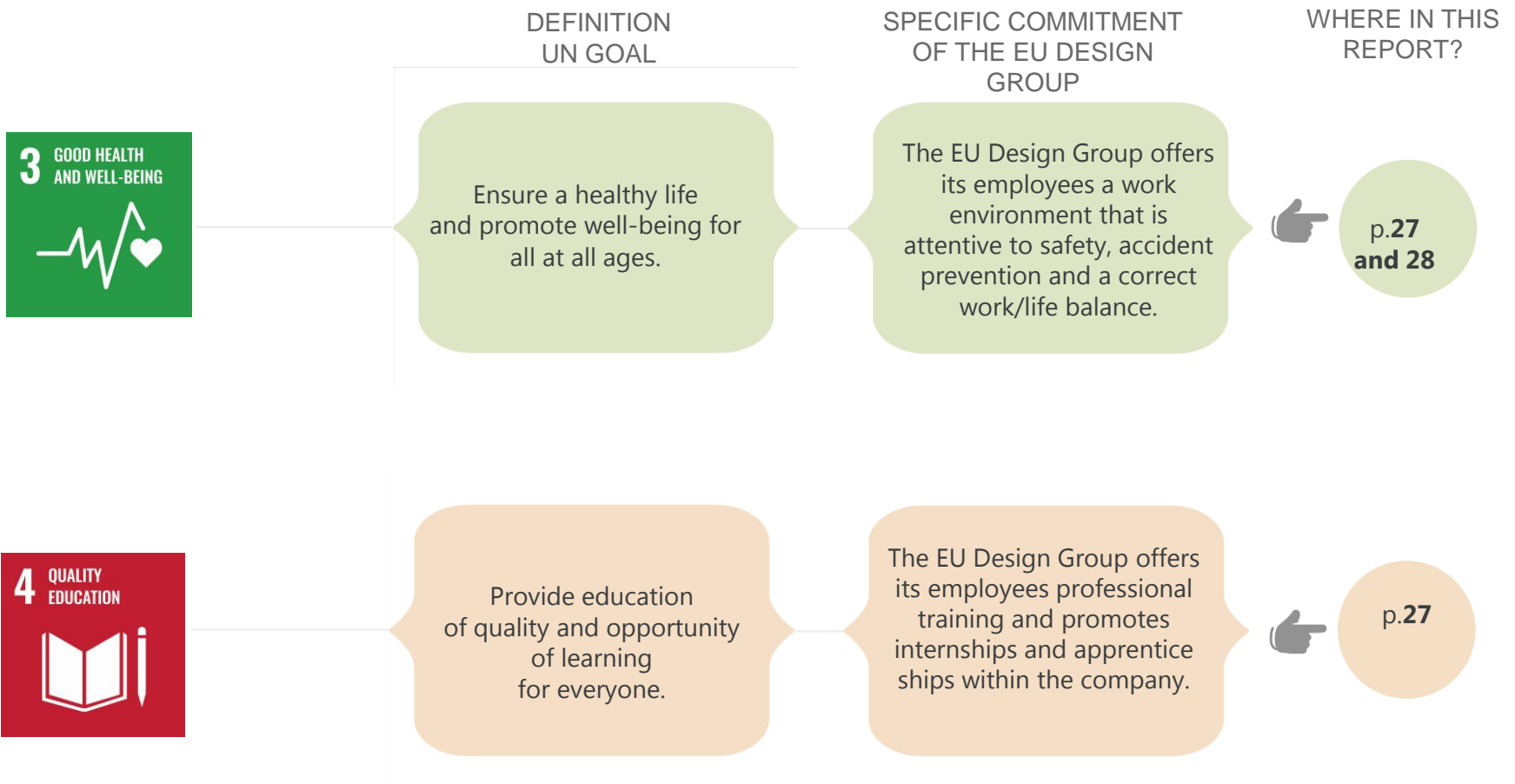


# TO WHICH OBJECTIVES DOES THE EU DESIGN GROUP CONTRIBUTE TO?



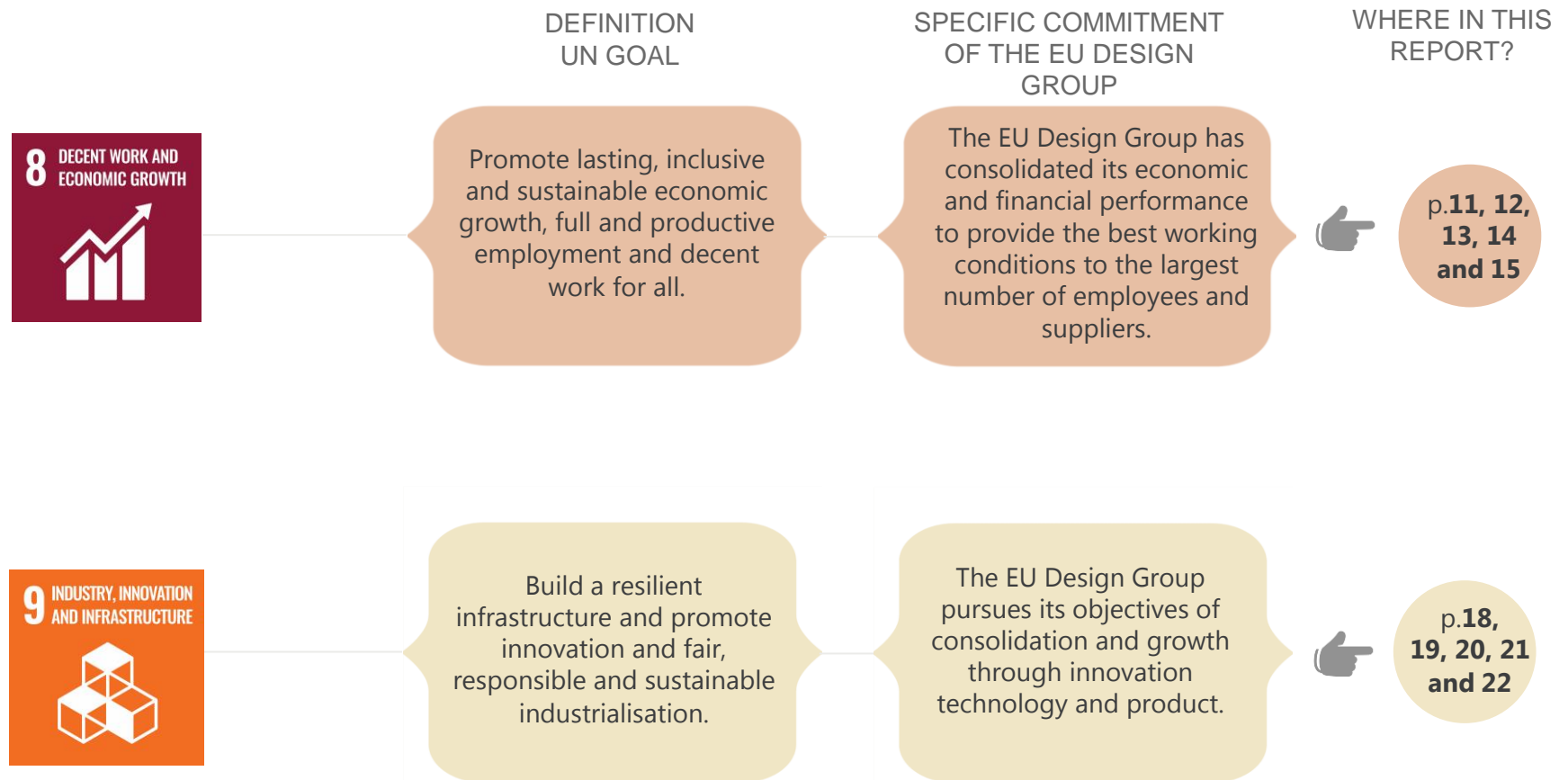


# HEALTH AND WELL BEING & EDUCATION OF QUALITY



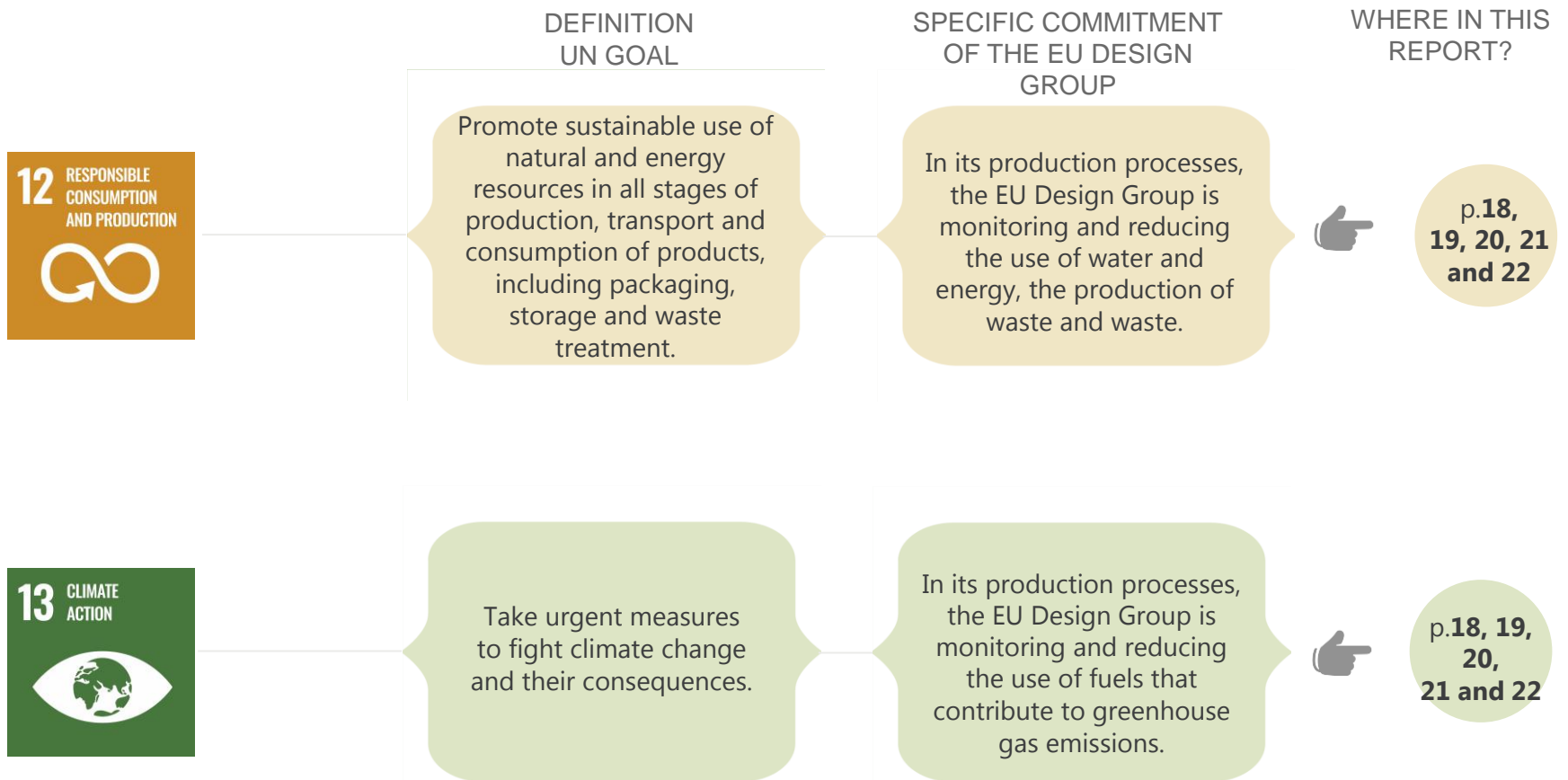


# DECENT WORK AND BUSINESS & INNOVATION





# RESPONSIBLE CONSUMPTION AND PRODUCTION & CLIMATE CHANGE







**EU Design Business Holding Spa**

Benefit company

Via Venezia, 1

Mozzo (BG)