

2021



PREVIEW 

SUSTAINABILITY REPORT

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Letter to stakeholders



I am glad to present the first Franchi Umberto Marmi Sustainability Report. With this first edition, we have started an exciting and challenging working path that collects and highlights our efforts to do business responsibly. This has always been an outstanding characteristic of FUM since its origins and on which the whole company is committed starting from the Board of Directors in order to achieve an ethical and responsible business both for resources and people. Our first Report is an extraordinary opportunity to perceive the passion of people working for this company regarding these topics. With this experience, we want to create a "virtuous cycle" of disclosure and awareness that allowed us to better collect data and information aiming at drafting this first Report.

This edition was also prepared according to the most strict principles of compliance to GRI Standards.

We would like to underline how this approach aiming at doing business represents an important strategic lever to differentiation that allows us to stand out not only for our approach to business but also for our important

choices regarding responsibility. We believe that our stakeholders and customers are increasingly selecting those companies which have a sustainable business approach.

For this reason, we show our commitment to this end on all fronts: from the management of energy resources and wellbeing of our employees to the impact on the local communities in order to confirm our wish to reflect the values of respect and reliability.

Regarding this, our commitment to invest and modernise our processes and the responsible and sustainable management of our business will allow us to develop more and important evolutions through a clear and responsible communication and the regular update of the Report. We are therefore starting a path in which we all believe and which will see us accurate and constant in showing the new goals we will reach.

Alberto Franchi
President and CEO



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Our history

“ Some stories strike for what they want to tell or they move for how they are told. Some of them are beautiful and worth listening to. Then, some of them talk about beauty. The real and timeless one. The beauty that leaves people stunned. The story of Carrara marble is exactly one of this. **”**

Activities and brands

Our range of products.

Franchi Umberto Marmi headquarters is located in Via Del Bravo in Avenza di Carrara. Here it is possible to find the offices, the warehouse, the polishing process and an ultramodern showroom where it is possible to see different materials and their usage possibilities thanks to the exhibition of finished products.

The cutting process of marble blocks takes place close to marble quarries, more precisely in Via Canale, the historical headquarters of the company. Here blocks are transformed in raw slabs with the desired thickness and loaded on goods vehicles that bring them in Via del Bravo for the finishing operations.



Quarry



Transport of blocks



Sawmill



Transport slabs



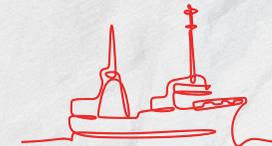
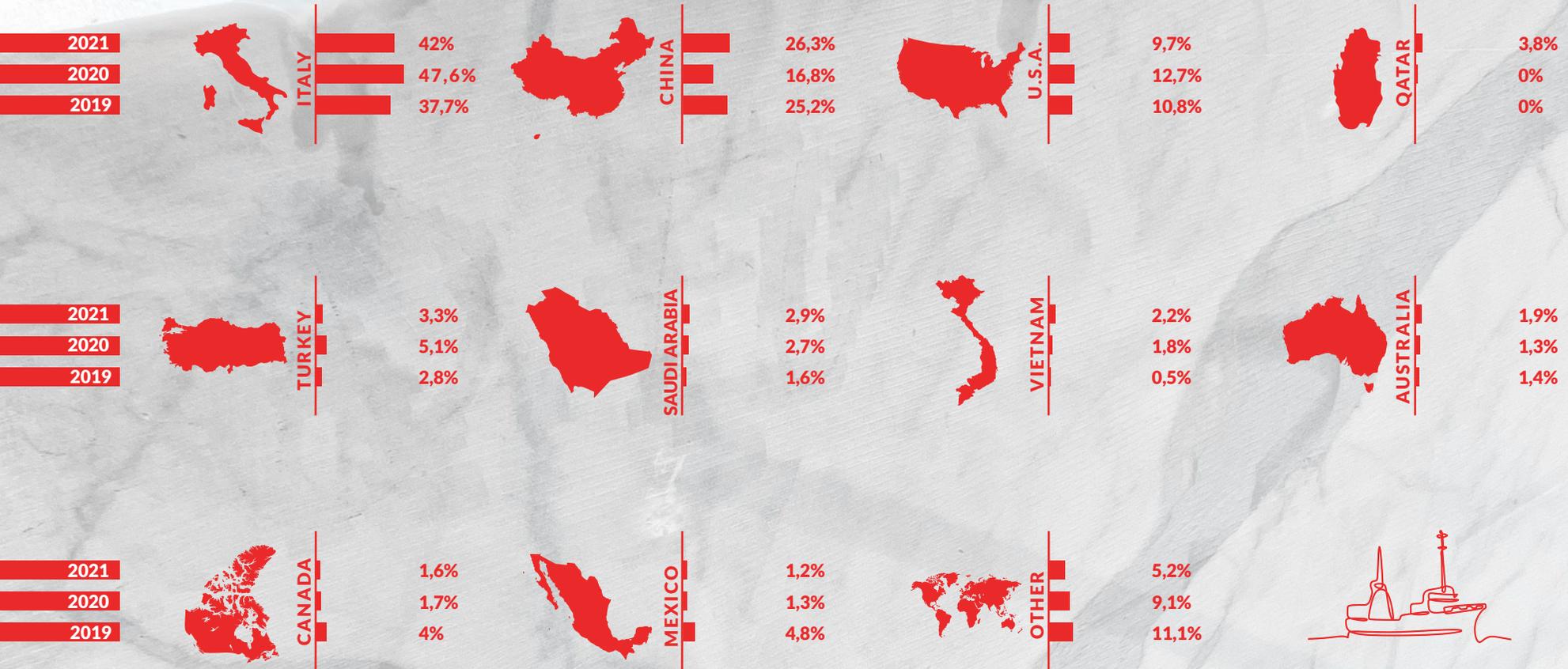
Finishing



Finished product



Customers by turnover



100% of turnover is generated by customers in the maritime sector.

Suppliers

For Franchi Umberto Marmi, the use of quality raw materials and the maintenance of collaborative relationships with its over 500 suppliers are essential. During the reporting period, no nonconformities with vendors were recorded. Franchi Umberto Marmi's main suppliers are vendors of marble, packaging material and consumables (abrasives and blades). Being aware of the importance of the company for the local economy, Franchi Umberto Marmi chooses its suppliers in Massa-Carrara and in the neighbouring provinces.

Franchi Umberto Marmi prefers renewable contracts with its suppliers, trying to differentiate the supply chain with the aim of guaranteeing high quality material to satisfy its customers.

MARBLE BLOCKS



Local
Massa-Carrara and neighbouring provinces

PACKAGING MATERIAL



Polystyrene, polyethylene and wood

Local
Massa-Carrara and neighbouring provinces

CONSUMABLES



Abrasives and blades

Local
Massa-Carrara and neighbouring provinces

PROPORTION OF SPENDING ON LOCAL SUPPLIERS



Local Suppliers: suppliers from the neighboring provinces of Massa Carrara, La Spezia, Lucca and Pisa.

Our employees

Franchi Umberto Marmi recognises the value of human resources, the respect for their autonomy and the importance of their participation to company activities. The employment management aims at encouraging professional growth and employee's skills, also by applying incentive instruments. The company is committed to guaranteeing functioning and effective internal relationships and communications in order to keep an healthy and productive work environment where every skill is enhanced and where every employee can feel as an integral part of the Company. Franchi Umberto Marmi is committed to ensuring an healthy working environment for all its employees.

Today Franchi Umberto Marmi employs 42 people, with an average age of 42 years. The number of employees remained almost unchanged in recent years, the ratio between new hires and the employees who have terminated the collaboration contract remained positive, except for a slight decline in 2020. The company gave important space to women in the administrative and organisational fields: the women hired by Franchi Umberto Marmi are employed especially in these roles.

Confirming the commitment to its employees, Franchi Umberto Marmi promotes stable and permanent employment and in 2021 the percentage of permanent workers was 95%.

The overall turnover rate decreased over the three-year reporting period, from 32.5 in 2019 to 21.7 in 2021.

Franchi Umberto Marmi is committed to maintaining a high level of training and participation for its workers, being aware of the importance of training and involvement of all employees in company objectives and goals.

Employees' training needs are identified thanks to the company's policies, to the environmental policy and to management systems implemented by Franchi Umberto Marmi. Over the years, employee training has become increasingly important and the hours of training provided increased from 2018 to today: in 2021 the company provided its employees with a total of 622 hours of training, compared to 148 in 2018, passing from an average of 5.1 hours per employee provided in 2018 to an average of 14.5 in 2021.





The 10 principles of the company

Principles and values of the group

Vision and Mission

Among the company values, it is possible to find growth, creativity and sense of cooperation. To make these values effective, the Company adopted a Code of Ethics, which provides that all company activities must be carried out in compliance with the law, according to the principles of reliability, professionalism, integrity, honesty, decency, respect and transparency, as well as respecting the interests of its external interlocutors. These principles are the basis of the Company's commitment to ethical conduct without compromise, aimed at maintaining a solid and acknowledged reputation. In particular, through its Code of Ethics, Franchi Umberto Marmi assumes the following as the founding elements of its mission:

1. Being a point of reference in the sector of processing and marketing of marble and their derivatives, committing to fully satisfying its customers.
2. Spreading the culture of marble and the tradition that binds this noble material to Carrara all over the world.
3. Pursuing continuous improvement of the processes carried out in the short and long term.
4. Applying a personnel policy that allows to maintain a high level of motivation and involvement towards the achievement of company objectives.
5. Achieving economic results.

Pursuant to art. 6 paragraph 1 letter. b) of the Legislative Decree 231/2001 the Company has established its own Supervisory Board named «Organismo di Vigilanza (OdV)» in collegial composition, endowed with full and autonomous powers of initiative and control over the Company's activities. The OdV is responsible for monitoring the effectiveness, updating and observance of the Model adopted by the Company and its constituent elements, in order to prevent crimes from which the administrative liability of the Entity may arise.

In order to allow the OdV to fulfill its task, the Company has set up an information exchange system according to which the employees, as well as those who cooperate in pursuing the Company's purposes, are required to promptly inform the OdV with regard to any violation of the Model and its constituent elements, as well as with regard to any other aspect potentially relevant for the purposes of the application of Legislative Decree 231/2001 (e.g. illegal or ethically incorrect situations). All communications to the OdV (reports or periodic information flows) must be made through the use of the specific e-mail address.

The Code of Ethics applies to employees, collaborators (consultants and third parties who have contractual relationships with the Company), Directors and Statutory Auditors.

During the reporting period, there were no episodes of discrimination and non-compliance with laws and/or regulations in social or economic matters, nor legal actions for corruption, anti-competitive behavior, antitrust and monopolistic practices.

- .01** Compliance with laws and regulations
- .02** Respect for individuals
- .03** Fairness and honesty
- .04** Impartiality, equality and absence of discrimination
- .05** Privacy and protection of personal data
- .06** Environmental protection
- .07** Diligence and good faith
- .08** Documentation of activities and transparency
- .09** Fair competition
- .10** Protection of copyright and industrial property rights

Ongoing certifications

For some time, the company has begun an environmental sustainability analysis that is not only limited to its own processes, but which includes the entire life cycle chain of its products. In 2020, this path led to the “Bettogli Marble slabs of thickness 2 and 3 cm Environmental Product Declaration”, or rather to the certification and publication of an Environmental Product Declaration registered at The International EPD® System.

The study was developed according to the ISO 14040, ISO 14044, ISO 14025 standards and the requirements of the UNI EN 15804 standard and includes all the processes relating to the functioning of the product.

Added to this, the company's desire to reach always better organizational levels.

In this respect, Franchi Umberto Marmi has adopted a Certified Integrated Management System according to the reference standards.

The company management systems enable an effective risk control in assessing and solving any environmental, social and economic problems, by applying the precautionary principle and identifying and governing potential risks.



Health, safety and wellbeing of employees

For Franchi Umberto Marmi the protection of physical and psychological conditions of the employee is fundamental and represents a daily commitment to be respected at every working stage. Through its Environmental Policy and thanks to its integrated management system, the Company is committed to preventing injuries and occupational diseases, ensuring a healthy and safe work environment. In addition, it is committed to implement an effective system for the prevention and protection of risks for the health and safety of employees, eliminating the dangers in the workplace and reducing the relating risks level as much as possible. Franchi Umberto Marmi also believes that it is extremely important to ensure accurate preventive maintenance activities of its equipment, in order to maintain high quality levels of the final product, at the same time guaranteeing the safety of employees and respect for environmental impacts.

All Franchi Umberto Marmi's employees are covered by collective bargaining agreements.

FUM pays great attention to issues relating to health and safety in the workplace, which has also emerged as one of the fundamental aspects for both the Group and its stakeholders. Franchi Umberto Marmi implemented an integrated Quality, Environment, Hygiene and Safety management system in order to guarantee the protection and safety of its workers, that is one of the fundamental issues that emerged from the materiality analysis, both from the internal perspective and from the stakeholders. Carrara site has an environment and safety management system compliant with ISO 9001, 14001 and UNI INAIL guidelines with the aim of developing and implementing internal procedures aimed at preventing, monitoring and managing injuries and accidents at work. The main measures adopted are:

- .01 *a protocol on the reduction of injuries;*
- .02 *a behavioral protocol aimed at defining good practices to limit exposure to the situations considered dangerous for some processes;*
- .03 *the scheduling of meetings between the main figures dedicated to health and safety (Prevention and Safety Service Manager, Workers' Safety Representative, Medical Officer) for the evaluation of the negative impacts of some processes on employees' health and safety;*
- .04 *periodic meetings for the prevention and protection from risks related to health and safety, as well as periodic meetings between the Prevention and Safety Service Manager and the Workers' Safety Representative aimed at keeping the main managers inside the plants constantly informed;*
- .05 *risk assessment document prepared in accordance with the requirements of Legislative Decree 81/08.*

Training of employees on health and safety issues

Employee training is a crucial issue and training growth and professional development are fundamental for FUM, with the aim of enhancing the skills of workers and increasing their knowledge, but also to ensure compliance with national legislation and workplace safety.

The performance of training activities is not perceived as a mere legal obligation, but also as a current need of the company organisation. For this reason, the specific needs of workers are collected in order to ensure the delivery of the training activities that best fit them and the operational needs.

FUM provides training on health and safety issues, in accordance with local legislation. Furthermore, it is expected to deliver to employees a wide range of training activities defined by the managers of the various areas, as they know the specific needs of the employees and the skills required in the activities for which they are responsible.

Regarding the specific needs of employees with environmental responsibilities, training events are planned and implemented in order to improve management skills.

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