



**LENET**  
GROUP

# YEAR ZERO

IMPACT REPORT 2021

THUN SPA SB - JULY 2022

## METHODOLOGICAL NOTE

This Impact Report stems from Thun SpA Benefit Corporation's commitment to report annually on its impacts with respect to the common benefit purposes included in its bylaws as required by Law no. 208 of 28/12/2015.

Given the strong interconnectedness and interdependence of the various entities that are part of the Group of which Thun SpA SB is the parent company, the activities and impacts not only of Thun SpA SB, but also of the other Group companies, have been included in the planning scope in the preparation of this document, ensuring that the scope of the specific activities is clearly specified.

Aiming to return a more complete, accurate and reliable picture of the Group's pursuit of common benefit, the next chapters then tell the stories and goals of Thun SpA, Unitable, Connecthub, Connecthub Digital, PTM Digital SHPK, Tangshan Thun Business and Luxpets.

Following the same methodological approach, Thun's overall impact assessment calculated through the B Impact Assessment tool referring to the year 2021 and reported in Chapter 7 of this document was calculated by perimetrizing the entire Group and consolidating the sustainability performance of the above companies into a single assessment.

As 2022 is Thun SpA SB's first year of operation as a Benefit Corporation, this first impact report includes goal setting for the coming year for each specific common benefit purpose.

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# YEAR ZFRO

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## LETTER FROM VICE PRESIDENT

Our generation has a great responsibility to society: it is our job to create new ways of doing business that can generate and share value. That is why I look with satisfaction and pride at what we are building.

The establishment of Lenet Group and the transformation into a Benefit Corporation are the natural evolution of an approach that has always characterised our company and our family: people-oriented, community-supportive, and environmentally friendly are values deeply rooted in our history, first as Thun, then as Lenet.

Lenet was created precisely as a NETWORK. Not only a group of businesses interconnected for future economic profitability, but also a network of stakeholders who share a vision based on achieving common benefit as well as profit. Operating as a group with a multichannel perspective, having a solid strategy and growth plan in international markets allow us to be able to take care of the environment and people, our greatest assets.

Moving in this direction is an essential condition to have future development, to grow sustainably and to build a new economic model that considers social-environmental impact an integral part of the design.

Therefore, in 2022, we chose to transform our bylaws and take the legal form of a Benefit Corporation, a step that represents a profound innovation in the Italian legislative framework. Benefit Corporations are in fact enterprises that use business as a positive force because, by their founding charter, they

pursue not only economic objectives but also purposes of common benefit, which fall on all stakeholders-employees, customers, suppliers, the environment, the community.

This document represents our first Impact Report, the starting point of our journey as a Benefit Corporation: we are thus establishing an ongoing method of measurement that accurately returns a snapshot of our work and allows us to continue to improve.

We have also been using the B Corp tools for some time now to systematise all the best practices necessary for development and chart a path of lasting sustainability.

With our first Impact Report we are thus consciously and formally making an even more explicit commitment to society and the environment.



In particular, our purpose to the community has been expressed for 16 years through the work of the Lene Thun Foundation. Our 51 permanent ceramic-therapy workshops in pediatric oncologies donate concrete and ongoing support to 9,000 children and families each year, and further expansion of activities is planned for years to come.

In today's complex environment, companies, as social institutions in their own right, must necessarily take on the important challenges of the new millennium and define new business paradigms, looking to the future with positivity, passion and optimism.



**Simon Thun**  
Vice President Lenet Group

# ABOUT US



## THE HISTORY OF THUN AND THE ESTABLISHMENT OF THE LENET GROUP

The history of THUN began in 1950 with the birth of the first Bolzano Angel, the sweet ceramic figure that Countess Lene Thun modelled while watching her children sleeping. From Lene Thun's first creation, an original brand was created, with a strong recognizability and evocative power: today, the Angel is in fact one of the symbols of Alto Adige and the city of Bolzano, and can be found in many Italian homes.

Thanks to the generational transition at the top of the company, over time, the Thun Group has evolved from a family business with a purely artisan dimension to a more distinctly industrial one with a strong retail presence, opening up to large-scale industrialization and building up the entire distribution network, moving out of the region to expand first to Italy - starting in the Center and South - and then to Europe.

The new millennium heralded another step change with the creation of a network of flagship stores and the launch of e-commerce to begin to integrate different channels and improve the consumer shopping experience.

In recent years, this synergy between touchpoints has become increasingly strategic, alongside the coordinated and interconnected development between logistics and digital thanks to the work of Connecthub Logistics and Connecthub Digital, the group companies that provide 4.0 distribution, systems integration and business intelligence services enabling integration between physical and digital channels, as well as between central warehouses, points of sale, e-commerce and marketplaces.

The acquisition of the new brands La Porcellana Bianca, Rose&Tulipani, and Rituali Domestici in the gift&home decoration sector, the creation of new development opportunities such as Luxpets - the innovative high-end marketplace dedicated to pet accessories, clothing, food, and services - and a new entrepreneurial vision of Vice President Simon Thun have led to bringing together the brands, e-commerce, digital, and logistics under one strategic platform: Lenet Group.

Lenet is an enterprise platform created as an evolution of Thun SpA to enable flexible management of the new omnichannel business model. Thanks to its network model, this new entity integrates retail, e-commerce, marketplace, logistics and digital platforms in an innovative synergy between B2B and B2C.

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# USING BUSINESS AS A POSITIVE FORCE

“THE YEAR 2021 REPRESENTS A FURTHER EVOLUTIONARY STEP IN LENET GROUP’S GROWTH PATH WITH WHICH WE ARE VERY PLEASED.

THE TRANSFORMATION INTO AN SPA SB (BENEFIT CORPORATION), TOGETHER WITH THE ECONOMIC AND FINANCIAL RESULTS ACHIEVED, FORMS THE BASIS FOR CONTINUING WITH VIGOUR AND CONFIDENCE INTO THE FUTURE WHILE CONSIDERING MARKET TURBULENCE AND POST-PANDEMIC MACROECONOMIC SCENARIOS.”

Francesco Pandolfi  
Group CEO of Lenet Group



In 2022, Thun SpA adopted Benefit Corporation (SB) legal status. The evolution of our bylaws makes our commitment to operating responsibly, sustainably, and transparently to our users, the people who work with us, the community, and the environment even more concrete and intentional. This important step, strongly desired by Management and the Board of Directors, reinforces our path of accountability and steers us determinedly toward B Corp certification.

Traditional corporations, by ancient legal bylaws, exist for the sole purpose of distributing profits to shareholders. Benefit Corporations are an expression of a more evolved paradigm: they integrate into their corporate purpose, in addition to profit goals, the purpose of having a positive impact on society and the biosphere.

## Benefit Corporations (SB) have two basic characteristics:

1. explicit attention to both shareholders and stakeholders, in the corporate purpose;
2. measure the results in terms of the positive impact on society and the environment with the same thoroughness and rigour adopted for economic and financial results.

SB, in Italy as well as in the USA, voluntarily pursue one or more purposes of common benefit in the conduct of business activities in addition to the profit motive.

Common benefit is defined as the pursuit of one or more positive effects on people, communities, territories and the environment, cultural and social assets and activities, bodies and associations, and other stakeholders.

Benefit Corporations are committed to achieving these purposes of common benefit in a responsible, sustainable and transparent manner.

The management of Benefit Corporations requires directors to balance the interest of shareholders and the interest of the community. Benefit Corporations must appoint a person to be entrusted with the functions and tasks aimed at the pursuit of the above purposes and who, therefore, is responsible for the company's impact and undertakes to report transparently and comprehensively on its activities through an annual impact report, describing both the actions carried out and the plans and commitments for the future.

At the time of drafting this document, Benefit Corporations do not enjoy economic or tax incentives. Therefore, in addition to

representing value to society, they do not cause aggravation for taxpayers.

The Impact Report that Benefit Corporations are required to prepare each year is an annex to the annual financial statements and helps to increase corporate transparency by supplementing financial information with a number of important non-financial disclosures inherent in the common benefit purposes included in the bylaws.

For the quantitative measurement of impact, Thun chose the B Impact Assessment as its measurement protocol

<http://bimpactassessment.net/>

The impact measure results in a number on a scale of 0-200 points that is validated by the certifying body B Lab. Passing 80 points will result in recognition as a certified B Corp. Details of Thun's evaluation can be found in Chapter 7.

# THE THUN BYLAWS

WE HAVE INCLUDED IN OUR BYLAWS THREE SPECIFIC PURPOSES OF COMMON BENEFIT, WHICH WE INTEND TO PURSUE IN THE CONDUCT OF OUR BUSINESS ECONOMIC ACTIVITY. IN THE FOLLOWING PAGES WE ILLUSTRATE HOW WE INTEND TO DO THIS.



## Excerpt from Art. 3 Bylaws Thun SpA SB

As a benefit corporation, the company intends to pursue multiple purposes of common benefit and operate responsibly, sustainably and transparently toward people, land, environment and other stakeholders.

## PEOPLE

To express a leadership role by experimenting with continuous innovation on issues of inclusion and well-being of the individual, through the dissemination of an internal culture focused on growth and respect, where everyone can find the best conditions to express their maximum potential and contribute to the success and positive impact of the company. The company's commitment also extends into its own ecosystem by promoting the values of transparency and collaboration with its partners.

## COMMUNITIES

To leave a visible and concrete mark in the communities in which it operates by promoting the method of recreational therapy in its various modes of application as a means of donating well-being to the most fragile and supporting them in their path of growth and improved therapeutic response. In particular, through its ongoing and permanent support for the Lene Thun Foundation, the company supports ceramic therapy, which uses clay modelling as a means for creative self-expression and the rediscovery of the playful and joyful dimension for children and young people in contexts of pathology or distress.

## ENVIRONMENT

Adopt ever-evolving environmental standards for responsible resource use and continuous improvement of business impacts. In particular, the company promotes a gradual evolution of its business and operating model toward a climate-neutral economy, in line with European climate neutrality goals and national green transition goals.

# THE FIRST SPECIFIC PURPOSE OF COMMON BENEFIT: PEOPLE

Thun is committed to expressing a leadership role by experimenting with continuous innovation on issues of inclusion and well-being of the individual, through the dissemination of an internal culture focused on growth and respect, where everyone can find the best conditions to express their maximum potential and contribute to the success and positive impact of the company. The company's commitment also extends into its own ecosystem by promoting the values of transparency and collaboration with its partners.

The most important value and growth lever for us is people. We have always been committed to ensuring that the experience of working at Thun is deeply formative and is based on principles of mutual enrichment. We build openly on mistakes and not on the culture of blame. We understand that there is no one-size-fits-all approach. Therefore, we value diversity and invest in finding solutions that allow for maximum self-expression and full integration of each person's personal and professional dimensions.





# IMPACT STORY

## 2021

**T**he drive for innovation with respect to issues of employee management and empowerment have always been important at Thun.

Over the years, we have pursued the ambition to make the company a place for professional and personal growth, almost a school of management where everyone can find the conditions to create maximum value and contribute to the company's profitability and in turn take unique opportunities to develop their potential to the fullest through the multitude of stimuli and experiences made available.

In this direction, we experiment with increasingly advanced flexibility solutions that tend to create the conditions of professional and personal well-being of each individual. We do this in a progressive way, trying not to be imposing and to respect the variety of times and needs present in the company, knowing that we really are not all the same. Years ago, for example, we abolished clocking in/out at all levels, allowing customization of working hours consistent with the tasks performed in the

*Over the years, we have pursued the ambition to make the company a place for professional and personal growth*

company. This was a start on the path to accountability on outcomes.

However, the lack of restraint initially displaced some people, surprisingly even among the younger ones. We then worked to manage the necessary cultural change, and today we can say that the choice was a success and paved the way for further innovation.

In addition to the adoption of smart working solutions that have obviously been accelerated in the pandemic period and formalised in contracts, this year we will experiment with Smart Friday, turning every Friday into a day when people are not required to be necessarily on call and when there is a ban on scheduling extended meetings and company events to free up agendas for individual work, self-training and one's own well-being on that day and pave the way and further experiments in staff flexibility and motivation.

More generally, we will experiment with the Smart Week program to activate flexibility mechanics even with business functions more directly related to market demands or onsite presence (e.g. switchboard).



Our drive to create shared value also extends outside the company, for example in our relationships with entrepreneurs in our network of franchise stores, with whom we have developed a major training plan that targets their staff with Thuniversity, or with ManHandWork, the operating partner of Connecthub, the group's logistics hub.

This latest collaboration was established to ensure not only quality, efficiency and process innovation, but also the promotion of a positive work environment with a view to health and well-being.

In an industry where the dynamics of operation are not always clear, we have focused on fairness and transparency in managing the labour relationship. For this reason, we have obtained the recognition of the certification of the procurement contract by the Marco Biagi University Foundation of Unimore, which is an important tool of social responsibility and corporate qualification, acting as a guarantee of reliability to corporate stakeholders and aiming to increase the protections accorded to workers and to improve corporate organisational models.

# 2022 TARGETS

ACTIVITIES	TARGET
<p>1 Experimenting with the Smart Friday program from May 2022 through April 2023 for all employees at corporate offices in Italy and the Smart Week program for those corporate functions that have historically been more tied to company presence.</p>	<p><b>Successful launch of pilot programs</b></p>
<p>2 Contractualization of smart working with individual agreements to all persons who can perform part of their duties remotely.</p>	<p><b>Completion of the activity</b></p>
<p>3 Implementation of MBO and MBC plan that includes a goal related to B Corp certification for headquarters staff and achievement of fundraising goals for sales staff.</p>	<p><b>Activation for the identified staff group (about 30% of the corporate population)</b></p>
<p>4 Appointment of Diversity, Equity &amp; Inclusion Manager to define and monitor the DE&amp;I program and ensure active involvement of employees in generating ideas and initiatives to be developed throughout the year.</p>	<p><b>Completion of the activity</b></p>

ACTIVITIES	TARGET
<p>5 Elaborate on the analysis of the baseline situation regarding data on the corporate population (gender, generation, nationality, etc.) to bring out possible areas of intervention and insights for the creation of ERGs.</p>	<p><b>Completion of the activity</b></p>
<p>6 Roll-out of a training plan on DE&amp;I and sustainability issues for all staff.</p>	<p><b>At least 2 hours of training per person</b></p>
<p>7 Design and implementation of the My Lenet 2022 climate survey to monitor how people perceive and interpret the work environment and identify areas for improvement on which to define an action plan.</p>	<p><b>Continuous reactivation of the activity 80% participation level</b></p>
<p>8 Implementation of a pilot project for potential mapping to support the definition of a career development plan for individuals identified as to evolve by their respective managers during performance review 2022.</p>	<p><b>Activation of the pilot project for 7 employees</b></p>

# THE SECOND SPECIFIC PURPOSE OF COMMON BENEFIT: COMMUNITIES

Thun is committed to leaving a visible and concrete mark in the communities in which it operates by promoting the method of recreational therapy in its various modes of application as a means of donating well-being to the most fragile and supporting them in their path of growth and improved therapeutic response. In particular, through its ongoing and permanent support for the Lene Thun Foundation, Thun supports ceramic therapy, which uses clay modeling as a means for creative self-expression and the rediscovery of the playful and joyful dimension for children and young people in contexts of pathology or distress.

Our connection with the community and the area in which we operate is expressed primarily through the activities of our Foundation. As a Group, we feel a responsibility to make a direct and ongoing commitment to creating the conditions for the Lene Thun Foundation to ensure the provision of an ongoing and permanent recreational therapy service through ceramic modelling to children and young people with serious or chronic illnesses to help them find an expressive and outlet channel for their emotional support and improvement of therapeutic response.



# IMPACT STORY 2021

**F**or us, the desire to have an intentional positive impact on the community is realised by supporting the mission of the Lene Thun Foundation, established in 2006 at the behest of Peter Thun, just a few years after the passing of Countess Lene Thun, the founder's mother and a ceramist who championed the therapeutic power of clay modelling.

Born out of a desire to "give joy to oneself and others", the Foundation supports ceramic therapy initially to experience its value as a purely recreational activity and from 2014 onward as a therapeutic one, with the establishment of "Permanent Ceramic Therapy Workshops" in 5 Italian hospitals as an ongoing service to the community.

On the strength of the know-how developed over generations in clay processing, together with Lenet Group companies, we make all our resources and specialisations available to support project activities that are instrumental in the continuous delivery and maintenance of service in hospitals on the territory. In particular, the Foundation's management model provides for full integration with corporate

activities starting with the sharing of management and organisational expertise, the distribution network of brands both direct and indirect in which to operate fundraising, the logistics system and IT infrastructure to ensure economic sustainability and continuity of the activities delivered.

In addition to this specific professional support, people in the group dedicate time to the Foundation's activities by participating in a corporate volunteer project in which each person contributes according to their function and responsibilities to activities within the ceramic-therapy workshops as a "assistant ceramist" or in fundraising activities at our owned and franchised stores.

Over the past two years, we have witnessed an extraordinary situation that has confronted us with difficulties and challenges that no one would have imagined we would face. At a time when the whole world has stood still in the face of the Covid-19 pandemic and social distancing has dictated the dynamics of social relationships, children and young people admitted to

*People in the group dedicate time to the Foundation's activities by participating in a corporate volunteer project in which each person contributes*



hospitals have suffered even more from isolation within the wards. In order to fulfil the promise of continuous service and concrete support for therapeutic response, the Foundation decided to re-invent and redesign the service offerings to support hospitals by initiating the project of ceramic-therapy workshops in digital mode.

Our promise to leave a concrete mark on the community in which we operate does not end with the activities of Lene Thun Foundation. As of January 2022, in fact, we

have decided to entrust the management of the Thuniversity Bistro at our Bolzano location to the Sorriso Academy, a wonderful local reality that offers the possibility of work, creation, knowledge, sharing and socialisation to people with Down Syndrome and cognitive disabilities. With the desire to create a "healthy" meeting place for our city, we promote an environment of inclusion and sharing, where everyone can express their talents in service to the community.

# 2022 TARGETS

ACTIVITIES	TARGET
1 Reaching at least 5,000 children and fragile people through the permanent recreational therapy service offered to Italian hospitals in the realities in which we operate.	<b>Min 5,000 smiles, those involved in both in-person and digital workshops</b>
2 Support the Lene Thun Foundation financially through ongoing and institutional fundraising activities.	<b>2,000,000 € fundraising, +36% compared to 2021</b>
3 Make the entire single-brand distribution network (both direct stores and franchises) of Group brands available to the Lene Thun Foundation for fundraising activities all days of the year.	<ul style="list-style-type: none"> <li>· 100% direct stores</li> <li>· 90% of Thun single-brand entrepreneurs join fundraising campaigns</li> <li>· 20% of Thun multi-brand entrepreneurs</li> </ul>
4 Ensuring that all Lenet Group employees have the opportunity to volunteer during working hours as “assistant ceramist” at Lene Thun Foundation’s (physical/digital) laboratories (both permanent and special laboratories).	<ul style="list-style-type: none"> <li>· Access to all employees</li> <li>· 800 h/year actually provided (8hx100 people)</li> </ul>
5 To support the Lene Thun Foundation in business organisational-management activities through the time dedicated by Lenet Group employees in their respective professional roles.	<ul style="list-style-type: none"> <li>· About 40,000 h/year</li> <li>· 2h/person/week for 500 people</li> </ul>

ACTIVITIES	TARGET
6 Directly engage partners (franchise and wholesale) to volunteer as “assistant ceramist” at Lene Thun Foundation’s (physical/digital) workshops (both permanent and special workshops).	<b>50 entrepreneurs</b>
7 Start the fundraising program also in the wholesale distribution network of the La Porcellana Bianca, Rose&Tulipani and Rituali Domestici brands with the organisation of at least one fundraising campaign for Lene Thun Foundation.	<ul style="list-style-type: none"> <li>· Activation at 20 stores</li> <li>· At least 1 event per store</li> </ul>
8 Activation of collaboration with Sorriso Academy to run the company’s rent-free bistro for the full year 2022, providing support and mentoring to manage the business plan of activities.	<b>ON/OFF</b>
9 Provision of company space for the establishment of its own headquarters to Sorriso Academy without payment of rent throughout the year 2022 and the company gym and any courses that will be activated for Group employees during the year and any additional company space needed for the association’s activities.	<b>ON/OFF</b>
10 Ensure a communication and sponsorship activity among all Group employees of events organised by the Sorriso Academy to encourage participation.	<b>ON/OFF</b>
11 Special workshops supported by corporate volunteers for refugee children from Ukraine and their mothers in Milan (with International Rescue Committee and Ai.Bi.) and Rome (in collaboration with Save the Children).	<b>2 continuous workshops in July</b>

# THE THIRD SPECIFIC PURPOSE OF COMMON BENEFIT: ENVIRONMENT

Thun is committed to adopting ever-evolving environmental standards for responsible resource use and continuous improvement of business impacts. In particular, the company promotes a gradual evolution of its business and operating model toward a climate-neutral economy, in line with European climate neutrality goals and national green transition goals.

As representatives of the business community, we believe our role is critical in helping to achieve the climate neutrality goals that the European Union has set for 2050. We understand that it will be critical to take action on all areas of impact in our operations, from product design, to business and supply chain management, to governance, to embrace a new model that can help solve the greatest challenge facing humanity.



# IMPACT STORY

## 2021

Our purpose has always been to give joy, and we could not do this without also taking care of the environment in which we operate. We are aware of the impacts associated with our operations, and we have invested over time to be able to reduce our environmental footprint by paying attention first and foremost to consumption efficiency.

Over the years, we have carried out several projects to make our logistics hub more efficient, and we have installed a photovoltaic system that allows us to self-produce clean energy to cover about 14% of the hub's total energy needs.

The entire annual needs of the Bolzano headquarters and logistics hub are produced exclusively from renewable sources, and we are expanding monitoring on the store network. In addition to consumption-related impacts, as a Group in which a significant portion of activities are production, we cannot fail to pay attention to impacts arising from our core business, namely product.

Our product portfolio uses clay, a mix of natural minerals, as its main material, which is processed into ceramics and

porcelain. In addition to the natural origin of the raw material clay, our products are characterised by great care for the material and a highly artisan process. The staff of the partner companies we work with to create our products follow a training and shadowing process of at least 7 months before they can operate independently, and we base our relationship with them on trust and long-term planning.

The creation of the form into which the liquid clay is poured to shape the product is done manually and is repeated every 70 uses. Decorating is also done by hand and employs non-toxic paints that do not contain lead or cadmium. All products are tested to meet the most stringent safety standards even making use of input from external laboratories (such as TUV and Intertek).

During this year, we are dedicating a great deal of effort in collecting data and structuring in-depth analyses of our current environmental impact in all areas in order to better direct future interventions and reinforce our strategic improvement plans especially in a climate-neutral direction. In particular, we have joined *CO2alizione Italia* together with more than 50 Italian companies to respond

*Over the years, we have carried out several projects to make our logistics hub more efficient*



to the challenge of the climate emergency by contributing our action. As members of the business community, we believe that companies have a primary responsibility to work to limit global warming and help achieve the climate neutrality goals that the European Union has set for 2050.

As an enabling condition for the pursuit of this purpose, we have decided to incorporate the purpose of climate neutrality in line with the European targets

into our bylaws, so that we can pursue it with the same rigor and intentionality with which we pursue profit. Innovative solutions will be needed over the long term and in all areas of impact, from governance to operational and business models, and we want to engage with as many companies as possible in this direction to achieve the greatest wave of transformation ever experienced.

# 2022 TARGETS

ACTIVITIES	TARGET
1 Self-generation of electricity with photovoltaic system in Mantua and Bolzano.	<b>Production level in line with previous years</b>
2 Guarantees of origin for the energy needs of the Bolzano office and the logistics hub in Mantua.	<b>100% renewable for Bolzano and Mantua offices</b>
3 ISO 14001 on Connecthub Logistics and implementation of best practices on Bolzano for waste management.	<b>ISO14001 Certification of Connecthub Logistics</b>
4 Implementation of an integrated consumption monitoring system (energy, water, electricity and gas) at all locations and stores.	<b>Start-up activities</b>
5 Hybrid and electric cars in the fleet. Installation of electric charging stations.	<ul style="list-style-type: none"> <li>· <b>Activation of new mobility policy</b></li> <li>· <b>Installation of 8 columns</b></li> </ul>

ACTIVITIES	TARGET
6 Definition of a sustainable purchasing policy on all categories to be implemented in contract reviews.	<b>Activation of the policy</b>
7 Purchase of store paper materials (shopping bags and POPs) with FSC certification and recycled percentages.	<ul style="list-style-type: none"> <li>· <b>100% FSC certified</b></li> <li>· <b>All materials for different brands include percentages of recycled</b></li> </ul>
8 Packaging and POP materials and design optimization workshop and definition of improvement guidelines.	<b>Completion of the activity</b>
9 Baseline analysis on product and definition of improvement guidelines on portfolio.	<b>Completion of the activity</b>
10 Baseline analysis on buildings and establishment of improvement guidelines.	<b>Completion of the activity</b>



# ACCOUNTABILITY, SUSTAINABILITY, TRANSPARENCY



To comply with legal obligations as a Benefit Corporation and thus report on the impact generated by the company, THUN uses the international third-party standard B Impact Assessment (BIA), developed by the non-profit B Lab.

THUN's overall impact assessment referring to the year 2021 was 92.9 points. In particular, the business model geared toward charitable giving through permanent support for the Lene Thun Foundation resulted in an enhancement of the Community area of the *Designed to Give* section by a score of 15.5 points.

Using this tool to measure all of its economic, environmental and social impacts, THUN scored above the excellence threshold of 80 points on a scale of 0 to 200, and decided to embark on the certification path. To date, it is awaiting score verification from B Lab's Standard Trust. Meanwhile, as an important outcome of the analysis, THUN has set up and is pursuing an improvement master plan that defines the operational plan to achieve sustainability goals in line with the business plan, structuring actions on successive phases of intervention.

## RESULT OF THE DETAILED ASSESSMENT IN THE DIFFERENT IMPACT AREAS

AREA OF IMPACT	THUN SCORE	AVERAGE SCORE*
<b>GOVERNANCE</b>	<b>16</b>	<b>5,9</b>
Mission and engagement	2	1,1
Ethics and transparency	3,9	3,3
Mission locked	10	-
<b>PEOPLE</b>	<b>25</b>	<b>17,9</b>
Financial security	3,6	6,7
Health, wellness and safety	7,7	7,1
Career development	3,7	2,8
Engagement and satisfaction	5	4,5
<b>COMMUNITIES</b>	<b>34,6</b>	<b>18,9</b>
Diversity, equity and inclusion	2,9	3,1
Economic impact	2,5	4,2
Civic engagement and giving	4,6	1,8
Supply Chain Management	8,9	2,9
Designed to Give	15,5	-
<b>ENVIRONMENT</b>	<b>13</b>	<b>10,5</b>
Environmental Management	2,3	3,2
Air & Climate	5,2	3,4
Water	1,3	1,3
Land & Life	4	5
<b>CUSTOMERS</b>	<b>4</b>	<b>1,9</b>
Customer stewardship	4	2,8
<b>TOTAL SCORE</b>	<b>87,5</b>	<b>76,2</b>

\*Benchmark all companies of comparable size that have completed the B Impact Assessment.



# IMPACT REPORT

Reviewed with Care by Nativa

**T**his Impact Report is the result of a review process that Thun asked Nativa Srl SB to carry out in order to improve the level of reliability and accuracy of what is reported, in accordance with the commitments to transparency, accountability and proper governance that characterise Benefit Corporations.

Verification by Nativa covers a) the annual B Corp impact result as measured by the B Impact Assessment, which fully meets the requirements of Law no. 208 of 28-12-2015, Paragraphs 376-384 on Benefit Corporations and b) the actual commitment to pursuing the achievement of the specific purposes of common benefit as a Benefit Corporation as explicated in the corporate purpose of the company's bylaws.

The audit is based on three fundamental activities, which take as reference the accounting principles set by the Civil Code: continuity, prudence, accrual, separation, constancy, and prevalence of substance over form.

In particular:

- identification of the correct assignment of responsibilities in the different business areas to ensure that key roles in the different areas of assessment have been involved and the know-how necessary for the proper completion of the BIA is ensured. In this specific case, the company ensured the involvement and training of people in the different impact areas who could provide the most appropriate support for the evaluation of relevant data.
- Reliability of the data collection process to ensure that the data and information produced are based on a quality-structured process. In this particular case, the company designed a business data collection and verification process that was structured to involve all business functions involved. A quality check mechanism has also been implemented to ensure the reliability of the data itself.
- Correct BIA compilation: ensuring that information is entered into the analysis tool in a complete, clear, accurate and correct manner. In this specific case, BIA responses were verified and validated with the Team liaisons responsible for compilation.

## FINAL CONSIDERATIONS

**T**his has been a very important year for the Lenet Group. Adopting the legal status of a Benefit Corporation has made even more explicit our vocation for the common good, which places not only the creation of economic value, but also social and environmental value at the centre of our operations. This step gave a significant boost to our concrete commitment to generating a positive impact on people, communities and the environment, and set us on the path to achieve B Corp certification, an important milestone that will be a new starting point, on which we have activated the whole company and which we are pursuing with conviction.

Concretely, this year has seen a return to attendance for the delivery of our continuing workshop activities, and through our efforts we will reach more than 5,000 children and fragile individuals. We continue to support the Foundation both directly and through donations collected in our stores and by entrepreneurs who collaborate with us, with the activation of Unitable stores as well.

Another area we are continuing to push on is leadership in experimenting with flexibility solutions, which we are pursuing with the



conviction that companies need to change personnel management models and evaluate employee performance based only on results and not on where or when the work is done.

In order to continue with effectiveness and conviction in reducing our environmental impact, this year is the time to focus on detailed analysis of our baseline situation so as to establish the improvement guidelines for our product portfolio, packaging, point-of-sale materials, and building management.

Finally, as an important step of responsibility, we have joined *CO2alizione Italia* together with many other Italian companies to respond with conviction to the challenge of the climate emergency by contributing with our action to the achievement of the climate neutrality goals that the European Union has set for 2050.

Convinced that the role of business is critical in helping to solve the challenges we find ourselves facing we want to do our part, and this first impact report is the beginning of a dialogue that we want to grow in the coming years.

**Francesco Pandolfi**  
CEO and Head of Impact of Thun SpA SB

# GLOSSARY OF KEY TERMS

## B CORP

Benefit Corporation, are the B Lab-certified companies worldwide that exceed the 80-point threshold in the BIA, the impact measurement tool, voluntarily committing to the highest standards of performance, transparency and accountability and operating in a way that maximises their positive impact toward their employees, the communities in which they operate and the environment.

## BIA

Benefit Impact Assessment, is the most comprehensive tool for measuring the impact generated by companies developed by B Lab, made freely available also in Italian and already adopted by more than 120,000 companies worldwide. The BIA allows a number on a scale of 0 to 200 to measure the impact a company generates on its employees, the communities in which it operates and the environment.

## SB

Benefit Corporation, is a legal qualification that corporations may choose to adopt, introduced in Italy in 2016 and present worldwide in 37 U.S. states (as Benefit Corporation) and in Colombia, Ecuador, British Columbia, Peru, Puerto Rico, and France that identifies companies that in the exercise of their business activities, voluntarily pursue one or more purposes of common benefit in addition to profit. To become a Benefit Corporation, companies must then amend their bylaws to formally commit to creating a positive impact on society and the biosphere.

## B LAB

It is the non-profit that created and promotes the B Corp movement around the world with the vision of creating a new economic model that uses business as a positive force and creates shared and lasting prosperity. In addition to issuing B Corp certification, it promotes government-wide adoption of the legal institution governing Benefit Corporations worldwide and works alongside hundreds of thousands of companies to rigorously measure and improve their positive impact on society and the environment.



**LENET**  
GROUP

# IMPACT REPORT 2021

THUN SPA SB - JULY 2022