Treedom

Impact Report 2024

treedom®
let's green the planet

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Letter to Stakeholders

> **Dear Stakeholders,**
>
> In December 2024, after several years away from operational management, I agreed to return to lead the company with the goal of starting a **new cycle**, focused on greater transparency, rigor in measuring impact and environmental, organizational, and economic sustainability.
>
> With great pleasure, we present **Treedom's Impact Report 2024**. This document represents not only an account of our work, but also an opportunity to reflect on the results achieved during this important year of transition, on the difficulties faced by the organization in recent years, and on the future objectives that Treedom sets to relaunch its growth and that of our partners. Every number tells a story of growth and transformation that would have been impossible to achieve without the support of the global community of companies and individuals who believe in the importance of **regenerating ecosystems without compromising the well-being of communities**, especially in the Global South.
>
> Throughout the year, Treedom has worked to strengthen its role not only as a platform for tree planting, but also as an engine of **local development and social inclusion.** For us, planting trees means above all **cultivating opportunities**: each tree, in addition to contributing to the fight against climate change, represents a lever to generate income, launch **rural micro-entrepreneurship** initiatives, improve **agronomic education**, and promote sustainable land management. The communities involved in our projects are not passive beneficiaries, but **active protagonists** of a change that translates into skills, economic autonomy, and strengthening of the local social fabric. Even in an uncertain global context, we have continued to support these paths, aware that **environmental impact has value only if accompanied by tangible human progress.**
>
> Looking to the future, Treedom's commitment remains to continue collaborating with local communities, expanding our initiatives and investing in models that integrate environmental sustainability and inclusive economic growth. We believe that being sustainable means, first and foremost, being a solid reality, clear in its objectives and consistent in how it works with those who support and make it possible. We will therefore work to make the experiences of those who support tree planting with Treedom increasingly accessible and engaging, with the goal of **raising awareness and inspiring** more and more people to participate in change.
>
> We sincerely thank all those who have made our work possible: collaborators, partners, beneficiaries, and anyone who has chosen to **contribute to the territorial regeneration** process through supporting Treedom projects.
>
> With gratitude and confidence in tomorrow,
>
> **Tommaso Speroni**
> Founder and Chief Executive Officer of Treedom

1. Who We Are and What We Do

1.1 A story of trees and people

In 2010, Treedom's story began with an intuition from founders Federico Garcea and Tommaso Speroni. While working on a sustainable development project in Cameroon, they came into contact with the devastating effects of deforestation on the environment and the people who inhabited it. During the same period, the video game FarmVille (which allowed players to create virtual farms) reached its peak popularity - and Federico was one of the enthusiasts. They intuited that love for nature and the desire to act for the good of the planet were powerful forces: if millions of people were happy to plant fake trees, they would be thrilled to plant real trees.

Treedom was born from an idea that dreamed of a greener world and today works to build a fairer world. Planting trees in agroforestry systems means creating social benefits for the local communities involved by generating empowerment, food resources, and new income opportunities.

- **2010:** Foundation of Treedom in Florence, with the first planting project in Cameroon.

- **2012:** Introduction of geolocation and photography system for each planted tree.

- **2014:** Over 100,000 trees planted and first international recognition including obtaining B-Corp status.

- **2016:** Expansion of projects in Latin America and Asia, with a focus on biodiversity.

- **2018:** Over 500,000 trees planted, consolidating environmental and social impact.

- **2022:** One million trees planted and growth of the supporter community worldwide.

- **2024:** Continued expansion with new projects, diversifying the offering for anyone who intends to support the environmental and social regeneration goals pursued by Treedom.

Legal Name	Address	ZIP	City	Country	Geolocation (coordinates)
Treedom Srl SB [1]	Viale Augusto Righi, 66	50137	Florence	Italy	43.7866208 11.2851932

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[1] NACE Code: M.72.19 - Other research and experimental development activities in natural sciences and engineering

As of **31/12/2024,** Treedom Srl SB controls the following subsidiaries:

Legal Name	Address	ZIP	City	Country	Geolocation (coordinates)
Treedom Deutschland GMBH (100%)	Aachener Straße 222 D	50931	Cologne	Germany	50.9371684 6.9090629
PlanBee Srl (80%)	Via Macedonia, 68	00179	Rome	Italy	41.8724965 12.5115369
Treedom France Sas (100%)	71 Avenue Victor Hugo	75116	Paris	France	48.8701897 2.2850126
Treedom Trees Ltd (100%)	5th Floor, 10 Brook Street Mayfair	W1S 1BG	London	United Kingdom	51.5134605 -0.1476009

Treedom was born with the objective of combining entrepreneurial activity with a positive and measurable impact on society and the environment. With this perspective, over the years, the organization has consciously chosen to structure itself as a **Benefit Corporation**, to obtain **B Corp** certification, and to adhere to the **United Nations Global Compact.** These choices represent fundamental pillars of Treedom's commitment to sustainable and responsible development.

Being a Benefit Corporation implies the integration, within the statute, of **common benefit objectives** (detailed in chapter 2) that go beyond the objective of generating economic value. This aspect has always been a distinctive characteristic of Treedom, which was indeed one of the first benefit corporations established in Italy. This legal form recognizes and values Treedom's constant commitment to seeking to generate social and environmental value in the long term and still defines today the path that the organization intends to follow with its future developments.

B Corp certification testifies to compliance with rigorous standards of performance, accountability, and transparency. This achievement is the result of an independent evaluation process that considers the entire business model and its impact on workers, community, environment, and governance. Being part of the B Corp movement also means sharing a common vision with thousands of businesses worldwide: using business as a positive force. The B-Corp certification was renewed in the early months of 2025, slightly ahead of the publication of this document. With the certification renewal, Treedom increased its score in meeting the requirements defined by the **B-Impact Assessment** standard, achieving an overall rating of 126.3 points (compared to 122.4 obtained in the previous assessment).

Governance	Workers	Community	Environment	Customers
20.8	36.2	26.9	38.5	3.8
Total	126.2			

Finally, adherence to the United Nations Global Compact confirms the organization's alignment with universal principles regarding human rights, labor, environment, and anti-corruption, as well as its active contribution to **achieving the Sustainable Development Goals (SDGs).** Through this initiative, Treedom strengthens its commitment to operating according to ethical and responsible criteria on a global scale.

In summary, these choices are not merely formal recognitions, but concrete tools to guide organizational decisions, evaluate their performance, and be accountable for the impacts generated toward internal and external stakeholders. They express the vision pursued by Treedom: a future where business activity is an engine of environmental regeneration, social equity, and shared prosperity.

1.2 Values and Mission

In carrying out all its activities, Treedom considers adherence to the values that have always distinguished the organization's work and the projects it aims to finance to be of primary importance. These values are outlined within the Code of Ethics adopted by Treedom, and a summary is provided below:

- **Human rights**:
  Treedom is committed to respecting human rights and workers' rights toward all its employees, who must be guaranteed conditions of safety and health in the workplace, as well as to all subjects employed by partners and project beneficiaries. In project contexts particularly, Treedom advocates for the protection of children's rights and the fight against child exploitation.

- **Democracy, participation, empowerment**:
  Treedom does not discriminate based on ethnic origin, gender, religion, sexual orientation, disability, and age, neither project proponents/participants nor its own personnel. Treedom also aims to pursue increasingly inclusive investment choices, favoring support for partners who demonstrate they implement agroforestry projects aimed at full and indiscriminate participation of the local population capable of triggering a social empowerment process for beneficiaries.

- **Protection of the environment and biodiversity**:
  Treedom, through the implementation of its projects, is committed to environmental protection, ecosystem restoration, fighting deforestation, desertification, biodiversity loss, and anthropogenic climate change, and implementing agroforestry solutions resilient to them and to the hydrogeological instability that results from them. Adopting environmentally impeccable behavior and protecting biodiversity in all its forms must be a fundamental criterion and distinctive trait of Treedom's work and all its employees.

- **Diversity and opportunities**:
  Treedom considers diversity as a value, both in the composition of its workforce and in the selection of partners with whom it collaborates. During employee selection processes, the organization favorably evaluates people capable of providing new insights and different perspectives based on their personal backgrounds, development paths, and individual opinions. Similarly, in the process of evaluating projects to support, Treedom positively evaluates even unique and/or small-scale realities, rejecting discrimination related to issues other than the individual project's ability to generate positive impact.

- **Project quality**:
  The agro-forestry projects promoted by Treedom must respect the operational principles of transparency and reality, additionality, permanence, and sustainability in order to guarantee the ability to generate positive environmental and social impacts both locally and globally.

Mission: *Treedom wants to enable everyone to contribute to the planet's well-being in a simple, transparent, and fun way. Treedom's objective is to generate social and environmental benefits through the promotion of agroforestry activities and tree planting, carried out directly by local organizations. By supporting rural communities in achieving environmental and social sustainability goals, Treedom wants to make the planet greener. And it wants to do it the right way.*

1.3 Treedom's Business Model in 2024

Since its founding, **Treedom's business model** has been based on **selling digital trees** to private individuals and companies who intend to **support the planting of real trees** in various countries around the world to promote ecosystem restoration and generate benefits for local communities.

On the project front, the entity with which Treedom interacts directly and most frequently is represented by **project partners**, who are responsible for proposing, planning, and implementing planting activities. Financing of project partners typically occurs in two phases. The initial phase is aimed at starting up project activities and includes establishing the nursery, purchasing materials, and conducting the training activities necessary to ensure that beneficiaries apply good practices for protecting the health of the trees they will receive. The second financing phase is instead linked to the activity of acquiring georeferenced photographs of trees planted on beneficiaries' land. Generally, this occurs 3-4 months after the distribution of seedlings, when Treedom's forestry manager validates the quality and uniqueness of the georeferenced photo, as well as the health status of the real tree.

In this process, the great importance of project partners is second only to that of the **beneficiaries** themselves and **local communities**, as clearly outlined in Treedom's mission. The seedlings grown in nurseries are given to beneficiaries free of charge, allowing them to harvest the fruits for consumption or sale, generating economic development. In order to receive the seedlings, beneficiaries are required to participate in training sessions organized by project partners in collaboration with Treedom's forestry department. This is aimed at ensuring the transfer of fundamental skills for maintaining trees in good health, thus maximizing their ability to produce the environmental and socio-economic benefits expected from the project.

On the market front, as anticipated, Treedom offers its products and services to both private users and companies. For **private users**, Treedom represents a channel that facilitates the possibility of supporting projects that generate positive impacts and provides tools to tell these stories, also with the aim of raising awareness among loved ones through the gift mechanisms that characterize the organization's online platform. The most committed users from this point of view are those who subscribe to Treedom to consistently support tree planting through projects.

For **companies**, similarly but on a larger scale, Treedom proposes both easy-to-implement solutions, such as purchasing tree bundles in quantities aligned with the organization's willingness to support specific territories and communities, as well as multi-year projects and/or paths on request, entirely financed by a single organization. In both cases, Treedom supports the client organization in communicating the regeneration initiatives financed, involving their employees, customers, and/or business partners through the creation of the organizational digital forest and reporting the results obtained thanks to the intervention.

Every tree planted in Treedom projects is **photographed and geolocated**. The forestry department checks all geolocated photos received from project partners to verify the tree's health status (typically 3-4 months after planting in beneficiaries' land) and its uniqueness within Treedom systems. This control process is performed by comparing the geographical coordinates of photos taken by project partners and the images themselves, to ensure that:

- no real tree in poor health condition is considered as effective planting, given its low survival chances, and that
- no real tree is counted twice.

Once this monitoring process is completed, each geolocated photo, accepted by Treedom's forestry department, is assigned to a **unique digital code** that exclusively represents the real tree planted at the coordinates associated with that photo. **The digital tree and its real counterpart** serve as functional units of Treedom's core business. This element allows users to receive the geolocated photo of the tree assigned to them and, through the MyTreedom platform, multimedia content from projects within which that tree was planted. Digital trees can therefore be purchased by users who wish to **support or explore a project** and can be given as gifts by private individuals and companies as a **tool for engagement and awareness-raising** on environmental and social issues. Digital trees can be aggregated to create a **Digital Forest** that can represent either a group of private individuals within a particular context (for example, a family or any celebratory event), or the set of trees purchased by an organization.

Over time, Treedom has expanded its range of products and services offered with a series of integrations. Among these, the launch of **Treedom projects** on Italian territory represented one of the most complex challenges for the organization, accustomed to working in more rural and less bureaucratized contexts. Nevertheless, **to respond to corporate clients' requests to be able to generate tangible impacts on national territory**, Treedom in recent years has developed projects in various Italian regions, seeking, on each occasion, to support initiatives that could respond to the most relevant needs for the communities and ecosystems of the context. Today's national-level impact offering also includes services provided by **PlanBee Srl SB**, a company 80% controlled by Treedom. PlanBee offers **civic crowdfunding** services for the design and development of small-scale initiatives with high environmental and social value. This approach integrates Treedom's portfolio offering with the possibility of supporting sustainability projects not only in agricultural and forest areas, typically addressable with a normal Treedom project, but also in urban and peri-urban areas, near the organizational headquarters of corporate clients who wish to be drivers of positive environmental and social benefits for their local communities.

Additionally, during the reporting year, the offering of services to corporate clients was enriched through collaboration with **external partners** who have enabled Treedom to respond more completely to the wide range of sustainability-related needs expressed by clients. In particular, to respond to growing requests for support in measuring and reporting the non-financial aspects of their clients' core business, Treedom established a partnership with the Milanese digital start-up **Up2You**, specialized in sustainability consulting. Thanks to the work carried out by the technical partner, today Treedom clients can also be supported in drafting sustainability reports, calculating carbon footprints, and conducting environmental analyses at organizational and/or product levels compliant with the most widespread international standards. These business services are complemented by team-building activities organized by partners **Outbe** and **PlasticFree** that allow Treedom to support clients also in organizing outdoor sharing moments, always with special attention to environmental and social sustainability themes.

In addition to **services** provided by third parties, the offering to companies and private individuals has been enriched with the possibility of purchasing and giving **physical products associated with the Treedom** brand. During the year, the organization also reached the important milestone of commercializing in Italy a product from trees planted in projects: **Café Doña Lucero**. This milestone was achieved thanks to collaborations with AMKA, a project partner in Guatemala, Mondi Caffè and the consortium of Italian roasters Caffè Speciali Certificati (CSC), which allowed Treedom to provide commercial opportunities to an equitable value chain that favors the economic development of Guatemalan beneficiaries, largely female and belonging to the native Indios ethnicity of the territories where the project was developed. Other physical products offered since last year include the **"HOME" t-shirt** - produced with recycled fibers by partner Rifò - and the **B-Corp Green Box**, a Christmas gift box composed of food products from B-Corp certified agricultural realities and a Treedom tree redeemable by the recipient.
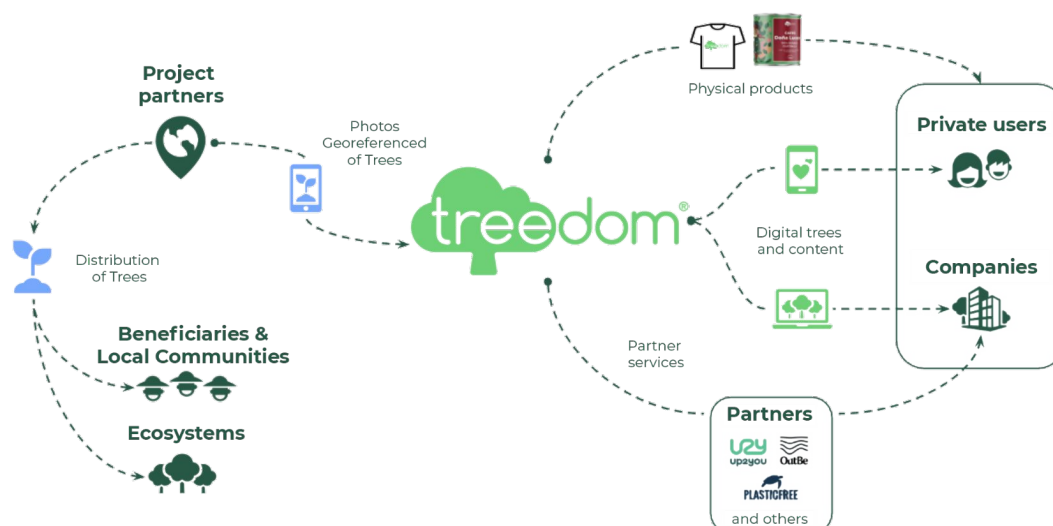
2. ESG in Treedom: What's new?

2.1 Treedom's Sustainability Reporting

Starting in 2024, Treedom has initiated a process of renewing its culture of managing and reporting non-financial information. This process stems first and foremost from the organization's need and desire to tell the story of the importance of supported projects in terms of generating environmental and social value in a more thorough, transparent and tangible way. The objective that Treedom sets itself on this front is to plan efforts and initiatives that allow the organization **to increase transparency and stakeholder participation**, both within the scope of supported projects and in understanding the business processes through which common benefit objectives are pursued.

The Impact Report 2024 represents a first important step in this direction. With this document, in fact, Treedom adopts a more ambitious non-financial information reporting process than in the past, and in line with the European Commission's recommendations for Small and Medium Organizations not subject to EU directive 2022/2464 - Corporate Sustainability Reporting Directive (so-called CSRD). For the preparation and drafting of the Impact Report 2024, Treedom has therefore chosen to adopt the **VSME standards** published in December 2024 by the European Financial Reporting Advisory Group (so-called EFRAG) at the request of the EU Commission to respond to the need to provide small and medium organizations with a reporting standard compatible with the requirements to which organizations are subject in the applicability regime of the CSRD directive.

This document was therefore developed with a dual objective: I) to fulfill the obligation to publish an Impact Report compliant with the criteria defined by law 208/2015 on Benefit Corporations and II) to represent a fundamental means of transparency and communication for the involvement of Treedom's stakeholders in carrying out its work.

The Impact Report 2024 was written adopting option B for using the VSME standards which provides for the use of the complete module in addition to the base module. With this voluntary regime choice, Treedom commits to providing its stakeholders with a greater amount of information, considered necessary to fully tell the organizational processes and projects in their complexity. Consistent with the reporting perimeter used for the financial statements, the Impact Report 2024 is published annually and was prepared on an individual basis in reference to the fiscal year started on 01/01/2024 and ended on 31/12/2024. Where available, the document also presents information relating to the previous fiscal year in order to facilitate a comparative reading of the data and to provide a general perspective on the organization's trends in reference to the topics covered. These topics have been identified through a **double materiality analysis** process consistent with the indications provided by the European Commission within the framework of the application of the European Sustainability Reporting Standards (so-called ESRS).

2.2 Double Materiality Analysis

For the first time, during 2024 Treedom conducted a **materiality analysis**, aimed at determining which topics could be relevant to report within this document. The analysis was carried out applying the concept of **double materiality** proposed by the ESRS standards, published by EFRAG and adopted by the EU Commission for the preparation of Sustainability Reports of organizations subject to the reporting obligation defined by the CSRD directive. This approach to materiality analysis requires the organization to evaluate the relevance of sustainability topics adopting a dual perspective:

- **Impact materiality**: the organization evaluates sustainability topics considering the relevance of impacts generated towards its stakeholders throughout the entire value chain, therefore also evaluating impacts generated indirectly through the relationships that the organization cultivates with its partners, suppliers and direct clients. In considering such impacts, the organization must evaluate all effects generated towards stakeholders, whether they are negative or positive, actual or potential and relevant in the short or long term.
- **Financial materiality**: the organization evaluates sustainability topics considering the relevance of risks and opportunities that may influence the organization's ability to generate profit in a sustainable way over time, regardless of whether it is able to control them or not.

The performance of this first materiality exercise followed the main steps defined by the "ESRS 1: General requirements" standard and the related *implementation guidance* procedure published by EFRAG:

Phase 1

Context Analysis

To begin with, Treedom conducted an analysis of its operations and processes updated to 31/12/2024. This meant that the organization considered the entirety of its value chain, not only in reference to its core business of tree planting, but also taking into account the new products and services that have integrated the market offering during the last fiscal year. This analysis led the organization to develop a very detailed **mapping of its value chain**, a summary of which was presented in the previous chapter. Starting from this mapping, the organization listed all types of stakeholders involved or influenced in each of the operations identified, describing how the individual stakeholder relates to Treedom and what expectations it reserves towards the company. Treedom made sure to also include the so-called silent stakeholders, i.e., subjects that influence and are influenced by organizational work but which, by their nature, cannot be directly consulted about it. Among these, Treedom considered environmental balance, in all the forms in which it presents itself and/or is influenced, and future generations.

Phase 2

Identification of Impacts, Risks and Opportunities

For each of the stakeholders identified through the mapping of its value chain, Treedom analyzed the relationships and interests that link the stakeholder to the organization, adopting the dual perspective required for conducting the double materiality analysis. This analysis enabled the organization to **identify the Impacts** (negative and positive) generated by the organization towards the individual stakeholder and the **Risks and Opportunities** that the same stakeholder can potentially represent with respect to Treedom's ability to generate profit. Through this analysis process, a total of 105 Impacts, Risks and Opportunities (so-called IRO) were identified as suitable for describing the way in which Treedom influences its stakeholders and vice versa.

Phase 3

Evaluation of IRO

The last phase of the double materiality analysis process consisted in **evaluating the relevance of the IRO** identified in the previous phase. Being the first materiality analysis conducted by the organization, it was decided to carry out this evaluation process involving exclusively internal organization representatives. The representatives of the various departments were asked to evaluate the mapped IRO adopting the dual perspective characteristic of double materiality.

For the evaluation of negative and positive impacts, the representatives were asked to put themselves in the shoes of the stakeholders they regularly confront who could suffer or enjoy the consequences associated with such impacts. These impacts generated by Treedom towards external stakeholders were evaluated based on the following criteria:

- *Scale: severity of negative or positive consequences generated towards stakeholders;*
- *Scope: breadth of the perimeter of stakeholders affected by the consequences generated;*
- *Irremediability: criterion considered only in the case of negative impacts as Treedom's ability to remedy the negative consequences generated;*
- *Probability: degree of possibility that the consequences actually occur.*

For the evaluation of risks and opportunities, representatives were asked to evaluate the relevance of internal and external context elements on Treedom's ability to generate profit regularly both in the short and medium-long term. Financial materiality was therefore evaluated based on the following criteria:

- *Scale: severity of negative or positive consequences on Treedom's financial performance;*
- *Probability: degree of possibility that the consequences actually occur, influencing Treedom's financial performance.*

From this evaluation process, **74 of the 105 total IRO emerged as relevant**, as these collected average evaluations that exceeded the quantitative relevance threshold, defined at the same level for impact materiality and financial materiality.

Phase 4

Grouping of IRO into Material Topics

The 105 IRO were grouped into groups of topics that can favor reporting of material sustainability aspects for Treedom. In order to facilitate a graphic visualization of the relevance inferred for each of the evaluated topics, a **double materiality matrix** is presented below in which the average evaluation of impacts underlying the topic is represented on the horizontal axis while that of risks and opportunities is represented on the vertical axis. Within this Impact Report, Treedom exposes information in order to report on each of the IRO that emerged as relevant from this analysis, regardless of the average materiality evaluation aggregated at the topic level and represented in the matrix shown below. The information is presented in qualitative and quantitative form in accordance both with the possibility of analyzing the relevant IRO with an analytical approach, and with Treedom's ability to find data suitable for representing organizational performance on this aspect.

Double Materiality Treedom
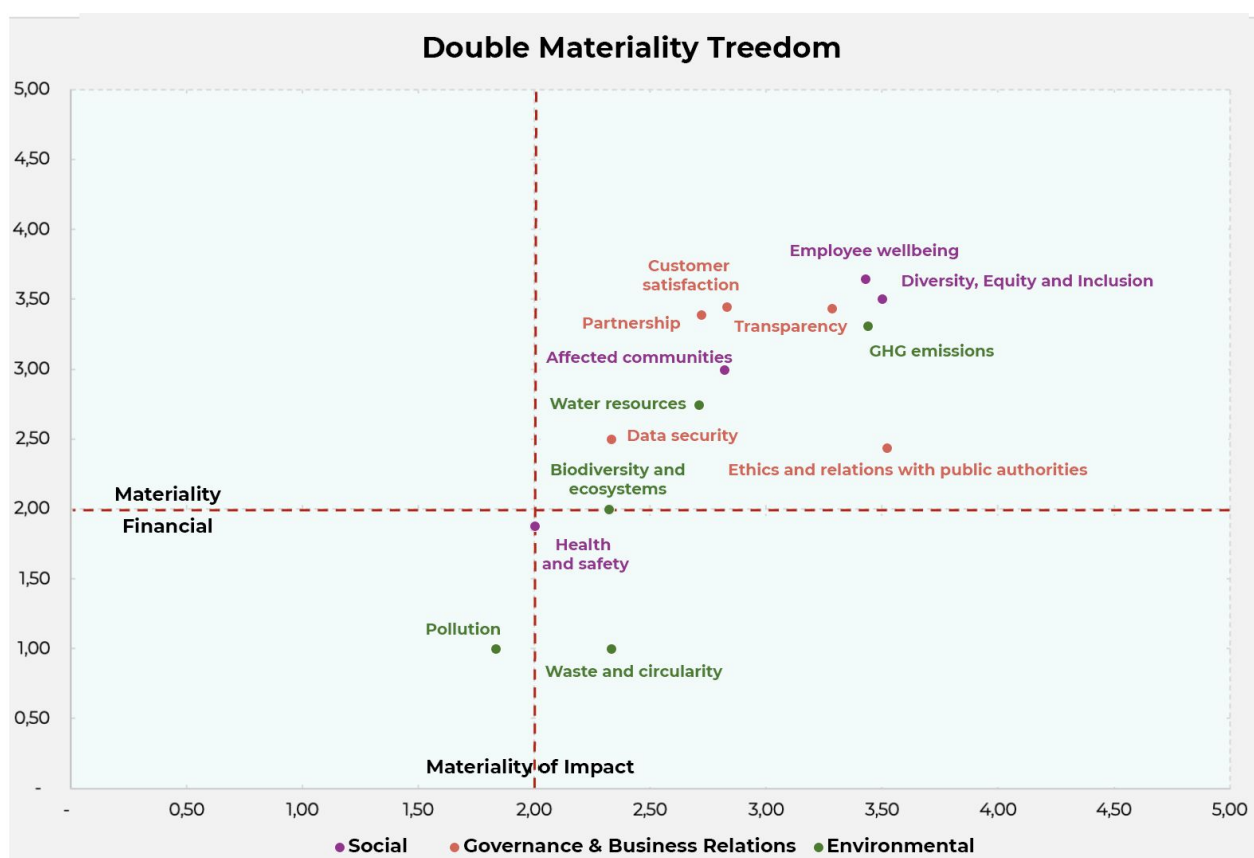
2.3 Common Benefit Objectives

As a Benefit Corporation, Treedom has integrated six specific common benefit purposes into its Articles of Association, which represent objectives of strategic and operational relevance in carrying out all organizational activities. These purposes do not constitute mere declarative intentions, but concrete objectives that the company commits to pursuing in a systematic and measurable way in carrying out daily activities.

Treedom's approach combines the generation of economic value with the production of positive, tangible and verifiable impacts, both at social and environmental levels. The company therefore proposes the purpose of creating a development model that is both profitable and regenerative, promoting sustainable and inclusive growth. This commitment translates into concrete practices and a governance system oriented towards transparency, accountability and reporting, in line with the guiding principles of civil economy and international standards of corporate sustainability.

The **6 common benefit objectives** (CBO) defined within Treedom's articles of association:

1. Generate **social and environmental benefits** for **rural communities;**
2. Promote **education**;
3. Promote **awareness of social and environmental sustainability**;
4. Promote **sustainable agronomic practices**;
5. Invest in **development and research**;
6. Contribute to **Sustainable Development Goals.**

In this section, for each of them, an overview of the progress achieved by Treedom with respect to the targets set for 2024 is presented, as well as an update on how the organization intends to pursue the common benefit objective during the 2025 fiscal year.

CBO 1 - Generate social and environmental benefits for rural communities

Target 2024: Extend to four other projects the application of the methodology developed in the project with Altis based on the Theory of Change and on the principles of Social Value International.

Consistent with what was defined within the 2024 Target, during the reporting year Treedom deepened the calculation and reporting methodologies of the impacts generated through the supported projects. However, these improvements did not result in an expansion of the study conducted in collaboration with Altis because the organization decided to focus more on ways to evaluate economic, environmental and social impacts based on data and macroeconomic statistics rather than analyses based on the perception of impacts by the subjects involved.

This transition in the approach to evaluating the impacts of planting projects meant that during 2024 the study based on the theory of change was not expanded to new projects, unlike what the organization had initially set out to do. On the other hand, this allowed the organization to direct its efforts towards developing a new method of analysis, which allows quantifying the expected benefits of planting initiatives in an objective, transparent and differentiated way based on the characteristics of the intervention and the specific context in which Treedom supports a project. This approach is consistent with the transparency efforts made by the organization as it is based on a mix of primary information, collected directly by Treedom and its partners in the context of project management, and secondary information derived from academic studies and freely accessible databases managed by international organizations such as the specialized agencies of the United Nations (e.g. FAO, CIFOR-ICRAF, ILO etc.). Looking forward, Treedom does not exclude that these methodologies for evaluating the impacts of its projects can coexist, providing stakeholders with an account of the benefits generated that includes objective quantitative metrics and surveys based on the individual perception of the subjects directly involved.

During 2025, Treedom intends to deepen the analyses started during the previous year in such a way as to **refine the evaluation of environmental and social benefits generated in the supported territories**, contextualizing them with respect to the impact needs that characterize the communities and ecosystems present in those places. This objective will be pursued through the search for an analysis model suitable for evaluating the economic, environmental and social impacts generated by carrying out a regeneration activity like those promoted by Treedom.

Target 2025: Adopt a *model for evaluating the economic, environmental and social impacts of supported projects* and carry out a *pilot* on a first group of projects.

CBO 2 - Promote education

Target 2024: Continue the experience of support and tutoring for a student of the doctoral course in Environmental Sciences of the University of Milan and maintain staff and local beneficiary training activities.

In line with the Target established for 2024, the experience of support and tutoring in the doctoral research in Environmental Sciences at the University of Milan continued and led to important developments. The study carried out by doctoral candidate Chiara Gibertini and professor Giorgio Vacchiano in fact allowed Treedom to start a process of refinement of the allometric equations used to estimate CO_2 sequestration from the atmosphere, obtained thanks to the planting of trees in supported projects.

The analysis carried out during 2024 had the objective of estimating the biomass of tree species used by Treedom in projects in tropical areas and consequently determining their CO_2 absorption capacity. This objective was pursued through intensive bibliographic research work that allowed outlining, for the individual species taken into analysis, expected biomass growth curves, expressed in the ratio between trunk diameter at 130 centimeters from the ground and total height of the tree, then converted into an estimate of total biomass in kg. This study represents an important step for Treedom in the objective of improving the reliability and transparency of data relating to carbon sequestration obtained through its trees. For this reason, the organization intends to extend the perimeter of analysis during the next fiscal year to also include species excluded from the first phase of analysis.

Unlike what was hoped for by the 2024 target, however, the training activity towards the staff of partners and local beneficiaries suffered a significant slowdown during the year, mainly due to the decline in the organization's sales and the consequent decrease in plantings.

At the same time, Treedom intends to continue developing partnerships similar to the one conducted with the University of Milan, involving other Universities and research institutions that can support the organization in providing its stakeholders with the most accurate, transparent and methodologically solid reporting possible of the impacts generated through planting projects in the hope that this will support it in raising funds to be allocated to projects.

*Target 2025: **Continue collaborations with Universities and research institutions** aimed at improving Treedom's ability to tell the positive and negative impacts associated with supported projects.*

CBO 3 - Promote awareness of social and environmental sustainability &
CBO 4 - Promote sustainable agronomic practices

Target 2024: Expand the integrated supply chain model to the agroforestry system, taking inspiration from the positive experience of the Café Doña Lucero project, and implementing it in at least two other local communities.

The target defined for pursuing these common benefit objectives was achieved only partially. In fact, although the initiative related to the commercialization of Café Doña Lucero was expanded and strengthened, making the product available to a wider target of companies and private consumers, Treedom has not yet been able to replicate this model with products derived from other supported projects. Achieving this goal would allow the organization to produce a dual benefit: on the one hand this would contribute to diversifying the market offering, making the experience of purchasing digital trees even more tangible and engaging for clients, on the other hand the sale of a product through Treedom channels would contribute to generating a direct, stable and lasting economic flow towards local communities.

As described in the previous chapter, during 2024 Treedom's offering was enriched with other physical items that promote awareness of sustainability, such as the "HOME" t-shirt produced by Rifò with a mix of recycled cotton fibers and organic cotton and the B-Corp Green Box containing food items produced by Italian B-Corp organizations. The feedback received from the market towards these products was very positive, thus confirming the effectiveness of solutions that involve the combination of tangible elements with the digital experience associated with redeeming trees within the Treedom platform. The company is committed to pursuing this strategy through the exclusive integration of products consistent with the values of sustainability, transparency and equity that have always guided Treedom's work. For this reason, for the next fiscal year, the organization sets itself the objective of extending this practice, where possible involving the beneficiary communities of regeneration projects supported in recent years.

*Target 2025: Expand the offering of physical products derived from Treedom **projects with at least one article** that favors a stable revenue flow towards the beneficiary community.*

CBO 5 - Invest in development and research

Target 2024: Maintain commitment to ongoing research and development projects, present the feasibility study for satellite monitoring of Treedom agroforestry projects to the European Space Agency (ESA), and progress in the evolution of the Treedom Program methodology.

All aspects outlined by the target set for the reporting year were effectively pursued during the year, so much so that it can be considered completely achieved.

2024 in fact saw Treedom committed to renewing its commitment towards the following projects, already started during the previous year:

- The Nature-Based Business Model and Emerging Innovations to enhance Carbon Farming Initiatives while **preserving Biodiversity, Water Security and Soil Health** project (also called ***INNO4CFIs***), started in 2023 and financed by the European Commission within the Interregional Innovation Investments (I3) instrument, continued by expanding the perimeter of subjects involved and moving to the phase of actual planting of trees in the areas involved in the project. Treedom, in particular, was involved in the initiative in the role of Work Package (WP) Leader for the activity of validating the results expected from the project, through the coordination of planting activities and testing the proposed business model. The project, thanks to what was carried out by the various WPs, aims to favor collaboration between partners from 8 European countries and different academic and business contexts with the objective of:

  - Creating an innovative technological platform to favor the development of Carbon Farming practice, integrating technologies that will be tested and validated within the Living Hubs developed in Greece, Italy, Spain and Belgium;
  - Financing the development of cutting-edge technologies for Carbon Farming with a minimum development level equal to TRL6[2].

- The **Forests from Space** project financed by ESA was successfully concluded, completing the feasibility study on the use of satellite images and data for improving Treedom project monitoring activities. During the study, Treedom analyzed the use of such data for commercial purposes to favor the diffusion of Earth Observation data analysis in various economic sectors, potentially including the sharing of content that allows Treedom users to monitor the planting areas of their trees using such satellite technologies.

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[2] Technology Readiness Level: level 6 corresponds to a technology at a level of development such that it has been demonstrated in an (industrially) relevant environment.

- As anticipated in the description of CBO 2, the collaboration project with the **Department of Agricultural and Environmental Sciences of the University of Milan** produced its first results during 2024. The report on the calculation of biomass of scientific species planted in tropical areas, completed in July 2024, in fact represents a notable progress in Treedom's approach to calculating CO_2 sequestration achieved through planting trees in supported projects.

- Finally, during the year, Treedom continued to work on its procedure called **Treedom Program**, in collaboration with partners ecosostenibile.eu and D.R.E.Am. Italia. The objective of the document is to define a discipline for managing Treedom projects and measuring carbon sequestration capacity on them according to survey and monitoring practices consistent with the ISO 14064-2 standard which defines the requirements for planning and implementing projects aimed at reducing emissions or increasing sequestration of climate-altering gases. This process will allow Treedom to define the evolutions in its management methods necessary to enhance the contribution to carbon balancing through a monitoring system and calculations validated by a third party.

During the next fiscal year, the organization intends to build on the developments achieved during 2024, arriving at implementing concrete, shareable solutions capable of supporting the sales of digital trees and, consequently, the relaunch of plantings in project locations.

*Target 2025: Continue the research and development work carried out during 2024, arriving at **implementing new technological solutions** that allow Treedom to increase the effectiveness of monitoring its projects.*

CBO 6 - Contribute to Sustainable Development Goals

Target 2024: Proceduralize welfare policies, personnel management and related KPIs, in order to obtain certification on gender equality UNI/PdR 125:2022.

As emerges from reading this report, compared to the previous year in 2024 Treedom worked intensively to strengthen and make its welfare policies and human resource management processes more transparent. However, despite the improvements achieved in managing these aspects, during the reporting year the organization did not start the certification process with respect to the UNI/PdR 125:2022 standard.

Treedom proposes to achieve this goal during the next reporting year, leveraging the progress made recently to effectively address the certification process.

The organization also intends to develop a sustainability plan, aimed at strengthening the organization's ability to consciously and strategically face the main challenges related to relevant issues that emerged from the double materiality analysis. This tool will be fundamental for more effectively programming activities aimed at achieving the common benefit objectives described in this section of the Impact Report. The sustainability plan will define clear objectives, performance indicators and concrete actions, favoring an integrated vision between environmental, social and economic impact. Furthermore, the initiative aims to strengthen Treedom's strategic alignment with the United Nations 2030 Agenda, contributing transparently and measurably to achieving the Sustainable Development Goals (SDGs).

Through this commitment, Treedom intends to further consolidate its role as a regenerative enterprise, capable of creating shared value for all stakeholders and for the planet.

Target 2025: *Obtain* **certification on gender equality UNI/PdR 125:2022** *and develop a* **Sustainability Plan** *to be presented within the Impact Report 2025.*

3. Working Fair & Square

3.1 Treedom's New Governance

During the final months of fiscal year 2024, Treedom's governance underwent significant changes that led to a partial revision of strategies and organizational objectives for the near future. While maintaining the organization's intent to relaunch project growth and financial performance after the slowdown experienced since fiscal year 2022, this change was primarily realized through the redefinition of the executive structure and the entry of new key figures into the Board of Directors (BoD). As of 31/12/2024, Treedom's BoD is composed as follows:

- **Tommaso Speroni** - Founder, CEO and President of the BoD in office since 27/11/2024, previously board member since 2023;
- **Gabriele Sclopis** - in office since 2023;
- **Andrea Silvello** - in office since 2023;
- **Giovanni Moratti** - in office since 2023;
- **Silvia Romeo -** Chief Financial Officer (CFO) and BoD member since 27/11/2024.

Gender Diversity Ratio of the BoD: 0.25

The organizational chart of Treedom Srl SB as of December 31, 2024 is presented below:
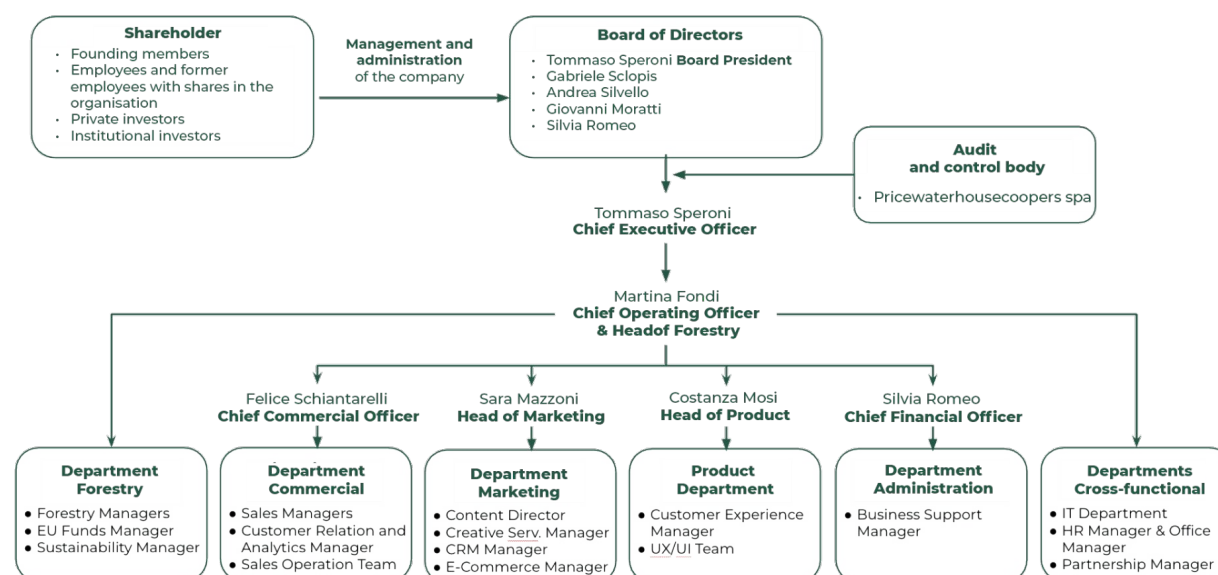
The new governance has undertaken a process of **renewing the organizational strategy**, aimed at fostering sustainable growth and strengthening market competitiveness. The guidelines of the new strategy focus particularly on developing medium-long term relationships with clients, to be pursued through innovation of the ways in which Treedom communicates what has been developed within the supported projects, both in terms of impact information and data, and in terms of immersiveness of the digital experience.

3.2 Ethics and Transparency in Business Relations

Treedom operates in contexts where trust, correctness, and ethics represent fundamental strategic aspects, both **to ensure the effectiveness of investments supporting tree planting projects**, and to enable the organization to develop healthy and **lasting relationships with its partners** that can sustain the generation of positive benefits for communities in the medium-long term. Treedom recognizes the importance of operating according to the highest ethical standards, promoting transparency as a guiding principle in its activities and in relationships with all stakeholders. All employees and representatives of Treedom are considered guardians of the company's commitment to ethical and responsible business behavior and conduct. The entire organization is committed to ensuring that these values are reflected in every aspect of its operations, from strategic choices to daily practices, contributing to building and consolidating long-term relationships based on integrity, responsibility, and mutual respect.

The economic-financial difficulties faced by Treedom during fiscal years 2023 and 2024 represented a very important testing ground for the proper management of these aspects by the organization. These challenges, although managed with a sense of responsibility and prospective vision, made it necessary to resort to temporary deferral of some payments to project and business partners with whom Treedom collaborates. The company, fully aware of the difficulties that such delays may have generated, wishes to express its gratitude for the understanding, trust, and willingness to dialogue shown by all subjects involved or impacted by such difficult strategic decisions.

This phase of complexity has strengthened the organization's determination to renew its commitment to sustainable and inclusive growth, oriented toward **strengthening economic solidity** and full **valorization of existing collaborations**. During fiscal year 2025, Treedom intends to cultivate and consolidate relationships with its partners, ensuring continuity and reliability in its ability to generate shared positive impacts through the new strategy, based on cutting organizational structure costs, seeking new development opportunities, and strengthening governance practices.

Already during 2024, Treedom has initiated a process of strengthening its policies and practices in the area of ethics and transparency, aimed at:

1. providing **greater informational clarity** to external stakeholders **regarding organizational performance**; and
2. developing **internal systems for planning and controlling financial performance.**

The publication of this document, in compliance with the information requirements of the Comprehensive module defined by the **voluntary VSME reporting standards**, represents an important step in pursuing the first objective. This is complemented by the work of **dialogue with project partners** and payment planning carried out regularly by forestry department representatives in collaboration with the administrative department.

The second objective has instead been pursued mainly through the implementation of **improvement initiatives in the management of payment** requests received by the administrative department. In particular, this consisted in the adoption of a Purchase Request system (RDA) that allows, on one hand, to correctly attribute the cost to the requesting function and, on the other, to adopt a financial perspective more suitable to support long-term strategic considerations. The implementation of the RDA system also enables Treedom to agree and define payment conditions more appropriate to the organization's actual ability to meet commitments made to its partners.

To ensure proper management of its payment processes, during 2024 Treedom has developed **guidelines aimed at governing the processing of all payments** destined to external stakeholders. In particular, these guidelines define that all payments must:

- be **provided for by a written contract signed** by both parties;
- be **authorized according to the dual control system** that provides for validation by the department head and by the administrative department;
- occur through **traceable banking channels** (e.g., wire transfers or certified platforms);
- be **justified by fiscal documentation** conforming to the expense request (e.g., invoices, transport documents, activity reports).

Within these guidelines, the following are also **prohibited:**

- cash payments above legal thresholds;
- fictitious or partial invoicing not corresponding to services rendered;
- compensation not consistent with market values or in the absence of a technical evaluation.

During fiscal year 2025, Treedom plans to integrate these aspects among the areas regulated by its code of ethics, favoring a general improvement by the organization in formalizing its processes and establishing control mechanisms that guarantee their quality. In this regard, the application of the **code of ethics** will be monitored by the Internal Control Body to be appointed soon, establishing that any violation thereof, whether perpetrated by internal or external stakeholders, will be subject to investigation and may result in the issuance of formal warnings or contractual sanctions, termination of the employment or commercial relationship with the stakeholder and, where necessary, reporting the violation to competent authorities.

Reports on corruption and/or money laundering	UdM	2023	2024
Reports on cases of corruption and/or money laundering	N.	0	0

Treedom adopts a rigorous and structured approach also in managing **data security**, with the objective of protecting personal and sensitive information of users, partners and stakeholders. The company has implemented advanced protection systems that include technical and organizational measures compliant with international standards in cyber-security, such as the General Data Protection Regulation (GDPR). Among the practices adopted are multi-factor authentication for system access, continuous monitoring of digital infrastructures and constant updating of security protocols. Through these actions, the company ensures a high level of reliability and transparency in information management, benefiting all subjects involved in the ordinary management of organizational processes.

Treedom plans to update practices, procedures and objectives related to data security management periodically, in accordance with future regulatory and contextual developments relevant to these aspects.

3.3 Relations with Public Administration

The improved formalization of control processes described in the previous paragraph will be equally fundamental in managing the relationships that Treedom maintains with public administrations, both in the planning and implementation phases of tree planting projects, and within initiatives co-financed by public entities in which Treedom participates. Since the early years of the organization's activity, Treedom has maintained relationships with public administrations aimed at fulfilling a dual function:

- at the **local level** in project areas, collaboration with local institutions, often of a public nature, has proven fundamental to ensure effective integration of tree planting activities into the socio-economic context of reference. This has, in several occasions, allowed Treedom and its project partners to effectively identify geographical areas and communities where the proposed initiative would have the best possibility of producing effective results in terms of benefits generated and permanence of plantings in the medium-long term;

- at the **organizational level** within Treedom's operations, collaboration with national and community public entities has represented a key element for accessing tenders and funding, which have contributed to co-financing some projects, generally characterized by the intent to provide development opportunities to small and medium enterprises (SMEs) or to develop and/or test innovative technologies or solutions that stand out for their beneficial environmental or social potential.

Regarding funding obtained from public administrations, below is a summary of the number of tenders won during the last two fiscal years and the revenue amounts they generated:

Tenders and funding obtained	UdM	2023	2024
Number of new public tenders won during the year	N.	2	0
Economic value of revenues generated through participation in public tenders	€	537.514	134.896

Below is a description of the main projects associated with tenders and/or public funding in which Treedom actively participated during fiscal years 2023 and 2024:

- **SIMEST FR** from September 2022 to September 2024 - aimed at promoting the integration of Italian companies in the French market. The project provides for opening foreign offices with dedicated local personnel;

- **SIMEST UK** from December 2022 to November 2024 - similarly to the tender described in the previous point, the funding aims to favor the integration of small and medium Italian enterprises in the UK market through opening foreign offices with dedicated local personnel;

- **AICS Kenya** from June 2021 to December 2023 - tender financed by the Italian Agency for Development Cooperation (AICS) within the Let's Green Kenya initiative. The tender provides for improvement of local nurseries and implementation of agroforestry activities in various areas of Kenya to strengthen the capacities of Treedom's partners in the country;

- **INNO4CFIs** from September 2023 to August 2028 - financed by the European Innovation Council and SMEs Executive Agency, the project is characterized by pursuing 2 strategic objectives:

  - promoting reforestation and agroforestation practices to increase CO_2 absorption while generating crucial environmental co-benefits such as sustainable freshwater production, restoration of arid lands and soil, and biodiversity promotion;

  - financing the development of highly innovative technologies promoted by SMEs, with particular attention to Carbon Farming practices;

- **Forests from Space** from July 2023 to May 2024 - tender financed by the European Space Agency (ESA) for conducting a feasibility study on the use of satellite images and data to improve monitoring of Treedom projects and the commercial use of such data to spread the use of Earth Observation data in various economic sectors;

- **Prato Urban Jungle** from September 2019 to August 2023 - tender financed by the European Regional Development Fund through the *Urban Innovative Actions* program. The Prato Urban Jungle project aimed to promote creative and visionary urban design to renaturalize Prato neighborhoods in a sustainable and socially inclusive way. To this end, "urban jungles" were developed in four specific areas of the city - high-density green areas, immersed in the urban structure, that multiply the natural capacity of plants to reduce pollutants, while restoring unused soil and space for community use, transforming marginal and declining areas into active green hubs.

3.4 Treedom Customer Satisfaction

Customer satisfaction represents a central and indispensable element for Treedom to realize its mission. It is indeed the customers – both private (B2C) and companies (B2B) – who make tree planting projects possible, contributing directly and continuously to achieving the environmental and social benefit objectives that the organization aims to reach. Through their support, customers become an integral part of a collective process aimed at ecosystem regeneration, supporting local communities and promoting a sustainable development model, also through raising awareness among their contacts on sustainability issues by gifting some of the purchased trees.

Aware of the strategic importance of these relationships, throughout the entire reporting fiscal year Treedom has worked to improve the satisfaction of its customers, both private and corporate, adopting an approach based on active listening and structured feedback collection. During the past year, the organization has launched initiatives aimed at responding more effectively to business needs and optimizing the user experience, seeking to **strengthen the sense of active participation in supporting projects** and ensuring **clear, coherent and transparent   communication.**

The   B2B   Market   -   Corporate   Clients

A particularly relevant role is played by **partner companies**, who **integrate Treedom projects within their sustainability and social responsibility strategies**. These collaborations not only guarantee a significant contribution in terms of resources and visibility, but also represent an effective vehicle for spreading a culture of sustainability through raising awareness among employees and anyone the client companies intend to involve through the assignment of digital trees.

During the reporting fiscal year, the value proposition for the B2B market has evolved seeking to give **greater prominence to the analysis and storytelling of impacts generated** through the realization of Treedom projects. With this transition, Treedom intends to shift the focus of its commercial proposal from the simple act of planting trees to the concrete benefits that the support of individual client organizations generates at environmental and social levels. In this way, Treedom intends to provide client companies with **new communication tools** to clearly and transparently tell their stakeholders about the positive impact of the Treedom projects they choose to support. Adopting this perspective, supporting projects represents for companies both an immediate solution to bring benefits to communities and territories where Treedom operates, and an effective communication tool that strengthens the perception of the organization as an entity capable of generating shared value, not only on the economic front, but also on environmental and social fronts.

To describe how the benefits generated by Treedom projects contribute concretely to achieving global sustainability objectives, various impact areas have been identified, based on the United Nations **Sustainable Development Goals (SDGs)**. Each agroforestry project has been analyzed in terms of its contribution to these areas, based on the distinctive characteristics of the initiative, measurable primary data and estimates made by processing information from **authoritative international sources** (secondary data) such as the Food and Agriculture Organization of the United Nations (FAO), the IUCN Red List index of endangered species and the World Agroforestry database of scientific studies in agroforestry. Treedom has therefore grouped projects over time into subscription packages particularly effective in supporting the following impact areas:

For each project, **quantitative and qualitative metrics** have been identified that allow effective description of the benefit generated by the project in reference to the impact areas for which it has been considered relevant. This approach enables client companies to enhance and communicate the environmental and social progress promoted over time thanks to their support for Treedom projects.

This transition in storytelling from the concept of tree to the concept of generated impacts has not only influenced how Treedom proposes organizations to support its projects, but has also led to notable progress in the ways through which trees planted by client companies in previous fiscal years are valued. During 2024, Treedom has in fact developed the Company Report, a document customized based on the trees that the individual client organization has contributed to planting, which provides an overview of the company's historical support for Treedom projects and detailed information on the impacts that have resulted. **The Company Report** contains information relating to the geographical areas supported, the scientific species of trees planted and the social and environmental benefits produced through such plantings. In particular, the document presents the impact generated by the company focusing on the following aspects:

Impacts analyzed in the Company Report	Impact metrics presented
Biodiversity	• Name and number of scientific species planted • Number of endangered trees planted; • Estimate of project area renaturalized.
Climate	• Estimate of CO2 that trees will absorb in their first 10 years of life.
Marine life protection	• Number of mangroves planted.
Economic development	• Estimate of income generated by beneficiaries through sale of fruits of scientific species considered "revenue-generating": cocoa, coffee, avocado and cashew.
Food security	• Estimate of fruit production of scientific species considered for "self-consumption": all species that produce fruit except for the 4 scientific species considered "revenue-generating".

These efforts aim to increase transparency through which Treedom tells companies about the projects it supports, going beyond sharing geo-referenced photos, which have been the cornerstone element of the organization since its origins, to share information that describes project realities in a more complex and complete way. This provides Treedom's client companies with clear and immediate communication tools, while at the same time being transparent, to communicate the positive impacts they contribute to generating.

These solutions represent only the beginning of the evolution path undertaken by Treedom to elevate its impact measurement and reporting processes associated with planting projects. Already during fiscal year 2025, in fact, Treedom will start initiatives to expand and refine project reporting activities.

As anticipated in the first chapter, parallel to the progress achieved in its core business, during 2024 Treedom has integrated its offering to companies with a series of complementary products and services. These aim to allow Treedom to respond promptly to the constant changes that characterize this historical phase of development of the competitive and regulatory context in the field of organizational sustainability. In particular, thanks to partnerships established with third-party companies, starting from the reporting fiscal year, Treedom has enriched its offering to client companies with the following services:

- **support for other environmental and social sustainability** initiatives promoted by third-party organizations such as **AIRC** for cancer research and **PlasticFree** for the protection of coastal ecosystems, through the allocation of revenues derived from the sale of limited edition trees dedicated to individual initiatives;

- **sale of physical products** connected to Treedom trees such as **Doña Lucero Coffee**, derived from the planting project coordinated by AMKA in Guatemala in the department of Petatán and roasted by partner companies of CSC – Certified Specialty Coffee, or the **B-Corp Green Box**, a gift box containing food items produced by Italian B-Corp companies;
- **development of local projects** through crowdfunding activities coordinated by **PlanBee**, a company 80% controlled by Treedom;
- **consulting support in organizational sustainability** in collaboration with **Up2You** to accompany client companies in organizational carbon footprint calculation processes for events, certification according to environmental ISO standards (e.g., ISO 14001, ISO 14064, etc.) and sustainability reporting, both voluntary and mandatory;
- **CO_2 emission compensation** through the offer of **Gold Standard certified carbon credits** issued by CarbonSink;
- **team building activities** through partnerships with **Outbe and PlasticFree.**

The addition of these products and services to the company offering has allowed Treedom to generate new commercial opportunities and partially compensate for the decline in the number of companies interested in supporting its core business:

New Services Offered to Companies	UdM	2023	2024
Number of opportunities generated	N.	N/A[3]	216
Number of opportunities won	N.	N/A[3]	42
Percentage of opportunities won	**%**	**N/A[3]**	**19,44**

The following table shows data relating to the number of client companies and revenues, broken down by type of product and/or service sold:

Composition of Treedom's B2B Market	UdM	2023	2024
N. of client companies that supported Treedom projects	N.	592	257
N. of client companies that supported other planting-related initiatives	N.	N/A[3]	31
N. of client companies that supported local projects through Treedom	N.	N/A[3]	1
N. of client companies for physical product purchases	N.	N/A[3]	74
N. of client companies for consulting services purchases	N.	N/A[3]	8
N. of client companies for carbon credit purchases	N.	N/A[3]	2
N. of client companies for team building services purchases	N.	N/A[3]	7
Total client companies	**N.**	**592**	**380**

[3] New complementary services to the core business were not yet activated during 2023
[4] The total differs from the sum of subtotals since companies that purchased more than one service were counted uniquely, thus avoiding double counting errors.

Composition of Treedom's B2B Revenues	UdM	2023	2024
Revenue from Treedom project support sales	%	100,0	90,0
Revenue from other planting-related initiative support sales	%	N/A[3]	0,5
Revenue from local project support sales through Treedom	%	N/A[3]	0,1
Revenue from physical product sales	%	N/A[3]	3,1
Revenue from consulting services sales	%	N/A[3]	4,0
Revenue from carbon credit sales	%	N/A[3]	0,3
Revenue from team building services sales	%	N/A[3]	2,0
Total B2B Revenue	**%**	**100,0**	**100,0**

Most of the sales volume towards the B2B market is managed by the commercial team, including services provided by partner organizations. A minor portion of B2B revenue is realized **directly through the website channel**, within which organizations have the ability to purchase a predetermined amount of trees by selecting the most suitable option for their needs among the available packages. During the year, the service dedicated to the **B2B online** segment was also improved through the introduction of a new dashboard within the company's reserved area, which offers a complete overview of the main company profile data, including a list of active services and impacts generated by the trees the organization has contributed to planting.

The sales processes for Treedom project trees and services provided by third parties are regulated by an internal policy called **Sales Manual**. Within this document, the necessary steps to validate communications that client companies make regarding their support for Treedom projects are also regulated, paying particular attention to communications related to estimated CO2 absorption for purchased trees, which cannot be used for compensation or carbon neutrality declarations. To validate client declarations, the Sales Manual requires the commercial manager to request authorization from the forestry department, which will evaluate whether to approve or modify the declaration to ensure criteria of truthfulness, correctness, and transparency.

In future fiscal years, Treedom intends to return to valorizing its core business more, striving to calibrate its commercial offering towards companies more effectively, recognizing their growing maturity in organizational sustainability. Treedom, moreover, based on feedback collected from the market, will commit to better valorizing the value associated with project support and the digital experience offered to respond more effectively to the needs of the various professional figures with whom the commercial team interfaces, carefully monitoring progress related to organizational client satisfaction and the effectiveness of its value proposition towards the B2B market.

The B2C Market - Private Clients

During 2024, Treedom significantly renewed its offering towards private clients, who have always been the beating heart of the community and largely responsible for organizational growth in recent fiscal years.

The most significant novelty concerns the activation of the new reserved area for clients called **MyTreedom**. This platform has allowed Treedom to transform the private user experience, separating it from the showcase site dedicated to viewing and purchasing trees. MyTreedom was developed to improve long-term relationships with users, responding to their requests and creating a new "digital habitat" for people who have chosen to plant a tree with Treedom or received one as a gift. The new reserved area aims to improve the post-sale experience, offering a more intuitive interface rich in information. All pages of the personal area have been redesigned, including tree details, gift management, and personal profile section. The experience has been enriched with new formats such as videos, infographics, quizzes, and informational pills, which stimulate interaction through comments and likes, while near real-time notifications keep users updated on developments and reactions to posts.

Through MyTreedom, **Treedom's Content team** shares with users a social feed dedicated to sustainability themes, which aims to share stories and reflections both on positive impacts generated by planting projects and on environmental and social criticalities regularly faced by communities living in the territories where we operate. MyTreedom's new technical infrastructure allows content sharing quickly, personalized and on a large scale, thanks to an advanced customization system that allows activating diversified feeds based on supported projects and trees planted by individual users. It is now possible to plan targeted upselling strategies for each user profile, feeding different feed strategies that allow responding more focused to perceived interests from certain user subgroups.

A further novelty introduced during 2024 for private clients concerns the launch of the **Treedom App**, connected precisely to the new MyTreedom platform, which allows users to access their trees as well as content connected to them quickly and usably even from mobile devices.

An important part of the service offered to private clients concerns support provided by the **Customer Care** office, constantly available to users who have decided to plant or give trees within the Treedom platform. The team handles taking charge, managing and resolving complaints and support requests opened by users, aiming to offer a service that is always ready and competent, to guarantee a purchase, navigation, and enjoyment experience of trees and Treedom digital forests without hitches and consistent with the high standards we aspire to. Below we report an overview of the main complaints received from private users and resolved during 2023 and 2024:

B2C Complaints Composition	UdM	2023	2024
Complaints for technical bugs	N.	693	620
Complaints for issues related to tree gift process	N.	536	444
Complaints for profile management	N.	412	347
Complaints for issues related to tree redemption process	N.	383	318
Complaints for billing, payment, refund	N.	487	281
Complaints for forest management	N.	220	240
Complaints for post-purchase content provided	N.	309	228
Complaints for post-purchase tree management	N.	154	225
Complaints for information requested about projects	N.	174	178
Complaints for subscriptions	N.	100	67
Total complaints	**N.**	**3.468**	**2.948**

Treedom adopts a refund policy, defined within the Terms and Conditions documentation that regulates every transaction within the e-commerce. Private Treedom users have the right to withdraw from the contract without penalties and without having to specify the reason within 14 days from the conclusion of the transaction. Should the user have consented to early contract execution, they may exercise the right of withdrawal, with possible payment of an amount proportional to the service already provided. Withdrawal can be requested directly from the customer care team by calling the switchboard or writing to **info@treedom.net.** The Product and Customer Care team of Treedom constantly monitor private user satisfaction through updating a mix of external ratings and internal metrics:

B2C Client Satisfaction	2023	2024
Trustpilot Rating	4,3 / 5,0	4,5 / 5,0
Google Rating	4,8 / 5,0	4,8 / 5,0
Website Chat Rating (CSAT)	5,0 / 5,0	5,0 / 5,0
Conversion Rate Gift flow	61,00%	79,90%
Funnel page view news/tree diary to interaction	5,20%	11,40%
Conversion Rate Redeem flow	52,00%	62,70%
B2C Revenue (.000€)	**1.835**	**1.333**

The satisfaction of Treedom's private users, however, depends primarily on the organization's ability to capture and stimulate their interest. This aspect represents an element of high importance in Treedom's intent to raise funds for maintaining planting projects. To this end, Treedom's marketing and communication strategy consists of a mix of content developed internally and others derived from collaborations with personalities and projects of relevance in the social media sphere.

During 2024, Treedom activated approximately **thirty collaborations with social media talent**, with interventions characterized by different target audiences, styles, and communication objectives. Commercial activations, linked to the intent of attracting users within the e-commerce, were indeed accompanied by communication campaigns aimed at generating brand awareness and sharing the values that guide Treedom's work. Among the former, activities of product seeding with influencers for specific events such as Valentine's Day, Christmas, or Milan Design Week stand out in particular. Among the activations oriented towards brand awareness, instead, the most prominent interventions were:

- **the trip to Malawi with Giuseppe from Progetto Happiness** for the creation of ad hoc content on all the talent's channels and release of a documentary video on the supported project;
- **the project with YouTuber Alessandro Masala "Breaking Italy"**: 6 episodes of his podcast live at Teatro dal Verme in Milan, also published online on the talent's YouTube channel;
- the launch of collaboration with **Rifò**, with the sending of the **"HOME" t-shirt** to influencers interested in promoting support for Treedom projects.

Talent Activation Campaigns [5]	UdM	2024
Number of talent activations	N.	30
Activation spending	.000€	63
Estimated revenue generated from activations[6]	.000€	54
Social media community[7]	N.	>3.331.000

Communications managed directly by the marketing department, starting from March 2024, are planned through the definition of an **editorial calendar** oriented both to **educating** followers of Instagram, Facebook, and LinkedIn channels about the importance of certain aspects of Treedom's activity, and to **communicating the main innovations** in content offerings and the possibility of supporting planting projects. Furthermore, since October 2024, the Treedom team has been enriched with the hiring of a specialist figure dedicated to social media management.

[5] The 2023 data is not reported for these metrics due to the lack of availability of complete information for the processing of KPIs.

[6] Estimate generated by Treedom's marketing campaign monitoring system, Cassandra.

[7] The data provided refers to Instagram and YouTube followers of Treedom channels, social media where the organisation has the largest following.

This innovation has favored a renewal of Treedom's editorial strategy for social channels, in order to expand the number of active channels and define a stable content program (e.g., composed of columns and formats), suitable for supporting a renewal of language and strengthening ties with social communities and with users who have planted trees in the past.

During the year, several partnership activities were also developed that allowed Treedom to be visible on some public segments, typically less attended by the organization, without sponsorship costs or simply in exchange for free plantings in favor of the partner in exchange for visibility. Among the most relevant partnerships, we highlight:

- collaborations with **AIRC, Plastic Free and Rifò**;
- **presence in cinemas** as launch partner for the films Garfield by 20th Century Studios and Wild Robot by Universal;
- campaigns in the context of **sporting events** such as the 2024 European Football Championships, the 6 Nations tournament and the ATP Finals Turin.

Looking ahead, Treedom intends to continue evolving the way it communicates the reality of local contexts to make the narrative of real benefits generated through project financing increasingly immersive, effective, and reliable. This commitment also aims to respond punctually to requests and feedback received from customers over the years.

4. Trees That Help People

4.1 The Treedom Team

At Treedom, people represent the beating heart of the organization. Treedom's mission, oriented towards environmental and social sustainability, cannot ignore the **well-being, motivation,** and **enhancement of people** who contribute to achieving it every day. The organization firmly believes that a positive and inclusive work environment not only favors personal and professional growth but also amplifies the positive impact of Treedom's activities on the territory and the communities involved. Human capital is indeed considered a fundamental strategic aspect, guardian of the values that have guided Treedom since its foundation but, at the same time, an engine for sustaining innovation and Treedom's ability to generate shared value in a resilient way. Attention to employees therefore translates into concrete actions that aim to create a more **equitable, stimulating and safe** workplace, where everyone can feel an integral part of achieving the common benefit objectives that the organization pursues.

Treedom Workforce (Employee Workers)	UdM	2023	2024
Headcount at 31/12	N.	62,0	51,0
Full Time Equivalent at 31/12	N.	60,6	49,1

All employees of the organization are covered by contracts subject to Commerce collective bargaining agreements (CCNL Tertiary, Distribution and Services), with almost all covered by a **permanent and full-time contract.** Below is a detailed breakdown of the composition of Treedom's workforce in headcount as of 12/31 of the reference years.

Worker Classification	UdM	2023			2024		
		Women	Men	Total	Women	Men	Total
Permanent Contract	N.	27	35	**62**	23	27	**50**
Fixed-term Contract	N.	0	0	**0**	1	0	**1**
Full Time	N.	26	33	**59**	22	25	**47**
Part Time	N.	1	2	**3**	2	2	**4**
Total Employee Workers	**N.**	**27**	**35**	**62**	**24**	**27**	**51**
Freelancers	N.	0	0	**0**	0	0	**0**
Temporary Workers	N.	0	0	**0**	0	0	**0**
Interns	N.	0	2	**2**	0	2	**2**
Total Non-Employee Workers	**N.**	**0**	**2**	**2**	**0**	**2**	**2**

In order to monitor and encourage the satisfaction of its employees, Treedom periodically organizes sessions dedicated to **performance evaluation** by the direct supervisor and discussion regarding the development path envisioned for the individual worker. Currently, this process is not coordinated and programmed centrally for all departments of the organization and is therefore conducted only by department heads who deem it appropriate. Over the coming fiscal years, Treedom commits to spreading this practice to involve all employees.

Individual Performance Reviews	UdM	2023			2024		
		Women	Men	Total	Women	Men	Total
Employees involved in individual performance reviews	N.	7,00	9,00	**16,00**	**5,00**	**1,00**	**6,00**
Percentage relative to total employees	%	**25,93**	**25,71**	**25,81**	**20,83**	**3,70**	**11,76**

During the fiscal year under reporting, the size of the Treedom team has slightly reduced. In particular, the main departments affected by this higher turnover were the sales team and the IT team. However, these teams were also the departments with the highest number of new hires, contributing to a **partial rotation of staff**, expected in a year of governance and organizational strategy transformation such as 2024.

Turnover [8]	UdM	2023			2024		
		Women	Men	Total	Women	Men	Total
New hires	N.	2,00	2,00	**4,00**	6,00	5,00	**11,00**
Departures	N.	10,00	11,00	**21,00**	11,00	11,00	**22,00**
Hiring rate	%	**6,25**	**5,00**	**5,56**	**23,53**	**16,13**	**19,47**
Negative turnover	%	**31,25**	**27,50**	**29,17**	**43,14**	**35,48**	**38,94**

Treedom is committed to promoting employee well-being and work-life balance, mainly through creating a **healthy, convivial and positive work environment** and the widespread adoption of **smart working** practices. Smart working is regulated by a general framework agreement and individual agreements. Everyone has access to hybrid work mode and the majority of employees have the possibility to work 70% of the time remotely and 30% in the office, on a monthly basis.

[8] The turnover figure was calculated as the percentage of new hires (recruitment rate) and departures (negative turnover) during the year compared to the average number of employees at the beginning and end of the year.

Additionally, employees are normally granted **flexible hours** to fulfill family commitments that cannot be postponed to non-working hours and the possibility to enjoy a free Friday afternoon per month (so-called **short Friday**) as extra paid leave from the company.

The company aims to guarantee high levels of **health and safety** in the workplace, considering these aspects as essential and priority responsibilities. Treedom, in fact, in compliance with current regulations on the matter, adopts a preventive approach to risk management, implementing updated protocols, periodic evaluations of operational conditions and, when deemed appropriate, improvement interventions on environments and equipment. In managing these aspects, Treedom promotes a safety culture based on collective responsibility, in the awareness that a protected and well-maintained environment is the prerequisite for building a positive and stimulating climate for anyone who experiences it.

Workplace Injuries	UdM	2023	2024
Number of injuries	N.	0	1
Number of occupational diseases	N.	0	0
Number of deaths	N.	0	0
Number of hours worked	h	121.714	100.120
Injury rate [9]	**N./h**	**0,000**	**1,998**

During fiscal year 2023, none of the employees suffered injuries. During 2024, one injury occurred, of minor severity resulting from an accidental stumble, difficult to prevent.

The organization promotes an extended conception of health, which goes beyond the simple objective of minimizing risks of illness and/or injury to also and above all consider the overall psycho-physical well-being of the person.

To this end, Treedom invests in **corporate welfare programs,** providing its employees with a **welfare bonus** spendable within an online platform connected to various services dedicated to health, leisure, and personal well-being (gym, psychotherapy services, travel, personal and family care). Furthermore, the organization promotes the adoption of **healthy lifestyles**, through maintaining an on-site canteen, constantly supplied also with vegetarian alternatives, and daily supply of fresh fruit, bread, and focaccia, always available in the kitchen accessible at any time of day to both employee and non-employee workers.

[9] Injury rate calculated as ("Number of accidents"/"Total hours worked")*200,000

4.2 Diversity, Equity and Inclusion (DEI)

At Treedom, since its foundation, diversity has been perceived as a resource that broadens perspectives and enriches organizational thinking. The company is committed to promoting an **inclusive environment**, where every person feels welcomed, respected and valued, regardless of gender, age, geographical origin, sexual orientation, religious belief, physical or cognitive abilities, or other personal characteristics.

In an organizational context of contained dimensions like Treedom's, the principles of **diversity, equity and inclusion** do not necessarily translate into complex structures or formalized programs, but into a daily and concrete commitment, founded on **values deeply rooted in company culture**. The organization believes that every person brings with them a unique vision, and that the plurality of backgrounds, experiences and sensibilities is a value to be preserved and cultivated. Treedom promotes an environment where respect, listening and the valorization of differences constitute essential elements of working life. **Equity is understood as attention to individual specificities and as a guarantee of equal opportunities** for access, growth and recognition.

In the absence of dedicated formal structures, which the organization commits to developing over the coming fiscal years, it is the widespread culture of inclusion that represents the main tool for preventing discriminatory behavior and fostering team cohesion. Daily practices – from transparency in decision-making processes to attention to language and active participation – thus become levers for equitable management of internal relations. Treedom is also committed to cultivating leadership based on listening and social responsibility, recognizing that inclusivity is built through the behavior of each member of the organization.

Board Composition	UdM	2023			2024		
		Women	Men	Total	Women	Men	Total
Board Members	N.	0	5	5	1	4	5
Women/Men Ratio in Board	**-**	**0,00**			**0,25**		

Workforce composition by employment level	UdM	2023			2024		
		Women	Men	Total	Women	Men	Total
Executives	N.	0	1	**1**	2	1	**3**
Middle Management	N.	3	3	**6**	4	2	**6**
Employees	N.	24	31	**55**	18	24	**42**
Total Employees	**N.**	**27**	**35**	**62**	**24**	**27**	**51**
Women/Men Ratio at Management Level	**-**	**0,75**			**2,00**		

[10] Considering middle managers and executives.

Treedom aims to guarantee its employees a remuneration that allows people to satisfy their economic needs, develop their life projects and feel valued in their daily contribution. The construction of clear professional paths and consistent with economic recognition represents an additional tool for strengthening the sense of equity and motivation. Through continuous monitoring of salary dynamics, the organization commits to preventing inequalities and ensuring that every person is recognized in their professional and economic dignity.

All employee workers of the organization receive a salary higher than the minimum defined by the applicable CCNL. Below is an overview of average salaries by job classification and gender, through the **Gender Pay Gap** metric.[11]

Gender Pay Gap	UdM	2023	2024
Executives	-	0,00	0,61
Middle Management	-	0,96	1,01
Employees	-	0,88	0,92
Total Gender Pay Gap	**-**	**0,84**	**1,02**

The Gender Pay Gap metric shows a significant improvement in salary equity between genders within the company. In particular, the main gap detected during 2023, associated with the lack of female executives, has been partially addressed with the insertion of two women in executive positions. Nevertheless, a significant difference in average remuneration persists at this level. Regarding remunerations received by lower classification levels, instead, Treedom detects a good level of **proximity to gender pay parity**, with room for improvement identifiable at the employee level but still showing significant improvement compared to the previous fiscal year.

[11] Calculated as the average salary of female employees divided by the average salary of male employees.

4.3 Local Communities and Human Rights

Local communities represent the first and most important beneficiaries of Treedom's work and that of its project partners. Every intervention promoted by the organization originates from the awareness that **environmental sustainability cannot be separated from social sustainability.** It is in this perspective that Treedom collaborates with local actors, agricultural cooperatives, associations and non-governmental organizations, with the objective of generating shared value in the territories where agroforestry projects are implemented.

Project Partners	UdM	2023	2024
Active partners: partners with whom plantings were carried out during the fiscal year[12]	N.	26	15
of which activated during the fiscal year	N.	0	1
All-time project partners as of 12/31	**N.**	**65**	**66**

Treedom identifies and selects project partners with whom to implement planting projects by analyzing funding proposals received through the proposal format available within the organizational website (so-called **Project Idea Note - PIN**). In the PIN, preliminary and general information is provided regarding the project intended to be implemented. This information includes the geographical area affected by planting activities, the proposed tree and/or shrub species, the local communities expected to be involved and the expected benefits for the latter. The document represents an essential tool for an initial evaluation of project coherence with the principles of environmental and social sustainability that guide Treedom's work.

The forestry department is responsible for analyzing and selecting project proposals, with the objective of identifying those capable of generating concrete and lasting benefits for local communities. This process is not limited to passive evaluation, but includes an **active dialogue between forestry department representatives and project partners.** During this phase, possible improvements to the initial proposal are discussed and evaluated, particularly regarding the suitability of selected areas, proposed agronomic practices and the choice of plant species.

The objective is to ensure that interventions are not only **ecologically sustainable, but also socially relevant**. The selection of species, for example, takes into account both the capacity for adaptation to local ecosystems and the potential to generate economic and nutritional benefits for the communities involved. In this way, Treedom commits to promoting projects that integrate environmental protection with socio-economic development, in a medium-long term perspective.

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[12] Calculated as the gender pay gap between average female and male salaries weighted by the number of employees belonging to each job classification level.

The organization recognizes the **central role of communities** not only as recipients of activities, but as **co-protagonists of change**. Through the work of local project partners, Treedom commits to directly involving beneficiaries of local communities in the phases of distribution, planting, care and monitoring of trees with the intent of **fostering the development of local skills, promoting economic autonomy and valorizing traditional knowledge.** Trees and their fruits are owned by farmers, allowing them to diversify and supplement their income and in some cases to **start microentrepreneurship initiatives**. In this way, the positive impact is not limited to the environment, but extends to the social and economic dimension, contributing to food security, income creation and strengthening of the community fabric.

Social Benefits for Local Communities	UdM	2023	2024
Number of trees planted during the fiscal year[13]	N.	162.239	43.318
Estimated fruit produced annually by trees planted during the year (for self-consumption + sale)[14]	Tons/year	1.157	1.186
Estimated revenue generated from sale of fruit produced by trees planted during the year	**€/year**	**159.077**	**108.631**

The table data shows how, despite the number of trees planted during 2024 falling significantly, a greater portion of these were fruit trees for self-consumption (particularly relevant the growth of mangoes planted in Malawi) precisely to maximize positive social impact for the benefit of communities.

Treedom is aware of potential risks related to working in complex and diversified contexts. Among these are dynamics of social exclusion, conflicts over land use or difficulties in ensuring equitable distribution of benefits. For this reason, in the selection of project partners and contexts in which it chooses to operate, the organization pays particular attention to **respect for human rights**, considering it an indispensable guiding principle.

Within its own ethical code, Treedom formalizes its commitment to acting as a spokesperson for the protection of human rights, children's rights and the fight against child labor and forced labor in the communities with which it collaborates. Project financing also represents a tool of inclusion, as it is carried out with the declared purpose of triggering a process of **social empowerment** among participants and the population. Respect for human rights and strengthening of local communities therefore represent fundamental pillars of Treedom's impact strategy, which sees social sustainability as an indispensable condition for the success and legitimacy of its activities.

At the date of preparation of this document, the organization has not detected any case of human rights violations within funded projects, nor has it received reports regarding similar episodes through the dedicated **whistleblowing channel**, available within the organizational website.

5. Regenerate, One Tree at a Time

5.1 Treedom and Climate Impact

Climate change represents one of the most urgent and complex challenges of our time. The progressive increase in global temperatures, the intensification of extreme weather events, the loss of biodiversity and the alteration of ecosystem balances put at risk people's well-being, food and water security, public health and the stability of natural systems. Through its work, financing tree planting and promoting sustainable agroforestry systems, Treedom proposes itself as an active actor in **combating the complex challenge represented by global warming**.

Agroforestry, if planned and implemented with respect for local ecological and social dynamics, can represent an important strategic lever both for **mitigation and adaptation to climate change**. Trees play a fundamental role in regulating microclimate, improving soil quality, increasing functional biodiversity and contributing to the food security of rural communities. Projects promoted by Treedom are conceived to integrate environmental objectives with social ones, generating **benefits that go beyond CO_2 absorption**: they strengthen community resilience, promote empowerment of small farmers and stimulate regenerative agricultural practices. In this way, Treedom seeks to make its contribution, combining the fight against climate change with sustainable development and environmental justice.

However, the organization is aware that its own activities also generate negative environmental impacts, and in particular climate-altering ones, which need to be reported, monitored and reduced over time. **Greenhouse gas emissions** associated directly with business operations, as well as indirect ones along the value chain, represent an aspect that cannot and must not be ignored to evaluate the effectiveness of the company's planting initiatives in terms of potential for global warming mitigation. Treedom commits to systematic measurement of its greenhouse gas emissions, starting from the present fiscal year with the calculation of direct and indirect emissions from purchased electricity consumption (so-called **Scope 1 and 2**). Over the coming fiscal years, the organization also intends to commit to identifying the main emission sources of its value chain (so-called **Scope 3**) and defining mitigation strategies that allow it to gradually reduce the negative climate externalities associated with its operations.

Energy Consumption and Emissions	UdM	2023	2024
Natural Gas for heating and cooking	MWh	31,03	33,83
Gasoline[16]	MWh	2,43	1,89
Diesel	MWh	0,00	0,00
Direct consumption of fossil fuels	**MWh[17]**	**33,45**	**35,75**
Electricity purchased from renewable sources	MWh	0,00	0,00
Electricity purchased from non-renewable sources	MWh	20,68	15,67
Electricity self-produced from renewable sources	MWh	0,00	0,00
Electricity self-produced from non-renewable sources	MWh	0,00	0,00
Total electricity consumption	**MWh**	**20,68**	**15,67**
Total energy consumption	**MWh**	**54,13**	**51,50**
Scope 1 Emissions[18]	$TonCO_{2eq}$	6,21	6,61
Scope 2 Location-based Emissions[19]	$TonCO_{2eq}$	5,66	4,32
Scope 2 Market-based Emissions[19]	$TonCO_{2eq}$	10,35	7,90
Total Emissions (Scope 1 + Scope 2 Market-based)	**$TonCO_{2eq}$**	**16,56**	**14,51**

During fiscal year 2024, Treedom has not implemented new solutions aimed at reducing direct and indirect emissions from electricity purchases. The **12.40% decrease** registered between the two reported years is attributable to a **reduction in the number of employees and a consequent decrease in consumption,** particularly electricity consumption. However, it is essential to consider Treedom's energy consumption and related climate-altering emissions in relation to its capacity to generate value during the year in order to put the emerging absolute reductions into perspective. Therefore, data on Treedom's energy and emission intensity is reported below, with reference to revenue generated during the year.

Energy and Emission Intensity	UdM	2023	2024
Revenue	Mln€	6,24	4,72
Energy intensity on revenue	**MWh/Mln€**	**8,68**	**10,91**
Emission intensity on revenue (considering Scope 1 + Scope 2 - Market-based)	**$TonCO_{2eq}$ / Mln €**	**2,65**	**3,07**

[16] Petrol consumption associated with refuelling the only car in the company's fleet.

[17] Consumption conversions to MWh were made using density and calorific value conversion factors provided by the UK Government GHG Conversion Factors for Company Reporting 2024.

[18] Emissions factors provided by UK Government GHG Conversion Factors for Company Reporting 2024 were used.

[19] Emissions factors provided by European Residual Mixes 2024, AIB - Production Mix Factors for the calculation of Scope 2 Location-based and Residual Mix factors for the calculation of Scope 2 Market-based were used.

The increase in energy and emission intensity reflects the need to adopt more decisive initiatives also within operations carried out directly at the organizational headquarters in order to reduce Treedom's dependence on fossil sources.

A distinctive and central element of Treedom's climate strategy lies in the capacity of planted trees to **absorb atmospheric CO_2** during their life cycle. Carbon sequestration by plant biomass and soil represents a natural process with relevant environmental value, especially within an agroforestry planting system that guarantees higher survival rates and long-term permanence of trees.

Although the organization does not propose tree planting as the only or ultimate solution to the climate crisis, it believes that this activity, if integrated into a systemic approach, can offer a concrete and measurable contribution. Trees not only remove CO_2 from the atmosphere, but improve air quality, combat soil erosion, increase local biodiversity and favor social cohesion. For this reason, Treedom considers its action as a small part of a broader mosaic of **nature-based climate solutions**, oriented towards creating shared value between people and the environment.

Estimated Tree Absorption	UdM	2023	2024
Number of trees planted[13]	N.	162.239	43.318
Estimated absorption for the first 10 years of life of these trees	**TonCO$_2$**	**38.726**	**10.296**

Treedom applies internationally recognized methodologies to estimate CO_2 absorption generated by its projects, taking into account the ecological, climatic and agronomic specificities of operational contexts. Such evaluations are conducted with scientific rigor and in line with the principles of conservativeness, transparency and verifiability. In particular, the study on absorption capacities of trees planted by Treedom was carried out in collaboration with the **State University of Milan Studies.** The study consisted of collecting and harmonizing scientific studies on **allometric equations** of scientific species planted by Treedom worldwide, estimating the average biomass of various tree species at their state of maturity at 10 years of life.

[20] Allometric equations are mathematical equations that describe the relationship between different dimensions of a tree, such as diameter, height and volume. They are widely used in forestry to estimate the total biomass of trees based on easily measurable parameters.

Global warming also constitutes a **financial risk related to managing supported agroforestry projects** for Treedom. Physical climate risks connected to climate change, in fact, represent one of the main challenges for the permanence of trees planted by Treedom, particularly in the initial phases of the project, immediately following the planting of tree elements. Rising temperatures, intensifying periods of drought and desertification phenomena constitute critical factors that can compromise the survival of seedlings, reducing their capacity for rooting and development. These extreme phenomena affect both water availability and pedoclimatic conditions, with differentiated effects based on tree species and ecological contexts in which Treedom intervenes.

To address these risks, Treedom's forestry department operates in collaboration with local partners, providing them with **technical consultancy for maintaining the health of planted trees**. Activities carried out by project partners include monitoring meteorological events and preparing targeted adaptation measures, such as temporary shading of seedlings, mulching for soil moisture conservation, or the use of emergency irrigation techniques, where deemed necessary. Furthermore, systematic evaluation of early mortality and activation of **substitution interventions** is envisioned to guarantee project maintenance in the long term and generation of expected benefits.

Beyond being subject to climate risks, trees planted within Treedom projects play an **active role in adapting territories and communities involved to negative effects** associated with global warming. Plantings contribute, in fact, to recovering fertility of degraded soils, favor rainwater infiltration and reduction of erosion and hydrogeological instability risk. Furthermore, tree coverage increases resilience of agricultural territories, improves local microclimate and supports food security of local communities. In this way, trees not only undergo the consequences of climate change, but also become essential tools for actively addressing it.

5.2 Planting Trees to Protect Biodiversity

A fundamental aspect in planning Treedom projects is represented by **protection and restoration of local biodiversity** in intervention areas. The organization considers, in fact, biodiversity a key element for maintaining ecological balances and for the resilience of local ecosystems. Rich diversity of plant species favors environmental stability, supports soil productivity, guarantees habitats for fauna and contributes to regulation of hydrological and biogeochemical cycles.

Treedom's Forestry Department is committed to developing **forest plans adapted to the ecological and socio-economic specificities** of territories and communities involved, promoting multifunctional and sustainable agroforestry. Each project provides for the selection of a species mix that includes primarily **native species,** capable of simultaneously responding to environmental recovery needs and agricultural needs of local populations. Through this approach, Treedom valorizes agroforestry systems that combine reforestation with food production, economic security and ecosystem conservation.

Some species planted within Treedom projects fall within the **IUCN Red List** of endangered species, actively contributing to their in-situ conservation. Specific interventions, such as mangrove planting in coastal contexts, are not aimed exclusively at environmental recovery, but are inserted within forest systems designed to strengthen protection of coastal areas, improve artisanal fishing, reduce erosive phenomena and support local livelihoods.

Scientific Species Planted	UdM	2023	2024
Number of scientific species planted [13]	**N. species**	**70**	**52**
Number of species planted considered at risk of extinction by IUCN Red List Index [21]	**N. species**	**6**	**7**
Coffea arabica - **EN: Endangered**	N. species	45.490	4.439
Swietenia macrophylla - **EN: Endangered**	N. species	612	284
Cinnamomum verum - **VU: Vulnerable**	N. species	0	3.223
Macadamia integrifolia - **VU: Vulnerable**	N. species	498	541
Garcinia kola - **VU: Vulnerable**	N. species	0	64
Cedrela odorata - **VU: Vulnerable**	N. species	2.056	10
Afzelia africana- **VU: Vulnerable**	N. species	0	2
Jacaranda mimosifolia - **VU: Vulnerable**	N. species	3.036	0
Litchi chinensis - **VU: Vulnerable**	N. species	690	0

[21] All species for which the IUCN Red List Index indicates a conservation status of "VE- Vulnerable" or worse have been counted as endangered species.

Through protection and restoration of biodiversity, Treedom not only enriches the natural heritage of territories, but also contributes to strengthening climate resilience, food sovereignty and sustainability of rural productive systems.

Treedom considers **renaturalization of surfaces** a strategic action to reverse the trend towards environmental degradation and favor **ecosystem regeneration**. In particular, partial or total conversion of agricultural surfaces into agroforestry systems allows integrating agricultural production with the ecological function of trees, favoring multifunctionality of the rural landscape. Through the introduction of tree species in agricultural contexts, Treedom aims to guarantee greater ecological stability, improved soil fertility, greater carbon sequestration capacity and increased local biodiversity. Below is an estimate of surfaces renaturalized by Treedom during 2023 and 2024, expressed in hectares:

Renaturalized Surfaces by Country	UdM	2023	2024
Cameroon	Ha	0,00	2,32
Dominican Republic	Ha	2,63	0,00
Ecuador	Ha	24,54	1,30
Guatemala	Ha	15,69	10,48
Haiti	Ha	15,00	0,00
Italy	Ha	15,07	2,32
Kenya	Ha	39,22	15,47
Madagascar	Ha	17,82	8,88
Malawi	Ha	20,76	25,09
Nepal	Ha	14,66	0,00
Tanzania	Ha	105,37	26,64
Total renaturalized areas	**Ha**	**270,77**	**92,50**

[22] The renaturalised areas were estimated by considering the average distance between scientific species used in forestry systems. These distances vary depending on the scientific species considered. The data are derived from the number of trees planted during the year. Please refer to note 18 for the source of the data.

5.3 Environment and Organizational Headquarters: Waste and Water Consumption

Attention to environmental sustainability by Treedom is not limited to planting activities within supported projects, but extends also to **responsible management of the operational headquarters**. Although dealing with a small-scale business reality, Treedom adopts targeted practices to reduce the environmental impact of its daily activities, promoting an internal culture coherent with sustainability values.

Regarding water consumption, Treedom pays particular attention to efficiency and responsibility in resource use. The main purpose of water resource consumption is represented by irrigation of trees and the garden at the Florence headquarters. With the intent of minimizing this consumption, the organization, in agreement with the headquarters owners, has provided for the installation of **tanks for rainwater collection**. This solution allows Treedom to maintain green spaces in good health for the benefit of employees, without excessively burdening the water availability of the area. Furthermore, within the offices, conscious use of water is encouraged among all personnel through the application of stickers in the kitchen and bathrooms that remind employees of good domestic practices to minimize water consumption.

Water Consumption	UdM	2023	2024
Total water withdrawal	m3	448	400
of which in areas subject to water stress[23]	m3	448	400

Regarding waste management, although the quantity produced is contained, Treedom implements **accurate separate collection** and promotes virtuous behaviors among employees. Collection points dedicated to different materials (organic, paper, plastic, and undifferentiated waste) are present, and, as for minimizing water consumption, stickers have been applied at main waste collection points to raise employee awareness about the importance of differentiation to favor recycling. For several years now, new hires receive water bottles as equipment to avoid plastic use in the office. This, alongside the fact that exclusively washable and reusable tableware is used in the kitchen and coffee area, allows the organization to minimize the environmental impact of the Florence headquarters.

Waste by Type [24]	UdM	2023 [25]	2024
Organic collection waste	Kg	N/D	365,90
Paper collection waste	Kg	N/D	280,22
Plastic collection waste	Kg	N/D	166,82
Undifferentiated waste	Kg	N/D	103,82
Total waste	**Kg**	**N/D**	**916,78**

These actions, although of limited scale, testify to the coherence between internal practices and the broader environmental objectives that guide Treedom's mission, contributing to building an organizational model inspired by principles of environmental responsibility.

VSME Content Index

VSME Code	Notes	Page
B1 - Basis for Preparation	Basic information about the organization.	04-06
B2 – Practices, policies and future initiatives for transitioning towards a more sustainable economy	Practices, policies and future initiatives for transitioning towards a more sustainable economy | Information on practices, policies and future initiatives reported for all themes emerging as relevant from materiality analysis.	13-44
B3 – Energy and greenhouse gas emissions	Information on energy consumption and organizational emissions.	39-40
B4 – Pollution of air, water and soil	Non-material theme.	N/A
B5 – Biodiversity	Information on impact towards biodiversity and ecosystems. Treedom operates near Key Biodiversity Areas. At the time of publication of this report, analysis of surfaces covered within KBAs is ongoing and will be presented in future versions of the Impact Report.	42-43
B6 – Water	Information on water consumption.	43-44
B7 – Resource use, circular economy and waste management	Information on circularity of organizational processes. Treedom reports information on organizational headquarters waste. Material inflows are not considered material.	43-44
B8 – Workforce – General characteristics	Information on Treedom employees.	32-35
B9 – Workforce – Health and safety	Information on health and safety in the workplace.	35-36
B10 – Workforce – Remuneration, collective bargaining and training	Information on remuneration, collective bargaining and training.	32-36
B11 – Convictions and fines for corruption and bribery	Information on convictions and sanctions for corruption.	21-22
C1 – Strategy: Business Model and Sustainability – Related	Information on strategy and business model.	07-09
C2 – Description of practices, policies and future initiatives for transitioning towards a more sustainable economy	Information on practices, policies and future initiatives reported for all themes emerging as relevant from materiality analysis.	13-44
C3 – GHG reduction targets and climate transition	The company has not yet defined emission reduction targets.	N/A
C4 – Climate risks	Information on physical climate risks for the company and its value chain	41-42
C5 – Additional (general) workforce characteristics	Additional information on Treedom employees.	32-35
C6 – Additional own workforce information - Human rights policies and processes	Human rights policies and processes | Additional information on human rights management	32-38
C7 – Severe negative human rights incidents	Information on human rights violation episodes	37-38
C8 – Revenues from certain sectors and exclusion from EU reference benchmarks	Non-material theme.	N/A
C9 – Gender diversity ratio in the governance body	Information on diversity in the highest governance body (Board of Directors)	19-20