



SODALIS
GROUP

Creators of Wellbeing

Consolidated Sustainability Report 2024

Creators of Wellbeing: for people and the planet

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Letter to Stakeholders

GRI 2-22

Dear stakeholders and partners,

In this **second Consolidated Sustainability Report**, we have chosen to share both the results we have achieved and the evolution of our commitment. These are the concrete actions we take every day that lead to great results over time.

This is how we build our way of being a company: on the foundations of concrete action, consistency and an evolutionary spirit.

For us, **sustainability is an integral part of how we think, decide and act**. It is in the choices we make every day, the products we develop, the relationships we build and the people who grow with us.

In **2023**, we took the first step with awareness and determination by defining an **ESG Action Plan** with significant projects aimed at reducing our environmental footprint, promoting social wellbeing, and encouraging ethical business practices.

In **2024**, we published our **first Group Consolidated Sustainability Report**, symbolising our commitment to man-

aging environmental, social and governance topics more virtuously, transparently, and structurally. We launched our first **organisation Carbon Footprint**, a sign of our commitment to combating climate change.

We have continued and will continue to invest in increasing **energy self-generation from renewable sources**. We work every day to **improve the eco-friendly profile of our products**, which are chosen by millions of consumers every day.

We also aim to **create wellbeing in our workplace**: that is why we have spent the year transforming our headquarters into a modern, welcoming space where everyone feels valued.

Today, we are continuing with even greater determination on our path, built on measurable, credible and shared objectives that form an integral part of our corporate strategies.

We believe in continuous improvement: it defines who we are.

We would like to extend our most sincere thanks to all our **Sodalis People. Their daily commitment makes every achievement possible.**

We would like to invite you, our stakeholders and partners, **to continue walking alongside us.**

This report is intended to promote transparency, discussion and development. Together.

Because looking ahead means staying true to who we are and never giving up on what we can become.



Fabio Granata
Chief Executive Officer

Marianna Granata
Marketing & Communication Director

Thank you for your trust in Sodalis Group.

At a Glance



€ 813 M
net net sales



1,749
employees



13
companies



1,562
new products launched
in a year

+17%
net net sales vs 2023

20
power brands

48
export countries
served

416 M
products manufactured at
our production sites

27
acquisitions since 1998

34
years of history

5
countries with direct
subsidiaries

466 M
products sold in one year
(+12% vs 2023)

At a Glance



10

locations

Sodalis Italy

Lodi – Lainate – Albissola Marina

Sodalis Germany

Hamburg – Munich

Sodalis France

Cavaillon – Poitiers

Sodalis Iberia

Madrid – Barcelona – Lisbon



5

production sites and
research laboratories

Sodalis Italy

Lodi (headquarters) – Lainate – Albissola Marina

Sodalis Germany

Munich

Sodalis France

Poitiers



Key Numbers

TURNOVER BREAKDOWN BY PRODUCT CATEGORY



24%
Skin Cleansing



8%
Nutraceutical



19%
Make up



8%
Deo+EDT



18%
Home Care



7%
Hair Care

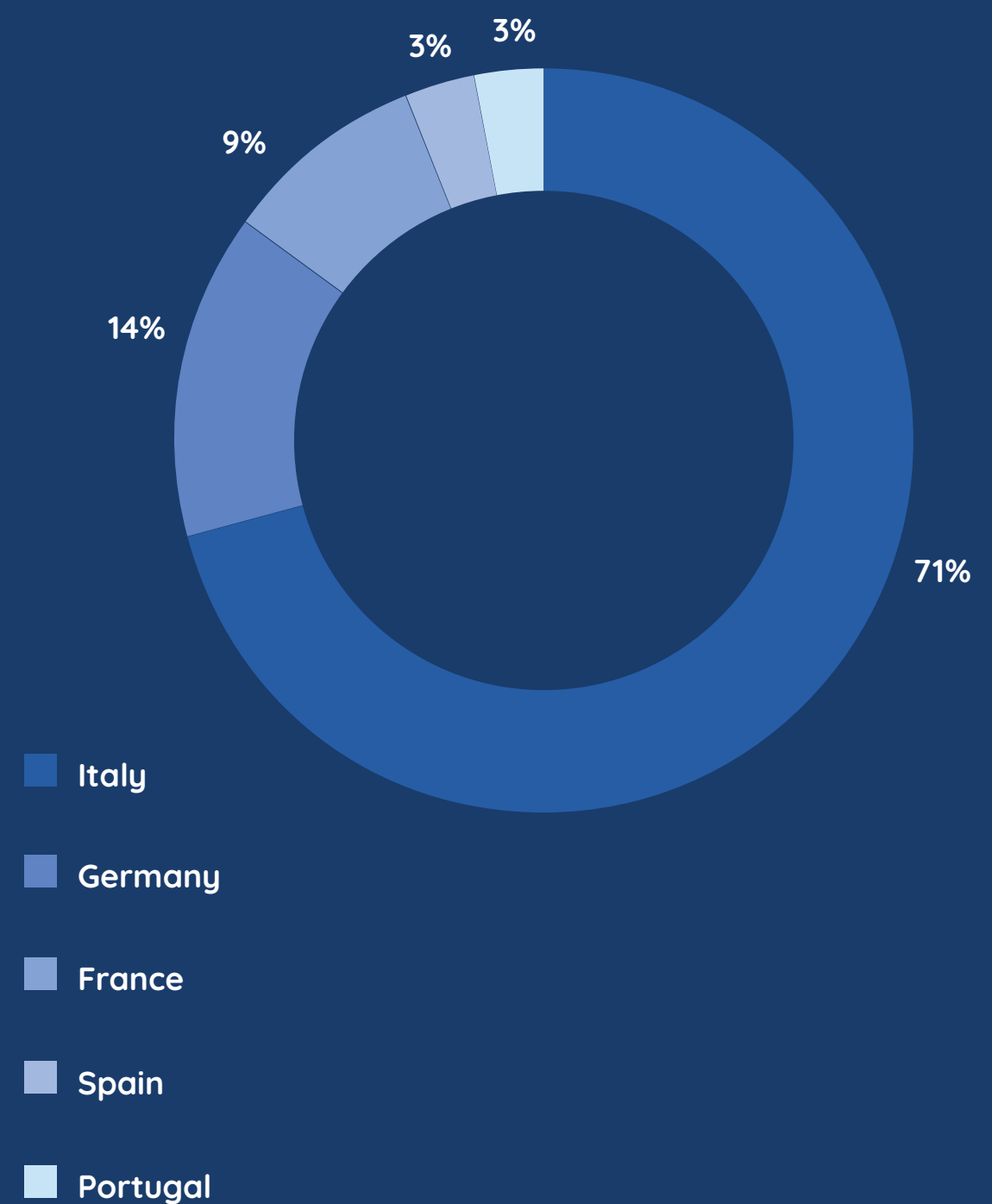


12%
Skin Care



4%
Others

PERCENTAGE SHARE PER COUNTRY



Sodalis Group

Creators of Wellbeing





About us

We are committed to creating Wellbeing through the quality, research and innovation of our brands in the Health & Beauty and Personal & Home Care sectors.

Constantly driven by an innate passion for what we do and a strong desire for constant improvement, today we are the **leading player on the Italian cosmetics and nutraceuticals market** with a multi-brand, multi-channel, dynamic and international business that is constantly expanding. With a track record of over 30 years and always Italian family-owned, our Group has achieved solid and progressive growth thanks to its ability to integrate and develop new businesses.

We attract millions of consumers every day through our extensive range of highly attractive, well-known proprietary brands, with strong positions in **pharmacies, mass retail, e-commerce and perfumeries**.

We believe in the immense value of developing skills from within and mak-



ing unique creations that showcase our dedication and expertise. Our Group operates **five research laboratories and five state-of-the-art production sites** in Italy, France and Germany. Here, we are committed to the continuous development of new formulations and the creation of products that can deliver real wellbeing.

We work every day to build and develop brands that respond to new consumer needs and improve their daily lives, while caring for people and the planet. We have established a collaborative environment in which **over 20 brands** can thrive, grow and innovate, while also leveraging each other's strengths.

We operate through diversified and strategic channels, with a widespread presence **in Italy, Europe** and over **40 countries**.

First and foremost, we are a team of **1,749 people** who demonstrate exceptional skill, dedication, and passion every day in creating small yet significant acts of wellbeing.

In 2024, we achieved a **turnover of € 813 million**, with a CAGR of **+14%** compared to 2018. These figures offer a comprehensive insight into the company's performance, identity, consistency, and its ability to generate lasting and meaningful results, thanks in part to the integration and expansion of new businesses.

We believe in continuously upgrading our performance, our business and our organisation. We focus on **constant improvement**, one step at a time, because there is always something to learn from experience, and perseverance can lead to truly outstanding results. We feel a strong responsibility to contribute to a healthier and more harmonious **future for all forms of life**, and we aim to promote a real culture of sustainability both within and outside our organisation, taking care of **people** and the **planet**.



An extraordinarily dynamic story

27 acquisitions in 34 years

Spanning more than thirty years, our journey has made us one of the leading independent European groups in our sector, setting the standard in the M&A world with our capacity for expansion, vision and agility.

Our story is based on passion, courage and dedication: **passion** for what we do, the **courage** to go further, and the **dedication** we put into everything we build every day.

This evolution has been characterised by strong momentum, fuelled by our exceptional track record of acquisitions in our strategic markets, which has accelerated our growth and accompanied the Group's ongoing transformation.

It all began in **1990** when two Italian entrepreneurs, Fabio Granata and Paolo Bergamaschi, embarked on an **ambitious project** to establish a company that could make its mark in a highly competitive market dominated by large, global corporations.

The company's founders are still actively involved in its day-to-day running. Their cohesion, mutual trust and constant commitment are fundamental elements of our strength.

A key milestone in the early years was the **launch of Tesori d'Oriente in 1998**: a brand that has transformed small everyday gestures into rituals of wellbeing, and remains a benchmark for our Group to this day. This success paved the way for the development of proprietary brands with clear and distinctive positioning.

From that point onwards, **our Group entered a period of significant growth**. Our acquisition strategy initially targeted brands owned by global corporations, followed by promising independent companies in the health & beauty and personal & home care sectors. Over the past ten years, we have mainly focused on acquisitions in the international European market, pharmaceuticals and e-commerce.

In the first phase, our focus was on historic Italian brands that were already owned by international corporations.

We have strengthened our presence in the Personal Care market thanks to the acquisition of two historic Italian brands: **Vidal**, the shower gel that brings energy and vitality to the whole family, and **Leocrema**, the iconic body cream that cares for the skin's moisture and softness from generation to generation.



In **2008**, we expanded our brand portfolio with the acquisition of **Strep**, a specialist in do-it-yourself hair removal.

In **2010**, we continued to acquire historic Italian brands by taking over **Biopoint**, the undisputed leader in hair care products sold in perfumeries.

Since **2015**, we have strengthened our international presence with **Novamex**, the parent company of **L'Arbre Vert**, a leading eco-friendly home care brand in the French market. This marked the **establishment of the first foreign subsidiary of Sodalis Group**. Also that year, we completed the acquisition of **Wash & Go**, a well-known hair care brand in Eastern Europe and Central Asia.

In **2016**, we joined the **Lycia** Group, thereby strengthening our expertise and our position in the Italian personal care sector, while in **2017** we welcomed **BrandCare**, a company operating in Spain and Portugal with its main brands: Super Pop, Cristasol, Mistolin and Feno de Portugal. This acquisition enables us to continue our international expansion by establishing **two new subsidiaries on the Iberian Peninsula**. Also in 2017, the acquisition of **BioNike** marked the company's **entry into the pharmacy channel** with a leading Italian dermocosmetics brand, a pioneer in introducing the concept of dermatological cosmetics and highly recognised for its formulation philosophy.

In **2018**, we expanded with the arrival of **Deborah Group**, a leading Italian company in the make-up market: Deborah Milano is a historical brand that embodies Made in Italy beauty, making innovation and excellence in fashion make-up accessible to millions of women.

In **2019**, we entered the nutraceutical market through the ambitious acquisition of **ESI**; with a broad, diverse portfolio of high-quality food supplements and herbal medicines, the company is a leader at pharmacies, health product stores and herbal medicine shops. Our international expansion strategy continued: in **2020** we acquired **Natural Honey**, a historic Spanish brand and market leader in body wash, and in **2021** we established our **fourth European subsidiary** with the acquisition of the German company **Lornamead** and its brands: CD, Rapid White, Triple Dry.

Then in **2023** we welcomed **Goo-vi**, our **first digitally native brand**: a wellness brand co-founded by Michelle Hunziker with the desire to bring good vibes and naturalness into people's daily lives.

In **2024** we continued our strong international development by consolidating our position in the European beauty sector with the acquisition of **ARTDECO cosmetic Group**, a leader in selective make-up in Germany, strongly recognised for its expertise and heritage in the German colour cosmetics market.

And all this is just the beginning for us! We are ambitious and are always striving to improve.

This applies not only to our results, but also to the quality of our work in research and innovation, and our ability to add real value to the context in which we operate.

Welcome on board ARTDECO

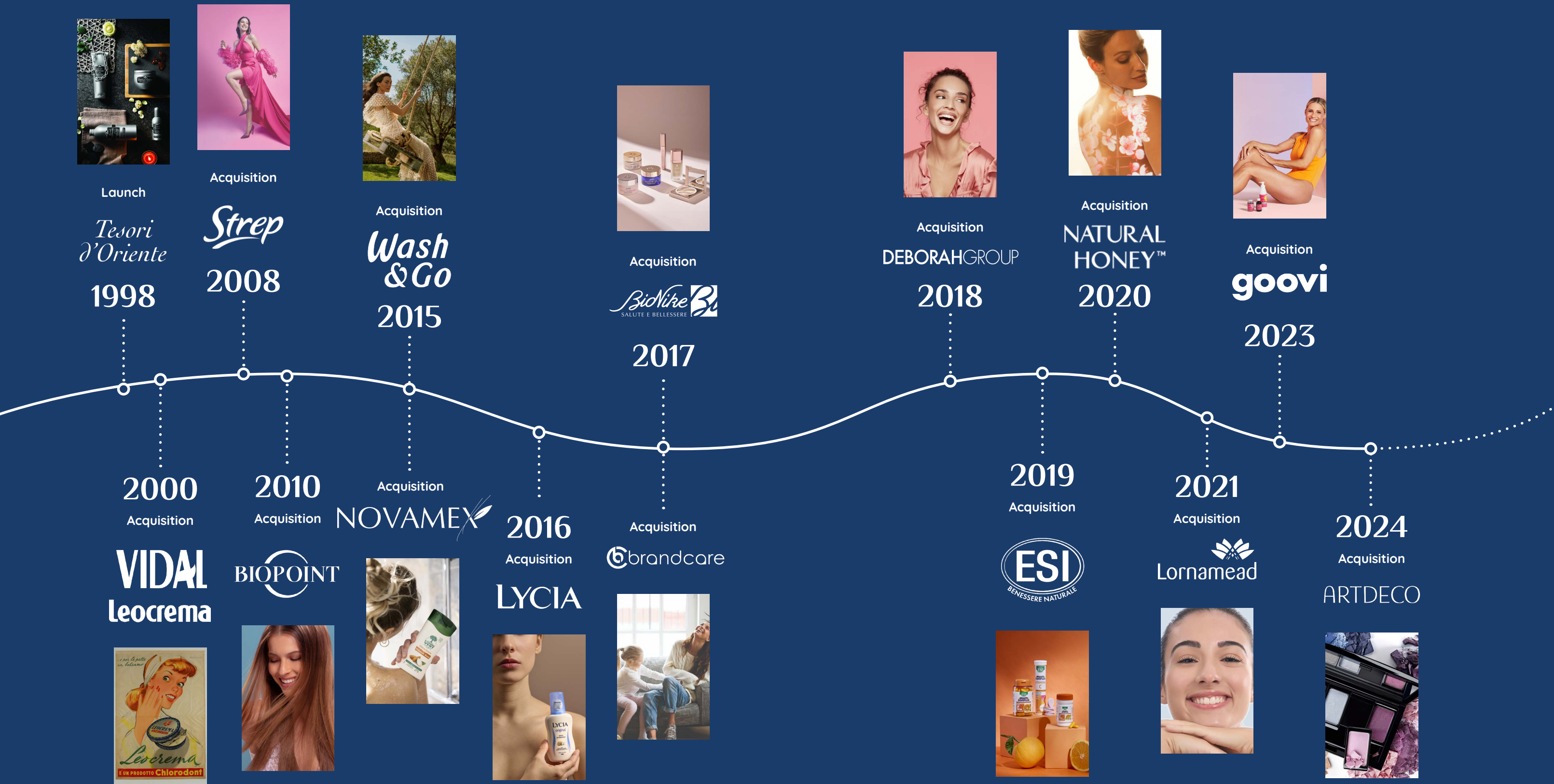
The **ARTDECO cosmetic GmbH** was **founded 1985** in Karlsfeld, near Munich. The ARTDECO cosmetic Group is family owned and today offers a wide range of products through its brands ARTDECO, Make up Factory, and ANNY, specializing in decorative cosmetics, skincare, and professional nail care. In 2001, **ARTDECO** became the leading brand in the selective cosmetics market in Germany. The iconic Beauty Box has been with ARTDECO since the beginning as a customizable and refillable system, allowing customers to create their own individual make-up routines.

The success story of **ANNY** began in 2011 with a passion for perfect manicures and extraordinary colors. With

the mission to bring the latest nail polish trends from U.S. hotspots like New York, Miami, and Los Angeles to Europe, **ANNY** has become one of the leading brands in the nail polish segment. Season after season, international trend scouts bring the newest fashion and lifestyle inspirations directly to your nails.

Make up Factory was founded in 2005 with the goal of making professional makeup accessible to everyone. The brand combines high-end quality with easy application, enabling both professionals and makeup lovers to achieve outstanding results effortlessly. Developed in close collaboration with experienced makeup artists, the products reflect their expertise and creativity.





SODALIS GROUP one of the 100 Stories of Italian Excellence

In 2024, our commitment to creating value in the world of beauty and wellness was recognised at a national level: **Sodalìs Group was recognised as one of the 100 Stories of Italian Excellence**, an award given to companies that embody the values of Made in Italy in terms of quality, innovation and contribution to the country's development.

The ceremony took place in the prestigious Sala della Regina in Palazzo Montecitorio, the seat of the Chamber of Deputies. Authorities, institutions, and representatives from the economic and cultural spheres were in attendance.

Now in its ninth year, the award is promoted by the Osservatorio delle Eccellenze Italiane (Observatory of Italian Excellence) in collaboration with the Institutional Committee of Honour, and is assigned to companies that stand out for the positive impact and value they generate in their respective sectors.

This award recognises our ongoing commitment to the Health & Beauty, Personal & Care sectors, as well as our growth and innovation in promoting Made in Italy wellness through our products and values.



Our philosophy: Creators of Wellbeing

For us, Wellbeing means taking care of ourselves and others.

The comfort of a cream that melts into the skin, the confidence of high-performance make-up, the positive energy of a food supplement, the welcoming scent of cleanliness: wellbeing consists of sensations that we perceive and share.

We call ourselves Creators of Wellbeing.

Creators, because we Sodalis People love to create, starting from an idea and carefully managing each step to turn it into reality. We believe strongly in the power of creativity to find new and distinctive solutions.

Wellbeing, because this is the common factor in all our markets: health, beauty, personal and home care.

We are dedicated to creating wellbeing for **people** and the **planet** every day with our high-quality, innovative brands.



PRODUCTS

We create wellbeing through our **products**, which we manufacture with great passion and attention to every detail. We have always invested constantly in research, innovation and the quality of our laboratories and production sites to achieve even better performance standards.

We create wellbeing for people:

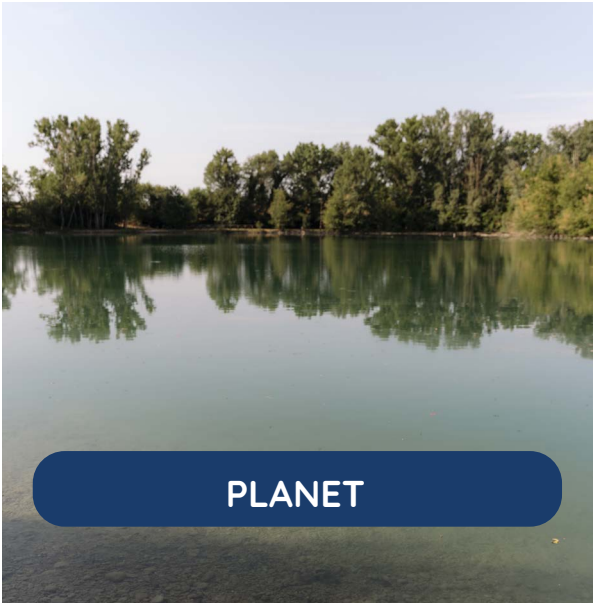
for our consumers, for whom we work every day so that they can feel good and safe in their body and can improve their daily lives;

for our Sodalis People, building every day a dynamic, inclusive, fair working environment where everyone feels valued and is part of a shared project;

for our wider community, with activities related to support, training and social responsibility.



PEOPLE



PLANET

We create wellbeing for the planet, by monitoring our environmental impact and working for an increasingly sustainable development model. As we are aware, this is a very ambitious path, but we believe in it with real conviction, and we are committed to making every milestone a starting point for new wellbeing horizons.

Our Vision

CREATE WELLBEING
THROUGH BRANDS
THAT TAKE CARE
FOR PEOPLE
AND THE PLANET



Our Mission

DEVELOP BRANDS OF HEALTH, BEAUTY, PERSONAL AND HOME-CARE PRODUCTS THAT CAN **IMPROVE THE DAILY LIVES** OF OUR **CONSUMERS** AND **CREATE VALUE** IN OUR ECONOMIC, SOCIAL AND ENVIRONMENTAL CONTEXT.





Our Values

Dreamers... but with our feet on the ground

We set ambitious goals to shape the future of the Sodalis Group. At the same time, we work hard every day to give the best of ourselves and overcome market challenges. We have a pragmatic and concrete attitude that allows us to focus on the key factors to achieve excellence.

Constant improvement

We believe in continuously upgrading our performance, our business and our organisation. We focus on constant improvement, one step at a time, because there is always something to learn from experience, and perseverance can lead to truly outstanding results.

Agility and dynamism

We continually invest to develop our brands, expand our business, research new products and evolve in the way we work. With this approach, we can immediately anticipate market trends and implement strategic moves.

Entrepreneurial mentality

Entrepreneurship is in our DNA. We are always enthusiastic about evaluating and seizing development opportunities and we foster an entrepreneurial approach in all talented employees, giving them the opportunity to broaden their perspectives and really make a difference.

Integrity and respect

We feel a strong responsibility to ensure lasting benefits for all stakeholders. We aim to maximise our contribution to developing relationships based on fairness and transparency with all our employees, consumers, customers, suppliers and collaborators, while supporting the community and protecting the environment.





Our Principles



INTEGRITY

We act with honesty, ethics and responsibility in all situations. Integrity builds trust and sets a standard for others to follow, ensuring consistency between words and actions.



INCLUSION

We create an environment in which every individual feels valued and respected, and is encouraged to contribute actively. We promote a sense of belonging, participation and commitment in order to strengthen teamwork.



TRANSPARENCY

We are open, clear and authentic in our communications and decisions. Transparency increases trust and helps create a culture of sharing, where people feel empowered to ask questions and seek clarity.



RESPECT

We treat others with dignity, empathy, and fairness. Respect is key to strengthening relationships, promoting open communication, and encouraging a positive workplace culture in which all individuals can thrive.

Our business model

GRI 2-6

Our Group currently operates through **13 Companies¹ in Italy, France, Germany, Spain and Portugal**, which work independently in their own areas but in an increasingly synergistic and coordinated manner. Our **headquarters are in Lodi Vecchio (Lodi)**, while other Italian offices are located in Lainate (Milan) and Albissola Marina (Savona). Our other European offices are in Cavaillon (Avignon), Poitiers (Vienne), Hamburg, Munich, Lisbon and Madrid. We have chosen to invest continuously in the quality of our research and development laboratories and our own production sites. These represent a valuable asset in terms of scientific expertise and industrial know-how.

We currently have **5 research and development laboratories and 5 state-of-the-art production sites**, spread across Italy, France and Germany, where we work every day to perfect our formulations and develop new solutions using advanced technologies.

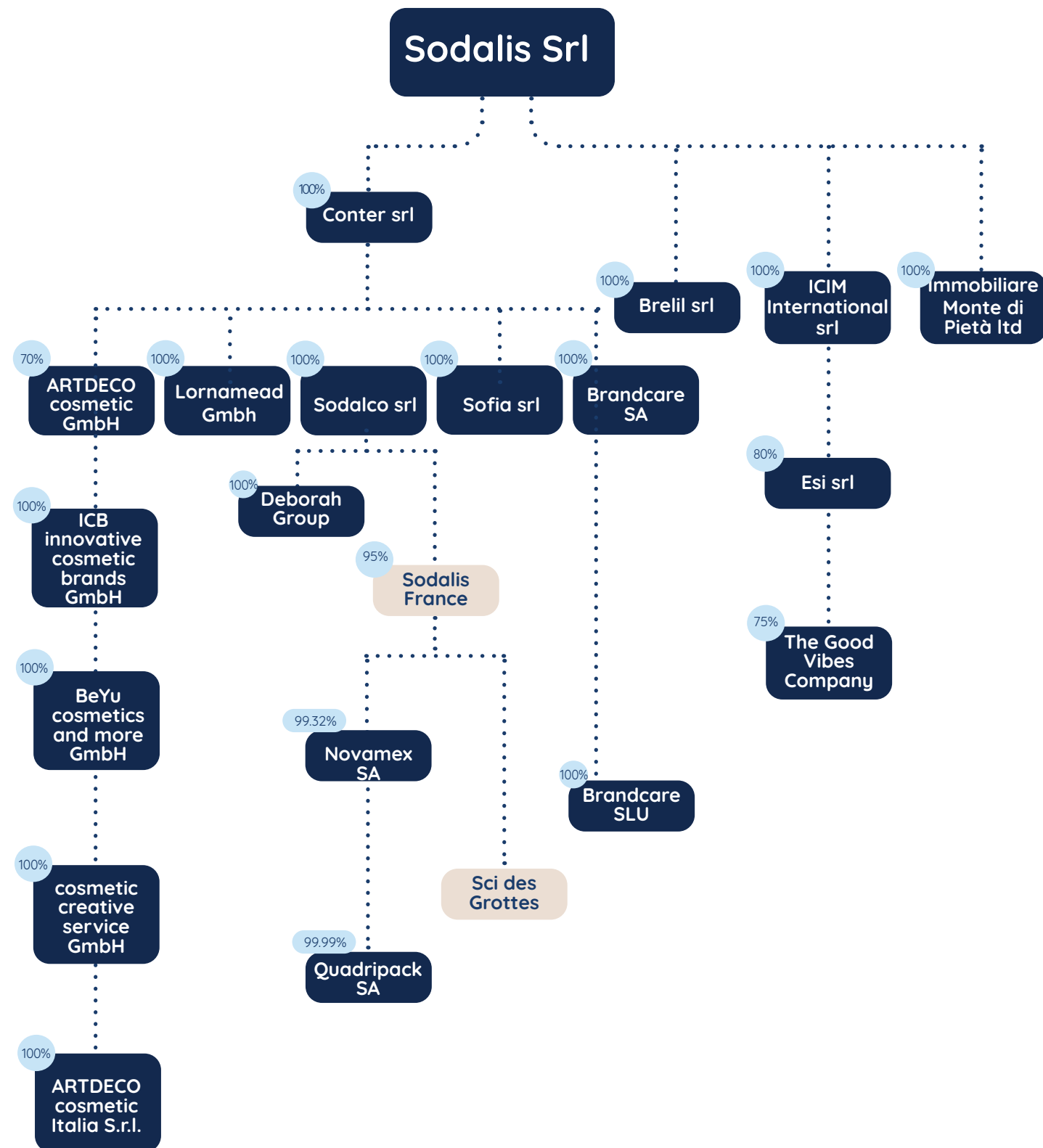
This broad portfolio of expanding companies allows us to be active in the **Health & Beauty, Personal & Home Care** markets in **different geographic areas** and in **different distribution channels** (mass distribution, pharmacies, perfumeries, professional channels) with specific specialised skills².

¹ Sodalis France is a holding company with shares in Novamex S.A. and SCI des Grottes. The latter manages the real estate of the French subsidiaries and, like Sodalis France, is excluded from the scope of this Report. The acquisition of The Good Vibes Company S.r.l. was finalised in 2023, so the data and information in this document only consider the year 2023. The acquisition of ARTDECO was finalised in 2024, so the data and information in this document only consider the year 2024.

² Sofla is a blow moulding company that produces caps and bottles used in the manufacturing process. It operates exclusively for Sodalis Group, and its revenue services Group activities relating to the sale of Conter and Quadripack products. Quadripack is almost wholly owned by the parent company Novamex, through which its revenue is expressed as a percentage of total Group revenue.



Group Companies



ESI

Founded in 1975, ESI is a leader in the Italian nutraceutical market. The company has a broad and diverse product portfolio consisting of **over 200 high-quality food supplements, herbal medicines, nutraceuticals and dietary products** distributed in pharmacies, health product stores and herbal medicine shops.



The Good Vibes Company

Goovi, a **digital native wellness brand** founded in 2018 by Michelle Hunziker to share her lifestyle based on natural wellness and self-care. Goovi's mission is to bring good vibes to people in their daily lives, promoting authenticity and self-love. Goovi products are natural, effective and simple, and made with clean, vegan ingredients.



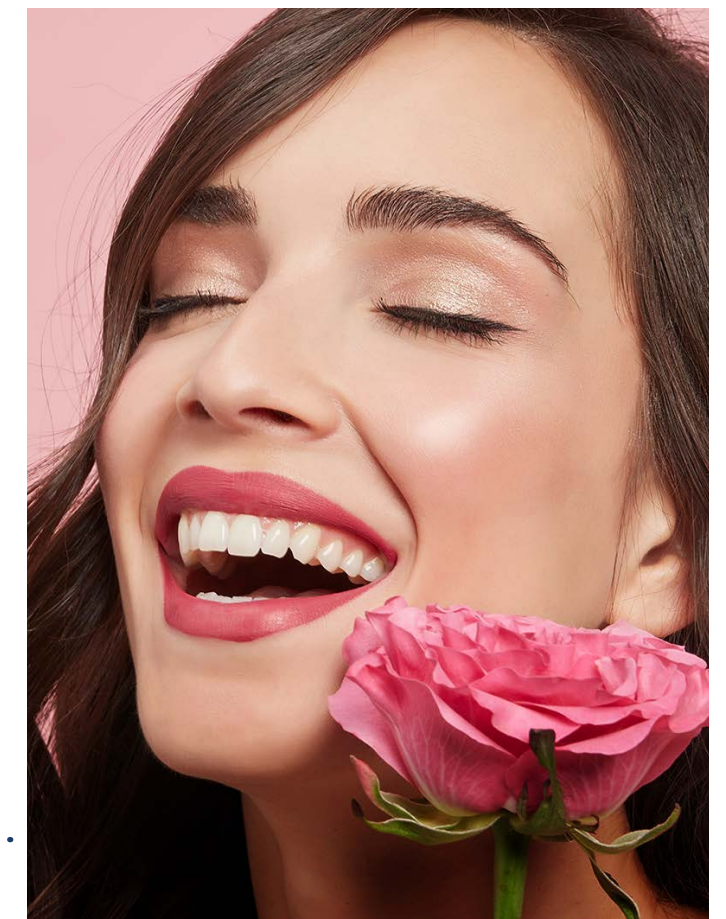
ICIM International

An Italian pharmaceutical company founded in Milan in 1930, known today through **BioNike, the leading brand of pharma dermo-cosmetics**. It has been a pioneer in dermatological cosmetics since 1960, specialising in the research, formulation and production of dermocosmetic health and beauty treatments for even the most sensitive, allergic and reactive skin.



Deborah Group

Founded in 1903, Deborah Group is an Italian company that owns the make-up, hair-care and skin-care brands **Deborah Milano, Biopoint, Debby and Dermolab**. Deborah Group joined Sodalis in 2018, later incorporating the Biopoint brand, which had been owned by the Group since 2010.





Conter

Active in the industry since 1976 and acquired by Sodalis Group in 1995, Conter produces, markets and distributes personal and home-care products. Conter's most important brands are **Tesori d'Oriente, Vidal and Leocrema**, which are recognised for offering consumers high-quality products at affordable prices. The brands can be found at major Italian mass-market chains and in numerous international markets.

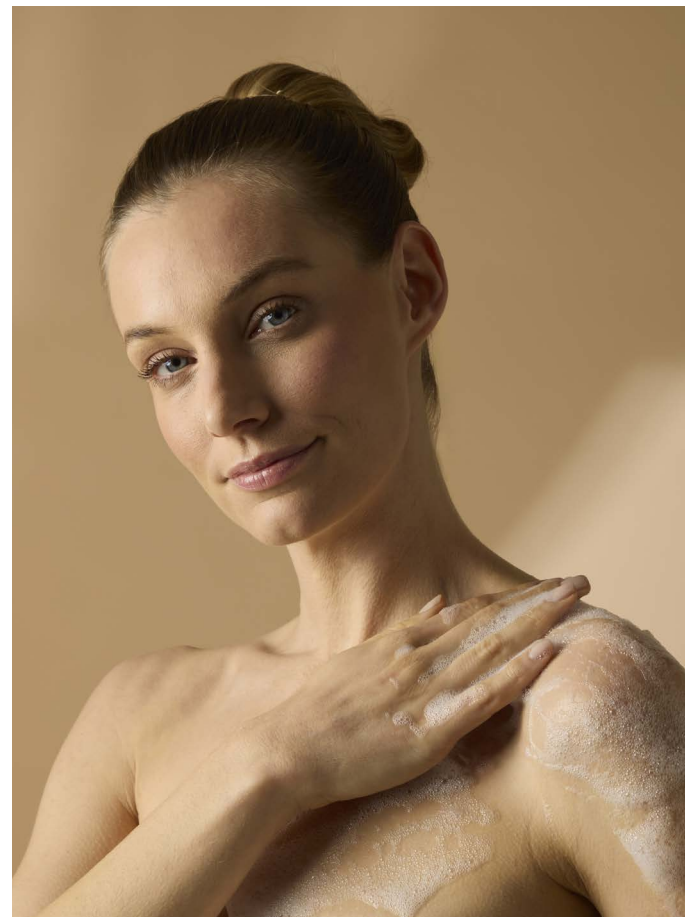


Lornamead

Based in Hamburg, Germany, Lornamead GmbH was founded in 2004 with the acquisition of the **iconic brand CD**. Since then, the company has experienced strong organic growth, further acquisitions and the successful launch of new beauty and personal-care brands. Lornamead mainly focuses on the German and Austrian markets.

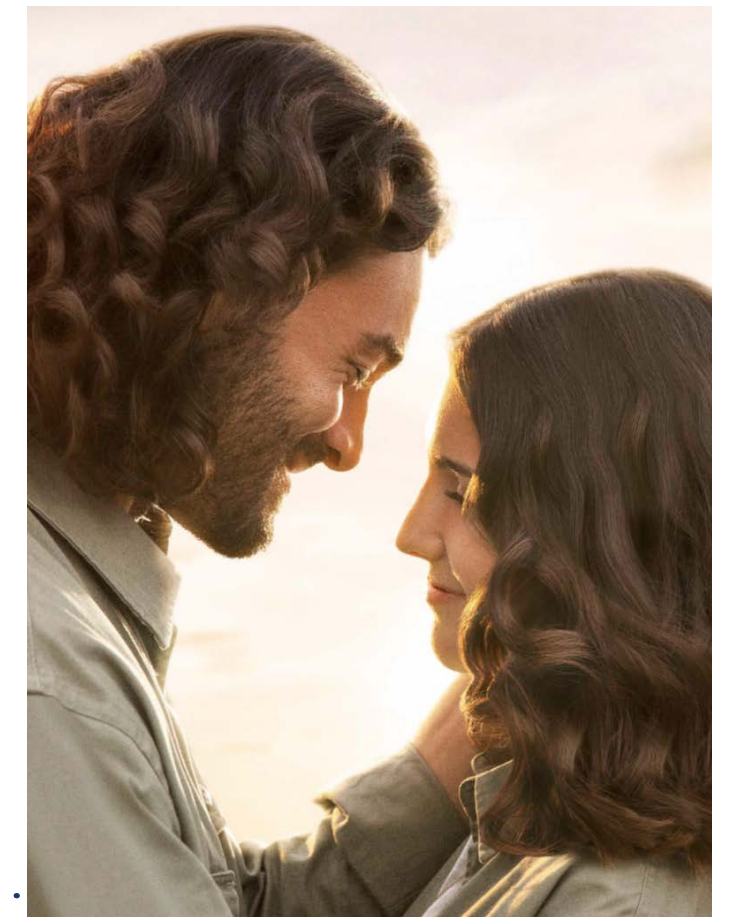
Sodalco

Founded in 1969 as a specialist in the sale of mass-market consumer goods, this company became part of Sodalis Group in 2006. Today it has its own portfolio of proprietary brands, the most important of which are **Lycia, Fresh & Clean and Strep**.



Brandcare

A Spanish company active in the **Home & Personal Care** sector in Portugal and Spain. With offices in Lisbon and Madrid, the company started operations in 2013 following the acquisition of a portfolio of well-known classic brands previously owned by American multinational companies. Today, Brandcare brands perform strongly in the **Spanish market**, with leading positions in various Home Care categories in Portugal and Spain. The main brands are **Super Pop, Cristasol, Mistolin, Xampa, Fascinante and Feno de Portugal**.



Brelil

Founded in 1973 and a member of the Group since 1990, Brelil creates and distributes a complete line of **professional hair-care products** exclusively for hairstylists. Brelil products, recognised for their high level of innovation and 100% Made in Italy quality, are sold in more than 40 countries.



Novamex

Created in 1986 and based in Cavaillon (Provence, France), the company is a leader in the French eco-friendly market with its prestigious brand, **L'Arbre Vert**, which covers a wide range of eco-friendly and hypoallergenic home and personal-care products.

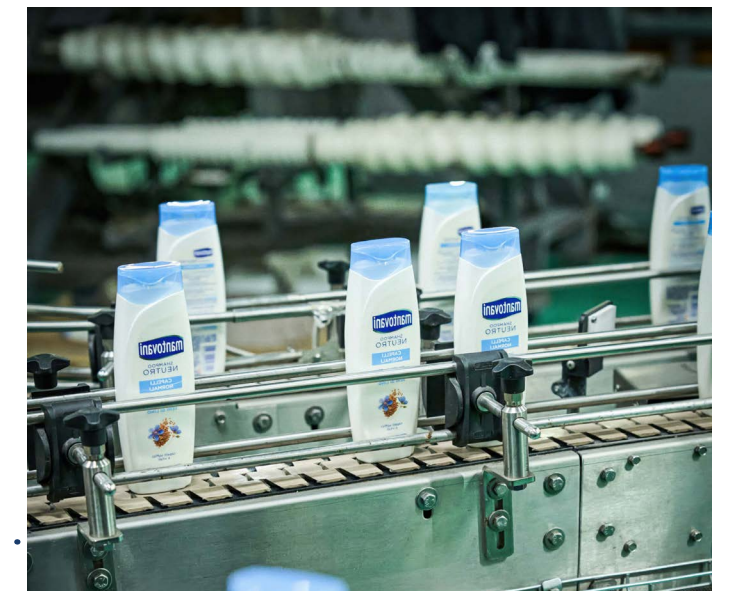


Sofla

Founded in 2011, the company is based in Lodi Vecchio and produces **the bottles for some of our Brands**, including Vidal, Leocrema and Mantovani. Sofla plays an important role in creating our product packaging.

Quadripack

The Quadripack plant is located in Saint-Benoît, France. This is where the **bottles used for L'Arbre Vert products**, marketed by Novamex, are produced.

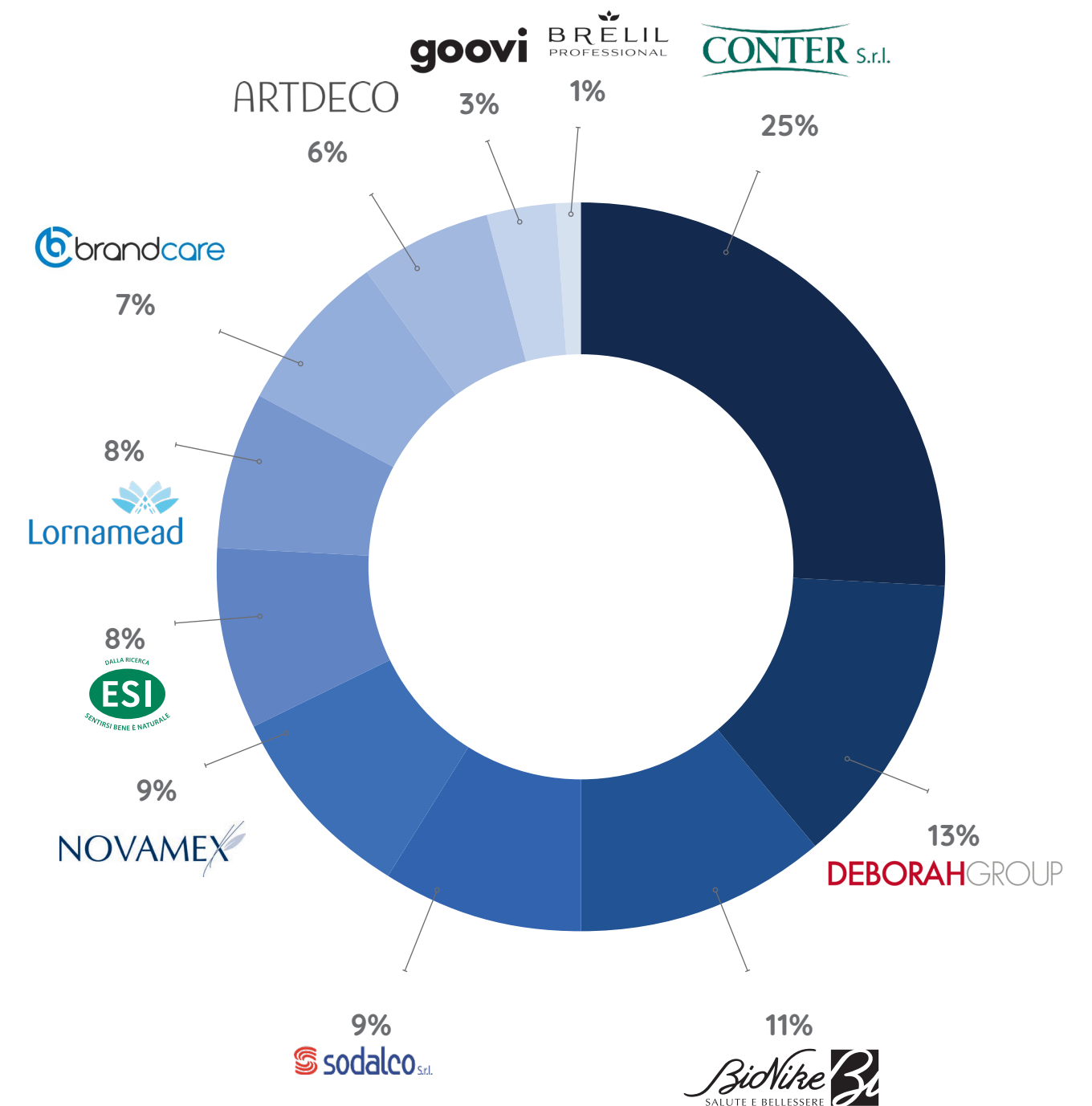


ARTDECO

Founded in 1985 and based near Munich, the ARTDECO cosmetic Group offers a wide range of products through its brands ARTDECO, Make up Factory, and ANNY. In 2001, ARTDECO **became the leading brand in the selective cosmetics market in Germany**. The iconic Beauty Box has been with ARTDECO since the beginning as a customizable and refillable system. Today, the company offers 20 refillable products, allowing customers to create their own individual make-up routines.



Revenue per Group company



Our Business Units



"Wellbeing is science"

Dermocosmetic and nutraceutical brands such as **BioNike**, a leader in pharmacy dermocosmetics, **ESI**, one of the leading Italian companies in the nutraceutical market, and **Goovi**, a digital native wellness brand, distributed in pharmacies, pharmacies selling OTC products and through proprietary e-commerce. The proposal is based on a combination of scientific research, innovation and specialised formulations for everyday health and beauty.



"Wellness is an affordable luxury"

Make-up, Hair Care and Skin Care Brand such as **Deborah Milano**, **Biopoint**, **Dermolab** and **Debby**, distributed in perfumeries, drugstores and specialised beauty and personal care shops. The brand portfolio offers high-quality, performance-tested products with strong appeal, offering everyone the chance to experience the excellence of contemporary Italian cosmetics.



"Wellbeing is for everyone"

Personal Care brands distributed in the mass market channel with personal care products designed for the wellbeing of the entire family. Each brand offers a different approach to wellbeing, through simple gestures, effective formulas and care rituals that transform routine into experience. The most important brands include: **Tesori d'Oriente**, **Vidal**, **Lycia**, **Fresh & Clean**, **Leocrema**, **CD**, **Strep**, **Natural Honey**, **Wash & Go**.



"Wellbeing is everywhere"

Home Care brands distributed across all mass market channels, allies for cleaning the home and for the wellbeing of the people who live there. Each product is part of a sustainable, responsible and eco-friendly approach. The main ones include: **L'Arbre Vert**, France's no. 1 eco-friendly brand, along with **Super Pop**, **Mistolin** and **Cristasol**, market leaders in Spain and Portugal.

Our power Brands



Beauty is emotion.
Science is art.

With over 60 years of research into the wellbeing, health and beauty of sensitive and allergic skin, BioNike combines dermatological expertise and scientific innovation, **committed to ensuring high-performance products with dermatological affinity in the wellbeing of even the most sensitive skin.**

We are proud to formulate and produce our creations with cutting-edge technology through **our proprietary research laboratories** and **100% Italian**, in-house production.



The most recommended brand by Italian dermatologists

A total of 880 Italian medical specialists were interviewed between June and July 2024.

The analysis showed that **BioNike is the brand most recommended by Italian dermatologists, ranking first** in the Doctor Positioning Index — a measure of satisfaction among doctors with suppliers of dermocosmetic products.

ARTDECO

Affordable luxury

ARTDECO stands for individuality with an extraordinary color variety and an assortment that leaves nothing to be desired. Highest quality and expertise with the best price-performance ratio - that's **"affordable luxury"**! Renowned for its professional formulas, elegant packaging and refillable systems, ARTDECO **empowers women all over the world by enhancing their individuality** and making them feel more confident, comfortable and unique every day.



Best Product of the Year 2024

The brand's international success was confirmed by the "Best Product of the Year 2024" **award in Greece to the Tesori d'Oriente softener**, which stood out for perceived quality, consumer satisfaction and purchase preference.



Tesori d'Oriente

Essences of Wellbeing

Tesori d'Oriente grew out of a vision of giving everyone an opportunity to turn the small gestures of our daily routines into **rituals of pure wellbeing**. Drawing inspiration from the spiritual wisdom and ancient traditions of Eastern culture, we have created an exclusive collection of **body and home care products**, recognised for the quality of its 100% Italian products and **unique fragrances** that leave an **unmistakable, sensual and enveloping** scent.





A brand worthy of respect

No. 1 brand in France for eco-friendly household products.

Since 2003, L'Arbre Vert has placed respect for the environment and people's health at the heart of its philosophy, offering a wide range of home and personal care products.

The products are **hypoallergenic and Ecolabel-certified**, a symbol of a concrete commitment to wellbeing that focuses on the environment.



2024 was a year of important recognitions for our French brand:

Consumer Green Awards

Award for the brand that limits the environmental impact of its packaging – Awarded by Kantar

This award was measured using the Prométhée tool, which monitors brand image. The system is based on online questionnaires sent out continuously throughout the year to a highly qualified and representative panel of the French population, with an average of 14,000 participants per market.

Winning this award underlines the brand's commitment to sustainability and reducing environmental impact.



The No. 1 brand preferred by French consumers

For the third consecutive year, we have been voted **MARQUE N°1 EN ENGAGEMENT DE LA MARQUE PRÉFÉRÉE DES FRANÇAIS**, reflecting our commitment to people's health and environmental protection.



Gran Premio Innovazione Carrefour

Following weeks of voting in 6,000 participating sales outlets, on the website and via the "Mon Avis Le Rend Gratuit" community, Carrefour customers selected their favourite products from approximately 300 items across 18 categories. Three finalists were selected by customers for each category and then evaluated by a panel of experts. **L'Arbre Vert Almond Hand Soap** stood out in the detergents category, showcasing our commitment to innovation and sustainability!

PME+ certification

We once again obtained PME+ (**Pour un monde + engagé**) certification during 2024. This certification is awarded to companies that stand out for their commitment to:

- people at the heart of their business
- employment and solidarity in their territory
- environmental protection
- quality, healthy and safe products for consumers





Natural wellbeing

Since 1975, **ESI** has been combining **the best of nature** and science to develop high-quality **food supplements**, herbal medicines, nutraceuticals and dietary products for people's daily wellbeing. Ongoing research allows for **innovative, safe and cutting-edge formulations**, through the use of analytical methods recognised by the official pharmacopoeia and the in-depth study of the chemical and herbal properties of the ingredients. Thanks to its rigorous selection and careful control of raw materials, ESI has become one of the most widely distributed Italian supplement companies in the world, as well as being one of the leading manufacturers in the natural products sector.



Let your Vidality flow freely!

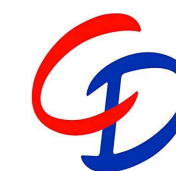
Intense, vibrant fragrances that instil energy and vitality, cleansing formulations with 95% natural ingredients for the entire family. At the heart of Vidal products lies a careful search into the most captivating scents, which are capable of conveying a unique sense of wellbeing and pleasure. Showering is more than just a cleansing ritual; it is an opportunity to recharge and regenerate.

Vidal, Italy's No. 1 brand in shower gels.



Every day Diva

An extraordinary sensitivity to colour, a passion for design, attention to detail and Made in Italy taste represent the DNA of Deborah Milano. Designed for independent, dynamic and authentic women, Deborah's **ultra-glam make-up** enhances femininity without compromise. The extensive expertise of the Research & Development Laboratories has always guaranteed **cutting-edge formulations and tested performance**.

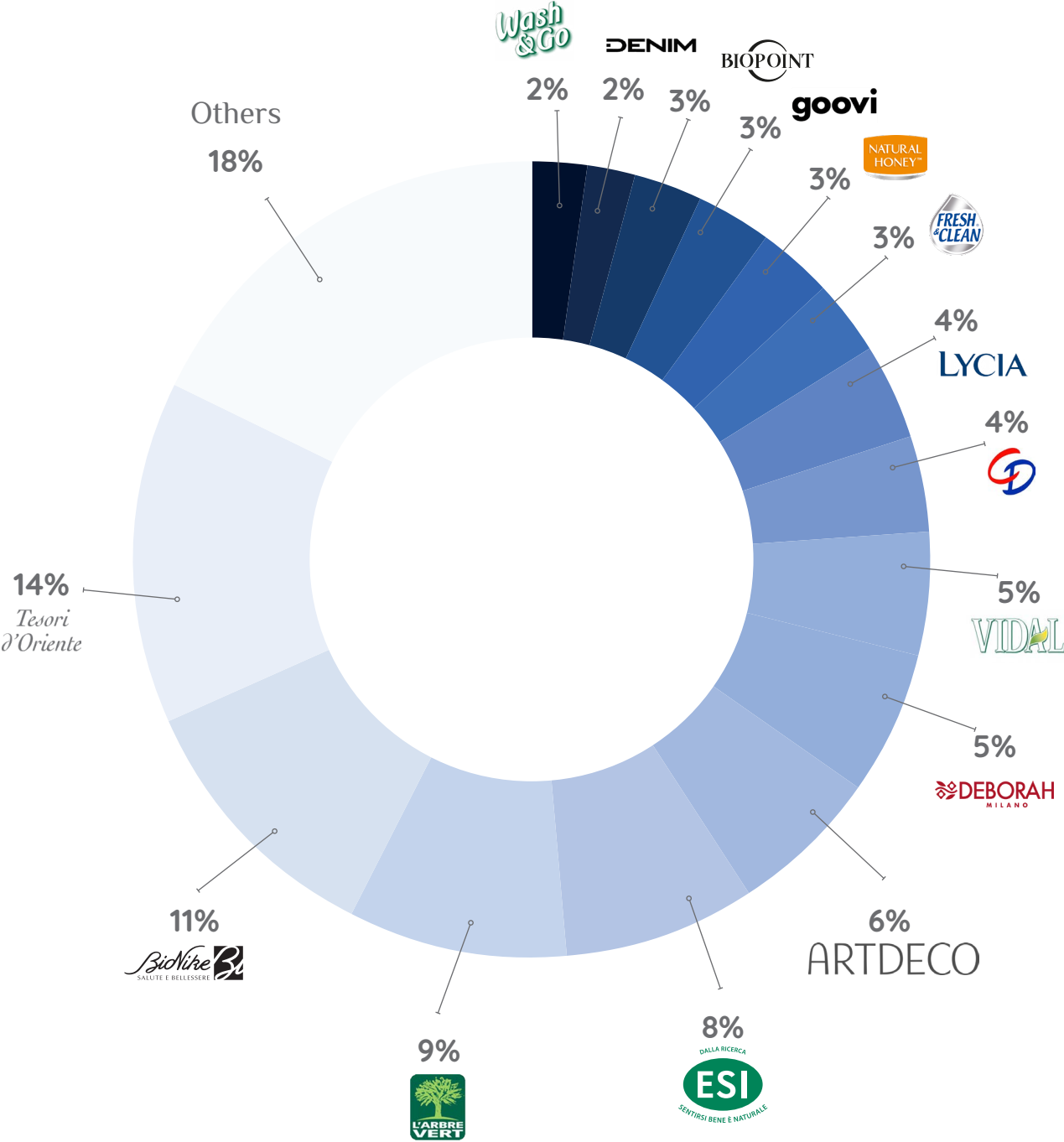


Only water and CDs touch my skin

This is the promise of CD, a naturally gentle brand for body care: avoiding everything that is not necessary. A historic German brand recognised for over 60 years, **CD stands for purity and transparency**.

Bath washes and deodorants formulated according to our **Purity Law**: free from mineral oils, synthetic dyes, silicones, aluminium salts, ingredients of animal origin, and microplastics.

Revenue per Brand



Sustainability

A process that
grows stronger



Our sustainability strategy

We work for the Wellbeing: of those who choose us, but also for the world we are part of. This is our vision. We want to promote a genuine culture of sustainability both inside and outside our company, driven by actions and choices that reflect our values.

We consider **Sustainability to be an important commitment that gives substance to our vision**: it goes beyond business objectives and allows our brands to contribute to the wellbeing of people and the environment, today and tomorrow. We believe that success should be measured not only by brilliant financial performance, but also by our ability to be a **driving force for quality, innovation and prosperity in our environment**. In other words, we should be **Creators of Wellbeing**. This vision involves the entire Sodalis Group.

Sustainability is a key factor in our strategic decisions and daily actions.

It is a strategic lever that drives the development of cutting-edge products synonymous with quality, ethics and innovation, propelling us towards a responsible and innovative future.

We nurture this commitment every day, turning objectives into concrete actions and integrating a vision of **social, environmental and economic responsibility** at every stage, in line with our corporate mission.

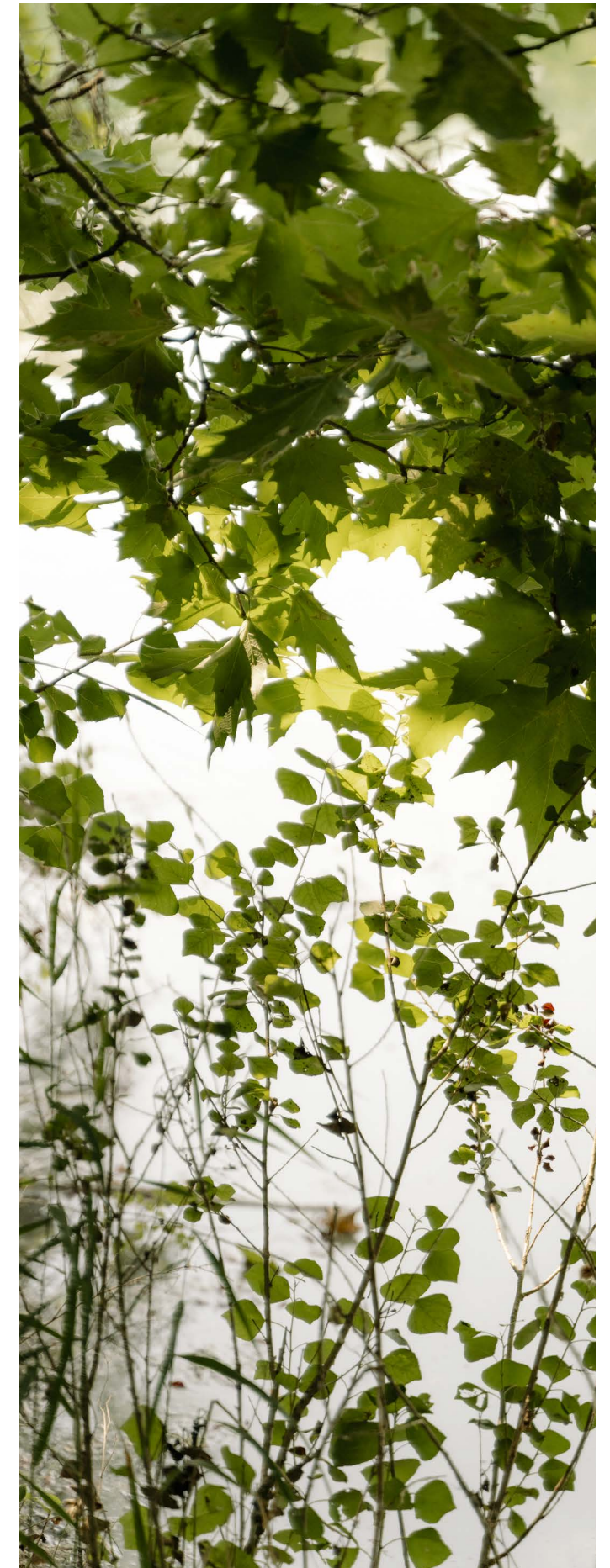
2023 was a significant year for us in terms of Sustainability:

we decided to follow a more structured approach by formalising a **three-year ESG Action Plan** with the support of a specialised external partner. In the same year, we published the first sustainability reports for ESI and BioNike, also initiating the quantification of CO₂ equivalent emissions for these companies through a certified study based on the UNI EN ISO 14064-1:20193 standard.

We had already implemented excellent ESG initiatives in some of our companies or for some specific brands in previous years, but in 2023, for the first time, we decided to **align the entire Sodalis world around common, shared Sustainability goals**, acting as a truly integrated Group.

Another important milestone was reached in **September 2024** when we published our **first Sodalis Group Consolidated Sustainability Report**, demonstrating our commitment to more transparent and structured sustainability management across the group. This is an important step towards greater awareness, thanks to solid quantitative analysis and reporting, and transparent sharing of our results and objectives.

We also started the **organisation Carbon Footprint**, to quantify the CO₂-equivalent emissions generated by all our companies, with the aim of then defining reduction and compensation plans.



THE STAGES OF OUR SUSTAINABILITY PROCESS

ANALYSE



We conduct in-depth studies of the main international trends, comparing ourselves with other companies in our sector and evaluating the relevant frameworks. This allows us to **take a strategic approach in the global context, anticipating trends and adopting the most advanced practices in order to strengthen our position and consolidate our vision.**

ALIGN



We align the results of the materiality analysis with the objectives of the Sustainability Action Plan.

This is a crucial step towards integrating virtuous actions into our strategy, increasing consistency between business priorities and environmental, social and cultural priorities, and **consolidating our Group's position as a Creator of Wellbeing.**

IDENTIFY



We identify priority ESG topics by assessing the operating environment in which we operate.

Our aim is to ensure that our actions are relevant and practical, so that we can **generate lasting wellbeing and improve the quality of life for people, communities and ecosystems.**

EVALUATE



We assess the impact of material topics on stakeholders and validate the materiality matrix.

We define **strategic priorities to help guide our investment decisions and focus our energies where they can generate the greatest shared value.**

MAPPING



We map stakeholders and define how they will be involved. **Our aim is to promote continuous and inclusive dialogue that fosters trust, discussion and joint development, both within and outside the Group.**

REPORTING



We transparently report on ESG performance related to identified material topics, achievements and future goals. **Measuring our commitment is essential to building trust and continuing on a process of evolution based on awareness, responsibility and concrete impact.**

2023

1

GROUP ESG ASSESSMENT

2

CARBON FOOTPRINT

3

SUSTAINABILITY REPORT

4

MATERIALITY ASSESSMENT
STAKEHOLDER ENGAGEMENT

5

GROUP ESG ACTION PLAN

2024

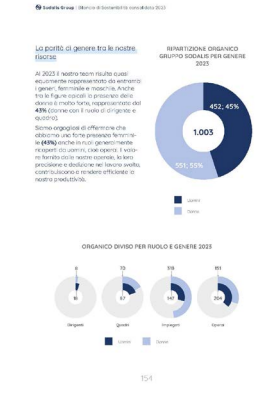
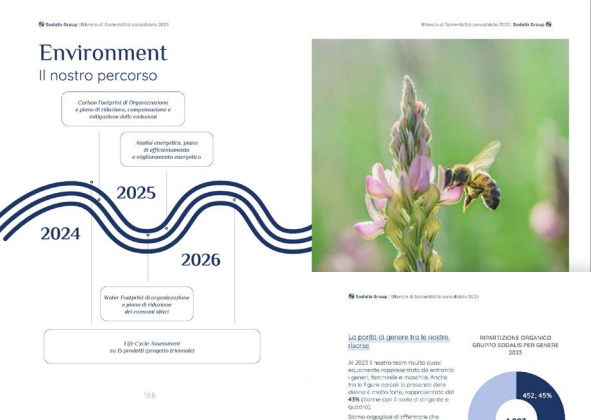
OUR FIRST CONSOLIDATED SUSTAINABILITY REPORT



On 9 October, together with our Sodalis People, we proudly shared the launch of our first Consolidated Sustainability Report 2023, an important milestone that demonstrates our commitment to a more virtuous and transparent management of ESG (Environmental, Social, Governance) topics.

We enjoyed an exciting evening filled with innovative ideas, challenging goals and a deep sense of shared pride.

We explored together the path we took and shared our simple yet ambitious vision: Creating wellbeing for people and the planet, today and tomorrow.



Come siamo noi di Sodalis?

La "Sodalis Attitude" è un mix vincente di passione, ambizione, competenza e curiosità, che si unisce in un grande affetto per il cliente e per il pianeta.

APPASSIONATI

Per noi, il lavoro è un'attività che ci dà gioia e ci fa sentire parte di qualcosa di grande. La Sodalis People ama il proprio lavoro e si impegna con passione e dedizione per raggiungere i propri obiettivi.

AMBIENTISTI

Il nostro impegno ambientale è un percorso che non si ferma mai. Siamo attenti a ogni dettaglio, dalla scelta dei materiali alla gestione dei rifiuti, per ridurre al minimo l'impatto ambientale e creare valore per il pianeta.

CONCRETI

Il nostro impegno si traduce in azioni concrete che producono risultati misurabili. Siamo orgogliosi di aver raggiunto i nostri obiettivi e di aver creato valore per il pianeta e per la comunità.

CREATIVI

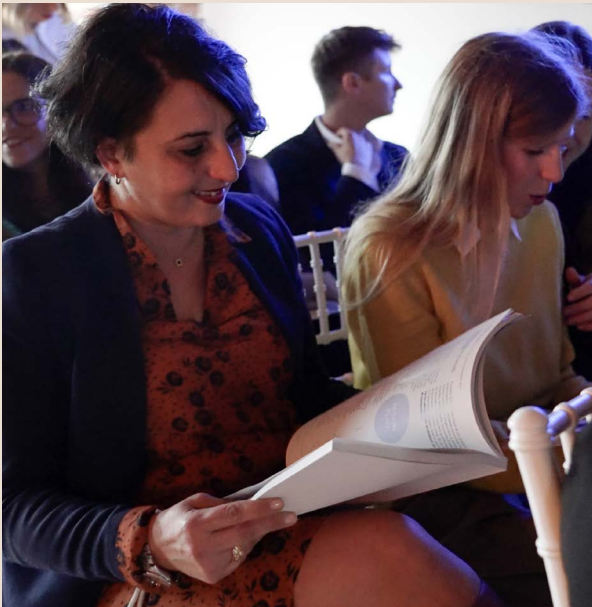
La nostra creatività è una forza che ci permette di innovare e di creare soluzioni uniche. Siamo orgogliosi di aver creato prodotti e servizi che cambiano le regole del gioco e che creano valore per il pianeta e per la comunità.

CONVINCIMENTO CORPORATE E EMPLOYER BRANDING

Stanno insieme il convincente e l'empowering. Il convincente è la capacità di far capire il valore del nostro brand e della nostra missione. L'empowering è la capacità di far capire il valore del nostro brand e della nostra missione.

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ESI & BIONIKE'S JOURNEY TOWARDS SUSTAINABILITY

In 2023, ESI and BioNike started an in-depth analysis of CO₂-equivalent emissions through a study certified according to UNI EN ISO 14064-1:2019.

In line with the values of responsibility and transparency that guide our strategy, and aware of the need to take action against climate change, we have embarked on a concrete path to monitor and reduce our environmental impact. This study has provided us with an accurate snapshot of the carbon footprint of our activities, both direct and indirect, linked to the production process. The initiative is not only an important step towards a better understanding of our impact, but also a first strategic step towards managing emissions, with a clear commitment to reducing them over time.

In 2025, in line with the consolidated reporting, the third Sustainability Report will be published.

This document represents our commitment to acting responsibly, encouraging a cross-cutting approach that integrates ESG topics into all our actions, and promoting transparency towards our stakeholders regarding the sustainability performance of both companies. Adopting a bottom-up approach has enabled us to raise awareness across the Group, extending the best practices learned from ESI and BioNike to all other companies in our Group. Thanks to these initiatives, we have strengthened our environmental awareness and are committed to building a clear roadmap to reduce our environmental impact and continuously improve our standards. We want to promote a corporate culture that creates shared value through concrete and responsible actions.



Stakeholder Engagement: an open dialogue to achieve common goals

GRI 2-29

We believe in the value of constant and transparent dialogue with all the players involved in our journey. We are committed to maintaining a collaborative relationship, considering their point of view and making them feel part of our project to create wellbeing.

This is why we use different methods of communication, designed to meet the specific needs of each category of stakeholder.

Involvement and interaction with stakeholders (stakeholder engagement) allows us to formulate objectives on a more informed basis, with a positive impact on the decision-making process.


The main categories of stakeholders that we interact with are shown below, along with the type of engagement for each one.



Human Resources

We take a multi-channel approach with our **Sodalis People**, combining newsletters, email communications, individual assessment meetings and corporate events. These moments encourage the sharing of corporate values and a sense of belonging, accompanying personal and professional development.

Dedicated meetings are held to share the Group's progress with **employees and trade union representatives** in a participatory and constructive manner.



Customers

We engage with **customers and distributors** through regular meetings and communications, supported by a customer service team dedicated to handling complaints and disputes. We maintain daily contact with consumers through newsletters, customer service, social media interactions and active listening. This allows us to understand and meet their needs.




Associations

We maintain an ongoing dialogue with **trade associations** through regular meetings and communications to ensure alignment on strategic objectives.




Suppliers & Partners

Suppliers and partners, whether they provide goods or services, participate in targeted meetings to promote a shared culture based on the principles of responsibility, care and innovation.



Financial Community

The **financial community**, which includes banks and shareholders, is involved through direct assistance channels, both physical and digital, and through participation in meetings. The dialogue takes place on a regular basis, with the aim of maintaining a constant and transparent relationship.



Public Administration

Discussions with the **public administration**, both at a central and local level, take place through institutional communications and scheduled meetings with the aim of ensuring full compliance with regulations and collaborating in the development of the area.



Communities

We interact with **local communities, consumer associations and non-profit organisations** through digital portals and channels, establishing partnerships to develop projects and initiatives that generate shared value.



Academic & Scientific Community

The **academic and scientific community** – universities and research centres – is involved in discussions aimed at the economic and social development of the area, research and evaluation of product performance.



Certification Bodies

Dialogue with **certification bodies** takes place through audits and regular meetings to ensure compliance with regulations, adherence to procedures and continuous quality improvement.



Media

We maintain a constant relations with the **media**, including digital properties and platforms, national and local newspapers, trade magazines, TV and radio, through updates, releases and meetings, to share the Group's evolution, promote the company's reputation and disseminate news and innovations.

This structured approach allows us to align Group strategies with stakeholder expectations, promoting a more responsible and sustainable corporate culture.

In 2024, a materiality analysis was conducted through an **organised and integrated stakeholder engagement initiative**, where we asked stakeholders to express their opinion of the sustainability topics identified by top management in terms of their interest and expectations.

The stakeholder engagement initiative enabled us to:

- 1 mapped strategic priorities in relation to relevant stakeholders;**
- 2 validated sustainability actions in relation to stakeholder perceptions;**
- 3 strengthened our ability to listen to and engage with stakeholders.**

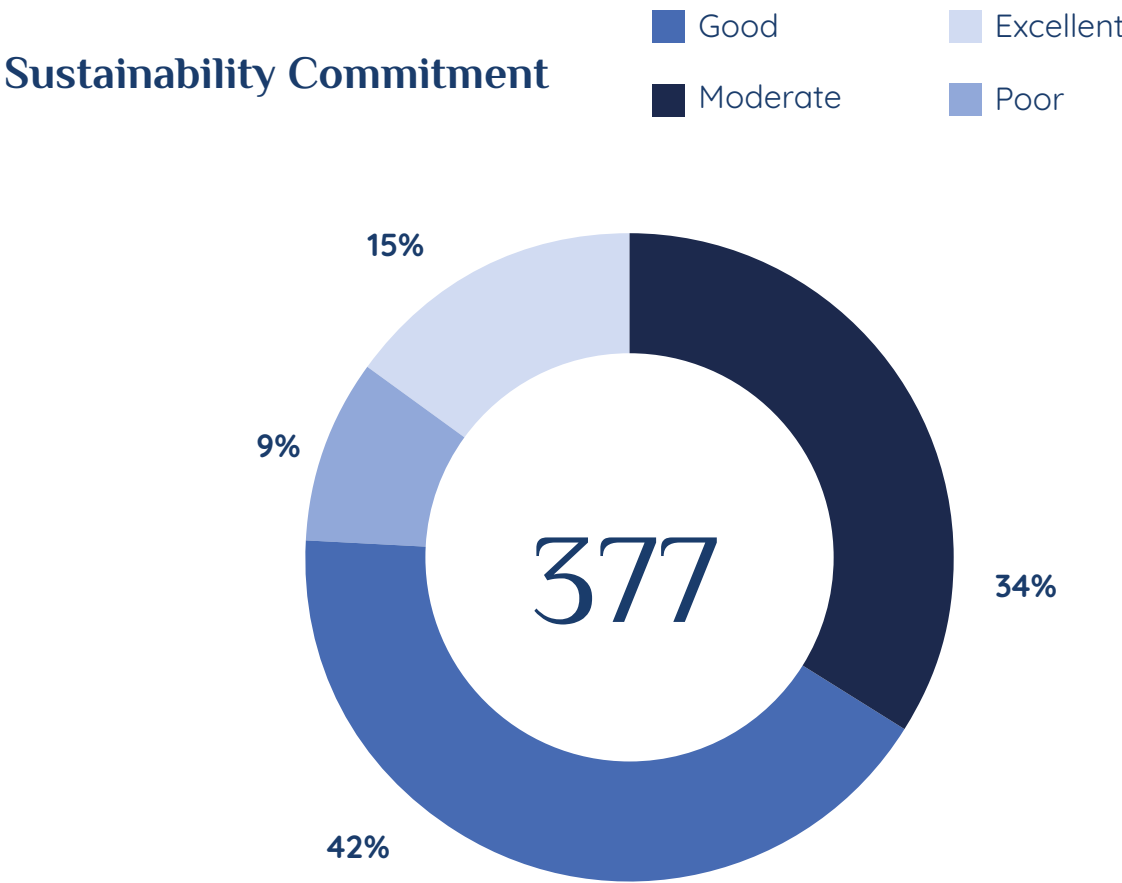
The engagement process involved all the major stakeholder categories, including human resources, suppliers and partners, customers, consumers, the financial community, local communities, associations, the media and certification bodies, with the goal of taking on the stakeholders' overall views, with a particular focus on key stakeholders³.

³ Thanks to a significant response rate, the analysis led to the creation of the materiality matrix discussed in the following section.

Through the survey, stakeholders were asked about their **perception of the Group's commitment to sustainability**. The results show that more than half of the sample gave a medium-high rating.

The analysis indicates the need to act pragmatically on our engagement system to reflect the Group's commitment to maintaining transparent, continuous and targeted communication with all stakeholders, promoting a culture of sustainability and shared responsibility while pursuing specific objectives:

- **Strengthening communication and transparency** by implementing a communication strategy that highlights specific sustainability actions, using different channels to reach all stakeholders;
- **Educating and engaging stakeholders** by organising concrete initiatives and events to tell stakeholders about the Group's sustainability practices and gather direct feedback;
- **Assessing the effectiveness of initiatives** by monitoring and evaluating the effectiveness of current sustainability initiatives in order to identify areas for improvement and optimise the use of resources;
- **Detailed, regular reporting** through publication of sustainability reports that illustrate progress, challenges and future goals, increasing transparency and strengthening stakeholder confidence.



Materiality Assessment: towards CSRD

GRI 3-1 | 3-2

Material topics are topics that represent an organisation's most significant impacts on the economy, environment, and people and substantially influence stakeholder assessments and decisions.

The use of the term "material" indicates topics that, on one hand, are perceived as significant by stakeholders — they could influence their decisions, expectations and actions — and, on the other, can generate significant economic, social and environmental impacts on the company's activities.

The activities of our **materiality analysis** are described below.

In **2023**, Top Management, assisted by the ESG Manager and with the support of external consultants, analysed the ESG topics of importance in the Group's business sector. The topics were then investigated further in terms of their significance for our organisation and their intervention priority.

Following this, the topics underwent a **quantitative assessment** through a survey distributed to a sample of over **600 stakeholders**. The stakeholders evaluated the topics in terms of interest on a scale from 1 (no interest) to 4 (priority).

The process led to the identification of 13 material topics⁴ and 6 emerging topics⁵.

The ESG topics assessed and the main findings are shown in the tables below.

⁴ Topics that exceeded the materiality thresholds for stakeholders and top management, as well as the topics featured in our first consolidated Sustainability Report.

⁵ Topics that exceeded the materiality threshold for stakeholders but were less significant and/or monitored by top management. Reporting on these topics will be organised at a later date in line with the progressive development of the business, in the light of an increased focus on the individual topics and the corresponding level of monitoring by the business.



ENVIRONMENTAL

Material topics

.....

WASTE MANAGEMENT

Properly managing and reducing waste generated during production and packaging.

ENERGY MANAGEMENT

Optimising energy consumption and using energy from renewable sources to minimise environmental impacts.

ATMOSPHERIC EMISSIONS AND CLIMATE CHANGE

Analysing emissions that contribute to climate change and developing strategies to reduce environmental impacts.

MATERIAL MANAGEMENT

Efficiently managing the procurement, use and disposal of raw materials and ingredients, in line with sustainability.

Emerging topics

WATER AND WATER SCARCITY

Managing and conserving water resources, given the crucial role water plays in product formulation and production.

PROTECTION OF BIODIVERSITY

Preserving and protecting natural ecosystems and biodiversity that may be affected by the organisation's activities.



SOCIAL

Material topics

TALENT ACQUISITION AND RETENTION

Attracting and retaining qualified employees while creating a positive and inclusive work environment.

PRODUCT QUALITY AND SAFETY

Ensuring product quality and safety, as well as compliance with industry standards and regulations.

OCCUPATIONAL HEALTH AND SAFETY

Prioritising employee health and safety, providing a safe working environment and complying with safety regulations.

DEVELOPMENT OF EMPLOYEE SKILLS

Improving employee skills, knowledge and capabilities through training and development programmes.

WELFARE AND OCCUPATIONAL WELLBEING

Implementing programmes to improve the wellbeing and quality of life of employees in the workplace.

Emerging topics

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

Promoting diversity, inclusiveness and equal opportunities to create a diverse and representative workforce.

PROTECTION OF HUMAN RIGHTS

Supporting and respecting human rights, both within the organisation and across its global operations.

RELATIONS WITH THE TERRITORY AND LOCAL COMMUNITIES

Fostering positive relations with local communities and contributing to their wellbeing.



GOVERNANCE

Material topics

RESPONSIBLE GOVERNANCE

Implementing transparent and ethical corporate governance practices to maintain trust and credibility.

SUPPLY CHAIN MANAGEMENT

Ensuring ethical and sustainable practices throughout the supply chain, including sourcing, production and distribution.

INNOVATION, RESEARCH AND DEVELOPMENT

Continuously improving and bringing innovations to product formulations and production processes from an ESG perspective.

CUSTOMER SATISFACTION

Focusing on meeting customer needs and expectations while addressing product sustainability and performance concerns.

Emerging topics

BUSINESS TRANSPARENCY AND INTEGRITY

Maintaining transparent and ethical business practices to build and maintain stakeholder trust.

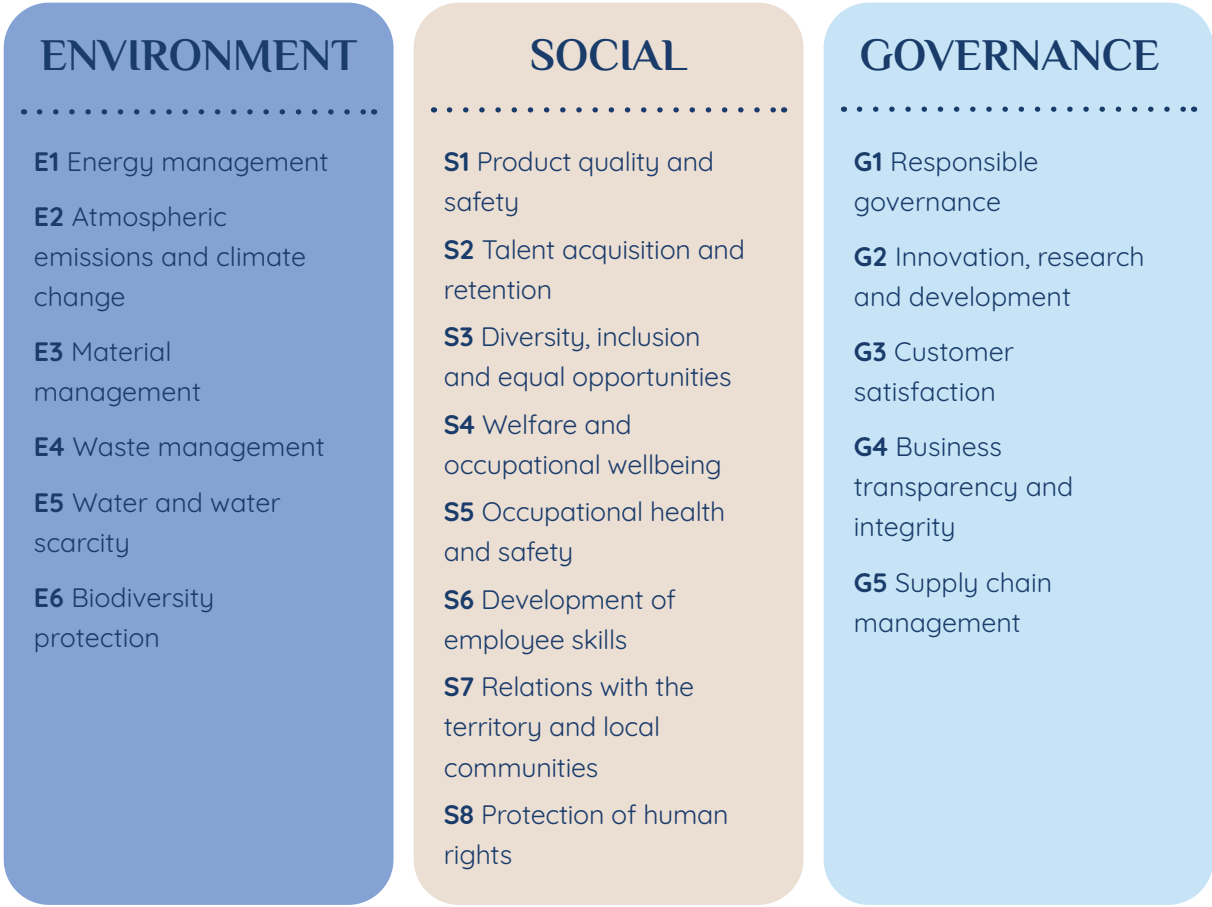


The results of the analysis are based on responses from **377 participants** with a **response rate of 56%**, which is considered representative of the expectations of the Group's stakeholders. The stakeholder categories involved in the analysis included a sample of over **2,800 end consumers** of some of our power brands in order to survey their perceptions in terms of interest and expectations.

The results of this engagement activity are shown in the **materiality matrix**, a graphical illustration of the importance of each topic to our stakeholders and top management, as well as their alignment.

For most of the topics that were assessed, the materiality matrix shows close alignment between the importance attributed by top management and the interest of stakeholders. The matrix topics were used to identify the related **GRI indicators**, which are referenced in this Report on sustainability performance

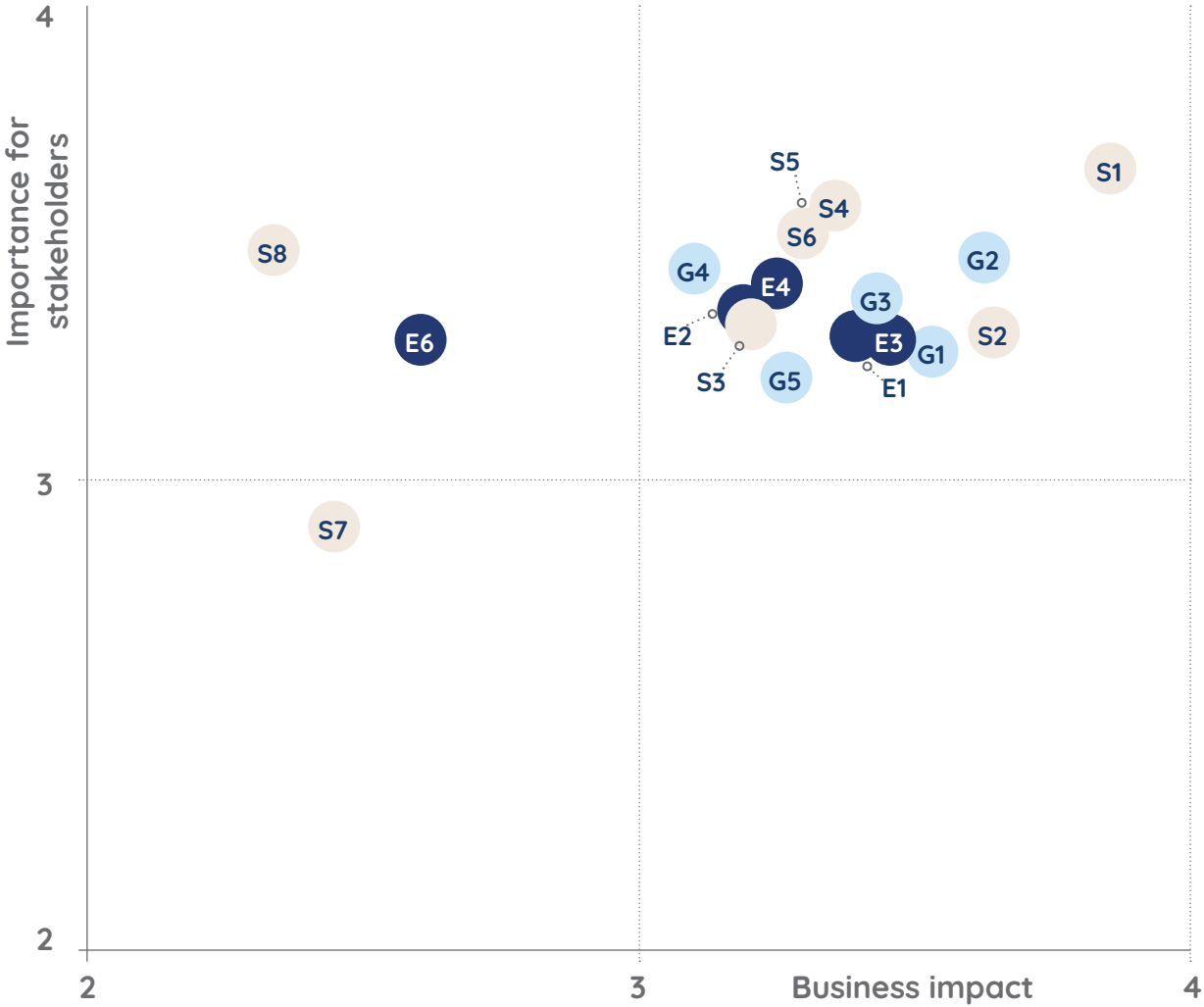
The engagement analysis and a careful review of our strategic priorities in terms of sustainability enabled us to draw up and organise our **ESG Action Plan**, a Strategic Sustainability Plan that identifies specific actions to implement in the three areas of sustainability. These actions are directly related to the material and emerging topics, as detailed in the next section.



In **2024**, still acting with transparency and responsibility, we chose to take a further step, voluntarily adopting the **double materiality** approach ahead of the regulatory requirements set out in the **Corporate Sustainability Reporting Directive (CSRD)**. In fact, with Legislative Decree No. 125 of 6 September 2024, Italy transposed the CSRD, which, however, provides for a transitional period of phased implementation, useful for companies to adapt to the obligation to disclose non-financial information related to sustainability in the three ESG areas.

Double materiality, which is a key innovation of Directive 2022/2464/EU, allows us to assess both the impacts generated by our activities and along the value chain on the environment and society (**impact materiality**), and the risks and opportunities related to ESG topics that may affect our business model, financial performance and company value in the short, medium and long term (**financial materiality**).

The assessment process is divided into several stages, aligned with the principles contained in the **European Sustainability Reporting Standards (ESRS)** and the guidance provided by **EFRAG** in the technical document "Implementation Guidance for the Materiality Assessment".



Understanding and analysing the context

We began the process of aligning with the regulations by carrying out an in-depth analysis of our activities, business relations and operating environment, identifying the main stakeholders involved. This made it possible to build a clear representation of our **value chain** and gather the key elements required to identify **material impacts, risks and opportunities (IROs)**.

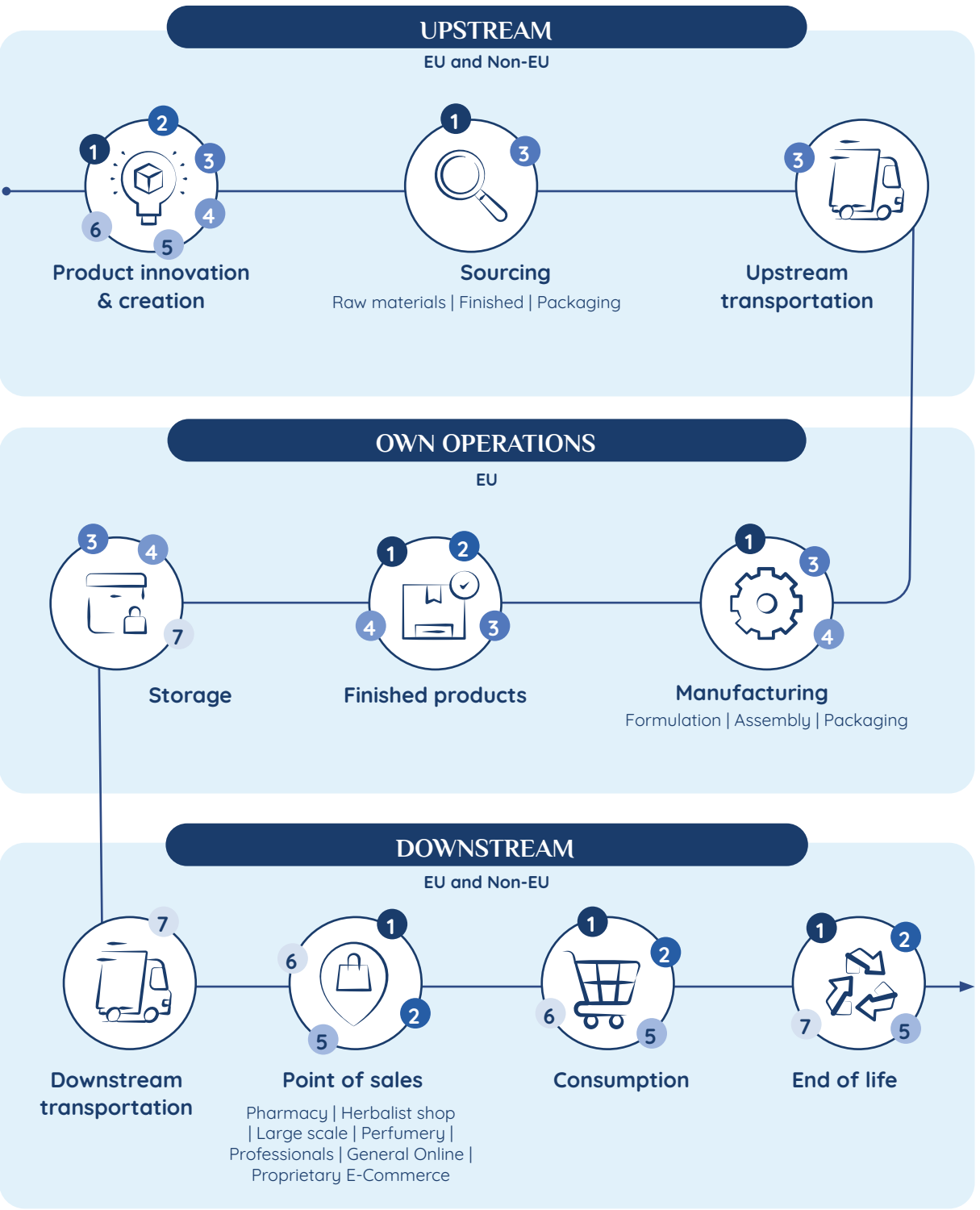
The **value chain** represents the **integrated set of activities, resources and relationships that a company uses to design, produce and market its products** (cosmetics, supplements, medical devices, home care products), right **up to their consumption and disposal**. This value chain approach is fundamental to identifying sustainability issues within the Group's operational context.

Within this value chain, we distinguish three main areas:

- **Own operations:** activities that the company carries out directly in-house, such as research and development, production, human resources management, administration and direct marketing activities;
- **Upstream activities:** activities that suppliers provide to the Group such as raw materials, components, packaging and other services/products required for the company's own operations. This phase includes suppliers of raw materials, packaging, point-of-sale display materials, energy suppliers, for example;
- **Downstream activities:** activities related to the distribution, sale and use of finished products by customers and end consumers. This phase also includes the management of the end of life of products and their packaging.

To complete the process of raising awareness and encouraging self-reflection, a graphic representation of the group's value chain was produced, taking into account the relationships and dependencies between activities and between players, which is a key input required for identifying impacts, risks and opportunities.

STAKEHOLDERS | SODALIS PEOPLE



- AREAS OF INVOLVEMENT
- 1 R&D and Quality Control & Testing
 - 2 Marketing & Branding
 - 3 Purchasing office & Planning
 - 4 Production
 - 5 Sales & Training
 - 6 ADV & Communication
 - 7 Customer services & Logistics



Mapping Impacts, Risks and Opportunities (IROs)

At a preliminary stage, we integrated the sustainability topics in the **topical ESRS** – as defined in the standard “ESRS 1 – General Requirements” – with those already included in our Sustainability Report 2023. Based on this comparison and taking into account industry regulations, best practices and the contribution of governance bodies – which supported the identification with their in-depth knowledge of the business context – we have identified a series of **positive and negative impacts, actual or potential**, of the group’s activities, as well as financial **risks and opportunities** specific to the Sodalis Group and related to the **topics and sub-topics that constitute the sustainability issues covered by the European Sustainability Reporting Standards (ESRS)**.

Assessment of Impacts, Risks and Opportunities (IROs)

The working team is currently assessing the materiality of the identified impacts, risks and opportunities, involving the top management of the companies included in the scope of reporting. The purpose of the assessment is to select a limited number of impacts, risks and opportunities considered material by the company, based on a materiality threshold and using the following objective criteria:

- the severity of the negative impacts is determined by their scale, scope, and irreversibility.
- the scale and scope for positive impacts;
- the same criteria, but weighted according to the greater or lesser likelihood of occurrence for potential impacts (negative or positive).

When it comes to assessing risks and opportunities, the criteria used are potential magnitude and probability. **These impacts, risks and opportunities will in turn determine the materiality of related sustainability issues⁶**. Following this assessment, topics of dual materiality will be identified, on which the Sodalis Group will report in the next reporting period, informing its stakeholders on strategies, objectives, actions and related results.

⁶ A sustainability issue is material for a company if it has a significant impact on people and the environment, or if it has financial materiality, i.e. when it generates risks or opportunities that have or can reasonably be expected to have a significant influence on the company’s development, its financial position, results of operations, cash flows, access to finance or cost of capital in the short, medium or long term.

Action Plan: from strategy to concrete action

GRI 2-22

In **2023**, we formalised our **ESG Action Plan**, a structured roadmap consistent with our core business, industry trends and stakeholder requirements. This plan is the result of a process that integrated sustainability topics identified in the materiality analysis with our strategic guidelines. It was prepared through a participatory process that actively involved management and focused strongly on the impact on key stakeholders.

In **2024**, we continued to develop and implement our **ESG Action Plan**, with the aim of continuously monitoring progress and strengthening actions related to the most relevant topics. ESG topics were identified taking into account their connection to the **Sustainable Development Goals (SDGs) of Agenda 2030**⁷.

Formalising the plan and continuously monitoring it enabled us to set concrete targets and actions to be implemented in the three-year period 2024-2026. The commitment remains to **progressively reduce environmental impact, foster social wellbeing and promote ethical business practices**, actively contributing

to sustainable development and creating shared value.

Our ESG Action Plan consists of tangible actions and measurable goals, which we will continue to pursue with determination in order to contribute to a healthier and more harmonious future for all life forms.

1

Conduct an analysis to measure the current situation

2

Set clear, attainable and quantifiable objectives

3

Draw up a concrete ESG plan with specific actions

The pillars of the strategic plan reflect our commitment to ESG topics, which are embodied in measurable goals and actions. In this Report, we detail our performance using the GRI indicators, illustrating our goals and the strategies implemented to achieve them.

⁷ The correlation with the Sustainable Development Goals of the 2030 Agenda is based on the guidelines indicated in the 2022 document "GRI - Linking the SDGs and the GRI Standards".



ENVIRONMENTAL

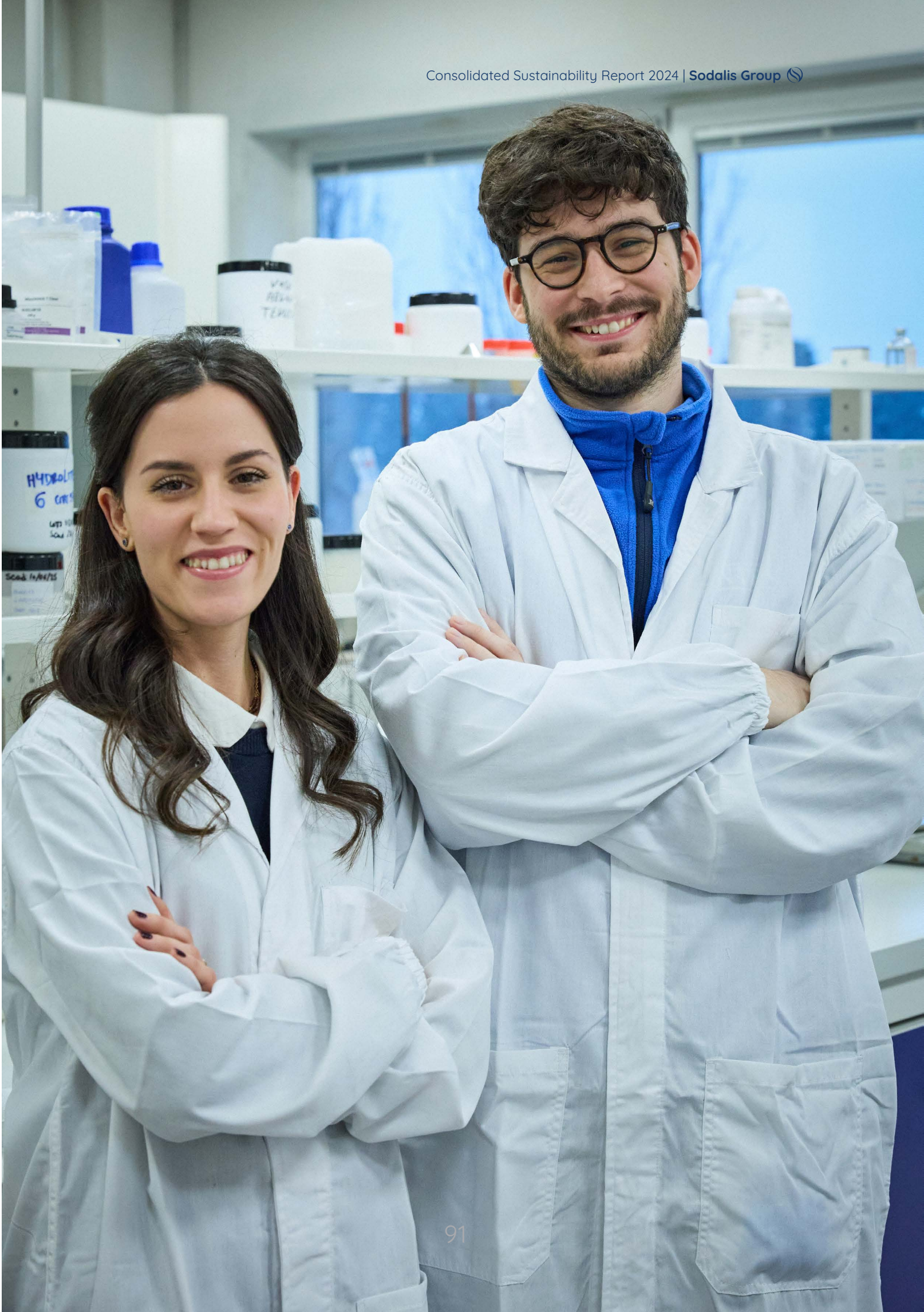
Action Plan objectives	Stakeholder priorities ⁸	Pillars	Actions
Creating products with a lower environmental impact (eco-design and the circular economy)		CARE Enhancing water resources	<ul style="list-style-type: none">➤ WATER FOOTPRINT analysis for the Group's production sites➤ Implementing measures to reduce the use of water resources
		OPTIMISATION Analysing and redesigning the end-of-life of materials	<ul style="list-style-type: none">⚙ Implementing a monitoring system for renewable and non-renewable materials➤ Setting targets for the use of recycled materials⚙ Performing a LIFE CYCLE ASSESSMENT on the main products
		RECYCLING Managing waste responsibly	<ul style="list-style-type: none">⚙ Strengthening the system of WASTE MANAGEMENT➤ Setting waste reduction targets
A commitment to reducing emissions arising from our corporate processes		RATIONALISATION Using energy resources responsibly	<ul style="list-style-type: none">➤ ENERGY ANALYSIS for the Group's production sites➤ Implementation of energy efficiency measures⚙ Expanding the use of energy from renewable sources
		PLANNING Counteracting climate change	<ul style="list-style-type: none">⚙ CARBON FOOTPRINT analysis of the Group➤ Plan to reduce, mitigate and offset GHG emissions

⁸ A = high MH = medium-high M = medium



SOCIAL

Action Plan objectives	Stakeholder priorities ⁸	Pillars	Actions
Employee involvement and training on ESG topics	MH	EQUALITY Promoting fair growth paths	<ul style="list-style-type: none">⌚ Implementing a GENDER EQUALITY MANAGEMENT SYSTEM➤ Formulating monitoring and improvement policies to ensure equity and inclusion within the Group⌚ Planning people engagement initiatives
		GROWTH Strengthening potential, enhancing human capital	<ul style="list-style-type: none">⌚ Providing training on ESG topics for Sodalis People⌚ Drawing up growth plans for each department team
		MOTIVATION Attracting and retaining talent	<ul style="list-style-type: none">⌚ Implementing the SODALIS AMBASSADORS PROGRAMME⌚ Creating a partnership network with universities through internship programmes and participation at career days
Wellbeing and inclusion in the working environment	M	EMPATHY Promoting work-life balance and corporate welfare	<ul style="list-style-type: none">⌚ Renovation of headquarters⌚ Strengthening internal communication



⁸ A = high MH = medium-high M = medium

GOVERNANCE

Action Plan objectives	Stakeholder priorities ⁸	Pillars	Actions
Formalising corporate principles and values and sharing them with key stakeholders	MH	HONESTY Guaranteeing and encouraging ethical and responsible behaviour	<ul style="list-style-type: none">⌚ Formalising principles and values in the CODE OF ETHICS⌚ Implementing stakeholder engagement initiatives and expanding the materiality analysis (double materiality)⌚ Formalising the SUSTAINABILITY TEAM and MBO mechanisms based on the ESG objectives of the Action Plan
		RECIPROCITY Prioritising responsible and controlled procurement	<ul style="list-style-type: none">➤ Raising awareness among key stakeholders through the Code of Conduct⌚ Creating supplier evaluation and awareness mechanisms through the Code of Conduct and ESG ratings
Implementing a responsible and innovative business model	M	EVOLUTION Investing in research and development projects	<ul style="list-style-type: none">⌚ R&D investments focused on improving the sustainability of product formulations and packaging
Clear and transparent communication on business impacts	M	CLARITY Acting and communicating according to strict principles and values	<ul style="list-style-type: none">⌚ Strengthening Group sustainability reporting to meet the requirements of the Corporate Sustainability Reporting Directive

⁸ A = high MH = medium-high M = medium



The principles of our Governance model

Governance

Key highlights



VALUE CREATION

€ 813 M

net net sales

86%

of generated economic value distributed to stakeholders

57%

women in governance bodies

370

stakeholders participating in the Group engagement activity

12

Group companies subject to the organisation Carbon Footprint



QUALITY & INNOVATION

€ 20.7 M

of investments to optimise production and improve management and our people's wellbeing

99.6%

of products assessed for health and safety impacts

3

registered patents -
1 patent filed

ISO 3
9001:2015

certified production sites

ISO 1
9001:2015

new certification obtained for the production of medical devices



SUPPLY CHAIN

















87%

of the budget for suppliers operating at Group-operated locations

Governance

Our Journey



Pillar	Target		Target year	2024 – Where do we stand	SDGs
HONESTY Guaranteeing and encouraging ethical and responsible behaviour	<p>Strengthen Group sustainability reporting to meet the requirements of the Corporate Social Reporting Directive (CSRD);</p> <p>Implement stakeholder engagement initiatives and expand the materiality analysis (double materiality);</p> <p>Formalise the Sustainability Team and MBO mechanisms related to the ESG objectives in the Action Plan;</p> <p>Develop the Code of ethics to promote the principles and values underpinning the corporate culture by increasing employee motivation and engagement and strengthening their sense of belonging;</p> <p>Improve Group governance so that corporate decision-making and procedures are transparent and responsible, ensuring that actions align with the Group's values.</p>		2024-2026	<p>Second Group Sustainability Report</p> <p>Definition and assessment of impacts, risks and opportunities (IROs)</p> <p>Implementation of the ESG Action Plan to incorporate stakeholder expectations into the Group's strategy and best practices</p> <p>Sustainability Team formally established</p> <p>Activation of MBO mechanisms related to ESG objectives</p> <p>Development of the Code of Ethics*</p>	   
*Approved and published in May 2025					
EVOLUTION Investing in research and development projects	<p>Investments focused on improving the sustainability of product formulations and packaging</p>		2024-2026	<p>3 patented solutions to protect intellectual property</p> <p>1 patent filed</p> <p>5 research laboratories to contribute to the innovative growth of the Group, promoting effective, cutting-edge solutions</p>	  
SATISFACTION Implementing effective communication strategies	<p>Integrate consumers' ESG needs in our strategic decisions on products and processes.</p>		2024-2026	<p>Constant monitoring and analysis of customer satisfaction</p> <p>Engagement initiatives for customers and consumers</p>	
RECIPROCITY Prioritising responsible and controlled procurement	<p>Assess suppliers on sustainability criteria using verified ESG ratings to raise awareness along the supply chain and enable alignment with the Group's sustainability criteria.</p>		2025-2026	<p>Stable, trust-based relationships and vendor ratings of suppliers on technical/quality criteria</p> <p>87% of the expenditure budget for finished products, raw materials and packaging for suppliers operating at Sodalis Group European locations.</p>	   
CLARITY Acting and communicating according to strict principles and values	<p>Reinforce an informed corporate culture to minimise non-compliance in terms of communication and labelling and counteract greenwashing.</p>		2024-2026	<p>Development of a publishing plan dedicated to ESG topics</p>	   

Organisational structure

GRI 2-9 | GRI 2-11 | GRI 405-1

The organisational structure of the holding company is based on a traditional model consisting of the **Board of Directors and a supervisory body consisting of a sole Statutory Auditor.**

The Board of Directors (BoD) holds the powers of ordinary and extraordinary management of the Company, with the task of implementing the decisions taken by the Shareholders' Meeting and guiding business activities. It is responsible for a number of things, including approving organisational strategies, developing management policy, appointing and supervising managers, and defining relevant remuneration systems.

Corporate governance reflects the family nature of the Group: **Fabio Granata** is Chairman of the BoD and legal representative of the Company, flanked by **Paolo Bergamaschi** as CEO. Directors **Riccardo, Marianna and Vittoria Granata** and **Lisa Denti** complete the board.

The **Sole Statutory Auditor** performs supervisory functions over the activities of the Board of Directors, exercising constant control over the management and administration of the Company, as provided for Limited Liability Companies.

The various **strategic areas of the Group** report to the main corporate functions, which are centrally coordinated by the **C-suite**. The area managers provide the guidelines defined by the Parent Company and support the subsidiary contacts, while ensuring operational autonomy and local supervision. Thanks to their specialised skills and consolidated know-how, the management is responsible for supervision, resource development, and managing relations with strategic stakeholders. This integrated and pragmatic approach enabled the Group to grow vertically and integrate its acquired companies effectively over time.

Board of Directors Sodalis S.r.l.

Fabio Granata Chair	Paolo Bergamaschi Managing Director	Riccardo Granata Director	Marianna Granata Director	Vittoria Granata Director	Lisa Denti Director
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COMPOSITION OF SODALIS S.r.l. GOVERNANCE BODIES



Sustainability Governance

In order to integrate sustainability into the company's broader strategic decisions and ensure increasingly conscious management, we defined a Sustainability Governance during the year, which will be formalised in 2025.

The sustainability team will comprise resources from the various Group companies and business areas responsible for **defining, implementing and governing sustainability policies and initiatives, promoting and communicating our commitment**. The Team will ensure an increasingly structured and cross-cutting management of environmental, social and governance topics and will consist of three main working groups:

- **sustainability Steering**, made up of the Company's top management and the ESG Manager, defines medium to long-term environmental, social and governance strategies. It is also responsible for overseeing and ensuring the effectiveness of sustainability policies and performance.
- **sustainability Ambassadors**, are responsible for overseeing and promoting the integration of ESG topics in their respective areas, as well as for their implementation.
- **sustainability Champions**, actively and responsibly contribute to the implementation of the ESG plan. They also play a key role in promoting an ESG culture within their respective areas of the company.

For management staff, an **MBO** (Management By Objectives) has been defined for some Group companies, based on the **qualitative and quantitative objectives defined in the ESG Action Plan**.

The objectives have been formalised taking into consideration the activities of the business and sustainability elements, with the intention of achieving continuous and responsible improvement within the Sodalis Group.

To ensure that the targets are met, the Group has developed qualitative and quantitative KPIs to monitor target achievement and deviation. The MBO mechanism is expected to be implemented for all Group companies in 2026 and will take into account the assessment of activities carried out during 2025.

Sustainability team



Performance, economic value generated and distributed

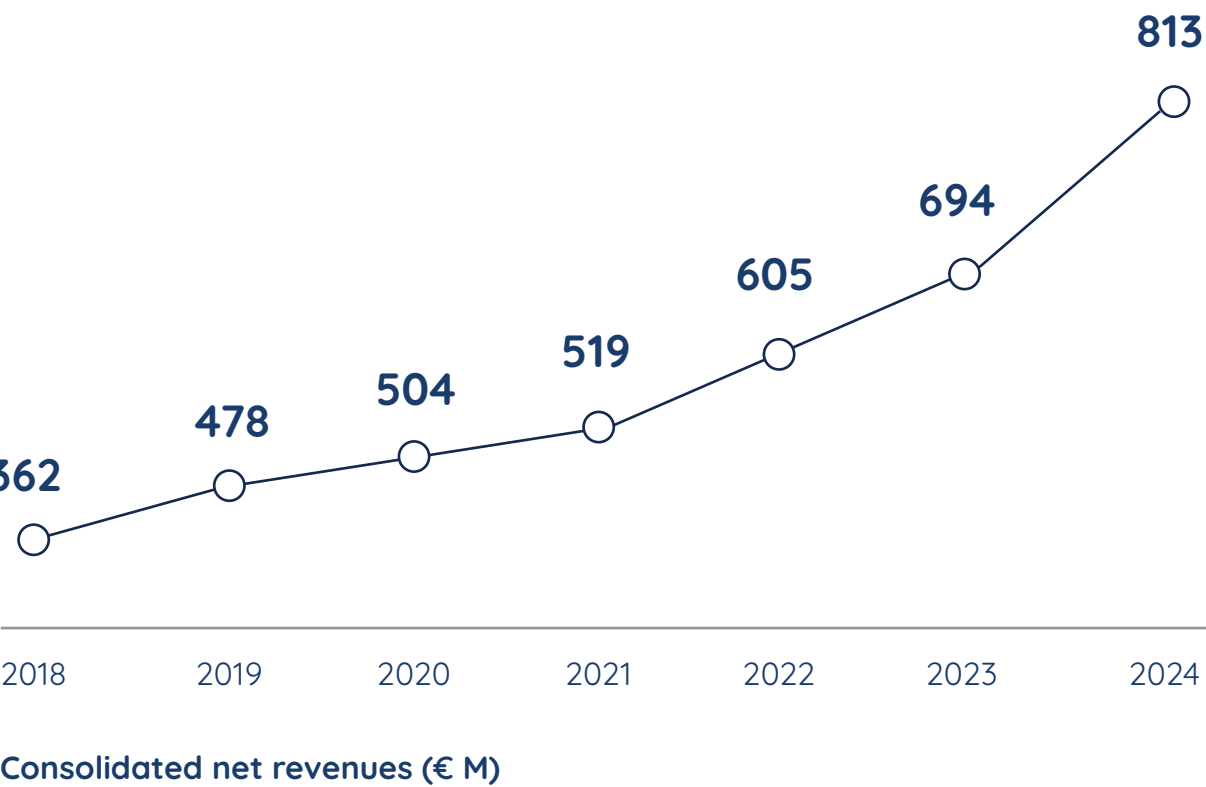
GRI 201-1

At Sodalís, we work in line with the principle of **economic responsibility towards all our stakeholders**. We are also committed to regular disclosure of our financial performance, activities, development and business outlook in compliance with applicable regulations and the principles of clarity, truthfulness and transparency.

The Group's operating revenues amounted to € 908,689,467, a marked increase over the previous year. Taking into account the total revenues obtained

through the consolidation of the newly acquired subsidiary ARTDECO cosmetic Group (acquired in June 2024), growth reached almost 20%, while on a like-for-like basis it was 10%.

2024 was a year of strong growth for our Group, with a **double-digit increase in revenues**. During the financial year, consolidated net revenues doubled to approximately **€ 813 million (+17%** compared to 2023), closing the financial statements with EBITDA of **€ 182.6 million (+26%** compared to 2023).



The Sodalís Group's strategy, which focused on channel diversification and internalisation among other things, was successful. Turnover increased significantly across all sales channels, and high levels of profitability and cash flow were maintained. In recent years, the focus has been driven by investments aimed at acquiring new brands or new equity investments in sectors that would enable us to increase visibility and presence internationally, as well as in the fastest-growing and highest-margin channels and markets.

Moreover, in line with our industrial vocation, we continued to pursue the policy of cost rationalisation, production efficiency and investment in research, which are necessary to meet future challenges.

The positive result is due, in particular, to three factors:

- 1 extraordinary **growth in exports (+36%)**, whose share of turnover, including both foreign subsidiaries and distribution partnerships, reached almost 50%;
- 2 growth in **consumer mass** supply, especially in Italy;
- 3 positive development of the beauty brands (**Deborah** and **Biopoint**) and the **ESI** brand, which benefited from growth in investments. In addition to those already mentioned, particularly successful brands include **Tesori D'Oriente** (in both Personal Care and Home Care), **Goovi**, **l'Arbre Vert** and **Vidal**.

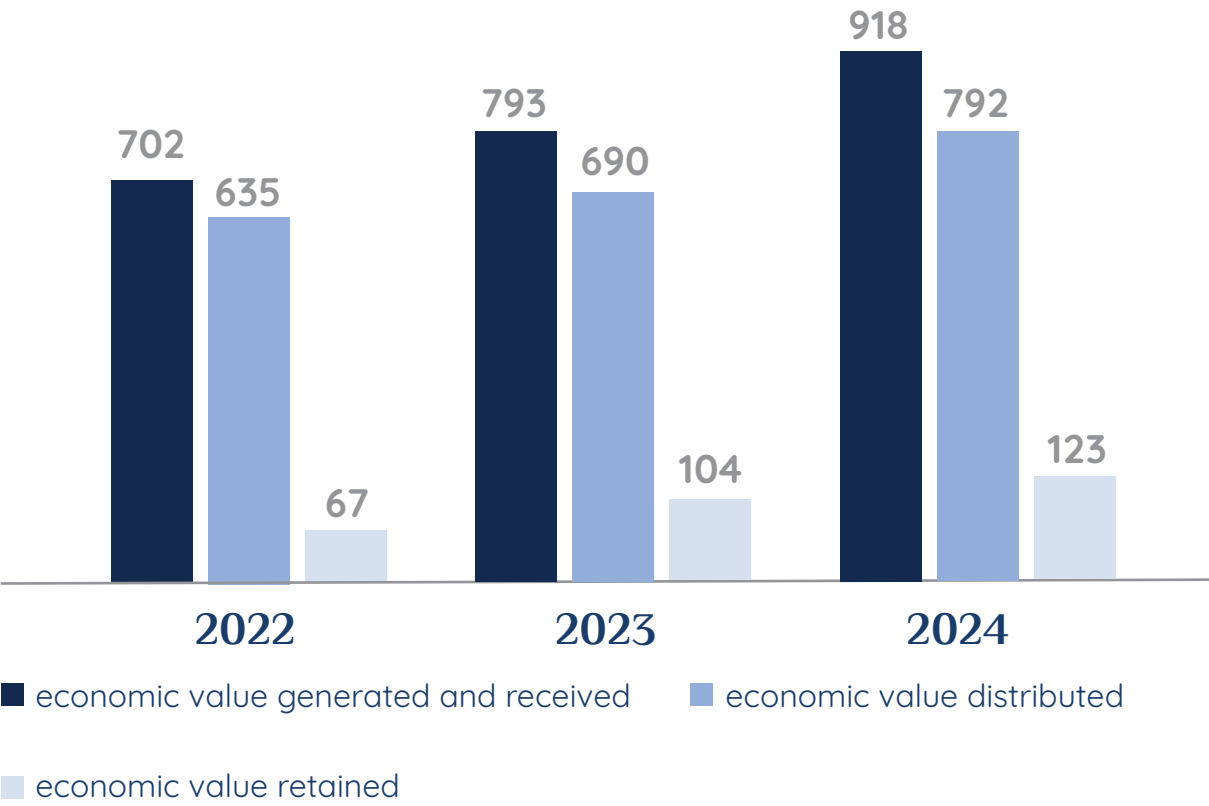


The charts set out below show **value generated and distributed**, based on the income statement for the period under review. They indicate the **economic value generated directly by Sodalis** and its **distribution to stakeholders**.

The **economic value generated** refers to revenue from the sale of products, as well as other revenue and financial income from investments in subsidiaries¹⁰. In 2024, it stood at almost € 918 million, 98.4% of which came from sales.

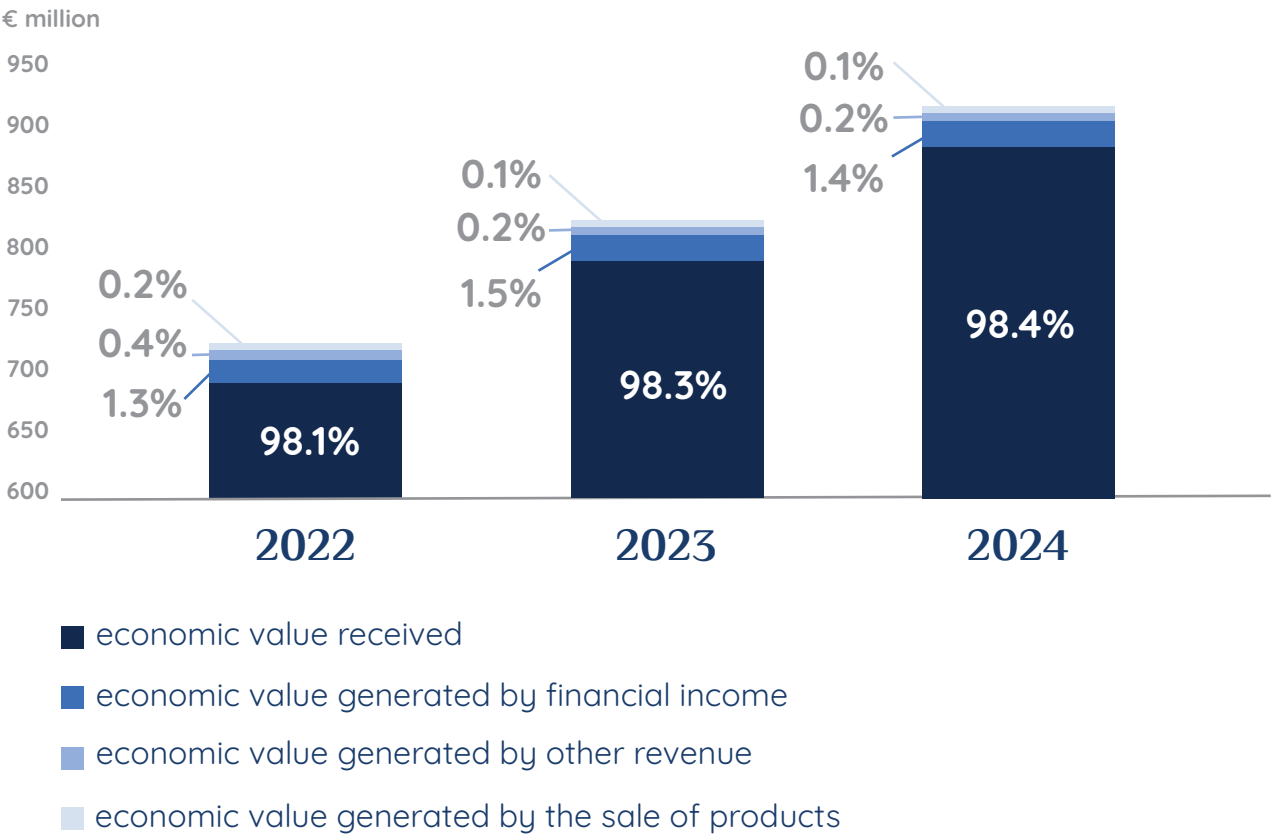
Economic value received reflects the share of other revenue received from the public administration in the form of operating grants (0.2%), mainly intended to strengthen the organisation's investment activities⁸. The **economic value retained** is the difference between economic value generated and received, and economic value distributed to the various stakeholder categories, and includes consolidated profit for the year.

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED (millions of Euro)



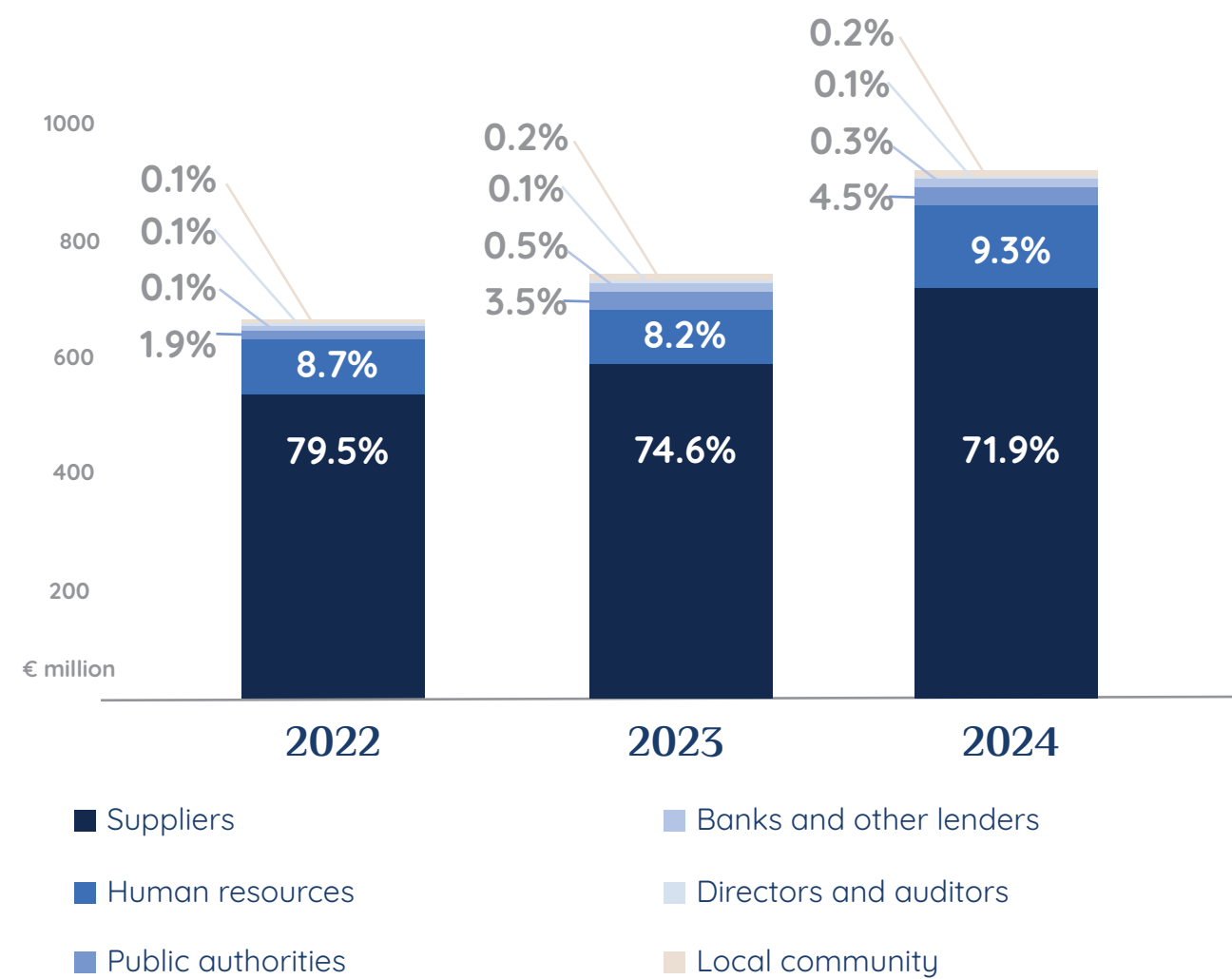
⁸ See "ANNEX 1 – GRI Indicators" for a more detailed discussion of the indicators relating to direct value generated and distributed and its reconciliation with the Annual Report for the period under review.

COMPOSITION OF ECONOMIC VALUE GENERATED AND RECEIVED



Approximately **86% of the value generated directly in 2024 was distributed** to stakeholders. A large part (81%) of this value generated was used to remunerate and support businesses in the supply chain and our employees. The remainder was distributed to **directors** and **auditors** in the form of remuneration, to the **Public Administration** through taxes, to **banks** and **lenders** in the form of interest and financial charges, and to the local community through contributions and donations.

COMPOSITION OF ECONOMIC VALUE DISTRIBUTED TO STAKEHOLDERS



Investments and projects

In an environment where markets are constantly evolving, we keep a constant focus on innovation, not only in products, but also in our organisation and processes. In **2024**, we invested approximately **€ 21 million** in specific improvement projects, production facility expansions and greater process management efficiency through equipment purchases and revamps. Among these, the most important were:

SAP Management

Following several acquisitions, organisational and staff development led us to implement a new management system that will be **used for various business processes, including purchasing, sales, logistics and human resources management**. The SAP – **Success Factors Human Experience Management Suite** was implemented in 2024 for integrated human resources management. The new management system will also be rolled out to other company departments in 2025.

New locations and offices

The **renovation and modernisation of our headquarters in Lodi Vecchio** were completed in **2024**. We have re-designed our headquarters to promote the daily wellbeing of our employees. We have created new spaces to foster a **functional, modern and inspiring work environment** for our Sodalis people. We have designed smart work-spaces, modern, high-tech meeting rooms and social spaces to encourage energy recovery and stimulate creativity, all within a positive and welcoming atmosphere.

Further renovation work is planned for meeting rooms and offices at the Lodi Vecchio site in **2025**, and new rooms will be created to encourage socialising. Renovation work on the changing rooms for production department employees will also be completed during the year. The construction of an area dedicated to housing the Goovi team offices at our Lainate site will be completed in 2025.



ALI Project

The ALI Project – Natively inside SODALIS – is the project through which we have set up an internal artificial intelligence laboratory. This was made possible thanks to the active involvement of colleagues from across the company. This cross-functional approach has enabled us to define a clear roadmap: starting with an understanding of the potential of AI and moving on to concrete implementations that can deliver immediate benefits to our daily work. The process is now being extended to cover more complex areas, such as Research and Development and predictive analysis, in order to support business processes in which technology can play a key role in driving business evolution.

This commitment took shape in 2024 through a broad digital transformation project, resulting in the development of ALI, a proprietary artificial intelligence system designed to support strategic business decisions, with a focus on predictive market analysis, operational efficiency and intelligent data utilisation.

ALI was created within the **AI Academy**, a cross-functional initiative strongly supported by the company's management to explore the poten-

tial of artificial intelligence in business processes using a methodical approach and strategic vision.

The Academy is a cultural and operational accelerator based on concrete experiments and real-life use cases, with the aim of identifying high-impact tools and assessing the feasibility of proprietary solutions, such as a future AI assistant tailored to the Group.

To ensure the project's solidity and effectiveness, a cross-functional team has been set up, strengthened by the new skills that joined the company in 2024, with the task of exploring and experimenting with the application of artificial intelligence in key processes. This evolution resulted in the creation of the new **e-Business division**, designed as a digital enabler and cross-cutting lever for innovation.

A PROJECT SUPPORTING ESG OBJECTIVES

The ALI initiative also stands out for its contribution to the Group's ESG objectives.

- **Efficiency and waste reduction:** advanced analysis enables ALI to optimise resource management

and rationalise process planning. These optimisations can help to reduce organisational waste and operational errors, positively impacting the environment indirectly. For instance, artificial intelligence can minimise paper usage in control and archiving processes.

- **Training and digital inclusion:** The AI Academy promotes a culture of innovation and continuous upskilling that is accessible to everyone in the organisation.
- **Responsible data governance and compliance:** the development of the AI system is accompanied by strict data governance, inspired by the principles of transparency, security and privacy. A structured process has been launched to ensure **compliance with the European AI ACT**, which sets out the standards required for the ethical, traceable and reliable use of algorithms.
- **Digitalisation and reduction in paper usage:** one of the first use cases involves using **AI for image recognition** to reduce paper usage in control and archiving processes.

In addition to providing an immediate operational benefit, this workshop offers a **learning-by-doing** opportunity that strengthens internal expertise and creates a reusable corporate asset for future optimisations.

ALI is a strategic, human and cultural investment for Sodalis, aimed at developing an advanced, data-driven operating model ready to face future challenges.





Energy from renewable sources

We continue to invest in increasing **self-generation of energy from renewable sources through photovoltaic plants** at our production sites:

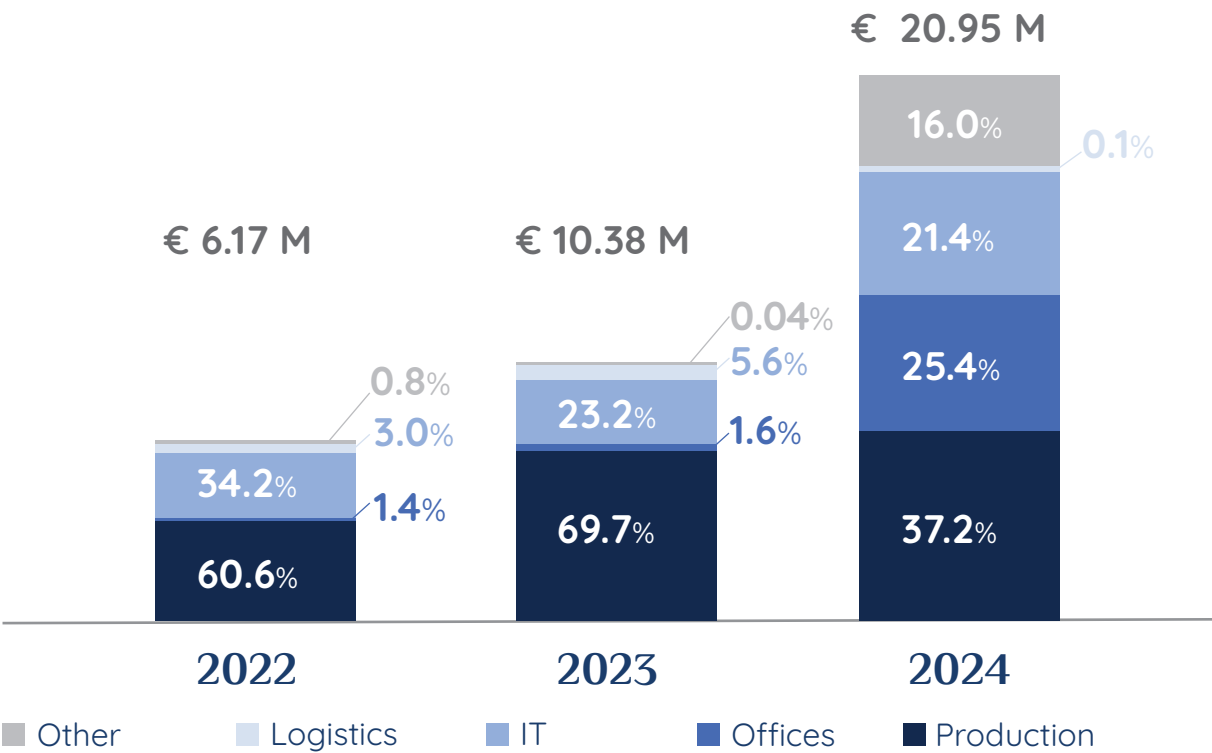
- **Quadripack (France):** launch of the first photovoltaic plant in 2024 and activation of the second plant in 2025, with the aim of achieving almost 1/3 of our needs through self-generation
- **ESI:** installation of a 300 kWp plant is underway and will be operational from 2025.
- **ICIM:** plans to double the existing plant (current capacity: 346 kWp).

Optimised water resource management

We invest in innovative solutions for rational water use:

- **Quadripack (France):** the analysis of the wastewater treatment plan was completed in 2024, and implementation is planned for 2025
- **ESI:** the installation of a reverse osmosis system to recover approximately 50% of the water discharged from the liquid treatment is currently being studied
- **ICIM:** the expansion of the recovery plant for washing water was completed. Objectives: to save 1,800 m³ of water each year

INVESTMENTS BY AREA



Research & Development: where the uniqueness of our products begins

Innovation is part of our identity. We have always invested in the quality of our five in-house laboratories in order to offer ever higher standards of performance.

Our passion for research translates into innovation in our products and processes and the development of skilled, curious and motivated human capital. Our **R&D centres work every day to create** excellent formulations **in terms of** effectiveness, tolerability **and eco-compatibility**. In recent years, we have intensified research programmes aimed at renewing existing formulations and introducing new technologies to meet the needs of consumers who are increasingly attentive to quality, user experience and results.

The research process begins with dialogue with the Marketing Team, which identifies market trends and emerging requests. This is where **development begins: a crucial point for creating value, where insights are transformed into concrete projects**.

Our experts activate the evaluation and validation phases of the products based on feedback collected, operating in **cutting-edge laboratories**. We ensure scrupulous selection of raw materials and rigorous control of each production batch.

The aim of **regulatory phase** activities in product development is to **ensure that new formulations comply fully with international and local regulations**. This approach allows us to communicate credible claims based on science and transparency.

We have built a strong network of **collaborations** with **universities, research institutes, and external testing and development laboratories** over time. We involve doctors and conduct clinical studies to validate the efficacy, safety and performance of our products.

Throughout the process, our focus is on the consumer experience, with one clear objective: to create products that improve their daily lives by offering genuine experiences of wellbeing.

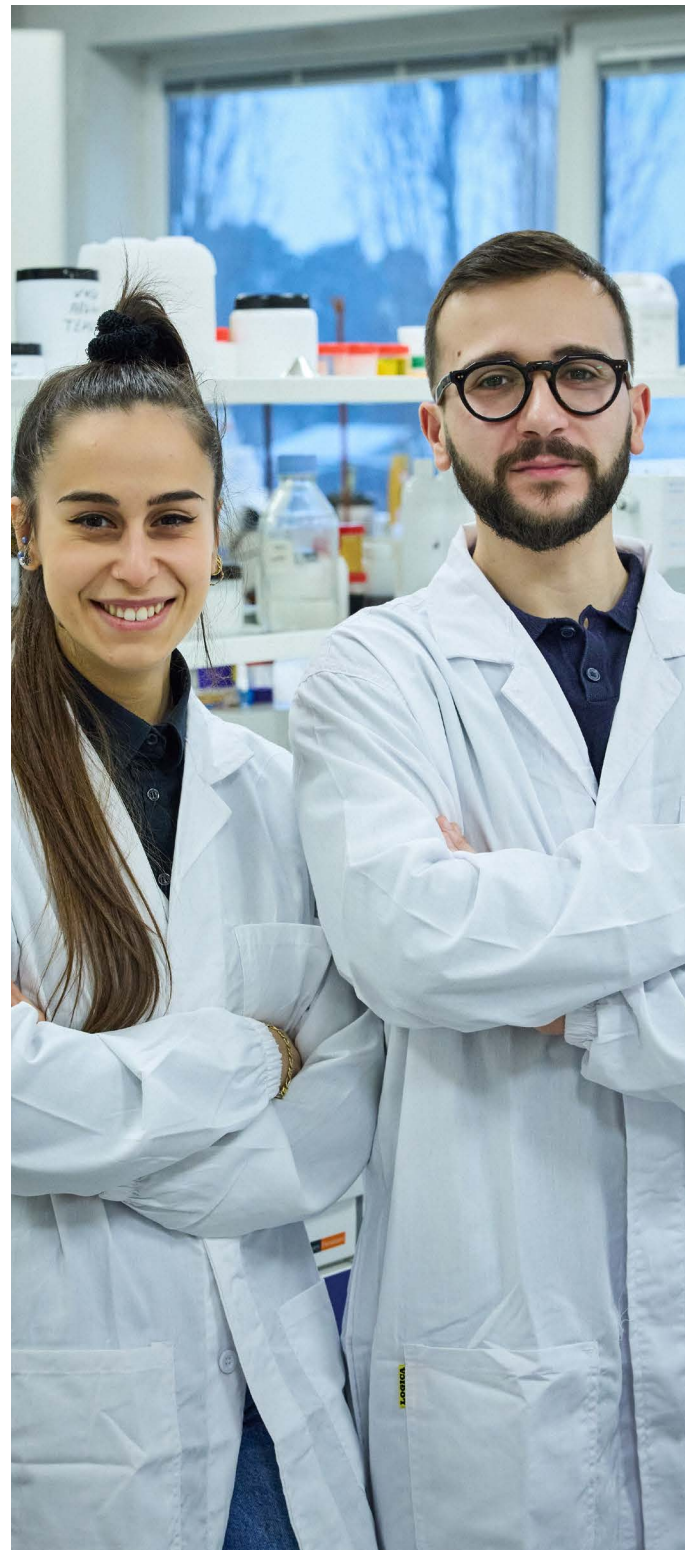
Our research is increasingly focused on a sustainability-oriented approach. **We strive to enhance the environmental profile of our products** by making informed decisions regarding formulations and packaging.



Alongside consumer needs, another key driver of innovation is the **continuous evolution of regulations in the European context**. Throughout 2024, our laboratories worked hard to respond promptly to new regulations.

- **Regulation (EU) 2023/1545**: from July 2026, all 84 allergens present in perfumes will have to be labelled. To comply with the regulations, companies will have two years in which to use up their existing stock. This new regulation impacts **95% of the Group's products**. Upgrading is already underway and will be completed by 2025.
- **Regulation (EC) no. 1907/2006 (REACH)**, to be completed by June 2027, aimed at ensuring the protection of consumer health and safety. One of the most recent changes is that the ban on certain chemical compounds, such as cyclopentasiloxane, has been extended to include non-rinse-off products, as well as rinse-off products, as was already the case.
- **Law 205/2017** banned the use of **microplastics** in rinse-off products and the most recent regulatory updates marked a new phase, according to the following schedule:
 - Rinse-off cosmetics starting on 17 October 2027;
 - Leave-on cosmetics starting on 17 October 2029;
 - Make-up products starting on 17 October 2035.

Thanks to the exceptional efforts of our Research & Development centres, **we will have eliminated microplastics from all rinse-off products across all brands by 2025**, which is two years ahead of the regulatory deadline.



We design and create small,
yet significant, creations for
your wellbeing.



Pharma Health&Beauty BU

BIONIKE

We believe in dermatological science and experience combining high performance and high tolerance in the care of even the most sensitive skin.

Our formulas combine high efficacy with optimal tolerability, eliminating ingredients that have been scientifically and dermatologically identified as the most common cause of allergic reactions.

Thanks to the valuable work carried out by our R&D centre in Lainate, the raw materials are carefully selected and each production batch undergoes chemical, physical and microbiological checks to ensure full compliance.

We constantly collaborate with external specialist centres and university clinics to support our ongoing formulation research and to test the efficacy of our products.



2024 highlights

116
projects involving our R&D centre

1
patent application filed for a revolutionary technology in the new Defence Sun formulations

1
Clinical study at the San Raffaele Institute in Milan assessing the effectiveness of the Defence My Body Cellulite Treatment


1
Clinical study in collaboration with a doctor specialising in gynaecology and obstetrics to test a product from the Gynexelle range.

82%
formulations free of microplastics


Scientific support from SIME (Italian Society of Aesthetic Medicine) for the relaunch of the Defence My Body line

16
sun creams compatible with the marine ecosystem and biodegradable in seawater were tested




Removing silicones and cyclopentasiloxane from the Defence Hair line

Our Research and Development centre is still currently engaged in important work to adapt to the obligations introduced by Regulation (EU) 2017/745 (MDR) on Medical Devices

BIONIKE ADVISORY BOARD

To achieve ever higher scientific performance standards, the **BioNike Advisory Board** was established in 2024, involving **Key Opinion Leaders, i.e. the most prominent professionals in the dermocosmetics sector from a clinical point of view.**

The planned meetings aim to analyse current scenarios and future needs: the insights gained will help us in the development of new and more innovative treatments.

On 6 December, the first Advisory Board was held at our Headquarters, entitled: **"B-NEXT Prospettive future: BioNike research and development in Dermocosmetics"** (B-NEXT Future prospects: BioNike's research and development in dermocosmetics). The event provided an opportunity for experts to share their views and discuss the dermocosmetic management of common skin and scalp problems.



WOMEN IN RESEARCH

Since 2024, we have been a **Research Partner of the IEO-MONZINO Foundation**, which for over 30 years has supported the European Institute of Oncology and the Monzino Cardiology Centre, Italian centres of excellence recognised internationally in the field of scientific and clinical research. The collaboration involves BioNike's commitment to **fund a scholarship for a researcher dedicated to medical research. Marica Rosaria Ippolito**, aged 32, was selected as the winner of the scholarship during the year thanks to her innovative research in the field of experimental oncology.

She officially received the scholarship at the certificate award ceremony that took place on Wednesday 23 October in the Aula Magna of the University of Milan.

By funding this scholarship under the IEO-MONZINO ETS Foundation's Partners for Research programme, we strengthen **our commitment to supporting scientific research and promoting female talent even further.** In 2025, we will meet with the IEO-MONZINO ETS Foundation and the scholarship recipient to share and discuss the results and progress achieved.



ESI

We are one of the top producers of phytotherapeutic products thanks to almost 50 years of experience.

At ESI, we have always been committed to scientific research, product development, innovative formulations and the rigorous selection and control of raw materials. We have **two in-house laboratories** at our premises of Albissola: one handles quality control of raw materials and finished products while the other performs regulatory and research and development activities for product innovation.

The dedication and commitment of our laboratories enabled ESI to obtain the patent for the **NATURCAPS® RETARD BIFASIC technology, which allows the body to use nutrients gradually, maximising their absorption.**

The special capsule contains four microtablets that disintegrate at different times as they pass through the gastrointestinal tract.



The agreement with the **University of Trieste, active since 2023, is still ongoing for the co-financing of a PhD scholarship in the Department of Chemical and Pharmaceutical Sciences, focused on the following research topic:** “Advanced formulations for cosmetics, medical devices and pharmaceutical products”.

2024 highlights

.12 new probiotic supplements from the **new Fermental line**, designed to improve bowel regularity

.3 clinical studies at the Policlinico Gemelli in Rome, the Policlinico S. Orsola in Bologna and the University of Genoa

.1 in vitro study at the University of Genoa

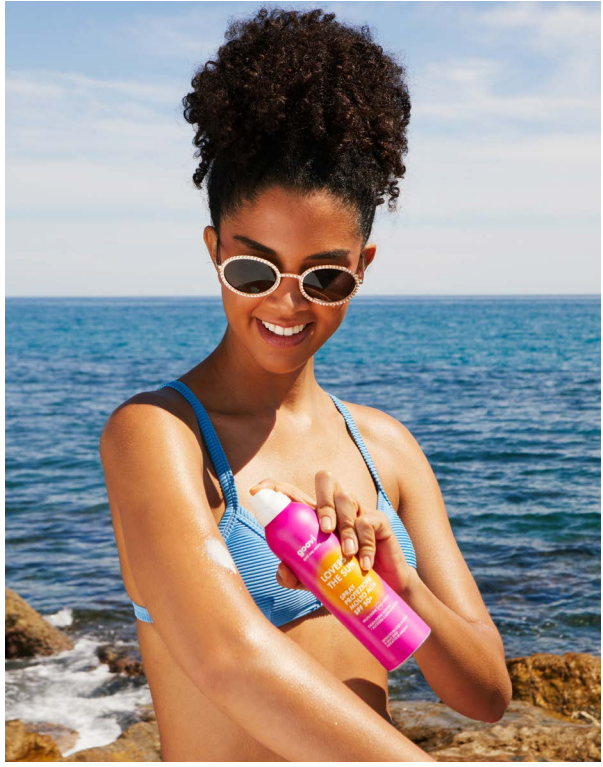
GOOVI

Good: effective products with a clean, vegan philosophy for wellbeing inside and out.

Easy: easy-to-use formulas suitable for everyone.

Natural: natural ingredients selected for their quality, effectiveness and sustainability.

Thanks to our Research & Development department, each of our products is designed to reflect the Goovi philosophy.



2024 highlights



Relaunch of sun creams: products designed in compliance with the Hawaii Protocol, which bans the use of chemicals or filters that impact the marine environment.

Biodegradable and eco-friendly formulas developed and tested with respect for the marine ecosystem.



Relaunch of the Hair Care line with improved eco-compatibility of products.



Consumer Beauty BU

DEBORAH MILANO

Our team of R&D experts works constantly to improve the functionality and tolerability of formulas, as well as the pleasantness of textures, in order to develop exclusive, high-performance products, combining **cutting-edge technologies** and **innovative ingredients**.



2024 highlights

- Relaunch of the **FORMULA PURA** line, the make-up line formulated with up to 100% ingredients of natural origin . Designed from the outset to contain a high percentage of natural ingredients and to be free from parabens, silicones, petrolatum and fragrances, the FORMULA PURA line has expanded its range to include **products certified organic by CCPB** (Consorzio Controllo Prodotti Biologici, Consortium for the Control of Organic Products) since 2024. These products have **organic, vegan and animal-friendly formulas** to meet the needs of consumers looking for more ethical make-up choices. Packaging also evolves consistently, using recyclable and recycled materials (plastic, paper).
- Research and development are also focused on replacing rigid ABS plastics and creating reusable **packaging with refills**.

BIOPOINT

High-performance specific treatments thanks to **formulas with a high ingredient content**, developed using cutting-edge technologies and hydrolysed proteins with different molecular weights. Our research laboratory in Lodi Vecchio aims for the highest standards every day.



2024 highlights

80%
Biopoint Hair Care references free of microplastics.



BIOPOINT AWARD – TOP PERFORMER AWARD

Biopoint won the TOP PERFORMER Award during the Milano Marketing Festival sponsored by Class Editori. The award is given to companies that, selected on the basis of objective criteria developed by Nielsen IQ, have distinguished themselves over the past year in terms of turnover and growth performance.

Consumer Personal Care BU

In recent years, our Research & Development centres have focused their activities on **searching for innovative active ingredients** that can guarantee the excellent performance of our products, as well as **constantly improving the eco-compatibility profile of our formulations**.

2024 highlights

- Development of new formulas for Leocrema **fluid creams** and **lipsticks** containing between **95% and 99% natural ingredients**;
- Relaunch for the Spanish market of **Vitesse wipes** with **97% natural ingredients**;
- Launch of the **Lycia Girl** line, a range of deodorants designed to accompany very young girls through the changes of adolescence: tested under paediatric control, alcohol-free and aluminium salt-free, with antibacterial active ingredients effective for up to 48 hours.



Home Care BU

L'ARBRE VERT

We are dedicated to protecting the environment and people's health through continuous research and development in our laboratory in Saint-Benoît, France. We have chosen to exclude substances that are sensitising and pose a risk of skin allergy from our formulas: since 2013, most L'Arbre Vert cleaning products have been approved by **ARCAA** (Association for Clinical Research in Aller-

gology and Asthmatology) thanks to their compliance with criteria on controlled allergens. Moreover, 48% of the brand's products are also **Ecolabel** certified, the European label that guarantees the adoption of strict environmental requirements throughout the entire product life cycle⁹.



2024 highlights

- Up to 15% reduction in environmental impact for dishwashing and laundry detergents thanks to improved formulations.
- In 2024 the **PME+** certification is renewed for Novamex (Pour un Mound + Engagé). This certification reflects the **commitment** of companies to **ethical and responsible practices toward people and the environment**. The certification is awarded following an on-site audit conducted by ECOCERT Environment.

⁹ The environmental impact reduction values were obtained thanks to the ECOLABEL criteria.



Quality management

GRI 416-1 | GRI 416-2 | GRI 417-1 |
GRI 417-2 | GRI 417-3

We are committed every day to ensuring the highest quality standards and offering a positive, rewarding experience that meets the expectations of those who choose our brands.



For us, quality and customer and consumer satisfaction are inseparable elements that guide our choices and direct the development of our business.

Our focus translates into a structured organisational system, based on processes of listening, analysis and continuous improvement, with the aim of strengthening trust and relationships with consumers and customers.

The Group shares clear, cross-cutting objectives that guide the organisation and internal processes towards continuous performance improvement, in full compliance with regulatory requirements and market expectations. In particular, this commitment:

- ensures that its products comply with all requirements, from customer and consumer needs to compliance with current regulations;
- strengthens relationships with customers and consumers through the effective application of management systems and the implementation of continuous improvement processes.

Quality Management

The scope of the Quality Management System adopted by our production companies in Albissola Marina (ESI), Lainate (Icim International), Lodi Vecchio (Conter) and Poitiers in France (Quadripack) covers the design, development, production and marketing of the various types of products manufactured by these companies. For each of them, the **Quality Manual** is the tool to understand, implement and support the principles, commitments and objectives established in the Quality Policy: it identifies the context in which the company operates and the expectations of its stakeholders, describes the key processes and their interactions, and ensures the effective application of the System.

- The **UNI EN ISO 9001:2015** certification obtained by our companies **Conter, Sodalco, Icim International and ESI** certifies our ability to effectively manage business processes, ensuring a high quality standard for our products. This includes activities such as constantly evaluating customer feedback, monitoring production processes and adopting continuous improvements to meet customer expectations.
- The **UNI EN ISO 22716:2008** standard, the reference standard for the cosmetics industry concerning **Good Manufacturing Practices (GMP)**, sets out the requirements for the production, control, storage and shipping of cosmetic products. This certification, held by our companies

Conter, Sodalco and Icim International, provides a solid foundation for manufacturing cosmetic products that meet quality requirements.

- The **Albissola Marina (ESI) production site** has been **FSSC 22000** certified since 2023, a food safety scheme based on the internationally recognised ISO 22000 standard for the certification of hygienic safety along the entire supply chain.



A significant milestone in 2024 was the achievement of **UNI EN ISO 13485:2016** certification by **ICIM**. This international standard, specifically dedicated to the **medical device** sector, defines the stringent requirements for quality management systems of organisations involved in the design, development, production, storage and distribution of such products.

Obtaining this certification is not only a formal recognition, but also testifies to our ongoing commitment to invest in the medical device sector and reflects the progressive growth of in-house expertise, ensuring ever higher quality standards.

Compliance with legal and regulatory requirements is crucial for us, as is respect for obligations and their enforcement. We constantly monitor updates to the **legal and regulatory requirements governing product compliance**, promptly circulating them to all levels of the organisation. This ensures that we are always aligned with the latest regulations and anticipate their application whenever possible ahead of our competitors. We promote a culture of risk prevention throughout the Group.

To ensure product safety, we conduct **safety assessments** based on a software common to all Group companies, assigning a hazard coefficient to each raw material. To place a product on the market, the sum of these risks must be acceptable, thus ensuring product safety and conformity as stated in the PIF (product information file).

Systematic evaluation of each product category is evident in our monitoring system to maintain high safety standards for the different product categories.



We place the utmost importance on managing non-conformities and guaranteeing quality for our customers. **All the Group production companies adopt an integrated and rigorous approach to quality**, ensuring full compliance with the best standards in the cosmetics and nutraceutical industries.

Thanks to our **quality management system**, we have built up a quality model through regular audits and meticulous checks. Handling customer reports and complaints is an integral part of the quality process, with thorough analysis of every incident and non-conformity. Moreover, we conduct meticulous checks on all production batches and scheduled checks during the entire product life cycle.

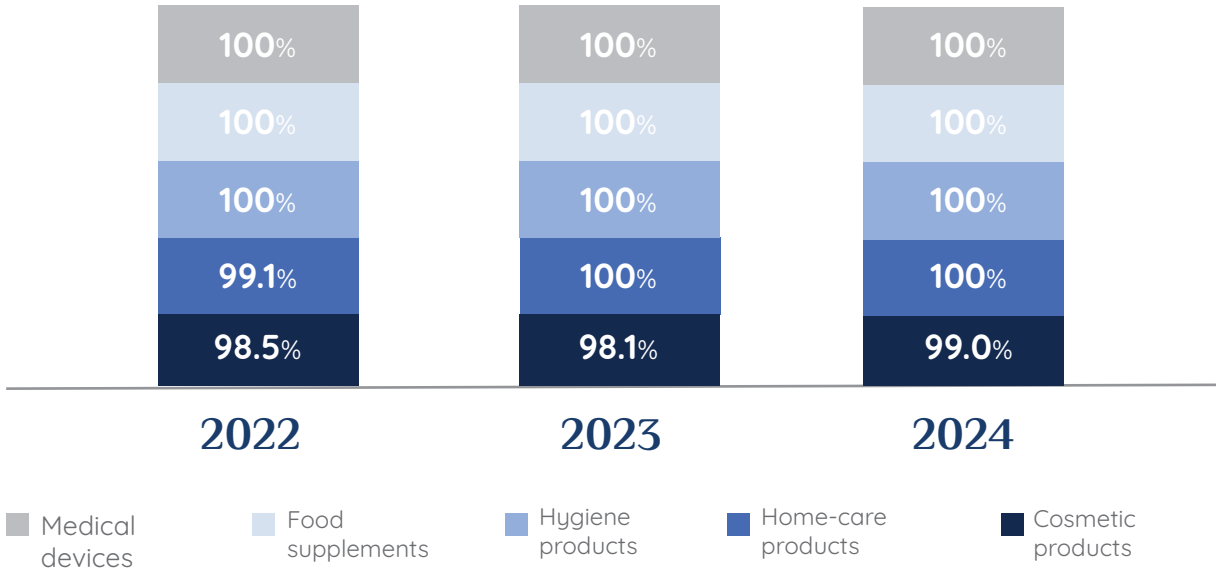
The commercial subsidiaries extend our quality approach to their contractor networks through front-line audits and regular checks, enforcement policies and certification mon-

itoring, ensuring that all standards are met and that any non-conformities are promptly addressed.

During the reporting period, there were 44 cases of non-compliance with regulations, down from 71 in 2023. These cases were addressed by implementing the necessary checks and actions¹⁰.

¹⁰ The episodes mainly related to the presence of lilial in products; the compound was banned as from 1 March 2022. The group stopped marketing products containing lilial and informed customers of the new regulations, but some products remained on the shelves, leading to RAPEX rapid alerts. The regulators conducted extensive checks to ensure compliance with the ban. Lornamead handled three cases in which the safety assessment of a product was questioned by the authorities. Following a report that found traces of heavy metals in some products, the company demonstrated that the traces were technically unavoidable, thus closing the investigation without further consequences.

PRODUCT CATEGORIES SUBJECT TO HEALTH AND SAFETY IMPACT ASSESSMENTS



Dialogue with our customers

Customer satisfaction is essential: listening and dialogue are key elements in nurturing the relationships we build, maintaining them over time and strengthening trust.

Customer relations are managed by our sales network, which operates through various sales networks based on the specific characteristics of the Business Units and distribution channels.

Our multi-channel model allows us to be present in:

- **Large-scale retail chains and drugstores**, for the Consumer Personal Care, Consumer Beauty and Home Care BUs
- **Pharmacies and pharmacies selling OTC products** for the Pharma Health & Beauty division
- **Perfumeries and beauty stores** for the Consumer Beauty BU
- **Marketplaces and online platforms** for e-commerce sales
- **Proprietary e-commerce** for brands in Direct to Consumer model such as BioNike and Goovi
- **Herbal medicine shops** for herbal products.
- **Wholesalers and retailers** for wide-spread territorial distribution.

The sales network includes **agents**, **trainers** and **pharmaceutical representatives**, who work to strengthen relationships of trust through training activities, dedicated meetings, events and technical-scientific support. Through their daily work, customers are involved in dedicated activities such as:

- Personalised training and information sessions
- Dedicated events for new product launches
- Events and initiatives designed to deepen content and operational tools.



During the year, we organised the following events for our customers:

- Two exclusive training events for managers of cosmetics departments in pharmacies to launch the **new BioNike Cosmeceutical line's Triple Retinol Biorevitalising** protocol. The events, which were attended by more than 100 participants, took place in Rome, at the enchanting Palazzo Brancaccio, and in Milan, at the evocative setting of Cracco's Sala Mengoni in the Galleria.
- BioNike also continued to hold training events throughout the year, organising a total of **31 days**.



- **on 17 and 18 October**, ESI organised a special event dedicated to the **new line of FERMENTAL supplements**. During two days of in-depth analysis and discussion, **pharmacists, herbalists** and sellers **had the opportunity to discover the particular characteristics of these supplements**, an innovative line designed to support the health of the intestinal microbiota. The first day took place at the beautiful Aquarium in Genoa. The presentation of the new FERMENTAL line enabled participants to learn more about the specific benefits of the latest generation of probiotics. The second day was dedicated to discovering the ESI plant in Albissola Marina. Here, guests were able to observe first-hand the rigorous research, development and production processes that make the products possible.



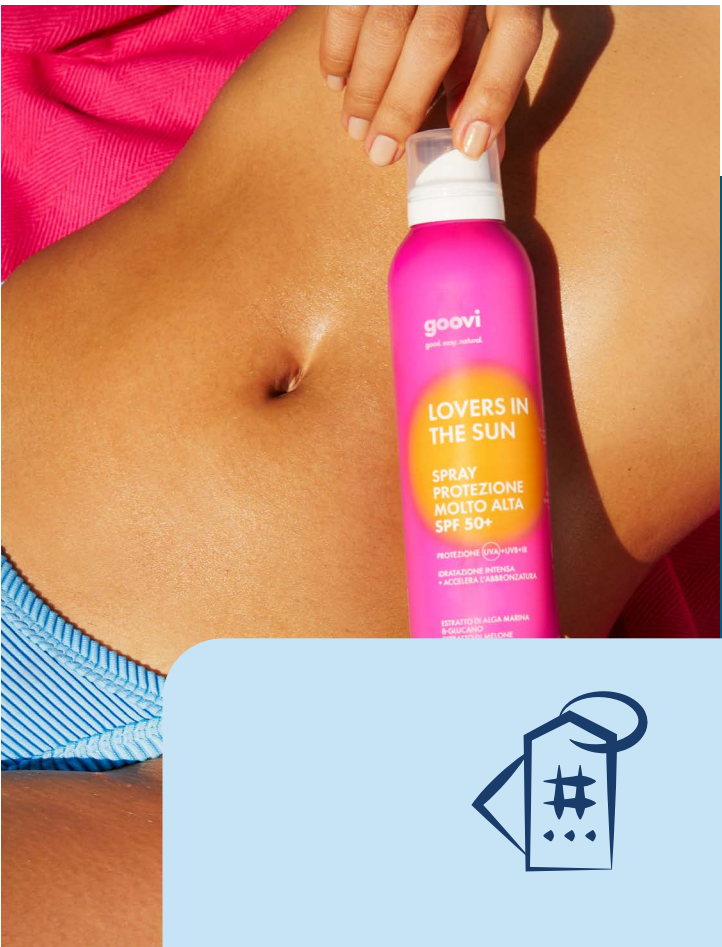
Wellbeing for our consumers

With our high-quality, innovative brands, we are committed every day to creating wellbeing for people, accompanying them in their small daily acts of self-care.

Clear labels for informed choices

As Creators of Wellbeing, we aim to provide our consumers with **transparent, useful and verifiable information** through our product labels. We pay particular attention to ensuring that **claims and indications regarding the safe and correct use of products are clear**, so that every choice is truly informed. In addition to instructions for use, we provide **information on the benefits of the ingredients**, indications of their origin and warnings of any components that may have environmental or social impacts. The information on the label also includes **disposal methods** to promote responsible behaviour and help reduce negative effects on the environment.

Access to this detailed information enables our customers to make informed and evidence-based purchasing choices.



In order to promote increasingly transparent and accessible communication, a dedicated QR-Code system was introduced in **2024** for certain **BioNike, Goovi, ESI** and **CD** lines that allows consumers **immediate access to detailed product information** including composition and ingredients, application methods, environmental characteristics and certifications. The initiative, designed to encourage more informed purchasing decisions and strengthen the relationship of trust with the customer, is the first step in a broader project aimed at gradually extending the system to an increasing number of Group brands.



During the three-year reporting period, all categories of our products (cosmetics, hygiene products, supplements, medical devices, home care products) were periodically evaluated to ensure compliance with procedures on correct information and labelling.

Six cases of non-compliance with the relevant regulations occurred and were resolved in 2024¹¹. During the three-year period, there were no instances of non-compliance with regulations concerning marketing communications.

We address consumers with major **integrated cross-media communication campaigns**, reaching millions of direct customers every day through digital channels, TV, radio, the press and local events. Our social properties and the **customer care services** on our websites are the main channel of contact and interaction with our consumer community, which in many cases is a great source of inspiration for innovation and product upgrades.

In **2024**, we implemented a series of **strategic initiatives aimed at strengthening and consolidating the relationship with consumers**, making them the focus of activities specifically created to immerse them in the values and pillars of our brands.

Some of the main activities carried out during the year are indicated below:

¹¹ During 2024, there were two disputes concerning claims on our products regarding antibacterial properties and deep cleaning with activated charcoal. There was also a case in which the geographical origin of a product was questioned, and a further incident in which the authorities detected an ingredient not declared in the INCI; the latter case was promptly resolved, as we were able to prove the correctness of the INCI composition. Finally, two reports occurred due to a failure to update compliant labelling.



MY PERSONAL TRAINER DAYS

We were the first official beauty partner of My Personal Trainer Beauty, the two-day sports and wellness event held at the Arco della Pace in Milan. To mark the occasion, we set up a whole area dedicated to wellness with Biopoint, Deborah, DermoLab, Tesori d'Oriente and Lycia.



MILAN BEAUTY WEEK

We were protagonists of the third edition of Milano Beauty Week, promoted by Cosmetica Italia, from 25 to 29 September 2024

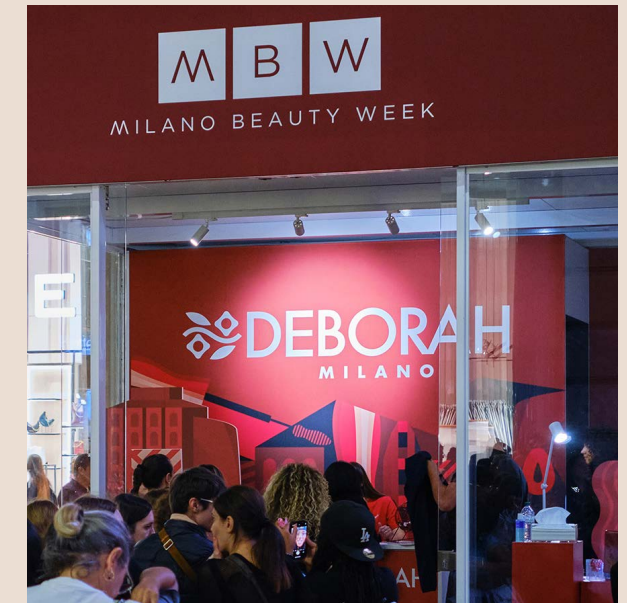


On 26 September, **BioNike** opened the **Beauty Cube** in Piazza Duomo, a space dedicated to the **Defence My Age** line where design and wellness merge to offer a unique, immersive experience. Inside the Beauty Cube, **BioNike skin experts** were on hand to offer free **skin tests** and **personalised consultations**, helping each guest to build a tailor-made **skincare programme** designed to bring out the best in their skin. We also played a leading role in selected pharmacies within the Co.Fa network, where visitors could take advantage of **free make-up consultations** and discover the **latest brand novelties**.

During the beauty days, we presented the **new Retinol Cosmeceutical Bio-resaping protocol** to an audience of journalists and influencers with an interactive beauty master-class in an exceptional location, the dining room of the Cracco restaurant.



Deborah Milano unveiled its exclusive **Beauty Cube** in Piazza Duomo on 28 September, a unique space whose layout, curated by Visual and Graphic Designer Elisabetta Vedovato, gave rise to a project designed to rediscover and strengthen Deborah Milano's bond with its hometown. Throughout the day, the public was able to **discover** and **test the latest** Deborah Milano products in an immersive setting, where art and design accompanied visitors on a journey through the Deborah Milano universe. At the end of the celebratory day, **Luca Mannucci, the brand's Official Make-up Artist**, held a **beauty talk** session open to all guests!



SUPER VINYL PARTY

Deborah Milano held a presentation event to launch the **new Super Vinyl No Transfer Shake Lipstick**; the event, which took place in the splendid setting of Terrazza Martini in Milan, was attended by more than **200 guests**, including journalists and influencers.



BIOPPOINT XMAS SALON: GLAM&GLOW FOR UNIQUE BEAUTY

During the Christmas holidays, **Biopoint** organised the **Xmas Salon** event at "The Hill" studio in Milan. Participants enjoyed an **exclusive experience**, receiving personalised treatments and beauty advice from professional hair-stylists in an elegant, festive setting.



DISCOVERING THE NEW DERMOLAB BOTOX-LIKE EFFECT LINE

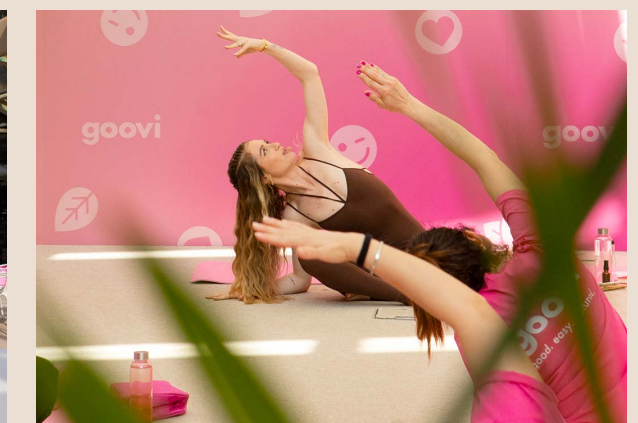
On Friday 15 October, an exclusive masterclass was held at the charming Spazio Illumi in Milan to discover the benefits of Dermolab's new Bot-ox-Like Effect line.

In collaboration with the Cocoon-ers community, we welcomed **over 50 female consumers** over 45 who were able to test the products and meet the Dermolab experts, who explained the properties of the new line.



GOOVI DAY

On 7 June, the first Goovi Day was held, a **wellness day with Michelle Hunziker**, entirely **dedicated to Goovi lovers**, designed to accompany them on a journey to fully experience the brand's philosophy and values such as authenticity, positivity and self-love. Set in the beautiful surroundings of **Villa Necchi Campiglio**, Goovi lovers had the opportunity to participate in fitness classes with Michelle and her personal trainers, dance classes and beauty masterclasses held by Laura Barenghi, Michelle's Make-Up Artist.



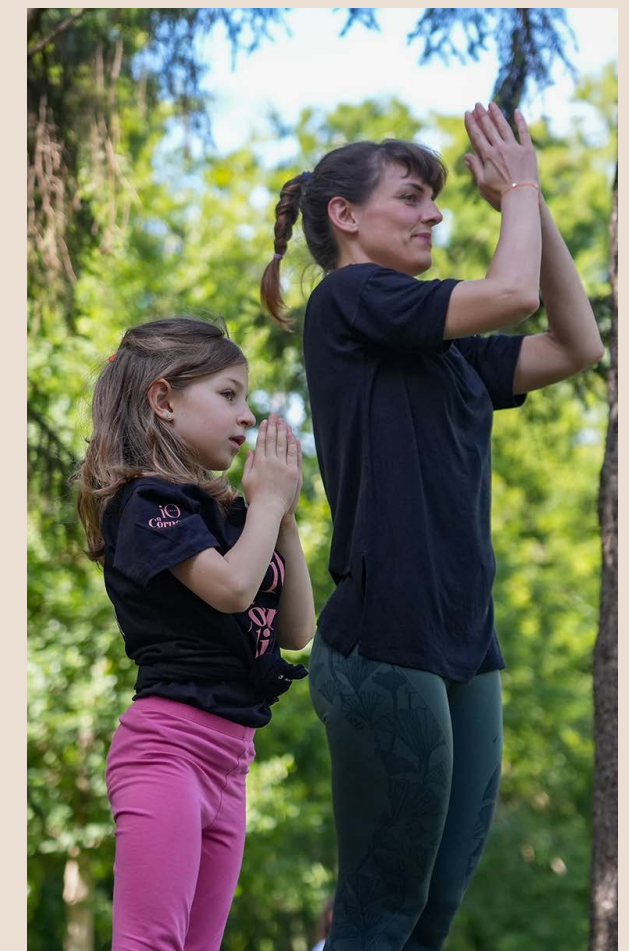
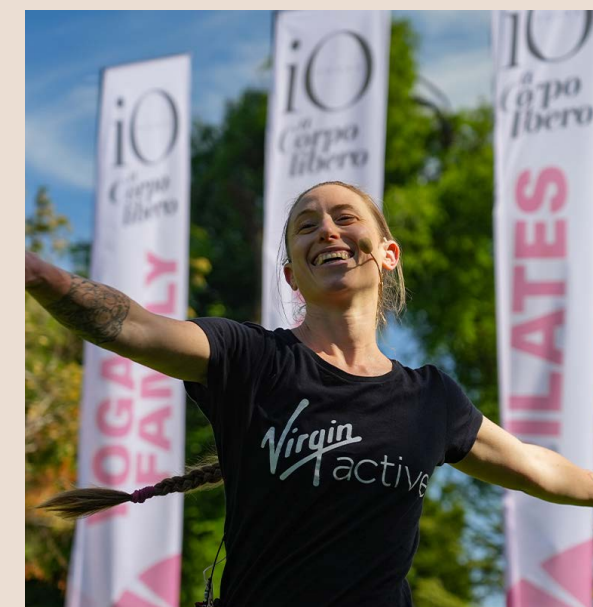
GOOVI TEMPORARY STORE

From April to May, **Goovi** opened its **first pop-up store** in Milan's Central Station. This special opening took place in an iconic location in Milan, where Italian and international customers were able to travel, immersing themselves in Goovi's positive vibes. **A beauty expert was available inside the pop-up to offer consultations on skincare, bodycare and make-up**, providing an even more personalised and unique shopping experience.



LYCIA TOGETHER WITH IO DONNA "A CORPO LIBERO"

At the **"A Corpo Libero"** event organised by iO Donna on 25 and 26 May, **Lycia** took over the Giardini Montanelli in the heart of Milan with a wellbeing project! Two days – **open to the community** – dedicated to sport with **Pilates and Yoga Family** sessions. All guests had the opportunity to discover the world of Lycia by opening the box containing all the products. In Lycia's wellness cube, all participants were able to express their emotions through a collective installation.



Our suppliers: trust and reliability

GRI 204-1

We work with a carefully selected network of suppliers every day, building **relationships based on quality, reliability and extensive experience**. The strength of these relationships is the result of a shared journey characterised by dialogue, discussion and common goals.

In our world, the **sustainability** is an absolute priority: it means combining economic performance with care for people and the environment. This commitment encompasses the entire supply chain, driving us to collaborate with partners who can guarantee the safety of their products and share our values.

We are constantly looking for **packaging solutions that meet eco-design criteria**: bottles, cases and packaging made from recycled and recyclable materials, optimised to reduce the amount of material used without compromising the ability to preserve formulations.

Our procurement process starts with **careful planning**, guided by sales forecasts and built on actual production requirements. The purchasing team selects suppliers able to meet the technical specifications required by the marketing team for the products, identifying those who best interpret our technical and production standards; this is possible through a strong synergy with the Marketing, Quality and R&D departments.

Wherever possible, we prefer to work with suppliers that have **organisational and product certifications**, an additional tool for objectively assessing alignment with our quality management systems. Our purchasing team is involved in subcontracted productions right from the design stage, ensuring that the quality of workmanship meets the standards we strive to guarantee to our customers and consumers. In order to strengthen collaboration, we regularly organise meetings and face-to-face audits.

ARTDECO

Responsibility along the supply chain is also a key element for ARTDECO, which, through the **Black List**, extends its quality standards to suppliers as well, requiring not only compliance with **quality and environmental requirements**, but also the adoption of **ethical practices** in the extraction and production processes of raw materials.



In order to contribute to the fight against deforestation and comply with the **European "due diligence" principle (EU Regulation 1115/2023)**, ESI requires its suppliers to certify, via a self-declaration, that the supplied materials comply with three basic conditions:

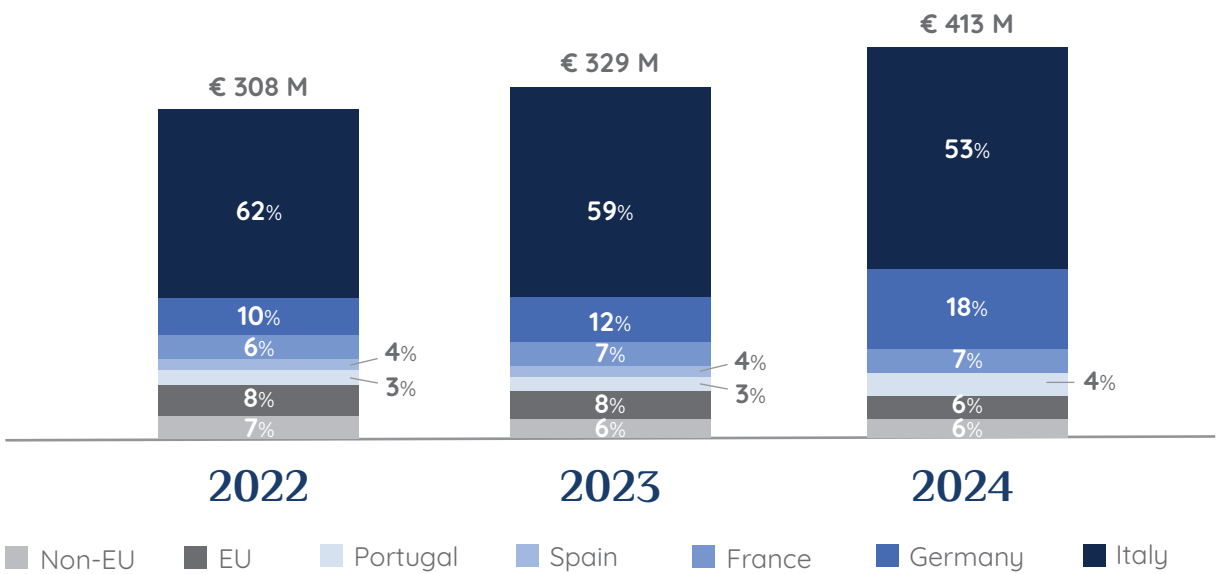
- zero deforestation;
- produced in compliance with the relevant legislation applicable in the country where it is produced;
- covered by a "due diligence" statement, where applicable.



87%

of expenditure for suppliers of raw materials, packaging and finished products located in the geographical areas covered by our subsidiaries

BUDGET EXPENDITURE ON LOCAL SUPPLIERS¹²



87% of the budget spent on purchasing raw materials, packaging and finished products goes to suppliers based in Italy, Germany, France and Iberia¹³. In line with the geographical areas in which we operate, we pay particular attention to local suppliers in the areas around the Group's production and sales subsidiaries. We only rely on European and non-European suppliers to a

limited extent, mainly for specific categories of components¹⁴. External supplies are complemented by intra-group synergies through purchasing flows between the production and sales subsidiaries, strengthening the distribution network for Sodalis products in the markets we serve.

¹² The percentages reported for the three-year period differ from those reported in the previous sustainability report, following the inclusion of new information on supplier expenditure.
¹³ The definition of "local supplier" considers the Group's primary locations, i.e., Italy, France, Germany, Spain and Portugal.
¹⁴ The evaluation refers to the Group's direct suppliers of raw materials, finished products and packaging.



The final stage of our supply chain is entrusted to the **logistics area**, which is responsible for the efficient distribution of finished products. Through longer or shorter distribution chains, depending on destinations and sales outlets, we make sure that each product arrives on time and in optimal condition, maintaining quality along the way.

In Italy, our logistics hub is located in **Borgo San Giovanni**, a cutting-edge

hub in terms of technology and automation, strategically positioned just a few kilometres from the production facilities in Lodi Vecchio.

Internationally, our foreign subsidiaries rely on strategic local hubs, designed to ensure efficient, smooth and capillary distribution in the various markets served, favouring inter-modal transport where possible to minimise the environmental impact of distribution.



2025 objective

Looking ahead, we are committed to an increasingly conscious and responsible supply chain. Supported by a holistic sustainability strategy focused on collaborating with business partners who share our values, we want to **promote a culture of sustainability that actively engages all our partners along the value chain**.

For this reason, in the two-year period 2025-2026, we will launch a structured **supplier mapping and assessment** programme with the aim of gradually **integrating ESG criteria into our procurement decisions**. We will use recognised and verifiable sustainability ratings to

monitor and compare the performance of our supply chain over time.

In 2025 we will invest in the purchase of an area adjacent to Conter's production plant, in Lodi Vecchio, with the aim of **optimising internal logistics and rationalising the management of finished products**: this choice will allow us to **avoid storage in existing warehouses**, thus reducing internal handling and improving operational efficiency, with expected benefits in terms of both environmental impact and processing time.





People's wellbeing

Social

Key highlights



SODALIS PEOPLE

1,749
employees¹⁵



SKILLS DEVELOPMENT
& ENGAGEMENT

12,166 hours
of training delivered



DIVERSITY & INCLUSION

68%
of employees
are women

45%
of management staff
(senior managers + middle
managers) are women



COMMUNITIES

2
funded scholarships

5
Corporate Social
Responsibility projects
initiated

98%
of employees have permanent
contracts

12 hours
of training per employee on
average

71%
of employees are employed
full time

+46%
training hours provided
compared to 2023

+31%
positive turnover
(306 hires)

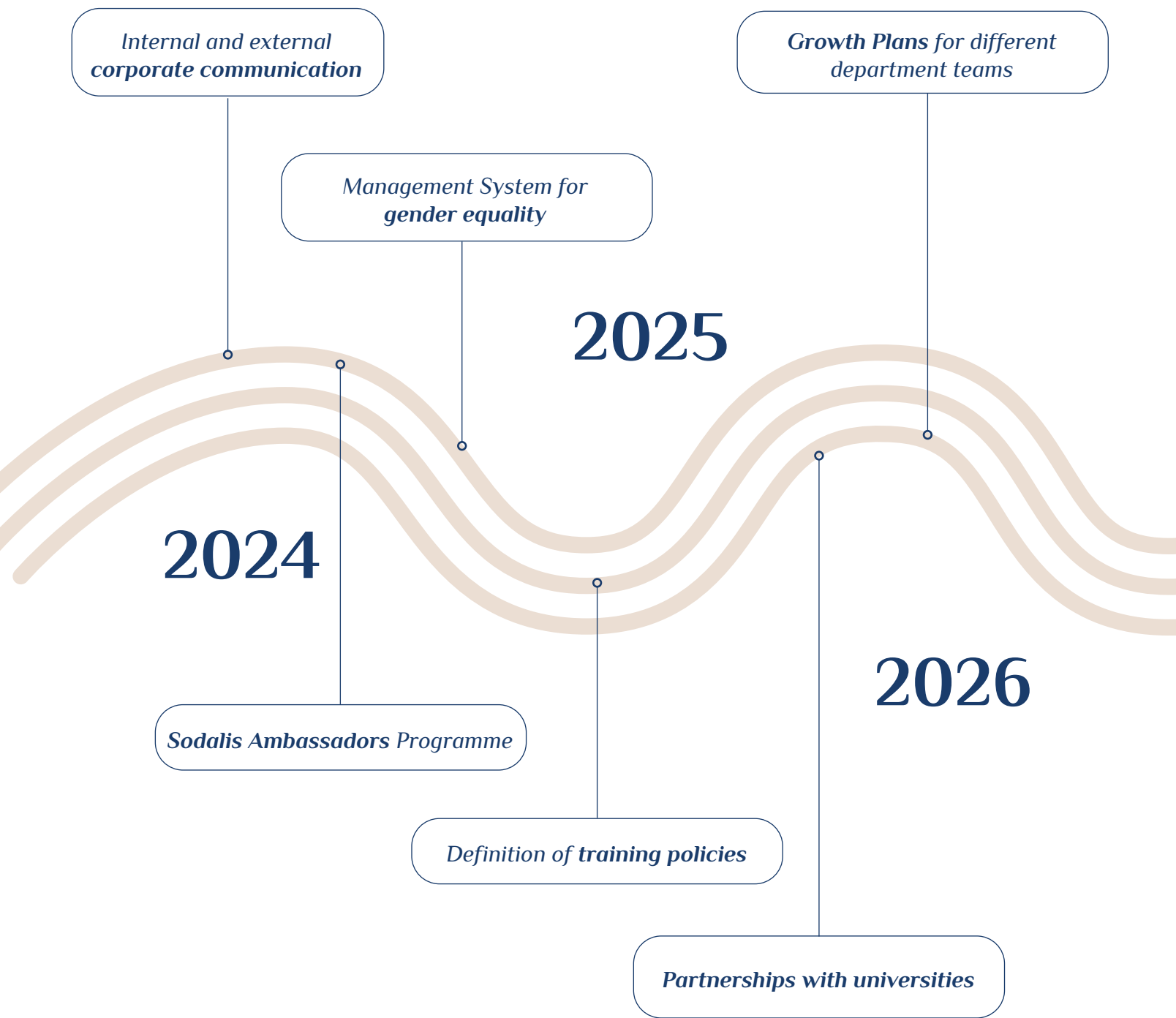
85%
of senior managers hired
from the local community















54
non-profit organisations/initiatives supported

¹⁵ The increase in the number of employees is due to ARTDECO joining the Group in April 2024.

Social

Our Journey



Pillar	Targets	Target year	2024 - Where do we stand	SDGs
EMPATHY Promoting work-life balance and corporate welfare	HEADQUARTERS RESTRUCTURING We plan to gradually renovate our headquarters to create a more welcoming and enjoyable environment.	2024	71% of employees have a full-time contract, but we also envisage part-time contracts for greater work-life balance and to respond to the need for flexibility (29% of employees in 2024)	  
	ENHANCING INTERNAL AND EXTERNAL CORPORATE COMMUNICATION We aim to strengthen internal employee engagement through corporate newsletters designed to increase staff awareness about the path taken by the Group, and through regular publication of content on our digital corporate properties (website, LinkedIn, Instagram, YouTube).		55% of employees are hired under a collective bargaining agreement Each Group company has implemented a welfare plan and has a company portal dedicated to employees; Development of a communication plan also related to ESG topics Plans to upgrade our work space at our Lodi Vecchio site were completed at the end of 2024.	
EQUALITY Promoting fair growth paths	ESTABLISHING A GENDER EQUALITY MANAGEMENT SYSTEM We aim to establish a corporate gender equality management system to create an inclusive and respectful environment that reinforces a positive working climate, so reducing conflicts and fostering personal and professional growth. We are committed to aligning our business strategies with contributions to the UN's Sustainable Development Goals, including gender equality, the fifth goal of Agenda 2030.	2025	68% of employees are women; 45% of management staff (senior + middle management) are women; The average female-to-male pay ratio stands at 88%.	  
GROWTH Strengthening potential, enhancing human capital	ESG TRAINING FOR EMPLOYEES We are committed to investing in the training and upskilling of our people, with the aim of developing specialised expertise and enabling individuals to realise their full potential. DEFINING PLANS FOR GROWTH FOR EACH DEPARTMENT TEAM We aim at improving the skills of our human resources forming the basis of our business success, increase their motivation, promote innovation and ensure alignment with the Group's strategic objectives.	2024-2026	12,166 hours of training delivered; +46% compared to 2023; 12 hours of training per employee on average Development of THE CARE MODEL, LEADERS FOR THE FUTURE programme	   
MOTIVATION Attracting and retaining talent	SODALIS AMBASSADORS PROGRAMME We want to build a team of talented individuals who can spread the Group's values and convey a sense of belonging, helping to strengthen the Sodalis Way and corporate culture both inside and outside our organisation. PARTNERSHIPS WITH UNIVERSITIES We want to create lasting partnerships with universities to attract new talent We believe that this will lead to significant benefits by creating a bridge between education and the working world, so that we can identify and recruit the best students to specialise in our field.	2024-2026	Launching the Sodalis Ambassadors Programme Some Group companies have formed structured partnerships with research centres and universities	   

Sodalis People: The heart and soul of the Group

GRI 2-7 | GRI 2-8 | GRI 401-1 | GRI 405-1

We care about our people: they are the key to the organisation's success and an essential asset for building sustainable growth and spreading the Group culture. We are a great team that is constantly evolving, dreamers yet down to earth, ambitious and pragmatic.

We are an international team of 1,749 Sodalis People spread across the five countries in which the Group operates (Italy, France, Germany, Spain and Portugal).

We are a family-owned company with long-term development prospects: a people-friendly and people-oriented environment, where everyone has the opportunity to contribute to ambitious and challenging results, participate in large international projects and manage important resources. With a dynamic organisational structure and an agile decision-making process, we believe in the value of everyone's contribution.

At Sodalis, **each person can really make a difference.**

We reward proactivity, support courage and embrace innovation. Working with us means becoming part of a solid and concrete organisation that is constantly evolving, always ready to explore new challenges and horizons.

At Sodalis, we **cultivate our know-how internally** and choose to internalise strategic skills. This is why our Sodalis people develop a thorough understanding of business processes and have the chance to develop robust, genuine skills.



ENTHUSIASTIC

For us, our industry is the best, and our brands provide endless possibilities to express and fulfil our potential. Sodalis People love the Group's products and have a natural desire to channel their enthusiasm to contribute to product development.

AMBITIOUS

We always look ahead and believe that there is never a limit on learning, doing better and growing qualitatively and quantitatively to reach ever higher goals.

CONCRETE

The 'Sodalis Way' is a pragmatic approach that aims to simplify even the most complex activities and turn challenging objectives into concrete results.

CREATIVE

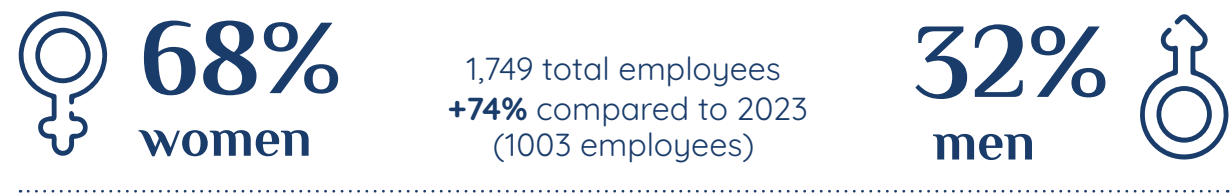
Sodalis People love creating, starting with an idea and owning all the steps to make it a reality. We love beauty, wellbeing and the fine details that make a difference, and we strongly believe in the power of creativity to find innovative and distinctive solutions on the market.

WE NEVER STOP

There is a strongly dynamic and constantly evolving atmosphere in our organisation. We are always active and ready to dive into new projects and explore new development opportunities.

What are Sodalis People like?
Passion, ambition, practicality and creativity, combined with great dynamism: this is the Sodalis Attitude.

COMPOSITION OF OUR TEAM



Key numbers

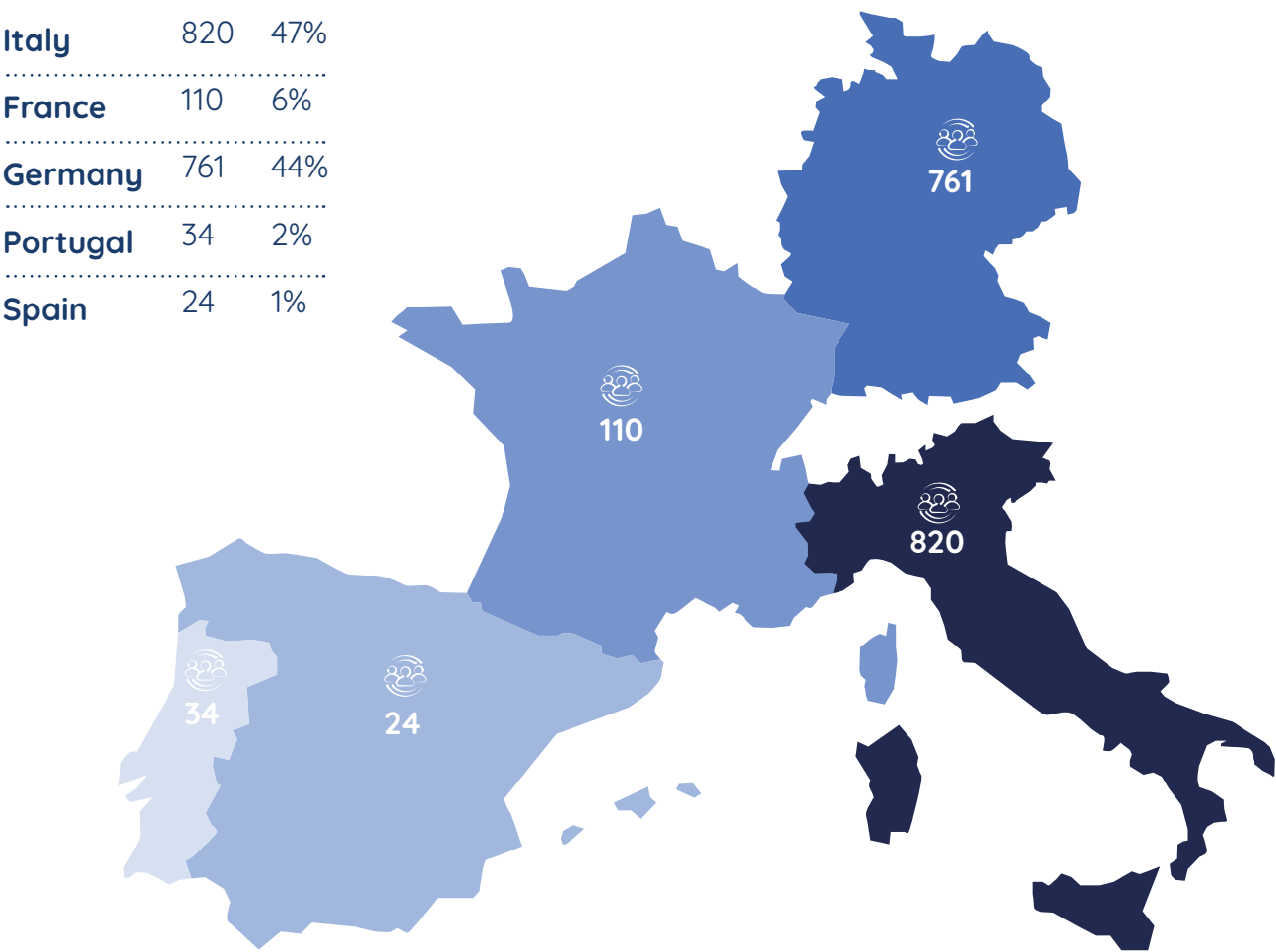
At the end of 2024, the Group recorded a **74% growth in resources, with a total of 1,749 people**. The workforce as at 31 December 2024 consisted of **68% women** (1182 people) and **32% men** (567 people). Although the composition of the workforce has changed since 2023 (55% women – 45% men), the absolute figures for 2024 increased by 115% for women (551 people) and by 25% for men (452 people).

The significant increase in the workforce is directly related to the integration of **ARTDECO**, which has **713 employees**, into the scope of the com-

pany. This transaction represents a strategic step in our international expansion and the strengthening of our competitive position. These synergies not only expand our product portfolio, but also allow us to attract new talent and expertise, thus accelerating the process of innovation and consolidation of our international presence.

The largest share of employees is concentrated in **Italy (47%)**, followed by a significant presence in **Germany (44%)**, while the remaining **9%** is split between **France, Portugal** and **Spain**.

SODALIS GROUP	MEN	% MEN	WOMEN	% WOMEN	TOTAL	% EMPLOYEES BY GEOGRAPHIC AREA
Italy	366	45%	454	55%	820	47%
Germany	120	16%	641	84%	761	44%
France	57	52%	53	48%	110	6%
Portugal	14	41%	20	59%	34	2%
Spain	10	42%	14	58%	24	1%



ARTDECO 2024	MEN	WOMEN	TOTAL
Employees	104	609	713
Permanent	101	592	693
Temporary	3	17	20
Full-time contracts	68	193	261
Part-time contracts	36	416	452

ARTDECO: % WOMEN IN MANAGEMENT STAFF (SENIOR MANAGERS + MIDDLE MANAGERS) = **61%**

Team breakdown by country and type of contract

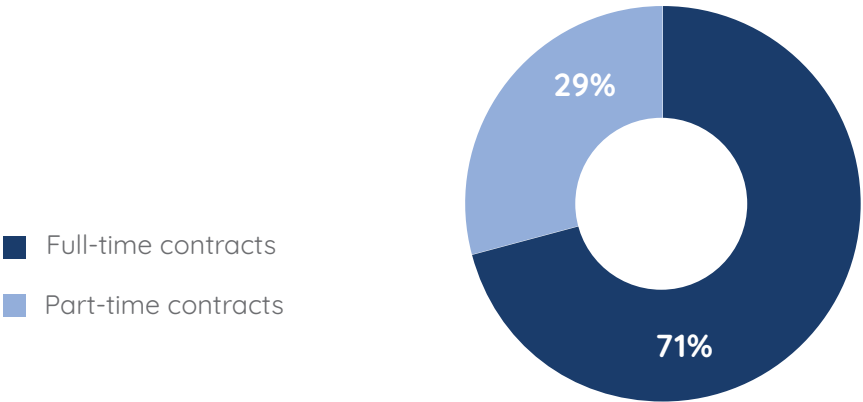
SODALIS GROUP	% PERMANENT EMPLOYEES	% FIXED-TERM EMPLOYEES
Italy	99%	1%
Germany	97%	3%
France	99%	1%
Portugal	94%	6%
Spain	100%	-

We are committed to building strong and lasting professional relationships with our people: this value is reflected in the high incidence of **permanent contracts**, which account for **98%** of our total workforce.

Although full-time employment is preferred across the Group, consistent with our type of business, we offer employees the option of part-time contracts to accommodate specific personal circumstances and promote greater flexibility in the workplace. At the end of 2024, **71% of our people were employed on a full-time contract**. The remaining **29%** worked on a **part-time contract**.

The overall increase in the proportion of part-time workers compared to the previous year is directly related to ART-DECO joining the Group. In this company, 63% of personnel – 452 out of a total of 713 employees – are employed on part-time contracts. This integration has enriched our Group not only in terms of numbers, but also in terms of diversity of working approaches, helping to make our organisation more flexible and inclusive.

PEOPLE BY TYPE OF EMPLOYMENT 2024

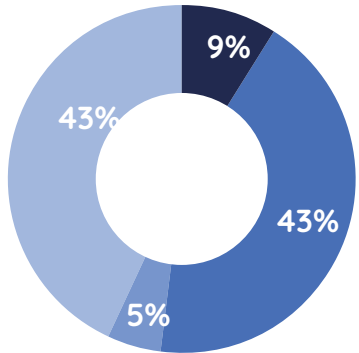


The diversification of skills within the Group is crucial because every individual can make a difference.

- **Senior managers**, who account for **3%** of all employees, play a key role in defining the Group's long-term vision and developing strategies that drive growth, innovation and market competitiveness.
- **Middle managers** (around **10%**) are of strategic importance for business management. These positions are essential in formulating corporate policies and providing strategic orientation and team management, and make a significant contribution to the success of the organisation.
- **Office workers** make up nearly the majority of our workforce (**66%**). They play a central role in day-to-day operations, maintaining operational efficiency and supporting strategic and decision-making activities. The growth in this category compared to 2023 is attributable to the entry of ARTDECO, whose workforce is made up of 94% office workers (672 people).
- **Factory workers** make up **21%** of our workforce. Technical skills and a sense of responsibility are the elements that characterise their work and are reflected in the quality of production. We constantly strive to ensure their safety and engagement, offering opportunities for professional growth.

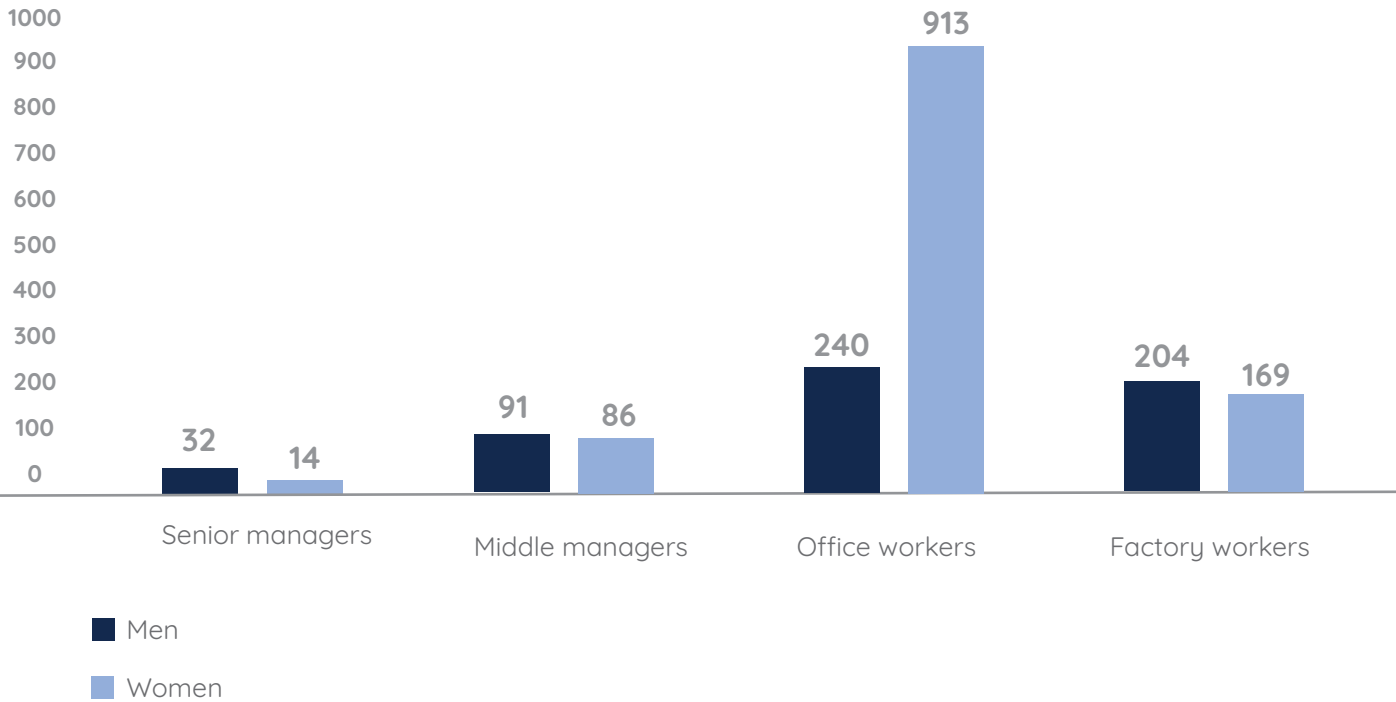
We frequently employ contract workers for various activities. In 2024, the **number of contract workers employed by the Group was 381**, a decrease of 9% compared to 2023 (420). Of contract workers, **43% are freelancers**, primarily agents who work by appointment, enabling us to guarantee nationwide coverage through our sales network, and **43% are temporary workers** (selected through employment agencies) who work in packaging and, to a lesser extent, mass production. The remaining contract workers are **contractors (9%)**, mainly employed for external services, and **apprentices (5%)**, young people from the local area for whom extracurricular internships in the production department are established with a view to future employment.

CONTRACT WORKERS 2024



- Contractors
- Freelancers
- Interns
- Temporary workers

PEOPLE BY ROLE AND GENDER 2024



Turnover

Our goal is to ensure that our employees always feel part of the Group and stimulated to continue their growth with our organisation.

We are aware that turnover has significant costs in terms of recruiting and training new employees, but especially in terms of the loss of the greatest value: the know-how, wealth of experience and prospects offered by each individual.

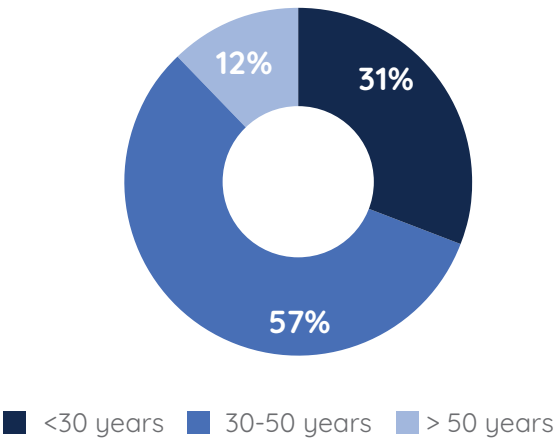
This is why we focus on professional development through specific training activities, the creation of a positive and stimulating environment. We involve employees in company decisions through open and clear communication, to increase their sense of belonging to the Group and promote its culture and values. Looking at the numbers set out below, we believe that we are headed in the right direction.

In 2024, the **positive turnover rate** — the number of new employees compared to the total number of employees the previous year — was **31%**, as a result of **306 new hires**. To strengthen the presence of women and young people, **73% of new hires were women** and **31% were people under the age of 30**. New hires were recorded in all countries where the Group operates. In

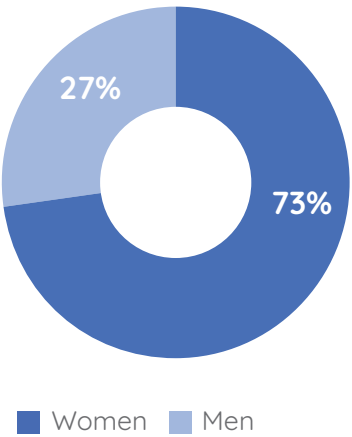
line with the distribution of the workforce, the largest share was in Germany (about 64%) followed by Italy (27%).

In terms of age groups, the one with the highest number of hires is between **30 and 50 years old**, which accounts for **57%** of the total with 175 people. This is followed by young people up to the age of 30 (31%) with 95 hires and, to a lesser extent, the over-50s (12%) with 36 hires.

NEW HIRES BY AGE GROUPS 2024



NEW HIRES BY GENDER 2024



In 2024, there were also **256 terminations**, 22% of which were in Italy. Terminations involved women (**71%**) and men (**29%**), the majority of whom were in the 30-50 age range. As a result, we recorded a **negative turnover rate** in 2024, given by the number of employees who left divided by the total number of employees the previous year, **equal to 26%¹⁶**. In terms of age distribution, the age group with the highest number of people leaving the company was between 30 and 50, representing 51% of the total, or 131 people. This was followed by employees aged up to 30 (25%), with 63 people leaving, and those aged over 50 (24%), with 62 people leaving.

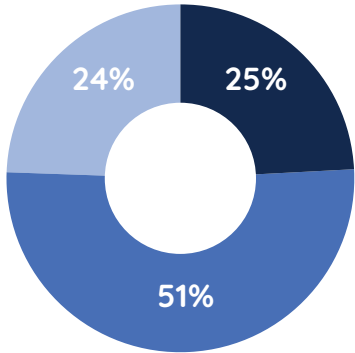
We are confident that the employee growth of 2024 will allow us to grow in terms of skills. At the same time, we are aware that close attention must be paid to ensuring the integration of new employees while maintaining stability and efficiency.

In order to support increasingly effective human capital management, we systematically conduct **interviews** with employees who decide to leave the company. These listening sessions represent a valuable opportunity to gather useful feedback to identify areas for improvement and to implement our corporate culture.

Understanding how employees experienced working for the company and the reasons that led them to decide to leave enables us to evolve constantly.

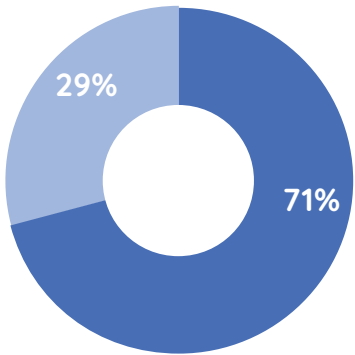
The continuous improvement approach is an integral part of our identity: we strive every day to enhance the skills, motivation and satisfaction of our Sodalis People.

TERMINATIONS BY AGE GROUP 2024



■ <30 years ■ 30-50 years ■ > 50 years

TERMINATIONS BY GENDER 2024



■ Women ■ Men

¹⁶ The baseline used for the turnover calculation as at 31 December 2024 takes into account the entry of ARTDECO. The figure considers new hires and terminations in total, including employees of the new company within the Group's scope of consolidation.



Preventing talent loss is a strategic priority for us. For this reason, in Spain and Portugal we have introduced, through **Brand-care**, a specific indicator: the **Regretted Losses**.

This indicator enables us to **monitor personnel who leave the organisation and represent high added value**.

Precise annual targets are set on this index with the aim of minimising the loss of valuable company resources. This indicator is part of a set of monitoring KPIs – **Corporate Social Responsibility KPIs** – which are useful for assessing the company's performance on social topics.

Growing together: training and development of our people

GRI 404-1

We believe in the uniqueness of every talent and the power of teamwork, and we promote a culture of continuous improvement.

As a dynamic and constantly evolving group, we believe that skills development is key to strengthening our human capital and supporting the growth of the entire organisation.

In Sodalis, we are committed to investing in the **training** and upskilling of our people, with the aim of developing specialised expertise and enabling individuals to realise their full potential.

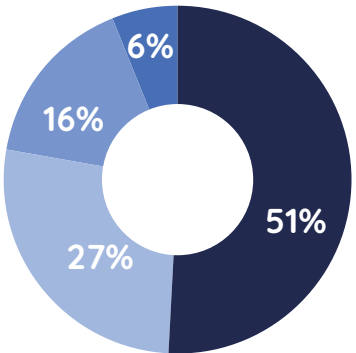
In addition to mandatory **health and safety** courses, we offer **targeted training** on various topics to strengthen technical, managerial and interpersonal **skills** at all levels of the organisation.

In 2024, **12,166 training hours were delivered¹⁷**: the total number of hours represents a **46% increase over 2023**, confirming the positive trend already observed between 2022 and 2023.

¹⁷ The number of training hours does not include training provided by ARTDECO in 2024, the data of which is not available.

2024 TRAINING BY PROFESSIONAL FIGURE

	Hours	%
Senior managers	778	6%
Middle managers	1928	16%
Office workers	6221	51%
Factory workers	3229	27%

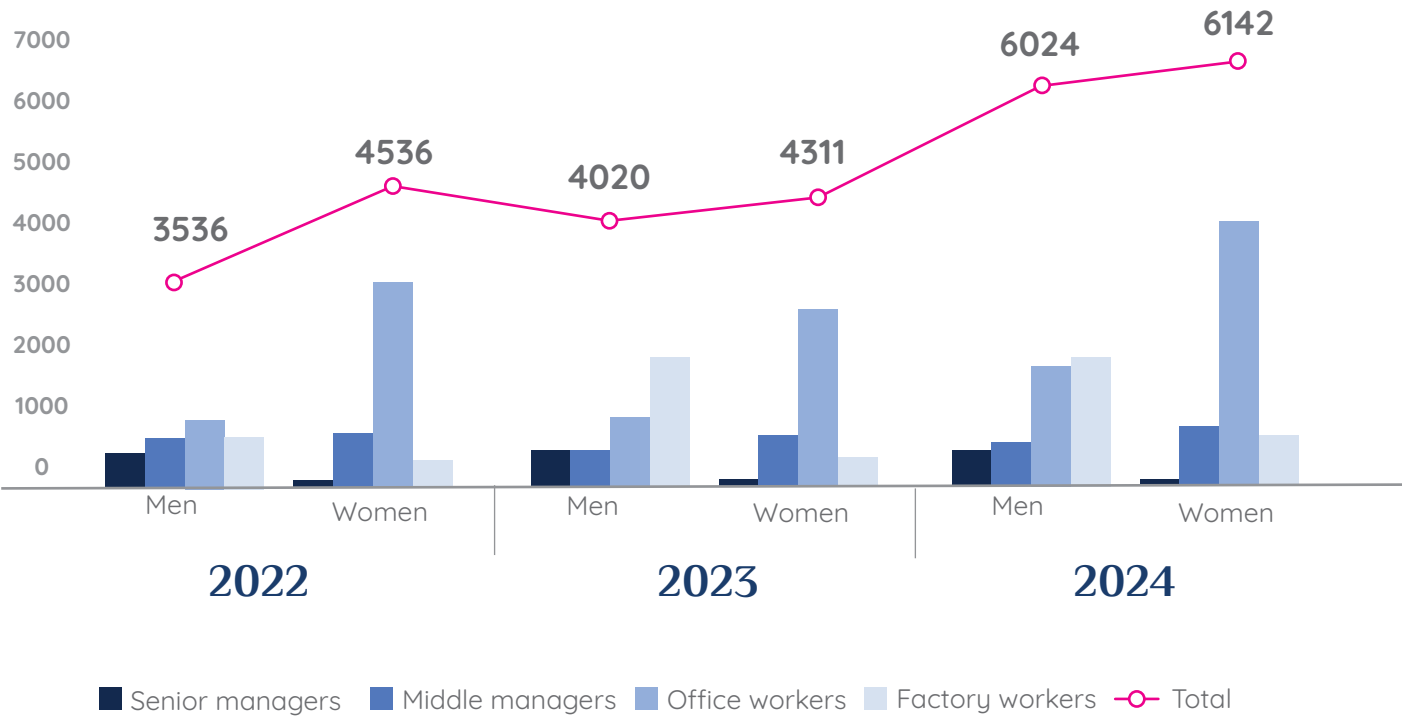


Office workers Factory workers Middle managers Senior managers

Training was delivered to all corporate functions and roles.

In 2023, the average number of training hours per employee was approximately 8: this increased to approximately **12 hours** in 2024, thanks to the expansion of the training offer.

TRAINING HOURS BY ROLE 2022-2024



The courses organised for our employees cover:

- **Quality & compliance**, to provide detailed training and information on the Quality Management System and specific regulations in the cosmetics and medical sectors;
- **Environmental training**, to implement regulatory updates on environmental labelling and regulations under CONAI guidelines, COSMOS certification and VEG specifications;
- **Soft skills and team management**, to provide employees with the opportunity to improve their interpersonal skills and develop personal management skills;
- Updating the **IT skills** of clerical staff through Excel courses implemented at different levels;

- **English**, to improve language skills and foster communication with colleagues at foreign subsidiaries and contacts in international markets;
- **Occupational health and safety**, with general and specific training to keep the entire team and specific supervisory figures up to date on relevant issues.

TRAINING OF NEW GENERATIONS

We believe that training is a powerful tool for building the future.

For this reason, we have for many years been supporting study and research programmes in fields related to our Group's values, with the aim of nurturing knowledge and creating new opportunities for younger generations.

To celebrate the 25th anniversary of the **Tesori d'Oriente** brand, in 2023 we launched a collaboration with the **Italian Perfumery Institute (IPI)** – a higher education school specialising in perfumery created to promote Italian excellence in the world of perfumery and beauty. This synergy resulted in the **financing of a scholarship for the Executive Master's Degree in Fragrance and Cosmetics Management** in 2024, demonstrating a concrete commitment to the culture of Italian perfumery.

ESG TRAINING

As part of our efforts to strengthen our corporate culture in the area of sustainability, we have organised a series of training sessions for our staff with our partner **Tecno ESG**. The topics covered included strategic topics such as the principles of responsible governance, the correct use of green claims and the prevention of greenwashing, and the principles of **Life Cycle Assessment**, with the aim of **spreading ESG expertise within the company**. This initiative has helped to consolidate a conscious approach, in line with the pillars of the ESG Action Plan.

EXPERIENTIAL TRAINING, A DIFFERENT WAY OF GROWING TOGETHER

In 2024, we joined the exclusive **EY Italy Business Game**, a **management training** programme focusing on a professional approach to the beauty industry.

The Ernst & Young programme provided the participants with the opportunity to develop their strategic thinking skills and gain an in-depth understanding of consumer trends and market dynamics in the cosmetics industry.



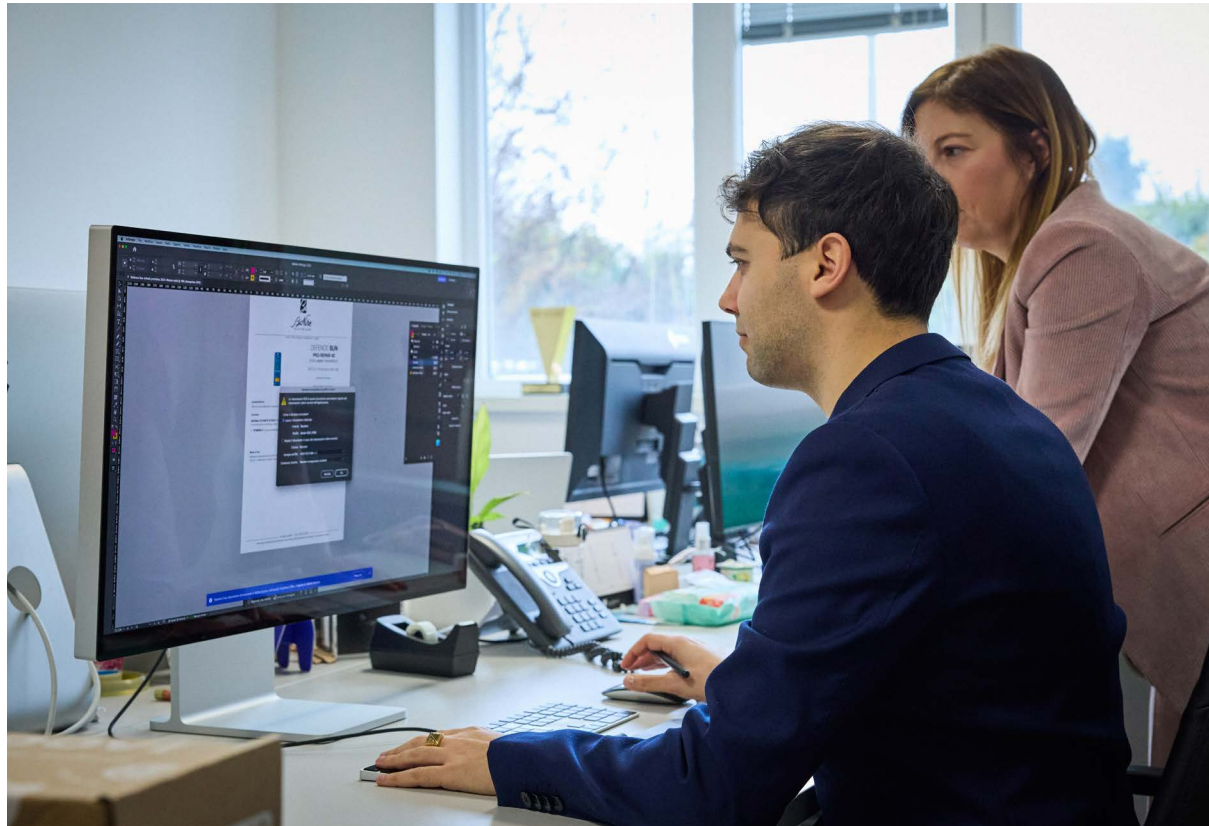
The evolution and alignment of resource management processes

The Group's evolution through **acquisition of structured companies** has required a constant commitment to defining and managing **human resources processes**, with the aim of ensuring consistency and fairness for all employees. We have focused our efforts on developing a fair and integrated approach, which has led to the formalisation of policies and processes at **national and international level**.

On the corporate level, the alignment and integration process was divided into three main lines:

- 1** **Analysing and understanding** the different Group companies across the board to create a common language;
- 2** **Aligning and standardising** company protocols;
- 3** **Implementing shared management systems** to integrate processes and develop a uniform approach to data monitoring (ongoing).

Also in 2025, a further step initiated the previous year will be completed: the adoption of the **CCNL (National Collective Labour Agreement) for the Chemical Industry** for the **Sodalis and Sodalco** companies, together with the revision of the **Ateco code**. This choice is aimed at ensuring greater fairness and alignment, including from a contractual perspective, strengthening the consistency of the organisational model and internal relations.



2024 highlights

- THE CARE MODEL, LEADERS FOR THE FUTURE**
The Group's evolution process also involves defining the Group's new leadership model of the Group, which consists of:
 - **principles**, ethical foundations that guide the daily behaviour of Sodalis People;
 - **pillars**, which represent the key skills required for effective leadership in our Group. Each pillar is directly related to two specific skills.

The model consists of a total of eight skills: each skill includes a clear definition and is broken down into specific, expected and observable behaviours relevant for each role at Sodalis. This will be essential for improvement, **performance evaluation** and the **personal and professional development of employees**.

The leadership model is another element of the implementation programme for the Group's new **Performance Management** process; a performance evaluation system based on parameters that are as objective as possible, which will gradually replace current evaluation practices, creating a common approach for all Sodalis companies and will be managed through the Human Capital Management platform.
- EQUAL PAY ANALYSIS**
During the year, an equal pay analysis by **gender** and **role** was carried out. Following the analysis, a medium- to long-term strategic plan will be defined to align salaries by gender and role. To support this, the Sodalis Group adopted a professional system known as **Job Architecture**, which enables the **recognition and enhancement of professions within the group**, regardless of function, company or geographical area. The aim is to create a common language in the definition of company roles, to facilitate the management and development of human resources and to consistently and fairly plan the professional growth of employees and the development of the organisation. Job Architecture not only encourages the adoption of more transparent and fair HR processes, but also forms the basis for addressing topics such as compensation management, performance assessment and talent management in a more consistent and objective manner, promoting a common approach throughout the organisation.

* Currently not active for ARTDECO

Wellbeing for our people

GRI 2-30 | GRI 401-2 | GRI 401-3

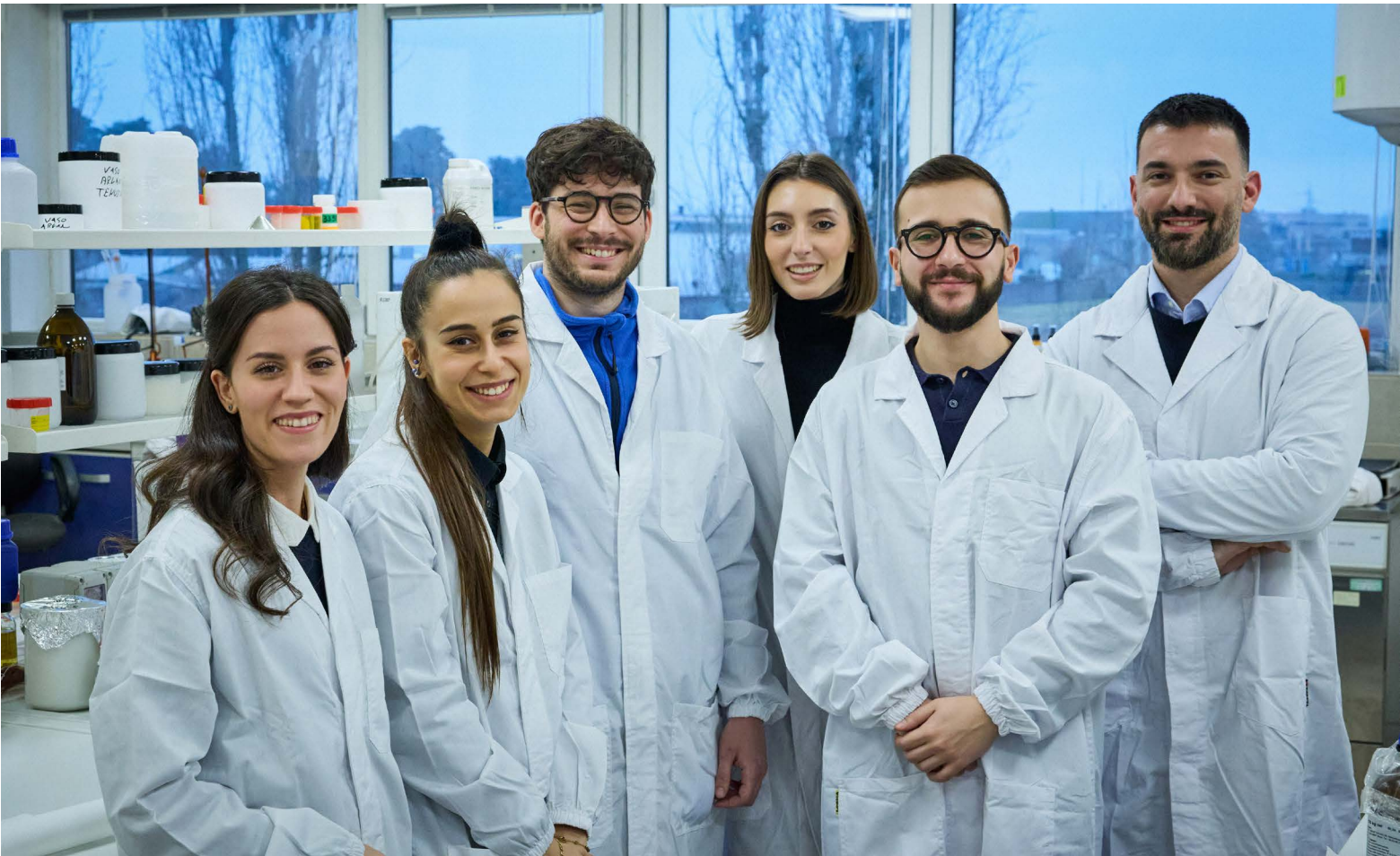
We also aim to promote wellbeing in our workplace. We care about our people: we are committed to their wellbeing through a company welfare plan and promote work-life balance.

At Sodalis, we are committed to providing a **stimulating, fair and inclusive working environment** in which everyone feels valued, respected and part of our project. We care deeply about the **wellbeing** of our employees and are committed to fostering their **sense of belonging** to the Group. We are aware that their motivation is just as important to the success of our **business** as our **performance** and **quality** results.

We invest in **integrated welfare** programmes that include benefits, support services and work-life balance initiatives, helping to create a serene, stimulating and inclusive working environment.

In 2024, **55% of employees** were hired through **collective bargaining agreements**¹⁸, with specific provisions related to their sectors (Chemical, Trade, Plastic Rubber, Food and Industry Managers) and the regulatory frameworks of the countries where the Group operates.

In Germany and Portugal, the type of contract refers to the national regulations in force.



All Group companies offer a welfare package that includes:

- **supplementary healthcare;**
- **disability coverage;**
- **pension plans;**
- **meal vouchers;**
- a **company portal** for subsidies on goods and services;
- and, in some locations, **public transport subsidies** to encourage sustainable mobility.

Smart working is guaranteed for all Group companies for at least one day a week, depending on the role, with special attention to the needs of **new parents**, regulated by a dedicated procedure.

In line with our commitment to a caring and inclusive work environment, we also attach great significance to **parental leave**, which is recognised as a fundamental right. In Italy, it is regulated by Italian Legislative Decree no. 151/2001 and can be requested by both parents within the first 12 years of the child's life. In foreign locations, compliance with local regulations is ensured by the human resources of each country.

In 2023, 44 people took parental leave (27 women and 17 men) and 95% returned to work at the end of the period of absence. In 2024, **52 people** took parental leave (20 men and 32 women) and **73%** returned to work at the end of the period of absence. This figure is justified by the fact that, at the time of preparing this report, the leave period for the remaining persons who have not returned to work has not yet ended.

¹⁸ The figure of 55% of employees covered by a collective bargaining agreement should be placed on context considering that in Germany and Portugal, where 761 and 34 employees, respectively work, there are no national collective bargaining agreements.

2024 highlights

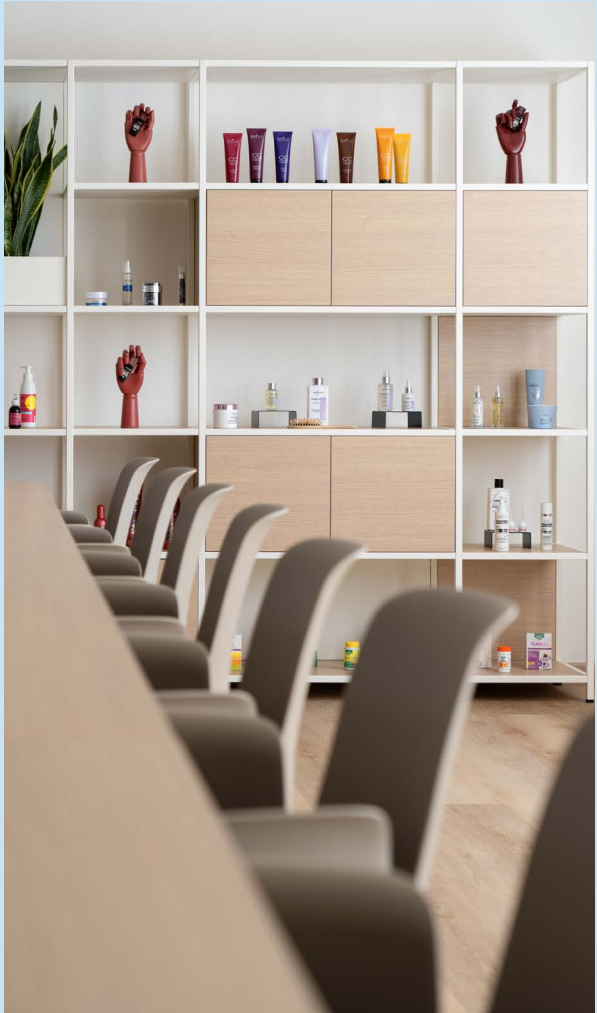
- We paid out **bonuses** to companies not yet covered by second-level agreements through the Welfare on Top initiative. The 2025 targets include the **renewal of the agreements for Conter and ICIM**, as well as the formalisation of a single agreement for the other Group companies. The challenge will be to define shared targets for a fair distribution of the bonus, involving in particular **factory and office workers**.
- In 2024, the **Lornamead** Group company promoted an internal initiative aimed at **actively listening to its employees** through the administration of a **questionnaire** designed to collect detailed information on various aspects of the work experience such as the balance between

professional and personal life, development and growth opportunities, leadership style and quality of management, as well as corporate values and culture. Particular attention was paid to the topic of hybrid work, with the aim of understanding the effectiveness of the methods adopted and their impact on productivity and employee satisfaction. The initiative is part of a broader strategy of engagement and continuous improvement, in the belief that constant dialogue with people is a key element in building an inclusive, motivating and growth-oriented shared environment. In 2025, a HR plan will be defined to improve the issues identified in the analysis.



- **Refresh of wellbeing for our Headquarters.**

We believe that wellbeing is also conveyed through modern, functional and stimulating workplaces. At the end of the year, the projects to upgrade our workspaces at our Lodi Vecchio site came to an end. We have designed for our Sodalis People **smart work areas, modern, high-tech meeting rooms, and socialising spaces designed to encourage energy recovery and stimulate creativity, all in a positive, welcoming atmosphere**. Every detail has been carefully designed to provide a work experience that reflects our commitment to Creating Wellbeing, in full harmony with our corporate vision.



Further upgrades are planned at our Headquarters in 2025. The new spaces planned include:

- **Sodalis Lounge**, a positive, shared space for creative co-working, breaks or inspiration, designed to accommodate up to 80 people;
- **Shooting Room and BeautyRoom**, areas dedicated to content creation and brand storytelling;
- New **outdoor areas and refurbishment of offices and meeting rooms**, always with a special focus on comfort and functionality.

We are Sodalis Group

We give voice to who we are, inside and outside the Group

We care deeply about the wellbeing of our employees and are committed to fostering their **sense of belonging to the Group**. We are aware that their **motivation** is just as important to the success of our business as our performance and quality results. We are committed **to strengthening the image of our Group in order to attract and retain the best talent**.

In 2024, we further strengthened **corporate communication**, a strategic tool to strengthen the Group's identity, enhance the brands and share the stories of the people who contribute to its success every day.

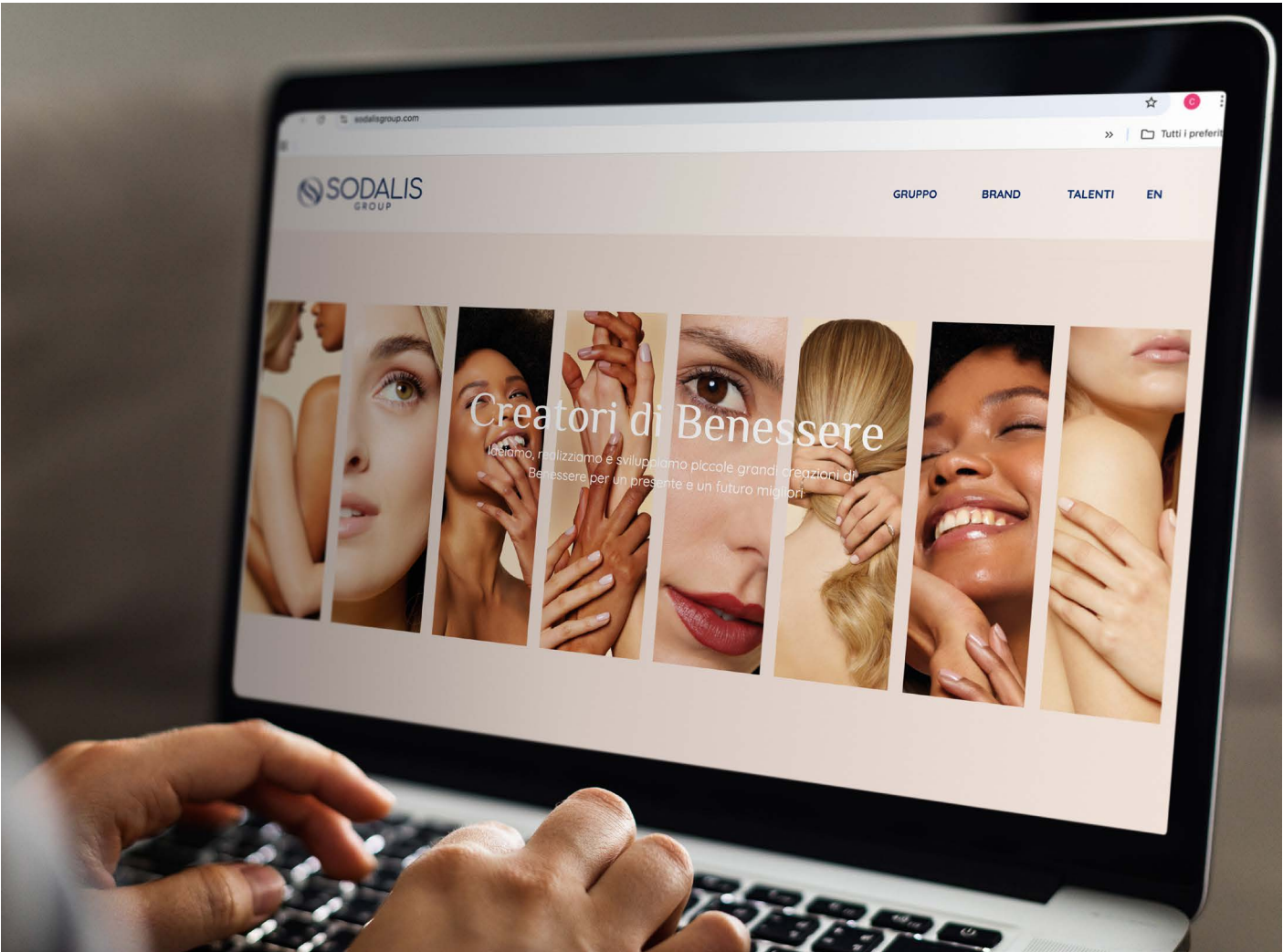
Through an integrated approach combining **internal and external communication**, we aim to build a coherent, authentic narrative that inspires, engages and generates value.

To share all this, we use a multi-channel strategy that integrates:

- **Digital platforms** to spread our vision of Creators of Wellbeing to all stakeholders, with emotional content, behind the scenes, video formats and testimonials
- The **corporate website** to tell about us, our brands and our news
- **Internal newsletters** to share our successes, innovations and projects with our people

Our communication ecosystem is enriched every day thanks to the **contribution of our international subsidiaries**, which in turn share local projects, brand initiatives, social activities and corporate successes, creating a choral, coherent and always up-to-date story. At a local level, the subsidiaries in **France, Spain and Portugal** publish a **quarterly internal magazine** reporting on achievements, initiatives and goals, giving a voice to the people who make them possible.

In order to communicate our daily commitment to a better future to all our stakeholders, we have defined an **ESG communication plan**: content related to our achievements, our activities and our commitment to **create wellbeing in our economic, social and environmental context**.



2024 highlights



SODALIS AMBASSADOR

International team of Ambassadors who, through their experience in the group and their sodalessian attitude, **communicate our corporate culture and values internally and externally.**

With their enthusiasm, example and authentic voices, they help give substance to our work and our mission as Wellness Creators.



ROAD TO SUSTAINABILITY

On 9 October 2024, on the occasion of the publication of our first **Consolidated Sustainability Report**, we organised the **presentation event**. Together with our Sustainability Champions and Ambassadors, we experienced a moment of genuine sharing, designed to present our vision, the path we have taken, the results we have achieved and our future goals.





CHRISTMAS PARTY "WE ARE GOLDEN"

We celebrated Christmas with a real **corporate event**, involving the Italian locations of Lodi, Borgo San Giovanni and Lainate. On 10 December, the **"WE ARE GOLDEN"** Christmas party was held at the "La Pergola" centre in Lodi, welcoming around 400 people in a festive atmosphere of sharing and music, strengthening team spirit and a sense of belonging to the Group. Our colleagues from France, Spain, Portugal and Germany experienced as many moments of sharing and joy as possible thanks to the Christmas dinners organised by their teams.



BIONIKE BIRTHDAY PARTY

On 15 May, BioNike celebrated its **64th birthday** in a beautiful setting together with the entire team. Accompanied by the enchanting melody of the BioNike harp, it celebrated yet another milestone, the result of constant research and continuous innovation for the benefit of sensitive skin. **A moment of joy shared with the entire team that works passionately every day and an opportunity to express gratitude to everyone who contributes to the brand's success.**





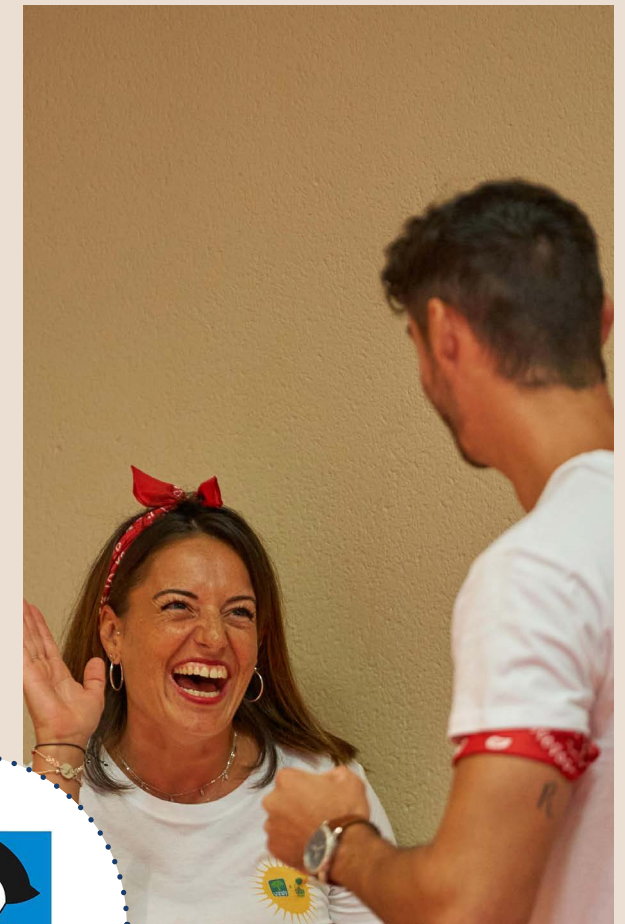
CHALLENGE DE NOËL

At our headquarters in **France**, we organised a charity competition (Challenge de Noël) in which 64 employees divided into 12 teams actively participated. The competition promoted a healthy lifestyle and strengthened team spirit, while also demonstrating solidarity: the collective performances enabled **two donations** to be made to local social organisations, **Dons Solidaires** and **Un Hôpital pour les Enfants**.



TEAM BUILDING

In an effort to enhance team spirit, our **French colleagues** organised two team-building events during the year: one in Taillades and one in the royal vault of the former Bank of France in Poitiers. The funds raised on these occasions were donated to the LPO (Ligue de Protection des Piseaux), an association committed to **protecting local biodiversity**, and to Un Hôpital pour les Enfants, an association that has been active since 1993 in supporting children hospitalised at the University Hospital of Poitiers through artistic and recreational activities.



Health and safety: constant attention to our People

GRI 403-2 | GRI 403-3 | GRI 403-5 |
GRI 403-9 | GRI 403-10 | GRI 403-4 |
GRI 403-6

Although we do not have a Worker Safety Management System (with the exception of Quadripack, which has a UNI ISO 45001:2018-certified system), we comply with the regulations in the countries where we operate. We strive to ensure a safe working environment by providing appropriate education and comprehensive training to all departments, so that they can perform their tasks and optimise management of risks.

The **Risk Assessment Document** (DVR) was updated in 2024, and awareness-raising activities on health and safety topics are planned for personnel in 2025. ESI plans to obtain ISO 45001 certification during the two-year period 2025-2026.

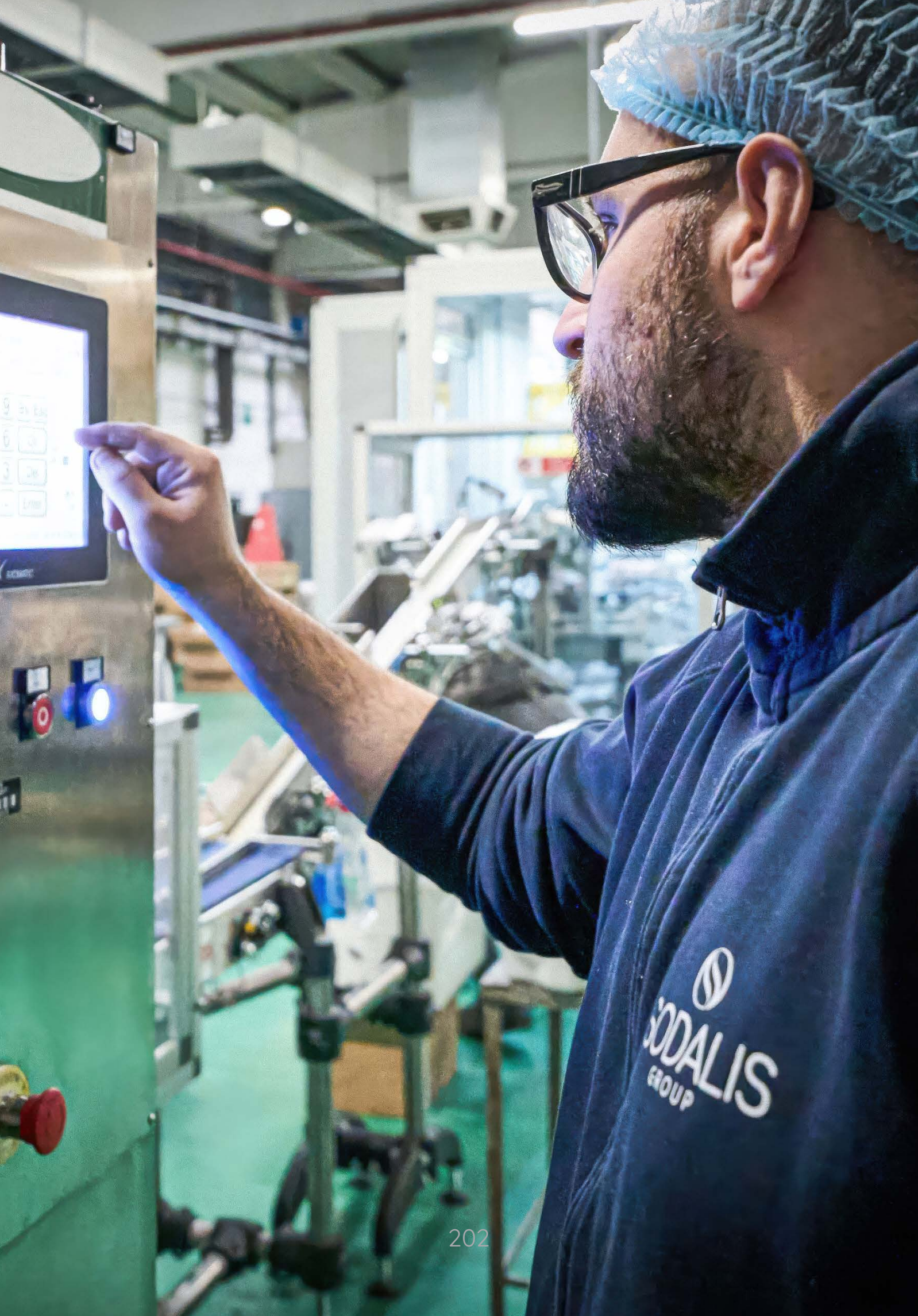
Given the many activities carried out by the companies in the Group, we consider it necessary to align our health and safety documents and create consistent operating instructions and procedures for our different sites and workplaces.

Risk assessment and promotion of safety

In accordance with their activities and local regulations, each company in the Group conducts a detailed assessment of the risks to worker safety and health by drafting and continuously updating a **health risk assessment**, which considers the probability of occurrence and severity of the risk in relation to the specific tasks and departments.

In addition to assessing general risks related to ordinary activities, such as stress, fatigue and ergonomics, we conduct detailed analyses of sector-specific risks: exposure to toxic, irritating or allergenic substances during production, packaging and product handling (chemical risks) and risks associated with the use of specific machinery and equipment. Depending on the different tasks and operating departments, these risks are classified and monitored to identify their causes and take appropriate preventive measures.





The creation and promotion of a culture of safety are fundamental guiding principles for achieving our goals.

We share values and good practices, encouraging responsible behaviour to preserve the physical and mental health of each employee. We involve workers in various ways, including initial safety training, regular meetings, accident and injury reports, information boards and consultations with safety managers.

During recruitment and onboarding, as well as during subsequent work, staff complete training on regulations and are made aware of any critical issues detected at work, which are promptly and properly addressed by the organisation. Meetings are held annually to analyse issues raised by workers, who may approach the designated figures to report safety issues that have not been resolved by the relevant bodies.

Some Group companies, such as Novamex and Quadripack, have formed an occupational **Health and Safety Committee** to guarantee employee safety and propose solutions to reduce work-related risks.

In 2024, **Brandcare** organised and promoted the **RACE Road Safety course for employees with company cars**. The initiative was an important training activity aimed at strengthening the culture of safety within the company, offering practical and theoretical skills to deal with emergency situations while driving. The course enabled participants to improve their risk awareness, learn how to use driver assistance systems, refine their driving techniques on low-grip asphalt and develop a more preventive and efficient driving style. It is a concrete investment in protecting people and preventing accidents.

Training and occupational health services

To create and spread an occupational health and safety culture, we provide continuous training.

We draw up an annual training plan related to the results of the risk assessment, which is intended for both employees and contract workers.

In particular, we offer education and training courses for new hires, general and specific training under the State-Regions Agreement, emergency management, first aid courses, training for forklift drivers, and constant updates on company-specific risks, such as those related to work equipment for our factory workers. In line with their activities and local regulations, each company aims to offer their employees regular health and safety check-ups.

The Companies based in Italy have appointed an occupational health specialist who is responsible for regular medical examinations and workplace inspections. The physician also helps to prepare the Risk Assessment Document and presents the results at the annual meeting with the Workers' Safety Representative (RLS). Annual check-ups and medical examinations are organised for factory workers, depending on the risks assessed for specific tasks.

Employees may request an appointment with the physician in the event of a medical condition, and their fitness for work may be updated depending on the result. The Group always works actively to find positions that are compatible with any limitations that emerge.

A precise health protocol is also in place for the foreign subsidiaries. A company doctor is appointed and some companies also rely on external facilities to provide regular medical examinations for employees. In addition, regular inspections and updates on the risk assessment document are organised.

Employee health information is handled confidentially by the qualified physician, who only communicates the employee's fitness for work, thus guaranteeing personal privacy. We have no access whatsoever to information on the health of employees; this is known only to the physician, who provides us with the necessary guidance if positions need to be adapted to meet an employee's needs.

In line with collective bargaining agreements and with respect to the welfare plan, employees are provided with health care and disability coverage.

Accidents at work and occupational diseases

In 2024, there were 26 accidents at work involving employees; of these, 24 were minor and 2 with serious consequences, which, when compared to the number of hours worked, resulted in a rate of work-related injuries of 11.4, a reduction compared to the previous two years.

Specific follow-up activities and corrective actions were taken in response to the injuries, and additional PPE was provided where necessary.

We also intervened with personnel who were potentially unfit to work in certain locations, reassigning them where necessary to avoid hazardous situations.

To reduce the risks associated with manual load handling, manipulators were installed to handle sacks at the Lodi Vecchio site in 2024. In 2023, we purchased a reel lifter to facilitate loading of the sleever reels.

It should be noted that, in 2024, there were only 2 cases of occupational disease mainly resulting from burnout and minor injuries such as minor abrasions due to repetitive work.

WORK-RELATED INJURIES ¹⁹ – EMPLOYEES	2023	2024
Total no. of hours worked	1,389,922	2,281,598
Work-related injuries with serious consequences (excluding fatalities)	0	2
Rate of work-related injuries with serious consequences (excluding fatalities)	0	0.88
Recordable work-related injuries	21	26
Rate of recordable work-related injuries	15.11	11.40

¹⁹ Work-related injuries with serious consequences refer to cuts to the hand (one caused by the sharp edge of a ladder that was not intended to be grasped, following which a plastic protection was installed and the other edges of the stairs were checked; another cut to the hand was caused by using equipment that was undergoing maintenance). Other accidents refer to injuries caused by moving parts while working with safety devices disabled, slips and falls, and crushing trauma.

D&I: vision, culture, action

GRI 405-1 | GRI 405-2 | GRI 406-1

Diversity and inclusion are not only a social duty, but also a strategic lever for generating value. Recognising and valuing people’s uniqueness means creating the conditions for them to become promoters of change and progress, both inside and outside the organisation.

The focus on **Diversity, Equity & Inclusion (D&I)** does not reflect an industry trend; rather, it reflects a profound transformation in the expectations of people and consumers globally, who are increasingly sensitive to issues of gender equality and inclusiveness. It is also a **concrete commitment for us**: we want to strengthen the culture of D&I within the Group, ensuring a **positive, welcoming work environment that is open to all expressions of talent**.

For this reason, **by the end of 2025**, we will adopt **a gender equality management system for companies based in Italy**, in line with **UNI/PdR 125:2022**, using the national reference as a starting point for a solid and measurable approach.

We believe that gender equality is an essential ethical principle and a prerequisite for innovation and competitiveness. Promoting a real balance between men and women means encouraging more inclusive decisions, increasing the quality of work and improving the overall performance of the Group companies. In line with the main national and international guidelines, **we have set ourselves the goal of integrating the principles of equity and respect for diversity into our corporate objectives**, actively contributing to overcoming gender stereotypes in both professional and family contexts.



Ratio of basic salary
women to men

The nature of the Group, with companies located in different countries, and growth through the acquisition of already structured entities, means that staff remuneration needs to be aligned as much as possible. Given our focus on inclusion and equality, we achieved our goal of addressing the **gender pay gap** within the Group. In 2024, a specific analysis was carried out to analyse the group's salary policies in order to highlight possible gender discrimination. A focus was also placed on the different

generations within the company and their representation at various levels of the organisation. **The average female-to-male pay ratio currently stands at 88%.** Therefore, women in the Group on average earn 12% less than men in the same role. This is in line with the gender pay gap in Europe in 2023, which stands at 12%²⁰.

GENDER PAY GAP	2023	2024
Middle managers	93%	88%
Office workers	87%	88%
Factory workers	92%	87%
Average	91%	88%

²⁰ Eurostat – April 2025 – statistics on the gender pay gap – statistics explained.

Protected categories
and incidents of
discrimination

With respect for diversity and inclusion in all its forms, and in compliance with **Italian law 68/99**, for people employed in Italy we are committed to meeting the quota of personnel in the protected categories. We guarantee support services, assistance and technical support to help them perform their assigned tasks.

In 2024, we had **41 employees** in protected categories, classified as factory workers, office workers and middle managers. Because we are unable to fully meet the numbers required by the regulations due to the specific activities at our production sites and night shifts, we renewed an agreement with the provinces

of Lodi and Milan, which have an agreement with a cooperative that identifies personnel to perform certain activities, mainly packaging, on an outsourcing basis on behalf of the Sodalis Group companies.

To ensure greater employee protection, we monitor and examine any incidents of discrimination that may occur during working hours and take corrective measures if necessary. In 2024, **no cases of discrimination were recorded within the Group.**

Social responsibility for the community and territory

Our mission is to create wellbeing in our economic, social and environmental context. As a company, we feel a strong sense of responsibility to contribute to a healthier and more harmonious future for all living things.

We want to promote a real culture of sustainability inside and outside our company.

We have always had strong, concrete ties to the territory and community in which we operate, promoting its positive development. We support projects aimed at building a company that embraces the uniqueness of each individual, supports the most vulnerable and offers greater opportunities. We contribute to various causes by donating our products, purchasing useful goods, making financial contributions and supporting sports and cultural associations and activities.



Our initiatives in 2024

FONDAZIONE FRACTA LIMINA

Sodalis Group is strongly connected to our local area and has chosen to support **Fondazione Fracta Limina** in creating a cutting-edge **centre for autistic people in Melegnano**. In 2024, the Fondazione Fracta Limina presented AUTentiCA: a new multi-service centre designed and built specifically for autistic people, located in the centre of Melegnano. Construction work of the centre will begin in 2025.

Moreover, the Foundation prepared small **solidarity panettone cakes** for all our Sodalis People at Headquarters, which were given out as Christmas gifts. This gesture combined the company celebration with a tangible act of social awareness, for which all Sodalis people expressed their gratitude in the post-event survey.



CREMA BEAUTY DAYS

We were the Main Partner at Crema Beauty Days, a cultural initiative organised by the Municipality of Crema in collaboration with Cosmetica Italia to coincide with Milan Beauty Week.

- **SKILLS FOR THE FUTURE**
In the exclusive setting of the Sant'Agostino Cultural Centre in Crema, we met **young professionals and students from the cosmetics sector**, telling them about the Sodalìs Group through our recruiting desk led by our **HR Team** and the **company testimonials of our Sodalìs Ambassadors**.
- **BEAUTY IN PIAZZA**
In the **Beauty Corner**, at the heart of the Piazza Duomo, guests were able to enjoy a unique experience: immersing themselves in the **Sodalìs Galaxy through augmented reality**. In our Beauty Corner, visitors could try out all of our Wellbeing Creations and "win" Sodalìs Shoppers filled with new products.



BIONIKE

- In collaboration with the **Cooperativa Sociale Il Grappolo**, we started a **fair trade agriculture** project at La Casa degli Orti in Lainate, along the Villoresi canal. The initiative involves the care and maintenance of the vegetable garden, entrusted to **ICIM**, by **a person with disabilities from the cooperative Il Grappolo**. The BioNike Organic Garden will also be a valuable space where employees can share experiences. They will be able to participate in various initiatives, including sowing, planting and harvesting seasonal produce. There is also a wooden chalet in the area that can be used to host meetings, awareness-raising activities, and brand-related initiatives. Starting in 2025, yoga classes will be organised at discounted prices for ICIM employees.
- The support for **Fondazione Libellule insieme** in the fight against cancer also continues: thanks to the donation of products, the proceeds of which help to cover the cost of specialist visits, BioNike is making a concrete commitment to protecting women's health. Bearing this in mind, approximately 100-150 products not intended for sale are donated to so-

cial causes each year, promoting the conscious use of resources.

BioNike has chosen to stand **alongside those who work every day to support victims of violence**. In particular:

- donation of products from the Defence Skinergy line to women staying at anti-violence centres run by the **Differenza Donna association**;
- support for **SOS Villaggi dei Bambini Onlus**, an organisation that promotes the rights of more than 47,000 children and young people and protects more than 2,600 children, young people and families in serious hardship situations, including domestic violence;
- collaboration with **Fondazione Mediolanum Onlus** in the project "La violenza non è un gioco" (Violence is not a game), dedicated to the protection of minors.

BioNike is also committed to **scientific research** and dermatological innovation. We provide support to leading research institutes that can contribute to fundamental advances in skin and personal health. In 2024, **charitable donations were made to the Dermatology Clinic of the University of Perugia** and to **SSD Dermatologia Pediatrica of Fondazione IRCCS Ca' Granda**, as well as the donation of diagnostic instruments to FotoFinder Italia.

We also took part in **Esselunga's donation drive for Banco Alimentare (food bank)**, helping to provide practical support to those in need.



ESI

We continued to support our local area in Liguria through an extensive programme of **donations and sponsorships** aimed at sporting, social and cultural organisations.

Numerous local sporting events were supported, including athletics tournaments, swimming and running competitions, hockey events and wellness appointments, contributing with **product donations** for participants, athletes and organisers. We would like to highlight two of our most notable collaborations: the **Athletics Meeting on 15 May in Savona**, and our participation in **Rimini Wellness**. Support for **local sports clubs**, such as **ASD Albissole 1909** and **ASD Atletica Savona**, has also been **renewed**, promoting sport as an educational and social value.



In the social sphere, we strengthened our ties with **Fondazione Pace e Bene**, which is dedicated to the physical, mental, economic and cultural wellbeing of people living in fragile situations. By donating our products to the foundation, ESI has helped ensure that practical, day-to-day support is available to those in need.

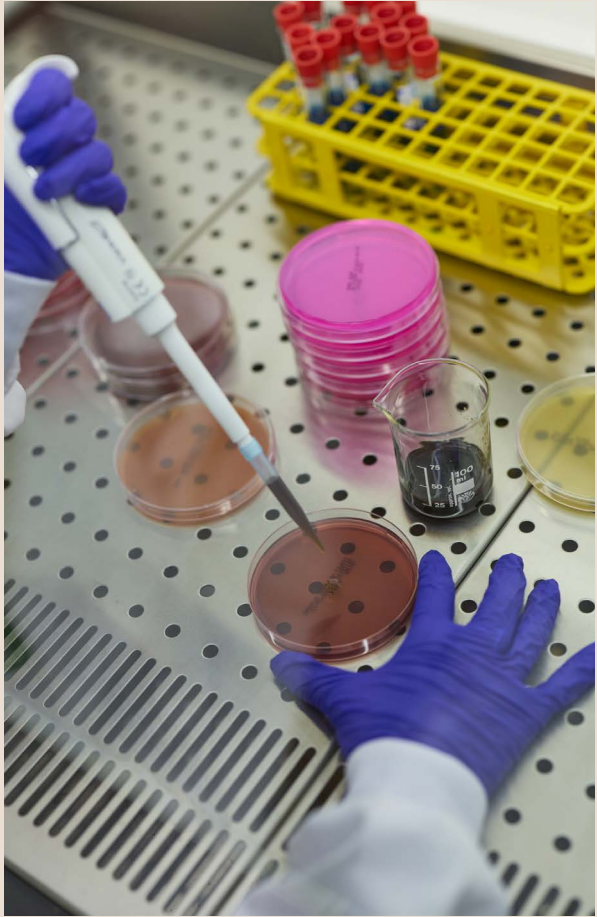
For us, this collaboration represents much more than a gesture of solidarity: it is a means of strengthening a care network that starts locally and reaches out to people, promoting dignity, autonomy and inclusion.

We also participated in cultural events such as the **Savona Street Fest**, helping to maintain a strong social fabric.

BIOPPOINT

We have collaborated with Fondazione Humanitas through a **donation to research projects and researchers who are** committed to developing increasingly effective treatments.

Supporting research means contributing to the growth of the scientific community and the development of new skills. It also means improving people's health through personalised therapies and informed prevention programmes.



LYCIA

We created the **Lycia Comfort Box Project**, in collaboration with the students of **Istituto Superiore Majorana-Arcoleo (High School) in Catagirone**. A group of girls and boys took part in the Comfort Challenge launched by Lycia: a creative challenge to design personalised tampon boxes inspired by the feeling of freedom.

This educational initiative also saw us play a leading role by supplying Comfort sanitary pads to the whole school, ensuring that no student would feel uncomfortable in an emergency.

FRESH & CLEAN

Each year from 2021 to 2024, we distributed **400,000 leaflets** and samples of **baby comfort & paediatric wipes** in **birthing packs**, covering 90% of births across the country. We organised shipments to all hospitals in Italy, from the largest – such as the Policlinico Gemelli in Rome, the Gaslini in Genoa, the Buzzi in Milan, the Maggiore in Bologna – to smaller, provincial facilities, as well as private facilities.



NOVAMEX

We have been working to combat poor hygiene in France for more than 12 years: we have donated our personal hygiene products to the **Dons Solidaires** association (more than **20,000 products donated** last year) and to the **Food Bank in Poitiers**.

Since 2021, we have been working alongside the **Hôpital des Enfants in Poitiers** to improve the hospital experience for children and adolescents admitted to Poitiers Hospital.

During 2024, we ran an **oral hygiene campaign**: in 500 waiting rooms of general practitioners, we provided patients with more than **25,000 toothpaste samples** and over **15,000 information leaflets** to raise awareness of the importance of good oral hygiene.

BRANDCARE

In 2024, Brandcare decided to translate its values into concrete actions: we offered our help to local associations such as **Cruz Roja and Citadord De Sonhos**, which are committed to supporting families in need, **by donating over 55,000 of our products**.

We have also actively participated in various activities at the **Centro Sagrada Familia**, an institution committed to supporting people in vulnerable situations. In April, 65 members of our Iberian team took part in a day of **active volunteering** at the organisation's headquarters, cleaning the premises, gardening, painting walls and teaching children essential hygiene practices.



The activity provided an opportunity for meeting, listening and sharing, during which participants focused on improving common areas and engaging in direct dialogue with beneficiaries. This simple yet significant gesture not only strengthened the team's cohesion but also the bond with the territory and its daily residents, who live in challenging conditions.

This initiative confirms **Brandcare's willingness to be an active part of the community, contributing with commitment, presence and responsibility to building a more inclusive context.**

ARTDECO

- For years, ARTDECO cosmetic Group has supported **Tafel München**, an association with several centres across Munich that helps people living in poverty. In 2023, we organised a **corporate volunteering event** for the first time, which was repeated in 2024, where employees chose to volunteer their time to personally help with product distribution. We also contributed by donating our products, which were distributed in all 28 city centres.
- **SOS – Children’s Village**
Through a solidarity campaign linked to the sale of our products, we donated **€ 9,000 to a shelter for girls and young women in Guatemala**. For every item sold, €1 was donated to this important initiative, contributing to the concrete protection, education and autonomy of the beneficiaries.
- **We Empower Girls (Wir stärken Mädchen e.V.)**
With the aim of promoting the independence and self-confidence of young women, we provided a donation to the association "Wir stärken Mädchen". The amount was raised by allocating **10% of the net sales of our online shop every second Friday of the month**, from March to December 2024, to **women’s empowerment projects**.
- We supported **Behindertenwerkstätte Franziskuswerk**, an association that promotes shared spaces for **people with disabilities**, through donations. The association provides customised shared housing, jobs and a wide range of leisure activities for its members.
- Our aim is to provide tangible support for **women’s emancipation**. To this end, in 2024 we donated **€ 7,000** to local organisations in Munich that support women and equal rights, such as **Frauenhilfe MUC, Siaf e.V. and Equal Pay Day Munich**.

Throughout 2025, we will continue to pursue projects that have a positive social and cultural impact. These projects are in line with our values, and demonstrate our commitment to playing an active role within the communities in which we operate.





Environment: our journey, our commitment

Environment

Key highlights



ENERGY & GHG EMISSIONS



Organisation Carbon Footprint verified for the entire Group²¹

2,387tCO₂ eq
avoided in 2024 through the use
of electricity from renewable
sources and through the
purchase of GDOs

75%
of production sites covered by
photovoltaic systems

55%
of electricity consumed comes
from renewable sources

2,290t CO₂ eq
mitigated in 2024 through
the purchase of GDOs

1,654t CO₂ eq
avoided thanks to the internal
production of bottles



CERTIFICATIONS AND MEMBERSHIPS



PACKAGING

808t
of plastic saved thanks to eco-
design initiatives

2,140t CO₂ eq
avoided ²² through the use
of recycled plastic material

38t

of paper saved thanks to
our packaging choices

97%

packaging made
from recyclable material



WASTE&WATER

- 9%
water consumed per unit
sold in 2023

- 16%
of waste going to landfill vs.
2023

-30%

waste produced per units sold in 2024 vs 2023



INITIATIVES

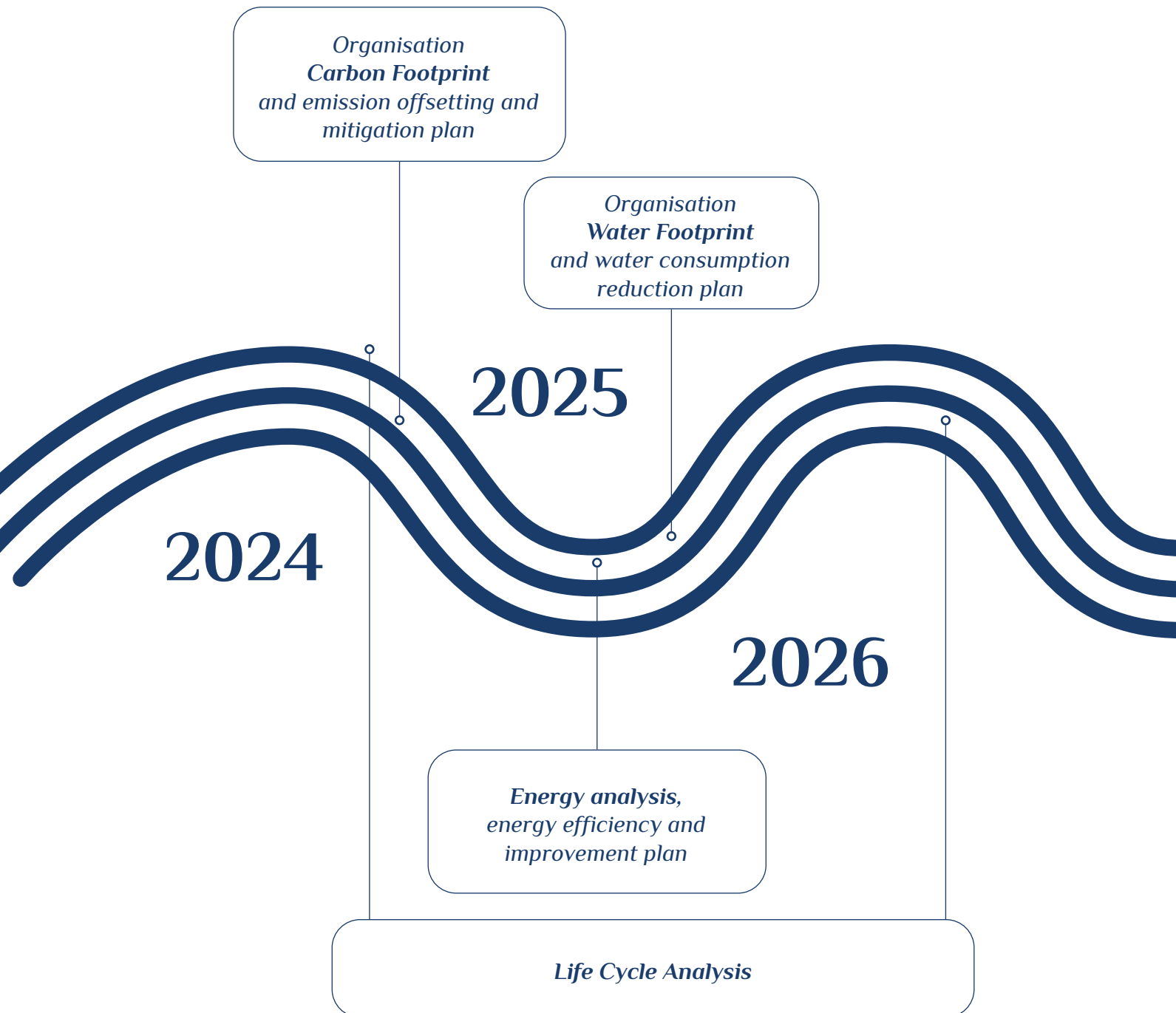
5
environmental protection projects promoted










²¹ By 2025, the CFO's ISO 14064-1 certification will be verified by a third party.

²² The calculation was based on an average emission factor that took into account PET, HDPE and PP.

Environment

Our 2024-2026 journey



Pillar	Targets		Target year	2024 – Where do we stand	SDGs
PLANNING Counteracting climate change	GROUP CARBON MANAGEMENT We intend to conduct an Organisation Carbon Footprint study at the corporate level, in line with the ISO 14064 standard. Our roadmap starts with the formulation of a Scope 3 inventory starting from the end of 2024 and a comprehensive study of GHG emissions by the end of 2025, with the aim of: <ul style="list-style-type: none">implementing potential improvements and setting short-, medium- and long-term emission reduction targets.updating the Organisation Carbon Footprint and renew the certification by 2026.		2025-2026	<p>We have embarked on an awareness process by analysing the Carbon Footprint for ESI and ICIM International and through the Carbon Footprint for the Sodalis Group</p> <p>We adopt good practices aimed at reducing our environmental impact from the energy we use: some of our companies have purchased Guarantees of Origin in their electricity supply contracts, contributing positively to the energy transition of the entire Group.</p>	  
CARE Enhancing water resources	GROUP WATER FOOTPRINT We plan to analyse the Organisation Water Footprint in accordance with the UNI EN ISO 14046:2016 standard at the Group's production facilities, to measure our water impact. The study will identify the most water-intensive processes and lead to actions to minimise water use.		2025-2026	<p>Our production centres (Lodi, Lainate, Albissola Marina, Cavaillon) implemented good practices to improve water resource management (reverse osmosis systems, water treatment and purification plants).</p>	 
RATIONALISATION Using energy resources responsibly	<p>Expansion of the photovoltaic plant for the Lodi Vecchio production site by 600 kWh.</p> GROUP ENERGY ANALYSIS In the next two years, we will establish a systematic procedure to gain adequate knowledge about our energy consumption, so that we can identify areas of waste and potential opportunities for savings.		2025-2026	<p>We monitor and analyse energy consumption, organised targeted interventions to reduce and optimise energy use.</p> <p>We installed a photovoltaic plant at our production site in Albissola Marina and expanded the one in Cavaillon, France, enabling our Group to achieve a power output of over 1000 kWp.</p>	  
RECYCLING Managing waste responsibly OPTIMISATION Analysing and redesigning the end-of-life of materials	LIFE CYCLE ASSESSMENT (LCA) We want to assess the environmental impact of our most representative products throughout their entire life cycle by conducting an LCA analysis. The study aims to objectively and technically substantiate the environmental performance of each analysed product, so that we can then make appropriate improvements.		2025-2026	<p>We have conducted LCA studies on some products in our portfolio (L'Arbre Vert Washing machine liquid detergent and BioNike Defence Sun) in order to assess the environmental impact of new formulations and/or the use of alternative packaging.</p> <p>We are constantly committed to improving the sustainability profile of our products through our formulation and packaging choices.</p>	

Our formulations

Each of our brands has its own consistent formulation philosophy for its entire product portfolio, offering optimal wellbeing solutions for different consumer targets. Our laboratories work every day to create excellent formulations in terms of performance, skin affinity and sensory feeling, favouring natural biodegradable ingredients. We do so following the **ISO 16128-2:2016 Cosmetics – Guidelines on technical definitions and criteria for natural and organic cosmetic ingredients**, and the OECD guidelines for declarations on the presence of biodegradable and naturally derived ingredients in our formulas.



All formulations comply with the **"free-from" philosophy**: they are **nickel tested and free of preservatives and fragrances** (or they contain allergen-free fragrance).



Clean&vegan formulas, with **natural ingredients**, selected for their quality and origin.



Our German brand formulates according to the **Purity Law**. The formulations do not contain microplastics, animal ingredients, synthetic dyes, silicones, mineral oils, parabens and PEGs (polyethylene glycol).



The products are **Ecolabel certified**. This is the European Union's environmental quality mark (voluntary eco-label type 1 – ISO 14024), which distinguishes products and services with a reduced environmental impact throughout their entire life cycle. The formulas are also **free from skin allergens**.

ARTDECO

The products follow a formulation protocol based on EU cosmetic regulations and our **Black List**, which restricts the use of potentially harmful or controversial ingredients such as silicones, parabens, PEGs, sulphates, GMOs, nanoparticles and synthetic polymer microparticles, going beyond legal requirements. This reflects our focus on high-performance, consciously developed cosmetics.



Sustainable Palm Oil: ICIM International (BioNike) and **Novamex** have joined the Roundtable on sustainable palm oil. New raw materials derived from palm oil and those already in use have been replaced and used by similar RSPO-certified raw materials from certified sustainable sources, whenever available.

A CHOICE THAT CONSUMERS APPRECIATE

In 2024, we conducted a survey involving approximately 2,800 consumers from our main brands such as **Goovi, BioNike, ESI and L'Arbre Vert**.

For **74% of respondents, natural formulas are an aspect that our consumers particularly appreciate**.

An achievement that encourages us to continue with determination on the path we have taken and underlines the value of the Group's environmental strategy.



2024 highlights

DEFENCE SUN: THE NEW DIMENSION OF PROTECTION



In recent years, our R&D centre in Lainate has been engaged in the study and development of an **innovative formulation technology** for the sun creams in the new Defence Sun line, a technology for which a **patent application has been filed**.
The patent application filed concerns a revolutionary combination of UVA and UVB filters with a protective complex.
In 2024, we relaunched our sun care range designed for sensitive skins, to provide **4-dimensional sun creams** and greater **protection for the environment**.



Sun protection for sensitive skins

- **The Free-From Philosophy** (preservative-free, fragrance-free, Nickel tested)
- **Formulas dermatologically tested** on sensitive skins
- **Strictly selected photostable** UVA and UVB filters



Attention to the environment

- Our formulas are:
- **free of OXYBENZONE and OCTOCRYLENE²³**: UV filters sometimes responsible for skin intolerances;
 - **free of OCTINOXATE**: an efficient UVB filter but not very compatible with the marine ecosystem;
 - **free of NANO-FILTERS**: nano-particles of mineral filters (titanium dioxide, zinc oxide) cause bio-accumulation with harmful effects on the marine ecosystem.
 - With naturally derived **SPF BOOSTER** that amplifies the filtering effectiveness;
 - Ingredient for Water and **Wear Resistant** from renewable sources and biodegradable;
 - **50% active complex from Up-Cycling**.

²³ Excluding sun stick.

The formulas for face and body²⁴ sun creams have undergone:

- **ecotoxicological testing** to assess their potential impact on four representative categories of marine biodiversity, each of which is essential to the functioning of the ecosystem, such as marine bacteria, echinoderms, planktonic organisms and photosynthetic organisms. Various concentrations of the product were analysed under controlled conditions that simulate a possible scenario of dispersion at sea, using the main recognised standards and methodologies (EPA/600/R-95/136 Section 15, ISO 11348-3:2007, ISO 14669:99 and ISO 10253:2016). The results showed that **the products posed no risk to the tested organisms or to the balance of the marine environment**.
- **OECD Test 306²⁵** assessing **aerobic biodegradability in natural seawater**. This is an additional step to verify the quality and responsibility of our formulations, particularly with regard to their persistence in aquatic environments.



**ECO-COMPATIBLE
TESTED**
and biodegradable in
sea water

²⁴ Excluding lip and body sun stick, mineral face cream and compact foundations.

²⁵ Marine biodegradability test developed by the Organisation for Economic Cooperation and Development (OECD). It is used to assess the aerobic degradation (i.e. in the presence of oxygen) of a substance in natural seawater over time.



A cosmetic product is biodegradable when, once released into the environment, it comes into contact with soil and water and is biodegraded, i.e. broken down by microorganisms and transformed into water, carbon dioxide and other simpler substances that are harmless to the environment.



DEBORAH FORMULA PURA

The DEBORAH MILANO make-up line is embarking on a new journey, offering an even more sustainable range, renewing its products with **CERTIFIED ORGANIC formulas by CCPB (Consorzio Controllo Prodotti Biologici)** and **VEGAN and ANIMAL FRIENDLY** formulas to meet the needs of consumers who are looking for increasingly conscious make-up choices. The formulas, **free of parabens, silicones, petrolatum and fragrances, contain up to 100% natural ingredients**.



GOOVI LOVERS IN THE SUN

In 2024, we relaunched our sun care line:

- Products designed in compliance with the Hawaii Protocol banning chemical substances or filters that impact the marine environment.
- Our sun creams are **free of OCTINOXATE, OXYBENZONE and OCTOCRYLENE²⁶**.
- The formulas are **tested to be environmentally friendly to the marine environment and biodegradable in seawater according to OECD test 306²⁷**.
- **Free from nano filters, mineral oils and dyes.**



²⁶ Filters banned under Hawaii State Law SB 2571, which prohibits the sale and use in the country of sunscreen products containing chemical substances or filters with significant impact on the marine environment and other interconnected ecosystems, including the coral reefs that protect Hawaiian coast (including oxybenzone and octinoxate).

²⁷ Sun Cream BOV 30, GOOVI, GVS003 – 94.1 %, Sun Face Cream 50+, GOOVI, GVS002 – 90.7 %, Sun Face Cream 50+ GOOVI, GVS001 – 94.9 %. Excluding the sun stick.

VIDAL BATH WASHES

All Vidal bath wash formulations contain **up to 95% of natural ingredients**.



L'ARBRE VERT

Thanks to the ongoing efforts of our laboratory in Saint-Benoît, we have achieved a **10-15% reduction** in the ecotoxicity of **hand dishwashing and laundry detergents** by improving their formulations. The figure was calculated using the **chronic CDV (Critical Dilution Volume)** criterion as required by the **EU ECOLABEL system**²⁸.

²⁸ The CDV (Critical Dilution Volume) is an indicator used by the European Ecolabel to assess the ecotoxicological impact of products on the aquatic environment, especially those that are released into water during or after use, such as detergents. It measures the volume of water required to dilute a product to a concentration considered not harmful to aquatic ecosystems.

The CDV value is obtained by combining the quantity of substances present in the formulation with their biodegradability and chronic toxicity to the aquatic environment. The unit of measurement is expressed in litres per functional unit, such as per dose of use. A lower CDV value indicates a lower environmental impact of the product, rewarding formulations with biodegradable and low-toxic ingredients.

OUR EFFORTS TO ELIMINATE MICROPLASTICS

Law 205/2017 banned the use of microplastics in rinse-off products and the most recent regulatory updates marked a new phase, according to the following schedule:

- **RINSE-OFF** cosmetics starting on **17 October 2027**;
- **LEAVE-ON** cosmetics starting on **17 October 2029**;
- **MAKE-UP** products starting on **17 October 2035**.

2024 highlights

- **82% of Bionike products are free of microplastics**
- **80% of Biopoint Hair Care products are free of microplastics**
- In Germany, **CD** rinse-off products formulated according to the **Purity Law** already **exclude microplastics**

Thanks to the extraordinary work of our Research & Development centres, **by 2025 we will have eliminated microplastics from all rinse-off products across all Brands, two years ahead of the regulatory deadline**²⁹.



²⁹ At present, the Control Curly product line remains the only one in which microplastics are still present in the formulas.

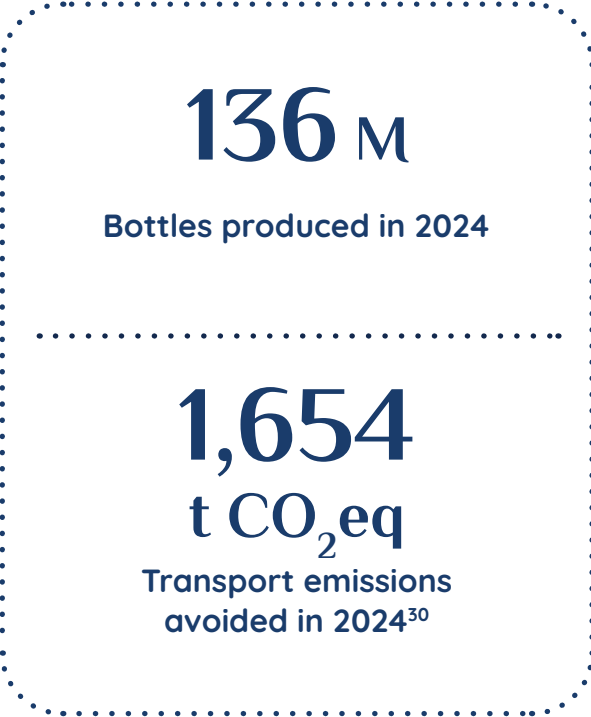
Eco-design for our packaging

Our approach is based on three principles: quality, safety and waste reduction. Where possible, we select recyclable and recycled materials, reduce the use of plastics, and simplify components to facilitate proper disposal.

In 2024, the Group strengthened its commitment to designing packaging that strikes the perfect balance between **functionality, aesthetics, sensory experience and environmental responsibility**. We prioritise **ensuring maximum ease of use and quality in the preservation of formulations** for consumers, but this is increasingly guided by the principles of eco-design. For this reason, we have launched numerous initiatives aimed at reducing **over-packaging**, favouring **recycled and easily recyclable materials**, and raising consumer awareness of more informed choices.

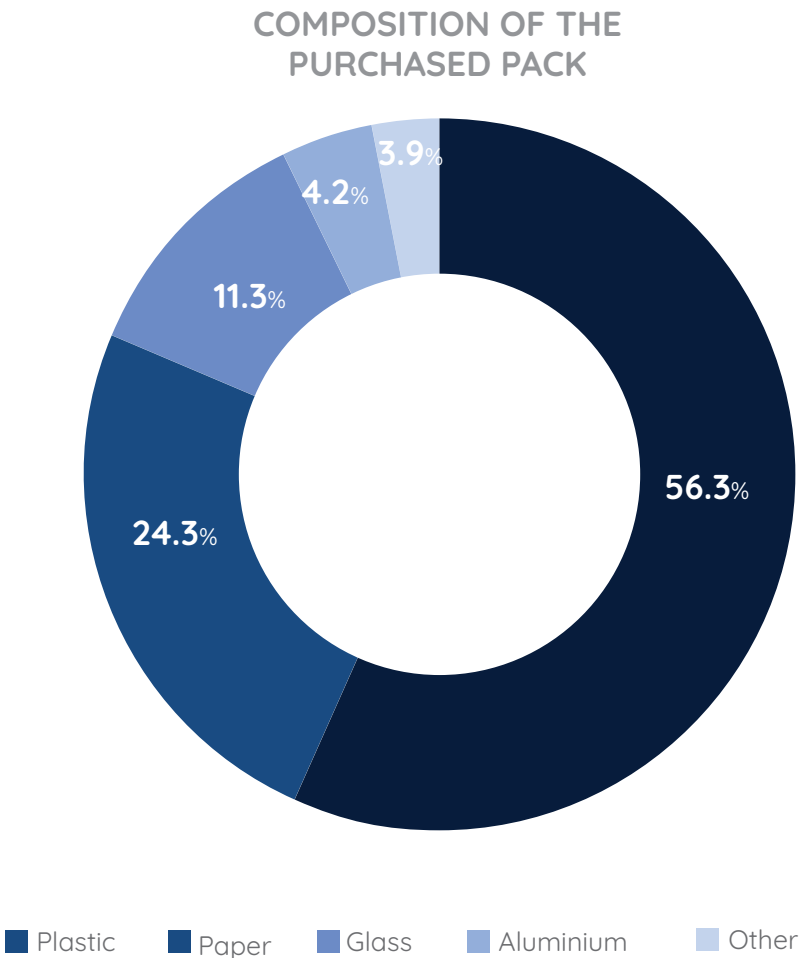
- We favour the use of **recyclable materials** for all our packaging whenever possible;
- Since 2020, we have started using **recycled plastic** for the packaging of all our products across all our brands.
- We develop **single-component plastic packaging** or packaging that can be easily separated and therefore recycled by the consumer.
- We have decided to **eliminate the leaflet** where it is not essential, in order to avoid wasting paper. Instead, we will insert a QR code directly onto the packaging, allowing consumers to check all product information.
- We **eliminated cellophane and sleeves** and replaced plastic thermoforming with pure cellulose pulp from the cartons where it was used;
- We prefer to use **FSC®-certified paper and cardboard** for product cases (Forest Stewardship Council®, a label that certifies that it comes from forests managed according to strict environmental, social and economic standards)

- We produce the bottles for our best-selling products (Vidal and Mantovani bath washes, Leocrema fluid creams, L'Arbre Vert dishwashing detergents, for example) in-house at our production sites in Lodi Vecchio and Saint Benoît. This integrated process **eliminates packaging transport emissions**, thus contributing to an optimised supply chain.
- Since 2024, we have been purchasing **Guarantees of Origin** for the Lodi Vecchio production site dedicated to blow moulding, thanks to which we can neutralise emissions from electricity consumption.



³⁰ The figure was estimated by calculating the difference between the emissions produced by transport if the packaging produced in-house had been purchased from an external supplier within a radius of 200 km for Sofla and 484 km for Quadripack (estimated data) and the emissions from the electricity needed to produce the bottles. The amount of electrical energy consumed was estimated based on the Blow moulding emission factor of Ecoinvent 3.10.

With a view to establishing a solid baseline against which to assess our improvements over time, in 2024 we set up a **system to monitor the packaging used**, in line with the Group's carbon footprint analysis.



Based on the results obtained, in 2024 the Group purchased almost **27 thousand tonnes³¹** of packaging for the manufacture of its products, mainly consisting of **plastic (56% of purchases)** and **paper (24% of purchases)³²**.

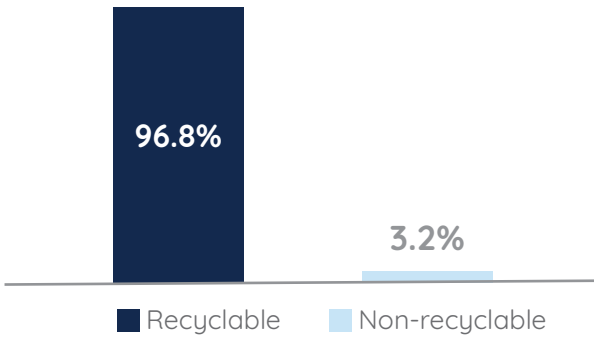
³¹ Exhibition materials and bulk are excluded from the count.

³² The Others category contains materials such as steel, wood, fabric, metal and multi-material packaging.

Recyclability

Approximately **97% of the packaging purchased is recyclable³³**, demonstrating a choice of materials that can be reintroduced into production cycles and/or easily and consciously disposed of by our consumers. Only 3% is non-recyclable, a residual margin for improvement on which we will continue to work.

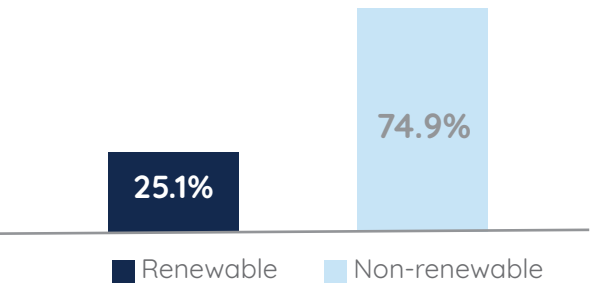
RECYCLABILITY OF PACKAGING



Renewability

In terms of **material renewability**, **25.1%³⁴** of packaging purchased in 2024 was made from **renewable resources** such as **paper, cardboard and wood**. This reflects the growing adoption of natural materials, while also highlighting a strategic area for improvement that we intend to work on.

RENEWABILITY OF PACKAGING



³³ Mixed material packs and non-insulated metals were excluded from the recyclable fraction.

³⁴ Renewable material includes wood, paper and cardboard, i.e. materials that do not come from fossil sources (plastic, metals, multi-material, glass, etc.).

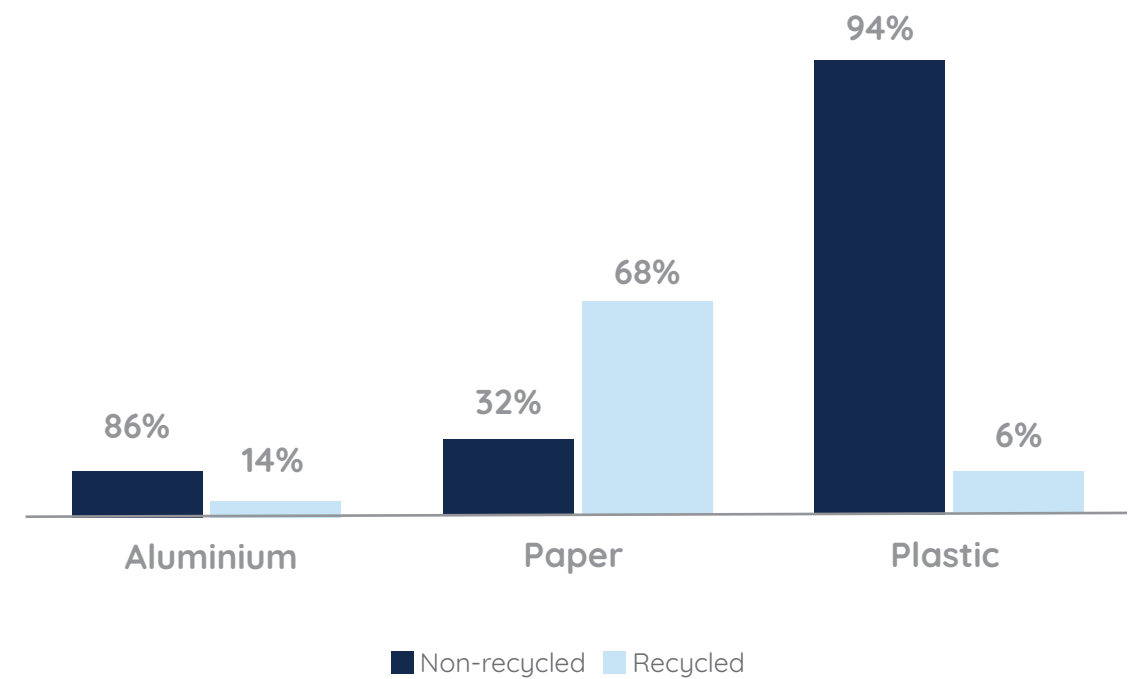
Recycled content

In terms of **recycled content**, almost **5,534 tonnes of recycled materials** were used in 2024, accounting for **20.3% of the total packaging purchased**.

The materials involved are **aluminium, paper and plastic**, in varying percentages:

- **Paper:** **68%** of the material purchased is recycled, a significant figure that reflects the maturity of our supply chain.
- **Aluminium:** **14%** comes from recycled sources, contributing significantly to the reduction of the use of virgin raw material.
- **Plastic:** currently **6%** is recycled, showing a large potential for improvement that can be addressed with concrete actions.

MAIN COMPONENTS OF THE 2024 PACK FROM RECYCLED AND NON-RECYCLED MATERIAL



This data provides the foundation for our action plan to improve the environmental impact of our packaging, making our packs as recyclable and/or recycled as possible and reducing the amount of resources used.



Our Journey

2023



Trousse Glam & Green: All bronzer, blush, compact foundation and powder eyeshadow kits were revamped with an exclusive new **modular and recyclable eco-pack**, designed to ensure complete separation of materials.



Eco-refill: introduction of an **ultra-concentrated refill (50 ml) in recycled plastic**. Simply place the contents in the original packaging, add 700 ml of water, shake and it is ready to use: the same formula and the same effectiveness, with a lower environmental impact.



2024



We **eliminated cellophane** from face cream cases, sleeves from cleaning products and **instruction leaflets** from face cream packaging.

Thanks to our choices, in 2024 we saved over **1,500 kg of plastic** and **11,000 kg of paper**.



In 2024, **L'Arbre Vert** received the **Green Award** from KANTAR, a recognition given to brands that are considered to be most attentive to reducing the environmental impact of their packaging.

2024



Since March 2024, the **polypropylene chain, seal and plastic base have been removed** from all 250 ml Tesori D'Oriente shower gel packs: thanks to our choices, we have avoided 92,800 kg of plastic in 2024.



We **removed the packaging** from some products (Diurerbe, Omega3 and Magnesium) and the **leaflet** from most ESI products (with the exception of Medical Devices, products for which it is necessary to keep it in order to read it). These initiatives resulted in a **paper saving of 60 kg**.

During the year, we carried out a feasibility analysis and the stability tests required to use **R-PET (Recycled PET)** material for the bottles of more than 20 products, replacing the virginPET³⁵ currently used. Starting in 2025, the year in which the switch will take place, we will use 100% R-PET for white Esi bottles and 97% R-PET for coloured bottles.



For **Natural Honey** we developed the 1,4 l **eco-refill** for the 675 ml shower gel. Thanks to this initiative, we managed to save over **500 kg of plastic in 2024**.

We replaced the plastic packaging of **Feno soaps**, the best-sellers in the Iberian market, with **paper** packaging. Considering our annual sales of around 500,000 pcs, we estimate that we will **save 11 tonnes of plastic in 2025**.

ARTDECO

The iconic Beauty Box has been with ARTDECO since the beginning as a customizable and **refillable system**, to enhance customers' individuality and responsible purchasing decisions. Today, the ARTDECO portfolio offers 20 refillable products, such as powder boxes, limited edition Beauty Boxes and the refillable lipstick. **In 2024, ARTDECO launched the first refillable mascara**.



³⁵ First technical performance tests in 2024; replacement will be fully operational from 2025.



2024

We created new **packaging for the 300 ml CD shower gels** using **70% recycled PET**: compared to the previous 250 ml product, the new format **saves 15,000 kg of virgin plastic**.

We introduced the **500 ml eco-refill** for the 300 ml CD liquid soap, which uses **78% less plastic**.

For our CD Deo Sprays we have replaced the traditional dispenser with cap with the **Twist&lock dispenser**, which does not require a cap. By doing this, **we avoided using over 12,000 kg of plastic** in the cap, which could have ended up in the environment or not been disposed of properly.

We eliminated the instruction leaflet from the **Triple Dry** brand deodorants sold in cases, achieving a **paper saving of approximately 15 kg**.

We have launched a **new CD line** consisting of roll-on deodorant and a 3-in-1 product (shampoo, conditioner and bath wash) designed for young girls aged 8 to 13. The roll-on tube is made from **70% recycled materials**, while the 3-in-1 tube is **100% recycled**. Both packages are **98% recyclable**.

All products manufactured by Lornamead are assessed for recyclability by Cycloss, a German company specialising in circular economy studies. Starting in 2025, **QR codes** will be included on the back of **all products** marketed by Lornamead, providing information about the product's composition, efficacy, communication channels and sustainability.



New **recycled and recyclable packs** for the **Defence Sun line**

- **100% recycled PET bottles**
 - Tubes made from **40% recycled material**
 - **100% recycled aluminium cylinders** • BAG ON VALGE technology with **inert fluid propellants**³⁶
 - New **twist&lock dispenser**, without cap, which will lead to a **saving of 900 kg of virgin plastic** due to the possible dispersion of the cap in the environment.
 - **Elimination of paper case**, saving **27,000 kg of paper**³⁷.
- A QR CODE has been placed on the packaging to enable consumers to access product information.

³⁶ Unlike liquid propellants, they prevent the release of harmful substances by favouring the use of nitrogen or oxygen that is already present in the air.

³⁷ Data calculated based on sales forecasts for 2025.

THANKS TO OUR
ECO-DESIGN INITIATIVES:

134 tonnes **38 tonnes**
of plastics saved of paper saved



Eco-refills

We are reducing plastic consumption as much as possible thanks to our refill system. **Eco-refills** offer a significant advantage as they use **up to 80% less plastic** than traditional bottles. Furthermore, when empty, they are completely flattened, reducing their volume significantly and making them easier to handle and transport.

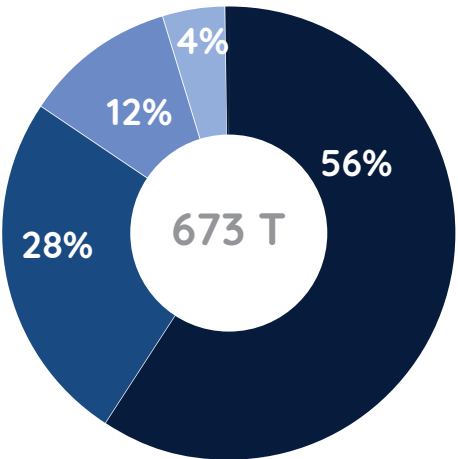
Several of our market-leading home and personal care brands such as

L'Arbre Vert, Vidal, Fresh&Clean and Mantovani³⁸ have eco-refills in their product portfolios for the best-selling categories such as liquid soaps, bath washes and household cleaning products.

In order to measure the impact on different product lines, we have implemented a monitoring system that enables us to calculate the amount of plastic saved by eco-refills compared to traditional packaging.

Thanks to the solutions adopted by our brands, we were able to save over **673 tonnes of plastic in 2024³⁹**.

ECO-REFILLS
PLASTIC SAVED IN 2024



■ L'Arbre Vert ■ Vidal
■ Fresh&Clean ■ Mantovani

2025 objective

For L'Arbre Vert, committed since 2006 to promoting refillable formats, the PE/PET pack will be renewed in **2026**: once the new production line is fully operational, **eco-refills will be made exclusively from PE monomaterial**, making them easier to recycle.

³⁸ Vidal: liquid soap 300 ml, Fresh and Clean: liquid soap 1000 ml and liquid disinfectant soap PMC 750 ml, Mantovani: liquid soap 750 ml, Natural Honey: shower gel 1,400 ml, L'Arbre Vert: dishwashing detergent 1 l, dishwasher detergent, washing machine detergent 1,53 l, conditioner 800 ml, shampoo 500 ml and liquid soap.

³⁹ The figure was calculated by taking into account the savings achieved by using the eco-refill format compared to the traditional format, relating the figure to the number of units saved for each eco-refill purchased.

⁴⁰ The emission factor, which is used to calculate the amount of emissions, is an average value of the emission factors for PE, PET and PP, taken from Ecoinvent.

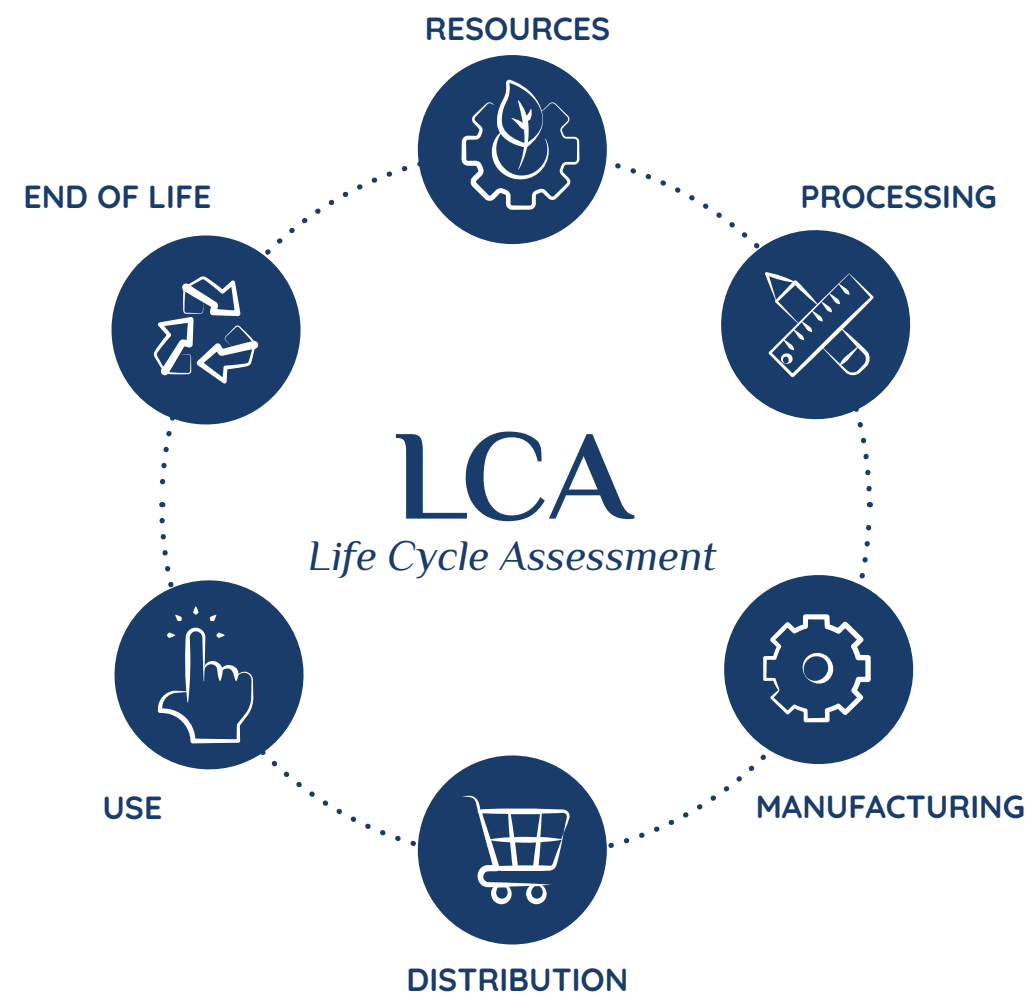
THANKS TO OUR ECO-REFILLS:

673 tonnes of plastics saved
1,215 t CO₂ eq of avoided emissions

Thanks to our **eco-design** best practices and the use of **eco-refills**, in 2024 we saved approximately **808 tonnes of plastic**, which corresponds to **1,458 tonnes of CO₂ eq avoided⁴⁰**.

Objective for 2024-2026 – LCA STUDY

In 2024, we launched an important environmental assessment programme for our strategic products, applying the **Life Cycle Assessment (LCA) methodology**. This tool allows you to **quantify and assess the environmental impact of your products, taking into account all stages of the product's life cycle: from the** use of raw materials, to production, transport, use and disposal. The aim is to identify the most critical stages of the life cycle in terms of emissions, resource and energy consumption, and subsequently implement measures to enhance environmental performance. This analysis is therefore essential for improving the sustainability profile of our products.



In 2024, we started the study in accordance with international standards **ISO 14040/ISO1404** for BioNike Defence Sun and L'Arbre Vert washing machine liquid detergent.

LINE SUBJECT TO LCA STUDY	OBJECTIVE
	BioNike Defence Sun measuring the improvement in environmental performance achieved thanks to the relaunch of the line
	L'Arbre Vert assessing the differences in environmental performance between eco-refills and traditional bottles

In particular, for **BioNike**, we started the comparative analysis by evaluating the new line reformulated in 2024 and on the market in 2025 compared to the previous line⁴¹.

For **L'Arbre Vert**, the comparative analysis was developed by comparing the washing machine liquid detergent available in the traditional bottle with the alternative packaging configurations adopted for the eco-refill format, evaluating their respective environmental performance⁴². The results of the analysis of the two lines will be available in 2025. In parallel, we will continue to work on other strategic products to gradually extend the LCA approach to an increasing number of items, integrating it into our Group's decision-making processes and vision, with the aim of **constantly improving the eco-compatibility profile of our products**.

⁴¹ The new product being studied offers innovative solutions that focus on sustainability and ease of use. The formulation is biodegradable and tested to be compatible with the marine ecosystem. The packaging will feature a twist & lock valve, eliminating the traditional plastic cap and thus reducing the use of material and the weight of the packaging. Moreover, the packaging will not include a box, cellophane or paper leaflet, which will be replaced by a QR code printed on the primary packaging, allowing digital access to product information.

⁴² The study compared the traditional packaging of L'Arbre Vert liquid detergent – consisting of a plastic bottle, cap and labels – with two flexible packaging alternatives for refills: one made from multilayer film and the other from monopolymer film, which is more easily recyclable. The analysis was conducted with the same product capacity.

Management of water

GRI 303-1 | GRI 303-3 | GRI 303-4
|GRI 303-5

Water is an essential component in the creation and use of our products: managing and preserving water resources is our responsibility.

Over the years, we have implemented advanced technologies to optimise its use in terms of both consumption and treatment.

ESI

Reverse osmosis system: the introduction of a new system for recovering the water discharged from the existing treatment system, using the reverse osmosis demineraliser in the liquids department, is being evaluated. Preliminary analyses indicate a **potential recovery of approximately 50%** of the flow rate entering the system, which would otherwise be expelled during the water treatment loading phase serving the plant's liquids department.

ICIM

At our production plant in Lainate, we use the **reverse osmosis system** that allows us to treat water as the main ingredient in our product formulations, guaranteeing safety, stability and effectiveness. At the end of 2024, **the expansion of the recovery and purification plant for washing water** was finalised, with a twofold objective:

- optimise the use of water resources that will be used to clean the machinery, resulting in an estimated saving of water withdrawn from the network of approximately 1,800 m³
- reduce the amount of disposal sludge that will then be recovered

QUADRIPACK

Waste water treatment plan: a project is underway to improve water quality at our production plant in Poitiers (France). Following testing to assess the presence of polymer residues in discharged water, the possibility of introducing an osmosis system is currently being analysed, with the aim of implementing it by 2025.



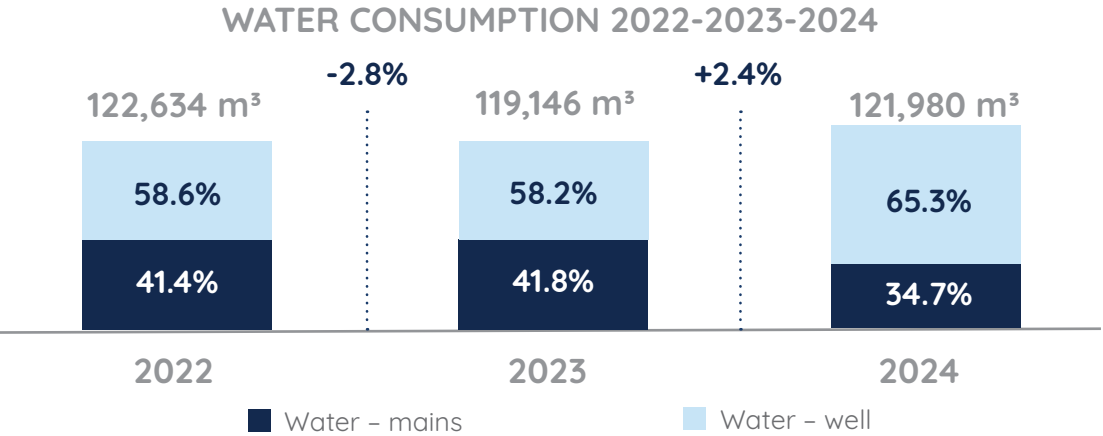
LODI VECCHIO

In 2024, the **new cleaning water recirculation system**, fed by the electricity produced by the cogeneration plant, came into operation.

With regard to water supplies, we draw water from the mains and **from wells**. These supplies are used for both sanitary purposes and plant cooling. Proper management of waste water from our industrial processes and discharges is a priority, which we handle responsibly and in compliance with regulations. Effluents discharged into the sewer system consist of several components, such as water used to wash vessels and

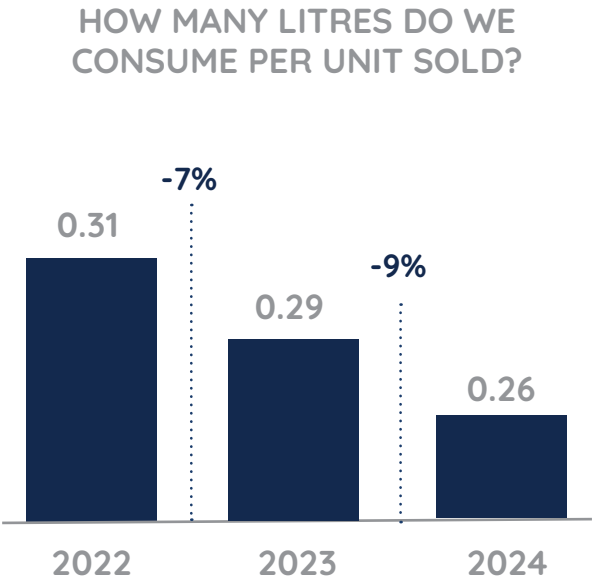
reactors, water used in the pump vacuum system and reverse osmosis plant effluents, which are treated as domestic effluent.

Overall, during 2024, net water consumption increased slightly, by +2.4%, but this was offset by an increase of approximately +12% in units sold. In terms of water consumption, expressed in **litres per piece**, there was a **reduction of 9%**. This achievement reflects our commitment to improving water use efficiency along the entire supply chain.



Over the past year, there has been a reduction in water withdrawals from wells, reaching the set target: water withdrawals from wells fell from approximately 400,000 ³ in 2023 to approximately 290,000 m³ in 2024. As in previous years, all water withdrawn from ICIM's two wells is subsequently returned to the aquifer, with no impact on our final water balance.

Although there was a slight increase in total water consumption, we improved the efficiency of water use: with an increase in production volumes, the consumption ratio was reduced to 0.26 litres per piece sold, a **decrease of 9% compared to 2023⁴³**.



2025 objective

We want to accurately measure⁴⁴ the total volume of water used at all stages of production, from raw material to final product, through the implementation of monitoring systems to detect consumption and identify peaks in usage. Water withdrawal by the Group as a whole is significant, so our goal is to continue monitoring consumption, identifying any inefficiencies to be remedied. To demonstrate our commitment, we will start calculating the **Water Footprint** of our manufacturing companies in accordance with **UNI EN ISO 14046:2016** in **2025**.

The Water Footprint study will formalise our water consumption and provide a baseline for improvement actions.

⁴³ Values refer to the entire group with the exception of ARTDECO.

⁴⁴ Values refer to the group as a whole with the exception of ARTDECO.

Waste management

GRI 306-2 | GRI 306-3 | GRI 306-4 |
GRI 306-5

We recognise the central role that proper waste management plays in protecting the environment and ecosystems. That is why, on a daily basis, we adopt good practices inspired by the principles of the **circular economy** along our entire value chain: from product design to production processes, including off-cuts destined for end-of-life treatment, and day-to-day management in the offices.

We continue to strengthen our waste management practices, with the aim of reducing waste and making better use of resources, through an approach based on constant monitoring, sorting and reuse.

We have developed an effective method of **sorting and recycling the stretch film** used in our production processes. Today, we are working to extend the same approach to **empty bottles containing pure product**, developing systems and procedures that allow their reuse or safe disposal.

With regard to **crushed bottles containing product residues**, we are searching for facilities that can handle them safely and, in parallel, we are developing **procedures for**

completely emptying the bottles to facilitate their proper disposal or possible reintroduction into the production cycle.

Since the second half of 2023, we have systematically monitored waste in order to analyse its nature and quantity, with the aim of finding increasingly effective solutions.

We also use recovery logic in quality control: wherever possible, bottles with incorrect labels are recovered, the labels replaced and the product returned to the production cycle, avoiding unnecessary waste.

At the **Lodi Vecchio** production site, we use **Omnisyst**, an advanced digital waste management system. The software allows us to precisely monitor volumes, types of materials (via EER code), characteristics and stocks before collection by authorised operators. This data allows us to evaluate the efficiency of processes and identify areas for improvement in order to optimise the use of resources and reduce waste production.



-22%
of waste generated

-30%
waste generated in relation
to units sold

-16%
waste sent to landfills

In our **plants where bottles are produced, we recover and recycle production waste**: excess plastic is collected, ground and sent to treatment plants to be fed back into the production cycle.

At **ESI**, we introduced **compactors to reduce the volume of waste**, making it easier to handle and optimising transport.

The **cogeneration plant** at the **Lodi Vecchio** production sites, which became fully operational in 2024, allowed a **more efficient use of resources**, also contributing to waste reduction. In particular, optimising water consumption has had positive effects on liquid waste management.

Waste generated ⁴⁵

In 2024, we generated **7,103.32 tonnes of waste**, a **reduction of 22%** compared to 2023.

A significant decrease, consistent with the actions taken to improve our processes and reduce waste throughout the production chain.

As regards waste disposal, **26% was sent for recovery**, compared to 31% in 2023.

Although the percentage is decreasing, the figure should be read in the context of the **strong absolute reduction of waste**, which leads to an **overall positive result**.

74% of the waste was destined for disposal, largely due to the presence of **watery solutions containing hazardous substances and non-recoverable solvents**.

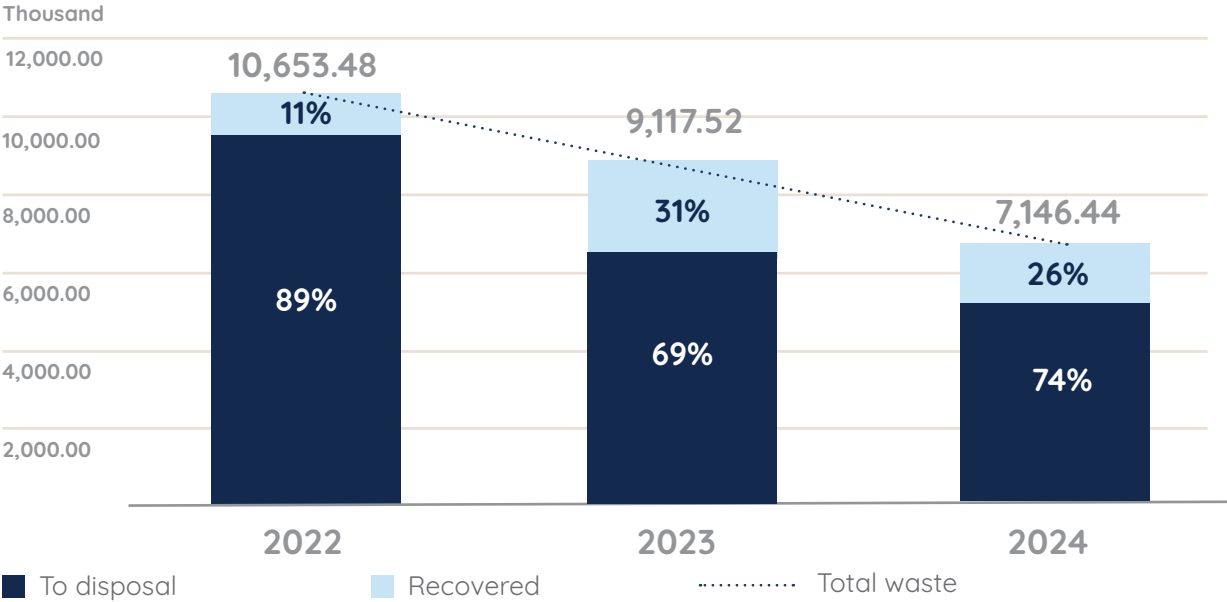
However, even in this case there has been an improvement: the amount of waste for disposal **decreased by 16%** from 6,286 tonnes to 5,282 tonnes in 2024.

We are aware of the areas for improvement and have set **concrete targets for the three-year period 2025-2027**, focusing on reduction, recovery and circularity:

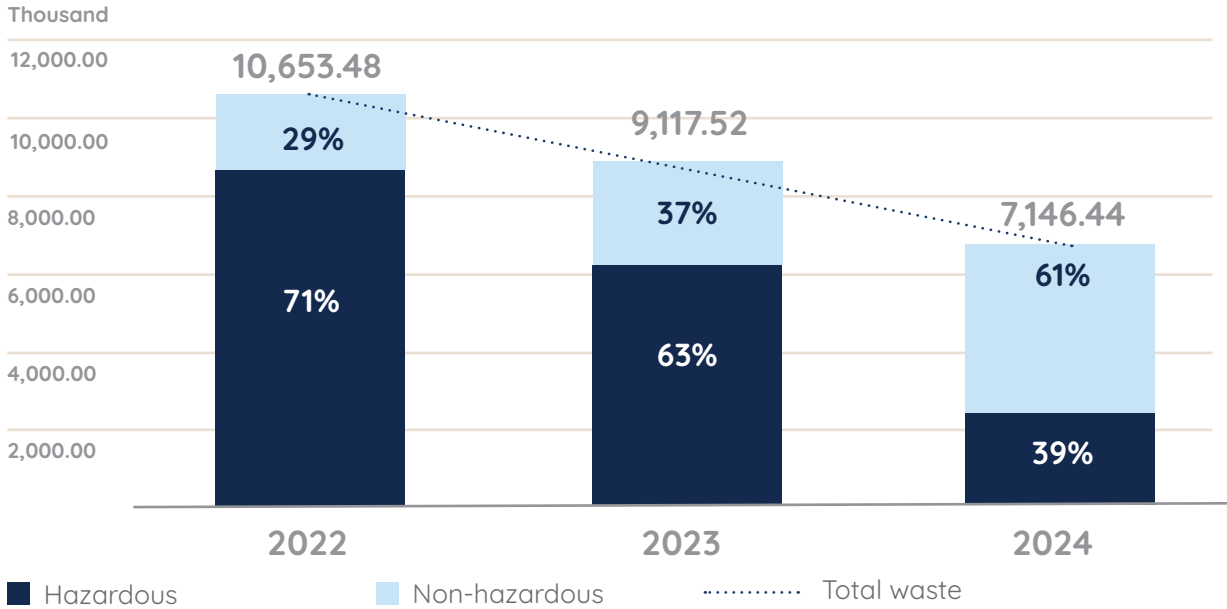
- **reduce overall waste production** by promoting the recycling and recovery of materials used in production;
- continue experimenting with solutions for the **reuse of soiled bottles and residues**;
- **develop new circular economy projects**, making the most of production waste as a primary resource, including through the activities envisaged within the framework of LCA analyses;
- **define concrete alternatives for finished products from returns**, currently directed to disposal, with the aim of increasing their recovery and reducing waste.

⁴⁵ The quantitative data on waste do not include the amounts produced by the retail companies, as they are not considered significant in relation to the Group's overall production.

WASTE GENERATED - DESTINATION (t)



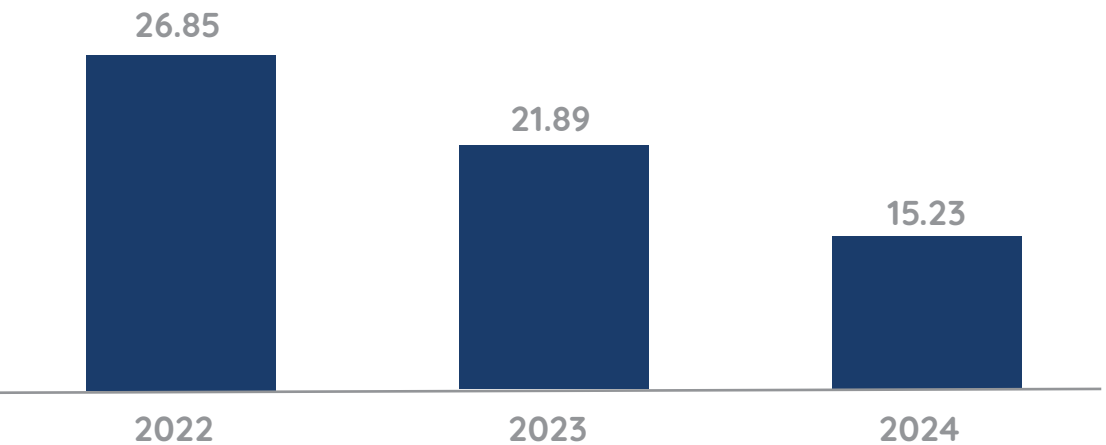
WASTE GENERATED - TYPE (t)



In 2024, despite a **12% increase** in the number of units sold, we managed to reduce waste production. Thanks to this, we have been able to further reduce the waste index generated

per unit produced, which fell from 21.89 grams in 2023 to 15.23 grams in 2024, marking a **reduction of 30%**.

HOW MANY GRAMS OF WASTE ARE PRODUCED PER UNIT SOLD?



2024 highlights

This philosophy has also been adopted to reduce the disposal of finished products that cannot be sold because they have exceeded their TMC (Minimum Shelf Life) but are still safe to use. In the course of 2024, **ESI's** policy on the **management of expiring** products was further structured to allocate these products to event sponsorships or donations for local associations/bodies.

In 2023, 19% of unsold products were recovered and **22%** in 2024. This result is expected to improve further by 2025, when the new procedure for handling expired or unsold products at wholesalers will be formalised. Under the new policy, Esi will no longer accept requests from wholesalers to dispose of unsold products, resulting in credit note, but will request their return. Returned products will be donated or used for sponsorship activities.

We will continue to monitor and develop this activity in order to continue to improve and reduce waste from unsold goods.



Energy management

GRI 302-1 | GRI 302-3

We regularly monitor the consumption and production of different energy carriers, collecting useful data to assess the effectiveness of interventions and identify new opportunities for improvement

Careful and responsible energy management is central to our Group, especially considering the significant consumption of our production companies. Therefore, wherever applicable, we have implemented targeted actions to improve energy performance. These actions enable us to establish a sound energy consumption governance and mitigate the resulting environmental and economic impact.

A significant example is Sofla, a Group company specialising in producing bottles, which has been conducting energy diagnostics in accordance with Italian Decree 102/2014 since 2015.

This process involved identifying and continuously monitoring energy- and environment-related KPIs. In particular, attention was paid to the evaluation of energy consumption in relation to production volumes. The interventions carried out mainly concerned the production plants, in line with the Management Systems adopted by the various subsidiaries. This is accompanied by ongoing work to improve the energy mix through self-generation from photovoltaic systems and the purchase of energy from renewable sources. Several of the Group's plants are supplied by photovoltaic plants installed at the production sites and offices, with this approach becoming increasingly widespread in recent years:

MUNICH

2008 Installation of the first plant

LAINATE

2016 Installation of the first plant
2025 Extension project

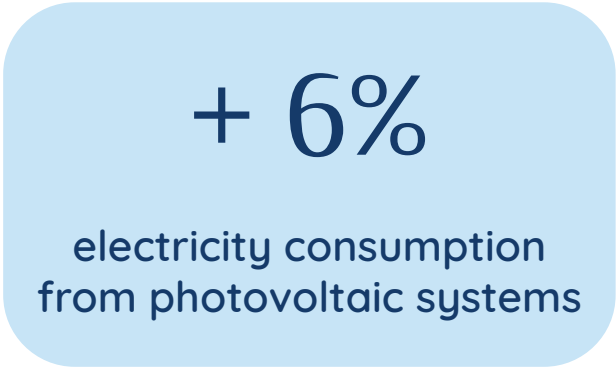
POITIERS

2023 Installation of the first plant
2024 Extension project
2025 Commissioning of the second plant

ALBISSOLA MARINA

2024 Installation project
2025 Commissioning of the plant

Alongside self-generation, we have also chosen to increase our purchases from renewable sources: the companies ESI, ICIM, Lornamead and Sofla purchase electricity accompanied by Guarantees of Origin⁴⁶, which certify that it comes from renewable sources, actively contributing to the Group's energy transition process.



⁴⁶ Guarantees of Origin (GO) attest to the renewable origin of the energy sources used by facilities with Guarantees of Origin. For further information, consult the portal at <https://www.gse.it/servizi-per-te/fonti-rinnovabili/garanzia-dorigine>

Energy consumption

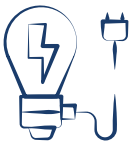
In 2024, the Group consumed **155,758.65 GJ (+74% vs 2023)**. This figure is the result of the expansion of the scope of reporting, which now includes the newly acquired ARTDECO, and of the increase in production in terms of units sold (+12%).

Natural gas is the main energy source for the group’s energy consumption: it powers the heating of the offices and the cogeneration plant, which became fully operational in 2024, leading to an increase in the consumption of this resource. Fuel is mostly used for the internal fleet and – to a lesser extent – for vehicles provided to some employees as a fringe benefit.



Natural gas

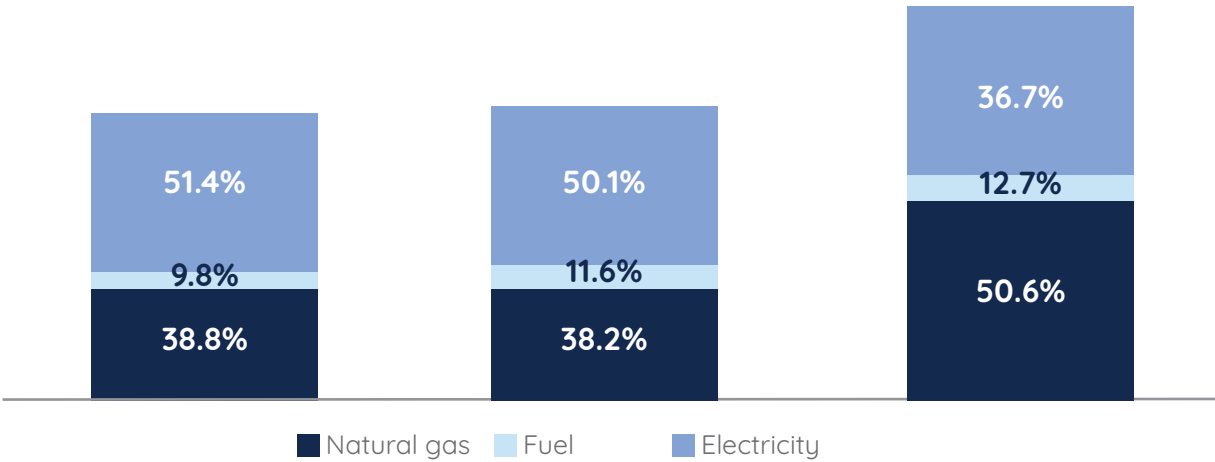
In 2024, overall energy consumption from natural gas increased by approximately 45,000 GJ (**+131%** compared to 2023). This increase is a direct consequence of the **acquisition of ART-DECO**, which in 2024 recorded natural gas consumption of approximately 28,400 GJ, representing 36% of the Group’s total natural gas consumption. In addition, at the **Lodi Vecchio** site, the **cogeneration plant** registered to Conter has become fully operational, leading to an increase in natural gas consumption. This inevitably resulted in increased activity data. For these reasons, in 2024, energy from natural gas accounted for approximately **51% of the Group’s total energy consumption**.



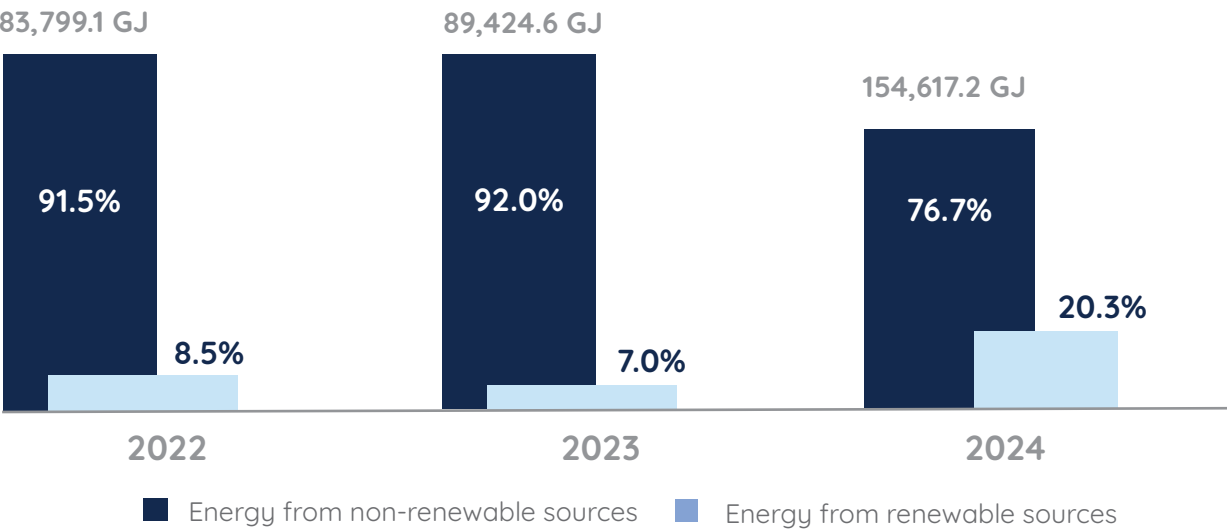
Electricity

In 2024, we consumed a total of approximately 57,000 GJ of electricity (**+28%** compared to 2023). **52%** was **covered by Guarantees of Origin**, and **3%** by **self-generation** from photovoltaic plants. As a result, **more than 50% of electricity consumption comes from renewable sources**. This strategy involved mitigation of environmental impacts. For these reasons, in 2024, electricity accounted for approximately **37% of the Group’s total energy consumption**. In particular, taking into account the photovoltaic plants in operation in 2024 for the Quadripack, Icim and ARTDECO plants, the total amount of **electricity from 100% renewable sources** (Guarantees of Origin and self-generation) reached approximately **55% of the total electricity**.

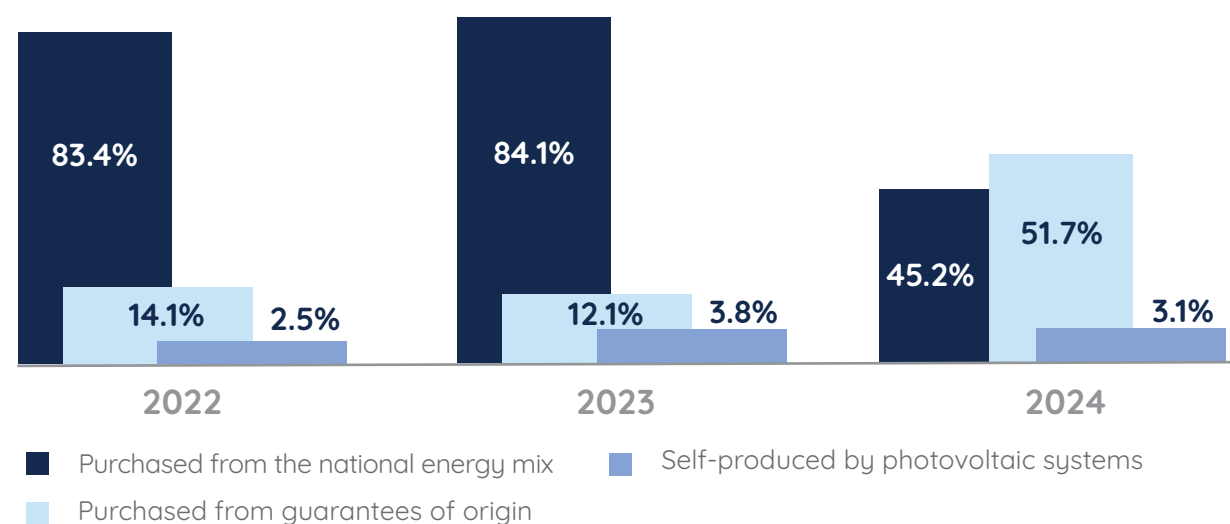
ENERGY CONSUMPTION WITHIN THE ORGANISATION - %



TOTAL ENERGY CONSUMPTION BY SOURCE - %

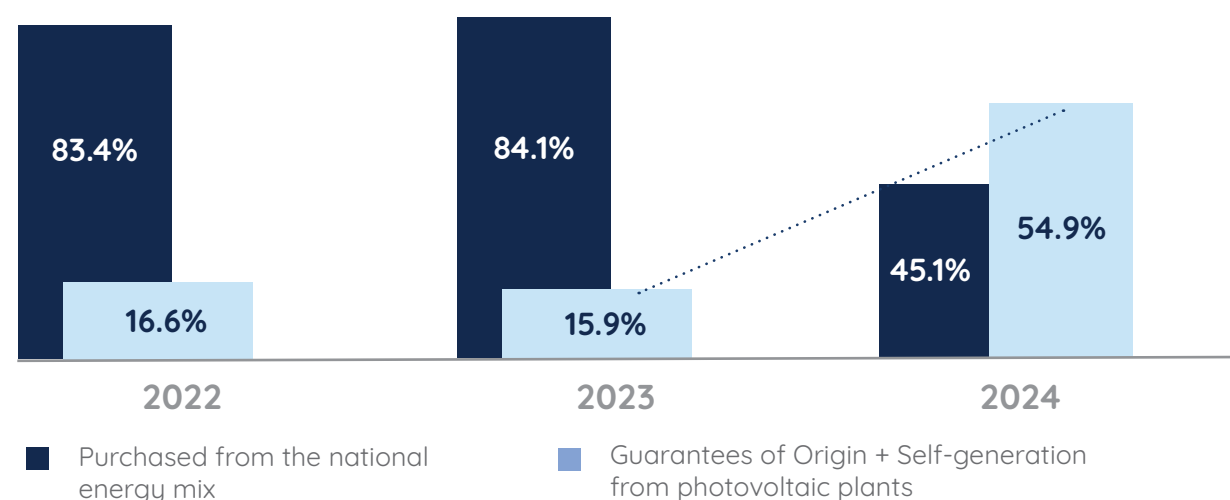


ELECTRICITY CONSUMPTION BY SOURCE - %



Compared to previous years, the Group continued to use **electricity** from **renewable sources**, and for the first time this share exceeded half of the Group's electricity requirements, thanks in part to a change of supply for the Icim and Sofla companies; as a result, **renewable sources covered almost 55% of the Group's total electricity requirements in 2024 (51.7% from Guarantees of Origin; 3.1% from photovoltaic plants)**, compared to approximately 16% in 2023.

ELECTRICITY CONSUMPTION BY SOURCE - %



2025 objective

Given the importance of proper energy management, as from 2025 we intend to implement a set of best practices based on a **Group energy management plan**. The plan will include a detailed **energy analysis for all our production companies** in order to identify areas for improvement. We will then develop and implement **energy efficiency measures to reduce consumption and improve overall efficiency**. We will also increase our electricity coverage from renewable sources, both by extending our photovoltaic installations and by purchasing Guarantees of Origin for the electricity we purchase.

GHG emissions: initiatives and action plan

GRI 305-1 | GRI 305-2 | GRI 305-4

As part of the European Green Deal's objectives, which aim to achieve climate neutrality by 2050, reducing our carbon footprint is one of the most significant environmental challenges we face. For Sodalis, this means acting in a structured and continuous way, starting with direct emissions (Scope 1) and those related to purchased energy consumption (Scope 2).

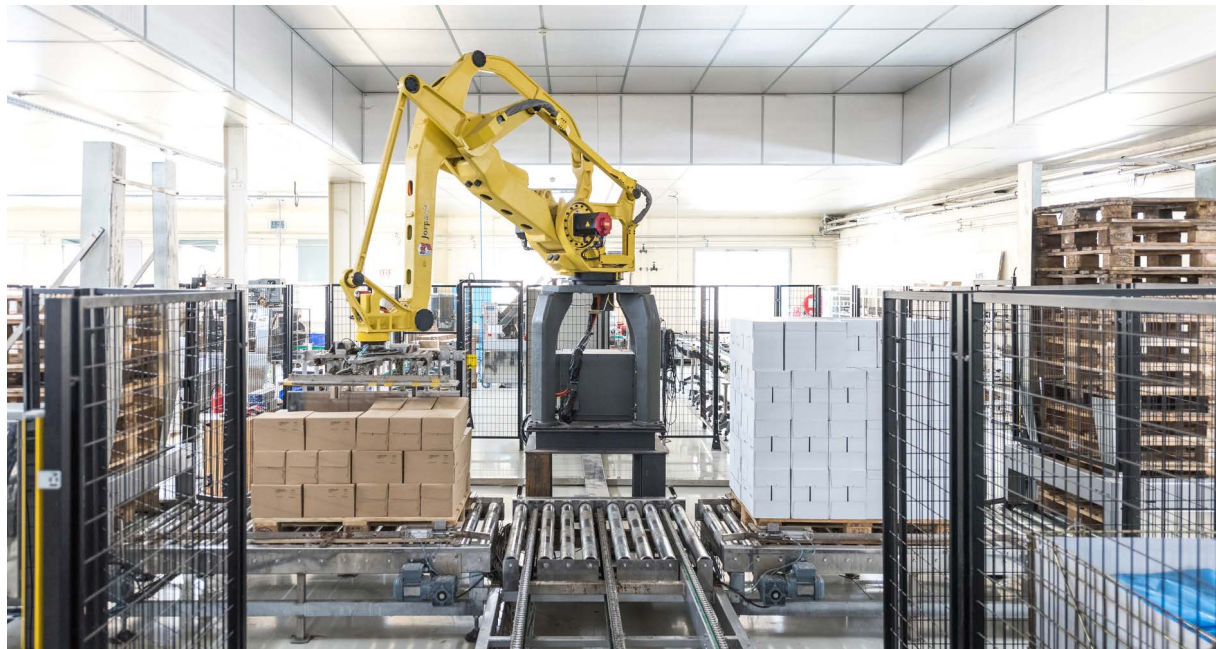
Our commitment is reflected in our actions across several areas:

- **Adoption of renewable energy** in production processes;
- **Improvement of the energy efficiency** of plants;
- **Installation of photovoltaic panels** at several Group sites;
- **Implementation of energy recovery systems** to reduce overall consumption.

These actions are accompanied by an increased focus on daily habits, through:

- **the use of low environmental impact company vehicles;**
- **the reorganisation of meetings and business trips**, favouring digital solutions wherever possible to reduce unnecessary travel.

These choices are an important step towards more conscious emissions management and are a key part of the Group's environmental strategy.



Carbon footprint: our commitment to Scope 1 and Scope 2

Under the GHG Protocol, emissions can be classified into three categories:

SCOPE 1

Direct greenhouse gas (GHG) emissions from sources controlled or owned by an organisation.

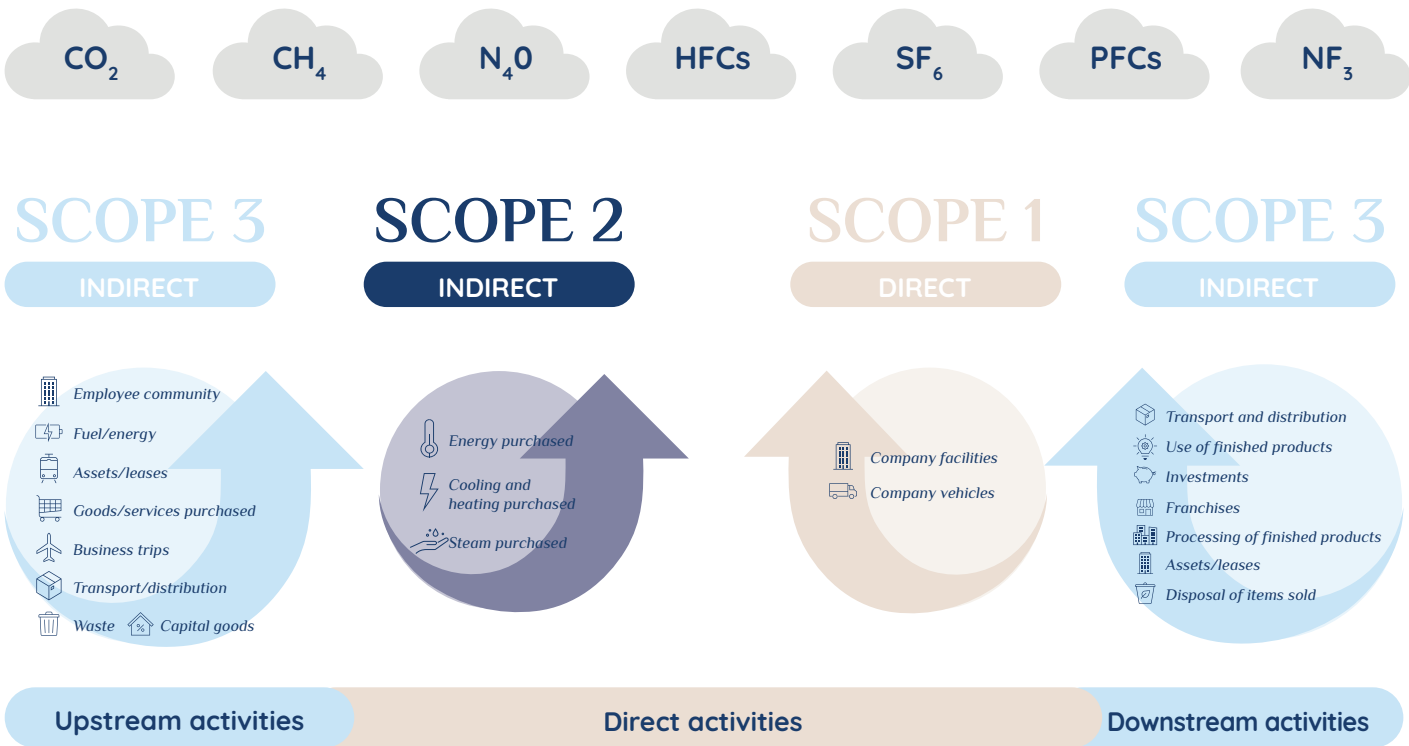
SCOPE 2

Indirect greenhouse gas emissions from the generation of purchased energy;

SCOPE 3

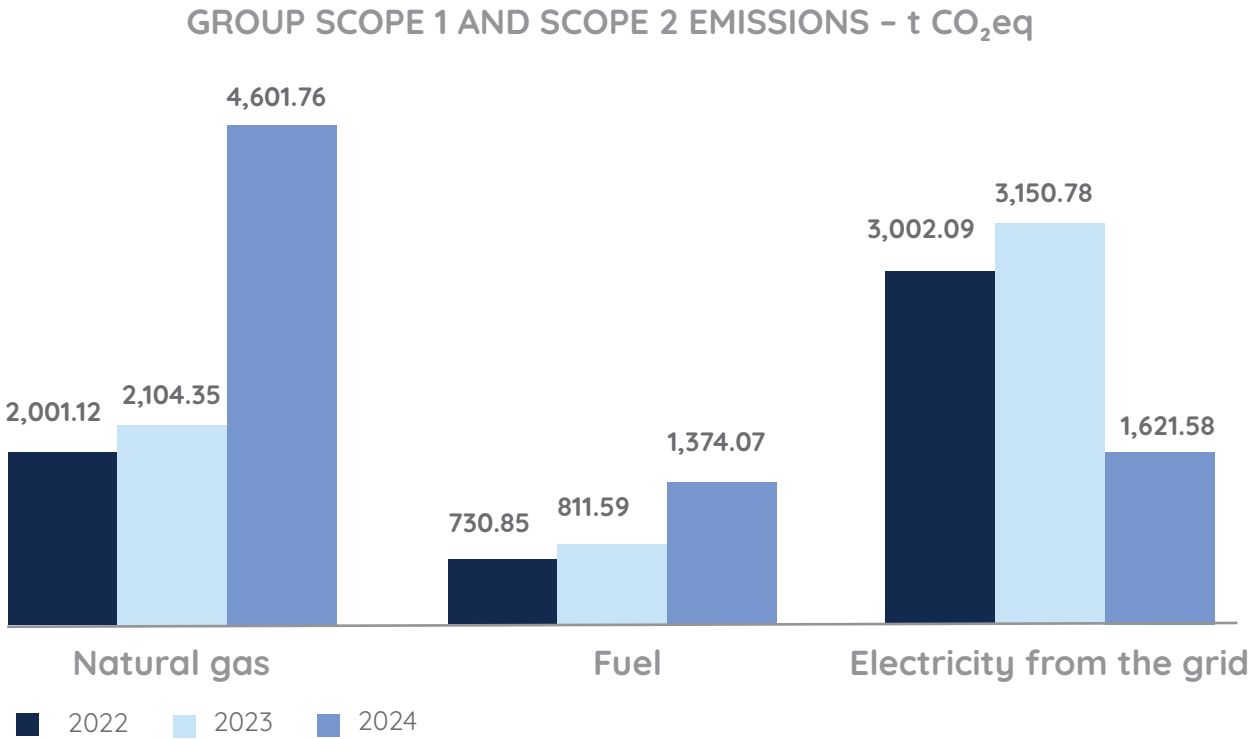
The result of activities from assets not owned or controlled by the organisation, but which directly impact its value chain⁴⁷.

The Group Scope 1 and Scope 2 carbon footprint



⁴⁷ As of the publication date of this document, the reported data has not been verified in accordance with ISO 14064, and therefore may vary once the Organisation Carbon Footprint analysis has been verified.

With a focus on emissions directly attributable to the Group's production, i.e., **Scope 1**⁴⁸ and **Scope 2**⁴⁹, we have analysed and compared the main changes in the three years under review⁵⁰.



In line with the previous paragraph, **Scope 1** CO₂-equivalent emissions **increased by 105%**, mainly as a result of the **extension of reporting boundaries** and the full commissioning of the **cogeneration plant** at the Lodi Vecchio plant. Although more companies were included for the calculation of the Carbon Footprint 2024, leading to an increase in overall emissions, **Scope 2** emissions were **reduced by 49%**. This is largely attributable to the increase in **self-produced electricity from photovoltaic plants** and the purchase of a higher share of **Guarantees of Origin** (GO).

⁴⁸ Scope 1 – Direct greenhouse gas emissions from the combustion of fixed/stationary sources caused by natural gas consumption, fuel consumption by the organisation's vehicle fleet or refrigerant gas leaks from air conditioning systems.

⁴⁹ Scope 2 – Indirect emissions from imported energy, i.e., electricity purchased from the grid or district heating.

⁵⁰ The Group's GHG emissions were calculated by applying the market-based method, in which GHG emissions from purchased electricity and heat are determined by considering the specific emission factors reported by our suppliers. For electricity purchased from renewable resources, an emission factor of zero is attributed to Scope 2.



Thanks to the self-generation of electricity from photovoltaic plants and the purchase of renewable energy with Guarantees of Origin, we have avoided the emission of approximately 2,387tCO₂eq in the two-year period 2023-2024⁵¹.

⁵¹ Avoided emissions were calculated as the difference between the emissions that would have been caused by purchasing electricity from the grid and the zero impact in the form of direct emissions of electricity production from photovoltaic systems, using a market-based methodology.

Good practices implemented and results

Energy efficiency and emissions reduction are strategic objectives for Sodalis, pursued through measurable actions consistent with the principles of an increasingly responsible transition.

At the same time, we are refining our management of waste-related emissions. At **Conter's production plants**, the use of **Omnisyst** certified software has enabled us to accurately monitor the environmental impact of the waste generated and identify the best offsetting solutions.



In 2024, we neutralised approximately 34 tonnes of CO₂ eq generated by emissions from the transport of our company waste through the purchase of **VCS** (Verified Carbon Standard) **certified carbon credits**: a concrete step towards a positive and responsible transformation of our company's environmental impact.

As part of our sustainability journey, and awareness of the need to implement an effective and transparent action plan to fight climate change, we have formalised part of our environmental commitment by reporting the GHG emissions we produce. The **Organisation Carbon Footprint**⁵² study conducted in accordance with the **UNI EN ISO 14064-1:2019**⁵³ standard enabled us to obtain and report a snapshot of the climate footprint associated with **all activities carried out by the companies within the Group**⁵⁴ that are directly and indirectly linked to the production process.

The pilot project began in **2023** by reporting 2022 data for **ESI** and **ICIM** and ended with the verification process in the first half of 2024.

In **2025**, the process of calculating the **Group's Carbon Footprint** for 2024 began; the results will be verified by the end of the year⁵⁵.



⁵² Specifically, for 2024, the following companies were included in the emissions reporting scope: Brelil (ITA), Conter (ITA), Icim (ITA), Sodalis (ITA), ARTDECO (GER) (only Scope 1 and 2), Brandcare (POR), Deborah (ITA), Goovi (ITA), Lornamed (GER), Quadripack (FRA), Sodanco (ITA), Sofla (ITA), Novamex (FRA), Esi (ITA).

⁵³ The references for the study were UNI EN ISO 14064-1:2019: "Greenhouse gases – Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals" and the UNI ISO/TR 14069 technical report "Greenhouse gases – Quantification and reporting of greenhouse gas emissions for organisations – Guidance for the application of UNI EN ISO 14064-1".

⁵⁴ The reporting of Scope 1 and 2 emissions includes all the companies mentioned above, while the reporting of Scope 3 emissions includes all the companies mentioned above with the exception of ARTDECO, whose Scope 3 emissions will be assessed in the Carbon Footprint for the year 2025.

⁵⁵ For this reason, the results reported in the sustainability report may vary from the analysis once it has been audited by a third party.

Where do we stand?

We have **aligned the emission inventories among our subsidiaries**, consistent with the types of activities and different characteristics, achieving the target we set ourselves in 2024.

Following the verification of our Carbon Footprint for the 2024 financial year, it will be easier to identify and analyse the main sources of emissions in order to identify operational inefficiencies that need to be addressed, but also to continue to improve in categories where we have already demonstrated good progress (such as waste generation).

The analyses already carried out represent the first step in a process that combines awareness and action, with the aim of transforming environmental commitment into concrete and lasting results.



We look ahead: a Decarbonisation Plan

Decarbonisation is a complex challenge that requires vision, expertise and extensive collaboration across the entire value chain. Over the next two years, we will be engaged in the development and implementation of a structured Decarbonisation Plan, which will enable us to further reduce our footprint through:

- a **more in-depth monitoring of input materials**;
- the **continuous improvement of production processes** and **reduction of waste**;
- an **increasingly optimised logistics** in the distribution of finished products;
- offsetting **projects**

We will work actively with suppliers to promote a greater commitment to environmental issues, encouraging the adoption of sustainable practices throughout the supply chain.



Our initiatives to support the environment

We also contribute to protecting the environment and biodiversity through Corporate Social Responsibility projects.

THE TESORI D'ORIENTE CHERRY GARDEN

Since 2023, on the occasion of its 25th anniversary, Tesori d'Oriente has been supporting **Fondazione Italiana Ambiente** (FIA) – a non-profit organisation that works to enhance nature and the environment – in the **"Il Giardino dei Ciliegi" (The Cherry Garden)** project.

On **22 April 2024**, in celebration of World Earth Day, Tesori d'Oriente presented its gesture of gratitude towards nature. The **"Sospiro di Benessere"** project, thanks to the planting of over 200 cherry trees in the municipality of Sospiro, in the province of Cremona, aims to play an active role in the fight against climate change.

The **"Il Giardino dei Ciliegi"** (The Cherry Garden) project, in collaboration with the Italian Environment Foundation, is the best way to learn about a local area with a strong environmental and social impact. The Cherry Garden also tells a story of inclusion. The project involves people with intellectual disabilities and autism spectrum disorders in an agricultural and entrepreneurial activity supported by the FIA foundation, in a perfect synthesis of **care for the environment** and **care for the community**.



BIONIKE, PROTECTING THE MARINE ECOSYSTEM

Since **2022**, we have been supporting the Italian non-profit organisation **Worldrise** in their efforts to protect the sea and its ecosystem, in partnership with BioNike.

In 2022, we started the **"UN MARE DI STELLE" (A sea of stars) project** which aims to preserve gorgonians and their guests, starfish. Our support included monitoring and recovering waste and ghost nets in the densely populated areas of gorgonians in Capo Mortola and Golfo Aranci.

In **2023**, we focused on two large, synergistic and cross-cutting projects for the protection of the marine ecosystem:

- **30x30 Italy campaign**, which aims to protect 30% of the seas by 2030. The goal is to ensure the functionality and health of the Mediterranean Sea through a network of 'highly and fully' protected marine areas.
- **AMPlification project**: through which we supported the Portofino Protected Marine Area by financing its protection and activities to raise awareness among residents and local communities;

In **2024**, the **SEAtizen Scienze project** was launched to promote active community participation in providing and consolidating new knowledge for the protection of marine ecosystems and making a significant contribution to marine conservation.

On Biodiversity Day last 22 May, together with some special guests, we kicked off this participatory science project, collecting vital data on the marine biodiversity present within the Local Marine Conservation Area in Golfo Aranci, Sardinia.



ARTDECO

ARTDECO has decided to continue its active commitment to environmental protection in 2023 and 2024.

We participated in **World Clean Up Day** by organising a litter collection day at **Lake Karlsfeld**, a popular nature spot near Munich. Equipped with gloves, pliers and bags, our teams worked hard to remove the abandoned waste and send a clear message about caring for the local area.

In 2024, our commitment expanded with the launch of the **"Our Forest"** project, developed in collaboration with **DEUTIM** within the **Augsburg Westliche Wälder nature reserve**. In this area, we took action to **restore biodiversity** and make the forest more resilient to climate change by converting monocultures into **mixed forests** and replanting trees in deforested areas. Each year we plant new trees (including wild pear, red oak, winter lime and walnut), based on our **average company emissions**, with the aim of covering around **30 hectares of forest over the next 10 years**.



NOVAMEX

Protecting biodiversity, reducing emissions and promoting responsible use of resources: in 2024, we continued our environmental journey with concrete and ongoing actions.

We supported the **LPO (Ligue de Protection des Oiseaux)** for the protection of biodiversity.

At our French headquarters, we activated an **eco-pasture** project with **10 sheep** and managed **3 beehives** in collaboration with the association **Adopte une Ruche**, directly involving our employees.

We have also started a new forest management education project with the **Office National des Forêts**.

Significant events after the 2024 reporting period

SODALIS USA AND LATAM

Sodalis Group consolidated its international development by strengthening its global position through the establishment of Sodalis USA and Sodalis LaTam, which were created following the acquisition of the **brands of High Ridge Brands**, one of the largest independent companies with proprietary brands in the US Personal Care market.



The main brands are Zest, Sure, Pert, VO5, SGX NYC, Thicker Fuller Hair, Coast and Brut, skin cleansing, hair care and deodorant/fragrance brands with strong brand awareness and **mass market presence in the United States and Mexico.**

For our Group, this project represents a strategic milestone in our international



development, allowing us to enter the world's most dynamic economy with a significant business and establish ourselves as an increasingly global player.

Finally, another significant event that took place during the first four months of the 2025 financial year was the acquisition of a minority stake in Corri Sp. z o.o., which is the exclusive distributor of the Tesori d'Oriente detergent brand on the Polish market. This is a particularly strategic move, as it will allow us to provide more effective guidance to our distributor on how to expand its business in the local market. In addition, two more acquisitions will be completed in Latin America in 2025, specifically in Peru and Panama.

The sustainability performance of the new legal entities will be progressively included in the scope of reporting of the next consolidated Sustainability Report.



ANNEX 1

Methodological Note

GRI 2-1 | GRI 2-2 | GRI 2-3

The Report

This document has been prepared on a voluntary basis and does not constitute a Sustainability Statement pursuant to Directive (EU) 2022/2464 – Corporate Sustainability Reporting Directive (CSRD), implemented in Italy by Legislative Decree No. 125 of 6 September 2024, as the Group, at the date of publication, is not subject to the obligations set forth in the regulations. However, with a proactive approach and with a view to future compliance, the Sustainability Report has been prepared also by following the principles and tools provided by the European Sustainability Reporting Standards (ESRS), including double materiality, in order to ensure progressive alignment with European best practices in sustainability reporting.

The Sustainability Report is prepared annually and published on the company’s official website <https://www.sodalisgroup.com/we-believe-sustainability>

Guidelines

This document has been prepared using an **interoperable** approach, integrating the main international sustainability standards.

- **European Sustainability Reporting Standards (ESRS)** to ensure a steady alignment with the European regulatory framework and **double materiality**, which made it possible to analyse both the Group’s impact on the environment and society (impact materiality) and the risks and opportunities arising from ESG factors for the business model (financial materiality).
- **Global Reporting Initiative (GRI)** as a reference framework for reporting, ensuring consistency and comparability of information with previous periods.

Scope

The scope of reporting of this Report includes information on economic, environmental and social topics at **consolidated** level relating to the activities carried out by Sodalis Group (also referred to in the document as “Sodalis” or the “Group”). The information was collected, aggregated and processed to provide an understanding of the Group’s activities, performance, results and impact.

Company name	SODALIS S.r.l.
Type of ownership	Private
Legal status	Limited Liability Company
Location of the main sites	Registered Office: via Solferino, Milan (MI)
Countries served	48

Entities included in the scope of consolidation¹:

Company name	Location
Conter S.r.l.	Italy
Sofla S.r.l.	Italy
Sodalco S.r.l.	Italy
Deborah Group S.r.l.	Italy
The Good Vibes S.r.l. ²	Italy
Brelil S.r.l.	Italy
Lornamead GmbH	Germany
Novamex SA	France
Quadripack SA	France
Brandcare SA	Portugal and Spain
ARTDECO cosmetic Group	Germany

¹ SCI des Grottes, which manages the real estate of the French subsidiaries, and Sodalis France, its holding company, are excluded from the scope of reporting.

² The Good Vibes Company S.r.l. It was acquired in 2023. It is therefore included in the scope of this Report as of that year. It is not included in the figures presented for 2022.

ANNEX 2

GRI STANDARDS

Reporting package

GRI 2-7 Employees

Permanent contracts	2022			2023			2024		
	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL
Italy	338	372	710	362	418	780	364	448	812
France	57	51	108	53	53	106	57	52	109
Germany	16	28	44	13	29	42	115	624	739
Portugal	13	15	28	13	17	30	14	18	32
Spain	16	45	61	9	27	36	10	14	24
Total	440	511	951	450	544	994	560	1156	1716

Fixed-term contracts	2022			2023			2024		
	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL
Italy	1	6	7	2	5	7	2	6	8
France	0	3	3	0	2	2	0	1	1
Germany	2	1	3	0	0	0	5	17	22
Portugal	0	0	0	0	0	0	0	2	2
Spain	0	0	0	0	0	0	0	0	0
Total	3	10	13	2	7	9	7	26	33

Full-time contracts	2022			2023			2024		
	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL
Italy	338	343	681	363	390	753	365	425	790
France	57	50	107	53	50	103	57	48	105
Germany	17	16	33	12	17	29	84	209	293
Portugal	13	15	28	13	17	30	14	20	34
Spain	16	13	29	9	21	30	10	13	23
Total	441	437	878	450	495	945	530	715	1245

Part-time contracts	2022			2023			2024		
	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL
Italy	1	35	36	1	33	34	1	29	30
France	0	4	4	0	5	5	0	5	5
Germany	1	13	14	1	12	13	36	432	468
Portugal	0	0	0	0	0	0	0	0	0
Spain	0	32	32	0	6	6	0	1	1
Total	2	84	86	2	56	58	37	467	504

GRI 2-8 Workers who are not employees by type of contract

Workers who are not employees by type of contract	2022	2023	2024
Contractors	21	29	34
Subcontractors	0	0	0
Freelancers	187	193	163
Interns	8	10	19
Volunteers	0	0	0
Temporary workers	169	188	165
TOTAL	385	420	381

GRI 2-30 Collective bargaining agreements

Employees covered by collective bargaining agreements	2022	2023	2024
Number of employees under collective agreements	890	930	954
Total number of employees	964	1003	1749
Percentage of employees under collective agreements	92.32%	92.72%	55%

GRI 201-1 Direct economic value generated and distributed

Economic value directly generated and distributed (€)	2022	2023	2024
Economic value generated and received	701,724,772	793,488,181	917,758,826
Economic value generated by the sale of products	688,712,722	779,662,905	902,959,366
Economic value generated by other revenue	9,314,651	11,544,277	12,647,659
Economic value generated by financial income	1,201,202	407,522	750,797
Economic value received	2,496,197	1,873,477	1,401,003
Economic value distributed	635,171,772	689,956,823	792,303,689
Suppliers	557,849,600	592,100,093	659,946,064
Human resources	61,224,435	64,734,308	85,738,811
Public Administration	13,625,401	27,854,209	41,117,981
Banks and other lenders	929,585	3,634,833	3,173,947
Directors and auditors	1,037,247	1,210,333	1,656,701
Local community	505,504	423,046	670,187
Economic value retained	66,553,000	103,531,358	125,455,137
of which operating profit	23,634,291	43,448,433	70,054,807

GRI 204-1 Proportion of spending on local suppliers

Budget spent on local suppliers (€)	2022	2023	2024
Italy	172,595,611	194,343,478	218,482,158
Germany	32,207,983	38,772,808	76,379,365
France	24,544,290	24,315,582	27,609,775
Spain	12,814,143	15,635,488	22,078,674
Portugal	14,484,093	15,819,739	16,714,302
EU	29,650,903	22,159,735	25,800,994
Non-EU	21,320,577	18,310,418	25,905,054
TOTAL	307,617,601	329,307,248	412,970,323

GRI 302-1 Energy consumption within the organisation

Energy consumed within the organisation (GJ) ³	2022	2023	2024
Methane	32,494.34	34,170.65	78,765.96
Electricity consumption – TOTAL	43,087.42	44,836.03	57,219.21
of which: Electricity purchased from the grid (energy mix)	35,934.17	37,713.92	25,819.80
of which: Electricity purchased from the grid (renewable sources)	6,077.06	5,430.63	29,601.50
of which: Self-produced electricity consumption	1,076.19	1,691.48	1,797.91
Fuel – TOTAL	8,217.39	10,417.96	18,676.63
of which: Diesel – Generator	71.91	0.71	0.71
of which: Diesel – Company vehicles	7,694.76	9,570.66	13,922.77
of which: Petrol – Company vehicles	447.78	843.19	4,794.46
of which: LPG – Company vehicles	0.00	2.42	3.69
of which: CNG – Company vehicles	2.94	0.98	0
Energy consumed within the organisation – TOTAL	83,799.15	89,424.64	154,661.80
of which non-renewable	76,645.90	82,302.53	123,262.39
of which renewable	7,153.25	7,122.11	31,399.41

GRI 302-3 Energy intensity

Energy efficiency index (GJ/item)	2022	2023	2024
Energy consumption (GJ)	83,799.15	89,424.64	154,661.80
Items sold	396,836,619	416,438,651	466,384,713
Energy intensity index (GJ/item)	2.11E-04	2.15E-04	3.32E-04

GRI 303-3 Water withdrawal

Water withdrawal (m³)	2022	2023	2024
Groundwater withdrawal (wells)	612,683.00	512,120.00	121,980.00
Third-party water withdrawal (mains)	114,524.00	115,701.00	105,356.00
Total water withdrawal	727,207.00	627,821.00	406,078.00

³ Conversion factors used:

- LPG – Liquefied petroleum gas – DIN 5162 – EN ISO 3993
- LPG – Liquefied petroleum gas – DIN 5162 – EN ISO 3993
- Natural gas – Gaseous – Table 1 EEN Resolution 9/11
- Diesel – EURO 5, EURO 6 – Table 1 EEN Resolution 9/11 – EN ISO 3675
- Petrol – (automotive benzene) Table 1 EEN Resolution 9/11 – ISO 1716
- Diesel – operating machinery – Table 1 EEN Resolution 9/11 – EN ISO 3675
- Electricity – Calculation with energy conversion factor kWh/GJ
- LPG – Liquefied petroleum gas – DIN 5162 – EN ISO 3993

GRI 303-4 Water discharge

Water discharge (m³)	2022	2023	2024
Total water discharge from groundwater (wells)	540,775.00	442,756.00	326,429.00
Total water discharge from third parties (mains)	63,797.60	65,919.00	63,025.00
Total water discharge	604,572.60	508,675.00	389,454.00

GRI 303-5 Water consumption

Water consumption (m³)	2022	2023	2024
Water withdrawal	727,207.00	627,821.00	511,434.00
Water discharge	604,572.60	508,675.00	389,454.00
Water consumption	122,634.40	119,146.00	121,980.00

GRI 305-1 Direct GHG emissions

Direct (Scope 1) GHG emissions – tCO ₂ eq ⁴	2022	2023	2024
Natural gas	2,001.12	2,104.35	4,601.73
Diesel – generator	5.38	0.05	0.05
Diesel – for company vehicles	569.35	708.16	1,092.94
Petrol – for company vehicles	33.10	62.33	361.87
LPG – for company vehicles	0.00	0.16	0.24
CNG – for company vehicles	123.01	40.88	0.00
Diesel for cogeneration	0.00	0.00	0.00
AdBlue	0.00	0.00	0.023
TOTAL	2,731.97	2,915.94	6,057.09

GRI 305-2 Energy indirect GHG emissions

Indirect (Scope 2) GHG emissions from energy consumption – tCO ₂ eq ⁵	2022	2023	2024
- of which certified with Guarantee of Origin (or equivalent)	0.00	0.0	0.00
-of which not certified with Guarantee of Origin (or equivalent)	3,002.09	3,150.78	1,621.58
TOTAL	3,002.09	3,150.78	1,621.58

⁴ Emission factors used – Scope 1

- Natural gas – DEFRA 2023 Fuels – Gaseous fuels – Natural gas (100% mineral blend) – I
- Diesel – generator – Ecoinvent 3.9.1 diesel, burned in diesel-electric generating set, 10MW | diesel, burned in diesel-electric generating set, 10MW | Cutoff, U
- Diesel – company vehicles – Ecoinvent 3.9.1 transport, passenger car, medium size, diesel, EURO 5 | transport, passenger car, medium size, diesel, EURO 5 | Cutoff, U
- Petrol – company vehicles – Ecoinvent 3.9.1 transport, passenger car, medium size, petrol, EURO 5 | transport, passenger car, medium size, petrol, EURO 5 | Cutoff, U
- LPG – company vehicles – Ecoinvent 3.10 transport, passenger car, medium size, liquefied petroleum gas (LPG), EURO 5 | transport, passenger car, medium size, liquefied petroleum gas, EURO 5 | Cutoff, U
- CNG – company vehicles – DEFRA 2023 Fuels – Gaseous fuels – CNG – I
- AdBlue – Literature

GRI 305-4 GHG emissions intensity

Emission intensity index	2022	2023	2024
Scope 1 and Scope 2 emissions (tCO ₂ eq)	5,734.06	6,066.72	7,678.67
Items sold	396,836,619	416,438,651	466,348,713
Emission intensity index (tCO ₂ eq/item)	1.44E-05	1.46E-05	1.65E-05

GRI 306-3 Waste generated

Waste generated (kg)	2022	2023	2024
Hazardous	7,516,076.00	5,743,205.00	2,820,680.50
Non-hazardous	3,137,399.00	3,374,319.00	4,325,758.00
TOTAL	10,653,475.00	9,117,524.00	7,146,438.50

GRI 306-4 Waste diverted from disposal

Waste diverted from disposal (kg)	2022	2023	2024
- recovered	1,195,184.00	2,831,992.00	1,864,840.00

GRI 306-5 Waste directed to disposal

Waste directed to disposal (kg)	2022	2023	2024
- to landfill	9,458,291.00	6,285,532.00	5,281,598.00

GRI 401-1 New employee hires and employee turnover

Hires by gender	2022	2023	2024
Of which men	54	60	83
Of which women	76	105	223
TOTAL	130	165	306

Hires by nationality	2022	2023	2024
Italy	93	142	84
France	17	9	18
Germany	16	8	195
Portugal	2	4	7
Spain	2	2	2
TOTAL	130	165	306

⁵ Source of emission factors used – Scope 2

• **Electricity – mix** – ISPRA – Emission factors for electricity production and consumption in Italy (Estimated greenhouse gas emission factors in the electricity sector for gross electricity production net of pumping 2023)

Positive turnover rate (%)	2023		2024	
	Men	Women	Men	Women
Hires by gender	60	105	83	223
Total number of employees 2022	443	521	/	/
Total number of employees 2023	/	/	452	551
TOTAL	13.5%	20.1%	18.36%	40.47%

Terminations by gender	2022	2023	2024
Of which men	48	50	73
Of which women	71	76	183
TOTAL	119	126	256

Terminations by nationality	2022	2023	2024
Italy	98	72	57
France	8	12	16
Germany	12	13	176
Portugal	0	2	6
Spain	1	27	1
TOTAL	119	126	256

Negative turnover rate (%)	2023		2024	
	Men	Women	Men	Women
Terminations by gender	50	76	73	183
Total number of employees 2022	443	521	/	/
Total number of employees 2023	/	/	452	551
TOTAL	11.20%	14.50%	16.15%	33.21%

GRI 401-3 Parental leave and rate of return to work

Employees entitled to parental leave and rate of return to work	2022		2023		2024	
	Men	Women	Men	Women	Men	Women
Total number of employees who actually returned to work following parental leave	10	21	10	21	21	28
Total number of employees who should have returned to work following parental leave	10	23	10	23	21	60
Rate of return to work	100%	91.3%	100%	91.3%	100%	46.76%

GRI 403-9 Work-related injuries

Rate of recordable work-related injuries	2022	2023	2024
No. of hours worked	1,294,120.05	1,389,921.82	2,281,598
Total number of recordable work-related injuries (Employees)	19	21	26
Rate of recordable work-related injuries	14.68	15.11	11.4
Work-related injuries with serious consequences (excluding fatalities)	0	0	2
Fatalities caused by work-related injuries	0	0	0.88

GRI 404-1 Average hours of training per year per employee

Average hours of training per employee	2022			2023			2024		
	M	W	TOTAL	M	W	TOTAL	M	W	TOTAL
Total hours of training provided to senior managers	607	121	728	581	46	627	667	122	788
Total number of senior managers	18	7	25	18	8	26	25	9	34
Average hours of training per senior manager	33.7	17.3	29.1	32.3	5.7	24.1	26.7	13.5	23.2
Total hours of training provided to middle managers	827	879	1705	594	1165	1759	798	1,130	1,928
Total number of middle managers	89	58	147	87	70	157	82	66	148
Average hours of training per middle manager	9.3	15.2	11.6	6.8	16.6	11.2	9.7	17.1	13.0
Total hours of training provided to office workers	1,205	2,961	4,166	1,116	2,492	3,608	2,220	4,001	6,221
Total number of office workers	135	321	456	147	318	465	152	329	481
Average hours of training per office worker	8.9	9.2	9.1	7.6	7.8	7.8	14.6	12.2	12.9
Total hours of training provided to factory workers	897	575	1472	1,729	608	2,337	2,340	889	3,229
Total number of factory workers	202	134	336	204	151	355	335	169	373
Average hours of training per factory worker	4.4	4.3	4.4	8.5	4.0	6.6	11.5	5.3	8.7
Total hours of training provided to employees	3,535.9	4,535.5	8,071	4,020	4,311	8,331	6,024	6,142	12,166
Total number of employees	444	520	964	456	547	1003	463	573	1036
Average hours of training per employee	8.0	8.7	8.4	8.8	7.9	8.3	13.0	10.7	11.7

Governance bodies by gender and age	2023				2024			
	<30 years	30-50 years	> 50 years	TOTAL	<30 years	30-50 years	> 50 years	TOTAL
Board of Directors	1	3	2	6	1	3	2	6
Men	0	1	2	3	0	1	2	3
Women	1	2	0	3	1	2	0	3
Board of Statutory Auditors	0	0	1	1	0	0	1	1
Men	0	0	0	0	0	0	0	0
Women	0	0	1	1	0	0	1	1

Employees by classification and gender	2022			2023			2024		
	Men	Women	TOTAL	Men	Women	TOTAL	Men	Women	TOTAL
Senior managers	18	7	25	18	8	26	32	14	46
Middle managers	89	58	147	87	70	157	91	86	177
Office workers	135	321	456	147	318	465	240	913	1,153
Factory workers	202	134	336	204	151	355	204	169	373
TOTAL	444	520	964	456	547	1,003	567	1,182	1,749

Employees by classification and age	2022				2023				2024			
	< 30	30 - 50	> 50	TOTAL	< 30	30 - 50	> 50	TOTAL	< 30	30 - 50	> 50	TOTAL
Senior managers	0	12	13	25	0	13	13	26	0	24	22	46
Middle managers	5	77	65	147	2	86	69	157	2	94	81	177
Office workers	80	280	96	456	96	272	97	465	154	606	393	1,153
Factory workers	62	191	83	336	72	196	87	355	69	202	102	373
TOTAL	147	560	257	964	170	567	266	1,003	225	926	598	1,749

GRI 405-2 Ratio of basic salary and remuneration of women to men

Base salary by category	2022	2023	2024
Middle managers	91%	93%	88%
Office workers	90%	87%	88%
Factory workers	95%	93%	87%
Gender pay gap (average)	91%	91%	88%

GRI 406-1 Incidents of discrimination and corrective actions taken

Incidents of discrimination and corrective measures taken	2022	2023	2024
Total number of incidents of discrimination reported	1	1	0

GRI 416-1 Assessment of the health and safety impacts of product and service categories

Product categories for which health and safety impacts are assessed (%)	2022	2023	2023
Cosmetic products	98.5%	98.1%	99%
Home-care products	99.1%	100.0%	100.0%
Hygiene products	100.0%	100.0%	100.0%
Food supplements	100.0%	100.0%	100.0%
Medical devices	100.0%	100.0%	100.0%

GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Cases of non-compliance (no.)	2022	2023	2023
Cases of non-compliance with regulations leading to a fine or penalty	0	0	0
Cases of non-compliance with regulations leading to a warning	1	71	44
Cases of non-compliance with self-regulatory codes	0	0	0

GRI 417-1 Requirements for product and service information and labelling

Product categories that are assessed for compliance with labelling and information policies (%)	2022	2023	2023
Cosmetics	100.0%	100.0%	100.0%
Home-care products	100.0%	100.0%	100.0%
Hygiene products	100.0%	100.0%	100.0%
Food supplements	100.0%	100.0%	100.0%
Medical devices	100.0%	100.0%	100.0%

GRI 417- 2 Incidents of non-compliance concerning product and service information and labelling

Cases of non-compliance with regulations and/or voluntary codes concerning labelling and information on products and services (no.)	2022	2023	2023
Cases of non-compliance with regulations leading to a fine or penalty	0	1	0
Cases of non-compliance with regulations leading to a warning	0	3	6
Cases of non-compliance with self-regulatory codes	0	0	0
Total	0	4	6

GRI 417-3 Incidents of non-compliance concerning marketing communications

Cases of non-compliance with regulations and/or voluntary codes concerning marketing communications (no.)	2022	2023	2023
Cases of non-compliance with regulations leading to a fine or penalty	0	0	0
Cases of non-compliance with regulations leading to a warning	0	0	0
Cases of non-compliance with self-regulatory codes	0	0	0
Total	0	0	0

GRI Content Index

DISCLOSURE	GRI	REFERENCE IN THE REPORT
GRI 2: General Disclosures 2022	2-1 Organisational details	Methodological note
	2-2 Entities included in the organisation’s sustainability reporting	Methodological note
	2-3 Reporting period, frequency and contact point	Methodological note
	2-6 Activities, value chain and other business relationships	Our locations, our markets;
	2-7 Employees	Our Team: the heart and soul of the Group
	2-8 Workers who are not employees	Our Team: the heart and soul of the Group
	2-9 Governance structure and composition	Organisational structure
	2-11 Chair of the highest governance body	Organisational structure
	2-22 Statement on sustainable development strategy	Letter to stakeholders; Action Plan: from strategy to concrete action
	2-29 Approach to stakeholder engagement	Stakeholder Engagement: an open dialogue to achieve common goals
GRI 3: Information on material topics 2022	2-30 Collective bargaining agreements	Welfare and occupational wellbeing: people first
	3-1 Process to determine material topics	Materiality assessment: priority ESG topics
GRI 201: Economic Performance 2016	3-2 List of material topics	Materiality assessment: priority ESG topics
	201-1 Direct economic value generated and distributed	Direct economic value generated and distributed
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	Our suppliers: the importance of trust and long-standing relations
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	No cases of corruption were verified during the reporting period
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Energy management
	302-3 Energy intensity	Energy management
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource	Management of water
	303-3 Water withdrawal	Management of water
	303-4 Water discharge	Management of water
	303-5 Water consumption	Management of water
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	GHG emissions: initiatives and action plan
	305-2 Energy indirect (Scope 2) GHG emissions	GHG emissions: initiatives and action plan
	305-4 GHG emissions intensity	GHG emissions: initiatives and action plan
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Waste generation and good circular economy practices
	306-3 Waste generated	Waste generation and good circular economy practices
	306-4 Waste diverted from disposal	Waste generation and good circular economy practices
	306-5 Waste directed to disposal	Waste generation and good circular economy practices

DISCLOSURE	GRI	REFERENCE IN THE REPORT
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Team: the heart and soul of the Group
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Welfare and occupational wellbeing: people first
	401-3 Parental leave	Welfare and occupational wellbeing: people first
GRI 403: Occupational health and safety 2018	403-2 Hazard identification, risk assessment and incident investigation	Health and safety: constant attention to our People
	403-3 Occupational health services	Health and safety: constant attention to our People
	403-5 Worker training on occupational health and safety	Health and safety: constant attention to our People
	403-9 Work-related injuries	Health and safety: constant attention to our People
	403-10 Work-related ill health	Health and safety: constant attention to our People
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Developing and enhancing human resources
GRI 405: Diversity and Equal Opportunities 2016	405-1 Diversity of governance bodies and employees	Organisational structure Our Team: the heart and soul of the Group; The value of inclusion and diversity
	405-2 Ratio of basic salary and remuneration of women to men	The value of inclusion and diversity
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	The value of inclusion and diversity
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Quality and customer satisfaction: our winning combination
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality and customer satisfaction: our winning combination
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Quality and customer satisfaction: our winning combination

