

EuroItalia

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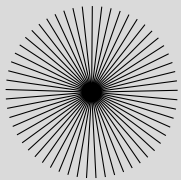
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SINCE ITS ORIGINS, EUROITALIA HAS PROPOSED AND OFFERED HIGH QUALITY, INNOVATIVE AND CREATIVE PRODUCTS TO ITS CUSTOMERS, ALWAYS ANTICIPATING AND SATISFYING THEIR NEEDS.

Letter to the stakeholders

THE SGARIBOLDI FAMILY

IN 2021 EUROITALIA CONTINUED ITS COMMITMENT TO A 360° SUSTAINABILITY INTEGRATION PATH. WHAT HAS LED YOUR COMPANY TO CHOOSE THIS ROUTE AND WHAT ARE THE STRATEGIC OBJECTIVES AND PRIORITIES FOR THE ENVIRONMENTAL IMPACTS GENERATED AND DESIRED BY THE COMPANY?

Our reality is deeply rooted in the territory and as such feels responsible and involved in its development; a development that has changed, becoming more complex and being no longer able to concentrate exclusively on economic performance, but having to consider other competitive and indispensable dimensions as well. Doing business in 2021 means making its own contribution also in the social and environmental field, to improve the well-being and living conditions of its territory and of its people, increasingly attentive and sensitive to these aspects. This is why Euroitalia has chosen to have its own Sustainability Policy, within which includes operative choices and strategies that show particular attention and increasing sensitivity toward the protection of the environment and the ecosystem.

It is from this perspective that important choices must be interpreted, such as the decision to supply electricity from exclusively green sources through self-production from solar panels in the Cavenago headquarters and the purchase of energy from renewable sources certified GOT; or the choice of raw materials and packaging increasingly sustainable and certified by special bodies, such as FSC; or the objective of achieving, within two years, 95% biodegradability of its perfumes, also through an accurate selection of suppliers and essences. In 2021, the Life Cycle Assessment project on some of its products continued to study their impact throughout their life, in order to identify possible areas of improvement and to intervene promptly.

WE CAME OUT OF THE COVID EMERGENCY, BUT WE ENTERED THE RAW MATERIALS AND ENERGY SHOCK, HOW WAS THE COMPANY'S ECONOMIC PERFORMANCE?

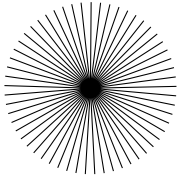
The importance that our reality gives to sustainability also emerges from the voluntary choice to draw up a report that gives an account of the actions and policies taken in this direction, and then communicate them to their own people: Employees, customers and suppliers. To this end, an area has been dedicated, within the company's new website, to the sustainability and commitment of Euroitalia to implement it in every action or daily choice. We know that we have taken the right direction, but we feel responsible at the same time for narrating the reasons behind our choices and beliefs, to share them and thus contribute to their spread.

2020 WAS NOT A SIMPLE YEAR. HOW DID EUROITALIA RESPOND TO THE DIFFICULTIES THAT EMERGED FROM THE OUTBREAK OF THE PANDEMIC IN COVID-19 AND HOW WAS THE COMPANY'S ECONOMIC PERFORMANCE?

The year that just ended was complex and challenging, especially in terms of meeting a rapidly growing national and international demand with a production set-up, remember totally localised in Italy, which suffered external shocks due to reduced availability of raw materials and significant cost increases due to energy shocks. Despite this, we grew by double digits!! I would like to praise our high-quality, very wide-ranging commercial distribution, which is based on the selectivity of values: This has enabled us to immediately recover our product demand, thanks to the total reopening of all the physical stores worldwide, including duty free. Another key aspect is that we have a very successful product with a high level of loyalty associated with highly prestigious brands and world-renowned brands.

We are proud that we are strengthening our competitive position in the luxury beauty market by demonstrating not only that we are able to face a moment of difficulty through a firm and well consolidated structure in time, very serious and credible , but also that we want to take a precise direction in the near future; To combine the tradition of the art of the perfumery with a particular attention to the well-being understood as a whole and addressed to the person and to the whole ecosystem, favoring natural ingredients and materials that respect the environment.

We go on with commitment and passion!



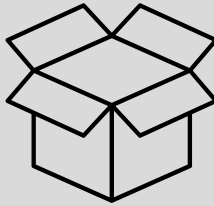
OUR GOALS

95%



**PERCENTAGE OF
BIODEGRADABILITY OF ALL
NEW ESSENCES CREATED**

100%



**USE OF FSC CERTIFIED PAPER
IN THE PACKAGING**

Awards

CERTIFICATE OF EXCELLENCE FROM THE UNIVERSITY OF FERRARA

In September 2021 Mr. Giovanni Sgariboldi, EuroItalia's founder and president, received the prestigious certificate of excellence from the University of Ferrara – issued to professionals in the cosmetic sector who have distinguished themselves for their business creation skills and innovative contribution to the sector – by the will of the Academic Board of the 2nd level Master in "Cosmetic Science and Technology". Giovanni Sgariboldi has in fact been awarded for his decisive role in the visibility of the innovation, quality and safety of the Italian cosmetic product abroad.

GIOVANNI SGARIBOLDI HAS RECEIVED THE PRESTIGIOUS CERTIFICATE OF EXCELLENCE FROM THE UNIVERSITY OF FERRARA

Here are some steps of the award motivation:

Quality, innovation, and creativity are the cornerstones of the company, Innovation, in particular, is seen as the engine that brings change, a starting point that can trigger circular economy culture in old business models and embrace sustainability throughout the industry: the supply chain is zero kilometer, the production 100% Made in Italy, which represents a value, as well as a responsibility on which the company builds its foundations, credibility, and international reputation.



Methodological note

This document is the second edition of the EuroItalia Sustainability Report and aims to describe the initiatives and main results in the economic, social and environmental fields achieved during 2021 (from 1st of January to 31st of December). In particular, the definition of material topics has taken place on the basis of a Materiality analysis process, described in the chapter **"material Topics for EuroItalia: What is really important for us and our stakeholders"** of this document.

The data contained in the document relate to the period from 1st of January 2021 to 31st December 2021. Whenever data relating to the previous year is present, it is to be considered comparative, in order to facilitate the assessment of the performance of the Company's business.

THIS REPORT WAS PREPARED IN ACCORDANCE WITH THE "GRI SUSTAINABILITY REPORTING STANDARDS" PUBLISHED IN 2016 BY THE GRI (GLOBAL REPORTING INITIATIVE), UNDER THE OPTION «IN ACCORDANCE - CORE».

The data and information contained in this document are based on the principles of balance, comparability, accuracy, timeliness, reliability and clarity that guarantee the quality of the information as defined by the GRI Standards.

The reporting perimeter of financial data and financial information corresponds to that of the EuroItalia Group's Consolidated Financial Statements at December 31st, 2021.

The perimeter of social and environmental data and information is related to EuroItalia S.r.l. since both issues are not relevant to the companies EuroItalia USA Inc. and EuroItalia Suisse SA that make up the Group. It should be noted that in 2021 there were no significant changes in the size, organizational structure, ownership structure and supply chain of the organization.

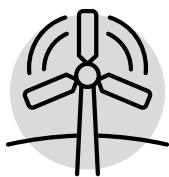
Any changes to the perimeter indicated above are opportunely reported in the document and, where present, do not compromise the proper representation of the business. In order to ensure the reliability of the data, the use of estimates has been limited as far as possible, which, if present, are appropriately reported and based on the best available methodologies. The data for the previous year, where available, are reported for comparative purposes, in order to allow an assessment of the performance of the assets over time. The Sustainability Report is drawn up annually. The document is not subject to external assurance.

THIS DOCUMENT WAS APPROVED BY THE SOLE ADMINISTRATOR OF EUROITALIA ON 01/09/2022.

FOR FURTHER INFORMATION ON THE CONTENTS OF THE SUSTAINABILITY REPORT, PLEASE CONTACT: SUSTAINABILITY@EUROITALIA.IT

**THE DOCUMENT IS ALSO AVAILABLE ON THE WEBSITE:
[HTTPS://WWW.EUROITALIA.IT/AZIENDA/SOSTENIBILITA](https://www.euroitalia.it/azienda/sostenibilita)**

Highlight 2021



**100% GREEN ENERGY USED
(SELF-PRODUCTION + CERTIFICATE PURCHASE)**



**ASSESSMENT OF OUR SUPPLY CHAIN ON
CONFLICT MINERALS**



**RESHORING STRATEGY AFTER THE ACQUISITION
OF THE ATKINSONS BRAND**



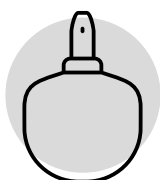
**NO PLASTICIZING AND METALLIZATION PROCESSES
ARE USED FOR PRINTING**



MADE IN ITALY PRODUCTION CHAIN



**OBJECTIVE TO DRAW UP A CODE OF CONDUCT
FOR OUR SUPPLIERS**



OVER 34 MILLION PERFUMES SOLD



**LAUNCH OF THE CHERRY DREAM LINES BY NAJ OLEARI, TOY 2
BUBBLEGUM BY MOSCHINO, ORIGINAL WOOD BY DSQUARED2 AND SIX
NEW FRAGRANCES FOR ATELIER VERSACE**



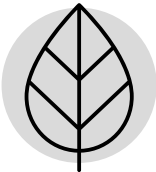
**ESSENCES USED
BIODEGRADABLE AT 78%**



**3,5 MLN OF GREEN BOXES AT KM ZERO PLASTIC-FREE
PRODUCED IN 2021**



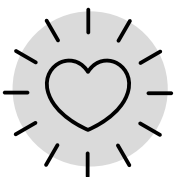
**TRANSPORT SAVINGS THANKS TO THE ONLY PRODUCTION,
ASSEMBLY AND LOGISTICS LOCATION FOR THE CHRISTMAS
AND SPRING CAMPAIGN BOXES**



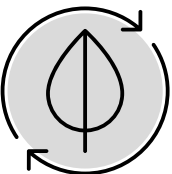
**THE PAPER PURCHASED FOR PACKAGING
IS 100% FSC CERTIFIED**



**LAUNCH OF NEW INNOVATIVE AND
SUSTAINABLE FRAGRANCES**



**LAUNCH OF A NEW BEAUTY LINE FROM SUSTAINABLE
PACKAGING AND FORMULATION**



PRODUCT LCA DEVELOPMENT

EuroItalia profile

EuroItalia: Who we are

AN ITALIAN FAMILY HISTORY

EuroItalia is a leading family Company in the trade of Italian fragrances, the most appreciated in the world, and operates in the **luxury beauty** sector at international level and specializes in the design, production and distribution of perfumes and fragrances and beauty products.

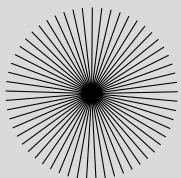
Over the years, quality, innovation, and creativity have enabled the Company to bring Made in Italy fashion and design to the luxury perfume sector and to consolidate its brands. The Made in Italy philosophy is reflected concretely in the strategic decisions and the actions of every day and is a founding element of the Company. EuroItalia was born in 1978 from the pioneering vision and entrepreneurial courage of Giovanni Sgariboldi, who immediately believed in the potential of the selective Made in Italy perfumery, making EuroItalia the most important and representative actor in the district of the "art" of Italian perfume.

Characterized by a long-term corporate vision and an efficient and dynamic business model, EuroItalia always guarantees the best to the brands it represents by proactively responding to industry trends and acting quickly in an increasingly competitive market. In fact, we collaborate with Italian fashion designers and brands, promptly translating the needs into new lines of successful **fragrances** and **make-up** products and marketing them in the world.

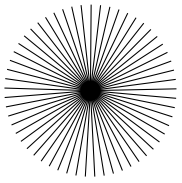
La Società cura ogni fase di sviluppo dei propri prodotti, dall'ideazione del concept creativo alla scelta della fragranza, dallo studio del **packaging** alla produzione industriale, fino all'identificazione del posizionamento commerciale selettivo, sostenuto con le più efficaci strategie di marketing, merchandising e comunicazione.

The Company takes care of every phase of development of its products, from the conception of the creative concept to the choice of fragrance, from the study of packaging to industrial production, to the identification of selective commercial positioning, supported with the most effective strategies of marketing, merchandising and communication. At the company level, EuroItalia is constituted by the parent Company EuroItalia S.r.l. and two subsidiaries, EuroItalia Suisse SA (Switzerland) and EuroItalia USA Inc (United States). In addition, there are direct commercial presence in Austria, France, Germany, and the UK.

In August 2020, EuroItalia undertook important changes at the company level, acquiring and thus becoming the owner of two historic brands in the sector: Atkinsons and I Coloniali. The two acquisitions are part of EuroItalia's strategy to expand its business with the aim of continuing to grow and create shared value.



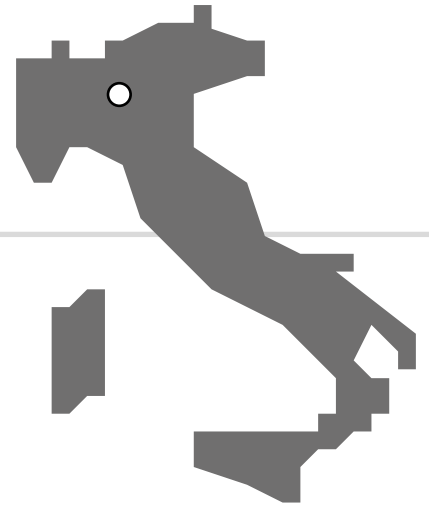
**WITH MORE THAN 34 MILLION PIECES SOLD
IN 2021 WORLDWIDE AND AN EXPORT SHARE
OF 94%, WE ARE PRESENT IN 157 COUNTRIES
THROUGH A DIRECT DISTRIBUTION NETWORK,
LOCAL TRUSTED PARTNERS AND DUTY FREE.**



OUR OFFICES

ITALY

Headquarter



USA

SWITZERLAND





● **NORTH AMERICA**

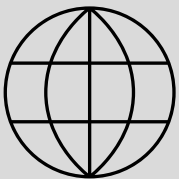
- ▶ Canada
- ▶ **UNITED STATES OF AMERICA**

● **CENTRAL AMERICA**

- ▶ Antigua e Barbuda
- ▶ Bahamas
- ▶ Belize
- ▶ Costa Rica
- ▶ Cuba
- ▶ Dominica
- ▶ El Salvador
- ▶ Jamaica
- ▶ Grenada
- ▶ Guatemala
- ▶ Haiti
- ▶ Honduras
- ▶ MeXico
- ▶ Nicaragua
- ▶ Panama
- ▶ Dominicana Rep.
- ▶ Suriname
- ▶ Trinidad and Tobago

● **AMERICA DEL SUD**

- ▶ Argentina
- ▶ Bolivia
- ▶ Brasile
- ▶ Cile
- ▶ Colombia
- ▶ Ecuador
- ▶ Guyana
- ▶ Paraguay
- ▶ Perù
- ▶ Uruguay
- ▶ Venezuela



**WE ARE A GLOBAL COMPANY, OPERATING IN
157 COUNTRIES AROUND THE WORLD**

- ▶ Albania
- ▶ Andorra
- ▶ Armenia
- ▶ **AUSTRIA**
- ▶ Azerbaijan
- ▶ Belgium
- ▶ Belarus
- ▶ Bosnia and Herzegovina
- ▶ Bulgaria
- ▶ Cyprus
- ▶ Croatia
- ▶ Denmark
- ▶ Estonia
- ▶ Finland
- ▶ **FRANCE**
- ▶ Georgia
- ▶ **GERMANY**
- ▶ Greece
- ▶ Ireland
- ▶ Iceland
- ▶ Israel
- ▶ **ITALY**
- ▶ Latvia
- ▶ Liechtenstein
- ▶ Lithuania
- ▶ Luxembourg
- ▶ North Macedonia
- ▶ Malta
- ▶ Moldova
- ▶ Monaco
- ▶ Montenegro
- ▶ Norway
- ▶ Netherlands
- ▶ Poland
- ▶ Portugal
- ▶ **UNITED KINGDOM**
- ▶ Czech Rep
- ▶ Romania
- ▶ Russia
- ▶ San Marino
- ▶ Serbia
- ▶ Slovakia
- ▶ Slovenia
- ▶ Spain
- ▶ Sweden
- ▶ **SWITZERLAND**
- ▶ Turkey
- ▶ Ukraine
- ▶ Hungary

● **EUROPE**

● **ASIA**

● **AFRICA**

● **OCEANIA**

- ▶ Angola
- ▶ Benin
- ▶ Burkina Faso
- ▶ Cameroon
- ▶ Ciad
- ▶ Comoros
- ▶ Ivory Coast
- ▶ Egypt
- ▶ Ethiopia
- ▶ Gabon
- ▶ Gambia
- ▶ Ghana
- ▶ Djibouti
- ▶ Guinea
- ▶ Guinea-Bissau
- ▶ Equatorial Guine
- ▶ Kenya
- ▶ Libya
- ▶ Madagascar
- ▶ Malawi
- ▶ Mali
- ▶ Morocco
- ▶ Mauritania
- ▶ Mauritius
- ▶ Mozambique
- ▶ Namibia
- ▶ Nauru
- ▶ Niger
- ▶ Nigeria
- ▶ Central African Rep
- ▶ Rep. Of the Congo
- ▶ RD del Congo
- ▶ Rwanda
- ▶ São Tomé and Príncipe
- ▶ Senegal
- ▶ Seychelles
- ▶ South Africa
- ▶ Sudan
- ▶ South Sudan
- ▶ Tanzania
- ▶ Togo
- ▶ Uganda
- ▶ Zambia
- ▶ Zimbabwe

- ▶ Afghanistan
- ▶ Saudi Arabia
- ▶ Bahrein
- ▶ Bangladesh
- ▶ Burma
- ▶ Brunei
- ▶ Cambodia
- ▶ China
- ▶ South Korea
- ▶ Philippines
- ▶ Japan
- ▶ Jordan
- ▶ India
- ▶ Indonesia
- ▶ Iran
- ▶ Iraq
- ▶ Kazakistan
- ▶ Kyrgyzstan
- ▶ Kuwait
- ▶ Lebanon
- ▶ Malaysia
- ▶ Maldives
- ▶ Mongolia
- ▶ Nepal
- ▶ Oman
- ▶ Pakistan
- ▶ Qatar
- ▶ Singapore
- ▶ Sri Lanka
- ▶ Tagikistan
- ▶ Thailand
- ▶ Turkmenistan
- ▶ Uzbekistan
- ▶ Vietnam
- ▶ Yemen

- ▶ Australia
- ▶ Fiji
- ▶ Marshall Islands
- ▶ Solomon Islands
- ▶ Kiribati
- ▶ New Zealand
- ▶ Palau
- ▶ Papua New Guinea
- ▶ Saint Kitts and Nevis
- ▶ Saint Lucia
- ▶ Saint Vincent and the Grenadine
- ▶ Samoa
- ▶ Federated States of Micronesia
- ▶ Tonga
- ▶ Tuvalu
- ▶ Vanuatu

Business model: The journey of perfumes and cosmetics

The creation of fragrances and beauty products is a complex and highly specialized process involving different actors, both internal and external to the Company, and which is divided into several phases reported below.

The Business Model, characterized by efficiency, dynamism, and flexibility, allows EuroItalia to act quickly in an increasingly competitive market and respond proactively to the new needs and expectations of its customers, always with the aim of creating and developing new, creative and high-quality products. The EuroItalia business model is based on the concept of full-service, since we guarantee fashion houses a support on the entire value chain, from the selection of suppliers and raw materials to the point-of-sale services.

As far as production is concerned, this is the only outsourced activity, for the fact that it deserves a specialized distinction; despite this it remains directly controlled with our dominant presence and forms of participation. That is why we pay close attention to the selection of our business partners and to the creation and consolidation of business relationships based on trust, transparency, and dialogue.

We collaborate closely with the most prestigious international fashion houses with which we have the opportunity to share the stylistic guidelines for the creation and development of perfumes and beauty products. EuroItalia also owns four brands: Naj Oleari, for beauty products, and Reporter for perfumes, to which are added two recently acquired brands, Atkinsons and I Coloniali.

Our brands in a nutshell



ATKINSONS

Atkinsons, a historic English brand born in London in 1799, is recognized for having become the official fragrance of the English crown in 1826, as well as being chosen by some of the most important and aristocratic personalities of the time, such as Napoleon, Admiral Nelson, Tomasi di Lampedusa, and Queen Margherita of Savoy.

The strong points of the house founded by James Atkinsons are the choice of typical English fragrances, including white rose, English lavender, and British bouquet, all containing the characteristic and deep true essence of the English fragrance, then different and innovative than those in vogue.

The Atkinsons products are immediately recognizable also thanks to the bottle design: Engraved, gilded and printed, the wide-shoulder glass bottle is an authoritative icon of the neo-traditional design and the British perfumery. The present shape of the bottle originates from the first Cologne packaging, while the seal in the center of the bottle recalls the original packaging of the famous rose scented balm, the very first product of Atkinsons.



I COLONIALI



I Coloniali, a brand born in 1994 in Italy, is inspired by the art of art of Italian spicy masters.

Unique feature of the line is to seek a 360° well-being, not only of the body but also of mind, senses and spirit. The formulas of I Coloniali seek a harmonious relationship with nature, choosing natural ingredients such as Mirra, Rice Crusca, Bamboo and hibiscus with proven benefits and sensory and enveloping characteristics enhanced by fragrances inspired by the art of the best perfumery.

Since their inception, the I Coloniali have also demonstrated a strong sensitivity toward environmental sustainability, using recyclable materials such as aluminum, cardboard and recycled paper, glass, wood and cork.

NAJ OLEARI

Naj Oleari is the 100% **Made in Italy** brand, synonymous of quality and design spread in 21 countries worldwide, and with more than 750 sales outlets between Europe and Latin America.

It is aimed at socially responsible and optimistic **millennial** women who are rigged without excesses but to exalt their beauty and style. Naj Oleari proposes a **make-up** as an exercise to happiness, that valorizes Italian beauty with a positive approach to life and without masks.

Naj Oleari products are concerned with the health and safety of their consumers: They are based on formulas without parabens, phthalates, toluene, formaldehyde and camphor, and are enriched with natural ingredients, without being tested on animals.

The packaging of Naj Oleari products is immediately recognizable, modern and feminine, with its pink gold color and practical and elegant magnetic closures. In 2021, with the new Cherry Dream line, Naj Oleari introduced a more sustainable packaging, trying to limit, where possible, the use of plastic, which is replaced by FSC certified paper and post-consumer materials and by agro-industrial residues.



REPORTER



Reporter for Men is a strong and innovative masculine fragrance for a man who wants to stand out. The most famous fragrance, still today very modern, was launched on the market in 1978; aromatic, seductive and dynamic, with notes of kumquat, grapefruit, cardamom and green lemon of Santo Domingo. For THE REPORTER brand, after-shave lotions and shower-shampoo have also been produced.



① CREATIVE CONCEPT DEVELOPMENT

WE TAKE CARE OF THE ENTIRE PRODUCT DEVELOPMENT PROCESS AND THE FIRST STEP BEGINS BY SHARING DEVELOPMENT GUIDELINES WITH FASHION HOUSES. THROUGH MARKET ANALYSIS TO ANTICIPATE INDUSTRY TRENDS AND READILY TRANSLATE THEM INTO PRODUCTS THAT REFLECT OUR CUSTOMERS' NEEDS AND BLEND WITH BRAND IDENTIFICATION DNA, WE DESIGN A CREATIVE CONCEPT FOR EVERY PRODUCT AROUND WHICH WE SHAPE EVERY DEVELOPMENT CHOICE. FROM THE SELECTION OF INGREDIENTS TO THE STUDY OF FORMULAS, FROM THE ANALYSIS OF RAW MATERIALS FOR PACKAGING TO INDUSTRIAL PRODUCTION.

② RAW MATERIALS AND INGREDIENTS SELECTION

AFTER THE IDENTIFICATION OF THE CREATIVE CONCEPT, WE CAREFULLY EVALUATE AND SELECT THE BEST SUPPLIERS WITH WHICH TO COLLABORATE TO ACQUIRE THE RAW MATERIALS AND THE INGREDIENTS NECESSARY FOR THE PRODUCTION.

(for more information please refer to the chapter “Responsible Supplier Management: a key factor for EuroItalia’s success”).

③ PRODUCTION PHASE OF FRAGRANCES, BEAUTY PRODUCTS AND PACKAGING

IN PARTICULAR, AS FAR AS THE PERFUME JOURNEY IS CONCERNED, WE COLLABORATE WITH THE MOST IMPORTANT AND QUALIFIED ESSENCE PRODUCERS OF THE SECTOR FOR THE CREATION OF UNIQUE FRAGRANCES. IN ADDITION, TOGETHER WITH THE ESSENCE PRODUCERS WE USE THE SUPPORT OF THE NASI TO EVALUATE AND SELECT THE BEST FRAGRANCES ACCORDING TO OUR CREATIVE BRIEF. THIS WORK PROCESS IS CONSISTENT WITH THE SELECTION OF INGREDIENTS THAT COMPLY WITH CURRENT LEGISLATION. AS FOR MAKE-UP PRODUCTS, WE ANALYZE, STUDY AND CREATE FORMULAS FOR THE DEVELOPMENT OF EFFECTIVE AND SAFE PRODUCTS FOR FINAL CONSUMERS. WE ARE SUPPORTED BY DEDICATED EXTERNAL COSMETOLOGY CONSULTANTS TO ENSURE COMPLIANCE WITH APPLICABLE LEGISLATION. AT THE SAME TIME, WE IMPLEMENT THE PACKAGING ENGINEERING PHASE FOR EACH MORPHOLOGY AND TYPE OF MATERIAL, SO THAT THE DESIGN IS PERFECTLY FUNCTIONAL AND AT THE SAME TIME ESTHETIC. THEN WE MOVE ON TO THE DEFINITION OF THE PRODUCTION STRUCTURE.

④ CAREFUL PRODUCT TESTING AND ANALYSIS

IN ADDITION, BOTH DIRECTLY AND INDIRECTLY THROUGH THE SUPPORT OF OUR MANUFACTURERS AND SPECIALIZED THIRD-PARTY COMPANIES, WE CARRY OUT CAREFUL CHECKS AND ANALYZES ON OUR PRODUCTS, THROUGH EFFICACY TESTS, ALLERGY TESTS, OPHTHALMOLOGIC TESTS AND MICROBIOLOGICAL TESTS, IN ORDER TO ENSURE THE SAFETY AND THE HIGH PERFORMANCE EXPECTED. EUROITALIA PAYS PARTICULAR ATTENTION TO THE QUALITY OF ITS PRODUCTS AT EVERY STAGE OF THE SUPPLY CHAIN BY APPLYING A SCIENTIFIC AND INDUSTRIAL METHOD.

⑤ BOTTLING AND PACKAGING

AFTER THE DEVELOPMENT, THE FINISHED GOODS ARE BOTTLED, PACKAGED IN THE CHOSEN PACKAGING AND FINALLY SENT TO THE EUROITALIA HEADQUARTERS IN CAVENAGO, AN AUTOMATED AND STATE-OF-THE-ART LOGISTICS CENTER, WHERE QUALITY CONTROL, SORTING, THE SPECIFIC PACKAGING AND TRACKING OF EACH PRODUCT SOLD AND FROM HERE ORGANIZES AND MANAGES TRANSPORTATION TO DISTRIBUTORS AND RETAILERS GLOBALLY.

⑥ LOGISTICS MANAGEMENT

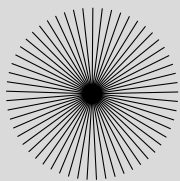
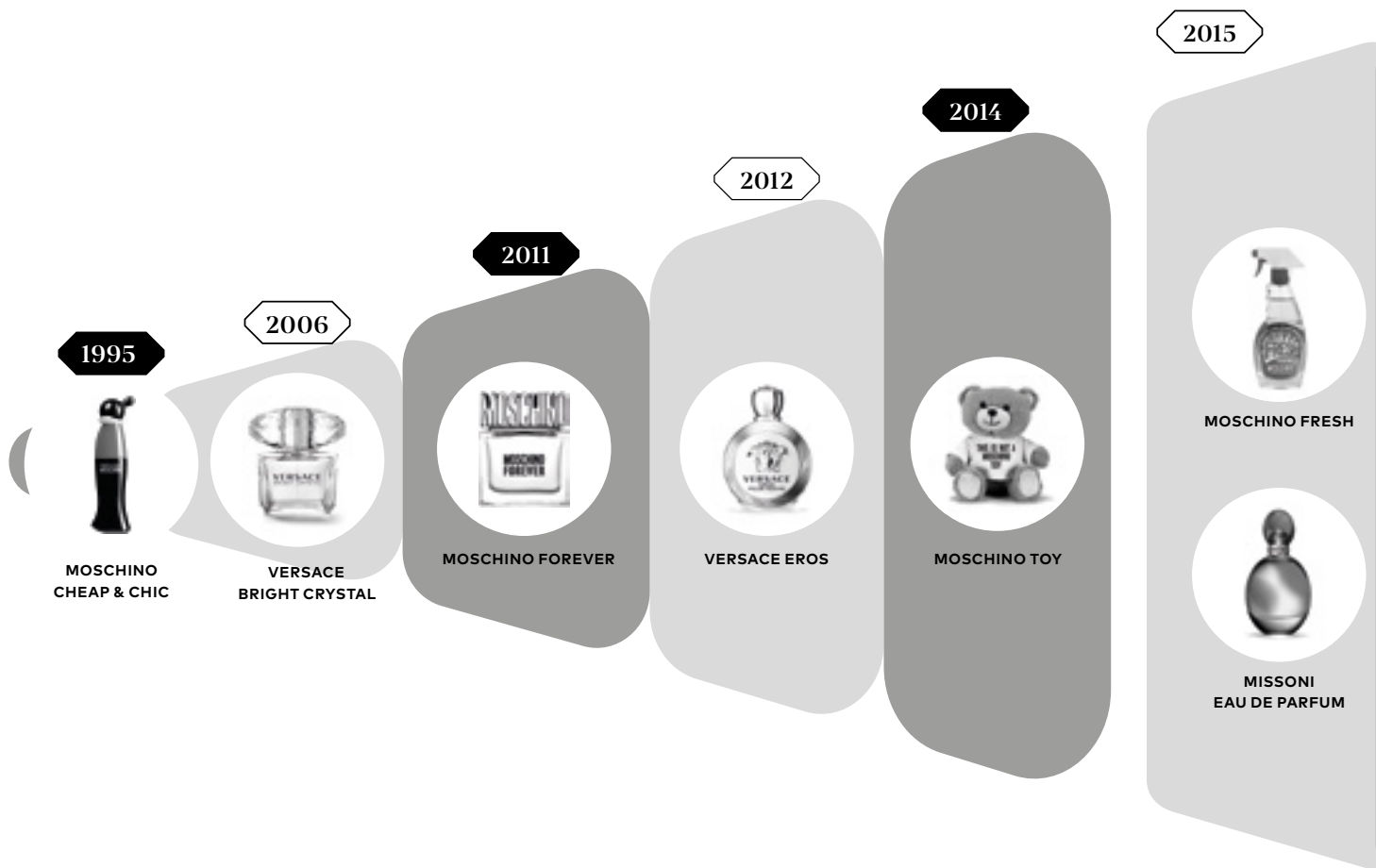
IN PARTICULAR, THE LOGISTICS, BOTH INBOUND AND OUTBOUND, IS MANAGED DIRECTLY BY EUROITALIA IN THE LOGISTIC CENTER OF CAVENAGO. THE TRANSPORT CARRIED OUT IS OF MIXED TYPE, BOTH THROUGH TRANSPORT DIRECTLY MANAGED BY THE CUSTOMER (RANCOPHABRICA, EXWORKS IN ENGLISH), AND ALSO THROUGH TRANSPORT MANAGED DIRECTLY BY EUROITALIA. FOR EXTREME SAFETY, ALL TRANSPORT IS ESCORTED BY SUPERVISION TO THE FIRST CUSTOMS DESTINATION.

⑦ MARKETING STRATEGY DEVELOPMENT

⑧ STORE SUPPORT AND ASSISTANCE OF STORE

⑨ CUSTOMER SATISFACTION MANAGEMENT

IN CONCLUSION, WE ARE RESPONSIBLE FOR THE SELECTIVE COMMERCIAL POSITIONING OF OUR PRODUCTS, CREATING AND DEVELOPING THE MOST EFFECTIVE MARKETING, MERCHANDISING AND COMMUNICATION STRATEGIES. IN ADDITION, WE BRING BEAUTY ASSISTANTS CLOSER TO OUR PRODUCTS, PROVIDING SPECIFIC TRAINING AND TRAINING FOCUSED ON THE CHARACTERISTICS, QUALITY, FORMULA AND HOW THEY ARE USED. WE ALSO ASSIST THE SALES OUTLETS IN EVERY NEED AND IN THE INSTALLATION OF MERCHANDISING. FINALLY, WE SUPPORT FASHION HOUSES AND RETAIL OUTLETS IN MANAGING CUSTOMER SATISFACTION, PARTICULARLY RELATED TO COMPLAINTS FROM FINAL CONSUMERS. (For more information please refer to the chapter “Customer satisfaction: Our commitment to listening to the needs of our customers”).



WE WORK WITH THE LARGEST INTERNATIONAL FASHION BRANDS, BOASTING THE CREATION OF A WIDE RANGE OF PRODUCTS, INCLUDING SOME ICONIC FRAGRANCES.

2021

2020

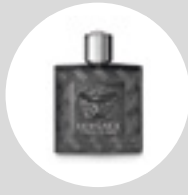
2019

2018

2016



VERSACE
DYLAN BLUE



VERSACE
EROS FLAME



DSQUARED2
WOOD FOR MAN E
WOOD FOR WOMAN



VERSACE
DYLAN TURQUOISE



VERSACE
EAU DE PARFUM



MOSCHINO
TOY 2 BUBBLE GUM

ATELIER VERSACE

VERSACE

In 2021, we extended the creation of Atelier Versace's exclusive collection with 6 new sensory and innovative fragrances. **Atelier Versace** is based on the research of design, materials and innovative technology, incorporating in the six fragrances ingredients of superb qualities, craftsmanship, innovative techniques and the esthetics that distinguishes the Versace brand.

In collaboration with the Versace brand, during 2020, we developed **Eros Eau de Parfum**. The new masculine fragrance of the Maison Versace has a personality that does not fear to show itself and to reveal its extremes, extremely hesperiding on one side and extremely gentle on the other. The fragrance is characterized by the depth of its woody agreement, cedar - vetiver - patchouli, revived by the duality of lemon and tangerine, strictly Italian, and animated by an unexpected note of candied apple. Finally, a final note composed of the binding of vanilla to leather. **Eros Eau de Parfum** is a fatal and provocative weapon that stands out for its heady and creamy effects, its vibrant contours and its oriental character. This new scent is characterized by an intense blue, firm shade, which represents an evident reminder of the Mediterranean Sea and its lifestyle and of Greek Roman art and culture revisited in a contemporary way.



2 WOOD DSQUARED2



In 2021, EuroItalia collaborated to develop a new fragrance, **Original Wood**. The new fragrance, described as a floral woody olfactory creation, describes the contemporary Dsquared2 man: sensual, confident of himself and his personality. Original Wood presents an intense scent, which is evocative of the elements of nature, created by **Daphne Bugey** of Firmenich.



DSQUARED2

MOSCHINO

MOSCHINO

In 2021, **Toy 2 Bubble Gum** was born from the creative inspiration of the creative director of Moschino and from our expertise. Unlike the previous Toy, Bubble Gum is dedicated to **#Pinkaddicted** women. This fragrance is characterized by a glossy, extroverted and playful note that explores the facets of her Majesty La Rosa. It is a scent that frees the spirit from negative thoughts, envelops the body and stimulates the mind.

Infine, abbiamo collaborato alla creazione della linea bagno **Toy 2 Bubble Gum** by Moschino che si compone di esclusivi prodotti per la cura quotidiana del corpo, con classic Bath & Shower Gel e Body Lotion, idratanti ed emollienti che si affiancano ad un prodotto innovativo e sfizioso, uno spray per capelli, Hair Mist.



MOSCHINO

Our context of reference

EUROITALIA: A RESILIENT REALITY

EuroItalia operates in the **luxury beauty** sector at an international level, where it is competing with multinational perfumery companies in a very competitive and multi-brand market.

Thanks to its flexibility and to its dynamic and efficient business model, EuroItalia has managed over the years to emerge in the sector acquiring an important market share. Moreover, through its dynamic structure and decision-making process, EuroItalia has managed to obtain a very competitive **"Time to Market"** factor, ensuring the rapid introduction of its products into the market.

Within the personal products sector, in which EuroItalia deals in particular with **luxury beauty**, brand management and product quality are increasingly important issues, whose development is guided by the need for continuous innovation, the maintenance of market positioning or the acquisition of market shares.

The creation and development of the product is a priority because it is directly linked to the safety of the product itself. In addition, increasing demand for more innovative products encourages companies to develop improved and reformulated versions of their traditional products. There is increasing attention to the composition of products, in fact, in combination with an evolving regulatory environment that increasingly regulates the use of ingredients and chemicals, new consumer needs guide innovation toward high-quality, safe and natural products.

AT PRESENT, THE KEY ISSUES IN THE SECTOR LARGELY RELATE TO THE USE OF NATURAL AND SUSTAINABLE INGREDIENTS, AND AS REGARDS PACKAGING, TO THE REDUCTION OF PLASTIC USE.

Companies have identified secondary product characteristics as key elements of consumer choice and growth. In particular, in the perfume segment, companies focus on the innovation of fragrances, using a wide variety of essences and exploiting technologies that guarantee greater persistence and intensity of the product. In addition, packaging and delivery systems also play a key role in the supply of differentiated products. The demand for natural and sustainable products is growing due to the increasing awareness of the environmental and social impacts of the substances and ingredients used, the search for a more sustainable lifestyle and the particular attention of the end consumers toward the **mission** of companies.

In addition, restrictions on emissions, energy consumption and water use also have a strong impact on Operating expenses and production

Moreover, EuroItalia has decided to renegotiate some of the credits toward its customers, demonstrating its ability to listen and understand their needs and its willingness to always meet its stakeholders halfway in times of difficulty. EuroItalia has shown that the relationship with its customers is one of the main corporate priorities, a lasting relationship that has consolidated over time thanks to mutual trust and esteem.

Another fundamental element that has enabled EuroItalia to face this crisis situation is certainly the quality and efficiency of the distribution channels of its products that have allowed a faster restart.

EuroItalia has faced the challenges that have emerged over the last few years and has demonstrated strong and consolidated resilience capabilities. This was mainly possible thanks to a solid and successful model built and consolidated over time, which has allowed our reality to react positively to a difficult and unexpected situation.

TO DEMONSTRATE THE VITALITY AND PROACTIVITY WITH WHICH EUROITALIA FACES DIFFICULTIES, THE COMPANY HAS NOT REDUCED THE INVESTMENTS IN THE RESEARCH AND DEVELOPMENT OF **NEW PRODUCT LINES**, IN PARTICULAR IN 2020, DESPITE A DECREASE IN TURNOVER, TWO NEW PERFUMES WERE CREATED, ONE LAUNCHED ON THE MARKET THE SAME YEAR AND ONE **LAUNCHED IN 2021**. THE YEAR 2021, ON THE OTHER HAND, WAS A STRATEGIC YEAR IN ADVANCING THE PREVIOUS YEAR'S INITIATIVES AND PROJECTS AND IN LAYING DOWN SOLID FOUNDATIONS FOR THE FOLLOWING YEARS.

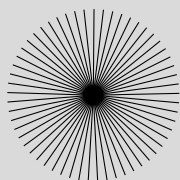
🎯 FOCUS

“Beauty Inc Unveils Top 100 Global Beauty Manufacturers” ¹

Italy, in fact, is the ninth producer in the world and the fourth in Europe with sales of USD 11,9 billion, preceded by Germany, France and the United Kingdom. The entire Made in Italy cosmetics chain, including packaging suppliers, reaches approximately \$16 billion in sales. Finally, the Report states that 195 Italian companies in the beauty sector have a turnover of more than 10 million with sales of 12,1 billion euros and more than 39,000 employees.

The article shows that the growth of Euroitalia in 2021 was sustained by the recovery of sales in its main markets – both offline and online – balancing losses in travel retail. New developments have also given new impetus to growth. The launch of Versace pour femme Dylan Turquoise has been well-formed in the US, UK and Middle East in particular. Moschino Toy 2 Bubble Gum has strengthened the brand's performance in Asia. In addition, Naj Oleari make-up line has been implemented in new markets such as Mexico and Argentina and has expanded into other countries such as Germany and Switzerland.

“Beauty Inc Unveils Top 100 Global Beauty Manufacturers” - [Link](#)



IN 2021, EUROITALIA WAS ABLE TO POSITION 54^o AMONG THE 100 BEST PRODUCERS OF BEAUTY PRODUCTS IN THE WORLD INCLUDED IN THE RANKING OF WWD BEAUTY INC.

Giovanni Sgariboldi, currently **President of EuroItalia**, founds the company in **1978**. The **initial licensing** portfolio consists of the brands **Oleg Cassini**, **Reporter**, **Enrico Coveri**.

EuroItalia signs the license with **Dolce&Gabbana**, a fundamental collaboration for the growth of the company that launched in recent years some of its **most successful fragrances**, still among the bestselling in the world including **Dolce&Gabbana Light Blue**. The collaboration has now ended.

EuroItalia sigla la **licenza con Versace**, ad oggi, dopo diversi anni di collaborazione, brand fondamentale nel business delle fragranze a livello internazionale.

REPORTER
FOR MEN



1978

EuroItalia



1992

VERSACE



2005

1988



NAJ·OLEARI
Italian Beauty

Between **1988** and **1989** **EuroItalia** purchases the trendy brands **Naj Oleari** and **El Charro**. In addition, EuroItalia signs the license with **Moschino**, a collaboration of fundamental importance that continues to this day.

1995



MOSCHINO

EuroItalia launches the first **Olivia Moschino**, an international success, also **displayed** at the **MoMA** in **New York**.



OUR STORY: WHERE IT ALL STARTED

EuroItalia starts its collaboration with **Dsquared2**.

DSQUARED2



2018

2015



MISSONI

EuroItalia acquires the **Missoni license**, placing high expectations on the brand. In the same year was launched the first women fragrance **Missoni Eau the Parfum**.

2020



SOSTENIBILITÀ ATKINSONS LONDON 1799

I COLONIALI

EuroItalia undertakes a detailed program for the development of **sustainability practices**. **EuroItalia** completes the acquisition of **Atkinsons** and **I Coloniali**.

LAUNCH OF NEW LINES THAT FOCUS ON SUSTAINABILITY

2021

EuroItalia collaborates in the realization of new vegan and natural lines. Namely, the **Cherry Dream** line by **Naj Oleari**, the six new fragrances by **Atelier Versace**, the new Original Wood fragrance by **Dsquared2** and **Toy 2 Bubblegum** by **Moschino**.



FROM THE PAST WE LOOK TO THE FUTURE

Our Mission and our values: A family matter

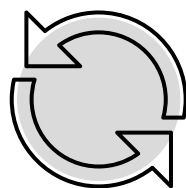
THE SECRETS OF OUR SUCCESS

Our Company is founded on the values of the family, trust, collaboration and dialogue, fundamental elements of its success. Moreover, EuroItalia is synonymous with creativity, quality and innovation, elements that have always distinguished it and have allowed it to grow and establish itself in the luxury beauty sector at international level. The values of EuroItalia are the ingredients of the formula for the creation of value in the long term. Concretely, these ingredients drive and enrich business decisions and daily actions/activities.



1. FAMILY

EuroItalia strongly believes in the value of family, which is the foundation of its success.



2. TRUST

EuroItalia believes that building relationships based on mutual trust with all its stakeholders guarantees the creation of value in the long term.



3. COLLABORATION AND DIALOG

Collaboration and dialog are the basis of every relationship in EuroItaly.



4. CREATIVITY

EuroItalia is an inexhaustible source of creativity. Its ability to generate unique and original products, always putting its customers at the center, is its distinctive feature.



5. QUALITY

Excellence is the basis of every decision regarding the product: From the ingredients used, through the production processes, to the packaging material.



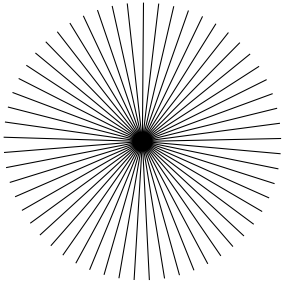
6. INNOVATION

EuroItalia is constantly oriented to the creation of more and more innovative products that anticipate the needs of its customers and the market trends.

The Company values are inherent in the philosophy of the Company and are constantly transmitted by the family that has an active role in the organizational structure. These values guide employees in their activities and allow the Company to build long-term relationships with its business partners. Business ethics are essential to build trust with your people, suppliers and customers, increase reputation and give you a competitive advantage. EuroItalia in fact boasts very long-term collaborations based on mutual trust with its customers, suppliers and distributors.

Finally, EuroItalia stands out for its high and constant attention to the customer, represented by both the and the final customer, with the aim of fully satisfying their expectations and anticipating their future needs promptly. In particular, with the international fashion house partners, it demonstrates an excellent ability to adapt to the specific creative styles that distinguish each of them.²

① (For more information, please refer to the chapter “Customer satisfaction: Our commitment to listening to the needs of our customers”)



Made in Italy philosophy

QUALITY AND CREATIVITY

"Made in Italy? A responsibility" (Giovanni Sgariboldi)

In 1978, Giovanni Sgariboldi created a new entrepreneurial reality in the province of Monza, putting **made in Italy** at the center of its **raison d'être**.

This philosophy is an element of uniqueness of the Company which, since its birth, has set itself the mission of spreading and enhancing the **Made in Italy** in the world, through perfumes.

Made in Italy represents a key part of EuroItalia's identity, through the predilection of Italian skills, quality and creativity, favoring collaboration with Italian companies from the great brands of the fashion sector to small and medium-sized entrepreneurs in the territory. Over the years, EuroItalia has taken on the role of main supporter of the district of the "art" of the Italian perfume.

THIS PHILOSOPHY IS SYNONYMOUS WITH EXCELLENCE AND CARE IN THE CHOICE OF INGREDIENTS AND THE SEARCH FOR A VERY HIGH QUALITY, STRICTLY MADE IN ITALY. AS A DEMONSTRATION OF THE EFFORTS MADE IN RECENT YEARS, EUROITALIA HAS BEEN NAMED AMONG THE COMPANIES TO WHICH IT IS RECOGNIZED THE MERIT TO BRING AND QUALIFY MADE IN ITALY IN THE WORLD.



MOSCHINO

Governance e compliance

Governance e compliance

EuroItalia presents a traditional governance model, a lean and dynamic system as it includes a management body, the sole director in the person of Giovanni Sgariboldi, and a control body, the Board of Statutory Auditors. The Board of Statutory Auditors does not have accounting control, which is delegated to an external auditor. In 2020, the financial statements of EuroItalia S.r.l. were audited, which led to the issuance by the auditing firm responsible of a positive opinion pursuant to Article 14(2) (e) of the Legislative Decree 39/10. The Board of Statutory Auditors is responsible for overseeing the process of preparing EuroItalia's financial information. In addition, the management of EuroItalia is owned by the Sgariboldi family, which has a decision-making and operational role.

Since 2020, EuroItalia has been equipped with the Organizational Model ex Legislative Decree. 231/2001, defining its own internal procedures for various types of offenses, including, for example, offenses linked to corruption between private individuals, market abuse and corresponding administrative offenses, accommodation and recycling, and offenses against public administration, environmental offenses, crimes committed in violation of accident prevention and health protection at work, and offenses of racism and xenophobia. EuroItalia has voluntarily decided to start a project of analysis of its organizational, management and control instruments, aimed at verifying the correspondence of the behavioral principles and control principals already adopted to the aims foreseen by the Decree. In particular, EuroItalia has identified the company activities in which the offenses included in the Decree could potentially be committed.

Also, pursuant to Legislative Decree 231/2001, EuroItalia has set up its own internal supervisory body to monitor compliance, effectiveness, implementation and operation of the model and to update it. The Supervisory Body with a collegial structure is composed of external members with autonomy, independence and professionalism appointed by the administrative body. The members of the supervisory body shall remain in office for three years from the appointment and shall in any event be re-elected. Finally, the Company has defined and adopted a system of sanctions, containing the disciplinary measures applicable in case of violation of the requirements contained in the Organizational Model pursuant to Legislative Decree 231/2001 in order to ensure the effective implementation of the model. This decision represents the Company's commitment to combating corruption. Following the adoption of the 231 model, EuroItalia has developed its own Code of Ethics.

During 2021, EuroItalia registered no corruption or non-compliance with social and economic laws and regulations.

In 2020, EuroItalia developed and adopted its own Code of Ethics in order to ensure that its business activities are carried out with respect for legality and ethical principles such as fairness, loyalty, integrity and transparency. The Code of Ethics enshrines a series of values and rules of “corporate ethics” which EuroItalia recognizes as its own and which require compliance by its social bodies, employees and third parties.

Cybersecurity and Data Privacy

PRIMI NEL SETTORE DEL BEAUTY AND FASHION

Over the last two years, the increased use of remote working has exposed EuroItalia to the risk of **cyberattacks**. In order to avoid this risk, our company is committed to achieving **ISO 27001 "Cyber Security"** certification for the Information Security Management System. To achieve this, EuroItalia has been active since 2020 to improve the security of its computer systems through:



- Training and awareness sessions on Cyber threats, which in 94% of the cases reach businesses through email and phishing attacks;
- The implementation, carried out in two phases, of a centralized management of the company password portfolio and profiling of EuroItalia personnel through Active Directory.
- The decision to adopt the organizational model of the Legislative Decree 231/2001, containing a reference to "computer crimes and illicit data processing".
- The engagement of a structured IT management partner and the choice to undergo two phases of Vulnerability Assessment and Penetration Test.
- The Modernization of machine room hardware and enterprise Wi-Fi infrastructure.
- The revision of the network architecture and the modernization of the related equipment.
- The adoption of a proxy server, a logging system and new Next Generation Firewalls, in early 2021.
- The subscription, in 2021, of the Managed Cyber Defence service which, by means of Palo Alto Networks technology, has enabled EuroItalia to significantly increase its ability to continuously monitor potentially malicious activities on all company PCs, laptops and servers and severely limit the spread of malware and other types of computer attacks.
- The launch of awareness campaigns aimed at all employees through the provision of specific training courses in the field of information security and the conduct of face-to-face lessons and the mailing of periodic awareness communications.
- The upgrade of shared servers to the Secure File Transfer Protocol to enable data encryption at the time of transmission.
- The automation of Windows system updates through the EuroWSUS system configuration, which enables the ability to automatically install updates published by Microsoft to address security vulnerabilities.
- The definition of additional Cybersecurity policies and procedures to formalize roles and responsibilities and to manage operational activities in a structured way.

In addition, some activities that started in early 2022 were implemented in 2021 that started in early 2022, including:

- The implementation of the encrypted Storage Area Network by implementing a data encryption technique to ensure data protection from data breach and ransomware attacks.
- The segregation of networks through the isolation of the most critical systems into separate segments to mitigate the risk that an attacker who has accessed the network will reach the systems that are most important to the organization.
- The definition of a Business impact Analysis, in order to identify the critical processes of the organization and the impacts on the business in case of business interruption, and a Disaster Recovery Plan that defines the activities to be implemented in case of a disaster for the recovery of activities.
- The Cyber Policy, which indemnifies the organization in the event of attack and business stoppage and provides access to accident assistance.
- The evolution of an e-mail access monitoring through the activation of specific Microsoft technologies that enable advanced options for controlling and monitoring user access to corporate e-mail. These technologies mitigate the risk of employee fraud and impersonation.

The implementation of all these measures, in addition to a demonstrated professionalism and a particular attention toward its employees and customers, has enabled our company – the first in the perfume and cosmetic sector – to obtain at the beginning of 2021 the ISO 27001 “Cyber Security” certification.

Achieving this goal makes us proud and aware that we have improved the safety of our company and therefore of our people.

Sustainability for EuroItalia

Sustainability for EuroItalia

The past two years have been a turning point for EuroItalia, as we have launched a structured path of formalizing and structuring our company's existing practices, with a process of 360 degrees formal integration of Sustainability in order to expand and improve its impacts on sustainable development.

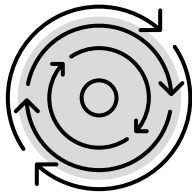
In 2021, EuroItalia maintained its commitment, as reported in its Sustainability Policy, to draw up the Sustainability Report for the third consecutive year.

The Sustainability Report has the objective of reporting our performance in terms of technical, economic, social and environmental responsibility, constantly monitoring the Company's sustainability performance and therefore making us more aware of the direct and indirect impacts we generate. Finally, the development and publication of this report allow us to increase transparency and strengthen dialogue with our **Stakeholder**.

OVER THE LAST TWO YEARS WE HAVE DEFINED AND DEVELOPED OUR OWN SUSTAINABILITY POLICY.

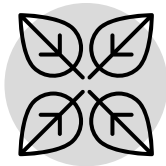
The mission of the Sustainability Policy is to guide and support EuroItalia in the sustainability path undertaken, in particular in the decision-making process and in the day-to-day management of its activities.

In the process of defining the Policy, EuroItalia has identified four fundamental pillars on which to focus its commitment, as follows:



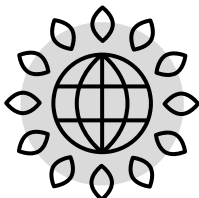
CENTRALITY OF THE PERSON AND SOCIAL IMPACT

EuroItalia considers its human capital a strategic asset, for this reason it is committed to enhancing its people and the uniqueness they represent and to promoting a meritocratic, stimulating and secure work environment. EuroItalia places its customers at the center, anticipating their needs and transforming them into safe, innovative and creative quality products. Aware of the fundamental role that EuroItalia assumes in its territory is committed to generating a long-term value shared with the local community in which it operates;



GREEN FOOTPRINT

EuroItalia is committed to monitoring its environmental impact in order to develop and implement innovative solutions aimed at reducing its footprint on natural capital and improving its environmental performance;



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

EuroItalia, aware of the strategic role assumed by its supply chain, is committed to creating and maintaining a collaborative relationship, trust and dialogue with its suppliers. EuroItalia is committed to carefully selecting and monitoring suppliers in order to guarantee the creation of quality and safe products for its customers;



BUSINESS INTEGRITY

EuroItalia is characterized by a strong business integrity leading its activities in compliance with and respecting the Law.

A continuous dialog with our stakeholders

THE UNIQUE VALUE THAT OUR STAKEHOLDERS REPRESENT

EuroItalia has identified its reference stakeholders through an internal analysis, defining among the main ones: personnel, business partners, distributors and retailers, the community, institutions and regulators, suppliers and final consumers.



EuroItalia



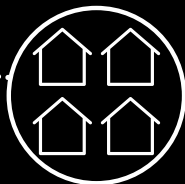
STAFF: The staff is considered a valuable asset, fundamental to the creation of long-term value. We strongly believe in the importance of our employees to achieve increasingly challenging goals and to continue to consolidate our success. For this reason, we invest in the personal and professional development of our employees and are committed to ensuring a safe, flexible, family-friendly working environment that is suitable for the needs of our people.



BUSINESS PARTNERS: Business partners, understood as fashion houses that grant the Company the license to produce and distribute beauty products, support us in the design of the products. On the other hand, we are committed to producing and offering products of excellence, innovative and creative that fully meet the needs and expectations of fashion houses. Finally, we invest our efforts in offering products that comply with current regulations and are safe for final consumers.



DISTRIBUTORS AND RETAILERS: Distributors and retailers support the Company in the distribution and sale of end products. They are instrumental in generating long-term value, ensuring efficient sales and distribution service. At the same time, we are committed to fulfilling our commitments to them.



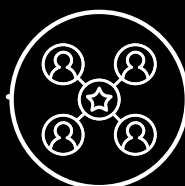
COMMUNITY: The community supports Euroitalia and in the same way we support the development of our community through its involvement in initiatives and projects of the territory.



INSTITUTIONS AND REGULATORS: The institutions and regulators have the task of regulating and verifying the Company's activities. We have always committed ourselves to operating in accordance with the law and to comply with all applicable laws.



SUPPLIERS: The suppliers of raw materials, both for perfumes and make-up products, and for packaging, are fundamental to enable Euroitalia to produce high quality, innovative and creative products. We work closely with our suppliers to achieve common goals for growth and value creation.



FINAL CONSUMERS: Euroitalia ensures that end consumers can benefit from products that are safe and up to their expectations.

We believe it is vital to establish and maintain long-term and strong relationships with all our stakeholders. A relationship based on constant and transparent dialogue and the active involvement of its stakeholders is a crucial element for the creation of long-term value. Through continuous and stable relations, we are able to understand the specific priorities and expectations of each stakeholder, to anticipate the emergence of possible criticalities and to promptly correct our actions in response to the needs of each of them.

Moreover, the transparent and continuous dialog with our stakeholders, and in particular with our community, allows us to have the support necessary to continue generating value.

We support, promote and spread the Made in Italy in the sector worldwide, thus enhancing the skills and know-how of the community in which we operate. The Company also has a strong social impact in the context in which it operates, being able to generate long-term value for its suppliers and for the whole territory.

In 2021, we decided to embark on a sustainability path aimed at improving and strengthening the dialog with our stakeholders, and at promoting transparency through the drafting and publication of the 2021 Sustainability Report. The path taken is a further expression of the responsibility that EuroItalia takes toward its community.

The precise identification of its stakeholders, the organization of effective channels of dialog and involvement and the constant monitoring of their interests and needs are a fundamental priority for EuroItalia. As a demonstration of EuroItalia's attention to its stakeholders, the company has set up a new website whose purpose is the account of our reality in a clear and transparent way addressed to all stakeholders.

ONE OF THE CENTRAL THEMES OF THE NEW EUROITALIA WEBSITE IS SUSTAINABILITY, TO WHICH A SECTION WILL BE DEDICATED THAT WILL HIGHLIGHT THE EXTRACTS FROM THE REPORT AND WILL ALLOW TO DOWNLOAD DIRECTLY THE SUSTAINABILITY REPORT.

STAKEHOLDER ENGAGEMENT METHODS		
Stakeholder groups engaged	How to engage	Frequency of engagement
STAFF	<ul style="list-style-type: none"> → Ongoing dialog with the Human Resources function → Meetings with employees to share your achievements and future goals → Awareness-raising meetings related to health and safety issues → Training sessions → Corporate intranet → Insertion programs for new hires 	Daily
BUSINESS PARTNERS	<ul style="list-style-type: none"> → Direct and continuous relationship → Consumer care support → Share annual results 	Daily Annual Semi-annual
SUPPLIERS	<ul style="list-style-type: none"> → Daily reports → Define and share regulations and standards → Dedicated Portal → Regular meetings and visits on site → Shared improvement plans 	Daily Annual Semi-annual
COMMUNITY	<ul style="list-style-type: none"> → Meetings with representatives of local community organizations and associations → Definition of projects or initiatives or interventions to support the local community 	Annual Semi-annual
DISTRIBUTORS AND RETAILERS	<ul style="list-style-type: none"> → Annual meetings → Share targets and annual results → Product training → Customer care support 	Annual Semi-annual
INSTITUTION AND REGULATORS	<ul style="list-style-type: none"> → Participation and collaboration with working groups → Design and development of joint initiatives 	Annual
FINAL CONSUMERS	<ul style="list-style-type: none"> → Customer service → Email box for receiving feedback 	Daily

In addition, EuroItalia is a member of various associations in different areas of intervention: In this sense, the main associations to which EuroItalia is a member are listed below:

1 ASSOLOMBARDA: Association of companies operating in the Metropolitan City of Milan and in the provinces of Lodi, Monza and Brianza, Pavia. The association protects the interests of the associated companies in the relationship with the institutional partners and stakeholders of the territory active in various fields: Training, environment, culture, economy, work, civil society. In 2021 our company was ranked in the 23rd position of Assolombarda's 2021 turnover.

2 COSMETICAITALIA: National Union of perfumery, cosmetics, soaps and similar industries is the sector's reference point in the elaboration and dissemination of information of a regulatory, technical, fiscal and commercial nature. Its objective is to accompany and support consumers in the search for cosmetic products by providing detailed information for a thorough knowledge of cosmetics and their ingredients.

3 CONFCOMMERCIO: The Italian General Confederation of Business, Professional activities and Self-employment, is the largest company representation in Italy. The Confederation supports the needs of the associated companies by defining lines of action, coordinating the implementation instruments, developing a strategy for the development of the sectors represented and developing a continuous dialogue with national institutions and bodies.

MATERIAL TOPICS FOR EUROITALIA: WHAT IS REALLY IMPORTANT FOR US AND OUR STAKEHOLDERS

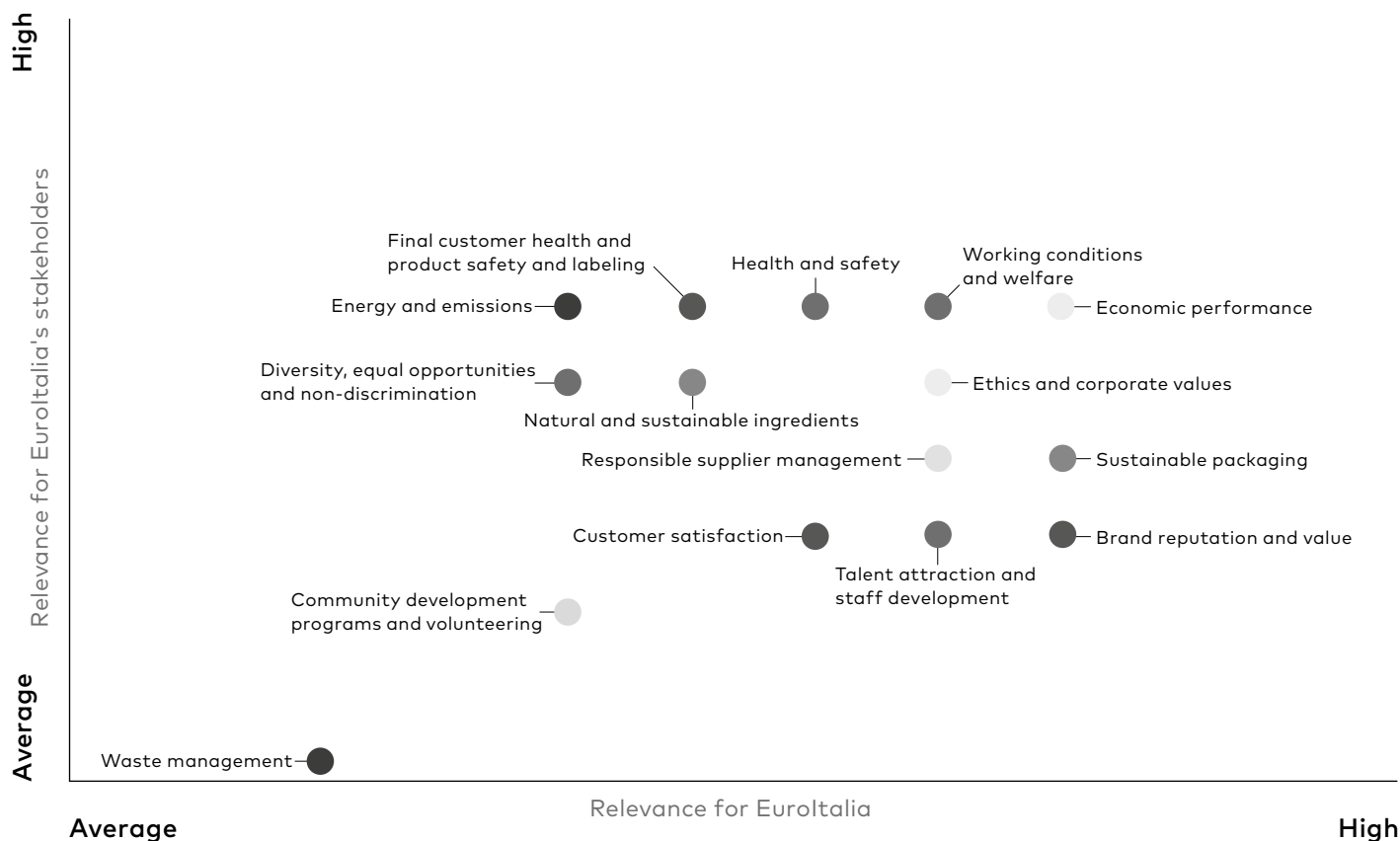
OUR SUSTAINABILITY PRIORITIES

In order to identify the Company's strategic priorities in the technical, economic, social and environmental fields that reflect significant economic, environmental and social impacts and influence stakeholder assessments and decisions, Euroitalia developed an analysis of its material topics during 2020. The purpose of the analysis is to identify where its impacts take place and, consequently, the structure and contents of its Sustainability Report. The analysis was carried out taking into account the context and sector of reference, national and international best practices and the main sustainability frameworks (Global Reporting Initiative, UN Sustainable Development Goals, etc.). The process of analysis took place internally to the Company through the involvement of the property and the management that identified the material topics both from the point of view of the organization and from that of its stakeholders. The result of the analysis led to the definition of the Euroitalia Materiality matrix.

During 2021, the reference context and sector trends were analyzed and deepened in order to update the Materiality matrix, which constantly represents the context in which Euroitalia operates, reflecting the challenges to be faced and significant economic, environmental and social impacts generated.

THE RESULT OF THIS ANALYSIS CONFIRMED THE MATERIALITY MATRIX PUBLISHED IN THE 2020 SUSTAINABILITY REPORT AS FOLLOWS.

MATERIALITY MATRIX



Economic responsibility

ECONOMIC-FINANCIAL RESULTS



APPROXIMATELY 80% OF THE VALUE GENERATED HAS BEEN DISTRIBUTED TO OUR STAKEHOLDERS (COMPARED TO 2020)³

³ Percentages calculated with data 2020-2021



LAUNCH OF MOSCHINO BUBBLEGUM LINE



LAUNCH OF ORIGINAL WOOD DSQUARED2

In 2021, EuroItalia ended the year with a turnover of 539,297 thousand euros, with a significant increase compared to 2020, during which there was a decrease mainly caused by the pandemic crisis of COVID-19, which led to the complete or partial suspension of production activities and the contraction of consumption at the global level.

During the past two years, EuroItalia has made significant investments in order to return to growth and confirm its positive growth trend in the three-year period before the pandemic. In 2019, the Group recorded an increase in production revenues of 25% compared to 2017, with a decrease in revenues in 2020, then returning to a significant growth in 2021, equal to 52% compared to the previous year and to 20% compared to 2019. As a demonstration of this commitment, to continue to increase and consolidate its market position, in the last two years, EuroItalia has in fact finalized the purchase of the two brands Atkinsons and I coloniali and, despite the decline in revenues, it continued to invest in its marketing campaigns and foreign commercial structures to consolidate its international presence.

following is a reclassification of the Group's income statement for 2021, which represents its generated and distributed value, an indicator of the economic impact that EuroItalia has promoted through its activities.

The value generated directly by the Group in 2021 amounted to 593,332 thousand euros, with an increase of 52% compared to 2020, while the value distributed in 2021, equal to 467,696 thousand euros, gained an increase of 45% compared to the previous year. In line with last year, about 80% of the value generated in 2021 by EuroItalia was distributed to its internal and external stakeholders, while 21% of the value generated was retained within the Company.

The largest share of the distributed economic value, 89%, is committed to the remuneration of the suppliers, followed by the remuneration of the Public Administration, equal to 8,6% of the distributed value, and the remuneration of the staff, equal to 2%. These distributions underline the importance that EuroItalia attributes to its supply chain, which is characterized by a structured business model on the outsourcing of production activities.

ECONOMIC VALUE DIRECTLY GENERATED AND DISTRIBUTED

Thousands of euros	2019	Percentage	2020	Percentage	2021	Percentage
DIRECTLY GENERATED ECONOMIC VALUE	474.773	100%	389.699	100,00%	593.332	100,00%
RETAINED ECONOMIC VALUE	59.704	12,6%	67.759	17,39%	125.636	21,17%
DISTRIBUTED ECONOMIC VALUE	415.068	87,4%	321.939	82,61%	467.696	78,83%
VALUE DISTRIBUTED TO SUPPLIER	388.413	93,6%	298.570	92,74%	418.220	89,42%
STAFF REMUNERATION	3.225	0,8%	3.324	1,03%	9.166	1,96%
REMUNERATION OF DONORS	/	/	1	0,0003%	21	0,005%
REMUNERATION OF THE PUBLIC ADMINISTRATI	23.403	5,6%	19.996	6,21%	40.278	8,61%
REMUNERATION OF THE COMMUNITY	27	0,01%	48	0,01%	12	0,002%

Responsibility to people

LE PERSONE AL CENTRO



89% FULL-TIME PERMANENT EMPLOYEES



17% MANAGERS, 62% CLERKS, 21% WORKERS



QUAS HEALTH COVERAGE + ADDITIONAL HEALTH CARE FOR EXECUTIVES I



11 NEW HIRES



EAST FUND FOR OTHER EMPLOYEES

EuroItalia recognizes the importance and centrality of its human capital as a strategic asset for its success.

For this reason, we invest our energies in attracting and selecting the best talents and in the professional growth and valorization of each of our employees. In addition, we are committed to promoting the well-being of our people and to ensuring a safe, healthy, stimulating and meritocratic work environment where everyone is encouraged to express their own skills and talents. At the base of the report there is a direct, transparent and human relationship between the Company and the employees themselves.

As of December 31, 2021, the total workforce was 53, recording an increase of 15% compared to 2020. In particular, as of 31 December 2021, EuroItalia has no external collaborators in its workforce, so the total workforce is equal to the total number of employees, which rose from 46 to 53 employees compared to 2020.

TOTAL WORKFORCE						
TW*	2020			2021		
	Men	Women	Total	Men	Women	Total
EMPLOYEES	28	18	46	31	22	53
OTHER COLLABORATORS	/	/	/	/	/	/
TOTAL	28	18	46	31	22	53

*total workforce

EMPLOYEES OF EUROITALIA BY CONTRACT TYPE AND GENDER						
TEC*	2020			2021		
	Men	Women	Total	Men	Women	Total
TEMPORARY	/	1	1	1	4	5
PERMMENT	28	17	45	30	18	48
TOTAL	28	18	46	31	22	53

*type of employment contract

EMPLOYEES OF EUROITALIA BY PROFESSIONAL TYPE AND GENDER						
PROFESSIONAL TYPE	2020			2021		
	Men	Women	Total	Men	Women	Total
FULL-TIME	27	18	45	30	22	52
PART-TIME	1	/	1	1	/	1
TOTAL	28	18	46	31	22	53

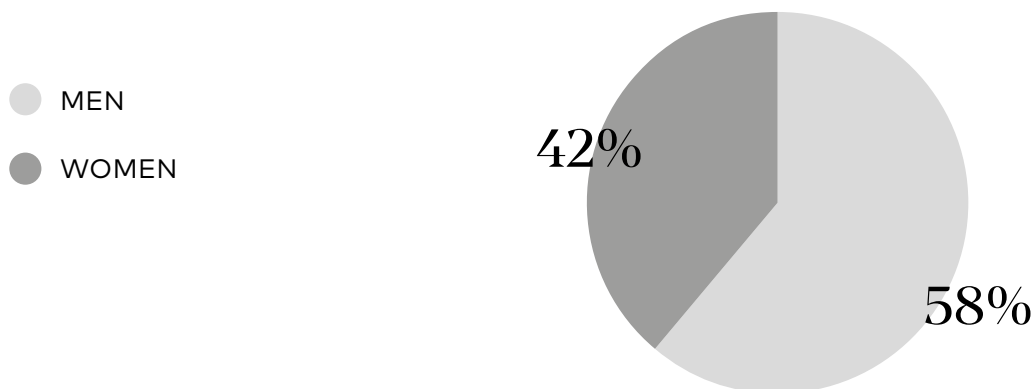
DIVERSITY, EQUAL OPPORTUNITIES AND NON-DISCRIMINATION DIVERSITY AS A SOURCE OF VALUE

Diversity, inclusion and equality are fundamental values for us, and we are committed to respecting them every day. We have resources with different skills and backgrounds, from marketing to logistics management, from materials study to quality control. For this reason, we invest our efforts in promoting and enhancing the unique value that every employee represents by offering equal opportunities for professional and personal growth and always paying close attention to all aspects of the life of our people.

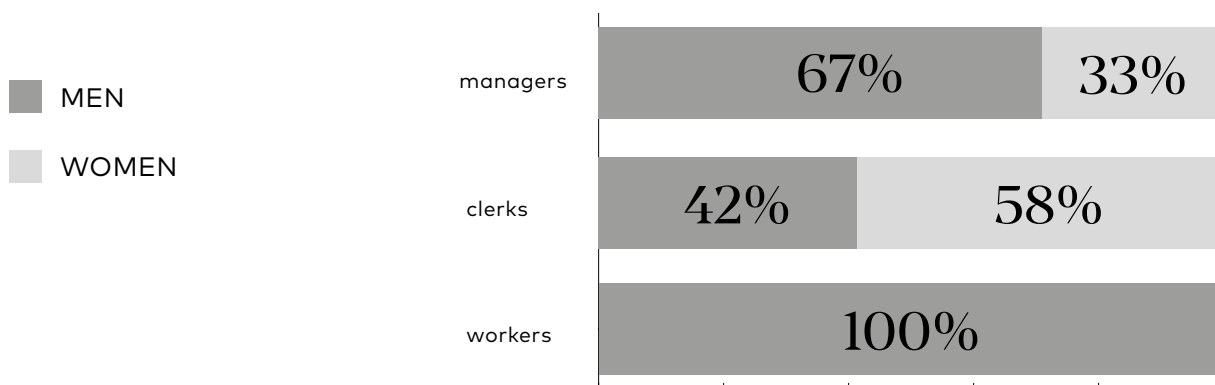
Euroitalia's corporate population consists of 42% women and 58% men. In addition, 62% of employees are in the age group 30 to 50, followed by the age group over 50 with 25%. In particular, the majority of staff (44%) are in the age group above 50, while the majority of employees (64%) and workers (64%) are in the age group between 30 and 50.

A significant figure, which makes us particularly proud, concerns our employees with the qualification of executives: 100% are hired in the local district. This characteristic demonstrates Euroitalia's attention to local communities and the territory in which it operates and is fundamental to the success of our model based on the philosophy of Made in Italy.

EMPLOYEES BY GENDER (2021)



EMPLOYEES BY OVERVIEW AND AGE GROUPS (2021)



EMPLOYEES BY OVERVIEW AND AGE GROUPS (2021)



EMPLOYEES OF EUROITALIA BY PROFESSIONAL CATEGORY AND GENDER

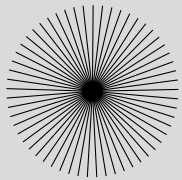
NP*	2020			2021		
	Men	Women	Total	Men	Women	Total
MANAGERS	71%	29%	15%	67%	33%	17%
CLERKS	41%	59%	59%	42%	58%	62%
WORKERS	100%	0%	26%	100%	0%	21%
TOTAL	61%	39%	100%	58%	42%	100%

*number of persons

EMPLOYEES OF EUROITALIA FOR CLASSIFICATION AND AGE GROUPS

	2020				2021			
	<30	30-50	50>	Total	<30	30-50	50>	Total
MANAGERS	0%	43%	57%	15%	0%	56%	44%	17%
CLERKS	11%	67%	22%	59%	21%	64%	15%	62%
WORKERS	0%	67%	33%	26%	0%	64%	36%	21%
TOTAL	7%	63%	30%	100%	13%	62%	25%	100%

*number of persons



EUROITALIA DOES NOT TOLERATE ANY FORM OF DISCRIMINATION ON THE BASIS OF GENDER, ETHNIC ORIGIN, SKIN COLOR, NATIONALITY, AGE, RELIGION, POLITICAL OPINION, SEXUAL ORIENTATION, MARITAL STATUS, UNION AFFILIATION, PHYSICAL OR MENTAL DISABILITY AND ANY OTHER CHARACTERISTIC OR PERSONAL STATUS. DURING 2021, NO ACTUAL OR ALLEGED DISCRIMINATION INCIDENT WAS DETECTED OR REPORTED WITHIN EUROITALIA.

Attracting talent and training staff as sources of growth and improvement

EUROITALIA BELIEVES AND INVESTS IN ITS HUMAN CAPITAL

We pay close attention to the attraction and selection of talented resources as we consider it a priority for the growth of the Company and for the strengthening of its competitive advantage in the sector. The new talent we hire adds value to existing business **know-how** by adding new and different skills and experiences.

IN 2021, EUROITALIA HIRED 11 NEW EMPLOYEES, WITH A NEW HIRING RATE OF 21%. THE COMPANY REPORTED FOUR DISCONTINUATIONS OF CONTRACT, WITH A TURNOVER RATE OF 7,5%.

As regards the recruitment of new resources, EuroItalia relies on recruitment agencies or receives applications directly through its LinkedIn channel.

We consider training to be a key element in the process of enhancing our people, as it is a key tool for developing, improving and consolidating the skills of each individual employee. At the same time, training is an important vehicle for spreading and transmitting corporate strategy and values, supporting the growth and cultural evolution of the Company through the growth and evolution of its people.

EuroItalia is responsible for the management and monitoring of the professional updates of its employees, including the training and awareness-raising course on Cyber Security issues, and compulsory training courses by law, including the safety and fire training course. The course on the management of dangerous goods shipments and the course on waste management, ensuring that everyone is involved.

In addition, employees are encouraged to offer any training for which the Company sponsors participation. Among the courses employees took part are courses on marketing, green packaging and consolidated financial statements.

Finally, we strongly believe in training on the job. By working and collaborating closely, every employee has the opportunity to learn from their colleagues' personal and professional experiences. For this reason, we invest our energies in creating an informal and familiar working environment to encourage listening and sharing of specific skills and knowledge. In this way we protect and pass on our know-how from one generation to another, from one employee to another.

AVERAGE HOURS OF TRAINING						
AH*	2020			2021		
	Men	Women	Total	Men	Women	Total
MANAGERS	/	/	/	/	/	/
CLERKS	1	/	/	5	1	3
WORKERS	3	/	3	4	/	4
TOTAL	2	/	1	4	1	2

*average hours

TYPE OF TRAINING PROVIDED				
TYPE OF TRAINING	2020		2021	
	No. of participants	Total hours	No. of participants	Total hours
HEALTH AND SAFETY TRAINING	16	50	9	90
VOCATIONAL TRAINING	/	/	13	52
TOTAL TRAINING	16	50	22	142

Working conditions and welfare

OUR ATTENTION TO PEOPLE

WE ARE COMMITTED TO CREATING A FAMILY-FRIENDLY AND CHALLENGING WORK ENVIRONMENT TO ENCOURAGE OUR EMPLOYEES TO MAXIMIZE THEIR SKILLS. WE ALSO RECOGNIZE THE IMPORTANCE OF A FAIR BALANCE BETWEEN WORK AND PRIVATE LIFE FOR OUR EMPLOYEES.

As we said, we consider our human capital to be an essential element of our strategy, which underpins our ability to create long-term value. That's why we value and reward our employees by offering some business benefits.

As far as healthcare is concerned, EuroItalia guarantees by law the QuAS health coverage for the management and the EST fund for the other employees. In addition, the Company guarantees additional health care to the managers and the prosecutors.

EuroItalia distributes a prize to all its employees in June or at the end of the year. The awarding of these prizes is based on a meritocratic assessment of the performance of individual employees and the availability shown during the year. EuroItalia does not base these evaluations on sales or turnover targets, just to enhance the merit of each employee.

Every year, EuroItalia donates a Christmas basket to its employees as a sign of thanks for the commitment shown during the year.

In order to guarantee a comfortable working environment, EuroItalia has prepared a fully equipped dining room for all employees where it is possible to have your own lunch.

Finally, EuroItalia is always open to suggestions and proposals from its employees, establishing a direct relationship with each one of them. Recently, the Company has provided deckchairs to have lunch outside or to relax and enjoy the break in a green garden, as proposed by the staff.

All employees are covered by collective bargaining. The minimum period of notice for termination of employment under the CCNL for distribution and service providers is 20 days and may vary with the years of service and employee level. There is, however, no minimum notice period for corporate operational changes defined as this is based on the needs of the moment and is not explicit within the applied CCNL.

Health and safety at work

THE HEALTH AND SAFETY OF OUR PEOPLE ALWAYS AT THE FIRST PLACE

We are committed to ensuring a safe and secure workplace by taking precautionary measures to comply with the highest required standards and regulations. In managing the health and safety at work of our employees, we rely on the advice of a specialized external company to receive the greatest possible support to manage this issue. The experience of the external society allows us to receive specialized technical advice. In particular, the company is responsible for the management of compulsory training for all employees related to safety at work and the training of first aid and emergency personnel. Through various meetings of comparison taking place during the year, the necessary activities for training on safety at work are planned. The EuroItalia health and safety management system is compliant with the Article 81 of 2008, Act for Work Safety, which reorders and coordinates, within a single text, all the rules to be observed in the field of health and safety of workers at work, in particular, it establishes a series of preventive actions and how they must be carried out and, consequently, a series of measures to improve the safety and health of workers and how they must be carried out.

EUROITALIA PREPARES THE RISK ASSESSMENT DOCUMENT (DVR), UPDATED ANNUALLY, WHICH IDENTIFIES, ANALYZES AND MONITORS THE RISKS IN THE OPERATION OF THE COMPANY AND ALLOWS IT TO DEFINE CORRECTIVE ACTIONS AND TO MAKE RESPONSIBLE DECISIONS ALSO WITH RESPECT TO THE IMPROVEMENT OF THE HEALTH CONDITIONS AND THE PHYSICAL INTEGRITY OF THE WORKERS.

In addition, an annual inspection of offices and warehouses is carried out also through the support of external consultants in order to prevent any possible accidents at work.

With regard to health and safety management related to procurement management, EuroItalia requires the necessary documents to draw up the Interference Risk Assessment Document (DUVRI) which assesses the risks arising from mutual interference due to the two different activities, indicates the measures taken to eliminate interference risks and the measures taken to minimize non-eliminable risks, checks that the employees responsible for the work are in possession of the appropriate technical requirements and ensures that the employees responsible for the work are in compliance with the INAIL insurance positions. The contracted workers are then covered by the health and safety management system through DUVRI. In the Company, to ensure the respect of health and safety, an external Head of the Prevention and Protection Service (RSPP), two officers, first aid and emergency workers have been identified.

The first aid and emergency workers are trained employees in charge of these tasks.

WORKPLACE SAFETY TRAINING IS CARRIED OUT EVERY YEAR IN ACCORDANCE WITH THE RULES LAID DOWN BY THE LAW IN FORCE. THIS TRAINING IS DELIVERED THROUGH CLASSROOM COURSES AND SPECIFIC COURSES DEPENDING ON THE EMPLOYEE'S FUNCTION.

For example, training and updating sessions are provided for the use of forklift trucks to ensure the safety of users. In addition, health and safety managers and emergency personnel attend refresher courses each year. Finally, all employees participate in the legally compulsory fire-fighting course and are involved in the evacuation test conducted once a year. During the evacuation test, the evacuation plan shall be implemented and shall be updated annually. In addition, during 2021, the subscription of a video surveillance plant was promoted, which was installed in 2022. The plant is connected to an operative center that allows a rapid intervention of law enforcement and relief in case of fire, intrusion, theft, robbery and in case of accidents in order to protect the company's assets and people.

EuroItalia relies on its own professional doctor for the first visit, including blood and urine tests, of new hires to establish absolute or partial fitness and to report possible prescriptions and points of attention in relation to any assigned tasks. In addition, the competent doctor will take care of the medical examination on an annual basis as required by law and also of the visit before return when an employee exceeds 60 days of illness, in order to ascertain his/her fitness. In addition, urinalysis is carried out to the forklift and warehouse workers in order to check for the presence of drugs or alcohol.

In 2020, EuroItalia installed a Life Guidance defibrillator in the Cavenago logistics center that provides simple step-by-step instructions in order to be able to intervene promptly in the event of a cardiac emergency. This decision underlines EuroItalia's commitment to ensuring a safe working environment for its employees.

In 2021, EuroItalia had only one accident, which was the only one in ten years. In particular, the recorded rate of accidents at work is 2,58, while the rate of deaths due to accidents at work and the rate of serious accidents at work is zero for both staff and external staff. Total hours worked for 2021 amounted to approximately 87.814 for employees and approximately 5.249 for external employees. Over the last two years, EuroItalia has faced the health emergency from COVID-19, committing itself to protecting the health and safety of its employees by implementing the necessary precautionary measures in accordance with the current legislation.⁴

TOTAL HOURS WORKED		
Hours worked	2020	2021
EMPLOYEES	77.493	87.814
EXTERNAL COLLABORATORS	4.598	5.249





BSA/Quinta Deck Club
www.spsd.org



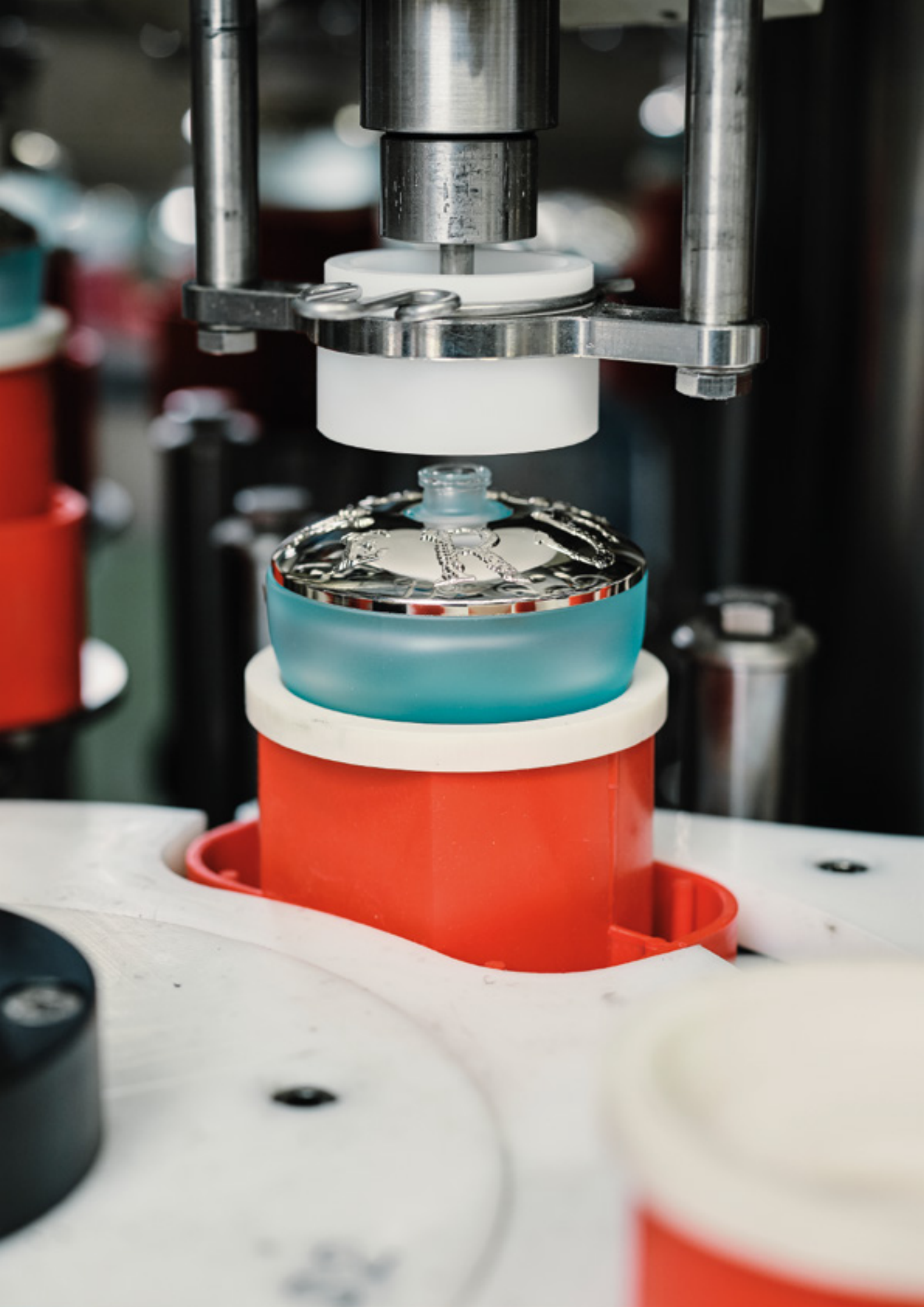








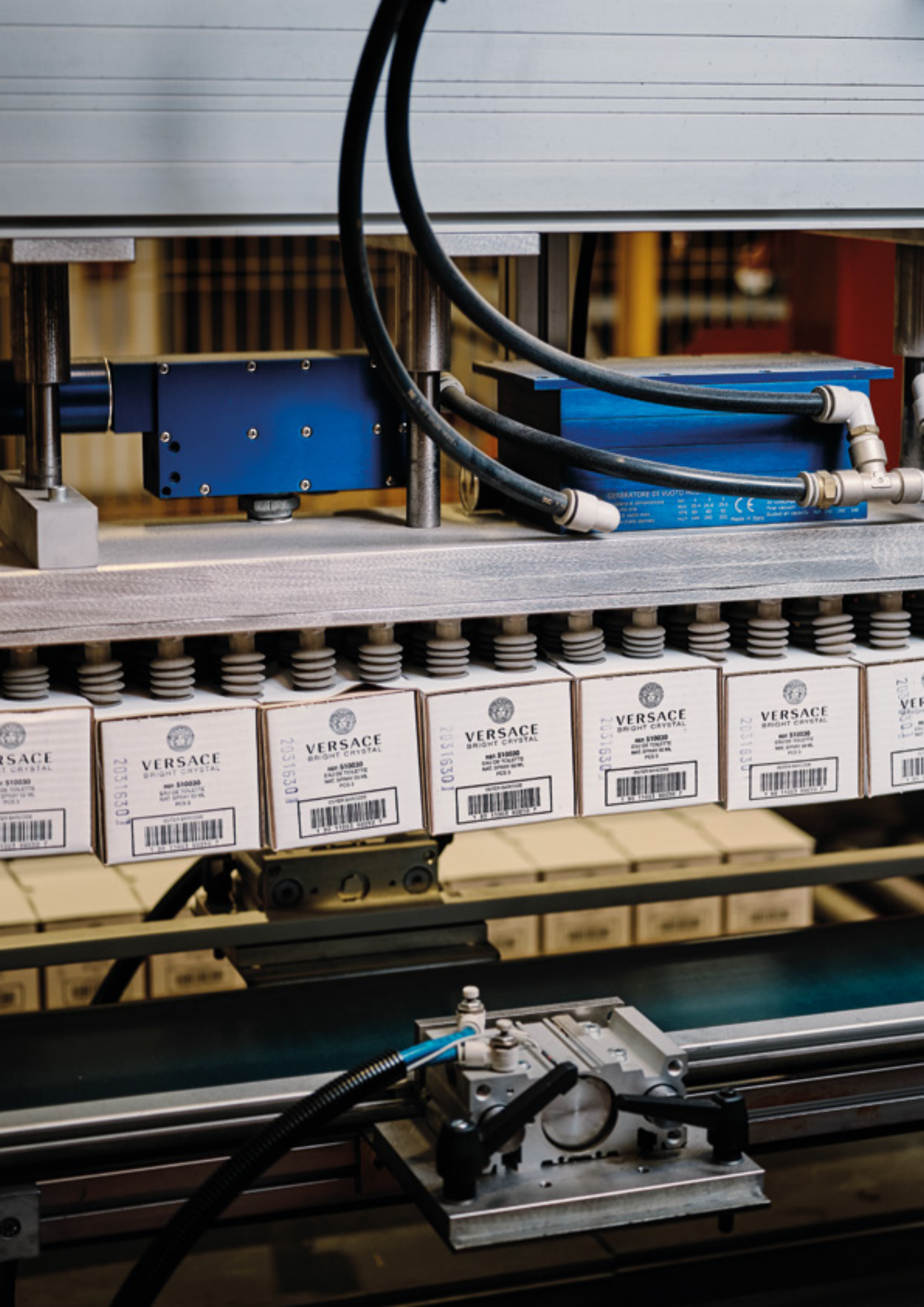
















UN 1266
PERFUMERY
PRODUCTS



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MADE IN ITALY



Environmental responsibility



100% ELECTRICITY FROM RENEWABLE SOURCES



89% OF WASTE IS NON-HAZARDOUS



**- 62% OF GREENHOUSE GAS EMISSIONS
(SCOPE 1 + SCOPE 2 MARKET BASED) COMPARED TO 2019**

**OUR FOOTPRINT: OUR COMMITMENT TO REDUCING
OUR ENVIRONMENTAL IMPACT**

**EUROITALIA'S ATTENTION TO THE PROTECTION
OF OUR NATURAL HERITAGE**

Respect for the environment and the surrounding territory has become over the years of great importance for EuroItalia, which is committed to improving its performance both in terms of energy efficiency, and in terms of attention to environmental sustainability through the development of multiple initiatives and projects aimed at reducing its environmental impact.

EuroItalia does not directly handle the production phases, and its energy consumption is attributable only to the Covenago **Headquarter**, where its offices and warehouses are located. The efficient management of energy is one of the most important aspects for EuroItalia, as it allows the reduction of costs, the continuity of activities, a better management of maintenance and a greater control on possible wastes and dispersions. We also believe that continuous improvement in energy efficiency is essential to drastically reduce our impact on the environment. For this reason, we are committed to investing in fuel efficiency, carrying out preventive maintenance and adopting new monitoring technologies where possible.

OVER THE YEARS, WE HAVE DEVELOPED AN ENERGY EFFICIENCY PROGRAM THAT INCLUDES SEVERAL PROJECTS AND INITIATIVES AIMED AT REDUCING OUR ENVIRONMENTAL IMPACT, REDUCING ENERGY CONSUMPTION AND, WHERE POSSIBLE, USING ENERGY FROM RENEWABLE SOURCES. SINCE 2020, EUROITALIA HAS USED ONLY ELECTRICITY FROM RENEWABLE SOURCES THROUGH THE ENERGY PRODUCED BY THE PHOTOVOLTAIC SYSTEM AND THROUGH THE PURCHASE OF A CERTIFICATE OF ORIGIN, REPOWER GREEN.

Another initiative to demonstrate our commitment is the renewal of the company car park with the introduction, in recent years, of hybrid and electric cars, the latter charged mainly with the energy produced by our photovoltaic system.

As a demonstration of our commitment, in 2020 we installed two free charging posts for employees and business partners in order to promote and support the development of sustainable mobility, both inside the company and outside, through the involvement of other **stakeholders**.

Currently, we are considering introducing additional plug-in electric or hybrid car models, in December 2021 we introduced a new hybrid rental car and are considering renting other 100% electric or hybrid Plug-in cars. We are aware that sustainable mobility is the mobility of the future and thus believe that it is essential to invest in this direction.

As a demonstration of its commitment to managing and improving its environmental impacts, during 2021, EuroItalia did not register cases of non-compliance with environmental laws and regulations.

Energy management: Toward a more sustainable business

HOW EUROITALIA IS COMMITTED TO THE ENVIRONMENT

In order to further improve environmental performance, in recent years we have undertaken important investments for the modernization of our **Headquarters** and for the installation and implementation of advanced technologies capable of achieving increasingly high energy efficiency performance.

DURING 2019, EUROITALIA INVESTED 318.000 EUROS IN THE CONSTRUCTION AND INSTALLATION OF SOLAR PANELS, ACTIVATED FROM 2020. SOLAR PANELS, LOCATED ON THE ROOF OF THE WAREHOUSE, ALLOW US TO PRODUCE ABOUT 480.000KWH OF RENEWABLE ELECTRICITY EVERY YEAR.

FOR 2022, EUROITALIA HAS PLACED AN ORDER FOR THE PURCHASE OF FORKLIFT TRUCKS WITH LITHIUM BATTERY, WHICH WILL ALLOW TO MAKE QUICK DAYTIME RECHARGING, GARENTONDO THE EXPLOITATION OF THE ENERGY PRODUCED BY OUR PHOTOVOLTAIC SYSTEM.

THE COMPRESSOR WILL ALSO BE REPLACED IN 2022, WHICH WILL ENABLE US TO SUBSTANTIALLY REDUCE ENERGY CONSUMPTION.

Furthermore, EuroItalia is proud to announce the achievement of an important objective: Our electricity consumption is 100% renewable. In fact, in 2020, as a demonstration of EuroItalia's continued commitment to reduce its environmental impact, 100% of electricity purchased comes from renewable sources with green energy certificate guarantee of origin (GO).



AMONG THE INITIATIVES WE HAVE TAKEN TO REDUCE THE IMPACT ON THE ENVIRONMENT, THERE ARE:

The purchase, in 2018, of a new, highly efficient air-cooled Kaeser rotary-life compressor, able to guarantee an estimated saving of 23,000 kWh, resulting in a reduction of 33% in 2019 compared to 2018;

The purchase, in 2019, of a new central dryer that we estimate will allow a saving of 17,072 Euro in terms of energy consumed over 10 years and a reduction in CO₂ emissions of 51.2 tons over the same period of time;

The replacement of existing lamps with LED lamps in the warehouse since 2019, while in 2020 the replacement of traditional office lamps with LED illuminated bodies was completed. Moreover, it was decided to install automatic lights in the bathrooms of the offices and the warehouse in order to avoid waste and therefore reduce our energy consumption;

The commitment to re-plan some specific activities by scheduling them during the day in order to make the most of the photovoltaic system installed in 2019, thus maximizing the use of renewable electricity.

In 2021 a phonometric survey was carried out which identified some compressed air leaks, which were repaired allowing an improvement in efficiency and economic savings.

In 2022 t a project will start with the aim to remove plastic, as far as possible, from the packaging of shipments to our distributors and customers. This project will not only reduce our impact in terms of plastics use but will also save us electricity used to heat shrink our packages to date.

Among the main environmental impacts of EuroItalia, the consumption of energy resources and the joint production of GHG emissions are among the most significant.

The logistic commercial process takes place inside the main site of EuroItalia, while the production plants are outside the central site. The incoming products are suitably packaged and sent to the final customer through the use of different types of machinery present in the Cavenago Headquarters.

The electricity is used for product packaging and wrapping activities, for general services (compressed air circuit) and for secondary services (office air conditioning, interior lighting, outdoor lighting, forklifts and offices).

The use of electricity is largely concentrated on auxiliary services, as the plant has an important space dedicated to the sale of the product and a space dedicated to the offices. Process consumption is limited due to the presence of only two packaging islands. Natural gas is used only for auxiliary services, mainly for the winter air conditioning of the warehouse.

In 2021, the Company's energy consumption amounted to 10.151 GJ, an increase of 10% compared to 2020, in which consumption amounted to 9.211 GJ. This increase is due to the slight increase in the use of natural gas and electricity.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION

	Unit of measure	2020	2021
ELECTRICITY	GJ	4.068	4.459
OF WHICH PURCHASED	GJ	3.334	3.073
OF WHICH SELF-PRODUCED AND CONSUMED	GJ	734	1.386
NATURAL GAS	GJ	5.143	5.692
TOTAL	GJ	9.211	10.151

In 2021, EuroItalia produced a total of 322 tons of CO₂ representing the Scope 2 emissions calculated using the Location based method recording an increase of 3% compared to 2020, and zero emissions representing the Scope 2 emissions calculated using the Market based method. Scope 2 Market based emissions are equal to zero since the electricity purchased comes from 100% renewable sources, such as self-produced electricity and the purchase of the Repower Green Certificate of Origin.

The Group's self-produced electricity rose by 77% in 2021 compared to 2020. This was possible thanks to the installation, in May 2020, of a proprietary photovoltaic system, which was operating for the whole duration of 2021. The increase in self-production meant that, in 2021, more than 30% of the electricity consumed was produced internally.

THESE EMISSIONS ARE DIVIDED INTO/INCLUDE:

DIRECT EMISSIONS - SCOPE 1: EMISSIONS FROM ENERGY USE, SUCH AS HEATING FUELS;

INDIRECT EMISSIONS - SCOPE 2: EMISSIONS FROM THE ENERGY GENERATION PURCHASED.

5. The Location-based approach provides for the use of a national average emission factor for the specific national energy mix for the production of electricity.

6. The market-based approach involves the use of an emission factor defined on a contractual basis with the electricity supplier.

DIRECT GREENHOUSE GAS EMISSIONS (GHG) – SCOPE 1

	Unit of measure	2020	2021
NATURAL GAS	tCO ₂	289	320
TOTAL SCOPE 1	tCO₂	289	320

INDIRECT GREENHOUSE GAS EMISSIONS (GHG) – SCOPE 2 – LOCATION BASED

	Unit of measure	2020	2021
ELECTRICITY CONSUMED	tCO ₂	314	322
TOTAL SCOPE 2 LOCATION BASED	tCO₂	314	322

INDIRECT GREENHOUSE GAS EMISSIONS (GHG) – SCOPE 2 – MARKET BASED

	Unit of measure	2020	2021
ELECTRICITY CONSUMED	tCO ₂	0	0
TOTAL SCOPE 2 MARKET BASED	tCO₂	0	0

TOTAL GREENHOUSE GAS EMISSIONS (GHG)



Moreover, at EuroItalia we are constantly committed on getting information on new solutions aimed at optimizing consumption and avoiding waste of energy. In this regard, we have been researching compressed air leaks over the last few years to avoid energy waste and to monitor our environmental impacts.

Waste management

SPECIAL ATTENTION

EUROITALIA MANAGES THE WASTE DISPOSAL IN A TIMELY AND EFFICIENT WAY, IN ORDER TO COMPLY WITH THE CURRENT LEGISLATION AND MITIGATE ITS ENVIRONMENTAL IMPACT.

The waste generated by Euroitalia's activities consists mainly of packaging material, cellophane, scotch, warehouse material, paper, cardboard and wood, toner and production waste. In particular, with regard to production waste, the waste products generated by the contractors converge at the Euroitalia Headquarters from which they are started for disposal. Euroitalia in fact supplies to the contractors the materials for production and consequently manages the waste deriving from it. In this way, Euroitalia monitors and tracks the quantity and quality of the waste produced by its suppliers and contractors and encourages them to reduce them in order to minimize any waste, always in the interests of product quality and resource saving.

We are committed to developing and implementing projects to encourage and support the reduction of waste generated.

As for customer return management, products, in particular perfumes and cosmetics, are checked and then subdivided into "non reusable" and "still reusable" (in some cases only partially). These are referred back to the contractor or supplier for reuse in order to reduce waste. For example, if a product is returned due to a defect in the case but the internal product is still reusable, it is returned to the contractor for re-packaging and then returned to the market.

Euroitalia draws up annually the unique Model of Environmental Declaration (MUD), containing the information relating to each batch disposed of, as required by the current legislation. The CONAI fee is paid through the suppliers and is then refunded.

The packaging resulting from the daily logistics of the Euroitalia warehouse, including cardboard (packages and boxes), plastic (cellophane, film and Scotch) and wood (broken pallets), is collected and disposed of weekly on call if necessary. These waste materials are recycled entirely.

The waste generated by the production of Euroitalia products, including perfumes and cosmetics, is collected periodically and accumulated in the Company's warehouse and then disposed of once a year under the supervision of the tax authorities.

The Finished goods are distinguished and managed differently from the components, which in turn are distinguished by material type. In particular, the finished goods are triturated and then sent to a heat-storage unit for the production of electric energy. The grinding is carried out at authorized plants and is always followed and controlled by the staff of Euroitalia since, being products of prestigious brands, Euroitalia ensures that the disposal of such waste is carried out in its entirety. The components, divided by type of material, are instead mostly recycled, while the non-recyclable part is sent to a waste-to-energy plant to produce electrical energy.

IN 2021, EUROITALIA PRODUCED AROUND 633 TONS OF WASTE, OF WHICH 72 TONS OF HAZARDOUS WASTE AND 561 TONS OF NON-HAZARDOUS WASTE.

IN 2021, AS IN 2020, THE MOST WIDELY USED METHOD OF DISPOSAL WAS RECOVERY. USUALLY, HAZARDOUS WASTE IS SHREDDED FIRST AND THEN BURNED IN A SPECIALIZED PLANT.

As in 2020, non-hazardous waste generated also accounts for 89% of total waste in 2021. In 2021, there was an increase in total waste produced, both hazardous and non-hazardous. The finished product is disposed of as hazardous waste, being it highly flammable.

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD

Method of disposal (t)	2020				2021			
	Dangerous	Non - hazardous	Total	%	Dangerous	Non - hazardous	Total	%
RECYCLING / RECOVER ⁸	0,0	322,9	322,9	89%	0,1	560,9	560,9	89%
CRUSHING ⁹	40,4	0,9	41,3	11%	71,8	0,0	71,8	11%
TOTAL	40,4	323,8	364,2	100%	71,9	560,9	632,7	100%

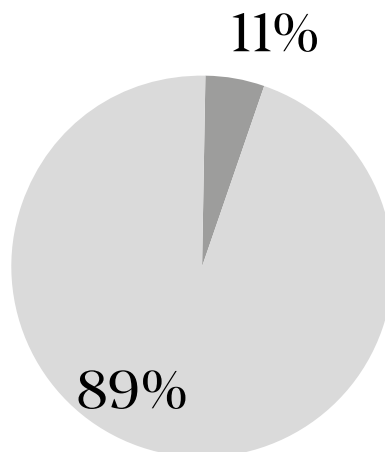
8. Including energy recovery 9. Shredded waste is subsequently incinerated

WASTE DECOMPOSITION

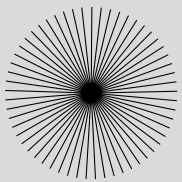
	2020		2021	
	Total	%	Total	%
DANGEROUS [T]	40	11%	72	11%
NON DANGEROUS [T]	324	89%	561	89%
TOTAL	364	100%	633	100%

TOTAL WASTE (2021)

- NON-HAZARDOUS [t]
- HAZARDOUS [t]



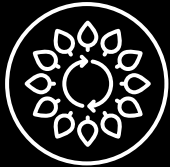
The increase in hazardous waste produced in 2021 is associated with the disposal of products containing LILIAL, a substance which has been prohibited from sale to the consumer since March 2022. The general increase in non-hazardous waste produced in 2021 is largely associated with the fact that waste for a longer period of time was managed in 2021 than in previous years.



FURTHERMORE IT IS IMPORTANT TO INVOLVE AND RAISE AWARENESS AMONG OUR EMPLOYEES ABOUT REDUCING PAPER, TONER AND ENERGY CONSUMPTION AND THE PROPER SEPARATE COLLECTION OF WASTE THROUGH GUIDELINES AND INFORMATION.

IN ALL EUROITALIA'S OFFICES AND SPACES THERE ARE SPECIAL CONTAINERS FOR THE DIFFERENTIATED COLLECTION OF WASTE, IN ORDER TO START THE DISPOSAL OR THE RECOVERY/RECYCLING OF THESE MATERIALS IN A CORRECT AND EFFICIENT WAY. IN PARTICULAR, THE WASTE COLLECTED IN A DIFFERENTIATED WAY IS PAPER, CARDBOARD, WOOD, PLASTIC, GLASS, TONER AND COMPUTER EQUIPMENT.

Sustainable innovation: The green revolution in the luxury beauty sector



LCA ON SOME SPECIFIC PRODUCTS



**CREATION OF AN INGREDIENTS AND
RAW MATERIALS BLACK LIST**



**ALL PERFUMES ARE LILIAL FREE WITH A CONSEQUENT
CHANGE OF PACKAGING AND THE ROTATION OF THE
FINISHED PRODUCT**



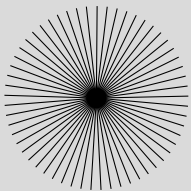
COFFRET LINE AT ZERO KM AND PLASTIC FREE



**POTENTIAL SAVINGS OF 378 TRUCKS FOR
TRANSPORT THANKS TO THE UNIQUE PRODUCTION
POINT FOR CHRISTMAS AND SPRING CAMPAIGN BOXES**

Since 1978 , EuroItalia has been a synonymous of quality, innovation and creativity, from the careful selection of Raw materials that guarantee the creation of successful fragrances among the best sold in the world to the choice of ever more innovative formulas for make-up.

Our commitment has always focused on the product, as a result of a policy of differentiation that represents the expression of our passion for quality and excellence of the Made in Italy and our strong impulse toward the creation of new and creative products. Moreover, as far as packaging is concerned, EuroItalia has always distinguished itself in the field for the materials used, the shapes, the colors and the design. An obvious example is the **"Cheap & Chic"** mosaic perfume exhibited at **MOMA** in New York.



WE ARE PIONEERS ALSO FOR THE OLFACTORY NOTES OF FRAGRANCES, WITH THE MOST CREATIVE AND INNOVATIVE RESULTS, LAUNCHING ON THE MARKET SOME OF THE MOST SOLD PERFUMES THE WORLD FOR BOTH MALE AND FEMALE.

The concepts of emerging innovations, current trends, consumer satisfaction and product safety are an inspiration for the continuous search for improvement. For this reason, our products are in continuous evolution, starting from the formula indicated on the label to the external packaging.

THE COMPANY INVESTS ITS EFFORTS IN THE CONTINUOUS SEARCH FOR UNIQUE ESSENCES AND IN THE DEVELOPMENT OF FORMULAS FOR EFFECTIVE MAKE-UP PRODUCTS THAT REFLECT THE NEW NEEDS OF THE FINAL CUSTOMERS. WE ARE COMMITTED TO TAKING CARE OF THE PRIMARY AND SECONDARY PACKAGING IN THE SMALLEST DETAIL, SHOWING SENSITIVITY TO THE INNOVATIONS OF THE MOMENT AND FOLLOWING THE FLOW OF TRENDS THAT INFLUENCE THE PURCHASE OF THE FINAL CONSUMER.

Currently, the luxury sector is undergoing an important green transformation, as sustainability is gaining an increasing importance in the strategic decisions of fashion companies, leading to the creation and development of new products. In recent years, consumers have become very sensitive to issues that relate to the environment, climate change, respect for human rights, and sustainable growth, encouraging companies to take their responsibilities and make concrete decisions toward achieving a common goal: a sustainable, inclusive, and equitable economy.

In this context of change, we are committed to designing and manufacturing products of excellence, that are innovative and creative, by carefully analyzing their potential environmental and social impact in order to mitigate or reduce, when possible, any adverse effects. This commitment is expressed concretely in the choice of ingredients of our fragrances and make-up products, in the choice of Raw materials for packaging and in the choice of the production processes used. Specifically, we consciously avoid ingredients and Raw materials with long disposal times in the environment.

Over the years, EuroItalia has created its own Black List, containing the list of all the ingredients used for the creation of fragrances and make-up products to be excluded both from a safety point of view for consumers and from an environmental and social point of view.

The essences are in part derived from natural Raw materials, and in part from a chemical synthesis that reproduces the qualities of natural ingredients. Using both methods does not burden natural ecosystems and thus does not affect their biodiversity, which would be the effect of using natural Raw materials alone.

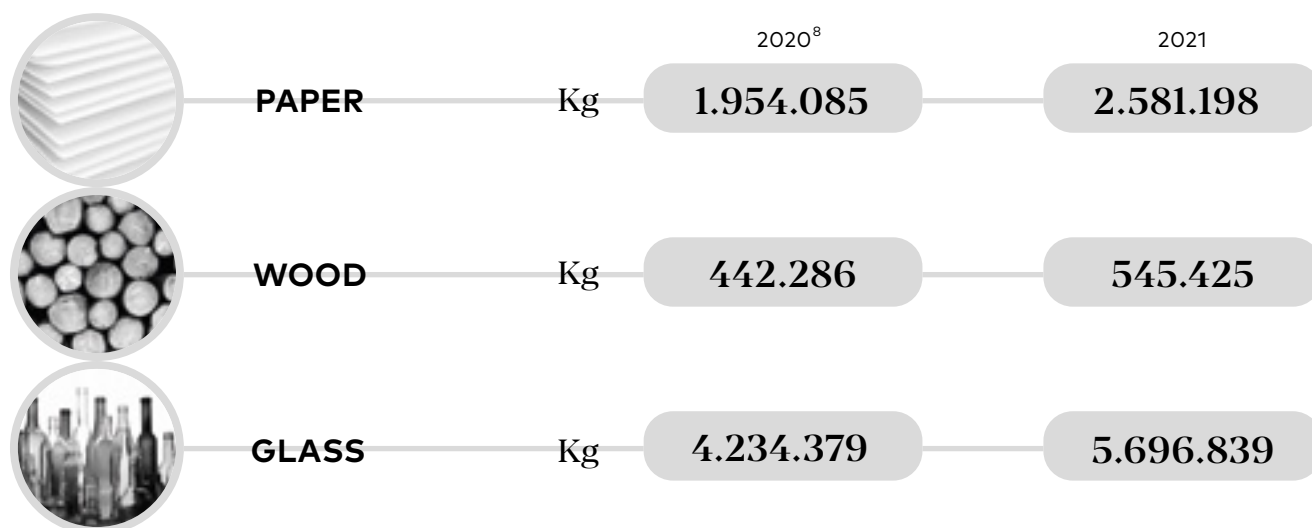
MOST OF THE PROCESSES USED BY THE SUPPLIERS OF EUROITALIA FOLLOW THE GREEN CHEMISTRY PRINCIPLES. SPECIFICALLY, AMONG THE ESSENCES LAUNCHED IN 2021, TOY 2 BUBBLEGUM BY MOSCHINO IS CHARACTERIZED BY A BIODEGRADABILITY VALUE OF 80%. MOREOVER, THE FRAGRANCE IS COMPATIBLE WITH VEGAN PRINCIPLES AS IT DOES NOT CONTAIN ANIMAL OR ANIMAL INGREDIENTS.

7. Data was calculated considering the biodegradability percentage of the essences of the main suppliers of EuroItalia

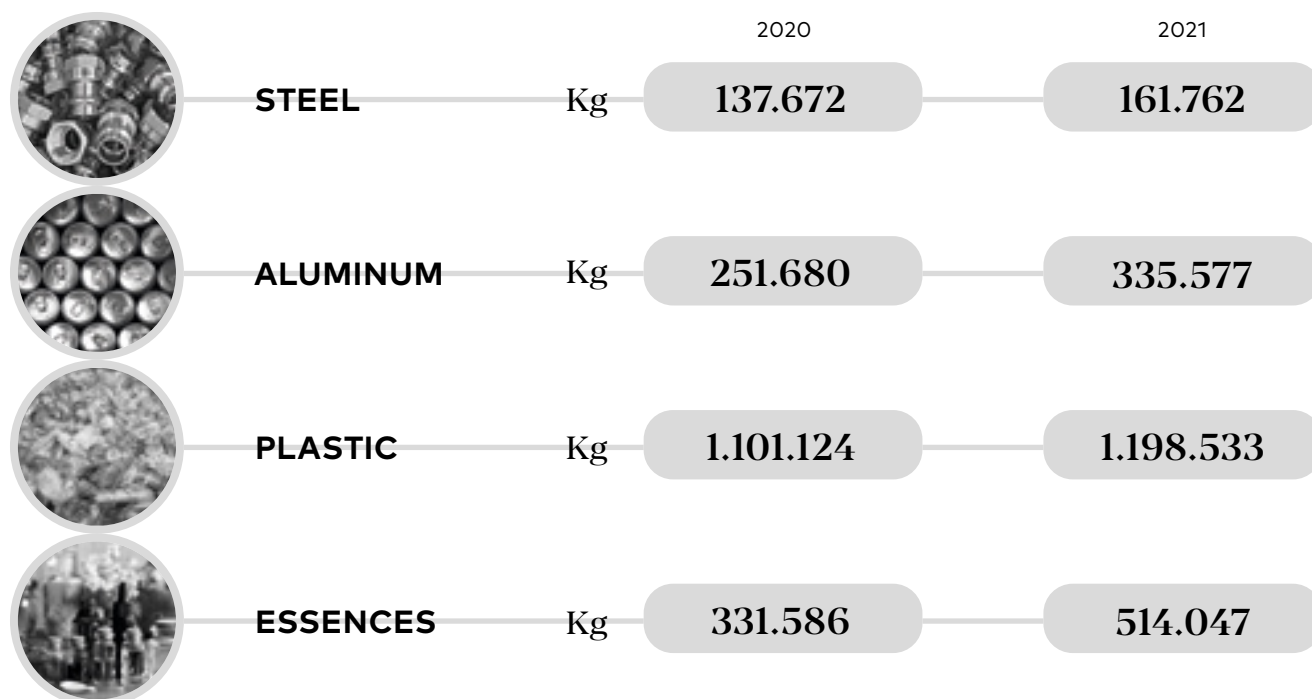
From 2019, our company has set the ambitious goal of increasing the rate of biodegradability up to 95% in the production of essences. To meet this target, EuroItalia carefully chooses its suppliers among those following the "Green Chemistry" processes. Specifically, among the essences used in 2021 the average percentage of biodegradability is around 78%. In addition, EuroItalia monitors various parameters that characterize its fragrances, including parameters that indicate the efficiency of fragrance production, others that measure the potential impact on ecosystems and human health of the whole fragrance production process, others that indicate the percentage of the fragrance coming from regenerable raw materials, and finally the percentage of natural ingredients used in the formula. To further improve its commitment, EuroItalia decided to launch in 2020 a Life Cycle Assessment (LCA) on one of its perfumes with the aim of analyzing and evaluating its environmental impact throughout the product's life cycle. The study enabled the Company to understand the environmental impact of each phase of the product life cycle analyzed in to design and develop solutions to mitigate or reduce impacts. Finally, EuroItalia respects the guidelines of the European Union which, through Directive 2003/15/EC, has established a ban on animal experiments on finished cosmetic products since September 2004. EuroItalia's commitment in this area exceeds the mere compliance with the current legislation: In particular, when possible, in products where animal parts are often used, we are committed to using synthetic products (for example, we prefer brushes with synthetic bristles). Moreover, a clear example of this commitment is the creation of the latest fragrance for him launched on the market, which can be defined as vegan since it lacks ingredients that derive directly and indirectly from the animal world.

Therefore, considering the overall context, as regards the Raw materials used in 2021, both for perfumes and beauty products and for packaging, 80% are renewable while 20% are non-renewable. As far as aluminum is concerned, it is a highly virtuous material since it is 100% recyclable and can be reused almost indefinitely.

RENEWABLE RAW MATERIALS (KG)



NON-RENEWABLE RAW MATERIALS (KG)

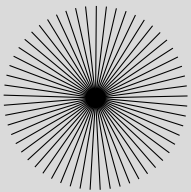


8. The 2020 and 2021 data for renewable raw materials refer to the purchased amounts of these materials. Data for 2020 has been adjusted following an optimization of the calculation method.



FOCUS
Innovative launches

ONE OF THE LAST MAKE-UP LINES LAUNCHED BY EUROITALIA IN 2021 IS DISTINGUISHED BY THE RESPECT OF THE HIGHEST STANDARDS OF SUSTAINABILITY, UNDERLINING THE CONTINUOUS EFFORTS SUPPORTED BY THE COMPANY WITH THE OBJECTIVE OF CREATING PRODUCTS WITH POSITIVE ENVIRONMENTAL AND SOCIAL IMPACTS. SPECIFICALLY, THE NEW LINE IS CHARACTERIZED BY VEGAN FORMULAS WITH HIGH PERCENTAGES OF NATURAL INGREDIENTS. FOR EXAPLE, THE SUN KISSED BAKED BRONZER IS FORMULATED WITH 98% NATURAL ORGANIC INGREDIENTS AND AN ECO PACKAGING DESIGNED IN FSC CERTIFIED PAPER WITH 15% AGRO-INDUSTRIAL MAIZE INGREDIENTS AND 40% POST-CONSUMER RECYCLED CONTENT.



EUROITALIA HAS STARTED AN ANALYSIS OF THE ENVIRONMENTAL IMPACTS OF ITS PRODUCTS STARTING FROM ONE OF ITS MOST SOLD AND PERFUMES WORLDWIDE: VERSACE BRIGHT CRYSTAL - EAU DE TOILETTE NATURAL SPRAY. THROUGH THE LCA (LIFE CYCLE ASSESSMENT) STUDY, CARRIED OUT IN ACCORDANCE WITH THE INTERNATIONAL REFERENCE STANDARDS (ISO 14040 AND ISO 14044), IT WAS POSSIBLE TO QUANTIFY THE ENVIRONMENTAL IMPACTS ASSOCIATED WITH ALL PHASES OF THE LIFE CYCLE OF THE PRODUCT ANALYZED: FROM THE EXTRACTION OF RAW MATERIALS, TO THE PRODUCTION, DISTRIBUTION AND END OF LIFE OF PERFUME.

Specifically, the environmental impacts analyzed were:

1. GLOBAL WARMING: IMPACT OF GREENHOUSE GASES ON GLOBAL WARMING;

2. ACIDIFICATION: IMPACT ON THE ENVIRONMENT OF ACID GASES RELEASED INTO THE AIR, WHICH ARE THE CAUSE OF ACID RAIN;

3. EUTROPHICATION: IMPACT OF CONCENTRATION OF CHEMICAL NUTRIENTS, SUCH AS NITROGEN AND PHOSPHORUS, ON THE EXCESSIVE GROWTH OF AQUATIC PLANTS, CAUSING SERIOUS REDUCTIONS IN WATER QUALITY AND ANIMAL POPULATION;

4. REDUCTION OF THE TROPOSPHERIC OZONE LAYER: IMPACT OF GASES THAT DEplete THE OZONE LAYER.

The study made it possible to identify the most impactful life cycle phases of the product. The analysis showed that the production of the primary and secondary packaging (consisting of the glass bottle and all its parts and the packaging) and the worldwide distribution phase of the finished product are the areas of greatest impact. The assessment, conducted on the "Versace bright Crystal" perfume, has provided EuroItalia with a model and the elements necessary to know and evaluate the environmental impacts on the life cycle of its products. EuroItalia will therefore commit itself to reducing and mitigating the environmental impact taking into account in the development of its future products.

FINALLY, EUROITALIA COMPLIES WITH THE EUROPEAN UNION DIRECTIVES WHICH, THROUGH DIRECTIVE 2003/15/EC, HAS ESTABLISHED A BAN ON ANIMAL TESTING OF FINISHED COSMETIC PRODUCTS SINCE SEPTEMBER 2004. EUROITALIA'S COMMITMENT IN THIS AREA EXCEEDS THE MERE COMPLIANCE WITH THE CURRENT LEGISLATION: IN PARTICULAR, WHERE POSSIBLE, IN PRODUCTS WHERE ANIMAL PARTS ARE OFTEN USED, WE ARE COMMITTED TO USING SYNTHETIC PRODUCTS (FOR EXAMPLE, WE PREFER BRUSHES WITH SYNTHETIC BRISTLES). MOREOVER, A CLEAR EXAMPLE OF THIS COMMITMENT IS THE CREATION OF THE LATEST MASCULINE FRAGRANCE LAUNCHED ON THE MARKET, WHICH CAN BE DEFINED AS VEGAN SINCE IT LACKS INGREDIENTS THAT DERIVE DIRECTLY AND INDIRECTLY FROM THE ANIMAL WORLD.

Looking for natural and sustainable ingredients

OUR SUSTAINABILITY CHOICES REFLECTED IN OUR PRODUCTS

The last generation fragrances are produced with a low environmental impact through the use of natural ingredients and ultra-modern molecules, found in a sustainable way. This was achieved through years of research into green chemistry and white biotechnology.

We are strongly aware of the strategic importance that the selection of ingredients represents for the Company, both as regards the quality of the product and for the potential environmental and social impact generated through these choices.

We are committed to choosing the best ingredients for both the creation of fragrances and the development of **make-up** products, preferring natural and sustainable ingredients and always keeping in mind the new needs of consumers who are increasingly sensitive and attentive to the selection of natural, tracked, vegan, **environmentally friendly**, cruelty free products. Furthermore, EuroItalia's efforts in the development of natural formulas translate concretely into the exclusion, as much as possible, of substances such as preservatives, parabens and the limitation of the use of allergens. Furthermore, as already mentioned, EuroItalia has drawn up its own **Black List**, containing all the materials avoided by the Company for the creation of its formulas, both from a point of view of safety for consumers and from a point of view of environmental and social impact. Specifically, the **Black List** includes nano-materials, Raw materials, PROPYL PARABEN, BENZOPHENONE -3, derived from petroleum, parabens, nickel, formaldehyde. In addition to the voluntary exclusion of certain ingredients, EuroItalia creates products in accordance with the current regulations of the sector, carefully excluding Raw materials prohibited by law.⁹

For more information, please refer to the chapter “end consumer health and product safety at the basis of our choices”).

The traceability of ingredients is therefore crucial to ensuring the creation of environmentally and socially sustainable products. For this reason, we pay close attention to the evaluation, selection and monitoring of our suppliers of Raw materials and ingredients.

EUROITALIA HAS IN FACT SET THE GOAL OF MAKING, WITHIN TWO YEARS, FRAGRANCES THAT ARE 95% BIODEGRADABLE. TO ACHIEVE THIS, IT CAREFULLY CHOOSES ITS SUPPLIERS ACCORDING TO THEIR COMMITMENT TO THE ENVIRONMENT. IN 2020, IN FACT, EUROITALIA'S FRAGRANCES WERE MADE USING ESSENCES WITH AN AVERAGE BIODEGRADABILITY OF ABOUT 75%, AND IN THE SAME YEAR OUR COMPANY LAUNCHED A PRODUCT CONTAINING 86% BIODEGRADABLE MOLECULES.

Biodegradation allows the total conversion of the starting organic substances, essences, into simple inorganic molecules such as water, carbon dioxide and methane. In this way, the essences are disposed of more easily with minimal environmental impact.

FINALLY, EUROITALIA MONITORS OTHER IMPORTANT SUSTAINABILITY PARAMETERS THAT DETERMINE ITS FRAGRANCES, INCLUDING:

1. THE RENEWABILITY WHICH INDICATES THE PERCENTAGE OF THE FRAGRANCE COMING FROM RAW MATERIALS THAT CAN BE REGENERATED IN A SHORT PERIOD OF TIME;

2. THE E-FACTOR WHICH REFLECTS THE EFFICIENCY OF THE PRODUCTION OF FRAGRANCE (KG OF PRODUCTION WASTE PER KG OF FRAGRANCE PRODUCED);

3. THE E/TOX WHICH EVALUATES THE POTENTIAL IMPACT OF FRAGRANCE UNDER ANALYSIS ON ECOSYSTEMS AND HUMAN HEALTH THROUGHOUT ITS PRODUCTION PROCESS;

4. THE PRINCIPLES OF GREEN CHEMISTRY, AN APPROACH TO CHEMISTRY BASED ON MAXIMIZING PROCESS EFFICIENCY AND MINIMIZING EFFECTS ON HUMAN HEALTH AND THE ENVIRONMENT EACH INGREDIENT IN THE FORMULA IS EVALUATED ON DIFFERENT CRITERIA RELATED TO THIS APPROACH.

● FOCUS

“Our green revolution in the 2021 launches”

In 2021, Euroitalia collaborated to create the following fragrances and a new innovative cosmetic line to demonstrate our concrete commitment to the use of natural ingredients and the design of sustainable packaging:

- **Original Wood.** Launched in 2021 in collaboration with Dsquared2 and signed by the nose of Daphne Bugey from Firmenich, the new male fragrance is a symbol of quality, research and innovation. Inspired by nature, the complex facets of wood are enhanced by green and spicy agreements, including cardamom, which comes from sustainable agriculture in Guatemala, where the Firmenich perfumer works with local communities.
- **Cherry Dream.** The new Naj Oleari line is made with vegan formulas and with high percentages of natural ingredients. The primary packaging is mainly made of FSC certified paper, while the secondary packaging is made up of 40% post-consumption material and 15% materials from agro-industrial residues. The bronzer, for example, enclosed in a trousse and a paper case, is formulated with 98% of ingredients of natural origin, the remaining 2% of which guarantees the sensoriality and preservation of the product. The scrub and face mask kit is made of 50% recycled plastic, while the palette is made of paper with an elastic closure that avoids the use of magnets. The lipsticks and fards also have an eco-designed packaging: The paper stick allows a considerable reduction of the plastic, used only for macanism.
- **Toy 2 Bubble Gum.** The new fragrance of Toy 2 Bubblegum Moschino is compatible with vegan principles, as it does not contain any intentionally added animal ingredients or animal derived ingredients such as dairy products, eggs, bee products or animal enzymes. Moreover, about 80% of the Raw materials contained in the fragrance is biodegradable.
- **Atelier Versace.** The Milanese fashion house presents an exclusive collection of perfumes with six new olfactory creations ranging from floral, woody, spiced to oriental: Encens supreme, Iris d'élite, Safran Royal, Gingembre pétillant and Black wood. The fragrance composition can be defined as vegan and contains high percentages of biodegradability and natural ingredients. The fragrances, in fact, have an average biodegradability of 51%, which reaches a value of 68% in Tabac Imperial fragrance. In addition, two of the fragrances are certified by the responsible supply "Natural together".

Packaging: Sustainability vehicle

THE MESSAGE WE WANT TO CONVEY

We are aware of the importance of **packaging** as an opportunity to achieve better sustainability performance, reducing the associated environmental and social impact through the increasingly sustainable and conscious design of the entire life cycle.

Packaging has become a key vehicle for achieving sustainability through the selection of reusable, recyclable or recycled materials, the reduction of materials used, eco-design choices and **greener** innovations .

Moreover, packaging can be called "talking" because it has the ability to promote and educate consumers about sustainability, encouraging them to make greener, informed decisions. **Packaging** is a powerful communication tool that describes the product, its ingredients, its use recommendations, warnings, how to manufacture and dispose of it.



In this context, we are working to design, develop, select and produce sustainable packaging by issuing a direct signal of presence in our industry with our sustainable packaging strategy. EuroItalia has always been a pioneer of creativity and innovation as regards the materials used, the shapes, the colors and the design of the **packaging**, the perfume, Moschino Cheap &Chic exhibited at the MOMA in New York, as already anticipated.

With a view of continuous improvement always in compliance with the laws, EuroItalia monitors and is constantly updated on sector news and on the national and international regulatory environment. In this sense our company has promptly adapted to the provisions of Legislative decree 116/2020, transposing European Directives 851 and 852 of 2018 on waste and packaging and packaging waste.



The decree, in particular, places the emphasis on labeling as a means of information and provides that all packaging must be properly labeled in accordance with the "applicable UNI technical standards and in accordance with the requirements of the European Union", in order to facilitate collection, re-use, the recovery and recycling of packaging and to properly inform consumers about the final destinations of packaging".

In order to correctly apply the regulation, the following information is required on the labels:

1. Identification and classification of packaging through the indication of the nature of the packaging materials used;
2. Indication of the role of consumers in the process of reuse, recovery and recycling of end-of-life packaging.

To fulfill the requirements of the abovementioned Decree and make communication with the final consumer more transparent, EuroItalia has already started to market products updated with the QR code dedicated to disposal even before the entry into force of the legislation. To this end, EuroItalia is committed to finding information on disposal and making it available to the final consumer through the implementation of a dedicated page on its website.

AS A DEMONSTRATION OF THE SENSITIVITY TOWARD THE SUSTAINABILITY OF OUR REALITY WE ARE COMMITTED TO IMPROVING AND REPLACING, WHERE POSSIBLE, PACKAGING BY PREFERRING AND SELECTING MATERIALS WITH LOWER ENVIRONMENTAL AND SOCIAL IMPACTS AND EXCLUDING MATERIALS THAT ARE HARMFUL TO THE ENVIRONMENT. THE CHOICE OF USING FOREST STEWARDSHIP COUNCIL (FSC) CERTIFIED CARDS IS A CLEAR EXAMPLE OF OUR COMMITMENT. FSC CERTIFICATION GUARANTEES THE ORIGIN OF THE CARDS FROM FORESTS MANAGED ACCORDING TO THE PRINCIPLES OF SUSTAINABLE FOREST MANAGEMENT AND CORRECT CHAIN OF CUSTODY.

Recently, a totally green range of **coffret** has been developed and produced by eliminating the plastic thermoformed containing the products, which has been replaced with cardboard. In addition, the graphic of the totally green range of coffret has been designed with the use of hot printing within the limits of 5%, so as to allow the disposal of the component in the differentiated. In this way the process does not provide for further metal laying steps, as usually occurs and therefore the coffret is disposable in the differentiated. The covers to complete the coffret are made of FSC cardboard and no longer PET. Moreover, this line can be defined as km Zero as it is developed, produced and shipped in the same production site, in Lombardy. In particular, a single integrated production and packaging phase is carried out in a production site where printing of the paper, combination of paper with rigid cardboard, perfume insertion, inside the coffret, packaging and finally the shipment of the products at global level take place. The development of packaging and integrated packaging, carried out on the same site, allows us to reduce our environmental impact by drastically reducing transport.

In recent years, Euroitalia has committed to sustainability by reducing its use of transport. For this purpose, since 2021 the Company uses a single location for the production, assembly and logistics of the Christmas and Spring campaign boxes. This new production plant has led to a saving of about 378 truck journeys. The estimate¹⁰ was made on the basis of the number of boxes contained in a bench, their annual sales and the number of pallets contained in a truck.

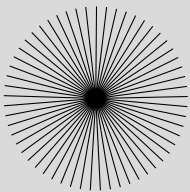
10 - A bench is made up of 120 boxes. By selling 3.000.000 boxes, which are equivalent to 25.000 pallets shipped, if a truck contains 66 pallets, the potential savings are 378 journeys of trucks avoided.

Following the design and testing of the pilot test, we extended the range of Coffret green & plastic free on a large scale to reach the production of 3 million pieces in 2020.

In all the productions, as far as the processing of bottles is concerned, the colored lacquers are made with watercolors, and not with harmful solvents, and the decorations do not contain heavy metals. On some product lines the pumps have a part called the bottom that is no longer anodized but painted. This process saves energy, thus reducing its environmental impact.

The capsules are mainly made of aluminum, which is more environmentally friendly and recyclable. Euroitalia's future objective is in fact to reduce the use of plastic through a great commitment of engineering in finding more eco-friendly materials.

Moreover, Euroitalia pays attention both to sustainability and to the exploration of the use of new materials. With its ability Euroitalia manages, starting from simple materials, to create imaginative packaging with different materials. For example, through the use of a high engineering technique has developed a line of perfumes with a partially eco-sustainable wood capsule, since externally the wood is FSC certified while internally it is coated in plastic and magnet. Always with regard to the materials used, we prefer aluminum over plastic, since it is highly recyclable, both to offer luxury products and to guarantee their quality, and to reduce the environmental impact by reducing the consumption of plastic.



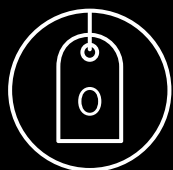
FINALLY, AMONG THE VARIOUS INITIATIVES PROMOTED BY EUROITALIA TO REDUCE ITS ENVIRONMENTAL IMPACT, WE HAVE COMMITTED TO ELIMINATING SOLVENT PAINTS, LEAD DECORATIONS AND TO COMPLETELY REMOVING LEAD FROM GLASS IN ORDER TO GUARANTEE THE RECYCLABILITY OF OUR PRODUCTS. FINALLY, EUROITALIA IS SUBJECT TO REACH LEGISLATION, WHICH PROVIDES A COMPREHENSIVE LEGAL FRAMEWORK FOR THE MANUFACTURE AND USE OF CHEMICALS IN EUROPE¹¹.

11 - Regulation (EC) No 1907/2006 concerning the registration, evaluation, authorization and restriction of chemical substances (reach) and the establishment of the European Chemicals Agency.

Customer responsibility



ZERO CASES OF NON-COMPLIANCE WITH REGULATIONS AND/OR SELF-REGULATORY CODES REGARDING IMPACTS ON PRODUCT SAFETY



ZERO INCIDENTS OF NON-COMPLIANCE IN THE FILED OF INFORMATION AND LABELING OF PRODUCTS AND SERVICES



ZERO INCIDENTS OF NON-COMPLIANCE WITH REGULATION AND/OR VOLUNTARY CODES RELATED TO MARKETING ACTIVITY, INCLUDING ADVERTISING, PROMOTION AND SPONSORSHIP

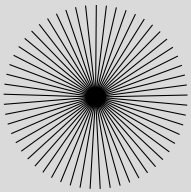
FINAL CONSUMERS' HEALTH AND PRODUCT SAFETY AT THE BASIS OF OUR CHOICES

QUALITY AND SAFETY GUARANTEED

In offering high quality and increasingly innovative products, we are committed to ensuring safety through a conscious choice of the ingredients used, monitoring and analyzing the compositions throughout the value chain.

PRODUCT SAFETY IS A PRIORITY ISSUE FOR THE INDUSTRY IN WHICH WE OPERATE, AS OUR PRODUCTS ARE CLOSELY CONNECTED TO THE HEALTH OF FINAL CONSUMERS, WITH POTENTIAL IMPACTS BOTH ON THE REPUTATION OF THE COMPANY AND ON THE REPUTATION OF THE FASHION HOUSE. IN PARTICULAR, PRODUCT SAFETY DETERMINES AND AFFECTS THE CREDIBILITY OF EUROITALIA AND THE FASHION HOUSE. FURTHERMORE, THE REGULATION OF THE LUXURY BEAUTY SECTOR IS VERY STRICT IN ORDER TO PROTECT THE HEALTH OF THE FINAL CONSUMERS. FOR THESE REASONS, WE ARE COMMITTED TO PRODUCING AND OFFERING SAFE PRODUCTS IN COMPLIANCE WITH THE REGULATIONS AND PARAMETERS SET OUT IN THE COSMETICS REGULATION (REG. UE 1223/2009).

The evaluation of the safety of each product and its impact on the health of the final consumer is an integral part of the product development process, which begins with the careful analysis and selection of suppliers and raw materials. In particular, Euroitalia requires its suppliers to comply with international standards, including 22716/2007 GMP (Good Manufacturing Practices specific to cosmetic products that guarantee their safety) and ISO 1907/2006 REACH (relating to the registration, evaluation, authorization and restriction of chemicals). The suppliers themselves are directly involved in ensuring product safety as they are personally responsible for carrying out tests and inspections to meet the required standards and to draw up the required documentation. This documentation is essential because it guarantees the in-depth knowledge of each product and therefore the safety.



IN ADDITION, RAW MATERIALS ARE CAREFULLY SELECTED, FOCUSING ON QUALITY, SUSTAINABILITY AND SAFETY. IN ADDITION TO THE SUBSTANCES PROHIBITED BY LAW, WE DO NOT USE CERTAIN SPECIFIC INGREDIENTS THAT ARE CONSIDERED INVASIVE OR HARMFUL TO THE HEALTH OF CONSUMERS, WHICH MAY CAUSE ADVERSE REACTIONS IN SOME INDIVIDUALS. AS ALREADY MENTIONED IN THE PREVIOUS PARAGRAPHS, IN FACT, OVER THE YEARS THE COMPANY HAS DRAWN UP ITS OWN BLACK LIST WHICH IDENTIFIES THESE INGREDIENTS WITH THE ULTIMATE AIM OF ELIMINATING THEM FROM ITS FORMULATIONS. AS FAR AS MAKE-UP PRODUCTS ARE CONCERNED, FOR EXAMPLE, PARABENS, NICKEL AND FORMALDEHYDE ARE EXCLUDED A PRIORI IN THE SELECTION OF THE POSSIBLE INGREDIENTS THAT CAN BE USED.

In order to guarantee the safety of the products, dedicated external consultants specialized in the cosmetic field are involved during the development phase of the product for the definition of the parameters necessary to create, compatible with the peculiarities of the product itself or of the line, a product safe for the consumers. The use of specialized external consultants, dedicated to us and competent in the field allows us to carry out a double control action super parts, thus ensuring the compliance with the required standards and the placing on the market of products safe for the intended use. If corrective action is required as a result of evaluation by external consultants, we will take direct action with suppliers and contractors to implement it.

In the development phase, all products are tested in the laboratory to ensure their safety. More specifically, the products are subjected to patch tests, an allergy test used to determine the presence of substances that, once in contact with the skin, cause an allergic inflammation of the skin. In addition, make-up products for application in the eye area are also subjected to ophthalmological tests to evaluate possible anomalies at the ocular level.

BEFORE PLACING ON THE MARKET, ALL PRODUCTS ARE SUBJECT TO SAFETY ASSESSMENT AND MICROBIOLOGICAL TESTING FOR THE PRESENCE OF MICRO ORGANISMS. FURTHERMORE, PRIOR TO PLACING ON THE MARKET, CONTRACTORS MUST DRAW UP A DOSSIER CALLED PIF (PRODUCT INFORMATION FILE), CONTAINING ALL THE CHARACTERISTICS OF THE PRODUCT, FROM FORMULATION TO PACKAGING. INSIDE THE PIF THERE IS A DOCUMENT CALLED SAFETY ASSESSMENT, APPROVED AND SIGNED BY A COSMETIC SAFETY INSPECTOR, WHICH CERTIFIES THE SAFETY OF THE PRODUCT. PIFS ARE CONFIDENTIAL DOCUMENTS, "A SORT OF PRODUCT IDENTITY CARD," AND ARE STORED AT OUR HEADQUARTERS.

In 2021 there were no cases of non-compliance with the regulations and/or self-regulatory codes concerning the impacts on product safety, confirming the trend of zero cases in all EuroItalia's years of activity. In particular, we have never experienced any cases of objective adverse reaction due to our product. However, in the event of non-compliance or product safety issues, we are ready to act immediately to support our end consumers. In particular, with regard to the problems arising from the use of the products, consumers have the possibility to contact EuroItalia or the fashion companies directly.

In the event that any undesirable effects occur following the use of a cosmetic product, it is necessary to intervene in a timely manner by EuroItalia, through the immediate start of a "COSMETO-Vigilance" practice, aimed at investigating the undesired event that has occurred.

Cosmetic articles are developed and produced in accordance with the reference regulations (Reg. EU 1223/2009) and, under development, are tested in the laboratory to determine its safety.

As set out in the European Regulation, the Cosmeto-Vigilanza procedure requires the manufacturer, following the customer's notification, to take an investigation of the product concerned. The consumer is therefore asked to complete a questionnaire aimed at obtaining the data of the user, describing in detail the adverse event occurring and identifying the product which gave rise to the undesired event.

In addition to the data provided by the consumer through the questionnaire, it is necessary to find and collect data from the production sites and related to the production of the cosmetic product concerned by the report.

Subsequently, the data collected are cross-checked and evaluated by competent consultants in the field in order to determine the origin of the adverse event to which the initial report is to be reported.

①

THE FIRST REFERS TO A SUBJECTIVE ADVERSE REACTION, DUE TO AN INTOLERANCE OF THE SUBJECT TO ONE OR MORE INGREDIENTS PRESENT IN THE PRODUCT.



IN THE FIRST CASE, WE RESPOND TO THE CONSUMER BY REPORTING ON THE FINDINGS OF THE ASSESSMENTS MADE AND URGING THE CONSUMER TO INVESTIGATE THE CASE WITH A DOCTOR AS SOON AS POSSIBLE IN ORDER TO AVOID A RECURRENCE OF A SIMILAR EVENT.

②

THE SECOND RELATES TO AN OBJECTIVE ADVERSE REACTION, DUE THEREFORE TO THE PRODUCT ITSELF. IN THIS CASE, THE PRODUCT IS POTENTIALLY UNSAFE.



IN THE SECOND CASE, WE TAKE THE MOST APPROPRIATE ACTION DEPENDING ON THE SPECIFIC CASE, INCLUDING PRODUCT REPLACEMENT, STOCK FREEZING, ASSESSMENT OF RECALL OR PROBLEM CORRECTION CAMPAIGNS, IF POSSIBLE, PRIOR TO RE-PLACING ON THE MARKET. HOWEVER, EUROITALIA HAS NEVER REPORTED AN OBJECTIVE ADVERSE REACTION CASE.

Finally, in the case where materials or components of the product present quality problems or problems related to the use of the product itself, Euroitalia, after careful checks on the basis of the production data and in-depth checks on compliance with the quality parameters foreseen for the specific product, provides timely **feedback** to the customer or fashion house, reporting the results of the investigation conducted and specifying the origin of the objective defect or the origin of the defect caused by incorrect use. An immediate response from Euroitalia is fundamental, since the quality and correct functioning of the product are closely linked to the reputation of fashion houses and Euroitalia itself.

Product labeling

THE HISTORY OF OUR PRODUCTS

(For further information on this, please refer to the paragraph “Packaging: A vehicle of sustainability”).

EuroItalia builds a relationship with its final customers based on transparency and trust through the correct and clear labeling of the products offered. We are not limited to compliance with the regulation on cosmetic products (Reg. EU 1223/2009) by correctly reporting the list of ingredients on the label, but we also report directly on the product all the necessary warnings and required by the type of product itself and the methods of use, in order to guarantee the correct and appropriate use in protection of the health and safety of consumers. EuroItalia constantly monitors new regulations and adjusts accordingly. This is the case with the re-labeling of its packaging in accordance with the European Directives of 2018 n° 851 and 852, which require the inclusion in the labels of information and instruction systems on packaging and its reuse and recycling. Our Company has complied with these legislative innovations by providing its products with a QR Code containing all the appropriate information to explain to the consumer how to manage these activities.¹²

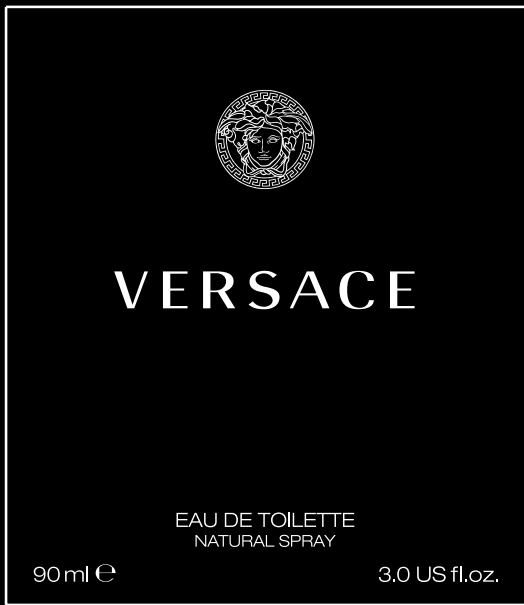
THE ACCURACY OF THE INFORMATION ON THE PRODUCT LABELS REGARDING THE INGREDIENTS USED IS LARGELY DERIVED FROM THE DOCUMENTATION PRODUCED BY SUPPLIERS AND CONTRACTORS THROUGH THE PRODUCT INFORMATION FILE (PIF) WHICH CONTAINS ALL THE CHARACTERISTICS OF THE PRODUCT, FROM FORMULATION TO PACKAGING.

Finally, the Company uses consultants or specialized and certified consulting firms that carry out specific checks on the documentation received from the laboratories of the third contractors, in particular they focus on the control of the PIF and the formulas of the cosmetic product. We directly handle any customer or end-consumer complaints or requests. In particular, we have always welcomed any request from our customers regarding the disclosure of additional product information. In addition, over the years, there have been requests from final consumers to resolve undesirable effects arising from the use of products, but following careful analysis and dialogue with the consumer, they were always tied to customer's personal reasons and not to the products themselves.

As for the Naj Oleari make up line, in addition to the information provided through the label, customers are further supported through the brand's website, where it is possible to find further advice and methods of use regarding the products in more depth. In addition, there is a product section on the site that lists frequently asked questions from consumers and answers to ensure maximum transparency about the products offered.

As a demonstration of EuroItalia's commitment to reporting information on its products and services in a transparent and clear way, there were no incidents of non-compliance in 2021 with regard to the information and labeling of products and services. In addition, there have been no incidents of non-compliance with regulations and/or voluntary codes relating to marketing activity, including advertising and promotion.

FRONT



INFO MATERIALI
E SMALTIMENTO
MATERIALS AND
RECYCLING DETAILS

**WE BELIEVE IN A BEAUTY
THAT IS SUSTAINABLE**

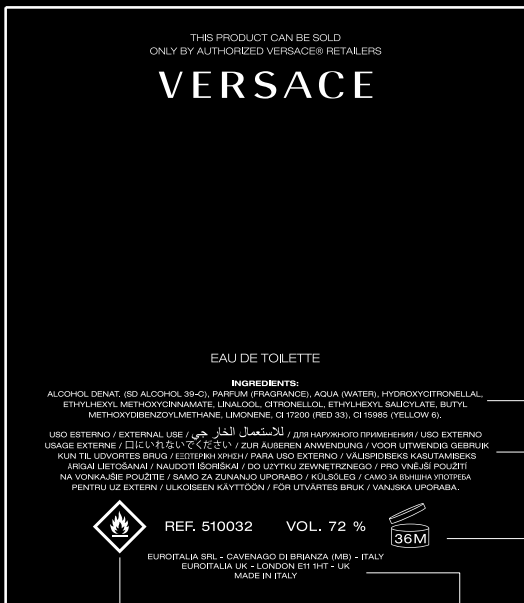
On each Euroitalia box you will find a QR code with all the information you need to dispose of your VERSACE correctly

SIDE



INFO MATERIALI
E SMALTIMENTO
MATERIALS AND
RECYCLING DETAILS

BACK



INGREDIENTS LIST
(INCI)

WARNINGS ON
THE USAGE IN
25 LANGUAGES



FLAME THAT INDICATES
THE INFLAMMABLE LIQUID
COSMETIC USAGE

LEGAL ENTITY WITH
REGISTERED OFFICE
EU/UK

REF. 510032
PRODUCT CODE

VOL. 72 %
ALCOHOL
PERCENTAGE OF
PERFUME



PAO

Customer satisfaction: Our commitment to listening to the needs of our customers

CUSTOMERS AT THE HEART OF OUR VALUE CHAIN

Euroitalia is responsible for placing on the global market cosmetic products bearing both the proprietary brands and those of which it is the exclusive licensee, giving its customers, the trademarks owners, the distributors in the various local markets/travel retail, and the final consumers a central role, by focusing its efforts on identifying and meeting their expectations.

In every situation, Euroitalia aims to build a solid relationship, not only by ensuring high quality and innovative product design, but also by respecting a daily relationship of trust.

In the development of a product (trademark owners' side), listening to the customer is a fundamental and strategic aspect of the company marketing area, which is peculiar in order to be able to align the offer of products with the wishes and needs of the customer.

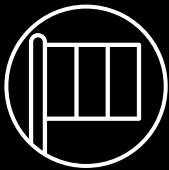
It is equally important to be able to listen to the distributor and the final consumer side and, although no specific campaigns are currently being carried out to evaluate the customer satisfaction of the final user, there are communications between Euroitalia and the Distributors, as well as from the end consumers toward Euroitalia, mainly related to the use of the products and the ingredients used in them.

Cosmetic articles are manufactured in accordance with the EU 1223/2009 reference regulations. In 2021, Euroitalia developed and tested new formulations that meet the latest regulatory updates to ensure safety and quality for the final consumer.

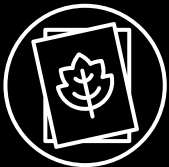
Following compliance with the above, it has gradually introduced these new formulations into its production, anticipating the statutory deadlines for 2022.

In this action we find Euroitalia's attention to all its customers, trademarks owners, Distribution and final consumers, united by the desire to have a product that is always current, qualitative and safe.

Partner responsibility: Creating shared value



**76% OF THE TOTAL ANNUAL EXPENSE
IS ALLOCATED TO ITALIAN SUPPLIERS**



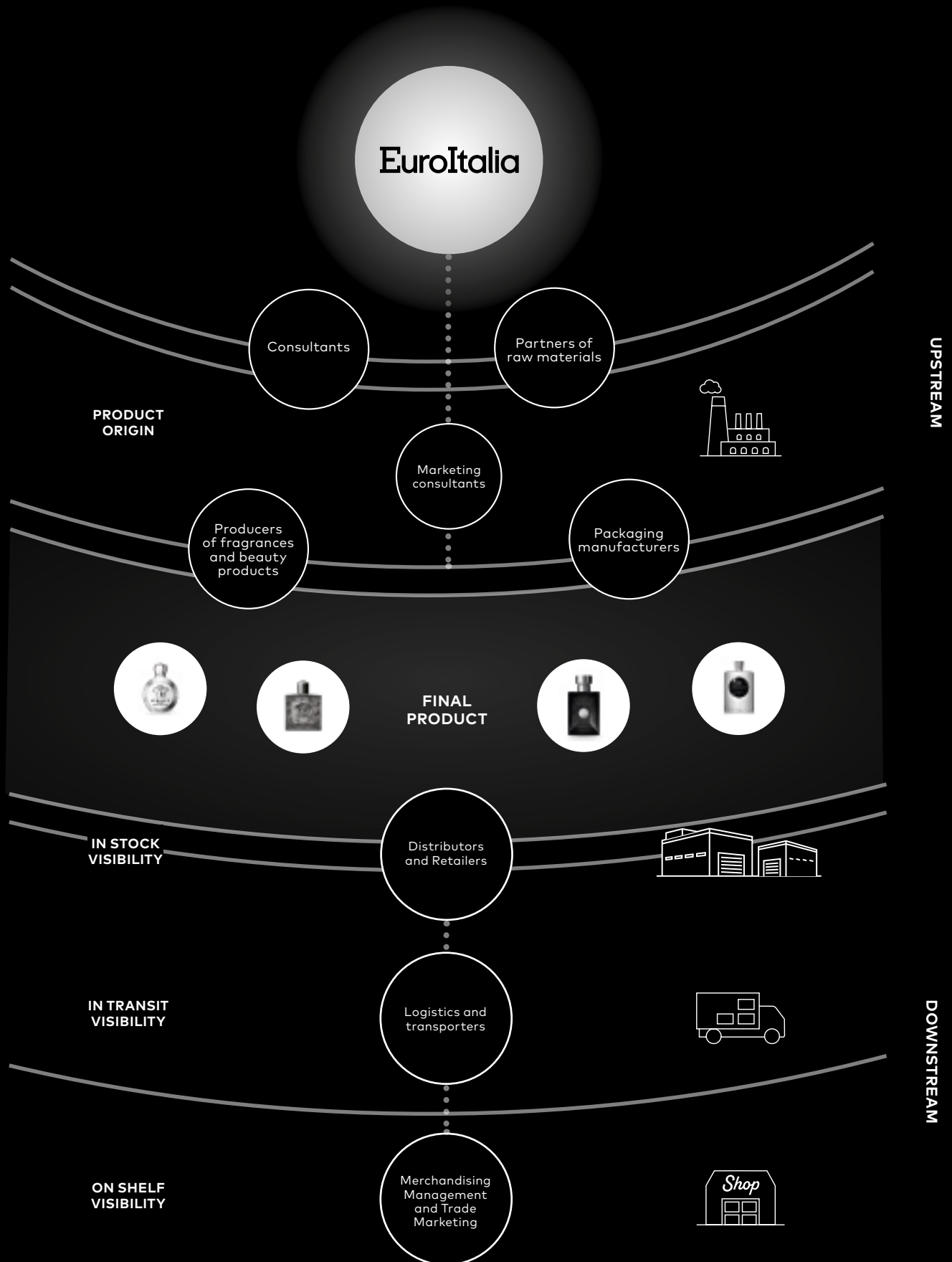
**SUPPLIERS INCLUDED IN THE PLATINUM
CATEGORY OF ECOVADIS**



**CONFLICT MINERALS ASSESSMENT
ON OUR SUPPLY CHAIN**

The Profile of the supply chain: from raw materials to market launch

OUR STRENGTH



THE PARTNERS INVOLVED IN THE PRODUCTION OF FRAGRANCES AND BEAUTY PRODUCTS ARE LISTED BELOW, DIVIDED IN UPSTREAM AND DOWNSTREAM.

UPSTREAM PARTNERS:

THE PARTNERS OF RAW MATERIALS: they are mainly concerned with the supply of ingredients and essences for the production of perfumes, tricks and creams. The latter are distinguished from the suppliers of raw materials, such as glass, paper, cardboard, for the packaging of products;

MARKETING CONSULTANTS: they support EuroItalia in the definition and development of the marketing strategy at the base of each product;

NASI/CONSULTANTS: they support EuroItalia in the evaluation and selection of essences;

PACKAGING MANUFACTURERS: they are responsible for the production of the packaging of products;

THE PRODUCERS OF FRAGRANCES AND BEAUTY PRODUCTS: they are responsible for the production, bottling and packaging of products and the supply of fragrances and beauty products.

DOWNSTREAM PARTNERS:

LOGISTICS AND TRANSPORTERS: they transport final products from EuroItalia to distributors/retailers;

DISTRIBUTORS AND RETAILERS: they are responsible for the distribution and sale of EuroItalia's final products;

MERCHANDISING MANAGEMENT AND TRADE MARKETING: They are responsible for store management and architecture consistent with the Brand style.

We collaborate with the best fragrance producers in order to develop quality products to meet the needs of our customers: **fashion houses**. In addition, we are supported by the best Naso for the creation and development of perfumes. As for packaging, EuroItalia develops its own **packaging** idea for each product by relying on various raw materials suppliers and then developing the final packaging to specific manufacturers. The product is bottled, packaged and finalized by the essence producers and the cosmetic producers and reaches the EuroItalia warehouse that deals with quality control, logistics and transport.

Finally, as far as the distribution of products is concerned, EuroItalia relies on several channels specialized in the selective **beauty** market, including **airport retailers**, specialized **retailers**, **department stores**, independent perfumeries, **e-commerce retailers** and **duty free shops**.

Responsible and efficient logistics management is a strategic element for us, enabling us to meet our commitments to our customers and our retailers and distributors and thereby strengthen our reputation as a serious and reliable business partner in the industry.

EuroItalia's logistics system is made up of a single pole located in Cavenago (Monza) where we receive the finished goods from our contractors, check them, code them together and store them; finally, we send them to our retailers and distributors. In particular, we directly manage the **inbound and outbound** logistics in the logistic center of Cavenago (including the loading of the trucks), where the creation of the packaging and the composite package takes place. The transport is not carried out by means of the Company, but is carried out in a mixed way, both through transport directly managed by the customer, and through transport commissioned by EuroItalia (toward tax and duty free and controlled representations). Transport is under ADR (European legislation on the transport of hazardous/flammable material).

We pay particular attention to the management of our logistics system in order to protect the health and safety of our employees and to guarantee them a safe and secure working environment. In particular, the logistic center of Cavenago is at the forefront for fire protection, also in view of the category of fire risk (average risk). In addition, the signs in the logistics center are under constant monitoring, updated according to changes in current legislation, arranged and replaced in case of damage. EuroItalia has developed its own internal checklist in order to monitor and report any damage to racks and portable ladders. With the use of the internal checklist, quarterly checks on racks and portable ladders are carried out while fire extinguishers are checked every month. Finally, EuroItalia is supported by an external company for the control of safety exits and fire extinguishers, these checks are carried out every 6 months as required by law.¹³

(For more information please refer to the chapter "Health and Safety at work").

Responsible Supplier Management: a key factor for EuroItalia's success

THE RELATIONSHIP WITH OUR SUPPLIERS: TRUST, QUALITY AND RELIABILITY

The choices of supply are central to the achievement of the highest quality criteria, especially in the luxury beauty sector. We select and collaborate with the best suppliers of raw materials, very often also reference points and leaders in their sectors.

IN ORDER TO GUARANTEE THE QUALITY OF THE PRODUCT AND AT THE SAME TIME THE AVAILABILITY OF THE RAW MATERIALS, WE PAY CLOSE ATTENTION TO THE SELECTION AND MANAGEMENT OF OUR SUPPLIERS, WHICH TAKE ON A KEY ROLE IN THE COMPANY'S VALUE CHAIN. IN PARTICULAR, TAKING INTO ACCOUNT THE PECULIAR STRUCTURE OF THE BUSINESS MODEL THAT CHARACTERIZES THE LUXURY BEAUTY SECTOR, WHERE THE OUTSOURCING OF THE PRODUCTION CHAIN IS A KEY ELEMENT, WE CAREFULLY SELECT OUR SUPPLIERS AND CONSTANTLY SUBMIT THEM TO CAREFUL EVALUATIONS, INDISPENSABLE TO GUARANTEE THE EXPECTED PERFORMANCE OF THE PRODUCTS AND THE RESPECT OF THE HIGHEST CRITERIA OF ECONOMIC, TECHNICAL AND ETHICAL RELIABILITY.

In the selection of suppliers, we seek quality, innovation, reliability and professionalism, with the aim of ensuring a final product of excellence and the full satisfaction of the needs of our customers.

In addition, within the criteria used for the evaluation of our suppliers, we also pay particular attention to sustainability issues. In fact, the Company's suppliers of essences are evaluated every year through the **EcoVadis**¹⁴ platform that analyzes the company's **performance** with respect to human rights, supply chain, ethics and integrity and the environment. We have decided to supply only from the companies included in the **Platinum** category of EcoVadis, demonstrating the continuous search for excellence by the Company.

14. For more information you can visit the EcoVadis website at <https://ecovadis.com>

In evaluating and monitoring our supply chain, we make on-site visits to our suppliers or possible suppliers, so that we can directly verify the practices in place and the way we work. In particular, through periodic visits, we verify the activities of our suppliers in terms of organizational process: **good manufacturing production process**.

Through the supply of Raw materials, we pursue our mission of valorisation and diffusion of **Made in Italy** in the **luxury beauty** sector, in fact preferring Italian suppliers, where possible. Specifically, 61% of our suppliers are Italian, equal to 76% of our total annual supply expenditure, with an increase of 3% compared to 2020.

The production chain is established entirely on the Italian territory and therefore benefits from the precious know-how of the perfumery Made in Italy and at the same time generates a considerable positive impact, involving about 400 people of induced activity, in the region of Lombardy.

EuroItalia is committed to bringing the entire supply chain back to Italy. The variable labour cost, which has conditioned and favored most relocations, is no longer the only decisive element in the choice of outsourcing across borders. Guaranteeing Italian production standards and the quality of Made in Italy, in fact, is difficult with the relocation of labor and a low labor cost. For this reason, we believe that it is necessary to implement and promote in a systematic way a serious reshoring strategy as it represents a great opportunity for our country to bring back to Italy companies and localized production plants.

EuroItalia prefers quality over scale productions and places increasing attention to the sustainability of its productions, fair trade and human and environmental value. In fact, EuroItalia believes that a greater expenditure in the production phase allows to enhance the credibility and quality of the 100% Made in Italy product. Following the acquisition of the Atkinsons brand, for example, we carried out a thorough analysis and a review of the suppliers, in particular those not Made in Italy, which led us to internalize the supply chain for niche boxes, which were previously produced in China.

A key element that distinguishes the luxury beauty sector is the traceability of the raw materials used. In particular, we are committed to working only with transparent and responsible suppliers in order to ensure proper information on the origin and origin of the raw materials.

Raw materials traceability is a priority in the personal care sectors, in order to ensure compliance with strict regulations and meet the highest standards of health and safety.¹⁵

In addition, the traceability of the ingredients and Raw materials used guarantees the very quality of the products, excellence also on sustainability aspects and the compliance with increasingly wide and stringent standards and regulations in the sector.¹⁶

¹⁵ (For more information, please refer to the chapter "Final consumers' health and product safety at the basis of our choices")

¹⁶ (For more information, refer to the chapter "Sustainable Innovation: The green revolution in the luxury beauty sector")

The creation of strong professional relations with our suppliers is a priority for Euroitalia, as well as the prerequisite for continuing to generate value. In particular, precisely because production is outsourced, it becomes even more important to consolidate strong relationships based on trust, transparency and mutual knowledge. In times of difficulty, Euroitalia supports its supply chain through non-speculative economic financing, in order to allow the supplier/partner to overcome the crisis. Finally, we require our suppliers to operate in absolute compliance with the most stringent regulations applicable in the sector, which is duly verified in the practice of selection and qualification of suppliers and at the level of a single contract.

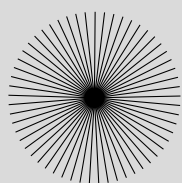
0 FOCUS

“Our special attention to the supply of Conflict Minerals”

Conflict Minerals policy aims to discourage the use of minerals such as gold, tantalum, tin and tungsten, whose trade could finance violent conflict, corruption and money laundering in Central Africa, in countries such as the Democratic Republic of Congo, the Central African Republic, Angola, Burundi, Rwanda, Sudan, Tanzania, Uganda and Zambia.

Euroitalia is a full member of the **Conflict Minerals** policy and therefore undertakes not to purchase products or raw materials derived from the extraction of conflict minerals. The commitment of our Company, however, goes beyond the direct relationship with suppliers and customers; during 2020, in fact, our reality welcomed the invitation of some customers to submit to an assessment of their supply chain. The objective of the evaluation was to analyze and understand our own supply chain, in particular by mapping our own trading partners and checking whether they adhere to the Conflict Minerals policy and choose not to purchase materials that can finance armed conflicts or other corrupt and/or illegal practices.

The assessment returned a positive result, as no supplier of our Company involved in purchases of minerals from war zones, and as a result did not finance armed conflicts and/or corrupt and illegal practices.



WE HAVE ALWAYS PRIVILEGED LONG-LASTING AND CONTINUOUS COLLABORATIONS WITH OUR SUPPLIERS, FOUNDED ON TRUST, 0 CONTINUOUS DIALOGUE AND ON THE SHARING OF THE SAME STRATEGIC OBJECTIVE: EXCELLENCE, QUALITY, INNOVATION AND CREATION OF VALUE IN THE MEDIUM TO LONG TERM.

Finally, EuroItalia is working to implement a code of conduct to be disseminated and made mandatory for the entire production chain in order to support more sustainable and inclusive trade relations and generate value for the whole community. Sustainability is an integral part of our business strategy and we are committed to encouraging a more responsible purchasing mindset. To this end, we would like to set out the principles that our suppliers are required to respect and to define the responsibilities within the company for monitoring the implementation of these principles and to define measures in the event of non-compliance.

SUPPLIERS¹⁷

Country/area of origin	2020		2021	
	Supplier No. by country	Value of total annual expenditure by country [€]	Supplier No. by country	Value of total annual expenditure by country [€]
ABROAD	257	63.363.333	252	81.567.406
ITALY	331	168.180.960	400	255.224.522
GRAND TOTAL	588	231.544.294	652	336.791.927

% SUPPLIERS

Country/area of origin	2020		2021	
	% suppliers per country	% total annual expenditure per country in euro	% suppliers per country	% total annual expenditure per country in euro
ABROAD ¹⁸	44%	27%	39%	24%
ITALY	56%	73%	61%	76%

17. The total number of suppliers in the table is lower than the total number of suppliers in the table "Suppliers by commodity class" because some of them supply goods/deliver services falling into more than one commodity category; In the table "Suppliers" they were considered only once.

18. In order to ensure the consistency of the data, the residual categories "Other Purchases" and "Other Services" were excluded.

SUPPLIERS BY CATEGORY, GEOGRAPHICAL AREA AND VALUE

Category of goods	2020		2021	
	No. of suppliers by category	Value of total annual expenditure by category [€]	No. of suppliers by category	Value of total annual expenditure by category [€]
SERVICES	540	90.388.913	579	124.870.405
ADVERTISING	162	24.981.044	179	30.598.342
ROYALTIES	4	26.038.494	4	38.071.877
POINT OF SALE MANAGEMENT COSTS ¹⁹	210	15.738.002	219	17.506.945
TRANSPORTATION	76	8.590.229	95	18.682.397
OTHER COSTS COMM.LI ²⁰	67	5.352.692	61	6.609.153
COMMISSIONS/ COMMISSIONS	21	2.422.421	21	3.137.814
OTHER COSTS		7.266.031		10.263.877
SUPPLIES	190	124.296.095	237	188.968.694
PRIMARY PACKAGING ²¹	72	54.834.307	79	86.498.510
SECONDARY PACKAGING ²²	31	16.473.648	56	26.112.456
PACKAGING	6	1.137.208	13	2.058.171
ESSENCES	4	26.816.032	4	43.127.832
ADVERTISING/PROMOTIONAL MATERIAL	77	24.619.152	85	28.886.549
OTHER PURCHASES		415.748		2.285.176
JOBS	67	24.541.064	73	35.501.882
PROCESSING C/THIRDS	67	24.541.064	73	35.501.882
TOTAL	797	239.226.072	889	349.340.981

19. This includes all costs incurred for promotional purposes (e.g., purchase of exhibition space).

20. This refers to costs incurred for foreign employees and all costs related to trade fairs and events aimed at promoting the corporate image and the various products.

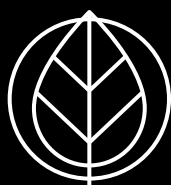
21. This refers to the costs incurred for the product (Glass/nail/tap/decorations/pump)

22. This refers to the pre-packing/packing material needed to protect the products during transportation.

Responsibility to the community



6 YEARS OF COLLABORATION WITH THE ONLUS "QUI DONNA SICURA" ASSOCIATION



LAUNCH OF A RE-PLANTING POLICY FOR THE YEAR 2022 IN THE PARK OF MONZA AND IN THE SURROUNDING AREAS OF BRIANZA

COMMUNITY DEVELOPMENT PROGRAMS AND VOLUNTEERING ALONGSIDE OUR COMMUNITY

EuroItalia is very attentive and sensitive to the needs of its community, and has always built a strong bond with it, thanks to constant attention to the needs of its territory and to a proactive spirit demonstrated over the years.

Every year, the commitment to support the territory has resulted in various initiatives aimed at supporting the territory, in different areas and aspects: health, social inclusion, female empowerment and culture.

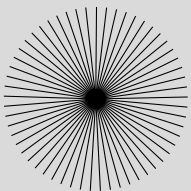
Over the years, EuroItalia has donated several donations to local hospitals, including San Raffaele Hospital in Milan and San Gerardo Hospital in Monza, thus helping the health system of its territory.

In 2019, we donated numerous Naj Oleari cosmetic products to a department of San Raffaele Hospital that follows and supports women diagnosed with depression or bipolar disorder. In particular, the donated products have been used by the "Wellness Group", a laboratory oriented to the personal care as a way of reassessing one's esthetic appearance and, consequently, to strengthen one's self-esteem.

We support the Onlus "Qui Donna SiCura" association and "Comitato Maria Letizia Verga" through various donations throughout the year. The first, association with women against breast cancer, supports research for the treatment of breast tumors, spreads the culture of prevention and offers support to patients and their families. The second offers children with leukemia in treatment at the Maria Letizia Verga Center the most qualified medical and psychosocial assistance, in order to guarantee them the highest possible chances of healing and the best quality of life.

The Company is also committed to the enhancement of the artistic and cultural heritage of the territory. In December 2018, the Company organized the 40th anniversary celebration at the Villa Reale in Monza, thus supporting the restoration and renovation of some rooms.

In continuity with what has been achieved in the previous years , the programs and initiatives for the involvement of the local community were developed in 100% of EuroItalia's operations. In particular, for the year 2022, we have launched a Replanting Policy in the Monza park and in the surrounding areas of Brianza in order to compensate for our CO2 emissions.



WE COLLABORATE AND SUPPORT ONLUS "QUI DONNA SICURA" FOR ABOUT 5 YEARS NOW. IN PARTICULAR, IN 2019, WE SUPPORTED THE DEVELOPMENT OF TWO WELL-EQUIPPED ROOMS OF THE HOSPICE SAN PIETRO FOR TERMINAL SICK CHILDREN THROUGH A DONATION TO ONLUS "QUI DONNA SICURA". IN 2021, DONATIONS WERE DONATED TO THE PURCHASE OF 40 BEDS FOR THE INTENSIVE CARE DEPARTMENT OF SAN GERARDO IN MONZA.

Appendice: tematiche materiali

DEFINITION OF MATERIAL TOPICS

Material Topic	Description
ETHICS AND CORPORATE VALUES	<ol style="list-style-type: none"> 1. Values, ideals and aspirations, vision and corporate mission; 2. Ethics and integrity in the conduct of the business; 3. Adoption of ethical principles, guidelines and international standards in the definition of codes of conduct.
ECONOMIC PERFORMANCE	<ol style="list-style-type: none"> 1. The Company's economic and financial performance, financial stability and the protection of profitability; 2. Distribution of the economic value generated among different stakeholders such as shareholders, employees, suppliers, public administrations and local communities.
ENERGY AND EMISSIONS	<ol style="list-style-type: none"> 1. Efficient management of energy use for business activities; 2. Implementation of initiatives to reduce energy use and increase energy efficiency; 3. Use of energy from renewable sources (green certificates, photovoltaic systems, etc.).
WASTE MANAGEMENT	<ol style="list-style-type: none"> 1. Company-generated waste management, production/assembly waste recycling, spill monitoring and management.
HEALTH AND SAFETY	<ol style="list-style-type: none"> 1. Practices and systems for managing health and safety at work; 2. Monitoring of accidents at work; 3. Health prevention, education and training measures.
DIVERSITY, EQUAL OPPORTUNITIES AND NON-DISCRIMINATION	<ol style="list-style-type: none"> 1. Measures to protect minorities and promote diversity; 2. Equal opportunities in employment practices and employee remuneration for equal roles.
TALENT ATTRACTION AND STAFF DEVELOPMENT	<ol style="list-style-type: none"> 1. Training, training and personal growth paths for employees and employees to increase and maintain the quality of the Company's human capital and attract and retain talent.
WORKING CONDITIONS AND WELFARE	<ol style="list-style-type: none"> 1. To promote optimum working conditions; 2. To ensure a work-life balance; 3. Provide benefits to your employees.
CUSTOMER SATISFACTION	<ol style="list-style-type: none"> 1. Customer relationship management; 2. Customer satisfaction surveys; 3. Systems for the resolution of complaints; 4. Internal policies for after-sales and product return services.

DEFINITION OF MATERIAL TOPICS

Material Topic	Description
FINAL CONSUMER HEALTH AND PRODUCT SAFETY AND LABELING	<ol style="list-style-type: none"> 1. Safeguards to guarantee the quality of the products and services offered; 2. Implementation of management systems for the quality and safety of products and processes; 3. Transparency and correctness in communicating to the customers the Raw materials and the ingredients used and the properties of the products.
BRAND REPUTATION AND VALUE	<ol style="list-style-type: none"> 1. Brand management and valorization; 2. Promotion of made in Italy in the reference sector.
COMMUNITY DEVELOPMENT PROGRAMS AND VOLUNTEERING	<ol style="list-style-type: none"> 1. Philanthropic programs or development and value-creation programs for the local community; 2. Donations, sponsorship and volunteer activities for local communities.
NATURAL AND SUSTAINABLE INGREDIENTS	<ol style="list-style-type: none"> 1. Research and use of recyclable, recycled, certified and traced ingredients and Raw materials, natural, vegan, organic, environmentally friendly, biological and renewable sources; 2. Traceability and disclosure of the Raw materials and ingredients used.
SUSTAINABLE PACKAGING	<ol style="list-style-type: none"> 1. Reduction in the consumption of packaging materials, with particular attention to plastics; 2. Use of more sustainable and recycled materials for packaging production; 3. Packaging design to ensure reuse or recyclability.
RESPONSIBLE SUPPLIER MANAGEMENT	<ol style="list-style-type: none"> 1. Continuous collaboration and dialogue with all actors in the supply chain to promote transparency, responsible supply practices, reduction of environmental impacts and respect for human rights; 2. Evaluation of suppliers in relation to social and environmental performance criteria.

RECONCILIATION OF MATERIAL TOPICS AND IMPACT PERIMETER

Material topics	Reconciliation with GRI topics
ETHICS AND CORPORATE VALUES	GRI 205 Anti-corruption GRI 307 Environmental compliance GRI 419 Socioeconomic compliance
ECONOMIC PERFORMANCE	GRI 201 Economic performance
ENERGY AND EMISSIONS	GRI 302 Energy GRI 305 Emissions
WASTE MANAGEMENT	GRI 306 Waste
HEALTH AND SAFETY	GRI 403 Occupational Health and Safety
DIVERSITY, EQUAL OPPORTUNITIES AND NON-DISCRIMINATION	GRI 405 Diversity and equal opportunity GRI 406 Non-discrimination
TALENT ATTRACTION AND STAFF DEVELOPMENT	GRI 404 Training and Education GRI 401 Employment
WORKING CONDITIONS AND WELFARE	GRI 401 Employment GRI 402 Labor/Management Relations
CUSTOMER SATISFACTION	N/A
FINAL CONSUMER HEALTH AND PRODUCT SAFETY AND LABELING	GRI 416 Customer Health and Safety GRI 417 Marketing and Labeling
BRAND REPUTATION AND VALUE	GRI 202 Market Presence
COMMUNITY DEVELOPMENT PROGRAMS AND VOLUNTEERING	GRI 413 Local Communities
NATURAL AND SUSTAINABLE INGREDIENTS	GRI 301 Materials
SUSTAINABLE PACKAGING	GRI 301 Materials
RESPONSIBLE SUPPLIER MANAGEMENT	GRI 204 Procurement Practices

Where it happens	Type of impact
EuroItalia	Caused by the Company
EuroItalia	Caused by the Company
EuroItalia	To which the Company contributes
EuroItalia	To which the Company contributes
EuroItalia, staff	Caused by the Company
EuroItalia, staff	Caused by the Company
EuroItalia, staff	Caused by the Company
EuroItalia, staff	Caused by the Company
EuroItalia, Sales Partners, Distributors and Retailers	To which the Company contributes and related to the Company through his business relations
EuroItalia, Sales Partners, Distributors and Retailers, suppliers	To which the Company contributes and related to the Company through his business relations
EuroItalia, Sales Partner, personnel	Caused by the Company and related to the Company through its own business relationships
EuroItalia, Community	To which the Company contributes
EuroItalia, suppliers and Sales Partners	To which the Company contributes and related to the Company through his business relations
EuroItalia, suppliers and Sales Partners	To which the Company contributes and related to the Company through his business relations
EuroItalia, suppliers	Caused by the Company and related to the Company through its own business relationships

EUROITALIA'S 2021 SUSTAINABILITY REPORT HAS BEEN PREPARED IN ACCORDANCE WITH GRI STANDARDS PUBLISHED BY THE GLOBAL REPORTING INITIATIVE IN 2016: OPTION CORE. THE FOLLOWING TABLE SHOWS THE COMPANY'S INFORMATION BASED ON THE GRI STANDARDS GUIDELINES WITH REFERENCE TO THE MATERIALITY ANALYSIS OF EUROITALIA:

GRI STANDARD	Informative	Page number	Omissions
GRI 101: Reporting principles (2016)			
GRI 102: GENERAL DISCLOSURE (2016)			
PROFILE OF THE ORGANIZATION			
	102 – 1 Name of the organization	10	
	102 – 2 Activities, brands, products and services	18, 23-31	
	102 – 3 Location of headquarters	18-19	
	102 – 4 Location of operations	18-21	
	102 – 5 Ownership and legal form	10, 44	
	102 – 6 Markets served	20-21	
	102 – 7 Scale of the organization	14, 23-31, 62, 67	
	102 – 8 Information on employees and other workers	68	
	102 – 9 Supply Chain	139-147	
	102 – 10 Significant changes to the organization and its supply chain	10-11	
	102 – 11 Precautionary Principle or approach	98-103	
	102 – 12 External initiatives	58	
	102 – 13 Membership of associations	58	
STRATEGY			
	102 – 14 Statement from a senior decision-maker	5-6	

ETHICS AND INTEGRITY		
	102 – 16 Values, principles, standards and norms of behavior	38-40, 45, 52-53
GOVERNANCE		
	102 – 18 Governance structure	44
STAKEHOLDER INVOLVEMENT		
	102 – 40 List of stakeholder groups	54-55
	102 – 41 Collective bargaining agreements	75
	102 – 42 Identifying and selecting stakeholders	54-56
	102 – 43 Approach to stakeholder engagement	57
	102 – 44 Key topics and concerns raised	59
REPORTING PRACTICES		
	102 – 45 Entities included in the consolidated financial statements	10-11
	102 – 46 Defining report content and topic Boundaries	59, 156-157
	102 – 47 List of material topics	59, 154-155
	102 – 48 Restatements of information	11
	102 – 49 Changes in reporting	10-11
	102 – 50 Reporting period	10
	102 – 51 Date of most recent report	10
	102 – 52 Reporting cycle	11
	102 – 53 Contact point for questions regarding the report	11
	102 – 54 Claims of reporting in accordance with the GRI Standards	10
	102 – 55 GRI content index	160-166

GRI STANDARD	Informative	Page number	Omissions
ECONOMIC PERFORMANCE			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 62-63, 154-157	
	103-2 The management approach and its components	62-63	
	103-3 Evaluation of the management approach	62-63	
GRI 201: ECONOMIC PERFORMANCE (2016)	201-1 Direct economic value generated and distributed	63	
BRAND REPUTATION AND VALUE			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 40, 59, 154-157	
	103-2 The management approach and its components	40	
	103-3 Evaluation of the management approach	40	
GRI 202: MARKET PRESENCE (2016)	202-2 Proportion of senior management hired from the local community	62	
RESPONSIBLE SUPPLIER MANAGEMENT			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 140-147, 59, 154-157	
	103-2 The management approach and its components	140-147	
	103-3 Evaluation of the management approach	140-147	
GRI 204: PROCUREMENT PRACTICES (2016)	204-1 Proportion of spending on local suppliers	146	
BUSINESS ETHICS AND VALUES			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 38-40, 44-45, 52-53, 59, 154-157	
	103-2 The management approach and its components	44-45, 52-53, 59	
	103-3 Evaluation of the management approach	44-45, 52-53, 59	
GRI 205: ANTI-CORRUPTION (2016)	205-3 Confirmed incidents of corruption and actions taken	44	
GRI 307: ENVIRONMENTAL COMPLIANCE (2016)	307-1 Non-compliance with environmental laws and regulations	99	
GRI 419: SOCIOECONOMIC COMPLIANCE (2016)	419-1 Non-compliance with laws and regulations in the social and economic area	44	

NATURAL AND SUSTAINABLE INGREDIENTS

GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59,112-121, 154-157	
	103-2 The management approach and its components	112-121	
	103-3 Evaluation of the management approach	112-121	
GRI 301: MATERIALS (2016)	301-1 Materials used by weight or volume	116	

SUSTAINABLE PACKAGING

GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 112-119, 123-125, 154-157	
	103-2 The management approach and its components	112-119, 123-125	
	103-3 Evaluation of the management approach	112-119, 123-125	
GRI 301: MATERIALS (2016)	301-1 Materials used by weight or volume	116	

ENERGY AND EMISSIONS

GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 98-103, 154-157	
	103-2 The management approach and its components	98-103	
	103-3 Evaluation of the management approach	98-103	
GRI 302: ENERGY (2016)	302-1 Energy consumption within the organization	104	
	302-4 Reduction of energy consumption	100-102	
GRI 305: EMISSIONS (2016)	305-1 Direct (Scope 1) GHG emissions	104-105	
	305-2 Energy indirect (Scope 2) GHG emissions	104-105	

GRI STANDARD	Informative	Page number	Omissions
WASTE MANAGEMENT			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 98, 106-107, 154-157	
	103-2 The management approach and its components	98, 106-107, 109	
	103-3 Evaluation of the management approach	98, 106-107, 109	
GRI 306: WASTE (2016)	306-2 Management of significant waste-related impacts	108	
ATTRACTING TALENT AND DEVELOPING PEOPLE			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 72-73, 154-157	
	103-2 The management approach and its components	72-73	
	103-3 Evaluation of the management approach	72-73	
GRI 401: EMPLOYMENT (2016)	401-1 New employee hires and employee turnover	72	
GRI 404: TRAINING AND EDUCATION (2016)	404-1 Average hours of training per year per employee	73	
WORKING CONDITIONS AND WELFARE			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 74-75, 154-157	
	103-2 The management approach and its components	74-75	
	103-3 Evaluation of the management approach	74-75	
GRI 401: EMPLOYMENT (2016)	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	74-75	
GRI 402: LABOR/MANAGEMENT RELATIONS (2016)	402-1 Minimum notice periods regarding operational changes	75	

HEALTH AND SAFETY

GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 76-77, 154-157	
	103-2 The management approach and its components	76-77	
	103-3 Evaluation of the management approach	76-77	
GRI-403: OCCUPATIONAL HEALTH AND SAFETY (2018)	403-1 Occupational health and safety management system	76-77	
	403-2 Hazard identification, risk assessment, and incident investigation	76-77	
	403-3 Occupational health services	76-77	
	403-4 Worker participation, consultation and communication on occupational health and safety	76-77	
	403-5 Worker training on occupational health and safety	76-77	
	403-6 Promotion of worker health	76-77	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	76-77	
	403-9 Work-related injuries	77	
DIVERSITY, EQUAL OPPORTUNITIES AND NON-DISCRIMINATION			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 69-71, 154-157	
	103-2 The management approach and its components	69-71	
	103-3 Evaluation of the management methods	69-71	
405: DIVERSITY AND EQUAL OPPORTUNITY (2016)	405-1 Diversity of governance bodies and employees	70	
GRI-406: NON-DISCRIMINATION (2016)	406-1 Incidents of discrimination and corrective actions taken	No cases of discrimination were recorded in 2021	

GRI STANDARD	Informative	Page number	Omissions
COMMUNITY DEVELOPMENT PROGRAMS AND VOLUNTEERING			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 150-151, 154-157	
	103-2 The management approach and its components	150-151	
	103-3 Evaluation of the management approach	150-151	
GRI 413: LOCAL COMMUNITIES (2016)	413-1 Operations with local community engagement, impact assessments, and development programs	151	
END-CONSUMER HEALTH AND PRODUCT SAFETY AND LABELING			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 128-135, 154-157	
	103-2 The management approach and its components	128-135	
	103-3 Evaluation of the management approach	128-135	
GRI 416: CUSTOMER HEALTH AND SAFETY (2016)	416-1 Assessment of the health and safety impacts of product and service categories	128-133	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During 2021 there have not been registered non-compliance to laws and about impacts on the health and security of products and services	
GRI 417: MARKETING AND LABELING (2016)	417-1 Requirements for product and service information and labeling	134-135	
	417-2 Incidents of non-compliance concerning product and service information and labeling	During 2021 there have not been registered states incidents of non-compliance with regard to information and labeling of products and services	
	417-3 Incidents of non-compliance concerning marketing communications	During the 2021 there have not been registered states incidents of non-compliance with regulations and voluntary codes related to marketing activity	
OTHER MATERIAL TOPICS			
CUSTOMER SATISFACTION			
GRI 103: MANAGEMENT APPROACH (2016)	103-1 Explanation of the material topic and its Boundary	10-11, 59, 136-139, 154-157	
	103-2 The management approach and its components	136-139	
	103-3 Evaluation of the management approach	136-139	

