



Sustainability Report

2024 – 2025

Shared values, real impact

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Letter to stakeholders

Dear Stakeholders,

It is with great pleasure that we present our 2024–2025 Sustainability Report, which details the progress Pink Frogs has made on its journey toward an increasingly responsible, transparent, and shared-value-oriented business model.

The past two years have marked a significant evolution in our commitment as a Società Benefit. We have consolidated our impact governance, strengthened our ESG policies, and continued with conviction to implement actions that place people, the community, and the environment at the center of our growth.

Over the past two years, we have invested in employee training and well-being, fostering an inclusive and participatory corporate culture; we have strengthened our social responsibility initiatives by supporting local and national projects promoting health, inclusion, and solidarity; and we have intensified our environmental commitment through targeted measures aimed at waste reduction and sustainable resource management.

At the same time, we have continued to foster dialogue with our stakeholders by regularly updating our sustainability microsite and organizing discussions with schools, organizations, and partners throughout the supply chain. Transparency remains a guiding principle for us, essential for building trust and shared responsibility.

Looking ahead, the goals that lie before us are challenging: to strengthen the integration of ESG criteria across every area of the company, to continue monitoring our impact throughout the value chain, to promote the circular economy, and to contribute to the spread of a culture of concrete and measurable sustainability.

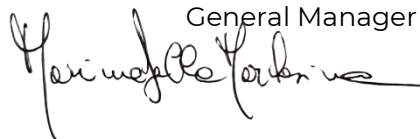
Every result achieved is the fruit of the collective commitment of all the people who contribute every day to making Pink Frogs a model of a benefit corporation. To them, and to all of you who share this journey, we extend our most sincere thanks.

Our goal remains unchanged: to create lasting value for people, the local community, and the planet, while continuing to demonstrate that sustainability is the engine of growth.

Matteo Locatelli
CEO



Marina Della Marchesina
General Manager



Guide to reading

This document is the sustainability report of Pink Frogs Cosmetics; it illustrates and describes the company's performance for the 2024–2025 period and assesses the material value-creation themes and the relationships among them.

This report is prepared in accordance with GRI principles and in line with the European Commission's VSME (Voluntary SME Standard) guidelines. Certain information, particularly regarding people, governance, and the environment, is also mapped against the requirements of sector-specific ESRS (E1, S1, G1), with a view toward progressive alignment with the CSRD Directive.

To make reading easier, the company will be referred to as Pink Frogs rather than its full legal name, Pink Frogs Cosmetics Srl.

The report consists of four sections and an appendix.

The first section provides a basic overview of the organization, its evolution over time, and its dual corporate structure as a Benefit Corporation. This section outlines how the common benefit purposes included in the articles of incorporation serve as the guiding principle for the business strategy.

The second section outlines the governing bodies and the ESG management system, explaining the dual materiality analysis process.

The third section details the impacts that benefit the common good: the narrative unfolds according to the five dual purposes outlined in the company's articles of incorporation, within which the identified material topics are integrated. It goes into detail regarding the quantitative results for the two-year period, as well as the company's activities and objectives broken down by ESG dimensions—namely, environmental (Environment), social (Social), and economic (Governance).

The fourth section outlines the strategic roadmap from 2026 onward, specifying the strategic objectives for the next two-year period.

The final section contains the references used in preparing the report, a summary table with all key indicators and data, an index of the GRI indicators used, and a glossary to aid in understanding certain terms used in the 2026–2030 Sustainability Plan in detail.

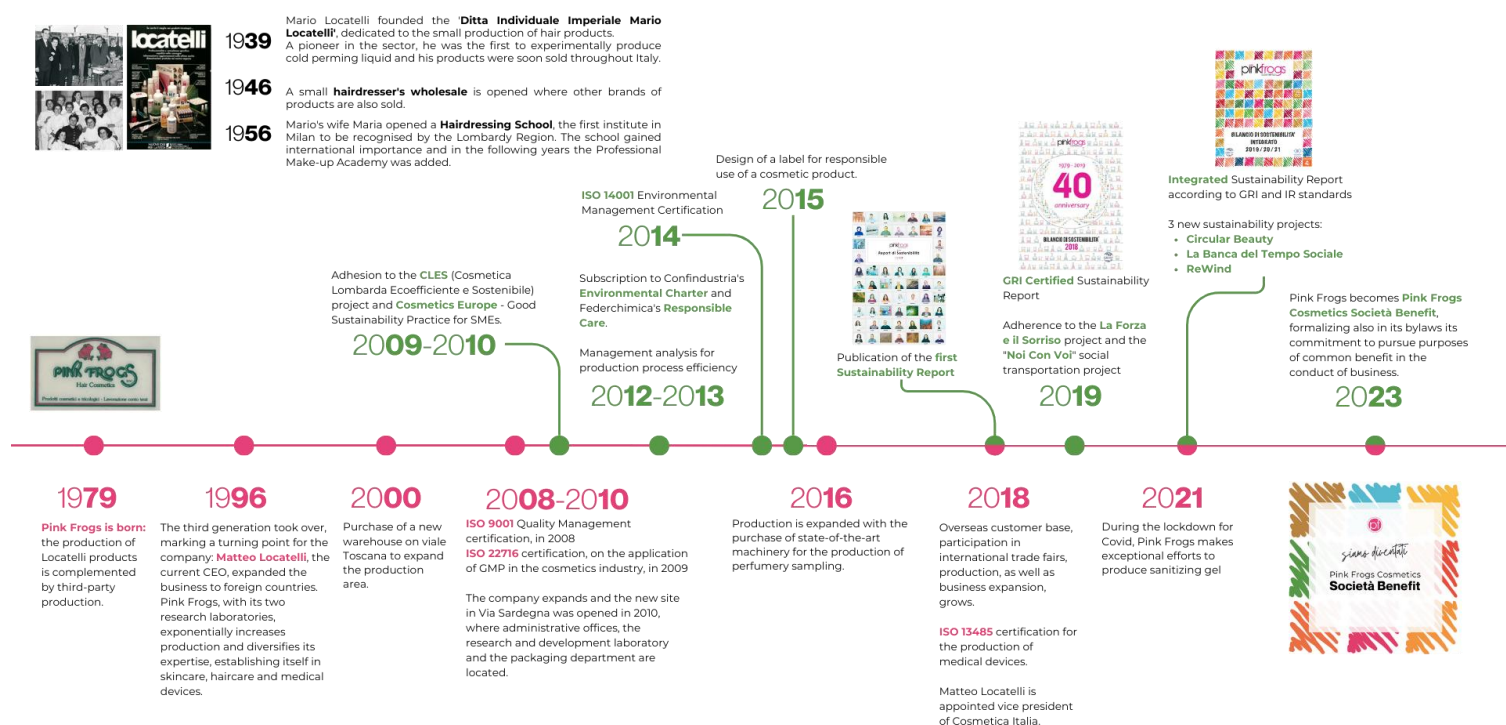
1. Identity and benefit vision

This section provides a concise overview of the company's organization, its evolution over time, and its "dual" corporate model as a Benefit Corporation. It outlines how the public benefit purposes included in the articles of incorporation serve as the guiding principle for the business strategy.

About us

Pink Frogs Cosmetics Srl is a leading manufacturer of skincare, personal care, hair care, toiletries, and fragrances for third parties, with multiple locations in the southern Milan area.

With over 45 years of experience and under the leadership of its sole administrator, Dr. Matteo Locatelli, the company operates as a single-member company under the control of 4L Holding S.r.l.



The year 2023 marked a milestone in the company's history: the adoption of the legal status of a Benefit Corporation. This decision was not merely a formal act, but the natural evolution of a commitment to sustainability that began years earlier. While the previous two years were a period of transition and formalization, 2024–2025 represents the phase of full operational maturity, in which the common benefit purposes integrated into the bylaws guide strategic decisions, supply chain management, and relationships with the local community on a daily basis.

	2023	2024	2025
Revenues	12,9 ml	17,85 ml	16,86 ml
Employees	75	85	88
Women	50	58	60
Men	25	27	28
Average age	41	40,8	41,4
N. Clients	98	108	107
Produced pieces per year (millions)	25	26	17

Vision, mission and values

Vision

To be among the leading manufacturers in the Italian and European cosmetics market, recognized as a source of inspiration for the most modern and dynamic brands.

Mission

Producing the widest range of products with passion and creativity, guaranteeing technological innovation, service quality and process sustainability.

Values

The core values that guide Pink Frogs' operations and constitute its Code of Ethics are:

- **Integrity** - Fairness, loyalty, equity constitute a common way of feeling and acting on the part of all people at all company levels inside and outside the company.
- **Respect for the person** - Protection of human dignity, respect for human rights, condemnation of discriminatory acts, forced and child labor, in compliance with ILO (International Labor Organization) Conventions, both internally and throughout the supply chain.
- **Protection of diversity** - Commitment to ensure equal treatment of workers and collaborators: protection from discrimination on grounds of gender, race, religion, political and trade union membership, age and sexual orientation. Personnel selection is motivated solely by criteria of professionalism.
- **Sustainability** - Constant commitment to making its practices and/or product offerings increasingly sustainable. Sustainability is an integral part of the corporate philosophy. Since 2018, Pink Frogs has been committed to the Sustainable Development Goals.
- **Innovation** - A fundamental principle that allows us to stand out and add value to our work. Constant investments in new technologies, digitization and new resources allow us to propose cutting-edge formulas.
- **Training** - Competence and reliability are possible thanks to the constant training of employees, in order to offer high levels of service according to quality, safety and environmental standards.
- **Safety** - Necessary condition for a healthy working environment. All measures are applied to prevent all risks and accidents, constant training and awareness raising for all staff.
- **Quality** - The work of Pink Frogs is scrupulously managed according to rules and measures of quality assurance, monitoring and control.
- **Transparency** - Commitment to provide all corporate stakeholders with information on actions taken in a clear, complete and timely manner, with the aim of meeting their expectations for information and knowledge of the economic, social and environmental impacts of corporate activities.

Evolution as a Società Benefit: Integrating Dual Purposes

Pink Frogs operates under a dual governance model, which incorporates into its corporate purpose the dual objective of generating profit and pursuing goals that benefit the common good. This legal structure reflects the belief that a company's value is not measured solely by its financial results, but by its ability to create well-being for the ecosystem in which it operates.

To put this vision into practice, five dual statutory purposes have been identified. These are not mere statements of intent, but represent the pillars upon which the company's strategic planning rests:

- **Promote the development and well-being of our employees** by providing training and professional development programs that enable both personal and professional growth and advancement. The goal is to create an accessible, safe, and stimulating work environment that fosters well-being and a healthy work-life balance.
- **Encourage sustainability throughout the value chain** by researching and adopting sustainable solutions to reduce the environmental impact of operations, promoting transparency and accountability throughout the supply chain, implementing measures to assess and monitor suppliers' compliance with these standards, and supporting those who adopt responsible practices.
- **Actively contribute to the well-being of the local community** and the region in which the company operates by supporting initiatives and projects aimed at improving the quality of life and promoting the community's sustainable development, as well as by participating in volunteer initiatives and corporate social responsibility programs.
- **Foster learning and development, particularly among the younger generations**, through initiatives that promote best practices, encourage innovation, and support professional development via conferences, workshops, and seminars; and to collaborate with educational institutions and nonprofit organizations to offer learning opportunities, internships, and mentoring programs, thereby contributing to personal and professional growth.
- **Reduce the negative impacts of its facilities** by continuously working to improve energy efficiency, reduce carbon emissions, and promote responsible management of water and waste, thereby helping to preserve the environment for future generations.

Integrating these objectives into day-to-day operations makes it possible to monitor not only risks but, above all, the **generated impact**, ensuring that every cosmetic product carries tangible social and environmental value.

The company's business

Pink Frogs designs, develops and manufactures cosmetics by adopting high standards of quality and safety, with full respect for the environment and health. All of Pink Frogs' cosmetic products comply with Italian and European regulations in terms of consumer safety, as well as with European legislation banning animal testing.

Production is carried out exclusively on behalf of third parties. The company is capable of handling a wide range of cosmetic products and formats with different production requirements.

Pink Frogs' clients operate across various distribution channels, including e-commerce, pharmacies, perfume shops, hair salons, the professional beauty sector, and herbal shops.

In particular, it is capable of producing a wide range of product categories:

- Skincare, face and body treatments
- Haircare, hair treatments and scalp care
- Sun care
- Toiletries
- Perfumes, eau de toilette, eau de parfum, and scented waters
- Dermocosmetics

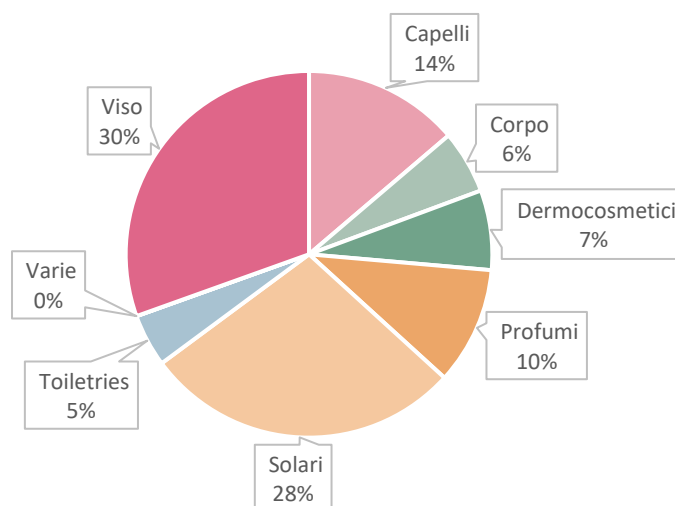


Figura 1. Suddivisione produzione per tipologie di prodotto (riferita ai dati della produzione del 2025, esclusa la produzione di sampling profumi)

Perfume Samples Production

The perfume samples are produced using an innovative, custom-designed machine capable of performing all stages of the process in a single step for the production, filling, and packaging of samples of eau de parfum, eau de toilette, and scented waters.



Stick production

Since 2013, Pink Frogs has specialized in the development and production of skincare treatments in stick form, which accounted for 16% of total units produced in 2025. The bulk product is manufactured using a hot-molding process and is poured into plastic sticks, following a delicate procedure that requires specific expertise and a dedicated production process that includes a cooling tunnel.

During the 2023–2025 period, production saw a slight decline in terms of units produced, particularly in the production of perfume vials, while the stick production is establishing itself as the main product type.

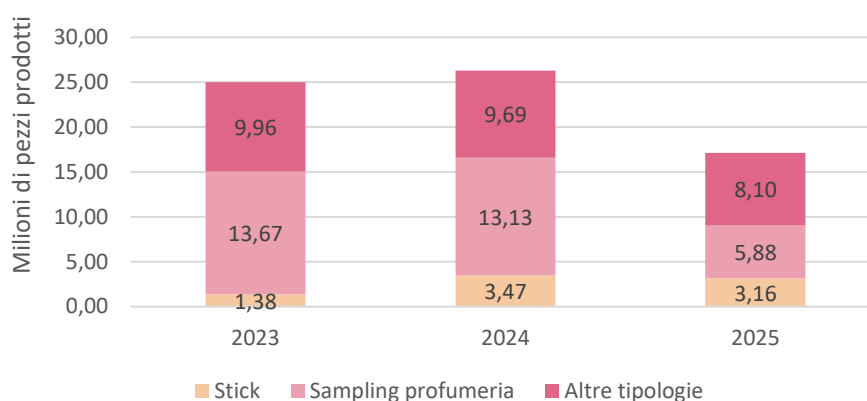


Figura 2. Produzione 2023-2025 (con focus sampling profumeria)

Main services

- **Contract manufacturing**
Pink Frogs takes care of the production, filling, and packaging, while decisions on bulk composition and the choice of packaging are left to the customer's discretion
- **Full Service**
Client companies are accompanied at every stage of the process of their products development: from the conception and refinement of the formula, to the research and definition of the packaging, taking care of all aspects of the production process.
- **Bulk Production**
Exclusive production of the mixture/emulsion is offered, with external packaging paid for by the customer.

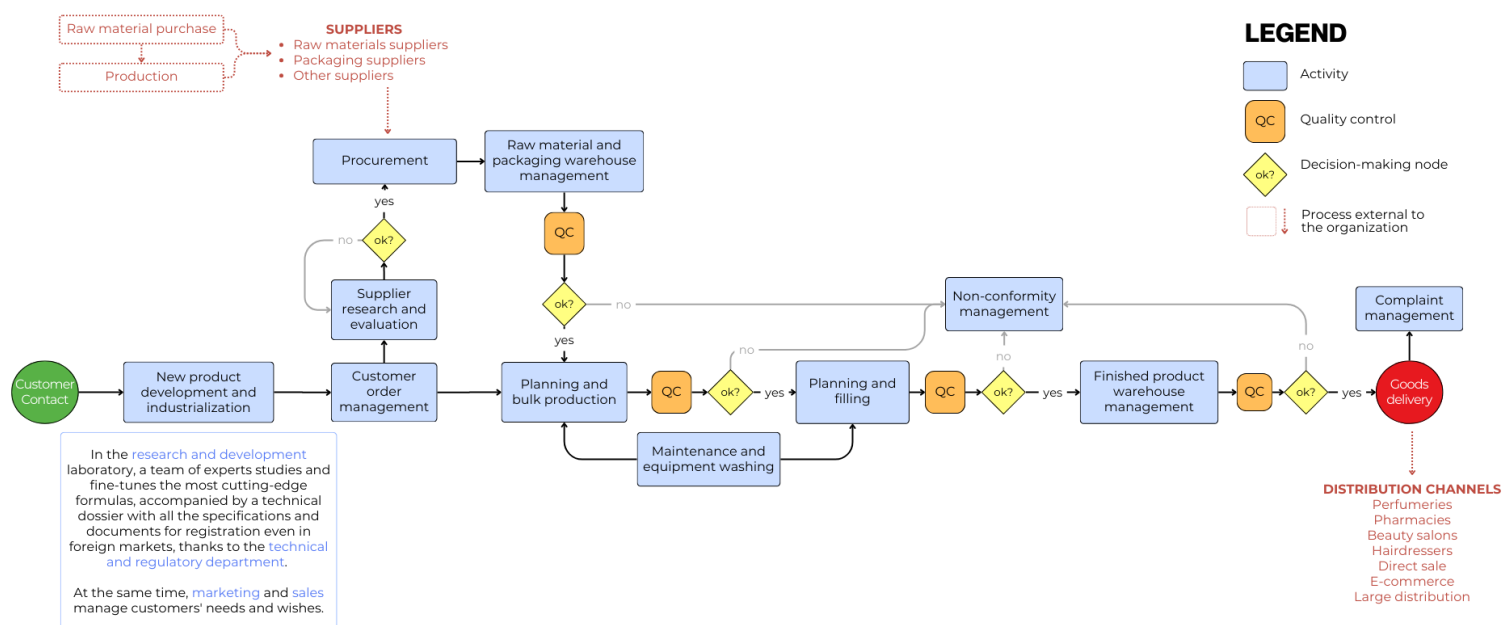


Figure 3. Bulk production area

Support services

- **Regulatory consulting**
The in-house regulatory department, which is constantly updated on current regulations, ensures product compliance and prepares related technical and scientific documentation, such as PIFs, CPNP notifications, product safety assessment, etc.
- **Marketing support**
Starting from a concept and culminating in product training to the sales force, launch strategies and new market opportunities are shared, advising on the choice of cutting-edge assets and accompanying each project with ad hoc communication tools to promote its features and functionality.
- **Effectiveness testing**
Customer requests for formula efficacy testing are handled in collaboration with certified testing laboratories. The company also has a direct testing service on formulas to demonstrate the moisturizing, pigmenting, anti-sebum and elasticizing action of face and body products.

The production process



2. Impact Governance

ESG Governance Structure and Roles

The company follows a traditional governance model as a limited liability company, with a Management Board led by CEO Matteo Locatelli, who holds executive and decision-making powers as sole director.

Since 2024, the company has embarked on a process of greater organizational structuring, beginning with the appointment of a General Manager, Marina Della Marchesina, who previously served as Operations Manager. This new role, along with a collaborative effort across teams and their respective resources, is part of an organizational consolidation process aimed at optimizing operational management and ensuring greater fluidity in decision-making processes, thereby strengthening the structural solidity necessary to support the company's growth and evolution.

The Executive Board, composed of the CEO, General Manager, Sales Manager, AFC Manager, and Human Resources Manager, forms the core of Pink Frogs' governance system, contributing to the company's strategic direction and the validation of ESG policies.

The Sustainability Coordinator plays a key role in monitoring the 2026–2030 Sustainability Plan. This role involves tracking commitments through the systematic collection of data from various department heads, verifying the achievement of KPIs, and proposing new projects to management to ensure the continuous improvement of impact performance.

The Ethics Committee, established in 2018 and composed of representatives from all company departments, meets to discuss any issues and propose constructive solutions. In addition to ensuring compliance with the Code of Ethics, the Committee acts as a cultural guardian to promote Pink Frogs' values among all employees, working in synergy with the pillars of transparency and integrity that characterize the Società Benefit.

Quality Policies and Management Systems

Pink Frogs conducts an in-depth analysis of the process management system and associated risks. This process aims to assess and monitor critical issues across the company's various activities and in its relationships with stakeholders.

As an integral part of this methodology, Pink Frogs implements risk analysis, one of the fundamental pillars of the ISO 9001:2018 standard. Risk analysis focuses on minimizing nonconformities and deviations through a detailed examination of processes and products. This approach involves the systematic identification of risks and the adoption of specific methods to mitigate them. Continuous monitoring is a key element in ensuring compliance and the effectiveness of business operations.

This dynamic and continuously updated process helps provide the Board of Directors with a comprehensive and up-to-date overview of the challenges facing the company, thereby enabling the timely implementation of corrective actions in the event of high risk.

Certifications

The certifications that Pink Frogs has obtained and maintained over the years allow it to closely monitor its production processes, ensuring that quality and environmental goals are met through a continuous improvement approach. All certifications are issued by Certiquality, an independent third party.

CERTIFIED ENVIRONMENTAL
MANAGEMENT SYSTEM



UNI EN ISO 14001:2015

ISO 14001:
Environmental
Management System

IMPLEMENTATION IN GMP
GUIDE IN COSMETIC SECTOR



ISO 22716:2007

ISO 22716: Implementation of
Good Manufacturing Practices in
Cosmetic Sector

CERTIFIED QUALITY
MANAGEMENT SYSTEM



UNI EN ISO 9001:2015

ISO 9001: Quality
Management System



Ethical Culture and Transparency Tools

Code of Ethics

The Code of Ethics, summarizing the values and ethical principles for business dealings, formalizes the commitment to the following key principles and values: quality, transparency, integrity, competence, health and safety, equality, diversity protection, personal protection, fairness, confidentiality, environmental protection and sustainability.

This document provides clear directives to employees, contractors and administrators, outlining the principles of behavior and responsibilities that must be adhered to while providing employment services.

Corporate management takes responsibility for actively promoting these values to consolidate them among employees and instill a sense of belonging to a common project.

Compliance with the Code of Ethics is ensured internally by the Ethics Committee, which actively cooperates with the Executive Board to ensure constant improvement in efficiency and business climate.

Supplier Code of Conduct

The values that Pink Frogs upholds in conducting its business and that it requires all suppliers to adhere to are linked to three broad areas: ethics and integrity, labor, and environmental responsibility.

ETHICS AND INTEGRITY	LABOR	ENVIRONMENTAL RESPONSIBILITY
Ethics	Human Rights	Environmental Protection
Anti-Corruption	Discrimination	Resource and Waste Management
Conflicts of Interest	Child Labor and Forced Labor	Energy Consumption and Emissions Management
Gifts and Hospitality	Fair Wages and Employment Contracts	Water Consumption Management
Product Quality and Compliance	Working Hours	Animal Welfare
Safety	Occupational Health and Safety	
	Freedom of Association	

Pink Frogs shares its Code of Conduct with new suppliers, asking them to accept it and adhere to its provisions in the conduct of their business.

Both Codes are subject to periodic review and are published on the company's website.

Whistleblowing channel

In line with regulatory developments, a secure and confidential whistleblowing system is available, allowing employees, contractors, suppliers, and other stakeholders to report any unlawful conduct or violations of company procedures and the Code of Ethics of which they become aware.

The system guarantees maximum protection of the whistleblower's identity and the confidentiality of the information provided, safeguarding against any form of retaliation or discrimination.

The channel is easily accessible via the company's website or by calling a dedicated hotline, ensuring impartial and timely handling of reports by the appropriate bodies.

It is not merely a control mechanism, but an act of collective responsibility that helps preserve the integrity of the business model and the value of the Società Benefit.

Stakeholder engagement

For Pink Frogs Cosmetics, sustainability is a journey we must take together. Between December 2025 and January 2026, the company launched a structured consultation process involving 71 key stakeholders, selected based on their ability to influence or be influenced by the company's activities.

Stakeholder Category	Survey Responses	Motivations for their involvement
Employees (including management)	24	They have firsthand experience with operational processes, safety, well-being, and training, so they can identify critical issues and opportunities
Customers	17	Their requests and expectations influence product quality, production sustainability, and supply chain management
Suppliers and supply chain partners	25	They are essential for ensuring ESG practices throughout the production process and reducing environmental and social risks
Local communities	2	They represent the company's social and environmental impact on the local community and help identify local priorities
Industry associations	2	They provide benchmarks, best practices, and guidelines to align with industry and international standards
Banks and certification bodies	1	They provide risk assessments, financial support, and certifications; they influence the company's reputation and compliance with international standards

The consultation was conducted via a digital questionnaire designed to assess the relevance of the 12 preliminary ESG topics (identified through benchmark analysis and ESRS standards). Stakeholders were asked to rate the Impact Materiality (the effect of the company's activities on the outside world) on a scale of 1 to 5.



The Material Themes

ESG	Theme	Theme description	Score
E	Energy and Climate Change	covers energy consumption, plant efficiency, and the reduction of greenhouse gas emissions	3,76
	Water Management	addresses the sustainable use of water in production processes and offices	3,66
	Waste Management and the Circular Economy	includes waste collection, recycling, and minimization, with a focus on material circularity	4,07
S	Worker Health, Safety, and Well-being	covers protective measures, risk prevention, and support for physical and psychological well-being	4,21
	Training and Human Capital Development	addresses opportunities for employee growth, training, and professional development	3,94
	Diversity, Inclusion, and Equal Opportunity	promotes a fair work environment that respects differences and is open to all people, ensuring equal opportunities in hiring, growth, and professional development	4,10
	Sustainability across the value chain	addresses the social and environmental impacts of suppliers and partners, promoting sustainable and responsible practices across the supply chain	3,77
	Engagement with and Support for Local Communities	includes initiatives aimed at supporting the social, cultural, and economic development of the local community where the company operates, fostering positive relationships with the community	3,69
G	Ethics, Integrity, and Transparency	covers ethical conduct, anti-corruption, and transparency in business decisions	3,86
	Supply Chain Management	involves monitoring suppliers to ensure compliance with ESG standards across the supply chain	3,49
	Transparent Communication and Responsible Marketing	ensures that information provided to customers, stakeholders, and the public is clear, truthful, and understandable, promoting ethical and responsible marketing practices	3,76

An analysis of the average scores (all of which exceed the significance threshold of 3/5) reveals interesting nuances that reflect the different priorities of the various stakeholders:

- **Consensus on Safety**
The issue of *workers' health, safety, and well-being* is by far the most important. It is the only issue on which there is nearly unanimous agreement among both internal (employees) and external (customers and banks) stakeholders.
- **The Perspective of Customers and Suppliers**
Business partners and brands place a high priority on the *circular economy* and *responsible marketing*, a sign that the cosmetics industry is increasingly focused on the transparency of the finished product.
- **The Role of Local Community**
As noted, the local community has very high expectations on nearly all issues. This reflects a strong demand for environmental protection and direct social support.
- **Focus Employees**
Employees demonstrated a particular sensitivity toward *diversity and inclusion* and training, confirming that the development of human capital is perceived as a core value.

- Emerging Themes
Supply chain management, while scoring slightly lower, is viewed as having a more “indirect” but fundamental impact on the long-term stability of the business.

Double Materiality Analysis

In line with the regulatory changes introduced by the CSRD Directive and the ESRS/VSME standards, Pink Frogs Cosmetics has adopted the principle of Double Materiality for the 2024–2025 period.

This approach allows us to view sustainability through two complementary lenses, ensuring that the Report focuses on the areas where the company generates the most value or faces the most significant risks.

This means that each issue has been assessed from two perspectives:

- Impact Materiality (*Inside-Out*)
It represents the main impacts, positive or negative, actual or potential, that Pink Frogs has on people and the environment. This dimension was derived directly from the results of the stakeholder questionnaire analyzed in the previous paragraph.
- Financial Materiality (*Outside-In*)
Identify the ESG issues that may affect the company's development, performance, and financial position in the short, medium, or long term. This assessment is the result of the IRO (Impacts, Risks, and Opportunities) Analysis conducted internally by the ESG Coordinator and Company Management.

From IRO Analysis to the Matrix

The internal analysis was not limited to a subjective assessment, but examined each topic through three specific lenses.

Impacts	Risks	Opportunities
The scope, extent, and nature (positive/negative) of the company's activities were evaluated.	The external factors that could threaten business continuity have been identified.	The competitive advantages associated with each topic have been mapped.

The internal assessment process followed a rigorous framework based on *Probability × Severity* for risks and *Probability × Significance* for opportunities.

This work identified several key strategic directions:

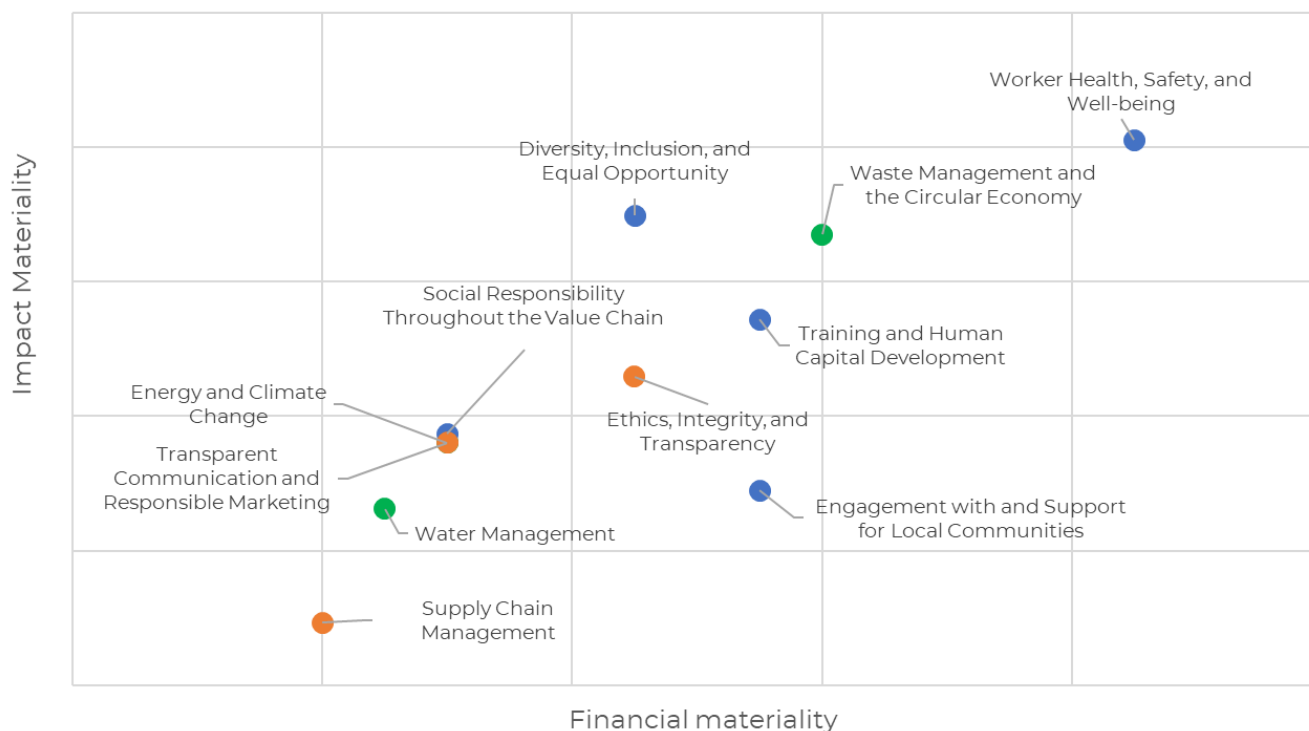
- The Primacy of Human Capital
The Social pillar was found to have the greatest potential financial impact. In a highly specialized sector such as the cosmetics industry, workplace safety and continuing education are not merely obligations but strategic assets for business continuity.
- The Circular Economy as a Competitive Advantage
Environmental issues related to waste management and resource efficiency have been classified as Tier 1 (highest priority). Management has identified this area as a clear opportunity for operational efficiency and a key factor in meeting the demands of the most discerning customers.

Double Materiality Matrix 2025

By integrating these two perspectives, the themes that will guide this report have been identified.

The chart below summarizes this process. The themes were mapped by cross-referencing the questionnaire scores (Y-axis - Relevance to Stakeholders) with the results of the IRO analysis (X-axis - Relevance to the Company).

DOUBLE MATERIALITY ANALYSIS 2025



The themes of *Health and Safety*, the *Circular Economy*, and *Diversity and Inclusion* score highly on both axes, representing the cornerstones of the Società Benefit identity.

Although the topic of *Ethics, Integrity, and Transparency* is perceived to have a stable impact, management considers it an essential financial prerequisite for protecting the company's reputation.

The results of this analysis not only define the content of this Report but also guide the company's resource allocation and future investment plans.

The Impact Management System

For Pink Frogs Cosmetics, sustainability is a discipline that requires rigor, measurement, and continuous improvement. An impact management system has been established that integrates ESG performance into daily decision-making processes.

KPI Monitoring: A dashboard of indicators (environmental, social, and governance) that is updated periodically is used to monitor deviations from the objectives of the Benefit Plan.

Assessment Tools (Open-es): To ensure maximum transparency and comparability, the Open-es platform is used.

The company uses this tool not merely as a quantitative assessment system, but as a strategic compass for market benchmarking.

The platform allows us to map our ESG performance in detail against the personal care products sector, identifying best practices and defining improvement plans aimed at increasing the company's positive impact on the supply chain and communities.

Open es allows us to map the supply chain's sustainability profile, potentially facilitating the sharing of ESG data with partners and financial institutions.

Compliance with Regulations

Although reporting is currently voluntary for companies the size of Pink Frogs, the company has chosen to get a head start on the Corporate Sustainability Reporting Directive (CSRD) by:

- Gradually adopting the VSME principles: The simplified standard for SMEs is used to ensure that the data meets the requirements of major international brands.
- The role of the Sustainability Coordinator: A dedicated position that oversees data monitoring according to the ESRS framework, ensuring the quality and traceability of the information.
- Benefit Plan 2024-2026: ESG indicators are directly integrated into the statutory objectives for the common good, linking the company's growth to improvements in sustainability metrics.

Participation and Networks

Being a Società Benefit also means recognizing that sustainability challenges are best tackled together. In the context of stakeholder relations, Pink Frogs' ties with industry organizations and associations play a crucial role. Close collaboration with these institutional bodies allows the company to stay constantly informed about regulatory developments in the sector, as well as about changes and new sustainability requirements emerging in the market.

Cosmetica Italia

Pink Frogs is part of Cosmetica Italia's Contract Manufacturing Group. From 2018 to 2023, Pink Frogs CEO Matteo Locatelli served as Vice President of Cosmetica Italia.



Federchimica

The company participates in Federchimica voluntary Responsible Care program, through which the chemical industry commits to values and practices aimed at ensuring the health and safety of employees and protecting the environment. In 2015, 2019, and 2024, it won the “Responsible Care Federchimica Awards,” which recognize excellence in sustainable development within the chemical industry.



Assolombarda

Pink Frogs is a member of Assolombarda. In addition, sole administrator Matteo Locatelli serves on Assolombarda’s General Council, the Chemicals Group Council, and the Small Industry Committee.



The company also works with its suppliers to promote the adoption of ESG criteria even at the upstream stages of production, participating in working groups and projects that foster the exchange of best practices.



Figure 4. CEO Matteo Locatelli during a best practices exchange session.

3. Impacts of Common Benefit

As a Società Benefit, Pink Frogs Cosmetics pursues goals for the common good that go beyond the generation of economic value, incorporating objectives aimed at having a positive impact on people, communities, and the environment into its corporate purpose. This chapter analyzes how these dual objectives have translated into concrete actions and measurable results over the past two years.

3.1 Employee well-being and development

To promote the well-being and development of the company's employees through training programs, professional and personal growth opportunities, and a safe, accessible work environment that prioritizes physical and mental well-being and work-life balance.

People are at the heart of Pink Frogs Cosmetics. Being a Società Benefit means transforming the workplace into a space for continuous growth, safety, and inclusion. During the 2024–2025 period, there was an unprecedented acceleration in investments in human capital.

Workers' Health, Safety, and Well-Being

At Pink Frogs, health and safety is not viewed as a mere compliance requirement, but as a cornerstone of the company's identity as a Benefit Corporation. Safety stems from dialogue: for this reason, in 2025, two training programs were launched, developed by directly listening to employees' needs and through ongoing collaboration with the Employee Safety Representative (RLS).

Beyond Procedures: Safety at the Heart of Logistics

In May 2025, the warehouse was transformed into a discussion forum. A group of nine operators, including in-house employees and contractors from an external logistics hub, participated in a training program focused on logistics safety.

The goal was not only to review the proper use of equipment or GMP standards, but also to reinforce awareness of individual and collective responsibility. The most significant outcome was not the near-perfect scores on the final tests, but the emergence of a proactive atmosphere: during the simulations, the operators themselves suggested practical improvements to make workflows safer and less strenuous, demonstrating how safety, when approached collaboratively, becomes a catalyst for innovation.



Figure 5. In-House Course on Logistics Safety

Spinal Health: well-being you can take with you

At the same time, we sought to address a key challenge for those who work on production lines every day: musculoskeletal health. In collaboration with Dr. Deborah Venturelli, a kinesiologist, we launched a Spinal Health project that combined science with daily practice.

Designed for those performing physically demanding tasks, such as weighers and packaging operators, the course went beyond the traditional lecture format. Through hands-on sessions on posture correction and guided exercises, workers learned more about their own spines and how to prevent disorders associated with repetitive movements.



Figure 6. Spinal Health training

The true success of this project was the employees' enthusiastic and spontaneous adoption of the exercises; they recognized that the course offered benefits capable of improving their quality of life even beyond the workplace.

These initiatives reflect Pink Frogs' vision: a workplace is truly sustainable only when it prioritizes the self-awareness and physical and mental well-being of those who work there.

Diversity, Inclusion, and Equal Opportunity

At Pink Frogs, equity is achieved through the recognition of human skills. In 2024, the company joined the **CHECK (Challenge Equality in Employment and Care) project**, a European initiative aimed at recognizing skills acquired in care settings, promoted by the L'Albero della Vita Foundation and the Sodalitas Foundation, with the support of the European Union.



The key message of the initiative is "Caring for others is a skill: let's learn to value it."

On a voluntary basis, employees had the opportunity to take a course during work hours focused on recognizing the soft skills acquired in family and care settings.

Meanwhile, four company representatives completed a management training program, participating in specific workshops to define best practices for work-life balance.

The participation of male employees as well as a diverse range of roles—from blue-collar workers to executives—confirms the company's openness to more flexible and inclusive organizational models.

The feedback gathered and the skills acquired by management will serve as the foundation for the future development of a company-wide plan to further improve work-life balance.

Training and Development of Human Capital

The year 2024 marked a turning point. We did not limit ourselves to mandatory training, but instead invested in raising awareness of the role and improving the quality of work.

- **The Regulatory Importance:** One important initiative was the in-house training and information session on cosmetics regulations, led by the Head of Regulatory Affairs.

Approximately 90 employees and contract workers, ranging from operatives to executives, participated in this course, which consisted of two one-hour modules, underscoring the cross-functional importance of this topic within the company. The main objective was to help all employees understand the value and responsibility of their own contribution to ensuring product compliance and quality.



Figure 7. Course on Cosmetics Regulations

- **Growth:** Investment in training has literally skyrocketed, rising from an average of 5.6 hours in 2023 to 11.8 hours in 2025. This increase was driven both by a rise in the workforce (+12%) and a strong push toward optional training, signaling a desire to stay current that goes beyond mere legal requirements.

Average annual training hours per employee (GRI 404-1)	2023	2024	2025
Total average training hours	5,6	14,7	11,8
of which optional training	2,84	3,80	6,89

Pink Building project

Cohesion among departments is the key to corporate efficiency. Through the **Pink Building** initiative, **100% of employees** were involved in a “job-sharing” and collaboration experience.

The groups, consisting of 4–5 employees selected from four different company departments, spent a day sharing their daily tasks and discussing their skills and challenges in an atmosphere of open exchange and dialogue.



Figure 8. Pink Building

Objective:

To break down organizational silos and help each employee gain insight into the daily challenges faced by colleagues in other departments.

Result:

A tangible improvement in the internal work environment and in the understanding of processes, validated by anonymous feedback that confirms the strength of a participatory corporate culture.

The Pink Building project helped improve team cohesion by fostering mutual understanding and a more inclusive and participatory corporate culture, in line with the goals of employee well-being and development.

ESG Performance and 2024–2025 results

Focus: Training, professional development, a safe and stimulating work environment, work-life balance.

KPI based on 2024-2026 Plan	2026 Target	2023 Baseline	2024 Result	2025 Result	Status
Training hours per employee (excluding mandatory training)	+ 50% in the 2024-2026 period	2,84	3,80	6,89	✓
% of the workforce participating in internal training courses		39%	97%	57%	✓
% of employees who participated in the Pink Building project	95%	0	100%	-	✓
Employee satisfaction and engagement score	+ 20%	0	n/a	n/a	✗
Employee satisfaction and engagement score on workplace well-being issues	+ 20%	0	n/a	n/a	✗
Number of events on diversity, equity, and inclusion issues	1 in the 2024-2026 period	0	0	1	✓

The past two years have seen an extraordinary investment in human capital. Training hours per employee have more than doubled compared to 2023, far exceeding the +50% target.

This result was driven by in-house training courses (which reached a peak participation rate of 97% in 2024, thanks mainly to the course on cosmetics regulations), consolidating the transfer of technical know-how across departments.

The Pink Building project reached the entire workforce in 2024, serving as a catalyst for the internal work environment.

The commitment to diversity and inclusion took concrete form in 2024 with participation in the European CHECK (Challenge Equality in Employment and Care) project.

This initiative made it possible to recognize the skills employees had developed in caregiving contexts, transforming “caring” into a recognized professional soft skill.

KPIs related to satisfaction and engagement scores were not measured. Pink Frogs Cosmetics made a conscious decision not to conduct measurement surveys in 2025, prioritizing the allocation of resources and attention to the structural strengthening of the Human Resources department.

This work to “ground” HR processes is still ongoing and is a necessary prerequisite for launching, in the next strategic cycle, workplace climate assessments that are truly meaningful and based on a consolidated organizational structure.

3.2 Sustainability across the Value Chain

Encourage sustainability across the value chain by promoting the adoption of responsible environmental practices by suppliers, monitoring compliance with ESG criteria, and supporting those who demonstrate a concrete commitment to reducing their environmental impact.

In an industry as complex as the cosmetics industry, a product's quality is measured not only by its effectiveness, but also by the integrity of the entire supply chain that produced it. Pink Frogs Cosmetics acts as a link between raw materials and the end consumer, taking on the responsibility of guiding its partners toward increasingly higher social and environmental standards.

Supply Chain Management

The year 2024 marked the consolidation of a transparent dialogue with our partners. The Supplier Code of Conduct was updated, transforming it from a technical document into a true manifesto of shared values.

This is not just about compliance, but about a shared vision:

- *Ethics and Integrity:* We aim for a partnership based on trust and loyalty, ensuring that every component of our products meets high ethical standards.
- *Equitable Development:* Partners are encouraged to adopt production models that balance economic goals with social and environmental impact, while fully respecting human rights.
- *Environmental Responsibility:* Suppliers are required to safeguard human rights and the planet's regenerative capacity.

This Code, made available to all stakeholders via the company website and the dedicated sustainability microsite, serves as the starting point for a supply chain that does more than simply provide goods and services, it actively participates in the company's commitment as a Società Benefit.

Social Responsibility Across the Value Chain

This theme reflects Pink Frogs Cosmetics' commitment to making a positive impact that extends beyond the company's boundaries by promoting the adoption of sustainable practices throughout the entire supply chain.

The Società Benefit strategy goes beyond simply ensuring regulatory compliance; it aims to actively involve business partners in socially-oriented projects, transforming the supply chain into an ecosystem of solidarity.

The company aims to lead initiatives that enable suppliers to contribute their expertise and resources (raw materials, packaging, logistics) for charitable purposes.

This shared responsibility approach makes it possible to:

- *Maximize impact:* By joining forces with partners, it is possible to carry out complex projects (such as the development of products dedicated to solidarity) that a single organization could not support as effectively on its own.

- *Promote the Circular and Solidarity Economy:* Through collaborative models such as “Circular Beauty,” Pink Frogs Cosmetics and its partners work to give new life to production surpluses, transforming them into resources for the nonprofit sector.
- *Share Values:* Participation in joint initiatives acts as a cultural catalyst, encouraging suppliers to reflect on their social and environmental roles.

In this vision, the value chain becomes a true driver of social progress, where the creation of an excellent cosmetic product serves as a means to generate resources that support communities and the most vulnerable individuals.

Charitable Partnerships and Solidarity-Based Co-Marketing

Pink Frogs is turning its participation in Milan Beauty Week into a tangible opportunity for social impact by involving its partners in charitable co-marketing projects.

By collaborating with partners throughout the supply chain, the company is creating custom products to actively contribute to fundraising for the “Beauty Gives Back” initiative.

The project supports “La forza e il sorriso,” an association sponsored by Cosmetica Italia, which is an integral part of the international Look Good Feel Better group—the promoter of the initiative in 27 countries worldwide—that offers free beauty workshops for women undergoing cancer treatment.

In the 2024–2025 period, the following products were created for the occasion:



Figure 10. Oil to Milk Micellar Make Up Remover (Milano Beauty Week 2024)



Figure 9. Velvet oil face & body (Milano Beauty Week 2025)

These initiatives demonstrate that, by combining expertise in design and formulation, the cosmetics industry can help restore self-esteem and well-being to those facing the most difficult challenges.

ESG Performance and 2024–2025 results

Focus: Sustainable solutions, transparency, supplier monitoring, and responsible practices.

KPI based on 2024-2026 Plan	2026 Target	2023 Baseline	2024 Result	2025 Result	Status
Partners involved in Circular Beauty initiatives	4	6	0	1	↗
% of communication campaigns containing messages about ESG responsibility	40%	46%	46%	37%	✓
Creation of a microsite with up-to-date and easily accessible data	Creation	-	Created	Updated	✓

The number of partners involved in the Circular Beauty project over the two-year period reflects the very nature of the initiative. The recovery of cosmetics depends heavily on the availability of bulk products and surplus or unsellable materials.

The absence of projects during certain periods is therefore, paradoxically, a positive indicator of production efficiency (less waste generated at the source).

However, the “upward trend” highlights that a new edition of the project is already well underway for 2026, confirming the commitment to maintaining this model of circular solidarity as soon as resources permit.

The target of 40% of marketing campaigns featuring ESG messages was largely maintained over the two-year period, with a slight deviation in 2025 (37%) due to a diversification of product launch strategies. At the same time, the company took a decisive step toward radical transparency with the creation and subsequent updating of the microsite dedicated to sustainability.

This tool now allows all stakeholders to immediately access up-to-date data, moving beyond the concept of a static paper report.

3.3 Community and local area

Contribute to the well-being of the region and the local community by supporting initiatives that improve quality of life and promote inclusive social development, including through volunteer projects and corporate social responsibility initiatives.

For Pink Frogs Cosmetics, the concept of community is a strategic value. The company is committed to giving back to the communities where it operates, not only by creating jobs, but also by actively supporting the local social fabric through charitable partnerships, volunteer projects, and responsible marketing initiatives.

Involvement and support of local communities

The focus on local communities translates into ongoing support for projects aimed at social inclusion and improving services for the most vulnerable segments of the population.

The company's involvement is not merely financial; it also takes the form of active participation in awareness-raising events that combine preventive healthcare with community cohesion.

Transparent Communication and Responsible Marketing

Pink Frogs Cosmetics takes an approach to communication that places ethics at the heart of its corporate promotion. Marketing and communication are not viewed merely as sales tools, but as a means of spreading messages of solidarity and prevention.

This is reflected in the company's participation in campaigns that turn its visibility into an opportunity for fundraising and scientific outreach.

La Banca del Tempo Sociale - Growing together in the community

Among its most significant partnerships, the one with I Bambini delle Fate stands out, particularly through the Banca del Tempo Sociale project at the Il Balzo Social Cooperative in Rozzano.

This initiative offers young people with autism concrete opportunities for inclusion and recreation, bridging the gap between the business world and the social sector.

For Pink Frogs, supporting this project means investing in a community capable of embracing and valuing all forms of diversity.



Figure 11. The young people from the "Social Time Bank" project in Rozzano on a field trip to Gardaland (2025)

Solidarity in Motion - Pittarosso Pink Parade 2024 and Strawoman 2025

Collective participation in fundraising events such as the Pittarosso Pink Parade and the Strawoman is a key aspect of Pink Frogs' corporate identity.

In 2024, approximately 40 employees took part in the **Pittarosso Pink Parade**, a non-competitive walk in support of the Umberto Veronesi Foundation ETS, to raise awareness and funds for the fight against women's cancers.

In 2025, the company renewed its commitment by participating in **Strawoman 2025**, a non-competitive walk to raise funds for research on women's health issues and to end violence against women.

The event supports the "Pink Union" research projects of the Humanitas Foundation for Research, dedicated to the study of women's health issues, and WeWorld's "Spazi Donna" (Women's Spaces)—places offering a listening ear and support for women who are facing a particularly vulnerable time or who are victims of violence.

These initiatives combine employee well-being (team building and prevention) with social responsibility, transforming every kilometer walked into a concrete contribution to scientific research.

The company's participation, combined with promotion of the event, actively helps spread messages of prevention and solidarity.



Figure 13. Pittarosso Pink Parade 2024



Figure 13. Strawoman 2025

ESG Performance and 2024–2025 results

Focus: Quality of Life, Local Sustainable Development, Volunteerism, and CSR Initiatives.

KPI based on 2024-2026 Plan	2026 Target	2023 Baseline	2024 Result	2025 Result	Status
Number of updates shared with stakeholders regarding the progress of ESG initiatives	12	13	18	16	✓
Number of Circular Beauty initiatives	4	2	0	1	↗

The target for sharing ESG progress with stakeholders was significantly exceeded in both years of the two-year period. With 18 updates in 2024 and 16 in 2025, Pink Frogs Cosmetics maintained an open and transparent dialogue with the local community and its partners.

This frequency of communication helps spread a culture of sustainability beyond the company's boundaries, involving the local community in the achievements made.

As already highlighted in the previous Objective, the number of Circular Beauty initiatives is intrinsically linked to the availability of recoverable products. Despite fluctuations in numbers, the initiative remains a pillar of the company's connection to the local community: every project carried out translates into a concrete donation to local nonprofit organizations, transforming industrial waste into social value.

3.4 Education and new generations

Support the learning and growth of the next generation by actively contributing to the promotion of a culture of sustainability and innovation through partnerships with educational institutions, mentoring programs, seminars, and workshops.

Pink Frogs Cosmetics recognizes education as the key tool for building a resilient and mindful future. The Società Benefit commitment is demonstrated by opening its doors and sharing its expertise with students and researchers, while promoting a corporate culture in which technological innovation is always guided by the principles of sustainability.

Training and Human Capital Development

The company actively collaborates with educational institutions at various levels, with the goal of supporting young people on their path into the workforce.

- **Mentorship and Academic Programs:**

During the 2024–2025 period, Pink Frogs Cosmetics stepped up its support for college students by assisting with their thesis projects through the sharing of technical data, interviews, corporate case studies, and internships at the company.

This exchange allows young talent to engage with a cutting-edge operational environment, while simultaneously bringing new energy and fresh perspectives to internal processes.

Specifically, the number of events, including conferences, workshops, corporate presentations, and case studies, combined with the company's involvement in theses through data sharing, interviews, and internships, increased compared to the previous two-year period, rising from 8 such opportunities between 2022 and 2023 to 20 in the 2024–2025 period.



Figure 14. Company Testimonial

- **Promoting ESG Culture:** The participation of company representatives in seminars, workshops, and conferences (with 9 such events recorded in 2024, 7 of which focused on ESG issues) demonstrates the company's commitment to championing a new approach to business, in which sustainability is integrated into the core business.

Ethics, Integrity, and Transparency

The involvement of the younger generations is managed according to strict ethical and transparency standards. Every opportunity for interaction—from company visits to presentations in the classroom—is designed to convey not only technical skills but also the importance of professional integrity and responsibility toward the environment and society.

During the 2024–2025 period, Pink Frogs Cosmetics hosted 53 college students on organized tours, offering them a firsthand look at production processes governed by GMP certifications and sustainability criteria.

In 2025, the company was invited by Randstad Enterprise Italia to participate in #STEM Week, an initiative by the Ministry of Education, Universities, and Research (MIUR) aimed at raising awareness among local students about technical and scientific disciplines.

[illegible]

Figure 15. Workshop dedicated to STEM Week



Figure 16. CEO Matteo Locatelli during PMI Day 2025

Also in 2025, as part of the national PMI DAY project promoted by Confindustria and Assolombarda, CEO Matteo Locatelli had the pleasure of presenting the company to six classes at the “Antonio Vivaldi” Middle School in Pieve Emanuele (MI), a school located in the area where Pink Frogs operates.

The goal of the initiative is to introduce students to the many local businesses in the area, the career opportunities they offer, and their ongoing commitment to economic growth and the well-being of their community.

Through this hands-on experience, students have the opportunity to discover what it means to “run a business” directly from the leaders in the industrial world and to better navigate their future careers.

Pink Frogs Cosmetics' participation in the event is part of a broader project to promote the company, with the goal of scouting and recruiting new talent from nearby high schools and STEM universities.

Sparking curiosity isn't always immediate, but fostering interaction between schools and businesses is an important step in helping young people navigate their future.

These initiatives provide a firsthand demonstration of how a passion for research and innovation can coexist with a deep respect for the ecosystem, inspiring the next generation to become the socially conscious professionals of tomorrow.

ESG Performance and 2024–2025 results

Focus: Workshops, seminars, mentoring, internships, and collaboration with educational institutions.

KPI based on 2024-2026 Plan	2026 Target	2023 Baseline	2024 Result	2025 Result	Status
Company presentations to stakeholders on sustainability issues	10 in the 2024-2026 period	3	7	5	✓
Number of Pink Academy participants	1 session per year	10	11	8	✓
Percentage of Pink Academy participants subsequently hired	10%	10%	18%	12,5%	✓

By exceeding its three-year target for corporate testimonials as early as the 2024–2025 period, Pink Frogs has brought its vision of sustainability to universities, institutions, and industry roundtables.

This commitment demonstrates how the role of a Benefit Corporation extends beyond production to serve as an educational example for stakeholders.

The Pink Academy project has proven to be an important tool for supporting the younger generation. Despite natural fluctuations in the number of participants, the quality of the training program is evidenced by the employment rate.



Figure 17. Participants in the first edition of the Pink Academy project

3.5 Environment and Resource Efficiency

Reduce direct environmental impacts through ongoing efforts to improve energy efficiency, responsibly manage natural resources, reduce emissions, and optimize waste management processes.

For Pink Frogs Cosmetics, environmental protection is a daily operational commitment. The Società Benefit constantly monitors its environmental impact, aiming for a management of natural resources that respects their regenerative capacity and promotes circular production models.

Energy and Climate Change

Energy efficiency represents an important step toward reducing environmental impacts. The company monitors its internal energy consumption and greenhouse gas emissions (Scope 1 and Scope 2).

Energy monitoring highlights careful management of the resources required to operate the production site. In 2025, total electricity consumption stood at 359.67 MWh, marking a slight increase from the 338.86 MWh recorded in 2023, in line with the growth of operations.

As for natural gas, consumption has remained fairly constant over the past two years. Monitoring recorded mobility-related consumption allows the company to evaluate future transitions toward a fleet with a lower environmental impact.

Energy consumed within the organization (MWh) (GRI 302-1)	2023	2024	2025
Total energy consumption from non-renewable sources (Fossil fuels)	842,82	811,53	830,65
of which gasoline	3,95	4,16	5,40
of which diesel	11,61	9,49	17,01
of which natural gas	488,41	438,89	448,58
of which energy purchased from non-renewable sources	338,86	358,99	359,67
Total energy consumption from renewable sources	0	0	0
Total energy consumption within the organization	842,82	811,53	830,65

Table 1. Energy consumption of the organization

Over the three-year period from 2023 to 2025, total greenhouse gas emissions remained essentially stable, rising from 202.2 tCO₂ eq in 2023 to 203.33 tCO₂ eq in 2025. This stability reflects the continuity of production processes and the effectiveness of existing control measures.

Pink Frogs Cosmetics recognizes that a significant portion of a cosmetics company's carbon footprint stems from indirect emissions generated throughout the entire value chain (Scope 3)—from raw materials to the end of a product's life cycle, including third-party-managed transportation. Currently, the complexity of obtaining accurate data from supply chain partners does not yet allow for a rigorous quantitative measurement of this category.

However, the Company has embarked on a process of analysis and dialogue with its suppliers aimed at establishing, in the near future, a data collection system that will enable it to map and, consequently, take action to reduce the organization's overall climate impact.

Water management

Water is an essential resource in the cosmetics manufacturing process. Pink Frogs Cosmetics is committed to responsible water management, monitoring water withdrawals and working to optimize equipment cleaning cycles in order to reduce waste and ensure compliance with quality standards while minimizing its impact on water resources.

Thanks to this precise and constant monitoring, an anomaly in water consumption was recently identified, attributable to a hidden leak in the system. The company took prompt action and is currently working to permanently resolve the issue through targeted technical interventions. This incident underscores the importance of measurement as a tool for prevention and active management, enabling the correction of inefficiencies that would otherwise place a burden on natural resources and operating costs.

Waste management and the circular economy

The year 2024 marked a turning point in waste management for Pink Frogs. Thanks to a partnership with a new specialized supplier, the company has embarked on a path toward higher-quality waste sorting, a decision aimed not only at regulatory compliance but also at improving the quality of the entire waste management chain.

The main component of the waste remains aqueous solutions, which accounted for 91.7% of the total produced in 2025. These residues, derived primarily from the washing cycles of production facilities and machinery, are sent for disposal at specialized facilities to ensure their proper chemical and physical treatment.



Figure 18. Collection of retractorable and heat-shrinkable film

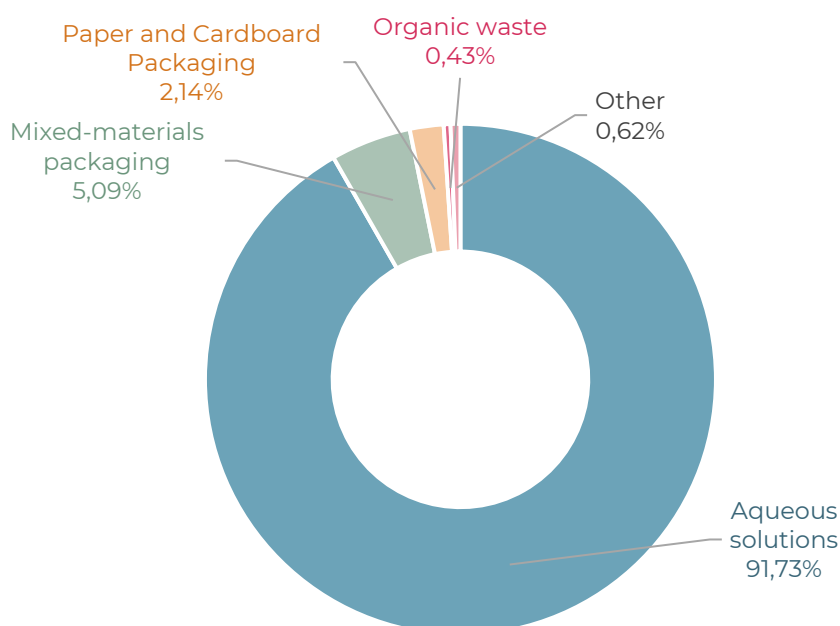


Figure 19. Classification by Waste Type (2025, in kg)

Packaging (paper, cardboard, mixed materials, and plastic) represents a significant category.

A key achievement related to this waste was the optimization of packaging collection, particularly for paper, cardboard, and mixed materials. Through improved route planning and material compaction, the number of necessary collection trips was reduced, thereby cutting CO2 emissions associated with transportation.

At the same time, paper, cardboard, and mixed packaging have been drastically reduced thanks to improved material sorting.

Circular Beauty – A second life for cosmetics

The “Circular Beauty” project, launched in early 2021 amid the health and economic crisis, is a special initiative because it encompasses commitments that fall under the three pillars of Corporate Social Responsibility:

Social Responsibility	Environmental Responsibility	Economic Responsibility
Donations to Nonprofit Organizations	“Low waste” through the repurposing of materials	Circular economy and supply chain collaboration

The virtuous circle of “Circular Beauty”: how it works

Every “Circular Beauty” project begins with a need and culminates in a donation, moving through contributions and solidarity partnerships, and then starts over.



Involved partners

10

Supported Onlus

7

Donated cosmetics

28.115

Since 2021, “Circular Beauty” has helped prevent the disposal of:

7.376 kg

of cosmetics

&

1.110 kg

of packaging

Edition 2025

More than 3,000 shower shampoos were donated to *Opera San Francesco per i Poveri* and *Fondazione Progetto Arca*, two organizations dedicated to supporting people in need every day.

A small gesture that makes a big impact: repurposing products, preventing waste, and offering a moment of self-care to those who need it most through an increasingly circular, sustainable, and socially responsible approach to beauty, made possible thanks to collaboration with supply chain partners.



Figure 20. Circular Beauty 2025

Circular Economy for Plastics - Toward a Closed-Loop System

A pillar of Pink Frogs Cosmetics' environmental strategy is the project to recover plastic film (stretch and heat-shrink) from incoming goods.

Thanks to a rigorous internal sorting and cleaning process, the material is not treated as mere waste but is instead fed into a high-quality recycling process. The goal is to regenerate the polymer to create new plastic film for reuse in logistics processes, preserving the value of the raw material and avoiding the use of virgin plastic.

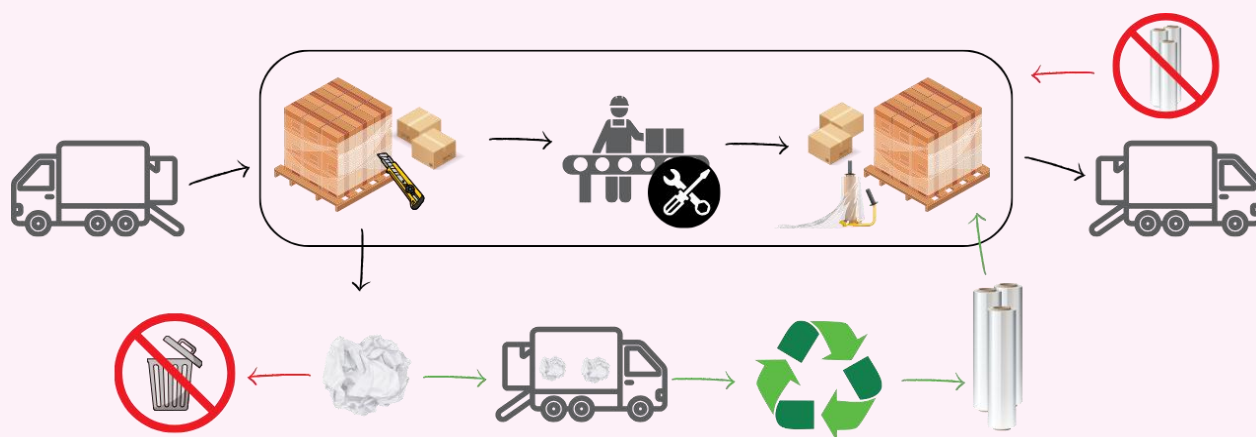


Figure 21. How the plastic film recovery project works

The consolidated results confirm the effectiveness of this approach: from 2021 through the end of 2025, approximately 5,414 kg of stretch film were diverted from disposal and sent for recycling.

This initiative demonstrates the company's ongoing commitment to transforming logistics waste into circular resources, thereby reducing the environmental footprint of tertiary packaging.

ESG Performance and 2024–2025 results

Focus: Energy efficiency, emissions reduction, water and waste management.

KPI based on 2024-2026 Plan	2026 Target	2023 Baseline	2024 Result	2025 Result	Status
kg of cosmetics recovered through Circular Beauty		3.247	0	657	✓
kg of mixed waste	- 20%	179.390	81.460	72.710	✓
kg of recycled plastic film	+ 15%	1.040	1.174	2.300	✓
Categories related to measured Scope 3 emissions	2/15	0	0	0	✗
Environmental projects supported in the local area	1	0	0	0	✗

The two-year period saw exceptional results in waste management, far exceeding expectations. The reduction in mixed waste was dramatic: a success attributable to process optimization and the partnership with the new waste disposal provider.

At the same time, plastic film recovery surged in 2025, more than doubling the baseline figure and cementing a true circular economy model.

As for Circular Beauty, the recovery of 657 kg in 2025 confirms the project's revival after a period of stagnation in 2024 due to a lack of suitable surplus materials.

The goal of measuring two Scope 3 categories was not achieved. The complexity of obtaining granular and certified data along the supply chain took longer than anticipated.

Rather than producing an inaccurate estimate, Pink Frogs chose to prioritize data quality.

Similarly, no specific local environmental projects were launched during the two-year period, as the company chose to focus its investments on improving the efficiency of its facilities.

4. Looking to the future - Commitments for 2026 and beyond

For Pink Frogs Cosmetics, 2026 marks the beginning of a new phase of maturity as a Benefit Corporation. The experience we have gained allows us to outline a strategy for the coming period based on practicality, optimizing complex processes and strengthening the pillars that generate measurable value for stakeholders and the environment.

4.1 Strategic Objectives for the Next Two Years

Based on the results obtained and the new 2026 materiality analysis, Pink Frogs Cosmetics will focus its efforts on the issues that form the foundation of its identity as a Società Benefit.

Safety, Diversity, and Inclusion

Issues related to employee health and safety and diversity and inclusion were rated highly in terms of importance by both stakeholders and the company. Pink Frogs intends to build on this foundation, drawing on the results of the CHECK project, to develop welfare and safety policies that go beyond regulatory compliance, promoting an increasingly inclusive and safe work environment.

Circular Economy and Resource Management

The circular economy remains a strategic pillar and a defining feature of our identity. The company is committed to consolidating its waste reduction and material recovery processes (plastics and bulk materials).

Ethics, Integrity, and Transparency

Considered by management to be essential prerequisites for protecting the company's value, ethics and transparency will continue to guide corporate governance. Although perceived as stable issues, the company views them as financial and reputational pillars necessary for maintaining stakeholder trust, ensuring that reporting is always clear and truthful.



4.2 Roadmap 2026-2030: Strategy and Priorities

The new Sustainability Plan stems from the integration of the statutory benefit objectives and the material issues identified in the 2026 analysis. It represents a strategic commitment to achieving the goals of the United Nations 2030 Agenda and was drafted in accordance with the assessment of risks and opportunities (IRO Analysis).

Governance and Monitoring of the Plan

The company has adopted a rigorous monitoring procedure to ensure transparency and the verifiability of progress:

- *Approval:* The Plan is officially approved by management.
- *Review:* A review and update are scheduled at least once a year.
- *Responsibility:* The Sustainability department coordinates the monitoring process, collecting data and evidence from the various department heads.
- *Document Management System:* Verification of goal achievement is based on reliable company records, including the IRO Analysis, the Training Plan, waste management logs, and the Supplier Codes of Conduct.

Summary of Strategic Objectives (Details in Appendix A)

The priority objectives are listed below. For details on the analytical KPIs, baselines, and interim targets, please refer to the full 2026–2030 Operational Plan.

Social Area (S)

- *Health and Well-Being:* Promote a culture of holistic well-being and prevention.
- *Human Capital:* Invest in skills development through personalized programs and peer-to-peer training.
- *Community:* Contribute to local well-being by supporting nonprofit organizations and promoting research.

Environmental Area (E)

- *Circular Economy:* Maximize material recovery and reduce the impact of waste by strengthening the Circular Beauty model.
- *Decarbonization:* Pursue emissions reductions (Scopes 1, 2, and 3) and operational energy efficiency.
- *Water Resources:* Maximize water use efficiency and eliminate operational waste.

Governance Area (G)

- *Ethics and Supply Chain:* Strengthen ethical governance and integrate ESG criteria into the selection and monitoring of suppliers.
- *Communication:* Keep digital channels (mini-site) constantly updated to inform stakeholders about progress made.

5. Appendix

The Drafting Method

The Scope of the Sustainability Report

Pink Frogs Cosmetics 2024–2025 Sustainability Report is the result of a reporting process that began in 2017.

This document provides transparent information on the management model, the policies implemented, the main risks, opportunities (IRO Analysis), and impacts related to the ESG issues identified as material.

The ultimate goal is to highlight the actions taken in relation to sustainability objectives, addressing the expectations of all stakeholders.

The report covers the two-year period from January 1, 2024, to December 31, 2025. Although the corporate structure has evolved over time, the report considers the business to be operating with full operational and strategic continuity.

The data was collected through internal monitoring processes coordinated by the Sustainability department, involving department heads to ensure the accuracy of the KPIs.

Editorial Principles

The document is based on leading international frameworks and next-generation European standards to ensure consistency and comparability.

Specifically, the document refers to:

- **International <IR> Framework**, published by the International Integrated Reporting Council (IIRC), with regard to the guiding principles for preparation—strategic focus, forward-looking orientation, stakeholder engagement, materiality, and conciseness—and the content elements related to governance, business model, strategy, and performance.
- **Global Reporting Initiative** (GRI Standards 2021, GRI-Referenced option), used for reporting on economic, social, and environmental sustainability information.
- The European regulatory framework on sustainability reporting, including Directive (EU) 2022/2464—the **Corporate Sustainability Reporting Directive (CSRD)** and the related European Sustainability Reporting Standards (ESRS), which Pink Frogs uses as a guide with a view to gradual alignment.
The new **VSME, Voluntary Sustainability Reporting Standard for SMEs**, developed by EFRAG and recommended by the European Commission for companies not directly subject to the CSRD.
Pink Frogs adopts the VSME framework as its primary operational reference for structuring ESG information in a format that is consistent and scalable with respect to the ESRS, with a view to progressively aligning with European principles of transparency and comparability.
- ESRS Alignment: With a view to gradually aligning with European principles, the report incorporates the requirements of the standards:
 - ESRS E1 – Climate Change
 - ESRS S1 – Employees
 - ESRS G1 – Corporate Conduct and Governance

Data integrity and monitoring

Unlike previous editions, this document incorporates the 2026–2030 Sustainability Plan, which defines specific quantitative objectives (Targets) and calculation baselines (Baselines). Verification of the achievement of these objectives is based on a robust documentation system that includes IRO analyses, training records, energy bills, and supplier codes of conduct.

This report places primary emphasis on achieving the dual purposes set forth in the Benefit Corporation bylaws, which form the foundation of the company's identity and strategy.

Any discrepancies from the data published in previous reports stem from methodological updates and a gradual alignment with the frameworks mentioned above.

Indicators

Environmental indicators

ENERGY				
GRI 302-1 - Energy consumed within the organization ESRS E1	UoM	2023	2024	2025
Total energy consumption from non-renewable sources (Fossil fuels)	MWh	842,82	811,53	830,65
Gasoline	MWh	3,95	4,16	5,40
Diesel	MWh	11,61	9,49	17,01
Natural gas	MWh	488,41	438,89	448,58
Purchased energy (electricity, heat, steam...) from non-renewable sources	MWh	338,86	358,99	359,67
Total energy consumption from renewable sources	MWh	0	0	0
Purchased energy (electricity, heat, steam...) from renewable sources	MWh	0	0	0
Total energy consumption within the organization	MWh	842,82	811,53	830,65
% of energy from renewable sources		0%	0%	0%
GRI 302-3 Energy Intensity ESRS E1	UoM	2023	2024	2025
Energy intensity of the organization (Total energy consumption/net revenues)	MWh/MLN €	63,55	44,86	47,15
Parameter used to calculate energy intensity: Net Revenues (MLN of euros)	MLN €	13,26	18,09	17,62
Energy intensity of the organization (Total energy consumption/quantity)		33,70	30,87	48,46
Parameter used to calculate energy intensity: Quantity produced	MLN of pieces	25	26	17
EMISSIONS				
GRI 305-1 - Direct GHG Emissions (Scope 1) ESRS E1	UoM	2023	2024	2025
Direct GHG emissions (Scope 1)	t CO ₂ eq	103,0	92,9	97,2
of which from gasoline	t CO ₂ eq	1,0	1,1	1,4
of which from diesel	t CO ₂ eq	3,1	2,5	4,5
of which from natural gas	t CO ₂ eq	98,8	89,3	91,3
of which from refrigerant gases	t CO ₂ eq	0,0	0,0	0,0
GRI 305-2 - Indirect GHG emissions from energy consumption (Scope 2) ESRS E1	UoM	2023	2024	2025
Gross location-based indirect GHG emissions from energy consumption (Scope 2)	t CO ₂ eq	99,97	105,91	106,11
Gross market-based indirect GHG emissions from energy consumption (Scope 2).	t CO ₂ eq	51,11	105,91	106,11
GRI 305-4 - Total Emissions (location-based) ESRS E1	UoM	2023	2024	2025
Total emissions (location-based)	t CO ₂ eq	202,92	198,83	203,33
Intensity rate of the organization's GHG emissions (Total location-based emissions/net revenues)	t CO ₂ /MLN €	15,30	10,99	11,54
Parameter used to calculate GHG emission intensity: Net Revenues	MLN €	13,26	18,09	17,62
GRI 305-4 - Total Emissions (market-based) ESRS E1	UoM	2023	2024	2025
Total emissions (market-based)	t CO ₂ eq	154,06	198,83	203,33
GHG emissions intensity rate of the organization (Total market-based emissions/net revenues)	t CO ₂ eq /MLN €	11,62	10,99	11,54
Parameter used to calculate GHG emission intensity: Net Revenues	MLN €	13,26	18,09	17,62

WATER				
GRI 303-3 - Water Withdrawal ESRS E3	UoM	2023	2024	2025
Total water withdrawals	m ³	10.735	11.128	11.541
Withdrawal from the network (via Sardegna)	m ³	2.048	1.701	2.206
Withdrawal from the network (via Toscana)	m ³	8.551	9.289	9.223
Withdrawal from the network (via Calabria)	m ³	136	138	102
GRI 303-4 - Water Discharge ESRS E3	UoM	2023	2024	2025
Total water discharge	m ³	10.280	10.684	11.038
Plant wash water (CER 161002, via Sardegna)	m ³	161	207	233
Equipment washing water (CER 161002, via Toscana)	m ³	1.066	1.232	1.077
Water for civil use (all locations)	m ³	1.571	1.694	1.679
Osmosis waste water	m ³	455	444	503
Cooling water	m ³	7.028	7.107	7.545
GRI 303-5 - Water Consumption ESRS E3	UoM	2023	2024	2025
Total water consumption (Consumption = Withdrawal - Discharge)	m ³	455	444	503

WASTE				
GRI 306-3 - Waste generated ESRS E5	UoM	2023	2024	2025
Total weight of waste generated and breakdown by waste composition	kg	1.615.990	1.588.784	1.428.842
Iron and steel		0,47%	0,14%	0,05%
Paper and cardboard packaging		9,8%	3,0%	2,1%
Wood packaging		1,8%	0%	0%
Mixed material packaging		11,1%	5,1%	5,1%
Glass packaging		0%	0%	0,3%
Dirty packaging with hazardous substances		0,3%	0,1%	0%
Mineral oils for engine, gear and lubrication oils (non-chlorinated)		0,01%	0%	0%
Organic waste		0,5%	0,3%	0,2%
Plastic waste		0,06%	0,11%	0,18%
Hazardous substances		0,1%	0,6%	0,2%
Ink scraps containing hazardous substances		0,001%	0%	0,003%
Aqueous solutions		75,9%	90,6%	91,7%
Toner		0,004%	0%	0%
GRI 306-4 - Waste diverted from disposal ESRS E5	UoM	2023	2024	2025
Total weight of waste diverted from disposal broken down by waste composition	kg	388.640	134.878	112.040
Total weight of hazardous waste diverted from disposal	kg	5.889	1.040	480
Total weight of non-hazardous waste diverted from disposal	kg	382.751	133.838	111.560
% waste diverted from disposal		24,0%	8,5%	7,8%
GRI 306-5 - Waste directed to disposal ESRS E5	UoM	2023	2024	2025
Total weight of waste directed to disposal, and breakdown by waste composition	kg	1.227.350	1.453.906	1.316.802
Total weight of hazardous waste directed to disposal	kg	20	9.128	3.410
Total weight of non-hazardous waste directed to disposal	kg	1.227.330	1.444.778	1.313.392
% waste directed to disposal		76,0%	91,5%	92,2%

MATERIALS				
GRI 301-1 - Materials used by weight or volume ESRS E5	UoM	2023	2024	2025

Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, distinguishing between:	kg	328.761	422.835	339.131
non-renewable materials used	kg	133.593	205.713	89.405
renewable materials used	kg	195.168	217.121	249.726

Social indicators

WORKERS			
GRI 2-7 - Employees ESRS S1-6	2023	2024	2025
Total number of employees	75	85	87
Women	50	58	60
Men	25	27	27
Total number of permanent employees	74	84	86
Women	50	58	60
Men	24	26	26
Total number of temporary employees	1	1	1
Women	0	0	0
Men	1	1	1
Total number of non-guaranteed hours employees	0	0	0
Women	0	0	0
Men	0	0	0
Total number of full-time employees	75	85	87
Women	50	58	60
Men	25	26	27
Total number of part-time employees	0	0	0
Women	0	0	0
Men	0	0	0
Method used for calculation	Counting the number of people ("per person")		
GRI 2-8 - Workers are not employees whose duties are controlled by the organization ESRS S1-7	2023	2024	2025
Workers who rely on an employment office (outsourcing) (average)	14,81	14,84	9,99
Interns (average)	2,69	1,97	1,47
Workers who rely on social cooperatives	1	1	1

EMPLOYMENT			
GRI 401-1 - New employee hires ESRS S1-6	2023	2024	2025
Number of new employees hires	12	14	15
<30	4	7	6
30-50	7	7	5
>50	1	0	4
Rate of new hires	16%	16%	17%
Women	8	8	9
Men	4	6	6
GRI 401-1 - Turnover ESRS S1-6	2023	2024	2025
Number of employees who left the organization	6	4	13
<30	2	2	6
30-50	4	2	4
>50	0	0	3
Rate of terminated (exited)	8%	5%	15%
Women	2	0	7
Men	4	4	6

HEALTH AND SAFETY			
GRI 403-9 - Work-related Injuries ESRS S1-11	2023	2024	2025
Number of fatalities as a result of work-related injury	0	0	0
Rate of fatalities as a result of work-related injury	0	0	0
Number of work-related injuries with serious consequences (excluding deaths)	0	0	0

Rate of occupational injuries with serious consequences (excluding deaths)	0	0	0
Number of recordable injuries	0	1	1
Recordable injury rate	0,000	6,993	6,961
Main types of occupational injuries	-	Employee carelessness	
Rates were calculated on 1,000,000 hours worked			
Number of hours worked	110.556,5	143.003,0	143.663,5
GRI 403-10 – Work-related ill health ESRS S1-11	2023	2024	2025
Number of fatalities as a result of work-related ill health	0	0	0
Number of cases of recordable work-related ill health	0	0	0
Main types of work-related ill health	0	0	0
Work days lost due to work-related ill health or injury	0	0	0

TRAINING			
GRI 404-1 - Average hours of training per year ESRS S1-9	2023	2024	2025
Average hours of training provided to employees	5,61	14,68	11,80
Total training hours provided	420,5	1248	1026,5
Total training hours for female employees	345	939	772,5
<i>Average hours of training for female employees</i>	<i>6,9</i>	<i>16,2</i>	<i>12,9</i>
Total training hours for male employees	123,5	309	254
<i>Average hours of training for male employees</i>	<i>4,94</i>	<i>11,44</i>	<i>9,41</i>
Total training hours (top and middle management)	22,5	123,5	307,5
Number of top and middle management	6	6	10
Average hours of training for top and middle management	3,75	20,58	30,75
Total training hours (white-collar personnel)	225	534,5	439,5
Number of white-collar personnel	30	36	32
Average hours of training for white-collar personnel	7,5	14,8	13,7
Total training hours (blue-collar personnel)	173	590	279,5
Number of blue-collar personnel	39	43	45
Average hours of training for blue-collar personnel	4,4	13,7	6,2
Annual training hours non-employee workers	2023	2024	2025
Total training hours interns	48	40	0
Average hours of training interns	17,8	20,3	0,0
Total training hours outsourcing contracts	36	823	466,5
Average hours of training outsourcing contracts	2,4	55,5	46,7
Annual training hours by course scope	2023	2024	2025
Safety	152	394	157
Safety (non-compulsory)	0	0	74
Technical	213	476	113,5
Quality	23,5	90	73
Apprenticeship	32	288	212
Managerial	0	0	265
Other	0	0	132
GRI 404-3 - Percentage of employees receiving periodic performance and professional development reviews ESRS S1-9	2023	2024	2025
Women	0	0	0
Men	0	0	0
Type (top and middle management)	0	0	0
Type (white-collar personnel)	0	0	0
Type (blue-collar personnel)	0	0	0

DIVERSITY			
GRI 405-1 - Diversity of governance bodies and employees	2023	2024	2025
A. Total members of governance bodies	4	4	4
% Women (in governance bodies)	75%	75%	75%
% Men (in governance bodies)	25%	25%	25%
% <30	0%	0%	0%
% 30-50	0%	0%	0%
% >50	100%	100%	100%

B. Total No. Employees	75	85	87
% Women	67%	68%	69%
% Men	33%	32%	31%
% <30	19%	21%	16%
% 30-50	60%	56%	59%
% >50	21%	22%	25%
GRI 405-2 - Ratio of basic salary and remuneration of women to men ESRS S1-16	2023	2024	2025
Ratio of basic salary and pay of women to men for each employee category			
Blue-collar personnel	0,9	0,92	0,90
White-collar personnel	0,81	0,85	0,89
Middle management	1,15	1,17	1,02
Top management	N/A (women only)		
GRI 2-21 - Annual Total Compensation Ratio ESRS S1-17	2023	2024	2025
report the ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual)	3,78	3,86	4,01
GRI 406-1 - Incidents of discrimination and corrective actions taken ESRS S1-18	2023	2024	2025
Total number of incidents of discrimination	0	0	0
WORK-RELATED RIGHTS			
Grievances and complaints related to other work-related rights ESRS S1-21	2023	2024	2025
Number of complaints filed through operational-level complaint mechanisms	0	0	0
GRI 2-30 - Collective bargaining agreements ESRS S1-22	2023	2024	2025
Percentage of total employees covered by collective agreements	100%	100%	100%
Work stoppages (strikes) ESRS S1-23	2023	2024	2025
Number of work stoppages	0	0	0

Economic indicators

ECONOMIC VALUE			
GRI 201-1 - Direct economic value generated and distributed	2023	2024	2025
A. Economic value generated (revenues):	13.262.210	18.091.129	17.510.949
A1. Revenues	12.877.623	17.850.718	16.859.595
A2. Changes in inventories of work in progress, semi-finished and finished goods	124.790	15.090	332.573
A3. Other revenue and income	259.797	225.321	318.781
B. Distributed economic value:	12.391.634	16.613.724	15.843.134
B.1 Operating costs	8.758.374	12.130.269	11.022.654
B.2. Employee wages and benefits	3.219.462	3.780.423	4.199.161
B.3. Payments to providers of capital	62.718	107.202	58.345
B.4 Payments to government	332.480	577.871	545.099
B.5. Community investments	18.600	17.960	17.875
Economic value retained (A-B)	870.576	1.477.404	1.667.815
GRI 201-4 - Financial assistance received from government	2023	2024	2025
Total monetary value of financial assistance, received by the organization from any government, during the reporting period	0	0	123.623,16
Tax relief and tax credits	0	0	123.623,16
Subsidies	0	0	0

Investment grants, research and development grants, and other relevant types of grants	0	0	0
Awards	0	0	0
Royalty exemptions	0	0	0
Financial assistance from Export Credit Agencies (ACEs)	0	0	0
Financial incentives	0	0	0
Other financial benefits received or receivable from any government for any transaction	0	0	0
Whether, and the extent to which, any government is present in the shareholding structure.	0	0	0

CATENA DI FORNITURA

GRI 204-1 - Proportion of spending on local suppliers	2023	2024	2025
% spending on local suppliers (Province of Milan)	52%	56%	51%
% spending on supplier from the rest of Italy	46%	38%	36%
% spending on EU suppliers	3%	6%	10%
% spending on non-EU suppliers	0%	0%	3%

NON-CONFORMITY

GRI 417-2 - Incidents of non-compliance concerning product and service information and labeling	2023	2024	2025
Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling	0	0	0
GRI 417-3 - Incidents of non-compliance concerning marketing communications	2023	2024	2025
Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship	0	0	0
GRI 418-1 - Substantiated complaints concerning breaches of customer privacy and losses of customer data	2023	2024	2025
Total number of substantiated complaints received concerning breaches of customer privacy	0	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0	0
GRI 2-27 - Compliance with laws and regulations	2023	2024	2025
Number of significant cases of non-compliance with laws and regulations in which the company had to pay financial penalties	0	0	0
Monetary value of penalties for cases of non-compliance with laws and regulations paid	0	0	0
Number of significant cases of non-compliance in which the company incurred non-pecuniary penalties	0	0	0

GRI Indicators Table

Statement of Use	Pink Frogs Cosmetics has reported the information mentioned in this GRI content index for the period from January 1, 2024 to December 31, 2025, with reference to GRI Standards
Use of GRI 1	GRI 1 - Fundamental Principles - 2021

GRI STANDARDS	GRI DISCLOSURE	STANDARD ESRS	PAGE
GRI 2: General Disclosures 2021	2-1 Organizational details	-	6
	2-2 Entities included in the organization's sustainability reporting	ESRS 2	6
	2-6 Activities, value chain and other business relationships	ESRS 2	9, 25
	2-7 Employees	ESRS S1	45
	2-8 Workers who are not employees	ESRS S1	Errore. Il segnalibro non è definito.
	2-9 Governance structure and composition	ESRS 2	Errore. Il segnalibro non è definito.
	2-11 Chair of the highest governing body	-	Errore. Il segnalibro non è definito.
	2-21 Annual total compensation ratio	ESRS S1	Errore. Il segnalibro non è definito.
	2-22 Statement on sustainable development strategy	ESRS 2	Errore. Il segnalibro non è definito.
	2-23 Policy commitments		13
	2-27 Compliance with laws and regulations	ESRS 2; S1; G1	48
	2-28 Membership associations	-	Errore. Il segnalibro non è definito.
	2-29 Approach to stakeholder engagement	ESRS 2	15
	2-30 Collective bargaining agreements	ESRS S1	Errore. Il segnalibro non è definito.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESRS 2	15
	3-2 List of material topics		15
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	ESRS 2	47
	201-4 Financial assistance received from government	-	47
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	-	Errore. Il segnalibro non è definito.
GRI 301: Materials 2016	301-1 Materials used by weight or volume		Errore. Il segnalibro non è definito.

GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESRS E1	34, Errore. Il segnalibro non è definito.
	302-3 Energy Intensity		Errore. Il segnalibro non è definito.
GRI 303: Water and Effluent 2018	303-3 Water withdrawal	ESRS E3	35, Errore. Il segnalibro non è definito.
	303-4 Water discharge		35, Errore. Il segnalibro non è definito.
	303-5 Water consumption		35, Errore. Il segnalibro non è definito.
GRI 305: Emissions 2016	305-1 Direct GHG emissions (Scope 1)	ESRS E1	34, Errore. Il segnalibro non è definito.
	305-2 Indirect GHG emissions (Scope 2)		Errore. Il segnalibro non è definito., Errore. Il segnalibro non è definito.
	305-4 GHG emissions intensity		Errore. Il segnalibro non è definito., Errore. Il segnalibro non è definito.
GRI 306: Waste 2020	306-3 Waste generated	ESRS E5	35, Errore. Il segnalibro non è definito.
	306-4 Waste diverted from disposal		35, 44
	306-5 Waste directed to disposal		35, Errore. Il segnalibro non è definito.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESRS S1	Errore. Il segnalibro non è definito.
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	ESRS S1	21, 45
	403-10 Work-related ill health		46
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESRS S1	22, 24, 46
	404-3 Percentage of employees receiving regular performance and career development reviews		46
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESRS S1	Errore. Il segnalibro non è definito., 46
	405-2 Ratio of basic salary and remuneration of women to men	ESRS S1	Errore. Il segnalibro non è definito.

GRI 406: Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	ESRS S1	Errore. Il segnalibro non è definito.
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	ESRS S4	Errore. Il segnalibro non è definito.
	417-3 Incidents of non-compliance concerning marketing communications	ESRS S4	48
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and loss of customer data	ESRS S4	Errore. Il segnalibro non è definito.

Glossary

Term	Brief definition
Common Good	A positive, tangible, and measurable impact on people, environment, and local community, voluntarily generated by an SB.
Circular Economy	Model of production and consumption that involves sharing, reusing, repairing, reconditioning and recycling materials and products.
CSRD (Corporate Sustainability Reporting Directive)	A European directive that requires companies to publish a standardized and certified sustainability report with the aim of putting ESG information on par with financial data, making it transparent and comparable for investors and consumers.
Dual Materiality	A key concept of the CSRD directive, which requires companies to assess sustainability along two lines: - <i>Impact Materiality</i> (Inside-out): how a company's activities affect the environment and society. - <i>Financial Materiality</i> (Outside-in): how sustainability-related risks and opportunities affect a company's economic value.
ESG	Acronym for Environmental, Social, and Governance: criteria for assessing an organization's sustainability.
ESRS (European Sustainability Reporting Standards)	A set of technical standards adopted by the European Commission defining common reporting requirements for companies subject to the CSRD.
GRI (Global Reporting Initiative)	International standards for sustainability reporting. They help make ESG data comparable.
KPI (Key Performance Indicator)	Quantitative and qualitative indicators that measure performance against objectives.
Materiality (analysis of)	A process for identifying the ESG issues most relevant to the company and its stakeholders.
Open-es	A collaborative platform for measuring and managing the ESG performance of industrial supply chains.
Scope 1, 2, 3	Classification of CO ₂ emissions: - Scope 1: Direct emissions from the company - Scope 2: Emissions from purchased energy - Scope 3: Indirect emissions along the supply chain (e.g., transportation, suppliers)
Dual Purposes – Public Benefit Objectives	A statutory requirement for Società Benefit that involves pursuing, alongside profit, positive impacts on the environment, the community, employees, or other stakeholders. This objective forms a part of the corporate purpose, legally obligating directors to balance the interests of shareholders with the company's social and environmental impact.
SDGs (Sustainable Development Goals)	The 17 goals of the UN 2030 Agenda for equitable and sustainable global development.
Benefit Corporation (SB)	Companies that, in addition to profit, formally pursue objectives for the common good (e.g., environmental, social) as set forth in their articles of incorporation.
Stakeholder	Groups that influence or are influenced by the company's activities (e.g., employees, customers, suppliers, local communities).
VSME (Voluntary Small and Medium-sized Enterprises)	A simplified, voluntary sustainability reporting standard developed by EFRAG for unlisted SMEs, designed to help these companies manage ESG data requests from the banking sector and their value chains, while reducing the administrative burden compared to comprehensive standards.

2026-2030 Sustainability Plan

ESG	Benefit Purpose	SDG	Material theme	2030 Objective	Strategic Action	KPI	2025 Baseline	2030 Target	Responsible Department
S	Employee well-being and development	3	Workers' Health, Safety, and Well-Being	Promote a culture of holistic well-being and prevention by encouraging healthy lifestyles and the active participation of employees in initiatives of social value	Health promotion and research support	Number of employees participating each year in events focused on health and research	37,5	+ 15%	General Management + Sustainability
					Promoting a culture of prevention and workplace well-being	Number of annual training initiatives focused on health, ergonomics, and advanced safety	2	at least 1 initiative per year	Sustainability + HR
S	Employee well-being and development	5 10	Diversity, Inclusion, and Equal Opportunity	To consolidate an inclusive business model that promotes women's leadership and actively supports work-life balance and caregiving responsibilities	Promoting female leadership	% of women in senior positions (managers and executives)	70%	Maintenance (> 60%)	HR
					Equity in career paths	Annual Monitoring of Gender Balance in Promotions	Guaranteed	100% Equal Access	HR
					Support for work-life balance and family care needs	Number of awareness-raising or support initiatives on welfare and caregiving issues	1	at least 1 initiative every 2 years	Sustainability
S	Employee well-being and development	8	Training and Human Capital Development	To foster employees' talent and skills through personalized development paths and ongoing, well-thought-out training planning	Definition and implementation of the annual training plan	% of completion of the planned training program	Not measured	> 90%	Sustainability + HR
					Investment in skills development	Average number of non-compulsory training hours per capita per year	6,89	+ 30%	Sustainability + HR
					Promote a culture of knowledge sharing through peer-to-peer training programs (among colleagues)	Number of training/informational courses delivered by in-house instructors	1	Maintenance	Sustainability + HR
S	Education and the new generations	4	Training and Human Capital Development	Contribute to the education of the next generation by bridging the gap between the	Expansion of the <i>Open Doors</i> Program to Schools and Institutions	Number of annual school and educational institution visits to the company	1	3	General Management
						Number of students/youths participating in company visits	29,7	- reporting -	General Management



ESG	Benefit Purpose	SDG	Material theme	2030 Objective	Strategic Action	KPI	2025 Baseline	2030 Target	Responsible Department
				world of education and the world of work	Outreach and Testimonials in the School/Academic Setting	Number of scientific and academic articles and industry testimonials	9,0	+ 15%	General Management
S	Community and territory	1 3 10	Involvement and Support of Local Communities	Actively contribute to the well-being of the local community through ongoing support for nonprofit organizations and the promotion of health and research	Support for third-sector organizations through donations of hygiene and personal care products	Number of cosmetic products donated per year	6.069	+ 30%	Sustainability
						Number of nonprofit organizations assisted per year	1,7	3	
					Consolidation of the <i>Banca del Tempo Sociale</i> project	Annual Support for the Project	Active Project	Guaranteed continuity	General Management + Sustainability
					Health Promotion and Research Support	Number of annual charity events with active participation by employees (per year)	1	1 (recurring)	General Management + Sustainability
E	Environment and resource efficiency	12	Waste Management and the Circular Economy	Maximize material recovery and reduce the environmental impact of waste by optimizing recycling and strengthening the Circular Beauty model	Improving the sorting of mixed waste	kg of mixed-material packaging	72.710	- reporting -	Operations + Sustainability
						kg of stretch film and heat-shrink film separated and sent for recycling per year	2.300	3.000	Operations + Sustainability
						kg of mixed-material packaging / kg of total waste (excluding liquid waste)	61,25%	40%	Operations + Sustainability
					Upcycling of “end-of-life” materials and products through <i>Circular Beauty</i>	kg of cosmetics diverted from disposal (waste avoided)	1.301	+ 50%	Sustainability
						kg of packaging diverted from disposal (waste avoided)	260	+ 50%	
E	Environment and resource efficiency	7 13	Energy and Climate Change	Pursue corporate decarbonization and full transparency regarding	Comprehensive Carbon Footprint Mapping	Number of Scope 3 categories measured	0	5	Sustainability
					Decarbonization of Energy Consumption	t CO2 eq (Scope 1 and Scope 2 Market-based)	203,33	-50%	Operations



ESG	Benefit Purpose	SDG	Material theme	2030 Objective	Strategic Action	KPI	2025 Baseline	2030 Target	Responsible Department
				impacts across the value chain.	Operational Energy Efficiency	kWh consumed per kilogram of bulk product	0,4040	-10%	Operations
E	Sustainability across the value chain	12 17	Social Responsibility Across the Value Chain	Transform the supply chain into a supportive and circular ecosystem, strengthening ongoing projects to generate a shared social impact.	Consolidation and Expansion of the <i>Circular Beauty</i> Solidarity Network	Number of active partners in the network (cumulative total)	12	16	Sustainability
					Charitable Partnerships and Solidarity-Based Co-Marketing	Number of cosmetic units produced annually through co-marketing charity projects	1.500	2.000	Sustainability
E	Environment and resource efficiency	6	Water management	Maximize the efficient use of water resources and eliminate operational waste.	Optimization of washing processes through awareness-raising and monitoring of operational behaviors.	Volume of water withdrawn (m3)	11.658	- reporting -	Operations
						m³ of water withdrawn per kg of bulk product	0,0131	-15%	Operations
					Reducing the time required to manage hidden leaks	Frequency of meter monitoring/self-reading (including fire safety meters)	Semiannual (as shown on the bill)	Monthly (via systematic self-reading)	Operations + Sustainability
						Average time between anomaly detection and resolution	Not measured	30 gg	Operations
G	Education and the new generations	16	Ethics, Integrity, and Transparency	Strengthen ethical corporate governance by formalizing policies and standards of conduct that are shared with all partners	Formalization of the Ethical Framework	Number of approved and disseminated company policies (Environment, Rights, Ethics, etc.)	0	100% of the policies implemented	General Management + Sustainability
					Sustainable Supplier Qualification	% of strategic suppliers who have signed the Code of Conduct / Policies	0%	90%	Purchasing
G	Community and territory	12	Transparent Communication and Responsible Marketing	Promote authentic communication that educates the market about sustainability and involves stakeholders in	Keep digital channels up to date to inform stakeholders about progress in the area of sustainability.	Number of annual ESG updates (newsletters, social media, reports)	12	Maintenance	Communications



ESG	Benefit Purpose	SDG	Material theme	2030 Objective	Strategic Action	KPI	2025 Baseline	2030 Target	Responsible Department
				the value generated by the company	Periodic updates to the microsite dedicated to sustainability	Frequency of Updates	Semiannual	Quarterly	Sustainability
G	Sustainability across the value chain	8 12	Supply Chain Management	Building a responsible supply chain by integrating ESG criteria into supplier selection and monitoring	Incorporating ESG criteria into supplier evaluations	% of new suppliers evaluated based on sustainability criteria	Not measured	90 % strategic suppliers	Purchasing + Quality Assurance
					Analysis and monitoring of spending with suppliers holding ESG certifications (e.g., ISO 14001, B Corp, Ecovadis)	% of spending “mapped” in terms of sustainability	0%	90% of mapped strategic spending	Purchasing

Supporting documentation and Document Management System

Verification of whether the objectives have been achieved is based on monitoring the following company documents and records:

- *Analysis and Strategy*
 - Methodology Document – 2025 Materiality Analysis
 - IRO Analysis
 - Corporate Policies
- *Human capital*
 - Training log
 - Training plan
 - Training forms
 - Annual analysis of employee data
- *Communication*
 - Communication and marketing campaigns
- *Special projects*
 - Circular Beauty, Co-marketing and F2F
 - Participation in case studies, theses, and Open Doors events
- *Environment*
 - Consumption
 - Utility Bills (water, electricity, gas)
 - MD P 4.4-02-03 Waste Management
- *Supply Chain*
 - Supplier Code of Conduct
 - Supplier Code of Conduct Signing Register