

DAVINES GROUP

SUSTAINABILITY

REPORT

2019/2020





Every new beginning comes from
some other beginning's end.

Lucius Annaeus Seneca





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AND CEO

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TO BE THE BEST
FOR THE WORLD,
CREATORS OF GOOD
LIFE FOR ALL,
THROUGH BEAUTY,
ETHICS AND
SUSTAINABILITY.



LETTER FROM THE CHAIRMAN

The time has come for the Davines Group to work to achieve a systemic change. We are driven to do so by our corporate consciousness, which underpins our vision of Sustainable Beauty and B Corp ethos. This consciousness hinges on an awareness of the fragility of our human condition and the nature of things. Our strong business vocation stems from gratitude and our choices from a desire to be part of a movement towards a regenerative economy. An approach to science, study and research in line with a vocation that encompasses a part that is more connected to the soul and spirit, to the good karma that we seek. Davines wants to be all this. No, we have not arrived anywhere – the Village is not our destination. Davines is only for those who want to continue on a very specific path of commitment and sacrifice towards overcoming their own limits, adopting a heroic attitude. A hero is only a hero if they manage to go beyond their own self-interest, with the aim of pursuing a greater common good. It is this road and no other that is mapped out for Davines. This is worth reiterating even

more emphatically in the unfortunate year in which I am writing, 2020, whose memory will never leave us and whose consequence for Davines is our renewed and reinvigorated determination. A great effort will still be required from everyone so we can contribute to a new paradigm of regeneration, which is now increasingly necessary for the survival of our species. Now we just have to overcome it, each in our own sphere. Davines will do so in its own field through the indispensable work of everyone in its global community; we are all required to become many little heroes.

Chairman
Davide Bollati

LETTER FROM THE CEO

In a normal situation there would be much to celebrate about what happened in 2019. First and foremost, the B Corp re-certification, which rewarded an enormous team effort involving the staff of both Parma main's office and the branches, which achieved a result that we can be proud of. Or our transformation into a Benefit Corporation, which testifies to our Group's deep commitment to positively impacting all stakeholders and to promoting this philosophy in order to spread it to an increasing number of companies. Not to mention the company's economic and financial performance, which is concrete proof that this model not only meets the needs of people and society while protecting the environment, but it can also generate growth and profits. Today, however, it is difficult to rejoice at these results. External circumstances require us to adopt extraordinary management in which continuity between the past and the future is no longer certain. The challenges are different and as we reaffirm the principles in which we believe, we have to come to terms with a new reality. For our part, we have faced this crisis by ensuring the safety of our employees and the company, by turning isolation into an opportunity to shorten the distance with our customers, by providing them with all our support during the reopening phase, and by opening up to change when it represents an opportunity for improvement. Beyond this response, however, the turmoil that we have experienced shows the extent to which our lives and society can be affected by events outside our control. This crisis has disrupted the lives of people, institutions and businesses more than any other disruptive event we can imagine. We can only successfully recover from such situations, in spite of the damage, if they are an opportunity to learn. In this case, it is reasonable to assume that, should a crisis of this nature reoccur, governments and health services will be able to react more effectively, in terms of both timing and

methods. And since many aspects of our lives and also of the market are changing, some of them probably forever, we must learn both to manage them and to turn them into opportunities. However, it would be a serious mistake to think that these are the only ways in which we can learn. We cannot rule out the possibility that a health threat similar to what we have experienced will reoccur. Indeed, if humanity does not focus on resolving the consequences of global warming, it will certainly face disasters on a much larger scale than those that we have experienced in recent months. While we must address this issue with even greater determination, we must also tackle no less serious "diseases", such as pollution and unequal distribution of resources, which has reached unsustainable levels. It would be wonderful if this mobilization to fight the virus, despite all its inefficiencies and errors, could now be replicated to combat these other types of "disease", which would ultimately also make us more resistant to health risks. Davines wants to play a leading role in this mobilization and that is why we are committed to continuing to provide a good example of this vision of life, business and society, and to increasingly involving other organizations in order to create a movement of people and businesses capable of promoting truly sustainable economic, social and environmental development.

CEO and general manager
Paolo Braguzzi

THE DAVINES GROUP

AN OVERVIEW OF OUR BUSINESS

2019

36
YEARS
IN BUSINESS

3
BRANDS
IN SKINCARE
AND HAIRCARE

7
OFFICES
WORLDWIDE

PARMA
LONDON
NEW YORK
PARIS

DEVENTER
MEXICO CITY
HONG KONG

PRESENT IN **90**
COUNTRIES

709
COLLEAGUES

OF **46**
NATIONALITIES

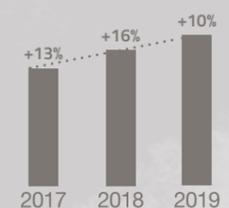


58
FORMULAS
DESIGNED

28
MILLION
UNITS SOLD

€163
MILLION
TOTAL TURNOVER

117.4
B CORP SCORE
OBTAINED



MILESTONES

OUR COMPANY'S DEVELOPMENT

- ▼ **1983**
The **Bollati family** founds a cosmetics laboratory to create formulations and do production for third parties.
- ▼ **1992**
The company decides to concentrate on producing and distributing under the **Davines** brand.
- ▼ **1994**
International distribution starts.
- ▼ **1996**
The [**comfort zone**] brand is born.
- ▼ **2004**
The **New York** branch opens.
- ▼ **2006**
The **Paris** branch opens.
- ▲ **2007**
The **Mexico City** and **London** branches open.
- ▲ **2012**
The [**comfort zone**] Scientific Committee is born.
- ▲ **2013**
The **Netherlands, Germany, and Belgium** branches open.
- ▲ **2016**
The **Hong Kong** branch opens. Construction work begins on the **Davines Village**.
- ▲ **2018**
The **Davines Village** opens. **The/skin regimen/** line becomes its own independent brand.
- ▲ **2019**
The **Davines Village gardens** are inaugurated.

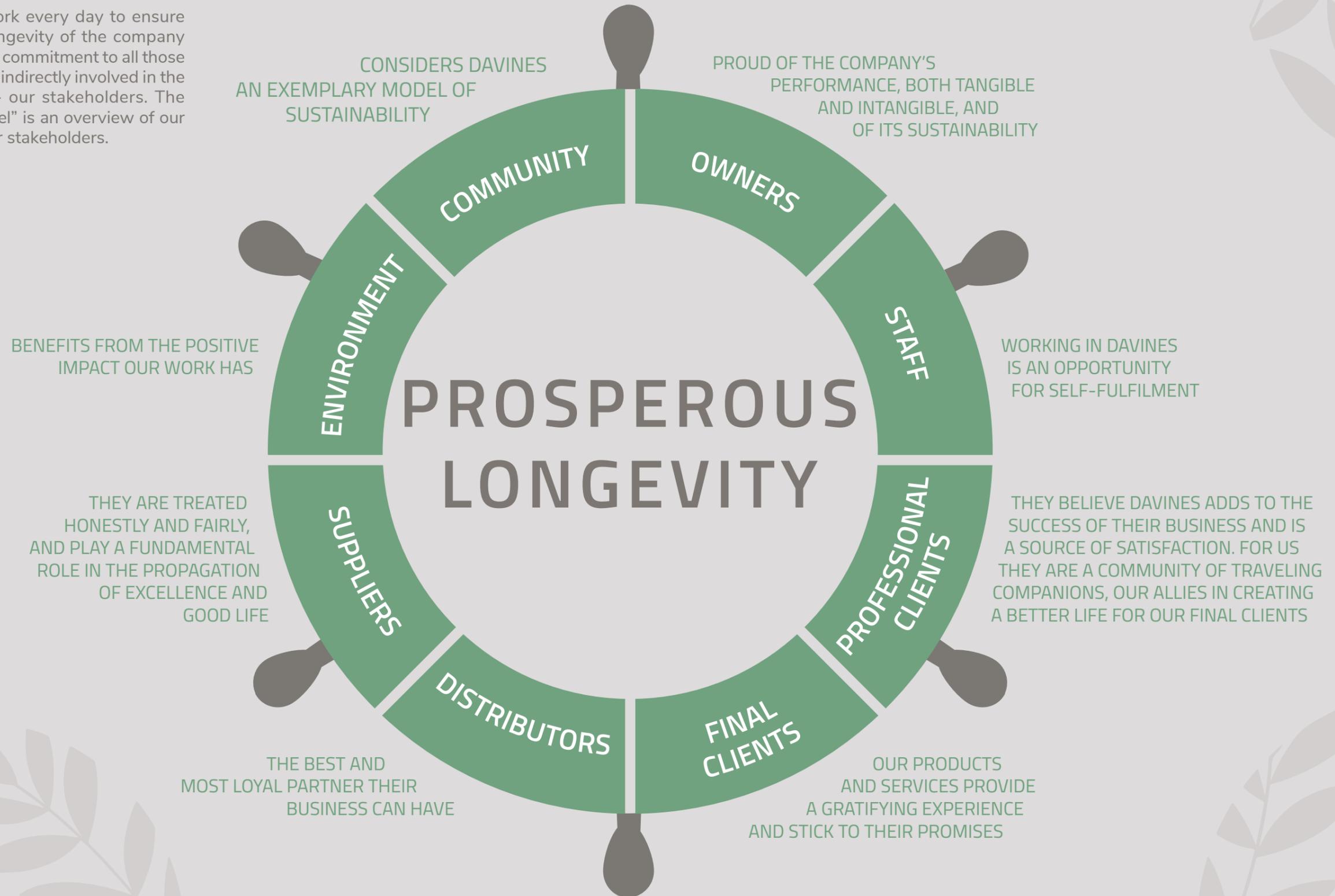
OUR PATH TOWARDS SUSTAINABILITY

- ▼ **2005**
The “**Carta Etica**” is written.
- ▼ **2006**
The **Parma** office begins to use electricity from renewable sources. The first **CO₂ equivalent (CO₂eq)** compensation project is launched.
- ▼ **2007**
Creation of the **Sustainable Beauty** concept and drafting of the “**Sustainable Beauty Manifesto**”.
- ▼ **2009**
The “**Charter for Sustainable Research**” is written. “**Sustainable Beauty Day**” - first edition.
- ▼ **2011**
The “**Charter for Packaging Research**” is written.
- ▼ **2014**
“**I Sustain Beauty**” - first edition. The collaboration with **Slow Food** begins.
- ▼ **2015**
[**comfort zone**] adopts the new philosophy to formulation, “**Science Based Conscious Formulas™**”.
- ▲ **2016**
The Group obtains the **B Corporation certification**.
- ▲ **2017**
The **Parma** offices and manufacturing facilities become **carbon neutral**.
- ▲ **2018**
The “**Davines ‘Carta Etica’, the New Blooming**” is presented. All **Davines Group** offices worldwide become **carbon neutral**. All our product packaging becomes **carbon neutral**.
- ▲ **2019**
The **Davines Group’s** main events are **carbon neutral**. “**A single shampoo**” is launched entirely **carbon neutral**. This project is a symbol to our dedication. The main office in **Parma** and the **New York** office become **Benefit Corporations**.
- ▲ **2020**
The Group obtains **B Corporation** recertification. Sponsorship of the **World Happiness Report**. Co-creation of the **Regeneration 20/30** alliance.



THE "STAKEHOLDER WHEEL"

In Davines, we work every day to ensure the prosperous longevity of the company through a concrete commitment to all those who are directly or indirectly involved in the company's work - our stakeholders. The "Stakeholder Wheel" is an overview of our commitment to our stakeholders.



OUR BRANDS



Davines creates professional hair products in which quality is combined with the utmost respect for the planet and its resources. We use business as a force for good, promoting a regenerative model of Sustainable Beauty.



Our mission is to cultivate beauty within and around us and to promote a conscious lifestyle. We improve skin, body and mind through sustainable, science-based solutions, offering unique experiences and focusing on people and the planet.



Dedicated to those who embrace the pace of modern life, /skin regimen/ slows down the accelerated aging process thanks to highly concentrated formulations, botanical extracts and professional expertise that combines science and results.



OUR COMMITMENT

ACTIVELY CONTRIBUTING TO THE SDGs

With 10 years left to achieve the Sustainable Development Goals (SDGs)*, the Davines Group has chosen to further its commitment by adopting the SDG Action Manager, an innovative tool that makes it possible to monitor, inspire and increase the company's contribution to achieving the SDGs.

Launched in January 2020, the SDG Action Manager was developed by B Lab and the United Nations Global Compact to give companies around the world the opportunity to set clear and dynamic SDG targets, to compare themselves with other companies in the same industry, and to take significant action that can benefit everyone. By introducing common standards for measuring the company's SDG footprint, which was previously a matter of speculation, this tool brings greater transparency to a field that is increasingly exposed to the risk of "SDG washing".

Enthusiastically welcomed by the B Corp community, the SDG Action Manager measures companies' contribution to each of the 17 goals through a questionnaire divided into six sections (business model, internal operations, supply chain, collective action, risk level).

The results achieved by the Davines Group, shown in the graph on page 18, confirm the company's concrete contribution to each SDG, identifying new activities to implement and highlighting the goals that require greater focus.

The Davines Group's highly positive experience with the SDG Action Manager has inspired it to encourage every company to use this tool. The Davines Group has always felt a responsibility to contribute to the global effort advocated by the 2030 Agenda, not only by participating in the achievement of its goals, but also by inspiring others to do the same, conscious that sustainable development can only generate shared and lasting prosperity for everyone through collective responsibility.

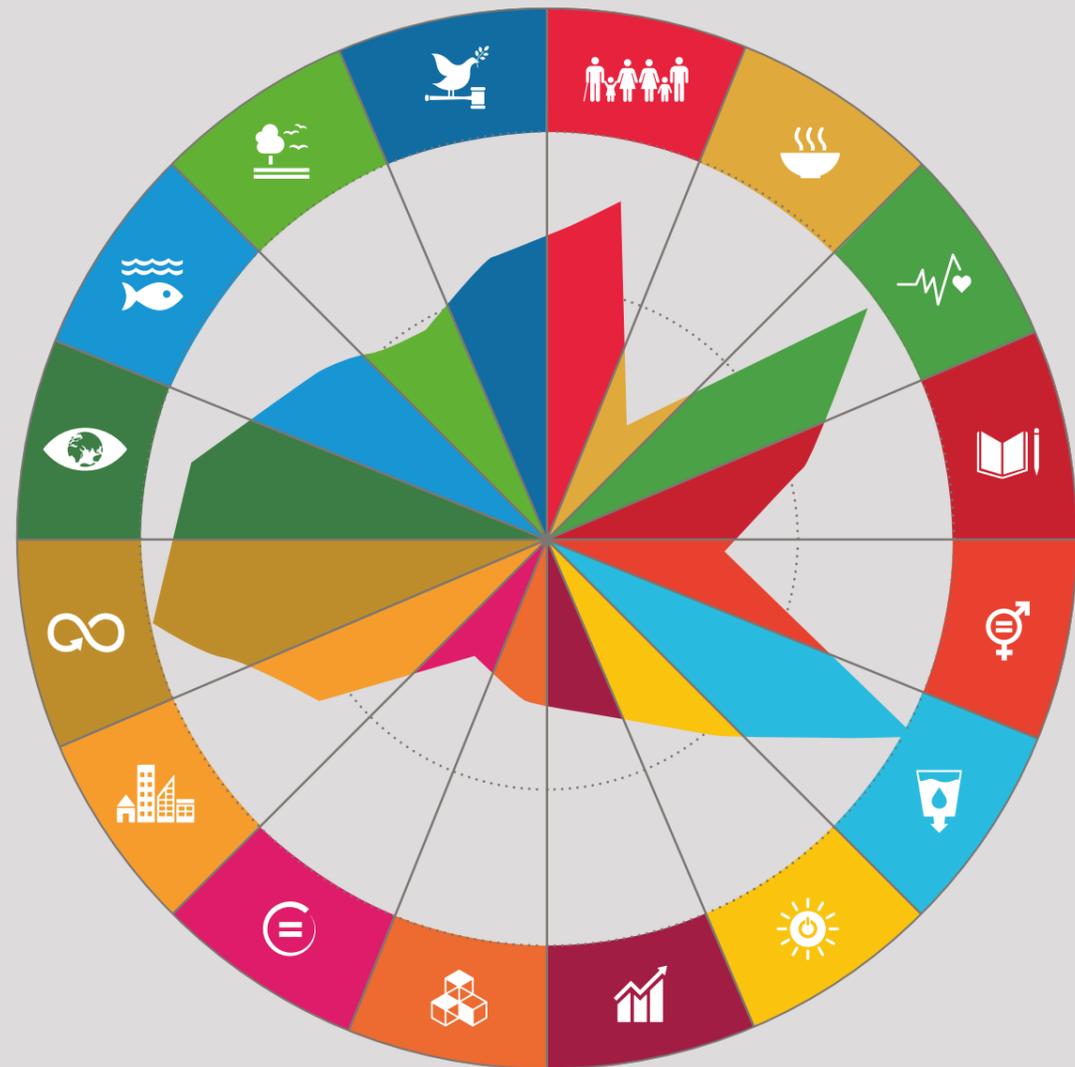
*The 17 Sustainable Development Goals (SDGs) are set out in the 2030 Agenda, the plan of action signed in 2015 by UN member states for shared sustainable development achieved by 2030 through the involvement of governments, businesses and private citizens.



Take action.
Track progress.
Transform the world.



RESULTS OF THE DAVINES GROUP'S CONTRIBUTION TO THE SDGs ACCORDING TO THE SDG ACTION MANAGER



- | | | | |
|------------------------------|-----------------------------------|---|---|
| 1 No poverty | 5 Gender Equality | 9 Industry, innovation and infrastructure | 13 Climate action |
| 2 Zero hunger | 6 Clean water and sanitation | 10 Reduced inequality | 14 Life below water |
| 3 Good health and well-being | 7 Affordable and clean energy | 11 Sustainable cities and communities | 15 Life on land |
| 4 Quality education | 8 Decent work and economic growth | 12 Responsible consumption and production | 16 Peace, justice and strong institutions |

SDG 17 - Partnership for the Goal, does not have its own module. Due to its cross-cutting nature, actions relevant to companies are integrated in some of the other 16 modules.

SOME OF OUR PROJECTS THAT ARE ONGOING OR IN THE PIPELINE LINKED TO THE SDGs:

relevant SDGs project description geographical area of influence stakeholders involved performance indicators

ETHIOTREES

1, 4, 5, 8, 11, 13.

EthioTrees is a “proprietary” CO2 equivalent (CO2eq) compensation project, exclusive to the Davines Group, which supports landless farmers and restores the forest ecosystem in the Tembien highlands.

Ethiopia.

Universities, local population, NGOs.

48 training courses provided, 8 classrooms built for educating children, 7 Master’s theses supported, 39,176 seedlings planted, 10,000 certified carbon credits issued.

I SUSTAIN BEAUTY

17 + indirect impact on certain specific SDGs depending on the project developed.

I Sustain Beauty inspires and motivates people to work towards creating a better world by launching initiatives with a positive environmental, social and cultural impact.

The world.

Hair salons, beauty salons, distributors and Group branches.

44 projects launched.

SUSTAINABLE SALON PROGRAM

4, 12, 17 + specific SDGs depending on the good practices implemented by the participating salons.

The Sustainable Salon Program is a sustainability training and certification program for salons that aim, through their work, to benefit local communities and the planet.

The world.

Hair salons, distributors and Group branches.

Monitoring of the number of training participants and the number of certified salons.

ITALY FOR CLIMATE

13,17

Italy for Climate is an initiative by the Fondazione per lo Sviluppo Sostenibile, promoted by a group of companies, including the Davines Group, who are working to promote the implementation of an Italian Climate Agenda, in line with the objectives of the Paris Agreement.

Italy.

Companies, NGOs, trade associations, parliament and government, regions and cities.

Indicators are listed on italyforclimate.org/

EXTRAORDINARY MANUAL TO IMPROVE THE WORLD

12, 17 + indirect impact on other SDGs depending on the ideas implemented.

This manual is not a theoretical tool, but a collection of 124 ideas, divided by their respective SDGs, designed to inspire and support courageous hairdressers who, through their profession, wish to make the world a better place.

The world.

Hair salons, citizens.

4,031 copies distributed.

CARBON NEUTRALITY PLAN FOR THE PROVINCE OF PARMA

11, 12, 13, 17.

The project was launched with the aim of making Parma the first Italian province, after Siena, to have an operational plan aimed at achieving carbon neutrality by 2050.

Province of Parma.

Local authorities, local bodies and associations, companies, NGOs, Emilia-Romagna region.

Project underway in 2020, KPIs to be defined.

RESILIENCE

OUR STRATEGY TO START OVER TOGETHER

COVID-19 began as a health crisis, has rapidly evolved into an economic crisis and is now becoming a major humanitarian crisis, the extent and effects of which we have just begun to understand.

Today, one framework that enables us to understand its different aspects is that of the United Nations' SDGs, which offers conceptual mapping of how COVID-19 impacts some of the goals.

This mapping illustrates, in a simple manner, the extent to which the existing, highly interconnected international system is exposed to major risks during periods of crisis such as this one. It also highlights how essential it is, now more than ever, to work towards achieving all of the SDGs in order to develop resilience to current and future health, economic and environmental shocks.



Source: UNDESA

OUR RESPONSE TO COVID-19

We have been committed for years to spreading the values of environmental and social respect by setting an example as a company devoted to comprehensive sustainability. The current crisis, with its complex framework of interconnections, confirms the importance and worth of our value choices and drives us to further strengthen them for the future.

To meet the collective need for protection and health, we have developed and produced the Gel del Buon Auspicio, a new hand sanitizing formula which has mostly been donated to groups that are particularly exposed to the emergency in our local and international community.

We have awarded a bonus to production plant staffs whose efforts made the timely mass production of the Gel del Buon Auspicio possible.

Managers have taken a voluntary 50% pay cut to finance a corporate solidarity fund that has allowed to financially support their colleagues who have been temporarily laid off.

The #SpreadingKnowledgeWithCare internal training program has allowed us to nurture our staffs' sense of belonging and to share knowledge and skills, taking advantage of better organization of their time made possible by the smart working.

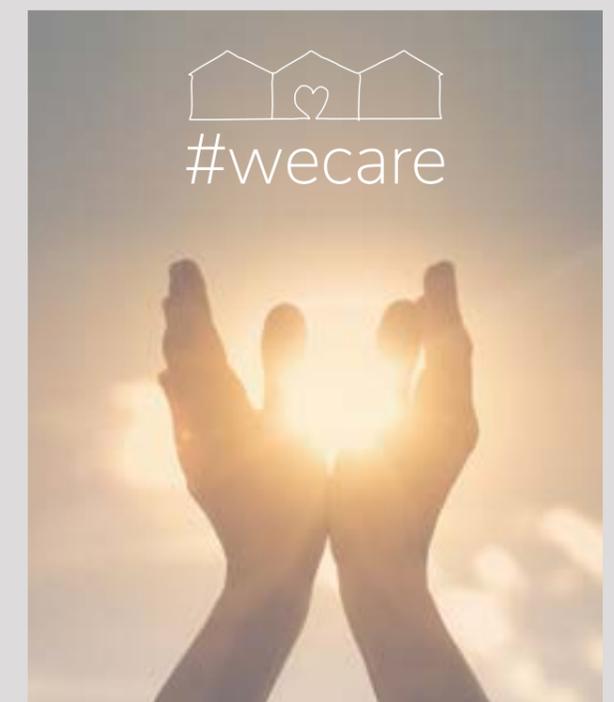
Together with over 100 other companies and organizations, we signed the "Recovering from the pandemic with a New Green Deal for Italy" manifesto to re-establish and relaunch the ambitious European Green Deal project that promotes an advanced, decarbonized and circular economy.

To support and stand by our customers during this difficult period, we have developed a

digital content program that has involved them in various training opportunities.

"I am convinced that a major commitment to the transition to the green economy or, even better, to a regenerative economy, is not necessarily the solution to all our problems, but is the best possible strategy for our species today if we want to maintain, and possibly improve, our future quality of life."

Davide Bollati, Chairman of the Davines Group



BEING A B CORP RECERTIFICATION IS A GROUP SUCCESS



2020 started for us with a special event: the B Corporation recertification, achieved with a score of 117.4, an improvement on the score obtained in 2016 (99.3).

We have achieved this milestone over three years of ongoing commitment, during which we have involved all company departments in a wide-ranging joint effort to increase the Group's environmental and social sustainability.

The company has chosen not only to invest in actions with a direct sustainable impact, such as the use of machines that are sanitized with steam rather than chemicals, or the creation of benefits to increase staff well-being, but also in actions with an indirect impact, focusing on the education and involvement of each collaborator in order to recognize everyone's tangible contribution. To this end, two separate working groups have been set up for the headquarters and branches. At the Parma main office, every department

has appointed its own representative, known as the "Sustainable Development Enabler", who has collaborated with the Sustainability Department in collecting specific data, identifying areas for improvement and implementing new projects.

At the branches, the same role has been played by the "B Corp team" who, in collaboration with the sustainability department, also draw up an annual B Corp improvement plan that is implemented with the involvement of the entire branch team.

The active and widespread participation of all collaborators is one of the distinctive features of our organizational model.

DAVINES GROUP OVERALL B IMPACT SCORE - 2020



SCORE FOR EACH IMPACT AREA



WHAT IS OUR SCORE BASED ON?

Discover the most significant activities that have enabled us to increase our positive impact!

GOVERNANCE

IMPLEMENTED IMPROVEMENT ACTIVITY	IT	FR	NL	GB	MX	US	HK
The company's "Code of Ethics" has been updated with a broader and more detailed definition of the ways in which we want to ensure the ethical, inclusive and fair management of our business.							
We have created an organizational model that guarantees operational compliance with the "Code of Ethics", particularly with regard to tackling corruption.							
We have communicated to all stakeholders the "Code of Ethics", the organizational model and the procedure to follow in the event of an act of corruption.							
The Davines Group's board of directors has been expanded to include independent members.							
Performance targets related to environmental and social sustainability have been assigned to almost all company directors and "first-level" managers in foreign branches.							
An "Equality, Anti-Corruption and Anti-Discrimination Committee", made up of employees, has been set up to monitor and manage anti-ethical conduct anonymously reported by other employees.							
The composition of the Davines Group's ownership and board of directors have been published on the national website.							
To help staff to read and understand the company's economic and financial data, a "Finance for non finance" training course has been launched, which is open to all employees.							
The Italian company's legal status has been changed to a Società Benefit and that of the American company to Benefit Corporation.							

IT: Italy, FR: France, NL: The Netherlands, UK: United Kingdom, MX: Mexico, US: United States, HK: Hong Kong

WHAT DOES BENEFIT CORPORATION MEAN?

Benefit Corporations, known as “Società Benefit” in Italian, constitute an evolution of the corporate legal form. Becoming a Benefit Corporation means redefining the company’s goals in statutory terms, voluntarily going beyond the traditional aim of generating profit and giving equal importance to the aim of making a positive impact on society and the environment.

WHY BECOME A BENEFIT CORPORATION?

To legally commit to the creation of shared value, i.e. the creation of a positive impact on society and the biosphere. Furthermore, becoming a Benefit Corporation is a legal tool to protect your company’s mission in the event of capital increases, leadership changes, generational changes or listing on the stock exchange.

WHAT ARE THE DIFFERENCES BETWEEN B CORP AND BENEFIT CORPORATION?

There is a frequent tendency to confuse certified B Corps with Benefit Corporations. Although they share many similarities, important differences set them apart. Being a B Corp means having obtained a certification, available in every country in the world, which is awarded when a company achieves a score of at least 80 out of a maximum of 200 points in the standard B Impact Assessment. Being a Benefit Corporation, on the other hand, means legally changing the company’s by-law, making a formal commitment to people and the environment: to meet transparency requirements over time and therefore to annually self-report results. The possibility to change a company’s by-law is currently only available in 35 states in the USA, Italy, Colombia, British Columbia and Ecuador.

WORKERS

IMPLEMENTED IMPROVEMENT ACTIVITY	IT	FR	NL	GB	MX	US	HK
We promote programs and initiatives that can improve the overall well-being of our staffs and encourage them to participate in health and wellness activities. The initiatives implemented by the various offices include subsidized gym subscriptions and physiotherapy sessions and the chance to participate in gymnastics and pilates courses at the company.							
We attach great importance to our staffs’ professional development throughout their career. In addition to constantly renewing our onboarding process for new collaborators, we have expanded the quantity and type of training offered at the Group’s offices.							
Throughout the Davines Group, we encourage promotions and horizontal transfers of our collaborators by primarily publishing new job offers within the company.							
We have expanded the “Performance Review Plan” to an increasing number of branches to offer ever more collaborators the opportunity to receive annual feedback on their performance, to define clearly identified and achievable goals with their manager and to reflect on their career path together.							
More Davines Group offices are now equipped with a “Manual for Employees”. This tool brings together all the advocated work rules and policies, with clear information on prohibited behavior, such as discriminatory behavior.							
The smart working program for collaborators that is currently in place at the main office has been expanded to offer all those whose job permits it to work remotely.							

COMMUNITY

IMPLEMENTED IMPROVEMENT ACTIVITY	IT	FR	NL	GB	MX	US	HK
We have extended the sustainability process for suppliers, which is already being implemented at the main office in Parma, to all Davines Group branches. According to this procedure, each company supplier is asked to annually complete two questionnaires, one aimed at measuring its sustainability performance and the other at assessing the ethics and values of its working environment.							
We have strengthened the sustainability process for suppliers by organizing, for the first time, a summit devoted to sharing examples and best practices, internal policies and tools to increase their sustainability performance.							
We have increased our use of Fairtrade-certified raw materials to further our contribution to disadvantaged people in the supply chain. We chose fair trade because it guarantees them an improved standard of living.							
Training courses on diversity and inclusiveness have been launched for all collaborators, designed to identify and remove barriers that could potentially inhibit collective participation in company life.							
Inclusion is also actively pursued at the company through an explicit commitment, stated in our job offers, not to discriminate against any application, supporting the celebration of diversity that is also included in our "Carta Etica".							
The language of our job offers and requirements are annually reviewed to assess their fairness, inclusiveness and non-discrimination.							
Certain company venues are offered free of charge to host local events in order to actively support the community and associations that promote values such as culture, resilience and sustainability.							
The Davines Group branches, following the example of the Parma office, have started to organize corporate volunteering activities that positively impact people and the environment.							

ENVIRONMENT

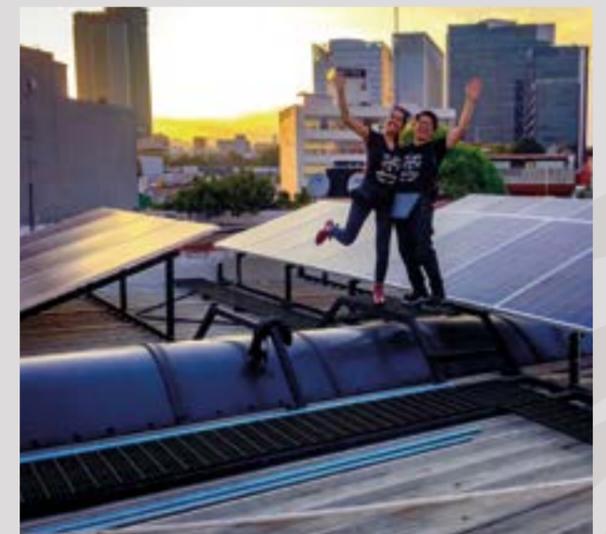
IMPLEMENTED IMPROVEMENT ACTIVITY	IT	FR	NL	GB	MX	US	HK
We have expanded the measurement of our environmental footprint both by increasing the number of products to which we apply the "Strategic Life Cycle Assessment" (SLCA) and by starting to evaluate some of our products through the "Life Cycle Assessment" (LCA).							
All our offices worldwide are carbon neutral because their CO ₂ eq emissions, including those of the production site in Parma, have been calculated in relation to scopes 1 and 2, reduced when possible and compensated by the EthioTrees project if they cannot be zeroed.							
In order to improve our overall environmental footprint, all Group sites have chosen to set absolute or relative reduction targets for their CO ₂ eq emissions, water and electricity use and/or waste generation.							
We reduced our ton per miles thanks to the logistics and distribution policy adopted during the first B Corp certification. Our transportation has been made more efficient and distribution from Parma to the branches and distribution partners has resulted in lower emissions of polluting gases.							
We have reduced the use of chemical agents by modernizing the sanitization of production processes through the adoption of an innovative steam sanitization system.							
No waste from our manufacturing has been disposed of in landfills: all our waste is recycled or recovered through waste-to-energy processes if not recyclable.							
We have increased the percentage of packaging in our portfolio made from recycled materials or alternatives to fossil fuel-based materials. We have also increased the percentage of natural and biodegradable raw materials contained in our formulations, improving the overall environmental impact of our products.							
Our Mexican branch, which does not have access to the market for the supply of electricity from renewable sources, has installed a rooftop solar panel system that provides the office with electricity from a renewable source.							

CUSTOMERS

IMPLEMENTED IMPROVEMENT ACTIVITY	IT	FR	NL	GB	MX	US	HK
We have created the “Charter for Ethical Marketing and Communication” to ensure that all of our marketing and communication materials, whether produced in-house or commissioned to third parties, are accurate, truthful and ethical. The document identifies the principles, values and processes that must be followed every time a communication addresses content related to the positive impact on the world produced by our company, our products and our services.							
The potential impact of our products, both positive and negative, is constantly monitored by listening to feedback from our customers, who are involved in the design of our products and influence corrective measures, from the formulation phase to the post-launch stage.							
The training offered to our customers is guided by listening to their wishes and needs in order to offer increasingly rewarding opportunities for professional growth. Hairdressers and skin care specialists are therefore involved in the development and improvement of the training offered by the entire Davines Group, which has fully aligned itself with this practice already in use at the main office in Parma.							
We manage the privacy and security of our customers’ data with the utmost care, in accordance with a formal policy, published on all Davines Group sites, which makes users aware of the information we collect, the duration for which we store it and how we use it. Every customer also has the right to choose how we use the data that they provide to us.							

LOOKING AHEAD TO THE FUTURE

We are committed to further improving our supply chain by going back as far as possible to the origin of the raw materials that we use, coming into direct contact with producers, their environment and the fields that provide the ingredients that we use in our products. We will therefore increasingly collaborate with suppliers which guarantee that their raw materials are fully traceable and which offer social and/or environmental certifications for their work. Biodiversity will become increasingly central to our supplies and the guarantee of regenerative agriculture will be fundamental in our supply choices. We will continue our commitment to creating products that are designed according to the principles of eco-design, continually reducing their ecological footprint to benefit the circular economy. Our production processes will constantly improve and set a benchmark in the cosmetics industry, becoming even more innovative and respectful of the environment and people. Our carbon footprint will decrease to net zero.



WE WORK TOGETHER TO BE THE BEST FOR THE WORLD.

New solar panels installed in the Mexico branch.

OUR PERFORMANCE



PEOPLE

We dedicate practices designed to promote a positive social environment to our collaborators around the world.



PLANET

We measure our impact throughout our value chain, aiming to create products with a positive environmental impact.



COMMUNITY

We support the vitality and resilience of the local communities in which we live and work, increasing our positive impact on the environment and people.



PROJECTS

We contribute to promoting sustainability by committing to virtuous projects and inspiring, involving and supporting those who implement them around the world.

PEOPLE

2019 RESULTS



📌 95% of Parma office executives and top level managers at the branch offices have sustainability goals

The 80% target has been significantly exceeded thanks to the constant efforts of the management, the HR department and the sustainability department to spread a culture of sustainability in the company and to propose relevant sustainability goals for each department, both at the main office in Parma and at the foreign branches. Through this choice, the company wants to ensure that decision-makers view sustainability as a key factor, on a par with turnover and profitability.

📌 100% increase in financial support during the optional maternity leave period and paternity leave days

We support working mothers and working fathers who decide to take optional parental leave by guaranteeing 60% of their salary rather than 30%, as required by current legislation. Furthermore, the second parent, when their child is born, is offered 5 days of paid paternity leave in addition to those prescribed by law, which numbered 5 days when this company concession was granted, with the specific aim of doubling the paternity leave period. The law, which has been subsequently changed, now provides for 7 days of paid paternity leave which, added to those offered by the company, brings the total number of days available to fathers in 2020 to 12.

⊗ 22% of new "non-entry level" positions held by internal staff

The 30% target has not been reached, since the company's strong growth, a source of increased complexity, has required, for certain new "non-entry level" positions, very specific

skills that are not present within the company. In order to support the good practice of job rotation, where possible, for new "non-entry level" positions internal transfers have been facilitated through staff role changes. By "non-entry level" positions, we are referring to those that can be filled by professionals with at least two years of experience.

📌 Removal of clocking in procedure at the Davines Village

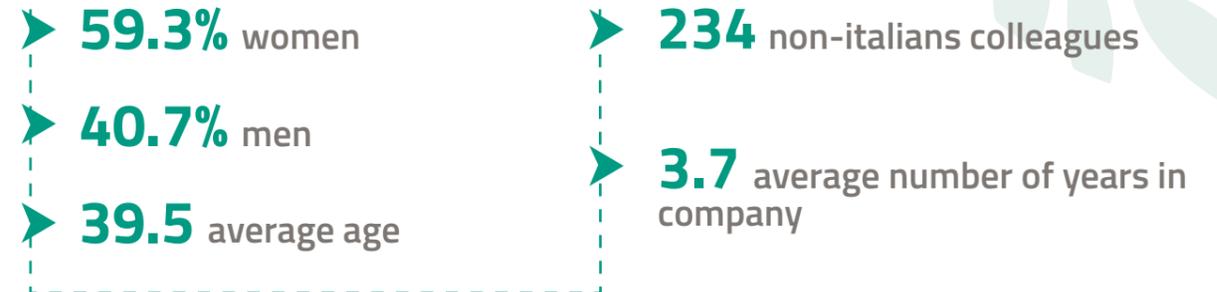
Following the removal, in 2018, of the clocking in procedure for office workers, in 2019 the company also removed the clocking in procedure for production and packaging staff. This step was part of a broader program named "Davines New Way", launched 2 years ago with the main goal of creating a working environment based on trust, independence, responsibility and transparency. The removal of the clocking in procedure is both an assurance of trust towards all collaborators and a source of responsibility for them.

📌 100% of Parma office executives and top level managers at the branch offices involved in 360° assesment

In July 2019, all Parma office executives and top level managers at the branch offices were involved in the 360° assessment, a procedure that allows to assess the extent to which managerial behaviors are consistent with those identified in the leadership model developed by the Davines Group, from three different standpoints: the manager, collaborators and colleagues of the same level. The individual results were then returned so each assessed collaborators could engage in a constructive dialogue with their assessors.

OTHER 2019 FACTS AND FIGURES ALL THE GROUP'S OFFICES

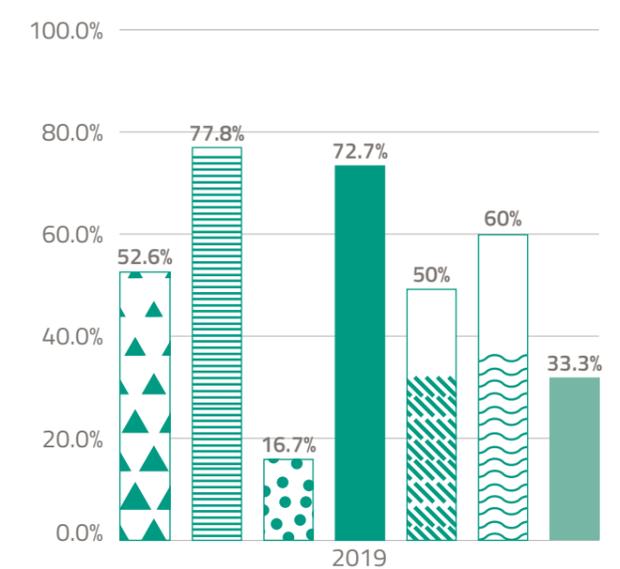
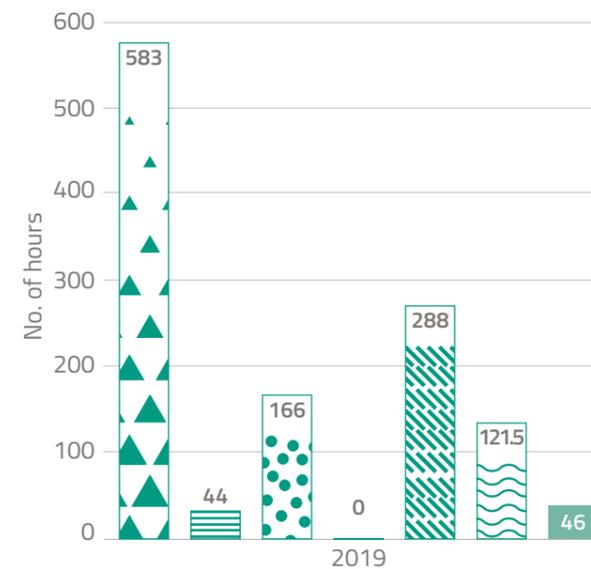
ABOUT OUR COLLABORATORS



HOW WE TRANSLATE OUR VALUES INTO WORK

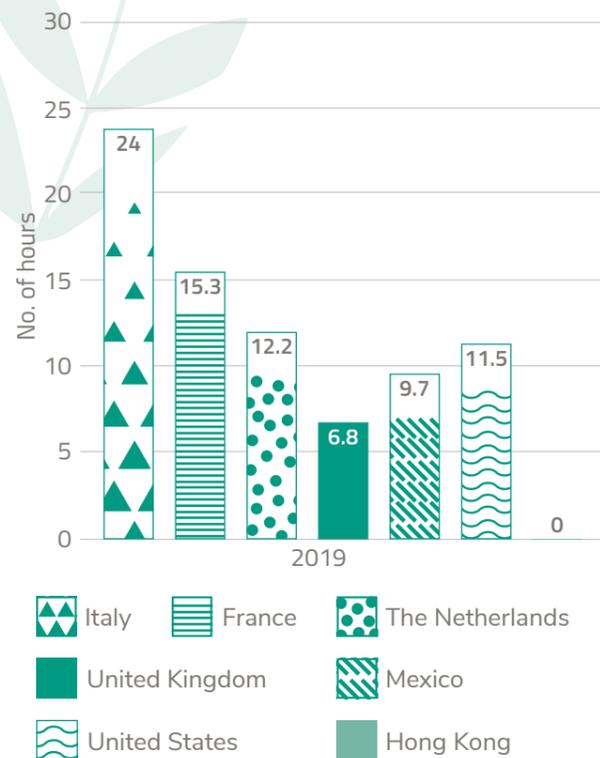
1,248.5 paid working hours for company volunteering

53.8% managerial roles held by women



📌 goal achieved / project carried out within the set timeframe. ⊗ goal not achieved / project not carried out within the set timeframe.

19.2 average number of training hours per year for each colleague



OTHER 2019 FACTS AND FIGURES PARMA MAIN OFFICE

➤ **99%** colleagues in nonmanagerial roles who have had performance bonuses

➤ **78.9%** colleagues who have access to our well-being platform, "davines care"

(access for all Davines colleagues, excluding executives, who have passed the probationary period and are permanent as of 1 January each year)

GREAT PLACE TO WORK



Since 2018 we have chosen to revise the climate analysis that has been used since 2005, separately measuring the assessment of direct managers and the overall level of satisfaction through two distinct, targeted and more in-depth questionnaires:

the "360° Assessment" and the "Company climate assessment survey". For the latter, conducted with Great Place to Work, we involved, in 2019, more than 600 colleagues who contributed in defining the "trust index", the company's internal level of trust. The results of the survey led to the award of the "Great Place to Work 2019" annual certification.

➤ **67%** Trust Index®

➤ **77%** "All things considered, I'd say this is an excellent place to work."

2020 GOALS

1. Redefine the current smart working policy and implement it, looking ahead to the "post-COVID" phase, with the aim of achieving organizational efficiency, a work commute with a lower environmental impact and a better balance between work and personal life for every employee.

2. Increase the percentage of colleagues, including 100% managers at all organizational levels at the main office in Parma, with sustainability goals as part of their "Performance Review Plan".

3. Increase the percentage of colleagues, including 100% managers at all organizational levels at the main office in Parma, with references to sustainability in their job "mission".

PLANET 2019 RESULTS



📌 Offset the CO2eq emissions of our major events to make them carbon neutral

The goal has been achieved. The CO2eq emissions of the main corporate events in 2019 were calculated and offset. These involved more than 5,000 people in total: World Wide Hair Tour, Tribe Event, Hair on Stage Bologna, Hair on Stage Manila and the National Meeting of Italian Hair Care Agents. A total of 322.4 tons of CO2eq were offset, resulting from the energy consumption of the event venues, the participants' travel and the energy consumption of the hotels where the participants stayed.

📌 Offset CO2eq emissions from our staffs' commute to work

The goal has been achieved. We have offset 353.5 tonnes of CO2eq resulting from staffs' commute to work at Davines Village, measured through a questionnaire prepared by the Sustainability Department for everyone who works at the Village. The collected data has also made it possible to estimate that 34.1 tons of CO2eq emissions were saved in 2019 thanks to smart working and will allow for the future the development of solutions that further reduce the environmental impact of the commute to work.

📌 Offset all CO2eq emissions from the lines on which we applied the LCA analysis

The goal has been achieved. We have offset emissions from the entire life cycle (excluding the use phase) of A single shampoo and Mask and Essential Haircare lines. Total offset emissions amount to 3,681.82 tons of CO2eq. Use of LCA analysis is extremely important to identify the components and life stages of products with a larger ecological footprint and, consequently, to identify possible reduction measures to limit their environmental impact.

📌 goal achieved / project carried out within the set timeframe. ❌ goal not achieved / project not carried out within the set timeframe.

OTHER 2019 FACTS AND FIGURES ALL THE GROUP'S OFFICES

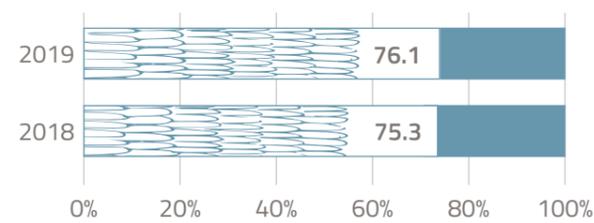
HOW DO WE CRAFT OUR PRODUCTS

A product's positive impact is determined by many factors that arise throughout the course of its life, from its creation to its production, distribution, use and, finally, disposal.

Life cycle impact assessment

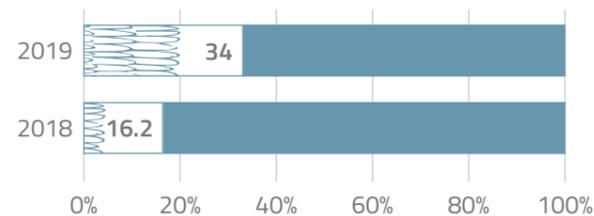
We measure our products' sustainability at every stage of their life cycle, using two different assessment methods: the Strategic Life Cycle Assessment (SLCA) for a qualitative assessment, and the Life Cycle Assessment (LCA) for a quantitative assessment.

Products (based on turnover) to which the SLCA analysis has been applied



SLCA

Products (based on turnover) to which the LCA analysis has been applied

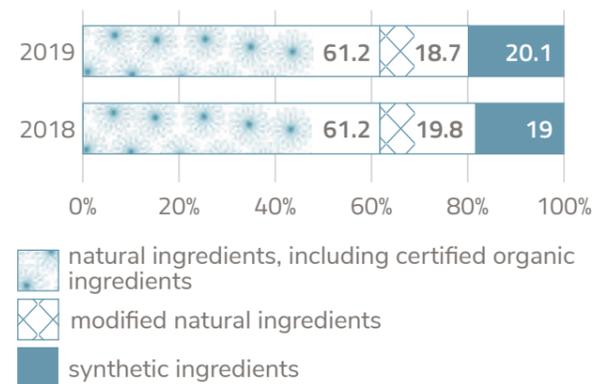


LCA

Choosing the ingredients

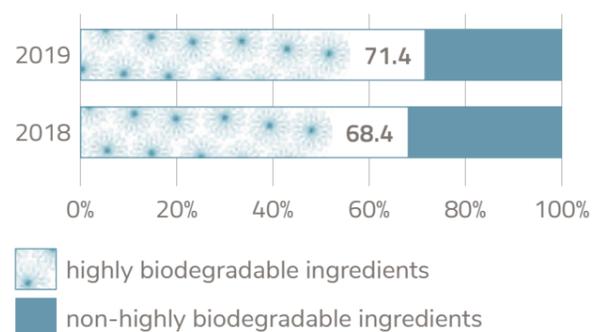
We select environmentally friendly ingredients that are safe, effective, high-quality and preferably obtained from organic and/or ethical farming that protects local biodiversity.

Natural ingredients*



*Since 2018 we have been using our own criteria for classifying ingredients of natural origin, which does not allow any raw material that has a small amount of synthetic content or that does not exclusively include ingredients obtained from sustainable processes.

Biodegradability of ingredients*

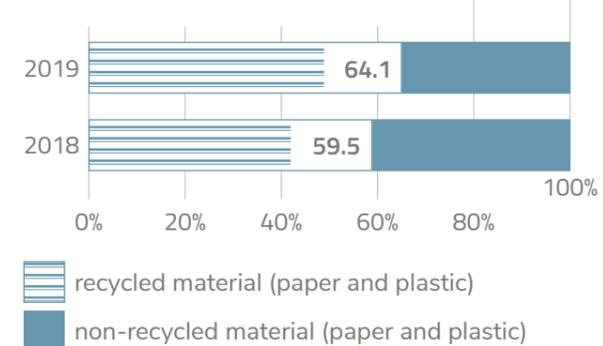


*We use the OECD 301 method, Regulation (EC) No 648/2004, to determine our ingredients' biodegradability.

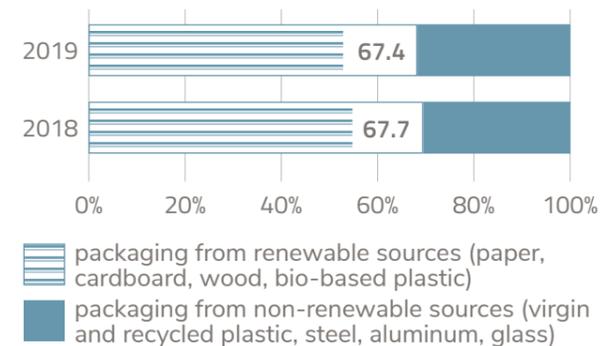
Choosing the packaging

We design packaging with the aim of limiting its volume and weight to a minimum and strongly encouraging its reuse or recovery, including through recycling, always guaranteeing safety and hygiene, with the lowest possible environmental impact.

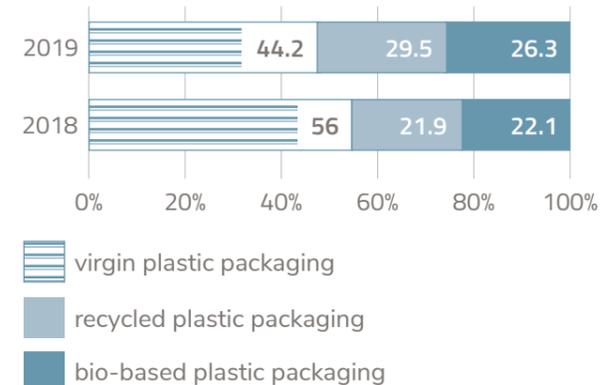
Packaging in recycled material (primary, secondary and tertiary)



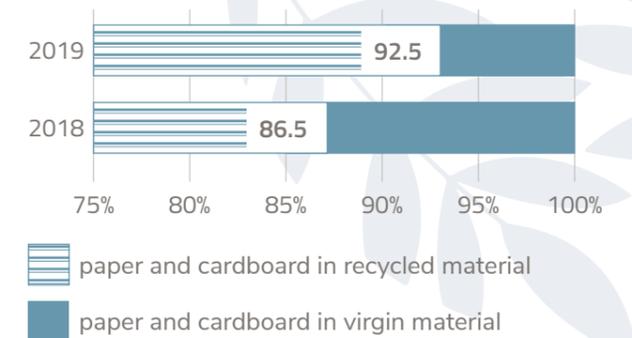
Packaging from renewable sources (primary, secondary and tertiary)



Plastic packaging (primary, secondary and tertiary)



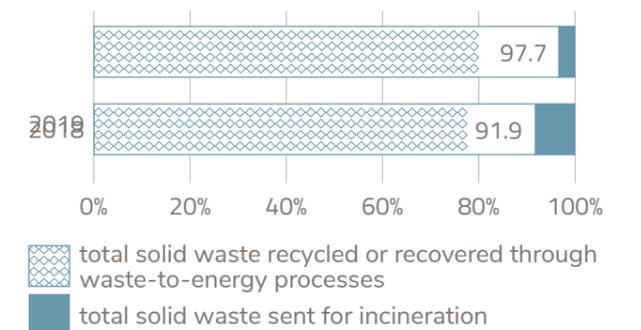
Paper and cardboard packaging (secondary and tertiary)



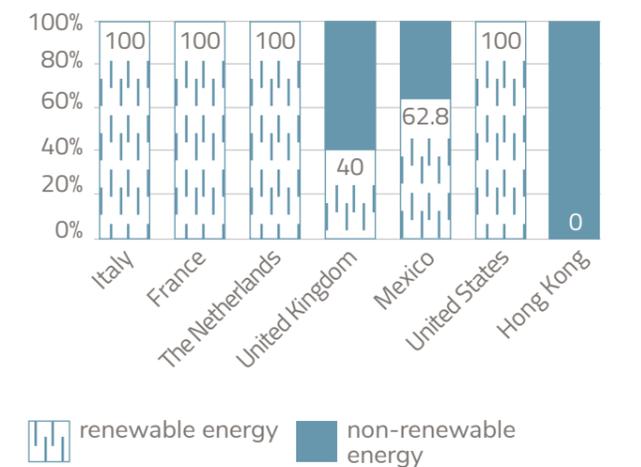
Design and marketing

We create all our products with an artisan approach, using the most advanced cosmetic technologies and inspired by the ideal of Sustainable Beauty as an inseparable unity between beauty and goodness.

0% production waste sent to landfill



Electricity used in our offices*



*including production

CO2EQ EMISSIONS - HOW WE REDUCE AND OFFSET OUR CARBON FOOTPRINT

At an environmental level, the main challenge facing our planet is the climate change that threatens the resilience of the Earth's ecosystems and human survival. Based on this awareness, the Davines Group, together with over 500 B Corps worldwide, committed to achieving "net zero emissions" by 2030. This goal requires us to constantly map our emissions and to reduce them as much as possible. We will continue to offset the quantity of CO2eq that cannot be zeroed through EthioTrees, a proprietary reforestation project.

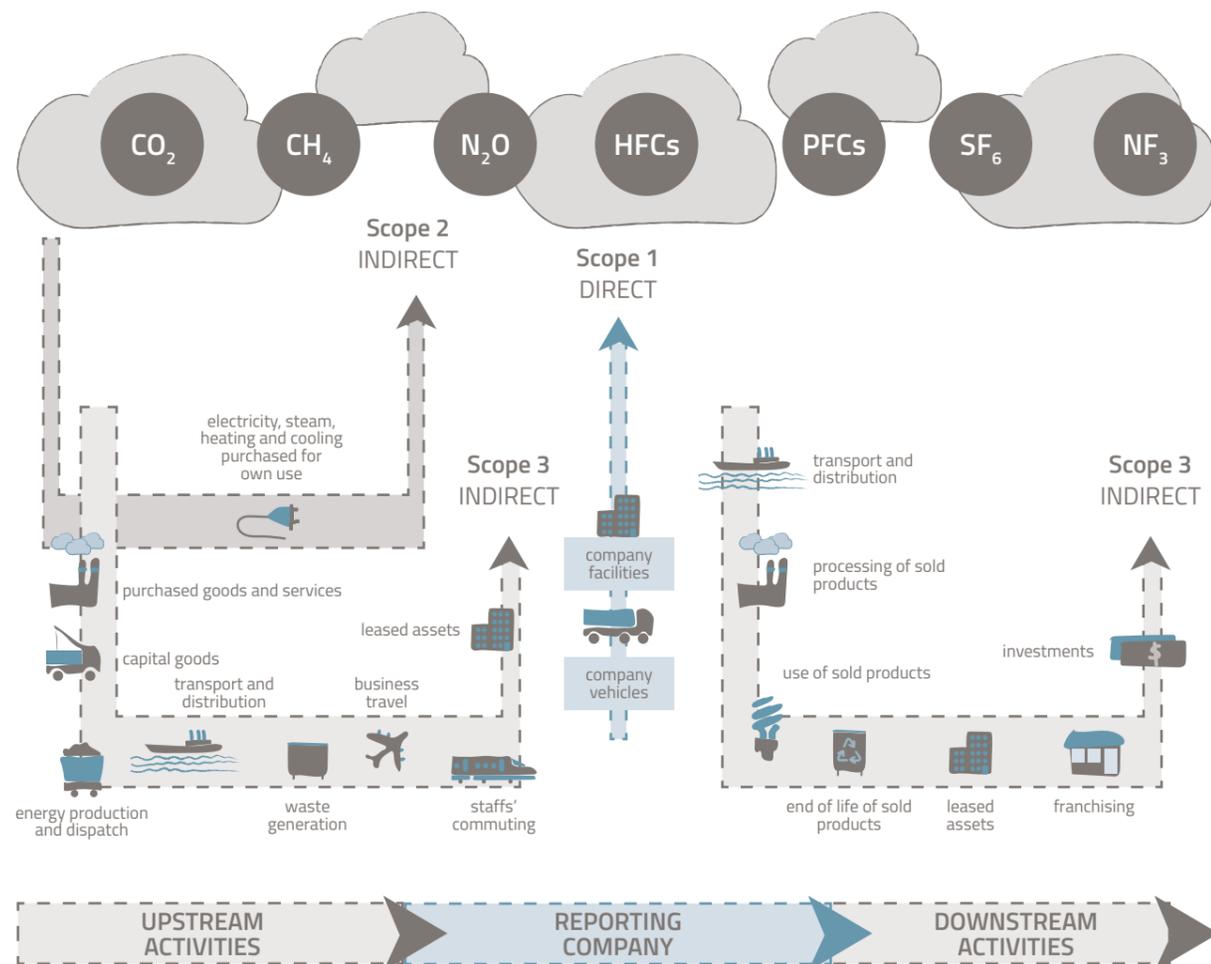
Our methodology

We follow the guidelines of an internationally recognized standard, the "GHG protocol", which breaks down the company' emissions into three areas:

Scope 1, direct emissions from proprietary sources or sources directly controlled by the company;

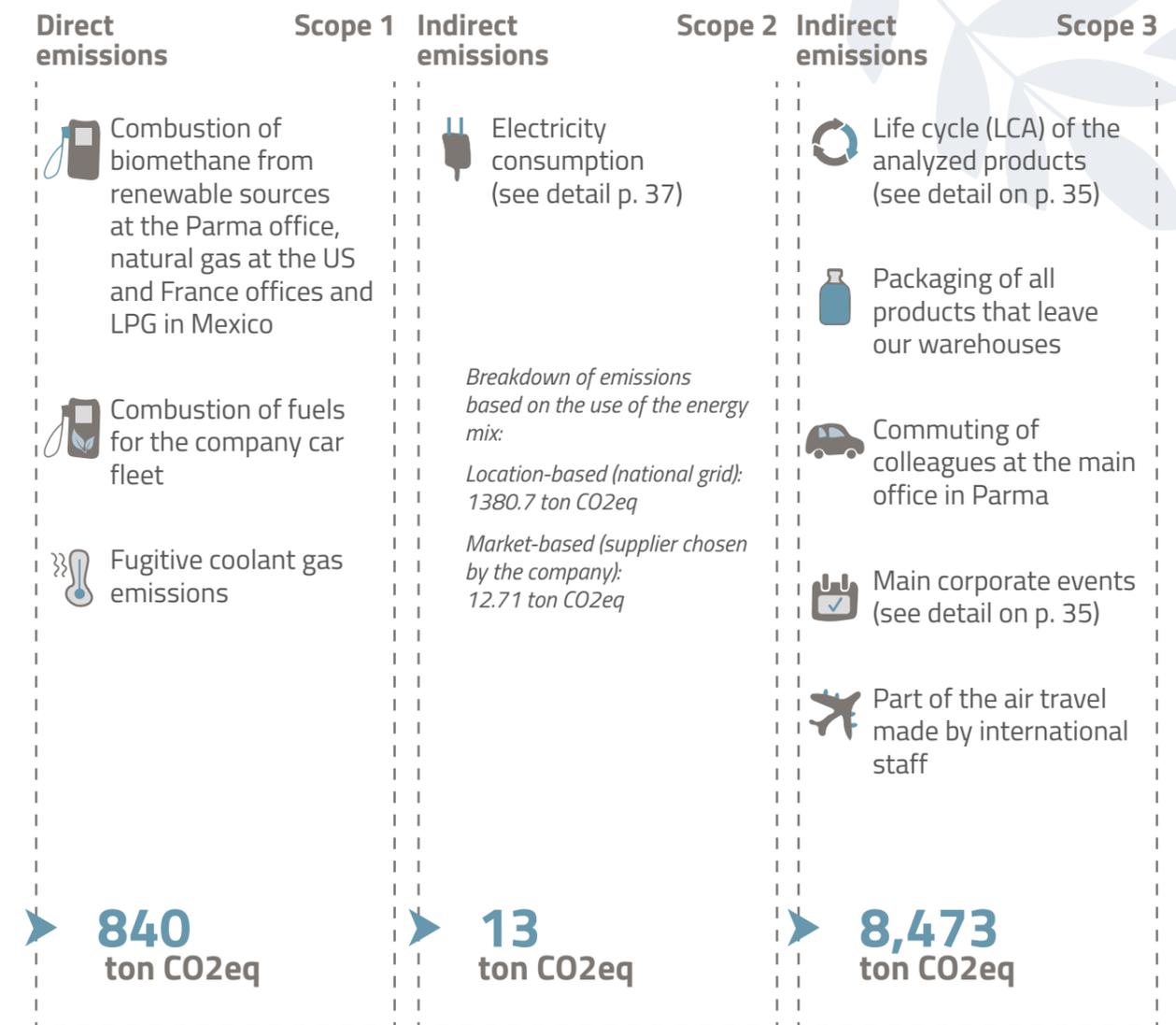
Scope 2, indirect emissions from consumption of electricity, steam and heat;

Scope 3, indirect emissions that do not fall within scopes 1 and 2 and that result from other activities that take place outside the Group's production plant and offices.



Source: "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" GHG Protocol

CO2eq emissions that we monitor and offset:



9,326 ton CO2eq

To learn more:

[further-information-c02/](#)

Our results to date

- ▶ 100% of the products that leave our warehouses have CO2eq-offset packaging.
- ▶ All the Group's offices are carbon neutral (100% scope 1 + 2) thanks to reduction of our emissions and offsetting of residual emissions.
- ▶ -47.7% emissions (scope 1 + 2) compared to 2018 for the Parma office and manufacturing plant, mainly due to the use of biomethane rather than gas from fossil-fuel sources.
- ▶ 34 ton CO2eq saved thanks to smart working at the main office in Parma.
- ▶ Calculation and offsetting of CO2eq emissions of the main company events.
- ▶ Offsetting CO2eq emissions of the life cycle of the products analyzed according to the LCA analysis (see detail p. 35).

CO2 and CO2eq

Carbon dioxide (CO2) is a climate-altering gas that naturally occurs in our atmosphere; its very high concentration contributes to global warming. However, CO2 is not the only gas responsible for the greenhouse effect, which is also caused, for example, by nitrous oxide (N2O), methane (CH4) and sulfur hexafluoride (SF6). CO2 equivalent (CO2eq) describes the impact of greenhouse gases in a single unit. For any quantity and type of greenhouse gas, CO2eq indicates the amount of CO2 that would have an equivalent impact on global warming.

2020 GOALS

1. Increase the percentage of products (based on turnover) to which the LCA analysis has been applied.
2. Define a "roadmap" to achieve the "net zero emissions" target by 2030, continuing the decarbonization process that the company has been pursuing for years.
3. Increase the percentage of bio-based and recycled packaging within our plastic packaging mix.

COMMUNITY

2019 RESULTS

📌 Organize a summit to increase our suppliers' sustainability

In November 2019 we organized, for the first time, a meeting at the Davines Village for our most sustainability-conscious suppliers. Participants were selected based on the results of the annual sustainability questionnaire and the interest that they have shown in B Corp certification. During the workshop, examples were shared of good practices and useful tools to increase sustainability performance. Four suppliers also talked about their B Corp certification process.

🔄 Guide the Italian B Corp community's 2019 impact project

The project was conceived with the aim of removing as much plastic as possible from one of the accumulation zones that have been created in the Mediterranean Sea. In view of the technical limitations that emerged, a decision was made to change the project's scope, while preserving its original purpose. Consequently, two parallel initiatives have been launched: the collection of plastic from an Italian river that is a Mediterranean tributary and the implementation of local initiatives by Italian B Corps. The project will continue for the duration of 2020.

📌 Increase the number of B Corp certified partners

The goal has been achieved. In 2019, 2 new company suppliers became B Corps, raising our total number of certified partners to 5. This result was made possible by the company's determination and the work of the Purchasing Department which, following the Group's B Corp certification, has promoted the creation of an interdependent network among suppliers by inviting them to complete the B Impact Assessment (BIA).

📌 Create a fair and transparent process for assessing local projects

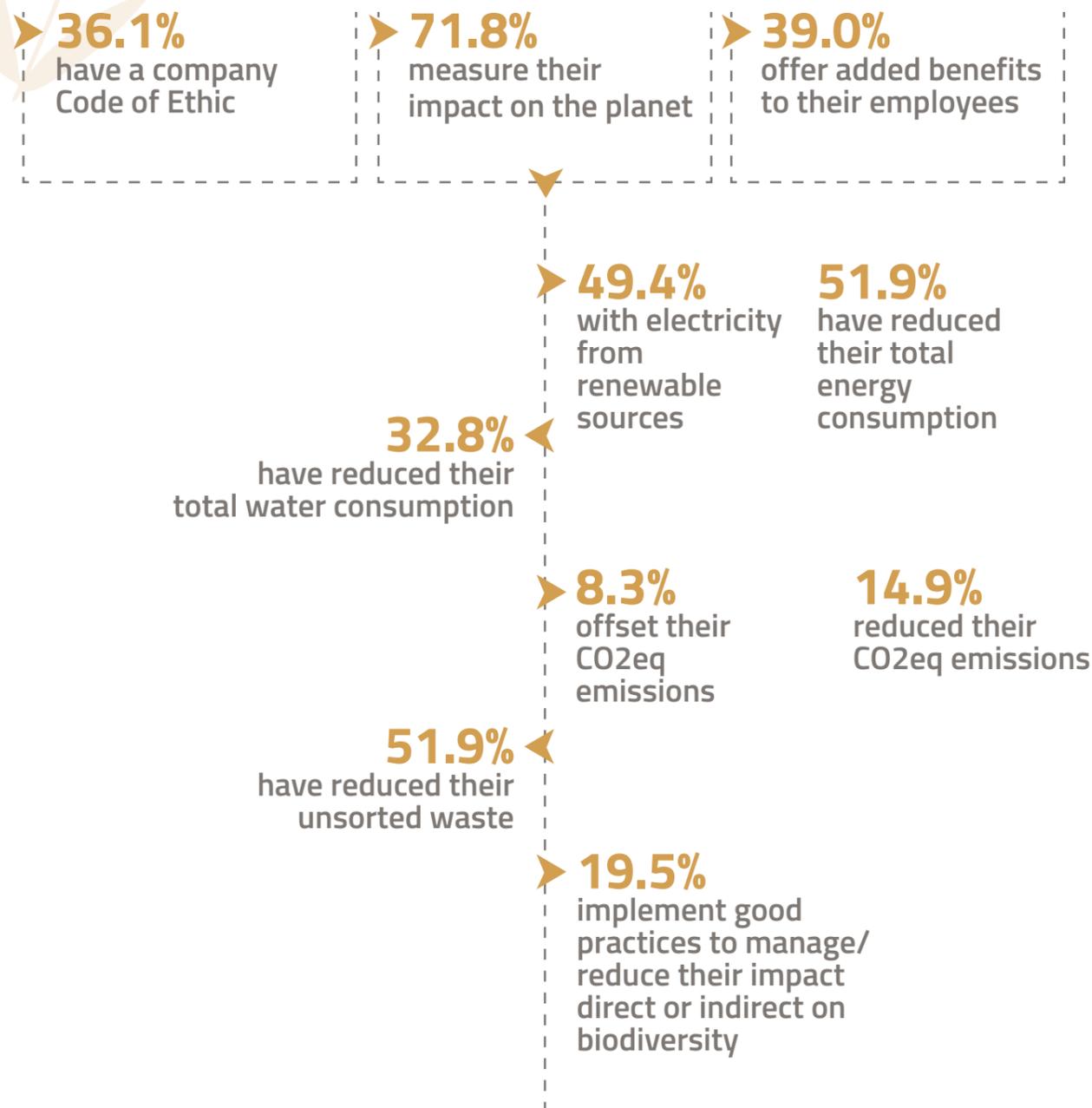
We have created a fair and transparent evaluation process that allows us to objectively choose projects – from the many that we are recommended – that merit priority support. Firstly, we have defined both quantitative and qualitative KPIs according to which all new projects are evaluated. The sum of all the KPIs defines the score assigned to the project, which enables the company to rank the projects that require support.



📌 goal achieved / project carried out within the set timeframe. 🔄 goal not achieved / project not carried out within the set timeframe. 🔄 project still in progress.

OTHER 2019 FACTS AND FIGURES PARMA MAIN OFFICE

ABOUT OUR SUPPLIERS



OTHER 2019 FACTS AND FIGURES ALL THE GROUP'S OFFICES

WE BELIEVE IN PEOPLE AND SUPPORT THEM

- **€ 550,655** donations and sponsorships for social and environmental purposes
To learn more:
[donation-sponsorship](#)
- **35** suppliers have completed the BIA
- **5** suppliers and distributors certified as B Corps since 2016
- **5** suppliers and distributors in the B Corp certification phase
- **349** suppliers and contractors that work according to an ethical code of conduct
- **44** projects launched with the "I Sustain Beauty" campaign
- **4,031** distributed copies of the "Extraordinary Manual to Improve the World"

KILOMETROVERDEPARMA, REFORESTATION IS ONLINE

Since June 2020 the KilometroVerdeParma website has been online, a reforestation project that aims to create green areas and permanent forests in Parma and its province. The site publishes updates about the project and useful information to support it. Shared contribution is one of the project's main strengths, since everyone can do their part by providing a plot of land or garden, giving their time as volunteers or participating in promotion, information and dissemination activities, including at schools.

www.kilometroverdeparma.org

2020 GOALS

1. Set up a "B Corp Beauty Coalition", an expanded agreement between B Corp cosmetics companies to further strengthen our commitment to the B Corp principle of interdependence.
2. Increase the number of suppliers and distributors that measure their impact through completion of the "Business Impact Assessment" (BIA).
3. Launch a sustainability training program that enables our professional customers to increase their positive impact on the world.
4. Initiate a global auditing process to ensure that all our branches that do not have the legal form of a Benefit Corporation make a special amendment to their articles of association.

PROJECTS



WE IMPROVE THE WORLD TOGETHER

REGENERATION 20/30

A coalition of independent leaders to revitalize society and nature

▼ We only have 10 years left to take concrete steps to develop a new economic paradigm which, in line with the SDGs, can create favorable conditions for everyone to live in prosperity. This appeal, which may be our last opportunity, has inspired the founders of “Regeneration 20/30” to create a global regenerative alliance between governmental and non-governmental organizations, spiritual leaders, the academic world and the private sector with a view to initiating dialogue, sharing ideas and taking concrete steps. All participants will have to sign a “pledge” with specific and measurable commitments in three key areas: regenerative economy, climate action and global happiness/well-being. Davide Bollati, Chairman of the Davines Group, is one of the founders of “Regeneration 20/30”, a project that the company strongly supports and which is consistent with its values and with the choices that the Davines Group has always made to address the climate emergency and improve the community’s well-being.

- ▶ **STAKEHOLDERS INVOLVED**
Community (public institutions, private sector, policy makers, spiritual leaders, the academic world, NGOs and civil society). Environment.
- ▶ **EXPECTED RESULTS**
Support for the **development of a regenerative economy**, a system in which all actors are a positive force that regenerates people, society and the biosphere.
Support for climate **action** to achieve net zero greenhouse gas emissions and to shift business models towards decarbonization and a new inclusive and prosperous economy.
Support for the **development of world happiness** in its most profound sense of self-fulfillment, altruism, individual and social well-being, and a real measure of human progress.
Support for the **identification of a new 21st century leadership model** based on the values of compassion, wisdom and courage and the working principle of interdependence.

WORLD HAPPINESS REPORT AND SCIENCE & ETHICS FOR HAPPINESS

Investigate happiness to create good life

▼ The Davines Group supports two research projects on happiness and collective and individual well-being, conscious of the correlation between this issue and the environment and its importance in building a new sustainable development model.

The World Happiness Report is an annual publication by the UN SDSN (United Nations Sustainable Development Solutions Network), under the auspices of the UN Secretary General, which studies and measures perceptions of global happiness by ranking 156 Countries according to their citizens’ happiness. Written by a multidisciplinary group of independent experts, it is based on an assessment method that intertwines social, economic and psychological criteria.

The Davines Group also participates in working groups organized as part of the “Science & Ethics for Happiness” initiative and aimed at exploring the subject of happiness by connecting scientific investigations, philosophical knowledge and spiritual teachings. The meetings, organized by the Pontifical Academy of Sciences in collaboration with the United Nations, bring together academics, philosophers, scientists, spiritual leaders and enlightened entrepreneurs, fostering a constructive dialogue designed to achieve a shared and viable understanding of the notion of happiness.

▶ **STAKEHOLDERS INVOLVED**
Community (states, public and private institutions, private citizens).

▶ **RESULTS**
Support for governments, institutions and businesses to reflect on the aspects that determine the **happiness of people and communities** and, consequently, to implement strategies that promote their well-being in a sustainable way.





WE MINIMIZE OUR IMPACT ON THE WORLD



A NEW LIFE FOR CUT HAIR

With Coiffeurs Justes recycling enters Davines salons

➤ Davines France has been working with Coiffeurs Justes since 2019 to promote the recovery of cut hair at hair salons and its recycling in projects that foster exemplary circular economy models. Coiffeurs Justes, an association founded in France based on an idea by hairdresser Thierry Gras, has been working for years to exploit cut hair, a valuable organic material that can be reused as a new resource in various fields, from fertilization to purification of wastewater and water polluted with hydrocarbons. Through Davines' support, partnerships with local actors and awareness-raising campaigns, the association aims to collect 10 tons of hair that can be used to produce filters to purify fresh water and sea water in France. In support of the project, Davines has distributed special bags at its hair salons to recover and ship cut hair. Each bag enables about 1.9 kg of hair to be collected, equivalent to about 220 cuts. The project will continue in 2020, providing Davines customers with collection bags.

➤ STAKEHOLDERS INVOLVED

Professional customers.
Environment.

➤ RESULTS

5,000 bags distributed by Davines for collecting cut hair in hair salons.

6,000 bags produced by Davines to distribute at its salons in 2020.

Raised awareness about the **value of cut hair**, which can be recycled in projects that benefit the environment.



BECOME AN OCEAN KEEPER IN ASIA

Protection of the Asian seas begins from the salon

➤ Become An Ocean Keeper In Asia is a campaign launched in 2019 by Davines Asia to raise awareness about plastic pollution in the seas and to inspire and support hair salons and their customers to implement concrete initiatives designed to restore the health of the oceans. Plastic is one of the main problems that threaten the ocean ecosystem, whose equilibrium is vital for the production of oxygen and for the survival of human beings and most of the living species on Earth.

The campaign has gained support in 8 different Asian countries, where hair salons have launched various initiatives in collaboration with their customers. Over the course of two months, beach cleaning activities have been organized, along with initiatives to recycle plastic bottles at salons, themed posts on social media and fundraisers, testimony of a significant collective involvement.

The second edition, planned for 2020, will follow in the footsteps of the first with the hope that more and more people will get involved in reducing plastic pollution in the oceans.

➤ STAKEHOLDERS INVOLVED

Professional customers.
Distributors.
End customers.
Environment.

➤ RESULTS

298 hair salons participating in the campaign in the Asian continent.

754 social media posts with hashtags devoted to the campaign.

Better Google search result for Become An Ocean Keeper In Asia.





TUTELIAMO IL MARE 2019

Floating barriers on the Po River protect the Adriatic Sea

Since 80% of the waste found in the sea comes from the mainland, to save the sea we have to start with rivers. This is why the second edition of Tuteliamo Il Mare supported Il Po d'Amare, an experimental and innovative project aimed at reducing marine pollution through recovery of plastic waste in the river, when it is still easily recyclable.

Through collaboration with the Po River Basin Authority, the Fondazione per lo Sviluppo Sostenibile, Castalia and Corepla, barriers have been placed along the Po River, in the Sacca di Colorno area in the province of Parma, to directly act on the main Italian waterway and contribute to the protection of the Adriatic Sea.

The 2020 edition of Tuteliamo Il Mare focuses on the importance of both land and sea forests which, by producing oxygen, help to combat climate change. The campaign will support the planting of trees in Trentino with the Trentino Tree Agreement project and algae in the Cinque Terre seabed with the ROC-Pop Life project.

STAKEHOLDERS INVOLVED

Professional customers.
End customers.
Staff.

RESULTS

1,800 salons involved.
€ 36,413 donated to the Il Po d'Amare project.
Recycling of plastic waste recovered from the river, which is not yet degraded by sea salt and sun exposure.

To learn more:

it.davines.com/blogs/projects/tuteliamoilmare



SUPCLEAN-UP

The Dutch Davines salons clean the canals

In 2019, the Dutch Davines branch began a collaboration with SUPclean-up, the organization that works to clean up plastic in canals using a stand up paddleboard (SUP), a kind of surf board. The collaboration has resulted in two waste collection events. The first, which is only for colleagues of the Deventer branch, involves cleaning of the city's canals; the second, which is also open to hair salons, focuses on cleaning Amsterdam's canals. The salons participated with their staff and customers, creating a very impactful event that even attracted the attention of the Italian press.

STAKEHOLDERS INVOLVED

Staff.
Professional customers.
End customers.
Environment.

RESULTS

30 volunteer colleagues from the Dutch Davines branch involved in cleaning the Deventer canals.
14 volunteers, including the owners and staff of 4 hair salons involved in cleaning the Amsterdam canals.
A total of around 1.65 km of canals cleaned up in the cities of Deventer and Amsterdam.



ENERGY FROM SALON WASTE

With La Collecte du Coiffeur, the Davines salons promote a circular economy

Since 2018, Davines has been encouraging French hair salons to take part in the Medical Collection company's La Collecte Du Coiffeur project to recover professional waste and reuse it through recycling and new energy production projects. La Collecte Du Coiffeur organizes the collection from hair salons of special waste that can only be disposed of by specialized companies and manages this waste, certified by a traceability document, right up to recycling or disposal, which is carried out in compliance with European directives at waste-to-energy plants. Spray cans are therefore totally recycled and emptied dye tubes become a new energy source. To support the company's participation in the project, an agreement has been signed with the Medical Collection which gives the Davines salons a special price.

STAKEHOLDERS INVOLVED

Professional customers.
Environment.

RESULTS

25 salons participating in La Collecte du Coiffeur as of January 2020.
1,550 liters of dye tubes collected at the Davines salons in 2019, which help to generate energy.
750 liters of spray cans collected at the Davines salons and **100% recycled**.



WE ACT FOR THE CLIMATE

PIONEERS IN NET ZERO CARBON FOOTPRINT

The Davines Group supports the collective climate action initiated by the B Corp movement

At the United Nations COP25 Climate Change Conference held in Madrid in December 2019, the Davines Group, together with other certified B Corp companies, committed to accelerating the reduction of greenhouse gas emissions, officially declaring that it would become “net zero emissions” by 2030, 20 years ahead of the Paris Agreement deadline. The Group’s commitment to achieving this target, which involves drastically reducing its CO₂eq emissions and offsetting residual emissions, will be scheduled on the basis of a special “road map”. This collective effort to reduce emissions is the fastest action that has ever been taken by such a large number of companies to halt and reverse the current climate trajectory. The “road map” aims to contain the increase in global average temperature below the 1.5 degree threshold, which has been identified as the limit that must not be exceeded in order to avoid the worst consequences for our planet and its inhabitants. For the Davines Group, this commitment is one of its steps towards promoting a virtuous system of restitution to the environment

and society in order not to take resources away, but rather to contribute to the creation of shared and lasting prosperity for everyone.

STAKEHOLDERS INVOLVED

Environment.
Community (B Corps and other companies).

RESULTS

500 certified B Corp companies from all over the world have signed the agreement to achieve “net zero emissions” by 2030, i.e. to zero their carbon footprint.

Raised awareness in the business world about joining the collective climate action.

To learn more:

www.bcorpclimatecollective.org/



NATIONAL FOREST

The Davines salons support the regeneration of the English forest

Due to the low forest cover in the UK, which is the lowest in Europe and one of the lowest in the world, in 2019 the UK Davines branch chose to contribute by working with the National Forest Company. This non-profit organization has been working since 1995 to create a national forest that stretches across the 200 square miles of the Midlands, linking the two ancient forests of Charnwood and Needwood. To regenerate this area, which has been scarred by centuries of coal mining and heavy industry, the National Forest Company has collaborated for 25 years with public and private organizations, promoting fundraising events and educational trails in the forest with the aim of planting 9 million trees by 2020. To support this organization, Davines set up a fundraiser at its hair salons in order to inform and raise awareness among as many people as possible and to involve them through the sale of a limited-edition scented candle. The high level of participation in the initiative made it possible to plant new trees at an event that was open to participation from the hairdressing salons.

STAKEHOLDERS INVOLVED

Staff.
Professional customers.
End customers.
Distributors.
Environment.

RESULTS

Over 200 trees planted in January 2020 in Moira, in the heart of the **National Forest**.

40 volunteers participating in the planting event, including staff from 15 salons, 3 distributor staffs and 12 colleagues from the English Davines branch.

3,500 soy wax candles distributed at the Davines salons for the fundraiser.





CARING FOR FORESTS TO BENEFIT THE CLIMATE

Davines France makes employees aware of the value of the environment

➤ In 2019, the Davines Group's French branch launched a project to raise its team's awareness about the importance of forests and individual behavior in combating climate change. Firstly, steps were taken to contain and offset the CO2eq emissions generated by trips made by the sales network. In collaboration with Wenow, a digital solutions company that specializes in this field, the CO2eq emissions of the car fleet were measured, advice was shared on how to mitigate them and, finally, residual emissions were offset through the company's EthioTrees project dedicated to soil and forest regeneration in Ethiopia. At the same time, colleagues were involved in an environmental voluntary activity in the Saint-Germain en Laye forest, a natural area of interest due to its ecology, fauna and flora, which extends to the outskirts of Paris and was severely damaged in 1999 by a violent storm. Since natural regeneration has not proved sufficient to restore the ecosystem, the French team, in collaboration with Wenow, contributed to restoring the forest's equilibrium by planting new trees.

➤ STAKEHOLDERS INVOLVED

Staff.
Environment.

➤ RESULTS

7,714 kg of CO2eq offset through the EthioTrees company reforestation project in Ethiopia.

200 trees planted, including oaks and fruit trees, in the Saint-Germain-en-Laye forest in France.



WE PRESERVE THE LAST ANCIENT FORESTS OF SWEDEN

A climate action to restore beauty

➤ For several years, Kraft Cosmetics, the Swedish distributor of the B Corp certified Davines and [comfort zone] brands, has launched fundraising projects for good causes. In 2019 it contributed to preserving Sweden's last ancient forests, a native ecosystem that is part of the country's biodiversity heritage and inestimable beauty. The initiative was created in collaboration with the Naturarvet non-profit association and was made possible thanks to the involvement of Swedish beauty salons. Protecting forests is one of the most effective ways to reduce the amount of CO2eq in the atmosphere and mitigate climate change.

➤ STAKEHOLDERS INVOLVED

Professional customers.
End customers.
Environment.

➤ RESULTS

1,020 square meters of ancient forests in Sweden protected.

21 beauty salons involved.



COME WITH US INTO THE SHADOW OF THE FOREST

In Romania the Davines salons plant trees

➤ In 2019, Davines' Romanian distributor Ethics Beauty involved its customers in the heart of the Draganului Valley, an area that has suffered extensive deforestation for many years, in order to contribute to its reforestation. Thanks to a collaboration with various public and private actors, numerous new trees were planted in a single day, which contributed to the regeneration of the forest and strengthened the participants' appreciation of the values of sustainability.

➤ STAKEHOLDERS INVOLVED

Professional customers.
Environment.

➤ RESULTS

12,000 new trees planted in the Draganului Valley forest.

20 volunteers, including staffs, hairdressers from 4 different salons and supportive friends involved in the reforestation action by the distributor Davines Ethics Beauty.

500 volunteers involved in total in the reforestation action.



#HAIRDRESSERSFORNEPAL2019



davines

Hairdressers Without Borders

WE USE KNOWLEDGE AS A BRIDGE BETWEEN PEOPLE



HAIRDRESSERS FOR NEPAL

Learning the hairdressing profession improves your life

Since 2018, Davines' Dutch branch has supported the Hairdressers For Nepal project set up by the non-profit organization Hairdressers Without Borders to offer destitute women in Nepal an opportunity for personal and professional growth in the beauty sector through hairstyling and make-up.

In 2019, the Dutch branch financially supported the project through fundraising at the Davines hair salons, which also involved and raised awareness among their customers. The company chose to add its own financial contribution to the amount collected, in addition to donating a supply of products and marketing materials used for training purposes. Finally, a Davines trainer personally contributed to the professional growth of Nepalese women by participating, as a volunteer, in the locally organized courses. The aim of the initiative is to motivate, inspire and unleash the energy and creativity of the participants, teaching them a profession that can lead

to paid employment and therefore to an opportunity to improve their lives.

STAKEHOLDERS INVOLVED

Professional customers.
End customers.
Community.

RESULTS

63 salons participating in the fundraising campaign.

€ 14,500 donated to the Hairdressers For Nepal project of which € 8,104 was donated by the Davines Holland branch.

€ 1,912.15 in products donated to Hairdressers For Nepal for training courses.

22 Nepalese women benefited from the training courses.

LIBRI CON LE RUOTE 2019

Davines salons support children's environmental culture

The Sustainable Beauty Partner-affiliated Davines hair salons supported the 2019 edition of Libri con le Ruote (Books on Wheels), the project promoted by the ParmaKids Association, in collaboration with the libraries of the Municipality of Parma, to promote the right to read and to highlight the value of sustainability in an original way. Libri con le Ruote is a traveling library on two wheels loaded with children's books that offers children, free of charge, books and readings in unusual places such as parks, squares and streets. In addition to supporting the project, the Sustainable Beauty Partner salons enhanced the traveling library with the donation of new books with themes related to nature and the environment, offering children an opportunity to approach sustainability in a playful way. Use of a bicycle, as well as not polluting, has further contributed to conveying to the young generations a behavior model in line with the values promoted by this initiative.

STAKEHOLDERS INVOLVED

Community.
Customers.

RESULTS

10 events, with different stops, for the traveling library, offered to the city of Parma.

50 sustainability-themed books donated to the traveling library in Parma.

500 or so children in total involved and made aware of environmental issues.





EDUCATION FOR LIFE

The gift of life-changing training

Since 2016, Davines has supported the Education for Life project by Intercoiffure Mondial, the international association known for bringing together the best hairdressing professionals. Education for Life operates in the world's most disadvantaged areas to offer free hairdressing training courses to young people facing hunger, violence, crime and drugs and young war victims. The challenge is to give them a fresh perspective through skilled instruction that can, in the future, open the doors to an honest and rewarding profession, in line with the project's guiding principle: "You give a poor man a fish and you feed him for a day. You teach him to fish and you give him an occupation that will feed him for a lifetime." Founded in 2004 as a pilot project in the favelas of Rio de Janeiro, Education for Life continues to exist thanks to the donations of those who believe in the long-term value of education. In 2019 Davines continued to support the project with financial donations, concretely supporting the launch of training courses in six places around the world: Ukraine, Romania, Bosnia, South Africa,

Uruguay and India. Additionally, South African distributor Complete Hairdressing supported the local Christel House school project in Johannesburg.

STAKEHOLDERS INVOLVED

Community.
Distributors.

RESULTS

€ 50,000 donated by Davines to support the Education for Life project.

7 training projects supported thanks to Davines: two schools in Kiev and Odessa, Ukraine; the Kinderzukunft project in Timișoara, Romania and in Selo Mira, Bosnia; the Christel House school in Johannesburg, South Africa; a school project in Uruguay; a school project in India.

481 students trained with Davines' support.

B CORP SCHOOL

Future sustainability starts in the classroom

In 2019 the Davines Group chose to collaborate with InVento Lab, a B Corp that deals with education and environmental sustainability, in support of the B Corp School project, the first work experience scheme that brings the world of B Corp companies to Italian schools. The project, created by InVento Lab, trains and guides students on how to create start-ups that use business as a positive force, puts them in direct contact with B Corp companies and annually awards the 5 best business ideas. The Davines Group has collaborated with three schools in Parma, Liceo Scientifico Marconi, Liceo Scientifico Ulivi and Istituto Tecnico ITIS Da Vinci, financially contributing to the students' training on sustainability, innovation and entrepreneurship and providing a mentor who accompanied the students throughout the project, which the company decided to specifically devote to SDG 12, responsible consumption and production. This resulted in 4 entrepreneurial projects which, together with 18 others from different Italian schools, competed in InVento Lab's "Changemaker Competition". The company is very proud that 2 of the 5 prizes, including the first prize, were awarded to projects developed in partnership with the Davines Group. The company has continued its support for B Corp School in 2020 and will be dedicated to involving secondary schools in the local area of Parma.

STAKEHOLDERS INVOLVED

Community (senior high schools).
Staff.

RESULTS

92 students directly involved.

Over 60 hours of training per student provided by school teachers, InVento Lab teachers and a Davines mentor.

4 start-ups devised by students: "E.R.M.E.S.", "FertilHairzer", "Redivivus" and "Plastophobic".

"BEST FOR B Corp School 2019", the first prize for the "Changemaker Competition", awarded to the "Redivivus" project developed by the students of the Liceo Scientifico Marconi di Parma in Parma for the replacement of plastic packaging in the cosmetic industry with the idea of "Redidrops".

"B Corp School – SDGs" awarded to the "Plastophobic" project, developed by the students of the Liceo Scientifico Ulivi, which was dedicated to reducing the use of disposable plastic through distribution of a water bottle at school.





WE PRESERVE OUR HISTORICAL AND ENVIRONMENTAL HERITAGE

PHARMACOPEA

A journey into the chemical and pharmaceutical identity of the Parma area

IMPORTANT NOTE

This local project was inaugurated in February 2020, but was immediately suspended due to the COVID-19 emergency. Since June it has been partially restarted, gradually opening more and more activities to the public with the aim of becoming fully operational again towards the end of the year. The project will also continue in 2021.

Pharmacopea is the project designed by the Davines Group and the Chiesi Group to promote the rediscovery and appreciation of the chemical and pharmaceutical identity of the Parma area during the "Italian Capital of Culture" year, 2020. Thanks to the involvement of company volunteers, the project has made it possible to launch a new tourist route which, from mid-September 2020, will allow visitors to retrace the historical places that safeguard this identity, such as the Botanical Garden, the Oratory of San Tiburzio, the Ancient Spice Shop of San Giovanni and the Ancient Pharmacy of San Filippo Neri, which preserves the ancient Archives of the Congregation. At the latter, an ancient 16th century formulation created by Caterina Sforza, Acqua Celeste, has been rediscovered,

and the Davines Group has committed to reviving it by starting production of a limited edition for 2021. The Pharmacopea project has also funded a scholarship devoted to the study of the Gardoni Herbarium, the creation of a publication on the chemical and pharmaceutical tradition and Florilegium, the installation by artist Rebecca Louise Law which from June 2020 will give the Oratory of San Tiburzio a flowery guise.

STAKEHOLDERS INVOLVED

Community (public and private institutions, private citizens, local companies in the chemical and pharmaceutical sector). Staff.

PRE-COVID RESULTS ACHIEVED

Increased awareness and visibility of the historical chemical and pharmaceutical identity of Parma and its province.

36 volunteers, including private citizens and employees of the Davines Group and the Chiesi Group, involved in February 2020.

€ 20,000 donated to support the Gardoni Herbarium research grant devoted both to the recovery of cosmetic formulations from the Middle Ages and to cataloging the indigenous biodiversity of medicinal plants.

LONGEVITY WEEK 2019

Beauty collaborates with FAI

The 2019 edition of the "FAI la scelta giusta" (Make the right choice) [comfort zone] Longevity Week campaign was dedicated to enhancing the beauty that surrounds us and to our responsibility to preserve it, and therefore supported the Italian Environmental Fund (FAI), the non-profit foundation for the preservation of Italy's historical, artistic and landscape heritage. Specifically, the campaign contributed to the maintenance of the Riserva dei Giganti della Sila, a nature reserve chosen by the participants and favored by 3,105 out of 8,619 people who took part in the online vote. The Reserve is a majestic forest of centuries-old trees, "pini larici" pines and mountain maples that have survived intact since the seventeenth century, creating a magnificent natural spectacle and an extraordinary biogenetic reserve. Through the Longevity Week campaign, FAI will take steps to conserve the beauty and uniqueness of this historical and natural heritage, to enhance it and to make it accessible to the public, while preserving its natural beauty. The 2020 edition of the campaign, in collaboration with the University of Parma, will support a research project that results in a small book dedicated to unearthing episodes in the history of cosmetics relating to female beauty in Italy between the 15th and 19th centuries.

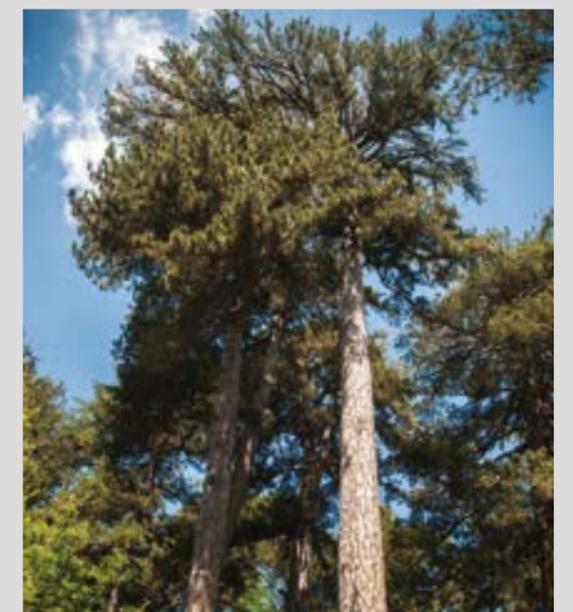
STAKEHOLDERS INVOLVED

Professional customers.
End customers.
Community (Italian state and private citizens).
Environment.

RESULTS

575 beauty salons involved.

€ 35,020 donated to FAI for the maintenance of the Riserva dei Giganti della Sila through reconstruction of part of the visitors' route and the entrance gate, maintenance of the fence and cleaning of the paths.



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FURTHER INFORMATION

We hope you enjoyed this fifth edition of the Sustainability Report. We would like to know what you think. We value any opinions or suggestions that you may wish to share with us. Please do not hesitate to contact us:

sustainability@davines.it

Remember that you can find more information about our sustainability program online. Visit our websites to find the latest news, watch our videos and download previous years' Sustainability Reports.

Our website dedicated to sustainability:

www.sustaining-beauty.com

Our website dedicated to the "I Sustain Beauty" campaign:

www.isustainbeauty.com

Our brand websites:

www.comfortzone.it
www.davines.com
www.skinregimen.com

**Davines & [comfort zone]
Italy**

Via Calzolari Don Angelo 43126
43126 Parma
Italy
T: +39 0521 965611
F: +39 0521 292597
www.davines.com
www.comfortzone.it



**Davines & [comfort zone]
North America**

50 West 23rd Street, PH
New York, NY 10010
United States
T: +1 212 924 24 70
F: +1 212 924 22 91
www.davines.com
www.comfortzone.it

**DAVINES
France**

28 Rue des Petites Ecuries
75010 Paris
France
T: +33 (0)1 4633 2213
www.davines.com

**Davines & [comfort zone]
United Kingdom**

14 Gray's Inn Road
Fox Court
London WC1X 8HN
United Kingdom
T: +44 (0)203 3015449
F: +44 (0)207 663 8082
www.davines.com
www.comfortzone.it

**Davines & [comfort zone]
The Netherlands**

Boreelplein 67/68/69
7411 EH Deventer
Nederland
T: +31 (0)570 745170
www.davines.nl
www.comfortzone.it

**DAVINES
Mexico**

Av Colonia del Valle 420
Col del Valle Centro
03100, Ciudad de Mexico
Mexico
T: +52 55 5280 1850
F: +52 55 5280 1108
www.davines.com

**Davines & [comfort zone]
Hong Kong**

5/F Yue's house
306 Des Voeux Road
Hong Kong
www.davines.com
www.comfortzone.it