

# ESG COMPANY PROFILE EXECUTIVE SUMMARY

31 DECEMBER, 2022



**KIKO**  
MILANO

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# INTRODUCTION

This strategic positioning document in the field of Sustainability of KIKO Milano is the Executive Summary of the ESG Company Profile that is intended to manifest the commitment made by KIKO Milano on issues concerning sustainability.

## KIKO Milano Cares

All projects and initiatives with an ESG focus have been collected under a microprogram called **KIKO Milano Cares**, and restructured into two subdivisions, called KIKO Milano Cares For the **People** and **KIKO Milano Cares For The Environment**.

### CARES for the People:

KIKO Milano supports People's wellbeing, caring for:

- Protection and development of our People
- Creating shared value for the community

### CARES for the Environment:

KIKO Milano implements sustainable practices throughout the entire value chain:

- Quality and conscious products
- Defending our Planet
- Embracing the change with suppliers



# HIGHLIGHTS —

## PROTECTION AND DEVELOPMENT OF OUR PEOPLE

- More than **27,000 training hours** dispensed globally, almost 60% of which in Italy (country with the majority of workforce)
- **315 HSE visits** worldwide in 2022
- Reach over **75% of employees with cross-job training** and non compulsory trainings in the fields of HSE, Sustainability, Privacy and IT Security by 2025

## CREATING SHARED VALUE FOR THE COMMUNITY

- In 2022, within the continued partnership with **Fondazione Umberto Veronesi**:
- 3 million women reached with messages to prevent HPV-related diseases
  - 2 research grants against HPV funded

- Partnership with Ai.Bi** to support fragile women with:
- product donations
  - make up classes
  - psychological support
  - HR growth paths
  - scholarships founding

- Maintain a strong **connection with the community**, contributing to its welfare
- Support organizations embracing the causes we believe in, such as assisting women, and **promoting diversity and inclusion**

## DEFENDING OUR PLANET

- Headquarter and Italian shops use **green energy**
- **100% of energy-efficient** lighting and displays in store
- Since 2014, 100% of new & refitted stores are gone full LED
- **2,3M+ single-use plastic bottles collected**, helping 26 communities and more than 500 people
- **140K kg less plastic used** in 2Y through the use of recycled plastic and eco-design in merchandising

- **Green energy** in all corporate locations and all our shops worldwide by 2030
- **Full LED lightings** in all stores by Q4 2025
- Renewed collaboration with **Plastic Bank** to prevented plastic bottles from entering the oceans
- **4,6M single use plastic bottles collected** by 2023

## QUALITY AND CONSCIOUS PRODUCTS

- **100% responsible**, free of child labour **sourcing of mica**
- Direct ecommerce shipments in Europe are **plastic free**
- 99,9% of baseline products **free of GMO** – Genetically Modified Organisms
- 100% of baseline products **free from solid microplastic** beads
- 100% of P2 paper boxes are **FSC certified**

- **20% sustainable packaging** solutions (either recyclable, reusable, compostable or made with recycled materials) by 2025
- **50% sustainable packaging** by 2030
- Average **30% sustainable ingredient** sourcing across all KIKO new products by 2023 and 60% by 2030

## EMBRACING THE CHANGE WITH OUR SUPPLIERS

Percentage of active supply chain suppliers certified by **Ecovadis** by 2022:

- Bulk Suppliers: 52%
- Primary Packaging: 46%
- Secondary Packaging: 29%
- Accessories: 32%
- POP Materials: 14%

**11 ethical inspections** at 11 of 34 our non-EU suppliers made in 2022: all audits generated acceptable ratings (**8/10 rating**).

Support of local value chain:  
**75% of suppliers located in Europe.**

- **100% of top suppliers to sign-off KIKO Milano supplier's Code of Ethics** by 2025
- 100% of top suppliers to have **certified sustainability** performances by an external, globally recognized institution (e.g., Ecovadis) by 2030



# SUSTAINABILITY JOURNEY

## GVERNANCE

A **clear, strong, and coordinated Governance** is fundamental to the **development and the management of the ESG projects**.

We strongly believe that **an ethical and controlled behavior** is a **prerequisite for conducting a business based on values as: transparency, honesty, social & environmental responsibility**.

As a global and complex company, we strongly believe that **an ethical and controlled behavior** is a **prerequisite for conducting business**.

Therefore, we developed our own **Code of Ethics**, designed to **facilitate compliance within a stimulating and professional environment**.

At KIKO Milano, we aspire to create value through our products and **pursue sustainable development** because we believe that our Company's value depends on the value generated for our People, the Community, and the Environment.

### KIKO Milano Cares for the People

#### • Protection and development of our People

People protection and development are among our key priorities and essential chapter of our sustainability journey. At KIKO is very important to **promote People inclusion and diversity, sustain People development and focus on People wellbeing and engagement** in all the activities.

#### • Creating shared value for the Community

We believe that a company's development can only take place in **harmony and respect** for the **community** of which it is an active part. This is the reason why we promote **social investments** to actively **support women** thanks many organizations that promote **inclusion and diversity**.

### KIKO Milano Cares for the Environment

#### • Quality and conscious products

At KIKO Milano we provide only top-quality cosmetics to our customers, that include products with sustainable ingredients and packaging composed by recycled or recyclable raw materials.

#### • Defending our Planet

The path to sustainable development requires policies, procedures, and courses of actions aimed at protecting the environment **reducing our impact on climate** - achieving **sustainable physical store** management and implementing **sustainable shipping** options and logistics – **increasing the use of green energy and waste reduction**.

#### • Embracing the change with our suppliers

Our priorities consist in **enhancing ethics and quality supply partnerships**. We make sure that suppliers and distributors we work with share our **philosophy, values** and **sustainable practices, fostering a responsible supply**.

