

Environmental, Social and Governance *Report 2024*

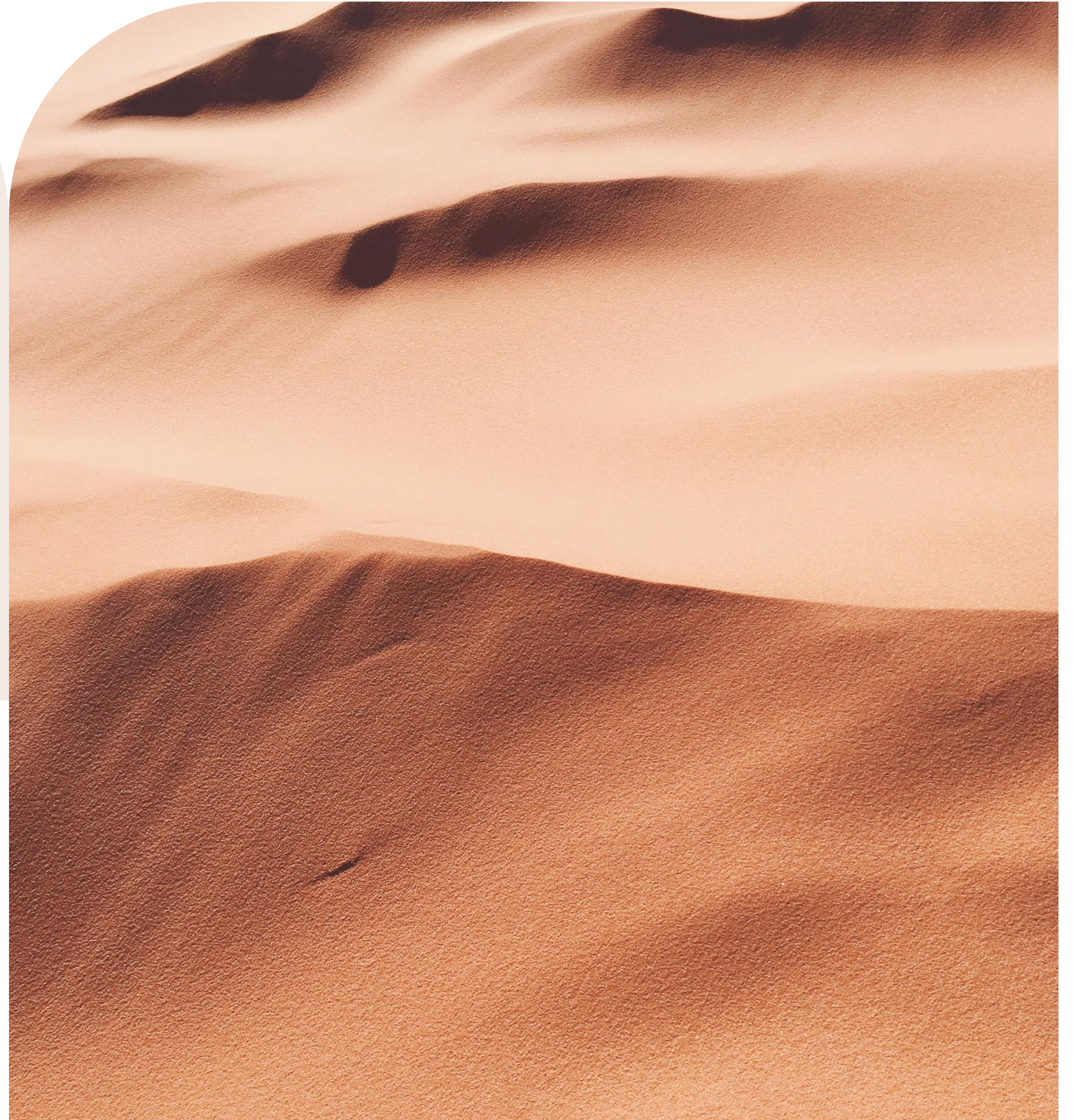


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Message from the CEO



At kdc/one, we are proud to be a trusted global provider of value-added solutions to many of the world's leading brands in the beauty, personal care, and home care categories. We partner closely with both industry-leading consumer products companies and fast-growing independent brands in the ideation, formulation, design, packaging, and manufacturing of products.

We recognize integrity, excellence and respect as the core of everything we do, embodied by our diverse organization. Our people are key to our success. As we keep growing, our culture is driven by our strong values: we're committed to achieving a long-lasting, positive social and environmental impact, both as individuals and as a global organization.

Our Code of Ethics and Business conduct guides us in everything we do, and states our founding principles, including supporting human rights, ensuring fair labor policies, protecting the environment, and guaranteeing anti-corruption practices, as well as, fostering transparent dialogue with our stakeholders.

As we are progressing in making an impact, this document highlights our achievements so far and provides an overview of our programs to pursue continuous improvement.

Our Sustainability program encompasses four pillars, People, Planet, Product and Partners and our journey includes efforts to advance in each one of them.

We keep investing in our people, our core value, with improved engagement within our whole organization. Our diverse team is key to our success and promoting a fair and equitable workplace are key integral elements of our people strategy.

Focusing on Planet pillar, this year we launched an ambitious climate project with the aim to enhance our climate strategy. For the first time, we are accounting for our Scope 3 emissions, with the goal to measure for first time our full footprint. This will be the basis to set ambitious medium - long term emission reduction targets, considering best industry standards available.

We keep challenging ourselves to provide our customers with the most sustainable product solutions and to this aim, we developed internal capabilities to perform Product Life Cycle Assessment studies.

We are actively cooperating with our key customers and partners to identify best opportunities to reduce our impact and improve our business sustainability. We are deploying our Responsible Sourcing Program, to extend our commitment along our value chain, recognizing the importance of considering indirect impacts and implementing related due diligence activities.

In line with the fast evolving regulatory landscape, we are focusing on building and reinforcing our monitoring and response capabilities and joining multistakeholder tables to be at the forefront of any development. In line with this, we are considering upcoming requirements as an opportunity to assess our reporting and continuously improve it.

We keep pushing to constantly improve and strive for excellence. I am excited to share our achievements and look forward for more to come.

Nick Whitley
CEO and President, kdc/one

Introduction to kdc/one



We are a trusted global provider of value-added solutions to many of the world's leading brands in the beauty, personal care and home care categories. We partner closely with both industry-leading consumer products companies and fast-growing independent brands as a key enabler of their success through the ideation, formulation, design, packaging, and manufacturing of products sold under more than 1,000 different brand names.

Over the past three years, we have been responsible for co-developing over 9,000 products across growing categories that include skin care, body and hair care, soaps and sanitizers, cosmetics, deodorants, sun care, fragrances, air care, fabric care, pest control, and surface care products. The innovative products that we have helped develop are sold by our brand partners in more than 70 countries worldwide.

Our Innovative Edge – *Inspired Design, Flawless Execution and Exceptional Service*

Introduction

Environmental

Social

Governance

Appendix

Where We Play

Home Care ~50%	Beauty & Personal Care ~50%	14 Product Categories	700+ Customers	200+ Independent / Emerging Customers	1,000+ Different Brand Names Served	9,000+ Products Co-Developed in the Past Three Years
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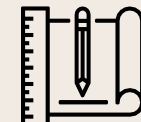
How We Do It



Ideation



Formulation



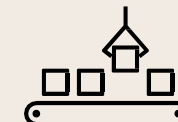
Design



Global Quality Assurance



Packaging & Devices



Manufacturing

Who We Are

Innovation

Passion

Accountability

Excellence

Inclusion

Well-being

Compassion

We partner with brands to help them deliver innovative products globally across categories, channels and end-markets

- Global partner to established and emerging brands
- Key driver of new product development
- **Diversity across segment, category, brand, channel, and geography**

- Full-value chain, from ideation to product launch
- Key innovation partner
- World-class global execution and speed to market

- Values-based organization and culture
- A diverse and experienced team
- Dedicated to environmental and social responsibility

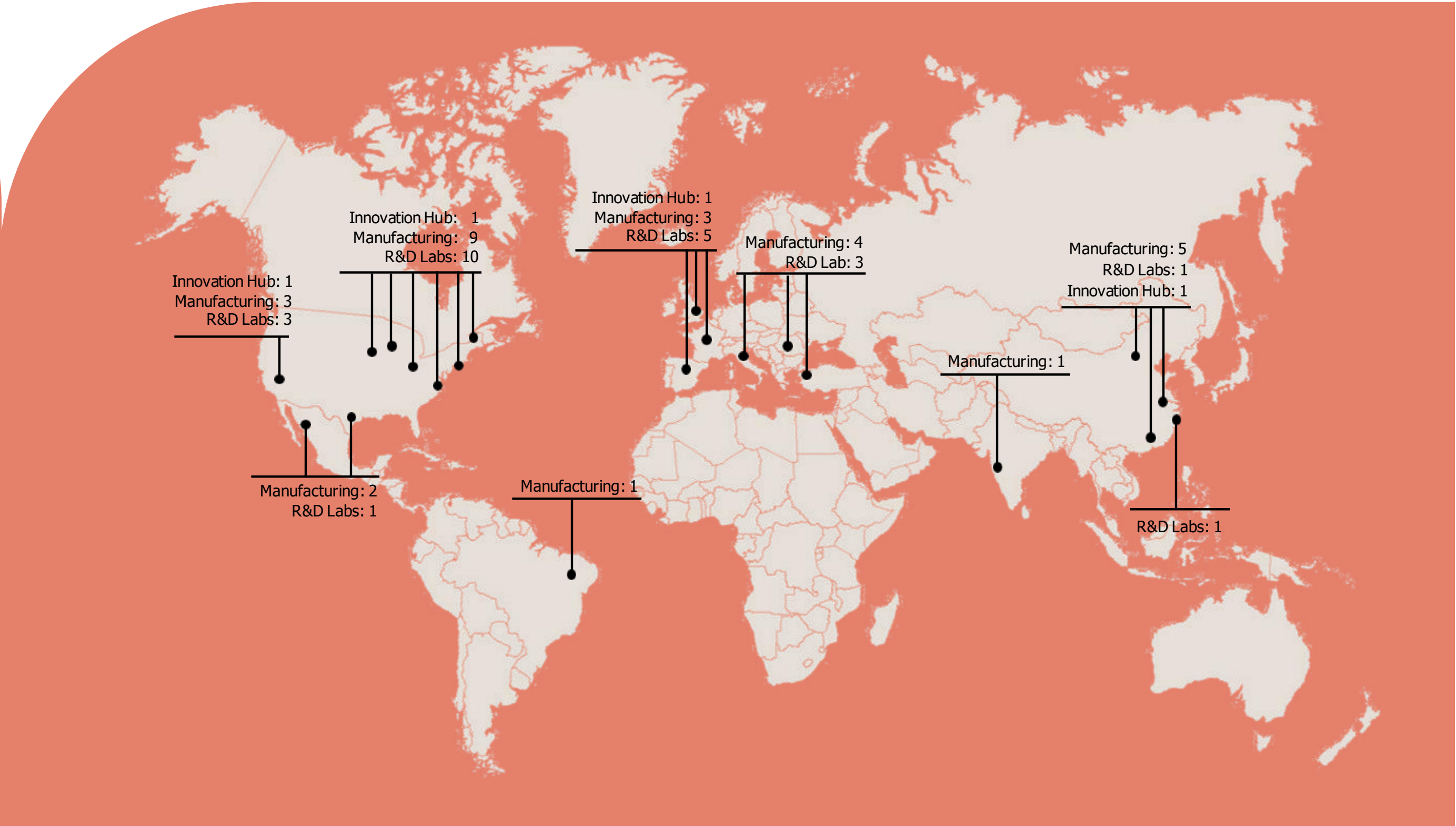
One Network. *Infinite Possibilities.*

Strategically located to support our customers around the world

- Ability to support global launches
- Regional flexibility and responsiveness
- Consistent technologies across geographies
- Efficient logistics and a lower carbon footprint
- Highly talented workforce

By the Numbers	
Manufacturing facilities	28
# of countries	14
Dedicated team members ¹	~11,000
Total square footage	>6.9mm
R&D, design & creative facilities	23
Innovation hubs	4

1. Reflects full-time kdc/one employees



Introduction to *ESG Programs*



Scope

kdc/one’s Environmental, Social and Governance programs include business, governance, social, and environmental topics as defined by the Global Reporting Initiative (GRI) and kdc/one’s internal assessment of various internal and external risks. These programs encompass all parts of our operations, including innovation, manufacturing, commercial support, regulatory support, supplier management/logistics, product stewardship through the entire supply chain, and business relationships. Shifts in the scope of our programs occur when we acquire new products, processes or businesses, when products are discontinued or divested, and when facilities or businesses are consolidated or divested, which has occurred many times in recent years. Programs, performance and reporting are adjusted to account for these changes as they occur. The quantitative data presented in our report represents our manufacturing operations, unless otherwise stated. This report includes data and information concerning risks that are required or recommended for reporting and analysis by various third parties, e.g. the Global Reporting Initiative (GRI), UN Global Compact (UNGC) and Carbon Disclosure Project (CDP).

Processes –

Data Capture and Verification

Environmental, Health and Safety data included in this report are captured and managed through various information management systems, including OneEHS and SharePoint. OneEHS is kdc/one’s EHS data management system. SGS has verified our energy, greenhouse gas emissions, and water data per ISO 14064-1. The verification statement is included as Appendix C.

Reporting Cycles

The reporting period extends from May 1st, 2023 to April 30, 2024 and it is aligned with the reporting period of the Company's annual financial statements.

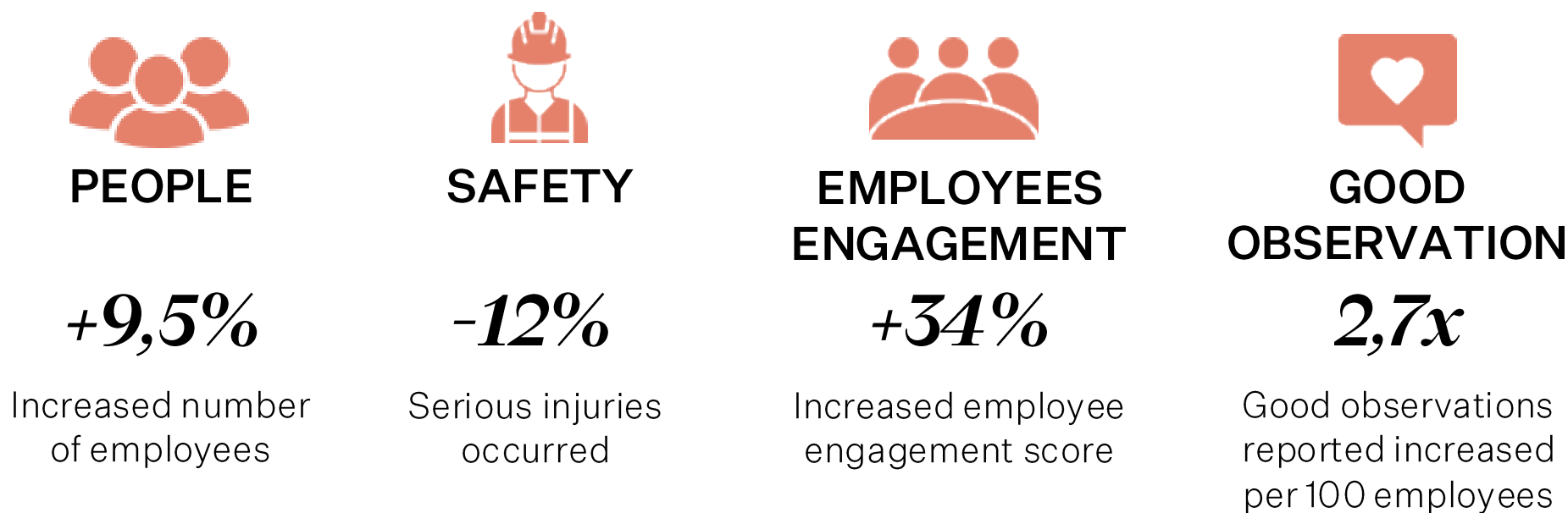
Report Contact

Any questions concerning this report and the information and data included herein can be directed to the kdc/one Corporate Communications team by emailing communications@kdc-one.com.

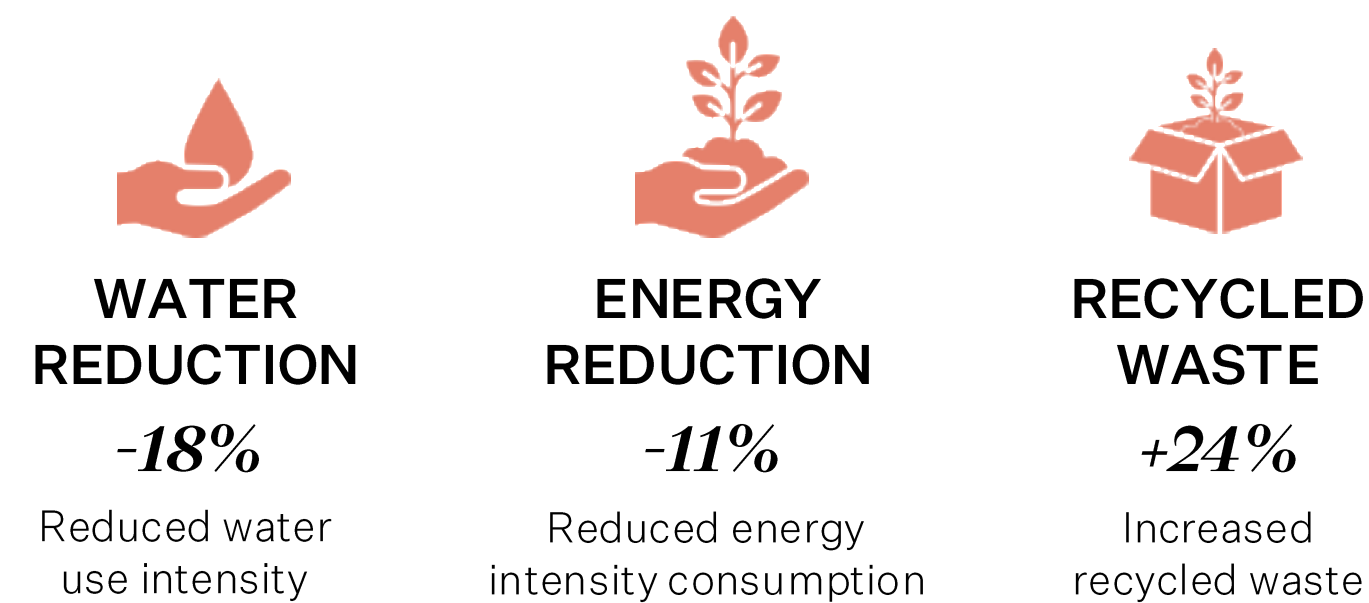
FY24 Highlights

This session provides an overview of key performance indicators for FY24, compared to FY23. All indicators are detailed in following dedicated chapters and reported in Annex A.

People



Planet



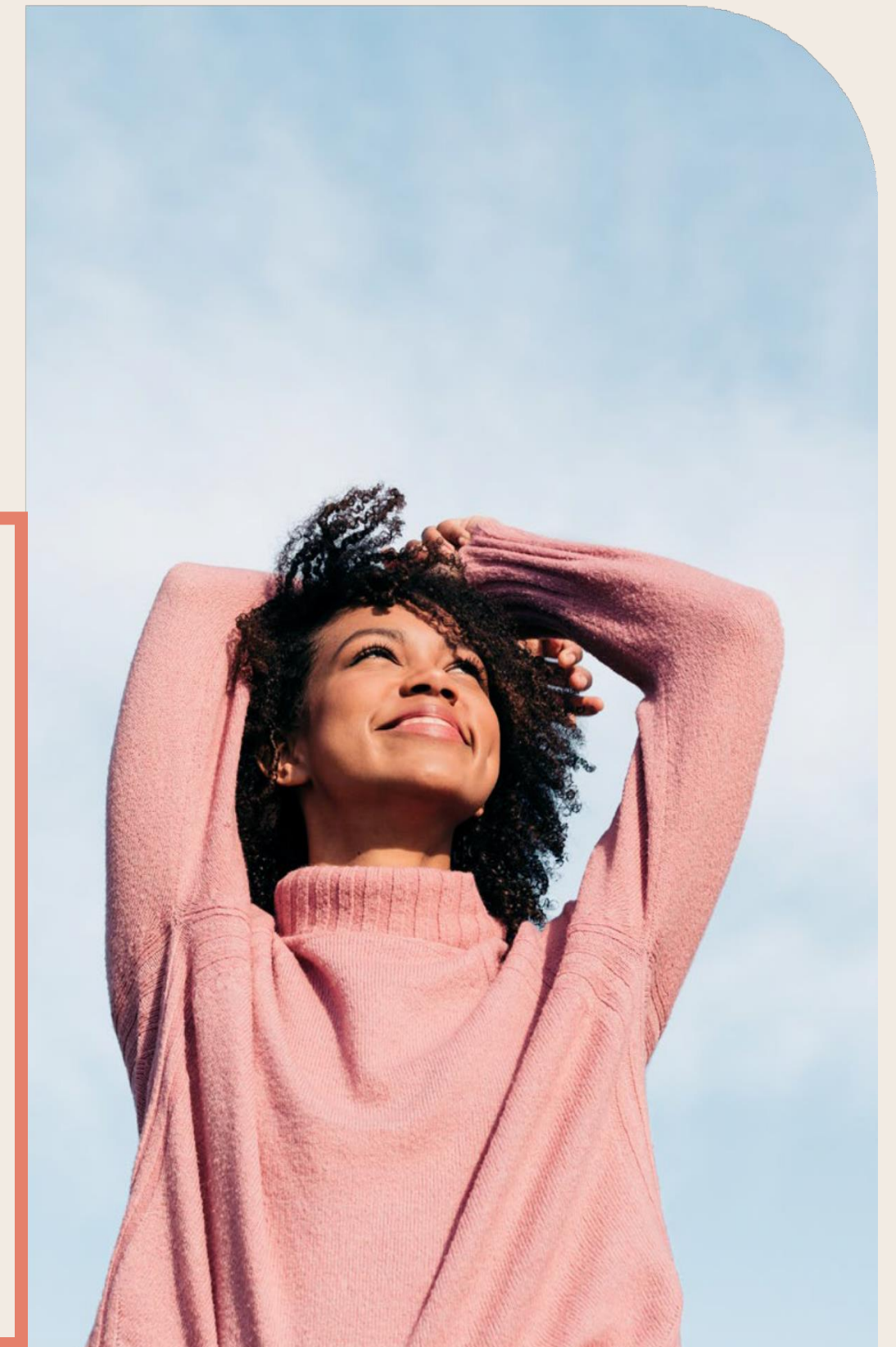
INDICATORS	FY23	FY24
People	10,300	11,279
Serious Injury Rate	0,25	0,22
Good Obs per 100 employees	72	195
Engagement Score	29%	39%
Energy	0,74	0,68
Water	4,20	3,46
Recycled waste	57%	71%

ESG Structure and *Reporting Relationships*

kdc/one has established an ESG Oversight committee consisting of key functional leaders and our Executive Leadership team.

The committee's charter aims is to set policy and strategy, develop objectives and evaluate performance against established goals and metrics. Updates on our ESG performance are reported to our Board periodically—our Board of Directors and/or the Board's Governance committee reviews our ESG performance and metrics and approves the strategic direction behind our goals.

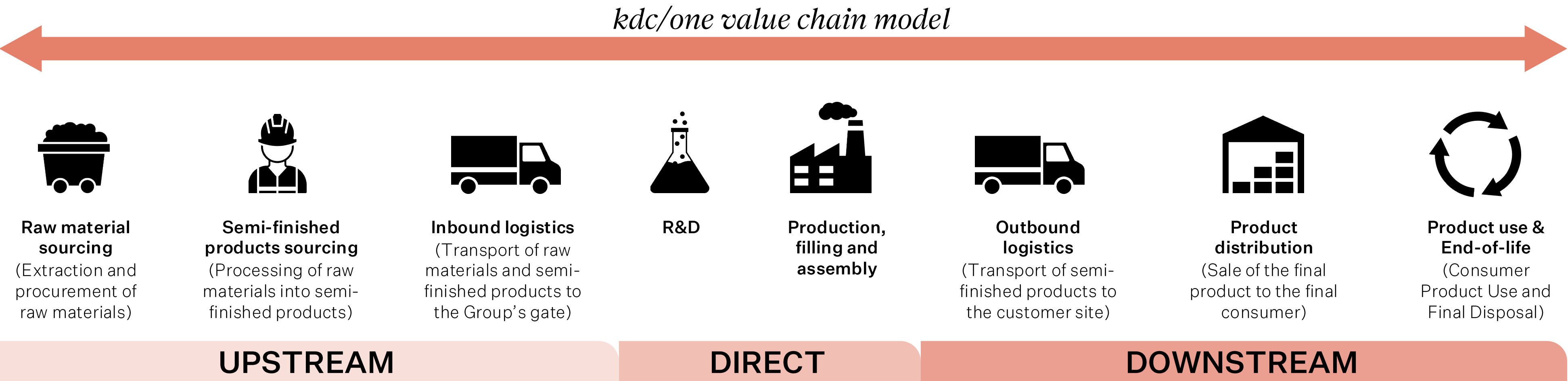
Our ESG team—made up of employees throughout kdc/one—is responsible for coordinating, collecting and developing this ESG report. Our Environmental, Health and Safety (EHS) leadership team manages the strategic and daily coordination of EHS and sustainability activities for kdc/one. Each manufacturing facility also has a staff that manages EHS-related tasks. Governance and social sustainability initiatives and activities are managed by various groups across the organization, depending on who has the most relevant roles and responsibilities.



Impacts, Materiality, Risks, and Opportunities

During FY24, kdc/one updated its materiality analysis, in line with the latest 2021 GRI Universal Standards in order to identify the most significant topics for the Group, and the related impact analysis focused on the current and potential positive and negative impacts on the economic system, society (including human rights aspects) and the environment that the organization generates, contributes to, or could be directly linked to, considering both direct operations and the activities of its entire value chain.

The Group's value chain used to identify the impacts to be assessed has been modelled as follows:



Impacts, Materiality, Risks, and Opportunities

The analysis process was coordinated by key functional groups, involving top management and relevant corporate functions and is reviewed and validated by the ESG Governance Committee. It consisted of five main stages:

1. Analysis and understanding of the organization and context:

In order to identify current and potential impacts, an in-depth analysis of the business model and corporate structure was conducted, including relationships with partners along the value chain. The analysis includes the identification of external pressures together with the analysis of the internal documentation, which led to the preliminary identification of a long list of impacts. In addition to the analysis of internal group documents, external sources such as research papers, publications, reporting standards and frameworks (such as Sustainability Accounting Board Standards - SASB, S&P, authoritative and institutional sites as LO, UN and government, the UNGC's ten principles, the UN's Sustainable development Goals - SDG), rating agencies and industry associations, benchmark analyses with reference to peer companies and shared best practices were also analyzed, to understand all the possible impacts relating to the business sector.

2. Identification of the impacts:

In the second stage of the process, current and potential, negative and positive impacts that kdc/one operations generate or could generate on the external environment and people were mapped, considering the entire value chain. The impacts may take place:

- Within the company's own operations (core activities): this concerns the company's direct operations and includes impacts that the company causes directly with its activities;
- Along its value chain (upstream and downstream activities): this includes the impacts that the company may cause indirectly through its relationships and purchasing policies with suppliers and partners, as well as the impacts of the company's products and services throughout their lifecycle;
- Through its products and services: this refers to the impacts that may result from the development, use, and disposal of the company's products and services.

In identifying the impacts, all the time horizons provided for by the standards were considered, i.e. short, medium and long term.

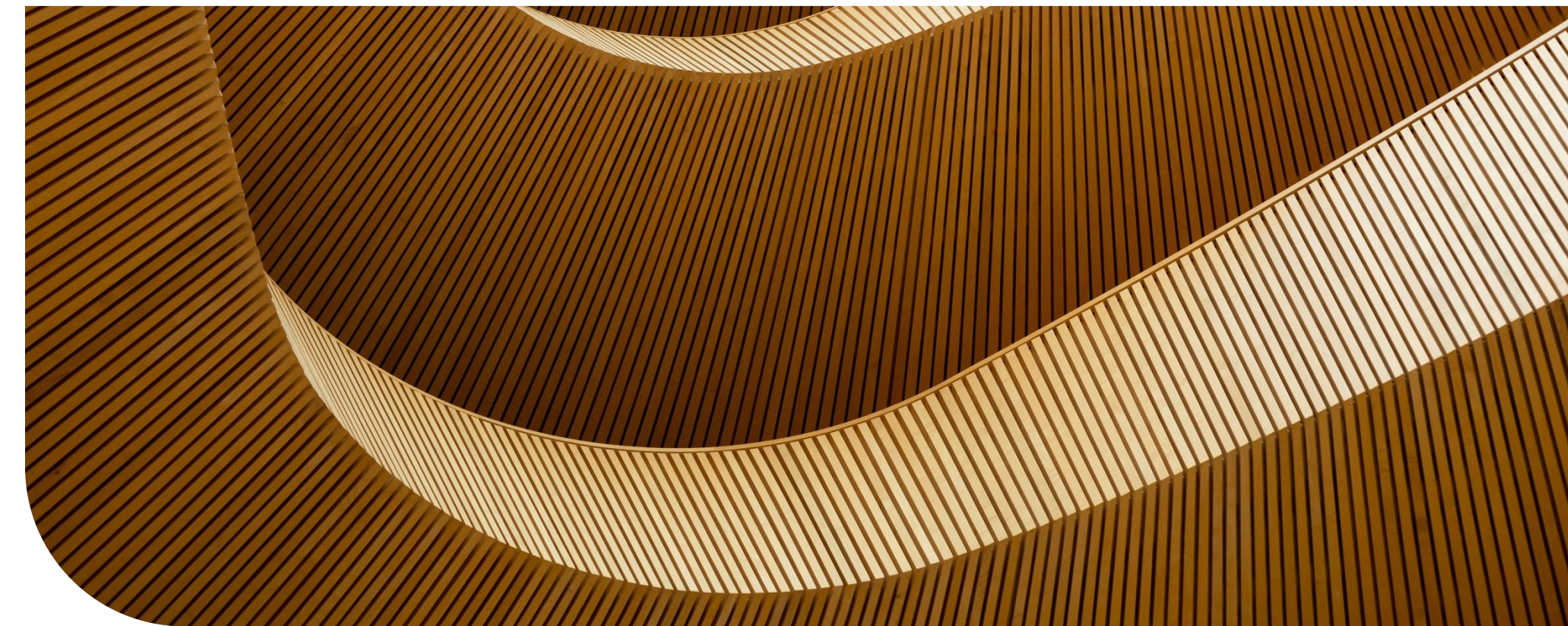
Impacts, Materiality, Risks, and Opportunities

3. Evaluation of the materiality of the impacts:

For each identified impact, a preliminary assessment was carried out involving sustainability function. The impact assessment criteria used for their evaluation were:

- scale, how severe the impact is and the external context in which the impact occurs, including geography;
- scope, how widespread it is and can be measured in terms of its impact on the value chain;
- irremediability (for negative impacts only), how difficult it is to repair the damage generated by the impact;
- likelihood, the probability of an impact can be measured or determined qualitatively or quantitatively

The assessment produced a short list of the most significant impacts (40). The 40 identified impacts were firstly categorized and then prioritized by the working group using specific metrics.



4. Selection of material topics:

Finally, the impacts were prioritized to determine the material topics for the Group. kdc/one classified the identified “long list” of impacts into different levels of materiality: low relevance, medium relevance, and high relevance through the definition of appropriate thresholds. The impacts considered material are those classified as of medium and high relevance. The final step of the materiality analysis was the reconciliation of the impacts identified with the GRI indicators. By focusing on these material topics, the Group ensures that its sustainability reporting is aligned with the GRI framework, addressing the most significant issues that affect both the organization and its stakeholders.

Impacts, Materiality, Risks, and Opportunities

5. Final approval by the ESG Governance Committee:

The results obtained were presented to the ESG Governance Committee for final approval.

The analysis carried out confirmed the main outcome of the materiality process from the previous year, with the exception of impacts as “Business Continuity”, “Product Competitiveness” and “Sustainable Innovation” which are considered to be fundamental issues and key points of the Group's general strategy.

The materiality analysis was performed primarily in accordance with GRI standards, while also referencing, where possible, the requirements of the ESRS in the context of the CSRD (Corporate Sustainability Reporting Directive, 2022/2464).

This approach ensures continuity between this year's non-financial reporting and future reporting years, including considerations of double materiality analyses according to the ESRS framework. kdc/one is currently engaged in the definition of a double materiality analysis.

Area ESG	Material Topic	Direct/Upstream/Downstream	GRI
Environment	Climate change and Energy	Direct / Upstream/ Downstream Direct / Upstream/ Downstream	3-3, 305-1, 305-2, 305-4, 305-5, 305-3, 308-2
	Water pollution	Direct / Upstream/ Downstream	3-3, 303-1, 303-2, 306-1, 306-2, 308-1, 308-2
	Air pollution	Direct / Upstream/ Downstream	3-3, 305-7, 308-1, 308-2
	Hazardous substances and microplastics	Direct / Upstream/ Downstream	3-3, 301-1, 306-1, 308-1, 308-2
	Water management	Direct / Upstream/ Downstream	3-3, 303-1, 303-2, 303-3, 303-4, 303-5, 303-1, 308-1, 308-2
	Biodiversity protection	Direct / Upstream/	3-3, 304-1, 304-2, 304-3, 308-1, 308-2
	Waste management, resource Use and Circular Economy	Direct / Upstream/ Downstream	3-3, 301-1, 301-2, 306-1, 306-2, 308-1, 308-2
Social	Inclusive culture	Direct / Upstream/ Downstream	3-3, 405-1, 405-2, 406-1, 411-1, 414-1
	Occupational Health and Safety	Direct / Upstream/ Downstream	3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 414-1
	Human rights and labour	Direct / Upstream/ Downstream	3-3, 401-1, 401-2, 404-1, 404-2, 404-3, 406-1, 407-1, 408-1, 409-1, 411-1, 412-2, 414-1
	Product safety and quality	Downstream	3-3, 416-1, 416-2, 417-3
Governance	Animal welfare	Direct	3-3
	Responsible Supply chain	Direct	3-3, 204-1, 308-1, 308-2, 414-1
	Information Protection and Security	Direct	3-3, 418-1
	Business Ethics and Integrity	Direct	3-3, 205-1, 205-2, 205-3, 206-1, 207-1
	Corporate culture	Direct	3-3, 201-1

Stakeholder Engagement and Collaboration

Our view of who are our stakeholders is broad and encompasses customers, investors, employees, supply chain partners, regulators, communities, and non-governmental organizations.

Our organization has a clear understanding of all the stakeholders it interacts with, with mutual potential forms of economic, social, and environmental impact and influence. We identified different stakeholder categories through interviews with the Leadership Team and by analyzing how we interface with various stakeholders involved in our operations and activities. For each one of the stakeholders, we identify the main areas of impact and influence and the opportunities for value creation and engagement.

This mapping process is reviewed periodically to identify possible changes according to internal and external changes and to reflect the global environment in which we operate.

We share our practices in water, energy and greenhouse gas (GHG) management with our stakeholders. We collaborate with our customers and participate to their ESG initiatives, which includes regular follow ups, audits, compliance to their code of conducts, joining platforms and industry standards and schemes. This has allowed them to understand our position on various ESG issues

Key stakeholders	Stakeholder details	Areas of impact & influence	Value creation & engagement
Shareholders	Owners; investors	Capital allocations and investments, embedding ESG as a driver of value creation	Increase transparency and long-term profitability
Customers & Partners	Direct customers – FMCG leading companies, retailers, regional customers – Home Care and Beauty & Personal Care categories; Indirect customers – consumers; Consumers representatives associations	Key for company strategic directions and positioning; inspiring partners and learning from role models	Strategic partnership and industrial symbiosis, sharing investments, open innovation projects
Employees	Office employees, plant workers, supply chain workers, potential employees (e.g. talent to attract), and employees’ families; Labor unions	Representing company values and sharing a common purpose	Invest in people’s growth, foster well-being, health & safety, welfare: Encourage inclusion and participation
Suppliers	Raw materials and components for products and packaging; Equipment molds and other tools; IT asset management services; Transport & logistics operators	Interdependent relationships, crucial to extend ESG best practices and integration along the value chain (e.g. code of conduct, industry program)	Supply chain resilience; Reliance on local supply chain: Building partnerships, sharing best practices
Communities	Local communities – close to company sites, Academics & schools; Interest groups and organizations; Global communities and social media; Scientific community	Can benefit from the company’s presence in the region and be impacted by company operations	Fostering community well-being, local initiatives, public engagement, and advocacy for sustainability awareness
Environment	Natural resources and biosphere; NGOs	Resource and energy consumption, waste, soil, air emissions	Reducing impacts and preserving nature
Policymakers, authorities, and institutions	Global, regional, and local policymakers and authorities; Industry associations; FMCG industry associations	Industry association activities and adherence to industry programs	Standards setting and contributions to ESG challenges

Strategic Performance Goals and Results













In our pursuit of continuous improvement, we have established ambitious goals across our pillars: People, Planet, Product, and Partners.

These goals, and the progress we have made towards the goals in 2024, are as follows:



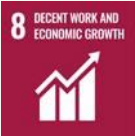







	Objective	2025 Goal	FY 2024 Results	Alignment with the UN's SDGs
People	Injuries and Illness	Drive serious incidents to zero and increase employee EHS observations	2.7x increase in employee observations compared to previous year 0.22 serious incidents per 100 employees, (12% improvement vs FY23) 1.33 recordable incidents per 100 employees (4% improvement vs FY23)	
	One Team – creating a more inclusive workplace	Ensure that we create a fair and equitable workplace that welcomes diversity in all its dimensions	Continue to uphold and evolve our policies and procedures in a fair and equitable manner. Ongoing partnership with UNGC on best practices and policies enhancement and exchange among companies.	
	Employee Engagement	Increase employee engagement to nurture a broad and wide-ranging integrated approach to ESG	kdc/one fielded a voluntary confidential employee survey also in 2024, following previous year, with improved results. We moved from 29% to 39% engagement score.	
	kdc/oneCulture	Build and communicate our culture across the kdc/one network and ensure that local practices are integrated into the overall organization culture	We continued Colleague Spotlight audio series featuring 18 kdc/one employees to highlight the unique talents and personalities of people from our global organization, offering a platform for colleagues to deliver personal stories about overcoming obstacles, their ability to adapt to our growing business, and their learning moments in between. We continued our Power of One program for recognition of personnel and teams contributing to the business – nominations are made by fellow employees. Good News Fridays – newsletter to engage our people.	

Strategic Performance Goals and Results (cont'd)

	Objective	2025 Goal	FY 2024 Results	Alignment with the UN's SDGs
Planet	Energy Reduction	Reduce energy consumption intensity by 20% compared to 2019	10% increase compared to 2019. This result is showing continuous improvement compared to last year (-11% vs FY23)	 
	Climate Impact – GHG Emissions	Trace 100% of Scope 1 and Scope 2 to renewable energy Define a new emission reduction target , considering SBTi guidelines (FY25 goal) and enhance kdc/one climate strategy developing a decarbonization roadmap and a climate action plan (FY26 goal)	100% of Scope 1 and Scope 2 emissions from manufacturing sites offset with renewable energy. Started tracking our Scope 3 emissions for the first time.	   
	Water Reduction	Reduce water use intensity by 25% compared to 2019	-24% reduction compared to 2019. We kept progressing, with organizational and cultural awareness. (-18% vs FY23)	 
	Waste Reduction	Reduce total waste generated by 25% compared to 2019	+1% compared to 2019. An increased was recorded mainly due to production growth (new pilots, ...) and obsolete inventory. +34% improvement in recycling rate compared to 2019.	 
Product	Product-related Environmental Impact Reduction	<ul style="list-style-type: none">- Assess new products against ESG criteria- Work with our partners to:<ul style="list-style-type: none">• Eliminate or reduce packaging and plastic waste and make our packaging simpler, possibly by using mono-materials, and aim for 100% reusable or recyclable materials• Increase recycled content and sustainable-certified sourcing for ingredients, materials and components for products and packaging	ESG criteria identified Product sustainability assessment tool developed and integrated within new product development process. Mapping product sustainability dimensions to enhance our product performance reporting. Introduced and developed LCA capabilities, integrating Life Cycle Assessment within product design and development process, with related deliverables, policies and training. First LCA internal studies completed to support our key customers in identifying hotspot to reduce product footprint.	 

Strategic Performance Goals and Results (cont'd)

	Objective	2025 Goal	FY 2024 Results	Alignment with the UN's SDGs
Partner	Transparency and ESG Dialogue	Improving transparency, communication and discussions on ESG performance	<ul style="list-style-type: none">Update of the ESG reportEnhancement of our corporate websiteContinuous development of our ESG communications on social mediaEthics-Point communication for our employees and stakeholders	 
	ESG Integration Across Our Value Chain	Adoption of ESG practices with our external business partners	<ul style="list-style-type: none">Improvement of our responsible sourcing policyIncreased number of suppliers to be assessed through Ecovadis platform.Introduction of supplier scorecard integrating ESG elementsSustainable procurement roundtable GCNINew function appointed to support Responsible procurement processes.Digitalization of logistics to optimize transportation and reduce emissions in North America and European sites.	  
	Stakeholder Engagement	Supporting customer, investor and NGO ESG engagement	<ul style="list-style-type: none">Collaboration with our customers to accelerate ESG program implementation to have a stronger impactCompletion of UN Business and Human Rights Accelerator and Climate Ambition Accelerator programs.Joined associations and observatories to feed ESG exchanges and updates.	  

EHS Management Systems

We developed our EHS Management System (EHSMS) after consulting experts from inside and outside our company who were approved by senior management.

Our EHSMS is aligned with international standards, includes an overall ESG policy and defines key requirements that must be in place across the organization.

The system applies to our operations, and its principles are extended to our supply chain and the partners with whom we do business. kdc/one's EHS standards and associated guidelines set minimum standards across the organization, promote continuous improvement and provide guidance on implementation. These requirements address management systems such as responsibility and performance monitoring, and technical areas such as incident prevention and management, emergency response, process safety, physical hazards, occupational health, environmental management, and transportation. Training and consulting are provided to operating locations to ensure the proper implementation of the requirements. Our system is designed to conform with ISO 14001/OHSAS 18001/ISO 45001. Several operating locations are certified according to international standards including ISO 14001, ISO 45001, OHSAS 18001, and ISO 9001. Training on key environmental, health and safety topics is regularly provided. kdc/one's EHS information system (OneEHS) collects EHS information in real time and provides notifications, metrics graphs, tables and reports.

We have implemented emergency response plans in all our operations. These plans describe the identification of emergency scenarios, emergency response teams, evacuation plans, employee training, and the completion of emergency drills.

EHS Regulatory Compliance

We have implemented systems to ensure our operations comply with all applicable EHS regulatory requirements. These systems include global standards and operational controls.

1. Environmental



Managing *Climate Change*

Aware of climate change challenges, its impacts, and its effects on environmental, social, and economic matrices on a global scale, starting from FY2024, kdc/one has undertaken a solid path towards the implementation of an accounting methodology for the assessment of Scope 3 emissions, in addition to what has already been done in previous reporting periods for Scope 1 and Scope 2 emissions.

The main goal is both to publicly report on them, to communicate transparently with its stakeholders the impacts of the Group and to identify reduction opportunities with the aim of developing a decarbonization strategy that includes not only its direct operations but also the activities of the value chain, aligning its reduction objectives with those provided by international agreements and climate policies.

The 2024 Company’s GHG inventory has been drafted according to the following documents:

- The Greenhouse Gas Protocol “A Corporate Accounting and Reporting Standard (Revised Edition)”
- The Greenhouse Gas Protocol “Corporate Value Chain (Scope 3) Accounting and Reporting Standard – Supplement to the GHG Protocol Corporate Accounting and Reporting Standard”

As established by the GHG Protocol, to ensure that GHG information is responsible, the following methodological principles must be considered as the basis for calculating GHG emissions:

Relevance

Ensure that the greenhouse gas inventory adequately reflects the company's greenhouse gas emissions and is suitable for the intended user's needs.

Completeness

Include all relevant greenhouse gas emission sources and activities within the chosen inventory boundary.

Consistency

Use consistent methodologies to enable meaningful comparisons of emissions over time.

Accuracy

Reduce distortions and uncertainties as much as possible, ensuring that the quantification of greenhouse gas emissions is neither systematically overestimated nor underestimated.

Transparency

Disclose all relevant assumptions and make appropriate references to accounting and calculation methodologies and data sources used.

Managing Climate Change (Cont'd)

Since FY 2019, kdc/one has been monitoring its Scope 1 and Scope 2 emissions and implementing projects and initiatives to reduce its impact.

Since FY2021 electricity from our manufacturing operations has been sourced from renewable energy sources or has been offset with the purchase of renewable energy credits. Further, we have purchased carbon offsets to address carbon emissions from our use of natural gas.

By using our full GHG inventory (scope 1, 2 and 3) as basis, we aim to enhance our climate strategy, with the goal to set medium long term emission reduction targets, considering Science Based Initiative protocol as reference.

To help us reduce our environmental impact, regular training, KPI monitoring meetings and cross-functional workshops are held to foster and promote best practices exchanges across our sites. Environmental protection campaigns are implemented across sites.

We completed UN Climate Ambition Accelerator Program Edition, in line with our climate path ongoing. Kdc/one completed CDP questionnaire in FY24 and will use it as benchmark to constantly improve.

Local initiatives are in place through our sites to support climate actions. Kaizen Week and Plant Sustainability Week events, hosted by individual sites, were implemented to tackle as a team challenging targets for waste, water and energy. In FY24, a new format was also studied, the Plant Sustainability Hackathon, to boost people engagement and leverage on team diverse capabilities and experiences to feed sites project pipelines.

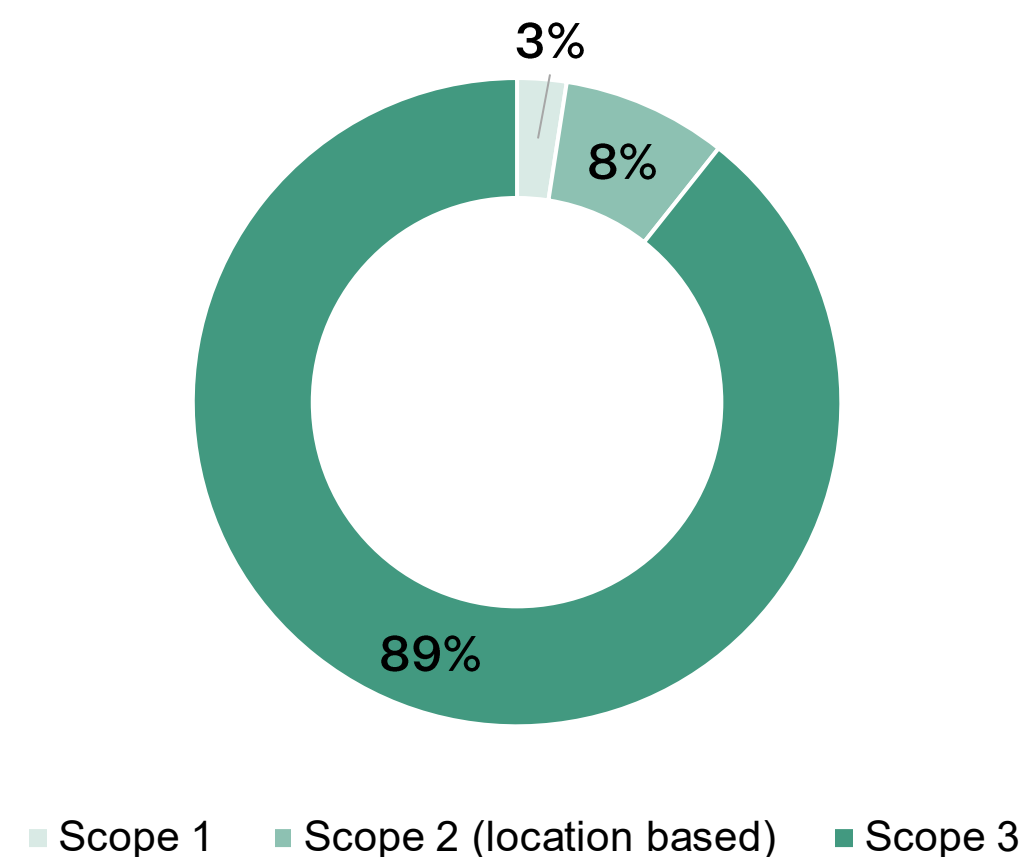
In FY24, **Scope 1 and 2 accounted for 83,024 tons of CO2 equivalent, -2% compared to FY23 performance.**

With regard to Scope 3 emissions, kdc/one drafted in FY2024 its first complete GHG Inventory, evaluating and quantifying both downstream and upstream emissions categories.

The calculation of categories 4 Upstream Transportation and Distribution and category 9 Downstream Transportation and Distribution is also underway, for which specific and detailed data collections are being carried out, involving suppliers.

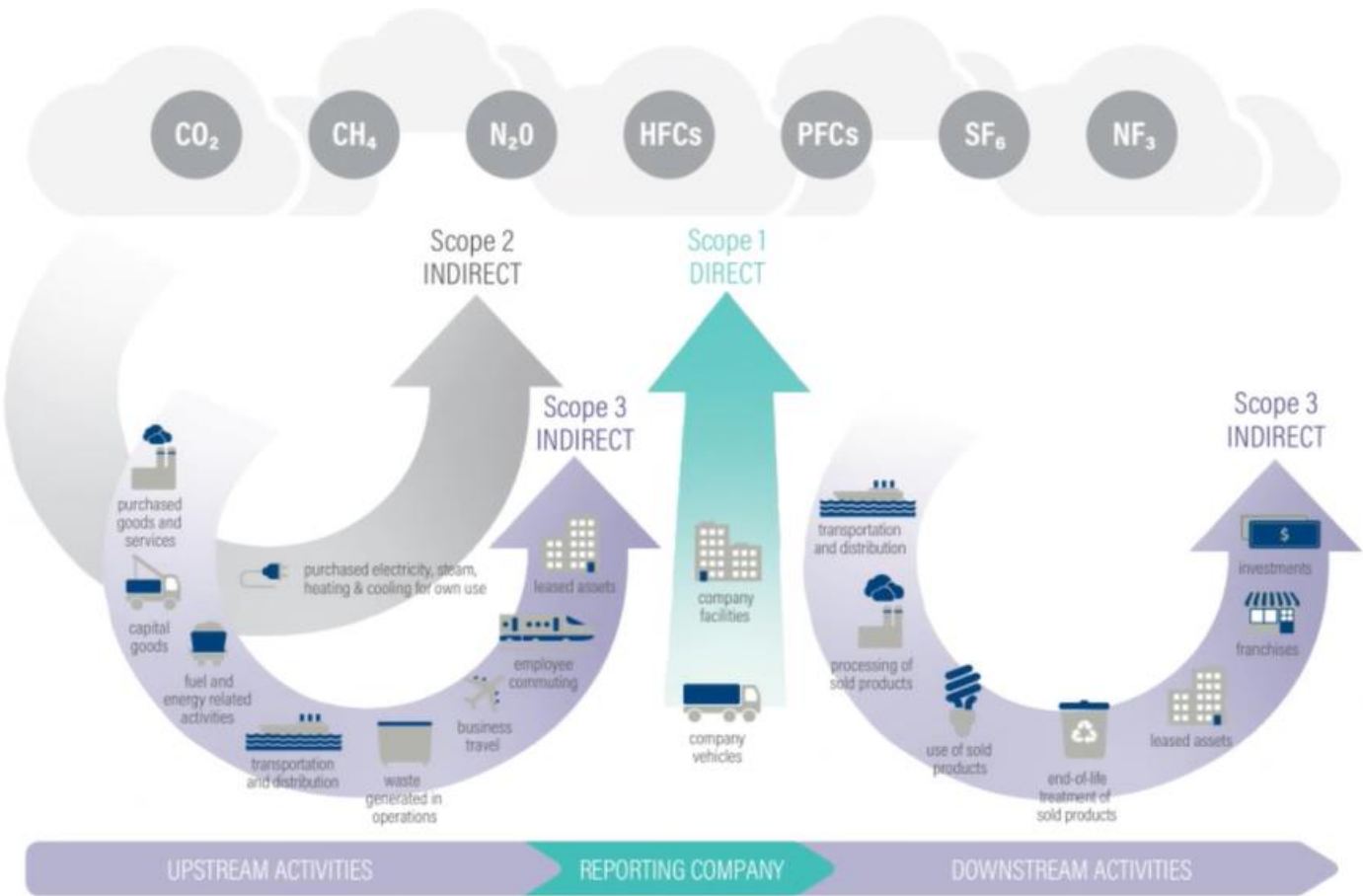
Additionally, alongside the definition of operational boundaries, the sustainability team conducts a review of the entities to be included in the inventory (organizational boundaries) adopting an operational control approach (Control Approach) to consolidate its GHG emissions. To this end, where available, data related to assets recently acquired by the Group have also been included within the reporting perimeter.

kdc/one GHG Inventory



Managing Climate Change (Cont'd)

In relation to Scope 3 emissions, results obtained for the emission categories considered relevant are reported below. The table provides a detailed breakdown of Scope 3 GHG emissions for various categories in FY24.



Category	Calculation Approach	GHG Emissions (TonsCO ₂ e)
1. Purchased goods and services	This category includes Greenhouse gas emissions from the purchasing of primary materials used in the production phases and its packaging (e.g. plastics, chemical materials electronic materials, cardboard, and metals). Emissions related to the 90% of Group’s spent in procurement have been calculated with a Hybrid Method, while the remaining 10% was quantified with a spend-based approach. Emissions related to the 90% of Group’s spent in procurement have been calculated with a Hybrid Method, while the remaining 10% was quantified with a spend-based approach.	679,068
2. Capital goods	This category includes greenhouse gas emissions from the production of capital goods purchased in the reporting year. Emissions were quantified with a spend-based method.	35,137
3. Fuel and energy-related emissions	This category includes Greenhouse gas emissions from transmission and distribution (T&D) losses and upstream emissions for fuels and electricity. Same data collected for Scope 1 and 2 emissions were used as inputs.	3,877
5. Waste generated in operations	This category includes Greenhouse gas emissions from the disposal and treatment of waste generated by the Group's operations. Detailed data on waste categories and their final destination (landfill or recovery) have been collected for about half of the Group’s entities. The calculation was performed using the approach recommended by the GHG Protocol (Waste-specific method).	23,104
6. Business travels	This category includes Greenhouse gas emissions from the disposal and treatment of waste generated by the Group's operations. Detailed data on waste categories and their final destination (landfill or recovery) have been collected for about half of the Group’s entities. The calculation was performed using the approach recommended by the GHG Protocol (Waste-specific method).	3,044
7. Employee commuting	This category includes Greenhouse gas emissions from employee transportation between their homes and workplaces when the transport is not organized by the Group. Data were collected through a survey distributed to all employees of the group, with a response rate of 46%. For the remaining part of workforce, proportional adjustments were made.	23,629
11. Use of sold products	This category includes Greenhouse gas emissions from the use of Plug-in Air fresheners and Plug-in Inseticides sold during FY24, taking into account their entire estimated lifetime electricity consumption.	100,783
12. End of life of sold products	This category includes Greenhouse gas emissions deriving from the treatment of products sold by the Group during FY24at the end of their life cycle. According to a conservative approach, not knowing the specific disposal method of the Group's products, it was assumed that all of them end up in composting or landfill.	27,657
15. Investments	This category includes Greenhouse gas emissions associated with theGroups’s investments in the FY, not already included in scope 1 or scope 2. Emissions from investments are allocated to KDC/one based on its proportional share of investment in the investee.	5,326
Total Scope 3		901,625

(1) Services are not considered for the first reporting year.

Managing Climate Change (Cont'd)

The emissions associated with purchased goods and services are the highest, constituting approximately 75% of the total Scope 3 emissions. This significant percentage indicates that the production of raw materials and purchased products is a major contributor to the overall carbon footprint of the Group; this pattern is typical of the cosmetics and household products industry due to the extensive use of various ingredients and packaging materials. Emissions from capital goods represent about 4% of the total, reflecting the large quantity of investments the Group made during the FY.

This is relevant for the sector as it involves significant investment in manufacturing equipment and facilities. Emissions from waste generated in operations account for approximately 3%, an element in support of the crucial and relevant issue of waste management in this sector. Emissions from employee commuting make up about 3% of the total, reflecting the impact of daily travel by employees between their homes and workplaces. Business travel emissions are minimal, suggesting that travel-related activities have a relatively small impact on the overall carbon footprint.

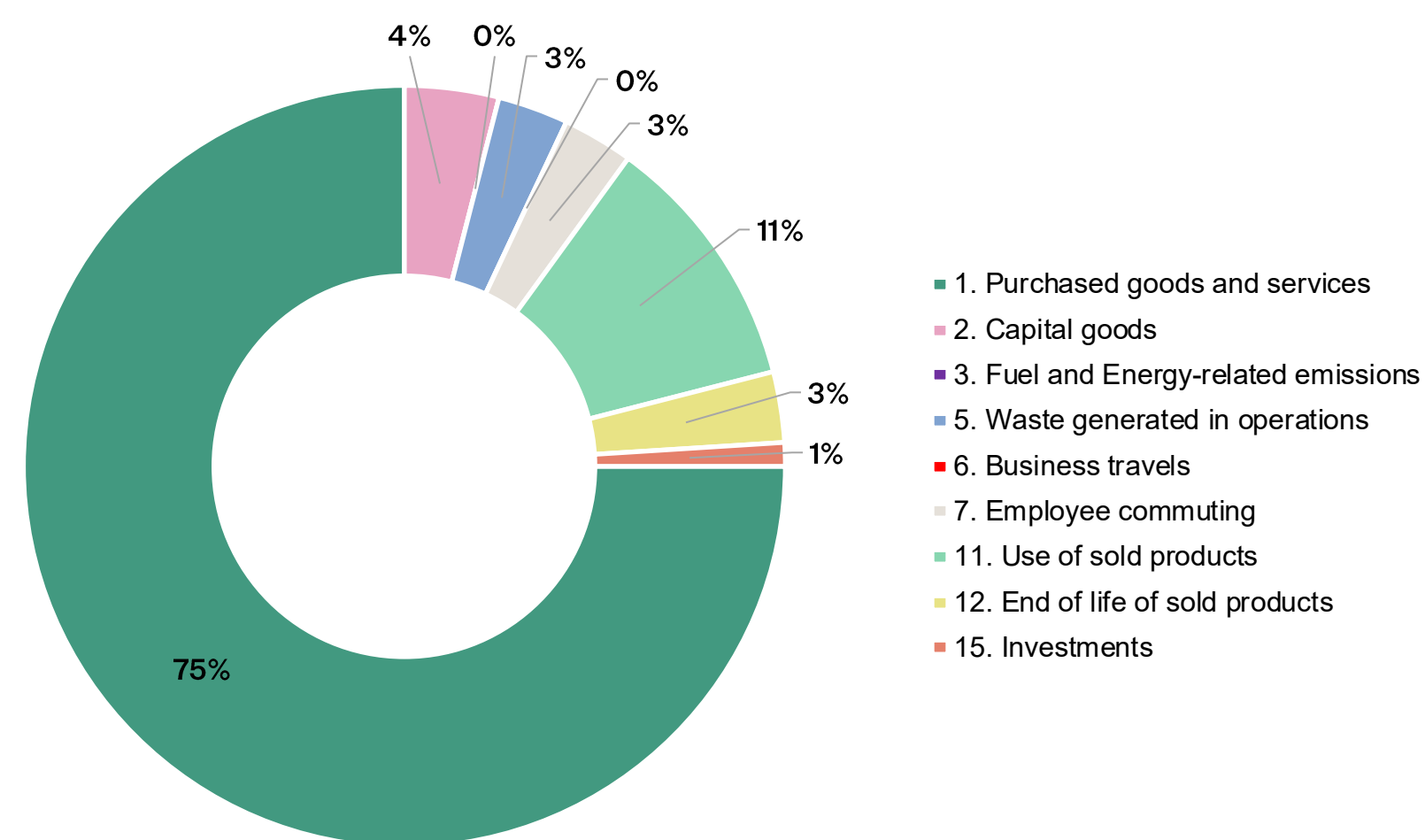
Similarly, fuel and energy-related emissions (Category 3.3) are negligible, indicating that the indirect emissions from the production of purchased fuels and energy are not a significant contributor: this could be due to efficient energy use and sourcing practices within the Group's operations. Considering the downstream categories, categories 3.11 "Use of Sold Products" and 3.12 "End of life of sold products" account for 11% and 3% of the carbon footprint respectively, reflecting the large quantity of products sold by the Group. Lastly, emissions from investments are completely negligible.

Additionally, according to preliminary results obtained considering only the inbound and outbound streams of Homecare Division, a total of about 68.000 Tons CO have to be accounted for in the Group GHG Inventory for FY24.

As part of ongoing commitment to environmental sustainability, kdc/one will be dedicated to refining methodologies for calculating GHG emissions across all categories in the coming year.

This effort will enhance the accuracy and reliability of emissions data, providing a solid foundation for initiating the Group's decarbonization process. By improving data collection and calculation methods, kdc/one aims to gain a more comprehensive understanding of its carbon footprint. This will enable to identify key areas for emissions reduction and develop targeted strategies to minimize environmental impact. kdc/one recognizes the importance of continuous improvement in environmental practices and is dedicated to leading by example in the cosmetics and household products industry.

kdc/one - GHG Inventory FY24 - Scope 3



Energy Management

We have set an aggressive goal to reduce total energy consumption intensity by 20% by 2025, using 2019 as the baseline year. In FY24, energy intensity has improved over FY23 (reduced by 11%) The company energy intensity is 3% higher than FY19 and trending downward.

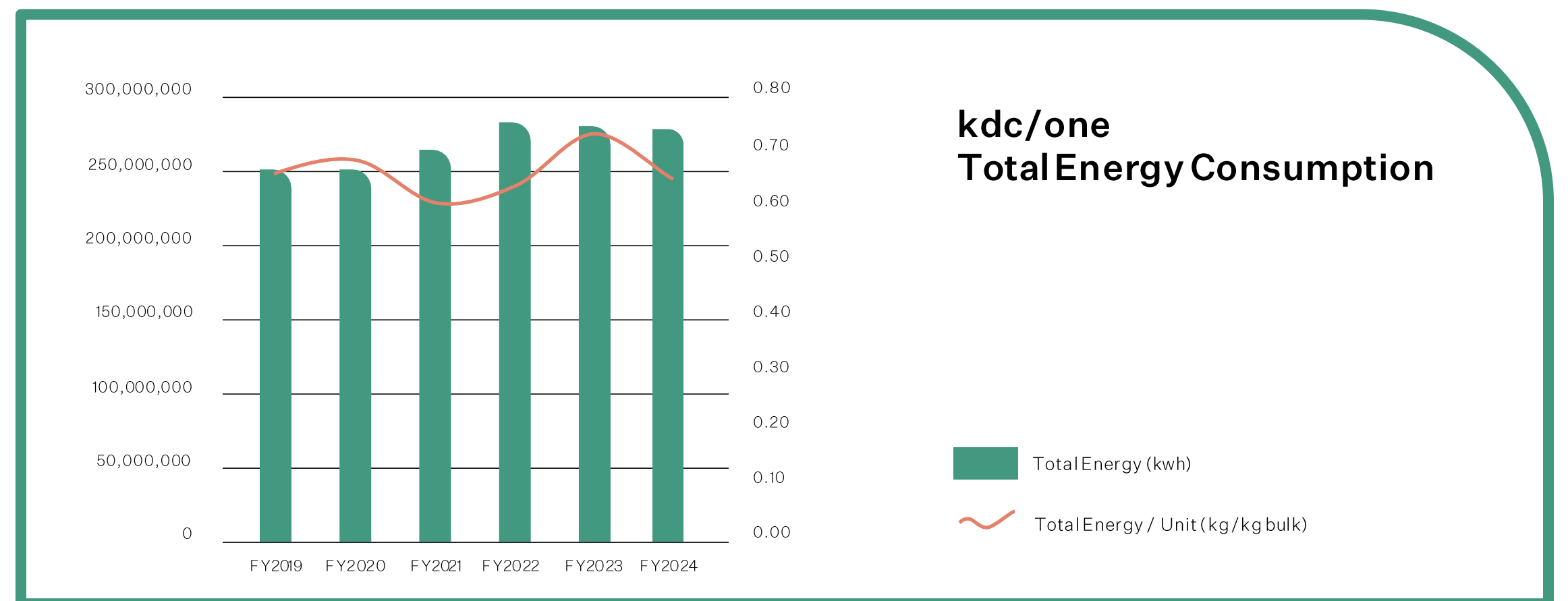
Our absolute electricity consumption also decreased by 6% compared to FY23.

In line with our Planet pillar goal to reduce environmental impact, we have programs in place at different levels, from behavioral engagement initiatives, to energy efficiency projects including technology and innovative equipment and layout as well as measures to transit to renewable energy increased usage.

We adopt pipelines of projects and initiatives across all our manufacturing sites - some examples are reported below.

- We leverage on our international team of experts to exchange best practices across our facilities and relying upon industry networks to foster innovation and exchange.
- We hold monthly meeting to track our progresses where our teams follow up on projects implemented, encouraging peer reviews and benchmarking.
- We adopt dashboards and informative systems and tools to monitor our progresses and push for continuous improvement.
- We look at best industry standards to keep improving our energy management systems

In following chart, some examples of initiatives implemented in FY24 and planned for upcoming year, for more than **7,500 MWh/Y savings (- 3 % of FY24 consumption).**



Energy Management

Some initiatives



NORTHERN LABS, WISCONSIN

- Make up air unit; 418,000 kWh/Y
- LED lightings, 375,000 kWh/Y
- Ultrasonic air leaks detection, 24,600 kWh/Y
- Tank farm – insulating walls, 70,000 kWh/Y

AROMAIR, OHIO

- Compressed Air Study to detect efficiencies, 180,000 kWh/Y

AEROFIL, MISSOURI

- New high efficiency boiler

DALLAS, TEXAS

- Facility LED upgrade, 307,000 kWh/Y
- Condensation return steam study
- Compressed air leakages study

MEXICO, HERMOSILLO

- Solar domes, 745,000 kWh/Y
- Automatic turn off equipment, 959,000 kWh/Y

CHATSWORTH, CALIFORNIA

- Replacement of LED lighting in 2 buildings (warehouse and manufacturing) 1,200,000 kWh/Y

PORT JERVIS, NEW YORK

- Cultural (Hummingbird) Energy Campaign, Daily Gemba Energy Walks 1,100,000 kWh/Y

BRAZIL, PORTO ALEGRE

- Replacement of 2 compressors with a high-performance one, 96,000 kWh/Y

FRANCE, Hesdin-l'Abbe

- Dust/Steam Extraction Controls, Room Air Exchange control, Closed Loop Tank Heating/Cooling 200,000 kWh/Y

ITALY, TRENTO

- Skylight domes, 27,000 kWh/Y
- New Boiler, 50,000 kWh/Y

INDIA, DAMAN

- Automatic opening of the storage room damper (FRH), 13.000 kWh/Y
- Separation of Soldering and Gluing section in PTC line, 15.000 kWh/Y
- IM 2 machines pump motor replace with Servo motor, 67,000 kWh/Y
- IM Ventilation fan speed need to define or timer based operation, 28,000 kWh/Y

BULGARIA, PLOVDIV

- Relamping with LED, 16,000 kWh/Y
- HVAC efficiency, 40,000 kWh/Y
- Central heating system, 75,000 kWh/Y
- New efficient compressor, 60,000 kWh/Y
- Central control ZBG1, 200,000 kWh/Y
- New heat exchanger, 171,000 kWh/Y

CHINA, SHENZHEN

- Air energy, dormitory area, 30,000 kWh/Y
- Combine two central air condition systems, 156.000kWh/Y
- New drainage devices for compressed air tanks, 120.000 kWh/Y
- Solar for outdoor lighting and water heaters in canteen area, 100.000kWh/Y
- Injection molding machine heating system with nano infrared, 800,000 kWh/Y
- 2 new air compressors to replace 4 old, 593,000 kWh/Y

Waste Management and Recycling

Our efforts are focused on reducing waste across our processes and operations. We are continuously scouting opportunities to reduce our impact on landfills by implementing circular economy principles, and fostering reducing, reusing and recycling resources across our operations. We have set a goal to reduce the total amount of waste generated per units of production by 25% by the end of fiscal year 2025 compared to 2019.

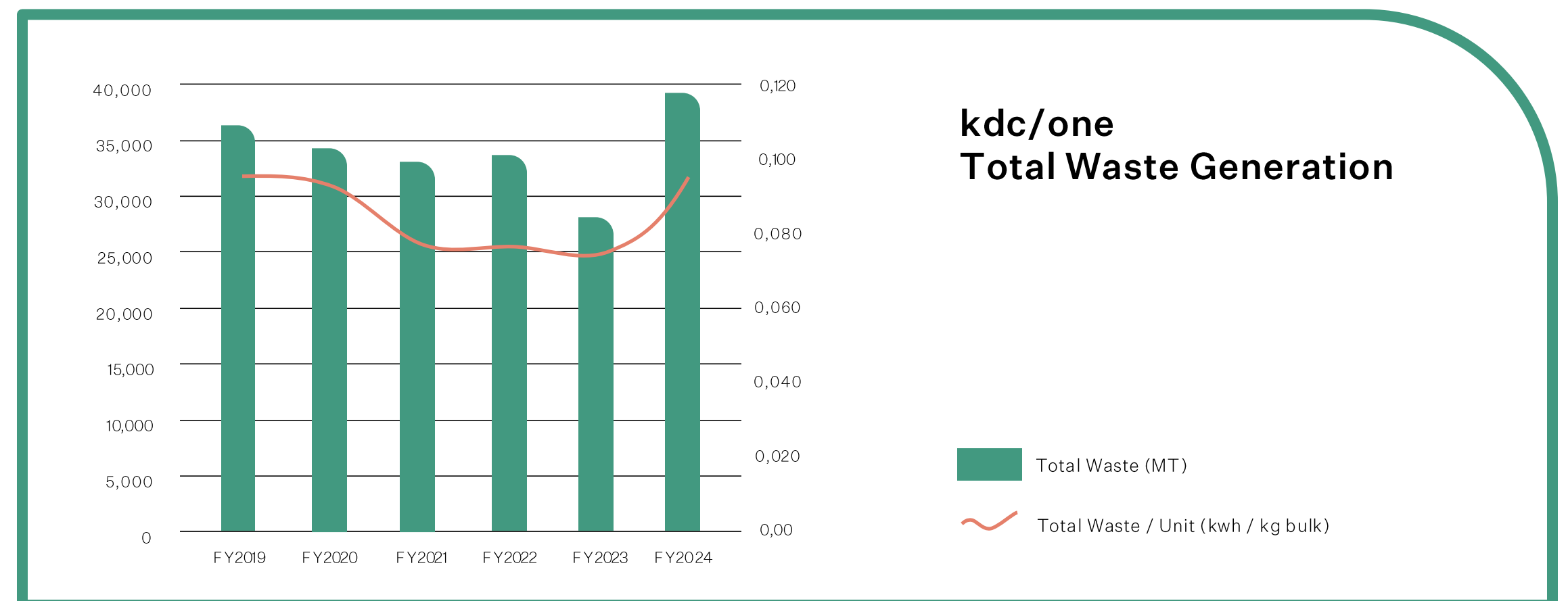
In FY24 we recorded a significant increase in waste, mainly linked with production growth, which reached +10% compared FY23 and in part to obsolete inventory. An increase in waste was also experienced by the closure of one of the sites and transfer of production to another facility. Our efforts led to recycle over 70% of our waste streams generated from operations, with Mexico and Wellington among our biggest contributor sites, reaching more than 90% recycling rate. We're continuously researching for further opportunities to reduce our impact.

We monitor our waste categories including hazardous, non-hazardous, recycled and waste to energy. We keep improving our reporting and have the ambition to include also waste in our revised metrics starting from next fiscal. We track both hazardous and non-hazardous waste generated by our manufacturing operations and ensure that regulated waste is responsibly managed by our operations.

Our waste management practices comply with applicable regulations and waste recovery practices.

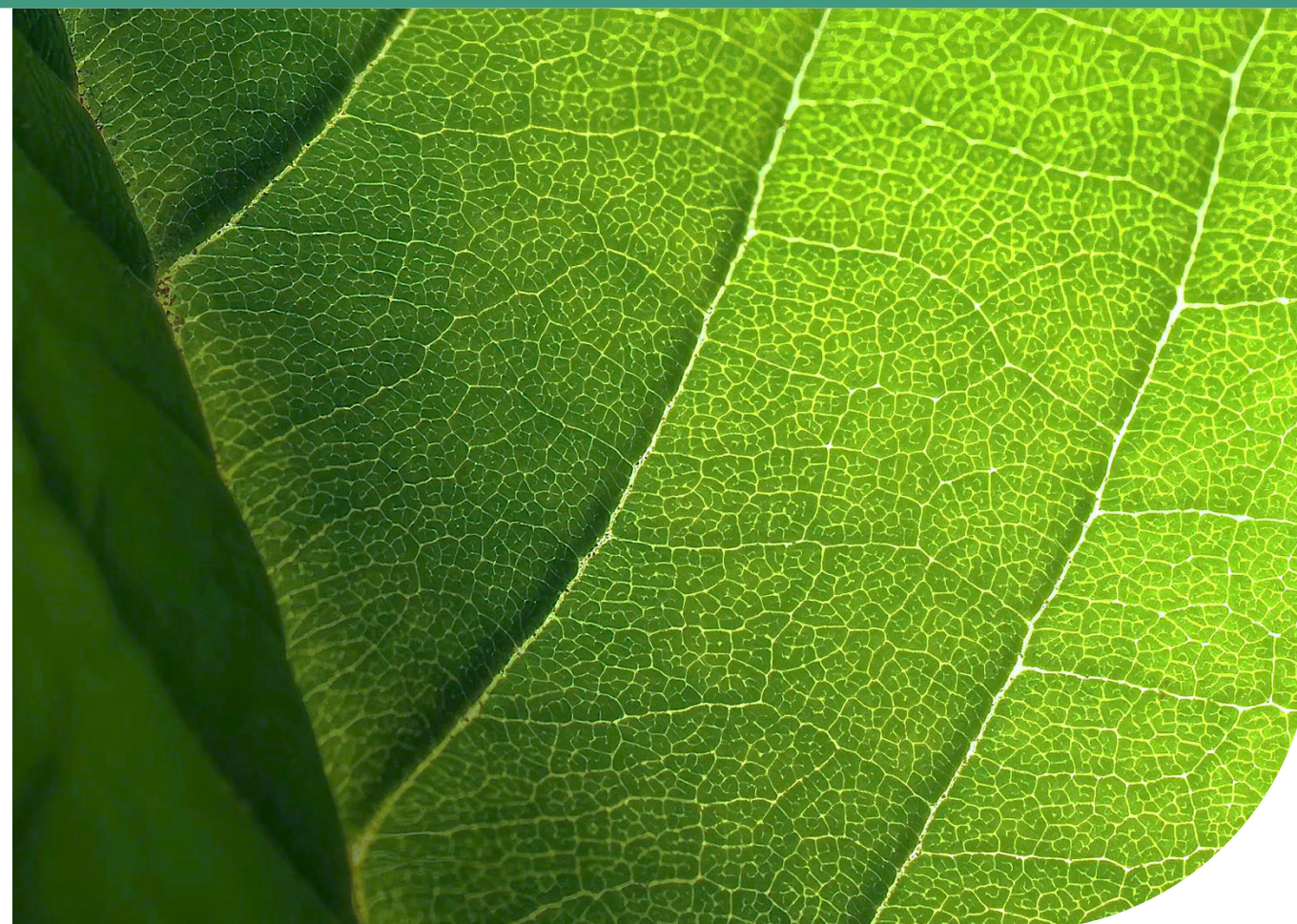
Our waste management include:

- Company-wide recycling initiatives
- Change in transfer of bulk materials
- Program to recycle and promote circular initiatives engaging suppliers and customers (e.g. corrugated boxes)
- Optimization of production processes to reduce waste
- Solutions to eliminate or reduce packaging materials (e.g. recyclable belts to replace packaging films, durable reusable pallets or materials boxes)



Water Management

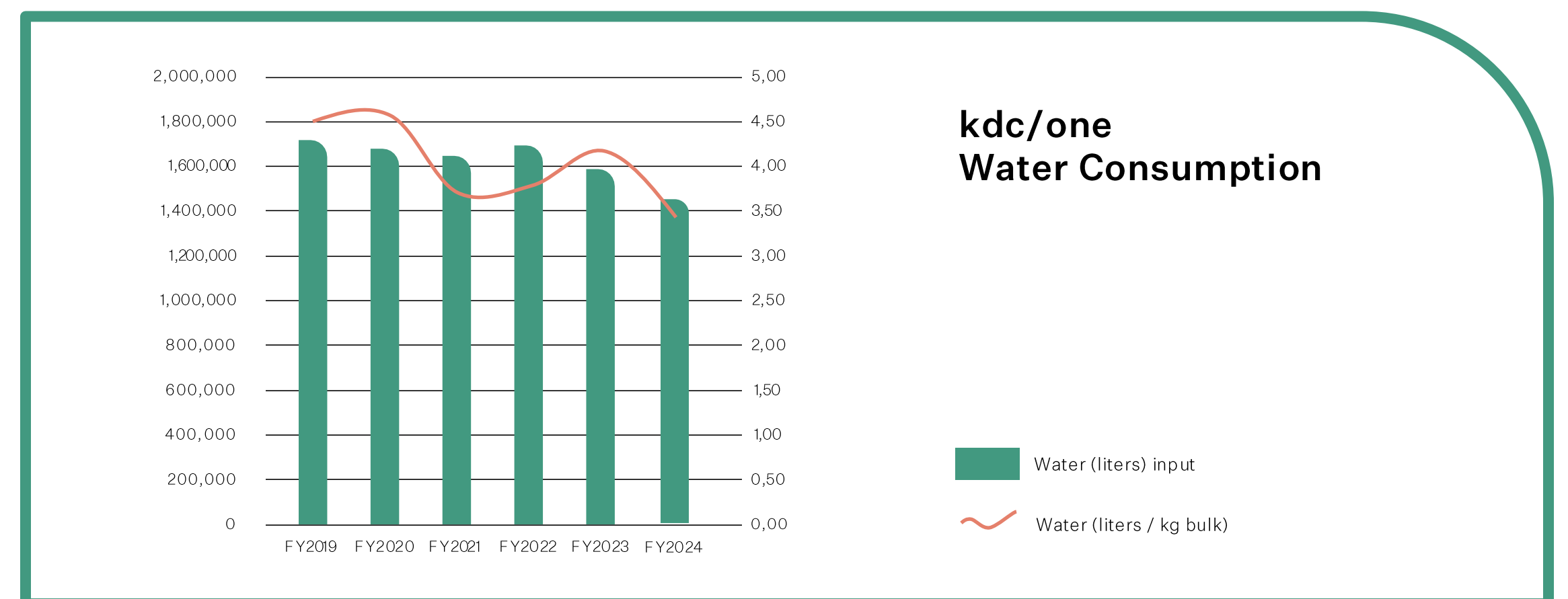
Our ambition is to reduce by 25% our water intensity usage by FY25 compared to 2019. In 2024 we were able to reduce water consumption by 24% compared to FY19.



Many of the products we manufacture have high water content, therefore our efforts to grant a responsible water consumption are extremely important, even more in areas subjected to water scarcity risks.

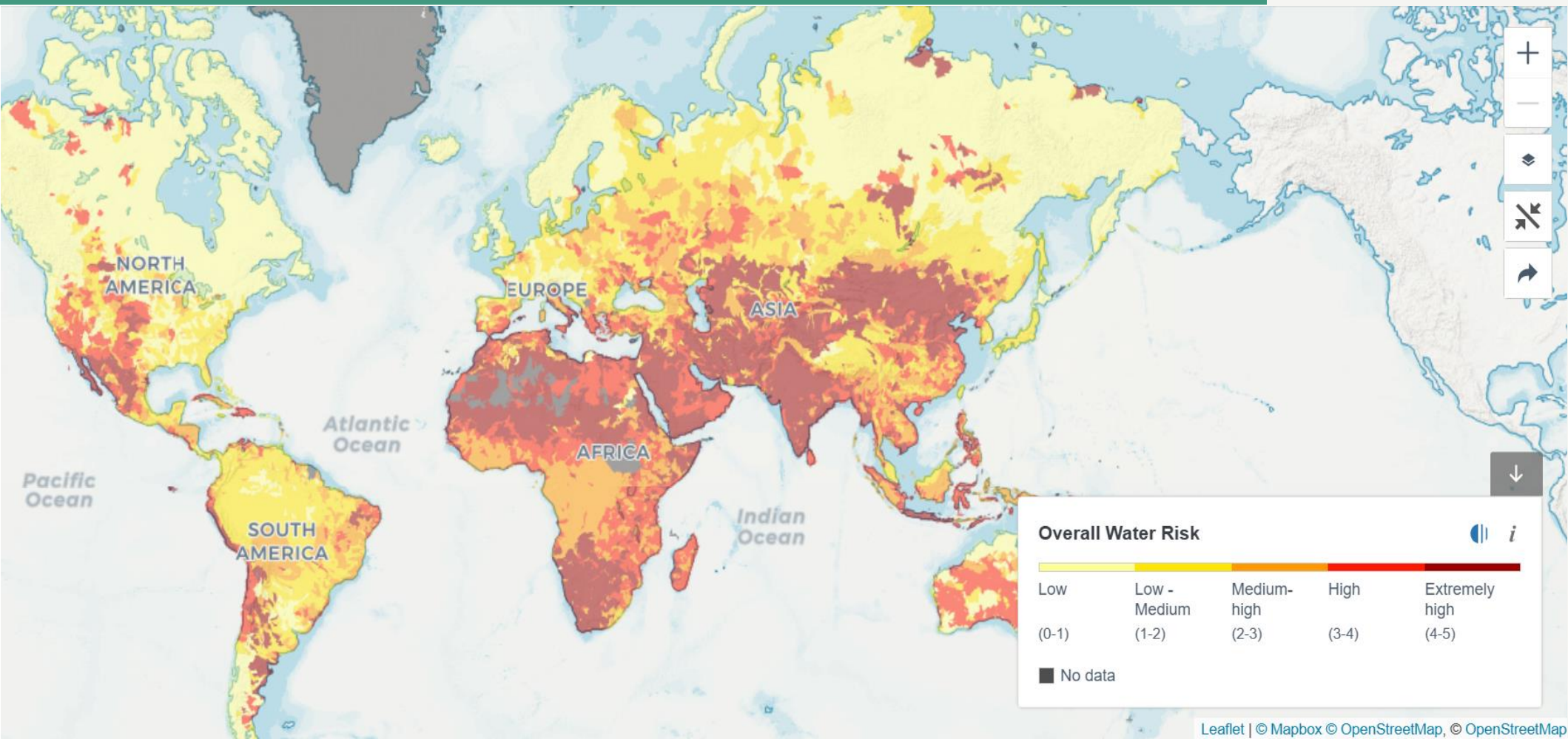
We reduce water consumption by implementing many initiatives, including people awareness campaign, production efficiency and technology improvements, water diagnosis and audits, the reduction of water use in cleaning operations, the installation of low-flow equipment, leak detection studies, water balance studies, the collection of rainwater, and water recycling.

Most of our water is sourced from 3rd party suppliers. Less than 5% of water is sourced from onsite wells.



Water Management

We conduct regular assessments to verify how our water consumption could affect areas with water stress and implement measures to mitigate our impacts.



According to Aqueduct Water Risk Atlas by World Resource Institute, approximately 10% of our factories are located in areas presenting high or extremely high water scarcity risks. Home Care Products account for less than 25% kdc/one water consumption, with around 5% consumption coming from areas presenting water scarcity risks.

All facilities are implementing water saving projects and workshops.

Example of Water Saving Projects

- USA:** Monitoring and Controls – 52,000,000 liters/Y saved
- India:** rainwater harvesting system. 13,421,000 liters/Y saved.
- Mexico:** irrigation automatic system and waterless urinals.
- China:** water taps. 250,000 liters/Y saved
- Bulgaria:** water taps: 200,000 liters/Y saved

Site	%	Classification
Columbus	20%	Low - Medium (1-2)
Groveport	18%	Low - Medium (1-2)
Knowlton	12%	Low (0-1)
Northern Labs	9%	Low - Medium (1-2)
Port Jervis	7%	Low (0-1)
HCT Dongguan (Manufacturing)	5%	Medium - High (2-3)
HomeCare Shenzhen China	5%	Medium - High (2-3)
Aerofil	4%	Low (0-1)
Prairie	4%	High (3-4)
Dallas	3%	Low - Medium (1-2)
Sunburst	3%	High (3-4)
Homecare Italy Trento	2%	Low - Medium (1-2)
Wellington	2%	Low (0-1)
ChemAid	1%	Low - Medium (1-2)
HomeCare Sonora Mexico	1%	Extremely High (4-5)
Homecare India Bhimpore Daman	1%	Extremely High (4-5)
HCT Geng Xian (Metal)	1%	Medium - High (2-3)
Inter Cosmetique	1%	Low (0-1)
HCT Yaochang (Hardware)	0,4%	Medium - High (2-3)
Acupac	0,3%	Low - Medium (1-2)
Homecare Brazil Cachoeirinha	0,2%	High (3-4)
HomeCare Bulgaria Stryama	0,2%	Medium - High (2-3)
SoCal Labs	0,1%	High (3-4)
Alkos Cosmetique	0,1%	Low (0-1)
Aromair	0,1%	Low - Medium (1-2)
Swallowfield	0,0%	Low (0-1)
HCT Europe	0,0%	Medium - High (2-3)
Lynchburg	0,0%	Medium - High (2-3)
Paristy	0,0%	Medium - High (2-3)
Grand Total	100%	

Wastewater Discharge Indicators

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We monitor wastewater discharge from our operating locations to ensure compliance with local regulatory requirements.

We have implemented various management best practices to prevent wastewater contamination, including secondary containment, employee training and operational controls.

All of our water is released to third party waste water treatment facilities for final processing before release to the environment.



Air Emissions Indicators

kdc/one regularly monitors relevant permitted air emissions from our operating locations to ensure compliance with regulatory requirements. Our emissions are well within the applicable allowable limits established by local operating permits and regulations.

Volatile Organic Carbon Emissions	Our volatile organic carbon emissions are well within applicable allowable limits established by local operating permits and regulations.
Nitrogen Oxide (NOx) Emissions	We have negligible nitrogen oxide emissions from our facilities. These emissions are primarily associated with fuel combustion for boiler operations and are unregulated at most of our locations due to the low levels of these emissions.
Sulfur Oxide (SOx) Emissions	We have negligible sulfur oxide emissions from our facilities. These emissions are primarily associated with fuel combustion for our steam boiler operations and are unregulated at most of the locations due to the low levels of these emissions.

Biodiversity

kdc/one has facilities and offices in major cities and rural locations. We endeavor to ensure that risks associated with land use, operations and impact to biodiversity are identified and mitigated in compliance with applicable guidelines regarding biodiversity protection and preservation.



We agree with the principles included in the UN Convention on Biodiversity and strive to meet these principles. We complete assessments to check if our sites are located nearby biodiversity sensitive areas and implement any related mitigation actions.

According to **World Heritage Online Map Platform published by UNESCO**, there are 72 Natural Properties in the states where our sites are located and in particular 2 are inscribed on the List of World Heritage in Danger: the Islands and Protected Areas of the Gulf of California and Everglades National Park. Our Mexican site, being located nearby the migratory pass of birds, is adopting a faune control program in order to apply control environmental friendly to relocate possible local faune intruders without any damage.

We support local programs in our communities to protect and conserve our cultural and natural resources, as being FAI Member in Italy, a non-profit foundation with the aim of protecting and enhancing Italy's historical, artistic and landscape heritage and supporting MUSE (Science Museum), in particular sustaining a project to preserve biodiversity in Udzungwa Mountains National Park in Tanzania.

As UN Global Compact members, we follow related working groups and monitor their activities. In 2024 a Guide was released by Canadian network to explain Taskforce on Nature-Related Financial Disclosures (TNFD). Our teams perform training relying upon UNGC Academy. We continue to evaluate our existing practices against current state-of-the-art practices.

Product, Packaging and *Formulation Development*

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Innovation is key to our value proposition for our customers. We believe our capabilities are industry-leading and we offer customers our expertise to help driving groundbreaking product innovation for their brands.

Our integrated expertise in product development, packaging innovation and manufacturing—combined with superior service—supports the consistent delivery of leading solutions for our customers.

Our teams are at the forefront of the latest trends and technologies, collaborating with our customers to offer relevant and meaningful solutions with an elevated approach that reflects each brand's vision. The specific services we provide include product design and development, formula development, efficacy testing, sensory evaluation, packaging design and development, engineering, and tooling unit production.

Some examples of how technology is a driver for sustainability include:

- leveraging techniques such as 3D printing and rapid prototyping to enhance customer collaboration and support faster speed-to-market.
- ready to go sustainable solutions with Low Minimum Order Quantities available to be inclusive and accessible for smaller indie brands.
- smart designs that use less tools and require less manutention in production;
- innovative solutions to reduce resources usage – e.g. monomaterial pump innovation that uses 3 times less plastic with bag in a bottle technology
- exploring cold processes manufacturing to help reducing the energy demand, manufacturing timing and preserving materials natural properties

As experts in our categories, we pursue technologies and materials that can be launched in the market as new product solutions. Examples include natural insecticide formulations, biodegradable fragrance solutions, energy-efficient diffusion systems, and plant-based plastic alternatives. Waterless technologies are applied to help clean hard surfaces and to laundry care, focusing research and innovation efforts on deploying smart and powerful solutions and contributing to promoting more sustainable laundry habits.

Product, Packaging and Formulation Development (cont'd)

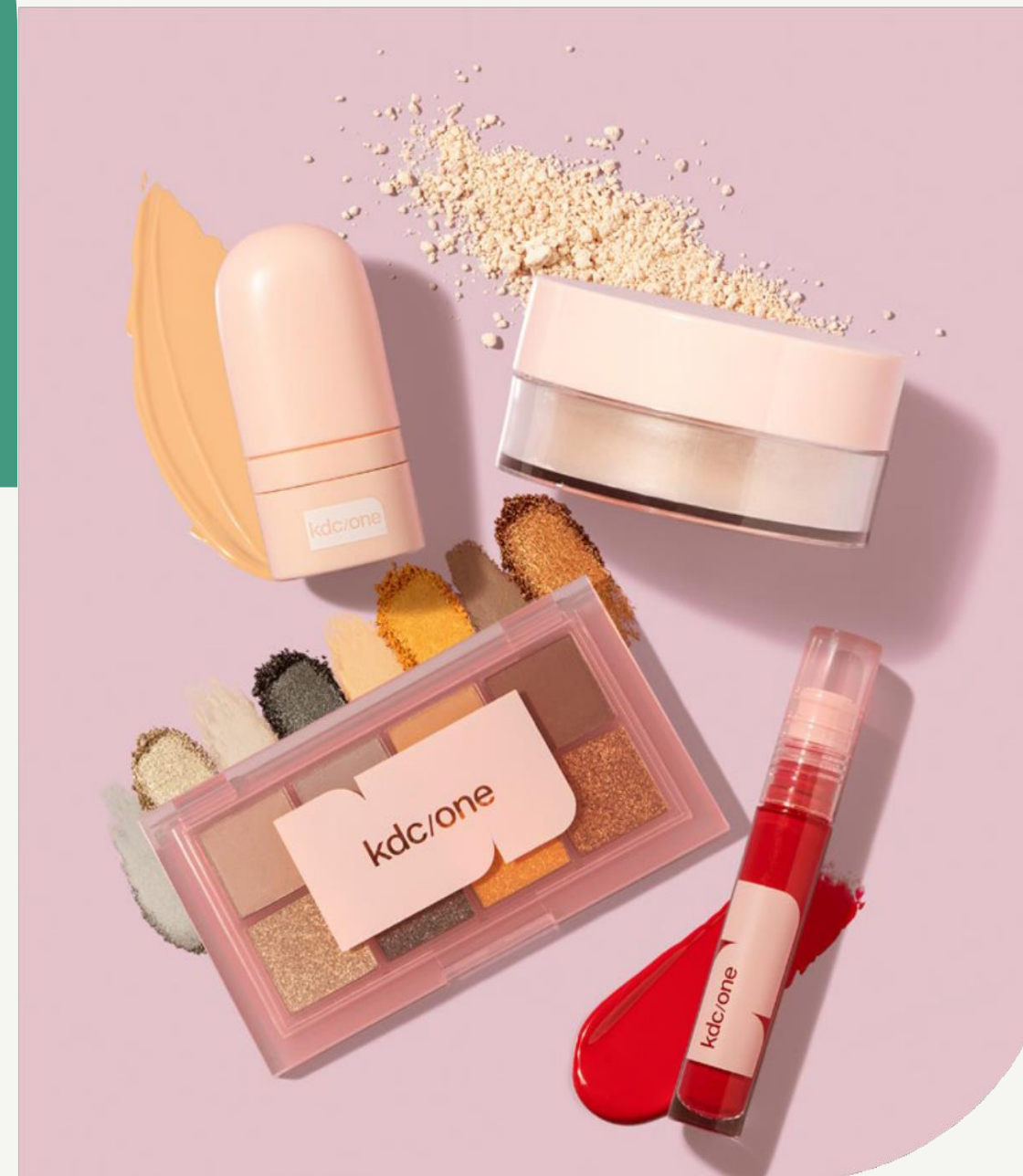
Our innovation program

Our product innovation programs tackle key sustainability topics in our industry: sustainability certification, sustainable formulations, use of recycled plastic, reduction of single-use plastic, and other waste reduction measures and funnel internal expertise across our teams.

Embedding sustainability in our innovation process and leveraging our expansive technical and expert network, we are able to identify and act on key challenges early on and lead the way to achieve best-in-class sustainable proposals for our customers.

By engaging internal and external stakeholders and raising awareness around sustainability, we have been able to successfully incorporate employee's valuable inputs into the organization (new projects, technologies, etc.) while supporting the constant growth of our capabilities and the know-how that we ultimately put at the service of our clients. Examples successful activities are:

- IdeaOne platform – launch of a digital challenge-based crowdsourcing platform to foster employee's engagement in sustainability
- Fragrance Innovation Summit – bringing our key stakeholders together to share ideas about technology improvements and cooperating on ESG goals
- kdc/one Innovation Roundtable – hosted by internal innovation key stakeholders to increase internal awareness and dialogue around sustainability
- Open innovation projects with universities and start-ups
- Connected Innovation programs with external partners and suppliers to scout and identify unique technologies with a strong focus on natural formulations and packaging sustainability



Our formulations

Our R&D and Innovation teams develop formulas that meet the highest industry standards, ensuring they align with the latest market demands and brand expectations:

- Our formulas comply with Industry retailer Clean standards, ISO regulations, and global marketplace requirements.
- We prioritize ethically sourced and RSPO-certified ingredients whenever possible while increasing the use of naturally derived components.
- We integrate upcycled ingredients to minimize environmental impact and reduce our global footprint.

In partnership with our customers, we co-develop high-performance formulations across a broad range of products. Our capabilities include creams, lotions, solid sticks, loose and pressed powder, hot fills and gels, oils, scrubs, aerosols, thin films, and more. Our expansive library contains over 24,000 formulations. In addition, broadening sustainability to disinfection segment, we study formulations solutions with vegetable-based lactic acid as a biocide and relying on vegetable sourcing instead of synthetic components.

Product, Packaging and *Formulation Development* (cont'd)

Our responsible approach for ingredients and raw materials

We are dedicated to delivering safe, environmentally conscious and sustainable formulations to our customers. Our two-tier formulation guideline approach allows proactive and innovative developments to be at the forefront of ingredient stewardship, ensuring we develop compliant formulas that deliver all the benefits consumers want while freeing them of materials that may be harsh, controversial or detrimental to our environment, with increased transparency. “Clean at kdc/one” and “kdc/one Responsible Guidelines” offer transparent ingredient positioning and inspire more informed product choices with recognizable ingredients, providing clear communication on formula expectations.

kdc/one’s formulation and manufacturing capabilities support sustainability with ingredients, processing and unique delivery forms to help minimize the ecological and global footprint. As an example, we are focusing on biotechnology partnerships, to reduce reliance on land mass occupancy, cultivation and harvesting practices for various ingredients. Both our Beauty and Personal and Home Care segments study cutting-edge innovative solutions that integrate sustainable formulations without compromising on performance or efficacy.

Our collections include high-performance concentrated formats, solid shampoos and body washes, deodorants and lotion bars paired with sustainable packaging to help preserve natural resources while reducing the environmental impact

Our Packaging solutions

We’re specialized in the design and manufacturing of innovative, high-quality packaging solutions and handle virtually all packaging formats and substrates.

We have developed a Sustainable Design Intention Framework based on the 4 R’s - Reduce, Reuse, Replace, Recycle - to help direct our sustainability journey and increase our sustainable offerings.

Examples of application include mono-material packaging designs with minimum number of components and limitation of the decoration processes, in line with Association of Plastic Recyclers Guidelines, to maintain recyclability of the pack at the end of life, as well as packaging optimization proposals to reduce materials and improve sustainability impact on logistics.

Customers have the option to choose from our comprehensive library of stock ranges, including over 700 options, or create completely custom designs and personalize specifications for all packaging solutions.

Our Home Care operations have developed multipurpose cleaning solutions for hard surfaces in a compact and concentrated format that is rehydrated by the end user. This technology saves plastic by relying on the reuse of the same dispenser and provides the increased benefits of a compact solution, making the product easier to store and transport. In 2024, we invested in cross-site collaboration to develop sustainable aerosol solutions at our Aerofil facility. Our packaging is compliant with applicable regulations, looking at cutting edge industry trends and sustainability certifications.

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REDUCE

Designing out waste in the first place by reducing the number of components and empty space and reducing the use of petroleum based virgin materials by using post consumer recycled plastics

REUSE

Keeping products in circulation at their highest value, through refillable systems and reusable components designs

REPLACE

Replacing Petroleum based materials with other materials that have better end of life viability.

RECYCLE

Designing for compatibility with existing recycling systems, by developing mono-material solutions, designing for disassembly and using materials with an established market demand

Product, Packaging and *Formulation Development* (cont'd)

Integrating Life Cycle Thinking in our processes

As we're introducing 4R's design framework, in FY24, 100% of new stock innovations align with at least one of the 4 R's principles and we're retrofitting our stock library to meet our sustainability goals, focusing on circular plastics, compliant with upcoming regulations. In 2024, our Beauty & Personal Care team has counted 45% of new launches to meet at least one of the 4 R's of our internal criteria framework". To improve this tracking method and get more accurate data, a new Product launch tracker was created to assess how each packaging innovation fits into the 4R's framework.

In order to fully integrate LCA criteria within our entire product development process, beside developing an ESG-dedicated assessment tool as part of the project deliverables, in FY24 we have focused in developing our Life Cycle Assessment capabilities, starting from Home Care segment. We appointed specific role of Life Cycle Assessment Technician within our organization, qualified through specific training path. We developed policies, procedures and templates to integrate impact assessment within our product design and development processes and all involved part of the organization was trained.

By developing such capabilities we were able to provide LCA studies to our customers and work with them to identify opportunities to reduce our product environmental footprint. We're working to fully implement LCA tool to benchmark stock products and innovations to increase our sustainable offerings.



Animal Testing

kdc/one's commitment to minimize harm to our environment includes our commitment to work with our customers and partners to avoid animal testing for our products unless specifically required by law. We are required by law to perform efficacy tests in support of certain pest control product registrations, which are performed on insects. As part of industry associations and programs (e.g., International Association for Soaps, Detergents and Maintenance Products (A.I.S.E.)), we contribute to progress and innovation at the service of the health and wellbeing of communities we serve, including by promoting the research into alternative testing methodologies to minimize or replace animal testing.

2. *Social*

Keeping our *Focus on Safety*

People safety is our priority in everything we do and is integral part of our values and culture. The safety and well-being of our employees is fundamental part for the success of our business. Accordingly, we are committed to the health, safety and wellness of our employees and the communities we engage with around the world.

Our employees and their families are provided with access to dedicated good health and wellbeing programs, including various innovative and flexible initiatives.

People engagement is determinant in nurturing and developing our health and safety culture, with involvement of whole organization, leading by example.

In line with this, our people participate to many training and awareness programs. We have implemented and we're keeping fostering a Good Observation Program, to encourage our people reporting any possible input for improvements and we take care related actions are implemented and followed up. In FY24, we increased the Good Observation rate (number of good observations per 100 employees) of 2.7X vs FY23 in our manufacturing locations. Many of these good observations resulted in actions to reduce risk or make improvements to processes. In FY24 we worked to enhance our Safety program with renewed focus, dedicated roundtables and a safety roadmap definition and implementation to further push for injury risk elimination and prevention. We have implemented several programs to proactively identify workplace hazards and reduce employee incidents.

These prevention programs include:

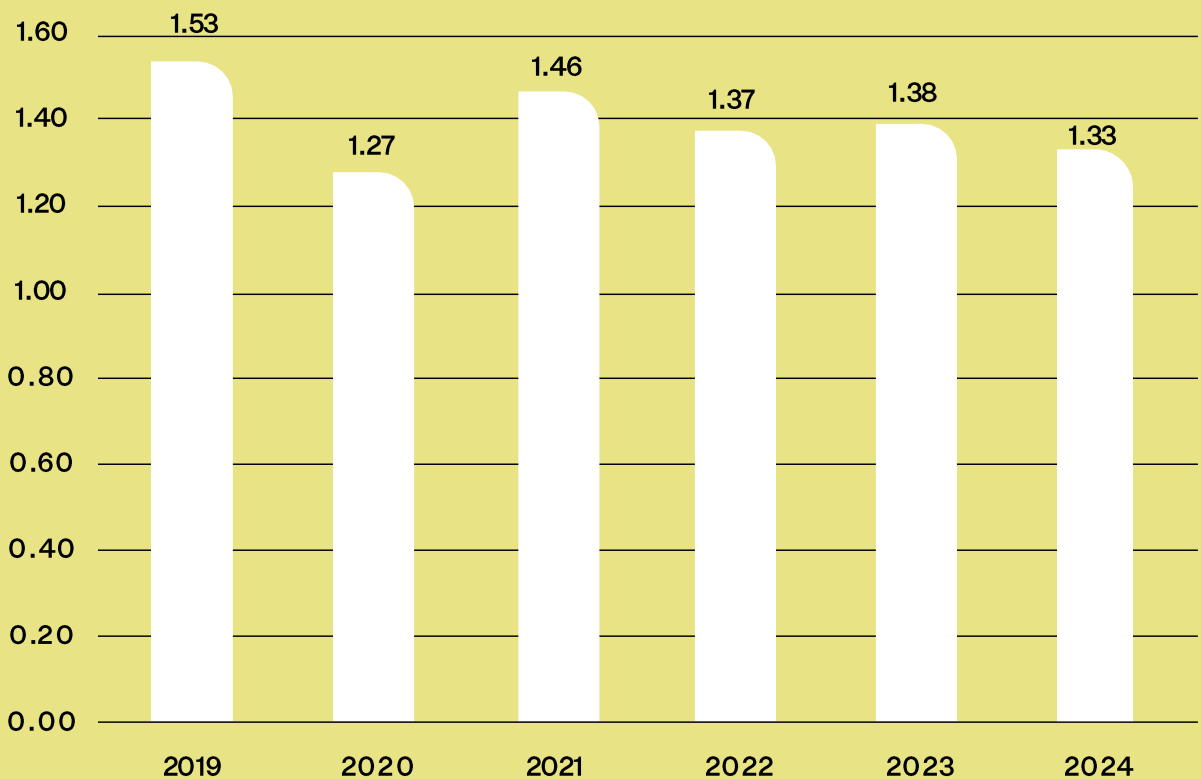
- Establishing global standards to ensure consistent safety practices across our networks.
- Implementing web-based systems to facilitate real-time incident reporting and management.
- Increasing awareness around critical safety risks, focusing on 8 factors that can result in a serious incident or fatality: process safety, confined space entry, fall protection, electrical safety, hazardous energy, machine guarding, powered industrial trucks, and hazardous atmosphere.
- Encouraging employees to identify EHS risks and notify management for consideration through our Good Observations program.
- Conducting weekly leadership and supervisor Safety GEMBA walks.
- Increasing organizational learning by issuing EHS alerts to share information on incidents.
- Forming learning teams to develop a deeper understanding of systemic failure associated with serious incidents and near-miss events
- Encouraging people engagement in many ways, including safety committees implementation, safety champions recognition, awareness and communication campaign,
- Safety weeks to boost multifunctional team brainstorming opportunities in risks prevention and in scouting improvement solutions.

Safety (cont'd)

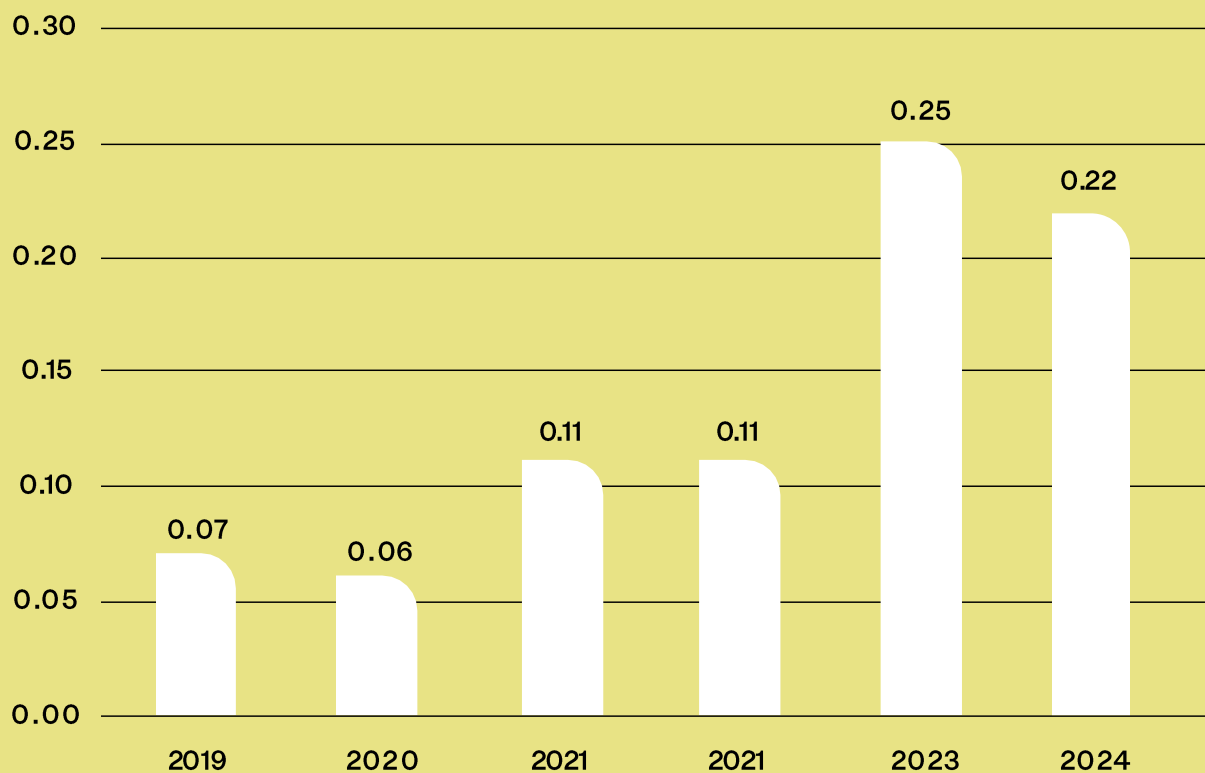
In FY24, our recordable injury rate was 1.33 incidents per 100 employees. This rate has been consistent over the past 3 years and is lower than the industry average.

The number of serious incidents (as defined by ASTM E2920 – 14: Standard Guide for Recording Occupational Injuries and Illnesses – Level 1A) for FY24 stands at 0.22 incidents per 100 employees. Our objective is to continue to reduce risks which will improve our serious incident rate in 2025.

Recordable Incidents
per 100 employees (FY)



Serious Incidents
per 100 employees (FY)



People Strategy

Our values of well-being, compassion, and inclusion continue to drive our commitment to fostering a thriving workplace culture.

One kdc/one People Strategy

1. Culture

Create ONE kdc/one culture which develops, supports, and engages our employees.

2. Talent Management

Attract, retain, and develop the best talent by making kdc/one a great place to work while ensuring succession in key roles.

3. Inclusion

Foster a culture of Inclusion which engages and empowers employees to contribute and thrive. Develop and implement strategies to grow our teams to represent the diversity of the communities in which we operate.

We will build and sustain ONE kdc/one PEOPLE culture which enables us to align our vision, goals and resources with our business strategy to provide a forward-thinking and rewarding experience for our colleagues while delivering superior results.

4. Rewards & Recognition

Provide competitive rewards and benefits that attract, motivate, and retain the best talent.

5. Human Capital & Expertise

Accelerate Global HR capabilities with optimized tools and a data driven approach to all elements of HR.

6. Organizational Development

Ensure the right competencies and the right organizational setup to support the future development of the business.

Creating and fostering a culture which empower and engage our employees, attracting, developing and managing talents, recognizing the value of diversity, providing people with best tools and capabilities to excel their goals and keep motivating and rewarding employees, to keep deploying an organization that sustain business are all key components of our people strategy. We provide competitive training and on-the-job development opportunities for our employees. We take a holistic approach to talent management that includes career development, training, succession planning, and internal mobility. We conduct surveys to measure employee engagement. In early 2024, we conducted the second iteration of our voluntary, confidential Gallup Employee Engagement survey, receiving 8,548 responses—an 87% participation rate among full-time employees. The results demonstrated significant year-over-year progress, with employee engagement rising from 29% to 39% across the organization.

All 12 engagement dimensions measured showed meaningful improvement, reinforcing our focus on continuous enhancement of the employee experience. Notably, one of our key focus areas—clarifying employee expectations—saw a statistically significant increase of +0.15 in its mean score, reflecting improvements in communication and alignment. For the first time, we formally assessed the impact of meaningful workplace conversations. Findings revealed that managers who engage in high-quality discussions with their teams foster stronger engagement. As a result, we are prioritizing the expansion of these meaningful conversations across all teams to drive consistency and effectiveness. Looking ahead, we are strengthening accountability by enhancing action planning support. By equipping teams with the skills and tools necessary to drive engagement, we aim to sustain momentum and further advance our people strategy.”

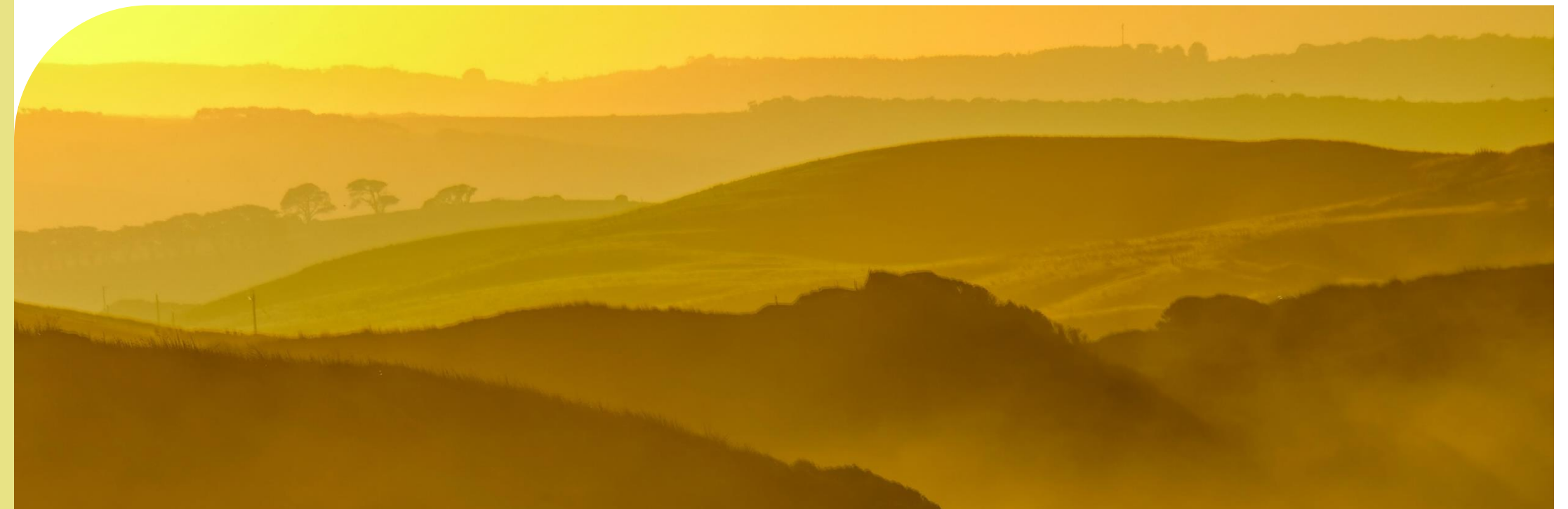
ONE Team - *Creating a more inclusive workplace*

As of April 30th, 2024, we had approximately 11,100 full-time employees, 6,200 employed in connection with our Home Care segment and 4,900 within our Beauty & Personal Care one. We have a global footprint, with approximately 3,600 members of our total workforce employed in the United States, 3,000 in Mexico, 1,800 in China, 1,600 in Europe and UK, 700 in Canada, and the remainder distributed in India, Brazil and Korea.

We believe this incredible mix of cultures makes us a stronger team, and that our different backgrounds and experiences represent a competitive asset to create value for us and our stakeholders. As of April, 2024, some 2,600 of our employees were represented by a union. We believe we have a good relationship with our employees and, to date, have never been faced with a strike or significant work stoppage. We strive to attract, retain, and develop our employees, who are our main value and the core to our success.

Our recruitment and retention strategies, help us being competitive in an increasing challenging labor market. We have clear objectives and metrics guiding us in the management of our business. Recognizing equity and integrity as foundation of our recruitment processes, leveraging on the power of our diverse team, and promoting a fair and equitable workplace are key integral elements of our people strategy.

Our values are people-driven, focusing on respect and fostering positive collaboration. In line with our Code of Business and Ethics, we believe that if we all hold ourselves to the highest ethical standards, we'll see the continued growth and success of kdc/one and the development of a positive and rewarding culture. Inclusion is integral part of our company values and a defining feature of our culture. We believe that a diverse global workforce is critical to our success.



ONE Team –

Creating a more inclusive workplace (cont'd)

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Our One-Team Diversity & Inclusion Ambition

As inclusion, non-discrimination and respect are critical across all populations, whether it is our employees, customers, consumers, or communities, we cooperate with our key stakeholders to promote the same and implement meaningful progress to improve both internally and externally, engaging the communities we operate in.

Across the organization, we conduct assessments to drive a company-wide strategy that encompasses the sharing of data and best practices. Our executive team members sponsor and support key focus areas, promoting training across our organization and improvement programs, including hiring practices, equitable pay, promotion practices, initiatives to improve employee engagement and a sense of belonging.

We're investing in keeping and fostering an open dialogue within our organization, keeping regular town halls, offering tools to share best practices and newsletters to contribute to the growth of our community.

As part of United Nations Global Compact, we actively participate in their Accelerator Programs and multistakeholder roundtables, as the Observatory "Diversity and Inclusion in the workplace", as an opportunity to benchmark and learn best practices both from companies and from contributions from engaged associations, as the International Labour Organization – ILO.

We recognize the importance and benefits of having a Board of Directors and senior management team composed of highly talented and experienced individuals who value fostering and promoting global diversity. We believe that having a diverse Board of Directors and Senior Management can offer a breadth and depth of perspectives that enhances our performance.

Compensation and Pay Equity

The philosophy behind our compensation program is to provide an attractive, flexible, and market-based total compensation program that is tied to performance and aligned with shareholder interests. Our goal is to be competitive in recruiting and retaining talent through high-quality compensation practices. Our compensation guiding principles are to invest in talent and potential and reward strong performance. We are committed to fair pay and strive to be externally competitive while ensuring internal equity across our organization. We have an industry-leading compensation policy that includes (1) direct monetary compensation aimed at attracting, retaining and rewarding talent composed of a base salary and an annual performance bonus; (2) indirect monetary compensation aimed at employee satisfaction, composed of group benefits, paid time off and retirement savings plans; and (3) indirect non-monetary compensation aimed at creating an engaged workforce, composed of a recognition program and career development and advancement opportunities. We are conducting global pay equity assessments and compensation reviews, and we are actively working to improve our hiring practices, performance reviews, and career development opportunities to eliminate unconscious bias that could contribute to pay inequities.

Philanthropy and Citizenship

As international company, with global presence in many different countries, we recognize the importance of the communities we work and live in and focus on making a positive impact for our people, environment and society. We support local communities by relying on our sites and their knowledge and understanding of local contexts needs. They can make a more lasting impact by delivering what is needed, where it is needed.

Over the past years, our sites have provided local support through hundreds of activities, sometimes with direct employees' engagement, as an important chance to enhance teams spirit, upholding our compassion value.

The efforts of our employees and teams take many different forms including financial support through donations to charitable organizations, and employees volunteering their time. We are staunch supporters of first responders, the youth in our communities, and those in need. Example of our community support include:

- Our local team in Spain, organized a donation point that contributed to the Red Cross and Cáritas to support those affected by the DANA floods.
- In Spain, we also joined the "Campaña de Juguetes Educativos" (Educational Toys Campaign) in collaboration with Cruz Roja. Through this initiative, we helped children aged 0 to 14 to receive new, educational, and responsible toys.
- In Italy , our company and employees supported Charity Donations to Lilt, with Check ups & training sessions for employees on skin cancer prevention and participated to Pijama Run initiative to sensibillize on cancer prevention and research support.
- We have provided support for the world heritage locations preservation with and arts around the world with sponsorships of FAI Museo delle Scienze and Museo di arte moderna e contemporanea di Trento e Rovereto in Italy, and the Wexner Center for the Arts in Ohio. In particular, for Science Museum, we're supporting their project to increase accessibility through tactile maps
- In US, among the organization supported, we're contributing to local services provided as recovery support to those seeking help from addiction to alcohol or drugs.

- In FY24, in Mexico, we had 3 employees recognized by the Secretary of Education and Culture of the State of Sonora for their contributions in the field of STEM.
- In Mexico, we support yearly Teleton and RedCross organization, through donations and fund raising initiatives.
- In line with our Quality Education goal, our sites implemented projects to support underprivileged schoolchildren. In the US and in Mexico yearly Scholarship donations are helping academically outstanding students continue their studies and, by supporting Secretary of Education and Culture of the State of Sonora, we're donating backpacks and school supplies to support children's education.
- In China, our employees are actively engaged through gifts for people from distressed areas, community cleaning, community sympathy, volunteer team setup, maintaining traffic order, blood donations.

Our values set the course for our employees to feel empowered and show compassion. We will continue to follow their lead and focus on improving the quality of life in the communities where we operate.



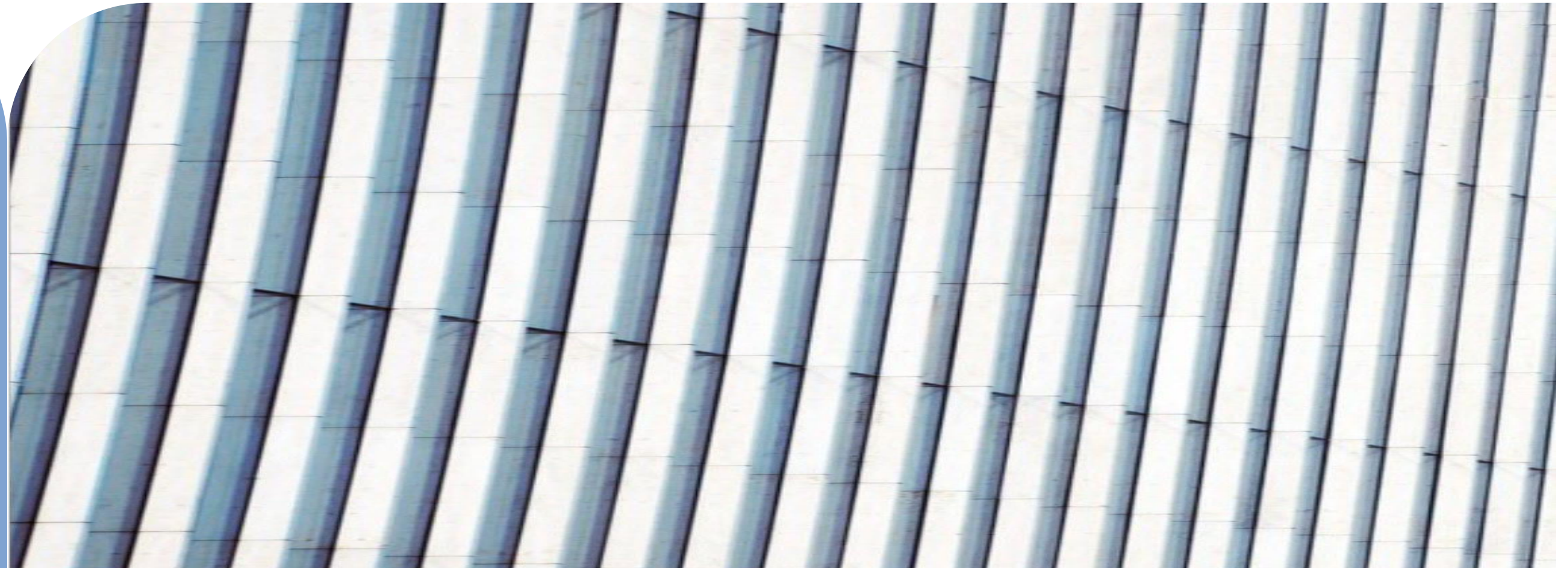
3.

Governance

Our leadership is deeply committed to the highest ethical standards and embodies kdc/one values. We recognize that acting responsibly and ensuring good governance play vital roles in our overall success, while enhancing stakeholder value. We adopt and implement Corporate governance policies and practices accordingly, looking for constant improvement.

Board of *Directors* and *Director Independence*

Our Board of Directors is composed of 11 directors, four of whom are independent directors based on their independence from kdc/one, their current and prior relationship with the principal shareholders of kdc/one, and other customary criteria relevant in determining director independence. The Board of Directors has established a governance and nominating committee in accordance with best-in-class governance practices and process oversight.



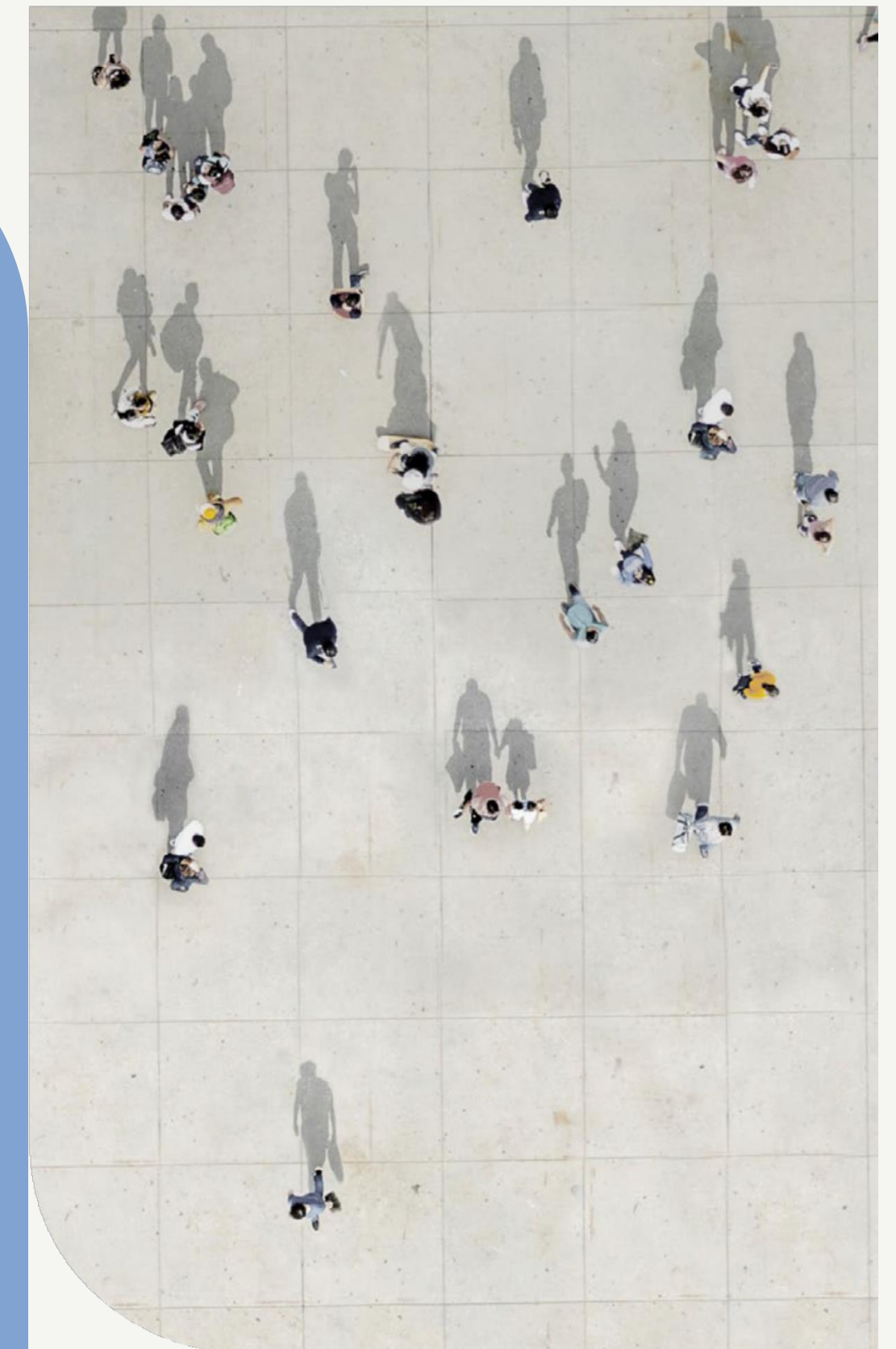
kdc/one is committed to best-in-class governance structures and processes. The governance and nominating committee of the Board assesses the independence of directors and the balance of independent and non-independent directors on the Board of Directors on a regular basis. Among other governance duties as set out in its charter, the governance and nomination committee also oversees an established process for identifying, selecting and nominating independent directors and determining executive compensation.

Board and Senior leadership *Composition*

Our commitment to diversity of talent within an inclusive environment is a defining feature of our culture. We recognize the importance and benefits of having director, executive and senior management teams composed of highly talented and experienced individuals who value fostering and promoting diversity in all its dimensions, as value creation assets for our company and stakeholders.

Our practices for the nomination or appointment of directors, executives or senior management teams underline our commitment to diversity. Currently, the Chair of the Board is a woman and four of our executive officers are women. We believe that having diverse teams across director, executive and senior management teams can offer breadth and depth of perspectives that enhance our performance. Our Board of Directors and shareholders value diversity in abilities, experience, perspective, education, gender, background, race, and ethnicity. Recommendations concerning director nominees are based on merit and past performance as well as their expected contribution to the Board's performance and to the pursuit of company values.

We anticipate that, in the future, the composition of the Board of Directors and our senior management teams will be continue to be shaped by selection criteria consistent with the above values, ensuring that diversity considerations are taken into account by monitoring the level of representation of women and underrepresented groups on the Board and in senior management positions, continuing to broaden recruiting efforts to attract and interview qualified female and underrepresented group candidates, and committing to retention and training to ensure that our most talented employees are promoted from within our organization, all as part of our overall recruitment and selection process to fill Board or senior management positions as the need arises.



Code of *Business Conduct* and *Ethics Policy*

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Our business success and the confidence and trust of our customers, investors and partners depend on our ability to foster a culture of honesty and accountability. Our commitment to the highest level of ethical conduct is reflected in all of kdc/one's business activities, including but not limited to relationships with employees, customers, suppliers, and our shareholders, and to interactions with governmental associations, the public, and other stakeholders.

kdc/one Code of Ethics applies to all employees, officers, and directors across our network and we expect same principles to be followed by our partners and key stakeholders. kdc/one Code of Ethics reiterates our existing commitment to ethics and integrity in all facets of our business and is supported by regional policies and practices. Kdc/one Code of Business Conduct and Ethics articulates the foundation for company's governing principles, culture and values.

By applying Code of Conduct and Ethics and related procedures, we foster honest and ethical conduct in accordance with applicable laws, such as the Whistleblowing Directive for European countries. We train all employees on matters of business and ethical conduct on an ongoing basis; employees must also acknowledge our Code of Ethics when onboarding, and again at regular intervals once in our employ.

We take our commitments seriously in all that we do, including implementing a culture that encourage reporting and protects whistleblowers, through our global ethics and compliance programs. We invite our employees and stakeholders to report any issues and we implement a structured process to handle observations received. Since 2021, we have a phone- and web-based reporting system, EthicsPoint, that allows employees to confidentially report any issues, to foster a work environment that promotes safety, security, integrity, ethical behavior, and collective well-being. Any report to the hotline is forwarded to our Auditing, Legal and HR teams, and every complaint is fully investigated in accordance with established protocols, including confidentiality and safeguards to protect the identity of whistleblowers. Same system is available to our stakeholders to allow reporting any issues and encouraging responsible behaviors.

Bribery and *Anti-Corruption*

As an organization, we are committed to adhering to all anti-corruption laws and regulations, and ensuring our employees do not engage in activities that put kdc/one at risk. To assure compliance with all relevant anti-corruption legislation while promoting sound business operations as required by best practices, we have committed to implementing an effective anti-bribery management system to help prevent, detect and address bribery. Our 2 Trento and Shenzhen sites are ISO 37001 certified, and our Mexican site is finalizing its certification roadmap.

This system is intended to include a comprehensive global trade sanction procedure for all operations worldwide, as well as regular checks and controls, both before and after onboarding a new customer, supplier or vendor, and sufficient contractual obligations and additional indemnification when specific circumstances justify it. System includes risk assessment for our operations and key stakeholders to help assessing the potential for incidents of corruption within and related to our organization and aims to implement policies and procedures to fight corruption in any form. Our anti-bribery and anti corruption policies have been communicated to our employees, including management and executives. Same principles are extended to our suppliers and key stakeholders. No corruption incidents were reported in FY24.



We actively participate to webinar and formative events promoted by our stakeholders. We offer our employees training paths on business ethics, integrity and antibribery principles.

Data *Privacy* and *Security*

We maintain constant vigilance with regards to cybersecurity. Our security strategy takes a risk-based approach, applying appropriate controls when necessary to respect risk tolerance. We have deployed a comprehensive set of technologies, processes and services ensuring that our information is very well protected against loss or theft. These practices include any customer and business partner’s information that it is entrusted to us. When our security posture is evaluated by independent firms, we consistently score well above industry average.

Security team	kdc/one has a team dedicated to security that is responsible for maintaining security policies and overseeing the implementation and maintenance of security controls to reduce information security risks to an acceptable level.
Risk assessment	kdc/one uses the National Institute of Standards and Technology (NIST) framework in its security approach and has committed to deploying Center for Internet Security (CIS) controls. Risks are assessed from different angles with different strategies: <ul style="list-style-type: none">• Yearly internal and external penetration testing by external firms• Quarterly automated scans of external and internal networks• NIST and CIS assessment by external firms to confirm our position
Policies	A complete set of policies was created and deployed according to Information Technology General Controls (ITGC) (governance principles). Governance ensuring compliance of these policies is in place, supported by a clear framework.
Tools to identify, protect and detect	An extensive set of overlapping and intelligent security tools enforce the security rules throughout kdc/one. These tools are constantly monitored, and alert mechanisms are in place in case of incident. All events are recorded, and their logs aggregated.
Response	The Incident Response Plan is communicated to all concerned parties and tested yearly with a tabletop exercise.
Recovery	kdc/one leverages its own international private cloud infrastructure to host its Disaster Recovery Strategy and safely store protected backups in case of possible cyberattacks. These daily monitored routines ensure that critical data may be recovered if needed.
Training	Regular training is provided to all employees with internet access to increase their awareness and understanding of procedures related to cybersecurity threats. Special security training modules are also provided to IT professionals.
Extended expertise	The kdc/one security team’s expertise is extended with specialized firms ensuring extra cybersecurity monitoring, responsiveness and expertise. These services cover both internal and external networks around the clock.

Supply Chain *Management*

We maintain a diverse supplier base and strategic relationships to ensure the stability of supply as well as leading-edge, cost-effective solutions, with relationships often built over many years.



We understand that our social and environmental impacts include not only our operations, but also the activities of our suppliers and other business partners. Environmental, social and governance factors are considered in sourcing decisions, along with quality and serviceability. We seek to improve our supply chain processes while providing proactive support to the Sales, Operations and R&D teams.

In FY24, we joined multistakeholders sustainable procurement roundtables to benchmark industry best practices and help monitoring regulatory landscape, with focus on due diligence activities.

We implemented a system to monitor and increase transport efficiency considering CO2 emission, both in selected Europe and US sites, with the goal to progressively roll it out.

We're working to further enhance our responsible procurement processes, by relying upon international standards and schemes as ISO 20400.

Using a risk-based approach, our key suppliers undergo qualification processes and audits to ensure adherence to environmental, ethical, labor, and human rights requirements. Supplier compliance with the principles stated in our Code of Conduct and Responsible Sourcing policy are an integral part of contracts. We use the EcoVadis platform to assess the ESG programs of our

key suppliers, which are taken into account on the scorecard we use to evaluate all suppliers. We have engaged more than 50 suppliers who represent 80% of our direct material expenses.

Our responsible sourcing program includes the sharing of best practices and the training of our procurement teams using various resources, including Ecovadis. We collaborate with our key stakeholders to continuously improve our responsible purchasing practices.

We strive to ensure equity and inclusion in our supply chain, by adopting policies and participating to multistakeholders activities and events. Our EthicsPoint program is integral part of our Code of Ethics and Conduct and introduced to our suppliers and partners to allow them to submit feedback so that buyers are aware of any risks or improvement suggestions.

In addition, under the UK's Modern Slavery Act 2015, kdc/one's subsidiary based in that country publishes a Slavery and Human Trafficking Statement every fiscal year, describing what steps have been taken to address the risk of slavery and human trafficking occurring in our operations or in our supply chains.

We maintain superior standards of product quality and regulatory compliance, in line with all applicable law requirements and our customers’ highest expectations. We do implement strict policies and procedures across all our manufacturing facilities, keeping as reference the most demanding internationally recognized industry standards. Our comprehensive Quality Assurance program includes product and process risk-based assessments and compliance monitoring throughout our processes to ensure operational and quality excellence.



The quality assurance organizations at our development and manufacturing facilities leverage on the highest levels of know-how and technologies to ensure the compliance of our manufacturing, packaging and testing processes with our standard operating procedures. Audits are conducted regularly by many customers and/or third-party auditors.

Our standard operating procedures ensure the safety, compliance and effectiveness of the products, from the development to the delivery, in accordance with customer specifications and industry standards. Any deviations from these established procedures are investigated immediately to determine the root cause of the deviation so that corrective and preventive action can be taken to avoid a recurrence and are subjected to a documented assessment that evaluates the potential impact of the deviation on product quality and safety.

Beside implementing systematic processes to assess consumer health and safety for our products, we have increased awareness around consumer health and safety by facilitating internal information sessions and working groups. Topics discussed include product innovation, risk prevention and management, and regulatory trends. Furthermore, we provide our consumers with all the information for a safe and correct utilization of our products and services on our webpages, including material safety data sheets.

Consistent with our long-standing commitment to people’s health and well-being, we cooperate with institutions and category associations to be at the forefront of the fast-evolving regulatory landscape. For example, this year we joined Green Economy Observatory by Bocconi University in Italy and American Cleaning Institute.

Thank you

4. *Appendix*

Appendix A - Data

(historical data updated to include recent acquisitions)

ESG Performance Indicator ^(1,2)	2019	2020	2021	2022	2023	2024
SAFETY MANAGEMENT						
Serious Occupational Injury and Illness Incident Frequency Rate (200,000 hours worked)	0.07	0.06	0.12	0.12	0.25	0,22
Occupational Injury and Illness Incident Frequency Rate Incidents (200,000 hours worked)	1.53	1.27	1.46	1.37	1.38	1,33
Employee Engagement (Number of Observations Submitted per 100 employees)	0	0.79	6.75	21.53	71.62	199
WASTE MANAGEMENT						
Hazardous Waste Incinerated/Autoclaved (tonnes)	4,582	4,285	4,534	4,286	5,155	4759
Non-Hazardous Waste Landfill (tonnes)	11,623	11,695	10,903	10,167	6,842	6860
Non-Hazardous Waste Landfill per unit (kg/kg)	0.035	0.036	0.029	0.027	0.018	0,017
Waste Recycled/Waste to Energy (tonnes)	19,449	17,336	17,305	18,420	15,799	28,079
Waste Recycled/Waste to Energy (kg/kg)	0.059	0.053	0.045	0.048	0.042	0,068
Percent Waste Recycled/WTE	53%	51%	52%	55%	57%	71%
Total Waste (tonnes)	36,409	34,150	33,450	33,707	27,796	39,698
Total Waste per Unit (kg/kg)	0.095	0.093	0.077	0.077	0.079	0,096
ENERGY MANAGEMENT						
Electrical Energy (kwh)	155,755,732	149,351,053	156,549,043	170,519,769	165,282,345	157,404,000
Electrical Energy per unit (kWh/kg)	0.41	0.41	0.36	0.39	0.44	0,38
Fuel Consumption (kWh)	93,831,355	98,475,392	103,891,524	111,851,591	113,215,093	124,785,241
Fuel per unit (kWh/kg)	0.25	0.27	0.24	0.26	0.30	0,30
Total Energy Consumption (kWh)	249,587,088	247,826,445	260,440,567	282,371,360	278,497,438	282,189,241
Total Energy per unit (kWh/kg)	0.65	0.68	0.60	0.65	0.74	0,68

1. Historical data updated to include recent acquisitions and based on data quality enhancements.
2. Safety, Energy, Water, and waste data for manufacturing and R&D operations

Appendix A - Data

(historical data updated to include recent acquisitions)

ESG Performance Indicator ^(1,2)	2019	2020	2021	2022	2023	2024
WATERMANAGEMENT						
Water M³	1,715,841	1,666,043	1,637,461	1,573,038	1,583,109	1,434,414
Water per unit m³/tonne	4.49	4.56	3.76	3.60	4.20	3,46
COMPLIANCE MANAGEMENT						
Remediation Settlements \$	0	0	0	0	0	0
Significant Spills	0	0	0	0	0	0
CARBONMANAGEMENT						
Scope 1Greenhouse Gas Emissions MTCO2E – Direct from Fuel Combustion	17,072	17,954	18,942	19,515	22,879	24,761
Scope 2 Greenhouse Gas Emissions MTCO2E – Indirect from Electrical Consumption Market-Based	62,480	61,362	153	146	910	180
Total Greenhouse Gas Emissions MTCO2E – Total	79,552	79,316	19,095	19,661	23,789	24,941
Total Greenhouse Gas Emissions per Unit MT CO2E/kg	0.208	0.217	0.0439	0.0450	0.0631	0,0602
DIVERSITY						
Governance Diversity – Women %	33%	33%	33%	33%	33%	33%
Gender Diversity – Management % Female	NA	NA	NA	41%	42%	42%
Gender Diversity % Female	NA	NA	NA	57%	56%	56%
Ethnic Diversity – Manager and Above with Ethnicity – US Only %	NA	NA	NA	NA	31%	30%
PRODUCTIONVALUE						
Bulk Produced kg	382,302,039	365,315,299	434,942,433	437,491,636	377,156,416	413,977,281
HEADCOUNT						
Head Count	6,000	8,170	11,788	11,500	10,300	11,279

1. Historical data updated to include recent acquisitions and based on data quality enhancements.
2. Safety, Energy, Water, and Waste data for manufacturing and R&D operations.

Appendix B – GRI content index

Statement of use	kdc/one has reported the information cited in this GRI content index for the period May 1, 2023 – April 30, 2024, with reference to the GRI Standards.	
GRI1used	GRI 1: Foundation 2021	
GRISTANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	kdc-one.com
	2-2 Entities included in the organization’s sustainability reporting	ESG Report, “Introduction of ESG Programs”
	2-3 Reporting period, frequency and contact point	ESG Report, “Introduction of ESG Programs”
	2-4 Restatements of information	Not applicable / First ESG Report
	2-5 External assurance	ESG Report, “ESG Structure and Reporting Relationships”
	2-6 Activities, value chain and other business relationships	kdc-one.com
	2-7 Employees	ESG Report, “Appendix A - Data”
	2-9 Governance structure and composition	ESG Report, “Board of Directors and Director Independence”
	2-10 Nomination and selection of the highest governance body	ESG Report, “Board Composition”
	2-11 Chair of the highest governance body	https://www.kdc-one.com/en/who-we-are#executive-team
	2-12 Role of the highest governance body in overseeing the management of impacts	ESG Report, “Impacts, Materiality, Risks and Opportunities”
	2-13 Delegation of responsibility for managing impacts	ESG Report, “ESG Structure and Reporting Relationships”
	2-14 Role of the highest governance body in sustainability reporting	ESG Report, “ESG Structure and Reporting Relationships”
	2-15 Conflicts of interest	ESG Report, “Board of Directors and Director Independence”
	2-16 Communication of critical concerns	ESG Report, “Code of Business Conduct and Ethics Policy”
	2-17 Collective knowledge of the highest governance body	ESG Report, “Code of Business Conduct and Ethics Policy”
	2-18 Evaluation of the performance of the highest governance body	ESG Report, “Code of Business Conduct and Ethics Policy”
	2-19 Remuneration policies	ESG Report, “One Team – Creating a more inclusive workplace”
	2-20 Process to determine remuneration	ESG Report, “One Team – Creating a more inclusive workplace”

Appendix B – GRI content index

Statement of use	kdc/one has reported the information cited in this GRI content index for the period May 1, 2023 – April 30, 2024, with reference to the GRI Standards.	
GRI1used	GRI 1: Foundation 2021	
GRISTANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio	not disclosed - confidential info
	2-22 Statement on sustainable development strategy	ESG Report
	2-23 Policy commitments	ESG Report, “Message from the CEO”
	2-24 Embedding policy commitments	ESG Report, “Message from the CEO”
	2-25 Processes to remediate negative impacts	ESG Report, “Code of Business Conduct and Ethics Policy”
	2-26 Mechanisms for seeking advice and raising concerns	ESG Report, “Code of Business Conduct and Ethics Policy”
	2-27 Compliance with laws and regulations	ESG Report, “Code of Business Conduct and Ethics Policy”
	2-28 Membership associations	ESG Report, “Message from the CEO”
	2-29 Approach to stakeholder engagement	ESG Report
	2-30 Collective bargaining agreements	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 3: Material Topics 2021	3-1 Process to determine material topics	ESG Report, “Impacts, Materiality, Risks and Opportunities”
	3-2 List of material topics	ESG Report, “Impacts, Materiality, Risks and Opportunities”
	3-3 Management of material topics	ESG Report, “Impacts, Materiality, Risks and Opportunities”
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	ESG Report, “Management of Supply Chain”
	203-2 Significant indirect economic impacts	ESG Report, “Management of Supply Chain”
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	ESG Report, “Management of Supply Chain”
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	ESG Report, “Bribery and Anti-Corruption”
	205-2 Communication and training about anti-corruption policies and procedures	ESG Report, “Bribery and Anti-Corruption”
	205-3 Confirmed incidents of corruption and actions taken	ESG Report, “Bribery and Anti-Corruption”

Appendix B – GRI content index

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GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 207: Tax 2019	207-1 Approach to tax	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 301: Materials 2016	301-1 Materials used by weight or volume	ESG Report, “Product, Packaging, and Formulation Development”
	301-2 Recycled input materials used	ESG Report, “Product, Packaging, and Formulation Development”
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG Report, “Energy Management”, “Appendix A - Data”
	302-2 Energy consumption outside of the organization	ESG Report, “Energy Management”, “Appendix A - Data”
	302-3 Energy intensity	ESG Report, “Energy Management”, “Appendix A - Data”
	302-4 Reduction of energy consumption	ESG Report, “Energy Management”, “Appendix A - Data”
	302-5 Reductions in energy requirements of products and services	ESG Report, “Product, Packaging, and Formulation Development”
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	ESG Report, “Water Management”, “Appendix A - Data”
	303-2 Management of water discharge-related impacts	ESG Report, “Water Management”, “Appendix A - Data”
	303-3 Water withdrawal	ESG Report, “Water Management”, “Appendix A - Data”
	303-4 Water discharge	ESG Report, “Water Management”, “Appendix A - Data”
	303-5 Water consumption	ESG Report, “Water Management”, “Appendix A - Data”
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	ESG Report, “Biodiversity”
	304-2 Significant impacts of activities, products and services on biodiversity	ESG Report, “Biodiversity”
	304-3 Habitats protected or restored	ESG Report, “Biodiversity”
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG Report, “Appendix A - Data”

Appendix B – GRI content index

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GRI 1 used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	ESG Report, “Appendix A - Data”
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	ESG Report, “Appendix A - Data”
	305-5 Reduction of GHG emissions	ESG Report, “Appendix A - Data”
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	ESG Report, “Appendix A - Data”
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	ESG Report, “Appendix A - Data”
	306-2 Management of significant waste-related impacts	ESG Report, “Appendix A - Data”
	306-3 Waste generated	ESG Report, “Appendix A - Data”
	306-4 Waste diverted from disposal	ESG Report, “Appendix A - Data”
	306-5 Waste directed to disposal	ESG Report, “Appendix A - Data”
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	ESG Report, “Management of Supply Chain”
	308-2 Negative environmental impacts in the supply chain and actions taken	ESG Report, “Management of Supply Chain”
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG Report, “People Strategy”, “One Team - Creating a more inclusive workplace”
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	ESG Report, “People Strategy”, “One Team - Creating a more inclusive workplace”
	401-3 Parental leave	ESG Report, “People Strategy”, “One Team - Creating a more inclusive workplace”
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 403: Occupational Health and Safety 2018	402-1 Minimum notice periods regarding operational changes	ESG Report, “Code of Business Conduct and Ethics Policy”

Appendix B – GRI content index

Statement of use	kdc/one has reported the information cited in this GRI content index for the period May 1, 2023 – April 30, 2024, with reference to the GRI Standards.	
GRI used	GRI 1: Foundation 2021	
GRISTANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	ESG Report, “Safety”
	403-3 Occupational health services	ESG Report, “Safety”
	403-4 Worker participation, consultation, and communication on occupational health and safety	ESG Report, “Safety”
	403-5 Worker training on occupational health and safety	ESG Report, “Safety”
	403-6 Promotion of worker health	ESG Report, “Safety”
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	ESG Report, “Safety”
	403-8 Workers covered by an occupational health and safety management system	ESG Report, “Safety”
	403-9 Work-related injuries	ESG Report, “Safety”
	403-10 Work-related ill health	ESG Report, “Safety”
GRI 404: Training and Education 2016	404-2 Programs for upgrading employee skills and transition assistance programs	ESG Report, “People Strategy”, “One Team - Creating a more inclusive workplace”
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Report, “People Strategy”, “One Team - Creating a more inclusive workplace”
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESG Report, “Board Composition”, “One Team - Creating a more inclusive workplace”
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESG Report, “Code of Business Conduct and Ethics Policy”

Appendix B – GRI content index

Statement of use	kdc/one has reported the information cited in this GRI content index for the period May 1, 2023 – April 30, 2024, with reference to the GRI Standards.	
GRI1used	GRI 1: Foundation 2021	
GRI STANDARD	DISCLOSURE	LOCATION
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	ESG Report, “Code of Business Conduct and Ethics Policy”
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESG Report, “Management of Supply Chain”
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	ESG Report “Product Quality”
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	ESG Report “Product Quality”
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	ESG Report, “Data Privacy and Security”

Appendix C – Data Verification Certificate

Verification Statement US25/00000172

SGS

KDC/ONE DEVELOPMENT CORPORATION, INC.

Address: 250 Pehle Ave Plaza II, Saddle Brook, New Jersey, 07663, United States of America.

The Greenhouse Gas Emissions Inventory for the year 2024 (period 05/01/2023 to 04/30/2024) has been verified in accordance with the requirements of the

ISO 14064-1:2018

For the following activities:

"Formulation, design, manufacturing and packaging of beauty, personal care, and home care products".

Total GHG Emissions:

Scope 1: 24,761.43 tons of CO₂ equivalent
Scope 2 – location-based approach: 58,262.25 tons of CO₂ equivalent
Scope 2 – market-based approach: 179.65 tons of CO₂ equivalent
Scope 3: 0.00 tons of CO₂ equivalent

Lead Auditor: Ursula Antunez de Mayolo Corzo

Authorized by

Fabio Sianga

SGS do Brasil Ltda

Av. Piracema 1341 – Galpão Horizon - CEP 05460-030, Barueri/SP, Brasil

t +55 11 2864-6555 - www.sgsgroup.com.br

ISO 14064-1

SGS

ISO 14064-1

This document is an authentic electronic certificate for Client's business purposes use only. Printed version of the electronic certificate is permitted and will be considered as a copy. This document is issued by the Company subject to SGS General Conditions of certification services available on Terms and Conditions (SGS). Attention is drawn to the limitation of liability, indemnification and jurisdictional clauses contained therein. This document is copyright protected and any unauthorized alteration, forgery or falsification of the content or appearance of this document is unlawful.

SGS

SGS was hired by KDC/ONE DEVELOPMENT CORPORATION, INC (here called "client"), located at 250 Pehle Ave Plaza II, Saddle Brook, New Jersey, 07663, United States of America, for the verification of the direct and indirect GHG emissions from agreement with the

ISO 14064-3:2019

As provided in the GHG statement in form of the inventory documented covering the Emissions of GHG of the period for the year 2024 (period 05/01/2023 to 04/30/2024).

Roles and Responsibilities

The client is responsible for the organization's GHG information system, development and maintenance of records and reporting procedures under that system, including the calculation and determination of emissions of GHG and the report of the emissions of GHG.

It is the responsibility of SGS to express an independent verification opinion of the GHG emissions as provided in the GHG statement.

SGS conducted a Third-Party verification of the GHG statement provided against the principles of ISO 14064-1:2018 and ISO 14064-3:2019 in the period of 05/01/2023 to 04/30/2024. The verification was based on the scope of verification, objectives and criteria as agreed between the client and SGS the 10/15/2024.

Level of assurance

Verification with limited level of assurance.

Scope

The client requested independent verification by SGS North America Inc of its GHG statement to establish compliance with the principles of ISO 14064 within the scope of verification as indicated below.

The data and information supporting the GHG statement have been calculated based in monitored and historical data.

This commitment includes verification of emissions from anthropogenic sources of greenhouse gases included in organizational limits and is based on ISO 14064-3:2019.

- The organizational boundary was established following the operational control.
- Title or description of activities: Formulation, design, manufacturing and packaging of beauty, personal care, and home care products.
- Location/boundaries of activities: 44 main sites (29 manufacturing / R&D sites and 15 offices). Site locations: Italy, United Kingdom, Bulgaria, Czech Republic, France, United States of America, Mexico, Brazil, Canada, China, Hong Kong, Taiwan, India, Singapore, South Korea and Spain.
- Infrastructure physics, activities, technologies, and processes of organization: Manufacturing, offices, and warehousing.
- GHG sources, sinks and/or reservoir included: this inventory includes GHG emissions Scope 1 and Scope 2 as follows:
Scope 1: Direct emissions: emissions from stationary sources, mobile sources, production processes and fugitives.
Scope 2: Indirect emissions derived from the consumption of electrical energy acquired from third parties and consumed in own operations.

SGS

- Type of GHG Considered: CO₂, CH₄, N₂O, HFC, PFC, SF₆ and NF₃.
- The information from GHG for the period: 05/01/2023 to 04/30/2024
- GHG Verification Statement users: KDC/ONE Development Corporation, Inc. and General Public.
- Exclusions: Scope 3 is not reported as the company is in the process of implementing the quantification and reporting of Scope 3 for the following years. They prepared a significance evaluation of significant indirect emissions for the organization.
- Mitigation Activities: Renewable Energy Certificates purchased for all their Manufacturing and R&D sites. Total of 156,669 MWh of renewable electricity purchased. The instruments provided are Certificates I-RECs, Renewable Energy Guarantee of Origin Certificates ("REGOs") and other proofs of origin of attributes cancelled on behalf of the organization.

Objective

The verification objective is to review objective evidence, and an independent review to determine:

- Whether GHG emissions are as stated by the organization's GHG statement.
- Whether the reported data is correct, complete, consistent, transparent, and free of errors or omissions.

Criteria

Criteria according to which the verification was carried out are the requirements of the ISO 14064:2018.

Materiality

The materiality required for verification was considered by SGS as 10%, according to the need for the GHG statement.

Conclusion

The client provided the GHG statement based on requirements of ISO14064-1:2018. GHG information for the period 05/01/2023 to 04/30/2024, containing the emissions presented below has been verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

Total emissions Verified across the organization:

Scope 1: 24,761.43 tons of CO₂ equivalent
Scope 2 – location-based approach: 58,262.25 tons of CO₂ equivalent
Scope 2 – market-based approach: 179.65 tons of CO₂ equivalent
Scope 3: 0.00 tons of CO₂ equivalent

Separately, 1,006 metric tonnes of CO₂ equivalent due to non-Kyoto gases (HCFCs)

Environmental KPI's - Data and evidence for the following environmental KPI's were also verified as additional information (separate from the GHG accreditation):

- 1,434,414 cubic meters of potable water withdrawn,
- 157,404 MWh of electricity consumed,
- 121,178 MWh of natural gas.

SGS's approach is based on an understanding of the risks associated with reporting GHG emissions and the controls to mitigate them. Our analysis included the assessment of relevant evidence, based on tests, relating to the quantities and information of GHG emissions reported by the organization.

SGS

We have performed our verification work to obtain the information, explanations and evidence considered necessary to obtain a limited level of assurance that the GHG emissions for the period of 05/01/2023 to 04/30/2024 are fairly stated.

We conducted our verification in accordance with the client's GHG statement including verification of the GHG information system, monitoring and reporting. This verification included that the provisions of the reference protocol were consistently and appropriately applied.

In SGS's opinion, the GHG statement presented:

- Is materially correct and is a fair representation of the GHG data and information, and
- Has been prepared in accordance with ISO14064-1:2018 on GHG quantification, monitoring and reporting.

Considerations and Limitations

For following years, the organization should consider quantifying and reporting the significant emissions of scope 3 (categories 3 to 6 of the ISO 14064-1:2018).

This GHG Verification Statement shall be interpreted together with the client's GHG statement.

Note: This Verification Statement is issued on behalf of the client by SGS do Brasil LTDA ("SGS") in accordance with its General Conditions for Verification of Greenhouse Gases available at http://www.sgs.com/terms_and_conditions.htm. The results recorded are based on the audit performed by SGS. A full copy of this Verification Statement, the results and the supporting GHG statement can be obtained from the client. This Verification Statement does not relieve the client from compliance with any federal, national or regional statutes and regulations or any directive issued under such regulations. Definitions to the contrary are not binding on SGS and SGS shall have no liability vis-à-vis its client beyond

kdc/one

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