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Summary of the Double Materiality Assessment Process

Between November 2025 and March 2026, Davines Group carried out a structured double materiality assessment process with the aim of identifying the most relevant impact topics for the company and its stakeholders, in line with B Lab requirements (PSG 2.3, HR 2.1, ESC 1.7) and the European Sustainability Reporting Standards (ESRS). The analysis adopted a double materiality approach, assessing both the impacts generated by the company's activities on the environment and society (inside-out perspective) and the risks and opportunities that ESG factors may have on the business (outside-in perspective).

The process began with an analysis of the company's context and positioning, including industry benchmarking, internal document review, and interviews with key company functions. The entire value chain – upstream, own operations, and downstream – was also mapped in order to identify the most relevant areas in terms of impacts and risks, ensuring comprehensive coverage of activities and relationships across the value chain.

Based on these analyses, a list of sustainability topics was defined, integrating elements from previous assessments with new areas emerging from the context and reference standards. These topics were then translated into a structured list of impacts, risks, and opportunities (IRO), classified by type (positive/negative, actual/potential), location along the value chain, and stakeholders involved. Particular attention was given to human rights, with the identification of key salient issues along the upstream and downstream value chain, including: health and safety, freedom of association and collective bargaining, human rights along the supply chain (child labor, forced labor, and inadequate working conditions), and discrimination and unequal treatment of workers.

A key element of the process was stakeholder engagement in the evaluation and identification of material topics. In particular, three distinct groups were involved: an internal cross-functional working group composed of selected members of the Global Leadership Team, who were directly involved in the full evaluation and assessment process; a representative sample of key stakeholders (including workers, suppliers, customers, investors, communities, and sustainability experts); and the whole Global Leadership Team. The results collected from these latter two groups were gathered via survey and integrated with internal evaluations, enabling the combination of technical expertise, external perspectives, and strategic vision.

Impacts, risks, and opportunities were assessed using qualitative and quantitative criteria based on severity and likelihood, following an "impact-first" approach, which starts from the identification of impacts and subsequently derives the related financial implications. The results were calculated by combining the contributions of the internal working group,

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stakeholders, and the Leadership Team, and normalized on a 0–1 scale, to build the double materiality matrix and identify priority topics.

The final results of the assessment are summarized in a table, which reports for each topic the level of relevance from both the impact perspective (effects on environment and society) and the financial perspective (risks and opportunities for the business), as well as the resulting classification as a material topic.

Materiality thresholds were defined at the 33rd percentile (≥ 0.40 for impact materiality and ≥ 0.41 for financial materiality); a topic is considered material if it exceeds at least one of the two thresholds.

TOPIC	IMPACT MATERIALITY		FINANCIAL MATERIALITY		MATERIAL TOPICS – 2026 ASSESSMENT
	Y				
CLIMATE CHANGE	0,85	Yes	0,34	No	Yes
POLLUTION	0,35	No	0,20	No	No
WATER	0,55	Yes	0,44	Yes	Yes
BIODIVERSITY	0,54	Yes	0,09	No	Yes
CIRCULARITY	0,86	Yes	0,47	Yes	Yes
OUR PEOPLE	0,60	Yes	0,61	Yes	Yes
DIVERSITY AND INCLUSION	0,35	No	0,62	Yes	Yes
HUMAN RIGHTS ALONG THE VALUE CHAIN	0,58	Yes	0,21	No	Yes
IMPACT ON LOCAL COMMUNITIES	0,51	Yes	0,82	Yes	Yes
RESPONSIBLE MARKETING AND PRODUCT QUALITY	0,31	No	0,48	Yes	Yes
RESEARCH AND DEVELOPMENT	0,39	No	0,67	Yes	Yes
GOVERNANCE AND B CORP ADVOCACY	0,41	Yes	0,51	Yes	Yes

The same values were used to construct the double materiality matrix, represented as a Cartesian chart, with impact materiality on the x-axis and financial materiality on the y-axis. The thresholds define the quadrants, where topics above the thresholds are considered material, distinguishing between topics relevant for both perspectives or for only one.

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[comfort zone]
conscious skin science



Following the process, a gap analysis was conducted against the B Lab Standards to identify any material topics not fully covered. The analysis confirmed that most identified topics are already addressed within the B Lab framework and will therefore be managed through the relevant requirements and implementation actions. However, the topics of Research and Development and Responsible Marketing and Product Quality require specific management, as they are not fully covered by the standards. In line with requirement PSG2.4, for these areas, specific targets have been defined, according to SMART criteria (Specific, Measurable, Achievable, Relevant and Time-bound), integrated into the company's strategy and aligned with the Group's 2030 sustainability objectives, and will be progressively updated once achieved.

In particular, the targets relate to:

- Research and Development: ensuring that all sustainability, performance, and safety claims associated with products developed or reformulated in 2026 are supported by scientific evidence and validated through technical and regulatory processes, in line with evolving sector regulations.
- Responsible Marketing and Product Quality: strengthening the direction of Research, Development, and Innovation streams in line with the Group's 2030 environmental objectives. In particular:
 - further improving the sustainability performance of raw materials used in new formulations developed in 2026, by increasing the share of natural ingredients,

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low bioaccumulation ingredients, upcycled ingredients, and/or those derived from regenerative organic agriculture;

- further reducing the use of virgin fossil-based materials in the packaging of new product lines developed in 2026, by increasing the share of recycled and/or renewable-source materials.