

Year 2021

Kemon has been keen on developing its business in a way that is both ethical and sustainable for quite some time now, which is why it is especially pleased to present its sustainability report.

«This report brings together Kemon's most relevant information on sustainability as well as the system of indicators we built to measure our initiatives and give them their right meaning and place in the world. In assessing what we have done, are doing and will be doing, we draw our inspiration from the UN's 2030 Agenda and its 17 sustainable development goals or SDG's.»

Francesca Nocentini
Kemon Marketing Manager

**The future will be sustainable...
or there won't be one.**

Sustainability

"You are never too small to make a difference".

Greta Thunberg

Promoting the sustainable use of resources is the simplest and most natural way to achieve the necessary harmony with our ecosystem. For this reason, we use only certified multi-utility energy produced from renewable sources. By using 100% clean energy we contribute to reducing pollution, to implementing the development of renewable energy and to reducing greenhouse gases. We source the energy requirements of our manufacturing facilities from the hydroelectric plants of the Trentino Dolomiti Energia group.

Moreover, certifying our manufacturing processes also means contributing to the achievement of the targets set by the Kyoto protocol. In fact, even though we have no obligation to reduce emissions under the EU Directive, we have nevertheless decided to offset them by purchasing credits that co-fund projects to reduce CO₂ emissions as well as projects to use renewable sources.

For each credit purchased, one ton of CO₂ is absorbed or avoided and this is traceable through a serial number.


Specific corporate investment and production decisions also fall within the context of optimising resources and corporate responsibility. We now have a special, reverse osmosis water purification system that is enabling us to significantly reduce waste and, since 2015, we have been using low-power LED lighting for our facilities.

We also made specific packaging choices to make our cosmetics more sustainable. The packaging materials, containers, labels and caps for most of our lines are made of sustainable and recyclable materials.

For our communication material and the paper components of our packaging, we are committed to using more paper from responsibly managed forests. Moreover, Kemon's offices use only Steinbeis recycled, unbleached paper. Compared to the production of virgin paper, every 500 sheets of recycled paper used saves 83% of water, 72% of electricity and 53% of the CO₂ emissions released into the environment.

It is only through careful and daily choices characterized by sustainability and ecology that we can preserve and improve our quality of life and that of future generations.

Sustainability



We have been active in the area of environmental sustainability for a number of decades now, passionately promoting many initiatives and campaigns. The sustainable *lifestyle* we have been promoting over the last few years is becoming the norm for us and inspires our actions. The actions we take in this direction are thus natural, the result of a conscious choice.

Sustainability

Sustainability Report

In September of 2015, the governments of 193 UN member states adopted the so-called “2030 Agenda”, a shared plan of action with 17 sustainable development goals or SDGs to reach by 2030.

These SDGs define the global priorities that must be addressed, inviting the action and collaboration of all governments and local actors. Therefore, the plan is also a call to responsible action for businesses, asking them to reduce their negative impact and contribute to the well-being of individuals and the planet.

The agenda clearly requires the involvement of all the components of a country's society, both in the public and private sector; the activation of research centres and universities; and raising awareness among players that have a cultural and information role in society.

The 2030 Agenda defines the way forward at a global level. It serves as a common yardstick for participating countries and is inspired by the same values that inspire our work.

This is the reason why we have decided to adopt the 2030 Agenda as our own yardstick to assess our actions to improve the environmental and social impact of our company, the results achieved, and our resource efficiency and use goals.

Our sustainability report aims to document Kemon's most relevant sustainability actions and choices, monitoring their impact and effect with a set of indicators specially designed for this purpose.

Inspired, as mentioned, by the 2030 Agenda, these choices and actions are, in their intention, perfectly aligned with several of the Agenda's goals: using the indicators enables us to measure our contribution to these global goals and to monitor our year-to-year performance and improvements.

2020 was definitely not what we would call an ordinary year. The Covid-19 pandemic has brought major changes that have also affected the cosmetics industry and, as a result, our company. The market has witnessed significant shifts, including new consumer buying choices and consumption habits. Consumers are now more focused towards products that offer a guarantee of safety and hygiene. In this context, our company showed high levels of resilience, quickly responding to the circumstances imposed by the pandemic and rebalancing its product offering. Thus, the data reported in this 2020 sustainability report were affected in many aspects by these unusual market conditions.

There are 17 Sustainable Development Goals and they are diverse and wide-ranging in nature. For the UN, sustainability implies multiple aspects associated with our future, including socio-economic aspects. This is why we find ending hunger and poverty at the top of the list. Due to the specific nature of our business, we obviously can't contribute to every goal. However, out of the 17 SDGs, we are definitely doing our part in 8 of them, shown in bold.



No poverty



Zero hunger



Good health and well-being



Quality education



Gender equality



Clean water and sanitation



Affordable and clean energy



Decent work and economic growth



Industry, innovation and infrastructure



Reduced inequality



Sustainable cities and communities



Responsible consumption and production



Climate action



Life below water



Life on land



Peace, justice and strong institutions



Partnerships to achieve the goals



Economic and social dimension

Economic and social indicators aim at measuring our impact on society in terms of equality, growth and safety of individuals and non-discrimination, touching upon SDGs no.3, 5, 8 and 16.

At Kemon, we promote and support equal opportunities based on merit, fostering women's empowerment and eliminating any form of discrimination. In addition to the indicators below, 26 workers were permanently employed over the last three-year period.



11.7 hours/year
x person

934 hours/year
STAFF TRAINING

In the 2018-2020 three-year period, the company continued to invest in the professional growth of its human resources.

The number of women on staff, many in management positions, is the most concrete evidence of gender equality in our workforce.

GENDER EQUALITY



51% women
49% men



Environment and resources dimension

Environment and resources indicators monitor our environmental impact from multiple angles: use and savings of energy resources, emissions, *corporate policies* and choices, and water and packaging management.

The indicators collected all contribute to the 2030 Agenda SDGs that are most relevant for the environment and climate, more specifically SDGs no. 3, 12, 13, 14, 15 and 16.



100%
OFFSET OR AVOIDED EMISSIONS
903 tCO₂ = 1280 trees

Our emissions depend mainly on two energy sources: electricity and methane gas. On the subject of electricity, we have avoided 100% of emissions by using renewable energy sources. In terms of methane gas, with voluntary adherence to the Kyoto protocol, we fund environmental offsetting projects aimed at bringing our use back to zero-impact level. So in actuality, the totality of our emissions - 903 tonnes of CO₂ - are avoided or offset. That's equivalent to the work done by 1280 trees in one year.



85% PRODUCTS WITH NATURAL INGREDIENTS

Proof of our commitment towards increasingly cleaner and *greener* beauty products is in the way we develop our formulas:

- 85% of our products contain natural ingredients; out of this 85%, more than half has been certified to natural standards (Vegan, Cosmos Organic, etc.).
- Over 50% of research and development projects are in the organic and natural area and this percentage has been growing steadily over the last few years.



-21% WATER CONSUMPTION PER PRODUCT

In 2020, we saved enough water to fill 4.5 million 1-litre water bottles. In the 2018-2020 three-year period, we witnessed a decreasing *trend* in water consumption per kg of product.



-10% ELECTRIC ENERGY CONSUMPTION PER PRODUCT

In 2020, we saved enough energy to travel the legendary US Route 66 300 times with an electric vehicle (C-segment).



44% ELECTRIC OR HYBRID VEHICLES

Sustainable mobility is on the rise. And Kemon stands by its commitment to increasingly choose mobility options that are respectful of the environment.

In 2020, 44% of the vehicle fleet was hybrid (it was only 15% in 2015) and we are looking to improve more in this area.



-30% PRODUCT PACKAGING

Packaging is and will continue to be an important challenge for a *greener future*. This is why we are constantly at work to find sustainable packaging solutions to minimise our impact on the environment - be them plant-based, recycled or 100% recyclable. In 2020, also thanks to the different mix of products sold due to the pandemic, we cut the packaging used per kg of product by 30%.



-33% WASTE PER PRODUCT

Over this last year, also due to changes associated with the pandemic, waste from our manufacturing processes decreased by as much as 33% per kg of product.

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