Sustainability Policy



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1. Introduction

Allegrini S.p.A. (hereinafter also referred to as "Allegrini" or the "Company") is a leading company in Italy in the production of professional detergents and cosmetics for the hotel sector, on the market since 1945 with solutions that respect the environment thanks to a green philosophy applied to all stages of the process.

The target sectors for the respective divisions are as follows:

- The Professional Cleaning Business Unit serves the hotel sector, the automotiverelated sector, including car washes and workshops, professional laundries, the health and hospital sector, the zootechnical sector including the entire agri-food chain, commercial and collective catering, marine transport companies, leisure boating and the safety sector.
- The Cosmetics Business Unit produces and supplies standard and luxury courtesy
 lines both under its own name and on behalf of private labels, addressing the entire
 hotel sector, as well as cosmetics and room fresheners, including for the wellness
 sector.

In 2017 the Company also launched its own retail line, Hemp Care, produced with a high proportion of natural ingredients.

Allegrini S.p.A.'s products are sold in more than 47 countries worldwide.

Quality, Innovation, Sustainability, Competence, Service and Passion are the core values that lie at the centre of the company mission, in order to offer the best solutions for cleaning, hygiene and comfort, constantly committed to client satisfaction and loyalty.

The range of services offered by the Group are complemented by consultancy, training and support, valorising each product line; formulated with a focus on the needs of the client and the designing in laboratory of tailor-made proposals that are made entirely in the plant located in Grassobbio, Italy.

The sustainability of the production chain is guaranteed by company history. One of the first companies in Italy to produce biodegradable detergents, Allegrini carries forward its original values by promoting a "green" future for new generations, implementing scrupulous choices in terms of respect for the ecosystem. The Company has received a number of forms of recognition including the Amica dell'Ambiente Innovation Award from Legambiente, which was assigned in 2001 for the Casa Quick Project, the distribution service offering the home delivery of domestic detergents without the need for additional packaging.



Sustainability has always been an integral part of Allegrini's corporate identity, and the Company has been consistently committed to seeking out innovative solutions in its production processes and in its relationships with clients, suppliers and collaborators in order to develop its business with respect for the environment and for people's health and safety, adopting a respectful approach to the community in which it operates and satisfying the demands of its stakeholders. These demands are now more important than ever, particularly in consideration of the health emergency caused by the COVID-19 pandemic.

The company promotes a culture of Sustainability along the entire value chain:

- First and foremost, with regards to the production process and the plant in which
 this takes place, as well as via the development of initiatives, partnerships,
 collaborations and training aimed at guaranteeing the well-being of people and
 the community and respect for the environment through governance processes
 that guarantee transparency and proper management.
- In the design and development of products with low environmental impact, such as those from the Dplanet cosmetics line and the line of Ecolabel-certified products, as well as supporting its clients with innovative and personalised solutions that protect the environment while maintaining high quality standards, such as an innovative professional system for the dilution of detergents and relative technical assistance, allowing for a considerable reduction in waste in terms of product and packaging.

2. Area of application and recipients

Allegrini's Sustainability Policy is applicable to company employees, collaborators, agents and executive management, and more in general to those acting in the name of and on behalf of the Company.

This Policy is rendered available in full within the Company and externally via the website www.allegrini.com and on the most important social network platforms.

3. Roles and Responsibilities

This Policy has been drawn up by Allegrini's Sustainability Manager, Elena David, with the support of an external consultancy firm.

All related company functions were involved in the preparation of the content, in order to ensure the clear definition and sharing of the Company's priorities, goals and commitments.



The document has been approved by the Allegrini Board of Directors in compliance with the internal process for the validation of company policies and in its role as an organisational function with responsibility for company coordination and management. The Policy will be revised on an annual basis and, when necessary, modified in accordance with the issuing of regulatory updates, organisational changes (including internal reorganisation, changes in company processes and in business activities) and following the update of materiality assessment. The updated document will be submitted for approval and validation to the Allegrini Board of Directors.

4. Context

Allegrini's Sustainability Policy has been drawn up with consideration for the main related initiatives and guidelines issued on both an international and national level and on the basis of those adopted internally, such as:

- the UN's 2030 Agenda, with a view to selecting from the 17 Sustainable Development Goals (SDGs) those with which the Company wishes to align in order to develop its own sustainability mission and commitments.
- The GRI reporting standards as a reference tool for the identification of important issues and for the development of performance indicators aimed at measuring and monitoring the reaching of its own sustainability goals.
- Allegrini's Code of Ethics.
- The organisational, management and control Model pursuant to Italian Legislative Decree 231/2001.

5. Allegrini's priorities

Environment

- Product design and lifecycle: Favour the purchase and use of raw materials with low environmental impact and, where possible, use recycled materials. Focus attention on product design and packaging, as well as manufacturing processes and final disposal with a view to minimising the use of resources and materials and the generation of waste.
- Water resources: The responsible use of water in production and processing, favouring its recovery and reuse.
- Waste: Favour the reuse of packaging materials and plastic containers in order to minimise the generation of waste both from the production process and by the end user, and increased control of methods for collection, sorting and disposal.
- Energy: Favour the use of renewable energy and promote energy-efficiency initiatives within the Company plants.



- Environmental compliance: Ensure that environmental regulations applicable to Allegrini, as well as other guidelines adopted voluntarily are applied, communicated and respected within the company.
- Emissions into the atmosphere: Reduce greenhouse gas emissions through the increased use of energy from renewable sources, through an increase in energy efficiency throughout the entire production process and the compensation of CO2-equivalent emissions deriving from the transportation of waste.

Social

- Research and development: Promote research and development initiatives for the creation of ever-more innovative and sustainable products, increasing the use of human and economic capital to this end.
- Diversity and inclusion: Equity in recruitment and internal growth processes, equal pay, more sustainable working conditions and equal opportunities.
- Consumer safety: Constant attention for the safety and quality of consumer products.
- Health and safety of workers and workplaces: Guarantee workers a healthy and safe working environment in compliance with relative regulations as well as with a view to favouring employee well-being in the workplace.
- Valorisation of talent and development of human capital: The importance of human resources through the attraction of new talent and the valorisation of employees through performance assessment processes and incentive programmes.
- Training and information for employees and clients: The development of a training programme aimed at the development of resources and at providing support for clients in the sustainable use of products sold.
- Human rights: An increase in awareness and knowledge of human rights issues within the organisation and in working practices through specific training and the integration of those issues into supply assessment processes.
- Relations with local communities: The creation and maintenance of partnerships, initiatives, donations and sponsorship programmes aimed at making an active contribution to the well-being and development of the local community.

Governance

 Responsible procurement: A focus on environmental, social and governance criteria in processes for the selection, assessment and maintenance of relationships with suppliers with a view to fostering ever-increasingly responsible, transparent and aware procurement.



- Fight against corruption: Active and passive prevention of corruption through specific training and through guidelines for behaviour and control pursuant to Italian legislative decree 231/2001.
- Ethical and anti-competitive behaviour: Promote ethical forms of behaviour aimed at fair competitiveness on the market.
- Innovation and efficiency in production: Guarantee the continuous pursuit of innovation and digitalisation in infrastructure and flexible working methods.
- Transparency and communication: Implement internal and external channels of communication characterised by transparency, reliability and quality.

6. Sustainable Development Goals

For the development of its own sustainability goals and for the drawing up of this Policy, Allegrini has decided to align with the UN's 2030 Agenda, identifying 9 of the 17 Sustainable Development Goals on the basis of the results from the process analysis and a Materiality Assessment. The goals have been chosen in consideration of the three ESG dimensions (Environment, Social and Governance) and the material issues identified through the materiality assessment carried out.

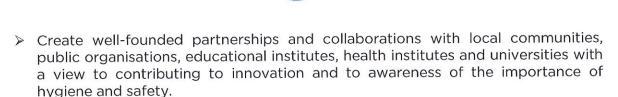




7. Allegrini's commitments

- > Aim for the responsible use of raw materials and packaging, also through an investment in resources for the innovation of company processes and research & development, promoting digitalisation, the reuse of materials and the development of products with low environmental impact in order to offer the market innovative and environmentally sustainable solutions.
- > Adopt solutions aimed at a substantial reduction in pollutants and the recovery and reuse of water resources in manufacturing processes.
- > Aim for a reduction in the production of waste through the reuse of plastic materials and packaging and their correct disposal, involving all company processes and sites and providing reuse solutions for its clients and consumers.
- > Reduce direct and indirect greenhouse gas emissions through the use of renewable energy, actions aimed at improving energy efficiency in production processes and compensation of CO2 equivalent emissions deriving from waste transportation.
- > Guarantee full compliance with applicable environmental regulations through the adoption of management systems structured for the overseeing and monitoring of said aspects with a view to continuous improvement of environmental performance.
- Implement programmes for the development of Company human capital, contributing to a working environment based on inclusivity, gender equality and the valorisation of people through talent recruiting programmes, incentives for personnel and high-level professional training.
- Provide Company employees with increasingly safe and healthy workplaces, guaranteeing the health and the well-being of people through a form of management that focuses on continuous improvement and flexible working methods.
- > Guarantee its clients the principle of health and safety through the manufacturing of products with elevated safety and quality standards, the carrying out of controls on company processes through the efficient and timely management and resolution of any cases of nonconformity and providing specific training on the sustainable use of the solutions on offer.
- Promote the responsible procurement of resources both in terms of the ecological sustainability of raw materials and semi-finished products and in terms of attention to social, environmental and governance criteria in the selection and assessment of suppliers and in the consequential relationships with them, also through the carrying out of auditing activities for the most strategic suppliers, and increasing awareness among its employees on the issues of human rights, also through the providing of specific training.





- > Contribute to the development of local communities through social initiatives, donations and sponsorships, in order to create a positive impact on local stakeholders.
- Promote business activities that are conducted with respect for the principle of fair competition on the market, implementing actions to contrast active and passive corruption and through specific training programmes, internal reporting systems, dedicated policies and guidelines and efficient channels of communication.
- > Integrate ESG risks into the Company risk management systems with a view to guaranteeing resilience and continuous improvement for the Company both in the short and the long term.
- > Guarantee the transparency, reliability and quality of the information provided to its external stakeholders.

Grassobbio, 15/12/2021

Chief Accutive Officer

