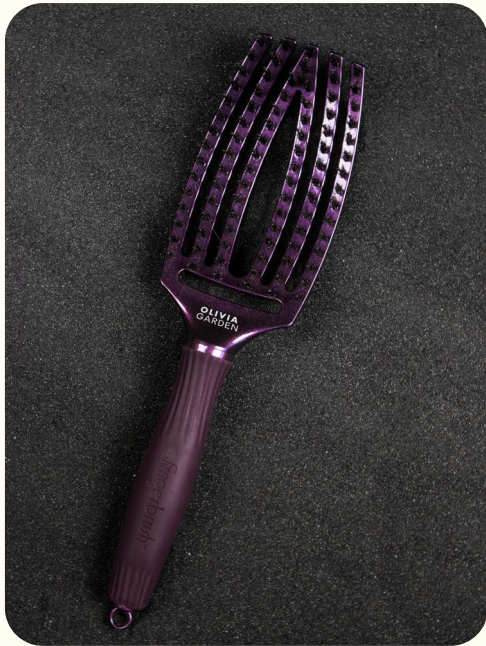


2022 Sustainable Development Report

by Olivia Garden Europe



Make hairdressing be (sustainable) forever

We are dedicated to creating, developing, manufacturing, and delivering innovative solutions that aim to enhance the lives of hairdressers. Our mission is clear and ambitious: Make hairdressing be forever.

We believe that hairdressing is much more than just a profession; it is an art that influences everyone's confidence and self-esteem. That's why we strive to offer superior quality products, making the work of hairdressers easier, while making hairdressing experiences more enjoyable for customers.

We are committed to putting these wellness principles into practice and going well beyond. For hairdressing to be forever, the earth must remain a pleasant place to live. With this in mind, we are committed to a sustainable development strategy so that social, environmental, and economic aspects are put on an equal basis.

We are proud and delighted to offer you our first sustainable development report in order to take stock of our progress, challenges and objectives through three pillars: maximizing long-term value, producing sustainably, developing sustainability together with hairdressers, colleagues, external partners, etc.

SUMMARY

The message from the CEOs	4
Make hairdressing be forever	5
Who are we?	5
Our purpose	6
2022 in brief	8
Our sustainable development approach	9
Our commitments and achievements for 2022	14
Maximizing long-term value	14
Producing sustainably	17
Developing sustainability together	20
Methodological note	26
Relevance methodological note	26
Stakeholder inclusion note	28
Carbon footprint completion note	31
The closing message	32

This report marks an important milestone as the first official publication of our sustainability achievements and commitments. It aims to share the progress of Olivia Garden Europe and to highlight our main challenges regarding our sustainable development topics. It covers all Olivia Garden Europe activities for the year 2022, thus defining our priorities and our vision for the years to come.

Although this is our first official report aimed at the public, we have already undertaken many actions towards sustainability in the years leading up to 2022. Therefore, this report also incorporates relevant information from previous years, which contribute to an overall understanding of our approach and the level of maturity already reached by Olivia Garden Europe. This report is written with reference to GRI reporting standards without aiming for compliance.

We are also pleased to announce that the next publication, planned for end of the year, will highlight Olivia Garden Europe's sustainability achievements and performance for the year 2023. All our publications are accessible on our website: www.oliviagarden.eu/en

Olivia Garden Europe is at your disposal for any request for additional information regarding our approach. Do not hesitate to contact us at the following address: marie@oliviagarden.eu



The message from the CEOs

Navigating Change with Purpose at Olivia Garden

Ever since Olivia Garden Europe planted its roots back in the vibrant 1960s, we've been on a journey of constant evolution and change, always striving to look one step ahead. We might be a pioneer in hair tools, but we also see ourselves as innovators with a vision that extends beyond the present, driven by our purpose: "Make Hairdressing be Forever." Our journey has been nothing short of inspiring, and it's our pleasure to now look ahead with the first CSR Report of Olivia Garden Europe.

When finding our purpose, it became already clear to us that providing today's hair tool solutions is resulting in noncircular waste. To "Make Hairdressing be Forever" we commit to both providing solutions that actually work and are long-term viable.

Our approach starts with stating what is: today we need virgin plastic that results in waste that is hard to recycle. On top our solutions are mostly produced in Asia which results in logistical pollution. Our reasoning of the past was "serving great products at an affordable price". This is just not enough to provide our customers a solution for tomorrow. We are starting from there when envisioning what is to come, like in this report.

To us, Olivia Garden Europe represents more than a brand for hair tools. It embodies a commitment. A pledge to our incredible team, our cherished customers, and the planet we all inhabit. Our CSR report captures our vision, challenges, accomplishments, and aspirations. As you leaf through its pages, we hope you sense our pride, dedication, and the fire that fuels our transition to a more sustainable future.

Let's create a future where beauty and responsibility coexist harmoniously.

Warmest regards,

Kai Ziekursch & André Harms

General Managers of Olivia Garden Europe





Make Hairdressing Be Forever Who are we?

At Olivia Garden Europe, we have defined a few principles that govern the way we operate:

Hairdressing is not just a craft. It's an art.

As a hairstylist, you are an expert in creating beauty. Your passion lies in the satisfaction you bring to your customers. You observe it every day when a smile lights up the face of your customers. You are a passionate artist, and you like to express yourself through hairstyling. For this, you need great tools you can rely on. Spending too much on tools that aren't worth it? Not with Olivia Garden Europe.

We share a great value with hairdressers: We love hairdressing!

We listen carefully to our customers' feedback, using our tools in salons around the world for over 50 years. We are proud to return the favor by helping hairstylists achieve exceptional hair results. With the right tools, hairdressers satisfy their clients more easily, gain self-confidence and obtain the recognition they deserve.

Hairdressers trust Olivia Garden because our high-quality tools are not only innovative and reliable, but also beautiful and original, to highlight the hairdresser's personality.

We believe that nothing should ever come between the hairstylist's imagination as an artist and the result they can achieve with hair. For this, the hairdresser cannot accept any obstacle, such as a poor-quality product that does not live up to his creative capacity.

By choosing an Olivia Garden tool, he feels confident and supported in his passion: creating everyday beauty. He uses a tool created by professionals for professionals.

Through our passionate work, we are proud of the fact that so many hair artists say when talking about their Olivia Garden brush, scissors, or accessory: "It's my favorite tool!".



Our purpose

Our purpose: MAKE HAIRDRESSING BE FOREVER

At Olivia Garden Europe, we work to make hairdressers protagonists on a healthy planet. By 2030, we will equip 1 million hairdressers with solutions that are long term viable both for their profession and for the environment.

The problem:

- Being a hairdresser can be a rewarding profession with enduring economic prospects and a relevant role in society. Unlike other manual jobs disappearing because of machine automation, hairdressing could be an everlasting human art.
- Yet, the sector struggles to improve its image and attract high-quality young people because of long work hours and the stigma that the profession is not valued as it should be. Moreover, hairdressing has a large environmental footprint, which in light of the climate crisis may make the profession further unattractive and obsolete.
- As the world faces the biggest environmental crisis of our lifetime, people increasingly believe companies should take responsibility and do more. Industries like hairdressing have a major influence, and an even larger role to play to solve it.
- Standing (literally) at the crossroads of trends and people's needs, hairdressers can play a pivotal role, transforming the environmental footprint of the industry and elevating the attractiveness of the profession.

Why Olivia Garden Europe?

- As a company for professionals, we stand on the hairdressers' side. Listening and creating solutions for their everyday challenges while ensuring long term growth for the sector.
- Disruption and change are in our DNA. Since our foundation in 1967, we revolutionized multiple times our business to precede trends and cater to the category's needs.
- The team at Olivia Garden Europe feels responsible to equip hairdressers with the best tools to succeed in their job while respecting the planet despite the current reality that tools still don't fully respect the planet.

What's in it for Olivia Garden Europe business partners and customers ?

- Working with Olivia Garden Europe, you will be recognized for your quality, excellence, and as a professional that cares about society as a whole.
- You will get to know emerging trends, new talents and get inspired from their actions.
- You will tap into new pockets of growth and attract new customers.
- You will reconnect with those around you to build a proud and inclusive Hairdressing community.





The journey to our purpose

DO

What activities will generate Olivia Garden Europe desired Social and/or Environmental impact?

- A longevity range & a circular workstream
- Regenerative product development
- Nearshoring the production

LIVE

What activities will enrich Olivia Garden Europe internal values and promote them externally?

- Engage with the hairdresser's community
- Live the purpose internally in every step of a process or decision

SAY

What activities will communicate and engage in dialogue Olivia Garden Europe purpose?

- A 360° purpose campaign
- The longevity narrative
- Create excitement with the regenerative new product developments.

2022 in brief

18,807,806 €
of turnover

108,735 €
of donation to charities

31
employees

89%
of virgin plastic in our packaging

43%
of digital self-service orders

0.6%
of recycled raw materials
into the products

13%
of renewable energy
on our Head Quarter in Belgium

2
events dedicated
to hairdressers



Our sustainable development approach

Our overall approach

Our objective, through this first sustainability report, is to give the reader an overall view of our concrete actions, and to enlighten them on the challenges that await us for the years to come.

We also want, through our roadmap, to be able to share our ambitions for the future. Sustainability, both on the human and environmental aspects, is an approach that we have been pursuing for many years, internally and within our profession, without writing it in black and white. This is why we wanted to apply a clear methodological framework to be able to clarify our statements and evaluate them as best as possible each year.

The very first step when writing this report was the identification of our strategic and relevant topics about sustainable development. This identification stage allowed us to identify 7 strategic and relevant topics, which we grouped into 3 major themes. Each topic contains precise numerical objectives and each topic is directly linked to one or more of the 17 United Nations Sustainable Development Goals.

#1 Identification of themes

- Sector benchmark (suppliers, customers, partners).
- Sector financial materiality defined by SASB Standard.
- Brainstorming with management.
- Collaborative workshops including all staff.

#2 Identification of significant economic, social, and environmental impacts of activities

Assessment of the positive and negative impacts of our entire value chain based on the 17 Sustainable Development Goals, in close collaboration with the independent expert firm Smart2Circle.

#3 Analysis of the importance of significant economic, social, and environmental impacts of activities

Assessment by management of the importance of topics based on their current or potential level of impact on the activities and sustainability of the company. Organization of workshops with staff members to gather their points of view on sustainable development topics for Olivia Garden Europe.

#4 Development of performance indicators and selection of quantified commitments for the future

Search for quantified indicators for each relevant topic, and decision on precise quantified commitments for each of the relevant topics with management.

For more information on this process, do not hesitate to consult the section "Relevance methodological note (page 26)".

List of relevant topics



Developing sustainability together / with our people

- Empowering hairdressers community
- Happiness and wellbeing at work
- Partnership for the future



Maximizing long-term value

- Corporate governance
- Sustainable growth



Producing sustainably

- Conscious supply chain
- Decarbonisation of our product life cycle



SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) define the five main pillars of sustainable development: people, planet, prosperity, peace, and collaboration.

They serve as “universal compass” to guide towards a better world for all human beings. They call on all levels of power and types of organizations around the world to commit to sustainable development and to mobilize resources to contribute to it. The SDGs have become a reference for implementing sustainable development actions in businesses.

THE “ 17 SDGs” were adopted in 2015 by all United Nations Member States as part of the 2030 Agenda for Sustainable Development. Each SDG is crucial, and they all are interconnected.

When developing our sustainable strategy and roadmap for 2030, we referred to this international framework three times:

1. To assess our positive and negative impacts along our value chain.
2. To check the relevance of our internal topics; if our priority SDGs are not aligned with our identified topics, this means that important impacts have been overlooked.

OUR priority SDGs

Here is the list of SDGs considered as priorities for Olivia Garden Europe. The detailed analysis is available at the point “Relevance methodological note (page 26)”.



We contribute positively to this objective regarding our offices and warehouse in Belgium. However, the production of our products takes place in Asia. Despite our efforts to have complete traceability of our value chain, we do not have the certainty that our entire value chain is not subject to poverty.



Olivia Garden Europe generates sustained employment opportunities for both Belgian and Asian workers, both directly and indirectly. However, the absence of transparency in the value chain raises concerns about the assurance of decent work for all employees, particularly those situated at a distance.



Olivia Garden Europe has positive impacts on health and wellbeing by providing products that make hairdressers and clients feel good and improve their mental health. We are also attentive to the wellbeing of our employees. Nonetheless, during the production phase, the use of chemicals is employed, potentially leading to adverse effects on water, air, and soil. It exists a potential risk within our value chain that could impact the conditions conducive to good health and wellbeing at production sites.



Olivia Garden Europe’s products are crafted with durability in mind, and efforts are underway to enhance their circularity and eco-design, although these initiatives are not yet fully realized. Our supply chain, while globalized, currently lacks the transparency necessary for responsible production. The full details of the means of production are not currently known or transparent.



Olivia Garden Europe positions itself as ambassadors of the hairdressing profession. This role encompasses the dual responsibility of providing training and information to hairdressers, enabling them to enhance their craft, while also engaging in the important task of informing and raising awareness among the general public about the significance of hairdressing and the societal value that hairdressers bring.



All our operations contribute to the emission of greenhouse gases, especially during the production of our products, resulting in adverse effects on Sustainable Development Goal 13. Recognizing the need to mitigate this impact, Olivia Garden Europe has conducted its inaugural carbon assessment for the reference year 2021.

Our roadmap

	Relevant topic	Objective	Target	KPIs
MAXIMIZING LONG-TERM VALUE	Corporate governance	100% of transparency rate	2027	Transparency Rate: Percentage of products sold for which we have complete origin information
		100% of our 1 + 2 tier product supplier have answered our internal questionnaire	2025	% of our 1 + 2 tier product supplier who answer our internal questionnaire
	Sustainable growth	0% of Air shipments for our products (samples excluded)	2027	% of Air shipments for our products (samples excluded)
		Reduce the days inventory on hand by 5%	2025	% of the days inventory on hand
SUSTAINABLY PRODUCING	Conscious supply chain	100% audited boar suppliers	2025	% of audited boar suppliers
		30% of recycled raw materials into the products	2028	% of recycled raw materials into the products
		0% of virgin plastic in our packaging	2028	% of virgin plastic in our packaging
		80% of product related suppliers are audited on CSR topics (program to be defined)	2025	% of product related suppliers are audited on CSR topics (program to be defined)
	Decarbonization of our product life cycle	10% of sold products produced in Europe	2026	% of purchased products produced in Europe
		25% of sold products produced in Europe	2030	% of purchased products produced in Europe



	Relevant topic	Objective	Target	KPIs
DEVELOPING SUSTAINABILITY TOGETHER	Empowering hairdressers' community	50 students benefiting from (financial) support for their studies	2026	# of students benefiting from (financial) support for their studies
		25% of our events are dedicated to hairdressers	2025	Number of events dedicated to hairdressers
		60% of social media posts featuring hairdressers	2025	% of social media posts featuring hairdressers
		Each month, conduct educational initiatives for hairdressers	2025	Number of educational initiatives for hairdressers (trainings, webinars)
		80% of satisfaction rate of our educational program	2025	Satisfaction rate of our educational program
		1,000,000 hairdressers equipped with our products	2030	Number of hairdressers equipped with our products
	Happiness and wellbeing @work	Less than 10% of the total FTE are in temporary contract	2025	# of employees in temporary contract
		Illness rate below 7%	2025	Illness rate
		Illness rate below 5%	2028	Illness rate
	Partnership for the future	Have 5 industry partnerships to promote the hairdressing profession	2026	# of industry partnership to promote the HD profession

Our commitments and achievements for 2022

MAXIMIZING LONG-TERM VALUE

Olivia Garden Europe is dedicated to achieving sustainable growth through profitable operations. We address critical topics such as digitalization and transportation while prioritizing corporate governance. Our focus on transparency, integrity, and accountability aims to build trust and credibility within our value chain.

Sustainable growth

To ensure sustainability and to keep sustainable growth in mind for the company, Olivia Garden Europe is continuing operational excellence by addressing essential economic topics such as digitalization and transportation.

Corporate governance

At Olivia Garden Europe, transparency across the entire value chain is of utmost importance, and governance is at the heart of our concerns. We believe in being open and honest about our operations and processes, and we strive to maintain high standards of integrity and accountability. By prioritizing transparency and governance, we can build trust and credibility inside and outside Olivia Garden Europe.



Maximizing long-term value



Key figures 2022

Sustainable growth

Olivia Garden Europe benefits from solid financial health, marked by significant growth in its turnover, which reached 19 million euros in 2022. In just two years, this figure has almost doubled. This financial success stems from our strategy focused on expansion, although we have not yet adopted a comprehensive cost containment approach. Thus, it becomes imperative to structure our processes and improve our management.

At the heart of our success is our flagship product, the Fingerbrush, which is growing in popularity and is regularly presented in special editions. However, although these limited editions are very successful in pre-ordering, some have been integrated as regular products.

We are continuing our growth by optimizing our operations, through the implementation of digitalization. Our teams already utilize various tools such as Teams, Miro, Wrike, Power Bi effectively, but we anticipate improvements, particularly in order management. In addition, our warehouse is now equipped with a new inventory management system (WMS) to increase our operational efficiency.

Logistically, we introduced the Flexport platform to centralize our orders. However, it should be noted that the period of the pandemic has led to increases in transport costs, thus giving rise to reflections on a possible relocation to Europe, with the aim of guaranteeing a stable supply.

Concerning production, we closely monitor deadlines and parameters to ensure fast and efficient logistics. In 2022, however, we encountered challenges related to significantly extended production lead times, going from 2 months of production and 2 months of transportation to lead times of up to 8 months for similar goods. These production and transport parameters are crucial for our activities, and we are actively exploring ways for optimization to guarantee our sustainability.

Finally, our exceptional performance in the sector is confirmed by our third consecutive selection at Trends Gazelle, a prestigious recognition in the Walloon region, where we reached 14th place among the 100 medium-sized companies chosen. The Trends Gazelle nominations recognize companies each province that demonstrate significant growth. This attests to our continued growth and our ability to meet the challenges presented to us in an ever-changing world.

As part of our strategy for sustainable growth, Olivia Garden Europe is committed to becoming a certified B Corporation by 2025, recognizing the value of sustainable development and the excellence of the B Corp standard in promoting environmental and social responsibility.

Corporate governance

In recent years, Olivia Garden Europe has undergone significant transformations. In 2022, we initiated a restructuring of our governance practices with the goal of enhancing transparency and engagement throughout our organization.

Since 2022, we have instituted regular meetings with our shareholders, accompanied by accessible meeting minutes for all employees. This approach ensures complete transparency regarding discussions and decisions made during these sessions.

On a monthly basis, the "All Hands meeting" serves as a way to share comprehensive updates about Olivia Garden Europe, including monthly and yearly figures, new products, upcoming projects, and more. These meetings are

inclusive, fostering a climate of organizational wellbeing among our entire team. Simultaneously, the introduction of OGSA (Olivia Garden Strategy Alignment) facilitated discussions between shareholders and the management committee of the Liège site, covering strategic priorities, short-term strategies, potential challenges, and the definition of objectives and key results (OKR) for the upcoming periods.

Every quarter, off-site workshops are conducted to revisit our goals at both team and individual levels. These sessions reinforce our shared governance model, allowing everyone to shoulder responsibilities and contribute personal value. Subsequently, these objectives are communicated to our colleagues, providing some with the opportunity to become the "Owners" of these objectives, taking on the responsibility for achieving them over the next three months.

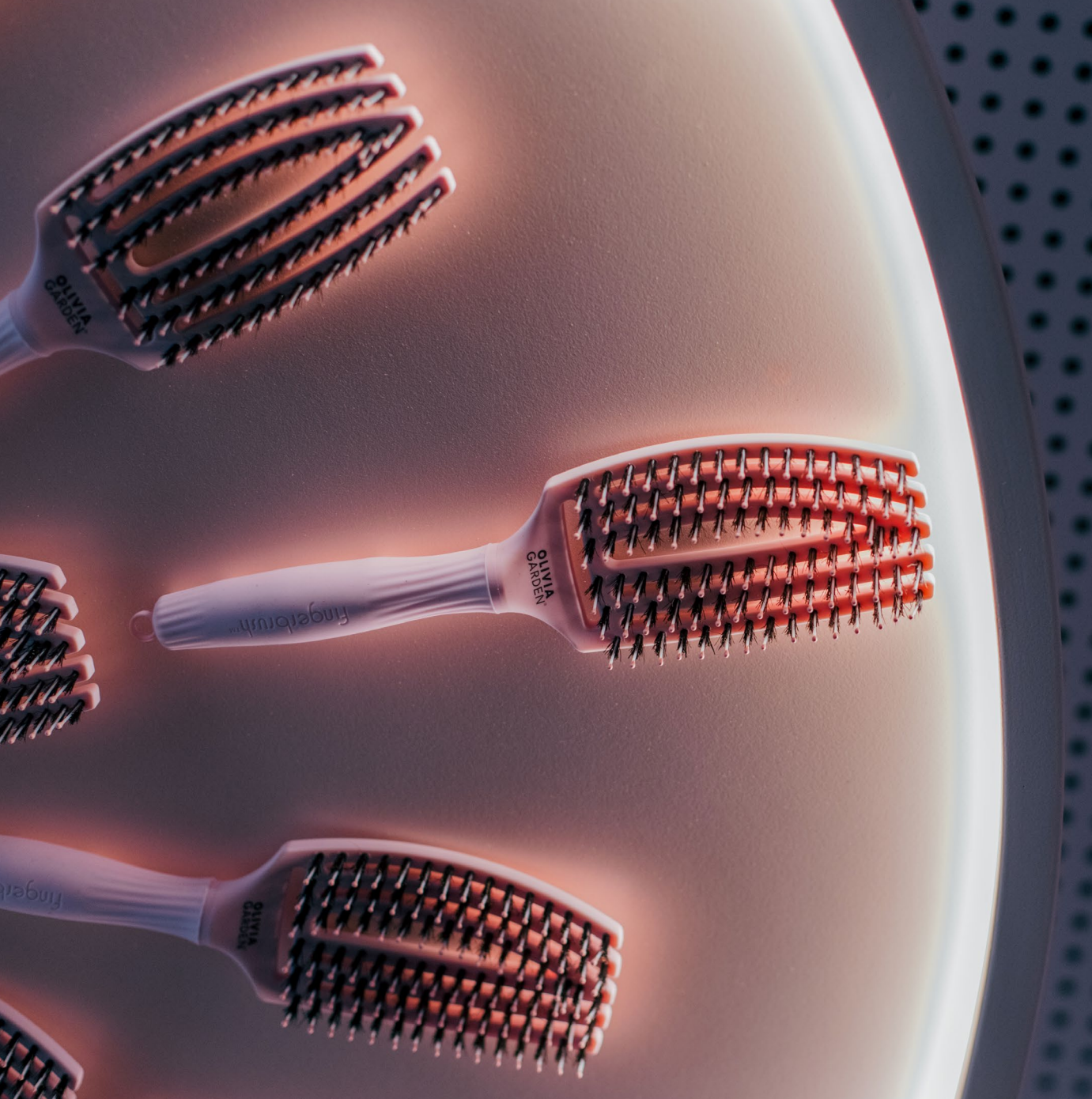
In 2022, we also conducted an in-depth reflection on the purpose and mission of Olivia Garden Europe. We realized that we are not just sellers of brushes, but rather allies and spokespersons for hairdressers.

Lastly, in 2022, we conducted our inaugural audit, reinforcing the transparency of our operations and bolstering the credibility of our commitment to formalizing our governance.

DID YOU KNOW?

Olivia Garden Europe (OGE) has a sister company across the ocean: Olivia Garden International. Since 2018 OGE has developed more and more and gained independence with its own branding and its own products.

Maximizing long-term value



Our challenge

The challenge faced by Olivia Garden Europe lives up to its ambitious purpose statement to “make hairdressing be forever”. In a constantly changing environment, where competition in the beauty products market is fierce, maintaining our identity and the reasons that make Olivia Garden Europe a preferred choice of hairdressers is a demanding task.

Olivia Garden Europe's mission to create a meaningful and lasting impact within the hairdressing community takes a very long-term view. To achieve this, we must put in place strong governance that promotes transparency at all stages of production and distribution. It is currently complicated to establish this transparency, in particular because of cultural differences and geographical distance. However, this transparency is essential to maintain the trust of our partners, hairdressers, and customers, while ensuring that our sustainability objectives are integrated coherently throughout our strategy. Effective governance must balance the need for economic growth with long-term commitment to sustainability.

The challenge of maintaining and advancing Olivia Garden Europe in this ever-changing landscape is real, but it also brings opportunities to strengthen our position as allies and advocates for hairdressers.

Our strategy

Our ambition is to continue our expansion by optimizing operational efficiency at all stages of our value chain. At the same time, we are working to reshape our governance by highlighting transparency as a guiding principle.

Targets

- In 2027, 100% of our sold products have complete origin information.
- In 2025, 100% of our product suppliers (1st and 2nd tier) have responded to our internal questionnaire.
- In 2027, 0% of our products are shipped by air.



Our commitments and achievements for 2022

PRODUCING SUSTAINABLY

Olivia Garden Europe is firmly dedicated to environmental sustainability by establishing a more responsible production chain, with a focus on reducing carbon emissions. To achieve this goal, we are conducting a thorough analysis of key stages of our production process and our suppliers, relying on them to make advancements that enable sustainable production.

Conscious supply chain

We are highly dependent on raw materials availability and on the whole production process. Olivia Garden Europe is committed to making its entire supply chain sustainable and conscious, and to achieve this, we are studying various areas for improvement, such as the use of recycled raw materials, reducing plastic and packaging, human rights, decent work for all, and animal welfare. By focusing on these areas, we aim to create a more responsible and sustainable supply chain that align with our values and supports our commitment to sustainability. Our goal is stranded forward on the environment and society, while also delivering high-quality products and services that meet the needs of our customers.

Decarbonization of our product life cycle

We design and sell hairbrushes and other products for hairdressers, which means we have an impact on resource extraction, climate change, and waste. Decarbonizing the product life cycle is a key challenge for Olivia Garden Europe. To achieve this, we are focusing on several areas, including life cycle analysis, eco-design, waste reduction, and circular economy actions. We aim to integrate these sustainable practices while also fostering innovation. By embracing thesis principles, we can minimize our carbon footprint, reduce waste, and ensure that our products and operations are sustainable and responsible.



Key figures 2022

- 0.6% of recycled raw materials were used in the product in 2022
- Our packaging contained 89% virgin plastic in 2022
- 13% of our energy comes from renewable sources at our headquarters in Belgium

Conscious supply chain

In terms of our raw materials, we presently prioritize the use of virgin plastic for our brushes, driven by the necessity for heat resistance or usage of chemicals at the salon. However, we firmly believe in the significance of integrating more environmentally friendly materials into our products in the future. These materials could originate from recycled sources or natural materials. The challenge lies in our reliance on suppliers, primarily situated in Asia, where environmental awareness differs across regions. This diversity in sensitivities complicates the availability and implementation of these materials. Nevertheless, we are actively involved in promoting awareness among our partners regarding the adoption of more ecological practices.

DID YOU KNOW?

Our brushes do not require any mistreatment of wild boars? No animals are slaughtered specifically to obtain their hair (unlike badgers, for example). The hair used in our brushes comes from by-products, ensuring their ethical origin.



Concerning the transparency of our production chain, we conducted visits to our suppliers to assess working conditions. Nevertheless, we acknowledge that crucial information regarding working conditions and workers' compensation is currently unavailable.

We are committed to strengthening our commitment to transparency and social responsibility within our supply chain so that our entire value chain benefits from decent working conditions and wages.



Simultaneously, we have implemented measures to diminish our environmental footprint, specifically focusing on packaging. This involves substituting plastic displays with cardboard alternatives and initiating the shift towards using recycled plastic packaging. We have enlisted CELABOR to conduct an environmental assessment of our packaging.

In relation to our products, we are actively investigating alternatives to replace boar hair with non-animal-origin materials. On the plastic front, we have initiated the production of certain brushes using recycled plastics instead of virgin plastic. Furthermore, we've transitioned our barrels to contain 40% recycled aluminum. We are continuously seeking potential enhancements in every aspect of our products.

Finally, regarding human rights and security within our supply chain, we are aware of the challenges ahead and recognize that further efforts are needed to ensure that standards and fundamental rights are respected. We are committed to taking steps to improve these aspects within our supply chain, while maintaining our commitment to the overall sustainability of our business. We actively work to encourage our partners to adopt more environmentally friendly practices. Every month we have meetings with our suppliers where we emphasize our desire to make our products more sustainable. In each meeting, environmental topics are raised.



We are REACH compliant for all of our products. It means that we are in compliance with the REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulation, a European Union regulation that aims to ensure the safe use of chemicals in Europe. REACH was put in place to ensure more responsible management of chemical substances, both for the protection of human health and the environment.

Producing sustainably

Decarbonization of our product life cycle

The decarbonizing of our products started in 2022, by reviewing our first carbon assessment (for the reference year 2021).

Before achieving the ambitious goal of decarbonizing our operations, we must first map and identify the most significant emission categories. This initial step is crucial to subsequently prioritize and take targeted actions on those key areas.



Here are the 3 most emitting categories:

1. Commercial purchases: These are purchases of finished products directly from our suppliers (brushes and packaging). The majority of our purchases are plastics (74%).
2. End of life of products sold: When our customers have finished using their brush, they discard them. This disposal results in greenhouse gas emissions depending on the material used. The preponderance of plastic in our purchases leads to a large quantity of plastic at the end of the life of our products. The end of life of plastic is very emitting, which means that plastic is an integral part of the two most emitting categories.
3. Transport of goods: Our products travel extensively between Asia and our warehouse in Belgium. The goods are delivered to our various resellers and transported throughout Europe. These flows of goods generate significant emissions. Inbound freight (goods coming from suppliers to our warehouse in Belgium), counts for 94% of transport emissions category.

For more information about our carbon footprint, please consult section "Carbon footprint completion note" page 31.

The main action levers we identified are modifications to raw materials and reduction of end-of-life waste.

Regarding the management of final waste from our products, we are fully aware of the challenges that arise in terms of collection, particularly due to our presence across Europe.

However, we attach great importance to this crucial dimension and are actively working to identify solutions to improve the management of our waste. Given our position, the most plausible solution is to reduce waste production through eco-design.

With this in mind, we have a partnership with Wallonie Design. We have been selected to participate in an innovation journey linked to the circular economy. As part of this project, we are working with a designer and an engineer to design an eco-designed brush.

Concerning our advances in raw materials, our Research and Development (R&D) department is looking at alternatives to virgin plastic and exploring other, more ecological materials for our products. With every product development, we strive to reduce our impact on the environment, including working with our suppliers to optimize materials and processes.

We have diversified our materials by introducing some brushes in recycled plastic and others in bamboo.



Our challenge

Olivia Garden Europe is a company specializing in the design and marketing of products. Implementing decarbonization strategies and optimizing our supply chain is particularly complex, as these areas are largely outside of our direct control. We are heavily dependent on our suppliers, which makes the transition processes more difficult, lengthy, and uncertain.

Let's take a concrete example: considering the replacement of a classic raw material with a recycled material requires not only the availability of this new material, but also a modification of the practices of our suppliers, while maintaining the performance of our products. These decisions have significant impacts on our supplier partners, forcing us to seek joint solutions because changes cannot happen on our end alone. Environmental sensitivity is not the same everywhere on the globe, these cultural aspects make the situation more complex. The successful decarbonization of our products throughout their life cycle relies heavily on these strategic collaborations.

Our strategy

We have carried out our complete carbon footprint calculation, we now intend to implement the lessons it gave us, namely reducing the footprint of our raw materials and working on the eco-design of our products.

Targets

- In 2025, 100% of our boar suppliers will be audited.
- In 2028, 30% of the raw materials used in our products will be recycled.
- In 2026, 10% of our purchased products are produced in Europe, and by 2030, this will increase to 25%.
- In 2025, 80% of our product-related suppliers will be audited on CSR topics.



Our commitments and achievements for 2022

DEVELOPING SUSTAINABILITY TOGETHER

At the heart of our activities, wellbeing takes center stage. Our products are designed to provide wellbeing to our customers who use them, as well as to their customers. We endeavor to spotlight the hairdressing profession, aiming to empower and advocate for hairdressers through all available means at our disposal. Furthermore, we believe that wellbeing begins within our walls, which is why we do everything we can to make the working experience at Olivia Garden Europe synonymous with happiness and wellbeing at work.

Empowering hairdressers community

Olivia Garden Europe is driven by a strong passion to elevate and promote the hairdressing profession through various educational and marketing initiatives. We believe in the immense value that professional hairdressers bring to the beauty industry, and we are dedicated to showcasing their skills and expertise. The goal is to empower and inspire hairdressers to achieve their full potential, and to foster a culture of respect and appreciation for their profession.

Happiness and wellbeing at work

Olivia Garden Europe has talents in Belgium, and taking care of them is a priority. It is a key topic for our company as we need to attract talents, hire them, and keep them happy in our company. To achieve this, we focus on workplace wellbeing, training, diversity, inclusion, and attractiveness. These are all key areas of attention, as we believe that by investing in our people, we can foster a culture of attractiveness and excellence.

Partnership for the future

For years, Olivia Garden Europe has established trustworthy commercial partnerships upstream (the suppliers who produce our brushes and other products) and downstream (our dealers, and hairdressers), and building long-lasting relationships has been a cornerstone of the company's values. We prioritize maintaining strong and enduring relationships with high-quality partners through collaboration and mutual respect. By fostering long-term partnerships with our partners, we are able to ensure reliability and consistency throughout our value chain.



Developing sustainability together

Key figures 2022

- 2 events dedicated to hairdressers in 2022.
- In 2022, 14% of our social media posts featured hairdressers.
- The number of full-time equivalent (FTE) employees was 31 in 2022 at our headquarters in Belgium.
- 60% of the workforce at the headquarters are female, with 40% of management positions held by women in 2022.
- 108,000€ donated to charities in 2022.

Empowering hairdressers' community

Olivia Garden Europe attaches great importance to maintaining close ties with hairdressers, aware of their central role in the beauty industry. The purpose of Olivia Garden Europe is clear, we want to "Make hairdressing be forever".

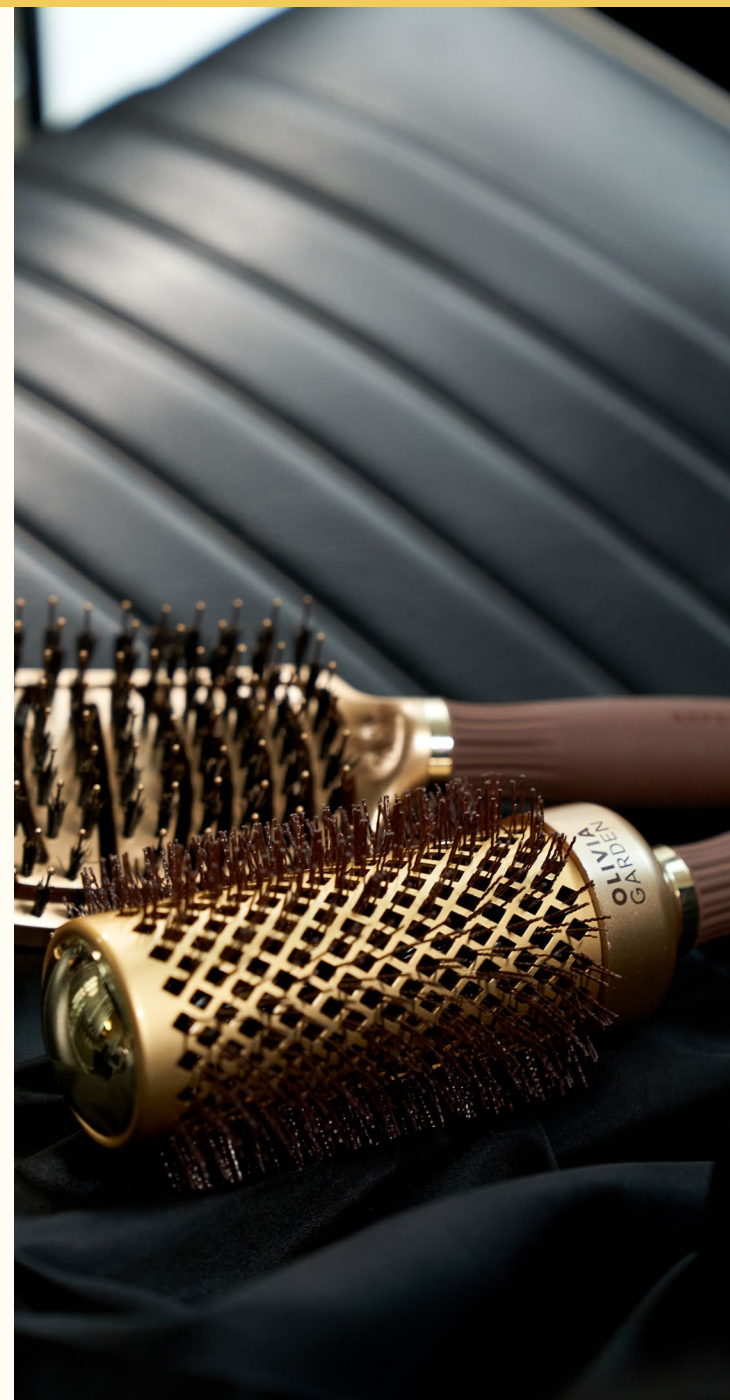


Our commitment to this community is manifested through various initiatives: OG Coffee is a quarterly meeting where we collaborate with hairstylists to discuss current projects and offer them the opportunity to test our products. These meetings are an opportunity to discuss various subjects, including the influence of social networks on their profession and the way in which we can better meet their needs. We also share information on responsible initiatives such as Hair recycle, encouraging the collection of bags full of hair. These moments of sharing allow us to better target what we create to be as close as possible to the needs of the field. And on the other hand, hairdressers benefit from product donations.

We listen carefully to the feedback of our customers, who use our tools in salons around the world since over 50 years. We are proud to return the favor by supporting hairdressers in achieving stunning results in hairstyling. Hairdressers benefit by satisfying their clients more easily, gain self-confidence and get the acknowledgment they deserve.

Hairdressers trust Olivia Garden Europe, because our high-quality tools are not only innovative and relatable, but also beautiful and individual, underlining the hairdresser's personality.

As a company that cares about the expertise of hairdressers, we work closely with some of them. Every week, a hairdresser works on our premises to test our products and helps to create content for social media. This enriching collaboration allows us to develop products in close consultation with them.



Developing sustainability together

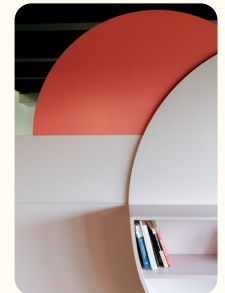
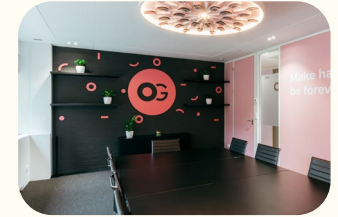


We also promote the active participation of hairdressers in major events such as trade fairs in Madrid, Dusseldorf and London, where they can use our products and demonstrate their know-how. We also organize training courses given by hairdressing experts on our premises.

The connection with future hairdressers remains important to us. We occasionally visit hairdressing schools in Liège to introduce our products, understand their needs, and celebrate the profession of hairdressing. Our goal is to serve as ambassadors for hairdressers and inspire young individuals to consider this fulfilling career path.

Finally, our commitment to the community of hairdressers takes place a lot on social media, where we highlight their work, highlighting their indispensable role, particularly since the pandemic.

We also collaborate with ambassadors and influencers in the hairdressing industry, who receive our products and share them on their platforms, helping to reinforce hairdressers' pride in their profession.



Happiness and wellbeing at work

The heart of logistics, sales and design operations is in Herstal in Belgium, where our team of around forty people work in the offices or warehouse. These people are under the direct control of Olivia Garden Europe, so it is possible to act on their wellbeing and professional happiness unlike the rest of the workers in our value chain.

Our company strongly encourages personal initiative and autonomy. Each worker can bring the added value of their personality, ideas, and initiatives. We are proud to support the individual projects of our colleagues, such as the example of a colleague who recently expressed the desire to install beehives, an idea which we followed with enthusiasm.

Developing sustainability together



Wellbeing also involves providing a comfortable and modern workplace, including spaces for activities such as afterwork, a gym, and a ping-pong table. Every month, we organize a collective lunch to strengthen bonds within the team.

These activities help to prevent psychosocial risks linked to work. Regarding purely physical risks, the safety of our employees is a priority, so we provide appropriate safety equipment to warehouse employees, with careful monitoring of incidence rates.



To ensure that our staff continues to evolve, and the company develops, we want to put training plans in place. Currently, we do not have a rigid training catalog, instead we encourage employees to follow training courses that match their interests and development within Olivia Garden Europe.

Our organization is characterized by great flexibility. The roles and tasks of each person are not fixed, which promotes a dynamic and evolving approach. In terms of wellbeing at work, we have gradually created spaces conducive to relaxation, such as an outdoor terrace for meals, the introduction of plants, visits to beehives, and soon a collective vegetable garden. Gestures of appreciation are regularly deployed to demonstrate the importance we place on our employees.

To strengthen the bonds between the members of our team, we regularly organize moments of sharing, in particular breakfasts, afterwork evenings, and we participate in trade fairs, which strengthens cohesion between the different departments of the company, an aspect that is important to us.

We celebrate our successes in a festive way, with an annual party to which family members are invited. At the end of the year, we come together to reflect on the past year and plan for the year ahead.

In addition, our warehouse is fully integrated into our collective activities. We hold monthly meetings to review our month's accomplishments, share news, and welcome new colleagues. Everyone is encouraged to showcase their successes during our "Wheel of Success" session.

Developing sustainability together



From a remuneration perspective, we place great importance on offering our staff a variety of attractive benefits. In addition to competitive salaries, we offer benefits such as hospitalization insurance, pension plans, a company car policy (already accessible to some and soon to a larger number of employees), meal vouchers, training sessions, eco-vouchers and an end-of-year bonus linked to sales performance.

Regarding our working hours, we favor flexibility, if the missions are accomplished. Most of our employees benefit from permanent contracts, with a few temporary workers coming in as reinforcements. Each year we welcome interns, with approximately 2-3 interns joining our team. This gives us the opportunity to support future professionals in their academic careers, while keeping us informed of new practices and perspectives. These partnerships are a source of shared satisfaction.

Partnership for the future

Long lasting relationships are the pillar of Olivia Garden Europe. Olivia Garden Europe has maintained a loyal relationship with its suppliers for many years. This long history of partnership has been built with our main Asian suppliers. These long-lasting relationships allow us to maintain constant quality of our products, which provides certainty and peace of mind for both parties. These relationships have lasted for 20 years, despite changes in context and growth. We hope these partnerships continue for many years to come.

Our products are distributed to hairdressers through resellers. We operate with resellers by country, each wholesaler serving their geographical area. Historically, we have operated in the situation where Olivia Garden Europe designs and markets products, orders their production and sends them to wholesalers who are responsible for marketing the products supplied.

In our logic of partnerships and being closest to the needs of hairdressers, our end consumers, we are implementing a change in operation based on cooperation and exchange. We want to design and put into production products based on feedback and field experience from our resellers. This design change induces a dynamic structure and strengthens communication and therefore, the partnership that unites us.

Establishment of collaborations for the future:

We want to be a player present in the beauty sphere. To do so, Olivia Garden Europe has established partnerships with other renowned brands, and has participated in events and trade shows. Olivia Garden Europe's growing notoriety is sparking growing interest in collaborations of this type.

Partnerships with hairdressers:

Olivia Garden Europe forms partnerships with hairdressers to form a network of ambassadors and influencers. We actively use social networks to be as close as possible to our clients, the hairdressers.

We are proud to be an association partner and donor. In particular, we have been partners of Think Pink Europe since 2018. Think Pink Europe (TPE) was founded on March 2018 by five non-profit organisations that have conducted meaningful breast cancer programs in Belgium (Think Pink), Bosnia-Herzegovina (Think Pink, "Zajedno Smo Jedno"), Greece (Alma Zois), Italy (Susan. G Komen Italia) and Romania (Fundatia Renasterea).

TPE is dedicated to raising awareness, prevention and support for people affected by breast cancer. The association raises funds to finance breast cancer research, raises awareness public about the importance of early detection, and offers support to patients and their loved ones. It works in partnership with health professionals, researchers, and volunteers to fight against breast cancer in Europe. Known mainly for pink ribbon campaigns, Think Pink carries out numerous actions in the fight against breast cancer.



Olivia Garden Europe is the largest donor in 2022, with a total donation of €108,735 given to ThinkPink Europe.

Developing sustainability together

Our challenge

The major challenge linked to the empowerment of hairdressers lies in the scale of action. The hairdressing profession is essentially anchored in geographical proximity, with each hairdresser working in a restricted geographical area. Valuing everyone in a general and unified way proves complex. Our approach consists of maximizing our interactions with hairdressers, entering direct contact with them to better understand their needs and aspirations. At the same time, we are working towards an overall change in mentalities while offering personalized attention, to accomplish our mission in a holistic manner. Concerning wellbeing at work, the wide variety of tasks and the flexibility inherent to work can sometimes cause stress and have an impact on the mental health of our employees. We recognize that the autonomy we encourage may have consequences, and we work to mitigate them.

Our strategy

Our strategy is to be a company that gives happiness and wellbeing. Through the products that we develop for our customers and our customers' customers but also internally for our staff.

Targets

- By 2025, 60% of our social media posts will feature hairdressers.
- By 2030, 1,000,000 hairdressers will be equipped with our products.
- In 2025, we aim for an 80% satisfaction rate for our educational program.



Methodological note

Relevance methodological note

Our relevance analysis approach consists of the steps detailed below.

All stages were completed during 2023.

In this first sustainability report, our aim is to provide readers with a comprehensive overview of our concrete actions and to inform them about the challenges that await us in the coming years and how we plan to manage them.

We also want, through our roadmap, to be able to share our ambitions for the future. Sustainability, both on the human and environmental aspects, is an approach that lives in the organization in many ways, whether through our values of learning and wellbeing at work, or in our search for continuous improvement of our hairdressing products.

We followed a precise methodology to be able to determine our topics and classify them in order to be able to address them in order of importance. This methodology is the basis of our actions to support us on trajectories up to 2030.

The very first step in building this report was the identification of our strategic and relevant topics regarding sustainable development. This identification stage allowed us to identify 7 strategic and relevant topics, which we grouped into 3 main themes: maximizing long-term value, producing sustainably, developing sustainability together.

Each topic contains precise numerical objectives and is directly linked to one or more UN Sustainable Development Goals.



#1 Identification of themes

Olivia Garden Europe followed two steps to establish a list of relevant sustainable development topics, used during the stakeholder consultation and for the development of our roadmap to 2030:

- a. sector benchmark
- b. sectoral financial materiality defined by SASB Standard

We then organized a brainstorming workshop with members of the CSR Strategy project team, supervised by an independent CSR expert. The members of the project team represent different departments to ensure the plurality of Olivia Garden Europe activities in its CSR strategy.

This workshop laid the groundwork for our internal vision, which was further enriched and consolidated through ideation workshops with our staff.

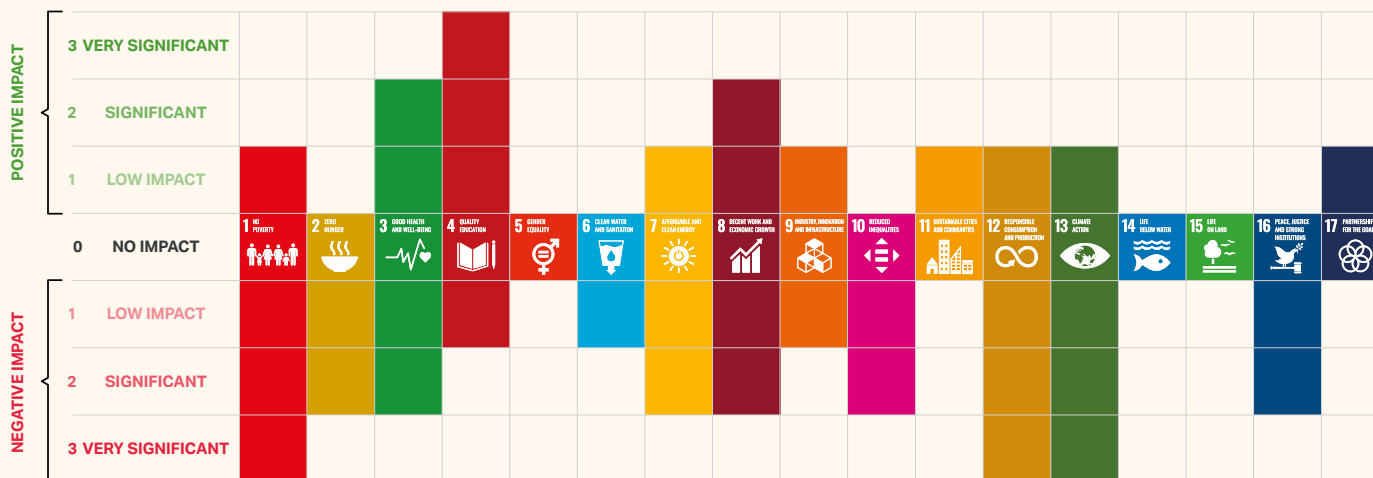
By combining the external documentary analysis and the results of the various brainstorming sessions, we listed 7 relevant topics which were subsequently submitted to an impact evaluation by internal and external stakeholders.

Development Goals (SDGs)². This analysis allowed us to verify that our list of relevant topics covered all of the company's priority SDGs and to identify our points of attention in relation to due diligence.

#2 Identification of significant economic, social, and environmental impacts of activities

The assessment of the positive and negative impacts of our activities on people (including Human Rights), the environment and the economy was carried out based on the international framework of the 17 Sustainable

#3 SDG Impact Matrix



Our priority SDGs are (those with an impact level of minimum 4 out of 6)

² The "SDG Assessment" was carried out in close collaboration with the independent expert firm Smart2Circle.

Our priority SDGs

SDG 1

No poverty

SDG 3

Good health and wellbeing

SDG 4

Quality education

SDG 8

Decent work and economics growth

SDG 12

Responsible consumption and production

SDG 13

Climate action

Stakeholder inclusion note

Consultation of our stakeholders

We recognize that our actions have both direct and indirect repercussions on our internal collaborators and external partners. This is why we consider it essential to actively integrate our stakeholders into our approach to sustainable development.

What do we mean by stakeholders and who are they?

The stakeholders of Olivia Garden Europe are diverse and encompass all entities whose interests will be influenced by its activities, decisions, and strategy. Internally, this involves all of our employees and the management committee. Externally, stakeholders include our customers, suppliers, the hairdressing community, and our partners.

Due to the mutual influence between us and our stakeholders, it was crucial to incorporate their perspective in the development of our Corporate Social Responsibility (CSR) strategy. This approach allowed us to define relevant objectives that consider their needs and the challenges they face. Furthermore, drawing inspiration from their global vision and innovative ideas, we have strengthened the credibility of our commitments through consultation with our stakeholders.

Were stakeholders incorporated into our strategy?

Olivia Garden, as an internationally active company, generates impacts on diverse and varied stakeholders. We first identified the stakeholders, internal and external, and weighted their impact.



This stakeholder consultation was carried out by sending questionnaires as well as organizing a round table.

The round table was held within the offices of Olivia Garden Europe, different types of stakeholders were represented, namely:

- Olivia Garden Europe workers via the presence of an employee.
- The community of hairdressers via a hairdressing school director.
- The Walloon region, via the circular economy manager of Wallonie Design.
- The Think Pink association, Olivia Garden Europe's main charitable partner.
- A reseller representing Olivia Garden Europe customers.

To maintain granularity in the analysis, 7 different surveys were carried out.

2 internal surveys, intended for:

- Staff members.
- The management committee.

5 surveys intended for external stakeholders, namely:

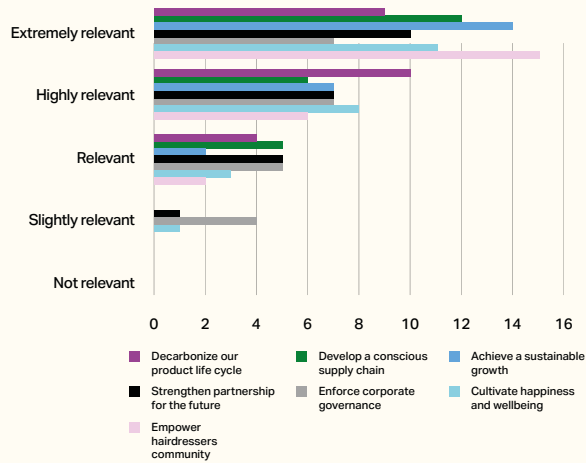
- French-speaking hairdressers.
- English-speaking hairdressers.
- French-speaking suppliers.
- English-speaking suppliers.
- Other external stakeholders (banks and insurance companies, public services, etc.).

Surveys are very important in our approach for several reasons. First, they provide us with the opportunity to obtain feedback regarding the topics discussed, such as their general understanding and specific observations related to each topic. Then, they allow us to assess the relevance of each topic. Finally, they offer the possibility of classifying these 7 topics in order of importance, which allowed us to position them and create our first materiality matrix.

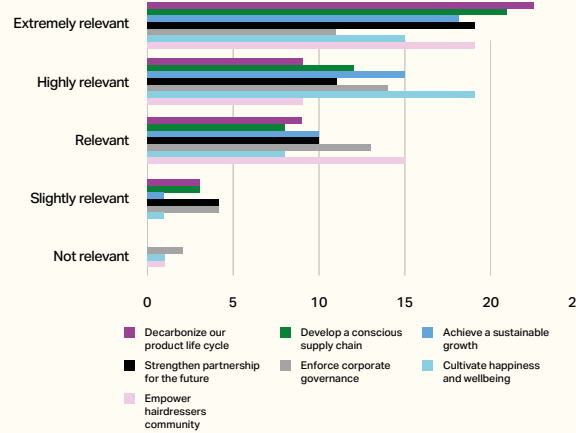
Relevance of our topics

We asked our stakeholders to rate each of our 7 topics on a scale of 1 to 5, ranging from "irrelevant" to "extremely relevant". This approach aims to carry out additional verification, thus ensuring that each stakeholder can confirm the relevance of all of our topics.

Topic's relevance (internal stakeholders)



Topic's relevance (external stakeholders)



Most stakeholders considered our topics very relevant or extremely relevant.

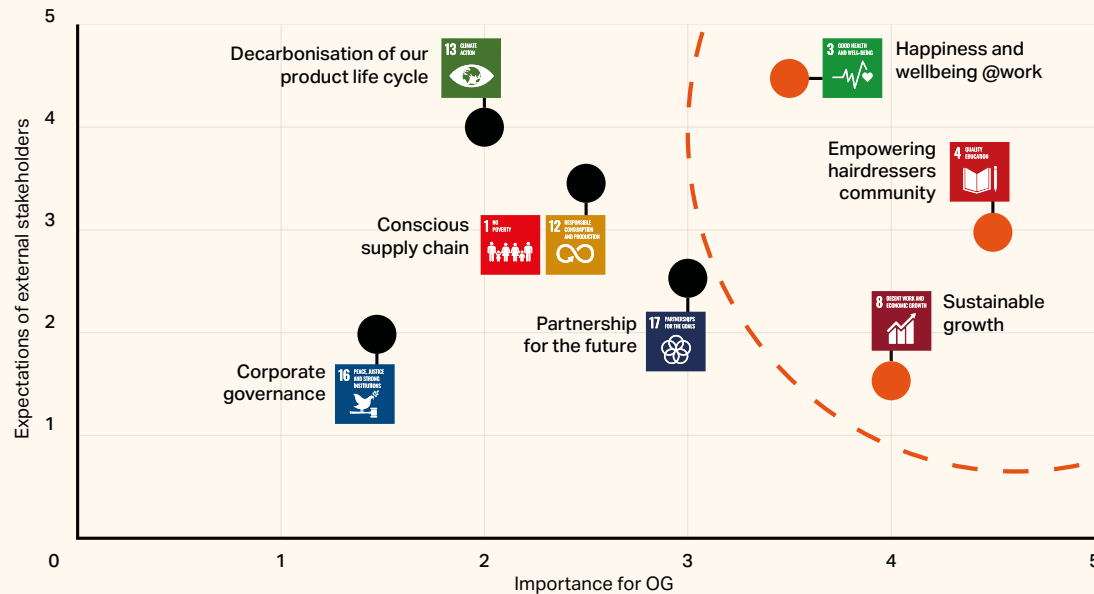
Consultation of our stakeholders in a few key figures:

7 quizzes

67 survey responses

23 responses from internal stakeholders

44 responses from external stakeholders



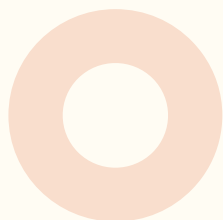
Our materiality matrix

Consulting our internal and external stakeholders allows us to identify what the so-called "topics" are "materials" for Olivia Garden Europe. Concretely, a topic is "material" when it is important to external stakeholders, and to internal stakeholders. This does not mean that the other ones less "materials" are not taken into account. It allows us to step back from our sustainable development challenges and focus our efforts and attention particularly on the most important topics to our stakeholders.

The topics considered as priorities for internal and external parties are:



1. Happiness and wellbeing at work
2. Empowering hairdressers' community
3. Sustainable growth



Building our strategy, together

Beyond the classic consultation of stakeholders, Olivia Garden Europe wanted to carry out an awareness and ideation workshop with all its staff.

These workshops took place in two phases. First, an information session in the format of a conference on energy-climate issues and the 17 UN Sustainable Development Goals to raise everyone's awareness of the reasons why Olivia Garden Europe wishes to develop its sustainability strategy. A point of attention was placed on the circular economy and existing action levers.

The second stage is an important milestone which consisted of training the teams, motivating them, and consulting them, to collect their ideas and opinions to make the company as sustainable and circular as possible.



Key figures

22 people

4 working groups

145 ideas

17 themes emerged out of the 145 ideas:

- Solidarity action
- External communication
- Energy consumption (reduce, efficiency, autonomy)
- Carbon contribution
- Eco-design of products
- Eco-design and reuse of packaging
- Economy of functionality
- Maintenance, repair and reconditioning of products
- Encourages customers and suppliers to be more sustainable / circular
- Wellbeing / cohesion initiatives
- Low-carbon staff mobility
- Optimize or internalize freight transport
- Sustainable purchasing policy
- Value proposition
- Collect end-of-life products
- Recycling
- Industrial symbiosis

Carbon footprint completion note

Olivia Garden Europe carried out its first carbon footprint calculation in 2022 for the reference year 2021.

The carbon footprint was established by the independent and certified expert firm Smart2Circe using the "Bilan Carbone®" method, itself compliant with the Greenhouse Gas Protocol (GHG Protocol). All activities across our entire value chain were included in the study scope (scope 1 – 2 – 3) without significant exclusion.

Results

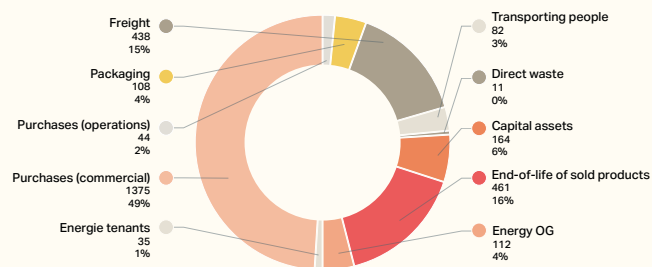
Methodology	Total GHG emissions ³ in 2021
Carbon Balance®	2,832 tCo2e
GHG Protocol	2,556 tCo2e ⁴

GHG Protocol

Program category	Emissions (tCO2e)	% of balance sheet total
Scope 1	70	3%
Scope 2	17	1%
Scope 3	2,469	96%
TOTAL	2,556 tCo2e	100%

Carbon Balance®

Summary: GHG emissions (tCO2e) by emissions item



³ Greenhouse gas.

⁴ The total emissions according to the GHG Protocol are systematically lower, because the scope taken into account is less exhaustive with this method.

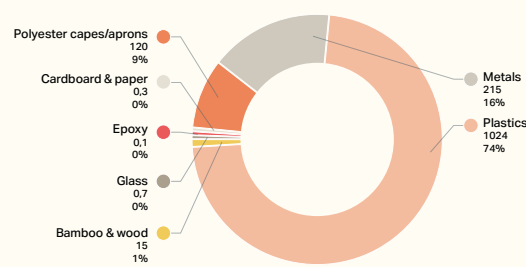
⁵ Boars is excluded (no EF available).

Summary CO2e	Broadcasts	
	tCO2e	Relatives
Purchases (commercial)	1,375	48.6%
End-of-life of sold products	461	16.3%
Freight	438	15.5%
Capital assets	164	5.8%
Energy	112	3.9%
Packaging	108	3.8%
Transporting people	82	2.9%
Energy tenants	35	1.2%
Purchases (operations)	45	1.6%
Direct waste	11	0.4%
TOTAL	2,832	100%

Focus on purchasing

Commercial purchases are the largest emitting item in Olivia Garden Europe's carbon footprint. 74% of emissions relating to purchasing are generated by the purchase of plastic materials. In fact, nearly 240 tons of plastics and rubbers were purchased. Olivia Garden Europe main products contain a large proportion of plastic. This large quantity of material as well as the fact that plastics emit a lot of CO2e naturally make it the most important item of purchases.

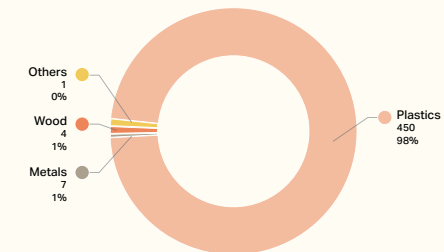
Summary: GHG emissions (tCO2e) by type of purchases⁵



Focus on the end of life of products sold

The second most emitting item in Olivia Garden Europe carbon footprint is the end of life of the products sold. Once again, the very properties of plastic make it a very emitting item. The end of the life of plastic generates a lot of emissions, this difficulty in processing plastic at the end of its life makes it the most emitting material at the end of life with a total of 98% of the emissions from the end of life of plastics products sold.

Summary: GHG emissions (tCO2e) by type of material at the end of the life of the products sold



The purchasing item and the end-of-life item are directly linked. Improving the properties of the materials used in the composition of the brushes would make it possible to drastically improve the carbon impact of these items. These improvements could be linked to a change in materials towards natural materials or recycled materials or to eco-design to reduce the quantity of material at the end of the product's life. Olivia Garden Europe is already working on these innovations.

The closing message

Thank you for taking the time to read the first CSR report of Olivia Garden Europe.

We would like to thank everyone who participated in the work on the report, first of all Marie-Hélène Aldenhoff who took the initiative to take this major step and made it happen with the support of her colleagues and Smart2Circle, who guided us through this journey.

The biggest appreciation though goes to the overall team at Olivia Garden Europe, as behind every topic and project, every idea and challenge in this report there are many people who give their individual power and creativity to make a change for and with Olivia Garden Europe.

We won't stand still, we will continue this path. Here's to a sustainable, brighter, and more exciting tomorrow!

Kai and André



OG
OLIVIAGARDEN®

