SUSTAINABILITY REPORT 2025

SASMAT RETAIL

PDPAOLA

CONTENTS

001 A MESSAGE FROM OUR FOUNDERS

A DECADE IN PERSPECTIVE

When we first shaped an idea back in 2015—born out of Paola's passion for jewelry and our shared conviction that we could build a genuinely different project—we never imagined this moment. Today, as we mark our tenth anniversary, we want to do what we have always done: look straight ahead, with absolute honesty, and ask ourselves what we have built and where it is leading us.

A decade has given us something that can neither be bought nor fast-tracked: perspective. The clarity of knowing exactly who we are, who we are not, and who we want to be. A contemporary jewelry brand that understands luxury as an expression of identity rather than status; one that designs pieces built to last, and believes that how a piece of jewelry is crafted matters just as much as the final creation itself.

2025: A YEAR THAT DEFINED US

This tenth anniversary arrives at a time of deep global complexity. The macroeconomic environment has remained volatile, with geopolitical tensions fracturing supply chains and consumers in many markets acting with heightened caution. Compounding these factors is an increasingly demanding regulatory landscape around sustainability, which is redefining the standards and expectations of our industry.

This backdrop has had a direct impact on our operations and our decision-making. Yet, we have learned that challenging years are precisely the ones that best define our character as a company.

BEHIND EVERY PIECE

We manage sustainability with the exact same rigor as any other business dimension: analyzing its impacts across our entire value chain, identifying risks that could affect our operations, and recognizing the opportunities that emerge for those who stay ahead of the curve.

This approach to our journey is reflected in how we interact with materials, our partners, communities, and the planet. This year, 100% of the gold jewelry we produced incorporated recycled content, and 97% of our silver jewelry did the same. These figures are no coincidence—they are the result of years of collaborative work with suppliers who share our vision, under standards that allow for no exceptions.

In 2021, we became members of the Responsible Jewellery Council, later achieving certification under their Code of Practices in 2023—joining an exclusive group of certified retailers worldwide.

In line with this commitment, we also joined the United Nations Global Compact in 2021, aligning our operations with its Ten Principles on human rights, labor, the environment, and anti-corruption, as well as the Sustainable Development Goals (SDGs).

For us, participating in these initiatives is a way of holding ourselves accountable to a community that extends far beyond our own.

TOWARD WHO WE WANT TO BE

The next decade begins with renewed conviction. Our goal is not merely to grow larger; we want to consolidate our values. To be more focused, more deeply committed to the idea that every piece of jewelry we create should transcend—not only in the hands of those who wear it as a ritual of identity, but also in the world we share.

Our vision, *Jewelry Crafted to Transcend*, is not a tagline. It is a commitment and, at the same time, a question we ask ourselves every single day.

TO OUR COMMUNITY

We extend our deepest gratitude to everyone who has walked alongside us during these ten years: to our team for their relentless dedication, to our partners, to our customers, and to all those who followed their intuition and believed in this project long before there was any obvious reason to do so.

The next ten years belong to you, too.

**Paola & Humbert Sasplugas,
Founders & CEOs**

002 2025 AT A GLACE

2025 AT A GLANCE

(1) **PDPAOLA CELEBRATES ITS 10TH ANNIVERSARY**

(2) **INTRODUCING OUR NEW ISOTYPE**

(3) **OPENING OF 7 PDPAOLA STORES**

(4) **PDPAOLA STORE OPENINGS IN 5 NEW MARKETS ACROSS THE CARIBBEAN, CENTRAL AMERICA, SOUTH AMERICA, AND EASTERN EUROPE**

2025 AT A GLANCE

+700.000
UNITS SOLD

199[1]
WORKERS

51
PDPAOLA STORES

+1.200
AUTHORIZED POINTS OF SALE

52
COUNTRIES WITH PHYSICAL PRESENCE

16[2]
COUNTRIES WITH RELEVANT DIGITAL PRESENCE

100%
GOLD JEWELRY MADE WITH RECYCLED CONTENT

97%
SILVER JEWELRY MADE WITH RECYCLED CONTENT

[1] Includes employees and self-employed workers or workers of other organizations dedicated full time to the needs of SASMAT RETAIL

[2] Number of countries accounting for 95% of e-commerce turnover

PDPAOLA ANDORRA

Avinguda Meritxell 91
Andorra La Vella, Andorra

003 GENERAL INFORMATION

3.1 GENERAL BASIS FOR PREPARATION OF THE SUSTAINABILITY REPORT

This marks the fifth consecutive year that we present our annual Sustainability Report as part of the SASMAT RETAIL S.L. group, which includes PDPAOLA. The report includes information pertaining to the consolidated SASMAT RETAIL group, encompassing SASMAT RETAIL S.L. and its subsidiaries.

More than a reaffirmation of our commitment to sustainability, this report offers the opportunity to share the progress and achievements made during the fiscal year from February 1 to January 31, 2025. Unlike the financial report, which focuses solely on SASMAT RETAIL S.L., this document provides a comprehensive view of the sustainability performance and strategy of the entire consolidated group.

The report also offers an in-depth analysis of key aspects of our value chain—from upstream activities and internal operations to downstream stages. Through this approach, we aim to deliver a complete overview of our impact and progress at every phase of the process.

This report has been prepared in accordance with both the basic and comprehensive modules of the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME) developed by the European Financial Reporting Advisory Group (EFRAG).

To learn more about our commitment to sustainability, please visit: https://www.pdpaola.com/pages/jewelry-sustainability

For any questions or feedback, feel free to contact us at: sustainability@pdpaola.com

[3] Subsidiaries of SASMAT RETAIL S.L.

(01) SASMAT RETAIL UK LTD: 19 The Circle, Queen Elizabeth Street. SE1 2JE, London.

(02) SASMAT RETAIL FRANCE SAS: 31 Rue de la Federation. 75015, Paris, France.

(03) SASMAT RETAIL ITALIA SRL: Via Castel Morrone 24, 20129, Milan, Italy.

(04) PDPAOLA US LTD: 135 W 50th St, New York, NY 10020, United States.

3.2 GOVERNANCE

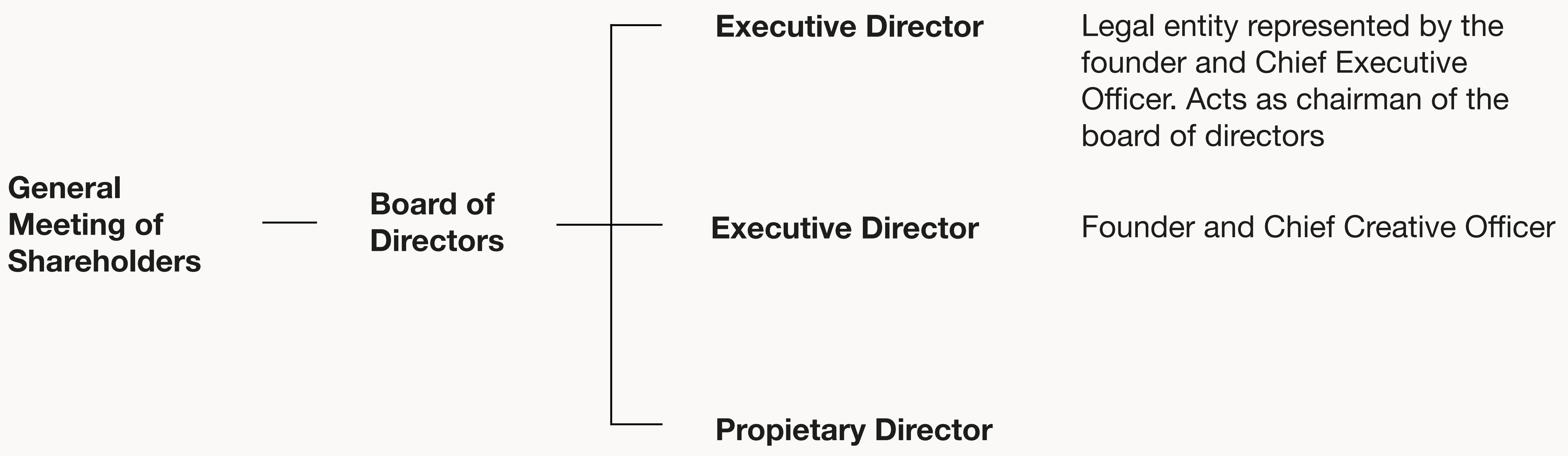
3.2.1 GOVERNANCE STRUCTURE

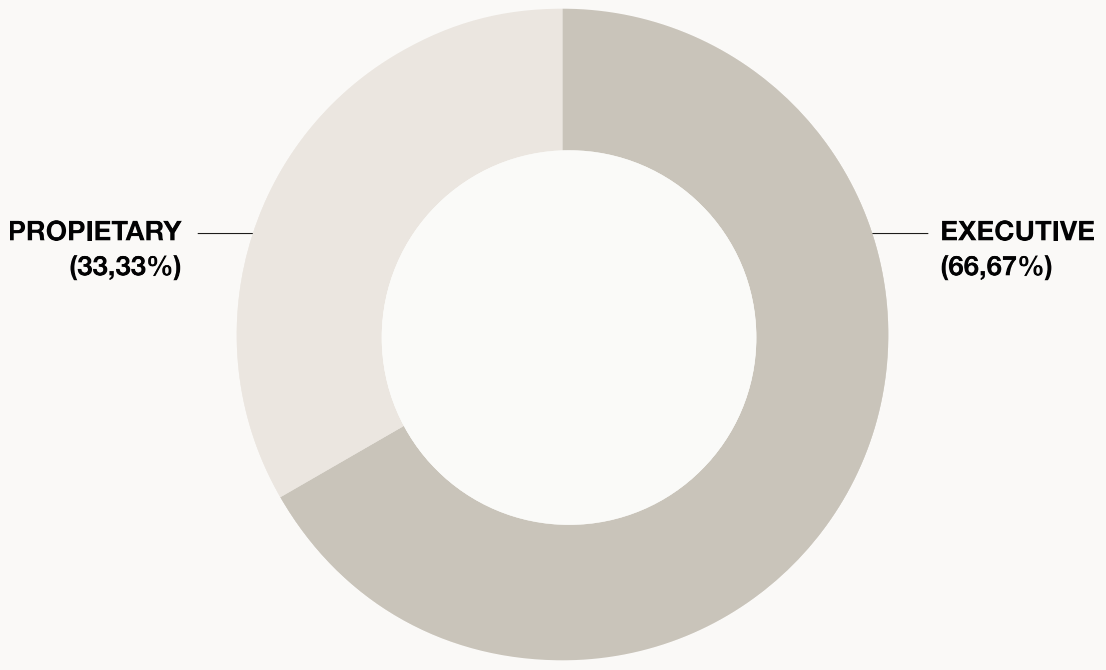
At SASMAT RETAIL, our corporate governance structure is built around a Board of Directors, appointed by the General Meeting of Shareholders. This governing body is responsible for representing, managing, and overseeing the company's business and interests in all matters not specifically reserved for the General Meeting. It is also tasked with approving the codes of conduct and key corporate policies related to sustainability.

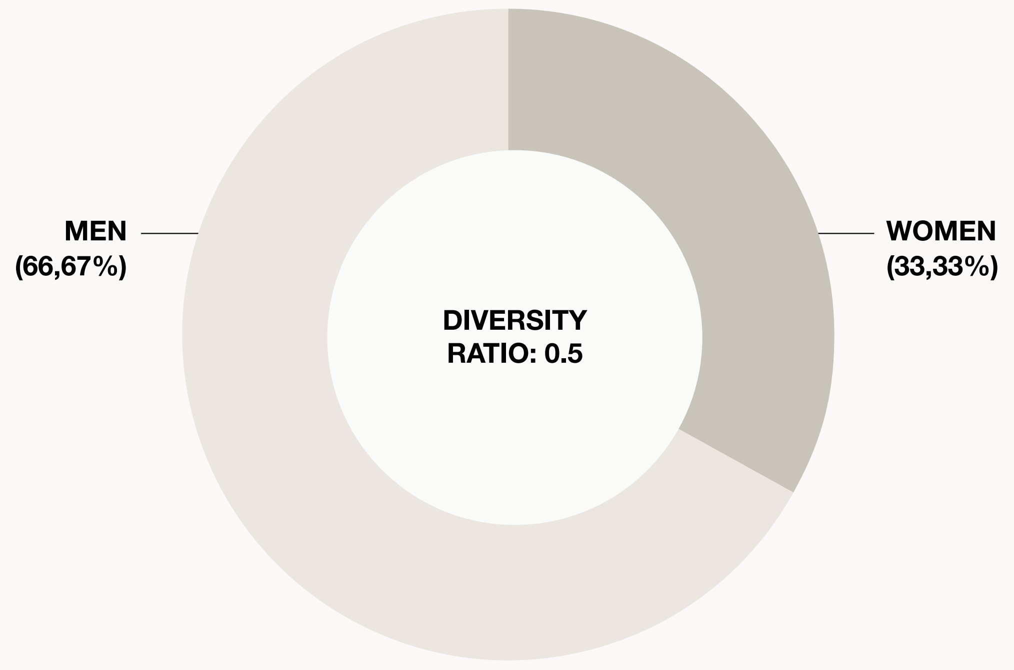
At the operational level, day-to-day management is handled by our second tier of leadership, represented by the Executive Management team. This group of senior executives is responsible for making key operational decisions and effectively implementing the company's business strategy. The Executive Management team is made up of the heads of the main business areas, who lead their respective divisions and ensure that the established objectives are met.

In terms of sustainability, both strategic and operational leadership is delegated to our *Chief Sustainability Officer*, who leads the Sustainability Department and reports directly to Executive Management. This structure ensures that our sustainability initiatives are aligned with our overall vision and receive the necessary support and oversight to achieve their goals.

We also have several specialized committees that contribute to the monitoring and oversight of key corporate governance matters.







3.2 GOVERNANCE

ETHICS COMMITTEE

The body responsible for overseeing compliance with our Codes of Conduct and other Corporate Policies in the exercise of our self-governance powers, as well as for systematically promoting an ethical organizational culture. The Ethics Committee is also in charge of managing and monitoring the Internal Reporting Channel, which is designed to provide a secure and informed space for stakeholders affected by the companies, organizations, individuals, or activities within our value chain to raise concerns early, openly, and with a high level of protection.

INTERNAL CONTROL BODY

Body responsible for implementing policies and procedures for the prevention of money laundering, terrorist financing, and bribery.

Board of Directors
- **Ethics Commitee**
- **Internal Control Body**

3.2 GOVERNANCE

3.2.2 SUSTAINABILITY GOVERNANCE

At SASMAT RETAIL, our commitment to sustainability is led by the Board of Directors, which receives regular and structured updates through various internal bodies and channels. The Management Team, the Ethics Committee, and the Internal Control Body work collaboratively to gather, analyze, and present sustainability-related information, ensuring that relevant issues are appropriately addressed throughout the reporting period.

Chief Sustainability Officer

· The Chief Sustainability Officer is part of SASMAT RETAIL's senior management and a member of both the Ethics Committee and the Compliance Committee.

· Responsible for designing and executing the sustainability strategy, as well as managing the identification and assessment of sustainability-related impacts, risks, and opportunities.

· Holds specific responsibilities within the framework of participation in the Ethics Committee and the Compliance Committee.

· Reports regularly to the Chief Executive Officer.

Chief Executive Officer

Ethics Committee

· Define, update, and internally communicate SASMAT RETAIL's Code of Conduct, as well as oversee its compliance.

· Responsible for the implementation of the Internal Reporting System.

The Ethics Committee meets on a regular basis every six months and reports to the Board of Directors with the same frequency.

Internal Control Body

· Responsible for implementing anti-money laundering policies and procedures.

The Compliance Committee meets on a regular basis every six months and reports to the Board of Directors with the same frequency.

Board of Directors

3.2 GOVERNANCE

3.2.3 STATEMENT ON DUE DILIGENCE

Directive (EU) 2024/1760 on Corporate Sustainability Due Diligence is not directly applicable to SASMAT RETAIL. However, we recognize that this regulation has already been amended under the Omnibus I package, which was approved by the European Parliament in December 2025 and subsequently by the Council, significantly reducing its scope and extending implementation timelines. Consequently, the indirect impact on our organization stemming from the requirements of commercial partners subject to this directive may be lower than initially anticipated.

Regardless of regulatory developments, we reaffirm our voluntary commitment to preventing and mitigating adverse impacts on human rights and the environment throughout our value chain. Within this framework, we continue to implement a due diligence process across our jewelry supply chain, which has been identified as carrying the highest social and environmental risks. This process is integrated into our responsible sourcing program, aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, and audited under the Responsible Jewellery Council (RJC) Code of Practices.

See Management of relationships with suppliers for more information.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

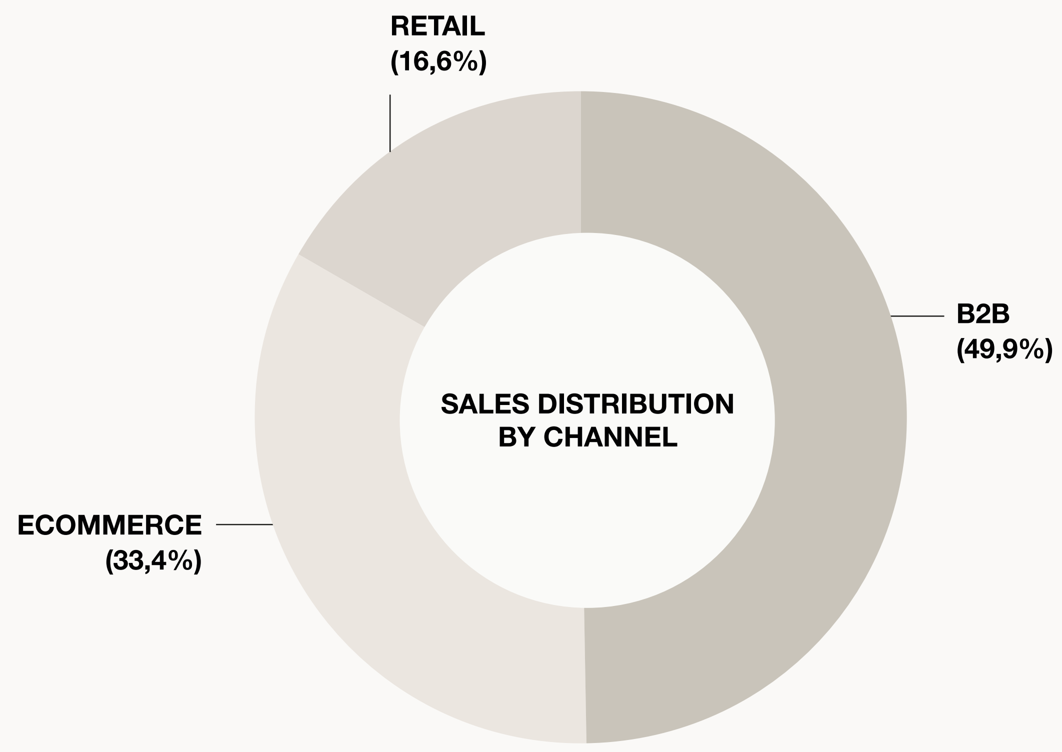
3.3.1 SASMAT RETAIL & PDPAOLA

Founded in 2015 by siblings Paola and Humbert Sasplugas, SASMAT RETAIL S.L. conducts our core business — retail and wholesale trade of watches and jewelry — through our brand PDPAOLA.

Headquartered in Barcelona and driven by Paola's passion for jewelry, we primarily design pieces crafted from precious metals (gold and sterling silver), semi-precious stones, and lab-grown diamonds for an adult audience.

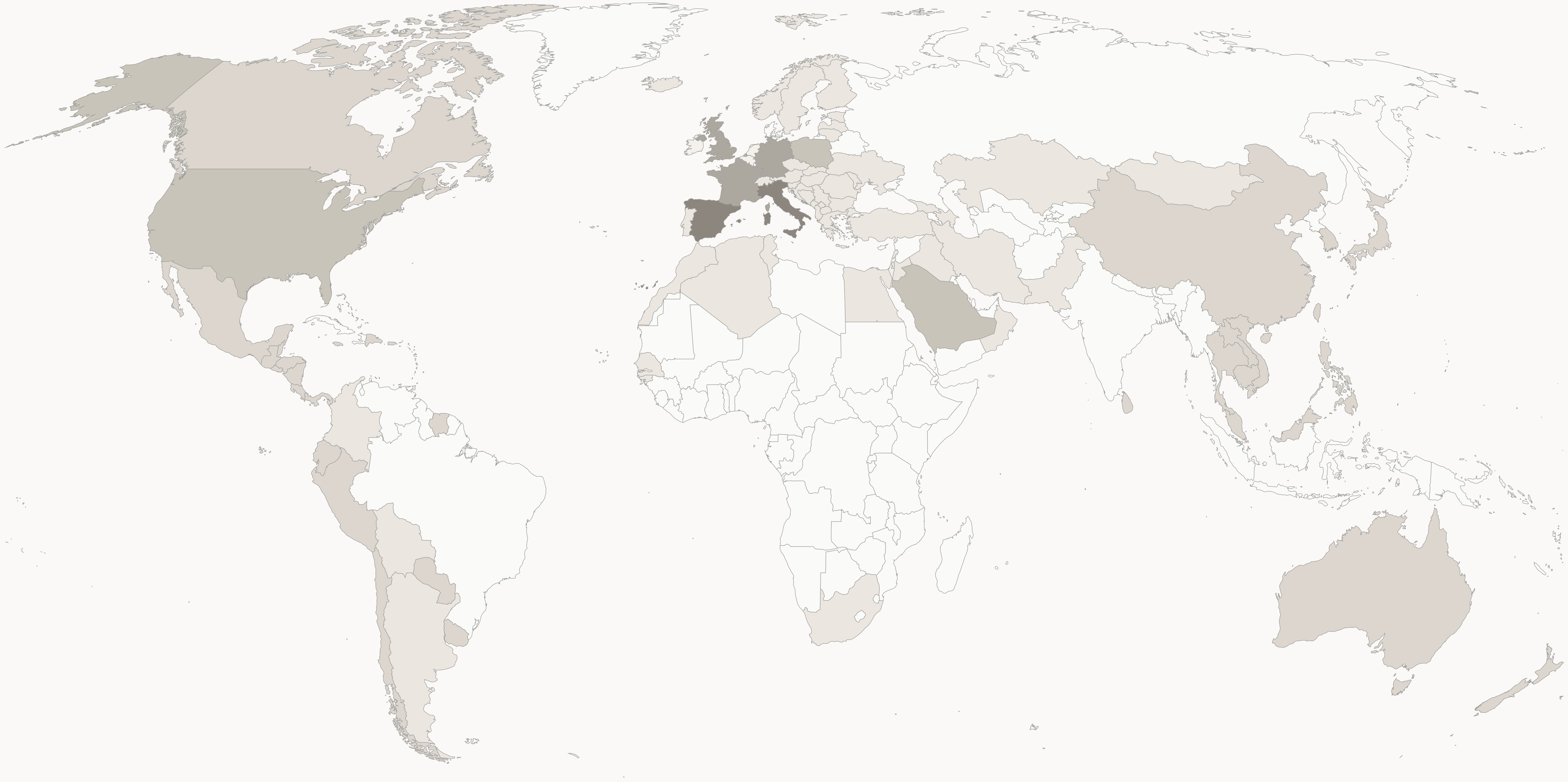
We have established a global presence through a combination of online and offline channels. A key part of our expansion lies in an international retail network comprising standalone stores—both owned and franchised—as well as branded spaces within department stores, totaling 51 located in strategic markets across Europe, Asia, and the Americas.

This retail footprint is further supported by a strong network of over 1,200 multi-brand points of sale across more than 52 international markets.



[4] CNAE codes 4777 and 4648 respectively.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN



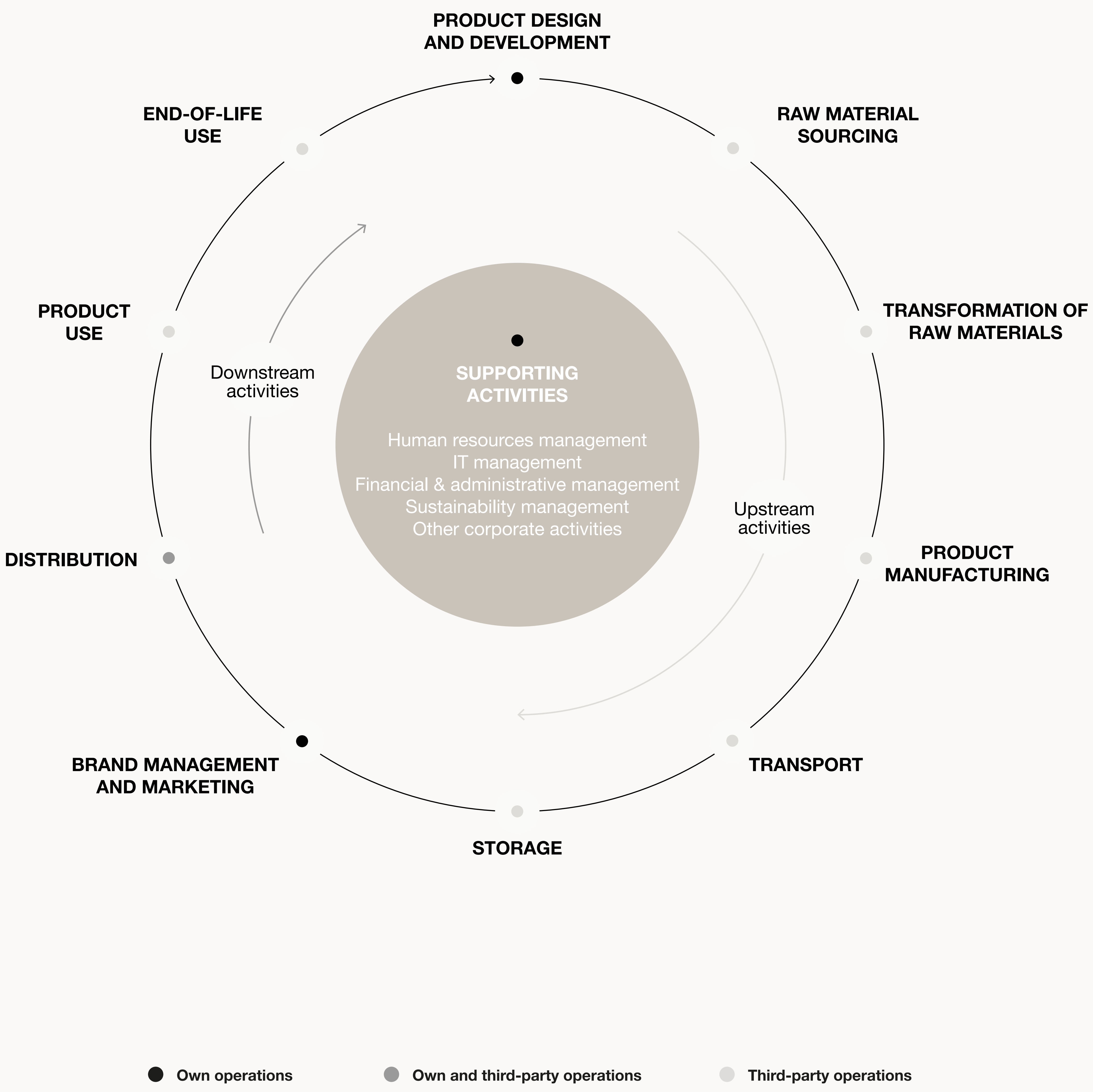
Less presence More presence

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

3.3.2 VALUE CHAIN

Our value chain is defined by the set of activities, resources, and relationships connected to our business model and the external environment in which we operate. It encompasses all the elements we use and rely on to create our products and services—from design to sale, use, and end of life. It is structured as follows:

- Upstream activities. Primarily focused on the sourcing and processing of raw materials, product manufacturing, transportation, and storage.
- Own operations. Mainly include product design and development, brand management and marketing, sales through our e-commerce and owned retail stores, and post-sales service. These are supported by cross-functional activities across the company, such as human resources, technology, and financial management, among others.
- Downstream activities. Primarily involve the sale and distribution of products through commercial partners.



3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

3.3.3 INTERESTS AND VIEWS OF STAKEHOLDERS

Our commitment to stakeholders is a cornerstone of our ongoing due diligence process and the assessment of material sustainability issues. To ensure effective management that is aligned with stakeholder expectations, we follow a structured approach that includes:

- **Identifying** the internal and external stakeholders we engage with throughout our value chain and within the broader context in which we operate.
- **Prioritizing** these stakeholders based on their level of influence and impact on our business model and value chain.
- **Taking their views into account** through various mechanisms, including direct consultations—such as surveys, interviews, or working groups—as well as the analysis of public and contextual information.

STAKEHOLDERS	ENGAGEMENT MECHANISM	PURPOSE OF ENGAGEMENT	NTEGRATION OF RESULTS INTO MANAGEMENT THROUGH INITIATIVES, PROGRAMMES, OR STRATEGIES RELATED TO:	
Shareholders An individual or legal entity that holds shares in SASMAT RETAIL, granting them ownership rights as well as a stake in the company's profits and decision-making processes.	• Ongoing engagement to gather insights • Due diligence process	Shareholders play a key role in the company's financial growth. Keeping them transparently informed is essential to build trust, strengthen engagement, and ensure strategic decision-making aligned with their expectations.	• Financial report • Sustainability report	
Employees Any individual who has an employment relationship with SASMAT RETAIL	• Internal reporting channel • Annual employee satisfaction survey • Company events • Other internal communications: meetings, emails, training courses, etc.	Employees are the driving force of the company. Ensuring they are well-informed and engaged enhances productivity, workplace well-being, and talent retention.	• Employees	
Customers An individual or legal entity that purchases products from SASMAT RETAIL	General (end customers and business partners) • Surveys • Internal Reporting Channel End consumers • Customer service • Interviews Business partners: • Due diligence and audit process • Other communications: meetings, emails, training sessions, etc.	Customers are essential to the company's viability and growth. Maintaining effective communication ensures customer satisfaction, loyalty, and a stronger relationship with the brand.	• Consumers and end users The views of business partners are also taken into account in relation to key sustainability matters such as climate change, pollution, water resources, biodiversity and ecosystems, circular economy, workers in the value chain, and business conduct.	
Suppliers Companies that are part of SASMAT RETAIL's supply chain, as well as their respective employees.	• Due diligence and audit processes • Supplier mapping and product traceability • Training and capacity building	Suppliers are essential to the supply chain and the quality of our products. Maintaining effective communication ensures that goods and services are delivered on time, meet the expected standards, and are provided under mutually beneficial conditions.	• Climate change • Pollution • Water resources • Biodiversity and ecosystems • Circular economy	• Workers in the value chain • Business conduct
Environment The natural surroundings that may be affected by the company's actions and decisions. According to ESRS 1, AR 7: Nature can be considered a silent stakeholder. In this context, ecological data and information on species conservation can support the company's materiality assessment.	• Data collection	Environmental impact has become a key criterion for both consumers and regulators. Improving environmental performance strengthens reputation, ensures regulatory compliance, reduces risk, and enhances the resilience of the business model.	• Climate change • Pollution • Water resources • Biodiversity and ecosystems • Circular economy	
Others: Governments and public authorities, financial institutions, industry peers, sectoral associations and initiatives, media, and civil society.	• Information gathering • Permits, declarations, registrations, and similar • Partnerships • Consultative processes • Events, conferences, and interviews	Ensure regulatory compliance, strengthen corporate reputation, foster collaboration in sector-wide initiatives, and improve access to financing and strategic opportunities. Moreover, maintaining an open relationship with public administrations and other key stakeholders facilitates adaptation to regulatory changes and promotes innovation and sustainability within the sector.	• Climate change • Pollution • Water resources • Biodiversity and ecosystems • Circular economy	• People within the organization • Workers in the value chain • Affected communities • Consumers and end users • Business conduct

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

At SASMAT RETAIL, we gather input from our stakeholders through various communication channels and integrate this information into a double materiality assessment. To do this, we evaluate the relevance and legitimacy of each perspective in relation to our strategy, value chain, and business model.

During the reporting period, we did not implement significant changes to our strategy or business model based on stakeholder feedback. However, we did optimize management processes with business partners, collaborate on the implementation of new regulations, and identified potential impacts, risks, and opportunities.

Stakeholder analysis is a key component of our double materiality assessment. We communicate its results primarily by presenting our sustainability strategy to relevant personnel, offering specific training accessible to all employees, and publishing annual sustainability reports available to the public.

Thanks to ongoing communication with stakeholders, we convey their concerns to the appropriate internal teams based on their nature and connection to the value chain.

PARTNERSHIPS

We believe that transformative partnerships and alliances are the only way to find integrated and innovative solutions to the current and future challenges of the jewelry sector.

Responsible Jewellery Council (RJC)

In 2021, we joined the Responsible Jewellery Council (RJC), the leading global organization dedicated to setting standards across the entire value chain of the jewelry and watch industry. We actively promote the adoption of RJC standards among our suppliers, including its Code of Practices (COP) and Chain of Custody (COC). These frameworks enable us to improve our supply chain, ensure ethical business practices, and promote responsible management by our suppliers.

RESPONSIBLE JEWELLERY COUNCIL

CERTIFIED MEMBER
0000 5181

Code of Practice (COP)

The Code of Practices (COP) is aligned with the OECD Due Diligence Guidance and the United Nations Guiding Principles on Business and Human Rights. Through the implementation of the COP, members contribute to the United Nations 2030 Agenda and the 17 Sustainable Development Goals (SDGs).

Chain of Custody (COC)

The COC standard defines an approach for companies to handle and trade gold, silver, and platinum group metals in a traceable manner and from responsible sources. The COC certification complements the RJC's Code of Practices (COP) certification.

In November 2023, we decided to audit our progress in accordance with the Code of Practices (COP) standard, as part of our commitment to excellence in ethical and sustainable business practices. In March 2024, the audit results were published, awarding us the highest possible rating and a 3-year certification.

Since then, we have become part of the 1,600+ RJC COP-certified companies, united by a shared commitment to:

- Enhance legal and regulatory compliance, strengthen public disclosure, and ensure alignment with responsible business practices.
- Increase the use of due diligence in supply chains to uphold human rights, support community development, promote anti-corruption efforts, and manage sourcing risks.
- Better adhere to international labour conventions and ensure responsible working conditions.
- Protect the health and safety of people and the environment, while using natural resources efficiently.
- Monitor and accurately disclose product information to prevent misleading marketing practices.
- Ensure responsible mining exploration and extraction practices that safeguard communities and ecosystems from potential adverse impacts.

This milestone highlights our commitment to positive impact, where becoming increasingly sustainable is a natural outcome of our business model. It enables us to offer customers the assurance that their purchasing choices support ethical, more sustainable, and socially responsible business practices. The certification not only validates our commitment but also empowers customers to make informed, ethical decisions when purchasing jewelry.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

UN Global Compact

We have been a signatory of the United Nations Global Compact since 2021, demonstrating our commitment to ethical management based on the Compact's Ten Principles. We actively contribute to the achievement of the Sustainable Development Goals (SDGs) and report on our progress annually.

The Ten Principles of the UN Global Compact are derived from universally accepted UN declarations on human rights, labor, the environment, and anti-corruption, and they enjoy global consensus.

WE SUPPORT
UN GLOBAL COMPACT

HUMAN RIGHTS

01 Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.

02 Businesses should make sure they are not complicit in human rights abuses.

LABOUR RIGHTS

03 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

04 Businesses should support the elimination of all forms of forced and compulsory labour.

05 Businesses should support the effective abolition of child labour.

06 Businesses should support the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

07 Businesses should support a precautionary approach to environmental challenges.

08 Businesses should undertake initiatives to promote greater environmental responsibility.

09 Businesses should encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

10 Businesses should work against corruption in all its forms, including extortion and bribery.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

3.3.4 MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH THE STRATEGY AND BUSINESS MODEL

This report outlines the impacts, risks, and opportunities identified at SASMAT RETAIL, along with their interaction with our strategy and business model through specific policies, initiatives, and relevant data.

The double materiality analysis, conducted in 2024 and described in the following chapter, enables us to identify the material impacts, risks, and opportunities for SASMAT RETAIL.

See Methodology for identifying and assessing material impacts, risks, and opportunities for more information

In this context, the following definitions apply:

- **Impact:** Refers to the actual or potential effect we have on the economy, the environment, or people—including impacts on human rights—arising from our activities or business relationships throughout the value chain.
- **Risks and opportunities:** These are events or circumstances that, if they materialize, may negatively (risks) or positively (opportunities) affect our economic performance, with consequences over the short, medium, or long term.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

TOPIC	IRO MATERIALS CONCERNING SUSTAINABILITY	VALUE CHAIN
Climate change		
Climate change mitigation	Risk	Transportation Distribution Own operations
Pollution		
Water, soil, and air pollution	Current impact	Raw material sourcing
Substances of concern or of very high concern	Current impact	Raw material sourcing
Microplastics	Current impact	End-of-life use
Biodiversity and ecosystems		
Biodiversity loss and ecosystem collapse	Current impact	Raw material sourcing
Resource use and circular economy		
Waste	Current impact	Raw material sourcing Distribution End-of-life use
Resource outflows related to products and services	Opportunity	Product design and development
Resources inflows including resource use	Opportunity	Raw material sourcing
Raw material availability	Risk	Raw material sourcing
Own workforce		
Secure employment	Current impact	Own stores

TOPIC	IRO MATERIALS CONCERNING SUSTAINABILITY	VALUE CHAIN
Workers in the value chain		
Working conditions [Working hours, adequate wages, social dialogue, freedom of association including the existence of works councils, collective bargaining, work-life balance, and health and safety].	Current impact	Product manufacturing
	Potential impact	Raw material sourcing Transformation of raw materials Product manufacturing
Human rights	Potential impact	Raw material sourcing Transformation of raw materials
Consumers and end-users		
Product health and safety	Potential impact	Product use
Responsible marketing practices	Opportunity	Product use
Business conduct		
Management of relationships with suppliers	Risk	Own operations
Corruption and bribery	Potential impact	Distribution
Regulatory compliance	Risk	Own operations
Raw materials origin and traceability	Risk	Raw material sourcing Transformation of raw materials Product manufacturing Distribution Own operations

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

3.3.5 METHODOLOGY FOR IDENTIFYING AND ASSESSING MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

The double materiality analysis has been based on the methodology established by the Corporate Sustainability Reporting Directive (CSRD) and the implementation guidance "Materiality Assessment" developed by EFRAG.

CONTEXT ANALYSIS

Through this phase, we develop an overview of our activities and business relationships, the context in which they take place, and an understanding of the main affected stakeholders. To this end, the following has been carried out:

- Review of the business plan, strategy, and financial statements.
- Analysis of the legal and regulatory framework applicable to our operations and markets, identifying potential risks and opportunities arising from regulatory changes.
- Analysis of the value chain, including upstream, own, and downstream activities.
- Mapping and analysis of stakeholders.
- Analysis of sustainability trends and the sector.
- Analysis of competitors, customers, and benchmark companies.

This analysis provides us with key data to identify our impacts, risks, and opportunities.

IDENTIFICATION OF IMPACTS, RISKS, AND OPPORTUNITIES

We have undertaken a structured process to identify sustainability-related impacts, risks, and opportunities across our own operations as well as our value chain. This process has resulted in the development of an extensive list of impacts, risks, and opportunities, which will be subject to more detailed analysis and evaluation in subsequent stages.

To ensure the thoroughness of this process, we have referenced the list of topics and subtopics contained in ESRS 1, paragraph AR16, supplementing it with the Global Reporting Initiative (GRI) standards where relevant. We have also identified entity-specific sustainability issues not included in the aforementioned list, ensuring a comprehensive approach that accurately reflects our operational and sectoral reality.

To conduct this analysis, we have followed a dual approach. Firstly, we performed an initial screening of the topics described above, identifying those relevant to our operations and value chain. Subsequently, this exercise was complemented by identifying company-specific issues through the analysis of internal processes such as due diligence, risk management, and grievance mechanisms. Additionally, we considered external sources, including stakeholder interactions, current and future applicable legislation, and international standards such as the Responsible Jewellery Council Code of Practices.

Finally, for each identified material impact, risk, or opportunity, we determined whether it pertains to our own operations or to our upstream or downstream value chain, as well as the relevant time horizon.

Generally, this sustainability report follows the time horizons established by ESRS 1, section 6.4, paragraph 77, defining the timeframes as follows:

- Short term: 1 year.
- Medium term: 2 to 5 years.
- Long term: more than 5 years.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

ASSESSMENT AND PRIORITISATION OF IMPACTS, RISKS, AND OPPORTUNITIES

To determine the materiality of impacts, risks, and opportunities, we apply a structured approach based on objective criteria. These criteria are grouped into two perspectives: impact and financial.

IMPACT ASSESSMENT

The impacts arising from the topics and subtopics identified in the previous step are evaluated based on their severity and likelihood:

- **Severity:** based on the scale, scope, and irremediable nature of negative impacts, and on the scale and scope of positive impacts.
    - **Scale:** how severe the negative impact is, or how beneficial the positive impact is, for people or the environment.
    - **Scope:** how extensive the negative or positive impacts are.
    - **Irremediable character:** the extent to which the negative impact can be mitigated
- **Likelihood**: the probability of a potential impact materialising

Furthermore, we have incorporated consultations with relevant stakeholders into our evaluation to gain a deeper understanding of the severity and likelihood of impacts. In addition, we have engaged key internal departments to validate the materiality assessment.

ASSESSMENT OF RISKS AND OPPORTUNITIES

Risks and opportunities, in turn, are assessed from a financial perspective based on the following criteria:

- **Potential magnitude of financial effect**: the potential impact on annual turnover.
- **Likelihood of occurrence**: the probability that a risk or opportunity will materialise.

Similarly, we conducted a consultation process with the relevant business departments to validate the list of material risks and opportunities and to ensure its completeness.

ASSESSMENT CRITERIA FOR IMPACTS, RISKS, AND OPPORTUNITIES

The assessment is based on the following criteria:

IMPACT		
Positive	Current	Scale + Scope
	Potential	(Scale + Scope) x Likelihood
Negaitve	Current	Scale + Scope + Irremediable character
	Potential	(Scale + Scope + Irremediable character) x Likelihood
RISK AND OPPORTUNITY		
Potential magnitude of financial impact x Likelihood		

APPLICATION OF THRESHOLDS AND DETERMINATION OF MATERIALITY

The assessment criteria for impacts, risks, and opportunities have been applied using qualitative and quantitative thresholds, structured into five levels according to their estimated rating and likelihood.

The final determination of materiality is established by comparing the evaluation results. An impact, risk, or opportunity is considered material when its rating exceeds 50% of the maximum possible value in either of the two analytical perspectives—impact and financial—and across any time horizon.

Finally, the results of the double materiality assessment have been reviewed and validated by management to ensure the integrity and completeness of the final list of impacts, risks, and opportunities.

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

3.3.6 CODES OF CONDUCT AND CORPORATE POLICIES

Below is a breakdown of the main policies adopted to manage material sustainability issues.

OUR CODE OF CONDUCT	
Description	It regulates the behaviours and attitudes of individuals within the organisation through a set of common rules, practices, and principles concerning compliance, ethics, and responsibility.
Scope	Individuals who have an employment relationship with SASMAT RETAIL.
Responsible for implementation	Ethics Committee
Responsible for approval	Approved by the Board of Directors in April 2021
External references	• United Nations International Bill of Human Rights • International Labour Organization Declaration on Fundamental Principles and Rights at Work
Advertising and communication	The company's internal HR platform
Applicable topics	• Cross-cutting environmental topics, including climate change, pollution, water resources, biodiversity and ecosystems, and the circular economy. • People within the organisation • Cross-cutting across other social topics, including workers in the value chain, affected communities, consumers, and end-users. • Business conduct
SUPPLIER CODE OF CONDUCT	
Description	To establish a set of common rules, practices, and principles regarding ethics, social responsibility, and environmental protection.
Scope	Suppliers of goods and services to SASMAT RETAIL
Responsible for implementation	Ethics Committee
Responsible for approval	Approved by the Board of Directors in April 2021
External references	• United Nations Universal Declaration of Human Rights • United Nations Global Compact Principles • International Labour Organization Declaration on Fundamental Principles and Rights at Work
Advertising and communication	Publicly available on the PDPAOLA website
Applicable topics	• Cross-cutting across environmental topics such as climate change, pollution, water resources, biodiversity and ecosystems, and the circular economy. • Cross-cutting across social topics such as workers in the value chain, affected communities, consumers, and end-users. • Business conduct

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

HUMAN RIGHTS POLICY	
Description	Commitment to developing a corporate culture that implements a policy for the promotion and protection of internationally recognised human rights, and seeks to avoid complicity in human rights abuses.
Scope	This policy applies to SASMAT RETAIL. The company also expects its suppliers and business partners to respect these provisions and encourages them to adopt similar policies within their own organisations.
Responsible for implementation	Ethics Committee
Responsible for approval	Approved by the Board of Directors in April 2021
External references	• nternational Charter of Human Rights, including i) the United Nations Universal Declaration of Human Rights, ii) the International Covenant on Civil and Political Rights, and iii) the International Cove-nant on Economic, Social and Cultural Rights • International Labour Organization Declaration on Fundamental Principles and Rights at Work
Advertising and communication	Publicly available on the PDPAOLA website
Applicable topics	• People within the organisation
RESPONSIBLE SOURCING POLICY	
Description	It establishes a common framework to ensure responsible sourcing practices for minerals. Additionally, it aims to raise awareness among suppliers about the risks associated with the supply chain, from material extraction to delivery to the end user.
Scope	This policy applies to SASMAT RETAIL. The company also expects its suppliers and business partners to comply with these provisions and encourages them to adopt similar policies within their own organisations.
Responsible for implementation	Sustainability department
Responsible for approval	Approved by the Board of Directors in March 2022
External references	• OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.
Advertising and communication	Publicly available on the PDPAOLA website
Applicable topics	• Resource Use and Economy • Cross-cutting social topics (workers in the value chain, affected communities) • Business conduct
ENVIRONMENTAL SUSTAINABILITY POLICY	
Description	Commitment to implementing environmentally responsible practices across all operations, with the aim of protecting the environment and preserving natural resources for future generations.
Scope	This policy applies to SASMAT RETAIL. The company also expects its suppliers and business partners to comply with these provisions and encourages them to adopt similar policies within their own organisations.
Responsible for implementation	Sustainability department
Responsible for approval	Approved by the Board of Directors in October 2023
Advertising and communication	Publicly available on the PDPAOLA website
Applicable topics	• Cross-cutting across environmental topics (climate change, pollution, water resources, biodiversity and ecosystems, and circular economy)

3.3 STRATEGY, BUSINESS MODEL, AND VALUE CHAIN

BRIBERY PREVENTION POLICY	
Description	Acknowledgement that bribery, in all its forms, is unacceptable and can compromise the integrity of the business, together with a commitment to prevent bribery in any form and to ensure that the company operates with integrity and in full compliance with all applicable laws and regulations.
Scope	This policy applies to SASMAT RETAIL. The company also expects its suppliers and business partners to comply with these provisions and encourages them to adopt similar policies within their own organisations.
Responsible for implementation	Internal Control Authority
Responsible for approval	Approved by the Board of Directors in October 2023
Advertising and communication	Publicly available on the PDPAOLA website
Applicable topics	• Business conduct

INTERNAL REPORTING SYSTEM POLICY	
Description	This policy establishes the principles governing the Internal Reporting System to enable stakeholders affected by the companies, organisations, individuals, or activities within SASMAT RETAIL's value chain to raise their concerns early, openly, and knowledgeably, with a high level of protection, so that such concerns can be effectively addressed within the Company.
Scope	It applies to all communications from stakeholders received through SASMAT RETAIL's internal reporting channels concerning any conduct that may constitute a breach of applicable laws, as well as SASMAT RETAIL's Codes of Conduct and Corporate Policies.
Responsible for implementation	Ethics Committee
Responsible for approval	Approved by the Board of Directors in November 2024.
External references	• Directive (EU) 2019/1937 on the protection of persons who report breaches of Union law • Law 2/2023 regulating the protection of persons who report regulatory breaches and the fight against corruption.
Advertising and communication	Publicly available on the PDPAOLA website
Applicable topics	• Business conduct

HOUSE OF PDPAOLA NEW YORK

346 Bleecker Street
New York, EE.UU

004 ENVIRONMENTAL INFORMATION

4.1 ENERGY, GREENHOUSE GASES, AND CLIMATE CHANGE

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1 Climate change mitigation

TYPE	RISK
VALUE CHAIN	TRANSPORTATION DISTRIBUTION OWN OPERATIONS

RELATED POLICIES

1 Environmental sustainability policy

MOST RELEVANT CONTRIBUTION TO THE SDGS

7. AFFORDABLE AND CLEAN ENERGY

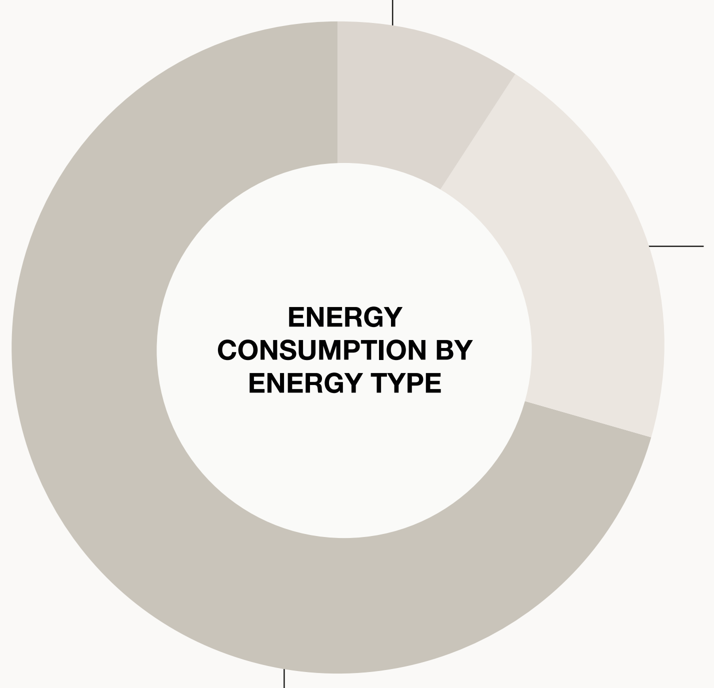
The current context is defined by the global recognition of climate change as an imminent reality requiring immediate action. Within this framework, we have identified energy transition and climate change risks as material issues to which we are exposed.

The risks associated with transitioning to a lower-carbon economy may involve significant political, legal, technological, and market changes aimed at addressing mitigation and adaptation requirements related to climate change.

4.1.1 ENERGY CONSUPTION

The total energy consumption in 2025, covering both our corporate headquarters and stores, experienced a slight increase of 13.57% compared to the previous year, reaching a total of 347.180 kWh. This increase is primarily attributed to the opening of new stores during the reporting period.

Regarding the energy consumption breakdown, electricity accounts for 90,65% of the total, followed by natural gas consumption, which contributes 9.35%. It is important to highlight that 70.36% of the energy consumed comes from renewable sources, representing an 8.51% increase over the previous fiscal year.



ENERGY CONSUMPTION BY ENERGY TYPE[5]	2024	2025
Total energy consumption (kWh)	305.688	347.180
Natural gas (kWh)	23.623	32.464
Electricity (kWh)	282.065	314.716
Electricity from non-renewable sources (kWh)	93.007	70.534
Electricity from renewable sources (kWh)	189.059	244.182

[5] Fuel consumption by the company's vehicles has not been included due to its marginal impact on the organization's overall energy profile and the limited availability of disaggregated data with the required level of precision.

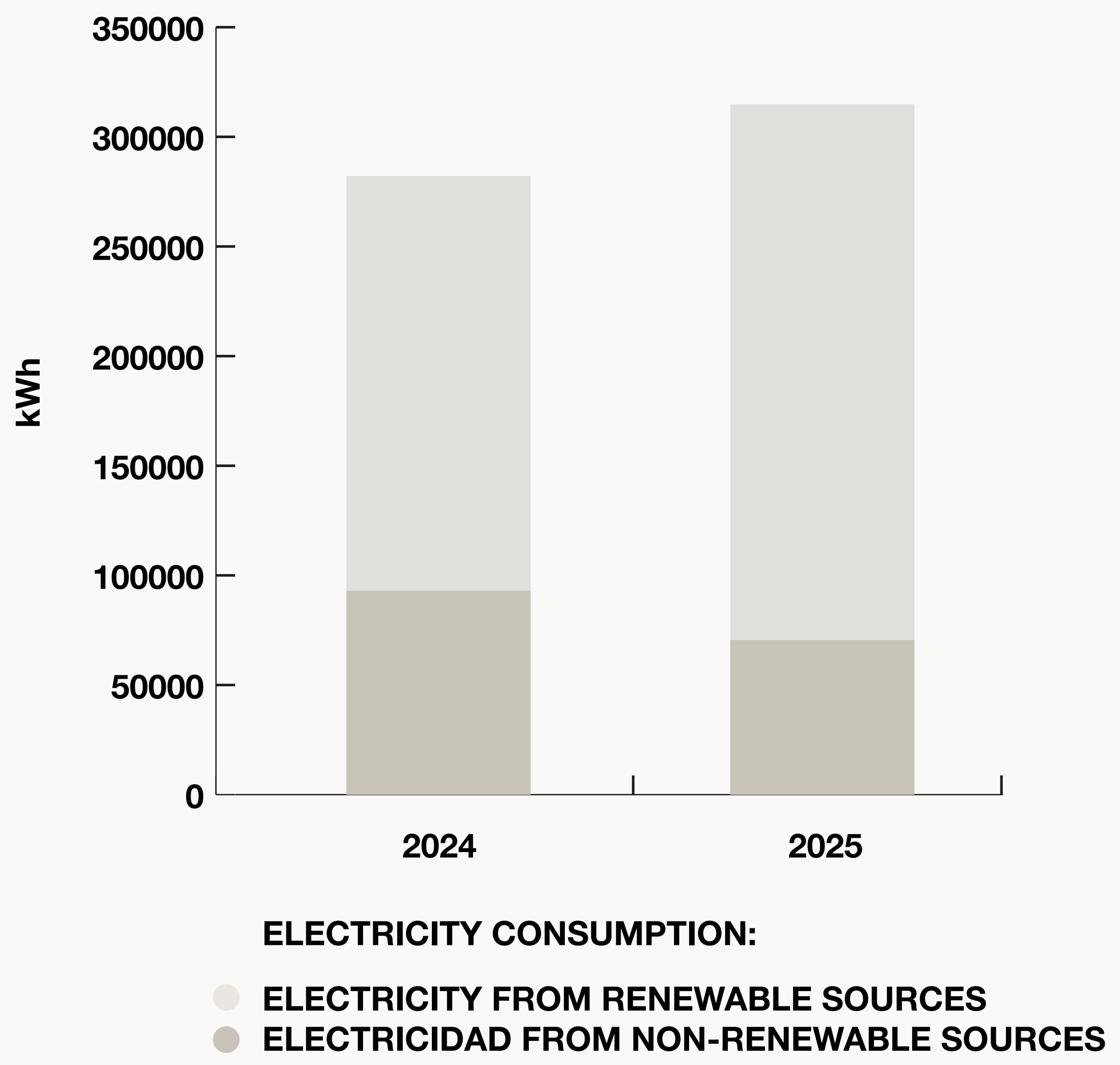
4.1 ENERGY, GREENHOUSE GASES, AND CLIMATE CHANGE

4.1.2 RENEWABLE ENERGY

The consolidation of our retail network continues alongside a commitment to transition toward renewable electricity, with the goal of reducing greenhouse gas emissions associated with our facilities.

In 2025, 77.59% of the electricity consumed across our facilities came from renewable sources, a significant improvement over the previous fiscal year.

Looking ahead, we will continue to prioritize the procurement of renewable electricity in markets where adequate availability and supply guarantees exist.

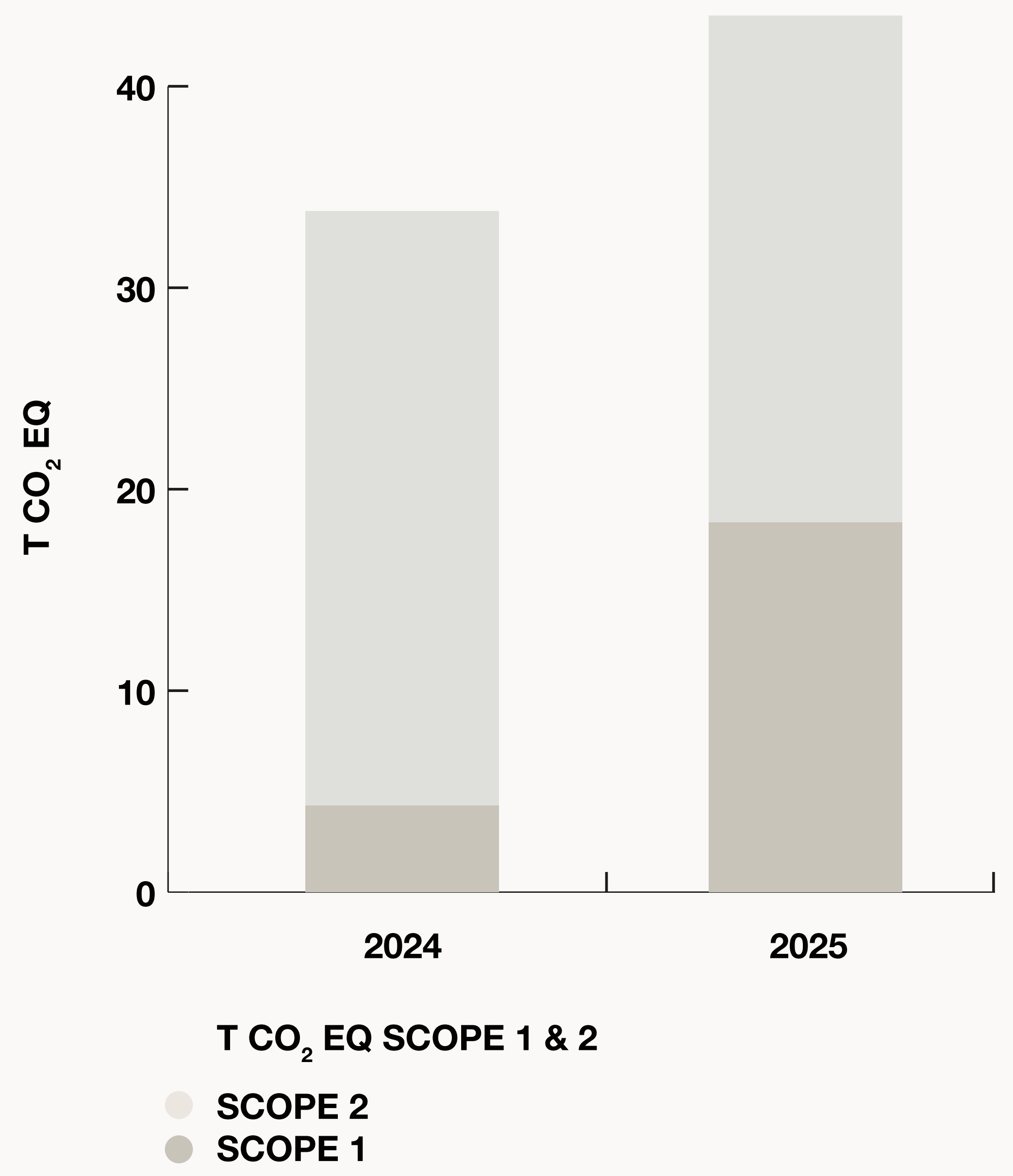


4.1 ENERGY, GREENHOUSE GASES, AND CLIMATE CHANGE

4.1.3 GREENHOUSE GAS EMISSIONS

The global recognition of climate change as an imminent and high-impact reality has driven a profound transformation in the way governments, businesses, and society approach their activities. Within this context, our company takes on the responsibility to contribute to the decarbonisation of our operations, intertwining business growth with the reduction of our carbon footprint and the transition towards an increasingly sustainable business model.

During 2025, we conducted a renewed monitoring of our CO2 emissions, covering both Scope 1[6] and Scope 2[7]. The results obtained reflect total emissions of 43.52 metric tons of CO_2 equivalent, representing a 28.76% increase over the previous fiscal year.



The recorded increase is primarily concentrated in Scope 1 emissions, which rose from 4.30 to 18.35 metric tons of CO_2 equivalent. This increase is mainly associated with refrigerant consumption from maintenance operations across our stores and, to a lesser extent, higher natural gas consumption driven by the growth and operations of our retail activity. Conversely, Scope 2 emissions associated with electricity purchases decreased by 14.68%, dropping from 29.50 to 25.17 metric tons of CO_2 equivalent, demonstrating an improvement in energy efficiency and/or the consumed electricity mix.

Although business growth led to an increase in total emissions, the reduction in electricity-related emissions highlights progress in the company's energy management. Looking ahead, the organization will continue to prioritize measures aimed at reducing refrigerant leaks, optimizing energy consumption, and progressively decarbonizing its operations.

CARBON FOOTPRINT	2024	2025
Scope 1 (t of CO_2 equivalent)[8], [9]	4,30	18,35
Scope 2 (t of CO_2 equivalent)[10]	29,50	25,17
Total: Scope 1 + Scope 2 (t of CO_2 equivalent)	33,80	43,52

Aware of the impact we have on the environment, we take responsibility for reducing our CO2 emissions. To this end, we have implemented concrete measures such as:

- Prioritise the procurement of electricity from renewable sources across all our facilities.
- Offset our carbon footprint when sourcing renewable energy is not feasible. In this regard, since 2021, we have successfully neutralised all our Scope 1 and 2 emissions. For 2025, we are committed to maintaining this achievement by utilising the United Nations' recognised Carbon Offset Platform.

The decarbonisation of our business model is an ongoing process, and we continue to work diligently to identify new opportunities for improvement and to implement solutions that enable us to further reduce our carbon footprint.

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[6] Scope 1 emissions are direct emissions of greenhouse gases associated with sources owned or controlled by SASMAT RETAIL S.L. such as emissions from boiler combustion, own vehicles or fugitive emissions among others.

[7] Scope 2 emissions are indirect greenhouse gas emissions associated with the generation of electricity purchased and consumed by SASMAT RETAIL S.L.

[8] Scope 1 emissions are calculated based on the consumption of various types of fuel and emissions associated with occasional refrigerant leaks from air conditioning equipment, using the corresponding emission factors. Sources of emission factors:
(01) Emission Factors, 2007-2015, Ministry for the Ecological Transition and the Demographic Challenge
(02) Vehicle database of the Institute for Diversification and Saving of Energy
(03) Fifth Assessment Report of the IPCC

[9] The fuel consumption of vehicles used by the company has not been included due to its marginal impact on the organisation's overall energy profile and the limited availability of disaggregated data with the required level of accuracy.

[10] Scope 2 emissions are calculated based on electricity consumption and their corresponding emission factors. Sources of the emission factors:
(01) CNMC (Comisión Nacional de los Mercados y la Competencia)
(02) ISPRA (Istituto Superiore per la Protezione e la Ricerca Ambientale)
(03) eGRID (Emissions & Generation Resource Integrated Database) - United States Environmental Protection Agency

4.2 POLLUTION

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1. Water, soil, and air pollution

TYPE	CURRENT IMPACT
VALUE CHAIN	RAW MATERIAL SOURCING

2. Substances of concern or substances of very high concern

TYPE	CURRENT IMPACT
VALUE CHAIN	RAW MATERIAL SOURCING

3. Microplastics

TYPE	CURRENT IMPACT
VALUE CHAIN	END-OF-LIFE USE

RELATED POLICIES

1. Supplier code of conduct
2. Responsible sourcing policy
3. Environmental sustainability policy

MOST SIGNIFICANT CONTRIBUTION TO THE SDGS

12. RESPONSIBLE CONSUMPTION AND PRODUCTION

The environmental pollution generated by our activities is primarily concentrated within the supply chain, given the retail nature of our business model. In this context, we have implemented various measures to prevent pollution at its source, in accordance with the mitigation hierarchy principle.

During the reporting period, we continue to promote the following actions:

- Responsible Sourcing Programme for all our jewellery suppliers, aimed at ensuring environmentally responsible production practices aligned with the principles of supply chain due diligence. As part of the programme, the adoption of the RJC Code of Practice standard is encouraged throughout the supply chain. This standard assesses how facilities work to reduce the use of hazardous substances and minimise pollution.

  See Responsible sourcing programme for more information.

- Use of recycled gold and silver to reduce the impact associated with the extraction and processing of virgin resources.

  See Towards more responsible materials for more information.

- We prioritise plastic-free packaging. Since 2021, all shipments from our website have been plastic-free, and we are working to ensure that deliveries from other e-commerce platforms follow suit.

  See Packaging for more information.

4.3 BIODIVERSITY AND ECOSYSTEMS

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1. Loss of biodiversity and ecosystem collapse

TYPE: CURRENT IMPACT

VALUE CHAIN: RAW MATERIAL SOURCING

RELATED POLICIES

1. Supplier code of conduct
2. Responsible sourcing policy
3. Environmental sustainability policy

MOST RELEVANT CONTRIBUTION TO THE SDGS

12. RESPONSIBLE CONSUMPTION AND PRODUCTION

15. LIFE ON LAND

We have assessed our direct operations and have not identified any material impacts on biodiversity nor the presence of facilities in key biodiversity areas, according to the World Database on Key Biodiversity Areas tool. However, we acknowledge that our main risks and impacts regarding biodiversity and ecosystems may occur indirectly, primarily at the initial stages of our value chain, particularly during the extraction phase of natural raw materials such as metals and natural stones.

During the reporting period, we continued to promote the following actions:

- Responsible Sourcing Programme for all our jewellery suppliers, aimed at ensuring environmentally responsible production practices aligned with the principles of supply chain due diligence. As part of the programme, adoption of the RJC Code of Practice standard is encouraged throughout the supply chain. This standard sets stringent criteria for managing environmental impacts, particularly concerning protected areas, sensitive habitats, and biodiversity, requiring concrete measures for prevention, mitigation, monitoring, and transparency.

  See Responsible Sourcing Programme for more information.

- Use of recycled gold and silver to reduce the impact associated with the extraction and processing of virgin resources.

  See Towards more responsible materials for more information.

- Paper and cardboard certified by FSC or PEFC, ensuring that the forests from which our raw materials are sourced are managed responsibly, respecting the rights of workers and local communities, and conserving biodiversity.

  See Packaging for more information.

4.4 USE OF RESOURCES AND CIRCULAR ECONOMY

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1. Waste

   TYPE: CURRENT IMPACT

   VALUE CHAIN: RAW MATERIAL SOURCING; DISTRIBUTION; END-OF-LIFE USE

2. Resource outflows related to products and services

   TYPE: OPPORTUNITY

   VALUE CHAIN: PRODUCT DESIGN AND DEVELOPMENT

3. Resources inflows including resource use

   TYPE: OPPORTUNITY

   CADENA DE VALOR: RAW MATERIAL SOURCING

4. Raw material availability

   TYPE: RISK

   VALUE CHAIN: RAW MATERIAL SOURCING

RELATED POLICIES

1. Environmental sustainability policy

MOST SIGNIFICANT CONTRIBUTION TO THE SDGS

12. RESPONSIBLE CONSUMPTION AND PRODUCTION

We have adopted initiatives focused on the circular economy and the responsible use of resources, with priority action areas including the use of recycled metals in the manufacture of our products, reducing the environmental impact associated with packaging, and our jewellery repair programme.

4.4.1 TOWARDS MORE RESPONSIBLE MATERIALS

At SASMAT RETAIL, we continue our commitment to introducing more materials that meet sustainability criteria in order to promote a circular economy, achieve a more responsible supply chain, and meet the demands of our customers.

RECYCLED METAL

In 2021, we launched our first 18K recycled gold collection, marking the beginning of our commitment to materials meeting sustainability criteria. This initiative was followed in 2023 by the launch of our first recycled silver collection, further consolidating our commitment to more responsible production. Since then, we have continuously sought innovative materials and processes, as well as recognised international tools and standards that allow us to certify the reduction of the environmental and social impact of our products.

This approach responds to the growing demand for more sustainable production and enables us to offer high-quality products that reduce environmental and social impacts without compromising the design or aesthetics of our collections.

By using recycled metals, we can avoid the use of new raw materials, as well as reduce the social, ethical, and environmental risks associated with mining.

Mining is a process with negative environmental impacts and is linked to significant adverse effects, including those related to human rights and other conflicts such as financing armed conflicts, abuses by security contractors, money laundering, corruption, and non-payment of royalties.

The recycled metals used in the manufacture of our jewellery come from smelters verified by recognised bodies, primarily but not exclusively under the Responsible Jewellery Council's Chain of Custody standard, which is the leading global organisation responsible for developing standards covering the entire value chain of the jewellery and watch sector.

SUPPLIER REQUIREMENTS TO GUARANTEE THE RECYCLED ORIGIN OF THE METAL:

The supplier must be certified by one of the recognised certification systems and provide the material transfer document to guarantee the recycled origin of the material at the product level or

The supplier must provide the refinery certificate from one of the recognised certification systems, the material transfer document from the refinery to the jewellery manufacturer, and a conformity declaration signed by the jewellery manufacturer guaranteeing the use of recycled metal.

[13] The standards recognized by SASMAT RETAIL to guarantee the recycled origin of metals in the refineries from which it sources are Responsible Jewellery Council - Chain of custody, Intertek recycled content verification, SCS recycled content certification and GRS / RCS standard.

4.4 USE OF RESOURCES AND CIRCULAR ECONOMY

96%

TOTAL REFERENCES WITH RECYCLED CONTENT

100%

GOLD JEWELRY MADE WITH RECYCLED CONTENT

97%

SILVER JEWELRY MADE WITH RECYCLED CONTENT

In 2025, all gold references were produced with recycled content, maintaining the commitment made in previous fiscal years. Regarding silver, the percentage of references with recycled content stood at 68.35%. This figure does not reflect a real reduction in the use of recycled material, but rather a catalog composition effect: the reduction in the total number of references increased the relative weight of some older references that do not yet incorporate recycled content. Evidence of this is that 97.17% of the silver units produced incorporated recycled material. In total, 69.94% of the references marketed during the fiscal year contained recycled materials, representing 96.22% of the units produced.

RECYCLED CONTENT

	2024[12]		2025	
	% references with recycled content	% units produced with recycled content	% references with recycled content	% units produced with recycled content
All metals[13]	75,75%	75,49%	69,94%	96,22%
Gold	100%	100%	100%	100%
Silver	71,81%	76,72%	75,74%	97,17%

LABORATORY-GROWN DIAMONDS

Diamonds are known as the hardest material on Earth, characterised by their resistance to scratching and their ability to scratch other metals.

Often referred to as "the world's most precious gemstone," their brilliance and beauty are undeniable. However, this does not justify the environmental and social damage caused by mining.

In recent years, awareness has grown regarding how diamonds are sourced and the importance of building a more ethical and sustainable value chain. This has led to the creation of international standards such as the Kimberley Process, which aims to end the trade in conflict diamonds.

A key innovation in this context has been the development of man-made diamonds: laboratory-grown diamonds.

Laboratory-grown diamonds allow us to eliminate mining from the process and, consequently, the social risks associated with it. These diamonds are created by replicating the natural conditions under which mined diamonds are formed, using technologies that reproduce the diamond formation process without the associated negative human impact.

They are physically, optically, and chemically identical to those formed beneath the Earth's surface. For this reason, the criteria used to assess their quality are the same: the 4 Cs – Colour, Clarity, Cut, and Carat.

Specifically, our diamonds are laboratory-grown using Chemical Vapour Deposition (CVD) and High Pressure – High Temperature (HPHT) techniques.

In the **Chemical Vapour Deposition** (CVD) process, a diamond seed (laboratory-grown diamond powder) is placed in a vacuum chamber, which is then heated to a high temperature and filled with a carbon-rich gas. This gas is ionised, allowing pure carbon to slowly adhere to the diamond powder, atom by atom, layer by layer, ultimately culminating in the creation of a diamond.

Regarding the **High Pressure – High Temperature** (HPHT) technique, the diamond seed (also laboratory-grown diamond powder) is placed on a piece of carbon under conditions of high pressure and temperature. This seed melts along with the carbon, and a larger diamond forms around it, which is then allowed to cool to reveal the created diamond.

[12] The 2024 fiscal year coincides with the calendar year. Starting in 2025, the company will operate on a different fiscal year, which affects year-over-year comparability.

[13] Diamond is rated 10 on the Mohs Hardness Scale.

[14] Includes gold, silver, and brass.

4.4 USE OF RESOURCES AND CIRCULAR ECONOMY

4.4.2 PACKAGING

We constantly strive to reduce the environmental impact of our packaging without compromising the quality of the user experience. To achieve this, we focus primarily on three key areas:

PACKAGING

1 DESIGN

We optimise the volume of our packaging, which enables us to reduce material usage and waste generation. Consequently, this also allows us to optimise space and minimise environmental impact during transport.

2 MORE SUSTAINABLE RAW MATERIALS

Paper and cardboard are certified by FSC or PEFC, ensuring that the forests from which our raw materials originate are managed responsibly, respecting workers' rights and local communities, and conserving biodiversity.

Moving towards plastic-free packaging: shipments from our website have been plastic-free since 2021, and we are also working towards achieving plastic-free shipments from other e-commerce platforms.

Since 2022, the polybags protecting our jewellery during transport and distribution have been made from recycled plastic and are certified under the Global Recycled Standard.

3 END OF LIFE USE

We meticulously select materials that can be easily separated and categorised, thereby minimising waste generation and the extraction of natural resources.

We prioritise that our boxes and cases are made from monomaterials and in light colours to facilitate enhanced material recycling.

4.4
USE OF RESOURCES AND CIRCULAR ECONOMY

4.4.3 REPAIR PROGRAMME

During 2025, the Repair Program completed its first full year of operation and expanded its geographic coverage to Italy, establishing itself as a structured and professional international after-sales maintenance service. Throughout the period, 662 repair requests were managed across stores in Spain and Italy, achieving a 96.7% successful repair rate for resolved cases.

The most requested services included gold or rhodium replating, chain welding, ring resizing, stone setting, and clasp repairs. All services continue to be managed through our corporate headquarters, ensuring traceability and lead-time control across all markets.

The volume of data accumulated during the fiscal year has allowed us to begin identifying the most recurring service patterns. This paves the way for establishing, in future fiscal years, corrective actions in design and production processes aimed at reducing the need for repairs at the source.

PDPAOLA ROMA

Via Frattina 76
Roma, Italia

005 SOCIAL INFORMATION

5.1
OWN WORKFORCE[15]

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1. Secure employment

TYPE	CURRENT IMPACT
VALUE CHAIN	OWN STORES

RELATED POLICIES

1. Our code of conduct
2. Human rights policy
3. Internal reporting system policy

MOST SIGNIFICANT CONTRIBUTION TO THE SDGS

5. GENDER EQUALITY

8. DECENT WORK AND ECONOMIC GROWTH

10. REDUCED INEQUALITIES

At SASMAT RETAIL, we remain firmly committed to fostering a culture of collaboration and growth.

We are aware that there is always room for improvement and continuous development. For this reason, we are committed to defining and implementing new policies that will enable us to set clear and measurable objectives, driving meaningful change within our organisation. We are determined to keep evolving and growing, always with the goal of providing an exceptional working environment and making a positive impact on society.

We firmly believe that unity and collaboration are fundamental pillars for achieving our goals and promoting a positive and enriching work environment.

To this end, we have implemented a range of both grassroots and corporate initiatives designed to encourage camaraderie and integration among our team members. Events such as Sant Jordi, Halloween, Carnival and Christmas are special moments in which we share experiences, celebrate cultural diversity, and strengthen our bonds as a team.

187
EMPLOYEES

79,68%
WOMEN

17
NATIONALITIES

20,32%
MEN

[15] Data collected at the end of the reporting period.

5.1
OWN WORKFORCE

Distribution of workforce by country

Distribution of workforce by country

	2024		2025	
	nº	%	nº	%
Spain	169	79,34%	155	82,89%
Italy	24	11,27%	21	11,23%
France	4	1,88%	3	1,60%
United Kingdom	8	3,76%	1	0,53%
United States	8	3,76%	7	3,74%

5.1
OWN WORKFORCE

5.1.1 CHARACTERISTICS OF SASMAT RETAIL EMPLOYEES

In 2025, we maintained our international presence across five strategic markets, with an organizational structure primarily geared toward operations, sales, and business support.

The evolution of our workforce during the fiscal year reflects the adaptation of resources and teams to the operational needs of each market, maintaining a flexible and specialized structure to support the development of the company's international operations.

DISTRIBUTION OF WORKFORCE BY GENDER, AGE AND PROFESSIONAL CATEGORY

	2024										2025									
	SPAIN		FRANCE		ITALY		UNITED KINGDOM		UNITED STATES		SPAIN		FRANCE		ITALY		UNITED KINGDOM		UNITED STATES	
	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%
GENDER DISTRIBUTION																				
Women	132	78,11%	4	100%	23	95,83%	5	62,50%	6	75,00%	123	79,35%	3	100%	18	85,71%	0	0,00%	5	71,43%
Men	37	21,89%	0	0,00%	1	4,17%	3	37,50%	2	25,00%	32	20,65%	0	0,00%	3	14,29%	1	100,00%	2	28,57%
AGE DISTRIIBUTION																				
< 30 years	84	49,70%	3	75,00%	9	37,50%	5	62,50%	3	37,50%	68	43,87%	1	33,33%	6	28,57%	0	0,00%	2	28,57%
Aged 30 to 50	84	49,70%	1	25,00%	15	62,50%	3	37,50%	5	62,50%	85	54,84%	1	33,33%	13	61,90%	1	100,00%	2	28,57%
> 50 years	0	0,00%	0	0,00%	0	0,00%	0	0,00%	0	0,00%	2	1,29%	1	33,33%	2	9,52%	0	0,00%	3	42,86%
PROFESSIONAL CATEGORY																				
Senior management	11	6,51%	0	0%	0	0%	0	0%	1	12,50%	9	5,81%	0	0,00%	0	0,00%	0	0,00%	1	14,29%
Middle management	29	17,16%	1	25,00%	3	12,50%	2	25,00%	2	25,00%	31	20,00%	1	33,33%	2	9,52%	0	0,00%	3	42,86%
Other professionals	129	76,33%	3	75,00%	21	87,50%	6	75,00%	5	62,50%	113	72,90%	2	66,67%	18	85,71%	0	0,00%	4	57,14%

5.1 OWN WORKFORCE

DISTRIBUTION OF WORKFORCE BY TYPE OF CONTRACT

During the 2025 fiscal year, the workforce's contractual structure maintained a high proportion of permanent contracts, although a slight decrease was observed compared to the previous year.

This trend primarily responds to operational and organizational needs linked to the adaptation of certain business areas and greater flexibility in resource management during the year.

The evolution of this indicator continues to reflect operational planning that prioritizes, whenever viable, the formalization of permanent employment relationships, with the aim of providing a more stable framework for people management and professional development plans.

DISTRIBUTION OF WORKFORCE BY TYPE OF CONTRACT, GENDER, AGE AND PROFESSIONAL CATEGORY

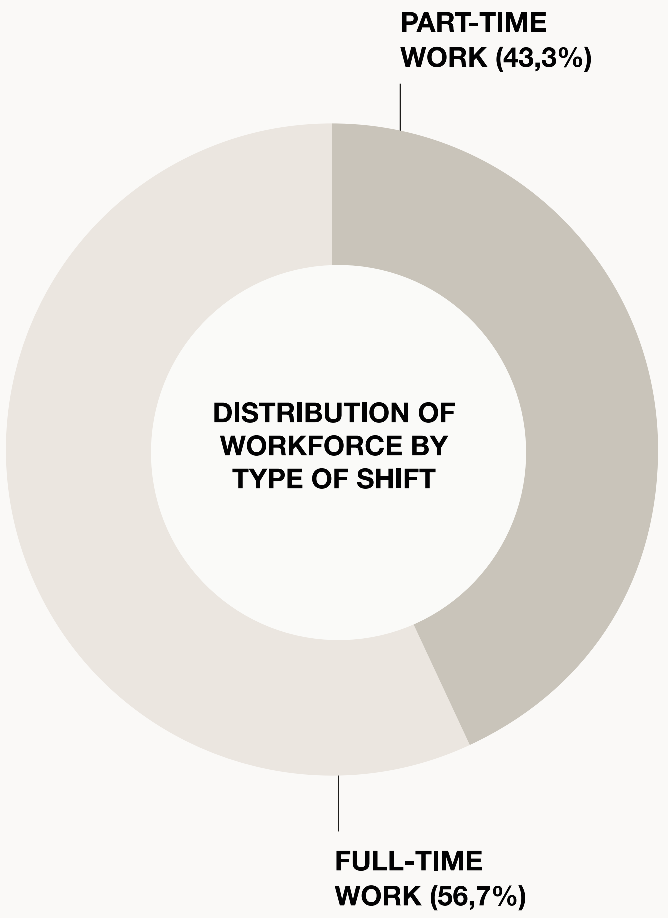
	2024				2025			
	PERMANENT CONTRACT		TEMPORARY CONTRACT		PERMANENT CONTRACT		TEMPORARY CONTRACT	
	nº	%	nº	%	nº	%	nº	%
GENDER DISTRIBUTION								
Women	157	73,71%	13	6,10%	132	70,59%	17	9,09%
Men	42	19,72%	1	0,47%	37	19,79%	1	0,53%
AGE DISTRIBUTION								
< 30 years	98	46,01%	6	2,82%	73	39,04%	9	4,81%
Aged 30 to 50	100	46,95%	8	3,76%	94	50,27%	8	4,28%
> 50 years	1	0,47%	0	0,00%	2	1,07%	1	0,53%
PROFESSIONAL CATEGORY								
Senior management	12	5,63%	0	0,00%	10	5,35%	0	0,00%
Middle management	35	16,43%	2	0,94%	39	20,86%	1	0,53%
Other professionals	152	71,36%	12	5,63%	120	64,17%	17	9,09%

5.1
OWN WORKFORCE

DISTRIBUTION OF WORKFORCE BY TYPE OF SHIFT

Full-time employment continues to be prioritised as a measure to strengthen job stability. During the 2025 fiscal year, the distribution of the workforce by type of working hours maintained a balanced structure between full-time and part-time positions, with a 5.42% shift toward part-time employment compared to the previous fiscal year.

It is also important to note that the majority of part-time employees choose this arrangement in order to balance personal responsibilities, such as studying or family care. However, we also make use of part-time contracts at specific times of the year to meet peaks in demand, thereby ensuring operational efficiency and customer satisfaction.



DISTRIBUTION OF WORKFORCE BY TYPE OF SHIFT, GENDER, AGE AND PROFESSIONAL CATEGORY

	2024				2025			
	FULL-TIME WORK		PART-TIME WORK		FULL-TIME WORK		PART-TIME WORK	
	nº	%	nº	%	nº	%	nº	%
GENDER DISTRIBUTION								
Women	97	45,54%	73	34,27%	72	38,50%	77	41,18%
Men	37	17,37%	6	2,82%	34	18,18%	4	2,14%
AGE DISTRIBUTION								
< 30 years	44	20,66%	60	28,17%	22	11,76%	60	32,09%
Aged 30 to 50	89	41,78%	19	8,92%	81	43,32%	21	11,23%
> 50 years	1	0,47%	0	0,00%	3	1,60%	0	0,00%
PROFESSIONAL CATEGORY								
Senior management	12	5,63%	0	0,00%	10	5,35%	0	0,00%
Middle management	36	16,90%	1	0,47%	39	20,86%	1	0,53%
Other professionals	86	40,38%	78	36,62%	57	30,48%	80	42,78%

5.1 OWN WORKFORCE

RECRUITMENT AND EMPLOYEE TURNOVER

Our Careers portal is a vital component of our talent acquisition strategy. We continuously update the available opportunities and provide candidates with the chance to join our team. We also recognise that talent retention is equally important, and it forms an integral part of our employee engagement approach.

In addition to the benefits provided under applicable regulations—such as parental leave and disability coverage—we offer all employees on permanent contracts additional advantages. These include discounts on PDPAOLA products and those of partner brands.

For office-based employees, we offer remote work options and increased scheduling flexibility to support a better work–life balance, as well as access to a virtual canteen in Spain.

Additionally, permanent employees in Spain benefit from extra days of maternity and paternity leave, free health insurance starting from their second year of employment, and access to a flexible compensation programme.

At the close of the 2025 fiscal year, the workforce consisted of 187 people, representing a 12.21% change compared to the previous year.

The staff turnover rate for this period was 58.82%[16].

DISTRIBUTION OF WORKFORCE IN NEW HIRES AND TURNOVER BY GENDER, AGE GROUP AND GEOGRAPHICAL AREA

	2024								2025							
	SPAIN				REST OF THE WORLD				SPAIN				REST OF THE WORLD			
	New hires		Terminations		New hires		Terminations		New hires		Terminations		New hires		Terminations	
	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%	nº	%
GENDER DISTRIBUTION																
Women	88	88,00%	78	88,00%	23	78,95%	24	88,89%	75	87,21%	88	72,73%	25	86,21%	33	89,19%
Men	12	12,00%	11	12,00%	7	21,05%	3	11,11%	11	12,79%	16	80,00%	4	13,79%	4	10,81%
AGE DISTRIBUTION																
< 30 years	62	63,38%	59	66,00%	14	47,37%	19	70,37%	57	63,38%	51	68,92%	18	62,07%	23	62,16%
Aged 30 to 50	37	35,21%	30	34,00%	8	52,63%	8	29,63%	28	35,21%	52	80,00%	9	31,03%	13	35,14%
> 50 years	1	1,41%	0	0,00%	0	0,00%	0	0,00%	1	1,41%	1	50,00%	2	6,90%	1	2,70%
PROFESSIONAL CATEGORY																
Senior management	0	0,00%	0	0,00%	1	5,26%	0	0,00%	2	0,00%	5	100%	1	3,33%	0	0,00%
Middle management	10	12,68%	9	10,00%	4	21,05%	1	3,70%	9	12,68%	12	80,00%	2	6,67%	3	8,11%
Other professionals	90	87,32%	80	90,00%	25	73,68%	26	96,30%	74	87,32%	87	71,90%	27	90,00%	34	91,89%

[16] It is calculated by dividing the total number of employees who leave the company voluntarily or due to dismissal, retirement or death in servi-ce by the total number of employees at the end of the reporting period.

5.1
OWN WORKFORCE

5.1.2 CHARACTERISTICS OF NON-EMPLOYEE WORKERS

The most common types of non-employee workers are agency staff and self-employed professionals. Their work primarily involves technical support and commercial activities.

They represent 6.03% of the total workforce, as the use of non-employee personnel is not a common practice within the company. There have been no significant changes in this group compared to the previous financial year.

NON-EMPLOYEE WORKERS

	2024	2025
Non-employee workers	11	12

5.1 OWN WORKFORCE

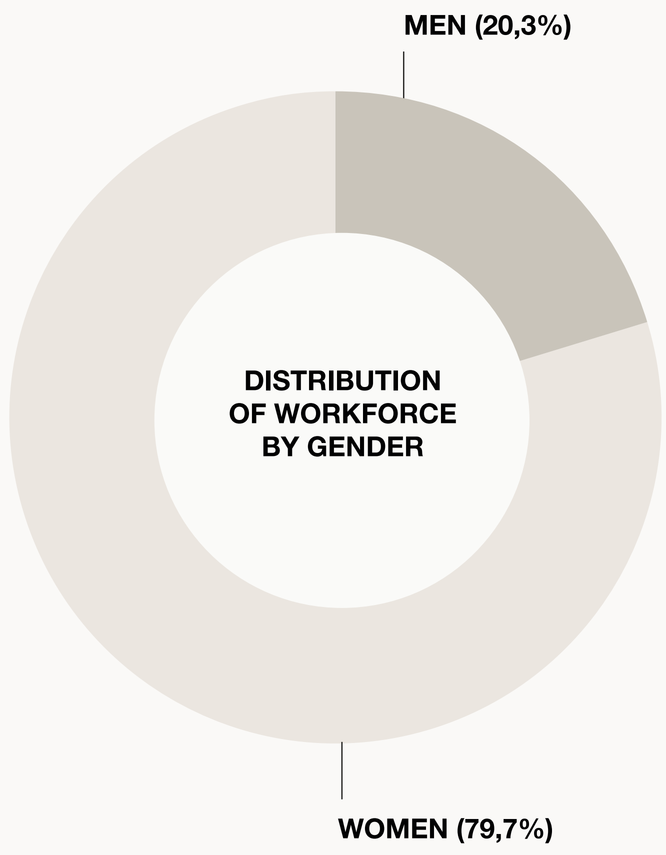
5.1.3 DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

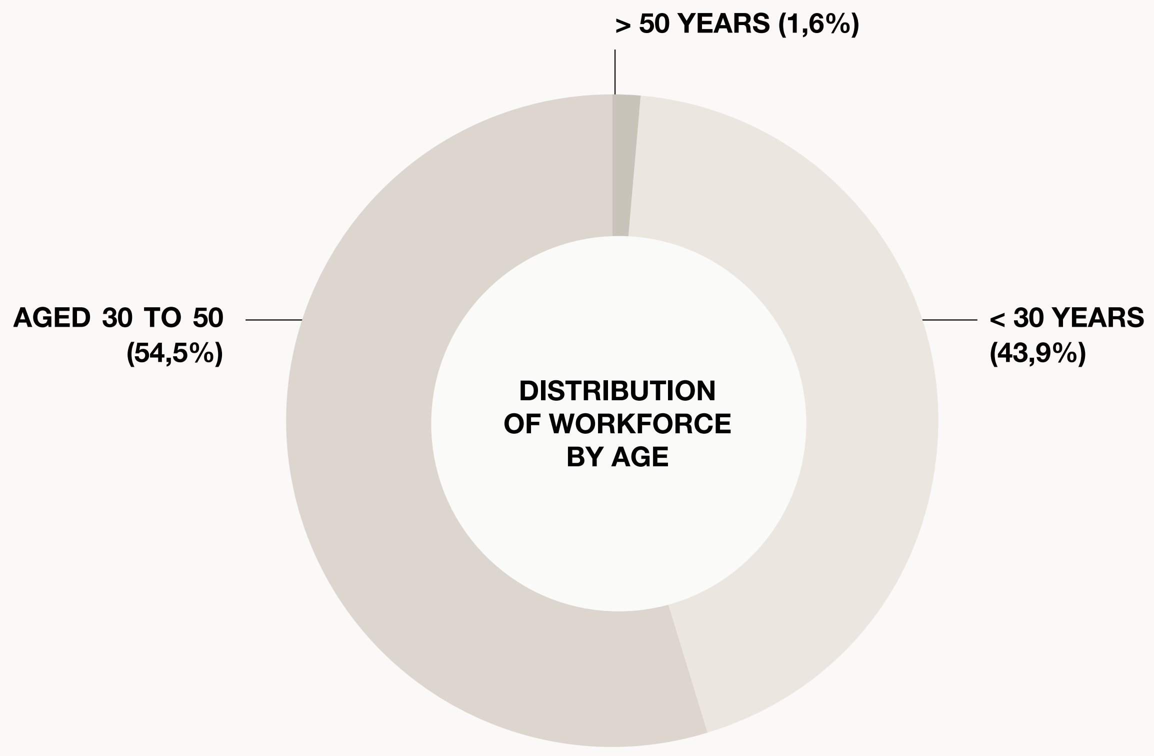
At SASMAT RETAIL, we are proud to champion a diverse team that enhances our capabilities by leveraging the unique strengths and skills of each member. With representatives from 17 different nationalities, our workforce reflects an inclusive and multicultural culture that enriches our company with a broad range of perspectives.

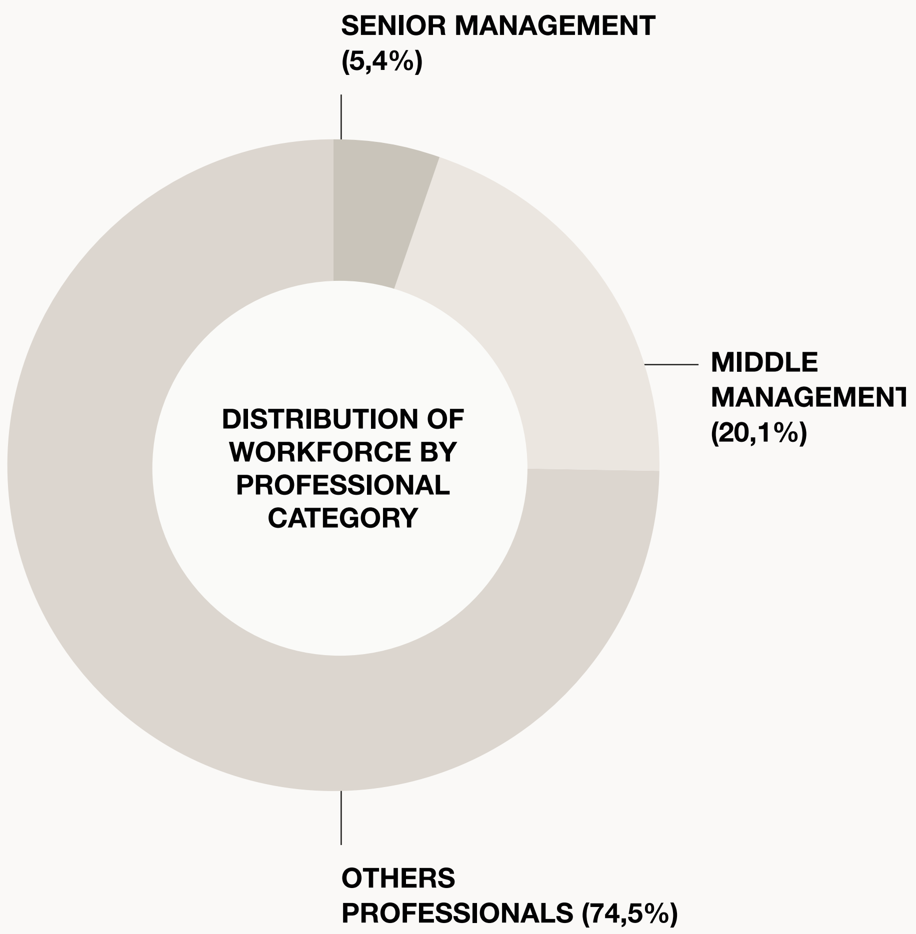
Our recruitment and internal promotion policy is grounded in meritocracy, with no barriers or limitations based on gender. We value talent and capability when appointing individuals—whether men or women—to senior executive roles, middle management positions, or other professional functions.

The distribution of our workforce in 2025, by age, gender and job category, is presented below:

See Characteristics of SASMAT RETAIL employees for a detailed breakdown.







5.1 OWN WORKFORCE

In 2022, we reaffirmed our commitment to equal opportunities and non-discrimination at SASMAT RETAIL by approving our **Equality Plan**. This plan, the result of a thorough analysis of the company's current situation, focuses on implementing concrete measures to promote equality in key areas such as recruitment and selection, job classification, professional training, working conditions, and female representation, among others.

During the same period, we introduced the **Protocol for the Prevention of and Action Against Harassment**, designed to provide clear guidelines in the event of identifying inappropriate conduct, thereby ensuring a safe and healthy working environment for all employees. This protocol has been widely communicated across the organisation, and specific training sessions have been delivered to ensure its correct implementation.

Also in 2022, we established the **Equality Committee**, a dedicated team responsible for overseeing the effective implementation of the Equality Plan and the Harassment Prevention Protocol, as well as promoting a culture of equality throughout the company. The creation of this committee reflects our strong commitment to fostering equal opportunities and preventing harassment within our organisation.

Our Equality Plan, approved in 2022 and set to remain in force for four years, includes a series of actions aimed at promoting real and measurable equality across the company. One such measure is the annual preparation of a Pay Register.

As of the date of this report, the 2025 Compensation Registry was being compiled and validated; therefore, the results of the wage gap analysis were not available for inclusion. Once this process is finalized, the company will have the necessary data to evaluate any potential pay disparities and identify areas for improvement.

At SASMAT RETAIL, we will work throughout the duration of our Equality Plan to implement the scheduled equality measures, with continuous support and guidance from a consultancy specialised in this field.

5.1 OWN WORKFORCE

5.1.4 COLLECTIVE BARGAINING AND SOCIAL DIALOGUE

At our company, we ensure full respect for collective representation rights as recognised in applicable regulations, including the Revised Text of the Workers' Statute Law (Royal Legislative Decree 2/2015 of 23 October), which governs employee representation within companies. In accordance with this legislation, it is the responsibility of employees to voluntarily initiate and organise the processes required to elect their legal representatives, without interference or promotion by the company regarding the establishment of representative bodies.

As of the close of the 2025 financial year, no works councils have been established, nor have any staff representatives been appointed in any of the countries where we operate. This is due to the fact that no employee has initiated the electoral process necessary to establish such representation. As a company, we remain fully committed to acting with transparency, respect, and cooperation should the workforce choose to initiate such processes in the future.

With regard to collective bargaining coverage, 100% of our employees in Spain are currently covered by the relevant regional collective bargaining agreements applicable to their respective workplaces. These agreements are publicly available and legally binding, and they govern essential aspects of employment conditions, including minimum wages, working hours, rest periods, leave entitlements, and other basic terms.

It is important to highlight that our Human Rights Policy reflects the company's commitment to freedom of association and collective bargaining. We recognise and respect our employees' right to form and join organisations or trade unions of their choice, as well as their right to engage in collective bargaining without prior authorisation. The company is also committed to adopting a collaborative attitude towards these organisations and their activities.

Alongside formal mechanisms, we foster continuous dialogue with employees through informal channels such as climate surveys, team meetings, and direct contact with the Human Resources Department, which remains fully accessible for any queries or suggestions.

EMPLOYEES COVERED BY A COLLECTIVE BARGAINING AGREEMENT[17]

	2024		2025	
	nº employees covered	% employees covered	nº employees covered	% employees covered
Spain	169	100%	155	100%

5.1.5 ADEQUATE WAGES

As outlined in our Human Rights Policy, we remunerate our employees based on the roles they perform, in a consistent manner and in line with industry standards. We ensure compliance with applicable minimum wage regulations and/or collective bargaining agreements—whichever offers the higher standard.

[17] In line with the provisions of the VSME standard, information is not disaggregated for countries with fewer than 50 employees. Nevertheless, working and employment conditions in these countries fully comply with applicable labour regulations and are either stipulated in the employment contracts signed with employees or reflected in the principles set out in our Human Rights Policy.

5.1 OWN WORKFORCE

5.1.6 SOCIAL PROTECTION

In Spain, we guarantee social protection coverage through the public social security system, which safeguards against income loss due to life events such as illness, unemployment, workplace accidents, disability, parental leave, and retirement.

EMPLOYEES COVERED BY SOCIAL PROTECTION[18]

	2024		2025	
	nº employees covered	% employees covered	nº employees covered	% employees covered
Spain	169	100%	155	100%

5.1.7 TRAINING AND SKILLS DEVELOPMENT

We view training as a strategic element for the development of our team and the fulfilment of our ethical and operational commitments. We provide a broad and structured training offering designed to strengthen the key competencies of our employees, support their professional growth, and ensure their knowledge remains up to date with the evolving demands of the business and its environment.

We foster a culture of continuous learning that contributes directly to operational efficiency, improved individual and collective performance, and the development of a skilled team aligned with the values and standards that define our brand. This training offer plays a fundamental role in onboarding processes by enabling the swift and effective integration of new employees, as well as in the sustained development of internal talent.

We develop targeted training content to raise awareness among our team about the importance of respecting human rights, promoting equal opportunities in the workplace, and protecting whistleblowers through accessible and effective consultation and reporting channels. Key topics also include occupational risk prevention, sustainable business management, and compliance with anti-money laundering and counter-terrorism financing regulations.

In addition, we have implemented specific training programmes to support the opening of new retail stores, focusing on improving sales processes, developing in-depth product knowledge, and strengthening commercial skills to ensure a customer experience that is consistent with our value proposition.

During the period covered by this report, the average training hours per female employee increased by 300.0% compared to the previous fiscal year, rising from 4.3 hours to 17.2 hours. For male employees, the average training hours increased by 345.0%, rising from 2.0 hours to 8.9 hours.

TOTAL AND AVERAGE TRAINING HOURS BY GENDER

	2024		2025	
	Hours	Average	Hours	Average
Women	1173,6	4,3	2864,0	17,2
Men	114,0	2,0	332,0	8,9

[18] In line with the provisions of the VSME standard, information is not disaggregated for countries with fewer than 50 employees.

5.1 OWN WORKFORCE

5.1.8 OCCUPATIONAL HEALTH AND SAFETY

We have a robust occupational health and safety management system in place, based on a policy that lays the foundation for accident prevention in the workplace and outlines the procedures to follow in the event of a work-related incident. The primary objective is to ensure a prompt and appropriate response, minimising risks to employee health and well-being, as well as any impact on the company's productivity.

The Human Resources Department acts as the main point of contact for all matters related to Occupational Risk Prevention (ORP) and works in coordination with External Prevention Services to manage all actions in this area. The department also serves as a consultation and reporting channel for any issues or irregularities concerning workplace health and safety.

As part of our preventive approach, all new employees receive initial health and safety training, aimed at informing them of job-specific risks and the preventive measures necessary to eliminate or minimise those risks. In addition, we offer periodic training sessions for current employees to reinforce awareness of occupational hazards and update preventive measures as operational processes and applicable regulations evolve. This ongoing training is essential to fostering a strong safety culture and reducing workplace accidents.

Initial training aims to familiarise each employee with the main risks associated with their specific job role and to inform them of the preventative measures to eliminate or reduce such risks. The objectives of this training include:

- To foster an interest in Occupational Risk Prevention within their respective workplaces.
- To provide an understanding of potentially risk-generating causal factors within this employment sector.
- To facilitate a set of preventative recommendations for risk control and the improvement of working conditions.
- To provide information on occupational risk prevention within the sector.
- To train employees for appropriate conduct in their regular work roles.
- To promote the integration of Safety and Health across all company activities.
- To comply with current Occupational Risk Prevention regulations.

We also offer our employees the opportunity to undergo preventive medical check-ups, in accordance with current regulations and based on the requirements of each workplace. This programme aims to support the early detection of potential health issues and promote a proactive approach to their management.

In Spain, we offer all employees with permanent contracts access to a voluntary private health insurance scheme, which they may join individually. The company covers the full cost of the premium after the first year of service and offers a corporate discount during the initial 12 months. We are currently evaluating the possibility of extending this benefit to other countries as our international expansion progresses.

As a result of these ongoing efforts, only three recordable work-related injuries were reported in 2025[19].

COVERAGE OF THE EMPLOYEE HEALTH AND SAFETY MANAGEMENT SYSTEM

	2024		2025	
	nº	%	nº	%
Employees covered by the occupational health and safety management system	213	100%	187	100%

WORKPLACE ACCIDENT RATE

		2024	2025
Number of work-related illness or disease-related fatalities	Women	0	0
	Men	0	0
Number of recordable work-related injuries	Women	3	2
	Men	1	1

[19] A work-related accident is an event that leads to physical or mental harm therefore to injury or ill health. It happens whilst engaged in an occupational activity or during the time spent at work. Recordable means diagnosed by a physician or other licensed health care professionals.

Work-related injury or ill health can result in any of the following: death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid or loss of consciousness. Injuries that do not require medical treatment beyond first aid are generally not recordable. Source: VSME standard.

5.1 OWN WORKFORCE

5.1.9 WORK–LIFE BALANCE

At SASMAT RETAIL, we are continuously seeking ways to improve working conditions. In addition to complying with all measures required by current regulations, we continue to advance initiatives that support a better work–life balance for our employees.

For office-based staff, we have implemented several global initiatives, such as flexible start and finish times, adjustable lunch breaks, a hybrid work model combining on-site and remote work, and the option of an intensive workday schedule on specific days during the Christmas season—all aimed at enhancing employee well-being.

In our stores, we apply a rotating shift system (morning/afternoon) that prioritises, wherever possible, continuous work shifts. We also facilitate shift rotation based on individual needs, aiming to balance operational requirements with personal circumstances.

We also ensure that rights relating to work–life balance, such as reduced working hours, do not affect employees' access to training or professional development opportunities. To support this, the Training Plan is communicated to all staff and made available on the corporate platform, ensuring equal access to information for everyone.

As an additional measure, since 2022, employees in Spain have had the option to take up to five extra days of leave following the birth of a child, depending on their years of service with the company.

WORK–LIFE BALANCE

		2024		2025	
		nº	%	nº	%
Employees eligible for family-related leave entitlements		213	100%	187	100%
		nº	%[20]	nº	%[20]
Employees who utilised family-related leave entitlements	Women	13	7,65%	30	20,13%
	Men	2	4,65%	5	13,16%

5.1.10 INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

Our Internal Channel is the preferred mechanism for reporting any incident or grievance related to human rights, as well as any conduct that may constitute a breach of current legislation, our Codes of Conduct, or our Corporate Policies. This channel is part of our Internal Reporting System, which is managed in accordance with the general principles set out in our Internal Reporting System Policy.

See Codes of conduct and corporate policies for more information.

In 2025, no human rights-related incidents and/or complaints were recorded within our workforce.

[20] Percentage calculated based on the total number of women or men entitled to take family-related leave.

5.2 WORKERS IN THE VALUE CHAIN

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1. Working conditions

TYPE 1	CURRENT IMPACT
VALUE CHAIN 1	PRODUCT MANUFACTURING
TYPE 2	POTENTIAL IMPACT
VALUE CHAIN 2	RAW MATERIAL SOURCING
	TRANSFORMATION OF RAW MATERIALS
	PRODUCT MANUFACTURING

2. Human rights

TYPE	POTENTIAL IMPACT
VALUE CHAIN	RAW MATERIAL SOURCING
	TRANSFORMATION OF RAW MATERIALS

RELATED POLICIES

1. Supplier code of conduct
2. Human rights policy
3. Responsible sourcing policy
4. Internal reporting system policy

MOST SIGNIFICANT CONTRIBUTION TO THE SDGS

5. GENDER EQUALITY

8. DECENT WORK AND ECONOMIC GROWTH

5.2.1 DIALOGUE WITH WORKERS IN THE VALUE CHAIN

We carry out a systematic sustainability due diligence process within our jewellery supply chain through our responsible sourcing programme, which focuses on identifying, assessing, and mitigating actual and potential adverse impacts on the human and labour rights of our suppliers' workers.

We also maintain ongoing dialogue with our suppliers, as well as an accessible internal reporting channel for them, with the aim of facilitating direct communication regarding concerns, risks, or observations.

See Responsible sourcing programme and Internal reporting channel for more information.

5.2.2 GRIEVANCE MECHANISMS AND PROCESSES TO REMEDIATE NEGATIVE IMPACTS

In cases where adverse impacts are identified through the responsible sourcing programme or the internal reporting channel, we implement appropriate response plans to prevent, mitigate or remedy such impacts. Disengagement from a supplier is considered a last resort, reserved exclusively for cases that constitute a serious breach under the "Zero Tolerance" criteria defined in the Responsible Sourcing Policy.

Just as we maintain an internal reporting channel, we also require our suppliers to establish and maintain early warning mechanisms, as outlined in the Supplier Code of Conduct, to ensure their employees can raise concerns or complaints without fear of retaliation. Furthermore, we require high-risk suppliers to undergo independent audits in accordance with internationally recognised standards, such as the RJC Code of Practices, SMETA, or BSCI. These audits not only enable the direct participation of employees but also help verify the existence and effective functioning of local grievance mechanisms, among other aspects.

All identified adverse impacts or concerns raised—whether through the responsible sourcing programme or via the internal reporting channel—are recorded and managed in accordance with a specific technical procedure, which includes evaluation and ongoing monitoring.

See Responsible sourcing programme and Internal reporting channel for more information.

5.2 WORKERS IN THE VALUE CHAIN

5.2.3 MEASURES ADOPTED REGARDING MATERIAL IMPACTS

As a result of our double materiality assessment, working conditions and human rights have been identified as key material issues in our relationship with value chain workers, particularly when potential adverse impacts are not adequately prevented.

We address these impacts and risks through our Responsible Sourcing Programme, which serves as the cornerstone of our social and human rights due diligence strategy. In addition, we provide access to our Internal Reporting Channel across our entire supply chain.

See Responsible sourcing programme and Internal reporting channel for more information.

We also promote the use of recycled metals and laboratory-grown diamonds, which allow us to eliminate mining from our value chain and reduce the social, ethical, and environmental risks associated with the mining process.

Mining is a process often linked to significant adverse effects, including those related to human rights violations and other conflicts such as the financing of armed conflict, abuse by security contractors, money laundering, corruption, and non-payment of royalties.

See Use of resources and circular economy for more information.

During 2025, we identified minor deficiencies in independent audits conducted at certain factories associated with finished-goods suppliers. These deficiencies related to excessive working hours, compensation, hazardous working conditions, as well as limitations on the right to freedom of association and collective bargaining.

None of these situations were classified as severe human rights incidents. In line with the procedures of the auditing entities, the affected factories have adopted corrective action plans with specific measures, verification methods, and defined implementation timelines to remedy these deficiencies.

5.3 CONSUMERS AND END USERS

SUSTAINABILITY-RELATED IMPACTS, RISKS, AND OPPORTUNITIES

1. Product safety and health

   TYPE: POTENTIAL IMPACT

   VALUE CHAIN: PRODUCT USE

2. Responsible business practices

   TYPE: OPPORTUNITY

   VALUE CHAIN: PRODUCT USE

RELATED POLICIES

1. Supplier code of conduct
2. Responsible sourcing policy
3. Environmental sustainability policy
4. Internal reporting system policy
5. Others: Product health and safety standard

MOST SIGNIFICANT CONTRIBUTION TO THE SDGS

12. RESPONSIBLE CONSUMPTION AND PRODUCTION

5.3.1 DIALOGUE WITH CONSUMERS AND END USERS

We have several channels designed to collect, analyse and respond to our customers' concerns, expectations and experiences, as outlined below.

Any interactions related to sustainability, whether before, during or after the purchase process and regardless of the channel through which they are received, are forwarded to the relevant department for evaluation and, where appropriate, integration into our internal procedures.

5.3 CONSUMERS AND END USERS

5.3.2 GRIEVANCE MECHANISMS AND PROCESSES TO REMEDIATE NEGATIVE IMPACTS

Depending on the nature of the impact, we have established three distinct mechanisms through which consumers and end users can express their concerns, complaints, or reports. These include: **(i)** a specialised customer service team, trained to manage enquiries and resolve issues directly; **(ii)** complaint mechanisms linked to compliance with specific regulations; and **(iii)** an internal reporting channel, accessible to anyone wishing to report potential adverse impacts related to our products or services.All of these channels are clearly and easily accessible via our corporate website.

5.3.3 MEASURES ADOPTED REGARDING MATERIAL IMPACTS

Product health and safety has been identified as a material issue in our relationship with consumers and end users. To ensure effective management of this aspect, specific procedures have been established.

PRODUCT HEALTH AND SAFETY

Ensuring that our products meet the highest standards for the health and safety of individuals is a priority. For this reason, we have developed our Product Health and Safety Standard in accordance with product health and safety laws in the markets where the company sells its products.

In 2025, we updated our standard to comply with the most stringent requirements of product health and safety laws in the markets in which we operate. We also integrated into our standard the restricted substances list for packaging developed by the AFIRM Group (Apparel and Footwear International RSL Management Group), with the aim of continuing to reduce the use and impact of harmful substances in our supply chain.

Control Areas of the Product Safety and Health Standard

Restricted Substances

Substances whose manufacture, commercialisation, or use is limited or prohibited due to their potential to affect user health.

Safety Parameters

Characteristics of jewellery design that may pose risks to users' physical integrity.

All our jewellery and packaging suppliers must comply with the requirements of this standard. To ensure compliance, we work with internationally recognised laboratories that verify its correct application through testing of the different products.

In 2025, our analysis of the jewellery items sold did not identify any breaches of the applicable product health and safety regulations in the products marketed.

PDPAOLA IBIZA

Plaça de Sa Font 3
Ibiza, Spain

006 GOVERNANCE INFORMATION

6.1 BUSINESS CONDUCT

SUSTAINABILITY-RELATED IMPACTS, RISKS AND OPPORTUNITIES

1. Management of supplier relationships

   TYPE: RISK

   VALUE CHAIN: OWN OPERATIONS

2. Corruption and bribery

   TYPE: POTENTIAL IMPACT

   VALUE CHAIN: DISTRIBUTION

3. Regulatory compliance

   TYPE: RISK

   VALUE CHAIN: OWN OPERATIONS

4. Origin and traceability of raw materials

   TYPE: RISK

   VALUE CHAIN: RAW MATERIAL SOURCING, TRANSFORMATION OF RAW MATERIALS, PRODUCT MANUFACTURING, DISTRIBUTION, OWN OPERATIONS

RELATED POLICIES

1. Our code of conduct
2. Supplier code of conduct
3. Responsible sourcing policy
4. Anti-bribery policy
5. Internal reporting system policy
6. Others: Manual on the prevention of money laundering and terrorist financing

MOST SIGNIFICANT CONTRIBUTION TO THE SDGS

16. PEACE, JUSTICE AND STRONG INSTITUTIONS

6.1 BUSINESS CONDUCT

In our organisation, we foster a corporate culture based on integrity, supported by a solid framework that ensures regulatory compliance and mitigates inherent risks. This enables our employees to act ethically and feel confident in adhering to the principles of transparency, fairness, accountability, integrity, and professionalism. Through this culture, which is rooted in our core values, we aim to build trust both internally and in our relationships with external stakeholders. We translate these values into tangible actions through policies and procedures that promote business ethics at all levels of the organisation.

See Codes of conduct and corporate policies for more information.

With the aim of identifying concerns regarding unlawful behaviour or actions contrary to our codes of conduct or corporate policies, we rely on three core pillars:

Specific due diligence procedures

We have implemented two distinct programmes to address risks associated with our operations:

Anti-money laundering and counter-terrorism financing programme

As the company trades in jewellery, gemstones and precious metals, it is classified as an obligated entity under Article 2.1.k) of Law 10/2010 on the Prevention of Money Laundering and Terrorist Financing.

In compliance with this regulation, the company has implemented a dedicated anti-money laundering and counter-terrorism financing programme designed to identify, mitigate and manage the risks associated with these activities.

See Prevention and detection of corruption and bribery for more information.

Responsible sourcing programme

We have developed a dedicated responsible sourcing programme, applicable to all jewellery suppliers, with the aim of ensuring responsible practices throughout our supply chain and promoting a positive impact on society and the environment.

See Responsible sourcing programme for more information.

Internal reporting channel

We provide our stakeholders with an Internal Reporting Channel so that anyone affected by the companies, organisations, individuals or activities within our value chain can raise concerns in a timely, informed, and transparent manner, under a high level of protection, allowing issues to be addressed effectively within the company.

The Internal Channel is the preferred mechanism for reporting any conduct that may constitute a breach of applicable legislation, as well as of our Codes of Conduct and Corporate Policies. This channel is part of SASMAT RETAIL's Internal Reporting System, which is managed in accordance with the general principles outlined in our Internal Reporting System Policy.

The Internal Reporting Channel also serves as a tool to help identify and respond to issues in our value chain that might otherwise go unnoticed.

This channel is based on the following principles, aimed at ensuring the protection of whistleblowers and the integrity of the mechanism itself:

- Confidentiality of information
- Protection of personal data
- Guarantee of non-retaliation
- Protection of affected individuals through the right to presumption of innocence and the right to a defence.

Training and communication

Each year, we plan training activities on anti-money laundering and counter-terrorism financing, anti-corruption, as well as on our ethical culture and the operation of the internal reporting system.

6.1 BUSINESS CONDUCT

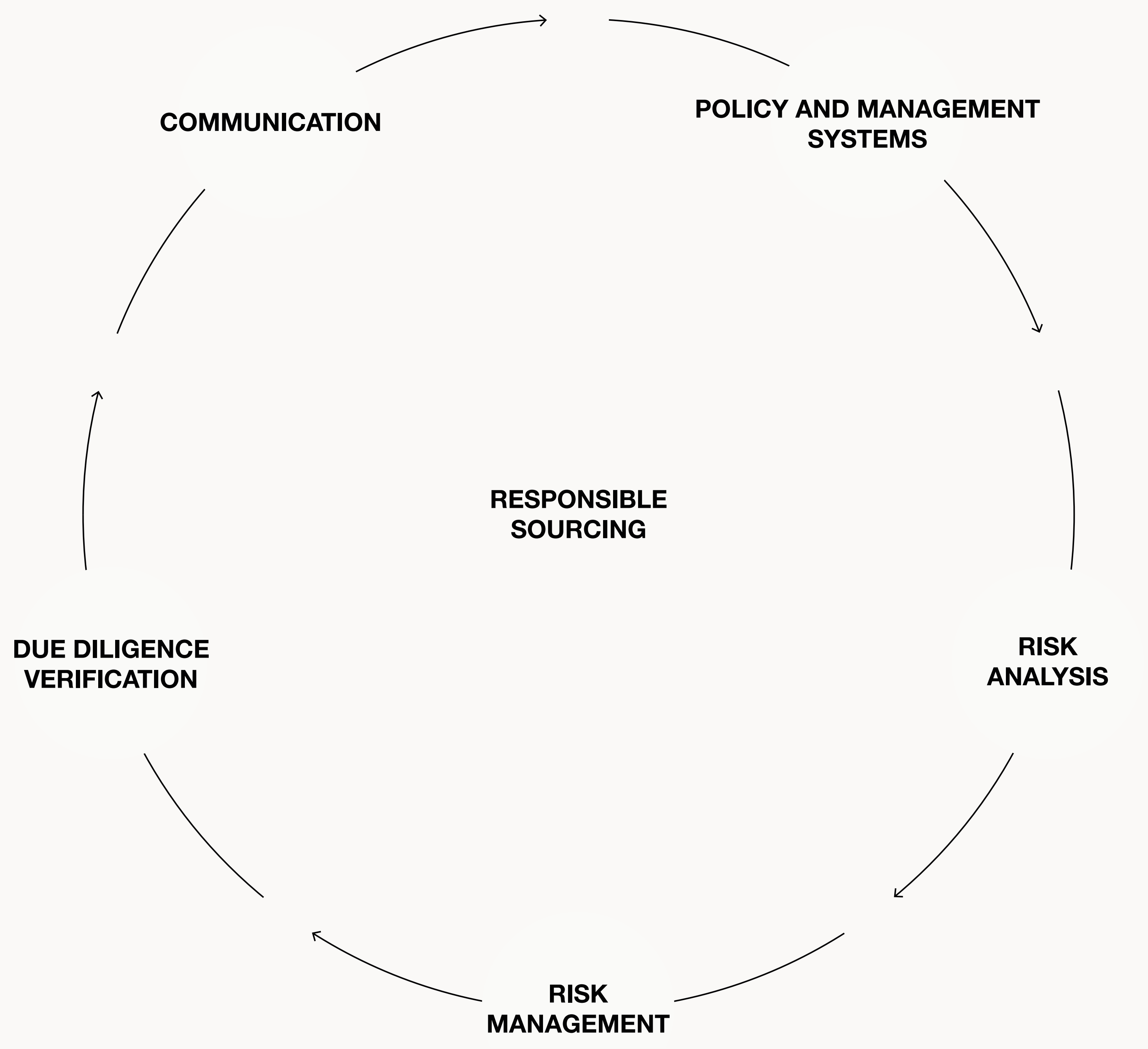
6.1.1 MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS

RESPONSIBLE SOURCING PROGRAMME

We actively work to produce jewellery responsibly and to create a positive impact on society and the environment. With this in mind, we have developed our Responsible Sourcing Programme, based on compliance with our Supplier code of conduct and our Responsible Sourcing Policy, which all suppliers are required to follow.

Our programme is aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and has been audited under the Responsible Jewellery Council's Code of Practices.

See Responsible Jewellery Council (RJC) for more information.



COMMUNICATION

Publicly report annually on policies, practices, and results of due diligence in the supply chain.

POLICY AND MANAGEMENT SYSTEMS

- Supply chain policy
- Management systems
- Information gathering
- Supplier participation
- Grievance mechanism

RISK ANALYSIS

- Identification of conflict-affected and high-risk areas
- Identification of risks at a country level
- Identification of risks at a supplier/product level

RISK MANAGEMENT

- Supplier audit. Direct high-risk suppliers undergo an independent third-party audit.
- Action plan.
- Implementation of appropriate response plans to prevent or mitigate potential risks and/or actual adverse impacts

DUE DILIGENCE VERIFICATION

Independent audit conducted by auditors approved by the Responsible Jewellery Council.

6.1 BUSINESS CONDUCT

The Sustainability Department is responsible for implementing and overseeing the Responsible Sourcing Programme within the supply chain, as well as ensuring compliance with the applicable sustainability criteria.

All our direct suppliers must complete and pass this programme as a prerequisite for initiating or maintaining business relations with SASMAT RETAIL. To this end, the Sustainability Department evaluates each potential supplier prior to onboarding and conducts annual assessments of existing suppliers.

The programme is reviewed and updated each year to incorporate continuous improvements, operational learnings, and new regulatory requirements.

100%

DIRECT SUPPLIERS THAT ARE CERTIFIED RJC MEMBERS

In addition, and recognising that traceability is the foundation for identifying, measuring, and reducing a company's overall environmental and social impact, we collect data on all our purchase orders through our internal tools, in which direct suppliers specify the factories involved in production and the refineries from which they source materials.

See Traceability for more information.

Based on the information collected, we regularly carry out the identification, assessment, and prioritisation of risks that may cause adverse impacts on workers, communities, or the environment. The risk assessment process specifically includes:

- Identification of conflict-affected and high-risk areas
- Country-level risk identification
- Supplier/product-level risk identification.

Based on this risk assessment, high-risk suppliers are subject to independent third-party audits in accordance with internationally recognised standards, previously approved by SASMAT RETAIL.

In 2025, all high-risk direct suppliers provided audit reports in which no breaches were identified that would be considered "Zero Tolerance" under our Responsible sourcing policy[22]

0

ZERO TOLERANCE CASES IDENTIFIED

Nonetheless, as part of the Responsible Sourcing Programme, we have appropriate response plans in place to prevent or mitigate potential risks, adverse impacts, or any other breaches of the company's requirements. We believe in supporting and growing alongside our suppliers, and therefore will only disengage from those associated with the most harmful impacts, as defined in our Responsible sourcing policy. In all other cases, we are committed to taking the necessary steps to increase leverage—either individually or in collaboration—in order to prevent or mitigate risks.

Russia Sourcing Policy

Since the conflict between Russia and Ukraine began on 24th February 2022, the United States and the European Union have imposed sanctions against specific Russian individuals, Russian-owned entities, and products originating from Russia. All our suppliers are, naturally, obliged to comply with all relevant laws in the respective countries where we operate.

Our Responsible Sourcing Programme is based on the OECD Due Diligence Guidance and is designed to ensure that our supply chain complies with applicable laws and does not contribute to human rights conflicts or abuses, such as those currently occurring in Ukraine.

In accordance with the OECD Due Diligence Guidance, we have determined that the purchase of precious metals (i.e., gold, silver, and platinum group metals) and gemstones from sanctioned Russian entities or individuals could contribute to human rights violations and the conflict in Ukraine. Consequently, we have ceased all trade in precious metals and gemstones from such sanctioned Russian sources, and we require our suppliers to also cease the supply of these materials, even if the country or countries in which the supplier operates have not imposed sanctions on Russian precious metals and gemstones.

Compliance with this new policy is subject to verification in accordance with the Responsible Sourcing Programme and will remain in force until international consensus is reached that human rights violations have ceased, and we communicate this to our Suppliers.

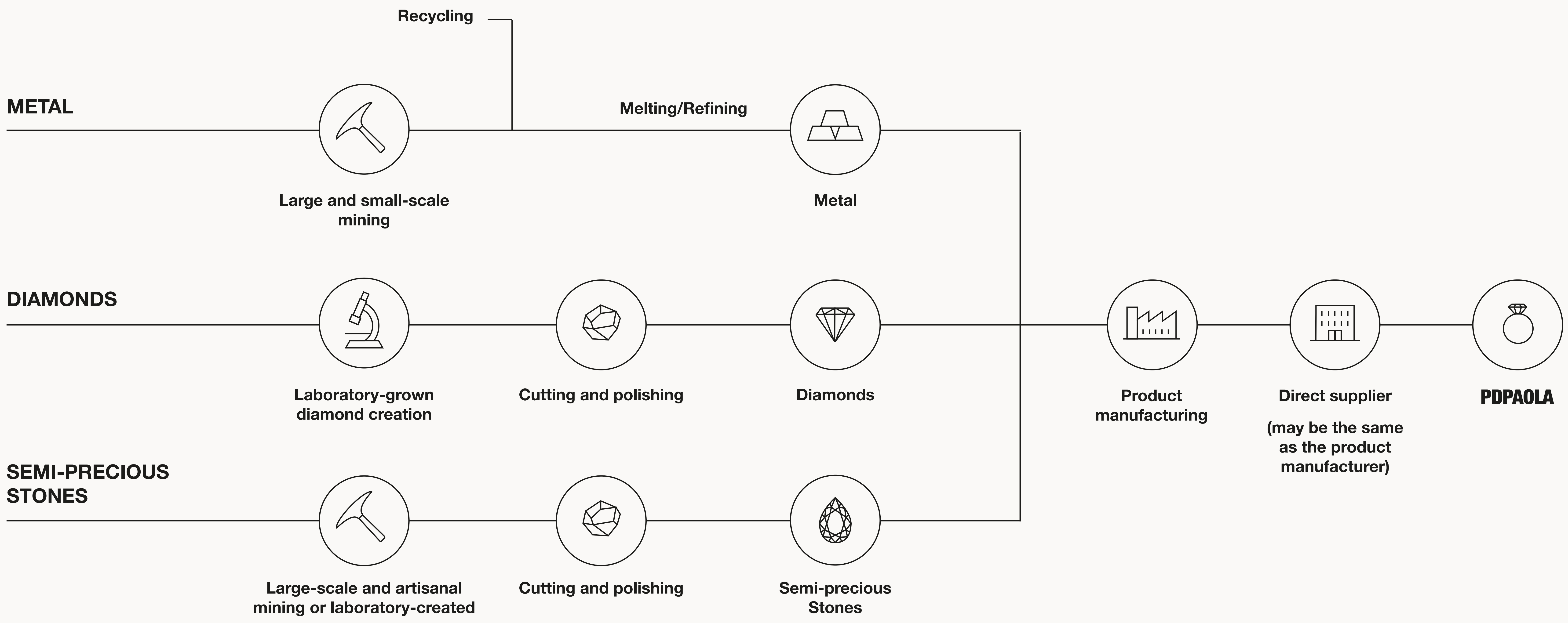
[21] The standards approved by SASMAT RETAIL are RJC Code of Practice, SMETA and BSCI.

[22] SASMAT RETAIL will maintain a Zero Tolerance policy towards serious human rights abuses, direct or indirect support for non-state armed groups, abuses by public or private security forces, as well as against bribery, fraud, and money laundering.

6.1 BUSINESS CONDUCT

TRACEABILITY

Traceability is the foundation for identifying, measuring, and reducing a company's overall environmental and social impact. However, traceability remains one of the greatest challenges in our industry. Achieving supply chain traceability is extremely complex, as the raw materials we use—metals and gemstones—originate from different parts of the world and pass through multiple hands before becoming part of one of our pieces.



6.1 BUSINESS CONDUCT

In this regard, we maintain ongoing dialogue with our suppliers to ensure they report all facilities and processes used in the creation of each of our jewellery pieces before production begins.

We focus our efforts on understanding how, where, and with what our jewellery is made—an essential step in building trust with our customers. At present, we use internal tools to map the suppliers involved in the production of our items, gather information on facilities and raw materials, and ultimately work towards a more responsible supply chain every day.

(1) **ISSUING OF PURCHASE ORDER**

The purchase order is issued, and in parallel the tool is provided to declare the facilities used in the production and the sources of the precious stone and metal supply.

(2) **SUPPLIER DECLARATION**

The supplier declares the facilities used in production and the sources of the precious stone and metal supply.

(3) **VALIDATION OF INFORMATION**

The sustainability department evaluates the information, evidence and documents received.

(4) **APPROVAL AND PRODUCTION**

The supplier declaration is approved and is developed with production.

10

SUPPLIERS WITH PURCHASES OF FINISHED JEWELLERY PRODUCTS

23

JEWELLERY FACTORIES ASSOCIATED WITH SUPPLIERS WITH PURCHASES[23,24]

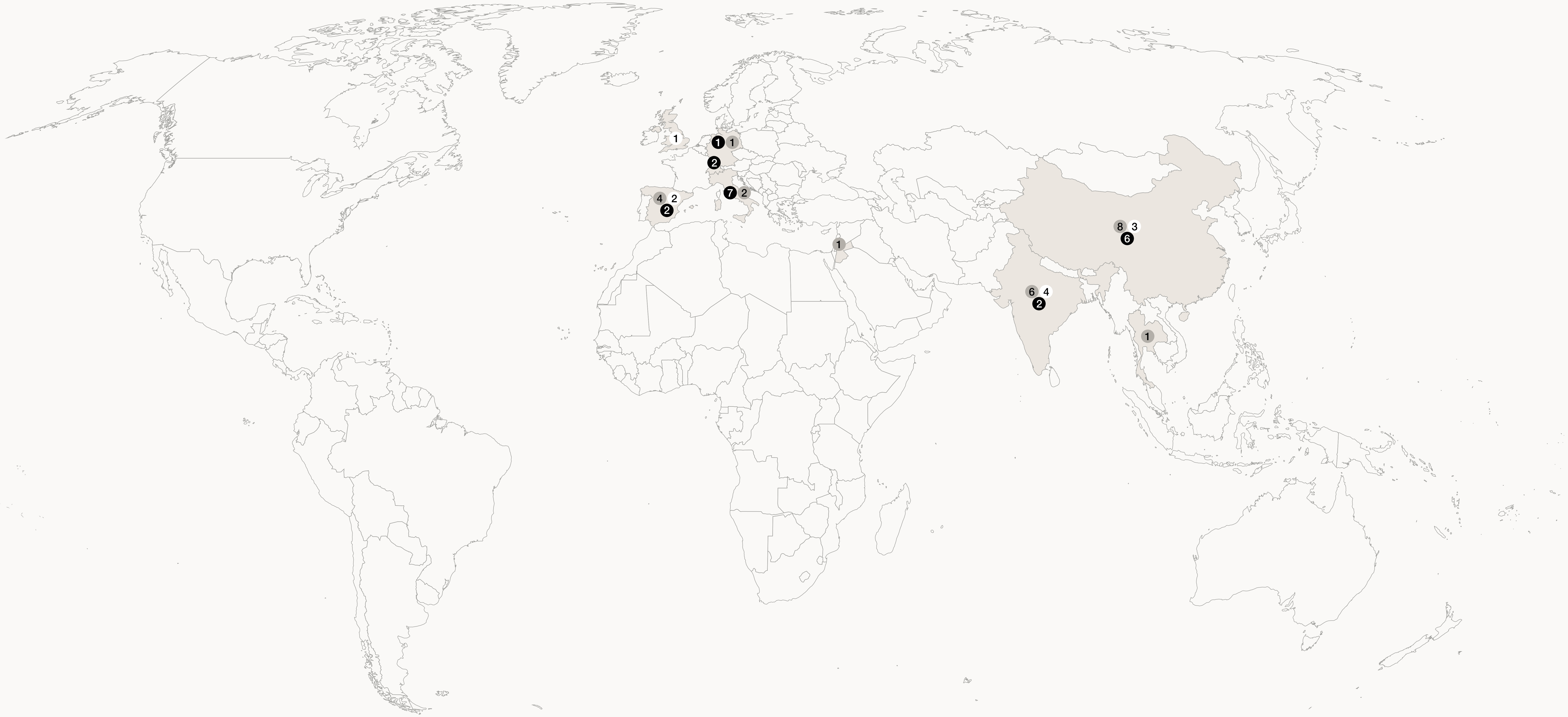
20

METAL SUPPLIERS

[23] It includes the factories declared by suppliers with purchases. It covers the processes of jewellery manufacturing, assembly, and finishing.

[24] 6 of the 23 factories recorded correspond to direct suppliers.

6.1 BUSINESS CONDUCT



Suppliers purchasing finished jewellery products

Jewellery factory associated with purchasing suppliers

Metal suppliers

* 6 out of the 23 factories on the list coincide with suppliers purchasing finished products: 4 in India and 2 in Spain.

6.1 BUSINESS CONDUCT

6.1.2 PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

We have internal policies and procedures in place to prevent, detect, and investigate cases of bribery and money laundering. These apply across the entire organisation and are aligned with applicable regulations. Responsibility for their implementation and oversight lies with the Internal Control Body, which reports directly to the Board of Directors.

See Codes of conduct and corporate policies and Sustainability governance for more information.

We have also developed our own Procedures Manual on the Prevention of Money Laundering and Terrorist Financing, which has been approved by the Board of Directors.

MANUAL ON THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING	
Description	We set out the set of rules we must observe as a company that professionally trades in jewellery, gemstones, or precious metals, in order to comply with the applicable regulations on the prevention of money laundering and terrorist financing, under which we are classified as an obligated entity in accordance with Article 2.1 (k) of Law 10/2010.
Scope	Directors and senior executives of SASMAT RETAIL, as well as its employees
Responsible for implementation	Internal Control Body
Responsible for approval	Approved by the Board of Directors in March 2022
External References	• Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing • Law 10/2010 of 28 April on the Prevention of Money Laundering and Terrorist Financing • Recommendations of the Financial Action Task Force (FATF) • FATF Risk-Based Approach Guidance for Money Laundering and Terrorist Financing Prevention
Advertising and communication	The company's internal human resources platform

6.1 BUSINESS CONDUCT

In the course of our commercial activity, we have identified a number of risks associated with retail customer transactions. These include, among others, situations in which customers purchase large quantities of products for high amounts paid in cash, when the characteristics of the transaction are unusual for the jewellery trade, or when the customer is from a jurisdiction considered high-risk.

Regarding relationships with business partners, risks increase when such relationships are established with third parties whose professionalism or legitimacy is questionable. This may be evident in the absence of clear commercial infrastructure, refusal to provide identifying information, or involvement in transactions with sensitive products such as raw precious metals and stones—particularly when linked to tax havens or conflict zones. Other warning signs include irregular commercial practices such as lack of documentation, falsification of data, or the use of opaque or frequently changing corporate structures without justification.

To minimise these risks, we have implemented a procedure that defines due diligence measures according to the level of risk, classifies customers and business partners based on their profile, and establishes protocols for communication with the competent authorities.

We also have a specific procedure for the prevention of bribery and facilitation payments, which explicitly prohibits such practices in all forms, regulates the acceptance of gifts, and incorporates monitoring mechanisms.

Both procedures fall within the scope of the Internal Reporting Channel for reporting possible breaches.

In addition, we offer training programmes on the prevention of bribery, money laundering, and terrorist financing, as well as on the proper use of internal reporting channels.

No cases of corruption or bribery were reported in 2025.

PDPAOLA CORDUSIO

Via Tomassi Grossi 6
Milán, Italia

ANNEXES

I. VSME TABLE OF CONTENT

VSME	INDICATOR DESCRIPTION	SECTION
GENERAL CONTENT		
B1	Basis for preparation	General basis for preparation of the sustainability report SASMAT RETAIL & PDPAOLA In accordance with the provisions of the VSME standard, SASMAT RETAIL has chosen not to disclose the following information, as it is considered classified or sensitive: • Balance sheet size • Turnover This omission is made in line with the principles for preparing the sustainability report set out in the standard, in particular the principle concerning Classified and sensitive information.
B2	Practices, policies and future initiatives for the transition towards a more sustainable economy	Codes of conduct and corporate policies The practices and initiatives related to sustainability are described under indicator C2.
C1	Strategy: Business model and sustainability-related initiatives	Strategy, business model and value chain
C2	Description of practices, policies and future initiatives for the transition towards a more sustainable economy	The practices and initiatives related to sustainability are described in their respective sections: • Climate change • Pollution • Biodiversity and ecosystems • Use of resources and circular economy • Own workforce • Workers in the value chain • Consumers and end users • Business conduct
ENVIRONMENTAL METRICS		
B3	Energy and greenhouse gas emissions	Energy, greenhouse gases and climate change
B4	Pollution of air, water and soil	Pollution
B5	Biodiversity	Biodiversity and ecosystems
B6	Water	Water consumption has been identified as a non-material issue. It is primarily related to the use of potable water, cleaning, and sanitary services, with discharge into public sewage systems fully ensured. The following consumption figures are provided: • 2024: 581,48 m^3 • 2025: 627,86 m^3 For those stores where it is not possible to access consumption data or invoices, the figures have been estimated based on the average consumption per employee.

I. VSME TABLE OF CONTENT

B7	Resource use, circular economy and waste management	Biodiversity and ecosystems
C3	GHG reduction targets and climate transition	Not reported
C4	Climate risks	Energy, greenhouse gases and climate change
SOCIAL METRICS		
B8	Workforce – General characteristics	Characteristics of SASMAT RETAIL's employees
B9	Workforce – Health and safety	Occupational health and safety
B10	Workforce – Remuneration, collective bargaining and training	Adequate wages Diversity, inclusion and equal opportunities Collective bargaining and social dialogue Training and skills development
C5	Additional (general) workforce characteristics	Governance structure Characteristics of non-employee workers
C6	Additional own workforce information – Human rights policies and processes	Codes of conduct and corporate policies Occupational health and safety Internal reporting channel
C7	Severe negative human rights incidents	Incidents, complaints and severe impacts on human rights
GOVERNANCE METRICS		
B11	Convictions and fines for corruption and bribery	Prevention and detection of corruption and bribery
C8	Revenues from certain sectors and exclusion from EU reference benchmark	Not applicable
C9	Gender diversity ratio in the governing body	Governance

II. GRI TABLE OF CONTENT

GRI	INDICATOR DESCRIPTION	SECTION
GENERAL DISCLOSURES		
The organisation and its reporting practices		
2-1	Organisational details	SASMAT RETAIL & PDPAOLA
2-2	Entities included in the organisation’s sustainability reporting	General basis for preparation of the sustainability report
2-3	Reporting period, frequency and contact point	General basis for preparation of the sustainability report The publication date of the sustainability report for this reporting period is 08/07/2026.
2-4	Restatements of information	No updates have been made to the information presented in previous reporting periods.
2-5	External assurance	This report has been prepared on a voluntary basis and is not subject to specific legal requirements. Furthermore, it has not undergone any external assurance process.
Activities and workers		
2-6	Activities, value chain and other business relationships	SASMAT RETAIL & PDPAOLA Value chain
2-7	Employees	Characteristics of SASMAT RETAIL’s employees
2-8	Workers who are not employees	Characteristics of non-employee workers
Governance		
2-9	Governance structure and composition	Governance
2-10	Nomination and selection of the highest governance body	Governance
2-11	Chair of the highest governance body	Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Governance
2-13	Delegation of responsibility for managing impacts	Governance
Strategies, policies and practices		
2-22	Statement on sustainable development strategy	A message from our founders
2-23	Policy commitments	Governance Codes of conduct and corporate policies
2-26	Mechanisms for seeking advice and raising concerns	Internal reporting channel
2-27	Compliance with laws and regulations	No significant breaches of applicable legislation have been reported.
2-28	Membership associations	Partnerships

II. GRI TABLE OF CONTENT

Stakeholder engagement		
2-29	Approach to stakeholder engagement	Interests and views of stakeholders
2-30	Collective bargaining agreements	Collective bargaining and social dialogue
MATERIAL TOPICS		
Disclosure on material topics		
3-1	Process to determine material topics	Methodology for identifying and assessing material impacts, risks, and opportunities
3-2	List of material topics	Material impacts, risks, and opportunities and their interaction with strategy and the business model
ECONOMY		
Anti-corruption		
205-3	Confirmed incidents of corruption and actions taken	No confirmed cases of corruption in 2025.
ENVIRONMENT		
Energy		
302-1	Energy consumption within the organization	Energy consumption
Water and effluents		
303-5a	Water consumption	Water consumption has been identified as a non-material matter. It is mainly related to the use of potable water, cleaning, and sanitary services, with discharge into the sewage system being fully guaranteed. The following consumption figures are provided: • 2024: 581,48 m³ • 2025: 627,86 m³ For stores where it is not possible to access actual consumption data or invoices, the calculation was based on the average consumption per employee.
Emissions		
305-1	Direct GHG emissions (Scope 1)	Greenhouse gas emissions
305-2	Indirect GHG emissions from energy generation (Scope 2)	Greenhouse gas emissions
SOCIETY		
Employment		
401-1	New employee hires and employee turnover	Characteristics of SASMAT RETAIL's employees

II. GRI TABLE OF CONTENT

401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Characteristics of SASMAT RETAIL's employees
401-3	Parental leave	Work-life balance
Worker–Management Relations		
402-1	Minimum notice periods regarding operational changes	All operational changes are implemented with at least the minimum legal notice period required in the respective countries.
Occupational Health and Safety		
403-5	Worker training on occupational health and safety	Occupational health and safety
403-6	Promotion of worker health	Occupational health and safety
Training and education		
404-1	Average training hours per employee per year	Training and skills development
Diversity and equal opportunities		
405-1b	Diversity in governance bodies and employees	Characteristics of SASMAT RETAIL's employees
405-2	Ratio of basic salary and remuneration of women to men	As of the date of this report, the 2025 Compensation Registry was being compiled and validated; therefore, the results of the wage gap analysis were not available for inclusion. Once this process is finalized, the company will have the necessary data to evaluate any potential pay disparities and identify areas for improvement.
Non-discrimination		
406-1	Cases of discrimination and corrective actions taken	No cases of discrimination have been identified.
Public policy		
415-1	Contributions to political parties and/or representatives	No contributions have been made to political parties or representatives.
Customer health and safety		
416-2	Cases of non-compliance concerning the health and safety impacts of product and service categories	There have been no non-compliances in this area.

III. MOST RELEVANT CONTRIBUTION TO THE SDGS

SDGS	TARGET	TARGET DESCRIPTION	SECTION
5 GENDER EQUALITY	5.1	End all forms of discrimination against all women and girls everywhere	Own workforce
			Business conduct
	5.2	Eliminate all forms of violence against all women and girls in public and private spheres, including trafficking and sexual and other types of exploitation	Own workforce
			Business conduct
	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life	Governance
			Own workforce
7 AFFORDABLE AND CLEAN ENERGY	7.2	By 2030, substantially increase the share of renewable energy in the global energy mix	Energy, greenhouse gases and climate change
8 DECENT WORK AND ECONOMIC GROWTH	8.7	Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms	Own workforce
			Workers in the value chain
			Business conduct
	8.8	Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants, and those in precarious employment	Own workforce
			Workers in the value chain
10 REDUCED INEQUALITIES	10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status	Own workforce
	10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action	Own workforce
	10.4	Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality	Own workforce
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2	By 2030, ensure sustainable management and efficient use of natural resources	Use of resources and circular economy
	12.4	By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water, and soil to minimize their adverse impacts on human health and the environment	Consumers and end users

III. MOST RELEVANT CONTRIBUTION TO THE SDGS

15 LIFE ON LAND	15.5	Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species	Biodiversity and ecosystems
			Use of resources and circular economy
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	16.2	End abuse, exploitation, trafficking and all forms of violence against and torture of children	Workers in the value chain
			Business conduct
	16.4	By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime	Business conduct
	16.5	Substantially reduce corruption and bribery in all their forms	Business conduct
17 PARTNERSHIPS FOR THE GOALS	17.16	Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources to support the achievement of the Sustainable Development Goals in all countries, particularly developing countries	Strategy, business model and value chain
	17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	Strategy, business model and value chain

SUSTAINABILITY
REPORT 2025
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