



TEILOR

HOLDING

2022 SUSTAINABILITY REPORT

As we present Teilor Holding's inaugural Sustainability Report, we mark a pivotal chapter in our evolution. Over the past 25 years, we have carved a niche of excellence in luxury, and now, we are continuing our journey with a robust commitment to Environmental, Social, and Governance principles.

2022 has been one of reflection and action; a year where we began translating our longstanding values into a formal ESG framework. We have taken significant strides towards fostering an equitable workplace, as evidenced by our approach to gender equality, education, and fair pay. Our dedication to transparency and integrity within our supply chain, especially in relation to the responsible sourcing of materials, reflects our respect for both people and the planet.

In this inaugural report, we are excited to highlight the preparations for launching DAAR, a new brand by TEILOR. DAAR is more than exquisite jewellery; it's our pledge to sustainability, with every piece crafted as a statement of eco-conscious luxury. This step marks our commitment to not only adorning our customers but also to responsible sourcing, responding to the growing clients' needs for ethical consumption.

With this report, we are not just documenting our current practices but also setting forth a strategic vision. It's a vision where the allure of our products is matched by our dedication to social responsibility. As we continue to grow, so too will our efforts to ensure that every facet of our business is conducted with mindfulness for its broader impact, reinforcing our commitment to creating a legacy that is as enduring as the beauty of our jewels.

GRI 2-22

Florin **ENACHE**
Founder of TEILOR Holding



TEILOR HOLDING 2022 SUSTAINABILITY REPORT

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ABOUT TEILOR HOLDING

BUSINESS STRUCTURE AS OF 31.12.2022

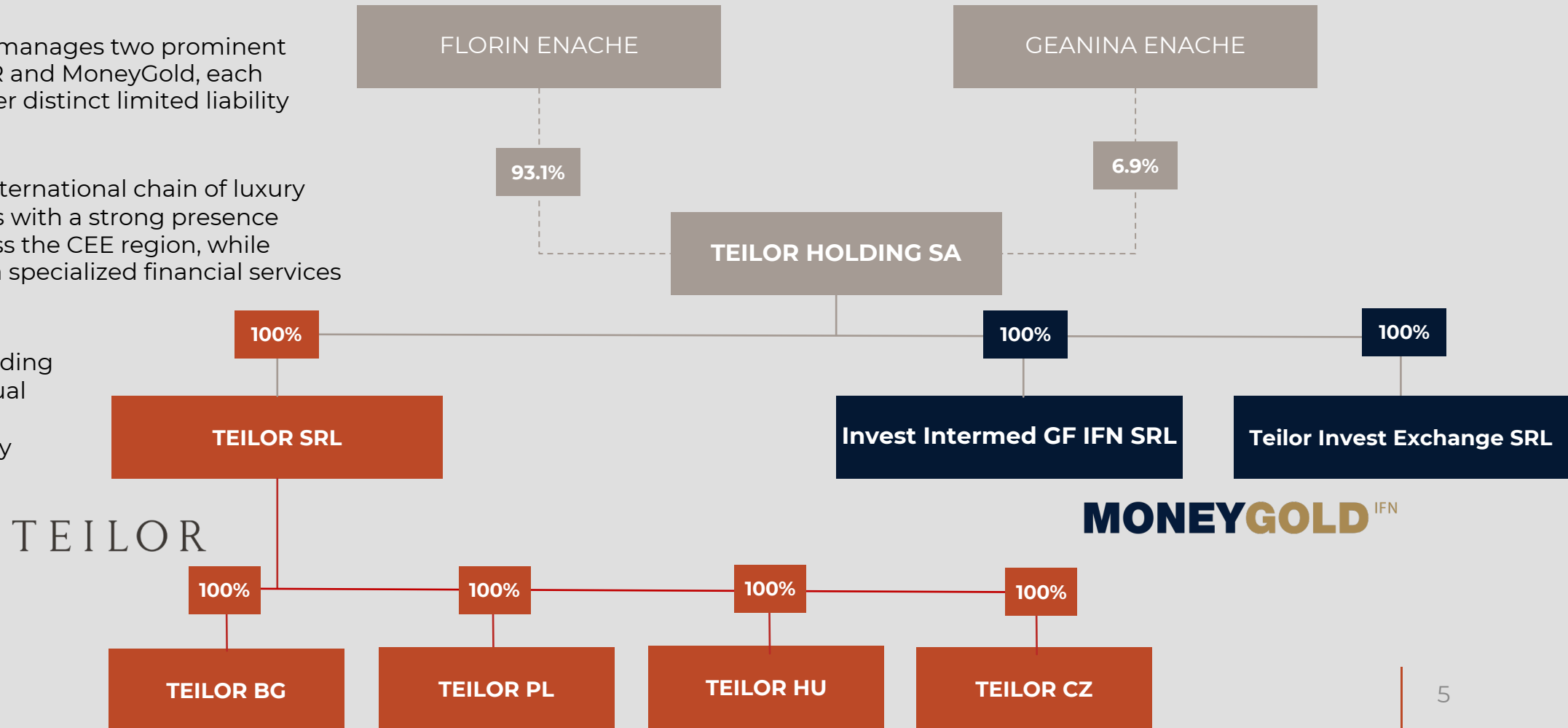
GRI 2-1, 2-2, 2-28

Teilor Holding was established in September 2021, with a share capital amounting to RON 350.453.000.

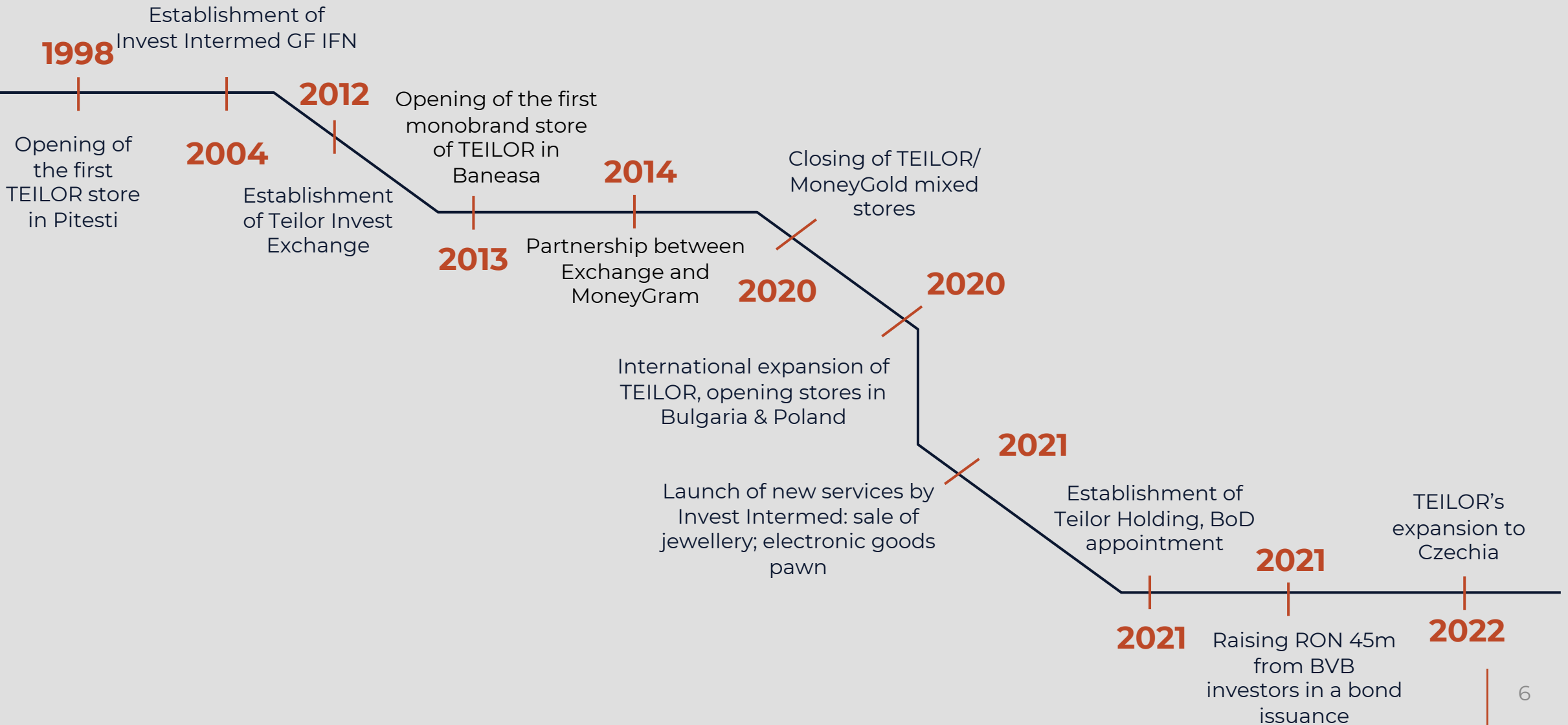
Teilor Holding manages two prominent brands, TEILOR and MoneyGold, each operating under distinct limited liability companies.

TEILOR is an international chain of luxury jewellery stores with a strong presence spanning across the CEE region, while MoneyGold is a specialized financial services brand.

Neither the Holding nor the individual companies are members of any associations.



TEILOR HOLDING MILESTONES EVOLUTION



GROUP PERFORMANCE

GRI 201-1, 201-3

Between 2018 and 2022, turnover of Teilor Holding grew at CAGR of 28.5%, as a result of the general expansion and development strategy, implemented at the level of the three companies. This growth slowed in the first part of 2020 in the context of the COVID-19 pandemic, impacting all three companies in the group through the closure of the stores and agencies.

The EBITDA margin has been decreasing as of 2021 due to the implementation of the rapid development at the level of all the Group's entities, reflected by TEILOR's international and MoneyGold's local expansion, which are yet to reach maturity. The equity grew more than 4 times between 2018 and 2022. Between 2018 and 2020, equity grew due to the accumulation of profit, which was largely capitalized for the continued sustained development of the activity of the group companies. As of 2021, the equity reflects the contributions in kind used for the creation of Holding in September 2021.

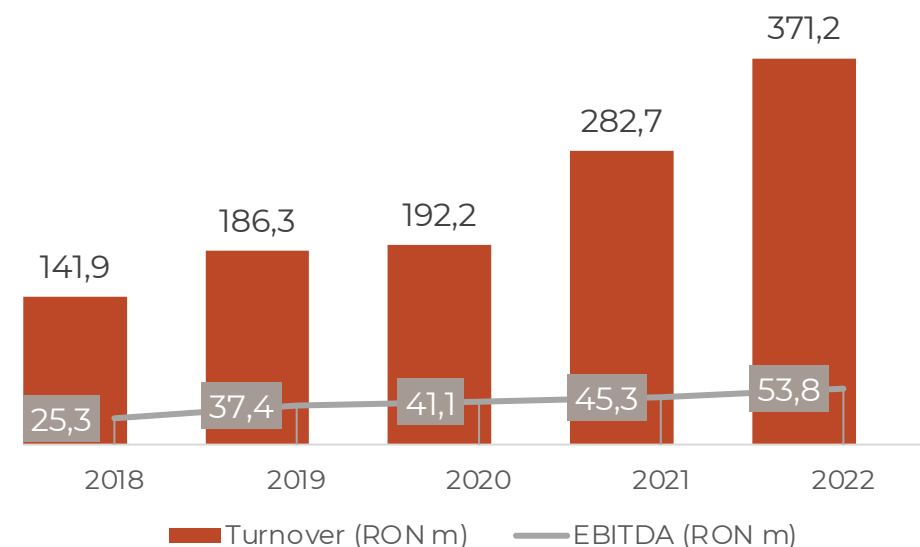
The net financial debts tripled in 2021 due to the ambitious expansion plans, financed primarily through a RON 45 million bond issuance in RON and EUR listed on BVB. Further increases were supported by bank debt taken with the purpose of expansion. Net debt to EBITDA amounted to 1.72x in 2022.

The BVB financing accessed in November 2021 offers attractive financing costs particularly in the recent context, with fixed interest on RON at 8.25% p.a. and on EUR is 5.75% p.a.

In 2022, no entity within the TEILOR Holding group received any form of government financing. This encompasses a broad range of financial support, including tax relief and credits, subsidies, investment grants, research and development grants, awards, royalty holidays, assistance from Export Credit Agencies (ECAs), financial incentives, and any other financial benefits from government sources for any operation.

RON m	2018*	2019*	2020*	2021*	2022
TURNOVER	141.9	186.3	192.2	282.7	371.2
<i>increase (%)</i>	N/A	31%	3%	47%	31%
EBITDA	25.3	37.4	41.1	45.3	53.8
<i>margin (%)</i>	18%	20%	21%	16%	14%
NET PROFIT	18.8	26.9	30.6	26.7	10.8
<i>margin (%)</i>	13%	14%	16%	9%	3%
NET FINANCIAL DEBTS	16.8	24.7	25.0	75.0	92.6
EQUITY	81.9	104.1	124.3	351.8	361.9
TOTAL ASSETS	146.0	183.3	239.2	575.8	575.6

* Financial data for years 2018-2021 is combined as the Holding was established in Q3 2021. Consolidated data according to RAS is presented as of 2022.



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED IN 2022

GRI 201-1

The total economic value generated by Teilor Holding in 2022 was approximately RON 388.5 million, comprising RON 373.5 million from operating revenues and RON 15 million in financial income.

The economic value distributed by Teilor Holding during the same period was around RON 377.7 million. This included approximately RON 343.4 million in operating costs, covering employee wages, benefits, and community investments, demonstrating commitment to Teilor Holding employees and social responsibility.

Payments to providers of capital amounted to about RON 29.7 million, and payments to governments were around RON 4.6 million, reflecting financial obligations and contributions to public welfare.

After accounting for these distributions, the economic value retained by Teilor Holding in 2022 was RON 10.8 million. These retained earnings signify the Group's ability to reinvest in the business, fuel innovation, and support future growth. It also highlights capability to generate sustainable value for our stakeholders, underscoring commitment to long-term financial sustainability and development.

Direct Economic Value Generated (RON)

Operating Revenues	373,545,171
Financial Income	14,968,423
Total Economic Value Generated	388,513,594

Economic Value Distributed (RON)

Operating Costs	343,401,747
Payments to Providers of Capital	29,736,170
Payments to Governments	4,563,693
Total Economic Value Distributed	377,701,610

Economic Value Retained (RON)

10,811,984

ABOUT TEILOR

GRI 2-6

TEILOR

TEILOR SRL

TEILOR INT. ENTITIES

445 employees across 5 markets as of 31.12.2022

TEILOR is a prominent player in the retail jewellery market, offering gold jewellery and precious stones in Romania and internationally. The brand operates more than 60 stores alongside five eCommerce platforms. The stores benefit from premium placing in key commercial centres across the CEE.

The Company operates both TEILOR and TEILOR Exclusive brands, providing a diverse range of jewellery, including exclusive pieces adorned with diamonds and precious stones. The product strategy focuses on exceptional gemstone quality, diverse designs, and unmatched craftsmanship, with over 8,500 models and 140,000 unique products in stock in the course of 2022.

TEILOR collaborates with over 40 globally recognized jewellery workshops, with over half of the models produced exclusively based on own design requests.



TEILOR BRAND INTRODUCTION

GRI 2-6

TEILOR was founded on a passion for innate beauty, perfect details, and a vibrant love of life. The timeless designs and luxury jewellery celebrate nothing less than the sheer excitement of life itself.

Every story has a beginning, and what began as a single store in 1998 has now grown into over 60 European retail outlets, an international design house, and a collection of exquisite jewellery that represents the finest craftsmanship.

With extraordinary and unique pieces of high jewellery, alongside iconic designs at entry level, the TEILOR portfolio enables consumers to begin their journey at any stage, and continue to be inspired throughout a lifetime.

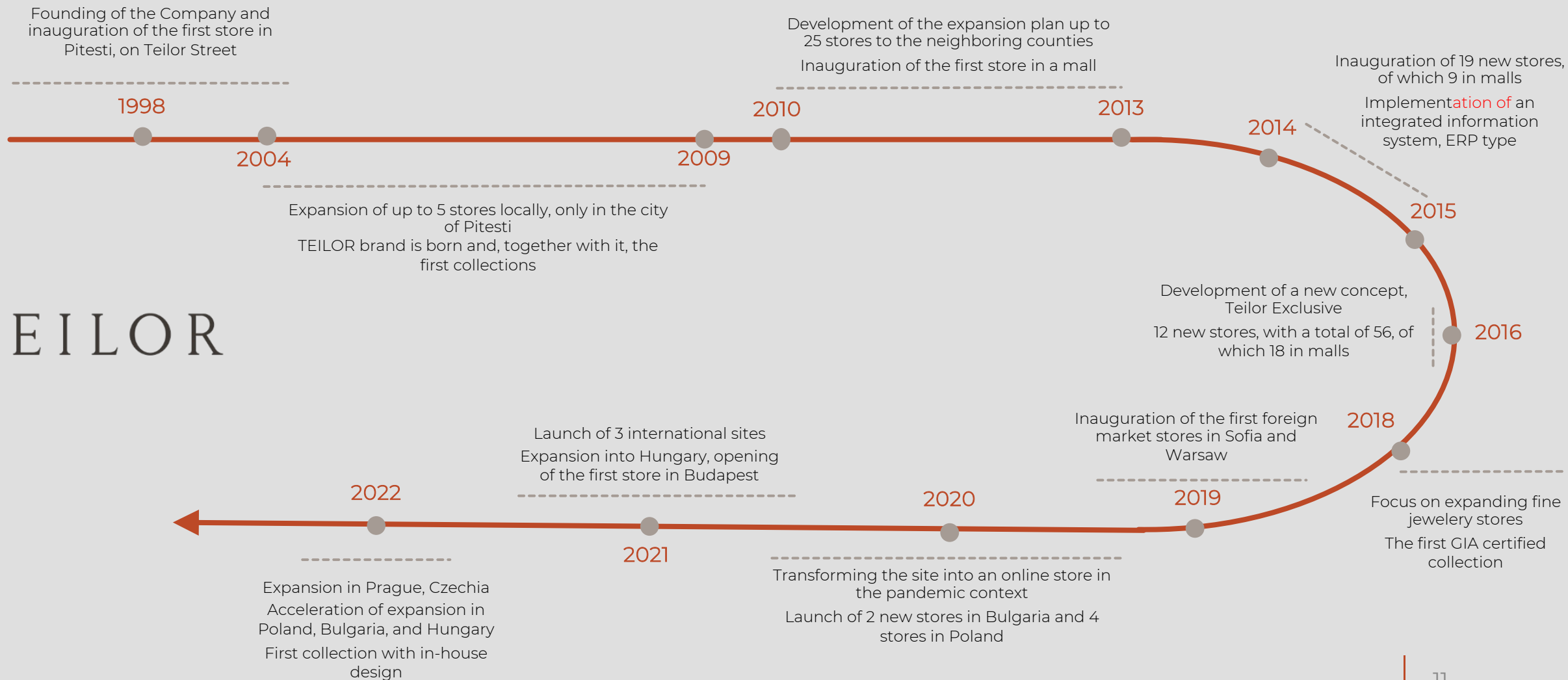
From exceptional and one-off pieces that elevate the brand to the highest level of luxury to aspirational collections that celebrate life's most incredible moments up to beautiful yet accessible products to begin the TEILOR journey. Regardless of category, TEILOR collections talk about uniqueness, craftsmanship, and perfection.



25 YEARS OF TRACK-RECORD

GRI 2-6

TEILOR



PRODUCT PORTFOLIO

GRI 2-6

HIGH JEWELLERY



Exquisite and one-off pieces that elevate the brand to the highest level of luxury.

FABULOUS DIAMONDS



Aspirational and sublime collections of diamond and gold jewellery.

ENGAGEMENT & BRIDAL



Luxury collections that celebrate life's most magical moments.

ICONIC BEGINNINGS



Beautiful yet accessible products to begin the TEILOR journey.

GEOGRAPHICAL PRESENCE

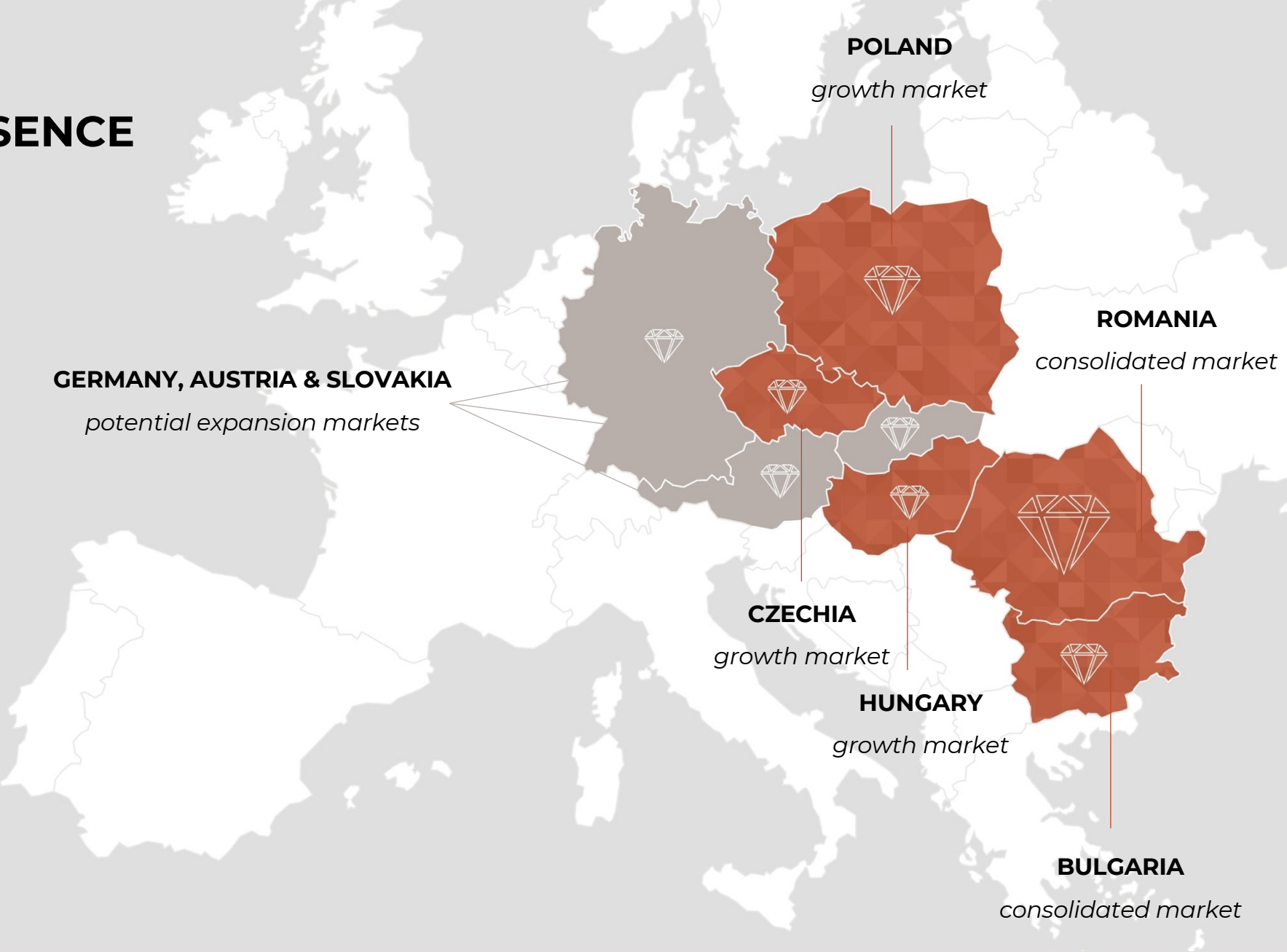
GRI 2-6

In response to the evolving external factors and market dynamics, in 2022 the primary focus for TEILOR was consolidating presence and bolstering the brand in existing CEE markets.

Across all the 5 markets of presence, TEILOR reached 64 locations as of December 31st, 2022.

The current expansion strategy of TEILOR involves opening 4 to 6 new stores annually in *premium-plus* locations across foreign markets, with a strong emphasis on continually elevating store designs.

In Romania, the expansion remained highly selective, with a focus on updating and relocating existing stores.



STORE CONCEPT

GRI 2-6

Unmistakably luxurious, TEILOR's store design combines beautiful details and exquisite finishing with bright accents that convey energy and optimism.

As of December 31st, 2022, TEILOR operated 64 stores – 50 in Romania, 6 in Poland, 4 in Hungary, 3 in Bulgaria, and 1 in Czechia. 6 stores in Romania are operated under TEILOR Exclusive brand, offering customers unique collections with rare precious stones.

The expansion strategy places a strong emphasis on premium locales and upscale retail spaces, meticulously tailored to the unique demands of each market. This approach entails a concentration on mall locations within Romania, while in other relevant markets, the focus includes also high-street locations.



TEILOR STORE CONCEPT



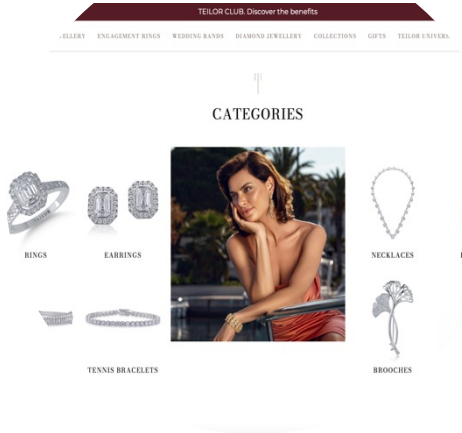
CONSISTENT BRAND EXPERIENCE AT TEILOR

TEILOR ensures consistent brand experience across all touchpoints, presenting uniform and cohesive brand identity paired with quality client services.



Since November 2020, TEILOR has been unveiling its **orange concept** stores. These stores feature a bright and serene colour scheme with orange accents to infuse excitement and passion, all contributing to the vision of becoming a **contemporary global luxury brand** through innovative shop design, visual merchandising, and product design.

Between 2021-2022, TEILOR invested EUR 2 million in **digital transformation**, launching a new eCommerce platform (teilor.com) and creating a seamless **omnichannel experience** where the physical store is just one touchpoint in the dynamic customer journey.



TEILOR's **in-house marketing** strategy leverages diverse channels including outdoor, business, and fashion events, digital, TV, print, and cinema to establish our brand as the **undisputed leader** in the jewellery segment, fostering consumer loyalty and driving sales.

Exceptional **customer service** is our foundation, and that's why we established the **TEILOR Talent Academy**. This internal program is exclusively designed for our sales staff, equipping them with the skills needed to consistently provide exceptional buying experiences for customers.





ABOUT MONEYGOLD

GRI 2-6

MONEYGOLD^{IFN}

Invest Intermed GF IFN SRL

Teilor Invest Exchange SRL

265 unique employees across 2 entities as of 31.12.2022

MoneyGold is a financial network specialized in pledge loans and currency exchange, represented by two companies, each offering distinctive services.

Invest Intermed GF IFN is a non-banking financial institution (IFN) that targets financially underserved markets across Romania, offering financing with a pledge on precious metals, particularly gold and more recently, electronics.

Teilor Invest Exchange provides foreign exchange and money transfer services, serving as an agent for the global operator MoneyGram.

What sets MoneyGold apart is its unique ability to serve all three companies under one roof, providing a seamless and convenient experience for a diverse clientele. This integration not only facilitates cross-selling opportunities but also significantly lowers operating costs. Clients can access a wide array of services within the same location, making it not only cost-effective but also convenient.

MONEYGOLD BRAND INTRODUCTION

GRI 2-6

MoneyGold brand encompasses two distinct entities: Invest Intermed GF IFN and Teilor Invest Exchange.

Invest Intermed GF IFN offers dedicated pledged loan financing services exclusively for individuals. Teilor Invest Exchange, established in 2012, focuses on exchange and money transfer activities.

MoneyGold has established benchmark standards in the non-banking financial services sector, promoting values focused on quality and responsibility.

MoneyGold's mission is to enhance the lives of clients and the communities it serves by providing high-quality financial services that contribute to improving living standards, aligning with principles of transparency, integrity, and accountability.

Together, through an expansive network of agencies, MoneyGold has a significant presence across Romania, with 89 locations as of December 31st, 2022, delivering both financing solutions and currency exchange services to cater to the multifaceted demands of its clients.

Until the end of 2022, MoneyGold has processed over 10 million transactions.

The business growth can be attributed to the accelerated expansion, paired with more diversified product offering of MoneyGold. In January 2022, the Group introduced collateral-based lending for electronic equipment as well as started retailing jewellery and electronics.



INVEST INTERMED GF IFN BUSINESS MODEL

GRI 2-6

Invest Intermed GF IFN operates under the brand name MoneyGold and is classified as a non-banking financial institution, authorized by the **National Bank of Romania** under registration number RE-PJR-03-030866. Its primary activity is financial intermediation in the pawn loan system, specifically, loans secured by pledged collateral with dispossession.

This form of financing serves individuals with immediate and very short-term financial needs who may not find suitable options among traditional banking and non-banking financial institutions.

In 2021, the Company expanded its services by introducing the sale of jewellery derived from unredeemed assets within non-performing loan agreements. In 2022, it also launched a financing contract for electronics.

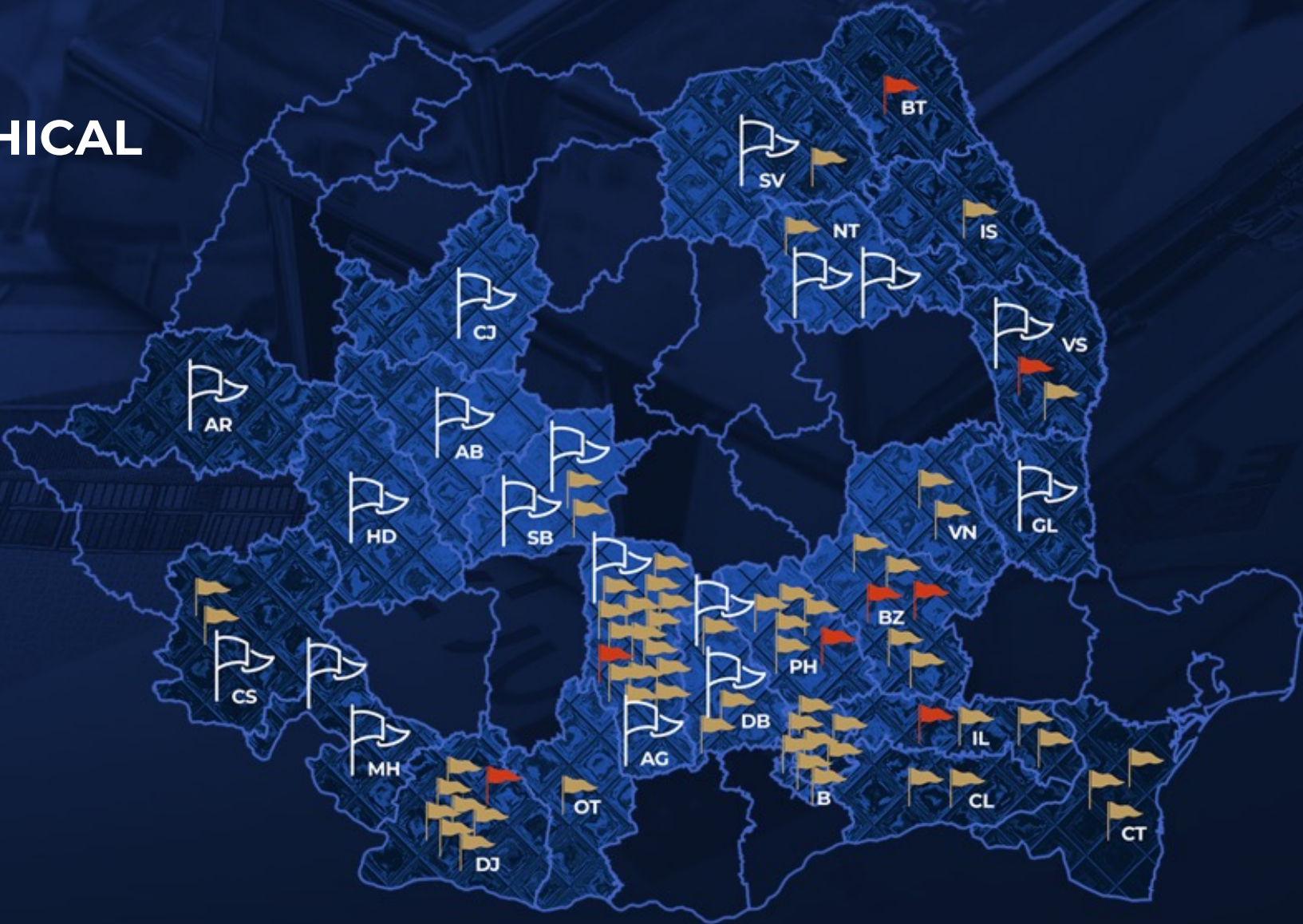
The formal framework of the transaction is the contract between the parties, which regulates in explicit form by its content, the rights and obligations of the parties, the characteristics of the pledge and the commercial conditions, as follows: duration of the contract, type of object, title (purity), the price paid, the interest and the grace period, etc.

A financing contract is deemed non-performing when the client fails to meet their obligations and effectively initiates unilateral termination through non-payment. The financing contract functions as an enforceable title by law, and the pledged collateral is received as a company asset/inventory. It can then be realized through various methods permitted by current legislation, including the bullion method, direct sale, and conversion-based sale.



GEOGRAPHICAL PRESENCE

GRI 2-6



🚩 New agencies 🚩 Existing agencies 🚩 Relocated / Extended / Refurbished agencies



MANAGEMENT OF NON-PERFORMING ASSETS

GRI 2-6

MoneyGold's operations use gold as the sole raw material, with retail activities serving as a complementary, non-core segment.

MoneyGold handles non-performing jewellery assets in strict accordance with current legislation and contractual procedures. By law, contracts serve as executive titles, and as such, MoneyGold proceeds to take possession of the pledged goods as part of our assets or stock, to be subsequently monetized through legal methods.

For gold jewellery derived from non-performing contracts, MoneyGold utilizes several valorisation methods:

- **Ingots Method:** Gold corresponding to non-performing contracts is melted down to produce what is called a raw ingot, which can then be sold to authorized processors. The selling price is based on the HAUGoldEuro rate on the day of the sale transaction and is exclusive of VAT.
- **Direct Sale Valorisation Method:** jewellery items from non-performing contracts are refurbished in our workshops and restored to a new and pristine condition. Authenticated for origin, weight, and purity through certificates issued by the National Authority for Consumer Protection (ANPC), these items are processed as final records for sale exclusively in MoneyGold stores, with VAT applied to the margin.
- **Conversion Sale Valorisation Method:** This involves delivering a quantity of gold in ingot form to specialized jewellery manufacturers, either domestic or international, sourced exclusively from non-performing contracts. The Company covers the labour costs and, in return, receives finished jewellery pieces. For this category, VAT is applied to the full value.

For pledged goods from other categories, such as electronics, the valorisation method is exclusively through direct sales. These measures reflect our commitment to responsible asset management while ensuring compliance with regulatory standards.

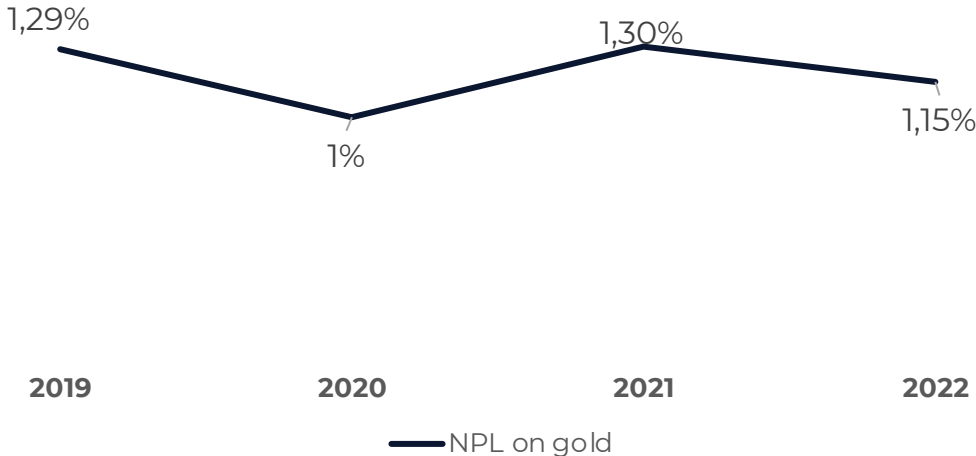
KEY INDICATOR OF THE LENDING ACTIVITY

GRI 2-6

Key indicators of the lending activity is the ratio of the value of non-performing contracts to the total value of loan contracts. In this regard, the annual average monthly ratio of non-performing contracts (NPL) was 1.29% for 2019, 1% for 2020, 1.3% for the year 2021 and 1.15% for 2022.

This reflects the low level compared to both the banking and non-banking lending segments in Romania (in June 2023, bank NPLs were 2.65%, according to BNR).

This is due to MoneyGold's focus not on the resale of pawned items but on facilitating their redemption by clients, allowing these assets to re-enter the economic cycle without additional cost.



NPL operational indicator is a determining factor for the business model as it reflects the quality of the contract portfolio through the Company's ability to collect interest due paired with the highly prudent lending policy. Equally, the extremely low weights of non-performing contracts are also a reflection of the social character of the basic product (Flexi) in relation to the low cost of financing.

The gold resulting from the pledge related to the non-performing contracts is refined (melted), transformed into an alloy, expertized as title (purity) and weight by ANPC, and capitalized by sale to specialized companies.

The Company's income consists mainly of interest, the contribution of the capitalization of the gold coming from the non-performing contracts being minimal.

For the electronics, IT, and gadget segment, the NPL rate oscillates around 15%, which is typical for this sector due to its high volatility. A contract becomes non-performing strictly as a result of the client's unilateral decision, which can be made without notification, indicating a relinquishment of the contract.

TEILOR INVEST EXCHANGE BUSINESS MODEL

GRI 2-6

Teilor Invest Exchange S.R.L. specializes in foreign exchange services, with a supplementary focus on remittances. The Company conducts foreign exchange operations autonomously and in full compliance with regulatory requirements, holding authorization no. S109.03, granted by the **Ministry of Finance**. Additionally, the Company operates as an authorized agent of the global leader, **MoneyGram**, for remittance services.

TEILOR INVEST EXCHANGE S.R.L.'s revenue streams from foreign exchange activities are derived from the differentials between purchase and sale exchange rates. In 2022, the Company offered quotations for eight major currencies: EUR, USD, GBP, CHF, NOK, SEK, DKK, and BGN. The pricing and exchange rate policies are established based on operational goals, marketing strategies, operating costs, competitive landscape, and the official BNR exchange rates.

The foreign exchange services for remittances in euros play a pivotal role, serving as a seamless cross-selling opportunity. Remarkably, more than 75% of euro-based remittances are instantly converted into lei through a supplementary foreign exchange transaction, which complements the money transfer process.

The client base spans across all demographics, encompassing diverse genders, ages, and population groups, whether in urban or rural settings. The Company takes pride in providing a universally accessible service that imposes no limitations on usage, catering to individuals from various professions, educational backgrounds, and more.



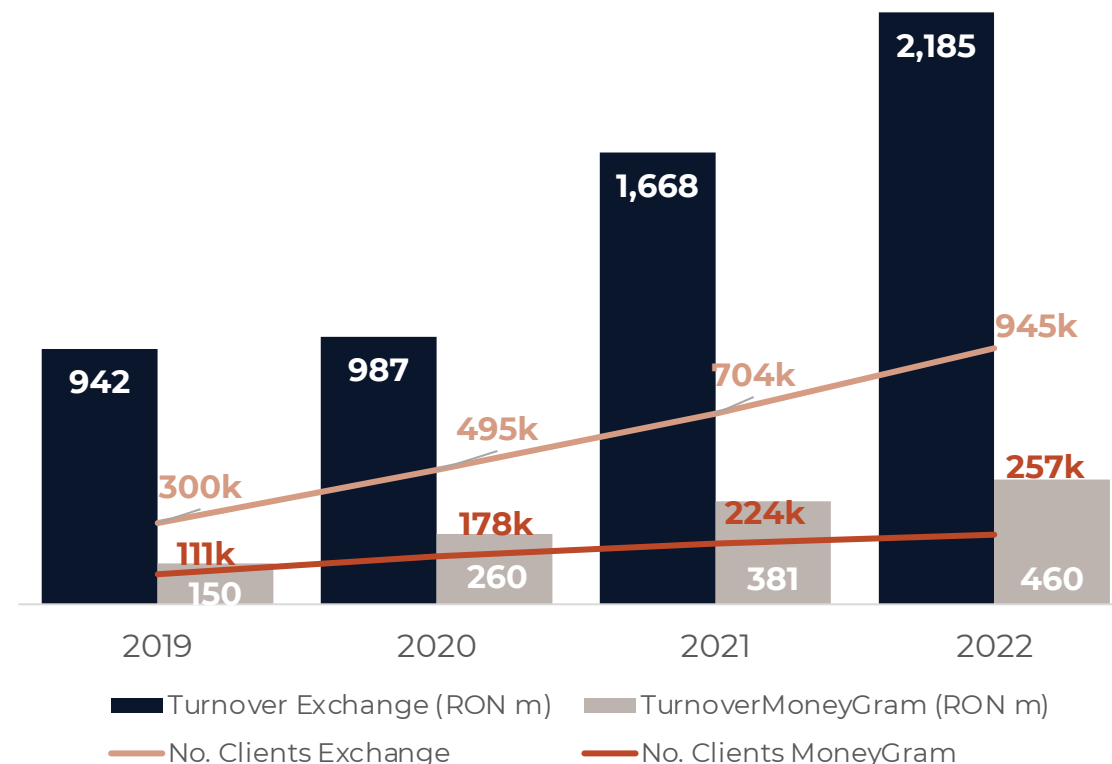
GROWING VOLUMES FOR TEILOR INVEST EXCHANGE

GRI 2-6

The turnover of foreign exchange transactions between 2019 and 2022 at a CAGR of 23%, growing a total of 132% up to RON 2.2 billion in transactions. The number of clients of Exchange more than tripled, growing up to 945K clients served in 2022. This evolution therefore showcases a successful strategy of attracting smaller clients, who trade smaller amounts.

Money transfer transactions through MoneyGram tripled between 2019 and 2022, reaching RON 460 million sent via the remittance service, as the number of customers increased 132%. Therefore, a contrary trend to the exchange services is visible, as the Company managed to attract clients who received or sent larger amounts of money through MoneyGram.

The Company's potential in this business segment is significant, the money transfer market in Romania being estimated at over 4 billion euros annually, and the number of people abroad who regularly transfer money in Romania can reach 2.5 million people. The target for Teilor Invest Exchange is to ensure a critical mass of customers, both in the segment of transactions under and above EUR 10K.



AGENCY CONCEPT

GRI 2-6

The concept for MoneyGold agencies is an elegant and minimalistic look, with bold elements. The design of the stores eludes professionalism that fosters trust.

The physical spaces were reimagined to accommodate three essential services under one roof: currency exchange, pledge loans, and the retailing of electronics and jewellery. To ensure the security and safety of valuable items, special display showcases were implemented across all new locations. In cases where existing agency spaces fall short of these requirements, MoneyGold is willing to relocate to new premises that can accommodate these enhancements.

Traditionally, the network has been consisting of in-line (street) agencies exclusively. However, as of 2021, the expansion strategy includes also mall locations in smaller cities, such as Alba Iulia or Arad, to enhance its sales channels as well as access locations with significant customer footprint.



MONEYGOLD AGENCY CONCEPT



ESG APPROACH



ESG STRATEGY

At Teilor Holding, we believe in building a prosperous future while upholding our responsibility to society and the environment. Our strategy is anchored in the Sustainable Development Goals (SDGs) as a framework for action and accountability.

Our ESG strategy is focused on the following key areas:

- **Education and Empowerment:** We invest in the continuous education of our teams and support initiatives that promote gender equality, driving progress and innovation across the Group.
- **Economic Inclusion:** We are committed to providing decent work, spurring economic growth, and reducing inequalities by ensuring our services are accessible to underserved communities.



- **Sustainable Operations:** Our operations reflect responsible consumption and production patterns, focusing on sustainable sourcing and minimizing our environmental footprint.
- **Environmental Integrity:** We ensure that our sourcing and business practices contribute positively to conserving terrestrial ecosystems and biodiversity.
- **Governance and Ethics:** Transparency, strong ethical policies, and anti-corruption measures are the bedrock of our governance, fostering trust and stability.

Our ESG strategy is more than a commitment—it's a blueprint for making positive, enduring impacts that resonate with our clients, employees, and communities. Together, we are setting the standard for a sustainable and equitable future.

STAKEHOLDER ENGAGEMENT

GRI 2-29



EMPLOYEES

Professional development through internal resources such as Teilor Talent Academy, internal communication platforms, performance reviews.



CUSTOMERS

High-quality customer service, satisfaction surveys, loyalty programs, personalized shopping experiences, social media.



SUPPLIERS

Ethical sourcing standards, regular performance evaluations, long-term partnership agreements.



BONDHOLDERS

Financial reporting twice a year, current reports, investor relations communications.



LOCAL COMMUNITIES

Employment opportunities, community engagement projects, corporate social responsibility initiatives.



NGOs

Collaborative projects, charitable contributions, volunteer efforts, shared-value initiatives.



MEDIA

Press releases, media events, public relations campaigns, responsive communication channels.



AUTHORITIES

Adherence to legal standards, periodic reporting, audits, regulatory compliance meetings.

MATERIALITY DEFINITION PROCESS

GRI 3-1, 3-2



IMPACT ANALYSIS

We assessed the potential impact of our business activities on the environment, society, and governance factors, ensuring that our strategies align with sustainable development goals.



INTERNAL STAKEHOLDER CONSULTATION

We engaged with our employees, management, and board members, gathering diverse perspectives to understand the significance of various ESG aspects to our business.



DATA ANALYSIS FOR MATERIALITY ASSESSMENT

Utilizing robust data analytics, we prioritized the issues we considered the most material to our stakeholders and business success.



LIST OF MATERIAL TOPICS

We compiled a focused list of material topics that reflect the outcome of our comprehensive analysis and stakeholder engagement, guiding our ESG strategy and reporting.

KEY MATERIAL TOPICS FOR TEILOR HOLDING

- Circular economy of raw materials
- Supply chain traceability
- Economic inclusion for our financial products
- Correct labelling and client education
- Gender equality across the organization
- Pay equity and equality
- Investing in our people's education
- Robust governance structure allowing the raising of critical concerns

RISKS & OPPORTUNITIES RELATED TO CLIMATE CHANGE

GRI 201-2

Aspect	Risk description	Impact	Financial implications	Management Methods
Operational Costs	Increase in energy prices, costs for carbon initiatives, and emissions trading schemes.	Potential increase in operating costs, affecting profitability.	Increased operating expenses and potential impact on profit margins.	Selecting new locations that adopt green energy solutions.
Supply Chain	Disruptions due to climate events affecting raw material availability; increased costs for sustainable materials.	Potential supply chain delays and increased sourcing costs.	Loss of revenue and increased sourcing costs.	Diversifying supply sources.
Product Demand	Changing consumer preferences; regulatory pressures for sustainable products.	Increased demand for eco-friendly and ethically sourced products; need for product innovation.	Potential loss of market share; need for investment in new product lines, but opportunity for increased revenue and market share.	Developing sustainable product lines; educating market about the sustainable alternatives implemented.
Regulatory Compliance	Adapting to new environmental regulations; potential fines for non-compliance.	Compliance costs; legal and reputational risks.	Financial burden from compliance measures; potential legal costs.	Proactive compliance; seeking incentives for sustainable practices.
Reputational Impact	Non-compliance with environmental standards; negative public perception.	Brand damage; loss of customer trust.	Potential loss of sales and market position.	Enhancing sustainability efforts; transparent and responsible practices.
Physical Assets	Damage to infrastructure from extreme weather and climate change.	Disruption in operations; increased maintenance costs.	Higher insurance premiums; costs for repairs and rebuilding.	Investing in resilient infrastructure; retrofitting for efficiency.
Investment & Financing	Higher costs for transitioning to sustainable models; financing challenges.	Need for additional investment; potential funding gaps.	Increased investment costs; potential impact on financial stability.	Seeking green financing; focusing on sustainable business practices.

OUR **GOVERNANCE**



OUR GOVERNANCE GOALS

Peace, Justice, and Strong Institutions (SDG 16)

Our principles of transparency and integrity extend beyond internal policies, reflecting our public responsibilities as a company with corporate bonds listed on the AeRO market of the Bucharest Stock Exchange (BVB). We ensure that all bondholders, stakeholders, and partners receive timely, accurate, and transparent information, which is fundamental for maintaining equitable investor relations and public trust. These practices fortify the pillars of justice within our operational framework, promoting a stable and fair business environment for all.



HIGHEST GOVERNING BODY

GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14

Teilor Holding does not carry out standalone commercial activities; its role is to bring under the same umbrella and coordinate, through holding management, the three directly controlled subsidiaries, as the sole shareholder.

The Holding is managed by a Board of Directors, consisting of 3 members, of whom at least one must be independent. The Ordinary General Shareholders Meeting elects and revokes the members of the Board of Directors. The candidates for the positions of member of the Board of Directors may be proposed by the shareholders or by other members of the Board of Directors in office.

The current Board of Directors was appointed for the initial term of office of 2 years, starting on September 7th, 2021. Until May 30th, 2022, Florin Enache was the Chairman of the Board. As of that date, the Board of Directors appointed **Mircea Varga**, independent member, as the new Chairman. The initial mandate of the Board of Directors was until September 14th, 2023.

Individually, each subsidiary has its own executive management that oversees the day-to-day management of the companies. In 2022, **Willy Dicu** served as CEO of TEILOR, while **Narcis Stan** was the CEO of MoneyGold.

The Board, together with the executive management of the individual Companies from the Group, oversee the overall functioning of the Company, including sustainability strategy and other related aspects. The Board is involved in defining the overall strategy of the Company and consequently, also the sustainability decision-making and in managing sustainability-related impacts. The representation of the Company is ensured by all three Board Members.

In the process of elaborating the 2022 Sustainability Report, the Board was informed about the initiation of the process and main steps, as well as the material topics to be treated in the report. The Board of Directors, together with executives of subsidiary companies, reviewed this report prior to its release.

Board of Directors



MIRCEA VARGA

Chairman of the Board, independent



FLORIN ENACHE

Board Member

Founder



NARCIS STAN

Board Member

CEO MoneyGold



REMUNERATION OF THE GOVERNING BODY

GRI 2-18, 2-19, 2-20

In 2022, Teilor Holding's approach to the remuneration of its Board Members remained firmly rooted in compliance and corporate governance best practices. However, it is important to note that no formal remuneration policy was in place for the Board Members throughout the year.

Mircea Varga was the sole Board member to receive remuneration in the course of the year, starting from June 2022, primarily to fulfil the legal requisites pertaining to the Stock Option Plan (SOP). This remuneration did not follow a set policy, and there were no evaluations of Board Members conducted during the year. Mr. Varga's fixed net remuneration received in 2022 from Teilor Holding amounted to RON 19,950. No specific performance objectives were tied to his fixed remuneration, particularly in the context that Mr. Varga is an independent Board Member. His inclusion in the SOP program is a form of variable compensation, with the execution of the options closely linked to the financial outcomes of each individual company under the TEILOR Holding umbrella.

In contrast, Narcis Stan did not receive any direct remuneration from Teilor Holding for his position of the Board Member. However, similar to Mr. Varga, Mr. Stan is a participant in the SOP. The execution of his options within the SOP is exclusively linked to the performance results of MoneyGold. Florin Enache did not receive any remuneration, fixed or variable, in the year 2022.

The remuneration structure for the Board in 2022 did not include sign-on bonuses, recruitment incentive payments, termination payments, clawbacks, or retirement benefits. The remuneration of Mr. Varga was not determined through independent consultancy or analysis, as it was primarily established to comply with the SOP legal requirements. The Board's commitment to the SOP program reflects Teilor Holding's emphasis on aligning the interests of its leadership with the long-term success and sustainability goals of the company.

MANAGING CONFLICTS OF INTEREST

GRI 2-15

At the Board of Directors Level

Teilor Holding's governance body is tasked with ensuring conflicts of interest are both prevented and mitigated. Rigorous processes are in place for identifying potential conflicts, particularly in instances of cross-board membership, cross-shareholding with suppliers, and related-party transactions. The Company, while not public, recognizes controlling shareholders and mandates immediate reporting of any new conflicts by board members. Annually, significant shareholdings and other board involvements are transparently reported in the Annual Report. When decisions intersect with a Board Member's interests, they are recused from voting to maintain the integrity of the governance process.

At Group Companies Level

The conflict of interest policies at the level of subsidiaries are designed to maintain the highest standards of integrity and trust. It requires all employees and collaborators to disclose any personal or financial interests that could conflict with the interests of the Company. This includes declaring any shareholdings or significant relationships with competitors or business partners. The policy mandates immediate reporting of any changes that could affect the initial declaration, ensuring ongoing transparency and compliance. Additionally, the policy underscores the importance of providing complete and accurate information, reinforcing the organization's commitment to ethical operations.

COMMITMENT TO ETHICAL CONDUCT

GRI 406-1, 415-1

At TEILOR, we are committed to ethical business conduct. All employees of our Group must respect the internal regulation, which covers the Code of Conduct for the Employees. These internal policy documents cover anti-corruption clauses, anti-sexual harassment, or discrimination based on sex, just to mention the most important ones. The documentation also provides guidance in terms of reporting cases of discrimination, mobbing, or sexual harassment.

In 2022, there were no cases of discrimination, mobbing, or sexual harassment reported at Teilor Holding or any of the subsidiaries.

Adhering to all relevant laws and regulations is fundamental to our business. In 2022, we did not incur any sanctions from authorities regarding environmental or social aspects.

Neither Teilor Holding nor the subsidiaries have received any reports of suspected fraud or irregularities or seen cases of corruption.

There were no contributions in 2022 to any political organization, neither from Teilor Holding nor from any of the subsidiaries.



COMMUNICATION OF CRITICAL CONCERNS

GRI 2-16

Each of the entities at the level of the Group – TEILOR SRL, Invest Intermed GF IFN SRL, and Teilor Invest Exchange SRL have implemented whistleblowing policies.

The whistleblowing policies implemented across Teilor Holding are robust, ensuring that integrity is central to the Company's operations. It encourages employees and partners to report any actual or potential legal violations, which are then thoroughly investigated.

The policy adheres to Law No. 361/2022, establishing clear procedures for reporting and protection measures to prevent retaliation against whistleblowers.

Confidentiality is paramount, and reports can be made internally or through designated external authorities. Internally, the critical concerns are communicated to the designated person, who after being alerted, must inform the management of the results of the findings. Depending on the topic of the investigation, the responsible from management in charge of adopting measures is as follows:

- if the Reporting concerns employees of the Company, the report will be communicated to the Management of the **HR Department;**
- if the Reporting concerns business partners clients/suppliers, the report will be communicated to the **CEO of the individual Company;**
- in case the Report concerns the Company's directors/auditors/shareholders, the report will be communicated to the Company's **Board of Directors;**
- if the Report concerns the members of the Company's Board of Directors, the report will be communicated to the **internal auditor,** who will bring it to the attention of the Company's shareholders.

The policy also specifies the handling of anonymous and named reports, emphasizing the Company's commitment to ethical practices and transparency.

There were no critical concerns communicated at the level of any subsidiary in the course of 2022.

KNOWING THE CLIENT

Invest Intermed GF IFN

For pawn services, the client portfolio mainly consists of individuals aged between 18 to 70 years, owning gold items as well as electronic products, IT, and gadgets. These clients generally have below-average incomes and use our services for short-term financing to meet their immediate basic needs, rather than for long-term investments or real estate.

Often, these clients opt not to work with banks, either due to income limitations or credit history or because they prefer quick, small loans secured by their valuable personal belongings.

For jewellery and electronic, IT, and gadget sales services, the clientele primarily comprises individuals with average incomes looking to purchase these items at affordable prices.

Teilor Invest Exchange

Teilor Invest Exchange exclusively serves individual clients seeking currency exchange and money transfer services through MoneyGram. The competitive edge, which draws clients to our services, includes favourable pricing, high-quality products, transparent and efficient service delivery, the professionalism of our staff, and the trustworthiness they exude.

Both Invest Intermed GF IFN and Teilor Invest Exchange implemented comprehensive policies for money laundering prevention and a 'Know Your Client' approach.

These measures are integral to our operations, ensuring that all transactions are conducted with the highest standards of legality and transparency. The proactive stance in preventing financial crimes not only safeguards business but also contributes to the integrity of the financial system as a whole.



OUR **SOCIAL**
RESPONSIBILITY



OUR SOCIAL GOALS

Quality Education (SDG 4)

At Teilor Holding, we believe that our team's growth fuels our success. Through the Teilor Talent Academy, we provide extensive training programs that not only elevate the professional skills of our employees but also enrich their personal development. This ongoing investment in education cultivates a knowledgeable workforce that, in turn, supports community growth and fosters a culture of lifelong learning within the organization.

Gender Equality (SDG 5)

Striving for gender balance at all organizational levels, Teilor Holding actively supports women's advancement and leadership. Our policies and programs are designed to create a culture where women's contributions are recognized and celebrated, promoting a diverse and equitable workplace that also benefits the communities where we operate.

Decent Work and Economic Growth (SDG 8)

Teilor Holding is committed to providing meaningful employment opportunities underpinned by ethical labour practices. We prioritize the well-being of our employees, offering them a supportive environment and clear paths for career advancement, thereby fostering an ecosystem of prosperity and job satisfaction.

Reduced Inequalities (SDG 10)

Our financial services are tailored to bridge the gap for those who might be excluded from the mainstream banking system. By providing inclusive financial solutions, we aim to level the economic playing field, thereby reducing the financial and social inequalities that persist in the communities we proudly serve.

4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



SUPPLY CHAIN INTEGRITY

GRI 2-6

TEILOR's commitment to responsible marketing is exemplified by stringent supply chain compliance, product labelling, and transparent selling practices. TEILOR ensures all suppliers are reputable, holding certificates like GIA and DeBeers, and comply with RJC standards and Romanian/international jewellery regulations. All products are thoroughly certified by the National Authority for Consumer Protection (RO: ANPC), before sale.



DE BEERS
JEWELLERS



All products are made with 14K and 18K gold. A significant part of the gold is recycled, meaning obtained from repurposing and refining previously mined gold. It has the highest quality, purity, colour, and the look of the the gold remains the same as mined gold.

TEILOR provides its clients with conflict-free diamonds. The Company is committed to improving the transparency of the origin of all its diamonds.

In the context of MoneyGold's lending activity, the Company acknowledges that verifying the source of client-owned gold is not feasible. However, when it comes to the jewellery sold by MoneyGold - both pre-owned and new - there is a clear commitment to sustainability. All such jewellery is crafted from 100% recycled gold, reflecting a strong dedication to maintaining integrity in our supply chain and supporting environmental sustainability in the jewellery industry.



COMMITMENT TO TRANSPARENCY AND RESPONSIBLE MARKETING

GRI 417-1, 417-2, 417-3

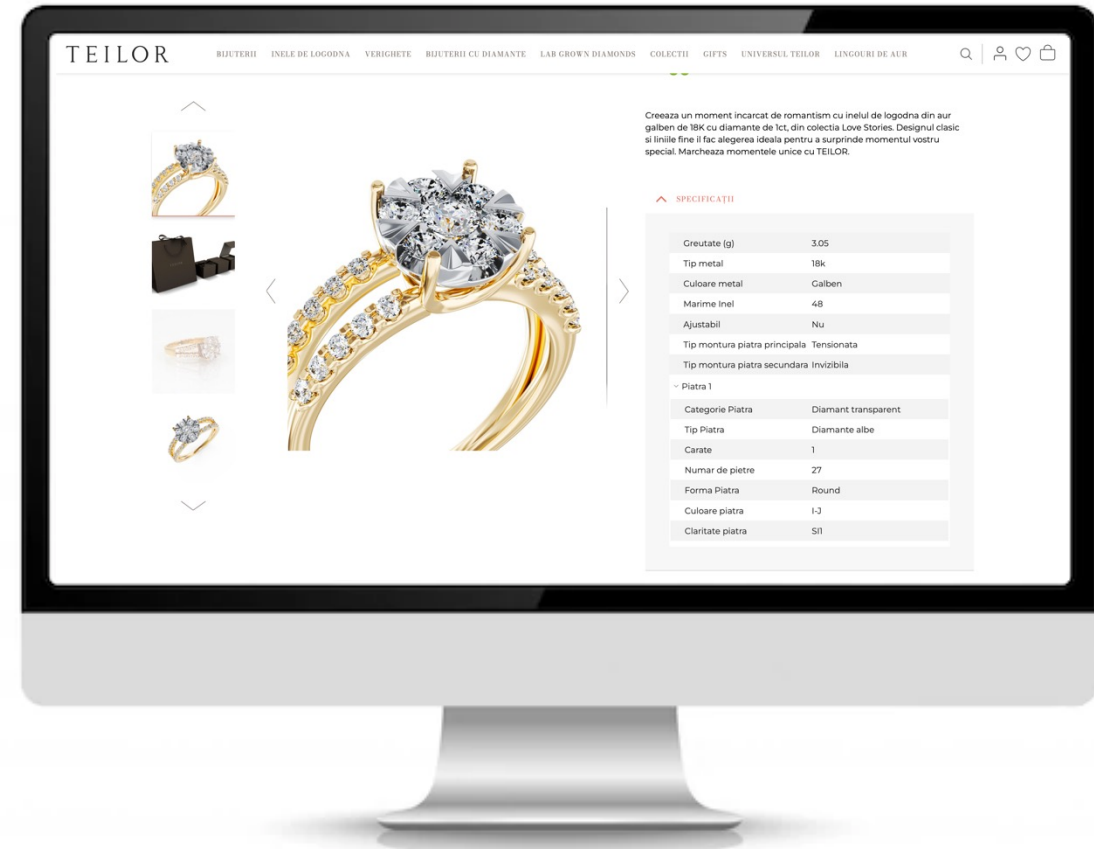
For TEILOR, Product labelling includes essential information like weight, precious stone characteristics, and pricing, enabling informed customer decisions. Online descriptions are comprehensive, covering specifications, features, and usage instructions, complemented by high-quality images and videos. FAQs address common queries, and customer support is easily accessible for further information.

In 2022, TEILOR received one regulatory fine due to labelling discrepancies found during routine inspections. This experience led to enhanced compliance measures implemented across all TEILOR stores, resulting in one, non-significant labelling fine received in 2023.

TEILOR's clear, accessible return and refund policy, alongside proactive communication through email notifications, reinforces customer confidence.

In addition to our existing responsible marketing framework, TEILOR ensures that all content is accurate, truthful, and devoid of false claims or misleading statements. The commitment to transparency extends to providing detailed product and service information, as outlined on our warranty and services pages.

TEILOR also embrace inclusivity and diversity in our marketing materials, complying with all relevant laws and regulations. Influencer partnerships and brand ambassador selections are thoughtfully made to align with our brand values and ethical standards, further reinforcing our dedication to responsible and ethical marketing. There were no incidents of non-compliance regarding marketing communications in 2022.



RESPONSIBLE LABELLING

GRI 417-1, 417-2, 417-3

MoneyGold rigorously adheres to current labelling laws, ensuring compliance with both fiscal regulations and consumer protection standards.

The labelling process for jewellery sold at MoneyGold is designed to provide customers with clear and detailed information, which includes:

- The purity of the metal, identified as 'Title';
- The weight of the item in grams, precise to two decimal places;
- The price per gram of gold;
- The total value of the product;
- An internal product code that is unique to each item.

This internal code is particularly significant as it allows for comprehensive traceability. Upon request, the Company can provide exhaustive information about the product's upstream chain, including the date of purchase, the source (producer), or the origin of the credit contract if the item is pre-owned. The commitment to transparency in labelling ensures that customers are well-informed about the origins and value of their purchases.

Consequently, the customers are empowered to independently verify the characteristics of each product through the transparent labelling system. Every item sold is clearly labelled, allowing customers to access information about the product's features simply by consulting the tag. Furthermore, each piece of jewellery is officially marked and authenticated regarding its source and provenance by the National Authority for Consumer Protection (ANPC) and the Romanian Customs Authority, providing an additional layer of assurance and trust in the origin and quality of our products.

In 2022, MoneyGold maintained its record of compliance, with no fines related to labelling, underscoring Company's dedication to transparency and customer trust. Moreover, there were no incidents of non-compliance regarding marketing communications in 2022.





SAFEGUARDING CUSTOMERS' TRUST

GRI 206-1, 418-1

Teilor Holding is pleased to report a strong record of maintaining data confidentiality in 2022, with no breaches in customer privacy. This success is a direct consequence of stringent cybersecurity policies that are meticulously implemented across the Group.

Upholding consumer privacy, Teilor Holding companies adhere strictly to data protection regulations, implementing opt-in/opt-out mechanisms for targeted advertising, as detailed in the GDPR and cookie policies. The commitment to GDPR compliance has been exemplary, with no GDPR infringement complaints or other privacy complaints reported across our operations.

In 2022, TEILOR responded to 17 data subject requests, primarily for the deletion of personal data, adhering to over 95% of these requests in a timely and efficient manner. This response rate demonstrates the respect for and protection of our customers' privacy rights.

Similarly, at MoneyGold, we maintained our commitment to customer privacy, with no reported complaints regarding GDPR violations or confidentiality breaches. Our proactive approach to cybersecurity and data protection continues to be a pillar of our customer trust and corporate integrity.

In the realm of compliance and fair business practices, Teilor Holding has maintained a clean slate with no legal actions pertaining to anti-competitive behaviour, anti-trust, or monopoly practices in 2022. This record spans across all our subsidiaries, reflecting steadfast adherence to legal standards and commitment to fostering a competitive market environment. Group's internal policies and monitoring systems ensure that all business activities align with the principles of fair competition.

FOSTERING DIVERSITY AND INCLUSION

GRI 2-7, 2-8, 405-1

At Teilor Holding, embracing inclusion and diversity is paramount. Our recruitment philosophy is encapsulated by the inclusive invitation in each job ad, like in the motto implemented at TEILOR – "We encourage diversity and inclusion at work, so feel free to be as you are!". We meticulously review job advertisements to eliminate bias, ensuring they welcome a broad spectrum of applicants.

Our commitment to diversity is further demonstrated through our hiring practices, where we provide equal opportunities for all. We staunchly uphold the principle of equal pay for equal work, fostering an environment where everyone’s contributions are valued and recognized. As a principle, the Company does not hire workers who are not employees, but whose work is controlled by the organization.

TEILOR SRL

Data as of 31.12.2022



INVEST INTERMED GF IFN SRL



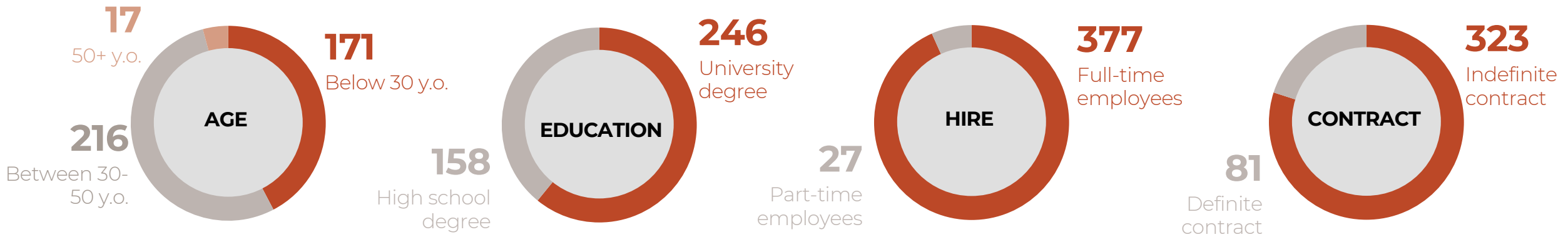
TEILOR INVEST EXCHANGE SRL



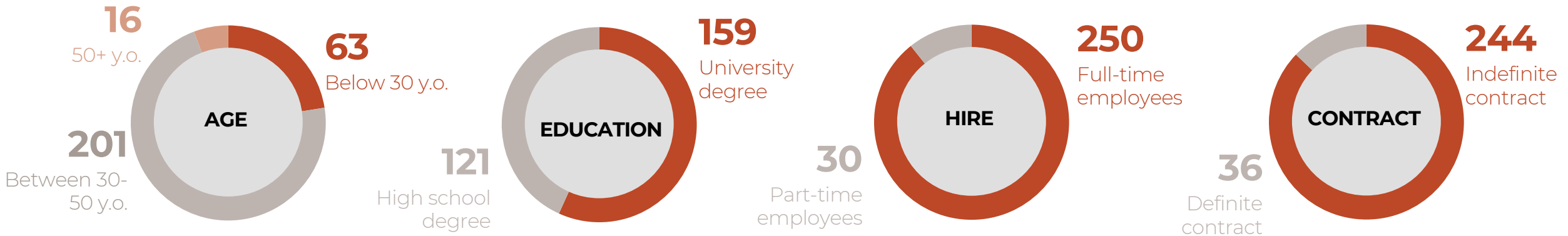
Note: There were 249 employees hired at more than 1 entity as of 31.12.2022.

TEILOR SRL

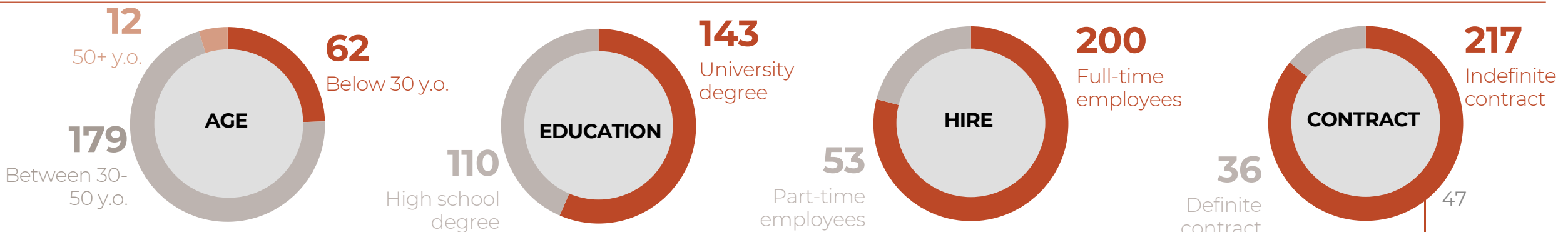
Data as of 31.12.2022



INVEST INTERMED GF IFN SRL



TEILOR INVEST EXCHANGE SRL



EMPLOYEE RETENTION

GRI 2-7, 2-30, 401-1

Within the context of the retail industry, known for its characteristically high employee turnover rates, TEILOR stands out with its notably lower rate of 37%. This figure, while still substantial, is significantly below the retail industry's average of around 60%. MoneyGold entities have even lower turnover rates, of 27% and 31%.

This achievement is indicative of our effective employee engagement and retention strategies, underscoring our commitment to providing a positive and supportive work environment. Efforts in this area do not only enhance team's job satisfaction and career development but also contribute positively to broader ESG goals, particularly in fostering a stable and motivated workforce.

At the level of TEILOR, the evolution of the number of employees was negative, as the Company made 117 new hires, of which 96 hires were women and 21 were men. Out of 159 employees that left in 2022, 122 were women and 37 were men.

At Invest Intermed GF IFN the evolution in the number of employees was positive, as the Company hired 100 employees in 2022, 90 women and 10 men, while 72 employees left – 50 women and 22 men. Also, positive evolution was seen at the level of Teilor Invest Exchange where 97 new hires joined the Company in 2022, of which 89 women and 8 men, while 75 employees left (52 women and 23 men).

At the level of Teilor Holding and its subsidiaries, there are no organized unions and so far, no collective bargaining agreements have been concluded.

TEILOR SRL

$$\frac{\text{Employees who left}}{\text{Average number of employees}} = \frac{159}{432} = 37\%$$

INVEST INTERMED GF IFN SRL

$$\frac{\text{Employees who left}}{\text{Average number of employees}} = \frac{72}{266} = 27\%$$

TEILOR INVEST EXCHANGE SRL

$$\frac{\text{Employees who left}}{\text{Average number of employees}} = \frac{75}{242} = 31\%$$

TEILOR SRL

108% Gender pay ratio across the retail team

INVEST INTERMED GF IFN SRL

100% Gender pay ratio at junior level

87% Gender pay ratio at specialist level

104% Gender pay ratio at senior level

TEILOR INVEST EXCHANGE SRL

98% Gender pay ratio at junior level

107% Gender pay ratio at specialist level

100% Gender pay ratio at senior level

EQUAL PAY FOR EQUAL WORK

GRI 405-2

At Teilor Holding, the approach to equal pay is a fundamental aspect of commitment to fairness and gender equality in the workplace.

At TEILOR, particularly in the retail stores, the Company has achieved a remarkable salary ratio where women earn 108% of what their male counterparts do. This is a noteworthy accomplishment, especially considering the higher proportion of women in managerial positions within TEILOR stores. It reflects our dedication to not only ensuring gender equality but also recognizing and rewarding the skills and leadership qualities that women bring to their roles.

At Invest Intermed GF IFN, the commitment to equitable pay across genders is also evident, although the dynamics vary by job level. For junior positions, the salary ratio stands at 100%, indicating parity. However, at the specialist level, the ratio is 87%, showing an area for improvement, while senior positions see a ratio of 104%, indicating a tilt towards higher pay for women. This data guides our ongoing efforts to ensure that salary disparities are addressed and that all employees are compensated fairly based on their role, experience, and performance, regardless of gender.

At Teilor Invest Exchange, the approach to salary equity is similarly nuanced. The salary ratio for junior positions is 98%, which is close to parity, while specialists enjoy a higher ratio of 107%. At the senior level, the ratio is an equitable 100%, reflecting our commitment to equal pay for equal work.

These figures underscore continuous efforts to evaluate and adjust compensation practices, ensuring that commitment to gender equality is more than just a policy but a lived reality within the Group.

ANNUAL COMPENSATION RATIO

GRI 2-21

In our ongoing commitment to transparency and ethical business practices, a key aspect of our ESG reporting is the disclosure of compensation ratios within our portfolio companies. This metric, which compares the annual total compensation of the highest-paid individual to the median annual total compensation of all employees (excluding the highest-paid individual), offers insights into pay equity and internal compensation structures.

TEILOR SRL

7.45

INVEST INTERMED GF IFN SRL

6.37

TEILOR INVEST EXCHANGE SRL

5.51

The compilation of this data involved a thorough analysis of our internal payroll records across the 3 entities for the fiscal year 2022. The management calculated the total annual compensation for each employee, which includes all forms of remuneration such as salaries, bonuses, benefits, and long-term incentives.

For this analysis, the highest-paid individual's compensation at the level of each company was identified and then compared to the median annual total compensation of all employees, excluding the highest-paid individual. The median was specifically chosen as it represents the middle point in our pay scale, thus providing a more accurate representation of the typical employee compensation than an average would.

It is important to note that while the compensation ratios might appear substantial, they are reflective of the roles, responsibilities, and the unique market dynamics of each entity. The highest-paid individuals, typically occupying top executive positions, are responsible for strategic decision-making and overall organizational leadership, justifying their higher compensation considering their broader impact on companies' performances.

NURTURING TALENT

GRI 404-1, 404-3

Investing in continuous development and education of team is a cornerstone of Teilor Holding's commitment to excellence. Recognizing the direct correlation between skilled employees and the quality of service provided, we allocate a dedicated budget each year to enhance team's capabilities.

In 2022, the training budget accounted for 0.1% of the total turnover for TEILOR, 0.4% for Invest Intermed GF IFN, and 0.9% for Teilor Invest Exchange, reflecting strategic focus on empowering employees with the training and resources they need to succeed and grow alongside our business. The average number of training hours per employee, in 2022, is presented below.

TEILOR SRL



INVEST INTERMED GF IFN SRL

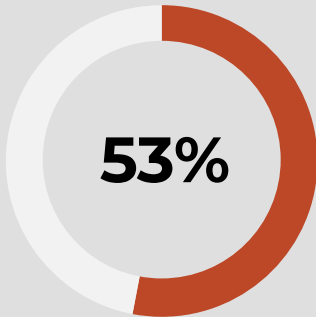


TEILOR INVEST EXCHANGE SRL

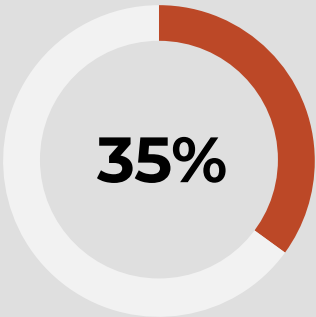


The percentage of employees who received a regular (at least 1 per year) performance and career development assessment in 2022, per Company, is presented below.

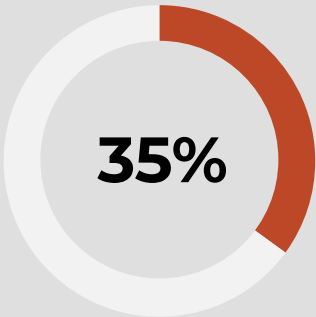
TEILOR SRL



INVEST INTERMED GF IFN SRL



TEILOR INVEST EXCHANGE SRL



TTA CASE STUDY

The Teilor Talent Academy (TTA) is an important aspect of TEILOR's commitment to nurturing talent and ensuring that team members are well-equipped to meet the challenges and opportunities of the luxury retail industry.

Teilor Talent Academy, established in 2020, was created to address the need for a dedicated internal learning program, especially for sales staff. Its main goal is to ensure the professional development of employees across the network, enhancing their ability to deliver exceptional customer experiences.

Open to all TEILOR team members, the TTA is particularly beneficial for sales personnel. It aims to equip them with the knowledge and skills necessary for professional growth and superior performance in their roles, ultimately leading to mesmerizing shopping experiences for customers.

The TTA program offers a blend of live training sessions and e-learning via its online platform, TalentLMS. Course durations vary, with in-class sessions lasting up to 9 hours and online courses extending up to 30 days. This approach ensures a continuous learning journey tailored to individual needs and industry demands.

In 2021, 180 employees engaged with the TTA, participating in 84 training sessions and totalling 184 hours of course delivery. By 2022, participation grew to 281 employees, with 18 new courses on the platform and 5 live sessions. Topics range from selling techniques and product knowledge to leadership programs, catering to a wide array of developmental needs.

Success in the TTA is measured through quizzes, assignments, and direct observation in stores. Additionally, a robust feedback system allows employees to suggest improvements or new course topics. This feedback loop, coupled with the certification upon course completion, underscores TTA's commitment to ongoing development and excellence in retail service.



281

Participants in
2022

41

courses

11 years

Total time spent
by all users in all
courses

94.9%

Engagement of
participants

81.3%

Course
completion rate

99.3%

Test pass rate

PARENTAL LEAVE

GRI 401-3

Teilor Holding is committed to supporting our employees throughout their parental leave, ensuring a smooth transition and a warm welcome as they return to their professional roles.

INDICATOR		2021		2022	
		Women	Men	Women	Men
Total number of employees who took parental leave during the reporting period	TEILOR	20	0	19	1
	INVEST INTERMED GF IFN	15	0	6	0
	TEILOR INVEST EXCHANGE	14	0	6	0
Total number of employees who returned to work during the reporting period after the end of parental leave	TEILOR	7	0	12	0
	INVEST INTERMED GF IFN	4	0	6	0
	TEILOR INVEST EXCHANGE	5	0	5	0
Total number of employees who returned to work after parental leave ended and were still employed 12 months after their return to work	TEILOR	4	0	5	0
	INVEST INTERMED GF IFN	2	0	5	0
	TEILOR INVEST EXCHANGE	3	0	4	0
Return-to-work rate of employees who took parental leave <i>(no. employees returned from CCC / no. employees who took parental leave in the year x 100)</i>	TEILOR	35%	-	63%	0%
	INVEST INTERMED GF IFN	27%	-	100%	-
	TEILOR INVEST EXCHANGE	36%	-	83%	-



**OUR ENVIRONMENTAL
RESPONSIBILITY**

OUR ENVIRONMENTAL GOALS

Responsible Consumption and Production (SDG 12)

Our operations are designed around the principles of sustainability, focusing on the ethical acquisition of materials and the efficient use of resources. We champion the recycling of precious metals and engage our customers in this endeavor by offering rewards for the return of used gold, which we then recycle, thus reducing the need for new mining and helping to manage natural resources more responsibly.

Climate Action (SDG 13)

In our pursuit of combating climate change, we are steadfast in our goal to fully digitalize our business operations. This strategy aims not only to streamline processes but also to significantly reduce our environmental impact by cutting down on paper waste and decreasing energy consumption associated with traditional retail and office activities. Our investment in eco-friendly technologies represents our proactive approach to a greener future.

Life on Land (SDG 15)

Teilor Holding is dedicated to environmental conservation, especially through our gold recycling program, which significantly reduces the need for new mining operations that can harm terrestrial ecosystems. Our commitment extends to the ethical sourcing of diamonds, ensuring they are conflict-free, and we are steadfastly working towards complete transparency regarding the origin of all our diamonds. This dedication to traceability and sustainability in our sourcing practices underscores our pledge to protect the Earth while providing our customers with responsibly sourced luxury products.





REDUCING ENVIRONMENTAL FOOTPRINT

TEILOR

TEILOR has embraced digital transformation since 2021, consolidating operations into a seamless digital ecosystem. The initiative encompasses comprehensive integration of digital platforms to automate operations, thereby reducing manual processing and paper dependency.

This eco-conscious approach extends to digitalizing customer interactions, such as the Teilor Club fidelity program, and streamlining fulfillment processes with an Order Management System. This transition is a cornerstone of TEILOR's omnichannel strategy, offering customers a consistent experience across all touchpoints while significantly diminishing ecological impact.

MoneyGold

MoneyGold's journey towards environmental stewardship is marked by a robust digitalization campaign initiated in 2021, aimed at slashing paper use and fostering eco-friendly practices. A key project launched in 2022 is the adoption of electronic signatures, targeting operations historically reliant on paper documents.

This advancement, set to be completed in early 2024, is projected to cut paper usage by about 75%, enhancing customer service and contributing to natural resource conservation. This effort aligns with the commitment to sustainable business practices and environmental protection.

RESPONSIBLE SOURCING OF RAW MATERIALS

GRI 2-6

Responsible sourcing is a crucial aspect of ESG strategy for Teilor Holding as it ensures the materials used in products, like diamonds and precious metals, are obtained in ways that do not harm the environment, exploit labour, or fuel conflicts. By adhering to strict sourcing standards and working with certified suppliers, TEILOR demonstrates a commitment to environmental stewardship and social responsibility, vital for maintaining consumer trust and upholding its reputation as an ethical leader in the luxury jewellery industry.

In 2022, TEILOR engaged with 42 key suppliers across various categories, such as diamonds, gold, silver, and wedding bands, with an additional 20 suppliers for store construction. 13 of these suppliers represented 80% of our total expenditure, highlighting their significance to our operations. Particularly critical were suppliers of diamonds, gold bars, and gold, accounting for 43%, 28%, and 19% of 2022 spending, respectively.

The sourcing is underpinned by a commitment to ethical and responsible practices. TEILOR mandates that its key suppliers, predominantly RJC-certified, provide third-party assessments or formal declarations of responsible sourcing and labour practices. This ensures that the materials, including diamonds, precious/semi-precious stones, and metals, comply with strict standards against unethical mining and labour practices.

Tracking and compliance are integral to TEILOR's sourcing strategy. We maintain robust relationships with reputable suppliers in Asia and Europe, requiring certifications like GIA and DeBeers for precious stones. Our adherence to RJC standards and other international organizations, combined with strict conformity to Romanian and international jewellery regulations, ensures each product is sustainably sourced, certified, and compliant before reaching our stores.

At MoneyGold, the supply chain is notably straightforward and streamlined, reflecting the specialized focus on gold without the complexities associated with precious or semi-precious stones. This simplicity allows MoneyGold to maintain a near 100% probability that the gold-handled is recycled. This commitment to a closed-loop system aligns with the strategic goal of promoting a circular economy within Group's operations.



RESPONSIBLE
JEWELLERY
COUNCIL

RJC is the world's leading sustainability standard-setting organisation for the jewellery and watch industry. Most of TEILOR's spends are RJC-certified suppliers.





62.1 kg

Total gold recycled in 2022

55.9 kg

Gold received from TEILOR clients through bonus program

6.2 kg

Recycled old stock

35.1 kg

Recycled gold that was used for production of new bands by TEILOR's supplier

CIRCULAR ECONOMY: GOLD RECYCLING

GRI 301-1, 301-2

In 2022, Teilor Holding made significant strides in promoting circular economy practices within its operations.

Recycling gold is crucial for TEILOR, as it significantly reduces environmental impact compared to traditional gold mining. Gold mining often leads to substantial ecological damage, including soil erosion, deforestation, and water contamination. Recycling gold minimizes these environmental issues. Additionally, from a social standpoint, it avoids the labour and human rights concerns associated with some mining practices. Importantly, the quality of recycled gold is not compromised. Gold is a highly malleable and durable metal, and its quality remains intact regardless of the number of times it is recycled. This makes it an ideal material for sustainable practices in the jewellery industry.

At TEILOR, our innovative bonus program encouraged customers to recycle used gold, leading to the **recovery of 55.893 kg of gold**. This initiative not only offers customers cashback or credit for new purchases but also rewards employees for their active participation in this sustainable effort.

Further enhancing recycling efforts, TEILOR repurposed 6,158 kg of gold from old stock. This gold was either sold in the gold market or utilized by our wedding bands supplier, culminating in a total of **62.051 kg of recycled gold** for the year. Notably, **35.131 kg of the recycled gold** directly contributed to the production of new wedding bands.

This achievement in recycling represents a significant portion of TEILOR's total acquisitions across various categories in 2022, and it showcases that recycled materials contribute to overall material usage, highlighting the effectiveness of recycling initiatives:

- It accounted for **128%** of the weight of wedding bands received (total weight: 48.6 kg);
- It comprised **45%** of the total weight of both wedding bands and gold categories (total weight: 138.9 kg);
- It formed **30%** of the aggregate weight of wedding bands, gold, and diamonds categories (total weight: 204.3 kg);
- It constituted **21%** of all category acquisitions (total weight: 290.5 kg).

These figures underscore TEILOR's commitment to a sustainable business model that prioritizes environmental responsibility and resource efficiency.

NEXT LEVEL IN SUSTAINABLE JOURNEY: DAAR

With the purpose of introducing and expanding the concept of a sustainable future within the Romanian jewellery market, TEILOR started in 2022 preparing the launch of a new brand, DAAR, where the jewellery is more than just exquisite adornments; it reflects the values and is a statement of the commitment to a sustainable future.

DAAR's brand promise is:

- **Commitment to Redefining Luxury and Style:** We prioritize sustainability and ethics in every aspect of jewellery-making.
- **Jewellery with a Purpose:** Our jewellery serves a greater purpose beyond aesthetics.
- **Reflection of Values:** Wearing DAAR jewellery is a personal statement of a commitment to ethical consumption.
- **A Statement of a Sustainable Future:** DAAR contributes to a sustainable future with every piece, by collaborating with Certified Carbon Neutral Companies.

DAAR'S PRODUCT PORTFOLIO:



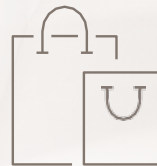
Lab-Grown Diamonds

Featuring lab-grown diamonds with ethical and sustainable origins.



Recycled Precious Metals

Utilizing recycled gold and silver to minimize environmental impact.



Product Offering

Curated jewellery collections with customization options to reflect individual styles and preferences.





ABOUT THIS **REPORT**



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This sustainability report covers the period from January 1st, 2022, to December 31st, 2022. This is the period identical to Teilor Holdings' financial year. The Sustainability Report of Teilor Holding will be published annually, with this report, covering 2022, being the first Sustainability Report of the Company.

This report was prepared in accordance with Global Reporting Initiative (GRI) Standards 2021, and it was published on April 1st, 2024.

This report has been prepared with the support of employees spanning multiple departments, with key involvement from the top management, Legal, Financial, and HR managers as well as with important contributions from the Customer Service and Design teams.

Since this is the first Sustainability Report of the Company, there are no restatements of information.

This report has not been subject to external reassurance nor to external verification by an independent auditor.

For feedback, comments, or questions related to this report, please contact:

Mircea Varga

Chairman of the Board of Directors

Teilor Holding S.A.

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