



VIORI

OUR BEAUTIFUL REASON

2022 COMMUNITY
IMPACT REPORT



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VIORI

MISSION:

To create highly-effective, natural cosmetics that honor the values and traditions of the Red Yao women for future generations.

www.viori.com



INTRODUCTION

Welcome to Viori's second annual CSR report, where we share our progress and achievements towards our social mission and the company's sustainability goals. Our mission at Viori is to create highly-effective, natural cosmetics that honor the values and traditions of the Red Yao Women for future generations. We believe that consumer products and environmental sustainability can coexist, and we are dedicated to demonstrating this by creating natural and effective beauty products that are respectful of the planet.

As long as Viori exists, we will continue to support the Red Yao tribe. With 2022 seeing a 28.5% increase in profit growth, we're proud to announce that we were able to allocate \$150,000 to support the well-being of the Red Yao communities we work with. This report contains detailed information on

how these 'Beautiful Reason' funds have been distributed, as well as the status of our ongoing relationship with the Red Yao tribe. Additionally, we will cover how Viori has improved its internal operations and obtained several certificates that align with our dedication to reducing our environmental impact.

The cosmetics industry has contributed to wide scale environmental problems such as pollution, waste, and the depletion of natural resources. At Viori, we recognize our responsibility to address these issues and therefore prioritize sustainability in our operations. We have been fortunate enough to learn from the Red Yao tribe, who have taught us that beauty and sustainability can go hand in hand. We strive to build on this truth by providing our customers with products that not only make them

feel and look good, but also respect our planet.

These are challenging yet exciting times for companies with a purpose. On the one hand, increasing prices and supply chain pressures make running a mission-driven company an uphill battle; on the other hand, customers are keeping the winds in our sails by increasingly choosing for companies that look beyond just profit and who have a strong sense of 'purpose'. At Viori we are doing our best to not only live up to these growing demands, but also take a leading role in inspiring other companies, especially in the beauty sector, to join us on this journey towards a more clean and beautiful world.

We invite you to join us as we delve into the details of the Beautiful Reason projects and our sustainability efforts of 2022.

SNAPSHOT OF IMPACT

IMPACT IN LONGSHENG

Dedicated USD \$150,000 towards our social mission in Longsheng, resulting in:

ECONOMY

- Created 16 local jobs through the rice program, ornaments program, tea program, local school support program, and more.
- Purchased over \$15,000 USD worth of rice directly from Red Yao local farmers.
- Made significant upgrades to the farmer coop's production facility.
- Set up and provided management support for 2 local farmer cooperatives.
- Increased local GDP by 3-6%.

ENVIRONMENT

- Transformed 9.9 acres of soil (40,000 sq meters) into chemical-free, all-natural farming soil.
- Preserved 0.6 acres (2,333 sq meters) of wild ancient tea-tree forests.

CULTURE

- Supported the local embroidery team with new designs and business training, resulting in a total of 728 ornaments being produced and sold.
- Conducted 100+ hours of research and documentation on Red Yao culture (including local interviews) for the 2023 book on Red Yao culture.

SOCIAL WELFARE

- Donated to the local school for facility upgrades
- Sponsored a monthly salary of a local elementary school teacher.

IMPACT AT VIORI

- Prevented +/- 3.9 million plastic bottles from ending up in landfills or oceans
- Conserved +/- 310,700 gallons of water through our environmentally friendly product design
- Certified: Our Fair Trade certification contributed over \$20,000+ USD towards community development funds for small scale cocoa and shea butter growers
- Certified: Became certified in The Roundtable for Sustainable Palm Oil (RSPO)
- Certified: Carbon Neutral: Offset 125.00+ tons of carbon by investing \$12,750.00 into carbon offset programs

SOCIAL MISSION, VALUES & METHODOLOGY

SOCIAL MISSION

Viori's social mission is to partner with the Red Yao on projects they believe will help their communities thrive as measured through economic prosperity, ecological harmony, cultural preservation, and community welfare. We call projects aimed at attaining these goals our "Beautiful Reason Initiatives."

SOCIAL RESPONSIBILITY

We recognize that our existence and mission as a company are inextricably tied to the extraordinary Red Yao people, forever. We are fully committed to respecting this relationship by playing a supportive role in helping preserve this unique culture. We do this by (a) paying a fair and sustainable premium for all Longsheng rice and products we purchase from the tribe and (b) reserving a minimum of at least 5% of profits for initiatives that go directly back to Red Yao communities.

VALUES

The act of playing a positive part in the development of Longsheng comes with great responsibilities. It requires sensitivity, patience, curiosity, and above all, a mindset that keeps the wellbeing of the Red Yao people at its core. At the same time, Viori strives to create a set-up where the Longsheng community remains self-sufficient instead of relying solely on any outside support.

The following ancient Chinese proverb perfectly encapsulates these values and has guided us along the journey of developing a healthy relationship with the Red Yao community:



"IF YOU GIVE A HUNGRY MAN A FISH, YOU FEED HIM FOR A DAY, BUT IF YOU TEACH HIM HOW TO FISH, YOU FEED HIM FOR A LIFETIME."

-LAO TZU

METHODOLOGY

How are funds allocated in Longsheng? Below are the processes we use while running projects in Longsheng.

STEP 1:

The BRI projects aim to support the Red Yao in accomplishing the following four goals: As the survey in this report shows, these are areas of critical importance to Red Yao and where they would most like support. Keeping these four categories in mind is, therefore, Step 1.

“The local goals in our methodology are connected with several of the UN Sustainable Development Goals (refer to specific projects)”



STEP 2:

Next, we look for projects that fit into these categories. We do this by gathering information from the following three stakeholders:

LOCAL
COMMUNITY

The Local community’s voice is what counts most. They know their challenges firsthand and are best positioned to come up with successful solutions.

LOCAL
GOVERNMENT

Knowledge of local government policies and good relations are key to effectively working in rural development.

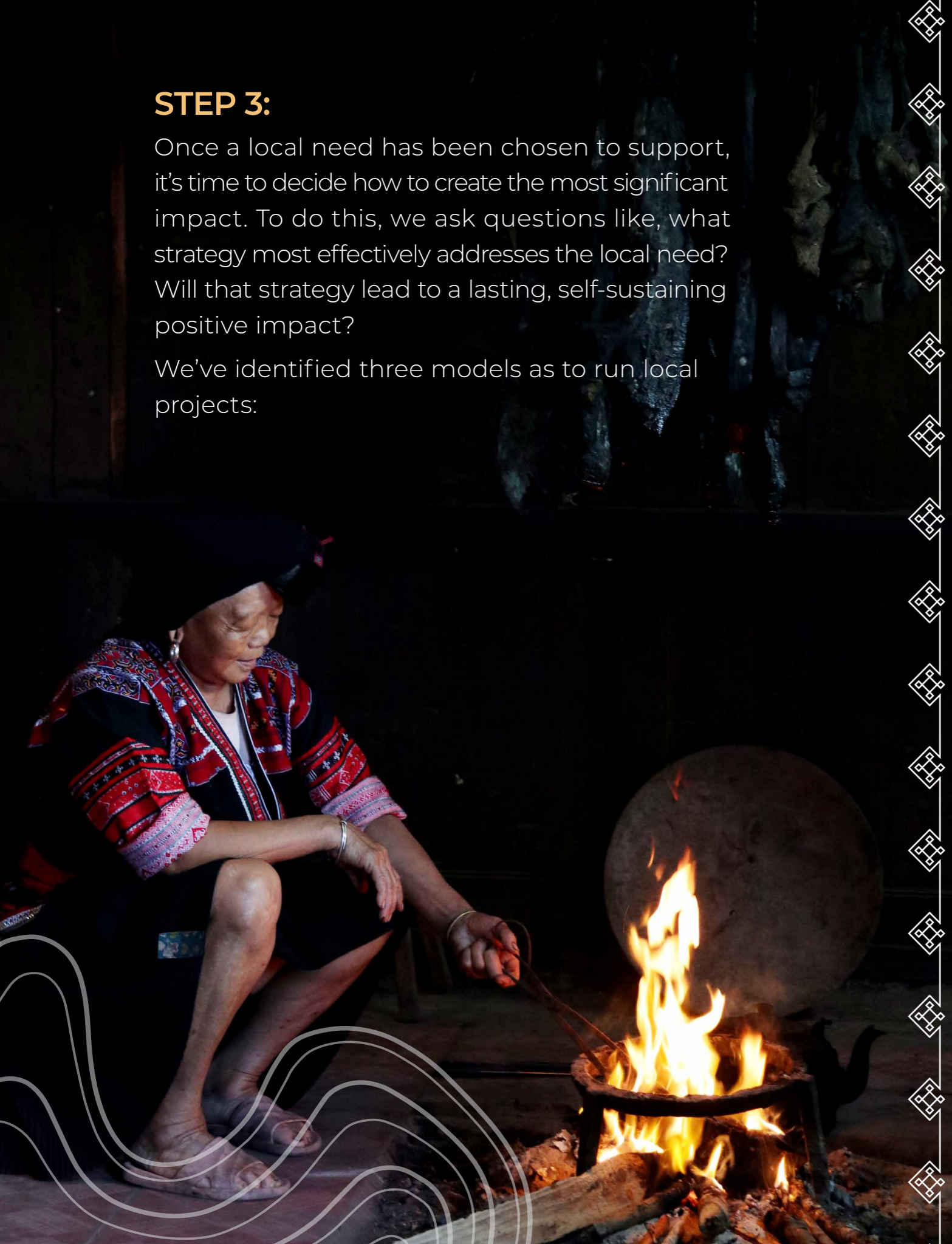
VIORI

This might be surprising, but the new ideas and customer feedback from the Viori community is also very much sought after by the local community.

STEP 3:

Once a local need has been chosen to support, it's time to decide how to create the most significant impact. To do this, we ask questions like, what strategy most effectively addresses the local need? Will that strategy lead to a lasting, self-sustaining positive impact?

We've identified three models as to run local projects:



DONATION MODEL

Viori makes donations to fund local projects. These often take the form of one-time donations. Some examples include installing streelights, purchasing equipment for local schools, and supporting medical costs for families in need.

DIRECT PURCHASE MODEL

Engaging in direct purchase transactions is perhaps the most direct support we provide. And purchasing local goods is considered by many members of the Red Yao community to be the best way to show support.

Whenever possible and sensible, we purchase goods directly from villagers. Besides Longsheng rice, other local goods we purchased this year include local ornaments and Longsheng tea.

By purchasing directly from villagers, we can guarantee a respected and fair price for both parties. For example, we purchased last season's all-natural Longsheng rice at a 100% markup, a substantial but fair price considering the inherent value of the product and the way in which it was grown.

MENTORING MODEL

Many villagers want to set up local, sustainable businesses but lack the resources and skills to do so successfully. Incubator projects address this gap by providing financial capital and human capital in the form of experts, mentors, and teachers.

These projects are often longer-term and can create fundamental improvements by providing more economic opportunities for a wide range of community members over time.

“If you give a hungry man a fish, you feed him for a day, but if you teach him how to fish, you feed him for a lifetime.” - Lao Tzu

ALL-NATURAL RICE PROJECT

PROJECT MODEL:

Direct purchase + Mentor Model

PROJECT DESCRIPTION:

Encourage more Longsheng rice farmers to adopt all-natural farming practices (100% chemical-free) and preserve ancient heirloom varieties. Our approach includes in-site mentoring by farming experts and a financial guarantee to purchase the naturally-grown crop at a markup.

PROJECT BACKGROUND

Rice cultivation is the core of the livelihood of the Red Yao community. In addition to it being a staple food, Longsheng rice is also the key ingredient in the hair traditions of the Red Yao women- the same traditions that inspired the creation of Viori.

With rice playing such an important role, it's no surprise that it would become the focus of our first major BRI project in collaboration with the Red Yao community.

Despite centuries of farming experience, many local rice growers have moved away from traditional planet-friendly farming methods in favor of methods that promise higher yields.

Both the villagers and Viori believe that switching back to natural farming will support both the environment and their economic prospects. Without pesticised and toxic chemical inputs, the soil can

recover, preserving its fertility for future generations. And the local economy benefits from this project by enabling farmers to charge a premium price for their all-natural rice.

Encouraging farmers to re-introduce traditional ways of farming required support from on-site mentors who specialize in natural-growing methods and a financial guarantee in case of significant crop failure and/or poor market demand.

Since Viori only requires small amounts of Longsheng rice for its products, another critical component of this project was to help the farmers establish local sales channels. By connecting Longsheng farmers with urban families interested in safe, nutritious rice, a self-sustaining infrastructure can be created-which is non-reliant on Viori's continous support, one of our main goals.

UN Sustainable Development Goals This BRI Supports:



PERIOD:

Round 1: March 2021 - December 2022 (ongoing)

PARTICIPANTS:

15 rice farming families of the villages Yujiazhai & Zongliu

OUTCOMES:

- Protection of 8.88 acres (35,964 m²) of rice-terraced farmland through the adoption of chemical-free, natural-farming practices
- Production of over 4 tons (4000 kg) of all-natural Longsheng Rice
- Fair purchase of all-natural Longsheng rice from 15 families at a 2x markup to support their livelihoods
- Provision of mentoring throughout the growing season to enhance farming practices and increase yields.

FINANCE¹:

| ALL-NATURAL RICE PROJECT | USD |
|--------------------------------|---------------------|
| Local Rice Purchase | \$ 15,615.29 |
| Program Leader | \$ 9,090.91 |
| Machinery & Equipment Upgrades | \$ 2,619.71 |
| On-site manager #1 | \$ 2,571.43 |
| Production Costs | \$ 2,199.57 |
| Natural Fertilizer | \$ 2,122.76 |
| On-site manager #2 | \$ 1,542.86 |
| Admin | \$ 41.86 |
| Transport | \$ 587.57 |
| Renovation/restoration factory | \$ 28.57 |
| Miscellaneous | \$ 2,151.71 |
| TOTAL | \$ 38,572.24 |

CHALLENGES & ROAD AHEAD

Through our third year of working with the Longsheng rice farmers, we have deepened our local relationships and made cooperation smoother and more effective. Building on our experience from the previous year, we expanded the project size and increased the number of on-site managers, while maintaining closer communication to ensure farming guidelines were followed and farmers received adequate support. While water scarcity remains a challenge, we recognize the importance of improving our water management practices moving forward. Furthermore, we are actively pursuing organic certification for the plots of land, a process that takes three years. As we move past the pandemic, we remain committed to supporting the Longsheng rice farmers and their community, while striving towards sustainability and environmental stewardship.



IMPRESSIONS





RED YAO EMBROIDERY PROJECT

PROJECT MODEL:

Direct Purchase + Mentoring

PROJECT DESCRIPTION:

Support the Red Yao women in preserving one of their main cultural heritages: embroidery

PROJECT BACKGROUND:

Hand-made embroidery, like their hair rituals, has been an intrinsic part of the Red Yao women's cultural heritage. From the age of 13, they start learning embroidery skills that they steadfastly continue to practice throughout their lives.

With younger generations encouraged to focus on learning other skills, Red Yao embroidery might be extinct within one to two decades from now. In the past, tight-knit communities kept the demand for these unique products stable; nowadays, embroidery is mostly done just for the joy of the art.

The Red Yao women see a future where this tradition can be kept alive, and perhaps even thrive, by introducing their craft to the outside world through commerce. Not only would it help preserve an endangered cultural art form, it would also provide artisans with stable income and encourage younger generations to continue this unique cultural heritage. Because Viori customers have shown high interest in Red Yao embroidered ornaments, we will start with giving them away as free gifts to a select group of customers with the potential of creating sales channels in the future.



UN Sustainable Development Goals This BRI Supports:



PERIOD:

April 2021 - ongoing

PARTICIPANTS:

14 Red Yao Women of the villages Zhongliu & Yujiazhai

OUTCOMES:

- 14 Red Yao Women have seen a significant increase in their monthly income by 30-50%
- A fruitful collaboration with a designer resulted in the creation of four new products.
- The project has garnered attention from the wider community, leading to more local women showing interest in joining the project.
- High levels of interest from Viori's customers in purchasing ornaments directly from the Red Yao women have encouraged the project to scale up and explore the possibility of setting up a direct sales channel between both parties.

FINANCE²:

| RED YAO ORNAMENTS | | USD |
|--------------------------------------|-----------|------------------|
| Ornaments compensation Red Yao Women | \$ | 15,600.00 |
| Program leader | \$ | 9,090.91 |
| On-site manager | \$ | 2,096.43 |
| Repairs, ad-ons. equipment | \$ | 482.43 |
| Shipping cost | \$ | 67.14 |
| TOTAL | \$ | 27,336.91 |

HURDLES

As more Red Yao women joined the project, ensuring consistent quality across all the produced ornaments became a slight issue. However, with the help of Viori's project managers and the village's social coherence, the issue was quickly resolved.

ROAD AHEAD

Currently, the ornaments are given away as gifts to customers throughout the year. In the future, Viori plans to set up sales channels for customers who are interested in buying these ornaments, as long as the Red Yao women continue to receive fair prices and the quality of the ornaments can be preserved.

IMPRESSIONS







FARMERS COOPERATIVE MANAGEMENT SUPPORT

PROJECT MODEL:

Mentoring

PROJECT DESCRIPTION:

Providing management support in the operations and growth of the local farmers cooperative.

PROJECT BACKGROUND:

Cooperatives ('co-ops') are local businesses owned and run by local members. By pooling resources, the co-op members can reduce their overhead costs allowing them to better compete on the market. Being part of a member network allows them to share knowledge, best practices, and unique opportunities for a greater chance of success. However ideal this set-up might sound, the reality is that the hurdles in forming a village co-op are substantial (primarily in the form of admin and upfront costs), often leading to failed attempts. Viori's BRI funds help finance upfront start-up costs together with providing mentoring in operations.

UN Sustainable Development Goals This BRI Supports:



PERIOD:

2021 April - (ongoing)

OUTCOMES:

- Viori provided over 200 hours of ongoing mentoring to two village cooperatives.
- Sponsored the yearly salary of two cooperative managers, providing financial stability and support for the cooperatives.
- Both the rice project and ornaments project became legitimate local projects adhering to legal administrative requirements with the help of the local cooperative.
- A Viori-sponsored design team was hired to assist with the brand design of local products, helping to improve their marketability and reach.

FINANCE³:

| FARMER COOPERATIVE MANAGEMENT SUPPORT | | USD |
|---------------------------------------|-----------|------------------|
| Farmers Cooperative Management | \$ | 13,636.36 |
| Branding Design Services | \$ | 1,352.27 |
| Admin Costs 2x Farmers Cooperative | \$ | 870.71 |
| Miscellaneous | \$ | 285.71 |
| TOTAL | \$ | 16,145.06 |

ROAD AHEAD:

With both entities established and the cooperative managers trained, the next crucial step is to provide support in marketing their local products and services. This will enable the cooperatives to establish long-term and sustainable sources of income, fostering economic development and empowerment within the community. In the 'Voices of the Red Yao' section, locals have shared several viable business ideas, which can serve as a basis for developing marketing strategies and expanding the cooperatives' reach.



COMMUNITY DONATIONS

EDUCATION

Viori is deeply committed to supporting the local education in Longsheng as we believe that the future of the Red Yao community largely depends on the education and wellbeing of its youth. We understand that investing in the education of children is investing in the future, and we strive to continue providing ongoing support to ensure that the local schools have the necessary resources to help Red Yao children thrive in the 21st century.

CLASSROOM UPGRADES

Viori supported the local school by purchasing classroom upgrades, including chairs and tables. Previously, the tables and chairs used in the classrooms were hand-me-downs from higher grades and were too big for the students, causing body aches and concentration problems according to the teachers. With Viori's donation, the school was able to purchase adjustable tables and chairs. More upgrades are planned for the year 2023 to improve the learning environment for the students.

SPONSORING OF LOCAL TEACHER'S SALARY

We sponsored the salary of a local kindergarten teacher after learning that the school was struggling to provide adequate attention to the children due to a lack of staff. We reached out to the local education bureau and found a suitable candidate for the job, a young Red Yao lady who was eager to return to her hometown and continue her work in education. Teacher Xiao Pan has been working at the school for one semester now, and both the teacher, principal and students are delighted with the new situation.



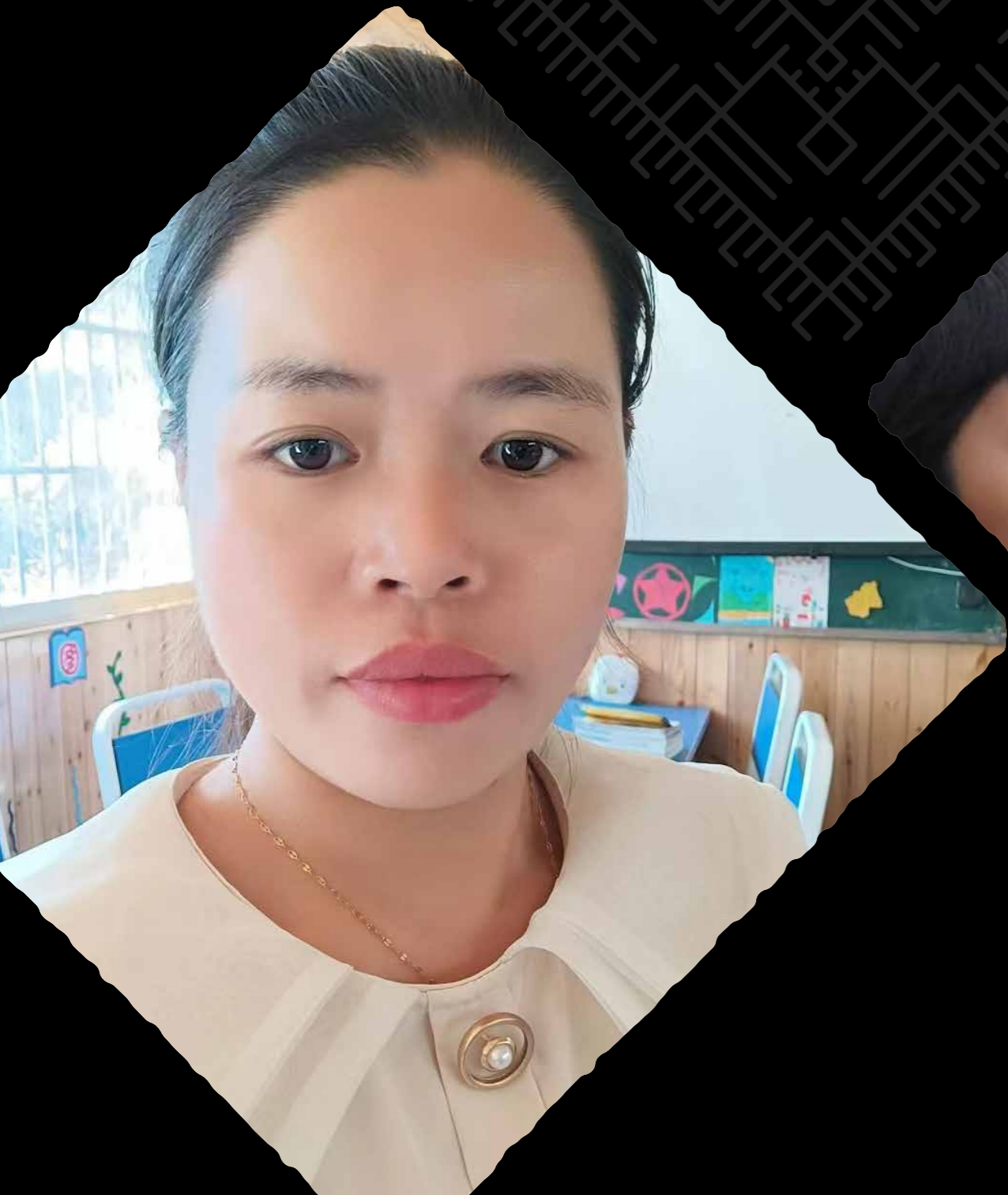
COMMUNITY BUILDING

At Viori, our goal is to cultivate healthy, long-term relationships with the Red Yao community. We recognize their existing strong community ties, and our role is to walk alongside them. As such, we organize community dinners and events to listen to their needs, show our appreciation for our connection with them, and distribute gift packages to families in need. We are honored to support the Red Yao people in any way we can and are excited to continue building a thriving and robust community together.

FINANCE⁴:

| COMMUNITY DONATIONS & EVENTS | | USD |
|--|-----------|-----------------|
| Elementary school support: equipment & facility upgrades | \$ | 1,285.71 |
| Elementary school support: salary assistant teacher | \$ | 1,392.86 |
| Appreciation Dinners & Gift packages to families in need | \$ | 774.03 |
| TOTAL | \$ | 3,452.60 |

IMPRESSIONS





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2022 FINANCIAL SUMMARY

Below you will find an overview of how the funds from our 2022 Beautiful Reason projects were allocated, including those dedicated to supporting our on-the-ground CSR team. As you will notice, we did not spend the full available amount allocated for the 2022 Beautiful Reason projects. At Viori, we carefully evaluate and deploy our funds when we are certain that the community supports the idea and that it effectively addresses the challenges they are facing. We remain committed to our ongoing support for the Red Yao community, and the remaining funds will be added to next year's budget.

| TOTAL BRI EXPENSES | USD |
|--|----------------------|
| Beautiful Reason Initiative: All-Natural Rice Project | \$ 38,572.24 |
| Beautiful Reason Initiative: Farmer Cooperative Management Support | \$ 16,145.06 |
| Beautiful Reason Initiative: Red Yao Ornaments | \$ 27,336.91 |
| Beautiful Reason Initiative: Community Donations & Events | \$ 3,452.60 |
| CSR team operating expense: | \$ 45,348.89 |
| Salary CSR team | \$ 28,303.43 |
| Longsheng travel expenses | \$ 4,639.87 |
| Social Security | \$ 6,544.29 |
| Health Care | \$ 2,828.57 |
| Tax | \$ 1,094.00 |
| Accountancy Fees | \$ 1,028.57 |
| CSR team health check-ups | \$ 654.64 |
| Banking Fees | \$ 185.75 |
| Office supplies | \$ 32.92 |
| Miscellaneous | \$ 36.86 |
| TOTAL | \$ 130,855.70 |

VOICES OF THE RED YAO COMMUNITY SURVEY

ABOUT

Yearly we hire a local consulting company to conduct on-site surveys in which feedback of our work in Longsheng is collected from the Red Yao community. By interviewing community members and listening to their feedback, we gain insights into how they view the ongoing projects and what future initiatives can be undertaken to support their growth and well-being. These surveys allow us to remain accountable and empower the Red Yao by letting them know their voices are heard. Due to the pandemic, this year's survey was delayed several times as visiting Longsheng proved to be a challenge. This year's survey was completed in February 2023.

RESULTS

The survey conducted in Longsheng included 80 village residents, who shared their thoughts and opinions on the community development programs implemented by Viori. The findings revealed that the current programs, which include the all-natural

rice program, local ornaments program, and support for the local school, have had a positive impact on the community. 92% of the respondents reported being "very satisfied" with the current projects and 91% expressed their willingness to continue participating in future programs.

The survey results also highlighted some areas for improvement. Respondents suggested that Viori could focus on providing more job opportunities, improving the local infrastructure, and increasing access to technology and information. Furthermore, some respondents recommended that Viori should prioritize education by helping students improve their English skills. These insights will be valuable for Viori in shaping future programs and ensuring that they meet the needs and expectations of the local community.

To gain a complete understanding of the survey results, we invite you to refer to Appendix A located at the end of this report.





SUSTAINABILITY AT VIORI

At Viori, sustainability is more than just supporting the Red Yao. While they remain at the heart of our purpose, we recognize the impact that our business has on the wider world. Our efforts to create a more sustainable future encompass all aspects of our business, from product design and packaging to our supply chain and community engagement. Below are some examples of other core areas of our business in which Viori is making a difference.

PRODUCT VALUES

We hold ourselves to a high standard when it comes to our products and supply chain. We believe in creating safe and clean products that do not harm the environment. That's why we have established a set of product values that serve as the DNA of our brand. These values are uncompromising, and we ensure that every product we create adheres to them. Below are some of the characteristics that define our products and uphold our commitment to sustainability and quality.



PRODUCT VALUES



VEGAN

VEGAN

When a product is vegan certified, it means that it doesn't contain any animal-derived ingredients and hasn't been tested on animals. This is important to us at Viori because we believe in creating products that are both effective and ethical. By choosing vegan ingredients, we can offer a more sustainable and compassionate option for our customers.



PLANT
BASED

PLANT-BASED

We believe that the best ingredients come straight from nature. That's why our products are plant-based, using only the finest botanicals and natural ingredients. Our commitment to using plant-based ingredients means that customers can trust that they're using products that are safe and effective, without any harmful chemicals or synthetic additives.



CRUELTY
FREE

CRUELTY FREE

At Viori, we believe that animals should not suffer for the sake of beauty or personal care. That's why we're committed to being a cruelty-free company and ensuring that none of our products or ingredients are tested on animals. By making this choice, we can provide our customers with peace of mind knowing that they can enjoy our high-quality products without any ethical concerns.



SULFATE
FREE

SULFATE-FREE

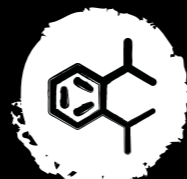
We believe that the ingredients in our products should be gentle, yet effective. That's why we're proud to say that our products are sulfate-free. Sulfates are harsh detergents that can strip the hair and scalp of natural oils, leading to dryness, breakage, and other damage. By avoiding sulfates, we're able to provide our customers with a more nourishing and gentle hair care experience.



PARABEN
FREE

PARABEN-FREE

All of our products are free from parabens, a group of chemicals commonly found in personal care products. Parabens have been linked to various health concerns, including hormone disruption, which is why we have chosen to avoid them completely.



PHTHALATE
FREE

PHTHALATE-FREE

Phthalates are a group of chemicals often used as additives in various products, including personal care items, to improve their flexibility, transparency, and durability. At Viori, we are committed to providing our customers with products that are free from phthalates, as we believe that they have no place in our personal care products.



PLASTIC
FREE

PLASTIC-FREE

Plastic-Free refers to our packaging which is made of 100% sustainably sourced paper, therefore drastically reducing the amount of (plastic) waste we burden our customers with. Additionally, we require our suppliers to minimize their use of plastic in the production and transportation of our ingredients and materials.



PH
BALANCED

PH-BALANCED

Ph-balanced means that our products are formulated to match the natural pH level of hair and scalp, which helps to maintain healthy hair and scalp. By keeping our products pH-balanced, we can prevent damage, dryness, and irritation caused by harsh chemicals and other environmental factors.



GMP
CERTIFIED

GMP CERTIFIED

GMP (Good Manufacturing Practice) certified means that our products are manufactured and handled in accordance with strict quality standards to ensure safety, efficacy, and consistency. This certification guarantees that our products are made with the highest quality ingredients and meet the highest level of safety standards.

CERTIFICATIONS: 2022

Viori's certifications help us communicate our core values to our customers by having respected certification bodies audit our products and business operations. In 2022, Viori made great progress in this area by successfully adding several new certifications to its products and company as a whole.



FAIR TRADE

Fair Trade USA certification ensures that the products and ingredients are ethically sourced and purchased from suppliers who are paid fairly for their labor. At Viori, we source our cocoa butter and shea butter from Fair Trade suppliers, and in 2022, we contributed over \$25k towards community development initiatives for these small-scale suppliers.



CARBON NEUTRAL

Despite our commitment to natural and clean products, as a factory sourcing ingredients from various places, our operations leave behind a (carbon) footprint on the environment. Being carbon neutral means that we have offset all carbon emissions resulting from the production of our products and operations of our company by investing in projects that take carbon out of the atmosphere. In 2022, our carbon offset investments totaled just over \$20k.



RSPO

RSPO certification ensures that the palm oil we use is sourced sustainably, without causing harm to the environment or the communities it is sourced from. Contrary to mainstream belief, sustainably sourced palm oil through RSPO is one of the least harmful options on the market, as alternatives such as soy require much more land. In 2022, we became RSPO certified.

Having these certifications as part of our company DNA provides us with a strong anchor as we grow. They serve as a reminder of the values we hold as a company, ensuring that we continue to maintain the highest standards in sustainability and ethical practices.

CONSERVATION

Our products are designed to not only be healthy and nourishing for hair, but also to contribute to conservation efforts. Below, find out how our products contribute to such efforts, specifically in terms of water conservation and reduction of plastic waste.

WATER CONSERVATION:

In 2022, Viori made significant strides in water conservation, saving approximately 85,847 gallons of water. Our soap bars are formulated to be long-lasting and effective, with 1 Viori soap bar equaling 3 shampoo bottles (10 oz). By switching to a Viori soap bar instead of traditional bottled shampoo/conditioners, customers can save up to 30 oz of water. In 2022, Viori sold 1,988,482 bars, resulting in a total of 10,988,482 oz of water conserved when compared to traditional shampoo products.

WASTE CONSERVATION:

In 2022, Viori also made a significant contribution to waste conservation by preventing an estimated 5,965,446 (5M+) plastic bottles from being produced. This is equivalent to approximately 62.14 tons of plastic waste that would otherwise have ended up in landfills and oceans. Again, with 1 Viori soap bar equaling 3 shampoo bottles (10 oz) and a total 2022 sales volume of 1,988,482 bars, this resulted in 5,965,446 (5M+) plastic bottles or 62.14 tons (1,988,482 kg) of plastic waste being prevented.



CONCLUSION

At Viori, transparency is one of our core values, and we are committed to sharing our progress and impact with all our stakeholders. This report reflects that commitment, and we hope it provides valuable insight into our sustainability efforts and Beautiful Reason initiatives in Longsheng throughout 2022.

We would like to express our appreciation to those who have taken the time to read through this report, as it demonstrates genuine interest and concern for the impact our company has on the people and environment we are connected with.

As the report shows, our projects with the Red Yao community have been well received and are creating a tangible impact in Longsheng. However, more work is

needed to deepen our understanding of local needs and find ways to contribute to the Red Yao's well-being. Our core approach in this endeavor will continue to be "Give a man a fish, you feed him for a day. Teach a man to fish, and you feed him for a lifetime." In line with this approach, some ideas for 2023 include providing more support for local entrepreneurs, increasing our support for education, and using our network and resources to create sustainable new sources of income for the Red Yao.

As we embark on 2023, Viori is thrilled to pursue exciting new growth initiatives. As with any new endeavor, uncertainties lie ahead. Nevertheless, we are confident that our sustainability efforts, such as our obtained

certifications and our product values, have laid a strong foundation for Viori's future and will continue to play a key role in our success.

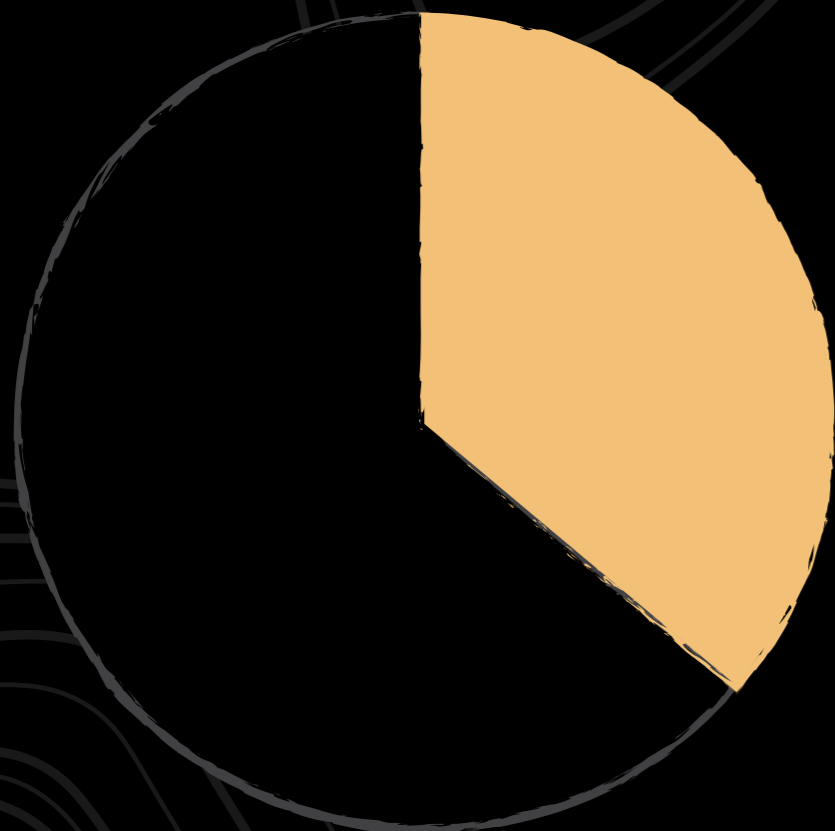
Lastly, we want to express our deep gratitude to the Red Yao people of Longsheng for their ongoing hospitality and inspiring natural way of living. We also want to thank our CSR team for bringing our local projects to life and deepening our relationships with the Red Yao community.

If this report has inspired you or if you have any questions or ideas, please don't hesitate to reach out to us at sustainability@viori.com. We welcome everyone to join us on this journey towards a more balanced and beautiful future.



APPENDIX A

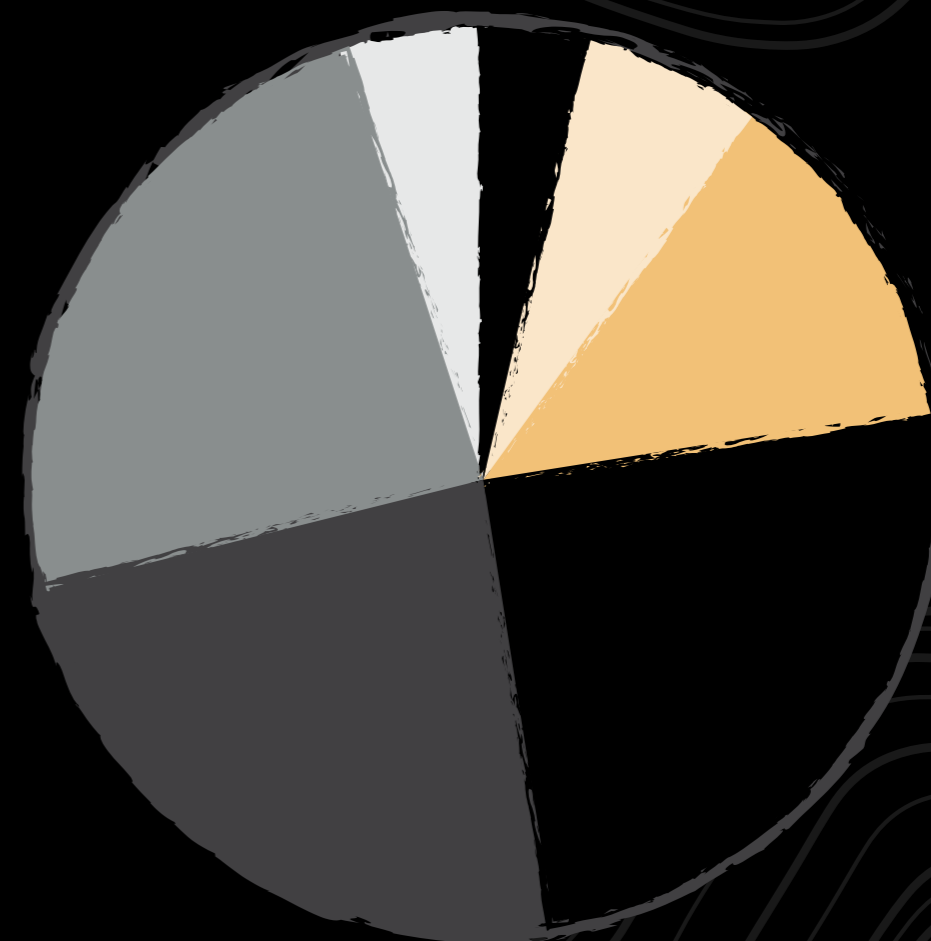
| GENDER | TOTAL | MALE | FEMALE |
|--------|-------|--------|--------|
| | 80 | 29 | 51 |
| | 100% | 36.25% | 63.75% |



MALE ●
FEMALE ●

| AGE | 10-19 | 20-29 | 30-39 | 40-49 | 50-59 | 60-69 | 70-79 |
|-----|-------|-------|-------|-------|-------|-------|-------|
| | 3 | 5 | 10 | 20 | 19 | 19 | 4 |

- 10-19
- 20-29
- 30-39
- 40-49
- 50-59
- 60-69
- 70-79



Q1: DO YOU KNOW THAT VIORI IS DOING PROJECTS IN THE LONGSHENG COMMUNITIES?

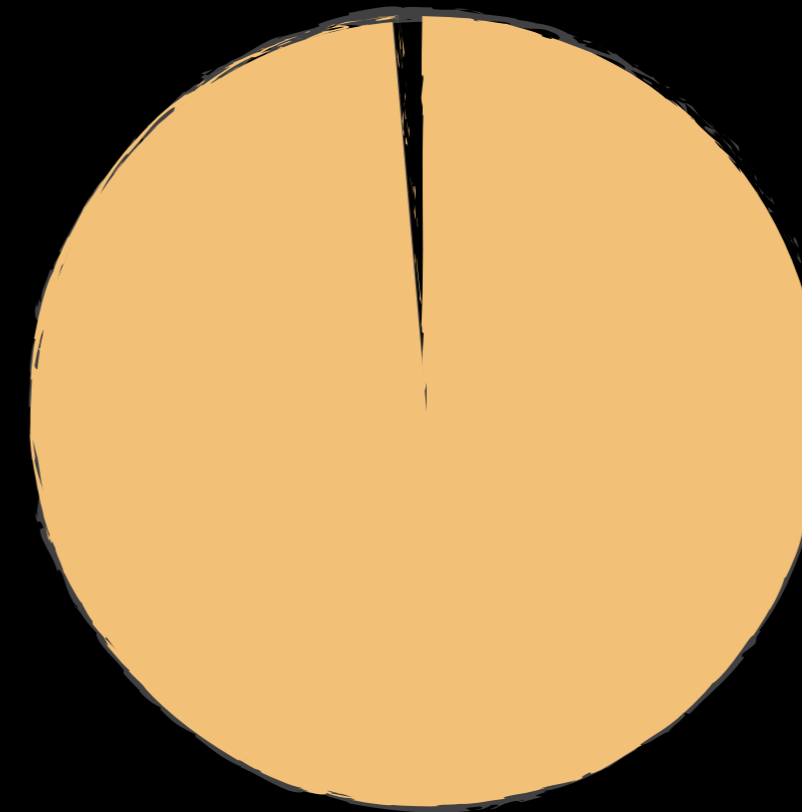
| YES | NO |
|-----|----|
| 63 | 17 |



YES ●
NO ●

Q2: WHAT IS YOUR ATTITUDE TOWARDS VIORI'S PRESENCE IN THE COMMUNITY?

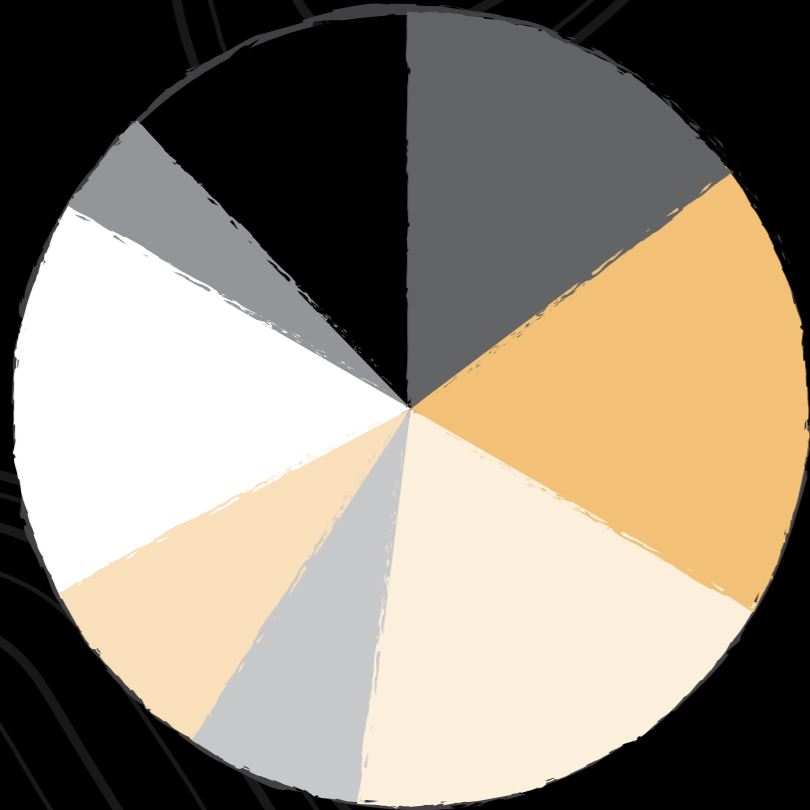
| VERY SATISFIED | SOMEWHAT SATISFIED | NOT TOO SATISFIED | EXTREMELY DISSATISFIED |
|----------------|--------------------|-------------------|------------------------|
| 79 | 1 | 0 | 0 |



VERY SATISFIED ●
SOMEWHAT SATISFIED ●
NOT TOO SATISFIED ●
EXTREMELY DISSATISFIED ●

Q3: CHOOSE THE TOP 4 AREAS WHICH ACCORDING TO YOU ARE CURRENTLY THE MOST IMPORTANT FOR LONGSHENG'S LONG TERM HEALTHY DEVELOPMENT?

| INFRA STRUCTURE | AGRICULTURE | TOURISM | PUBLIC HEALTH | ENVIRONMENTAL PROTECTION | EDUCATION | SOCIAL BENEFITS | CULTURAL PRESERVATION |
|-----------------|-------------|---------|---------------|--------------------------|-----------|-----------------|-----------------------|
| 48 | 59 | 60 | 23 | 26 | 51 | 14 | 39 |



- INFRASTRUCTURE
- AGRICULTURE
- TOURISM
- PUBLIC HEALTH
- ENVIRONMENTAL PROTECTION
- EDUCATION
- SOCIAL BENEFITS
- CULTURAL PRESERVATION

Q4: HAVE YOU PARTICIPATED THIS YEAR IN A VIORI SUPPORTED PROJECT?

| YES | NO |
|-----|----|
| 26 | 54 |



- YES
- NO

Q5: ARE YOU SATISFIED SO FAR WITH THE PROGRAM'S DEVELOPMENT YOU ARE INVOLVED IN?

| VERY SATISFIED | SOMEWHAT SATISFIED | NOT TOO SATISFIED | EXTREMELY DISSATISFIED |
|----------------|--------------------|-------------------|------------------------|
| 24 | 2 | 0 | 0 |



- VERY SATISFIED 
- SOMEWHAT SATISFIED 
- NOT TOO SATISFIED 
- EXTREMELY DISSATISFIED 

Q6: WHAT KIND OF OTHER VIORI COMMUNITY PROJECTS WOULD YOU LIKE TO SEE HAPPEN IN YOUR COMMUNITY?

INFRASTRUCTURE:

Streelights, road improvements, terraced fields management, garabage stations, etc.

ECONOMY:

Developing tourism, agricultural projects such as tea, bamboo shoots, rice, sweet potatoes, and other agricultural products, promoting Longsheng's terraced fields.

EDUCATION:

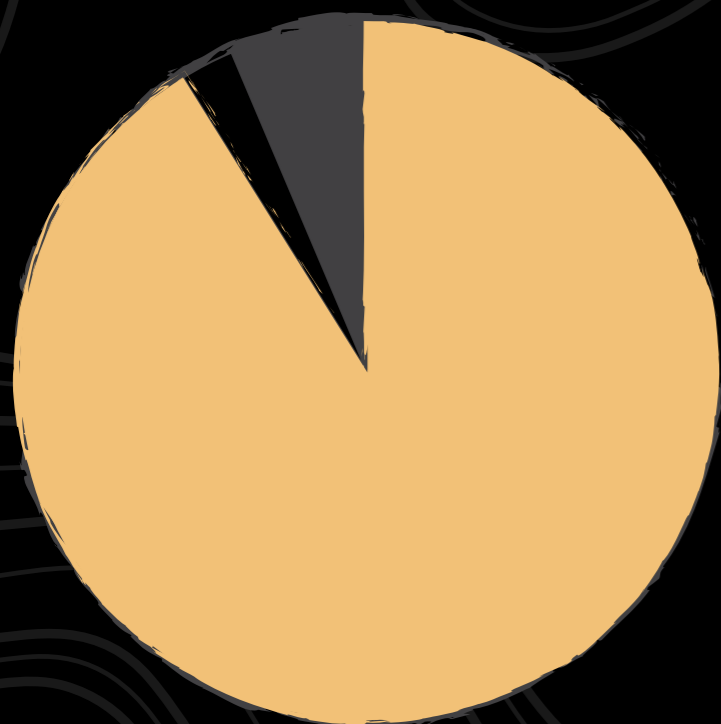
English and Chinese character teaching, sponsoring underpriviledged child, hoping to help subsidize teachers who cook meals for the students.

CULTURE:

Cultural exchange, promoting Red Yao culture, inheriting and promoting Red Yao embroidery, creating a brand, hoping to build a library corner, English corner, hoping Tiantouzhai's primary school can be restored, hoping to popularize some professional agricultural knowledge for villagers, hoping a build a museum to promote the Red Yao ethnic group.

Q7: WOULD YOU LIKE TO PARTICIPATE IN OR CONTINUE TO PARTICIPATE IN VIORI PROJECTS IF GIVE THE OPPORTUNITY?

| VERY WILLING | SOMEWHAT WILLING | NOT TOO WILLING | NOT AT ALL WILLING |
|--------------|------------------|-----------------|--------------------|
| 73 | 2 | 5 | 0 |



- VERY WILLING 
- SOMEWHAT WILLING 
- NOT TOO WILLING 
- NOT AT ALL WILLING 

CONCLUSION

The findings of the survey indicate that the community development programs implemented by Viori have had a positive impact on the local villages, with the majority of the respondents very satisfied with the current programs (all-natural rice program, local ornaments program, and the support provided to the local school). In terms of areas for improvement, the survey respondents highlighted a number of issues that Viori could focus on in future programs. These included the need for more job opportunities, improvements in infrastructure, and greater access to technology and information. Several respondents also suggested that more focus can lie on education and helping the students improve their English.

Overall, the survey has provided valuable insights into the effectiveness of the community development programs implemented by Viori in the Longsheng region. The findings suggest that the programs have had a positive impact on the local communities, but also highlight some areas where further work is needed. By listening to the voices of the local people and taking their feedback on board, Viori can continue to improve and refine its programs in order to better serve the needs of the Longsheng region.



VIORI

YOUR BEAUTIFUL REASON