



REPORT 2022



REPORT 2022

A home of Love Brands,
within a family company,
that furthers wellness, confidence
and self-expression
while leaving a better world.

ADOLFODOMINGUEZ
PERFUMES

APIVITA


BANDERAS

BYREDO

CAROLINA HERRERA

Charlotte Tilbury

COMME des GARÇONS
parfums*

Christian
Louboutin

DRIES VAN NOTEN

Jean Paul
GAULTIER

KAMA
AYURVEDA

L'ARTISAN PARFUMEUR

LOTO DEL SVR

NINA RICCI

paco rabanne

PENHALIGON'S
EST. LONDON 1870

URIAGE
EAU THERMALE

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01.

MESSAGE FROM THE CHAIRMAN AND CEO

A YEAR OF EXTRAORDINARY RESULTS

In 2022, Puig obtained record sales and profits for the second year running. Results that would not have been possible without the passion, hard work and dedication of the 9,538 people who make up Puig and who defend our vision and our essence, day after day.

Puig ended 2022 with net revenue of €3.62 billion (+40% compared to 2021), accomplishing the feat of growing by more than €1 billion per year in the last two years. In terms of profitability, EBITDA reached €638 million and net profit was €400 million. In other words, the best results in Puig history to date.

These extraordinary figures helped to achieve the ambitious objective announced in the first quarter of 2021 one year ahead of schedule and in a very demanding environment: that of doubling the results of 2020 by 2023 and exceeding the threshold of €3 billion, putting Puig in a good position to reach the figure of €4.5 billion by 2025.

Our aim is to make Puig a home of love brands, within a family company, that furthers wellness, confidence and self-expression while leaving a better world. Playing an important role in this ambition are our values, and an approach which has set us apart for more than 100 years. We have defined these values based on five pillars: restless curiosity, contagious enthusiasm, fairness and respect, entrepreneurial audacity, and shaping tomorrow.

We have benefited from the post-Covid wave in which people have wanted to make up for time lost during the pandemic, to socialize and allow themselves a little self-indulgence. In 2022 this attitude, together with the power of our brands, drove Puig to grow in most of the categories in which we operate.

Our results have been exceptional despite geopolitical challenges such as Russia's invasion of Ukraine and uncertainties surrounding China, as well as the impact of inflation and rising interest rates after a decade without inflation and with stable rates.

Despite the difficult situation, in 2022 we executed some important operations. We acquired a majority stake in the Swedish firm Byredo, after tough competition from the big players in the sector. And we incorporated into our group Kama Ayurveda in India, and Loto del Sur in Colombia. These are all companies with a great deal of character and experience, who share a strong commitment to sustainability and who have direct-to-consumer channels. In addition, they provide us with growth potential in all the categories in which we are present, and with them we have significantly increased our own points of sale, incorporating more than 1,000 new employees and expanding the ecosystem of founders. These operations have increased our net financial debt to €1.02 billion, mainly in green loans, positioning Puig with a net debt/EBITDA ratio below 2 at the end of 2022.

We have completed the second year of the 2021-2023 strategic plan and have a consolidated organizational structure with teams focusing on three business categories: fragrances and fashion, makeup and skincare.

In fragrances and fashion, there was a 40% increase in net revenue, and market share was gained thanks to the successful launch of Fame by Paco Rabanne, the unstoppable strength of Good Girl by Carolina Herrera, the positive performance of the new beauty line by Dries Van Noten, and significant growth in the Niche category thanks to Penhaligon's and L'Artisan Parfumeur, as well as the incorporation of Byredo.

Puig continued to focus on its Niche brands, a segment in which we aspire to become a leader worldwide, in order to respond to a growing number of sophisticated consumers who value luxury and craftsmanship and who want products and fragrances with which they can personally identify, consuming differentiated products depending on the moment in which they find themselves.

In terms of makeup, for which net revenue grew by 52% in 2022, the performance of Charlotte Tilbury stands out. Indeed this brand, which will celebrate its tenth anniversary in 2023, experienced the highest growth of the entire portfolio, especially in the US. Carolina Herrera's acceleration in this category was also notable. Meanwhile skincare experienced double-digit growth, with a 20% increase in net revenue.

Moreover, these fantastic results were experienced across all regions. EMEA, our largest region, posted strong growth rates, bolstered by the creation of a new subsidiary in the UAE and new headquarters in Sweden, following the acquisition of Byredo. America grew at great speed, with the US once again being the number one market in size. Also, a regional hub was created in Miami to intensify development in the area for the travel retail channel. Asia grew at a good pace too, despite the fact that in China the results were lower than expected due to the country's zero-Covid policy.

In terms of channels, sales in travel retail recovered and were higher than in 2019 thanks to the return of travelers and trips. Points of sale increased and online sales were strengthened, representing 25% of the total net revenue of 2022 and a 23% increase.

It is worth noting the great work carried out by our supply chain, which was able to respond to much higher growth than expected in an environment in which it was difficult to obtain all the necessary components. The team was able to find solutions and benefit from the excellent relationships built up over the years with our suppliers. Thanks to this we dealt better with obstacles than our competitors. This combination of organizational effectiveness and commitment to risk and creativity is one of the defining features of Puig.

In terms of ESG, we made progress towards our commitment to becoming a benchmark in

“In 2022 Puig obtained record figures for the second year running, with net revenue of €3.62 Bn and net profit of €400 M”

Marc Puig, Chairman and CEO

sustainability in the industry and contributing to two major goals: limiting the increase in temperature to 1.5°C by 2030 – in line with the Paris Agreement – and being net zero by 2050. With these commitments as a starting point, each brand defined its specific environmental and social objectives in 2022, in line with its own identity and character.

All our brands, businesses, and legal entities have been involved in the global corporate strategy, establishing a unique ESG Agenda that goes beyond legal requirements and the most demanding international standards, to maximize our contribution to the UN Sustainable Development Goals (SDGs).

Our agenda includes ambitious targets in all three ESG dimensions and in 2022 a biodiversity strategy was developed and key ESG management policies were updated. Puig continued to assess the impact of its activities through different international standards – CDP in Climate, Forest and Water, EcoVadis and Sustainalytics – while also renewing the B Corp certification for the Apivita brand with one of the highest scores in the industry.

In terms of social responsibility, we have evolved in the Invisible Beauty Makers program, incorporating co-creation with brands as a pillar for generating greater impact. The seventh edition of the program brought together social companies with internal teams, generating synergies and alliances that promote equality, female empowerment, and responsible production and consumption.

In the governance dimension, regulatory compliance was reinforced with the approval of a new model that will be implemented in 2023. A complete double materiality analysis was also carried out to identify relevant aspects and prioritize them according to their potential impact.

Puig is proud of having a flexible work environment in which a hybrid work model has been secured.

Puig is a family business underpinned by the values and principles that define who we are. We are a home to strong brands, full of personality and power, which make us look to the future with hope and confidence, and we have a unique, committed and enthusiastic team. 2023 began filled with uncertainty, but we are optimistic because we believe that consumers will not relinquish their desire for self-care. The trend of accessible luxury and a full return to travel, as well as the strength of our brands, will allow us to continue growing.

Marc Puig
Chairman and CEO



02.

COMPANY PROFILE

A HOME OF HIGHLY DESIRABLE BRANDS

Puig creates highly desirable fashion and beauty brands that further wellness, confidence and self-expression while leaving a better world for future generations. Its model is unique, for the most part made up of its own high-profile brands.

Since 1914, the company's entrepreneurial spirit, creativity and passion for innovation have made Puig a benchmark in the field of beauty and fashion. Present in the fragrances and fashion,

makeup, and skincare categories, its brands are reinforced by a powerful ecosystem of founders and generate engagement through great storytelling that connects with people's emotions.

At Puig we honor the values and principles put in place by three generations of family leadership. Today we continue to build on that legacy, through conscious commitments in our ESG (Environmental, Social and Governance) agenda, aligned with the UN Sustainable Development Goals.

«A home of unique and highly desirable fashion and beauty brands that further wellness, confidence and self-expression, while leaving a better world for future generations.»

PORTFOLIO

The Puig portfolio is structured as follows:

- Three types of brands: owned, licensed and celebrity brands, and non-majority stakes.
- Three business categories: fragrances and fashion, makeup, and skincare.
- Various segments: Prestige, Niche, and Lifestyle, among others.

Puig is based on a unique system of brands, led by unique personalities, with whom it establishes lasting and productive relationships, through shared values and the same brand building vision. Therefore, most of the business generated by Puig is built on its owned brands.

	BRAND	FRAGRANCES	FASHION	MAKEUP	SKINCARE
Prestige	Carolina Herrera	•	•	•	
Prestige	Jean Paul Gaultier	•	•		
Prestige	Nina Ricci	•	•		
Prestige	Paco Rabanne	•	•		
Charlotte Tilbury	Charlotte Tilbury			•	•
Niche	Byredo	•	•	•	•
Niche	Christian Louboutin	•		•	
Niche	Comme des Garçons	•			
Niche	Dries Van Noten	•	•	•	
Niche	L'Artisan Parfumeur	•			
Niche	Penhaligon's	•			
Wellness	Kama Ayurveda				•
Wellness	Loto del Sur				•
Lifestyle	Adolfo Dominguez	•			
Lifestyle	Banderas	•			
Lifestyle	United Colors of Benetton	•			
Derma	Apivita				•
Derma	Uriage				•

Color code: • Owned brands • Licenses and celebrities

In addition, Puig has non-majority stakes¹ in other companies:

Shareholdings	Granado	•			•
Shareholdings	Isdin				•
Shareholdings	Scent Library	•			
Shareholdings	Sociedad Textil Lonia		•		

1. The sales of the companies in which Puig has non-majority stakes are not consolidated in the accounts, but net profit corresponding to the % stake is. These sales are not included in this document as they are not integrated using the full consolidation method.



Puig offices on Champs-Élysées, Paris.

KEY DATES IN THE HISTORY OF THE OWNED BRANDS

CAROLINA HERRERA

1981	Carolina Herrera presents her first collection at the exclusive Metropolitan Club in New York
1988	Launch of the first perfume by the designer Carolina Herrera
1995	Acquisition by Puig of the fashion company Carolina Herrera New York
2001	The CH Carolina Herrera company is born, marketing ready to wear fashion and accessories for men, women and children
2020	Carolina Herrera launches her makeup line

NINA RICCI

1932	Creation of the Nina Ricci brand oriented towards haute couture
1948	Launch of Nina Ricci's L'Air du Temps, an enduring success
1998	Acquisition of the Nina Ricci perfume and fashion business

Charlotte Tilbury

2013	Creation of the Charlotte Tilbury brand with a collection of 200 products
2020	Puig acquires a majority stake in Charlotte Tilbury

Jean Paul GAULTIER

1976	Launch of the first individual collection by Jean Paul Gaultier
1993	Launch of Classique, a feminine fragrance created by Jacques Cavalier
2011	Puig acquires a majority stake in the fashion firm
2016	Puig incorporates Jean Paul Gaultier fragrances into its brand portfolio

paco rabanne

1966	Presentation of his first collection at the Hotel George V with the title Manifesto
1968	Creation of the Paco Rabanne perfumery division
1969	Launch of Calandre, the first perfume for women by Paco Rabanne
1987	Puig acquires the rest of the Paco Rabanne business, which includes the fashion and accessories division

DRIES VAN NOTEN

1986	Presentation of the first men's collection
2018	Puig becomes the majority shareholder of Dries Van Noten
2022	The brand launches its fragrances and makeup line

PENHALIGON'S & L'ARTISAN PARFUMEUR

1860	Creation of Penhaligon's by William Henry Penhaligon
1976	Creation of L'Artisan Parfumeur by Jean Laporte
2015	Puig acquires Penhaligon's and L'Artisan Parfumeur

KAMA

2002	Vivek Sahni launches Kama Ayurveda with a range of nine Ayurvedic treatments
2022	Puig acquires a majority stake in the Indian brand

LOTO DEL SUR

1999	Creation of La Jabonería by Johana Sanint, the first step towards what is today Loto del Sur
2022	Puig acquires a majority stake in the Colombian brand

BYREDO

2006	Creation of the brand by Ben Gorham and launch of the fragrance and candles line
2010	Launch of the skincare line
2019	Launch of Byproduct, a line of lifestyle products including clothing, accessories and eyewear
2020	Launch of the makeup line in collaboration with Isamaya Ffrench from Dazed Beauty
2022	Puig acquires a majority stake in Swedish luxury brand Byredo

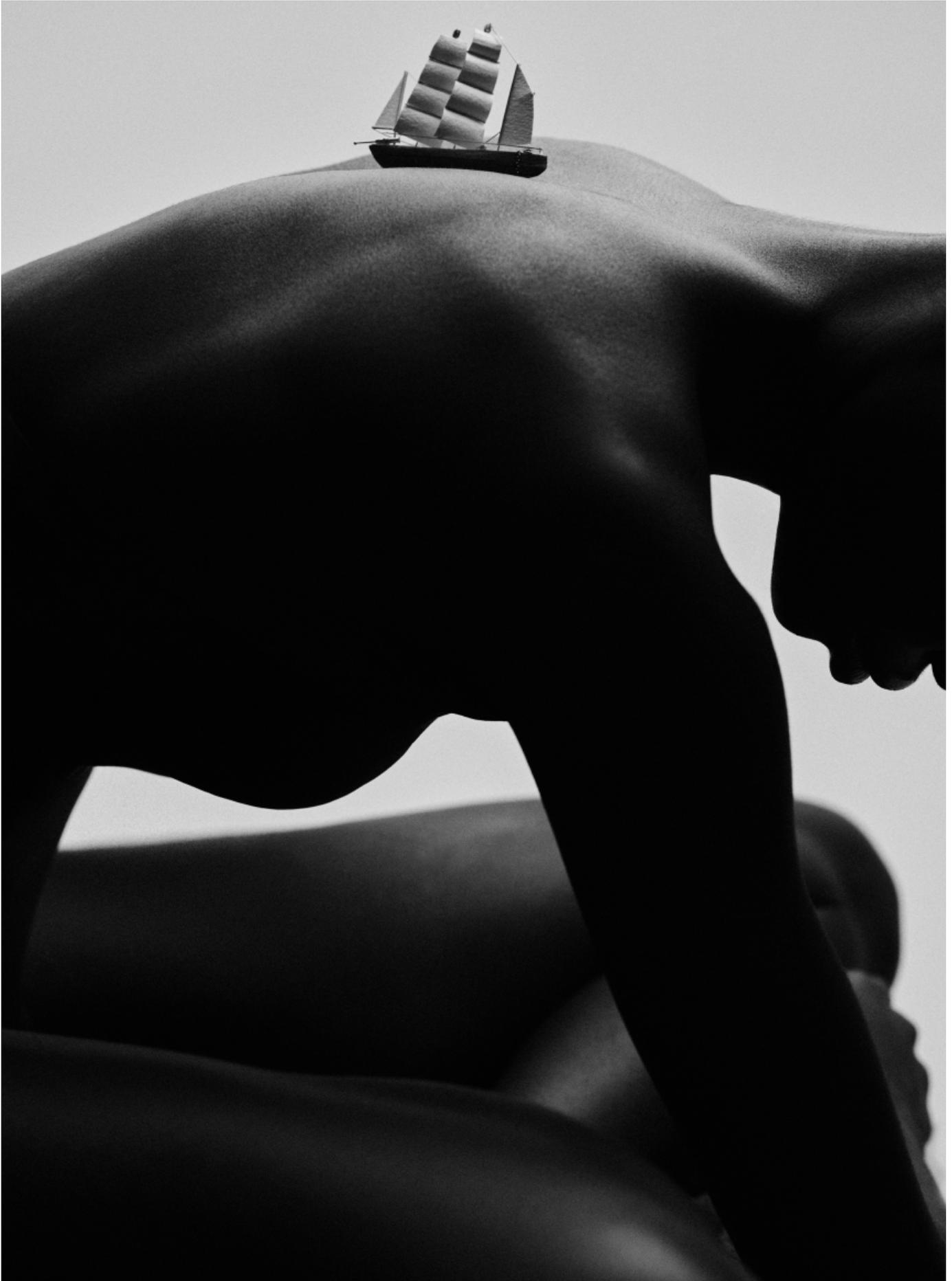
APIVITA

1979	Creation of the brand in Athens by two pioneering pharmacists in environmental sustainability, Niki and Nikos Koutsianas
2017	Apivita becomes the first Greek company to receive the B Corp certification
2021	Incorporation of Apivita into the Puig portfolio

URIAGE
EAU THERMALE

1992	The Uriage dermatological laboratories are born and the first skincare product using thermal water is launched
2021	Incorporation of Uriage into the Puig portfolio

02. COMPANY PROFILE



ECOSYSTEM OF FOUNDERS

In 2022, Puig expanded its ecosystem of founders, which already included Paco Rabanne, Carolina Herrera, Jean Paul Gaultier, Dries Van Noten and Charlotte Tilbury, with the acquisition of majority stakes in Byredo, Kama Ayurveda and Loto del Sur. All of these brands offer growth potential in different categories, contribute to international expansion, and reinforce Puig as a company that promotes the development of its own brands.

Byredo is a European luxury brand, founded in Stockholm in 2006 by Ben Gorham. His personal approach to emotions and experiences has revolutionized the beauty industry, creating impeccably designed objects, including perfumery, makeup and leather goods which transcend their category and generate their own vocabulary. Gorham is trained in the fine arts, but an encounter with perfumer Pierre Wulff convinced him to focus his creativity on fragrances, rather than painting. His disruptive and competitive mindset and his focus on building an authentic legacy are traits he shares with Puig.

Kama Ayurveda was born in 2002, the brainchild of a team of entrepreneurs of Indian origin

who recovered the tradition and ingredients of Ayurvedic medicine to produce effective, natural, pure, and unique products. Kama Ayurveda defends respect for the environment, the search for long-term wellness, responsible consumption, and collaboration with Indian artisans to promote their trade and drive the development of their communities, championing a level of accountability and care for the environment and people that connects with the founding values of Puig, while providing significant growth potential in India.

Loto del Sur is the leading brand in Colombia for premium natural cosmetic products made from

“We are proud to be writing this new chapter in our successful partnership with Puig. By leveraging the wealth of Puig experience in nurturing founders and in growing global beauty and skincare brands, together we will be able to bring the experience of authentic Ayurvedic beauty and wellness to new audiences.”

Vivek Sahni, cofounder of Kama Ayurveda

“I really believe that Puig experience with founder-led brands in beauty and fashion will help us develop our full potential in multiple categories. Puig has demonstrated a competitive and disruptive approach to building business – something that truly resonates with Byredo’s culture.”

Ben Gorham, Byredo founder and Chief Creative Officer

native flora. Created in 1999 by Johana Sanint and inspired by the world of architecture and design of her childhood, Loto del Sur promotes the idea that good design can transform the way we enjoy life. It therefore combines an exploration of the botanical richness of the Americas with a carefully curated art direction to build a modern and refined Latin American imagery that has won prestigious awards such as the Communication Arts and Lápiz de Acero. A philosophy very much in line with the origins of Puig, and which will help drive the leadership of this brand in Latin America and support its international growth.

“Puig will help Loto del Sur to bring the richness, exuberance, and glamor of Latin America to the world. The company’s commitment to the development of our brand is constant and growing. I will continue to work for the brand as Creative Director, looking to turn the everyday into the extraordinary and captivating people who are interested in beauty and well-being.”

Johana Sanint, founder of Loto del Sur

CORPORATE GOVERNANCE

Over the years a governance structure has been established that goes beyond what is legally required in a family business, reflecting the

company's ethical commitment and the ESG criteria it follows.

BOARD OF DIRECTORS

As our highest governing body, the Board of Directors is responsible for approving our general policies and strategies and for overseeing the management of the company, among other tasks. This

body is made up of shareholder, independent, and executive directors. At the end of 2022, the Puig Board of Directors was made up of the following members:

Chairman	Marc Puig	Vice Chairman	LYSKAMM 1861, S.L. (represented by Manuel Puig)
External board members	Patrick Raji Chalhoub Rafael Cerezo (Lead Director) Jordi Constans Exea Ventures, S.L.U. (represented by Giovanna K. Monnas) Daniel Lalonde		Exea Empresarial, S.L. (represented by Josep Oliu) Yiannis Petrides Xavier Puig Jordi Puig Marian Puig
Board Secretary (non-director)	Joan Albiol	Board Vice Secretary (non-director)	Francisco Blanco



Board of Directors' meeting room at the Barcelona headquarters.

02. COMPANY PROFILE

The Board has three delegate committees:

AUDIT COMMITTEE

Chairman Yiannis Petrides

Members Rafael Cerezo
Daniel Lalonde

Secretary (non-director) Francisco Blanco

TALENT COMMITTEE

Chairman Rafael Cerezo

Members Jordi Constans
Exea Ventures S.L.U.
(represented by Giovanna K. Monnas)

Secretary (non-director) Álvaro Sanz de Oliveda

ESG COMMITTEE

Chairman LYSKAMM 1861 S.L.
(represented by
Manuel Puig)

Members Patrick Chalhoub
Daniel Lalonde
Yiannis Petrides
Marc Puig

Secretary (non-director) María Antonia Ruiz

EXECUTIVE COMMITTEE

This is the body that determines strategy, makes decisions, and manages the day-to-day running of the business.

- Chairman and CEO, Marc Puig.
- Vice Chairman and Chief Sustainability Officer, Manuel Puig.
- Chief Human Resources Officer, Eulalia Alfonso.
- Chief Financial Officer, Joan Albiol.
- President Beauty and Fashion, Jose Manuel Albesa.
- Founder, President, Chairman and Chief Creative Officer Charlotte Tilbury, Charlotte Tilbury.
- CEO Charlotte Tilbury, Demetra Pinsent.
- President Derma, Hervé Lesieur.

OTHER CORPORATE FUNCTIONS

- **Puig General Auditor:** François Xavier Billaud. Reports hierarchically to the Chairman of the Audit Committee and administratively to the Chairman and CEO.
- **Chief Compliance Officer:** at the end of the year, Manuel Duplá was appointed to the position. Formally, he began his duties on January 1, 2023, reporting to the Chairman of the Audit Committee, with the aim of establishing a strong culture of regulatory and ethical compliance and identifying risk exposure within the organization.
- **Chief Communications Officer:** Eugenia de la Torriente, appointed at the end of 2022. This is a new position reporting to the Chairman and CEO, with the mandate of leading the internal and external communication strategy.

The day-to-day management is carried out by senior management and the subsidiaries' governing bodies.

BUSINESS MODEL

As a home of highly desirable brands, and to ensure that the identity of each brand is reflected at all stages, Puig comprises every link in the value

chain, relying on the knowledge and infrastructure of leading suppliers and partners.



- **Product design and development:** carried out internally to ensure coherence and reinforce the character and identity of the Puig brands.
- **Production:** mostly in-house, it is carried out in the eight factories which Puig operates in Europe and India. Puig takes advantage of the synergies between the different categories and brands in the production facilities, outsourcing a small part of production to third parties.

- **Distribution and logistics:** carried out mainly through the network of subsidiaries in other countries. Logistics is outsourced to specialized providers.
- **Selling to consumers:** Puig delivers its products to the end customer through different channels: distributors, owned stores and digital points of sale.



Vacarisses production plant, Barcelona.

GLOBAL PRESENCE

The company's bold and daring spirit has driven its international expansion since 1962, when Puig founded its first subsidiary outside Spain, and has helped it spread its activity across all continents. This extensive global presence is managed from the Barcelona headquarters, supported by centers of excellence located in various cities around the

world, including Paris, London, New York, and Shanghai.

Puig has production plants in Europe and India, with brand headquarters and subsidiaries in 30 countries and more than 240 owned stores around the world, ensuring its products are sold in more than 150 countries.

Global presence:

Argentina •	Germany •	Portugal •
Australia •	Greece •	Russian Federation •
Austria •	India • •	Saudi Arabia •
Belgium •	Italy •	Singapore •
Brazil •	Japan •	Spain ◦ • •
Canada •	Malaysia •	Sweden •
Chile •	Mexico •	Switzerland •
China •	Netherlands •	United Arab Emirates •
Colombia • •	Panama •	United Kingdom • •
France • •	Peru •	USA • •

Headquarters ◦

Headquarters of the brands •

Production plants •

Subsidiaries •



OPERATING CONTEXT

GLOBAL SITUATION 2022

For the global beauty market, 2022 was a positive year despite an environment marked by uncertainty and certain adverse factors.

- Strong growth in all categories, thanks to a return to pre-pandemic consumer habits.
- Gradual recovery of the travel retail market.
- Depreciation of the euro against various currencies, particularly the dollar, favoring European exports.
- Uncertain environment due to geopolitical tensions, the energy crisis, the increase in interest rates and high inflation.
- Disruption of the supply chain, with worldwide effects starting in 2020 and expected to last until at least 2023, with the subsequent shortage of materials leading to difficulties in the production and distribution of products.
- Zero-Covid policy in China resulting in the contraction of national consumer spending, as well as of production and exports due to lockdowns.

HIGHLIGHTS



Growth in all categories



Travel retail recovery



Positive impact of the depreciation of the euro



Uncertain environment



Supply chain disruption



Contraction of spending in China

PUIG MILESTONES IN 2022

- Extraordinary financial results, with €3.62 billion in net revenue and exceeding forecasts for 2023 with a net profit of €400 million.
- Acquisition, in June, of a majority stake in Byredo after a competitive bid.
- Acquisition, in June, of a majority stake in Loto del Sur, a company in which Puig already held a minority stake.
- Acquisition, in July, of a majority stake in Kama Ayurveda, a company in which Puig already held a minority stake.
- Appointment of Harris Reed as Creative Director of the Nina Ricci fashion house.
- Definition of the ESG strategy of the Puig brands, inherently rooted in their purposes and identity.
- Launch of a global teleworking policy.
- Definition of the biodiversity strategy of the 2030 ESG Agenda and launch of the new Puig Climate Policy.
- Progress in ESG certifications: first year of CDP Forest, CDP Water and Sustainalytics, third year of CDP Climate, and renewal of the B Corp certification for Apivita, with an excellent score.
- Launch of the first global ESG e-learning course, focused on the environment.
- Involvement of the fragrance and fashion teams in the Invisible Beauty Makers social program, with a co-creation process involving the social enterprises and the Puig teams.
- Manuel Puig, Vice Chairman and Chief Sustainability Officer, appointed member of the Board of Trustees of Fundación Empresa y Clima.

HIGHLIGHTS



€3.62 billion in net revenue



Acquisition of Byredo, Kama Ayurveda and Loto del Sur



Harris Reed takes charge of Nina Ricci



Boost to the 2030 ESG Agenda



Co-creation in the social program

GLOBAL TRENDS 2023

- Generalized increase in the cost of living, which will have a downward impact on consumer spending.
- Uncertain levels of economic growth, with risk of recession in some parts of the world.
- Consolidation of the sustainable commitment of companies and teleworking as key factors for attracting and retaining talent.
- Changing consumer preferences towards more sustainable and ethical products.
- Trend towards premiumization of the fragrance market, with significant growth in the Niche segment due to the increase in consumers who value luxury and artisan beauty products.
- Growth of the beauty segment by 5%², due to lower consumer spending on luxury items in favor of others that reinforce self-esteem and self-care.
- Recovery of the Asian market thanks to the end of the zero-Covid policy in China.
- Good performance of the travel retail channel.

HIGHLIGHTS



PUIG OBJECTIVES AND STRATEGY FOR 2023

- Maintain a level of growth above the market average.
- Consolidate the integration of Byredo, Loto del Sur and Kama Ayurveda, which will allow Puig to step up its presence in the wellness and Niche segments (with the aim of becoming a world leader in the latter).
- Accelerate the penetration of Puig in Asia, supported by Charlotte Tilbury and the Niche segment brands, in parallel with the recovery of China.
- Promote growth in travel retail as the market recovers normality in global passenger traffic, especially for those coming from China.
- Continue the global deployment of the 2030 ESG Agenda across all businesses.
- Focus on talent management, both internal and external, to speed up the growth of the international business.
- Inaugurate the second corporate building in Barcelona, next to the main headquarters in Plaza de Europa.

HIGHLIGHTS



2. Data from Euromonitor.



03.

PERFORMANCE

2022 MAIN FIGURES

NET REVENUE	EBITDA	NET PROFIT
€3.62 BN	€638 M	€400 M
+40% compared to 2021	+37% compared to 2021	+71% compared to 2021

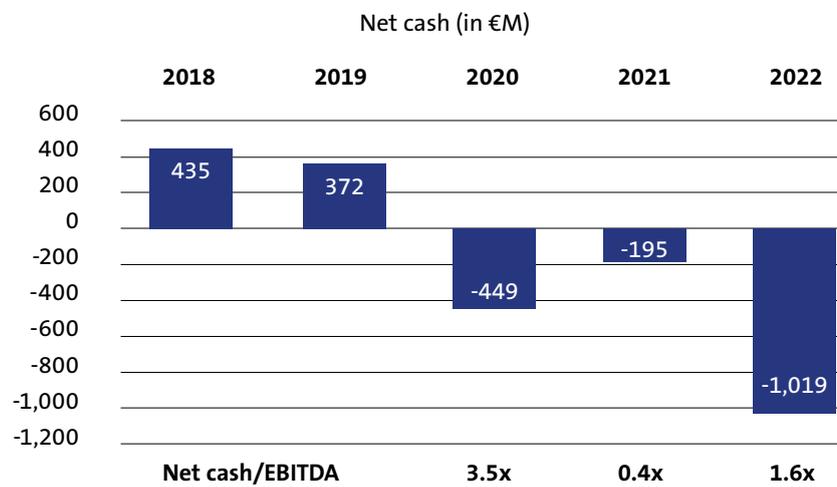
GROWTH OVER TIME (IN €M)



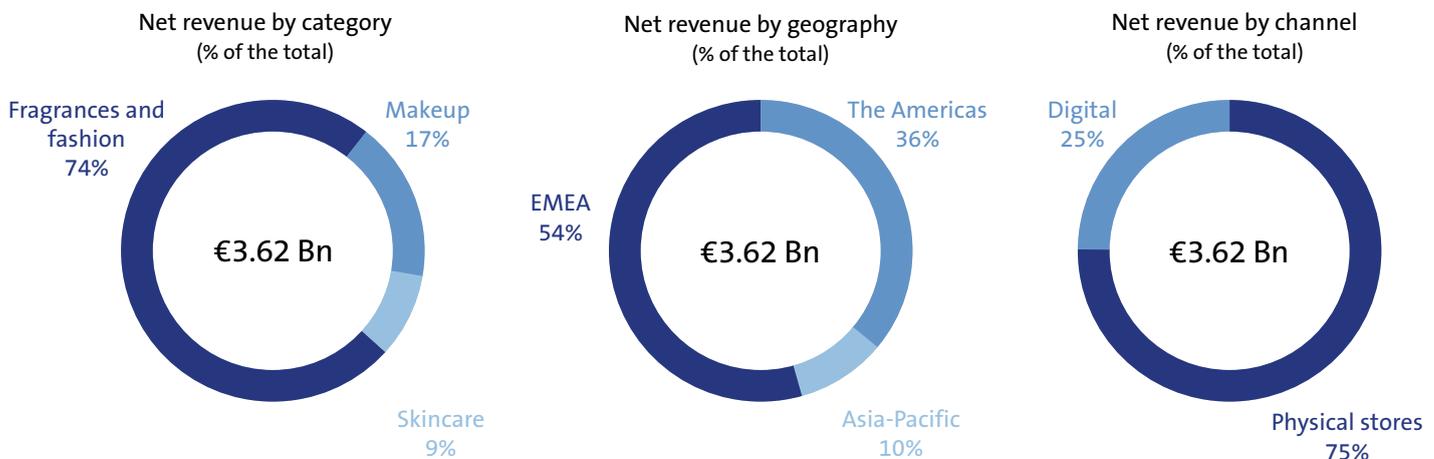
03. PERFORMANCE

INDICATORS (€M)	2018	2019	2020	2021	2022	Growth 21-22
Net revenue	1,933	2,029	1,537	2,585	3,620	40%
Gross profit	1,410	1,459	1,029	1,885	2,693	43%
Gross margin (%)	72.9%	71.9%	67.0%	72.9%	74.4%	1.5 pp
EBITDA ³	383	333	129	466	638	37%
EBITDA margin	19.8%	16.4%	8.4%	18.0%	17.6%	-0.4 pp
Profit before tax	326	304	-72	365	514	40%
Profit margin before taxes	16.9%	15.0%	-4.7%	14.1%	14.2%	0.1 pp
Net profit	242	226	-70	234	400	71%
Net profit margin	12.5%	11.1%	-4.5%	9.0%	11.0%	2.0 pp

CASH POSITION



DIVERSIFICATION⁴



3. The EBITDA calculation for 2018 and 2019 does not include the impact of the IFRS 16 standard. This is incorporated for the years 2020, 2021 and 2022. 4. The breakdown of net revenue by digital channel takes into account the revenue generated directly through the brands' websites, and a provisional estimate of digital sales of Puig products through the websites of distributors and third parties.

CATEGORIES

Puig divides its activity into three categories: fragrances and fashion, makeup and skincare.

Many of the brands, while maintaining their core business in one category, have branched out into others over the years. Carolina Herrera has a fashion line but is also active in fragrances and makeup. Charlotte Tilbury originated in the field of makeup, but has already developed a complete catalog of products that also includes skincare. Dries Van Noten is one of the most respected fashion designers in the industry, and in 2022 the business launched a beauty line comprising perfume and makeup.

In all categories, 2022 was an exceptional year for Puig with double-digit growth in overall net revenue compared to 2021, above the market average. Fragrances and fashion grew by 40%, compared to the 25%⁵ increase of the market; makeup recorded an increase of 52%, compared to the 14%⁶ growth of the market, and skincare increased 20%, compared to a market average increase of 12% on 2021⁷.

Top 5 Puig brands in 2022

1. Paco Rabanne
2. Carolina Herrera
3. Charlotte Tilbury
4. Jean Paul Gaultier
5. Uriage

🔍 HIGHLIGHTS

(All data refers to net revenue)

- Categories:
 - Growth of over 20% compared to 2021 in all categories.
 - Fastest growing category: makeup (+52% vs 2021).
 - Largest category: fragrances and fashion (74% of total).
- Fastest growing brand among top 5: Charlotte Tilbury.
- Fastest growing brand: L'Artisan Parfumeur.
- The portfolio by categories remained diversified.



5. This data only incorporates selective fragrances. Data from Euromonitor. Estimated at the close of October. 6. Data from Euromonitor. Estimated at the close of October. 7. This data is for selective skincare. Data from Euromonitor. Estimated at the close of October.



FRAGRANCES AND FASHION

The global fragrance market performed better than expected⁸ worldwide (the category grew by 25% compared to 2021), with double-digit growth in all regions, even in the most mature markets in which growth had slowed in previous years. Europe remains in first place, although North America is closing the gap that used to exist between both regions.

In this context, Puig sped up its growth in the category at an above-market rate, with a 40% increase in net revenue compared to 2021, not only organically but also through the acquisition of Byredo fragrances.

In 2022, Puig achieved an important milestone that it had been pursuing since 2004, obtaining a 10% global share in the selective distribution fragrance category for the first time in its history. This achievement is mainly attributable to the strength of owned brands, with two of them in the world top 10⁹.

The Puig brands in the Prestige segment recorded excellent figures (+35% in net revenue),

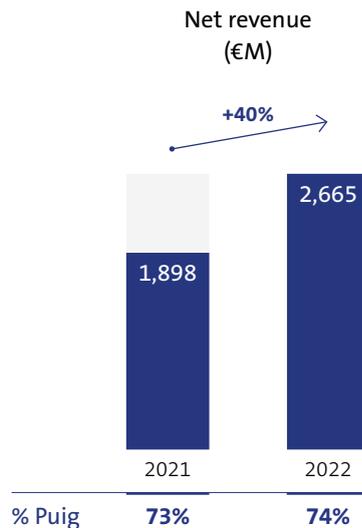
driven by the successful launch of the fragrance Fame by Paco Rabanne, as well as the consolidation of Good Girl by Carolina Herrera – with its launch of Very Good Girl in 2021 – and by the performance of Scandal by Jean Paul Gaultier.

Overall Niche brands grew by 105%¹⁰. Their expansion plan was consolidated in Asia with the opening of six Penhaligon's and four L'Artisan Parfumeur own stores, all in China.

In 2023, the global Prestige fragrances market is expected to grow, driven by the travel retail channel, Europe and North America, and by the Niche segment, in parallel with the reopening of China.

“2022 was an extraordinary year. Our own brands grew rapidly. The Prestige and Niche fragrances in particular posted exceptional results, well above the market, adding to the growth of the five fashion houses. With double-digit growth in all our regions and segments, we achieved an important milestone: reaching 10% market share in selective fragrances. Without doubt, a record year.”

Jose Manuel Albesa, President Beauty and Fashion



8. Estimate based on data available at the close of this Report. Source: Euromonitor, Segmenta. Analysis by Puig. 9. Best estimate at the date of publication of the Report. Data from NPD, Nielsen, Segmenta, Generation and direct from retailers. Analysis carried out by Puig. 10. Net revenue growth only for the fragrances and fashion category.

HIGHLIGHTS

- Paco Rabanne recorded growth, driven by the successful launch of the Fame fragrance, which transmits to the feminine universe the strength of the male perfumery brand, using the image of the actress Elle Fanning. As a whole, Paco Rabanne fragrances, including successful universes such as 1 Million and Invictus, were ranked in the world's top 5.¹¹
- Good Girl, by Carolina Herrera, continued to perform very well. Since its launch in 2016, it has continued to grow steadily and in 2022 it received a boost with the launch of the new Very Good Girl Glam. The brand, which had also launched very successfully in other pillars (212 Heroes for Her and Bad Boy Cobalt), was ranked sixth in the world.¹²
- Year of consolidation for the Scandal universe by Jean Paul Gaultier thanks to the launch of Scandal Pour Homme in 2021. The brand reinforced its iconic fragrances Les Males and Classique with aspirational new products such as La Belle Fleur Terrible.
- Significant growth of the Niche segment (+105% in net revenue compared to the previous year), thanks to:
 - Penhaligon's, which presented The World According To Arthur – the latest addition to the

Portraits collection, which pays homage to the eponymous king and knight– and the new Highgrove Bouquet – designed in collaboration with the British Royal Family.

- L'Artisan Parfumeur, which launched Mémoire de Roses, an ode to the queen of flowers, which looks to reflect the embodiment of femininity. This Niche brand saw the highest growth within the Puig portfolio.

- Dries Van Noten, which presented its first perfume collection with a line of ten gender-neutral fragrances in refillable containers, full of unusual and daring mixes which the designer has transferred to the field of perfumery.

- Byredo, which launched two new *eaux de parfum*, De Los Santos – highly successful in the US – and Eyes Closed, as well as a new *extrait de parfum* – Night Veils Vanille Antique.

- Growth in all segments:¹³

	2022/2021	Top 1
Prestige	+35%	Paco Rabanne
Niche	+105%	Byredo
Lifestyle	+29%	Banderas

MAIN PUIG FRAGRANCE BRAND LAUNCHES

Byredo	De Los Santos Eyes Closed Night Veils Vanille Antique
Carolina Herrera	212 Heroes for Her Very Good Girl Glam Bad Boy Cobalt
Comme des Garçons	Zero
Dries Van Noten	Impossible Combinations
Jean Paul Gaultier	La Belle Fleur Terrible
L'Artisan Parfumeur	Mémoire de Roses
Paco Rabanne	Fame
Penhaligon's	The World According To Arthur Highgrove Bouquet
United Colors of Benetton	We Are Tribe Blue Neroli

11. Data at the close of October from NPD, Nielsen, Segmenta, Generation and direct from retailers. Analysis carried out by Puig.

12. Data at the close of October from NPD, Nielsen, Segmenta, Generation and direct from retailers. Analysis carried out by Puig.

13. Net revenue growth only for the fragrances and fashion category.



03. PERFORMANCE



Atelier of the Nina Ricci fashion house in Paris.

In 2022 Puig focused heavily on its fashion business, which achieved record revenue figures. The priority in 2023 will be to accelerate the growth of the category and consolidate it as a hallmark and creator of a global brand image.

 HIGHLIGHTS

- Return of fashion shows with attendees.
- Harris Reed, 26 years old and a leading figure in gender-fluid fashion, became the youngest ever Creative Director of the fashion house, founded in 1932. In the two years since his debut, Reed has become one of the most original, modern and innovative figures in the fashion world, thanks to his sophisticated and larger-than-life outfits.
- Singer Adele wore the first look designed by Harris Reed for the Nina Ricci house during her “Weekends with Adele” concert.
- Collaboration with Glenn Martens and Olivier

Rousteing as guest designers at both Jean Paul Gaultier haute couture shows in 2022.

- Launch of the Cyber collection by Jean Paul Gaultier, which recovers the futuristic print and the Op-Art inspiration of the original 1995 collection for new generations.
- Collaboration between Y/Project and Jean Paul Gaultier for the French brand’s fall/winter 2022 ready-to-wear collection, with garments that play *trompe l’oeil* with the body and have a major repercussion and impact.
- Consolidation of the new Paco Rabanne flagship store on Avenue Montaigne, open in the last quarter of 2021.
- Collaboration between Paco Rabanne and Vestiaire Collective, the world’s leading second-hand luxury fashion sales platform.
- Launch of the Stüssy x Dries Van Noten collection, starring Flea, founder and bassist of the Red Hot Chili Peppers.

“I am honored to be joining the house of Nina Ricci, with its treasure chest full of glamor, history and power ready to be explored. I am truly excited to challenge the landscape of what femininity means across fashion and beauty in such an iconic house.”

Harris Reed, Creative Director of Nina Ricci

03. PERFORMANCE



MAKEUP

The global makeup market grew by 14%¹⁴ in 2022 compared to 2021, with significant acceleration in North America (+29%)¹⁵, which became the largest market, surpassing the Chinese market figures for the previous year.

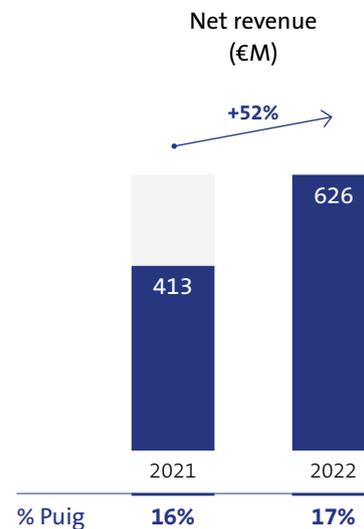
Makeup was the Puig category that grew the most in 2022, with an increase of 52%. It is a very dynamic sector, with a high number of product items and annual launches and products with a shorter average life cycle than fragrances or skincare.

Given that Asia is the market with the highest potential growth in the category, the lockdowns in China affected the business, although the impact on Puig was below that of the industry as a whole.

Charlotte Tilbury and Christian Louboutin are the brands with the largest contribution to the Puig makeup portfolio. Charlotte Tilbury is the leader in the category at Puig in terms of know-how and acts as the driver for the expansion of makeup to brands that are already established in other categories.

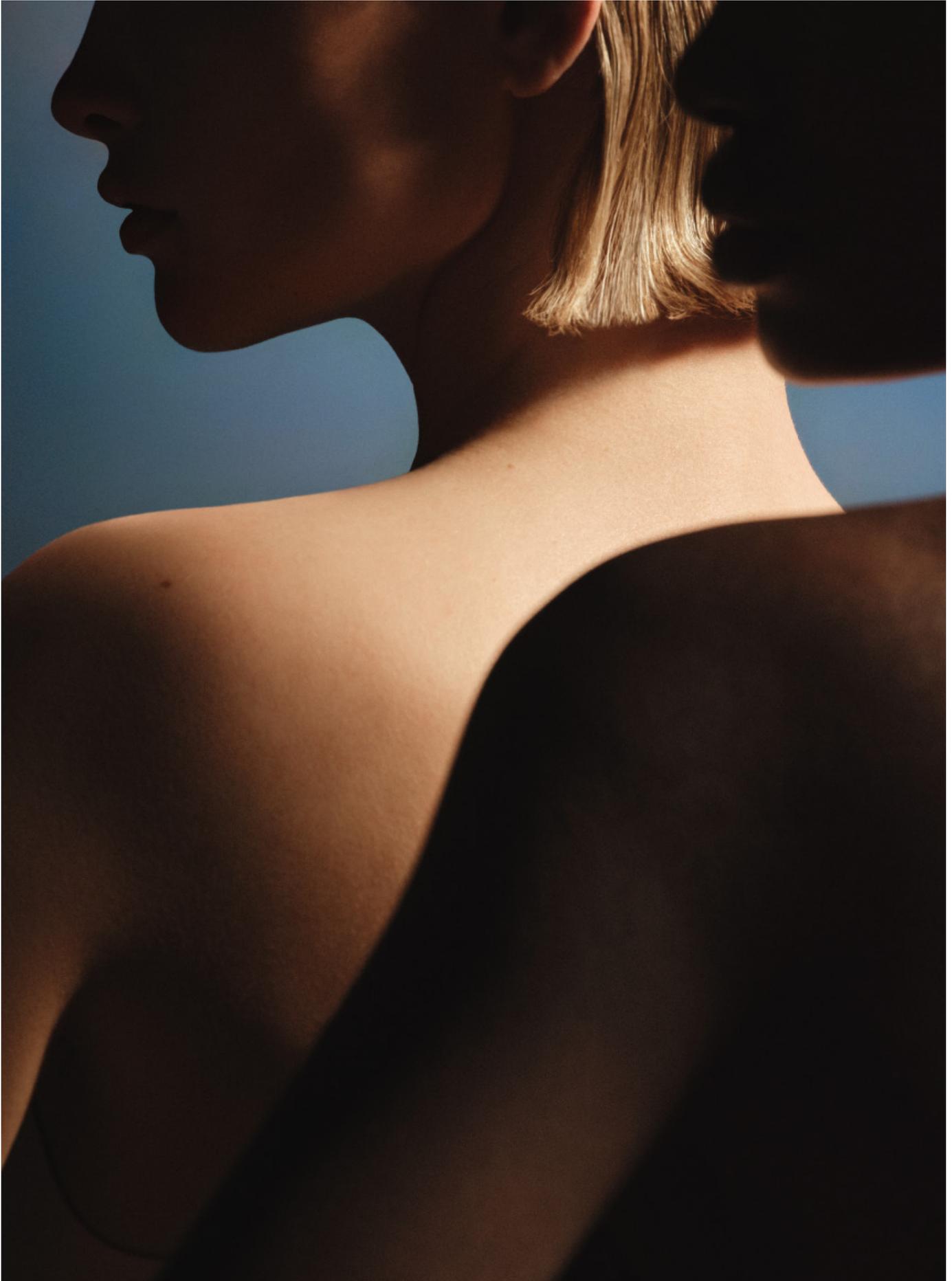
🔍 HIGHLIGHTS

- Charlotte Tilbury was the number one brand in the UK.¹⁶ Of note was the strengthening of the iconic Pillow Talk color range.
- Christian Louboutin launched Teint Fétiche Le Cushion, its first facial line product.
- Carolina Herrera achieved its best results in makeup, thanks in part to its first capsule collection of Fabulous Eyes mascara and the new refillable lip shades from Fabulous Kiss.
- Byredo had a very positive year, bolstered by the appointment of a new Creative Image and Makeup Partner, Lucia Pica, and the launch of two iconic new products: Astronomical Mascara and Liquid Lipstick.
- Belgian designer Dries Van Noten made its first foray into this category, bringing his creative language to the collection of 30 lipsticks in refillable containers.



14. Estimate based on data available at the close of this Report. Source: Euromonitor, Segmenta. Analysis by Puig. 15. Estimate based on data available at the close of this Report. Source: Euromonitor, Segmenta. Analysis by Puig. 16. Estimate based on data available at the close of this Report. Source: NPD.

03. PERFORMANCE



SKINCARE

The skincare category grew globally by 12%¹⁷ from 2021 to 2022. Asia remained the largest market, followed by North America, which overtook Europe for second place.

The skincare sector is characterized by slower growth than the rest of the beauty industry, in part due to the fact that product development takes longer since more research and development time is required.

In 2022, Puig grew 20% in net revenue in this category, focusing mainly on products with natural and vegan formulations.

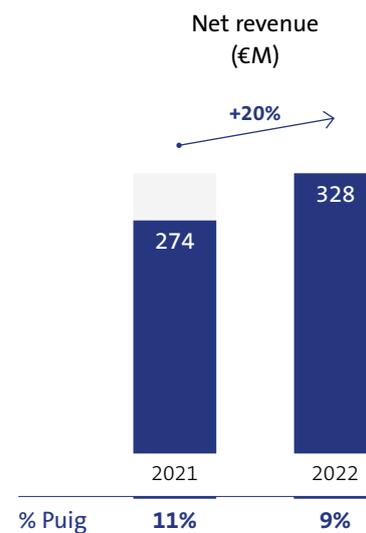
Charlotte Tilbury's star product in this category continued to be Magic Cream, with significant growth of 26%. It has established itself as a pillar which can be used to expand the brand's range of skincare products in the future.

At Uriage and Apivita, investment in innovation and technology was accelerated to continue developing science-based skincare products that respect the environment, mainly in the solar and anti-aging ranges. These two brands are mostly distributed through the pharmacy and parapharmacy channels.

Puig acquired Kama Ayurveda and Loto del Sur in 2022.¹⁸ The entire year's results of these two brands were not consolidated in the accounts but they are expected to make a significant contribution to Puig in this category from 2023 onwards. Both provide a differential model to Uriage and Apivita since they have their own stores and closed the year with an already defined international expansion plan.

HIGHLIGHTS

- Launch of Age Absolu by Uriage, a new global anti-aging product that enhances X6 procollagen and combines active ingredients recognized for their proven efficacy: procollagen peptide, retinol, vitamins C and E, and hyaluronic acid.
- Update of the formula of the Uriage Bariésun solar range thanks to the action of two unique patents combined with Uriage thermal water. This range is also more environmentally friendly as the packaging contains less plastic.
- Presentation of the new Apivita Mini Bees range, with clean and biodegradable formulas, focused on safety and cleansing, specially designed to meet all the needs of children's skin.
- New range of Queen Bee treatment, which incorporates four times more royal jelly than the previous range and which, through technology, transforms ingredients from bee's honey into powerful active ingredients thanks to state-of-the-art patents.
- Incorporation of two brands with great potential, Kama Ayurveda and Loto del Sur.
- Actress Lily James joining the universe of talent for Charlotte Tilbury's iconic Magic Cream.



17. Estimate based on data available at the close of this Report. Source: Euromonitor, Segmenta. Analysis by Puig. 18. After the acquisition of majority stakes.

GEOGRAPHICAL REGIONS

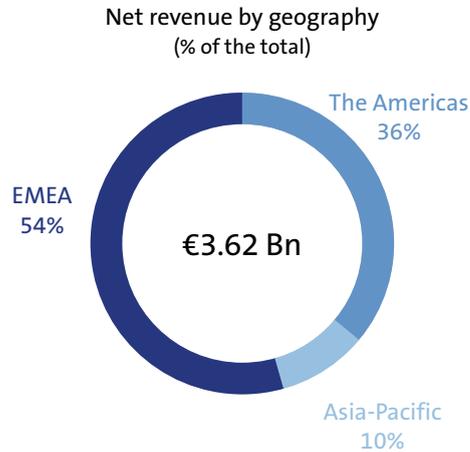
In 2022, the company's net revenue grew over 30% compared to 2021 in all its main markets. The Americas recorded the largest growth.

Puig activity is organized into three regions. In order of size:

- 1.st EMEA (Europe, Middle East, and Africa)
- 2.nd The Americas
- 3.rd Asia-Pacific

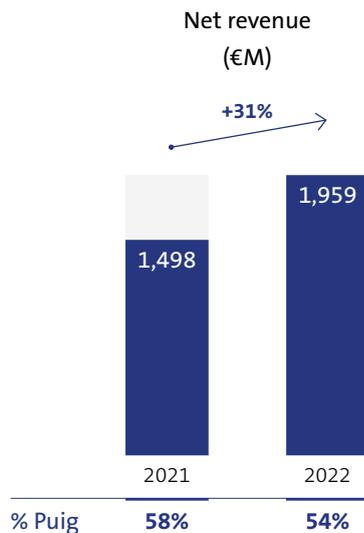
Puig created specific units in its subsidiaries for the Niche brands since it is one of the segments with the highest growth and projection. In addition, the global structure was reinforced with Byredo, Loto del Sur, and Kama Ayurveda - three additions that

consolidate the presence of Puig in India, Colombia, China and the US, among other markets.



EMEA

In 2022, Puig recorded 31% growth in net revenue in EMEA compared to 2021, an excellent result despite geopolitical tensions. The return of consumers to pre-pandemic habits prompted the recovery of purchases in physical stores and the use of beauty products, although this recovery was later held back by the increase in inflation.



Puig grew above the market in 2022, gaining a bigger market share in this region. This growth was driven by the fragrance category, for which the Puig market share is 11.7% (+0.6 pp on 2021), and which benefited from launches in the Prestige segment.¹⁹

Europe is the market of origin of most of Puig brands, which helps to reinforce its position on this continent. Net revenue grew in the region's main markets, which by size are: UK, Spain and France, three markets that are in the Puig top 10.

Worthy of note is the launch in Europe of the first Dries Van Noten collection of fragrances and makeup line, as well as the acquisition of Byredo, which reinforces the company's presence in the Swedish market.

In addition, Puig implemented an agreement to distribute the Hermès beauty line in Germany, Switzerland, Austria and Italy, after doing so in 2021 in Spain.

In the Middle East, Puig grew significantly in the Niche and makeup categories, and the structure of the company was reinforced with the opening of a subsidiary in the UAE, which has been in operation since January 2022.

19. Estimate based on data available at the close of this report. Source: NPD, Segmenta. Analysis by Puig.

THE AMERICAS

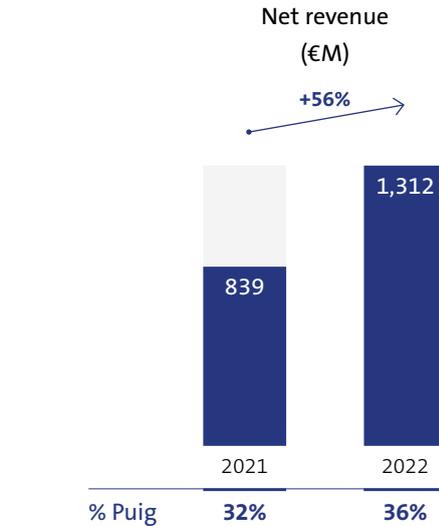
In the Americas, Puig recorded a 56% increase in net revenue in 2022 compared to 2021, driven by the three main markets: US, Brazil, and Mexico. All three are in the top 10 markets worldwide.

This region is divided into two zones with different characteristics: North America and Latin America, where net revenue grew 61% and 51% respectively, both above forecasts.

Since Puig is based in Europe, the rise in the exchange rate against the dollar benefitted the company.

In North America, and the Americas as a whole, the outright leader is the US, the market which contributes the most net revenue to Puig. The Prestige fragrances and Charlotte Tilbury posted the highest growth. In the case of Charlotte Tilbury, this was largely thanks to an agreement with Sephora, where it became the number one brand. An expansion strategy was also implemented for the Niche brands, which was boosted by the acquisition of Byredo.

In Latin America, the largest category was fragrances, and the main markets in terms of net revenue were Brazil, Mexico and Chile, countries in which Puig consolidated itself as the absolute leader in the category in 2022. In terms of brands, Carolina Herrera was once again the most impor-



tant in the portfolio, followed by Paco Rabanne and Jean Paul Gaultier, all three in the top 10 in Latin America. The incorporation of Loto del Sur will help consolidate Puig in the leading positions in skincare in the region, mainly in Colombia, where the brand already has a network of its own stores.

A new structure was also created in Miami, mainly to manage the travel retail business on the continent. It will become operational in January 2023.

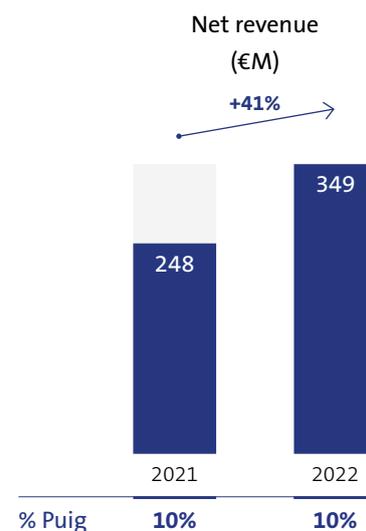
ASIA PACIFIC

In 2022, Puig recorded 41% growth in net revenue in the Asia-Pacific region compared to 2021. In China, the main growth target market for 2022, the government's zero-Covid policy measures directly impacted domestic consumption. As a result, this year's targets were not reached, although 36% growth in net revenue was achieved.

The rest of the region performed better, with growth of 44% compared to 2021.

The presence of Puig brands is highly segmented, depending on the characteristics of each market. In China, for example, the offer mainly focused on makeup and Niche brands. Charlotte Tilbury established itself as the largest brand in the area and Penhaligon's as the fastest growing. In addition, Puig has accelerated its presence by increasing the number of owned stores, despite the situation in the country.

It is worth noting the incorporation in 2022 of the net revenue of the Indian brand Kama Ayurveda, as of July. This will reinforce the company's



presence in the wellness segment, as well as in India and the Asia-Pacific area.

03. PERFORMANCE

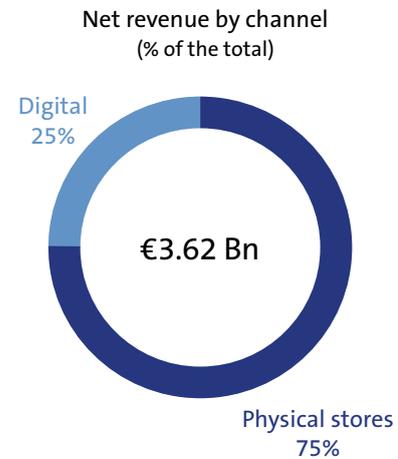


CHANNELS

Puig products reach the end customer through physical or digital points of sale (either its own or those of distributors). In 2022, consumers returned to physical purchasing, especially in travel retail, with results above pre-pandemic levels for Puig. The company also accelerated the digital presence of its brands through their own e-commerce.

🔍 HIGHLIGHTS

- Recovery of the travel retail business.
- Increase in the network of own points of sale.

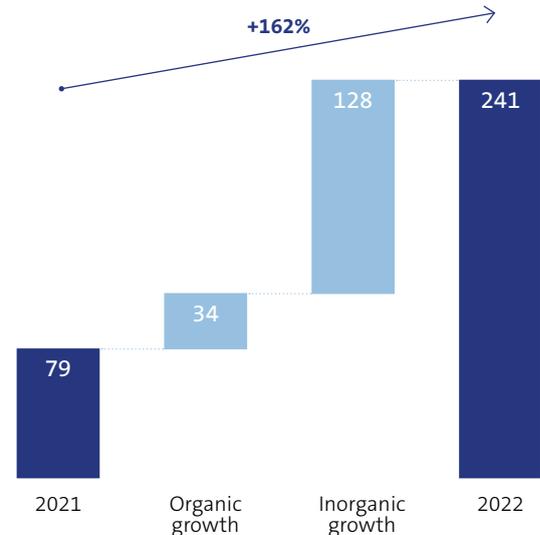


PHYSICAL CHANNELS (BRICK-AND-MORTAR)

Puig grew 47% in 2022 compared to the previous year in global net revenue for the channel, a clear sign of a return to pre-pandemic consumer habits.

In 2022, the number of owned stores increased exponentially thanks to the organic growth of Penhaligon's, L'Artisan Parfumeur, Charlotte Tilbury and the fashion boutiques, and also as a result of the acquisition of Byredo, Kama Ayurveda and Loto del Sur. A further 162 Puig owned stores were opened compared to 2021 and net revenue tripled compared to the previous year in owned points of sale.

Some skincare brands, through the pharmacy and parapharmacy channels, also experienced significant growth in 2022 (+16%).



TRAVEL RETAIL

Within the physical channel, and for the global travel retail business, 2022 was a year of passenger recovery, with an increase of 45%²⁰ compared to 2021. However, passenger traffic has not yet reached pre-pandemic levels, with a fall of 26% compared to 2019.²¹ The recovery was uneven at different times of the year, depending on the geographical area. China's zero-Covid policy had a

negative impact and resulted in more moderate growth in the Asia-Pacific area, even further from the return to the pre-pandemic levels of 2019.

Despite this, Puig net revenue in travel retail was 72% higher than in 2021 and 28% higher than in 2019, surpassing pre-pandemic levels, unlike the rest of the market.

20. ForwardKeys Travellers Statistics, November 2022. 21. ForwardKeys Travellers Statistics, November 2022.



Due to its global reach, the travel retail channel is an ideal platform for building brands. Therefore, in 2022 this strategy continued to be reinforced with the debut launch in this channel of Fame by Paco Rabanne, while also consolidating the brands in the Niche segment.

Puig increased its market share in the Americas and Europe, its two largest travel retail regions.

The Middle East is a market in transformation

in which Puig is firmly committed to the Niche segment. The effect of the World Cup in the last quarter accelerated the recovery in the two main airports of Dubai and Qatar.

On the island of Hainan, in the Asia-Pacific area, Puig reached the top 5 and 6 with the Penhaligon's and L'Artisan Parfumeur Niche fragrance brands. It also entered the top 15 makeup brands Christian Louboutin.²²

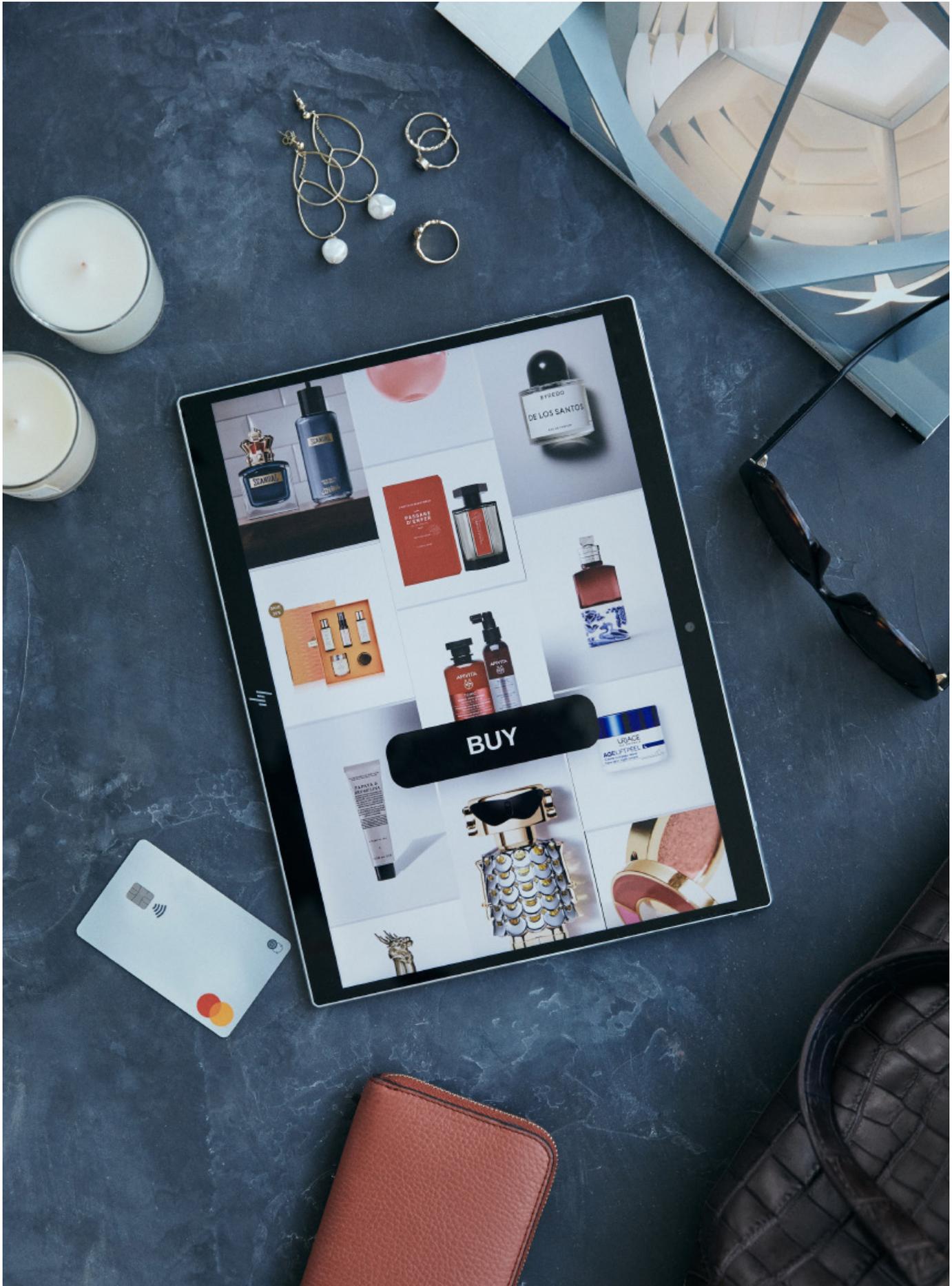
DIGITAL

Puig increased its net revenue from digital sales by 23% in 2022²³ compared to the previous year, with this channel now contributing over 20% of total revenue. Despite the digital acceleration, the consumer largely returned to pre-pandemic habits, buying in physical stores.

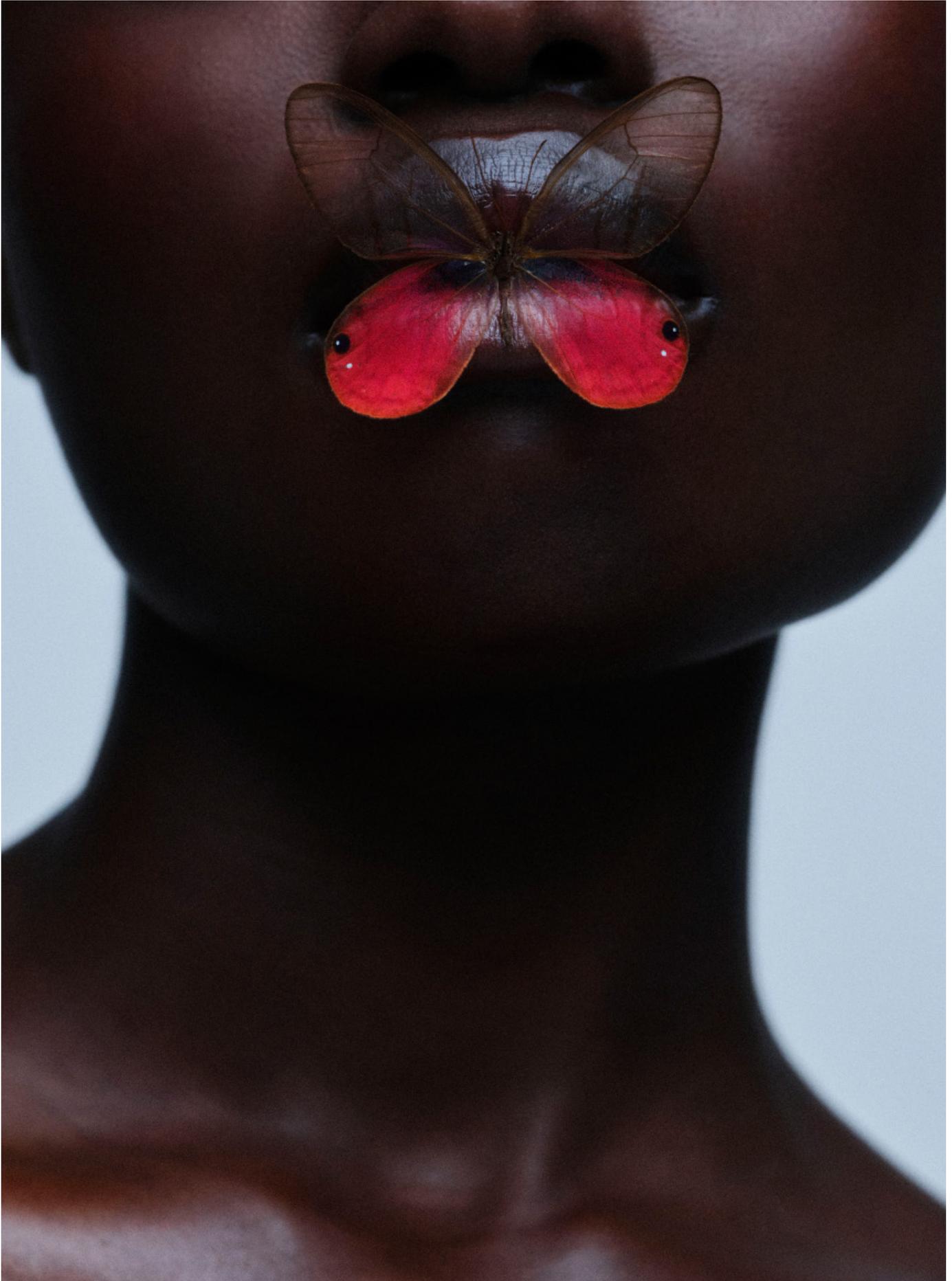
In terms of digital sales, Puig has a presence through three channels: the brands' own e-commerce platforms, e-tailing of distributors that have a physical store, and distributors with exclusive online sales (pure players).

In 2022, the brands applied the same One Brand strategy to the digital channel, unifying the different categories in a global portal that provides the consumer with a complete, immersive and personalized shopping experience, and which generated rapid sales growth. Globally, Puig brands grew by 23% on their own e-commerce platforms compared to 2021, thanks to the results achieved by the brands' strategies, the opening of new portals, and the geographical expansion of existing ones.

22. Information from the National Retail Federation rankings. 23. Estimate at the close of this report.



03. PERFORMANCE



INNOVATION

PROMOTING NEW TECHNOLOGIES IN THE INDUSTRY

In line with its strategy of leading innovation within the sector, in 2022 Puig continued to promote associations of its brands with start-ups and leading agencies to test new technologies that offer new consumer experiences.

Charlotte Tilbury was one of the pioneers in the beauty sector in creating a space in the metaverse, and in 2022 the brand took another step in harnessing the potential of mixed reality with the launch of the first 3D volumetric avatar, through which Charlotte brings her presence, expertise, and guidance directly to customers. A unique immersive experience which is complemented with the Virtual Beauty Wonderland portal from the Pillow Talk Party collection, the firm's new virtual store.

Carolina Herrera, in its makeup category, integrated its eye range into the virtual try-on techno-

logical solution in 2022, which had been started the previous year on the website and in physical points of sale, launching a new generation of virtual test experiences.

Christian Louboutin installed Loubimirror in key UK accounts, through which shoppers could virtually try on different personalized Loubilooks.

Byredo took part in some experimental and revolutionary collaborations in its Byproduct range, including Infra Luna – a lamp that works as an aroma diffuser, created in collaboration with the French designer and lighting artist Benoit Lalloz – and Olfactive Stéréophonique – a device designed in collaboration with Devon Turnbull, founder of the brand of accessories and handcrafted speakers Ojas, which combines a smell and sound system.



Puig employees in a metaverse session at the Barcelona offices, Torre Puig.



AirParfum technology in one of our points of sale.

WIKIPARFUM, AN INNOVATIVE OMNICHANNEL ECOSYSTEM

In addition, in 2022 Puig launched WikiParfum, a digital platform with precise, objective and independent information on more than 19,500 fragrances on the market, developed in collaboration with Fragrances of the World. This platform enables users to discover how a perfume smells before trying it, and to understand which notes they usually consume to help them search for other similar products, providing purchase recommendations based on scientific criteria.

WikiParfum can be consulted online or through its new app directly at the point of sale, with two new technologies that complete the whole ecosystem: EAN Nose, a barcode reader that allows the consumer to find more details about the scanned fragrance and “see” how it smells, and AirParfum,

the innovative system patented by Puig in 2018 which makes it possible to try several fragrances without reaching olfactory saturation.

Through this omnichannel ecosystem, Puig offers buyers an educational and innovative tool that makes the complex world of fragrances more accessible and personalized and offers independent and accurate results. The consumer can use it at home for an online purchase, at an airport, in any physical store or simply to browse for information. An example of open innovation and collaboration with other companies that benefits the entire industry.

This technology, together with other internal data analysis systems, provides the company with real time, relevant information on consumer preferences.

WikiParfum	7 languages
in figures	20,000 ingredients
	900 brands
	over 19,500 listed perfumes



04.

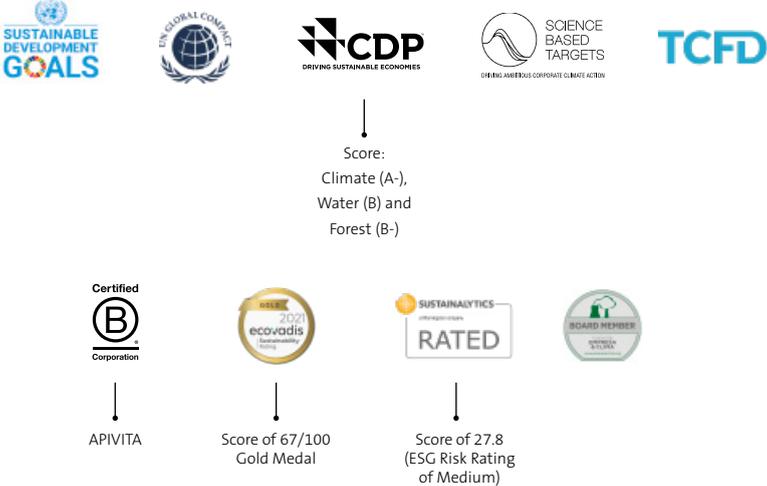
SUSTAINABLE COMMITMENT

2030 ESG AGENDA

Puig works towards contributing to two global commitments:

HELPING LIMIT GLOBAL WARMING TO 1.5 °C BY 2030	BECOMING A NET ZERO ORGANIZATION BY 2050
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To achieve these goals, Puig integrates environmental, social and governance (ESG) criteria into its culture, business model, strategy and day-to-day activities.



HIGHLIGHTS

- Participation in COP27, the 27th United Nations Framework Convention on Climate Change in Sharm El-Sheikh, Egypt.
- Definition of the ESG goals of each of the Puig brands.
- Renewal of the B Corp²⁴ certification in Apivita, with exceptional results.

ENVIRONMENTAL

- Approval of the Puig biodiversity strategy.
- Development of a new carbon footprint calculation tool.
- First overall group evaluation in the three CDP questionnaires (Climate, Water and Forest).
- Approval of the Climate Policy, updating of the Sustainable Sourcing Policy, and development of new policies related to nature.

SOCIAL

- Launch of the first global and mandatory internal training on aspects of ESG.

- Approval for the introduction of ESG criteria in the compensation of managers of all business units, both in the LTIP²⁵ and in the annual bonus. In 2022, an ESG objective was already included in the compensation of most Puig brands' top management.
- Great Place to Work Certification in Apivita.
- Specific training for HR employees on diversity and inclusion.

GOVERNANCE

- Approval of a new compliance model to be implemented as of January 1, 2023.
- Performance of a double materiality analysis.
- ESG risk assessment through Sustainalytics and incorporation of variables into the business risk map.
- ESG assessment of suppliers through EcoVadis: sixth campaign for fragrances and first for skincare and makeup.
- Redrafting of the global Ethical Code for all Puig business categories.



24. B Corp certified companies meet the highest standards of verified social and environmental performance, transparency, and accountability to help ensure a balance between their profits and their mission. B Corp certification does not just assess a product or service, it assesses the overall positive impact of the company behind it. 25. Long Term Incentive Plan.

04. SUSTAINABLE COMMITMENT

THE 2030 ESG AGENDA

Puig started by identifying the five material areas with the greatest impact on the planet, people and development:



Emissions



Materials, ingredients and waste



Biodiversity



Water



Fair sourcing

The implementation plan is structured around six pillars and applies to the entire business:



PRODUCT STEWARDSHIP

Innovating to manufacture products of natural and sustainable origin and apply eco-design criteria to packaging.



SUSTAINABLE SOURCING

Working together with suppliers to build a strong and sustainable supply chain.



RESPONSIBLE LOGISTICS

Transforming logistics to decarbonize the transportation of products.



RESPONSIBLE MANUFACTURING AND FACILITIES

Being meticulous and demanding in the company's facilities, focusing on water, energy, and waste management.



CONSCIOUS LIVING

Promoting best practices through awareness, participation and training for employees and stakeholders.



NATURE STEWARDSHIP

Working to preserve the balance of nature and generate a positive impact on biodiversity.

04. SUSTAINABLE COMMITMENT

OBJECTIVES OF THE 2030 ESG AGENDA

PRODUCT STEWARDSHIP



1. Accelerate transition towards clean and natural formulation
 - 100% of formulas Clean@Puig
 2. Reduce weight and/or volume of packaging
 - 20% packaging volume reduction
 3. Boost adoption of sustainable materials in packaging
 - 100% of packaging complies with at least one of the following criteria:
 - a. 30% of eco-components within packaging
 - b. 80% product recyclability
 - c. Refillable system
 4. Promote circular economy and end of life principles
 - 100% products assessed with internal LCA (life-cycle assessment)
-

SUSTAINABLE SOURCING



5. Expand mapping, assess and follow-up on ESG impact of suppliers
 - 90% inventory and 80% non-inventory purchasing volume assessed by EcoVadis or Sedex
 - 100% suppliers assessed with score above 50/100 or equivalent and 30% with score above 75/100 or equivalent
 6. Enhance traceability and increase amount of certified raw materials
 - 100% key raw materials certified
-

RESPONSIBLE LOGISTICS



7. Extend mapping and expand ESG risk assessment on T&W suppliers
 - 100% logistics spend assessed by EcoVadis or Sedex
 8. Invest in the decarbonization of logistics and supply chain
 - >85% occupancy rate of shipments
 - 30% reduction of air emissions vs 2019
 - 50% of weight transported by road using green fuel
-

RESPONSIBLE MANUFACTURING AND FACILITIES



9. Reduce waste across the value chain and maintain high waste valorization
 - 100% of sites sending zero waste to landfill
 10. Reduce emissions and improve energy efficiency of all facilities and installations
 - 100% renewable electricity
 - 100% renewable thermal energy (20% self-generated)
 11. Invest in water usage reduction and reutilization systems
 - 40% reduction of water consumption in the factories
-

CONSCIOUS LIVING



12. Promote education and awareness on sustainability along the value chain
 - 1 mandatory training per year reaching at least 90% participation
 - 1 global campaign or 1 local campaign per year reaching at least 60% participation
 13. Minimize environmental footprint of employees
 - 100% electric vehicle fleets
-

**NATURE
STEWARDSHIP**


14. Work towards a positive or neutral impact on biodiversity
 - Zero deforestation in the supply chain of key raw materials
 - Zero use of invasive alien species in Puig's stores, offices, and factories
15. Roll-out carbon insetting programs within the value chain
 - Launch insetting projects linked to nature restoration and regeneration projects
16. Offset emissions through natural climate solutions and other carbon credits
 - Collaborate with conservation or restoration projects through offsetting

MAIN ENVIRONMENTAL INDICATORS OF THE PUIG 2030 ESG AGENDA AND ACHIEVEMENT 2022

	Indicator	Unit	2030 target	2021	2022	22/21
Waste (production plants except Uriage)	Waste to landfill (all locations)	%	0%	0	0	
	Recovery rate (production plants)*	%	>95%	95.1%	99.8%	+4.7 pp
	Treatment rate (production plants)*	%	<5%	4.8%	0.2%	-4.6 pp
	Recycling rate (production plants)*	%	>85%	82%	92.2%	+10.2 pp
Consumption	Total electricity	kWh		25,053,102.6	23,088,153.1	-8%
	Total renewable electricity	%	100%	64%	71%	+7 pp
	Total renewable thermal energy	kWh		1,760,180.0	996,500.6	-43%
	Total renewable thermal energy	%		12%	8%	-4 pp
Workforce GHG emissions**		tCO ₂		11,200.2	11,290.8	1%
		tCO ₂ / employee	-40%	1.6	1.3	-14%
Vehicle fleet	Electric and hybrid vehicle fleet	%		n/d	22.6%	

*No primary data available for Uriage.

** Includes: paper consumption, vehicle fleet, trips to and from work and business trips.

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**Puig brands' contribution
to the 2030 ESG Agenda**

In 2022, Puig began the process of defining the specific environmental and social purpose of each brand, linked to its identity, in order to accelerate their contribution to the company's overall commitment. By the end of the year, the process for the fragrances, fashion, and makeup categories had been completed. In 2023 this will be finalized for the remaining brands.

26. Excluding Byredo, Kama Ayurveda and Loto del Sur.

04. SUSTAINABLE COMMITMENT



ENVIRONMENTAL

Since 2014 Puig has implemented ambitious measures to contribute to the preservation of the environment.

🔍 HIGHLIGHTS

- 17% average reduction in the volume of Christmas *coffrets* for Prestige fragrances compared to the previous year.
- 88% of the alcohol used in products certified by SAI.²⁷

- Assessment of the ESG performance of the suppliers of inventory materials, which represent 87% of the total volume of Puig purchases.
- 50% renewable energy in all facilities (in the case of electricity this rises to 71%).
- Five of the eight factories sending zero waste to landfill.
- 23% of the fleet formed by hybrid or electric vehicles.
- More than 4,600 employees took the ESG course.
- 15,645 tons of CO₂ offset with a nature conservation project in Brazil.

THE PATH TO NET ZERO AND CONTROL OF THE PLANET'S TEMPERATURE²⁸

Reducing the company's carbon footprint to net zero is key to its 2030 ESG Agenda. Therefore, each year measures are implemented to achieve this objective and maximize the company's contribution to controlling the planet's temperature.

In 2022, the project to extend the calculation of the carbon footprint to the entire perimeter of the business and value chain was defined and launched, accompanied by a tool to automate calculations and estimates which will be operational at the beginning of 2023.

This project is part of a more global commitment by Puig to automate processes to optimize the monitoring of objectives and to be more efficient in decision-making.

In 2022, the gross carbon footprint of Puig²⁹ was 645,274.34 T CO₂ e (+32% compared to the final fig-

ure for 2021). Given that the carbon footprint calculation is completed in May, this report offers the best possible estimate for 2022 to meet the legal publication deadlines,³⁰ and the final calculation for 2021.

The increase in the company's carbon footprint was due to two main factors:

- Increased activity (+28%).
- Incorporation of the three new businesses: Byredo, Kama Ayurveda and Loto del Sur (+4%).

Once again, Puig participated in an emissions offsetting program in Brazil, with a positive impact both on biodiversity and on social conditions. In 2022, a total of 15,645 t CO₂ was offset, so the net carbon footprint was 629,629 t CO₂ which means:

- Neutrality in emissions of scopes 1 and 2.³¹
- Neutrality in emissions in production and facilities.

GHG EMISSIONS [t CO₂ e] GROSS

	2021		2022	
Total scopes 1+2	7,935	1.6%	7,993	1.2%
Total scope 3	481,874	98.4%	637,280	98.8%
TOTAL	489,809		645,273	

Breakdown in Annex 2.

27. Sustainable Agriculture Initiatives. 28. Given the characteristics of its activity, noise and light pollution are not material for Puig. 29. Puig calculates its carbon footprint (scopes 1, 2 and 3) in accordance with the GHG Protocol Accounting and Reporting Standard and the UNE-EN-ISO14064 standard. 30. Legal deadline established by Law 11/2018, of December 28. 31. Scope 2 - Electricity: calculated according to market-based methods.

04. SUSTAINABLE COMMITMENT

Unitor REDD+ project

Project created by 15 neighboring states in Lábrea (state of Amazonas, Brazil), the municipality with the fourth highest aggregate deforestation rate in the country between 2008 and 2020.

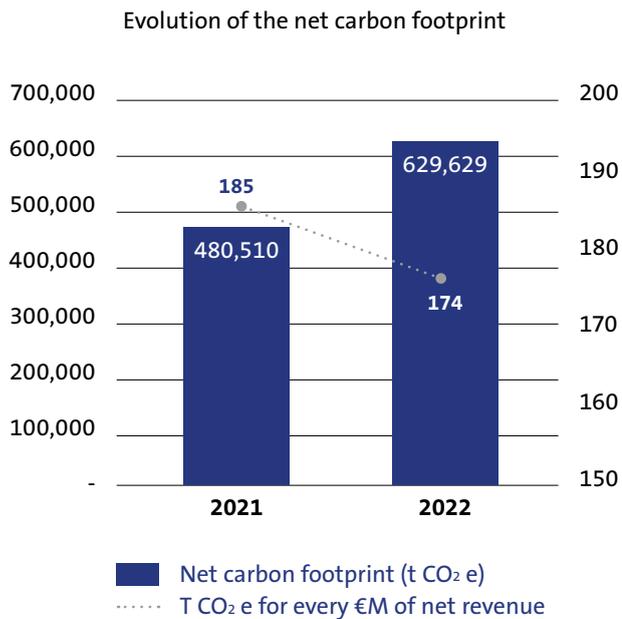
The members of the consortium cover a total of 99,035.20 hectares of forest area and their objective is to prevent the deforestation of 25,329 hectares of Amazon rainforest in 30 years on private land, conserving permanent preservation areas and legal reserves.

Actions:

- Monitoring of illegal activities.
- Creation of 52 jobs per year, engaging the local population and community members.
- Monitoring of equal gender opportunities.
- Training focused on sustainable livestock and forest management.
- Health, wellness and nutrition workshops for employees and the community.

Program certified by the VCS international standard.

The ratio of emissions to net revenue decreased by 6%, which indicates that the reduction curve was consolidated in 2022, a reflection of the impact of the actions implemented.



Laboratory at the Barcelona offices, Torre Puig.



RESPONSIBLE AND SUSTAINABLE PRODUCTS

To achieve the two main commitments of the 2030 ESG Agenda, Puig takes into account the environmental impact of its products throughout their life cycles, in response to the growing demands of customers and consumers.

🔍 HIGHLIGHTS

- Promotion of refillable containers.
- Increase in the use of ingredients of natural origin.
- Implementation of tools for monitoring and providing information on compositions.

In 2022, an effort was made to maintain commitment to product sustainability, given the difficulties in the supply chain and the need to seek alternative suppliers in some cases.



INGREDIENTS

- 100% alcohol of natural origin.
- 88% alcohol verified according to SAI.
- Apivita Queen Bee range made with 99% natural ingredients.

Puig laboratories work to ensure they are up to date on regulatory aspects regarding ingredients. In addition, the company imposes ever-stricter demands on itself in order to guarantee the safety of the formulations at all times, such as avoiding the use of a higher number of ingredients. For the fragrance category, Puig already has a policy which is applied to all launches, setting the formulation criteria and protocols: Clean@Puig. It also has a reformulation plan for the rest of the category in the portfolio. This policy is in the process of being adapted for the skincare and makeup categories.

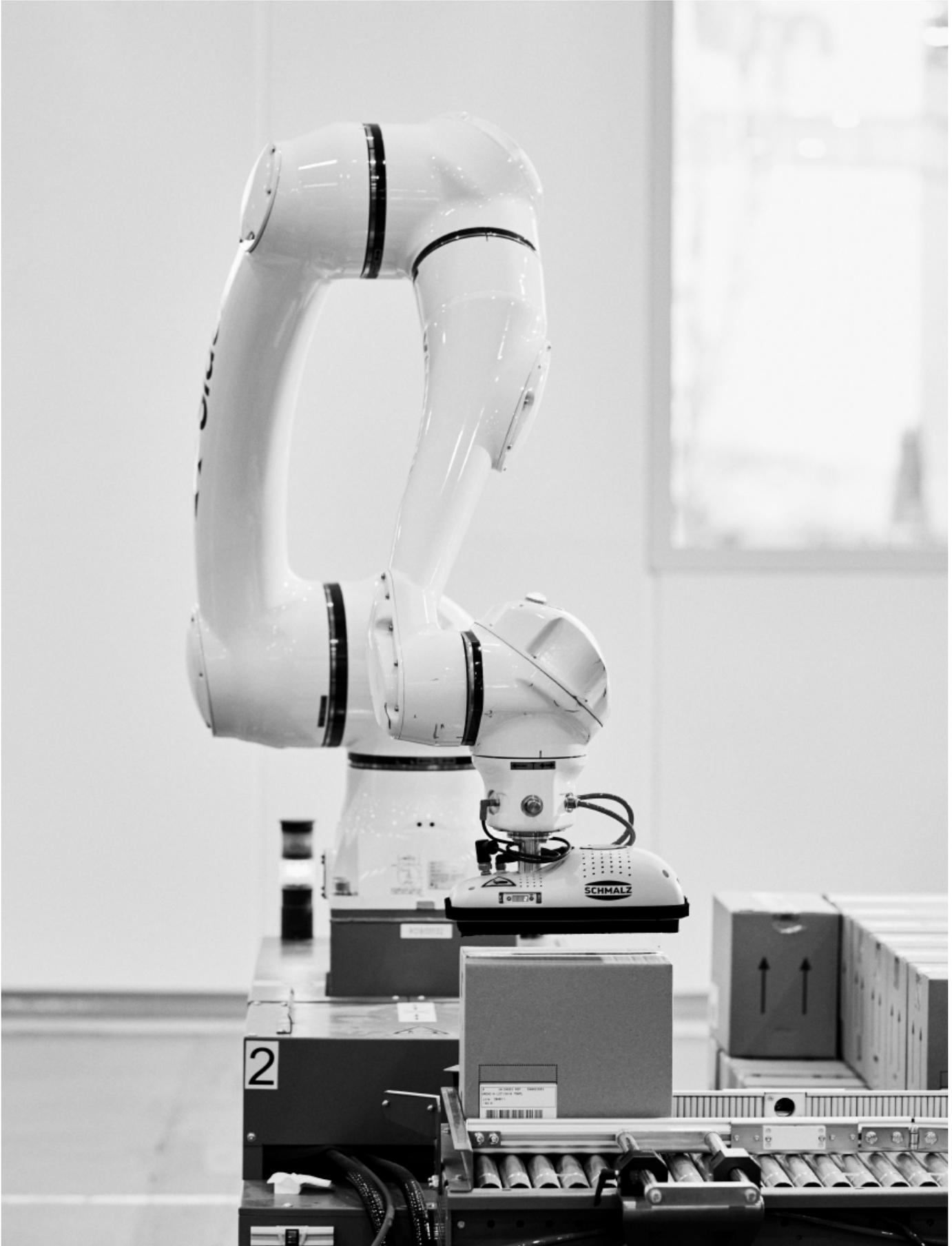
In addition, Puig works with the objective of incorporating a growing percentage of ingredients of natural origin. In skincare, Apivita, Loto del Sur and Kama Ayurveda have been working for years with natural formulations, while in makeup, Charlotte Tilbury also updated its formulation criteria this year, seeking to achieve future products that are more natural, vegan, and with less environmental impact. It also has plans to start reformulating the current products on a basis of need.

Similarly, in 2022 Charlotte Tilbury renewed its Leaping Bunny certification,³² which guarantees the cruelty-free origin of the brand's products. The assurance that products are not tested on animals involves a thorough review of product development, supply chain and distribution by Cruelty-Free International to confirm that the certification criteria are met.

Product sustainability features are incorporated into our systems to improve monitoring, action plans and decision-making.

32. Awarded by the Leaping Bunny Program, the most recognized global standard for certification of cruelty-free cosmetic, personal care and household cleaning products. More information at <https://www.leapingbunny.org/>.

04. SUSTAINABLE COMMITMENT



Cobot technology at the Vacarisses production plant, Barcelona.

PACKAGING

Puig works towards using packaging that is more sustainable (replacement), smaller, and lighter (optimization). In parallel, the company assesses the end of each product's life cycle to determine whether it can be reused or recycled.

The composition of packaging is becoming increasingly regulated. Puig invests in learning as much as possible about the composition of the materials used in its packaging, in order to improve and report in accordance with the requirements of the regulations of the different markets.

Replacement with more sustainable materials

Puig is committed to using more sustainable materials in its packaging to help reduce the amount of material that may have a negative impact on the environment.

Therefore, whenever possible, materials of certified origin are used:

- Increased use of recycled (PCR)³³ and recyclable materials. We have taken steps towards reaching the target of 80% recyclability, measuring and taking action regarding new launches and reviewing the existing portfolio.
- Replacing plastic with glass, particularly in the Magic Skin Trilogy line by Charlotte Tilbury.
- Use of FSC certified paper, which guarantees its sustainable origin.
- Introduction of biodegradable plastic, as in the delivery bags used by Carolina Herrera NY.
- Certified fabrics, such as BCI³⁴ cotton used in the Carolina Herrera NY accessory bags.
- GOTS³⁵ certification at Dries Van Noten and Paco Rabanne for certain materials, such as viscose, cotton or wool.
- LWG³⁶ certified leathers at Paco Rabanne, where more than 70% of the leather comes from tanneries that comply with this standard.

Use of FSC paper and cardboard in 2022:
55% in the fragrance category

Optimization of the volume and weight of packaging

The reduction in the volume of packaging has an impact in several areas such as the consumption of materials, transport or waste generation. In 2022, work was carried out to reduce the size of packaging, optimizing the space between the primary and the secondary packaging, although the requirements of some markets mean that this cannot be applied in all cases.

In addition, more efficient formats were designed for the gift packs used in some markets. In the 2022 Christmas campaign, the volume of the cases used for the Prestige fragrance brands was reduced by 17% compared to the previous year. This development will be replicated in the remaining *coffrets*.

Refillable formats

In 2022 Puig stepped up its investment in the research of refillable packaging options, both in the fragrance and makeup categories. The objective is to reduce the amount of waste that ends up in landfills and promote the circular economy, in addition to involving the consumer in this commitment.

The main makeup brand, Charlotte Tilbury, launched two new products with these characteristics in 2022 and reconverted some existing ones, thus making all the brand's core products refillable. Penhaligon's has installed filling machines in some of the brand's stores in the UK.

TRACEABILITY

Puig is committed to using ingredients which are of sustainable origin and respect the environment and human rights. For this reason, more and more certified ingredients and raw materials are being incorporated and those susceptible to environmental and social risks are being eliminated. Meanwhile, the company is defining methodologies, metrics and criteria which will progressively guarantee their traceability.

33. Post Consumer Recycled: materials that are recycled after consumption, such as glass, plastic or paper. They come from municipal or industrial recovery. 34. Better Cotton Initiative. www.bettercotton.org. 35. Global Organic Textile Standard. 36. Leather Working Group: a multi-stakeholder non-profit organization whose mission is to guarantee the responsible origin of leather.



RESPONSIBLE SUPPLIER MANAGEMENT

The ethical, environmental and social behavior of the supply chain is important to Puig and for this reason, the company makes every effort to align it with the 2030 ESG Agenda.

HIGHLIGHTS

- Development and implementation of the Supplier's Risk Management program for the factories in Spain and Chartres, in France.
- First CDP Supply Chain campaign with suppliers.
- New supplier evaluation campaign with EcoVadis and Sedex.
- Approval and deployment of the Purchasing Handbook for the factories in Spain and Chartres, in France.

2022 was characterized by the complicated situation of the supply chain. Puig suffered restrictions from suppliers and service delays. To turn this situation around, mechanisms were put in place to ensure production, such as investment in suppliers to increase their capacity, the search for alternative supply sources, or the transfer of production to Europe, among others.

Ultimately, the company was able to keep up with the increase in demand, despite the situation.

Work was carried out on updating the Sustainable Sourcing Policy (SSP), launched for the first time in 2015, and on applying it to the global business.

The responsible purchasing guides, processes and criteria were also standardized in the Purchasing Handbook for the factories in Spain and Chartres, in France.

EVALUATION

The monitoring of suppliers is a key part of supply chain management and at Puig it is carried out through two well-known platforms: EcoVadis and Sedex. The aim is to ensure the fulfillment of ESG

criteria by suppliers.

In 2022, Puig adopted four lines of action:

- A project to integrate EcoVadis in SAP for supplier evaluations in order to assess risks, make decisions, etc., in a more agile way.
- Sixth evaluation campaign with EcoVadis, covering almost 60% of the overall purchase volume. The average score was 61 points (60.4 in 2021), 16 points above the EcoVadis average.
- A pilot project with Sedex in Carolina Herrera and Dries Van Noten to evaluate the suppliers of these fashion houses.
- The first CDP Supply Chain campaign with suppliers, with the dual objective of ensuring better access to their emissions data in order to improve the calculation of Puig's carbon footprint, and having more information on their environmental performance. The campaign was launched among key suppliers (122), with a very satisfactory response of 69%.

AUDITS

Puig takes an integrated approach to supplier audits. In other words, all aspects related to the Integrated Management System are audited: quality management, good manufacturing practices, the environment, and occupational health and safety. An annual internal audit program is drawn up that includes suppliers of raw materials and packaging material, as well as outsourced third parties (so-called second-party audits).

The main objectives of these audits are:

- Verify suppliers' ability to meet Puig requirements and their regulatory compliance.
- Define action plans to reduce gaps and improve trust.
- Develop mutually beneficial relationships with suppliers.
- Add value to strictly regulatory or certification audits.

In 2022, a total of 23 audits³⁷ were carried out on suppliers and third parties located in various

³⁷ Due to the exceptional circumstances of the Covid-19 pandemic, in 2021 only four audits could be carried out. Therefore we consider that this figure is not comparable to 2022.

countries in Europe. These audits verify aspects such as whether the suppliers have environmental certification, whether or not they belong to the EcoVadis evaluation system, as well as their practices and processes aimed at protecting the environment. The suppliers' worker protection and risk prevention measures, good manufacturing practices, and the quality of processes and products are also all audited.

The overall result of the audits was satisfactory, as indicated in the Puig ESG standards and procedures, with an average score of 78%. Where we detected any deviation we have requested an action plan from the supplier to remedy it.

PROXIMITY

Another priority for Puig is the proximity of its suppliers since this reduces our transport carbon footprint, enables us to work together more efficiently, and has a positive impact on the environment. In 2022, due to problems in the supply chain, the purchase of some raw materials was transferred to suppliers closer to our production centers.

84% of the purchasing volume is sourced in Europe, where most Puig production centers are located.



CIRCULARITY

Puig is aligned with the EU Circular Economy Action Plan, focusing on different lines of action: extending the service life of products to delay sending them to the landfill for as long as possible, recovering waste so that authorized managers can convert it into raw material for other industries or incinerate it for energy recovery, or simultaneously reducing the volume of waste.

Two of the most significant actions carried out by Puig in terms of circularity are the use of refillable containers and the reduction in the size of packaging, with the subsequent reduction in the volume of waste sent to the landfill. In addition, in our factories the percentage of valorization waste increased to 99.8% and, at the Vacarisses plant, a specialized manager was contracted to recover products rejected from the skincare manufacturing process.

WASTE³⁸

Since 2014 Puig has been committed to minimizing waste generated both from its production and from its day-to-day activity. To this end, we focus on the following lines of action:

- Five of the eight factories with zero waste to landfill.
- Improved waste management reporting tools.
- Valorization rate of 99.8% in production plants.
- Smaller and more efficient packaging for transportation.
- Reduction of the paper used in instruction leaflets for makeup and skincare products.
- Actions to improve waste separation.
- Use of PCR materials.
- Reduction of single-use materials.
- Second life for fashion waste.

Simple actions that add up

- In 2022, a change from a horizontal to vertical layout in delivery notes resulted in paper savings of 30% in shipments from our logistics partner in Castellar del Vallès.
 - Non-printing of brochures in online orders at Charlotte Tilbury saved the printing of 1,000 pages a day.
 - Non-printing of product instructions at Uriage meant a saving of 39 tons of paper.
-

38. Due to the type of activity carried out by Puig, food waste is not a material issue.

04. SUSTAINABLE COMMITMENT





EFFICIENCY

Efficient resource consumption in our operations is key for our journey towards being net zero since it has a direct impact on the Puig carbon footprint.

🔍 HIGHLIGHTS

- Indicators monitoring software.
- Expansion of the solar farm at the Alcalá de Henares plant.
- Selection of the supplier for the Dry Factory pilot project at the Vacarisses plant.
- Pilot test at the Swiss subsidiary and the Barcelona headquarters of an indicator control system to guarantee the comfort of employees.
- A commitment to purchasing green energy.

ENERGY

Energy is one of the biggest sources of expenditure at Puig, so in 2022 work continued to be done to increase the efficiency of the different centers and processes.

There are two main lines of action related to energy:

1. Reduction

In 2022, the company began to deploy a software to monitor electricity, gas and water consumption indicators, which was already operational at the Barcelona headquarters and which will allow for better monitoring and decision-making regarding efficiency

measures in the factories in Spain and Chartres.

Also contributing to reduction is the transition to cleaner energy, both green and self-generated. At the end of 2022, 50% of the total energy consumed, and specifically 71% of electricity, came from GO renewable sources.³⁹

2. Self-consumption

Alongside these energy reduction actions, the company stepped up its self-consumption measures to reduce dependence on external sources.

In 2022, the expansion of the biomass plant at the Vacarisses factory began, with the aim of replacing gas consumption and obtaining a capacity of 1,350 kW. Puig already has facilities of this type in Chartres.

Also in 2022, three significant actions were carried out to expand the company's own photovoltaic facilities:

- Alcalá de Henares plant: entry into full operation of the current solar farm and approval to expand capacity for 2023.
- Vacarisses plant: approval of the photovoltaic facility project for 2023.
- Markopoulo plant (Apivita): expansion of the photovoltaic facility with connection to the grid with a peak of 73 kW.

Once these three facilities are fully operational, the peak production capacity will be over 1,700 kW.

For the execution of the two projects in Spain, which will cover 20-30% of electricity consumption in a first phase, Puig benefited from the incentive program linked to self-consumption of renewable energy sources, as part of the Next Generation EU plan.

Other reduction initiatives:

- Implementation of intelligent lighting systems at the Alcalá de Henares plant and some areas of the Champs-Élysées offices.
- Reduction of electrical power in the filling area of the Alcalá de Henares plant thanks to more efficient lighting systems with lower consumption.
- Progressive replacement of lighting with LEDs at the Chartres and Alcalá de Henares plants and at the Champs-Élysées headquarters.

Centers which purchase green electricity (GO):	
Headquarters Barcelona	100%
Headquarters Champs-Élysées (Paris)	100%
Office Rue Washington (Paris)	100%
Vacarisses plant	100%
Chartres plant	100%
Besós plant	100%
Puig office in Hamburg	65%
Puig office in London	100%
Apivita headquarters and production plant	100%
Charlotte Tilbury flagship store in London	100%
Centers using self-generated green energy	
Alcalá de Henares plant	100%

³⁹. Guarantee of origin.

04. SUSTAINABLE COMMITMENT

WATER

2022 was a year of drought and water is a key element in the manufacture of skincare products.

The Puig facility that consumes the most water from the main supply is the Vacarisses plant. After an intense search to find the right technology and as a result of the good results obtained in the laboratory pilot tests, it was decided that a closed-loop system would be implemented, which will achieve zero discharge of industrial water and a reduction of more than 40% in water consumption. This project will be carried out from 2023, with the intention of extending the solution to other Puig plants in the future.

In the case of the Uriage plants, much of the water used to manufacture products is of thermal origin, extracted from its own source.

Other actions with an effect on the reduction of water consumption included the optimization of uses not linked to the production process and the installation of more efficient consumption monitoring systems.

It is worth noting that a treatment solution for residual water from the process has been implemented at the Apivita plant in order to reuse it in the biofertilization unit.

EFFICIENT FACILITIES AND PROCESSES

In 2022, the deployment of sustainability measures in our facilities continued. The main project involved defining the ESG strategy for Puig centers around the world, establishing the criteria for each phase of their service life (choice of the type of building, interior design and maintenance).

In addition, various measures were established and implemented to improve the efficiency of indoor

air conditioning and insulation in some work centers in order to reduce consumption. In 2022, a pilot was carried out at the Swiss business unit and at the Barcelona headquarters to monitor indicators of employee comfort in the work environment: air quality, temperature, humidity, suspended particles, etc.

CERTIFICATIONS OF THE BUILDINGS IN WHICH PUIG OPERATES

BREEAM In-Use⁴⁰	<ul style="list-style-type: none"> • Apivita: score of 75.3%, becoming the first bioclimatic factory in Greece • Puig in Paris: new building in Washington Plaza
LEED⁴¹	<p>Leed Gold:</p> <ul style="list-style-type: none"> • Barcelona headquarters • Puig in Argentina (Buenos Aires) • Puig in China (Shanghai) • Puig office in Miami (contract signed in 2022)
Energy Star Rating⁴²	<ul style="list-style-type: none"> • Puig office in Miami (score 91)
Nabers Energy Rating⁴³	<ul style="list-style-type: none"> • Puig office in Sydney (score: 5.0 Star) (contract signed in 2022)
Haute Qualité Environnementale⁴⁴	<ul style="list-style-type: none"> • Paris Champs-Élysées Headquarters (Paris)

40. BREEAM In-Use is a clearly defined method for continuous improvement in the operational and environmental performance of existing buildings, the health and well-being of their occupants, resilience to climate transition, social value, the circular economy and decarbonization. 41. Leadership in Energy and Environmental Design is a certification created by the Green Building Council. It is the most widely used green building rating system in the world. 42. Energy Star is a program administered by the US Environmental Protection Agency (EPA) and the US Department of Energy (DOE) to promote energy efficiency. 43. The NABERS Energy for Offices rating is an Australian rating system that measures the performance of buildings on a scale of zero to six stars. A zero star rating means the building is performing well below average and has a lot of room for improvement. 44. The Haute Qualité Environnementale or HQE is a standard for green building in France, based on the principles of sustainable development first established at the 1992 Earth Summit.

TRANSPORT

The transport of finished products and the reception of raw materials generate a high volume of emissions.

In 2022, two multimodal transport options were implemented in the fragrance category, with a significant reduction in GHG emissions: -99% in the combination of train (70%) and road (30%) transport, and -71% in the combination of maritime (80%) and road (20%) transport. In addition, 24% of the weight transported by land was done so using green fuel (target of 50% by 2030).

Uriage uses natural gas and electric vehicles for the internal transport of raw materials and semi-finished products between its two facilities. Production was recently moved to Échirolles, achieving a reduction in the number of shuttles.

An important objective is the optimization of loads and routes, and the use of more sustainable options across all businesses. Despite a target being set for a reduction of air transport, in 2022 this was

difficult to achieve due to the global context of the supply chain.

The volume and weight of products and their derivatives decreased thanks to the measures implemented, such as the use of flat packs in fashion brands, the full loading of pallets, the reduction in size of the packaging and the use of containers with more efficient shapes.

Moreover, the integration of the European distribution of Apivita, Penhaligon's and L'Artisan Parfumeur was completed in 2022, which resulted in cost savings and reduced environmental impact.

During the year, progress was made in the development of new logistics operations in markets that are crucial to the growth of the business, such as the centralization of the Asia-Pacific region distribution network in the Puig operating center located in the Shanghai free zone, and the local operator in Hangzhou. The Shanghai infrastructure has relabelling capabilities for both primary and secondary packaging and the capacity to handle online sales.



Warehouse at the Vacarisses production plant, Barcelona.



ASPECTS RELATED TO SOCIETY

SUSTAINABLE MOBILITY

Puig undertook a commitment to further reduce the volume of emissions by its employees, with the following actions:

- Expansion of the fleet of hybrid vehicles at Apivita.
- Increase in the number of charging stations at the Barcelona headquarters and at the Alcalá de Henares plant.
- Group transport options for employees and non-use of private vehicles at Apivita.
- Agreements with bicycle rental companies at Uriage.
- Promotion of the use of car-sharing or non-motorized vehicles with economic incentives at Uriage.

GETTING EMPLOYEES INVOLVED

The most significant action of the year was the launch of the first specific training course in sustainability for everyone in the organization. En-

titled “Environmental, Social and Governance (ESG): challenges and opportunities”, it was deployed in 28 countries and more than 4,600 people took part, thus guaranteeing shared knowledge on this subject. The plan for 2023 is to launch a second module, focusing on social issues, and to extend the first module to the remaining units.

In addition, within the framework of the internal initiative #BeCampaigns, which aims to promote the well-being of Puig teams, local initiatives were carried out in different markets under the specific axis of sustainability (#BeSustainable) and aimed at increasing environmental awareness and commitment.

Other actions:

- Standardization and extension of the teleworking policy, which contributes to reducing the footprint of employees.
- Sustainability Champions community on Charlotte Tilbury’s Slack platform, where staff can share knowledge and information on ESG topics.
- Recycling workshop at Apivita to increase awareness on environmental aspects.



OTHER ASPECTS OF THE PUIG COMMITMENT TO THE ENVIRONMENT

MANAGEMENT SYSTEMS

To improve the monitoring and reporting of our carbon footprint, a tool has been designed that will automate its calculation and estimates. This project will allow Puig to gain in efficiency and accuracy, while improving decision-making. Implementation is scheduled for early 2023.

During 2022, work was carried out to obtain the ISO 14001 and ISO 45001 certifications at the Champs-Élysées headquarters.

BIODIVERSITY

In 2022, Puig defined the Nature Stewardship pillar of its 2030 ESG Agenda, establishing respect for nature as a pillar that is both standalone and cuts across all the other pillars of the strategy.

Starting in 2023, work will be done to define the initiatives for implementation and to determine

which international standards or institutions should be adhered to in order to help fulfill this commitment. Apivita is one of the best examples of the commitment to biodiversity. It focuses in particular on the planet and on raising awareness about the importance of bees and their protection, and it collaborates on a regular basis with the organization 1% for the Planet. Since 2013, it has organized conferences with international students to disseminate the importance of bees for ecosystems, with more than 20,000 having taken part since the first edition. In addition, in 2022 it launched the Queen Bee Project, on the Greek island of Evia, in which 70 families of beekeepers participate with the aim of regenerating more than 12,000 bee colonies in three years.

For its part, since 2020 Uriage has collaborated in preserving the environment and biodiversity of rivers in France through the organization Rivières Sauvages, through which it channels its commitment to the organization 1% for the Planet.

Certifications, awards, and communication

CERTIFICATION	UNIT	ACCOMPLISHMENT
CDP ⁴⁵	Puig	Score: • Climate: A- • Water: B • Forests (timber and palm oil): B-
Sustainalytics ESG Risk Rating ⁴⁶	Puig	Score 27.8
VPC Green Beauty Awards ⁴⁷	Puig	Gold mention in the second edition organized by the magazine <i>Ventas de Perfumería y Cosmética</i> , in the category Best Company Committed to Sustainability
B Corp	Apivita	Renewal of the certification obtained in 2017, with a score of 117.2 in 2022
Leaping Bunny	Charlotte Tilbury	Renewal
Great Place to Work ⁴⁸	Apivita	Certification obtained for the first time
Growth Awards ⁴⁹	Apivita	Apivita was recognized in the R&D category
Sustainable Beauty Awards ⁵⁰	Apivita	Runner-up in the category Sustainability Leadership

Uriage also launched its ISO Good Manufacturing Practices certification process.

45. International non-profit organization that runs the global environmental disclosure system for investors, businesses, cities, states, and regions to manage their environmental impacts. 46. Tool for assessing non-managed risks in an organization. 47. Awards that highlight the work of the best companies and the latest innovations, as well as sustainable and charitable initiatives in the beauty industry in Spain. 48. The Great Place To Work Certification recognizes companies that create excellent places to work. 49. The Growth Awards reward companies that focus on R&D, digital and ESG commitment. 50. The Sustainable Beauty Awards recognize companies that look to push the boundaries of sustainability in the beauty industry.

04. SUSTAINABLE COMMITMENT



Puig employees at the Barcelona offices, Torre Puig.

SOCIAL

PEOPLE AT PUIG

2022 saw the consolidation of the structure that had been implemented the previous year. In this period, new cultures and identities were integrat-

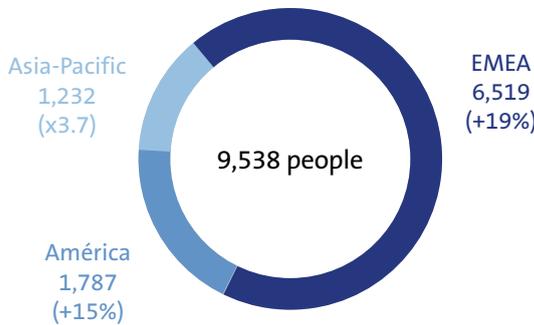
ed as a result of the incorporation of new businesses whose values and principles are shared by Puig.

The Puig Ethical Code establishes the reference framework for the type of conduct that is expected from everyone who works in the company and also from those with whom a business relationship is established.

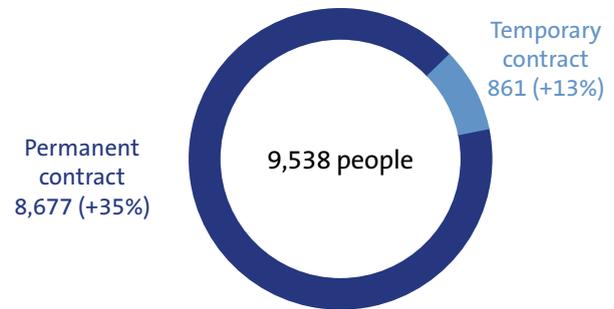
- Personnel recruitment following socially responsible practices.
- Employment under non-abusive conditions.
- Rejection of all forms of child labor.
- Promotion of employees based on their merits and skills.
- Safe working environment and compliance with measures that guarantee safety in all job positions.
- Employees required to respect safety regulations and not endanger colleagues or facilities.

PUIG EMPLOYEE DATA

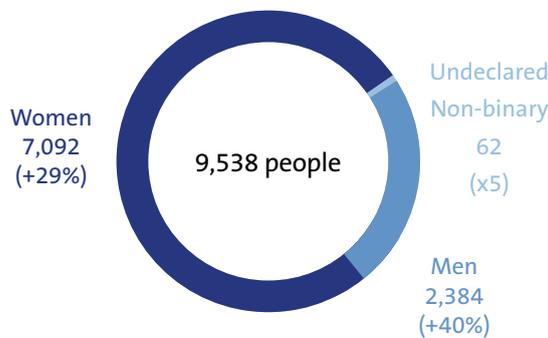
Employees by geographical area



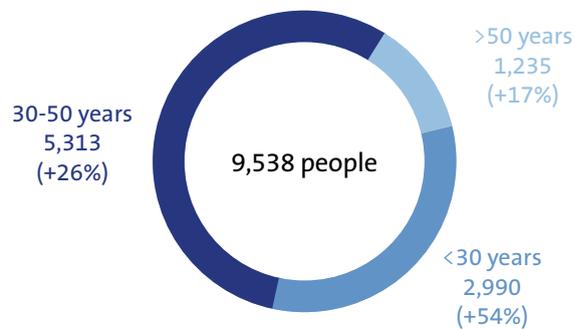
Breakdown by type of contract



Breakdown by gender



Breakdown by age range



The percentages (%) in parentheses correspond to the variation compared to 2021.
Full list of indicators in Annex 3

At the end of the year, Puig had 9,538 employees (+32%), an increase of 2,334. 1,104 people joined as a result of the acquisitions in 2022, and excluding the newly acquired businesses, the company saw headcount rise by 17% (1,230 employees).

HIGHLIGHTS

- Great Place to Work Certification in Apivita.
- Growth of the organizational structure, with greater international presence outside of Europe, especially in the Americas and Asia.
- Incorporation of employees from Byredo, Kama Ayurveda, and Loto del Sur.
- Global launch of the hybrid work model with two days of teleworking for the majority of Puig employees.
- Consolidation of talent management models and e-learning platforms.
- Preparation of the hub in Miami, scheduled to open in January 2023.
- Opening of the subsidiary in EAU.
- Reinforcement of teams in China.
- Reinforcement of the corporate structure with the incorporation of the Chief Communications Officer.
- Update of the Harassment Prevention Protocol in units in Spain.
- Update of the Equality Plan in Spain.

ORGANIZATION OF WORKING HOURS AND WORK-LIFE BALANCE

Each Puig work center adapts its working hours to legal and collective bargaining obligations where appropriate, to the characteristics of the business, and to what has been agreed with the employees.

The organization of working hours has changed significantly since Covid-19 and with the global launch of the hybrid work model at the end of 2022. Teleworking is a widespread practice that also offers a better work-life balance and flexibility for employees.

Implemented models:

- Onsite: gradual implementation of flexible entry and leaving times in offices, which each unit adapts to its environment. These measures have been implemented in the following countries: Spain, Portugal, Argentina, Mexico, Singapore, China, Australia, UAE, Saudi Arabia, Germany, Austria, Switzerland, and Hong Kong.

- Business hours for those employees working at the point of sale aligned with those of the center where the activity is carried out.
- Shifts in the case of manufacturing workers.

- Teleworking: 100% only in some commercial positions.

- Hybrid: in 2022, teleworking was extended to new units. This includes two days remote and three onsite days a week for those positions that allow it. At the end of 2022, it was implemented by centers in Spain, Portugal, Germany, Austria, the UK, Switzerland, China, Australia, Singapore, France, Canada, the US, Colombia, Peru, Brazil, Chile, Mexico, Argentina, Russia, Saudi Arabia, UAE, Italy, Hong Kong, and Belgium.

In 2023, we will continue to implement more flexible employment measures.

Puig facilitates access to work-life balance mechanisms for all workers, depending on the legislation in force in each of its locations and the job position. Whenever possible, additional measures have been implemented, such as teleworking and flexible entry and leaving times.

Likewise, Puig has a global digital disconnection policy to ensure the appropriate use of new technologies and IT devices within the framework of the employment relationship, and establishes that, unless there are exceptional circumstances, employees have the right to not respond to any professional communication once their workday is over. It also establishes a set of good practices to promote digital disconnection.

TRAINING

Puig is firmly committed to the professional development of its people, as evidenced by the variety of actions aimed at promoting the training of its employees.

Different training programs are run in each of the units, ranging from global corporate ones, such as Janus, to those focused on specific groups such as the Brand Ambassadors.

Talent programs

Talent programs aim to identify and develop high-potential employees at all levels of the company.

- **Janus**

Janus, inspired by the motto “Aim high” given to the program by Mr. Mariano Puig, resumed face-to-face events in 2022, with modules at the IMD business school in Lausanne, and in Paris and Antwerp with the support of the INSEAD business school. Janus is aimed at identifying and developing high-potential employees, and it offered the 44 participants of this edition the opportunity to interact with the company’s senior management and gain a deeper understanding of company strategy.

- **Talent Program**

In 2022, the fourth edition of the Talent Program was launched. It identifies internal talent and prepares employees to assume roles of greater responsibility in the future. In 2022, under the slogan “Are you future ready?”, 55 professionals of 17 different nationalities from 15 different functional areas participated.

- **Graduate Program**

The Graduate Program, aimed at recruiting inexperienced external talent, was rolled out to centers in Portugal, the UAE, Peru, Brazil, and the UK in 2022 covering 53 positions. At the end of the year, 80% of the participants in this edition joined the company on permanent contracts.

Programs for specific groups

- **Training for Brand Ambassadors**

Training has been key in transforming the role of Beauty Advisor into that of Brand Ambassador, thanks to a wide range of training actions. In 2022, more than 1,000 Brand Ambassadors had access to the Brand Experience App, which provides training on Puig products and sales techniques. They also received training in the new four-step sales protocol.

- **Training to support the Manufacturing 4.0 program**

2022 saw the consolidation of a large part of the Manufacturing 4.0 program, which aims to maximize the automation of the factories to improve their efficiency. The training given to employees in the area played a key role in the success of the program. Skills were developed in areas such as artificial intelligence, robotics, and process automation.

The program was implemented in four production centers and with employees of all levels, and contributed to creating a safer work environment, developed employees’ digital skills, and increased productivity.

- **Program for high-performance teams**

This training is offered to the management teams of the fragrance business units to ensure they are aligned and united in achieving their strategic objectives. In 2022, in its seventh edition, these programs were carried out in the EMEA, Travel Retail, US and Asia business units.



Employee at the Vacarisses production plant, Barcelona.

04. SUSTAINABLE COMMITMENT



EDGE Program

EDGE is an e-learning program aimed primarily at the sales community. This training offers new skills, sales techniques, and tools to ensure the sales force is ready to face the challenges of the modern market. It has been developed over two years with the market teams and was launched in 2022 to all fragrance business units.

We estimate that in 2022 the workers received some 15 hours of training per person, which means around 145,000 total hours for the whole of Puig. We do not have information on all the units (neither in hours nor in breakdown by professional category). The itemized data that we have corresponds to Apivita, Kama Ayurveda, Loto del Sur, and Uriage:

HOURS OF TRAINING BY PROFESSIONAL CATEGORY AT APIVITA, KAMA AYURVEDA, LOTO DEL SUR AND URIAGE

	Women	Men	Undeclared/Non-Binary
Top Executives	50.0	83.5	0
Sales and marketing	4,629.5	763.0	0
Brand Ambassadors	10,442.7	1,432.5	0
Technicians	3,318.5	1,711.0	0
Administrative personnel	506.0	245.5	0
Production	1,462.0	1,549.5	0

51

HEALTH AND SAFETY

HIGHLIGHTS

- Implementation of a methodology for home working risk assessment for employees in Spain.
- Reassessment of psychosocial aspects associated with work for certain groups in Spain.
- Development of a global health and safety policy at Uriage, supported by the implementation of management and training tools for professionals.

Indicators related to health and safety at work are monitored on a monthly basis in all units through continuous surveillance systems, with teams of employees and specific management tools, and preventive actions are implemented proactively. In addition, in 2022 training in Health and Safety continued to be held in all locations and communi-

cation was improved in centers in Spain and France through the implementation of digital screens.

All employees who work in the plants in Spain, and all employees in France are represented by formal health and safety committees.

As for accessibility of the facilities, Puig complies with current regulations in all locations and, whenever the need is detected, action is taken to eliminate barriers.

Certifications of the centers in Spain:

- ISO 9001:2015 Quality Management.
- ISO 14001:2015 Environmental Management.
- ISO 45001:2018 Occupational Health and Safety.
- ISO 22716: 2008 Cosmetics — Good Manufacturing Practices

51. We have no comparative data for 2021. For 2022, the estimate is based on the partial data of those units that have been able to report this information.

04. SUSTAINABLE COMMITMENT



Puig employees at the Barcelona offices, Torre Puig.

SOCIAL RELATIONS AND DIALOGUE

The International Labor Convention and the ILO Declaration on Fundamental Principles and Rights at Work recognize freedom of association and collective bargaining as fundamental rights. These rights, together with the promotion of social dialogue, are basic principles for the promotion of worker participation.

For this reason, Puig guarantees social dialogue, either through the legal representation of the workers, or, in those places where this does not exist, through the workers themselves.

Below is the percentage of employees covered by a collective bargaining agreement, by country:

Spain	100% of the workforce
France	100% of the workforce
Mexico	100% of the Brand Ambassadors professional category
Argentina	100% of the Brand Ambassadors professional category 100% of the salesforce
Netherlands	100% of the Charlotte Tilbury workforce
Brazil	100% of the workforce

In all other countries there are no applicable collective bargaining agreements and, therefore, social dialogue is governed by the laws in force in each case.

EQUALITY, DIVERSITY, AND INCLUSION

Puig actively promotes equal treatment and opportunities and has mechanisms in place to avoid situations of discrimination.

In Spain, the Equality Plan of Antonio Puig, S.A. includes measures related to different areas of labor relations such as selection, hiring, promo-

tion, training, occupational health, remuneration, and the work-life balance. In 2022, the measures included in the Equality Plan were implemented. A monitoring committee exists, which meets periodically to ensure compliance and effectiveness of the plan's actions.

We also have an action protocol in place against sexual and/or gender harassment in Spain, which was updated in 2022.

In the rest of the units, Puig has various mechanisms and policies in place to ensure equality and diversity. In addition, Spain, Portugal, the UK, France, the US, Canada, China and Australia have drafted documents that complement the content of the Ethical Code.

Training is also given on diversity, inclusion and non-discrimination, and in 2022 a special program was provided for the Human Resources function, while work was carried out on revising the Puig Ethical Code for all areas of business.

An important principle in the setting of remuneration at Puig is objectivity, which is ensured by incorporating external consultants and working with the Board of Directors Talent Committee.

The salary gap is monitored annually to ensure that the commitment to equal opportunities is met. Moreover, in Spain a salary audit is carried out and remuneration registry is kept in order to guarantee the principle of remuneration transparency, as well as equal remuneration for work of equal value.

Puig workers are able to take legally permitted maternity and paternity leave, without any discrimination, and their return to the company is guaranteed. In 2022, 179 women and 46 men took parental leave.

Puig Ethical Code: "We view diversity as a major corporate asset that fosters innovation and creativity and helps us gain a better understanding of the communities in which we do business.

We therefore do not discriminate on the basis of gender, race, religion, age, marital status, disability, sexual orientation, or nationality, or tolerate any form of harassment, be it of a sexual, physical, psychological, or any other nature."

04. SUSTAINABLE COMMITMENT

Puig is sensitive to the integration of people with special needs. In 2022, the situation was as follows:

- Direct hiring in Puig of 49⁵² people with a recognized disability within the legal parameters of each country.
- Hiring for the workforce in the Alcalá de Henares plant through the Integra Foundation, which works to promote the employment of people at risk of social exclusion and people with disabilities.
- Charlotte Tilbury has a protocol to avoid discrimination against people with disabilities and an internal structure for handling any cases that might arise.

- Promoting the employability of people with disabilities by outsourcing part of the production processes in Spain and France to special employment centers as an alternative measure to the direct hiring of people with disabilities.

Supplier	Location	Turnover (€)	
		2021	2022
FUNDACIÓ PRIVADA DAU	Barcelona	476,957	775,956
FUNDACIÓN ARCO IRIS	Madrid	639,368	827,653
TPC	France	684,138	1,721,680
TREFEMO, S.L.	Madrid	71,051	84,164
Total		1,871,514	3,409,453

ACTIONS TO MAXIMIZE OUR IMPACT

Puig looks to maximize its capacity for social impact, not only in economic contributions but also through the scope of its actions.

In 2022, these actions were structured along different lines:

- Global Invisible Beauty Makers program in most Puig centers.
- Impact on the immediate surroundings.
- Local actions managed by each unit.
- Internal impact actions at Puig with employees.

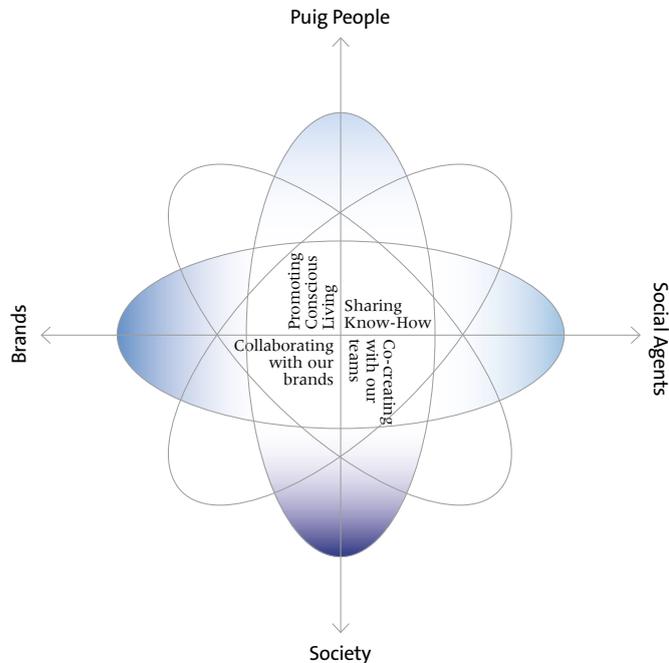
In 2022, the total donations amounted to €1.8 million (-2%)⁵³, of which €516,175 were in kind.

INVISIBLE BEAUTY MAKERS

In 2014, Puig launched the Invisible Beauty Makers program with the aim of turning it into a benchmark in social commitment. Each year the program searches for talented people who are willing and able to take action and transform situations in society that need a solution.

After aligning the program with the Puig corporate purpose and the company's 2030 ESG Agenda, in 2022 a step forward was taken, incorporating co-creation and collaboration with brands as lines of action to generate a greater impact. The objective was to combine talent and teamwork to develop alliances and activate scalable and sustainable solutions over time.

Invisible Beauty Makers generates an experience of great value both for the employees who participate – from those who vote in the selection of initiatives to those who work together as a team on the projects – and for the brands and social organizations that are supported.



52. Breakdown by gender in the annex. 53. Total donations 2021: €1,79 M of which €0,50 M was in kind.

“Based on the actions implemented by the social projects, the entrepreneurial capacity of Puig, creativity, and innovation, the Makers program encourages teamwork to find synergies that combine all these capacities and enable greater social transformation and impact.”

Manuel Puig, Vice Chairman and Chief Sustainability Officer

INVISIBLE BEAUTY

through 51 Makers teams has generated

10,740,524

direct and indirect beneficiaries in Europe,
Latin America, the US, Africa,
the Middle East and Asia*

Thanks to the Makers program, the projects have evolved to achieve more social impact, reflected in the growth in their turnover.

19%

of Invisible Beauty Makers
invoice more than

€500,000

(*) Data provided by the projects according to their scope of action: women at risk of social exclusion, hospitalized patients, students and families, service users (off and online), program participants (off and online), people given training (off and online), committed professionals, company employees and volunteers.

The seventh edition of the Invisible Beauty Makers program selected projects linked to the three priority pillars as defined by the Puig brands which will maximize their contribution to the Sustainable Development Goals (SGDs):

Gender equality	SDG 5
Empowerment of women and girls	SDG 4 – 5
Development of sustainable production and consumption systems	SDG 12

04. SUSTAINABLE COMMITMENT

The six selected projects were:

SELECTED PROJECT	COUNTRY OF ORIGIN	PUIG TEAMS INVOLVED
Fundación Ared	Spain	Human Resources Communications Carolina Herrera Marketing Carolina Herrera
Fundación Quiero Trabajo	Spain	Communications Carolina Herrera Licenses Carolina Herrera
Haut La Consigne	France	Sustainability Purchasing Quality Industrial Packaging Spain Penhaligon's L'Artisan Parfumeur
Arcé – Avenir Femmes	France	Corporate Communications Human Resources France and Benelux
Bellamente	Argentina	Human Resources Argentina Communications Benetton
Unplastify	Argentina	Sustainability Facilities Barcelona and Paris head- quarters Puig in Italy Puig in Argentina

What do people involved in the Invisible Beauty Makers experience say?

“Puig encourages you and trains you to try things. The idea is to never say ‘no’ at the outset and focus on ‘let’s try it’.”

Jordi Esplugas, Secondary Packaging Purchasing Director – Puig team for Haut La Consigne

“I saw the opportunity to increase our commitment as a company and, in a more personal way, to put my skills at the service of this commitment.”

Florent Lamy, Quality Director – Puig team for Haut La Consigne

“Seeing that what you do has a real impact on people’s lives gives me a sense of purpose and working with the impressive women of the Fundación Quiero Trabajo has made me grow.”

Sarai Hernández, Communications Manager Lifestyle Brands – Puig team for the Fundación Quiero Trabajo

“Sustainability is something that we cannot achieve individually, which is why I believe that the Makers program is incredibly important to generate synergies and promote this collaboration.”

Martina Valls, Sustainability Manager – Puig team for Unplastify



Puig employees at the Paris offices in Champs-Élysées.

**IMPACT ON THE IMMEDIATE
SURROUNDINGS**

- Average of 96% of workers in each country hired locally.

- Work with local employment agencies to cover the needs in the production plants.
- High employment rate in Europe and India, due to the location of the production centers.
- Hiring of local suppliers for the production centers.

04. SUSTAINABLE COMMITMENT

LOCAL ACTIONS MANAGED BY PUIG BRANDS AND BUSINESS UNITS

The brands and units of each country have autonomy to implement social commitment actions.

Below are some of the actions that were taken in 2022:

	ACTION	SDGs
Puig in Argentina	Collaboration with: Alegría Intensiva. Hospital clowns at the Garrahan Pediatric Hospital. "Luzca bien, siéntase mejor". Rural School – Río Manso area, Bariloche.	3 3
Puig in Chile	Collaboration on Christmas activities with children and the elderly in the nearby community.	10
Puig in France	Collaboration with "Nos quartiers ont du talent", supporting the employability of young people from disadvantaged neighborhoods.	8 & 10
Puig in UK	External mentoring program for ethnic minority students. One internship student in 2022.	10
Vacarisses plant	Agreement with Manpower and Randstad at the Vacarisses plant to supplement the training of personnel on temporary contracts and promote their future employability.	8
Apivita	Bee Schools: collaborative project with The Bee Camp (member of 1% for the Planet) that seeks to raise awareness about the importance of bees for humankind and nature.	15
	Second year of collaboration with 1% for the Planet through: • Aegean Rebreath Project: participation of 32 Apivita volunteers in actions to clean ports, beaches and uninhabited islands. • Evia Island Beekeeping Regeneration: donation of 2,000 queen bees to rebuild beekeeping ecosystems on the island of Evia, devastated in 2021 by fires.	14 & 15
Carolina Herrera	Commitment to the empowerment of women through initiatives that support creative women: • Kode with Klossy: a project in which Karlie Kloss empowers young women to get involved in science and ensure a freer and more impartial world. • Carolina Herrera FIT Scholarship: Fashion Institute of Technology Social Justice Scholarship. The brand will support a student during their four years of study at FIT with four annual donations starting in 2022. • "Me gustas mucho México": event that included an exhibition to highlight the incredible art and crafts of Mexico.	4 & 5 4 & 5 12
Charlotte Tilbury	To celebrate International Women's Day, Charlotte Tilbury launched a new #PowerToChange campaign to support Women for Women International and inspire women around the world to discover their power within.	5
Jean Paul Gaultier	Historical commitment of the brand with more than €165,000 donated to more than 15 LGBTQI+ associations around the world through its activations during Pride Month in different parts of the world.	5 & 10
Penhaligon's	Collaboration with Macmillan Bake Off – Support for cancer patients.	3
	Partnership with the Retail Trust, a charity that aims to support workers in the retail industry in the UK.	8

INTERNAL IMPACT ACTIONS AT PUIG WITH EMPLOYEES

Some Puig centers continued to carry out the #Be-Campaigns internal initiative, which aims to promote the well-being of Puig teams.

Throughout the year, more than 180 initiatives were carried out around the world, with special emphasis on those that inspire a healthy lifestyle under the #BeHealthy pillar, those that promote responsible attitudes towards the planet through #BeSustainable, and those that encourage greater team spirit (#BeProud).

#BECAMPAIGNS INITIATIVES IN 2022

Over 180 initiatives worldwide

#BeCreative	#BeActive	#BeHealthy	#BeSociallyAware	#BeSustainable	#BeProud
7	11	37	27	27	73

RELATIONSHIP WITH OUR CONSUMERS

The company's ESG commitment is also reflected in the way it treats its consumers. To guarantee the safety of the products, the necessary mechanisms are put in place throughout the entire product development flow: ingredients and packaging, development of new formulas, manufacturing, final product, and labeling.

The entire portfolio of products is subject to several regulations, the most important one being Regulation (EC) No. 1223/2009 of the European Parliament and of the Council, of November 30, 2009, on cosmetic products, which harmonizes the rules in the Community in order to achieve an internal market for cosmetic products while ensuring a high level of protection of human health. Moreover, Puig strictly complies with IFRA⁵⁴ recommendations and national legislation.

The channels for consumers to make claims or queries follow protocols based on European Union regulations.

Characteristics of the service:

- Outsourcing through specialized providers.
- First response within 48 hours.
- Channels: chat, telephone, website, email, and social media.

In 2022, the average first response period for emails in the fragrance unit was 12 hours and 42 minutes⁵⁵ broken down as follows:

- 19% in less than 1 hour.
- 22% between 1 and 8 hours.
- 29% between 8 and 24 hours.
- 30% over 24 hours.

Claims can be very diverse, from very specific minor reactions to the normal use of the cosmetic product (cosmetovigilance alerts) to quality issues or problems with orders from our direct customers. Cosmetovigilance alerts involve the conducting of a consumer survey through an external company to obtain all the information necessary to carry out a thorough investigation through which the alert can be classified as: possible, likely, very likely, questionable, or unlikely. In all cases the results are communicated to the consumer.

	TOTAL	% OVER UNITS SOLD
Number of consumer claims	265,305	0.073%
Number of customer claims	953	0.00026%
Number of internal claims	1,515	0.00042%
Number of cosmetovigilance alerts	383	0.00011%

56

54. International Fragrance Association. 55. Working hours. 56. We do not have 2021 data with the number of claims for comparative purposes. Data for 2022 excluding Byredo, Kama Ayurveda and Loto del Sur.

GOVERNANCE

COMPLIANCE

During 2022, an exhaustive analysis of our Ethical Code was carried out with the aim of aligning its content with the new dimension, mission, values and strategy of Puig, and its commitments were adapted accordingly. This analysis of the Ethical Code entails a redefinition of the existing complaints channel as required by current legislation and with the aim of promoting a culture in the organization in which employees feel able to speak up and raise issues of concern.

In addition, in 2022 a new compliance structure was defined with the aim of embedding a stronger ethical and legal culture within the organization and identifying the most relevant risks that may impact the company's activity. Consequently, the new structure is to be implemented as of January 1, 2023, led by the new Chief Compliance Officer, reporting directly to the Chairman of the Audit Committee.

CRIME PREVENTION

The Compliance Committee, created in 2017, is responsible for implementing the "Crime Prevention Model" and for periodically reporting to the governance structure. It works with a four-step methodology: identification, assessment, mitigation and reporting. It carries out an annual review and broadens the scope of the units assessed.

The main measures for the prevention of corruption, bribery and money laundering emanate from the text of the Ethical Code, which is based on integrity and unconditional respect for current legislation in the environments in which Puig operates. Several of the companies that are currently part of Puig have specific documents that develop the content of the Ethical Code.

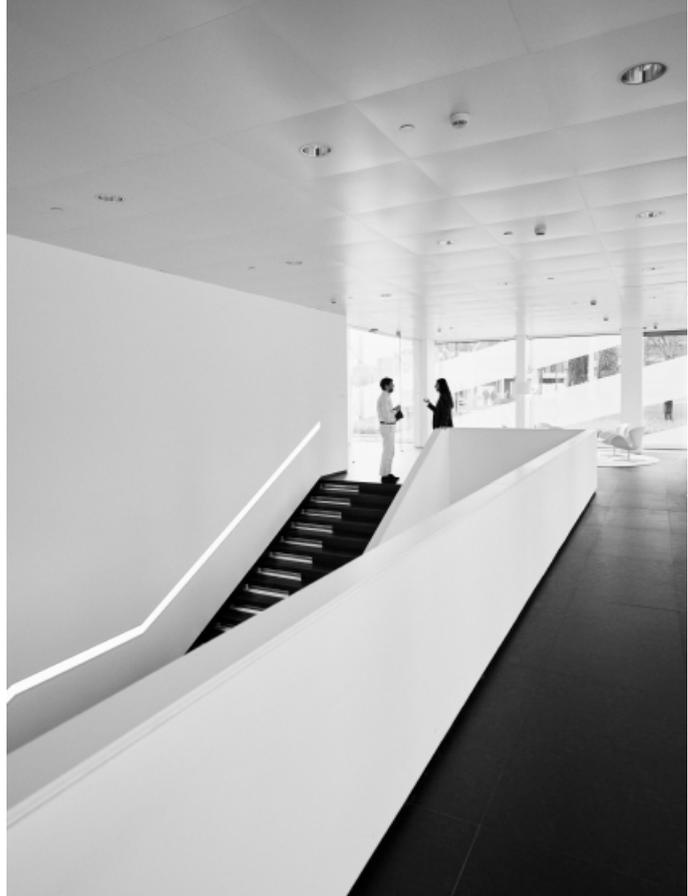
RISK MANAGEMENT MODEL

Risk management is the direct responsibility of the Risk Manager, a figure that reports to the Puig General Auditor.

The Risk Manager is the person responsible for defining the methodology for identifying, assessing and mitigating the strategic risks faced by Puig. In addition, this figure consolidates the company's governance structure and periodically reports to it.

Once the risks have been identified, risk owners are defined within the organization so the risks can be managed and monitored.

Puig has civil liability insurance that includes a specific clause on the environment.



Puig employees at the Barcelona offices, Torre Puig.

MATERIALITY

In the last quarter of 2022, a complete double materiality analysis was carried out with an external consulting firm. Double materiality is the identification of aspects that influence operational and financial performance (outside-in perspective) and aspects related to the effect of the company’s activity on the environment and society (inside-out perspective).

The purpose of this analysis was to identify those ESG aspects that are relevant to the organization and its surroundings and prioritize these according to their potential impact on the company’s ability to create value in the short, medium and long term.

The following methodology was followed:

1. Identification of relevant issues in terms of impact and financial effects. This phase involved a review of internal and external sources, as well as interviews and questionnaires to company employees and other stakeholders. Based on this information, an initial list of possible material issues was

drawn up, taking into consideration impacts, risks, and opportunities to be assessed at a later stage.

2. Assessment of the relevance of each issue, from two perspectives:

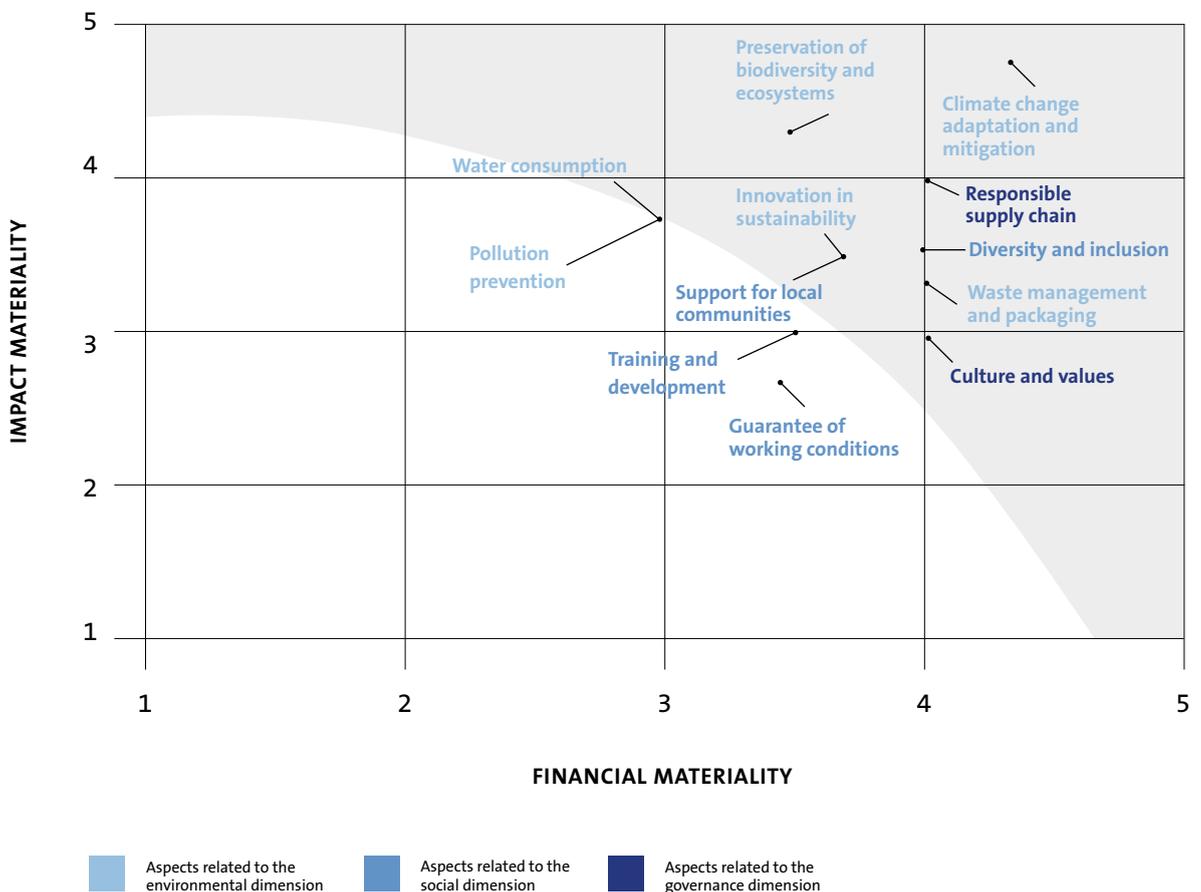
- **Impact:** evaluation of the external relevance of the identified issues in scale, scope, remediability, and probability.

- **Financial:** evaluation of the internal relevance of the identified issues, in reference to the financial impact, probability of risk, and opportunity.

3. Analysis of results and conclusions. The evaluations obtained from the material issues were weighted, prioritized and integrated into a matrix. Subsequently, a group meeting was organized to validate the results under the supervision of the Chief Sustainability Officer, Manuel Puig.

4. Approval by the governing bodies: pending at the end of 2022. Held in February 2023.

The issues identified are aligned with the objectives of the Puig 2030 ESG Agenda. These are as follows:



HUMAN RIGHTS MANAGEMENT

Puig maintains a firm position in the defense of human rights. In 2021, it joined the United Nations Global Compact, an initiative that aims to connect the private sector with human rights. For the admission process, the company must present its actions and strategies related to the ten principles of the Global Compact. Failure to comply with any of the principles implies non-admission.

The first of the principles of the Global Compact specifies that “Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.”

Being part of the Global Compact and issuing annual reports for the organization’s approval offer the greatest proof of the company’s commitment to compliance with human rights.

Puig works permanently to detect possible deficiencies in the management of risks associated with human rights in relation to its activity: risks in connection with employees, customers, consumers, suppliers, local communities, and other potentially affected parties.

Moreover, in 2007, the Ethical Code made this commitment explicit in the “Puig and People” section, expressly stating that: “We respect and defend universal human rights and personal privacy.”

Since all of the company’s policies and procedures derive from its Ethical Code, they implement this commitment in day-to-day aspects to ensure that compliance with these rights is fully integrated into all internal functions and processes, thus avoiding any inconsistent or contradictory actions.

In 2022, Puig worked on updating its Ethical Code, to align it with the organizational structure and with changes to the company’s environment and the legislative framework.

To date, the company is not aware of any human rights violations.

A complaints channel for reporting infringements on human rights, and in general on any aspect of the Ethical Code and other derived internal regulations, is available to workers and third parties. This channel applies to the fragrance and fashion units and to Uriage and Apivita. Notifications are received by the Chairman of the Audit Committee, an external and independent professional, at the email address ethics@puig.com. The Chairman of the Audit Committee is responsible for coordinating the process and providing a response. An internal procedure has been defined for handling any query or complaint.

Management of infringements reported via the complaints channel

ISSUES	2021			2022		
	RECEIVED	RESOLVED	PENDING at 31/12/21	RECEIVED	RESOLVED	PENDING at 31/12/22
Human rights	0	0	0	1	1	0
Bribery and corruption	0	0	0	0	0	0
Money laundering	0	0	0	0	0	0
Other ⁵⁷	7	7	0	8	6	2

57. Includes issues related mainly to people management, such as favoritism, dismissals, and inappropriate vocabulary or treatment.

COMMITMENT TO PAYING TAXES

The commitment of Puig to society involves rigorously complying with its tax obligations in the countries in which it operates. The Corporate Fiscal Policy establishes the governance framework,

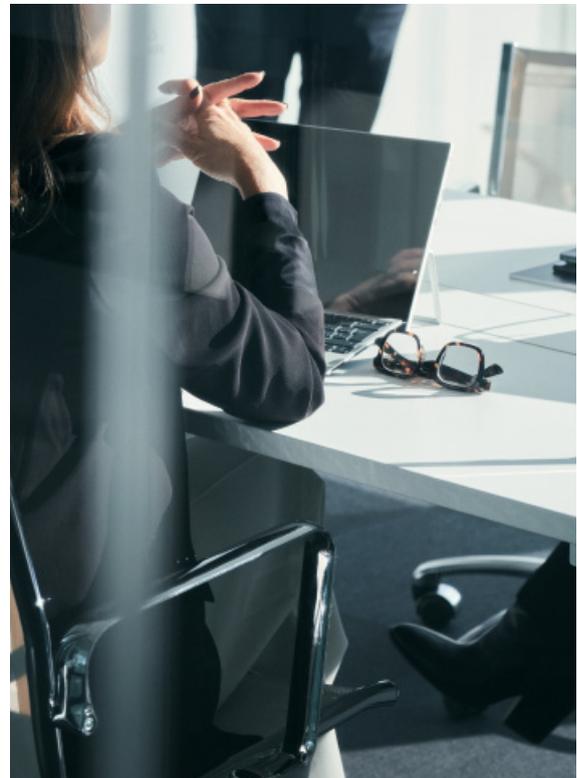
principles, values, guidelines, and standards that guide the company's behavior in terms of paying taxes, as well as in decision-making regarding fiscal matters.⁵⁸

in €M	2021		2022	
	Profit before tax	Corporate tax paid	Profit before tax	Corporate tax paid
USA	43,846.1	10,919.1	74,109.4	13,372.8
United Kingdom	61,370.6	10,996.4	119,495.8	19,313.4
Spain	118,313.4	24,256.8	141,429.1	40,497.0
France	33,178.1	6,630.0	59,210.4	16,990.8
Brazil	9,224.4	0	21,200.3	13,998.9
China	-2,535.7	0	-39,222.1	-30.7
Germany	1,109.6	-359.6	3,764.0	4,098.4
Mexico	9,441.0	1,166.8	20,440.0	7,541.8
Italy	336.9	0	-717.9	273.6
Chile	8,220.9	0	13,891.0	4,277.9
Rest of world	82,491.3	15,808.0	135,232.7	16,487.3

Top 10 countries based on net revenue for Puig. They represent 62% of the total.

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In 2022 Puig received a total of €383,907⁶⁰ in public subsidies and invested €321,609 in sponsorship actions.⁶¹



58. The Corporate Fiscal Policy is available on the Puig: www.puig.com/webroot/downloads/about_us/corporate_fiscal_policy_.pdf 59. Profit before tax without taking into account the consolidation notes. 60. No public subsidies were received in 2021. 61. No data available for 2021.



05.

ANNEXES

ANNEX 1: PROFESSIONAL EXPERIENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS

MARC PUIG

Board member since 1999.

ACADEMIC BACKGROUND:

Degree in Industrial Engineering (UPC) and MBA (Harvard University).

PROFESSIONAL EXPERIENCE:

Antonio Puig S.A., Puig USA Inc., Carolina Herrera, Ltd., Puig.

CURRENT POSITION:

CEO of Puig since 2004,
Chairman and CEO of Puig since 2007.

OTHERS:

Member of the Board of Directors of Exea Empresarial, former President of the IEF (Family Business Institute), member of the Board of the Círculo de Economía (Barcelona), member of the Harvard Business School European Advisory Board and of the IESE International Advisory Board. Winner in 2015 of the Kellogg Family Business Leadership Award. Inducted into the Hall of Fame of The Fragrance Foundation of America in 2017.

MANUEL PUIG

Board member since 1999. Currently representing LYSKAMM 1861, S.L.

ACADEMIC BACKGROUND:

Degree in Industrial Engineering (UPC).

PROFESSIONAL EXPERIENCE:

Over 35 years at Puig in product development and different positions in marketing, responsible for the creation of several international subsidiaries, management of several fashion brands, the creation of what is now the Derma division, and over the last ten years participation in crucial acquisitions for Puig. After signing the joint-venture with Prada to develop fragrances, he was a member of that company's board from 2002 to 2006.

CURRENT POSITION:

Vice Chairman of Puig since 2007, Chief Sustainability Officer of Puig and Chairman of the Puig Board ESG Committee since July 2021.

OTHER:

Member of the boards of directors of Exea Empresarial, Isdin, Flamagas and RACC (2016) and member of the Advisory Board of GBI⁶² (Georgetown University) (2016). Member of the Supervisory Board of Iris Ventures (VC). Active participation in different organizations in the ESG field: member of the Board of Trustees of Fundación Empresa y Clima, and participation in several internationally recognized task forces on climate.

62. Global Business Initiative.

RAFAEL CEREZO

Board member since 2007.

ACADEMIC BACKGROUND:

Degree in Economics (London School of Economics) and MBA (Columbia University).

PROFESSIONAL EXPERIENCE:

The Boston Consulting Group.

OTHER:

Member of the Board of Directors of ISDIN, of the Advisory Board of Exea Empresarial and of the Board of Trustees of the Anti-Drug Foundation.

PATRICK RAJI CHALHOUB

Board member since 2020.

ACADEMIC BACKGROUND:

Degree in Economics and Finance (École supérieure de commerce, Paris) and degree in Political Science (Paris Institute of Political Studies).

PROFESSIONAL EXPERIENCE:

Chalhoub Group.

OTHER:

Member of the Council of the United Nations Global Compact and of the local Endeavour⁶³ delegation in the UAE.

Awarded the Knight's Medal of the National Order of Merit by the French Government and a member of the National Order of the Legion of Honor (France).

JORDI CONSTANS

Board member since 2013.

ACADEMIC BACKGROUND:

Degree in Economics (University of Barcelona), PDG general management program (IESE) and ADE Business Administration program (ESADE).

PROFESSIONAL EXPERIENCE:

Danone, Louis Vuitton.

OTHER:

Member of the boards of directors of Royal Van Lent, Fluidra and GB Foods.

DANIEL LALONDE

Board member since 2019.

ACADEMIC BACKGROUND:

Honors degree in Mathematics (University of Waterloo, Canada) and MBA (INSEAD).

PROFESSIONAL EXPERIENCE:

Nespresso, Moët & Chandon Dom Perignon, and SMCP. Since October 2021, CEO and Director at Design Holding.

OTHER:

Member of the Board of Directors of INSEA and Altagamma.

63. Endeavour is the world's leading community for supporting high-impact entrepreneurs.

**GIOVANNA KAMPOURI
MONNAS**

**Board member since 2006.
Currently representing Exea Ventures S.L.U.**

ACADEMIC BACKGROUND:

BSc Economic and Social Administration (London School of Economics) and MSc Economic Policy and Administration (London School of Economics).

PROFESSIONAL EXPERIENCE:

Procter & Gamble, Joh. Benckiser GmbH, and President of Benckiser International.

OTHER:

Member of the Board of Directors and Chair of the Governance Committee of the Hellenic Corporation of Assets and Participations (Greece, since 2021), member of the Board of Directors of Aptar Group (USA, since 2010) and Chair of its Management Development and Compensation Committee. Member of the Supervisory Board and Chair of the Remuneration and Nomination Committee of Randstad Holding (2006-2018). Member of the Board of Directors and of the Strategic Committee of Imerys, SA (France) (2015-2018). Member of the Supervisory Board, the Appointments and Compensation Committee, and the Public Affairs Committee of TNT (Netherlands, 2004-2009). Member of the Estia Agios Nikolaos Foundation (Germany and Greece, since 2011) and of the Air France Foundation (France, 2013-2018).

JOSEP OLIU

**Board member since 2011,
representing Exea Empresarial, S.L.**

ACADEMIC BACKGROUND:

Degree in Economics (University of Barcelona) and PhD in Economics (University of Minnesota).

PROFESSIONAL EXPERIENCE:

Banco Sabadell.

OTHER:

Chair of the Board of Directors of Banco de Sabadell, and member of the Board of Trustees of the Princess of Asturias Foundation and of the Board of Trustees of the Princess of Girona Foundation.

YIANNIS PETRIDES

Board member since 2011.

ACADEMIC BACKGROUND:

Degree in Economics and Politics (University of Cambridge) and MBA (Harvard Business School).

PROFESSIONAL EXPERIENCE:

Procter & Gamble, PepsiCo.

OTHER:

Senior Industry Advisor of Triton Partners Private Equity, Lead Independent Director and President of the Remuneration and Compensation Committee of Mytilineos S.A. Member of the Board of Directors of CYPET. Former Chair of Refresco BV and Wind Hellas, Vice Chair of Campofrío Food Group and Chair of its Strategic and Audit Committee.

XAVIER PUIG

Board member since 2020.

ACADEMIC BACKGROUND:

Degree in Economics and MBA (ESADE, Barcelona).

PROFESSIONAL EXPERIENCE:

Sheaffer Eaton Pittsfield, Polyflame France, Casio, Flamasats.

OTHER:

Member of the Board of Directors of Exea Em-presarial, Chairman of the Puig Family Board and the Puig Foundation, and member of the Advisory Board of Banco de Santander in Catalonia.

JORDI PUIG

Board member since 2020.

ACADEMIC BACKGROUND:

Degree in Economics (University of Barcelona).

PROFESSIONAL EXPERIENCE:

PepsiCo, In-Store Media Group, Puig, Muji, Lupp Solutions.

OTHER:

Member of the Board of Directors of Exea Em-presarial and of the Board of Management of Flamasats. Member of the Board of Trustees of the Puig Foundation and of the Betània Patmos school. Chair of the Real Club Náutico Barcelona.

MARIAN PUIG

Board member since 2020.

ACADEMIC BACKGROUND:

Marian Puig holds an MSc in Chemical Engineering by the Chemical Institute of Sarria (IQS). He completed an MBA at IMD Business School in Lausanne, and worked in Marketing and Sales at Puig in London, New York and Paris.

PROFESSIONAL EXPERIENCE:

In 1991 he was appointed President and CEO of Paco Rabanne in Paris and five years later held the position of Co-CEO of Puig and the Presidency of Nina Ricci until 2002, also from Paris. In that year, he returned to Barcelona as CEO of Isdin, and was appointed Chairman of the Board in 2016.

OTHER:

Since 2001, he is member of the Board of Bank Degroof Petercam Spain, becoming Vice President in 2010, and President of Wealthprivat Management Bank, member of a the Board of Andbank Spain. Vice President of the Trustee Board at the Chemical Institute of Sarria (IQS) in Barcelona, former member of the board of the TNC (National Theater of Catalonia). Member of the Board of Trustees of FPdGi (Princess of Girona Foundation) since 2010. Member of the International Advisory Council of Brookings Institution (Washington) since 2013 and member of Barcelona Global since 2012, becoming President in 2014, and Honorary President since 2016. Member of the Board of Trustees of ESADE since 2021.

ANNEX 2: ENVIRONMENTAL INDICATORS

CRITERIA FOR CALCULATING THE CARBON FOOTPRINT

Puig calculates its Carbon Footprint (scopes 1, 2 and 3) in accordance with the following standards: Accounting and Reporting Standard, GHG Protocol and the UNE-EN-ISO14064 Standard.

The calculation of the carbon footprint covers the entire Puig business. When primary data is not

available, an estimate is made based on predefined internal indicators for each category in accordance with historical data, our experience in the activity and other economic indicators of the business.

All emission factors used to calculate emissions are based on leading standards (DEFRA Guidelines 2022, EPA 2022, SIMAPRO Equivalent 3, CEDA. V6, etc.)

CARBON FOOTPRINT - BREAKDOWN BY SCOPE AND CATEGORY

SCOPES	CATEGORIES	2021		2022		VARIATION 22 vs 21
		GHG EMISSIONS [t CO ₂ e]	% TOTAL [%]	GHG EMISSIONS [t CO ₂ e]	% TOTAL [%]	
SCOPE 1	Stationary combustion	2,671		2,708		
	Mobile combustion	3,325		3,796		
	Refrigerants	778		113		
	Total scope 1	6,774	1.4%	6,617	1.0%	-2%
SCOPE 2	Electricity*	1,151		1,365		
	Steam and heating	10		11		
	Total scope 2	1,161	0.2%	1,376	0.2%	19%
SCOPE 3	Cat 1 – Purchased goods and services	327,818		472,537		
	Cat 2 – Capital goods	38,344		19,866		
	Cat 3 – Fuel-and-energy-related activities	2,759		3,950		
	Cat 4 – Upstream transportation and distribution	49,915		68,502		
	Cat 5 – Waste generated in operations	1,542		2,086		
	Cat 6 – Business travel	2,310		6,881		
	Cat 7 – Employee commuting	4,860		251		
	Cat 8 – Upstream leased assets	4,221		3,358		
	Cat 9 – Downstream transportation and distribution	10,532		5,264		
	Cat 10 – Processing of sold products	0		0		
	Cat 11 – Use of sold products	0		Not relevant		
	Cat 12 – End-of-life treatment of sold products	3,693		5,316		
	Cat 13 – Downstream leased assets	172		53		
	Cat 14 – Franchises	1,544		212		
	Cat 15 – Investments	34,164		49,004		
Total scope 3	481,874	98.4%	637,280	98.8%	32%	
TOTAL Puig	489,809		645,273		32%	

(*) Scope 2 - Electricity: data reported according to the market-based method.

Byredo, Kama Ayurveda and Loto del Sur reported with estimated data in 2022.

CONSUMPTION TABLE

SCOPES	CONSUMPTION**	UNIT	2021	2022	% VARIATION 22-21
SCOPE 1	Natural gas	kWh	7,554,789.1	8,086,101.9	7%
	Propane	kWh	3,716,097.0	1,798,656.5	-52%
	Fuel oil	kWh	5,603.0	0.0	-100%
	Diesel	kWh	1,113,559.7	1,134,312.5	2%
	Biomass*	kWh	1,760,180.0	1,021,401.0	-42% (1)
	Total primary energy consumption	kWh	14,150,228.8	12,119,826.8	-14%
SCOPE 2	Electricity	kWh	25,053,102.6	23,088,153.1	-8%
	Renewable electricity*	kWh	16,132,574.2	16,472,914.4	2%
	Steam and heating	kWh	54,116.2	64,752.0	20% (2)
SCOPE 3 Category 1	Water	m3	218,913.9	258,559.0	18% (3)
	Paper	kg	n/d	309,869.1	
	Renewable energy (S1+S2): electricity + biomass	%	46%	50%	9%

Excludes: Byredo, Kama Ayurveda, and Loto del Sur.

* Renewable energy calculated on primary data. It has been estimated that there is no renewable energy consumption apart from that calculated with the primary data.

** Consumption 2022 calculated based on 62% of primary data.

Comments:

1. Decrease in biomass consumption for heating and cooling at the Vacarisses and Chartres plants due to a warmer winter in 2022 compared to 2021. At the Vacarisses plant, the decrease was also due to incidents that forced the shutdown of the biomass facility and activation of propane consumption for heating and cooling.

2. Improvement in the methods used to estimate consumption in 2022.

3. Increase in water consumption due to:

- Resumption of activity in 2022.
- Increase in the number of employees, mainly at the Paris headquarters.
- Increase in the number of employees also at the Barcelona headquarters.
- Leaks at the Chartres plant.

WASTE GENERATION*

	Kg	%
Waste (calculated with primary data)	3,653,887.8	84%
Waste (estimated data)	701,342.1	16%
TOTAL	4,355,229.9	
Hazardous waste	568,413.4	13%
Non-hazardous waste	3,786,816.5	87%
Paper and cardboard	1,427,320.3	33%
Plastic trays	595,371.3	14%
General waste	588,912.2	14%
Sewage sludge	283,134.4	7%
Glass	273,994.3	6%
Plastic	165,231.1	4%
Other	452,853.1	10%

*Excludes: Byredo, Kama Ayurveda, and Loto del Sur.

Estimated data from Uriage, the five fashion brands, Apivita, UK and Italy.

The item "other" includes, for example, metallic, organic, biodegradable waste, etc.

RAW MATERIAL CONSUMPTION*

	Unit	Consumption
Glass	Kg	17,542,391
Paper	Kg	8,762,439
Alcohol	Liters	7,017,401
Plastic	Kg	5,514,007
Aluminum	Kg	88,701
Other**	Kg	4,779,669

*We consider raw material: natural or artificial substance that is industrially transformed to create a product.

** Only includes the fragrance and fashion activity.

ANNEX 3: PEOPLE MANAGEMENT INDICATORS

PUIG EMPLOYEE INDICATORS

WORKFORCE BY PROFESSIONAL CATEGORY AND GENDER AT THE END OF THE YEAR

	Women		Men		Undeclared/Non-Binary		TOTAL	
	2021	2022	2021	2022	2021	2022	2021	2022
Top Executives	87	81	96	107	0	1	183	189
Marketing and sales	1,760	1,981	478	539	2	16	2,240	2,536
Brand Ambassadors	2,086	3,092	237	647	7	33	2,330	3,772
Technical Employees	1,032	1,406	584	744	4	12	1,620	2,162
Administrative personnel	106	103	13	7	0	0	119	110
Production	417	429	295	340	0	0	712	769
	5,488	7,092	1,703	2,384	13	62	7,204	9,538

WORKFORCE BY TYPE OF CONTRACT AND PROFESSIONAL CATEGORY AT THE END OF THE YEAR

	Part time						
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	
Permanent contract	0	36	777	57	5	76	951
Temporary contract	0	6	426	6	0	8	446
	0	42	1,203	63	5	84	1,397

	Full time						
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	
Permanent contract	189	2,316	2,462	1,983	101	675	7,726
Temporary contract	0	178	107	116	4	10	415
	189	2,494	2,569	2,099	105	685	8,141

Part-time: any employee who does not work effectively 100% of the day.

64

64. This breakdown is not available for 2021.

05. ANNEXES

WORKFORCE AT YEAR END

	2021	2022		2021	2022
Argentina	159	163	Macao	8	11
Australia	16	112	Mexico	260	285
Austria	5	6	Netherlands	75	98
Belgium	156	160	Panama	35	29
Brazil	288	305	Peru	125	115
Canada	11	14	Portugal	67	65
Chile	230	236	Russian Federation	72	72
China	120	402	Saudi Arabia	94	123
Colombia	4	172	Singapore	0	56
France	1,155	1,387	South Korea	0	2
Germany	157	183	Spain	1,703	1,821
Greece	290	294	Sweden	0	80
Hong Kong	100	144	Switzerland	76	89
India	0	447	Taiwan	29	33
Ireland	124	202	UAE	26	98
Italy	110	144	UK	1,355	1,696
Japan	0	25	United States	298	468
Kuwait	0	1	Total	7,204	9,538

Criterion: reporting on workers according to the country in which the work is carried out.

NUMBER OF DISMISSALS FOR THE YEAR

By gender

	Women	Men	Undeclared/ Non-Binary	Total
2021	365	89	0	454
2022	274	88	0	362
	-25%	-1%		-20%

By age range

	< 30 years of age	30 - 50 years of age	> 50 years of age	Total
2021	87	260	107	454
2022	75	224	63	362
	-14%	-14%	-41%	-20%

By professional category

	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	Total
2021	n/d	n/d	n/d	n/d	n/d	n/d	454
2022	2	98	176	59	2	25	362

The breakdown by professional category is not available for 2021.

AVERAGE EMPLOYEE BREAKDOWN IN 2022

By professional category

Top Executives	191
Marketing and sales	2,474
Brand Ambassadors	3,360
Technical personnel	1,969
Administrative personnel	105
Production	745
	8,844

By age range

< 30 years of age	2,612
30 - 50 years of age	5,052
> 50 years of age	1,180
	8,844

By gender and type of contract

	Permanent contract	Temporary contract	Total
Women	5,877	665	6,542
Men	2,172	93	2,265
Undeclared/Non-Binary	32	5	37
	8,081	763	8,844

Since homogeneous data for all the units is not available, the averages have been calculated according to the following criteria:⁶⁵

- Byredo, Kama Ayurveda and Loto del Sur: the 2022 year-end data has been taken into account for the average.
- Apivita, Charlotte Tilbury and Uriage: the average between the end of 2021 and the end of 2022 has been calculated.
- For the rest, the average has been calculated considering the actual time worked during the year (FTE).

AVERAGE REMUNERATION (€)

	2021	2022
Overall	49,266	49,392

By gender

	Women	Men	Undeclared/Non-Binary
2021	n/a	n/a	n/a
2022	45,118	61,231	68,811

By age range

	< 30 years of age	30 - 50 years of age	> 50 years of age
2021	n/a	n/a	n/a
2022	30,222	54,772	68,121

By professional category

	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production
2021	292,028	60,755	19,474	56,336	48,002	31,578
2022	324,425	67,059	20,570	58,946	50,692	32,793

A breakdown of average remuneration by gender and by age bracket for 2021 is not available. Calculated considering only the base salary, bonuses and allowances, and only for permanent employees as of December 31.

65. Average data for 2021 is not available.

05. ANNEXES

AVERAGE REMUNERATION OF THE BOARD OF DIRECTORS AND TOP EXECUTIVES

	2021	2022
	€375,639	€528,856

Base salary plus bonus programs

SALARY GAP

	2021	2022
Global	0.8%	3.4%
Top Executives	3.44%	-1.9%
Others	0.74%	3.5%

To ensure comparability, the salary gap has been calculated taking into account only the base salary of permanent employees with a Hay level.⁶⁶ Salary gap calculated using the average salary by gender of each Hay level of the organization, applying the formula $1 - (\text{women's salary} / \text{men's salary})$ and subsequently weighting it by the weight of each level.

MATERNITY AND PATERNITY LEAVE

	Maternity	Paternity
2021	257	49
2022	179	46

NUMBER OF DISABLED PEOPLE AT THE END OF THE YEAR⁶⁷

Women	39
Men	10
Undeclared/Non-Binary	0

NUMBER OF HOURS OF ABSENTEEISM⁶⁸ (IN THOSE CENTERS WITH ATTENDANCE CONTROL)⁶⁹

	Total contracted hours	Total hours lost	%
2021 ⁷⁰	n/d	n/d	
2022	3,201,324	61,142	1.9

66. The Hay system is one of the most used job evaluation methods. 67. 60 people in 2021, but data broken down by gender is not available.

68. Included under this item: accidents at work, occupational disease, sick leave, medical visits, maternity and paternity leave, other leave (including union hours).

69. Includes: Uriage, Apivita, production plants of Besós, Vacarisses, Alcalá de Henares and Chartres, and Kama Ayurveda.

The rest of the centers do not have attendance control, so absenteeism data cannot be reported. 70. The data for 2021 is not available.

HEALTH AND SAFETY INDICATORS⁷¹**NUMBER OF ACCIDENTS**

	Resulting in leave	Not resulting in leave
2021	60	n/a ⁷²
2022	55	120
22/21	-8%	

WORK ACCIDENT FREQUENCY RATE (FR)

N.º of work accidents resulting in medical leave * 1,000,000/ Total n.º of hours worked

	Women	Men	Total
2021	3.99	8.20	5.01
2022	4.28	3.24	4.02
22/21	7%	-60%	-20%

SEVERITY INDEX (SI)

N.º of days lost due to work accidents * 1,000/Total n.º of hours worked

	Women	Men	Total
2021	0.17	0.46	0.24
2022	0.08	0.26	0.13
22/21	-52%	-44%	-45%

OCCUPATIONAL ILLNESSES

	Women	Men	Total
2021	5	2	7
2022	1	1	2
22/21	-80%	-50%	-71%

71. Excludes Byredo, Kama Ayurveda, and Loto del Sur. 72. The data for 2021 is not available.



06.

TABLE OF CONTENTS REQUIRED BY LAW 11/2018

GENERAL ISSUES

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Brief description of the group's business model (business environment)	GRI 2-1 Organizational details GRI 2-6 Activities, value chain and other business relationships	11-17 20	
Organization and structure	GRI 2-2 Entities included in the organization's sustainability reporting GRI 2-6 Activities, value chain and other business relationships GRI 2-9 Governance structure and composition	12 18 19 87-90 111	
Markets in which it operates	GRI 2-1 Organizational details GRI 2-6 Activities, value chain and other business relationships	21 27-42	
Objectives and strategies	GRI 2-23 Policy commitments	23 49-53	
Main factors and trends that could affect the company's future progress	GRI 3-3 Management of material topics	22-23	
Reporting framework used	Selected GRI Standards GRI 2-3 Reporting period, frequency and contact point GRI 2-5 External assurance	111 113-115	
Materiality analysis	GRI 3-1 Process to determine material topics GRI 3-2 List of material topics	83	

06. TABLE OF CONTENTS REQUIRED BY LAW 11/2018

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Management approach			
Policies and their results	GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments	43-49 83 65-66 69 70 82-84	
Risks and their management	GRI 3-3 Management of material topics	83	

ENVIRONMENTAL ISSUES

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Current and foreseeable effects of the company's activities on the environment and, where appropriate, on health and safety	GRI 3-3 Management of material topics	49-50 52-55	
Environmental assessment or certification procedures	GRI 3-3 Management of material topics	49 67 73 91	
Resources dedicated to the prevention of environmental risks	GRI 3-3 Management of material topics	51-53 83	
Application of the precautionary principle	GRI 2-23 Policy commitments	51-56	
Provisions and insurance for environmental risks	GRI 3-3 Management of material topics	82	

Pollution

Measures to prevent, reduce or repair carbon emissions (taking into account any form of air pollution specific to an activity, including noise and light pollution)	GRI 3-3 Management of material topics	49-53 55-56 61-67	
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Circular economy and waste prevention and management

Measures to prevent, recycle and reuse waste, and other methods for waste recovery or disposal	GRI 3-3 Management of material topics GRI 306-3 (2020) Waste generated	57-59 61 92	
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06. TABLE OF CONTENTS REQUIRED BY LAW 11/2018

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Actions to combat food waste	GRI 3-3 Management of material topics		Not material due to the type of activity carried out by Puig
Sustainable use of resources			
Water consumption and water supply according to local constraints	GRI 3-3 Management of material topics GRI 303-3 Water withdrawal	64 92	
Consumption of raw materials, and measures adopted for a more efficient use of them	GRI 3-3 Management of material topics GRI 301-1 Materials used by weight or volume	57-59 92	
Direct and indirect consumption of energy	GRI 302-1 Energy consumption within the organization	63-64 92	
Measures taken to improve energy efficiency	GRI 3-3 Management of material topics	52-53 63-64	
Use of renewable energy	GRI 302-1 Energy consumption within the organization	52-53 63-64 92	
Climate change			
Important elements of the greenhouse gas emissions generated by the company's activities, including the use of the goods and services it produces	GRI 305-1 Direct (Scope 1) GHG emissions GRI 305-2 Energy indirect (Scope 2) GHG emissions. GRI 305-3 Other indirect GHG emissions (scope 3)	55-56 91	
Measures taken to adapt to the consequences of climate change	GRI 3-3 Management of material topics	52-53 83	
Voluntary medium-and-long-term reduction targets to reduce GHG emissions, and the means put in place to that end	GRI 3-3 Management of material topics	49-56 52-53 61-67	
Protection of biodiversity			
Measures taken to preserve or restore biodiversity	GRI 3-3 Management of material topics	51-53 67	
Impact caused by the company's activities or operations in protected areas	.		Not material due to the location of the Puig centers

SOCIAL AND PERSONNEL ISSUES

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Employment			
Total number and breakdown of employees by gender, age, country and professional category	GRI 2-7 Employees GRI 405-1 Diversity of governance bodies and employees	69-70 93-95	
Total number and breakdown of the different types of employment contract	GRI 2-7 Employees	69 93	
Annual average of permanent, temporary and part-time contracts by gender, age, and professional category	GRI 2-7 Employees Internal criteria	93	
Number of dismissals by gender, age, and job category	GRI 401-1 New employee hires and employee turnover	94	
Average remuneration by gender, age and professional category or equivalent value	Internal criteria	95	
Salary gap	Internal criteria	96	
Average remuneration of directors and top executives by gender (including variable remuneration, allowances, compensation, payments to long-term savings schemes, and any other forms of remuneration)	Internal criteria	96	Gender breakdown not reported
Implementation of disconnection-from-work policies	GRI 3-3 Management of material topics	70	
Employees with disabilities	GRI 405-1 Diversity of governance bodies and employees	96	
Organization of work			
Organization of working hours	GRI 3-3 Management of material topics	70	
Number of hours of absence	Internal criteria	96	
Measures designed to facilitate work-life balance and encourage joint responsibility by both parents	GRI 3-3 Management of material topics	70	

06. TABLE OF CONTENTS REQUIRED BY LAW 11/2018

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Health and safety			
Health and safety conditions at the workplace	GRI 403-1 Occupational health and safety management system	73	
Workplace accidents, particularly in terms of frequency and severity, as well as occupational illnesses; broken down by gender.	GRI 403-9 Work-related injuries FR = No. of work accidents resulting in medical leave * 1,000,000/ Total no. of hours worked SI = No. of days lost due to work accidents * 1,000/Total no. of hours worked	97	
Social relations and dialogue			
Organization of social dialogue (including procedures to inform and consult the staff and bargain with them)	GRI 3-3 Management of material topics	75	
Percentage of employees covered by a collective bargaining agreement, by country	GRI 2-30 Collective bargaining agreements	75	
Result of collective bargaining agreements, especially in health and safety at the workplace	GRI 3-3 Management of material topics	73-75	
Mechanisms and procedures that the company has in place to promote the involvement of workers in the management of the company in terms of information, consultation and participation.	GRI 2-29 Approach to stakeholder engagement	73-75	
Training			
Training policies implemented	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	70-73	
Total number of hours of training by job category	Internal criteria	73	
Universal accessibility for people with disabilities	GRI 3-3 Management of material topics	75-76	

06. TABLE OF CONTENTS REQUIRED BY LAW 11/2018

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Equality			
Measures taken to promote equal opportunities and treatment between men and women	GRI 3-3 Management of material topics	75-76	
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	70 75-76	
Integration and universal accessibility of people with disabilities	GRI 3-3 Management of material topics	76	
Policy against all types of discrimination and, where applicable, on diversity management	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	75	

INFORMATION ON RESPECT FOR HUMAN RIGHTS

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Implementation of due diligence procedures for human rights	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics	84	
Prevention of human right violations and, if applicable, measures to mitigate, manage and remedy such violations	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	84	
Reports of human rights violations	Internal criteria	84	
Promotion of and compliance with the International Labor Organization's standards on the respect of freedom of association and the right to collective bargaining	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	84	
Elimination of discrimination in respect of employment and occupation	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	75 84	
Elimination of forced or compulsory labor	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	84	
Effective abolition of child labor	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	69 84	

INFORMATION ON THE FIGHT AGAINST CORRUPTION AND BRIBERY

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Measures taken to prevent corruption and bribery	GRI 2-25 Processes to remediate negative impacts GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns	82	
Anti-money laundering measures	GRI 2-25 Processes to remediate negative impacts GRI 2-23 Policy commitments	82	
Contributions to foundations and non-profit organizations	GRI 201-1 Direct economic value generated and distributed	76-78	

INFORMATION ABOUT THE COMPANY

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Company's commitment to sustainable development			
Impact of the company's activities on local development and employment	GRI 3-3 Management of material topics	79	
Impact of the company's activities on local communities and the surroundings	GRI 3-3 Management of material topics	79-80	
Relationships with local community players and types of dialogue with them	GRI 3-3 Management of material topics	80	
Partnership or sponsorship actions	GRI 3-3 Management of material topics Internal criteria	85	

06. TABLE OF CONTENTS REQUIRED BY LAW 11/2018

AREAS	REPORTING FRAMEWORK	PAGE IN THE REPORT	COMMENTS/ REASON FOR OMISSION
Subcontracting and suppliers			
Inclusion of social, gender equality and environmental aspects in the purchasing policy	GRI 2-6 Activities, value chain and other business relationships GRI 2-24 Embedding policy commitments	51-52 60-61	
Consideration of suppliers' and subcontractors' social and environmental responsibility in relationships with them	GRI 2-6 Activities, value chain and other business relationships GRI 2-24 Embedding policy commitments	51-52 60-61	
Supervision systems and audits and their outcomes	GRI 3-3 Management of material topics Internal criteria	60-61	
Consumers			
Consumer health and safety measures	GRI 3-3 Management of material topics	81	
Claims systems, complaints received and their resolution	GRI 2-16 Communication of critical concerns GRI 2-25 Processes to remediate negative impacts Internal criteria	81	
Tax information			
Profit by country	GRI 207-4 Country-by-country reporting	85	
Corporate tax paid	GRI 207-4 Country-by-country reporting	85	
Public subsidies received	GRI 201-4 Financial assistance received from the government	85	



07.

LIST OF CONTENT OF THE GLOBAL COMPACT

	PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT	CHAPTER IN THIS REPORT
01	Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.	Sustainable commitment • Governance • Human rights management
02	Businesses must make sure they are not complicit in human rights abuses.	Sustainable commitment • Governance • Human rights management
03	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Sustainable commitment • Social • People at Puig
04	Businesses should uphold the elimination of all forms of forced and compulsory labor.	Sustainable commitment • Social • People at Puig
05	Businesses should uphold the effective abolition of child labor.	Sustainable commitment • Governance • Human rights management
06	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Sustainable commitment • Social • People at Puig
07	Business should support a precautionary approach to environmental challenges.	Sustainable commitment • Environmental
08	Businesses should undertake initiatives to promote greater environmental responsibility.	Sustainable commitment • Environmental Sustainable commitment • Social • Actions to maximize our impact
09	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Sustainable commitment • Environmental
10	Business should work against corruption in all its forms, including extortion and bribery.	Sustainable commitment • Governance • Compliance



08.

REPORTING FRAMEWORK

This Report corresponds to the requirements of Law 11/2018 of December 28, which modifies the Commercial Code, the consolidated text of the Law on Capital Companies approved by Royal Legislative Decree 1/ 2010, of July 2, and Law 22/2015, of July 20, on Account Auditing, in matters of non-financial information and diversity. Its preparation has taken into account the guidelines on non-financial reporting of the European Commission (2017/C 215/01) derived from Directive 2014/95/EU and what is established by the Global Reporting Initiative (GRI) standards (option: selected GRIs).

The data contained in this Report corresponds to Puig, S.L. and its subsidiary companies (hereinafter Puig). Those cases for which the information is outside of this scope are duly specified.

As required by Law 11/2018, this Report for the financial year 2022, from January 1 to December 31, provides information on issues related to human rights and the fight against corruption and bribery, environmental and social issues, and issues related to personnel that are relevant for Puig in the execution of its activities and in those locations in which it operates, following the criteria of materiality, relevance, comparability and reliability. This is presented as an annex to the consolidated

management report that is presented with the company's consolidated annual accounts. This Report is publicly available and can be consulted on the corporate website www.puig.com.

For the preparation of this Report, Puig carried out a double materiality analysis, in keeping with the requirements of Law 11/2018, taking into account both the perspective of impact according to the external opinion of the main stakeholders and the internal opinion of Puig, as well as the financial perspective of the impacts directly caused by the Group. As shown in section 4, the preparation process followed the Global Reporting Initiative (GRI), EFRAG⁷³ and SASB⁷⁴ international standards as a reference.

The data required by the aforementioned Law 11/2018 contained in this Report has been duly verified by an external body. In addition, this document includes data that Puig presents voluntarily to add more context and additional information to the content, and which does not require verification.

For general queries about this document, our different stakeholders may contact the Global Corporate Communications department at Plaza Europa, 46-48. 08902, L'Hospitalet de Llobregat, Barcelona, or send an email to press@puig.com.

73. European Financial Reporting Advisory Group. 74. Sustainability Accounting Standards Board.

09.

VERIFICATION
REPORT





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Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL INFORMATION

To the Shareholders of PUIG, S.L.:

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Statement (hereinafter NFS) for the year ended December 31, 2022, of Puig, S.L. and Subsidiaries (hereinafter, the Group), which is part of the Management Report of the Group.

The content of the NFS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in section 6. "Table of contents required by the Law 11/2018", included in the accompanying NFS.

Director's Responsibility

The Board of Directors of the Group is responsible for the approval and content of the NFS included in the Management Report of the Group. The NFS has been prepared in accordance with the content established in prevailing mercantile regulations and following the criteria of the selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI standards), as well as other criteria described in accordance with that indicated for each subject in section 6. "Table of contents required by the Law 11/2018", included in the accompanying NFS.

This responsibility also includes the design, implementation, and maintenance of such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

The Board of Directors of the Group is further responsible for defining, implementing, adapting, and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international standards on independence) issued by the International Ethics Standards Board for Accountants (IESBA), which are based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Our Firm applies current international quality standards and, consequently maintains a quality system that includes policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social, and environmental performance.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, B.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. Madrid 9 de marzo de 1989.

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Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our work has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Guidelines on assurance engagements on the Non-Financial Statement issued by the Spanish Institute of Chartered Accountants.

The procedures carried out in a limited assurance engagement vary in nature and timing and are less extent in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to gain understanding of the business model, policies and management approaches applied, and of the main risks related to these matters, and obtaining the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the 2022 NFS based on the materiality analysis made by the Group and described in section 4. "Sustainable Commitment" of the NFS, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the 2022 NFS.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the 2022 NFS.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the 2022 NFS and its correct compilation from the data sources.
- ▶ Obtaining a representation letter from the Directors and Management.

Basis for qualified opinion

The attached Non-Financial Statement does not include, as indicated in section 6. "Table of contents required by the Law 11/2018" included therein, the average remuneration of senior executives and the members of the Board, including variable remuneration, allowances, compensation, payment to long-term saving pension systems and any other perception disaggregated per gender, information required by the commercial regulations in force regarding non-financial information.



Qualified opinion

Based on the procedures performed in our verification and the evidence obtained, except for the effects of the matter described in the “Basis for qualified opinion” section of the report, no additional matter has come to our attention that would lead us to believe that the 2022 NFS of the Group for the year ended December 31, 2022 has not been prepared, in all material respects, in accordance with the content established in prevailing mercantile regulations and following the criteria of the selected GRI standards, as well as other criteria described in accordance with that indicated for each subject in section 6. “Table of contents required by the Law 11/2018”, included in the NFS.

Use and distribution

This report has been prepared to comply with prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Antonio Capella Elizalde

March 15, 2023

Mr. Marc Puig
Chairman

LYSKAMM 1861 S.L.
represented by
Mr. Manuel Puig Rocha
Vice Chairman

Mr. Patrick Raji Chalhoub
Board member

Mr. Rafael Cerezo Laporta
Coordinating Director

Mr. Jordi Constans Fernández
(identified in his passport as
Jorge Valentín Constans Fernández)
Board member

EXEA EMPRESARIAL, S.L.
represented by
Mr. Josep Oliu
Board member

Ms. Christine Ann Mei
Board member

Mr. Daniel Lalonde
Board member

Mr. Yiannis Petrides
(identified in his passport as
Ioannis Petrides)
Board member

Mr. Xavier Puig Alsina
Board member

Mr. Jordi Puig Alsina
Board member

Mr. Marian Puig Guasch
Board member

ELEMENTAL
CHLORINE
FREE
GUARANTEED





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