

Puig Nature Transition Plan





Context.....	3
Purpose	3
Scope	4
Governance.....	4
Nature Assessment.....	5
Dependencies and Impacts.....	5
Risks and Opportunities	6
Targets	7
Action Framework	7
Avoid.....	8
Reduce.....	8
Restore & Regenerate	9
Financial planning.....	10
Approval and publication	11



Context

Over the past few centuries, the world has experienced profound changes and remarkable advances. Progress has transformed society in positive ways but has also resulted in environmental consequences. Global heat records continue to be broken; extreme weather events are becoming more frequent and severe; natural resources are being reduced, and ecosystems are collapsing.

Nature is inextricably linked to **Puig**¹ and its Love Brands since their origin as it provides essential ingredients and materials used in the brands' iconic formulas and packaging. Nature and biodiversity ensure the quality of air, water and soil, regulating ecosystem services and safeguarding the availability of **Puig's** natural materials which are at the heart of the business.

As outlined in the **Puig** Ethical Code and the **Puig** 2032 Sustainability Strategy, and aligned with the UN Sustainable Development Goals, **Puig's** ambition is to protect nature for future generations.

As a commitment to this ambition, **Puig** has defined a Nature Transition Plan, which is embedded across all the different activities, businesses and areas of the group.

Purpose

The **Puig** Nature Transition Plan aims to define the action plan to ensure **Puig** achieves its nature targets of the **Puig** 2032 Sustainability Strategy as well as aligning with the goals and targets of the Kunming-Montreal Global Biodiversity Framework. The Nature Transition Plan outlines how **Puig** will pivot its existing assets, operations, and entire business model aligned with its commitments, such as working to ensure no deforestation and no conversion of natural ecosystems for commodities at risk of deforestation or conversion.

¹ "Puig" refers to Puig Brands, S.A. and its subsidiaries and other entities that may be incorporated in the future in which Puig Brands, S.A. holds or may hold direct or indirect control, according to article 42 of the Spanish Commercial Code.



Puig monitors progress through assessments on internal sustainability indicators, third-party verifications and internal governance mechanisms, including Board and senior management-level oversight.

Scope

The **Puig** Nature Transition Plan applies across **Puig**'s global value chain, including own operations, with its production plants, offices and stores, as well as its upstream activities.

The Nature Transition Plan is subject to revision to ensure that the highest and most up-to-date best practices are met, reflecting changes to legislation, technological advances, regulatory change, and organizational change.

Governance

Sustainability is fully integrated into **Puig**'s corporate strategy and governance, with oversight at the highest levels of the organization. The Board of Directors defines **Puig**'s strategic direction, which includes nature and broader sustainability topics, in alignment with the company's mandate – to be at the forefront of the beauty industry in terms of environmental, social, and governance performance. The Board receives regular updates and insights on sustainability and nature-related risks.

The Chief Sustainability Officer (CSO) plays a central role in coordinating **Puig**'s sustainability strategy across the organization. Reporting directly to the CEO, the CSO presents a quarterly update to the Sustainability and Social Responsibility Committee and leads the ESG Team, composed of senior managers from key business functions.

The CSO oversees the implementation of the company's sustainability roadmap. This includes managing climate and nature-related risks, which are integrated into **Puig**'s corporate risk map and monitored by the Audit and Compliance Committee.

Beyond the above-mentioned governance bodies, sustainability is a shared responsibility across all levels of the organization. It is embedded in **Puig**'s incentive structure. Sustainability-related objectives are included in both short- and long-term variable remuneration schemes for senior



management. These are detailed in the Annual Directors' Remuneration Report² and reflect **Puig's** commitment to aligning financial incentives with its sustainability goals.

Nature Assessment

To achieve a positive impact on nature, it is necessary to first understand how nature and businesses interact with each other as well as how businesses drive changes in nature. To do so, **Puig** annually assesses its Dependencies, Impacts, Risks and Opportunities (DIROs) related to nature following the TNFD³ guidance.

Mapping supply chains and understanding raw material complexities are essential steps in the TNFD assessment. Because each value chain is unique, **Puig** works with suppliers to ensure responsible sourcing and traceability. Gaining visibility on raw material origins helps build resilient, responsible supply chains and supports positive upstream impacts.

Puig has also developed an internal dashboard to monitor commodity data and prioritize supplier actions which helps track high-impact commodities as well as others that are material in terms of nature dependencies.

Dependencies and Impacts

Nature-related dependencies and impacts, the ultimate sources of risks and opportunities, are geographically specific. Consequently, **Puig** identifies its priority locations and engages with suppliers to obtain traceability of its upstream commodities, including High Impact Commodities (HIC)⁴ and other relevant ingredients and materials.

To identify the priority locations under the TNFD framework, **Puig** takes into consideration its factories and main offices around the world. These facilities are classified as priority due to the type of activity occurring, the state of nature they are located in, and their proximity to biodiversity sensitive

² Published annually in **Puig** Annual Directors' Remuneration Report.

³ TNFD: Taskforce for Nature-related Financial Disclosures

⁴ High-impact commodities: Commodities identified by SBTN to be major drivers of biodiversity loss.



locations. Once identified, **Puig** works to protect and restore nature around the sites of the priority locations.

Puig's most significant nature-related dependencies and impacts lie in its upstream activities, particularly in the cultivation and extraction of agricultural raw materials. These depend on ecosystem services including freshwater supply, biomass provisioning, pollination, and climate regulation.

Equally important are **Puig's** potential impacts on nature which include air, soil and water pollution; land use change; and water stress. Impacts on nature are geographically specific and therefore must be addressed through increased supply chain traceability as well as supplier engagement.

Moreover, to evaluate nature-related impacts associated with water use across all operations and the value chain, **Puig** estimated its water footprint following the international standard ISO 14046, applying a life-cycle-based approach. This will allow **Puig** to measure indicators such as water scarcity (m3), eutrophication (kg P), acidification (kg H+) and toxicity (CTu).

Risks and Opportunities

To assess **Puig's** potential nature-related risks and opportunities the company combines the TNFD assessment with the CSRD Double Materiality Analysis, generating an integrated analysis. Furthermore, in this analysis, commodity-specific physical and transition risks are integrated into the broader assessment of own operations and upstream supply chains.

Physical nature-related risks are especially relevant for **Puig**. Extreme weather events such as storms and floods pose a risk to the company as they can cause damage to infrastructure and disrupt supply chains. **Puig** can also be affected by reduced freshwater availability due to increasing water stress and drought conditions. The company examines its resilience to these risks, identifies vulnerabilities, and establishes measures to mitigate them or adapt to emerging challenges.

Accordingly, opportunities also arise from identified risks; for instance, **Puig** is working on water-efficient and circular manufacturing to mitigate the freshwater availability risk. **Puig** also acknowledges the power in strengthening supplier partnerships and traceability to enhance compliance, supply chain resilience, sustainability performance and product differentiation.



Direct restoration, landscape conservation and regenerative agricultural practices are also crucial actions to reduce upstream risk by maintaining stable yields and consistent product quality.

Targets

Nature is one of the key pillars of **Puig's** 2032 Sustainability Strategy. The company strives to protect nature for future generations through three main targets:

- Aim for 100% of palm and kernel oil⁵ RSPO certified, increasing the % of segregated palm oil over time⁶
- Reduce by 40% water withdrawals in own factories vs 2022⁷
- Establish SBTN-validated targets on land/freshwater, prioritizing **Puig's** highest impact areas in line with TNFD assessment

Puig is also committed to working to ensure no deforestation and no conversion of natural ecosystems for commodities at risk of deforestation or conversion.

Action Framework

Puig's ambition to protect nature for future generations is integrated in every decision throughout its value chain, from supplier engagement to product design, facility management, and external collaborations.

In line with the targets set in the 2032 Sustainability Strategy, **Puig's** Action Framework is structured in the following steps:

- Avoid negative impacts on nature
- Reduce negative impacts on nature
- Restore & Regenerate biodiversity and ecosystems

⁵ Including derivatives of palm and kernel oil or palm and kernel oil included in pre-processed goods purchased.

⁶ while also pursuing complementary measures to ensure no deforestation and no conversion in the supply chain.

⁷ Industrial processes water (i.e., excluding water included in products) i.e., Dry Factories.



Avoid

Puig's first step to avoid negative impacts on nature is setting out policies and guidelines to ensure all business decisions take nature into account.

Puig's Eco-design Guidelines direct the company to select ingredients with lower environmental impact and prioritize renewable materials in packaging and formulas.

The company is committed to ensuring that all animal and plant-based materials used by **Puig** comply with CITES, IUCN and other relevant regulations such as EUDR.

A crucial step in avoiding potential negative impacts on nature occurs at the design stage, where the most critical decisions about materials, formulations, and formats are made. By integrating nature-related considerations from the outset, **Puig** is able to prevent negative impacts on nature.

From the early design stages, **Puig** considers 16 environmental impact categories using the Product Environmental Footprint (PEF) of the SPICE Tool. The Eco-design & Packaging teams estimate potential impacts of packaging materials and select the most suitable options. PEF indicators include resource use, land use, ecotoxicity, eutrophication and freshwater impacts.

Puig supports biodiversity and ecosystems by aligning with green chemistry principles and developing more sustainable products. It prioritizes bio-based and naturally derived ingredients, replacing parabens, sulfates, and phthalates with safer alternatives, ensuring all products meet the highest consumer safety standards.

Reduce

Own operations

Puig strives to nurture a positive impact on nature on every level of its value chain.

In line with the 40% water withdrawal reduction target in own factories, **Puig** launched The Dry Factory project in the Vacarisses production plant in 2024. This project became fully operational in early 2025, aiming to cut water withdrawal by 40% as well as reducing industrial water discharges. It is **Puig's** flagship water management project, designed to achieve 100% industrial



wastewater reuse in a closed-loop system. Wastewater is regenerated into reverse osmosis water, which is used for maintenance, cleaning, and general services, ensuring water quality.

Upstream

Puig acknowledges its most material impacts on nature occur in its upstream activities and works to ensure no deforestation and no conversion of natural ecosystems for commodities at risk of deforestation or conversion.

Through various initiatives and certifications, **Puig** deepens supply-chain visibility to manage and reduce its negative impacts on nature. The company prioritizes FSC-certified paper and cardboard, which helps ensure ecosystem services are maintained, restored, and protected while avoiding or mitigating environmental harm.

Aligned with its goal of sourcing 100% RSPO-certified palm and kernel oil, **Puig** has strengthened this ambition by becoming an official RSPO⁸ member. Collaborating with this global initiative, which is developing and implementing global standards for producing and sourcing certified sustainable palm oil is a crucial step to reduce the risk of deforestation in **Puig's** value chain.

Moreover, **Puig** has launched a partnership with one of its third-party manufacturers, and an NGO specialized in developing inclusive and sustainable value chains, to ensure the sustainable sourcing of palm oil in soap production. The project aims to ensure zero deforestation in the palm oil supply chain through building traceability and providing training to palm oil farmers, as well as positively contributing to the prosperity of their communities.

Restore & Regenerate

Puig strives to restore and regenerate biodiversity and ecosystems through nature-based solutions in its own operations and through collaborations with suppliers to restore nature in its sourcing locations.

⁸ RSPO: Roundtable on Sustainable Palm Oil



The company is currently working on projects focused on conserving and restoring nature in ecosystems located near its priority locations identified through the TNFD assessment.

Apivita, one of **Puig**'s Love Brands, redesigned its Botanical Garden in its facilities located in Markopoulo to create a stronger pollinator-friendly ecosystem, adding about 200 native plant species and features like an insect hotel made from natural and recycled materials. The site was later expanded into the Apivita Bee Botanical Garden with habitat paths, an organic vineyard, and seasonal vegetable plots to highlight the vital role of bees in food production and nutrition. The project also enhances visitor education and supports ongoing accreditation within the Botanical Garden Conservation International network.

Puig believes in purpose-driven partnerships. By working closely with suppliers, NGOs, and global coalitions, **Puig** actively contributes to building more responsible and resilient value chains. The company supports agroecology initiatives among its alcohol suppliers, including projects that help the sugar beet industry transition to regenerative farming through crop rotation, cover crops, and reduced water and nitrogen use.

Furthermore, Apivita and Uriage, collaborate with 1% for the Planet, a global network of businesses and environmental organizations working together to support people and the planet. Apivita's "Billion Bees Program" focuses on restoring honeybee populations and raising awareness of their essential role in biodiversity and life in 13 countries. Preserving the Alpine water cycle is central to Uriage's environmental strategy. Uriage works with associations certified by 1% for the Planet to protect key stages of this vital water cycle in the Alps.

Financial Planning

Puig's approach to nature is fully integrated into the business strategy. The company is committed to allocating the necessary financial resources to support its transition plan. These investments are not expected to follow a linear path, as large-scale projects often require multi-year planning and depend on the maturity of available technologies, local regulatory frameworks, and economic conditions.

To manage the financial exposure of its decarbonization roadmap, **Puig** integrates nature-related investments and associated costs into its financial planning, involving each business function. Detailed information is published



in the company's Annual Report, in accordance with the reporting obligations set out by the Corporate Sustainability Reporting Directive (CSRD).

Approval and Publication

The Nature Transition Plan has been proposed by the Chief Sustainability Officer, reviewed by the Sustainability and Social Responsibility Committee, and approved on the 22nd of July 2026, by the Chief Executive Officer.

Puig's Nature Transition Plan is publicly available through its website and annual reports.