



Puig Tax Transparency Report 2024



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¹GRI Tax 207: reporting standard on tax that enables organizations to better understand and communicate information about their tax practices publicly. It is part of the GRI (Global Reporting Initiative) Standards – the most widely adopted standards for sustainability reporting.





Message from the CFO

At **Puig**² one of our core values is “fairness and respect”. We are wholly committed to paying all taxes due in countries where value is created for our business. In addition, we adhere to the highest standards of transparency and compliance in our interaction with tax authorities globally.

Taxation is always a consequence of business; Our approach to tax strategy and compliance is based on our strategy and business needs, and paying taxes according to existing local legislation in our operating countries.

Taxes are one of many factors that we need to take into consideration and our business approach is not driven by tax considerations but supported by the **Puig** Tax Team through the pursuit of predictability and certainty of our tax impacts.

The purpose of the present report is to complement the information disclosed in the “**Puig** Annual Report 2024”, providing clarity and transparency to our stakeholders with regard to our approach to taxation and tax contribution, disclosing **Puig**’s tax principles, strategy and governance in this area, including our risk management and control system.

Transparency means being open and transparent with the Tax Authorities about the Group’s performance by promptly answering all requests they may have, but also with our stakeholders, employees, clients, and providers.

Taxes play an important role in our ESG commitments, and we believe they are key to creating a better world for future generations.

The Tax landscape is constantly evolving for multinational companies which need to rapidly adapt to new regulations and requirements, such as “Public Country by Country Reporting” and “Pillar2 OECD initiative”, which sets a minimum level of tax on the income arising in each jurisdiction where they operate.

At **Puig**, we closely monitor all relevant developments to adhere to the upcoming changes in the tax reporting area. To do so, we work in partnership with our tax advisors, statutory auditors, and Tax Authorities to ensure that the right amount of tax is being paid in the right place at the right time.

Our business makes a significant contribution to society, not only through direct taxes applied to our activities, but also through the collection of taxes on behalf of third parties to which we are economically related. Our total tax contribution in 2024 was of 795 M€ (390 M€ in taxes borne and 405 M€ in taxes collected).

We are committed to improving all processes and systems related to tax and risk management, following best practices to ensure the maximum level of tax compliance and certainty are achieved.

Joan Albiol - Chief Finance Officer

²“Puig” refers to the Puig Brands, S.A. company and its subsidiaries and other entities in which Puig Brands, S.A. holds direct or indirect control, according to article 42 of the Spanish Commercial Code.



Who we are³

Our purpose

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

Our values

Restless Curiosity

Restlessly looking for opportunities and ideas that shape tomorrow, balancing boldness and wisdom to deliver excellence.

Entrepreneurial Audacity

A house of founders, promoting entrepreneurship from every chair to disrupt and innovate, in a way which is agile, action-oriented and resilient.

Contagious Enthusiasm

Endless energy, creativity and a can-do attitude that make us feel empowered to achieve more and express our authentic selves.

Fairness and Respect

Always treating each other with fairness, with integrity, transparency and genuine respect for our commitments guiding all our interactions.

Shaping tomorrow

Committed to long-term value creation and acting as a force for sustainable change for both people and planet, building a company that is fit for years to come and leaves a lasting legacy.

³For further information on **Puig's** company profile we refer you to the Consolidated Non-Financial Information Statement and Sustainability Information included in the **Puig** Annual Report 2024 (Page 172)



Puig in 2024:

€4.790 M	Net Revenues
€551 M	Adjusted Net Profit
32	Offices worldwide
7	Production plants
12.116	Collaborative professionals
€795 M	Taxes administered



Our approach to taxation⁴

Tax behaviour and ESG commitments⁵

The **Puig** Ethical Code brings together our shareholder values and puts forward a range of company commitments, including respect for the places we operate in and communities we engage with.

We have adopted the values from our Ethical Code as a frame of reference to promote the implementation of responsible tax behaviour and good tax practices by all **Puig** entities. This takes into consideration the interests and sustainable economic development of the communities we engage with, which is a significant part of our ESG commitments.

We understand that taxes fund the public sectors of each jurisdiction where we are present, and are therefore, one of **Puig**'s contributions to society. For this reason, transactions are always carried out in accordance with applicable regulations in the various territories where our products are sold.

Equally, **Puig** behaves transparently in tax matters, and cooperates with the various administrative bodies as required.

Tax Strategy and Governance framework

Tax strategy and Policy overview

The **Puig** tax strategy is established in the Corporate Tax Policy (or "Tax Policy"), and it has been designed to ensure compliance with tax regulations, prevent tax risk, and establish guidelines and principles of action that must be followed by all **Puig** personnel.

The Tax Policy is applicable to all members of the Board of Directors, as well as to **Puig** executives and managers, employees, and professionals whose actions or decisions may have an impact on the tax area. It is also applicable to all **Puig** entities and business divisions, in relation to all their activities, and in accordance with the provisions of each legal system in which they operate, being considered as a mandatory regulatory framework.

Governance and structure

The Board of Directors of **Puig** Brands, S.A. is the highest representative body of **Puig**, and Spanish law provides it with the non-delegable authority to determine the tax strategy as part of its responsibility for the definition of the general strategy.

⁴ Find details of **Puig**'s approach to tax treatment and payment in the following sections of this report.

⁵ For further information on **Puig**'s ESG commitments we refer you to the Consolidated Non-Financial Information Statement and Sustainability Information.



Both the Board of Directors of **Puig** Brands, S.A. through its Chairman and Chief Executive Officer and senior management, promote the monitoring of the principles and good tax practice established in the Tax Policy, and of those activities that may have a significant tax impact.

The Company's Tax Department is responsible for coordinating the good tax practices described below by establishing the control mechanisms and the appropriate internal guidelines to ensure compliance with current regulations. The implementation of these practices may be carried out by the various departments and business units that, directly or indirectly, perform tax-related functions.

This task involves all the countries and territories in which **Puig** is present and includes all **Puig** activities to promote the coherent and homogenous management of tax risk.

Under the supervision of the Audit and Compliance Committee, **Puig** also adopts the necessary mechanisms to monitor all **Puig** entities' compliance with tax regulations and the principles described in the Tax Policy, in order to identify risk and define and develop prevention and correction measures, as well as internal control procedures.

Finally, all individuals or legal entities, as well as all other **Puig** departments, coordinate with the Company's Tax Department to inform and consult about those actions or operations which have particular tax significance.

Tax Principles

Puig has adopted the values contained in its Ethical Code as a frame of reference to guide the behaviour of all **Puig** entities in tax matters within the specific context of each territory.

The Tax Policy requires that the following basic principles be followed:

- Ensure compliance with applicable tax regulations in all countries in which **Puig** operates in line with the activity pursued and promote responsible tax practice.
- Establish relations with authorities, regulatory bodies and Public Administrations following the principles of cooperation and transparency.
- Manage the appropriate coordination of **Puig** entities' tax policies, following the approval of this Policy and in accordance with the procedures established by local legal systems, through the definition and establishment of review and control frameworks for the tax function.



- Promote tax behaviour which takes into consideration the interests and sustainable economic development of the environments and territories in which we operate, given that the taxes paid are the principal contribution to the maintenance of their public sectors, and therefore, one of **Puig's** contributions to society.
- Fight fraud and support the prevention of fraud.
- Inform the Board of Directors or corresponding governing body in each territory of the principal tax implications of transactions or issues submitted for their approval, where they may represent a significant issue or risk.

Good tax practice

In order to promote responsible tax behaviour, **Puig** evaluates exposure to both long-term and short-term tax risk in terms of potential economic and reputational impact, taking into consideration shareholders, customers, employees and other areas of the organization.

When fulfilling its tax obligations, **Puig** aims to maintain cooperative and satisfactory relationships with the Tax Administrations in the countries and territories in which it operates.

To promote the fulfilment of the commitments that comprise the Principles of Action, the provisions of the Tax Policy are developed through various internal standards and/or procedures, of mandatory compliance, which constitute **Puig's** tax risk management and control system:

Main Tax procedures

- **Tax Function general framework:** sets the framework for the management of tax-related matters at **Puig**. More specifically, it focuses on detailing and describing the structure, organization, roles, and responsibilities of tax nature assigned to the Tax Function at **Puig**, including the Corporate Tax department, the Operational Tax structure (composed of various Operational Tax departments plus some positions in Finance), and any other department that carries-out tax-related tasks.
- **Tax Risk management:** identification, assessment, review, approvals, and report of the potential tax risks arising from transactions carried out or planned by **Puig**, paying special attention to those transactions characterized by their special tax significance.



- **Tax Reporting:** defining the main objectives to be met by any tax report at **Puig** as well as describing the guidelines that must be followed during the process of gathering the relevant information, its processing, analysis, and final communication.
- **Tax Audits & litigations management:** defining and describing those responsibilities, behaviors and conducts to be followed by the members of **Puig** in order to manage with due diligence and in due time the obligations related to the different tax procedures that **Puig** may face.

Compliance and reporting of breaches

Any breach of the Tax Policy should be immediately reported to allow **Puig** to take appropriate action. These concerns can be reported through [Puig Reporting Channel](#) which is located at **Puig** corporate website. This Reporting Channel is embedded in the company's speak up culture and ensures confidentiality and allows anonymity of the reporter.

There is not any retaliation against those who report actual or suspected breaches in good faith.

Puig investigates any reported breach and, in case of non-compliance with the Tax Policy and or the **Puig** Ethical Code, takes legal measures (including of a disciplinary nature) or contractual measures, according to the nature of the non-compliance.

Presence in non-cooperative jurisdictions

Puig has always prioritised business reasons when setting a new subsidiary or entering a partnership or joint agreement.

As a consequence, we don't use artificial structures, unrelated to the activities of **Puig** entities, for the sole purpose of reducing tax burden, avoiding and evading taxes, or hindering the work of the Tax Administrations or Tax Authorities of each territory.



Puig Tax Contribution 2024 (highlights)

Total Tax Contribution 2024⁶

In the countries where our entities operate, **Puig** is both a taxpayer and a tax collector.

For the purpose of informing of the Puig`s overall contribution in taxes, all taxes paid by **Puig** to governments (either borne or collected) have been classified according to the following criteria:

- **Taxes borne:** taxes paid by **Puig** that are a cost of business and affect the financial results of the company.
- **Taxes collected:** taxes collected from others and paid by **Puig** (to governments) on their behalf. These taxes are not a direct cost of business, but involve costs of compliance for **Puig**.

All taxes paid by **Puig** (either borne or collected) to governments have been classified (in accordance with the 5P's OECD criterion) in the following categories:

- **People Taxes:** Taxes on employment, both borne and collected from employees including personal income tax and social security contributions.
- **Profit Taxes:** Corporate income taxes paid in all countries where **Puig** operations generate business profits.
- **Product Taxes:** Indirect taxes on the production, consumption and sale of goods including VAT, sales tax, customs duties, etc....
- **Planet Taxes:** Environmental & production taxes, mainly related to materials used.
- **Property Taxes:** Taxes on the ownership, sale, transfer or occupation of property.

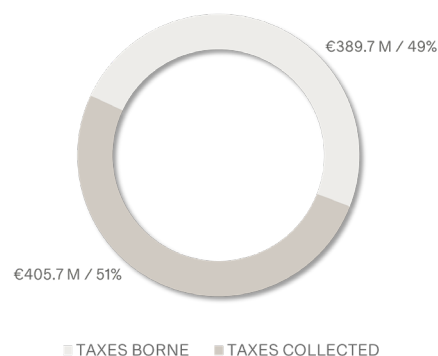
⁶Find additional information on the scope of the **Puig** Total Tax Contribution 2024 in section "Basis for calculating the **Puig** Total Tax Contribution 2024" of this report.



In 2024, Puig administered taxes of €795 M, broken down as follows:

- Taxes borne = €390 M
- Taxes collected = €405 M

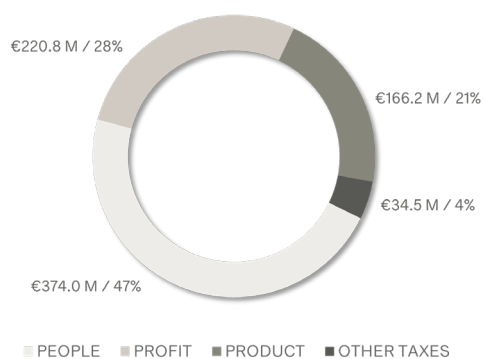
Puig Total Tax Contribution 2024 (€795,4 M)
(Taxes borne vs Taxes collected)



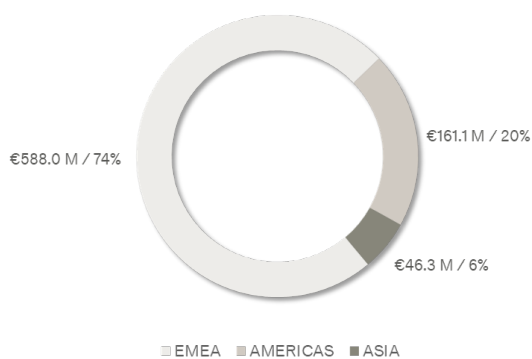
Details of Total Tax Contribution 2024 by tax category and geography

For the sake of simplification, taxes corresponding to categories with a lower relevance for **Puig** have been grouped in the graphs below in a category of “Other Taxes”:

Puig Total Tax Contribution 2024 (€795,4 M)
(by tax category)

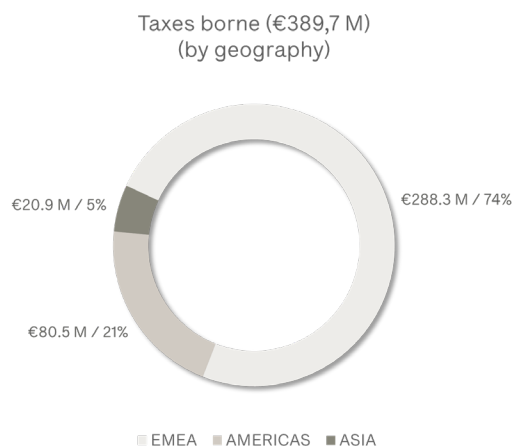
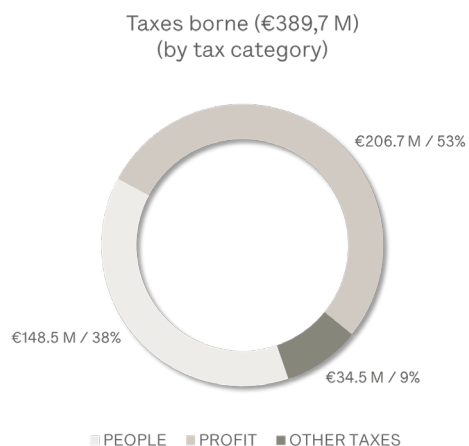


Puig Total Tax Contribution 2024 (€795,4 M)
(by geography)

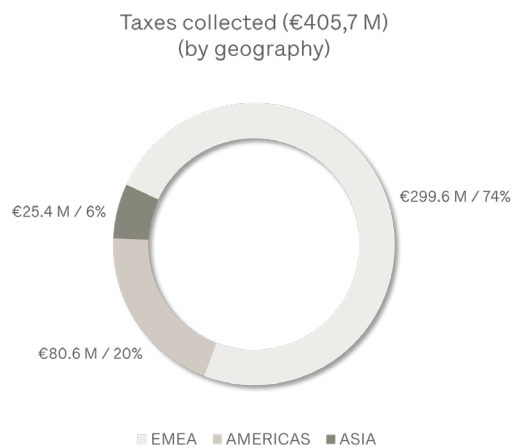
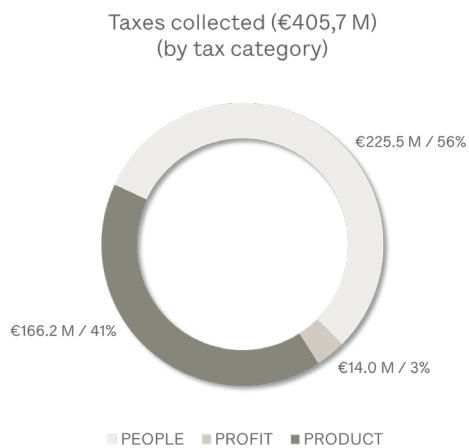




Taxes Borne 2024



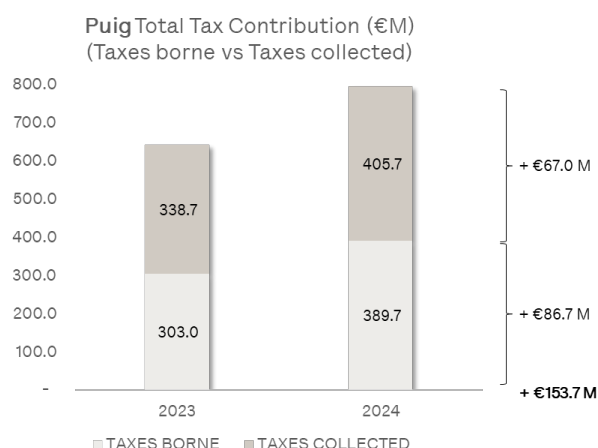
Taxes Collected 2024





TTC evolution (2023 – 2024)

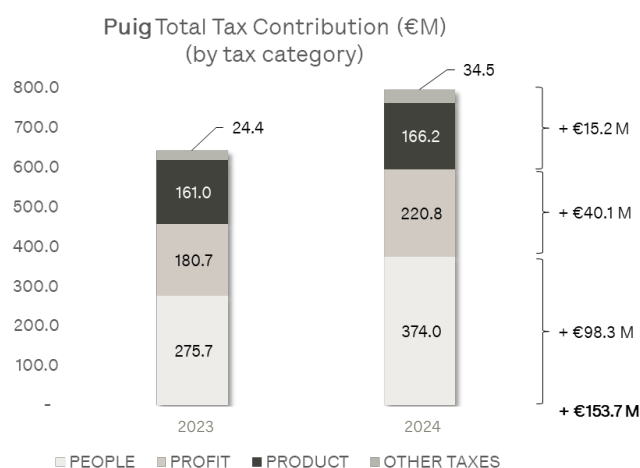
Relevant increase in **Puig** Total Tax contribution 2024 (+ €153,7 M; +24% vs 2023) with a slightly higher impact on Taxes Borne (+ €86,7 M; +29%) than on Taxes collected (+ €67,0 M; +20%).



Main impacts by tax categories and geography are as follows:

Variation by Tax category:

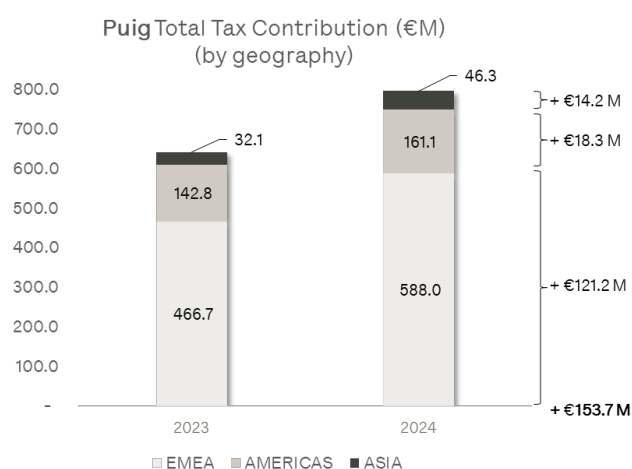
- People taxes: + €98,3 M (+36%), mainly due to increases in the number of headcounts, annual salaries and bonuses paid (IPO and LTIP).
- Profit taxes: + €40,1 M (+22%), mainly due to PBT increase.
- Rest of tax categories: + €15,2 M (+8%).





Variation by geography:

- EMEA: + €121,2 M (+26%).
- Americas: + €18,3 M (+13%).
- Asia: + €14,2 M (+44%).



Basis for calculating the Puig Total Tax Contribution 2024:

The basic rules applying in calculating the **Puig** Total Tax Contribution are the following:

- The amounts of tax contributions, represent the total of the taxes borne or collected in all jurisdictions where **Puig** entities (understood as **Puig** Brands and its subsidiaries) operate.
- For the investments in joint ventures and associates that are equity accounted by **Puig**, no amounts have been included.
- All tax contributions are presented on a cash paid basis for the financial year ended 31 December 2024.
- All payments have been reported in EUR, using the average exchange rates applied for **Puig** FY2024 financial statements



Corporate Income Tax 2024⁷

Corporate Income Tax paid:

in €M	2023		2024	
	Profit before tax	Corporate tax paid	Profit before tax	Corporate tax paid
United States	74,030.0	15,182.4	80,611.2	26,266.5
United Kingdom	154,185.7	36,693.5	72,795.7	35,477.4
Spain	175,572.6	39,980.0	250,656.6	80,780.4
France	44,841.3	11,196.9	53,837.7	8,151.5
Germany	4,340.1	(469.9)	(15,899.2)	(2,789.8)
Brazil	23,145.0	6,489.0	19,206.6	6,683.1
Mexico	30,687.1	9,760.5	17,610.8	11,002.4
China	(12,315.8)	0.0	(2,745.7)	3,324.0
Italy	1,595.9	984.9	5,082.7	868.8
Chile	11,248.0	3,243.2	6,561.4	2,581.0
RoW	142,566.6	31,740.3	113,784.9	26,175.9

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

Puig ETR (Effective Tax Rate) 2024:

It was of **21,7%** vs profits before tax (vs 22,3% in 2023).

Pillar 2 impacts:

Pillar 2 legislation has been approved in certain jurisdictions where **Puig** operates. This legislation is effective for **Puig's** annual periods starting from January 1, 2024. However, it should be noted that in 2024 there has been no tax payable impact associated with Pillar 2 in any jurisdiction in which the **PUIG** Group operates since the safe harbor tests have been met. Therefore, it has not been necessary to account for a provision to cover the difference between the country's rate and 15%.

⁷For further details on **Puig's** Corporate Income Tax 2024, we refer you to the following documents:

- Consolidated Annual Accounts:
 - Chapter 4. Accounting policies / Section 4.13 Income Tax (Page 30)
 - Chapter 14. Taxes (Pages 49 to 53)
- Consolidated Non-Financial Information Statement and Sustainability Information:
 - Chapter Fiscal commitment (Pages 255 to 256)