



Water Policy



Context

Current water resources are highly stressed, resulting in serious problems of water shortages, flooding, pollution and ecosystem damage. Sustainable water management is essential not only to human health and wellbeing, but also for economic productivity, ecological resilience, and the preservation of biodiversity.

As outlined in the **Puig** Ethical Code and in line with the UN Sustainable Development Goals, **Puig**¹ is committed to conducting business responsibly and growing sustainably, preserving the environment, and respecting the communities in which it operates. At **Puig**, we are aware that water is a vital component for our daily operations and products. Hence, we recognize the importance of managing and preserving our water sources responsibly. This means actively monitoring our water performance and proactively taking measures to minimize our water footprint, seeking to relieve pressure on it.

We firmly believe that access to water and sanitation is a universal human right, and we work beyond our operations to ensure that this right is respected throughout our supply chain.

Water plays a key role in addressing the climate crisis. Therefore, and as part of our water stewardship responsibility, we commit to sourcing sustainable materials, eco-designing products that are efficient, investing in water-efficient technologies, incorporating more reutilization systems, preventing water pollution in our facilities, and encouraging sustainable habits among our consumers and partners.

Purpose

The Water Policy (the ‘Policy’) reflects the commitments adopted by **Puig** to manage our impacts, dependencies, risks and opportunities related to water resources, throughout our direct operations and our value chain.

Scope

This policy, proposed by **Puig** Chief Sustainability Officer, applies to all **Puig** employees, entities (as defined above), and activities.

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.



The standards set out in this policy may sometimes exceed those required by local law. When this happens the standards of this policy will apply. However, following our commitment to strict compliance with applicable law, should local law require higher standards than those established in this policy, local law will always prevail.

Commitments

To continue improving our water stewardship practices towards the highest standards, we reinforce our stance through more specific and action-oriented commitments.

A. Designing and Sourcing Responsibly

As part of our strategy, we focus on selecting and sourcing materials that are produced safely, using high-quality ingredients and materials, and in ways that protect and enhance the natural environment. During the design phase, we also apply eco-design methods² that are both science-based and data-driven and which align with the European Commission's Product Environmental Footprint (PEF) method. These methods enable our teams to calculate the environmental footprint with the ultimate aim of improving the sustainability performance of our product portfolio. Additionally, we apply circular economy measures in the life cycle of our products in order to reduce their water footprint³.

We are committed to managing water sustainably, and for that, we identify when and where water is used the most throughout the product lifecycle. Estimating our water footprint allows us to comprehend our water consumption volumes by source and polluted volumes by type of pollutant, indicating both the geographical and temporal components. This allows us to formulate a response strategy and set clear targets to reduce our water footprint, paying special attention to those areas where problems of scarcity and pollution are most critical. We continue collaborating with industry bodies to establish shared metrics and accelerate water stewardship standards across the sector.

² Puig leverages the SPICE Tool to support sustainable packaging innovation within selected product categories. As a corporate member of the SPICE initiative, Puig contributes to industry-wide advancements in sustainable packaging.

³ Waste Management and Circularity Policy.



B. Own Operations and Facilities

Aware of the crucial role water management plays in the functioning of all living systems on earth and therefore also for human life, we employ a cohesive strategy through our Integrated Management System (IMS)⁴. One of the fundamental pillars of this system is environmental management, where compliance with legal requirements and the associated documentation is mandatory, as reflected in our internal Statement⁵.

Environmental concerns are continuously monitored and evaluated – including water and sewage issues, waste management, soil contamination, climate change mitigation and adaptation, and resource use and efficiency – with the ultimate aim of improving them.

Water use in **Puig's** business activities covers not only the water incorporated into our products and applied during their use phase, but also the water associated with the life cycle of our products, including consumption and degradation occurring in industrial manufacturing processes and in our facilities.

For all our facilities, we work on minimizing water discharge, water withdrawal intensity and preventing water pollution, specifically focusing on the elimination of hazardous substances. The actions implemented, tailored to the specific needs of each location, include:

- The implementation of circular water management practices⁶ in sites located in water risk areas, ensuring that industrial wastewater is reused in closed-loop systems.
- The treatment and repurposing of wastewater for maintenance and heating, ventilation and air conditioning (HVAC) processes, incorporating tertiary treatment to ensure high water quality.
- The installation of rainwater collection tanks for reuse or industrial water consumption at selected sites.

⁴ The IMS unifies Puig approach to quality, good manufacturing practices (GMP), occupational health and safety (H&S) and environmental management under a cohesive strategy.

⁵ Internal document – Integrated Management System Statement.

⁶ The Dry Factory project is Puig's flagship water management project. It became fully operational in 2025 in the Vacarisses production plant and aims to cut water withdrawal by 40% and reduce industrial water discharges. The project is designed to achieve 100% industrial wastewater reuse in a closed-loop system.



- The efficient use of water in office facilities, including the treatment and reuse of greywater to reduce domestic water consumption.
- The continuous monitoring of water performance to drive sustainable improvements in operational efficiency.
- The integration of water management criteria into the decision-making process for new site development.
- The provision of potable water and sanitation services that meet or exceed local and international standards, ensuring that safely managed drinking water, sanitation and hygiene (WASH) conditions are rigorously provided.
- The conduct of water risk assessments using science-based, market-led, and government-supported methodologies such as International Financial Reporting Standards S2 (IFRS S2)⁷ and the Taskforce on Nature-related Financial Disclosures (TNFD), to evaluate dependencies, risks, and opportunities related to water resources.

C. Stakeholder engagement

To properly manage water across our upstream and downstream business activities, **Puig** collaborates with different stakeholders at different levels.

We engage with our suppliers and collaborate on environmental issues. Suppliers are a key part of achieving our sustainability ambitions. Through the Supplier Evaluation Campaign in collaboration with third-party sustainability platforms, we analyze how suppliers tackle water management. This includes the reduction of water withdrawal through best practices, the installation of more efficient machinery, measures to reuse water and wastewater treatment.

We want to be a driving force throughout our value chain and inspire other organizations, that is why **Puig** works with its suppliers to enhance proper water management and drive circularity practices. To do that, **Puig** requires its suppliers to comply with the minimum requirements established by **Puig**, including providing access to safely managed drinking water, sanitation, and hygiene, obtaining and maintaining all necessary legal permits for

⁷ IFRS S2 builds on the Task Force on Climate-related Financial Disclosures (TCFD) framework and requires companies to disclose how climate risks and opportunities affect their financial performance.



wastewater and effluent discharge, ensuring that appropriate drainage systems are in place, and deploying water withdrawal reduction programs whenever feasible. All requirements are in line with the applicable environmental laws, and internal requirements.

Approval, Publication and Review

The Chief Sustainability Officer (CSO) is responsible for **Puig's** water strategy and is tasked with reviewing all environmental indicators related to their potential impact linked to our direct and indirect activities.

The implementation of this Policy is monitored through quantitative performance indicators set up in *Nurture Positive Impact*, our 2032 Sustainability Strategy, audits and processes, and through regular reviews by the respective departments in charge. Metrics are reported transparently in **Puig** Annual Report.

This Policy supersedes any previously published policy relating to the same subject matter. This Policy is available on the intranet, on the **Puig** website and will be communicated to **Puig** employees and other stakeholders where appropriate.

This Policy has been proposed by the Chief Sustainability Officer and approved on the 22nd of December 2025, by the Chief Executive Officer within the framework of **Puig's** policies and Ethical Code, and came into force at that time.