

2021 NON-FINANCIAL REPORT



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1. MESSAGE FROM THE CHAIRMAN AND CEO

A CONSCIOUS COMMITMENT

Since 2015 we have defined ourselves as a company that builds brand images through fashion and translates those images into the world of perfumery via product excellence and storytelling. Following the restructuring of the group in 2021, we have adapted what we do to the new reality. Our purpose now is to build unique and highly desirable beauty and fashion brands (Love Brands), that empower people to reinforce their self-esteem and find their own expression through a family company that aims to leave a better world for future generations.

Today, Puig is an ecosystem of powerful brands in the fragrances, makeup, dermocosmetics and fashion categories. Brands with their own roots and stories to tell; brands with a mission, meaning and commitment that generate an emotional connection with the consumer. All this as part of a family business that is underpinned by the values and principles that characterize us and define our way of doing things.

We are committed to being one of the most respected groups in our industry on issues related to the environment, society and good governance. For this reason, in 2021 we launched our new 2030 ESG Agenda. This is our roadmap for the coming years and includes challenging and ambitious goals in all three dimensions.

Puig and the business in 2021

2021 was the first year of operation under the new structure comprising the four categories. It was also the first of three years of the new 2021-23 strategic plan and the first year of recovery after the impact of 2020.



The social distancing measures imposed due to the pandemic continued to impact our business, especially in the fashion, fragrance and makeup categories. We focused on the recovery of our business in the European and United States markets, as well as on our expansion in the Asian market. The results were better than we had anticipated, with over 2.5 billion euros in net revenue.

In the fragrance category, we achieved very positive results thanks to the launches of Phantom by Paco Rabanne, 212 Heroes by Carolina Herrera and Scandal pour Homme by Jean Paul Gaultier. In the United States we grew thanks to Carolina Herrera's Good Girl. For its part, Travel Retail experienced a good recovery. The Niche segment also grew, with Penhaligon's, L'Artisan Parfumeur and Christian Louboutin. With regards to makeup, Charlotte Tilbury, with its luxury makeup line and its focus on digital business, grew more than any other part of the group thanks to the opening

of points of sale in the US and China. In the dermocosmetics category, we continued with our process of international expansion, mainly in Europe and China, achieving double-digit growth. In fashion, it is worth highlighting the resilience shown by Dries Van Noten, which maintained its 2019 levels despite the crisis.

Other priorities of the group, such as our digital penetration or our presence in China, advanced as planned.

Puig and people

In 2021 we continued to maintain all the necessary safety measures in the workplace. We also launched a hybrid work approach, combining remote and in-person work, which enabled us to adapt our dynamic to the evolution of the pandemic and the needs of our employees.

We are proud to have been able to resume the training and development initiatives that were affected by the pandemic, and to have launched the new edition of our Janus Program, which enables us to identify and help develop those people within our company with the potential to occupy management positions.

Likewise, we made positive progress with our Invisible Beauty Makers social action program. In 2021, we reinforced the special collaborations that contribute more directly to our purpose and the objectives of our ESG 2030 Agenda through the creation of a space in which social entrepreneurship and the company can jointly explore initiatives that help improve our society.

Puig and the planet

In terms of environment, we defined two important commitments: to contribute to limiting the rise of temperature to 1.5 °C by 2030 and to be net zero¹ by 2050. This marks another step forward in the alignment of our strategy with the most

important international standards: the Paris Agreement on climate change, the EU Action Plan for the Circular Economy, the United Nations Global Compact, the United Nations Sustainable Development Goals, the Science Based Targets initiative (SBTi) and the Carbon Disclosure Project (CDP).

Puig and good corporate governance

In January 2021, three additional members of the family, named in December 2020, joined the Board of Directors, which maintained a greater number of external members. Moreover, we created the ESG Committee, led by the Vice Chairman of the Board, to give our commitment the importance it deserves.

Puig and our priorities for 2022

Our priorities for the coming years are as follows: to achieve ambitious and responsible growth, focused on the recovery of our fragrance business, especially in the travel retail channel; to capture the high growth of the Niche segment; to continue focusing on diversification towards the categories of makeup and dermocosmetics; to increase penetration in digital channels; and finally, to drive strong growth in Asia, particularly in China.

We want to continue acting in the most responsible way possible and contribute to building a better world; that will be our legacy. A commitment that we actively promote; one that, thanks to the collective effort of the people who make up Puig, our brands and our collaborators, will make us increasingly proud of what we do.

Marc Puig
Chairman and CEO



¹ Net zero: net zero carbon emissions.

2. REPORTING FRAMEWORK



This report containing the company's Non-Financial Information Statement has been drafted in line with the requirements established by Law 11/2018 of December 28, 2018 on Non-Financial Information and Diversity approved on December 13, 2018 by the Congress of Deputies modifying the Commercial Code, the revised text of the Capital Companies Act and Law 22/2015 on Account Auditing, in matters of non-financial information and diversity.

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.

The Non-Financial Report is an annual document, and this is the fourth year that Puig has prepared it in accordance with the Core option of the GRI Standards, with the will to reflect our commitment to transparency in our accountability.

The comparability of the 2020 data, both with previous years and with 2021, is mitigated by the effects of Covid-19 and by the incorporation of new businesses from January 2021, a fact that we already reported in 2020.

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, 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.

3. ABOUT US



COMPANY PROFILE

Since 1914, the entrepreneurial spirit of Puig has underpinned the constant evolution of the organization, always with the desire to explore new opportunities, such as the integration in 2021 of three new businesses: Uriage, Apivita and a stake in Isdin. These additions, along with that of Charlotte Tilbury in mid-2020, led to the re-organization of our governance and executive structures.

At Puig, and in all our brands, we honor the values and principles established by three generations of family leadership,

which have guided us in the consolidation of a century-old, long-term, profitable and sustainable business project. Moreover, we are a family business which is ESG (environmental, social and governance) conscious and are committed to leaving behind a better world for future generations.

In 2021, we reviewed our values to align them with the new composition of the group, with a commitment to the planet and people, and with progress around the world.

RESTLESS CURIOSITY	Restlessly looking for opportunities and ideas that shape tomorrow, driven by an entrepreneurial spirit. Balancing boldness and wisdom to deliver excellence.
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, guiding all our interactions with integrity, transparency and a genuine respect for our commitments.
SHAPING TOMORROW	Commitment to long-term value creation, building a company that is fit for years to come and leaves a lasting legacy.
CONSCIOUSLY SUSTAINABLE	Acting as a force for sustainable change, putting environmental sustainability and an inclusive society at the heart of all our decisions.

PUIG AROUND THE WORLD

The group's global activity is managed from the Barcelona headquarters.

Main headquarters		Plaza Europa, 46-48, 08902 L'Hospitalet de Llobregat, Barcelona (Spain)
Headquarters in France		65-67 Avenue des Champs-Élysées, 75008 Paris (France)
FRAGRANCE AND PERSONAL CARE PRODUCTION PLANTS		
Spain		Calle Potosí, 21, 08030 Barcelona Calle Berlín, 12, Pol. Industrial Can Torrella, 08233 Vacarisses, Barcelona (Spain) Calle Blas Cabrera, 18, La Garena, 28806 Alcalá de Henares, Madrid (Spain)
France		1 Rue Charles Tellier, Zone industrielle de Beaulieu, 28000 Chartres (France)
NICHE BRANDS		
Penhaligon's	Headquarters	1 Cathedral Piazza, 3 rd -4 th Floor, Londres SW1E 5BP (United Kingdom)
L'Artisan Parfumeur	Headquarters	1 Rue Charles Tellier, Zone industrielle de Beaulieu, 28000 Chartres (France)
MAKEUP BRANDS		
Charlotte Tilbury	Headquarters	8 Surrey Street, London, WC2R 2ND (United Kingdom)
FASHION BRANDS		
Carolina Herrera	Headquarters	501 7 th Avenue, Nueva York, NY 10018 (USA)
	Flagship Store	954 Madison Avenue, New York, NY 10021 (USA)
Dries Van Noten	Headquarters	Godefriduskaai 36, 2000 Antwerp (Belgium)
	Flagship Store	Het Modepaleis Nationalestraat 16, 2000 Antwerp (Belgium)
Jean Paul Gaultier	Headquarters	325 Rue Saint-Martin, 75003 Paris (France)
Nina Ricci	Headquarters	39 Avenue Montaigne, 75008 Paris (France)
Paco Rabanne	Headquarters	17 Rue François 1 ^{er} , 75008 Paris (France)
	Flagship Store	39 Avenue Montaigne, 75008 Paris (France)
DERMOCOSMETICS BRANDS		
Laboratoires Dermatologiques d'Uriage	Headquarters	40-52 Boulevard du Parc, 92200 Neuilly-sur-Seine (France)
	Production plants	135 Avenue des Thermes, 38410 Saint-Martin-d'Uriage (France)
		8 Rue Léon Fournier, 38130 Échirolles (France)
Apivita	Headquarters and production plant	Industrial Park of Markopoulo Mesogaïas, 19003 Markopoulo Mesogaïas (Greece)

INTERNATIONAL PRESENCE (SUBSIDIARIES AND REGIONAL OFFICES)

1. Argentina	14. Malaysia
2. Australia	15. Mexico
3. Austria	16. Panama
4. Belgium	17. Peru
5. Brazil	18. Portugal
6. Canada	19. Russian Federation
7. Chile	20. Saudi Arabia
8. China	21. Singapore
9. Colombia	22. Spain
10. France	23. Switzerland
11. Germany	24. The Netherlands
12. Greece	25. United Arab Emirates
13. Italy	26. United Kingdom
	27. United States

In 2021 our products were sold in more than 150 countries. In addition, the new incorporations into our portfolio in recent

years have significantly increased the number of our points of sale worldwide.



PORTFOLIO

The business is structured around three areas:

- Beauty and Fashion: fashion brands, fragrances and cosmetics.
- Charlotte Tilbury.
- Derma: dermocosmetics brands.

	OWN BRANDS		LICENSES AND CELEBRITIES
FASHION		CAROLINA HERRERA PACO RABANNE JEAN PAUL GAULTIER NINA RICCI DRIES VAN NOTEN	
FRAGRANCES AND COSMETICS	PRESTIGE	CAROLINA HERRERA PACO RABANNE JEAN PAUL GAULTIER NINA RICCI	
	NICHE	PENHALIGON'S L'ARTISAN PARFUMEUR ERIC BUTERBAUGH LOS ANGELES	COMME DES GARÇONS PARFUMS CHRISTIAN LOUBOUTIN
LIFESTYLE	INTERNATIONAL FRAGRANCES		ANTONIO BANDERAS UNITED COLORS OF BENETTON SHAKIRA
	REGIONAL FRAGRANCES	AGUA BRAVA QUORUM	ADOLFO DOMINGUEZ AGATHA RUIZ DE LA PRADA PACHA
	LOCAL FRAGRANCES	VICTORIO & LUCCHINO AZUR ROYAL REGIMENT LAVANDA AÑEJA	DON ALGODÓN SPRINGFIELD BUSTAMANTE PAULA ECHEVARRÍA AITANA RAPSDIA
	TOILETRIES	LAVANDA PUIG HENO DE PRAVIA	
MAKEUP		CHARLOTTE TILBURY	
DERMOCOSMETICS		URIAGE APIVITA	

We also have a non-majority stake in Isdin, Granado, Loto del Sur and Kama Ayurveda.

A MAJOR COMMITMENT TO SUSTAINABILITY: THE 2030 ESG AGENDA

In 2021 we launched our new Strategic Sustainability Plan: the 2030 ESG Agenda. This plan is an ambitious roadmap, in which we reinforce our commitment to global sustainability goals by promoting best practices in environmental, social and governance issues to respond to a demanding and complex environment that requires urgent action.

At Puig we have a mandate from our shareholders and from our Board of Directors to position ourselves as a benchmark in sustainability in the industry in which we operate, acting decisively to maximize our impact.

The 2030 ESG Agenda comes at a key moment for Puig, marked by the growth of the group thanks to the incorporation of new businesses and brands. The new agenda applies to our entire business, so it will require all of us to coordinate our efforts and align ourselves to a common goal.

The previous 2014-2020 Sustainability Program represented a cultural transformation within Puig and allowed us to achieve important milestones and significant lessons learned. Based on this experience, we developed the new 2030 ESG Agenda, which focuses on two key commitments:

This means we go beyond the legal requirements and, to achieve these targets, we continue to align our strategy with the most demanding international standards, and we continue to work to maximize our contribution to the Sustainable Development Goals (SDGs).

Aware of the difficulty of the challenges that the company and society face, we created three governance mechanisms to guarantee the success of the ESG 2030 Agenda: the ESG committee,² which reports to the Board of Directors, and the position of CSO (Chief Sustainability Officer) and the ESG Team,³ in charge of the monthly monitoring of the strategy and the fulfillment of the objectives.

At the end of 2021, we had defined all the pillars and plans of action, mainly for the environmental dimension, in which we began to integrate the new businesses acquired by the group in January. In 2021 we also took the first steps towards developing a climate policy with the aim of establishing a common framework of action for all our brands and business units, which will allow us to make steady progress towards our decarbonization goals.

Starting in 2022 we plan to expand the objectives and action plans for the social and governance dimensions.

CONTRIBUTE TO LIMITING THE RISE
OF TEMPERATURE TO 1.5 °C BY 2030

BE NET ZERO BY 2050

² Made up of the Chairman of the ESG Committee (also Vice Chairman of the Board of Directors and Vice Chairman and Chief Sustainability Officer of Puig) and four members (the Chairman of the Board of Directors and three independent members).

³ Made up of the Vice Chairman and Chief Sustainability Officer, the Chief Operating Officer, the Operations Senior VP and the corporate sustainability team.

Reaffirming our commitment to the most relevant international standards

In 2021 we continued to reaffirm our participation in global initiatives and standards.



UNITED NATIONS GLOBAL COMPACT

In June we joined this initiative, ratifying the commitment of Puig to the ten universal principles of the United Nations, which address human rights, social, anti-corruption and environmental issues, and which are aligned with the Sustainable Development Goals. We are also obliged to report annually and transparently our progress on the organization's portal.

SCIENCE BASED TARGETS INITIATIVE (SBTI)

We set ourselves the ambitious challenge of being net zero by 2050, which means reducing our GHG emissions as much as possible and neutralizing residual emissions through CO₂ absorption projects. In line with this commitment, in 2020 we joined the Science Based Targets initiative, a global movement that aims to achieve a zero-carbon economy. In 2021 we completed the process of defining the company's goals for 2030:⁴

- 50% reduction in scope 1 and 2 emissions.⁵
- 30% reduction in scope 3 emissions.⁶

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

In 2021 we adopted the TCFD methodology to identify climate-related risks and opportunities for the business. This provided us with an analysis of these issues and allowed us to implement mitigation and adaptation actions that will help us prepare for the challenges of the future.

RISKS

Change of consumer preferences towards more sustainable products.

Increase in the price of raw materials, driven by an increase in the price of fossil fuels.

Increase in the price of carbon credits to offset emissions.

OPPORTUNITIES

Innovation in sustainable products that responds to the expectations of responsible consumers.

Diversification of the supply chain to ensure supply.

⁴ Compared to 2019.

⁵ Scope 1: direct emissions from company-owned and controlled resources.
Scope 2: indirect energy emissions (electricity, steam, heat, cooling).

⁶ Scope 3: indirect emissions along the value chain.

CARBON DISCLOSURE PROJECT (CDP)

For the second year in a row, we reported our environmental performance through the Carbon Disclosure Project, one of the most relevant and demanding international standards. In 2021 we obtained an A- rating (compared to a B in 2020), which places us among the top 6% highest-rated companies out of the 13,000 companies worldwide whose environmental leadership is evaluated using this standard. In this way, we consolidate our commitment to transparency and to the adoption of measures that lead to a reduction of our environmental impact.

Our objective in 2022 is to participate in the other two CDP programs: those that evaluate performance in water security (CDP Water) and against deforestation (CDP Forest).

B CORP

B Corps are companies that are transforming what a company is and how it does business. The mission of a B Corp is to maximize social, environmental and economic value for all its stakeholders: employees, suppliers, customers, communities,

the environment and, of course, shareholders. This certification measures the social and environmental impact of companies.

In 2021 Apivita renewed its B Corp certification, obtained in 2017, and it is currently the only Greek company with this standard.

Meanwhile, in 2021, Uriage started its analysis prior to requesting adherence to this standard.

ECOVADIS

EcoVadis is a renowned provider of corporate sustainability ratings. Its certifications analyze environmental, labor, human rights, ethics and sustainable purchasing aspects. We have been working with EcoVadis for years to evaluate our main suppliers of inventory materials. In 2021 we decided to undergo an evaluation of our ESG performance as a company, obtaining a score of 67/100, which is equivalent to a Gold Medal and places the company among the top 5% out of the more than 90,000 companies evaluated.



INNOVATION AS PART OF OUR DNA

At Puig, innovation and creativity have always been part of our approach to business and our growth strategy.

In recent years we have seen an evolution in the mentality and behavior of consumers and the effects of Covid-19 are accelerating the underlying trends that had already emerged.

In the current 2021-2023 strategic plan, innovation acquires even greater significance as a way to transform our product categories (fragrances, fashion, makeup and dermocosmetics),

adapt to new habits and ways of life, and satisfy the changing demands of our consumers. Innovation is also a key pillar in our ESG commitment, as a tool for providing more sustainable and responsible solutions from an environmental and social perspective.

Our tireless search for opportunities and ideas continues to inspire us to be drivers of change, now with a digital-first approach. We want to reinvent the shopping experience, making it more emotional, accessible and inclusive, and for this reason we strive to adapt to this changing scenario.



4. PUIG AND PEOPLE



INTERNAL COMMITMENT TO PEOPLE

2021 was a year of welcoming new people to Puig. The incorporation of new businesses led to a year of transition in which we invested in identifying synergies to design common actions for the future.

We shared with these new businesses the values that have always guided us as a company in terms of our concern for the people in the workplace and a focus on their professional development with us.

In 2021, we adapted our Covid-19 measures in line with the evolution of the pandemic in all our work centers, prioritizing protection and safety while ensuring that our activity could continue as normally as possible depending on the prevailing situation.

Decisions were made in all units as the situation evolved. Puig launched general voluntary detection campaigns during sensitive periods as well as vaccination campaigns in specific countries, enabled teleworking according to national recommendations, restricted travel, and maintained hygiene

and disinfection measures in place, among other things. Meanwhile, the Covid Committee stayed active so it could respond quickly to any new scenarios.

Onboarding process

Aware that the arrival of a new employee to the group is a key moment, we continued to invest in improving the onboarding process for all new hires in all work centers. In 2019 we implemented a system in Spain within the Experience Puig internal portal that defines all the steps that need to be followed to ensure an efficient and satisfactory joining process. Its deployment was interrupted by the pandemic in 2020, but in 2021 it was re-launched and it is scheduled to be fully implemented by 2023.

Since 2018, Charlotte Tilbury has implemented an onboarding program called Dream Onboarding, with some content that is common to all positions and other more specific content adapted to the needs of the position. It can be completed in person or by videoconference. The internal Magic Academy



platform is used to adapt the program to the remote training needs of the retail community.

Looking after employees in the work environment

We are committed to non-discrimination of any kind in all our businesses and we have mechanisms in place to prevent these situations and report them if they occur.

Under normal circumstances, working hours at each of our premises are determined based on the legislation, the applicable collective agreements and, additionally, on what is agreed with those who work at Puig. Whenever possible we try to introduce measures to optimize working hours.

We facilitate access to the work-life balance mechanisms available to all Puig employees, based on the legislation in force in each of our work centers and on the job position. We implement work-life balance measures that go further than current legislation whenever the position allows it, such as teleworking for all on Fridays in some units, flextime and other similar measures. Our employees are able to take the legally permitted maternity and paternity leave if they so wish and their return to the company is guaranteed. In 2021, 257 women and 49 men took parental leave.

A safe work environment

In order to offer the best possible working environment, we regularly plan improvements which go beyond what is legally required, to ensure that our work centers comply with different international standards:

Corporate and Beauty and Fashion

We have the following certifications:

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

Our Integrated Management System, certified by TÜV Rheinland, describes all the processes implemented for the management of our employees' health and safety, such as risk assessment and control, emergency management, health surveillance or identification and compliance with legal requirements, among others.

The scope of this certification includes the four production plants of the fragrance unit and the Barcelona headquarters. The Paris offices already have the processes in place for future certification.

The Occupational Health and Safety department offered constant monitoring and support to all the teams so that they could maintain their business activity. Moreover, the implementation of the following projects started in 2020 was finalized:

- Implementation of a new health and safety management software, SmartOSH, in the Chartres production plant.
- Implementation and commissioning of a risk analysis methodology for non-routine tasks (Pre-Task Analysis), in order to minimize the risks in those tasks that are carried very sporadically.
- Definition of new indicators and specific action plans to optimize the degree of compliance with the legal health and safety requirements for the employees and facilities of the Beauty and Fashion subsidiaries, which in 2021 reached levels increasingly in line with those of the headquarters and production plants.

February marked the third year in a row with no accidents resulting in medical leave in the Alcalá de Henares plant.

We monitor OHS⁷ data monthly in all our Spanish units and at the Chartres plant. In mid-2021 we started to include the Paris headquarters.⁸

Charlotte Tilbury

We monitor occupational health and safety through an external company, both in the offices and at the point of sale. Monthly checks are carried out at all locations.

⁷ Occupational Health & Safety.

⁸ In Paris, 280 people were included in the reporting scope and, therefore, although we presented two-year's worth of data, the scope is not comparable.

In addition, we offer regular training on matters of workplace health and safety, fire, prevention and excessive exposure to screens. In 2020 we included content on how to manage Covid-19 issues.

We also have in place a Health and Safety Policy, a structured procedure for risk assessment and a specific section in the onboarding manual which is given to all new hires.

Derma

In 2021 we took steps towards improved occupational health and safety at work, hiring a person to be in charge of the area at the end of 2020, with whom we defined an action plan to structure, prioritize and schedule the necessary actions.

We implemented a project at the Échirolles plant for the prevention of musculoskeletal disorders.

COMMITTED TO THE PROFESSIONAL DEVELOPMENT OF OUR PEOPLE

In 2021 we began to take steps to expand some of our existing programs. One example was the Janus Program, aimed at identifying people within our company with the potential to occupy management positions in the future, providing them with knowledge about the company strategy and preparing them to take on these roles. In 2021 we launched the third edition – open to all areas of the business – in which 50 people took part. The first module, led by our Chairman and CEO, Marc Puig, focused on the strategic plan and on exploring its different pillars with the managers in charge of their implementation.

For the other programs, we allowed each business to run their own. However, every area of the business understands the link



between learning and success, and we offer opportunities for everyone at Puig.

The group's total investment in training in 2021 was €3.4 million, with more than 3,000 employees able to enjoy the benefits.

Corporate and Beauty and Fashion

We continued to focus on talent at all levels and for all groups of employees, since supporting the professional growth of our teams forms part of the company's DNA.

This commitment is channeled through three lines of action:

- Training and development.
- Internal mobility.
- Planning for covering key positions.



TRAINING AND DEVELOPMENT

In 2021, we almost achieved our pre-pandemic level of investment in training and further developed the Puig Digital Academy, opening its content to all employees so that they could access it according to their needs.

Performance & Development

Performance & Development is the common and formalized performance assessment process that helps identify the areas for development for all company employees and generates an individualized plan, not only for the current position but also taking into account future professional growth. In 2021, we modified the process to adapt it to a reality in which roles and responsibilities are more fluid and new work formulas exist.

In 2021, 2,001 (-6%) professionals accessed the program. We also completed the incorporation of the Brand Ambassador teams, scheduled for 2020 but postponed due to the pandemic. By year end, 78% of this group had participated.

Leadership program for team managers

Various programs designed to develop the leadership skills necessary for employees at all levels. The most significant is Intact Teams, which focuses on the implementation of the strategic plan, enhancing the capabilities of top management to work in an aligned, engaged and efficient manner. In 2021 it was launched in North America and Travel Retail Americas.

We also offer a range of global programs to guarantee the constant flow of talent in the company, focused on attracting external talent to join our workforce and identifying and developing internal talent.

Graduate Program

Aimed at incorporating diverse and talented graduates from outside the company with no prior professional experience who are aligned with our values, this program acts as the first stage in the accelerated talent pipeline, and in 2021, 25 graduates participated and 59% were retained after completing the program.

Talent Program

This program is aimed at identifying and developing emerging talent within the organization to prepare them to take on middle management roles in different areas of the company as opportunities arise. In 2021, 63 participants completed the

third edition of the program. In the third quarter we selected 65 new participants for the fourth edition, inviting representation from all business areas.

INTERNAL MOBILITY

Our commitment to internal mobility and growth within the company is delivered through the Job Opportunities Portal and the associated internal mobility process. All vacant positions in the fragrance business units are published on the portal. All Puig employees can freely apply for such positions if they consider them appropriate to their career development and professional interests. In 2021, 120 positions were filled through the platform.

PLANNING FOR COVERING KEY POSITIONS

In 2021 we intensified our efforts to design succession plans, ensuring we assess potential candidates coherently and following common criteria, as well as generating ad hoc development plans. The goal is to ensure that we have the right people, in terms of experience, performance and values, to take on key roles and responsibilities when the time comes. In 2021, there were 600 participants involved in this process, twice as many as between 2018 and 2020.

Charlotte Tilbury

At Charlotte Tilbury we continued with the brand's training program, differentiating between the one aimed at office staff and the one focused on retail. We provided face-to-face and online training, depending on the content.

We have training programs in place that deal with the following subjects: team motivation, efficient meetings, time management, digital communication tools, mastery of Excel or PowerPoint, personal brand building or high-impact conversations, among other things. Some of this content was offered on the Magic Academy online training platform, which offers a wide range of courses that teams can follow on demand.

We started an individual internal coaching program through the 360° feedback pilot, a tool initially offered to senior team leaders. A plan is in place to analyze its implementation at lower levels and its value for career development. We also offer an internal Magic Mentorship Programme.

For our retail staff we provide various training initiatives which are always adapted to their work and needs.



Derma

We have specific training programs which we offer to new point-of-sale teams, as well as the Star Development Pathways, specific training pathways designed for these positions.

We design training courses for all the new products that we launch, available both online on the LMS⁹ platform and offline, which include content on the application of the product, features, advice, etc.

We also provide a course called Skin and Service Training, an advanced program on facial dermatology. Every quarter we organize the Seasonal Schools, which focus on content about the brand.

ETHICAL COMMITMENT TO OUR PEOPLE

We are aligned with our Ethical Code and we make progress every day in equality issues at all levels and in all aspects of the professional lives of the people who work at Puig.

In 2021 we continued with the development of our Equality Plan for Spain to ensure compliance with the provisions of Royal Decree 901/2020,¹⁰ which came into force in January 2021. At the end of the year, we had already registered this new plan in the Equality Plan Register for Companies.

At both Charlotte Tilbury and Uriage and Apivita, we have various mechanisms and policies in place to ensure equality and diversity.

We ensure objectivity in all our processes for determining remuneration through mechanisms such as the use of external consultants or the participation of the Compensation and Nomination Committee, made up of external members of the Board of Directors, which monitors and approves the general guidelines annually.

To determine the remuneration for the year, the applicable agreements are taken into account, along with the growth of the company and the individual performance of each employee, always observing the minimum wage established by law in each context.

Differences in the standard of living of the different countries in which we operate can affect the averages by category, increasing or decreasing them. The evolution of the average remuneration by professional category was as follows in 2021:¹¹

AVERAGE REMUNERATION BY PROFESSIONAL CATEGORY (€)			
	2019	2020	2021
Top executives	235,466	244,202	292,028
Sales and Marketing	61,323	60,878	60,755
Brand Ambassadors	14,105	12,749	19,474
Technical employees	50,416	49,383	56,336
Administrative employees	45,848	44,241	48,002
Production	33,554	32,342	31,578

The average remuneration of Board members and top executives in 2021 was €375,639,¹² including the annual base salary, the annual bonus and the variable salary linked to each strategic plan.

In terms of remuneration, equality and non-discrimination, we also monitor the salary gap¹³ annually between comparable jobs with a defined Hay level.

	People	Gap
TOTAL	6,342	0.77%
TOP		3.44%
Others		0.74%

⁹ Learning Management System.

¹⁰ Royal Decree 901/2020, of 13 October, which regulates equality plans and their registration and modifies Royal Decree 13/2010, of 28 May, on registering and depositing collective bargaining agreements.

¹¹ Calculation taking into account the annual base salary and the annual bonus.

¹² Data not comparable with 2020 due to the new composition of the group.

¹³ We consider comparable jobs to be those between Hay grades 5 and 25.

In Spain we comply with the provisions of Royal Decree 902/2020¹⁴ on registering and auditing remuneration.

In compliance with the Avenir Law,¹⁵ we published our equality index for 2021 in all of our units in France, which was 97/100, 4 points higher than in 2020.¹⁶

Puig guarantees all its employees the freedom of association and the right to collective bargaining, as stipulated in the agreements of the International Labor Organization. In addition, we respect the legal representation of Puig employees, where it is applicable. In 2021, the following work centers had legal representation:

- In Spain, the three production centers (Alcalá, Barcelona and Vacarisses).
- In France, the industrial center of Chartres and the offices of the fashion and fragrance businesses in Paris.

- In Argentina, the Brand Ambassadors.
- In Mexico, the Brand Ambassadors.

Employee-company dialogue is channeled through the representative bodies in the terms provided by law. Both in Spain and in France there are representative bodies which assess and decide upon occupational health and safety issues in which both the company and members of the workforce participate:

- Spain: Health and Safety committees (HSC) for the production centers of Alcalá, Barcelona and Vacarisses. 47% of employees in Spain, whose place of work is monitored by the organization, are represented by formal health and safety committees (100% of the workforce in the three factories in this country).
- France: CSE¹⁷ both in the Chartres production plant and in the Champs-Élysées headquarters. 100% of employees in



¹⁴ Royal Decree 902/2020, of 13 October, on equal pay between women and men.

¹⁵ Loi n° 2018-771, du 5 septembre 2018 « pour la liberté de choisir son avenir professionnel ».

¹⁶ Breakdown in Annex 1.

¹⁷ Comité social et économique.

France whose place of work is monitored by the organization are represented by formal health and safety committees.

- In Spain and France, the labor relations of 100% of Puig employees are governed by the applicable sectoral collective agreements in accordance with the activity carried out. Likewise, the Brand Ambassadors in Argentina and Mexico are subject to the corresponding collective agreements.

We monitor accessibility in all our facilities, always complying with current regulations, and whenever the need is detected, we act to eliminate barriers.

Sensitive to the integration of people with special needs, in 2021 the situation was as follows:

- Direct hiring of 60 people with a recognized disability within the legal parameters of each country.

- Hiring of the temporary workforce in the Alcalá 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 for discrimination against people with disabilities and an internal structure for handling any cases that might arise.

We also promote the employability of people with disabilities by outsourcing part of our production processes to special employment centers, both in Spain and in France. This is an alternative measure to the direct hiring of people with disabilities. In 2021 we continued to collaborate with the following centers:

SUPPLIER	LOCATION	INVOICING (€)		
		2019	2020	2021
Arco Iris Foundation	Madrid	688,794	459,295	639,368
TPC Scop	France	579,289	666,579	684,138
DAU Private Foundation	Barcelona	544,233	358,052	476,957
Trefemo, S.L.U.	Madrid	127,097	106,575	71,051
API Entreprise Adaptée	France			3,495
Total		1,939,412	1,590,501	1,875,008

#BECAMPAIGNS PROGRAM

The #BeCampaigns program, which promotes the well-being of employees in the fragrance business, had to be adapted once again to the restrictions in different countries. Despite this, face-to-face activities were resumed with about 250 initiatives around the world across numerous units. Particularly significant were those dedicated to inspiring a healthy lifestyle under the #BeHealthy and #BeFit pillar, and those that promoted sustainable actions under the #BeSustainable umbrella. Details of the actions in Annex 2.

OUR PEOPLE AT YEAR END

The data that we offer below is not comparable to 2020 because of the additional numbers contributed by the units that were

incorporated in January. For the coming years we will take 2021 as the base year.

At the end of the year, Puig had 7,204 employees, with the following qualitative distribution:

HEADCOUNT DISTRIBUTION BY GENDER				
	Women	Men	Undeclared/Non-binary	Total
2019	3,857	1,356	-	5,213
2020	3,536	1,249	-	4,785
2021	5,488	1,703	13	7,204

WORKFORCE DISTRIBUTION BY AGE GROUP			
	< 30 years of age	31-50 years of age	> 51 years of age
2019	1,127	3,189	897
2020	873	3,038	874
2021	1,941	4,206	1,057

WORKFORCE DISTRIBUTION BY CATEGORY								
	2019	2020		2021			Undeclared/ Non-binary	Total
	Total	Women	Men	Total	Women	Men		
Top executives ¹⁸	221	95	117	212	87	96	0	183
Sales and Marketing	1,453	1,071	347	1,418	1,760	478	2	2,240
Brand Ambassadors	1,767	1,240	198	1,438	2,086	237	7	2,330
Technical employees	1,073	668	386	1,054	1,032	584	4	1,620
Administrative employees	85	74	10	84	106	13	0	119
Production	614	388	191	579	417	295	0	712

WORKFORCE DISTRIBUTION BY TYPE OF CONTRACT			
	2019	2020	2021
Permanent	4,849	4,536	6,439
Temporary	364	249	765
Total	5,213	4,785	7,204

18 In 2021 we changed the classification criteria for this professional category, so the workforce distribution data is not comparable with 2020.

DISTRIBUTION BY TYPE OF CONTRACT AND AGE GROUP										
		Women			Men			Undeclared/Non-binary		
		Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total
< 30 years of age	2019	627	210	837	248	42	290			
	2020	524	132	656	183	34	217			
	2021	1,134	477	1,611	263	58	321	5	4	9
31-50 years of age	2019	2,248	79	2,327	844	18	862			
	2020	2,141	63	2,204	825	9	834			
	2021	2,947	160	3,107	1,071	24	1,095	4	0	4
> 51 years of age	2019	680	13	693	202	2	204			
	2020	666	10	676	197	1	198			
	2021	734	36	770	281	6	287	0	0	0
Total	2019	3,555	302	3,857	1,294	62	1,356			
	2020	3,331	205	3,536	1,205	44	1,249			
	2021	4,815	673	5,488	1,615	88	1,703	9	4	13



DISTRIBUTION BY COUNTRY

	2019	2020	2021		2019	2020	2021
Argentina	192	161	159	Macao	7	6	8
Australia	7	7	16	Mexico	389	344	260
Austria	7	6	5	Panama	39	35	35
Belgium	113	119	156	Peru	175	129	125
Brazil	296	282	288	Portugal	23	21	67
Canada	5	7	11	Russian Federation	64	63	72
Chile	330	234	230	Saudi Arabia	101	94	94
China		13	120	Singapore	62	60	56
Colombia	6	6	4	Spain	1,760	1,645	1,703
France	764	722	1,155	Switzerland	80	77	76
Germany	49	48	157	Taiwan	17	25	29
Greece			290	The Netherlands	10	11	75
Hong Kong	41	36	100	United Arab Emirates	23	19	26
Ireland			124	United Kingdom	444	374	1,355
Italy	48	47	110	United States	161	194	298

DISMISSALS BY GENDER

	Women	Men	Undeclared	Total
2019	223	75	-	298
2020	293	86	-	379
2021	365	89	0	454

DISMISSALS BY AGE RANGE

< 30 years of age	31-50 years of age	> 51 years of age
58	185	55
59	223	97
87	260	107

MONTHLY AVERAGE OF ABSENTEEISM IN THOSE CENTERS WITH ATTENDANCE CONTROL/TOTAL HOURS FOR EACH CENTER (FRAGRANCE BUSINESS)

	2019		2020		2021	
	No. of hours	%	No. of hours	%	No. of hours	%
Alcalá plant	2,064	5.87%	2,012	7.14%	1,766	5.64%
Barcelona plant	4,175	6.98%	3,912	7.61%	4,149	7.79%
Vacarisses plant	2,656	10.70%	2,807	12.06%	2,691	11.56%
Chartres plant	1,344	7.34%	1,338	7.31%	1,723	9.79%
Markopoulo offices					954	2.39%
Markopoulo plant					279	1.98%
Dermocosmetics sales force					3,643	17.45%
Neuilly offices					631	2.73%
Uriage plants					2,777	10.93%
Grand Hotel & Spa Uriage					2,183	10.72%

In 2020, attendance control was suspended in the offices in Spain due to Covid-19.

At Charlotte Tilbury there is no attendance control.



WORK ACCIDENT FREQUENCY RATE (FR)

2021			
	Women	Men	Total
Beauty and Fashion + Corporate	3.38	6.12	4.09
Charlotte Tilbury	0	0	0
Derma	13.26	22.64	16.03
Overall	3.99	8.20	5.01

FR = No. of work accidents resulting in medical leave * 1,000,000/Total number of hours worked

SEVERITY INDEX (SI)

2021			
	Women	Men	Total
Beauty and Fashion + Corporate	0.15	0.17	0.15
Charlotte Tilbury	0	0	0
Derma	0.50	2.19	1
Overall	0.17	0.46	0.24

SI = No. of days lost due to work accidents * 1,000/Total number of hours worked

OCCUPATIONAL ILLNESSES

2021			
	Women	Men	Total
Beauty and Fashion + Corporate	4	0	4
Charlotte Tilbury	0	0	0
Derma	1	2	3
Overall	5	2	7

ACTIONS TO MAXIMIZE OUR IMPACT

In 2021, all of us together were able to maximize the company's capacity to have a positive impact, not only in terms of financial contributions but also in terms of the scope of our actions.

In 2021 these actions were structured along three lines:

- Invisible Beauty global program.
- Initiatives and actions of the new Puig businesses:

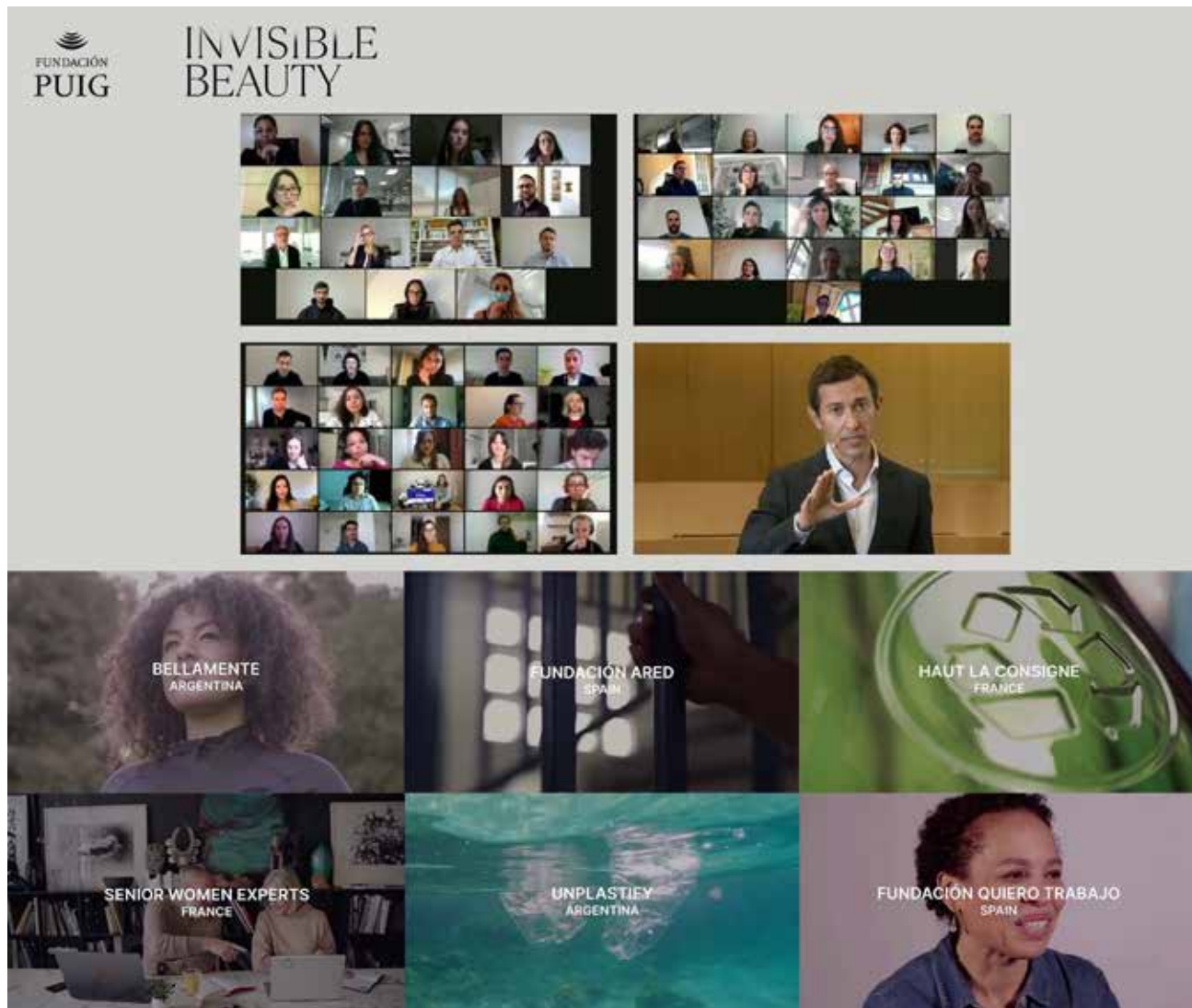
- Charlotte Tilbury

- Apivita

- Uriage

- Local actions suggested and managed by each fragrances business unit.¹⁹

In 2021, all this added up to a total of €1.79 million in donations, of which €0.50 million were in kind.



¹⁹ Details in Annex 1.

INVISIBLE BEAUTY

In 2014 Puig launched the Invisible Beauty program with the aim of becoming a benchmark in social commitment, in line with the company's corporate purpose and, recently, with the social commitments of our ESG 2030 Agenda.

For seven years, Invisible Beauty has organized the Makers program aimed at supporting the entrepreneurial excellence of people who are already implementing social initiatives focused on gender equality (SDG 5), empowering women and girls (SDGs 4 and 5), reducing inequalities within and between countries (SDG 10), and developing sustainable and responsible production and consumption systems (SDG 12). Makers is a

mentoring and funding program for initiatives with a high social impact.

Puig employees who participate in this program transfer their know-how in different areas to the leaders of these projects, providing them with the key skills they need for their initiatives to be successful. Meanwhile, we offer the most dedicated Puig employees an opportunity to channel their concerns and maximize their contribution to the corporate purpose.

In the seventh edition, we hope to maximize our contribution to the ESG 2030 Agenda. New to this edition is the creation of a space where social entrepreneurship, Puig and our brands can cooperate and co-create to maximize their social impact.

INVISIBLE BEAUTY MAKERS IN FIGURES

	2019	2020	2021
Doers ²⁰	1,800	2,268	2,020
Social projects supported	10 Spain ²¹ 2 France 2 Argentina	9 Spain ²² 3 France 3 Argentina	9 Spain ²³ 3 France 2 Argentina 3 Mexico 3 United Kingdom
Young entrepreneurs supported	24	22	30
Countries of origin of the entrepreneurs	3	3	5
Mentors	28	40	51
Training sessions	22	30	41
Helpers	89		
Online trainers ²⁴		120	120
Interviews with top management	14	15	21
Hours of support for entrepreneurs	1,186	1,025	1,300

²⁰ People from the organization who voted during the 2021 project selection process.

²¹ In Spain, the programs last two years. This figure corresponds to five entrepreneurs from the Makers 3 edition of 2018-2019 and another five from the Makers 4 edition of 2019-2020.

²² In Spain, the programs last two years. This figure corresponds to five entrepreneurs from the Makers 3 edition of 2018-2019 and another five from the Makers 4 edition of 2019-2020, less one entrepreneur who left the program.

²³ Five projects from the Makers 5 edition of 2020-2021, since in Spain the program lasts for two years.

²⁴ Online trainers are the pool of trainers of the Online Makers Academy.

OTHER INITIATIVES WITH A SIGNIFICANT IMPACT

1% for the Planet global movement (SDG 14 – 15)

1% for the Planet is an initiative made up of a global network of companies, individuals and NPOs that strive to have a positive impact on most pressing environmental issues for the planet.

Apivita began participating in this movement in 2021, allocating 1% of sales from the new Bee Sun Safe sunscreen products to 1% for the Planet, as well as 1% of sales from the Apivita Experience Store and Apivita e-shops worldwide. The commitment was channeled through synergies and activities with the NGO Aegean Rebreath for the protection of the marine ecosystem. In 2021, 26 Apivita volunteers collaborated with this organization in five different island locations.

Also in 2021, Uriage became an official member of 1% for the Planet, pledging to donate in 2022 1% of global sales of its new range of Bariésun sunscreens to Rivières Sauvages, an association that works to protect water resources in the Rhône-Alpes region. Jointly, they launched the Wild River Water Observatory to monitor rivers and streams with the participation of scientists and other Uriage personnel.



Bee Schools (SDG 15)

Apivita held several editions of the Bee School in 2021, in Greece and Portugal. This initiative aims to raise awareness about the importance of bees for humankind and nature. The Bee Schools form part of a collaborative project with The Bee Camp, a member of the 1% for the Planet organization.

Commitment to health (SDG 3)

At Uriage we actively collaborate with different organizations related to skin health, such as patient associations or medical organizations specializing in dermatological matters, both through financial donations and product donations.

In addition, we collaborate with oncology patient associations by providing product kits.

Women for Women International (SDG 5)

At the beginning of 2021, Charlotte Tilbury relaunched the Women for Women International initiative, as well as a new campaign for International Women's Day, to increase awareness about the role of women in society by collecting signatures and posting content on social networks.

Throughout the year, different actions were carried out to complement the funds that the brand contributes directly to this initiative: 15 pounds for each Christmas stocking of the brand sold online, two virtual markets, specific actions for Giving Tuesday and Mother's Day, among other things.

COMMITMENT TO LOCAL DEVELOPMENT

DIRECT IMPACT OF OUR LOCATIONS

We are committed to the local environments in which we operate and, consequently, whenever we can, we prioritize local hires to maximize the generation of employment and wealth. This commitment is reflected both in our direct contracting and in the suppliers with whom we work. For temporary hires in our production plants, we prioritize proximity by working with local companies.

In 2021 the average percentage of workers hired locally in each country was above 96%.

The impact of our factories in their environment is important to us. In 2021 we maintained a stable permanent workforce and increased the number of temporary contracts, which had been cut back due to the pandemic. The situation was as follows:

Alcalá plant: in 2021 we employed 222 people with permanent contracts and an annual average of 22.6 temporary hires. 90% of the total came from the towns in the vicinity. All temporary hiring was carried out through Randstad.

Barcelona plant: in 2021 we employed 347 people with permanent contracts and 15 with temporary contracts. The annual average of temporary hires was nine, to help cover those employees on medical leave. For temporary hires we ask Manpower, located in the area (Badalona), to give priority to finding personnel from within the vicinity of the plant.

Vacarisses plant: in 2021 we employed 151 people with permanent contracts. The average number of temporary contracts was 16 people per month, to cover the periods of higher production due to significant increases in the activity of our main client. Due to the pandemic, the number of temporary workers was reduced from May to less than half, and further reduced to zero from September to December.





The geographical location of the factory means that we hire employees from all over the Vallès Occidental region and that 77% of the workforce lives less than 15 km from the factory. To help them commute to work, we provide our employees with a bus service from the town with the highest concentration of people (Terrassa) for the two main shifts.

For temporary hires, and always keeping in mind proximity to the workplace, we collaborate with Manpower and Randstad, companies with which we have agreements in place to promote the training of temporary personnel to increase their employability when their relationship with Puig ends.

Chartres plant: in 2021 we employed 140 people with permanent contracts and three interns. The average number of temporary contracts was 20, mainly to cover temporary disability leave.

NEARBY SUPPLIERS

Despite the new size of the business, we maintain our commitment to working mainly with suppliers close to our production centers whenever possible, both in terms of inventory and non-inventory material.

LOCATION OF SUPPLIERS OF INVENTORY MATERIAL

	2021		
	Beauty and Fashion	Charlotte Tilbury	Derma
Europe	71.6%	8.3%	12.9%
Spain + France	13.9%	55.6%	86.5%
Americas	2.7%	11.1%	0.0%
Asia	11.9%	25.0%	0.6%

In addition, in 2021, Paco Rabanne Fashion and Penhaligon's moved part of their production from other continents to Europe.

We also follow a policy of selecting suppliers within the environments in which we are located when we outsource.

IMPACT OF OUR PRODUCTION ACTIVITY IN THE TERRITORIES IN WHICH WE OPERATE

We actively take part in initiatives involving the social and productive fabric near our centers, enabling us to enrich the ecosystem of which we are part. To highlight two key initiatives:

Vacarisses: we are part of the Executive Committee of the Can Torrella Industrial Estate, which carries out its activity in Vacarisses. This Committee was established to manage the activity of the Wastewater Treatment Plant of the industrial estate until the transfer of this activity to the Town Council is finalized.

Chartres: since 2002, Puig has been one of the promoters of the Cosmetic Valley,²⁵ a cluster which currently encompasses more than 550 companies related to the perfumery and cosmetics sectors, including companies along the entire value chain. Its objective is to support the development of the sector through different initiatives, for example in business development or competitiveness improvement.



25 Cosmetic Valley is part of the French government's cluster strategy.

RELATIONSHIP WITH OUR CONSUMERS

Our ESG commitment is also reflected in our commitment to our consumers. We adopt the necessary mechanisms to guarantee the safety of our products, such as constantly monitoring the applicable legislation or reviewing our manufacturing, labeling and packaging standards.

Our entire portfolio of products is subject to several legislations, the most important one being Regulation (EC) No 1223/2009 of the European Parliament and of the Council of 30 November 2009 on cosmetic products, which harmonizes the rules in the EU in order to achieve an internal market for cosmetic products while ensuring a high level of protection of human health.

We strictly comply with IFRA²⁶ recommendations and national legislation. Moreover, we have internal standards which are even more demanding than the legal requirements in some aspects related to the life cycle of all our products.

Monitoring is carried out throughout the product development workflow, and can be summarized in three main areas:

- Ingredients and packaging.
- Development of new formulas.
- Final product and labeling.



²⁶ International Fragrance Association.

We also have the necessary mechanisms in place so that our consumers can contact us to report any claims. In order to guarantee this process, we follow a protocol based on EU regulations. Claims can be very diverse, from very specific minor reactions to the normal use of the cosmetic product (cosmetovigilance) to problems with orders from our direct customers. In our fragrance business, the number of alerts classified as “likely” and “very likely” in 2021 for every million units sold was 0.10 (-71%), which places our products in the “Very good tolerance” category.

At Uriage and Apivita we work with an external cosmetovigilance service.

In terms of the claims management indicators, 2021 is not comparable to 2020 due to the acquisition by Puig of Uriage, Apivita and Charlotte Tilbury. For this reason, we only offer data for 2021.

CLAIMS		
2021 ²⁷		
		Beauty and Fashion Charlotte Tilbury
Number of units sold		134,432,081 64,248,827
Customer claims	Related product units PPM ²⁸	2,226 17
Consumer claims	Related product units PPM ²⁹	17,004 126.0 41,007 638.3
Internal claims (Puig units)	Related product units PPM ³⁰	35.305 263.0



²⁷ We have no data for Uriage and Apivita.

²⁸ Parts per million units sold.

²⁹ *Idem.*

³⁰ *Idem.*

5. PUIG AND THE PLANET



THE ENVIRONMENTAL PLAN OF THE ESG 2030 AGENDA

Our 2030 ESG Agenda establishes two major commitments:

CONTRIBUTE TO LIMITING THE RISE
OF TEMPERATURE TO 1.5 °C BY 2030.

BE NET ZERO BY 2050.

We started by identifying **the 5 material areas** with the greatest impact on the planet, people and development:



Emissions



Materials, ingredients
and waste



Biodiversity



Water



Fair supply

The implementation plan is structured around **6 pillars** and its scope of application is the entire business:



PRODUCT
STEWARDSHIP

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



SUSTAINABLE
SOURCING

We work together with our
suppliers to build a strong and
sustainable supply chain.



RESPONSIBLE
LOGISTICS

We are transforming our logistics
to decarbonize the transportation
of our products.



RESPONSIBLE MANUFACTURING
AND FACILITIES

We are meticulous and
demanding in our facilities,
focusing on management of water,
energy and waste.



CONSCIOUS
LIVING

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



NATURE
STEWARDSHIP

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

Aligning ourselves with the most important international standards



GRADE OF A-



SCORE OF 67/100
GOLD MEDAL



MAIN 2021 MILESTONES



Reduction of our carbon footprint

The reduction of our carbon footprint is a key variable for achieving the main targets of our ESG 2030 Agenda. For this objective, in 2021 we expanded the scope to the current structure of Puig.

In 2021, the gross carbon footprint was 551,064.06 t CO₂ e, but we continued to finance emissions offsetting projects, which allowed us to achieve carbon neutrality in scopes 1 and 2. We started a partnership with the Complexo Energético Fundação Santa Clara in Brazil, a hydroelectric power complex located on the Jordão River, which produces renewable energy and generates local employment, certified by the international VCS program.³¹ Our involvement allowed us to offset 9,300 tons of CO₂, leaving our net footprint at 541,764.06 t CO₂ e.

Emissions derived from the acquisition of goods and services account for 64% of the total and mainly impact the Sustainable Sourcing pillar, a fact that justifies our commitment to working with our value chain.

Incorporation of new businesses

In 2021, we fostered the inclusion of our new businesses in our ESG 2030 Agenda, which we had already defined before their incorporation into Puig. We are currently carrying out a diagnosis of opportunities and synergies in order to be able to establish common indicators in the near future.

³¹ Verified Carbon Standard: the most widely used voluntary GHG emissions offsetting program in the world.

COMPREHENSIVE MANAGEMENT OF OUR STRATEGIC PILLARS

PRODUCT STEWARDSHIP

In the ESG 2030 Agenda, we redefined the objectives of this pillar for 2025 and 2030, with a focus on improving the sustainability of our products along two lines: ensuring that our products are not harmful to people's health or the environment and improving the environmental impact of our packaging. In addition, in 2021 an action plan was defined for each brand in the fragrance business.

More sustainable and safe products

We made every effort to ensure the portfolio we offer the market contained innovative and sustainable products with a commitment to go beyond the requirements of current legislation and to respond to the demands and expectations of our customers through different initiatives:

FORMULAS WITH INGREDIENTS OF NATURAL ORIGIN

We focused our efforts on identifying and prioritizing ingredients of natural origin: plant extracts, natural colorants or essential oils that guarantee maximum respect for biodiversity and health.

- Approval of a minimum of 90% ingredients of natural origin both in new perfumery projects and in current personal care products, which we have begun to reformulate.
- Apivita: all products contain between 85% and 100% ingredients of natural origin – some with Natural Cosmetic Standard and Eco Bio Cosmetic Standard certifications – and/or organic origin.³² In 2021, the brand reformulated its Beessential Oils to incorporate ingredients 100% natural origin and 0% water.



³² Certification issued by ICEA (Istituto per la Certificazione Etica e Ambientale).

- Uriage: 100% of leave-in baby care formulas tested as biodegradable.³³ Development of two new cleansing creams in solid format, eliminating water from the formulas.

CLEAN@PUIG FOR FRAGRANCES AND PERSONAL CARE

We impose voluntary restrictions upon ourselves for the formulation of our products which go further than the requirements of the current regulations.

Since 2021 we have adopted criteria and protocols which are obligatory for all new products, and we have established a plan for the progressive reformulation of the entire portfolio which is expected to conclude in 2025.

SUSTAINABLE FABRICS

In our fashion businesses we incorporated fabrics and raw materials of recycled or ecological origin, focusing on obtaining internationally recognized certifications.

- Dries Van Noten: 25% of fabrics certified by Oeko-tex, Better Cotton Initiative (BCI), Global Organic Textile Standard (GOTS) or Global Recycling Standard (GRS), among others.
- Paco Rabanne: 100% cotton certified by OCS 100, BCI, and GOTS; and 70% of the leather certified by The Leather Working Group (LWG).
- Nina Ricci: gradual replacement of polyester and other non-natural fibers, except for those of recycled origin.

Eco-efficient packaging

We continue to make our packaging more efficient, reducing volume and making it more sustainable in response to the quality and safety demands of today's consumer. Here, the actions focused on:

EVALUATION AND MEASUREMENT

Incorporation of the SPICE³⁴ tool, an initiative promoted by more than 29 companies in the sector to understand, measure and evaluate the environmental impact of packaging, and providing guidelines and policies on choosing alternatives that adapt to the needs of our users with the least possible impact.

At the end of the year, the EBS (Eco Beauty Score) Consortium was created. Puig was a member of the consortium from the beginning, in which the main players in the sector also participate. The objective is to develop a common indicator that allows consumers to be informed of the environmental impact of both packaging and ingredients.

REDUCTION OF PACKAGING

Reducing the volume and weight of packaging is key to generating less impact from the use of packaging materials and optimizing our logistics.

In fragrances, we set a target of 15% reduction in the volume of our packaging by 2025 and 30% by 2030. In 2021, the size of the *coffrets* was optimized, with a 46% decrease in associated transport volume, and the largest containers of our main brands were redesigned, optimizing transport volume by up to 67%.

³³ OECD 301F procedure.

³⁴ Sustainable Packaging Initiative for CosmEtics (<https://open-spice.com/>).

RECYCLED AND RECYCLABLE MATERIALS

We work to identify and prioritize the use of materials with less environmental impact, whether due to their origin, production process or ease of recycling, promoting the use of plant-based raw materials and recycled materials such as glass or post-consumer plastic.

Examples in the fragrance business in 2021:

- Use of rPET in the packaging of accessories from the Carolina Herrera, Paco Rabanne and Jean Paul Gaultier lines, as well as in new developments.
- 0% plastic in the *coffrets* for all Prestige brands, replacing this with paper elements.

- More sustainable alternatives in promotional products: 100% recycled plastic in bags (polybags) and use of sekodry in place of silica gel.

- Lighter and recyclable alternatives at the point of sale.

In Charlotte Tilbury:

- Use of recycled plastics in all travel formats.
- All new launches must incorporate more than 30% materials of recycled origin.

In Apitiva:

- 100% of the bottles contain 50% rPET, and 46% of the tubes for masks and scrubs.³⁵



³⁵ Not including the cap.

In the fashion houses:

- Carolina Herrera and Dries Van Noten: hangers made of recycled plastic or reusable wood hangers.
- Carolina Herrera: all accessory bags certified by the Better Cotton Initiative.
- Dries Van Noten: only sustainable packaging in the Los Angeles store. This will gradually be extended to the rest of the brand's stores.

REFILLABLE FORMAT

We design our packaging so that it can be recycled or reused.

In 2021 we took the following steps:

- Launch of refillable formats for Phantom by Paco Rabanne and Scandal pour Homme by Jean Paul Gaultier.
- Study of separable and refillable bottles for Nina Ricci and Adolfo Dominguez.

- Refillable and/or reusable products for Christian Louboutin's new So Glow line.
- Refillable formats for Charlotte Tilbury's Brow Lift and Brow Cheat lines, Magic moisturizer, suntan lotions, and Hot Lips lipstick.
- Study of refillable containers for Charlotte Tilbury's best-selling makeup and blushers, with a launch planned from 2022.

SUSTAINABLE SOURCING

To offer the consumer a more sustainable product, we need the entire supply chain to share our values and principles. We work together with our suppliers to analyze their ESG performance, ensuring the traceability of our raw materials and promoting the use of certified materials.



Monitoring of our suppliers

Every supplier that works with Puig must comply with our Sustainable Sourcing Policy and our Ethical Code. For this we use the EcoVadis platform, which evaluates the ESG performance of the supply chain.

In 2021, we carried out the fifth supplier evaluation campaign for the fragrance business, obtaining an average score of 60.4/100 (EcoVadis average: 43.9). During this campaign, the number of suppliers included in this continuous evaluation increased to 274 (93% of our inventory materials).

Apivita carries out a supplier evaluation process in which sustainability is one of the variables.

In 2021 we carried out an internal analysis of the different alternatives on the market to evaluate the supply chain for the entire group. Following this, in 2022 Apivita, Uriage and Charlotte Tilbury will ultimately start using EcoVadis, while our fashion brands will work with the Sedex platform.

Traceability of raw materials

In order to comply with the commitments of our ESG 2030 Agenda, we need to guarantee the traceability of the main raw materials used in our activity, for which we will expand the action plan from 2022 onwards.

- Apivita implements programs that ensure the traceability of 100% of its raw materials, which come from beekeeping, plants and essential oils.
- Uriage guarantees the traceability of 75% of its raw materials.

More sustainable and certified materials

We work to increase the use of materials of sustainable and certified origin:

- We develop innovative projects together with our suppliers to introduce more sustainable raw materials. For example, 20% of the glass in the bottles supplied to us by Verescence in 2021 was recycled.

- 100% of the alcohol used in our fragrances comes from natural and sustainable sources and 70% is SAI certified at the highest levels (Gold or Silver).
- Since 2019, 100% of the cardboard used in the packaging of the fragrance brands comes from sustainably managed forests. In 2021 we approved the gradual introduction of the requirement for FSC certification in all the products of forest origin that we buy.
- Charlotte Tilbury: FSC certified cardboard in all secondary packaging.
- Apivita: recycled and biodegradable EMAS and FSC certified paper, free of chlorine and heavy metals.
- Paco Rabanne Fashion: at least 10% of the fibers of forest origin are recycled, of which more than 40% are FSC certified.

RESPONSIBLE LOGISTICS

We work to minimize the impact of the carbon footprint associated with the transportation of our products. We collaborate with our partners developing initiatives to decarbonize our logistics, optimize routes and logistics equipment, and explore more sustainable alternatives, especially for international transport.

Optimization of packaging materials

We look for more efficient and sustainable packaging options for our products:

- Introduction of sustainable filling and packaging materials in the online store for employees in Spain, with the elimination of one ton of plastic in 2021 and with a forecast of two tons per year from 2022.
- Pilot project in Italy to replace the expanded polystyrene used to insulate products with an alternative by reusing our own cardboard boxes.

- Optimization of space in transportation and storage.
 - Dries Van Noten: flat packs in 75% of shipments.
 - Paco Rabanne: collapsible boxes since 2020.

Optimization of transportation routes and systems

We put into practice actions to optimize the kilometers traveled, as well as times and costs:

- Incorporation of liquefied natural gas trucks for transporting goods from the warehouse in Castellar del Vallès (Spain) to the logistics platform in Venlo (The Netherlands).
- 20% reduction in extraordinary air shipments of fragrances and cosmetics, with a reduction in emissions of 883 t CO₂.
- New warehouse for garments produced and distributed in Europe by Carolina Herrera Fashion to avoid transport to and from the United States.
- Increase in the number of products produced in Europe:
 - 67% of Paco Rabanne Fashion.
 - Transfer of part of Penhaligon's production from China to Europe.

RESPONSIBLE MANUFACTURING AND FACILITIES

We promote sustainable transformation in our offices and production centers, aligning ourselves with the most demanding international standards, exploring new alternatives and continuously implementing improvements.

Efficient facilities and sustainable production

Since 2005 we have implemented an Integrated Management System, certified under the ISO 14001:2015 standard, which allows us to monitor the most representative environmental indicators of our fragrances activity in the four factories and at the Barcelona headquarters. This means we act proactively and responsibly to detect potential environmental risks. Likewise, we have the necessary insurance to cover any environmental liability.

We are also working to obtain the most demanding international certifications regarding the sustainability of our facilities:



- LEED Gold³⁷ energy and environmental efficiency certificate at the Barcelona headquarters.
- Apivita: study on obtaining BREEAM³⁸ certification for its headquarters in Greece in 2021.

Regarding noise and light pollution, no significant impacts were identified in any of our facilities, in which we comply with the technical characteristics required by applicable legislation and regulations. Also, in order to carry out the required verifications, each center has operating instructions which establish the frequency with which peripheral sound level tests should be carried out.

We have systems in place to ensure the measurement of our environmental impact with indicators adapted to each type of building and activity. In 2021 we continued working to integrate the consumption and utility supplies of our four plants in the fragrance business into the corporate software Energy Management System (EMS). The Apivita plant also has its own performance indicators for the production process, which allow us to improve the management, monitoring and reporting of our entire consumption and reduce our environmental footprint.

Energy efficiency and use of clean energies

We develop solutions to optimize energy efficiency and the transition to renewable energies.

COMMITMENT TO RENEWABLE ENERGIES

- All of the electricity supplied to the production plants of the fragrance business and of Uriage and Apivita, as well as to the Barcelona and Paris headquarters, comes from 100% renewable sources.
- The Apivita and Alcalá de Henares factories use energy generated from their own photovoltaic panels. In 2021, a study was started on expanding the use of photovoltaic panels at the Alcalá plant.

- Use of biomass energy in Vacarisses, Chartres and the two Uriage plants.
- Study in 2021 on installing photovoltaic panels in Vacarisses.
- 100% renewable energy in Chartres.
- Solar thermal energy used at the Barcelona headquarters for heating water.

2020-2023 ENERGY EFFICIENCY PLAN

In 2021 we made progress in improving the energy efficiency of all our centers, carrying out the following actions:

- Optimization of air conditioning and heating, updating facilities and equipment, and adapting schedules to teleworking.
- Installation of LED lighting, gradually replacing the lights in all our facilities.

Efficient waste management and promotion of the circular economy

We reaffirm our commitment to the transition to a circular economy and work to minimize the generation of waste and to reintroduce unavoidable waste into our value chain.

Packaging is the main waste generated by our activity, for which we promote optimization, reduction and recycling initiatives in all our businesses and brands:

- Innovative initiative to give a second life to the plastics we use in our processes.
- Working with suppliers to facilitate the reuse and recycling of all packaging.
- Promoting the use of recycled and reused material.
- Improving the materials used to seal and protect products (e.g. replacing the cellophane used in the fragrance business with a biodegradable material).
- Innovative project to reduce and valorization of waste.

³⁷ International seal of excellence awarded by the US Green Building Council.

³⁸ BREEAM is the first sustainable construction certificate created in the world. More information at [bre.com](https://www.bre.com).

Our fashion houses do their part for the circular economy through several actions that they have been carrying out for years:

- Carolina Herrera collaborates with the FABSCRAP program to give a new use to the fabrics left over from production.
- Jean Paul Gaultier sells garments from previous collections on its website to give them a second life.

Responsible water consumption

In 2021 we continued to improve our facilities to ensure a better use of water resources. We work to reduce water consumption in the manufacture of our products, increase the efficiency of our processes and minimize discharge.

At the Vacarisses plant, we have implemented a pilot of our dry factory model, an installation that will reuse 100% of the process water in a closed circuit. The plan is to extend this project to the rest of the Puig factories in the future.

At the Apivita factory and offices and at the Barcelona headquarters we have tanks that collect rainwater for reuse.



CONSCIOUS LIVING

The participation of the different stakeholders, mainly the people who work with us, is fundamental in achieving the objectives of our ESG 2030 Agenda and becoming a leading company in sustainability.

We are designing action plans to reduce the emissions of the people who work at Puig, and to promote awareness, commitment and knowledge of key ESG aspects.

Reduction of the environmental footprint of our workers

In 2021 we continued to implement savings and efficiency measures that allowed us to reduce the environmental footprint of the workforce when carrying out its activity.

PAPER CONSUMPTION

We minimized the use of paper through consumption measurement projects and the increased digitalization of all processes, in particular as follows:

- The impact of Covid-19 revealed our capacity for working with less paper, so we began a process of establishing guidelines to maintain these levels of consumption throughout the fragrance business.
- Extending the use of recycled paper instead of virgin paper to all units.
- Dries Van Noten: digitalization of 90% of invoices.
- Carolina Herrera: gradual introduction of recycled paper in printers.

CIRCULAR ECONOMY AND RECYCLING HABITS

We improved waste management and promoted correct recycling in our day-to-day activities:

- Selective waste collection points at the Barcelona and Paris headquarters and at the Carolina Herrera offices in New York.
- Awareness campaign to encourage recycling among the people who work at the Barcelona headquarters.
- Elimination of single-use materials. In 2021, the fashion brands joined the initiative to replace the use of single-use plastic bottles launched in 2020. In Carolina Herrera, in addition, disposable cutlery and plates were replaced in the dining rooms with a reusable alternative.

MORE SUSTAINABLE MOBILITY

We launched measures aimed at helping our employees to be more sustainable in their work-related trips.

- Installation of 40 charging stations for electric vehicles at the Barcelona headquarters.
- Renewal of management vehicles with plug-in hybrid electric vehicles (PHEV) as the only option in the fragrance and corporate units.

- Implementation of a new travel tool and selection of a single supplier to manage business trips from end to end for the global fragrance business.
- Apivita: promotion of sustainable mobility through several initiatives:
 - 34 people signed up to car sharing.
 - A fleet of corporate cars was launched.
 - Due to Covid-19, our daily corporate bus that transports 50 people remained inactive.
 - Free monthly metro pass for Brand Ambassadors.
- Uriage: partnership with Tandem to offer electric bicycles for commuting from home to work as a clean and sustainable mobility solution.



Sustainability awareness

In 2021 we launched various internal training and awareness initiatives with the aim of increasing the commitment of Puig employees to sustainability.

SustainabiliME CAMPAIGN

Program aimed at reinforcing a common culture of sustainability by increasing knowledge on related topics. Launch of the first actions in 2021.

- Training sessions with the Retail, EMAD, Charlotte Tilbury and Carolina Herrera teams, among others, to set the foundations for sustainability and to turn them into spokespersons and ambassadors of the company's commitment.
- Internal communication campaign in the units that are members of the internal Workplace social network so that, through concise, clear and enjoyable content, they could learn more about sustainability and the company's progress in this regard. Several people from our teams starred in videos and posts, and 85% saw at least one of the campaign posts.

OTHER INITIATIVES

- Space dedicated to sustainability at the Strategic International Meeting (Beauty and Fashion SIM), which showcased the achievements of the company's first sustainability program, and in which the strategic lines of the ESG 2030 Agenda were presented.
- Drafting of a Sustainability Dictionary, with the 100 most relevant terms for consultation or for increasing knowledge on the subject.
- Informative and educational campaign around the SDGs in Apivita, to increase ecological intelligence among the workforce and visitors.
- Immersion in the world of bees for new hires in Apivita, with an experiential tour of the hives located in the company's own facilities.



NATURE STEWARDSHIP

At Puig, we are committed to the environment and the protection of natural resources and biodiversity. One of the strategic pillars of our ESG 2030 Agenda is focused on mitigating biodiversity loss through specific action plans that help us achieve a neutral or even positive impact in the coming years.

Commitment to biodiversity

The protection of natural spaces and forests is key to maintaining biodiversity. At Puig we work to reduce the impact of our operations and to ensure that our supply chain is made up of suppliers and raw materials that respect the environment.

OUR OPERATIONS

None of our plants have any significant impact on biodiversity. Only the Vacarisses plant is located close to a protected water channel. However, since 2006 we have developed a consumption and discharge reduction plan to avoid the environmental impact of this plant.

The Apivita bioclimatic plant in Greece combines the best practices of architecture integrated into nature and has been recognized as promoting the area's biodiversity with the introduction of more than 150 species and subspecies of native plants. In addition, it maintains 20 hives housing a million pollinators that help maintain the balance of the ecosystem. In 2021, it created a botanical garden on the roof of the headquarters of the international NGO ActionAid in Athens (Greece).



MAIN INDICATORS

The data for 2021 is not comparable with previous years. This is the first time that we present results for the group as a whole. We will be using 2021 as the base year in our reporting over the coming years.

2021 GHG EMISSIONS BY BUSINESS AREA (t CO₂ e)

	Total	Beauty and Fashion	% s/total	Charlotte ³⁹ Tilbury	% of total	Derma ⁴⁰	% of total
Scope 1	6,258.4	4,093.7	65%	1,220.4	20%	944.4	15%
Scope 2	2,385.0	589.4	25%	1,274.7	53%	520.9	22%
Scope 3	542,420.6	385,343.6	71%	107,553.6	20%	49,523.5	9%
Total	551,064.1	390,026.6	71%	110,048.8	20%	50,988.7	9%

DISTRIBUTION BY BUSINESS AREA

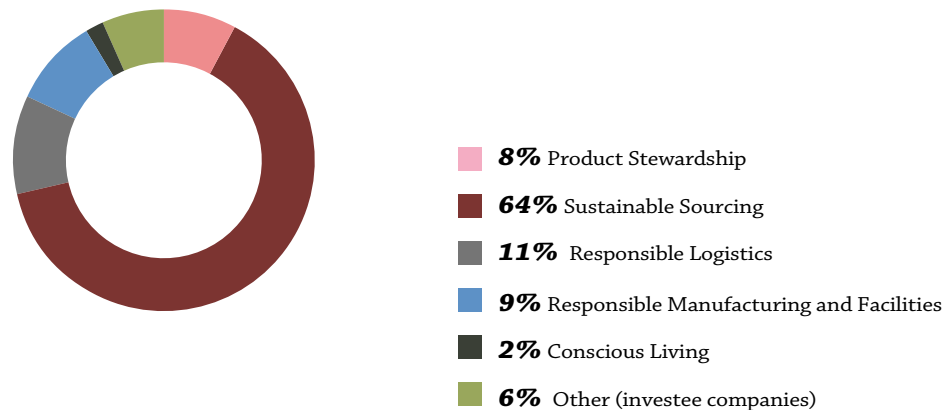


³⁹ Estimate made based on economic intensity. We expect to calculate results based on primary data in the short term.

⁴⁰ Uriage data estimated based on economic intensity. We expect to calculate results based on primary data in the short term.

BREAKDOWN OF THE ORIGIN OF GHG EMISSIONS BY SCOPE		
	2021	% of total
Stationary combustion	2,584.2	
Mobile combustion	2,867.4	
Refrigerants	806.8	
Total scope 1	6,258.4	1.1%
Electricity	2,375.3	
Steam and heat	9.7	
Total scope 2	2,385.0	0.4%
Cat. 1 – Purchased goods and services	352,582.8	
Cat. 2 – Capital goods	34,669.6	
Cat. 3 – Fuel- and energy-related activities ⁴¹	7,688.2	
Cat. 4 – Upstream transportation and distribution	35,161.2	
Cat. 5 – Waste generated in operations	2,719.4	
Cat. 6 – Business travel	2,908.3	
Cat. 7 – Employee commuting	3,891.1	
Cat. 8 – Upstream leased assets	4,683.2	
Cat. 9 – Downstream transportation and distribution	18,174.5	
Cat. 10 – Processing of sold products	645.4	
Cat. 11 – Use of sold products	32,158.5	
Cat. 12 – End-of-life treatment of sold products	10,779.5	
Cat. 13 – Downstream leased assets	172.0	
Cat. 14 – Franchises	587.1	
Cat. 15 – Investments	35,599.9	
Total scope 3	542,420.6	98.4%
TOTAL	551,064.1	

DISTRIBUTION OF GHG EMISSIONS BY PILLARS



41 Not included in scopes 1 or 2.

OVERALL WATER AND ENERGY CONSUMPTION AT PUIG

Items	Unit	2021
Water consumption	m ³	199,424.1
Electricity consumption	kWh	32,879,080.7
Steam and heating	kWh	40,520.6
Primary energy consumption:	kWh	14,452,774.7
Natural gas	kWh	9,673,079.6
Propane gas	kWh	1,902,467.0
Fuel oil	kWh	3,488.4
Diesel	KWh	1,113,559.7
Biomass	kWh	1,760,180.00
Renewable energy	%	45%

WATER AND ENERGY CONSUMPTION PER UNIT

Items	Unit	Beauty and Fashion	% of total	Charlotte ⁴² Tilbury	% of total	Derma ⁴³	% of total
Water consumption	m ³	77,571.1	39%	65,008.9	33%	56,844.1	28%
Electricity consumption	kWh	18,137,331.7	55%	9,551,678.1	29%	5,190,070.9	16%
Steam and heating	kWh	40,520.6	100%	0.0	0%	0.0	0%
Primary energy consumption:	kWh	9,597,348.5	66%	2,739,512.9	19%	2,115,913.3	15%
Natural gas	kWh	5,931,213.1	61%	2,739,512.9	28%	1,002,353.6	11%
Propane gas	kWh	1,902,467.0	100%	0.0	0%	0.0	0%
Fuel oil	kWh	3,488.4	100%	0.0	0%	0.0	0%
Diesel	KWh	0.0	0%	0.0	0%	1,113,559.7	100%
Biomass	kWh	1,760,180.0	100%	0.0	0%	0.0	0%
Renewable energy	%	59%		0%		69%	



⁴² Data estimated based on economic intensity. We expect to calculate results based on primary data in the short term.

⁴³ Uriage data estimated based on economic intensity. We expect to calculate results based on primary data in the short term.



6. PUIG AND GOOD GOVERNANCE



We voluntarily undertake to act in the most responsible manner and as a result have established internal mechanisms that ensure not only our future, but also the way in which we get there. Corporate governance is key to guaranteeing the ethical behavior of the entire organization and decision-making in line with our purpose and with the environment in which we operate. In addition, as a company with an important

manufacturing component, we place special emphasis on the ethical principles of our operations.

We understand good governance as being the mechanisms that guarantee our legacy and long-term survival, add value to our business and streamline decision-making and our response to the environment.

CORPORATE GOVERNANCE

Over the years we have established a corporate governance structure that goes beyond what is legally required in a family business, thus demonstrating our commitment to proper functioning of the company from an ethical perspective.

GOVERNING BODIES

The governing bodies execute, supervise, endorse and monitor the fulfillment of the strategic plans in accordance with our way of behaving.

The Board of Directors, as our highest governing body, is responsible, among other things, for approving our general policies and strategies and for overseeing the management of the company. We incorporate independent board members and other external board members both to ensure greater objectivity in the decision-making process for the benefit of the business and to contribute knowledge and experience of other sectors.

At the end of 2021, our Board of Directors was made up of the following members:

BOARD OF DIRECTORS

CHAIRMAN

Marc Puig (1)

VICE CHAIRMAN

LYSKAMM, 1861 S.L.

(represented by Manuel Puig) (2)

EXTERNAL BOARD MEMBERS

Rafael Cerezo (Coordinating Director) (3)

Patrick Raji Chalhoub (4)

Jordi Constans (5)

Daniel Lalonde (6)

Exea Ventures, S.L.U. (represented by Giovanna K. Monnas) (7)

Exea Empresarial, S.L. (represented by Josep Oliu) (8)

Yiannis Petrides (9)

Xavier Puig (10)

Jordi Puig (11)

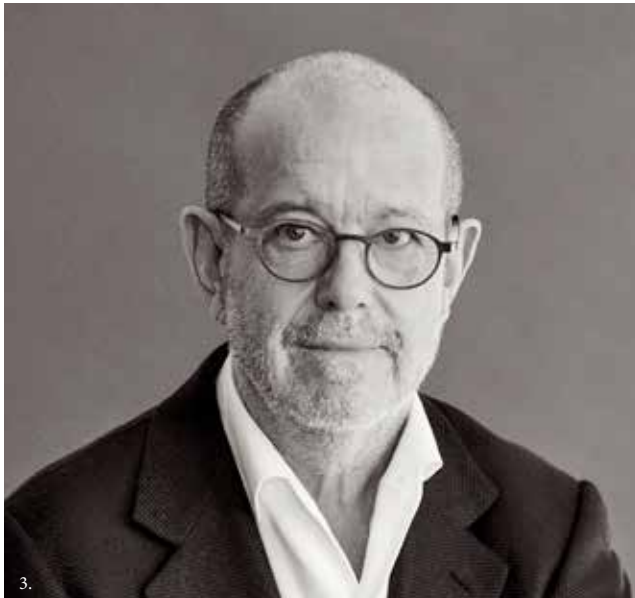
Marian Puig (12)

BOARD SECRETARY (NON-DIRECTOR)

Joan Albiol

BOARD VICE SECRETARY (NON-DIRECTOR)

Marta Sulé





The Board has three delegate committees:

AUDIT COMMITTEE	
Chairman	Yiannis Petrides
Members	Rafael Cerezo
	Daniel Lalonde

COMPENSATION AND NOMINATION COMMITTEE	
Chairman	Rafael Cerezo
Members	Jordi Constans
	Exea Ventures S.L. (represented by Giovanna K. Monnas)
Secretary (non-director)	Manuel Duplá

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

Charlotte Tilbury, Uriage and Apivita maintained their own Boards of Directors at the end of 2021.

With the incorporation of the new businesses at the beginning of the year, in 2021 we remodeled the Executive Committee, which at the end of the year was made up of the following members:

- 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
- CEO Charlotte Tilbury, Demetra Pinsent
- President Derma, Hervé Lesieur

Francois Xavier Billaud, Puig General Auditor, reports hierarchically to the chairman of the Audit Committee (Yiannis Petrides) and administratively to Marc Puig in his role as Chairman and CEO.

The day-to-day management of the company is carried out by its senior management and the corporate bodies of its subsidiaries.





MONITORING OF THE ENVIRONMENT

It is our responsibility to stay informed and to know how the market, its trends and our competition is evolving, so we can plan our future, be aware of the risks and opportunities and react quickly to the volatility and speed of changes in our environment.

The beauty market in 2021

2021 was a year once again marked by Covid-19, although little by little all categories recovered a certain amount of normality and consumers began to return slowly to their pre-pandemic habits.

In general, the beauty market registered growth in certain areas and segments in 2021, although at different speeds in different geographical areas. Europe was the only geographical area that remained below 2019 levels and travel retail continued to suffer

from the drop in passengers, still 48% down compared to pre-pandemic figures.

Consumers started to come back to the traditional channel as life more or less returned to normal and, although the online channel regressed slightly compared to 2020, the signs of its consolidation continued.

This return to normal had a direct impact on fragrances and makeup, two categories that suffered especially in 2020. Dermocosmetics was the category that best resisted the pandemic, since the pharmacy channel was the only one that remained open at all times.

In the beauty market, consumers increasingly look for new experiences. In this regard, technology played a key role in 2021, offering differential and disruptive services and products that have started to blur the distinction between offline and online.

China continues to be the great potential market, mainly for the fragrance category where its consumers have begun to

show interest, with a preference for niche and local brands. Fragrances have traditionally had far lower penetration than the skincare or makeup category.

The fragrance market grew 34% from 2020, but still remained 3%⁴⁴ below 2019 levels.

The makeup market was the most affected by the pandemic, accentuated by the prolonged use of masks. This category is recovering at a slower rate and, pending figures for the end of 2021, recovery to 2019 levels is not expected until 2023.

In dermocosmetics, the 2021 numbers were already similar to those of 2019. The effects of the pandemic were limited to 2020, and even then, they were not as keenly felt as in the other categories.

Future outlook

- The online channel is expected to become the #1 channel for consumers by 2024. This will force companies to review their mix and be ready to respond as necessary.
- Consumers will increase their preference for products with clean formulas and more sustainable products.
- The selective fragrance category will remain below 2019 levels until 2023, while this recovery is not expected for Europe and the travel retail channel until 2024.
- China and the rest of Asia will continue to be the biggest potential markets.
- Digital innovation and sustainability will be key to offering consumers innovative value products that are aligned with their demands.



44 According to the most recent estimates as of the date of signature of this report in March 2022.

RELEVANT ASPECTS AND MATERIALITY

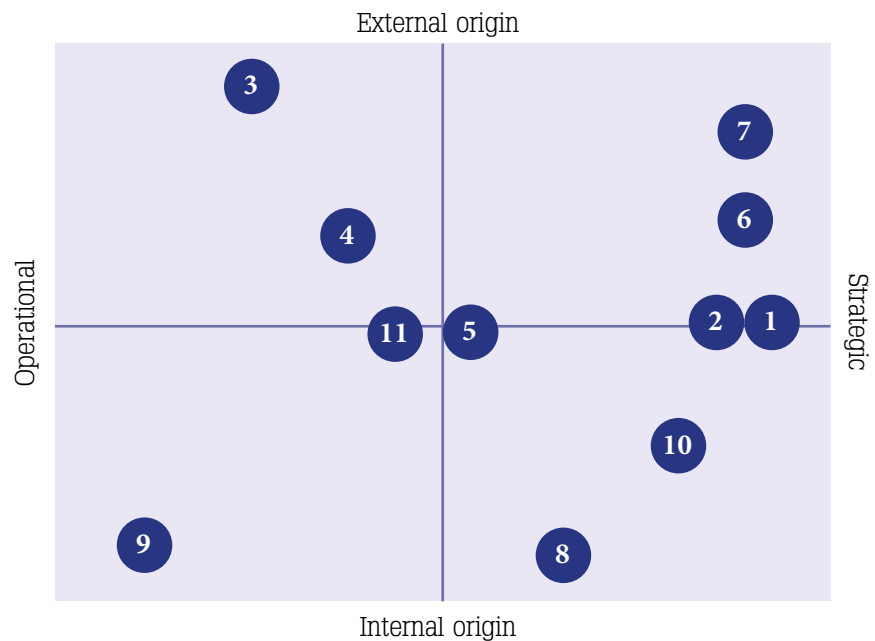
Using information about our competitive environment, trends, the market and our capabilities and objectives, we identify and monitor any relevant aspects that may pose a risk to the business following objective criteria. We classify these aspects at different levels and assign internal managers to monitor and detect any change in scenario: we have indicators and measures in place to control and reduce the impact.

Analyzing and prioritizing these relevant aspects is important for making strategic decisions, defining the annual Internal Audit plans and allowing us to focus on opportunities to adapt to changes in internal or external environments.

In 2021 we began a comprehensive risk review to take into account the new business and the changing environment, which we expect to be completed in 2022. However, at the end of the year we had already been able to evaluate the incorporation of some key aspects, so the matrix as of the date of publication of this report is as follows:

In alphabetical order

- 1 China
- 2 Competition
- 3 Covid-19
- 4 Cybersecurity
- 5 Digital skills
- 6 ESG
- 7 Geopolitical context
- 8 Impact of launches
- 9 Operations
- 10 Succession in key positions
- 11 Talent



ETHICS AND CONDUCT

Our way of doing things is key to the future we want; it establishes the way we move forward. With our new corporate structure and new businesses, in 2021 we set about establishing a common framework of action and identifying synergies. We started the revision of our Ethical Code to align it with the new structure of the group, stressing our commitment to diversity and inclusion. We expect to approve it in 2022.

We conducted an online course on competition regulations in which 469 employees from all Puig business areas participated. The course was aimed at those positions that manage sensitive commercial information or that may be in contact with customers and competitors. 86.5% of the participants successfully passed the final tests.

Corporate areas and Beauty and Fashion

The Ethical Code continues to be the primary regulatory document of the corporate areas and of Beauty and Fashion. Therefore, the structure of the corporate policies that establish the framework for our actions, both internally, with stakeholders and society in general, has the same scope and area of application (Annex 2, Detailed list of policies by business).

To ensure that we comply with our values, internal regulations and current legislation and to promote an ethical culture in the operations of the fragrance business, we carry out the following actions:

- Access to all corporate policies through the MyDesk application for all employees.
- Adherence to the Ethical Code and regular training for the entire workforce. New hires follow the same process.
- Adherence to the Puig Ethical Code of 95.7% of the distributors targeted by the campaign.

The total number of complaints received through the Ethical Code Complaint Channel in 2021 was seven, all resolved at the end of the year, as were the three that remained open at the end of 2020.



The new Anti-Corruption Policy, which will include and, therefore, render ineffective some of the current policies, was still under discussion by the Compliance Committee at the end of 2021.

Charlotte Tilbury

- Policy that covers issues of equality, diversity and the fight against corruption and bribery.
- Mandatory courses for all workers on issues of corruption, anti-bribery, modern slavery and non-racist language.



COMMITMENT TO PAYING TAXES

We are committed to complying scrupulously with our tax obligations directly in the countries in which we are present, respecting the different locations and regions where we operate.

The Tax Policy establishes the governance framework, principles, values, guidelines and standards that should guide our behavior in terms of paying taxes, as well as our decision-making to ensure correct compliance with regulations and mitigate risks. And all this always in line with our business strategy while ensuring the proper application of good tax practices and maintaining a relationship of cooperation and transparency with the different tax authorities.

PROFIT ⁴⁵ and ⁴⁶			
	2019	2020	2021
Spain	156,525	-12,826	118,313
Rest of Europe	73,804	-53,964	156,759
Americas	42,241	34,726	80,618
Rest of world	12,312	44	9,306

CORPORATE TAX PAID ⁴⁷			
	2019	2020	2021
Spain	43,491	4,789	24,257
Rest of Europe	20,469	7,708	27,237
Americas	15,281	2,105	15,693
Rest of world	2,484	2,214	2,230

⁴⁵ In thousands of €.

⁴⁶ Sum of the profits of the individual units in each geographic area.

⁴⁷ In thousands of €.

OPERATIONS

We are a manufacturing company and we believe that our operations should be the prime example of our commitment to good governance and ethics. The way we produce, the way we select our suppliers, the way we define innovation and the way we manage the supply chain are crucial in transmitting our exemplary conduct and maximizing our impact in all ESG areas.

INDUSTRIAL MODEL

We have different industrial models according to the needs and the productive and technological capacity of each business.

- **Fragrances and personal care:** we manufacture mainly in our facilities in Spain and France. We outsource handling, packaging and technological operations to external providers depending on our needs.

- **Charlotte Tilbury:** we outsource production to specialized manufacturers, with a mixed full-service model in which they carry out the supply and manufacturing and the brand provides them with the primary and secondary packaging.
- **Uriage:** approximately 2/3 of the production is carried out in our plants, with the rest outsourced for technological reasons. Part of this outsourcing is done to our factory in Vacarisses.
- **Apivita:** produced exclusively in the brand's factory in Athens, except for a small part that is outsourced for technological reasons.

We are constantly trying to identify and take advantage of the synergies between our brands at the manufacturing level, as in the case of Uriage products some of which are produced in Vacarisses.

In all our brands and businesses our distribution is outsourced to specialized logistics partners.



NOTABLE EVENTS OF 2021

- Leaping Bunny⁴⁸ certification obtained at Charlotte Tilbury.
- Significant impact on the supply chain due to the effects of the pandemic: bottlenecks in shipments and shortages of raw materials.
- Increase in prices of both raw materials and services.
- In fragrances we were able to produce and serve 20% more than expected despite the difficulties.
- Significant increase in regulatory pressure: in the United Kingdom due to Brexit; in China, mainly affecting product imports; and in Europe, where we expect a change in matters of sustainability, such as packaging recycling. This pressure is expected to increase in the future.

Fragrances

- Renewal of the Buenas Prácticas de Fabricación en Cosmética⁴⁹ certification in Barcelona and Vacarisses.
- Bonnes Pratiques de Fabrication (BPF)⁵⁰ certification obtained for cosmetic products in Chartres.
- Launch of a project to reduce water consumption in Vacarisses, based on the reuse of 100% of the process water in a closed circuit. We expect this to be fully operational in 2023.
- In our sector, a very rapid recovery in consumption together with a lack of visibility in demand after a year (2020) in which the supply chain suffered a major downturn.
- Important advances in digitalization in fragrance and personal care factories: Factory 4.0 project and automation of customer service processes.
- Start of the expansion of the biomass plant in Vacarisses up to 1,350 kW.
- Full operation of the photovoltaic energy pilot plant in Alcalá de Henares.
- Presentation of two projects, to cover between 20% and 30% of electricity consumption in a first phase, for the incentive

program linked to self-consumption of renewable energy sources, as part of the Next Generation EU plan. We expect these to be completed in 2022.

- Expansion of the Alcalá de Henares plant to a peak of 730 kW.
- New photovoltaic plant with a peak of 940 kW for Vacarisses.

CHARLOTTE TILBURY

- Launch in Korea and China.
- Development of a new facial franchise at Charlotte Tilbury to be launched in 2022.
- Good results of foundation products in the makeup business.
- Improvements in sustainability aspects of the packaging: refillable containers with improvement in materials in some products of the Magic trilogy and eyebrows.
- Launch of approximately 160 new product references.

INDUSTRIAL STRATEGY

Fragrances

Given the situation resulting from the pandemic, we reviewed all our projects to focus on recovering the desired level of productivity. However, we were able to make progress in some aspects:

- Factory 4.0 project:
 - Increase in the number of connected machines (up to 340 units) and launch of a study on exploiting the data we collect from the machines in order to implement improvements.
 - Continued deployment of the MES in the four factories, with new actions: quality control in production, assistance with format changes and digital tablets for operators.

⁴⁸ 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/>

⁴⁹ Awarded by the Agencia Española de Medicamentos y Productos Sanitarios of the Ministerio de Sanidad.

⁵⁰ Awarded by the Agence nationale de sécurité du médicament et des produits de santé.

- Incorporation of artificial intelligence to guarantee the traceability of the primary packaging in Paco Rabanne's Phantom.
- Continued implementation of the Digital Signage internal communication system in the perfumery and personal care factories, which began in 2020 and will end in 2022.

Charlotte Tilbury

We conducted regular evaluations of our external suppliers and packaging, assessing their efficiency, indicators, innovation and other related aspects. In addition, we worked on improving quality, service levels (OTIF and optimization of delivery times) and technological capacity to improve efficiencies and costs.



R&D&I

Our R&D&I strategy is aligned with our ESG commitment and we work to maximize synergies between the different segments.

There are two principal lines of action which we implement across all businesses:

- More natural formulations of products in all brands.
- More eco-efficient packaging, both in terms of materials and volume, to optimize the impact of our logistics.

In skin care we worked intensely in 2021 on several of our fragrance and fashion brands, from Dries Van Noten to Carolina Herrera and Christian Louboutin. We also started to implement some initial synergies between business lines to take advantage of our know-how and development capacity. This included a collaboration between the fragrance business and Charlotte Tilbury, and also with the businesses in which we have a stake, such as the collaboration with Kama Ayurveda.

In all our businesses, we monitored the numerous changes in legislation that occurred during the year.

Milestones in innovation in 2021

The successful completion of the pilot of our Profiler software in Nocibé in 2020 confirmed its potential to increase the customer acquisition, conversion rates and loyalty of consumers and, therefore, our customers.

In 2021, the Profiler provided a boost to the websites of our own brands (Paco Rabanne, Jean Paul Gaultier, Victorio

& Lucchino) and to the online sales of our main customers. We signed a global agreement with Douglas and began the Profiler's deployment in Germany. We also launched pilots with Sephora, Notino, Macy's and Renner.

All these implementations enabled us to collect real-time data on the preferences of more than 200,000 unique users who tried our devices, which will enrich our knowledge of consumer habits in the future.

We also consolidated the AirParfum industrialization process, making the device more flexible and easier to install. We completed the global certification process, which paves the way for us to start its progressive launch outside Europe, and we obtained a patent for its technology in China.

In 2021, we implemented pilots with Notino, achieving a high conversion rate (25%). At the end of the year, we were working on the implementation of other pilots with customers that already have the Profiler, such as Sephora.

In addition, we started a collaboration with the Prado Museum to develop a unique aromatic experience in April 2022. The olfactory quality of AirParfum and its technology are an ideal solution for museums since it does not vaporize droplets and therefore does not damage works of art.

PURCHASING

At the consolidated level, purchases of inventory material in 2021 stood at €1.066 million, with the following breakdown by activity:

VOLUME OF PURCHASES FROM SUPPLIERS OF INVENTORY MATERIAL

	Fragrances	Charlotte Tilbury	Derma
Amount (€M)	396	92	578
Number of suppliers	314	36	310

Overall, in 2021 we had not yet recovered the level of 2019, although we did register an increase compared to 2020, the year in which the impact of the pandemic was most significant.

In general, the service provided by suppliers was affected across all activities, mainly due to a global raw materials crisis, shipment difficulties from certain geographical areas, staff layoffs due to the impact of Covid-19 and the slow resumption of their production processes after a long period of very low activity. All this was exacerbated by a strong demand in the dermopharmacy and perfumery sector. Consequently, in the fragrance and personal care business, the OTIF in 2021 was 90.4%, almost 5 points below the target of 95%.

To mitigate these issues, alternative suppliers were sought and we were able to replace some raw materials with other compatible ones.

At the same time, we suffered the effects of a major and constant increase in the cost of raw materials and other materials as a result of the increase in energy and transportation prices, climate-related factors or imbalances between demand and supply.

Non-inventory purchases

In terms of non-inventory purchases, in 2021 we worked on the first projects at the group level which were aimed at obtaining economies of scale through global agreements with suppliers. These included an agreement with a travel agency for the whole

of Spain and the fragrance subsidiaries and also a car leasing contract for Puig, Uriage and Apivita.

In terms of the fragrance business, we reviewed our panel of suppliers for retail, mainly in Latin America, and we negotiated a new set of commercial terms and conditions which now also include ESG criteria.

OUTSOURCED ACTIVITY

Part of our industrial strategy across the different brands (in fragrances, makeup, fashion and dermocosmetics) involves outsourcing tasks and processes in which we lack the know-how or the infrastructure to suppliers close to our production centers, whenever possible.

In fashion houses, a very significant percentage of production is outsourced to third parties. In 2021 Paco Rabanne moved 67% of production to Europe.

Penhaligon's also moved part of its production from China to Europe.

Charlotte Tilbury operates through third parties both in the supply chain and in the manufacturing and distribution of our products worldwide. We have global agreements with manufacturing subcontractors and component suppliers to develop and produce the brand's more than 500 products.

VOLUME OF OUTSOURCED ACTIVITY

Type of activity	Fragrances		Charlotte Tilbury		Derma	
	Number of suppliers	Turnover (€M)	Number of suppliers	Turnover (€M)	Number of suppliers	Turnover (€M)
Handling	14	12.9	19	510.1	13	35.7
Packaging	1	0.5	19	143.1	20	44.9
Technological	28	27.6	79	56.9	74	110.2
Total	43	41.0	117	710.1	107	190.9

SUPPLY CHAIN

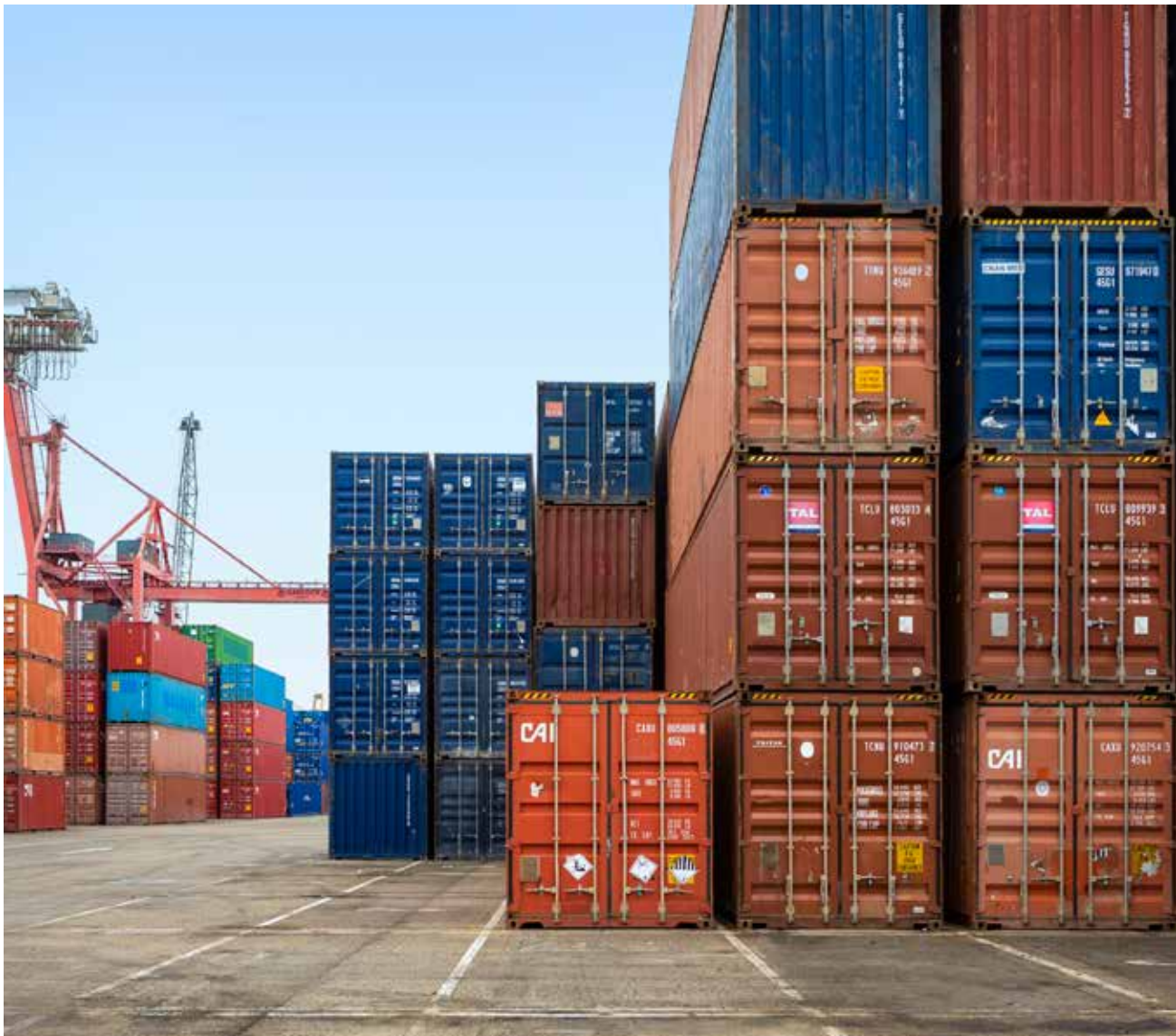
2021 was once again a year of high volatility in terms of demand, with a much faster recovery in sales than expected. The international context of higher demand, lack of raw materials and less availability of maritime transport resulted in a slower reaction than desired, and a significant increase in the cost of services.

In fragrances, positive results were obtained thanks to an improved control of operational sales forecasts, aided by our close collaboration with local teams and the exceptional work of the entire operations area which was able to react quickly to unexpected sales opportunities.

We did have to adapt our logistics processes to the new context caused by Brexit, both in the United Kingdom and in the European Union, and we managed to normalize our service to direct customers.

PRODUCT PORTFOLIO SEGMENTATION

In 2021 we continued with our implementation of the plan to stabilize planning for the makeup category, consolidating sell-out from an operational and actionable point of view. Despite the significant advances we have made, we must continue working to reach the target levels in terms of inventories and obsolescence.



The full integration of Penhaligon's into the processes of the fragrance business threw up new challenges, due to its global and multi-channel distribution model. In addition, the integration of the planning, launch management and promotions processes with the standards followed by the fragrance business contributed significantly to changing the brand's business management.

LOGISTICS INFRASTRUCTURES

In fragrances, we began the development of product storage and labeling facilities in the Shanghai free zone, and we chose our logistics partner for distribution in the domestic market, both for the offline and online channels.

We signed new contracts in the US, Mexico and Peru to adjust our capacity to the expected growth and to ensure optimal coverage of the online sales development.

With the aim of improving service and reducing distribution costs in Spain, Apivita and Uriage carried out a study on the possibility of working from the group's distribution center in Castellar del Vallès. The operation will be implemented from March 2022.

Charlotte Tilbury operates through eight centers around the world from where we distribute our products to customers in each market and for the online channel.

Uriage distributes exclusively through the pharmacy channel and has an internally operated central warehouse located in the town of Échirolles. We work with two teams, one responsible for exports and the other for direct service to all pharmacies in Europe.

Apivita has a central warehouse in Athens, operated by a third party, from which its products are distributed to customers. As of 2022, European customers (except Greece) will be served from the group's central warehouse in Castellar del Vallès (Barcelona).

DIGITALIZATION

In 2021 we consolidated the project started in 2019, which involved a complete overhaul of the planning tool to SAP IBP for fragrances. This provides us with new functionalities in the areas of sales planning, inventory management and product distribution to stores and warehouses. In this sense, we successfully developed the OtC⁵¹ and S&Op⁵² processes in the Oceania subsidiary, through the implementation of SAP IBP.

ONLINE SALES

Overall sales volume for all brands in this channel multiplied by 3.6, compared to 2020, delivering more than 39,000 orders in 2021, thanks to the entry of some of our brands into new markets.

Additionally, our online service and delivery capabilities were successfully implemented in Brazil, Germany and Portugal for Carolina Herrera, and in Germany and Portugal for Paco Rabanne.

In 2021, we also developed an operating model in conjunction with Amazon Europe for the sale and distribution of Lifestyle brands.

In order to manage the growth expected in the coming years, during 2021 we changed our supplier of consumer care services to provide a better response and greater coverage across languages, channels and social networks.



⁵¹ Over the Counter.

⁵² Sales and Operations planning.

7. ANNEXES



ANNEX 1: BREAKDOWN OF THE EQUALITY INDEX IN FRANCE

INDICATORS	POINTS OBTAINED	MAXIMUM POSSIBLE FOR THE INDICATOR
1- Salary gap (as a %)	37	40
2- Difference in individual pay rises (in percentage points)	20	20
3- Difference in promotions (in percentage points)	15	15
4- Percentage of salaried employees with a pay rise upon return from maternity leave (%)	15	15
5- Number of salaried employees of the underrepresented gender among the 10 highest salaries	10	10
SCORE OBTAINED	97	100

ANNEX 2: #BECAMPAIGNS ACTIONS BY COUNTRY

#BECAMPAIGN PILLAR	INITIATIVE	MONTH
Argentina		
#BeProud	Birthday wishes to employees	Year round
#BeProud	Covid-19 safety campaign	January
#BeProud	Internal benefits: discounts on Puig products	Year round
#BeSustainable	Presentation campaign	February
#BeProud	Easter week celebration. Poster to communicate what each person received	March
#BeHealthy	Flu vaccination campaign	April
#BeProud	Challenge 212	May
#BeProud	Father's Day greeting	June
#BeProud	International Friendship Day - Sisterland	July
#BeProud	America's Cup + Invictus contest	July
#BeProud	Breakfast to assess the activity of the business	August
#BeProud	Greeting card for Perfumer's Day	September
#BeProud	Phantom lunch	September
#BeProud	#cocinandoando IBM + local CSR campaign	September
#BeProud	Children's Day	September
#BeProud	Back to the office campaign	October
#BeProud	Greeting card for Mother's Day	October
#BeProud	Carolina Herrera 40th anniversary	December
#BeProud	New Year's greeting card	December

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
#BeProud	Launch of The Icon	December
#BeProud	Welcome to newborns	December
Belgium		
#Strongertogether #BeHealthy #BeFit	"Healthier Together" challenge: team walk	July
#BeProud	Kids challenge: "Back to School"	September
#BeCreative	Halloween challenge	October
#BeSociallyAware	Charity Christmas	December
Brazil		
#BeHealthy	Flu vaccination campaign	May
#BeHealthy	Future moms: project for pregnant women, with medical follow-up and talks via cell phone or other platforms	May
#BeProud	Mother's Day: children were invited to participate in a meeting with their mothers	May
#BeProud	Father's Day: an iFood gift card was sent to fathers so they could buy the ingredients to prepare a family meal, complete with easy recipes	May
#BeProud	Mother's Day: talk for the mothers of the subsidiary on how to combine motherhood and working life + movies about motherhood to be watched as a family	May
#BeCreative	Collaboration with Posh, a platform with a wide variety of activities that can be carried out for free at home, for example courses, talks, yoga or stretching classes	June
#BeProud	Chat between new hires and the General Manager and the Management Committee	August
#BeSustainable	Action to disseminate material explaining what COP 26 is	September
#BeSustainable	Sustainable game: weekly and over two months employees were offered an activity they could carry out at home to be more sustainable	September
#BeHealthy	Yellow September: talk on psychology to promote and improve mental health on a daily basis	September
#BeSociallyAware	Birthday greetings throughout the year	Year round
#BeSustainable	Digital documents (docsing) to save paper in both employment and other types of contracts	October
#BeHealthy	Pink October: talk on how to perform a breast self-examination	October
#BeSustainable	Recycling of our fragrance bottles: includes a collection point at Puig offices where employees can recycle their bottles	November
#BeHealthy	Mindself: meditation program with daily sessions (in the Outlook agenda), app, test for tracking mental health and monthly talks on mental health	November
#BeHealthy	Blue November: tips on Workplace to prevent prostate cancer	November
#BeSociallyAware	Diversity and inclusion program: "Great Diversity" Manifesto. Quiz: "How do you express your support for diversity?". Talks on diversity and inclusion	November
#BeSociallyAware	Campaign to raise funds for different organizations: fragrance kits were given to those people who made donations	December
Chile		
#BeProud	Daily and monthly birthday greeting cards	Year round
#BeProud	Caja Los Andes benefit - 2021 Digital School Box	January
#BeHealthy	Wellness tips: resilience	January

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
#BeProud	Greeting card for new births among employees	Year round
#BeHealthy	Reinforcement of Covid-19 safety protocols during the holidays	February
#BeHealthy	Covid-19 vaccination campaign	February
#BeProud	Post about International Women's Day	March
#BeHealthy	Campaign to reinforce the protocols against Covid-19 and the Government's vaccination campaign	April
#BeHealthy	Flu vaccination campaign	April
#BeProud	Campaign to promote culture from home - Caja Los Andes	April
#BeProud	Webinar given by our perfumer Gregorio Sola	April
#BeHealthy	Renewal of the complementary health insurance policy	May
#BeProud	Mother's Day post	May
#BeFit #BeHealthy	Campaign to encourage active breaks - ACHS	May
#BeHealthy	Ophthalmological campaign - Caja Los Andes	May
#BeFit #BeHealthy	Campaign of the month - Yoga	June
#BeProud	Post about Father's Day	June
#BeProud	Talks by the University of the Andes and the Pontifical Catholic University of Chile	July
#BeProud	Campaign of the month - Winter recipes	July
#BeHealthy	Campaign on telemedicine - Caja Los Andes	July
#BeHealthy	Reinforcement of safety protocols against Covid-19 and against the new variant (local campaign)	July
#BeHealthy	"Let's take care of our hearts" campaign	August
#BeProud	Campaign of the month - Promoting reading	August
#BeProud	Post about Children's Day	August
#BeProud #BeHealthy #BeStrongerTogether	Recognition for the company's implementation of anti-Covid-19 protocols	August
#BeProud	Campaign of the month - Traditional games of the country	September
#BeProud	Post about the celebration of the country's national month	September
#BeHealthy	Agreement on dental health	September
#BeFit #BeHealthy	Campaign of the month - Physical exercise	October
#BeHealthy	Women cancer prevention campaign	October
#BeProud	Consultant's Day	October
#BeHealthy	Male cancer prevention campaign	November
#BeProud	Christmas greeting post	December
China		
#BeProud	Monthly birthday greeting message	Year round
#BeProud	Celebration of International Women's Day	March
#BePuig #StrongerTogether	Preparation of the benefits program, with free products - quarterly	October

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
#BePuig #StrongerTogether	Preparation of the welcome pack for new hires	October
#BeProud	Celebration of the office move	November
#BeProud	Preparation of the Christmas goodie bag and delivery to the local team	December
France		
#BeSustainable	Installation of new, more ecological and responsible coffee machines	June
#BeSustainable	Installation of new recycling bins to improve waste separation	June
#BePuig #StrongerTogether	Installation of a terrace in the courtyard of Champs-Élysées	June
#BePuig #StrongerTogether	Summer afterwork sessions on the terrace of Champs-Élysées	July
#BeHealthy	Organization of Covid-19 and flu vaccination campaigns (June, July and November) - Chartres	June
#BeSociallyAware #BeHealthy #BeFit	Odyssée course, for the fight against breast cancer	October
#BeSociallyAware #BeHealthy #BeFit	Foulées Roses de Chartres race	October
#BeHealthy	Participation in a charity walk in support of the fight against breast cancer - Chartres	October
#BeSociallyAware	Staff meeting with an organization that promotes access to housing - Chartres	December
#BeProud	Conference: "Your uniqueness is the key to your success"	November
#BeProud	"CinéMode par Jean Paul Gaultier" exhibition - free passes	November
#BeSociallyAware	"Rejoué": annual campaign to collect new or used toys for charity	December
#BeSociallyAware	Red Cross: Christmas gift box for the less fortunate	December
#BeProud	Christmas tree on Champs-Élysées	December
Germany		
#BeFit	Online fitness courses	Year round
#BeSociallyAware	Donation for three social projects: children's education, Oclean and support for homeless people	May
#BeSustainable	Donation for the Oclean social project	June
#BeProud	Team event: rally through Hamburg	October
#BeProud	Preparing for Christmas: "Christmas in a box", event to support and raise funds for children in need	November
#BeProud	Puig Awards	December
#BeProud	Online Christmas event	December
Italy		
#BeHealthy	Fresh fruit basket in the office once a month	January
#BeFit	Organization of 5 online yoga sessions	April
#BeProud	A coffee with...	April
#BeSociallyAware	Organization of a clothing collection campaign for charity	April
#BeHealthy	Promotion on Workplace of restaurants near the office that offer a healthy menu	May

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
#BeSociallyAware	Organization of a toy collection campaign for charity	June
#BeCreative	Organization of an olfactory journey through the home regions of co-workers, reviewing their characteristics and gastronomy and associating a Puig fragrance to each stage of the journey	July
#BeHealthy	Invitation to a healthy lunch or dinner during the July campaign	July
#BeCreative	Organization of the #LearnInBites creative pills in video, supported by documents of interest. After the training session: pooling together of the resulting ideas for innovating and improving the way of working of each team/activity	September
#BeSociallyAware	Collaboration with La forza e il sorriso (an association that supports women during their post-chemotherapy phase), through the contribution of Puig products and our time in the organization of coaching sessions and makeup workshops	October
#BeSustainable	Office cleaning day	November
#BeProud	Puig Awards	December
Mexico		
#BeProud	Greeting cards on employees' birthdays	Year round
#BeProud	Greeting card to acknowledge and celebrate Mother's Day	March
#BeProud	International Women's Day greeting card to recognize the daily work, dedication and commitment of all women in the country	March
#BeHealthy #StrongerTogether	Long-term campaign (from April to July), "Looking after ourselves so we can then hug each other", to raise awareness of different issues related to the importance of looking after our health during Covid-19: understanding the virus; oral health; sleep hygiene; designation of 2021 as the International Year of Health and Care Workers by the WHO; breaking the chains of contagion; mental health; vaccines; skin health; physical activity; mindfulness...	April
#BeSustainable	International Earth Day greeting card with tips on how to be sustainable citizens: water, energy, food and organic/inorganic waste	April
#BeProud #BeCreative	National Children's Day to celebrate the creativity and curiosity of children	April
#BeProud	Invitation to be part of the 212 Heroes digital launch event on Instagram	April
#BeProud	Greeting card celebrating and acknowledging Father's Day	June
#BeProud	Post to welcome the birth of the babies of two of our employees	July
#BeProud	Post to inform about the participation of our team in the chapter of the Liverpool podcast entitled "Fragrances", with Leandro Damario	July
#BeProud	Post celebrating Mexican Independence Day	September
#BeProud	Invitation to be part of the Sisterland Park launch activation	October
#BeProud	Invitation to be part of the "JPG Loves Mexico" activation for the Day of the Dead	October
#BeHealthy	Pink October: post to promote women's health through prevention and early detection	October
#BeProud	Traditional rhyme to celebrate Mexico's Day of the Dead	November
#BeProud	Invitation to join the Jean Paul Gaultier boxing club and receive a face-to-face and virtual class with a boxing expert on IG and at La Vieja Guardia	November
#BeProud	Invitation to experience Carolina Herrera's first Christmas pop-up store	December
#BeProud	Virtual event with a perfumer, entitled "The Aromas of Christmas", to explore the taste and aroma of Christmas ingredients	December
#BeProud	Christmas and New Year greeting card to all employees, thanking them for the magic experienced during the year	December

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
Oceania		
#BeProud	Birthday communications to celebrate employees birthdays	Year round
#Strongertogether #BeHealthy #BeFit	Fundraiser step challenge to support community	June
#BeHealthy #StrongerTogether	Care hamper to employees during lockdown	August
#BeHealthy	Self-care September roll-out: initiatives throughout the month focusing on mental health and healthy living	September
#BeProud	Christmas and New Year greeting card to all colleagues	December
Panama		
#BeProud	Monthly post with the team's birthday calendar	January
#BeProud	Post to congratulate Panama's Digital Academy for being the best-performing team	May
#BeHealthy	Preventive medical examination for all employees in the insurance policy	June
#BeSociallyAware	Invisible race (WeRunProyect), virtual team race for charity	June
#BeProud	Father's Day post	June
#BeProud	Phantom invades Panama's office	July
#BeHealthy	Launch of a wellness program	September
#BeHealthy	Webinar on nutrition	October
#BeHealthy	Individual sessions with a nutritionist for all persons interested	October
#BeSustainable	Launch of a recycling campaign	October
#BeFit	Padel matches between colleagues	November
#BeFit	Fitness webinar with a trainer	November
#BeFit	Individual fitness sessions for all comers	November
#BeHealthy	Webinar on ergonomics and active breaks in the workplace	November
#BeFit	Burpee challenge	November
#BeProud	Mother's Day post	December
#BeCreative	Painting session with an artist via Zoom - New Year's Eve celebration	December
Peru		
#BeSociallyAware	Birthday communications	Year round
#BeHealthy	Conference: "Recommendations against Covid-19"	January
#BeHealthy	Talk: "Care and biosecurity measures with a Covid-19 patient at home"	May
#BeProud	Perfumery workshop	June
#BeHealthy	Workshop: "How to manage stress"	June
#BeFit	Workshop: "Healthy eating"	August
#BeHealthy	Laughter therapy workshop	September
#BeHealthy	Talk about overweight and obesity	October
#BeHealthy	Conference: "How to alleviate work stress"	November

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
Russia		
#BeHealthy	Lemon, honey and ginger in the office. Monitoring of all anti-Covid measures in the office (supply of masks, gloves, antibacterial liquids, promotion of awareness during 2021)	Year round
#BeSociallyAware	Charitable action: installation in the office of a clothing collection point for people in need	Year round
#BeSustainable	Waste separation: collection points for used batteries, plastic caps and Nespresso capsules in the office. Separate recycling of paper and magazines	Year round
#BeSociallyAware	"People with Values" gift prize	January
#BeCreative	Webinar via Zoom on digital tips	February
#BeCreative	Zoom (Women's Day and Men's Day): "Welcome to the flower garden!"	March
#BeHealthy	Seminar via Zoom on work-life balance	March
#BeHealthy	Webinar with an immunologist on Covid-19 vaccination	July
#BeCreative	Event via Zoom for the launch of Phantom	August
#BeHealthy	Covid-19 and flu vaccination campaign, in the office and in medical centers	October
#BeCreative	Training on creating presentations with impact (with Bonnie&Slide)	November
#BeCreative	Wine tasting with a professional sommelier and session on responsible consumption instead of the in-person Christmas celebration	December
#BeSociallyAware	Charity event: New Year's gifts for children with serious illnesses ("Make their wish come true")	December
Saudi Arabia		
#BeProud	Celebration of the National Holiday of Saudi Arabia	September
#BeProud	Office Secret Santa	December
Singapore		
#BeProud	Birthday communications to celebrates the employees' birthdays	Year round
#BeProud	Communication about benefits: discounts on Puig products	Year round
#BeProud	Lunar New Year surprise gift pack	February
#BeProud	Celebration of International Women's Day	March
#BeHealthy	Day off for flu vaccination	July
#BeProud	Celebration of the National Day of Singapore	August
#BeProud	Christmas goodie bag for local team	December
#BeHealthy	Distribution of masks and self-testing kits for the workforce	December
#BeProud	Preparation of a welcome pack for new hires	December
Spain		
#BeHealthy	Conference: "Covid-19: an updated view", with Dr. Antoni Trilla	January
#BeSustainable	International Meatless Day: meatless options at the Puig Tower restaurant	March
#BeSustainable	"Where should we put our waste?": awareness campaign at the Barcelona headquarters to improve the separation of waste	March
#BeFit	Seventh edition of the Aquathlon: swimming and running event. More than 90 participants and 20 volunteers	September
#BeFit	Women's Race in Barcelona: the company distributed 100 bib numbers among female employees	November

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
#BeSociallyAware	Annual toy collection campaign: collection of new or used toys for charity	December
Switzerland		
#BeProud	Monthly birthday calendar	Year round
#BeHealthy	Survey on wellbeing + action plan	March
#BeHealthy	Creation of the Workplace group #HealthierTogether	April
#BeHealthy	Conference on wellbeing	April
#BeHealthy	Focus 1 on wellness: tips on breathing in the Workplace group #HealthierTogether	April
#BeFit	Launch of the #Healthier Together monthly challenge, April to July	April
#BeProud	Celebration in the office for the launch of Phantom	June
#BeSociallyAware	Personal donation from the Executive Committee to an NGO after meeting the #HealthierTogether challenge	June
#BeSociallyAware	Blood Donor Day	June
#BeHealthy	Various posts about meditation in the Workplace group #HealthierTogether	October
#BeHealthy	Webinars on mental health with an external provider (International SOS)	November
#BeSociallyAware	Food collection for "Les cartons du cœur"	November
#BeProud	End of the year surprise basket with local products for all employees	December
The Middle East		
#BeProud	Monthly celebration of birthdays via Zoom and with Kahoot games	Year round
#BeProud	Team iftar to celebrate the end of Ramadan	May
#BeProud	Distribution of boxes of chocolates to celebrate Eid among the entire workforce	May
#BeProud	Halloween celebration at the office (with costumes inspired by everyone's favorite Puig brand)	October
#BeHealthy	Action to wear pink during the #LearnInBites (training) session to raise awareness about breast cancer	October
#BeProud	Office Secret Santa	December
United Kingdom		
#BeCreative	#LearnInBites	Year round
#BeFit	Step challenge with Stridekick	January
#BeFit #BeHealthy	Smoothie bike challenge	January
#BeHealthy	Creating an effective work-life balance	September
#BeHealthy	The power of social wellbeing	September
#BeHealthy	World Mental Health Day	October
#BeHealthy	Organic food	November
#BeHealthy	Webinar on body image	November
#BeProud	Puig Awards	December
United States		
#BeProud	Announcement of the month's birthdays	Year round
#BeProud	Celebration of employees who are getting married	Year round

#BECAMPAIGNPILLAR	INITIATIVE	MONTH
#BeProud	New hires: “Who’s Who” presentation video on Workplace	Year round
#BeSociallyAware	Diversity, equality and inclusion training, with a guest speaker	March
#BeSociallyAware	CARE presents: bystander Intervention to Address on anti-Asian American and xenophobic harassment	October
#BeSociallyAware	Toy drive: collection of toys for underprivileged children	November
#BeHealthy	Financial health and identity theft	November
#BeSociallyAware	“Mindset and trends: decoding the emerging Hispanic opportunity”, guest speaker Valeria Aloe	November
#BeCreative	Holiday Spirit Day: “Ugliest sweater” contest	December
#BeProud	Holidays and New Year’s cards and wellness bag gift for the entire workforce to thank them for their work	December

ANNEX 3: LIST OF PUIG POLICIES

CORPORATE + BEAUTY AND FASHION
Corporate Fiscal Policy
Compliance Policy
Policy for Providers and Suppliers
Policy on the Use of Workplace
Sustainable Sourcing Policy
Digital Disconnection Policy
Information Security Policy
Integrated Management System Policy
Internal Policy on Powers of Attorney
Policy on Conflict of Interest
Policy on the Use of Telephone and IT Resources
Competition Law Policy
Policy on Receiving and Offering Gifts
Corporate Social Media Policy
Travel Allowance Policy
Travel Safety Insurance Policy

CHARLOTTE TILBURY

Finance Policies

Business Case Policy
Travel & Entertainment Policy
Health & Safety
Charlotte Tilbury Beauty Ltd - Office - Covid 19 Risk Assessment
Charlotte Tilbury Beauty Ltd - Retail Store and Counters Risk Assessment
Charlotte Tilbury Beauty Ltd - Retail Stores and Counters - Covid 19 Risk Assessment
Global - Lone Working Policy
Global Employee Health and Safety Handbook - Jan 2021
Global Office Risk Assessment - Jan 2021
UK Magic Office Emergency procedures

Legal

Anti-Bribery and Corruption Policy
Contracts Authorization Policy
CT CCTV Policy
Data Protection Policy
Data Subject Rights Policy
Employee Privacy Policy_Germany
Employee Privacy Policy_HK
Employee Privacy Policy_Netherlands
Employee Privacy Policy_UK
Employee Privacy Policy_US
Final Data Retention Policy
GDPR Supplier Management Policy
Global Applicant Privacy Policy
Incident and Breach Management Policy
Modern Slavery
Travel Policy
UK Cookies Policy
UK Customer Privacy Policy

CHARLOTTE TILBURY
Technology

Acceptable Use Policy

BYOD & Digital Equipment

Cloud Services Security Policy

Information Security Policy

People – Global

A Guide to Conducting a Disciplinary Hearing

A Guide to Conducting an Investigation

Alcohol at Work Policy

Anti-Bribery and Corruption Policy

Confidential Concerns Policy

Conflict Resolution Policy

Data Protection Policy

Disciplinary and Grievance Policy

Discount Policy 2020

Employee Privacy Policy

Employment Status Policy

Equal Opportunities Policy

Equality, Diversity and Inclusion Policy

Flexible Working Policy

France CTBL Employee Privacy Policy - Oct 2020

Gifts and Hospitality Policy

Global CT Bonus Policy

Immigration Policy

Mental Health Policy

Mobile Device Policy

Other Leave Policy

Performance Management Policy

PO Approval Policy

Referral Bonus Policy

Sabbatical Policy

Sickness and Attendance Policy

Social Media Policy

Spain CTBL Employee Privacy Policy

Staff Searches Policy

CHARLOTTE TILBURY**People – UK**

Attendance Company Sick Pay Policy - Magic Office UK
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Attendance Company Sick Pay Policy - Retail UK & Ireland
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CharlotteTilbury_EmployeeHandbook_2020_UK_Retail
--

Maternity Policy - UK and Northern Ireland
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Parental Leave Policy - UK and Ireland
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Paternity Leave - UK and Ireland

Shared Parental Leave Policy - UK and Ireland

Staff Searches Policy

Study Leave Policy

UK Head Office CCTV Policy

UK IHL Employee Privacy Policy

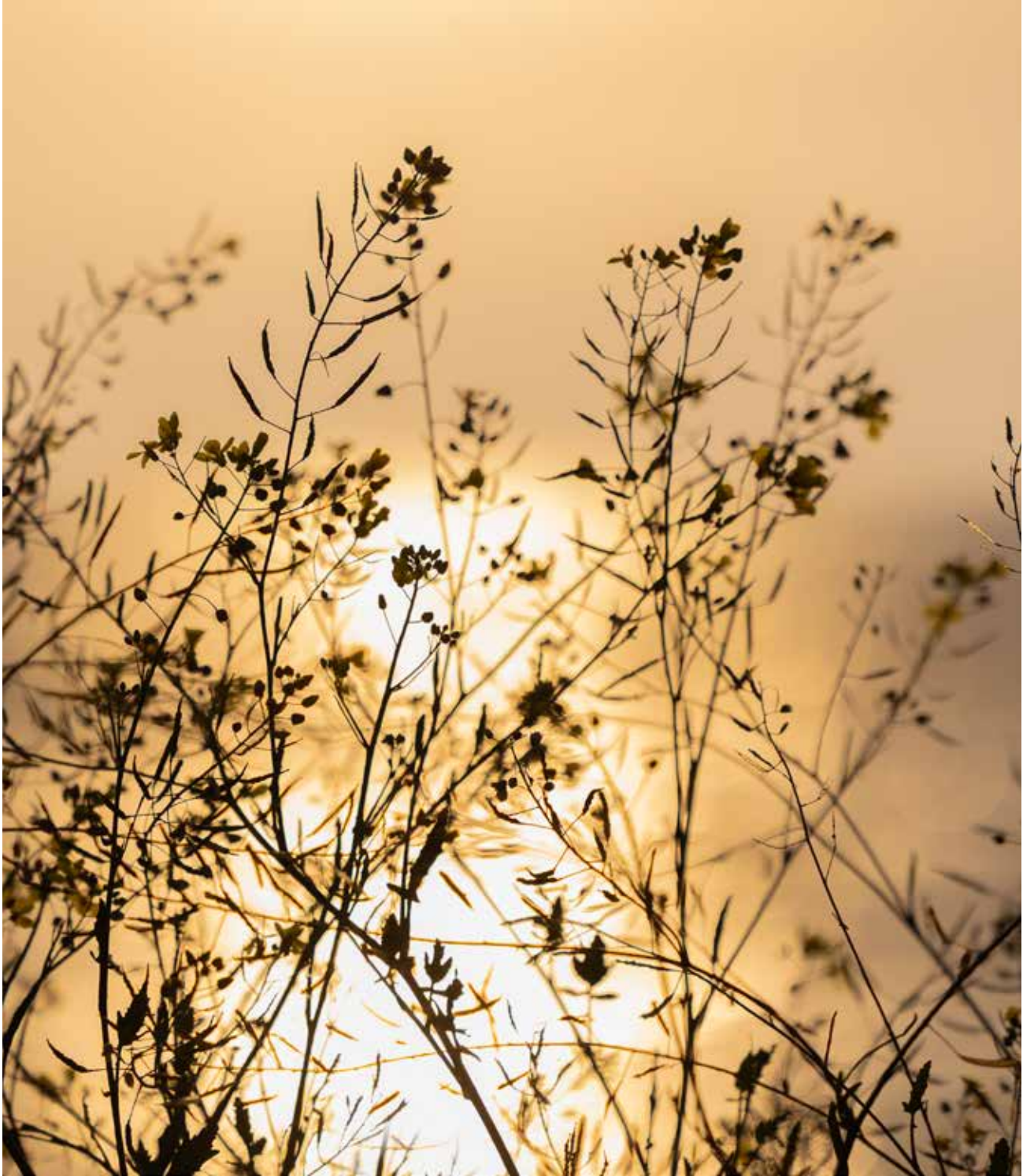
Volunteering Policy

8. GRI TABLE OF CONTENTS



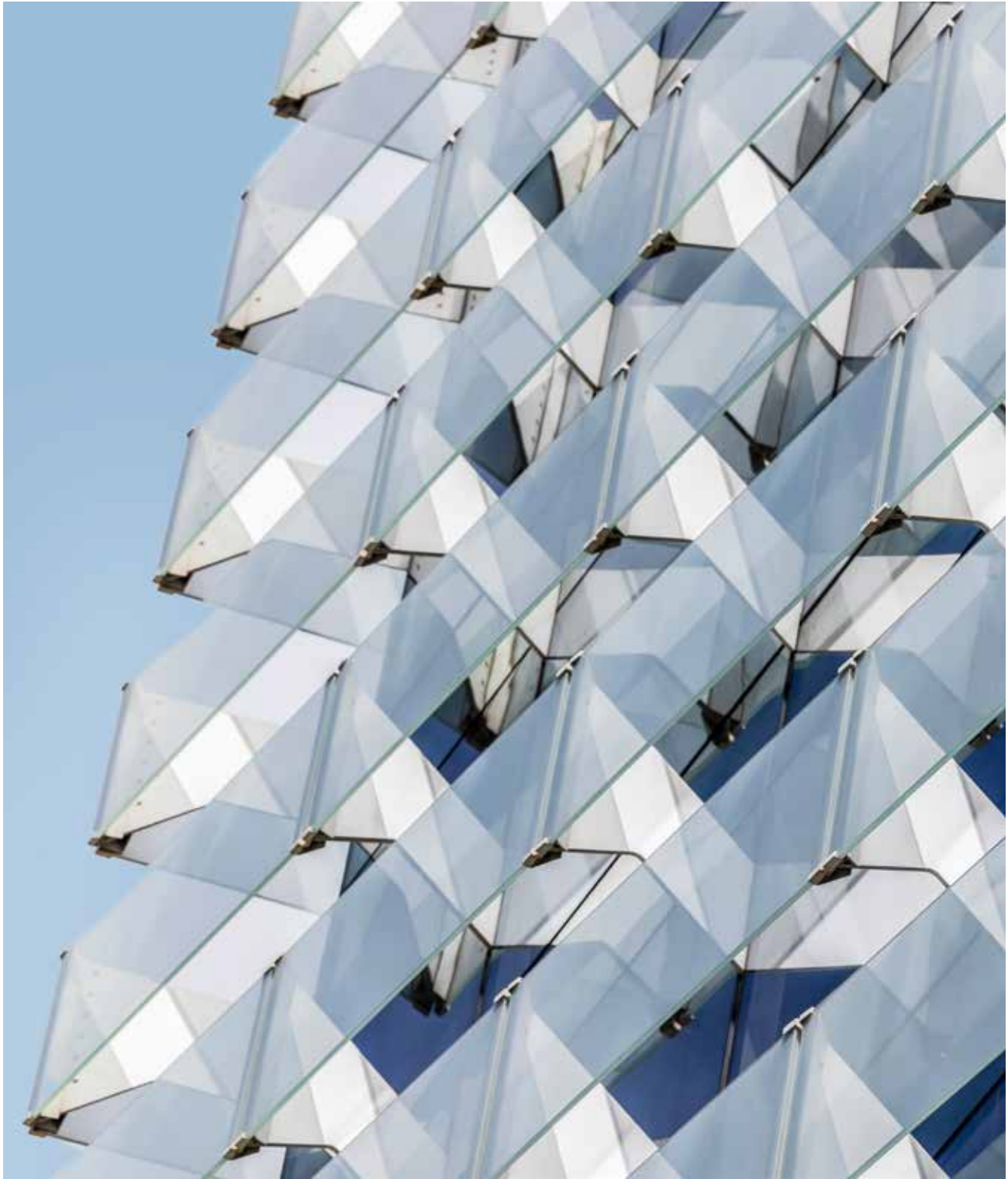
REPORT CONTENTS INDEX	GRI STANDARDS REFERENCE	SDG
Message from the Chairman and CEO	102-14 and 15	3-4-8-13-16-17
Reporting framework	102-5 102-45 102-50 to 54	
About us 1. Company profile 2. Puig around the world 3. Portfolio 4. A major commitment to sustainability ESG 2030 Agenda	102-1 to 6 102-16 102-29	8-9-12-13-16
Puig and people 1. Internal commitment to people 2. Actions to maximize our impact 3. Commitment to local development 4. Relationship with our consumers	102-7 and 8 102-16 and 17 102-35 and 36 102-38 102-41 201-1 203-1 204-1 401 403-1 and 2 403-4 404-2 405 413-1 416	1-2-3-4-5-7-8-10-11-12-14-15-16-17
Puig and the planet 1. The environmental plan of the ESG 2030 Agenda 2. Main 2021 milestones 3. Comprehensive management of our strategic pillars 4. Main indicators	205-1 301-2 and 3 302 303 304-1 to 3 305-1 to 5 306-1 and 2 306-5 308-1 and 2 414-1	1-2-4-6-7-8-9-10-11-12-13-15-17
Puig and good governance 1. Corporate governance	102-11 102-14 to 20 102-26 102-22 and 23 102-29 to 33 102-47 103-1 201-1 and 4 203-2 205-1 and 2 308-1 and 2 405-1 412-2 415-1	1-7-8-9-10-12-13-16
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GRI content index	102-55	
Global Compact table of contents		
External verification	102-56	

9. GLOBAL COMPACT TABLE OF CONTENTS



PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT		CHAPTER IN THIS REPORT
1	Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.	Puig and people Puig and good governance
2	Businesses must make sure they are not complicit in human rights abuses.	Puig and good governance
3	Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Puig and people
4	Businesses should support the elimination of all forms of forced and compulsory labor.	Puig and people Puig and good governance Puig and the planet
5	Businesses should support the effective abolition of child labor.	Puig and good governance
6	Businesses should support the elimination of discrimination in respect of employment and occupation.	Puig and people
7	Business should support a precautionary approach to environmental challenges.	Message from the Chairman and CEO About us Puig and the planet
8	Businesses should undertake initiatives to promote greater environmental responsibility.	Puig and people Puig and the planet
9	Businesses should encourage the development and diffusion of environmentally friendly technologies.	Puig and people Puig and the planet
10	Business should work against corruption in all its forms, including extortion and bribery.	Puig and good governance

10. INDEPENDENT VERIFICATION REPORT



PUIG, S.L. and subsidiaries

**Independent Review of the Consolidated Statement on Non-Financial Information of
PUIG, S.L. and subsidiaries for the year ended 31 December 2021**

To the shareholders of PUIG, S.L.,

Pursuant to article 49 of the Spanish Code of Commerce, we have provided limited assurance on the Statement on Non-Financial Information (hereinafter SNFI) for the year ended 31 December 2021, of PUIG, S.L. (hereinafter the Parent Company) and its subsidiaries (hereinafter the Group) which forms part of the Group's 2021 consolidated Directors' Report.

The contents of the consolidated Directors' Report include additional information to that required by prevailing mercantile legislation on non-financial information which it is not included in our assurance scope. In this regard, our assurance work was limited only to providing assurance on the information contained in table "Table of required contents pursuant to Act 11/18 of 28 December" of the accompanying consolidated Directors' Report.

Directors' responsibilities

The Parent Company's Board of Directors is responsible for the preparation and presentation of the SNFI included in the Group's consolidated Directors' Report. The SNFI has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), in accordance with that mentioned for each subject area in table "Table of required contents pursuant to Act 11/18 of 28 December" of the aforementioned consolidated Directors' Report.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the SNFI is free from material misstatement, whether due to fraud or error.

The Parent Company's Directors are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for preparing the SNFI was obtained.

PUIG, S.L. and subsidiaries

**Independent Review of the Consolidated Statement on Non-Financial Information of
PUIG, S.L. and subsidiaries for the year ended 31 December 2021**

Our independence and quality control

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

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialized in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed that refers exclusively to the year ended 31 December 2021.

We conducted our review engagement in accordance with International Standard on Assurance Engagements, "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 Performance Guide on assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

PUIG, S.L. and subsidiaries

**Independent Review of the Consolidated Statement on Non-Financial Information of
PUIG, S.L. and subsidiaries for the year ended 31 December 2021**

Our work consisted of making inquiries of management, as well as of the different units and responsible areas of the Group that participated in the preparation of the SNFI, in the review of the processes for compiling and validating the information presented in the SNFI and in the application of certain analytical procedures and sample review testing described below:

- Meetings with the Parent Company's personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these questions and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the SNFI for the year ended 31 December 2021 based on the materiality analysis performed by the Parent Company and considering the content required in prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the SNFI for the year ended 31 December 2021.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the SNFI for the year ended 31 December 2021.
- Corroboration, through sample testing, of the information relative to the content of the SNFI for the year ended 31 December 2021 and whether it has been adequately compiled based on data provided by internal and external information sources or third-party reports.
- Procurement of a representation letter from the Directors and management.

Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the SNFI of PUIG, S.L. and its subsidiaries for the year ended 31 December 2021 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and the content of the selected GRI Standards, in accordance with that mentioned for each subject area in the table "Table of required contents pursuant to Act 11/18 of 28 December" included in the aforementioned consolidated Directors' Report.

PUIG, S.L. and subsidiaries

**Independent Review of the Consolidated Statement on Non-Financial Information of
PUIG, S.L. and subsidiaries for the year ended 31 December 2021**

Use and distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

Barcelona, 28 March 2022.

AUDIAXIS AUDITORES



NOELIA ACOSTA SANCHEZ





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