



FOCUS 2020

In 2020 the corporate carbon footprint decreased by 34%, due, on the one hand, to the continuity in the implementation of environmental initiatives and, on the other, to the high impact on the company's level of activity caused by the Covid-19 crisis. Despite having considerably reduced emissions, we decided to maintain our commitment to acquire carbon credits, further minimizing our environmental impact.

During 2020, we carried out a CDP (Carbon Disclosure Project) climate questionnaire for the first time, taking a further step in the measurement, transparency and adoption of measures that directly reduce greenhouse gas emissions. Every year, the CDP gives a score to companies through this questionnaire based on their environmental disclosure and leadership. In 2020 we obtained a B grade⁴.

Despite the completion of the program, we remain committed to the objective of continuing to promote the implementation of improvements to reduce carbon emissions.

Also in 2020, we undertook a new commitment: adherence to the global Science Based Targets (SBT) initiative, which helps companies set science-based targets aligned with the Paris Agreement's goal of limiting the global temperature increase to 1.5 °C. Through this commitment, expanding the scope of our carbon footprint calculation and defining a specific science-based reduction target will be a priority for Puig from 2021.

It should be borne in mind that the impact of Covid-19 does not allow for a comparison between the 2020 quantitative data and that of 2019.

⁴ The grading is as follows:

A/A-: Leadership (application of current best practices).

B/B-: Management (adoption of coordinated climate action).

C/C-: Awareness (knowledge of the climate impacts and issues).

D/D-: Disclosure (transparency on climate issues).



PILLAR 1 *Product Stewardship*

Drawing up of demanding and ambitious policies: We go further than the regulations, setting demanding standards for the entire portfolio of brands.

Making sustainability a more integral part of the strategy of each of our brands: We are designing a specific sustainability action plan per brand.

Incorporation of impact measurement tools in formulas and packaging: Research into the main tools available to measure the environmental impact of products.



PILLAR 2 *Sustainable Sourcing*

Ensure supplier compliance with our Sustainable Sourcing Policy (SSP).

Supplier monitoring through EcoVadis:

- 4th campaign carried out.
- 189 providers evaluated.
- 83% of purchasing volume.
- High average rating: 57.48 (average EcoVadis score: 43).

Maintaining the target achieved in 2019: 100% of our folding boxes cardboard from sustainably managed forests and 100% alcohol from natural sources.



PILLAR 3 *Responsible Logistics*

Reduction of overall transport and distribution emissions: -16%.

Expansion of the fleet of tractors that use liquefied natural gas as fuel.

Optimization of transport routes: We promote the direct shipment of large volumes of packaging, from our French supplier to our new warehouse in Venlo.

Committed to finding alternatives to air transport: We continue to work to substitute air transport for maritime transport and explore sustainable alternatives for our supply services.



PILLAR 4

PILLAR 4
Responsible Manufacturing

Carbon neutral in the production stage in our four production centers.

100% renewable energy at the Chartres factory (France): 100% renewable electrical energy and replacement of 100% natural gas with biomass energy.

Installation of photovoltaic panels at the Alcalá plant for the production of renewable energy for self-consumption: Operational in 2021.

Notable impact on reducing emissions: Replacement of gas with biomass in Chartres (-100%) and Vacarisses (-17%).



PILLAR 5
Employees and Facilities

Reduction in paper consumption per employee: -44%

Launch of the internal "SustainbiliME" campaign: With the aim of providing employees with the necessary knowledge about sustainability.

OTHER ACTIONS

Participation in the CDP Climate Change Questionnaire (Score: B).
Commitment with SBTi: Science Based Targets.





PILLAR 1 *Product Stewardship*

Over the last seven years we have set ourselves the major challenge of improving the sustainability of our products and our brands using more sustainable ingredients and materials. Our main actions were aimed at improving the formulation and packaging of our products in order to maximize efficiency, minimize the impact on the environment and be a benchmark for our sector.

In 2020 we made progress with various actions, achieving two major milestones. First, we made sustainability a more integral part of the strategy of each of our brands. Second, all our teams were much more proactive in incorporating recommendations and defining rigorous policies throughout the product life cycle, setting even more ambitious targets than the current legislation.





PILLAR 2

Sustainable Sourcing

We are committed to our environment and protect natural resources and biodiversity through the sustainable supply of the main raw materials we use: paper, cardboard and alcohol. Despite the exponential demand for alcohol for the production of hydroalcoholic gels that we decided to produce in response to the Covid-19 crisis at our Vacarisses plant, we managed to maintain the goal of 100% alcohol from natural sources thanks to our efforts and commitment to responsible sourcing. We also continued to source 100% of our folding boxes cardboard from sustainably managed forests.

Over these years, we have established important partnerships and agreements with our suppliers and we work together to align them with our Sustainability Policy. We undertook the major challenge of guaranteeing the traceability of key raw materials for our activity, which entails being closely involved with our suppliers. This year we held several meetings with our main perfume suppliers with the aim of identifying and evaluating the raw materials used in our perfumery and promoting the development of collaborative projects to improve traceability, transparency and quality.



PILLAR 3

Responsible Logistics

During 2020 we worked together with our suppliers and logistics partners. We were able to make progress in various initiatives and projects to minimize the environmental impact of our logistics processes. However, since this was one of the areas most affected by the global pandemic, some initiatives were postponed to 2021.

Although the data show a strong 16% decrease in our emissions associated with transport, it must be taken into account that this figure is influenced by several aspects:

- Reduction due to less activity as a result of the Covid-19 crisis.
- Decrease in the volume of purchases.
- Organic reduction.

Despite the situation, we continued to optimize both our inbound and outbound logistics⁵, developing competitive green transport solutions in terms of both price and delivery times, always ensuring the quality of the products we serve our customers.

⁵The term "logistics" includes inbound activities (from factories and subcontractors to distribution centers) and outbound activities (export and direct service).



PILLAR 4

Responsible Manufacturing

During 2020, we reduced emissions by 24% in absolute terms in our production activities. However, in comparable terms, taking into account a 28%⁶ decrease in production at our plants, the balance of emissions actually stood at +6%.

The Covid-19 crisis and its consequences for production and mobility meant that several projects and investments that were planned for 2020 had to be canceled or postponed. However, we continued to work on optimizing consumption and in the design of future projects.

Despite the context, we were able to achieve our goal of being 100% carbon neutral in all four production plants thanks to the different initiatives implemented in the three Responsible Manufacturing programs.

Meanwhile, we also managed to ensure that our factory in Chartres (France) was supplied with 100% renewable energy. This was possible thanks, first, to the purchase of electricity from renewable sources and, second, to the project implemented in 2019 to connect to the biomass cogeneration plant in Chartres, which in 2020 allowed us to replace all our natural gas consumption with biomass.

This milestone was a huge step forward in our objective of decarbonizing factories and in our commitment to renewable energies.

⁶ Percentage calculated taking into account all the production of our plants, including samples.



PILLAR 5

Employees and Facilities

In this pillar we promote the sustainable transformation of our buildings and the awareness of our employees to contribute to the global reduction of our carbon footprint.

During the year we reduced GHG emissions related to the activity of our employees by 64% and those of our headquarters by 14%. This decrease is largely due to the Covid-19 crisis, during which 100% of the workforce teleworked for long periods and we recorded a decrease in business travel and trips made with company vehicles.

In 2020 we continued with our initiatives to reduce paper consumption. Although in 2019 we already had accumulated savings of 79%, in 2020 we increased this figure to 84%.

In 2020, we decreased our paper consumption per employee (-44%) compared to 2019 and reduced the associated emissions by 87%. It should be noted that the state of alarm and the consequent teleworking in all units contributed greatly to these reductions.

OUR CONTRIBUTION

to the SDGs



7 AFFORDABLE AND
CLEAN ENERGY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



10 REDUCED
INEQUALITIES



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



15 LIFE
ON LAND



17 PARTNERSHIPS
FOR THE GOALS





REPORT METHODOLOGY

The 2020 sustainability report published by Puig presents the main milestones and indicators of the company's performance for the year in terms of sustainability.



→ *For more information, [download Puig 2020 Sustainability Report](#)*