

PUIG

Puig Annual Report

2024



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

CAROLINA HERRERA

CharlotteTilbury

Jean Paul GAULTIER

NINA RICCI

rabanne

BYREDO

Christian Louboutin

DR. BARBARA STURM

DRIES VAN NOTEN

L'ARTISAN PARFUMEUR

PENHALIGON'S

APIVITA

URIAGE
EAU THERMALE

KAMA
AYURVEDA

LOTO DL SVR

ADOLFODOMINGUEZ

BANDERAS

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Statement of Responsibility

The members of the Board of Directors of Puig Brands, S.A. (the "Company") declare that, to the best of their knowledge, the consolidated annual accounts of the Company and its subsidiaries, corresponding to the fiscal year ended on December 31, 2024, composed of the consolidated balance sheet, the consolidated income statement , the consolidated statement of comprehensive income, the statement of changes in consolidated net worth, the consolidated statement of cash flows, the consolidated annual accounts report, the consolidated management report and the consolidated non-financial information statement and sustainability information, drawn up by the Board of Directors of the Company at its meeting held on February 26, 2025, and prepared in accordance with the applicable accounting principles, provide a true and fair view of the net worth, financial position and results of the Company and its subsidiaries included in the consolidation considered collectively, and that the consolidated management report as well as the consolidated non-financial information statement and sustainability information include a true and fair analysis of the required information.

L'Hospitalet de Llobregat (Barcelona), on February 26, 2025.

Mr. Marc Puig Guasch
Chairman and CEO

Mr. Manuel Puig Rocha
Vice Chairman

Mr. Rafael Cerezo Laporta
Board member

Mr. Patrick Raji Chalhoub
Board member

Mr. Jordi Constans Fernández
(identified in his passport as Jorge Valentín Constans Fernández)
Lead Director

Ms. Ángeles Garcia-Poveda Morera
Board member

Mr. Daniel Lalonde
Board member

Ms. Christine Ann Mei
Board member

Mr. Nicolas Mirzayantz
Board member

Mr. Josep Oliu Creus
Board member

Mr. Yiannis Petrides
(identified in his passport as Ioannis Petrides)
Board member

Ms. Maria Dolores Dancausa Treviño
Board member

Ms. Tina Müller
Board member

Audit Report of Consolidated Annual Accounts

Puig Brands, S.A. and subsidiaries

Audit Report on Financial Statements
issued by an Independent Auditor

PUIG BRANDS, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2024

Building a better
working world

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AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of Puig Brands, S.A.:

Report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Puig Brands, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2024 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.
A member firm of Ernst & Young Global Limited.

Revenue recognition

Description

The Group recognizes revenue from the sales made, net of tax,refunds, discounts and allowances accrued. Revenue from the sale of products is recognized when control over the goods is transferred to the customer, which occurs when the significant risks and rewards of ownership of the goods have been transferred to the buyer and can be reliably measured, which occurs, in general terms, when the goods are delivered. Within the Group's commercial activity, it is usual to establish commercial collaboration agreements with customers.

We have considered this area a key audit matter due to the fact that revenue recognition requires applying judgment, among other aspects, to assess when control over promised goods is transferred to the customer and determine the adjustments to be made to sales in relation to the contractual terms and conditions derived from the commercial collaboration agreements signed with the customers, and also due to the materiality of the amounts involved.

The information on the measurement accounting policies applied and the corresponding disclosures are presented in Notes 4.12 and 8 to the accompanying consolidated financial statements.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the revenue recognition process established by Group Management, evaluating the design and implementation of the relevant controls established in said process.
- Analyzing, through the use of mass data processing techniques, the correlation between revenue and accounts receivable and cash.
- Performing analytical procedures consisting in a review of the evolution of gross sales and refunds, discounts and rebates, as well as actual margins.
- Assessing, for a sample of significant commercial agreements, the reasonableness of the assumptions used by Group Management to estimate refunds, discounts and rebates, considering the contractual terms and conditions agreed upon with customers.
- Performing operations cut-off procedures for a sample of revenue transactions carried out at dates close to year end to verify that they were correctly recognized based on the terms and conditions set out in contracts with customers.
- Analyzing the credit notes issued after the reporting date.
- Performing procedures for analyzing the journal for the purpose of identifying the possible existence of manual or unusual entries with an impact on revenue that may have not been recognized through key IT systems supporting the revenue recognition process.

- Reviewing the disclosures provided in the notes to the consolidated financial statements and assessing whether they are in accordance with the applicable regulatory framework for financial information.

Measurement of intangible assets and liabilities arisen as a result of business combinations

Description

The Group records intangible assets and liabilities from business combinations of significant amounts in its consolidated balance sheet. Specifically, at December 31, 2024, the "Intangible assets" heading includes trademarks and goodwill amounting to 2,396,684 and 2,083,919 thousand euros, respectively. The "Provisions and other liabilities" and "Other current accounts liabilities" headings include liabilities from business combinations amounting to 1,072,938 and 14,611 thousand euros, respectively.

Group Management tests goodwill and intangible assets with indefinite useful lives, as is the case of trademarks, for impairment annually, and when there is any indication that book value may be affected. For the other intangible assets, Group Management assesses, at least at year end, if there is any indication that they may be impaired. If any indication exists, Group Management estimates the recoverable amounts based on the present value of future cash flows generated by the cash-generating units (CGUs) to which said assets are allocated. In turn, Group Management discounts the fair value of liabilities arisen as a result of business combinations based on financial projections for the acquired businesses.

We have considered this area a key audit matter due to the fact that the determination of the recoverable amount of said intangible assets and of the fair value of the liabilities assumed in the business combinations requires making estimates, which entails applying significant judgment for establishing the assumptions considered by Group Management regarding said estimates, which are subject to the uncertainty inherent in the future results of the businesses acquired, and also due to the materiality of the amounts involved.

The information on the measurement accounting policies applied and the corresponding disclosures are presented in Notes 4.1, 16 and 27 to the accompanying consolidated financial statements.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the process established by Group Management for identifying any indications of impairment and determining the recoverable amount of intangible assets, as well as the process established for determining the fair value of the liabilities assumed in the business combinations.
- Reviewing, involving our valuation specialists, the models used by Group Management to determine the recoverable amount of intangible assets covering, in particular, the mathematical consistency of the models, and the reasonableness of the projected cash flows of each CGU, and of the discount and long-term growth rates.

- Reviewing, for the CGUs subject to a recoverability analysis, the financial information projected in the business plan for each cash-generating unit by analyzing the historical and projected financial information, the current market conditions, and our forecasts about their potential evolution and public information provided by other sector companies.
- Reviewing the integrity and measurement of the liabilities assumed in business combinations in accordance with projected financial information.
- Reviewing the disclosures provided in the notes to the consolidated financial statements and assessing whether they are in accordance with the applicable regulatory framework for financial information.

Recognition and measurement of business combinations of Barbara Sturm Molecular Cosmetics GmbH Group

Description

As indicated in Note 5 to the accompanying consolidated financial statements, in January 2024 Puig acquired 65% of Barbara Sturm Molecular Cosmetics GmbH Group through the company Puig International S.A. This transaction was considered a business combination.

Group Management has recorded the business combination using the purchase method, which consists of accounting for the identifiable assets acquired and liabilities assumed at fair value at the date of acquisition.

We have considered this area a key audit matter since determining the fair values of the identifiable assets acquired and liabilities assumed in the business combination, and the cost thereof, requires Group Management to make complex estimates, which entails the use of significant judgment in order to determine the assumptions supporting said estimates, as well as the materiality of the amounts involved.

The information on the measurement accounting policies applied and the corresponding disclosures are presented in Notes 4.1 and 5 to the accompanying consolidated financial statements.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the process followed by Group Management for the recognition and measurement of business combinations.
- Reviewing the purchase and sale agreements in order to understand the transaction and key clauses, as well as the documentation supporting the amount paid.
- Reviewing, involving our valuation specialists, the methodology used by Group Management to determine the fair values of the identifiable assets acquired and liabilities assumed in the business combination, verifying their consistency with the regulatory framework for financial information, covering, in particular, their mathematical consistency, and assessing the reasonableness of the financial assumptions considered.

- Obtaining the appraisal report prepared by the independent expert hired by Group Management, assessing the competence, capacity and objectivity of this expert for the purpose of using their work as audit evidence.
- Reviewing the financial information for the company acquired supporting the key figures included in the consolidated balance sheet.
- Reviewing the accounting impacts of the business combination and verifying that they have been appropriately recorded in the consolidated financial statements.
- Reviewing the disclosures provided in the notes to the consolidated financial statements and assessing whether they are in accordance with the applicable regulatory framework for financial information.

Other information: consolidated management report

Other information refers exclusively to the 2024 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

a) Checking only that the consolidated non-financial statement and certain information included in the Annual Corporate Governance Report and in the Annual Report on Director´s remuneration to which the Audit Law refers, were provided as stipulated by applicable regulations and, if not, disclose this fact.

b) Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2024 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company´s directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless said directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threads or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Puig Brands, S.A. and subsidiaries for the 2024 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of Puig Brands, S.A. are responsible for submitting the annual financial report for the 2024 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation).

Our Responsibility Consists Of Examining The Digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 26, 2025.

Term of engagement

The extraordinary general shareholders' meeting held on April 5, 2024 appointed us as auditors for 1 year, counted from the exercise ended on December 31, 2024.

Previously, we were appointed as auditors by the shareholders for 1 year and we have been carrying out the audit of the consolidated financial statements continuously since December 31, 2023.

ERNST & YOUNG, S.L.
(Signature on the original in Spanish)

Eloy González Fauró

February 27, 2025

Consolidated Annual Accounts and Consolidated Management Report

for the year ended December 31, 2024

Puig Brands, S.A. and subsidiaries

(Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails)

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Consolidated Annual Accounts

at December 31, 2024

Consolidated balance sheet

As of December 31, 2024 and 2023

(Thousand euros)	Notes	2024	2023
Assets			
Property, plant and equipment	15	380,356	326,341
Intangible assets	16	4,705,720	4,114,267
Rights-of-use assets	17	365,076	287,922
Investments in associates and joint ventures	18	395,190	375,212
Financial investments	19	689	16,359
Other non-current assets	19	130,865	131,444
Deferred tax assets	14	171,826	146,562
Total non-current assets		6,149,722	5,398,107
Inventories	20	720,312	788,866
Trade accounts receivable	19	567,529	484,705
Other current assets	21	282,991	186,709
Cash and cash equivalents	22	882,646	852,901
Total current assets		2,453,478	2,313,181
Total assets		8,603,200	7,711,288
Liabilities			
Share capital	23	128,499	144,000
Reserves and retained earnings		3,612,174	1,087,933
Treasury shares	23	(80,281)	(105,907)
Interim dividend		—	(80,000)
Unrealized gains (losses) reserve		(27,720)	10,935
Cumulative translation adjustment	23	(106,568)	(107,055)
Equity attributable to the Parent Company		3,526,104	949,906
Non-controlling interests	23	11,580	9,303
Total equity		3,537,684	959,209
Non-current bank borrowings	25	1,129,931	1,788,846
Deferred tax liabilities	14	619,128	553,741
Provisions and other liabilitites	27	1,513,147	2,759,606
Total non-current liabilities		3,262,206	5,102,193
Current bank borrowings	25	527,173	358,371
Trade accounts payable		229,492	212,072
Other current liabilities	29	999,020	1,024,124
Income tax	14	47,625	55,319
Total current liabilities		1,803,310	1,649,886
Total liabilities and equity		8,603,200	7,711,288

Notes 1 to 34 of the attached Consolidated Report form an integral part of the Consolidated Balance Sheet as of December 31, 2024 and 2023.

Consolidated income statement

For the years ended December 31, 2024 and 2023.

(Thousand euros)	Notes	2024	2023
Net revenues	6-7-8	4,789,779	4,304,067
Cost of sales	9	(1,201,679)	(1,088,904)
Gross profit		3,588,100	3,215,163
Distribution expenses		(220,384)	(217,685)
Advertising and promotion expenses		(1,551,285)	(1,338,144)
Selling, general and administrative expenses		(1,057,717)	(966,364)
Operating profit		758,714	692,970
Other operational income and expenses	10	(146,626)	(13,764)
Operational profit		612,088	679,206
Financial result	13	19,358	(87,403)
Result from associates and impairment of financial assets	18	61,060	51,347
Profit before tax		692,506	643,150
Income tax	14	(149,973)	(143,262)
Net profit for the year		542,533	499,888
Non-controlling interests		(11,884)	(34,679)
Net profit attributable to the Parent Company		530,649	465,209
Earnings per share (euro)	24	0.98	0.86

Notes 1 to 34 of the attached Consolidated Report form an integral part of the Consolidated Income Statement as of December 31, 2024 and 2023.

Consolidated comprehensive income statement

For the years ended December 31, 2024 and 2023.

(Thousand euros)	Notes	2024	2023
Profit/(loss) for the year		542,533	499,888
Net gains (losses) from cash flow hedges		(32,059)	(23,541)
Income tax on items that may be reclassified to the income statement		6,724	6,618
Translation difference gain /(losses)		914	(28,491)
Items that may be reclassified to the income statement		(24,421)	(45,414)
Financial instruments at fair value through equity		(15,671)	(2,397)
Income tax		2,351	—
Items that may not be reclassified to the income statement		(13,320)	(2,397)
Consolidated global profit/(loss) fir the year		504,792	452,077
Attributed to:			
Parent company		492,481	417,610
Non-controlling interests		12,311	34,467

Notes 1 to 34 of the attached Consolidated Report form an integral part of the Consolidated Statement of Comprehensive Income as of December 31, 2024 and 2023.

Consolidated statement of changes in net equity

For the years ended December 31, 2024 and 2023.

(Thousand euros)	Attributable to the Parent Company (note 23)						Non-controlling interests (note 23)	Total
	Capital	Reserves	Interim dividend	Treasury shares	Unrealized gains (losses) reserve	Cumulative translation adjustment		
Balance at December 31, 2022	114,700	877,796	—	—	30,255	(77,902)	6,748	951,597
Total consolidated comprehensive profit for the year		465,209	—	—	(19,320)	(28,279)	34,467	452,077
Transactions with shareholders								
Capital increase	29,300	(29,300)	—	—	—	—	—	—
Shareholders contributions	—	80,601	—	—	—	—	—	80,601
Dividends	—	(80,000)	(80,000)	—	—	—	(21,323)	(181,323)
Treasury shares	—	(238,868)	—	(105,907)	—	—	—	(344,775)
Acquisition of non-controlling interests	—	(4,840)	—	—	—	—	(198)	(5,038)
Business combinations								
Other changes in equity								
Put-Call options	—	1,542	—	—	—	—	—	1,542
Reclassification of non-controlling interests	—	11,265	—	—	—	(874)	(10,391)	—
Other changes in equity	—	4,528	—	—	—	—	—	4,528
Balance at December 31, 2023	144,000	1,087,933	(80,000)	(105,907)	10,935	(107,055)	9,303	959,209
Total consolidated comprehensive profit for the year	—	530,649	—	—	(38,655)	487	12,311	504,792
Transactions with shareholders								
Capital increase	4,091	1,641,252	—	—	—	—	—	1,645,343
Capital decrease	(19,592)	19,592	—	—	—	—	—	—
Dividends	—	(186,086)	—	—	—	—	(6,433)	(192,519)
Treasury shares	—	243,260	—	25,626	—	—	—	268,886
Acquisition of non-controlling interests	—	181,604	—	—	—	—	—	181,604
Business combinations	—	—	—	—	—	—	159,667	159,667
Other changes in equity								
Put-Call options	—	182,215	—	—	—	—	—	182,215
Reclassification of non-controlling interests	—	3,601	—	—	—	—	(3,601)	—
Other changes in equity	—	(91,846)	80,000	—	—	—	(159,667)	(171,513)
Balance at December 31, 2024	128,499	3,612,174	—	(80,281)	(27,720)	(106,568)	11,580	3,537,684

Notes 1 to 34 of the attached Consolidated Report form an integral part of the Statement of changes in consolidated equity as of December 31, 2024 and 2023.

Consolidated cash flow statement

For the years ended December 31, 2024 and 2023.

(Thousand euros)	Notes	2024	2023
Cash flows from operating activities			
Profit / (loss) attributable to the Parent Company		530,649	465,209
Profit / (loss) attributable to non-controlling interests		11,884	34,679
Elimination of expenses and income with no impact on cash flows and other adjustments:			
Depreciation and Amortization	12	210,495	169,704
Deferred tax expense / income	14	(20,283)	(19,370)
Other financial income / expenses	13	8,868	5,098
Financial expenses	25	58,217	54,364
Other adjustments		(15,314)	26,223
Capital gains and losses on disposals of assets		668	(457)
Other non-current assets and liabilities		(25,663)	66,787
Result from associates and impairment of financial assets	18	(61,060)	(51,347)
Gross cash flow		698,461	750,890
Changes in working capital	30	41,231	(194,416)
Net cash from operating activities (I)		739,692	556,474
Cash flows from investing activities			
Purchases of property, plant and equipment and intangible	15 - 16	(190,919)	(177,919)
Disposals of property, plant and equipment and intangible		139	1,391
Dividends received	18	14,722	25,464
Financial assets	19	18,028	(4,602)
Business Combinations (net of cash)	5	(265,288)	—
Acquisition non-controlling interests		(811,476)	(51,900)
Loans issued to related parties (net)		(5,759)	(79,082)
Net cash from investing activities (II)		(1,240,553)	(286,648)
Cash flows from financing activities			
Capital increases	23	1,377,091	—
Treasury shares	23	(357)	(108,392)
Dividends paid	23	(192,519)	(181,323)
Issuance bank borrowings	25	658,572	429,780
Repayment bank borrowings and interests	25	(1,224,867)	(175,307)
Repayment of lease debt	17	(79,571)	(62,767)
Net cash from financing activities (III)		538,349	(98,009)
Net effect of changes in exchange rates (IV)		(7,743)	(28,966)
Change in cash and cash equivalents (I+II+III+IV)		29,745	142,851
Cash and cash equivalents at beginning of the year		852,901	710,050
Cash and cash equivalents at the end of the year		882,646	852,901

Notes 1 to 34 of the attached Consolidated Report form an integral part of the Consolidated Statement of Cash Flows as of December 31, 2024 and 2023.

Notes to the Consolidated Annual Accounts

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1. Corporate information

Puig Brands, S.A. (“Parent Company”, the “Company”, “Puig Brands”), formerly Jorba B.V., was established on February 25, 1983. On November 20, 2015 it changed its corporate name to Jorba Perfumes, S.L. Sociedad Unipersonal. The Company changed its registered office on December 18, 2015, and is currently located at Plaza Europa 46-48 in L'Hospitalet de Llobregat, Barcelona, Spain. On November 8, 2022, Puig, S.L., the sole shareholder of Puig Brands (“Sole Shareholder” or Puig, S.L.), approved the transformation of the Company into a public limited company, and, on March 20, 2023, decided to change the corporate name to Puig Brands S.A., Sociedad Unipersonal.

On May 3, 2024, the class B shares of Puig Brands, S.A. have been admitted to trading on the four Spanish Stock Exchanges through the Stock Exchange Interconnection System (Continuous Market).

The consolidated annual accounts and the consolidated management report of Puig Brands and subsidiaries (hereinafter “Puig” or “the Group”) corresponding to the financial year ended December 31, 2024 have been prepared by the directors of Puig Brands on February 26, 2025 in Barcelona.

Until December 31, 2022, the ultimate parent company of the Group for accounting purposes was Puig S.L., whose consolidated annual accounts for the year ended December 31, 2022 were audited at that level by Ernst & Young, S.L. On June 30, 2022, Puig, S.L. contributed its businesses to Puig Brands, S.A. Since 2023, being the first full year after the contribution was consummated, the Company has been the parent company of the Group, and prepared for the first time its own consolidated annual accounts as of the year ended December 31, 2023.

Puig is a global player in the premium beauty industry, home of iconic brands in the Fragrance and Fashion, makeup and skincare business categories.

Since 1914, the Puig family has run the family business. The Puig family is the backbone of the company’s values, which have been passed on for the last three generations. Their entrepreneurial spirit, creativity and passion for innovation have made Puig a reference in the field of beauty and fashion. Present in the Fragrance and Fashion, Makeup, and Skincare business categories, its brands are reinforced by a powerful ecosystem of founders and generate engagement through storytelling that connects with people’s emotions.

At Puig we honor the values and principles put in place by three generations of family leadership. Today we continue to build on that legacy, through conscious commitments in our ESG (Environmental, Social and Governance) agenda, aligned with the Union Nations Sustainable Development Goals.

Puig operates across three segments: Fragrance and Fashion, Makeup and Skincare through owned and licensed brands. Puig is based on a unique system of brands, led by unique personalities, with whom it establishes lasting and productive relationships, through shared values and the same brand building vision. Most of the business generated by Puig is built on its owned brands, highlighting Carolina Herrera, Jean Paul Gaultier, Rabanne, Charlotte Tilbury, Nina Ricci, Dries Van Noten, Penhaligon's, L'Artisan Parfumeur, Kama Ayurveda, Loto del Sur, Byredo, Dr.Barbara Sturm, Apivita and Uriage. Additionally, Puig markets licensed brands products, mainly Christian Louboutin, Adolfo Dominguez, Antonio Banderas.

In addition, Puig owns minority interests in other entities, with the most relevant ones being ISDIN, S.A., Ponteland Distribuçao, S.A. (Granado) and Sociedad Textil Lonia, S.A.

As a home of highly desirable premium brands, and to ensure that the identity of each brand is reflected at all stages, Puig is present in every stage of the value chain, relying on the knowledge and infrastructure of leading suppliers and partner.

The Company's ambition and determination have underpinned its international expansion since 1962, when it founded its first subsidiary outside Spain, and have helped it extend its activity across all continents. This extensive global presence is managed from the Barcelona headquarters. Puig has production plants in Europe (6) and India (1), with brand headquarters and subsidiaries in 32 countries.

2. Basis of presentation

2.1. Basis of presentation

The consolidated annual accounts have been prepared in accordance with the International Financial Reporting Standards (hereinafter, IFRS), adopted by the European Union (EU-IFRS).

The consolidated annual accounts are presented, unless expressly mentioned, in thousands of euros.

These consolidated annual accounts have been prepared under the going concern principle, in the absence of doubts about the Company's ability to continue its operations.

2.2. Basis of consolidation

The consolidated annual accounts corresponding to the financial year ended December 31, 2024 have been prepared in accordance with EU-IFRS.

Subsidiaries are entities over which the Company has control and, therefore, the power to govern their financial and operating policies. The results of subsidiaries acquired during the year are included in the consolidated annual accounts from the effective acquisition date.

Control is defined over three elements that must be complied with: having power on the relevant activity of the subsidiary, exposure, or the right to variable returns from its investment, and the ability to use such power to influence on those returns.

The share of non-controlling interests of the equity and income of the subsidiaries is under “Non-controlling interests” in the Consolidated Balance Sheet and “Profit attributable to non-controlling interests” in the Consolidated Income Statement.

All the intercompany balances and transactions have been eliminated, including unrealized profits arising from intragroup transactions.

Each of the companies included in the scope of consolidation prepares its annual accounts and other accounting records in accordance with the corresponding reporting standards, based on the legislation in force in the country of origin. Where these recognition and measurement criteria differ from those adopted by the Company in preparing its consolidated financial statements, they are adjusted to present the consolidated financial statements using uniform accounting policies.

The financial statements of companies with a functional currency other than the euro have been translated as follows:

- Assets and liabilities are translated into euros at the exchange rates prevailing at year-end.

- Items composing the equity of these companies are translated to euros at the historical exchange rates used in the preparation of their historical consolidated annual accounts.

- Income and expenses are translated into euros using the average exchange rate for the year.

The differences arising from the application of these exchange rates are included in consolidated equity under “Translation differences”.

Associates, in which Puig does not have control but has significant influence, have been accounted for using the equity method. For consolidation accounting purposes, it has been estimated that Puig has significant influence when holding more than 20% of companies’ share capital and/or it can be verified that such significant influence exists.

Subsidiaries are consolidated from the date on which control is transferred and cease to be consolidated when such control disappears. In the event of a loss of control over a subsidiary, the consolidated financial statements incorporate the results of said subsidiary for the portion of the reporting year in which Puig still held the control.

Almost all the entities included in the scope of consolidation have December 31st financial year ends. The financial statements of the entities whose yearly closing does not coincide with that of the Company have been duly adapted. The accounting principles used by subsidiaries and associates have been adapted in the consolidation process to make them coincide with those applied by the Company.

All the companies included in the scope of consolidation have been consolidated using the full consolidation method, except for the groups Ponteland Distribuçao, S.A. (Granado), Sociedad Textil Lonia, S.A., Isdin, S.A. and Beijing Yitian Shidai Trading, Co, LLC, which have been consolidated using the equity method.

2.3. Changes in accounting policies and in information breakdowns

The accounting policies used in the preparation of the consolidated annual accounts are the same as those applied in the consolidated annual accounts of 2023 of Puig Brands, S.A. and its subsidiaries, except for the following standards, interpretations and amendments that have been applied for the first time this exercise.

- Standards and interpretations approved by the European Union applied for the first time in 2024.

Puig has not experienced significant impacts on these consolidated annual accounts due to new standards and interpretations.

In May 2023, the IASB issued Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7). Puig has made the required disclosures in the full year 2024 Consolidated Financial Statements (see note 31.4) in accordance with the amendment.

- Standards and interpretations issued by the IASB but not yet applicable in 2024

Puig intends to adopt the standards, interpretations, and amendments to standards issued by the IASB that are not mandatorily applicable in the European Union when they become effective if they are applicable. Although Puig is currently analysing their impact, based on the analyses conducted to date, it estimates that their initial application will not have a significant impact on its consolidated financial statements.

2.4. Scope of consolidation

The main changes that occurred during the year ended December 31, 2024, relate the acquisition of Dr.Barbara Sturm as indicated in note 5.

For fiscal year 2023, there were no significant changes compared to fiscal year 2022.

3. Main events of the period

Business combination Dr.Barbara Sturm

In January 2024, Puig acquired 65% of Dr.Barbara Sturm. With this acquisition, Puig reinforces its presence in the skincare business. Dr.Barbara Sturm was founded in 2014 with the objective to deliver science-based and effective skincare treatments. Dr.Barbara Sturm is a luxury, science-focused skincare brand with seven owned spas and boutiques offering high-performance treatments (note 5).

2024 incentive plan and offering extraordinary award

Between January and March 2024 an extraordinary long-term incentive free shares plan was executed for the Chairman and CEO, our Senior Officers and other key employees. As a result, a total of 1.498.216 Class B shares have been delivered to the employees, with a total cost amounting to 36 million euros.

On March 19, 2024, Board of Directors approved the Offering Extraordinary Award for all employees (including Chairman and CEO, Senior Officers and other key employees) amounting to 79.9 million euros (including social security costs). In addition to the Offering Extraordinary Award, the Board of Directors approved an extraordinary plan incentive payment for the Chairman and CEO, some Senior Officers, and other key employees, in recognition of their respective contributions to the Company in the context of the Offering, which has been paid in May and June 2024. The Chairman and CEO received a total amount of 9.3 million euros (including the amount of the Offering Extraordinary Award attributable to him); the Senior Officers received a total amount of 4.5 million euros (including the amount of the Offering Extraordinary Award attributable to them); and certain key employees that are not Senior Officers received a total amount of 3.1 million euros (excluding the Offering Extraordinary Award attributable to them).

New revolving credit facilities

Between February and April 2024, Puig Brands signed revolving credit facilities totalling 680 million euros to finance the acquisition of minority interests in Byredo and Prado Investments.

Liabilities from Business Combinations

Prado Investments Limited

On March 1, 2024, Puig agreed to acquire preference shares from BDT Champion Holdings, L.P. corresponding to 26.3% of the total number of shares (and voting rights) in Prado Investments Limited, for a total consideration consisting of 366.0 million euros in cash on March 1, 2024 and 243.6 million euros settled through the issuance of Puig Brands new Class B Shares carried out on May 2, 2024.
After acquiring this additional stake, Puig has obtained 100% number of shares and voting rights in Prado Investments Limited (which holds 73.1% of the share capital of Charlotte Tilbury Limited).

Byredo AB

On March 1, 2024, Puig acquired 20% of Byredo AB from Manzanita for a total consideration of 214.6 million euros in cash paid on March 1, 2024. As part of this transaction, Manzanita committed to invest 161 million euros in the subscription at the Offering Price of new Puig Brands Class B Shares carried out on May 2, 2024.

Additionally, on March 1, 2024, Puig agreed to acquire 3% of Byredo AB from Arctic Sun, a company owned by brand founder Ben Gorham, for a total consideration consisting of 16.1 million euros in cash on March 1, 2024 and 16.1 million euros settled through the issuance of new Puig Brands Class B Shares carried out on May 2, 2024.

After acquiring this additional stake, Puig has obtained 100% number of shares and voting rights in Byredo AB.

As summary the Share capital increases subscribed by minority interests of Prado Investments Limited and Byredo AB (the Minority Shareholders) in an aggregate amount of 420,582 thousand euros by virtue of which a total of 17,166,618 new Class B Shares fully paid up were issued and fully subscribed by the Minority Shareholders (note 23).

Initial public offering of Class B shares of Puig Brands, S.A.

On May 3, 2024, class B shares of Puig Brands, S.A. were admitted to trading on the Barcelona, Madrid, Bilbao, and Valencia Stock Exchanges through the Stock Exchange Interconnection System (Continuous Market). The price per share was set at 24.50 euros, and the capital and net share premium increase amounted to 1,671 million euros. All details and equity considerations of the IPO are detailed in note 23.

Management incentive plans (SARs) after Puig Brands initial public offering admission

According to the provisions of the Incentive Plans (Share appreciation rights o SARs) 2015-2018, 2021-2023 and 2024, after Puig Brands Admission into the stock Spanish exchange:

- all the put options granted by Puig to the beneficiaries have been cancelled. Accordingly, the Admission has resulted in the entire cancellation of the 238.9 million euros liability recorded at December 31, 2023 related to plans 2015-2018 and 2021-2023 resulting in a positive impact in Other Reserves by this amount in 2024 (note 23).

- a limited number of call options granted to some of the beneficiaries have been cancelled. The call options after Admission remain effective and may be exercised by Puig over the Class B Shares that are subject to a lock-up restriction and during the period that such lock-up restriction applies.

Charlotte Tilbury

On July 25, 2024, Puig acquired an additional stake 5.4% in Charlotte Tilbury Limited amounting to 214,816 million euros (180,456 million GBPs). With this additional stake in Charlotte Tilbury, Puig directly controls 78.5% of the subsidiary.

On December 17, 2024, Puig announced the extension of its strategic collaboration with Charlotte Tilbury MBE. The original agreement signed in 2020, which was set to end in 2025, has been extended until the end of 2030. As a result, Charlotte Tilbury MBE will retain a minority stake in Charlotte Tilbury Limited until the end of 2030.

The agreement includes put and call options exercisable at different periods between 2026 and 2031, valued based on a market multiple linked to the key financial metrics of Charlotte Tilbury's business.

The extension of these put and call options, from 2026 to different periods between 2026 and 2031, has had a positive equity impact amounting to 197.5 million euros, mainly due to the extension of the liability (which is discounted at present value), the new multiples agreed and the projected financial metrics.

4. Accounting policies

The consolidated annual accounts have been prepared by the Directors of the Parent Company, in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU) as of December 31, 2024.

4.1. Business combinations - put-call options on minority interests

When a business is acquired, its assets, liabilities and contingent liabilities are measured at fair value at their acquisition date, as provided on IFRS 3, Business Combinations. When performing the purchase price allocation for the business combination, Puig records the identified intangible assets like brands or customer relationships. Any excess in the cost of acquisition over the fair values of the identified net assets is recognized as goodwill. If the cost of acquisition is lower than the fair value of the identifiable net assets, the difference is credited to profit or loss on the acquisition date.

At the business combination date, variable contingent consideration is estimated. Subsequently, differences are recorded in profit and loss.

The interest of non-controlling shareholders is stated at their proportion of the fair value of the assets and liabilities recognized. After initial recognition, non-controlling interests are adjusted by the profit / loss obtained.

On business combinations executed in stages, previous investments are valued at fair value with differences recorded in profit and loss.

In recent years, Puig has carried out business combinations in which it obtained the majority of voting (and economic) rights in entities like Charlotte Tilbury, Dr.Barbara Sturm or Byredo AB, among others, thereby gaining control over these businesses (note 5). In these transactions, specific purchase put-call options were agreed for the acquisition of the remaining stake.

When Puig acquires a business without obtaining all its voting shares, but agrees a put and call option to acquire the minority stake in the future, and if the terms and conditions of the contract permit it, Puig follows IFRS 10 as outlined below:

a. It calculates the value at which the non-controlling interests (minorities) should have been recorded according to IFRS 10.

b. Subsequently, at the year-end closing, minority interests are accounted for as if they were acquired on that date.

c. A financial liability is recognized for the current value of the amount payable as consideration for the exercise of the minority's put option, as an acquisition of minorities. The revaluation of the financial liability is reflected in consolidated equity.

   In subsequent years to the acquisition, Puig recognizes the amount of profit attributable to minority interests in the consolidated income statement and subsequently reclassifies the minority interest as reserves.

4.2. Investments in associates and joint ventures

Puig's investments in associates and joint ventures are accounted for using the equity method.

Associates, in which Puig does not have control but has significant influence, have been accounted for using the equity method. For consolidation accounting purposes, it has been estimated that Puig has significant influence when holding more than 20% of companies' share capital and/or it can be verified that such significant influence exists. Associates are defined in note 2 and Annex I.

Joint ventures are those entities over whose activities Puig has joint control, established by contractual arrangement. According to IFRS 11, Joint Arrangements, these entities are accounted for using the equity method in the consolidated financial statements.

The value of these investments on the consolidated balance sheet implicitly includes, where applicable, the goodwill arising on their acquisition.

Puig evaluates annually the impairment of the investments in associates and joint ventures.

4.3. Foreign currency translation

The financial statements of the standalone subsidiaries and associates are expressed in their functional currency. note 2.2 provides a detailed explanation of how Puig has translated local currency into euros.

The main functional currencies other than the euro are the US dollar (USD) and the pound sterling (GBP). A detail of all the companies in the scope of consolidation and their corresponding functional currencies is included in Annex I.

The financial statements of Puig companies whose functional currency is the currency of a hyperinflationary economy (Argentina) are adjusted for inflation in accordance with the procedure described in the following paragraph prior to their translation to euros. Once restated, all the items of the financial statements are converted to euros using the closing exchange rate. Amounts shown for prior years for comparative purposes are not modified. All impacts are accounted for within currency translation differences in equity.

To determine the existence of hyperinflation, Puig assesses the qualitative characteristics of the economic environment of the country, such as the trends in inflation rates over the previous three years. The financial statements of companies whose functional currency is the currency of a hyperinflationary economy are adjusted to reflect the changes in purchasing power of the local currency, so that all items in the balance sheet not expressed in current terms (non-monetary items) are restated by applying a general price index at the financial statement closing date, and all income and expense, profit and loss are restated monthly by applying appropriate adjustment factors.
The exchange rate applied at the end of the year was the following:

Argentine peso	2024	2023
Year-end exchange rate	1,064	895

4.4. Property, plant, and equipment

Property, plant and equipment are recorded at the lower of acquisition cost, net of its accumulated depreciation, and recoverable value.

Tangible fixed assets category	Depreciation method	Useful life
Buildings	Straight-line	33 years
Machinery and tools	Straight-line	4 to 10 years
Office furniture and other equipment	Straight-line	3 to 10 years

Expenditure relating to repairs or maintenance is included in the consolidated income statement. The costs of improvements or enhancements which extend the useful lives of the assets are capitalized.

The net carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the net carrying value may not be recoverable. If any such indication exists, and where the net carrying value exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amounts.

The recoverable amount of plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks inherent to the asset. Impairment losses are recognized as an expense in the income statement.

4.5. Intangible assets other than goodwill

Brands acquired as a result of business combination are stated at their fair value at the acquisition date. Intangible assets are valued regularly to make sure that their net book value is not higher than their recoverable value, in which case a loss would be recorded.

The recoverable amount of intangible assets is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks inherent to the asset. Impairment losses are recognized as an expense in the income statement.

Depreciation of intangible assets is calculated on a straight-line basis over the estimated useful lives of the assets, which are as follows:

Intangible assets	Depreciation method	Useful life
Brands	—	Indefinite
Software, ERP and other intangibles	Straight-line	3 to 5 years

Puig considers that its brands have an indefinite useful life since there is no foreseeable limit for the period over which the brands are expected to generate net cash inflows based on legal and competitive factors, since Puig's brands have a consolidated position in the market.

Where the recoverable amount of an asset is below its carrying amount, the carrying amount is written down to its recoverable amount. An impairment loss is immediately recognized in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount. However, the increased carrying amount will not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or the cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in profit or loss.

4.6. Goodwill

Goodwill is initially accounted for as the difference between the value of the contribution made for the acquisition of business and the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is no longer amortized on application of IFRS 3. Instead, goodwill is internally tested annually unless impairment indicators are detected. Impairment indicators are for example significant differences between the business performance versus business plans and macroeconomic factors.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of cash flows have not been adjusted.

The composition of the Group's Cash Generating Units (CGUs) and the methodology for the impairment tests are explained in note 16.

4.7. Inventory

Inventory is valued at the lower of cost and net realizable value.
The cost of inventory comprises all costs related to purchase and conversion and design, logistic and transportation costs and the necessary costs directly attributable to bring the inventory to its present location and condition.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw material: Purchase cost on a first-in, first-out basis
- Finished goods and work in progress: Direct costs and a portion of indirect costs based on a normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs necessary to complete or perform the sale.

Obsolete and slow-moving products have been reduced to their estimated realizable value. This provision is based on product type, inventory turnover and expiry date.

4.8. Interest-bearing loans and borrowings

All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are stated at their amortized value applying the effective interest rate method and considering emission expenses.

Derecognition of interest yield loans and credits

Puig derecognizes a previously recognized loan from the balance sheet when the obligation under the liability is extinguished because payment to the creditor for cancelling the debt has been made (through payments in cash or other goods or services) or because the debtor is legally released from any responsibility for the liability.

A loan is derecognized as follows: the difference between the carrying amount of the financial liability (or the part of it that has been derecognized) and the consideration paid, including any attributable transaction costs, which also has to include any new asset transferred other than cash or liability assumed, is recognized in the income statement in the year to which it relates.

Debt restructuring

In certain cases, Puig restructures its debt commitments to its creditors. For example: extending the maturity date of the principal in exchange for a higher interest rate, not paying and grouping interest in a single bullet payment of the principal and interest at the end of the life of the debt, etc.

There are several ways in which the terms on a debt may be changed:

- Immediate payment of the nominal amount (before maturity) followed by the refinancing of all or a portion of the nominal amount through a new debt (“exchange of debt”).
- Modifying the terms of the debt agreement before maturity (“modification of debt”).

In an exchange or modification of debt with the same creditor, Puig analyzes whether a substantial change in the terms on the original debt has occurred. If so, the accounting treatment is as follows

- the book value of the original financial liability (or of its corresponding portion) is derecognized from the balance sheet;
- the new financial liability is initially recognized at fair value;
- transaction costs are recognized in the income statement;

- the difference between the book value of the original financial liability (or the portion thereof that has been derecognized) and the fair value of the new liability is also recognized in the income statement.

  On the contrary, if after the analysis, Puig concludes that both debts are not substantially different (they are essentially the same debt), the accounting treatment is as follows:

- the original financial liability is not derecognized (that is, it is kept on the balance sheet);

- the fees paid in the restructuring transaction are recorded as an adjustment to the debt's carrying amount;
-
- the difference between the present value of cash flows excluding refinancing fees discounted at the effective interest rate prior to the refinancing and the previous amortized cost shall be presented as finance profit/(cost);

- a new effective interest rate is calculated as from the restructuring date. The amortized cost of a financial liability is determined by applying the effective interest rate, which equates the carrying amount of the financial liability on the modification date to the cash flows to be paid as per the new terms.

  The contractual terms are considered to be substantially different, among others, when the present value of the cash flows from the new contract, including any commission paid, net of any commission received, differs by at least 10% of the present value of the cash flows yet to be paid on the original contract, when the effective interest rate of the original contract has been applied to both amounts.

  Certain modifications to the determination of cash flows may not pass this quantitative analysis, but may also give rise to a substantial modification of the liability, such as: change from a fixed to a floating interest rate on the payment on the liability, restatement of the liability in a different currency, conversion of a loan at a fixed interest rate into a participation loan, among others.

4.9. Provisions

Provisions are recognized when:

- Puig has a present obligation (legal or implicit) as a result of a past event;
- It is probable that an economic outflow will be required to settle the obligation; and,
- A reliable estimate can be made of the amount of the obligation.

Provisions for restructuring costs are recognized when Puig has a formal plan for restructuring that has been notified to the affected parties.

If the effect of the cash temporary value is significant, the amount of the provision is discounted. Any increase in the provision value derived from the passing of time is recorded as “Financial expenses” in the consolidated income statement.

There are no risks giving rise to future significant contingencies that affect Puig and have not been considered in these financial statements.

Additionally, contingent liabilities are possible obligations arising as a consequence of past events, which may or may not occur depending on one or more future events beyond the Group's control. Unlike provisions, contingent liabilities are not recognized in the consolidated balance sheet but disclosed in the notes thereto unless they are not considered remote.

4.10. Post-employment benefits and shared-based payments

Post-employment pension plans

Puig has entered into post-employment pension plans with some of its employees.

Under defined contribution retirement plans, Puig pays fixed contributions on a current basis into a separate (third party) recognized pension fund and will have no obligation to pay further contributions. Such fixed contributions are recognized in the income statement on the due date.

Under defined benefit retirement plans, Puig is obliged to pay certain benefits upon retirement. The liabilities of Puig concerning defined benefit retirement plans, and the related service cost, are determined using the projected unit credit method. The following concepts are recognized in the income statement for the year: the service costs for the current year, costs due to interest, expected yield of any plan asset, cost of previous services, and the effect of any type of curtailments and settlements of the plan. Any actuarial gains and losses are recognized outside the income statement and presented in the statement of changes in equity according to IAS 19. The amount recognized in the balance sheet represents the present value of the defined benefit obligation, net of related assets.

Share appreciation plan

Puig has several “share appreciation rights” (SARs) for executives and employees. The related employee benefits expense is determined based on the fair value of the liability at the vesting date and it is recognized based on the best estimate made by Management. This expense is recognized over the stipulated period during which the services are rendered and adjusted based on actual employee rotation.

Most of the SARs plans grant the beneficiaries the right to choose whether the share-based payment transaction is settled in cash or by delivering equity instruments, and consequently, it meets the definition of a compound financial instrument, which includes a debt component and an equity component. In order to measure each component, the Company has concluded that there is always a cash event enforceable for the Company in relation to all shares granted, and consequently, the accounting for these plans has been treated as a cash settlement, being the equity component measured at nil.

In the case that the shares are finally acquired by the employees, crossed put and call options are put in place. For some plans, in the case of a public offering, the put and call options would no longer have any effect, except when lock up periods apply, in which case Puig retains a call option.

Some specific plans have been defined as cash-settled plans, as they are always settled in cash.

4.11. Leases

Puig leases are in line with market terms and conditions. The main types of lease agreements, as well as their main characteristics are described below:

- Offices and warehouses: contract terms include an average lease length between 10 and 15 years and fixed rent updated based on inflation rates. In some of these contracts Puig has unilateral option to extend from 5 to 10 years.
- Stores: contract terms include an average lease length between 3 and 12 years. Rent payments always include a fixed component and some of them also include a variable component linked to the sales of the respective store which is added to the fixed component.
- Cars: contract terms include an average lease length between 3 and 4 years and fixed rent updated based on inflation rates.

Variable lease payments, which do not depend on an index or rate, are not included in the measurement of the lease liability and the right-of-use asset, and are recorded as an operating expense as they are incurred.

At the commencement date of the lease, a right-of-use asset and a lease liability shall be recorded.

Initial valuation of the asset by right of use

At the commencement date of the lease, the right-of-use asset is measured at cost, which shall comprise:

- The amount of the initial measurement of the lease liability.
- Any lease payments made at or before the commencement date, less any lease incentives received.
- Any initial direct costs incurred by the lessee.
- An estimate of costs to be incurred by the company in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.
- In the cases in which there are variable amounts, the minimum lease payment shall be considered in the price.

Initial measurement of the lease liability

At the commencement date, the lease liability shall be measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, Puig's incremental borrowing rate shall be used. The lease payments included in the initial measurement of the lease liability comprise the following payments:

- Fixed payments less any lease incentives receivable.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date of the lease.
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Puig has included in the measurement of the lease liability the future cash flows for the periods it estimates that it will keep the contracts. For some of the lease contracts, the Group has extension options for additional periods, which can be freely exercised by the Group only.

These extension options have been considered in the value of the lease liability when Puig has reasonable certainty to exercise these options, due to significant investments performed, and the complexity to find similar leases in the market.

Subsequent measurement of the right-of-use asset

The right-of-use asset shall be measured at cost less any accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Subsequent measurement of the lease liability

The lease liability shall be measured by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications.

The lease payments associated with short-term leases or leases for which the underlying asset is of low value are recognized in the consolidated income statement as an expense on a straight-line basis over the lease term. A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less.

Modifications to lease payments linked to an index, such as the consumer price index, are treated as modifications to lease liabilities at the date the index is revised and based on remaining cash flows.

The balancing entry of a modification to the lease liability is an adjustment to the right-of-use asset.

4.12. Revenue

Revenue is recognized at the carrying amount of the consideration received. Sales agreements contain one single performance obligation that is satisfied at a point in time.

There are no contracts with customers with significant financing components.

Gross sales

Income from the sale of finished goods is recognized when control over the goods is transferred to the customer, which occurs when the significant risks and rewards of ownership of the goods have passed to the buyer and can be reliably measured, which is, in general terms, when the goods are delivered.

The Group's revenue comes from the following business segments: Fragrance and Fashion, Makeup, Skincare.

Sales rebates and returns

Sales rebates include all the discounts given to end customers, volume-based incentives, etc.

Sales rebates and refunds are part of the sale transaction and deducted from the consideration in revenue recognition.

Puig receives promotional support services from certain customers, such as placing products in display stands and publishing offers, among others. These services are not under Puig’s control neither fulfill any obligation and thus considered as a rebate. These amounts are deducted from the consideration for revenue recognition purposes if net revenue recognition criteria is met under IFRS 15.

Royalty income

Royalty income is related to licenses that Puig’s brands (Nina Ricci, Rabanne, Jean Paul Gaultier and Carolina Herrera) give to third parties to commercialize certain products such as eyewear and fashion and accessories. Royalty income is accounted for on an accrual basis, based on the percentage established for each of the licenses over the sales carried out by the third parties.

4.13. Income tax

The Parent Company and all of its Spanish subsidiaries pay corporate income tax under a consolidated tax regime, with the top entity responsible before the tax authorities being Puig, S.L. The income tax expense is recognized in the income statement except when it refers to items recorded directly under equity.

Deferred income tax is recorded applying the liability method, on all temporary differences existing at the balance sheet date between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax liabilities are recognized for all taxable temporary differences except when the deferred income tax liability arises from an acquired goodwill, whose amortization is not tax deductible, or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss. Likewise, deferred tax liabilities are also recognized for all taxable temporary differences arising from the carrying amount of investments in subsidiaries or associates, except when the following two conditions are jointly met: the timing of the reversal of the temporary differences can be controlled by the Parent Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilized except, when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit or loss.

4.14. Financial instruments

Puig determines the most appropriate classification for each financial instrument based on its business model and the characteristics of contractual cash flows and reviews it only in the event of a change in the business model for managing said assets. Current and non-current financial instruments are classified into the following categories:

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired. Puig's financial assets at amortized cost includes trade receivables, deposits, loans and other current assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. This category includes derivative instruments to cover loans in foreign currencies and some non-listed equity investments (note 18).

Financial assets at fair value through other comprehensive income

Upon initial recognition, Puig can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss the right of payment has been established. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Group elected to classify irrevocably its listed and some other non-listed equity investments under this category (financial investments – note 18).

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans, trade payables, other current liabilities and lease liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes earn-outs and share based payments designated upon initial recognition as at fair value through profit or loss.

Puig determines the fair value of financial instruments in accordance with the following hierarchy:

- Level 1: Observable prices for identical finance assets/liabilities in active markets.
- Level 2: Other measurement techniques in which the parameters with a significant impact on the determination of fair value are obtained directly or indirectly from the market.
- Level 3: Other measurement techniques in which the parameters with a significant impact on the determination of fair value are not obtained from the market. Fair value is mainly determined based on future economic projections for the underlying asset (or business).

4.15. Derivative financial instruments

Derivative instruments are initially recorded in the consolidated balance sheet at their cost of acquisition and are subsequently adjusted in order to always be recorded at their fair value. These adjustments are recorded as assets in case they are positive or as liabilities if they are negative.

For accounting purposes, and once the financial instrument has been designated as being a hedging instrument, the following classifications have been used:

a. Fair value hedges: when hedging against the exposure to changes in the fair value of a recognized asset or liability. Any gain or loss from re-measuring the hedging instrument at fair value is recognized immediately in the income statement, netting its effect in the same caption of the income statement.

b. Cash flow hedges: changes in fair value of hedging instruments are recorded for their effective proportion in the “Unrealized gains (losses) reserve” (Shareholders’ equity). The portion of the gain or loss of the hedging instrument that is determined to be an effective hedge is recognized directly in equity and the ineffective portion is recognized in net profit or loss.

The fair value of the different derivative financial instruments is calculated applying the following methods:

a. At year-end exchange rate.

b. Applying the discount of expected cash flows with regard to the market conditions, both for cash and futures at year end closing.

4.16. Use of estimates and judgments

The preparation of the financial statements in accordance with IFRS-EU requires Puig to make estimates and judgments (including fair value) that affect the application of accounting policies and the balances of assets, liabilities, revenues, and expenses.

These estimates and judgments are based on historical experience and various other factors that are considered reasonable under the circumstances, and their results form the basis for determining opinions on the carrying amounts of assets and liabilities that are not readily available from other sources.

The macroeconomic assumptions used in the estimates are based on figures provided by reputable entities and are tailored to Puig's specifications, including inflation, interest rates, exchange rates, etc. Puig incorporates these macroeconomic assumptions into its business planning and strategy.

The business plans prepared by management are used in the estimates made by Puig for the preparation of the annual accounts (e.g., impairment testing, recognition of deferred taxes or valuation of liabilities, etc.). However, actual results may differ from the estimates made in the business plans, both in the forecasts of business developments and in the assumptions applied for the calculations.

Puig's main estimates are as follows:

- The useful life and fair value of property, plant and equipment, and intangibles assets (note 15 and 16).
- The assumptions used in the Purchase Price Allocation (PPA) (note 5) carried out in each business combination. In all cases, the PPA is prepared by external advisors.
- The assumptions used in determining the fair value/value in use of various Cash Generating Units (CGUs) or groups of them to assess the potential impairment of goodwill or other assets (note 16 and 18).
- Estimation of expected credit losses on accounts receivable and inventory obsolescence (notes 4.8, 19, and 20).
- Estimation of deductions from net sales (returns and rebates) (notes 8 and 28).
- The fair value of financial instruments and certain unquoted financial assets (notes 19 and 25).
- Assumptions used in determining the fair values of liabilities related to business combinations (notes 4.1 and 26). Contingent consideration liabilities fall under level 3 of the fair value hierarchy in accordance with IFRS 13.

- Provisions: An estimate is made of amounts to be settled in the future, including those related to contractual obligations, pending litigation, and other future costs. These estimates are subject to interpretations of current facts and circumstances, projections of future events, and estimates of the financial effects of these events.

- Evaluation of the recoverability of tax credits, including carryforward tax losses and deduction rights. Deferred tax assets are recognized to the extent that future tax benefits are available against which temporary differences can be offset, based on management's assumptions regarding the amount and timing of future tax benefits.

5. Business combinations

Dr.Barbara Sturm

In January 2024, Puig acquired 65% (economic and votings rights) of Dr.Barbara Sturm (Barbara Sturm Molecular Cosmetics GmbH). With this acquisition, Puig reinforces its presence in the premium skincare business. Dr.Barbara Sturm was founded in 2014 with the objective to deliver science-based and effective skincare treatments. Dr.Barbara Sturm is a luxury, science-focused skincare brand with seven owned spas and boutiques offering high-performance treatments.

Transaction costs amounting to 5.7 million euros have been recorded in the 2024 income statement (note 10).

The respective carrying amounts and fair values of Dr.Barbara Sturm's identified assets and liabilities at the acquisition date were as follows:

(Thousand euros)	Net carrying amount	Fair value
Long term assets	10,464	192,315
Current assets	19,148	21,098
Cash and cash equivalents	10,535	10,535
Non-current liabilities	(18,667)	(76,068)
Current liabilities	(24,854)	(24,854)
Total net assets	(3,374)	123,026
Cash paid		275,823
Put & call option		159,667
Variable contingent consideration (earn-out)		965
Goodwill (note 16)		313,429

Dr.Barbara Sturm's assets and liabilities are denominated in euros.

The most important differences between the net carrying amount and their corresponding fair values correspond to the brand and customer relationships, with net fair values of 168 million euros and 14 million euros respectively. Additionally, there are deferred tax liabilities associated with the fair value of the intangible assets that arose in the purchase price allocation process, amounting to 57 million euros.

The respective fair values of Dr.Barbara Sturm's brand and customer relationships have been determined through valuations conducted by an independent expert using the royalty savings method and the MEEM (Multi-period Excess Earning Method) methodology. The key assumptions for the estimation of fair values at the acquisition date refer to net revenue growth and royalty rate aligned with the expected market evolution and considering the specifications of the brand. Additionally, a post-tax discount rate of 9.3% and a long-term growth rate of 3% are considered. The assumptions used in terms of business evolution are based on strategic plans approved by Puig.

Puig has recognized a goodwill in connection with the synergies that Puig obtains from Dr.Barbara Sturm improving other Puig cash-generating units (note 16).

As part of the acquisition, Puig has agreed to put and call options for the acquisition of the remaining 35% of Dr.Barbara Sturm's shares not currently owned (note 27). The valuation of these options is based on a net revenue multiple, adjusted according to market multiples. A minimum price, equivalent to the cash payment when control is taken, is guaranteed.

Additionally, an earn-out payable has been agreed as part of the acquisition. The valuation of the earn-out is based on a net revenue multiple, adjusted considering net revenue targets (note 27).

These liabilities have been discounted at a 9.3% at the time of the business combination.

At the acquisition date, the amount of the put call options amounted to 160 million euros, which have been initially recognized as non-controlling interest, and subsequently reclassified as a liability at the reporting date (note 3.1).

The results of Dr.Barbara Sturm's operations have been included in the 2024 financial statements from the acquisition date, January 1st. The amount of net revenue from the acquisition date until December 31, 2024, amounted to 54 million euros.

6. Segment reporting

The information presented below regarding segments has been prepared in accordance with IFRS 8, identifying the corresponding operating segments based on the type of products offered in each of them.

Puig's business activities are organized into three segments: Fragrance and Fashion, Makeup, and Skincare.

The segment reporting is presented with this breakdown as it is used by the senior management and board of directors of Puig to monitor the business. For the purposes of IFRS 8, the board of directors should be understood as the highest authority for operational decision-making at Puig.

Fragrance and Fashion: The Fragrance and Fashion business segment focuses on the creation, marketing and sale of fragrances, and to a much lesser extent, clothing, accessories, and other fashion-related items. Although fashion is a small portion of our revenues, it has been a key enabler of the fragrance industry, especially in the premium segment, where a major part of the top premium fragrance brands are inspired by a fashion brand. Puig recognizes the value of the deep connection that consumers build with fashion brands and how that translates to fragrances.

Under this business category, Puig designs, develops and markets fragrances in various forms, including eau de parfum sprays and colognes, as well as lotions, powders, creams, candles, and soaps, that are based on a particular fragrance. In addition, Puig designs, produces, and markets clothing, footwear, and accessories.

The Puig portfolio of brands operating in the Fragrance and Fashion business category includes Carolina Herrera, Jean Paul Gaultier, Nina Ricci, Rabanne, Byredo, Christian Louboutin, Dries Van Noten, L'Artisan Parfumeur, Penhaligon's, Adolfo Domínguez and Banderas among others.

Makeup: The Makeup business segment focuses on the creation, marketing, and sale of a comprehensive range of high-quality cosmetic products including, among others, foundations, concealers, lipsticks, lip glosses, eyeliners, blushes, mascaras and eyeshadows.

The Puig portfolio of brands operating in the Makeup business segment includes Carolina Herrera, Charlotte Tilbury, Rabanne, Byredo, Christian Louboutin and Dries Van Noten.

Charlotte Tilbury and Christian Louboutin are the brands with the largest revenue contribution to our Makeup business segment. Charlotte Tilbury is the leader in this segment in terms of know-how and acts as the driver for the expansion of makeup products to brands that are already established in other segments.

Skincare: The Skincare business segment focuses on the creation, marketing, and sale of a variety of products to meet the needs of different skin types and concerns, such as cleansers, toners, moisturizers, serums, body care, exfoliators, acne, and oil correctors, facial masks, and sun care products.

The Puig portfolio of brands under this segment skews heavily towards Dermo-Cosmetics but also includes Prestige skincare. Puig's brands operating in the Skincare business segment include Uriage, Apivita, Dr.Barbara Sturm, Kama Ayurveda, Loto del Sur and Charlotte Tilbury.

The distribution of net revenues, operating profit, depreciations and amortizations and operating assets among segments is as follows:

2024

(Thousand euros)	Net revenues	Operating profit	Amortization and impairment (**)	Operating assets
Fragance and Fashion	3,537,998	677,585	155,618	3,649,204
Make up	763,005	44,069	34,309	2,119,360
Skin care	516,164	37,060	20,568	970,429
Eliminations	(27,388)	(*)	—	—
	4,789,779	758,714	210,495	6,738,993

2023

(Thousand euros)	Net revenues	Operating profit	Amortization and impairment (**)	Operating assets
Fragance and Fashion	3,115,001	587,190	124,084	3,169,954
Make up	773,086	62,219	29,047	2,031,933
Skin care	430,854	43,561	16,573	800,214
Eliminations	(14,874)	(*)	—	—
	4,304,067	692,970	169,704	6,002,101

* Operating profit linked to intersegment eliminations, considering the figures involved, was not relevant.

** Depreciation and impairment are presented jointly in 2024 and 2023, as the impairment was not significant (note 15) and was fully allocated to Fragrance and Fashion.

For the purpose of the reconciliation with the total assets of Puig consolidated financial statements, assets are split as follows:

(Thousand euros)	Note	2024	2023
Fixed assets	15	380,356	326,341
Intangible assets	16	4,705,720	4,114,267
Right-of-use assets	17	365,076	287,922
Inventories	20	720,312	788,866
Trade accounts receivable	19	567,529	484,705
Total operational assets		6,738,993	6,002,101
Corporate assets		1,864,207	1,709,187
Total assets		8,603,200	7,711,288

Operational assets are those assets managed in the business segments. Corporate assets are those assets centrally managed by the Parent Company.

7. Geographical reporting

In the presentation of information by geographical areas, net revenues are based on the geographical location of clients, while operational assets are based on the geographical location of assets.

Puig reports using three geographical areas: EMEA (Europe, Middle East and Africa), Americas and Asia-Pacific.

The distribution of net revenues and operational assets by geographical areas is as follows:

2024

(Thousand euros)	Net revenues	Operating assets
EMEA	2,620,004	3,872,892
Americas	1,714,634	1,813,553
Asia-Pacific	455,141	1,052,548
	4,789,779	6,738,993

2023

(Thousand euros)	Net revenues	Operating assets
EMEA	2,322,116	3,303,691
Americas	1,542,978	1,600,909
Asia-Pacific	438,973	1,097,501
	4,304,067	6,002,101

The net carrying amount of property, plant and equipment, intangible assets, and right of use assets located in Spain amounted to 347,980 thousand euros as of December 31, 2024 (2023: 316,716 thousand euros).

8. Net revenues

In notes 6 and 7 above, net revenues by operating segment and by geographical area are presented.

A reconciliation between gross sales and net revenues is detailed as follows:

(Thousand euros)	2024	2023
Gross sales	5,380,826	4,793,239
Royalty income	24,984	26,440
Sales rebates	(505,805)	(448,213)
Sales returns	(110,226)	(67,399)
	4,789,779	4,304,067

Puig has deducted from its gross sales an amount of 616,031 thousand euros corresponding to discounts, returns and promotional support services from certain customers when these support services are not under Puig control neither fulfil any obligation (2023: 515,612 thousand euros) .

Puig does not have any client with a sales volume greater than 10% of Puig's net revenue.

9. Cost of sales

The breakdown of sales costs is as follows:

(Thousand euros)	2024	2023
Procurement and production costs	1,068,028	1,226,551
Inventory losses (note 20)	70,304	50,170
Gross inventory variation (note 20)	63,347	(187,817)
	1,201,679	1,088,904

Procurement and production costs are mainly related to the industrial production cost of products sold. This caption also includes finished goods produced by third parties.

Inventory losses reflects the obsolete stocks and slow-moving products, that, in line with Puig policies have been reduced to their estimated realizable value.

Gross inventory variation shows the difference between prior year and current year gross inventory (excluding provisions for obsolete stocks, slow-moving products and changes in scope from business combinations).

10. Other operational income and expenses

The breakdown of this item is as follows:

(Thousand euros)	2024	2023
Restructuring costs	—	(1,342)
Transaction costs	(17,825)	(2,797)
IPO	(119,473)	(5,168)
Other	(9,328)	(4,457)
	(146,626)	(13,764)

Restructuring costs are recognized in full if they have been communicated to the relevant third parties prior to the end of the reporting period. These costs primarily include expenses such as severance payments, early retirement payments, and other expenses associated with restructuring of acquisitions or change in activity such as site closures.

Transaction costs refer to the expenses incurred for business combinations (note 5) and other corporate transactions. These costs encompass various fees and expenses necessary for completing the transactions.

IPO costs refer to the extraordinary awards given to employees and other costs incurred during the process and the extraordinary pre-IPO incentive plans.

In 2024, “Other” are mainly costs related to Puig Women’s America’s Cup amounting to 9,1 million euros.

In 2023, “Other” are costs of the sponsorship of the Puig Women’s America’s Cup amounting to 4,4 million euros, exceptional legal costs amounting to 2,5 million euros and income of 2,4 million euros resulting from the termination of a license agreement.

11. Operating expenses

The following items are classified as expenses in the income statement based on their function:

(Thousand euros)	2024	2023
Personnel expenses	964,606	761,103
Lease expenses (note 17)	20,804	16,014
Research and development expenses	41,834	33,208
	1,027,244	810,325

In 2024 Puig's average headcount was 10,909 employees, of which 8,088 were female, 2,809 were male and 12 were non-binary/undisclosed (2023: 9,612, of which 7,017 were female, 2,522 were male and 73 were non-binary).

The headcount by professional category is as follows:

	Headcount at year-end				Average number
	Women	Men	Non-binary/ Not stated	Total	
2024					
Senior executives	143	130	—	273	272
Sales and marketing	2,457	670	8	3,135	3,051
Point of sale personnel	4,056	846	42	4,944	3,912
Technicians	1,915	900	11	2,826	2,758
Administrative	118	11	—	129	126
Production staff	433	376	—	809	790
	9,122	2,933	61	12,116	10,909
2023					
Senior executives	107	111	2	220	218
Sales and marketing	2,316	652	61	3,029	2,832
Point of sale personnel	3,617	813	19	4,449	3,357
Technicians	1,667	893	43	2,603	2,423
Administrative	113	22	2	137	129
Production staff	388	298	—	686	653
	8,208	2,789	127	11,124	9,612

The average number of people employed during the year with a disability equal to or greater than 33%, by category, in Puig companies domiciled in Spain to which Royal Decree 1/2021 of January 12, 2021 is applicable, is as follows:

	2024	2023
Senior executives	—	—
Sales and marketing	1	1
Point of sale personnel	1	1
Technicians and administrative	15	14
Production staff	13	10
	30	26

As of December 31, 2024, the Board of Directors consisted of 13 members, 9 men and 4 women (2023: 14 members, 12 men and 2 women).

Employee expenses

(Thousand euros)	2024	2023
Wages and salaries	645,076	554,812
Social security costs	127,189	110,562
Pension costs	16,024	11,713
Additional employee expenses	176,317	84,016
	964,606	761,103

The increase in wages and salaries for 2024 and 2023 mainly corresponds to the increase in the average headcount of the year as well as inflation.

The “Additional employee expenses” caption includes IPO exceptional award amounting to 94,340 thousand euros, multiannual employee remuneration amounting to 43,426 thousand euros in 2024 (46.143 thousand euros in 2023), indemnities amounting to 7,393 thousand euros (8,584 thousand euros in 2023) and other additional fringe benefits such as employee insurances, meal and food allowances, employee cars and other employee benefits. In 2023, this caption also included restructuring costs amounting to 1,342 thousand euros.

12. Depreciation and impairment

The breakdown of depreciation and amortization expenses and impairment is as follows:

(Thousand euros)	2024	2023
Depreciation and impairment of property, plant and equipment (note 15)	93,420	70,975
Depreciation and impairment of intangible assets (note 16)	41,154	32,903
Depreciation and impairment of right-of-use assets (note 17)	75,921	65,826
	210,495	169,704

Overall expenses shown above relate to property, plant, and equipment, intangible assets, and right-of-use assets.

13. Financial result

The detail of the financial income and expenses is as follows:

(Thousand euros)	2024	2023
Finance income from investments in financial institutions and others	16,598	20,401
Finance income with related parties	3,266	3,586
Other finance income (note 27)	86,591	19,609
Total finance income	106,455	43,596
Finance costs from bank borrowings, commissions	(67,939)	(54,364)
Finance lease expenses (note 17)	(8,868)	(5,098)
Other finance costs (note 27)	—	(25,810)
Total finance costs	(76,807)	(85,272)
Total exchange result	(10,290)	(45,727)
Exchange result	(10,290)	(45,727)
Financial result	19,358	(87,403)

Finance income

Financial income primarily corresponds to interest generated by investments held in financial institutions.

In 2024, finance income with related parties corresponds to interest amounting to 3,266 thousand euros of loans issued to related parties (2023: 3,586 thousand euros).

Other financial income in 2024 and 2023 corresponds to the change in the valuation of the earn outs (note 27).

Finance expenses

Financial expenses from financial debts with credit institutions, including loans, interest rate swaps, fees, and others, primarily refer to the interest on loans granted and credit lines used during the current year.

The financial expense for the year 2024 has increased compared to 2023 mainly due to bank borrowing taken in May 2023 and revolving credit facilities taken in 2024 to finance the acquisition of Dr.Barbara Sturm and minority interests respectively (note 3).

Finance lease expenses exclusively concern to the financial impact of applying IFRS 16.

In 2023, Other finance expenses correspond to the variation of earn-outs in relation to the business combinations (note 27).

Exchange results

In 2024 the negative impact of exchange gains mainly corresponds with the depreciation of the Argentinian Peso.

In 2023 the negative impact of exchange gains mainly corresponds with the depreciation of the Argentinian peso, the US Dollar and the GB pound.

As detailed in note 4.3, Puig applies adjustments in hyperinflationary economies.

14. Taxes

Puig Brands is subject to corporate income tax under the consolidated taxation regime in Spain, with Puig, S.L. being responsible for such tax consolidation. Annex II provides details of the companies that are part of the tax consolidation group led by Puig, S.L.

The remaining companies generally pay corporate income tax on an individual basis, except in some jurisdictions where taxation occurs under a tax consolidation regime (Annex II).

On June 2, 2020, inspection proceedings commenced in the Spanish tax consolidation group, for the corporate income tax for the periods 2015-2018 and the value added tax for the periods 2016 -2018. As a result of these inspection proceedings, in May and June 2022 Puig received assessments amounting to an aggregate of 9,131 thousand euros. These were paid in 2022. An economic and administrative claim was lodged against the assessments with which Puig disagreed and in November 2022 the defense allegations were submitted.

On December 31, 2024, Puig has ongoing tax inspections (started in 2023 and 2024) for companies within the group located in the United States, France, Germany and Canada. As of the date of preparation of these Consolidated Financial statements, no significant tax contingencies are expected from the outcomes of these inspections.

Under tax regulations prevailing in countries where Puig companies are domiciled, tax returns may not be considered final until they have either been inspected by tax authorities or until the corresponding inspection period has expired. The years open to inspection in relation to the main taxes vary according to the tax legislation of each country in which the Group operates. Puig considers that, in the event of a tax inspection, no significant tax contingencies would arise in the consolidated financial statements.

Pillar 2 legislation has been approved in certain jurisdictions where Puig operates. This legislation is effective for Puig's annual periods starting from January 1, 2024. As of December 2024, the effective tax rates under Pillar 2 in the jurisdictions where Puig operates are above 15%. Therefore, it has not been necessary to account for a provision to cover the difference between the country's rate and 15%.

The breakdown of the Group's tax balances is as follows:

(Thousand euros)	2024	2023
Assets		
Deferred tax assets	171,826	146,562
Current tax refund assets (note 21)	136,749	85,623
Liabilities		
Deferred tax liabilities	(619,128)	(553,741)
Current tax settlement liabilities (note 29)	(102,510)	(71,177)
Current income tax liabilities	(47,625)	(55,319)
	(460,688)	(448,052)

Short-term income tax liabilities in the consolidated balance sheet correspond to the provision for income tax for the year, net of with holdings and prepayments made during the year.

The deferred tax reflects the income tax amounts to be paid or recovered in future years and arises from the recognition of deferred tax assets or liabilities.

The reconciliation between the expense for tax on profits before tax and the tax rate applicable to Puig is as follows:

(Thousand euros)	2024	2023
Profit before taxes	692,506	643,150
Spanish tax rate (25%)	(173,127)	(160,787)
Permanent differences	16,840	2,050
Incentives and tax credits	10,687	4,262
Uncapitalized tax credits used in the period	120	(208)
Effect of the application of different tax rates	2,240	10,761
Deferred tax income / (expense) due to change in tax rates	429	342
Deferred tax on capitalization losses from prior periods	(433)	1,577
Other adjustments	(6,729)	(1,259)
Corporate income tax income / (expense)	(149,973)	(143,262)
Effective tax rate	21.7 %	22.3 %

Income tax includes expense from both current and deferred tax.

Current tax is the income tax amount payable related to tax on profit for the period and other tax charges derived from compliance with income tax regulations.

Additionally, most of the companies of the group have accumulated positive results in their net equity. If these reserves were distributed, they could be subject to taxation. These consolidated financial statements do not include the tax impact of the distribution when it is not probable to happen under the exemption of IAS 12.

On the other hand, the subsidiaries of the group do not include deferred tax liabilities in relation to future shareholders distributions because there is no expected dividend distribution at the date of preparation of the consolidated financial statements, therefore there is no tax impact on the parent company.

The breakdown of income tax income / (expense) is as follows:

(thousand euros)	2024	2023
Current income tax	(170,256)	(162,632)
Deferred income tax	20,283	19,370
Income tax	(149,973)	(143,262)

Deferred taxes

Deferred tax assets and liabilities movements as of December, 31 are as follows:

Deferred tax assets

2024					
(Thousand euros)	Intra-group transactions	Capitalized tax loss carryforward	Provisions	Others	Total
Deferred tax assets at December 31, 2023	30,133	23,242	14,007	79,180	146,562
Charge / credit to income statement	9,821	(8,091)	701	14,501	16,932
Charge / credit to equity	—	428	(24)	196	600
Business combinations	—	2,429	—	—	2,429
Currency translations and others	—	—	2,168	3,135	5,303
Deferred tax assets at December 31, 2024	39,954	18,008	16,852	97,012	171,826

2023					
(Thousand euros)	Intra-group transactions	Capitalized tax loss carryforward	Provisions	Others	Total
Deferred tax assets at December 31, 2022	24,205	21,217	23,114	55,361	123,897
Charge / credit to income statement	5,919	2,489	(7,189)	20,806	22,025
Charge / credit to equity	—	—	—	—	—
Business combinations	—	—	—	—	—
Currency translations and others	9	(464)	(1,918)	3,013	640
Deferred tax assets at December 31, 2023	30,133	23,242	14,007	79,180	146,562

Deferred tax liabilities

2024 (Thousand euros)	Intangible assets from business combinations	Derivatives	Other	Total
Deferred tax liabilities at December 31, 2023	521,216	4,013	28,512	553,741
Charge / credit to income statement	1,206	—	(4,557)	(3,351)
Charge / credit to equity	—	(3,080)	(5,395)	(8,475)
Business combinations	57,401	—	—	57,401
Currency translations and others	14,096	4	5,712	19,812
Deferred tax liabilities at December 31, 2024	593,919	937	24,272	619,128

2023 (Thousand euros)	Intangible assets from business combinations	Derivatives	Other	Total
Deferred tax liabilities at December 31, 2022	518,358	10,519	23,752	552,629
Charged/(credited) to the income statement	(3,779)	112	6,322	2,655
Charged/(credited) to equity	—	(6,618)	—	(6,618)
Business combinations	—	—	—	—
Currency translations and others	6,637		(1,562)	5,075
Deferred tax assets at December 31, 2024	521,216	4,013	28,512	553,741

At December 31, 2024 Puig had non-capitalized unused tax loss carry forwards (base) amounting to 73 million euros (2023: 32 million euros). Additionally, at the same date Puig had no unused tax credits.

The non-capitalized tax loss carryforward (base) maturities are as follows:

(Thousand euros)	2024	2023
Less than five years	5,947	24,923
More than five years	66,578	6,983
	72,525	31,906

15. Property, plant, and equipment

The breakdown of property, plant and equipment is as follows:

(Thousand euros)	Land and buildings	Machinery and tools	Office furniture and other equipment	Assets under construction and other	Total
Cost					
As of January 1, 2024	335,135	307,487	269,548	8,640	920,810
Additions	35,101	32,824	66,205	2,618	136,748
Disposals	(8,672)	(9,004)	(3,031)	(170)	(20,877)
Transfers and other	669	(9,165)	14,047	(5,099)	452
Business combinations (note 5)	4,566	—	2,159	—	6,725
Translation differences	10,225	711	3,622	(13)	14,545
As of December 31, 2024	377,024	322,853	352,550	5,976	1,058,403
Accumulated amortization					
As of January 1, 2024	(182,107)	(226,423)	(179,804)	(4,252)	(592,586)
Amortization (note 12)	(24,988)	(19,744)	(47,784)	(904)	(93,420)
Disposals	7,459	6,120	5,408	174	19,161
Transfers and other	(736)	11,288	(12,598)	1,512	(534)
Business combinations (note 5)	(2,291)	—	(849)	—	(3,140)
Translation differences	(3,020)	(444)	(2,113)	(68)	(5,645)
As of December 31, 2024	(205,683)	(229,203)	(237,740)	(3,538)	(676,164)
Impairment					
As of January 1, 2024	(383)	(1,399)	(101)	—	(1,883)
Impairment (note 12)	—	—	—	—	—
As of December 31, 2024	(383)	(1,399)	(101)	—	(1,883)
Net at January 1, 2024	152,645	79,665	89,643	4,388	326,341
Net at December 31, 2024	170,958	92,251	114,709	2,438	380,356

(Thousand euros)	Land and buildings	Machinery and tools	Office furniture and other equipment	Assets under construction and other	Total
Cost					
As of January 1, 2023	289,713	278,551	249,580	3,382	821,226
Additions	50,000	39,932	42,528	277	132,737
Disposals	(10,899)	(9,075)	(7,787)	(106)	(27,867)
Transfers and other	16,940	371	(15,579)	532	2,264
Business combinations (note 5)	—	—	—	—	—
Translation differences	(10,619)	(2,292)	806	4,555	(7,550)
As of December 31, 2023	335,135	307,487	269,548	8,640	920,810
Accumulated amortization					
As of January 1, 2023	(166,402)	(203,703)	(171,092)	(2,677)	(543,874)
Amortization (note 12)	(21,772)	(32,751)	(20,710)	(117)	(75,350)
Disposals	10,682	8,133	6,241	128	25,184
Transfers and other	(5,437)	294	6,699	(1,815)	(259)
Business combinations (note 5)	—	—	—	—	—
Translation differences	822	1,604	(942)	229	1,713
As of December 31, 2023	(182,107)	(226,423)	(179,804)	(4,252)	(592,586)
Impairment					
As of January 1, 2023	(397)	(5,760)	(101)	—	(6,258)
Impairment (note 12)	14	4,361	—	—	4,375
As of December 31, 2023	(383)	(1,399)	(101)	—	(1,883)
Net at January 1, 2023	122,914	69,088	78,387	705	271,094
Net at December 31, 2023	152,645	79,665	89,643	4,388	326,341

The “Land and buildings” caption mainly includes production premises, stores and offices owned by Puig.

The additions in 2024 and 2023 mainly correspond to investments in the production centers of Puig related to its activity, as well as leasehold improvements.

As of December 31, 2024, fully depreciated property, plant and equipment in use amount to 393,461 thousand euros (341,001 thousand euros in 2023).

As of December 31, 2024 and 2023 all property, plant and equipment items were covered by insurance policies taken out by Puig.

Additionally, none of the property, plant and equipment items has been pledged as collateral to third parties.

16. Intangible assets

The breakdown of intangible assets is as follows:

(Thousand euros)	Goodwill	Brands	Software	Others	Total
Cost					
As of January 1, 2024	1,766,203	2,211,127	187,330	189,688	4,354,348
Additions	—	—	34,561	19,610	54,171
Disposals and write-off	—	(3,030)	(6,251)	(546)	(9,827)
Business combinations (note 5)	313,429	167,910	2,499	13,941	497,779
Reclassifications and other	—	—	(35,427)	36,441	1,014
Translation differences	34,798	55,957	1,456	2,364	94,575
As of December 31, 2024	2,114,430	2,431,964	184,168	261,498	4,992,060
Accumulated Amortization					
As of January 1, 2024	—	(38,092)	(125,846)	(55,632)	(219,570)
Amortization (note 12)	—	—	(19,002)	(22,152)	(41,154)
Disposals and write-off	—	3,030	5,747	65	8,842
Business combinations (note 5)	—	—	(975)	—	(975)
Reclassifications and other	—	—	15,953	(17,529)	(1,576)
Translation differences	—	(218)	(608)	(570)	(1,396)
As of December 31, 2024	—	(35,280)	(124,731)	(95,818)	(255,829)
Impairment					
As of January 1, 2024	(20,511)	—	—	—	(20,511)
Impairment (note 12)	—	—	—	—	—
Reclassifications and other	(10,000)	—	—	—	(10,000)
As of December 31, 2024	(30,511)	—	—	—	(30,511)
Net at January 1, 2024	1,745,692	2,173,035	61,484	134,056	4,114,267
Net at December 31, 2024	2,083,919	2,396,684	59,437	165,680	4,705,720

(Thousand euros)	Goodwill	Brands	Software	Others	Total
Cost					
As of January 1, 2023	1,752,059	2,189,091	151,314	184,993	4,277,457
Additions	—	—	35,434	9,748	45,182
Disposals and write-off	(4,584)	(2,475)	(469)	(1,372)	(8,900)
Business combinations (note 5)	—	—	—	—	—
Reclassifications and other	—	—	374	(4,039)	(3,665)
Translation differences	18,728	24,511	677	358	44,274
As of December 31, 2023	1,766,203	2,211,127	187,330	189,688	4,354,348
Accumulated Amortization					
As of January 1, 2023	—	(40,653)	(101,514)	(47,918)	(190,085)
Amortization (note 12)	—	—	(21,633)	(11,270)	(32,903)
Disposals and write-off	—	2,475	209	65	2,749
Business combinations (note 5)	—	—	—	—	—
Reclassifications and other	—	—	(2,722)	3,449	727
Translation differences	—	86	(186)	42	(58)
As of December 31, 2023	—	(38,092)	(125,846)	(55,632)	(219,570)
Impairment					
As of January 1, 2023	(25,095)	—	—	—	(25,095)
Impairment (note 12)	—	—	—	—	—
Reclassifications and other	—	—	—	—	—
Disposals and write-off	4,584	—	—	—	4,584
As of December 31, 2023	(20,511)	—	—	—	(20,511)
Net at January 1, 2023	1,726,964	2,148,438	49,800	137,075	4,062,277
Net at December 31, 2023	1,745,692	2,173,035	61,484	134,056	4,114,267

In 2024 and 2023 the increase of software was due to the implementation of new IT systems and new e-commerce platforms for the different businesses.

The net value of brands and trademarks at year-end, were as follows:

(Thousand euros)	2024	2023
Charlotte Tilbury	1,173,508	1,119,669
Byredo	619,000	619,000
Dr.Barbara Sturm	167,910	–
Jean Paul Gaultier	111,770	111,770
Dries Van Noten	76,302	76,302
Uriage	76,137	76,137
Kama Ayurveda	43,777	42,372
Nina Ricci	37,031	37,031
Penhaligon's	36,320	34,654
Apivita	35,559	35,559
Loto del Sur	16,380	17,551
L'Artisan Parfumeur	2,990	2,990
	2,396,684	2,173,035

These brands are considered to have indefinite useful lives. There have not been any impairments with respect to these brands.

As a result of the business combinations described in note 5, in 2024, Puig has incorporated Dr.Barbara Sturm to its brand portfolio.

During 2024, there was a positive impact of 56 million euros in the carrying amounts of brands as a result of changes in the exchange rates between several functional currencies of the brands and the presentation currency (euro) (positive impact of 25 million euros in 2023).

Brand and goodwill impairment test

Puig, internally, tests annually for impairment the brands with indefinite useful lives and goodwill acquired in business combinations.

Cash Generating Units (CGUs) are the smallest identifiable group of assets that generate cash flows independently of cash flows produced by other assets or group of assets. Puig defines these CGUs by associating them with different brands or businesses. Brands may belong to different operating segments (note 6).

In 2024, Dr.Barbara Sturm business has been incorporated into the Niche and Wellness CGU.

The Niche and Wellness CGU is composed by L'Artisan Parfumeur, Penhaligon's, Dries Van Noten, Byredo, Kama Ayurveda, Loto del Sur and Dr.Barbara Sturm.

The breakdown of the main intangible assets with indefinite useful lives (brands and goodwill) by cash-generating unit, operating segment, discount rate (Weighted average cost of capital, hereinafter WACC) before tax and long-term growth rate for 2024 and 2023 are as follows:

2024

Cash-generating unit	Operating segment	Gross value (*)	Net book value	WACC pre-tax	WACC post-tax	Long-term growth rate
Charlotte Tilbury	Skin care and makeup	1,946,949	1,946,949	13%	11%	3%
Niche & Wellness	Fragrances, fashion & skin care	1,146,432	1,121,432	12%	10%	3%
Uriage	Skin Care	152,095	152,095	13%	11%	3%
Jean Paul Gaultier	Fragrances & Fashion	117,359	117,359	11%	9%	3%
Apivita	Skin Care	67,667	67,667	13%	11%	3%
Nina Ricci	Fragrances & Fashion	37,031	37,031	11%	9%	3%

(*) Gross value net of depreciation and impairment, except for the indefinite useful life impairments

2023

Cash-generating unit	Operating segment	Gross value (*)	Net book value	WACC pre-tax	WACC post-tax	Long-term growth rate
Charlotte Tilbury	Skin care and makeup	1,858,087	1,858,087	13 %	11 %	3 %
Niche & Wellness	Fragrances, fashion & skin care	976,202	961,202	12 %	10 %	3 %
Uriage	Skin Care	152,095	152,095	14 %	11 %	3 %
Jean Paul Gaultier	Fragrances & Fashion	117,359	117,359	12 %	10 %	3 %
Apivita	Skin Care	67,667	67,667	13 %	11 %	3 %
Nina Ricci	Fragrances & Fashion	37,031	37,031	12 %	10 %	3 %

(*) Gross value net of depreciation and impairment, except for the indefinite useful life impairments

In addition to the above mentioned CGUs, Puig also operates other CGUs, with the most relevant ones being Rabanne and Carolina Herrera, that do not have significant intangible assets.

Accumulated impairment of 25,000 thousand euros in Dries Van Noten refers to the goodwill impairment from covid period (before the integration into the Niche and Wellness CGU).

Regarding the goodwill arising from the acquisition of Byredo business (amounting to 711 million euros) and Dr.Barbara Sturm (313 million euros) business, Puig's strategy encompassed not only the generation of cash flows within the acquired Byredo business, but also generating synergies across other CGUs distinct from Niche and Wellness. Consequently, since the allocation of the generated goodwill, for the purpose of measuring its potential impairment, could not be assigned to a specific CGU (Niche and Wellness) unless in an arbitrary manner. The assessment of the recoverability of such goodwill is conducted at the level of the group of CGUs for which it will generate cash flows (Niche, Carolina Herrera, Rabanne and Jean Paul Gaultier).

As of December 31, 2024, the gross and net values of the intangible assets with indefinite useful lives (brands and goodwill) of the mentioned CGUs were 2,294 million euros and 2,269 million euros (2023: 1,809 million euros and 1,794 million euros), the discounted pre-tax rate was 12% (2023: 12%), the post-tax rate was 10% (2023: 10%) and the long-term growth rate was 3% (2023: 3%).

Methodology of impairment test

The procedures for carrying out the impairment test, performed by the Company at least once a year, are as follows:

- The recoverable amount associated with different CGUs has been determined based on a value-in-use calculation using cash flow projections based on the business plans prepared by Puig for the next five years. The cash flows used for the impairment test include income tax payments.

- Puig uses the budgets and business plans of each CGU, which are prepared for a period of four or five years (approved by the Board of Directors/management), plus additional years based on the strategy of the Group and previous experience.

- The key assumptions used to prepare budgets and business plans are estimated growth in sales, evolution of operating expenses and gross margin of each cash-generating unit, based on experience and knowledge of each brand's performance, as well as macroeconomic indicators that reflect the current and foreseeable economic situation of each market.

- Sales growth assumptions are based on past performance, the growth potential of the industry itself, and Puig's ability to gain market share. Neither the Ukraine-Russia war, the Palestine-Israel conflict, nor climate change have a significant impact in the current and future strategic plans, due to sales in the impacted countries being not significant for Puig.

- A valuation analysis is carried out internally by Puig, which consists of applying the discounted free cash flow method, carrying out all the procedures necessary to determine the recoverable value of the assets in each CGU.

- The discount rates applied to future cash flow projections have been calculated specifically for each cash-generating unit, considering in some cases a specific risk premium in accordance with the specific characteristics of each CGU and the inherent risk profile in the projected cash flows of each cash-generating unit.

- Cash flows used for terminal value are extrapolated using a prudential growth rate compared to the expected long-term growth for the businesses involved.

- Carrying amounts of the CGUs include Brands and goodwill, other intangible assets, property plan and equipment allocated, right of use and other net assets assigned to the CGUs (including inventory and working capital amounts). Deferred tax liabilities are not included in the carrying amount of the CGUs.

Sensitivity analysis on key assumptions

Puig conducts a sensitivity analysis of the impairment calculation by applying reasonable variations to the key assumptions considered in the calculation. The following variations have been applied for CGUs and groups of CGUs:

- A variation of +1.5% in the discount rate would entail an adjustment to the net carrying amounts of the intangible assets recorded in 2024 amounting to 9,520 thousand euros (7,882 thousand euros in 2023).

- A variation of -1% in the long-term growth rate would entail an adjustment to the net carrying amounts of the intangible assets recorded in 2024 amounting to 978 thousand euros (3,522 thousand euros in 2023).

- A variation of -2% in the revenue growth compound annual growth rates (CAGR) would entail an adjustment to the net carrying amounts of the intangible assets recorded in 2024 amounting to 15,430 thousand euros (2,186 thousand euros in 2023).

17. Leases

17.1. Right-of-use assets

The breakdown of Puig's leases by nature of the underlying asset as of December 31, were as follows:

(Thousand euros)	2024	2023
Land and buildings	353,991	278,632
Machinery and tools	1,222	3,657
Office furniture and other equipment	9,863	5,633
	365,076	287,922

The movements in right-of-use assets were as follows:

(Thousand euros)	Cost	Accumulated amortization	Net value
At January 1, 2024	507,592	(219,670)	287,922
Additions	147,030	(75,921)	71,109
Early terminations and retirements	(56,406)	54,932	(1,474)
Business combinations (note 5)	1,611	(835)	776
Translation differences	10,309	(3,566)	6,743
At December 31, 2024	610,136	(245,060)	365,076
At January 1, 2023	413,004	(173,131)	239,873
Additions	124,096	(65,826)	58,270
Early terminations and retirements	(26,857)	17,523	(9,334)
Translation differences	(2,651)	1,764	(887)
At December 31, 2023	507,592	(219,670)	287,922

The additions in 2024 and 2023 mainly correspond to new stores and offices in all regions. There are no impairments over Right-of-use assets.

17.2. Lease liabilities

The amounts recognized in the consolidated balance sheet as of December, 31, were as follows:

(Thousand euros)	2024	2023
Non-current liabilities (note 27)	323,182	255,561
Current liabilities (note 29)	74,501	58,074
	397,683	313,635

The movements in lease liabilities as of December 31, were as follows:

(Thousand euros)	2024	2023
Starting balance	313,635	252,614
Additions	147,030	124,096
Early terminations and retirements	(584)	(4,775)
Translation differences	7,450	(631)
Business combinations (note 5)	855	—
Lease payments	(79,571)	(62,767)
Interests	8,868	5,098
Reclassifications and other	—	—
	397,683	313,635

The breakdown of the lease debt by maturity as of December 31, is as follows:

(Thousand euros)	2024	2023
Less than 1 year	74,501	58,074
2 years	66,727	51,975
3 years	53,679	45,674
4 years	44,274	35,589
Subsequent	158,502	122,323
Total lease liabilities	397,683	313,635

The breakdown of the gross debt amounts and forecasted interests' by maturity as of December, 31, is as follows:

(Thousand euros)	2024	2023
Less than 1 year	79,571	63,840
2 years	75,936	56,022
3 years	61,207	49,908
4 years	50,410	38,557
Subsequent	172,875	134,011
Total lease liabilities	439,999	342,338

17.3. Other lease-related matters

The amounts recognized in the consolidated income statements for the years ended as of December 31, were as follows:

(Thousand euros)	2024	2023
Depreciation of right-of-use assets (note 17.1)	(75,921)	(65,826)
Finance costs (note 17.2)	(8,868)	(5,098)
Expenses relating to leases of low-value assets, short-term and variable payments	(20,804)	(16,014)
	(105,593)	(86,938)

18. Investments in associates and joint ventures

Puig investments in associates and joint ventures have been accounted for using the equity method. The breakdown in this caption was as follows:

(Thousand euros)	% Ownership	Total assets (*)	Total liabilities (*)	Net revenues (*)	Operational profit (*)	Net profit (*)	Book value
Sociedad Textil Lonia, S.A. (Spain)	25%	498,561	138,067	414,611	48,431	37,364	150,453
Ponteland Distribuição, S.A. (Granado) (Brazil) (***)	35%	225,398	81,793	279,871	62,775	54,134	108,196
Isdin, S.A. (**) (***) (Spain)	50%	526,425	272,234	642,801	106,505	66,044	127,053
Beijing Yitian Shidai Trading Co, LLC (China) (***)	15%	15460	4796	27655	(1,196)	(1,667)	9,488
Total at December 31, 2024							395,190

(Thousand euros)	% Ownership	Total assets (*)	Total liabilities (*)	Net revenues (*)	Operational profit (*)	Net profit (*)	Book value
Sociedad Textil Lonia, S.A. (Spain)	25%	492,816	149,744	430,406	76,699	53,516	147,112
Ponteland Distribuição, S.A. (Granado) (Brazil) (***)	35%	211,881	76,288	244,337	51,159	38,709	114,187
Isdin, S.A. (**) (***) (Spain)	50%	399,500	179,990	568,945	83,702	50,032	104,508
Beijing Yitian Shidai Trading Co, LLC (China) (***)	15%	16,745	4,972	20,070	(3,971)	(3,967)	9,405
Total at December 31, 2023							375,212

(*) Refers to 100% of the entity
(**) Joint Venture
(***) Amounts in local gaap

The book values of investments accounted for using the equity method includes implicit goodwill and other assets.

The movements in “Investments in associates” during years ended December 31, 2024 and 2023 were as follows:

(Thousand euros)	Sociedad Textil Lonia, S.A.	Ponteland Distribuçao, S.A. (Granado)	Isdin, S.A.	Beijing Yitian Shidai Trading Co, LLC (Scent Library)	Total 2024
Balance at beginning of year 2024	147,112	114,187	104,508	9,405	375,212
Profit / (loss)	9,341	18,947	33,022	(250)	61,060
Net impairment	—	—	—	—	—
Dividends received	(6,000)	(4,245)	(10,477)	—	(20,722)
Translation differences	—	(20,693)	—	333	(20,360)
Balance at end of year 2024	150,453	108,196	127,053	9,488	395,190

(Thousand euros)	Sociedad Textil Lonia, S.A.	Ponteland Distribuçao, S.A. (Granado)	Isdin, S.A.	Beijing Yitian Shidai Trading Co, LLC (Scent Library)	Total 2023
Balance at beginning of year 2023	145,733	98,748	89,691	10,652	344,824
Profit / (loss)	13,379	13,547	25,016	(595)	51,347
Net impairment	—	—	—	—	—
Dividends received	(12,000)	(3,265)	(10,199)	—	(25,464)
Translation differences	—	5,157	—	(652)	4,505
Balance at end of year 2023	147,112	114,187	104,508	9,405	375,212

As of December 31, 2024, and 2023, Beijing Yitian Shidai Trading Co, LLC (Scent Library) had an impairment provision amounting to 19,591 thousand euros.

Impairment test on investments in associates and joint ventures

The methodology for testing impairment of interests in associated companies and joint ventures does not differ significantly from that applied to intangible assets (note 16).

At year end Puig analyzes the recoverable amounts of investments in associates and joint ventures. The recoverable amount has been determined based on a value-in-use calculation using cash flow projections based on the business plans prepared by Puig for the next five years.

The long-term growth rate used for the projections above 5 years has been estimated between 2.5% and 5%.

The discount rate (WACC) before and after taxes and the long-term growth rate for the years 2024 and 2023 are as follows:

	2024			2023		
Investment in associated	WACC pre-tax	WACC post-tax	Long-term growth rate	WACC pre-tax	WACC post-tax	Long-term growth rate
Sociedad Textil Lonia, S.A.	13%	10%	2%	13%	10%	2%
Ponteland Distribuçao, S.A. (Granado)	20%	15%	5%	20%	15%	5%
Isdin, S.A.	12%	10%	3%	12%	10%	3%
Beijing Yitian Shidai Trading Co, LLC (Scent Library)	17%	16%	5%	17%	15%	5%

Sensitivity analysis on key estimates

Puig conducts a sensitivity analysis of the impairment calculation by applying reasonable variations to the key assumptions considered in the calculation. The following variations have been assumed:

- A variation of +/-1.50% in the discount rate in the main investments would entail a negative change in the net carrying amount recorded of 347 thousand euros (2023: 1,493 thousand euros) and a positive impact of 2,811 thousand euros (2023: 2,095 thousand euros), respectively.
- A variation of +/- 1.00% in the long-term growth rate in the main investments would entail a positive change in the net carrying amount recorded of 881 thousand euros (2023: 1,003 thousand euros) and a negative impact of 730 thousands of euros (2023: 778 negative thousand euros), respectively.
- A variation of +/- 2.00% in the revenue growth compound annual growth rates (CAGR) would entail a positive change in the net carrying amount recorded of 1,608 thousand euros (2023: 4,872 thousand euros) and a negative impact of 877 thousand euros (2023: negative impact of 3,227 thousand euros), respectively.

19. Financial assets

The financial assets as of December 31, were classified as follows:

(Thousand euros)	2024	2023
Non-current financial assets		
Financial investments	689	16,359
Other non-current assets	130,865	131,444
Current financial assets		
Trade accounts receivable	567,529	484,705
Other current assets	282,991	186,709
Total	982,074	819,217

Financial investments include investments in which Puig does not have significant influence, therefore cannot be consolidated using the equity method. Financial investments are as follows:

	% Ownership		Change in fair value
	2024	2023	
Wemedia Shopping Network Holdings CO, Limited	6%	6%	OCI
Adolfo Dominguez, S.A.	14%	14%	OCI
Lanzatech Global, Inc	0.25%	0.25%	OCI
La Bouche Rouge, S.A.S.	—%	9%	Income Statement

In 2024, the decreases in long-term financial investments, amounting to 15.670 thousand euros, refers to the change in fair value of Wemedia Shopping Network Holdings CO, Limited and Lanzatech Global, Inc.

In 2024, Puig has divested its stake in La Bouche Rouge, S.A.S. Puig's participation was fully impaired in the past; therefore, no impact on the profit and loss account has occurred.

The total cost of these investments amounts to 35,635 thousand euros (2023: 35,635 thousand euros). The total amount of impairments as of December 2024 amounts to 34,946 thousand euros (2023: 19,276 thousand euros).

The breakdown of “Other non-current assets” as of December 31, was as follows:

(Thousand euros)	2024	2023
Deposits and other	20,888	18,505
Loans (note 30)	103,808	98,048
Other assets at fair value	6,169	14,891
Total	130,865	131,444

There was no impairment recorded related to other non-current assets.

Loans correspond to loans granted to employees. There are no significant differences between the market value of the loans and their respective nominal amount as they accrue interest at a market rate. The increase in 2024 is attributed to the issuance of new loans granted to employees for the purchase of Puig shares (notes 23 and 27).

Deposits include amounts given to the owners of leased commercial premises to guarantee the fulfillment of the conditions set forth in the lease agreements (note 17).

The “Other assets at fair value” caption corresponds to interest rate hedging derivatives (note 26).

Total other-non current assets are accounted for at amortized cost except hedging derivatives, which are accounted for at their fair value through other comprehensive income.

The breakdown of “Trade accounts receivable” in the consolidated balance sheet as of December, 31, were as follows:

(Thousand euros)	2024	2023
Accounts receivable	578,288	491,584
Accounts receivable from related parties (note 33)	5,522	10,278
Provision for impairment	(16,281)	(17,157)
Total	567,529	484,705

Accounts receivable include the balances that are expected to be collected within one year.

As of December 31, 2024, Puig reduced its accounts receivable by 136 million euros (2023: 128 million euros), through non-recourse factoring agreements. Consequently, the risks related to trade receivables were transferred to the corresponding financial entities.

As of December, 31, the breakdown by maturity of the “Trade accounts receivable” caption included in the table above were as follows:

(Thousand euros)	Total	Not due balances	Past due balances			
			30-90 days	90-180 days	180-365 days	>365 days
2024	583,810	477,566	75,295	8,928	9,387	12,634
2023	501,862	409,222	65,494	6,840	6,683	13,623

The balance of the “Trade accounts receivable” caption is shown net of the provision for impairment. Movements recorded in relation to this provision for the years ended December 31, were as follows:

(Thousand euros)	2024	2023
Provision at January 1	17,157	18,010
Charge for the year	5,550	5,414
Utilized and cancelled during the year	(6,264)	(6,382)
Translation differences	(162)	115
Provision at December 31	16,281	17,157

At December 31, 2024 the balance accounts receivable includes items in foreign currency amounting to 421 million euros (2023: 377 million euros).

20. Inventory

The breakdown of Inventories by category, net of the provision for obsolete stock, as of December, 31, were as follows:

(Thousand euros)	2024	2023
Raw materials	183,338	191,066
Work in progress	169,350	153,010
Finished goods	495,355	561,148
Inventory gross	848,043	905,224
Provisions	(127,731)	(116,358)
Total	720,312	788,866

(Thousand euros)	2024	2023
Provision at January 1	116,358	91,074
Charge in the income statement	70,304	50,170
Inventory write off	(66,140)	(25,227)
Translation differences	7,209	341
Provision at December 31	127,731	116,358

Provisions mainly refer to obsolete stocks and slow-moving products.

Puig has insurance policies to cover potential risks of damage.

21. Other current assets

The breakdown of “Other current assets” as of December 31, were as follows:

(Thousand euros)	2024	2023
Prepaid expenses	57,962	48,010
Tax receivable from tax authorities (note 14)	136,749	85,623
Loans to related parties (note 33)	—	203
Financial assets at fair value (note 26)	1,789	3,095
Receivables related parties (note 33)	52,954	13,884
Other accounts receivable	33,537	35,894
Total	282,991	186,709

The “Prepaid expenses” caption corresponds to balances generated by Puig’s ordinary activity, mainly advertising costs.

“Other accounts receivable” include rebates, royalties receivables and others.

The “Other assets at fair value” caption mainly includes foreign currency and interest rate derivatives (note 26). The breakdown as of December, 31 is as follows:

(Thousand euros)	2024	2023
Interest rate hedges	1,789	0
Foreign currency hedging (transactions)	—	2,305
Foreign currency hedging (loans)	—	790
	1,789	3,095

22. Cash and cash equivalents

“Cash and cash equivalents” includes cash and short-term deposits of less than 3 months. The breakdown of this heading as of December, 31, were as follows:

(Thousand euros)	2024	2023
Cash at banks	528,719	563,770
Cash equivalents	353,927	289,131
Total	882,646	852,901

Cash at banks include the amounts related to unrestricted current accounts at banks and are not pledged as collateral.

Cash equivalents include the amount of deposits placed at several financial institutions that mature in less than 3 months since its inception.

23. Equity

Share capital

On March 20, 2023, Puig Brands increased its share capital by 29,300 thousand euros through share premium, raising it to 144,000 thousand euros divided into 320,000 ordinary shares with a nominal value of 450 euros each. On the same date, the company split the shares, creating 475,000,000 Class A Shares with a nominal value of 0.30 euros each and 25,000,000 Class B Shares with a nominal value of 0.06 euros each. As of December 31, 2023, the share capital remained at 144,000 thousand euros, consisting of 475,000,000 Class A Shares and 25,000,000 Class B Shares.

Each of the Class A Shares confers five (5) votes and each of the Class B Shares confers one (1) vote. Other than the difference in the number of votes, the lower nominal value of Class B Shares and the right of Class A Shares to be converted into Class B Shares, each Class B Share confers the same rights (including the right to receive, in the same amounts, dividends and other distributions declared, made or paid on the Company's share capital) as the Class A Shares.

On April 8, 2024, Puig announced the intention to proceed with the initial public offering (the "Offering" or "IPO") of its Class B Shares to qualified investors. Puig intended to apply for admission of the Class B Shares to listing on the Barcelona, Madrid, Bilbao and Valencia Stock Exchanges and trading through the Automated Quotation System (Mercado Continuo). The Offering consisted of a primary offering tranche of newly issued Class B Shares by the Company (1,250 million euros) and a larger secondary offering of Class B Shares by the Company's controlling shareholder, Puig, S.L. (the "Selling Shareholder").

On April 18, 2024, the IPO prospectus was approved and published by the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores, "CNMV"), and the book-building process began.

On May 2, 2024, the Offering was carried out and the following transactions took place:

- a notarial deed of share capital increase was granted by the Company in a total amount of 1,250,000 thousand euros (including share nominal amounting to 3,061.2 thousand euros plus share premium amounting to 1,246,938.8 thousand euros) by virtue of which 51,020,408 new Class B Shares fully subscribed and paid up were issued (the "New Offer Shares");

- a notarial deed of conversion and share capital reduction in a total amount of 13,322.5 thousand euros by virtue of which 55,510,204 Class A Shares were converted into 55,510,204 Class B Shares (the "Secondary Offer Shares"),

- a notarial deed of conversion and share capital reduction in a total amount of 3,820.4 thousand euros by virtue of which of 15,918,367 Class A Shares were converted into 15,918,367 Class B Shares (the “Over-allotment Shares”). A call option on the Over-allotment Shares was granted by the Selling Shareholder under the stock lending agreement for the stabilization period after the IPO.

In addition, on May 2, 2024, Puig Brands granted:

- three notarial deeds of share capital increase in an aggregate amount of 420,582 thousand euros (including share nominal amounting to 1,029.7 thousand euros plus share premium amounting to 419,552.3 thousand euros) by virtue of which a total of 17,166,618 new Class B Shares fully paid up were issued and fully subscribed by the Minority Shareholders (note 3 and 27).

- a notarial deed of conversion and share capital reduction in a total amount of 2,449.0 thousand euros in relation to an additional conversion by virtue of which a total of 10,204,081 Class A Shares held by the Selling Shareholder were converted into 10,204,081 Class B Shares.

Finally, on May 3, 2024, the Company’s Class B Shares were admitted to trading on the Barcelona, Madrid, Bilbao and Valencia Stock Exchanges through the Stock Exchange Interconnection System (Continuous Market). The price per share was set at 24.50 euros.

At December 31, 2024, the share capital resulting from the operations described above has been set at 128,499 thousand euros, represented by 568,187,026 fully subscribed and paid-up shares, belonging to two different classes: (i) 393,367,348 shares belonging to Class A Shares of 0.30 euros of nominal value each, and (ii) 174,819,678 shares belonging to Class B Shares of 0.06 euros of nominal value each.

In accordance with IAS 32, incremental costs that are directly attributable to issuing new Class B shares amounting to 33.7 million euros (25.2 million euros post tax) have been deducted from equity (net of any income tax benefit).

In accordance with the provisions of the Company's bylaws, Class A confers, in aggregate, 1,966,836,740 voting rights (5 votes per each Class A Share) and Class B shares confers in aggregate, 174,819,678 voting rights (1 vote per each Class B Share). Consequently, the total number of voting rights corresponding to Class A and Class B shares, in aggregate, is 2,141,656,418.

At December, 31, Puig Brands' Shareholders ownership, is as follows :

Economic rights	2024	2023
Puig. S.L. (controlled by Exea Empresarial, S.L.)	73.5%	95.8%
Treasury shares	0.9%	1.3%
Others	25.6%	2.9%
Total	100%	100%

Voting rights	2024	2023
Puig. S.L. (controlled by Exea Empresarial, S.L.)	93.0%	95.8%
Treasury shares	0.2%	1.3%
Others	6.8%	2.9%
Total	100%	100%

Treasury Shares

	Number of treasury shares	Thousand of euros
Treasury shares at December 31, 2022	—	—
Acquisition	21,000,000	344,775
Reduction due to Share Exchange	(4,131,338)	(67,827)
Reduction due to delivery of SARs plan	(10,418,035)	(171,041)
Treasury shares at December 31, 2023	6,450,627	105,907
Reduction due to delivery of SARs plan	(1,498,216)	(24,598)
Delivered and sold	(84,332)	(1,385)
Acquisition	18,588	357
Treasury shares at December 31, 2024	4,886,667	80,281

- 2024

As a result of the delivery of Class B Shares under the 2024 Incentive Plan, the Chairman and CEO, other Senior Officers and other key employees as beneficiaries under this plan, received 1,498,216 treasury shares (Class B Shares) in 2024.

Additionally, Puig delivered and sold 84,332 treasury shares (Class B Shares) to members of the Board of Directors and other key related members. Also, in 2024, the Company repurchased 18,588 treasury shares (Class B Shares) from an employee who acquired them under the former incentive plans.

After Puig Brands Admission into the stock Spanish exchange all the put options granted by Puig to the beneficiaries ceased to be effective and resulted in the entire cancellation of the 238.868 thousand euros liability recorded at December 31, 2023 (note 27).

At December 31, 2024, Puig holds 4,886,667 treasury shares (Class B Shares) amounting to 80,281 thousand euros.

- 2023

In May 2023, Puig Brands acquired 21,000,000 of its shares from its sole shareholder, Puig, S.L., for a total amount of 344,775 thousand euros.

During 2023, Puig Brands delivered 4,131,338 treasury shares to employees in exchange of 44,112 shares of Puig Gest, S.A. and 950,406 shares of Puig, S.L. (see note 23 “Reserves”) held by employees as part of the share appreciation rights plan (SAR’s) as described in note 27 (hereinafter, the “Share Exchange”). Additionally, in 2023, Puig delivered 10,418,035 shares to employees (SARs plan 2015-2018 and 2021-2023, note 27) and Board members.

The aforementioned acquisition of 21,000,000 treasury shares (344,775 thousand euros) were paid in the following manner: cash for an amount of 108,392 thousand euros, cancellation of loans with related parties for 92,863 thousand euros and compensation of receivables linked to the sale of Puig, S.L. and Puig, Gest, S.A. shares (see note 23 “other reserves”, 27 and 33) for an amount of 143,520 thousand euros.

Treasury shares of Puig Brands, S.A. delivered in 2023 had crossed call and put options for its repurchase, being Puig the obligor of these contracts. Commitments for this repurchase were accounted for at fair value under the heading “Provisions and other liabilities” in the long-term liabilities amounting to 238,868 thousand euros (note 27).

At December 31, 2023, Puig holds 6,450,627 of treasury shares (Class B Shares) amounting to 105,907 thousand euros.

Restricted reserves

As of December 31, 2024, restricted reserves amounted to 79,682 thousand euros (29,839 thousand euros as of December 31, 2023).

The increase in 2024 is mainly due to the increase in the Parent Company's restricted reserves amounting to 48,392 thousand euros

Unrealized gains (losses) reserve

This reserve mainly includes the fair value at year end of hedging derivatives to cover future transactions in foreign currency.

Application of the results of Puig Brands, S.A.

The proposal for the distribution of the results for fiscal year 2024, drafted by the Board Directors and expected to be approved by the General Meeting of Shareholders, is as follows:

(Thousand euros)	2024
Net profit	222,898
Application	
Dividend	212,260
Other reserves	10,638
Total	222,898

Dividends paid

In 2024, Puig general shareholders' meeting on April 5, 2024 approved a dividend distribution against share premium that amounted to 186,086 thousand euros. This dividend distribution has not been made in respect of our 2024 results.

In 2023, Puig Brands paid dividends to its shareholders totaling 160,000 thousand euros. These dividends comprised 80,000 thousand euros from prior year's results and 80,000 thousand euros from an interim dividend based on the fiscal year 2023 results.

Cumulative translation adjustment

The most significant currencies of the cumulative translation adjustment come from:

(Thousand euros)	2024	2023
Brazilian Real	(88,624)	(60,284)
Great British Pound	47,804	24,709
Argentinian Peso	(27,965)	(40,822)
US Dollar	(487)	(5,389)
Indian Rupee	(9,076)	(10,712)
Other	(28,220)	(14,557)
	(106,568)	(107,055)

Reserves

- 2024

The main impacts relate to the transactions described below;

(1) Share capital increase due to the IPO amounting to 1,641,252 thousand euros.

(2) Share capital conversion and reduction amounting to 19,592 thousand euros.

(3) Dividend amounting to 186,086 thousand euros.

(4) Treasury shares transactions amounting to 243,520 thousand euros, which included the positive effect due to the cancellation of the 238,868 thousand euros liability recorded at December 31, 2023 after Puig Brands Admission into the stock Spanish exchange.

(5) As detailed in note 3, in 2024 Puig agreed to acquire the minority interests in Prado Investments, Ltd and Byredo AB. The difference between the total considerations (856,808 thousand euros) and the liabilities from business combinations accounted for as long-term liabilities (1,038,405 thousand euros) amounted to 181,604 thousand euros and have had a positive impact in the Puig Brands reserves.

(6) The Put and call options valuation in accordance with IFRS 10 has a positive impact amounting to 182,215 thousand euros (note 27).

(7) The results of the companies with minority interests and put and call option are reclassified from non-controlling interests to reserves with a positive impact amounting to 3,601 thousand euros in 2024.

(8) Other changes in equity are mainly due to the 80,000 thousand euros from an interim dividend based on the fiscal year 2023 results.

- 2023

The main impacts relate to the transactions described below;

(1) Share capital increase by share premium to 29,300 thousand euros.

(2) As detailed in the "Treasury shares" section, in 2023, the Shares Exchange implied the acquisition of Puig, S.L. and Puig Gest, S.A. shares (held by Puig employees with put and call options) by Puig Brands, S.A. in exchange for treasury shares. Additionally, in 2023, Puig Brands, S.A. sold the acquired shares (Puig, S.L. and Puig Gest, S.A.) to Puig, S.L. The put and call options agreements for Puig S.L. and Puig Gest, S.A. shares were signed, at the time of the acquisition of the shares, by the shareholders of Puig Brands, S.A. and the beneficiaries agreeing a formula linked to the performance of Puig to determine the price of the shares. The agreed price of the shares (as per the put and call option agreements) at the time of the Shares Exchange performed by Puig Brands, S.A. was 68,134 thousand euros. After the acquisition of Puig, S.L. and Puig Gest. S.A. shares, Puig Brands, S.A. sold to Puig, S.L. the acquired shares at their fair value, amounting to 148,734 thousand euros.

As previously mentioned, the put and call options were agreements signed by the beneficiaries with the shareholders, but in 2023, in the context of the internal reorganization, the shareholders agreed to transfer the rights of these agreements to Puig Brands, S.A. Consequently, the valuation difference between the acquisition (linked to a formula as per the put and call agreements) and its fair value, were accounted for as a shareholder contribution amounting to 80,601 thousand euros.

(3) Dividend paid amounting to 80,000 thousand euros from 2022’s results.

(4) The commitments for the repurchase of Treasury shares amounting to 238,868 thousand euros were accounted for in reserves (“Treasury shares” section).

(5) The acquisition of a minority interest in Dries Van Noten minority had a negative impact in the reserves amounting to 4,840 thousand euros.

(6) The Put and call options valuation in accordance with IFRS 10 has a positive impact amounting to 1,542 thousand euros (note 27).

(7) The results of the companies with minority interests and put and call option are reclassified from non-controlling interests to reserves with a positive impact amounting to 11,265 thousand euros in 2023.

Non-controlling interests

The breakdown of non-controlling interests at December, 31 was as follows:

(Thousand euros)	2024	2023
Balance at beginning of year	9,303	6,748
Comprehensive income for the year to non-controlling interests	12,311	34,467
Dividends paid	(6,433)	(21,323)
Additions to and exclusions from the scope	—	(198)
Business combinations	159,667	—
Reclassification of put-call to long term liabilities (note 27)	(159,667)	—
Reclassification of minority interest with put and call options	(3,601)	(10,391)
Balance at year-end	11,580	9,303

Business combinations in 2024, refer to the minority interests recorded as of the business combination date (note 5).

For the percentage of shares in respect of which Puig has a put and call option, no minority interests are recorded at the end of the period. Instead, a liability at fair value is recognized at each December 31 (note 27). Minority interest is reclassified from “Minority Shareholders” to “Reserves”.

Additions to and exclusions from the scope in 2023 relate to the reclassification of the profit and loss attributable to Dries Van Noten. Puig had crossed put-call option that was executed in 2023 (note 27).

The companies in which Puig holds non-controlling interests are included in Annex I.

24. Earnings per share

Basic earnings per share are calculated as follows:

(Thousand euros)	2024	2023 (restated)	2023
Net profit attributable to the Parent Company	530,649	465,209	465,209
Average of shares	545,395,746	545,395,746	379,513,507
Treasury shares	4,886,667	6,450,627	6,450,627
Average of shares to determine earnings per share	540,509,079	538,945,119	373,062,880
Earnings per share (euro)	0.98	0.86	1.25

In 2024, we have restated the earnings per share for 2023 due to the IPO and its effects on the average number of shares during the period, in accordance with IAS 33.

There are no differences between diluted earnings per share and basic earnings per share for the mentioned periods.

25. Bank borrowings

The breakdown of current and non-current borrowings at December 31, 2024 and 2023 were as follows:

(Thousand euros)	2024	2023
Current		
Current portion of non-current borrowings	444,453	283,861
Bank loans and overdraft	82,720	74,510
Total	527,173	358,371
Non-current		
Non-current borrowings	1,129,931	1,788,846
Total	1,129,931	1,788,846

The movements in borrowings were as follows:

(Thousand euros)	2024	2023
Balance at beginning of year	2,147,217	1,839,312
Additions to the scope of consolidation	18,495	—
Net finance cost	58,217	54,364
Proceeds from bank borrowings	658,572	429,780
Repayment of bank borrowings including finance cost	(1,224,867)	(175,307)
Translation differences	(530)	(932)
Balance at year-end	1,657,104	2,147,217

As of December 31, 2024, the debt subject to variable interest rates without interest rate hedging amounted to 74 million euros (2023: 294 million euros). Puig entered into interest rate swaps covering the entirety of the remaining loans subject to variable interest rates, which amounted to 899 million euros at December 31, 2024 (2023: 981 million euros). The debt subject to fixed interest rates amounted to 684 million euros (2023: 872 million euros).

Between February and April 2024, Puig Brands signed revolving credit facilities totalling 680 million euros, partially used to finance the acquisition of minority interests in Byredo and Prado Investments (note 3). As of December 31, 2024, these credit facilities have been reimbursed.

As of December 31, 2024, Puig has significantly reduced its bank borrowings compared to the year ended December 31, 2023. This reduction has been due to the amortization of loans as per the original schedule, amounting to 266 million euros and the early partial repayment of two loans contracted in 2022, amounting to 200 million euros.

In June 2023, Puig Brands took new financing loans amounting to 400 million euros from different financial entities with maturities between 2026 and 2027. Out of the new loans, 100 million euros were subject to a fixed market interest rate, and 300 million euros are subject to a variable interest rate, which are fully hedged through interest rate swaps.

The breakdown of maturities were as follows at December, 31:

(Thousand euros)	2024	2023
2024	—	358,371
2025	527,173	510,068
2026	547,925	596,772
2027	581,602	681,602
2028 and subsequent years	404	404
Total	1,657,104	2,147,217

The breakdown of gross amounts and forecasted interest maturities was as follows as of December, 31:

(Thousand euros)	2024	2023
2024	—	412,653
2025	566,761	552,677
2026	573,119	627,627
2027	594,554	698,056
2028 and subsequent years	405	405
	1,734,839	2,291,418

As of December 31, 2024 and 2023, the Company had no bank loans secured by collaterals or guarantees.

As of December 31, 2024, the total unused amount of the credit lines amounts to 905 million euros (230 million euros in 2023).

Borrowings were denominated in the following currencies at December, 31:

(Thousand euros)	Effective interest rate %	2024	2023
Euros	0.58% - 5.38%	1,585,486	2,048,673
Other currencies	3.30% - 13.7% (*)	71,618	98,544
Total		1,657,104	2,147,217

*Excluding effective interest rates of hyperinflationary economies (Argentina).

The effective interest rate incorporates both, the interest rates on bank borrowings and credit lines.

The majority of the borrowings in euros are granted to Puig Brands, S.A. (the holding company), amounted by 1,567,077 thousand euros (2023: 2,024,461 thousand euros). The effective interest rates, considering interest rate swaps, on the amounts granted were 2.2% (2.3% in 2023).

Most financial debt is annually subject to compliance with a financial ratio based on EBITDA and net financial debt (pre IFRS 16). As of December 2024 and 2023, Puig complied with the financial ratio requirement.

26. Derivative financial instruments

During 2024 Puig continued using derivatives to limit both interest and foreign currency risks on otherwise unhedged positions and to adapt its debt structure to market conditions. These financial instruments have been classified into the Level 2 measurement category.

At December 31, 2024 the following foreign currency hedges entered into by group companies were in place:

Description	Notional	Maturity	Recognized in equity	Recognized in the income statement	Total
AUD/EUR	(28,900)	January 2025 - February 2026	248	9	257
BRL/EUR	(118,500)	January 2025 - October 2025	276	638	914
CAD/EUR	(9,100)	January 2025 - February 2026	(6)	(6)	(12)
GBP/EUR	(57,400)	January 2025 - January 2026	(574)	(595)	(1,169)
MXN/EUR	(1,152,000)	January 2025 - February 2026	(589)	419	(170)
PEN/EUR	(34,400)	January 2025 - February 2026	(120)	(72)	(192)
RUB/EUR	(259,800)	January 2025	—	(14)	(14)
USD/EUR	(323,300)	January 2025 - February 2026	(14,277)	(1,852)	(16,129)
ZCL/EUR	(23,786,800)	January 2025 - February 2026	23	162	185
Total as of December 31, 2024			(15,019)	(1,311)	(16,330)

At December 31, 2023 the following foreign currency hedges entered into by group companies were in place:

Description	Notional	Maturity	Recognized in equity	Recognized in the income statement	Total
AUD/EUR	(42,100)	January 2024 - February 2025	(531)	80	(451)
BRL/EUR	(179,200)	March 2024 - February 2025	91	—	91
CAD/EUR	(17,900)	January 2024 - February 2025	(169)	13	(156)
CLP/EUR	(22,280,100)	March 2024 - February 2025	254	—	254
GBP/EUR	(92,600)	January 2024 - January 2025	(664)	(165)	(829)
MXN/EUR	(873,000)	January 2024 - February 2025	(449)	(1,473)	(1,922)
PEN/EUR	(33,777)	January 2024 - February 2025	26	(23)	3
RUB/EUR	(485,000)	January 2024 - April 2024	(154)	252	98
USD/EUR	(335,100)	January 2024 - February 2025	3,875	1,342	5,217
Total as of December 31, 2023			2,279	26	2,305

Interest rate hedging transactions have been entered into through swaps to exchange floating interest rates for fixed interest rates.

As of December 31, 2024 and 2023, Puig had entered into the following interest rate hedging arrangements:

Currency	Notional currency 0.00	Maturity	Recognized in equity	Recognized in the income statement	Total
EUR	84,000	May 2025	873	—	873
EUR	35,000	May 2025	456	—	456
EUR	30,000	December 2025	460	—	460
EUR	50,000	June 2026	1,058	—	1,058
EUR	50,000	June 2026	899	—	899
EUR	50,000	June 2026	(987)	—	(987)
EUR	50,000	June 2026	(977)	—	(977)
EUR	200,000	May 2027	2,407	—	2,407
EUR	150,000	May 2027	1,805	—	1,805
EUR	150,000	June 2027	(4,431)	—	(4,431)
EUR	50,000	June 2027	(1,434)	—	(1,434)
EUR	899,000		129	—	129

Currency	Notional currency 0.00	Maturity	Recognized in equity	Recognized in the income statement	Total
EUR	123,000	May 2025	4,191	—	4,191
EUR	58,000	May 2025	2,209	—	2,209
EUR	30,000	December 2025	1,169	—	1,169
EUR	70,000	June 2026	2,656	—	2,656
EUR	50,000	June 2026	2,279	—	2,279
EUR	50,000	June 2026	(1,105)	—	(1,105)
EUR	50,000	June 2026	(1,067)	—	(1,067)
EUR	150,000	May 2027	4,480	—	4,480
EUR	200,000	May 2027	5,973	—	5,973
EUR	150,000	June 2027	(4,435)	—	(4,435)
EUR	50,000	June 2027	(1,459)	—	(1,459)
EUR	981,000		14,891	—	14,891

From the effectiveness tests run by Management, Puig has concluded that foreign currency and interest rate hedging transactions are fully effective.

Additionally, as of December 31, 2024 and 2023, Puig entered into the following foreign currency hedging arrangements to cover loans taken out in foreign currencies:

Description	Notional	Maturity	Recognized in equity	Recognized in the income statement	Total
USD	35,000	January 2025	—	(486)	(486)
CAD	300	January 2025	—	—	—
GBP	(60,000)	January 2025	—	(147)	(147)
TWD	22,663	January 2025	—	(3)	(3)
SGD	(200)	January 2025	—	1	1
JPY	1,770,000	January 2025	—	117	117
CHF	(5,000)	January 2025	—	(36)	(36)
AUD	22,950	January 2025	—	234	234
HKD	46,700	January 2025	—	(59)	(59)
SEK	(589,000)	January 2025	—	(13)	(13)
Total as of December 31, 2024			—	(392)	(392)

Description	Notional	Maturity	Recognized in equity	Recognized in the income statement	Total
USD	(62,646)	January 2024	—	271	271
CAD	(5,800)	January 2024	—	32	32
GBP	32,745	January 2024 - December 2024	—	236	236
TWD	62,457	January 2024	—	(13)	(13)
SGD	8,000	January 2024	—	19	19
JPY	72,000	January 2024	—	1	1
CHF	(5,000)	January 2024	—	145	145
MXN	(200,000)	January 2024	—	99	99
Total as of December 31, 2023			—	790	790

27. Provisions and other liabilities

The breakdown and annual movement of "Provisions and other liabilities", except for long-term lease liabilities and long term derivatives amounting to 323,182 thousand euros and 7,829 thousand euros (255,561 thousand euros and zero thousand euros in fiscal year 2023) (note 17), is as follows:

(Thousand euros)	Liabilities from business combinations	Other employee benefits	Treasury shares commitments	Employee pension plans	Other	Total
Balance at January 1, 2024	2,177,665	54,023	238,868	8,328	25,161	2,504,045
Recognized in profit and losses	(86,591)	45,979	—	1,369	36,256	(2,987)
Recognized in retained earnings	(182,215)	—	—	—	—	(182,215)
Utilized	(1,038,404)	(39,292)	(238,868)	(305)	(16,307)	(1,333,176)
Translation differences	56,462	1,166	—	—	896	58,524
Business combinations	160,632	—	—	—	—	160,632
Reclassifications and others	(14,611)	(8,278)	—	396	(194)	(22,687)
Balance at December 31, 2024	1,072,938	53,598	—	9,788	45,812	1,182,136
Balance at January 1, 2023	2,383,008	108,175	—	8,483	45,577	2,545,243
Recognized in profit and losses	6,201	46,143	—	713	16,388	69,445
Recognized in retained earnings	1,542	—	238,868	—	—	240,410
Utilized	(47,060)	(92,268)	—	(446)	(10,891)	(150,665)
Translation differences	40,980	(764)	—	(1)	442	40,657
Business combinations	—	—	—	—	—	—
Reclassifications and other	(207,006)	(7,263)	—	(421)	(26,355)	(241,045)
Balance at December 31, 2023	2,177,665	54,023	238,868	8,328	25,161	2,504,045

Liabilities from business combinations

When Puig Brands acquires a company, it often prefers that the previous shareholders remain in the company with a minority stake. In this way, the seller / founder remains engaged and committed to the continued success of the brand.

At the time of the acquisition, the Company may enter into call and put option agreements granting the right or obligation to purchase the minority stake from the seller/founder on certain specified dates and at prices calculated based on an initially agreed adjusted multiple linked to the business performance of the related business. This is the case with the recent acquisition of Dr.Barbara Sturm, as well as prior years' acquisitions such as Byredo, Charlotte Tilbury, Loto del Sur, Kama Ayurveda and Dries Van Noten.

These options have been recorded as liabilities in accordance with IFRS 10, and valued at fair value at each reporting period, with the changes in fair value recorded against equity.

At the time that the options are exercised, the Company will be required to make payments to the sellers / brand founders in the amounts due.

As part of the acquisition of Dr.Barbara Sturm, Puig agreed to put and call options for the acquisition of the remaining 35% of Dr.Barbara Sturm's shares not currently owned (note 5).

As detailed in note 3, in 2024 Puig agreed to acquire the minority interests in Prado Investments, Ltd and Byredo AB. The difference between the total considerations (856.8 million euros) and the liabilities from business combinations accounted for as long-term liabilities (1,038.4 million euros) amounted to 181,604 thousand euros and have had a positive impact in Puig Brands reserves.

In 2024, Puig extended the remaining put and call option agreement over Charlotte Tilbury, which was set to end in 2026, at different periods between 2026 and 2031. The new put and call option is valued based on a market multiple linked to the key financial metrics of Charlotte Tilbury's business. The extension of these put and call options, has had a positive equity impact of 197,469 thousand euros, mainly due to the extension of the liability (which is discounted at present value), the new multiples agreed, and the projected financial metrics.

In addition to the put and call options detailed in the previous paragraphs, as of December 31, 2024, Puig maintains the Kama Ayurveda and Loto del Sur put and call options from the 2022 business combinations. The reclassification in this caption, amounting to 14,611 thousand euros, relates to the put-call option of Kama Ayurveda exercisable in 2025 (note 29).

In addition to the call and put options mentioned above, in this caption Puig includes liabilities for earn-outs arising from certain business combinations. At December 31, 2024, the balance regarding these liabilities amounted to 106,799 thousand euros (185,901 thousand euros in 2023).

The change of valuation in these earn-outs in 2024 and 2023 were mainly driven by the change in management's projections with respect to the expected business performance to which these liabilities are linked, and the effect of the discount factor and the exchange rate. In addition, 2024 is also affected by the initial recognition of the business combinations completed in the period that amounted to 965 thousand euros (Dr.Barbara Sturm - note 5).

The amounts recognized as liabilities in the consolidated balance sheet have been discounted using the weighted average cost of capital ("WACC") of each business (note 16).

These liabilities have been classified in the Level 3 measurement category. Puig conducts a sensitivity analysis of these liabilities by applying reasonable variations to the key assumptions considered in the calculation.

- A variation of +/- 2% in the CAGR of the main business indicator to which the liability valuation is linked would impact the liability recognized in the balance sheet as of December 31, 2024, resulting in an increase of 59 million euros or a decrease of 50 million euros (2023: increase of 164 million euros or decrease of 152 million euros).

- A variation of +/- 1.5% in the discount rate would impact the liability recognized in the balance sheet as of December 31, 2024, leading either a 50 million euros decrease or an increase of 55 million euros (2023: increase of 86 million euros or decrease of 53 million euros).

At December, 31, the maturity of these liabilities was as follows:

(Thousand euros)	2024	2023
Liability maturing more than 1 and less than 3 years	342,002	1,125,074
Liability maturing between 3 and 5 years	203,491	325,296
Liability maturing in more than 5 years	527,445	727,295
	1,072,938	2,177,665

Employee benefits and others

Some employees are granted with plans called “share appreciation rights” (SARs). The SARs are vested based on services and specific performance conditions.

As of December 31, 2024, the remaining SARS plans refer exclusively to 2021 Plan and 2024-2028 plan. Their characteristics are as follows:

2021 Plan

Puig granted some employees with a management incentive plan which vests over five years (2021-2025). Vesting conditions are based on time-based and business performance conditions.

The value of the plan is based on the appreciation of the shares of a Puig subsidiary, being the difference between the value of the shares granted at the beginning of the plan and the value of the shares expected at the end of the vesting period above a certain threshold. The valuation of the vested shares is calculated based on a formula linked to the business performance (level 3 fair value measurement).

At grant date, the beneficiaries choose between two types of settlement:

- Cash settlement.
- Acquisition of shares based on their nominal value. Once acquired, a call option is granted to Puig to re-acquire the shares between 2026 and 2029 at a price calculated based on the value creation above a certain threshold. In addition, a put option is granted once the shares are acquired enabling the beneficiaries to execute them between 2026 and 2029.

2024-2028 Plan

Puig granted some employees with a management incentive plan which vests over five years (2024-2028). Vesting conditions are based on time-based and business performance conditions.

The value of the plan is based on the appreciation of the shares of a Puig subsidiary, being the difference between the value of the shares granted at the beginning of the plan and the value of the shares expected at the end of the vesting period above a certain threshold. The valuation of the vested shares is calculated based on a formula linked to the business performance (level 3 fair value measurement).

At grant date, the beneficiaries choose between two types of settlement:

- Cash settlement.

- Acquisition of shares based on their nominal value. Once acquired, a call option is granted to Puig to re-acquire the shares from 2029 at a price calculated based on the value creation above a certain threshold. In addition, a put option is granted once the shares are acquired enabling the beneficiaries to execute them from 2029.

In 2023 the following SARS were fully vested, prior to the expected vesting dates of the plans which were end of 2023, 2024 and 2025 depending on the grant and the plan, because the objectives set were achieved in advance.

2015-2018 Plan

Between 2015 and 2018, Puig granted some employees of Puig with shares appreciation rights over Puig, S.L. and Puig Gest, S.A. shares (both companies are directly/indirectly shareholders of Puig, Brands, S.A.). Most of the shares were already vested at January 1, 2021, except for one grant which started vesting at that date. Initially the underlying shares of the SAR was based on shares of Puig Gest, S.A.

Most of the shares were already vested at January 1, 2021, except for one grant which started vesting at that date. Once the shares were vested, the beneficiaries had the option to acquire the shares or to request the settlement in cash. Initially the underlying shares of the SAR was based on shares of Puig Gest, S.A. The beneficiaries agreed in 2023 to exchange the underlying shares of the plan for Puig Brands, S.A. shares.

For the beneficiaries who elected to acquire the shares (at a fixed price), a call option was granted to re-acquire the shares between 2025 and 2040 at a value based on a formula linked to performance indicators at the date the call option will be executed. In addition, a put option was granted to be executed between 2024-2028 with the same valuation method. These agreements were signed with the companies that delivered the shares to the beneficiaries (note 23).

2021-2023 Plan

The 2021-2023 plan was composed of three different yearly grants with a vesting period of 3-5 years between 2021 and 2025. The shares were vested by the employee based on time-based vesting conditions and business performance conditions. Initially the underlying shares of the SARs were based on shares of Puig, S.L. and Puig Gest, S.A. The beneficiaries agreed in 2023 to exchange the underlying shares of the plan for Puig Brands, S.A. shares.

The valuation of the incentive plan is calculated based on the value of the share appreciation rights, which is calculated based on an independent valuation (level 3 fair value measurement). The valuation of the plan is the difference between the value of the shares at the grant date and the expected valuation of the shares at the end of the vesting period.

Once the shares are vested, the beneficiary has the option to receive a cash settlement, acquire the shares, or receive free shares net of tax.

If the beneficiaries elect to acquire the shares or receive free shares (acquisition price fixed based on the value of the share appreciation rights on the granted date), a call option is granted to Puig to re-acquire the shares at any time from 2030 at the fair value of the shares at the date the call option will be executed. Simultaneously to the call option grant, a put option is granted to the beneficiary once the shares are acquired enabling the beneficiaries to exercise them at any time from the acquisition until 2030 except in the lock up period. Such obligation is held by the company which granted the shares.

The detail of plans based on share appreciation rights as of December, 31 is as follows:

2024

Number of SARs Rights	2015 – 2018 Plan	2021 Plan	2021 – 2023 Plan	2024 Plan	2024 2028 Plan
Outstanding at January 1, 2024	—	20,504,276	—	—	—
Granted number	—	2,259,400	—	1,498,216	14,314,245
Forfeited number	—	(481,800)	—	—	—
Vested number	—	(782,900)	—	(1,498,216)	(477,142)
Outstanding at December 31, 2024	—	21,498,976	—	—	13,837,104
Exercisable at December 31, 2024	—	883,191	—	—	308,000
Delivered at December 31, 2024	—	1,984,393	—	1,498,216	169,142

2023

Number of SARs Rights	2015 – 2018 Plan	2021 Plan	2021 – 2023 Plan
Outstanding at January 1, 2023	40,494	20,013,200	1,901,548
Granted number	—	1,564,200	—
Forfeited number	—	(338,800)	—
Vested number	40,494	(734,324)	1,901,548
Outstanding at December 31, 2023	—	20,504,276	—
Exercisable at December 31, 2023	—	601,224	—
Delivered at December 31, 2023	40,494	1,483,460	1,901,548
Exchanged	(1,026,351)	—	(1,901,548)
Carried forward exchanged at December 31, 2023	4,853,644	—	8,661,171

For the 2015-2018 Plan and the 2021-2023 Plan, in 2023, the beneficiaries agreed to exchange the underlying shares of the plan for shares in Puig Brands, S.A. The exchanged shares as of December 31, 2023, have been delivered in 2024. In some cases, the delivered shares include call options.

For the 2021 Plan and the 2024-2028 Plan, the SARs related to the underlying shares refer to a subsidiary of Puig.

For the 2024 Plan, the SARs related to the plan are for shares in Puig Brands, S.A. In some cases, the delivered SARs include call options.

Exercisable SARs include shares that have already vested by employees but have not been exercised.

For the 2021 Plan and the 2024-2028 Plan, the strike price and the exercisable price of the shares of the subsidiary that granted the plans depend on the year they were granted and vested. The carrying amount of the liability related to these plans as of December 31, 2024, amounts to 35,906 thousand euros (33,986 thousand euros in 2023).

The 2024 Plan, an extraordinary free share plan, has been vested in advance, with a total cost of 36 million euros (note 3).

In addition, other employee benefits, includes long term cash bonuses when certain business performance conditions are met. As at December 31, 2024, the liability amounted to 6,331 thousand euros (10,989 thousand euros in2023).

This caption also includes other employee benefits amounting to 11,361 thousand euros in 2024 (9,048 thousand euros in 2023).

Treasury shares Commitments

As detailed in note 3, as of the date of the IPO, all put options granted by Puig to the beneficiaries of the prior SARs plans (2015-2018 and 2021-2023) have ceased to be effective. Accordingly, the entire 238,868 million euros liability recorded as of December 31, 2023 was reversed.

Employee Pension plan

A portion of Puig's employees are covered by defined contribution or benefit retirement plans paid for by Puig companies. The type of plan varies according to the legal requirements of the country in which beneficiaries are employed.

a. Defined contribution plans.

   For defined contribution plans, Puig undertakes to pay a defined contribution (e.g., a fixed amount or percentage of salaries).

   Defined contribution plans cover employees mainly in Spain, United States, France and United Kingdom, among other countries.

   Puig does not assume any obligations or commitments other than the annual contribution.

b. Defined benefit plans.

For defined benefit plans, Puig undertakes to pay the employee a defined benefit (e.g. a retirement pension at a fixed amount or percentage of the employee's final salary). For the defined benefit plan, the present value of future benefits (which the company is liable to pay under the plan) is computed using actuarial principles and the projected unit credit method. The computation of present value is based on assumptions of interest rates, increases in salaries and pensions, investment yield, mortality and disability. The present value is computed exclusively for the benefits to which the employees have earned entitlement through their employment with the company. The Group's defined benefit plans cover employees in France.

The defined benefit plan of French companies is not outsourced. The liability under the plan calculated on an actuarial basis is stated in the consolidated balance sheet at December 31, 2024 at an amount of 9.8 million euros (8.3 million euros in 2023).

The amounts recognized in equity are the following:

(Thousand euros)	2024	2023
Current service cost	1,369	713
Total (benefit) /expense recognized in the income statement	1,369	713
Net actuarial (loss)/gains recognized	—	—
Actual return on plan assets	—	—

The present value of the obligations and the fair value of the plan assets are as follows:

(Thousands of Euros)	2024	2023
Present value of related obligations	9,788	8,328
Net liabilities	9,788	8,328

Movements of net liabilities for the years ended December, 31 are as follows:

(Thousands of Euros)	2024	2023
Balance sheet at January 1	8,328	8,483
Net cost of the plan	1,369	712
Contributions / benefits	(305)	(446)
Reclassifications	396	(421)
Balance as of December 31	9,788	8,328

The main actuarial assumptions used at December, 31 are as follows:

	2024	2023
Discount rates	3.2 %	3.6% - 4.2%
Expected wage increase	4 %	3 %
Expected rate of return on plans assets	—	—
Average retirement age	64	62-65

Defined benefit plans have been classified into the Level 3 measurement category.

28. Off-balance sheet commitments

At December 31, 2024, Puig granted bank guarantees amounting to 191 million euros (181 million euros in 2023) mainly related to their normal business activity.

Specifically, bank guarantees represent commitments to third parties.

Additionally, it should be noted that Puig has no significant legal or tax contingencies.

The Group is not aware of any significant off-balance sheet commitments other than those described above.

29. Other current liabilities

The breakdown of this caption as of December 31 was as follows:

(Thousand euros)	2024	2023
Tax and social security debt (note 14)	102,510	71,177
Accrued payroll	110,784	104,102
Operating provisions	227,264	201,949
Payable for other services	429,080	352,889
Financial liabilities at fair value (note 26)	16,722	—
Other liabilities	21,973	24,634
Liabilities from business combinations (note 27)	14,611	207,006
Other liabilities related parties	1,575	4,293
Lease liabilities (note 17)	74,501	58,074
Total	999,020	1,024,124

Operating provisions include accruals of commissions, returns and provisions for other services.

In 2024, Puig executed a call option over minority interests in Charlotte Tilbury amounting to 214,816 thousand euros (180,456 thousand GBPs), corresponding to 5,4% stake. The liability recorded as of December 31, 2023 amounted to 207,006 thousand euros (179,899 thousand GBPs).

The “Other liabilities at fair value” caption mainly includes foreign currency fair value hedging derivatives and interest rate hedging derivatives (note 26). In 2024, the fair value of the derivatives amount to 16,722 thousand euros. The breakdown as of December, 31 is as follows:

(Thousand euros)	2024	2023
Foreing currency hedging (transactions)	16,330	—
Foreing currency hedging (loans)	392	—
Interest rate hedging	—	—
Total	16,722	—

30. Financial risk management, objectives and policies

In its normal course of business Puig is exposed to various financial risks: market risk (including foreign exchange risks and interest rate risks) and other risks such as credit risk, liquidity risk and capital risk management. Puig's management focuses on minimizing these risks implementing risk management policies to identify and analyze the risks faced by the Group and define appropriate risk limits and controls. Group's management procedures are designed to have a control environment.

This note provides information on the Group's exposure to risks, the Group's objectives, policies and processes for managing risks, the methods used to measure these risks and the financial instruments used to mitigate the corresponding risks.

The Group's Audit Committee supervises how management controls comply with the Group's risk management procedures and policies and review whether the risk management policy is suitable considering the risks that the Group is exposed to.

Foreign Exchange risk

The Group operates in an international environment and therefore is exposed to exchange rate risk on transactions in currencies, especially with regards to the USD and the GBP (being the euro the functional currency of the Group and the currency of the parent company). Currency risk is associated with future commercial transactions, recognized assets and liabilities, and net investment in foreign currencies.

Puig has a significant portion of sales to customers and to their own subsidiaries as well as certain purchases in currencies other than their functional currency (euro). Hedging instruments are used to reduce the foreign exchange risks arising from the fluctuations of currencies different from the companies' functional currencies.

Before the end of the year, as part of the budget preparation, Puig companies are responsible for identifying the exposure to foreign currency cash flows. The Group centrally analyzes the exposure and arranges the appropriate hedges. The identified foreign exchange risks are hedged using forward contracts or options.

Puig has implemented a strict policy to manage, measure and monitor these risks. The activities are organized based on a clear segregation of duties between the front office, middle office and back office which are responsible for the measurement, hedging and administration and financial control. The hedging strategy must always be presented to the top management for approval.

Derivative instruments entered into hedge for foreign exchange are accounted for in accordance with hedge accounting principles.

The financing obtained by Puig is mainly in Euros representing 96% of the total debt (95% in 2023).

The following table shows a sensitivity analysis to possible reasonable changes in the exchange rate of the main foreign currencies with which Puig operates, keeping all other variables constant:

(Thousands of euros)	Increase/ Decrease in USD	Effect on income	Effect in equity
2024	10 %	11,300	17,499
	(10)%	(11,300)	(17,499)
2023	10 %	8,015	12,131
	(10)%	(8,015)	(12,131)

(Thousands of euros)	Increase/ Decrease in GBP	Effect on income	Effect in equity
2024	10 %	(14,053)	(60,025)
	(10)%	14,053	60,025
2023	10 %	(5,730)	(98,105)
	(10)%	5,730	98,105

Puig has arranged exchange rate hedges to cover potential fluctuations in foreign currency.

Interest rate risk

Puig's interest rate risk arises from current and non-current borrowings with banks. The objective of Puig is to have a high proportion of borrowings at fixed rate or floating interest rates hedged by interest rates swaps (IRS). The main objective of the management is to protect net profit from the impact of significant changes in interest rates.

Puig uses derivative financial instruments (interest rate swaps) to cover the risk of changes in the interest rates on some loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The fair value at December 31, 2024 amounts to 129 thousand euros (14,891 thousand euros in 2023).

As of December 31, 2024, the amount of debt subject to variable interest rates, without interest rate hedging, totaled 74 million euros (294 million euros in 2023), representing 4% of the total bank debt (14% in 2023).

An increase of 2% in the market interest rate could result in a financial interest expense increase of 1.5 million euros (2023: €5.9 million).

An increase of 2% in the market interest rate could result in a change of the valuation of the interest rate swaps of 19.7 million euros (33.8 million in 2023).

Credit risk

Credit risk is the risk to which Puig is exposed in the event that a customer or counterparty fails to pay its obligation.

To mitigate this risk Puig has a credit policy and manages its exposure to collection risk in the normal course of its operations. Puig evaluates the credit given to all its customers above a certain amount. Likewise, Puig has a credit insurance for most of its accounts receivable.

The Group recognizes impairment based on its best estimate of the expected losses on trade and other receivables. The main impairment losses recognized are due to specific losses relating to individually identified risks. At year end, these impairment losses are immaterial.

The maximum exposure to credit risk in relation to trade receivables is the amount shown in note 19 above amounting to 583,810 (501,861 thousand euros in 2023). Puig customers are reasonably fragmented, so individually none of them represents more than 10% in the overall amount of trade receivables.

Puig has undrawn amounts from credit facilities that can be used to cover operating cash deficits.

Also, to mitigate this credit risk, the Group may sometimes partially transfer this risk to third parties via non-recourse factoring of trade receivables in which case the Group would not retain any credit risk.

Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. To mitigate this credit risk, the Group only works with banks with strong credit ratings as qualified by international rating agencies. The solvency of these institutions, as indicated in each institution's credit ratings, is reviewed periodically in order to perform active counterparty risk management.

The assets subject to the credit risk exposure recognized in the balance sheet were as follow:

(Thousands of euros)	2024	2023
Financial investments	689	16,359
Other non-current assets	130,865	131,444
Trade and other receivables	567,529	484,705
Other current assets	282,991	186,709
Cash and cash equivalents	882,646	852,901
Total	1,864,720	1,672,118

Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure where possible, that it always has sufficient liquidity to settle its obligations at the maturity date.

Puig uses financial planning techniques to manage liquidity risk, taking into consideration the maturity of financial assets and liabilities and cash flow projections. Puig objective is to balance structural requirements and exceptional needs of cash with the loans and overdrafts taken out, to ensure that it will be able to use them depending on its liquidity situation.

As a consequence of the aforementioned the Group considers that it has liquidity and access to medium and long-term financing that allows the Group to ensure the necessary resources to meet the potential commitments for future investments.

Puig has undrawn amounts from credit facilities that can be used to cover operating cash deficits.

The maturities of the main financial liabilities, which include Leases (note 17), Bank Borrowings (note 25) and Liabilities for business combinations (note 27) as of December, 31 are as follows:

(Thousands of euros)	2025	2026	2027	2028	2029 and subsequent	Total
Bank borrowings	527,173	547,925	581,602	404	—	1,657,104
Liabilities from business combinations	14,611	342,002	—	177,119	553,817	1,087,549
Lease liabilities	74,501	66,727	53,679	44,274	158,502	397,683
	616,285	956,654	635,281	221,797	712,319	3,142,336

(Thousands of euros)	2024	2025	2026	2027	2028 and subsequent	Total
Bank borrowings	358,371	510,068	596,772	681,602	404	2,147,217
Liabilities from business combinations	207,006	10,022	1,115,052	—	1,052,591	2,384,671
Lease liabilities	58,074	51,975	45,674	35,590	122,322	313,635
	623,451	572,065	1,757,498	717,192	1,175,317	4,845,523

Capital risk management

Puig's objective is to safeguard its capacity to continue managing its recurring activities and the capacity to continue to grow, by optimizing the debt-to-equity ratio and to create value for the shareholder.

The main purpose of Puig capital management is to ensure a financial structure that can optimize capital cost and maintain a solid financial position, in order to access to the financial markets at a competitive cost to cover financing needs.

Puig manages its capital to ensure that certain financial ratios are appropriate to develop its business, maintaining a high level of solvency so that it can provide appropriate returns to its shareholders. Net debt ratio is measured as follows:

(Thousands euros)	2024	2023
Net debt	1,068,130	1,509,700
Adjusted Ebitda	969,209	862,674
Net debt ratio (Net debt / Adjusted Ebitda)	1.10	1.75

Net Debt and Adjusted Ebitda are Alternative Performance Measures (Annex III).

The volume of capital is determined according to existing risks, making the corresponding adjustments to capital in accordance with changes in the economic environment and managed risks.

Changes in working capital

Breakdown of changes in working capital (net of changes in scope and non-cash items) is presented as follows:

(Thousand euros)	2024	2023
Inventory	77,602	(162,533)
Trade accounts receivable	(76,977)	(96,769)
Other current assets	(92,543)	42,255
Trade accounts payable	5,826	(26,815)
Other current liabilities	127,323	49,446
Changes in working capital	41,231	(194,416)

31. Other disclosures

31.1. Audit fees

Net fees accrued to Ernst & Young, S.L. as the auditor of the Group's consolidated annual accounts, or by any firms related to this auditor as a result of a relationship of control, common ownership or common management are as follows:

(Thousands euros)	2024	2023
Audit services	2,372	2,021
Other assurance services	974	852
Total audit and similar services	3,346	2,873
Tax services	—	60
Other services	191	87
Total professional services	3,537	3,020

Additionally, net audit fees for services provided by auditors other than the main auditor amounts to 151 thousand euros in 2024 (358 thousand euros in 2023).

31.2. Information on the Parent Company's Directors and key Management

During the year ended December 31, 2024 the Company's directors have not been party to any direct or indirect conflict of interest with Puig, except for the approval of the following resolutions in which one or several directors, as appropriate, refrained from deliberating and voting thereon as they could result in a conflict of interest situation:

a. the subscription of credit lines with different financial entities, and approval of the maximum amount to be subscribed.

b. Acknowledgement of the appointment of a CEO and delegation of authorities.

c. Approval of a new services agreement with the CEO.

d. Ratification of the remuneration related to the plan for the acquisition of Class B shares of Puig.

e. Approval of an extraordinary bonus related to the Company's IPO.

f. Approval of the amount derived from the extraordinary remuneration to be paid in light of the IPO.

g. Ratification of the increase in the annual contribution to the pension plan (welfare scheme).

h. Approval of certain related-parties transactions.

The remunerations for the year 2024 of the Key Management amounted to 34,881 thousand euros, respectively (51,047 thousand euros in 2023), for fixed and variable salaries, long terms incentive plans, fringe benefits, pension commitments, and life insurance premium payments.

The Chairman and CEO is also member of the key management of the Group and consequently, his remuneration has been accrued based on his executive services and his remuneration has been included in the Board of Directors remuneration section. In 2023, the Chairman and CEO and the Vice Chairman of the Board of Directors were also members of the key management of the Group and consequently, their remuneration were accrued based on their executive services and their remuneration were included in the Board of Directors remuneration section.

The remuneration accrued by the Board of Directors for the services provided as a members of the Board of Puig Brands and the executive services of the Chairman of Puig Brands, S.A. amounted to 25,236 thousand euros in 2024 (45,660 thousand euros in 2023, which included the remuneration of the Vice Chairman of the Board of Directors).

Puig has paid Directors and Key Management liability insurance premiums in the amount of 248 thousand euros (2023: 175 thousand euros).

As of December 31, 2024, there were loans granted to the Key Management amounting to 63,014 thousand euros (2023: 58,146 thousand euros).The interest accrued related to the loans granted to the Key Management amounted to 1,764 thousand euros (2023: 1,577 thousand euros). The loans accrue interest at a rate between 1.5% and 3.25%.

Puig also has given long term incentive plans to its Key Management (which includes the CEO and Chairman of the Board of Directors with executive service) amounting to 22,153 thousand euros (53,049 thousand euros in 2023 which also included the remuneration of the Chairman and CEO and the Vice Chairman of the Board of Directors). This remuneration has been included in the total remunerations (Key Management and Board of Directors) indicated above and are disclosed in the period when the plans are fully vested (which is different from period of the accrual of the related expense).

As detailed in note 27, during 2024, as part of the accelerated vesting of the long term incentive plan, Puig has delivered 1,009,230 treasury shares to the Key Management and members of the Board of Directors with executive services. In 2023, as part of the accelerated vesting of the long-term incentive plan, Puig delivered 6,101,430 treasury shares to the Key Management and to one member of the Board of Directors with executive services. Additionally, during 2023, the shares held by the beneficiaries of Puig, S.L. and Puig Gest, S.A. (950,406 and 8,030) exchanged for 3,374,335 shares of Puig Brands, S.A.

As of December 31, 2024, members of the Board of Directors, including the Chairman of the Board of Directors) own a total amount of 4,408,077 shares of Puig Brands, S.A (3,800,132 in 2023).

In 2023, Put and call options were agreed between the parties and a liability in the consolidated balance sheet were accrued. In 2024 all the put options granted by Puig have ceased to be effective (note 23), therefore there is no liability accounted for as December 31, 2024.

31.3. Information on the average supplier payment period

The average payment period to suppliers of Spanish companies is as follows:

	2024	2023
(Days)		
Average payment period to suppliers	52	52
Ratio of transactions paid	55	52
Ratio of transactions pending payment	37	45
(Thousands of euros)		
Total payments made	1,157,111	1,235,981
Total payments pending	169,569	103,168
Monetary volume of invoices paid in a period lower than the maximum established in the late payment regulations.	867,242	1,001,711
Percentage of payments below the maximum payment period over total payments made.	74.9%	81.0%
(Number of invoices)		
Invoices paid in a period lower than the maximum established in the late payment regulations.	61,329	74,377
Percentage of total invoices	80.5%	84.7%

a. Average payment period to suppliers: It will be understood as the weighted average between the ratio of paid operations and the ratio of unpaid operations.

b. Ratio of paid operations: It will be understood as the weighted difference between the calendar days that have elapsed since the date of receipt of the goods or services (however, in the absence of reliable information about the moment in which this circumstance occurs, the date of receipt of the invoice) until the material payment of the operation.

c. Ratio of transactions pending payment: It will be understood as the weighted difference between the calendar days that have elapsed since the date of receipt of the goods or services (however, in the absence of reliable information about the moment in which this circumstance occurs, it will be will take the date of receipt of the invoice) until the last day of the period to which the consolidated annual accounts refer.

31.4. Supplier financing arrangements

Puig has established a supplier finance arrangement that is offered to some of the key suppliers. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment from the Puig external finance provider (external banks). If suppliers choose to receive early payment, they pay a fee to the external bank. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by Puig. Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, Puig settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. Payment terms with suppliers have not been renegotiated in conjunction with the arrangement. Puig provides no security to the finance provider.

All trade payables subject to the supplier finance arrangement are included in the caption Trade Accounts Payables in the consolidated balance sheet.

(Thousand of euros)	2024	2023
Total amount agreed	88,152	96,585
Carrying amount of Trade Payables sent to the bank at the end of the period	17,585	69,520
Carrying amount of which suppliers have received payment	4,384	13,057

32. Enviromental information

Puig works towards contributing to two global commitments; helping limit global warming to 1.5°C by 2030 and becoming a net zero organization by 2050.

To achieve these goals, Puig integrates environmental, social and governance (ESG) criteria into its culture, business model, strategy, and day-to-day activities.

The main highlights achieved in 2024 on ESG are as follows:

- Puig is included one more year in the CDP Climate A-list.
- Reduction of the carbon footprint by 23.20% in tons of CO2e per million euros of net revenue vs. 2023. In absolute terms, the reduction has been 14.53% in tons of CO2e.
- Publication of the Puig Human Rights Policy and update of the Sustainable Sourcing Policy to align its social requirements with the former.
- Launch of an ethical auditing program of the supply chain following the Sedex SMETA methodology.

At the year end 2024 and 2023, Puig has no environmental liabilities, expenses, provisions or contingencies that might be material with respect to its equity, financial position and profits (losses).

Climate change-related impacts have been assessed by the directors, who have concluded that no significant effects are expected.

The Non-Financial Statement includes information on Puig's commitment to ESG through its Sustainability statement section of the Puig report.

33. Related parties

The main balances and transactions with Puig related parties are summarized as follows:

(Thousand euros)	Year	Sales and other income	Purchases and expenses	Financial income	Dividends	Accounts receivable and short-term financial investments	Accounts payable
Companies with significant influence over Puig	2023	4	280	687	—	8,512	(4,049)
	2024	—	151	—	—	42,358	331
Associated companies	2023	44,022	2,226	—	25,464	15,761	(1,361)
	2024	36,625	1,470	—	12,183	16,087	1,243
Other related parties	2023	2	11,186	1,322	—	39,991	(177)
	2024	2	12,621	1,502	11	40,825	959

Transactions with entities with significant influence over Puig for the years ended December 31, 2024 and 2023, primarily correspond to the ones related to Puig, S.L. as the head of the Spanish tax group.

Transactions with associated companies for the years ended December 31, 2024 and 2023, primarily correspond to payments received for the manufacturing services that Puig Brands provides for Isdin, S.A. royalties that Puig receives from Sociedad Textil Lonia, S.A. in connection with the license of CH Carolina Herrera, and the dividend distributions from our associate and joint venture investments.

Transactions with other related parties for the years ended December 31, 2024 and 2023, primarily correspond to payments to Inmo, S.L. and its subsidiaries in connection with the lease of our headquarters in Barcelona, the lease of our manufacturing facility in Barcelona (which was closed in 2023), and the lease of our Carolina Herrera and Rabanne stores in New York and Paris, respectively. Puig Brands also granted loans to our Senior Officers and employees in connection with the acquisition and/or delivery of Class B Shares.

Additionally, in 2023, Puig Brands, S.A. sold to its shareholder Puig, S.L. the shares of Puig Gest and Puig, S.L. for a total amount of 148,734 thousand euros (note 23). 143,520 thousand euros were settled in the acquisition of treasury shares (note 23) and 5,214 thousand euros were paid in cash.

Balances and transactions with minority shareholders and key management are not considered in the previous table (note 27 and 31.2).

34. Subsequent events

No significant subsequent events have occurred as of the date of preparation of the annual accounts.

Annex I. Consolidation scope

The companies included in the consolidation scope as of December 31, 2024 and 2023 are the following:

Full consolidation method

Name of the consolidated subsidiary	Address	Functional currency	Activity	% Ownership	
				2024	2023
Antonio Puig, S.A.U.	Plaza Europa 46-48, Hospitalet de Llobregat, Barcelona, Spain	EUR	Holding, manufacturing and commercial	100	100
Apivita Cosmetics - Diet - Pharmaceuticals Commercial and Industrial Société Anonyme (Apivita, S.A.)	Industrial Park of Markopoulo Mesogaias, Attica, 19003, Greece	EUR	Manufacturing and commercial	100	100
Apivita Ventures, S.L.U.	Plaza Europa 46-48, Hospitalet de Llobregat, Barcelona, Spain	EUR	Holding	100	100
Aubelia S.A.S.	40-52, boulevard du Parc 92200 Neuilly-sur-Seine, France	EUR	Holding	100	100
Barbara Sturm France SAS	65-67 Av. des Champs Elysées 75008 Paris, France	EUR	Commercial	65	—
Barbara Sturm Hong Kong Limited	21/F Edinburgh Tower, The Landmark, 15 Queen's RD Central, Hong Kong	HKD	Commercial	65	—
Barbara Sturm Limited	6 Dryden Street, London, England, WC2E 9NH	GBP	Commercial	65	—
Barbara Sturm Molecular Cosmetics GmbH	Königsallee 24, 40212, Düsseldorf, Germany	EUR	Holding and commercial	65	—
Byredo (Hong Kong) Limited	20/F, West Exchange Tower, 322 Des Vœux Road Central, Sheung Wan, Hong Kong	HKD	Commercial	100	77
Byredo (Hong Kong) Limited – Macau Branch	Avenida de Praia Grande No. 409, China Law Building, 16/Fl. – B47 em, Macao	MOP	Commercial	100	77
Byredo (Shanghai) Limited	Room 6, 30th Floor (with physical floor at 26th floor), No.1717, West Nanjing Road, Jing'an District, Shanghai, China	CNY	Commercial	100	77
Byredo AB (Sweden)	Box 3065, SE-103 61, Stockholm, Sweden	SEK	Holding and commercial	100	77
Byredo France SAS	35 Rue des Renaudes, 75017 , Paris, France	EUR	Commercial	Merged	77
Byredo GmbH	Sophienstraße 16, 10178 Berlin, Germany	EUR	Commercial	100	77
Byredo Japan KK	6-12-18 Jingumae, Shibuya-Ku,Tokyo, 150-0001, Japan	JPY	Commercial	100	77
Byredo Retail USA, LLC	630 5th Ave, 32nd Floor, New York, NY 10111, United Estates	USD	Commercial	100	77
Byredo Silver Lake LLC (extinguished)	257 Little Falls Drive, Wilmington, Delaware 19808, United States	USD	Commercial	Merged	77
Byredo UK Ltd.	6 Dryden Street, London, England, WC2E 9NH	GBP	Commercial	100	77
Byredo USA Inc.	630 5th Ave, 32nd Floor, New York, NY 10111, US+D8+D21	USD	Commercial	100	77
Carolina Herrera Ltd.	501 7th Ave, New York, United States	USD	Commercial	100	100
Charlotte Tilbury Beauty (Macau) Limited	Avenida da Praia Grande, no. 409 China Law Building, 21st/F., Macau	MOP	Commercial	79	56
Charlotte Tilbury Beauty (Shanghai) Limited	15/F, No. 68, Yuyuan Road, Jing'an District, Shanghai, China	CNY	Commercial	79	56
Charlotte Tilbury Beauty Asia Pacific Limited	10th Floor, Lee Garden Five, 18 Hysan Avenue, Causeway Bay, Hong Kong	HKD	Commercial	79	56
Charlotte Tilbury Beauty Austria GmbH	Rotenturmstraße, 5-9, Top/512-513, 1010 Vienna (Austria)	EUR	Commercial	79	—

Name of the consolidated subsidiary	Address	Functional currency	Activity	% Ownership	
				2024	2023
Charlotte Tilbury Beauty Canada Inc	C/O Gowling WLG, 160 Elgin Street Suite 2600 Ottawa, Ontario, K1P 1C3, Canada	CAD	Commercial	79	56
Charlotte Tilbury Beauty France SAS	9 Rue du Quatre Septembre, 75002 Paris, France	EUR	Commercial	79	56
Charlotte Tilbury Beauty Germany GmbH (**)	c/o Fieldfisher Partnerschaft von Rechtsanwälten mbB, Amerigo-Vespucci-Platz 1, 20457 Hamburg (Alemania)	EUR	Commercial	79	56
Charlotte Tilbury Beauty Hong Kong Limited	10th Floor, Lee Garden Five, 18 Hysan Avenue, Causeway Bay, Hong Kong	KHD	Commercial	79	56
Charlotte Tilbury Beauty Inc	National Registered Agents Inc., 160 Greentree Drive, Suite 101, Dover, DE 19904. Business Address: 148 Lafayette Street, 2nd Floor, New York, New York, 10013, United States	USD	Commercial	79	56
Charlotte Tilbury Beauty Ireland Limited	6th Floor 2 Grand Canal Square, Dublin 2 D02 A342 Ireland	EUR	Commercial	79	56
Charlotte Tilbury Beauty Korea Limited	(Supyo-dong) 10F, 100 Cheonggyecheon-ro, Jung-gu, Seoul (South Korea)	KRW	Commercial	79	—
Charlotte Tilbury Beauty Kozmetik Limited Sirketi	Dikilitaş Mah. Hakkı Yeten Cad. No: 10N İç Kapı No: 8 Beşiktaş/İstanbul (Turkey)	TRY	Commercial	79	—
Charlotte Tilbury Beauty Limited	8 Surrey Street, London, WC2R 2ND, United Kingdom	GBP	Commercial	79	56
Charlotte Tilbury Beauty Limited – Filiale a Italia	Piazza San Fedele 2, Milan, CAP 20121 (Italy)	EUR	Commercial	79	56
Charlotte Tilbury Beauty Limited España	Calle Maldonado, 4 28006 Madrid(Spain)	EUR	Commercial	79	56
Charlotte Tilbury Beauty Netherlands BV (**)	Regus, Amsterdam Sloterdijk, Kingsfordweg 151, Amsterdam, 1043 GR, Netherlands	GBP	Commercial	79	56
Charlotte Tilbury Beauty Poland spzoo	61-730 Poznan, Mlynska, 16 Piertro 8, Poland	PLN	Commercial	79	56
Charlotte Tilbury Beauty Propco US LLC	C/O Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, United States	USD	Commercial	79	56
Charlotte Tilbury Beauty Switzerland AG	c/o Format A AG, Wiesenstrasse 9 8008 Zurich (Switzerland)	CHF	Commercial	79	56
Charlotte Tilbury Limited	280 Bishopsgate, London EC2M 4AG, London, England, UK	GBP	Holding	79	56
Charlotte Tilbury TM Limited	280 Bishopsgate, London, United Kingdom, EC2M 4RB	GBP	Commercial	79	56
Charlotte Tilbury Beauty Mexico S.A. de CV	Avenida Patriotismo 229 Pisos 7 y 8, Colonia San Pedro de los Pinos, Ciudad de México, 03800, Mexico	MXN	Commercial	100	—
Cosmetika S.A.S.	Cra 7 # 180 - 75 Módulo 4 -14, Bogota, Colombia	COP	Commercial	67	67
Creano NV	Godefriduskaai, 36, 2000 Antwerp, Belgium	EUR	Holding	100	100
Distribuidora Puig Chile Limitada	Avenida del Valle, 869, Piso 6, 580000,Comuna de Huechuraba, Chile	CLP	Commercial	100	100
DNV S.A.R.L.	3 Rue du Plâtre, 75004 Paris, France	EUR	Commercial	100	100
Dries Van Noten (Shanghai) Commercial Trading Co., Ltd.	Room 302, No. 9 building, No 696 Wei Hai Road, Jing An , district, Shanghai, China	CNY	Commercial	100	100
Dries Van Noten Group NV	Godefriduskaai, 36, 2000 Antwerp, Belgium	EUR	Holding	100	100
DVN USA CORP	90, State Street, Suite 700, Office 40, 12207, Albany, New York, United States	USD	Commercial	100	100
Etablissement Thermale d'Uriage S.A.S.	40-52, boulevard du Parc 92200 Neuilly-sur-Seine / Establishment: 60 Place Déesse Hygie 38410 Saint-Martin-d'Uriage, France	EUR	Commercial	100	100

Name of the consolidated subsidiary	Address	Functional currency	Activity	% Ownership	
				2024	2023
Het Modepaleis NV	Godefriduskaai, 36, 2000 Antwerp, Belgium	EUR	Commercial	100	100
Hôtel Restaurant les terrasses d'Uriage S.A.S.	Registered: 40-52, boulevard du Parc 92200 Neuilly-sur-Seine / Establishment: 60 Place Déesse Hygie 38410 Saint-Martin-d'Uriage, France	EUR	Commercial	100	100
Islestarr Holdings Limited	8 Surrey Street, London, WC2R 2ND, United Kingdom	GBP	Holding and commercial	79	56
Jean Paul Gaultier, S.A.S.	325 Rue Saint Martin, 75003 Paris, France	EUR	Commercial	100	100
Kama Ayurveda Private Ltd	K3, Jungpura Extension, New Delhi – 110014, India	INR	Manufacturing and commercial	85	85
L'Artisan Parfumeur S.A.R.L.	1 Rue Charles Tellier zone industrielle de Beaulieu 28000 Chartres, France	EUR	Commercial	100	100
Laboratoires Dermatologiques D'Uriage Deutschland GmbH	Änderung zur Geschäftsanschrift Zirkusweg 2, 20359 Hamburg (Germany)	EUR	Commercial	100	100
Laboratoires Dermatologiques D'Uriage Espagne S.L.U.	Calle Cardenal Marcelo Spinola 4, 1º, 28016, Madrid, Spain	EUR	Commercial	100	100
Laboratoires Dermatologiques D'Uriage France S.A.S.	40-52, boulevard du Parc 92200 Neuilly-sur-Seine, France	EUR	Commercial	100	100
Laboratoires Dermatologiques D'Uriage Italie S.R.L	Via Maurizio Gonzaga n° 7 CAP 20123 Milano (Italia)	EUR	Commercial	100	100
Laboratoires Dermatologiques D'Uriage Portugal S.A.	Alameda dos Oceanos, Edifício Espace, Lote 1.06.1.4, Piso 3, Bloco A 1990-207 Lisbon, Portugal	EUR	Commercial	100	100
Laboratoires Dermatologiques D'Uriage Russie LLC	4, Yakimanskaya Naberezhnava, Building 1, 119180 Moscow, Russia	RUB	Commercial	100	100
LDU Belux S.R.L.	Boulevard International 55 boite D – 1070 Anderlecht, Belgium	EUR	Commercial	100	100
Lendemain Distribution Inc.	630 5th Ave, 32nd Floor, New York, NY 10111, United Estates	USD	Commercial	100	100
Nina Ricci S.A.R.L.	39 Ave. Montaigne, 75008, Paris, France	EUR	Commercial	100	100
Paco Rabanne, S.A.S.	17 Rue François 1er, 75008 Paris, France	EUR	Commercial	100	100
Penhaligon's Inc.	630 5th Ave, 32nd Floor, New York, NY 10111, United Estates	USD	Commercial	100	100
Penhaligon's Ltd.	6 Dryden Street, London, England, WC2E 9NH	GBP	Commercial	100	100
Puig (Taiwan) Ltd. (Penhaligon's Taiwan Ltd.)	18F., No. 97, Songren Rd., Xinyi Dist, Taipei City, Taiwan (Province of China)	TWD	Commercial	100	100
Penhaligon's (Singapore) Pte. Ltd.	18 Cross Street, #14-01, Cross Street Exchange, Singapore, 048423	SGD	Commercial	100	100
Perfumes e Cosméticos Puig Portugal Distribuidora S.A.	Rua Castilho 71, 4º direito, 1250-068, Lisbon, Portugal	EUR	Commercial	100	100
Prado Investments Limited	280 Bishopsgate, London EC2M 4AG, London, England, UK	GBP	Holding	100	86
Puig Hong Kong Ltd (Penhaligon's Pacific Ltd.)	20/F., West Exchange Tower, 322 Des Voeux Road Central, Sheung Wan, Hong Kong	HKD	Commercial	100	100
Puig Macau Limited (Penhaligon's (Macau) Limited)	Av. de Praia Grande 371, Edificio Keng Ou, 22 andar A, Macau	MOP	Commercial	100	100
Puig (Shanghai) Business Trading Co., Ltd.	Room 4, 5 of 28/F (with physical floor at 24/F on property certificate), No. 1717, West Nanjing Road, Jing'an Dist, Shanghai, China	CNY	Commercial	100	100

Name of the consolidated subsidiary	Address	Functional currency	Activity	% Ownership	
				2024	2023
Puig Arabia Limited (Al Farida International Beauty Ltd Co.) (*)	Real Building 3824, Sari Street , Al Zahra'a District, 23424 Jeddah, Kingdom of Saudi Arabia [more accurate address]	USD	Commercial	65	65
Puig Argentina S.A.	Calle Suipacha 1.111, 18º, C1008AAW, Buenos Aires, Argentina	ARS	Commercial	100	100
Puig Asia Pacific Pte Ltd. (*)	12 Tai Seng Street, Luxasia Building, Level 6, Singapore 534118	SGD	Commercial	100	100
Puig Belux, S.A.	Boulevard International 55D, 1070 Bruxelles, Belgium	EUR	Commercial	100	100
Puig Brands, S.A.	Plaza Europa 46-48, Hospitalet de Llobregat, Barcelona, Spain	EUR	Parent Company	100	100
Puig Brasil Comercializadora de Perfumes, Ltda.	Avenida das Americas nº 3301,Bloque 03, Salas 202 E301 Barra da Tijuca, Rio de Janeiro, Brazil	BRL	Commercial	100	100
Puig Canada Inc.	2360 Bristol Circle, Suite 300, Oakville, Ontario L6H 6M5, Canada	CAD	Commercial	100	100
Puig Colombia S.A.S.	Cra. 10 NO. 97ª -13 Oficina 705, Torre A Bogota D.C., Colombia	COP	Commercial	100	100
Puig Derma Trading (Shanghai) Co. Ltd.	2525 Wheelock Square, 25F Unit, 1717 West Nanjing Road, Jingan 200040, Shanghai, China	CNY	Commercial	100	100
Puig Deutschland, GmbH (**)	Astraturm Zirkusweg 2 D-20359, Hamburg, Germany	EUR	Commercial	100	100
Puig Emirates LLC (*)	Dubai Design District FZ LLC, D3, Building 07, 2nd Floor, Dubai, UAE	USD	Commercial	65	65
Puig France S.A.S.	65-67 Av. des Champs Elysées 75008 Paris, France	EUR	Manufacturing and commercial	100	100
Puig India Private Limited	3 Jangpura Extension, Commercial Complex, New Delhi, 110014, India	INR	Commercial	100	100
Puig International, S.A. (formerly Lesim)	Business Park Terre-Bonne, Bâtiment A4, Route de Crassier 17, 1262 Eysins, Switzerland	EUR	Holding and commercial	100	100
Puig Italia, S.r.l.	Via San Prospero 1, 20123 Milan, Italy	EUR	Commercial	100	100
Puig Japan, K.K.	6-12-18 Jingumae, Shibuya-Ku,Tokyo, 150-0001, Japan	JPY	Commercial	100	100
Puig Korea LLC	Unit 803, 191, Itaewon-ro, Yongsan-gu, Seoul, Korea	KRW	Commercial	100	100
Puig Malaysia Sdn. Bhd. (*)	Unit 30-01, level 30-01, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	MYR	Commercial	51	51
Puig Mexico, S.A. de C.V.	Jaime Balmes 11, Torre C, Piso 3, Plaza Polanco, Los Morales, Delegación Miguel Hidalgo, 11510, México Distrito Federal, Mexico	MXN	Commercial	100	100
Puig Middle East FZCO (*)	Registered office: Jebel Ali Free Zone and is P.O.Box 17640, Jebel Ali Free Zone, Dubai, UAE Branch office for correspondence purposes: Dubai Design District FZ LLC, D3-Building 07, 2nd Floor (Offices A202, A203, A204) , UAE	USD	Commercial	65	65
Puig Nederland B.V. (**)	Regus – Hoofddorp, Azura, Saturnusstraat 46-62, 2132 HB Hoofddorp, the Netherlands	EUR	Commercial	100	100
Puig North America, Inc.	630 5th Ave, 32nd Floor, New York, NY 10111, United Estates	USD	Commercial	100	100
Puig Oceania Pty. Ltd.	Suite 502, Level 5, 388 George Street, Sydney NSW 2000, Australia	AUD	Commercial	100	100
Puig Östrerreich, GmbH	Leopold Ungar Platz 2, Stiege 2/ 1. Stock, 1190, Viena, Austria	EUR	Commercial	100	100
Puig Panamá, S.A.	Edificio Scotia Plaza nº 18, Av. Federico Boyd y C/ 51, pisos 9, 10 y 11, Panama City, Panama	USD	Commercial	Liquidated	100

Name of the consolidated subsidiary	Address	Functional currency	Activity	% Ownership	
				2024	2023
Puig Perú, S.A.	Avenida José Larco 1232 piso 9, Oficinas 9-101, 9-102, 9-103 y 9-105, 15074, Miraflores, Lima, Peru	PEN	Commercial	100	100
Puig Retail US, LLC	630 5th Ave, 32nd Floor, New York, NY 10111, USA	USD	Commercial	100	100
Puig Rus, LLC.	Russian Federation, 119180, Moscow Yakimanskaya naberezhnaya, 4, bld.1, Russia	RUB	Commercial	100	100
Puig SEA Pte. Ltd.	12 Tai Seng Street, #05-01 Luxasia Building Singapore 534118, Singapore	SDG	Commercial	51	51
Puig Suisse, S.A.	Business Park Terre-Bonne, Bâtiment A4, Route de Crassier 17, 1262 Eysins, Switzerland	CHF	Commercial	100	100
Puig UK Ltd.	6 Dryden Street, London, England, WC2E 9NH	GBP	Commercial	100	100
Puig USA Inc.	630 5th Ave, 32nd Floor, New York, NY 10111, United Estates	USD	Commercial	100	100
Scent Experience, S.L.U.	Plaza Europa 46-48, Hospitalet de Llobregat, Barcelona, Spain	EUR	Commercial	100	100
Sodifer S.A.R.L.	3 Rue du Plâtre, 75004 Paris, France	EUR	Commercial	100	100
Van Noten Andries NV	Godefriduskaai, 36, 2000 Antwerp, Belgium	EUR	Holding and Commercial	100	100

(*) Subsidiaries with non-controlling interests recognized in the Consolidated balance sheet.
(**) The company does not present audited annual accounts in its country of origin since it benefits from the exemption applied in this country. Puig Nederland B.V. and Charlotte Tilbury Beauty Netherlands BV take advantage of the exemption for the 403 Statement. Puig Deutschland GmbH and Charlotte Tilbury Beauty Germany GmbH benefit from the exemption applied in that country according to Sec. 264 para 3 no. 1 German Commercial Code.

Equity method

Name of the consolidated subsidiary	Address	Functional currency	Activity	% Ownership	
				2024	2023
Beijing Yitian Shidai Trading Co, LLC	B111 Unit, 10-2 buildings first floor, N.94 Dongsi shitiao, Beijing, China	CNY	Commercial	15	15
Isdin, S.A.	Provençals 33, 08019 Barcelona, Spain	EUR	Commercial	50	50
Ponteland Distribuçao, S.A.	Estrada São Domingos, s/n, Lote 14, Parte A, Bairro Boa Esperança, Seropédica, Rio de Janeiro, CEP 23894-080 (Brazil)	BRL	Manufacturing, Commercial	35	35
Sociedad Textil Lonia, S.A.	Parque Empresarial Pereiro de Aguiar, Ourense, Spain	EUR	Manufacturing, Commercial	25	25

Neither in fiscal year 2024 nor in 2023 there are no non-consolidated companies.

Annex II. Entities under tax consolidation regime

The companies included under tax consolidation regime at December 31, 2024 are as follows:

Tax parent company	Name of the consolidated tax subsidiary	Country
Puig, S.L. (*)	Puig Brands, S.A.	Spain
	Antonio Puig, S.A.U.	Spain
	Scent Experience, S.L.U.	Spain
	Apivita Ventures, S.L.U.	Spain
	Laboratoires Dermatologiques D'Uriage Espagne S.L.U.	Spain
Puig France S.A.S.	Puig France S.A.S.	France
	Paco Rabanne, S.A.S.	France
	Nina Ricci S.A.R.L.	France
	Jean Paul Gaultier, S.A.S.	France
	L'Artisan Parfumeur S.A.R.L.	France
Aubelia S.A.S.	Aubelia S.A.S.	France
	Laboratoires Dermatologiques D'Uriage France S.A.S.	France
	Hôtel Restaurant les terrasses d'Uriage S.A.S.	France
	Etablissement Thermales d'Uriage S.A.S.	France
Puig UK Ltd.	Puig UK Ltd.	United Kingdom
	Prado Investments Limited	United Kingdom
	Penhaligon's Ltd.	United Kingdom
	Byredo UK Ltd.	United Kingdom
	Charlotte Tilbury Limited	United Kingdom
	Islestarr Holdings Limited	United Kingdom
	Charlotte Tilbury TM Limited	United Kingdom
	Charlotte Tilbury Beauty Limited	United Kingdom
Puig North America, Inc.	Puig North America, Inc.	United States
	Puig USA Inc.	United States
	Carolina Herrera Ltd.	United States
	Penhaligon's Inc.	United States
	Lendemain Distribution Inc.	United States

(*) On May 27, 2024, Puig, S.L. agreed to change the closing date of the fiscal year, which is now June 30 instead of December 31. Accordingly, and by exception, the fiscal year that began on January 1, 2024, ended on June 30, 2024. The current fiscal year began on July 1, 2024, and will end on June 30, 2025, and so on.

Annex III. Alternative performance measures

Like-for-like net revenues growth

Like-for-like net revenues evolution reflects Puig's organic growth by adjusting net revenues for the impact of:

- Increases in scope/perimeter, by deducting from net revenues for the current year the amount of revenue generated over the months during which the acquired entities/brands were not consolidated in the prior year. For the avoidance of doubt, revenue generated by acquired entities/brands in the current year is included for the months when the acquired entities/brands were also consolidated in the prior year.

- Exchange rates fluctuations, calculated as the difference between current sales at current FX and current sales at previous year FX. This normalizes the impact from currency appreciation/depreciation compared to Euro to reflect the actual underlying performance of the company. This excludes the impact of high-inflation currencies (such as Argentine peso).

Like-for-like growth is used to provide a more homogeneous measure of Net Revenues and to provide a better understanding of the performance of the business.

Net revenues

(Thousand euros)	2023	2024	Growth
Net revenues	4,304,067	4,789,779	11.3 %
Net revenues related to increases in scope/perimeter (*)		(53,559)	(1.2)%
Net revenues related exchange effect rate		35,648	0.8 %
Like-for-like net revenues growth	4,304,067	4,771,868	10.9 %

(Thousand euros)	2022	2023	Growth
Net revenues	3,619,603	4,304,067	18.9 %
Net revenues related to increases in scope/perimeter (*)		(88,605)	(2.4)%
Net revenues related exchange effect rate		82,070	2.3 %
Like-for-like net revenues growth	3,619,603	4,297,532	18.7 %

(*) Increase in scope in 2024 corresponds to the deduction of Net Revenues generated by Dr.Barbara Sturm. Increase in scope in 2023 corresponds to the deduction of Net Revenues generated by Byredo, Kama Ayurveda and Loto del Sur during the months were those companies were not consolidated in 2022.

We use constant perimeter growth to provide a more homogeneous measure of our net revenues by business segment and geography. The following tables provide the reconciliation to the corresponding measure:

Net revenues - by segment

Fragrance and fashion

(Thousand euros)	2023	2024	Growth
Net revenues fragrance and fashion	3,115,001	3,537,998	13.6 %
Net revenues related to increases in scope/perimeter (*)		—	—
Constant perimeter net revenue growth	3,115,001	3,537,998	13.6 %

(Thousand euros)	2022	2023	Growth
Net revenues fragrance and fashion	2,671,524	3,115,001	16.6 %
Net revenues related to increases in scope/perimeter (*)		(72,648)	(2.7)%
Constant perimeter net revenue growth	2,671,524	3,042,353	13.9 %

Makeup

(Thousand euros)	2023	2024	Growth
Net revenues makeup	773,086	763,005	(1.3)%
Net revenues related to increases in scope/perimeter (*)		—	—
Constant perimeter net revenue growth	773,086	763,005	(1.3)%

(Thousand euros)	2022	2023	Growth
Net revenues makeup	626,027	773,086	23.5 %
Net revenues related to increases in scope/perimeter (*)		(2,249)	(0.4)%
Constant perimeter net revenue growth	626,027	770,837	23.1 %

Skincare

(Thousand euros)	2023	2024	Growth
Net revenues skincare	430,854	516,164	19.8 %
Net revenues related to increases in scope/perimeter (*)		(53,559)	(12.4)%
Constant perimeter net revenue growth	430,854	462,605	7.4 %

(Thousand euros)	2022	2023	Growth
Net revenues skincare	329,132	430,854	30.9 %
Net revenues related to increases in scope/perimeter (*)		(13,709)	(4.2)%
Constant perimeter net revenue growth	329,132	417,145	26.7 %

(*) Increase in scope in 2024 corresponds to the deduction of Net Revenues generated by Dr.Barbara Sturm. Increase in scope in 2023 corresponds to the deduction of Net Revenues generated by Byredo, Kama Ayurveda and Loto del Sur during the months were those companies were not consolidated in 2022.

Net revenues - by geography

EMEA

(Thousand euros)	2023	2024	Growth
Net revenues EMEA	2,322,116	2,620,004	12.8 %
Net revenues related to increases in scope/perimeter (*)		(28,284)	(1.2)%
Constant perimeter net revenue growth	2,322,116	2,591,720	11.6 %

(Thousand euros)	2022	2023	Growth
Net revenues EMEA	1,959,897	2,322,116	18.5 %
Net revenues related to increases in scope/perimeter (*)		(28,313)	(1.4)%
Constant perimeter net revenue growth	1,959,897	2,293,803	17.0 %

Americas

(Thousand euros)	2023	2024	Growth
Net revenues Americas	1,542,978	1,714,634	11.1 %
Net revenues related to increases in scope/perimeter (*)		(25,275)	(1.6)%
Constant perimeter net revenue growth	1,542,978	1,689,359	9.5 %

(Thousand euros)	2022	2023	Growth
Net revenues Americas	1,311,885	1,542,978	17.6 %
Net revenues related to increases in scope/perimeter (*)		(18,041)	(1.4)%
Constant perimeter net revenue growth	1,311,885	1,524,937	16.2 %

Asia-Pacific

(Thousand euros)	2023	2024	Growth
Net revenues Asia-Pacific	438,973	455,141	3.7 %
Net revenues related to increases in scope/perimeter (*)		—	—
Constant perimeter net revenue growth	438,973	455,141	3.7 %

(Thousand euros)	2022	2023	Growth
Net revenues Asia-Pacific	347,821	438,973	26.2 %
Net revenues related to increases in scope/perimeter (*)		(42,253)	(12.1)%
Constant perimeter net revenue growth	347,821	396,720	14.1 %

(*) Increase in scope in 2024 corresponds to the deduction of Net Revenues generated by Dr.Barbara Sturm. Increase in scope in 2023 corresponds to the deduction of Net Revenues generated by Byredo, Kama Ayurveda and Loto del Sur during the months were those companies were not consolidated in 2022.

Gross margin

Gross margin is calculated by dividing gross profit by net revenues. We use gross margin to understand the profitability of our core products or services, excluding overhead costs.

(Thousand euros)	2024	2023
Gross profit	3,588,100	3,215,163
Net revenues	4,789,779	4,304,067
Gross margin	74.9 %	74.7 %

Operating margin

Operating margin is calculated by dividing operating profit by net revenues. We use operating margin to measure the efficiency of our core business operations in generating income from regular business activities.

(Thousand euros)	2024	2023
Operating profit	758,714	692,970
Net revenues	4,789,779	4,304,067
Operating margin	15.8 %	16.1 %

EBITDA

EBITDA (Earnings before interest, tax, depreciation and amortization) is an indicator that measures the group's operational profit before financial results, profit/(loss) from associates and joint ventures, taxes, impairments and depreciation and amortization. It is calculated as the operational profit plus depreciation, amortization and impairment losses (only those impairments included in the operational profit).

This measure, although not specifically defined under IFRS, is often referred to and published by companies and is intended to facilitate analysis and comparability.

(Thousand euros)	2024	2023
Operational profit	612,088	679,206
Depreciation and impairment (note 12)	210,495	169,704
EBITDA	822,583	848,910

EBITDA margin

The EBITDA margin is calculated by dividing EBITDA by net revenues. The EBITDA margin measures how the group turns revenue into EBITDA.

(Thousand euros)	2024	2023
EBITDA	822,583	848,910
Net revenues	4,789,779	4,304,067
EBITDA margin	17.2 %	19.7 %

Adjusted EBITDA

Adjusted EBITDA is the EBITDA adjusted by excluding restructuring expenses, acquisition-related expenses of material transactions, gains and losses from the sale of businesses or real estate, and certain non-operating items that are material to the consolidated financial statements.

Adjusted EBITDA provides the reader a view of the ongoing and recurrent EBITDA of the company.

(Thousand euros)	2024	2023
EBITDA	822,583	848,910
Restructuring costs (note 10)	—	1,342
Transaction costs (note 10)	17,825	2,797
IPO costs (note 10)	119,473	5,168
Others (note 10)	9,328	4,457
Adjusted EBITDA	969,209	862,674

Adjusted EBITDA margin

The EBITDA adjusted margin is calculated by dividing adjusted EBITDA by net revenues. The adjusted EBITDA margin measures how the group turns revenue into EBITDA.

(Thousand euros)	2024	2023
Adjusted EBITDA	969,209	862,674
Net revenues	4,789,779	4,304,067
Adjusted EBITDA margin	20.2 %	20.0 %

Adjusted Net Profit

Means our IFRS Net profit excluding non-recurring items.

Adjusted Net profit provides to the reader a view of the ongoing and recurring results of the company.

The reconciliation between the APM and the figures corresponding to the consolidated statement of financial position of December 31, 2024 and 2023 are shown below:

(Thousand euros)	2024	2023
Net profit attributable to the parent company	530,649	465,209
Other operational income and expenses (note 10)	146,626	13,764
Other finance income and costs (note 13)	(86,591)	6,201
Tax effect on adjusted items	(36,546)	(1,546)
Minority interest on adjusted items	(2,815)	(6,091)
Adjusted net profit attributable to the parent company	551,323	477,537

Adjusted Net Profit Margin

The Adjusted net profit margin is calculated by dividing Adjusted net profit by Net revenues.

(Thousand euros)	2024	2023
Adjusted net profit attributable to the parent company	551,323	477,537
Net Revenues	4,789,779	4,304,067
Adjusted net profit margin	11.5 %	11.1 %

Adjusted earnings per share

The Adjusted earnings per share is calculated by dividing Adjusted net profit by the average of shares outstanding (note 24):

(Thousand euros)	2024	2023 (restated)	2023
Adjusted net profit attributable to the Parent Company	551,323	477,537	477,537
Average of shares	545,395,746	545,395,746	379,513,507
Treasury shares	4,886,667	6,450,627	6,450,627
Average of shares to determine earnings per share	540,509,079	538,945,119	373,062,880
Adjusted earnings per share (euro)	1.02	0.89	1.28

In 2024, we have restated the earnings per share for 2023 due to the IPO and its effects on the average number of shares during the period, in accordance with IAS 33.

Net Debt

Net debt is one of the indicators used by management to measure the level of the group's debt.

It includes current and non-current bank borrowings and other interest-bearing loans received, lease liability minus cash and cash equivalents, deposits, bonds and other marketable securities and, loans issued that are interest-bearing.

(Thousand euros)	2024	2023
Non-current bank borrowings (note 25)	1,129,931	1,788,846
Current bank borrowings (note 25)	527,173	358,371
Lease liability (note 17)	397,683	313,635
Loans issued to related parties and employees	(104,011)	(98,251)
Cash and cash equivalents (note 22)	(882,646)	(852,901)
Net debt	1,068,130	1,509,700

Net financial Debt

Net financial debt is one of the indicators used by Management to measure the level of the Group's debt.

It includes current and non-current bank borrowings and other interest-bearing loans received minus cash and cash equivalents, deposits, bonds and other marketable securities and, loans issued that are interest-bearing.

The reconciliation between the APM and the figures corresponding to the consolidated statement of financial position of December 31, 2024 and 2023 are shown below:

(Thousand euros)	2024	2023
Non-current bank borrowings (note 25)	1,129,931	1,788,846
Current bank borrowings (note 25)	527,173	358,371
Loans issued to related parties and employees	(104,011)	(98,251)
Cash and cash equivalents (note 22)	(882,646)	(852,901)
Net financial debt	670,447	1,196,065

2

Consolidated Management Report

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

1. Corporate information

We are a home of Love Brands. Our Love Brands resonate with and are loved by consumers, creating strong emotional bonds with them.

We are a family business with 110 years of history. The Puig Family is the backbone of the Company's values, which have been passed on for the last three generations, as well as its vision, which has defined the pillars of our strategy. This vision allows us to focus on the long-term perspective for our brands, our Company, and our stakeholders.

We want our brands to foster wellness, make our consumers and followers feel more confident, and empower them to express their true selves better. And all this, with a deep-rooted commitment to leaving behind a better world for future generations.

Who we are: our Premium Love Brands

We are a global player in the premium beauty industry, present in the Fragrance and Fashion, Makeup and Skincare business segments. We have a portfolio of premium Love Brands, consisting of 17 global brands from ten different countries with a strong and authentic identity as well as strategic complementarity.

We have carefully built our brand portfolio over decades by nurturing our own brands and partnering with visionary founders with whom we have established successful and long-lasting relationships through shared values and an aligned brand-building vision to integrate these brands into our portfolio, while maintaining the authenticity of each of these brands. We have curated our portfolio to provide strategic complementarity and diversification, as well as to achieve long-term growth.

Puig portfolio includes our brands Rabanne, Carolina Herrera, Charlotte Tilbury, Jean Paul Gaultier, Nina Ricci, Dries Van Noten, Byredo, Penhaligon's, L'Artisan Parfumeur, Uriage, Apivita, Kama Ayurveda and Loto del Sur as well as the beauty licenses of Christian Louboutin, Banderas and Adolfo Dominguez, among others. Additionally, from January 1st 2024, we have added another brand to our portfolio (Dr.Barbara Sturm).

We are a scaled, global business

We manage our worldwide presence from our Barcelona headquarters, supported by three regional hubs located in Paris, London, and New York. We have six manufacturing facilities in Europe and one in India, with brand headquarters and subsidiaries in 32 countries and employ over 12,100 people. We also have robust commercial reach through distributors and retailers, and more than 300 own stores around the world, resulting in our products being sold in more than 150 countries.
We conduct our business in three geographic segments: EMEA, the Americas and Asia-Pacific, which represented 54.7%, 35.8% and 9.5% respectively of our net revenues in 2024.

We sell our products through (i) physical channels (brick and mortar), such as department stores, selective retailers, pharmacies, drugstores, travel retail, spas and our own stores (314 and 276 own stores as of December 31, 2024 and 2023, respectively); and (ii) digital channels, such as e-commerce connected with our physical channels, online only retailers (pure players) and our brands' own e-commerce platforms.

We are committed to sustainability

Leaving a better world behind for the next generations is core to our purpose, and we are committed to maintaining and improving our sustainability performance. We have a clear ESG strategy across material topics, including a Net Zero emissions commitment by 2050. We maintain transparency in our progress, and have received external validation of our performance (by way of example, EcoVadis: Score of 73/100 Silver Medal; Sustainalytics: 20.9 score; and have been recognized in the CDP A-List for Climate Change.)

2. Business evolution

Business context 2024

2024 was a positive year for the global beauty market despite an environment marked by uncertainty and certain adverse factors, such as:

- An uncertain environment due to geopolitical stress, with ongoing conflicts in various regions all of which impacted slowing economic growth.
- While global inflation levels moderated over the course of the year, the beauty consumer in various jurisdictions has seen their disposable income reduced and adopting a more selective approach to beauty consumption.
- The Chinese market continued to show significant weakness with contraction in both domestic consumer spending and in the travel retail market.

Within the beauty market, the fragrance consumption has shown healthier growth levels compared to both makeup and skincare.

Results for the annual years ended December 31, 2024 and 2023

(Millions of euros, except %)	2024	Y24/Y23 % Variation	2023
Net revenues	4,789.8	11.3 %	4,304.1
Cost of sales	(1,201.7)	10.4 %	(1,088.9)
Gross profit	3,588.1	11.6 %	3,215.2
Distribution expenses	(220.4)	1.2 %	(217.7)
Advertising and promotion expenses	(1,551.3)	15.9 %	(1,338.1)
Selling, general and administrative expenses	(1,057.7)	9.5 %	(966.4)
Operating profit	758.7	9.5 %	693.0
Other operational income and expenses	(146.6)	965.3 %	(13.8)
Operational profit	612.1	(9.9)%	679.2
Financial result	19.4	(122.1)%	(87.4)
Result from associates and impairment of financial assets	61.1	18.9 %	51.3
Profit before tax	692.5	7.7 %	643.2
Income tax	(150.0)	4.7 %	(143.3)
Net profit for the year	542.5	8.5 %	499.9
Non-controlling interests	(11.9)	(65.7)%	(34.7)
Net profit attributable to the Parent Company	530.6	14.1 %	465.2

Net revenues

In 2024, net revenues increased 11.3% to €4,789.8 from €4,304.1 million in 2023, continuing the positive growth trajectory from previous years, reflecting (i) strong organic growth in Puig's core business, Fragrance and Fashion in EMEA and Americas, due to the desirability of our brands and the strong demand of our products that allowed for the increase of value market share; (ii) continued diversification into Skincare where strong organic growth was complemented with the inorganic contribution of Dr.Barbara Sturm, acquired in January 2024; partially offset with (iii) the negative impact of foreign exchange fluctuations; and (iv) the negative contribution of the makeup business segment, that faced various impacts during the year.

Organic growth (Like-for-like) reflects our organic growth by adjusting net revenues for the impact of (i) changes in scope/perimeter, by deducting from net revenues for the relevant year the amount of net revenues generated over the months during which the acquired entities/brands were not consolidated in the prior year and (ii) exchange rates fluctuations, calculated as the difference between net revenues for the relevant year at that year's exchange rates against the euro and net revenues in the that same year at the prior year's exchange rates against the euro, using the annual average exchange rate.

(Millions of euros, except %)	2024	2023	Growth
Net revenues	4,789.8	4,304.1	11.3 %
Net revenues related to increases in scope/perimeter	(53.6)		(1.2)%
Net revenues related exchange effect rate	35.6		0.8 %
Like-for-like net revenues growth	4,771.9	4,304.1	10.9 %

The strong organic growth during the periods under review is 10.9% in 2024 (Like-for-like). The acquisition of Dr.Barbara Sturm in January 2024 contributed +1.2% to net revenue. Meanwhile, exchange rate fluctuations had a negative impact of (0.8%), primarily due to exposure in emerging markets; this was partially offset by the strength of the British pound.

Net revenues by business segment

The following table presents our net revenues by business segment for the years indicated together with the percentage change between years:

(Millions of euros, except %)	2024	Y24/Y23 % Variation	2023
Fragrances and fashion	3,538.0	13.6 %	3,115.0
Makeup	763.0	(1.3)%	773.1
Skin care	516.2	19.8 %	430.9
Eliminations	(27.4)	84.1 %	(14.9)
Total	4,789.8	11.3 %	4,304.1

Net revenues grew at double digits in 2024, with Fragrance and Fashion being the main contributor to this growth, an increase of €423.0 million, or 13.6%, compared to 2023), followed by Makeup (a decrease of €-10.1 million, or (1.3)%, compared to 2023) and Skincare (an increase of €85.3 million, or 19.8%, compared to 2023) as further described below.

The growth in our Fragrance and Fashion business segment during the period under review was primarily due to the growth of both Prestige and Niche brands. The skincare business showed strong organic growth driven mainly by the Derma brands complemented with the acquisition of Dr.Barbara Sturm whereas growth in our Makeup showed a decrease during the year, with a flat Charlotte Tilbury performance and a negative contribution from the smaller make up offerings at Puig.

Fragrance and Fashion

In 2024, net revenues in the Fragrance and Fashion business segment increased by 13.6% to €3,538.0 from €3,115.0 million in 2023. In Fragrance (with Fashion representing less than 5% of our net revenues in 2024), this increase was primarily driven by:

i. An increase in net revenues from the Prestige portfolio category with double digit growth, particularly in North America and EMEA, driven by the success of Puig brands, in particular:

- Rabanne, reaching the €1 billion mark in net revenue for the second time in 2024, supported on launches like “Million Gold”;
- Carolina Herrera leveraging the continued strength of “Good Girl”, reaching the #1 feminine fragrance line in ranking worldwide; and
- Jean Paul Gaultier, which entered the Top 10 of Fragrance brands worldwide in 2024, building in the continued momentum of “Les Males” and “Classiques”;

ii. Significant growth in net revenues coming from the Niche portfolio category, primarily from:

- Penhaligons, L'Artisan Parfumeur and Dries Van Noten which showed consistent performance through 2024, with double digit growth;
- Byredo, after following an increased integration into Puig operations and process showed compelling growth in the second half of 2024.

Makeup

In 2024, net revenues in the Makeup business segment decreased (1.3)% to €763.0 million from €773.1 million in 2023. This reflected a decrease in net revenues primarily as a result of:

i. A flat performance of Charlotte Tilbury, that experienced several impacts during 2024 which included a tougher comparison against a strong 2023 performance further impacted by sell-in and sell-out dynamics including the anniversary effect of the sell-in pipeline into Ulta towards the end of 2023, and specific market dynamics in the Middle East and Asia-Pacific. In addition, the business segment was also impacted by the voluntary withdrawal of select batches of Charlotte Tilbury's Airbrush Flawless Setting Spray at the end of 2024.

ii. The negative performance of Puig's smaller make up offerings.

Skincare

In 2024, net revenues in Skincare, our fastest growing business segment, increased 19.8% to €516.2 from €430.9 million in 2023. This increase was primarily driven by:

i. The strong performance of double digit of Dermo-Cosmetics brands Uriage and Apivita, primarily in EMEA;

ii. The incorporation of Dr.Barbara Sturm in January 2024 that contributed with €54 million.

Net Revenue by geographical segment

The following table presents our net revenues by geographical segment for the years indicated together with the percentage change between years:

(Millions of euros, except %)	2024	Y24/Y23 % Variation	2023
EMEA	2,620.0	12.8 %	2,322.1
Americas	1,714.6	11.1 %	1,543.0
Asia-Pacific	455.1	3.7 %	439.0
Total	4,789.8	11.3 %	4,304.1

In 2024, net revenues grew across all of our geographic segments. EMEA was the main contributor in absolute terms (an increase of €297.9 million or 12.8% growth compared to 2023), followed by the Americas (an increase of €171.6 million or 11.1% growth compared to 2023) and Asia-Pacific (an increase of €16.1 million or 3.7% growth compared to 2023).

EMEA

In 2024, net revenues in EMEA increased 12.8% to €2,620.0 from €2,322.1 million in 2023, reflecting above-market growth in 2024. In particular, growth was led by the Fragrance and Fashion business segment with strong contribution also from both Make Up and Skincare.

Europe is the home market for the majority of our brands, which reinforces our positioning on this continent. Our net revenues grew in the main markets of the region, which by decreasing size are the UK, Spain and France, with these three markets being within our top five worldwide.

In the Middle East, Puig experienced continued growth of fragrances of the Niche category.

Americas

In 2024, net revenues in the Americas increased 11.1% to €1,714.6 from €1,543.0 million in 2023, driven by our three main markets: the US, Brazil, and Mexico. All three are among our top ten markets worldwide.

The Americas geographical segment is divided into two areas with distinct characteristics:

i. in North America (the US and Canada), our top market in terms of net revenues is the US (the largest beauty market in the world), where Fragrance and Fashion was the largest contributor to growth in the region; and

ii. Latin America, the Fragrance and Fashion remained the largest business segment. The region faced increased competition during 2024 and was exposed to negative fluctuations in foreign exchanges in Brazil and Mexico. The positive Argentine Peso hyperinflation adjustment, compared to a negative one in 2023 generated a positive impact in the region.

Asia-Pacific

In 2024, net revenues in Asia-Pacific increased 3.7% to €455.1 from €439.0 million in 2023. The growth experienced was in spite of a challenging market environment, particularly in China, where the market remained subdued. During 2024, Puig benefited from the newly created subsidiaries of Japan, India and South Korea.

Operating profit

Operating profit increased 9% to €758.7 million from €693.0 million in 2023.

(Millions of euros, except %)	2024	Y24/Y23 % Variation	2023
Fragrances and fashion	677.6	15.4 %	587.2
Makeup	44.1	(29.2)%	62.2
Skin care	37.1	(14.9)%	43.6
Total	758.7	9.5 %	693.0

Fragrance and Fashion

In 2024, operating profit for Fragrance and Fashion increased 15% to €677.6 from €587.2 million in 2023. This increase primarily reflects the continued positive performance of our Prestige brands, particularly in our core markets in EMEA and the Americas, where we have a strong presence and leadership positions thereby contributing to greater profitability. In spite of the growth in operating profit for the business segment, Puig maintained strong levels of Advertising and Promotion (A&P) during 2024 to support the growth in the company's brands portfolio.

Makeup

In 2024, operating profit for Makeup decreased (29)% to €44.1 million from €62.2 million in 2023. While Charlotte Tilbury, retained healthy profitability levels, the performance of the smaller make up offerings at Puig, with reduced scale and higher levels of Advertisement and promotion required, impacted negatively in the profitability of the business segment.

Skincare

In 2024, operating profit for Skincare decreased (15)% to €37.1 million from €43.6 million in 2023. This decrease primarily was due to the dilutive effect of the acquisition of Dr.Barbara Sturm, that, as planned, followed an exercise of readjustment of their distribution footprint to prepare the brand for future growth.

3. Treasury shares

In May 2023, Puig Brands acquired 21,000,000 of its shares from its sole shareholder, Puig, S.L., for a total amount of 344,775 thousand euros.

All transactions carried out with treasury shares are detailed in note 23 of the consolidated report.

At December 31, 2024, the Company holds 4,886,667 of treasury shares (Class B Shares) amounting to 80,281 thousand euros.

4. Financial risk management

Foreign currency exchange rate risk management

The Group operates in an international environment and therefore is exposed to exchange rate risk on transactions in currencies, especially with regards to the USD and the GBP (being the euro the functional currency of the Group and the currency of the parent company). Currency risk is associated with future commercial transactions, recognized assets and liabilities, and net investment in foreign currencies.

Puig has a significant portion of sales to customers and to their own subsidiaries as well as certain purchases in currencies other than their functional currency (euro). Hedging instruments are used to reduce the foreign exchange risks arising from the fluctuations of currencies different from the companies' functional currencies.

Before the end of the year, as part of the budget preparation, Puig companies are responsible for identifying the exposure to foreign currency cash flows. The Group centrally analyzes the exposure and arranges the appropriate hedges. The identified foreign exchange risks are hedged using forward contracts or options.

Puig has implemented a strict policy to manage, measure and monitor these risks. The activities are organized based on a clear segregation of duties between the front office, middle office and back office which are responsible for the measurement, hedging and administration and financial control. The hedging strategy must always be presented to the top management for approval.

The financing obtained by Puig is mainly in Euros representing 96% of the total debt (2023: 95%).

Derivative instruments entered into hedge for foreign exchange are accounted for in accordance with hedge accounting principles.

Puig has arranged exchange rate hedges to cover potential fluctuations in foreign currency. Note 29 of the consolidated report presents the effect on our income statement and equity resulting from an appreciation or depreciation of the US dollar and the pound sterling, respectively. Our sensitivity to sterling is mainly due to Charlotte Tilbury's strength in the UK, our largest European market.

Interest rate risk

Puig’s interest rate risk arises from current and non-current borrowings with banks. The objective of Puig is to have a high proportion of borrowings at fixed rate or floating interest rates hedged by interest rates swaps (IRS). The main objective of the management is to protect net profit from the impact of significant changes in interest rates.

Puig uses derivative financial instruments (interest rate swaps) to cover the risk of changes in the interest rates on some loans. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The fair value at December 31, 2024 amounts to 129 thousand euros (2023: 14,891 thousand euros).

An increase of 2% in the market interest rate could result in a financial interest expense increase of 1.5 million euros (2023: €5.9 million).

An increase of 2% in the market interest rate could result in a change of the valuation of the interest rate swaps of 19.7 million euros (33.8 million in 2023).

Credit risk

Credit risk is the risk to which Puig is exposed in the event that a customer or counterparty fails to pay its obligation.

To mitigate this risk Puig has a credit policy and manages its exposure to collection risk in the normal course of its operations. Puig evaluates the credit given to all its customers above a certain amount. Likewise, Puig has a credit insurance for most of its accounts receivable.

The Group recognizes impairment based on its best estimate of the expected losses on trade and other receivables. The main impairment losses recognized are due to specific losses relating to individually identified risks. At year end, these impairment losses are immaterial.

The maximum exposure to credit risk in relation to trade receivables is the amount shown in note 19 above amounting to 583,810 thousand euros (2023: 501,861 thousand euros). Puig customers are reasonably fragmented, so individually none of them represents more than 10% in the overall amount of trade receivables.

Puig has undrawn amounts from credit facilities that can be used to cover operating cash deficits.

Also, to mitigate this credit risk, the Group has transferred this risk to third parties via non-recourse factoring of trade receivables in which case the Group would not retain any credit risk.

Credit risk also arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions. To mitigate this credit risk, the Group only works with banks with strong credit ratings as qualified by international rating agencies. The solvency of these institutions, as indicated in each institution’s credit ratings, is reviewed periodically in order to perform active counterparty risk management.

The assets subject to exposure to credit risk recognized in the balance sheet are detailed in note 29 of the consolidated report.

Liquidity risk

Liquidity risk is the risk that the Group cannot meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure where possible, that it always has sufficient liquidity to settle its obligations at the maturity date.

Puig uses financial planning techniques to manage liquidity risk, taking into consideration the maturity of financial assets and liabilities and cash flow projections. Puig objective is to balance structural requirements and exceptional needs of cash with the loans and overdrafts taken out, to ensure that it will be able to use them depending on its liquidity situation.

As a consequence of the aforementioned the Group considers that it has liquidity and access to medium and long-term financing that allows the Group to ensure the necessary resources to meet the potential commitments for future investments.

Puig has undrawn amounts from credit facilities that can be used to cover operating cash deficits.

The maturities of the main financial liabilities are detailed in note 29 of the consolidated report.

Capital risk management

Puig's objective is to safeguard its capacity to continue managing its recurring activities and the capacity to continue to grow, by optimizing the debt-to-equity ratio and to create value for the shareholder.

The main purpose of Puig capital management is to ensure a financial structure that can optimize capital cost and maintain a solid financial position, in order to access to the financial markets at a competitive cost to cover financing needs.

Puig manages its capital to ensure that certain financial ratios are appropriate to develop its business, maintaining a high level of solvency so that it can provide appropriate returns to its shareholders. The net debt ratio, as well as its calculation, are detailed in note 29 of the consolidated report.

The volume of capital is determined according to existing risks, making the corresponding adjustments to capital in accordance with changes in the economic environment and managed risks.

5. Information on the average payment period to suppliers

The average payment period to suppliers of Spanish companies in accordance with current legislation is detailed in note 31.3 of the attached consolidated report.

Average payment period to suppliers: It will be understood as the weighted average between the ratio of paid operations and the ratio of unpaid operations.

Ratio of paid operations: It will be understood as the weighted difference between the calendar days that have elapsed since the date of receipt of the goods or services (however, in the absence of reliable information about the moment in which this circumstance occurs, the date of receipt of the invoice) until the material payment of the operation.

Ratio of transactions pending payment: It will be understood as the weighted difference between the calendar days that have elapsed since the date of receipt of the goods or services (however, in the absence of reliable information about the moment in which this circumstance occurs, it will be will take the date of receipt of the invoice) until the last day of the period to which the annual accounts refer.

6. Consolidated Non-Financial Information Statement and Sustainability Information

It is included as an Annex to this Management Report, and forms an integral part of it, the Non-Financial Information Statement and Sustainability Report for the 2024 fiscal year.

7. Annual Corporate Governance Report

It is included as an Annex to this Management Report, and forms an integral part of it, the Annual Corporate Governance Report for the 2024 fiscal year, as required by Article 538 of the Spanish Companies Act.

8. Annual Report on Directors' Remuneration

It is included as an Annex to this Management Report, and forms an integral part of it, the Annual Report on Directors' Remuneration for the 2024 fiscal year, as required by Article 538 of the Spanish Companies Act.

9. Production, research and development activities and social aspects

Production costs

We require high quality raw materials in order to manufacture our products, such as essential oils and alcohols, and also glass containers and packaging components, which we purchase from various third parties. The market price for raw materials that we require for our business depends on a wide array of factors that are out of our control and that are very difficult to predict, such as scarcity, competition between suppliers, fluctuations in raw materials indices, and inflation.

We have limited exposure to energy and commodity costs, which do not make up a large part of our operating expenses, and strong pricing power among consumers due to the high margins that characterize the premium segment of the beauty industry.

Research and development activities

As part of our strategy to lead innovation within the industry, Puig consistently promotes the entrepreneurial spirit of its brands and of the people who are part of the company.

Developing and launching new products helps maintain the appeal of Puig brands, increases customer loyalty, and encourages purchasing. The company's focus on this area is a critical component of its growth plan and its performance will depend, in part, on its ability to continue to be innovative and launch new products.

Product design is conducted internally, together with key partners, to ensure consistency and strengthen the character and identity of each brand. The process starts with an innovative idea at the core of the brand, which is worked on hand-in-hand with innovation and development teams to bring it to reality.

People

The most valuable asset that Puig has is its people. 2023 was marked by the review and launch of a new version of the Ethical Code, which establishes the framework for the behavior expected of everyone who works at Puig, as well as third parties who work with Puig.

The success of Puig as a company lies in the talent of the people who work for it. As the company faces new challenges, it becomes necessary to capture what is happening in the world and bring new and diverse perspectives.

For this reason the updated version of the Ethical Code, launched in 2023, reaffirms the Puig determination to become a benchmark for sustainable change, prioritizing environmental sustainability, diversity awareness, and respect.

Puig is aware of the critical importance of attracting, developing and retaining talented employees, and that the Puig working environment is characterized by a human rights-friendly, inclusive and non-discriminatory culture, as well as the need to adapt to a changing world.

In line with these commitments, a number of milestones occurred in 2024:

- In May 2024, Puig successfully completed its €2.7 billion initial public offering (IPO), of which €1.25 billion were primary proceeds. Puig was subsequently included in the IBEX 35 index, solidifying its position as a prominent player in the Spanish stock market.
- Acquisition of a majority stake in Dr.Barbara Sturm, enhancing Puig's presence in the premium Skincare business segment.
- Unveiled a new visual identity with a redesigned logo, paying tribute to Puig's legacy and future, placing creativity and core values at the center.
- Inaugurated the second Puig Tower at its Barcelona headquarters and new offices in New York and London, further supporting its global expansion.
- Celebrated its first-ever global ESG event, uniting employees to share and embrace Puig's social and environmental objectives while encouraging sustainable daily practices.
- Partnered with the United Nations Women's Empowerment Principles (WEPs) to advance Puig's efforts towards gender equality.
- Launched the Puig Human Rights Policy, applying it across all Puig businesses globally.
- Introduced the Puig Ethical Code training, aligned with the company's renewed ambitions and applied to all its businesses worldwide.
- Served as a Global Partner for the 37th America's Cup and as the Naming Partner for the inaugural Puig Women's America's Cup, highlighting Puig's dedication to gender equality in sailing.

10. Subsequent events

No significant subsequent events have occurred as of the date of preparation of the consolidated annual accounts.

The Board of Directors of Puig Brands, S.A., as of February 26, 2025, prepares the consolidated annual accounts in accordance with the International Financial Reporting Standards adopted by the European Union (composed of the consolidated balance sheet, the consolidated income statement , the consolidated statement of comprehensive income, the statement of changes in consolidated net worth, the consolidated statement of cash flows, the consolidated annual accounts report and the consolidated management report) corresponding to the annual year ended on December 31, 2024.

Mr. Marc Puig Guasch
Chairman and CEO

Mr. Manuel Puig Rocha
Vice Chairman

Mr. Rafael Cerezo Laporta
Board member

Mr. Patrick Raji Chalhoub
Board member

Mr. Jordi Constans Fernández
(identified in his passport as Jorge Valentín Constans Fernández)
Lead Director

Ms. Ángeles García-Poveda Morera
Board member

Mr. Daniel Lalonde
Board member

Ms. Christine Ann Mei
Board member

Mr. Nicolas Mirzayantz
Board member

Mr. Josep Oliu Creus
Board member

Mr. Yiannis Petrides
(identified in his passport as Ioannis Petrides)
Board member

Ms. María Dolores Dancausa Treviño
Board member

Ms. Tina Müller
Board member

Consolidated Non-Financial Information Statement and Sustainability Information

2024

(Translation of a report officially issued in Spanish. In the event of a discrepancy, the Spanish language version prevails)

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Basis for the Preparation

Basis for Preparation of the Consolidated Non-Financial Information Statement and sustainability information

This Report complies with the requirements of Law 11/2018, of December 28, which amends the Commercial Code, the Law on Capital Companies (Royal Legislative Decree 1/ 2010, of July 2), and Law 22/2015, of July 20, on Account Auditing, in matters of non-financial information and diversity. It follows the European Commission's non-financial reporting guidelines (2017/C 215/01) under Directive 2014/95/EU and adheres to the European Sustainability Reporting Standards (ESRS) established under the Corporate Sustainability Reporting Directive (CSRD).

Prepared on a consolidated basis, this Consolidated Non-Financial Information Statement and sustainability information aligns with the Puig's financial statement scope, covering Puig Brands, S.A. and all its subsidiaries in consolidated financial reporting. Any information beyond this scope is duly specified.

As required by Law 11/2018, this Report for the 2024 financial year (January 1 - December 31), provides information on human rights and the fight against corruption and bribery, environmental, social and personnel-related matters that are relevant for Puig in the execution of its activities and in those locations in which it operates, following the criteria of materiality, relevance, comparability and reliability.

This Report constitutes the Consolidated Non-Financial Information Statement and sustainability information that sets out current regulations and forms part of the Consolidated Management Report that is presented with the Consolidated Annual Accounts of Puig. It is publicly available on www.puig.com.

At the end of 2024, Puig conducted a double materiality analysis in accordance with the ESRS and EFRAG methodology, covering the entire value chain, identifying material Impacts, Risks and Opportunities upstream, downstream and in Puig's operations.

Puig has not made use of the option to omit information corresponding to intellectual property, know-how or the results of innovation or the exemption from disclosure of impending developments or matters in the course of negotiation.

The data required by the aforementioned Law 11/2018 and the European Sustainability Reporting Standards (ESRS) contained in this Report has been duly verified by an external body.

For general inquiries, stakeholders may contact the Global Corporate Communications department at Plaza Europa, 46-48. 08902, L'Hospitalet de Llobregat, Barcelona, or email corporate.communications@puig.com.

Disclosures in relation to Specific Circumstances

Regarding the year 2024, the CSRD has not been transposed into the Spanish legislative framework. Therefore, Puig voluntarily elaborates the 2024 report aligned with CSRD requirements. That said, this report also includes some annexes to comply with the current non-financial information reporting law in Spain (Law 11/2018).

Puig has also followed the recommendations of the TCFD/IFRS S2, TNFD, UN Global Compact and SASB.

Value chain estimation

The estimated information in the report is mainly linked to Puig's carbon footprint data. The whole Puig carbon footprint in 2024 contains a 13% of estimated data, specifically in scope 3 categories, with a 12,04% in upstream categories and 38,52% in downstream categories, which weight 94% and 5% respectively over total data (remaining 1% consists on own operations).

The estimation of these data that are not available as primary or secondary source, is done following one of these three methodologies:

1. Use of historical data, to which trends and seasonality are added.
2. Using net revenue and comparing with similar business units and business segments among Puig.
3. For Fashion businesses, Puig has a prototype for the calculation that was developed a couple of years ago.

The low volume of estimated data, the consolidated experience of the company in the calculation and the systems in place to monitor any evolution or change ensure that the result presents a high level of accuracy.

The company plans to increase the volume of primary and secondary data, particularly from Fashion houses, in the near future. Additionally, it will strive to achieve a higher volume of on-time data reception to reduce the estimates for the last part of the year.

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Message from the Chairman and CEO



2024: A Landmark Year of Transformation and Historic Milestones

In 2024, Puig marked a significant chapter in its history, celebrating its 110th anniversary while embarking on a new journey as a publicly listed company. This milestone reflects both the strength of the founding family's legacy and our ambition to remain and further strengthen our position as a key player in the premium beauty and fashion industry.

Our performance reflects Puig's ability to navigate an evolving market landscape, achieving record net revenue of €4,790 million (+11.3% vs 2023), adjusted EBITDA of €969 million (representing 20.2% of sales), adjusted net profit of €551 million (representing 11.5% of sales) and net profit attributed to shareholder before adding back extraordinary expenses of €531 million (which represents 11.1% of sales). Once again, these figures represent the best results in Puig's history, surpassing what we had expected to achieve in 2025 (€4.5 billion) one year ahead of expectations, presented in early 2021 as part of our vision 2025. This achievement reflects the effectiveness of our strategy and the dedication of our more than 12,100 passionate people who are part of Puig, and who have done tremendous work in a year that saw both challenges and achievements.

The most transformative event of the year was Puig's IPO, which became a reality with the bell-ringing ceremony on May 3rd, three months later Puig was included into the IBEX 35. It was the largest IPO in Europe since 2022, a testament to the interest that our story created in the investor community, and a milestone achieved thanks to the contributions of many people over many years, contributions which were recognized with an extraordinary award.

Our decision to go public has triggered a number of additional initiatives, such as the introduction of a renewed brand identity that underscores who we are, what we do, and what we stand for as a global company. This new brand identity shares our purpose, values, and way of doing business -the Puig way-, our premium Love Brands, our ecosystem of founders and our roots in Barcelona. And, at the same time, it digs deeply into our legacy and defines our company as a Home of Creativity: a place where our brands can shine, and where our people can grow.

We have also increased our international profile and visibility through the sponsoring of the first-ever Puig's Women's America's Cup. This historic event took place in Barcelona, our hometown, and is strongly aligned with our maritime heritage and purpose. Through it we have proudly contributed to enhancing women's inclusion and to inspiring the next generation of female sailors. And this was on top of being global beauty sponsor of the America's Cup and organizing an historic edition of the Puig Vela Clàssica Barcelona regatta.

We signaled our international growth with the inauguration of a second tower which significantly expanded our headquarters in Barcelona. The inauguration was attended by Their Majesties the King and the Queen of Spain. And we have also opened new offices in New York's Rockefeller Center and London's Covent Garden, strengthening our presence in our three largest markets: US, UK and Spain.

Driving growth across business segments and markets

The Fragrance and Fashion business segment remained a key growth driver, achieving net revenue of €3,538 million, a 13.6% increase compared to 2023. Growth was driven primarily by consistent performances across the Prestige fragrance portfolio, such as Carolina Herrera's Good Girl achieving a key milestone as top 1 feminine fragrance line ranking worldwide for the first time ever. Jean Paul Gaultier completed an outstanding year that saw the brand entering the top 10 fragrance brand rankings for the first time in its history, joining Carolina Herrera and Rabanne. And Le Male became #3 masculine fragrance line worldwide joining One Million by Rabanne, #4 masculine fragrance line worldwide, in the top 5 masculine fragrance line worldwide ranking. This growth was complemented by new product launches and range extensions, such as the launch of Million Gold by Rabanne, or Vénus de Nina Ricci, the first new fragrance from the brand in 10 years. This drove Puig's global Value Market Share (VMS) in selective fragrances to 11.5%, further solidifying its leadership in key regions.

Puig continued to expand its unique Niche fragrance offerings with a series of launches at Penhaligon's, Byredo, Dries Van Noten, and L'Artisan Parfumeur.

The fashion industry saw the farewell of Dries Van Noten, a visionary founder who will remain a part of the brand's creative journey, but will now be actively led by the recently appointed Creative Director Julian Klausner. At Nina Ricci, Harris Reed's artistic vision continued to take shape, while Wes Gordon at Carolina Herrera and Julien Dossena at Rabanne maintained their focus on reinforcing the brands' creative evolution. The collaborative approach pioneered by Jean Paul Gaultier featuring guest designers continued to captivate both young audiences and industry experts alike.

Skincare, a strategic priority for Puig, was the fastest-growing business segment with revenues reaching €516 million (+19.8% vs 2023). We acquired Dr. Barbara Sturm, a leader in premium Skincare, and successfully included it in the Niche portfolio of our Love Brands, strengthening our presence in this dynamic market and emphasizing our dedication to science-backed beauty solutions. The Dermo-Cosmetics brands Uriage and Apivita delivered solid performances, while the consolidation of Skincare Wellness brands Kama Ayurveda and Loto del Sur further diversified our skincare offering to meet evolving consumer needs.

In the Makeup business segment Puig reinforced its leadership with revenues of €763 million, a decrease of (1.3%) vs 2023. Our largest contributor to makeup, Charlotte Tilbury, posted a flat performance in the segment versus 2023. This was the result of several factors, including a tougher comparison with a strong 2023 performance, further impacted by specific sell-in / sell-out dynamics. In spite of softer revenue growth, Charlotte Tilbury kept its #1 Prestige Makeup brand position in the UK and #3 position in the US while expanding into new markets. Additionally, we have proudly extended our strategic partnership with founder and makeup artist Charlotte Tilbury MBE to keep driving the brand's long-term success together.

Puig's growth trajectory has been consistent across all major regions, with double-digit revenue growth in EMEA and Americas, while the Asia-Pacific region remained a strategic focus with steady progress despite external challenges.

Commitment to sustainability and positive impact

Our ESG (Environment, Social and Governance) commitments remain central to our long-term strategy. Puig continued to advance its 2030 ESG Agenda with clear progress in achieving our net-zero targets, as validated by the Science Based Targets initiative (SBTi) in June 2024. We take pride in being recognized by CDP's A-list for Climate and receiving a strong Sustainalytics score, reinforcing our dedication to sustainability and responsible business practices.

Our purpose-driven brands continued to lead sustainability and social responsibility initiatives, fostering cross-sector collaboration to drive meaningful change. Apivita's Billion Bees project raises awareness of the vital role of bees in our ecosystem while working toward the ambitious goal of regenerating over 30 billion bees by 2028, positioning the brand as a leader in bee-friendly beauty. Carolina Herrera stands as a tribute to women artists from all walks of life and discipline through 'Carolina Herrera for Women in the Arts'. This platform aims to champion female creativity from every angle, with academic training, patronage, or simply providing the stage for female artistic brilliance. Among its many initiatives, the brand has collaborated with Mexican artists for the Resort 25 show, reinforcing its support for craftsmanship and heritage. Jean Paul Gaultier sustains its long-term commitment to champion diversity and inclusion. From the richness of their cast and ambassadors to the respect of local traditions and yearly partnerships with associations sharing common values, Jean Paul Gaultier continues to celebrate differences in all forms since 1976: all cultures, all bodies, all genders. Charlotte Tilbury continues its partnership with The Prince's Trust, founded by His Majesty King Charles III when he was HRH The Prince of Wales, specifically supporting the Enterprise Programme, which is dedicated to helping the next generation of entrepreneurs bring their dreams to life. These are just a few examples of the many initiatives carried out by our Love Brands, each contributing to a more sustainable, inclusive, and purpose-driven future.

This year, Puig has advanced its efforts towards gender equality by signing the UN Women's Empowerment Principles and has established a unified framework across the company with regard to human rights.

The VIII edition of Makers, under the Invisible Beauty social action program of Puig, has resulted in a long-term agreement, led by Rabanne, with Mentoring Matters, a global non-profit organization that aims to promote equity and opportunity within creative industries.

We have also launched a global training initiative on the Ethical Code to equip all Puig teams with the knowledge to uphold the highest ethical standards in their daily work and promote a speak up culture through our Reporting Channel, as well as an Inclusion survey to keep making progress with out people on this relevant subject.

Looking to the future with confidence

As we reflect on the past year, Puig's continued success is a testament to our way of doing business -the Puig way-, the dedication of our people, the strength of our brands, and our ability to adapt to change while remaining true to our core values. Looking ahead to 2025 and beyond, we remain focused on fostering a culture of creativity, driving innovation, and delivering sustainable growth.

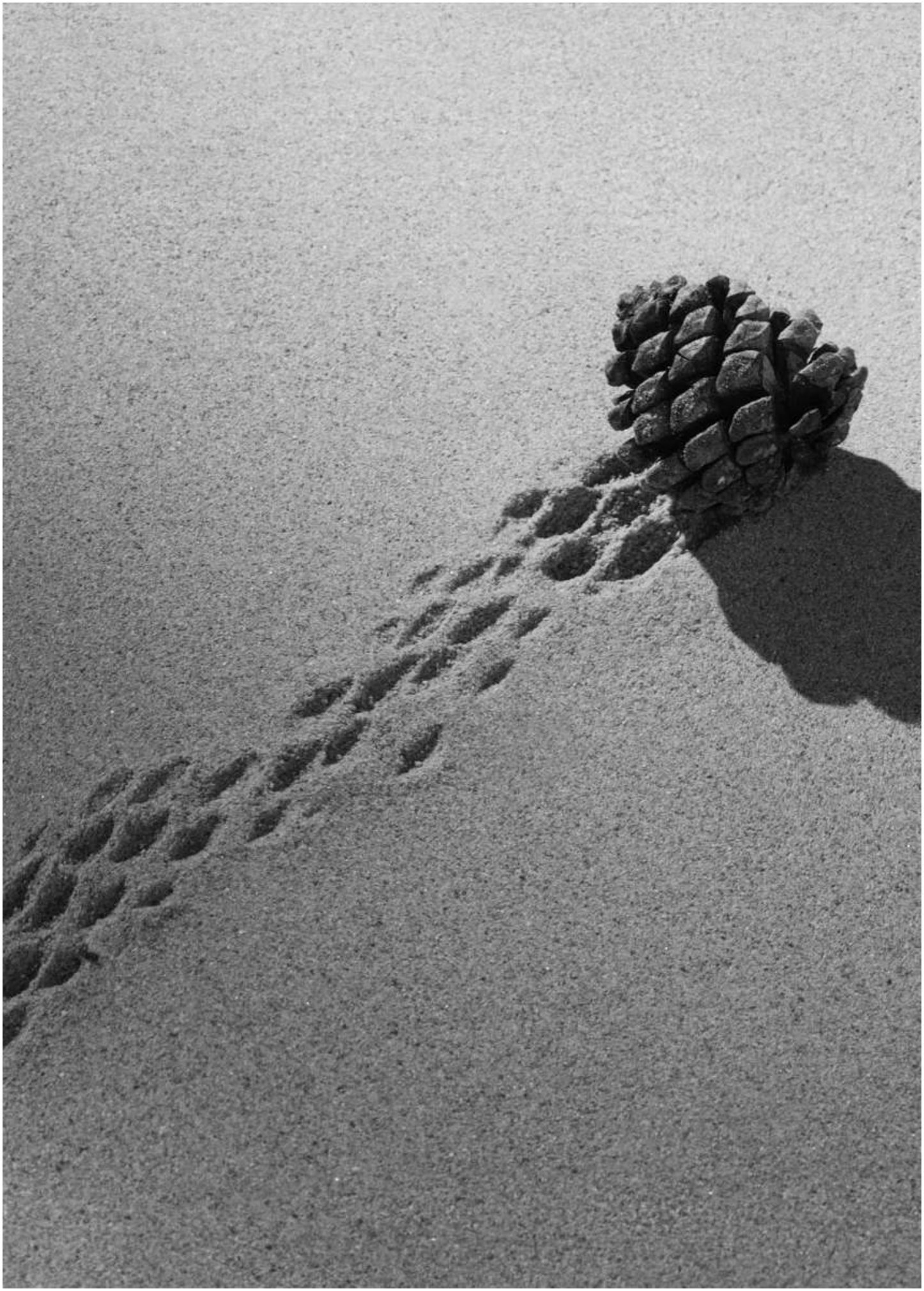
— Marc Puig
Chairman and CEO

2

Company Profile

€4,790 M	Net Revenue (+11.3% vs 2023)
€551 M	Adjusted Net Profit (11.5% of Net Revenue)
17	Premium Love Brands from 10 different countries
(23.2)%	GHG emissions (tCO_2e) per €M of net revenue vs 2023
32	Headquarters, Brand headquarters and Subsidiary offices globally
7	Production plants in four countries
12,116	Collaborative professionals in 36 locations
ESG	Puig, a company committed to being a reference in ESG in the industry

Score: Climate A Water Security A- Forests B (timber) and B (palm oil)	Score of 20.9 (Medium Risk)	Score of 73/100 Silver Medal (Top 15% rated companies) (Evaluated in 2025)



A Home of Love Brands

Our Purpose

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

Our Values

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

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

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

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

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

A Home of Creativity

Puig is a key player in the premium beauty and fashion industry. A Home of Love Brands that creates strong emotional connections and long-lasting value for consumers through great storytelling and innovation.

In 2024, the company reached its 110-year anniversary, honoring the values, principles, and a unique way of doing things -the Puig way-, put in place by the founding family and passed down over three generations, a legacy that defines its culture.

Creativity, entrepreneurial audacity, and a relentless passion for innovation are central to Puig's approach. These qualities have positioned the company as a reference point in the Fragrance and Fashion, Makeup, and Skincare business segments. Today, Puig operates in 32 locations, with a curated portfolio of 17 Premium Love Brands, originating in 10 different countries, each with its unique and authentic identity.

Puig fosters a dynamic brand ecosystem, combining heritage with contemporary trends. The company focuses on strengthening its owned brands while partnering with visionary founders who share its boldness, authenticity, and innovation. Iconic collaborations with Paco Rabanne, Carolina Herrera, and Jean Paul Gaultier—spanning five, three, and one decade respectively—illustrate Puig's ability to integrate and elevate brands within its ecosystem. This same approach has attracted a new generation of pioneers, including Dries Van Noten, Charlotte Tilbury MBE, and Dr. Barbara Sturm, to name a few, further reinforcing Puig's position in the industry.

To express all these ideas while elevating the awareness of the corporate brand, in 2024 Puig introduced a renewed brand identity which portrays the company as a Home of Creativity: a warm environment where brands shine, people grow, and audacity, imagination, and non-conformity are embraced.

The new identity is a tribute to the Puig legacy and the expression of its culture, a bridge between a successful history and an exciting future ahead, the balance between reason and feelings, an echo to rigor and non-conformity, and a reflection of the Puig sensibility which allows it to nurture and take care of its brands. It is also inspired by the legacy of the artists that have been part of its history, reinterpreted through the eyes of the design agency M/M (Paris), founded by Mathias Augustyniak and Michaël Amzalag.

Committed to Sustainability

The Puig founding family has always had the aim of leaving behind a better world and a more solid company than the one it inherited. This heritage is the backbone of the Puig's aim to become a driving force for sustainable change to build a prosperous world for both people and the planet.

Over the past fifteen years, the Puig Ethical Code has been the guiding framework for everything the company does, ensuring that everyone across the organization understands its culture and way of doing business, and upholds the highest ethical standards in their daily work. It also fosters a shared commitment to protecting the planet and its natural resources.

In line with internationally recognized standards such as the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, Puig has put in place the Puig Human Rights Policy, a unified framework that sets out the shared principles that guide its actions across every part of the organization and its operations.

Sustainability and social responsibility are key pillars of Puig's business strategy. The company aims to achieve responsible growth through its 2030 ESG Agenda which is aligned with the United Nations Sustainable Development Goals (SDGs) and the United Nations Women's Empowerment Principles (WEPs). Puig continuously strives to minimize its environmental footprint, promote human rights across the value chain, and uphold the highest ethical standards in all areas of its operations.

Beyond its global objectives, each Puig brand is driven by a distinct purpose that extends past beauty, reflecting a deep social and environmental commitment. The Puig Love Brands actively contribute to positive change through ongoing partnerships with NGOs, associations, and international initiatives. Their efforts span a wide range of impactful actions, from supporting communities and fostering inclusion to preserving biodiversity and championing sustainable innovation. By embedding social and environmental principles into their business models, Puig brands reinforce the company's collective ambition to create a more responsible and sustainable future.

The company has set ambitious goals, including achieving net-zero emissions by 2050 and generating a positive impact on society, working across three dimensions:

- Planet. Preserving the environment, respecting the communities in which it operates, and creating value for society.
- People. Respecting human rights inside and outside the company and becoming a place where diverse talent can reach its potential.
- Ethics. Complying with the law, promoting good business practices, and upholding the highest standards of corporate governance.

Our Guide

Ethical Code

UN Guiding Principles on Business and Human Rights

Our Mandate

To be one of the most respected companies in our industry in terms of ESG

Our Roadmap

The 2030 ESG Agenda

The Puig commitment to sustainability goes beyond legal requirements, contributing globally to two ambitious sustainability goals:

Helping limit global warming to 1.5 °C by 2030

Becoming a net zero organization by 2050

The company has aligned its strategy with the most recognized international commitments, standards, certifications, and initiatives.

Puig is a participant of the UN Global Compact

TNFD Adopters

External ratings on ESG performance

Score: Climate A
Water Security A-
Forests B (timber) and B (palm oil)

Score of 20.9 (Medium Risk)

Score of 73/100 Silver Medal (Top 15% rated companies)

Memberships and certifications of brands in the Puig portfolio

Apivita is certified B-Corp

Apivita and Uriage are members of 1% for the Planet

Kama Ayurveda is certified by Positive Luxury

Charlotte Tilbury is Leaping Bunny certified

Charlotte Tilbury supports the King's Trust Enterprise Program

Apivita and Uriage (Portugal) are certified as Great Place to Work since 2023

The 2030 ESG Agenda

Puig started by identifying the five areas with the greatest impact on planet, people, and development:

Emissions

Materials, ingredients, and waste

Biodiversity

Water

Fair sourcing

The implementation plan is structured around six pillars and applies to the entire business:



Product Stewardship

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



Sustainable Sourcing

Working together with suppliers to build a strong and sustainable supply chain.



Responsible Logistics

Transforming logistics to decarbonize the transportation of products.



Responsible Manufacturing and Facilities

Being meticulous and demanding in the company's facilities, focusing on water, energy, and waste management.



Conscious Living

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



Nature Stewardship

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

These six pillars are developed through 16 programs with specific objectives which address the most significant sustainability issues in the industry. These programs are implemented internally through various initiatives with a clear objective for 2030, are linked to an implementation and accountability schedule, and have a direct impact on the United Nations Sustainable Development Goals.

SDGs	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Product Stewardship																	
1. Accelerate transition towards natural formulation			X			X			X			X		X			
2. Reduce weight and/or volume of packaging									X			X	X	X	X		
3. Boost adoption of sustainable materials in packaging						X			X			X	X	X	X		
4. Promote circular economy and end of life principles						X			X		X	X	X	X	X		X
Sustainable Sourcing																	
5. Expand mapping, assess and follow-up on ESG impact of suppliers	X	X	X		X	X		X		X	X	X	X		X	X	X
6. Enhance traceability and increase amount of certified raw materials	X	X	X		X	X				X	X	X	X		X	X	X
Responsible Logistics																	
7. Extend mapping and expand ESG risk assessment T&W suppliers	X	X	X			X		X		X	X	X	X		X		X
8. Invest in the decarbonization of logistics and supply chain							X		X		X	X	X				X
Responsible Manufacturing and Facilities																	
9. Reduce waste across the value chain and maintain high waste valorization						X			X			X	X	X	X		
10. Reduce emissions and improve energy efficiency of all facilities and installations							X		X			X	X		X		
11. Invest in water usage reduction and reutilization systems						X			X			X	X	X	X		
Conscious Living																	
12. Promote education and awareness on sustainability along the value chain	X	X		X				X		X	X		X			X	X
13. Minimize environmental footprint of employees						X					X		X	X	X		X
Nature Stewardship																	
14. Work towards a positive or neutral impact on biodiversity	X	X				X	X				X	X	X	X	X	X	X
15. Roll-out carbon insetting programs within the value chain			X				X	X	X		X	X	X	X	X	X	X
16. Offset emissions through natural climate solutions and other carbon credits	X	X				X	X				X	X	X	X	X	X	X

Portfolio

The Puig portfolio is structured as follows:

- Three types of brands:
  owned, licensed, and associates/joint ventures.
- Three business segments:
  Fragrance and Fashion, Makeup, and Skincare.
- Five categories:
  Prestige, Niche, Dermo-Cosmetics, Skincare Wellness, and Lifestyle.

	Brand	Fragrance and Fashion	Makeup	Skincare
Prestige	**Carolina Herrera**	●	●	
Prestige	**Charlotte Tilbury**	●	●	●
Prestige	**Jean Paul Gaultier**	●		
Prestige	**Nina Ricci**	●		
Prestige	**Rabanne**	●	●	
Niche	**Byredo**	●	●	
Niche	**Christian Louboutin Beauté**	●	●	
Niche	**Dr. Barbara Sturm**			●
Niche	**Dries Van Noten**	●	●	
Niche	**L'Artisan Parfumeur**	●		
Niche	**Penhaligon's**	●		
Skincare Wellness	**Kama Ayurveda**			●
Skincare Wellness	**Loto del Sur**			●
Dermo-Cosmetics	**Apivita**			●
Dermo-Cosmetics	**Uriage**			●
Lifestyle	**Adolfo Dominguez**	●		
Lifestyle	**Banderas**	●		

Color code: ● Owned Brands
● Licenses

In addition to the Premium Love Brands portfolio, Puig has other owned and licensed beauty brands including Shakira, United Colors of Benetton, Victorio & Lucchino, Agatha Ruiz de la Prada, Heno de Pravia, Agua Lavanda Puig, Agua Brava, and Quorum.

Puig also has associate and joint-venture investments in other beauty companies such as[1]:

	Brand	Fragrance and Fashion	Makeup	Skincare
Associate and joint ventures	**Granado**	•		•
Associate and joint ventures	**Isdin**			•
Associate and joint ventures	**Scent Library**	•		
Associate and joint ventures	**Sociedad Textil Lonia**	•		

[1] Companies in which Puig has associate and joint venture investments do not consolidate sales, but they do consolidate the part corresponding to the % share of their net profit.

Premium Love Brands

Puig nurtures its Premium Love Brands and their stories with dedicated care, passion, unrelenting curiosity, and creativity, supporting them through consistent investment. Each brand embodies its unique purpose and identity while reflecting the shared values and brand-building vision of Puig.

The Puig portfolio is strategically categorized based on the distinct characteristics of the beauty and fashion products offered by each brand, their distribution channels, and their target audiences.

Prestige category

Prestige brands represent exclusive and high quality premium beauty products. The distribution network for Puig Prestige brands' products covers around 20,000 points of sale (department stores, specialty stores, digital channels and travel retail).

CAROLINA HERRERA

Building Confidence with *Alegría de Vivir*

Carolina Herrera was founded in 1981 and acquired by Puig in 1995, with Puig having held the license for its beauty business since 1987. In 2020, the brand launched its makeup line. Carolina Herrera operates in the Fragrance and Fashion and the Makeup business segments as the No. 6 ranked fragrance brand worldwide, with Good Girl being the #1 feminine fragrance line worldwide in 2024. Creative Director Wes Gordon leads the fashion and makeup businesses. Its most iconic product is the Good Girl fragrance.

CharlotteTilbury

Give everyone, everywhere the right beauty wardrobe and they can conquer their world

Founded by Charlotte Tilbury MBE in 2013 and partnered with Puig in 2020. Charlotte Tilbury operates in the Makeup, Skincare and Fragrance business segments, guided by the more than 30 years of artistic experience of its founder, Charlotte Tilbury MBE. The brand's signature products include its Charlotte's Magic Cream moisturizer, Airbrush Flawless franchise, and the entire Pillow Talk collection. Charlotte Tilbury is Leaping Bunny certified since 2021.

Jean Paul GAULTIER

Celebrating Differences (All Cultures, All Bodies, All Genders) Since 1976

Founded by Jean Paul Gaultier in 1982 and acquired by Puig in 2011 (fashion business). In 2016, the fragrance business was added to the Puig portfolio. Since the designer retired, the brand has a unique collaboration-based business model, with exceptional guest designers such as Olivier Rousteing, Haider Ackermann, Ludovic de Saint Sernin or Julien Dossena (Rabanne Creative Director), among others. Jean Paul Gaultier operates in the Fragrance and Fashion business segment. Its most iconic products are Le Male and Gaultier Divine fragrances, and the cone bra, corset and mariniere in Fashion.

NINA RICCI

Magnifying Feminity for a More Beautiful World

The house of Nina Ricci was founded in 1932 and acquired by Puig in 1998. The house operates in the Fragrance and Fashion business segment. The fashion business is led by Creative Director Harris Reed. Its most iconic products are L'Air du Temps fragrances and the renowned Nina, launched in 2006.

rabanne

Dare to be Bold

Paco Rabanne was founded in 1966 and acquired by Puig in 1987, although Puig has held the license for its beauty business since 1968. By 2008, the *maison* had launched its most iconic product to date, 1 Million. In 2023, the brand debuted a new visual identity under the name "Rabanne", followed swiftly by its first makeup line. Rabanne operates in the Fragrance and Fashion and the Makeup business segments. The Creative Direction of fashion is led by Julien Dossena since 2013.

Niche category

The Niche brands represent high-quality, artisanal, limited-distribution beauty products with less than 2,000 points of sale. They operate both DTC[2] and wholesale distribution.

BYREDO

Curator of Culture and Identity through Bold Creativity

Founded by Ben Gorham in 2006 and acquired by Puig in 2022, Byredo is a modern luxury and cultural *maison* that translates memories and emotions into objects and experiences. The brand operates in the Fragrance and Fashion and Makeup business segments. Signature scents include Bal d'Afrique, Gypsy Water and Mojave Ghost.

Christian Louboutin

Step into the Allure of Confidence

Puig has held the exclusive global license for Christian Louboutin's beauty product line since 2018. Founded in 2014, Christian Louboutin Beauté reinvented a red-soled legacy that began in 1992. The beauty collection encapsulates Christian Louboutin's fearless sensuality in a complete range of Makeup and Fragrance. Each creation is a true object of desire. Christian Louboutin Beauté embodies glamorous and luxurious beauty.

DR. BARBARA STURM

Advancing longevity through molecular science, anti-inflammatory skincare & lifestyle

Founded in 2014 by world- renowned anti-inflammatory pioneer Dr. Barbara Sturm and acquired by Puig in 2024, Dr. Barbara Sturm's ground- breaking approach marries molecular science, anti- inflammatory skincare and lifestyle for skin health and vitality. With a curated global network of spas and boutiques, retail flagships and a strong online presence, the brand is globally recognized as an authority in high-performing skincare, offering personalized need-based routines and treatments for every skin.

[2] Direct-to-consumer.

DRIES VAN NOTEN

A Creative Journey which Explores Beauty with Soul

Founded in 1986 by the enigmatic Belgian fashion designer Dries Van Noten, known for his eclecticism, unique world of colors, prints, and bold avant-garde designs transcending trends and time, the brand was acquired by Puig in 2018. In 2022, Dries Van Noten launched a beauty collection including fragrances, makeup, and range of accessories, further expressing his creative vision and reflecting the house design codes of the 'impossible combinations'. In 2024, Julian Klausner was appointed as the new Creative Director for Dries Van Noten following the founder's transition from fashion leadership. Dries Van Noten operates across the Fragrance and Fashion and the Makeup business segments.

L'ARTISAN PARFUMEUR

Celebrating Craftsmanship *à la française*

Founded in 1976 and acquired by Puig in 2015, L'Artisan Parfumeur operates in the niche fragrance business segment. The house celebrates French art of living through fragrances, like Passage d'Enfer and Mûre et Musc, unique objects for the home and signature bathing rituals. Rooted in French perfume tradition, L'Artisan Parfumeur embodies craftsmanship with a bold spirit.

PENHALIGON'S

Celebrating British Eccentric and Creative Heritage

Founded in 1870 and acquired by Puig in 2015, Penhaligon's is one of the world's most esteemed fragrance houses. Halfeti, Luna and the Penhaligon's Portraits collection are amongst the brands most iconic products and showcase their unique storytelling approach to niche perfumery. Penhaligon's is a national treasure, viscerally linked to British culture, history and of course, a little wit.

Dermo-Cosmetics category

The Dermo-Cosmetic brands focus on highly effective, science-based skincare products sold through pharmacies. They include some products prescribed by dermatologists.

APIVITA

Born of bees, raised by science

Founded in 1979, acquired by the Puig family in 2017, and incorporated into the Puig portfolio in 2021, Apivita offers science-backed natural dermocosmetic, skin and hair problem solvers. Apivita operates in the Skincare business segment. Taking advantage of the power of patented beekeeping products combined with natural dermatological active ingredients, Apivita formulas are into the exclusive Queen Bee and Beevine Elixir lines and offer the perfect balance between efficacy and naturalness and sensoriality. Apivita is a certified B Corp company since 2017 and member of 1% for the Planet since 2021.

URIAGE
EAU THERMALE

Shaping the future as a pioneer in the triple barrier science, Uriage combines the power of a unique repairing thermal water with dermatological active ingredients to restore skin health

Founded in 1992, acquired by the Puig family in 2011, and incorporated into the Puig portfolio in 2021. Born in the French Alps, Les Laboratoires Dermatologiques d'Uriage, with 30 years of research and 17 patents, have developed advanced dermocosmetics. Xemose, Bariederm Cica, Repairing Thermal Water Spray and Age are some of the best-selling ranges from Uriage. The brand also delivers repairing thermal water treatments in its Therapeutic Thermal Center with clinically-proven efficacy for 4,500 patients annually. Uriage operates in the Skincare business segment. Uriage is member of 1% for the Planet since 2022.

Skincare Wellness category

Skincare Wellness brands approach skincare from a wellness perspective and bring local concepts to the global consumer. These brands operate DTC, including through their own stores.

KAMA AYURVEDA

Bring Ayurvedic Beauty to the World

Founded by Vivek Sahni in 2002 – and joining Puig Home of Love Brands in 2022, Kama Ayurveda pioneers Ayurvedic beauty in India, its homeland. The brand is based on the principles of Ayurveda, the oldest holistic medicine system. Kama Ayurveda offers products made from botanical ingredients following centuries-old recipes from Ayurvedic texts, augmented by cutting-edge science. The brand's iconic beauty secret, Kumkumadi Revitalizing Facial Oil, concentrates the rejuvenating power of 600 Saffron flowers in each bottle. The brand operates in the Skincare business segment. Kama Ayurveda received in 2024 the Butterfly Mark by Positive Luxury for its dedication to sustainability.

LOTO DEL SUR

Celebrate the Culture, Rituals and Biodiversity of Latin America through the Power of Plants

Acquired by Puig in 2022, Loto del Sur was founded in 1999 by Johana Sanint out of a desire to create a brand that truthfully captures the refinement of Latin America. Born in the world's largest reserve of biodiversity, Loto del Sur uses natural botanical ingredients from Latin America in all of its formulations to showcase the wonders of the continent.

Lifestyle category

Lifestyle brands aim to build an emotional connection through beauty products targeting a wider consumer market.

ADOLFODOMINGUEZ

A return to our senses. Let nature be.

Founded in 1976, Puig has held the exclusive global license for the Adolfo Dominguez fragrance line since 2000. Adolfo Domínguez operates in the Fragrance and Fashion business segment. The brand's signature fragrances are Agua Fresca de Rosas and Agua Fresca.

BANDERAS

Celebrate your own success

Puig has held the global license for Hollywood star Antonio Banderas's fragrance line since the beginning of the Banderas brand in 1997. Banderas operates in the fragrance business segment. The brand's signature fragrances are Blue Seduction for Men, Golden Secret and The Icon.

Puig History

Puig was established in 1914 by Antonio Puig Castelló as a family-owned business specializing in cosmetics and fragrances. In 1950, the founder's sons joined the company, and today, it is led by the third generation of the Puig family.

With 110 years of history, over the decades Puig has achieved several significant milestones, solidifying its legacy as an innovative leader in the beauty and fashion industry.

1914	Antonio Puig Castelló founded Antonio Puig
1922	Launch of Milady Lipstick, first lipstick made in Spain
1940	Launch of Agua Lavanda Puig, the brand's defining perfume
1950	Antonio, Mariano, José María, and Enrique Puig Planas, the second generation of the Puig family, join the company
	Puig begins its international expansion with its first subsidiary in the US
1968	Acquired license for Paco Rabanne's beauty business and launched its first fragrance Calandre
1987	Puig acquires the rest of the Paco Rabanne business, including the fashion and accessories division
	Acquisition of the license for the Carolina Herrera beauty line
1988	Launch of the first Carolina Herrera perfume
1995	Acquisition of the fashion business of Carolina Herrera New York
1998	Acquisition of the Nina Ricci perfume and fashion business
2004	Marc Puig, a third-generation member of the family, is named CEO
2008	Puig closes the year with €1 billion in net revenue
2011	Puig acquires a majority stake in French fashion house Jean Paul Gaultier
2015	Puig begins building its Niche portfolio of brands with the acquisition of Penhaligon's and L'Artisan Parfumeur

2016 Puig incorporates Jean Paul Gaultier fragrances into its brand portfolio

2018 Puig acquires the fashion house Dries Van Noten and the global long-term license to build the Christian Louboutin beauty business

2019 Puig closes the year with €2 billion in net revenue

2020 Puig acquires a majority stake in the Charlotte Tilbury makeup and skincare brand

2021 Incorporation into the Puig portfolio of the Apivita and Uriage skincare brands (both acquired by Puig family investment companies in 2011 and 2017 respectively)

2022 Puig acquires the Niche brand Byredo and Skincare Wellness brands Kama Ayurveda and Loto del Sur

Puig closes 2022 passing the expected milestone of €3 billion in turnover one year ahead of expectations, adding more than €1 billion annually in the previous two years

2023 The company ends 2023 with €4,304 million in net revenue, surpassing the target of €3 billion in net revenue set in 2021

2024 Puig celebrates 110 years of history

Puig acquires majority stake in Dr. Barbara Sturm, the German molecular cosmetics brand founded in 2014

Puig inaugurates the second Puig Tower in Barcelona with the presence of their Majesties the King and Queen of Spain

Puig unveils its new visual identity with a new logo paying tribute both to Puig's legacy and bright future, whilst placing creativity at the very center and reflecting Puig's culture and values

On May 3, 2024, Puig begins trading on the Spanish Stock Exchanges

Puig is Global Partner of the 37th America's Cup and the official naming partner of the inaugural Puig Women's America's Cup

Puig ends 2024 with €4,790 million in net revenue, surpassing the target of €4.5 billion in net revenue set for 2025

Business Model

To bring Puig products to market, the company integrates each step in the value chain, ensuring that the quality and identity of each brand is reflected at each stage, and relies, when necessary, on the knowledge and infrastructure of market leading suppliers, distributors, and retailers.

Product design and development → **Production** → **Distribution and logistics** → **Advertising and promotion**

- **Product Design and Development**

  It is conducted internally together with key partners, to ensure consistency while strengthening the character and identity of each brand. The process starts with an innovative idea at the core of the brand, which is worked on hand-in-hand with innovation and development teams to make it a reality. During this stage innovations and improvements in product packaging are also carried out by the teams, with the aim of finding more durable, cost-effective, and eco-friendly packaging options, maintaining safety, efficiency, and user-friendliness. The company also prioritizes enhancing the consumer experience by ensuring packaging is practical and aesthetically pleasing.

- **Production**

  Mostly owned, it is carried out in the company's seven production plants in Europe and India: Vacarisses (Spain), focused on skincare; Alcalá de Henares (Spain), and Chartres (France), focused on fragrances; Echirolles and Uriage-les-Bains (France), focused on Uriage products; Athens (Greece), focused on Apivita products; and Tamil Nadu (India), focused on Kama Ayurveda products.

  Puig takes advantage of the synergies between its portfolio of brands while the company maintains a strong in-house manufacturing presence in its Fragrance and Skincare business segments, with a limited portion of production outsourced to third-party suppliers. The main raw materials used in the manufacture of our products are essential oils, alcohols, and specialty chemicals. We purchase these raw materials from various third parties and assemble the final products in our manufacturing facilities. Within the Makeup business segment, production is outsourced to third party suppliers.

- **Distribution and Logistics**

  These are primarily performed through the network of global subsidiaries and logistics outsourced to specialized providers. Products reach the end-customer through physical channels, owned and third-party stores (department stores, pharmacies, drugstores and travel retail), and through digital channels, brands' own e-commerce, e-tailing of distributors who have stores, and distributors with exclusively online sales (pure players).

- **Advertising and Promotion**

  Puig intends to elevate the consumer experience and attract new consumers, build loyalty, drive consumer advocacy and address the transformation of consumer shopping behaviors. The advertising and promotional approach is adapted depending on the identity, distribution, product focus, main consumer, and local relevance of each brand, leveraging the local knowledge of each country to optimize the resources allocated to each media and retailer. This includes strategically introducing brands and adapting product assortment and communications to fit local consumer tastes and preferences. Most of our creative advertising and promotion work is led in-house and in collaboration with external third parties.

Geographic Presence

Puig manages its global presence from its headquarters in Barcelona, supported by three key regional hubs located in Paris, London, and New York.

In 2024, the company signaled its international growth with the inauguration of the second Puig Tower, a second building that significantly expanded its headquarters in Barcelona, with the presence of their Majesties the King and Queen of Spain. The company also opened new offices in New York's iconic Rockefeller Center and London's Covent Garden, further reinforcing its presence in its three largest markets: United States, United Kingdom, and Spain.

With seven production plants across Europe and India, headquarters in Spain and brand headquarters and subsidiary offices in 32 locations, Puig's robust global network employs more than 12,100 people[3]. Its extensive commercial network, which includes distributors and retailers alongside approximately 314 owned stores, ensures that its products are available in over 150 countries.

Global presence:

Argentina	●	Mexico	●
Australia	●	Netherlands	●
Austria	●	Panama	●
Belgium	●	Peru	●
Brazil	●	Poland	●
Canada	●	Portugal	●
Chile	●	Russian Federation	●
China	●	Saudi Arabia	●
Colombia	●●	Singapore	●
France	●○	South Korea	●
Germany	●●	Spain	○○
Greece	●○	Sweden	●
India	●○	Switzerland	●
Italy	●	UAE	●
Japan	●	United Kingdom	●●
Malaysia	●	United States	●●

○ Headquarters
● Brand Headquarters
○ Production Plant
● Subsidiary

[3] More information, including employees by geographic area, in the section Employee Characteristics.



Business Context

Global Beauty Market Overview in 2024

The global beauty market in 2024 demonstrated solid growth. Despite economic and geopolitical challenges, the beauty industry remains resilient, showing potential for sustained growth in the coming years.

Key Trends

- **Inflation and consumer spending:** Despite a general moderation over the course of the year in global inflation, consumers are adopting more deliberate purchasing behaviors, aiming to maximize value amidst elevated prices for necessities.
- **Brand loyalty:** Even with ever-increasing options, consumers continued to remain devoted to brands with strong desirability, reinforcing loyalty within the category.
- **Premiumization:** Growing demand for premium beauty products, driven by increased consumer awareness, brand education, and the pursuit of exclusivity.
- **Wellness and longevity:** Growing inclination toward products promoting health and wellness, with a special focus on longevity and healthy aging.
- **Natural aesthetic procedures:** Preference for cosmetic procedures offering subtle, natural enhancements, moving away from drastic transformations. Sophisticated injectables and combined therapies gained popularity.
- **Fragrances and emotional well-being:** The fragrance market continued to thrive, with consumers using perfumes as a form of sensory therapy linked to emotional wellness.
- **Gen Z influence:** This generation continues to shape market dynamics with preferences for self-expression, customized solutions, differentiated service experiences, and authentic, sustainable, and inclusive brands.
- **Sustainability integration:** A stronger emphasis on sustainability is emerging across the value chain, with consumers willing to pay higher prices for eco-friendly products, driving brands to prioritize sustainable practices in sourcing, packaging, and production.
- **Omnichannel strategies:** Maintaining a seamless multichannel approach has become crucial to delivering a 360° consumer experience. Brands are embracing digital platforms alongside physical retail to maximize engagement.

Regional Challenges

- **Chinese market:** Despite expectations for recovery, economic pressures, reduced consumer spending, and weaker demand in the travel retail sector hindered the expected rebound in the region.
- **Geopolitical tensions:** Heightened geopolitical tensions drove uncertainty and volatility, impacting consumer confidence and to some extent supply chain efficiency also.

Innovation and Sales Channels

- **Social commerce dominance:** Digital platforms are leading e-commerce growth, driven by a desire for convenience, viral content and increased spontaneity of purchases in consumer behavior. Traditional retailers are enhancing in-store experiences to compete.
- **Digital tools:** Innovations such as AI, virtual try-on technology and personalized skincare analysis tools are gaining traction, elevating consumer engagement.

Puig Milestones in 2024

- Celebrated 110 years of Puig as a Home of Love Brands and a Home of Creativity.
- Achieved record-breaking net revenue of €4,790 million, a 11.3% increase compared to 2023.
- In May 2024, Puig successfully completed its €2.7 billion initial public offering (IPO), of which €1.25 billion were primary proceeds. Puig was subsequently included in the IBEX 35 index, solidifying its position as a prominent player in the Spanish stock market.
- Outperformed the beauty market, with Puig's Global Value Market Share in selective fragrances increasing to 11.5%.
- Carolina Herrera's Good Girl achieved a key milestone as the #1 feminine fragrance line worldwide in 2024.
- Acquisition of a majority stake in Dr. Barbara Sturm, enhancing Puig's presence in the premium Skincare business segment.
- Concurrently with the IPO, Puig acquired the remaining minority share of Byredo, to bring Puig's ownership of the brand to 100%.
- Concurrently with the IPO, Puig reinforced its majority stake in Charlotte Tilbury by acquiring the minority interest previously held by BDT-MSD, as well as an additional 5.4% from Charlotte Tilbury MBE in July 2024. With these transactions, Puig now directly controls 78.5% of the brand.
- Extension of Puig's strategic partnership with Charlotte Tilbury MBE, with the brand more than tripling its net revenue since Puig's initial investment in 2020.
- Unveiled a new visual identity with a redesigned logo, paying tribute to Puig's legacy and future, placing creativity and core values at the center.
- Inaugurated the second Puig Tower at its Barcelona headquarters and new offices in New York and London, further supporting its global expansion.
- Received an "A" in the Climate Change category from the Carbon Disclosure Project (CDP) and achieved approval of its net-zero target by the Science-Based Targets initiative (SBTi).
- Celebrated its first-ever global ESG event, uniting employees to share and embrace Puig's social and environmental objectives while encouraging sustainable daily practices.
- Became a member of the Value of Beauty Alliance, further committing to sustainable beauty practices.
- Kama Ayurveda received the Butterfly Mark by Positive Luxury for its dedication to sustainability.
- Partnered with the United Nations Women's Empowerment Principles (WEPs) to advance Puig's efforts towards gender equality.

- Launched the Puig Human Rights Policy, applying it across all Puig businesses globally.
- Introduced the Puig Ethical Code training, aligned with the company's renewed ambitions and applied to all its businesses worldwide.
- Served as a Global Partner for the 37th America's Cup and as the Naming Partner for the inaugural Puig Women's America's Cup, highlighting Puig's dedication to gender equality in sailing.
- Appointment of Julian Klausner as the new Creative Director for Dries Van Noten following the founder's transition from fashion leadership in March.

3
Performance

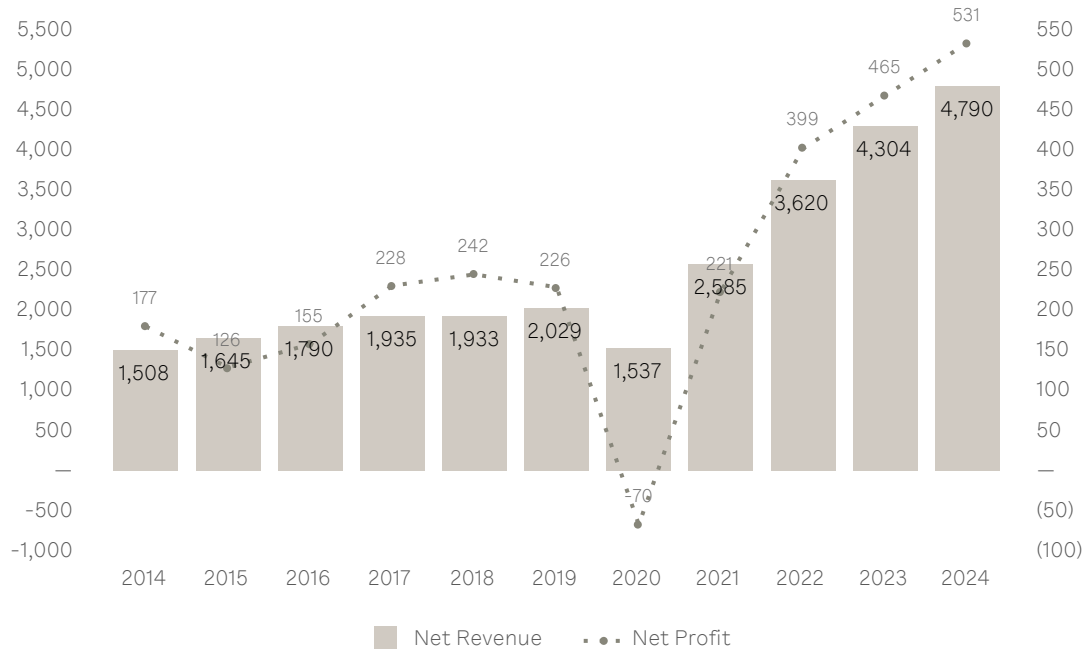


2024 Main Figures

Net Revenue	€ 4,790 M	+11.3%	+10.9%
		Reported Growth	LFL Growth[4]
Adj. EBITDA	€969 M	20.2%	
		Adj. EBITDA Margin	
Adj. Net Profit	€551 M	11.5%	€1.02
		Adj. Net Profit Margin	Adj. EPS[5]
Net Profit	€531 M	11.1%	
		Net Profit Margin	

Growth over time (in M€)

Puig has a long track record of profitable growth.



[4] Like-for-like (LFL) net revenue growth reflects the organic growth by adjusting net revenues for the impact of (i) changes in scope/perimeter and (ii) exchange rates fluctuations
[5] Adjusted Earnings per share. Correspond to Adjusted Net Profit Attributable to the parent company over average total number of outstanding shares of the period excluding Treasury Shares.

Financial Indicators

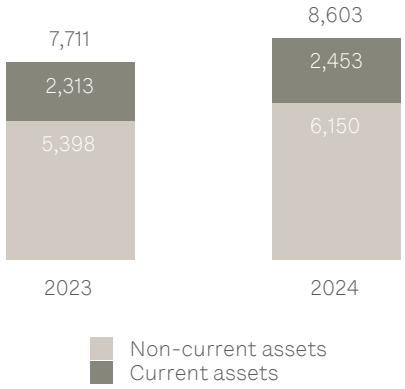
Income statement (in €M)	2023	2024	23/ 24 growth
Net revenue	**4,304**	**4,790**	**+11%**
Cost of Sales	(1,089)	(1,202)	+10%
Gross Profit	3,215	3,588	+12%
Gross Margin (%)	74.7%	74.9%	0.20 pp
Operating Profit	**693**	**759**	**+9%**
Operating Margin (%)	16.1%	15.8%	(0.30) pp
Profit Before Tax	643	693	+8%
Profit Before Tax Margin(%)	14.9%	14.5%	(0.40) pp
Net Profit attributable to the parent company	**465**	**531**	+14%
Net Profit margin	10.8%	11.1%	0.30 pp
Adjusted Net Profit attributable	**478**	**551**	**+15%**
Adjusted Net Profit margin	11.1%	11.5%	0.40 pp
EBITDA	849	823	(3%)
Adjusted EBITDA	**863**	**969**	**+12%**
Adjusted EBITDA Margin (%)	20.0%	20.2%	0.20 pp

(in €M)	2023	2024
Adjusted EBITDA	**863**	**969**
Restructuring costs	(1)	0
Transactions costs	(3)	(18)
IPO costs	(5)	(119)
Other	(4)	(9)
EBITDA	**849**	**823**

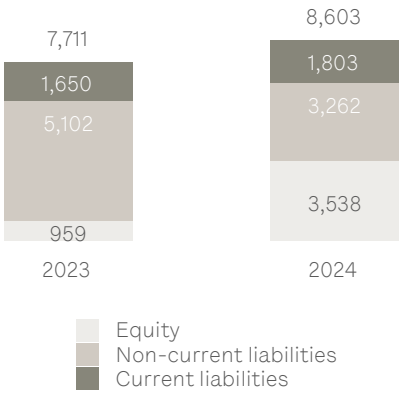
(in €M)	2023	2024
Net Profit Attributable to Puig	**465**	**531**
Other operational income and expenses	14	147
Other finance income and costs	6	(87)
Tax effect on adjusted items	(2)	(37)
Minority interest on adjusted items	(6)	(3)
Adjusted Net Profit Attributable to Puig	**478**	**551**

Balance sheet (in €M)

Assets



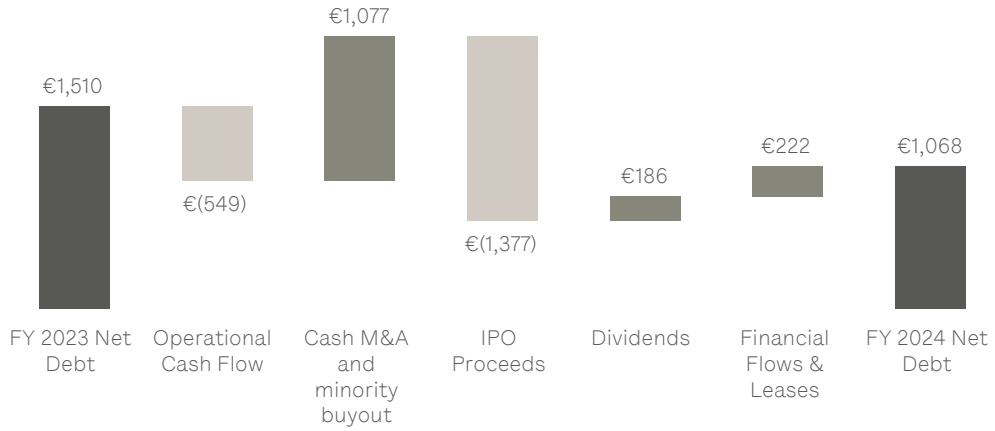
Liabilities



Cash Flow

(in €M)	2023	2024
Net Profit attributable to the Parent Company	**465**	**531**
Cash Flow adjustments	286	168
Cash Flow non-recurring Items	6	85
Change in Working Capital	(194)	41
Adjusted Operating Cash Flow	**563**	**825**
CapEx	(178)	(191)
Free Cash Flow from Operations	**385**	**634**
% Adjusted EBITDA	45%	65%
Cash Flow non-recurring Items	(6)	(85)
Operational Cash Flow	**379**	**549**

Net debt evolution 2023-2024 (in €M)[6]



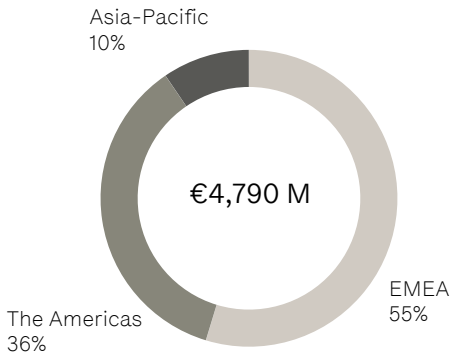
[6] Net debt including lease liabilities.

Diversification[7]

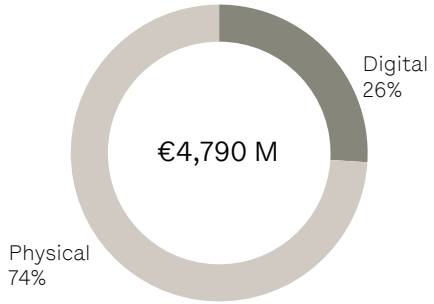
Net revenue by business segments (% of the total)



Net revenue by geographic segments (% of the total)[8]



Net revenue by channel (% of the total)



[7] The breakdown of net revenue by channel has been calculated based on the information provided by Puig's retailers and distributors, along with their own information (the company's estimate of the market).
[8] Totals do not add up to 100% due to rounding.


STOCKMAN
STOCKMAN
PARIS
BREVETE S.G.D.G.

Business Segments

Puig structures its activity into three business segments: Fragrance and Fashion, Makeup, and Skincare.

While each brand maintains its primary focus within a specific business segment, several have strategically expanded into new categories. Carolina Herrera, traditionally recognized for its fragrances and fashion, introduced its makeup collection in recent years. In 2023, Rabanne extended its presence beyond fragrances and fashion with the launch of its makeup line. Charlotte Tilbury, known for its expertise in makeup and skincare, expanded into the fragrance category in 2024, becoming a tri-axis brand.

Puig continued its strong growth trajectory in 2024, achieving record net revenue of €4,790 million, with 11.3% reported growth and 10.9% LFL growth compared to 2023, well ahead of the premium beauty market. Fragrance and Fashion grew by 13.6%, Skincare increased 19.8%, while Makeup declined by (1.3)%. The acquisition of Dr. Barbara Sturm in the first quarter of 2024 contributed €54 million or +1.2% to net revenue. Meanwhile, exchange rate fluctuations had a negative impact of €36 million or (0.8%), primarily due to exposure in emerging markets; this was partially offset by the strength of the British pound.

Puig 2024 LFL growth also benefited from a positive impact of 1.1% due to a hyperinflation adjustment of the Argentine Peso which provided a favorable comparison to 2023 when the impact was negative.

Puig's diverse and strong brand portfolio, particularly its Prestige brands, continues to drive sustained growth at scale, reinforcing its position in the premium beauty industry while generating strong profit margins in spite of the current economic environment which has posed some uncertainties over the course of the year.

Top 5 Puig brands by net revenue in 2024

- Rabanne
- Charlotte Tilbury
- Carolina Herrera
- Jean Paul Gaultier
- Uriage

Net revenue by business segments (% of the total)[9]



Business segment breakdown by net revenue (€M)

	2023	2024	2024/2023 growth	
			Reported	Constant Perimeter
Fragrance and Fashion[10]	3,115.0	3,538.0	+13.6%	+13.6%
Makeup	773.1	763.0	(1.3%)	(1.3%)
Skincare	430.9	516.2	+19.8%	+7.4%

Fragrance and Fashion

Fragrance and Fashion continues to be Puig's largest and most profitable business segment, achieving a 13.6% increase on both a reported and constant perimeter basis, and generating €3,538 million in net revenue in 2024. This business segment accounted for 73% of Puig's total sales for the period.

Fashion remains a true enabler of the fragrance industry, especially in the premium market category, with the majority of premium fragrance brands being inspired by fashion brands. The creativity and storytelling intrinsic to fashion reinforce brand equity and consumer loyalty in the fragrance category. While fashion represents a small share of Puig's total net revenue, it plays a strategic role in enhancing the desirability and global reach of Puig's brands.

Puig saw accelerated above-market growth in the business segment, estimating that it increased its global value market share to 11.5%[11] in the selective distributed fragrance business in 2024, after reaching 10% for the first time in 2022. This achievement has been driven by the strong growth of its major owned brands, which have continued to captivate and inspire the market.

Puig's Prestige brands recorded great performance for yet another year.

[9] Eliminations across business segment for the period of FY 2023 and FY 2024 correspond to €15 M and €27 M respectively.
[10] Fashion represents less than 5% of Puig's total net revenue.
[11] Value Market Share for selective fragrances per Company Industry Sources, latest available data.

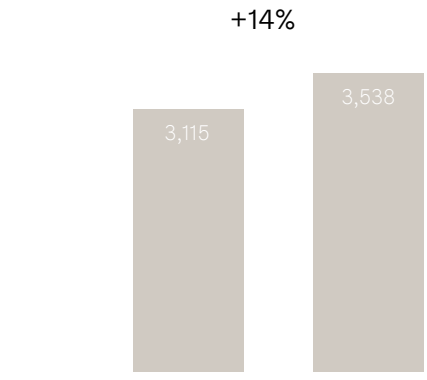
Rabanne continued to be a €1 billion revenue brand in 2024. A noteworthy highlight is Jean Paul Gaultier's exceptional performance, leveraging its strong brand equity and drive for innovation. The launch of Le Male Lover, Gaultier Divine Le Parfum and Le Beau and La Belle Paradise Garden attracted new consumers, further expanding its market presence.

Carolina Herrera's Good Girl continued its trajectory as a leading global fragrance, achieving a key milestone as the #1 feminine fragrance line worldwide for the first time ever. For the first time, Jean Paul Gaultier joined Carolina Herrera and Rabanne among the world's top 10 fragrances, with Le Male becoming the #3 masculine fragrance line globally. In 2024, Nina Ricci launched the first new fragrance for the brand in 10 years, Vénus de Nina Ricci.

Puig's Niche fragrance portfolio also delivered strong performance, with double-digit growth from Penhaligon's, L'Artisan Parfumeur, and Dries Van Noten, throughout the year, supported by strategic new launches that resonated with consumers seeking exclusivity and craftsmanship. The acceleration of Byredo in the second half of 2024, further led growth within Niche.

Operating profit margin in the Fragrance and Fashion business segment improved by 30 basis points, driven by the segment's scale and strong competitive positioning. This growth was achieved while maintaining strategic investments in advertising and promotion (A&P) to support the company's brand portfolio.

Net revenue (€M)[12]



	2023	2024
% Puig	72%	73%
Operating profit %	19%	19%

[12] Intersegment eliminations of net revenue are not included.

Top launches of Puig Fragrance Brands in 2024

Carolina Herrera	Good Girl Blush Elixir Bad Boy Cobalt Elixir 212 VIP Rose Elixir
Charlotte Tilbury	Collection of Emotions
Jean Paul Gaultier	Le Male Lover Gaultier Divine Le Parfum Le Beau Paradise Garden & La Belle Paradise Garden Scandal Absolu Her & Scandal Absolu Him
Nina Ricci	Vénus de Nina Ricci Nina Illusion
Rabanne	Million Gold, Million Gold for Her Invictus Parfum Olympéa Parfum Fame & Phantom Intense Rabanne La Collection
Byredo	Mojave Ghost Absolu Desert Dawn
Christian Louboutin Beauté	Fétiche, the new fragrance collection
Dries Van Noten	Mystic Moss Camomille Satin Vanille Camouflage Crazy Basil Bitter Splash
L'Artisan Parfumeur	Il Était un Bois Home collection: La Boule d'Ambre and Candles
Penhaligon's	Penhaligon's AlUla The Dandy
Adolfo Dominguez	Agua de Bambú Bambú Man Fresia Solar
Banderas	The Secret Absolu & Her Secret Absolu The Icon Splendid

Makeup

The Puig Makeup business segment primarily comprises the Charlotte Tilbury brand, with smaller makeup exercises in Rabanne, Carolina Herrera, Dries Van Noten, Byredo, and Christian Louboutin Beauté.

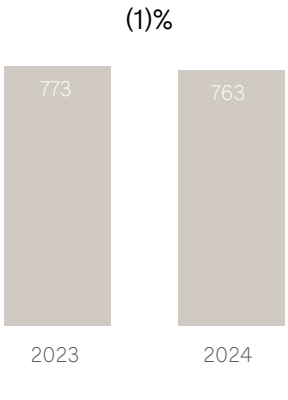
In 2024 Puig recorded net revenue of €763 million in the Makeup business segment, 16% of Puig's net revenue in the period, a decrease of (1.3)% on a reported and constant perimeter basis against 2023. The largest contributor to Makeup, Charlotte Tilbury, posted flat performance within the business segment compared to 2023. This was the result of several factors, including a tougher comparison against a strong 2023 performance further impacted by sell-in and sell-out dynamics including the anniversary effect of the sell-in pipeline into Ulta towards the end of 2023, and specific market dynamics in the Middle East and Asia-Pacific. In addition, the business segment was also impacted by the voluntary withdrawal of select batches of Charlotte Tilbury's Airbrush Flawless Setting Spray in December.

In spite of softer net revenue growth, Charlotte Tilbury maintained its #1 ranking in the UK and achieved a #3 ranking among prestige makeup brands for the full year in the US, having gained two positions versus 2023, and continued to drive innovation in the category with successful launches such as the Unreal Skin Sheer Glow Tint Hydrating Foundation Stick and Exagger-Eyes Mascara.

The business segment was also impacted in 2024 by a weaker performance across some of Puig's smaller makeup offerings.

The Makeup operating margin decreased by (227) basis points. While the main contributor to the business segment, Charlotte Tilbury, retained healthy profitability levels. The performance of smaller makeup offerings, with limited scale and high A&P levels to support their growth, along with the impact of the Airbrush Flawless Setting Spray withdrawal drove down the profitability of the business segment.

Net revenue (€M)[13]



	2023	2024
% Puig	18%	16%
Operating profit %	8%	6%

[13] Intersegment eliminations of net revenue are not included.

Top launches of Puig Makeup Brands in 2024

Carolina Herrera	Good Girl Gloss Fabulous Eyeliner Bronzer Nude Couture
Charlotte Tilbury	Unreal Skin Sheer Glow Tint Hydrating Foundation Stick Exagger-Eyes Mascara Pillow Talk Big Lip Plumpgasm Hollywood Pink & Red Lipstick collection
Rabanne	Dramalips Glowies Nudes Category (foundation, concealer, blush)

Skincare

While skincare remains Puig's smallest business segment, accounting for 11% of total net revenue, it reaches a broad and diverse customer base across multiple markets through a diversified portfolio of brands: Dermo-Cosmetics with Uriage and Apivita, Skincare Wellness with Kama Ayurveda and Loto del Sur, the prestige category with Charlotte Tilbury, and most recently, the Niche category with the acquisition of Dr. Barbara Sturm in early 2024. This addition strengthens Puig's commitment to building a diversified skincare portfolio, integrating an ultra-premium product offering.

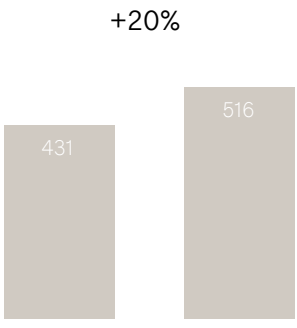
Skincare remains Puig's fastest-growing business segment with revenues reaching €516 million, marking a 19.8% increase on a reported basis and +7.4% on a constant perimeter basis.

The Dermo-Cosmetics brands in this business segment continued to perform strongly with double digit growth. Charlotte Tilbury's skincare offering faced a tougher comparative base primarily due to the impact of meaningful launches, including Magic Water Cream, in the second half of 2023.

Growth in the Skincare business segment was driven by Dermo-Cosmetics, with the brand Uriage posting double-digit growth supplemented by the successful launch of Uriage Age Absolu Serum and the acceleration of the hero franchise, Xemose.

The skincare operating profit margin decreased by (293) basis points. The business segment is expanding and expected to benefit from operating leverage as a recent acquisition scale, particularly following the full integration of Dr. Barbara Sturm, which had a marginally dilutive impact as planned.

Net revenue (€M)[14]

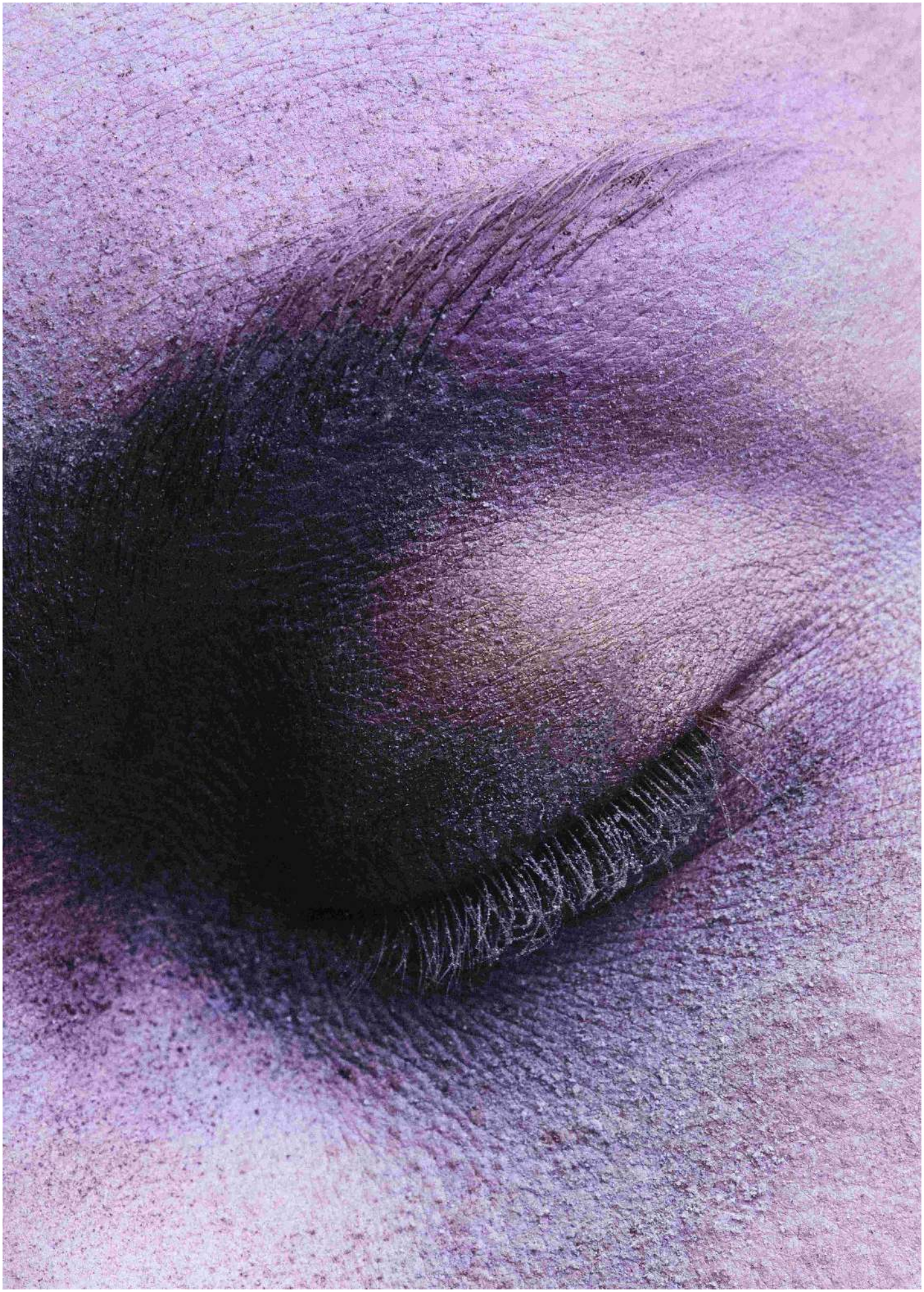


	2023	2024
% Puig	10%	11%
Operating profit %	10%	7%

[14] Intersegment eliminations of net revenue are not included.

Top launches of Puig Skincare Brands in 2024

Apivita	Just Bee Clear skin care range for oily and acne prone skin Keratin Repair Hair Oil Arnica Discomfort relief Gel Calendula Soothing Cream Eucalyptus Comfort Chest Rub Propolis Protective Cream
Charlotte Tilbury	Charlotte's Magic Cleanser
Dr. Barbara Sturm	Everything Eye Patches Glow Cream Super Anti-aging Dual Serum
Kama Ayurveda	Kumkumadi Youth-Revitalising Eye Concentrate Amarrupa Wrinkle-Correcting Eye Cream Kansa Brush Bringadi Regenerating Hair Mask
Uriage	Age Absolu Collagen booster micro redensifying serum Cica daily Repairing cream concentrate Hyséac New skin serum anti blemish booster



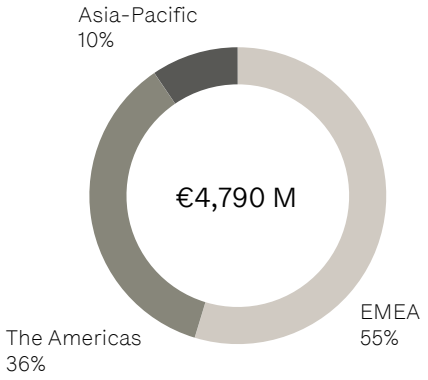
Geographic Segments

In 2024, Puig net revenue grew double-digit compared to 2023 in its core regions of EMEA and the Americas. The EMEA region saw the largest growth in absolute terms.

Puig activity is organized into three geographic segments. In order of size, they are:

1. EMEA (Europe, Middle East, and Africa)
2. The Americas
3. APAC (Asia-Pacific)

Net revenue by geographic segment (% of total)[15]



Geographical segment breakdown by net revenue (€M)

	2023	2024	2024/2023 growth	
			Reported	Constant Perimeter
EMEA	2,322.1	2,620.0	+12.8%	+11.6%
America	1,543.0	1,714.6	+11.1%	+9.5%
Asia-Pacific	439.0	455.1	+3.7%	+3.7%

[15] Totals do not add up to 100% due to rounding.

EMEA

EMEA remains Puig's largest market generating 55% of net revenue. In 2024, Puig net revenue was €2,620 million, marking a 12.8% increase on a reported basis and 11.6% on a constant perimeter basis. This growth was driven by strong performance across all business segments, fueled by sustained demand for Puig's brands and the success of new product launches.

As the birthplace of many Puig brands, Europe remains a key strategic market. Revenue growth in the region was led by the UK, Spain, France and Germany which continue to rank among Puig's top 10 markets.

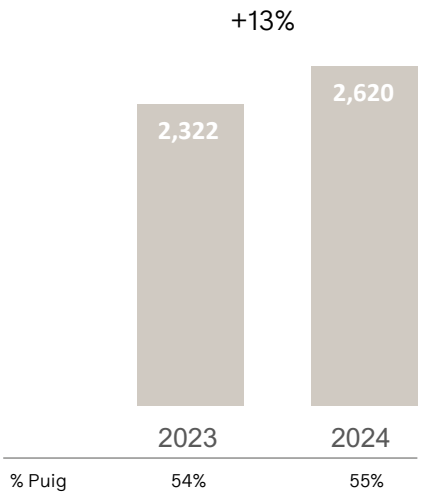
Puig's strategic priorities in the region included strengthening Prestige brands, expanding the presence of Niche brands—such as the opening of new Byredo locations—increasing Makeup distribution, and growing its Skincare portfolio, reinforced by the acquisition of Dr. Barbara Sturm.

In 2024, Puig outpaced market growth, gaining market share in EMEA for the fourth consecutive year. The company reinforced its leadership in the selective fragrance segment, where it estimates a 12%[16] market share in Europe. The largest brand in our Makeup business segment, Charlotte Tilbury, maintained its #1 ranking in the UK prestige makeup market.

Other strategic investments, such as the opening of the new Puig Tower in Barcelona, which houses an Innovation Center, and the expansion of the London offices, have further enhanced the company's operational capabilities. These developments reflect Puig's broader commitment to enhance its presence in EMEA, remaining well-positioned to capitalize on regional growth opportunities

Growth continued in the Middle East thanks to the continued performance of Prestige fragrances and the significant evolution that was seen in Niche fragrances.

Net revenue (€M)



[16] Company estimate of the market, latest available data.

The Americas

The Americas generated €1,715 million net revenue in 2024, reflecting an 11.1% increase on a reported basis and 9.5% growth at constant perimeter compared to the same period in 2023, fueled by sustained strong momentum in fragrances. The region accounted for 36% of Puig's total net revenue, driven by its three key markets: the US, Brazil, and Mexico— all of which ranked among the company's top 10 global markets.

In the Americas, the US is the country market that contributes the most net revenue to Puig, and where Puig experienced significant growth in 2024. In the selective fragrance market, we estimate that it achieved 8.5%[17] of the market share. Fragrance remains the largest business segment in the region.

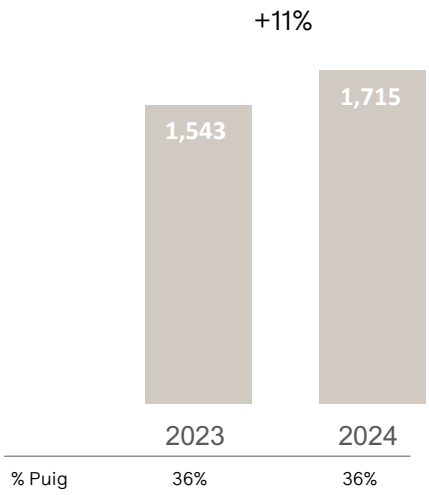
Good Girl Carolina Herrera achieved the significant milestone of becoming the #1 feminine fragrance line in the US and globally in 2024. Charlotte Tilbury achieved the #3 ranking among prestige makeup brands in the US, having gained two positions versus 2023.

In Latin America, Fragrance remained the largest business segment, with Brazil, Mexico, and Chile as the top markets by net revenue. Puig continued to maintain its leadership position in the region although the market saw increasing competition in these geographies this year. Performance was also negatively impacted due to fluctuations in foreign exchange.

Growth also benefited from a positive impact of 3.1% due to a hyperinflation adjustment for the Argentine peso, which provided a favorable comparison versus 2023, when the impact was negative.

Puig remains focused on expanding its footprint in the Americas, evidenced by the opening of new US offices in the Rockefeller Center in New York.

Net revenue (€M)



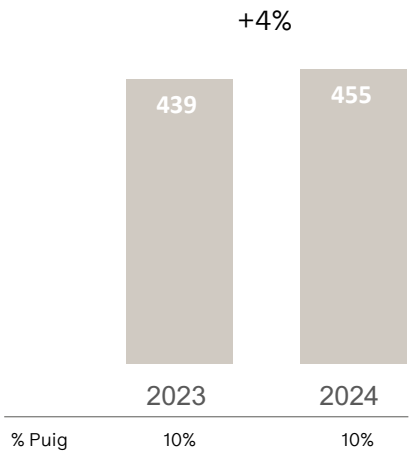
[17] Company estimate of the market, latest available data.

Asia-Pacific (APAC)

APAC, Puig's smallest region by revenue (accounting for 10% of net revenue), continues to be a strategic focus for Puig. In 2024 sales grew 3.7%, despite a challenging market environment, driven by the fragrance business segments Prestige and Niche. Puig also expanded its footprint with new owned doors for Byredo, Penhaligon's and L'Artisan Parfumeur in the region. China remained subdued over the course of the year.

Puig maintains a selective, long-term strategy in APAC, reinforcing its presence with new subsidiaries in Japan, South Korea, and India, which contributed to growth in the second half of the year. This expansion underscores Puig's commitment to sustainable growth and adaptability as market dynamics evolve.

Net revenue (€M)

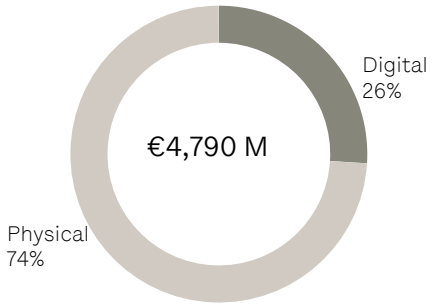


Channels

Puig products reach the end consumer through physical or digital points of sale (either owned or those of distributors). In 2024, a majority of sales continued to occur through physical channels. There was also continued growth in the digital presence of Puig brands with their own e-commerce.

In 2024, Puig saw acceleration in its Direct to Consumers (DTC) efforts. Puig's DTC channels including both brick and mortar and own brand websites contributed to 11% of total company net revenue.

Net revenue by channels (% of total)



Physical (Brick & Mortar)

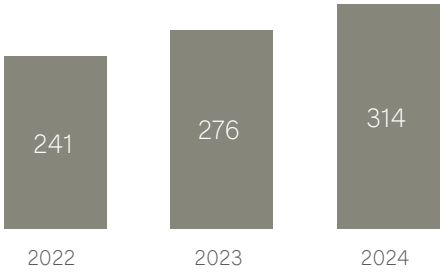
The company estimates that 74%[18] of sales correspond to the physical channel. In this channel, Puig sells its products through department stores, selective retailers, pharmacies, parapharmacies, travel retail and its own stores.

In 2024, Puig expanded its retail footprint, adding 38 new Puig-owned stores compared to the previous year. This growth was primarily driven by the Niche category, led by Byredo, Penhaligon's, and L'Artisan Parfumeur, alongside the acquisition of Dr. Barbara Sturm.

With its global reach, the travel retail channel remains a strategic platform for brand building and customer acquisition. Contributing a high single-digit percentage of Puig's total revenue, this channel continues to grow, driven by the company's commitment to elevating the traveler experience. Carolina Herrera, Jean Paul Gaultier, and Rabanne played a key role in this success. At the same time, the Niche category and Charlotte Tilbury accelerated their expansion, further strengthening their presence through a growing number of openings.

[18] The breakdown of net revenue by channel has been calculated based on the information provided by our retailers and distributors, along with our own information (the company's estimate of the market).

Number of Puig own stores



Digital

Puig has a digital presence through three channels: the brands' own e-commerce platforms, e-tailing of distributors that have physical stores, and beauty e-tailers with exclusive online sales (pure players). Puig estimates that digital sales account for 26%[19] of the total.

Puig's brands' own e-commerce platforms have been growing at a faster rate than overall digital business, increasing the weight of Puig direct to consumer online presence which has been further enhanced by Jean Paul Gaultier and our digitally native brands such as Charlotte Tilbury and Dr. Barbara Sturm's.

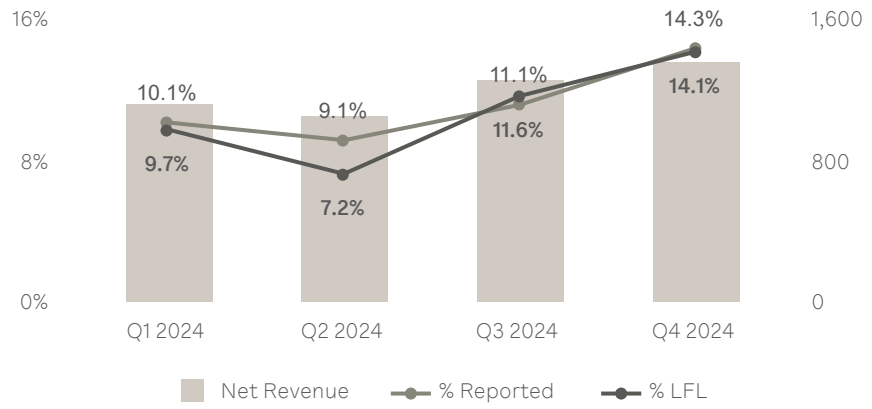
The brands apply a One Brand strategy to the digital channel, unifying it with the physical channel through a global portal that provides a complete, immersive, and personalized consumer purchasing experience.

[19] The breakdown of net revenue by channel has been calculated based on the information provided by our retailers and distributors, along with our own information (the company's estimate of the market).

Net Revenue by quarter

	Q1	Q2	Q3	2024 Q4
Fragrance and Fashion	823.2	775.4	935.2	1,004.2
Makeup	172.6	161.9	200.6	228.0
Skincare	134.4	121.6	125.5	134.7
Eliminations	(11.8)	(6.1)	(4.3)	(5.2)

	Q1	Q2	Q3	2024 Q4
EMEA	617.0	536.6	676.1	790.4
The Americas	404.4	409.5	476.7	424.0
Asia-Pacific	97.0	106.7	104.2	147.2





Olfactory Technological Innovation

In 2024, Puig strengthened its leadership in olfactory innovation with ScentXP, its first spin-off dedicated to enhancing fragrance experiences. By integrating advanced olfactory technologies, including Wikiparfum and AirParfum, ScentXP supports consumers in making informed fragrance choices while preventing olfactory fatigue.

A key milestone was the launch of the Brand Portal, a digital platform that enables brands to manage product data within Puig's ecosystem, ensuring consistent representation across retail partnerships. This initiative promotes open innovation, enhances visibility, and fosters consumer trust while improving collaboration between brands and retailers.

ScentXP's portfolio includes Wikiparfum, an extensive fragrance database, and the Fragrance Library API, which helps brands visualize scent profiles for e-commerce. The Profiler, an AI-powered recommendation engine, personalizes scent suggestions, improving engagement and conversion rates.

Expanding its digital reach, ScentXP introduced ScentBot, a virtual assistant for online perfumeries, guiding consumers in fragrance selection while collecting insights on shopping behavior. By the end of 2024, these tools were integrated into thousands of perfumeries via Shopify and other platforms.

In physical retail, EAN Nose provided QR-based fragrance information and staff training support, while AirParfum, Puig's patented sampling technology, expanded in luxury retail and fragrance houses. It also played a key role in *Scent & the Art of the Pre-Raphaelite*s at The Barber Institute of Fine Arts of Birmingham and the Glenmorangie Wonder Machine experience at London Heathrow Airport. Beyond beauty, AirParfum entered final clinical trials for early detection of Alzheimer's and Parkinson's diseases.

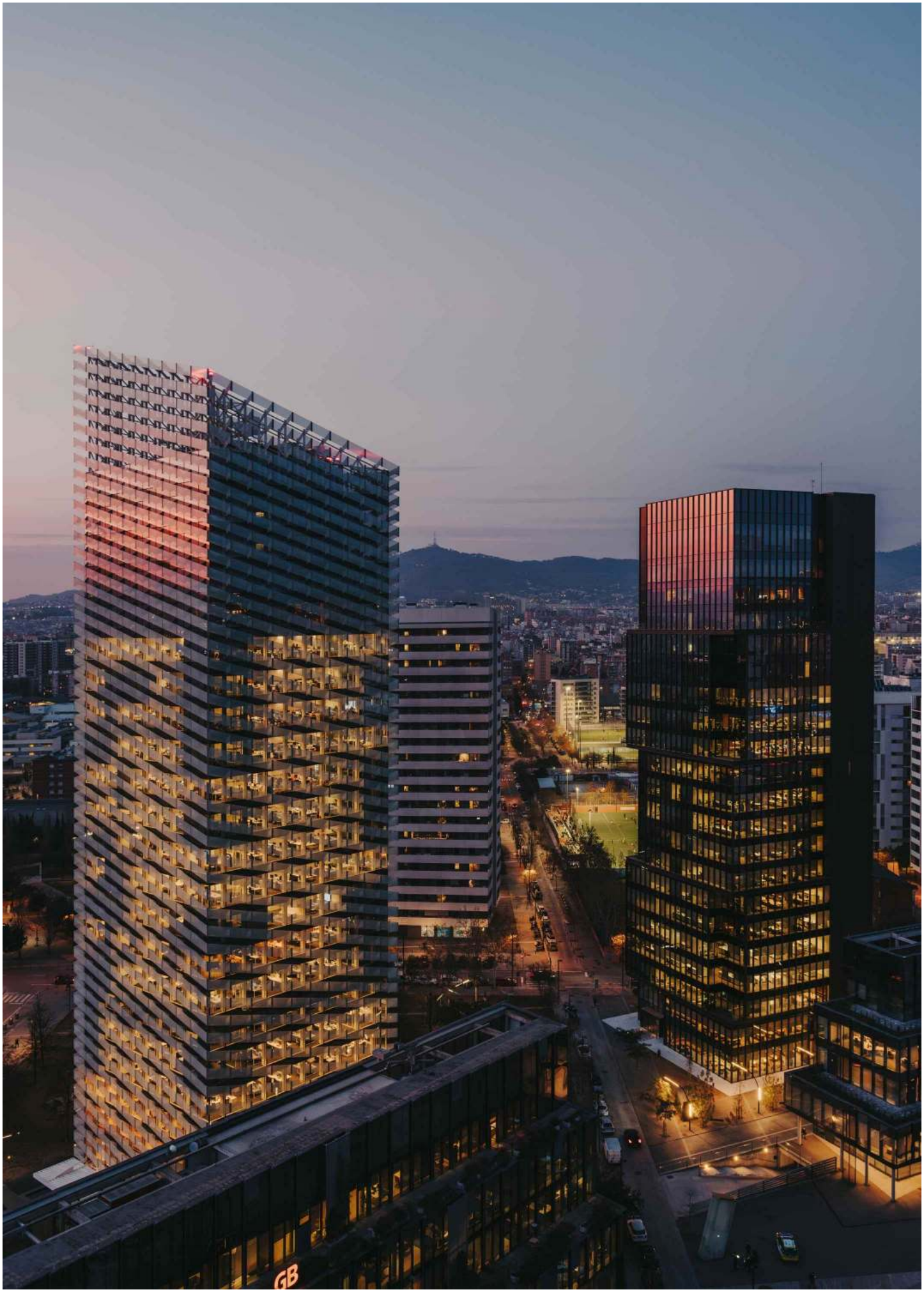
By year-end, ScentXP operated in more than 50 countries, reaching 10.5 million users and deploying 300+ category sensors. It delivered 60 million personalized recommendations, reflecting its deep understanding of global fragrance preferences.

ScentXP's innovation has been widely recognized, earning numerous awards in the past four years, including six in 2024. Key accolades include Best Technology Startup for ScentXP and Best Digital Initiative for Wikiparfum's TikTok filters at the Beauty Cluster 2024. AirParfum's installation at Museo Nacional del Prado received the Gold-Innovation and Transforming Ideas Best International Award at the Buho Awards, while the Mobile World Congress experience '*¿A qué huele Barcelona?*' was honored at Best'n Beauty and the Mobile World Capital Awards.

These milestones underscore Puig's ongoing efforts to advance olfactory technology while delivering exceptional consumer experiences worldwide.

4

Corporate Governance


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The Role of the Administrative, Management and Supervisory Bodies

Over the years, Puig has established a governance structure aligned with the highest applicable standards, reflecting its commitment to ethics and ESG principles.

The company's leadership team brings together members of the third generation of the founding family and executives, united by a long-term vision centered on innovation, creativity, and sustainability. At the highest level, the Board of Directors is responsible for overseeing company management, approving general policies and strategies, and ensuring sound corporate governance. Comprising proprietary, independent, and executive directors, the Board maintains a balanced and diverse leadership structure.

In 2024, Puig published its first Annual Corporate Governance Report, offering a comprehensive overview of its governance framework and operations. The report provides detailed insights into:

- Board Composition and Diversity – An analysis of the structure and representation within the Board of Directors and its Committees. (Refer to Sections C.1.2, C.1.3, C.1.14, C.2.1 and C.2.2 of the Annual Corporate Governance Report.).
- Roles and Responsibilities of the Board and its Committees – Including oversight functions over the processes, controls,and procedures to manage the material IROs and the mandate of the Sustainability and Social Responsibility Committee. (Refer to Sections C.1.2, C.1.3, C.2.1, E.1, E.2, and E.3 of the Annual Corporate Governance Report.)

This milestone underscores Puig's ongoing commitment to transparency, accountability, and best-in-class governance practices.

Board of Directors Training and Access to Expertise

In accordance with Articles 39, 40, and 41 of the Board of Directors' Regulations, the selection process for Board members prioritizes the necessary knowledge, skills, and experience required for their roles. For this purpose, as part of the selection procedure set forth in the Selection and Diversity Policy of the Board of Directors of Puig, the Appointments and Remuneration Committee shall draw up a skills matrix of the Board of Directors that defines the skills and knowledge of the candidates, and that helps the Appointments and Remuneration Committee to define the functions that should correspond to each position, as well as the skills, knowledge and experience most appropriate for the Board of Directors. Notably, over 60% of the current Board members have received specialized training in ESG principles. Puig will evaluate whether the ESG training plan requires modifications, based on the conclusions of the latest Double Materiality Assessment and the capabilities of the board members.

Additionally, as outlined in these Articles, both the Board of Directors and its Committees may consult external experts whenever necessary to enhance decision-making and governance effectiveness.

Employee representation

Puig's administrative, management, and supervisory bodies do not include employee representation. While certain European governance models require union representation at the board level, this is neither a legal obligation nor a common market practice in Spain. However, Puig remains committed to open dialogue with employees and their representatives, ensuring their voices are heard through established engagement and consultation mechanisms. More information on this topic can be found in the chapter Our People, section Processes for Engaging and Developing Our People.

Puig Core Corporate Policies

A key responsibility of the Board of Directors is the approval of policies that define Puig's commitments and guiding principles, ensuring a strong foundation for ethical conduct, sustainability, and regulatory compliance.

At the core of Puig's regulatory framework is its Ethical Code, which establishes the company's values, ethical commitments, and legal obligations. Building upon this foundation, the Core Corporate Policies, approved by the Board, outline the fundamental principles shaping Puig's approach to governance, sustainability, and compliance.

To ensure clarity and consistency, these policies provide specific directives for key operational areas, reinforcing transparency and accountability across the organization. This structured hierarchy is governed by the Policy on Policies, which standardizes policy development and implementation throughout Puig.

Scope of Application

Puig's internal regulations apply across all entities within the company. Specifically, they cover Puig Brands, S.A., its subsidiaries, and any future entities in which Puig Brands, S.A. holds or may hold direct or indirect control, in accordance with Article 42 of the Spanish Commercial Code. These regulations extend to all employees within these entities. Additionally, the Ethical Code and the Sustainable Sourcing Policy apply to third parties and business partners.

Availability

All corporate policies and standards are readily accessible through multiple channels, including:

- The Puig website: www.puig.com
- The Puig Reporting Channel: https://puigreportingchannel.ethicspoint.com/
- The company internal communications platform

This regulatory framework underscores Puig's unwavering commitment to responsible business practices, ensuring alignment with the highest ethical and compliance standards.

Material Policies - Key Contents and Accountability

The key contents and accountability for each material policy, as referenced throughout this report, are outlined below:

Ethical Code

- Key contents: it defines Puig values, ethical principles, and commitments, addressing material risks such as compliance, fairness, and integrity.
- Accountability: Board of Directors of Puig Brands, S.A.

Human Rights Policy

- Key contents: it reflects the company's commitment to respecting universal human rights, addressing risks like forced labor, child labor, and discrimination.
- Accountability: Chief Human Resources Officer (CHRO).

Sustainable Sourcing Policy

- Key contents: sets the applicable ESG standards to be met by suppliers when doing business with Puig.
- Accountability: Chief Sustainability Officer (CSO).

Policy on Policies

- Key contents: it defines the internal guidelines for drafting, approving, and implementing policies, addressing risks of inconsistency and lack of transparency.
- Accountability: Chief Compliance Officer (CCO).

Reporting Channel Policy and Procedure

- Key contents: they govern the Puig Reporting Channel whereby the company provides a secure, confidential mechanism to address risks of unethical behavior.
- Accountability: Chief Compliance Officer (CCO).

Compliance and Crime Prevention Policy

- Key contents: it defines the company's approach and principles for compliance and crime prevention.
- Accountability: Chief Compliance Officer (CCO).

Anti-corruption Policy

- Key contents: it establishes the company's zero-tolerance standard for corruption, detailing preventive measures and controls to address corruption and bribery risks.
- Accountability: Chief Compliance Officer (CCO).

Information Security Policy

- Key contents: it ensures confidentiality, integrity, and availability of information assets.
- Accountability: General Counsel and Chief Operating Officer of Beauty and Fashion (COO).

Antitrust Policy

- Key contents: it reflects the company's principles towards conducting its business based on free competition and anti-competitive practices.
- Accountability: General Counsel.

Climate Policy

- Key contents: it develops the principles of the company's strategy towards achieving net zero by 2050, addressing emissions reduction and renewable energy adoption.
- Accountability: Chief Sustainability Officer (CSO).

Pollution Prevention Policy

- Key contents: it shows the company's commitment to minimizing the environmental impact of its operations through.
- Accountability (c): Chief Sustainability Officer (CSO).

Water Policy

- Key contents: it focuses on sustainable water management, addressing risks like scarcity and pollution and opportunities in circular water systems.
- Accountability: Chief Sustainability Officer (CSO).

Forest Policy

- Key contents: it promotes deforestation-free supply chains and biodiversity preservation.
- Accountability: Chief Sustainability Officer (CSO).

Waste Policy

- Key contents: it promotes circularity, zero waste, and responsible consumption.
- Accountability: Chief Sustainability Officer (CSO).

Consideration to key stakeholders

The development of these policies involves a structured coordination and consensus process among specialized departments and their respective leaders. This collaborative approach ensures alignment across all business areas, fostering a cohesive and consistent implementation of Puig's policies.



Sustainability Matters Addressed by the Board of Directors

The Sustainability and Social Responsibility Committee, a specialized committee of the Board of Directors, oversee Puig's sustainability strategy and ESG commitments. The Committee is composed of the Chairman and CEO, the Vice Chairman, and three additional independent Board members. Meeting quarterly, it reviews progress on the Puig 2030 ESG Agenda, while also assessing the company's material dependencies, impacts, risks, and opportunities related to climate and nature.

The CSO's participation is key, bringing expertise in sustainability, a holistic perspective for evaluating performance, and a strong focus on stakeholder alignment. As a representative of Puig's sustainability efforts, the CSO ensures that key concerns are addressed and integrated into the company's strategic decision-making.

To strengthen Puig's approach to climate and nature-related risks and opportunities, the CSO leads an annual taskforce dedicated to these topics. This taskforce operates within the frameworks of IFRS S2 and the Taskforce on Nature-related Financial Disclosures (TNFD) and includes experts from markets, finance, R&D, procurement, supply chain, manufacturing, facilities, and risk management. Its primary role is to conduct in-depth assessments of climate and nature-related risks and opportunities, with an annual review of findings.

The taskforce's conclusions are presented to both the Sustainability and Social Responsibility Committee and the ESG Team, ensuring that the Board of Directors and senior management receive precise, data-driven insights to inform strategic decisions that enhance Puig's sustainability and resilience to climate change.

The ESG Team, composed of senior managers with sustainability-related responsibilities, is led by the CSO and meets monthly to oversee the execution of Puig's ESG initiatives.

Additionally, climate and nature-related risks are integrated into the "ESG risk" which is part of Puig's corporate risk map. Consequently, climate and nature-related risks result integrated into the organization's overall risk management which is oversee by the Audit and Compliance Committee.

For more details on the Impacts, Risks, and Opportunities addressed by the Board of Directors during the reporting year, refer to Section E.5 of the Annual Corporate Governance Report.

Integration of Sustainability-related Performance in Incentive Schemes

The Annual Director's Remuneration Report is a key document that provides transparency on Puig' Directors' compensation policies by detailing the company's compensation framework for executive directors and Board members. It outlines how remuneration structures are designed to align with Puig's broader business objectives, including financial performance and sustainability commitments.

By linking compensation to ESG performance, Puig ensures that its leaders are both personally and financially accountable for driving progress toward key sustainability goals. This alignment strengthens the company's long-term commitment to responsible business practices.

The full details of Puig's ESG-linked and climate related remuneration policies can be found in the Annual Directors' Remuneration Report, specifically in the following sections:

- Incentive schemes applicable in 2024 – (Section 4.A).
- Incentive schemes applicable in 2025 – (Section 3.A).
- Governance and decision-making processes for remuneration – (Section 5.A).

While the Annual Directors' Remuneration Report exclusively covers the compensation of executive and non-executive Board members, it is important to note that the weight of ESG objectives in both short-term and long-term incentive schemes applies equally to all senior management members.

Statement on Due Diligence

Puig is still developing a Human Rights Due Diligence process based on the OECD[20] Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. This initiative aims to integrate a structured due diligence framework into Puig's Human Rights Policy and Sustainable Sourcing Policy, reinforcing the company's efforts to ensure ethical and responsible business practices.

While Puig has not yet formalized a comprehensive due diligence process, the company has already implemented key mechanisms to monitor and mitigate ESG risks within its supply chain. These measures contribute to early risk identification, responsible sourcing, and continuous improvement in human rights and environmental protection.

To proactively monitor and mitigate ESG risks in its supply chain, Puig has established the following key processes and mechanisms:

- Commitments with respecting human rights and the environment expressed in the Puig Ethical Code.
- Puig Human Rights Policy.
- Puig Sustainable Sourcing Policy.
- Reporting Channel to be used by any stakeholder to report a breach of the Ethical Code or regulations.
- Suppliers' evidence-based assessment on ESG through third-party ratings such as EcoVadis and Sedex.
- Suppliers' on-site audits on ESG matters, following the 4-Pillar Sedex SMETA methodology.

[20] Organization for Economic Co-operation and Development.

Risk Management and Internal Controls over Sustainability Reporting

Puig's sustainability reporting relies on data from its Enterprise Resource Planning (ERP) system, specifically SAP. This information is collected and consolidated through the ESG Tool, an in-house platform designed to centralize all ESG-related data across the company.

The primary risk in this process is data inaccuracy. Additionally, there is a risk of data inconsistency, as information is gathered from multiple sources that may not always align, leading to potential discrepancies. Another key risk is the dependency on estimated data for certain ESG metrics, which can introduce uncertainty and potential misrepresentation.

To mitigate risks, Puig has implemented control mechanisms within its ERP systems, complemented by a monthly data review process to identify and correct potential calculation errors. Puig also conducts an annual assessment of the percentage of estimated data and continue gathering additional information to reduce this percentage over time.

Currently, no formal prioritization of risks has been established; instead, Puig's approach focuses on mitigating all identified risks equally to ensure the reliability of sustainability reporting.

When deviations are detected, the calculation methodologies, estimations, and processes within the ESG Tool are reviewed and refined. Any significant findings are reported during ESG Team meetings, led by the CSO.

Furthermore, Puig's Internal Audit team is actively working on further developing the internal control framework to strengthen risk management over sustainability reporting.

5

Double Materiality Analysis and Sustainability

Sustainability Matters Related to the Strategy

Puig sustainability structure is not aligned with specific product categories or business segments but is embedded within a holistic company vision. Due to this holistic approach Puig doesn't relate its products to its sustainability related goals. Sustainability is integrated transversally across all areas of activity, ensuring alignment with Puig's long-term strategy and corporate values.

The most relevant strategic paths that relate to sustainability aspects are:

- The development of products that promote circularity in all its aspects while responding to new consumer demands;
- The monitoring of the value chain to ensure ESG compliance;
- The growth in a sustainable aligned culture;
- And the optimization of water management, recognizing its critical role as Puig depends on this resource not only for industrial processes but also as a relevant ingredient of part of its portfolio.

Puig's inputs include raw materials like essential oils, alcohols, and specialty chemicals sourced from global suppliers. The company ensures quality and sustainability through supplier assessments and collaborations. Inputs are secured via long-term agreements emphasizing ethical sourcing and innovation, with a focus on reducing environmental impact and aligning with ESG goals.

Puig's output includes premium beauty products across fragrances, makeup, and skincare, delivering quality and innovation. Outcomes benefit customers with enhanced experiences, investors with sustained growth, and stakeholders with strengthened ESG commitments, aligning with sustainability goals and fostering long-term value creation across its value chain.

Puig positions itself as an integrator of its value chain, ensuring quality and innovation throughout. The company's upstream value chain includes sourcing raw materials like essential oils and alcohols through global suppliers, emphasizing sustainability. The company's downstream value chain spans production, distribution, retail, and e-commerce channels, delivering premium beauty products to customers worldwide.

Puig's strategy and objectives for climate change are reflected in the 2030 ESG Agenda. Targets set in this Agenda have been designed to control risks and to enhance opportunities detected during the risk and opportunity assessment exercise.

The company has a budget set to finance projects and activities to achieve these targets. The budget is revised and compared with the level of achievement of each target set in the 2030 ESG Agenda. This exercise is done annually to ensure the financial planning of the company is aligned with the status of compliance of the targets.

Double Materiality

Interests and Views of Stakeholders

Puig's key stakeholders include employees, suppliers, customers, investors, local communities, NGOs, environmental agencies, and public authorities.

To align with global tendencies, Puig has developed a tight stakeholder engagement, which encompasses a systematic process aimed at identifying and addressing the interests of the diverse groups. The purpose of Puig's stakeholder engagement is to understand diverse perspectives on sustainability impacts, risks, and opportunities, ensuring alignment with ESG goals, enhancing decision-making processes, and fostering collaboration to drive sustainable value creation across its business model and value chain.

Engagement occurs regularly, with each group’s input collected through tailored mechanisms, including surveys, workshops, and direct consultations. These efforts are structured to integrate stakeholder perspectives into business strategy and materiality assessments, ensuring outcomes are effectively addressed and incorporated into decision-making processes.

Outcomes of Puig's stakeholder engagement are integrated into materiality assessments and sustainability strategies, directly influencing business decisions, ESG priorities, and operational adjustments to address identified impacts, risks, and opportunities, fostering alignment with stakeholder expectations and corporate objectives.

Some years ago, Puig amended its strategy to prioritize sustainability by integrating ESG goals, enhancing supply chain transparency, and innovating sustainable products. Adjustments include aligning business operations with net-zero targets, expanding sustainable practices across value chains, and embedding stakeholder feedback into strategic decisions.

In the near future, Puig plans to strengthen its ESG initiatives by integrating sustainability criteria into all operations, enhancing supply chain transparency, and advancing stakeholder engagement processes. These steps are scheduled for implementation over the next three years, aligning with Puig 2030 ESG Agenda and net-zero goals.

Puig administrative, management, and supervisory bodies are regularly updated about stakeholder views gathered on materiality analysis, employee feedback or suppliers’ assessments, among others. Different mechanisms are in place for this purpose.

Material Impacts, Risks and Opportunities (IROs) and their Interaction with Strategy and Business Model

Puig's materiality assessment identified key material impacts across its business model, upstream and downstream value chains, and operations, closely linked to sustainability objectives.

Environmental impacts include greenhouse gas (GHG) emissions, primarily driven by raw material sourcing, production processes, and transportation logistics. Biodiversity loss due to agricultural practices and resource consumption, particularly water and energy use, remains a significant concern, especially in regions where natural resource depletion threatens ecosystems and local communities.

Social impacts focus on ensuring fair labor practices across the value chain, addressing key issues such as worker safety, fair wages, and the prevention of child and forced labor in supplier networks. Consumer safety is also a priority, with an emphasis on accurate product labeling and the responsible use of chemicals to safeguard end-users well-being.

These material impacts are most prevalent in Puig’s upstream value chain, where raw materials such as essential oils, alcohols, and specialty chemicals are sourced, and in downstream activities, including product distribution, retail, and end-customer interaction. Within its own operations, Puig prioritizes improving energy efficiency and reducing waste throughout production processes.

The current effects of material impacts and risks include increased costs related to resource use, regulatory pressure on emissions, and reputational risks tied to labor practices. Anticipated future impacts include more stringent regulatory requirements, resource scarcity, and evolving consumer expectations for sustainable products, necessitating significant operational adjustments.

In response, Puig has strengthened its sustainability strategy, prioritizing ESG principles across operations and value chains. This includes investments in renewable energy, sustainable raw materials sourcing, and the development of eco-friendly products. For example, Puig has enhanced supply chain transparency, placing a strong emphasis on ethical sourcing to mitigate risks such as forced labor and biodiversity loss.

Additionally, Puig plans to align product development and operational processes with net-zero objectives, incorporating stakeholder insights to refine decision-making. Investments in innovation and technology aim to improve efficiency and reduce environmental impacts. These initiatives are designed to future-proof Puig's business model, ensuring resilience and long-term value creation.

The material negative impacts that affect people or the environment may be contribution to climate change, impact in ecosystems, biodiversity and communities, availability of natural resources, working conditions in the value chain.

Conversely, the positive impacts expected to benefit people and the environment include fostering sustainable innovation that reduces environmental harm, promoting inclusive employment practices, and developing eco-friendly products.

Puig's material impacts are intrinsically connected to its strategy and business model, driven by its focus on global supply chains, premium product innovation, and ESG integration. Environmental impacts, such as GHG emissions and resource consumption, stem from production and logistics, while social impacts emerge from labor practices and consumer interactions within its value chain.

Material impacts are assessed across three-time horizons: short-term impacts related to operational resource use and labor practices, medium-term impacts from regulatory changes and consumer demand for sustainable products, and long-term impacts influenced by climate change and ecosystem degradation, affecting supply chains and business continuity.

These impacts span raw material sourcing, including essential oils and alcohols, manufacturing processes in owned and third-party facilities, and global logistics. Business relationships with suppliers, particularly in high-risk regions, and downstream distribution channels impacts labor practices, resource use, and GHG emissions.

As the double materiality analysis concluded in mid-December 2024, a quantitative financial evaluation had not yet been conducted by year-end.

Previously, Puig conducted a resilience analysis following IFRS S2/TCFD frameworks.

All Puig's impacts, risks, and opportunities related to GHG emissions, resource consumption, and labor practices are aligned with ESRS Disclosure Requirements.

The following Impacts, Risks, and Opportunities have been identified as inherent to the industry and material for Puig.

IRO Type	IRO description	ESRS Topic	ESRS Subtopic	ESRS Subsubtopic	Value chain location
Negative impact	The fuel consumption of transportation and logistics operators leads to negative environmental impacts.	E1	Climate change mitigation	-	Upstream, Downstream
			Energy	-	Upstream, Downstream
Negative impact	The act of clearing forests or grasslands by businesses leads to the release of large amounts of CO2 as well as disrupts the natural carbon sink function of these ecosystems, resulting in negative impacts to the environment.	E1	Climate change mitigation	-	Upstream
Negative impact	Excessive water withdrawal, or inadequate management of its use, especially in an area experiencing water scarcity, can further reduce water availability and increase competition for this essential resource, resulting in a negative impact on local communities and ecosystems.	E3	Water	Water withdrawals	Own operations

Negative impact	Agricultural and mining practices, such as land conversion, deforestation, soil erosion and the use of pesticides, to obtain the most relevant raw materials in Puig's supply chain, such as paper, palm oil, alcohol, metal, glass, or mica, lead to a significant loss of terrestrial biodiversity. This threatens biodiversity, soils and ecosystems.	E4	Direct impact drivers of biodiversity loss	Land-use change, fresh water-use change and sea-use change	Upstream
				Direct exploitation	Upstream
			Impacts on the extent and condition of ecosystems	-	Upstream
Negative impact	Palm oil harvesting in specific regions of the world leads to deforestation, GHG emissions, and other environmental problems negatively impacting the environment.	E4	Direct impact drivers of biodiversity loss	Direct exploitation	Upstream
Negative impact	The emission of NOx and SOx leads to acid rain and increased ocean acidification, which in turn can cause damage to plant life by impairing photosynthesis and reducing growth, thereby negatively affecting the environment.	E4	Direct impact drivers of biodiversity loss	Pollution	Upstream
Negative impact	Creating unfavorable working conditions, including non-compliance with hours, unsafe environments, non-payment of wages, salaries below the decent minimum, unjustified dismissals, and lack of representation, limit employees' opportunities and negatively impact their well-being.	S1	Working conditions	Secure employment	Own operations
				Working time	Own operations
				Adequate wages	Own operations
Negative impact	The use of heavy machinery, hazardous substances, high temperatures, pressure, and electrical risks in Puig's production plants poses significant health and safety threats to employees.	S1	Working conditions	Health and safety	Own operations
Negative impact	The use of heavy machinery, hazardous substances, high temperatures, pressure, and electrical risks in chemical manufacturing poses significant health and safety threats to employees in Puig's supply chain.	S2	Working conditions	Health and safety	Upstream
Negative impact	The imposition of forced and/or child labor results in individuals providing work or service under penalty, without voluntary consent, negatively impacting societal well-being.	S2	Other work-related rights	Child labor	Upstream (Asia)
				Forced labor	Upstream (Asia)
Negative impact	Inaccurate or insufficient product labeling (i.e. greenwashing), and misleading marketing communication with consumers (including information related to product ingredients), may harm the health of specific group of consumer (e.g. people with allergies and intolerances).	S4	Information-related impacts for consumers and/or end-users	Access to (quality) information	Downstream
			Social inclusion of consumers and/or end-users	Responsible marketing practices	Downstream
Negative impact	The use of chemicals of concern by Puig in its products has the potential to negatively impact the health of consumers.	S4	Personal safety of consumers and/or end-users	Health and safety	Downstream
Positive impact	Puig's proactive adjustment to current and anticipated climate change-related risks, and its contribution to the resilience of societies and economies, can lead to a positive impact on the transition to a low-carbon economy.	E1	Climate change adaptation	-	Upstream, Own operations
Positive impact	By establishing carbon emission targets, modifying business models, and investing in renewable energy and technologies to remove CO2, Puig can lower its emissions and create a positive impact on climate change mitigation.	E1	Climate change mitigation	-	Upstream, Own operations, Downstream

Positive impact	Ensuring employee satisfaction, safety, and health through the promotion of workplace well-being and the implementation of comprehensive development and training plans.	S1	Working conditions	Work-life balance	Own operations
			Equal treatment and opportunities for all	Training and skills development	Own operations
Positive Impact	Contributing to an increased awareness of discrimination and social inclusion in the fashion and beauty industries (e.g., plus sizes, gender diversity, different generations, etc.). Puig can attract new customers by addressing the specific needs of various population segments. This inclusivity not only meets the needs of diverse consumers but also demonstrates Puig's commitment to equality and social responsibility.	S4	Social inclusion of consumers and/or end-users	Access to products and services	Downstream
				Responsible marketing practices	Downstream
Positive Impact	Raising public awareness about the impacts of the retail sector. A shift in consumer behavior can drive the industry towards more ethical practices, encouraging companies to adopt greener technologies, fair labor practices, and transparent operations.	S4	Social inclusion of consumers and/or end-users	Responsible marketing practices	Downstream
Risk	Climate change and dwindling natural resources may cause cost fluctuations for key products and services required by suppliers and distributors, resulting in a negative financial impact on Puig.	E1	Climate change adaptation	-	Upstream
Risk	Disruptions to the energy supply can have a material financial impact on operations, such as increased operating costs, lost revenue, and/ or reputational harm, particularly for Puig's E-Commerce business that relies heavily on data centres for critical hardware and IT infrastructure.	E1	Energy	-	Upstream, Own operations, Downstream
Risk	Regulatory developments, relating to pollution, emissions management, and substances of concern, can have a negative financial impact on the business, including increased manufacturing costs and reduced brand value.	E2	Pollution of air	-	Own operations
			Substances of concern	-	Own operations
Risk	The lack of water supply due to water scarcity in a region where a production plant is located can lead to the interruption of operations, resulting in a significant financial impact for the company.	E3	Water	Water consumption	Upstream, Own operations
Risk	The use of palm oil materials and its negative impact on biodiversity can present reputational and regulatory risks with potential negative financial impacts for Puig.	E4	Direct impact drivers of biodiversity loss	Land-use change, fresh water-use change and sea-use change	Upstream
Risk	Problems or shortages in the sourcing of raw materials can lead to production lines being stopped, resulting in a significant decrease or even a complete halt in production.	E4	Impacts and dependencies on ecosystem services	-	Upstream
Risk	Worker injuries, illnesses, and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.	S1	Working conditions	Health and safety	Own operations (Global)
Risk	Worker injuries, illnesses, and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.	S1	Working conditions	Health and safety	Own operations (Asia)

Risk	Human rights violation incidents in the supply chain often receive extensive media coverage, which can damage Puig's image and affect its reputation in the long term.	S2	Working conditions	Working time	Upstream
				Adequate wages	Upstream
			Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Upstream
			Other work-related rights	Child labor	Upstream
				Forced labor	Upstream
Risk	Worker injuries, illnesses, and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.	S2	Working conditions	Health and safety	Upstream
Risk	Failing to adapt to consumer demand for increased labelling and marketing transparency and/or making misleading statements through inaccurate or insufficient product labeling and misleading marketing communication with consumers (including information related to product ingredients), may lead to penalties, litigation, and other financial losses.	S4	Information-related impacts for consumers and/or end-users	Access to (quality) information	Downstream
			Social inclusion of consumers and/or end-users	Responsible marketing practices	Downstream
Risk	Non-compliance with laws and regulations could lead to increased compliance costs, loss of financial incentives, stakeholders dissatisfaction, reputational damage and fines or penalties.	G1	Corporate culture	-	Own operations
			Protection of whistleblowers	-	Own operations
Risk	Violations of anti-corruption, anti-bribery, and payments-transparency laws with regards to suppliers and the selection of buyers and allocation of sales contracts, which can involve bribery and conflicts of interest, could lead to significant one-time costs, higher ongoing compliance costs, and/or reputational harm for Puig.	G1	Management of relationships with suppliers including payment practices	-	Own operations
			Corruption and bribery	Prevention and detection including training	Own operations
				Incidents	Own operations
Opportunity	Investing in fuel-efficient fleets and energy efficient technologies, in addition to improving overall energy efficiency and access to alternative energy sources, may incur short-term capital expenditures, but could meet growing demand for reducing emissions leading to increased market share as well as long-term operational savings, reduced cost volatility and reduced regulatory risks.	E1	Climate change mitigation	-	Own operations
			Energy	-	Own operations
Opportunity	Active management of air emissions / pollutants through technological process improvements or other strategies may result in improved financial performance (e.g. operational efficiencies) and enhanced brand value.	E2	Pollution of air	-	Own operations
Opportunity	Investment or operating costs associated with waste management strategies, such as reduced generation, the implementation of AI technology, effective treatment and disposal, and recycling and recovery, may lead to long-term cost savings and reduce the risk of remediation liabilities or regulatory penalties.	E5	Waste	-	Own operations, Downstream

Opportunity	Puig can reduce the environmental impact of the products it distributes, such as through product packaging and take-back programs, which can help meet customer demand and reduce associated costs.	E5	Resource outflows related to products and services	-	Own operations, Downstream
Opportunity	Research and enter new markets, especially through product innovation, that have similar or higher growth potential than current markets. This could include emerging countries or regions with growing demand for Puig's products.	E5	Resource outflows related to products and services	-	Own operations
Opportunity	Introducing innovative and sustainable products, along with pursuing various product certifications, can attract new consumers and reduce regulatory risk, improving company revenue and profitability.	E5	Resource outflows related to products and services	-	Own operations
Opportunity	By promoting inclusion and equity, Puig can create a diverse and fair work environment, offering equal growth opportunities for all employees and enhancing morale, while attracting diverse talent and enriching the company's culture with fresh perspectives.	S1	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Own operations
				Employment and inclusion of persons with disabilities	Own operations
Opportunity	Prioritization of customer satisfaction and interaction (i.e. loyalty programs) presents a significant opportunity for Puig to build strong, loyal customer relationships. Exceptional customer service can lead to increased customer retention, positive word-of-mouth referrals, and enhanced brand reputation.	S4	Social inclusion of consumers and/or end-users	Access to products and services	Downstream

Impacts, Risks and Opportunities Management

Description of the Process to Identify and Assess Material IROs

Puig conducted a comprehensive double materiality assessment in 2024 with the aim of aligning its reporting with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the derived European Sustainability Reporting Standards (ESRS).

This process aims to identify, assess, prioritize, and monitor both potential and actual impacts on people and the environment, as well as risks and opportunities that could have a financial effect on the company. The assessment follows a systematic approach that is structured around four main phases: Understanding, Identification, Evaluation, and Definition. This approach is informed by Puig's internal risk management frameworks and considers specific activities, business relationships, geographies or other factors that have the potential to heighten the risk of adverse impact.

Puig's decision-making process is outlined in section Corporate Governance. Currently, Puig's process to identify, assess, and manage the IROs is not integrated into its overall risk management process. Nevertheless, Puig plans to perform this integration in the future. On the other hand, the integration of this process within Puig's overall management process is formalized through its Sustainability and Social Responsibility Committee (more information can be found in the Corporate Governance chapter, Sustainability Matters Addressed by Board of Directors section).

Results and inputs from previous materiality assessments performed by Puig were considered in the "Understanding" phase of the current assessment process, but the methodology differs substantially. The differences are rooted in Puig's efforts to comply with the requirements of the CSRD and align the assessment with EFRAG's Materiality Assessment Implementation Guidance. This assessment will be revised on an annual basis.

The phases of the process are explained as follows.

Understanding

The objective of the "Understanding" phase was to obtain a holistic understanding of Puig's operations, products, and services across its business relationships, sustainability context, and stakeholders, as prescribed by the CSRD. This was done by conducting a benchmark analysis that involved reviewing regulatory developments and ESG prescribers, and analyzing the publically-available information of the sector's opinion leaders and Puig's key competitors.

Additionally, Puig's entire value chain was mapped, covering Upstream, Own Operations, and Downstream, across all Puig. Even so, transportation and logistics were considered at a company level. For the mapping of downstream operations, Puig's entire perimeter was taken into consideration.

The benchmark analysis and value chain mapping were used to gain a comprehensive understanding of entities within the reporting boundary, establish the scope for the assessment, and support the identification of sustainability IROs. In order to further refine the understanding of Puig's context and potential effects, all of its pertinent internal and external stakeholder groups were identified, along with their corresponding internal experts. This identification improves the understanding of the diverse relationships that Puig has with each stakeholder group and is a crucial step for the subsequent phases.

Identification

The objective of the "Identification" phase was to determine Puig's sustainability-related real and potential impacts (both positive and negative), as well as risks and opportunities, and its connection with the identified impacts. This entailed conducting extensive research and reviewing both internal and external resources. These resources included the GRI Sector Standard and the SASB Sector Standard such as Sector publications, UNEP FI's sector guide for Manufacturing, and other tools and resources developed for double materiality analyses.

Each of the relevant IROs identified for Puig were assigned different characteristics, including the part(s) of the value chain each IRO manifests within, with the aim of refining the scope of each IRO and ensuring a correct assessment. This produced a preliminary list of 113 IROs.

Evaluation

The objective of the "Evaluation" phase was to score the previously defined IROs. The first step entailed defining an evaluation methodology for both impact and financial materiality, based on ESRS factors and Puig's current risk assessment methodologies. This evaluation methodology was defined and validated by relevant stakeholders within Puig, acting as a proxy for external stakeholders, and considers the following criteria for impact and financial materiality:

- Impact materiality: The importance of an impact is determined by its severity, likelihood, and time horizon. The severity of a negative impact is determined by its scope, scale, and irremediability. The severity of a positive impact is determined by its scope and scale. If a negative impact is related to human rights, likelihood is determined by taking into consideration the result of the impact's severity.

- Financial materiality: The importance of a risk or opportunity is determined by its magnitude, likelihood, and time horizon. The parameters included in the evaluation of the "magnitude" of a potential risk or opportunity were determined by referencing Puig's existing risk methodologies.

Each IRO was assigned to an internal expert from each of the three business units and Corporate. Each IRO was consequently evaluated by its corresponding owner and the various scores were aggregated to produce the final result per IRO.

Definition

The objective of the “Definition” phase was to consolidate the results obtained in the previous phases and prioritize IROs according to their evaluation. Once the IROs had been evaluated, Puig determined its materiality thresholds for both impact and financial materiality. These materiality thresholds produced a final list of 38 material IROs. Based on the assessment, Puig concluded that a total of 75 IROs are not material, and accordingly, has not included Disclosure Requirements (DR) from the corresponding Topical Standards. Puig has gauged the materiality of information to be disclosed concerning its identified IROs through a combination of quantitative and qualitative factors, incorporating thresholds and criteria outlined in ESRS 1 section 3.2 Material matters and materiality of information.

Disclosure Requirements in ESRS covered by the undertaking’s Consolidated Non-financial Information Statement and Sustainability Information

In the Annex, section "Disclosure Requirements in ESRS covered by the undertaking's Consolidated Non-Financial Information Statement and Sustainability Information," a list of the disclosure requirements fulfilled in the preparation of this Consolidated NFIS and Sustainability Information is reported, as a result of the Double Materiality Analysis conducted by the Group. Additionally, information is provided on the data points derived from other EU legislation included in Appendix B of the ESRS 2.

6
Environment



6.1

EU Green Taxonomy

Current Regulatory Framework

In June 2020, the European Commission released the Taxonomy Regulation (EU) 2020/852[21] in the Official Journal of the European Union, which lays the groundwork for the EU taxonomy. This regulation outlines the criteria an economic activity must fulfil to be deemed environmentally sustainable:

- Substantially contribute to one or more of the six environmental goals, which include climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.
- Not to cause significant harm to any of the environmental objectives.
- Be carried out in accordance with minimum social safeguards.

The EU Taxonomy is a crucial component of the European Green Deal, aimed at crafting a strategy for sustainable economic growth and achieving climate neutrality by 2050. The framework is designed to establish conditions that facilitate directing capital towards sustainable activities, shield investors from 'greenwashing,' and support companies in planning their transitions by offering clear and standardized language and definitions for activities that qualify as environmentally sustainable.

The Regulation is complemented by Delegated Acts, which specify the rules for the content and presentation of the information to be disclosed:

- Delegated Act (EU) 2021/2139[22] (hereinafter referred to as the Climate Delegated Act), states:
  - The technical selection criteria that determine the conditions for an economic activity to make a substantial contribution to climate change mitigation or adaptation[23].
  - The technical selection criteria for ensuring that economic activities do not cause significant harm to other environmental objectives.

This regulation was extended and amended by Delegated Acts (EU) 2022/1214 and 2023/2485[24], with the inclusion of additional activities for the two climate objectives.

[21] https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32020R0852
[22] Commission Delegated Regulation (EU) 2021/ of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and Council and establishing the technical selection criteria for determining the conditions under which an economic activity is deemed to make a substantial contribution to climate change mitigation or adaptation thereto and for determining whether that economic activity causes significant harm to any of the other environmental objectives (EUROPE.eu).
[23] On 9 March 2022, the Commission adopted a Complementary Climate Act, including, under strict conditions, specific nuclear and gas activities in the list of economic activities covered by the EU Taxonomy.
[24] Commission Delegated Act (EU) 2023/ 2485 of 27 June 2023 supplementing Delegated Act (EU) 2021/2139 establishing the technical selection criteria for determining the conditions under which an economic activity is deemed to make a substantial contribution to climate change mitigation or adaptation thereto and for determining whether that economic activity causes significant harm to any of the other environmental objectives (EUROPE.eu).

- Delegated Act (EU) 2021/2178[25] (hereinafter referred to as the Disclosure Delegated Act), specifies the content and presentation of the information to be disclosed by companies subject to this regulation. Pursuant to Article 8 of the Taxonomy Regulation, non-financial companies to which the European taxonomy applies must disclose the following information specified in Annex I of the Disclosure Delegated Act:

  - The proportion of net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities.

  - The capital expenditure (CapEx) and operating expenditure (OpEx) related to assets or processes associated with Taxonomy-aligned economic activities.

  - Information to accompany and detail the key performance indicators, including methodology and justification

  Furthermore, starting January 1, 2023, companies that fall under the EU Regulation are required to report the percentage of eligible economic activities that comply with the regulations, based on their sales or turnover, as well as their capital expenditures (CapEx) and operational expenditures (OpEx)

- Delegated Act (EU) 2023/2486[26] (hereinafter referred to as the Environmental Delegated Act) supplementing Regulation (EU) 2020/852, establishes the four remaining environmental objectives of the Environmental Taxonomy Regulation:

  - Sustainable use and protection of water and marine resources

  - Transition to a circular economy

  - Pollution prevention and control

  - Protection and restoration of biodiversity and ecosystems

  Moreover, beginning January 1, 2024, companies governed by the Regulation are required to disclose the percentage of their economic activities that qualify under these four new targets, along with the relevant financial indicators.

  The European Commission has also published a number of FAQs (Frequently Asked Questions) on the interpretation and implementation of certain legal provisions of the Taxonomy, with the aim of reducing uncertainty arising from the current regulatory framework.

[25] Publications Office (EUROPE.eu).
[26] Commission Delegated Act (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical selection criteria for determining under which conditions an economic activity shall be deemed to make a substantial contribution to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to the prevention and control of pollution, or to the protection and restoration of biodiversity and ecosystems, and for determining whether such economic activity does not cause significant harm to any of the other environmental objectives, and amending Commission Delegated Regulation (EU) 2021/2178 as regards the disclosure of specific public information on such economic activities (EUROPE.eu).

Scope of the Report

According to the current regulation, this is the first year that Puig has to disclose Taxonomy information. In the analysis carried out to establish eligibility and alignment under the criteria of the European Commission for the EU Green Taxonomy, all the companies within the consolidation scope of Puig have been considered (listed in Annex I. Consolidation scope of the Consolidated Annual Accounts). Puig has established the necessary control measures to ensure the correct application of consolidation accounting principles and to prevent double accounting for all financial indicators.

Assessment Methodology

To evaluate the contribution to each objective outlined by the Taxonomy, Puig used the following approach:

1. Examined activities performed by the companies within the company that potentially align with the descriptions of Taxonomy activities listed in Annexes I and II of the Climate Delegated Act and Annexes I to IV of the Environmental Delegated Act and their correlation with turnover, CapEx, and OpEx.

2. For all activities deemed eligible, Puig assessed their compliance with the following:

   - Technical selection criteria for substantial contribution.
   - 'Do No Significant Harm' (DNSH) criteria concerning other environmental objectives.
   - Adherence to minimum social safeguards.

3. Calculating the indicators and outcomes based on the findings from steps 1 and 2.

Definitions

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts (Climate Delegated Act and the Environmental Delegated Act) supplementing the Taxonomy Regulation, irrespective of whether that economic activity meets any or all of the technical screening criteria (TSC) laid down in those delegated acts.

Taxonomy non-eligible economic activity means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

An economic activity is Taxonomy-aligned where it complies with the TSC as defined in the Climate Delegated Act and is carried out in compliance with the minimum safeguards regarding human and consumer rights, anti-corruption and bribery, taxation and fair competition. To meet the TSC, an economic activity contributes substantially to one or more environmental objectives, while not doing significant harm (DNSH) to any of the other environmental objectives.


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Puig's Eligibility

Eligibility Analysis

The first step in this process consisted of identifying and classifying its activities and lines of business to ascertain whether or not they are eligible under the Taxonomy. The eligible activities are those described in the Annexes of the Taxonomy Delegated Acts (Climate Delegated Act 2021/2139, and its subsequent amendments, in the case of the two objectives of the Climate Taxonomy; and Delegated Act 2023/2486, for the remaining four objectives belonging to the Environmental Taxonomy), due to their potential contribution to one of the six environmental objectives, whether through a description of the activity or through a link with the NACE codes.

Regarding the eligibility assessment, Puig conducted a thorough analysis to review and confirm the identification of activities performed by the different entities in the company, that potentially align with the Taxonomy and their correlation with turnover, CapEx and OpEx, as defined in section “Calculation of indicators and results”. This analysis has been extended to the most detailed level of management within the scope of the different entities, considering specific elements such as contracts or projects.

After assessing the activities in accordance with the Taxonomy, it has been confirmed that Puig's overall primary activity is not currently included in the applicable regulatory framework. Despite this, there are other activities related to the company's operations that are included, as detailed below:

Activities of the Taxonomy	Environmental goal	Eligible activities of Puig
5.1 Construction, extension and operation of water collection, treatment and supply systems	Climate change mitigation	In some of Puig's factories, the construction, expansion, and operation of water collection, purification, and distribution systems are carried out.
5.3 Construction, extension and operation of wastewater collection and treatment	Climate change mitigation	In some of Puig's factories, the construction, expansion, and operation of centralized wastewater systems are carried out, including collection (sewer network) and treatment.
5.4 Renewal of wastewater collection and treatment	Climate change mitigation	In a Puig factory, the renovation of wastewater collection and treatment is carried out.
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Climate change mitigation	Puig has a fleet of rental vehicles.
7.3 Installation, maintenance and repair of energy efficiency equipment	Climate change mitigation	In some of Puig's factories, the installation, maintenance, and repair of energy efficiency equipment are carried out.
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Climate change mitigation	Puig carries out the installation, maintenance, and repair of electric vehicle chargers.
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Climate change mitigation	Puig has instruments and devices to measure, regulate, and control the energy efficiency of buildings.

7.6 Installation, maintenance and repair of renewable energy technologies	Climate change mitigation	Puig has photovoltaic solar installations.
7.7 Acquisition and ownership of buildings	Climate change mitigation	Puig owns buildings such as facilities, factories, and stores.
2.2 Production of alternative water resources for purposes other than human consumption	Circular economy	Puig has water recirculation projects.
5.3 Preparation for re-use of end-of-life products and product components	Circular economy	Puig sells alcohol to be reused as raw material.

Alignment Analysis

Following the eligibility analysis, a second assessment was conducted to determine whether the eligible activities can align with the Taxonomy. This includes a review and validation process to ensure compliance with technical screening criteria (substantial contributions to environmental objectives and adherence to the DNSH criteria) and minimum social safeguards.

Substantial Contribution

For each of the eligible activities previously described, an assessment was carried out of the technical screening to assess their possible alignment. Accordingly, below is a detailed breakdown of the analysis of compliance with the technical screening criteria for specific activities:

- Activity 7.4: the substantial contribution to climate change mitigation is fulfilled as the installation, maintenance, or repair of charging stations for electric vehicles is confirmed both in facilities and factories where this activity is applicable.
- Activity 7.5: the substantial contribution to climate change mitigation is fulfilled through the implementation of individual measures, such as temperature and humidity sensors, energy management systems, building automation, and lighting control systems.
- Activity 7.6; the substantial contribution to climate change mitigation is fulfilled by through the installation, maintenance, and repair of photovoltaic solar systems and/or auxiliary technical equipment.

For the other activities, work is underway to gather the necessary information to determine compliance with the other requirements of the Taxonomy Regulation.

No Significant Harm Criteria (DNSH)

For the listed economic activities above, where substantial contribution is demonstrated, Puig further analyze the DNSH criteria.

To review the requirement of not causing significant harm to other environmental objectives, it is necessary to assess climate change vulnerabilities and risks for all taxonomic activities identified for the whole organization. This assessment should align with the Do No Significant Harm (DNSH) criteria on adaptation to climate change, as specified in Appendix A of the Delegated Taxonomy Acts.

Based on this, Puig has developed a report assessing physical climate vulnerabilities and risks, using the most advanced and detailed climate projections available for future scenarios. Nevertheless, an adaptation plan and the implementation of measures are still required to fully align the company's activities with these criteria. In this regard, Puig is developing mechanisms to fulfil the remaining Do No Significant Harm (DNSH) requirements specific to each activity.

Minimum Social Safeguards

The last step, as part of the alignment assessment is to check the compliance of Puig with the minimum safeguards (bribery and corruption, fair competition, taxation and human rights) as prescribed by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights set out in the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Puig has established appropriate mechanisms, policies, and procedures in areas such as anti-corruption and bribery, responsible taxation, and fair competition. The company has implemented compliance programs and internal controls to eradicate corruption and bribery, along with tax risk management elements to ensure regulatory compliance. Additionally, Puig promotes awareness and sensitization among employees regarding competition laws to support ethical business management. Neither the company nor its directors have been convicted of corruption, tax evasion, or violations of competition laws. Further information regarding this topic can be found in chapter G1.

In the area of human rights, neither the company nor its directors have been convicted of human rights violations. Puig has a Human Rights Policy, but it is still developing a Human Rights Due Diligence process based on the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights to align its policy with this due diligence framework.

As a consequence of not meeting the full minimum safeguards on human rights, alignment with EU Taxonomy is not met. However, as Puig is working on the implementation of the Taxonomy requirements in its projects, actions, and measures in the coming years, the percentage of alignment of the company's activities is expected to increase.

Calculation of Indicators and Results

Having assessed the eligibility and alignment of the activities identified, the next step was to calculate the related indicators (turnover, CapEx and OpEx) for each of them, as established by Article 8 of the Taxonomy Regulation.

The Consolidated Annual Accounts, prepared in accordance with IFRS Accounting Standards, establish the foundation for determining these indicators. This process also follows the provisions set out in Annex I of Delegated Act (EU) 2021/2178, as amended by Delegated Act (EU) 2023/2486 and Delegated Act (EU) 2022/1214 (hereinafter referred to as the 'Article 8 Delegated Act'), for each economic activity concerning its eligibility and alignment, as applicable.

Total Turnover

Total revenue is aligned with the net revenues reported in Puig's Consolidated Income Statement (also refers to notes 6. Segment reporting , 7. Geographical reporting and 8. Net revenues in the Consolidated Annual Accounts), as defined under IFRS Accounting Standards.

The turnover KPI is defined as Taxonomy-eligible revenue (numerator) divided by total revenue (denominator).

Capital expenditures (CapEx)

Total CAPEX is aligned with additions to fixed assets (including finance leases) and intangible assets. Additions resulting from business combinations are also included. Goodwill is not included in CapEx as it is not defined as an intangible asset in accordance with IAS 38. For further details, please refer to notes 15. Material assets, 16. Intangible assets movement and 17.1 Right of use in the Consolidated Annual Accounts.

The CapEx KPI is defined as Taxonomy-eligible CapEx (numerator) divided by total CapEx (denominator).

Operating expenses (OpEx)

The EU Taxonomy OpEx includes direct non-capitalised costs that relate to research and development (R&D), building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment. As EU Taxonomy OpEx has a different definition than financial reporting OpEx, the EU Taxonomy OpEx cannot be derived from the Consolidated Annual Accounts.

The OpEx KPI is defined as Taxonomy-eligible OpEx (numerator) divided by total OpEx (denominator).

In accordance with mentioned Annex I of Delegated Act (EU) 2021/2178, point 1.1.3., Puig has determined that its taxonomic operational expenditure (OpEx) is not material to its business model due to how facilities, factories and stores are operated. As a result, the company is applying an exemption allowed under the regulation:

- Puig is not required to calculate the numerator of the OpEx Key Performance Indicator (KPI), which is used to measure the proportion of environmentally sustainable activities. Instead, they disclose this numerator as zero[27], indicating that they consider there are no significant taxonomical operational expenditures contributing to the environmental objectives outlined by the taxonomy.

- Puig still needs to disclose the total value of the OpEx denominator. This denominator represents the total operational expenditure of the company, which provides context to the KPI by indicating the overall size of the expenditure being considered.

[27] Activities whose CapEx and Turnover are zero and have been identified as eligible are so because they have a linked taxonomic OpEx, even though it has been determined to be non-material.

Turnover

Table 1: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024			Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		Currency (€)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/ N	Y/ N	Y/ N	Y/ N	Y/ N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible Activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	N/A		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	N/A		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		
Renewal of waste water collection and treatment	CCM 5.4	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								N/A		

Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Acquisition and ownership of buildings	CCM 7.7	871,913	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Production of alternative water resources for purposes other than human consumption	CE 2.2	0	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A	
Preparation for re-use of end-of-life products and product components	CE 5.3	3,300	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A	
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		875,213	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%		N/A	
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		875,213	0.02%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%		N/A	
B. Taxonomy-Non-Eligible activities												
Turnover of Taxonomy- non-eligible activities (B)		4,788,903,787	99.98%									
Total (A+B)		4,789,779,000	100.00%									

Table 2: Proportion of turnover/total turnover aligned with taxonomy by objective and proportion of turnover/total turnover eligible according to taxonomy by objective (sub-index c Template Annex II Delegated Regulation 2023/2486

	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective	Taxonomy-elegible per objective
CCM	0.00%	0.02%
CCA	0.00%	0.00 %
WTR	0.00%	0.00 %
PPC	0.00%	0.00 %
CE	0.00%	0.00%
BIO	0.00%	0.00 %

CapEx

Table 3: Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024			Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems Biodiversity (10)	Climate Change Adaptation (12)	Water (13)	Circular Economy (15)	Biodiversity and ecosystems Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2.) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		Currency (€)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-Eligible activities																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	N/A		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	N/A		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL								
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	16,280	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL						N/A		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	39,646	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL						N/A		
Renewal of waste water collection and treatment	CCM 5.4	43,593	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL						N/A		

Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	1,025,937	0.19%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	12,640	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Acquisition and ownership of buildings	CCM 7.7	1,200,000	0.23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Production of alternative water resources for purposes other than human consumption	CE 2.2	761,622	0.14%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A	
Preparation for re-use of end-of-life products and product components	CE 5.3	0	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A	
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3,099,718	0.58%	0.44%	0.00%	0.00%	0.00%	0.14%	0.00%		N/A	
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		3,099,718	0.58%	0.44%	0.00%	0.00%	0.00%	0.14%	0.00%		N/A	
B. Taxonomy-Non-Eligible activities												
CapEx of Taxonomy- non-eligible activities (B)		527,535,282	99.42 %									
Total (A+B)		530,635,000	100.00 %									

Table 4: Proportion of CapEx/total CapEx aligned with taxonomy by objective and proportion of CapEx/total CapEx eligible according to taxonomy by objective (sub-index c Template Annex II Delegated Regulation 2023/2486)

	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	0.44%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
PPC	0.0%	0.0%
CE	0.0%	0.14%
BIO	0.0%	0.0%

OpEx

Table 5: Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024			Year	Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems Biodiversity (10)	Climate Change Adaptation (12)	Water (13)	Circular Economy (15)	Biodiversity and ecosystems Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)		
		Currency (€)	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. Taxonomy-Eligible activities																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	N/A		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	N/A	E	
Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	N/A		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL						N/A				
Construction, extension and operation of waste water collection and treatment	CCM 5.3	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL						N/A				

Renewal of waste water collection and treatment	CCM 5.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Acquisition and ownership of buildings	CCM 7.7	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		N/A	
Production of alternative water resources for purposes other than human consumption	CE 2.2	0	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A	
Preparation for re-use of end-of-life products and product components	CE 5.3	0	0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A	
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%	%	0 %	0%	%	0 %	0 %		N/A	
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		0	0%	%	0%	0%	%	0%	0,00%		N/A	
B. Taxonomy-Non-Eligible activities												
OpEx of Taxonomy- non-eligible activities (B)		56,924	100%									
Total (A+B)		56,924	100%									

Table 6: Proportion of OpEx/total OpEx aligned with taxonomy by objective and proportion of OpEx/total OpEx eligible according to taxonomy by objective (sub-index c Template Annex II Delegated Regulation 2023/2486)

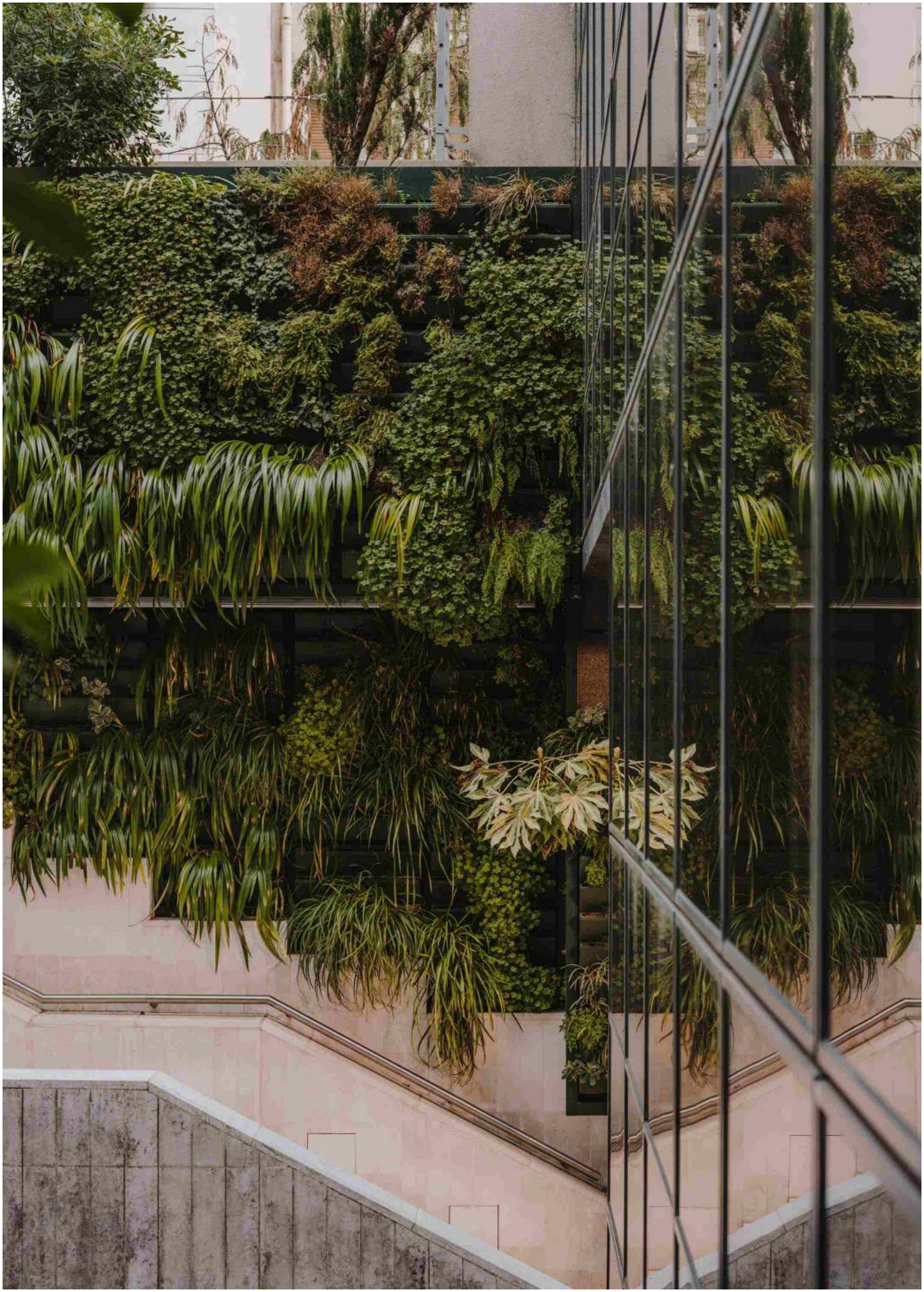
	Proportion of OpEx / Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.00%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
PPC	0.00%	0.00%
CE	0.00%	0.00%
BIO	0.00%	0.00%

Table 7: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

6.2

Climate Change



Disclosure related to Climate Change

Transition Plan for Climate Change Mitigation

As of the end of 2024, Puig has not yet formalized a Climate Transition Plan for climate change mitigation. However, the company has the objective of defining this plan in 2025, building on its existing targets, risk assessments, and actions launched, ensuring a structured approach to climate adaptation and mitigation.

Puig's key current climate commitments align with global efforts to fight against climate change:

- Contribute to limiting global warming to 1.5ºC by 2030, in accordance with the Paris Agreement.
- Achieve net-zero emissions by 2050.

These emission-reduction targets have been approved by the Science Based Targets initiative (SBTi).

Puig is not excluded from EU Paris-aligned benchmark.

Material IROs and their Interaction with Strategy and Business Model

Puig has implemented different methodologies to identify climate-related risks. During the double materiality analysis carried out in 2024, two material climate-related risks were identified, both transitional, one negative impact and two positive, and one opportunity:

- Risks:
  - Disruptions to the energy supply can have a material financial impact on operations, such as increased operating costs, lost revenue, and/or reputational harm, particularly for Puig's E-Commerce business that relies heavily on data centers for critical hardware and IT infrastructure.
  - Climate change and dwindling natural resources may cause cost fluctuations for key products and services required by suppliers and distributors, resulting in a negative financial impact on Puig.
- Positive Impacts:
  - Puig's proactive adjustment to current and anticipated climate change-related risks, and its contribution to the resilience of societies and economies, can lead to a positive impact on the transition to a low-carbon economy.
  - By establishing carbon emission targets, modifying business models, and investing in renewable energy and technologies to remove CO2, Puig can lower its emissions and create a positive impact on climate change mitigation.

- Negative Impacts:
  - The fuel consumption of transportation and logistics operators leads to negative environmental impacts.
  - The act of clearing forests or grasslands by businesses leads to the release of large amounts of CO2 as well as disrupts the natural carbon sink function of these ecosystems, resulting in negative impacts to the environment.
- Opportunity:
  - Investing in fuel-efficient fleets and energy efficient technologies, in addition to improving overall energy efficiency and access to alternative energy sources, may incur short-term capital expenditures, but could meet growing demand for reducing emissions leading to increased market share as well as long-term operational savings, reduced cost volatility and reduced regulatory risks.

Resilience of Strategy and Business Model

Puig integrates climate risk and opportunity management into its global corporate risk management framework, ensuring long-term business resilience. The company follows a structured methodology to assess the potential impact of climate change on its business model, considering macroeconomic trends, energy consumption patterns, and technological developments.

The resilience analysis covers all operational locations, including factories, warehouses, offices, and stores, as well as upstream and downstream value chains, and utilizes exact geographic coordinates to assess risk at a location-specific level.

Puig conducts yearly assessments based on IFRS S2 and previously TCFD recommendations, using climate forecasting models (e.g., SSP1-2.6, SSP2-4.5, SSP5-8.5 from IIASA and IPCC) to detect and evaluate physical risks. The methodology also considers emerging regulations and carbon pricing mechanisms to assess transition risks and uses tools such as WWF Water Risk Filter, World Energy Outlook (WEO), NGFS scenarios, IIASA models, and the IEA Net-Zero scenario to evaluate vulnerabilities.

As part of the resilience analysis, Puig has estimated how the transition to a lower-carbon and resilient economy might affect its surrounding macroeconomic trends, energy consumption and mix, and technology deployment assumptions:

- Macroeconomic Trends: Economic policies focused on sustainability will encourage low-carbon operations. This shift will affect production and operational costs. Market premiumization shows a trend toward valuing ethical sourcing and environmental responsibility. Stricter environmental regulations will necessitate compliance with tougher carbon and environmental standards.
- Energy Consumption and Mix: Shift to renewable energy drives the investment in renewable energy (solar, biomass) and energy efficiency improvements across the value chain supported by advanced monitoring systems and enhanced infrastructures to achieve net-zero goals by 2050.

- Technology Deployment: Adoption of climate-resilient technologies, like GIS-based climate risk assessments, advanced carbon footprint tracking, sustainable product innovation aligned with circular economy innovations, and digitalization of supply chains.

  The resilience analysis exercise results in a clear and comprehensive disclosure of how Puig's strategy and business model would perform under different climate scenarios and over various time horizons. This disclosure proves the company is sufficiently prepared to manage the risks and capitalize on the opportunities associated with climate change.

  This comprehensive approach ensures Puig can mitigate climate-related risks and capitalize on opportunities across short, medium, and long-term horizons. The scenarios used for the identification of climate-related risks are applicable to the identification of decarbonization levers.

Description of the Processes to Identify and Assess Material Climate-Related IROs

In addition to the process of identification of IROs explained in section Governance and the specific climate-change ones listed in the previous section, Puig conducts a yearly assessment following TCFD and IFRS S2 three-stage methodology to assess climate-related risks, and opportunities in its own operations:

1. Risk and opportunity screening, using databases on regulations, climate trends, scenarios, and geographic factors to identify relevant risks and opportunities.

2. Evaluation of the probability of occurrence and impact severity for each identified risk/opportunity. Incorporation of other variables such as exposure, vulnerability, and geographic localization.

3. Action Plan integrating identified risks into Puig's corporate risk management framework for mitigation.

   The scope of the resilience analysis included all Puig productions plants, warehouses, headquarters, offices and stores.

Time Horizons for the assessment

Once risks have been identified and located it is recommended to assess them across different time horizons, including both the short term and the medium to long term. This comprehensive approach allows for understanding both immediate and longer-term risks and ensures that organizations can make informed strategic decisions and develop effective risk management strategies within the context of climate change.

Puig assesses physical and transitional risks using high-emission climate scenarios (e.g., SSP5-8.5) to evaluate exposure across three-time horizons, described as follows:

- Short-term (0-5 years): The analysis of this time scenario allows Puig to make agile decisions, based on up-to-date and reliable data, to focus on concrete actions to address immediate risks and provides the flexibility to adapt to changing scenarios and stay at the forefront of managing climate challenges.

- Medium-term (6-10 years): This horizon allows Puig to conduct effective strategic planning, identify emerging trends and patterns, and promote long-term accountability in managing climate challenges. This helps the company to make informed decisions and implement effective measures to address climate risks both now and in the future.

- Long-term (10+ years): It allows Puig to assess long-term impacts, develop strategic plans and make informed decisions, comply with international guidelines and standards, and adapt to emerging trends. By considering the long-term future, the company can take effective action to address climate risks and build sustainable resilience.

Puig has not matched the climate scenarios used for the risk and opportunity assessment with the company's financial statements.

Climate-Related Physical Risks in Own Operations and Value Chain

Identified Physical Risks:

- Drought and Water Stress: May impact raw material availability (e.g., agricultural crops), increasing costs and disrupting supply chains. Water shortages at Puig's factories could lead to operational disruptions. Identified as short term.
- Heat Stress and Heat Waves: Manufacturing facilities in high-temperature regions face increased cooling costs and potential worker safety challenges. Identified as short term.

To assess exposure, Puig maps assets and supply chain nodes, overlaying geospatial data with climate projections, uses NUTS regional classification to assess risk levels in the EU and prioritizes high-risk locations in Asia and Europe for detailed assessments.

Climate-Related Transition Risks and Opportunities in Own Operations and Value Chain

Puig assesses transition risks using a qualitative and quantitative approach identifying regulatory, market, and technological transition events based on a 1.5°C-aligned scenario (e.g., IEA Net-Zero), applies probabilistic modeling to estimate risk severity and prioritizes risks requiring immediate action.

Identified Transition Risks:

- Customer Behavior Change derived from the shifting consumer preferences toward sustainable products, which could impact Puig’s portfolio and profitability. Identified as short term.
- Transition to Low-Carbon Technologies may lead to high investment costs and potential technological obsolescence. Identified as short term.
- Increased Cost of Raw Materials derived from climate regulations and environmental degradation. Identified as medium term.

Identified Opportunities:

- Market Access for Sustainable Products: Consumer willingness to pay a premium for sustainable goods.
- Supplier Collaboration and Renewable Energy Initiatives: Potential for cost reductions and supply chain resilience.
- Water Efficiency and Reduced Withdrawal: Lower operational costs and compliance with strict EU environmental laws.

Puig evaluates these transition risks and opportunities across the three-time horizons to ensure strategic decision-making aligns with climate-related trends.

Puig has identified specific assets and activities that are exposed to transition risks associated with regulatory, market, and technological changes:

- Production facilities: Facilities in Spain and France are exposed to risks linked to stricter carbon pricing and emission reduction mandates under EU regulations. The factory in Tamil Nadu faces potential risks from shifts in energy policy and resource pricing, such as carbon taxes or energy transition incentives.
- Supply chain and raw material sourcing: Dependency on regions with significant resource extraction activities (Asia and South America) poses risks from tightening sustainability regulations and market demand for eco-certified materials. Sourcing of natural ingredients may include transition risks associated to the increase in costs or restrictions due to sustainable sourcing requirements.
- Logistics and Distribution: Transition risks related to global transport networks include rising fuel costs and regulatory changes promoting low-emission transportation.
- Energy-Intensive Processes: High-energy activities across manufacturing sites are particularly vulnerable to carbon pricing mechanisms and the demand for renewable energy integration.

The company has not identified assets or business activities that are incompatible or will need significant efforts to be compatible with a transition to a climate-neutral economy.

Climate Scenarios to Inform Risk Assessment

- IEA WEO 2023: Models energy cost risks from clean energy transitions.
- NGFS Scenarios: Estimates regulatory risks related to carbon pricing.
- Water Risk Filter: Assesses exposure to stricter water regulations.
- IEA Net-Zero: Evaluates decarbonization risks and technology adoption needs.
- IIASA Models: Identifies risks linked to resource scarcity (water, energy, raw materials).

Each scenario is applied across short, medium, and long-term horizons to ensure a comprehensive risk outlook.

In climate scenario SSP1-2.6 global warming is kept below 2 °C, the main objective of the Paris Agreement.

Methodology to Monitor Puig Impacts on Climate Change (GHG Emissions)

Puig conducts an annual GHG emissions assessment, using an internal carbon footprint calculation system to track multiple emission sources across its value chain.

To track GHG emissions the company uses internal data from owned facilities and sites and from the whole value chain. Internationally recognized emission factors are used for calculation. The company develops metrics to manage its exposure to climate change effectively, capitalize on emerging sustainability opportunities, and develop mitigation strategies.

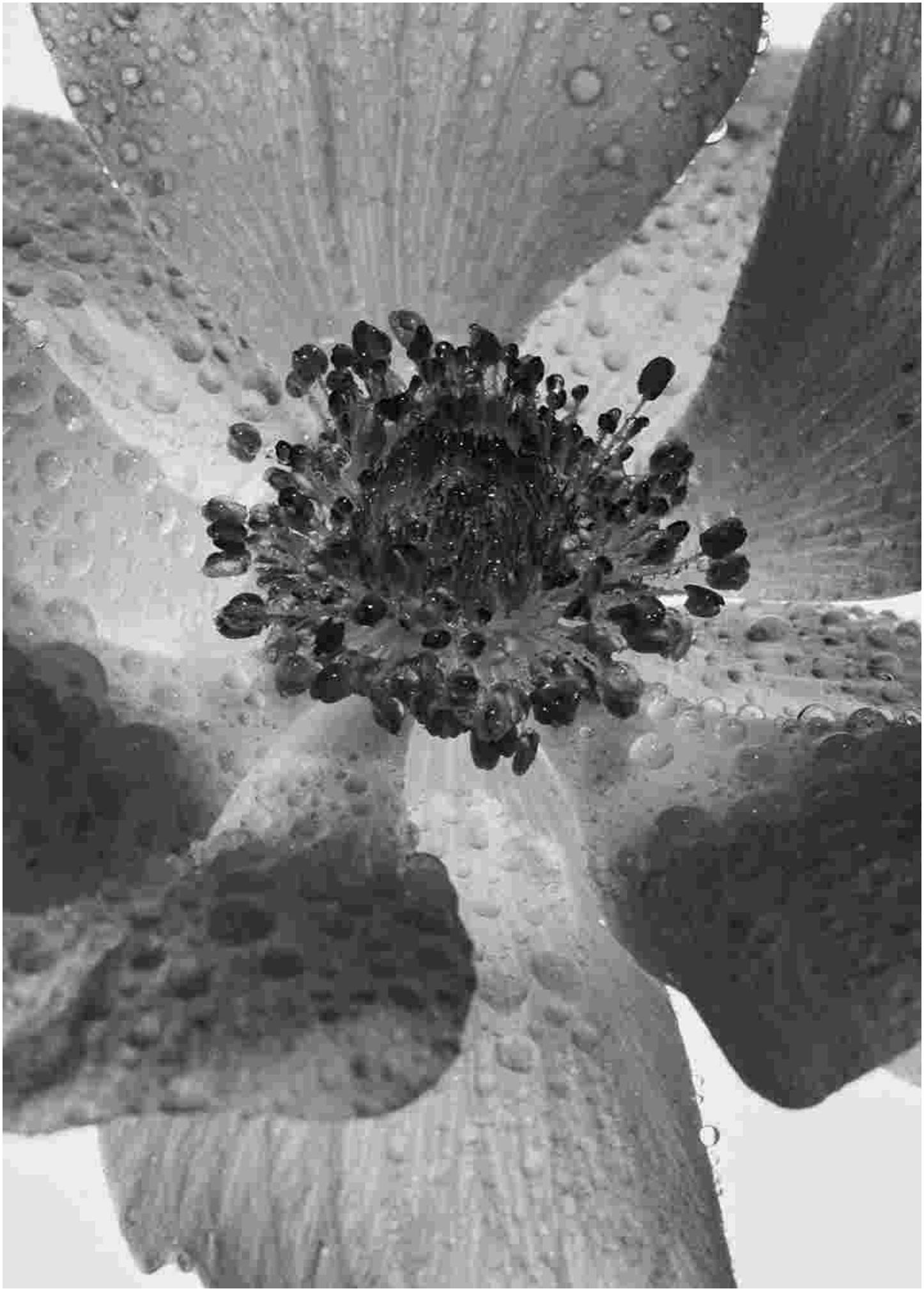
Policies related to Climate Change

The Puig Climate Policy outlines the company’s decarbonization strategy for the coming years. It is built around the two core company commitments:

- Contributing to limiting global temperature rise to 1.5ºC by 2030, in alignment with the Paris Agreement.
- Achieving net-zero emissions by 2050.

The policy covers four key areas:

- Climate Change Adaptation: Annual evaluation of physical and transition risks across Puig’s operations and supply chain. This includes assessing potential hazards such as heat stress and extreme weather events using GIS-based climate scenario analysis aligned with IPCC guidelines.
- Energy Efficiency: Reduction of energy consumption through operational optimization and investment in energy-efficient technologies, including more efficient manufacturing processes.
- Renewable Energy Deployment: Prioritization of renewable energy sources, with a particular focus on production plants.
- Climate change mitigation: Alignment of the company's activities and value chain with SBTi-approved emission-reduction targets.



Actions and Resources related to Climate Change

In 2024, Puig implemented several initiatives to mitigate and adapt to climate change, including:

- Engagement with suppliers towards the decarbonization of the company's supply chain. In 2024, Puig partnered with its main glass supplier and invested in a new electric glass kiln that will operate exclusively on renewable energy. The company has also partnered with its main alcohol supplier by supporting the environmental transition of the sugar beet industry (source of alcohol used by Puig). This is expected to reduce by up to 40% the carbon footprint of the alcohol used in Puig fragrances.

- Puig works in sharing its own objectives and engaging suppliers to contribute. In 2024 Apivita organized a workshop with 50 key suppliers and shared the brand's 2024 ESG milestones and objectives for 2025, 2030 and 2050, in order to generate their engagement and contribution.

- Transition to renewable energies:

  - Increase the purchases of renewable energies.

  - Increase in self-generated electricity: In 2024, Puig installed an in-house solar panel plant in Vacarisses factory.

  - Increase in renewable energy use at all sites. The Chartres production plant consumes biomass energy thanks to a pipe connection to the generation plant located in the city while Vacarisses has its own biomass plant that generates energy for the plant.

- Increase water use efficiency. The "Dry Factory" project in Vacarisses, which is detailed in the Water section, is expected to reduce the water withdrawal of the site and consequently its GHG associated emissions.

- Development of the Responsible Materials Guidelines to set rules in terms of usage of materials for Puig products, based on their environmental impact and circular economy principles. These guidelines must be applied when making decisions on the materials to be used in products (more information can be found in the Environment chapter, Circular Economy section).

- Collaboration in offset projects. Puig has collaborated in two offset projects in 2024. One is located in Punjab (India) through the acquisition of carbon credits. In 2024, the company acquired certified carbon credits for more than 8,700 tCO_2e. The project, classified as type IV according to the Oxford offset principles, combines trees and shrubs with crops or livestock, increasing biodiversity, soil health and enhancing farm productivity.

Puig has also supported an agroforestry project in the Colombian department of Vichada. This initiative combines reforestation and afforestation activities with biodiversity protection and ecosystem regeneration ultimately transforming degraded savannah lands into near-nature forests that produce high-quality hardwoods and enclose large amounts of carbon. Thanks to this project, Puig helped remove 1,212 tCO2e from the biosphere.

To extend its commitment to global decarbonization goals, in 2022 Puig invested in a company outside its value chain. LanzaTech Global, Inc. is a company that has developed a carbon recycling technology that transforms pollution into something valuable and useful at scale that directly replaces virgin fossil carbon in consumer goods and sustainable aviation fuel alike. One of the products that can be developed with this innovative solution is alcohol, an important raw material for Puig. In 2024, the homologation process for the alcohol produced in the plant located in Ghent (Belgium) started.

From 2022, the current base year for the complete carbon footprint calculation, Puig has reduced its GHG emissions by 7.6%, while the business has grown in the same period by 32%.

Puig is committed to reducing absolute Scope 1 and 2 GHG emissions by 42% by 2030 from the baseline year 2022. Additionally, the company is committed to reducing absolute Scope 3 GHG emissions from purchased goods and the services category by 25% within the same timeframe. The target boundary includes biogenic emissions and removals from bioenergy feedstocks.

The implementation of Puig current climate mitigation actions and future transition plan relies on the availability and efficient allocation of a mix of internal and external resources.

Internally, Puig will need to allocate financial resources for investment in taxonomy-aligned CapEx and operational changes in the future, while leveraging existing human resources to integrate sustainability expertise across departments.

Access to external resources, such as access to finance at an affordable cost of capital, technology or specialized expertise, will be key to bridge the gap with internal capabilities.

Puig is in the process of realigning the mid and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.

Metrics and Targets related to Climate Change

Targets Related to Climate Change Mitigation and Adaptation

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones, if necessary. The already established targets are:[28]

Target	Scope	Baseline value	Baseline Year	Target Year	Progress 2024
2030 ESG Agenda Targets (N/A targets do not refer to an initial value, the base year only identifies the start year of the plan)					
>85% occupancy rate of shipments*	Fragrance, Skincare and Makeup	N/A	2022	2030	73.44 %
20% reduction of air freight emissions	Fragrance, Skincare and Makeup	36,855 tCO2e	2022	2030	24.33 %
50% of weight transported by road using more sustainable alternatives**	Fragrance, Skincare and Makeup	N/A	2022	2030	11.41 %
100% renewable electricity	Global	N/A	2022	2030	73.84 %
100% renewable thermal energy	Global	N/A	2022	2030	12.75 %
20% self-generated energy on total energy consumed	Global	N/A	2022	2030	6.08 %
100% electric/hybrid vehicle fleet	Global	N/A	2022	2030	62.96 %
100% key raw materials certified:					
Paper and Cardboard with FSC	Fragrance, Skincare and Makeup	N/A	2022	2030	93.38 %
Alcohol with SAI		N/A			100.00 %
Palm oil and derivatives with RSPO		N/A			87.99 %
100% key raw materials with zero deforestation in the supply chain	Global	N/A	2022	2030	Working in the methodology.

* Target limited to full truck or container managed by Puig, for which the company pays the traffic cost.

** More sustainable alternatives include dual EVARM technology, natural gas, or multimodal transportation that primarily combines road with train and/or sea.

[28] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

Target	Scope	Baseline value	Baseline Year	Target Year	Progress 2024
GHG emission-reductions targets approved by the SBTi					
Reduce absolute Scope 1 and 2 GHG emissions by 42%	Global	6,673 tCO2e	2022	2030	33.63 %
Reduce absolute Scope 3 GHG emissions from purchased goods and services by 25%	Global	484,424 tCO2e	2022	2030	12.85 %
Reduce absolute Scope 1 and 2 GHG emissions by 90%	Global	6,673 tCO2e	2022	2050	33.63 %
Reduce absolute Scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution, business travel, and end of life treatment of sold products by 90%	Global	567,736 tCO2e	2022	2050	12.31 %

GHG reduction targets were developed using the Science-Based Target Setting Tool V2 1.2, verified and approved by the Science Based Targets initiative (SBTi). The new baseline approved in 2024 by SBTi remains aligned with the Paris Agreement objective of limiting global temperature rise to 1.5°C above pre-industrial levels.

Medium-Term Targets (By 2030, from the 2022 Base Year):

- Reduce absolute Scope 1 and 2 GHG emissions by 42%, including biogenic emissions and removals from bioenergy feedstocks.
- Reduce absolute Scope 3 GHG emissions from purchased goods and services by 25%.

Long-Term Targets (By 2050, from the 2022 Base Year):

- Reduce absolute Scope 1 and 2 GHG emissions by 90%, including biogenic emissions and removals from bioenergy feedstocks.
- Reduce absolute Scope 3 GHG emissions by 90% across purchased goods and services, upstream transportation and distribution, business travel, and end-of-life treatment of sold products.

Energy Consumption and Mix

A key target for energy consumption and its mix is the procurement and self-generation of renewable energy. Meeting Scope 1 and 2 reduction targets requires increasing the share of renewable energy, both through the purchase of Guarantees of Origin (GOs) and Power Purchase Agreements (PPAs) and by expanding self-generation capacity at strategic locations. These efforts also contribute to reducing dependency on fossil fuels.

In 2024, Puig generated 12.6% of its total energy consumption from its own solar and biomass plants.

Energy Consumption Mix	2023	2024
Total energy consumption (kWh)	36,364,418	35,408,718
Energy from fossil sources (kWh)	18,641,798	15,106,586
Renewable energy (kWh)	17,722,620	20,302,132
Purchased renewable energy (kWh)	16,396,460	18,150,417
Self-generated renewable energy (kWh)	123,340	932,315
Fuel consumption from renewable sources (kWh)	1,202,820	1,219,400
% Renewable sources (kWh)	48.74 %	57.34 %
Fuel consumption from natural gas (kWh)	7,417,647	5,647,250
Purchased fossil energy (kWh)	9,237,563	7,384,383
% fossil sources in total energy	51.26 %	42.66 %
Non renewable energy production (kWh)	0.00	0.00
Renewable energy production (kWh)	1,325,160	2,151,715
Energy intensity (kWh/€M)	8,449	7,393
Production plants total energy consumption (high climate impact activity) (kWh)	21,372,392	22,309,457
Production plants energy intensity (kWh/€M)	4,966	4,658

*Net revenues published in section Consolidated Income Statement of Consolidated Annual Accounts.

The Uriage production plant in France consumes nuclear energy as a part of the electricity mix. As of the end of 2024, total nuclear energy consumed has been 2,484,505 KWh (67.4% over total). Nuclear energy consumption over total Puig is 7,02%. The company does not use energy from coal and coal products.

GHG Emissions Composition and Evolution

Puig monitors its GHG emissions and their sources throughout the year, conducting periodic reviews to compare emissions with forecasts and historical data.

The company calculates its full carbon footprint in alignment with the GHG Protocol methodology, covering Scopes 1, 2, and 3. These calculations follow recognized standards, including the GHG Protocol, Accounting and Reporting Standard and UNE-EN-ISO 14064.

The carbon footprint assessment encompasses Puig's entire business. When primary data is unavailable, emissions are estimated using predefined internal indicators, leveraging historical data and economic metrics relevant to each category.

For the disclosure of emissions, Puig follows the organizational boundaries methodology described in GHG Protocol, aligned with the consolidation criteria of the annual accounts.

All emission factors are based on leading international standards, such as DEFRA Guidelines, EPA, SIMAPRO Equivalent 3, and CEDA V6, which are updated annually to ensure accuracy and relevance.

Carbon Footprint (tCO_2e) - Breakdown by scope and category	2023	% Over Total	2024	% Over Total	24/23
Scope 1. Stationary combustion	127		160		25.98 %
Scope 1. Refrigerants	2,205		2,096		(4.94)%
Scope 1. Vehicle Fleet	1,848		1,091		(40.96)%
Total Scope 1	4,180	0.63 %	3,347	0.59 %	(19.93)%
Scope 2. Electricity	2,248		970		(56.85)%
Scope 2. Steam and Heat	21		112		433.33 %
Total Scope 2	2,269	0.34 %	1,082	0.19 %	(52.31)%
01. Purchased good & services	512,680		422,192		(17.65)%
02. Capital Goods	22,618		31,971		41.35 %
03. Fuel and energy related activities	2,688		2,136		(20.54)%
04. Upstream transportation & distribution	81,418		62,437		(23.31)%
05. Wasted generated in operations	1,458		1,400		(3.98)%
06. Business Travel	6,901		6,564		(4.88)%
07. Employee Commuting	6,262		7,113		13.59 %
08. Upstream Leased asset	800		733		(8.38)%
09. Downstream Transportation & Distribution	8,622		12,053		39.79 %
10. Processing of sold products	0.50		0.00		(100.00)%
11. Use of sold products	N/A		N/A		
12. End of life treatment of sold products	5,919		6,675		12.77 %
13. Downstream leased assets	70		35		(50.00)%
14. Franchises	38		46		21.05 %
15. Investments	5,984		7,926		32.45 %
Total Scope 3	655,458	99.03 %	561,281	99.22 %	(14.37)%
Total GHG emissions Puig	661,907		565,710		(14.53)%

Puig's GHG inventory includes all Scope 3 categories defined by the GHG Protocol, except for Category 11 (Use of Sold Products), which has been deemed non-material based on the nature of Puig's products. Category 11 emissions are primarily linked to water and fuel consumption during product use. Given Puig's portfolio, these emissions apply only to a small fraction of skincare products and fashion items.

For certain estimations, Puig applies a net revenue-based approach to ensure consistency in calculations.

Puig has not already formalized decarbonization levers.

The company does not participate in regulated emissions trading schemes.

Methodology for calculating Scope 2

Energy consumption calculation is done following one of these methodologies:

- Primary data directly from invoices (kWh).
- When estimating data:
  - Production plants: comparing with similar reported units ratio over units produced.
  - Offices, shops and warehouses: comparing with similar reported units ratio over number of employees.
  - As a ratio over net revenues when former ones are not applicable.

Origin of Reported Data

GHG emissions scope 3 data type for calculation (tCO_2e)	2024	% Over Total
Primary data	270,533	47.82 %
Secondary data	217,872	38.51 %
Estimated data	77,305	13.67 %
Total	565,710	

GHG Scope 2 Emissions: Market-based and Location-based

Aligned with best practices, Puig calculates its Scope 2 emissions using both the location-based and market-based methodologies:

- The location-based methodology calculates emissions using regional or national grid emission factors, reflecting the local energy mix of each country.
- The market-based methodology accounts for emissions based on the specific electricity Puig voluntarily purchases, considering renewable energy contracts and instruments such as Renewable Energy Certificates (RECs) and Guarantees of Origin (GOs).

By applying both methodologies, Puig can better assess the impact of its renewable energy consumption and track progress toward reducing emissions.

Scope 2	2023	2024
Location-based calculation		
Scope 2 GHG Emissions (tCO2e)	4,035.00	4,014.00
Scope 2 absolute value variation vs base year (2022)	-538.00	-559.00
Intensity Greenhouse gas emissions location based (tCO_2e/€M)*	0.94	0.84
Total Puig GHG emissions calculating Scope 2 - Location-based	663,673.00	568,642.00
Market-based calculation		
Scope 2 GHG Emissions (tCO2e)	2,269.00	1,082.00
Scope 2 absolute value variation vs base year (2022)	948.00	-239.00
Intensity Greenhouse gas emissions market-based (tCO_2e/€M)*	0.53	0.23
Total Puig GHG emissions calculating Scope 2 - Market-based	661,907	565,710
*Net revenues published in section Consolidated Income Statement of Consolidated Annual Accounts.		

Market-based emissions have been reduced thanks to an increase in the purchasing of GO energy.

Disaggregation of GHG Emissions by Location

Emissions by location (tCO_2e)	2024
Spain	122,492
France	118,780
United Kingdom	39,719
Italy	38,270
United States	26,590
Germany	22,699
Chinese Mainland	12,718
Colombia	11,361
Hong Kong SAR	9,540
Switzerland	9,100
Mexico	7,097
Greece	6,021
Rest of the markets (<1% over total)	141,323
Total	565,710

GHG Intensity per net revenue

Intensity calculated: tCO2e/€M*	2023	2024	24/23
Total GHG Emissions	661,907	565,710	(14.53)%
Intensity total GHG emissions	153.79	118.11	(23.20)%
Intensity Scope 1+2	1.50	0.92	(40.00)%
Intensity Scope 3	152.29	117.18	(23.05)%

*Net revenues published in section Consolidated Income Statement of Consolidated Annual Accounts.

GHG Removals and GHG Mitigation Projects Financed Through Carbon Credits

Puig does not develop carbon storage or removal projects within its own operations or value chain. Instead, the company collaborates on projects outside its value chain to support carbon removal efforts, but not in reduction ones.

In 2024, Puig invested in carbon credits from two VCS-approved carbon removal projects (type IV[29]), that means 10,000 tCO_2e :

1. **Agroforestry Project – Punjab, India**
   - Integrates trees and shrubs with crops and livestock to enhance biodiversity, improve soil health, and revitalize agriculture.
   - Vintage year: 2020.
   - Carbon removal contribution: 8,788 tCO_2e.

2. **Agroforestry Project – Vichada, Colombia**
   - Combines reforestation and afforestation with biodiversity protection and ecosystem regeneration, restoring degraded savannah into near-natural forests that sequester carbon and produce high-quality hardwoods.
   - Vintage year: 2019.
   - Carbon removal contribution: 1,212 tCO_2e.

As of the close of 2024, Puig has not yet decided on the continuation of these projects. All previously acquired credits have been retired.

These carbon credits contribute to Puig's emission reduction targets. However, GHG reduction targets remain independent and do not rely on offsetting mechanisms.

[29] According to the Oxford Offsetting Principles

Project Classification and Compliance

Both projects are:

- Classified as carbon removal with short-lived storage, in line with the Oxford Offsetting Principles.
- Based on biogenic sinks, meaning CO_2 removal is achieved through natural processes such as reforestation, afforestation, and ecosystem restoration.
- Verified under the Verified Carbon Standard (VCS).

None of the projects:

- Were implemented within the EU.
- Qualify as a corresponding adjustment under Article 6 of the Paris Agreement.

Additionally, the company has made no public claims of GHG neutrality involving the use of carbon credits.

Puig has not yet defined projects to neutralize the residual GHG emissions. The future Climate Transition Plan will encompass this identification.

Internal Carbon Pricing

Puig has not put in place an internal carbon pricing scheme.

6.3 Pollution



Material IROs related to Pollution

During the double materiality analysis, Puig screened its site locations and business activities to identify actual and potential pollution-related IROs across its operations and value chain. Key methodologies included mapping the value chain (upstream, own operations, downstream), extensive benchmarking, and sector-specific research using standards like GRI and SASB. Tools and data sources included UNEP FI's manufacturing guidelines and internal ESG frameworks. Stakeholder consultations and internal expertise were integral to refine IROs identification and validate the findings. Communities have been considered through consultations with proxies.

Considering the business model of Puig and the analysis performed, Puig identified potential risks and opportunities connected to its own production plants related to pollution. No impacts were identified.

- Risk
  - Regulatory developments, relating to pollution, emissions management, and substances of concern, can have a negative financial impact on the business, including increased manufacturing costs and reduced brand value.
- Opportunity
  - Active management of air emissions / pollutants through technological process improvements or other strategies may result in improved financial performance (e.g. operational efficiencies) and enhanced brand value.

In terms of business activities, Puig identified potential pollution impact in manufacturing, raw material sourcing, transportation and logistics, and product use and disposal.

Policies related to Pollution

Puig Pollution Prevention Policy

The Puig Pollution Prevention Policy reflects how the company implements effective mechanisms for the proper prevention and control of pollution of air, water and soil that may arise from its activities. The main Puig commitments on air pollution included in the Policy are:

- Minimize the environmental impact of all its products.
- Minimize the pollution generated at its facilities.
- Engage with its supply chain to reduce air pollution.
- Collaborate on conservation of ecosystems.

As specified in the Policy, Puig is committed to implementing an Environmental Management System (EMS) in all its factories and headquarters by certifying them with ISO 14001 by 2030. ISO certifications are based in the concept of continuous improvement through a process of identification, measurement, monitoring of the evolution, including aspects related to pollution.

Puig Sustainable Sourcing Policy

Puig's Sustainable Sourcing Policy (SSP) sets clear expectations for suppliers to operate responsibly and integrate sustainability criteria across their operations and supply chains. The policy outlines specific requirements to ensure strong environmental performance, including measures to prevent pollution.

Under this policy, all suppliers are required to implement an Environmental Management System. Additionally, atmospheric emissions must be monitored, and treatment equipment regularly inspected to detect and prevent leaks or unintended releases.

Puig Ingredients Policy

The Puig Ingredients Policy exceeds regulatory requirements by prohibiting certain ingredients that may pose risks to safety, human health, or the environment. This commitment drives the substitution and minimization of substances of concern across Puig's products. The policy is continuously reviewed and updated by the Regulatory Affairs team, which gathers insights from sectoral organizations, clients, distributors, and regulatory bodies such as ECHA. Proposed modifications are developed by the team and ultimately approved by the Managing Director of Regulatory Affairs. The Regulatory Affairs team is also responsible for ensuring compliance with the policy across Puig's operations.

Substances of concern forbidden to be used in Puig products are: acrylates (ethyl acrylate, butyl methacrylate, ethyl methacrylate...), parabens, formaldehyde releasing agents, halogenated compounds, benzophenone-1, benzophenone-2, benzophenone-3, benzophenone-4, benzophenone-5, bha, octocrylene, kojic acid, arbutin and alpha-arbutin, cyclopentasiloxane, cyclohexasiloxane, cyclomethicone, edta and its salts, ethanolamine, mineral oil and derivatives, o-phenylphenol, palm oil and derivatives of palm oil non-RSPO, phthalates, resorcinol, sodium lauryl sulphate, triclosán, triclocarban, triethanolamine and talc.

Puig does not use and generate substances of concern or very high concern.

Incidents and Risk Management

Puig develops its commitment to pollution prevention derived from incidents and emergency situation through specific protocols adapted to the characteristics of each production site. No global policy is deployed due to the specificities of every location.

Additionally, the company has implemented a comprehensive Emergency Management Procedure, defining the steps to control and mitigate risks across all facilities.

Each site maintains an Emergency Manual or Auto Protection Plan, detailing specific response protocols for various emergency scenarios.

To ensure readiness, regular emergency drills are conducted at all locations. Any deviations or non-conformities identified during these exercises are documented and addressed in line with the Actions Management Procedure.

Actions and Implementation Resources related to Pollution

Puig has established a comprehensive process to monitor and manage the environmental impact of its production plants. Monthly operational controls assess key areas, including energy consumption, pollution, water use, and waste management, ensuring optimal performance and prompt action on any potential issues.

Regarding pollution-related certifications, by the end of 2024, the following Puig sites are ISO 14001:2015 certified:

- Vacarisses production plant
- Alcalá de Henares production plant
- Chartres production plant
- Puig Tower-T1
- Puig Tower-T2
- Champs Elysées
- Washington Plaza

In 2024, the Kama Ayurveda production plant in Coimbatore (India), began the process of obtaining ISO 14001 certification, reinforcing Puig's focus on environmental management standards.

By 2030, all Puig production plants will operate on 100% renewable energy, which contributes to reducing air pollution (e.g. NOx, Sox and VOCx) (see Climate Change section, Environment).

Puig regularly assesses supplier performance through EcoVadis and Sedex, alongside on-site ESG audits following the Sedex SMETA methodology, which includes air pollution.

Efforts to reduce emissions from transportation include expanding the hybrid and electric vehicle fleet across all units, which prevents the emission of air pollutants connected to fossil fuels combustion. All new vehicle acquisitions meet these criteria, and the company continues to increase the availability of electric vehicle charging stations for employees, further reducing combustion-related pollution.

Puig is in the process of realigning the mid and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.

Metrics and Targets related to Pollution

Material Pollution-related Impacts Targets

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones, if necessary. The already established targets are:[30]

Target	Scope	Baseline value	Baseline Year	Target Year	Progress 2024
2030 ESG Agenda targets (These targets do not refer to an initial value; the base year only identifies the start year of the plan)					
90% natural origin ingredients as average of all formulas	Fragrances and Skincare	N/A	2022	2030	85.26 %

This target is aligned with the objective of the Puig Pollution Policy, which covers the management of the dependencies, and risks related to pollution, along its value chain and direct operations.

As pollution has a direct relationship with climate change, the company ensured, in later stages, that targets were aligned with the two global commitments of Puig: (1) contribute to limiting global warming to 1.5ºC by 2030; and (2) be net zero by 2050. The targets of the 2030 ESG Agenda allow Puig to reach the emission-reduction targets approved by the Science Based Targets initiative (SBTi).

All objectives related to the reduction of the consumption of fossil fuels, such as efficiency in transportation and increase in renewable energy consumption, have a direct impact on preventing the emission of air pollutants (more information can be found in the Environment chapter, Climate Change section). No specific reduction targets of loads are set. All pollution-related targets are voluntary, not mandatory.

As far as Puig does not use or generate substances of concern and substances of great concern, the company has not set related targets.

[30] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

Pollution of Air

Emissions to air by pollutant[31]

Air Pollutants Emissions	
NOx (kg/Nm3* per year)	229.79
CO (kg/Nm3* per year)	0.07
*Normo cubic meter: unit commonly used to measure the volume of gases under “normal” conditions.	

The controls on the combustion sources of the boilers at the Alcalá de Henares and Vacarisses production plants have been carried out by an external entity, following the established methodology to comply with current regulations.

Puig is not subject to Regulation (EC) No 166/2006 of the European Parliament and of the Council. However, some of the contaminants listed in Annex II of this Regulation are monitored due to other regulations that are applicable to the company. These contaminants are listed in the table above with the units provided by the external entity to verify that the legal thresholds are not exceeded.

Disclosure on the Production, Use, Distribution, Commercialization and Import/Export of Substances of Concern and Substances of very high Concern

Puig does not generate substances of concern or very high concern during production.

[31] Only Alcalá de Henares and Vacarisses production plants.

6.4

Water and Marine Resources



Material IROs related to Water and Marine Resources

Puig's material IROs for water management were identified in the double materiality assessment conducted in Q4 2024. This evaluation mapped the whole company's value chain—covering upstream suppliers, own operations, and downstream activities—and incorporated sector benchmarks, regulatory analysis, and risk assessment frameworks. Water-related impacts, including marine resources, were assessed based on severity, likelihood, and geographic sensitivity.

The assessment was guided by three key hypotheses:

- Water scarcity risk – Evaluating exposure to water-stressed regions.
- Value chain impact – Assessing dependencies and pressures across the supply chain, including consultations with potential affected communities through proxies.
- Regulatory compliance – Ensuring alignment with evolving water-related regulations.

Material IROs identified are:

- Risk
  - The lack of water supply due to water scarcity in a region where a production plant is located can lead to the interruption of operations, resulting in a significant financial impact for the company.
- Negative Impact
  - Excessive water withdrawal, or inadequate management of its use, especially in an area experiencing water scarcity, can further reduce water availability and increase competition for this essential resource, resulting in a negative impact on local communities and ecosystems.

Since Puig does not extract seawater, the assessment focuses exclusively on the management of freshwater.

To ensure inclusion and relevance, Puig conducted extensive consultations with relevant stakeholders within Puig, acting as a proxy for external stakeholders, considering those:

- Located in water-stressed regions, where resource availability is a key concern.
- Involved in Puig's value chain, particularly in areas where water use has a significant impact.
- Working in water-intensive production sites, providing direct insights into operational practices and risks.

Finally, marine resources were determined to be non-material for Puig's value chain.

Policies related to Water and Marine Resources

Puig Water Policy[32]

The Puig Water Policy serves as the primary framework for managing water across the company. It outlines how Puig addresses material impacts, risks, and opportunities related to this essential resource, which is both integral to daily operations and used as a raw material.

With some production plants located in water-stressed areas, Puig is committed to reducing water withdrawal—not only at these sites but across all its operations.

The Policy outlines the following key commitments:

- Reducing water withdrawal across all facilities by minimizing discharges and investing in water circularity innovations, including the expansion of dry factory projects to additional sites. These efforts focus on reusing water and reducing overall intake.
- Promoting circularity by minimizing the water footprint of products.
- Engaging stakeholders, particularly suppliers, by assessing their performance on water-related issues and sustainability practices.
- Ensuring transparency through annual reporting on water usage and disposal, following recognized standards such as CDP Water Security.

Water resources are also addressed in Puig's Sustainable Sourcing Policy, which outlines specific requirements for suppliers to ensure sustainable resource management. These include:

- Reducing Water Use in Alcohol Production: As alcohol is a key raw material, Puig encourages water use reduction in its production processes.

The Puig Water Policy acknowledges that some production sites are located in water-risk areas and establishes commitments to address and reduce water usage. These include promoting circularity to minimize the water footprint of products and reducing withdrawal across operations.

Other commitments arising from environmental-related Puig policies and guidelines are:

- Puig Water Policy: Efficiency and Circularity in Puig Facilities.Across all facilities, Puig is committed to enhancing process efficiency, minimizing discharges, and investing in water circularity innovations, such as reuse and intake reduction. Puig is also reformulating existing products and developing new product lines to reduce water as an ingredient.

[32] When talking about consumption in the Puig Water Policy, the term refers to what it is considered water withdrawal in the ESRS standards definition.

- Sustainable Sourcing Policy: Puig has not set specific water-related commitments for its upstream or downstream value chain. However, targets on water and energy consumption reduction or efficiency are recommended as best practices for suppliers. Additionally, the company monitors supplier performance through EcoVadis assessment.

Actions related to Water and Marine Resources

Puig has identified two production sites located in water-risk areas: the skincare production plant in Vacarisses (Barcelona, Spain) and the Apivita production plant in Athens (Greece). Both facilities operate in Mediterranean regions characterized by a dry and warm climate.

The Dry Factory is Puig's flagship water management project, designed to achieve 100% industrial wastewater reuse in a closed-loop system. Wastewater is treated and repurposed for maintenance and HVAC processes, incorporating tertiary treatment to ensure water quality.

The project's first implementation took place at the Vacarisses facility, which is located near a protected stream and relies heavily on water as a raw material for cosmetics manufacturing. Since 2006, Puig has introduced multiple initiatives to reduce water withdrawal at this site. The Dry Factory project in Vacarisses aims to cut water withdrawal by 40% and eliminate industrial water discharges . The system is expected to be fully operational in 2025.

In the Apivita production plant, several actions have been implemented in 2024:

- Extension of irrigation network to supply water to planted roofs using rainwater collected in tanks, optimizing water reuse.
- Water pressure reduction at building water taps to minimize unnecessary use without compromising functionality.
- Adjustments to the 20 wall-mounted flush systems, contributing to significant water savings.
- Enhanced cleaning procedures for production vessels, specifically for certain formula categories, which resulted in the reduction of cleaning agents and water withdrawal in 14,650 liters of water in 2024.

Puig is in the process of realigning the mid and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.



Metrics and Targets related to Water

Targets related to Water

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones, if necessary. The already established targets are[33]:

Target (m3)	Scope	Baseline value	Baseline year	Target year	Progress 2024
2030 ESG Agenda targets					
40% reduction of water withdrawal in the production plants	Global	83,933	2022	2030	(1.07)%

Puig's water target aligns with the objectives of the Puig Water Policy, which aims to minimize environmental impact and reduce water withdrawal across operations. This target was established through internal consultation with various departments to ensure a comprehensive approach.

As part of the 2030 ESG Agenda, Puig's targets contribute to achieving its Science Based Targets initiative (SBTi)-approved emission reduction goals.

The company has set global water targets that apply to all sites, regardless of their location in water-risk areas. These targets are voluntary and reflect Puig's proactive approach to responsible water management.

Water Withdrawal Performance

	2023	% over total	2024	% over total
Total Water withdrawal (m3)	285,042.41		151,690.21	
Estimated data	209,695.21	74 %	48,381.46	32 %
Primary data	75,347.20	26 %	103,308.75	68 %

In 2024, three main factors contributed to the reduction in water withdrawal:

- Implementation of water-saving initiatives (as detailed above).
- Increased availability of primary data, improving accuracy in tracking use.
- Refinement of estimation methodologies for units without direct measurements, leading to a more precise calculation and significant decrease in reported cubic meters, aligning data more closely with typical usage patterns.

[33] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

Total water withdrawal in areas at water risk (m3) in 2024	
Vacarisses	19,109
Apivita	13,455

Puig has not recycled or reused water.

Methodology for the calculation

Water withdrawal calculation is done following one of these methodologies:

- Primary data directly from invoices (m3).
- When estimating data:
  - Production plants: comparing with similar reported units ratio of m3/units produced.
  - Offices, shops and warehouses: comparing with similar reported units ratio m3/number of employees.
  - As a ratio over net revenues when former ones are not applicable.

6.5 Biodiversity and Ecosystems



Disclosure on Biodiversity-Sensitive Areas and Impacts

Puig incorporates biodiversity considerations into its operations by identifying sensitive areas near its sites to prevent and mitigate environmental impacts. To determine what qualifies as a sensitive location, the company applies defined thresholds based on two key frameworks: the Task Force on Nature-Related Financial Disclosures (TNFD) and the Science Based Targets for Nature (SBTN).

According to these methodologies:

- An area is classified as high priority for biodiversity if it hosts species listed as endangered or critically endangered by the IUCN.[34] Puig TNFD assessment does not take into consideration vulnerable species.
- A location is considered critical if its water stress index exceeds 40% in the WRF[35] indices, indicating unsustainable water extraction.
- The ecological integrity index is used to identify areas with high ecological integrity that require conservation and special management.

Five Puig production plants are located within five kilometers of biodiversity-sensitive areas[36]:

- Vacarisses Skincare Production Plant – Near Parc Natural de Sant Llorenç del Munt i l'Obac, a protected nature park.
- Alcalá de Henares Fragrance Production Plant – Close to the Special Area of Conservation (SAC) of the Jarama and Henares rivers basin.
- Chartres Production Plant – Near the Special Area of Conservation (SAC) of Valle de l'Eure de Maintenon Anet et vallons affluents.
- Uriage Skincare Production Plant (Uriage-les-Bains) – Adjacent to Marais Des Seiglières, a designated Sensitive Natural Area (ENS).
- Uriage Skincare Production Plant (Échirolles) – Located near Le Rocher de Comboire, also classified as a Sensitive Natural Area (ENS).

Although these locations are near sensitive areas, no significant negative impacts on land degradation, desertification, or soil health have been identified in Puig's operations.

While an analysis to determine whether Puig's activities pose a threat to species has not yet been conducted, this assessment is planned as part of the next TNFD evaluation in 2025.

[34] International Union for Conservation of Nature.
[35] Water Risk Filter (WWF tool).
[36] TNFD assessment has not evaluated the ecological state of biodiversity-sensitive areas.

Transition Plan and Consideration of Biodiversity and Ecosystems in Strategy and Business Model

Puig's business model and strategic roadmap are designed to remain resilient to biodiversity and ecosystem-related risks through a proactive approach that addresses physical, transition, and systemic risks while leveraging opportunities for sustainable growth.

As part of the assess phase of the LEAP[37] approach, Puig has identified and measured the most material transition, physical, and systemic risks affecting its operations and value chain.

Puig's most significant material physical risk is drought and operating in water-stressed areas, affecting both its own operations and upstream activities. For Puig's facilities, this risk may lead to higher water costs and potential water supply disruptions. In upstream agricultural activities, where raw material production depends on freshwater availability, droughts can result in crop failures and lower yields, increasing raw material costs and disrupting supply chains.

From an ecological perspective, reduced water flows and declining water quality can severely impact aquatic ecosystems, contributing to biodiversity loss and potential ecosystem collapse.

To address these challenges, Puig has set a target to reduce water withdrawal by 40% across its production plants by 2030. A key initiative supporting this goal is the new water recycling system at the Vacarisses production plant, scheduled to be operational in 2025. This system is expected to achieve a 40% reduction in water withdrawal (more information can be found in the Environment chapter, Water and Marine Resources section).

In the medium term, Puig plans to expand this system to its other production plants, further enhancing water efficiency across its operations.

The company's most relevant material transition risk related to biodiversity and land are the changes to legislation/regulation, particularly the new EU Deforestation Regulation (EUDR), that could result in increased costs, material shortages, regulatory non-compliance, and potential damage to reputation if the company fails to meet the standards. To prevent and mitigate this risk, Puig has deployed an action plan that includes training staff, implementing a traceability system, defining a supplier risk strategy which involves prioritizing sustainability and ensuring compliance with emerging regulations and performing periodic supplier assessments and audits to ensure compliance sustainability criteria.

Over the medium term, Puig has a significant opportunity to access new markets, assets and locations by aligning its business practices with sustainability and the growing demand for eco-conscious products. Actions to attract environmentally conscious consumers while fostering brand loyalty as the global market for sustainable products is expanding rapidly, driven by increased environmental awareness and conscious consumerism, will be a must. Different actions are included in the 2030 ESG Agenda to align with this opportunity, listed in targets section.

[37] The TNFD LEAP approach (Locate, Evaluate, Assess and Prepare) is designed for use by organizations of all sizes and across all sectors and geographies.

In the yearly assessment based on the recommendations of Task Force on Nature-related Finance Disclosure (TNFD), the whole value chain is included, to align business strategy, policies and practices with long-term sustainability goals, mitigating risks and taking advantage of opportunities.

Puig employs a combination of climate and nature forecasting models and risk analysis to evaluate both internal and external risks, opportunities, and dependencies. Climate scenarios like SSP1-2.6, SSP2-4.5, and SSP5-8.5, provided by organizations such as IIASA and IPCC, are used to analyze physical risks (in some cases we also use other sources such as NGFS and IEA scenarios). Tools used are the WWF on the Water Risk Filter, the World Energy Outlook, the NGFS scenarios, the IIASA scenarios and Dashboard and the IEA Net – Zero scenario.

Puig follows a structured process to assess the nature, probability, and magnitude of identified risks and opportunities. This approach incorporates both qualitative and quantitative factors to evaluate their strategic and financial significance. By analyzing real company data, including quantified impacts, growth estimates, and predictive models, the company anticipates future challenges and opportunities.

Risk assessment and management are fully integrated into Puig's global corporate risk management framework, ensuring alignment with broader business strategies.

A comprehensive resilience analysis has been conducted, covering own operations as well as upstream and downstream value chain activities. This analysis is based on the hypothesis of continued biodiversity loss, ecosystem degradation, and declining ecosystem services on a global scale. Additionally, it considers the growing regulatory focus on transparency, impact measurement, and stakeholder oversight.

To ensure long-term preparedness, three time horizons have been established:

- Short-term: 0–5 years
- Mid-term: 6–10 years
- Long-term: 10+ years

The resilience analysis was carried out, involving senior management and governance bodies including the Sustainability and Social Responsibility Committee and ESG team. No involvement of stakeholders was considered.

Material IROs Identification Process related to Biodiversity and Ecosystems

The double materiality analysis has identified two material risks and three negative impacts latent in the industry and potential for Puig, related to biodiversity and ecosystems:

- Risks:
  - The use of palm oil materials and its negative impact on biodiversity can present reputational and regulatory risks with potential negative financial impacts for Puig.
  - Problems or shortages in the sourcing of raw materials can lead to production lines being stopped, resulting in a significant decrease or even a complete halt in production.
- Negative Impacts:
  - Palm oil harvesting in specific regions of the world leads to deforestation, GHG emissions, and other environmental problems negatively impacting the environment.
  - The emission of NOx and SOx leads to acid rain and increased ocean acidification, which in turn can cause damage to plant life by impairing photosynthesis and reducing growth, thereby negatively affecting the environment.
  - Agricultural and mining practices, such as land conversion, deforestation, soil erosion and the use of pesticides, to obtain the most relevant raw materials in Puig's supply chain, such as paper, palm oil, alcohol, metal, glass, or mica, lead to a significant loss of terrestrial biodiversity. This threatens biodiversity, soils and ecosystems.

Additionally, to estimate potential impacts on nature from its own operations and value chain, Puig conducts a yearly assessment following the Task Force on Nature-Related Financial Disclosures (TNFD) methodology. Accordingly, Puig has based its analysis on the LEAP approach:

1. Locating Puig’s interface with nature.
2. Evaluating Puig’s dependencies and impacts on nature.
3. Assessing nature-related risks and opportunities.
4. Preparing responses to nature-related risks and opportunities.

Moreover, for the first time in 2024, Puig has also assessed and quantified its impacts using the SBTN methodology.

To measure the dependencies and impacts on nature, Puig has considered the five principal drivers of changes in nature and their impact indicators according to TNFD (changes in land and sea use, direct exploitation, climate change, pollution and invasive alien species). Specific tools such as WWF Water Risk Filter, WRI Aqueduct 4.0, and Ecoinvent have been used to assess environmental impacts associated with its activities. These sources are crucial to better understanding the risks and opportunities related to nature.

Following this, Puig has carried out a materiality screening for the highest potential impacts on nature related to its own operations and upstream activities. For both analyses, Puig has obtained similar results, being water use, GHG emissions and pollution (water and soil) the most significant pressures.

Puig's own operations, especially the factories, have a high dependency on freshwater availability. Regarding upstream activities, the most material dependencies are related to the ecosystem services classified as provisioning (freshwater) and mitigation (erosion control and flood protection).

To understand the material nature-related risks and opportunities, Puig has based its analysis on the Assess phase of the LEAP approach to prioritize risks by assessing the magnitude and likelihood of these risks, along with other specific additional criteria. Transition, physical and systemic risks have been assessed by Puig.

Puig's analysis has identified the following most material risks and opportunities:

- Transition risk: Changes to legislation/regulation.
- Physical risk: Drought/operating in water-stressed areas.
- Opportunity: Access new markets, assets and locations.

No material systemic risks have been identified. While systemic risks were evaluated, they were deemed non-material.

The double materiality analysis has taken into consideration communities for all assessed issues through consultations with proxies. There have been no further specific considerations apart from the ones explained in the general process (more information can be found in the Double Materiality Analysis and Sustainability chapter).

Puig has not yet conducted consultations with affected communities on sustainability assessments of shared biological resources and ecosystems, assessed whether and how specific sites, raw materials production or sourcing with negative or potential negative impacts affect communities and whether and how negative impacts on priority ecosystem services of relevance to affected communities may be avoided.

The company has not identified activities negatively affecting biodiversity-sensitive areas near its production plants, specifically in those mentioned in the section Disclosure on Biodiversity-Sensitive Areas and Impacts.

Three of the five factories located near a biodiversity-sensitive area have an Environmental Management System in place. The company plans to extend the number of ISO 14001 certified plants to improve monitoring of the impact in these areas.

Following the SBTN, Puig is working on obtaining more accurate information from its upstream activities to implement the most efficient measures to mitigate impacts on biodiversity. Until now it has not been concluded to be necessary to implement biodiversity mitigation measures.

Policies related to Biodiversity and Ecosystems

Following the double materiality process completed in November 2024, Puig has not already assessed the relation of current policies with the IROs identified in the analysis.

The Puig Forest Policy outlines the company's approach to enhancing biodiversity and protecting ecosystems through various lines of action:

- Promoting circularity of products.
- Using certified ingredients and materials.
- Promoting the implementation of regenerative agriculture practices in the supply chain.
- Ensuring zero deforestation in the supply chain.
- Increasing traceability of materials and ingredients.
- Engaging with suppliers to ensure they adhere to best practices on ESG and to implement joint actions on nature and biodiversity.

The Puig Forest Policy shows the company's commitment to sustainable practices that prevent deforestation and land degradation, issues that may have negative consequences in communities. It also promotes collaboration with local communities in reforestation projects and sustainable agriculture practices across the value chain.

Additionally, other corporate policies also mention and address impacts, risks, opportunities and dependencies related to nature:

- The Pollution Prevention Policy commits to contributing to global nature-positive objectives through collaborating on conservation or ecosystem restoration projects and developing internal projects for ecosystem recovery and regeneration across the entire supply chain. This policy also focuses in the prevention of freshwater and marine pollution (more information can be found in the Environment chapter, Pollution section).
- The Water Policy advocates for the reduction of water withdrawal, which will preserve ecosystems and biodiversity (more information can be found in the Environment chapter, Water and Marine Resources section).
- The Waste Policy sets the zero waste to landfill target (more information can be found in the Environment chapter, Resource Use and Circular Economy section).
- The Climate Policy commits to different emission-reduction targets (more information can be found in the Environment chapter, Climate Change section).
- The Sustainable Sourcing Policy sets the minimum requirements for Puig suppliers to comply with in terms of environment, including climate change , waste, water, pollution, and nature.

These policies cover owned, leased or managed operational sites in or near biodiversity sensitive areas.

Puig has no direct material impact on seas or oceans, so no related policies have been adopted. No material impacts related to invasive alien species have been identified for the company's value chain.

Actions and Resources related to Biodiversity and Ecosystems

Puig's efforts to minimize its impact on biodiversity and ecosystems are reflected in the various initiatives launched in 2024:

- Collaboration with the alcohol supplier Cristalco by supporting their Amplify project. This project promotes the transition of the sugar beet industry to regenerative agriculture practices, improving soil health and reducing related emissions (more information can be found in the Environment chapter, Climate Change section).

- Continuous increase of the % of purchased certified raw materials, specifically RSPO-certified palm oil, FSC-certified paper and cardboard, and SAI-certified alcohol.

- Kick-off with the Transparency One tool to gain traceability on materials.

- Launch of Apivita's Billion Bees Program in collaboration with 1% for the Planet organization, aiming to secure the regeneration of 1 billion bees per year as well as to raise awareness about the importance of bees for life and biodiversity through education. Apivita commits to give back 1% of global sales of its iconic product ranges to partnered non-profit organizations helping bee population regeneration and awareness at a global level. Honeybee populations are key to:

a. preserving plant biodiversity

b. reducing the impacts of climate change

c. supporting the livelihood of rural communities

d. enhancing crop quality and quantity

The program has been rolled out in Greece, Spain, France, Italy, Belgium and Portugal in collaboration with local NGOs dedicated to the protection of bees and raising awareness of their vital role of nature and people. By the end of 2024, the program has secured 4 billion bees.

- Furthermore, Apivita employees travelled to four Greek islands to enforce underwater cleanups, plastics collection for research purposes, and ghost-nets retrieval with Aegan Rebreath, an NGO member of the 1% for the Planet, contributing to collecting from the sea more than 4,500 items overall.

- Apivita has also collaborated with another 1% for the Planet member, the NGO New Agriculture New Generation, in the implementation of the "Restarting Beekeeping in Thessaly" program. The program's goal is to strengthen the resilience of bee colonies and reduce the impacts of climate change by transferring knowledge and practices from specialized scientists. The program supported 394 affected professional beekeepers in Thessaly (Greece) by providing 27,000 queen bee cells. These initiatives will contribute not only to repairing the damage caused by natural disasters but also to developing the conditions for the future strengthening of the beekeeping sector in Thessaly.

In 2024, Puig invested in carbon credits from agroforestry projects in India and Colombia promoting nature regeneration and restoration (more information can be found in the Environment chapter, Climate Change section).

Puig has not used biodiversity offsets in the action plan.

Puig is in the process of realigning the mid and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.

Indigenous and local communities knowledge have been incorporated to the definition of actions through consultations of proxies.

Targets related to Biodiversity and Ecosystems

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones, if necessary. The already established targets are[38]:

Targets	Mitigation Layer	Scope	Baseline value	Baseline Year	Target year	Progress 2024
2030 ESG Agenda targets (N/A targets do not refer to an initial value; the base year only identifies the start year of the plan)						
100% key raw materials certified:						
Paper and Cardboard with FSC	Avoidance	Fragrance, Skincare and Makeup	N/A	2022	2030	93.38 %
Alcohol with SAI	Avoidance		N/A			100.00 %
Palm oil and derivatives with RSPO	Avoidance		N/A			87.99 %
100% key raw materials with zero deforestation in the key supply chain.	Avoidance	Global	N/A	2022	2030	Working in the methodol

Ecological thresholds have not been considered when setting targets. Biodiversity offsets were not used in setting the targets. Puig's biodiversity strategy is aligned with the Kunming-Montreal Global Biodiversity Framework, with EU Biodiversity Strategy for 2030 and biodiversity and ecosystem -related national policies.

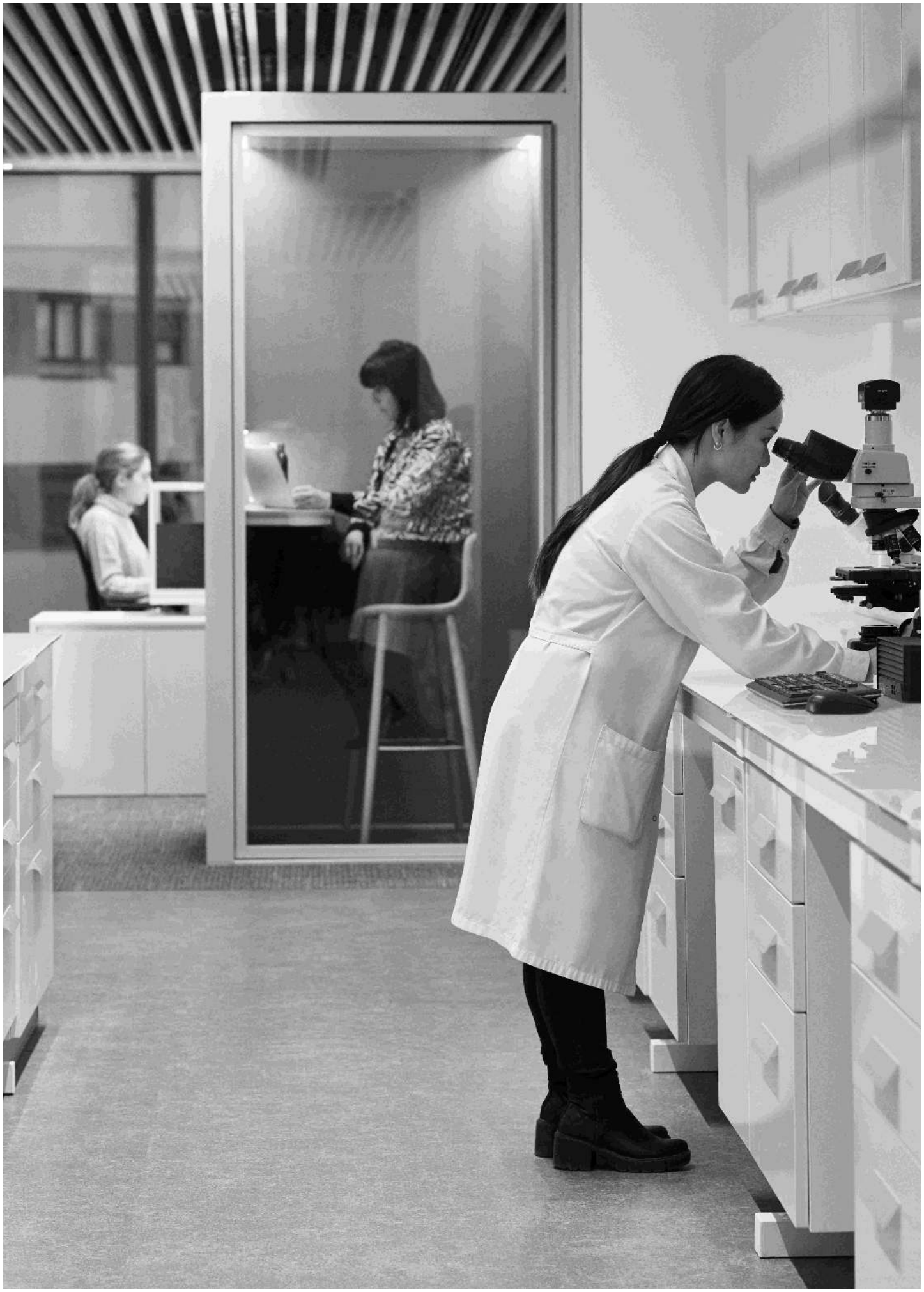
Biodiversity and Ecosystems Impacts Disclosure

As of the end of 2024, the only established metric related to biodiversity and ecosystem changes is freshwater withdrawal (detailed in the Water section).

[38] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

6.6

Resource Use and Circular Economy



Material IROs related to Resource Use and Circular Economy

Puig has analyzed its operations and value chain to identify actual and potential IROs related to resource use and the circular economy. This assessment was part of the Double Materiality Analysis, conducted in alignment with the CSRD and ESRS frameworks and incorporating methodologies such as GRI and SASB standards.

The process included:

- Value chain mapping to evaluate resource flows and dependencies.
- Stakeholder consultations to gather insights on sustainability challenges, including affected communities through proxies.
- Identification of 113 sustainability-related impacts, including waste management.

These findings guide Puig's sustainability strategy, ensuring compliance with ESRS E5 requirements while advancing long-term circularity goals through optimized resource management and waste reduction.

Policies related to Resource Use and Circular Economy

The Puig Waste Policy sets the framework to drive the company's transition to a circular model throughout the entire value chain. To drive circularity, Puig waste strategy is deployed in three commitments:

- Advancing towards manufacturing with zero waste to landfill.
- Promoting the circularity of products.
- Engaging with suppliers to reduce their waste footprint.

The Puig Waste Policy also commits to promoting the use of more sustainable and/or recycled materials. In 2024 this Policy was complemented with the Responsible Materials Guidelines, which is a set of rules and guidelines for all internal teams involved in the design of a product to follow thoroughly. The aim of these guidelines is to define minimum thresholds all products must comply with to ensure our packaging has the lowest impact on the environment by transitioning away from virgin resources, promoting recycled, recyclable, renewable and re-usable alternatives. Both documents are focused in minimizing the impact in disposal and further recycling .

Actions related to Resource Use and Circular Economy

Puig integrates circular economy principles across multiple workstreams, encompassing the entire value chain, from product design to manufacturing and end-of-life management.

From the earliest stages, Puig designs its products with circularity principles, incorporating them into both formulations and packaging.

Advancing Circularity in Packaging and Operations

Puig continues to strengthen its circular approach to packaging, and operations, integrating sustainability principles throughout the entire value chain to achieve a minimum production of waste not only in own operations but also in end-of-life phases and make it easier to recycle.

Industry Collaboration for Circularity

To enhance circularity in formulas and packaging, Puig is a member of the EcoBeauty Score Consortium, an industry coalition developing a standardized methodology to assess the environmental impact of cosmetic products. This methodology, currently in development, will help evaluate product alignment with circular economy principles. Puig is actively involved in shaping the framework and has begun assessing its portfolio using the first pilot version, providing valuable insights for the Consortium.

Sustainable Packaging and Eco-Design

A full life cycle approach guides Puig's packaging strategy, considering environmental impact of end-of-life phase. The company uses the SPICE eco-design tool, a science-based, data-driven framework aligned with the European Commission's Product Environmental Footprint (PEF). This tool enables packaging teams to compare materials, measure environmental footprints, and integrate sustainability into decision-making to minimize the impact of disposal and recycling. As a corporate member of the SPICE initiative, Puig contributes to industry-wide advancements in sustainable packaging.

Efforts to reduce packaging impact to optimize waste treatment focus on:

- Using recyclable, post-consumer recycled (PCR), and biodegradable materials.
- Expanding refillable systems to encourage reuse.
- Reducing packaging volume across primary, secondary, *coffrets*, and tertiary packaging

Plastic Reduction and Circular Innovations

Reducing plastic use is a priority, but when complete elimination is not feasible, Puig ensures that at least 30% of plastic used is post-consumer recycled (PCR). Makeup and Prestige fragrance gift sets are now plastic-free, using cardboard, paper, or cellulose materials for windows instead.

One example of innovation in materials is the Byredo Mojave Ghost Absolu de Parfum cap, developed in collaboration with FaiveleyTech. Made from Sulapac®, a bio-based biocomposite that biodegrades naturally, the cap replaces traditional plastic with a combination of wood and responsibly selected biopolymers.

Additionally, Puig is increasing its use of post-consumer recycled materials to replace virgin plastic, glass, and paper.

Refillable Systems for Product Longevity

To extend product life cycle, Puig has implemented two refillable models:

- Refill at home: Consumers can purchase refill formats in-store and online.
- Refill in-store: Products can be replenished using refill stations at select retail locations.

Puig brands significantly expanded their refillable offerings in 2024:

- Charlotte Tilbury introduced 16 refillable products with 58 core refillable references.
- Uriage launched its first refillable jar, the Cica Daily Repairing Cream Concentrate 50ml, featuring a 30% rPET outer jar and a PP refill jar, preventing 87% packaging waste, cutting plastic use by 94%, and reducing cardboard consumption by 26%.
- Uriage also joined the French Pharma Recharge Consortium to promote refill solutions in pharmacies.
- Penhaligon's has continued to expand its in-store refill program, installing new refill machines in 2024, with plans to further accelerate the deployment in the coming years.

Consumer Awareness and Recycling Initiatives

Puig promotes consumer education on sustainability and responsible disposal of products to ensure materials are reintegrated into new production cycles.

Efforts include:

- Disassembly strategies to facilitate proper recycling.
- Recycling pictograms on all product packaging.
- Eliminating disruptors to optimize waste processing.

Circularity in Fashion

In fashion, Puig is a member of the Sustainable Markets Initiative (SMI) Fashion Taskforce, a not-for-profit organization founded by His Majesty King Charles III to accelerate the transition to a sustainable future.

The Puig fashion house Carolina Herrera collaborates with Fabscrap to recycle leftover fabrics, diverting 1,044 kg of textile waste from landfill in 2024.

Innovation and Industry Collaboration

Puig invests in research and development to continuously improve product sustainability and partners with leading industry groups, including SPICE, the EcoBeauty Score Consortium, SMI, Cosmetics Europe, and Stanpa, to drive innovation and create solutions that benefit the entire sector.

Zero Waste and Resource Optimization in Facilities

At the operational level, Puig is working to optimize resource use and minimize waste. By 2030, all Puig sites must achieve zero waste to landfill. Currently, four out of seven production plants have already reached this goal.

Specific circular initiatives include:

- At the Alcalá de Henares fragrance production plant (Spain), hydroalcoholic waste is now recognized as a by-product, repurposed by another industry rather than being discarded.
- At the Chartres production plant, Puig collaborated with Haut la Consigne, a company that participated in the VI edition of Makers, part of Puig's Invisible Beauty social action program. This partnership led to a study exploring the reuse of fragrance glass bottles, preventing them from being treated as waste.

Puig is in the process of realigning the mid and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.

Metrics and Targets related to Resource Use and Circular Economy

Resource Use and Circular Economy related Targets

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones, if necessary. As part of the Puig 2030 ESG Agenda, the company has set the following targets[39] to reduce resource consumption and, therefore, minimize waste generation across both product life cycles and manufacturing processes:

Targets	Layer of the Waste Hierarchy	Scope	Baseline year	Baseline value	Target year	Progress 2024
2030 ESG Agenda targets (N/A targets do not refer to an initial value; the base year only identifies the start year of the plan)						
20% packaging volume reduction*	Prevention	Fragrance	2019	1,53 m3	2030	6.58 %
100% of packaging complies with at least one of the following criteria: - 30% of eco-components within packaging - 80% product recyclability - Refillable system	Prevention Preparing for re-use and recycling	Fragrance, Skincare and Makeup	2022	N/A	2030	69.19 %
100% packaging designed with a life-cycle assessment methodology**	Prevention Preparing for re-use and recycling	Fragrance, Skincare and Makeup	2022	N/A	2030	74.85 %
100% sites sending zero waste to landfill***	Prevention	Global	2022	N/A	2030	19.67 %
* liters tertiary packaging/units sold						
** using the eco-design tool SPICE.						
*** considering factories and offices from headquarters and subsidiaries.						

All targets are established in line with the Puig Waste Policy, which promotes innovation and eco-design across the entire value chain to optimize waste volumes and management. All Puig targets are voluntary.

The 100% sites sending zero waste to landfill target is specifically focused on the commitment of reducing the amount of waste that is not recycled.

These targets were defined through internal consultation with various departments, ensuring alignment with Puig's two global objectives:

- Contributing to limiting global warming to 1.5ºC by 2030.
- Achieving net-zero emissions by 2050.

[39] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

Resource Outflows

Puig manufactures two main types of product, fragrances and skincare, prioritizing the following circular principles:

- Reusability: in recent years, more refillable options have been launched to optimize the use of the product, extend the life of the packaging and contribute to reducing waste.
- Disassembly: For the packaging to be recyclable, it is key for products to be disassembled at the end of their life. Puig has introduced innovative ways to separate packaging materials from each other.
- Recycling: one of Puig's key efforts is increasing the recyclability of cosmetics packaging by prioritizing the use of recyclable materials.

Puig products are designed for consumption rather than long-term use or repair, so durability and repairability are not relevant considerations.

Moreover, due to its characteristics and usage, the content of product does not have the capacity to be recyclable.

Average recyclability of packaging for the fragrances, skincare and makeup[40] products is 76.8%.

The methodology used considers all SKUs in the portfolio, the recyclability rate of each material and the percentage each of them represents in the product. Whenever raw materials are difficult to recycle due to a very low presence in the product, the company considers that the recyclability is 0.

Waste data origin and intensity	2023	2024	24/23
Waste (primary data)	3,475,047	3,915,068	12.66 %
Waste (estimated data)	307,548	284,640	(7.45)%
Total waste generated (kg)	3,782,595	4,199,708	11.03 %
Intensity ratio of waste generated (kg/€M)	879	877	(0.23)%

*Net revenues published in section Consolidated Income Statement of Consolidated Annual Accounts.

Year-on-year waste data is not comparable due to variations in the availability of primary data.

Currently, 92% of waste generated is calculated using primary data, while the remaining 8% is based on estimates. These estimates rely on internal indicators and historical comparisons to ensure accuracy.

[40] Charlotte Tilbury, Uriage and Apivita not included.

Methodology for calculation

Waste calculation is done following one of these methodologies:

- Primary data directly from the reports of the waste management company.
- When estimating data:
  - Production plants: comparing with similar reported units ratio of kg/units produced.
  - Offices, shops and warehouses: comparing with similar reported units ratio kg/number of employees.
  - As a ratio over net revenues when former ones are not applicable.

Waste generation by typology[41]

	2023	2024
Hazardous waste	348,583	380,553
Non-hazardous waste	2,982,526	3,534,515
Paper and cardboard	1,302,752	1,337,349
Plastic	866,819	846,225
General waste	345,758	464,107
Sewage sludge	304,800	319,080
Non-hazardous drums	31,891	161,882
Glass	130,506	146,931
Others	175,829	258,941

[41] Split based only in primary data.

Waste directed and diverted from disposal

Waste (in kg) (Only from primary data)	2024
Hazardous waste diverted from disposal	380,553
Preparation for reuse	3,604
Recycling	336,605
Other recovery operations	40,344
Hazardous waste directed to disposal	0
Landfill	0
Incineration	0
Non-hazardous waste diverted from disposal	3,512,504
Preparation for reuse	319,797
Recycling	2,783,079
Other recovery operations	409,628
Non-hazardous waste directed to disposal	22,011
Incineration	13,139
Landfill	8,872

Most of Puig's waste is industrial, resulting from its production processes. The company does not generate radioactive waste. The percentage of non-recycled waste is 0.23%[42], which corresponds to the amount that ends up in landfill.

[42] Over primary data.

7
Social



7.1
Our People

Fostering a Responsible Workforce

Description of Workforce Types Subject to Material Impacts

Puig's Double Materiality Assessment (DMA) identified and evaluated both actual and potential material impacts on Puig's own workforce (people employed by Puig), considering all scenarios: corporate offices, manufacturing facilities, and retail operations.

During the Double Materiality Assessment, employees have been analyzed as a single group, with no particular consideration given to their location, vulnerability, gender, or any other specific trait.

The scope of this disclosure encompasses all the Puig workforce, ensuring a comprehensive approach to understanding risks, opportunities, and dependencies related to human capital.

The Double Materiality Assessment identified material impacts which particularly affect the Puig own workforce in manufacturing and retail operations.

Negative Impacts

Puig has identified material negative impacts latent in the industry and potential effects related to the Puig workforce, specifically in connection with:

- Health and Safety Risks in Manufacturing and Retail Operations: Employees in Puig's production plants might face health and safety risks due to exposure to hazardous substances, heavy machinery, and high temperature environments.
- Working conditions: Creating unfavorable working conditions, including non-compliance with hours, unsafe environments, non-payment of wages, salaries below the decent minimum, unjustified dismissals, and lack of representation, which limit employees' opportunities and negatively impact their well-being.

The identified impacts are widespread across the industry, and not related to individual cases.

Positive Impacts

Ensuring employee satisfaction, safety, and health through the promotion of workplace well-being and the implementation of comprehensive development and training plans.

Risks and Opportunities for Puig

Puig's business model and strategy are influenced by awareness of workforce-related opportunities and risks:

- Opportunity - By promoting inclusion and equity, Puig can create a diverse and fair work environment, offering equal growth opportunities for all employees and enhancing morale, while attracting diverse talent and enriching the company's culture with fresh perspectives.

- Risk - Worker injuries, illnesses, and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.

Operations at Risk of Forced or Child Labor

Puig's own operations do not present any risk relate to forced or child labor.

Policies Related to Our People

The success of Puig as a company lies in the dedicated individuals who make up the teams, their creativity and ways of working. This year, we have reinforced policies and practices that protect and promote a workplace where innovation and collaboration are encouraged.

This section highlights the key policies that ensure Puig's workplace remains a safe and dynamic space for everyone, allowing its people to unlock their full potential and contribute to shared goals.

Puig Ethical Code

Puig's Ethical Code not only establishes clear expectations for all employees but also embodies the core values of the Puig family, which have guided the company since its inception. These values—Restless Curiosity, Contagious Enthusiasm, Fairness and Respect, Entrepreneurial Audacity, and Shaping Tomorrow— reinforce employees with a strong sense of belonging and commitment to Puig's purpose.

Puig's Ethical Code promotes a culture of diversity, inclusion, and professional growth, ensuring fair, transparent, and merit-based talent management. It also defines best practices for data protection, confidentiality, and conflict-of-interest management, strengthening ethical decision-making at every level of the organization.

To support these principles, Puig provides a secure and confidential Reporting Channel, allowing employees to raise concerns without fear of retaliation. Managers play a key role in upholding ethical standards, ensuring compliance, and leading by example.

Puig Human Rights Policy

Puig recognizes that its employees are its most valuable asset and cultivates a workplace culture rooted in respect, inclusion, and integrity. Upholding human rights is a core principle embedded in the company's culture and operations. In alignment with the Puig Ethical Code, the company introduced the Puig Human Rights Policy in 2024, establishing a unified framework to safeguard human rights across the organization and its business activities, with a particular emphasis on addressing labor-related risks and impacts.

The core principles include:

1. Prohibition of Forced Labor: Zero tolerance of any type of forced labor, including modern slavery, servitude, and human trafficking.

2. Prohibition of Child Labor: Striving to guarantee that all employment relationships are voluntary and comply with the legal minimum hiring age, and that employees under 18 years of age are not employed to work at night or to perform hazardous work.

3. Non-Discrimination and Respect for Diversity: Prohibiting any form of discrimination based on gender, age, sexual orientation, ethnicity, religion, disability, or other protected characteristics.

4. Prevention of Harassment: Zero tolerance for physical, verbal, or psychological harassment in the workplace.

5. Freedom of Association and Collective Bargaining: Explicit support for employees' rights to organize and negotiate collectively.

6. Health and Safety at Work: Regular risk assessments and continuous training to ensure a safe and healthy work environment.

7. Working Hours: Compliance with legal limits on working hours contained both in local law and applicable collective bargaining agreements, including rest periods.

8. Fair Wages: Entitlement to fair compensation ensuring employees receive a fair living wage.

The Puig Human Rights Policy is structured in accordance with globally recognized standards and frameworks, including:

UN Guiding Principles on Business and Human Rights (UNGP)

International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work

Puig upholds the UNGP by embedding respect and protection of universal human rights across its operations. This principle is reinforced at the highest level through the Puig Human Rights Policy approved by the Board of Directors and transparently communicated through the intranet and company website. Puig monitors the fulfillment of its UNGP commitments through the results of the Reporting Channel (explained in detail in the Puig Reporting Channel section) which allows us to detect violations of these commitments if any have taken place.

Given the Puig Human Rights Policy is strongly aligned with the ILO Declaration on Fundamental Principles and Rights at Work, Puig strictly prohibits forced or compulsory labor and child labor, enforces legal hiring age requirements, and protects individuals under 18 from hazardous work environments. The company also supports freedom of association and collective bargaining, ensuring employees can organize and negotiate their rights without interference.

Puig is dedicated to creating an inclusive workplace free from discrimination, where equality, diversity, and fair treatment are upheld at all levels of the organization. This is reflected in the Puig Ethical Code and the Human Rights Policy and embedded through comprehensive training programs and integrated into operational practices, highlighting Puig’s adherence to international labor standards.

Puig’s efforts also contribute positively to society, reinforcing the company’s role as a responsible corporate citizen that prioritizes well-being, fairness, and ethical business practices.

Occupational Health and Safety Policy

At Puig, the well-being and safety of employees is one of the highest priorities. A safe and healthy working environment not only protects employees but also strengthens the company's ability to deliver excellence across its operations. This commitment is embedded in Puig Ethical Code which is the fundamental company standard from which all other corporate polices derive. The Puig Human Rights Policy is the core corporate policy which reinforces compliance with occupational health and safety regulations and the continuous improvement of health and safety standards.

The Occupational Health and Safety Policy, applicable across all Puig business activities and approved by the Chairman and CEO in December 2024, reinforces the company's focus on workplace health, safety, and employee well-being, both within the organization and in its interactions with third parties. It establishes a series of key principles:

- Provide healthy and safe working conditions, eliminate dangers, and minimize risks in all workplaces.
- Promote compliance with all applicable legal requirements wherever Puig operates, as well as to all other standards to which Puig voluntarily subscribes.
- Promote employee participation in occupational health and safety and ensure their representatives are consulted in matters relating to occupational health and safety.

These principles are supported by the following priorities:

- Occupational health and safety at Puig is a shared responsibility involving every employee and stakeholder. The company expects everyone to be aware of this priority and take an active role in maintaining and safeguarding health and safety in their activities and interactions.
- Regular health and safety risk assessments are carried out to determine the measures required to mitigate identified risks to employees' health, safety, and well-being. A set of procedures is available for detecting and avoiding risks and ensuring the implementation of relevant corrective and preventive actions.
- Reduction of work-related accidents and health and safety hazards is an ongoing objective for Puig.
- Regular health and safety training is provided to employees and records of training are kept, as employees' knowledge and awareness are essential to achieving the objectives set out in this Policy.
- The standards set out in the Occupational Health and Safety Policy are promoted by the OHS area across the entire value chain (including upstream and downstream activities) through Puig's contractual relationships and the relevant due diligence processes and audits.
- Puig regularly reviews and updates its occupational health and safety management system and seeks to ensure that working conditions in every workplace are monitored, measured, and improved continuously.

- Wherever possible, systems for managing operational health and safety follow the principles of recognized international standards such as ISO 45001.
- Employees and other stakeholders (including persons doing internships and external contractors) are required to report all work-related hazards, incidents, injuries, and illnesses. All accidents, incidents, and near misses must be recorded and investigated, and controls put in place to eliminate and prevent future incidents or injuries and continuously improve standards of workplace health and safety.
- It is the duty of all employees to take all available measures to ensure their own health and safety and that of any other person who may be affected by their work.

Health and safety at Puig goes beyond compliance, forming a fundamental pillar of its Integrated Management System (IMS) Statement which unifies the company's approach to quality, good manufacturing practices (GMP), environmental management, and occupational health and safety (H&S) under a cohesive strategy.

The IMS Statement provides clear guidelines, processes, and procedures aimed at preventing accidents and ensuring the well-being of employees, and serves as the foundation for the development and implementation of all activities within the integrated management system.

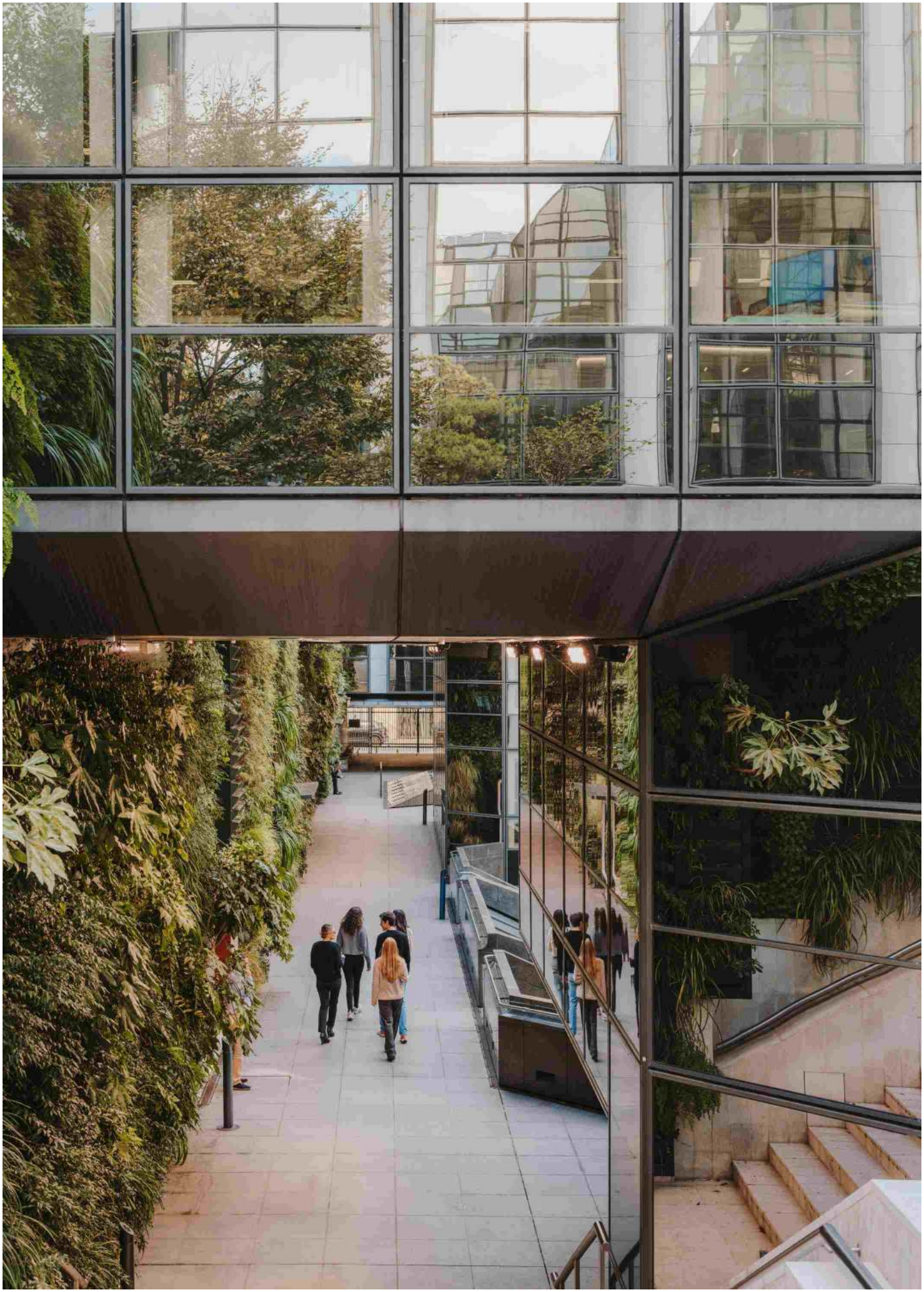
While the IMS Statement applies globally, it is particularly emphasized in locations where certified ISO management systems are in place, such as Spain, France, and India. In these countries, the IMS Statement functions as the local Health and Safety Policy, ensuring alignment with internationally recognized safety standards and practices.

Statement on Non-Discrimination

The Puig Ethical Code and Human Rights Policy unequivocally state that discrimination, victimization, and harassment—particularly workplace or sexual harassment—are not tolerated. Puig remains particularly vigilant to ensure equal treatment in hiring, compensation, access to training, career development, working conditions, and retirement.

Certain Puig subsidiaries, including those in South Korea, Sweden, Belgium, Brazil, Peru, the US, and Spain have embedded anti-discrimination policies within their local regulations, further strengthening Puig's commitment to fostering an equitable workplace.

Considering the comprehensive scope of these policies and the effectiveness of Puig's reporting channels, Puig has not identified the need to develop a specific company-wide policy on discrimination at this time, nor to develop additional commitments for specific groups of employees. The company will continue to monitor this topic as material and take action if a more focused approach is deemed appropriate.



Processes for Engaging and Developing Our People

At Puig, employees are at the center of the company's success. To provide the best employee experience, Puig has established processes that enhance recognition, development, and well-being while aligning with the company's ESG commitments. Through clear communication, continuous learning, and a strong focus on health and safety, these processes and programs drive ongoing improvement, ensuring alignment with employee needs and integrating their insights into the decision-making process

Processes for Engagement and Development

- Workplace Intranet: Puig's global communications channel, Workplace, also serves as a powerful platform for fostering employee recognition, development, and well-being across the various communities within the organization.

- Experience Puig: A dedicated digital platform designed to support employees in managing their professional development and career progression within the company. This initiative reflects Puig's ongoing commitment to fostering internal mobility, enhancing talent development, and providing employees with the tools to reach their full potential.

- Performance and Development: Performance management and development serve as key engagement drivers for employees. Through the Annual Performance Reviews (P&D), employees—except those in manufacturing roles—have the opportunity to communicate their career aspirations and future objectives, and actively shape their professional growth within the company. These reviews include one-on-one discussions with managers to assess past performance and set future objectives.

- Employee Surveys: Additional surveys are conducted to capture anonymous feedback on specific topics and/or regions, ensuring a broad and inclusive understanding of employee sentiment. In 2024 an Inclusion Survey was launched with a focus on promoting an environment where every employee feels supported, represented, and empowered to thrive.

  Insights gathered from the 2024 Inclusion Survey allowed the company to better understand diverse perspectives and address the specific needs of underrepresented groups, including:

- Ethnic minorities, LGBT+ employees, and individuals with mental or physical disabilities.

- Employees identified by gender identity or as caregivers (for children, elderly parents, or those with disabilities).

- Employees living or working outside their country of origin.

  The survey highlighted an overall high level of inclusion across different groups, as well as few key differences, which are now informing Puig's action plan to address identified challenges and further support workforce equity, diversity, and inclusion.

The Puig Chief Human Resources Officer bears operational responsibility for ensuring engagement as described above.

Processes for Health, Safety, and Well-Being

- ISO 45001 certification: Establishment of clear and robust communication channels that enable active consultation and participation across all levels of the workforce.
- Employee-Led Improvements: Employees are encouraged to act as initiators of change, sharing suggestions through the accessible channels mentioned, to contribute to safer, healthier, and more efficient workplaces. This approach ensures that the workforce is not only heard but empowered to drive meaningful improvements.
- Localized Leadership: Each facility is supported by a dedicated team—often comprised of HR, Plant Directors, and Occupational Health & Safety (OHS) specialists— and at local level the local HR, who act on behalf of the company to drive well-being and safety initiatives tailored to local needs. This localized leadership ensures that the global standards Puig upholds are implemented effectively across all regions.

Processes for Addressing People's Concerns

Aligned with the Puig Ethical Code, the company actively promotes a speak up culture, encouraging employees and stakeholders to take a proactive role in identifying and preventing unethical behavior, human rights abuses, or breaches of internal or external regulations.

This cultural commitment is is expressed through Puig's dedicated and secure Reporting Channel, reinforced by the Puig Ethical Code and the Puig Human Rights policy, which enables employees and third parties to report concerns, violations, or provide feedback confidentially, with a strict guarantee of protection against retaliation.

At Puig, respecting and addressing any adverse human rights impact across its operations and value chain is a core principle embedded in its Ethical Code and Human Rights Policy. This commitment is also incorporated into the Reporting Channel Policy and Procedure.

The Puig Reporting Channel serves as the primary avenue for employees to raise concerns, ensuring that confidentiality, privacy, and protection against retaliation are upheld to the highest standards. It guarantees a prompt and thorough response, in alignment with the Puig Ethical Code.

Employees' concerns are brought to the Puig Reporting Channel through various other avenues as well. These include HR Business Partners who engage directly with employees to identify and escalate issues. Managers, often the first point of contact for many, maintain an open-door policy, actively listening and escalating concerns as needed through this channel. Additionally, Workers' Committees provide a formal and confidential space for collective reporting and discussion.

By integrating these pathways, Puig adopts a comprehensive and responsive approach to identifying and addressing concerns, reinforcing its commitment to transparency, accountability, and employee well-being.

Details of the functioning of the channel, its mechanisms and guarantees, and the evaluation of communications are explained in detail in the Governance chapter, Puig Reporting Channel section.

Actions for Creating Positive Impact for Our People

In 2024, the company launched key initiatives that prioritized well-being, work-life balance, and inclusion, aiming to enhance opportunities, mitigate risks, and create a positive impact.

Extraordinary Recognition for Puig People

Puig recognizes its successful IPO as a significant milestone, made possible by the dedication and contributions of many individuals over the years. To honor this collective achievement, in 2024 the company granted an extraordinary cash award to all employees, totaling €84 million, as a testament to their efforts and commitment. This was an exceptional recognition of having reached a historic milestone together and was particularly well-received by employees across the organization.

Actions for Well-being

For All Employees

1. **Ways of Working Survey (2023):** In response to employee feedback regarding workload challenges, Puig launched the Smartshift Project, aimed at reducing the volume of emails and meetings while fostering a healthier work-life balance. This initiative, designed for office employees except those from Charlotte Tilbury, Uriage and Apivita, has led to a notable decrease in email traffic. Employees actively contributed through workshops, feedback sessions, and idea-sharing events. Training, best practices, and focus groups ensured the project's relevance to team-specific needs. Updates were communicated regularly via internal platforms and a dedicated Smartshift website.

2. **Well-being and Work-Life Balance**

- Hybrid model: Puig promotes a hybrid working model on almost all its sites (generally consisting of two days remote working and three days in the office).

- Time Flexibility: gradual implementation of flexible entry and leaving times in some sites.

- #BeCampaigns Program: Puig promotes the well-being of its own workforce through this company-wide wellness program which aims to encourage employees to adopt habits that enhance their overall well-being. It was originally launched at the Barcelona headquarters in 2014, and in recent years it has gradually been implemented globally.

Country-Specific Well-being and Inclusion Actions

1. **France**

- Disability Referent: Puig has appointed a Disability Referent to serve as a key resource for employees facing vulnerabilities or special needs. This role is introduced to all new employees during onboarding sessions to enhance accessibility and trust.

- Advocacy for Sustainability and Social Well-being: Uriage reinforced its commitment to the environment, health, and women's rights through awareness initiatives on sustainability, oncology support, and gender equality.

2. **Peru**

- Inclusion: Puig supports the employability of people with disabilities by participating in employment exchanges and fairs dedicated to this group. As a result, two individuals with disabilities were hired this year, reinforcing Puig's aim to fostering inclusive hiring.

3. **Mexico**

- Thematic birthdays: Training sessions designed to deepen employee's knowledge of brand launches and products.

- Family & Friends Activities: Events linked to new brand launched.

- Masterclasses: Sessions to enhance expertise on Puig's product portfolio.

4. **Brazil**

- Internal Workplace Safety Week: Includes lectures, workshops and interactive activities focusing on raising awareness and promoting healthy habits inside and outside the workplace.

- Awareness campaigns addressing key health topics, including breast cancer, prostate cancer, and HIV/AIDS prevention.

5. **Spain**

- Intercultural Training Programs: Designed to foster inclusion of foreign employees.

- Participation in Running Events: Including the Women's Race, reinforcing Puig's support to adopt a more active lifestyle.

- Diverse Sports Activities: Employees engage in the Aquathlon, football, and paddle tennis tournament.

- Launch of MyBenefits: A voluntary scheme that provides benefits that are flexible and adaptable to individual preferences, have an impact throughout the employee lifecycle, and help employees balance work and personal life to maintain overall well-being and productivity.

6. **Middle East**

- Health and Well-being Webinars: Initiatives include breast cancer awareness sessions.
- On-site Health Screenings: Employees benefit from health checks and consultations with nutritionists.

7. **Greece**

- Well-being Workshops and Engagement Activities: 12 dedicated well-being workshops and activities to foster both physical and mental health at Apivita. The Running Bees team members participated in eight running events including the 2024 Athens Authentic Marathon. In 2024, 227 Apivita employees engaged in at least one CSR/ESG initiative.

Actions to Advance Equality, Diversity and Inclusion among Our People

By advancing diversity and inclusion initiatives, Puig aims to unlock material opportunities that strengthen workforce morale, attract diverse talent, and enrich company culture with innovative perspectives.

- Inclusion Survey (2024): Captures insights based on demographics, including under-represented groups (e.g. ethnic minorities, LGBT+ employees, and caregivers).
- Equality Plan Implementation: Puig enforces an Equality Plan in Spain and France designed to prevent discrimination and ensure equal opportunities in hiring, promotion, and professional development. This plan includes gender harassment prevention protocols and regular reviews to evaluate its effectiveness.
- Inclusive Hiring Practices: Puig collaborates with organizations such as the INTEGRA Foundation in Spain to provide employment opportunities for people with disabilities.
- Diversity and Inclusion Training: The MyLearning Platform offers targeted training in:
  - Women in Leadership.
  - Overcoming Discrimination for Migrants and People with Disabilities.
  - Inclusive Hiring Practices for Managers.
- UN Women Empowerment Principles (WEPs): As a member of the UN WEPs community, Puig is dedicated to advancing gender equality and empowering women across the workplace, marketplace, and community.

- Charlotte Tilbury celebrates a global calendar of cultural and inclusion moments, recognizing diverse communities and traditions across all of the regions in which it operates:
  - Global moments included (but were not restricted to): Ramadan, Chinese New Year, Black History Month, International Women's Day, and Pride.
  - Regional moments included (but were not restricted to): Asian Heritage Month, Victoria Day, Thanksgiving, and Indigenous People's Day.

Leadership and Talent Development

Puig is firmly committed to the professional development of its people, as demonstrated by the variety of programs it offers. There are a variety of development programs in the organization, ranging:

- Graduate Program: Rebranded the Spark Program in 2024, this program integrates early career professionals into various roles across the business while providing a bespoke talent development program. The program offers a blended development path with a focus on learning on the job complemented with structured learning initiatives. Under the motto "Choosing a bright beginning", the program invites participants to grow by learning on the job and building their professional credentials to spark their career with Puig.
- Talent Program: The goal of the Talent Program is to identify high potential professionals and prepare them for professional advancement. The program provides future leaders with skills such as self-awareness and organizational knowledge, awareness of technological changes impacting the future of work, and project leadership skills. The Talent Program 2024-2025 is focusing on AI.
- Janus Program: Janus is the flagship talent program at Puig, developing high potentials leaders from all parts of the organization. With the involvement and sponsorship of senior Puig leaders and the support of world-leading business schools and industry experts, the two-year program equips participants with the leadership skills, company and industry knowledge, and development to accelerate their careers at Puig.
- Leadership in Transformation (LIT): is a global development program focused on enhancing the capabilities of people leaders to lead through transformation and change. The program is structured around the elements of Listen, Inspire and Trust and reinforces the behaviors expected of all leaders. The program architecture includes one-to-one coaching sessions, instances of group co-development, group working sessions and a three-and-a-half-day seminar, depending on the audience.
- Value Creation Essentials: An intensive program equipping senior executives across the organization with comprehensive understanding of financial concepts and tools for strategic decision-making and operational efficiency in a publicly listed environment.

Actions for Health and Safety

Puig has implemented proactive measures and continuous improvement across its global operations related to health and safety:

1. **ISO 45001 Certification:**

   Puig holds ISO 45001 certification across its sites in Spain and France, demonstrating adherence to international occupational health and safety standards. Plans are underway to extend these certifications to additional key locations, including India and Greece.

2. **Employee Training and Awareness Programs**

   Targeted training programs and awareness campaigns cover critical topics such as hazard identification, fire detection, and first aid. These initiatives have been deployed across multiple countries, including Spain, France, Italy, India, Germany, Austria, Switzerland, Sweden, Colombia, Brazil, Mexico, Peru, and the US.

   Additionally, Charlotte Tilbury has revamped and relaunched its global mandatory health and safety training program for all office and retail employees, equipping teams with essential safety knowledge.

3. **Planned Initiatives:**

- Expansion certifications across other key sites, focusing on both India and Greece.
- Extension of digital tools to monitor occupational health risks and risk assessments.
- Expansion of psychological and emotional support services to ensure holistic employee well-being.

4. **Quality of Life at Work Initiatives in France**

- Psychological Support Hotline: A dedicated service providing confidential psychological assistance.
- First Aid in Mental Health Training: Equipping employees with skills to identify and manage mental health emergencies.
- Menstrual Health Support: Availability of menstrual health materials at work sites.

5. **Voluntary Health and Wellness Campaigns**

- Voluntary Vaccination Campaigns to protect employees from seasonal illnesses in Spain, France and Mexico.
- Annual Health Monitoring Programs to proactively manage employee health risks in Spain, France, Mexico, Peru, Brazil.

Evaluating Puig's Action Plan

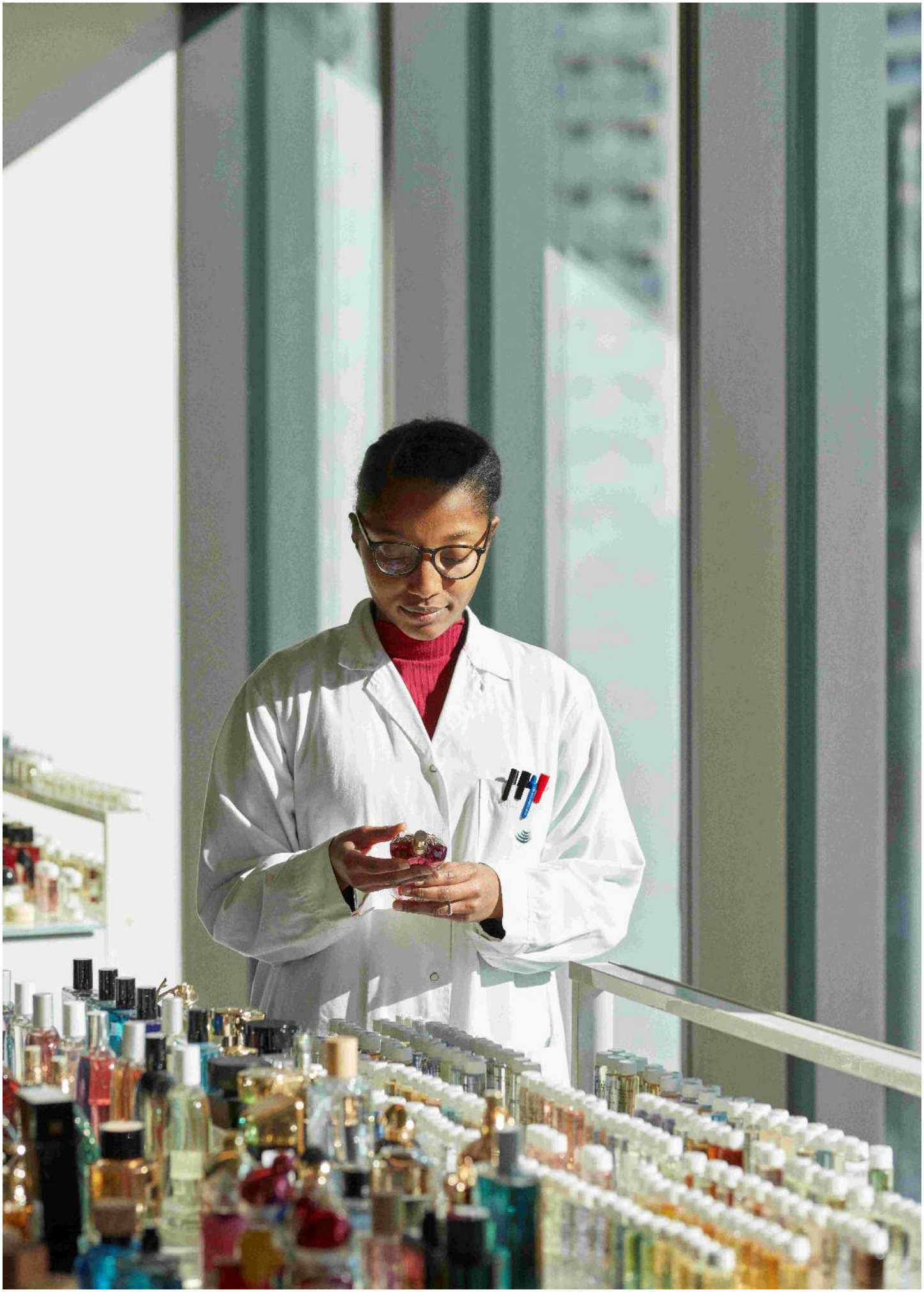
Puig continuously monitors and evaluates the effectiveness of its initiatives. In addition to the use of the engagement mechanisms mentioned above and the Puig Reporting Channel to identify and address potential impacts, the company monitors a set of metrics to assess the effectiveness of its actions. This allows to determine whether a reassessment of Puig's action plan is necessary and which actions prioritize.

The most relevant metrics for monitoring effectiveness are:

- Employee turnover rate
- Work Accident Frequency Rate (FR)
- Complaints received through the Reporting Channel

Puig is in the process of realigning the mid- and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx or CapEx has been identified for the current action plan associated to our workforce.



Metrics and Targets to advance ESG

Puig employs a comprehensive approach to monitor and assess the effectiveness of its actions and initiatives, ensuring that they deliver meaningful outcomes for the workforce, and detecting any potential negative impact resulting from Puig's activities.

In addition to the engagement processes mentioned before, Puig evaluates Key Performance Indicators (KPIs) such as accident rates and absenteeism.

The following metrics include only individuals legally employed by Puig, excluding independent contractors, suppliers, and other non-employee workers.

Puig also conducts regular Internal Audits to verify compliance with applicable labor laws and internal policies.

In 2022 the company started to integrate ESG objectives in the annual performance practices.

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones if necessary. The previously established targets are presented below.[43]

Target	Scope	Baseline year	Target year	2024
Launch an annual ESG engagement action with a minimum 40% of employee participation.	Global	2022	Yearly	61.00 %
100% production plants and headquarters certified with ISO 45001	Global	2022	2030	

The targets do not refer to an initial value; the base year only identifies the start year of the plan. No direct engagement with employees has been conducted for setting this targets.

Employee Characteristics

Number of employees as of 12.31.2024

12,116

Only employees with a direct contract in any of the Puig subsidiaries (this excludes internships, freelancers or 3rd party employees). The data is aligned with the results of the Consolidated Annual Accounts.

[43] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

Average number of employees in 2024 (FTEs)

10,909

FTE (Full-Time Equivalent) employees represent the number of full-time workers based on total hours worked, where one FTE equals one full-time employee. The average has been calculated considering the actual time worked during the year. The data is aligned with the results of the Consolidated Annual Accounts.

Number of employees by gender and contract type

	Permanent	Temporary	non-guaranteed hours	Total
Women	8,025	976	121	9,122
Men	2,791	119	23	2,933
Undeclared / Non-binary	24	37	0	61
	10,840	1,132	144	12,116

Number of employees by location

Region	Location	Nº Employees
EMEA	Austria	24
EMEA	Belgium	177
EMEA	France	1,648
EMEA	Germany	311
EMEA	Greece	320
EMEA	Ireland	224
EMEA	Italy	240
EMEA	Netherlands	153
EMEA	Poland	23
EMEA	Portugal	75
EMEA	Russian Federation	82
EMEA	Saudi Arabia	160
EMEA	Spain	2,203
EMEA	Sweden	74
EMEA	Switzerland	117
EMEA	UK	2,393
EMEA	U.A.E.	139

Region	Location	Nº Employees
LATAM	Argentina	183
LATAM	Brazil	348
LATAM	Chile	257
LATAM	Colombia	167
LATAM	Mexico	343
LATAM	Peru	116
North America	Canada	17
North America	United States	711
Asia & Oceania	Australia	186
Asia & Oceania	Chinese Mainland	573
Asia & Oceania	Hong Kong SAR	159
Asia & Oceania	India	446
Asia & Oceania	Japan	51
Asia & Oceania	Macao SAR	17
Asia & Oceania	Singapore	46
Asia & Oceania	South Korea	85
Asia & Oceania	Taiwan region	48

Number of exits

Voluntary	Dismissals	Others	Total
1,728	606	132	2,466

Employee turnover rate

22.6%

The employee turnover rate has been calculated by dividing the number of exits of both permanent and temporary employees (excluding end of contracts) by the average number of employees (FTEs).

Diversity Metrics

Top executives by gender

	Women	Men	Undeclared / Non-binary	Total
Top Executives	143	130	0	273
	52 %	48 %	— %	

A Top executive at Puig is defined as any employee holding a position with a Mercer level 59 or higher.

Number of employees by age

	Total
< 30 years	3,791
Between 30 and 50 years	6,699
> 50 years	1,626
	12,116

Adequate Wages

Percentage of employees paid below the applicable adequate wage benchmark

0%

Persons with Disabilities

Employees with disabilities: yearly average

Women	404
Men	66
Undeclared / Non-binary	3
	473

4% of the employees

For reporting employees with disabilities, Puig adheres to the definitions recognized by each country and follows internal reporting standards.

Training and Skills Development Metrics

Percentage of employees that participated in regular performance and career development reviews

Women	Men	Undeclared / Non-binary
56 %	54 %	— %

This percentage excludes Apivita, Uriage and Charlotte Tilbury, which don't follow this KPI.

Average number of training hours per employee

Women	19.3
Men	19.8
Global	19.4

Health and Safety Metrics

Percentage of people in its own workforce who are covered by the company's health and safety management system

100%

Fatalities

0

Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health

3,725

Work-Related Accidents[44]

177

Work Accident Frequency Rate (FR)

Women	Men	No declared / No binary	Total
3.27	2.82	19.67	3.24

FR = No. of work accidents resulting in medical leave * 1,000,000/Total number of hours worked
Calculated with the effective hours worked taking into account the temporary employment regulation periods in the different locations.

Number of Cases of Work-Related Ill Health

Women	Men	No declared / No binary	Total
10	0	0	10

Work-Life Balance

Percentage of employees entitled to take family-related leave

100%

In all the markets where Puig operates, national regulations mandate the right of employees to take family-related leave. As a result, 100% of Puig employees are entitled to this benefit.

Percentage of employees that took family-related leave

Women	Men	Other	Total
4.2 %	3.3 %	0.0 %	4.2 %

[44] Number of work accidents, both with and without medical leave.

Remuneration

Gender wage gap

Global
24.7%

The gender wage gap of 24.7% at Puig is influenced by several structural factors. This calculation does not consider the role, seniority, and location of our colleagues (see below),.

Adjusted Global
-5.1%

This gender wage gap compares the remuneration of men and women holding positions with the same level of responsibility, weighting the results based on the number of employees in each level. This indicator provides a more accurate measure of whether men and women are paid fairly within the company, as it focuses on equal pay for equal work, regardless of broader structural factors. This KPI has evolved from 3.4% in 2022 to 2.6% in 2023 and -5.1% in 2024 across the company.

The annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees

230

Calculated using the annual base salary, actual bonuses paid, allowances, and benefits for both permanent and temporary employees active as of December 31.

Incidents, Complaints and Severe Human Rights Impacts

During 2024 Puig received 61 queries or complaints through the Reporting Channel. 52 of these communications were from our employees.

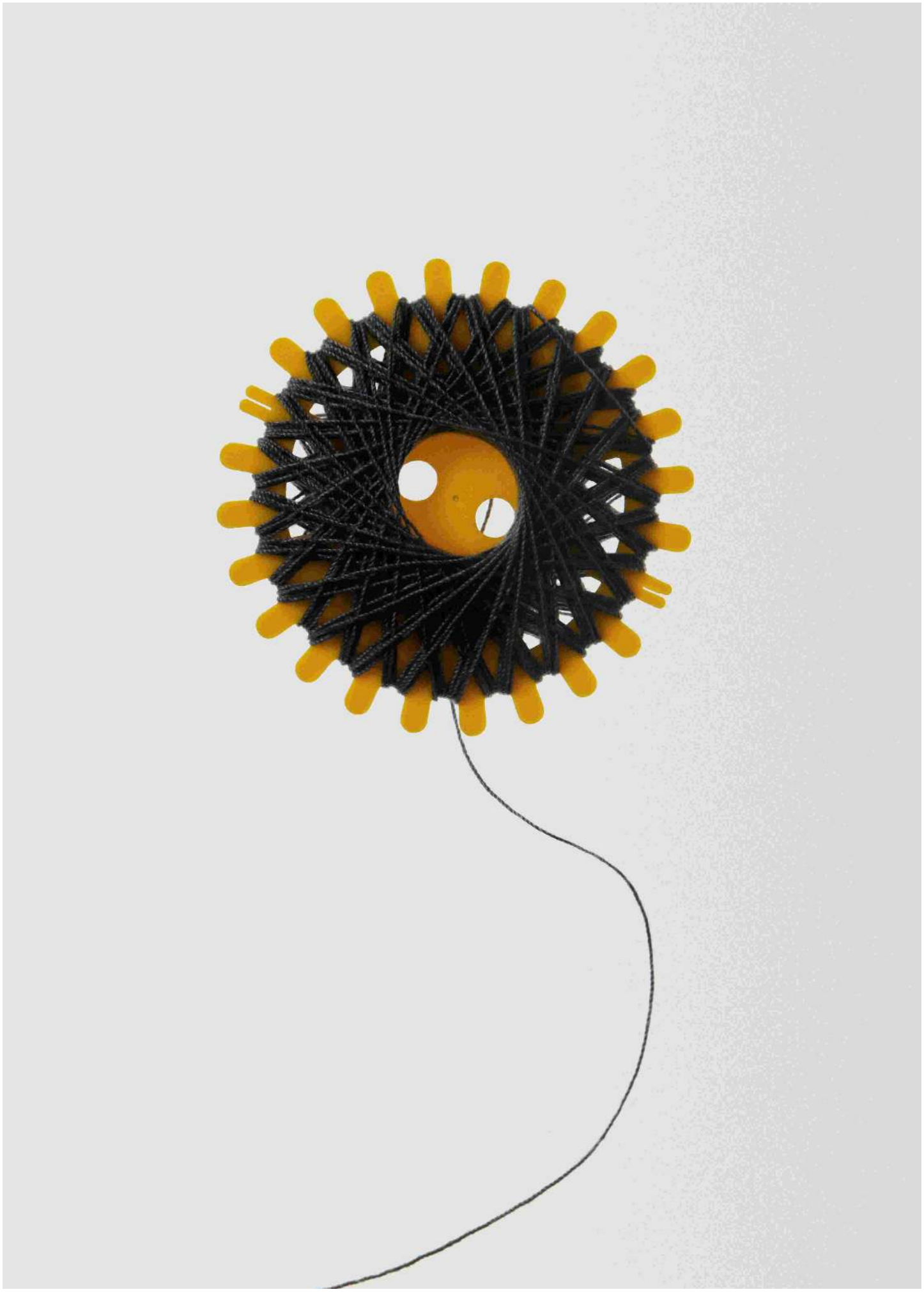
All cases are classified according to the categorization and risk types established by Navex. Subsequently, the reports are examined and potentially investigated, circumstances that may lead to a possible reclassification, regardless of the initial classification of the facts made by the reporter. The information presented in this report is the result of this reclassification, in its case.

There has been one case considered a discrimination incident (classified in the Harassment category as explained in the annex Information on Respect for Human Rights). The case was categorized as a severe human rights incident . There were no fines resulting from the incident.

There have been no cases that constitute breaches of the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration, or the OECD Guidelines.

7.2

People in the Value Chain



Fostering a Responsible Value Chain

Puig operates within a complex global value chain, involving multiple tiers and a diverse network of suppliers and logistics providers. This structure may have a material impact on workers employed by suppliers across all upstream tiers and workers working at Puig sites but who are not part of Puig's own workforce. During the Double Materiality Assessment, all workers in the value chain have been analyzed as a single group, with no particular considerations to gender, vulnerability, age, or other specific characteristics. Downstream workers have been considered in the analysis but have turned out to be non-material.

These risks include limited labor rights, poor working conditions, harassment, abuse, and discrimination.

Based on the double materiality analysis,the value chain workers related to actual or potential impacts are:

- Workers in raw material extraction who are vulnerable to health and safety risks and exploitation, especially in developing countries.
- Manufacturing and production workers who are vulnerable to poor working and living conditions (where accommodation is provided by the company), low wages, job insecurity, and exposure to harmful chemicals.

Puig is currently assessing geographies and commodities in its supply chain where there is a significant risk of child labor, forced or compulsory labor, and labor exploitation.
Two material negative impacts latent in the industry and potential for Puig have been identified in the double materiality assessment:

- Specifically for China, the imposition of forced or compulsory labor results in individuals providing work or service under penalty, without voluntary consent, negatively impacting societal well-being.
- The use of heavy machinery, hazardous substances, high temperatures, pressure, and electrical risks in chemical manufacturing poses significant health and safety threats to employees in Puig's supply chain.

These negative impacts are related to systemic risks, and Puig works alongside the supply chain to ensure suppliers apply good ESG practices that prevent them.

Following the double materiality assessment, no material positive impacts related to workers in the value chain have been identified.

Two potential risks for workers in the value chain have been identified as material, both directly related to the negative material impacts.

- Human rights violation incidents in the supply chain often receive extensive media coverage, which can damage Puig's image and affect its reputation in the long term.
- Worker injuries, illnesses, and fatalities can lead to regulatory penalties, negative publicity, low worker morale and productivity, increased healthcare and compensation costs, and potential litigation, all of which can have a significant financial impact on the business.

These risks do not relate to any specific group of value chain workers.

Policies Related to People in the Value Chain

Puig's Sustainable Sourcing Policy

As stated in the Puig Ethical Code and further developed by the Puig Human Rights Policy for internal workers, the company is committed to respecting and defending universal human rights and complying strictly with related applicable law and regulations (more information can be found in the Social chapter, Our People section).

Puig's Sustainable Sourcing Policy develops the company's approach to managing material impacts, risks, and opportunities related to value chain workers by aligning with internationally recognized standards, such as the previously mentioned UNGP and the ILO Declaration on Fundamental Principles and Rights at Work. It is also in line with the principles set out by the UN Global Compact, as Puig has been a signatory of this organization since 2020.

The Policy is designed to ensure ethical conduct, respect for human rights, and the inclusion of value chain workers across all operations, extending these standards to suppliers, subcontractors, and business partners. It is structured as follows:

1. **Commitments to Value Chain Workers**

   Puig is committed to human and labor rights throughout its value chain by requiring all suppliers to adhere to principles that safeguard workers' dignity and rights. Specific measures included in the Puig Sustainable Sourcing Policy are:

- The Supplier will not employ any person under the legal age for working in each country.
- The Supplier will ensure that employment relationships shall be based on the principle of voluntariness. No forced labor in any form is accepted.
- Suppliers must prohibit discriminatory practices and ensure equal treatment regardless of age, gender, race, religion, or disability.
- Suppliers are required to recognize workers' rights to organize, form unions, and engage in collective bargaining.
- Regular risk assessments must be conducted to mitigate workplace hazards, and ongoing training must be provided to promote a culture of safety.
- The Supplier will ensure adequate working hours and rest days to promote the health and well-being of workers.
- Wages paid by the Supplier will meet the minimum legal obligations.

2. **Respect for International Human Rights Standards**

   Additionally, Puig requires suppliers to implement its Sustainable Sourcing Policy, which is aligned with key global frameworks including the UNGP and the ILO's conventions, prior to initiating business relationships.

   Cases of non-compliance are reviewed through a dedicated Reporting Channel, which ensures confidentiality and anonymity for all stakeholders. This is integral to Puig's broader speak up culture.

3. **Provision of Remedy for Human Rights Impacts**

   Puig puts in place mechanisms to address and resolve human rights violations within the value chain. These include:

- The establishment of a secure Reporting Channel for stakeholders to raise concerns.
- Engagement with suppliers to implement corrective action plans for identified breaches.
- Comprehensive follow-up and monitoring to prevent recurrence.

4. **Focus on Trafficking and Forced and Child Labor**

   Explicit measures to combat trafficking and forced labor are embedded within Puig's supplier requirements. The Sustainable Sourcing Policy clearly prohibits any form of involuntary labor and ensures that all workers are employed based on voluntary agreements.

   Suppliers must further comply with international standards for age verification and working conditions, with no tolerance for child labor at any level of the supply chain.

   No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving value chain workers have been reported in 2024.

Processes to Engage with People in the Value Chain

Puig has in place a complete process for auditing supplier's performance that includes value chain worker engagement. Following the SMETA methodology that assesses different ESG aspects, interviews with suppliers' employees are carried out to gather information on their views and concerns on actual and potential impacts on them, during the on-site audits. The outputs collected during the interviews are considered in the assessment of suppliers.

The frequency of the audits, and consequently of the interviews, depends on the level of risk determined for the supplier and the type and number of non-compliances identified in previous audits.

The operational responsibility for ensuring that the engagement with suppliers' workers happens and that the inputs are considered in their assessment is within the scope of the Chief Sustainability Officer.

Currently, Puig has no agreements with global union federations related to respect of human rights of workers in the value chain.

For the moment, there are no additional steps taken for vulnerable workers. During 2025, the company plans to define the due diligence process for the supply chain to align it with the new CS3D legislation.

Puig's Commitment to People in the Value Chain

Acceptance of the Puig Sustainable Sourcing Policy is mandatory for all suppliers before they can work with Puig. The requirements set out in this Policy are part of the agreement between Puig and the supplier.

When instances of non-compliance are identified, Puig takes appropriate action to address them, which may include, depending on the degree of materiality of the non-conformity, (i) the implementation of a corrective action plan and timeline by the supplier to effectively and promptly resolve the breach, (ii) the non renewal of the supply contract at its term, or (iii) the immediate termination of the business relationship.

The Puig mechanism to raise concerns and remedy negative impacts is the Reporting Channel (more information can be found in the Governance chapter, Puig Reporting Channel section).

Taking Action on People in the Value Chain

Material negative impacts and risks identified in the double materiality assessment are prevented, mitigated and remedied through different lines of action. Puig Ethical Code is the reference for avoiding any impact caused directly by the company in the workers of the value chain.

Audits and Assessments

To ensure that the requirements set in the Sustainable Sourcing Policy are being met by the suppliers, the company carries periodic due diligence audits and assessments, which include revision of the working conditions. Business integrity, labor standards, and health and safety are core pillars in the audits.

Two processes are performed:

Supplier Audits

In this case, two audit types are carried out: In 2024 Puig has initiated the Ethical Auditing Program, which involves the rollout of the SMETA (Sedex Members Ethical Trade Audit) 4-Pillar audits, consisting of:

- Health and safety: Reviews of the safety of the workplace.
- Labor: Reviews of labor standards, including working conditions, adequate wages and entitlements.
- Environment: Reviews of the company's environmental impact.
- Business ethics: Reviews of the company's ethical practices

The objectives of the SMETA Ethical auditing program are:

- Regulatory Compliance: Ensure suppliers meet relevant ESG regulations and standards, avoiding legal issues.
- Risk Mitigation: Identify and manage potential risks in the supply chain that could impact Puig reputation and operations.
- Sustainability: Promote sustainable and responsible practices, aligning suppliers with Puig sustainability goals.
- Transparency and Trust: Increase transparency and accountability, enhancing the credibility of the ESG reports.
- Continuous Improvement: Facilitate the identification of improvement areas and encourage collaboration to implement better practices over the long term.

The Ethical Audits Program at Puig prioritizes business critical suppliers and risk country operations, includes confidential worker interviews, and is conducted by external auditing partners.

The model is based on compiling the audits' results on a single database which allows for the implementation of shared audits and access to audits already carried out by other companies.

The selection of suppliers to be audited is based on several factors, one of them being the risk of the area where they are located. Higher risk areas have been identified based on the Sedex risk radar tool and widely recognized human rights indicator datasets across labor rights, health and safety, and business ethics to help identify those areas and regions at higher risk of modern slavery.

Ethical audits with suppliers that are deemed at higher risk based on region, business activities, and raw materials used are prioritized. Puig is prioritizing the manufacturing activities taking place in China, South Korea, Middle East, regions of Europe and United States and working in parallel on remediation with the suppliers.

Through the audits, Puig identifies material impacts and agrees with suppliers on action plans to remedy issues. The remediation is monitored to ensure the correct implementation of the action plans. With conversations with suppliers and worker engagement, the company has been able to remedy issues of restriction on freedom of movement and risks to health and safety in factory dormitories. For instances of non-compliance, a timeframe for solving the issue is established. If the deadline is reached without the issue being solved, the company reserves the right to terminate the commercial relationship with this supplier.

Puig ensures its practices do not cause negative impacts by enforcing human rights due diligence, supplier audits, and grievance mechanisms. Guided by its Ethical Code and Sustainable Sourcing Policy, Puig aligns with labor standards through capacity-building and stakeholder engagement.

By the end of 2024, the company had compiled a total of 247 tier 1 and tier 2 suppliers who had received an ethical audit during the previous three years.

Moreover, an Annual Internal Audit Programme is carried out on-site among raw materials and packaging materials suppliers and subcontracted third parties. This program is part of the Integrated Management System, which includes quality management, good manufacturing practices, environmental protection, and occupational health and safety aspects. The approach to these audits is comprehensive, meaning that all aspects are assessed as a whole. In 2024, a total of 44 audits were carried out on suppliers and third parties, located in various markets in Europe, Asia and Latin America.

Supplier Assessments

Every year Puig assesses suppliers' performance on ESG with two third-party ratings providers, EcoVadis and Sedex. These audits ensure suppliers comply with Puig Sustainable Sourcing Policy.

Suppliers must respond to a questionnaire covering environmental, social, and governance topics, and they are provided with a score. Puig works with suppliers to ensure that none of them are rated as high risk, which in the case of Ecovadis means reaching a minimum score of 45/100.

The EcoVadis and Sedex assessments are aligned with the Puig Sustainable Sourcing Policy, and both seek to ensure respect for human rights and the implementation of health and safety measures.

Purchasing of Certified Raw Materials to Assure Compliance with Workers' Rights and Welfare

As part of the 2030 ESG Agenda, Puig is committed to purchasing palm oil and its derivatives from RSPO-certified sources, and cardboard and paper from FSC-certified sources. These two certifications guarantee the improvement of social and economic well-being of workers and ensure that they are treated fairly.

Collaboration with Recognized Partners

Puig believes in collective action to drive positive industry-wide change. For this reason, Puig has been collaborating for many years with organizations such as the Fair Labor Association (FLA), an international network that champions human rights in farms and factories worldwide to develop specific solutions to continuously improve labor standards within our industry's supply chain. In 2024 Puig has partnered with FLA on their Harvesting the Future initiative related to the supply chains of jasmine in Egypt and rose in Turkey, which brings together various stakeholders including brands, fragrance and flavor houses, processors, public institutions, farmers, and civil society organizations.

The initiative Harvesting the Future aims to develop concrete solutions to improve human rights continuously and promote decent working conditions in specific supply chains, in partnership with the International Labour Organization (ILO). In 2024[45]:

- 1,008 seasonal migrant agricultural workers were trained.
- 88 farmer training sessions were conducted across 57 villages in 2024, with a total participation of 1,695 farmers.
- Women's meetings were held in multiple regions with a total participation of 885 women. Additionally, specific training sessions on breast health were conducted with 833 participants.
- Gender awareness sessions for men included 198 Turkish participants and 121 foreign nationals.
- 18 labor intermediaries were trained on child labor, decent work conditions, occupational safety and health, and the benefits of the agriculture labor intermediaries' certificate.

[45] Source: FLA Presentation.

During 2024, as part of its sustainability journey and acknowledging the human rights risks and complexities of the mica supply chain, Puig became a member of the Responsible Mica Initiative (RMI), a coalition that brings together around 100 leading organizations to drive positive change towards a fair, responsible, and sustainable mica supply chain in India and Madagascar.

Puig has joined The Value of Beauty Alliance which brings together a number of well-known companies and organizations representing the European beauty value chain. Its goal is to raise awareness of the positive impact that the beauty and personal care industry has in Europe both at an economic and societal level. The Alliance met in Brussels with key stakeholders from the European Union institutions to introduce and discuss a new report titled 'What is the Value of Beauty', offering key figures and insights into the industry's diverse ecosystem and its major economic and societal contributions.

Puig firmly believes that it is important to address systemic challenges collectively throughout the industry's supply chains to support and sustain rather than exclude communities.

Ensure traceability to guarantee social conditions

Working to ensure traceability indirectly fosters commitment with workers in the value chain, as most relevant certifications also assess working conditions. In 2024 Puig joined the Transparency-One Supply Chain Network, which will facilitate the mapping of the supply chains of materials; a key step to then analyzing ESG risks and implementing the Ethical Auditing Program.

Puig is in the process of realigning the mid and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.

No incidents of human rights or severe human rights violations have been reported during 2024.

Targets impacting People in the Value Chain

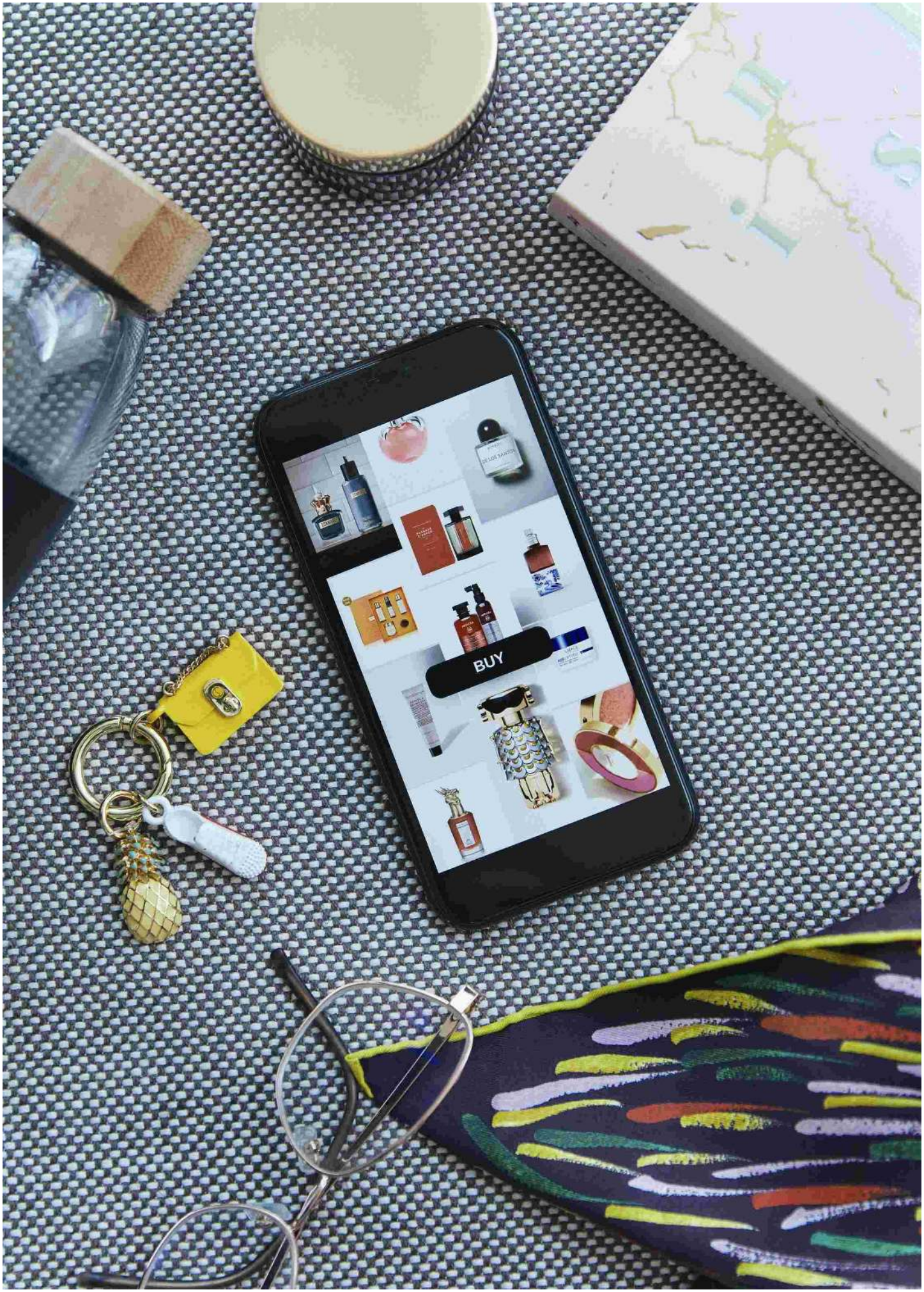
Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones if necessary. The targets already established are[46]:

Target	Scope	Baseline value	Baseline year	Target year	Progress 2024
2030 ESG Agenda targets (N/A targets do not refer to an initial value, the base year only identifies the start year of the plan)					
90% direct purchasing volume assessed by EcoVadis or Sedex	Global	N/A	2022	2030	87.85 %
80% indirect purchasing volume assessed by EcoVadis or Sedex	Global	N/A	2022	2030	33.09 %
100% suppliers assessed with EcoVadis with score above 45/100	Global	N/A	2022	2030	87.15 %
30% suppliers assessed with EcoVadis with score above 75/100	Global	N/A	2022	2030	30.06 %

Puig has not set any target which directly engaging with workers in the value chain.

[46] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

7.3 Consumers and End-Users


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Material IRO related to Consumers and End-Users

Puig's Double Materiality Assessment (DMA) included the identification of actual and potential material impacts on consumers and end-users. The assessment covers Puig's direct operations, products, and value chain, including business relationships, product safety, marketing practices, and consumer rights. During the Double Materiality Assessment, consumers have been analyzed as a single group, with no particular considerations given to their location, vulnerability, or purchasing power.

Puig's approach ensures that all consumers and end-users likely to be materially impacted are considered in this disclosure, reflecting both positive and negative effects that arise from the company's strategy and business model.

Puig identified the following potential impacts, risks, and opportunities connected to its downstream operations.

Positive impacts

- Raising public awareness about the impacts of the retail sector. A shift in consumer behavior can drive the industry towards more ethical practices, encouraging companies to adopt greener technologies, fair labor practices, and transparent operations.
- Contributing to an increased awareness of discrimination and social inclusion in the fashion and beauty industries (e.g. plus sizes, gender diversity, different generations, etc.). Puig can attract new customers by addressing the specific needs of various population segments. This inclusivity not only meets the needs of diverse consumers but also demonstrates Puig's commitment to equality and social responsibility.

Negative impacts

- The use by Puig of chemicals of concern in its products has the potential to negatively impact the health of consumers.
- Inaccurate or insufficient product labeling (i.e. greenwashing), and misleading marketing communication with consumers (including information related to product ingredients), may harm the health of specific group of consumer (e.g. people with allergies and intolerances).

Risk

- Failing to adapt to consumer demand for increased labelling and marketing transparency and/or making misleading statements through inaccurate or insufficient product labeling and misleading marketing communication with consumers (including information related to product ingredients) may lead to penalties, litigation, and other financial losses.

Opportunity

- Prioritization of customer satisfaction and interaction (i.e. loyalty programs) presents a significant opportunity for Puig to build strong, loyal customer relationships. Exceptional customer service can lead to increased customer retention, positive word-of-mouth referrals, and enhanced brand reputation.

  All material negative impacts are potential and therefore considered systemic and widespread and not tied to specific incidents, products, or business relationships. All impacts, risks and opportunities identified as material are considered to be linked to a dependence on our consumers, given that a decrease in sales can have a direct effect on the permanence of the business model.

Policies related to Consumers and End-Users

Puig's approach to managing the material impacts, risks, and opportunities related to consumers and end-users is deeply embedded in its Ethical Code and Responsible Marketing Policy. These policies reflect the company's efforts to ensuring responsible business conduct, respecting consumer rights, and aligning with internationally recognized human rights and ethical business standards.

Puig Ethical Code

Puig's Ethical Code serves as the foundation for its business principles and ethical commitments, guiding the company's interactions with consumers and end-users. This Code establishes clear expectations for all employees and business partners, ensuring that Puig's commercial activities adhere to the highest ethical and legal standards.

The detailed explanation of the policy is developed in the Puig Core Corporate Policies and Business Conduct Policies and Culture sections, including, among others topics, Puig's commitments to respecting the human rights of all stakeholders, as well as the reporting mechanisms and measures for mitigating potential negative impacts related to human rights.

In reference to our consumers and end-users, it should be noted that the Ethical Code mandates that all product information, marketing, and advertising efforts must be substantiated, truthful and fair, preventing any form of deceptive or misleading communication. Puig upholds a clear commitment to ensuring that advertising materials never intentionally mislead consumers, reinforcing trust and credibility in its brand messaging.

Consumer safety and well-being are top priorities for Puig. As outlined in the Puig Ethical Code, the company ensures that all products meet the highest standards of quality, safety, and industrial excellence. Beyond regulatory compliance, Puig actively works to minimize environmental and social impact throughout the entire product lifecycle.

The company strictly follows data protection regulations in all markets where it operates, collecting and processing only the necessary consumer data for legitimate business purposes while implementing robust security measures to safeguard personal information.

To uphold these ethical principles, Puig maintains a secure and confidential Reporting Channel, allowing consumers to report potential breaches related to ethical practices while ensuring anonymity and protection them from retaliation.

Responsible Marketing Policy

In addition to the Ethical Code, Puig has developed a Responsible Marketing Policy which outlines specific principles for engaging with consumers in a fair, ethical, and transparent manner. This policy ensures that Puig's marketing efforts are aligned with international best practices and industry self-regulation guidelines, fostering responsible communication across all consumer touchpoints.

A key focus of this policy is to promote a consumer-centric approach, ensuring that all marketing materials are designed to respect consumer rights and well-being. Puig takes particular care to avoid any advertising or messaging that could be misleading, harmful, or discriminatory. The company also recognizes the importance of protecting vulnerable consumer groups such as minors, and actively avoids marketing strategies that could exploit their sensitivities.

Sustainability plays an important role in Puig's marketing approach. The company integrates its commitment to environmental and social responsibility into its brand messaging, ensuring that sustainability claims are accurate, transparent, and verifiable. By doing so, Puig aims to foster responsible consumption while reinforcing its dedication to ethical business practices.

Processes for Engaging with Consumers and End-Users about Impacts

Puig employs multiple methodologies to engage with consumers and end-users, ensuring their perspectives are integrated into decision-making and that potential impacts are assessed:

- Consumer Surveys: Regularly conducted to gather feedback on products and services.
- Focus Groups: Used as a qualitative method to discuss experiences and expectations with diverse consumer segments.
- Product Testing and Trials: Pre-launch tests with a diverse group of consumers to evaluate product performance and user experience.
- Social Media Engagement: Continuous monitoring through Radarly, a social listening tool, to understand consumer sentiment.

Global Insight is responsible for conducting the consumer surveys, while the Consumer Engagement team (led the Global Consumer Engagement General Manager) manages social media engagement and Consumer Care (led by the Consumer Care Director) handles customer service channels.

Outputs from these group-level engagements are transferred to the brands, which are responsible for implementing changes based on the feedback received.

Engagement occurs directly with end-consumers through various touchpoints:

- Before product launch: Consumer studies assess behavior, motivations, and needs.
- During pre-testing: Sniff tests and product tests validate acceptance.
- Post-launch: Continuous monitoring through consumer feedback and brand perception studies.

Puig also integrates specific ESG-related attributes into its brand love tracking study to measure perceptions of sustainability and social responsibility.

The frequency of engagement is as follows:

- Product development tests are conducted before each launch.
- Brand perception tracking is performed annually across eight markets.
- Social media engagement is continuous (24/7 monitoring).

Effectiveness of the engagement is tracked through KPI monitoring in regular tracking studies (monthly, yearly), Social Listening to measure sentiment trends and volume of consumer feedback, Consumer Care performance assessment, leveraging external partners (e.g., Zendesk) and an ongoing Trustpilot pilot project to evaluate Net Promoter Score (NPS).

Processes to Remedy Negative Impacts for Consumers and End-Users

At Puig, ensuring consumer safety and satisfaction is a priority. The company has established clear processes to identify, assess, and remedy potential negative impacts related to its products, as well as multiple channels for consumers to raise concerns. These mechanisms are designed to provide timely responses, ensure transparency, and maintain regulatory compliance.

Our main mechanism for raising concerns and remedying negative impacts is the Reporting Channel, which is based on the Puig Ethical Code. This channel operates with the highest standards of confidentiality, ensuring privacy, protection against retaliation, and a prompt, thorough response to all reports..Through its corporate website, Puig makes the Reporting Channel available to its consumers and end users. More explanations can be found in the Puig Reporting Channel section.

Additionally, Puig's cosmetic and fragrance products are subject to strict regulations to ensure their human and environmental safety. As part of these quality and safety standards, Puig has dedicated channels for monitoring product quality, as well as for identifying and addressing any potential undesired effects.

Puig adheres to international safety standards, including EU Cosmetics Regulation (EC) No. 1223/2009, which creates a basis for a uniform approach to the management of Serious Undesirable Effects caused by the use of cosmetics (Article 23, Chapter VII).

The company conducts global market surveillance to monitor product safety and prevent risks. If an undesired effect is reported, the findings are incorporated into the Cosmetic Product Safety Report. Corrective measures and information to prevent repetition proportional to the nature and/or frequency of the undesirable effects may be taken. In severe cases, corrective measures—such as product reformulation and/or withdrawal from the market—may be implemented, although this has never been required. The company ensures that all complaints are logged, analyzed, and resolved through standardized procedures.

Consumers can contact Puig through various channels, including:

- Chat, telephone, website, email, and social media.
- Dedicated "Contact Us" sections on Puig and brand websites.
- Hotlines and Quality in Markets and Logistics inboxes.

The first response time is within 48 hours, ensuring prompt communication.

Processes for Handling Consumer Complaints and Reports

Puig has three key sub-processes to handle consumer concerns:

1. General Queries: Queries are received, reviewed, and responded to through Puig's consumer service teams.
2. Product Complaints.
   - Issues are registered and analyzed.
   - If needed, a product recovery process is initiated.
   - Consumers are informed of investigation results.
3. Cosmetic Surveillance (Cosmetovigilance).
   - Spontaneous reports of undesirable effects from consumers, healthcare professionals, and authorities are collected, assessed, and monitored.
   - Serious cases undergo causality assessment and may be reported to regulatory bodies.
   - Puig ensures regulatory compliance and consumer data protection at every stage.

   Puig evaluates consumer awareness and trust in its reporting mechanisms through ongoing surveys and feedback mechanisms. To ensure effectiveness of its processes, Puig actively monitor all reported cases. When an undesirable effect is identified, the team responsible promptly contacts the consumer with a detailed questionnaire to assess the situation and conduct a thorough causality analysis. Based on the findings, the necessary corrective measures are implemented.

   While Puig already maintains robust mechanisms for handling consumer concerns, the company remains committed to enhancing its processes continuously by incorporating new technologies and best practices to improve safety, transparency, and consumer trust.

Actions on Consumer and End-User Material Impacts

At Puig, ensuring the safety and well-being of our consumers is a fundamental priority. Throughout 2024, we have maintained rigorous measures to prevent and mitigate any potential risks, dependencies and potential negative impacts associated with our products, while also seizing opportunities to enhance consumer trust and experience.

We have continued our commitment to certifying our facilities based on rigorous quality standards. As a result, the Kama Ayurveda production plant in Coimbatore (India) and its offices in Noida (India) have been certified with ISO 9001:2015. They join the Puig's list of five previously certified sites, further strengthening its dedication to operational excellence (more information can be found in the Annexes chapter, ISO Standards section).

Throughout 2024, Puig have continued to ensure the best implementation of quality standards across its fragrance and cosmetic product manufacturing processes. These stringent quality controls ensure the highest standards of safety, efficacy, and excellence in every formulation.

Rigorous Selection of Raw Materials

- Assessment of each ingredient to ensure safety and compliance with the highest global safety standards.
- All raw materials used in Puig products are purchased from trusted international manufacturers and tested, prior to use, in conformity with the company's Quality Control Laboratory.
- All ingredients in Puig products are ones with a long history of use in cosmetic products, and whenever feasible, at the concentrations used, always have an adequate Margin of Safety

Product Safety Evaluation and Control

- All finished products are individually assessed as safe based on their composition, exposure, and frequency of use.
- A Margin of Safety (MoS) is calculated,ensuring it remains well above the required threshold.All Puig products are manufactured and controlled in conformity with Good Manufacturing Practices (GMP) following the UNE-EN ISO 22716 standard.

In Vitro and Clinical Safety Testing

- Conducting safety tests in accordance with Good Laboratory Practices (GLP).
- Performing clinical trials in compliance with Good Clinical Practices (GCP).
- Continuous monitoring of final formulas’ safety after they reach the market.

In addition, during the year Puig approved its Responsible Marketing Policy (explained above), which sets new and ambitious commitments to ensure proper communication between Puig and its consumers.

Evaluating Puig's Action Plan

Puig continuously monitors and evaluates the effectiveness of its initiatives through the feedback collected via the engagement mechanisms and reporting channels mentioned earlier in this chapter. The insights obtained from the surveys allow Puig to assess changes in consumer perception of the brand, while specific cases reported through the various channels enable us to take more targeted actions.

Puig is in the process of realigning the mid- and long-term stages of its action plan with the conclusions of the double materiality assessment completed in November 2024.

No relevant use of OpEx and CapEx has been identified for the current action plan.

No consumer complaints have been received that have been categorized as human rights violations.

Time-Bound and Outcome-Oriented Targets

Puig is committed to continuously enhancing its formulations by integrating a greater proportion of natural ingredients. The company recognizes nature as a source of high-quality and sustainable alternatives that meet consumer expectations. By embracing this approach, Puig elevates the sensory experience of its cosmetics and fragrances while reinforcing its dedication to responsible sourcing and sustainability. The Puig 2030 ESG Agenda reflects the growing demands of consumers towards ethical purchasing and to minimize any potential impact on health.

Following the double materiality process completed in November 2024, Puig is reassessing its strategic targets to align them with its material IROs and to develop additional ones, if necessary. The already established targets are presented below[47].

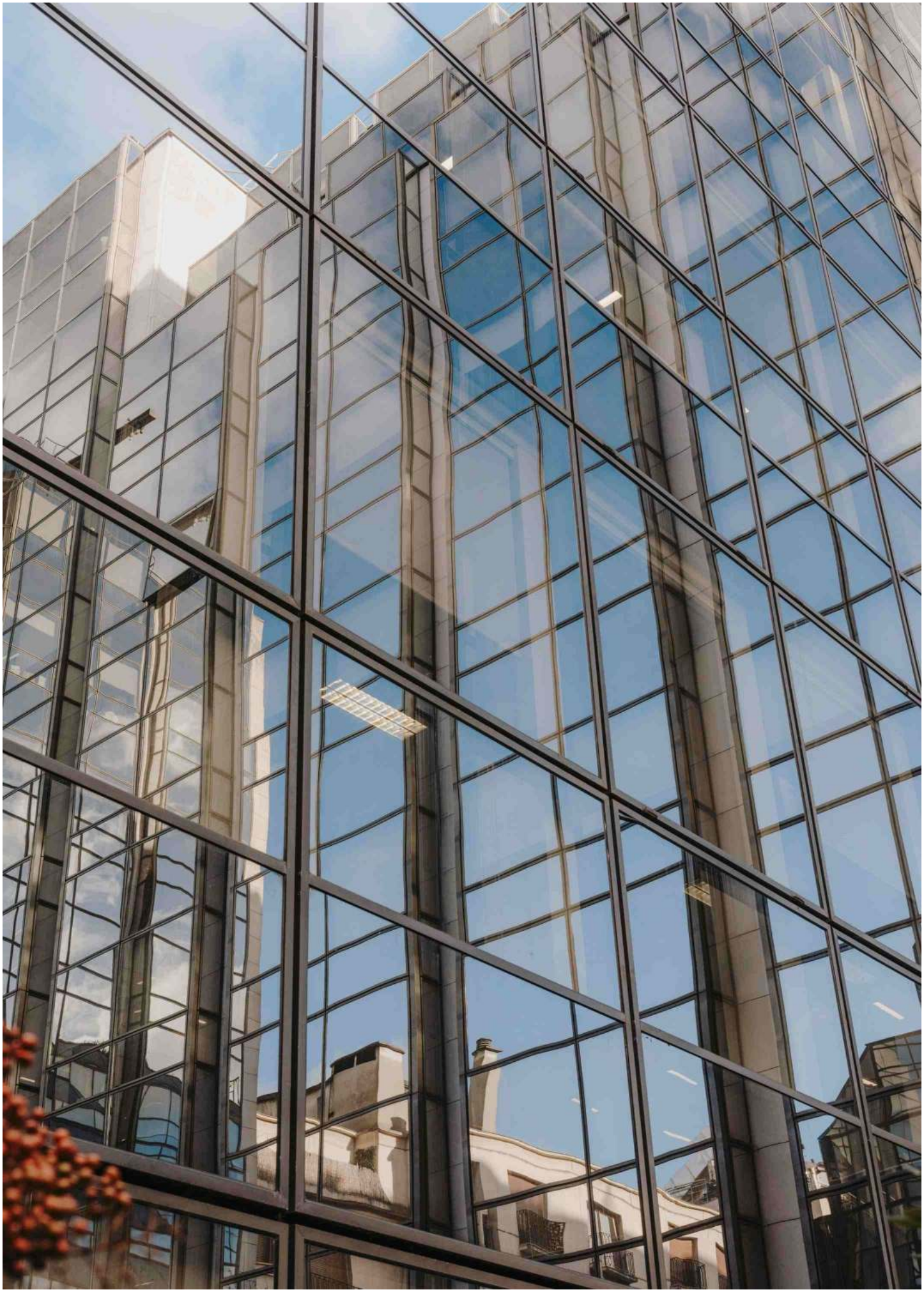
Target	Scope	Baseline year	Target year	Progress 2024
2030 ESG Agenda targets (N/A targets do not refer to an initial value; the base year only identifies the start year of the plan)				
90% natural origin ingredients as average of all fragrances and skincare formulas	Global	2022	2030	85.26 %

The targets do not refer to an initial value; the base year only identifies the start year of the plan. No direct engagement with employees has been conducted for setting this targets.

[47] The methodology to define the targets has taken into account internal consultation with different departments of the company, the understanding of the business and historical data. If not explained, no science-based methodology has been followed.

8

Governance



Material IROs related to Business Conduct

Puig's assessment of business conduct impacts, risks, and opportunities follows a structured Double Materiality Assessment (DMA). This process identifies material topics related to business ethics, anti-corruption, responsible lobbying, and fair competition.

The process for identifying and assessing material impacts, risks, and opportunities related to business conduct follows the same methodology outlined in ESRS 2, without any specific variations or additional criteria beyond those already established for the overall double materiality assessment.

Two risks have been identified during the process:

Non-compliance with laws and regulations could lead to increased compliance costs, loss of financial incentives, stakeholders dissatisfaction, reputational damage and fines or penalties.

Violations of anti-corruption, anti-bribery, and payments-transparency laws with regards to suppliers and the selection of buyers and allocation of sales contracts, which can involve bribery and conflicts of interest, could lead to significant one-time costs, higher ongoing compliance costs, and/or reputational harm for Puig.

Involvement of the Supervisory Bodies in defining the Business Culture

Puig upholds ethical business conduct through its Ethical Code, a cornerstone of the company's governance and sustainability framework. As the foundation of Puig's regulatory structure, it sets clear principles of integrity, transparency, and respect.These values are further reinforced by other policies, such as the Compliance and Crime Prevention Policy, designed to ensure adherence to ethical standards and mitigate risks such as corruption and fraud.

The Board of Directors, supported by the Audit and Compliance Committee and the Sustainability and Social Responsibility Committee, has the mission of overseeing the implementation of these principles. These supervisory bodies ensure compliance with regulations, proactively monitor risks, and align Puig business practices with its sustainability commitments.

The Board of Directors, composed of leaders with extensive expertise in compliance, ethics, and sustainability, works to uphold Puig Ethical Code, fostering ethical practices throughout the organization. As supporting bodies of the Board of Directors, the Audit and Compliance Committee focuses on regulatory adherence and risk management and the Sustainability and Social Responsibility Committee integrates governance with Puig environmental and social objectives. Both bodies are composed of independent directors.

The Chief Compliance Officer, reporting to the Audit and Compliance Committee, oversees the implementation of the company's compliance model, ensuring its effective execution while proactively addressing risks. In 2024, two members of the compliance team, including the Chief Compliance Officer, achieved the CESCOM certification, issued by ASCOM, Spain's Compliance Association, which covers essential topics such as regulatory frameworks, corporate governance, risk management, data protection, anti-corruption measures, and ethical compliance.

Business Conduct Policies and Culture

The Puig culture, the company's purpose, values, and the behaviors expected from employees, which uphold and transmit this unique way of doing business, -the Puig way- are all described in the Puig Ethical Code and is rooted in curiosity, enthusiasm, and entrepreneurial audacity.

This Ethical Code is an essential tool in safeguarding and reinforcing these values, ensuring that every decision aligns with the company's long-term vision. As a living document, it is reviewed periodically to adapt to the company's evolving needs and the changing global landscape, ensuring that Puig remains a responsible and forward-thinking organization.

The Ethical Code underscores Puig's ambition to sustainable growth, ensuring that business success goes hand in hand with respect for people and the planet. Aligned with the UN Sustainable Development Goals (SDGs), it sets out clear principles for reducing environmental impact, fostering strong community relationships, and creating long-term value for society. It also reinforces Puig's dedication to diversity, inclusion, and human rights, guaranteeing equal opportunities and ethical labor practices across all operations.

The company requires all employees to complete an online Ethical Code training course in which the contents of the Ethical Code are explained and explored through a series of business-related scenarios. At the end of the training, employees must confirm their acceptance of the Ethical Code.

The Ethics Home internal site provides employees with a single destination where the company's culture, expressed through its internal regulatory architecture, is presented and explained. This site brings together the Ethical Code, corporate policies, the Reporting Channel, and a series of messages from the Chairman and CEO which explain the company's culture and the purpose of the Ethical Code. To ensure maximum engagement with Puig employees around the world, the training is offered in 19 languages, as are the principle company standards such as the core corporate policies and the Ethical Code itself.

The Corporate Communication area, working with the compliance function, ensures that senior managers, led by the Chairman and CEO, take advantage of their leadership roles to continually sponsor, promote, and commit to the company's culture, expressed through the various initiatives relating to ethical business. On average, each employee received at least one such message per month in 2024.

The Puig Anticorruption Policy is designed to prevent, detect, and address any acts of corruption or bribery across the organization. This policy strictly forbids all forms of corruption, including but not limited to bribery, facilitation payments, and fraudulent practices. The policy reflects the core principles of the United Nations Convention against Corruption (UNCAC).

Puig continuously strengthens its policy by exploring enhancements that align more closely with global best practices.

Puig Reporting Channel

The Puig Reporting Channel reflects the company's firm dedication to ensuring ethical conduct, transparency, and human rights, as outlined in the Ethical Code, Human Rights Policy, and Reporting Channel Policy and Procedure. It is a fundamental pillar of the Puig speak up culture, offering a secure, confidential, and independent mechanism for employees, business partners, value chain workers, consumers, and other stakeholders to report unethical conduct, violations of the Ethical Code, internal policies, or applicable laws.

Managed by an independent third party (NAVEX), the channel ensures the confidentiality and anonymity of reporters while upholding the integrity and protection of personal data.

The Reporting Channel serves as a trusted avenue for Puig employees to voice concerns about workplace misconduct or potential human rights violations, while also extending to value chain workers and providing them with a reliable mechanism to report unethical practices or adverse impacts. Furthermore, it allows consumers and end-users to raise issues related to product safety, ethical business practices, or other concerns, reinforcing Puig's commitment to trust and accountability across all stakeholder groups.

The channel is fully aligned with Directive (EU) 2019/1937 of the European Parliament and of the Council and Spanish Law 2/2023, of February 20, which regulate the protection of individuals who report regulatory violations and address the fight against corruption and in practice, if necessary, depending on the place where the events occurred, it complies with any other requirements arising from local legislation.

Among the guarantees established by the Reporting Channel Policy and Procedures are:

1. Confidentiality: the identity of the reporter, any third parties mentioned, and actions taken during the investigation are kept confidential.

2. Anonymity: Reports can be made anonymously and they will be treated with the same consideration as those made without anonymity.

3. Protection from retaliation: anyone making a report in good faith is protected from any type of retaliation, discrimination, or penalization as a consequence of the report made.

4. Independence of the reporting systems: The channel operates independently and with the oversight of the Chief Compliance Officer and is accessible to all stakeholders via a secure online platform. This ensures impartial management of reports and regular updates to Puig Board of Directors and Audit and Compliance Committee.

These principles ensure adherence to the highest standards of legal compliance and ethical integrity.

Reports are acknowledged within seven days and are typically resolved within three months, extendable to six months for complex cases. All activity related to a case reported on the Reporting Channel is duly recorded on the Navex platform, which provides a register of its content, ownership, and date.

Puig also promotes regular training sessions and communication initiatives to ensure all stakeholders are aware of reporting procedures and their associated rights.

By addressing concerns raised by employees, value chain workers, and consumers alike, Puig fosters an ethical culture that prioritizes transparency, fairness, and respect for human rights. This inclusive framework strengthens trust across its ecosystem and reinforces Puig's dedication to sustainable and responsible business practices.

Training in Puig's Policies

New training initiatives are developed each year. They are prioritized and offered globally or to specific parts of the organization depending on the risk profile determined by the managers responsible for each area of compliance risk.

Ethical Code Training

The Puig Ethical Code outlines the company's dedication to providing employees with continuous training on Puig values.

The Ethical Code online training launched in 2024 presents the Code in a simple and visually appealing way and then challenges employees to demonstrate a basic understanding of how to apply the Code by using its principles to make appropriate ethical choices in a range of professional situations. The training reinforces the importance of speaking up when breaches of the Code are suspected, and the use of the Reporting Channel.

The training includes the formal acceptance of Code, a focus on situations of particular relevance in the context of the company's newly listed status (e.g. anti-corruption, data protection, company reputation, etc.). It is available in all Puig business units' main languages (19 in all), and takes an average of 30 minutes to complete.

All new Puig employees are required to complete the Ethical Code training as part of their induction process, and third-party suppliers are also required to accept the content of the Code.

ESG Training

The ESG training was launched in 2022 to all Puig employees, and new employees (except from Charlotte Tilbury, Uriage and Apivita) are currently required to complete it during their induction period. The training focuses on a presentation of the Puig 2030 ESG Agenda and themes covered by the ESG Policy, with an emphasis on the environmental pillar.

Antitrust Training

The Antitrust training was launched in 2023 to present and explain the Antitrust Policy to a cohort of employees selected with regard to their potential exposure to antitrust risk; specifically those handling sensitive Puig commercial information, those in contact with Puig clients and competitors, and senior management. The training was prepared internally with external advice and focuses on a presentation of antitrust legislation and risk.

Cybersecurity Training

Cybersecurity awareness training, exploring issues covered by the Information Security Policy, consisted of a series of 16 posts in 2024. They were prepared by an external agency specializing in cybersecurity training.

The posts were published regularly during the year 2024 aiming to create awareness of cybersecurity risks and share best practices and tips to help employees protect themselves and the company. New awareness actions will be offered again in 2025.

High-Risk Functions in Corruption and Bribery

No specific risk analysis has been conducted for any particular position or department; therefore Puig cannot provide this information in detail, without prejudice to analyzing the implementation of an action plan for these purposes. However, it should be noted that during 2024 all employees received anti-corruption and bribery training.

Management of Relationships with Suppliers

Guided by the Puig Ethical Code and Sustainable Sourcing Policy, the company cultivates partnerships that align with its sustainability ambitions while ensuring compliance and adherence to international standards. While Puig has not established a policy explicitly targeting supplier payments, the organization is committed to meeting all applicable legal obligations, ensuring fairness and transparency in its procurement processes.

Social and Environmental Criteria in Supplier Selection

Puig embeds sustainability into its procurement strategy by integrating social and environmental criteria into supplier selection and evaluation processes. The Sustainable Sourcing Policy mandates that suppliers:

- Uphold human rights and adopt fair labor practices, including the prohibition of forced labor, child labor, and discrimination.
- Ensure environmentally responsible operations by maintaining required certifications, mitigating greenhouse gas emissions, and adhering to sustainable sourcing standards.
- Embrace transparency and compliance with Puig's governance standards, including adherence to anti-corruption practices and data protection requirements.

Complementing the policy principles and to take account of risks related to its supply chain, Puig has a supplier audit program that contains sustainability criteria (more information can be found in the People in the Value Chain chapter, Supplier Assessments section).

Policies Supporting Supplier Relationships

Puig requires suppliers to comply with its sustainability standards, enforceable through contracts. Non-compliance may lead to corrective action plans, and persistent breaches can result in termination of the business relationship.

Suppliers are also encouraged to adopt continuous improvement practices, particularly in areas of environmental management, renewable energy adoption, and resource efficiency.

Prevention and Detection of Corruption or Bribery

The Ethical Code outlines the company's zero tolerance for corrupt business practices, with this principle further detailed in the company's Anticorruption Policy, defined as a core corporate policy. The principles of the Anticorruption Policy are explained in the Ethical Code training, and scenarios relating to conflicts of interest and facilitation payments are included.

The identification and management of risks related to corruption and bribery is a cornerstone of Puig compliance framework defined by the Puig Anticorruption Policy, ensuring proactive risk mitigation across all operations and a comprehensive system to prevent, detect, investigate, and resolve incidents of corruption and bribery has been designed. In this sense, preventive actions are put in place through the deployment of specific controls assigned to owners both at global and local levels to address corruption and bribery.

On the other hand, the Puig Reporting Channel serves as the primary and secure mechanism for reporting such incidents. All cases are handled by the Corporate Compliance area, a function that operates autonomously and solely reporting to the Audit and Compliance Committee. This governance structure guarantees the independence of investigations and ensures fairness throughout the process.

Significant findings are escalated to the Audit and Compliance Committee, ensuring oversight and accountability, and other operational areas should have measures implemented.

The Anticorruption Policy itself is publicly available on the Puig website and on the Navex platform which hosts the company's Reporting Channel, and employees can also access it on the internal Ethics Home internal site.

Third-party suppliers are required to accept the principles of the Anticorruption Policy when they sign the Sustainable Sourcing Policy as part of the vendor registration process.

The company's non-tolerance of corrupt business practices is described in the Ethical Code training which includes sections specifically related to anti-corruption. In addition, the Chairman and CEO and other senior managers regularly sponsor, promote, and restate the Puig commitment to ethical business including the fight against corruption.

The company is currently developing training specifically dedicated to anti-corruption, and this training will be offered to employees during the course of 2025.

Incidents of Corruption or Bribery

There have been no convictions or fines related to violations of anti-corruption and anti-bribery laws during 2024.

However, minor gaps have been detected in Puig's anti-corruption and anti-bribery procedures and standards. The company has taken specific actions to address them with the purpose of upholding its commitment to operating under the highest ethical standards and preventing future occurrences.

In particular, such actions can be summarized as follows:

- Adoption of disciplinary measures.
- Review of policies and of control processes.

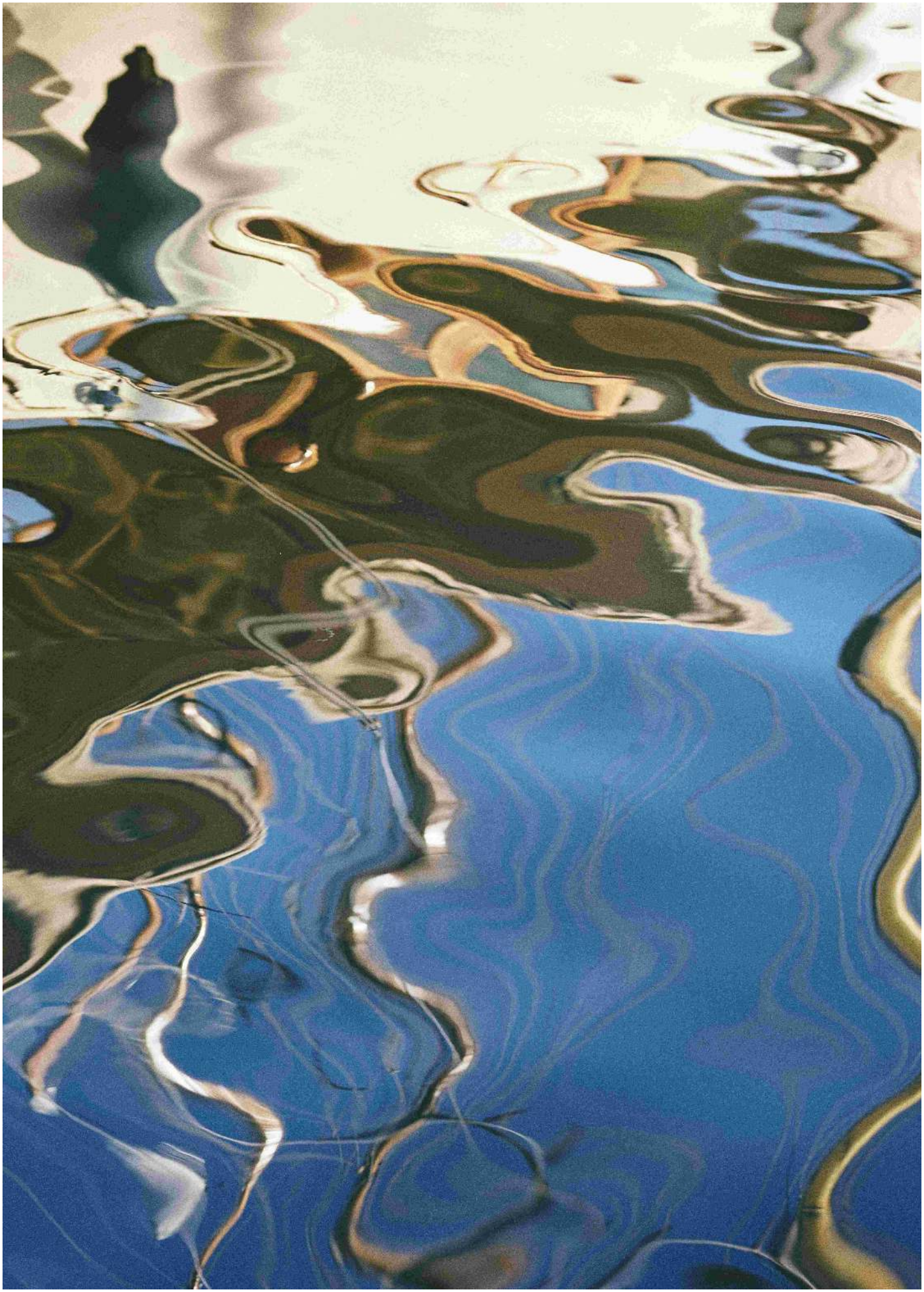
Payment Practices

Puig's approach to supplier management is rooted in compliance with the Directive 2011/7/EU, which governs payment terms in the European Union. As most of Puig's entities operate within the EU, the company adheres to a standard payment framework of 60 days. While Puig does not maintain a global policy explicitly targeting supplier payments, the organization ensures meeting all applicable legal obligations, promoting fairness and transparency in its procurement processes.

The average payment period to suppliers of Spanish companies is 52 days. Puig does not report this metric at group level nor the number of days by main category of suppliers and the percentage of payments aligned with standard payment terms

As of the end of 2024, there were no outstanding legal proceedings for late payments at Puig.

9
Annexes



Supplementary Disclosures Required by Spanish Law 11/2018

Environmental Information

Application of the Precautionary Principle, Provisions, and Guarantees for Environmental Risks

Puig integrates the precautionary principle into its environmental management approach through its strong commitments outlined in the ESG Agenda 2030, comprehensive policies, and rigorous risk assessment and response strategies. By proactively identifying potential environmental risks, Puig ensures that sustainability is embedded in decision-making, applying preventive measures even in the face of scientific uncertainty. For more information, refer to the Company Profile chapter - The 2030 ESG Agenda section, and consult Puig's Policies, targets and actions included in sections Climate Change, Pollution, Water and Marine Resources, Biodiversity and Ecosystems and Resource use and Circular Economy.

Puig has civil liability insurance that includes a specific clause on the environment.

Raw Material[48] Consumption

	Unit	2023	2024*
Glass	kg	23,007,346	18,191,902
Paper	kg	9,367,689	8,094,440
Alcohol	Liters	6,472,683	6,146,404
Plastic	kg	3,515,192	2,607,587
Metal	kg	5,563,541	5,305,530
Others	kg	201,029	40,608

'*2024 does not include consumption of Uriage, Apivita and Fashion Houses, and raw materials by third parties for the manufacture of Puig products. Differences respond to a change in the perimeter of data.

[48] Puig considers raw material any natural or artificial substance that is industrially transformed to create a product.

People Management Information

Organization of working hours

Each Puig work center adapts its working hours to legal and collective bargaining obligations depending on the characteristics of the business.

Digital disconnection

Puig has a global digital disconnection policy to ensure the appropriate use of new technologies and IT devices within the framework of the employment relationship and establishes that employees have the right to not respond to any professional communication once their workday is over, unless there are exceptional and urgent circumstances that require an immediate response. This policy also establishes a set of good practices to promote digital disconnection.

Universal accessibility of people with disabilities

Puig ensures universal accessibility of people with disabilities across its subsidiaries through the suppression of physical barriers.

Indicators about Puig workforce

As Puig continues to experience sustained business growth, the company has expanded its workforce accordingly to support increased operations and strategic initiatives. This natural evolution reflects the company's commitment to scaling its talent base in alignment with business needs. Consequently, any variations in workforce-related figures are mainly directly linked to this overall growth.

Own workforce by professional category and gender at the end of the year

	Women		Men		Undeclared/Non-Binary*		Total	
	2023	2024	2023	2024	2023	2024	2023	2024
Top Executives	107	143	111	130	2	0	220	**273**
Marketing and sales	2,316	2,457	652	670	61	8	3,029	**3,135**
Brand Ambassadors	3,617	4,056	813	846	19	42	4,449	**4,944**
Technical employees	1,667	1,915	893	900	43	11	2,603	**2,826**
Administrative staff	113	118	22	11	2	0	137	**129**
Production	388	433	298	376	—	0	686	**809**
Total	**8,208**	**9,122**	**2,789**	**2,933**	**127**	**61**	**11,124**	**12,116**

*Includes non-binary employees and those who opted not to disclose their gender. Data is exclusively from Charlotte Tilbury, with variations from 2023 mainly due to turnover.

Own workforce by type of contract and professional category at the end of the year

2023 Part time							
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	
Permanent contract	—	46	863	63	5	60	1,037
Temporary contract	—	8	504	11	2	8	533
Total	**—**	**54**	**1,367**	**74**	**7**	**68**	**1,570**
2023 Full time							
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	
Permanent contract	220	2,721	2,848	2,388	117	600	8,894
Temporary contract	—	254	234	141	13	18	660
Total	**220**	**2,975**	**3,082**	**2,529**	**130**	**618**	**9,554**

2024 Part time							
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	
Permanent contract	1	41	1,032	66	6	61	1,207
Temporary contract	0	4	608	12	0	8	632
Total	**1**	**45**	**1,640**	**78**	**6**	**69**	**1,839**
2024 Full time							
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	
Permanent contract	272	2,803	3,119	2,605	114	720	9,633
Temporary contract	0	287	185	143	9	20	644
Total	**272**	**3,090**	**3,304**	**2,748**	**123**	**740**	**10,277**

We consider part time any professional who does not work effectively 100% of the day.

Own workforce by type of contract and age at the end of the year

2023 Part time										
	Women			Men			Undeclared/Nonbinary			**Total**
	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	
< 30 years	450	337	787	52	28	80	7	3	10	877
30 - 50 years	392	86	478	43	11	54	0	2	2	534
> 50 years	88	60	148	5	6	11	0	0	0	159
Total	**930**	**483**	**1,413**	**100**	**45**	**145**	**7**	**5**	**12**	**1,570**

2023 Full time										
	Women			Men			Undeclared/Nonbinary			**Total**
	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	
< 30 years	1,757	384	2,141	555	81	636	53	2	55	2,832
30 - 50 years	3,682	132	3,814	1,614	29	1,643	55	2	57	5,514
> 50 years	815	25	840	360	5	365	3	0	3	1,208
Total	**6,254**	**541**	**6,795**	**2,529**	**115**	**2,644**	**111**	**4**	**115**	**9,554**

2024 Part time										
	Women			Men			Undeclared/Nonbinary			**Total**
	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	
< 30 years	500	382	882	65	29	94	2	21	23	999
30 - 50 years	473	123	596	56	11	67	1	3	4	667
> 50 years	104	54	158	8	7	15	0	0	0	173
Total	**1,077**	**559**	**1,636**	**129**	**47**	**176**	**3**	**24**	**27**	**1,839**

2024 Full time										
	Women			Men			Undeclared/Nonbinary			**Total**
	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	Permanent contract	Temporary contract	Total	
< 30 years	1,797	372	2,169	543	64	607	7	9	16	2,792
30 - 50 years	4,145	149	4,294	1,694	26	1,720	14	4	18	6,032
> 50 years	1,006	17	1,023	425	5	430	0	0	0	1,453
Total	**6,948**	**538**	**7,486**	**2,662**	**95**	**2,757**	**21**	**13**	**34**	**10,277**

Own workforce by location at the end of the year

	2023	2024
Argentina	175	183
Australia	145	186
Austria	6	24
Belgium	177	177
Brazil	337	348
Canada	18	17
Chile	266	257
Chinese Mainland	528	573
Colombia	201	167
France	1,591	1,648
Germany	230	311
Greece	310	320
Hong Kong SAR	157	159
India	565	446
Ireland	222	224
Italy	187	240
Japan	34	51
Macao SAR	20	17
Mexico	307	343

	2023	2024
Netherlands	130	153
Peru	112	116
Poland	10	23
Portugal	74	75
Russian Federation	68	82
Saudi Arabia	140	160
Singapore	63	46
South Korea	5	85
Spain	2,064	2,203
Sweden	72	74
Switzerland	104	117
Taiwan region	47	48
United Arab Emirates	130	139
United Kingdom	2,024	2,393
USA	605	711
Total	11,124	12,116

Number of dismissals for the year

By gender				
	Women	Men	Undeclared Non-binary	Total
2023	270	90	0	**360**
2024	463	138	5	**606**

By age group				
	< 30 years	30 - 50 years	> 50 years	Total
2023	95	220	45	**360**
2024	214	324	68	**606**

By professional category							
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production	Total
2023	3	111	183	41	9	13	**360**
2024	13	113	367	82	6	25	**606**

The average has been calculated considering the actual time worked in the year (FTE).
2023: Only dismissals of permanent employees are included.
2024: To align with the CSRD methodology, dismissals of both permanent and temporary employees are included.

Average number of employees

2023			
By professional category			
	Permanent	Temporary	Total
Top Executives	217	1	218
Marketing and sales	2,643	189	2,832
Brand Ambassadors	3,090	267	3,357
Technical staff	2,304	119	2,423
Administrative staff	121	8	129
Production	635	18	653
Total	**9,010**	**602**	**9,612**
By age group			
	Permanent	Temporary	Total
< 30 years	2,269	400	2,669
30 - 50 years	5,515	150	5,665
> 50 years	1,227	51	1,278
Total	**9,010**	**602**	**9,612**
By gender			
	Permanent	Temporary	Total
Women	6,512	505	7,017
Men	2,429	93	2,522
Undeclared/Nonbinary	69	4	73
Total	**9,010**	**602**	**9,612**

2024			
By professional category			
	Permanent	Temporary	Total
Top Executives	272	0	272
Marketing and sales	2,767	283	3,050
Brand Ambassadors	3,573	339	3,912
Technical staff	2,611	147	2,758
Administrative staff	116	11	127
Production	767	23	790
Total	**10,106**	**803**	**10,909**

By age group			
	Permanent	Temporary	Total
< 30 years	2,437	511	2,948
30 - 50 years	6,139	227	6,366
> 50 years	1,530	65	1,595
Total	**10,106**	**803**	**10,909**

By gender			
	Permanent	Temporary	Total
Women	7,404	684	8,088
Men	2,693	116	2,809
Undeclared/Nonbinary	9	3	12
Total	**10,106**	**803**	**10,909**

Average remunerations (€)

	2023	2024
Global	52,041	59,794

By gender			
	Women	Men	Undeclared / Non-Binary
2023	47,969	61,731	94,607
2024	54,322	76,972	41,390

By age group			
	< 30 years	30 - 50 years	> 50 years
2023	31,949	57,837	74,017
2024	32,471	58,560	100,002

By professional category						
	Top Executives	Marketing and sales	Brand Ambassadors	Technical personnel	Administrative personnel	Production
2023	339,597	69,425	22,091	60,526	51,676	33,949
2024	485,302	70,381	28,030	68,803	57,777	36,805

2023: Calculated based on base salary, target bonuses, and allowances for permanent employees as of December 31.
2024: Calculated based on base salary, actual bonuses paid, allowances, and benefits for both permanent and temporary employees as of December 31, in alignment with the CSRD methodology.

Average remuneration of Directors and Executives (€)

	2023	2024
Women	€484,704	393,273
Men	€618,836	636,534
	€552,906	512,799

2023: Calculated based on target bonuses.
2024: Determined using actual bonuses paid, in accordance with the CSRD methodology. Due to multiple structural factors, these figures are not directly comparable with 2023. Key considerations include the hiring of new Directors and executives at the end of 2023, who, as a result, are not eligible for bonuses in 2024.

Equal pay gap

	2023	2024
Global	2.6%	-5,1%
Top Executives	1.1%	10,0%
Rest	2.6%	-5,7%

2023: Calculated based on base salary, target bonuses, and allowances for permanent employees as of December 31.
2024: Calculated based on base salary, actual bonuses paid, allowances, and benefits for both permanent and temporary employees as of December 31, in alignment with the CSRD methodology.

Hours of training by professional category

	Women		Men		Undeclared/Nonbinary	
	2023	2024	2023	2024	2023	2024
Top Executives	1,398	1,981	1,457	1,752	8	0
Marketing and sales	16,870	14,087	5,222	5,242	197	5
Brand Ambassadors	76,144	117,901	19,979	31,812	1,742	27
Technical professionals	15,939	17,726	7,760	12,905	154	7
Administrative professionals	592	746	144	249	11	0
Production	5,426	3,452	5,401	3,572	—	0
Total	116,369	155,893	39,963	55,532	2,112	39

Maternal and paternal leaves

	Maternal	Parental
Maternal	268	336
Parental	51	94

Number of people with disabilities in the workforce at the end of the year

	2023	2024
Women	144	404
Men	22	66
Undeclared/Nonbinary	0	3

The figures from 2023 and 2024 are not comparable. The information of Charlotte Tilbury was not included in 2023.

Number of hours of absenteeism (in those centers with presence control)

	Total contracted hours	Total hours lost
2023	17,044,590	697,822
2024	21,446,964	1,629,426

Percentage of employees covered by collective bargaining by location

2023 Location	Percentage	Perimeter
Spain	100%	Of the workforce
France	100%	Of the workforce
Austria	100%	Of the workforce
Argentina	100%	of the professional category Brand Ambassadors and commercial profiles
Belgium	100%	Of the workforce
Brazil	100%	Of the workforce
Peru	100%	Of the workforce
Portugal	100%	Of the workforce
Japan	90%	Of the workforce. Managerial positions are exempt

In all other locations there are no applicable collective bargaining agreements and, therefore, social dialogue is governed by the laws in force in each case.

2024 Location	Percentage	Location	Percentage
Argentina	52 %	Macao SAR	— %
Australia	— %	Mexico	— %
Austria	100 %	Netherlands	100 %
Belgium	100 %	Peru	— %
Brazil	100 %	Poland	— %
Canada	— %	Portugal	100 %
Chile	— %	Russian Federation	— %
Chinese Mainland	— %	Saudi Arabia	— %
Colombia	— %	Singapore	— %
France	100 %	South Korea	— %
Germany	— %	Spain	100 %
Greece	— %	Sweden	— %
Hong Kong SAR	— %	Switzerland	— %
India	— %	Taiwan region	— %
Ireland	— %	UK	— %
Italy	60 %	U.A.E.	— %
Japan	100 %	United States	— %

During 2024, due to CSRD requirements, a more detailed analysis was performed.

Health and Safety Indicators

Number of accidents

	Resulting in leave				Not resulting in leave			
	Women	Men	Undeclared/ Non-binary	Total	Women	Men	Undeclared/ Non-binary	Total
2023	52	11	0	63	77	18	0	**95**
2024	53	15	2	70	81	21	5	**107**

Work accident frequency index (IF)

	Women	Men	Undeclared/Non-binary	Total
2023	4.24	2.42	0.00	**3.71**
2024	3.27	2.82	19.67	**3.24**

No. of work accidents with sick leave* 1,000,000 / Total number of hours worked

Severity Index (GI)

	Women	Men	Undeclared/Non-binary	Total
2023	0.08	0.10	0.00	**0.09**
2024	0.12	0.12	0.3	**0.12**

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

Occupational diseases

	Women	Men	Undeclared/Non-binary	Total
2023	3	0	0	**3**
2024	10	0	0	**10**

Regarding the increase in the work accident frequency index in the Undeclared/Non-binary category, it should be noted that the number of employees in this category is very low (61 in 2024), random circumstances in the accident rate can generate large fluctuations in the ratio from one year to the next.

Information on Respect for Human Rights

The Puig Reporting Channel reflects the company's firm dedication to ensuring ethical behavior, transparency, and human rights, as outlined in its Ethical Code, Human Rights Policy, and Reporting Channel Policy and Procedure. It is a fundamental pillar of the Puig speak up culture, offering a secure, confidential, and independent mechanism for employees, business partners, value chain workers, consumers, and other stakeholders to report unethical conduct, violations of the Ethical Code, internal policies, or applicable laws.

During 2023, a total of 30 reports were received. No human rights violations cases were reported.

In 2023, Puig implemented a new platform managed by NAVEX, introducing an additional layer of security to the administration of the Reporting Channel. As part of this transition, the methodology for reporting cases submitted through the Puig Reporting Channel was restructured in 2024 to align with NAVEX's framework.

This new approach categorizes reports based on Risk Category and Risk Type, as defined by NAVEX, allowing for a more precise, transparent, and standardized assessment of reported cases. By adopting this methodology,

Puig benefits from benchmarking insights provided by NAVEX to continuously improve the effectiveness of the Reporting Channel.

All cases are classified according to the categorization and risk types established by Navex. Subsequently, the reports are examined and potentially investigated, circumstances that may lead to a possible reclassification, regardless of the initial classification of the facts made by the reporter. The information presented in this report is the result of this reclassification, in its case.

During 2024, one of the complaints received was categorized as a human rights violation complaint (Harassment category). The same case has been reported in section Incidents, Complaints and Severe Human Rights Impacts

Risk category		Risk type	
Accounting, Auditing and Financial Reporting	0	Accounting, Auditing and Financial Reporting	0
Business Integrity	13	Bribery and Corruption	0
		Confidential and Proprietary Information	1
		Conflicts of Interest	1
		Data Privacy and Protection	1
		Free and Fair Competition	0
		Global Trade	0
		Human Rights	0
		Insider Trading	0
		Political Activity	0
		Product Quality and Safety	2
		Other Business Integrity	8
HR, Diversity and Workplace Respect	43	Compensation and Benefits	3
		Discrimination	0
		Harassment	1
		Retaliation	1
		Substance Abuse	0
		Workplace Civility	21
		Other Human Resources	17
Environment, Health and Safety	1	Environment	0
		Health and Safety	1
		Imminent Threat to a Person, Animals or Property	0
Misuse or Misappropriation of Assets	3	Misuse or Misappropriation of Assets	3

Other	1	Other	1
Total	**61**	**Total**	**61**

Actions to Generate Impact on Society

Puig seeks to maximize its ability to generate social impact, not only through economic contributions but also by expanding the impact of its initiatives, as the examples below demonstrate.

Conscious Living Event

Puig began the year by highlighting the power of collective action through its inaugural global digital Conscious Living event. This gathering brought together employees worldwide to reinforce the company's sustainability ambitions and foster a deeper understanding of the impact of individual and collective actions.

The event served as a platform to outline Puig's ambitious social and environmental objectives, presenting a clear roadmap toward a more sustainable business. Employees also gained insights into the importance of adopting a more conscious way of living and the value of collaboration in driving meaningful change for both people and the planet.

Championing Women's Inclusion in Sailing

In 2024, as the title sponsor of the first-ever Puig Women's America's Cup, the company played a pivotal role in advancing women's inclusion in sailing. This historic event not only brought women's sailing to the global stage but also inspired the next generation of female sailors.

A transformative milestone in the 173-year history of the America's Cup, the competition underscored both Puig's and the event's shared commitment to gender inclusion in sailing. More than 70 female sailors, representing 12 countries competed, marking a significant step toward greater equality in the sport.

Co-creating with Social Organizations

Invisible Beauty Program and Makers

The Invisible Beauty program was created in 2014 as part of the founding family's desire to leave a better world, embodying Puig's purpose while aligning with the United Nations Sustainable Development Goals (SDGs) and promoting values such as well-being, confidence, and self-expression.

Within this program, Makers shines as a standout initiative. Over eight editions, it has significantly contributed to advancing Puig's purpose and the ambitious goals outlined in its 2030 ESG Agenda. Through Makers, Puig aims to share its expertise and successful business model with social projects that can benefit from its experience, empowering them to make a greater impact on people, society, and the planet.

The initiative is open to entrepreneurs, social enterprises, associations, organizations, and foundations that align with the company's values and work on causes related to the purposes of Puig and its brands.

Makers provides a valuable experience not only for the employees involved—whether voting on project selection or working together on the projects—but also for the brands and social organizations that benefit from the support.

Mentoring Matters Partnership

As a result of the 8th edition of Makers, and thanks to the employees who volunteered as mentors, Puig identified an opportunity to establish a long-term alliance with one of the participants: Mentoring Matters, a global non-profit organization dedicated to fostering strong mentoring initiatives for talented youth in multicultural creative industries.

This initiative is led by Rabanne, marking the beginning of a multi-year collaboration to promoting diversity, equity, and inclusion in the creative field. Puig employees will play an active role in this collaboration, contributing their expertise and mentorship to support emerging talent.

Mentoring Matters works to create equal access to paid job opportunities for individuals from Black, Asian, and minority ethnic backgrounds. Through personalized mentoring programs, they support candidates and connect them with a network of employers offering paid roles, helping to shape a more inclusive future.

Purpose-Driven Love Brands

Puig's Love Brands are committed to driving meaningful change through collaborations with NGOs, associations, and social initiatives. Some examples:

- Carolina Herrera – Fosters female creativity through its Women in the Arts initiative, supporting women across all artistic disciplines with scholarships, training, and exposure. Key programs include a four-year fashion scholarship at the New York Fashion Institute of Technology, coding courses for young women, sponsorship of exhibitions featuring women artists, and the Walk Tall podcast, which empowers future leaders. The brand has also collaborated with Mexican artisans for Resort 2025 and recently launched two fine arts scholarships at NABA (Nuova Accademia di Belle Arti) in Milan and Rome. Additionally, Carolina Herrera is preparing the first-ever exhibition dedicated to contemporary Latin American women artists in Argentina, set to take place at the Sívori Museum.

- Charlotte Tilbury - Committed to fostering confidence in aspiring young entrepreneurs of diverse backgrounds and improving access to employment opportunities for everyone through its support for The King's Trust. This has been achieved through a series of mentoring workshops hosted by Charlotte Tilbury executives for The King's Trust Enterprise Programme and hiring talent through the Get Hired Programme.

- Jean Paul Gaultier – Remains steadfast in its long-standing mission to celebrate diversity and inclusion in all its forms—all cultures, all bodies, all genders—a value deeply embedded in the brand's DNA since 1976. From

ensuring inclusive representation in its cast and ambassadors to celebrating local traditions and forging annual partnerships with aligned organizations, the brand continues to advocate for self-expression without boundaries. Key highlights are the donations to 15 LGBTQI+ associations during Pride Month, artisan support in Mexico (Día de Los Muertos) and the partnership with Villa Lena in Italy, an artistic residency supporting emerging Black queer artists in Europe.

- Rabanne – Supporting young talents by coaching them to enter a creative workplace with a long-term partnership with Mentoring Matters, as a result of the Puig's Makers initiative under the Invisible Beauty program.
- Apivita - The Billion Bees Project in collaboration with 1% for the Planet is an initiative designed to raise awareness of the vital role bees play in ecosystems while working toward the ambitious goal of regenerating over 30 billion bees by 2028.
- Uriage – Environmental & Social Impact: Since 2022 in collaboration with 1% for the Planet supporting associations that work on water preservation and raising awareness of young generations about the importance of water. Providing access to thermal treatments at Uriage Thermal center to underprivileged communities.
- Dries Van Noten – Local Craftsmanship: Collaboration with French porcelain artisans (Revol) for fragrance packaging.
- L'Artisan Parfumeur – Collaborations and events with local artists: tailor-made events in artistic venues, offering the community carte blanche to express creative freedom.

Consumer Information

	2023		2024	
	Total	% Over Units Sold	Total	% Over Units Sold
Number of cosmetovigilance alerts	724	0.00024 %	1042	0.00027%

The fluctuation in the number of claims is primarily driven by the increase in units sold. This trend becomes evident when comparing the claims-to-units-sold ratio between 2023 and 2024, which remains consistent despite the absolute rise in claims.

Financial information

Fiscal commitment

The Puig commitment to society involves complying rigorously with its fiscal obligations in the markets in which it operates.

The Fiscal Policy, revised in 2023, establishes the governance framework, principles, values, guidelines, and standards that guide the company's behavior on tax matters, as well as decision-making regarding fiscal matters.[49]

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

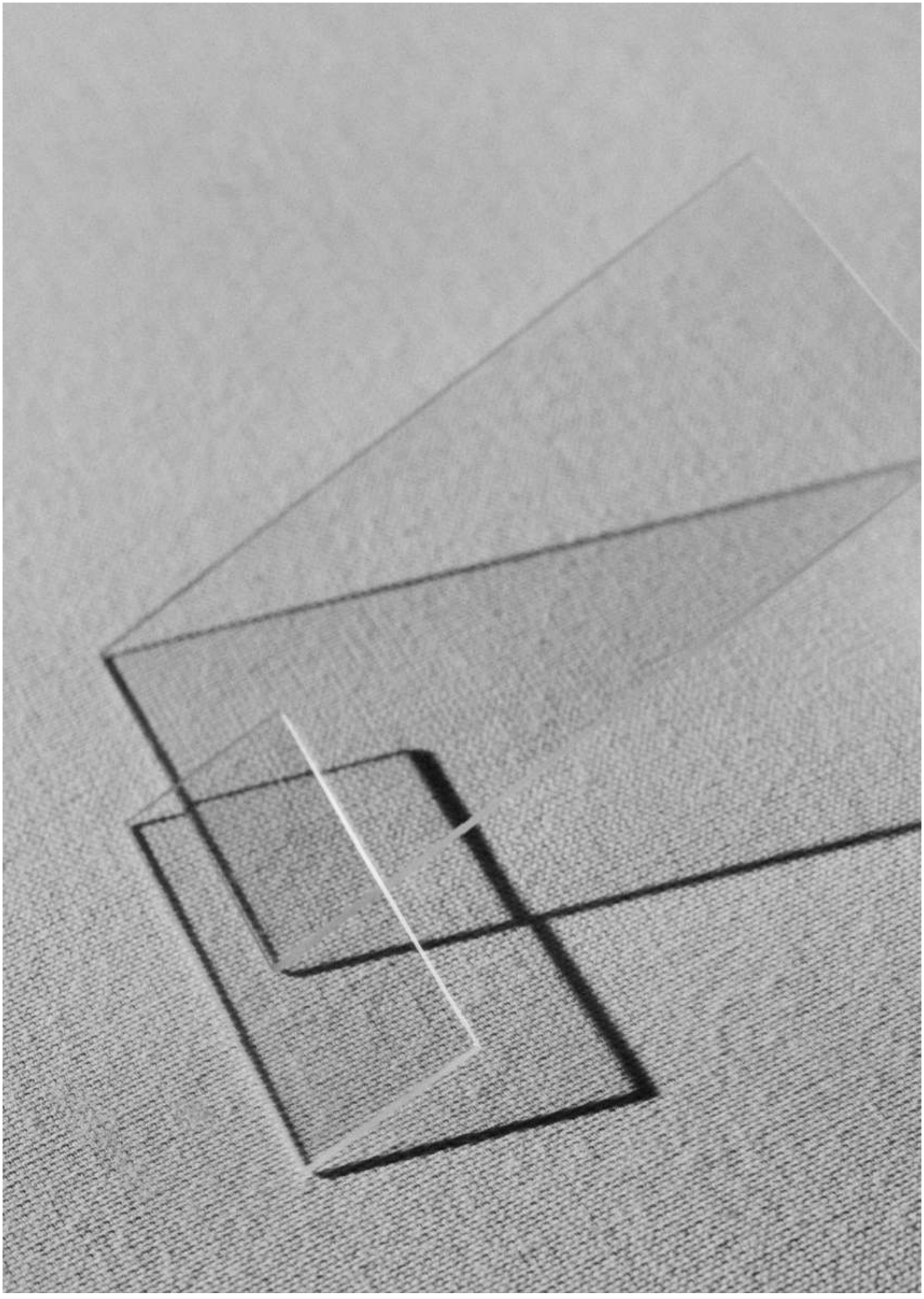
Top 10 locations based on net revenue for Puig. They represent 62% of the total.

In 2024 Puig received a total of €285,982 in public subsidies and invested €7,552,027 in sponsorship actions.

In €M	2023	2024
Public grants	224,489	285,982
Sponsorship actions	512,883	7,552,027

The difference between 2023 and 2024 for sponsorship actions is due to the inclusion of new relevant activities.

[49] The Fiscal Policy is available on Puig's website: https://secure.ethicspoint.eu/domain/media/en/gui/109738/taxPolicy.pdf.



Disclosure Requirements in ESRS covered by the undertaking's Consolidated Non-financial Information Statement and Sustainability Information

Disclosure Requirement	Section
BP-1 – General basis for preparation of sustainability statement	Basis for the Preparation • Basis for Preparation of the Consolidated Non-Financial Information Statement and sustainability
BP-2 – Disclosures in relation to specific circumstances	Basis for the Preparation • Disclosures in relation to Specific
GOV-1 – The role of the administrative, management and supervisory bodies	4. Corporate Governance • The Role of the Administrative, Management and Supervisory Bodies
GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
GOV-3 - Integration of sustainability-related performance in incentive schemes	4. Corporate Governance • Integration of Sustainability-related Performance in Incentive Schemes
GOV-4 - Statement on due diligence	4. Corporate Governance • Statement on Due Diligence
GOV-5 - Risk management and internal controls over sustainability reporting	4. Corporate Governance • Risk Management and Internal Controls over Sustainability Reporting
SBM-1 – Strategy, business model and value chain	2. Company Profile 3. Performance 5. Double Materiality Analysis and Sustainability • Sustainability Matters Related to the Strategy
SBM-2 – Interests and views of stakeholders	5. Double Materiality Analysis and Sustainability • Interests and Views of Stakeholders
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	5. Double Materiality Analysis and Sustainability • Material Impacts, Risks and Opportunities (IROs) and their Interaction with Strategy and Business Model 6.2 Climate Change • Material IROs and their Interaction with Strategy and Business Model 7.1 Our People • Fostering a Responsible Workforce 7.2 People in the Value Chain • Fostering a Responsible Value Chain 7.3 Consumers and End-Users • Material IRO related to Consumers and End-Users

IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities	5. Double Materiality Analysis and Sustainability • Description of the Process to Identify and Assess Material IROs 6.2 Climate Change • Description of the Processes to Identify and Assess Material Climate-Related IROs 6.3 Pollution • Material IROs related to Pollution 6.4 Water • Material IROs related to Water and Marine Resources 6.5 Biodiversity and Ecosystems • Material IROs Identification Process related to
Policies MDR-P – Policies adopted to manage material sustainability matters	4. Corporate Governance • Puig Core Corporate Policies
E1-1 – Transition plan for climate change mitigation	6.2 Climate Change • Transition Plan for Climate Change Mitigation
E1-2 – Policies related to climate change mitigation and adaptation	6.2 Climate Change • Policies related to Climate Change
E1-3 – Actions and resources in relation to climate change policies	6.2 Climate Change • Actions and Resources related to Climate Change
E1-4 – Targets related to climate change mitigation and adaptation	6.2 Climate Change • Targets Related to Climate Change Mitigation and Adaptation
E1-5 – Energy consumption and mix	6.2 Climate Change • Energy Consumption and Mix
E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	6.2 Climate Change • GHG Emissions Composition and Evolution
E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	6.2 Climate Change • GHG Removals and GHG Mitigation Projects Financed Through Carbon Credits
E1-8 – Internal carbon pricing	6.2 Climate Change • Internal Carbon Pricing
E2-1 – Policies related to pollution	6.3 Pollution • Policies related to Pollution
E2-2 – Actions and resources related to pollution	6.3 Pollution • Actions and Implementation Resources related to Pollution
E2-3 – Targets related to pollution	6.3 Pollution • Material Pollution-related Impacts Targets
E2-4 – Pollution of air, water and soil	6.3 Pollution • Pollution of Air
E2-5 – Substances of concern and substances of very high concern	6.3 Pollution • Disclosure on the Production, Use, Distribution, Commercialization and Import/ Export of Substances of Concern and
E3-1 – Policies related to water and marine resources	6.4 Water and Marine Resources • Puig Water Policy
E3-2 – Actions and resources related to water and marine resources	6.4 Water and Marine Resources • Actions related to Water and Marine Resources
E3-3 – Targets related to water and marine resources	6.4 Water and Marine Resources • Targets related to Water
E3-4 – Water consumption	6.4 Water and Marine Resources • Water Withdrawal Performance
E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	6.5 Biodiversity and Ecosystems • Transition Plan and Consideration of Biodiversity and Ecosystems in Strategy and Business Model

E4-2 – Policies related to biodiversity and ecosystems	6.5 Biodiversity and Ecosystems • Policies related to Biodiversity and Ecosystems
E4-3 – Actions and resources related to biodiversity and ecosystems	6.5 Biodiversity and Ecosystems • Actions and Resources related to Biodiversity and Ecosystems
E4-4 – Targets related to biodiversity and ecosystems	6.5 Biodiversity and Ecosystems • Targets related to Biodiversity and Ecosystems
E4-5 – Impact metrics related to biodiversity and ecosystems change	6.5 Biodiversity and Ecosystems • Biodiversity and Ecosystems Impacts Disclosure
E5-1 – Policies related to resource use and circular economy	6.6 Resource Use and Circular Economy • Policies related to Resource Use and Circular Economy
E5-2 – Actions and resources related to resource use and circular economy	6.6 Resource Use and Circular Economy • Actions related to Resource Use and Circular Economy
E5-3 – Targets related to resource use and circular economy	6.6 Resource Use and Circular Economy • Resource Use and Circular Economy related Targets
E5-5 – Resource outflows	6.6 Resource Use and Circular Economy • Resource Outflows
S1-1 – Policies related to own workforce	7.1 Our People • Policies Related to Our People
S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	7.1 Our People • Processes for Engaging and Developing Our People
S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	7.1 Our People • Processes for Addressing People's Concerns
S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	7.1 Our People • Actions for Creating Positive Impact for Our People
S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	7.1 Our People • Metrics and Targets to advance ESG
S1-6 – Characteristics of the undertaking's employees	7.1 Our People • Employee Characteristics
S1-9 – Diversity metrics	7.1 Our People • Diversity Metrics
S1-10 – Adequate wages	7.1 Our People • Adequate Wages
S1-12– Persons with disabilities	7.1 Our People • Persons with Disabilities
S1-13 – Training and skills development metrics	7.1 Our People • Training and Skills Development Metrics
S1-14 – Health and safety metrics	7.1 Our People • Health and Safety Metrics
S1-15 – Work-life balance metrics	7.1 Our People • Work-Life Balance
S1-16 – Remuneration metrics (pay gap and total remuneration)	7.1 Our People • Remuneration
S1-17 – Incidents, complaints and severe human rights impacts	7.1 Our People • Incidents, Complaints and Severe Human
S2-1 – Policies related to value chain workers	7.2 People in the Value Chain • Policies Related to People in the Value Chain
S2-2 – Processes for engaging with value chain workers about impacts	7.2 People in the Value Chain • Processes to Engage with People in the Value Chain
S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	7.2 People in the Value Chain • Puig's Commitment to People in the Value Chain

S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	7.2 People in the Value Chain • Taking Action on People in the Value Chain
S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	7.2 People in the Value Chain • Targets impacting People in the Value Chain
S4-1 – Policies related to consumers and end-users	7.3 Consumers and End-Users • Policies related to Consumers and End-Users
S4-2 – Processes for engaging with consumers and end-users about impacts	7.3 Consumers and End-Users • Processes for Engaging with Consumers and End-Users about Impacts
S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	7.3 Consumers and End-Users • Processes to Remedy Negative Impacts for Consumers and End-Users
S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	7.3 Consumers and End-Users • Actions on Consumer and End-User Material Impacts
S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	7.3 Consumers and End-Users • Time-Bound and Outcome-Oriented Targets
G1-1– Business conduct policies and corporate culture	8. Governance • Business Conduct Policies and Culture
G1-2 – Management of relationships with supplier	8. Governance • Management of Relationships with Suppliers
G1-3 – Prevention and detection of corruption and bribery	8. Governance • Prevention and Detection of Corruption or
G1-4 – Incidents of corruption or bribery	8. Governance • Incidents of Corruption or Bribery
G1-6 – Payment practices	8. Governance • Payment Practices

Regarding Appendix B, no connection has been identified between EU legislation and Puig's reporting. The analysis of SFDR, Pillar 3, Benchmark Regulation, and the EU Climate Law shows that none of these regulations directly apply to Puig. SFDR applies to financial market participants, requiring sustainability disclosures. Pillar 3 (CRR) concerns banks and investment firms, not corporate entities like Puig. Benchmark Regulation governs financial indices and does not directly affect Puig unless it is included in a regulated benchmark. EU Climate Law sets the framework for EU climate goals but does not impose direct obligations on companies.

Incorporation by reference

Disclosure Requirement	Incorporation by reference
GOV-1 – The role of the administrative, management and supervisory bodies	Annual Corporate Governance Report
GOV-2 – Information provided to and sustainability matters addressed by the undertaking	Annual Directors' Remuneration Report
GOV-3 - Integration of sustainability-related performance in incentive schemes	Annual Directors' Remuneration Report

Index of content required by law 11/2018

General issues

Areas	Rerporting Framework - ESRS	Report section	Comments / Reason for omission
Brief description of the group's business model (business environment)	SBM-1 – Strategy, business model and value chain	Company profile • A home of love brands	
Organization and structure	SBM-1 – Strategy, business model and value chain	Company profile • A home of love brands	
	GOV-1 – The role of the administrative, management and supervisory bodies	The Role of the Administrative, Management and Supervisory Bodies	
Markets in which it operates	SBM-1 – Strategy, business model and value chain	Company profile • A home of love brands: Geographic presence Performance • Business segments • Geographic segments • Channels	
Objectives and strategies	SBM-1 – Strategy, business model and value chain	Company profile • Business context Commitment to sustainability • The ESG Agenda 2030	
Main factors and trends that may affect its future evolution	SBM-1 – Strategy, business model and value chain	Performance	
Reporting framework used	BP-1 – General basis for preparation of sustainability statements	Basis for the Preparation	
Materiality analysis	SBM-2 – Interests and views of stakeholders SBM-3 - Material IRO and their interaction with strategy and business model IRO-1 - Description of the processes to identify and assess material IROs	Double Materiality	
Management approach			

Policies and their results	MRD - P	Puig Core Corporate Policies	
	E1-2- Policies related to climate change mitigation and adaptation	Policies related to Climate Change	
		Policies related to Pollution	
	E2-1- Policies related to pollution	Policies related to Water and Marine Resources	
	E3-1- Policies related to water and marine resources	Policies related to Biodiversity and Ecosystems	
	E4-2- Policies related to biodiversity and ecosystems	Policies related to Resource Use and Circular Economy	
	E5-1- Policies related to resource use and circular economy	Policies Related to Our People	
	S1-1- Policies related to own workforce	Policies Related to People in the Value Chain	
	S2-1- Policies related to value chain workers	Policies related to Consumers and End-Users	
	S4-1- Policies related to consumers and end-users	Business Conduct Policies and Culture	
	G1-1- Business conduct Policies and Corporate culture		
Risks and their management	SBM-3 - Material IRO and their interaction with strategy and business model	Material Impacts, Risks and Opportunities (IROs) and their Interaction with Strategy and Business Model	
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking	Sustainability Matters Addressed by the Board of Directors	

Environmental issues

Areas	Rerporting Framework - ESRS	Report section	Comments / Reason for omission
Current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety	SBM-3 - Material IRO and their interaction with strategy and business model	Material Impacts, Risks and Opportunities (IROs) and their Interaction with Strategy and Business Model	
Environmental evaluation or certification procedures	E1-ESRS 2 IRO-1- Description of the processes to identify and assess material climate-related impacts, risks and opportunities (climate)	Description of the Processes to Identify and Assess Material Climate-Related IROs	
		Annex ISO Standards	
	Internal criterion		

Resources dedicated to the prevention of environmental risks	E1-3- Actions and resources in relation to climate change policies E2-2- Actions and resources related to pollution E3-2- Actions and resources related to water and marine resources E4-3- Actions and resources related to biodiversity and ecosystems E5-2- Actions and resources related to resource use and circular economy	Actions and Resources related to Climate Change Actions and Implementation Resources related to Pollution Actions related to Water and Marine Resources Actions and Resources related to Biodiversity and Ecosystems Actions related to Resource Use and Circular Economy	
Application of the precautionary principle	GRI 2-23 Policy commitments	Supplementary Disclosures Required by Spanish Law 11/2018 • Environmental Information	
Amount of provisions and guarantees for environmental risks	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • Environmental Information	
Pollution Measures to prevent, reduce or repair carbon emissions (taking into account any form of air pollution specific to an activity, including noise and light pollution)	E1-3- Actions and resources in relation to climate change policies	Actions and Resources related to Climate Change	Noise and light pollution are not material due to the type of activity and location of Puig's factories.
Circular economy and waste prevention and management			
Prevention measures, recycling, reuse, other forms of recovery and disposal of waste	E5-2- Actions and resources related to resource use and circular economy	Actions related to Resource Use and Circular Economy	
Actions to combat food waste	GRI 3-3 Management of material topics		Not material due to the type of activity carried out by Puig
Sustainable use of resources			
Water consumption and water supply in accordance with local limitations	E3-ESRS 2 IRO-1- Description of the processes to identify and assess material water and marine resources E3-4- Water consumption	Material IROs related to Water and Marine Resources Water Withdrawal Performance	
Consumption of raw materials and the measures taken to improve the efficiency of their use	GRI 301-1 Materials used by weight or volume E5-2- Actions and resources related to resource use and circular economy	Supplementary Disclosures Required by Spanish Law 11/2018 • Environmental Information Actions related to Resource Use and Circular Economy	
Direct and indirect energy consumption	E1-5- Energy Consumption and Mix	Energy Consumption and Mix	
Measures taken to improve energy efficiency	E1-3- Actions and resources in relation to climate change policies	Actions and Resources related to Climate Change	
Use of renewable energies	E1-5- Energy Consumption and Mix	Energy Consumption and Mix	

Climate change		
Important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	E1-1 – Transition plan for climate change mitigation E1-6- Gross Scopes 1, 2, 3 and Total GHG emissions	GHG Emissions Composition and Evolution
Measures taken to adapt to the consequences of climate change	E1-3- Actions and resources in relation to climate change policies	Resilience of Strategy and Business Model Actions and Resources related to Climate Change
Reduction goals voluntarily established in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose	E1-4- Targets related to climate change mitigation and adaptation E1-3- Actions and resources in relation to climate change policies	Targets Related to Climate Change Mitigation and Adaptation Actions and Resources related to Climate Change
Protection of biodiversity		
Measures taken to preserve or restore biodiversity	E4-3- Actions and resources related to biodiversity and ecosystems	Actions and Resources related to Biodiversity and Ecosystems
Impacts caused by activities or operations in protected areas	E4-ESRS 2- SBM 3 - Material IRO and their interaction with strategy and business model (Biodiversity and Ecosystems)	Disclosure on Biodiversity-Sensitive Areas and Impacts

Social and personnel issues

Areas	Rerporting Framework - ESRS	Report section	Comments / Reason for omission
Employment			
Total number and breakdown of employees by gender, age, country and professional category	GRI 2-7 Employees GRI 405-1 Diversity of governance bodies and employees	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information	
Total number and breakdown of the different types of employment contract	GRI 2-7 Employees	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information	
Annual average of permanent, temporary and part-time contracts by gender, age, and professional category	GRI 2-7 Employees Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information	
Number of dismissals by gender, age, and job category	GRI 401-1 New employee hires and employee turnover	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information	
Average remuneration by gender, age and professional category or equivalent value	Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information	
Salary gap	Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information	

Average remuneration of directors and top executives by gender (including variable remuneration, allowances, compensation, payments to long-term savings schemes, and any other forms of remuneration)	Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Implementation of disconnectionfrom- work policies	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Employees with disabilities	GRI 405-1 Diversity of governance bodies and employees	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Organization of work		
Organization of working time	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Number of hours of absenteeism	Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Measures intended to facilitate the enjoyment of conciliation and encourage the co-responsible exercise of these by both parents	S1-4- Action on material impacts on own workforce	Actions for Well-being
Health and security		
Health and safety conditions at work	S1-4- Action on material impacts on own workforce	Actions for Health and Safety
Work accidents, in particular their frequency and severity, as well as occupational diseases; disaggregated by sex.	GRI 403-9 Work-related injuries FR = No. of work accidents resulting in medical leave * 1,000,000/ Total no. of hours worked SI = No. of days lost due to work accidents * 1,000 / Total no. of hours worked	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Social relationships		
Organization of social dialogue (including procedures for informing, consulting and negotiating with staff)	S1-2- Processes for engaging with own workforce	Processes for Engaging and Developing Our People
Percentage of employees covered by collective agreement by country	S1-8 – Collective bargaining coverage and social dialogue	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Balance of collective agreements, particularly in the field of health and safety at work	S1-4- Action on material impacts on own workforce	Actions for Well-being Actions to Advance Equality, Diversity and Inclusion among Our People Actions for Health and Safety
Mechanisms and procedures that the company has to promote the involvement of workers in the management of the company, in terms of information, consultation and participation.	S1-2- Processes for engaging with own workforce	Processes for Engaging and Developing Our People
Training		

Policies implemented in the field of training	S1-4- Action on material impacts on own workforce	Leadership and Talent Development
Total number of training hours by professional categories.	Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Universal accessibility for people with disabilities	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • People Management Information
Equality		
Measures taken to promote equality of treatment and opportunities between women and men	S1-4- Action on material impacts on own workforce	Actions to Advance Equality, Diversity and Inclusion among Our People
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	S1-4- Action on material impacts on own workforce	Actions to Advance Equality, Diversity and Inclusion among Our People
Integration and universal accessibility of people with disabilities	S1-4- Action on material impacts on own workforce	Universal accessibility of people with disabilities
Policy against all types of discrimination and, where applicable, diversity management	S1-1- Policies related to own workforce	Policies Related to Our People

Information on respect for human rights

Areas	Rerporting Framework - ESRS	Report section	Comments / Reason for omission
Implementation of due diligence procedures for human rights	GOV-4 - Statement on due diligence	Statement on Due Diligence	
Prevention of human right violations and, if applicable, measures to mitigate, manage and remedy such violations	G1-1- Business conduct Policies and Corporate culture	Business Conduct Policies and Culture	
Reports of human rights violations	Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • Information on Respect for Human Rights	
Promotion and compliance with the provisions of the fundamental ILO conventions related to respect for freedom of association and the right to negotiation	G1-1- Business conduct Policies and Corporate culture	Business Conduct Policies and Culture	
Elimination of discrimination in employment and occupation	S1-1- Policies related to own workforce	Policies Related to Our People	
	S1-2- Processes for engaging with own workforce	Process for Engaging and Developing Our People	
	G1-1- Business conduct Policies and Corporate culture	Business Conduct Policies and Culture	

Elimination of forced or compulsory labor	S2-4- Taking action on material impacts on value chain workers G1-1- Business conduct Policies and Corporate culture	Taking Action on People in the Value Chain Business Conduct Policies and Culture	
Effective abolition of child labor	S2-4- Taking action on material impacts on value chain workers G1-1- Business conduct Policies and Corporate culture	Taking Action on People in the Value Chain Business Conduct Policies and Culture	

Information regarding the fight against corruption and bribery

Areas	Rerporting Framework - ESRS	Report section	Comments / Reason for omission
Measures taken to prevent corruption and bribery	G1-3- Prevention and detection of corruption or bribery	Prevention and Detection of Corruption or Bribery	
Anti-money laundering measures	G1-3- Prevention and detection of corruption or bribery	Prevention and Detection of Corruption or Bribery	
Contributions to foundations and non-profit entities	GRI 201-1 Direct economic value generated and distributed	Supplementary Disclosures Required by Spanish Law 11/2018 • Financial Information	

Information about the company

Areas	Rerporting Framework - ESRS	Report section	Comments / Reason for omission
Company commitments to sustainable development			
Impact of the company's activities on local development and employment	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • Actions to Generate Impact on Society	
Impact of the company's activities on local communities and the surroundings	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • Actions to Generate Impact on Society	
Relationships with local community players and methods of dialogue with them	GRI 3-3 Management of material topics	Supplementary Disclosures Required by Spanish Law 11/2018 • Actions to Generate Impact on Society	
Partnership or sponsorship actions	GRI 3-3 Management of material topics Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • Financial Information	
Subcontracting and suppliers			
Inclusion of social, gender equality and environmental issues in the purchasing policy	S2-1- Policies related to value chain workers	Puig's Sustainable Sourcing Policy	
Consideration in relationships with suppliers and subcontractors of their social responsibility and environmental	G1-2- Management of relationships with suppliers	Social and Environmental Criteria in Supplier Selection	

Supervision and audit systems and their results	G1-2- Management of relationships with suppliers	Social and Environmental Criteria in Supplier Selection
Consumers		
Consumer health and safety measures	S4-3- Processes to remediate negative impacts for consumers and end-users	Processes to Remedy Negative Impacts for Consumers and End-Users
Claims systems, complaints received and their resolution	GRI 2-16 Communication of critical concerns GRI 2-25 Processes to remediate negative impacts Internal criterion	Supplementary Disclosures Required by Spanish Law 11/2018 • Consumer Information
Tax information		
Profit by country	GRI 207-4 Country-by-country reporting	Supplementary Disclosures Required by Spanish Law 11/2018 • Financial Information
Corporate tax paid	GRI 207-4 Country-by-country reporting	Supplementary Disclosures Required by Spanish Law 11/2018 • Financial Information
Public subsidies received	GRI 201-4 Financial assistance received from the government	Supplementary Disclosures Required by Spanish Law 11/2018 • Financial Information

SASB[50] Reference Table

Sustainability Disclosure Topics and Accounting Metrics

Accounting Metric	Category	Unit of measurement	SASB Code	Close 2024	Perimeter (Puig business segments)
Water management					
(1) Total water withdrawn	Quantitative	Thousand cubic meters (m^3)	CG-HP-140a.1	95,385	Puig's factories, excluding Kama Ayurveda's.
(2) total water consumed	Quantitative	Thousand cubic meters (m^3)	CG-HP-140a.1	36,745	Puig's factories, excluding Kama Ayurveda's.
Percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%)	CG-HP-140a.1	45% of total water withdrawn 31% of total water consumed	Puig's factories, excluding Kama Ayurveda's.
Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a	CG-HP-140a.2	6.4 Water and Marine Resources Actions related to water and marine resources	
Product Environmental, Health, and Safety Performance					
Revenue from products that contain REACH substances of very high concern (SVHC)	Quantitative	Reporting currency	CG-HP-250a.1	0	
Revenue from products that contain substances on the California DTSC Candidate Chemicals List	Quantitative	Reporting currency	CG-HP-250a.2	Puig does not report this indicator	
Discussion of process to identify and manage emerging materials and chemicals of concern	Discussion and Analysis	n/a	CG-HP-250a.3	6.3 Pollution Policies related to Pollution Puig Ingredients Policy	
Revenue from products designed with green chemistry principles	Quantitative	Reporting currency	CG-HP-250a.4	Puig does not report this indicator	
Packaging Lifecycle Management					
Total weight of packaging	Quantitative	Metric tons (t)	CG-HP-410a.1	Puig does not report this indicator	
Percentage made from recycled and/or renewable materials	Quantitative	Percentage (%)	CG-HP-410a.1	Puig does not report this indicator	
Percentage that is recyclable, reusable, and/or compostable	Quantitative	Percentage (%)	CG-HP-410a.1	76.8	Fragances, skincare and makeup
Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	n/a	CG-HP-410a.2	6.6 Resource Use and Circular Economy Actions related to Resource Use and Circular Economy	
Environmental & Social Impacts of Palm Oil Supply Chain					

[50] SASB: Sustainability Accounting Standards Board.

Amount of palm oil sourced	Quantitative	Metric tons (t)	CG-HP-430a.1	6,431	Puig Scope: Palm oil and derivatives; and direct and third-party purchases
percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as Identity Preserved	Quantitative	Percentage (%)	CG-HP-430a.1	0	
percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as Segregated	Quantitative	Percentage (%)	CG-HP-430a.1	0	
percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as Mass Balance	Quantitative	Percentage (%)	CG-HP-430a.1	87.99	Puig Scope: Palm oil and derivatives; and direct and third-party purchases
percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as Book and Claim	Quantitative	Percentage (%)	CG-HP-430a.1	0	

Activity Metrics

Activity Metric	Category	Unit of measurement	SASB Code	Close 2024	Perimeter (Puig business segments)
Units of products sold	Quantitative	Number	CG-HP-000.A	Puig does not report this indicator	
Total weight of products sold	Quantitative	Metric tons (t)	CG-HP-000.A	Puig does not report this indicator	
Number of manufacturing facilities	Quantitative	Number	CG-HP-000.B	7	Puig

The Ten Principles of the UN Global Compact

Principle	Reference
1. Businesses should support and respect the protection of internationally proclaimed human rights.	4. Corporate Governance • Statement on Due Diligence 6. Environment 6.1 EU Green Taxonomy • Minimum Social Safeguards 7. Social 7.1 Our People • Policies Related to our People 7.2 People in the Value Chain • Policies related to People at the Value Chain
2. Businesses should make sure that they are not complicit in human rights abuses.	4. Corporate Governance • Statement on Due Diligence 6. Environment 6.1 EU Green Taxonomy • Minimum Social Safeguards 7. Social 7.1 Our People • Policies Related to our People 7.2 People in the Value Chain • Policies related to People at the Value Chain • Taking Action on People in the Value Chain 8. Governance • Business Conduct Policies and Culture
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	7. Social 7.1 Our People • Policies Related to our People 7.2 People in the Value Chain • Policies related to People at the Value Chain • Processes to Engage with Our People
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	7. Social 7.1 Our People • Fostering a Responsible Workforce • Policies Related to our People 7.2 People in the Value Chain • Fostering a Responsible Value Chain • Policies related to People at the Value Chain 8. Governance • Business Conduct Policies and Culture
5. Businesses should uphold the effective abolition of child labor.	7. Social 7.1 Our People • Fostering a Responsible Workforce • Policies Related to our People 7.2 People in the Value Chain • Fostering a Responsible Value Chain • Policies related to People at the Value Chain 8. Governance • Business Conduct Policies and Culture

6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	7. Social 7.1 Our People • Policies Related to our People • Actions to Empowering Our People 7.2 People in the Value Chain • Fostering a Responsible Value Chain • Policies related to People at the Value Chain
7. Business should support a precautionary approach to environmental challenges.	6. Environment 6.2 Climate change • Disclosure related to climate change • Policies related to Climate Change • Actions and Resources related to Climate Change 6.3 Pollution • Policies related to Pollution • Actions and Implementation Resources related to Pollution 6.4 Water and Marine Resources • Policies related to Water and Marine Resources • Actions related to Water and Marine Resources 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts • Policies related to Biodiversity and Ecosystems • Actions and Resources related to Biodiversity and Ecosystems 6.6 Resource Use and Circular Economy • Policies related to Resource Use and Circular Economy • Actions related to Resource Use and Circular Economy
8. Businesses should undertake initiatives to promote greater environmental responsibility	6. Environment 6.2 Climate change • Disclosure related to climate change • Policies related to Climate Change • Actions and Resources related to Climate Change 6.3 Pollution • Policies related to Pollution • Actions and Implementation Resources related to Pollution 6.4 Water and Marine Resources • Policies related to Water and Marine Resources • Actions related to Water and Marine Resources 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts • Policies related to Biodiversity and Ecosystems • Actions and Resources related to Biodiversity and Ecosystems 6.6 Resource Use and Circular Economy • Policies related to Resource Use and Circular Economy • Actions related to Resource Use and Circular Economy
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	5 Double Materiality Analysis and Sustainability • Double Materiality 6. Environment 6.1 EU Green Taxonomy • Puig's Eligibility 6.2 Climate change • Disclosure related to climate change • Policies related to Climate Change
10. Businesses should work against corruption in all its forms, including extortion and bribery.	8. Governance • Involvement of the Supervisory Bodies in defining the Business Culture • Business Conduct Policies and Culture

TCFD[51] Reference Table

Governance	Reference
Describe oversight by the Climate Risks and Opportunities Council.	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
Describe management's role in assessing and managing climate risks and opportunities.	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
Strategy	**Reference**
Describe climate risks and opportunities that the organization has identified in the short, medium and long term.	6.2 Climate Change • Disclosure related to Climate Change • Description of the processes to Identify and Assess Material Climate-related IROs.
Describe the impact of climate risks and opportunities on the organization's business, strategy, and financial planning.	5. Double Materiality Analysis and Sustainability • Sustainability Matters Related to the Strategy
Describe the resilience of the organization's strategy, taking into account different climate scenarios, including a scenario of 2°C or lower.	6.2 Climate Change • Disclosure related to Climate Change • Material IROs and their interaction with Strategy and Business Model • Resilience of Strategy and Business Model.
Risk Management	**Reference**
Describe the organization's processes for identifying and assessing climate risks.	6.2 Climate Change • Disclosure related to Climate Change • Description of the processes to Identify and Assess Material Climate-related IROs.
Describe the organization's processes for managing climate risks.	6.2 Climate Change • Disclosure related to Climate Change • Material IROs and their interaction with Strategy and Business Model • Resilience of Strategy and Business Model.
Describe how processes for identifying, evaluating, and managing climate risks are integrated into the organization's overall risk management.	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
Metrics and Objectives	**Reference**
Report metrics used by the organization to assess climate risks and opportunities in line with its risk management strategy and process.	6.2 Climate Change • Metrics and Targets related to Climate Change
Report Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas (GHG) emissions and related risks.	6.2 Climate Change • GHG Emissions Composition and Evolution
Describe the objectives used by the organization to manage climate risks and opportunities and performance against objectives.	6.2 Climate Change • Metrics and Targets related to Climate Change

[51] TCFD: Taskforce on Climate-related Financial Disclosures.

TNFD[52] Reference Table

Governance	Reference
Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities.	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
Describe the organization's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organizations' assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	5. Double Materiality Analysis and Sustainability • Double Materiality 6. Environment 6.5 Biodiversity and Ecosystems • Policies related to Biodiversity and Ecosystems • Actions and Resources related to Biodiversity and Ecosystems 7. Social 7.2 People in the Value Chain • Fostering a Responsible Value Chain • Policies related to People at the Value Chain
Strategy	**Reference**
Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term.	6. Environment 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts • Material IROs Identification Process related to Biodiversity and Ecosystems
Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	6. Environment 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts • Material IROs Identification Process related to Biodiversity and Ecosystems
Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	6. Environment 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts
Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	6. Environment 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts
Risk and Impact Management	**Reference**
Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations.	6. Environment 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts • Material IROs Identification Process related to Biodiversity and Ecosystems
Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s)	6. Environment 6.5 Biodiversity and Ecosystems • Disclosure on Biodiversity-Sensitive Areas and Impacts • Material IROs Identification Process related to Biodiversity and Ecosystems

[52] TNFD: Taskforce on Nature-related Financial Disclosures.

Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities.	6. Environment 6.5 Biodiversity and Ecosystems • Policies related to Biodiversity and Ecosystems • Actions and Resources related to Biodiversity and Ecosystems
Describe how processes for identifying, assessing, prioritizing and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes.	4. Corporate Governance • Sustainability Matters Addressed by the Board of Directors
Metrics and Targets	**Reference**
Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	6. Environment 6.5 Biodiversity and Ecosystems • Targets related to Biodiversity and Ecosystems • Material IROs Identification Process related to Biodiversity and Ecosystems
Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature.	6. Environment 6.5 Biodiversity and Ecosystems • Targets related to Biodiversity and Ecosystems • Material IROs Identification Process related to Biodiversity and Ecosystems
Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	6. Environment 6.5 Biodiversity and Ecosystems • Targets related to Biodiversity and Ecosystems

ISO Standards

Certifications available at Puig

Certification	Unit
ISO 9001:2015 Quality Management	• Puig Tower-T1 (Spain) • Puig Tower-T2 (Spain) • Champs-Élysées (France) • Washington Plaza (France) • Alcalá de Henares production plant (Spain) • Vacarisses production plant (Spain) • Chartres production plant (France) • Coimbatore production plant & Noida office (India)
ISO 14001:2015 Environmental Management	• Puig Tower-T1 (Spain) • Puig Tower-T2 (Spain) • Champs-Élysées (France) • Washington Plaza (France) • Alcalá de Henares production plant (Spain) • Vacarisses production plant (Spain) • Chartres production plant (France)
ISO 45001:2018 Occupational Health and Safety	• Puig Tower-T1 (Spain) • Puig Tower-T2 (Spain) • Champs-Élysées (France) • Washington Plaza (France) • Alcalá de Henares production plant (Spain) • Vacarisses production plant (Spain) • Chartres production plant (France)
ISO 22716: 2008 Good Manufacturing Practices in the cosmetics industry	• Alcalá de Henares production plant (Spain) • Vacarisses production plant (Spain) • Chartres production plant (France) • Échirolles and Uriage-les-Bains productions plants (France) • Markopoulo production plant (Greece) • Coimbatore production plant (India)


DM03

10

Verification Report

Independent Limited Assurance Report on the Consolidated Non-Financial Information Statement and Sustainability Information for the year ended December 31, 2024

PUIG BRANDS, S.A. AND SUBSIDIARIES

Building a better working world

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INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT AND SUSTAINABILITY INFORMATION

(Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of Puig Brands, S.A.:

Conclusion of limited assurance

In accordance with article 49 of the Commercial Code, we have performed a limited verification engagement on the accompanying Consolidated Non-Financial Information Statement ("NFIS") for the year ended December 31, 2024, of Puig Brands, S.A., (the "Entity") and subsidiaries (the "Group"), which is part of the Group's Consolidated Management Report.

The content of the NFIS includes information in addition to that required by prevailing mercantile law in respect of non-financial information, specifically the Sustainability Information prepared by the Group for the year ended December 31, 2024 (the "sustainability information") in accordance with Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (the "CSRD"). The sustainability information was also subject to limited verification.

Based on the procedures applied and the evidence obtained, nothing has come to our attention that causes us to believe that:

a) The Group's NFIS for the year ended December 31, 2024 has not been prepared, in all material respects, in accordance with the contents required by prevailing mercantile law and the criteria selected in European Sustainability Reporting Standards ("ESRS"), as well as other criteria described as explained for each subject matter in table "Index of content required by Law 11/2018" of the NFIS.

b) The sustainability information, taken as a whole, has not been prepared, in all material respects, in accordance with the sustainability reporting framework applied by the Group and identified in the accompanying section "Basis for Preparation of the Consolidated Non-Financial Information Statement and Sustainability Information", including:

   - That the description of the process for identifying the sustainability information to be disclosed included in the subsection "Description of the process to identify and assess material IROs" is consistent with the process implemented and that it enables the identification of the material information to be disclosed in accordance with the requirements of ESRS.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.

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- Compliance with ESRS.
- Compliance of the disclosure requirements included in subsection 6.1. "EU Green Taxonomy" of the section on the environment in the sustainability information with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on the establishment of a framework to facilitate sustainable investment.

Basis of conclusion

We have performed our limited verification engagement in accordance with generally accepted professional standards applicable in Spain and specifically with the guidelines contained in the Guidelines 47 (revised) and 56 issued by the Spanish Institute of Chartered Accountants on non-financial information assurance engagements and considering the contents of the note issued by the Spanish Accounting and Auditing Institute (ICAC) on December 18, 2024 (the "generally accepted professional standards").

The procedures performed in a limited verification engagement are less in extent than for a reasonable verification engagement. Consequently, the level of assurance obtained in a limited verification engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under those regulations are further described in the *Practitioner's responsibilities* section of our report.

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

Our firm applies International Standard on Quality Management (ISQM) 1, which requires us to design, implement, and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors

The preparation of the NFIS included in the Group's consolidated management report and its content is the responsibility of the directors of Puig Brands, S.A., The NFIS has been prepared in accordance with the content required by prevailing mercantile law and the criteria selected in ESRS, as well as other criteria described as explained for each subject matter in tables "Index of content required by Law 11/2018" of the NFIS.

This responsibility also includes the design, implementation, and maintenance of such internal control as considered necessary to ensure that the NFIS is free of material misstatement, whether due to fraud or error.

The directors of Puig Brands, S.A., are also responsible for defining, implementing, adapting, and maintaining the management systems from which the necessary information for preparing the NFIS is obtained.

In relation to the sustainability information, the Entity's directors are responsible for developing and implementing a process for identifying the information to be included in the sustainability information in accordance with the CSRD, the ESRS and Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, and for disclosing information about this process in the sustainability information itself in the subsection "Description of the process to identify and assess material IROs". This responsibility includes:

- Understanding the context in which the Group carries out its activities and business relationships, as well as its stakeholders, in relation to the Group's impact on people and the environment.
- Identifying the actual and potential impacts (both negative and positive), as well as risks and opportunities that could affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to financing, or cost of capital in the short, medium or long term.
- Assessing the materiality of the identified impacts, risks and opportunities.
- Making assumptions and estimates that are reasonable under the circumstances.

The directors are also responsible for the preparation of the sustainability information, which includes the information identified by the process, in accordance with the sustainability reporting framework used, including compliance with the CSRD, the ESRS, and compliance of the disclosure requirements included in subsection 6.1. "EU Green Taxonomy" of the section on the environment in the sustainability information with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council, of 18 June 2020, on the establishment of a framework to facilitate sustainable investment.

This responsibility includes:

- Designing, implementing and maintaining such internal control as the directors consider relevant to enable the preparation the sustainability information that is free from material misstatement, whether due to fraud or error.
- Selecting and applying appropriate methods for the presentation of sustainability information and the basis of assumptions and estimates that are reasonable, considering the circumstances, about specific disclosures.

Inherent limitations in the preparation of the information

In accordance with ESRS, the Entity's directors are required to prepare forward-looking information on the basis of assumptions and hypothesis, which must be included in the sustainability information, about potential future events and possible future actions, if any, that the Group could take. Actual results may differ significantly from estimated results, as the reference is to the future and future events frequently do not occur as expected.

In determining the disclosures in the sustainability information, the Entity's directors interpret legal and other terms that are not clearly defined and that may be interpreted differently by others, including the legal conformity of such interpretations, and, accordingly, are subject to uncertainty.

Practitioner's responsibilities

Our objectives are to plan and perform the verification engagement to obtain limited assurance about whether the NFIS and sustainability information are free from material misstatement, whether due to fraud or error, and to issue a limited verification report that includes our conclusions. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this information.

As part of a limited verification engagement, we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Design and perform procedures to assess whether the process for identifying the disclosures to be included in the NFIS and sustainability information is consistent with the description of the process followed by the Group and enables, where appropriate, the identification of the material information to be disclosed as required in the ESRS.

- Perform risk procedures, including obtaining an understanding of internal control relevant to the engagement, to identify disclosures where material misstatements are more likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.

- Design and perform procedures responsive to disclosures in the NFIS and sustainability information where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary from the work performed

A limited verification engagement involves performing procedures to obtain evidence as a basis for our conclusions. The nature, timing and extent of procedures selected depend on professional judgment, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the NFIS and sustainability information.

Our work consisted of making inquiries of management and of the Group's various business units and components that participated in the preparation of the NFIS and sustainability information, reviewing the processes used for compiling and validating the information presented in the NFIS and sustainability information, and applying certain analytical procedures and performing tests of details on a sample basis as described below:

For verification of the NFIS:

- Holding meetings with Group personnel to obtain an understanding of the business model, the policies and management approaches applied, and the main risks related to these matters and to gather the information needed to perform the independent assurance work.
- Analyzing the scope, relevance and completeness of the content of the 2024 NFIS based on the materiality assessment performed by the Group and described in section 5. "Double Materiality Analysis and Sustainability" of the NFIS, considering the content required in prevailing mercantile law.
- Analyzing the processes used to compile and validate the data presented in the 2024 NFIS.
- Reviewing the disclosures relating to the risks, policies and management approaches applied with respect to the material matters presented in the 2024 NFIS.
- Checking, through sample testing, the information underlying the content of the 2024 NFIS and whether it has been adequately compiled based on data provided by information sources.

For verification of the sustainability information:

- Making inquiries of Group personnel:
  - To understand the business model, the policies and management approaches applied and the main risks related to these matters and to gather the information needed to perform the independent assurance work.
  - To know the source of the information used by management (e.g., interaction with stakeholders, business plans and documents on strategy) and review the Group's internal documentation on its process.
- Obtaining, through inquiries of Group personnel, insight into the Entity's processes for gathering, validating, and presenting information relevant for the preparation of its sustainability information.
- Assessing whether the evidence obtained in our procedures on the process implemented by the Group for determining the disclosures to be included in the sustainability information is consistent with the description of the process included in that information, as well as assessing whether that process implemented by the Group enables identification of the material information to be disclosed in accordance with the requirements of the ESRS.

- Assessing whether all the information identified in the process implemented by the Group for determining the disclosures to be included in the sustainability information is effectively included.
- Evaluating whether the structure and presentation of the sustainability information is consistent with ESRS and the rest of the sustainability reporting framework applied by the Group.
- Performing inquiries of relevant personnel and analytical procedures on the disclosures in the sustainability information, considering those where material misstatements are likely to arise, whether due to fraud or error.
- Performing, as appropriate, substantive procedures through sampling of selected disclosures in the sustainability information, considering those where material misstatements are likely to arise, whether due to fraud or error.
- Obtaining, as appropriate, reports issued by accredited independent third parties accompanying the consolidated management report in response to the requirements of European regulations and, in relation to such information and in accordance with generally accepted professional standards, verification, exclusively, of the accreditation of the practitioner and that the scope of the report issued corresponds to that required by European regulations.
- Obtaining, as appropriate, the documents containing the information incorporated by reference, the reports issued by auditors or practitioners on such documents and, in accordance with generally accepted professional standards, verification, exclusively, that in the document to which the information incorporated by reference refers, the requirements described in ESRS for the incorporation by reference of information in the sustainability information are met.
- Obtaining a representation letter from the directors and management regarding the NFIS and sustainability information.

Other information

The persons in charge of the Entity's governance are responsible for the other information. The other information comprises the consolidated financial statements and the rest of the information included in the consolidated management report, but does not include either the auditors' report on the consolidated financial statements or the assurance reports issued by accredited independent third parties required by European Union law on specific disclosures contained in the sustainability information and attached to the consolidated management report.

Our verification report does not cover the other information and we do not express any form of verification conclusion on it.

Our responsibility in connection with our engagement to verify the sustainability information is to read the other information identified and consider whether it is materially inconsistent with the sustainability information or the knowledge we have obtained during the verification engagement that could indicate material misstatements in the sustainability information.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Eloy González Fauró

February 27, 2025

In Barcelona, on February 26, 2025

Mr. Marc Puig Guasch
Chairman and CEO

Mr. Manuel Puig Rocha
Vice Chairman

Mr. Rafael Cerezo Laporta
Board member

Mr. Patrick Raji Chalhoub
Board member

Mr. Jordi Constans Fernandez
(identified in his passport as Jorge Valentín Constans Fernández)
Lead Director

Ms. Ángeles Garcia-Poveda Morera
Board member

Mr. Daniel Lalonde
Board member

Ms. Christine Ann Mei
Board member

Mr. Nicolas Mirzayantz
Board member

Mr. Josep Oliu Creus
Board member

Mr. Yiannis Petrides
(identified in his passport as loannis Petrides)
Board member

Ms. Maria Dolores Dancausa Treviño
Board member

Ms. Tina Müller
Board member

Annual Directors' Remuneration Report

2024

(Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish language version prevails)

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1
Letter from the Chair of the ARC



Dear shareholder,

As the Chair of the Appointments and Remuneration Committee ("ARC"), I am pleased to present the inaugural Annual Directors' Remuneration Report ("Report") for Puig Brands, S.A. (“Puig” or the “company”), following our recent listing on the Spanish Stock Exchanges. This marks a significant milestone in our company's journey, and this Report is a testament to our commitment to transparency, accountability, and alignment with our shareholders' interests.

Significant milestones in 2024

The year 2024 was particularly significant for Puig as it marked our transition to a publicly listed company. In addition to the usual fixed and variable remuneration elements, several pre-IPO incentives vested upon our IPO. This unique situation required careful consideration and management to ensure that our remuneration practices remained fair and aligned with shareholder interests.

Furthermore, to acknowledge the extraordinary effort and commitment demonstrated during this pivotal period, the remuneration of some of our Non-Executive Directors for the year 2024 was increased due to their significant contributions.

Remuneration Policy for 2025

Looking ahead to 2025, our Directors' Remuneration Policy ("Remuneration Policy") for our Directors (including the Chairman and CEO) reflects an ordinary remuneration package that follows best practices and corporate governance recommendations. It has been meticulously designed to align with the pay-for-performance principle. The Remuneration Policy includes base salary, pension contributions equivalent to 30% of the base salary, a short-term incentive ("Short-Term Incentive" or STI") that represents 110% of the base salary in a target scenario, and a long-term incentive ("Long-Term Incentive" or "LTIP") that represents, in annualized terms, 220% of the base salary in a target scenario. Notably, around 75% of the remuneration package is composed of variable remuneration elements, emphasizing our commitment to performance-based compensation. Importantly, the design of the 2025 remuneration package for the Chairman and CEO is closely aligned with our overall management remuneration policy, ensuring consistency and fair application across the organization.

In developing this remuneration package, we have carefully considered the expectations of our shareholders. We believe that by prioritizing variable pay, with a focus on LTIP, we encourage our senior executives to focus on achieving outstanding performance and driving long-term value creation.

The Report provides detailed information about the LTIP plan that we will propose at the next General Shareholders' Meeting ("LTIP 2025-2029"). Highlights of this plan include a performance-share plan with three overlapping tranches, each with a three-year performance period. The metrics set for the first tranche are aligned with the company's long-term priorities, and we are confident that this plan will effectively motivate our senior executives to achieve key strategic goals while upholding our commitment to environmental, social, and governance ("ESG") principles.

The ARC continues to undertake a comprehensive review of the performance metrics used in our variable plans. As part of this commitment, we continue incorporating specific ESG metrics in both our short and long-term variable remuneration. These metrics will hold our senior executives accountable for making progress on key ESG initiatives. We believe that incorporating ESG goals into our remuneration structure will further align the interests of our senior executives with those of our broader stakeholder community.

ARC activities in 2024 and plans for 2025

Additionally, the Report outlines the work carried out by the ARC in 2024 and our plans for 2025. Over the past year, the committee has diligently reviewed and refined our remuneration policies to ensure they remain competitive and aligned with best practices. We have consulted with external advisors to ensure that we remain aligned with the highest standards of corporate governance.

In 2025, we plan to maintain our focus on enhancing the effectiveness of our remuneration policies. This includes maintaining an open and transparent dialogue with our investors, seeking their feedback and incorporating their insights into our decision-making processes.

Conclusion

Our approach to executive remuneration is underpinned by a philosophy of fairness, transparency, and alignment with shareholder interests. We have established a robust governance framework to oversee the implementation and administration of our remuneration policies. This includes regular reviews by the ARC and engagement with our shareholders to ensure that our remuneration practices remain aligned with best practices.

I would like to express my gratitude to my fellow committee members and the Board of Directors for their support and dedication. Their expertise and commitment have been instrumental in shaping our remuneration policies and ensuring their successful implementation. Together, we will continue to ensure that our remuneration policies not only support our strategic objectives but also reflect the values and aspirations of Puig.

We look forward to a successful year ahead and to sharing our ongoing progress with you.

Yours sincerely,

— Ángeles García-Poveda Morera
Chair of the Appointments and Remuneration Committee

3 May 2024	Admission of shares to the Spanish Stock Exchanges
Pay for Performance +75%	of the Chairman and CEO total remuneration is linked to performance
Group Adjusted EBITDA 2024	€969 M
Group LFL Net Revenue 2024	€4,771.8 M
ESG metrics	Both in STI and LTIP
5 meetings of the ARC in 2024	100% attendance

2
At a glance

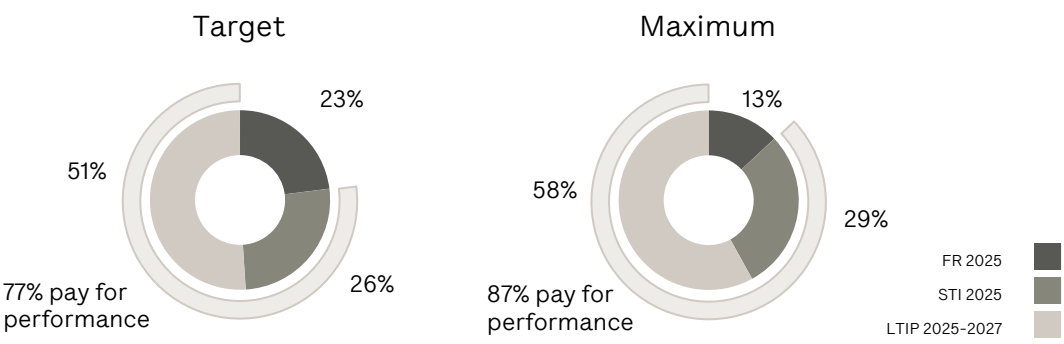
A. Remuneration Policy applicable for 2025

Chairman and CEO

Compensation Mix[1]

Fixed Elements	
Annual Fixed Remuneration (FR 2025)	• €1,804,758 • 3% increase in line with workforce
Welfare benefits	• 30% FR 2025
Remuneration in kind	• In line with previous year and Policy
Short-Term Incentive (STI 2025)	
Opportunity	• Target: 110% FR 2025 • Maximum: 200% Target
Objectives	• Group Adjusted EBITDA (30%) • Group LfL Net Revenue (30%) • Group Fixed costs (10%) • Group Cash Flow (10%) • ESG (10%) • Individual performance assessment (10%)
Instrument	• 100% Cash
Long-Term Incentive (LTIP 2025-2027)	
Opportunity	• Target: 220% FR 2025 • Maximum: 200% Target
Objectives	• Group Adjusted EBITDA (50%) • Group LfL Net Revenue (40%) • ESG (10%)
Instrument	• 100% Shares
Contractual Conditions	
Malus & Clawback	• Both for STI 2025 and LTIP 2025-2027
Shareholding Policy	• Commitment to hold instruments related to remuneration plans for at least three (3) years. • Exception if share ownership is above 2 times Annual Fixed Remuneration

[1] As expressed in the Remuneration Policy, the percentage of maximum short-and long-term variable remuneration with respect to the maximum total remuneration, is capped at a 87.80%. Welfare benefits and remuneration in kind are not considered for these purposes.



Non-Executive Directors

Following the resolutions adopted by the Board of Directors on 26 February 2025, upon a favorable report from the ARC, Non-Executive Directors will receive the following fixed remuneration in 2025, within the maximum total annual remuneration limit of €3.5 million set in the Remuneration Policy:

Amounts in €	Board of Directors	Audit and Compliance Committee	Appointments and Remuneration Committee	Sustainability and Social Responsibility Committee
Chairman	0	60,000	50,000	50,000
Members	110,000	40,000	30,000	30,000
Vice-Chairman	130,000	0	0	0
Lead Director	50,000	0	0	0

B. Implementation of the Remuneration Policy in 2024

According to the instructions set out on Circular 3/2021 from the Spanish Securities Exchange Commission (Comisión Nacional del Mercado de Valores) (“CNMV”), "Companies that have started trading during the financial year in question will only provide information from the moment they are admitted to trading, clearly explaining this fact in the report."

As the company's successful listing occurred on 3 May 2024 ("Admission"), the scope of this Report covers the remuneration elements from this date onward. Nonetheless, remuneration topics prior to 3 May 2024 are thoroughly detailed in the prospectus approved by CNMV on 18 April 2024 in connection with the IPO and the Admission, ensuring that the entirety of 2024 remuneration is accurately disclosed (available at: https://www.puig.com/en/investors-ipo/).

Chairman and CEO (period from 3 May 2024 to 31 December 31 2024)

Fixed Elements						
Annual Fixed Remuneration (FR 2024)	• €1,158,553					
Welfare benefits	• €438,048 (25% total FR 2024)					
Remuneration in kind	• €13,153					
Short-Term Incentive (STI 2024)						
Amount	€2,340,069					
Objectives		Weight	Performance level Min 0%	Target 100%	Max 200%	Outcome
Company metrics	• Adjusted EBITDA	30%				60.00%
	• LfL Net Revenue	30%				48.62%
	• Fixed costs	10%				20.00%
	• Cash Flow	10%				20.00%
Individual metrics	• ESG	10%				20.00%
	• Individual objectives	10%				15.00%
	TOTAL	100%				183.62%
Instrument	• 100% Cash					
Contractual Conditions						
Malus & Clawback	• No application in 2024					
Shareholding Policy commitment	• Chairman and CEO: Comfortably over Shareholding Policy commitment					

In addition to the above remuneration elements, an extraordinary incentive and an extraordinary award vested upon the Admission. This incentive amounted to €9,266,400.

Non-Executive Directors

From 3 May 2024 to 31 December 2024, total remuneration of Non-Executive Directors amounted to 1,652 thousand euros. This remuneration, together with the remuneration accrued from 1 January 2024 to 3 May 2024 is below the maximum total annual remuneration limit of €3.5 million set in the Remuneration Policy.[1]

[1] As detailed in the Remuneration Policy, in order to acknowledge the extraordinary effort and commitment demonstrated during the IPO, the Board of Directors received an extraordinary fix remuneration (See Section 4.B.).

3 Remuneration Policy applicable for 2025

The Directors' Remuneration Policy in force is the one approved by the General Shareholders' Meeting of 5 April 2024, and has validity from the date of Admission and throughout fiscal years 2025 and 2026.[2]

The Remuneration Policy has been designed based on the following goals:

- Attract, retain and motivate the contribution of the professionals that the company requires to cover the full spectrum of knowledge, skills and experience needed on its Board of Directors, thereby ensuring that it has access to suitable candidates to perform the duties of the position, according to the applicable regulations;
- Enhance the remuneration's coherence through effective risk management;
- Prevent possible conflicts of interest;
- Motivate and reinforce the attainment of the company's results;
- Define and control, in a clear and concise manner, the company's remuneration practices with respect to the members of its Board of Directors ("Board Members"); and
- Promote the long-term profitability and sustainability of the company, incorporating the necessary precautions to avoid excessive risk-taking and the rewarding of unfavorable results.

These goals are reflected in the following principles:

Basic principles of the Remuneration Policy	Non-Executive Directors	Chairman and CEO
Remuneration must be sufficient and appropriate to the dedication, qualifications and responsibilities of the Board Members, but such remuneration must not compromise their independence of judgment.	X	
Remuneration, in terms of its structure and overall amount, must comply with best practices and be competitive in relation to other comparable entities to attract, retain and motivate the best professionals.	X	X
Non-Executive Directors remuneration must not include variable components.	X	
The Remuneration Policy will be compatible with adequate and effective risk management, not offering incentives to assume risks that exceed the level of risk tolerated by the company.	X	X
In establishing the remuneration conditions for executive Board Members described in the Remuneration Policy, the remuneration system applicable to the employees of Puig Brands has been taken into account.		X
Remuneration must be established with objective criteria in relation to the individual performance of executive Board Members, seeking to encourage the commitment to the company by all professionals, the personal and corporate ethics, and the promotion of strategic and sustainable development aims.		X
The Remuneration Policy seeks to avoid excessive assumption of risk by executive Board Members in the performance of their duties by including, where appropriate, the necessary precautions to ensure the cancellation or the ability to claw back any variable remuneration.		X
The Remuneration Policy seeks alignment with shareholders by encouraging the holding of shares by executive Board Members.		X

[2] https://www.puig.com/en/corporate-governance/

A. Remuneration structure for the Chairman and CEO for 2025

In compliance with article 217.4 of the Spanish Companies Act approved by Royal Legislative Decree 1/2010, of July 2 (Texto Refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio) ("Spanish Companies Act"), the remuneration is reviewed periodically to ensure that it is in reasonable proportion to the size and importance of the company, its economic situation and market standards for comparable companies at the national and international level.

Fixed elements

	Purpose	Amounts 2025	Conditions
Fixed Remuneration	• Compensate for the higher level of dedication and responsibility involved in the performance of their duties.	• €1,804,758 • 3% increase with respect to 2024, in line with workforce.	• The fixed remuneration will be determined according to the responsibility, hierarchical position and experience of each executive Board Member.
Welfare benefits	• Supplement the remuneration of the Chairman and CEO.	• 30% of Fixed Remuneration.	• The pension plan is a defined contribution scheme. • The contingencies covered by the Pension Plan are: a) survival; b) death; c) total permanent disability to perform the usual profession, absolute disability for all types of work and severe disability. • In the event of the termination of the contract by the company due to a serious or punishable breach by the executive director, it would cause the loss of the economic rights to the contributions made by the company to the defined contribution plan.
Remuneration in kind	• Provide competitive benefits that enhance the total compensation package.	• Estimated to be in line with previous year and Remuneration Policy	• Can include, among others, the use of a company vehicle and health and life insurance policies for himself and his immediate family.

Short-Term Incentive (STI 2025)

Purpose

- Incentivize performance by aligning remuneration with the targets set by the company, while promoting sound and effective risk management that prevents variable remuneration from creating incentives for excessive risk-taking behaviors.

Amounts 2025

- Target: 110% of Annual Fixed Remuneration (€1,985,234).
- Maximum: 200% of Target (€3,970,467).

Metrics

- Each year, the Board of Directors, upon a favorable report from the ARC, establishes objectives that are qualitative and quantitative, specific, predetermined and quantifiable.
- Each metric has the following performance scale:

Performance level	Payout level
Below threshold	0%
Threshold	50%
Target	100%
Maximum	200%

- The table below shows the metrics and weightings established for STI 2025:

Objectives	Metric	Weight
Group metrics	• Adjusted EBITDA[1]	30%
	• LfL Net Revenue[2]	30%
	• Fixed costs	10%
	• Cash Flow	10%
Individual metrics	• ESG[3]	10%
	• Individual performance assessment by the Board of Directors	10%

[1] Adjusted EBITDA: EBITDA adjusted by excluding restructuring expenses, transaction costs and other non-recurring items, such as acquisition-related expenses of material transactions, gains and losses from the sale of businesses or real estate, and certain material non-operating items.

[2] Like-for-Like Net Revenue: Reflects organic growth by adjusting net revenue for the impact of (i) changes in scope/ perimeter, by deducting from net revenue for the relevant year the amount of net revenue generated over the months during which the acquired entities/brands were not consolidated in the prior year and (ii) exchange rates fluctuations, calculated as the difference between net revenue for the relevant year at that year's exchange rates against the euro and net revenue in the that same year at the prior year's exchange rates against the euro, using the annual average exchange rate.

[3] ESG: (i) Continue progressing towards the decarbonization targets approved by the Science Based Targets (SBTi) for 2030 and 2050, and (ii) approve the Social Strategy of the ESG Agenda by the end of 2025.

Conditions

- The Board of Directors, upon a favorable report from the ARC, approved the objectives outlined above at its meeting held on 26 February 2025.
- Once the performance period has ended, the Board of Directors, upon a favorable report from the ARC, will determine the individual STI 2025 amount. In this process, the ARC may consult other committees and areas for financial, non-financial, environmental, social, and corporate governance information.

- The ARC may use subjective criteria to address extraordinary situations (i.e. mergers, acquisitions, exchange rate movements, significant tax settlements, macroeconomic changes, industry impacts), ensuring fair and appropriate performance evaluation.
- The STI is paid in cash after the Board of Directors has drawn-up the annual financial statements, considering any auditor qualifications and verifying that performance or other conditions are met.

Long-Term Incentive (LTIP 2025-2027)

- The LTIP 2025-2027 is expected to be proposed by the Board of Directors for approval by the 2025 General Shareholders' Meeting.

Purpose

- Encourage proper performance and align the long-term interests of the executive Board Members with those of their shareholders.

Amounts 2025

- Target: 220% of Annual Fixed Remuneration (€3,970,467).
- Maximum: 200% of Target (€7.940,934).

Objectives

- The performance conditions defined for LTIP 2025-2027 are based on profitability, growth, ESG and value creation.
- Each metric has the following performance scale:

Performance level	Payout level
Below threshold	0%
Threshold	50%
Target	100%
Maximum	200%

- The table below shows the metrics and weightings established for LTIP 2025-2027:

Objectives	Metric	Weight
Company metrics	• Adjusted EBITDA[1]	50%
	• LfL Net Revenue[2]	40%
	• ESG	10%

[1] Adjusted EBITDA: EBITDA adjusted by excluding restructuring expenses, transaction costs and other non-recurring items, such as acquisition-related expenses of material transactions, gains and losses from the sale of businesses or real estate, and certain material non-operating items.

[2] Like-for-Like Net Revenue: Reflects organic growth by adjusting net revenue for the impact of (i) changes in scope/ perimeter, by deducting from net revenue for the relevant year the amount of net revenue generated over the months during which the acquired entities/brands were not consolidated in the prior year and (ii) exchange rates fluctuations, calculated as the difference between net revenue for the relevant year at that year's exchange rates against the euro and net revenue in the that same year at the prior year's exchange rates against the euro, using the annual average exchange rate.

Conditions

- The LTIP 2025-2027 is the first cycle of a performance-share plan ("PSP") with three overlapping tranches, each with a three-year performance period. At the beginning of the LTIP 2025-2027, beneficiaries are granted a number of Class B shares to be awarded at the end of the performance period, provided that a certain level of achievement of objectives has been attained.
- The Board of Directors, upon a favorable report from the ARC, approved the objectives outlined above at its meeting on [26] [February] 2025. At the proposal of the ARC, the Board of Directors will assess the level of achievement after the performance period has ended.
- The ARC may use subjective criteria to address situations such as mergers, acquisitions, disposals, exchange rate movements, accounting changes, significant tax settlements, macroeconomic changes, or industry impacts due to extraordinary events, ensuring fair and appropriate performance evaluation. These criteria would be detailed in the corresponding Annual Directors' Remuneration Report.
- Any number of shares resulting from the LTIP 2025-2027 would be delivered 2 months after the Board of Directors has drawn up the company's 2027 annual accounts for submission to the General Shareholders' Meeting.
- In no case may the number of shares delivered exceed the maximum number of shares authorized by the company's General Shareholders' Meeting.

Basic conditions of the contract of the Chairman and CEO

Duration

- The contract signed with the Chairman and CEO is of an indefinite nature[3].
- This position will be subject in all cases to the duration of their term of office as executive director of the company, including any subsequent renewals of that office.

Notice period

- The contract of the Chairman and CEO provides that he may terminate their contract with a notice period of, at least, twelve (12) months.

[3] References are made to the Chairman and CEO as is the only executive Board member of Puig as of the date of this Report.

Exclusivity and non-competition

- The contract of the Chairman and CEO establishes a non-competition obligation in relation to companies and activities of a similar nature to those of the company, during the term of their relationship with the company and thereafter, for a period of one (1) year from the termination of their contract. The above covenant will contain an indemnity as consideration for the post contractual non-competition obligation, which will not exceed an amount of one (1) year's fixed cash remuneration.

Malus and clawback clauses

- The Board of Directors will assess, following a report from the ARC, whether it is appropriate to apply one or both of the following measures: (i) cancel all or part of the variable remuneration pending payment (malus) and/or (ii) recover all or part of any element of variable remuneration within twenty-four (24) months after payment (clawback), when certain exceptional circumstances arise that affect the company's results or derive from inappropriate conduct by the Chairman and CEO.

- For these purposes and by way of example, the following, among others, will be considered exceptional circumstances that will be subject to assessment by the Board of Directors:

    - Restatement of the company's financial statements for reasons other than a change in the applicable accounting standards.

    - Where the Chairman and CEO has been sanctioned for a serious breach of the code of conduct and other applicable internal regulations, or for a serious breach of the duties and legislation applicable to him.

    - When it becomes evident that the settlement of the variable remuneration item in question took place totally or partially based on information that is then manifestly demonstrated to be false or seriously inaccurate, or based on other circumstances not foreseen or assumed by the company, which have a material adverse impact on the income statements.

    - When the external auditor of the company includes qualifications in its report that reduce the results taken into consideration to determine the amount of the variable remuneration to be paid.

Compensation for termination of the contract

- The termination of the Chairman and CEO's contract by a unilateral decision of the company (or equivalent situations) will entitle the Chairman and CEO to receive compensation equivalent to two (2) annual payments of the fixed remuneration that he was receiving at the time of the termination of the contract, provided that the termination was not due to a breach of his duties and functions as executive director. The compensation will not be paid until the company has been able to verify that the criteria and conditions for its receipt have been met.

Commitment to hold shares

- In addition to the terms of any LTIP in which the Chairman and CEO participates, to ensure an adequate alignment with the interests of our shareholders, the Chairman and CEO must hold the company's shares, stock options or other financial instruments related to the remuneration plans for a period of at least three (3) years. An exception is granted with respect to this obligation if he maintains, at the time of the transfer or exercise, a net economic exposure to changes in the price of the shares for a market value equivalent to an amount of at least two (2) times that Chairman and CEO's annual fixed remuneration through the ownership of shares, stock options or other financial instruments.

- The above holding requirement will not apply to shares that the Chairman and CEO requires to dispose of to pay the costs related to their acquisition or, following a favorable opinion from the ARC, to meet the demands of any extraordinary situations that may require it.

- In any case, the ARC will periodically review compliance with the holding requirements.

B. Remuneration Policy for Non-Executive Directors

As approved by the General Shareholders' Meeting of 5 April 2024, the maximum annual remuneration to be granted to Board Members, in their capacity as such, for their services to the Board of Directors and/or its respective Committees, will not exceed €3.5 million. This maximum amount will remain unchanged during the term of validity of the Remuneration Policy as long as the General Shareholders' Meeting does not approve its modification.

As of the date of this Report, and following the resolutions adopted by the Board of Directors on 26 February 2025, and upon a favorable report from the ARC, establishing the general parameters and the compensation amounts to be paid to Non-Executive Directors, they are entitled to the following fixed remuneration for 2025:

Amounts in €	Board of Directors	Audit and Compliance Committee	Appointments and Remuneration Committee	Sustainability and Social Responsibility Committee
Chairman	0	60,000	50,000	50,000
Members	110,000	40,000	30,000	30,000
Vice-Chairman	130,000	0	0	0
Lead Director	50,000	0	0	0

The Board of Directors, following a report from the ARC, may modify the above remuneration amounts within the limits of the maximum annual remuneration amount to be paid to all Board Members in their capacity as such approved by the General Shareholders' Meeting.

The above maximum limit does not include: (i) any salary, remuneration or payment made under any other concept to the Board Members and, in particular, for the performance of executive functions; (ii) payments of civil liability insurance premiums that the company may contract for its Board Members; and (iii) any reimbursement of current expenses incurred by the Board Members to attend meetings of the Board of Directors or any of its Committees.

This fixed remuneration may be paid in cash, shares of the company or shares or units ("participaciones sociales") of invested companies or a combination of both. If it is paid through the delivery of shares or units ("participaciones sociales"), it must be carried out according to the resolution of the General Shareholders' Meeting approved for such purpose.

Where the fixed remuneration described in this section is paid in shares of the company or, otherwise, the Board Members receive shares of the company as part of their remuneration, the Board Members shall hold them until they cease in their position as Board Member. The above shall not apply to any shares that the Board Member may be required to dispose of to pay the costs related to their acquisition, if applicable.

Where applicable, Board Members might receive per diems for the time dedicated to and attendance at the meetings of the Board of Directors and the Committees to which they belong.

Board Members will not receive in the current year any remuneration other than that accrued for the services rendered in their position. Likewise, no other remuneration other than the ones explained in this section is provided in the Remuneration Policy.

The granting of advance payments, loans or guarantees to Board Members is not covered in the Remuneration Policy.

4 Implementation of the Remuneration Policy in 2024

As mentioned previously on the Report, CNMV Circular 3/2021 states that "Companies that have started trading during the financial year in question will only provide information from the moment they are admitted to trading, clearly explaining this fact in the report."

As a result, in 2024, two periods can be distinguished for remuneration disclosure purposes:

- From 1 January to 3 May 2024 (Pre-Admission): Remuneration accrued in this period was already disclosed in the IPO Prospectus.
- From 3 May to 31 December 2024 (Post-Admission): Remuneration accrued in this period is disclosed in this section.

The Board of Directors has implemented the Remuneration Policy approved at the General Shareholders' Meeting held on 5 April 2024, which entered into force upon Admission.

During 2024 there was no deviation from the procedure laid down for the application of the Remuneration Policy, the applicable limits were not exceeded and no temporary exceptions to the Remuneration Policy were applied.

A. Chairman and CEO Remuneration in 2024

Fixed elements

- For the period from 3 May to 31 December 2024, Mr. Marc Puig, as Chairman and CEO, was the only executive director in the company.

Fixed Remuneration

- Fixed Remuneration accrued by the Chairman and CEO from 3 May to 31 December 2024 amounted to €1,158,553.

Remuneration in kind

- Remuneration in kind accrued by the Chairman and CEO from 3 May to 31 December 2024 amounted to €13,153. It includes, among others, a company car and life insurance policies.

Welfare schemes

- The Chairman and CEO participates in a defined contribution pension scheme in which Puig makes an annual contribution, which, for year 2024, was equivalent to 25% of the Annual Fixed Remuneration.
- The contribution in 2024 amounted to €438,048.
- As of 31 December 2024, the accumulated funds corresponding to the Chairman and CEO amounted to €3.33 Million.
- The characteristics of the pension scheme of the Chairman and CEO have been described in detail in section "Remuneration structure for the Chairman and CEO for 2025" of this Report.

Short-Term Incentive 2024 (STI 2024)

- For year 2024, the Chairman and CEO has been assigned a Short-Term Incentive equivalent to:
  - Target: 110% of his Annual Fixed Remuneration, in the event of target achievement of objectives.
  - Maximum: 200% of Target, in case of maximum achievement of objectives.
- The Board of Directors, at the proposal of the ARC, at its meeting held on 29 January 2024, agreed the metrics, weightings and performance scales that would determine the Chairman and CEO STI.

- Each metric has the following performance scale:

Performance level	Payout level
Below threshold (1)	0%
Threshold (2)	50%
Target (3)	100%
Maximum (4)	200%

- The table below shows the result of the assessment carried out at the Board meeting held on 26 February 2025 in order to determine the amount of the STI 2024:

Type of objective	Metric	Weighting	Performance level ① 0%	② 50%	③ 100%	④ 200%	Outcome
Company	Adjusted EBITDA[1]	30%					60.00%
	LfL Net Revenue[2]	30%					48.62%
	Fixed costs	10%					20.00%
	Cash Flow	10%					20.00%
Individual	ESG[3]	10%					20.00%
	Individual objectives	10%					15.00%
TOTAL		100%					183.62%

[1] Adjusted EBITDA: EBITDA[APM] adjusted by excluding restructuring expenses, transaction costs and other non-recurring items, such as acquisition-related expenses of material transactions, gains and losses from the sale of businesses or real estate, and certain material non-operating items.

[2] Like-for-Like Net Revenue: Reflects organic growth by adjusting net revenue for the impact of (i) changes in scope/ perimeter, by deducting from net revenue for the relevant year the amount of net revenue generated over the months during which the acquired entities/brands were not consolidated in the prior year and (ii) exchange rates fluctuations, calculated as the difference between net revenue for the relevant year at that year's exchange rates against the euro and net revenue in the that same year at the prior year's exchange rates against the euro, using the annual average exchange rate.

[3] ESG: Be an ambassador of ESG priorities for 2024 within the framework of the 2030 Agenda and continue building the path towards the commitments made for 2030 (1.5ºC Paris Agreement, SBTs targets) and 2050 (net zero).

- Based on the foregoing, the ARC has determined an overall weighted payout level of 183.62% of Target.

- As a result, at the favorable recommendation of the ARC, the Board of Directors approved, at its meeting held on 26 February 2025, a Short-Term Incentive for the Chairman and CEO, corresponding to the period from 3 May 2024 until 31 December 2024, in the amount of €2,340,069. This amount corresponds to a 202% of the Annual Fixed Remuneration and 92% of maximum incentive.

- This remuneration will be paid in cash in March.

Long-Term Incentives

According to the provisions of the former incentive plans, after Admission:

- All the put options granted to the beneficiaries under the former incentive plans ceased to be effective. Accordingly, the Admission resulted in the entire cancellation of any liability related to the former incentive plans;
- A limited number of call options granted to some of the beneficiaries under the former incentive plans ceased to be effective. The call options that following Admission remain effective may be exercised by Puig over the Class B Shares that are subject to a lock-up restriction and during the period that such lock-up restriction applies; and
- As a result, the former incentive plans are effective only in respect of certain lock-up restrictions and the right of the company to exercise the call options granted by the beneficiaries over certain Class B Shares (the call options may be exercised during the same period that the lock-up restriction applies).

Additional information on the former incentive plans can be found in the Prospectus under the section “Board of Directors and Management”, subsection “Management incentive plans”.

Extraordinary incentive and awards

- According to the Remuneration Policy, the Chairman and CEO may receive extraordinary incentives, which will be approved by the Board of Directors, at the proposal of the ARC.
- On 19 March 2024, the Board of Directors, at the proposal of the ARC, approved (i) an extraordinary award for all of the employees (including the Chairman and CEO, other Senior Officers and other key employees) (the “Offering Extraordinary Award”), in recognition for their contribution during all the years prior to the IPO helping Puig to succeed and position in the market; and (ii) an extraordinary incentive for our Chairman and CEO due to his extraordinary contribution in connection with the IPO. The amount corresponding to the Offering Extraordinary Award and the extraordinary incentive was paid in cash following Admission.
- The extraordinary incentive and Offering Extraordinary Award for the Chairman and CEO amounted to €9,266,400.

Basic conditions of the contract of the Chairman and CEO

- On 5 April 2024 Puig entered into a mercantile agreement with the Chairman and CEO. The basic conditions of the contract have been described in detail in section "Remuneration structure for the Chairman and CEO" of this Report.

Shareholding policy commitment

- The Chairman and CEO must hold the company's shares, stock options or other financial instruments related to the remuneration plans for a period of at least three (3) years. An exception is granted with respect to this obligation if the Board Member maintains, at the time of the transfer or exercise, a net economic exposure to changes in the price of the shares for a market value equivalent to an amount of at least two (2) times that Board Member's annual fixed remuneration through the ownership of shares, stock options or other financial instruments.

- As of 31 December 2024, the Chairman and CEO holds a number of shares which allows him to be comfortably over the shareholding policy requirement.

B. Non-Executive Directors Remuneration in 2024

Total remuneration of Non-Executive Directors for the period from 3 May to 31 December 2024 is shown below:

Name	Category	Roles[1]	Accrual period	Total[2]
Marc Puig	Executive	• Chairman of BoD • Member of SSR Committee	3/5/2024 - 31/12/2024	0
Manuel Puig	Proprietary	• Vice-Chairman of BoD • Chairman of SSR Committee	3/5/2024 - 31/12/2024	165
Josep Oliu	Proprietary	• Member of BoD	3/5/2024 - 31/12/2024	112
Yiannis Petrides	Other external	• Member of BoD • Member of AC Committee • Member of SSR Committee	3/5/2024 - 31/12/2024	188
Rafael Cerezo	Other external	• Member of BoD • Member of AR Committee • Member of AC Committee	3/5/2024 - 31/12/2024	202
Jordi Constans	Independent	• Member of BoD (Lead Independent Director) • Member of AR Committee	3/5/2024 - 31/12/2024	185
Patrick Chalhoub	Other external	• Member of BoD	3/5/2024 - 31/12/2024	121
Daniel Lalonde	Independent	• Member of BoD • Chairman of AC Committee	3/5/2024 - 31/12/2024	162
Nicolas Mirzayantz	Independent	• Member of BoD • Member of AC Committee • Member of SSR Committee	3/5/2024 - 31/12/2024	139
Christine Ann Mei	Independent	• Member of BoD • Member of AR Committee	3/5/2024 - 31/12/2024	109
Ángeles García-Poveda	Independent	• Member of BoD • Chairwoman of AR Committee • Member of SSR Committee	3/5/2024 - 31/12/2024	135
Tina Müller	Independent	• Member of BoD	3/5/2024 - 31/12/2024	57
María Dolores Dancausa	Independent	• Member of BoD • Member of AC Committee	3/5/2024 - 31/12/2024	77
TOTAL				1,652

[1] BoD = Board of Directors AC = Audit and Compliance AR = Appointments and Remuneration SSR= Sustainability and Social Responsibility
[2] Remuneration in thousand euros, and rounded to the nearest whole number.

As a result, from 3 May 2024 to 31 December 2024, total accrued remuneration of Non-Executive Directors amounted to 1,652 thousand euros. This remuneration, together with the remuneration accrued from 1 January 2024 to 3 May 2024 is below the maximum total annual remuneration limit of €3.5 million set in the Remuneration Policy.

During 2024, no supplementary remuneration has been accrued by the Board Members in consideration for the provision of services other than those inherent in the position, neither by the company or a third company. Likewise, no advance payment, loans or guarantees have been granted to any Board Member.

5
ARC in 2024

A. Composition and profiles

4	Members
Independent	Chair
75%	Independent
25%	Other external
5	meetings in 2024 (2 Pre-Admission and 3 Post-Admission)

Ángeles García-Poveda Morera

Chair



Ángeles García-Poveda joined Puig as an independent Director in 2023.

She chairs the board of Legrand S.A. since 2020, after having served as lead independent Director between 2013 and 2020. She also serves as non-executive Director at Edenred S.A. and Bridgepoint plc.

She began her business career as a financial analyst at A.B. Asesores Bursátiles in 1992. She then worked for The Boston Consulting Group in Madrid and Paris between 1993 and 2008, first as a consultant and later in various Human Resources and talent management positions up to managing recruiting globally.

She joined Spencer Stuart in 2008, where she became partner in the Board and CEO practice, and was successively Head of France, Head of EMEA, and elected board member, before becoming a Senior Advisor until 2023.

Ángeles García-Poveda is a member of the Medef Executive Committee and the HCGE (Haut Comité pour la Gouvernance d'Entreprise).

Ángeles García-Poveda holds a bachelor's degree in European Business Studies from Universidad Pontificia de Comillas (Madrid) and NEOMA (Reims). Furthermore, she coursed the Business Case Study Program in Harvard University.

Category	Independent
Seniority	1.5 years
Att. 2024	100%
Nationality	Spanish

Jordi Constans

Member



Jordi Constans joined Puig as Director in 2013.

Before joining Puig, he developed his professional career at global well-known companies such as Danone, S.A., which he joined in 1990 and where he became the President of the dairy division until 2011, and Louis Vuitton, where he served as President and CEO from 2011 to 2012.

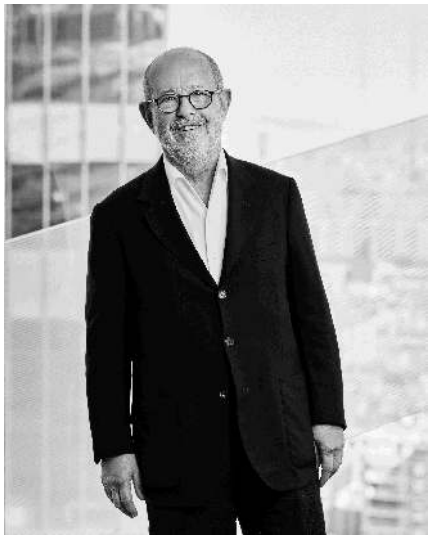
He currently serves as a member of the board of directors of Fluidra, S.A. and Punto Fa, S.L. (Mango) and provides advisory services to other companies.

Jordi Constans holds a bachelor's degree in Economics from the University of Barcelona and a bachelor's degree in Business Administration from ESADE. Furthermore, he is former student of IESE's General Management Program.

Category	Independent
Seniority	11 years
Att. 2024	100%
Nationality	Spanish

Rafael Cerezo

Member



Rafael Cerezo joined Puig as Director in 2007.

He began his professional career at the Commission of the European Communities in Brussels in 1974 and then joined The Boston Consulting Group in 1977 where he served in various positions uninterruptedly until 2008 save for the period between 1980 and 1982, where he was the Managing Director of Etasa, S.A.'s UK subsidiary.

At The Boston Consulting Group, he led the company's landing in Spain in 1985 and ten years later he was elected member of the worldwide Executive Committee. From 1996 to 2002, he served as European Chairman, and after this period he returned to be fully dedicated to clients in the Iberian Peninsula and served as managing director of Central and Eastern Europe.

Rafael Cerezo joined the advisory committee of Exea Empresarial, S.L. in 2008. He currently serves as director of Felden, S.L., Fad Juventud and ISDIN, S.A.

Rafael Cerezo holds a bachelor's degree in Economics from London School of Economics and a master's degree in Business Administration (MBA) from Columbia University.

Category	External
Seniority	13 years
Att. 2024	100%
Nationality	Spanish

Christine A. Mei

Member



Christine A. Mei joined Puig as Director in 2023.

She began her professional career at The Procter & Gamble Company, where she worked in the China division. Then she joined Nike, Inc. in Hong Kong as regional marketing director. She later worked for Click2Asia.com as senior vice-president of marketing in Los Angeles, and for The Dow Chemical Company in Houston as the global director of the corporate brand management and new business development divisions.

In 2004, Christine A. Mei joined The Coca-Cola Company, where she became strategic planning director of Coca-Cola North America in 2006, manufacturing director of the U.S. south region division in 2011, and vice-president of the vending sales and operation division from 2013 to 2014.

Christine A. Mei served as senior vice-president and business leader of the global Kitchen Appliances business at Royal Philips in Shanghai, and as corporate senior vice-president of Beiersdorf's Asia-Pacific region from 2014 to 2016 and 2016 to 2019, respectively.

She later joined Gathered Foods Corporation as CEO until 2022. In 2023 she was appointed board director of SKU, a consumer goods accelerator. She is also the founding principal of The Cozabe Group, LLC and a professor of practice at The Cockrell School of Engineering at The University of Texas at Austin.

Christine A. Mei holds a bachelor's degree in Chemical Engineering from The University of Texas and a master's degree in Business Administration (MBA) from Rice University.

Category	Independent
Seniority	1.5 years
Att. 2024	100%
Nationality	American

B. Work carried out in 2024

Semester 1

29 January

- Check status of LTIP 24-26.
- Review of the principal results and KPIs of the previous year's bonus awards (STI – 2023).
- Define scales of the principal KPIs of the bonus awards for the next year (STI - 2024) + Structure ESG, for the Chairman and CEO & Senior managers.
- Review new Board Members' search.

12 March

- Check list on ARC's responsibilities linked to the IPO.
- Launch the performance of the functioning of the Board of Directors and the Chairman and CEO evaluation.
- Examine succession plans.
- Review new Board Members' search.

26 June

- Examine succession plan and organizational proposals for Senior Managers.
- Review Chairman and CEO's proposal on grant 2 of LTIP (Structure and objectives).
- Check principal results and KPIs used for the year's bonus awards.
- Review Sr. Managers external evaluation.
- Review new Board Members' search.

Semester 2

4 October

- Examine succession plan and organizational proposals for Sr. Managers.
- Propose policy guidelines for following year's salary review.
- Revise remuneration policy for Sr. Managers (STI).
- In light of OC, review Policies and new requirements.
- Review agenda and calendar of the ARC for the following year.
- Review new Board Members' search.

18 November

- Review salary proposals for Senior Managers (criteria for salary increases 2025).
- Review structure of the principal KPIs of the bonus awards for next year (STI).
- Review Chairman and CEO's salary proposal 2025.
- Review Chairman and CEO's proposal on new LTIP (Structure, objectives beneficiaries and amounts.

C. Work carried out in 2025

27 January

- Review of the principal results and KPIs of the previous year's bonus awards (STI – 2024).
- Define scales of the principal KPIs of the bonus awards for the next year (STI - 2025) for the Chairman and CEO & Senior managers.
- Board of Directors compensation proposal.

13 February

- Approve and propose to the Board of Directors the LTIP documentation.
- Define Chairman and CEO's ESG and individual objective and scales 2025.
- Approve and propose to Board of Directors the Annual Directors' Remuneration Report.

D. Procedures and bodies involved in the Remuneration Policy

According to regulation from the Spanish Companies Act and Puig's internal regulations (Corporate Bylaws, Regulations of the General Shareholders' Meeting and Board of Directors Regulations), the company has the following bodies involved in the determination, approval and application of the Remuneration Policy:

General Shareholders' Meeting

Determination and design of the remuneration elements

- It approves the Remuneration Policy at least every three years as a separate item on the agenda.
- It approves the maximum amount of the annual remuneration for all the Directors in their positions as such.
- It approves the variable remuneration systems for the Directors that include payment in shares or stock options or share-linked instruments.
- Advisory vote on the Annual Directors' Remuneration Report, detailing the remuneration policy for the current year.

Application of the variable remuneration

- Advisory vote on the Annual Directors' Remuneration Report, in which the remuneration accrued during the financial year is disclosed.

Board of Directors

Determination and design of the remuneration elements

- It approves adaptations or updates to the Remuneration Policy to be submitted to vote at the General Shareholders' Meeting.
- It approves the Annual Directors' Remuneration Report to be submitted to the advisory vote at the General Shareholders' Meeting
- With regards to directors in their positions as such:
  - It approves the allocation of the maximum amount approved by the General Shareholders' Meeting among the various Board Members in accordance with Puig's bylaws and the criteria established in the Remuneration Policy and by the Board of Directors.

- With regards to the Chairman and CEO:
  - It approves the fixed remuneration in the terms set out in the Remuneration Policy and the main terms and conditions of the variable remuneration systems.
  - It approves the contracts that regulate the duties and responsibilities of the Chairman and CEO.

Application of the variable remuneration

- It approves the design, target amounts, the level the targets are achieved and the amounts of the incentive payable, if any, for the variable remuneration elements of the Chairman and CEO, based on a proposal made by the ARC.
- It approves the Annual Directors' Remuneration Report to be submitted to the advisory vote of the General Shareholders' Meeting.
- It evaluates, if necessary, application of the malus and clawback clauses.

Analysis of the external competitiveness of the remuneration

- It is reported based on analysis and remuneration studies of the Directors' remuneration conducted by the ARC.

Appointments & Remuneration Committee

Determination and design of the remuneration elements

- With regards to directors in their positions as such:
  - It submits a report to the Board of Directors for their approval on the remuneration amount corresponding to each Board Member within the maximum amount approved by the General Shareholders' Meeting.
  - I reviews the Directors' remuneration on a regular basis to ensure that it is appropriate for the duties they perform.
- With regards to the Chairman and CEO:
  - It submits a report to the Board of Directors for their approval in connection with the fixed remuneration for the executive Board Members considering, among other factors, their level of responsibility and leadership within the organization, promoting the retention of key staff, attracting top talent and creating sufficient economic independence to ensure a balance with the significance of other items included in the remuneration.
  - It reviews, on an annual basis, the terms and conditions for the variable remuneration, including the structure and maximum levels of remuneration, the targets set and the weighting of each of them, taking into account the company's strategy, needs and business situation. These conditions are subject to the approval of the Board of Directors.

  - It submits a report to the Board of Directors on the terms and conditions of the contracts that regulate the duties and responsibilities of the Chairman and CEO.

  - It proposes the Annual Directors' Remuneration Report and the Remuneration Policy, when appropriate, to the Board of Directors.

- When carrying out these actions, the ARC takes into account the (advisory) votes of the shareholders at the General Shareholders' Meeting to which the Annual Directors' Remuneration Report for the previous year was submitted.

Application of the variable remuneration

- It proposes the targets at the beginning of each measurement period to the Board of Directors.

- It delivers a report to the Board of Directors assessing achievement of the targets at the end of the measurement period. Since payment of the variable remuneration is subject to sufficient verification that the stipulated targets have effectively been achieved, as determined in recommendation 59 of the Good Governance Code of Listed Companies, this assessment is carried out on the basis of the results audited by the company's external and internal auditors, which are first analyzed by the Audit and Compliance Committee, as well as the level of achievement of the targets. In this respect, for the purpose of ensuring that there is an effective relation between the variable remuneration and the professional performance of the recipients thereof, any positive or negative economic impact caused by extraordinary events that could distort the findings of the assessments are disregarded.

- Submits a report to the Board of Directors, when appropriate, on whether or not application of the malus and clawback clauses is necessary.

- It delivers a report to the Board of Directors on the variable remuneration payable to the Chairman and CEO. Such report also considers the long-term results and any associated risk in the proposed variable remuneration.

- It proposes the Annual Directors' Remuneration Report and, when appropriate, the Remuneration Policy to the Board of Directors.

Analysis of the external competitiveness of the remuneration

- It oversees the compliance with the Remuneration Policy and regularly reviews the Directors’ remuneration. This reviewal process includes an external competitive remuneration analysis and also takes into account the Remuneration Policy for executive Board Members and other employees in the organization.

Audit and Compliance Committee

Application of the variable remuneration

- It analyzes the results audited by the external and internal auditor to evaluate achievement of the objectives for the variable remuneration.

Sustainability and Social Responsibility Committee

Application of the variable remuneration

- Prepares reports related to the achievement level of the operative, financial and non-financial targets based on the results audited by the company's external and internal auditor.

General Counsel

Determination and design of the remuneration elements

- This person prepares the formal documents related to the Remuneration Policy to be submitted to the General Shareholders' Meeting, the Board of Directors, the Executive Committee and/or the Advisory or Supervisory Committees.
- Together with HR Management, he/she prepares the Annual Directors' Remuneration Report.

Application of the variable remuneration

- Together with HR Management, it prepares the Annual Directors' Remuneration Report.

Human Resources

Determination and design of the remuneration elements

- It prepares the proposals related to the design of the Remuneration Policy applicable to the Chairman and CEO.
- Together with the General Counsel, it prepares the Annual Directors' Remuneration Report.

Application of the variable remuneration

- Together with General Counsel, it prepares the Annual Directors' Remuneration Report.

Analysis of the external competitiveness of the remuneration

- It regularly reviews the Directors' remuneration.

External Advisors in 2024

Determination and design of the remuneration elements

- WTW and Linklaters provided advice on preparing the Annual Directors' Remuneration Report for 2024.
- Cuatrecasas provided advice on the drafting of the new LTIP regulations.

Analysis of the external competitiveness of the remuneration

- WTW provided advice on the comparative analysis of the Non-Executive Directors’ against the market.
- Mercer provided advice on the comparative analysis of senior executives’ remuneration package against the market.

6 Alignment with strategy, interests, long-term sustainability and risk mitigation

Puig's Remuneration Policy has the following features that reduces its exposure to excessive risks and adjusts to the company's long-term targets, values and interests:

Strategy, interests, long-term sustainability

- The design of the Remuneration Policy, consistent with the company's strategy and aimed at obtaining long-term results, has the following main characteristics:
  - The total remuneration for the Chairman and CEO and senior executives consists of various components, mainly composed of the following:
    - Fixed Remuneration,
    - Short-Term Incentive and
    - Long-Term Incentive.
  - In the case of the Chairman and CEO, under normal conditions, the long-term component accounts for a weight no less than 50% of their total remuneration in a scenario of target achievement of objectives (fixed + short-term variable + long-term variable).
  - The LTIPs are part of a multi-annual framework in order to ensure that the assessment process is based on long-term profits and that the company's underlying economic cycle is taken into account. This remuneration is allocated and paid in the form of shares based on the creation of value, so that the senior executives' interests (including those of the Chairman and CEO) are in line with those of the shareholders. In addition, LTIPs are structured in overlapping cycles that generally follow one another indefinitely over time, with a permanent focus on the long-term in all decision-making.
  - Under the Remuneration Policy, if the Chairman and CEO does not fulfill the commitment to permanently hold the shares, the retention period of the shares that, if any, the Chairman and CEO receives due to any variable remuneration component will be increased up to 3 years.
  - A suitable balance between the fixed and variable components of the remuneration: the Chairman and CEO has a variable remuneration scheme that is fully flexible, which includes a minimum threshold below which no incentive is payable. The Short-Term Incentive and the LTIPs percentage can be relevant in the event of maximum objective performance. In any case, such percentage with respect to the total remuneration (considered as the Fixed Remuneration, Short-Term Incentive and annualized Long-Term Incentive) will not exceed 87.8%.
  - Receiving 10% of both the Short-Term Incentive and the Long-Term Incentive is linked to ESG metrics.
  - Furthermore, the Chair of the ARC also serves on the Sustainability and Social Responsibility Committee. The cross presence of the mentioned Board Member in these two Committees ensures the consideration of sustainability in the realm of remunerations.

Risk mitigation

- No guaranteed variable remuneration.
- The variable remuneration is only payable after the date the relevant annual accounts have been drawn up, once the achievement level of the operating and financial objectives can be determined.
- The ARC considers the quality of the results in the long-term and any associated risk in the evaluation process of variable remuneration.
- The design of the LTIPs, each one with three-year cycles, implies an interrelation with the results in each year, therefore acting as an alignment catalyst with the company's long-term interests and cautious decision-making.
- The ARC is required to report to the Board of Directors in the context of the Board of Directors' assessment on the application of malus and/or clawback clauses to the variable remuneration under certain circumstances.
- The Remuneration Policy contains specific and consistent clawback clauses, to be applied to any variable remuneration component. In this respect, in addition to adhering to recommendation 59 of the Good Governance Code of Listed Companies when assessing the achievement of objective prior to the payment of variable remuneration, the possibility is established to fully recover any variable remuneration component within two (2) years after payment thereof (clawback), when certain exceptional situations arise that affect the company's results or are related to the Chairman and CEO's inappropriate conduct.
- The company's Audit and Compliance Committee takes part in the decision-making process related to the Short-Term Incentive of the Chairman and CEO by verifying the economic-financial and non-financial information that may be part of the objectives set for the purpose of such remuneration, as this committee must first verify the company's results as the basis for calculating the relevant objectives.
- Regarding the measures required to avoid conflicts of interest by the directors, according to the provisions in the Spanish Companies Act, the Regulations of Puig's Board of Directors includes a series of obligations related to its duties of loyalty and to avoid situations of conflict of interest. Moreover, the Regulations of Puig's Board of Directors determine that one of its duties is to ensure that possible conflicts of interest do not harm the independence of the external advice provided to the ARC.

7 Statistical Annex

Appendix: Statistical Appendix to the Annual Report on the Remuneration of Directors of listed companies (CNMV Circular 3/2021 of 28 September) for Puig Brands, S.A., which is attached as an appendix to this report.

Appendix. Statistics Relating to the Annual Report on Director Remuneration of Listed Companies

Issuer Identification Details

Year end-date

2024

Company Name

Puig Brands, S.A.

Registered Office:

Plaça Europa, 46-48 08902 L'Hospitalet dlobregat (Barcelona)

B. Overall Summary of How Remuneration Policy was Applied During the Year Last Ended

B4. Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favor, votes against, abstentions and blank ballots: :

	Number	% of total
Votes cast		

	Number	% of votes cast
Votes against		
Votes in favour		
Blank ballots		
Abstentions		

Observations

As the Admission occurred in the 2024 financial year, the first vote on the Remuneration Report by shareholders will take place in 2025.

C. Itemized Individual Remuneration Accrued by Each Director

Name	Type	2024 accrual period
Mr. Marc Puig	Executive Director	From 03/05/2024 to 31/12/2024
Mr. Manuel Puig	Proprietary Director	From 03/05/2024 to 31/12/2024
Mr. Josep Oliu	Proprietary Director	From 03/05/2024 to 31/12/2024
Mr. Yiannis Petrides	Other external Director	From 03/05/2024 to 31/12/2024
Mr. Rafael Cerezo	Other external Director	From 03/05/2024 to 31/12/2024
Mr. Jordi Constans	Independent Director	From 03/05/2024 to 31/12/2024
Mr. Patrick Chalhoub	Other external Director	From 03/05/2024 to 31/12/2024
Mr. Daniel Lalonde	Independent Director	From 03/05/2024 to 31/12/2024
Mr. Nicolas Mirzayantz	Independent Director	From 03/05/2024 to 31/12/2024
Ms. Christine Ann Mei	Independent Director	From 03/05/2024 to 31/12/2024
Ms. Ángeles García-Poveda	Independent Director	From 03/05/2024 to 31/12/2024
Ms. Tina Müller	Independent Director	From 03/05/2024 to 31/12/2024
Ms. Maria Dolores Dancausa	Independent Director	From 03/05/2024 to 31/12/2024

C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed Remuneration	Per diem allowances	Remuneration for membership of Board's committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance payment	Other items	Total in 2024	Total in 2023
Mr. Marc Puig				1,159	2,340			9,266	12,765	
Mr. Manuel Puig	142		23						165	
Mr. Josep Oliu	112								112	
Mr. Yiannis Petrides	112		76						188	
Mr. Rafael Cerezo	126		76						202	
Mr. Jordi Constans	152		33						185	
Mr. Patrick Chalhoub	112		9						121	
Mr. Daniel Lalonde	112		50						162	
Mr. Nicolas Mirzayantz	84		55						139	
Ms. Christine Ann Mei	84		25						109	
Ms. Ángeles García-Poveda	84		51						135	
Ms. Tina Müller	57								57	
Ms. Maria Dolores Dancausa	57		20						77	

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of the Plan	Financial instruments at start of 2024		Financial instruments granted during 2024		Financial instruments consolidated during the year				Instruments matured but not exercised	Financial instruments at end of 2024	
		Nº of instruments	Nº of equivalent shares	Nº of instruments	Nº of equivalent shares	Nº of instruments	Nº of equivalent shares consolidated	Price of the consolidated shares	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. of equivalent shares
No data												

iii) Long-term savings schemes

Name	Remuneration from consolidation of rights to savings system
	Year 2024
Mr. Marc Puig	

Name	Contribution over the year from the company (thousand €)				Amount of accumulated funds (thousand €)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023
Mr. Marc Puig			438				3,333	

iv) Details of other items

Name	Item	Remuneration amount
Mr. Marc Puig	Remuneration in kind	13

b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies

i) Remuneration accrued in cash (thousands of euros)

Name		Fixed Remuneration	Per diem allowances	Remuneration for membership of Board's committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance payment	Other items	Total in 2024	Total in 2023
	No data										

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of the Plan	Financial instruments at start of 2024		Financial instruments granted during 2024		Financial instruments consolidated during the year				Instruments matured but not exercised	Financial instruments at end of 2024	
		Nº of instruments	Nº of equivalent shares	Nº of instruments	Nº of equivalent shares	Nº of instruments	Nº of equivalent shares consolidated	Price of the consolidated shares	Gross profit from consolidated shares or financial instruments (thousands of €)	No. of instruments	No. of instruments	No. of equivalent shares
No data												

iii) Long-term savings schemes

Name	Remuneration from consolidation of rights to savings system
	Year 2024
No data	

Name	Contribution over the year from the company (thousand €)				Amount of accumulated funds (thousand €)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023	Year 2024	Year 2023
No data								

iv) Details of other items

Name	Item	Remuneration amount
No data		

c) Summary of remuneration (thousands of euros)

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

	Remuneration accrued in the company					Remuneration accrued in group companies					
Name	Total cash remuneration	Gross profit of consolidated shares or financial instruments	Remuneration for long term savings systems	Remuneration for other items	Total 2024 company	Total cash remuneration	Gross profit of consolidated shares or financial instruments	Remuneration for long term savings systems	Remuneration for other items	Total 2024 group	Total 2024 company + group
Mr. Marc Puig	12,765			13	12,778						12,778
Mr. Manuel Puig	165				165						165
Mr. Josep Oliu	112				112						112
Mr. Yiannis Petrides	188				188						188
Mr. Rafael Cerezo	202				202						202
Mr. Jordi Constans	185				185						185
Mr. Patrick Chalhoub	121				121						121
Mr. Daniel Lalonde	162				162						162
Mr. Nicolas Mirzayantz	139				139						139
Ms. Christine Ann Mei	109				109						109
Ms. Ángeles García-Poveda	135				135						135
Ms. Tina Müller	57				57						57
Ms. Maria Dolores Dancausa	77				77						77
TOTAL	14,417			13	14,430						14,430

C. 2 Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company

							Total amounts accrued and % annual variation		
	2024	% variation 2024/2023	2023	% variation 2023/2022	2022	% variation 2022/2021	2021	% variation 2021/2020	2020
Executive directors									
Mr. Marc Puig	12,778	—	0	—	0	—	0	—	0
Non-Executive Directors									
Mr. Manuel Puig	165	—	0	—	0	—	0	—	0
Mr. Josep Oliu	112	—	0	—	0	—	0	—	0
Mr. Yiannis Petrides	188	—	0	—	0	—	0	—	0
Mr. Rafael Cerezo	202	—	0	—	0	—	0	—	0
Mr. Jordi Constans	185	—	0	—	0	—	0	—	0
Mr. Patrick Chalhoub	121	—	0	—	0	—	0	—	0
Mr. Daniel Lalonde	162	—	0	—	0	—	0	—	0
Mr. Nicolas Mirzayantz	139	—	0	—	0	—	0	—	0
Ms. Christine Ann Mei	109	—	0	—	0	—	0	—	0
Ms. Ángeles García-Poveda	135	—	0	—	0	—	0	—	0
Ms. Tina Müller	57	—	0	—	0	—	0	—	0
Ms. Maria Dolores Dancausa	77	—	0	—	0	—	0	—	0
Company results	692,506	—	0	—	0	—	0	—	0
Average employee remuneration	59	—	0	—	0	—	0	—	0

D. Other Information of Interest

This annual remuneration report was approved by the Board of Directors of the company in its meeting of 26/02/2025.

Indicate whether any director voted against or abstained from approving this report.

No.

In Barcelona, on February 26, 2025

Mr. Marc Puig Guasch
Chairman and CEO

Mr. Manuel Puig Rocha
Vice Chairman

Mr. Rafael Cerezo Laporta
Board member

Mr. Patrick Raji Chalhoub
Board member

Mr. Jordi Constans Fernandez
(identified in his passport as Jorge Valentín Constans Fernández)
Lead Director

Ms. Ángeles Garcia-Poveda Morera
Board member

Mr. Daniel Lalonde
Board member

Ms. Christine Ann Mei
Board member

Mr. Nicolas Mirzayantz
Board member

Mr. Josep Oliu Creus
Board member

Mr. Yiannis Petrides
(identified in his passport as Ioannis Petrides)
Board member

Ms. Maria Dolores Dancausa
Board member

Ms. Tina Müller
Board member

Annual Corporate Governance Report

2024

(Translation of a report officially issued in Spanish. In the event of a discrepancy, the Spanish language version prevails)

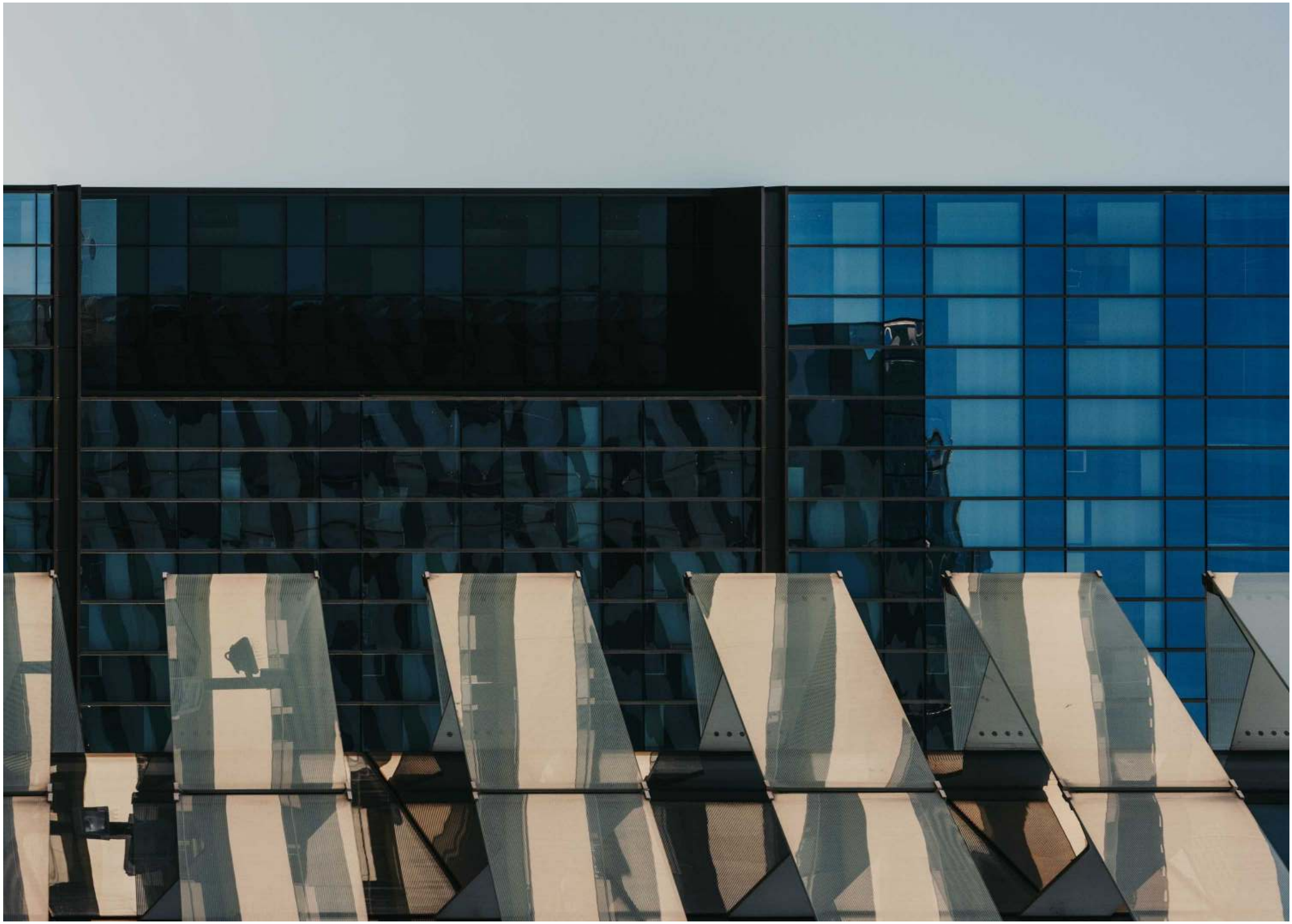


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A.

Ownership structure

A.1

Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with loyalty vote, as of the year end date, where appropriate:

Indicate whether the company's articles of association contain the provision on double loyalty vote:

No.

Indicate whether the company has awarded loyalty votes:

No.

Date of the last amendment of the share capital	7/5/2024
Share capital	€128,499,385.08
Number of shares	568,187,026
Number of voting rights (not including additional loyalty-attributed votes)	2,141,656,418
Number of additional attributed voting rights corresponding to shares with a loyalty vote	N/A
Total number of voting rights, including additional loyalty-attributed votes	N/A

Number of shares registered in the special register pending the expiry of the loyalty period:

Not applicable.

Notes

At the date of approval of this report, the share capital of Puig Brands, S.A. amounts to ONE HUNDRED AND TWENTY-EIGHT MILLION, FOUR HUNDRED AND NINETY-NINE THOUSAND, THREE HUNDRED AND EIGHTY-FIVE EUROS AND EIGHT CENTS (€128,499,385.08) represented by FIVE HUNDRED AND SIXTY-EIGHT MILLION, ONE HUNDRED AND EIGHTY-SEVEN THOUSAND TWENTY-SIX (568,187,026) shares, fully subscribed and paid up, belonging to two different classes:

1. Class A: 393,367,348 nominative Class A shares, each with a nominal value of THIRTY CENTS (€0.30), and each one granting five (5) votes and the other rights established in the Company's articles of association.

2. Class B: 174,819,678 nominative Class B shares, each with a nominal value of SIX CENTS (€0.06), and each one granting one (1) vote and the other rights established in the Company's articles of association.

Hereinafter, the terms "Puig" or the "Company" will be used to refer to "Puig Brands, S.A.".

Indicate whether there are different classes of shares with different associated rights:

Yes.

Class	Number of shares	Par value	Number of voting rights	Rights and obligations conferred
Class A	393,367,348	€0.30.	Five (5)	In accordance with article 5bis of the Company's articles of association: • Voting right: Five (5) votes per share. • Pre-emption right and right to free assignment of new Class A shares: Except where the pre-emption right, free assignment right or any other comparable preferential right does not exist or is excluded, the issue, grant or delivery of (x) Company shares (of any kind), or (y) any right or other securities or financial instruments that grant the right, directly or indirectly, to acquire subscribe or otherwise receive Company shares or that are exchangeable for or convertible into Company shares, will be resolved by the Company: • either with the simultaneous issuance, granting or delivery of Class A shares and Class B shares in the same proportion represented by the number of shares of each class over the total number of shares into which the share capital of the Company is divided when the increase or issue resolution is adopted; or • either by the issuance, granting or delivery of any rights or other securities or financial instruments that, directly or indirectly, give the right to acquire, subscribe or otherwise receive Class A shares and Class B shares in the proportion indicated in the foregoing section or are exchangeable for or convertible into Company shares in the above-mentioned proportion between Class A and Class B shares. With full respect for the principle of proportionality described above, the pre-emption right, right of free assignment or any other comparable preferential right for Class A shares will only involve Class A shares (or any rights or other securities or financial instruments that, directly or indirectly, give the right to acquire, subscribe or otherwise receive Class A shares or that are exchangeable for or convertible into Class A shares). In capital increases charged to reserves or to the issuance premium of shares carried out with an increase in the nominal value of the shares issued, the Class A shares as a whole will be entitled to increase their nominal value by the same proportion as the total nominal value represented by the Class A shares in circulation at the time of adoption of the resolution with respect to the total share capital of the Company represented by the Class A and Class B shares in circulation at that time. • Right to convert into Class B shares: Each Class A shares grants its holder the right to convert it into a Class B share at any time. • Other rights: Moreover, each Class A share grants the other rights, including economic rights, recognized by law and by the articles of association and that are inherent to the shareholder status.

Class B	174,819,678	€0.06.	One (1)	In accordance with article 5bis of the Company's articles of association: • Voting rights: Each Class B share grants one (1) vote. • Pre-emption right and right to free assignment of new Class B shares: With full respect for the principle of proportionality between the number of Class A shares and Class B shares over the total Company shares, the pre-emption right, right of free assignment or any other comparable preferential right for Class B shares will only involve Class B shares (or any rights or other securities or financial instruments that, directly or indirectly, give the right to acquire, subscribe or otherwise receive Class B shares or that are exchangeable for or convertible into Class B shares). In capital increases charged to reserves or to the issue premium of shares carried out with an increase in the nominal value of the shares issued, the Class B shares as a whole will be entitled to increase their nominal value by the same proportion as the total nominal value represented by the Class B shares in circulation at the time of adoption of the resolution with respect to the total share capital of the Company represented by the Class A and Class B shares in circulation at that time. • Other rights: Notwithstanding the provisions of the foregoing sections and the terms of the legislation in force, each Class B share, despite having a lower nominal value, grants the same economic and financial rights as each Class A share. In particular, each Class B share grants its holder the right to receive the same dividend, the same liquidation quota, the same refund of contributions in the case of a capital decrease, distribution of reserves of any kind (including, where applicable, premiums for attending the General Shareholders' Meeting) or of the issuance premium and any other distributions that correspond to each Class A share, all with the same terms that apply to each Class A share. In the event of a capital decrease due to losses by means of the decrease of the nominal value of the Class A shares and the Class B shares, this decrease will affect each class of shares in proportion to its respective nominal value so that, after the decrease, the same proportion between the number of Class A shares and Class B shares over the total Company shares is maintained.

A.2

List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or corporate name of shareholder	% of voting rights attached to the shares (including loyalty votes)		% of voting rights through financial instruments		% of total voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
EXEA EMPRESARIAL, S.L.		92.966			92.966	N/A	N/A

Notes

In accordance with the terms of articles 23.1 and 32 of Royal Decree 1362/2007, of 19 October, a shareholder is considered to own a significant stake when it holds at least 3% of the voting rights (or 1% in the event the obliged shareholder in question is resident in a tax haven or country or territory with zero taxation or with which there is not effective exchange of tax information).

The information supplied on significant shareholding is based on the notifications sent by the shareholders to the Spanish Securities Market Commission ("Comisión Nacional del Mercado de Valores") ("CNMV") and/or to the Company itself. Specifically, the percentages held by "Exea Empresarial,

S.L." have been calculated using the voting rights notified in the last notice sent to the CNMV and the total number of voting rights in the Company at closing of the 2024 financial year.

According to the last notice sent to the CNMV, Exea Empresarial, S.L. controls Puig, S.L. by holding the majority of its voting rights directly and indirectly through Puig-Gest, S.A. In turn, Puig, S.L. controls Puig Brands, S.A. by holding the majority of its voting rights.

Breakdown of the indirect holding:

Name or corporate name of the indirect owner	Name or corporate name of the direct owner	% of voting rights attached to the shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote
EXEA EMPRESARIAL, S.L.	PUIG, S.L.	92.966		92.966	N/A

Indicate the most significant changes in the shareholder structure during the year:

Most significant movements

- On 3 May 2024, the Initial Public Offering ("IPO") initiated by shareholder Puig, S.L. (an entity controlled by Exea Empresarial, S.L.) was completed for the listing of the Class B shares of Puig Brands, S.A. on the Securities Markets of Barcelona, Madrid, Bilbao and Valencia, for trading on the Computerized Trading System (Continuous Market). As a result of the IPO, Exea Empresarial, S.L. announced its significant stake in Puig Brands, S.A.

- On 7 May 2024, the Capital Increases of the Minority Shareholders (as this term is defined in the IPO prospectus) carried out by the Company were completed in order to deliver 17,166,618 Class B shares at the price of the IPO as consideration for the acquisition of certain minority stakes in Prado Investment Limited (holder of 73.1% of the share capital of Charlotte Tilbury Limited) and Byredo AB. Moreover, the capital reduction derived from the conversion of 10,204,081 Class A shares owned by Puig, S.L. into 10,204,081 Class B shares was completed.

- The resulting share capital from the above-mentioned transactions was set at 128,499,385.08 euros, represented by 568,187,026 shares, fully subscribed and paid up, belonging to two different classes: (i) 393,367,348 shares belonging to Class A each with a nominal value of 0.30 euros, and (ii) 174,819,678 shares belonging to Class B each with a nominal value of 0.06 euros, as the Company notified to the market in a communication of other relevant information dated 9 May 2024.

A.3

Give details of the participation at the close of the financial year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name or corporate name of director	% of voting rights attached to the shares (including votes for loyalty)		% of voting rights through financial instruments		% of total voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Marc Puig Guasch	0.16%	0.00%	0.00%	0.00%	0.16%	N/A	N/A
Manuel Puig Rocha	0.00%	0.03%	0.00%	0.00%	0.03%	N/A	N/A
Josep Oliu Creus	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Jordi Constans Fernández	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Rafael Cerezo Laporta	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Yiannis Petrides	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Daniel Lalonde	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Patrick Chalhoub	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Nicolas Mirzayantz	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
María Dolores Dancausa Treviño	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Christine A. Mei	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Ángeles García-Poveda Morera	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	N/A
Total	0.18% (*)	0.03%	0.00%	0.00%	0.21%	N/A	N/A

Total percentage of voting rights held by the board of directors	0.21%

Notes

(*) For clarification purposes, below are the voting rights held by Directors whose percentage of voting rights appear as 0.00%:

- Josep Oliu Creus holds 0.004% of the voting rights;
- Jordi Constans Fernández holds 0.003% of the voting rights;
- Rafael Cerezo Laporta holds 0.002% of the voting rights;
- Yiannis Petrides holds 0.002% of the voting rights;
- Daniel Lalonde holds 0.002% of the voting rights;
- Patrick Chalhoub holds 0.001% of the voting rights;

- Nicolas Mirzayantz holds 0.001% of the voting rights;
- María Dolores Dancausa Treviño holds 0.001% of the voting rights;
- Christine A. Mei holds 0.001% of the voting rights; and
- Ángeles García-Poveda Morera holds 0.001% of the voting rights,

which means that the percentage of total voting rights held by the board of directors is 0.206%.

Breakdown of the indirect holding:

Name or corporate name of director	Name or corporate name of the direct owner	% of voting rights attached to the shares (including votes for loyalty)	% of voting rights through financial instruments	% of total voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote
Manuel Puig Rocha	Lyskamm 1861, S.L.	0.03%	0.00%	0.03%	N/A

List the total percentage of voting rights represented on the board:

Total percentage of voting rights held by the board of directors	93.17%

Notes

Josep Oliu Creus and Manuel Puig Rocha are proprietary directors appointed at the proposal of the significant shareholder, Puig, S.L.

A.4

If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or corporate name of related party	Nature of relationship	Brief description
N/A	N/A	N/A

A.5

If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

Not applicable.

A.6

Unless insignificant for both parties, describe the relationships that exist between significant shareholders, shareholders represented on the board of directors and directors or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the board of directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name or corporate name of related director or representative	Name or corporate name of related significant shareholder	Corporate name of the group company of the significant shareholder	Description of relationship/post
Marc Puig Guasch	Puig, S.L.	Puig, S.L.	Representative of Consilium, S.L. as member of the board of directors
Manuel Puig Rocha	Puig, S.L.	Puig, S.L.	Representative of Maveor, S.L. as member of the board of directors
Josep Oliu Creus	Puig, S.L.	Puig, S.L.	Representative of Exea Empresarial, S.L. as member and Chairman of the board of directors
Marc Puig Guasch	Puig, S.L.	Exea Empresarial, S.L.	Representative of Consilium, S.L. as member of the board of directors
Manuel Puig Rocha	Puig, S.L.	Exea Empresarial, S.L.	Representative of Maveor, S.L. as member of the board of directors
Josep Oliu Creus	Puig, S.L.	Exea Empresarial, S.L.	Member and Chairman of the board of directors

A.7

Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Companies Act ("Ley de Sociedades de Capital"). If so, describe them briefly and list the shareholders bound by the agreement:

No.

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

No.

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

Not applicable.

A.8

Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act ("Ley de Mercado de Valores y Servicios de Inversión"). If so, identify them:

Yes.

Name or corporate name

Puig, S.L.

Notes

Puig, S.L. (a company controlled by Exea Empresarial, S.L.) holds 92.966% of the Company's voting rights.

A.9

Complete the following table with details of the company's treasury shares:

At the close of the year

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
4,886,667	0	0.23%

Notes

The shares indicated as treasury stock of the Company belong to Class B shares of the Company.

(*) Through:

Name or corporate name of direct shareholder	Number of direct shares
N/A	N/A
Total:	N/A

Explain any significant changes during the year:

At the date of this report, there have not been significant variations in the treasury stock of the Company of which the CNMV had to be notified.

A.10

Provide a detailed description of the conditions and terms of the authority given to the board of directors to issue, repurchase, or dispose of treasury shares.

Prior to the listing of the Company's Class B shares, the General Shareholders' Meeting, at its meeting held on 16 April 2024, resolved to authorize the board of directors of the Company so that, within a term of 5 years, it can proceed with the derivative acquisition of Class A and/or Class B treasury shares, either itself or through Company subsidiaries, up to a maximum of 10% of the subscribed share capital at any given time or, if applicable, the maximum amount authorized by the applicable legislation at any given time, notwithstanding the scenarios envisaged in articles 144 and 509 of the Spanish Companies Act, under the following conditions:

1. Derivative acquisition of Class A shares

   Subject to the limit envisaged above, the derivative acquisition of Class A shares will only be carried out for the exercise of a pre-emption and first refusal right and, if applicable, the right of refusal of the Company envisaged in the articles of association, in the terms indicated below:

   a. Methods of acquisition: acquisition may be by means of sale and purchase, swap, donation, award, commission or acceptance in lieu (dación en pago) and, in general, by any other method of acquisition for a consideration of shares in circulation and fully paid up, as permitted by law.

      Treasury Class A shares acquired by the Company or its subsidiaries by means of this authorization may be used, in full or in part, for transfer to Class A shareholders or redemption.

   b. Maximum and minimum prices: the maximum price will be the result of exercising the pre-emption and first refusal right and, if applicable, the Company's right of refusal, in the terms envisaged in the articles of association. The price will never be less than the nominal value of the Class A shares at the moment the acquisition takes place.

2. Derivative acquisition of Class B shares

   Subject to the limit envisaged above, the derivative acquisition of Class B shares will be in the terms indicated below:

   a. Methods of acquisition: acquisition may be by means of sale and purchase, swap, donation, award, commission or acceptance in lieu (*dación en pago*) and, in general, by any other method of acquisition for a consideration of shares in circulation and fully paid up, as permitted by law.

      Moreover, the board of directors of the Company was authorized, for a term of 5 years, to acquire Company's Class B shares by means of loans, free of charge or for a consideration, under conditions that can be considered market conditions taking into account the situation of the market and the characteristics of the transaction.

      Treasury Class B shares acquired by the Company or its subsidiaries by means of this authorization may be used, in full or in part, for: (i) transfer or

redemption, (ii) achievement of potential corporate or business transactions, (iii) delivery to the directors and employees of the Company or its subsidiaries, where there is a recognized right, either directly or as a result of the exercise of stock option rights they hold, for the purposes envisaged in paragraph three of number 1.a) article 146 of the Spanish Companies Act, (iv) covering any remuneration plan based on shares or linked to the share capital or payment of remuneration by delivery of Class B shares, (v) dividend reinvestment plans or comparable instruments; and (vi) any other purpose decided by the board of directors in the interest of the Company, duly justified.

b. Maximum and minimum prices: the minimum price and maximum price for sale and purchase transactions carried out on an official secondary market will be, respectively, the nominal value and securities market trading value of the shares or last trading price of the Class B shares available at the moment the transaction is arranged or executed, increased in an amount up to 10%.

A.11

Estimated free float

80.86%

Notes

The estimated free float corresponds to the calculation of the percentage over the total share capital listed for trading (Class B shares) representing the percentage of Class B shares that is not held by significant shareholders, members of the board of directors or held by the Company as treasury stock.

The number of Class B listed shares of the Company not held by significant shareholders, members of the board of directors or held by the Company as treasury stock is 141,356,996, representing 80.8587% of the total Class B shares listed for trading.

A.12

Indicate whether there are any restrictions (articles of association, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may inhibit a takeover of the company through acquisition of its shares on the market, as well as such regimes for prior authorization or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

No.

Description of restrictions

Not applicable to the Company's listed shares.

A.13

Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralize a takeover bid by virtue of the provisions of Law 6/2007.

No.

If so, explain the measures approved and the terms under which such limitations would cease to apply:

Not applicable.

A.14

Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes.

If so, indicate each share class and the rights and obligations conferred.

The Company's share capital is divided into Class A shares (not listed) and Class B shares, listed on the Securities Markets of Barcelona, Madrid, Bilbao and Valencia for trading on the Computerized Trading System (Sistema de Interconexión Bursátil) (Automated Quotation System) (Mercado Continuo). See section A1 for detailed information on the share classes and rights conferred by each type of share.

B.

General Shareholders' Meeting

B.1

Indicate whether there are any differences between the minimum quorum regime established by the Spanish Companies Act for General Shareholders' Meetings and the quorum set by the company, and if so give details.

No.

	% quorum different from that established in Article 193 of the Spanish Companies Act for general matters	% quorum different from that established in Article 194 of the Spanish Companies Act for special resolutions
Quorum required 1st call	N/A	N/A
Quorum required 2nd call	N/A	N/A

B.2

Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Companies Act and, if so, give details:

No.

B.3

Indicate the rules for amending the company's articles of association. In particular, indicate the majorities required for amendment of the articles of association and any provisions in place to protect shareholders' rights in the event of amendments to the articles of association.

The amendment of the articles of association will be governed by the terms of the Spanish Companies Act and article 17 of the articles of association, which requires a quorum of 50% at first call and 25% at second call. If the share capital, present or duly represented, exceeds 50%, the resolution may be adopted by an absolute majority. However, a favorable vote of two thirds of the share capital, present or duly represented at the meeting, will be required when at second call, shareholders representing 25% or more of the subscribed share capital with voting rights, without reaching 50%, attend.

B.4

Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Attendance data					
Date of general shareholders' meeting	% physical presence	% present by proxy	% distance voting		Total
			Electronic voting	Other	
16/04/2024	0.69%	99.31%	0%	0%	100%
Of which free float:	0%	0%	0%	0%	0%

Notes

The data presented refer to the last General Shareholders' Meeting held by the Company before the listing of Class B shares.

The Company has not held a General Shareholders' Meeting since its Class B shares were listed for trading following the IPO process finalized on 3 May 2024. The first General Shareholders' Meeting to be held following the listing of the Class B shares is the one envisaged for the 2025 financial year, which will be reported on in the report for that financial year.

B.5

Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

No.

Items on the agenda not approved	% vote against (*)
N/A	N/A

(*) If the non-approval of the point was for a reason other than the votes against, this will be explained in the text part and "N/A" will be placed in the "% votes against" column.

B.6

Indicate whether the articles of association contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes.

Number of shares required to attend the General Shareholders' Meetings	1,000
Number of shares required for voting remotely	N/A

B.7

Indicate whether it has been established that certain decisions, other than those established by law, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Shareholders' Meeting.

Yes.

Explain the decisions that must be submitted to the General Shareholders' Meeting, other than those established by law

The articles of association establish that, for the purposes of the terms of articles 160 f) and 511 bis.2 of the Spanish Companies Act, any Well-known

Trademarks directly or indirectly owned by the Company would qualify as essential assets. In this regard, "Well-known Trademark" is understood to mean one that represents more than 5% of the consolidated net total income of the Company in the preceding financial year whose annual accounts have been approved, as well as those trademarks owned by the Company or any of the entities in the "Puig" group – including, in this regard, those originally acquired or registered by Puig, S.L. and subsequently transferred to the Company or its group entities - for a period of over 10 years.

Moreover, the prior authorization of the General Shareholders' Meeting will be required for the adoption of resolutions by the Company's board of directors on the assumption of debt commitments, understood as debt that accrues interest, net of cash, exceeding the multiple of 3.5 times the consolidated EBITDA of the Company in the preceding financial year whose annual accounts have been approved (the "Approved Debt Limit"). Notwithstanding the foregoing, the General Shareholders' Meeting may (i) authorize the board of directors to assume debt assumption commitments for a higher amount/ percentage than the Approved Debt Limit referred to in the foregoing paragraph, and (ii) delegate to the board of directors the authorization of the debt assumption commitments for amounts in excess of the Approved Debt Limit. The above authorizations, if applicable, will remain in force until the General Shareholders' Meeting resolves to modify them and, at most, for a term of one (1) year as of the date of the General Shareholders' Meeting at which the authorization or delegation in question was approved.

Moreover, the General Shareholders' Meeting will be responsible for appointing one or more Executive Directors or Executive Committees, establishing the content, limits and forms of delegation, as well as resolving to remove the Executive Director or Executive Committee. Moreover, the General Shareholders' Meeting may appoint the Chairman of the board of directors of the Company in accordance with the terms of the articles of association.

B.8

Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website.

The Company's website is www.puig.com.

At this address, there is a link under the Investors heading and, inside it, a section on Corporate Governance where shareholders can find corporate information on the Company as well as the information on the General Shareholders' Meetings. When the General Shareholders' Meeting is called, a shortcut will be provided on the Company's website, through which all the information on the General Shareholders' Meeting called will be made available to the shareholders.

C.

Structure of the Company's Management

C.1 Board of Directors

C.1.1

Maximum and minimum number of directors foreseen in the articles of association and the number set by the general shareholders' meeting:

Maximum number of directors	15
Minimum number of directors	5
Number of directors set by the general shareholders' meeting	13

C.1.2

Complete the following table on board of directors' members:

Name or corporate name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure	Date of birth
Marc Puig Guasch	N/A	Executive	Chairman and CEO	20 March 2023	20 March 2023	General Shareholders' Meeting	9 January 1962
Manuel Puig Rocha	N/A	Proprietary	Vice Chairman	18 December 2023	18 December 2023	General Shareholders' Meeting	28 December 1961
Josep Oliu Creus	N/A	Proprietary	Director	18 December 2023	18 December 2023	General Shareholders' Meeting	25 April 1949
Jordi Constans Fernández	N/A	Independent	Lead Director	20 March 2023	20 March 2023	General Shareholders' Meeting	20 June 1964
Yiannis Petrides	N/A	Other external	Director	20 March 2023	20 March 2023	General Shareholders' Meeting	8 April 1958
Daniel Lalonde	N/A	Independent	Director	20 March 2023	20 March 2023	General Shareholders' Meeting	16 July 1963
Rafael Cerezo Laporta	N/A	Other external	Director	20 March 2023	20 March 2023	General Shareholders' Meeting	29 April 1950
Patrick Chalhoub	N/A	Other external	Director	20 March 2023	20 March 2023	General Shareholders' Meeting	3 January 1958
Ángeles García-Poveda Morera	N/A	Independent	Director	20 March 2023	20 March 2023	General Shareholders' Meeting	27 September 1970
Christine A. Mei	N/A	Independent	Director	20 March 2023	20 March 2023	General Shareholders' Meeting	3 August 1965
Nicolas Mirzayantz	N/A	Independent	Director	24 April 2023	24 April 2023	General Shareholders' Meeting	1 January 1963
Tina Müller	N/A	Independent	Director	5 April 2024	5 April 2024	General Shareholders' Meeting	10 September 1968
María Dolores Dancausa Treviño	N/A	Independent	Director	5 April 2024	5 April 2024	General Shareholders' Meeting	21 October 1958

Total number of directors:	13

Indicate any dismissals, whether through resignation or by resolution of the general shareholders' meeting, that have taken place in the board of directors during the reporting period:

Name or corporate name of director	Category of director at the moment of cessation	Date of last appointment	Date of cessation	Specialized committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
Not applicable					

Reason for cessation when this occurs before the end of the term of office and other Notes; information on whether the director has sent a letter to the remaining members of the board of directors and, in the case of cessation of non- executive directors, explanation or opinion of the director dismissed by the general shareholders' meeting

Since the listing of the Class B shares of the Company on 3 May 2024, there have been no dismissals on the board of directors.

C.1.3

Complete the following tables on the members of the board of directors and their categories:

Executive Directors

Name or corporate name of director	Post in organization chart of the company	Profile
Marc Puig Guasch	Chairman and CEO	Marc Puig joined Puig in 1986, starting at Antonio Puig, S.A. From 1995 to 2001 he worked at Puig North America, Inc and became President of this company. Since then, he has served in various positions within Puig, holding executive positions at Carolina Herrera Ltd and Puig S.L. In 1999, he started his position as member of the board of directors of Puig S.L. and in 2004 he was appointed Chief Executive Officer of Puig. Marc Puig holds a bachelor's degree in Industrial Engineering from the Polytechnic University of Catalonia and a master's degree in Business Administration (MBA) from Harvard University.

Total number of executive directors	1
Percentage of board directors	7.69%

External Proprietary Directors

Name or corporate name of director	Name or corporate name of the significant shareholder represented by the director or that nominated the director	Profile
Manuel Puig Rocha	Puig, S.L.	Manuel Puig joined Puig in 1988 and has been Director of Puig since 1999 and Vice-Chairman since 2007. Since 2021 he also holds the position of Chairman of Puig's Sustainability and Social Responsibility Committee (SSRC). Manuel Puig has held various executive positions in Puig over more than 35 years. During his professional career in Puig, he was in charge of the management of several of its brands/international markets, and on the last ten years participated actively in the acquisition processes that have shaped Puig's inorganic growth. Since 2023 Manuel Puig is a member of the Boards of Directors of Fluidra, S.A. and Inmobiliaria Colonial Socimi, S.A. (IBEX 35). He is also a Director of Exea Empresarial, Isdin and Flamasats. Manuel Puig Rocha (1961) holds a degree in Industrial Engineering from the Polytechnic University of Catalonia (UPC).
Josep Oliu Creus	Puig, S.L.	Josep Oliu joined Puig as Director in 2002. He began his career in 1978 as Associate Professor in Economics and Econometrics at the Universitat Autònoma of Barcelona. He then held the position of Professor at the Department of Economics at the University of Oviedo between 1981 and 1983, and was an advisor to the World Bank, to the Ministry of Economy of the Government of Spain and to the Government of the Generality of Catalonia between 1982 and 1983. In 1983 he was director for studies and strategy at the National Industry Institute, later occupying the position as general director for planning. He has also been a board member for Aviación y Comercio, S.A., Empresa Nacional de Residuos Radiactivos, S.A., S.M.E. or Inisel, S.A. He joined Banco Sabadell in 1986 as technical secretary general, and became executive board member in 1991. Since 1999 Mr. Josep Oliu is the chairman of Banco Sabadell's board of directors. Josep Oliu holds a bachelor's degree in Economics from the University of Barcelona and PhD in Economics from the University of Minnesota.

Total number of proprietary directors	2
Percentage of board directors	15.38%

External Independent Directors

Name or corporate name of director	Profile
Jordi Constans Fernández	Jordi Constans joined Puig as Director in 2013. Before joining Puig, he developed his professional career at global well-known companies such as Danone, S.A., which he joined in 1990 and where he became the President of the dairy division until 2011, and Louis Vuitton, where he served as President and CEO from 2011 to 2012. He currently also serves as a member of the board of directors of Fluidra, S.A. and Punto Fa, S.L. (Mango) and provides advisory services to other companies. Jordi Constans holds a bachelor's degree in Economics from the University of Barcelona and a bachelor's degree in Business Administration from ESADE. Furthermore, he is former student of IESE's General Management Program.
Daniel Lalonde	Daniel Lalonde joined Puig as Director in 2019. He began his career at a management consultancy company in Paris. He subsequently joined Nespresso in 1994 and had a fundamental role in transforming the company from a start-up to a successful global brand, serving first as CEO of North America and then, over the next five years, as global COO based at the company's Swiss headquarters. In 2002, he began a 10-year professional path with the LVMH Group in New York, initially as President and CEO of LVMH Watches & Jewellery North America, and then as President and CEO of Louis Vuitton North America. In 2010, Lalonde returned to Paris to serve as Global President and CEO of Möet & Chandon and Dom Perignon. Later, in 2012, he served as International President at Ralph Lauren, before joining the SMCP Group in 2014 as CEO and Director. In 2021, he began his role as CEO and Director of B&B Italia Group S.P.A. (previously named Design Holding S.P.A.), a global leader in luxury design, of which he is currently the Chairman. In addition, he currently serves as Director of Altagamma. Daniel Lalonde holds an Honour's bachelor's degree in Mathematics from the University of Waterloo in Ontario, Canada, and a master's degree in Business Administration (MBA) from INSEAD.
Ángeles García-Poveda Morera	Ángeles García-Poveda joined Puig as Director in 2023. She chairs the board of Legrand S.A. since 2020, after having served as lead independent Director between 2013 and 2020. She also serves as non-executive Director at Edenred S.A. and Bridgepoint plc. She began her business career as a financial analyst at A.B. Asesores Bursátiles in 1992. She then worked for The Boston Consulting Group in Madrid and Paris between 1993 and 2008, first as a consultant and later in various Human Resources and talent management positions up to managing recruiting globally. She joined Spencer Stuart in 2008, where she became partner in the Board and CEO practice, and was successively Head of France, Head of EMEA, and elected board member, before becoming a Senior Advisor until 2023. Ángeles García-Poveda is a member of the Medef Executive Committee and the HCGE (Haut Comité pour la Gouvernance d'Entreprise). Ángeles García-Poveda holds a bachelor's degree in European Business Studies from Universidad Pontificia de Comillas (Madrid) and NEOMA (Reims). Furthermore, she coursed the Business Case Study Program at Harvard University.
Christine A. Mei	Christine A. Mei joined Puig as Director in 2023. She began her professional career at The Procter & Gamble Company, where she worked in the China division. Then she joined Nike, Inc. in Hong Kong as regional marketing director. She later worked for Click2Asia.com as senior vice-president of marketing in Los Angeles, and for The Dow Chemical Company in Houston as the global director of the corporate brand management and new business development divisions. In 2004, Christine A. Mei joined The Coca-Cola Company, where she became strategic planning director of Coca-Cola North America in 2006, manufacturing director of the U.S. south region division in 2011, and vice-president of the vending sales and operation division from 2013 to 2014. Christine A. Mei served as senior vice-president and business leader of the global Kitchen Appliances business at Royal Philips in Shanghai, and as corporate senior vice-president of Beiersdorf's Asia-Pacific region from 2014 to 2016 and 2016 to 2019, respectively. She later joined Gathered Foods Corporation as CEO until 2022 and in 2023 was appointed board director of SKU, a consumer products accelerator. She is also the founding principal of The Cozabe Group, LLC and a professor of practice at The Cockrell School of Engineering at The University of Texas at Austin. Christine A. Mei holds a bachelor's degree in Chemical Engineering from The University of Texas and a master's degree in Business Administration (MBA) from Rice University.

Nicolas Mirzayantz	Nicolas Mirzayantz joined Puig as Director in 2023. He developed his professional career at International Flavors & Fragrances (IFF), where he held various senior management positions across multiple business divisions. His career led him to serve as CEO of the Scent Division and President of the Nourish Division. He also served on the Board of Directors of the International Fragrance Association (IFRA) and the Research Institute for Fragrance Materials (RIFM). In 2023, he was appointed a board member of Coca-Cola Europacific Partners plc. Nicolas Mirzayantz holds a Maîtrise degree in Economics from University Panthéon-Assas. Furthermore, he completed the International Executive Program at INSEAD and the Executive Program at Singularity University in Palo Alto (U.S.).
Tina Müller	Tina Müller joined Puig as Director in 2024. She began her professional career at L'Oréal in 1993 as a trainee in the Marketing Department. Afterwards she worked at Wella in global brand management positions until 1995. From 1995 until 2013, she held multiple positions at Henkel Beauty Care including Corporate Senior Vice President roles and the Global Chief Marketing Officer position. She led strategic business units and marketing efforts for the beauty care and hair care products, mainly the global Schwarzkopf brand. From 2013 to 2017, Tina Müller was the Chief Marketing Officer at Adam Opel AG and member of the Management Board. In 2017 she joined the leading European beauty retailer Douglas where she served as Chief Executive Officer until the end of 2022 and as non-executive director (member of the Supervisory Board) until 2023. Since 2023, Tina Müller is the Chief Executive Officer of Weleda AG, member of the supervisory board of Aldi Nord and member of the advisory board of Chalhoub Group Limited. Previously, she has served on the boards of MLP AG and STADA Arzneimittel AG. Tina Müller holds a bachelor's degree in French Studies from Université de Nantes and a Masters degree in Economics from Université Jean Moulin-Lyon III. Furthermore, she holds a master's degree in Business Administration (MBA) from Hochschule Ludwigshafen am Rhein and she coursed the Harvard University Advanced Management Program and the Transformational Leadership Program at Stanford University during her time at General Motors/ Opel.
María Dolores Dancausa Treviño	María Dolores Dancausa joined Puig as Director in 2024. Between 1995 and 2010, she developed her professional career at the insurance company Línea Directa Aseguradora, S.A., de Seguros y Reaseguros, as part of its founding team and as Secretary of its Board of Directors until 2008, when she was appointed CEO and Director until 2010 and 2021, respectively. From 2010 until March 2024, she was the CEO of Bankinter S.A., and in March 2024, she became President of Bankinter, S.A. Among her contributions to other Boards of Directors, she served as an independent Director of the British insurance company Esure, a leading insurer in the UK, from 2013 to 2018. Additionally, she was Chairwoman of the Boards of Directors of EVO Banco, S.A. and AvantCard DAC (a consumer credit company in Ireland) from 2019 to 2024. She is currently a trustee of the Princess of Girona Foundation, where she chairs its Audit and Compliance Committee, and of the Bankinter Innovation Foundation. Additionally, she serves on the Board of Trustees of the Creciendo (CRE100DO) Foundation and the Línea Directa Foundation. Since 2021, she has been an independent Director of ACCIONA. Furthermore, she is also a Director at Bankinter Investment, S.A. María Dolores Dancausa holds a bachelor's degree in Law from the Universidad Complutense de Madrid. Additionally, she has complemented her academic background with various Business Management Programs at Harvard Business School, an Advanced Management Program at the INSEAD Business School in Fontainebleau, and a Master in Human Resources and Business Strategy from the Euroforum-INSEAD University Institute (Madrid).

Total number of external independent directors	7
Percentage of board directors	53.85%

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the board of directors explaining why it believes that the director in question can perform his or her duties as an independent director.

Not applicable

Other External Directors

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or corporate name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
Yiannis Petrides	Taking into account the date of his appointment as member of the board of directors of Puig, S.L., he has been a director for a continuous period of over 12 years.	Puig Brands, S.A.	Yiannis Petrides joined Puig as Director in 2010. He began his professional career in 1984 at The Procter & Gamble Company. Three years later, he joined PepsiCo, where he held various positions in multiple regions until 2010. He held marketing and franchise management positions in PepsiCo's Middle East and Greece divisions until 1992, when Mr. Petrides became the President and General Manager of Frito Lay Greece and Balkans. In 1995, he was appointed President and business unit General Manager at PepsiCo Spain, where he led the restructuring of the Spanish company-owned bottling operation. From 2000 to 2010 he was the president of the European division of The Pepsi Bottling Group. Yiannis Petrides became the Vice-Chairman of Campofrío Food Group in 2005, where he served in that position until 2015. From 2010 to 2016, he was Board Director at Largo (Wind Hellas) Athens, assuming the position of Chairman in 2014. Mr. Petrides served as Chairman at Refresco NV from 2013 to 2018, and held the position of Senior Advisor at Triton Private Equity until 2024. He currently serves as Director in Cypet Ltd. (since 2015) and Mytilineos S.A. (since 2018). Yiannis Petrides holds a bachelor's degree in Economics and Politics from Cambridge University and a master's degree in Business Administration (MBA) from Harvard Business School, where he graduated in 1982 and 1984 respectively.
Rafael Cerezo Laporta	Taking into account the date of his appointment as member of the board of directors of Puig, S.L., he has been a director for a continuous period of over 12 years.	Puig Brands, S.A.	Rafael Cerezo joined Puig as Director in 2007. He began his professional career at the Commission of the European Communities in Brussels in 1974 and then joined The Boston Consulting Group in 1977 where he served in various positions uninterruptedly until 2008 save for the period between 1980 and 1982, where he was the Managing Director of Etasa, S.A.'s UK subsidiary. At The Boston Consulting Group, he led the company's landing in Spain in 1985 and ten years later he was elected member of the worldwide Executive Committee. From 1996 to 2002, he served as European Chairman, and after this period he returned to be fully dedicated to clients in the Iberian Peninsula and served as managing director of Central and Eastern Europe. Rafael Cerezo joined the advisory committee of Corporación Exea in 2008. Since then, he has served as director of Felden, S.A., Fad Juventud and Isdin, S.A. Rafael Cerezo holds a bachelor's degree in Economics from London School of Economics and a master's degree in Business Administration (MBA) from Columbia University.

Patrick Chalhoub	He has a commercial relationship with the Company, in particular, in the distribution of Puig products in the Middle East via certain joint ventures with the Company.	Puig Brands, S.A.	Patrick Chalhoub joined Puig as Director in 2020. He is also the Executive Chairman of Chalhoub Group, having transitioned from his long-standing role as Group President in January 2025. In 2011 he introduced a luxury children's concept store Katakeek, and in 2012 opened Level Shoe District, a 9,000 square metre shoe boutique in Dubai Mall. Chalhoub Group Limited is a company involved in the wholesale and retail distribution through local joint ventures, such as, Estée Lauder, Shiseido, L'Oréal, Chanel, Interparfums, Glams, Isadora, Hourglass, Vilhelm Parfumerie, Clarins, Kendo, Prada, Dolce & Gabbana, and that exploits retail franchises of brands such as L'Occitane, Molton Brown, Roger & Gallet, Nars, Atelier Cologne, La Mer, Pixi, Tory Burch, Estée Lauder (Bobbi Brown, Too Faced, Tom Ford, Kilian Paris), Urban Decay and Ex Nihilo. In addition, he is a board member of the UN Global Compact, one of the founders of Endeavour UAE, Rotary Club UAE and a Council Member of UAE's Circular Economy. He is also a board member of the Dubai Chambers of Commerce & Industry. Patrick Chalhoub holds a bachelor's degree in Economics and Finance, and a bachelor's degree in Political Science.

Total number of other external directors	3
Percentage of board directors	23.08%

Indicate any changes that have occurred during the period in each director's category:

Not applicable.

Since the listing of the Class B shares of the Company on 3 May 2024, there have been no changes in the category of the members of the board of directors.

C.1.4

Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

	Number of female directors				% of total directors for each category			
	Year n	Year n -1	Year n -2	Year n -3	Year n	Year n -1	Year n -2	Year n -3
Executive	0	N/A	N/A	N/A	0%	N/A	N/A	N/A
Proprietary	0	N/A	N/A	N/A	0%	N/A	N/A	N/A
Independent	4	N/A	N/A	N/A	57.14%	N/A	N/A	N/A
Other External	0	N/A	N/A	N/A	0%	N/A	N/A	N/A
Total:	4	N/A	N/A	N/A	30.77%	N/A	N/A	N/A

Notes

Company data is included since the effective listing of the Company's Class B shares on 3 May 2024.

C.1.5

Indicate whether the company has diversity policies in relation to its board of directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes.

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the board of directors and the appointments and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

In accordance with article 529.2 bis of the Spanish Companies Act and Recommendation 14 of the Code of Good Governance of Listed Companies, at its meeting held on 5 April 2024, the board of directors of the Company approved the Selection and Diversity Policy of the board of directors, which entered into force when the Company's Class B shares were listed (the "Selection Policy"). The purpose of the Selection Policy is to determine the criteria that the Puig board of directors will use in the selection, appointment and re-election processes for members of the board of directors of the Company, as well as the criteria and requirements for an appropriate and diverse composition of the board of directors. The Selection Policy is based on the following general principles:

- Appropriate composition of the board of directors: The composition of the board of directors should be appropriate for the proper exercise of its functions, meaning that the Director selection processes will be based on a prior analysis of the abilities required by the board of directors.

- Promotion of diversity in the composition of the board of directors. The bodies responsible for the selection of Directors will strive to ensure that the selection processes favor diversity in the composition of the board of directors and its Committees, among other things, in terms of gender, knowledge, experience, geographical origin and age.

- Non-discrimination and equal treatment: Selection procedures for board members of Puig will not be affected by implicit bias that could imply discrimination of any kind, whether on grounds of race, sex, age disability or for any other reason.

- Transparency in the selection of candidates: The procedures for the selection, appointment and re-election of members of the board of directors will be transparent and the board of directors, with the collaboration of the Company's Appointments and Remuneration Committee, will establish the appropriate measures to ensure that the Company provides all the necessary information in this regard.

- Compliance with applicable regulations and with the principles of good governance: The selection processes for the members of the board of directors of Puig will be carried out pursuant to the Spanish Companies Act and the Company's internal regulations and in line with the corporate governance best

practices assumed by the Company, including the guidelines issued by supervisory authorities.

According to the Selection Policy, with a view to ensuring a proper composition of the board of directors and avoiding bias in selection processes, the Appointments and Remuneration Committee will draw up a skills matrix for the board of directors defining the aptitudes and knowledge of the candidates, especially executive and independent directors, and that helps the Appointments and Remuneration Committee to define the functions that should correspond to each position to be filled, as well as the most appropriate skills, knowledge and experience for the board of directors. The result of the prior analysis will be set out in a report from the Appointments and Remuneration Committee that will serve as a basis for drafting the mandatory board of directors' report or, in the case of non-executive directors, of Appointments and Remuneration Committee report, in line with the provisions of the Spanish Companies Act and the board of directors Regulations. This report from the Appointments and Remuneration Committee will be published when the General Shareholders' Meeting at which the ratification, appointment or re-election of each director is to be approved is called, together with any other report prepared by the board of directors or the Appointments and Remuneration Committee to that end.

C.1.6

Describe the measures, if any, agreed upon by the appointments committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Puig recognizes the development of professional relations based on equal opportunities as a strategic objective and, in particular, considers that diversity is a part of the essential values of the organization, as foreseen in the Company's Ethical Code under the "diverse talent" section.

Due to the recent approval of the Selection Policy, the impact of the application of its measures in the financial year under review is limited. In any event, prior to the approval of the Selection Policy, in the last year the Company has been working on implementing a new selection strategy that is reflected in the 30.7% of female presence on the current board of directors and, in particular, in the fact that women make up 57.1% of the Company's independent directors. In the future, the Company is committed to considering the adjustments necessary to the board of directors, in light of the Selection Policy.

If in spite of any measures adopted there are few or no female directors or Senior Officers, explain the reasons for this:

Not applicable.

C.1.7

Explain the conclusions of the appointments committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the board of directors.

The Appointments and Remuneration Committee considers that Puig is applying the Selection Policy in a fully consistent manner and that the composition of its board of directors is balanced and diverse, taking into account the information contained in the previous two sections of this report.

C.1.8

If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Name or corporate name of shareholder	Reason
Not applicable	

Indicate whether the board of directors has declined any formal requests for presence on the board of directors from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

No.

C.1.9

Indicate, if applicable, the powers and authorities delegated by the board of directors, including those related to the possibility of issuing or repurchasing shares, to directors or board of directors' committees:

Name or corporate name of director or committee	Brief description
Marc Puig Guasch	All powers that by law or the articles of association, can be delegated, have been delegated to the Chairman and CEO of the Company

C.1.10

Identify any members of the board of directors who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

Name or corporate name of director	Corporate name of the group entity	Position	Does the director have executive powers?
Marc Puig Guasch	CAROLINA HERRERA, LTD.	Chairman and Director	No
Marc Puig Guasch	PUIG INTERNATIONAL SA	Chairman and Director	Yes
Marc Puig Guasch	PUIG NORTH AMERICA, INC.	Chairman and Director	No
Marc Puig Guasch	CHARLOTTE TILBURY LIMITED	Director	No
Marc Puig Guasch	CHARLOTTE TILBURY TM LIMITED	Director	No
Marc Puig Guasch	DVN SARL	Director	No
Marc Puig Guasch	PRADO INVESTMENTS LIMITED	Director	No
Marc Puig Guasch	PUIG EMIRATES LLC	Director	No
Marc Puig Guasch	PUIG FRANCE S.A.S	Chairman and Director	Yes
Marc Puig Guasch	PUIG MIDDLE EAST FZCO	Director	No
Marc Puig Guasch	SODIFER SARL	Director	No
Marc Puig Guasch	ANTONIO PUIG, S.A.	Legal person representing the Director	Yes
Manuel Puig Rocha	CHARLOTTE TILBURY LIMITED	Director	No
Manuel Puig Rocha	COSMETIKA S.A.S.	Director	No
Manuel Puig Rocha	PUIG NORTH AMERICA, INC.	Director	No
Patrick Chalhoub	PUIG EMIRATES LLC	Director	Yes
Patrick Chalhoub	PUIG MIDDLE EAST FZCO	Director	Yes

C.1.11

List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's Board of Directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Corporate name of the listed or non-listed entity	Position
Marc Puig Guasch	DIANDRA 2002, S.L.	Chairman and Director
Marc Puig Guasch	DENDERA 2002, S.L.	Natural person representing the sole director
Marc Puig Guasch	CONSILIUM, S.L.	Natural person representing the Director
Marc Puig Guasch	EXEA EMPRESARIAL, S.L.	Natural person representing the Director

Marc Puig Guasch	EXEA VENTURES, S.L.	Director
Marc Puig Guasch	PUIG, S.L.	Natural person representing the Director
Marc Puig Guasch	FUNDACION PRIVADA FUNDACIÓN PUIG	Trustee
Marc Puig Guasch	PUNTO FA, S.L. (MANGO)	Director
Marc Puig Guasch	PUIG GEST, S.A.	Joint and several director
Marc Puig Guasch	CIRCULO DE ECONOMÍA	Member of the Management Body
Marc Puig Guasch	INSTITUTO DE EMPRESA FAMILIAR	Member of the Management Body
Marc Puig Guasch	HARVARD BUSINESS SCHOOL	Member of the European advisory board
Marc Puig Guasch	IESE INTERNATIONAL	Member of the international board
Marc Puig Guasch	SOCIEDAD TEXTIL LONIA, S.A.	Director
Manuel Puig Rocha	LYSKAMM 1861, S.L.	Joint and several director
Manuel Puig Rocha	SCHWARZSEE 2018, S.L.U.	Joint and several director
Manuel Puig Rocha	EXEA EMPRESARIAL, S.L.	Natural person representing the Director
Manuel Puig Rocha	FLUIDRA, S.A.	Director
Manuel Puig Rocha	INMO, S.L.	Joint and several director
Manuel Puig Rocha	WHYMPER 1865 SCR, S.A.	Chairman and Director
Manuel Puig Rocha	INMOCOL TORRE EUROPA, S.A.	Chairman and Director
Manuel Puig Rocha	TORRE PUIG LH 4648, S.L.	Joint and several director
Manuel Puig Rocha	QUAESTOR INVESTMENTS, S.A.	Chairman and Director
Manuel Puig Rocha	PUIG, S.L.	Natural person representing the Director
Manuel Puig Rocha	MAVEINN INVERSIONES INMOBILIARIAS, S.L.	Joint and several director
Manuel Puig Rocha	TANSILUXS, S.L.	Joint director
Manuel Puig Rocha	CASA FIESTA FORMENTERA Y ASOCIADOS, S.L.	Joint director
Manuel Puig Rocha	QUAESTOR HOLDINGS SA (previously named PUIG SA)	Vice-chairman and Director
Manuel Puig Rocha	INMO MONTAIGNE, SAS	Natural person representing the Director
Manuel Puig Rocha	INMO USA, INC.	Joint and several director
Manuel Puig Rocha	FLAMASATS, S.L.	Director
Manuel Puig Rocha	INMOBILIARIA COLONIAL, SOCIMI, S.A.	Director
Manuel Puig Rocha	EXEA CAPITAL, S.C.R., S.A.	Chairman and Director
Manuel Puig Rocha	EXEA VENTURES, S.L.	Natural person representing the Director
Manuel Puig Rocha	REAL AUTOMOVIL CLUB DE CATALUÑA, S.L.	Member of the Management Body
Manuel Puig Rocha	FUNDACIÓN PRIVADA FUNDACIÓN PUIG	Trustee
Manuel Puig Rocha	ISDIN, S.A.	Director

Manuel Puig Rocha	SOCIEDAD TEXTIL LONIA, S.A.	Director
Manuel Puig Rocha	BEIJING YITIAN SHIDAI TRADING CO., LLC	Director
Manuel Puig Rocha	PONTELAND DISTRIBUIÇAO SA	Director
Josep Oliu Creus	BANCO DE SABADELL, S.A.	Chairman and Director
Josep Oliu Creus	EXEA EMPRESARIAL, S.L.	Chairman and Director
Josep Oliu Creus	EXEA VENTURES, S.L.	Chairman and Natural person representing the Director
Josep Oliu Creus	PUIG, S.L.	Chairman and Natural person representing the Director
Josep Oliu Creus	BARCELONA GRADUATE SCHOOL OF ECONOMICS FUNDACIÓN PRIVADA	Natural person representing the Trustee
Josep Oliu Creus	FUNDACIÓN BOSCH I CARDELLACH	Vice Chairman and Natural person representing the Trustee
Josep Oliu Creus	FUNDACIÓN DE ESTUDIOS DE ECONOMÍA APLICADA	Vice Chairman and Natural person representing the Trustee
Josep Oliu Creus	FUNDACIÓN PRINCESA DE ASTURIAS	Natural person representing the Trustee
Josep Oliu Creus	FUNDACIÓN PRINCESA DE GERONA	Natural person representing the Trustee
Josep Oliu Creus	FUNDACIÓ PRIVADA BANC SABADELL	Chairman
Jordi Constans Fernández	FLUIDRA, S.A.	Director
Jordi Constans Fernández	PUNTO FA, S.L. (MANGO)	Director
Yiannis Petrides	CYPET LTD.	Member of the Audit Committee
Yiannis Petrides	MYTILINEOS SA	Director
Daniel Lalonde	FLOS B&B ITALIA GROUP S.P.A (previously named DESIGN HOLDING S.P.A.)	Chairman and Director
Daniel Lalonde	ALTAGAMMA	Director
Rafael Cerezo Laporta	FELDEN, S.L.	Director
Rafael Cerezo Laporta	FAD JUVENTUD	Director
Rafael Cerezo Laporta	ISDIN, S.A.	Director
Patrick Chalhoub	CHALHOUB GROUP LIMITED	Chairman and Director
Patrick Chalhoub	CHALHOUB JOINT VENTURES	Director
Patrick Chalhoub	LBD/CHRISTOFLE	Chairman and Director
Patrick Chalhoub	UN GLOBAL COMPACT	Board member
Patrick Chalhoub	ENDEAVOUR UAE	Founder
Patrick Chalhoub	ROTARY CLUB UAE	Founder
Patrick Chalhoub	UAE'S CIRCULAR ECONOMY	Council member
Patrick Chalhoub	DUBAI CHAMBERS OF COMMERCE & INDUSTRY	Board member
Ángeles Garcia-Poveda Morera	LEGRAND, SA	Chairwoman and Director
Ángeles Garcia-Poveda Morera	EDENRED, SA	Director
Ángeles Garcia-Poveda Morera	BRIDGEPOINT GROUP PLC.	Director

Christine A. Mei	SKU	Director
Christine A. Mei	THE COZABE GROUP, LLC	Founding Principal
Nicolas Mirzayantz	COCA-COLA EUROPACIFIC PARTNERS PLC	Director
Tina Müller	WELEDA AG	Chief Executive Officer
Tina Müller	ALDI NORD	Member of the Supervisory Board
Tina Müller	CHALHOUB GROUP LIMITED	Member of the Advisory Board
María Dolores Dancausa Treviño	BANKINTER, S.A.	Non-executive Chairwoman and Director
María Dolores Dancausa Treviño	ACCIONA, S.A.	Director and Chairwoman of the Appointments and Remuneration Committee
María Dolores Dancausa Treviño	BANKINTER INVESTMENT, S.A.	Director
María Dolores Dancausa Treviño	FUNDACIÓN PARA LA INNOVACIÓN BANKINTER	Trustee
María Dolores Dancausa Treviño	FUNDACIÓN CRE100DO	Trustee
María Dolores Dancausa Treviño	FUNDACIÓN LÍNEA DIRECTA	Trustee
María Dolores Dancausa Treviño	FUNDACIÓN PRINCESA DE GERONA	Natural person representing the Trustee and Chairwoman of the Audit and Compliance Committee

Notes

- Chalhoub Joint Ventures includes the companies identified in the IPO prospectus as "Chalhoub Joint Ventures".
- Marc Puig Guasch receives remuneration for his positions in Exea Ventures, S.L. and Punto Fa, S.L.
- Manuel Puig Rocha receives remuneration for his positions in Lyskamm 1861, S.L., Fluidra, S.A., Quaestor Holdings SA, Inmobiliaria Colonial SOCIMI, S.A. and Real Automóvil Club de Cataluña, S.L.
- Josep Oliu Creus receives remuneration for his positions in Banco de Sabadell, S.A. and Exea Empresarial, S.L.
- Jordi Constans Fernández receives remuneration for his positions in Fluidra, S.A. and Punto Fa, S.L.
- Yiannis Petrides receives remuneration for his position in Mytilineos SA.
- Daniel Lalonde receives remuneration for his position in Flos B&B Italia Group S.p.A
- Rafael Cerezo Laporta receives remuneration for his position in Isdin, S.A.
- Patrick Chalhoub receives remuneration for his position in Chalhoub Group Limited.
- Ángeles García-Poveda Morera receives remuneration for her positions in Legrand SA, Edenred SA and Bridgepoint Group plc.
- Christine A. Mei receives remuneration for her position in SKU.

- Nicolas Mirzayantz receives remuneration for his position in Coca-Cola Europacific Partners plc.
- Tina Müller receives remuneration for her positions in Weleda AG, Aldi Nord and Chalhoub Group Limited.
- María Dolores Dancausa Treviño receives remuneration for her positions in Bankinter, S.A. and Acciona S.A.

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
Christine A. Mei	Professor of Practice at Cockrell School of Engineering at the University of Texas at Austin
Jordi Constans Fernández	He has provided business advisory services (for which he has received remuneration) to, among others, Exea Empresarial, S.L., as member of the Advisory Board.
Rafael Cerezo Laporta	Member of the Advisory Board of Exea Empresarial, S.L.

C.1.12

Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

No.

C.1.13

Indicate the remuneration received by the board of directors as a whole for the following items:

Remuneration accruing in favor of the board of directors in the financial year (thousands of euros)	14,430
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	0
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	3,333
Pension rights accumulated by former directors (thousands of euros)	0

Notes

In line with the instructions for the Annual Report on Remuneration of Directors of Listed Spanish Companies established in CNMV Circular 3/2021, we have included Company data as from the date of effective listing of the Company's Class B shares, 3 May 2024.

C.1.14

Identify members of Senior Officers who are not also executive directors and indicate their total remuneration accrued during the year:

Name or corporate name	Position(s)
Joan Albiol Ramis	Chief Financial Officer
Eugenia de la Torriente Larrañaga	Chief Communications Officer
Marine de Boucaud	Chief HR Officer
José Manuel Albesa Muniesa	President of the Beauty and Fashion division
Marc Toulemonde	President of the Derma division
François Xavier Billaud	General Auditor
Manuel Duplá Marín	Chief Compliance Officer
Demetra Pinsent	Chief Executive Officer of Charlotte Tilbury
Javier Bach Kutschruetter	Chief Operating Officer
Josep Vivas Carmen	Chief Sustainability Officer

Number of women in Senior Officers	3
Percentage of total Senior Officers	30%

Total remuneration of Senior Officers (thousands of euros)	14,940

Notes

In line with the instructions for the Annual Report on Remuneration of Directors of Listed Spanish Companies established in CNMV Circular 3/2021, we have included Company data as from the date of effective listing of the Company's Class B shares, 3 May 2024.

C.1.15

Indicate whether the board of directors regulations were amended during the year:

No.

C.1.16

Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

The appointment and removal of directors is regulated in articles 14 et seq of the board of directors Regulations. The members of the board of directors will be appointed by the General Shareholders' Meeting or, in the event of an early vacancy, by the board of directors by co-optation. The director appointed by the board of directors by co-optation will not necessarily have to be a Company shareholder.

The proposal for the appointment or re-election of the members of the board of directors will be made by the Appointments and Remuneration Committee in the case of Independent directors and by the board of directors itself in all other cases. These proposals will, in any event, be accompanied by a report from the board of directors assessing the competence, experience and merits of the proposed candidate, which will be attached to the minutes of the General Shareholders' or board of directors Meeting. The proposal for the appointment or re-election of any non-independent director must first be the subject of a report from the Appointments and Remuneration Committee.

The proposals for the re-election of Directors will be made by the Appointments and Remuneration Committee in the case of Independent directors and by the board of directors itself in all other cases. These proposals will include the reports referred to in article 14.2 of the board of directors Regulations.

Prior to any re-election of Directors, the General Shareholders' Meeting will assess the quality of work and dedication of the proposed Directors during the preceding mandate. Independent directors will not be re-elected to a position for a total term of more than twelve (12) years.

Directors will leave their positions at the end of the period for which they were appointed or when so decided by the General Shareholders' Meeting using the authorities established by law or the articles of association.

Directors will offer their resignation to the board of directors and formalize the corresponding resignation in the following cases:

- When they leave the positions, posts or roles with which their appointment as Executive Directors was associated.
- In the case of Proprietary Directors, when the shareholder whose interests they represent transfers their entire stake in the Company or reduces it by the appropriate proportion.
- In the case of Independent directors, in the event of supervening circumstances that mean that they cease to be independent, pursuant to the law.
- When affected by any of the scenarios of incompatibility or prohibition envisaged by law.
- When requested by a majority of at least two thirds (2/3) of the Board.

- When their continued presence on the board of directors may be detrimental to the interests, credit or reputation of the Company. Directors will inform of any criminal cases in which they are under investigation, as well as of any other procedural events.

  Directors who adopt resolutions on matters that, according to the provisions of the law or the articles of association, fall within the exclusive scope of the General Shareholders' Meeting or who fail to follow instructions given by the General Shareholders' Meeting to the board of directors in accordance with the law and the articles of association will immediately submit their resignation and leave their positions. If the Director in question fails to comply with this obligation, it will be for the Chairman of the board of directors to call a board of directors Meeting as soon as possible so that it can call a General Shareholders' Meeting, the agenda for which will include, among other things, the removal of the non-compliant Director or Directors, all notwithstanding any legal action that may be taken in accordance with the law.

  The board of directors will not propose the removal of Independent Directors unless there is just cause, found by the board of directors after receiving a report from the Appointments and Remuneration Committee. In particular, just cause will be deemed to exist when the Independent director holds new positions or assumes new obligations that prevent him/her from performing the duties inherent in the position of Director, when he/she fails to discharge the duties inherent in the position or is affected by any of the circumstances that leads them to lose their status as independent, in accordance with the applicable legislation.

  In the event that, due to resignation or any other reasons, a Director leaves his/her position before the end of the mandate, he/she will explain the reasons for the same in a letter sent to all the members of the board of directors, unless he/she informs them at a board of directors meeting and it is recorded in the minutes. Notwithstanding that the reason for the departure shall be disclosed in the Annual Corporate Governance Report, where relevant for investors, the Company will publish the departure as soon as possible, including sufficient reference to the reasons or circumstances provided by the Director.

C.1.17

Explain to what extent the annual evaluation of the board of directors has given rise to significant changes in its internal organization and in the procedures applicable to its activities:

Under the coordination of the Lead Director and the Chair of the Appointments and Remuneration Committee, the board of directors carried out its annual self-assessment and that of its Committees in the month of December 2024 and presented the results of the same at the meeting of the board of directors held on 27 January 2025.

The self-assessment of the 2024 financial year concluded with a positive appraisal of the functioning of the board of directors and its Committees, as well as of the performance of the Chairman and CEO, and the outcome did not give rise to significant changes in the internal organization of the Company, although some suggestions were approved in line with best market practice, as an indication of the board of directors' strong commitment to excellence.

Describe the evaluation process and the areas evaluated by the board of directors with or without the help of an external advisor, regarding the functioning and composition of the board of directors and its committees and any other area or aspect that has been evaluated.

In accordance with article 42.1 of the board of directors Regulations, the board of directors has to carry out an annual assessment of its functioning and of that of its Committees and, on the basis of the results, propose a plan of action to remedy any deficiencies detected.

In 2024 financial year, the Lead Director and the Chair of the Appointments and Remuneration Committee coordinated and referred the results of the assessment to the plenary session of the board of directors, together with a proposed plan of action with recommendations. Moreover, the Appointments and Remuneration Committee coordinated the assessment of the Chairman and CEO, consisting of interviews of the members of the board of directors, Senior Officers and other members of the management team, with the Chair of the Appointments and Remuneration Committee summarizing the conclusions together with recommendations in line with best market practice.

The process of assessing the composition and functioning of the board of directors and its Committees for 2024 financial year was carried out on the basis of a questionnaire completed individually and anonymously by each member of the board of directors, covering the areas envisaged in Recommendation 36 of the Code of Good Governance for Listed Companies. The results were consolidated and raised to the plenary session of the board of directors.

The process concluded on 27 January 2025 with the approval by the board of directors of the results of the self-assessment for the 2024 financial year and the suggestions for continuous improvement in 2025.

C.1.18

Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

Not applicable.

C.1.19

Indicate the cases in which directors are obliged to resign.

Directors will offer their resignation to the board of directors and formalize, if the board of directors considers it appropriate, the corresponding resignation in the following cases:

- When they leave the positions, posts or roles with which their appointment as Executive Directors was associated.

- In the case of Proprietary Directors, when the shareholder whose interests they represent transfers their entire stake in the Company or reduces it by the appropriate proportion.
- In the case of Independent directors, in the event of supervening circumstances that mean that they cease to be independent, pursuant to the law.
- When affected by any of the scenarios of incompatibility or prohibition envisaged by law.
- When requested by a majority of at least two thirds (2/3) of the board.
- When their continued presence on the board of directors may be detrimental to the interests, credit or reputation of the Company. Directors will inform of any criminal cases in which they are under investigation, as well as of any other procedural events.

  Directors who adopt resolutions on matters that, according to the law or the articles of association, are the exclusive responsibility of the General Shareholders' Meeting or who fail to follow the instruction of the General Shareholders' Meeting or the board of directors pursuant to the law and the articles of association, will relinquish their positions immediately, presenting their resignation. If the Directors in question fails to comply with this obligation, it will be for the Chairman of the board of directors to call a board of directors meeting as soon as possible so that it can call a General Shareholders' Meeting, the agenda for which will include, among other things, the removal of the non-compliant Director or Directors, all notwithstanding any legal action that may be taken in accordance with the law.

C.1.20

Are qualified majorities other than those established by law required for any particular kind of decision?

No.

If so, describe the differences.

Not applicable.

C.1.21

Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the board of directors.

No.

Description of requirements.

Not applicable.

C.1.22

Indicate whether the articles of association or board of directors regulations establish any limit as to the age of directors:

No.

	Age limit
Chairman	N/A
CEO	N/A
Director	N/A

C.1.23

Indicate whether the articles of association or board of directors regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

No.

Additional requirements and/or maximum number of years of office

Not applicable.

C.1.24

Indicate whether the articles of association or board of directors regulations establish specific rules for appointing other directors as proxy to vote in board of directors meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.

The board of directors Regulations establishes that if a Director is unavoidably unable to attend meetings to which he/she has been called, he/she may delegate representation to another Director and, if applicable, instruct such Director representing him/her.

Moreover, according to the board of directors Regulations, in the case of a non-Executive Director, he/she can only be represented by another non-Executive Director.

C.1.25

Indicate the number of meetings held by the board of directors during the year. Also indicate, if applicable, the number of times the board of directors met without

the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	6
Number of Board of Directors meetings held without the chairman's presence	0

Notes

Since the date of listing of the Class B shares on 3 May 2024, the board of directors has met 6 times in addition to one board of directors meeting held in writing and without session (*por escrito y sin sesión*).

Indicate the number of meetings held by the lead director with the other directors, where there was neither attendance nor representation of any executive director:

2.

Notes

Since the date of listing of the Company's Class B shares, the Lead Director has met 2 times with the rest of the members of the board of directors, without the Executive Director being represented or in attendance.

Indicate the number of meetings held by each board of directors committee during the year:

Number of meetings held by the audit and compliance committee	4
Number of meetings held by the appointments and remuneration committee	3
Number of meetings held by the sustainability and social responsibility committee	2

Notes

Data is included as from the effective date of listing of the Company's Class B shares on 3 May 2024.

C.1.26

Indicate the number of meetings held by the board of directors during the year with member attendance data:

Number of meetings at which at least 80% of the directors were present in person	6
Attendance in person as a % of total votes during the year	97.44%
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	6
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	100%

Notes

The information above refers to the meetings held by the board of directors since the date the Company's Class B shares were listed. A board of directors meeting held in writing and without session (*por escrito y sin sesión*) is not counted.

C.1.27

Indicate whether the individual and consolidated financial statements submitted to the board of directors for issue are certified in advance:

Yes.

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the board:

Name	Position
Marc Puig Guasch	CEO and Chairman of the board of directors
Joan Albiol Ramis	Chief Financial Officer and Secretary (non-member) of the board of directors

C.1.28

Explain the mechanisms, if any, established by the board of directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

According to the terms of the board of directors Regulations, the board of directors draws up the annual accounts and management report, both at an individual and consolidated level, so that they provide a true and fair picture of the assets, financial situation and results of the Company and of the Puig group, in accordance with the law, having received the opinion of the Audit and Compliance Committee in advance. These accounts are first certified, in terms of their integrity and accuracy, by the Chief Financial Officer (CFO) and Secretary of the board of directors with the approval of the Chairman and CEO of the Company. The board of directors, after hearing the Audit and Compliance Committee, can request any clarifications it deems appropriate.

Moreover, the board of directors monitors the financial evolution of the Company regularly, at each meeting of the board of directors.

In accordance with the provisions of the board of directors Regulations, the functions of the Audit and Compliance Committee include the following:

- supervise the process of drawing up and presenting the financial and non-financial information, as well as ensuring the integrity thereof, as well as of the systems for controlling and managing financial and non-financial risks, (including, among others, operational, technological, legal, social, environmental, political and reputational risk, as well as those related to corruption) regarding the Company and its group, reviewing compliance with

regulatory requirements, the proper delimitation of the consolidation perimeter and the proper application of accounting principles, and presenting recommendations or proposals to the board of directors, in order to safeguard the integrity of the financial and non-financial information;

- supervise the process of drawing up the annual accounts and management report, which will include, when appropriate, the non-financial information statement-, individual and consolidated, to be formulated by the board of directors, according to the law; and
- inform the board of directors, so that they are drawn-up in line with the law, on the correctness and reliability of the annual accounts and management reports, individual and consolidated, and of the periodic financial information released.

According to the rules indicated, following the listing of the Company's Class B shares, the Audit and Compliance Committee informed on the process of drawing up and presenting the Company's financial information (individual and consolidated), as well as its clarity and integrity, prior to its approval by the board of directors and presentation to the CNMV. In this regard, the Audit and Compliance Committee submitted the Company's quarterly, half-yearly and annual financial information for 2024 financial year to the plenary session of the board of directors.

C.1.29

Is the secretary of the board of directors also a director?

No.

If the secretary is not a director, complete the following table:

Name or corporate name of the secretary	Representative
Joan Albiol Ramis	Not applicable

C.1.30

Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

In accordance with the provisions of the board of directors Regulations, the Board's relations with the Company's external auditors are channeled via the Audit and Compliance Committee.

The board of directors will refrain from proposing the commissioning of those audit firms in which the fees that the Company and/or the Puig companies envisage paying, for all items, are higher than ten per cent (10%) of the income of that audit firm in Spain during the preceding financial year.

The Audit and Compliance Committee is responsible for ensuring the independence of the external auditor and, to that end, among other functions:

- It will inform of any change of auditor and accompany it with a declaration on the potential existence of disagreements with the outgoing auditor and, if there were any, of the content thereof.

- It will ensure that the Company and the auditor respect the rules in force on the provision of services other than audit services, the limits on the concentration of the auditor's business and, in general, the other rules established to ensure the independence of the auditors. To that end, it will receive annually from the external auditor the declaration of its independence in relation to the Company or entities directly or indirectly related to the Company, as well as detailed and individualized information on the additional services of any kind provided and the corresponding fees received from these entities by the external auditor or by the persons or entities related to it, in accordance with the provisions of the regulations governing the activity of auditing accounts.

- In the event of resignation by the external auditor, the Audit and Compliance Committee will examine the circumstances that caused such resignation.

- It will ensure that the remuneration received by the external auditor for its work does not compromise its quality or independence.

Since the date the Class B shares were listed and until closing of the 2024 financial year, the Company auditor, Ernst & Young, S.L. appeared 2 times before the Audit and Compliance Committee. Additionally, on 26 February 2025, Ernst & Young, S.L. presented to the Committee the audit conclusions for the financial year 2024.

Ernst & Young, S.L. also submitted to the board of directors, through the referred Committee, its presentations on the limited review of the financial information at 30 June 2024, and on the audit of the financial year 2024.

At these appearances, Ernst & Young, S.L. did not report any aspects that would jeopardize its independence.

Moreover, on 26 February 2025 Ernst & Young, S.L. sent to the Committee written confirmation of its independence in relation to the audit of the annual financial information corresponding to the financial year 2024.

C.1.31

Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

No.

If there were any disagreements with the outgoing auditor, explain their content:

No.

C.1.32

Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes.

	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	219	1,033	1,252
Amount invoiced for non-audit work/Amount for audit work (in %)	51%	53%	53%

C.1.33

Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general shareholders' meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

No.

Explanation of the reasons and direct link to the document made available to the shareholders at the time that the general shareholders' meeting was called in relation to this matter.

Not applicable.

C.1.34

Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	4	2

	Individuals	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	100%	100%

Notes

Until 2022, the parent company of the group was Puig, S.L. and its annual accounts were audited by the same audit firm (Ernst&Young, S.L.). The Company is the parent company of the group since 2023, after the contribution of the business from Puig, S.L. to Puig Brands, S.A., so it drafted its first annual consolidated accounts in 2023 and were audited by Ernst&Young, S.L.

C.1.35

Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes.

Details of the procedure.

In accordance with article 22 of the articles of association and article 37 of the board of directors Regulations, the Chairman, assisted by the Secretary and Vice-Secretary of the board of directors, ensures that the call for board of directors meetings, including their agenda, is issued as far in advance as possible, and, in any case, at least 3 days in advance.

The directors have a specific online portal which facilitates the performance of their duties and the exercise of the right of information. Documentation and information for the preparation of the meetings of the board of directors and its Committees (including materials elaborating on the items on the agenda, presentations and expositions, other information of interest, the minutes of the previous meetings to be approved, etc.) are uploaded to the online portal.

Moreover, in accordance with the provisions of article 28 of the board of directors Regulations, all directors can be informed of any aspect of the Company and its group in order to perform their duties. Requests for information are to be channeled through the Chairman of the board of directors, who processes the Directors' requests either directly providing the information or offering access to the appropriate contacts.

C.1.36

Indicate whether the company has established rules obliging directors to inform the board of directors of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes.

Explain the rules.

Directors will offer their resignation from the board of directors and, if they deem it convenient, formalize the corresponding resignation when their continued presence on the board of directors could be detrimental to the

interests, credit or reputation of the Company. Directors will inform of any criminal cases in which they are under investigation, as well as of any other procedural events.

The Director will inform the board of directors, through the Chairman of the Board, in general, of any fact or situation that may be relevant for his/her actions as Company Director or that could otherwise be detrimental to the reputation or credit of the Company.

C.1.37

Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the board of directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

No.

Indicate whether the board of directors has examined the case. If so, explain with reasons whether, given the specific circumstances, it has adopted any measure, such as opening an internal enquiry, requesting the director's resignation or proposing his or her dismissal.

Indicate also whether the board of directors' decision was backed up by a report from the appointment committee.

No.

C.1.38

Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

The Company is the debtor party to several financing agreements that include an early termination clause in the event of a change of control in the Company, whereby a third party other than the direct or indirect shareholders of the Company at the date of the execution of the financing agreement acquires, as a result of one or more transactions, a direct or indirect interest exceeding fifty percent (50%) of the Company's share capital and/or otherwise control of the Company, as foreseen under article 42 of the Spanish Commercial Code.

Moreover, the CEO will be entitled to indemnification in the event of termination of his commercial agreement with the Company, if this takes place, among other reasons, due to a change of control of the Company (in the terms set out in the Remuneration Policy and his contract).

C.1.39

Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	
Type of beneficiary	Description of the agreement
Chairman and CEO	The termination of the agreement of the Chairman and CEO due to a unilateral decision of the Company will entitle him to receive indemnification equivalent to two (2) annual payments of the fixed remuneration he was receiving at the moment the agreement was terminated, provided the termination is not due to a breach of his duties and functions as a member of the board of directors. The indemnification will not be paid until the Company has been able to verify that the criteria and conditions to receive the same have been met.

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorized by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of Directors	General Shareholders' Meeting
Body authorizing the clauses	X	

	Yes	No
Are these clauses notified to the General Shareholders' Meeting?	X	

C.2 Committees of the board of directors

C.2.1

Provide details of all committees of the board of directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

Audit and Compliance Committee

Name	Position	Category
Daniel Lalonde	Chairman	Independent
Rafael Cerezo Laporta	Member	Other external
Yiannis Petrides	Member	Other external

Nicolas Mirzayantz	Member	Independent
María Dolores Dancausa Treviño	Member	Independent
Francisco Blanco García	Secretary (non-member)	N/A

% of proprietary directors	0.0%
% of independent directors	60.0%
% of other external directors	40.0%

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organization and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions.

The Audit and Compliance Committee is comprised of five members, all non-executive directors (in accordance with the provisions of article 39 of the board of directors Regulations). Of the five members of this Audit and Compliance Committee, three are independent directors and two are other external directors, meaning that it has a majority of independent directors.

The chairman of the Audit and Compliance Committee must be an independent director. The members of the Audit and Compliance Committee, as a whole, and the chairman in particular, must be appointed taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial.

The Audit and Compliance Committee shall meet at least three times a year and whenever convened by its chairman, of his/her own motion, or if requested by any of its members. Minutes will be taken at each meeting, to be signed by all the members of the Audit and Compliance Committee who attend the meeting. The chairman of the Audit and Compliance Committee will report on its activity in the first plenary session of the board of directors after any meeting of the Audit and Compliance Committee and will answer questions on the work carried out.

Its functions are set out in the board of directors Regulations and, with regard to the Audit section, are materialized in the issue of reports and proposals mainly related to the periodic review of the process for preparing economic and financial information, the internal audit function, the supervision of related-party transactions and the independence of the external auditor. Likewise, in the Compliance section, its functions are to supervise compliance with the rules governing the operation of the Company and to supervise compliance with Puig's criminal prevention model, supervising the functions, control protocols and work entrusted to the Compliance department and to Puig's Chief Compliance Officer.

Some of the most relevant activities carried out by the Audit and Compliance Committee since the listing of the Company's Class B shares on 3 May 2024 and until the end of financial year 2024 are detailed below. For further details, please

refer to the annual report on the functioning of the Audit and Compliance Committee, which will be made available in due time before the General Shareholders' Meeting:

- Supervision of the work carried out by the external auditors in reference to the consolidated financial statements for the first half of the 2024 financial year.

- Supervision of compliance with the audit engagement, evaluation of its results, and supervision of the conditions and compliance with the contracts signed with the auditors for the performance of work other than that included in the audit contract, in order to guarantee the independence of the auditors.

- Activities related to the Internal Audit function: (i) Approval of the program of dates and matters to be dealt with in the 2024 financial year; supervising, during the year, its compliance; (ii) Ensuring the proper functioning of the information and internal control systems; (iii) The Committee was informed at its meetings about different issues within its competence and supervised the Internal Audit work plan (such as the status of project execution and the analysis of the follow-up of the recommendations, both operational and financial, compliance and systems, of higher priority in progress), receiving periodic information on Internal Audit activity; and (iv) Review of the design and implementation of the Internal Control over Financial Reporting System (ICoFR). The recommendations proposed are followed up on by the Internal Audit department.

- Activities in the area of supervision and evaluation of the risk control and management function: Verification of the Company's level of risk tolerance and its limits. Monitoring the strategic risk portfolio, periodically reporting to the Board of Directors on its control and management system. Propose to analyze emerging risks and promote the updating of strategic risks for the year 2025, their prioritization, treatment strategy and periodic monitoring. Approve the proposal to implement a new risk control and management policy. Approve the proposal for certification under the UNE-ISO 31000:2018 standard in the field of strategic risk management.

- Compliance activities: The deployment of the Compliance Model, from a functional perspective (through the assignment of responsibilities and the creation of controls derived from the different regulatory categories) and geographical scope. Consolidation of the Whistleblower Channel as a tool for reporting potential non-compliance. Proposal to implement global training on specific scenarios associated with the commitments of the Code of Ethics. Implementation of the Governance, Risk and Compliance (GRC) tool. Redefinition of the Compliance function and development of the action plan for 2025.

- Review and approval of the Company's related-party transactions with its directors and significant shareholders (and their respective related parties) for proposal to the Board of Directors.

- Other activities: (i) In tax matters, review of the degree of compliance with the Corporate Tax Policy and the tax situation for the years 2023 and 2024; and approval of the tax transparency report on the evolution of tax payments; and (ii) Presentation of a project to improve the coordination and optimization of Puig's Three Lines of Defense, to establish an integrated risk and control framework with an alignment of the risk strategy with Puig's risk appetite and business objectives.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed.

Names of directors with experience	Daniel Lalonde, Rafael Cerezo Laporta, Yiannis Petrides, Nicolas Mirzayantz and María Dolores Dancausa Treviño
Date of appointment of the chairperson	5 April 2024

Appointments and Remuneration Committee

Name	Position	Category
Ángeles García-Poveda Morera	Chair	Independent
Jordi Constans Fernández	Member	Independent
Rafael Cerezo Laporta	Member	Other external
Christine A. Mei	Member	Independent
Álvaro Sanz de Oliveda	Secretary (non-member)	

% of proprietary directors	0.00%
% of independent directors	75.0%
% of other external directors	25.0%

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions.

The Appointments and Remuneration Committee is comprised of four members, all non-executive directors (article 40 of the board of directors Regulations establishes that this committee will be comprised exclusively by non-executive directors and no members of the Puig family, with a minimum of three and a maximum of five members). Of the four members of the Appointments and Remuneration Committee, three are independent directors.

The chair of the Appointments and Remuneration Committee must be an independent director. The Appointments and Remuneration Committee will consult the chairman of the board of directors and, if different to the chairman, the CEO, in particular in cases involving executive directors, if any, and Senior Officers.

Its members will be dismissed when they cease to be directors or when decided by the board of directors.

The Appointments and Remuneration Committee will meet at least three times a year and whenever convened by its chairman, of his/her own motion, or if requested by any of its members. Minutes will be taken at each meeting, to be signed by all the members of the Appointments and Remuneration Committee who attend the same. The chair of the Appointments and Remuneration Committee will report on its activity in the first plenary session of the board of directors after any meeting of the Appointments and Remuneration Committee and will answer questions on the work carried out.

Its functions are set out in the board of directors Regulations and are materialized in the issue of reports and proposals related mainly with the remuneration of the members of the board of directors and Senior Officers of the Company.

Some of the most relevant activities conducted by the Appointments and Remuneration Committee in financial year 2024 are detailed below. For further information, see the Annual Directors' Remuneration Report corresponding to 2024 financial year.

- Review of results and performance indicators for the 2023 bonus, establishment of scales and structure for the 2024 performance indicators.
- Assessment and design of new long-term incentive plans, including structural proposals of the CEO.
- Assessment of the functioning of the board of directors and CEO, continuous supervision of the search for new board of directors members.
- Review of succession plans and organizational proposals for senior executives.
- Review of the senior executive remuneration and assessment policy.
- Proposals and review of salary policies and criteria for salary increases in 2025.

Sustainability and Social Responsibility Committee

Name	Position	Category
Manuel Puig Rocha	Chairman	Proprietary
Marc Puig Guasch	Member	Executive
Yiannis Petrides	Member	Other external
Nicolas Mirzayantz	Member	Independent
Ángeles García-Poveda Morera	Member	Independent
María Antonia Ruiz Arteta	Secretary (non-member)	N/A

% of proprietary directors	20.0%
% of independent directors	40.0%
% of other external directors	20.0%
% of executive directors	20.0%

Explain the functions assigned to this committee and describe the rules and procedures for its organization and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of association or in other corporate resolutions.

The Sustainability and Social Responsibility Committee is comprised of five members, of which, four are non-executive directors and one, an executive director (in accordance with article 41 of the board of directors Regulations, this committee will be comprised of between three and six directors). Two of the members of the Sustainability and Social Responsibility Committee are independent directors.

When appointing the members of the Sustainability and Social Responsibility Committee, the board of directors will strive to ensure that their knowledge, aptitudes and experience is appropriate for the functions they have to perform. The Sustainability and Social Responsibility Committee is an internal body, of an informative and consultative nature, without executive functions and with powers of information, advice and proposal within its scope. Its functions are set out in the board of directors Regulations and are materialised in the periodic supervision, assessment and review, with the issue of reports and proposals requested by the board of directors or its chairman, relating mainly to environmental and social issues and the Company's system of corporate governance.

Minutes will be taken at each meeting and will be placed at the disposal of all members of the board of directors. The chairman of the Sustainability and Social Responsibility Committee will report on its activity in the first plenary session of the board of directors after any meeting of the Sustainability and Social Responsibility Committee and will answer questions on the work carried out.

Below are some of the most relevant activities that the Sustainability and Social Responsibility Committee conducted as from the date when the Company's Class B shares were listed, 3 May 2024, until the end of financial year 2024:

- Monitoring the priority ESG targets for financial year 2024: decarbonisation of the supply chain, implementation of the social strategy, reduction of the impact on nature and biodiversity and compliance with new legislation on ESG.
- Review and establishment of ESG incentives, both short-term incentives (STI) for the 2025 financial year, and long-term incentive plans (LTIP) for the 2025-2027 period.
- Study and review of the Company's impact in terms of biodiversity and definition of priorities in each area.

- Analysis and review of the Puig Social Plan (strategy of the Company in the "S" area of ESG) and definition of priorities in each area.
- Study and review of the applicable legislation on sustainability in the Company's sphere of business and analysis of the priority issues for the Company (in particular, use of plastics, animal welfare, textiles and circularity).
- Review of the activities and progress on ESG by the Company's Love Brands.
- Monitoring the Company's strategy for adapting to Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting (CSRD).
- Coordination and monitoring of ESG initiatives, in collaboration with external advisors. In particular, the ESG index, definition of the social strategy and a project for decarbonisation of the supply chain.
- Review, analysis and prioritisation of material issues affecting Fashion in view of the proliferation of legislative issues applied to this category.
- Review and analysis of quantitative data on the Company's carbon footprint, quantitative data on GHG emissions and the 2025 plan to improve data quality.

C.2.2

Complete the following table with information regarding the number of female directors who were members of board of directors' committees at the close of the past four years:

	Number of female directors			
	Year n Number %	Year n Number %	Year n Number %	Year n Number %
Audit and Compliance Committee	20.0%	N/A	N/A	N/A
Appointments and Remuneration committee	50.0%	N/A	N/A	N/A
Sustainability and Social Responsibility Committee	20.0%	N/A	N/A	N/A

Notes

The data included are since the listing date of the Company's Class B shares.

C.2.3

Indicate, where applicable, the existence of any regulations governing board committees, where these regulations are to be found, and any amendments made

to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The regulation of the board committees is set out in the board of directors Regulations, which are available on the Company's website.

In accordance with Recommendation 6 of the Code of Good Governance of Listed Companies, an annual report will be prepared on the activities of each board of directors Committee and of the board of directors itself for financial year 2024, being published on the corporate website in due time prior to the General Shareholders' Meeting scheduled for financial year 2025.

D.

Related party and Intragroup Transactions

D.1

Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

In accordance with the terms of article 23 of the board of directors Regulations, the transactions that the Company or any of the Puig group companies carry out with Directors, or with persons related to them or with shareholders, and that qualify as related-party transactions according to the law, must be authorized by the board of directors or the General Shareholders' Meeting, as appropriate, after obtaining the opinion of the Audit and Compliance Committee.

In any event, it will be necessary to ensure that the authorized transaction is not detrimental to the Company's assets or, if applicable, that it is carried out under market conditions and via a transparent process.

The authorization will necessarily have to be agreed by the General Shareholders' Meeting when it involves a related-party transaction for an amount or value that is equal to or greater than ten (10) per cent of the Company's assets, according to the last consolidated annual balance sheet approved by the Company. When the General Shareholders' Meeting has to decide on a related-party transaction, the affected shareholder will be deprived of its right to vote, except in those cases in which the proposed resolution has been approved by the board of directors without the majority of Independent Directors voting against. However, when appropriate, the rule of the reversal of the burden of proof envisaged in article 190.3 of the Spanish Companies Act will apply.

The authority to approve related-party transactions other than those envisaged in the foregoing paragraph will correspond to the board of directors, which will not be able to delegate it.

The above notwithstanding, the board of directors will delegate approval of the following related-party transactions, which will not require a prior report from the Audit and Compliance Committee either: (i) those between the Company and the Puig group companies in the sphere of their ordinary management and under market conditions; and (ii) those arranged by virtue of contracts with standard conditions that apply across the board to large number of clients, with prices or tariffs established in general terms by whoever acts as supplier of the goods or services in question and where the amount does not exceed zero point five per cent (0.5%) of the net turnover of the Company, pursuant to the last consolidated annual accounts or, failing that, individual annual accounts of the Company approved by the General Shareholders' Meeting.

In the event the delegation is approved, in relation to these transactions, the board of directors will establish an internal procedure of periodic reporting and monitoring, involving the Audit and Compliance Committee and that will verify the fairness and transparency of these transactions and, failing that, compliance with the legal criteria applicable to the above exceptions.

The Director affected, or the one representing or related to the affected shareholder, in relation to the related-party transaction in question, will not exercise or delegate his/her voting right and will leave the meeting room while the board of directors deliberates and votes. As an exception, Directors who represent or are related to the majority shareholder of the Company, currently Puig, S.L. or entities related to it that hold all or part of its stake in the future, will not have to abstain, in transactions of the Company and the Puig companies, notwithstanding that, in such cases, if their vote has been decisive for the adoption of the resolution, the rule of the reversal of the burden of proof will apply in similar terms to those envisaged in article 190.3 of the Spanish Companies Act.

The Company will report related-party transactions in the cases and with the scope envisaged by law.

D.2

Provide individual details of transactions that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board of directors without a vote against the majority of the independents:

During the 2024 financial year, no new transactions have been formalized between the Company or its subsidiaries and the direct or indirect controlling shareholder (Puig, S.L. and Exea Empresarial, S.L., respectively) that are considered significant due to their amount and/or subject matter and that, therefore, are subject to individual breakdown in this section.

Notwithstanding the above, Company’s consolidated annual accounts for the 2024 financial year include the information relating to related party transactions required in accordance with the criteria and breakdown provided for in the applicable regulations.

D.3

Provide individual details of the transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or directors of the company, including those transactions carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board of directors without a vote against the majority of the independents:

During the financial year ended December 31, 2024, there have been no transactions with the Company's directors (or their related parties, as defined above) that are significant in amount or material in nature.

Notes:

It is hereby expressly stated that the group companies have current lease agreements for the commercial premises of the Carolina Herrera (New York) and Rabanne (Paris) stores, as well as lease agreements for the offices of the headquarters in L'Hospitalet de Llobregat (Barcelona). The aforementioned commercial premises and offices are owned by Inmo, S.L. (an entity of which Manuel Puig Rocha is, in turn, a Board member) and its subsidiaries.

The aforementioned contracts were signed prior to 2024 and, therefore, prior to the admission to trading of the Class B shares. After the Class B shares were admitted to trading, the aforementioned lease agreements and their main conditions were ratified by the Board of Directors of the Company, having been previously analyzed by the Audit and Compliance Committee and, in particular, to verify that said transactions are at arm's length and that they are fair and reasonable from the Company's point of view and in accordance with the corporate purpose.

The Company's consolidated annual accounts for the 2024 financial year include details of the nature and amounts accrued in relation to the aforementioned lease agreements, in accordance with the criteria and breakdown provided for in the applicable accounting regulations.

D.4

Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

In the 2024 financial year, there are no new transactions subscribed that are not eliminated in the consolidation process.

D.5

Give individual details of the transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Corporate name of the related party	Brief description of the transaction and other information necessary for its evaluation	Amount (thousands of euros)
Not applicable		

D.6

Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, Senior Officers, significant shareholders or other associated parties.

The Director will refrain from intervening in deliberations that affect matters in which he/she or a related person (in the terms of the board of directors Regulations) have a direct or indirect conflict of interest, and from voting in the corresponding resolutions, unless otherwise stipulated by law.

Directors are obliged to (i) inform the board of directors of any direct or indirect conflict they may have with the Company's interests. If such a conflict exists, the affected Director will refrain from intervening in the transaction to which the conflict refers, unless otherwise stipulated by law, and (ii) will inform the board of directors of the potential direct or indirect conflict of interest situations in which the Director finds him-/herself or has found him-/herself, or the person related to them, in relation to Puig's interests, in the terms established in the legislation in force at any given time.

The Directors will inform the Chairman of the board of directors of their other professional obligations, in case they could interfere with the dedication required for the performance of their duties. The Secretary of the board of directors will collect and keep the information provided by the Directors, for the appropriate legal effects.

At the General Shareholders' Meetings, the shares of any shareholder in a conflict-of-interest situation will be deducted from the share capital for calculating the majority of votes required in each case.

D.7

Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code ("Código de Comercio"), whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes

The Company is controlled by Puig, S.L. (a company controlled by Exea Empresarial, S.L.).

Indicate whether it has publicly reported accurately on the respective areas of activity and any business relationships between, on the one hand, the listed company or its subsidiaries and, on the other hand, the parent company or its subsidiaries:

Not applicable.

Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries have been defined publicly and precisely:

Not applicable.

Identify the mechanisms in place to resolve potential conflicts of interest between the parent of the listed company and the other group companies:

Not applicable.

E.

Risk Management and Control Systems

E.1

Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.

The general risk management framework that establishes the basic principles for monitoring and managing all kinds of risks that could negatively affect the achievement of Puig's objectives (applied in line with the provisions of the Puig Code of Ethics) has been formalized in a policy on management and control of financial and non-financial risks drafted at the end of 2024 and formally approved in January 2025.

The risk management system exists at the risk area level (mainly, Financial, Tax, Compliance and Strategic) and covers the business units and geographies in line with the materiality principles. The system is implemented and supplemented by the specific policies established in relation to certain risks, corporate functions or businesses within the perimeter of the group. Risks are identified, analyzed, assessed, managed and monitored systematically, with uniform criteria and within the tolerance thresholds or levels established.

The main policies that are functionally implemented in the general risk management framework are the following:

- Crime prevention and compliance policy
- Anti-corruption policy
- Whistleblowing channel policy and procedure
- Anti-trust policy
- Tax policy
- Information security policy
- Privacy policy
- Governance model on the Internal Control over Financial Reporting (ICoFR) system

The risk management policies are applicable to all of Puig's business divisions.

In addition, during the 2024 financial year, a double materiality analysis was carried out and validated by external parties and aligned with existing risk management and control systems. The methodology and conclusions of this analysis can be found in Section 6 of the Consolidated Statement of Non-Financial Information and Sustainability Information for the 2024 financial year.

E.2

Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.

1. Board of Directors

The functions of the board of directors include: (i) overseeing the deployment of a Risk Management and Control System ("Sistema de Control y de Gestión de Riesgos") and following up the information and monitoring systems, and (ii) approving the risk management and control policies that define the basic management principles and guidelines for mitigating such risks.

2. Audit and Compliance Committee

The functions of the Audit and Compliance Committee include supervising the effectiveness of the Risk Management and Control System, presenting recommendations and proposals to the board of directors in these matters.

3. Risk Committees

The Company establishes Risk Committees in each division and, in relation to supra-division (corporate group) issues, it works with the corporate representative of each corresponding area. The Risk Committees manage the defined risks, with the frequency established, coordinating with the risk management areas and the requirements derived from the monitoring areas involved.

4. Risk Management Area

The functions of the Risk Management Area include: (i) leading the process for the periodic preparation, maintenance and update of risks; (ii) ensuring the proper functioning of the Risk Management and Monitoring System, overseeing identification, prioritization, assessment, quantification, processing and follow-up and providing reasonable certainty on its proper operation supplying the information and tools necessary to process it: (iii) integrating in the Risk Control System the monitoring measures identified by the different risk managers; and (iv) raising awareness on the importance of the Risk Management and Control System promoting the creation of a risk management culture at all levels and the periodic assessment of the management model.

5. Senior Officers and Management team

The functions of Senior Officers and the management team include: (i) participating in the risk committees established and complying with the Terms of Reference established; and (ii) supplying sufficient means for the development of the Risk Management and Monitoring activities as well as defining the functions and responsibilities of such activities.

6. Risk Owners

In coordination with the Risk Management Area, there is a role called "Risk Owners", who are responsible for: (i) identifying and prioritizing risk factors within their sphere of responsibility, as well as the tolerance level; (ii) proposing controls to mitigate risk factors and the risk monitoring indicators; (iii)

assessing the risk indicators they are responsible for, proposing and implementing the response measures where necessary; and (iv) taking part in the periodic identification of risk factors, controls and monitoring indicators.

E.3

Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives.

In the development of Puig's own business activities, different risks are identified that are inherent to the different divisions, activities and regions in which it operates, and which include:

Corporate Governance Risks

They are derived from a potential non-compliance with the applicable legislation, the terms of the governance and sustainability system, the Code of Good Governance of Listed Companies recommendations and its practical guidelines; and the international standards in this area.

Strategic Risks

Derived from the strategic position of Puig in the environment in which it performs its activity, relations with third parties, the portfolio of products, as well as planning and organization, and that may entail difficulty in complying with the objectives defined in its Strategic Plan.

Puig will focus its efforts on monitoring the profitability of businesses in the areas in which it operates and on investment in activities and tools that adapt its portfolio of products and facilitate the adaptation, progress and achievement of the strategic objectives in terms of business and impact on society. Moreover, in relation to the geographical environments in which it operates, Puig will implement its business strategies in line with general strategies of prudence and within a framework that assesses the risks of international socio-economic situations including political risks.

Financial Risks

Associated with alterations on the financial markets and/or markets for goods and services that affect the costs and revenue of the activity, including spheres related to exchange rate management, liquidity risk or the interest rate, as well as the credit risk related to the possibility that a counterparty fails to comply with its contractual obligations and causes an economic or financial loss for Puig.

Regulatory Risks

Associated with non-compliance with legal provisions, regulations in general, adopted standards and applicable codes of conduct, in all the markets in which Puig carries out its activity, and which may lead to sanctions and/or deterioration of reputation, consequently causing an adverse impact on the results, and/or on the capital, and/or on the expectations of business

development with special relevance on criminal offences and crimes of the legal person, fraud and legal obligations arising from Puig's activities.

Tax Risks

Associated with decision-making in the area of tax, whether by Puig, or the tax or judicial authorities, that could have a negative impact on the financial statements or reputation of Puig. The Group’s activity entails the adoption of a series of decisions that have tax impact and repercussions.

Operating Risks

Referring to the direct or indirect economic losses caused by inadequate internal processes, technological faults, human error or as a result of external events, specifically including risks associated with the design, manufacture and commercialization of its products, the creation and use of brand support materials, human capital and information technology.

E.4

Indicate whether the entity has risk tolerance levels, including for tax risk.

Puig's Risk Management and Control System is designed to achieve a balanced profile in terms of risk/opportunity, by means of appropriate management. The tolerance framework is established around guidelines, rules and procedures that ensure that the management environment maintains risk at acceptable levels. In this regard, the aim is to maintain a prudent level of risk that makes it possible to generate value in a recurrent and sustainable manner, optimize opportunities while at the same time maintaining acceptable levels of risk (with the exception of those risks in which the tolerance level defined by the Company is zero like, for example, with regard to anti-corruption).

Those risks that are beyond the established tolerance levels will have to be addressed so that the desired levels are reached, insofar as the risk is manageable and the cost of the mitigation measures is justified by the effect that the materialization of the risk may have.

E.5

Indicate which risks, including tax risks, have materialized during the year.

The following risks have materialized during the financial year:

- A voluntary withdrawal of certain batches of Charlotte Tilbury's Airbrush Flawless Setting Spray has been carried out after identifying an isolated quality issue in a limited number of batches which, in any case, does not render the product unsafe. The voluntary withdrawal has had an impact on the performance of Puig's make-up business segment. However, it has not had a material impact on the Company's consolidated annual results targets; and

- In line with the sector in which the Company operates, there has been a negative market performance in China. Notwithstanding the foregoing, due to the Company's lower exposure to the Chinese market, the impact on the

Company is considered to be lower than the industry average and is expected to be offset by good performance in other regions and categories.

No risks related to financial reporting have materialized.

E.6

Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the board of directors responds to any new challenges that arise.

Puig's Risk Management system enables it to identify risks and threats, as well as to establish mitigation plans when necessary.

Puig's risk management model is based on a risk management system defined at risk area level (mainly Financial, Tax, Compliance, Strategic), and covers the business units and geographies according to materiality principles. The model has mechanisms for monitoring and reporting to the Audit and Compliance Committee. To that end, risk monitoring is carried out on a quarterly basis, at least, by the Risk Committees and the Audit and Compliance Committee, supervised by the board of directors.

In relation to the strategic risks, the Risk Committees that meet quarterly or every four months review the risk factors that, according to the matrix, are considered priority or that, even if not priority, have had a high risk level in the relevant risk indicator. The response strategy varies depending on each risk factor and its appetite and, according to the above, the Risk Committee establishes an action plan that is regularly monitored and reports to the Audit and Compliance Committee periodically.

F.

Internal Risk Management and Control Systems relating to the Reporting process of Financial Information (ICoFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICoFR) system.

F.1 The Company's control environment

Report on at least the following, describing their principal features:

F.1.1.

The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICoFR system; (ii) its implementation; and (iii) its supervision.

In accordance with the board of directors Regulations, the board of directors of the Company holds, among others, the non-delegable power to determine the risk management and control policy.

Article 39.3 of the board of directors Regulations assigns the following functions to the Audit and Compliance Committee with regard to the internal reporting and control systems:

i. Supervise the process of drawing up and presenting the financial and non-financial information, as well as ensuring the integrity thereof, as well as of the systems for controlling and reporting financial and non-financial risks, (including, among others, operational, technological, legal, social, environmental, political and reputational risk, as well as those related to corruption) regarding the Company, reviewing compliance with regulatory requirements, the proper delimitation of the consolidation perimeter and the proper application of accounting principles, and presenting recommendations or proposals to the board of directors, in order to safeguard the integrity of the financial and non-financial information.

ii. Periodically revise the internal reporting and control and risk management systems, so that the policies and systems are applied effectively, and the main risks are identified, managed and reported on appropriately.

iii. Oversee the independence and effectiveness of the internal audit function; notify the board of directors of its opinion in terms of the selection, appointment, re-election and removal of the head of the internal audit service; propose the budget for that service; approve or propose that the board of directors approve the guidelines and annual plan of action for internal audit, ensuring that its activity focuses primarily on the relevant risks (including reputational risks), receive period information on its activities; and verify that Senior Officers take into account the conclusions and recommendations of its reports.

iv. Establish and oversee a mechanism that makes it possible for employees and other persons related to the Company (including directors, shareholders, suppliers, contractors or subcontractors) to confidentially report any potentially material irregularities, especially financial and accounting ones, that are noticed within the Company.

In relation to risks, the Audit and Compliance Committee will verify that the appropriate mechanisms are established to supervise financial and non-financial risks, with final responsibility for the existence and maintenance of an

effective System for the Internal Control over Financial Reporting ("*Sistema de Control Interno de la Información financiera*") (ICoFR) resting with the board of directors, which oversees the same via the Audit and Compliance Committee. In turn, this oversight by the Audit and Compliance Committee relies on the Internal Control department, which is responsible for the design, implementation and maintenance of the ICoFR controls.

All aspects related to the Internal Monitoring of Financial Information are regulated in Puig's Internal Control over Financial Reporting Governance Model. This internal policy establishes the responsibilities and internal monitoring mechanisms necessary to guarantee the effectiveness of the ICoFR.

F.1.2.

Indicate whether the following exist, especially in relation to the drawing up of financial information:

- **Departments and/or mechanisms in charge of: (i) the design and review of the organizational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity.**

  According to the board of directors Regulations, the powers reserved for the board of directors are those of defining the organizational structure of the Company, as well as the appointment and potential removal of Senior Officers. The heads of each organization, together with the heads of Human Resources of the divisions and the corporate Chief HR Officer carry out deployment in their respective units.

  Each top-level department prepares a proposed organizational structure, including a description of the mission, functions and responsibilities of the different organizations deployed, which will subsequently be validated at corporate level.

  Once the organizational changes of the Senior Officers are approved, the entire workforce is notified by means of an announcement on the intranet.

  The Corporate Finance and Internal Control departments hold the responsibility for the policies and procedures associated with financial information.

  The Internal Control department evaluates the risks and controls to be implemented taking into account the different processes. According to the specific control requirements, responsibilities are assigned through the organization, designating control owners and control reviewers.

- **Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analyzing breaches and proposing corrective actions and sanctions.**

  Puig approved a Code of Ethics in 2010, the latest update of which was approved by the board of directors in 2023, and it is revised periodically in order to ensure its validity and relevance. The Code of Ethics is published on the Company's website.

Puig's Code of Ethics defines the reference framework to ensure that the Company's daily activities and those of its employees are in line with its principles and values through the various commitments established.

These commitments include the rule on “Reporting Integrity” (“Integridad en la elaboración de informes”), which states: “We comply with all financial and non-financial disclosure and reporting obligations in a transparent, reliable and timely manner”. And the rule on “Accuracy of Information” (“Veracidad de la información”) which states: “All information disseminated internally and externally must be accurate and clearly expressed” Therefore, providing inaccurate or incorrectly organized information is prohibited.

Puig's Code of Ethics sets a strict standard for compliance at all levels of the organization, adopting the corresponding disciplinary or other measures in view of possible violations and in accordance with the legal framework in force at any time. The principles established in the Code of Ethics are also projected in the development of the Company's activity throughout its value chain.

The dissemination of the Code of Ethics is guaranteed by online training that also contains an explanation of the main commitments of the Code of Ethics and includes individual confirmation of acceptance and a commitment to its principles and values.

Overseeing compliance with the Code of Ethics as well as of the policies derived from it and the applicable legislation on the Company's activity is the responsibility of the Audit and Compliance Committee with the corporate Compliance area, headed by the Chief Compliance Officer. This area submits a report to the Audit and Compliance Committee annually on the degree of deployment and effectiveness of the regulatory compliance model as well as a proposal for actions and recommendations for the following year, in a context of continuous improvement. Once this report has been approved by the Audit and Compliance Committee, it is submitted for the approval of the board of directors.

- **Reporting channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.**

  As part of its commitment to integrity, Puig has implemented the Reporting Channel as an essential tool for ensuring the ethical and regulatory compliance standards established in Puig's Code of Ethics, including irregularities in relation to accounting or financial information. As part of Puig's speak-up culture, this channel is open to anyone who wants to report possible irregularities, unlawful conduct or violations of the Code of Ethics or internal policies of the Company.

  The Reporting Channel Policy and Procedure establishes the principles that govern its operation and the guarantees of persons making the report as required by the legislation in force. These guarantees include the confidentiality of information and of the reporting person, the possibility to make anonymous complaints and protection against reprisals due to complaints made in good faith.

Puig's Reporting Channel is available 24/7 via the online platform (puigreportingchannel.ethicspoint.com), accessible in 19 languages. Puig's Reporting Channel can also be accessed via the Company's intranet.

The processing of complaints, including irregularities in relation to accounting or financial information, made via the Reporting Channel, is governed by the principles of independence, objectivity and impartiality. In this regard, the complaints made via the Reporting Channel are initially assessed by the corporate area of Compliance in order to determine whether they are admissible and, if applicable, an investigation by internal and external experts is opened into the facts reported. The Chief Compliance Officer informs the Audit and Compliance Committee of the evolution of complaints made as well as the measures proposed, on a regular basis.

- **Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICoFR system, covering at least accounting standards, auditing, internal control and risk management.**

The employees directly or indirectly involved in the preparation and review of financial information, as well as in the evaluation of the ICoFR, receive periodic trainings on accounting standards, internal control, and risk management according to their responsibilities. These trainings provide the necessary skills to effectively perform their tasks and to adapt to best practices in the market.

The Internal Control department is responsible for training the employees with an active role in ICoFR. This training covers an overview of ICoFR, assurance regarding the financial data, and a guidance on how to use the GRC tool. In 2024, a total of 161 employees underwent this training. Additionally, training on executing controls and preparing evidence is also provided.

F.2 Assessment of risks in financial reporting

Report on at least the following:

F.2.1.

The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- **Whether the process exists and is documented.**

The process of identifying risks of errors in financial information is one of the most important steps within the methodology for implementing the ICoFR.

The objective of the risk assessment process is to establish and maintain an effective process for identifying, analyzing and managing the relevant risks that can affect the preparation of the financial statements.

This part involves analyzing the consolidated financial information to select the most relevant accounting captions and footnotes based on quantitative (materiality) or qualitative criteria. The selected captions and notes are grouped into processes, which are then analyzed to identify related risks.

Those risks are evaluated and selected according to different indicators (such as the existence of formalized processes and controls, knowledge and maturity of the process or system or automatization among others). Once the most significant risks are identified, controls are defined to mitigate them. Controls are monitored and documented and at least annually they are reviewed through a test of effectiveness.

The risk management process is formalized and documented in Puig's Internal Control over Financial Information Governance Model. The management process consists of the following participation levels:

- The board of directors establishes the risk management and control policy, supervising the internal reporting and monitoring systems, with the support of the Audit and Compliance Committee.
- The Internal Control department compiles all identified risks in a document and prepares a risk matrix which is reported to the Audit and Compliance Committee for review.
- The Audit and Compliance Committee receives regularly (at least annually) information regarding: (i) significant changes in the perimeter of supervision of the Internal Control over Financial Reporting System; (ii) update of processes and risks; (iii) ad hoc updates of the Internal Control model, if any; and (iv) update of the status of the Internal Control System and next steps. Based on this information, the Audit and Compliance Committee provides feedback and validates the plan for the next year.
- **Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.**

  As mentioned in prior sections, the objective of the process is to identify, at least once a year, the financial risks and mitigate them.

  The process covers the following financial information objectives:

- Existence and occurrence
- Integrity
- Assessment
- Cut-off and registration
- Presentation
- Rights and obligations

- **The existence of a process for identifying the perimeter of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.**

  The identification of the consolidation perimeter is carried out periodically, resulting in an updated map of the companies, with the explicit identification of changes that occurred in each period.

The board of directors Regulations, in line with article 529 of the Spanish Companies Act, determines that the board of directors is responsible, among other things, for approving the assumption or acquisition of stakes in special purpose entities or entities domiciled in territories considered tax havens, as well as any transactions or operations of a comparable nature that, due to their complexity, could undermine Puig's transparency.

- **Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.**

  According to the board of directors Regulations, the process for identifying risks in financial information takes into account the effects of other kinds of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) insofar as they have a relevant effect on the financial statements and, in this regard, it has set controls in those areas.

- **The governing body within the company that supervises the process.**

  The board of directors Regulations attribute to the Audit and Compliance Committee the responsibility for periodically reviewing and supervising the internal risk management and control systems, as well as for overseeing the integrity of financial and non-financial information.

  Internal Control gives support and visibility to the Audit and Compliance Committee and acts as a line of defense whose main responsibility is to provide support to management in identifying internal and external risks than can have an effect on financial information.

F.3 Control activities

Report on whether the company has at least the following, describing their main characteristics:

F.3.1.

Review and authorization procedures for financial information and a description of the ICoFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections.

In accordance with the board of directors Regulations, the board of directors is responsible for drafting the annual accounts and the management report, both individual and consolidated, so that they provide a true and fair view of the wealth, financial situation and results of the Company, pursuant to the law, having received the opinion of the Audit and Compliance Committee in advance. Likewise, the Regulations stipulate that the Audit and Compliance Committee will meet to review the periodic financial information that must be sent, or is sent voluntarily, to the securities market authorities, as well as the information

that the board of directors has to approve and include in its annual or half-year public documentation.

In relation to the financial information reporting procedure, each organizational structure is responsible for reviewing the financial information it reports and ensuring that it complies with the guidelines of the Puig Accounting Manual approved in advance by the Corporate Finance department.

This information is consolidated and reviewed by the Consolidation and Reporting department in line with the closing and consolidation processes.

Before the drafting and approval of the annual and half-yearly financial statements, the Head of the Corporate Financial Services department and the external auditors meet to analyze and assess the financial information as well as the implementation of internal controls over financial information.

Prior to the submission of the annual accounts and half-yearly financial statements to the board of directors, the Audit and Compliance Committee reviews the above-mentioned financial information and, to this end, the Company's auditor, “Ernst & Young, S.L.” appears before the Committee to present the main highlights of the financial reporting process. Once approved by the Audit and Compliance Committee, the annual accounts and half-yearly financial statements are submitted to the board of directors at the proposal of the Audit and Compliance Committee and certified, in terms of their completeness and accuracy, by the Chief Financial Officer and Secretary of the board of directors, with the approval of the Chairman and Chief Executive Officer of the Company. The board of directors, after hearing the Audit and Compliance Committee, can request any clarifications it deems appropriate.

F.3.2.

Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

Among the risks that could have an impact on the integrity of the financial data, are those related to the IT applications or software used to store and process all the financial information.

In particular, Puig has put in place IT General Controls to cover: (i) access security, (ii) change management, (iii) network and operations, and (iv) systems interface; all in line with best market practice.

In relation to the mechanisms that allow for data recovery following a loss, as well as providing continuity to the transaction process, there is a back-up policy that envisages that a back-up of the financial information is generated automatically according to the calendar and the regular frequency determined in the policy in advance.

F.3.3.

Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of

assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

External firms whose services are hired to support valuations, judgements or accounting calculations, need to issue a letter of independence. In this letter, they state that they have the necessary technical ability and required objectivity in relation to the Company.

F.4 Information and communication

Report on whether the company has at least the following, describing their main characteristics:

F.4.1.

A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for transactions in the organization, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

The Corporate Finance department is responsible for defining and updating the accounting policies, as well as for resolving any doubts or conflicts derived from their interpretation.

The group's accounting policies are set out in the Puig Accounting Manual, that is prepared by the Corporate Finance department and is updated regularly.

The Puig Accounting Manual is available for the rest of the group companies via Puig's internal platform in the "Corporate Policies" section.

F.4.2.

Mechanisms for capturing and preparing financial information in standardized formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICoFR.

Puig has integrated information systems for accounting transaction and recording for most of its subsidiaries. The Corporate Finance department oversees the preparation of Puig's consolidated financial information, using the SAP BPC system for data collection and consolidation. Additionally, there are tools designed to process and prepare the detailed breakdowns of information included in the financial statement notes.

F.5 Supervision of the functioning of the system

Report on at least the following, describing their principal features:

F.5.1.

The activities of the audit committee in overseeing ICoFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICoFR. Additionally, describe the scope of ICoFR assessment made during the year and the procedure through which the person responsible for performing the assessment communicates its results, whether the company has an action plan detailing possible corrective measures, and whether their impact on financial reporting has been considered.

The board of directors through the Audit and Compliance Committee is responsible for:

- Ensuring the proper functioning of the reporting and internal monitoring systems. To that end, the Auditor General, head of the internal audit function, reports functionally to the Audit and Compliance Committee.
- Periodically reviewing internal control and risk management systems, so that policies and systems are effectively implemented, and key risks are properly identified, managed and disclosed.

The Audit and Compliance Committee is supported by the Internal Control department, which is responsible for supervising the identification of risks and the design and implementation of control activities. In addition, the Internal Audit department, under the supervision of the Audit and Compliance Committee, oversees the proper functioning of ICoFR.

The Internal Control department periodically reports to the Audit and Compliance Committee a regular update on the status of the ICoFR and any other relevant information that may affect the quality of the financial information.

F.5.2.

Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards ("NTA")), the internal auditor and other experts can report to Senior Officers and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

The Company's external auditor, Ernst & Young, S.L. issues a letter identifying the recommendations for improvement in the Company each year. The improvements applicable to the functions of the senior executives and/or corresponding departments are coordinated with them.

In addition, the Audit and Compliance Committee holds meetings, at both half-yearly and annual closing, with the external auditor and the General Auditor, to discuss any relevant aspect of the preparation process and the resulting financial information.

Moreover, the Corporate Finance department, responsible for drawing up the consolidated and individual accounts, also holds periodic meetings with the external auditors, the General Auditor and the Internal Control department.

F.6 Other relevant information

Not applicable.

F.7 External auditor's report

Report:

F.7.1.

Whether the ICoFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

Puig submits the ICoFR information for review by the external auditor, including section F of the Annual Corporate Governance Report. The review report is attached as an Annex to this Annual Corporate Governance Report.

G.

Degree of Compliance with Corporate Governance Recommendations

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not complied with or only partially complied with, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company´s conduct. General explanations are not acceptable.

1. **That the articles of association of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.**

   Explains

   Considering (i) that only the Class B shares (which grant 1 vote per share) are listed and (ii) that the Class A shares (which grant 5 votes per share) represent 69.23% of the total shares issued and 91.84% of the total share capital and voting rights, this recommendation is not complied with.

2. **That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:**

   a. **The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.**

   b. **The mechanisms in place to resolve any conflicts of interest that may arise.**

   Not applicable

3. **That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the board of directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:**

   a. **Changes that have occurred since the last General Shareholders' Meeting.**

   b. **Specific reasons why the company has not followed one or more of the recommendations of the Good Governance Code for Listed Companies and the alternative rules applied, if any.**

   Complies

   The Ordinary General Shareholders' Meeting took place prior to the listing of the Company's Class B shares and, therefore, this recommendation did not apply. It is envisaged that at the Ordinary General Shareholders' Meeting of the 2025 financial year, which will be the first since the listing of the Class B shares, the Chairman will verbally inform on the aspects indicated in this section.

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

   And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximize the dissemination and quality of information available to the market, investors and other stakeholders.

   Complies

5. That the board of directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of pre-emptive rights in an amount exceeding 20% of the capital at the time of delegation.

   And that whenever the board of directors approves any issue of shares or convertible securities with the exclusion of pre-emptive rights, the company should immediately publish the reports referred to by company law on its website.

   Complies

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

   a. Report on the auditor's independence.

   b. Reports on the activities of the audit and appointments and remuneration committees.

   c. Report by the audit committee on related party transactions.

   Complies

7. That the company should broadcast in real time, through its website, the proceedings of the General Shareholders' Meetings.

   And that the company should have mechanisms in place allowing the delegation and casting of votes by electronic means and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Shareholders' Meeting to be conducted by such remote means.

   Complies

The Company has mechanisms in place allowing the delegation and voting via electronic means. The Company has not broadcast the General Shareholders' Meeting live because none has been held after the listing of the Class B shares. It is envisaged that the Ordinary General Shareholders' Meeting for financial year 2025, the first held since the listing of the Class B shares, will be broadcast live, via the Company's website.

8. **That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general shareholders' meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other board of directors proposals and reports.**

   Complies

9. **That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.**

   And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory way.

   Complies

10. **That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:**

    a. **Should immediately distribute such complementary points and new proposals for resolutions.**

    b. **Should publish the attendance, proxy and remote voting card template with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the board of directors.**

    c. **Should submits all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the board of directors including, in particular, assumptions or default positions regarding votes for or against.**

    d. **That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.**

    Not applicable

11. **That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.**

    Not applicable

12. That the board of directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximizing the economic value of the business.

    And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

    Complies

13. That the board of directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

    Complies

14. That the board of directors should approve a policy aimed at favoring an appropriate composition of the board of directors and that:

    a. Is concrete and verifiable;

    b. Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the board of directors; and

    c. Favors diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favor gender diversity.

    That the result of the prior analysis of the skills required by the board of directors be contained in the supporting report from the appointments committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

    The appointments committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

    Complies

15. That proprietary and independent directors should constitute a substantial majority of the board of directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

    And that the number of female directors should represent at least 40% of the members of the board of directors before the end of 2022 and thereafter, and no less 30% prior to that date.

    Complies partially

The number of female directors represents 30.7% of the members of the board of directors. The board of directors will continue to consider the changes necessary to the composition of the board of directors in the future, in light of the Selection Policy established.

16. **That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.**

    This criterion may be relaxed:

    a. **In large-cap companies where very few shareholdings are legally considered significant.**

    b. **In the case of companies where a plurality of shareholders is represented on the board of directors without ties among them.**

    Complies

17. **That the number of independent directors should represent at least half of the total number of directors.**

    That, however, when the company does not have a high level of market capitalization or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

    Complies

18. **That companies should publish the following information on its directors on their website, and keep it up to date:**

    a. **Professional profile and biography.**

    b. **Any other boards of directors to which the directors belong, regardless of whether or not companies are listed, as well as any other remunerated activities engaged in, regardless of type.**

    c. **Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.**

    d. **Date of their first appointment as a director of the company's board of directors, and any subsequent re-elections.**

    e. **Company shares and share options that they own.**

    Complies

19. **That the annual corporate governance report, after verification by the appointments committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the board of directors were not honored, when their shareholding was**

equal to or exceeded that of other shareholders whose proposal for proprietary directors was honored.

Not applicable

20. **That proprietary directors representing significant shareholders should resign from the board of directors when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional way, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.**

Not applicable

21. **That the board of directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of association unless the board of directors finds just cause and a prior report has been prepared by the appointments committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.**

The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the board of directors are the result of application of the proportionate representation criterion provided in Recommendation 16.

Complies

22. **That companies should establish rules requiring that directors inform the board of directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the board of directors of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.**

And that, if the board of directors is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the appointments and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies

23. **That all directors clearly express their opposition when they consider any proposal submitted to the board of directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the board of directors.**

    Furthermore, when the board of directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

    This recommendation also applies to the secretary of the board of directors, even if he or she is not a director.

    Not applicable

24. **That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for resignation, in a letter addressed to all members of the board of directors.**

    And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the resignation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

    Not applicable

25. **That the appointments committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.**

    And that the board of directors regulations establish the maximum number of company Boards on which directors may sit.

    Complies partially

    The board of directors Regulations establishes that directors should devote the time and effort necessary for the performance of their functions and that one of the functions of the Appointments and Remuneration Committee is to ensure that directors have sufficient time for the proper performance of their functions. Nonetheless, the board of directors Regulations do not limit the maximum number of boards on which the members of the board of directors can serve.

26. **That the board of directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.**

    Complies

27. **That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.**

    Complies

28. **That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the board of directors, such concerns should be included in the minutes at the request of the director expressing them.**

    Not applicable

29. **That the company should establishes adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.**

    Complies

30. **That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.**

    Complies

31. **That the agenda for meetings should clearly indicate those matters on which the board of directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.**

    When, in exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the board of directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

    Complies

32. **That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.**

    Complies

33. **That the chairman, as the person responsible for the efficient workings of the board of directors, in addition to carrying out the duties assigned by law and the articles of association, should prepare and submit to the board of directors a schedule of dates and matters to be considered; organize and coordinate the periodic evaluation of the board of directors as well as, if applicable, the chief executive of the company, should be responsible for leading the board of directors and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.**

    Complies

34. That when there is a lead director, the articles of association or board of directors regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the board of directors in the absence of the chairman and deputy chairman, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

    Complies

35. That the secretary of the board of directors should pay special attention to ensure that the activities and decisions of the board of directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

    Complies

36. That the board of directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:

    a. The quality and efficiency of the board of directors' work.

    b. The workings and composition of its committees.

    c. Diversity in the composition and skills of the board of directors.

    d. Performance of the chairman of the board of directors and of the chief executive officer of the company.

    e. Performance and input of each director, paying special attention to those in charge of the various board of directors committees.

    In order to perform its evaluation of the various committees, the board of directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the appointments committee.

    Every three years, the board of directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the appointments committee.

    Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

    The process and the areas evaluated must be described in the annual corporate governance report.

    Complies

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

    Not applicable

38. That the board of directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the board of directors receive a copy of the minutes of meetings of the executive committee.

Not applicable

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the board of directors or of the audit committee.

Complies

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:

   a. Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption -reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

   b. Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that Senior Officers takes into account the conclusions and recommendations of its reports.

   c. Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made

anonymously, respecting the rights of the whistleblower and the person reported.

d. Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

a. In the event that the external auditor resigns, examining the circumstances leading to such resignation.

b. Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.

c. Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.

d. Ensuring that the external auditor holds an annual meeting with the board of directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.

e. Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the board of directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies

45. That the risk management and control policy identify or determine, as a minimum:

a. The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.

b. A risk control and management model based on different levels, which will include a specialized risk committee when sector regulations so require or the company considers it to be appropriate.

c. The level of risk that the company considers to be acceptable.

d. **Measures in place to mitigate the impact of the risks identified in the event that they should materialized.**

e. **Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.**

Complies

46. **That under the direct supervision of the audit committee or, if applicable, of a specialized committee of the board of directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:**

    a. **Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.**

    b. **Actively participating in drawing up the risk strategy and in important decisions regarding risk management.**

    c. **Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the board of directors.**

    Complies

47. **That in designating the members of the appointments and remuneration committee – or of the appointments committee and the remuneration committee if they are separate –care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.**

    Complies

48. **That large-cap companies have separate appointments and remuneration committees.**

    Explains

    To date, the Company has not considered it necessary to separate its Appointments and Remuneration Committee into two committees, considering that functions related to appointments and tasks in the remuneration area can be carried out objectively and independently by the same committee. To this end, the Company considers that it is not efficient to separate powers between two committees and that having a single committee does not limit or negatively affect the powers granted by law to the Appointments and Remuneration Committee.

49. That the appointments committee consult with the chairman of the board of directors and the chief executive of the company, especially in relation to matters concerning executive directors.

    And that any director be able to ask the appointments committee to consider potential candidates that he or she considers suitable to fill a vacancy on the board of directors.

    Complies

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

    a. Proposing the basic conditions of employment for Senior Officers to the board of directors.

    b. Verifying compliance with the company's remuneration policy.

    c. Periodically reviewing the remuneration policy applied to directors and Senior Officers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and Senior Officers.

    d. Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.

    e. Verifying the information on remuneration of directors and Senior Officers contained in the various corporate documents, including the annual report on director remuneration.

    Complies

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and Senior Officers.

    Complies

52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the board of directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

    a. That they be composed exclusively of non-executive directors, with a majority of independent directors.

    b. That their chairpersons be independent directors.

    c. That the board of directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the board of directors held after each committee meeting.

d. That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.

e. That their meetings be recorded and their minutes be made available to all directors.

Complies partially

The CEO is a member of the Sustainability and Social Responsibility Committee which does not have a majority of independent directors, and its chair is not an independent director. Therefore, sections (a) and (b) are not complied with. The rest of the sections are complied with.

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the board of directors, which may be the audit committee, the appointments committee, a specialized committee on sustainability or corporate social responsibility or such other specialized committee as the board of directors, in the exercise of its powers of self-organization, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies partially

The CEO is a member of the Sustainability and Social Responsibility Committee which does not have a majority of independent directors. Therefore, part of the recommendation is not complied with.

54. The minimum functions referred to in the foregoing recommendation are the following:

a. Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.

b. Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

c. The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.

d. Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.

e. Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies

55. That environmental and social sustainability policies identify and include at least the following:

    a. The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.

    b. Means or systems for monitoring compliance with these policies, their associated risks, and management.

    c. Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.

    d. The channels of communication, participation and dialog with stakeholders.

    e. Responsible communication practices that impede the manipulation of data and protect integrity and honor.

    Complies

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

    Complies

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

    Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

    Complies

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

    And, in particular, that variable remuneration components:

    a. Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.

    b. Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the

company's rules and internal operating procedures and with its risk management and control policies.

c. Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favorable assessment by the appointments and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies

H.

Further Information of Interest

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.

2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

   Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices ("Código de Buenas Prácticas Tributarias") of 20 July 2010.

   No data.

   This annual corporate governance report was approved by the board of directors of the company in its meeting held on 26 February 2025.

   Indicate whether any director voted against or abstained from approving this report.

   No.

Verification Report

Auditor´s report on the "Information Related to the System of Internal Control Over Financial Reporting (ICFR)" of PUIG BRANDS, S.A. for the year 2024

Building a better working world

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AUDITOR´S REPORT ON THE "INFORMATION RELATED TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)"

Translation of a report and information originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the Directors of Puig Brands, S.A.:

In accordance with the request from the Board of Directors of Puig Brands, S.A. (hereinafter the Entity) and our engagement letter dated January 31, 2025, we have performed certain procedures on the "ICFR related information" attached in section F of the 2024 Annual Corporate Governance Report of Puig Brands, S.A., which summarizes the internal control procedures of the Entity in relation to the annual financial information.

The Board of Directors is responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system as well as developing improvements to that system and preparing and establishing the content of the accompanying ICFR related information attached.

It should be noted that irrespective of the quality of the design and operability of the internal control system adopted by the Entity in relation to its annual financial information, it can only provide reasonable, rather than absolute assurance with respect to the objectives pursued, due to the inherent limitations to any internal control system.

In the course of our audit work on the financial statements and pursuant to the Technical Auditing Standards, the sole purpose of our assessment of the entity´s internal control was to enable us to establish the nature, timing and extent of the audit procedures to be applied to the Entity´s financial statements. Therefore, our assessment of the internal control performed for the purposes of the audit of the financial statements was not sufficiently extensive to enable us to express a specific opinion on the effectiveness of the internal control over the regulated annual financial information.

For the purpose of issuing this report, we exclusively performed the specific procedures described below and indicated in the Guidelines on the Auditors' report relating to information on the Internal Control over Financial Reporting of Listed Companies, published by the Spanish National Securities Market Commission (CNMV) on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Given that the scope of these procedures was limited and substantially less than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or its design or operating effectiveness, in relation to Entity's annual financial information for 2024 described in the ICFR related information attached. Consequently, had we performed additional procedures to those established by the Guidelines mentioned above or had we carried out an audit or a review of the internal control over the regulated annual financial reporting information, other matters might have come to our attention that would have been reported to you.

Domicilio Social: Calle de Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª. C.I.F. B-78970506.
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Likewise, since this special engagement does not constitute an audit of the financial statements in accordance with prevailing audit regulations in Spain, we do not express an audit opinion in the terms provided for therein.

The procedures performed were as follows:

1. Read and understand the information prepared by the Entity in relation to the ICFR - which is provided in the Annual Corporate Governance Report disclosure information included in the Directors' Report- and assess whether such information addresses all the required information which will follow the minimum content detailed in section F, relating to the description of the ICFR, as per the model established by CNMV Circular nº 5/2013 dated June 12, 2013 and subsequent amendments, the most recent one being CNMV Circular 3/2021 of September 28, 2021 (hereinafter, the CNMV Circulars).

2. Make enquiries of personnel in charge of preparing the information described in point 1 above in order to: (i) Obtain an understanding of the process followed in its preparation; (ii) Obtain information which will allow us to assess whether the terminology used is adapted to the definitions provided in the reference framework; (iii) Obtain information on whether the control procedures described are implemented and in use by the Entity.

3. Review the explanatory documentation supporting the information described in point 1 above, which should basically include that which is provided directly to those responsible for preparing the ICFR descriptive information. In this respect, the aforementioned documentation includes related reports prepared by the Internal Audit Department, senior management, and other internal and external experts providing support to the Audit and Compliance Committee.

4. Compare the information described in point 1 above with our knowledge of Entity's ICFR obtained as a result of performing the external audit procedures within the framework of the audit of the financial statements.

5. Read the minutes of the meetings held by the Board of Directors, Audit and Compliance Committee and other Entity committees in order to assess the consistency between the ICFR issues addressed therein and the information provided in point 1 above.

6. Obtain the representation letter related to the work performed, duly signed by the personnel in charge of preparing the information discussed in point 1 above.

As a result of the procedures performed, no inconsistencies or issues were observed that might have an impact on ICFR related information.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the Consolidated text of the Corporate Enterprises Act and CNMV Circulars on ICFR description in Annual Corporate Governance Reports.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Eloy González Fauró

February 27, 2025

In Barcelona, on February 26, 2025

Mr. Marc Puig Guasch
Chairman and CEO

Mr. Manuel Puig Rocha
Vice Chairman

Mr. Rafael Cerezo Laporta
Board member

Mr. Patrick Raji Chalhoub
Board member

Mr. Jordi Constans Fernández
(identified in his passport as Jorge Valentín Constans Fernández)
Lead Director

Ms. Ángeles García-Poveda Morera
Board member

Mr. Daniel Lalonde
Board member

Ms. Christine Ann Mei
Board member

Mr. Nicolas Mirzayantz
Board member

Mr. Josep Oliu Creus
Board member

Mr. Yiannis Petrides
(identified in his passport as loannis Petrides)
Board member

Ms. María Dolores Dancausa Treviño
Board member

Ms. Tina Müller
Board member

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