

BARALAN

Object: SUSTAINABILITY COMMITMENT

Our ESG commitment links business continuity with the idea of a more sustainable future. It represents a concrete strategy that considers ethical, social, and environmental factors in the company choices, going beyond simple compliance with the law, but enriching management choices with purpose and a broader perspective. Sustainability is therefore interpreted as the integration of social and environmental concerns in our operations, governance and in the relations with stakeholders through a voluntary process of self-regulation.

To date, our ESG commitment focuses on two key directions: optimizing packaging portfolio to reduce its environmental footprint and developing a holistic sustainability framework to guide Baralan's transformation in the mid-long term.

At the portfolio level, we are implementing tangible actions such as:

- Enhancing reusability and recyclability of products, optimizing waste by promoting more effective solutions such as airless, prioritizing mono-material packaging and encouraging the adoption of alternative materials such as biopolymers along with the development of products made of PCR materials.
- Assessing the carbon footprint of our Packaging Portfolio applying Life-Cycle Assessment (LCA) the most robust scientific methodology available today to identify main hotspots and drivers along the whole life of the product; this assessment is key to provide a science-based argumentation to embed eco-design principles within our R&D process.
- Conducting a first Circularity Assessment of our Packaging Portfolio using the Material Circularity Indicator (MCI) developed by the Ellen MacArthur Foundation.

At the corporate level, we are:

- Measuring our GHG emissions across Scope 1 and 2 as a further step to tackle climate change and to build a corporate climate strategy including science-based reduction targets, and a decarbonization roadmap.
- Raising internal awareness and engagement on sustainability-related topics throughout targeted communications, by promoting training programs along with employer branding activities.
- Developing a sustainability framework based on concrete topics to address ESG in time; this project aims at setting a clear outlook for the future and level of ambition based on tangible evidence so that sustainability efforts are driven by a coherent organizational process to deliver internal commitments, realistic initiatives and actions, to address our sustainability vision.

Sustainability is one of the key elements of our strategy. We are committed to respond to the growing desire of consumers to find products that meet their expectations according to ethical and environmental needs, and that reflect their values. As usual, we guarantee the highest quality in terms of design, functionality, safeguarding, but we also commit to minimize our products and processes' footprint.

Our choices have always been oriented towards constant research for the development of products with a lower environmental impact with business decisions made with full awareness and respect for social responsibility. We look to the future of the cosmetics world, designing and implementing a strategy based on the value of integrity understood as a key and essential principle both for the reliability and quality of our packaging and our processes, for an ethical orientation in respect of the environment, along with the care of the people and the community itself.