



# Global Cosmed S.A. Sustainable Development Strategy (2022-2024)

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The mission of the Global Cosmed Capital Group is to provide the highest quality products, created by people for people, using the latest technologies, and with care for the natural environment. Therefore, we systematically implement management elements in the spirit of corporate responsibility. Standards implemented in the area of production and product quality, activities towards the most sustainable product compositions, packaging, green investments or, finally, creation of an organizational culture promoting respect, diversity and care for the highest quality, are our commitment and a path to building a company with solid foundations, strongly motivated to continuous development.

Our ambition is an integrated value creation system. One that takes into account environmental, social and corporate governance objectives, based on the analysis of business risk and ESG risk, as well as double materiality. Implemented through policies, necessary procedures, and thanks to the team's commitment and awareness of the challenges.

This document aims to highlight the role that ESG factors play in our day-to-day activities, as well as strategic and operational decisions. The Global Cosmed S.A. Sustainable Development Strategy is a series of choices that determine how we intend to achieve our business goals. It is an intrinsic way of thinking about our impact on the environment, permeating all spheres of the company's business activities.

The strategy integrates the company's existing activities, supplements gaps and adapts to the challenges posed to us by shareholders, employees, suppliers or buyers, while leaving some flexibility, a buffer providing the opportunity to respond to the changing legal conditions or consumer trends. The four main pillars of the Strategy (Responsible Governance, Green GC, By People – for People and Quality guaranteed by GC) also take into account the global goals presented by the United Nations and the European Green Deal, as well as market and consumer trends. It was created through a broad dialog in accordance with the so-called minimum guarantees relating to human rights.



## #Sustainable management

We are united by our mission and values. They determine the directions of our activities. By creating best practices in the area of company management, in the value chain, by creating a transparent, high quality reporting system and connecting employees of all departments into an integrated system, we support the achievement of the adopted business goals and ESG objectives.

### Key directions:

1. **Systems and functions of internal control, including risk management in the spirit of double materiality**
2. **Development of Sustainable Development reporting**
3. **Development of research in the value chain**
4. **Integrated product development process**



## #Green Global Cosmed

### Key directions:

1. **Implementation of the principles of circular economy in the scope of:**

- **Product design**
  - **Production**
  - **Distribution**
  - **Sustainable consumption**
  - **Recycling**
2. **Climate Change Mitigation:**
- **Improving energy efficiency and reducing greenhouse gas emissions**
  - **Increasing the use of sustainable materials**

Producing and supplying consumers with high-quality products for everyday use has certain ecological consequences. Therefore, we strive to minimize our environmental impact by adapting the principles of circular economy to each element of our operational activity. We also understand that in the near future energy efficiency and a low carbon footprint will determine the competitiveness of brands and products.



## #Quality guaranteed by Global Cosmed

What distinguishes us is our exceptional care for quality at every stage of production. We want to consolidate and improve all the practices associated with this, build a culture of co-responsibility involving each employee in the creation of products they can be proud of.

### Key directions:

1. **The quality assurance ladder, i.e.:**
  - **External Inspections and Audits**
  - **Internal quality control system and safety system**
  - **Interdepartmental controls**
  - **Culture of quality assurance**
2. **Efficient Customer Service**
3. **Continuous development of competences**



## #By People for People

### Key directions:

1. **Friendly workplaces**
  - **Reliable employer**
  - **Continuous improvement of occupational health and safety conditions**
2. **Dialog with business partners and industry organizations**
3. **Commitment to the fulfillment of social needs**

A good business is one based on clear rules and mutually beneficial, lasting relationships. Above all, we want to be a solid employer creating a culture of respect and a safe workplace. We believe in synergy effects that are only possible through dialog with all stakeholders. The achievement of complex goals of sustainable development requires cooperation and partnership, because only together we are able to bear the economic, social and environmental costs of the necessary changes in the model of consumption of global resources.

In order to effectively implement the Sustainable Development Strategy, appropriate governance structures are created that impose specific responsibilities on individual functions and bodies. In this way, we can ensure that the adopted directions of action and internal objectives will be properly implemented and monitored.

The designated Member of the Management Board (the so-called Strategy Sponsor) is responsible for the implementation of the Strategy. The Management Board establishes the ESG Board, defines its objectives and appoints its members. The ESG Board is entitled to set up thematic working groups that assist the ESG Board in achieving its objectives.

The person responsible on an ongoing basis for supervision, as well as inspiring the members of the ESG Board to engage in ESG challenges, is the ESG Leader appointed by the company's Management Board. The ESG Leader reports directly to the Member of the Management Board on an ongoing basis.

The Supervisory Board has an advisory and opinion-making function for the company's Management Board.

## Strategy Sponsor

- Oversees the acceptance of the ESG strategy by the Management Board and the adoption of objectives for individual strategic directions
- Decides on the necessary adjustments of pursued directions during implementation
- Is responsible for reporting of ESG issues
- Serves as the ESG ambassador to the Management Board, the Supervisory Board and among the directors
- Obtains the Supervisory Board's opinion on the ESG strategy, directions and objectives

## ESG Board and Working Groups

- The ESG Board is responsible for the implementation of the provisions of the ESG strategy, recommends actions implementing individual directions of the strategy to the Management Board
- Thematic working groups are set up by the ESG Board in order to develop and, following acceptance, implement practices pursuing the ESG objectives.

## ESG Leader

- Coordinates ESG activities within the company by reporting them directly to the Strategy Sponsor
- Chairs and coordinates the work of the ESG Board, participates in the working groups
- Monitors the achievement of ESG objectives
- Inspires and shares expertise in the scope of ESG
- Supports the members of the ESG Board and the Working Groups
- Is responsible for the preparation of the Sustainability Report