



# Sustainability Report 2021

## OUR IMPACT

“We believe that taking care is taking action”





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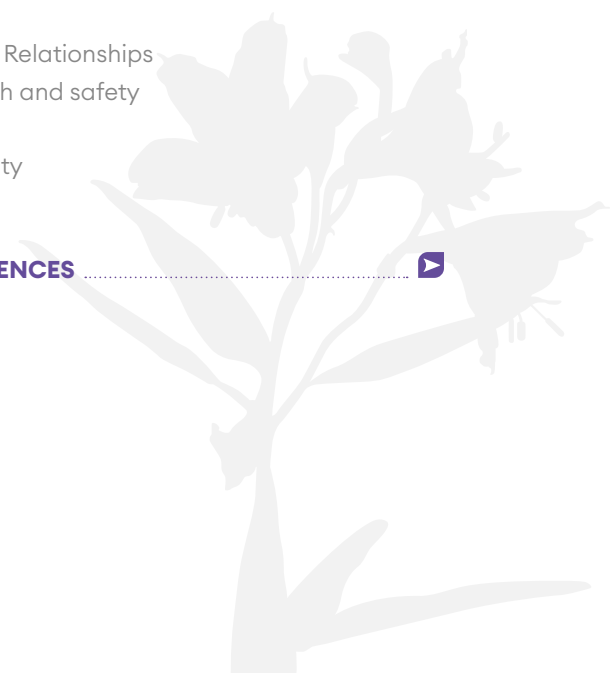
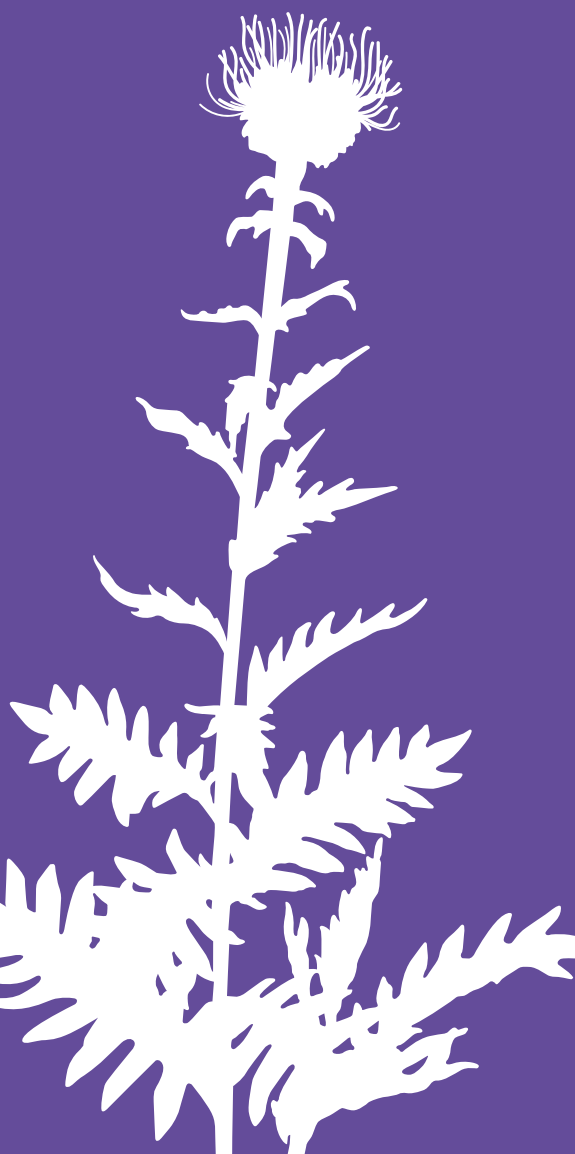
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# LETTER FROM THE GENERAL MANAGER

## Letter from the General Manager

The cosmetics industry is facing a variety of challenges regarding sustainability such as achieving transparent and responsible supplies and reducing its dependence on plastic and greenhouse gas emissions. Provital has been committed to these goals for years, working to combat climate change, taking care of people and ensuring an ethical supply chain.

This sustainability report demonstrates the progress made in 2021. The year we launched a new, more ambitious and transparent Sustainability Policy, based on five strategic areas to enable us to be proactive, to manage, measure, reduce and improve our impact through environmental, social and corporate impact.

This is also the first report we have prepared according to the global standards for sustainability reporting (GRI), as a step forward in our ambitious strategic plan. The GRI standard enables all organisations in the world to report on their sustainability commitments, performance and evolution with the same thoroughness and transparency we apply when developing our products.

At Provital we talk in real, constructive terms about the sustainability challenges that we face and on which the entire cosmetics industry must work together. The statements in this report are supported by real actions and facts.

In times like these, and in a climate of global uncertainty, Provital has decided to strengthen our commitment to sustainable development and innovation. We also want to play an active role raising awareness among the cosmetic sector and society.

*Ricard Armengol*  
CEO Provital

# 1. PROVITAL, DO CARE: ABOUT US

## ► Company Profile

Provital<sup>1</sup> is a customer-centric company with international presence that supplies skin and hair care solutions with natural active ingredients to the industrial and consumer clients. Provital has always been motivated to take care of people, communities and the planet. We believe that caring means acting, anticipating trends, inspiring customers, co-creating solutions and growing together.

Provital was launched in Barcelona in 1979. During our 40-year history, the company has expanded worldwide, operating now in 114 countries on five continents, with six subsidiaries, 46 distributors and more than 100 employees.

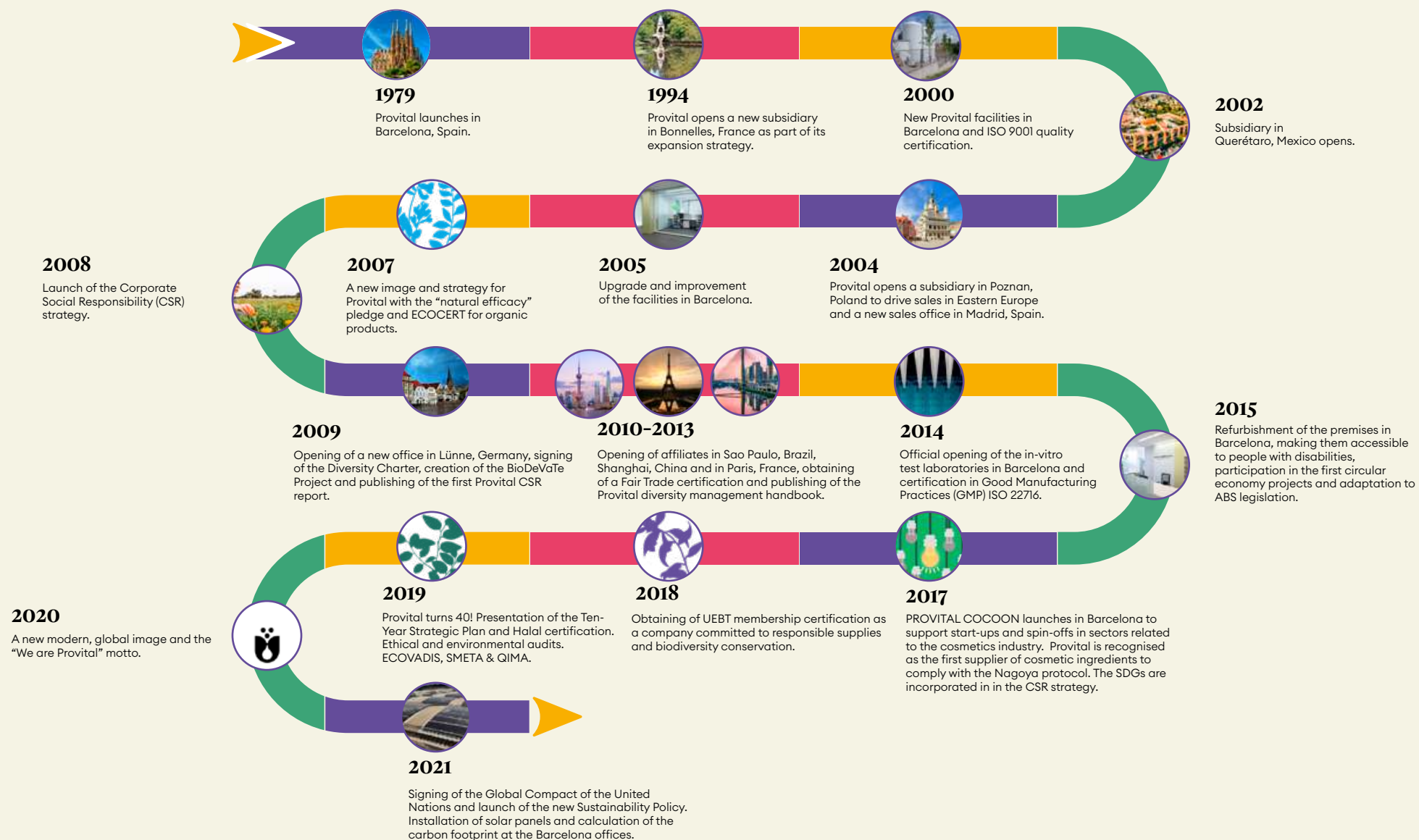
## ► Provital in numbers



<sup>1</sup> Inversiones Eloigara S.L. (Grupo Provital) is the parent company of the subsidiaries: Provital S.A.U. Germany; Provital Do Brasil L.T.D.A (Brazil); PROVITAL TRADING (SHANGHAI) CO., LTD; Provital S.A.U España (Barcelona and Madrid), Provital France S.A.S, Provital Polska, Sp. z o. o.



## More than 40 years of history



## ► Corporate Governance

Provital has a **Managing Director**, who heads the Executive Committee which the various business area directors, the Subsidiaries' CEOs and the Business Innovations report to.

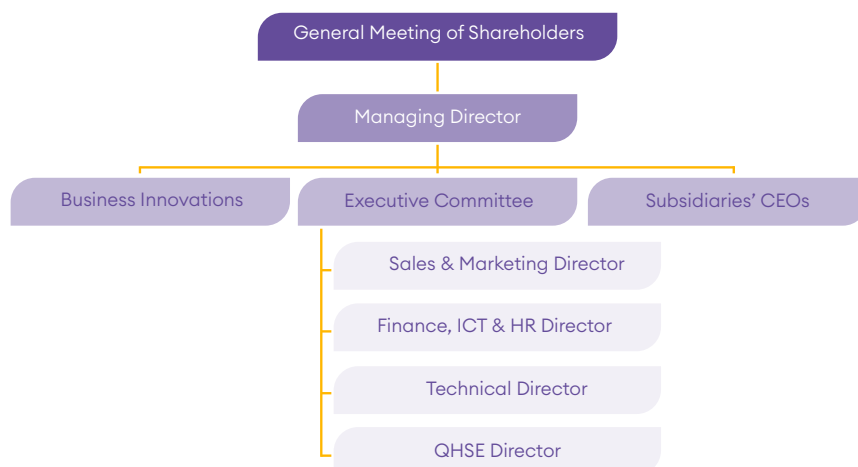
The **Executive Committee**, made up of four directors - three male and one female - establishes the Provital Group's values and strategy and is responsible for steering the environmental, social and governance (ESG) issues included in the Sustainability Policy, as well as its reviews, monitoring, and inclusion and coverage in the sustainability reports.

Likewise, the **Subsidiaries' CEOs** manage Poland (Provital Polska), Brazil (Provital do Brasil), France (Provital France) and Shanghai (Provital Trading Shanghai). The **Business Innovation Officers** develop cross-cutting innovation and development projects for the business.

Provital also has a **Labour Joint Committee** that represents and advocates for its employees' interests.

### Organisational chart

The following organisational chart illustrates the structure of Provital:



## ► Impacts, Risks and Opportunities

Provital conducts regular **risk analyses** to identify potential risks and opportunities that could have a significant impact on the company. The results of these analyses are considered when drawing up the strategy and defining short, medium and long-term objectives. In this regard, the long-term Strategic Plan has **eight major objectives** linked to aspects such as: globalisation, growth, innovation and development of new markets, brand positioning, leadership, differentiation and quality.

As well as working toward these strategic objectives, Provital ensures its excellent market position and differential value proposition through its commitment to quality, ethics and innovation that is complemented by a solid sustainability strategy.





## 2. COMMITMENT TO SUSTAINABILITY





At Provital we take care of the environment by contributing to the social, labour, environmental and economic aspects of the countries where we operate, taking direct action with our stakeholders without compromising the needs of future generations.

To meet the sustainability challenges facing the cosmetics industry, Provital has a new **Sustainability Policy** aligned with the Strategic Plan. In this policy, the three ESG dimensions (environment, society and governance) cover all areas of the organisation.

### ► Stakeholder Participation

Provital actively listens to its stakeholders and establishes ongoing, legitimate and transparent dialogue with them. Stakeholders can express and report any impact Provital may have had on them through the [qhse@weareprovital.com](mailto:qhse@weareprovital.com) email address, created by the firm for this specific purpose.

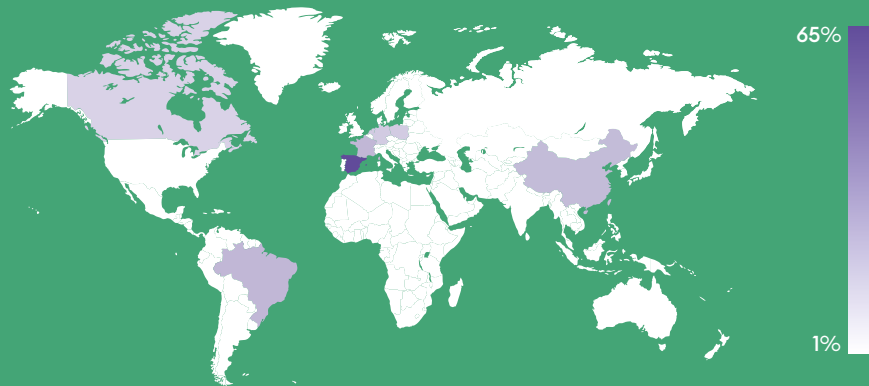
Provital stakeholders are classified into: employees, suppliers, customers, communities, distributors and others such as NGOs, cooperatives or associations.

### ► Materiality Analysis

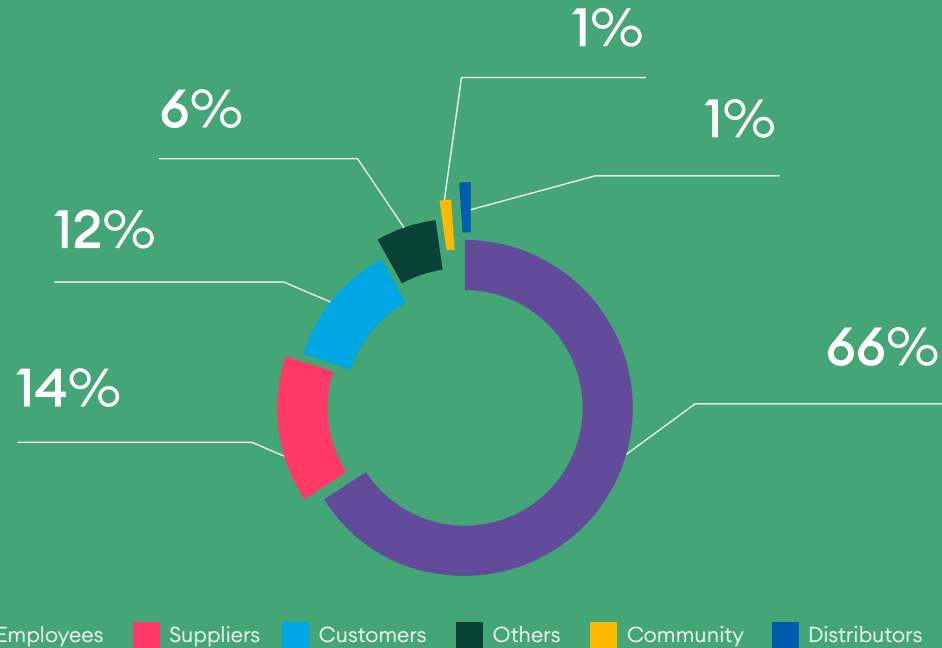
A **materiality analysis** was carried out in 2021 based on recommendations of **the Global Reporting Initiative (GRI)**. It consisted of three phases and enabled us to identify Provital stakeholders' priority issues and concerns, and their scope. This exercise allowed us to consider the expectations and interests of stakeholders in the sustainability strategy.

- **Phase 1:** survey of external stakeholders.
- **Phase 2:** comprehensive internal assessment of priority issues for which several Provital leaders and managers involved in these issues have been consulted.
- **Phase 3:** subsequent validation by the external consultant with whom the materiality matrix has been defined.

Participation by countries

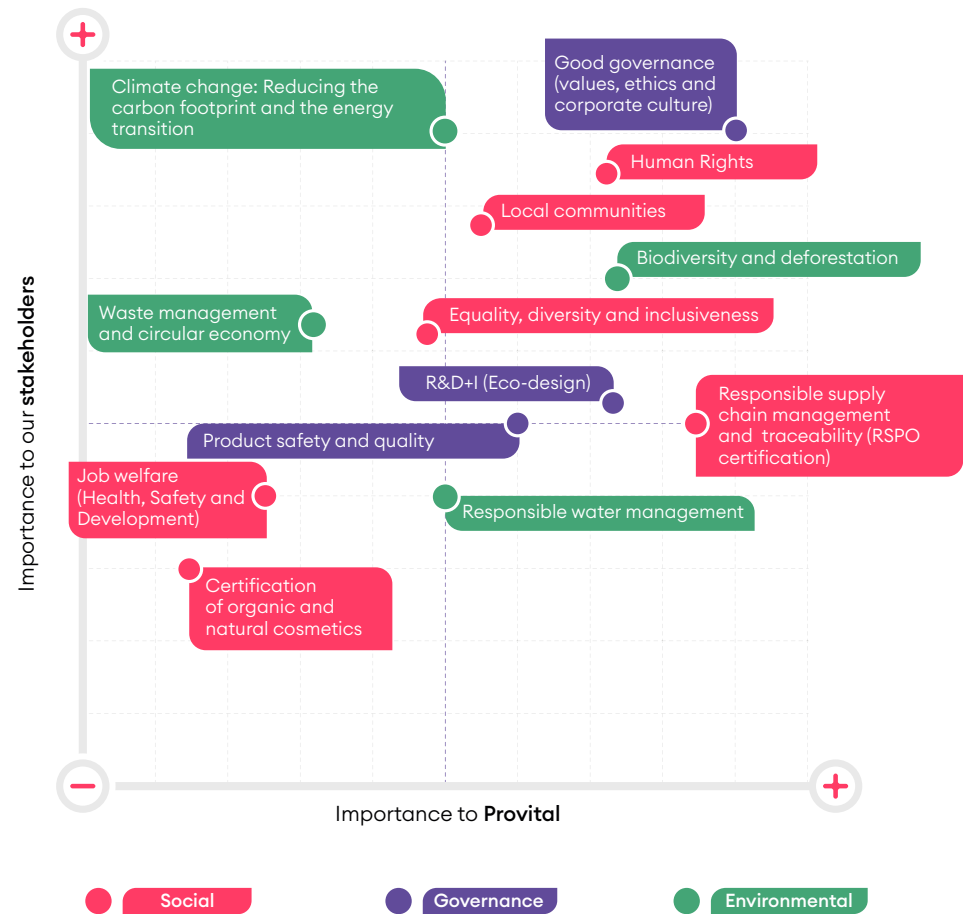


Stakeholder Participation



Materiality matrix

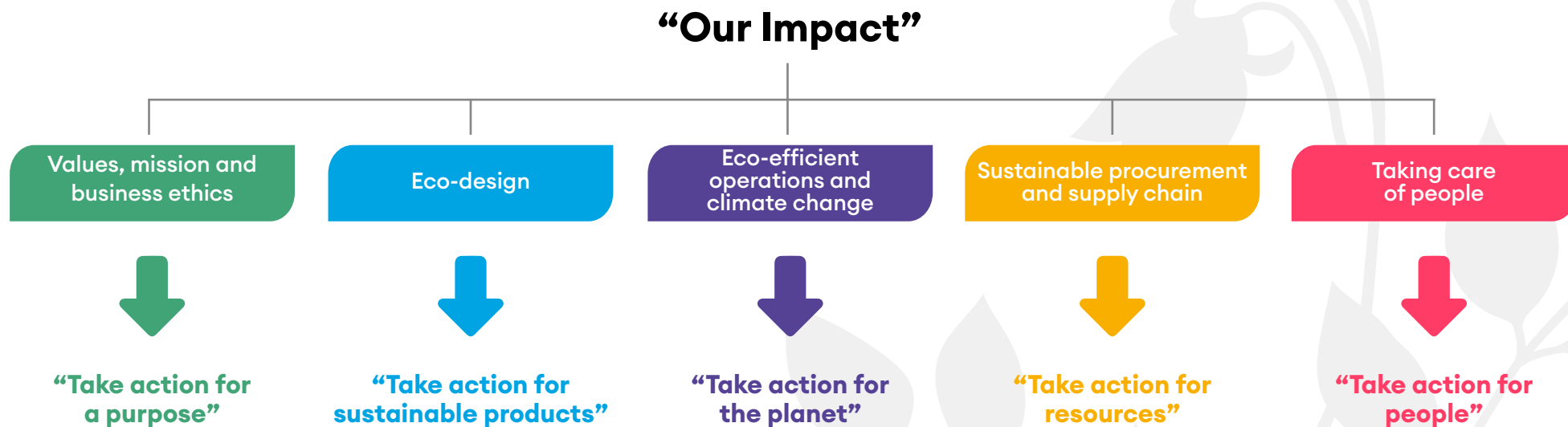
The result of the analysis has been reflected in a **materiality matrix** that identifies 13 aspects relevant to Provital's sustainability strategy (depending on its importance for both the company and the stakeholders). These material issues are covered in this report.



## ► Global strategic sustainability framework

Provital has included its **Global Strategic Sustainability Framework** in its [Sustainability Policy](#) to strengthen its commitment to sustainability and manage its actions efficiently.

The objective is to define social and environmental impact metrics across **five work areas** linked to specific Sustainable Development Goals (SDG). Targets, actions and indicators are drawn from each area and are presented on the next page with progress made toward 2025.





### 1. Take action for a purpose

Values, mission and business ethics



- Social commitment and philanthropy
- Business ethics and anti-corruption
- Transparency and rigour in our communications on sustainability

### 2. Take action for sustainable products

Eco-design (focus on creating a sustainable product):



- Using life-cycle analysis
- Development of own criteria to define sustainable products
- Steering the portfolio toward those standards

### 3. Take action for the planet

Eco-efficient operations and the fight against Climate change



- Improved waste management
- Packaging and plastics management
- Carbon footprint management
- Use of water

### 4. Take action for resources

Management of sustainable procurement and supply chain



- Sustainable procurement programme
- High levels of transparency and traceability

### 5. Take action for people

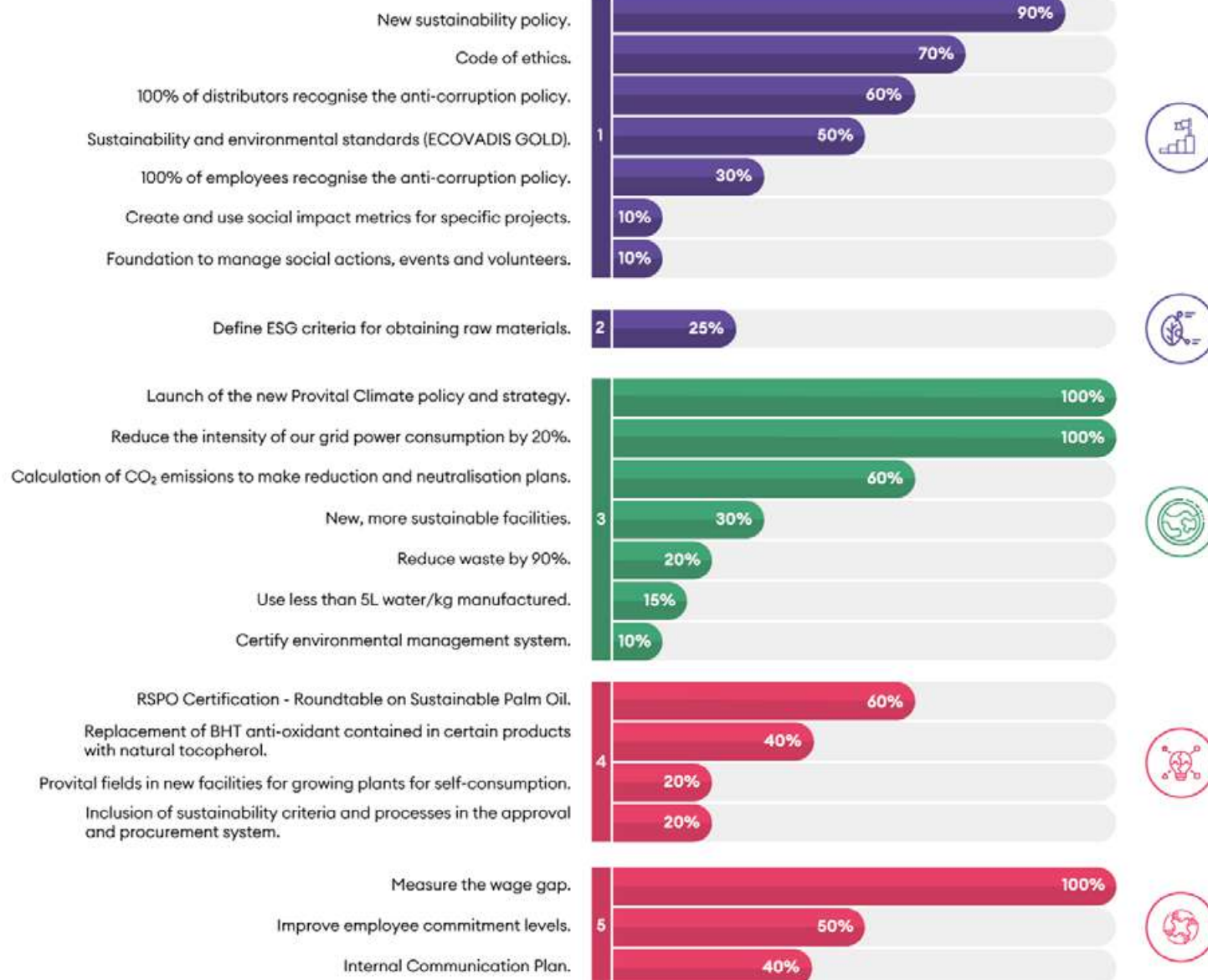
Caring for people



- Labour rights and quality of working life
- Equality, diversity and inclusiveness

2021

2025



## ► Leadership and resources

Sustainability is cross-organisational and entails the participation and involvement of all departments. Decision-making is centralised in the Spain headquarters, where the Provital Quality, Health, Safety & Environment (QHSE) team steers and coordinates sustainability management under the supervision of the Executive Director.

The members of the Executive Committee are responsible for managing each of the work areas involved in the processes and actions. In parallel, Provital subsidiaries provide key information and planning guidance, adapting the plan to the context, and reporting in a standardised format.

## ► Continuous improvement: action taken in 2021

Here are some of our main actions:

- Adherence to the **United Nations Global Compact** in which Provital includes the pact's ten principles related to Human Rights, labour standards, environmental protection and anti-corruption practices in its business activities, aligned with the 17 SDGs.
- **ECOVADIS Audit:** Provital receives a silver medal (a score of 60) in this business sustainability evaluation.
- Union for Ethical BioTrade (UEBT) membership renewal audit reflects the company's commitment to supplying products which respect people and biodiversity.
- Installation and start-up of a photovoltaic plant for self consumption consisting of 837 x 120Wp panels to produce solar energy, enabling us to generate 10% of our energy consumption.
- Technical improvements to the wastewater treatment plant (EDAR) to reduce our impact on water during and after the production process and to further our commitment to the environment more efficiently.

- Training in PRL, cleaning validation, and GMP (Good Manufacturing Practices) for production, warehouse, and R&D; and update on COVID-19 prevention protocols according to the evolution of the pandemic and follow-up throughout the year.
- Psychosocial study of potential risks within the company and working conditions related to the health and safety of individuals. Excellent results were achieved in areas such as Vertical trust, Recognition and Justice.
- Digital Communication: Launch of the Provital Talks Podcasts, a new series of podcasts where our team discusses topics such as sustainability, ABS and innovation at Provital; sustainability seminars such as the Beauty Cluster session to build an ethical-sustainable entrepreneurial ecosystem and more than 70 webinars.
- Sant Jordi's Book: Distribution of an adventure notebook, a small field guide for great discoveries in nature.
- Painted mural: The artist David Tarrago, a participant in the 3rd edition of the diverse artist contest, painted a mural on the walls at Provital España facilities inspired by Covid-19 and symbolising the company's everyday life.

### Provital, committed to sustainable development

The company is committed to the UN Global Compact, complies with ABS Regulations and the Nagoya Protocol, is guided by the Global Reporting Initiative (GRI) for the development of strategy and sustainability reports, and takes the International Labour Organization (ILO) and ISO 26000 standard (Guide on Social Responsibility) as its references.

# 3. TAKE ACTION FOR A PURPOSE



## ► Culture

Provital is a global company focused on **quality** and **innovation**, and **committed to society and the environment**, a proactive, demonstrable commitment that materialises through business operations and community actions.

Caring of **people, communities** and the **planet** always has been the motivation behind Provital. **“Do Care”** is a proactive statement that emphasises Provital's purpose and underscores our focus on nature and people while encouraging customers and industry to do the same.

## ► Strategic pillars

The following strategic pillars are the cornerstones of Provital's vision and a first step in visualising where we want to go as an organisation, setting objectives and implementing actions and projects.



## ► Manifesto

We believe caring is taking action.

Because when we take care, it means doing something. It may be a caress, a smile, a simple kind gesture, or the blossoming of nature. These are the small changes that lead to a better world.

Caring is the force that drives us forward. And it's also our commitment to people, communities and the planet. That's why we take action for care.

We care by combining nature and science to harness the best properties on Earth in our premium products.

We care when we team up with our clients to co-create the solutions that best meet their needs with them.  
We care by anticipating trends and creating new formulations, working with agility and efficiency.

We care by inspiring our customers and motivating our teams to keep growing together.  
We care by staying true to our independent spirit and transforming the industry for the better.

And because we care, we create natural ingredients that inspire positive emotions and enable each person to find their own way of expressing their beauty.

## ► Ethics and Integrity

Ethics are a core aspect of Provital. They are part of our corporate culture and are reflected in the compliance and risk management policies and mechanisms such as the Compliance Protocol, the Ethics and Whistleblower Channel Protocol, and the Gifts and Hospitality Policy, which are available to the organisation and its stakeholders.

The Whistleblower Channel is provided to facilitate reporting of potential incidents or conduct involving corruption, bribery, and anything deemed unethical and is managed by the Corporate Criminal Compliance Officer. No ethical complaints or related reports were received in 2021.

Work began on the Code of Ethics in 2021 to compile all the standards and rules of conduct applicable throughout the Provital group. The document will be adapted to local contexts to cover all relevant legal compliance issues such as employee health and safety, supplier relations, and data protection.

Our anti-corruption and bribery programme complements the Code of Ethics. Everyone in the organisation is trained to ensure awareness and provide specific knowledge. In addition, an Ethics Committee consisting of a member of senior management, a member of Human Resources, and an additional member of another department has been created to propose, approve and disseminate improvements to the Code of Ethics, and report to Provital's governing bodies.







3. Take action for a purpose

Sustainability Report 2021

## ► Social impact: Provital's role in society

Although our activity has no significant negative impact on local communities, Provital is committed to improving conditions and contributing to their development and well-being wherever it operates. Provital participated in the following social projects in Spain in 2021:

**#100tiffiques.** Provital, a member of the Beauty Cluster, collaborates with the Catalan Foundation for Research and Innovation (FCRI) and the Barcelona Institute of Science and Technology (BIST) to promote women's roles in science and technology. Coinciding with the International Day of Women and Girls in Science, several scientific and technological employees at Provital shared their work experiences with students in Catalonia to inspire them to pursue a CTIM career (chemistry, informatics, information technology, engineering, earth sciences, life sciences, mathematics, physics, astronomy and some branches of psychology and social sciences).



**15th edition of the New Professionals Awards,** organised by the Terrassa City Council and the Professional Training Council in collaboration with local, regional and autonomous entities. These awards motivate and promote an entrepreneurial, innovative and creative spirit among students who are completing their training. Provital presented the second prize for the best social and solidarity economy project.



**4th edition of the Provi-Art Art Contest** with the Artistas Diver@s association in collaboration with Barberá del Vallés City Council. This was a photography, painting and watercolour contest for national artists whose works were displayed in an exhibition. Inclusive workshops for children were also held in several primary schools.



**Provital Cocoon** is the Provital company that transforms ideas into reality by incubating and financing start-ups in the field of biotechnology, working on active ingredients for cosmetics, with a view to using the resulting technologies.





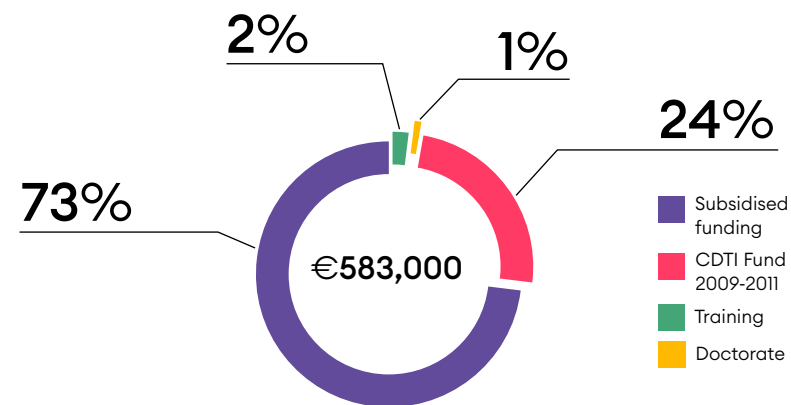
### Collaboration with international organisations

In 2021, Provital continued to carry out and promote key external initiatives in collaboration with international organisations, encouraging innovation and high-quality cosmetic science through collaborations with the following entities:

- **Beauty Cluster:** membership to promote innovation and value-based company interconnections.
- **IFSCC:** funds provided to support high-quality cosmetic science education.
- **EFFCI:** facilitates dialogue between industry, regulators and authorities.
- **Parc de Recerca UAB:** it is part of the Committee of Innovative Companies on the PRUAB.
- **Cosmetic Valley France:** collaboration to drive innovation in the sector.
- **UEBT:** membership renewed after a recent audit, committed to supplying people and biodiversity.
- **Centre for the Valorisation of Agricultural Resources (CVA):** a member of this centre which supports companies by developing eco-extraction processes and analysing the plant materials and extracts obtained.
- **The Botanical Alliance:** Founding member of this association, which was created to lead a European research project of high importance for all those involved in the manufacture and use of plants and botanical extracts, for the cosmetics and nutraceuticals professionals.
- **UN:** Collaboration with a UNDP programme to develop the ABS project in Mexico.

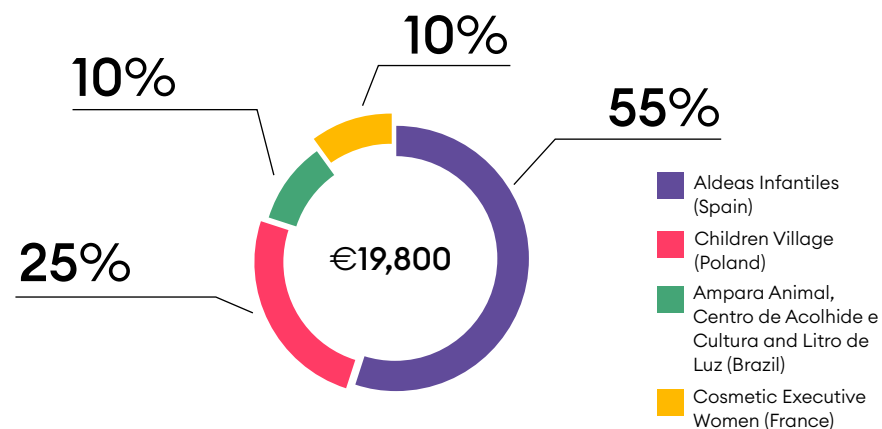
### Subsidies received

In 2021, Provital received grants worth more than €580,000 in training, CDTI and loans, and invested €5.3 million in infrastructure and related services in Spain.



### Contributions to non-profit entities

On the other hand, it has made contributions to foundations and non-profit entities worth €19,800 as a result of its willingness to contribute and generate value for society.



## ► We take care of our customers

To ensure our customers' health and safety, Provital labels and identifies all its products according to REACH and CLP regulations. It also guarantees personal data privacy with a **Data and Information Protection Policy** and a **Website Privacy Policy** that complies with the European Regulation and the standards applicable in the countries in which it operates.

Provital also has mechanisms to manage and resolve customer complaints. Regarding complaints, in 2021 the company did not receive any complaints or personal data privacy violations, nor did it register any incidents or complaints concerning the health and safety of its products or incidents relating to the regulations on marketing communications or labelling.

Digitisation has been key to reaching customers in 2021 and, while events have been a way to address our customers in the wake of the pandemic, Provital has launched several digital marketing initiatives such as the **"ProviTalks"** podcasts.



## ► Human Rights

Provital defends and promotes respect for human and labour rights by operating in compliance with regulations and good labour practices, equality, health and safety at work everywhere where it operates, demanding the same level of commitment from its suppliers.

Since 2022, all our commercial agreements with customers and distributors and our significant investment contracts have included a specific social responsibility clause to ensure compliance with human rights regulations. In addition, all suppliers will receive questionnaires informing them of Provital's position, which demands ethical behaviour in line with the International Labour Organization (ILO) regarding child labour, working conditions, equal rights and gender, freedom of association, and occupational health and safety.

Provital has no operations or suppliers that pose a significant risk of being involved in cases of forced or compulsory labour either by type of operation or by type of supplier. Provital also educates and informs all its workers about human rights standards and policies through its Onboarding Manual and its annual Sustainability Reports.





# 4. TAKE ACTION FOR SUSTAINABLE PRODUCTS



## ► Innovation: Our product portfolio

Provital products combine nature and science to capture the essence of the earth in high-quality cosmetic ingredients that are kind to the environment.

Provital has two main product lines. Firstly, **CareMotives™**, with five subcategories, through which it captures the essence of nature with 291 natural extracts that awaken emotions evoked by natural beauty: EcoCares (COSMOS certified), VitaCares, OilyCares, SparkCares and ImagineCare.

At the same time, the power of care in action is embodied by the CareActives™ line, where science and nature work in synergy to care for well-being with 65 active ingredients that use benefits of nature to enhance natural beauty.

Thirty-two of these products are ECOCERT certified and 128 are Cosmos approved.

### Certifications and others

To stay at the forefront of our industry and evolve toward excellence as a multinational group, Provital has a quality management system certified according to **ISO:9001**, and is certified in Good Manufacturing Practices for Cosmetics according to **ISO:22716**.

Provital is also involved in continuous development of natural and ecological ingredients, firstly, under the **COSMOS** criteria (certified, approved and compliant) and our natural and green contents are assessed according to the **ISO 16128** standard. The general criteria for this evaluation are the **12 principles of green chemistry**.

To broaden our product portfolio and markets, we hold **Halal certification**. Also, some product lines are certified as vegan.

#### Certifications



#### Compliance



Provital's drive for innovation and business ethics made it the first active cosmetic ingredients supplier to obtain the Internationally Recognised Certificates of Compliance (IRCC) under the Nagoya Protocol, which ensures controlled access to genetic resources and fair and equitable sharing of benefits arising from their use.

### ► Collaborations with research centres

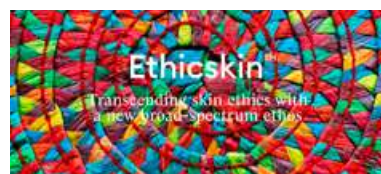
It should also be pointed out the network of contacts with national and international research centres of excellence (universities, scientific and technical services, technological centres, etc.) that increases our research and innovation capabilities to develop more sustainable products (up-cycling, more efficient extraction processes, etc.)

### ► Awards and recognition

In 2021, Provital launched and promoted three ethical, environmentally friendly, natural products, namely ETHICSKIN™, POMARAGE™ and APIBREEZE™.

Our ingredients are internationally renowned and received several awards in 2021. At the BSB Innovation Awards, WONDERAGE™ came first in the active raw materials category and SENSERYN™ came second in the "natural raw materials" category as a natural asset that improves the quality of life of people with sensitive and reactive skin in a novel scientific approach called sensocosmetics.

ETHICSKIN™, a multifunctional, well-ageing ingredient was also internationally recognised the year it was launched, and was a finalist in the Sustainable Beauty Awards having been developed in collaboration with sustainable local farmers in Mexico, Mujeres y Ambiente. It is also backed by the United Nations Development Programme (UNDP) and was awarded the Equatorial Prize in 2020.



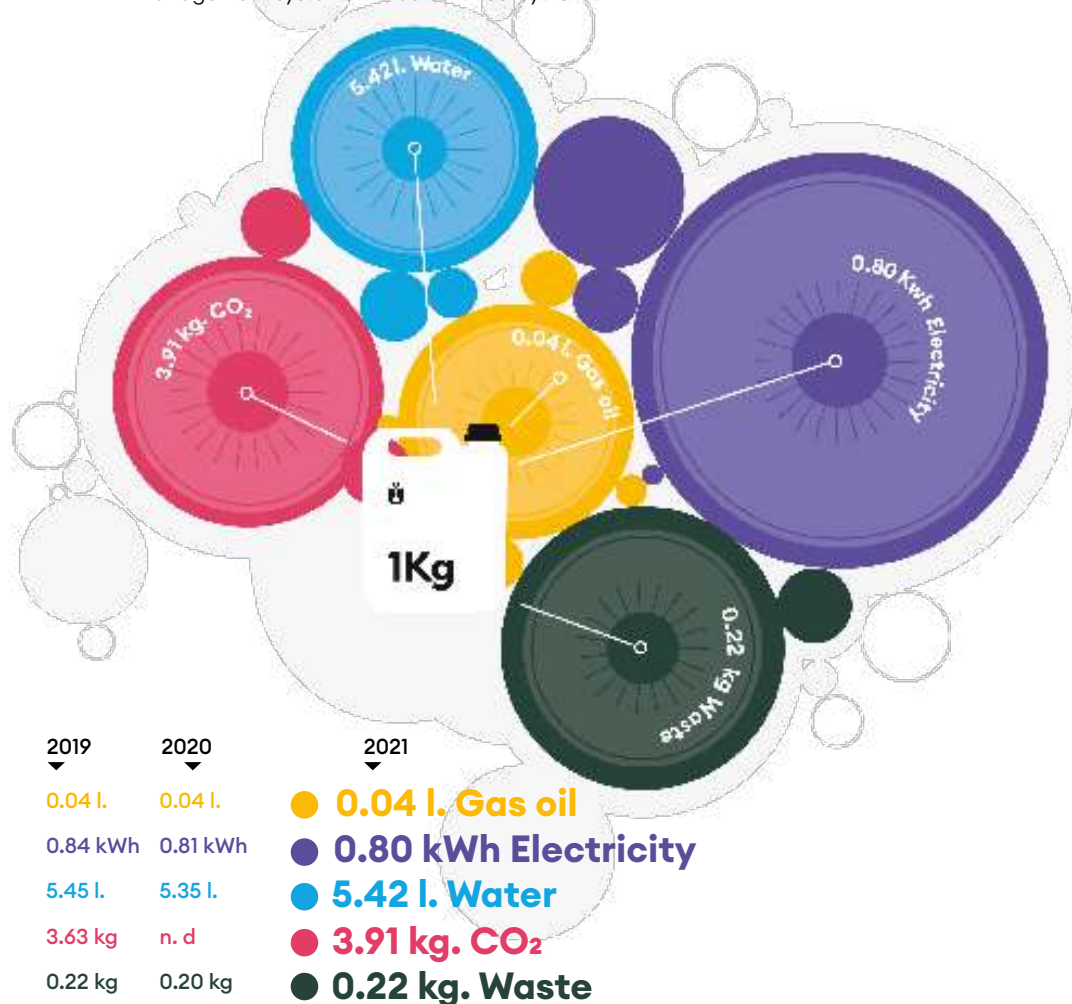


# 5. TAKE ACTION FOR THE PLANET



## ► Sustainable production

Provital's products have a strong sustainable component as their production includes ethical projects and care for the environment. When it comes to the environment, Provital's goals are minimising the pollution caused by the group's activity and promoting both the responsible use of resources and staff awareness. As well as calculating the carbon footprint, 100% emissions reduction and compensation plans have been established and its environmental management systems will be certified by 2024.

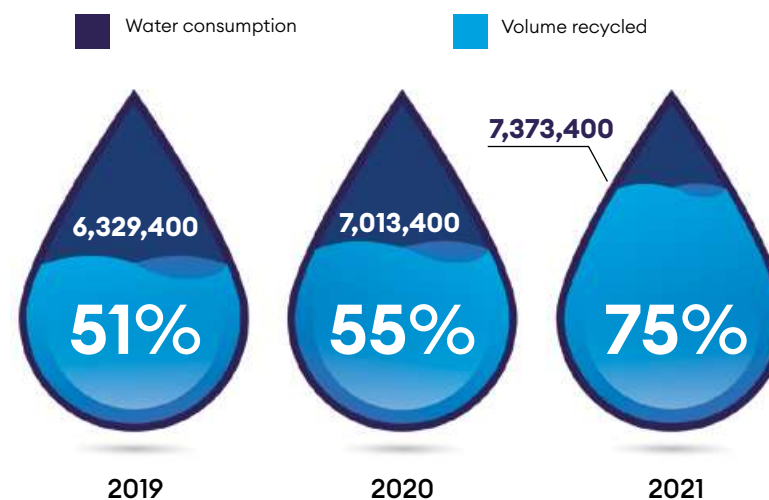


## ► Water

In 2021, Provital consumed a total of 7,373,400 litres of water (5.42 litres per kg produced). Although this was a 5% increase from the previous year, work is underway to reduce the water used in production to below five litres per kg. Provital Spain accounts for 95% of this, drawing the water from a private network and recycling 78% of the total volume.

### Annual water consumption

The following graph shows Provital's water consumption (in litres) for the last three years.



#### Presentation of information:

For the electricity data consumed per kg produced, self-consumption of photovoltaic energy is included in 2020 and 2021. This affects the electricity data reported in the previous year (0.783 kWh). In addition, when making the recalculation, the data reported in 2019 (0.82 kWh) was also modified. On the other hand, water data for 2019 (5.31 l.) and 2020 (5.25 l.) have also been updated following the recalculation of consumption data per kg produced. GHG emissions per kg produced in 2019 also varied from those reported in previous years (698 g.CO<sub>2</sub>).

## Waste

Provital produced 295,569 kilos of waste in 2021 (0.22kg per kg produced) and with the aim of reaching our zero waste objective in 2024, around 90% of the waste was valorised. The main waste generated during the last three years is presented below.

Non-hazardous (Tn)	2019	2020	2021	
Plant waste	91,300	88,800	102,040	
Treatment sludge	54,240	65,160	60,900	
Mineral Oil	115	0	0	
Uncontaminated plastic drums	10,453	15,392	13,538	
Uncontaminated metal drums	9,900	10,845	9,835	
Glass	967	753	905	
Filtration sludge	29,600	26,900	24,100	
Paper and cardboard	2,738	5,828	7,588	
Organic fraction canteen	0	1,940	4,465	
Vegetable oil	4,525	2,533	4,870	
Plastics and packaging canteen	2,118	3,812	3,764	
General waste	32,244	28,500	30,322	
Production Air Filters	36	135	35	
Batteries	0	8	6	
Ion exchange resins	40	120	0	
IT equipment	0	186	103	
Water for cleaning industrial reactor	0	0	19,560	
Hazardous (Tn)	2019	2020	2021	
Production waste	9,096	3,000	8,990	
Laboratory samples (cosmetics)	867	648	1,018	
Biosanitary products	634	454	431	
Capsicum resins	116	113	30	
Non-halogenated solvents	103	657	430	
Laboratory reagents	2,618	1,861	2,509	
Printer cartridges	27	113	52	
Fluorescents	15	32	40	
Lead batteries	0	0	38	
<b>Total</b>	<b>251,752</b>	<b>257,790</b>	<b>295,569</b>	

Shipments of waste from Provital waste are accompanied by a tracking sheet ("FS", generated through the SDR system) for each type of waste, for control and traceability of the management. To further reduce our environmental impact, Provital has an **environmental emergency plan** that establishes the procedure to follow in case of spills.

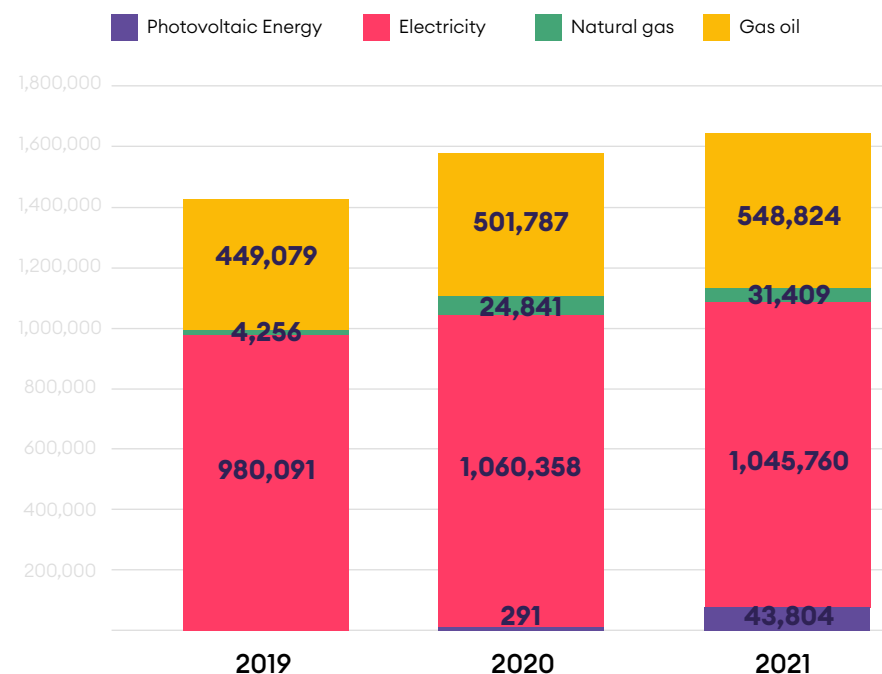
## Energy

During 2021, Provital consumed 1,669,797 kWh. External energy consumption (from electricity, natural gas and gas oil) accounts for 97% of total energy consumption. The remaining 3% of internal energy consumption comes from photovoltaic energy. On the other hand, 65% of energy comes from renewable energy sources.

The installation of photovoltaic plants, in Poland in 2020 and in Spain in 2021, has enabled Provital to make progress in the generation of renewable energy for sale and self-consumption. In the case of Poland, the sale of the photovoltaic energy produced amounted to 11,549 kWh in 2021, an increase from the previous year in which 198 kWh were sold.

### Energy consumption per power source

Below is a graph of Provital's energy consumption during the last three years by energy source in kWh.





## ► Emissions<sup>2</sup>

Provital measures its carbon footprint and makes a strong effort to reduce and mitigate its greenhouse gas (GHG) emissions.

The increase in emissions presented below is the result of better measurement in 2021 related to the scope of the calculation. In 2019, only the offices in Spain and France were included in the calculation, however, the remaining countries were added in the 2021 calculation and the scope in Spain increased from 82% to 92%.

Emissions (Tn CO <sub>2</sub> eq)	2019	2021
Scope 1	196	312
Scope 2	58	92
Scope 3	3,957	4,913
<b>Total</b>	<b>4,211</b>	<b>5,317</b>

As next step, the scope of the global data will continue to be increased, the carbon footprint will be verified, and reduction and compensation plans will be established for each site.

<sup>2</sup> In 2020 the calculation could not be made, so there are no data for that period, and there is no data to report.

Re-presentation of information:  
2019 emissions varied from those reported in the 2019 report (4,233,066.82 kg CO<sub>2</sub>eq) as a result of the recalculation of emissions for 2021. It corrects data for range 1 emissions from 196,694.76 to 195,953 and range 3 emissions from 3,978,424.24 to 3,956,665.48. Consequently, the total 2019 emissions are modified to 4,210,566.29 kg CO<sub>2</sub>eq (4,211 Tn CO<sub>2</sub>eq).





## 6. TAKE ACTION FOR RESOURCES

## ► Ethical and sustainable supply chain

Provital actively contributes to environmental, social and ethical improvement with a commitment to transform the world into a better place. Therefore, at Provital we manage the supply chain with an ethical and sustainable approach, considering aspects such as respect for **biological diversity** an Access and Benefit-Sharing (ABS) regulation, based on the **7 Principles of BioTrade**.

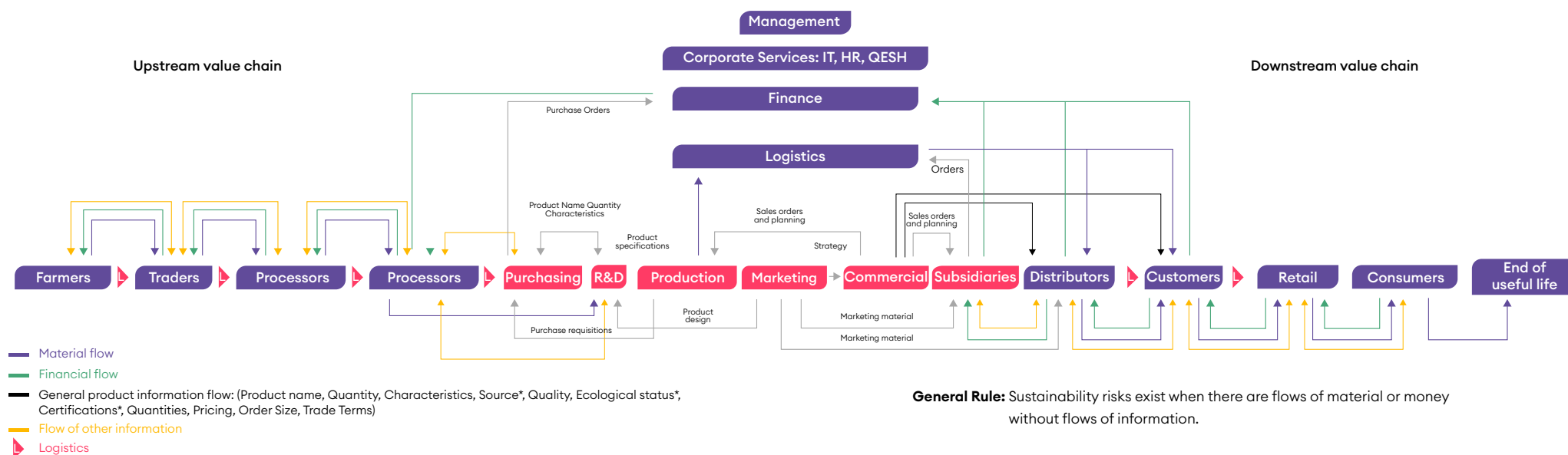
Similarly, this management has the UN Global Compact (Sustainable Development), the Global Reporting Initiative (GRI), the International Labour Organization (ILO) and ISO 26000: Guide to Social Responsibility as legal frameworks.

That is why, to ensure ethics in the supply chain, Provital sends all its suppliers a questionnaire informing them of the Company's position, demanding ethical

behaviour in line with the ILO (International Labour Organisation): child labour, work conditions, equal rights, gender equality, freedom of association, occupational safety and health.

Following the same line of ethical and sustainable commitment, the Roundtable on Sustainable Palm Oil membership process started in 2021 to ensure that Provital's procurement process becomes more sustainable and that all palm oil entering the supply chain is from sustainable sources.

Provital's supply chain model has remained essentially unchanged in 2021 and there have been no cases of non-compliance with environmental law.



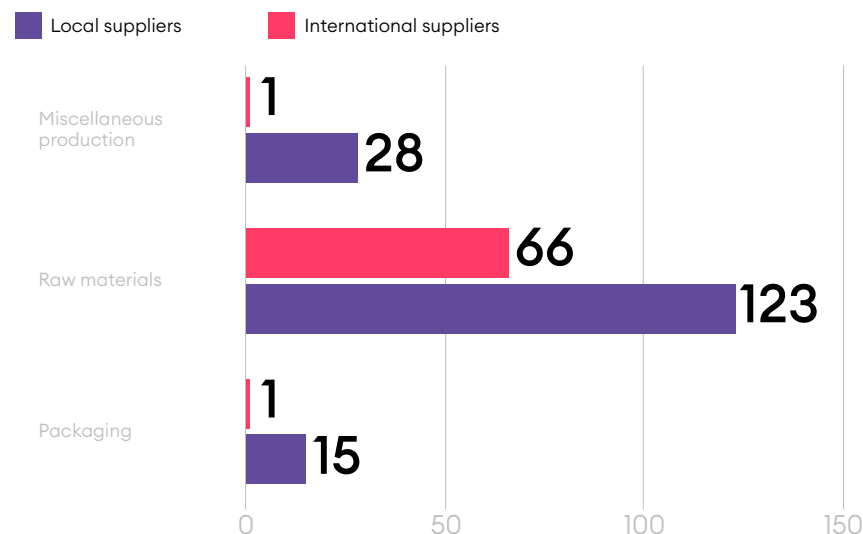
### ► Sustainable suppliers and projects

Provital's values and business ethics foster business relationships that support a fair, secure, and traceable supply chain. To help the local economy and trade, 71% of the contracts come from suppliers and distributors operating in Spain or of national origin.

#### Percentage of suppliers and distributors by type



#### Suppliers by location and product type



In addition to considering the origin of its suppliers, Provital also takes account of social and environmental criteria. One example of this are the projects for manufacturing our **ETHICSKIN™** and **POMARAGE™** ranges. These projects are carried out with ethical and sustainable partners such as Mujeres y Ambiente in Mexico, and Mooma in Spain, whereby the raw materials of active ingredients are obtained by processing the pulp of recycled apples.

In addition, in collaboration with the “Parc de les Olors” and farmers of the Tenes Valley, the **BioDeVaTe** project enables us to obtain raw material from organically farmed, local aromatic plants native to the Mediterranean with a sustainable cultivation system which are fully traceable.

We collaborated with PUR Project to reinforce this project, an agricultural production system that confirmed and validated that the BioDeVaTe park production system combines high product quality and sustainability, in terms of fertiliser, seed choice, water management, land use, species mix, biodiversity maintenance and energy consumption.

Among our supply chain improvements, from 2022 onwards, our approval and procurement system will be redesigned to include sustainability criteria and processes, as well as incorporating purchasing clauses to validate supplier traceability claims.

Similarly, 100% of critical suppliers (and 50% of raw material deliveries) are to be included in the new supplier assessment tool and to broaden the scope of this tool.

Regarding the use of raw materials, Provital used a total of 1,008,993 kg and 180,950 kg of packaging for the manufacturing of its products in 2021.

### ► Protection of biodiversity

Provital's operations are not located close to protected geographical areas, adjacent to areas of high biodiversity or protected species existence, therefore no significant impacts have been identified that may affect biodiversity or may be related to deforestation.



## 7. TAKE ACTION FOR PEOPLE

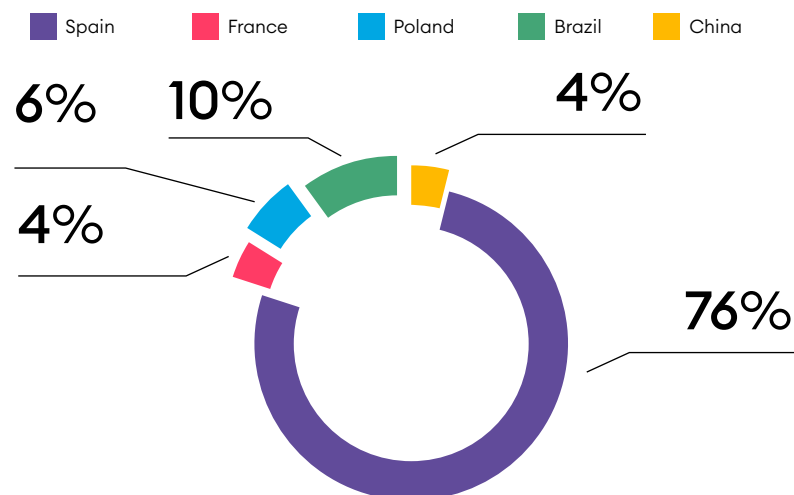


### ► Provital People: toward a global, open, plural mentality

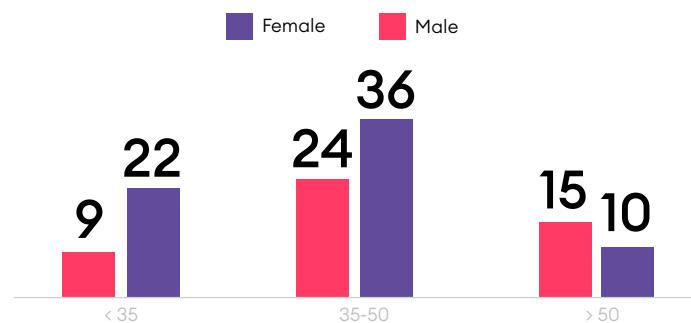
Provital takes care of the well-being of its associates to have a positive impact on their performance. The company's strategy and vision for the future has led to the expansion of its international area of influence, and with it, its workforce.

In 2021, Provital had 116 employees, 13% more than the previous year, and 13 of whom were recruited in Spain, China, Poland and Brazil. The breakdown of the workforce by country, gender, age and professional category is shown below, reflecting a diverse workforce consisting of almost 60 per cent female employees.

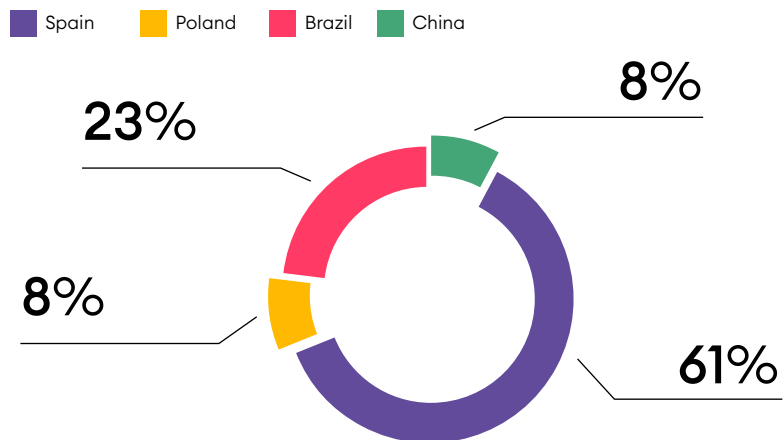
#### Employees by country



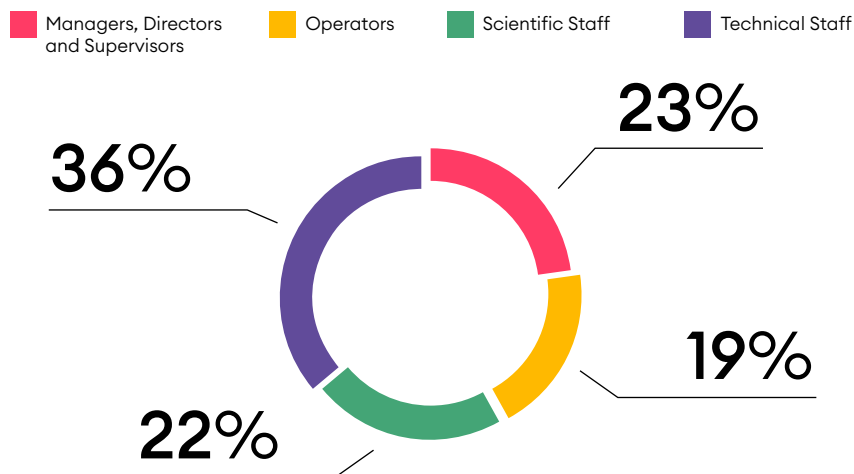
#### Workforce by gender and age



## Recruits by country



## Employees by professional category\*

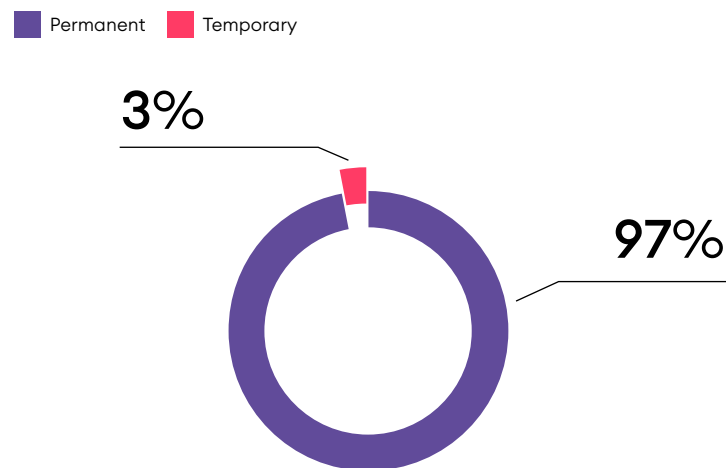


\* In terms of staff turnover in 2021, three men (two between thirty- five and fifty years old and one under thirty-five).

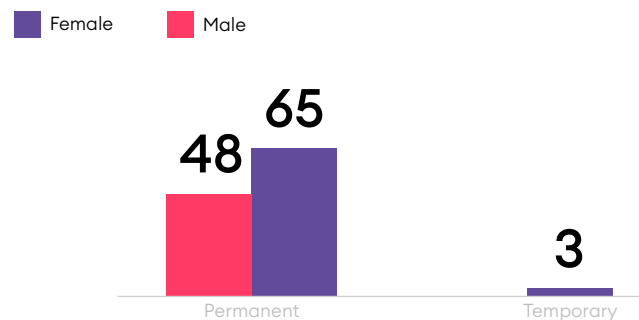
## Types of work contract

In 2021, staff employed under permanent work contracts accounted for almost the entire workforce of the Group. As for the working day, Provital has two types of working day contracts, full-time, covering 95% of the workforce, and part-time. The contract modalities and the distribution of contracts by gender are set out below.

## Employees by type of work contract

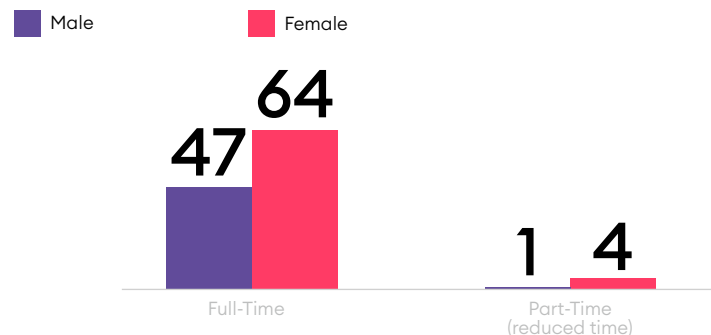


## Types of work contract by gender





### Type of contract by gender



### ► Work benefits

Provital cares for people and is strongly committed to equality and the well-being of all its employees. That is why it invests in offering excellent conditions in the workplace, training and other social benefits. All Provital employees receive the following benefits:

 Training	 Healthy Eating Programmes
 Daily ergonomic exercise (warehouse and factory)	 Physiotherapy
 Life Insurance	 25 years with Provital gift
 Medical Insurance	 Subsidised catering
 Retirement Cheque	 Fruit basket
 Savings Plan	 Coffee and other food

Provital has parental leave and family reconciliation measures in place to encourage responsible co-parenting, such as:

 Flexible work day	 Remote work regulated by the Provital Remote Work Policy
 Four hours for personal time unlimited recoverable	 Kindergarten subsidy
 Baby cheque	

All the benefits are clearly established in the **Provital Onboarding Handbook** which is also supported by other corporate policies such as the **Rest and Digital Disconnection Protocol**.

### ► Employee-management relationships

At Provital, 76% of employees (corresponding to the Spanish workforce) are covered by the chemical industry agreement, which provides for collective bargaining clauses and freedom of association rights. The rest of the staff are covered by the collective implementing agreements in the countries where they operate.

The “Vital” Intranet is an internal communications mechanism with which Provital shares information and content with the organisation to encourage staff involvement, in addition to generating synergies between all subsidiaries. In this regard, Provital is in the process of creating an Internal Communications Plan for publication in 2023. For issues that may have a significant impact on the workforce, Provital reports any operational changes within two months through personal and face-to-face interviews.

In 2021, a remuneration study was conducted with help of an independent expert company in order to ensure that everyone in the Provital group receives fair remuneration. The results conclude that the average salaries paid by Provital are 38% higher than the sector average.



## ► Occupational Health and Safety

In 2021, we conducted a remuneration study of the group with advice from an expert independent company. Our main objective was to ensure fair pay for each member of our team. According to the results, we can conclude that the average salaries paid by the Provital group are 38% higher than the average salaries in our reference market.

Since 2021, our employees have had representatives on the health and safety committee. Most aspects of occupational health and safety are already covered by formal agreements with trade unions. The main aspects which we are currently working on are Health, Hygiene, Ergonomics, Psychosociology and Health Monitoring. However, Provital has procedures for regular medical check-ups (health monitoring) and for recruits (mandatory, according to job position), as well as programmes for onboarding and continuous training in occupational risks.

There were only two accidents reported in 2021 (with absence, *in itinere*) in Spain. Since these were minor accidents, the incidence index, frequency and severity were 0%. As a result, a total of 122 work days were lost in the year. Similarly, no professional illnesses were registered this year.



## ► Training

In 2021, Provital delivered 3,656 hours of training to its employees.

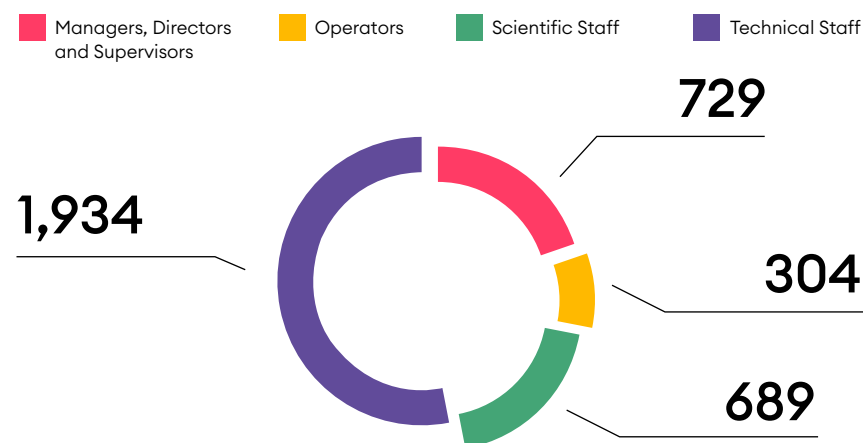
The Training Plan for Provital España in 2022, certified under ISO 9001, included a €117,035 investment in training, which it intends to increase to 7,016 hours in 2022.

In 2021, Provital carried out two training programmes to improve its employees' skills:

- **Online training in PRL:** use of chemicals, PEMP and bridge cranes, first aid and load handling. We are continuing to promote the remote work policy, therefore, we are continuing to train staff in this in prevention matters such as the use of VDU.
- **Training in GMP:** Follow-up of compliance and information about Good Manufacturing Practices (GMP) for all production, R&D and warehouse staff.
- Training in **creation of work groups** to help with transition and integration of employees with the development of different projects in the strategic plan.

As well as providing training for employees' career progression, Provital conducts regular performance evaluations of its employees and professional development assessments to check on their progress and career achievements. The following graph shows the training hours carried out broken down by professional category.

### Training hours by professional category



## ► Diversity and equality

Diversity and equality are extremely important to Provital, which is why it is crucial that all our workers feel comfortable and work to their full potential. That is why Provital signed the **Diversity Charter** in November 2009, a formal commitment framed in the Directive against discrimination of the European Union of 2000 and the Regulations of the Ministry of Equality.



Provital is now in the final phase of developing its **Equality Plan**, which will be put into practice in 2022. This Plan compiles the measures introduced within the company to promote equality and diversity, as well as mechanisms for reporting incidents involving discrimination. The Plan also encompasses the **Sexual Harassment Prevention and Harassment on grounds of sex Protocol** so that employees can report any harassment or mistreatment.

In addition, the Provital Business Committee consults stakeholders regarding remuneration policies to ensure equality. To determine and evaluate employee' salaries and ensure gender parity regarding remuneration, Provital has an undocumented remuneration policy based on regular internal equity studies and market positioning.

Provital has 26 managers, directors and supervisors around the world, an average of 50% of whom are female.

Our remuneration measures are defined in a policy based on regular internal equity studies and market positioning information. In order to contribute to an equal work environment, a salary register has been implemented according to legal requirements that observes the basic principles of confidentiality of information, and the remuneration audit. This has enabled us to define the remuneration structure and, by calculating the wage gap, to gain insight into the workplace equality situation at Provital.

At the end of 2021, based on the total remuneration paid to male and female employees, the wage gap amounts to -0.03%. This means that there is minimal difference between the remuneration of men and women and it is in favour of women.<sup>3</sup>

<sup>3</sup> When calculating the salary breach, the average remuneration paid to women and men in Spain was considered. The other countries were not included in the calculation for reasons of representativeness and incompatibility between categories.







# APPENDIX: GRI REFERENCES

## ► Profile of the report

This report has been prepared in accordance with the comprehensive option of Global Reporting Initiative (GRI) Standards 2016.

Provital produces an annual report of its sustainability activities and the previous year it published its report on 14 October 2021.

For information regarding this, please contact:  
[qhse@weareprovital.com](mailto:qhse@weareprovital.com).

The following tables contain the GRI indicators that make reference to the comprehensive option.

## ► GRI contents index

GRI code	Number	Content	Page
GRI 102	102-1	Name of the organisation	5
GRI 102	102-2	Activities, brands, products and services	21
GRI 102	102-3	Location of headquarters	5
GRI 102	102-4	Location of operations	5
GRI 102	102-5	Ownership and legal form	5
GRI 102	102-6	Markets served	5, 3
GRI 102	102-7	Size of the organisation	5, 31
GRI 102	102-8	Information about employees and other workers	31-33
GRI 102	102-9	Supply chain	28
GRI 102	102-10	Significant changes to the organisation and its supply chain	28
GRI 102	102-11	Precautionary Principle or approach	9, 11
GRI 102	102-12	External initiatives	13, 17
GRI 102	102-13	Membership of associations	18
Strategy			
GRI 102	102-14	Statement from senior decision-maker	3
GRI 102	102-15	Key impacts, risks and opportunities	7
Ethics and Integrity			
GRI 102	102-16	Values, principles, standards and norms of behavior	15-16
GRI 102	102-17	Mechanisms for advice and concerns about ethics	16
Governance			
GRI 102	102-18	Governance structure	7
GRI 102	102-19	Delegating authority	7
GRI 102	102-20	Executive-level responsibility for economic, environmental, and social topics	7
GRI 102	102-21	Consulting stakeholders	9
GRI 102	102-22	Composition of the highest governing body and its committees	7
GRI 102	102-23	Chair of the the highest governance body	7
GRI 102	102-24	Nominating and selecting of the highest governing body	7
GRI 102	102-25	Conflicts of interest	No existen
GRI 102	102-26	Role of the highest governance body in setting purpose, values, and strategy	7
GRI 102	102-27	Collective knowledge of highest governance body	*
GRI 102	102-28	Evaluating the highest governance body's performance	*
GRI 102	102-29	Identifying and managing economic, environmental, and social impacts	7,11,17
GRI 102	102-30	Effectiveness of risk management processes	7
GRI 102	102-31	Review of economic, environmental, and social topics	7
GRI 102	102-32	Highest governance body's role in sustainability reporting	7
GRI 102	102-33	Communicating critical concerns	3, 7
GRI 102	102-34	Nature and total number of critical concerns	3, 7
GRI 102	102-35	Remuneration policies	35
GRI 102	102-36	Process of determining remuneration	35
GRI 102	102-37	Stakeholders' involvement participation in remuneration	35
GRI 102	102-38	Annual total compensation ratio	*
GRI 102	102-39	Percentage increase in annual total compensation ratio	*

GRI code	Number	Content	Page
Stakeholder Participation			
GRI 102	102-40	List of stakeholder groups	9- 10
GRI 102	102-41	Collective bargaining agreements	33
GRI 102	102-42	Identifying and selecting stakeholders	9-10
GRI 102	102-43	Approach to stakeholder engagement	9-10
GRI 102	102-44	Key topics and concerns raised	9-10
Practices for preparing reports			
GRI 102	102-45	Entities included in the consolidated financial statements	5
GRI 102	102-46	Defining report content and topic boundaries	9-10
GRI 102	102-47	List of material topics	10
GRI 102	102-48	Restatements of information	24, 26
GRI 102	102-49	Changes in reporting	37
GRI 102	102-50	Reporting period	37
GRI 102	102-51	Date of most recent report	37
GRI 102	102-52	Reporting cycle	37
GRI 102	102-53	Contact point for questions regarding the report	37
GRI 102	102-54	Claims of reporting in accordance with the GRI Standards	3, 37
GRI 102	102-55	GRI content index	37
GRI 102	102-56	External assurance	Not verified
Market presence			
GRI 103	103-1	Explanation of the material topic and its boundary	7, 21, 22
GRI 103	103-2	The management approach and its components	7, 21, 22
GRI 103	103-3	Evaluation of the management approach	7, 21, 22
GRI 202	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	33
GRI 202	202-2	Proportion of senior management hired from the local community	EI 100%
Indirect economic impact			
GRI 103	103-1	Explanation of the material topic and its boundary	7, 11, 18
GRI 103	103-2	The management approach and its components	7, 11, 18
GRI 103	103-3	Evaluation of the management approach	7, 11, 18
GRI 203	203-1	Infrastructure investments and services supported	18
GRI 203	203-2	Significant indirect economic impacts	18
Acquisition practices			
GRI 103	103-1	Explanation of the material topic and its boundary	28
GRI 103	103-2	The management approach and its components	28
GRI 103	103-3	Evaluation of the management approach	28-29
GRI 204	204-1	Procurement practices	28-29

GRI code	Number	Content	Page
Anti-corruption			
GRI 103	103-1	Explanation of the material topic and its boundary	16
GRI 103	103-2	The management approach and its components	16
GRI 103	103-3	Evaluation of the management approach	16
GRI 205	205-1	Operations assessed for risks related to corruption	16
GRI 205	205-2	Communication and training about anti-corruption policies and procedures	16
GRI 205	205-3	Confirmed incidents of corruption and actions taken	There have been none
Materials			
GRI 103	103-1	Explanation of the material topic and its boundary	29
GRI 103	103-2	The management approach and its components	29
GRI 103	103-3	Evaluation of the management approach	29
GRI 301	301-1	Materials used by weight or volume	29
GRI 301	301-2	Recycled input materials used	*
GRI 301	301-3	Reclaimed products and their packaging materials	25
Energy			
GRI 103	103-1	Explanation of the material topic and its boundary	25
GRI 103	103-2	The management approach and its components	25
GRI 103	103-3	Evaluation of the management approach	25
GRI 302	302-1	Energy consumption within the organization	25
GRI 302	302-2	Energy consumption outside the organization	25
GRI 302	302-4	Reduction of energy consumption	25
GRI 302	302-5	Reduction in energy requirements of products and services	25
Water			
GRI 103	103-1	Explanation of the material topic and its boundary	24
GRI 103	103-2	The management approach and its components	24
GRI 103	103-3	Evaluation of the management approach	24
GRI 303	303-1	Interaction with water as a shared resource	24
Biodiversity			
GRI 103	103-1	Explanation of the material topic and its boundary	29
GRI 103	103-2	The management approach and its components	29
GRI 103	103-3	Evaluation of the management approach	29
GRI 304	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	29
GRI 304	304-2	Significant impacts of activities, products and services on biodiversity	29



GRI code	Number	Content	Page
<b>Emissions</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	24, 26
GRI 103	103-2	The management approach and its components	26
GRI 103	103-3	Evaluation of the management approach	26
GRI 305	305-1	Direct (Scope 1) GHG emissions	26
GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	26
GRI 305	305-3	Other indirect (Scope 3) GHG emissions	26
GRI 305	305-4	GHG emissions intensity	Not reported
GRI 305	305-5	Reduction of GHG emissions	26
<b>Effluents and waste</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	24 – 25
GRI 103	103-2	The management approach and its components	25
GRI 103	103-3	Evaluation of the management approach	25
GRI 306	306-1	Waste generation and significant waste-related impacts	13, 25
GRI 306	306-2	Management of significant waste-related impacts	25
<b>Environmental compliance</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	21, 24, 28
GRI 103	103-2	The management approach and its components	21, 24, 28
GRI 103	103-3	Evaluation of the management approach	21, 24, 28
GRI 307	307-1	Non-compliance with environmental laws and regulations	28
<b>Supplier environmental evaluation</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	28 - 29
GRI 103	103-2	The management approach and its components	29
GRI 103	103-3	Evaluation of the management approach	29
GRI 308	308-1	New suppliers that were screened using environmental criteria	29
GRI 308	308-2	Negative environmental impacts in the supply chain and actions taken	29
<b>Employees</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	31 – 33
GRI 103	103-2	The management approach and its components	31 – 33
GRI 103	103-3	Evaluation of the management approach	31 – 33
GRI 401	401-1	New employee hires and employee turnover	33
GRI 401	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	33
GRI 401	401-3	Parental leave	33
<b>Labour/management relations</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	33
GRI 103	103-2	The management approach and its components	33
GRI 103	103-3	Evaluation of the management approach	33
GRI 402	402-1	Minimum notice periods regarding operational changes	33

GRI code	Number	Content	Page
<b>Occupational Health and Safety</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	34
GRI 103	103-2	The management approach and its components	34
GRI 103	103-3	Evaluation of the management approach	34
GRI 403	403-1	Occupational health and safety management system	34
GRI 403	403-2	Hazard identification, risk assessment and incident investigation	34
GRI 403	403-3	Occupational health services	34
GRI 403	403-4	Worker participation, consultation, and communication on occupational health and safety	34
GRI 403	403-5	Worker training on occupational health and safety	34
GRI 403	403-6	Promotion of worker health	34
GRI 403	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	34
GRI 403	403-8	Workers covered by an occupational health and safety management system	34
GRI 403	403-9	Work-related injuries	34
GRI 403	403-10	Work-related ill health	34
<b>Training and development</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	34
GRI 103	103-2	The management approach and its components	34
GRI 103	103-3	Evaluation of the management approach	34
GRI 404	404-1	Average hours of training per year per employee	34
GRI 404	404-2	Programs for upgrading employee skills and transition assistance programs	34
<b>Diversity and equal opportunities</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	35
GRI 103	103-2	The management approach and its components	35
GRI 103	103-3	Evaluation of the management approach	35
GRI 405	405-1	Diversity of governance bodies and employees	35
GRI 405	405-2	Ratio of basic salary and remuneration of women to men	35
<b>No discrimination</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	33, 35
GRI 103	103-2	The management approach and its components	33, 35
GRI 103	103-3	Evaluation of the management approach	33, 35
GRI 406	406-1	Incidents of discrimination and corrective actions taken	There were none
<b>Freedom of association and collective bargaining</b>			
GRI 103	103-1	Explanation of the material topic and its boundary	33
GRI 103	103-2	The management approach and its components	33
GRI 103	103-3	Evaluation of the management approach	33
GRI 407	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	33

GRI code	Number	Content	Page
Child labour			
GRI 103	103-1	Explanation of the material topic and its boundary	19
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 408	408-1	Operations and suppliers at significant risk for incidents of child labour	19
Forced or compulsory labour			
GRI 103	103-1	Explanation of the material topic and its boundary	19
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 409	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	19
Human rights assessment			
GRI 103	103-1	Explanation of the material topic and its boundary	19
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 412	412-1	Operations that have been subject to human rights reviews or impact assessments	Not carried out
Local communities			
GRI 103	103-1	Explanation of the material topic and its boundary	17
GRI 103	103-2	The management approach and its components	17
GRI 103	103-3	Evaluation of the management approach	17
GRI 413	413-1	Operations with local community engagement, impact assessments and development programmes	17
Social evaluation of suppliers			
GRI 103	103-1	Explanation of the material topic and its boundary	19, 28
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 414	414-1	New suppliers that were screened using social criteria	19
GRI 414	414-2	Negative Social impacts in the supply chain and actions taken	19
Customer health and safety			
GRI 103	103-1	Explanation of the material topic and its boundary	13, 19
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 416	416-1	Assessment of the health and safety impacts of product and service categories	19
GRI 416	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	19

GRI code	Number	Content	Page
Marketing and labelling			
GRI 103	103-1	Explanation of the material topic and its boundary	19
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 417	417-1	Requirements for product and service information and labeling	19
GRI 417	417-2	Incidents of non-compliance concerning product and service information and labelling	There have been none
GRI 417	417-3	Incidents of non-compliance concerning marketing communications	There have been none
Customer privacy			
GRI 103	103-1	Explanation of the material topic and its boundary	19
GRI 103	103-2	The management approach and its components	19
GRI 103	103-3	Evaluation of the management approach	19
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	19
Socioeconomic compliance			
GRI 103	103-1	Explanation of the material topic and its boundary	17-19
GRI 103	103-2	The management approach and its components	17-19
GRI 103	103-3	Evaluation of the management approach	17-19
GRI 419	419-1	Non-compliance with laws and regulations in the social and economic area	There have been none

\* Indicators not reported because they are not applicable considering that Provital is a private capital company.



**Provital**

Do Care

Sustainability Report 2021