

References	Sustainable Procurement Policy	Rev. 01 21/11/2025
ISO 14001:2015 ISO 45001: 2023 PAS 24000: 2022		

Introduction

Art Cosmetics recognizes that its procurement choices determine the quality and cost of its products (economic impacts), environmental protection (environmental impacts), and corporate social responsibility (social impacts).

For this reason, the Company is committed to integrating principles of sustainability, ethics, and transparency into all purchasing decisions (raw materials, packaging, materials, and services), promoting a responsible supply chain that complies with its corporate values.

Suppliers must ensure that their employees and all parties involved in the supply chain to the Company adhere to the principles and rules of conduct set out in this document.

1. Commitments to a sustainable supply chain

In the area of purchasing, Art Cosmetics is committed to:

- giving preference to reliable and qualified suppliers who guarantee high standards of quality, safety, and continuity of service;
- establishing long-term relationships based on trust, transparency, and continuous improvement;
- evaluate and select suppliers based on both economic criteria and their environmental, social, and ethical performance, balancing economic competitiveness and ESG criteria.

All other things being equal in terms of price and quality of supply, preference will be given to the supplier with the best environmental, social, and governance performance.

For ESG assessments, Art Cosmetics adopts a structured approach that combines general principles applicable to all suppliers, with specific criteria for categories of suppliers with particular risk profiles.

2. ESG principles and dissemination

Art Cosmetics is inspired by various principles throughout its supply chain, which guide its activities and define the expectations to be extended to all suppliers, including:

- Promoting inclusive sourcing, ensuring equal opportunities for suppliers regardless of their size, geographical origin, or legal status;
- Encouraging collaboration with suppliers who share values of ethics, sustainability, and social inclusion;
- Protecting biodiversity and reducing its climate-changing gas emissions (as required by environmental legislation);
- Minimizing environmental impact at local and global levels, considering various factors including the sustainability of production processes, logistics and transport, energy use, raw material consumption, waste management, and the use of recycled or easily recyclable materials;
- Recycle end-of-life materials and, if this is not possible, dispose of them in an environmentally friendly manner;
- Avoid the use of products that are potentially harmful to the environment when a less harmful alternative is available;
- Ensure workplace safety for employees;
- Promote equal opportunities (diversity and inclusion) and combat all forms of discrimination and harassment;
- Ensure living wages, ethical behavior, and the fight against corruption;
- Encourage sustainable practices among partners and suppliers throughout the supply chain;
- Comply with legal requirements in the areas of safety, the environment, and social responsibility.

To ensure that suppliers comply with these principles, Art Cosmetics takes the following actions:

- 1) **Transparency and sharing:** the Sustainable Procurement Policy, QHSE Policy, Code of Ethics, and ESG presentation are published on the website and made available to all suppliers (100%) in order to ensure a common understanding of ESG issues.

References	Sustainable Procurement Policy	Rev. 01 21/11/2025
ISO 14001:2015 ISO 45001: 2023 PAS 24000: 2022		

- 2) **Risk-based ESG assessment:** all suppliers (coverage: 100%) are assessed based on ESG risks; suppliers identified as “critical” are sent a self-assessment questionnaire and the Supplier Code of Conduct, covering a significant percentage of total suppliers.
- 3) **Declarations for raw materials at risk:** all suppliers (coverage: 100%) of critical raw materials, due to social and/or environmental risk, must provide specific declarations of compliance.

2.1. Risk-based ESG assessment: “critical” suppliers

Critical suppliers, selected using a risk-based approach (PSMS 8.1.01 Due diligence nella catena di fornitura - gestione dei fornitori), are subject to periodic assessments using a self-assessment questionnaire covering three main areas:

- 1) Health and safety;
- 2) Environment and sustainability;
- 3) Social and administrative responsibility.

The results of the questionnaire are analyzed to identify any areas for improvement and define, if necessary, improvement actions.

The HSE & ESG Department processes and evaluates the data collected, providing the Purchasing Department with the information necessary to integrate these results into the supplier qualification and monitoring process, also considering any audits and/or field inspections.

2.2. Declarations for raw materials at risk

The Regulatory Function requires **100% of suppliers** to whom these requirements apply to sign the following declarations of compliance:

- **“No Child Labor” declaration:** certifies the absence of child labor and respect for the fundamental rights of workers;
- **“No Conflict Minerals” Declaration** (tin, tungsten, tantalum, gold): guarantees that the supply chain is free of minerals from conflict areas.

In addition, suppliers hold the following certifications:

- **RSPO Certification:** required for raw materials containing palm oil, confirming sustainable sourcing.
- **FSC certification:** required for packaging containing wood and/or paper.

It is at the customer's discretion to request the use of raw materials containing RSPO-certified palm oil and wood or paper packaging from FSC-certified sources.

3. Continuous improvement

Art Cosmetics promotes constant dialogue and active collaboration with its suppliers in order to share and disseminate good sustainability practices and pursue continuous improvement in performance throughout the entire supply chain.

The Company considers continuous improvement to be a fundamental principle of its approach to sustainability, committing itself to monitoring, evaluating, and enhancing its procurement processes over time in line with ESG priorities.

Art Cosmetics reserves the right to periodically review this Policy, updating it in line with regulatory developments, market dynamics, and the Company's strategic priorities in the environmental, social, and governance fields.

This Policy forms an integral part of the other Policies and Guidelines adopted by Art Cosmetics.

Any updates or additions are approved by Art Cosmetics' Senior Management and communicated promptly to all Recipients.

References	Sustainable Procurement Policy	Rev. 01
ISO 14001:2015 ISO 45001: 2023 PAS 24000: 2022		21/11/2025

The Policy is shared with all stakeholders and is available on the company website (<https://www.artcosmetics.it/sustainability-and-corporate-responsibility/>).

Fornovo San Giovanni, November 21, 2025

CEO

Francesco Geuna

