



medmix Beauty: Natural mascara PCR brush

Sustainability review



Sustainability review

medmix understands its responsibility with regard to our impact on the environment and society, both within the company and in the various communities where we operate. Therefore, the company has continued to accelerate sustainability efforts aimed at minimizing any detrimental impacts, maximizing the benefits and future-proofing growth. At the same time, we invest in building capabilities to adjust to the evolving regulatory landscape and spurring competitiveness and innovation.

"At medmix, we bring innovation to life by continuously improving our processes, products, and solutions focused on sustainability for the future of our employees, our communities, and our customers."

Itee Satpathy

Chief Human Resources, Sustainability & Communication Officer



Sustainability Framework

The medmix approach to Sustainability revolves around *People, Planet* and *Profit*—understood to be prosperity as this goes beyond the financial profit of our company.

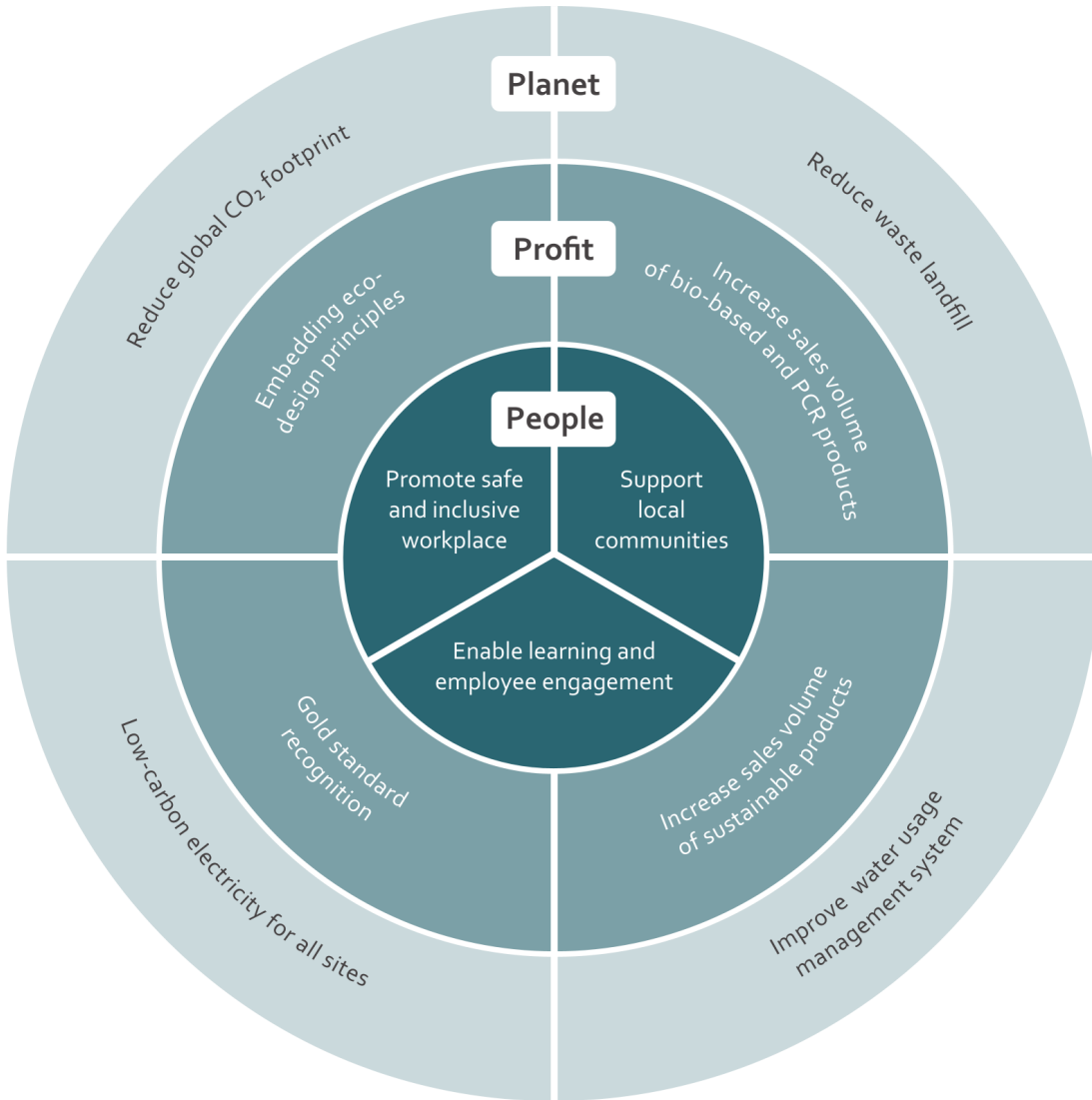
Through our business and stakeholders' analyses, we identified current macro trends including mitigating climate risk, stakeholder capitalism, shifts in customer preferences, compliance with current and emerging legislation, water scarcity, biodiversity, and resource preservation.

Responding to these trends, we have continued identifying, and assessing our materiality and impacts to strengthen our sustainability strategy and adjust our roadmap to deliver against our ambitious targets.

We deploy robust site environmental and occupational health & safety management systems to drive sustainable performance, recognizing and developing our teams and supporting our local communities.

Our Values guide our Actions:

- Operate responsibly to protect the *Planet* by continuously improving our performance and reducing our impacts
- Innovate to *Profit* the environment and society by increasing the recyclability of products, investigating circularity, and developing and respecting our Eco-design Principles to address climate change, transportation, and waste
- Respect and empower our diverse teams of *People* and support the local communities



United Nations Global Compact

In 2022, medmix committed to the United Nations Global Compact, and making its principles part of our strategy. We support the Sustainable Development Goals (SDG) and act to help achieve them.

The sections below provide an initial overview of sustainability topics, their relationship with the SDG and outline how we intend to manage them. The information in the tables reflects our sustainability management system at the end of 2022 or related to 2022.

Overview of our area of focus

Planet

At medmix, we recognize the importance of taking a science-based approach to the reduction of our greenhouse gases to meet the goals of the Paris Agreement in limiting global warming to well-below 2°C above pre-industrial levels, and to pursue efforts to limit global warming to 1.5°C.

To accelerate our corporate actions, we have committed to the Science Based Targets initiative, and will define our baseline and targets within the required timeframe.

During 2022, medmix was assessed according to CDP Climate Change, and achieved an “awareness” (C) rating, thus achieving our target 3 years ahead of schedule.

SDG Contributions:



Details of our progress towards our targets are as follow:

Planet

Description	Target	Progress
Management Systems		
Strive to continuously improve environmental performance	100% of manufacturing sites certified according to ISO 14001 standard by 2025	33% of 12 manufacturing sites have achieved ISO 14001 certification This is aligned with the expected timeline
	100% of manufacturing sites certified according to ISO 50001 standard by 2025	1 manufacturing site has achieved ISO 50001 certification This is aligned with the expected timeline
Climate Change		
Aim to achieve Net Zero greenhouse gas emissions	Reduce medmix-own emissions ¹ by -30% by 2025	medmix committed to SBTi (Science Based Targets initiative) and has been accepted. The formal reduction targets will be confirmed within 24 months as per the requirements The company's annual emissions improvement will be publicly communicated once it has been externally verified
	Reduce value chain emissions by 50% by 2030	
Drive transition to low-carbon electricity	100% of medmix sites supplied with low-carbon or renewable electricity by 2025	11 of 15 sites sourced low-carbon electricity (106399 GJ, representing 73% of the total consumption) This is an increase of 3 sites and up from 63% in 2021
		244736 GJ of energy were consumed during 2022, equivalent to 0.51 GJ/kCHF revenue This is an increase of 1.6% versus the previous year
Focus on energy efficiency	Year-on-year improvement in energy efficiency indexed to revenue	The energy efficiency was impacted by site expansion and a correction to previously reported 2021 data in 1 site
Water Stewardship		
Access to safe drinking water and sanitation	Complete WASH assessment for all manufacturing sites in 2023	Our sites in Shanghai, Sao Paulo and Bengaluru lie in water scarcity areas according to the Aqueduct Water Risk Atlas In 2023, for the first time, all our manufacturing sites will be assessed to ensure safe access to drinking water and sanitation for our employees
		715984 m ³ of water were withdrawn during 2022, equivalent to 1.50 m ³ /kCHF revenue This is an increase of 8.7% versus the previous year
Focus on water withdrawal	Year-on-year improvement in water withdrawal efficiency indexed to revenue	The water withdrawal was impacted by the increased use of once-through non-contact cooling water (673538 m ³ , not consumed) as well as sites returning to the office following the easing of COVID-19 restrictions
Waste for Disposal		
Create value from unavoidable waste	Zero waste to landfill by 2025	10 of our sites have achieved Zero waste to landfill, an increase from 9 during the previous year, and no hazardous waste went to landfill This is aligned with the expected timeline

1) Scope 1, Scope 2 and partial Scope 3 (Fuel and energy related activities + Business Travel)

Profit

We recognize that our responsibilities are not limited to delivering strong financial results. We proactively direct our resources towards innovations that contribute to more sustainable solutions.

We promote and provide sustainable technologies with long-term value, by working to reduce the environmental footprint of our products, by incorporating eco-design principles from the development phase, by increasing the use of Post-Consumer Resin (PCR) and bio-attributed plastics where possible, and by focusing on secondary packing.

SDG Contributions:



Details of our progress towards our targets are as follow:

Profit

Description	Target	Current situation/explanation
Increase Sales of Sustainable Products²		
Launch products meeting the medmix definition	Year-on-year increase in availability of products	5 products were launched during 2022 meeting the definition, with at least 10 targeted during 2023 Within Beauty, 8.9% of Sales met the definition, vs. 6.3% in 2021
Reduce climate change impact from own packaging	100% of logistics packaging designed for recycling by 2024	To enable our customers to recycle the packaging that they receive from medmix, all the packaging we use for the transportation of our products shall be designed for recycling
Gold Standard Recognition		
	100% of manufacturing sites rated Gold (or higher) by EcoVadis by 2025	33% of manufacturing sites have achieved at least Gold rating, 2 more than 2021 Achieved during 2022, equaling the industry average
Bring added transparency and a quantitative approach through expert evaluation	Rating of "C" or above on CDP Climate Change by 2025	The Beauty segment (under the GEKA brand) achieved a B rating, outperforming the industry
Eco-design		
Embed Eco-design principles into the product life cycle	All new products to respect Eco-design principles	Established competency and capability in Life Cycle Assessment. Eco-design principles cascaded to teams for use during development projects Climate change internal screenings will be systematically introduced during 2023

2) Minimum of 30% reduction in CO₂^(eq.) cradle-to-gate

People

As an aspiring employer of choice, we enable an inclusive workplace for our diverse workforce, promote impactful development opportunities for our employees and facilitate engagement through open and dynamic dialogue. We believe in going the extra mile to support our communities and our employees. Safety is a key priority for us. We promote a safe and healthy work environment and are committed to eliminating hazards, reducing occupational health and safety risks for everyone present at our sites.

The Employee Survey is a key contributor to the development and engagement of our employees. Our 2022 employee survey showed continued commitment of our managers and supervisors in supporting and enabling their teams. medmix employees feel that we treat each other with respect and dignity, and inclusion emerged as a top strength, which is important as diversity of backgrounds and opinions promotes discussion and new ideas, thus greatly contributing to our ability to innovate and grow.

SDG Contributions:

3 GOOD HEALTH
AND WELL-BEING



5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



Details of our progress towards our targets are as follow:

People

Description	Target	Current situation/explanation
Management Systems		
Strive to continuously improve occupational health & safety performance	100% of manufacturing sites certified according to ISO 45001 standard by 2025	33% of manufacturing sites have achieved ISO 45001 certification This is aligned with the expected timeline
Promote Safe and Inclusive Workplace		
Recordable Injury Frequency Rate ³	Year-on-year improvement	The medmix Recordable Injury Frequency Rate = 3.65 The Recordable Injury Frequency Rate is being reported publicly for the first time, and 2022 will serve as the baseline against which we will drive improvement
Lost Time Injury Frequency Rate ³	2022 = 2.7	The medmix Lost Time Injury Frequency Rate = 2.43 medmix suffered 17% less Lost Time Injuries than during 2021
Severity Rate ⁴	Year-on-year improvement	While there was an increase in the severity rate (2022 = 50.2 vs. 2021 = 23.8) this was due to 2 longer-term injuries combined with a 3.5% reduction in hours worked
# of work-related fatality cases	Zero cases	The possibility of restricted work is proactively proposed to injured persons to help their recovery and reintegration into the workforce No work-related fatalities occurred during 2022
EHS (Environment, Health, and Safety) observations	2022 = 1071	1036 EHS observations were made during 2022, fewer than targeted due to closure of Poland
Safety walks	2022 = 1260	1610 Safety walks were performed during 2022, an increase of 10% versus the previous year
Employee Engagement, Learning and Inclusion		
Employee engagement	Year-on-year improvement in % of employee survey respondents indicating they feel sustainably engaged with medmix	83% of eligible employees participated in the survey, and 84% of respondents are sustainably engaged. This is an increase from the sustainable engagement rating of 83% in 2021
Life-long learning	Year-on-year improvement in % of managers participating in virtual learning programs to enable flexible employee-led learning	100% of managers were invited to join the EdCast learning platform
We enable an inclusive workplace for our diverse workforce	% Women in management	29% of medmix managers are female
	% Women in workforce	46% of medmix employees are female
	Swiss Gender Pay Gap	No unexplained significant Pay Gap was identified in the Swiss medmix workforce
Community Engagement		
We engage and support communities where we operate	At least one community project per medmix site annually (total 15)	medmix and its employees overachieved with engaging and supporting the local communities, completing 32 projects in 2022, an increase of 77% compared to 2021

3) Per million hours worked, employees only

4) # of lost workdays per million hours worked, employees only

List of abbreviations:

GJ₃ = gigajoule
m³ = cubic meters