

Corporate Social Responsibility Policy

ARCADE BEAUTY

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I. Introduction

Purpose

This document outlines the Corporate Social Responsibility (CSR) strategy of Arcade Beauty, herein after known as “the Company.” Arcade Beauty’s CSR strategy is derived from four pillars, each that contain correlated sustainable matters and their impact, risks, and opportunities (IROs). This strategy aims to integrate specific social and environmental

considerations into Arcade Beauty business operations and interactions with stakeholders. At Arcade Beauty, we believe that responsible business practices not only contribute to the well-being of society but also enhance our business.

Document Ownership

Owner	Ciara Donohue Global CSR/Sustainability Manager
Approved by	<i>Jorge Garcia</i> North America President, Global CFO
Approval date	July 2, 2025
Approved by	<i>Carl Allain</i> President, CEO
Approval date	July 2, 2025

Scope

This Policy pertains to all Arcade Beauty (Tripolis Holdings S.a.r.l.) manufacturing sites and their value chain:

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| <p>Europe</p> <ul style="list-style-type: none"> • Bioplan Europe SAS • Socoplan SAS • Biopack SAS • Arcade Europe Sasu • Biopack Sasu • Socopol Sp z.o.o. • Arcade Eaurpe SAS • SAS Carestia | <p>North America</p> <ul style="list-style-type: none"> • Tripolis US LLC • Bioplan USA Inc • Le Papillon, Ltd. (USA) • Phoenix Glass, LLC (USA) • AKI, Inc. • Qualis Packaing, Inc. (USA) • Dixon Direct LLCA (USA) | <p>Brazil</p> <ul style="list-style-type: none"> • Mappel Industria De Embalagens Sa | <p>Asia</p> <ul style="list-style-type: none"> • Arcade Marketing (China) • Asia Holding (Hong Kong) |
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II. Double Materiality Assessment

A. Methodology & Purpose

Arcade Beauty conducted their second double materiality assessment in Q1 2024. This assessment identified the Impacts, Risks, and Opportunities (IROs) of key environmental indicators. This assessment was conducted in three main stages:

1. Identification of sustainable matters: identifying sustainable matters based on Arcade Beauty operations and industry standards.
2. Stakeholder consultation: Consulting 18 internal and external stakeholders via questionnaires and interviews to understand how Arcade Beauty's stakeholders rank the identified sustainable matters.
3. Arcade leadership alignment: Sharing all stakeholder input with Arcade Beauty's senior leadership team to decipher the final materiality matrix.

This approach is based on CSRD's Disclosure Requirements ESRS 1 and ESRS 2, which refer to double materiality, and on EFRAG's [draft] guide of August 2023. The identification of these sustainable matters and their IROs are implemented into Arcade's CSR strategy, metrics, targets, and actions to ensure proper CSR risk management is adopted.

B. References

The following standards were referenced and used to conduct the double materiality assessment.

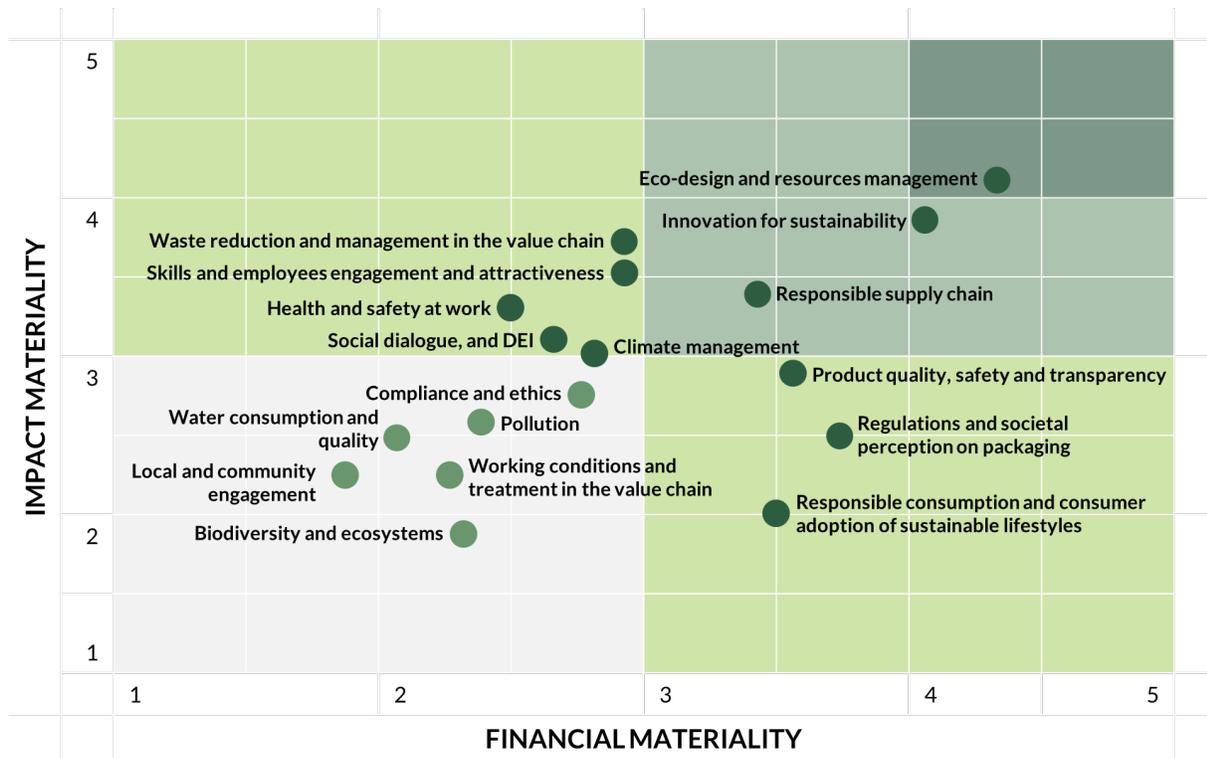


Our CSR strategy aligns with the framework of the Sustainability Accounting Standards Board (SASB). Our SASB disclosures respond to similar metrics listed for the following SASB’s Sustainable Industry Classification System: Containers & Packaging sector. See appendix for details.

C. Results

The results displayed on the following matrix show the 11 sustainable matters identified as material, and the 6 non-material matters. Arcade Beauty's CSR strategy is guided by the 11 sustainable matters, ensuring strategic alignment with the priorities recognized by both the business and its stakeholders.

- Not Material
- Double Materiality
- Simple Materiality
- Double Materiality (Most Important Matters)



III. CSR Strategy, Sustainable Matters & IRO Owners

Arcade Beauty’s 11 material sustainable matters are encompassed into Arcade Beauty’s four foundational pillars. Accountable ownership of each sustainable matter and its IROs ensures proper business integration, and the integration of key performance indicators and targets allow the Company to monitor and track progress towards our goals.

Pillar #1: Products and Eco Design

A. Definition of Material Matters

Innovation for Sustainability is making intentional changes at different stages of the value chain to generate long-term social and environmental benefits while creating economic profits for the firm (e.g., new business models, new products). Managed by Arcade Beauty’s Leadership Team.

Eco-Design and Resource Management integrates environmental considerations into every phase of product development, aiming for minimal environmental impact across the entire product life cycle. Resource management focuses on reducing physical resource input, on providing environmentally friendly options, and improving resource efficiency. Managed by Arcade Beauty’s Product & Material Dev. Com. + Procurement (excluding Brazil & Dayton).

Responsible Consumption and Consumer Adoption of Sustainable Lifestyles entails making consumption choices that align with the principles of sustainable development as a Company, and empowering consumers to make sustainable consumption choices regarding a company’s products. Managed by Arcade Beauty’s Leadership Team.

Product Quality, Safety and Transparency: Quality refers to the overall excellence, reliability, and consistency of a product. Product safety ensures that products do not pose risks to consumers’ health, well-being, or property and ensures compliance with safety standards. Transparency involves openness and honesty in product information (ingredients, sourcing, manufacturing processes...). Managed by Arcade Beauty’s Quality Leaders & Plant Managers.

Regulations and Societal Perception on Packaging is the intersection of legal requirements (legal guidelines governing the use, production, and disposal of packaging materials) and public attitudes toward packaging (how society views and responds to the environmental and health impacts of plastic, among others). Regulations managed by Arcade Beauty’s Regulatory Team, and Societal Perception of Packaging by the Product & Material Dev. Com. and Procurement.

B. Key Performance Indicators

Material Matter	KPI
Product Quality, Safety and Transparency	First Pass Yield (%)
	Non-Quality Cost (% of sales)
Eco-Design	% of technologies ready for recyclability or recyclable
	% of technologies integrating recycled or certified materials
	Water consumption of products (M ³)
	Global Warming Potential of products (tCO ₂ eq)
	Fossil fuel usage of products (MJs)

C. Targets

Material Matter	Target	Target Year
Product Quality, Safety and Transparency	≥95% First Pass Yield	2028
	<0.05% Non-Quality Cost of Sales	2028
Eco-Design	>75% of products integrating recycled or certified materials (EU)	2028
	100% of products that are ready for recyclability, water-soluble, or compostable (EU)	2028

Pillar #2: Supply & Ethics

Through our Responsible Purchase Policy and Supplier Code of Conduct, Arcade Beauty partners with suppliers to ensure transparency in product sourcing and environmental impact. We actively screen, monitor, and support our strategic suppliers' sustainability journeys through annual CSR assessment, fostering continuous improvement across our supply network.

Forest Security: Arcade Beauty recognizes forests as critical ecosystems requiring dedicated protection and sustainable management. We are committed to implementing robust supply chain monitoring and full traceability for all forest-derived products, ensuring responsible sourcing practices that support long-term forest conservation and security.

Biodiversity Conservation: Our biodiversity commitment is guided by three core principles that drive measurable environmental outcomes. Integration across sectors embeds biodiversity considerations throughout agriculture, forestry, transportation, and economic development initiatives. Ecosystem integrity and connectivity focuses on preserving complete, functioning ecosystems and their interconnections. Participatory governance ensures local communities and stakeholders have roles in biodiversity planning and decision-making processes.

A. Definition of Material Matters

Responsible Supply Chain refers to the voluntary commitment by companies to consider social and environmental factors when managing their relationships with suppliers throughout their value chain. It involves ensuring ethical practices, sustainability, and transparency throughout the supply chain. Managed by Arcade Beauty's Procurement team.

B. Key Performance Indicators

Material Matter	KPI
Responsible Supply Chain	% of strategic suppliers who signed Arcade Beauty CSR Charter or equivalent environmental code of conduct & Responsible Purchasing Policy
	Average score (out of 100) of CSR self-assessment questionnaire
	% of strategic suppliers assessed on the Ecovadis platform
	# of local actions engaged that align with Arcade Beauty biodiversity conservation core principles
	KG of paper used by sourcing region
	% of certified paper/wood fiber used
Ethics	% of applicable employees trained on ethics

C. Targets

Material Matter	Target	Target Year
Responsible Supply Chain	100% of strategic suppliers signed Arcade Beauty CSR Charter or equivalent environmental code of conduct & Responsible Purchasing Policy	2028
	Forest based materials provide the traceability to the mill of origin (company name, location, contact, volumes concerned)	2028
	100% of timber-based products derived from FSC or equivalent sustainably managed forest materials	2028
	All applicable plants FSC certified	2030
Responsible Supply Chain & Biodiversity	>10 local actions engaged	2028

Pillar #3: Operations and Climate

Arcade Beauty is focused on optimizing operations to consider the environment and ensuring the safety of our people. Arcade Beauty has committed to not investing in fossil-fuel expansion, and not funding climate-denial or lobbying against climate regulations.

Water Security: Arcade Beauty maintains a commitment to responsible water stewardship, focused on conservation and reuse. We recognize water as one of our planet's most precious and finite resources.

Arcade Beauty has conducted Aqueduct risk assessments, using the Water Risk Atlas, to identify water stress areas within our operational footprint, allowing us to prioritize conservation efforts where they are most critically needed. These assessments inform our strategic planning and help us anticipate potential risks associated with water scarcity in both current and future operational locations.

Recognizing that effective water management requires localized solutions, each individual plant within our network that uses significant water has developed and implemented its own specific water policy, focused on their specific site activity. Where teams use water for cleaning, procedures of good handling and washing exist. Sites with significant wastewater have procedures of proper disposal. For mixing facilities, teams are trained on the procedure of accidental and chemical accident prevention. All Company plants are responsible for tracking water as it relates to operational activity and ensuring that no adverse impacts of potential water pollutants on water ecosystems or human health are associated with Arcade Beauty activities.

A. Definition of Material Matters

Climate Management covers 3 main sub-topics along the value chain: climate mitigation (emissions reduction), climate adaptation (adapting physical infrastructure to physical climate-related risks, e.g., flood, heat, earthquake...), and energy management (energy efficiency and use of renewable energies). Managed by Arcade Beauty's CSR team & Plant Managers.

Health and Safety at work encompasses the discipline focused on preventing work-related injuries and diseases while safeguarding and promoting workers' health. It aims to improve working conditions and the work environment. Managed by Arcade Beauty's EHS Managers, HR (US) & Plant Managers (EU).

Waste Reduction and Management in the Supply Chain refers to the systematic efforts to minimize waste at every stage of a product's life cycle, from raw material sourcing to production, distribution, consumption, and disposal. Managed by Arcade Beauty's Plant & EHS Managers.

B. Key Performance Indicators

Material Matter	KPI
Climate Management	Energy consumption (KwH)
	Operational energy intensity (KwH/ 000s units produced)
	Water consumption (Gallons)
	Operational water intensity (Gallons/ 000s units produced)
	% of renewable energy used
	Scopes 1, 2 & 3 emissions
	Operational emission intensity (tCO2eq/ 000s units produced)
Health and Safety at Work	Lost Time Frequency rate
	Recordable Frequency rate
Waste Reduction and Management	% of waste valorized

Operational waste intensity (Kg / 000s units produced)

C. Targets

Material Matter	Focus	Target	Target Year
Climate Management	Reporting	70 overall & each sub-pillar EcoVadis score for all applicable plants	2028
		CDP Climate and Forest score A	2030
	Carbon Footprint	3rd party verification of GHG emissions scopes 1 & 2	2025
		3rd party verification of scopes 1,2 & 3 GHG emissions	2027
	SBTi Verified	42% absolute reduction of scope 1 and 2 GHG emissions from a 2021 base year	2030
		25% absolute reduction of select scope 3 GHG emission categories from a 2021 base year	2030
		Encouraging 80% of customers to commit to SBTi-validated targets	2028
		Onboarding 57% of our main goods & services suppliers to set SBTi targets	2028
	Energy	≤ 12 Operational energy intensity (Kwh / 000s units produced)	2028
		Increase renewable energy usage by 10%	2030
	Water	≤ 4 Operational water intensity (Gallons/000s units produced)	2028
	Waste Reduction and Management	>90% of waste valorized (recycled, incinerated with energy recovery)	2028
≤ 2 operational waste intensity (KG of waste/ 000s units produced)		2028	

Pillar #4: People

A. Definition of Material Matters

Social Dialogue and DEI guarantees proper working conditions for a company's own workers in any situation and a good relationship between the employees and the management. DEI aims to foster differences and variety in an environment where everyone's perspectives are valued and heard. It ensures fair treatment. Managed by Arcade Beauty's HR and GM Teams.

Skills and Employees Engagement and Attractiveness For Arcade Beauty's own employees, skills refer to the abilities, knowledge, and competencies that employees possess. Employee engagement represents the commitment and involvement of employees toward their work, Arcade Beauty, and its goals. Attractiveness refers to a Arcade Beauty's appeal to potential and current employees. Managed by Arcade Beauty's Plant HR & Leadership Team.

B. Key Performance Indicators

Material Matter	KPI
Social Dialogue & DEI	% of employees covered by a collective agreement
	% of women
	% of employees with disabilities

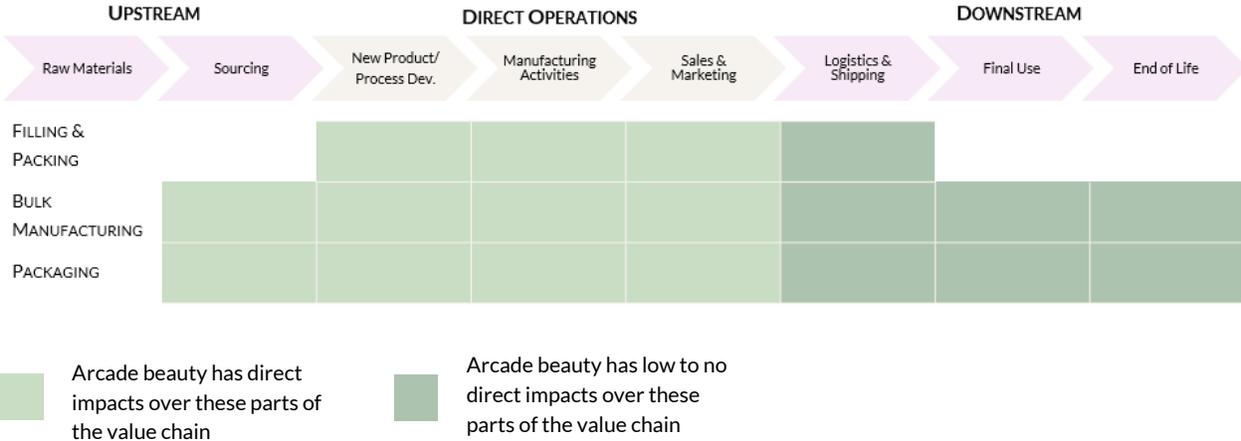
Skills and Employees Engagement and Attractiveness	% of employees trained
	% of employees trained on ethics
	Average number of training hours per employee trained
	# of training hours
	Average seniority
	Voluntary turnover

C. Targets

Material Matter	Target	Target Year
Social Dialogue & DEI	≥ 50% female employees	2028
Skills and Employees Engagement and Attractiveness	> 95% of employees trained	2028
	≤ 8% Voluntary turnover	2028

III. Value Chain

The following value chain maps Arcade Beauty’s main activities, where they occur during operations, and the activities associated with such operations.



IV. Impact, Risks, and Opportunities on Arcade Beauty’s Value Chain

The following table outlines where the sustainable matters’ impacts, risks, and opportunities (IROs) appear in Arcade Beauty’s value chain. All IROs are managed by the identified management team in section 3.

Impacts	Positive	UPSTREAM	DIRECT OPERATIONS	DOWNSTREAM
		Responsible material sourcing	Adapt infrastructure to climate change	Development of new services (more sustainable)
		Strategic selection of suppliers	Diversify energy mix / reduce GHG emissions	Employees continuous training
				Raising awareness among client to reduce waste

	Growing need of resources	Reduce energy consumption and increase energy efficiency	Internal mobility	
		Compliance with regulatory and/or labor standards	Retention program	
		Providing safe infrastructure for workers	Targeted and efficient recruitment policy	
		Development of more sustainable products	Ensuring continuous social dialogue	
		Development of new business models (more sustainable)	Set up of a global DEI policy	
		Growing need of resources	Promoting responsible consumption and adoption of sustainable lifestyles	
		Raising awareness among client to reduce waste		
	Negative	Industrial accident, occupational injury	Uneven application of social dialogue across the Group's different geographies	Negative impact on end-users of cosmetics from bulk and manufacturing
		Non-compliance on regulation on packaging	Waste production	Negative impact on end-users of packaging and samples
		Lack of global DEI policy		Contribution of activities to incineration practices
Risks	Formalizing a screening and monitoring policy	Benefits of diversity, equity and inclusion	Employee (in)satisfaction	Ability to diversify business activities
	Implementing an internal carbon price	Development of new products or services through NPD	Gain/loss of knowledge and skills	Raising awareness among client to reduce waste
		Energy savings	Hiring costs	Increased competitiveness
		Resource efficiency: Use of more efficient production and distribution processes to reduce resources needs	Ability to diversify business activities	Attractiveness to investors
		Increased competitiveness	Raising awareness among client to reduce waste	
		Formalizing a screening and monitoring policy		
		Implementing an internal carbon price		
Opportunities	Rising costs of sourced materials	Enhanced emissions-reporting obligations	Stranded assets	Boycotting of packaging
	Scarcity of resources	Non-compliance with regulatory and/or labor standards	Deterioration of infrastructure: acute physical risks	Changing customer behavior
		Occupational injury	Deterioration of infrastructure: chronic physical risks	Current and emerging regulation: mandates on and regulation of existing products and services, especially packaging
		Poor waste management	Boycotting of packaging	Loss of customers due to low product quality, safety and transparency
		Employee (in)satisfaction	Changing customer behavior	Loss of customers due to more stringent cosmetic regulations
		Gain/loss of knowledge and skills	Current and emerging regulation: mandates on and regulation of existing products and services, especially packaging	Poor hazardous waste management
		Hiring costs	Loss of customers due to low product quality, safety and transparency	Increased competitiveness
		Poor hazardous waste management	Loss of customers due to more stringent cosmetic regulations	
		Increased competitiveness	Scarcity of resources	

V. Governance Cadence

The double materiality assessment will be conducted every three years, or when major changes occur to the business. The results of the double materiality assessment, including the final list IROs, are presented to the board upon the completion of the assessment.

Upon the completion of the double materiality assessment, the ownership of all IROs specified in section three are assigned by the President and North America President of the Company. To ensure appropriate skills are obtained to oversee and control all IROs, ownership is assigned to the department that is closest to the business operations, policies, and KPIs of the sustainable matter.

The CSR team monitors the IROs in conjunction with the assigned business department. The CSR team communicates regularly with all departments so that were any team member to seek sustainability-related guidance, the CSR team is readily available to them. The combination of department and sustainability-related expertise guarantees all IROs are monitored with the appropriate skillset.

Appendix

IRO Ownership Team Details

Group Name	Group Members
CSR team	Global CSR Manager, CSR Analyst, CSR Global Project Leader
EHS Managers	EHS Managers from Biopack, Ploërmel, Socoplan, Socopol, Carestia, Latin America, and New Jersey
HR	US HR Lead, EU HR Lead, LA HR Lead
Leadership Team	CEO, CFO, LA GM, EU Sales, NA Sales
Plant Managers	Europe: Plant Managers of Socopol, Socoprint, Carestia, Socoplan, Biopack, Ploërmel Americas: VP Operations, Operations Lead from Dayton, Latin America Plant Manager
Procurement	Procurement Manager (North America, LatAm, Europe)
Product & Material Dev. Com.	North America: Vice President, Product Development & Procurement; VP of Engineering; LCA Consultant Europe: Process, EU; NDP, Biopack; NDP, Socoplan; NPD, Socopol; Engineering, EU; Materials, EU
Quality Leaders	Dixon, South Plainfield, Dayton, Phoenix Glass, Latin America, and Arcade Europe Quality Plant Managers
Regulatory	Arcade Europe Quality Leader, Chattanooga Quality Leader

Strategy & SASB Alignment

Hereunder the SASB matching table.

SASB Sector	SASB Industry	SASB General Issue Category	SASB Accounting Metrics	Arcade Beauty Topic	Arcade Beauty Indicators
Resources Transformation	Containers & Packaging	GHG Emissions	RT-CP-110a.1: Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Energy and CO2 emissions	Scope 1 CO2 emissions

Resources Transformation	Containers & Packaging	Air Quality	RT-CP-120a.1 : Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM)	Air Pollutants	Quantity of VOCs emitted
Resources Transformation	Containers & Packaging	Energy Management	RT-CP-130a.1: (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Energy and CO2 emissions	Quantity of energy consumed per fuel type Quantity of electricity consumed Quantity of renewable energy consumed
Resources Transformation	Containers & Packaging	Water & Wastewater Management	RT-CP-140a.1: (1) Total water withdrawn, (2) total water consumed	Water	Water consumption
Resources Transformation	Containers & Packaging	Waste & Hazardous Materials Management	RT-CP-150a.1: Amount of hazardous waste generated, percentage recycled	Waste	Quantity of waste generated: hazardous, non-hazardous Quantity of waste valorized
Resources Transformation	Containers & Packaging	Product Design & Lifecycle Management	RT-CP-410a.1: Percentage of raw materials from: (1) recycled content, (2) renewable resources, and (3) renewable and recycled content	Eco-Design	Quantity of raw materials processed: recycled plastic, bioplastic, certified aluminum, certified wood fiber Number of products integrating recycled or certified materials or reducing environmental impact Number of products ready for recyclability
Resources Transformation	Containers & Packaging	Supply Chain Management	RT-CP-430a.1: Total wood fiber procured, percentage from certified sources RT-CP-430a.2: Total aluminum purchased, percentage from certified sources	Eco-Design	
Resources Transformation	Chemicals	Human Rights & Community Relations	RT-CH-210a.1: Discussion of engagement processes to manage risks and opportunities associated with community interests	Communities Engagement	Number of local actions engaged Existence of a grievance mechanism
Resources Transformation	Chemicals	Employee Health & Safety	RT-CH-320a.1: Total recordable incident rate (TRIR)	Health & Safety	Frequency rate Severity rate