



SUSTAINABILITY REPORT

2025

BABOR
BEAUTY
GROUP

BEAUTY THAT MAKES A DIFFERENCE

Dear Readers,

This report is an expression of our values. While it reflects on the reporting year 2025, everything we do stands on the foundation of 70 years of lived conviction. This becomes especially clear as we look back on our company's history in this anniversary year. It is a journey that began almost 70 years ago in a kitchen in Cologne. It was there that Dr. Michael Babor developed the first product based on an idea that inspired our grandfather, Leo Vossen: "Dr. B. Bio-medical Cosmetics." Few names could express it better - highly effective skincare united with a deep respect for nature. Today, we speak of the BABOR BEAUTY GROUP, yet our core belief remains unchanged.

As the third generation, we carry this legacy forward - differently, perhaps, but always true to our roots and with the clear goal of making the BABOR BEAUTY GROUP future-proof.

We see sustainability in broader terms: As our responsibility for the world we live in, for the people who work with us, and for the society of which we are part. Accepting this responsibility is essential to who we are.

For the BABOR BEAUTY GROUP, responsibility is not a trend; it is a deeply embedded value - born of conviction, out of respect for future generations, and from our firm belief that entrepreneurial success and sustainable action are inseparable.

In 2025, we were honored with the German Sustainability Award and the DGQ Sustainable Heroes Award. These recognitions fill us with pride and gratitude. They confirm that the path we have chosen is the right one - and, even more importantly, they motivate us to do better and to act with greater consistency.

This report offers you an honest and transparent insight into our actions — with the sincere aim of making our responsibility visible.

**With warm regards,
Dr. Martin Grablowitz
Isabel Bonacker**

CONTENTS



Foreword.....	2
BABOR BEAUTY GROUP.....	4
Sustainability Roadmap.....	8
Areas of Action.....	10
Sustainability in Focus.....	12
Further Projects.....	20
People.....	24
Governance.....	32
About This Report.....	36
Appendix.....	38

Dr. Babor
Kosmetik
HAUS DER SCHWARZEN ROSE



**IN THE EARLY 1960S, A FORMER CLOTH FACTORY
SERVED AS THE COMPANY'S HEADQUARTERS**

BABOR BEAUTY GROUP

SHAPING THE FUTURE THROUGH TRADITION

It All Began in a Kitchen in Cologne. In 1955, Dr. Michael Babor developed his first cleansing product in a small kitchen in Cologne and, in 1956, founded „Bio-medical Cosmetics Dr. B.“ This laid the foundation for the BABOR BEAUTY GROUP.

The German family business, best known for its namesake brand BABOR, has in recent years invested in global expansion – among other things through a new production and logistics site near its headquarters in Aachen, in the Rhineland.

In 2026, the company celebrates its 70th anniversary.

MADE IN GERMANY FOR INTERNATIONAL SUCCESS

Research, development, and production take place almost exclusively in Germany. „We maintain our deep value chain here in Germany to stay ahead in innovation. Our in-house laboratory, scientific expertise, and internal quality production are unique features of the company,” says Isabel Bonacker, co-owner and member of the third generation.

FROM NICHE BRAND TO INTERNATIONAL COMPANY

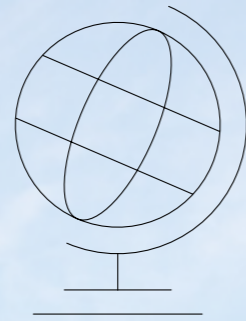
In 1962, the entrepreneurial family Vossen joined the start-up of chemist Dr. Michael Babor. At that time, research and production took place in a residential house in Cologne. Dr. Leo Vossen transformed the scientist's idea into a successful brand, bringing in his experience from the pharmaceutical industry and relocating the company to Aachen.

His daughter Jutta went to Vienna to complete business and cosmetic training. With this knowledge, she joined the company and shaped it decisively – from 1978 onward in a management position. Together with her brother, Dr. Leo P. Vossen, she led the company into the new millennium.

In 2013, Dr. Martin Grablowitz, son of Jutta Kleine-Tebbe, and Isabel Bonacker, daughter of Leo P. Vossen, joined the Board of Directors. In 2014, the third generation took over leadership. Since then, the company has increasingly opened itself to new business fields – both for the brand and in the private label sector.

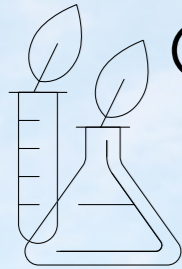
MORE THAN
100.000
SKINCARE EXPERTS

1.000
EMPLOYEES
WORLDWIDE

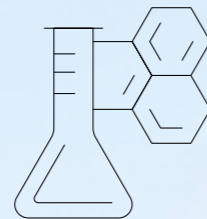


70
COUNTRIES

OWN PRODUCTION IN
GERMANY



**IN-HOUSE
LABORATORIE**



**FOR RESEARCH
& DEVELOPMENT**

BABOR BEAUTY GROUP

THE BRANDS

At the heart of the company's success is the BABOR brand. It stands for „Expert Skincare. Made in Germany.“

Traditionally represented in excellent cosmetic institutes, BABOR has been pursuing a multi-channel strategy for several years: retail partnerships, travel retail, and e-commerce complement the professional cosmetics distribution channels.

The partnership with cosmeticians is important to us, as we firmly believe in the potential of the brand with its very special expert products. Among our customers, the saying goes: „Once BABOR, always BABOR.“ We are convinced that even more people will share this belief in the future.

In addition to brand modernization, the third generation has also focused on strategic diversification. In addition to BABOR, BBG InnoLabs is part of the BABOR BEAUTY GROUP. As an Original Design Manufacturer, BBG InnoLabs develops exclusive brands for doctors and aestheticians, key opinion leaders, start-ups, and other beauty companies - from prestige to luxury. Two private label brands in the mass-to-masstige segment also belong to the Group and supply major drugstore and grocery chains across Europe.

The BABOR BEAUTY GROUP employs more than 1,000 people worldwide. The brands are present in 70 countries through distributors or subsidiaries.

SUSTAINABILITY AND ENTREPRENEURSHIP

This constant change is driven by the family business with its sights firmly set on the future - including with regard to its own ways of working. Most recently, the BABOR BEAUTY GROUP was able to reduce its carbon footprint by more than 50% compared to the 2019 baseline, and continues to consistently lower the ecological impact of every new BABOR product.

„We are not working for short-term profit, but for the success of the next generation as well. We want to pass on a company that is even stronger than it is today.“ As a family business, the company believes in the power of sustainable entrepreneurship - or, in Isabel Bonacker's words: „...in future-proofing.“ What began as a start-up in a kitchen in Cologne has grown into a global player and one of the most significant family-run companies in the cosmetics industry.



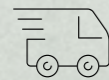
2023
OPENING OF THE
BABOR BEAUTY CLUSTER



2020
BABOR FOREST



2014
GREEN GAS



2006
PARTNERSHIP WITH
DHL GO GREEN

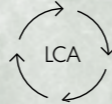


1994
SUSTAINABLE
WASTE MANAGEMENT

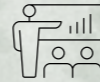
2024
50% CO₂ REDUCTION



2022
LIFE CYCLE ANALYSIS
(LCA)



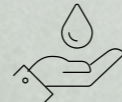
2019
NEW SUSTAINABLE OFFICE
BUILDING "THE CURVE"



2010
GREEN ELECTRICITY FROM
A HYDROPOWER PLANT



1998
WATER MICRO-
FILTRATION SYSTEM



1990
REFILLABLE JARS



MOVING FORWARD TOGETHER

DIALOGUE AND PARTNERSHIPS FOR A SUSTAINABLE FUTURE

Dialogue and exchange are an important part of the company's culture and the key to a successful and sustainable future. The BABOR BEAUTY GROUP's goal is to understand the wishes and requirements of its stakeholders and to actively integrate them into business processes. This creates a culture of sustainability within the company that also radiates outward.

The most important stakeholders are customers, suppliers, executives, employees, the owning family, and the media. They are closely involved in the sustainability initiatives of the BABOR BEAUTY GROUP. In addition, the company maintains a continuous exchange with representatives of other companies and society. All relevant stakeholders along the value chain as well as in the direct business environment are thus included.

MATERIALITY ANALYSIS FOR A FUTURE-ORIENTED APPROACH

To determine which topics are particularly important for sustainability management and reporting, the BABOR BEAUTY GROUP regularly conducts a materiality analysis. Both the company's impacts on its environment and external influences on its business activities are analyzed and assessed. This results in the key areas for action.

PARTNERSHIPS FOR CLIMATE PROTECTION AND SUSTAINABILITY

The BABOR BEAUTY GROUP is convinced: the major challenges of our time can only be addressed collectively. The company therefore actively participates in networks that drive climate protection and sustainability forward across industries.

Since 2023, the BABOR BEAUTY GROUP has been a member of Klimaschutzunternehmen e.V. - a cross-industry network of German businesses that brings together companies with a pioneering role in climate protection and energy efficiency. As a member, the BABOR BEAUTY GROUP commits to measurable and ambitious climate targets that are regularly reviewed. The goal: to inspire others as a best-practice model and to actively support policymakers in achieving climate targets.

In addition, the BABOR BEAUTY GROUP has joined Cosmetics Europe's „Commit for Our Planet“ initiative. In the area of climate action, the company commits to consistently reducing greenhouse gas emissions - along the entire supply chain and based on science-based targets.

Furthermore, the BABOR BEAUTY GROUP maintains close exchange with institutions such as the Chamber of Industry and Commerce and the German Cosmetic, Toiletry, Perfumery and Detergent Association (IKW).



**HONORED WITH TWO LEADING SUSTAINABILITY AWARDS
IN 2025: THE GERMAN SUSTAINABILITY AWARD AND
THE DGQ SUSTAINABILITY HEROES AWARD**

MORE THAN GREEN

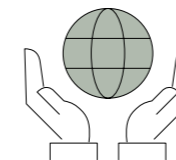
THE BABOR BEAUTY GROUP'S FIELDS OF ACTION



PEOPLE

The BABOR BEAUTY GROUP fosters a high-performance work culture built on an entrepreneurial mindset and strong team spirit. The company therefore invests continuously in the professional development of its employees and actively encourages lifelong learning - through challenging tasks, individual career development, and targeted qualification programs.

We regard the satisfaction, health, and diversity of our global teams as key drivers of success. There is room to grow, and the team is empowered to act as „intrapreneurs“ with a great deal of creative freedom. This is how long-term engagement, innovation, and success are secured.



PLANET

Protecting the environment has long been a guiding principle of the BABOR BEAUTY GROUP. Today, all relevant departments continuously review and optimize their processes for more sustainable ways of working - from raw material sourcing and manufacturing processes to the finished product. All formulations and packaging are designed to be as

sustainable and resource-efficient as possible. For the core brand BABOR, an ambitious formulation standard applies that unites performance, indulgent textures, and sustainability. The environmental footprint of every new BABOR product is optimized as far as possible, ensuring that the ecological impact is continuously reduced.



GOVERNANCE

As a family business, the BABOR BEAUTY GROUP operates sustainably - economically, ecologically, and in partnership with others. Long-standing business relationships, many of which have existed for decades, are an expression of this approach. In dialogue with its business-to-business partners, the BABOR BEAUTY GROUP places great value on trust, constructive collaboration, and open communication. The company's code of conduct goes beyond legal requirements and firmly anchors ethical values such as fairness, integrity, and responsibility in day-to-day actions. Corporate responsibility is understood as a lived practice - along the entire value chain and across all areas of the business.



CO₂ EMISSIONS REDUCED BY 50 %

PLANET

BEAUTY WITH A SMALL FOOTPRINT

TARGETS EXCEEDED - THE CO₂ FOOTPRINT OF THE BABOR BEAUTY GROUP

The company's CO₂ footprint has been tracked since 2019 using a highly regarded, real-time CO₂ dashboard in accordance with GHG Scope 1 to 3. In the Corporate Carbon Footprint (CCF), in addition to direct emissions such as the vehicle fleet, heat generation, printing, water consumption, and business travel, the commuting routes of employees are also recorded - a major driver of company emissions.

With every new and further product development, opportunities are sought to reduce emissions. This applies both to the selection of suppliers and to ingredients and packaging materials.

In recent years, the BABOR BEAUTY GROUP has consistently reduced its CO₂ emissions. The company reports according to the latest scientific standards: since 2023 inclusive of the new Scope 3 categories electronic devices, catering, operational waste, transport to waste disposal, hotel stays, rail travel, home office, and material disposal.

The target for 2025 was ambitious: the BABOR BEAUTY GROUP aimed to reduce its CO₂ emissions by 50% compared to the 2019 baseline. This target was already achieved in 2024 and is confirmed again in the current reporting year with 49.9% - despite newly added reporting categories and volume growth.

INSETTING - INVESTING IN THE OWN VALUE CHAIN

The reduction of emissions takes priority over compensation at the BABOR BEAUTY GROUP. For emissions that cannot yet be avoided, the company has been pursuing an innovative insetting approach since 2025: every tonne of CO₂ is assigned a fixed price of €25. This budget flows specifically into internal sustainability measures and projects along the value chain to reduce emissions over the long term.

Specifically, in 2025 investments were made in mobility projects, as this is where the company identified one of its largest CO₂ drivers. The measures include the transition of the vehicle fleet to electric mobility, the promotion of sustainable mobility for employees, free charging at nearly ninety charging stations, as well as the consistent procurement of green electricity instead of cheaper fossil energy.

NEW TARGET FOR 2030

Following the milestone of reducing CO₂ emissions by 50%, the company has set itself a new ambitious target: it aims to reduce its CO₂ emissions by 5% per year until 2030. This continuous improvement process is firmly embedded in the company strategy and consistently supported by the insetting concept.



ALREADY 95% OF THE COMPANY FLEET RUNS FULLY ELECTRIC

MOBILITY

At the Aachen headquarters, business travel and the daily commute of employees accounted for more than half of the Corporate Carbon Footprint in 2019. This insight was the starting point for a comprehensive mobility concept that the BABOR BEAUTY GROUP has been consistently implementing ever since.

The company promotes sustainable mobility at all levels: bicycle leasing, subsidized public transport use, and the formation of carpools are actively supported. Employees in production have access to electric vehicles from the company pool free of charge. The only condition: a carpool must be formed for the commute to work.

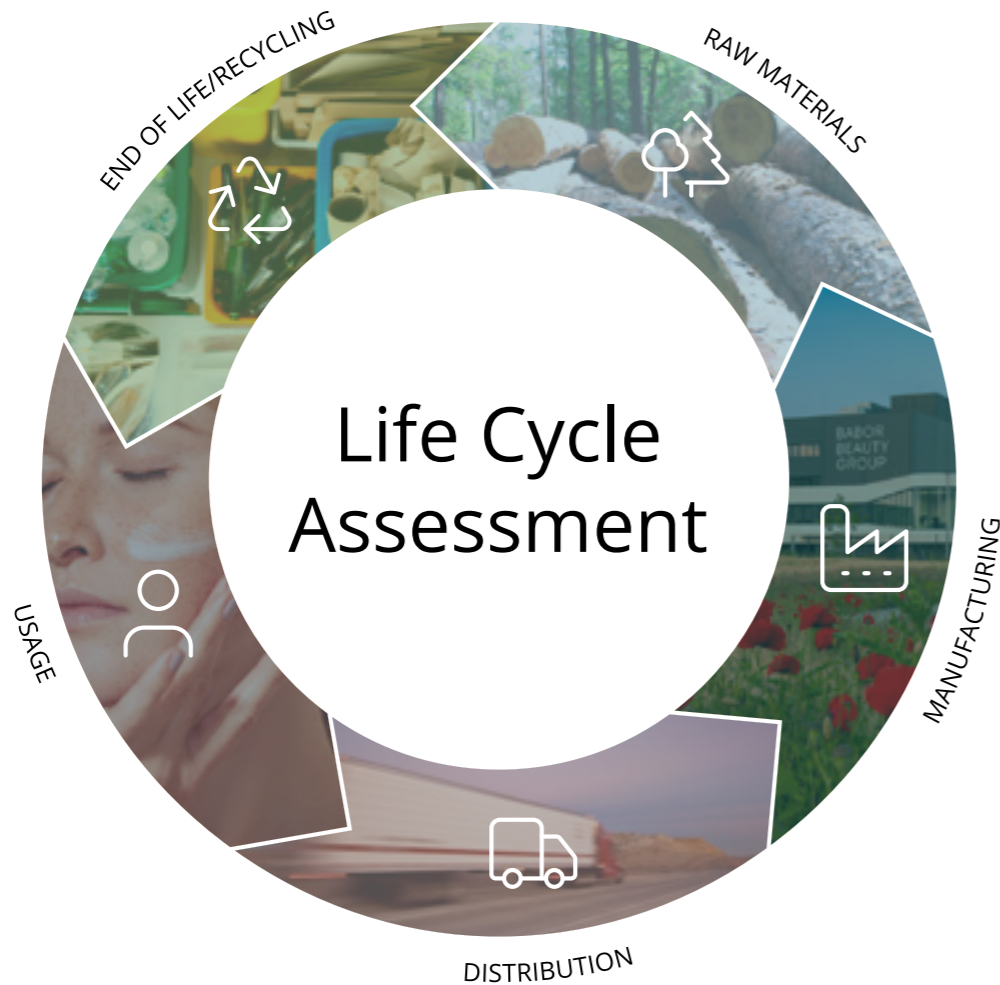
For years, the BABOR BEAUTY GROUP has been driving the transition to electric mobility - not as a reaction to legal requirements, but out of conviction.

100% E-CAR POLICY: ELECTRIC MOBILITY IS THE NEW STANDARD FOR COMPANY CARS

The BABOR BEAUTY GROUP was a pioneer long before electric mobility became mainstream. As early as 2010 - as the first company in the Aachen region - the BABOR BEAUTY GROUP installed electric charging stations at its headquarters, introduced an electric company car for regional business trips, and promoted e-mobility for employees in cooperation with the local energy provider.

Today, the team has access to almost ninety free charging stations, powered by green electricity. The infrastructure is growing continuously - as is the number of electric vehicles in the fleet. Currently, more than 95% of the vehicle fleet is electric.

Since 2020, the BABOR BEAUTY GROUP has been an Associate Member of EV100, an initiative of the internationally operating NGO Climate Group. The goal of the initiative: to make electric mobility the norm by 2030. A goal that the BABOR BEAUTY GROUP is pursuing with determination - through investment in infrastructure, clear policies, and lived conviction.



LIFE CYCLE ANALYSIS - UNDERSTANDING AND MANAGING ENVIRONMENTAL IMPACTS

KClimate protection does not end with CO₂. The BABOR BEAUTY GROUP analyzes the full range of ecological impacts of its products - from raw material to disposal.

The Life Cycle Analysis (LCA), aligned with GHG Scope 1 to 3, examines every step: raw material extraction and logistics, manufacturing, transport, use, and end-of-life.

The deep value chain requires an equally deep data foundation, making it possible to break down every product to its smallest component and assign specific emission factors to each. This level of granularity provides clarity on environmental impacts. A simulation tool calculates how the exchange of a raw material or packaging

material affects the overall balance. This makes sustainability plannable and product optimization measurable.

In addition to greenhouse gas emissions, thirteen further environmental factors are analyzed, including the acidification of soils and the eutrophication of bodies of water. The latter occurs when excess nutrients from agriculture enter rivers and lakes, triggering harmful algae growth.

MEASURABLE PROGRESS

EVERY PRODUCT RELAUNCH IS AN OPPORTUNITY TO IMPROVE THE ENVIRONMENTAL FOOTPRINT. A CONCRETE EXAMPLE:



RAW MATERIALS - QUALITY, EFFICACY, RESPONSIBILITY

Which ingredients are used is decided on the basis of efficacy, safety, and sustainability alike. The European Cosmetics Regulation (EU 1223/2009) sets clear limits: over 1,300 substances are prohibited, and many more are regulated. The BABOR BEAUTY GROUP, as a German company, commits to these requirements - and consciously goes beyond them.

This has made it possible to develop a unique efficacy promise for the flagship brand BABOR: highly effective products that combine indulgent textures with a very high standard of sustainable formulation. This means: every raw material is rigorously scrutinized - not only for its cosmetic performance, but also for its ecological and social impact.

It is the aspiration of the BABOR brand to avoid silicones, parabens, PEGs, mineral oils, sulfates (SLS and SLES), non-certified palm(kernel) oil derivatives, and synthetic colorants wherever possible. Since 2019, the company has been RSPO-certified.

Animal testing has never taken place in the company's history. The fact that the EU now requires this by law is something the company expressly welcomes. A solution has also been found for the Chinese market, where animal testing was long part of the approval process: through a successful GMP certification process (Good Manufacturing Practice), the products can be sold in China without animal testing.

PACKAGING MATERIALS AND CIRCULAR ECONOMY

The use of recycled materials is often a question of quality compromise. For BABOR product development, it is therefore a challenge to design sustainable materials that are compatible with the brand's quality standards. BABOR is therefore increasingly focusing on highly recyclable packaging and recyclable shipping materials. Since 2020, all paper packaging and printed materials are FSC-certified. In addition, cellophane wrapping of products has been eliminated and the use of packaging aids that are detectable in recycling is being fostered. Leaflets have been removed from the product range and replaced by QR codes. This measure alone leads to a material reduction of over eight tonnes of wood and around 3.5 tonnes of CO₂ per year.

The BABOR BEAUTY GROUP pursues the goal of waste-free operations: materials that can no longer be used - paper, cardboard, plastics, metal - are fed into complete recycling.

NON-REUSABLE MATERIALS ARE FED INTO COMPLETE RECYCLING.

IN 2025, ALREADY 85 % OF ALL PACKAGING MATERIALS OF THE BABOR BRAND WERE RECYCLABLE.

The entire company aims to achieve a recycling rate of 95% by 2030 at the latest. By 2030, 100% of the materials used in BABOR products are also to be traceable. This ensures that all components come from sustainably operating suppliers.

DESTRUCTION RATE - REDUCING CONSISTENTLY

In 2025, comprehensive measures were taken to further systematically reduce the destruction of goods. For example, a disposal dashboard with stored review and release processes was set up, production processes were optimized, and lean working methods were introduced. Fixed monthly destruction limits now apply immediately. The goal is to reduce the destruction rate by 10% annually from 2025 onward. These measures are part of the commitment to a consistent circular economy and responsible use of resources.

INNOVATION PROJECT IN FOCUS



On 14 July 2025, the BABOR BEAUTY GROUP welcomed North Rhine-Westphalian ministers Mona Neubaur (Economy, Industry, Climate Protection and Energy) and Ina Brandes (Culture and Science) at its state-of-the-art production and logistics site, the BABOR BEAUTY CLUSTER. The visit was held under the banner of the ReCO₂NWert project, which is driving the transformation of CO₂ emissions into valuable raw materials in the Rhineland region.

„Innovations from North Rhine-Westphalia connect modern technologies and sustainability - innovations that serve not as ends in themselves, but that advance industry and are of concrete benefit to people. Here in the Rhineland, unavoidable CO₂-containing flue gases are being upgraded and converted into substances that the cosmetics industry can use. The ReCO₂NWert

project and the BABOR BEAUTY CLUSTER demonstrate impressively how sustainability and economic success can go hand in hand," said Economy and Climate Protection Minister Mona Neubaur.

The ministers' visit underlines the role of the BABOR BEAUTY GROUP as a pioneer in sustainable innovation and as an important partner in the ReCO₂NWert project.

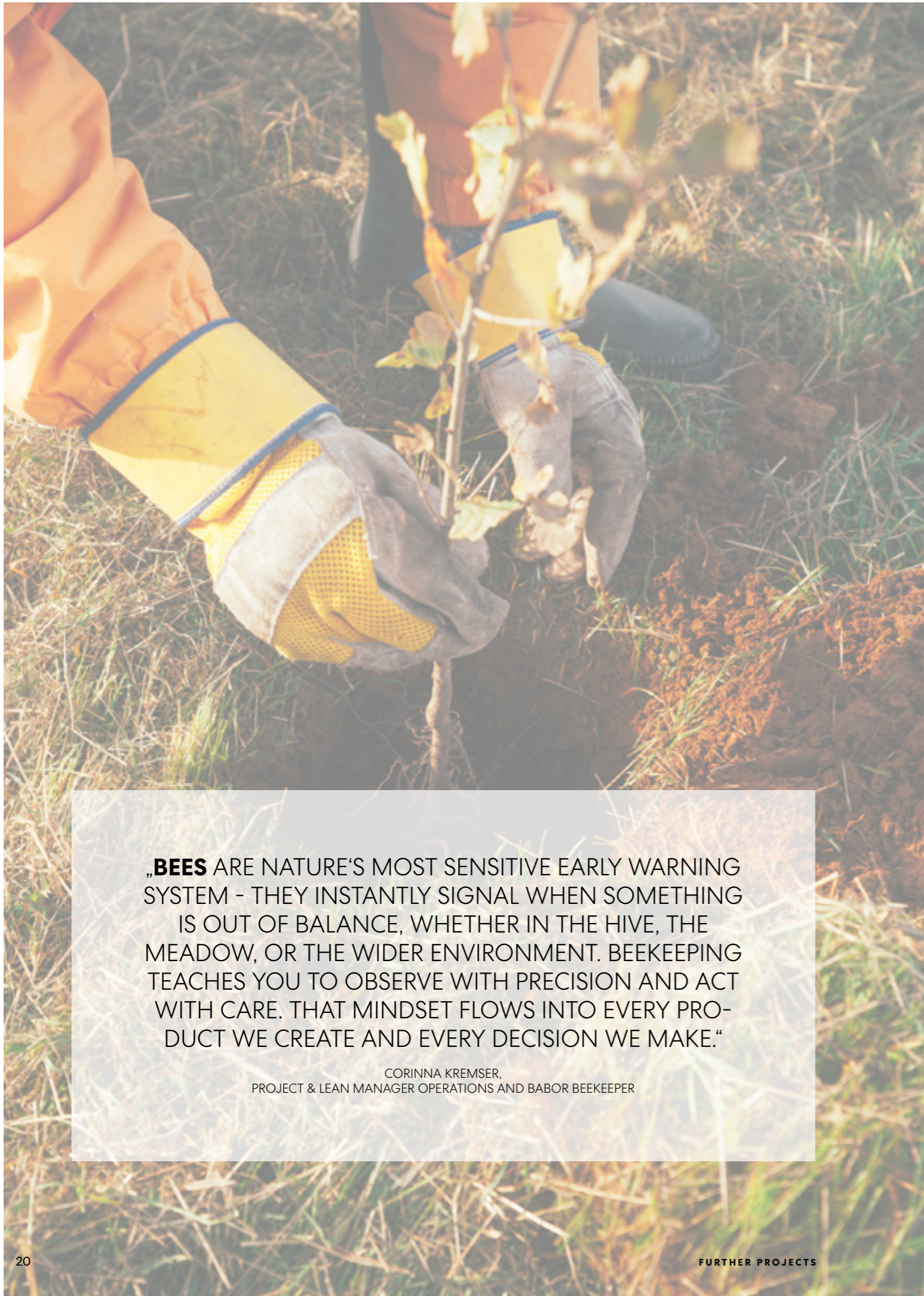
SUSTAINABILITY AND INNOVATION IN FOCUS

„ReCO₂NWert offers a promising perspective for the innovative and resource-efficient development of cosmetic ingredients," explains Dirk Leßmann, who represented the BABOR BEAUTY GROUP during the visit. The project focuses on the conversion of CO₂ from flue gases of the Weisweiler waste incineration plant into short-chain alcohols and is led by CLIB - Cluster

Industrielle Biotechnologie e.V., under the project management of Dr. Sarah Refai.

The BABOR BEAUTY GROUP is offered the opportunity to use the sustainably produced raw material as an ingredient in formulations in the future.

RECO₂NWERT OFFERS A PROMISING PERSPECTIVE!



„BEES ARE NATURE'S MOST SENSITIVE EARLY WARNING SYSTEM - THEY INSTANTLY SIGNAL WHEN SOMETHING IS OUT OF BALANCE, WHETHER IN THE HIVE, THE MEADOW, OR THE WIDER ENVIRONMENT. BEEKEEPING TEACHES YOU TO OBSERVE WITH PRECISION AND ACT WITH CARE. THAT MINDSET FLOWS INTO EVERY PRODUCT WE CREATE AND EVERY DECISION WE MAKE.“

CORINNA KREMSER,
PROJECT & LEAN MANAGER OPERATIONS AND BABOR BEEKEEPER

NATURE AS A PARTNER

BABOR FOREST - A REFUGE FOR BIODIVERSITY

In the Eifel region, just a few kilometers from the Aachen headquarters, a living symbol of the company's commitment to nature is growing: the BABOR Forest. Across ten hectares, a nature reserve has been established since 2020 in which 30,000 trees have been planted - a refuge for biodiversity and regional ecosystems.

Employees are actively involved through an annual tree-planting initiative. Since 2023, the area of the BABOR Forest has been completely planted. The initiative has since moved to the BABOR BEAUTY CLUSTER, the new production and logistics site in Eschweiler, where new trees are planted along the „Dr.-Leo-Vossen-Allee“. Every year, many employees of the BABOR BEAUTY GROUP take part together with their families. When selecting the trees, particular importance is placed on choosing species that make a significant contribution to biodiversity.

BE(E) BABOR - AMBASSADORS OF BIODIVERSITY

What began more than fifteen years ago as a raw materials project has today become a symbol of living biodiversity. At the time, the BABOR BEAUTY GROUP set out in search of the wild service tree - a native species whose berries contain the highest vitamin C levels of all regional fruits. Their valuable ingredients were intended to enrich the expert formulations of the BABOR brand.

Thanks to a collaboration with the Fraunhofer Institute, these active ingredients can now be cultivated in the laboratory using plant stem cell technology. The plantation in the Eifel region thus became superfluous - and turned into an opportunity.

Since 2020, the former cultivation area has served as a nature reserve and a home for bee colonies that pollinate the wild service trees and strengthen the local ecosystem. At the BABOR BEAUTY CLUSTER, three additional hives are maintained by a dedicated employee initiative - the BABOR Bee Keepers.

To protect wild bees, seed balls with pollinator-friendly flower seeds were distributed to all employees on World Bee Day 2025. This way, every garden and balcony becomes a small refuge for endangered pollinators.



BABOR
BEAUTY
GROUP

BY 2030, THE BUILDING IS SET TO OPERATE ENTIRELY ENERGY SELF-SUFFICIENTLY

ALL ELECTRIC FACTORY

THE BABOR BEAUTY CLUSTER

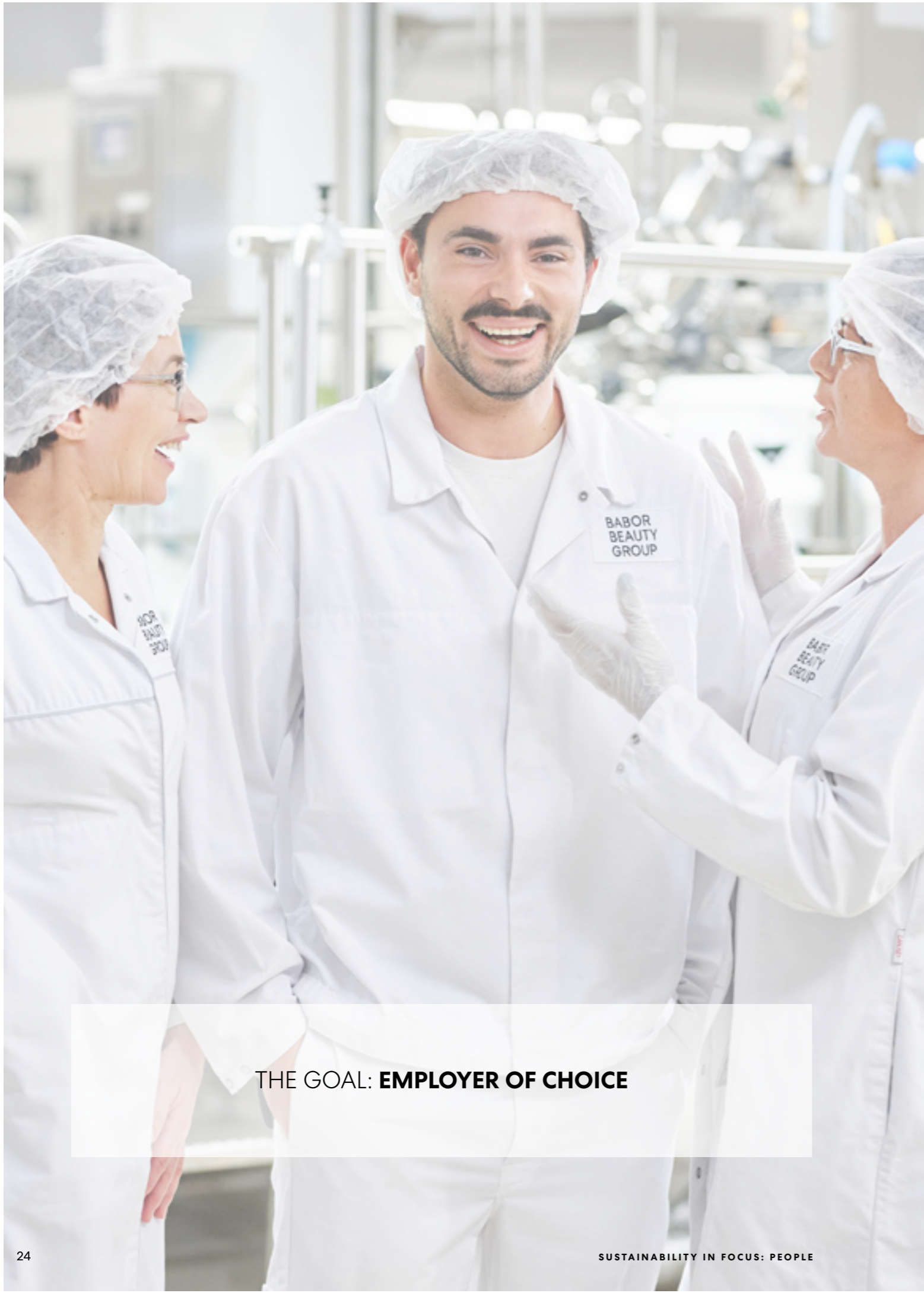
When constructing the new production and logistics center in Eschweiler, the BABOR BEAUTY CLUSTER, the company applied the highest sustainability standards. All building structures exceed the highest German KfW 40 energy efficiency benchmark. As a result, the BABOR BEAUTY CLUSTER is a high-efficiency facility that consumes 60 % less energy than a conventional building.

Already today, the photovoltaic system on the building's roof produces around 670,000 kWh of energy per year, while large storage units cover around one quarter of the site's total energy demand on their own.

But that's not all: the company has decided to take the next step toward increasing its level of energy autonomy. A comprehensive feasibility study showed that doubling both the PV output and the battery storage capacity is not only sustainable, but also economically viable.

In 2025, the BEAUTY CLUSTER achieved an energy autonomy rate of over 25 %, with the facility drawing 99.86 % of its power from renewable sources. The only exception: Natural gas is currently still used for heating the glass ampoules during production. The factory follows the "All Electric" principle.

By 2030, the building is set to operate completely energy self-sufficiently.



THE GOAL: **EMPLOYER OF CHOICE**

THE HEART OF THE BABOR BEAUTY GROUP

„Our employees shape the success of the company. Their development and well-being are therefore central pillars of our strategy,“ says CEO Horst Robertz. The BABOR BEAUTY GROUP takes on social responsibility - as an employer in the region and beyond. In order to secure jobs locally and to remain a sustainably attractive employer, the BABOR BEAUTY GROUP invests in comprehensive training and development programs, modern workplace design, and professional occupational health and safety management. The goal is to measurably increase employee engagement and to ensure that every individual has the opportunity to reach their full potential.

EMPLOYER OF CHOICE

Employees are invited to contribute as „intrapreneurs“ with a great deal of creative freedom. The BABOR BEAUTY GROUP therefore offers a comprehensive package of employment-related benefits: Qualification programs, targeted training, internal programs, workshops, and seminars. In 2023, a benchmark-based employee survey was conducted. This is to be repeated regularly in the future in order to better understand the needs of the teams and to continuously enhance the company's attractiveness as an employer.

EMPLOYEE QUALIFICATION

The BABOR BEAUTY GROUP promotes and actively encourages lifelong learning - through challenging tasks, individual career development, and targeted qualification programs. Annual feedback meetings, internal and external training sessions, and coaching programs are central elements of the company's HR policy. Leaders support participation in further education programs and encourage professional development, including job rotations within the company. This creates the conditions for key positions to be filled preferentially from within. In 2025, a total of 284 internal and 205 external training sessions and seminars took place.

LEADERSHIP

The managers of the BABOR BEAUTY GROUP empower their employees to act with autonomy and to contribute their full potential toward achieving the company's goals. They serve as role models and act in accordance with the company's values. They support employees in their development, foster performance, team spirit, and a culture of innovation, and create space for responsible collaboration. To prepare managers for this demanding role, the BABOR BEAUTY GROUP offers a targeted development program aligned with a dedicated leadership framework. This program ensures that leadership means not just hierarchy, but genuine empowerment and inspiration.



IN 2025, THE BBG VOLUNTEER DAY WAS ALREADY HELD FOR THE SIXTH TIME.

HEALTH MANAGEMENT & WORK-LIFE BALANCE

To strengthen the mental and physical health of employees, a wide range of measures are in place: Counseling services, team sports, company celebrations, performance-related pay for all staff, and intensive team and management coaching are the key highlights. Concrete examples include regular back training sessions and membership at the Urban Sports Club. Sporting events such as the B2Run or the company run not only benefit individual health, but also strengthen team spirit across departmental boundaries.

Flexible working hours and remote work options - to a significant extent - improve the balance between work and family life and create the conditions for a healthy work-life balance. An on-site company daycare center also contributes to this.

CORPORATE VOLUNTEERING - AN INTERNATIONAL COMPANY WITH REGIONAL ROOTS

The BABOR BEAUTY GROUP aims to have a positive impact on society and to help shape a future-ready world.

„Think global, act local. As an international company, our roots are extremely important to us. We are very aware of our social responsibility in the region - as an employer and beyond,“ explains CFO Stefan Kehr.

The BABOR BEAUTY GROUP works together with selected partner organizations and supports their projects. In addition, employees contribute their skills and time to the company's own community projects.

In 2025, the concept of Volunteer Day was fundamentally redesigned. It now operates with a clear sense of purpose. Last year's theme was: „Giving time, sharing joy.“ Under this guiding principle, internationally diverse projects took place, in which employees of the company and members of the participating organizations were involved.

Together with the Center for Social Work in Aachen, a long-standing partner, a food festival was organized, for example. The BeNeLux team volunteered at the Warmest in Knokke, where they organized a spa session with buffet for the volunteers.



**REGIONAL ENGAGEMENT -
SELECTED PROJECTS**

The BABOR BEAUTY GROUP is closely connected to its home city of Aachen. The company maintains valuable partnerships here, such as with RWTH Aachen University, and is actively involved as an important employer in the region..

CULTURAL ENGAGEMENT

Since 2015, the company has regularly awarded the Babor Rose for outstanding commitment. The prize, endowed with €5,000, has developed into a tradition that recognizes and supports dedicated personalities and initiatives. In addition, the BABOR BEAUTY GROUP has been supporting the Aachener Krönungsmahl since 2003, thereby contributing to the preservation of the historic town hall of the City of Aachen. The Charlemagne Prize, one of the most renowned European distinctions, is also supported as a commitment to European values.

NRWTALENTE

Since 2024, the BABOR BEAUTY GROUP has been supporting NRWtalente, a scholarship program in the Aachen region that accompanies talented students from eighth grade onward with practical offerings and regular individual talent development. The program supports young people from less privileged backgrounds and from families without an academic history who are motivated and eager to develop further. Commitment, talent, and a willingness to perform should flourish regardless of gender, nationality, ethnic background, religion, and the educational background or income of parents - and enrich society as a whole.

The program is coordinated by FH Aachen and RWTH Aachen and co-financed by the Ministry of Schools and Education of the State of North Rhine-Westphalia.

The BABOR BEAUTY GROUP supports two scholarship recipients with a total of €3,000 per year and shows them the professional perspectives that the company has to offer. The donation benefits the scholarship recipients 100% and is used exclusively for the educational program and education-related material support.

„The scholarship has given me new experiences and opened up new opportunities. Together with others in workshops or on excursions - for example to Paris - I have been able to broaden my horizons and meet wonderful people. Without the scholarship, I would never have experienced any of this.“ (Hannah, 8th grade)

CENTER FOR SOCIAL WORK

For more than thirty years, the BABOR BEAUTY GROUP has been supporting the Center for Social Work in Aachen and is closely connected to it as a partner. The Center is a network of interlocking support services for children, young people, and families. It aims to help young people in difficult circumstances find their way toward a positive, self-determined future. The BABOR BEAUTY GROUP supports the Center with an annual pre-Christmas donation of €10,000 and also provides practical assistance beyond that.

EMPOWERING PEOPLE ON THREE LEVELS

CHANGEMAKERS FOR DIVERSITY, EQUITY & INCLUSION

DIVERSITY OF OPINIONS IS DECISIVE FOR OUR SUCCESS

Diversity, Equity & Inclusion (DE&I) are only effective in combination - all three are mutually reinforcing principles.

THE THREE AREAS AT A GLANCE:

DIVERSITY

refers to the acceptance and promotion of visible and invisible differences, with the goal of reflecting diverse ways of thinking and perspectives.

EQUITY (Fairness)

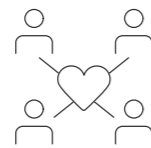
stands for equal access to opportunities and the removal of barriers that deny this access. The goal is for the company to operate in such a way that personal identity has no influence on opportunities or outcomes.

INCLUSION

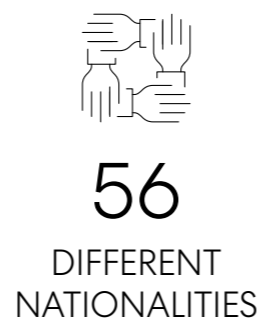
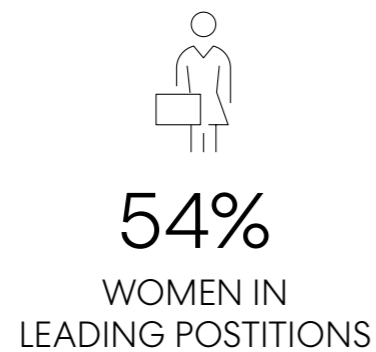
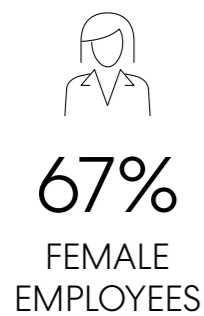
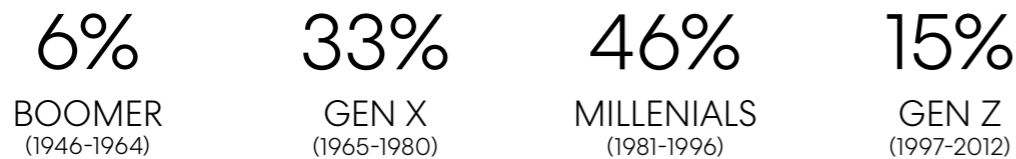
encompasses all measures that create a sense of belonging and psychological safety, and aims to build a corporate culture that empowers employees to reach their full potential.

CHANGEMAKERS AT THE BABOR BEAUTY GROUP

The diversity of opinions and ideas is a key success factor for the future development of the company. To this end, a Changemaker Program was launched in 2024, promoting the themes of diversity, equal opportunity, and inclusion (DE&I) within the BABOR BEAUTY GROUP. A dedicated group of pioneering employees brings together a diverse spectrum of perspectives from various areas of the business. In the first step, the focus of activities is on gender, national origin, and age.



AGE DISTRIBUTION



WHAT DRIVES THE CHANGEMAKERS?

AN INTERVIEW:



JENNIFER WEIMER: Being heard and seen - as well as receiving the recognition that comes with it - plays an essential role in creating a good culture, both in the workplace and in everyday human interactions. We are already doing well in this regard, but we want to do better. I am proud to be part of this team and to contribute to that journey.



BERFIN ERTAS: I know what it feels like not to be part of the majority. That is why I find it essential not to conceal diversity, but to celebrate it. Especially in the beauty industry, diversity is a defining factor - because beauty is not one-dimensional. It reflects different backgrounds, cultures, and identities. Only through genuine representation and inclusion, including within the company itself, can a brand be truly authentic and future-oriented.



MAIKE SÜLLDORF: „I didn't mean any harm by it" is a common response when people express to others that they feel discriminated against. Every person only has their own perspective and their own experiences, which is why it is so important to talk with one another and learn from each other. Only in this way can we foster the kind of diverse collaboration that makes us successful in the long term.



RAFAT NURI: I learned early on that you can fit perfectly into a society - even be born into it - and still have to prove yourself over and over again. That is exactly what I want to change. I am committed to a working world in which no one has to prove that they belong.



ARE THERE CONCRETE SITUATIONS YOU CAN SHARE?

KLAUS GORGELS: In a meeting, a new, digitalized process was once presented. Two young colleagues enthusiastically explained the new, extensive functions with comments like „This is totally intuitive, anyone can figure it out straight away." Yet some colleagues had many questions and needed time to understand everything. Every person learns differently and learning curves vary. All employees should be given the support they need.



VALUE CHAIN:
TRANSPARENCY FROM CRADLE TO PRODUCT

GOVERNANCE

**GOVERNANCE CIRCLE:
THINKING ABOUT REGULATION
STRATEGICALLY**

Regulatory requirements for companies are becoming increasingly complex and dynamic. To address these challenges in a structured manner, the BABOR BEAUTY GROUP established a Governance Circle in 2025. This interdisciplinary body brings together experts from various areas of the business - from Legal and Corporate Responsibility through to Research & Development. Together, the Governance Circle analyses new legislative requirements, assesses their impact and develops strategic solutions to not only meet regulatory requirements but to embed them into the organisation as effectively as possible. The Governance Circle promotes cross-departmental collaboration and ensures that compliance is not seen as an isolated task, but as an integral part of the corporate strategy. This creates clarity, reduces risks and strengthens the ability of the entire organisation to act.

COMPLIANCE AND HUMAN RIGHTS

The BABOR BEAUTY GROUP values the trust and well-being of all its stakeholders and is committed to adhering to existing laws and regulations. In collaboration with an external compliance officer, the company developed and implemented a compliance management system focused on the relevant topics. In addition, a complaints procedure is linked both internally and on the website, through which reports regarding human rights violations, corruption or other compliance breaches can be submitted. The complaints procedure can be found here:

<https://babor-beauty-group.com/governance/>

A binding code of conduct has therefore been introduced, which serves as a guideline for employees and other business partners.

VALUE CHAIN: TRANSPARENCY FROM CRADLE TO PRODUCT

A sustainable value chain is not a lip service for the BABOR BEAUTY GROUP - it is established practice. The vast majority of our suppliers come from Europe, most even from Germany. This regional anchoring enables short transport routes, close partnerships, and high quality standards. By 2030, the company is working toward 100% traceability of all materials and components. This ensures that every raw material, every piece of packaging, and every intermediate product comes from sustainably operating partners and meets ethical and ecological standards.

For the BABOR BEAUTY GROUP's suppliers, a code of conduct applies in which all expectations are set out. These include respect for human rights, compliance with health and safety regulations in the workplace, responsible and sustainable practices, environmental protection, and not least corruption prevention. Adherence to the code is ensured within the framework of onboarding and ongoing monitoring processes. In addition, the BABOR BEAUTY GROUP regularly conducts a comprehensive risk analysis of its value chain.

ARTIFICIAL INTELLIGENCE

BRINGING PEOPLE AND TECHNOLOGY TOGETHER: THE RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE.

Technology is not an end in itself for the BABOR BEAUTY GROUP - it is a tool for making processes smarter, more efficient, and more secure. This also applies to the topic of Artificial Intelligence (AI). Since 2019, the company has been continuously building expertise in the field of Data Science, with the aim of strategically advancing the use of AI within the organization.

IT and AI experts work together with the relevant departments to identify potential, develop use cases, and support the implementation of new processes and mechanisms - always with a focus on benefit and security, and in close collaboration with the works council, data protection officers, and senior management. Specially trained AI Navigators in the respective departments drive projects forward in their areas and maintain a close exchange with the task force. People remain at the center of everything: Artificial Intelligence is intended to support employees, not replace them.

One example of the responsible use of artificial intelligence is the BBG Supply Chain Radar. This proprietary screening tool enables the company to manage risk across its entire value chain. The system continuously and automatically monitors news and reports worldwide, alerting the company when incidents arise that could affect the value chain - whether through issues with suppliers, natural disasters, political instability, human rights violations, or environmental risks. This allows the company to respond early, minimize risks, and safeguard the integrity of the value chain.

**BRINGING PEOPLE AND TECHNOLOGY TOGETHER:
THE RESPONSIBLE USE OF ARTIFICIAL INTELLIGENCE**



ABOUT THIS REPORT

This sustainability report presents the key areas of action of the BABOR BEAUTY GROUP. It provides insight into our values, our actions, and our vision for the future. We inform customers, partners, suppliers, employees, and the public about how we lead our company, which values guide us, and how we are advancing sustainability across all dimensions. Transparency and openness are our top priorities. Since 2018, we have been publishing our sustainability report annually, documenting our commitment in the areas of Planet, People, and Governance - together with our goals and planned measures. As a global cosmetics company, we continuously develop our approach to sustainability.

This report covers the period from 1 January 2025 to 31 December 2025. The data and internally calculated figures contained therein refer to Dr. Babor GmbH & Co. KG (brands BABOR and Private Label). The BABOR BEAUTY GROUP is currently not subject to mandatory reporting and publishes this report voluntarily.

THANK YOU!

Thank you for your time and your interest in this sustainability report. We want to present our path openly, question the status quo, and continue to develop.

Our motivation is to make a genuine contribution - to a better, future-ready industry, society, and environment. Day by day. Do you have suggestions, questions, or feedback? We look forward to hearing from you!
E-Mail: sustainability@babor.de

PUBLISHER: Dr. Babor GmbH & Co. KG · Neuenhofstraße 180 · 52078 Aachen · babor-beauty-group.com
COORDINATION AND CONCEPTION: Christoph Vormstein (Corporate Responsibility), Eva Spiertz (Corporate Communication)
DESIGN AND ARTDIRECTION: Burcu Altay, Natalie Schreiber (Design & Content Creation)
PHOTOS: BABOR, Unsplash, Freepik

APPENDIX

PERFORMANCE INDICATORS GRI

Please note: Although the BABOR BEAUTY GROUP is not subject to the mandatory reporting requirements of the Corporate Sustainability Reporting Directive, we align with its standards wherever possible. This has led to changes in the calculation logic for some statistics since last year. We are striving for the best possible comparability with previous years.

PLANET

PERFORMANCE INDICATOR GRI 301-1: MATERIALS USED

A significant refinement was achieved in 2023 through improved allocation of usage quantities.

Raw materials in kg	2023	2024	2025
Total raw materials	1.286.966	1.241.302	1.277.157
Packaging materials in kg	2023	2024	2025
Glas	896.516	916.344	881.381
Paper/Cardboard/Carton	1.307.273	1.713.178	1.831.542
Aluminium	7.891	8.763	7.224
Plastics	731.269	1.329.021	1.629.410
Other Composites	98.895	78.460	56.836
Tinplate	3.168	1.945	7.856
Textiles	14.853	9.982	43.917
Electronic Devices	1.838	5.170	2.967
Porcelain/Stone	635	194	6
Wood	15	2	7
Packaging Materials Based on Biological Sourced	415	69	320
Total	4.349.740	5.304.436	5.723.547

PERFORMANCE INDICATOR GRI 302-1: ENERGY CONSUMPTION

Energy in MWh	2023	2024	2025
Electricity	2.854	5.023	4.740
of which self-generated renewable energy	33 (1,16 %)	558 (11,12 %)	808 (17,05%)
of which renewable electricity from external sources	2.572	4.095	3.932
Gas	2.761	3.018	3.005
Corporate Fleet (in MWh)	2023	2024	2025
Automotive Fuel	785	275	56
Automotive Electricity	45	48	45

PERFORMANCE INDICATOR GRI 303-3: WATER WITHDRAWAL

Water in m³	2023	2024	2025
	24.785	30.723	27.361

PERFORMANCE INDICATOR GRI 306-3: WASTE GENERATED

The structure of waste data has followed the classification of CSRD data since 2023.

This enables us to establish a consistent structure for waste data collection.

Recyclable materials in kg	2023	2024	2025
hazardous waste avoided through recycling	1.988	2.100	2.834
hazardous waste avoided by other recycling processes	424	0	0
non-hazardous waste avoided through recycling	434.550	517.500	482.310
non-hazardous waste that was burned	277.175	383.700	427.471
Finished goods destroyed (per destruction dashboard)	//	//	99.425
Total amount of waste generated	714.137	903.300	912.624
Total amount of waste disposed	714.137	903.300	912.624

PERFORMANCE INDICATOR GRI 305: GHG-EMISSIONS (SCOPE 1,2 AND 3) IN TONS

*New Scope 3 emission categories have also been reported since 2023 in accordance with the Reporting Standard.

	2023 (incl. new categories)	2024	2025
Total quantity	5426,8	3.881,1	4.742,2
already precompensated	1542,9	3,0	709,0
„Net“ balance incl. safety surcharge	4272,3	3.878,1	4.033,2
Reduction vs Base Year 2019	46,93 %	51,83 %	49,9 %

CO₂ REDUCTION PLAN BY 2030

in tons	2026	2027	2028	2029	2030
Overall Reduction Plan	225,3	214,0	203,3	193,1	183,5
of which Scope 1	67,6	64,2	61,0	57,9	55,0
of which Scope 2	0,0	0,0	0,0	0,0	0,0
of which Scope 3	157,7	149,8	142,3	135,2	128,4

APPENDIX

PERFORMANCE INDICATORS GRI

Please note: Although the BAVOR BEAUTY GROUP is not subject to the mandatory reporting requirements of the Corporate Sustainability Reporting Directive, we align with its standards wherever possible. This has led to changes in the calculation logic for some statistics since last year. We are striving for the best possible comparability with previous years.

ESPR REPORT 2025

Reason for destruction	Number of products (pcs)	Weight (kg)
Quality defects	220.327	61.934
Expiration of best-before date	65.452	7.183
Surplus quantities due to planning	56.119	24.519
Data cleansing	7.369	421
Unavoidable surplus quantities	67.305	2.835
Other	23.765	2.531
Total	440.337	99.425

SUPPLY CHAIN

Palm Oil	2025
Percentage of certified palm oil-based products	100 %
Sustainable Supply Chain	
Percentage of relevant suppliers who have signed the Code of Conduct	27 %
Percentage of relevant suppliers whose contracts include clauses regarding environmental, labor and human rights requirements	36 %

COMPLIANCE

KPI	2025
Number of identified cases of discrimination or harassment and the corrective measures taken	0
Percentage of employees trained in information security	60,24 %
Percentage of employees with PC access trained in information security	98,04 %
Number of reports submitted through the whistleblower procedure	0
Number of confirmed cases of corruption	0
Number of confirmed information security incidents	0

PEOPLE

Occupational accidents	2023	2024	2025
total occupational accidents	31	34	15
thereof reportable	9	9	6
Number of hours worked	//	1.118.055,96	1.439.934,75

FAIR COMPENSATION

KPI	2025
Percentage of directly employed staff paid less than a living wage	0 %
Percentage of all employees paid below a living wage, including directly employed staff and temporary workers	0 %
Percentage of the average wage gap among directly employed staff paid below a living wage	0 %

PERFORMANCE INDICATOR GRI 404-1: HOURS OF TRAINING AND EDUCATION

A total of 284 internal and 205 external training courses took place in 2025.

	2023	2024	2025
Internal Training	362	281	284
External Further Education	367	314	205
Of the External Further Education			
Professional Development	240	219	174
Personal Development	106	46	8
Organizational Development	10	36	18
Mandatory Training	11	13	5

Performance Indicator GRI 405-1: **DIVERSITY**

Diversity and Employment 2025	Total	BABOR KG Deutschland	BABOR Austria	BABOR Netherlands	BABOR Belgium	BABOR Switzerland	Duesberg Medical GmbH	Femia Cosmetic Vertriebs GmbH	Retail GmbH	BABOR America	BABOR Canada	BABOR Sverige	BABOR Asia (Singapore)	B & E Holdings
Number of Employees														
Number of female employees	721	438	15	18	6	8	103	31	56	28	4	7	4	3
Number of male employees	358	308	0	1	2	1	35	3	0	5	0	0	0	3
Total number of employees	1079	746	15	19	8	9	138	34	56	33	4	7	4	6
Age Distribution														
Employees age under 30	190	132	1	5	1	0	17	4	21	5	1	1	0	2
Employees age between 30 and 50	574	416	12	8	4	7	51	28	24	13	3	3	3	2
Employees age over 50	315	198	2	6	3	2	70	2	11	15	0	3	1	2
Management Diversity														
Number of members in management and supervisory boards	27	19	0	0	0	1	1	2	0	3	0	1	0	0
Number of female members in management and supervisory boards	7	4	0	0	0	0	0	1	0	1	0	1	0	0
Number of executive members of the management and supervisory boards	2	2	0	0	0	0	0	0	0	0	0	0	0	0
Number of non-executive members of the management and supervisory boards	25	17	0	0	0	1	1	2	0	3	0	1	0	0
Number of female employees in managing roles	55	24	3	1	0	1	4	9	8	4	1	0	0	0
Employment Types														
Number of total permanent employees	949	694	13	11	8	9	92	34	39	33	4	6	4	2
Number of female permanent employees	631	410	13	11	6	8	71	31	39	28	4	6	4	0
Number of male permanent employees	318	284	0	0	2	1	21	3	0	5	0	0	0	2
Number of temporary employees	130	52	2	8	0	0	46	0	17	0	0	1	0	4
Number of female temporary employees	90	28	2	7	0	0	32	0	17	0	0	1	0	3
Number of male temporary employees	40	24	0	1	0	0	14	0	0	0	0	0	0	1
Number of full-time employees	810	595	7	3	6	3	90	23	31	33	4	5	4	6
Number of female full-time employees	465	299	7	2	4	2	56	20	31	28	4	5	4	3
Number of male full-time employees	345	296	0	1	2	1	34	3	0	5	0	0	0	3
Number of part-time employees	269	151	8	16	2	6	48	11	25	0	0	2	0	0
Number of female part-time employees	256	139	8	16	2	6	47	11	25	0	0	2	0	0
Number male of part-time employees	13	12	0	0	0	0	1	0	0	0	0	0	0	0
Turnover														
Number of new hires	119	36	4	6	1	4	37	1	16	8	0	1	1	4
Number of employees left	162	97	3	4	1	4	29	2	20	2	0	0	0	0



Dr. Babor GmbH & Co. KG

Neuenhofstraße 180
D-52078 Aachen
Telefon: +49 (0) 241 / 5296-0

www.babor-beauty-group.com
sustainability@babor.de

**BABOR
BEAUTY
GROUP**