



Biodegradability Implementation Plan

July 2026

1 Introduction

At Rituals, we understand the link between the ingredients we choose and the environmental impact of our products. Non-biodegradable and microplastic ingredients are known to have potential to accumulate in ecosystems and contribute to water and soil pollution. We aim to minimise these impacts by increasing the amount of biodegradable ingredients in our rinse off formulas.

This biodegradability implementation plan applies to Rituals Cosmetics Enterprise B.V. and all consolidated entities. The plan describes the actions we intend to take to increase the biodegradability of our formulas with the ultimate goal of achieving our biodegradability target.

2 Objective

This document provides a high-level overview of Rituals' biodegradability implementation plan, including the target, baseline, key implementation actions, and governance approach. Its purpose is to provide transparency on our ambition and insight into how we intend to improve the biodegradability performance of our rinse-off product portfolio. As ingredient data quality, systems, and internal processes continue to develop, we will further refine and expand the actions described in this plan. This document should be considered a living document, to be reviewed and updated periodically in line with implementation progress, evolving insights, regulatory and technical developments, and ongoing improvements in data quality.

3 Scope and reporting boundary

Biodegradability KPI relates only to 'rinse-off' products according to the EU 1223/2009 definition of rinse off cosmetic products. Due to the expected use of rinse-off products, this product category is most associated with pollution of wastewater as the expected and foreseeable use of these products predicts the products are directly released into wastewater systems and eventually external ecosystems. Packaging materials, non-sellable materials and non-formulated products are out of scope for this document.

Hotel and airlines products, procured volumes assigned to distributors, testers, samples and non-formulated goods are all out of scope of this calculation.

All materials that are covered by this disclosure are recorded and recognized as resource inflows at the time of receipt in the warehouse, using the date of the invoice as a sign of when a specific resource inflow was logged in the warehouse.

4 Our target

Product biodegradability is a calculated value based on the biodegradability of the individual ingredients. We aim to increase the biodegradability of our rinse off product to achieve the target:

By 2035, 95% of our rinse-off formulas will be at least 95% biodegradable.

In this KPI, we use the following definitions:

By **2035**: Final reporting to determine successful completion of the target will be based on the 2035 financial year

95% of our rinse off products: 95% refers to 95% of the in-scope products based on procurement volume i.e. all in scope products purchased in the reporting year.



Rinse-off formulas: Rinse-off products determined by the definition given by the 1223/2009 EU cosmetics regulation. 'Rinse-off product' means a cosmetic product which is intended to be removed after application on the skin, the hair or the mucous membranes;

95% Biodegradable: Biodegradability of the formulation is a calculated value based on the ingredient classification and the INCI/Ingredient level OECD 301 or equivalent test results. Calculation completed as described in the accompanying methodology document

5 Baseline and current status

As part of establishing its biodegradability status, Rituals has developed a portfolio-level baseline for initial biodegradability status based on the 2025 financial year.

While an initial assessment has been performed, we are continuing to enhance our understanding of portfolio biodegradability through improvements in data quality, portfolio coverage and assessment methodology. The implementation of a new Product Lifecycle Management (PLM) system tool will further strengthen the accuracy and consistency of our biodegradability assessment, providing a more robust foundation for performance tracking.

We will therefore use 2026 to further strengthen our methodology, data and assessment capabilities. From 2027 onwards, we intend to disclose a biodegradability baseline and report progress against our target using the enhanced assessment approach.

The baseline will serve as a reference point for monitoring progress towards our 2035 target. The 'progress-to-target' will be calculated annually. As data quality and availability improves, the baseline may be further refined where justified by improved data availability, methodological developments, or regulatory requirements.

6 Actions for increasing biodegradability

These actions contribute towards the Company's biodegradability targets and focus on increasing biodegradable organic content in rinse off formulas, improving data quality, supplier engagement, and integration of requirements into the product briefing, company blacklist policy and New Product Development process.

6.1 Product Design and portfolio improvement

To increase biodegradability across the rinse off product portfolio, current priorities are to:

- **identify** product categories with the greatest opportunity to increase biodegradability through portfolio-level analysis, including an assessment of commercial/technical availability (viability), and desirability in terms of achievable functionality and aesthetic appearance.
- **prioritize** biodegradability improvements for products with the most potential for increase as well as products where improvements are easily adopted during normal redevelopment plans
- **validate** technical feasibility, product quality implications, aesthetic considerations, and cost impacts during product development projects.

6.2 Data quality and supplier engagement

For ingredient-level biodegradability, Rituals is implementing a new Product Lifecycle Management (PLM) system. Current priorities are to:

- improve the completeness and accuracy of biodegradability data through structured supplier data collection;
- where supplier data is unavailable, ingredients which currently show 'no data' will be matched with OECD test results publicly available from the European Chemical Agency database, where available, to further increase data completeness.



- Communicate to Tier 1 suppliers to educate and inform relevant stakeholders on biodegradability targets, scope and requirements.
- Provide written communication to suppliers via ‘The Root’ – a supplier facing Sharepoint page designed to inform suppliers on general sustainability and other product requirements.

6.3 Product development and sourcing

Current priorities are to:

- embed biodegradability requirements in new product development processes; by integrating them into company blacklists and briefing documents, providing internal training on biodegradability targets to product managers and sourcing teams, providing information and training to external suppliers to communicate our requirements.
- evaluate increased biodegradability opportunities during product redevelopment for all in scope products
- monitor market developments in ingredient technology, availability, capacity, and technical maturity across cosmetic ingredients, informed by suppliers, conferences and industry-related literature.

6.4 Systems enablement

Existing processes and systems, including Product Lifecycle Management (PLM) system, support implementation of the plan through data collection, monitoring, reporting and identification of biodegradable ingredients opportunities:

PLCM / NPD process

This workstream supports improved project execution, clearer responsibilities, and better delivery of product and data outputs.

Product Lifecycle Management (PLM) system

This system supports documentation management, supplier interaction, product data capture, claim control, and compliance related information.

6.5 Key factors for implementation

The delivery of these actions depends on supplier engagement, availability of alternative materials, technical feasibility, product quality requirements, cost implications, and regulatory developments.

These factors represent the key dependencies and constraints associated with implementation of this plan. Supplier engagement, availability of suitable ingredients, technical feasibility and regulatory developments may influence the timing, scale and effectiveness of implementation activities.

Some of these factors are outside the Company's direct control. As a result, the timing, scale, and impact of individual actions may vary over time. Nevertheless, these factors remain important in assessing the feasibility and effectiveness of the implementation plan.

7 Indicative timeline

The actions described in this plan are at different stages of maturity. Please note, since the biodegradability target was set in Q2 2026 we cannot implement any measurable changes to products procurement before 2028. This is due to a standard product lifecycle management process of 106 weeks.

Current expected implementation includes:



2026:

- increase data completeness; using new supplier engagement activities and data collection actions and through manual mapping of ingredients to ECHA databases
- update implementation documents including product briefing documents and blacklists
- structure key initiatives towards completion of biodegradability targets
- Identify potential materials which can be assessed for feasibility and suitability to act as alternatives to current non-biodegradable or low-biodegradable ingredients.

2026–2027:

- roll-out implementation plan towards product development projects to ensure closing of gaps
- identify and initiate (when feasible) technical projects to overcome technical challenges towards progress of biodegradability targets

2028:

- scheduled launch of formulations of two key product types with high product procurement volume share. Formulation has been briefed to meet biodegradability targets – feasibility currently under assessment.

2029–2035:

- continue portfolio conversion, monitor progress against targets, and refine implementation based on technical, commercial, and regulatory developments.
- recalibrate targets when required, monitor developments in biodegradability, microplastic and other relevant regulation for any implications on target feasibility, applicability or ambition level.

8 Tracking and reporting

The Company aims to measure and report biodegradability annually using portfolio-level calculations based on formula compositions, ingredient classifications, supplier declarations, and procurement volumes.

Internally, performance will be monitored periodically with key moments expected to include during briefing of new, or reformulation of existing, rinse off products and ahead of annual year plan creation.

The Company's baseline development and ongoing data improvement activities have highlighted the importance of data quality, supplier documentation, and consistent reporting methodologies. In line with good practice, the Company may update historical baseline values, methodologies, assumptions, and reporting approaches where justified by improved data availability, methodological developments, or regulatory requirement.

9 Governance and review

This implementation plan prioritizes actions that are expected to have the greatest impact on improving the biodegradability performance of the Company's product portfolio and is supported through existing governance processes.

Progress against this plan is reviewed annually as part of broader business planning and sustainability governance. Progress against the implementation plan is reviewed through existing project, portfolio and governance meetings, including new product meetings, Executive Committee meetings and ESG Steering Committee meetings.

The plan may be updated to reflect:

- regulatory developments,



- implementation progress,
- supplier readiness,
- technical constraints,
- improved data quality,
- and changes in portfolio composition

Moreover, the implementation plan was developed based on lessons learned from the Product Data Program (PDP), ongoing formulation development projects and supplier engagement activities. The proposed actions were designed to be implemented through existing business processes, governance structures and team responsibilities. Implementation of the actions described in this plan is primarily coordinated by R&D Ingredients, in collaboration with the Impact team.

No formal resource assessment was performed specifically for development of this implementation plan. The actions described are embedded within existing business processes, teams and governance structures. No formal escalation thresholds or documented escalation procedures have been defined specifically for this implementation plan. Implementation challenges or delays are discussed through the existing governance structure and may lead to reprioritisation of activities, adjustment of timelines or review of support needs. Factors such as supplier engagement, data availability, technical feasibility and integration into existing business processes may affect implementation progress and achievement of the targets.

Reporting and oversight are embedded in this framework through quarterly updates to the Executive Committee and ESG Steering Committee. The plan will be reviewed annually with the relevant stakeholders to ensure it reflects the latest information on our initiatives.

While certain financial figures are commercially sensitive and therefore not publicly disclosed, the investments and financial resources required for the reduction actions are discussed with the relevant members of the Executive Committee. Where appropriate, further information on resource allocation will be disclosed in future versions of this document.