CARBON FOOTPRINT REDUCTION STRATEGY

JANUARY 2026

POLICY NUMBER: TMG-SEC-009
APPROVAL AUTHORITY: BOARD OF DIRECTORS

THE MAZI GROUP

1. PURPOSE

This Carbon Footprint Reduction Strategy establishes The Mazi Group's commitment to measuring, reducing, and ultimately eliminating greenhouse gas (GHG) emissions across our operations and value chain. As a company with global operations spanning beauty, technology, and consumer products, we recognize our responsibility to address climate change and contribute to a low-carbon economy.

2. SCOPE

This strategy applies to:

- All operations of The Mazi Group and its subsidiaries
- All brands: Mazi Beauty, Glam Switch, On The Go Mists, and Upvendo
- Scope 1, 2, and 3 greenhouse gas emissions
- All facilities, offices, and operational sites
- Supply chain and value chain emissions
- All geographic markets: United States, Canada, European Union, and Latin America

3. CLIMATE COMMITMENT

The Mazi Group commits to:

- Achieving net-zero emissions by 2040
- Setting science-based targets aligned with limiting global warming to 1.5°C
- Transparently reporting our emissions and progress
- Engaging our value chain in climate action
- Supporting the transition to a low-carbon economy

4. EMISSION REDUCTION TARGETS

4.1 Near-Term Targets (by 2030)

- Reduce Scope 1 and 2 emissions by 50% (baseline: 2024)
- Reduce Scope 3 emissions by 30% (baseline: 2024)
- Source 100% renewable electricity for owned operations
- Achieve carbon neutrality for Scope 1 and 2 emissions

4.2 Long-Term Targets (by 2040)

- Achieve net-zero emissions across all scopes
- Reduce absolute emissions by 90% before offsetting
- Eliminate fossil fuel use in owned operations

5. EMISSIONS INVENTORY

5.1 Scope 1: Direct Emissions

Sources include:

- Company-owned vehicles
- On-site fuel combustion (heating, generators)
- Refrigerant leaks

5.2 Scope 2: Indirect Energy Emissions

Sources include:

- Purchased electricity
- Purchased heating and cooling
- Purchased steam

5.3 Scope 3: Value Chain Emissions

Material categories include:

- Purchased goods and services (raw materials, packaging, components)
- Capital goods (equipment, facilities)
- Upstream transportation and distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Downstream transportation and distribution
- Use of sold products (Glam Switch device energy use)
- End-of-life treatment of sold products

6. REDUCTION STRATEGIES

6.1 Energy Efficiency

Facilities

- Conduct energy audits at all facilities
- Implement LED lighting and smart controls
- Upgrade HVAC systems for efficiency
- Improve building insulation and envelope
- Install energy management systems

Operations

- Optimize manufacturing processes for energy efficiency
- Implement equipment maintenance programs
- Use energy-efficient equipment and appliances
- Reduce idle time and standby power consumption

6.2 Renewable Energy

- Procure renewable electricity through PPAs or green tariffs
- Install on-site solar where feasible
- Purchase Renewable Energy Certificates (RECs) for remaining electricity
- Evaluate on-site battery storage
- Prioritize facilities in regions with clean grids

6.3 Transportation and Logistics

- Optimize shipping routes and consolidate shipments
- Shift from air to sea/ground freight where possible
- Partner with carriers committed to decarbonization
- Transition company fleet to electric vehicles
- Implement sustainable last-mile delivery options

6.4 Supply Chain Engagement

- Measure and track supplier emissions

- Set supplier emission reduction expectations
- Prioritize low-carbon suppliers in procurement
- Collaborate with suppliers on reduction initiatives
- Include climate criteria in supplier assessments

6.5 Product Design

- Design products for energy efficiency (Glam Switch, Upvendo)
- Use low-carbon materials where possible
- Reduce product weight and packaging
- Design for durability and longevity
- Enable product repair and refurbishment

6.6 Business Travel

- Prioritize virtual meetings over travel
- Use rail over air for short distances
- Fly economy class (lower per-passenger emissions)
- Consolidate trips and meetings
- Offset unavoidable travel emissions

6.7 Employee Engagement

- Encourage remote work to reduce commuting
- Provide incentives for sustainable commuting (transit, cycling, EVs)
- Educate employees on climate action
- Engage employees in sustainability initiatives

7. CARBON OFFSETTING

7.1 Offset Principles

- Prioritize emission reductions over offsets
- Use offsets only for residual emissions that cannot be reduced
- Purchase high-quality, verified carbon credits
- Prioritize removal-based offsets over avoidance

7.2 Offset Quality Criteria

- Third-party verified (Gold Standard, Verra VCS, or equivalent)
- Additional (would not have occurred without carbon finance)
- Permanent (emissions removed or avoided permanently)
- No double counting
- Positive co-benefits (biodiversity, community development)

7.3 Offset Types

- Nature-based solutions (reforestation, forest conservation)
- Technology-based removal (direct air capture)
- Renewable energy projects in developing regions
- Methane capture and destruction

8. MEASUREMENT AND REPORTING

8.1 GHG Accounting

- Follow GHG Protocol Corporate Standard
- Calculate emissions using appropriate emission factors
- Update inventory annually
- Verify emissions through third-party assurance

8.2 Reporting Frameworks

- Report in accordance with TCFD recommendations
- Disclose through CDP Climate Change questionnaire
- Include climate data in annual sustainability report
- Comply with mandatory reporting requirements (EU CSRD, SEC climate rules)

8.3 Key Performance Indicators

KPI	Unit	Frequency
Total GHG emissions (Scope 1, 2, 3)	tCO2e	Annual

Emissions intensity (per revenue)	tCO2e/$M	Annual
Renewable electricity percentage	%	Quarterly
Energy consumption	MWh	Quarterly
Supplier emissions coverage	%	Annual
Carbon offsets purchased	tCO2e	Annual

9. CLIMATE RISK MANAGEMENT

9.1 Physical Risks

- Assess vulnerability of facilities to extreme weather
- Evaluate supply chain climate risks
- Develop adaptation and resilience plans
- Consider climate in site selection decisions

9.2 Transition Risks

- Monitor regulatory developments (carbon pricing, standards)
- Assess technology transition requirements
- Evaluate market and reputational risks
- Plan for changing consumer preferences

9.3 Climate Opportunities

- Develop low-carbon products and services
- Capture efficiency cost savings
- Access green finance and incentives
- Strengthen brand through climate leadership

10. GOVERNANCE

10.1 Board Oversight

- Board reviews climate strategy and performance

- Climate risks included in enterprise risk management
- Executive compensation linked to climate targets

10.2 Management Responsibility

- Executive sponsor for climate strategy
- Cross-functional climate working group
- Clear accountability for emission reduction initiatives
- Regular progress reporting to leadership

11. STAKEHOLDER ENGAGEMENT

- Communicate climate commitments and progress to stakeholders
- Engage investors on climate strategy
- Collaborate with industry peers on climate initiatives
- Participate in climate coalitions and commitments
- Respond to customer and NGO inquiries on climate

12. RELATED POLICIES

This strategy should be read in conjunction with:

- TMG-SEC-006: Sustainability and Environmental Policy
- TMG-SEC-007: Ethical Sourcing and Supplier Code of Conduct
- TMG-SEC-008: Packaging and Waste Reduction Policy
- TMG-SEC-010: Social Responsibility and Community Engagement Policy
- TMG-SEC-014: Vendor and Supplier Management Policy

13. STRATEGY REVIEW

This strategy shall be:

- Reviewed annually by the Sustainability team and executive leadership
- Updated to reflect science, technology, and regulatory developments
- Approved by the Board of Directors after material changes
- Communicated to all stakeholders

14. DEFINITIONS

- **GHG:** Greenhouse Gas - gases that trap heat in the atmosphere (CO2, CH4, N2O, etc.).
- **Scope 1:** Direct emissions from owned or controlled sources.
- **Scope 2:** Indirect emissions from purchased energy.
- **Scope 3:** All other indirect emissions in the value chain.
- **Net Zero:** Achieving a balance between emissions produced and removed from the atmosphere.
- **Science-Based Targets:** Emission reduction targets aligned with climate science.
- **tCO2e:** Tonnes of carbon dioxide equivalent.

For questions about this strategy, contact:

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