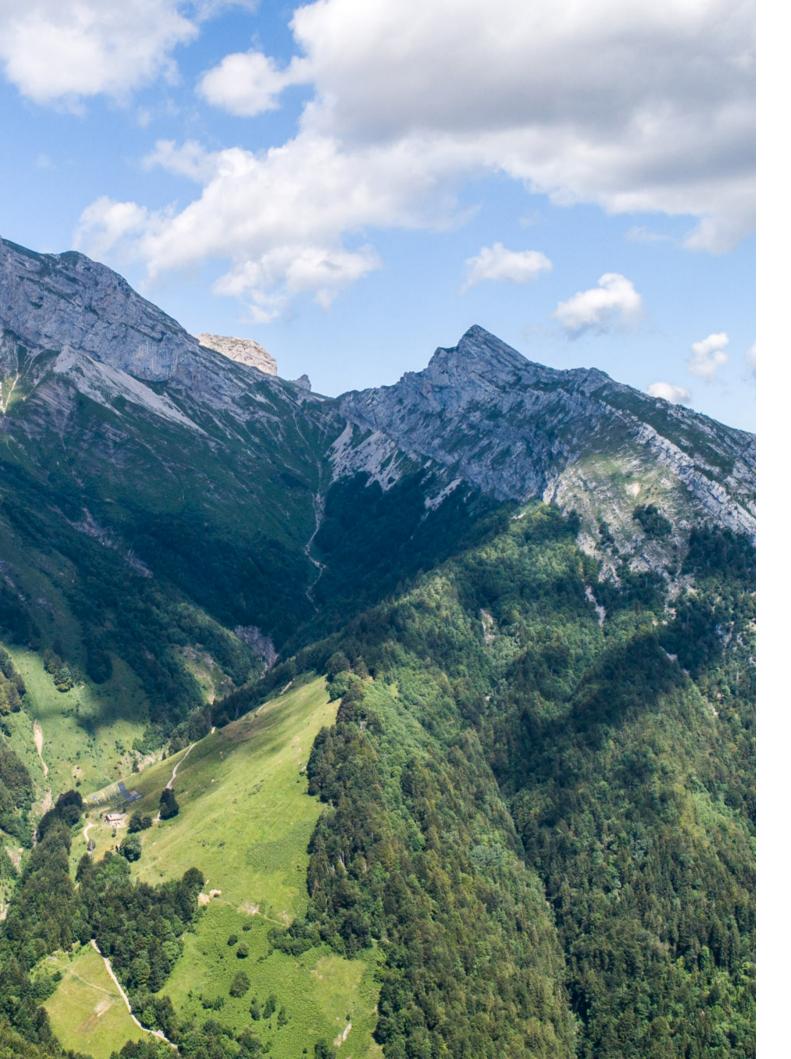
"Making life more beautiful, Passing on a more beautiful planet"

CLARINS ACCELERATES AND INTENSIFIES ITS CSR STRATEGY





Since 1954, listening to women and a love for nature have been the driving force behind our way of doing and being. Today, staying true to these guiding principles, Clarins extends its raison d'être to its entire CSR policy:

"Making life more beautiful, Passing on a more beautiful planet"

Solid commitments and a double promise—"Caring for people, caring for the planet" — give our approach newfound momentum.



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I.

Clarins,
a human company,
naturally responsible
and engaged

Clarins is the story of entrepreneurial passion, born 70 years ago, and passed on as a family legacy. In 1954, Jacques Courtin-Clarins built Clarins around a two-fold conviction: listening to women and a love for nature.

- Women, because they are the reason all of Clarins' products and advice exist.
- Nature, because it inspires our research, stimulates our innovation and offers the plant-based active ingredients essential to each formula developed by the brand.

These principles are still our group's driving force and are passed on from one generation to the next, making Clarins a naturally responsible and engaged company—one steered by a long-term vision. Created by Jacques Courtin-Clarins and headed by his sons Christian and Olivier, Clarins is independent and 100% family-owned. Today, as part of the 3rd generation involved in the business, Virginie heads up its CSR.

Our group's corporate vision has always been thought out in close collaboration with its employees, clients, our society and planet.

"For Clarins, beauty is meaningless without humanity, generosity and openness to others".

Jacques Courtin-Clarins, founder of Clarins



Clarins, a human company, naturally responsible and engaged



CSR mission, double promise and commitments

This intrinsic logic of sustainable development is today embodied by an ambitious CSR approach that covers all of the group's activities.

- A raison d'être that extends across the entire CSR mission: "Making life more beautiful, passing on a more beautiful planet."
- A CSR promise centered around two key elements "Caring for people, caring for the planet" each supported by 4 pillars of action.
- CSR commitments, that keep our approach rooted in fact and set up the markers that keep each action's progress in check.

 \rightarrow 2020: Clarins becomes carbon neutral \rightarrow 2025: Clarins accelerates and commits

Amongst our commitments for the future:

100% OF PACKAGING RECYCLABLE \longrightarrow 2025 INGREDIENTS: \longrightarrow 2025

- 100% sustainable sourcing
- 80% organic plant extracts
- Optimized traceability
- Reinforced fair trade programmes

PLASTIC NEUTRALITY — 2025

B CORP CERTIFICATION — 2023

Clarins, a human company, naturally responsible and engaged

Questions to...



Virginie Courtin-Clarins, deputy ceo, head of CSR

What's behind this new CSR approach?

It's time we took the next step in our CSR approach. For a long time, we have been doing it so naturally that we hardly talked about it, if at all.

And it's not about wanting to promote ourselves today. We simply want to remind people that Clarins has always met societal challenges with determination and hard work. This well-known logic of continual progress has been ours since our birth. To go even further, we needed to look at our policy from a new perspective and in so doing, we knew we wanted to extend our company's raison d'être to its CSR mission: "making life more beautiful, passing on a more beautiful planet".

Isn't that extremely ambitious?

"Clarins makes life more beautiful" has been our brand signature for many years. It's fitting because it signifies that for Clarins, beauty is above all a source of generosity, well-being and self-confidence. That's what we want to give to our clients and to the society we live in.

We have added the idea of "Passing on a more beautiful planet". The meaning we wish to convey is that it's not enough to simply correct or reduce our impact. We have to be more ambitious and proactive in order to hand future generations a more beautiful world. It's a very noble goal, an ambition and ideal that pushes us to move forward, to progress, to do more and to enjoy doing so.

People and the planet are the two main strands of this CSR approach. Why is that?

We are an independent, family-owned company, founded by my grandfather and headed by my father and uncle today. This ensures long-lasting values and long-term vision, within our family of course but also amongst our employees for whom the Clarins culture is very strong.



At Clarins, everything is about transmission. The transmission of a business model, transmission amongst our clients, who, from mother to daughter, honour us with their trust, and the transmission of a more beautiful planet to future generations. Because all of our products are dependent on plants, we are conscious of how much we owe to mankind and to nature. We have always known that we have a responsibility to protecting and taking care of them. This is the inspiration behind our CSR promise: 'caring for people, caring for the planet.'

II.



Clarins, caring for people

Caring for people means listening closely to and building solid relations with all who come into contact with Clarins: employees, clients — women and men — and the society we're a part of.



1. Accompany and transmit knowledge: EMPLOYEES, the no. 1 asset of the Clarins model



"Making life more beautiful" is addressed firstly to Clarins employees. An HR policy and hands-on management that aim to be exemplary, not just in terms of employee fulfilment, remuneration, social advantages, training and mobility but also in terms of parity and equity. For each of these subjects, clear policies are put into place and these continue to evolve according to the needs of employees and the company.

Listening is central to this HR policy that brings together performance, compassion and well-being at work: the latest internal employee satisfaction survey *Your Say* shows that 96% of Clarins employees support the company's values. They all share in a collective quest for the generosity and perfection that make Clarins Clarins: do more, do better and enjoy doing so.

Today, as in the past, employees are the no.1 asset of the Clarins model and they're also its first ambassadors.



By 2022

100% of employees to complete at least one training course every 2 years

100% of employees to undergo training in subjects relating to diversity, equity and inclusion

B Corp certification 2023

Obtaining international B Corp* certification by 2023 is part of this logic of loyalty and shared commitment between Clarins and its employees.

*B Corp: founded in 2006 in the USA, a body that brings together companies wishing to affirm or reaffirm their societal mission and demonstrate their positive impact via global performance assessment every 3 years.

2. Understand and encourage: listening and dialogue with STAKEHOLDERS



Listening to clients is one of Clarins' oldest principles. From the moment it was launched in 1954, the brand developed a system of "client cards" where each client was invited to share her remarks and expectations.

This system has endured and is even more present today: in Clarins spas and boutiques, the beauticians and beauty advisors are there to listen and guide, helping women to feel good about themselves and confident in their skin. And it logically extends to online advice, brochures, books and most recently, podcasts.

The quality of its relationships is key in making Clarins the renowned brand it is all over the world. This quality is carried through, across generations of clients, and offers Clarins a unique resource — that of trust. This trust is a source of pride for Clarins and something the company remains especially grateful for.





An ongoing dialogue with all stakeholders.

Clarins is responsible for setting up Cube, a collaborative pole for innovation that brings together suppliers from different sectors. The group is also behind a Buyers morning that brings together suppliers with the aim of becoming their "favourite client!"

The company also organizes meeting with all of the associations and managers of the projects its supports and meets regularly with its clients in the scope of its CRM initiatives. By 2021, Clarins commits to the customer satisfaction of all its clients through the NPS* follow up on our Clarins.com sites and in boutiques.

*Net Promoter Score

3. Create and build confidence: the QUALITY of research and the SAFETY of formulas



Caring for people is also and above all caring for the men and women who trust in the brand's products. According to Clarins, a good product is one that meets a client's expectations, in terms of both effectiveness and safety.

Effectiveness relies on the innovation and research of the laboratory in Pontoise.

Both innovation and research prioritize active ingredients from plants. At Clarins, more than 80% of active ingredients are of natural origin. The remaining 19% are made from synthetic ingredients that are strictly necessary for product effectiveness. Clarins' policy is clear: only use them when required, when nature and plants offer no alternative.





Safety is a requirement for trust, transparency and traceability.

During its development, each formula undergoes more than 250 controls, and all of its ingredients are selected in compliance with the regulations in all the countries in which the products are distributed. Traceability and transparency are essential: Clarins makes the composition of its products publicly available and explains the function of the ingredients that make it up. The company is also working to ensure 100% sustainable sourcing over the next 5 years, in conformity with the principles established in 2020 in its Sustainable Sourcing charter.

9 scientific publications by Clarins Laboratories in 2019

Quality and effectiveness that are Made In France

The trust placed in a Clarins product also comes from the fact that each skin care formula is created and developed in France, in the group's landmark laboratories in Pontoise. From research to formulation to production, Clarins controls each step in the process of fabrication.

4. Support and share: ACTIONS for a MORE JUST AND UNIFIED SOCIETY



Clarins puts the conviction of founder Jacques Courtin-Clarins into practice everyday. "For Clarins, beauty is meaningless without humanity, generosity and openness to others". The company finances and directs actions in support of those who need it and in many cases, over the course of several years. Rather than stopping there, it plans to accelerate the financial support for these projects in the upcoming years.

FAIR TRADE

For many years, Clarins has been engaged in supporting sustainable agriculture, that protects both man and nature. The company has partnered with 11 fair trade supply chains in countries with a low HDI*: five in Madagascar, four in Burkina Faso and two in India.

These actions, from promoting sustainable growing methods, paying a fair price and on a broader level, to initiating social programmes in support of local populations, have had a positive impact: in 2019, the total amount of sustainable premiums paid to farmers and pickers increased by 47%.

*HDI: Human Development Index





ARTHRITIS Recherche & Rhumatismes

HEALTH CARE

Launched in 1989 by Jacques Courtin-Clarins under the name ARP (Association for Polyarthritis Research), the *Fondation Arthritis* finances research and support programmes for people suffering from rheumatoid polyarthritis, rheumatism and musculoskeletal disorders. More than 18 million euros have been contributed, supporting 614 funding initiatives dedicated to studies, joint projects and subventions.

fondation-arthritis.org

In addition to this, Clarins also supports other programmes aimed at improving health, such as *Etincelle* and *Look good feel better* that accompanies women with cancer.

etincelle.asso.fr lookgoodfeelbetter.org



CHILDREN

By taking action to support children, Clarins chooses to protect and accompany the future.

Child-focused initiatives supported by Clarins:

■ The Feed programme, founded in 1997 by Lauren Bush Lauren. Together with Feed, Clarins participates in school lunch programmes. Today, more than 30 million meals have been distributed in 40 countries.





• Futur en herbe, aimed at building children's awareness around respecting the planet and offering them the best possible conditions in which to build their future (France).

futurenherbe.fr

Child-focused initiatives started by Clarins:

■ Le Prix Clarins pour l'Enfance, provides ongoing support to associations that take action to help children.

clarins.fr/prix-clarins-2019

■ Le Mois des Câlins, brings comfort to hospitalized children in Canada. clarins.ca/fr/beaute-responsable-responsabilite-sociale/le-mois-des-calins.html





Le Prix Clarins pour l'Enfance (The Prix Clarins Award)

Initially known as the *Dynamic Woman Prize*, the Prix Clarins has been taking place in France and 14 other countries for 23 years. Each year, it awards an inspirational woman engaged in giving children a helping hand. Today, Clarins accompanies and finances the actions of 15 associations. That's almost 5 million euros contributed and 50,000 children supported in France.



Questions to...



Olivier Courtin-Clarins,
Clarins managing director,
president of the Fondation Arthritis



How did your training as a doctor lead you to develop a new approach to cosmetics?

Well-being is a number of things. It's taking care of your health, by eating healthily, but also of your appearance. That's where cosmetics come in. Paying attention to your appearance can be very important in developing self-confidence. Staying hydrated, make-up and professional spa treatments also contribute to this. They make us feel good, physically and mentally.

What unites Clarins and the Fondation Arthritis?

At Clarins, one thing never changes or loses its luster: our values of respect, daring, performance and permanence. This is where I'd like to take the Fondation Arthritis. We are modernizing our notion of research and how it is organized but also the way we raise money. The Fondation Arthritis is the only foundation entirely dedicated to rheumatism research in France. Our initiative is going to celebrate its 30th soon! I hope to be able to write, on our 50th birthday, "Thanks to you, we've found a solution for everyone. To our great delight, the foundation will cease its activity!"

III.

Clarins, caring for the planet

Making life for beautiful also means passing on a more beautiful planet. It's not just about preserving resources and limiting the impact on ecosystems. It's also about voluntarily doing everything possible to transform the world and give back the beauty that certain human activities have altered.

At Clarins, this ideal is the driving force behind the actions taken by the group to pass on to future generations the most beautiful planet possible.





1. Take action and preserve: controlling the ENVIRONMENTAL IMPACT



Caring for the planet means above all reducing the environmental impact of the group's activities in France and in the world.

In 2020, Clarins became carbon neutral, thanks to carbon offsetting programmes. The group is committed to maintaining this neutrality in the coming years, while at the same time, lowering its global carbon footprint by 30% by 2025.

Today, our overall energy consumption is diminishing even as our activity increases, and in France, 100% of this consumption is based on renewable energy. On a broader level, a voluntary policy to reduce green house gases and optimize natural resources has been mandated by Clarins headquarters and rolled out in each of the group's subsidiaries around the world. And with this policy, a new environmental scoring system for the brand's retail sites.

Environmental indicators	2016	2019
Total energy consumption —	38 142 MWh —	35 728 MWh
Share of green energy —————	34%	70%
Recyclable packaging —————	62%	65%

activity for the planet. At Clarins, all our buyers are trained with this idea in mind. Since 2013, the group has also put into place a charter compelling all suppliers to respect the fundamental criteria for human development and protection of the planet. And in order to speed up the transformation of the beauty sector, Clarins is a founding member of the *Responsible Beauty Initiative*, created in 2017 with L'Oréal, the Rocher group and Coty. It's the first alliance of its kind in the cosmetics sector and creates a space for sharing the CSR evaluations of suppliers as well as best practices

amongst market players.

Responsible buying is the second key mechanism to enable responsible

Evaluating the responsibility of all suppliers thanks to Ecovadis

In order to make them part of its responsible approach, Clarins has been evaluating its suppliers using Ecovadis since 2016. By the end of 2019, more than 90% of Clarins' main suppliers had been evaluated. By 2025, 100% will have been, with a minimum score required.

2. Choose and respect: PLANTS AND INGREDIENTS



Bio-inspiration and green chemistry. These two words signify that plants inspire Clarins' research and that they're the number one raw material in each formula developed by Clarins Laboratories. 81% of these active ingredients are thus of natural origin and are catalogued in a herbarium or plant library that today contains 208 plants. 85 (40%) of these are organic and 80% of them should be by 2025 thanks to the creation of two new programmes.









Clarins is also committed to sun care and rinse-off formulas that are completely biodegradable. This objective is set for 2025 and implies total control over the production of the plant active ingredients necessary to each Clarins product. The creation of the Domaine Clarins in the Alps in 2016 is an integral part of this logic of sustainable agriculture, vertical sourcing and short-circuit production. The number of organic plants from the Domaine and Clarins Farms should thus double by 2025.



The Domaine Clarins
An open-air laboratory and exceptional source
of organic raw materials

The Domaine Clarins, nestled high up in the French Alps, is a true reflection of the brand's philosophy: the production of exceptional ingredients with utmost respect for nature.

At an altitude of 1400 metres, 10 hectares are dedicated to observing and growing plants. From permaculture to traditional farming methods, natural inputs and horse-drawn ploughs, the Domaine Clarins does everything to ensure a production system adapted to nature's cycles and seasons.

On the research side, since 2019, 14 plant species are currently being developed, with in total, 865 samples studied. On the production side, 4 species already supply Clarins products with their active ingredients. Each year, more and more of these plants will be used in Clarins formulas.

3. Design and produce sustainably: THE CIRCULAR ECONOMY



Adjusting outer cartons, reducing packaging, choosing materials from renewable sources, incorporating recycled material and creating a new refill system in boutiques — Clarins packaging is the subject of ongoing research aimed at reducing its environmental footprint to a strict minimum.





Today, glass and recycled cardboard make up 63% of Clarins packaging. 100% of the outer cartons are made from FSC paper from sustainably-managed forests. And 90% of the glass packaging contains a minimum of 25% recycled glass. By 2025, 100% of the skin care catalogue will be recyclable and 50% will be designed using recycled materials.

Today, 100% of the waste from the Clarins industrial sites is recovered.

Gifts-with-purchase, gift sets and beauty kits: Clarins is fully committed to reducing and optimizing the use of plastic.

- More than 670,000 recycled plastic bottles used in gift pouches made from recycled PET in 2019
- A saving of 13 tons of plastic waste in 2020
- Objective: zero plastic packing in 2021 through the elimination of polybags

In 2021, Clarins is going to launch its first solid shampoo without any plastic packaging.



100% of the skin care catalogue to be recyclable, 50% of the catalogue produced using recycled material Objective 2025

Plastic neutrality
Objective 2025

Evaluate to improve: the Clarins Pack score and Green Score

To keep doing more, Clarins has developed a dual tool that evaluates the environmental, social and health impact of its products: the *Green Score* for formulas and the *Pack Score* for packaging.

Based on a multi-criteria approach, each score measures the performance of a formula or product packaging respectively and indicates whether they are viable or not for commercialization.

By 2025, all products will have been scored, with the aim of improving both the formula and packaging scores by 10%.

To go further still, Clarins commits to achieving plastic neutrality by 2025. This ambitious goal is founded in a principle similar to that of carbon neutrality. For the group, it means putting in place new recycling and offset programmes, together with a 30% reduction in plastic usage.

Clarins was the first cosmetics brand in France to prohibit the use of plastic bags in 1999.

4. Protect and progress: protecting NATURE and preserving BIODIVERSITY



As Clarins sees it, passing on a more beautiful planet also means going beyond the scope of one's activity, working to steadfastly support the actions that do good for the planet.



That's why for many years, Clarins has worked to protect natural ecosystems, starting with a landmark project, born in the nineties to protect the Alpine mountain range that is so precious to Clarins — the project *Alp Action*, now continued as Asters. Over the last 15 years, the group's commitment to this project has allowed for 5 preservation programmes and the protection of around 100 endangered species, in partnership with the *Asters Conservatoire d'Espaces Naturels de Haute-Savoie (Conservatory of Natural Areas in Haute-Savoie)*. Since then, Clarins has become involved in several other programmes, like with ethnobotanist Jean-Pierre Nicolas, and of course *Plastic Odyssey* which fights against plastic pollution and shares solutions for recovering and recycling it.

cen-haute-savoie.o plasticodyssey.org



Questions to...



Christian Courtin-Clarins, president of the supervisory board, Clarins



What makes Clarins a "special" company in its relationship with society and the environment?

The thing that brings the men and women of the Clarins group together, besides a passion for all aspects of beauty, is the desire to be involved in something bigger than our work. It's the conviction that together, we have to take care of the planet and improve the lives of current and future generations. Deep down, we've always had this desire to "make life more beautiful and pass on a more beautiful planet".

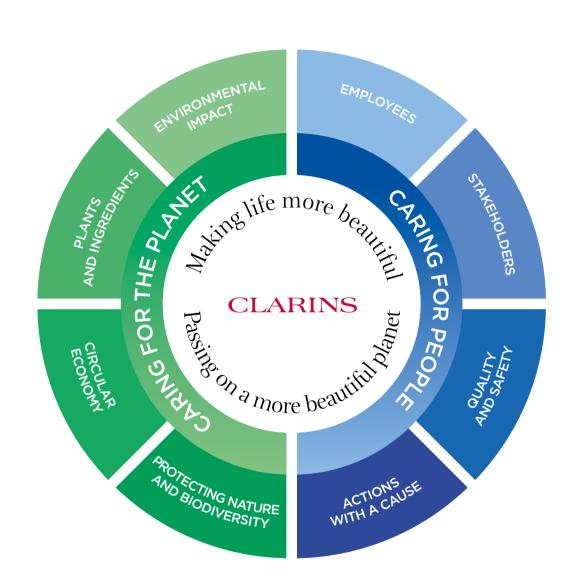
Where does it come from?

The quality of our ingredients determines the quality of our skin care and products. Today, more than 80% of the Clarins ingredients are plant-based. When you work so closely with plants, you have to love and protect them and respect those who grow them. Nature doesn't need us. In fact, it's quite the opposite: we need it! It is therefore clear that a company like ours has to invest in preserving biodiversity. Whether its organic farming, fair trade, the Domaine Clarins in the Alps or the Seeds of Beauty programme, each action demonstrates our profound involvement in protecting the environment and striving for the most beautiful planet possible. And we've been honouring this commitment for a very long time now.

IV.

Clarins takes action and commits

Beyond the convictions and actions that embody it, Clarins commits to doing more. The group has established a road map that sets up a series of quantitative, time-based commitments for each of the pillars associated with its two CSR strands,



Clarins takes action and commits

RESPONSIBLE BUYING

100% of our suppliers evaluated, with a minimum score required

Objective \rightarrow 2025

NEW ENVIRONMENTAL SCORE FOR OUR RETAIL SITES

 $\textbf{Objective} \rightarrow \textbf{2025}$

CARBON FOOTPRINT

A reduction of 30% in carbon emissions

 ${\sf Objective} \rightarrow {\sf 2025}$

SUSTAINABLE BUYING

Commitments with the organisations and major players in the cosmetics industry (Responsible Beauty Initiative, Responsible Mica Initiative, Action for Sustainable Derivatives)

OBTAIN B-CORP CERTIFICATION

Objective \rightarrow 2023

TRAINING

100% of employees to complete at least one training course every 2 years

Objective \rightarrow 2022

GENDER EQUALITY

Index France 2020: 93/100

Objective \rightarrow 2022: at least 95/100

VERTICAL APPROACH

Multiply by 2 the number of plants grown in the Domaine Clarins and Clarins farms

Objective \rightarrow 2022

SUSTAINABLE SOURCING

80% of ingredients to be organically cultivated

Objective ightarrow 2025

BIODEGRADABILITY

100% of sun care and rinse-off products

Objective ightarrow 2025

CLIENT SATISFACTION (NPS)

100% of purchases (clarins.com and Clarins boutiques) monitored by NPS

Objective ightarrow 2021

DIALOGUE WITH STAKEHOLDERS

Roundtables and satisfaction surveys with stakeholders

 $Objective \mathop{\rightarrow} 2022$

ECO-DESIGNED PRODUCTS

- 100% of the skin care catalogue to be recyclable
- Products must include 35% recycled material
- 50% of the catalogue produced using recycled material
- Pack score: score improved by 10%
- Green score: all formulas to be rated and score to be improved by 10%

 $Objective \mathop{\rightarrow} 2025$

ECO-DESIGNED PROMOTIONAL ARTICLES

All GWP (Gifts With Purchase) to be responsible: recycled material to be used, reduced consumption of resources, reduced plastic usage

Objective \rightarrow 2025

PLASTIC NEUTRALITY

Objective \rightarrow 2025

DESTRUCTIONS

Less than 2% of our turnover

 $Objective \mathop{\rightarrow} 2025$

NEW REFILL SYSTEM IN BOUTIQUES

Objective \rightarrow 2021

ONGOING INNOVATION

25% of the formulas in the Clarins catalogue improved each year9 scientific publications in 2019

SOURCING AND TRACEABILITY

Sustainable sourcing charter, providing for the tracing by country of all ingredients Fair trade programmes when necessary

Objective 2025 \rightarrow 100% of our ingredients

SUPPORT FOR PROJETS TO BE MAINTAINED AND STRENGTHENED

- Protection of natural ecosystems (Plastic Odyssey, Alp Action)
- Recycling programme in our boutiques
- Reforestation and agroecology (Seeds of Beauty)

Objective \rightarrow 2021/2022

THEPLANK

AND BIODIVERSITY

œ

TAKE ACTION FOR HEALTH AND CHILDREN

FOR

PEOD

ACTIONS WITH A CAUSE

Reinforce funding for support programmes for women and healthcare Develop more products with a cause

 $Objective \mathop{\rightarrow} 2022$

36

CLARINS

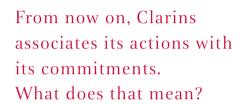
Questions to...



Jonathan Zrihen, president of the Clarins group

At Clarins, company raison d'être and CSR mission are one and the same. Why is that?

Simply because Clarins associates, and has always associated, economic development with human development and the protection of nature. The two go hand in hand. We sincerely believe in a bigger role for beauty: the beauty of the human body, personal beauty, the beauty of relationships and of the planet. It's all part of the human adventure.



Commitments give us perspective. They set the objectives we want to achieve and guide the actions that we've already put in place or which we're going to put into motion. They therefore demand outcomes, not only for our CSR, but for our company's entire strategy.

This is a very important point. Many of our CSR commitments mean adjusting our ways of making and marketing our products. CSR doesn't run parallel to our activity but lives symbiotically with it. And we implement it with the same high-quality standards that we require for the effectiveness, safety and sensoriality of our products.





Press contact

