



CLARINS

WE CARE 

CSR POSITIONING, ACTIONS AND COMMITMENTS

*Clarins faces today's major social  
and environmental challenges*

2021 EDITION



*“Businesses  
must act to build  
a better future.”*

This has always been one of Clarins’ convictions, since my grandfather Jacques Courtin-Clarins founded the company in 1954. Together with my father Christian, he taught us very early on that success would be intrinsically linked firstly, to our love of nature, since nature is the source of the raw materials we use in our products and, secondly, to our ability to listen to women, who are the very reason we exist.

Looking at these two requirements in the broader context of our planet and society, we see that they intersect with the main challenges we are facing today: climate change, the overexploitation of resources, unequal development across populations as well as an increase in demands from consumers, mobilization for a more diverse and inclusive society, and the expectation that through their jobs, employees gain a sense of meaning from the companies they work for.

To meet these challenges, Clarins has a responsibility to go even further and set the best possible example.

Our concern for people and the planet has always been an intricate part of who we are and what sets us apart. This doesn’t mean that we don’t fall short of our goals. We do believe, however, that these shortfalls can make us more fully aware of the role we play in improving societal issues, driving us to make ongoing improvements and pushing us to constantly do more. For our clients, our society, our planet and for the fragile ecosystem that links us all.

*Virginie Courtin-Clarins,*  
Deputy CEO, Head of CSR





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# I.

Clarins faces today's major social and environmental challenges



# 1

## RAISON D'ÊTRE AND SOCIAL RESPONSIBILITY. The future of business starts here

When it comes to corporate strategy, sustainable development and CSR can no longer be viewed as optional subjects, afterthoughts, or wishful thinking.

Developed in the context of the current environmental and societal challenges we are facing, new organizational concepts and governing practices have an active role in fighting for a strategy that combines economic performance with societal and climate considerations: corporate purpose, extra-financial performance, ESG (Environmental, Social and Corporate Governance), raison d'être...

The last one, 'raison d'être', stands out as an essential principle of corporate governance: by widening the corporate mission and taking it beyond the dimension of financial performance, it offers a framework which mobilizes employees, clients and all other stakeholders.

Clarins has taken these requirements into consideration from the very beginning: our corporate model, our family-run governance, and our raison d'être, all of which help keep our business activities in perspective, for ourselves and for the entire ecosystem in which our company operates.

### ASSUMING OUR SOCIAL RESPONSIBILITY

#### FAMILY GOVERNANCE IS A LONG-TERM VISION

**Clarins is a 100% family-run business.** Christian and Olivier Courtin-Clarins, the sons of company founder Jacques Courtin, run Clarins today. Over the last few years, they have been joined by the third generation of the Courtin-Clarins family: Virginie is deputy CEO and Prisca heads the investment structure of the family's holding company.

100% family run, **Clarins governance is also 100% independent;** all capital is held by the Courtin-Clarins family. This independence is a token of a longevity to a business model that favours long-term investment instead of short-term profits, and, protecting the planet rather than the immediate exploitation of resources.

*“Clarins favours plant-based ingredients with respect for nature and beauty.”*

Jacques Courtin



2008

The Courtin-Clarins family reacquires all shares in Clarins to guarantee a long-term investment strategy.

### LISTENING TO WOMEN AND NURTURING A LOVE OF NATURE - THE CLARINS VALUES WE WANT TO PASS ON.

Since Clarins was created in 1954, two underlying principles have remained central to the company's development: *listening to women and a love of nature.*

These principles guide us, always. They are passed on, from one generation to the next and help make Clarins a company that is naturally **responsible, committed and carried by a long-term vision.** Clarins has always developed its corporate vision in close collaboration with its employees, clients, society and the planet.



Olivier Courtin-Clarins,  
Managing Director of  
the Clarins Group

*“Clarins is a family adventure that’s now in its third generation: first my father Jacques, then myself and my brother Christian, and today our children. Our two eldest daughters are passionately invested in passing on the values of independence and respect that are so important to our brand. Values which we are proud of and which are the keys to our success.”*



*“Tomorrow, even more than today, it’s not only a Clarins product that will be bought. Our entire brand will be taken into consideration: our values, our history, loyalty to our raison d’être, our positive impact on society and the planet... We set the bar very high when it comes to exemplary behavior, with regards to what we do and who we are. The role governance plays for Clarins is to ensure the longevity of the company’s way of being.”*



Christian Courtin-Clarins,  
President of  
the Supervisory Board



### “MAKING LIFE MORE BEAUTIFUL, PASSING ON A MORE BEAUTIFUL PLANET.”

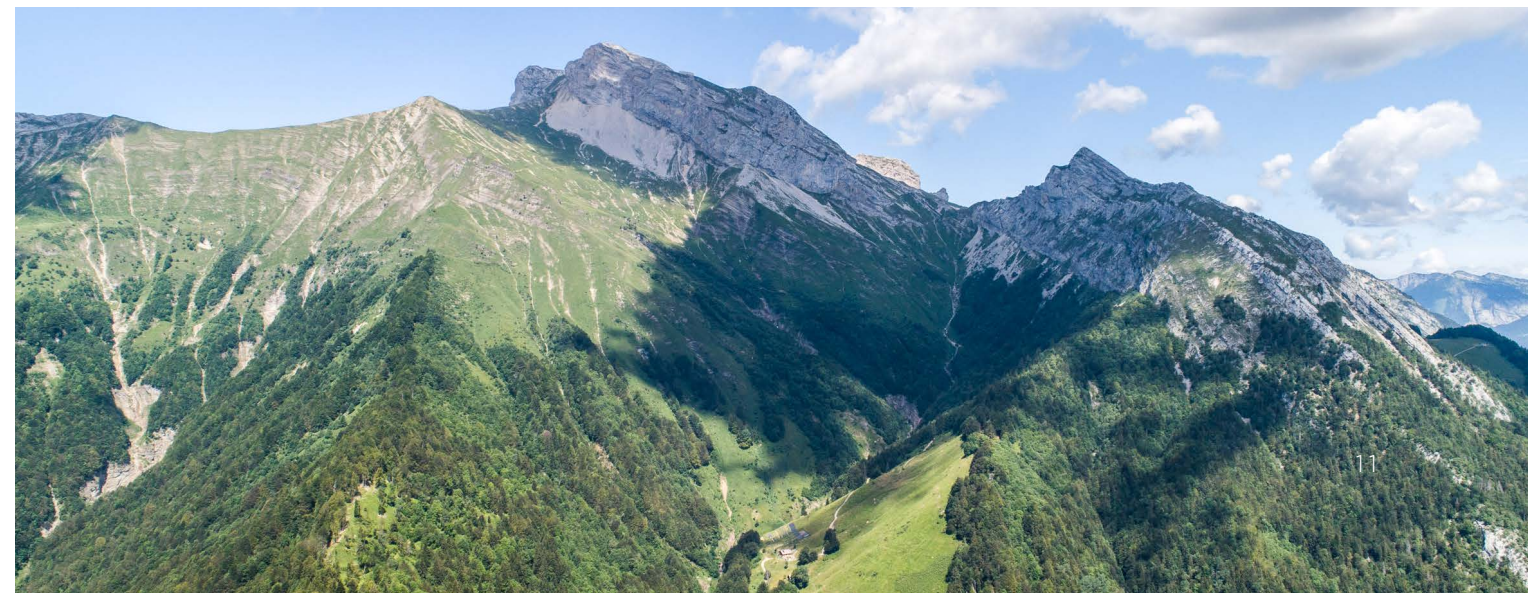
In 2020, Clarins structured its ‘Clarins We Care’ CSR strategy and defined its raison d’être: **“Making life more beautiful, passing on a more beautiful planet”** drives every single decision we make.

- **‘Making life more beautiful’** means that beauty, according to Clarins is, above all, a source of generosity, well-being and self-esteem for women and society overall.
- **‘Passing on a more beautiful planet’** means affirming that it isn’t only about correcting or reducing our impact. We need to act in a voluntary manner to fight inequality, push for equal development and leave a healthier planet to the next generation.

**Clarins decided to include this raison d’être in its articles of association.** It became the compass with which we developed our corporate strategy with: a strategy that engages the company for the next few years and one that guides all our decisions and our actions. A **Responsible Development Committee** ensures that this guidance is strictly complied with. Made up of top leadership across different areas of the company - from senior management, operations, laboratories to brand activities - this committee helps steer the company in a strategic direction and ensure that all the decisions we take are in line with our CSR goals and our raison d’être.

2021

Clarins includes  
its raison d’être  
in its articles of  
association





# 2

## DIVERSITY AND INCLUSION Where financial performance and company kindness are essential

Businesses, like society, are going through profound internal changes.

As brand ambassadors and the first to contribute to performance, employees expect their employers to recognize their efforts, not only through a paycheck, but also through responsibilities and work conditions. Beyond that, a company should enable their employees to find meaning in what they do; it should ensure that individually and collectively, they feel recognized and it does this by staying true to the values it promotes.

At the same time, each economic entity needs to be thinking about diversity in society and should be working to fight any form of discrimination. A company should be open to everyone, regardless of gender, ethnic background, appearance, sexual orientation, beliefs, or disability. This is a challenge for both recruitment and management. This call for diversity coexists with that of inclusion. How, against the backdrop of diversity, do you ensure that everyone's needs for growth, development and well-being - vital to personal and collective success - are being met?

For a company to make progress in these areas, it must anticipate the impact it has on society more effectively and assert the values it holds dear. It should quantify and measure diversity as set out in a regulatory framework. Above all, a company should act across all levels of HR and through managers to encourage all employees to adhere to its project.

## OUR ACTIONS FOR A DIVERSE, INCLUSIVE AND KIND COMPANY CULTURE

### THE COMMITMENT BETWEEN CLARINS AND EMPLOYEES

Employees are the no. 1 assets in Clarins' business model, and also its first representatives. Without minimizing the difficulties that everyone may face, Clarins strives to always do better by placing meaning, listening, and kindness at the heart of its managerial style.

When it comes to subjects like salaries, benefits, training, mobility, parity and equality, we do our best to be exemplary. Listening is at the core of our HR policy and hands-on **management style; a policy that promotes performance, kindness and well-being in the work environment.** According to our 2020 *YourSay* internal survey, **97% of our employees support the brand's values.**



### Equality index Women/Men

France 2019: 93/100  
France 2020: 94/100  
2022 goal: min 95/100

**40%**  
of the members in  
the Executive Committee  
**and 58%**  
of upper management  
are women.

DIVERSITY AND INCLUSION:

Where financial performance and company kindness are essential



CLARINS UNLIMITED

The strategy we have called *Clarins Unlimited* aims to conclude a **new corporate agreement centred around professional equality and quality of life at work**. By 2022, we aim to increase employee awareness on topics related to diversity, equity and inclusion. A training program is being rolled out, first for HR departments, then for managers and employees.

**100%**  
of our employees will receive training on subjects related to diversity, equity and inclusion by the end of 2022

**82%**  
of employees 'feel that they can be themselves at work without worrying about being accepted.'

(in-house survey 2020)

CLARINS IS COMMITTED TO GOING EVEN FURTHER

CERTIFIED B-CORP\* BY 2023

The international B-Corp\* label is particularly demanding and reflects this logic of promoting loyalty and reciprocal engagement between Clarins and its employees. Set for 2023, it recognizes the progress being made by Clarins in terms of management and well-being at work, while also focusing on our environmental impact and positive social actions.

\* B-Corp is a community founded in 2006 in the US that brings together companies who want to affirm their social mission and demonstrate their positive impact through an independent evaluation of their overall performance every three years.



Anne Esling  
Chief People & Culture officer for Clarins

What is your vision of diversity?

Clarins is present in 150 countries and employs 8500 people. That makes for a lot of talent and diversity which we want to highlight as one of our greatest assets. We are convinced of the importance of enabling each person to have the freedom to be themselves, giving them room to grow in a trustworthy, non-judgmental environment and allowing them to fulfil their creative potential.

What are your current and future actions regarding diversity and inclusion?

We are going to increase the initiatives already in place, some of which have been set up our local subsidiaries. These include committees that promote DEI (diversity, equity and

inclusion) that have been established in the US, Canada, South Africa and the UK. In France, employees are being made more aware of disabilities, amongst other topics, thanks to a team from Mission Handicap. A worldwide ethics charter has been in place since 2019 to encourage diversity in all forms and establish a 'Zero Tolerance' policy toward any type of discrimination.

We are also going to develop new, corporate-wide actions through a DEI committee and sponsors within the Comex (executive committee). A DEI charter, along with KPIS (Key Performance Indicators) will be published in 2022. A training schedule, sensitivity sessions and internal/external communication on events linked to diversity will be organized and updated every year.



# 3

## COLLABORATIVE COSMETICS 'Consumer', 'Consumer-actor' and 'consumer-creator'

Consumer, 'consumer-actor' and even 'consumer-creator' represent a huge shift in client behavior. Clients today are more attentive and demanding, but their approach is also more active, thoughtful and responsible. They want co-construction and constant interaction with brands.

Social networks, emerging communities and the weight environmental and social concerns hold are all part of a new era of dialogue and conversation. The relationship between brands and consumers has evolved and become more horizontal, with brands today being challenged, questioned and even called out. Consumers today want to be 'actors' and even 'creators', influencing the choice of ingredients and having their say in product development.

Faced with these changes, economic actors must understand they cannot act alone. Whether it's demanding more transparency from suppliers, getting their distribution networks to evolve or setting new standards, responsibility calls for collaboration. Today more than ever, the progress Clarins is making is the result of a close dialogue with all stakeholders.

**74%**  
of consumers want to be  
connected to brands that are  
involved and that make  
a difference.

Ipsos, United States, March 2020

**81%**  
of consumers are ready to leave  
a brand if it doesn't share client  
values

Havas Shopper Observer, September 2020

## TAKING ACTION FOR COLLABORATIVE COSMETICS



## LISTENING TO WOMEN, A TRADITION CULTIVATED EVERY DAY

Since its beginnings in 1954, Clarins was among the first companies to **take clients' comments** into consideration. The client cards we placed in every product, allowing clients to share their comments or suggestions with the company, made Clarins a pioneer in the field of CRM.

This ability to listen to clients has always been accompanied by our ability to **closely observe womens' needs**. There is no better place than a Clarins Spa or Boutique for hearing directly from women and understanding more about what they are looking for. Today, around **5000 beauty coaches** give advice and support to clients worldwide.

2020

Clarins launches  
'Clarins and me',  
a complimentary online  
beauty coaching service.

**11,000**  
women took part in  
our surveys in 2020

**120,000**  
different verbatims  
from **22 countries** were  
analyzed in 2020

**More than 6000**  
consumers have been  
directly involved in product  
development via tests

## CO-DEVELOP PRODUCTS WITH CLIENTS

The dialogue we maintain with women helps drive product development: before, by understanding the needs and expectations they have about current products and during, with tests measuring their appreciation of new formulas and their place in a skin care routine as well as their use of a product's packaging.

This approach, carried out worldwide, including specific panels for each skin type and skin tone, allows us to **develop products adapted to all women**.

## DEVELOP AND INNOVATE WITH OUR PARTNERS

New product development, besides directly involving women, also involves partnering with **experts** such as dermatologists, neurologists, aromatherapists or ethno-botanists.

Other experts can include **industrial** partners who help co-develop more responsible packaging. 'Mono-material' packaging has recently allowed us to reduce the use of plastic. Airless packaging means we can reduce or leave out preservatives from a formula.



**2021**  
*Clarins develops three new flip-top caps in mono-material, reducing their weight by a third.*

## COLLABORATE FOR A RESPONSIBLE FUTURE

Convinced that by working together, we can meet the social and environmental challenges we are facing, we advocate for a collaborative approach on all transversal subjects in the cosmetics industry.

*Clarins is a founding member of the Responsible Beauty Initiative,* along with L'Oréal, the Rocher Group and Coty, that works to mutualize CSR evaluations and implement best practices.

*Clarins is a member of 'Spice',* a grouping of cosmetic industrials working for sustainable packaging.

*Clarins is the first (cosmetic) partner of the ChangeNow world forum* to identify, share and widen solutions for the planet.

*Clarins initiated 'Cube',* a collaborative innovation pole that brings suppliers together from different sectors.

## CLARINS IS COMMITTED TO GOING EVEN FURTHER

**100% OF PURCHASE (BOUTIQUES AND CLARINS.COM) TO HAVE AN NPS (NET PROMOTER SCORE) BY 2025, WITH A SCORE OF 90/100.**



**Katalin Berenyi**  
Managing Director of the Clarins Brand

### *What do 'collaborative cosmetics' mean for Clarins?*

It's a trendy term, but if it's only being used to summarize listening to the noise of social networks or working on occasion with influencers, it's not enough. Anyone can do that.

At Clarins, we do things our way. We start by listening to and fully understanding women's needs. Our Spas and Boutiques serve as our model, allowing us a first-hand account of the comments, expectations and desires that women talk about with our beauty coaches and beauty therapists. All our ideas, all our products and all our methods come from our experience 'in the field'.

### *What is going to change over the next few years?*

First, there are things that aren't going to change: the variety of our product offer for example. We want to be capable of meeting the needs of all women, worldwide: for each skin type, each part of the body, every moment in their life.

To go further, we are working on a concept called 'mixologie', or how to blend two products together to enhance results. We are also going to optimize the communication channels we have with our clients, through our digital platform of course, but also through an optimized retail connection. We are planning to open more than 200 boutiques by 2025 to be even closer to our clients and their needs.



4

## ‘COSMETHICS’: where cosmetics and ethics meet

For any international economic actor, developing products and services capable of meeting the specific needs of each client, regardless of gender, culture or origin, is a prerequisite.

Acting ethically requires us to go even further.

How do you build positive relationships with the local community in which that your business operates? How do you develop a method that is beneficial to both the company and the employees who work for it, allowing them access to the revenue generated by the reasoned use of resources from their area they live in?

This approach to ethics necessitates taking care of men and women everywhere economic activity occurs. For an international company, fair trade, sustainable agriculture, and support for vulnerable populations are all necessary and expected actions.

## OUR ETHICAL ACTIONS

### RESPONSIBLE SOURCING AND FAIR TRADE

For the last several years, Clarins has supported **sustainable agriculture and fair trade that protects nature as much as it does people**. We support 20 fair trade programs in countries with a low HDI (human development index): Madagascar, India, Burkina Faso and Ivory Coast.

Taking action in these areas implies growing soil-friendly crops, paying a fair price for what is grown and more widely speaking, initiating social programs that help support local populations. These projects are all bearing fruit. In 2019, **the total amount of sustainable bonuses paid to farmers and harvesters increased by 47%**.



20  
fair trade programs  
worldwide



## ACTIONS THAT TAKE CARE OF PEOPLE

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

Loyal to the convictions of Clarins founder Jacques Courtin, Clarins has financed and given its support to several initiatives over the course of many years. **Health care** and **childhood** are the two main strands of this approach.

### *Health care,* with the **Fondation Arthritis**



Launched by Jacques Courtin in 1989, today the foundation is headed by Olivier Courtin-Clarins. The Fondation Arthritis helps finance research projects and offers support for **people affected by rheumatoid polyarthritis, other types of joint disease and muscular-skeletal diseases**. Nearly 20 million euros have been made available through more than 600 funds (scholarships, collaborative projects and grants).

### *Childhood causes,* with programs like **FEED** and the **Prix Clarins** award

In partnership with **FEED**, started by Lauren Bush Lauren in 2007, Clarins has participated in a school lunch program that to date, has distributed more than **34 million meals** in 40 countries.

Originally called the Dynamic Woman Award (Prix Clarins de la Femme Dynamisante), the **'Prix Clarins'** began in 1997 and works to champion childhood causes. Today, it is present in 14 countries. It recognizes the work courageous women are doing to help children. Presently, 15 organizations continue to receive funding from Clarins to continue the work they are doing. Clarins is proud to have donated more than **7 million euros and helped 60,000 children worldwide**.

Among the other actions supported by Clarins: **Futur en Herbe** (France) raises environmental awareness amongst children, teaching them to respect the planet and encouraging them to build their future. **'Le Mois des Câlins'** (Canada) provides support for hospitalized children.



**CLARINS IS COMMITTED  
TO GOING EVEN FURTHER**

**INCREASED SUPPORT FOR FAIR  
TRADE PROGRAMS BY 2025**

**INCREASED FINANCIAL SUPPORT FOR  
CHILDHOOD AND HEALTH CARE-RELATED  
CAUSES UNTIL 2025**



*Lauren Bush Lauren*  
Founder of the FEED\* program

*You launched Feed in 2007. For what purpose, with what means, and for what results today?*

I originally founded FEED in 2007 with the mission "to create good products that help FEED the world". I wanted to create a brand that would give back in a meaningful way to help feed children in need around the world. I am so proud that fourteen years later we have done just that, and been able to donate over 120 million school meals. I also started FEED as a way to raise awareness about the issue of hunger. Each bag we make and sell gives a tangible meal donation to kids and also hopefully serves as a conversation starter about the issue of hunger.

*What role does Clarins play in this program?*

I am very proud of our 10-year partnership with Clarins, which has helped provide more than 34 million school lunches. Clarins is a responsible and philanthropic company that fully commits to our mission of feeding children and helping them build a better future. The worldwide program launched by Clarins with the 'FEED bag' is a particularly innovative and generous way of encouraging clients to help support our school lunch program.

\* FEED est une marque lifestyle à impact positif : chaque produit mis en vente finance un nombre donné de repas scolaires pour lutter contre la faim dans le monde.  
www.feedprojects.com



*Lionel Comole*  
Spokesperson and Managing  
Director of the Fondation Arthritis

*What is Clarins' commitment in the field of health care?*

The Courtin-Clarins family was deeply affected by the disease that Maria-Luisa, Jacques Courtin's wife, suffered from. She had a severe form of rheumatoid polyarthritis that limited her mobility and for which there is no cure. And in a broader context, there wasn't sufficient funding to support rheumatism disease

research. That's why, in 1989, Clarins made a commitment to finance medical research into joint disease. Today, Clarins also takes action to be inclusive of handicapped people, giving them the means to progress and live just like other people, in a handicap-friendly company. That's the role of the Mission Handicap, and of which our employees are fully aware.



5

## Even more 'GREEN BEAUTY'

For the last several years, cosmetic brands are being challenged by consumers. Today's consumer does not hesitate to call out, challenge, or even boycott brands who they judge as not being reliable enough.

These new consumers have a legitimate reason to act and have made a difference. In cosmetics, 'clean' or 'green' movements have drawn attention and have even led to formulation changes, either because scientific advances justify reviewing the use of certain ingredients, or because an ingredient's accepted use is put into question.

For Clarins, 'Clean Beauty' is a necessary movement, whose outcomes have always aligned with what we do: the quality of our ingredients, our absolute requirement for product safety and the ongoing review of our formulas have been part of the Clarins approach since 1954.

'Green Beauty' is of course second nature to us. By making natural ingredients a priority and cultivating an 'open' approach to product formulation, we can justifiably and credibly affirm that what's good for the skin should also be good for the planet. Today, more than ever before, each one of the ingredients used in a product formula is evaluated in terms of its environmental impact.

### OUR ACTIONS FOR EVEN 'CLEANER & GREENER BEAUTY'

#### GREEN CHEMISTRY AND INGREDIENTS OF NATURAL ORIGIN

The science of plants is our trademark. **Clarins has always made plant-based ingredients a priority.** Today, more than 80% of the ingredients we use are of natural origin. The remaining 19% are made up of high quality synthetic ingredients and only used when strictly necessary, meaning, when they help guarantee product safety. They also help save natural resources.

*More than 80%*  
of the ingredients in Clarins  
formulas are from natural origin

#### RESEARCH AND OPEN FORMULAS

'Do more, do better and enjoy doing so.' This principle has guided Clarins from the very beginning and is applied every day in the work carried out in our Laboratories. **The concept of an 'open formula' necessitates that we constantly revisit product formulas to innovate and improve them:** step by step, our group works to perfect ingredients to make them safer, more effective, more sustainable and/or natural. Sensoriality, safety, efficacy and naturality are the four compass points of our R&D efforts.

*100%*  
of our skin care catalogue  
- 90 formulas - were  
reformulated and made  
greener between 2018  
and 2021



## SAFETY IS A PREREQUISITE TO TRUST

Product efficacy and safety have formed the basis of the trust our clients have accorded us for the past 70 years. Over the course of its development, each formula undergoes more than 250 quality controls, and each ingredient is selected following the regulations in place in the countries where the products will be sold. But, we go even further than that. **We have our own 'blacklist' of ingredients that we ourselves have decided not to use due to the questions they elicit from the scientific community and wider society.**



*More than 250* quality control tests are required when developing a single formula

## TRACEABILITY AND TRANSPARENCY

**Product ingredient lists are always available**, either on product packaging or alternatively via a QR code, the Clarins website (Clarins.com), and distributor websites. When it comes to our ingredients of natural origin and their actions, Clarins also makes this information publicly available.

To further reinforce the traceability and safety of data, in 2022, Clarins aims to launch a new **Blockchain**-based system to follow the trajectory of raw materials. Coupled with QR codes found on packaging, this will let clients know, **in a completely transparent manner, where the plants found in the product originate from, the steps the product takes during the manufacturing process and when its production date.**

*2020: Clarins' Responsible Sourcing Charter is published*

*Clarins is a member of the Global Shea Alliance*

for the sustainable production of shea butter

*Clarins is a member of the Roundtable on Sustainable Palm Oil,*

for the sustainable exploitation of palm oil

*Clarins has been a member of the Responsible Mica Initiative since its creation in 2017,*

for the sustainable exploitation of mica

**CLARINS IS COMMITTED TO GOING EVEN FURTHER**

**REINFORCED TRACEABILITY AND 100% SUSTAINABLE SOURCING IN 2025**



*Nathalie Issachar*

Director of Research & Development for the Clarins Group

### *How does Clarins select ingredients?*

Good ingredients make good products. Roughly 80% of the ingredients we use are of natural origin, and sometimes as high as 90% for some product formulas. The ingredients which appear in a Clarins product have strict specifications to guarantee complete traceability and production based on sustainable agriculture that respects people and the planet. It's a group effort: we encourage suppliers to convert to organic practices through a series of measures, and together, they will help us reach our goal of having 80% organically sourced plant-based ingredients by 2025.

### *What makes a Clarins formula different?*

One thing that sets us apart is our desire to always look for ways to improve existing

formulas. All the time. Since 2018, we've been able to reformulate our entire skin care catalogue, around 90 formulas. Our guiding idea is 'do better with less'. 'Better' in terms of efficacy and naturalness since we are looking to replace synthetic ingredients with naturally-based ones. 'Less' because we are looking to reduce the number of ingredients used in a formula and to formulate products using the least amount of energy possible. This means that some formulas are developed at room temperature.

What drive us is the idea that we can always do better. Our Laboratories of course are involved, but they are not alone. We work in close collaboration with a whole series of partners: scientific research centers, biotech start-ups, and universities... When we talk about 'open formulas' at Clarins, this also means open innovation and collaborative research.



# 6

## Don't just preserve. REGENERATE.

For a long time, sustainable development and CSR have focused on reducing our impact, limiting our effects on the environment and preserving current ecosystems.

Today, we enter a new era: it is no longer only about preserving nature but also about regenerating it. We can no longer just protect, now we also have to repair and take positive action to help the planet and society at large.

A company like Clarins must play its role to the fullest in this (r)evolution. With a model founded on using plants to create safe and effective products, our responsibility is obvious. What we take from nature we must give back. And we believe our initiatives in this field can serve as a model for our industry.

## OUR ACTIONS TO REGENERATE THE PLANET



### LE DOMAINE CLARINS, A MODEL FOR REGENERATIVE AGRICULTURE

A new model is emerging today: **regenerative agriculture**. An agricultural practice whose goal is to not only protect the environment but also, ultimately, to improve it.

This is Le Domaine Clarins' number one ambition. Nestled at an altitude of 1400 meters, in the heart of the French Alps, the Domaine is **more than 15 hectares dedicated to observing and growing plants, using old-fashioned growing practices, natural fertilizers, horse-drawn plows...** and doing everything we can to ensure healthy soil and flourishing biodiversity. It's just as much a laboratory as a production site. Le Domaine Clarins now supplies some of the plant extracts and organic ingredients we use in our formulas.

*More than 30*  
plant species harvested  
and analyzed in 2020

*5*  
plants from the  
Domaine are used in  
Clarins products

### ORE CONTRACT FOR THE DOMAINE CLARINS: A WORLD FIRST

Drawing up an ORE contract (obligation réelle environnementale, or real environmental obligation) for Le Domaine Clarins in 2021 is a unique approach. For the first time, a company is dedicating one of its sites to environmental obligations over the long term. In other words, even if Le Domaine Clarins was sold, the requirements linked to its activity would remain in place for the new owner.

In real terms, this means that **Le Domaine Clarins has made a commitment lasting for the next 99 years, which is the maximum amount of time that an ORE allows for.** Besides the existing requirements for production that

is 100% organic, new environmental criteria has been established and will remain in place over several generations and concern the 15 hectares of the Domaine. These include:

- A global research partnership with universities in Savoie and Grenoble-Alpes
- Working with the National Alpine Botanical Conservatory on the phenomenon of erosion
- Research on agro-ecology techniques in mountain areas
- A preservation project for the Lady Slipper orchid, an endangered plant listed on the CITES 'red' list.

## CLARINS FAVOURS THE USE OF ORGANIC PLANTS AND INGREDIENTS

Clarins voluntarily chooses to use organic plants when possible. In France, in Africa, in Asia or South America, we encourage the development of new supply chains and ensure their development anywhere in the world. In 2021, we were able to make 13 conversions to organic sourcing. With the validation of 20 new plants by the end of 2021, **54% of the 210 plants found in our herbarium will be organic.**

54%

of the Clarins Herbarium's 210 plants were organic by the end of 2021

Clarins has been a member of the **UEBT** (Union for Ethical BioTrade) since 2021

## PROTECTING NATURE AND PRESERVING BIODIVERSITY

Passing on a more beautiful world also means going beyond the framework of our activity and working in a resolute manner with other people and organisations to take care of the planet.

Our landmark project was conceived in the 1990s to help protect the Alpine region that Clarins holds so dear. This project, initially called **Alp Action** is today known as **Asters**. Since 2005, the 5 preservation programs that Clarins has put in place have made it possible to protect hundreds of endangered species.

Since then, several other programs have been developed, in particular with **ethnobotanist Jean-Pierre Nicolas** and with **Plastic Odyssey**, a specialized ship that optimizes and recycles plastic waste. A landmark partnership exists with **Pur Projet**, initiated in 2008 by Tristan Lecomte. Since 2012, Clarins has been particularly committed to the **Seeds of Beauty** program that is helping to restore forests worldwide. Other local actions that promote human development and environmental protection are taking place in Asia and in South America currently.

Support for more than 100 organizations and social projects every year

More than a hundred species protected

More than 550,000 trees planted since 2012

Clarins is the leading private sponsor of the French association of professional harvesters of wild plants (AFC)

## CLARINS IS COMMITTED TO GOING EVEN FURTHER

ALL OUR SUN PRODUCTS AND RINSE-OFF PRODUCT FORMULAS WILL BE BIODEGRADABLE BY 2025

80% OF OUR PLANTS WILL BE ORGANICALLY SOURCED BY 2025

INCREASE IN THE NUMBER OF PLANTS COMING FROM THE DOMAINE CLARINS AND CLARINS FARMS



### Jean-Pierre Nicolas

Clarins Ethnobotanist and Advisor

#### Why does Clarins consult with an ethnobotanist?

An ethnobotanist studies the relationship between people and plants: how they interact, how people use plants and what kind of balance does or doesn't link them. Before becoming a consultant for Clarins, I traveled the world to understand these interactions. My role today is to support Clarins' plant supply chain so that it is as well-reasoned as possible. I help identify the right plants, understand how to produce them, and especially, how to use them sensibly and sustainably.

#### Why is Clarins so attached to using plants?

Plants are capable of complex molecular syntheses that chemistry simply isn't able to achieve. As long as we are harvesting and using them in a sustainable manner, plants can supply us with natural molecules that are not only extremely effective at treating the skin but that are also completely clean.

#### What does Clarins consider a priority in a plant supply chain?

First of all, it is important to consider that the plant extracts used by Clarins Laboratories are so concentrated and effective that only a small amount is needed: there's no need to cultivate huge areas! Then the idea is to put them to use by following the rules of common sense: only take what is renewable and necessary; preserve and enhance natural areas and finally, consider organic sourcing as the standard, not the exception.

With that in mind, the supply of plant extracts at Clarins is organized around 5 principles, in order of priority:

1. We practice wild harvesting, using nature's 'surplus' so to speak.
2. We grow the plants ourselves at Le Domaine Clarins and rely on its model of regenerative agriculture.
3. We favour our own supply chain, especially in the Alps with the Clarins Farms.
4. We support the development of fair trade supply chains worldwide.
5. And finally, we rely on external suppliers who have been carefully selected for their quality practices.





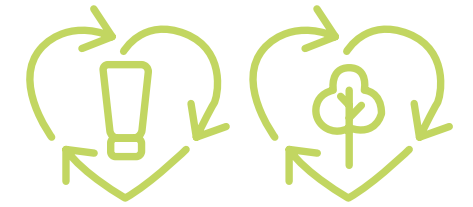
## A CIRCULAR AND RESILIENT ECONOMY

Faced with ever-dwindling resources, economies must adapt. This revolution is called a 'circular economy' and stands for reducing the environmental impact caused by an activity or product, carefully managing resources and reducing waste.

These principles have made recycling the new norm of our economy. But, it isn't enough: the long-term goal is zero waste.

The global pandemic of the last two years has highlighted the 'resiliency' of our economy. For example, we've had to learn how to quickly adapt to the changes and events taking place worldwide and how to develop production methods that are flexible enough to counter the limits of globalization and meet the needs of localization. The ability to adapt, be flexible and stay close to production/distribution networks have become pillars of this new economy.

### OUR ACTIONS FOR A MORE CIRCULAR AND RESILIENT ACTIVITY



#### RECYCLABLE PACKAGING: WORKING TOWARDS 100%

Circular activity means first working on recycling. For Clarins, product packaging is the priority. We are consistently looking at how to reduce the impact of our packaging materials as much as possible. **By 2025, 100% of our product packaging will be recyclable and/or refillable and 50% will contain recycled material.** A similar approach is planned for our make-up product packaging.

As proof of our desire to do even more, we are committed to **reaching plastic neutrality by 2025.** This means putting in place new recycling and compensation programs, coupled with a 30% reduction of plastic use.

63%

of our packaging made from glass and recyclable cardboard

100%

of outer cartons made using FSC paper from sustainably-managed forests

90%

of glass packaging made with a minimum of 25% recycled glass

30%

less plastic used by 2025

### ZERO WASTE AMBITION

For a company like Clarins, setting a zero-waste goal offers an objective that is distant yet achievable, but only if we act now. Clarins is focusing on two areas to help meet this goal:

#### *Marketing and consumers: a voluntary policy to reduce packaging*

- **No outer cartons** for our new range of Cleansers (since 2020)
- Progressive change to **lids made from recycled plastic** for 50 ml jars (this represents a reduction of **110 tons of virgin plastic per year**)
- Launched in 2020, a **refill system in Clarins Boutiques** for products like Eau Dynamisante
- **All of our boutiques** collect empty packaging to be recycled

#### *Production: industrial waste reduction and optimization*

- **100%** of waste from Clarins industrial sites is optimized.

## RESILIENCE AND ADAPTATION: COVID 19 EXAMPLE

In 2020, Clarins' activity, like that of many other companies, was turned upside down when international exchanges and national economies came to a grinding halt.

Our production units were able to quickly adapt, not only to keep up their activity, but also to act in solidarity. The wide-scale production of hand sanitizer, distribution of hand cream and production of face masks that begun in April 2020 were examples of Clarins' desire to be part of the collective effort.

*More than 250*

**tons of hand sanitizer  
produced for health care  
workers during the 2020  
public health crisis**

*60,000*

**tubes of hand and  
face creams distributed  
to hospitals**



## RESILIENCE AND PRODUCTION: PRIORITY FOR SHORT SUPPLY CIRCUITS

At Clarins, *Made in France* is the norm, with our laboratory and formulation process situated in Pontoise (a town just north of Paris), our head office in Paris and our logistics warehouse in Amiens. Many farms that supply plants are located in France.

*Production  
and quality*

*100% made in France*

**CLARINS IS COMMITTED  
TO GOING EVEN FURTHER**

**PLASTIC NEUTRALITY BY 2025**

**100% OF THE PACKAGING IN THE SKIN CARE  
CATALOGUE TO BE RECYCLABLE/REUSABLE/  
REFILLABLE**



*Guillaume Lascourrèges*  
Director of Responsible Development

*The circular economy means having recourse to using more recycled materials. What does this mean for a company like Clarins?*

Using recycled material means taking several things into consideration: recycled material costs more and technically and esthetically speaking, is a little harder to work with. But it's a choice that we make willingly and wholeheartedly. The real question today is the availability and the supply of resources affiliated with these materials: when it comes to producing them, suppliers are hesitant because companies aren't purchasing them enough. A company like Clarins should play a pioneering role in building up this type of economy. We need to lead by example and make it clear that we need what they have and are ready to pay for it. A few months ago, we even purchased a batch of recycled materials for a supplier who did not have the budget to purchase the materials themselves.

*We often talk about 'refillable' packaging. What does that mean?*

Refillable packaging, or the ability to reuse packaging for something else, represents

a paradigm shift. Today, companies like Clarins have unconsciously reasoned away single-use packaging! It's really about revisiting the entire conception process and setting new requirements. This is the approach we are currently taking at Clarins, with, for example, our Milky Boost foundation as well as with other current ranges and future ones.

*What is the role of Responsible Development department at Clarins?*

Our department is one that is naturally supportive, inspired and impulsive. But out of necessity, we are also becoming a supervisory body. We are tasked with providing proof of what we say and do. This is something the regulatory authorities, legislation, and society expect of us and reasonably so. It is the role of a department of responsible development to supply proof and ensure that, all across our company, we stay true to our commitments and our *raison d'être*.



8

## MEASURE AND ACT How to do more to fight climate change

Fighting climate change is one of the greatest challenges we are facing today.

We know that some changes are unavoidable and that the targets set to slow down global warming will be difficult to achieve. But these limits should in no way be a reason for giving up. The business world has a huge responsibility: we have to take action to drastically reduce our environmental impact, at every level of our supply chains, our production and distribution, for all the activities we are engaged in.

The cosmetics industry is on the front line: raw materials, manufacturing processes, packaging, transportation and distribution, the impact the products we use have on the soil... Big changes in how we do things are expected across our entire value system.

### WHAT WE'RE DOING TO HELP TO FIGHT CLIMATE CHANGE

#### RESPONSIBLE SOURCING AND PURCHASING

Ingredient sourcing and pre-production purchasing are the first levers when pushing for more planet-friendly activity. At Clarins, **the traceability** process we have set up allows us to know precisely where our ingredients come from and how they were produced before they are used in our products.

In 2021, our new responsible purchasing charter commits all our suppliers to respecting fundamental ethical considerations around human development and environmental protection. We have also taken a step further by evaluating our suppliers using **Ecovadis**. This rating system has already evaluated more than 90% of our key suppliers and the figure is set for 100% by 2025.



*All* of our buyers have received training in responsible purchasing

*More than 90%* of our suppliers rated by Ecovadis

#### 100% CARBON NEUTRAL CLARINS

In 2020, Clarins became carbon neutral (scopes 1, 2 and 3 except for services) by reducing emissions and initiating programs that compensate for a third of our emissions every year. The second phase starts with our commitment to **reducing our carbon footprint by an additional 30% by 2025**.

Generally speaking, the company is using less energy overall and when offset against units produced. In France, **100% of our energy use comes from renewable sources** (electricity and biogas). Worldwide, we are rolling out a voluntary policy of reducing greenhouse gas emissions and optimizing natural resources. This also extends to Clarins boutiques: a new environmental score will be applied to all our retail sites.

#### *Energy use*

**38,142 MWh in 2016**  
**31,127 MWh in 2020**

#### *Share of green electricity*

**34% in 2016**  
**65% in 2020**

#### *Recyclable packaging*

**62% in 2016**  
**70% in 2020**

**FORMULATION: FEWER INGREDIENTS, LESS ENERGY USE, MORE ENVIRONMENTAL PERFORMANCE**

Controlling our environmental impact includes reviewing product development. Today, Clarins has made the choice to **reduce the number of ingredients** used in a formula as well as **the amount of energy needed when making products**. When possible, we opt for operational methods that can be carried out at room temperature.

To strive for on-going progress, we have also developed evaluation tools that measure the environmental, social and health impact our products have. **A Green Score is used for our formulas while a Pack Score is for packaging.**

Using a multi-criteria approach, the two scores measure the performance of a formula or packaging. Every new product is evaluated according to how it's improved versus the current version and must obtain a better score before it can be commercialized. Our goal for 2025 is to improve the overall rating of formulas and packaging by a minimum 10%.

The Clarins Green score is **10** objective criteria based on **18** indicators

**DISTRIBUTION AND TRANSPORTATION**

Clarins works to reduce the environmental footprint of its international networks. When it comes to shipping products, air freight is the exception: it represented only 4.6% of our total logistics network in 2020, compared with 3.9% in the first semester of 2021, and limited to 2% in 2025.

For all freight outside of Europe, **maritime shipping remains our top choice**. To reduce emissions, we are always looking for clean solutions. This is how the partnership with Neoline came about, in May

2021. **Neoline** is a new shipping company who has developed a maritime shipping route between France and Baltimore, Maryland (USA) using sailboats that respect the environment.

**2%** of our products will be shipped by air by 2025 compared to **4.6%** in 2020

**CLARINS IS COMMITTED TO GOING EVEN FURTHER**

**A 30% REDUCTION IN THE GROUP'S CARBON FOOTPRINT BY 2025**

**100% OF KEY SUPPLIERS TO BE EVALUATED BY ECOVADIS BY 2025**

**PACK SCORE: 100% OF OUR FORMULAS TO BE SCORED BY 2025**



*Cécile Mansuy*  
Director of Operations

*How do environmental stakes modify a global approach to business for a company like Clarins?*

It's a complete reversal: before, we measured our consumption to save money. Today, we measure our emissions to reduce our environmental impact. All of our decisions around development, production and distribution are taken by considering the environment as the top priority. Immediate return on investment comes second.

makes environmental sense. It's the same thing for a new product: even if it meets all marketing criteria, even if its performance is incredible, it won't be commercialized if it doesn't respect our environmental commitments. This has a strategic and an operational dimension.

*Opportunity or constraint?*

Neither actually. But, making choices that benefit the environment can have immediate consequences. When we move freight by boat instead of by air, this means 6-8 additional weeks of shipping time. Building a partnership with Neoline







# II.

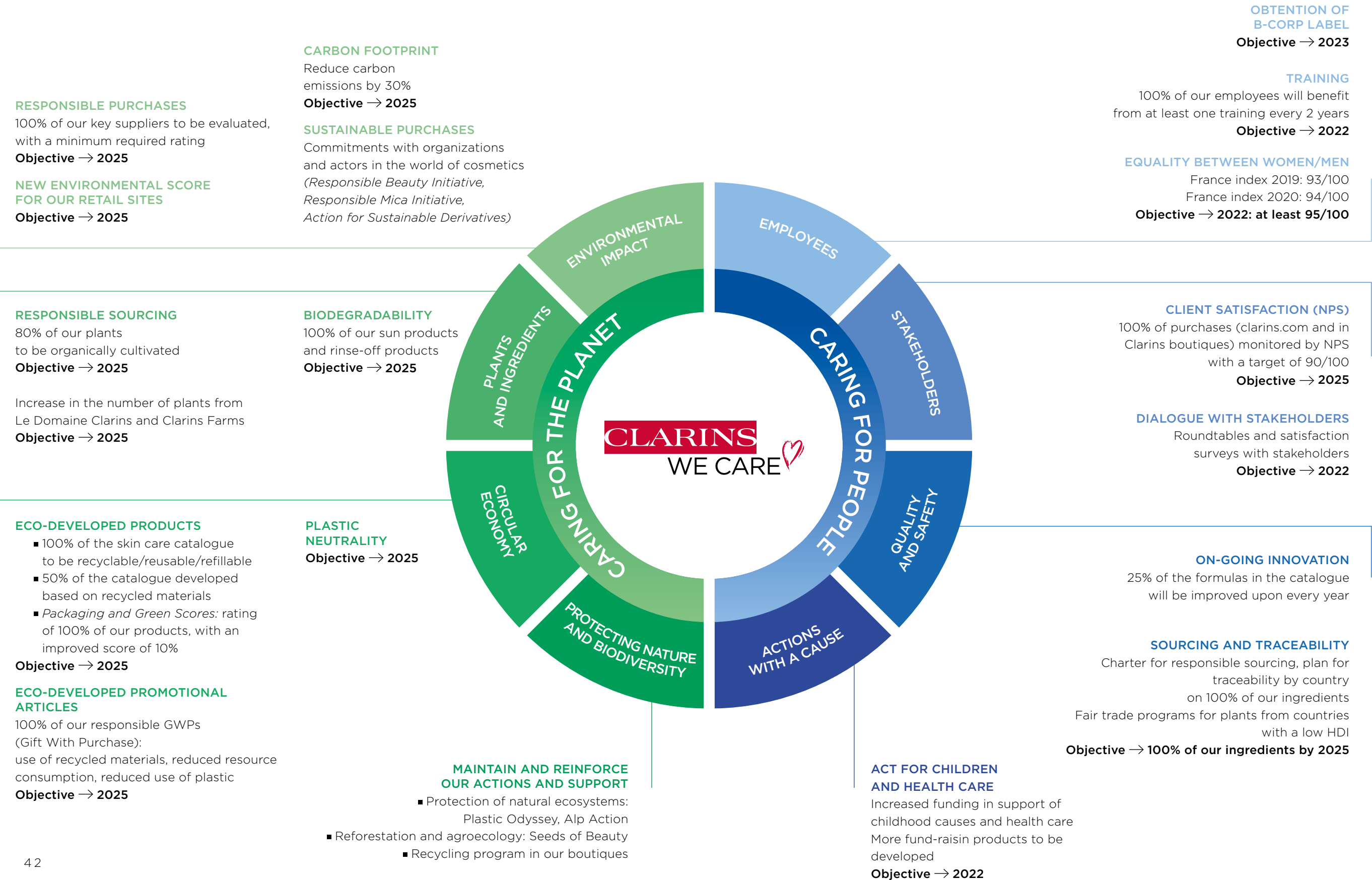
## Clarins We Care: Clarins CSR strategy

Clarins' CSR strategy is called 'Clarins, We Care'. It is built around two promises: Caring for people and Caring for the planet. It really is that simple. This allows us to categorize our actions, results and commitments for the years to come.

This strategy is our roadmap and directs all our actions for all activities and in each one of our subsidiaries.



# Clarins We Care summary





2020-2025

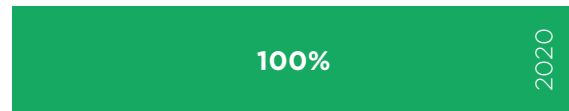
# Measuring the progress of Clarins' commitments



*“In terms of respecting people and the planet, we set out to be exemplary, a standard which we apply to our entire corporate strategy. The commitments we make allow each person to measure our progress and expect concrete results. Externally, of course, with all our stakeholders, but also, and especially, within the company itself. Our commitments guide our decisions and set up the framework for our performance: they push us to keep going further, in keeping with our company motto: ‘Together, do more, do better and enjoy doing so.’”*

Jonathan Zrihen, President of the Clarins Group

## CARBON NEUTRALITY\*



\*scopes 1, 2 and 3 except services

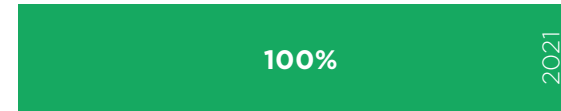
**Objective**  
 ✓ CARBON NEUTRALITY **ACHIEVED IN 2020**

## ORGANIC PLANTS



**Objective**  
 ✓ **80%** OF THE PLANTS WE USE FROM ORGANIC FARMING BY 2025

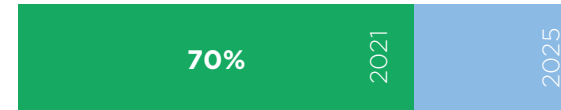
## GREEN SCORE\*



\*For skin care and make-up products (except outsourced)

**Objective**  
 ✓ **100%** OF FORMULAS RATED IN 2021 (WITH A COMMITMENT TO INCREASING THE GREEN SCORE BY 10% BY 2025)

## RECYCLABILITY



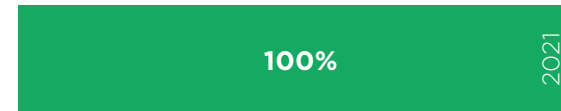
**Objective**  
 ✓ **100%** RECYCLABLE PACKAGING FOR SKIN CARE PRODUCTS BY 2025

## RECYCLED MATERIALS



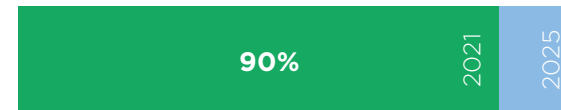
**Objective**  
 ✓ **50%** RECYCLED MATERIAL IN PACKAGING BY 2025

## GREEN ENERGY



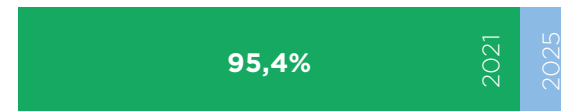
**Objective**  
 ✓ **100%** OF ELECTRICITY FROM RENEWABLE ENERGY SOURCES **IN 2021**

## RESPONSIBLE PURCHASES



**Objective**  
 ✓ **100%** OF OUR KEY SUPPLIERS WILL BE EVALUATED BY ECOVADIS BY 2025

## TRANSPORTATION



**Objective**  
 ✓ **98%** OF PRODUCT TRANSPORTATION WILL EXCLUDE AIR FREIGHT BY 2025

## TRAINING\*



\*over the last 12 months

**Objective**  
 ✓ **100%** OF OUR EMPLOYEES TO PARTICIPATE IN AT LEAST ONE TRAINING PROGRAM EVERY 2 YEARS BY 2022

## Press contact

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Photos credits

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[clarins.com](http://clarins.com)