



# TAKING CARE, LIVING BETTER

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PIERRE FABRE GROUP ACTIVITY AND  
CORPORATE SOCIAL RESPONSIBILITY REPORT

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2018 - 2019



Pierre Fabre

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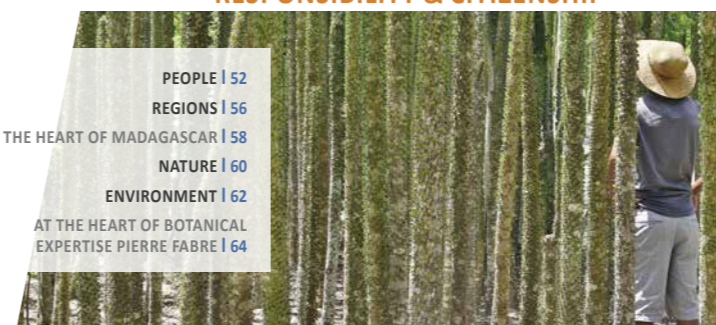
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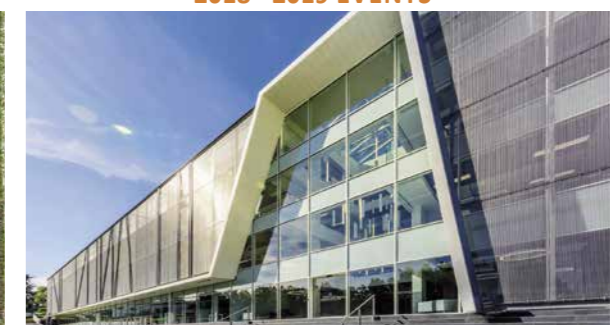


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## 2018 - 2019 EVENTS




# ENTHUSIASTIC ENTREPRENEURS

MORE THAN 50 YEARS OF INNOVATION FROM HEALTH TO BEAUTY

The history of the Pierre Fabre Group is first and foremost that of one man, a dispensary pharmacist and an enthusiastic entrepreneur. Pierre Fabre grew his dispensary into a pharmaceutical laboratory on an international scale, rooted in his home region and loyal to the humanist values that he always defended.

**1951** Net sales €94K  
3



**1951**  
Purchase of the pharmacy on place Jean Jaurès in Castres (Tarn)

**1959**  
Launch of Cyclo 3®, venotonic from butcher's broom (*Ruscus aculeatus*)



**1962** Net sales €5,685K  
58




**1962**  
Founding meeting of Pierre Fabre Laboratories

**1965**  
Start of the dermo-cosmetics activity

**1968**  
Opening of the 1<sup>st</sup> Research Center in Castres and launch of the Oral Care activity

**1970** Net sales €84,635K  
980



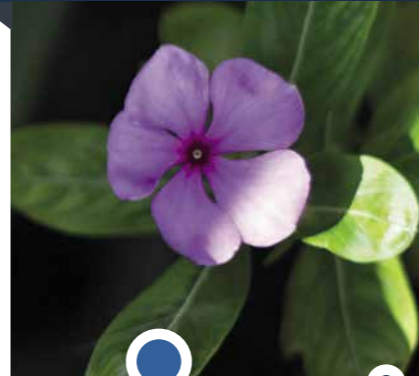
**1970**  
Opening of the 1<sup>st</sup> subsidiary in Spain

**1971**  
Creation of Phytofilière® which would become Botanical Expertise Pierre Fabre

**1974**  
Purchase of the Hydrotherapy Center in Avène-les-Bains (Hérault)

**1980** Net sales €261,589K  
1,875

**1990** Net sales €713,746K  
4,651




**1989**  
Launch of the cancer drug Navelbine® from tropical periwinkle

**1994**  
Founding of the Klorane Institute, a corporate foundation for the protection and promotion of our natural plant heritage

**2000** Net sales €1,376,933K  
8,111

**2010** Net sales €1,861,000K  
9,900



**1999**  
Founding of the Pierre Fabre Foundation, a government-recognized public-interest organization

**2001**  
Opening of the Pierre Fabre botanical conservatory, CITES approved in 2010

**2005**  
Opening of the company's share capital to employees

**2018** Sales of €2,300,000 K  
11,000



**2010**  
Opening of the R&D center on the Oncopole campus in Langlade (Toulouse)

**2013**  
The Foundation, as Mr. Pierre Fabre's sole legatee, now owns 86% of the Group's shares

**2015**  
Oncology partnership with Array (USA)

**2018**  
European MA for BRAFTOVI® and MEKTOVI®

# ATTENTIVE TO PEOPLE

## TAKING CARE OF THE WORLD AROUND US

A humanist dispensary pharmacist, always ready to listen, Pierre Fabre made the human being his highest concern. He had a constant concern for the well-being of patients and consumers. He built long-lasting relationships with his customers and partners. He had both a benevolent and challenging relationship with his employees. Thanks to this relationship, he was able to share his entrepreneurial passion with them and take care of as many people as possible. Today these values underlie our unique and original development model.



# INSPIRED BY NATURE

A SOURCE OF CREATIVITY  
BOTH ENDLESS AND DELICATE

Pierre Fabre had a passion for plants. This passion was evident when he presented new projects and when he held impromptu discussions. One day, when making a particularly difficult decision, he exclaimed: *"Do you realize what you are asking me? It is as if you were to ask me to cut down a tree."* That said it all: demonstrating the carnal side of this passionate and emotional attachment.

He loved plants for their beauty but not that alone. He was fond of their "content." He loved getting to know their oddities. He was fascinated with the living part of the plant, its history, its ties with humankind and its environment. For him, discovering a new plant was a real pleasure, synonymous with a new story to be written.

He favored oat. He was able to provide this humble grain, used to feed horses, with a noble status. In the cosmetics world, which favors sophistication, and that of dermatology, which relies above all on chemicals, it was a pleasure for this man, who appreciated rural life, to be able to make this little plant into an authentic plant-based active ingredient designed for fragile skin and recognized by dermatologists.



# PROUD OF OUR ROOTS

DEVELOPING FROM WHAT WE  
HAVE BUILT HERE, ON OUR LAND



## LE DOMAINE DU CARLA - THE CARLA ESTATE

Built in 1875, it is an exceptional place perched above Castres and surrounded by nature. Dedicated to meetings and exchanges, it is the place where the Group's partnerships materialize. Every year, it receives some 6,000 visitors from all over the world.



## CASTRES OLYMPIQUE

The company supports Castres Olympique for two reasons: unconditional attachment to the town of Castres and the similarity between the values of rugby – solidarity, synergy, respect for others, a winning spirit – and those of our company.



## SOUAL PLANT

Located about ten kilometers from Castres and opened in 1968, the Soual plant is the historic industrial site of Pierre Fabre Laboratories. Dedicated to dermo-cosmetics, it expanded by 13,000 m<sup>2</sup> in 2012, particularly to incorporate the production of Sterile Cosmetics. This expansion was an opportunity to experiment with the HQE® approach in industrial buildings.



## TERRE D'AVOINE – LAND OF OATS

The Terre d'Avoine site is nestled at the heart of the Tarn, in Puylaurens. It is a fortified farmhouse dating back to 1640, surrounded by fields of Rhealba® Oat, an oat variety with exceptional dermatological properties. Organized in collaboration with the Natural History Museum of Toulouse, inaugurated in 2013, this place for sharing knowledge on oats and their dermatological properties tells the story of the A-Derma brand.



## LES CAUQUILLOUS

In 2000 the headquarters for our dermo-cosmetics activity were transferred to Lavaur (Tarn), to a place called Les Cauquillous. The building, with its futuristic curves inspired by the company logo, is surrounded by a forest and a Mediterranean garden consisting of about thirty varieties of medicinal plants.



## TOULOUSE – ONCOPELE

Built on the rubble of the AZF factory, the Oncopole project is a flagship for innovation and public health for the whole of the Occitanie region. The Pierre Fabre Research and Development Center was the first to open its doors there in 2011. The Group thus asserts its drive to be an internationally recognized player in oncology while focusing its R&D efforts in France and, more specifically, in its region of origin.

## VISION & STRATEGY

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PURSUING  
RESPONSIBLE GROWTH



I HAVE MORE  
OF A TASTE FOR  
ACTION, FORECASTING,  
PREPARING FOR THE  
FUTURE THAN FOR  
LOOKING BACK  
ON THE PAST

MR. PIERRE FABRE

DECEMBER 2006

# PROFILE

**KEY FIGURES**  
AS OF DECEMBER 31, 2018

# 3

## KEY ACTIVITIES

### PHARMACEUTICALS

**ONCOLOGY ETHICS**

Urology, women's health, neuropsychiatry, cardiology, pulmonology, allergology and rheumatology



### CONSUMER HEALTH CARE (Consumer Health Care)

**PIERRE FABRE HEALTH CARE**  
**PIERRE FABRE ORAL CARE**  
**NATURACTIVE**



### DERMO-COSMETICS

**PIERRE FABRE DERMATOLOGIE**  
**DUCRAY**  
**EAU THERMALE AVÈNE**  
**A-DERMA**  
**KLORANE**

**ELANCYL**  
**GALÉNIC**  
**RENÉ FURTERER**  
**DARROW (in Brazil)**  
**GLYTONE (in the USA)**



## 4 PRIORITY AREAS FOR INNOVATION:

ONCOLOGY

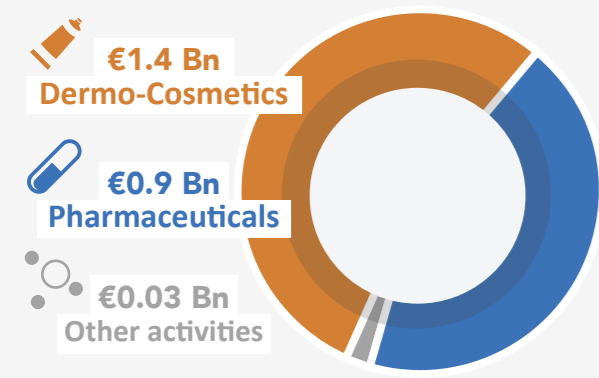
CONSUMER HEALTH CARE

DERMATOLOGICAL RX

DERMO-COSMETICS



**€2.3 Bn**  
REVENUES



**€1.5 Bn**  
INTERNATIONAL

**€0.9 Bn**  
FRANCE

**No. 2**  
DERMO-COSMETICS LABORATORY WORLDWIDE

**No. 1**  
DERMO-COSMETICS LABORATORY IN FRANCE

**No. 2**  
PRIVATE PHARMACEUTICAL LABORATORY IN FRANCE



Plant-based active ingredients from over  
**220**  
PLANTS



**18,000**  
PLANT SAMPLES used by our researchers, the largest private collection in the world



**3 to 5**  
NEW PLANT-BASED ACTIVE INGREDIENTS developed each year



**51**  
PLANT-BASED ACTIVE INGREDIENTS patented





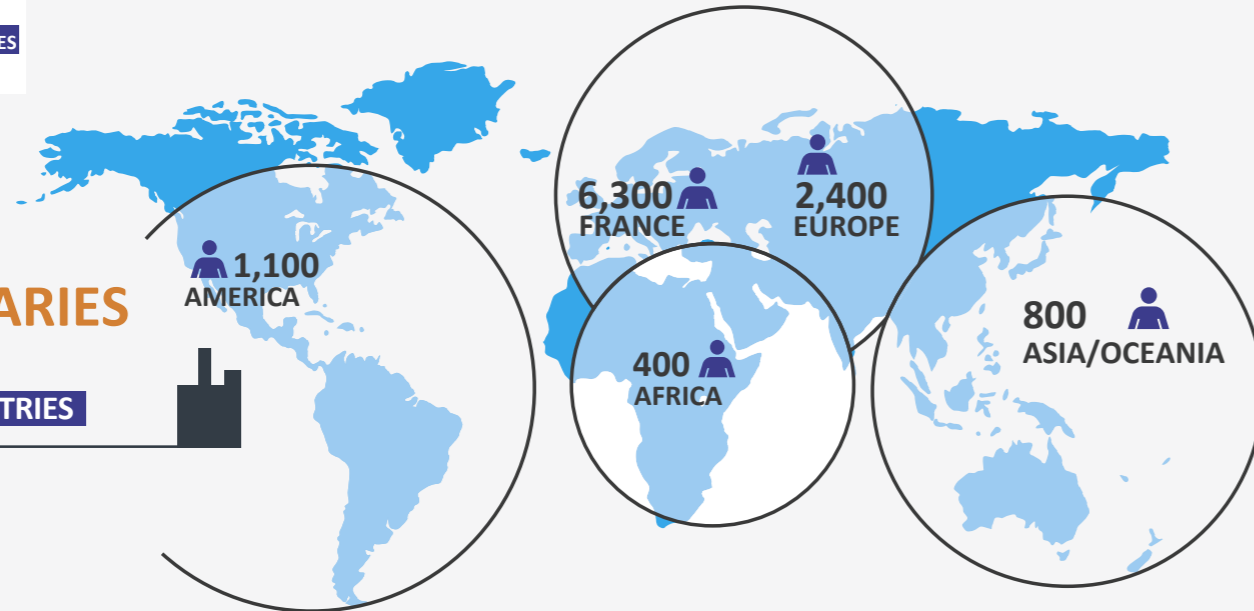
# PROFILE

**KEY FIGURES  
AS OF DECEMBER 31, 2018**

PRODUCTS  
DISTRIBUTED IN  
**132** COUNTRIES

**11,000** EMPLOYEES

SUBSIDIARIES  
AND OFFICES  
IN **45** COUNTRIES



## RESEARCH & DEVELOPMENT CENTERS

- **PIERRE FABRE RESEARCH AND DEVELOPEMENT CENTER** (CRDPF)  
Oncology, Dermatology, New Chemical Entities, Pharmaceutical Development, Pre-clinical and Clinical Development, Translational Medicine, Regulatory Matters, Toxicology, Pharmacology, Dermo-Cosmetic Active Ingredients  
*Toulouse (Oncopole)*
- **CENTER OF IMMUNOLOGY PIERRE FABRE** (CIPF)  
Oncology, New Biological Entities and Biotechnological Productions  
*Saint-Julien-en-Genevois*
- **PIERRE FABRE RESEARCH CENTER** (CRPF)  
Consumer Health Care  
*Castres (Péraudel)*
- **PIERRE FABRE DERMO-COSMETICS INNOVATION CENTER**  
*Tokyo (Japan)  
Rio (Brazil)*
- **PIERRE FABRE DERMO-COSMETICS RESEARCH CENTER AND SKIN RESEARCH CENTER**  
Formulation, Analytics, Microbiology, Clinical Research  
*Toulouse (Hôtel-Dieu and Vigoulet)*
- **PIERRE FABRE RESEARCH CENTER**  
Developability, Translational Medicine  
*Castres (Campans)*
- **PLANT-BASED ACTIVE INGREDIENT RESEARCH UNIT**  
*Gaillac and Soual*
- **WATER RESEARCH UNIT**  
Hydrotherapy dermatology and water quality  
*Avène and Banyuls*

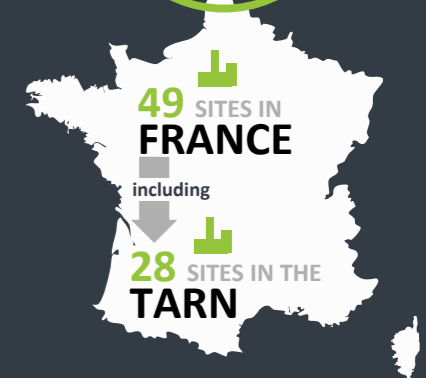
## PRODUCTION CENTERS

- **PRODUCTION AND PACKAGING OF PRESCRIPTION DRUGS AND HEALTH CARE PRODUCTS**  
*Gien (Loiret)  
Ho Chi Minh City (Vietnam)  
Tunis (Tunisia)*
- **PHYTOTHERAPY AND AROMATHERAPY**  
*Cahors (Lot)*
- **ASEPTIC CYTOTOXIC PRODUCTION**  
*Pau (Pyrénées Atlantiques)*
- **PRODUCTION AND PACKAGING OF DERMO-COSMETICS**  
*Soual/Mazamet (Tarn)  
Avène (Hérault)  
Château-Renard (Loiret)  
Areal (Brazil) - Ho Chi Minh Ville (Vietnam)*
- **PRODUCTION OF PHARMACEUTICAL, NEUTRACEUTICAL AND COSMETIC ACTIVE INGREDIENTS**  
*Gaillac (Tarn)  
Bagnères-de-Bigorre (Hautes-Pyrénées)  
Palézieux (Switzerland) - Virrey del Pino (Argentina)*
- **HARD-BOILED PHARMACEUTICAL LOZENGES**  
*Aignan (Gers)*

## DISTRIBUTION CENTERS

- **DERMO-COSMETICS AND HEALTH CARE**  
*Muret (Haute-Garonne)*
- **PHARMACEUTICALS AND HEALTH CARE**  
*Ussel (Corrèze)*

## FOCUS ON FRANCE



**over 95 %**  
of our  
**PRODUCTION**  
carried out in France

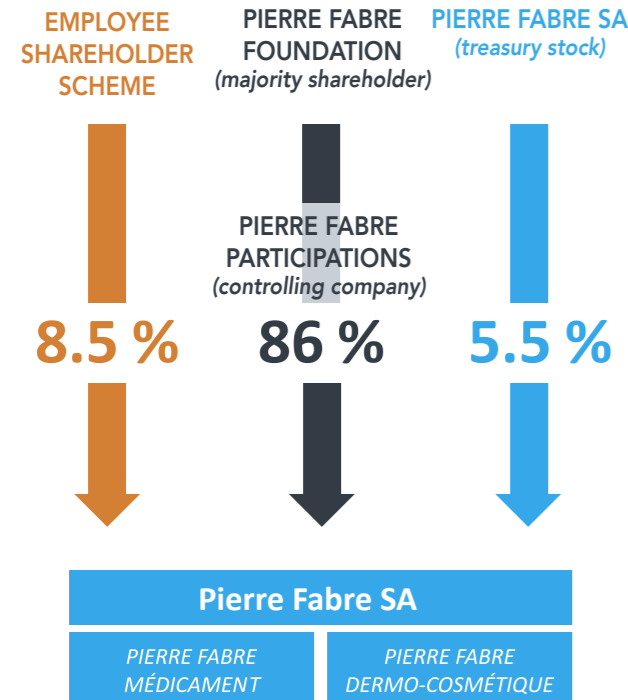
**100 %**  
of our  
**RESEARCH**  
carried out in France

**200**  
**HECTARES**  
of farmland devoted to  
organic farming in the French  
department of the Tarn

# GOVERNANCE

## GUARANTEEING THE LONGEVITY AND INDEPENDENCE OF THE COMPANY

The Pierre Fabre Group has a unique shareholding structure that guarantees its continuity and independence, in line with the values of our founder. The substantial-majority shareholder is the Pierre Fabre Foundation, and employees form the second-largest group of shareholders through a buoyant employee stock ownership plan. This structure is unique in France and is aimed at ensuring the long-term stability of the company's share capital.



### THE PIERRE FABRE FOUNDATION

It is the Group's main shareholder (holding 86% of shares) through its controlling company, Pierre Fabre Participations (PFP). As the Foundation is dedicated first and foremost to its public interest mission, it delegates supervision of the Group's management to its subsidiary Pierre Fabre Participations. It is chaired by Pierre-Yves Revol.

### PIERRE FABRE PARTICIPATIONS

The controlling company validates the Group's strategy, appoints its main executives and ensures that the continuity mission defined by Pierre Fabre is respected:

- Ensuring the Group's independence
- Maintaining both the Pharmaceuticals and Dermo-Cosmetics activities
- Reinvesting a significant proportion of profits in R&D
- Prioritizing long-term value creation over short-term financial profit
- Maintaining the Group's footprint in its birth region and its culture of corporate social responsibility
- Allowing the Pierre Fabre Foundation to pursue its objectives through a suitable dividend payment policy

Its Board is chaired by Pierre-Yves Revol.



### PIERRE FABRE SA

This is the Group's holding company. It develops the Group's overall strategy, consolidates and coordinates its activities, and hosts support functions and shared services. Its Supervisory Board is chaired by Roch Doliveux. Pierre Fabre Pharmaceuticals and Pierre Fabre Dermo-Cosmetics are the main subsidiaries of Pierre Fabre SA and are in charge of the pharmaceutical and dermo-cosmetic businesses, respectively.

### SUPERVISORY BOARD

Roch Doliveux, *Chairman*  
Pierre-Yves Revol, *Vice-Chairman*

#### ADMINISTRATORS

Dominique Bazy  
Jean-Luc Belingard  
Jean-Jacques Bertrand  
Nathalie Delapalme  
Jacques Fabre

Philippe Faure  
Marie-France Marchand-Baylet  
Catherine de Rohan-Chabot  
Marie-Christine Roques

#### PIERRE FABRE EMPLOYEE SHAREHOLDER REPRESENTATIVES AND EMPLOYEES

Agathe Amara-Colombié  
Alexandre Giraudon  
Christophe Latouche  
Claire Meunier

### EXECUTIVE COMMITTEE



Eric Ducourneau is the Group CEO.

The members of the Executive Committee are:

Núria Perez-Cullell (CEO Dermo-Cosmetics Division)

Jean-Luc Lowinski (CEO Pharmaceuticals Division)

Eric Gouy (Senior Vice-President, Finance)

Yolène Coppin (Vice-President of Human Resources & Ethics)

Michael Danon (Senior Vice-President, Legal, Pharmaceutical & Public Affairs)

Olivier Siegler (Digital Organization Process Information System Director)

Marc Alias (Director, Corporate Communications)

# AT THE HEART OF OUR GOVERNANCE



I WANTED TO ENABLE PIERRE FABRE EMPLOYEES TO ACCESS SHARE CAPITAL, TO PASS ON MY PRIDE AND ENTHUSIASM TO THEM



MR. PIERRE FABRE  
JUNE 2005

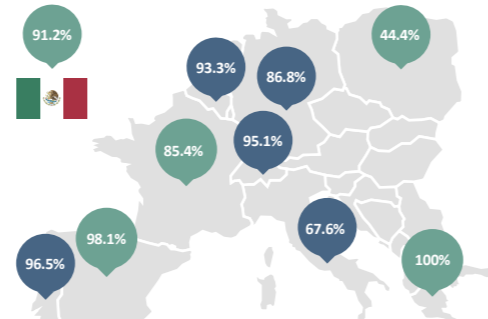
Ruscus plan  
**14** years of employee stock ownership

Owing to the desire of Pierre Fabre, Group employees have been highly involved in corporate performance via an employee stock ownership plan: the Ruscus plan. Employees and the Pierre Fabre Foundation are the Group's only shareholders. This situation is one-of-a-kind on the French industrial scene, guaranteeing the Group's independence.

The Ruscus plan, given its name as a tribute to the first plant used by Pierre Fabre when the company was created, is a major factor in the way the Group organizes its capital. It also helps develop a different kind of corporate culture, which upholds the values of our founder: independence, entrepreneurial drive, continuity and team spirit. With this stock ownership plan, employees become joint owners of the Group and are more closely involved in corporate life and the company's growth.

The plan was developed to enable employees, in particular employees with modest incomes, to build up their assets. Through this measure, Pierre Fabre wanted to ensure that, at the end of their careers, workers were able to receive the equivalent of at least one year's salary, taking the

% OF EMPLOYEE SHAREHOLDERS



company matching contribution into account. The Ruscus plan was rolled out in France in 2005, and in 2008 it was extended to six European countries: Germany, Belgium, Spain, Greece, Italy and Portugal. In 2016, Poland became the first country outside the euro zone to join the stock ownership plan. Then, in 2017, the plan was opened up to Mexico. In 2018, Swiss employees were offered Pierre Fabre stock ownership.

- ▶ **85%** OF EMPLOYEES ARE SHAREHOLDERS (AS PART OF THE STOCK OWNERSHIP PLAN) AND HOLD
- ▶ **8.5%** OF THE GROUP'S CAPITAL

## FONDATION PIERRE FABRE

Enabling populations of the Global South to have better access to quality drugs and health care.

The Foundation runs over 32 programs in 17 countries in Africa, South-East Asia, Lebanon and Haiti, directly supporting local stakeholders, health care facilities and universities in countries in the Global South. It structured its action in response to five public health issues:



Half of the population does not have access to essential drugs, while new pandemics are developing and former ones are returning. This is no longer acceptable. The Pierre Fabre Foundation was created to actively help combat these imbalances by improving access to quality drugs and health care. Always providing better treatment, and healing the world's poorest more effectively, this is our ambition.



MR. PIERRE FABRE

### TRAINING OF HEALTH CARE PROFESSIONALS



Female pharmacy students in the library at the Faculty of Pharmacy in Vientiane, Laos.

Laos, Vietnam, Cambodia, Togo, Madagascar  
Because two billion people have no access to basic medication, there are not enough pharmacists and dispensaries are concentrated in capital cities, the Pierre Fabre Foundation has been supporting training for pharmaceutical professionals since our creation.

### COMBATING SICKLE-CELL DISEASE



Families at the Bamako Research Center To Combat Sickle Cell Disease (CRLD), Mali

Mali, Burkina-Faso, Senegal, the DRC, Madagascar, Cameroon, Congo, Haiti  
As sickle-cell disease affects 240,000 newborns in Africa each year and is not included in international aid programs, the Foundation has made combating this genetic disease a priority.

### EHEALTH



In Kenya, examination of a blind woman using a mobile app.

Mali, Burkina-Faso, Senegal, the DRC, Madagascar, Cameroon, Congo, Haiti  
Because eHealth solutions help overcome certain economic, geographical and social barriers to accessing health care, as well as medical staff shortages, the Foundation is encouraging the development of solutions to these issues.

### ACCESS TO QUALITY DRUGS AND HEALTH CARE



Dr. Denis Mukwege and his team in Panzi hospital in the Democratic Republic of the Congo.

Lebanon, the DRC, eHealth Observatory

As crises, conflicts and health care emergencies are increasing and long-lasting, the Foundation decided to support local players who establish suitable responses to provide very vulnerable populations with access to basic health care.

### TROPICAL DERMATOLOGY



Operation on a patient affected by albinism to remove a cancerous tumor, Tanzania.

Tanzania, Malawi, Mali, Togo, Burkina Faso

As 30% of the sub-Saharan population suffer from skin diseases and there is one dermatologist per million inhabitants on average in western Africa, the Pierre Fabre Foundation has chosen dermatology as an area for action.

# COMMITMENT

## PURSuing OUR SOCIALLY RESPONSIBLE APPROACH



**IN 2019, ECOCERT ENVIRONMENT ASSESSED THE GROUP'S CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY APPROACH AND AWARDED IT THE "EXCELLENCE" LEVEL.**

AND ENVIRONMENTAL RESPONSIBILITY APPROACH AND AWARDED IT THE "EXCELLENCE" LEVEL.

The shareholding structure of the Group, mainly held by a government-recognized public-interest foundation, gives us the independence we require to ensure our activities are in line with a long-term vision and encourage responsible growth. We thus place the importance of corporate social responsibility (CSR) at the heart of our development model, loyal to the humanist and civic values of our founder. In 2019, The Pierre Fabre Group enlisted independent body ECOCERT Environment to assess its CSR approach according to the ISO 26000 standard on sustainable development. From this very first assessment, the company attained Excellence level – the highest maturity level under the ECOCERT 26000 baseline reference standard – with a score of 77 %. Until then, no international business of Pierre Fabre's caliber had been assessed by ECOCERT in accordance with this reference standard.

### STRATEGIC PRIORITIES



### RELATED ISSUES

- Governance & Mission
- Code of Conduct
- Safety & Quality Requirements
- CSR Management
- Responsible purchasing
- Nature as a source of innovation
- Research applied to nature
- Knowledge-sharing
- Conservation projects & efforts to preserve nature
- Skills development
- Health & Safety of employees
- Equity
- Economic and social development of regions
- Pharmaceutical Innovation & Culture
- Prevention
- Support for health care professionals
- Involvement in the public health system
- Health & Solidarity

### GOVERNANCE & ETHICS

The fact that our company belongs to a foundation that is a government-recognized public-interest organization, and the values inherited from our founder including pharmaceutical ethics – which we make sure to place at the heart of our action – guide us in achieving our mission on a daily basis: "caring for the human being as a whole."

### INNOVATION & HEALTH/BEAUTY

In accordance with our mission, we design and develop innovative solutions that contribute to the better-being of patients and consumers, from health to beauty. We achieve this by cooperating with health care professionals, our trusted partners worldwide. Our common goal is a major worldwide challenge: promoting access to health care and taking positive action on health issues. In addition, we support charity projects focusing on the same issues.

### ECODESIGN & INDUSTRIAL FOOTPRINT

Throughout the life cycle of our products, from the purchase of raw materials and their production to being placed on the market and their use, we ensure that our actions fit in with respect for our suppliers and reduce our impact on the environment.

### FIND OUT MORE SUSTAINABLE DEVELOPMENT

[www.pierre-fabre.com/en/sustainable-development](http://www.pierre-fabre.com/en/sustainable-development)

### KNOWLEDGE & NATURE CONSERVATION

Nature is a source of inspiration, innovation and knowledge and our activities are built around its wealth. Today, almost 70% of the company's revenues rely on the marketing of products whose active substance comes from nature. Therefore, whether it be through the development of natural active ingredients or through the use of processes resulting from plant-based chemistry, respect for natural resources is profoundly rooted in our values.

### PEOPLE & REGIONS

We listen to our employees, our economic partners and local communities in the regions where we operate, and we fit this dialog into a process based on constructive collaboration and a sense of joint responsibility. Employees and partners alike contribute to our influence and performance. In return, we support the professional development of our employees and, insofar as possible, contribute to the economic, social and cultural dynamism of the regions where we operate.



De la santé à la beauté  
**CHARTÉ ÉTHIQUE**  
LABORATOIRES PIERRE FABRE

Our company strives to adhere to the principles of business ethics and to work with partners sharing these principles. To do so, we adopted a Group Code of Ethics. This is a document that lists the commitments, practices, and behaviors chosen and adopted by our company and which will govern both its internal and external relationships. The code of ethics serves as a point of reference and officially defines the ethical obligations of all employees to ensure they act appropriately and make responsible decisions in their day-to-day work.

The Pharmaceuticals Division has rolled out an "Ethics and Compliance" program relating to best advertising practices and relations with health care players. This program notably includes Transparency of relations and a training plan for employees assigned to pharmaceutical operations in France and abroad.

- Our code of ethics is based around six main themes:
- Meet all the needs of the users of our products, from health to beauty
  - Develop relationships based on trust with health care professionals
  - Act ethically with the public authorities and all stakeholders
  - Be a socially responsible company committed to protecting the environment
  - Recognize the importance of our employees, who play a crucial role in the success of our development and commitments
  - Protect our assets to guarantee our company's long-term success

### FIND OUT MORE GOVERNANCE AND ETHICS

[www.pierre-fabre.com/en/ethics-and-codes-conduct](http://www.pierre-fabre.com/en/ethics-and-codes-conduct)

Consult our CSR report online in the sustainable development section.  
[www.pierre-fabre.com/en/sustainable-development](http://www.pierre-fabre.com/en/sustainable-development)

# STRATEGY

DEVELOPING FROM HEALTH TO BEAUTY  
WHILE REINVENTING OURSELVES, TRUE TO OUR VALUES

In 2018, the Pierre Fabre Group generated €2.3 billion in revenue. The Group notably benefits from its presence in the main emerging countries where the pharmaceutical and cosmetics markets are experiencing strong growth that is set to continue over the coming years.

## A STRATEGIC POSITION THAT SETS US APART

As a dispensary pharmacist, Pierre Fabre transposed the medicinal mission on an industrial scale with the drive to provide a global response to the therapeutic needs and well-being of patients. The Pierre Fabre Group has a continuum of activities that run from Rx pharmaceuticals to dermo-cosmetic care, oral hygiene, family health care and natural health care. To put this unique "from health to beauty" approach into practice on a daily basis, we have always relied upon health care professionals, whose confidence constitutes our primary and most important asset. Through the diversity of our activities, we provide them with patient-focused therapeutic solutions allowing them to treat the main pathology and its side effects. This is the case, for example, for hospital cancer departments. We offer them dermatological care protocols to help reduce the side effects caused by chemotherapy and radiotherapy.

## ORIGINAL AREAS OF RECOGNIZED EXCELLENCE

When it comes to active pharmaceutical ingredients, the Group especially excels in two areas. On the one hand, research on natural active ingredients; on the other hand, research on biological active ingredients. Using the largest collection of plants available in the industry, Pierre Fabre researches new plant-based active ingredients for both pharmaceuticals and dermo-cosmetics. To our knowledge, no other pharmaceutical or cosmetic laboratory brings together such a continuum of expertise in botany, agronomics, extraction of plant-based active ingredients, formulation and preparation of plant-based pharmaceuticals and cosmetics. Likewise, through its Eau Thermale Avène brand, Pierre Fabre has acquired unparalleled expertise in understanding the dermatological mechanisms of thermal spring water. In addition, Pierre Fabre pharmaceutical research has become a recognized player in the field of targeted biotherapies (monoclonal antibodies, immunoconjugates and cell therapies). The dermo-cosmetics division can also rely on our cutting-edge biotechnology expertise when developing new care solutions from biological active ingredients.

## A CONTROLLED DRUG VALUE CHAIN

Another asset of the Group is its comprehensive and integrated control of the drug value chain, from laboratory research to medical promotion, and the key steps of clinical development, manufacture of active pharmaceutical ingredients, packaging and distribution. This expertise allows us to build a range of diverse partnerships with the largest international laboratories or innovative biotech companies. We have reached a globally recognized level of technical skill in the development and manufacture of natural and biological active ingredients, cancer drugs (particularly in an injectable form) and hard-boiled pharmaceutical lozenges. Today, these areas of expertise allow us to propose an integrated industrial subcontracting offer to the most demanding American, European and Japanese laboratories.



# PHARMACEUTICALS

ACCELERATING INTERNATIONAL DEVELOPMENT AND INNOVATION

Originating in the pharmaceutical sector over 50 years ago, we are continuing to develop our pharmaceuticals business, with a desire to provide patients with treatments in the following areas: Oncology, Prescription Drugs and Consumer Health Care.



**884**  
MILLION EUROS  
of revenues in 2018  
by the Pharmaceutical Division



**90%**  
OF ONCOLOGY NET SALES  
made internationally

## RECOGNIZED FOR OUR GROWTH FRANCHISES

Commercially, in France and abroad, the Group decided to structure itself around three growth franchises:

The Oncology franchise is made up primarily of chemotherapy specialties Navelbine®, the Group's leading pharmaceutical brand in terms of revenues, and Javlor®. The Prescription Drugs (Rx) franchise, on the other hand, offers a wide range of drugs in urology, female health, neuropsychiatry, cardiology, pulmonology-allergology and rheumatology. The Consumer Health Care franchise makes a wide range of drugs and OTC products available to pharmacists, health care professionals and patients, in three main areas: family health care (Structum, Drill, Pedi-Relax,

Nicopatch, etc.), oral care (Elgydium, Eludril, etc.) and natural health care (Naturactive). The fourth franchise is the CDMO\* business, a significant growth driver for our pharmaceuticals division.

## ONCOLOGY IS OUR MAIN PRIORITY

We dedicate a level of investment to R&D that places us in the middle bracket of the industry: 14.5% of our pharmaceutical net sales in 2018. Conscious of the heavy investments required when developing a new drug, we are focusing our research and development efforts on three treatment areas: oncology, dermatological Rx and consumer health care.

Of these research areas, oncology is our top priority. Our Research and Development Center at the Toulouse Oncopole campus and our Immunology Center at Saint-Julien-en-Genevois are working on cytotoxic molecules, targeted therapies and monoclonal antibodies for cancer treatment. The two centers combine their expertise in the fields of the future: immuno-conjugates on the one hand and onco-immunology on the other. Onco-dermatology is also a relevant field of research for the Group, at the crossroads of our expertise in oncology and dermatology.

\*CDMO: Contract development and manufacturing organization (development and production service for other pharmaceutical laboratories)

LEADER IN ETHICAL BEAUTY

# DERMO-COSMETICS



**1,416**  
MILLION EUROS  
in revenue  
in 2018  
by the Dermo-Cosmetics  
branch



**No. 1**  
IN DERMO-COSMETICS  
in France in China

As the inventor of dermo-cosmetics, Pierre Fabre Dermo-Cosmetics offers innovative skin care and hair care solutions following a sacrosanct principle: making beauty ethical. As the only international dermo-cosmetics player present in the field of therapeutic dermatology, we are making this activity the flagship of our relationship with dermatologists. We aspire to support patients and health care professionals throughout the course of treatment, with follow-on or supplementary products to the therapeutic treatment.

## OUR PRODUCTS ARE RECOMMENDED TO MEET THE SPECIFIC NEEDS OF EVERYONE

We design our dermo-cosmetic products to the highest standards of efficacy and safety, with leading-edge expertise in natural substances, hydrotherapy dermatology, biotechnologies and sterile cosmetics. Our products are developed, clinically tested and manufactured according to the standards set out by the pharmaceutical industry. Due to their highly technical nature, they are sold exclusively in the pharmacy channel or equivalent. Recommended and explained by the pharmacist, pharmacy personnel or consultants trained in diagnosis (particularly in countries lacking a strong pharmacist culture such as Japan and China), they provide a response tailored to the specific needs of everyone.

## WE MAKE PATIENT SUPPORT OUR PRIORITY

Dermo-cosmetic care products are often recommended by dermatologists to support or aid patient adherence to a medical treatment and help improve quality of life. This is notably the case in cancer treatment, an area where treatment often causes side effects with two impacts on quality of life: skin discomfort or even pain, combined with the effect on self-confidence. Pierre Fabre Dermo-Cosmetics prioritizes support for patients and health care professionals by developing specific programs.

- **Skin & Cancer:** the comprehensive approach of the Eau Thermale Avène brand, "Skin & Cancer," includes all action taken to support and accompany health care professionals and/or patients in treating skin cancers and/or side

effects of the cancers and their treatments on the skin: support for screening campaigns, partnership with the European Skin Cancer Foundation, information and training, etc.

- **Hydrotherapy treatment:** the Avène Hydrotherapy Center offers a 3-week post-cancer hydrotherapy treatment with proven benefits (multi-center clinical study versus control group), both in improving the skin and patient quality of life.
- **Foundation for Atopic Dermatitis:** created in 2006, one of its main actions is to help finance therapeutic education projects for patients affected by atopic dermatitis. It therefore works toward improving the knowledge of patients and parents of children with atopic conditions on the nature of the illness, its treatments, and its effects on the lives of patients and their families.

FIND OUT MORE

[www.fondation-dermatite-atopique.org/en](http://www.fondation-dermatite-atopique.org/en)

# INTERNATIONAL

TARGETED  
GLOBAL EXPANSION

Through a network of subsidiaries in 45 countries, including all the major emerging markets, and distribution of our products in 132 countries, we currently generate 64 % of our revenues in foreign markets. In total, 4,520 people are employed outside of France.



**1,205**  
BILLION DOLLARS  
global pharmaceutical market



**19.8**  
BILLION DOLLARS  
global dermo-cosmetics market

## OUR MARKETS

The global pharmaceutical market grew by +4.8% in 2018 (LC Dollars) to reach \$1,205 billion, driven by North America for 40.2% of sales (+5.2%), the European TOP 5 for 15% (+3.9%), and China for 13.3% (+4%).\*

The global cosmetics market reached 377 billion dollars in 2018, up 5.8%. All regions in the world are growing, including Western Europe. The development forecasts between 2019 and 2023 are estimated at an average of + 5% to + 5.5% per year, due to strong projected growth in Asia, Latin

America, Africa and the Middle East. The USA, the leading cosmetics market worldwide, should keep the top spot until 2023, but is expected to face strong competition from China with high annual growth rates. The dermo-cosmetics market is estimated at \$19.8 billion (€16.8 billion), or around 5.8% of the overall cosmetics market\*\*

\* IQVIA the global use of medicine in 2019 and outlook to 2023

\*\* Euromonitor 2018 and internal Pierre Fabre Dermo-Cosmetics estimation for a restricted perimeter of 53 countries researched

Driven at a very early stage by the desire to have a presence outside of France, the Pierre Fabre Group initially turned to Southern Europe. A natural step for a company located in the French department of the Tarn, close to Spain. Incidentally, the Group opened its first subsidiary in Barcelona in 1970. This was followed by Portugal, Italy and Greece. Our dermo-cosmetics brands now have a prime position in these four countries.

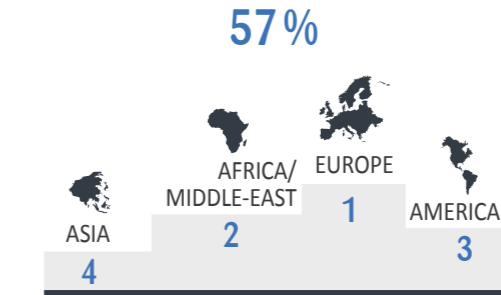
Our international development follows the model that made the company a success in France.

Regardless of the country in which we are operating, the virtuous continuum principle – doctor, pharmacist, patient – prevails. This is necessary for pharmaceuticals, but also for dermo-cosmetics. It is, however, a model that we know how to adjust to take into account the specific features of each market where distribution through dispensaries is more or less developed.

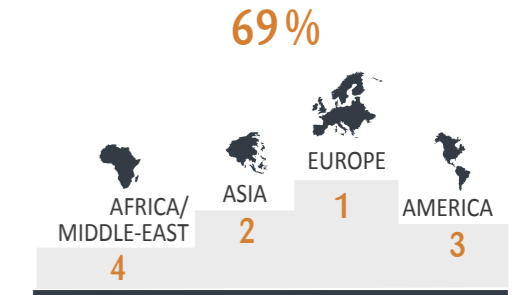
Being attentive to all cultures, creating relationships based on trust with local health care professionals, adapting to the reality of the distribution channels of each market without ever surrendering our requirement for professional advice provided in an environment that is consistent with the highly technical nature of our products: this is our approach for internationally building upon what we have constructed from our native land for over half a century.

## PERCENTAGE OF REVENUES ABROAD

### PHARMACEUTICALS DIVISION



### DERMO-COSMETICS DIVISION



## INTERNATIONAL FOOTPRINT THROUGH SUBSIDIARIES AND OFFICES

IN **45 COUNTRIES**  
ON ALL **5 CONTINENTS**

- SOUTH AFRICA • ALGERIA • GERMANY • ARGENTINA • AUSTRALIA • AUSTRIA • BELGIUM • BRAZIL •
- BULGARIA • CANADA • CHILE • CHINA • SOUTH KOREA • IVORY COAST • DENMARK • DUBAI • SPAIN • UNITED STATES •
- FINLAND • FRANCE • GREAT BRITAIN • GREECE • INDIA • ITALY • JAPAN • LEBANON • LUXEMBOURG •
- MADAGASCAR • MOROCCO • MEXICO • NORWAY • NETHERLANDS • POLAND • PORTUGAL • CZECH REPUBLIC • RUSSIA •
- SENEGAL • SINGAPORE • SLOVAKIA • SWEDEN • SWITZERLAND • TUNISIA • TURKEY • URUGUAY • VIETNAM

## FROM HEALTH TO BEAUTY

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MEETING THE CHALLENGES OF  
HEALTH AND WELL-BEING



WE HAVE CREATED  
NUMEROUS PRODUCTS,  
GOOD PRODUCTS,  
DESIGNED WITH PASSION  
AND CARE; WE HAVE  
DONE USEFUL THINGS  
FOR HEALTH

MR. PIERRE FABRE

JUNE 2005



# MISSION

*We take care of life by designing and developing innovative solutions inspired by consumers and patients, and contributing to the well-being of everyone from health to beauty. We achieve this by cooperating with health care professionals, our trusted partners worldwide, by drawing relentless inspiration from nature and plants, by working with researchers and innovators all over the world and by placing pharmaceutical ethics at the very heart of our operations.*

Health is a unified whole. It is not just about being free from disease or disability. As the World Health Organization (WHO) says, it is a state of complete physical, social and mental well-being. The Pierre Fabre Group took on the ambition to meet this need for well-being, with a constant concern for proven efficacy and the highest level of safety, from pharmaceuticals to dermo-cosmetics care, from health to beauty. Men, women and children, ill, recovering or in good health, from birth to their last days, Pierre Fabre products care for everyone.



# INNOVATION

IMAGINING  
FUTURE PRODUCTS

Investments in R&D reflect the importance that we attach to the discovery and development of innovative therapeutic and well-being solutions, from health to beauty. Pierre Fabre combines pharmaceutical research and dermo-cosmetic research, thus creating novel links between these different fields. The Group makes use of cross-functional expertise, in particular, research on plants and expert knowledge on active ingredients of natural or biotechnological origin.



ALMOST **187**  
MILLION EUROS



**14.5%**  
OF NET SALES FROM  
PHARMACEUTICALS

DEDICATED TO R&D IN 2018



**4.8%**  
OF NET SALES FROM  
DERMO-COSMETICS

# 4

AREAS OF INNOVATION

**Oncology:**

We allocate 50% of our medical research budget to oncology, which is the priority area for innovation. Our research focuses on areas with major medical needs, mainly solid tumors, notably cancers of the aerodigestive tract such as colon cancer, head and neck cancers, or cancers of the urogenital tract, such as bladder cancer, as well as skin cancers (melanomas) and certain blood cancers such as leukemia. At the crossroads of our expertise in dermatology and oncology, onco-dermatology has become a vital area of our R&D in recent years.

**Dermo-cosmetics:**

Our researchers are identifying potential active ingredients and new targets. They are developing suitable knowledge and methods to better understand the physiology of normal skin and skin suffering from a condition, to provide the most comprehensive cosmetology offer possible, from support for skin problems to care for the skin and scalp.

**Consumer Health Care:**

Our consumer health care innovation unit covers a broad spectrum of solutions in the areas of family health care, oral care and natural health care. In this domain, we are developing drugs as well as medical devices, dietary supplements and cosmetics, with the aim of meeting every individual's needs on a daily basis.

**Dermatological Rx:**

In this area, we are focusing our innovative efforts on treating infantile hemangioma, atopic dermatitis, rare diseases and onco-dermatological illnesses. The development of new topical treatments for the management of these skin cancers – notably basal-cell carcinomas and actinic keratoses – are our priority now more than ever.



At the Oncopole in Toulouse, the Pierre Fabre R&D Center is just across the road from the IUCT-O clinic. The IUCT-O clinic is the first French treatment clinic to receive ISO 9001 certification for its management of clinical trials in cancer treatment.

**ZOOM**

## Translational medicine: from laboratory to patient

The emerging scientific discipline of translational medicine bridges the gap between basic research carried out in laboratories and clinical research carried out on patients. The aim is to have laboratories, practitioners and patients working closely together to make new treatments – cancer treatments in particular – available as quickly as possible. Committing to the realization of the Oncopole project in Toulouse at the turn of the millennium, with its campus housing researchers, clinicians, practitioners and patients on the same site, Pierre Fabre Laboratories took an interest in translational medicine very early on. Everything is now up and running. The Pierre Fabre Research Center is just across the road from the Toulouse University Cancer Institute - Oncopole (IUCT-O). The IUCT-O clinic receives 10,000 patients a year and is the first French treatment establishment to be awarded ISO 9001 certification for its management of clinical trials in cancer treatment. In 2017, the Group formed a partnership with the Toulouse Cancer Health Foundation and the French Institute of Health and Medical Research (INSERM), a translational medicine research chair focusing on tumor heterogeneity. It is backed up by the IUCT-O and integrated into the Cancer Research Center of Toulouse (an INSERM structure).

## PHARMACEUTICAL INNOVATION

The development of a pharmaceutical drug is a long and complex process, which on average takes 15 years, requiring 10,000 synthesized molecules to market one drug. To rise to this challenge, Pierre Fabre R&D relies on five main areas of expertise.

### Natural substances:

Plants and water are a source of multi-disciplinary scientific experiments with the aim of developing original active ingredients used in the fields of pharmaceuticals, family health care and dermo-cosmetics.

### New chemical entities:

Technological advances in molecular and cellular biology, structural biology, molecular modeling and medicinal chemistry contribute to the discovery of innovative therapeutic principles. These therapeutic principles are approved through the implementation of pharmacological models similar to situations tested during clinical studies on patients, and are therefore highly predictive. Today, this expertise is an essential line of research, particularly in oncology.

# 5

## SCIENTIFIC EXPERTISE

### Biotherapies:

Based on monoclonal antibodies and recombinant proteins, biotherapies are also at the cutting edge of Pierre Fabre research, and have been studied by us for over 15 years. The advantage of monoclonal antibodies lies in their highly targeted mode of action, their efficacy and their greater tolerance compared with chemotherapy treatments.

### Translational medicine:

To move more quickly and safely from basic research to proof of concept then to the drug administered to the patient, Pierre Fabre R&D now uses translational medicine, an accelerated clinical development strategy based on innovative clinical designs.

### Immunoconjugates:

At the crossroads of chemistry and biotechnologies, they are currently a booming class of pharmaceuticals for cancer treatment because they allow the active components to be delivered to the very core of a cancerous cell without affecting the healthy cells. Our research teams have complementary know-how for designing, producing and assessing such molecules, by combining the expertise of targeted biotherapies developed in Saint-Julien-en-Genevois, knowledge on the cytotoxic agents studied at Toulouse-Oncopole and the chemistry know-how of the teams in Toulouse.



## Immuno-oncology: new hope in cancer treatment

Alongside surgery, radiotherapy, chemotherapy and targeted therapies based on kinase inhibitors, immuno-oncology is now the No. 5 course of treatment for cancer. This new-generation treatment is mainly based on monoclonal antibodies, the molecules naturally produced by our immune system to fight against molecules identified as being foreign by the body.

The Pierre Fabre Immunology Center (CIPF) started looking at antibodies in the early 2000s. While chemotherapy molecules affect cancerous and non-cancerous cells indiscriminately, the CIPF wants to develop new antibodies that specifically recognize tumorous cells, preventing their growth while reducing side effects.

The advent of antibodies has opened up a whole field of research into their derivatives. For the past three years, the stars of cancer treatment have been immunomodulators. These antibodies help patients' immune systems to "unlock themselves" and fight the tumor. At the CIPF, we are trying to find the right antibody formula for each type of cancer. Current research involves combining several immunomodulators with each other and combining immunoconjugates and immunomodulators, to improve the efficacy of the molecules even further.

*Text from Figaro Partner, published on May 23, 2016, in the health care section of Le Figaro*

## INNOVATION IN DERMO-COSMETICS

To enhance our offer of dermo-cosmetic products, our researchers are identifying new active ingredients of natural, biological or chemical origin and exploring the cutaneous and capillary mechanisms on a tissue, cellular and molecular scale. They are focusing on seven areas of research and six areas of scientific expertise.

### Barrier function:

Better understanding the biology of the epidermal barrier and identifying active ingredients that foster skin hydration, strengthening the barrier function, resistance to different types of stress or even cell repair.

### Photoprotection:

Studying combinations of filter systems meeting various criteria: chemical (broad absorption spectrum, water resistance, etc.), cosmetic (good sensory qualities), safety (local tolerance) and respect for the environment.

### Skin aging:

Understanding the mechanisms involved in the skin aging process and offering new anti-aging active ingredients.

### Inflammation (acne, atopic dermatitis and rosacea):

Ascertaining the molecular mechanisms at play in the development of inflammatory skin reactions and developing new support strategies.

### Hair biology:

Studying the cellular and molecular mechanisms that contribute to regulating the hair cycle, seborrhea, hydration and scalp sensitivity, to improve the treatment of various types of hair loss and other disorders associated with the scalp.

### Pigmentation:

Proposing new active ingredients to support the treatment of pigmentation disorders.

### Slimming:

Identifying pharmacological targets and active ingredients to increase the efficacy of slimming products. Our research focuses on chronobiology in particular.

### Sterile Cosmetics:

Disruptive technology that offers formulas containing only the essential active ingredients for the most sensitive skin types, with no preservatives. The guarantee of a safe and effective formula throughout the duration of use.

### Cellular and skin modeling:

Pierre Fabre has a unit specializing in skin tissue engineering, which makes it possible to develop skin models from fibroblasts and keratinocytes. With a high predictive value for tolerance and efficacy of active ingredients, these models fall into a transversal assessment logic (from in vitro studies to clinical studies in humans).

### The skin microbiota:

By developing truly "microbiotic" dermo-cosmetics that promote and restore the diversity of microbial skin flora, researchers from Pierre Fabre Dermo-Cosmetics are offering an innovative treatment with effective and well-tolerated care.

### Biotechnologies:

In the area of dermo-cosmetics, biotechnologies rely on extensive experience and expertise in developing high-tech pharmaceutical processes: culture in bioreactors, production of active ingredients from plant cells or microorganisms.

### Hydrotherapy dermatology:

The treatment of patients affected by atopic dermatitis or psoriasis at the Avène hydrotherapy center has clearly demonstrated the therapeutic benefits of its thermal spa water. To better understand its composition and mechanisms of action, Pierre Fabre Laboratories has created the Water Laboratory.

## 6 SCIENTIFIC EXPERTISE

### Formulations:

Emulsions, foams, lotions, sticks, powders, soaps, oils, etc. Our raw materials are selected to combine effectiveness with comfort and to make our products a pleasure to use.

## ZOOM Sterile Cosmetics



Since the 1990s, Group researchers and engineers have been designing a unique system for the manufacture of sterile, preservative-free skin care products, in the form of disposable single-doses, for the most demanding skin types. To make these sterile

products accessible to as many people as possible and to promote adherence to treatments, a new research project was put in place. This resulted in the launch of a new generation of skin care in 2009: Sterile Cosmetics.

Sterile Cosmetics, which ensure absolute efficacy and safety for the most demanding types of skin (baby's skin, hypersensitive skin, pathological skin and, in particular, atopy-prone skin), are currently the only cosmetics to guarantee:

- Preservative-free products containing only those active substances that are absolutely essential
- A unique manufacturing process developed by Pierre Fabre Laboratories: sterilizing formulas via infusion and packaging them in a sterile environment, according to current standards in the pharmaceutical industry
- Sterility of the product throughout its use thanks to DEFI (Device for Exclusive Formula Integrity), a patented packaging system. DEFI makes it possible to maintain the sterility of the product, even after the tube has been opened, with no risk of bacterial contamination throughout use.

Marketed from 2009 under the Eau Thermale Avène brand (Tolérance Extrême range), Sterile Cosmetics are also available with the A-Derma and Ducray brands. They will be gradually extended to other Pierre Fabre Group products designed for the most demanding skin types.

FIND OUT MORE

[www.cosmetique-sterile.com](http://www.cosmetique-sterile.com)

# INSPIRATION

EXPLORING THE BEST OF NATURE

A source of inspiration, exploration and beauty, nature is at the heart of our development model. Research into natural substances is a historic and original focus for our Laboratories. For over half a century, we have been convinced that nature still holds undiscovered benefits for healing, soothing and beautifying.



**16,000**  
UNIQUE PLANT SAMPLES,  
i.e., the largest private  
collection in the world



**3 to 5**  
NEW PLANT-BASED  
EXTRACTS  
developed every year



**2** CENTURIES OF  
RECOGNITION FOR  
THE PROPERTIES  
of Avène thermal  
spring water

## THE PROPERTIES OF AVÈNE THERMAL SPRING WATER

Avène thermal spring water has been recognized for over two centuries for its soothing and anti-irritating properties. It is the essential active ingredient for a wide range of care products for the most sensitive, intolerant and allergic skin types. To deepen our knowledge of its composition and mechanisms of action, with the support of water experts, Pierre Fabre research teams are leading multi-disciplinary programs.

These have unlocked the secret of its unique mineral composition: an underground journey of over 50 years, which takes it to a depth of up to 1,500 meters, during which it takes in minerals and trace elements. Recently, our researchers also brought to light the biological characteristics of the spring water.

## EXPLORING MARINE BIODIVERSITY

In order to increase our access to original natural molecules (particularly in infectiology, oncology and dermatology) while preserving marine biodiversity, in 2001, we created a mixed research team at the Oceanological Observatory in Banyuls-sur-Mer (Laboratoire Arago) in conjunction with the Pierre and Marie Curie University (Paris VI) and CNRS [National Center for Scientific Research]. This team specializing in microbial ecology studies marine microorganisms, a renewable source of original biological active ingredients, and is contributing to a better characterization of this biodiversity, which still remains largely unknown.

Its collection of microorganisms is registered at the World Federation for Culture Collections and includes over 2,000 species. To enrich this

collection, the Oceanological Observatory takes part in oceanological campaigns on the different seas of the world, such as the campaign organized by the explorer Jean-Louis Étienne on Clipperton Island deep in the Pacific.

## DISCOVERING THE BENEFITS OF PLANTS

Convinced that the 250,000 flowering plants listed to date, and those that remain to be discovered, may hold health and beauty benefits, we have made research into plant-based substances a major focus of innovation. These scientific investigations are integrated into Botanical Expertise Pierre Fabre, a certified process for the responsible development of innovative, safe and effective plant-based active ingredients. Numerous sciences and technologies are brought into play to identify plants that are

to be researched, in particular phytochemistry, chemotaxonomy and metabolomics.

Our researchers are working on identifying molecules that are responsible for the activity of a plant, defining the extraction process guaranteeing a constant active-ingredient content and a method ensuring the reproducibility of this content in extracts produced on an industrial scale. In parallel, our agronomists are selecting the variety that is richest in active molecules, and defining the optimum cultivation and harvesting techniques.

## SHARING AND PROMOTING KNOWLEDGE

Additionally, our subsidiary in Madagascar decided to create a 138-hectare nature reserve on its own land to protect and list the species endemic to southern Madagascar. This reserve, named *Sakara* (from the name of the river flowing through our land) was established in collaboration with the Madagascar Ministry of Water Resources and Forestry and was granted a status recognized by order of the Directorate General for the Environment and Forests in Antananarivo. The partial inventory of flora at the reserve revealed 146 species, including 20 species protected by international legislation. This transition forest (between dry forest and rainforest) is primarily dominated by the species *Operculicarya decaryi*, *Grewia sp.*, *Rhigozum madagascariense*, *Commiphora sp.*, *Aloe divaricata* and *Hazunta modesta*. Other observations are due to take place at different times to better record the existing biodiversity.

**ZOOM**

Avène Thermal Spring Water is an exceptional active ingredient.

Its story starts at the Avène impluvium in a rich, protected natural setting at the heart of the Haut-Languedoc national park.

Every drop of rain that falls here embarks on a journey lasting over 50 years, during which it becomes rich in minerals and trace elements. Up to 1,500 meters deep, it gains a precious, unique microflora discovered by our researchers: *Aqua. dolomiaea*.

Over 150 fundamental pharma-clinical and clinical studies and over 50 publications in international medical journals vouch for the effectiveness of Avène thermal spring water and its soothing, anti-irritant, calming properties, which are great for sensitive, intolerant or allergic skin types.

The Spring, Hydrotherapy Center, Water Laboratory and Production Unit are all on the same site to prevent any alteration of this powerful active ingredient. Avène thermal spring water is permanently studied and controlled by the Water Laboratory, extracted at the point where it emerges from the spring, then sent directly to the Hydrotherapy Center and Production Unit, ensuring all the properties it offers are intact for hydrotherapy patients and everyone who uses Eau thermale Avène in their daily well-being routine.

Water protected from the spring to the skin, with a unique soothing property.

FIND OUT MORE

[www.eau-thermale-avene.com](http://www.eau-thermale-avene.com)  
[www.avenecenter.com/en](http://www.avenecenter.com/en)



# RIGOR

MANUFACTURING IN COMPLIANCE  
WITH THE STRICTEST STANDARDS

We have chosen to internalize the design and manufacture of the greater part of our products, from research to distribution, to guarantee quality by controlling the entire logistics chain. Our manufacturing applies innovative processes, based on a progress initiative, which constantly raises the standards and the overall level of quality.



## ISO9001

FOR ALL OF OUR INDUSTRIAL SITES  
DEDICATED TO DERMO-COSMETICS



## ISO14001

FOR OUR CHEMICAL AND  
PHARMACEUTICAL (PAU)  
AND DERMO-COSMETICS (SOUL  
AND AVÈNE) PRODUCTION SITES

## SPECIFIC KNOW-HOW

### Cytotoxic molecules and production in aseptic conditions

Specialized in aseptic filling using isolator technology to manufacture cytotoxic molecules, the Pau plant (Pyrénées-Atlantiques) was the first French pharmaceutical site to gain approval from the American Food and Drug Administration (FDA) in 1993.

### Hard-boiled pharmaceutical lozenges

The production of hard-boiled lozenges for pharmaceutical products is the core business of the Aignan site (Gers). It uses innovative, constant-flow production technology, with many benefits for our European and American partners.

### Pharmaceuticals and dietary supplements in dry and liquid forms

Since 1990, the Cahors unit (Lot), specialized in small series, has been manufacturing and packaging plant-based capsules, powders and liquids.

Since 2016, it has also been packaging hard-boiled pharmaceutical lozenges produced at the Aignan site.

### Pharmaceuticals in dry, paste and liquid forms

Constructed in 1963 by Rhône Poulenc, the Gien site (Loiret) was integrated into Pierre Fabre Laboratories in 1993. Today it is the Group's largest pharmaceutical production site. It manufactures and packages pharmaceutical and cosmetic products and medical devices in dry forms (such as capsules, tablets and sachets), or as pastes and liquids.

### Paste forms and toothpastes

The Gien site also produces toothpastes to pharmaceutical standards. A new workshop was built to accommodate this production, transferred from the Château-Renard site. The Elgydium toothpaste and mouthwash range obtained the French Origin Guaranteed label in February 2016.

### Sterile Cosmetics and Dermo-Cosmetics

The Soual site (Tarn), supported by the neighboring workshop of Mazamet, manufactures and packages dermo-cosmetic products for all Pierre Fabre Dermo-Cosmetics brands (creams, liquids, milks, lotions, soaps, sticks, etc.). The Avène industrial site (Hérault) manufactures and packages Eau Thermale Avène-branded products from the spring water drawn nearby at the Sainte-Odile source. Following regular major investments since 2011, the two plants are in charge of production in a sterile environment for Sterile Cosmetics health care products. In 2015, the Avène production unit obtained approval from the FDA to export OTC products to the U.S. The Aréal site in Brazil, related to the buyout of Darrow in 2006, was converted into a unit for the production of dermo-cosmetic products for the Brazilian market.

The Château-Renard conversion is completed and the site is fully dedicated to dermo-cosmetics activities. Soual obtained ISO14001 certification in late 2015 and Avène did the same in late 2016.

### Active ingredients

In its Gaillac (Tarn), Virrey del Pino (Argentina) and Palézieux (Switzerland) plants, Pierre Fabre produces active ingredients of plant, biological or synthetic origin for the pharmaceutical, cosmetic and nutraceutical sectors. The Group has cutting-edge industrial expertise in fields such as extraction, hemisynthesis, chemical synthesis, plant cell cultivation and supercritical fluids. Tests are meticulously performed at every stage in the development and manufacture of active ingredients.



## CONTRACT DEVELOPMENT AND MANUFACTURING ORGANIZATION (CDMO)

**A COMPLETE RANGE OF SERVICES ON BEHALF OF THIRD PARTIES**  
For over 20 years, Pierre Fabre CDMO (Contract Development and Manufacturing Organization) has been providing a wide range of services and offering its international partners innovative solutions for their projects. Our CDMO model offers the highest level of quality at each stage of the process. Our industrial and technological know-how means we can propose a comprehensive or customized offer, from supplying components to delivery to customers, for pharmaceutical and cosmetic products, dietary supplements and medical devices. Our industrial teams are able to help development teams from the design stage. This collaboration, which takes place in the very early stages of the product and procedure industrialization process, makes it quicker to register and launch new products.

Injectable products, for  
conventional cytotoxic agents,  
and products from biotechnology

Our main business is manufacturing large batches of injectable products at our site in Pau, which is globally recognized for its expertise. This production site is organized around nine independent workshops, specialized in the aseptic filling of cytotoxic and biotechnological cancer drugs using isolators. These are inserted into pre-filled syringes and bottles in the form of liquids and lyophilisates.

### Hard-boiled lozenges in a pharmaceutical environment

Our Aignan production unit offers a competitive service in the manufacture of lozenges used in consumer health care to treat sore throats, smoking cessation and other pharmaceutical applications. A very wide variety of products can be produced, taking the various formulations and technologies offered into account.

# 4

SPECIALIZED  
BUSINESS AREAS

# CDMO

### Tablets, liquids and creams

These products are produced in their different forms at our plants in Gien (Loiret) and Ho Chi Minh City (Vietnam). Production and packaging are very closely linked in these plants too.

### Active ingredients, in particular natural active ingredients

Based in Gaillac, our unit dedicated to active ingredients offers high-tech know-how in the areas of extraction, purification and synthesis. Another site in Bagnères-de-Bigorre is specialized in the manufacture of floral waters. Two other plants, one in Virrey del Pino (Argentina) and the other in Palézieux (Switzerland), have specific experience in biological extraction. These production sites operate in line with current best industrial practices.

### FIND OUT MORE

[www.pierre-fabre.com/en/CDMO](http://www.pierre-fabre.com/en/CDMO)

# ATTENTIVENESS

## PROVIDING SUPPORT, FROM PRESCRIPTION TO ADVICE

The Pierre Fabre Group is committed to improving the treatment, health and well-being of patients and consumers. To carry out this mission, we form partnerships based on trust all over the world and at home with health care professionals who are in the best position to prescribe or recommend the Group's products. They know their patients' needs and can provide them with necessary information for the correct use of their products better than anyone else.

### SUPPORT AT THE HEART OF THE MODEL

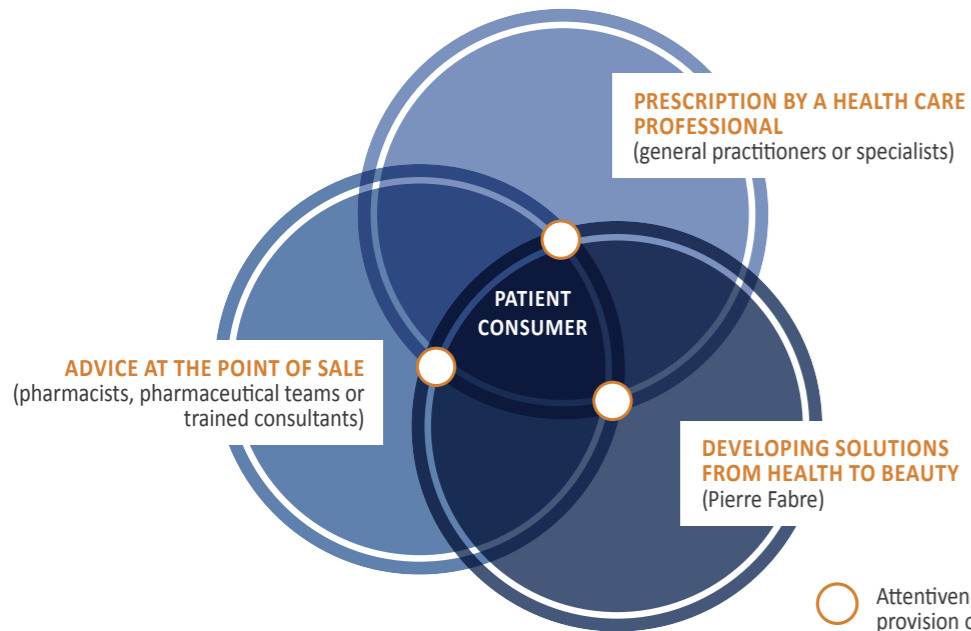
Whatever the extent of the disease or discomfort from which the patient or consumer is suffering, we consider it a health risk. Based on that principle, our vision is that everyone should benefit from advice and monitoring, where appropriate, by a health care professional: doctor, pharmacist, dental surgeon, midwife, podiatrist, nurse, etc. We believe that only health care professionals are in a position to identify the most suitable solution with patients for their pathology or needs.

Of course, we apply this vision to pharmaceuticals but we also apply it to dermo-cosmetic products, which we feel, in certain cases, should be recommended by a dermatologist and systematically prescribed by qualified individuals or people trained to give suitable advice.

### TRAINING AND INFORMATION

All health care professionals, in particular doctors and pharmacists, are involved in our research and receive regular information on our specialties.

We provide them with training tools and information in order to support them in their task of diagnosis, advice and therapeutic education. The Foundation for Atopic Dermatitis and Club Dermaweb are two significant examples of this.



## Prescription and advice in the eHealth age



To meet the needs of patients and consumers, Pierre Fabre regularly organizes Hackathons, Chatbot Challenges and other events to invent the digital tools of the future. The Group is also developing tools that are part of the patient care journey.

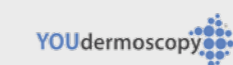
- Educational applications or platforms:

**SKINDIAG**, developed by Club Dermaweb, is the first mobile tele dermatology application for diagnostic support in dermatology for health care professionals. It can be used to optimize patient treatment and advice and to provide diagnostic and therapeutic support within 48 hours.

**Youdermoscopy** is a mobile and tablet app offering educational games for dermatologists interested in training themselves in dermoscopy. This app was developed in cooperation with Professor Giuseppe Argenziano, the Skin Cancer Unit, and thanks to the exclusive contribution of the Eau Thermale Avène brand.

**Feelcaps**, an educational, adaptable online platform developed by Pierre Fabre Pharmaceuticals, which raises patients' awareness of the importance of regular exercise for their health.

**I love my dentist:** Pierre Fabre Oral Care offers French dental surgeons a virtual coach in the form of e-learning to learn about the stress that may be felt by their patients. Using Virtual Reality (VR), professionals can put themselves in the patient's shoes in just a few minutes.



- Three hackathons were organized to design innovative solutions for patient better-being in the areas of urology and acne.
- One Chatbot Challenge: in June 2017, Pierre Fabre organized a Chatbot Challenge for Health Care to help combat Malaria and Anemia in Africa: #HackMalaria. The participants, backed up by professionals, were able to create one of those small interactive "robots" in Chat mode.
- One AI dermatology Challenge: in November 2017, in conjunction with Microsoft and the consultancy firm Velvet Consulting, Pierre Fabre Pharmaceuticals challenged the best developers to recognize a melanoma from dermatoscopic images of moles.
- One onco-dermatological AI challenge: in July 2018 the Pierre Fabre Dermo-Cosmetics clinical research teams launched a challenge for participants: to find a new algorithmic approach to grading solar erythema in the context of skin cancer prevention.

# PREVENTION

**The comprehensive treatment of patients also requires informative, educational and preventive action. In order to do this, we are developing programs that support the work of health care professionals. Our goal: to ensure that the health of patients suffering from severe or chronic pathologies is not worsened, and to help healthy individuals stay in good health.**

## PREVENTING SKIN CANCER

The Eau Thermale Avène brand is committed to various actions throughout the world, grouped into a comprehensive "Skin & Cancer" approach:

- Support for skin cancer screening actions at European level via the Euromelanoma partnership, in France in partnership with the French trade union of dermatologists and venereologists, and even in Spain and Mexico.
- In partnership with the European Skin Cancer Foundation, a foundation which aims to improve knowledge of skin cancers and to support research projects in this therapeutic field.
- Creating websites dedicated to sun protection in Italy and Spain: [www.benvenutosole.it](http://www.benvenutosole.it) and [www.saludysol.es](http://www.saludysol.es).
- Production of a public-domain documentary, in Spain, on the importance of sun protection to prevent skin cancer: "La Memoria a flor del piel," available on YouTube.
- Educating children about sun protection, particularly in Turkey, using fun and educational materials.
- Deployment of the free app You Dermoscopy, an educational game intended for doctors or anybody hoping to learn to use or improve their skills in dermoscopy. Dermoscopy is a technique used for an in-depth diagnosis of skin diseases. It is very successful among dermatologists, notably thanks to the diagnosis of pigmented

## CONTRIBUTING TO PUBLIC HEALTH CHALLENGES

legions such as nevi and skin cancer. Initially deployed by the Italian subsidiary in 2014, with the support of Professor Giuseppe Argenziano from Naples, the YouDermoscopy app is now supported by Avène Dermatological Laboratories at global level. The app is now available in 11 languages and can be downloaded on cell phones and tablets. More action has been taken based on this theme and implemented in 18 countries, such as panel discussions, symposia, dermoscopy competitions and partnerships with expert groups: Argentina, Australia, Belgium, Brazil, Bulgaria, Colombia, Denmark, Spain, France, Greece, Italy, Mexico, Poland, Portugal, Dominican Republic, Romania, Russia and Switzerland – and soon Algeria.

## SMOKING CESSATION

Committed to smoking cessation for over 25 years, Pierre Fabre Health Care is involved in public health actions that target the general public and health care professionals.

- Taking part in the World No Tobacco Day, via awareness-raising operations on how to stop smoking, run in French hospitals and pharmacies, for patients, hospital staff and pharmacy personnel.
- Observational study in dispensaries for more than a year, aiming to assess the effectiveness of individual consultations on smoking cessation in pharmacies, and thus encourage the treatment of tobacco addiction in pharmacies.



- Creation of the Pierre Fabre Tabacology Institute (IPFT), with the aim of supporting the development of expertise among health care professionals for customized and more effective treatment of people who want to stop smoking. An innovation award was also created under the auspices of the IPFT to reward the most innovative tabacology initiative of the year.
- Organizing conferences on the subject of "women smoking" to encourage interdisciplinary discussions on the dangers and general treatment of smoking among women.
- Providing tools (tests, brochures, CO analyzers) to help health care professionals raise awareness on smoking cessation among the general public.

## PREVENTION AND ORAL HYGIENE

Based on our unique experience in oral care, Pierre Fabre Oral Care is getting involved in awareness-raising and prevention actions. The objective is to raise awareness among the general public, and children in particular, on the rules of good oral hygiene and the importance of regular dental check-ups.

- In France, educational tools and applications are being developed to motivate children to brush their teeth, and support is provided to numerous charities offering dental care to the poorest people.
- Creation of the "Oral Care Coach" and "Oral Care Kids" mobile apps in Switzerland
- Play written in Portugal and Bulgaria that is performed in schools and libraries to raise awareness about the importance of good oral hygiene.
- Participation in the national program in Singapore to raise awareness on oral hygiene for children under the age of 7, providing toothbrushes and toothpaste to all children in nursery school.
- In France, creation of the "Smiling Spring" operation in association with the UFSBD (French Union for Oral Health), action aiming to raise awareness among French people on the importance of good oral health and its impact on general health. As part of the 2018 Smiling Spring, a survey was conducted among 32,400 French people on their habits in terms of oral hygiene, to assess their knowledge of the links between general health and oral health. The results showed an underestimation of the impact of periodontal diseases on general health and poor awareness of the warning signs for oral health (bleeding gums, change in breath odor).



## SIDE ONCO SKIN application

ZOOM

**SIDE ONCO SKIN** As part of the comprehensive "Skin & Cancer" approach, the Eau Thermale Avène brand, in conjunction with major onco-dermatologists, has developed an app available on smartphones.

This app enables health care professionals (doctors, medical staff and pharmacists) to access the dermatological side effects of cancer treatments in real time. In this app, health care professionals can consult the dermatological symptoms and the main inducing molecules, as well as case studies and quizzes to test their knowledge.



# AT THE HEART OF dermatology

In dermatology and dermo-pediatrics, we are innovating to provide patients, dermatologists, general practitioners and pharmacists with new treatments and specific educational and training tools.

- Provision of a portfolio of products covering the main dermatological conditions such as acne, fungal infections, psoriasis, atopic dermatitis and alopecia.
- Development and marketing of a major therapeutic treatment for infantile hemangioma.
- Creation and management of Dermaweb, a free website for dermatologists, pharmacists and dispensary staff, for training and information on dermatology
- A corporate foundation fully dedicated to the fight against atopic eczema: the Foundation for Atopic Dermatitis

## INNOVATION

### ONCO-DERMATOLOGY

#### A PUBLIC HEALTH ISSUE

Skin cancer rates have risen steadily for 30 years. This has become a real public health issue, both in terms of prevention and therapy. We estimate that one in six people will develop a skin cancer in the future. The development of new treatments for managing these cancers, especially melanoma, which is the most dangerous form, has become a public health priority. With our proven expertise in both oncology and dermatology, onco-dermatology has become a natural, vital area for our research.

### 3 RESEARCH CENTERS

- Pierre Fabre Research and Development Center (Oncopole, Toulouse)
- Pierre Fabre Dermo-Cosmetics Research Center (Vigoulet)
- Skin Research Center (Hôtel-Dieu, Toulouse)

## SHARING

### INFANTILE HEMANGIOMA

#### A SUCCESSFUL PUBLIC-PRIVATE PARTNERSHIP

Infantile hemangioma, which affects 10% of infants, is a benign tumor that appears in the first weeks of life. It can have major functional and aesthetic consequences. In 2007, the Bordeaux University Hospital Center discovered the efficacy of a molecule usually used in cardiology in the treatment of this pathology. The University Hospital Center teams contacted Pierre Fabre Dermatologie for the pharmaceutical, toxicological and clinical development of this drug in its new pediatric dermatology indication. Seven years after the start of this collaboration, in March and April 2014, the drug obtained two market authorizations, one for the U.S. and the other for the whole of the European Union.

## SUPPORT & PREVENTION

### THERAPEUTIC EDUCATION

#### A FOUNDATION DEDICATED TO ATOPIC DERMATITIS

Since 2006, the Foundation for Atopic Dermatitis, a corporate foundation created by Pierre Fabre Dermo-Cosmetics, has been helping to finance therapeutic education projects for patients suffering from atopic dermatitis. It therefore works toward improving the knowledge of patients and parents of children with atopic conditions on the nature of the illness, its treatments, and its effects on the lives of patients and their families. The Foundation for Atopic Dermatitis strives to lessen the burden of this illness for patients and their loved ones. It has helped create and develop 40 Atopy Schools in Europe, Asia, and the Americas to develop therapeutic education. In addition, it develops and organizes educational initiatives and creates, produces and distributes information materials intended for practitioners, parents and children.

## FIND OUT MORE

[www.fondation-dermatite-atopique.org/en](http://www.fondation-dermatite-atopique.org/en)

## INNOVATION

### IN DERMO-COSMETICS

#### SKIN EXPERTISE

As the inventors of dermo-cosmetics, we offer innovative skin care and hair care solutions following a sacrosanct principle: making beauty ethical. Our dermo-cosmetic researchers have developed undeniable expertise in the interlinked areas of dermatology and cosmetology. In close collaboration with the best international specialists, they conduct various clinical studies, thus helping develop new dermo-cosmetic concepts and building on knowledge of the skin. Our dermo-cosmetic care products are recommended by health care professionals and administered by staff trained in our ethical approach to beauty, thus guaranteeing individually tailored solutions.



## Dermaweb The voice of the skin



Dermaweb is a reference media for dermatologists, doctors and pharmacists involved in skin care and hair care. It offers all

the tools they need to develop and expand their knowledge, share their expertise and better understand the changes and issues of the practice of dermatology, today and tomorrow.

A non-promotional service, available throughout the world in five languages, Dermaweb now offers a summary of dermatological news, a rich database of images and case reports, videos with expert commentaries, training modules and knowledge-testing quizzes. It also includes online diagnostic assistance, an international community-based platform for sharing expertise and two mobile apps offering a genuinely helpful medical service for everyday use:

- Skin Drug by Dermaweb, the leading app for identifying skin reactions attributable to medication, enriched with a database containing 2021 INNs, 738 skin reactions and 439 known dermatological pathologies.
- Skin Diag by Dermaweb, a B2B tele-consultation service providing invaluable diagnostic and therapeutic coaching, available to all health care professionals.

Through the quality and richness of its content, through its governance, the expertise of its scientific committee composed of 25 renowned dermatologists, and its rigorous editorial policy, Dermaweb has become a reference information source for almost 30,000 doctors including over 20,000 dermatologists throughout the world and 10,000 pharmacists. Moreover, Dermaweb is recommended by many learned dermatological societies, and has been awarded many prizes.

## FIND OUT MORE

[www.clubdermaweb.com/front/en](http://www.clubdermaweb.com/front/en)

## RESPONSIBILITY & CITIZENSHIP

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BEING CURIOUS ABOUT  
THE WORLD AROUND US

“WE ARE EXPERIENCING  
THE SAME ADVENTURE  
WHICH ALLOWS US  
TO SHARE STRONG  
VALUES”

MR. PIERRE FABRE

DECEMBER 2009

# PEOPLE

GIVE MEANING TO WORK

Our Human Resources policy is rooted in the unfailing drive of Mr. Pierre Fabre to combine the company's economic project with a social one. This policy supports the business as it evolves, and its international development in particular, and allows employees, our company's most valuable asset, to grow.



**8.5 %**  
OF THE COMPANY'S  
SHARE CAPITAL  
is held by employees



**85 %**  
OF EMPLOYEES ARE  
SHAREHOLDERS  
in the countries  
concerned by the plan



**7.14 %**  
OF WORKERS WITH  
DISABILITIES  
in France

## CREATING DEVELOPMENT OPPORTUNITIES FOR OUR EMPLOYEES

The pharmaceutical and cosmetics industry is experiencing increasingly rapid economic, regulatory and technological changes that affect our organization and activities.

To support these transformations, and because we are convinced that our workers are the drivers behind our performance, we are implementing an agreement on **forward-looking management of employment and skills (GPEC)**. Its objectives are to support changes to jobs and content - adaptation, creation and transformation - ; to adapt and strengthen employee skills; to promote internal mobility through specific measures and to support employees in their career development process. This dynamic approach has also been implemented abroad, through management of staffing and skills requirements in our subsidiaries, and anticipation of economic and regulatory conditions by area.

An ambitious **training policy** supports the deployment of the GPEC. A customized training response, based on needs and skills gaps, is provided to help employees undergoing mobility to understand their new roles. A catalog of multi-modal training offers (classroom-based, e-learning, blended learning, etc.) is proposed to workers, to help them master their jobs and develop the skills required for the future. Corporate paths are deployed per business sector to support staff development: Marketing, audit, Finance, etc.

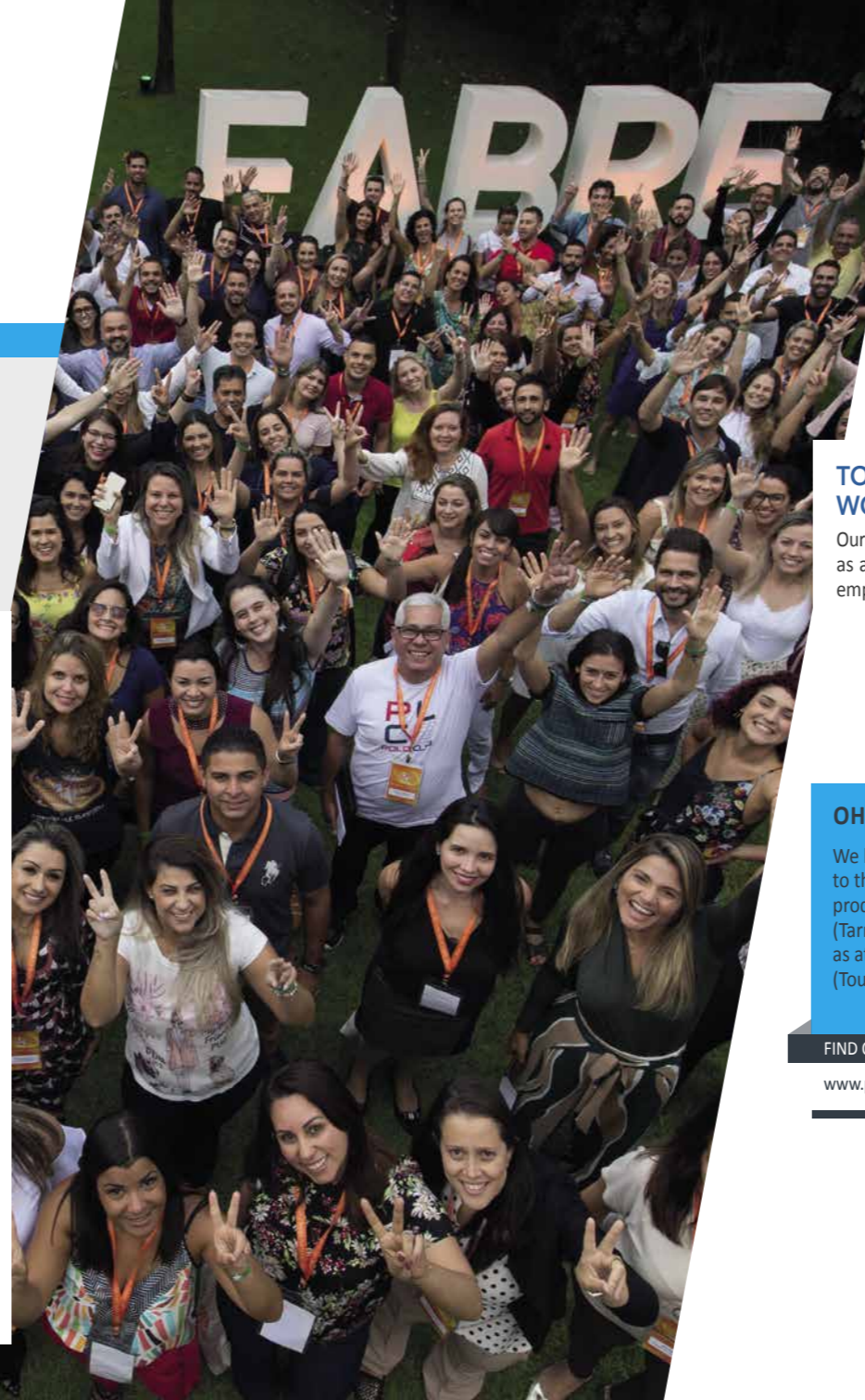
Pierre Fabre University, the Group's corporate university, has defined 4 major challenges to support the development and evolution of staff:

- supporting the transformation of activities, functions and organizations;
- helping with corporate Internationalization;
- aiding the development of mobility and talents;
- developing and aligning cross-business skills, notably in terms of management.

## SUPPORTING INTERNATIONAL DEVELOPMENT

To support our international development challenges, we have reorganized our HR teams both at head office and locally, creating dedicated teams in our main subsidiaries: there are currently 16 "country" human resources managers. This HR segmentation has been built and driven around a common mission: to establish and sustain the Pierre Fabre model in each country in which we are growing the business, in line with specific local conditions, and to identify and lead a pool of international talents.

**Remuneration and "Benefits & Compensation" policy:** to support international development, we make sure that we are familiar with the local employment markets and that we put in place a competitive pay policy that is suited to the different types of mobility and the constraints of the countries in which we operate.



## TO OFFER A SAFE AND SOUND WORKING ENVIRONMENT

Our company's mission, "caring for the human being as a whole," makes the health and safety of our employees our highest concern.

In order to do this, we take measures to reduce and prevent risks, especially chemical, mechanical and psychosocial risks linked to noise, the ergonomics of workstations and road risks.

We also ensure that adequate safety measures have been put in place for employees traveling abroad.

## OHSAS 18001 CERTIFIED SITES

We have chosen to obtain certification according to the OHSAS 18001 standard for our 2 main production sites for active ingredients, in Gaillac (Tarn) and in Virrey del Pino (Argentina), as well as at our Skin Research Center at Hôtel Dieu (Toulouse), where we carry out clinical studies.

This occupational health and safety management system helps to ensure a structured approach, focused on the principle of continuous improvement, and demonstrates our commitment to sites presenting significant potential risks or risks concerning voluntary participants in our clinical studies.

FIND OUT MORE

[www.pierre-fabre.com/en/human-resources](http://www.pierre-fabre.com/en/human-resources)

IN 2018



160

YOUNG PEOPLE  
in work/study training programs



5,559

EMPLOYEES  
benefited from training



175,122

HOURS OF TRAINING  
given

### AN ACTIVE INTERNATIONAL ACADEMIC PARTNERSHIP POLICY

For many years now, Pierre Fabre Laboratories has been implementing an active policy promoting relations with schools and universities in our home region, and we are currently developing these relations throughout the world. Due to the diversity of our activities and the wealth of our business areas, we are taking action at all training levels, with high schools, universities and prestigious engineering schools.

The interlinked collaboration between Pierre Fabre Laboratories and the schools and universities can take several forms:

- Regularly taking part in recruitment drives and selection panels
- Participating in events on campuses to present the company and its activities and functions
- Involving company managers in teaching, at conferences or round table debates.
- Helping create degree programs
- Creating teaching chairs
- Funding student scholarships
- Welcoming young students during internships or work/study training programs
- Conducting company projects and site visits

### PROGRAMS OF EXCELLENCE FOR YOUNG GRADUATES, SPRINGBOARD FOR AN INTERNATIONAL CAREER

To attract young talent, Pierre Fabre is offering a range of programs and measures with an international dimension.

#### Excellence Marketing program

In partnership with the Toulouse Business School, this program, leading to a diploma, is designed to train Product Managers with high international potential. These young graduates from all continents then join the company within the marketing teams in a subsidiary or in the corporate teams. We have also opened up this excellence in marketing program to talent coming from our international subsidiaries to help their integration and quick immersion into the culture and methods of the Group.

#### VIE (Volunteer for International Experience)

Each year, more than forty young graduates join Pierre Fabre Laboratories for a 12 - 24-month assignment to be trained in various positions such as product manager, management controller, logistics project leader, etc. The VIE program is a real opening to the international arena, and provides the opportunity to reveal the potential of young graduates hoping for an international career.



### A COMMITMENT TO ACADEMIC RESEARCH ON OUR CORE BUSINESS

The “Agile Supply Chain” chair at the École des Mines in Albi: in April 2016, Pierre Fabre and the École des Mines d’Albi created a corporate chair on agility in supply chains. This chair gives our managers the opportunity to develop their skills through specific exchanges and training programs. This chair is both the result of over

15 years of collaboration between the school and the company and the creation of dynamic cooperation, which is a vector for future innovation in an area of excellence for both partners. Aiming to accelerate the dynamics between the industrial and academic worlds, the Chair aims to encourage engineers and PhD students to carry out applied research, particularly on real Group situations, to ultimately develop new concepts and tools that are likely to improve the agility of our supply chain.

FIND OUT MORE

[www.pierre-fabre.com/en/node/2323](http://www.pierre-fabre.com/en/node/2323)

ZOOM

Happy Trainees

### Students in work/study training programs or internships with Pierre Fabre recommend the company

Pierre Fabre receives the Happy Trainees label for the 6<sup>th</sup> year in a row and is in 9<sup>th</sup> place in the category “from 100 to 500 interns.”

The ranking, produced by “Meilleures-entreprises.com,” highlights companies that pay attention to the “hosting, support and management of their interns.” These companies are graded exclusively by their interns and work placement students, within their category: more than 500 interns, from 100 to 500 interns, from 20 to 99 interns and, lastly, from 1 to 19 interns. 171 interns and work placement students from the Group responded to the survey, the majority of whom recommended our company. They all expressed their opinions on 6 aspects: Career development, Motivation, Pride, Stimulating environment, Fun and Management.

The “Happy Trainees” label rewards the Pierre Fabre Group’s active policy in support of young students.

# REGIONS

## CONTRIBUTING TO THE ECONOMIC AND SOCIAL DEVELOPMENT OF OUR REGIONS

It is a shared story, a story of places and people, but also a way of claiming our identity and taking pride in our differences: the Pierre Fabre Group has always shown willingness to share our developments with the regions in which we operate and, more specifically, our native land.



 <b>No. 1</b> <small>EMPLOYER IN THE TARN</small>	 <b>1 of the 3</b> <small>LEADING PRIVATE EMPLOYERS in Occitanie</small>	 <b>259</b> <small>MILLION EUROS INVESTED in greater southwestern France between 2016 and 2018</small>	 <b>70%</b> <small>OF OUR PURCHASES come from French companies</small>
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### TARN & OCCITANIE, OUR NATIVE LANDS

Our company wishes to contribute to promoting the influence of the regions where we operate and share its development with the local communities. We support various projects, particularly in the Occitanie region.

#### ECONOMY

**Tarn Entreprendre:** association providing assistance to new companies, created in 1997 at the initiative of Pierre Fabre.

**Installation of a broadband network for southern Tarn:** The Group is the founding shareholder of the mixed economy company, Intermédiasud.

**Cancer-Bio-Health competitiveness cluster** in Toulouse

**Supporting the Tarn economy** by encouraging our suppliers and partners to operate in our home region.

#### EDUCATION

**Partnerships with the education system:** regional schools and universities to develop training programs,

contribute to land-use planning and encourage the professional integration of young people.

**Sponsorship:** we support several foundations ("Dépêche du Midi" [regional newspaper], "Cordées de la réussite" [Roped together for success], "Un avenir ensemble" [A future together]). These three organizations mainly support sponsorship projects to support young people from modest backgrounds in their academic and professional careers.

#### CULTURE AND HERITAGE

**Supporting several museums** (the Goya Museum, the Toulouse-Lautrec Museum and the Dom Robert Museum) and the Abbey School of Sorèze (educational and cultural space, where Pierre Fabre has set up the Pierre Fabre University).

#### SPORT

We support various athletic associations in the French department of the Tarn and we are the main partners of Castres Olympique rugby team.

[FIND OUT MORE](#)

[www.pierre-fabre.com/en/people-and-territories](http://www.pierre-fabre.com/en/people-and-territories)

### OUR SUPPLY CHAINS

FAIR TRADE, SUPPORTIVE AND ACCOUNTABLE SOURCING



RENÉ FURTERER PARIS

#### ETHICAL SHEA BUTTER FROM BURKINA FASO - RENÉ FURTERER

Founded in 2004, SOTOKACC, a small business based in Toussiana (Burkina Faso), through which our René Furterer brand obtains its shea butter, provides not only regular income and social autonomy for its 25 female employees (at the end of 2016), but also for over 1,500 women who produce and harvest the nuts.

Our supply contract with this small business is set for five years, with a pre-financed 100% Shea butter order.

In 2015, the René Furterer brand funded a socio-economic impact study by the firm UTOPIES. The aim was to assess the impact of René Furterer procuring shea butter on the number of direct, indirect and spin-off jobs created in Burkina Faso. The total ethical shea butter production activities of SOTOKACC in 2014 sustained 192 jobs in Burkina Faso.

This supplier is fair trade-certified.



#### MORINGA IN MADAGASCAR - RENÉ FURTERER

René Furterer is working on several major projects in Madagascar. First of all, economic and ecological missions, by providing technical support for farmers: improving yields, teaching good farming practices, crop diversification, etc. Another of René Furterer's core missions will focus on fighting malnutrition: farmers are educated on the benefits of growing fruit trees and Moringa oleifera and using its leaves as vegetables, rich in vitamins and minerals. The organic Moringa supply chain used by René Furterer is controlled by our Madagascar subsidiary, with a label based on the Ecocert For Life standard for its Corporate Social Responsibility policy.



#### THE DESERT DATE PALM IN SENEGAL - KLOORANE

The Baobab des Saveurs company in Thiès, Senegal provides us with dates from the desert date palm. To collect the dates, Baobab des Saveurs works with five groups of women in the municipality of Gawane, 20 km from Bambey. These groups include 171 women of all ages, who collect only from an area certified as complying with organic farming standards. Klorane Botanical Foundation, a Corporate Foundation, supports the Great Green Wall program, which aims to slow down desertification in the Sahel by planting desert date trees: 60,000 planted in Senegal in six years.

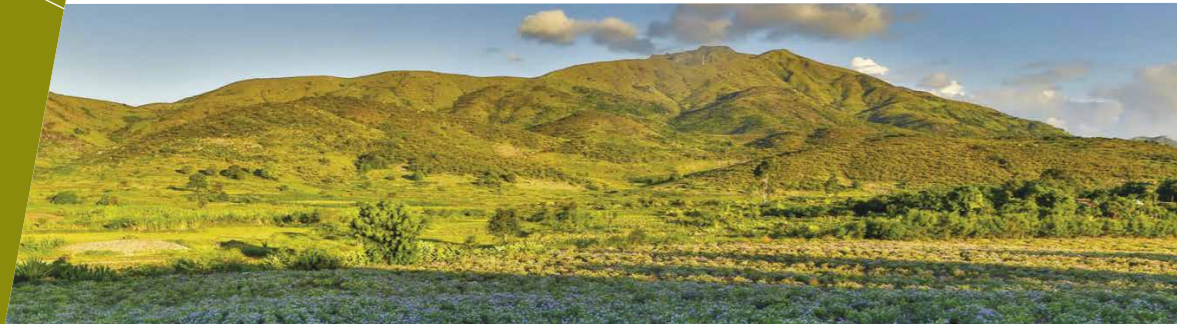
This supplier is fair trade-certified.



# AT THE HEART OF MADAGASCAR

Actions taken by our subsidiary in Madagascar for over 40 years demonstrate the Group's all-encompassing approach to social responsibility.

Looking back on actions taken via the five pillars of our CSR approach.



## Governance & Ethics

1

Our subsidiary is labeled in accordance with the Ecocert For Life standard for its Corporate Social Responsibility policy.

\*Ecocert: Independent inspection and certification organization



## Innovation & Health/Beauty

2

We help fight against malnutrition affecting children in Madagascar by paying 5% of our sales from the Centella Asiatica leaf to the National Office for Nutrition, to support the development of social projects. In addition, the Pierre Fabre Foundation contributed to renovating the Ranopiso maternity ward based on a proposal from our subsidiary and the construction of a health care center based in Ambovombe.



## People & Regions

3

An independent firm, Utopies, assessed the socio-economic impact of our subsidiary. The results show a significant effect on local employment with over 1,000 jobs supported. One job created by our subsidiary generates 27 additional jobs on the island.

## Knowledge & Nature Conservation

4

Our 200 hectares of farmland and the Ranopiso Arboretum have Ecocert organic farming certification\*. We also decided to create a 138-hectare nature reserve on our land to protect and list the species endemic to southern Madagascar. This natural reserve was recognized in January 2018 as the leading voluntary private protected area by the government of Madagascar.



## Ecodesign & Industrial Footprint

5

Its contribution to the national reforestation operation "One child = one tree planted," as well as the planting of 80,000 trees in late 2017 by our employees to make up for the carbon footprint generated by manufacturing our cancer drugs (made using tropical periwinkle, mainly grown in Madagascar), earned the subsidiary the Ecocert\* "Reforestation and Solidarity" label.



# NATURE

## PRESERVING BIODIVERSITY AND SHARING OUR KNOWLEDGE

Because biodiversity plays a crucial role in maintaining natural balances and provides many services to humanity, particularly in the fields of health and beauty, its preservation is a major concern for our Group.



**350**  
PROTECTED SPECIES  
at the Ranopiso Arboretum  
in Madagascar



**over 500**  
VISITORS AND HEALTH CARE  
PROFESSIONALS  
welcomed each year  
at the Avène Water Laboratory

### SHARING KNOWLEDGE

In order to preserve and use nature's treasures sustainably, it is first of all crucial to have good knowledge of them. Pierre Fabre Laboratories is convinced of this, so our researchers and experts are behind various initiatives for developing and sharing knowledge about plants and spring waters, particularly through exchanges with expert scientific institutions and local associations. The company has also created structures dedicated to developing knowledge on natural substances: the Water Laboratory and the Pierre Fabre Botanical Conservatory.

At the foot of the Cévennes, the Water Laboratory was created to protect and better understand the therapeutic value of Avène thermal spring water. This experimentation site shares its knowledge and discoveries on Avène water and its soothing, anti-irritating and healing properties, and on water in general, particularly through communications intended for scientists or the general public. In Soual in the French department of the Tarn, we created the Pierre Fabre Botanical Conservatory in 2001, dedicated to research, protection and

conservation. Nearly 700 plant species are represented, of which 30 % are protected. In 2010, it became the 4<sup>th</sup> largest French scientific institution and the 1<sup>st</sup> private French organization to obtain approval from CITES\*. In 2012, its herbarium received international recognition from the New York Botanical Garden. Klorane Botanical Foundation, founded in 1994, is a corporate foundation of the Pierre Fabre Group.

\*CITES: Convention on International Trade in Endangered Species



For over 20 years, it has been sowing the seeds of botanical passion all over the world.

- The Foundation's commitment to promoting our plant heritage is rooted in three specific missions:
- PROTECT endangered plants,
  - EXPLORE botanical treasures to find out more about them and protect them,
  - EDUCATE by spreading botanical knowledge as widely as possible, especially to children.

Through our commitment in various innovative programs (Great Green Wall in Senegal, Protection of the forest in the Amazon region and Comoros by sustainably growing Cupuaçu and Ylang Ylang, UNESCO Green Citizens, Botany for Change, etc.), Klorane Botanical Foundation is restoring plants to their rightful place in our lives and our cities.



FIND OUT MORE

[www.kloranebotanical.foundation](http://www.kloranebotanical.foundation)

Over 190,000 trees planted since 2007

In 2008

MOROCCO



**4,000**

In partnership with the Mohammed VI Foundation, 13 hectares have been planted at the edge of the desert in Essaouira. Today they are maintained by the Directorate for water and forests.

ARGAN TREES



Since 2012

SENEGAL

Trees against the desert

**70,000**

These plantations created as part of the Great Green Wall project aim to fight against the desertification of the Sahel and the consequences on its inhabitants.



DESERT DATE TREES

Since 2013

MALI



**3,900**

By taking part in the Zambal acacia-planting project, our Ducray brand offsets 100% of its greenhouse gas emissions associated with the manufacture of its "Extra-Doux" (Extra-Gentle) shampoo.



ACACIAS

2018

BRAZIL



**3,000**

Support for the Bela Aurora community, by planting 3,000 Cupuaçu seedlings and other plant species to reforest land damaged by deforestation, livestock farming and monoculture.



CUPUAÇU

Since 2014

FRANCE



**8,940**

Committed to the Carbone Local program and through planting hedgerows, our A-DERMA brand is gradually offsetting the equivalent of 120 metric tons of CO<sub>2</sub> per year, i.e. the annual manufacture and marketing of the Exomega range.



HEDGEROWS TREES AND BUSHES

In 2018, Klorane Botanical Foundation supported the Silva project, and planted an indigenous forest of 5,000 trees in the Garric municipality (Tarn area), using the Miyawaki method.



Since 2014

MADAGASCAR



**94,140**

Pierre Fabre Pharmaceuticals is committed to carbon offsetting as part of our activities, and so we are investing in the project labeled "Reforestation and Solidarity" by Ecocert. This program contributes to the national fight against deforestation and improving food security by planting fruit trees.



MORINGAS BAOBABS

Since 2007

GREECE & ITALY



**11,000**

Following the devastating fires in the Peloponnese, Klorane Botanical Foundation took the initiative to support the region's redevelopment by planting 10,000 olive trees. Since then, these trees have flourished and are generating lots of activity, to the great joy of local inhabitants.



OLIVE TREES

# ENVIRONMENT

## CONTROLLING THE IMPACT OF OUR ACTIVITIES

Aware of its environmental footprint related to its economic and industrial activity, the company has implemented measures, throughout the entire logistics chain, from the purchase of raw materials to the distribution of products, in order to reduce pollution and preserve resources.



**38,700 m<sup>2</sup>**  
OF INDUSTRIAL BUILDINGS  
integrated into the High Environmental Quality<sup>®</sup> experiment



**200**  
HECTARES CULTIVATED IN THE FRENCH DEPARTMENT OF THE TARN in accordance with organic farming standards, certified High Environmental Value



**12**  
GREEN CHEMISTRY PRINCIPLES systematically applied when developing new processes at the Gaillac plant

### ENVIRONMENTAL MANAGEMENT

Our environmental strategy is based on two issues: saving resources and limiting discharges (water, air, waste) from design to the end of the product's life cycle. This strategy is integrated into a global management system dedicated to health, safety and the environment. To determine suitable environmental action plans, we use assessment tools such as carbon analysis, analysis of product life cycles and energy diagnostics.

### HIGH ENVIRONMENTAL QUALITY<sup>®</sup>

The "High Environmental Quality<sup>®</sup>" (HQE<sup>®</sup>) approach is based on reducing a building's impact on the environment and optimizing the living environment for the comfort and health of users. An operations management system (quality system) and 14 targets are therefore used to determine the Environmental Quality of a building (e.g.: energy management, acoustic comfort, etc.).

The company is performing experimental HQE<sup>®</sup> operations for its three latest industrial investments: extension of the dermo-cosmetics plant in Soual (Tarn), extension of the Avène plant (Hérault) and construction of the antibody biotechnology unit in Saint-Julien-en-Genevois (Haute-Savoie).

### ISO14001 CERTIFICATION PROCESS

The ISO14001 certification process is an environmental management system. It is being rolled out at the active ingredient production sites in Gaillac (Tarn), Palézieux (Switzerland) and Virrey del Pino (Argentina), as well as at the pharmaceutical production site in Pau (Pyrénées-Atlantiques) and the dermo-cosmetics production sites in Soual (Tarn) and Avène (Hérault). It is used to guarantee a structured approach based on the principle of continuous improvement. To date, 100% of our chemical activities are covered, as well

as two of the Group's largest industrial sites. Our ambition is to continue to develop this certification at other Group industrial sites.

### ECODESIGN IN PRACTICE

Throughout the life cycle of Pierre Fabre products, from the purchase of raw materials and production to being placed on the market and their use, the Group ensures that our actions fit in with respect for our suppliers and reduce our impact on the environment.

To do so, the Group runs ecodesign projects that aim to reduce the environmental footprint of our products compared with previous products or other offers on the market.

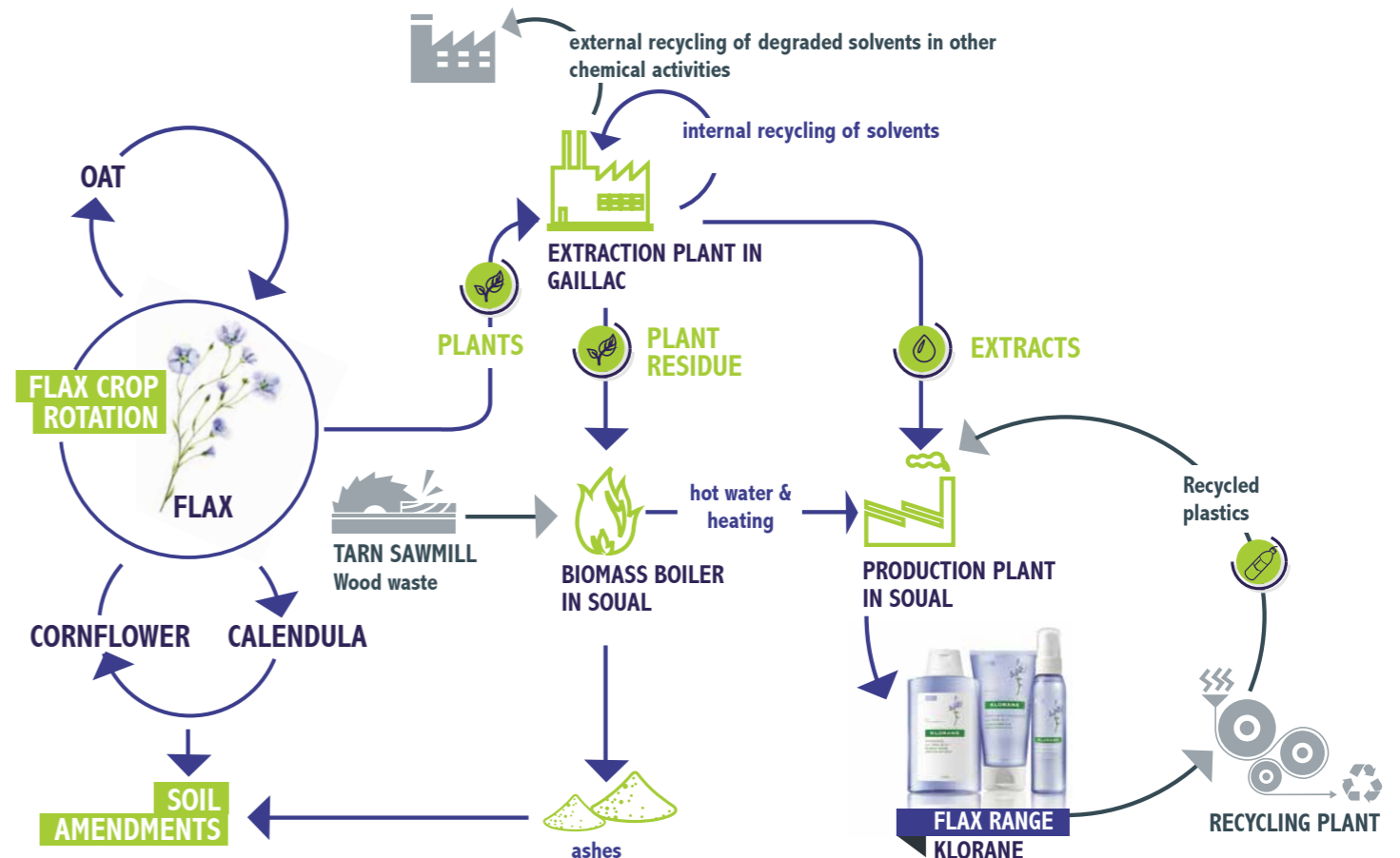
[FIND OUT MORE](#)

[www.pierre-fabre.com/en/sustainable-development](http://www.pierre-fabre.com/en/sustainable-development)

### THE CIRCULAR ECONOMY

The Pierre Fabre Dermo-Cosmetics plant in Soual (Tarn) is now equipped with a biomass boiler, destined to annually recycle 1,000 metric tons of plant residue from the extraction of two medicinal plants – tropical periwinkle and dwarf palm from Florida – and Rhealba<sup>®</sup> Oat, used by the A-Derma dermo-cosmetics brand. This residue is produced in Gaillac (Tarn), around 50 km from Soual, by the Pierre Fabre Pharmaceuticals plant, which specializes in the extraction of natural pharmaceutical and dermo-cosmetic active ingredients from plants. The residue, combined with woodchips, waste from the

Tarn forestry industry, is used to supply the biomass boiler (which was made in France). Ultimately, the boiler will enable 60% of the plant's total natural gas consumption to be replaced by renewable energies and reduce its carbon footprint by 1,600 metric tons of CO<sub>2</sub> (i.e. 5% of the site's annual carbon footprint). In 2017, studies will be conducted on the feasibility of spreading ashes from the combustion of plant residue on the fields of Rhealba<sup>®</sup> Oat, which are also located in the French department of the Tarn and are farmed in accordance with organic farming principles.





# AT THE HEART OF BOTANICAL EXPERTISE

Pierre Fabre

A primary source of inspiration for Pierre Fabre Laboratories, the plant world is an endless but delicate source of creativity. Keen to play its part in contributing to the challenges related to biodiversity loss while meeting the goals of innovation, safeguarding supplies and the quality of active plant ingredients, Pierre Fabre Laboratories has developed a responsible Group-wide approach called Botanical Expertise Pierre Fabre, which is EFQM\* certified.

## PLANTS AT THE CORE OF MANY OF THE GROUP'S PRODUCTS

Rhealba® Oat >>> A-Derma

Tropical periwinkle >>> Navelbine® and Javlor®

Serenoa repens >>> Permixon

Flax >>> Klorane hair care range

Shea >>> René Furterer hair care range

Ruscus >>> Naturactive (Cyclo 3),  
Eau thermale Avène, Pierre Fabre Health Care

Myrtle >>> Ducray (Keracnyl range), Klorane (shampoo), Pierre Fabre Oral Care (Elgydium)

## A CERTIFIED APPROACH FOR THE RESPONSIBLE DEVELOPMENT OF INNOVATIVE, SAFE AND EFFECTIVE PLANT-BASED ACTIVE INGREDIENTS

Botanical Expertise Pierre Fabre is the name given to our approach to the responsible development of plant-based active ingredients, from research on plants – and their active ingredients – to the production of active ingredients, their use in the formulas of our products and their cultivation. This development is part of a virtuous circle aiming to develop innovation, preserve biodiversity, guarantee the efficacy and quality of our plant-based active ingredients and respect our partners throughout the entire chain. Since 2010, the approach has been recognized by the European label EFQM\* awarded in France by the AFNOR group. A label combining Quality and Sustainable Development.

\*European Foundation for Quality Management

The Botanical Expertise Pierre Fabre approach is based on four founding principles: innovate, preserve, guarantee and respect. These principles give structure to the development of our plant-based active ingredients.

Of the 450 plant extracts used by Pierre Fabre Laboratories, over 242 are included in the Botanical Expertise Pierre Fabre approach, including those used to develop the Group's emblematic products and brands: Navelbine® and Javlor® (oncology), Permixon® (urology), A-Derma, Ducray, René Furterer, Klorane (dermo-cosmetics) and Naturactive (natural health care).



BOTANICAL EXPERTISE Pierre Fabre

## THE FOUR FOUNDING PRINCIPLES OF THE APPROACH

### Preserve

Sustainable preservation of plant heritage and biodiversity, both sources of benefits – whether known or yet to be discovered – for everyone's health and beauty.

### Guarantee

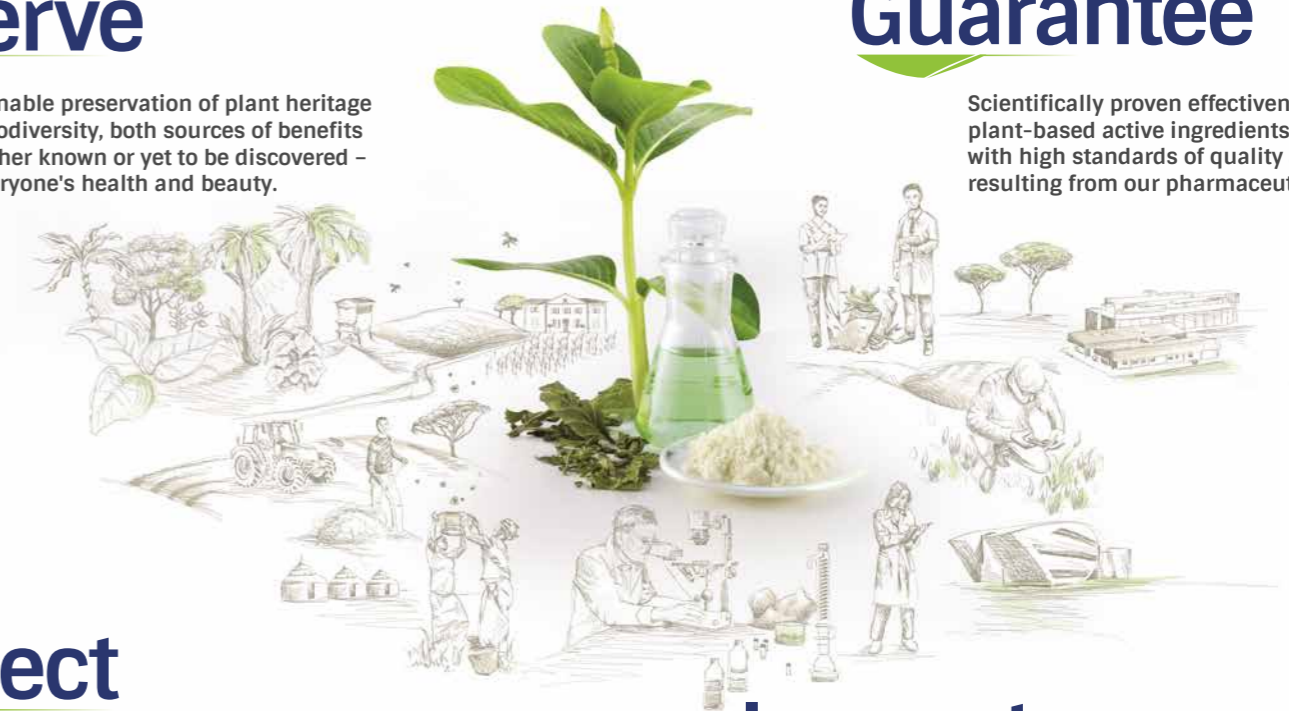
Scientifically proven effectiveness of our plant-based active ingredients, combined with high standards of quality and safety resulting from our pharmaceutical culture.

### Respect

An approach that respects our partner farmers, growers and suppliers, contributing to the sustainable development of our sourcing regions and their communities.

### Innovate

Cutting-edge research on plants, bringing together the complementary expertise of botanists, agronomists, biologists and pharmacists who are passionate about the benefits of the plant world.



EVENTS

2018 2019

THE PIERRE FABRE  
FOUNDATION CELEBRATES  
ITS 20TH ANNIVERSARY  
IN 2019

Training session for community health volunteers on the use of the "Amakomaya" maternal and child health app in Nepal. This solution was one of the award winners from the eHealth Observatory for countries in the global south created by the Pierre Fabre Foundation in 2016.

# HIGHLIGHTS

2018-2019

## GROUP

OCTOBER 05, 2018

**DR DENIS MUKWEGE, WHOSE ACTION IS SUPPORTED BY THE PIERRE FABRE FOUNDATION, WAS AWARDED THE NOBEL PEACE PRIZE IN 2018.**

Dr Denis Mukwege, a Congolese surgeon and gynecologist, was awarded the Nobel Peace Prize in 2018 for the exceptional work he accomplished for women subject to sexual violence in the Democratic Republic of the Congo in the Kivu region. This support fulfills one of the missions that the Pierre Fabre Foundation has set itself: to promote access to treatment for populations facing situations of extreme crisis.



JULY 11, 2018



**MAPHAR and Pierre Fabre are strengthening their partnership for distribution in Morocco** for several of the French group's leading brands in skin, hair and oral care products. These include 4 dermo-cosmetic brands (EAU THERMALE AVÈNE, DUCRAY, KLORANE and A-DERMA) and two brands specializing in oral hygiene (ELGYDIUM, ELUDRIL).

JANUARY 22, 2019

## PIERRE FABRE LAUNCHES GREEN NATIVE EXPRESSION :



**A NEW, NATURAL, ECO-FRIENDLY, PATENTED EXTRACTION TECHNIQUE.**

Eight years of research and development were required to develop this process, that works without adding water or solvent. *Green Native Expression* is used to extract the 100% natural sap, composed solely of the native active substances from the plant. The 100% pure plant sap is included, in the form of active ingredients, in cosmetics or dietary supplements.

This innovative extraction technique is used to reduce the environmental impact of our activities as it requires less water, less energy and no solvent.

NOVEMBER 10 - -12, 2018

## PIERRE FABRE SHOWCASES OUR KNOW-HOW AT THE MADE IN FRANCE TRADE FAIR:

For the second year in a row, the Group took part in the "Made in France" trade fair, held in Paris.

An annual meeting for professionals and consumers passionate about products made in France, the Made in France fair (MIF expo) attracted over 70,000 visitors. Visitors were able to discover the Group's different brands and get the Pierre Fabre experience via numerous workshops.



MAY 04, 2018

## APPOINTMENT OF ÉRIC DUCOURNAU AS GROUP CEO



Eric Ducourneau was appointed CEO of the Pierre Fabre Group, taking over from Bertrand Parmentier who had announced his retirement.

JUNE 2019

## PIERRE FABRE ASSESSED BY ECOCERT ENVIRONMENT TO BE AT "EXCELLENCE" LEVEL AS REGARDS THE ECOCERT 26000 REFERENCE STANDARD.



The Pierre Fabre Group enlisted the independent organization ECOCERT Environment to assess its CSR approach according to the ISO 26000 standard on sustainable development. From this very first assessment, the company attained Excellence level – the highest maturity level under the ECOCERT 26000 baseline reference standard – with a score of 77%. Until then, no international business of Pierre Fabre's caliber had been assessed by ECOCERT in accordance with this reference standard.

NOVEMBER 22, 2018

## FOUNDATION STONE LAID FOR THE SCHOOL OF PHARMACY IN ANTANANARIVO:

The Pierre Fabre Foundation and the Mérieux Foundation, in partnership with the University of Madagascar, organized the laying of the foundation stone for the first school of pharmacy on the island in Antananarivo,

in the presence of Pierre-Yves Revol, Chair of the Pierre Fabre Foundation, Professor Harinirina Yoël Honora Rantomalala, Minister for Public Health, Marie-Monique Rasoazanana, Minister for Higher Education and Scientific Research, Professor Panja Ramanoelina, Dean of Antananarivo university, and others.



The future School of Pharmacy will have a surface area of around 700 m<sup>2</sup>, including 5 classrooms and 3 fully-equipped practical laboratories, as well as offices for teachers and equipment storage rooms. Completed in time for the start of the 2021 academic year, the School will be able to accommodate 40 to 50 students every year for a 6-year academic course.

DECEMBER 2018

## ENVIRONMENTAL QUALITY OF OUR BUILDINGS REWARDED

Pierre Fabre was rewarded for our commitment via the NF HQE certification of our buildings during the company real estate trade show (SIMI).

During the show, the independent organization Certivéa awarded certificates for three projects to Severine Rouillet-Furnemont, Environment and Sustainable Development Manager for Pierre Fabre, and Christelle Graulle, Design Office technician and sustainable construction HQE focal point for the Group. This certification was based on the construction of the sports and outdoor space for the Avène hotel (NF HQE certified for tertiary buildings in the design phase, Excellent level), the Péraudel site (NF HQE certified for tertiary buildings in the production phase, Excellent level) and the Les Cauquilloux extension (NF HQE certified for tertiary buildings in the production phase, Exceptional level - which is the hardest level to obtain). This certification rewards the Group's action to reduce our impact on the environment.

## PHARMACEUTICALS

2019

### CYCLO 3 IS 60 YEARS OLD

Naturactive is celebrating 60 years of Cyclo 3, the first ever drug from the Group to use botanical ingredients (butcher's broom extract), developed and launched in 1959 by Pierre Fabre himself.



MARCH 21, 2019

### INSTITUT CURIE AND PIERRE FABRE STRENGTHEN THEIR IMMUNO-ONCOLOGY PARTNERSHIP

Building on the success of the first agreement they signed in 2017, Institut Curie and the Pierre Fabre Research Institute (IRPF) renewed their partnership to identify new therapeutic strategies in immuno-oncology. The two partners aim to explore new molecular targets that are likely to adjust the immunity involved in controlling cancer development using models developed by Institut Curie in collaboration with IRPF based on human tumor cells.

2018 – 2019

### SUCCESSFUL LAUNCH OF A NEW TREATMENT TO COMBAT MELANOMA



Following in the footsteps of Germany in September 2018, the Australian and British health care authorities (National Institute for health and Clinical Excellence: N.I.C.E) also gave the green light to sell this new treatment against melanoma.

MARCH 20, 2019

### 3<sup>RD</sup> "SMILING SPRING"

During the World Oral Health day, Pierre Fabre Oral Care launched its third "Smiling Spring" event in partnership with the French Union for Oral Health (UFSBD) and published the results of a large-scale online survey<sup>1</sup> on the French and their oral hygiene habits. According to the study, 75% of French people think that simply brushing is sufficient to clean 100% of the surface of their teeth. Another observation was that 36% of the people questioned did not know the correlation between being healthy and having good oral health, and 23% of the people surveyed who said they were in good general health replied that they did not have good oral health.



<sup>1</sup> Pierre Fabre Oral Care/UFSBD survey on oral health among the French conducted on 22,969 French people from December 28, 2018 to February 10, 2019 via Facebook – Twitter – Internet

APRIL 1<sup>ST</sup> 2019

Puma Biotechnology (USA) and Pierre Fabre signed an exclusive license agreement for the development and sale of an oncology treatment in Europe.

2019

### LAUNCH OF THE PIERRE FABRE ORAL CARE BRAND ON THE VIETNAMESE MARKET IN 2019

MAY 18, 2018

### NEW PARTNERSHIP AGREEMENT BETWEEN PIERRE FABRE AND ROCHE

The Pierre Fabre Group has announced the extension of its partnership agreement with Roche in the development of a new oncology diagnosis test prototype for W0101, an antibody drug conjugate (ADC). This ADC, discovered and developed by the Pierre Fabre Research Institute, targets the insulin-like growth factor 1 receptor (IGF-1R).

MAY 14, 2018

### PARTNERSHIP BETWEEN PIERRE FABRE PHARMACEUTICALS AND BIOSERENITY

The two companies are joining forces to develop the first connected fabric for the screening and medical monitoring of urinary disorders

Pierre Fabre Pharmaceuticals and French startup BioSerenity announced they had signed an agreement on the co-development, market access and distribution of smart medical devices for managing urinary incontinence. This agreement follows an initial collaboration phase launched at the end of 2016, during which several connected fabric prototypes were developed by BioSerenity with the assistance of staff from Pierre Fabre Pharmaceuticals. The new phase of this partnership will concern the manufacture and marketing of a connected fabric that will diagnose, assess and carry out medical monitoring of urinary disorders caused by an overactive bladder.

NOVEMBER 30, 2018

### DENTAL CARE RUN: DENTISTS WHO ARE COMMITTED... AND SPORTY!

During the annual congress of the French Dental Association (ADF), Pierre Fabre Oral Care organized its second Dental Care Run on November 30 in Paris.

Under the watchful gaze of coach Ladji Doucouré, twice world champion in 110 m hurdles and 4x100m relay in 2005, nearly 100 motivated and enthusiastic participants from the profession (dentists, dental nurses and university representatives) ran 5 km in the early morning for the Handident association. The association therefore benefited from promotion and financial support, as the kilometers covered enabled it to cash a check of €3,500. The 2019 edition of the fun run is already being organized for the profession!

2018



### A SECOND LEASE OF LIFE FOR UNSOLD PIERRE FABRE ORAL CARE PRODUCTS

To combat waste, for the 2<sup>nd</sup> year running, Pierre Fabre Oral Care has renewed the "Smile for All" operation in partnership with Phenix.

This operation, aligned with the brand's sustainable development objectives, is used to give a second lease of life to products destined to be destroyed.

100% of unsold products are now donated to associations instead of being thrown away or sent to the trash! This partnership was once again very productive in 2018 as Pierre Fabre Oral Care almost tripled its donations: 170,000 products sent to 22 local charities in Occitanie for a value of over €80,000.

2018

### NATURACTIVE IS 30 YEARS OLD

Created in 1988 by Pierre Fabre, originally named "Plantes & Médecines", the Naturactive brand remains true to its vocation: offering drugs and health care products that use natural active ingredients. Specializing in plants and essential oils, Naturactive is continuing its mission combining knowledge of plants and scientific research with the help of botanists, agronomists, plant producers and phytochemists, who are all experts with a passion for plants. Present in dispensaries for almost 30 years, Naturactive offers health and well-being solutions in the form of phytotherapy, aromatherapy and dietary supplements.



## DERMO-COSMETICS

SEPTEMBER 26, 2018



## OPENING OF AN INNOVATION CENTER IN BRAZIL

The Pierre Fabre Dermo-Cosmetics Brazilian Innovation Center was inaugurated in September 2018. Covering an area of 320 sq. m, it is located in the Carioca district of Barra da Tijuca and has a branch on the Areal industrial site in the state of Rio de Janeiro. Designed and organized according to the most advanced scientific and technical standards in the cosmetics industry, it will have around twenty researchers and technicians by 2021. The Brazilian Innovation Center of PFDC will pursue a three-fold mission: to better understand Brazilian skin types from a dermatological point of view as well as the sociological needs of Brazilian consumers, to detect in advance upcoming trends in one of the most sophisticated and inventive cosmetics markets in the world, and to boost the development of new products adapted to the local market for the Eau Thermale Avène, Ducray and Darrow brands.

NOVEMBER 26, 2018

## STERILE COSMETICS AWARDED BY PACKAGING PROFESSIONALS

Two packaging Oscars were awarded to Pierre Fabre and RPC Bramlage (our packaging partner and supplier) for the Pierre Fabre Sterile Cosmetics pump dispenser.

Pascal Hennemann, Director of innovation at RPC Bramlage, and Franck Legendre, Director of research and development of packaging at Pierre Fabre



2019

## RESURRECTION OF EXTINCT SPECIES



In 2013, Klorane Botanical Foundation set itself a challenge related to the plant world by working in association with the Brest Botanical Conservatory: using modern technologies to resurrect species that are extinct in the wild, using ancient grains found in herbariums or the soil. After working in Greece, a real hot spot for biodiversity with a significant number of endemic species, Klorane Botanical Foundation will continue its research in Mauritius.

NOVEMBER 08, 2018



## LAUNCH OF AN E-COMMERCE SITE IN POLAND.

PFDC Polska launched its e-commerce site, the first in Europe, dermo-cosmeshop.pl, bringing together the brands Eau Thermale Avène, A-Derma, Ducray, Elancyl, Galénic, Klorane and René Furterer.

OCTOBER 04, 2018

The Foundation for Atopic Dermatitis is launching its 1<sup>st</sup> free training module "POP TRAINING" to train dispensary pharmacists, their teams and pharmacy students to treat patients suffering from atopic eczema in dispensaries. This new program is composed of 6 modules that provide detailed information about physiopathology, treatments and care and the role of pharmacists in motivating patients to follow their treatments and therefore improve their quality of life.

MAY 06, 2018



## ALL TOGETHER AGAINST BREAST CANCER!

In Greece, Eau Thermale Avène is actively taking part in initiatives to support people suffering from cancer via the Skin & Cancer program. In the context of its "I protect those I love" campaign, the teams are supporting the Alma Zois\* association in Thessaloniki, a Greek association for patients with breast cancer. The female founders of this association help and support women suffering from breast cancer throughout their treatment, offering psychological and practical support, for a better quality of life.

\*Life impetus.

JULY 2018

EAU THERMALE AVÈNE IS ORGANIZING THE 1<sup>ST</sup> WATER TRAIL

A sporting, nature and supportive event for "Tout le monde contre le cancer".

At the heart of the Haut Languedoc regional nature park, where Avène thermal spring water takes its source and gushes forth, the brand organized several trails and hikes with all subscription fees paid to the association "Tout le monde contre le cancer" for the Echappée Rose, an operation supported by Eau Thermale Avène. The Echappée Rose is the 1<sup>st</sup> itinerant well-being institute for women in hospitals. Thanks to support from Eau Thermale Avène and the funds raised for this event, the Échappée Rose visited 31 hospitals throughout France. Two socio-beauticians were therefore able to care for over 620 women.

JULY 17, 2018

## NÚRIA PÉREZ-CULLELL NAMED CEO, PIERRE FABRE DERMO-COSMETICS



Núria Pérez-Cullell took over from Eric Ducournau in his management of activities in France, the coordination and implementation of the Global strategy of PFDC brands, its industrial operations, R&D and product development.

JULY 04, 2018

## EAU THERMALE AVÈNE AWARDED AT ADETEM

« Protège ta peau, respecte l'océan »



During the 13<sup>th</sup> Adetem night in Paris, the "SKIN PROTECT, OCEAN RESPECT" approach by Eau Thermale Avène won first prize for Marketing Excellence (Gold) and the Responsible Marketing award (Gold).


SKIN PROTECT, OCEAN RESPECT received two awards with the top Marketing Excellence award (gold medal) for its most innovative CSR approach and the Responsible Marketing award (gold medal) for its most transformational, innovative and effective marketing strategy. To find out more about this approach: <http://skinprotect-oceanrespect.com>

OCTOBER 21 – 22, 2018

## FOUNDATION FOR ATOPIC DERMATITIS - SYLVOTHERAPY WEEKEND

32 children suffering from atopic eczema took part in a special sylvotherapy weekend, managed by health care professionals and a teacher.

Changing the way we look at chronic illness and learning to let go were the two main objectives of this event, organized by Jean-Marc Chavigny, dermatologist (Atopy School Nantes University Hospital Center), and sponsored by the Foundation for Atopic Dermatitis. Jean-Marie Defossez, a sylvotherapist, specializing in forest-based well-being, taught the children aged 8 to 16 basic relaxation techniques, and talked to them about diversity and the virtues of the trees around them.



**PHOTO CREDITS:**

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Laurent Galaup/Vent d'Autan, Pierre Fabre photo library,  
Nicolas Axelrod/Sipa press, Sylvain Cherkaoui/Sipa press/  
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Legal deposit: June 2019



Pierre Fabre

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