GREEN IMPACT INDEX©

Decoding

GREEN IMPACT INDEX by Pierre Fabre — SOCIO-ENVIRONMENTAL IMPACT A B C D

GREEN MISSION Pierre Fabre

March 2021 - Version 1

TABLE OF CONTENTS

CONTEXT

1

GENERAL PHILOSOPHY

1.1 How can the environmental impacts of cosmetic products, food supplements, drugs or medical devices be divided up?

1.2 What are the CSR commitments of the Pierre Fabre Group?

1.3 What is the GREEN IMPACT INDEX?

METHODOLOGY

2

DESCRIPTION OF THE METHOD

2.1 The packaging

2.2 The formula

2.3 The manufacturing

2.4 The transport

2.5 The commitment to society

3

SUMMARY OF RESULTS

CONTEXT

| CONTEXT |

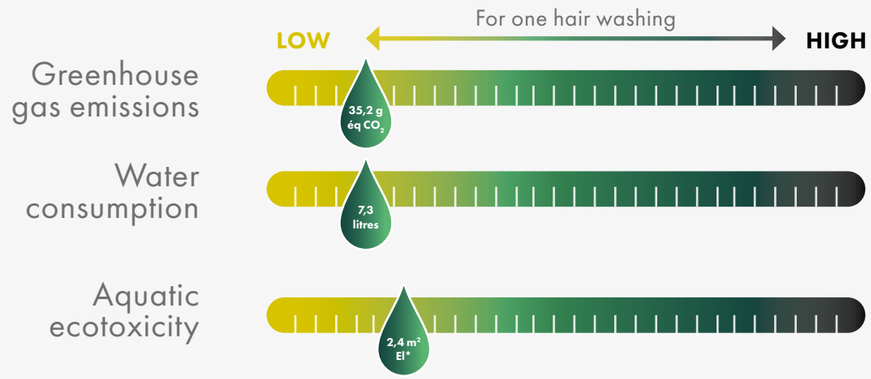
The first **life cycle analysis** (LCA) of the Pierre Fabre Group was performed more than 10 years ago, since the LCA of Extra Gentle shampoo by **DUCRAY** was launched in **2008**. At the time, DUCRAY was preparing the 20th anniversary of its top-selling shampoo in French pharmacies.

Due to the emergence of responsible consumption trends, the objective of this LCA was to determine which ecological design aspects of a shampoo could be used to offer a new, more eco-friendly version of Extra Gentle, and following this analysis, the newly proposed formula became **biodegradable** and has continued to improve its environmental profile during subsequent development campaigns.

At the same time in France, an **environmental labelling campaign** was launched following the "Grenelle de l'environment" meeting in order to provide consumers with information about the environmental quality of consumer goods, similar to what was done for household goods.

Thanks to the experience it acquired with Extra Gentle, DUCRAY thus decided to participate in the national experiment concerning environmental labelling by sharing its studies, which resulted more **specifically in digital** and point-of-sales displays about the product's environmental profile for the 20th anniversary of the product.

Environmental impact of a product



The scales were created following comparative studies of different shampoos

As a logical extension of this experience, DUCRAY then participated in the **collective European program** for environmental labelling, which lead to the **PEFCR* guide** concerning the environmental labelling of shampoos in **2018.**

https://ec.europa.eu/environment/eussd/smgp/PEFCR_OEFSR_en.htm

*Product Environmental Footprint Category Rules (PEFCR) "shadow pilot project" for shampoo products developed by Cosmetics Europe

Over the course of these 10 years, many environmental design programs have been carried out on the formulas of our products **(biodegradability, naturalness, ecotoxicity, reduction in the number of ingredients)** as well as their packaging **(lightening, integration of recycled materials, recyclability, PEFC/FSC-certified cardstock).**

Thanks to years of experience in the life cycle analysis of our products for the various Group brands, environmental design campaigns and the Group's CSR commitments challenged by several evaluations based on standard ISO 26000**, PIERRE FABRE innovated in 2021 with the **GREEN IMPACT INDEX**, a tool and approach developed by **GREEN MISSION PIERRE FABRE** to measure the environmental and societal commitment of the products of the Group in order to better product Nature and People.

METHODOLOGY

1
GENERAL PHILOSOPHY

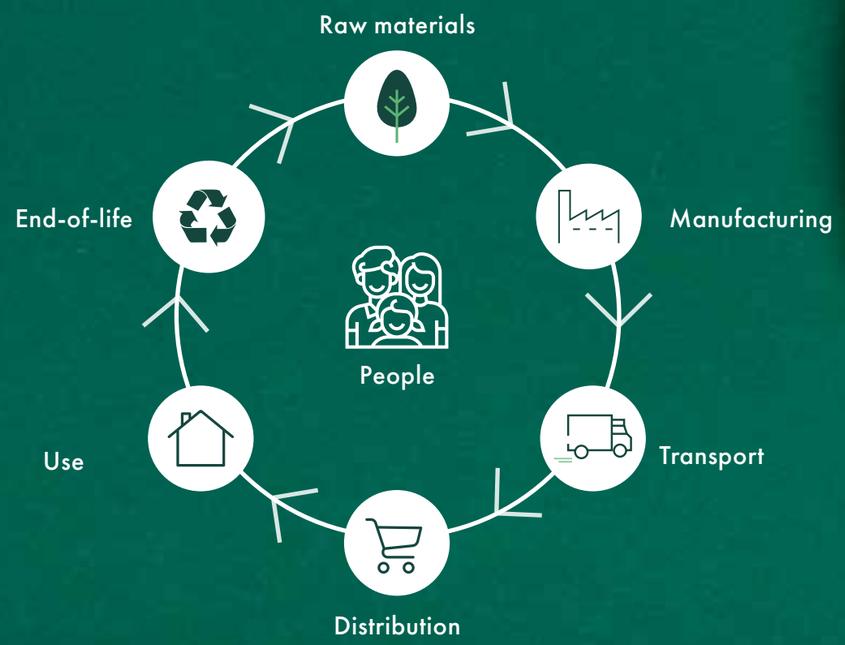
1.1 How can the environmental impacts of cosmetic products, food supplements, drugs or medical devices be divided up ?

The first step that must be taken to determine the environmental impact of a product is the performance of a Life Cycle Analysis (LCA).

LIFE CYCLE ANALYSIS SIDEBA

Life cycle analysis is a global and multi-criteria tool to evaluate environmental impact. This standardized method makes it possible to measure the quantifiable effects of products or services on the environment.

Life cycle analysis (LCA) lists and quantifies the physical flows of materials and energy associated with human activities throughout the life of a product. It makes it possible to determine the share of each stage in the life of a product in its overall impact and thus to carry out the most effective reduction actions.



For more than **10 years** now, the Pierre Fabre Group has acquired solid experience in this process with more than **3000 LCAs** performed on all or part of the products. This experience has enabled the Green Mission Pierre Fabre Team to consolidate these results and offer an overall and critical view of the stages of cosmetic product, food supplement, drug or medical device life cycles.

The main conclusion that can be drawn from this is that taking into account the use **phase of a product** is only pertinent for the establishment of LCAs for dermo-cosmetic products.

This is because the use phase has a strong impact on rinsed products and is practically non-existent for other products.
Furthermore, the data used in the LCAs concerning the use phase of rinsed products are not very robust; they depend entirely on the habits of consumers, which are highly variable depending on the individual. French and European studies on environmental labelling of shampoos have come to the same conclusions as we have, confirming our LCAs of rinsed products by providing data that show that **70%** of the **carbon footprint** and **60%** of the **water footprint** come from the use phase for rinsed products.

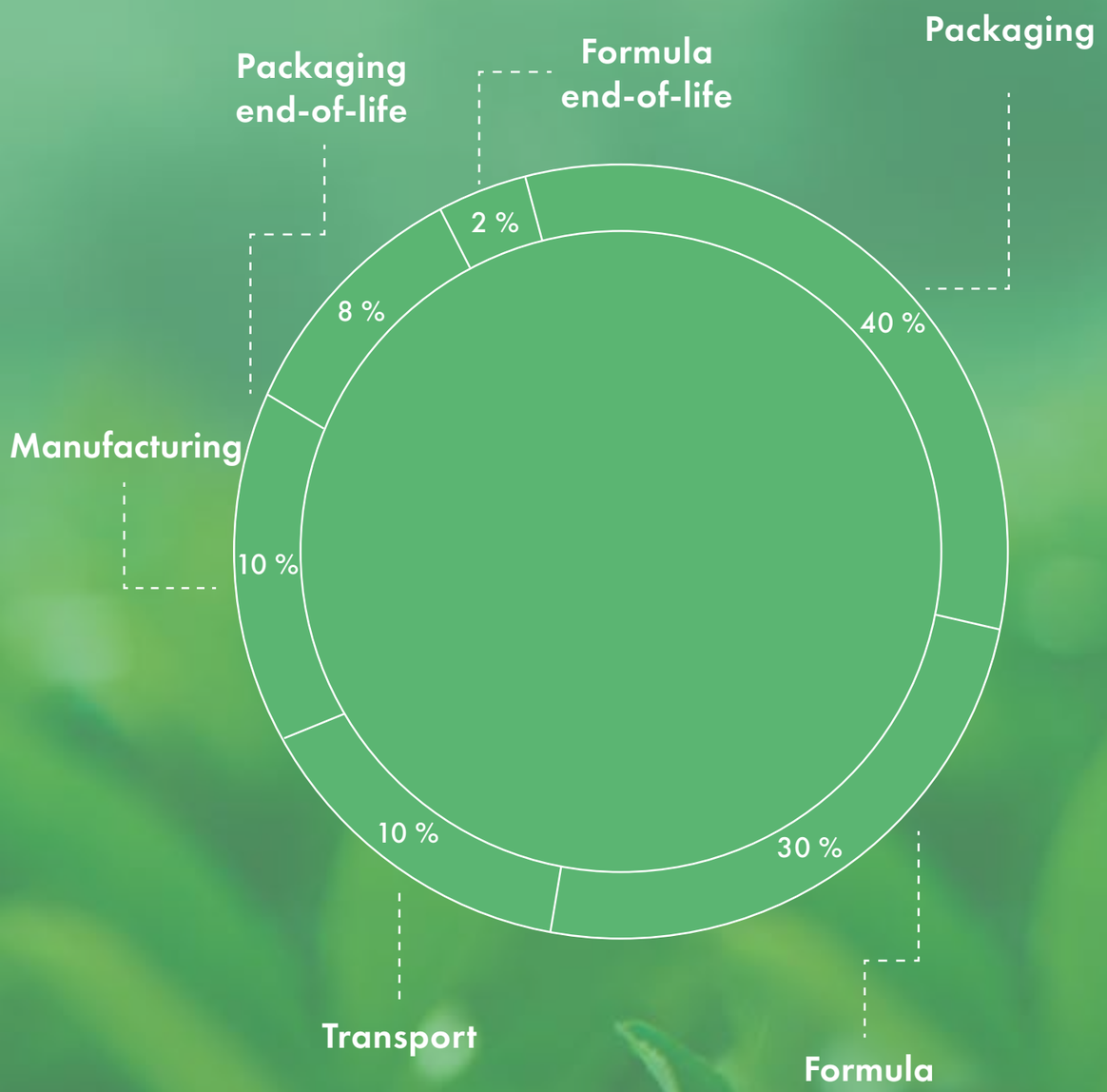
The results of this phase show a high level of uncertainty and dermo-cosmetic companies only have a low influence on this aspect.

Consequently, taking into account the use phase "crushes or dilutes" the impact of all of the other stages in the life cycle of rinsed products. (During work on French environmental labelling, 6 different shampoos were studied, and their carbon and water footprint varied by **less than 5%** because the use phase was taken into account).

Based on these conclusions, we decided not to take the use phase into account when conducting our LCAs to obtain a significant difference between the products with an improved environmental profile and the others.

Therefore, not including the use phase, the life cycle stage of a product with the highest impact is the packaging, with **40%** of the **overall impact on average**. Next comes the formula, with **30%** of the environmental impact and the product manufacturing and transport phases with an average of **10%** each. The stages with the lowest impact are the packaging and formula end-of-life, with **8%** and **2%** of the total impact, respectively.

Detailed distribution of the environmental impacts of a product



Detailed distribution of the environmental impacts of a dietary supplement

The distribution of environmental impacts for dietary supplements differs slightly.

The packaging as well as the production phases of dietary supplements account for the greatest impacts, with 37% and 35% of the total impact, respectively.

Next come the ingredients, with 17% of the impact.

Logistics accounts for 5% on average, and to finish, the addition of the end-of-life of the product and packaging account for the remaining 6%.

1.2 What are the CSR commitments of the Pierre Fabre Group?

Since its origin, the Pierre Fabre Group has taken care of its environment, be it nature or its employees.
In an increasingly complex market environment, where our consumers and our partners expect products that are more and more natural, transparency and commitment from their brands, the creation of Green Mission Pierre Fabre allows us to **reaffirm our values** and go even further.

Green Mission Pierre Fabre implements the **Group's Naturalness and Environmental Responsibility strategy** based on its 5 pillars (Nature as a source of innovation/ Ethical sourcing/A local presence all over the world/Low environmental impact/ The meaning of our actions and respect of the consumer-patient-employee) and by activating its 5 levers **(Innovate, Protect, Respect, Guarantee and Engage).**

After receiving an **Ecocert 26000** evaluation of "Excellence" in **2019**, the Pierre Fabre Group has continued to make strong short-term and medium-term commitments via the Green Mission program to continually improve its environmental impact and protect nature and people.

CRS COMMITMENTS GREEN MISSION PIERRE FABRE

2019

4 ORGANIC OR ECO-EXTRACTED PLANT ACTIVE INGREDIENTS
are developed every year, as of 2019
> PLANT ACTIVE INGREDIENT COMMITMENTS

100% OF NEW PRODUCTS ARE ECODESIGNED
as of 2019
> ECODESIGN COMMITMENTS

1 SOCIAL AND/OR BIODIVERSITY PROTECTION COMMITMENT
- For each new strategic product launch
- For internal employees every year

> SOCIAL AND BIODIVERSITY PROTECTION COMMITMENTS

2020

2021

80% OF NEW EXTRACTS WILL BE DEVELOPED FROM ORGANIC PLANTS
or without phytosanitary treatment in 2021
> PLANT ACTIVE INGREDIENT COMMITMENTS

2022

2023

1 PRODUCT OUT OF 2 WILL BE ECODE-SIGNED IN 2023
in the group catalog
> ECODESIGN COMMITMENTS

2024

20% REDUCTION IN OUR WATER CONSUMPTION
VS.2018
> WATER STRATEGY COMMITMENTS

2025

30% REDUCTION IN OUR CO_2 EMISSIONS
VS.2015

25% REDUCTION IN OUR ENERGY CONSUMPTION
VS.2015

25% OF ENERGY USED WILL COME FROM RENEWABLE SOURCES

15% REDUCTION IN OUR WASTE
VS.2018
> CARBON STRATEGY COMMITMENTS

1.3 What is the GREEN IMPACT INDEX?

The **GREEN IMPACT INDEX** is a rating and continuous improvement and transparency process in response to consumer expectations.
We needed actual proof of the evaluation and screening of all our prodcts using a CSR point system.
Insofar as a KPI for monitoring listed products, according to the **GREEN IMPACT INDEX**, is included in our DPEF, we will be audited each year by our Independent Third Party Organisation on the reliability of the listings.
We will also set up an annual internal control process using representative samples of our different product ranges.

This index covers all sources of social and environmental impacts including the following criteria:

ENVIRONMENTAL RATING (2/3 of the overall rating)

› Environmental design of the packaging,
› Environmental profile of the formula,
› Environmental impact of the manufacturing of the product,
› Location of suppliers of the raw materials contained in the product.

Each criterion is weighted according to its importance in the overall impact of the product.
As previously mentioned, the product use phase by the consumer has been intentionally excluded, as it prevents us from measuring the real efforts in terms of environmental design that have been made (packaging accounts for 40% of the impact of a cosmetic product).

SOCIETAL RATING (1/3 of the overall rating)

› Social and/or environmental commitment conveyed by the product or brand,
› Manufacturing in a French factory or in a factory applying French social rules,
› Certifications such as fair trade, organic, etc.

2
DESCRIPTION OF THE METHOD

2.1 Packaging

To design our packaging, we adopted a **global** (primary, secondary and tertiary packaging items), multi-criteria and objective **approach**.

For this, we developed a tool that makes it possible to attribute an environmental packaging rating for each product on the market and for each product being developed.

THIS RATING IS BASED ON THE FOLLOWING CRITERIA:

. 1 criterion based on the evaluation of the environmental impact thanks to a life cycle analysis using the BEE (Environmental Assessment of Packaging) tool made available by the environmental groups CITEO and ADELPHE to help manufacturers design their packaging in an environmentally-friendly way.

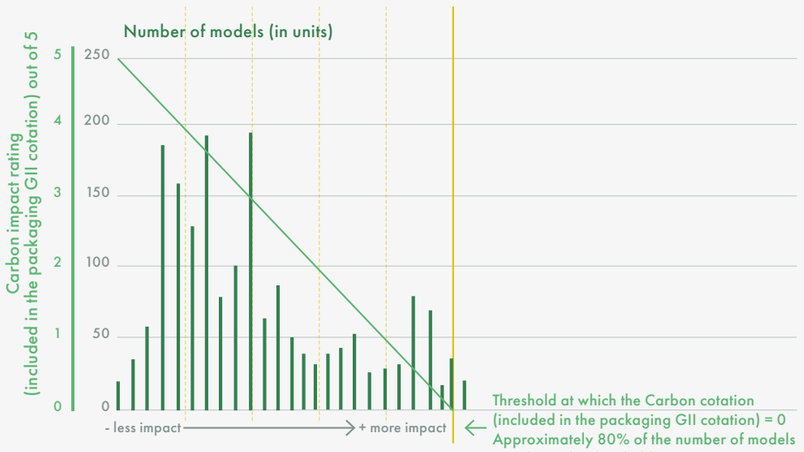
More information about BEE:
https://bee.citeo.com

The indicators taken into account are:
› Greenhouse gas emissions (g Eq. CO2)
› Water consumption (mL)
› Acidification of the air (mmol Eq. H+)
› Eutrophication (g Eq P)

By creating **environmental labelling** that makes it possible to compare the impact of all of the Pierre Fabre Group Products, we obtain LCA results that are very heterogeneous. To reduce the impact of our products as much as possible, we chose to break down the rating scale based on products with the lowest impact, and not by basing the scale on the 10% of products with the least impact (for the worst score) and the 10% of products with the most impact (for the best score) to determine the upper and lower limits of the scale, as is usually recommended. This choice required us to work harder to reduce the environmental impact of the product so that it would obtain a rating of "A", and enables us to question the relevance of certain types of packaging.

The environmental impact rating of the models by level (from 0 to 5) could be deepened thanks to a more detailed analysis of the carbon impact of each type of model per litre. This allows us to give a more representative rating of the impacts.
For example, our portfolio contains around 15 models with a carbon impact of between 0 and 100 g CO2e per litre of product, and therefore a score of 5g.

Breakdown of Carbon impact by type of packaging model



CARBON IMPACT (per liter of product - in TeqCO2) of the different packaging MODELS

. 2 circular economy **criteria** concerning the recyclability of our packaging and the integration of recycled materials to make this rating consistent with the governmental roadmap on the Circular Economy.

. 1 criteria on Weight Volume Ratio which remains the most important impact reduction lever.

EVALUATION OUT OF 5 for each criterion, then weighting (total of coefficients = 12)

› Coefficient 1 for the weight/volume ratio
› Coefficient 2 for the use of recycled materials
› Coefficient 3 for the participation of the packaging in the circular economy (recyclability)
› Coefficient 6 for environmental impacts (2 for CO_2, 2 for H_2O, 1 for acidification and 2 for eutrophisation))

This score out of 60 points allows us to compare different packaging solutions and choose the best one.
It is then adjusted to 4 points (weight of the packaging impact accounting for 40%) to be integrated into the **GREEN IMPACT INDEX.**
An ecotax malus on the packaging brings the overall score to zero.

2.2 Formula

Unlike packaging, it remains very difficult to measure the environmental impact of a formula via life cycle analysis, as not enough data are available about the raw materials used in cosmetics and pharmaceuticals in the databases that supply these calculation tools of LCA (only 12% of raw materials used are listed emission factors).
Due to the high uncertainty of these calculations, we therefore preferred to choose the following **3 criteria** for the Formula score in our **GREEN IMPACT INDEX**:

› The level of naturalness for non-rinse formulas and rinse formulas (out of 2 points)
› Biodegradability for rinsed formulas (out of 2 points)
› The number of ingredients ≤ 15* or the use of Pierre Fabre's patented sterile cosmetic process (DEFI - Exclusive Intact Formula Device) (out of 1 point).

The overall score of the formula is then adjusted to 3 points to be integrated into the **GREEN IMPACT INDEX** since it is not possible to cumulate the points of a rinsed formula and those of a non-rinsed formula.

*On average, our formulas contain 23 ingredients and 20% of our formulas have a composition of less than 15 ingredients.

2.2.1 Naturalness

Consumers strongly expect the formulas of cosmetic products to be natural.
This makes it possible to replace materials of petrochemical origin (from fossil fuels) with their natural equivalents (from renewable materials) if the collection or growth conditions include practices that respect biodiversity.

To determine the naturalness of the formulas, we conduct a naturalness analysis of their component raw materials using the internationally recognized reference framework of standard ISO 16128.

The ISO (International Organization for Standardization) brings together 161 countries 161 countries.

TO FIND OUT WHETHER AN INGREDIENT IS NATURAL, WE FOLLOW 2 STEPS:

1. Identify the resource and its origine.
2. Check the manufacturing process (all the steps for the production of the ingredient are analyzed).

GREEN CHEMISTRY SIDEBAR

Green chemistry is based on the implementation of 12 principles to reduce and eliminate the use or generation of substances that are harmful for the environment in the manufacturing of a substance or raw material.

THE TWELVE FOUNDING PRINCIPLES:

1. Prevention
2. Atom Economy
3. Less Hazardous Chemical Synthesis
4. Designing Safer Chemicals
5. Solvents and Auxiliaries reduction
6. Design for Energy Efficient
7. Use of Renewable Feedstocks
8. Derivatives Reduction
9. Catalysts
10. Design for Degradation
11. Real-time analysis for Pollution Prevention
12. Inherently reduction Chemistry for Accident Prevention

As per standard ISO 16128, the ingredient may be:

. **"natural"** if it is obtained by a **physical transformation** or **natural fermentation*** based on a renewable or mineral resource. The substance is naturally present in nature.

. **"of natural origin"** if it is obtained using one or more resources via **authorized biotechnological*** and/or **chemical processes** intended to chemically modify them. The natural origin content of this ingredient must be strictly greater than 50% (calculation using the molecular mass of the % from renewable and mineral resources).

In the calculation of the **GREEN IMPACT INDEX**,

› **2 points** are granted if at least 95% ** of the ingredients are of natural origin

› **1 point** is granted if at least 85% ** of the ingredients are of natural origin.

*The authorized processes are defined by standard ISO 16128. The principles of green chemistry should be applied.

** Percentage calculated on the basis of the percentage of each ingredient in the formula.

The minimum threshold of 95% corresponds to the threshold defined by the ARPP in its document «Recommendations for cosmetic products V8» to be able to qualify a cosmetic product as a whole as «natural» or «of natural origin».

The 85% threshold was established following a consumer study asking them what minimum level of naturalness was acceptable to claim the naturalness of the product (FOVE Naturality study - YouGov 27/11/2017 on 1002 French people).

Exomega Control Sidebar Emollient oil (A-Derma)

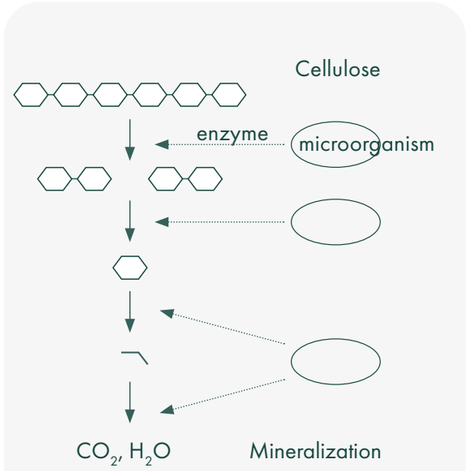
Rhealba® oat, the star plant of the ADERMA brand, is only grown organically in southwestern France, the same region where the finished product is produced. It is grown without chemical fertilizers, without chemical pesticides, without GMOs and with crop rotation to enrich the soil. Rhealba® oats have the advantage of not needing much water or organic nitrogen, and they therefore require little watering.

The emollient oil contains 91% ingredients of natural origin and its active ingredient (extract of Rhealba® oat plantlets) is extracted using green chemistry, the process has therefore been optimized: solvent selected so as not to have residual proteins, recovery of grounds to supply the biomass boiler that heats the water for the dermo-cosmetic production plant.

2.2.2 Biodegradability

A formula is biodegradable if it can be decomposed by biological organisms (bacteria, fungi, algae, etc.) in a favorable environment (conditions of temperature, humidity, light, oxygen, etc.).

Our formulas are tested according to Test 301B of the OECD (Organisation for Economic Co-operation and Development), which measures the degradation of products in a sludge-type environment from a domestic wastewater treatment plant.
It is based on the determination of total organic carbon. The degradation of carbon by microorganisms is measured (measurement of total organic carbon at the beginning of the test then measurement of the carbon released every day for 28 days).



In the calculation of the **GREEN IMPACT INDEX**,
› **2 points** are granted if at least 60% of the formula is biodegradable within 28 days,
› **1 bonus point** is granted if the 60% mark is reached within 10 days.

Extra Gentle Shampoo (Ducray)

This star shampoo of the DUCRAY brand was the first product of the Group to undergo an ecological design thought process.

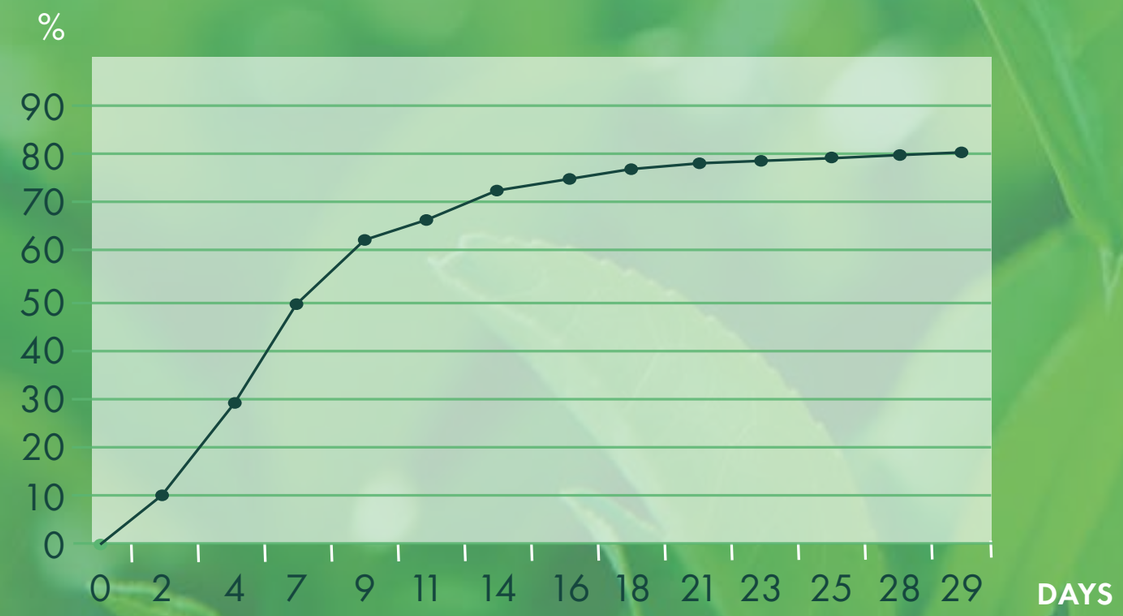
The current formula was optimized to offer a **minimalist formula** with **11 ingredients** and is **60%** biodegradable within 28 days but also starting from **10 days.**

This test takes into account all organic molecules.

Inorganic molecules (water) are not taken into consideration in the result (percentage of degradation after 28 days).

The biodegradability curve is shown below:

EXAMPLE FOR A SHAMPOO FORMULA



A formula is said to be biodegradable if the threshold of 60% is reached within 28 days

2.2.3 Number of ingredients

It is important to us that our formulas contain **only the necessary ingredients,** without adding anything superfluous.
The purpose of a product is to meet a need. It therefore contains one or more active ingredients carefully selected for their efficacy.

Other ingredients are added to these active ingredients in order to ensure:
› a stable formula to guarantee its efficacy over time and its good tolerability,
› good shelf-life from its manufacturing until its expiry date,
› a pleasant cosmetic form for enjoyable use and good treatment compliance.

The other ingredients also make it possible to increase the bio-accessibility of an active ingredient and thus contribute to its efficacy.

It is a delicate balance of a combination of selected raw materials, where each ingredient plays an essential role.
Our formulators already take this requirement into consideration.
They always try to **reduce the number of ingredients** compared to our previous generations of formulas while maintaining efficacy and the sensory characteristics of the product.

THIS REQUIRES WORK ON 3 ASPECTS:

1. The formulation of the products as discussed above,

2. The manufacturing conditions, which require the formulas to be worked on at premises designed to prevent the risk of microbial contamination in order to handle and preserve sensitive products under optimal safety and hygiene conditions (air treatment systems to ensure an optimal degree of purity, etc.)

3. The packaging, which keeps the product safe throughout its duration of use by the consumer.

One technology that allows us to reduce the number of ingredients is our sterile **cosmetics technology.**

STERILE COSMETICS technology is the first and only solution to date to create a formula with the fewest ingredients, containing only essential active ingredients for the most sensitive skin, and without any preservatives or similar products.
It's the guarantee of a safe and effective formula for the entire duration of use without a PAO (Period After Opening). This makes it possible in particular to fight against waste, as after opening the product, it can be used until its expiry date, even if it has been opened.

Tolerance Extreme (Avène)

Tolérance Extrême is a universal range of products that's all about safety.
It has very good tolerability and contains 7 ingredients at the most.
It is fragrance-and preservative-free and can be stored thanks to its sterile packaging, which has been the unique know-how of Laboratoires Pierre Fabre for more than 20 years, and offers unparalleled safety for the most sensitive skin throughout the use of the product.

In the calculation of the **GREEN IMPACT INDEX**,
› **1 point** is granted if the formula of the product contains less than 15 ingredient* or if the product uses our patented STERILE COSMETICS technology.

*On average, our formulas contain 23 ingredients and 20% of our formulas have a composition of less than 15 ingredients.

2.3 Manufacturing

THE MANUFACTURING RATING IS BASED ON THE FOLLOWING CRITERIA:

- The type of farming from which the plant-based active ingredient is obtained **(out of 0.5 points)**
- The method for obtaining the plant-based active ingredient **(out of 0.5 points)**
- The existence of good environmental practices at the finished product manufacturing site **(out of 1 point)**

The rating obtained for manufacturing is then adjusted to 2 points to be integrated into the **GREEN IMPACT INDEX**.

2.3.1 Type of farming from which the plant-based active ingredient is obtained

Most of the active ingredients valued in our formulas are from **plant-based extracts.** These plants are farmed in-house (we own more than 200 ha of our own organically-farmed fields in the Tarn) or with long-standing partners or subcontractors.
We seek to prioritize the **organic farming certification** for all of our plants or to make sure that treatments with chemical phytosanitary products are not used.
To date at Pierre Fabre, of our entire plant-based active ingredient portfolio, 71% of our plants are grown without phytosanitary treatments, and 35% of In 2021, 80% of new extracts will be developed from organic plants without phytosanitary treatments.

THE ORIGINS OF ORGANIC FARMING

At the beginning of the 20th century, agronomists, farmers, doctors and consumers combined their skills to establish the basis of an alternative agricultural production method that focuses on working the ground, autonomy and the respect of natural balances.
In 1981, the French public authorities officially recognized organic farming, and a national committee in charge of the organization and development of organic farming was created, resulting in the French "AB" logo in 1985.
In 1991, organic farming became a European community regulation that restated these major principles to apply them to plant and food production. Since 2007, Organic Farming has been defined by European Regulation No. 834/2007, which replaced EU Regulation 2018/848 on 1 January 2022. Local regulations are also in place in countries outside the EU (example: National Organic Program – NOP in the USA)

In the calculation of the **GREEN IMPACT INDEX**,
› **0.5 points** are granted if the plant is from an organically certified supply or has not undergone a chemical phytosanitary treatment.

Organic farming at Pierre Fabre

Plants grown organically in-house are primarily: Rhéalba® oat for A-Derma, Helichrysum italicum for Naturactive, water mint, cornflower, nasturtium and flax for Klorane, lemon balm and acanthus for René Furterer.

2.3.2 Method for obtaining the plant-based active ingredient

Forty percent of the Pierre Fabre Group's turnover comes from finished products that contain plant-based active ingredients.
To produce these active ingredients, we now use the principles of green chemistry (principles outlined in paragraph 2-2-1) and we focus on **2 WORK METHODS:**

1. The production of our extracts with green extraction solvents such as water and solvents of renewable origin (e.g.: ethanol from beet farming) or innovative water-free and solvent-free processes such as Pierre Fabre's patented "GREEN NATIVE EXPRESSION" ecological extraction technology. The recycling of solvents is also integrated into the approach.

2. The promotion of the circular economy with the valorization of co-products from plants to produce our extracts or the valorization of our own co-products for another use, thus making it possible to reduce resource waste as much as possible.

CIRCULAR ECONOMY

The circular economy consists of producing goods and services in a sustainable manner by limiting consumption and waste of resources and the production of waste. It's about moving from a single-use society to a circular economic model.
One of its principles is the improvement of waste prevention, management and recycling by reinjecting and reusing materials that come from waste into the economic cycle.

Green Native Expression

Green Native Expression is a new, patented, natural and environmentally responsible extraction technique. Eight years of research and development at Pierre Fabre were necessary to design the process, which works without water or added solvents. Green Native Expression makes it possible to extract the pure sap from plants in order to integrate it, in the form of active ingredients, into cosmetic products or nutraceuticals (dietary supplements).
The first range of products containing a plant-based active ingredient from Green Native Expression is that of Klorane containing water mint.

For more information https://www.pierre-fabre.com/fr/article/pierre-fabre-lance-green-native-expression-une-nouvelle-technologie-dextraction-vegetale

Milk Thistle

The plant-based active ingredient of Cleanance, Comedomed and our Eau Thermale Avène brand is obtained from the oil of milk thistle seeds, a co-product of the extraction of silymarin. The production of this active ingredient generates co-products that are in turn valorized as cosmetic ingredients or to produce biofuels, thus contributing to the circular economy process.

Biomass Boiler

In 2013 in our historic Soual factory in Tarn, which manufactures most of our cosmetic products, we installed a biomass boiler that is 40% supplied by residual medicinal plants. Approximately 800 tons of medicinal plant grounds and oat plantlets, used for the A-Derma products, are thus valorized as energy while heating the buildings and supplying the manufacturing processes with hot water. The boiler has already enabled the Group to reduce site CO_2 emissions by 1600 tons per year and to replace 60% of the gas consumption of the factory.

In the calculation of the **GREEN IMPACT INDEX**,
› for a cosmetic or food use or MD or biocide: **0.5 points** are granted if the solvent used to manufacture the plant-based active ingredient is a green solvent (ethanol or water or CO2) or without solvent and/or if the method for obtaining the plant-based active ingredient uses a circular economy process
› for a pharmaceutical use: **0.5 points** are granted if the solvent used to manufacture the plant-based active ingredient is a green solvent (ethanol or water or CO_2) or without solvent and/or if the method for obtaining the plant-based active ingredients uses a circular economy process and/or if the solvent used to manufacture the active ingredient is recycled.

2.3.3 Good environmental practices at our finished product manufacturing sites

The criterion "Existence of good environmental practices" is based on the ISO 14001 certification of the finished product manufacturing site.
ISO 14001 is an international standard for which certification is granted by an accredited certifying body. It defines requirements related to a company's environmental management system.
These requirements make it possible to evaluate and control the impacts of its activities on the environment where its work takes place.
The standard is based on the continuous improvement process to obtain high environmental performance. **ISO 14001** certification is therefore the objective proof of the company's commitment to respecting the environment, so it makes sense to use it as a criterion in the **GREEN IMPACT INDEX** score in connection with the product manufacturing site.

Certified Factories

Our Avène, Soual and Gaillac factories are **ISO 14001** certified for environmental management. Our Gaillac factory has also been **ISO 14001** certified for environmental protection since 1998, making it one of the first 100 industrial sites certified at the time. It has also been **OHSAS 18001** certified for health and work safety since **2010** and according to the new **ISO 45001** reference framework since **2019**.

IN THE CALCULATION OF THE **GREEN IMPACT INDEX**,
› **1 point** is granted if the finished product manufacturing site is **ISO 14001** certified.

2.4 Transport

This criterion takes into account the **geographical origin** of the raw materials (excluding packaging) that make up the finished product.

WE MEASURE THREE CRITERIA*:
. The % of materials (in number and not in quantity) that are a part of the composition of the product that are **made in France**,
. The % of materials that are a part of the composition of the product that are **made in France or in a country bordering France**, including the United Kingdom,
. The % of materials that are a part of the composition of the product that are **made in Europe**, within the meaning of geographical Europe and not the European Union.
For supply security reasons, **double sourcing** is available for most of the raw materials (minimum of 2 suppliers) so as not to run out if one supplier is unable to supply them.
The percentage is calculated is based on each main supplier of each raw material. The main supplier is defined by the purchasing department.

*pourcentage donné en nombre et non en quantité proportionnelle dans le produit.

In the calculation of the **GREEN IMPACT INDEX**, **1 point** is granted if one of the three following conditions is met:
› If ≥ 30% of the raw materials are produced in France.
› If ≥ 50% of the raw materials are produced in France and/or in a border country.
› If ≥ 70% of the raw materials are produced in geographical Europe.

Helichrysum essential oil and ingredient traceability

Organic Helichrysum italicum essential oil used and marketed by Naturactive is grown (organic farming) and extracted in the Tarn and packaged in our factory in Cahors.

2.5 Social commitment

The Group's Naturalness and Eco-Responsibility as conveyed by GREEN MISSION PIERRE FABRE are broken down within each brand/product through the specific commitments of each one.
They are expressed in the form of certifications (organic, fair trade, etc.), the guarantee of compliance with social manufacturing conditions, local presence and philanthropy plans to protect people and nature.

2.5.1 Product certifications

Product certification is one of the many options available to brands.
It is a bold commitment, as it requires an annual audit performed by an external certifying body.

COSMOS CERTIFICATION

The COSMOS Certification Reference Framework defines the criteria to be complied with to guarantee consumers that their products are true organic or natural cosmetics manufactured as per the highest possible sustainability practices.

IT IS BASED ON THE FOLLOWING PRINCIPLES:

1. Promoting the use of products from nature and organic farming, and respecting biodiversity
2. Using natural resources responsibly and respecting the environment
3. Using clean manufacturing and transformation processes that respect human health and the environment
4. Integrating and developing the concept of "green chemistry".

The **COSMOS certification** of a cosmetic product requires regular validation by a certifying body of the entire product (ingredients, formula, packaging, labelling) and an annual audit of its manufacturing site, in order to check that all the requirements are met.
There are two types of **COSMOS certifications**. In both cases, they make it possible to ensure a high level of naturalness of the formula (by default, more than 95% of the ingredients must be of natural origin):

When a product is **COSMOS ORGANIC** certified, its primary final characteristics are:
› At least 95% of physically transformed agro-ingredients are organic
› At least 20% organic ingredients are present in the complete formula (10% for rinsed products).

When a product is **COSMOS NATURAL** certified, it meets all the requirements of the **COSMOS Reference** Framework, except for the condition concerning the minimum % of ingredients from Organic Farming.

FAIR TRADE

Fair trade is an alternative to the dominant world trade.
A product is a fair trade product when it ensures a fair price for the producer, transparency with regard to all persons involved and respect of people and the environment at every link of the chain. Based on shorter and more transparent commercial chains, it enables producers to live decently from their work and to be an active participant in their development model.

Fair trade supply chains are always verified for us by a third party based on a recognized standard.

Triphasic (René Furterer)

Brazilian ginseng root, Pfaffia, is used as a raw material to produce one of the plant-based active ingredients used in the Triphasic range by René Furterer.

Pfaffia root is a "Fair For Life"-controlled fair trade product from Brazilian organic farming. The Ecocert verification costs are paid by René Furterer to support the supplier in the development of its economic activity.

In the calculation of the **GREEN IMPACT INDEX**,

› **2 points** are granted to all products with COSMOS ORGANIC or COSMOS NATURAL certification.

› **1 bonus point** is granted to products containing at least 1 ingredient with a fair trade certificate. The most widespread international standards are "Fair for life" and Fair Trade International.

2.5.2 Commitments

The Pierre Fabre Group has been engaged in many projects for many years to protect people and biodiversity. In **2019**, Green Mission Pierre Fabre was created, an entity and a dynamic around naturalness and eco-socio-responsibility to further affirm our environmental and societal commitment. Our CSR approach has been assessed at the Excellence level by **Ecocert 26000**.
Since **2020**, we are signatories to **ACT FOR NATURE** France and International.
These societal and environmental commitments are embodied in various ways through the Pierre Fabre Foundation for humanitarian purposes, the Group's corporate foundations for the protection of biodiversity, against eczema and through the brands and their products.

GREEN IMPACT INDEX evaluates the specific commitment (for a minimum of 3 years) made by the brand or the product range in favour of biodiversity and people.
This commitment can be of different kinds:
- Protection of biodiversity (decontamination, agroforestry, restoration of natural environments, protection of endangered plants, etc.)
- Therapeutic education (prevention, physical activity, etc.)
- Support for patient associations, health professionals, communities, producers (transfer of skills, etc.)
- Fight against precariousness.

A FEW EXAMPLES OF OUR COMMITMENTS:

• Our **partnership with Cancer@Work**, which works every day to change the way companies and society view this disease. In collaboration with the association, we help people who have been affected by the disease emphasize their strengths and find work again.

• Our **Pierre Fabre Botanical Conservatory**, a unique private conservatory created in 2001 now with 855 species, including 220 threatened species, is the heart of our botanical expertise, which valorizes more than 240 species and 450 plant extracts in our products to make us all aware of how important it is to respect biodiversity.

We are careful to maintain a holistic vision of our impacts and would like for each brand and/or each product to convey a commitment in line with the positioning of the brand, the pathology that the product treats and the societal and environmental challenges that our sustainable development policy seeks to meet.

René Furterer

The **René FURTERER** brand via its commitment to the **shea plant** production chain: René FURTERER has made a strong commitment to its Ethical Shea supply chain, the SOTOKACC, in Burkina Faso, by creating a crèche for the women who do the collecting: when they give birth, they are required to stop working to take care of their baby. Most of them end up in a financially unstable situation that puts a strain on family life for at least 4 years. In order to help with this problem, in September 2020, René Furterer created a crèche with a 10-child capacity.

AVÈNE

Avène partnered with **PUR Projet**, a company specialising in climate action, in 2016 and launched the **PUR Coral** programme, a project to restore the marine ecosystem through coral in Pejarakan, northwest Bali. The approach has been extended to planting mangroves and improving the environmental practices of local people to sustainably revive the environment.
42 structures have already been installed, 4700 corals replanted with 16 different species.

In the calculation of the **GREEN IMPACT INDEX,**

› **2 points** are granted to products that convey a social and/or environmental commitment.

2.5.3 Produced in a French factory

MADE IN FRANCE

The **GREEN IMPACT INDEX** values products that are "**Made in France**".
This product characteristic is consistent with the government's roadmap and the Group's strategy. French manufacturing is a trademark of Pierre Fabre Laboratories, whose territorial anchoring is one of the historical axes of its CSR policy. Producing in France has many advantages in environmental as well as societal terms. Producing in France guarantees high manufacturing and production standards, the reduction of $C0_2$ emissions (including the use of a low-carbon energy mix), the creation of jobs in our country with good working conditions and possible promotions and the maintaining of industrial manufacturing sites in France (Soual, Avène, Cahors, etc.).

MANUFACTURED AS PER FRENCH SOCIAL STANDARDS

The last commitment that brands can highlight is the production of our products at manufacturing sites that respect international social law and more specifically French law. Production in France allows us to ensure that workers benefit from some of the most advantageous social rights in the world. Obtaining these points ensures that everyone participating in the production of the product receives a decent salary and is covered by health insurance.

Elgydium Plaque-disclosing toothpaste

Our teaching toothpaste Elgydium Plaque-disclosing is, like all Pierre Fabre Oral Care toothpastes, made in France in our Loiret factory (Gien) and is labelled Origine France Garantie. The Guaranteed French Origin label promotes the know-how of French companies, ensuring the traceability of products and controlled quality.

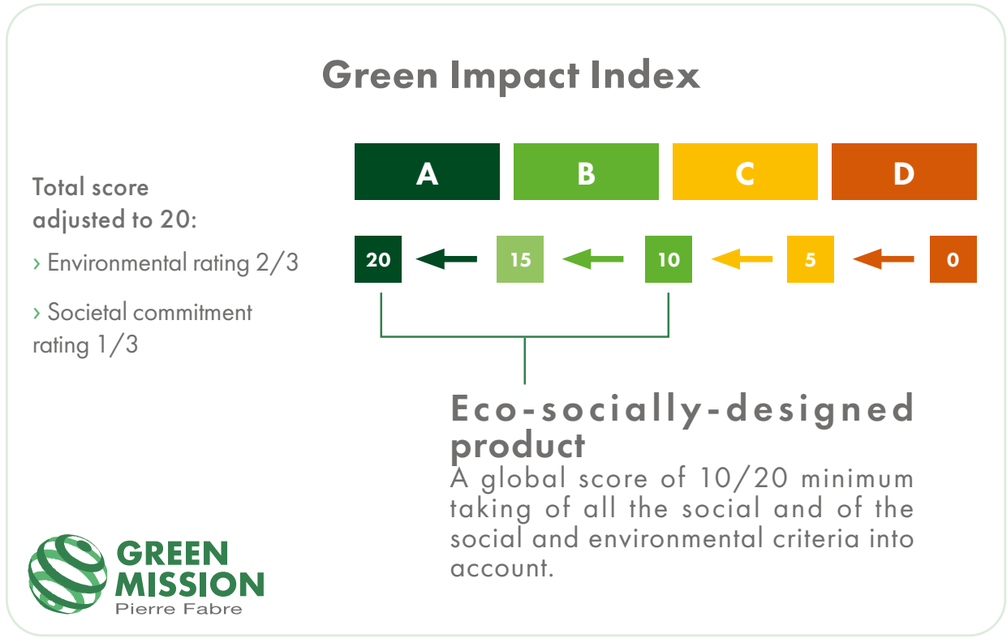
In the calculation of the **GREEN IMPACT INDEX,**

› **1 point** is granted to all products produced in a French factory.

› **1 bonus point** is granted to products that are "ORIGINE FRANCE GARANTIE" [Guaranteed French Origin] certified.

3
SUMMARY OF RESULTS

The overall result is used to rank the products on a scale from "A" to "D". "A" is the most favorable level.



The robustness and reliability of the **GREEN IMPACT INDEX** have been verified by **AFNOR** Certification.

WHAT IS AFNOR CERTIFICATION?

Afnor Certification is a company that delivers (upon audit or evaluation) signs of confidence in relation to regulatory requirements or voluntary requirements. These «signs of confidence» can be expressed by certificates, labels or mentions relating to the evaluation for example.

They are the objective proof that the product or service purchased or provided has the characteristics defined in a reference system, and that they are regularly checked.

The impartiality and competence of the assessment body provides credibility to the area being assessed. AFNOR is a recognised organisation, itself controlled and accredited by an independent accreditation body, COFRAC.

In the case of the "**GREEN IMPACT INDEX**", AFNOR Certification has verified through an audit that our process for delivering the final score is robust and reliable.

THIS MEANS IN PRACTICE :

- Our rating system is relevant and transparent (choice of criteria, weightings),
- The source data is reliable and its consolidation is secure ,
- The technical and human resources are appropriate,
- The process of determining the Green Impact Index is subject to a continuous improvement process. The product rating is updated every 3 years unless, in the meantime, major changes have occurred and would have an impact on the overall A, B, C or D rating of the product.
- The resulting claims are relevant to the final score and the criteria assessed.

afnor CERTIFICATION

LIST OFCRITERIA USED TO RATE THE GREEN IMPACT INDEX

WEIGHT / VOLUME RATIO	/5	X1	PACKAGING SCORE /60 ADJUSTED TO /4
RECYCLABILITY	/5	X3	
CONTAINS RECYCLED MATERIAL OR FSC/PEFC CERTIFIED CARDSTOCK	/5	X2	
EMISSION OF GREENHOUSE GASES	/5	X2	
WATER CONSUMPTION	/5	X2	
ACIDIFICATION OF THE AIR	/5	X1	
EUTROPHICATION	/5	X1	

NATURALNESS	/2	FORMULA SCORE /5 (MAXIMUM SCORE OF 3 POINTS)
BIODEGRADABILITY	/2 + 0,5*	
NUMBER OF INGREDIENTS ≤15 OR STERILE COSMETICS TECHNOLOGY	/1	

ORGANIC FARMING OR WITHOUT CHEMICAL PHYTOSANITARY TREATMENT	/0,5	MANUFACTURING SCORE /2
GREEN CHEMISTRY OR CIRCULAR ECONOMY	/0,5	
CERTIFIED ENVIRONMENTAL PRACTICES AT OUR FINISHED PRODUCT MANUFACTURING SITES	/1	

GEOGRAPHICAL ORIGIN OF THE RAW MATERIALS	/1	TRANSPORT SCORE /1

ENVIRONMENTAL RATING /10

PRODUCT CERTIFICATIONS : COSMOS / ORGANIC FARMING / ORGANIC HOME FRAGRANCE	/2	SOCIETAL COMMITMENT RATING /5
CSR COMMITMENT SUPPORTED BY THE BRAND OR THE PRODUCT	/2	
FINISHED PRODUCT MANUFACTURING COUNTRY	/1	
AT LEAST 1 INGREDIENT WITH A FAIR TRADE CERTIFICATE	+1*	
PRODUCT WITH «GUARANTEED FRENCH ORIGIN» CERTIFICATION		
VEGAN PRODUCT CERTIFICATION		

TOTAL SCORE /15 ADJUSTED TO /20

EXPRESSED AS A, B, C OR D

*point bonus

GREEN IMPACT INDEX SUMMARY SHEET

A-DERMA - LIGHT HYDRATING CREAM - 40ML

PRODUCT ENVIRONMENTAL IMPACT

› Packaging impact:
- Recyclability (sorting instructions may vary locally)
- Emission of greenhouse gases: 34,68g eq.CO2 / Energy consumption: 0,97 MJ
- Acidification of the air: 0,1 mmol Eq. H+
- Water consumption: 141,28 ml, Eutrophisation (pollution des eaux) : 0,02 g Eq P

› Formula impact:
- 99% natural formula.

› Manufacturing conditions:
- Manufactured in an ISO 14001 factory, certified for environmental management
- Oat sap - organic farming, solvent-free extraction
- Dandelion - organic farming, water extraction, enzymatic hydrolysis
- Aloe Barbandesis - organic farming, mechanical extraction
- Orange - organic farming, orange vegetable water obtained by flash distillation
- Sunflower - organic farming, cold pressure extraction

› Transport impact:
- 84% of the raw materials are produced in geographical Europe
- 63% of the raw materials are produced in France and/or in a border countries
- 32% of the raw materials are produced in France

PRODUCT SOCIETAL IMPACT

› Produced in a french factory.
› Environmental and social commitments:
- “Local Climate“ agro-forestry project for the development of the hedgerow.
- The Red Cross through donations of unsold goods to help fight against the precariousness of people.

› COSMOS certified product.

GREEN IMPACT INDEX by Pierre Fabre

SOCIO-ENVIRONMENTAL IMPACT

A B C D

A-DERMA - LIGHT HYDRATING CREAM - 40 ML

WEIGHT / VOLUME RATIO	3,2/5	X1
RECYCLABILITY	5/5	X3
CONTAINS RECYCLED MATERIAL OR FSC/PEFC CERTIFIED CARDSTOCK	1/5	X2
EMISSION OF GREENHOUSE GASES	3/5	X2
WATER CONSUMPTION	3,6/5	X2
ACIDIFICATION OF THE AIR	3,8/5	X1
EUTROPHICATION	3,3/5	X1

PACKAGING SCORE

40,5/60
ADJUSTED TO
2,7/4

NATURALNESS	2/2
BIODEGRADABILITY	NA
NUMBER OF INGREDIENTS ≤15 OR STERILE COSMETICS TECHNOLOGY	0/1

FORMULA SCORE

/5
(MAXIMUM SCORE OF 3 POINTS)
2/3

ORGANIC FARMING OR WITHOUT CHEMICAL PHYTOSANITARY TREATMENT	0,5/0,5
GREEN CHEMISTRY OR CIRCULAR ECONOMY	0,5/0,5
CERTIFIED ENVIRONMENTAL PRACTICES AT OUR FINISHED PRODUCT MANUFACTURING SITES	1/1

MANUFACTURING SCORE

2/2

GEOGRAPHICAL ORIGIN OF THE RAW MATERIALS	1/1

TRANSPORT SCORE 1/1

PRODUCT CERTIFICATIONS : COSMOS / ORGANIC FARMING / ORGANIC HOME FRAGRANCE	2/2
CSR COMMITMENT SUPPORTED BY THE BRAND OR THE PRODUCT	2/2
FINISHED PRODUCT MANUFACTURING COUNTRY	1/1
AT LEAST 1 INGREDIENT WITH A FAIR TRADE CERTIFICATE	+1 *
PRODUCT WITH «GUARANTEED FRENCH ORIGIN» CERTIFICATION	
VEGAN PRODUCT CERTIFICATION	

SOCIETAL COMMITMENT RATING

5/5

ENVIRONMENTAL RATING

7,7/10

TOTAL SCORE

12,7/15
ADJUSTED TO
16,9/20

EXPRESSED AS
A, B, C OU D

GREEN IMPACT INDEX by Pierre Fabre
SOCIO-ENVIRONMENTAL IMPACT
A B C D

*point bonus

GLOSSARY

CLAIMS ASSOCIATED WITH THE GREEN IMPACT INDEX RATING

	CLAIMS	DEFINITIONS
ENVIRONMENTAL IMPACT		
IMPACT OF PACKAGING	Packaging containing recycled* or sustainably managed materials	Packaging contains a certain percentage of recycled material. The promotion and valorization of responsible and sustainable forest management, i.e. ecologically appropriate, socially beneficial and economically viable management that meets the needs of present and future generations.
	Recyclable packaging (according to sorting instructions in France which may vary locally)	Components of the packaging can be recovered from the waste stream by suitable methods to be collected, processed and put back into use as raw materials or new products.
	Lightweight packaging	The weight of the packaging of this product has been lightened in order to use less material while guaranteeing the integrity of the product and avoiding breakage.
IMPACT OF THE FORMULA	Biodegradable formula**	The formula's biodegradability is measured with the OECD 301B test. This test enables the guarantee of a sound biodegradability using urban purification plants.
	"amount " % of natural ingredients " amount %" of plant origin active ingredients (for food supplements)	The naturalness of the formula is calculated according to the ISO16128 standard. The content of natural ingredients is at least 85%.
MANUFACTURING IMPACT	Manufactured in an environmentally certified factory***	The factory where this product is manufactured is certified by an independent body for the environmental management system according to the rules of international standard ISO 14001. This ensures, among other things, that the factory has environmental management procedures in place and measures its performance through monitoring indicators.
	Plant derived from organic agriculture	The method of plant production respects the European regulations for organic agriculture, guaranteeing a greater respect for the environment
	Plant grown/harvested without the use of pesticides	No chemical products such as herbicides (against weeds), insecticides (against insects) or fungicides (against fungi) are used on the plant
IMPACT OF THE RAW MATERIALS ORIGIN	"amount"% of ingredients of French origin	This corresponds to the amount of raw materials that make up the formula and that are manufactured either in France / in countries bordering France (including the United Kingdom) / in Europe
	"amount"% of ingredients from neighboring countries to France	
	"amount"% of ingredients of European origin	

** The food-grade is a prerequisite.*
*** According to the OECD 301B test.*
****According to the ISO 14001 or ECOVADIS standard*

CLAIMS ASSOCIATED WITH THE GREEN IMPACT INDEX RATING

	CLAIMS	DEFINITIONS
SOCIETAL IMPACT		
	Product made in France	> Product marking assigned by Customs based on 2 non-cumulative criteria: Geographical criteria > Products for which the last modification or substantial operation was carried out in France, i.e. having led to the creation of a new product OR Economic criteria > Products of which 45%of the added value was carried out in France.
	Raw material from fair trade	The plant used to manufacture the active ingredient in the finished product is a fair trade product. The sector is certified "Fair for life" by the independent body ECOCERT.
	Certified COSMOS ORGANIC by ECOCERT GREENLIFE	Organic certification of a cosmetic product according to the COSMOS standard by the independent body ECOCERT GREENLIFE. Organic certification implies that at least 95% of the formulas ingredients are of natural origin, at least 95% of the plants it contains are organic and at least 20% of the total ingredients are organic (10% for rinsed products)
	Certified COSMOS NATURAL by ECOCERT GREENLIFE	Natural certification of a cosmetic product according to the COSMOS standard by the independent body ECOCERT GREENLIFE. The Natural certification implies that at least 95% of the ingredients are of natural origin
	Certified Organic Agriculture by FR-BIO-01	Organic certification of food supplements in accordance with European regulations: at least 95% of the ingredients of agricultural origin are organic (no use of pesticides and no GMOs in accordance with the regulations in force)
	Certified "Home fragrance of natural origin" by ECOCERT GREENLIFE	Natural labeling of a "Home Fragrance" product (with a perfuming function) according to the "Home Fragrance" standard by the independent body ECOCERT GREENLIFE. Organic certification implies that 100% of the formulas ingredients are of natural origin.
	Certified "Organic home fragrance" by ECOCERT GREENLIFE	Organic labeling of a "home fragrance" product (with a perfuming function) according to the "Home fragrance" standard by the independent body ECOCERT GREENLIFE. Organic certification implies that 100% of the ingredients are of natural origin, at least 95% of the plants it contains are organic and at least 10% of the total ingredients are organic.
	Product certified "Origine France Garantie"	A product certified "Origine France Garantie" attests to the French origin of a product. Product certification is based on 2 cumulative criteria: Economic criteria > Between 50% and 100% of the unit cost price is French AND Geographic criteria > The product takes its essential ingredients from within France.
	Product registered with the 'Vegan Society'	The product's formula has been verified by the 'Vegan Society' association according to their specifications expressing their requirements for consumption by vegan people. It excludes any product derived from animals, their exploitation and animal testing.
	By purchasing this product, you are helping to support our environmental and societal commitments: "value: brand or range/product commitment"	***Brand-led societal and/or environmental commitment***

Green Mission Pierre Fabre, an eco-socio-friendly commitment from Pierre Fabre Laboratories, certified Ecocert 26000 at the Excellence level

GREEN MISSION
Pierre Fabre