



Product management and sourcing

TOPIC AREA I

- **Products without health concerns**
- **Sustainably and ecologically manufactured products**

RELEVANCE AND GOALS

Health and safety are top priorities at Lalique Group. The Group wants to develop and produce ecological and fair products for its customers. The company makes every effort to ensure that its products do not cause skin irritations or allergies or pose other risks to health. The main focus is on Ultrasun sun care products and perfumes, given that cosmetic and beauty products may provoke allergic reactions. Also, the chemical ingredients of such products may be harmful to the environment.

Lalique Group is pursuing the goal of developing its cosmetics range with products that offer added value, for example through certification. The company relies first and foremost on established industry standards that are in demand from customers and industry players. Lalique Group's cosmetic and beauty products have to meet minimum ecological and health standards and should enable a conscious consumer choice by both existing and prospective customers.

MEASURES

Product labels and memberships

Lalique Group is committed to supporting specific labels such as aha! Allergy Centre Switzerland, Natrue certification and membership of organizations like the International Fragrance Association (IFRA). That is why the company strives to continually improve and expand its range of label products wherever possible. The Group relies on fair and workable regulation that fosters the safe use and enjoyment of fragrances in accordance with IFRA guidelines. These stipulate that no products or ingredients may be tested on animals and no natural ingredients of animal origin used in the formulation of perfumes and sunscreens. Animal by-products customarily employed by the industry—of which beeswax is one example—are exempted from this rule for the time being.

For the production of its perfumes, Lalique Group works with renowned perfume houses, which strictly adhere to sustainability requirements. The Group's new products use ingredients from environmentally and socially responsible sources through traceable supply chains.

The Group's recently launched fragrances for Lalique and Brioni are free from artificial colouring, vegan, cruelty-free and mostly made in France. The alcohol used is also natural, vegan and manufactured in France from agricultural ingredients such as beetroot and wheat. It contains no genetically modified organisms (GMOs) and has not been tested on animals.

Moreover, there are standards for cosmetic products which evaluate UV filters using neutral methods. The chemical company BASF has developed a new neutral method known as the EcoSun Pass which can be used in the sun protection field to test the environmental impact of UV filters in sunscreen products. The EcoSun Pass allows transparent evaluation of eight different parameters, from biodegradability and aquatic toxicity to potential endocrine disruption. The system thus takes into account not only environmental factors for individual UV filters, but also permits a comprehensive environmental assessment of the filter systems—another step for BASF towards a more sustainable future. Ultrasun's product line for sensitive skin types was the first brand worldwide to be awarded the EcoSun Pass label by the BASF corporation. The label stands for particularly eco-friendly sunscreen protection.



Ultrasun is also marketing a product line with mineral-only, chemical-free filters that is certified by Natrue. Compared with its competitors, Ultrasun is the sun care brand that has the most sunscreen products certified by aha! Switzerland (the label of the Swiss Allergy and Asthma Association) within its line-up. aha!-labelled products and services offer customers added value by ensuring increased safety and simplifying their everyday life. Additionally, 13 out of 15 palm oil ingredients are already RSPO-certified. The RSPO (Roundtable on Sustainable Palm Oil) is an NGO established in 2004 with the objective of promoting the growth and use of sustainable palm oil products through global standards and multi-stakeholder governance.



The entire perfume filling and logistics operation of Laliq Beauty Services is ISO 22717 certified (Cosmetic Good Manufacturing Practices). This standard assesses the safety and quality standards of perfume products. It takes into account all the relevant factors along the whole supply chain, including the processing of products and the date when they are first packaged.

Laliq Beauty Services and the Laliq crystal manufacturing site are committed to upholding national and international safety standards (R.E.A.C.H. Regulation). Reach is a European Union regulation which was issued to improve the protection of human health and the environment from the potential impact of risks posed by chemicals.

ASSESSMENT AND OUTLOOK

The Group aims to empower consumers to take informed, environmentally compatible decisions. Survey findings show that consumers are willing to pay a premium for eco-friendly products. Laliq Group has set itself the goal of producing sustainable products with sustainable packaging at competitive prices and keeping consumers informed about these innovative products. For its fragrances, the Group wants to focus even more on sustainably sourced ingredients in the future, with a particular focus on the vegan range. The Group is constantly exploring other innovative and environmentally friendly initiatives.

Against this background, the Group is well on course to operating on a sustainable basis, developing appropriate products and further broadening the sustainability of its operations.

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