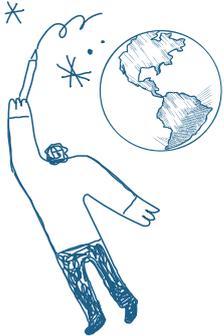




Helping
individuals shape
their well-being

2022 MISSION
REPORT



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Editorial

**JEAN-PAUL BERTHOMÉ, PRESIDENT
OF LABORATOIRES EXPANSCIENCE**



From signing the United Nations Global Compact in 2004 to obtaining the B Corp label in 2018, Expanscience has grown with the requirement to reconcile economic performance with social, societal and environmental commitment. While we are proud of how far we have come, we know that being a better company for the world means doing more. Doing more because the urgency is on our doorstep: our planet is facing unprecedented climate and life preservation challenges. Faced with this situation, companies are more than ever part of the solution and, to be sustainable and useful to society, they must reinvent themselves.

At the Expanscience level, we launched our new impACT program in 2021 to live up to these challenges, with ambitious 10 - and 20 - year goals to become a positive impact and regenerative company by transforming our business model. In the same year of deciding to become a mission-driven company, we have also pledged ourselves to this dynamic commitment. This is an important step for Expanscience: by including our purpose in

our bylaws, we formalize our mission, which is to help individuals shape their well-being, from childhood to old-age. Because we believe that being in good health no longer depends solely on individual choices and therapeutic treatments, and that the well-being of individuals and the health of the planet are collective and interdependent issues.

This purpose is our backbone and our compass. It directs all our actions towards the search for usefulness and positive impact, while at the same time guiding all our decisions - including those to sometimes give up certain activities incompatible with planetary boundaries, such as wipes, which we will gradually stop selling by 2027, even though they currently represent 20% of our Mustela brand sales. This certainly means reinventing ourselves to develop new product and service offerings, to explore new playing fields for our brands, which has already been in active deployment for several years, thanks to the open innovation dynamic. Beyond some relinquishments, our path towards a positive impact model is leading us to rethink our value creation model and to transform the way we manage our activities according to non-financial indicators.

2022 marks our first year as a mission-driven company. During this year, we defined our roadmap with regard to our statutory objectives. We have strengthened our convictions, we have been challenged by the members of our Mission Committee thanks to their unique expertise and their goodwill.

“Our purpose is our backbone and our compass. It directs all of our actions toward the pursuit of utility and positive impact, as well as guiding all of our decisions.”



Whether it is the notion of well-being, our carbon trajectory, or the framing of biodiversity issues, everyone has made a contribution. This report is the result of exchanges with our Mission Committee. The establishment of this new governance body, specific to mission-driven companies, illustrates the movement initiated by Expanscience several years ago and which is accelerating: that of openness to its stakeholders, dialog and co-construction.

The transformation we have embarked on is definitely a long-distance race. We have much to accomplish. There will necessarily be failures and we are ready to face them to progress. To meet these challenges and fulfill our mission, we will continue to rely on

the strength of the collective, which we hold dear. We are more determined than ever to mobilize our teams, our partners, our suppliers and the stakeholders of our ecosystems to build more virtuous business models for all.

I would like to thank our Mission Committee for leading us on this journey.

I would also like to thank our employees, who make this family business an incredible adventure and who are building the Expanscience of tomorrow.

Our mission: “Helping individuals shape their well-being”



LABORATOIRES EXPANSCIENCE, A FAMILY AND HUMAN ADVENTURE FOR OVER 70 YEARS

Expanscience is a family story born from the meeting in 1950 of two visionary men, Paul Berthomé, entrepreneur and industrialist, and a pharmacist. Their initial ambition was to design, produce and market a lotion for babies that cleansed tender skin while moisturizing it. Developed and manufactured with the same quality requirements as pharmaceutical products, this first Mustela cleansing lotion revolutionized the daily life of mothers at the time. The aim was already to simplify parents' lives. This was the birth of the Mustela brand and the beginning of the Expanscience adventure! As a pioneer in baby skin care, Expanscience has over time developed expertise in dermatology, rheumatology and in the production of natural cosmetic active ingredients.

Independent at heart, we have been a French company for over 70 years, still 100% family owned, with products present in over 100 countries. Although we now generate more than 77% of our revenue internationally, we have always been committed to maintaining a strong presence in France. Most of our Mustela products have

been manufactured in Eure-et-Loir since 1957, at our production, research, and development site in Épernon (France). We also manufacture our medicinal product Piascledine 300 there.



OUR ENVIRONMENTAL, SOCIAL AND SOCIETAL COMMITMENT SINCE 2004: TOWARDS POSITIVE IMPACT PROGRESSIVELY INTEGRATED INTO OUR CORPORATE STRATEGY

Societal commitment and the search for a positive impact have guided us for several decades. In 1982, the Mustela Foundation was created. Sheltered by the Fondation de France, for more than 40 years it has been supporting the research work and projects of health professionals in favor of child development and parenthood.

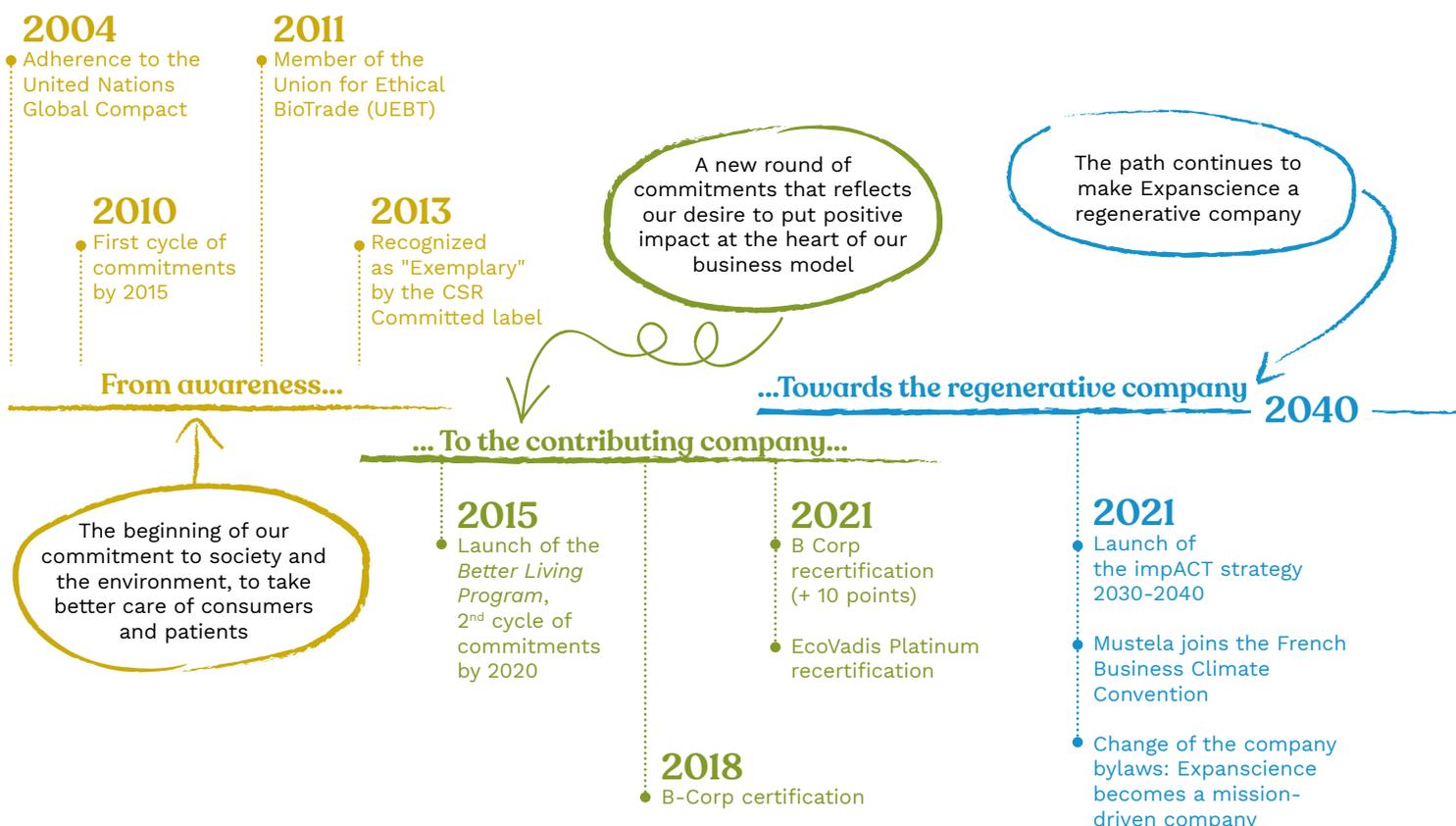
In 2004, at the advice of our President Jean-Paul Berthomé, we voluntarily joined the United Nations Global Compact, which defines a universal commitment framework for companies, based on ten principles relating to human rights, international labor standards, the environment and the fight against corruption. This pioneering

decision marked the beginning of our commitment to always take better care of consumers and patients as well as their environment, by proposing more responsible offers. In 2007, we initiated the first actions, which were followed in 2016, by the *Better Living Program*, a cycle of commitments to contribute to better living in our communities. Over the years, we have developed our practices aimed at reconciling economic performance with social, societal and environmental commitment.

Thanks to the journey we've taken and our transformation to put positive impact at the heart of our activities and business model, in 2018, we became the first pharmaceutical and dermo-cosmetic company in the world to achieve B Corp certification (renewed in 2021).

Determined to do even more to contribute to environmental and social issues, we chose to become a mission-driven company in 2021.

For 20 years, our path towards positive impact and the regenerative company



OUR PURPOSE AND OUR VISION OF WELL-BEING

Our purpose, enshrined in our bylaws, is to **help individuals shape their well-being**, because we believe that the health and well-being of individuals are inextricably linked to the health of the planet and that businesses have a key role to play in its preservation.

The concept of well-being is wide-ranging. It refers both to universal dimensions, shared by most cultures and societies worldwide (physical and mental health, social relations, autonomy, self-actualization) and to unique representations, specific to each individual.

We long debated the notion of making well-being a core part of our mission. We like the idea that the notion of well-being can bring people together across the world, both on a global scale and on



an intimate scale. However, in order to measure our progress, we need to agree on a definition for our activities.

In line with the definition of health proposed by the World Health Organization (WHO), of which well-being is an essential component, the well-being defended by Expanscience is a global well-being, for each person, at each stage of life: beyond the absence of disease, we advocate "a state of complete physical, mental and social well-being".

We want each person to have the means to be autonomous with regard to their well-being. Our approach also commits us to act for collective well-being, including both that which contributes to the health of the planet and to that of the communities we work with. For us, this collective health is inseparable from individual well-being. It is also inseparable from the health of the planet, because it is time to no longer think about human health and the health of the planet separately. In speaking of well-being, we also think of the interdependence of humans and the planet, on an individual and collective scale. In the words of Heraclitus: *"The health of man is a reflection of the health of the earth"*.



A vision of well-being broken down by activity and for our stakeholders



Mustela

For parents and children. We want to contribute to the well-being of parents by helping them to live a serene parenthood and accompany them towards more responsible consumption patterns. In this way, we develop useful, effective and healthy family care and a range of initiatives and services to help parents raise their children in good health, on a healthy planet.



Rheumatology

For people with osteoarthritis. Well-being is about improving their quality of life. Our mission is to help them do what they love for as long as possible. By offering comprehensive support for individuals, our rheumatology products and services encourage arthritis patients to remain active and take control of their disease. Here, well-being and aging will go hand in hand.



Cosmetic active ingredients

For our customers. We develop natural cosmetic active ingredients and sensory ingredients that are intended to contribute to the well-being of the body and mind. We act for agricultural practices that respect the environment and biodiversity, while guaranteeing fair prices for producers and decent working conditions.



Our teams

For our employees. Working on well-being means committing to their quality of life at work in a holistic manner through human resources policies and demanding managerial practices. It means offering a base of social protection, particularly on the subject of health, knowing how to fully reconcile our different life times, developing the potential of each person in relation to their professional aspirations, but also promoting high-quality social links.



Environmental commitments

For the planet. We are convinced that we will not be able to improve global well-being without also acting for the health of the planet. This is why Expanscience is committed to the climate and to the preservation and restoration of biodiversity. This inseparable link between human well-being and the health of the planet justifies that each of our products takes into account the environmental impact and that we seek to reduce it drastically.

To translate our purpose into concrete actions, we now rely on our statutory objectives and our impACT strategy. This program, co-defined in 2021 with our employees and inspired by the French Citizens's Climate Convention (CCC), is a continuation of what we began nearly 20 years

ago. It also marks a new and very ambitious stage in the evolution of our model, with a trajectory for 2030-2040 to make Expanscience a positive impact and regenerative company.

The social and environmental objectives associated with our mission

Having a positive impact is not only about reducing our footprint, it is also about helping to regenerate ecosystems and bringing additional value to women, men and the planet. Our ambition: through our activities, products, and services, preserve resources while having as little impact as possible on ecosystems, and help restore them while creating social and societal value. Becoming a positive impact and regenerative company is a long-distance race because it involves changing our business model and redefining our

ways of operating – from the supply of plant raw materials to the development of our formulations, our packaging and the distribution of our products – with and for our employees and all our stakeholders. On this path of transformation, we are prepared to give up some of our activities if they are incompatible with planetary boundaries. In line with our impACT strategy, we have included four environmental and social objectives in our bylaws to guide us on this ambitious path.

COMMITMENT 1

Design products and services that are useful to well-being, eco-socio designed and increasingly inspired by nature and living things.

Because we want to continue to develop an increasingly natural approach to health, with products and services that improve the well-being, whether physical or mental, of those who use them and that have an increasingly small footprint on the environment (composition, packaging, uses, etc.).

- Objectives**
-  1• Apply an eco-social design approach to all our activities

 -  2• Develop naturalness in our offerings

 -  3• Develop our catalog of organic and fair trade products and active ingredients

 -  4- Develop the inspiration of living things in our innovations

 -  5• Offer useful products and services that contribute to well-being

COMMITMENT 2

Contribute to reaching planetary climate goals and protecting and regenerating biodiversity.

Because the well-being of individuals is inseparable from that of the planet, we are committed to the fight against climate change, which goes hand in hand with the protection and regeneration of biodiversity.

- Objectives**
-  1• Reduce our carbon footprint on a *Science-Based Targets* trajectory on scopes 1, 2 and 3

 -  2• Preserve and restore biodiversity in our activities, throughout our value chain



KAREN LEMASSON,
CSR AND OPEN INNOVATION DIRECTOR
EXPANSCIENCE

“ Becoming a positive impact and regenerative company is a long-distance race. This implies changing our business model and redefining the way we operate. On this path of transformation, we are prepared to give up some of our activities if they are incompatible with planetary boundaries.”

COMMITMENT 3

Help our employees take an active part in their personal fulfillment and construct a more inclusive and supportive company with them.

Because we believe that helping individuals shape their well-being commits us first and foremost to our employees. We achieve this through ambitious social policies (health, diversity, inclusion and equity, etc..) and by offering the opportunity to get involved in company projects with connections to the local communities in the countries in which we operate.



Objectives

1- Implement a global well-being strategy and be exemplary on issues of parenthood, occupational health and seniors



2- Define policies and standards to ensure diversity and inclusion for all

COMMITMENT 4

Mobilize our communities and ecosystem to build business models with a positive impact on society, individuals and the environment.

Because we are convinced that open innovation and collaboration with all our stakeholders are key to move forward towards innovative and virtuous solutions that contribute to collective well-being, at a time when social, societal and environmental challenges are only increasing and becoming more complex.



Objectives

1- Embody a new business model



2• Support and mobilize our suppliers in favor of a positive societal and environmental impact



3- Support a major cause in relation to parenthood



4- Mobilize within our communities and ecosystems

Governance of the mission

All mission-driven companies must establish a Mission Committee, separate from the existing bodies. As the guarantor of the execution of our mission, it is also an Advisory Committee that stimulates us to advance our practices and guides us in the transformation of our activities.



What is the role of the Mission Committee?

- Monitor mission execution.
- Ensure that the company gives itself the means and resources to make progress in its mission.
- To assess the effectiveness of actions taken and the relevance of performance and impact indicators.
- Submit an annual report with the management report to approve the company's accounts.
- Carry out any verifications it deems appropriate and obtain any documents necessary to monitor the execution of the mission.
- The Committee Chairman facilitates the constitution of the collective, ensures the independence of exchanges within the Mission Committee, and oversees the quality of the exchanges and the collegiality of the Mission Committee's decisions.

Source: Community of Mission-driven Companies.

OUR MISSION COMMITTEE: A BODY TO CHALLENGE US AND FEED OUR MISSION

The members of our Mission Committee have been chosen for their complementary expertise with respect to one or more of our statutory objectives. After an initial exchange in January 2022, this Committee met twice more during the year, in the presence of our President Jean-Paul Berthomé and the Expanscience CSR team.

The establishment of this new governance body, in addition to being mandatory, is fully in line with the expectations and strategic challenges that were outlined in our stakeholders dialog in 2009, when our CSR approach was co-constructed. This process of dialog and transparency with experts from outside our company is essential to develop and challenge our practices.

During this first year of our Mission Committee, we aligned ourselves with the structuring of our commitments and the best method to deploy them. The Mission Committee helped us to keep alive the objectives we had set for ourselves and guided us in the methodology to be followed to implement certain actions.

The members of our Mission Committee



MARTIN AVENARD
Human Resources Manager,
Mexico subsidiary of Expanscience*



FABIENNE COURNAIRE
Health innovation entrepreneur,
Administrator of the NPIS
(Non Pharmacological Intervention Society)



ANNE GIRAULT
President of the Association for the low carbon transition (ABC) and the Association for ecological rebirth, co-founder of CEM (Cercle de l'Expertise à Mission)



PIERRE-YVES GOMEZ
Economist with a PhD in management and professor at Emlyon Business School (Chairman of our Mission Committee)



ÉLISABETH LAVILLE
Founder of the Utopies RSE strategy consulting agency (French think-tank and pioneer agency for sustainable development strategies and consulting since 1993)



HÉLÈNE LERICHE
Doctor of Veterinary Medicine with a PhD in Ecology



ANGÉLINE ROCHERIEUX
Expanscience France - Marketing and Key Accounts Manager

A GOVERNANCE TO ENSURE THE DEPLOYMENT OF OUR OBJECTIVES

Our purpose is our compass: it guides our strategic decisions and actions. In order for it to fully play its role and to help our practices evolve, we have created a governance system to concretely deploy our strategic mission objectives within each department and business line of Expanscience. It was rolled out in 2022 at several levels, as shown in the diagram.

Mission Committee
Opinion on our strategic mission objectives, our operational objectives and monitoring indicators



The role of this community, composed of volunteers, was to inform, train/raise awareness, support the transformation of our activities and translate our commitments as closely as possible to the different professions.



This new body, made up of our Management Committee and certain key contributors, was responsible for the operational management of our roadmap (achievement of objectives and actions implemented).



Our Executive Committee met twice in 2022 to confirm the orientations of the common roadmap, while taking into account the opinions of our Mission Committee. It carried out the annual review of objectives and projected the strategic and budgetary guidelines for the following year.

* Martin Avenard left Expanscience in February 2023 and therefore did not participate in the finalization of this mission report.

How far we've come in 2022: our progress by objective



Our environmental and social objectives, enshrined in our bylaws, structure our company's strategy. The achievement of these long-term objectives guides our activities and directs all our decision-making. In this first year as a mission-driven company, we have been working on how to achieve these goals with the

help of our Mission Committee. At the end of this first year, our progress is encouraging, with some roadmaps well underway and others being launched. In this part of our report, you will find an update on our progress and a focus on our key commitments.



COMMITMENT 1

Design products and services useful for well-being, eco-socio designed and increasingly inspired by nature and living things

Already committed to limiting the environmental and social impact of our products, we want to continue developing an ever more natural approach to health, with products and services that improve the well-being, whether physical or mental, of those who use them.

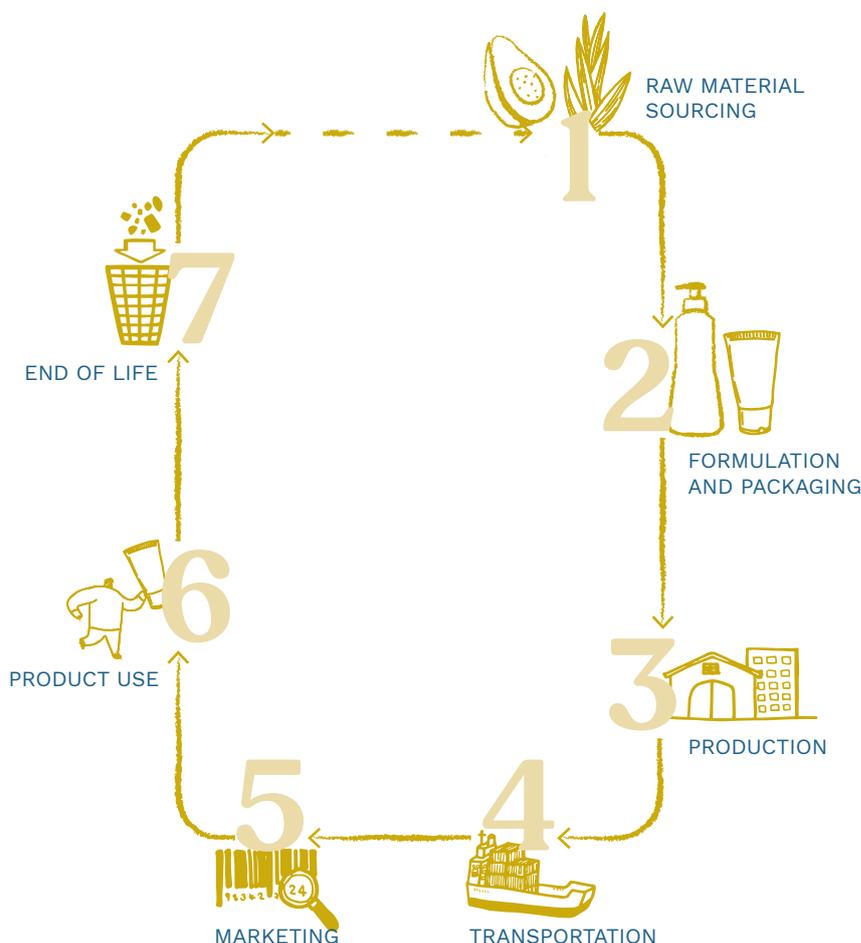
Objective 1

APPLY AN ECO-SOCIAL DESIGN APPROACH TO ALL OUR ACTIVITIES

Eco-social design has been a major concern at Expanscience for several years and is a project on which we are constantly making progress. At the beginning of the 2010s, we initiated an approach aimed at continuously improving our products at every stage of their life cycle to reduce their environmental impact: from raw material sourcing through formulation, production, packaging and transportation to product use and end-of-life.

In 2015, we extended this approach to the development of all our Mustela dermo-cosmetic products. In 2022, we extended eco-social design to our rheumatology developments.

Stages of eco-social design



Our cosmetic active ingredients have also been developed for nearly ten years according to a responsible approach that integrates various criteria: working conditions, compliance with regulations, impact on biodiversity, water and energy consumption, waste generated, toxicity or ecotoxicity of the materials used or generated. For this, we use the ERI 360° (*Eco-Responsible Ingredient*) label, which we have co-constructed with other players in the cosmetics sector. It measures the level of eco-social responsibility of an ingredient and enables certification via an external label.

We now wish to consolidate and accelerate these steps.

INDICATOR	2023 TARGET	2022 TARGET	2022 PROGRESS
 <p>% of new cosmetic active ingredients and finished products, designed and manufactured within the year, that follow an eco-social design approach</p>	100%	100%	100% 

Find out more about our eco-social design criteria in the appendix on page 40.

OUR MAIN ACHIEVEMENTS IN 2022

→ **100% of the new cosmetic active ingredients and finished products launched during the year were developed using our eco-social design approach.**

→ **For our packaging, specifically, we have redefined our approach with a clear prioritization according to the “RRRC or R” - first Refuse and Reduce ► Reuse ► Reintegrate recycled materials ► Recycle or Compost, with reduction targets associated with each criterion. In terms of actions...**

- **FOR “REFUSE AND REDUCE”** 2022 was the culmination of a major reduction in the plastic used in our Mustela disposable wipes: removal of the dispenser, replaced by a label, and the transition to lyocell¹ on some of our wipes. These two actions combined have reduced the weight of plastic per wipe, including packaging, by 59%. That is, from 1.07 grams per wipe in 2018 to 0.33 grams in 2022. We have also been offering reusable wipes to parents since 2022.

- **FOR “REUSE”** we initiated a "refill at the point of sale" experiment in 2020, extended to approximately 20 pharmacies throughout France in 2021, which are now equipped with a dispenser offering two products: the Mustela organic avocado gentle cleansing gel and the Mustela organic certified cleansing gel. In 2022, this experiment was extended to Italy and Belgium.



Objective 2

DEVELOP NATURALNESS IN OUR OFFERINGS

Naturalness is one of our long-standing commitments to our customers. All our cosmetic active ingredients are of natural origin² and we have been working for many years to strengthen the naturalness of our dermo-cosmetic formulas while balancing safety, effectiveness and responsibility. Since 2010, for the sake of transparency and in the absence of regulations in this field, we have developed a “naturalness charter” that defined the criteria of our dermo-cosmetic approach. Currently, the percentage of ingredients of natural origin in our Mustela ranges is on average more than 95%, according to the definition shared by the ISO 16128 standard³. Our goal now is to consolidate this approach by extending the naturalness of our offerings beyond our cosmetic active ingredients and Mustela products, with the development of natural rheumatology offerings.

INDICATORS	2023 TARGETS	2022 TARGETS	2022 PROGRESS
 % of our cosmetic active ingredients of natural origin	100%	100%	100% 
 % of ingredients of natural origin in all Mustela ranges	≥ 95 %	> 94%	95% 

OUR MAIN ACHIEVEMENTS IN 2022

- **100% of our cosmetic active ingredients are of natural origin**, and we have further improved the proportion of natural ingredients in our Mustela products.
- **In 2022, we also initiated a new design-development charter**, an internal document that underpins our product development commitments, definitions and choice criteria. This charter will be finalized in 2023. It will include our Rheumatology activity and will apply to our future product developments.



Objective 3

DEVELOP OUR CATALOG OF ORGANIC AND FAIR TRADE PRODUCTS AND ACTIVE INGREDIENTS

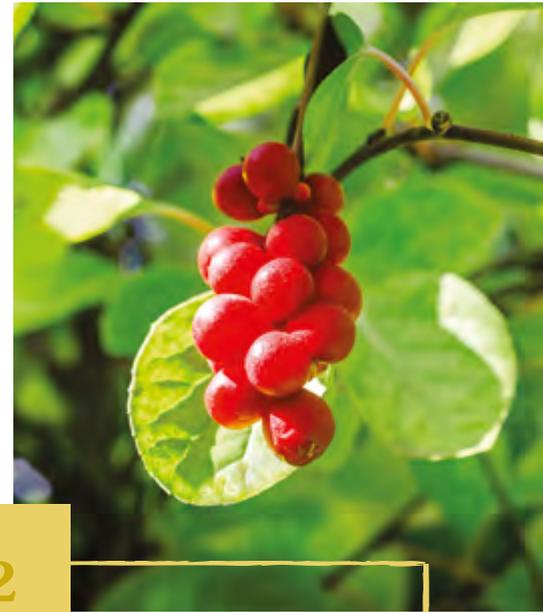
More than a third of our cosmetic active ingredients are now certified organic or fair trade: a third are certified organic (9/30) and 13% are certified fair trade (4/30).

For our Mustela brand, we started offering a range of certified organic products in 2019: a small range of essential and multi-purpose products for babies, pregnant women, but

also the whole family.

Our objective, from now on, is to consolidate these approaches by also considering other labels or approaches that will help us to continuously improve the traceability and reduce the environmental impact of our products, as well as to reinforce their societal value through a fair trade labeling approach⁴.

INDICATORS	2025 TARGETS	2022 TARGETS	2022 PROGRESS
 % of certified organic ⁶ , fair trade or equivalent cosmetic active ingredients	≥ 35 %	Not applicable	33%
 % of Cosmos Organic certified Mustela formulas manufactured during the year ⁵	≥ 15 %	Not applicable	13%



OUR MAIN ACHIEVEMENTS IN 2022

→ Following an initial fair trade **Fair for Life** label in 2019, **we improved our audit score and achieved 91.5% overall performance in 2022** (up from 78.8% in the first audit in 2019) for the entire group⁷ for our Skinhairgium Bio (Peru), Macaline (Peru) and Organic Illipe Butter (Borneo) ingredients.

→ Regarding cosmetic active ingredients, **our Schisandra supply chain in China has obtained FairWild certification**, which evaluates the collection and trade of wild plants against various ecological, social and economic requirements, while guaranteeing benefits for local cooperatives⁸.

“Expanscience has made great strides in improving the composition of its products, particularly through its eco-social design approach and the search for greater naturalness in formulations. At Mission Committee meetings, we encouraged teams to step up engagement to increase the share of organic and/or fair trade products. Our recommendation was heard. In my opinion, Expanscience will eventually need to be able to propose a predominantly labelled offer.”

ÉLISABETH LAVILLE,
FOUNDER OF THE UTOPIES CSR
STRATEGY CONSULTING AGENCY

“Our labeling choices for our plant raw material supply chains, for our cosmetic active ingredients, are guided by our desire for continuous improvement adapted as close as possible to the field. We ensure that the label meets both our requirements in terms of quality and traceability for our ingredients, the resilience of local territories and communities, as well as our ambitions in terms of the trajectory towards regeneration.”

CAROLINE BAUDOIN,
DIRECTOR OF INNOVATION,
RESEARCH AND DEVELOPMENT - EXPANSCIENCE



Objective 4

DEVELOP THE INSPIRATION OF LIVING THINGS IN OUR INNOVATIONS

In addition to our commitments to naturalness, eco-social design and the continuous improvement of our ingredient supply, we want to further develop our capacity to innovate in a sustainable manner. Our belief is that we cannot improve everyone's overall well-being without acting to preserve life. In the coming years, our ambition is to develop new products according to the principles of biomimicry. From the Greek "bio" (life) and "mimesis" (imitation), biomimicry is an approach inspired by the strategies developed by living things over the

course of 3.8 billion years of evolution. These strategies represent an infinite source of inspiration in terms of ways of doing things and techniques, both optimal and perfectly integrated into their environment. For this, we benefit from the support of Ceebios, the center for studies and expertise in biomimicry. We have already established an inventory with their help in 2022 and will build our roadmap in 2023.

Objective 5

OFFER USEFUL PRODUCTS AND SERVICES THAT CONTRIBUTE TO WELL-BEING

Well-being is at the core of our purpose. The well-being advocated by Expanscience is a global well-being, for each person, at each stage of life.

How can we measure and evaluate the well-being that our products and services bring to our customers? And how do we define what well-being is for our users? These are the questions that drive us and have fueled the discussions with our Mission Committee.

Although the subject is still under consideration, we have already defined some criteria to measure how our products and services contribute to the well-being of our customers. Since 2022, we have been monitoring marketing investments made for initiatives promoting the well-being of parents (for Mustela) or patients (for our Rheumatology activity).

For Mustela, the goal is that by 2025, these initiatives represent 40% of marketing investments compared to 25% in 2022. We group these investments into three categories that we detail in our achievements on the next page. We also monitor positive brand-related posts on social networks (social listening). In 2022, we obtained 52% positive posts and are aiming for 70% by 2025.

For our rheumatology offer, marketing investments in patient well-being initiatives focus on the development of educational content on osteoarthritis and its overall management, aimed at patients and health professionals (mobile application, podcasts, experience sharing platform, etc.).

INDICATORS	2025 TARGETS	2022 TARGETS	2022 PROGRESS
% of marketing investments in initiatives that benefit parents' well-being (Mustela budget)	40%	Not applicable	25%
% of marketing investments in initiatives useful to patients' well-being (Rheumatology budget)	30%	Not applicable	11%
Positive posts in Social listening (Mustela)	> 70% positive posts in social listening	> 48% positive posts in social listening	52% 



→ With our Mustela brand, we have launched several initiatives and campaigns for parents.

5%

of our marketing investments

• **Informative, reassuring and guilt-relieving campaigns on parenting issues:** in 2022, these campaigns focused

on various topics such as answering the surprising questions of young children, promoting better living during the postpartum period, or lightening one's mental load.

11%

of our marketing investments

• **Informative campaigns on care procedures and products that contribute to the well-being of parents and their children:** in

2022, we developed a newborn care manual as well as an informative campaign on childhood atopic skin, including highlighting a new certified organic Mustela emollient.

9%

of our marketing investments

• **Environmental preservation initiatives** that help parents live on a healthy planet: in 2022, we launched a campaign for

solid cosmetics (with our Mustela solid shampoo), along with a communication campaign on eco-gestures in the bathroom, "Less, Better, Mustela", and supported the establishment of a pharmacy refill offer.

• In this approach to well-being, Mustela will also mobilize for a great cause related to parenting in each of its subsidiaries (see on this subject page 30, our objective of mobilizing our communities).

→ In addition to these initiatives, **we are strengthening our ability to measure and track parental well-being induced by our products and services.** To this end, in 2022, we launched a barometer monitoring parents' perception of our brand on the dimensions of utility, safety, naturalness and environmental preservation.



→ In rheumatology, several initiatives are deployed to support people with osteoarthritis and make their voices heard.

• **ARTHROCOACH APP:** our mobile application that offers comprehensive management of osteoarthritis (nutrition, physical activity, well-being).

• **"LET'S TALK OA":** more than 20 podcast episodes on osteoarthritis dedicated to health professionals to improve the diagnosis and knowledge of osteoarthritis.

• **"BEHIND OA*":** this website encourages patients, doctors and all those whose lives are affected by osteoarthritis to share their experience, with the aim of raising awareness of the disease and its management.

• **OASIS:** this information platform on osteoarthritis dedicated to health professionals aims to help them deepen the diagnosis, prevention and overall management of the disease.

We have also implemented a questionnaire to measure the quality of life and well-being of patients with osteoarthritis and will deploy it on Arthrocoach App to monitor the effectiveness of our system. We are also continuing to work to improve the measurement of well-being in partnership with AFLAR (Association Française de Lutte-Antirhumatisme - French Association for the fight against rheumatism) and other stakeholders.

* OA stands for osteoarthritis.



La Maison des Parents (the Parents' House),
a pilot project for all parents

True to our desire to contribute to the well-being of parents by helping them live a serene parenthood, we launched through our Mustelà brand *La Maison des Parents* (the Parents' House). Designed as a resource for parents and future parents, this 15-day activation launched in Paris with over 100 activities led by 70 parenting experts. Many topics were addressed during workshops, round tables, well-being sessions and activities for children that brought together 617 participants.



“ Through its actions, Expanscience is part of an essential paradigm shift in health, with a patient-centered approach that recognizes that well-being is an essential component of health.”

FABIENNE COURNARIE,
HEALTH INNOVATION ENTREPRENEUR,
ADMINISTRATOR OF NPIS (NON PHAR-
MACOLOGICAL INTERVENTION SOCIETY)

COMMITMENT 2

Contribute to reaching planetary climate goals and protecting and regenerating biodiversity



As a company, we have an important role to play in reducing our climate impact and adapting our operations to engage in a low-carbon transition. Protecting and facilitating the regeneration of biodiversity is also a key issue, to guarantee the health of ecosystems and that of human beings, intimately linked to that of the planet. Combating climate change and protecting biodiversity: these two issues must be tackled jointly because they are closely linked. While we are already committed to reducing our carbon footprint, we still have a long way to go to decarbonize our activities but also, throughout our value chain, to better preserve biodiversity.

Objective 1

REDUCE OUR CARBON FOOTPRINT ON A SCIENCE-BASED TARGETS TRAJECTORY ON SCOPES 1, 2 AND 3

For several years, Expanscience has been part of a proactive approach to reducing greenhouse gas emissions related to its activities. We conducted our first carbon assessment in 2008. In 2019, we committed, with our Mustela brand and more than 500 companies in the B Corp community, to contribute to global carbon neutrality.

Our ambition is to strengthen our climate commitment across

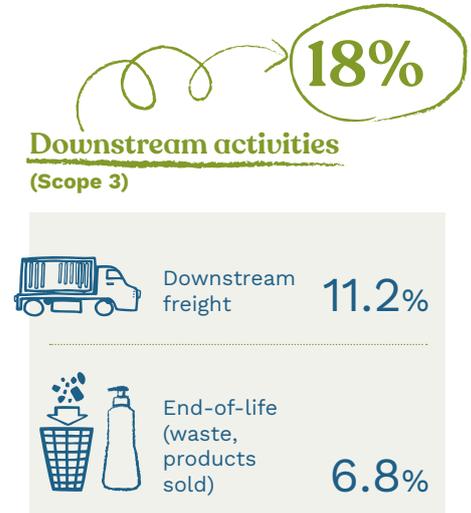
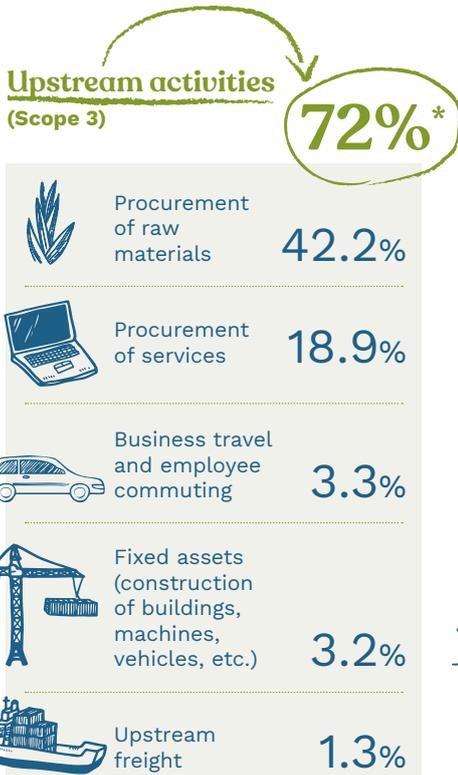
Expanscience. We are now committed to the SBTi (*Science Based Targets*) initiative to define and validate a trajectory for reducing our greenhouse gas emissions (scopes 1, 2, 3) compatible with global warming limited to 1.5°C by 2030. In order to meet this objective and project it in the long-term (2050), we have also committed to the *Net Zero Standard* SBTi. These two commitments, in line with climate science and the scientific definition of “net zero”, are being validated with the SBTi.

“To take the process further, I urge Expanscience teams to think even more about the interactions between preserving biodiversity and combating climate change, two issues that are intimately linked but unfortunately often treated in isolation within organizations.”

HÉLÈNE LERICHE,
VETERINARY DOCTOR AND
PHD IN ECOLOGY

Distribution of our greenhouse gas emissions

Our last *GHG Protocol*⁹ carbon footprint assessment in 2022 on scopes 1, 2 and 3 is 66,611 tonnes CO₂ equivalent emitted by Expanscience. Here is the breakdown.



* Total upstream emission items are less than 72% as we have chosen to exclude very low emission items from the illustration. Moreover, our calculations do not include the stage of use of the products.

Our trajectory is ambitious and will require significant investments to decarbonize, which will only bear fruit in a few years. The reduction of our emissions will therefore not be linear, even though we have set annual targets to achieve the necessary reduction curve. In 2022, we reduced our carbon intensity by almost 8% (222 teq CO₂/M€ turnover in 2021), but we did not reach our target. We will continue to mobilize to meet the 2030 medium-term objective, by monitoring and reporting on the means we will implement, our action plans and the results achieved year after year.

INDICATORS	2025 TARGETS	2022 TARGETS	2022 PROGRESS
Total emissions in teq CO ₂ **	< 50,931	< 56,532	66,611 
Carbon intensity in teq CO ₂ /€M turnover	< 137	< 174	205 

** teq CO₂ = tonnes equivalent CO₂.

“Expanscience's climate commitment has been defined and deployed by its teams in an intelligent and holistic way. It is meant to follow a Science-Based Targets trajectory, which is unique in the sector and testifies to the pioneering nature of the approach. To go even further, Expanscience must continue to engage its employees in this process as it did in 2022, but also to engage the territorial ecosystem as a leader and mobilize through its commitments.”

ANNE GIRAULT,
PRESIDENT OF THE ASSOCIATION FOR THE LOW CARBON TRANSITION (ABC) AND THE ASSOCIATION FOR ECOLOGICAL REBIRTH

OUR MAIN ACHIEVEMENTS IN **2022**

→ As part of our climate trajectory, **we have continued and strengthened our decarbonization and energy sobriety actions, particularly at our production and IRD site in Eure-et-Loir (France)**. We have included the purchase of biomethane production certificates in our energy contract for this site with the aim of accelerating this transition in the coming years. We have also implemented various energy reduction measures, such as shutting down one of our three main boilers. Our production site has also obtained ISO 50001¹⁰ standard certification, which testifies to this continuous improvement approach.

→ **We are currently accelerating our actions at our Eperton site with the study of alternative projects around biomass and/or methanization**, as well as the ongoing investigation of a dossier at ADEME (French Ecological Transition Agency) on the possibility of producing hot water from the refrigeration process. This latter measure would reduce gas consumption by 20% and therefore the associated greenhouse gas emissions over a year.

→ **Expanscience also participated in the first French Business Climate Convention (CEC) with its Mustela brand** (see on this subject page 33, our objective to mobilize our communities).

→ And because we know that team mobilization is key to the success of a plan to reduce CO₂ emissions, **we have trained all the group's employees to understand the issues related to climate change through the organization of Climate Fresh workshops**. We also organized participatory workshops so that everyone knows how to contribute to the roadmap of our impACT strategy.



“ To my knowledge, Expanscience is the first pharmaceutical and cosmetic group that takes into account planetary boundaries in its activities.”

FABIENNE COURNARIE,
HEALTH INNOVATION ENTREPRENEUR,
ADMINISTRATOR OF THE NPIS (NON PHARMACOLOGICAL INTERVENTION SOCIETY)



Objective 2

PRESERVE AND RESTORE BIODIVERSITY IN OUR ACTIVITIES THROUGHOUT OUR VALUE CHAIN

A key issue for the world, the preservation and restoration of biodiversity is also a key issue for our activities. Indeed, the plant world is at the heart of our model: the development of our cosmetic and pharmaceutical active ingredients, and therefore our business model, relies mainly on the active ingredients naturally present in plants. The preservation of biodiversity is also intimately linked to our purpose through the inseparable link between the well-being of individuals and the health of the planet.

Since 2008, we have defined criteria and initiated actions to demonstrate the sustainability of our supply chains of plant raw materials, including the protection of biodiversity. Since 2011, we have been members of the Union for Ethical BioTrade (UEBT), an international non-profit association that promotes ethical practices for

sourcing ingredients from biodiversity, evaluated during an audit every three years.

On the advice of the Mission Committee, in 2022, we began measuring our Business and Biodiversity Interdependence Indicator (BBII), to establish the first step of assessing our impact on biodiversity. From there, we worked to identify the most suitable calculation methodology to perform a biodiversity footprint assessment. Our interdependence with the living world is very great: according to

the calculation of our BBII, almost all of our turnover is based on the sale of products that contain materials derived from living things.

In order to go beyond our commitments for our supply chains, we will achieve in 2023 the complete biodiversity footprint assessment of our activities. It will be used to develop action plans in 2024 to reduce the impact of our activities on ecosystems and explore how we can help restore their ability to regenerate.

“Expanscience has great ambition for biodiversity. In this regard, it is essential to move forward in a pragmatic manner: that is why I have encouraged the company to move forward step by step and to initiate its approach by starting to calculate its BBII. In the longer term, Expanscience's questions about its commitment to biodiversity will inevitably lead the company to question its business model.”

HÉLÈNE LERICHE,
DOCTOR OF VETERINARY MEDICINE WITH A PHD IN ECOLOGY





COMMITMENT 3

Help our employees take an active part in their personal fulfillment and construct a more inclusive and supportive company with them

Our development model is that of a family business, independent, on a human scale and concerned about the development of its employees. Our mission to help individuals shape their well-being thus also involves acting with our teams, by creating a working environment that contributes to their well-being, by building with them a more inclusive and supportive company, by involving them even more in the company's projects. We want to translate this mission on a daily basis, in the experience we offer our employees, but also to support them in this transformation while rethinking and anticipating work changes at all our subsidiaries in France and internationally.

Objective 1

IMPLEMENT A GLOBAL WELL-BEING STRATEGY AND BE EXEMPLARY ON ISSUES OF PARENTING, OCCUPATIONAL HEALTH AND SENIORS

Through the work environment, benefits, and all the actions we implement, we want to contribute to the well-being of our teams. We pay particular attention to work flexibility because we believe that it is one of the main levers of quality of life and well-being at work. Consistent with our areas of activity, we are also careful to bring a symmetry of attention both to

our external audiences and to our internal teams in these areas – with the ambition of being pioneers in parenting, occupational health and aging well.

In particular, we want to provide a strong response to the support to parents before and after the arrival of a child, whether it is the time given in addition to local legal

measures, or measures to support job retention.

With respect to health, the objective is to implement health and pension measures to empower our employees to feel protected and in charge of their health during potentially vulnerable situations, regardless of the country in which we operate.

INDICATOR	2025 TARGET	2022 TARGET	2022 PROGRESS
% of subsidiaries certified Great Place To Work (GPTW)	100% of subsidiaries certified GPTW in 2025	Not applicable	85% of subsidiaries certified



OUR MAIN ACHIEVEMENTS IN 2022

→ Our results from the **Great Place to Work** survey, a recognized international benchmark and ranking for quality of life and well-being at work, will be used to measure our progress in these areas.

An initial survey was conducted with our teams in all our subsidiaries¹ in 2022, including satisfaction questions regarding our actions in favor of parenthood, caregivers, seniors and well-being.

Most of our subsidiaries have been GPTW certified since year one, with the exception of France and Turkey. These initial results will guide our teams in defining action plans.

→ Our Human Resources team is advancing in parallel on several structuring projects such as the **implementation of a Care Policy by the end of 2023**. In 2022, we conducted a comprehensive benefits audit of all our subsidiaries, with the intention of deploying common policies around the world (excluding remuneration). These policies will focus primarily on health protection (through mutual offers, pensions, etc.), well-being and flexibility at work. They will include diversity measures and pay particular attention to parents, seniors and caregivers.

“Improving the well-being and quality of life of teams is key to Expanscience's vision. A dynamic has been set in motion and will have to be maintained over the coming years. As a member of the Committee, what drives me is having a 360-degree vision of how we wish to meet this objective and also to be able to monitor and challenge commitments.”

ANGÉLINE ROCHERIEUX,
MARKETING AND KEY ACCOUNTS
MANAGER FRANCE - COSMETIC
ACTIVE INGREDIENTS DEPARTMENT -
EXPANSIENCE

“Expanscience must be among the most advanced companies in terms of parenting and seniors policy. This would consecrate its committed company leadership.”

ÉLISABETH LAVILLE,
FOUNDER OF THE UTOPIES CSR
STRATEGY CONSULTING AGENCY



Lab impACT workshop with Lumia (see page 30)

Objective 2

DEFINE POLICIES AND STANDARDS, TO ENSURE DIVERSITY AND INCLUSION FOR ALL

Helping our employees to be agents of their development and well-being also means guaranteeing them a work environment in which everyone is free to be themselves and feels valued, by promoting diversity and the inclusion of all. We therefore ensure, in accordance with the regulations, that we promote the hiring and promotion of people from various backgrounds, without making any distinctions based on gender, age, disability, sexual



impACT'Days for the benefit of the french association *Les Restos du Cœur*

orientation or identity, etc. True to our identity, we also want to go further and be ambitious on the subjects of disability, seniors and parenthood. As an international group with 14 subsidiaries, cultural diversity is also at the heart of our commitments.

Involving our teams in environmental projects or non-profit activities

By 2025, all our employees worldwide will have the opportunity to devote part of their working time to environmental projects, or to non-profit activities. We launched the impACT' Days program in two pilot countries during the second half of 2022. Our employees in France and at our subsidiary in Mexico were thus able, if they wished, to dedicate one day of their working time to a cause of their choice through volunteer missions: 7% thus mobilized and committed to action in these first months of launch. This program also allows employees to commit to their personal time.

INDICATOR	2023 TARGET	2022 TARGET	2022 PROGRESS
Gender equality index ¹² (France scope)	≥ 98	≥ 98	99

OUR MAIN ACHIEVEMENTS IN 2022

→ We have initiated the **definition of a diversity and inclusion charter** to detail our policy and commitments regarding these priority struggles. By 2025, all our subsidiaries must have deployed this charter and our policy in this area. In the meantime, our choice of steering indicator focused on a reference measurement indicator in France, that of gender equality.



IMPACT
IMPACT
IMPACT

Our CSR strategy to become a regenerative company with a positive impact

COMMITMENT 4

Mobilize our communities and ecosystem to build together business models with a positive impact on society, individuals and their environment



As we move towards a positive impact, regenerative business model, we can't just go it alone. Faced with the need to make massive changes in our sector and beyond, we want to develop cooperation to move-towards innovative, virtuous solutions that contribute to collective well-being: first and foremost with our suppliers, but also by collaborating with many other stakeholders and by opening up to other ecosystems.

Objective 1

EMBODY A NEW BUSINESS MODEL

In 2018, we became a B Corp certified company and have since been re-certified in 2021 with an even better score (+10 points). Achieving this demanding certification marked a major milestone for Expanscience: indeed, B Corp sets a course that enables us to make progress every day to improve our practices.

Additionally, and to give us the means to carry out our business transformation, we have launched the impACT Lab. Created at the end of 2022, it is a community of internal and external stakeholders working to move Expanscience and our ecosystem towards new regenerative models. It's a powerful catalyst for concrete initiatives with a positive impact on the well-being of individuals and the planet. This impACT Lab aims to experiment

with regeneration through different actions: an acculturation program (training and field visits) on regenerative models, cross-cutting exploratory projects with concrete experiments and an annual meeting time of the impACT Lab to share advances and learnings.



Average score of French B Corps at the end of 2022: 92.9¹³.



What is B Corp?

B Corp is the abbreviation for *Benefit Corporation*.

This international, pioneering and demanding label is awarded to brands that demonstrate threefold economic, social and environmental performance, as part of a periodic evaluation process, and that develop their activities in such a way as to make the best possible contribution to society and the environment. The B Corp assessment, based on the Business Impact Assessment ("BIA"), is scored out of 200 points and covers five key impact areas: governance, employees, community, environment and customers. Eighty points are necessary to obtain certification. B Corp is also and above all an international movement of organizations using business as a force for the common good.

Objective 2

SUPPORT AND MOBILIZE OUR SUPPLIERS IN FAVOR OF A POSITIVE SOCIETAL AND ENVIRONMENTAL IMPACT

We have been in discussions with our strategic suppliers for several years now, including suppliers of raw materials, packaging materials and items, and logistics partners. We assess their CSR performance via the EcoVadis platform. In order to involve them in our transformation, we believe it is essential to support them even more closely in defining action plans to improve their environmental and social practices, and thus their rating on the platform.

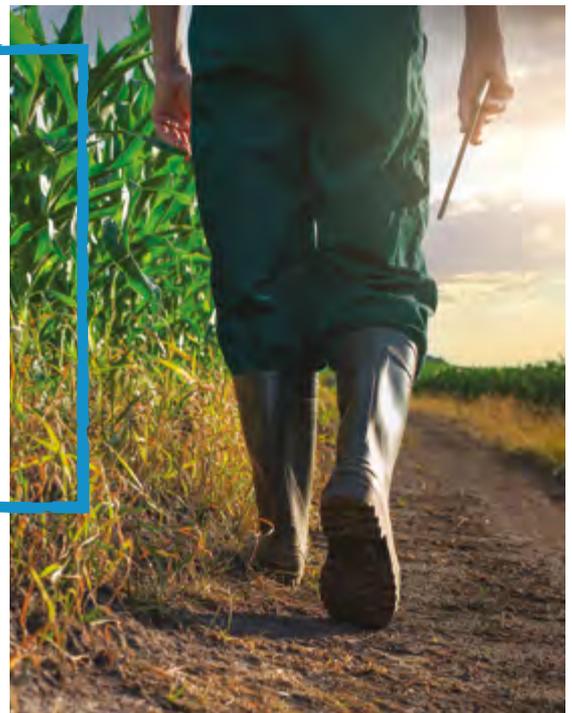


INDICATORS	2025 TARGETS	2022 TARGETS	2022 PROGRESS
% of strategic suppliers worldwide assessed on EcoVadis (France & corporate purchases)	100% of strategic suppliers assessed and supported with an action plan	80% of strategic suppliers worldwide assessed on EcoVadis	93%
Average score of strategic suppliers assessed on EcoVadis	Average score out of 100 improved through the implementation of action plans	Average score ≥ 45 out of 100 ("confirmed" CSR performance according to EcoVadis)	66

OUR MAIN ACHIEVEMENTS IN 2022

→ **93% of our strategic suppliers have assessed their environmental and social practices on EcoVadis** and scored an average of 66 out of 100, highlighting the priority areas for progress.

Our ambition for 2025 is to be able to assess 100% of our strategic suppliers in France and in our main subsidiaries and to support them to improve their rating.



Objective 3

SUPPORT A MAJOR CAUSE IN RELATION TO PARENTHOOD

Parenting support is at the core of the mission of our Mustela brand and an issue dear to our teams. We want to engage more with parent communities and support a cause for their benefit, in each country where our subsidiaries are established.

In this way, by 2025, Mustela will support a major cause related to parenthood in each country where we operate, in line with the issues that concern parents locally.

INDICATORS	2025 TARGET	2022 TARGETS	2022 PROGRESS
% of subsidiaries having chosen a cause	100% of subsidiaries mobilize for a great cause	100% of subsidiaries have chosen a cause	100% of subsidiaries have chosen a cause
% of subsidiaries that have initiated an action related to the chosen cause		1/3 of subsidiaries have initiated an action	35% of subsidiaries have initiated an action

OUR MAIN ACHIEVEMENTS IN 2022

→ To date, **100% of our subsidiaries have already chosen a parenting-related cause to support** and 35% (i.e. 5 out of 14) initiated actions.

Focus on two examples in Brazil and Poland



In Brazil, our subsidiary promotes gender equality within the family by encouraging mothers to enter and remain in the workforce. In collaboration with two NGOs (*B2Mamy* and *Filhos no Currículo*), the team has, for example organized round-table discussions with 30 business leaders to discuss maternal skills in the workplace.



In Poland, our team is working to improve the care pathway for parents and to ensure that they are aware of their rights. By partnering with the NGO *Fundacja Rodzic po Ludzku*, the subsidiary intends to influence national policies. Mustela Poland has already organized a fundraiser for the association on its Facebook account and involves experts on Facebook Live on the theme *Know your rights*.



Objective 4

MOBILIZE WITHIN OUR COMMUNITIES AND ECOSYSTEMS

We are committed to our suppliers and customers. And to invent new models and initiate transitions, we believe that we must also open up

and unite with different stakeholders in our sector. Together, we are stronger in tackling major societal and environmental challenges.

In 2022, 64% of our corporate entities and subsidiaries were involved in positive impact communities. By 2025, we aim to increase this percentage to 100%.

INDICATOR	2025 TARGET	2022 TARGET	2022 PROGRESS
% of our corporate entities and subsidiaries involved in positive impact communities	100% of our corporate entities and subsidiaries are involved in positive-impact communities	Not applicable	64% of corporate entities and subsidiaries involved in positive impact communities (16/25)

OUR MAIN ACHIEVEMENTS IN 2022

Convinced that we won't be able to fulfill our mission alone, we're taking action within different communities.

→ **B BEAUTY COALITION:** this community, which brings together more than 60 B Corp companies from the cosmetics sector on six continents, aims to implement profound changes to improve the social and environmental practices of the industry on different themes such as packaging, supplies and logistics.

→ **FRENCH BUSINESS CLIMATE CONVENTION (CEC):** our Mustela brand has joined this initiative, which brings together more than 150 executives. Launched in 2021, the CEC's mission is to accelerate low-carbon strategies, reconnect participating companies during their lifetime and to formulate concrete proposals. As a partner member, Mustela has defined a roadmap¹⁴ that fits within this framework and meets its purpose, which is to help parents raise healthy children on a healthy planet.



→ **PULP IN ACTION:** Expanscience is one of the sponsors of this research and development project which brings together a consortium of 14 companies from the cosmetics industry, accompanied by the consulting firm (RE)SET and in partnership with the FEBEA (Federation of Beauty Companies). Dedicated to the problem of packaging, the work carried out focuses on the use of cellulose fibers as an alternative to plastic.

Conclusion of the Mission Committee

BY FABIENNE COURNARIE, ANNE GIRAULT, PIERRE-YVES GOMEZ, ÉLISABETH LAVILLE, HÉLÈNE LERICHE AND ANGÉLINE ROCHERIEUX

The Mission Committee has met three times in three-hour plenary sessions since its establishment. Exchanges between its members also took place during inter-session periods. The Committee welcomes the positive and professional atmosphere in which the collaboration with Expanscience takes place and the consistent participation of its President and the CSR team in all meetings. The information and clarifications requested were always given with sincerity and the exchanges took place in the context of very stimulating mutual trust. The Committee is impressed by the progress and trajectory of the company, which is always open to discussion on the difficult topics and dilemmas of its business. Its teams are attentive to external points of view. Open to suggestions and transparent, they are sincerely committed to exploring new paths of progress.

This first year of the Mission Committee was marked by the discovery of both the activities and ambitions of Expanscience, but also by the pooling of very different types of expertise. The resulting work is based on co-construction and transdisciplinarity. The goodwill and attentiveness shown by each member, and the spirit of openness instilled by the Expanscience team, meant that every proposal was carefully considered and integrated. The diversity of views enriched the meetings, and this first year has been most

encouraging.

The report reflects the quality of listening and constructive dialog that Expanscience has been able to set up to move forward on all the topics, but also to intersect the themes and expertise of the members of the committee and bring new ideas. The robust approach it reflects gives confidence for the present and the future. This is a strong testimony for companies that are still hesitant to move forward.

OUTLOOK

In the future, we will be looking at a number of topics in greater depth.

- The issue of decarbonization is very present and essential. Expanscience seems intent on building a new industry model. The group, despite and perhaps because of its size, could lead the way for the health industries. “Helping people shape their well-being” is its purpose and indeed an essential component of health (according to WHO, a full state of physical, mental and social well-being is not just the absence of disease or infirmity). As the environment in the broad sense of the term (including the cosmetics we use) has a direct impact on health through epigenetic modifications, this holistic approach by Expanscience could become more widespread.



PIERRE-YVES GOMEZ,
ECONOMIST, PHD IN MANAGEMENT AND PROFESSOR
AT EMLYON BUSINESS SCHOOL, CHAIRMAN OF THE
MISSION COMMITTEE

“ I was impressed by the energy and enthusiasm of the Expanscience members present at the meetings of our Mission Committee, which testify to the sincere commitment of the company. To go even further, I will be urging Expanscience's teams to continue working on linking its mission and its strategy, so as to prioritize its battles and better demonstrate its creation of social and environmental value.”

- The report fits well into a decarbonization trajectory. Going beyond simple carbon accounting, the subject is taken seriously and the question of investments to achieve the objectives is addressed. The mission-driven company approach should facilitate the mobilization of the necessary financing to confirm the envisaged trajectory. But Expanscience's approach is broader than this, with the mobilization of employees, innovations and an investment program at the Epernon site that is part of a territorial logic. This deserves to be emphasized. Expanscience will undoubtedly be able to play a key role in accelerating the ecological transition in this particular region, thanks to its exemplary approach and its ability to act as a lever.

- The subject of measuring biodiversity is still relatively new to Expanscience. Our discussions in Committee meetings, but also during specific meetings, have made it possible to see how this issue is being taken into account, to understand its complexity and to identify the many possible approaches to be implemented. The decision to start with an inventory of the company's interdependencies with biodiversity is a prerequisite for any progress approach and was made this year. More work is required. The objectives, priorities and paths to be followed, not forgetting the links to be made with other

issues, particularly carbon, need to be refined and defined.

- Finally, it will be essential to fine-tune Expanscience's strategy with the deployment of its mission to ensure the sustainability of both and that one feeds the other. The more tightly the mission is integrated into the strategic deployment and vice versa, the greater the company's impact over time. The clarification of the articulation between these two “legs” ensuring the progress approach is a condition of its success. This will be of great importance when, in the future, Expanscience has to make decisions about developing new products or markets, or discontinuing production. Criteria designed to clarify the balance between economic sustainability and mission deployment could be useful in marking out the path of transformation, without rushing or delaying it.

Summary table of indicators by objective

Statutory objectives	Operational objectives	Performance indicators	Targets 2022	Achieved 2022	Targets 2023	2025 targets
COMMITMENT 1 Design products and services that are useful to well-being, eco-social designed and increasingly inspired by nature and living things	Apply an eco-social design approach to all our activities	% of new cosmetic active ingredients and finished products, designed and manufactured within the year, that follow an eco-social design approach	100%	100%	100%	100% <i>The indicator will evolve in 2025 to incorporate the concept of volume/value</i>
	Develop naturalness in our offerings	% of our cosmetics active ingredients of natural origin	100%	100%	100%	100%
		% of ingredients of natural origin in all Mustela ranges	94%	95%	≥95 %	≥95% <i>The indicator will change in 2025 to incorporate developments in rheumatology</i>
	Develop our catalog of organic and fair trade products and active ingredients	% of certified organic or fair trade or equivalent cosmetic active ingredients	NA	33% (10/30)	35% (11/31)	35% (12/33)
		% of Cosmos Organic certified Mustela formulas manufactured in the year	NA	13%	≥ 13 %	≥15 %
	Develop the inspiration of the living world in our innovations	<i>NA - Initiation of the process in 2022</i>				
Offer useful products and services that contribute to well-being	% of marketing investments in well-being initiatives: • for parents (Mustela budget) • for patients (rheumatology budget) In addition for Mustela: positive posts in <i>social listening</i>	NA	25% 11%	30% 20%	40% 30%	
COMMITMENT 2 Contribute to reaching planetary climate goals and protecting and regenerating biodiversity	Reduce the carbon footprint along an SBT trajectory on scopes 1, 2 and 3	Total emissions in teq CO ₂	<56,532	66,611	<54,665	< 50,931
		Carbon intensity in teq CO ₂ /M€ turnover	< 174	205	< 155	< 137
	Preserve and restore biodiversity in our activities throughout our value chain	Biodiversity footprint	NA	IIEB	*	Biodiversity impact reduction target
% of cosmetic active ingredients sectors assessed according to recognized benchmarks promoting practices that respect and/or regenerate the environment via the UEBT or <i>FairWild</i> or <i>Fair for Life</i>		NA	20% (5/24)	29% (7/24)	40% (11/27)	

NA = not applicable

* Measurement of biodiversity footprint.

Statutory objectives	Operational objectives	Performance indicators	Targets 2022	Achieved 2022	Targets 2023	2025 targets
COMMITMENT 3 Help our employees take an active part in their personal fulfillment and construct a more inclusive and supportive company with them	Implement a comprehensive well-being strategy and be exemplary on issues of parenting, occupational health and seniors	% of subsidiaries certified <i>Great Place To Work</i> (GPTW)	NA	85%	≥85 %	100%
	Define policies and standards to ensure diversity and inclusion	Gender equality index (France)	≥ 98	99	≥ 98	<i>The indicator will change in 2025: 100% of our subsidiaries have implemented the diversity/inclusion policy</i>
	Allow our employees to devote part of their working time to environmental projects, or to non-profit activities	% Expanscience employees able to participate	100% 2 pilot countries	100% 2 pilot countries	100% 8 countries	100% worldwide
COMMITMENT 4 Mobilize our communities and ecosystem to build together business models with a positive impact on society, individuals and their environment	Embody a new business model	B-Corp score	NA	108.5	NA	≥ 108.5 Be re-certified B Corp
	Support and mobilize our suppliers in favor of a positive societal and environmental impact	• % of strategic suppliers worldwide assessed on EcoVadis (France & corporate purchases)	≥ 80 %	93%	≥90 %	100%
		• Average score of these suppliers on EcoVadis	≥ 45	66	≥55	<i>In 2025, the scope will include purchases from our priority subsidiaries with an improvement in the average score thanks to the monitoring of action plans</i>
	Supporting a great cause related to parenting	% of subsidiaries having chosen a cause	100%	100%	100%	100%
• % of subsidiaries that have initiated an action related to the chosen cause		1/3	35%	2/3	100%	
Mobilize within our communities and ecosystems	% our of corporate entities and subsidiaries involved in positive impact communities	NA	64% (16/25)	68% (17/25)	100%	

Biography of the members of the Mission Committee

MARTIN AVENARD

HUMAN RESOURCES MANAGER,
MEXICO SUBSIDIARY OF EXPANSCIENCE

Holder of a postgraduate degree in Business Law & Taxation from the Jean Monnet Faculty (Université Paris-Saclay) and a graduate of Sciences Po Paris, Martin Avenard has worked in human resources in various positions and in various sectors (biotech pharma, retail, banking and food) for over 15 years. He joined Expanscience's Mexican subsidiary in 2018 and was in charge of Human Resources until February 2023. Since 2020, he has been leading and coordinating the subsidiary's CSR Committee as an Impulser. In 2021, he participated in the co-construction of Expanscience's impACT strategy in the Human Resources working group. In 2022, Martin was a member of the Mission Committee as an employee representative until his departure in February 2023.



FABIENNE COURNARIE

HEALTH INNOVATION ENTREPRENEUR, ADMINISTRATOR
OF THE NPIS (NON PHARMACOLOGICAL INTERVENTION SOCIETY)

Fabienne Cournarie has been committed to health innovation with an international dimension for nearly 25 years. Doctor of Pharmacy, former intern of the hospitals of Paris, Doctor of Pharmaceutical Sciences, she has held various positions in R&D and then in communication and public relations, within public and private structures, in human and animal health. Over the course of this trans-disciplinary and cross-sectoral journey, she has developed a global vision and engaged in a collective dynamic around the *One Health* concept. Currently an entrepreneur in health innovation, she is at the heart of the French ecosystem structuring health in an integrated way, by imagining new strategies around combined and coordinated care pathways. She provides the impetus to overcome the cleavages and create bridges, multi-factorial health issues calling for multiple and coordinated responses. Since 2022, she has been the Administrator of a learned society that works on the science-driven development of non-drug interventions and their integration into health systems, and a member of the *Think & Do Tank* for Integrative Health. She uses her skills to influence public health policy, support health decision-makers and create health value.



ANNE GIRAULT

PRESIDENT OF THE ASSOCIATION FOR THE LOW CARBON TRANSITION
(ABC) AND THE ASSOCIATION FOR ECOLOGICAL REBIRTH,
CO-FOUNDER OF CEM (CERCLE DE L'EXPERTISE À MISSION)

With a PhD in International Economics and a degree in Political Science, Anne Girault has led a career as a consultant for more than 40 years with local authorities and the public sector in the field of energy, the environment and sustainable development. She has carried out numerous international missions, notably in the Mediterranean, and supported major European cities in their energy strategy with the *RESET EEIG*. She was associate lecturer at the Institute of Public Management of Aix-Marseille University from 2003 to 2019. From 2010 to 2019, she was Chief Executive Officer of the Paris Climate Agency, which was founded to operationally support the energy transition of the Parisian territory. Until 2023, she was also part of stakeholder committees of large companies or professional sectors. Since 2020, she has been a consultant to Vital Strategies on climate and public health issues. In this capacity, she participates in the coalition of climate foundations and is a member of the Cannes Film Festival's Committee of Independent Experts for Environmental Commitment. Anne will be retiring in June 2023. She was promoted to the rank of Chevalier of the French National Order of the Legion of Honor (2018).





PIERRE-YVES GOMEZ

ECONOMIST, DOCTOR OF MANAGEMENT AND PROFESSOR
AT EMLYON BUSINESS SCHOOL (CHAIRMAN OF OUR MISSION COMMITTEE)

Pierre-Yves Gomez teaches strategy and corporate governance. Between 1998 and 2000, he was a visiting professor and then an associate researcher at the London Business School. He is the head of the French Institute of Corporate Governance (IFGE), a research center and social laboratory on corporate governance and the place of companies in society. Involved in public debate and in the media, he writes a monthly column in the economic supplement of the newspaper *Le Monde*. He was elected President of the French Management Society in January 2011. Pierre-Yves Gomez's work focuses on the theory of beliefs in economics (convention theory), corporate governance, the links between work, governance and political economy. A member of the boards of directors and mission committees of various companies, he was also a member of the Expert Committee of the Impact.gouv.fr platform set up in 2019 by the Minister responsible for SSE (social and solidarity economy).



ÉLISABETH LAVILLE

FOUNDER OF THE UTOPIES CSR STRATEGY CONSULTING AGENCY
(FRENCH THINK-TANK AND PIONEERING SUSTAINABLE DEVELOPMENT
STRATEGY CONSULTING AGENCY SINCE 1993)

A graduate of HEC in 1988, Élisabeth Laville worked for a few years as a strategic planner in advertising before creating in 1993 Utopies, the leading think-tank and consulting firm on sustainable development strategies in France. Recognized as one of the top international experts on sustainable development strategies, Elisabeth was awarded the Veuve Clicquot Business Woman of the Year Award in 2008 and was made a Chevalier of the French Legion of Honor in the same year. She is the author of the bestseller *L'entreprise verte* and several other books. She sits on the Board of Directors of Nature & Découvertes and several NGOs and foundations (including Unis-Cité and the Monoprix Foundation).



HÉLÈNE LERICHE

DOCTOR OF VETERINARY MEDICINE WITH A PHD IN ECOLOGY

Hélène Leriche reflects on the issues of biodiversity and the economy within multi-stakeholder think tanks. She relies on an approach to complex systems acquired during her veterinary studies, her doctorate in ecology and her teaching-research activities. She brought these issues to civil society as Scientific Advisor and Head of the biodiversity program at the Nicolas Hulot Foundation, then as Head of the biodiversity-economy cluster at the ORÉE association. At the science-society interface, she is an associate professor at AgroParisTech and maintains a strong link with research, notably with the Fondation de Recherche sur la Biodiversité (FRB) and the French secretariat of IPBES. She is currently Director of the Marine Biodiversity and Economy program of the RespectOcean association to further advance the consideration of biodiversity by the economic world, including marine biodiversity.



ANGÉLINE ROCHERIEUX

MARKETING AND KEY ACCOUNTS MANAGER FRANCE WITHIN EXPANSCIENCE

A chemical engineer, graduate of the Ecole Nationale Supérieure de Chimie de Mulhouse, with a specialization in environmental waste management from the Technical University of Denmark, Angéline Rocherieux worked for several years as Product Manager for cosmetic ingredient suppliers. With a growing interest in the cosmetics industry and socio-environmental issues, Angéline joined Laboratoires Expanscience in 2013 and has been Head of Marketing and Key Accounts in the Cosmetic Assets business since 2020. She has also been a CSR Impulser for nine years and was involved in co-constructing Expanscience's impACT strategy within the Mustela working group.

Eco-social design at Expanscience



For our dermo-cosmetics and rheumatology products



The social and environmental stakes of each product are identified in the pre-design phase, shared between the different business lines and included in the specifications.

During development, each business line (formulation, packaging, industrialization), guided by its best practices and according to the type of product, explores different avenues that are the subject of exchanges with the marketing team and are formalized.



At each stage of development, the leads are evaluated with regard to all the expected product characteristics and

associated requirements: consumer expectations, efficiency, economic objective, regulatory/quality/safety constraints, etc.

Indicators are identified according to product issues and good business practices to evaluate, demonstrate and monitor the process of continuous progress during the life of the development project as well as the product offer as a whole.



For our cosmetic active ingredients



We use the ERI 360° (*Eco-Responsible Ingredient*) label for our cosmetic active ingredients.



It provides a measure the level of eco-socio respon-

sibility of an ingredient, by assessing it throughout the value chain from the cultivation or collection of the raw material to the exit of the ingredient from the factory. It also enables its certification via an external label.



This assessment is based on the following approach.

- Plant raw material assessment based on 13 criteria and 28 indicators.
- Assessment of bioprocesses based on 13 criteria and 24 indicators,
- Assessment of processes based on 18 criteria and 38 indicators.

The aim is to encourage the continuous improvement of environmental and social performance at every stage. Labeling is achieved through an electronic application and is then validated during an external audit. Different label levels can be awarded: gold, silver, bronze or no label.

Notes

1 (page 16)

Lyocell is an alternative to viscose (fiber that has led to deforestation in several countries). It is an artificial fiber obtained from natural resources (such as wood pulp) using a reusable and recyclable organic solvent during processing.

2 (page 17)

An ingredient is said to be “natural” if it comes from nature. In cosmetics, a natural ingredient is an ingredient extracted by traditional mechanical actions (maceration, grinding, etc.) that do not modify the original chemical structure of the natural element or its initial active properties.

An ingredient “of natural origin” is a natural ingredient that is physically processed or extracted using chemical and/or biological processes. An ingredient is considered to be “of natural origin” when it has a proportion of more than 50% of natural origin, by its molecular weight, according to its renewable carbon content, or by any other appropriate method.

3 (page 17)

ISO 16128 is a standard that aims to harmonize the “natural” and “organic” terminologies used in cosmetics worldwide.

4 (page 17)

“Fair trade is based on modes of production and exchange that put people and the environment before the pursuit of financial profit.” (International Fair Trade Charter). In France, fair trade is governed by a legal framework based on several principles: remunerative prices for producers, based on production costs and a balanced negotiation; a multi-year commercial partnership between producers and buyers; the payment of an additional amount to finance collective projects and dynamics; producer autonomy through the strengthening of producer organizations with democratic governance; transparency and traceability of production chains; consumer awareness of socially and ecologically sustainable production methods; enhancement of environmentally and biodiversity-friendly production methods, such as agroecology.

5 (page 18)

Cosmos Organic certification ensures that at least 95% of the plants in a product are organic and that the formula contains at least 20% of organic ingredients in total (10% for rinse-off products).

6 (page 18)

An organic ingredient is a natural ingredient or ingredient of natural origin that has been grown according to the principles of organic farming. Organic farming is a method of agricultural production that excludes the use of synthetic substances, such as pesticides, drugs or synthetic fertilizers, and genetically modified organisms.

7 (page 18)

The *Fair For Life* program is an attestation framework for fair trade and responsible sectors. *Fair For Life* promotes a fair trade approach providing access of all socio-economically disadvantaged producers and workers to a wider range of social and economic benefits.

8 (page 18)

The *FairWild* standard applies to wild plant harvesters who wish to demonstrate their commitment to sustainable harvesting, social responsibility and fair trade principles. *FairWild* certification means that buyers – from ingredient traders to consumers- know they are dealing with legally and sustainably harvested products. They are traded fairly, which means that the profits benefit all parties involved, right down to the local communities that harvest the wild plants.

9 (page 23)

The *GHG Protocol* is an international protocol to measure, account for and manage greenhouse gas emissions from private and public sector activities developed by the *World Business Council for Sustainable Development* (WBCSD) and the *World Resources Institute* (WRI).

10 (page 24)

The ISO 50001 (Energy Management System) certification obtained in 2022 complements our ISO 14001 (Environmental Management System) and ISO 45001 (Occupational Health and Safety Management System) certifications obtained in 2012 and 2018.

11 (page 27)

Questionnaire administered online from 06/22/2022 to 07/08/2022, with 85% participation.

12 (page 28)

The professional equality index was introduced by French law. It has been mandatory for all companies with more than 50 employees since March 1st, 2020, and assesses the level of equality between women and men out of 100 points based on various criteria: the gender pay gap, the rate gap for individual raises, the number of female employees receiving a raise following maternity leave, parity among the 10 highest earners, the rate gap for promotions (for companies with more than 250 employees).

13 (page 30)

Source: B Lab France.

14 (page 33)

Find the Mustela roadmap on pages 88 and 89 of the Final Report of the first Businesses for Climate Convention on cec-impact.org

Certified



Corporation

B Corp

Expanscience's positive impact on society and the environment is recognized by the international B Corp certification.

WE SUPPORT



United Nations Global Compact

Laboratoires Expanscience have adhered to the United Nations Global Compact since 2004.



EcoVadis

Expanscience's CSR approach has been recognized at Platinum level by EcoVadis.



UEBT
MEMBER
SOURCING
ETHICALLY

UEBT

Procurement for plant-based raw materials at Expanscience is supervised by the Union for Ethical BioTrade.



ISO 14001 and 45001

The Laboratoires Expanscience IR&D and production site is ISO 14001 and ISO 45001 certified for its health, safety and environmental management system.



ISO 50001

The Laboratoires Expanscience IR&D and production site is ISO 50001 and ISO 45001 certified for its energy management system.

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Well-being is in our hands



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