

# **Summary**

Editorial	3	COMMITMENT 1	9	COMMITMENT 3	22
Our mission: "Helping individuals shape their well-being"	4	Advances we have made in our dermo-cosmetics range	10-11	Embodying the symmetry of attention with our mission in our social policies	23
The social and environmental objectives associated with our mission	5	An evolution of our positioning in favor of "well-being while aging"	12	Our advances in professional equality, diversity and inclusion	24
Our Mission Committee:		Advances we have made in our range		Making our employees more inclusive and supportive	25
a body that continues to nurture		of natural cosmetic and nutraceutical active ingredients	13	Summary table of indicators by objective	26
our mission and drive us forward	6	Summary table of indicators by objective	14-15	COMMITMENT 4	27
The Mission Committee members	7	COMMITMENT 2	16	Reinforce support for our suppliers	28
2025, a pivotal year	8	Maintain momentum to achieve our goal of reducing our carbon footprint	17-18	Experiment to collectively invent new business models and shared solutions	29
		Integrate biodiversity preservation and restoration into all our projects	19-20	Mobilize our subsidiaries to support parenthood	30
		. ,	17-20	Summary table of indicators by objective	31
		Four areas: reduction of consumption, reuse, recycling and re-use at site exit	20	Conclusion of the Mission Committee	32
		Summary table of indicators by objective	21		

#### **Editorial**



**JEAN-PAUL BERTHOMÉ,** President of Laboratoires Expanscience

2024 marks another milestone on our journey as a mission-driven company. It closes the first three-year cycle since our status changed in 2021. Against a backdrop of declining environmental regulations, we have remained truer than ever to our desire, for more than 20 years, to reconcile economic performance with environmental, social and societal commitment. Every day, being a mission-driven company guides and nurtures the evolution of our model to become a company with a positive impact and regenerative aim by 2030-2040.

We have come a long way over the past three years, thanks to our team's commitment, the sound advice of our Mission Committee, and the partnerships we have established with our ecosystem.

First of all, our offering continues to evolve and become structured to meet our objective of offering products and services that are useful for well-being, eco-socially designed and increasingly inspired by life. In concrete terms, we have reinforced our eco-socio-design approach by internalizing the Life Cycle Assessment expertise. We have developed our position as a holistic player in well-being and health with a new offer of products and services dedicated to well-being while aging, and launched Gaïaline<sup>[1]</sup>, our first cosmetic active ingredient derived from a local approach to soil conservation farming.

We are continuing our efforts to reach our decarbonization goals. Since 2023, our path to reducing our greenhouse gas emissions has been approved by the *Science Based Targets initiative*.<sup>[2]</sup> In 2024, we initiated several major projects, including implementing integrated carbon accounting. We also conducted our first biodiversity footprint measurement in 2023, which helps us take a more refined approach to incorporating this issue into our projects. Climate and biodiversity issues must be addressed together, as they are closely related.

We are also proud to have implemented actions aimed at reinforcing the well-being of Expanscience employees through formalizing a common social protection framework for all our subsidiaries, marked by firm, pioneering commitments in terms of parenthood and occupational health.

Finally, we continue to build on the strength of working collectively to invent new, fairer and more collaborative business models. Within the Pharma-Recharge consortium, we are continuing to work to develop a range of hygiene and care products in refill formats in pharmacies by collaborating with our competitors. In 2024, we joined the TRASCE<sup>[3]</sup> consortium, initiated by FEBEA<sup>[4]</sup> to accelerate sectors' sustainable transformation and traceability of supply chains with other leaders in the cosmetics industry. After participating in the first CEC (Convention des Entreprises pour le Climate – Businesses for Climate Convention) program with our Mustela brand<sup>[5]</sup>, we have made a commitment to the CEC Agri-Agro program, which aims to bring all forms of agriculture—and their value chains—closer together and embark on a journey towards a more inclusive approach and a more regenerative economy.

All these advancements reinforce the concrete application of our mission, "Helping individuals shape their well-being". We are aware that our transformation to become a company with a positive impact and regenerative aim is a long-distance race. There is still a lot to be accomplished, and we will continue to build on the strength of the collective – our teams, our suppliers and partners, and our Mission Committee, of course – but also by continuing to cooperate with our competitors to change the market. In 2025, the update of our impACT roadmap will be our new, even more ambitious compass to guide us on this path.

<sup>(1)</sup> An active ingredient that aims to protect hair and slow skin aging.

<sup>(2)</sup> https://sciencebasedtargets.org

<sup>(3)</sup> TRASCE (TRaceability Alliance for Sustainable CosmEtics): a consortium bringing together companies in the cosmetics industry to accelerate the sustainable transformation of sectors

<sup>(4)</sup> Fédération des Entreprises de la Beauté (Federation of Beauty Companies): https://www.febea.fr/

<sup>(5)</sup> Read the Mustela roadmap on pages 88 and 89 of the Final Report of the first Businesses for Climate Convention on the website cec-impact.org and at the following link: https://cec-impact.org/non-classe/rapport-final-de-la-premiere-convention-des-entreprises-pour-le-climat/

#### Our mission:

## "Helping individuals shape their well-being"

Our purpose, laid out in our mission-driven company bylaws, is to help individuals shape their well-being, because we all believe that the health and well-being of individuals are inextricably linked to the health of the planet and that companies 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-realization) and to unique representations, specific to each individual.

In line with the definition of health proposed by the World Health Organization (WHO), the well-being promoted by Expanscience is a holistic concept of 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.

#### That's why we act on several levels:

#### → for the well-being of families,

by offering products and support services that help make parenting more serene – with our Mustela and Babo Botanicals brands;

#### → for well-being while aging,

with a new dedicated offering that transforms the relationship with aging by supporting a holistic and positive vision, and offers health and well-being solutions that help everyone maintain their physical, mental and social agility – through our Iana brands, as well as our medicines and medical devices:

#### → for mind and body well-being,

by offering the best of nature with our cosmetic active ingredients.

Our approach also commits us to act for collective wellbeing, including contributions to both the health of the planet and the communities we work with. For us, this collective health is inextricably linked with individual well-being.

It is also inextricably linked with 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 social and environmental objectives associated with our mission

#### **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 aim to continue developing an increasingly natural approach to health, with products and services that enhance the wellbeing—whether physical or mental—of those who use them, and that have an increasingly small footprint on the environment (composition, packaging, uses, etc.).

#### **OBJECTIVES:**

- Apply an eco-social design approach to all our activities
- Develop naturalness in our offerings
- 3 Develop our catalog of organic and fairtrade products and active ingredients
- Develop inspiration from living things in our innovations
- Offer useful products and services that contribute to well-being

#### **COMMITMENT 2**

→ CONTRIBUTE TO REACHING
PLANETARY CLIMATE GOALS AND
TO 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 according to a Science-Based Targets trajectory on scopes 1, 2 and 3
- Preserve and restore biodiversity in our activities, throughout our value chain

#### **COMMITMENT 3**

→ HELP OUR EMPLOYEES TAKE AN ACTIVE PART IN THEIR PERSONAL FULFILLMENT AND CONSTRUCT WITH THEM A MORE INCLUSIVE AND SUPPORTIVE COMPANY.

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 them the opportunity to get involved in the company's projects, in connection with the local communities in the countries in which we operate.

#### **OBJECTIVES:**

- 1 Implement a global well-being strategy and be exemplary on issues of parenting, occupational health and seniors
- Define policies and standards to ensure diversity and inclusion for

#### **COMMITMENT 4**

→ MOBILIZE OUR COMMUNITIES
AND ECOSYSTEM TO BUILD TOGETHER
BUSINESS MODELS WITH A POSITIVE IMPACT
ON SOCIETY, INDIVIDUALS AND THEIR
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:**

- Embody a new business model
- Support and mobilize our suppliers for a positive societal and environmental impact
- Support a major cause related to parenthood
- 4 Mobilize within our communities and ecosystems

5

# Our Mission Committee: a body that continues to nurture our mission and drive us forward

Since Expanscience became a mission-driven company in 2021, its Mission Committee, composed of both external and internal members, has supported us and played an essential role: advancing our practices, guiding us in our transformation and ensuring we execute our mission.

#### What is the role of the Mission Committee?

#### According to the Pacte law, the Mission Committee:

- → is separate from the corporate bodies of the company;
- → must include at least one employee;
- → is exclusively responsible for monitoring the execution of the mission:

- → submits an annual report, attached to the management report, to the meeting responsible for approving the company's accounts:
- → carries out any verifications it deems appropriate and obtains any documents necessary to monitor the execution of the mission.





#### The Mission Committee members

In 2024, our Mission Committee was enhanced with new elements of expertise. It currently consists of:



FABIENNE COURNARIE Head of Preventive Health, Multi Prevention, INTÉRIALE Group



**HÉLÈNE LERICHE**Veterinary doctor and doctor in ecology, consultant professor at AgroParisTech



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



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



FRANÇOIS GEMENNE
Specialist in environmental and migration geopolitical issues, lead author for the IPCC, professor at HEC Paris, qualified researcher at the NFSR at the University of Liège (Belgium) and Director of the Hugo Observatory



ANGÉLINE ROCHERIEUX Marketing Manager Key Accounts France, Expanscience



SÉBASTIEN DEBROCK

Managing Director of Deshidratados Tropicales,
Expanscience plant processing entity in Lima

## 2025, a pivotal year



Since 2021, our statutory objectives have translated our purpose into concrete actions and guide us on our journey to make Expanscience a company with a positive impact and regenerative aim by 2030-2040. These objectives have been defined in line with our impACT strategy. Built with our teams, this roadmap incorporates targets that had been partly defined over a short-term horizon (2025), in addition to target trajectories such as the 2030 climate trajectory. This report presents an overview of our progress towards achieving these targets at the level of each statutory objective.

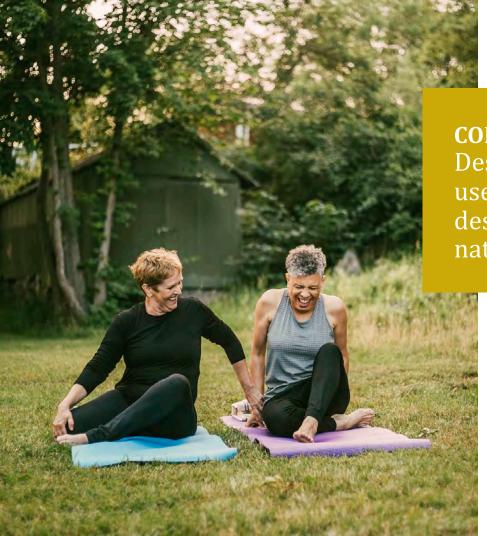
In 2025, we will review and update our impACT strategy to integrate targets and trajectories for 2030-2040. These will be the new targets for our statutory objectives and will be presented in our next mission report. In this respect, 2025 is a pivotal year marked by this work to update it and prepare for our B Corp recertification<sup>(6)</sup>.



"At Expanscience, what makes me so enthusiastic is this clear vision that rallies everyone: individuals' health is inextricably linked to that of the human and natural ecosystem. Based on this conviction, the company succeeds in broadly uniting its stakeholders and instilling real transformational energy. This is what makes Mission Committee meetings so inspiring. I have the good fortune of chairing them, and each time it's a demanding job but also a burst of positive energy!"



Pierre-Yves GOMEZ



### **COMMITMENT 1**

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

2024 marks a new turning point for our offering, which is evolving to better meet our desire to offer products and services useful to well-being. Several innovations have marked this year: the strengthening of our eco-socio-design approach, solutions to support the well-being of families and well-being while aging, and the launch of an active ingredient that illustrates the direction we aim to take with our developments, with the objective of being a regenerative company.

## Advances we have made in our dermo-cosmetics range

#### → A reinforced eco-socio-design approach

Since the early 2010s, our product development has been guided by a desire to reduce their environmental impact throughout their entire life cycle, from sourcing raw materials to product use and end-of-life, via formulation, production, packaging and transportation. This eco-socio-design approach was extended in 2015 to all our dermo-cosmetic product developments.



In 2024, we expanded this by insourcing the **ASKOR** tool to perform Life Cycle Assessments (LCAs) for our products. To date, the bestselling Mustela products, which are representative of our ranges and product types (34% of the brand's global turnover), have been assessed. These results will nurture the evolution of our product portfolios.

We are continuing with this momentum and at the same time accelerating our packaging management policy according to the "RRRRC or R" rule (Refuse and Reduce, Reuse, Reintegrate, Compostable or Recyclable).

#### → An ever more useful offer

Within Mustela, we have clarified the compass that guides the development of all our products: that of utility and well-being. We have made progress in addressing the whole family and reducing the number of products in the bathroom. Mustela multi-use products such as the universal balm with avocado for the whole family, the curly hair cream-shampoo that makes everyday life easier for parents of children with textured hair or L'Essentiel, multi-action organic pregnancy and postpartum skincare milk, are just a few examples of this commitment.





#### Advances we have made in our dermo-cosmetics range

#### → Stand alongside parents

Having stood alongside parents since 1950 with our Mustela brand, we work to contribute to their serenity and the well-being of families through a range of products and support services.

Contributing to the well-being of parents is about reflecting their realities, tackling taboos and giving them access to relevant information that helps them in their role. To meet this objective, our various subsidiaries around the world continued to distribute *empowerment*<sup>(7)</sup> content for parents on social media in 2024 and to raise awareness of various themes.

For example, we ran an awareness campaign on the environmental impact caused by wipes, while sharing best practices for moving from disposable wipes to more sustainable options like compostable or reusable wipes. We also shared lots of tips (non-judgmental!) on breastfeeding. However, given the different expectations of parents around the world, we have not gone as far as we had planned in all countries and our overall *empowerment* content delivery indicator has not been achieved for this year.



After a successful first Parisian event in 2022, we organized the Maison des Parents (the Parents' House) in Rennes (Illeet-Vilaine), a pop-up venue, opened in partnership with the Périnat Rennais collective, the aim of which is to support parents through workshops on major themes such as pregnancy, parenthood, breastfeeding, postpartum, etc.



Since its creation in 1982, the **Mustela Foundation**, sheltered by the Fondation de France, has the mission of supporting psycho-socio-affective development, mental health, and the care of the parent-child bond, through its three areas of action: research awards and grants, awareness raising actions and field actions. In 2024, the foundation presented an Action Research Award to a project led by two psychology researchers, dedicated to "better regulating emotions in kindergarten". From an early age, understanding and regulating your emotions contributes to adaptation, well-being and learning.

<sup>(7)</sup> How Mustela defines the "empowerment" of parents: participating in lifting taboos linked to social issues (such as postpartum, mental load, etc.), by sharing content that provides access to relevant information that helps them in their role as parents: educational, qualitative and new content, on care and parenting issues in general, but also information on the ecological impact of our offer to support changes in use.

# An evolution of our positioning in favor of "well-being while aging"

Like childhood or adolescence, the first signs of aging are a natural step in life paths. We believe that there is more than one way to embrace the first signs. Our ambition is to support individuals throughout their lives and give everyone the means to build their well-being while aging, using a holistic approach that takes into account a range of physical, mental and social factors.

## → Helping everyone build their well-being while aging

In 2024, we focused our efforts on developing wellbeing and health solutions that accompany the development of the signs of aging as early as possible.

Our new *Iana* brand is like this: it helps prevent the first age-related aches and pains affecting everyday life. Iana has a range of skincare products and food supplements formulated with plant-based active ingredients. In France, we also launched *Martha*, a well-being app to prevent discomfort or joint pain and better manage it.

To help everyone build their well-being while aging, we also act to change the way people look at aging. Through our global "Age and Society" Observatory, launched in France in 2024, we conducted a survey with the BVA institute to interpret and understand how society sees aging and its impact on our daily lives. We designed this Observatory to be more than a just a survey – it is a societal tool to help remove taboos and change how age is experienced in France and eventually, around the world.

In order to guide our actions in favor of well-being while aging, we also launched a multidisciplinary board in 2024 (which includes general medicine, internal medicine, psychiatry, neurology, physiotherapy) to define a new framework serving the quality of life of people over 45. The first publication is planned for 2025.

## → Towards an increasingly responsible approach to health

Because our approach to women's and men's health is inextricably linked with that of the planet, we continue to question how to build a more responsible approach to health. In 2024, this was reflected by the creation of a responsible health charter. Founded around ten principles, it should help us to objectively define and develop a health and well-being offer that is both useful and effective, transparent and safe for individuals, respectful of the planet and human communities. This offer will be as innovative, inclusive, empowering, preventive and regenerative as possible.

The next wave of product development for our Iana brand will follow the framework this charter has laid out, which also aims to guide future product developments for our various activities.



# Advances we have made in our range of natural cosmetic and nutraceutical active ingredients

**Our goal is to become a regenerative company by 2040**<sup>(8)</sup>. We are aware that the path to achieving this vision is long and demanding. Among other things, it involves a gradual transformation of our offerings. The research we are carrying out into our active ingredients is driving us forward in this direction, in particular with better agricultural practices aimed at preserving or even restoring ecosystems.



Our new cosmetic active ingredient, *Gaïaline*, a linseed oil concentrate, is part of this philosophy. Grown on a farm labeled "Au cœur des sols" by the "Association pour la Promotion d'une Agriculture Durable" (APAD – Association for the Promotion of Sustainable Agriculture)<sup>(8)</sup>, and located 32 kilometers from our production site based in Épernon, Eure-et-Loir, the linseed comes

from soil conservation farming. Three pillars govern this type of agriculture – permanent soil coverage, sowing without working the soil, diversity and crop rotation – with lower input. This results in fertile soils that allow biodiversity to regain its place, which are more resistant to erosion, climate change and contribute to carbon sequestration.

In May 2025, we will also launch our first nutraceutical active ingredient, *Tulsinity Bio*, developed from certified organic<sup>(9)</sup> holy basil leaves grown in India adhering to the highest standards of regenerative agriculture

and fair trade. With this supply, we are developing and offering our customers an active ingredient that is both AB (Agriculture Biologique: Organic Agriculture), ROC (Regenerative Organic Certified) $^{(10)}$  and FFL $^{(11)}$  (Fair for Life) certified.

The anti-inflammatory<sup>(12)</sup>, antioxidant and immunostimulating properties of holy basil make it a plant-based raw material of choice to relieve a wide range of symptoms, including limiting the negative impact of everyday stress, which is in line with our mission to improve people's well-being.

(9) https://www.apad.asso.fr/

The B Corp assessment questionnaire illustrates this well: effectively transforming the supply, which leads to that of the business model, is the most credible proof of a company's commitment to the ecological transition. From this point of view, I find the evolution of Mustela products over the past decade quite remarkable (multi-use products, giving up wipes, the switch to organic or solid products, doypack, etc.) and the Expanscience offer, more broadly (new certified active ingredients, transition from products to services, from medicines to food supplements).



Élisabeth LAVILLE

Expanscience is a pioneering pharmaceutical player in understanding the mutual connections between human health and the environment. Its holistic approach to acting on the different pillars of health (eating, physical activity and 'taking care of yourself') and its desire to see to it that individuals make the approach theirs and become responsible in it prompts admiration.



**Fabienne COURNARIE** 

(8) According to Lumia (lumia-edu.fr), a regenerative company "will create, through redesigning all or part of its economic model and practices, the conditions that enable natural ecosystems and human communities to express their underlying potential. Aware of its interdependence with socio-ecological systems, the regenerative company considers that its development and good health develop along with those of the ecosystems and human communities it depends on, and on which it acts".

<sup>(10)</sup> AB (Agriculture Biologique - Organic agriculture)

<sup>(11)</sup> https://regenorganic.org/ (12) www.fairforlife.org

<sup>(13)</sup> https://pubmed.ncbi.nlm.nih.gov/28400848/

# 1

# **Summary table of indicators by objective**

STATUTORY OBJECTIVES	OPERATIONAL OBJECTIVES	PERFORMANCE INDICATORS	ACHIEVED 2023	TARGETS 2024	ACHIEVED 2024	TARGETS 2025
→ Design products and services that are useful to well-	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%
being, eco-socio- designed and		% of our cosmetic active ingredients of natural origin	100%	100%	100%	100%
increasingly inspired by nature and living things	Develop naturalness in our offerings	% of ingredients of natural origin in all Mustela ranges	96%	≥ 95%	96%	≥ 95%
		% of ingredients of natural origin in topical IANA ranges	NA	NA	99%	NA
	Develop our catalog of organic and fair-trade products and active ingredients	% of certified organic or fair trade or equivalent cosmetic active ingredients	38%	≥ 38%	42%	≥ 42%
		% of Cosmos Organic-certified Mustela formulas manufactured in the year	15%	≥ 14%	15%	≥ 15%
		% of Cosmos Organic-certified topical IANA formulas manufactured in the year	NA	NA	66%	NA
	Develop inspiration from living things in our innovations	A pilot project is ongoing with Ceebios in 2025				

# Summary table of indicators by objective

STATUTORY OBJECTIVES	OPERATIONAL OBJECTIVES	PERFORMANCE INDICATORS	ACHIEVED 2023	TARGETS 2024	ACHIEVED 2024	TARGETS 2025
→ Design products and services that are useful to well-		% of parent empowerment content promoted on Mustela social media	42%	50%	39%	≥ 51%
	In addition for Mustela: positive posts in social listening	58%	≥ 63%	63%	≥ 63%	
being, eco-socio- designed and increasingly inspired by nature and living things	Offer useful products and services that contribute to well-being	Responsible Healthcare Charter applied to <i>Well Aging</i> developments	NA	Charter applied to the <i>Well</i> Aging developments	Application/ experimentation of the Responsible Healthcare Charter to the new <i>Well</i> <i>Aging</i> developments at pre-conception stage	Application/ experimentation of the Responsible Healthcare Charter to the new Well Aging developments at development stage



Contribute to reaching planetary climate goals and to the protection and regeneration of biodiversity

To achieve our decarbonization goals, year after year we are following a trajectory in a carbon transition plan that affects all parts of the company and is part of a long-term perspective. The efforts we are making today will pay off in a few years' time. We approach biodiversity conservation with the same approach.

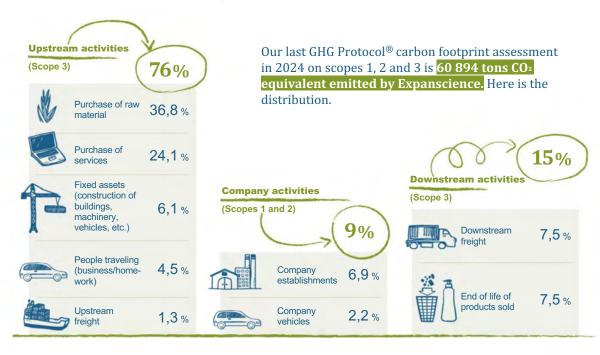
# Maintain momentum to achieve our goal of reducing our carbon footprint

Since 2023, our path to reducing our greenhouse gas (GHG) emissions has been approved by the Science Based Targets initiative, which recognizes its compatibility with limiting the increase in global temperatures to 1.5°C compared to pre-industrial levels, in line with scientific climate recommendations.

## OUR COMMITMENTS FOR SCOPES 1, 2 AND 3 IN COMPLETE REDUCTION:

- → reduce our GHG emissions by **35%** by 2030 compared to 2019:
- → reduce our GHG emissions by **81%** by 2050 compared to 2019;
- → ensure that our GHG emissions that can't be reduced are stored sustainably using natural carbon sinks by 2050.

#### → Distribution of our greenhouse gas emissions



# Maintain momentum to achieve our goal of reducing our carbon footprint



In 2024, we are all proud to see that our carbon footprint continues to decrease, although turnover is increasing. This reduction can be explained by the voluntary actions taken, but also by the economic downturn in our purchases of services and raw materials.

The majority of our greenhouse gas emissions are related to our upstream activities (scope 3), in particular raw material purchases, which account for 25% of our emissions in 2024. To reduce these, we conducted climate diagnoses with our strategic raw material suppliers. Objective: assess the maturity of their approach, obtain more representative impact factors for our purchases and build the first decarbonization roadmaps.

In addition, our packaging purchases account for a significant share of our carbon footprint (12%), in particular due to the use of plastic for our packaging. The acceleration of the eco-socio-design of our packaging mentioned above aims to reduce the share of plastic in our packaging, while integrating more recycled material. With these two levers combined, the overall impact of this item will be reduced along with the end of life associated with packaging.

Transportation — including logistics flows to deliver our products to subsidiaries and distributors, as well as travel and business trips — also represents a significant source of emissions in our carbon footprint, contributing an additional 14%.

In order to be in line with our climate targets, we have recently implemented a carbon budget which, like a financial budget, allocates a  $tCO_2e^{(14)}$  envelope not to be exceeded on these expenditure items. The deployment of this carbon accounting demonstrates the subject gradually being integrated into our company's daily systems and arbitrations, as well as the calculation of our carbon footprint being automated for more regular monitoring.

At the same time, we continued our actions regarding the overall reduction of air transport for our logistics flows: further limiting of the use of air transport for our subsidiaries, ending air deliveries to South America, and extending this measure in 2024 to other countries such as Malaysia and Vietnam (i.e. -67% tC02e for air transport compared to 2023). We also implemented electric shuttles for pre-transport of containers to Le Havre (France).

In 2025, the decarbonization of our two production sites in Épernon (Eure-et-Loir) and Peru will be on the agenda with ambitious projects for overall energy efficacy and transformation to reduce our greenhouse gas emissions (scopes 1 and 2) linked to the sites' energy consumption. For example, in Épernon, a tool will be deployed to monitor our energy consumption in real time and adjust our reduction actions. Significant investments are also planned for the construction of a hot/cold platform aimed at centralizing cold production, recovering the fatal heat emitted and reducing the need for gas by 49% (compared to 2019) while reducing greenhouse gas emissions by 32% (compared to 2019)<sup>(15)</sup>.

In Peru, where our plant raw material processing entity is located, we also conducted an LCA regarding the cultivation, collection and processing of our locally sourced avocados, a raw material used in many of our products and cosmetic active ingredients. The aim is to have an environmental footprint reference and to implement an action plan from 2025 to reduce it in the future.

 $<sup>^{(14)}</sup>$ The different greenhouse gasses (GHGs) have a variable warming potential, so they are translated into "equivalent \*CO2e" or "tons of CO2 equivalent", tCO2e.

<sup>(15)</sup> Commissioning is planned for 2026.

# Integrate biodiversity preservation and restoration into all our projects

Key issues for the world, the preservation and restoration of biodiversity is also a key issue for our activities. The plant world is indeed at the heart of our model, as 99% of our turnover depends on biodiversity<sup>(16)</sup>.

Since 2008, we have been committed to our own supply chains for plant raw materials, a commitment that has been reinforced since 2011 with our membership of the Union for Ethical Biotrade (UEBT(17)). Following an initial self-assessment of our IIEB (Business and Biodiversity Interdependence Indicator) carried out at the recommendation of our Mission Committee in 2022, we conducted our first assessment of our biodiversity footprint in 2023 in order to take the biodiversity issue into account across our entire value chain. The result confirmed our main dependencies on biodiversity. These are mainly related to our activities using plant raw materials, which depend on soil quality and a stable climate (98% of dependencies). Our dependencies also concern our industrial and innovation research and development activities, for which we are dependent on access to water as a resource and its quality (2%). Our main impacts on biodiversity are 98% related to our purchases. The pressures we put on biodiversity are linked to 85% of land use and pollution in our value chain (50% and 35% respectively).

Our pillars of action are therefore focused on changing the ways in which we grow our plant raw materials, on transparency and control over our supply chain, and on reducing the impacts linked to our industrial activity. Thus, among other things, we are aiming for more local production, combined with new types of production of certain plant active ingredients (as mentioned above in this report), in order to act on all these pillars of action.

In parallel with the work undertaken with our raw material suppliers, we have continued to audit our supply chains in recent years as part of our membership of the UEBT. Aware that preserving biodiversity and combating climate change are two related topics that must be addressed together, we are now also taking the biodiversity issue into account in the carbon diagnoses carried out with our strategic raw material suppliers for our Mustela brand, in order to steer an action plan.

Water is at the heart of our value chain, both for growing the plant raw materials used in our products and for our industrial activities. Against the backdrop of climate hazards and water scarcity, we must make the best use of this resource.

The actions implemented between 2010 and 2024 have already reduced our water consumption by 25% per unit produced in Épernon. To go further, our goal is to reduce our water consumption by 25% in absolute terms by 2027, through the following four levers.

Better manage and reduce our water consumption: through our product developments promoting solid products but also implementing a real-time water monitoring and metering tool; implement the project to replace one of the systems operating on lost water with another more economical technology; the use of the right quality of water (purified, softened or raw) for the right purpose.

Reuse: through implementing clean water reuse loops at our Epernon site.

Recycle: methanization of part of our effluents to convert them into biogas and return the liquid part to the natural environment.

Revalue: in the longer term, we also aim to reuse treated water in our production processes (dermocosmetic equipment washing loop).

<sup>(16)</sup> Source IIEB (Indicateur d'Interdépendance de l'Entreprise à la Biodiversité - Business and Biodiversity Interdependence Indicator) 2022.

<sup>(17)</sup> An international non-profit organization that promotes ethical sourcing practices for ingredients from biodiversity, assessed during a three-yearly audit – https://uebt.org/francais

# Integrate biodiversity preservation and restoration into all our projects

Finally, we are convinced that the preservation and restoration of biodiversity are issues of such a scale that they must be dealt with collectively. This is why, as with other topics, we have decided to commit to several sector initiatives such as the cosmetics working group of the Roquelaure ministerial initiative on companies & biodiversity(18). Launched by the Ministry of Ecological Transition and Regional Cohesion, this working group examines the risks and dependencies of the sector on biodiversity, as well as the levers and opportunities to be deployed in an action plan to reduce our impacts. Between December 2023 and February 2024, we collaborated with other participating companies to develop a common ambition and formulate collective proposals to reduce the impact on biodiversity. These recommendations aim to guide companies in the cosmetics sector in their strategic choices and promote a sector-wide transformation towards biodiversity-friendly practices.

In 2025, we want to intensify our action in collectives, in particular by participating in a FEBEA working group on glycerin. Through its standard use,

this compound has been identified as an important lever for reducing the sector's environmental footprint. The study launched aims to analyze the social and environmental risks associated with glycerin, formulate recommendations for responsible sourcing and define the steps for building a sector.



The work to analyze and explain the interdependence of Expanscience's activity with biodiversity has made it possible to formalize commitments and set objectives beyond their own sectors, historically more committed to biodiversity. It is important to continue advancing, always in connection with science, to further reduce the impact on living things' energy.



**Hélène LERICHE** 

The decarbonization of Expanscience's activities continues at a steady pace: while several companies are going back on their climate commitments, Expanscience is not only maintaining them, but also fulfilling them. In these times of doubt and uncertainty, it seems more important than ever for companies like Expanscience to affirm their social and environmental commitments. Not only must we not give in, but we must also make it known, to create a competitive effect.



François GEMENNE

# **Summary table of indicators by objective**

STATUTORY OBJECTIVES	OPERATIONAL OBJECTIVES	PERFORMANCE INDICATORS	ACHIEVED 2023	TARGETS 2024	ACHIEVED 2024	TARGETS 2025/2030
→ Contribute to reaching planetary climate goals, and to protecting and	Reduce our carbon footprint on a Science-Based Targets trajectory on scopes 1, 2 and 3 <sup>(19)</sup>	Total emissions in teqCO <sub>2</sub>	62 628	<61 000	60 894	<60 894 (Target 2025) <42 712 (Target 2030)
regenerating biodiversity		Carbon intensity in teqCO <sub>2</sub> /€M turnover	185	≤167	167	<148 (Target 2025) <li>(Target 2030)</li>
		Biodiversity footprint	Biodiversity footprint carried out	NA	NA	2030 biodiversity impact reduction target
	Preserve and restore biodiversity in our activities throughout our value chain	% of cosmetic active ingredients sectors assessed according to recognized benchmarks promoting practices that respect and/or regenerate the environment (via l'UEBT, Bio, ACS, FairWild, Fair For Life, ROC etc.) <sup>(20)</sup>	29%	36%	44%	Target 2025 reassessed ≥ 45%

<sup>(19) 2024</sup> target recalculated based on the actual 2024 revenue.

<sup>(20)</sup> The 2024 achievement and 2025 target have been revised, taking into account definition adjustments implemented in 2024, following a certification assessment study conducted on the market.



#### **COMMITMENT 3**

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

Being a mission-driven and B Corp-certified company means our first commitment is to our 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 projects rolled out by Laboratoires Expanscience.

# Embodying the symmetry of attention with our mission in our social policies

Our mission related to well-being must first of all be reflected in our social policies. We also **initiated a care policy in 2024.** It offers a social protection base for our employees all over the world, with a minimum threshold of essential social guarantees (complementary health insurance, life insurance and retirement) and the ambition to become one of the leaders on themes that echo our mission, such as parenthood, occupational health, aging well and support for vulnerable situations.



Indeed, we believe that health and well-being are inextricably linked. Our aim is to prevent both physical and psychosocial risks (PSR) that our teams may face:

- a PSR **health and prevention unit** was launched in 2024 in France for elected representatives and HR to jointly deal with situations of suffering, around a coconstructed alert process;
- a **helpline** will be set up for the whole group in 2025;
- → 100% of managers worldwide will be **trained in psychosocial risks** by 2026;
- for many years, an annual key moment has been dedicated to physical and/or mental health with an awareness-raising system for employees.

Parenthood is a theme dear to Expanscience, and actions in its favor for our teams in France have been reinforced. **100%** of fathers and mothers are entitled to return to work gradually, in the first two months after parental leave, with full salary being maintained. **100%** of mothers are entitled to coaching before, during and after maternity leave.

In a context where the relationship with the company is evolving, particularly with the development of remote working, we want to preserve collective efficacy while offering a better life balance and greater work flexibility. For example, in France, our new remote working agreement includes a common base of four days of minimum attendance each month, set around key moments for the company, and days of attendance defined in consultation within each team according to their specific needs. This approach aims to promote a better life balance while preserving the work collective and social connection.

To measure the impact of these measures on the wellbeing of our employees over time, we rely on the *Great Place To Work* certification<sup>(21)</sup>. In 2024, all our subsidiaries in France and abroad were recertified. Our ambition is to maintain this momentum in a continuous improvement approach supported by action plans on a local basis.

# Our advances in professional equality, diversity and inclusion

For the professional equality component, in 2024, Expanscience achieved a score of 93/100 on the gender pay equality index and a maximum score on three of the five criteria (France scope). While Expanscience had maintained this score above or equal to 98/100 for many years, 5 points were lost this year due to the imbalance on the highest remuneration criterion: 70% of the top ten salaries are paid to women. This score continues to reflect the importance that Expanscience has given to promoting professional equality for years.

In addition, the difference between the 10% of the lowest remuneration and the 10% of the highest remuneration is less than 5.

We have recently reinforced our mechanisms to include the most vulnerable and support vulnerabilities. In 2024, 5.78% of Expanscience employees declared an RDWS(22) in France (i.e. +25% compared to 2023), above the average of drug companies but below the regulatory threshold of 6% in France. These increasing results are due to an increase in RDWS declarations, thanks to increased communication (awareness-raising conference, manager training, identification of disability specialists reinforced, publication of a disability guide with all the rights and benefits offered to employees benefiting

from RDWS, etc.). We are continuing with this impetus in 2025 with the ambition of passing this symbolic bar in the year.

Inclusion also involves our ability to change our views on the subject and challenge prejudices. In 2024, we raised awareness and trained our teams through a module on cognitive bias, which everyone can access around the world.

The next Diversity & Inclusion project will focus on formalizing our vision of these topics and those related to justice and equity. This will guide our roadmap and guide our actions.

Through our products and services, we support individuals in their well-being as they age and we want to do the same for our employees, with measures for gradual retirement in France and for senior citizens. Expanscience therefore covers the contributions on the basis of full-time reconstituted remuneration. In concrete terms, this corresponds to a pension at the same amount as one which would have been received if working full-time.

#### Regarding senior employees:

- from the age of 57, they are entitled to three additional days' leave:
- from the age of 58, four additional days' leave;
- from the age of 59, five additional days' leave.

Finally, at the beginning of 2025, we adopted several measures in favor of caregivers:

- two days' leave to deal with administrative matters or accompany the assisted person to appointments (pilot measure in France);
- Ocmpany bonus from 20 days (one month) of leave given by colleagues as part of a donation of days campaign (France scope).



## Making our employees more inclusive and supportive



We need all our energy to contribute to changing society. That is why, since 2022, we have been giving our employees the opportunity to dedicate one working day a year to projects that have an impact during an *impACT'Day*.

In 2024, the system, which already applied to our teams in six countries (France, Spain, Portugal, Mexico, USA and Australia), was expanded to two new countries (Italy and Belgium). Now, more than 80% of our team members worldwide have the opportunity to take part in this initiative, and 11% took action in 2024. We aim for 100% for 2025.





an ambitious challenge, but it is also a rewarding and



meaningful experience.

# Summary table of indicators by objective

STATUTORY OBJECTIVES	OPERATIONAL OBJECTIVES	PERFORMANCE INDICATORS	ACHIEVED 2023	TARGETS 2024	ACHIEVED 2024	TARGETS 2025
→ Help our employees take an active part in their personal fulfillment and construct with them a more inclusive and supportive company	Implement a global well-being strategy and be exemplary on issues of parenting, occupational health and senio	% of GPTW-certified channels	100%	100%	100%	100%
	Define policies and standards to ensure diversity and inclusion for all	Gender equality index (France)	99	<i>&gt;</i> 98	93	Gender equality index (France) ≥98  ≥ 70% on the Equity Index (Integrity, Impartiality, Justice) in GPTW 2025
	Allow our employees to devote part of their working time to environmental projects, or to non-profit activities	Number of countries where Expanscience employees have the opportunity to participate (% coverage of Expanscience employees around the world)	6 countries i.e. 76% of employees	8 countries	8 countries i.e. >80% of employees	All countries where Expanscience is present  (100% of employees around the world)



Mobilize our communities and ecosystem to co-build a set of business models with a positive impact on society, individuals and their environment

The well-being of individuals and the health of the planet are collective and interdependent issues, and we are all a link in the chain; as such we believe in the strength of community to transform our models, reinforce our positive impact and accelerate the ecological transition. Our key actions include supporting our suppliers, cooperating and participating in collective initiatives and consortia, and supporting societal causes that reflect our mission.

## Reinforce support for our suppliers

Our suppliers play a fundamental role in transforming our supply chains. For several years, we have been mobilizing them to improve their environmental and societal impact. Today, 100 % of our strategic suppliers are assessed on **EcoVadis**(23) with an average score of 67,78 (purchasing scope France and corporate). In 2025, the objective is to continue the regular assessment of strategic suppliers within France and corporate perimeter, and to evaluate two thirds of the strategic suppliers of our priority subsidiaries, with the aim of steering improvement action plans.

In parallel with supplier assessments, we are pursuing a targeted policy to reduce the footprint of the five plant raw materials with the highest impact in the composition of our Mustela brand products. In 2024, we carried out diagnoses with the main suppliers of these raw materials. Once again, after the carbon footprint and shared diagnosis stage, we will implement action plans that are intended to be monitored regularly and integrated into business reviews.

And to go further, we once again call on the strength of the collective. In June 2024, we joined the TRASCE consortium<sup>(24)</sup>. This sector-based alliance supported by FEBEA, launched in February 2023 by 15 leaders in the cosmetics industry, aims to accelerate the sustainable transformation of sectors and supply chain traceability.

To support this approach, we are talking to our suppliers to reinforce cooperation. 65 of them were invited to and attended the second edition of our Suppliers' Day to consider a common goal with us: to change our business models together to make them compatible with the planetary boundaries.

**66** At Expanscience, we truly believe that unity creates strength: we are looking to change together with our suppliers. Hence it is important to have a cooperative and pragmatic approach to Procurements: to meet, assess, identify impacts and cooperate in deploying action.



Sébastien DEBROCK



# Experiment to collectively invent new business models and shared solutions

Among our key cooperative actions, we continue to take part in the work of the **Businesses for Climate Convention (CEC)**<sup>(25)</sup>. We took part in its first edition in 2021, alongside 149 other companies, because we believe in the synergy of actions and shared goals. In 2024, the CEC launched the CEC Agri-Agro, a new program we are participating in. It brings together decision-makers from the food industry and agriculture, along with other sectors related to agriculture such as cosmetics, textiles or chemicals in order to create opportunities for changing business models. As a user of plant raw materials, Expanscience's objective is to work more closely with the agricultural world in a process of cooperation and continuous improvement of its sectors and footprint.

We are all convinced that cooperative competition with our competitors is a powerful approach to innovation, and we are also participating in several consortia to come up with solutions to shared challenges. As part of the *Pulp in Action* project, in partnership with FEBEA, we are taking action to find an alternative to using plastic in packaging, through the use of cellulose fibers from plants, in association with 12 other players in the cosmetics industry.

In 2022, we launched **Pharma-Recharge** with four other competitor laboratories. This new consortium aims to jointly develop the hygiene and care product offer in refill format in pharmacies. The refill points designed were deployed in six pharmacies in France in 2023. Four new laboratories<sup>(26)</sup> joined our consortium in 2024, and it focused on reviewing the lessons learned from this experiment, in order to improve and continue with deploying this system.

Internally, our **impACT Lab**, a collective of employees who support our transition towards being a regenerative company, has started several experiments to explore new offers and business models. One of those is participating in ADEME's<sup>(27)</sup> **EFC program** (functional and cooperation economy) with six other French companies, the objective of which is to result in a business model that combines business objectives and respect for planetary boundaries.

6 "In times of abundance, competition can work", points out biologist Olivier Hamant, "by inviting companies to take inspiration from living in their operations. But in times of crisis or scarcity, cooperation is what works best. Expanscience illustrates this point in a very convincing way, through diverse and successful cooperation initiatives, including with its competitors."



Elisabeth LAVILLE



<sup>(25)</sup> https://cec-impact.org/

<sup>&</sup>lt;sup>(26)</sup>The Pharma-Recharge project now brings together Garancia, La Rosée Cosmétiques, Bioderma (NAOS), A-Derma, Ducray, Eluday, Klorane (both by Laboratoires Pierre Fabre), Biocodex, Léa Nature, SVR and Uriage.

## Mobilize our subsidiaries to support parenthood

At the heart of the mission for our Mustela brand and the commitments made internally to our employees, **support for parenthoo**d also runs through each of our 13 subsidiaries, which are all taking action for a great cause in the country they operate in.



For example, our subsidiary in Portugal raises awareness of children's mental health, in partnership with local organizations. Ser Bebé and the Fundação do Gil. Through in-person workshops organized at events, this subsidiary provides parents with the knowledge and resources needed to support the emotional wellbeing of their children and families, thanks to support from expert psychologists and pediatricians. It developed the Pequenos Grandes Conselhos podcast, which discusses children's mental well-being with experts, as well as other essential topics. Beyond raising awareness, it also acts by supporting initiatives developed by the Clínica do Gil, the first childhood mental health clinic created by the Fundação do Gil, such as music therapy, which offers children a creative and therapeutic way to express their emotions.

As for our Italian subsidiary, it is committed to promoting parental equality. Among other initiatives, it has supported the *GREMBO* podcast series, which explores various aspects of motherhood and parenthood, aiming to change perceptions without prejudice or taboo.

It also organized "Together" in May 2024 in Milan, two days in a place where parents connected with local parenting experts through seven conferences and nine workshops, and which 1,200 people took part in. Finally, it has extended paternity leave to one month for its employees.





# **Summary table of indicators by objective**

STATUTORY OBJECTIVES	OPERATIONAL OBJECTIVES	PERFORMANCE INDICATORS	ACHIEVED 2023	TARGETS 2024	ACHIEVED 2024	TARGETS 2025
→ Mobilize our communities and ecosystem to build together	Embody a new business model	B-Corp Score	NA	NA	NA	≥ 108,5 Be re-certified B Corp
business models with a positive impact on society, individuals and their environment	Support and mobilize our suppliers in favor of a positive societal and environmental impact	% of strategic suppliers around the world assessed on EcoVadis (France & corporate purchases)	100%	≥90%	100%	100%
		Average score of these suppliers on EcoVadis	66,85	≥ 55	67,78	100% of strategic suppliers in France & Corporate scope and two-thirds of strategic suppliers in our priority subsidiaries.
	Supporting a major cause in relation to parenthood	% of subsidiaries that have initiated an action related to the chosen cause	92%	≥ 92%	100%	100%
	Mobilize within our communities and ecosystems	% our of corporate entities and subsidiaries involved in positive impact communities	72%	68%	77%	≥ 70%

#### **Conclusion of the Mission Committee**

It was with renewed pleasure that the Mission Committee supported Laboratoires Expanscience's teams in implementing the mission throughout the year. It would like to congratulate them on the quality of the work carried out: it was demanding work, carried out with rigor, passion, attention to detail and genuine commitment. The professionalism and consistency of the efforts illustrate the extent to which the mission has been taken on board and its concrete translation into ambitious, aligned actions.

The Committee also commended the editorial quality of this report,more concise form of which makes it easier to read without taking away from its content. The focus on concrete actions, whether completed or ongoing, reinforces the operational dimension. Presenting the results, whether they have been achieved or not, reflects an honest position: Expanscience does not seek to mask differences, but to understand and overcome them. This transparency reflects a company committed to truly progressing, far from being focused on compliance or checking boxes.

Discussions during the Committee meetings took place in a climate of trust and listening. The information shared was approved through open and constructive discussions. The teams were available, quick to respond, and took comments on board, and responded to requests for clarification seriously. This demanding dialog illustrates the shared desire to move forward together in a spirit of support.

Expanscience has a holistic vision of health and wellbeing, which takes all its dimensions into account including food, physical activity, self-care, as well as the social dimension and where the environment is fully integrated as a component of health. It is therefore not a matter of juxtaposing a CSR strategy with an economic strategy, but of considering the environmental impact as a condition for achieving (and not only preserving) human health. It is therefore an integral part of the company's strategy. As such Expansiience adopts a unique approach to the health product. This vision, which is particularly clear in Commitment 1, is deployed with perseverance and embodied in product development choices, with the desire for everyone to become responsible for their health. Also expressed in difficult decisions such as giving up wipes or developing multi-use products that encourage more economical consumption, such determination prompts admiration.

2024 saw the social dimensions of the mission becoming more in-depth, in particular through commitment 3. The actions undertaken have gone further and were highlighted by the employee representatives on the Committee. They reflect broader ownership of the mission, which becomes a lever of commitment and creativity for teams. This impetus has also been seen internationally: accounting for 78% of turnover, subsidiaries have been more involved, as shown by how diverse and rich the actions presented in this report are.

The Committee also highlights the growing importance given to cooperation, at the heart of deploying the mission and Expanscience practices more broadly. This impetus irrigates all the commitments, even if it is more specifically anchored in commitment 4. It is demonstrated internally (Lab impACT), in relations with suppliers (Suppliers' Day) and even with competitors (Pharma-Recharge project). Through these examples, cooperation appears as a cross-functional and powerful lever of transformation.

In conclusion, the Committee commends the intensity and sturdiness of the work accomplished. Nevertheless, it draws attention to the need for reinforced consistency and coordination between the comprehensive strategy and the various impact approaches – the CEC roadmap, B Corp certification, social and environmental commitments. This convergence will improve collective efficacy, preserve the most mobilized teams and create a common, legible and unifying narrative, in line with the transformation being undertaken and the exemplary role that Expanscience plays in its ecosystem.

# Well-being is in our hands

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