

Clarins (UK) Limited Section 172 (1) Statement

The directors recognise their obligations to key stakeholders, including employees, customers, communities, vendors and shareholders, to operate a responsible beauty business. They consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the group for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. the likely consequences of any decision in the long term:

The group has a 5-year plan which is reviewed regularly. Decisions made fit within this plan. Strategy is reviewed in detail each year.

- b. the interests of the company's employees:

The company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the company using the Workplace communication platform.

The company actively encourages employee career development through training, opportunities to gain relevant experience and internal promotion.

The group has followed all Government recommendations to work from home where possible throughout the Covid-19 pandemic. Where stores have been closed, affected employees have been furloughed. Where work from home has not been possible, the group adapted workplace environments and implemented social distancing and sanitation protocols.

Details of consultation and communication with all employees in the company can be found in the Employees section in the Directors' Report on page 9 and form part of this report by cross reference.

- c. the need to foster the company's business relationships with suppliers, customers and others:

Key stakeholders have been identified to ensure adequate communication and engagement with each group. Among the group's stated pillars are to be Consumer Obsessed, to ensure it continues appealing to its clients.

To support customers during store closures, Clarins launched a Virtual Boutique allowing customers to have a virtual consultation with a Clarins Beauty coach from the comfort of their home.

The group endeavours to build a respectful partnership with its suppliers, including adherence to fair payment terms and contract lengths. Suppliers are expected to comply with the group's code of conduct and terms and conditions.

d. the impact of the company's operations on the community and the environment:

The group takes its responsibility within the community and wider environment seriously using recycled and recyclable materials where possible.

The group's mission is "Making life more beautiful, passing on a more beautiful planet". By 2025, it pledged to:

- Exclusively use recyclable packaging;
- Sourcing ingredients 100% sustainable, 80% organic plant extracts, optimising traceability and reinforcing fair trade programmes;
- Reaching plastic neutrality;
- Obtaining B Corp certification in 2023;
- Lowering global carbon footprint by 30% by 2025;
- Evaluating the responsibility of all suppliers through EcoVadis, with a target of 100% of suppliers EcoVadis certified by 2025.

It also engages through charity work and has always been involved in charitable initiatives that strive to improve circumstances for communities in need. Since 2019, the company has been supporting Greenfingers, a national charity dedicated to supporting children who spend time in hospices around the UK. Our contributions include financial donations to support new gardens across the UK, help with equipment and the opportunity for employees to volunteer in the building and maintenance of these spaces.

It believes responsible beauty is a collaborative effort, so the brand is part of various initiatives designed to tackle systemic issues within the beauty industry. This includes but is not limited to the Global Shea Alliance (GSA) of which Clarins became a member in 2020, The Bendosal Solar Energy Transition Programme in India and FEED, an NGO committed to ending world hunger.

Key priorities for the company include Caring for People and Caring for the Planet. Our brands are distributed in over 150 countries. The group believes that Responsible Development is a continuous approach to improvement, deeply rooted in the development of the group since its origin, that aims to promote the economic, environmental and social performance within the organisation in order to build a better, sustainable world for everyone, everywhere.

Both the company and the wider group have cross functional teams dedicated to minimising the environmental impact of the business.

- e. the desirability of the company maintaining a reputation for high standards of business conduct

The directors and the group are committed to high standards of business conduct reflected in Human Resources policies. Where there is a need to seek advice on particular issues, the directors will seek advice from its professional advisors to ensure the consideration of business conduct and its reputation are maintained. They expect the same standards of business conduct from the people and organisations with which they do business.

- f. the need to act fairly between members of the company:

The group is fully controlled by its immediate parent company, Clarins SAS.

On the Clarins website the Entities to which this strategy applies:

Clarins (UK) Limited

Talza Limited

Parini Limited

Clarins UK Distribution Limited