



VALÉRIE KAMINOV – BIOGRAPHY

Valérie Kaminov is Founder and Managing Director of the highly successful International Luxury Brand Consultancy. For over 25 years Valérie has been at the forefront of the global cosmetics industry and has worked with a vast array of luxury, premium and niche beauty brands and fragrances. With her extensive expertise, commercial acumen and practical experience IL Brand Consultancy has become one of the most sought after management and distribution agencies specialising in global beauty. Recognised for the breadth of business sectors and extensive distribution channels it works with, ILBC's international client portfolio spans both well-established names and newly-emerging brands in hair care, make-up, skincare, fragrance, devices and top-to-toe brands. Valérie's wealth of knowledge in international growth strategies and business development is combined with an inspirational and forward-thinking approach. Through her exceptional insight and understanding of the industry Valérie has helped brands amplify their market reach, elevate their brand presence, improve their business performance and achieve commercial success globally. A further aspect of her business is her skill in brand evaluation, acquisition due diligence, risk assessment and commercial growth which has led Valérie to regularly advise Private Equity Funds, multi-national organizations and financial investors. This capability in combination with her advanced qualifications and proficiency in corporate governance have made her a much-desired Board Advisor and Non-Executive Director. From her CEW mentoring, organisation of the International Manufacturers & Distributors Forum (IMF) and guest lecture programmes, Valérie is a passionate and dynamic advocate of the global beauty industry. Valérie splits her time between her London HQ and her central Paris office as well as managing a satellite network in China.

THE TRUTH ABOUT CARBON NEUTRAL



A beauty buzzword or a true green goal?

First there was 'green' beauty, then we had 'clean' beauty, next came 'plastic free' beauty and now, 'carbon neutral' is the latest trendy term being tossed around by brands trying to prove their environmentally friendly credentials. And who can blame them when the environmentally conscious beauty sector is predicted to have a global market value of £40billion by 2027, according to Statista. However the problem is it's not just sales that are at stake here, the future of our planet is too. And sadly a clever marketing claim isn't the answer to climate change so in an industry often branded as guilty of greenwashing, transparency is more important than ever. Environmental labelling and legislation is hard to understand and even harder to abide by but if the beauty industry is to make positive change that it needs to get to grips with its environmental impact. So, is carbon neutral just another green gimmick or is it a legitimate label to aspire to? Or, is offsetting emissions still not enough for an industry of carbon culprits to make a real difference to tackling climate change? Let's find out... Carbon emissions across the globe have increased exponentially year on year and it is currently estimated that 36billion tonnes* of the stuff is emitted each year. A harmful pollutant, carbon dioxide traps the sun's radiation inside the earth's atmosphere, causing it to heat up thus making it one of the key contributors to global warming. The result of the earth heating up will have a

dramatic impact on our precious ecosystems and water resources which is likely to trigger mass movement of people, as many parts of the globe become uninhabitable. Science lesson over but the homework for the beauty and personal care industry has only just begun.

Across the globe governments, businesses and individuals are looking at ways to cut carbon emissions in an attempt to halt, or at least slow down climate change. This includes ambitious targets such as the EU's climate plan which proposes to cut greenhouse gases by at least 55% by 2030 setting Europe on a responsible path to becoming climate neutral by 2050. If beauty and personal care brands are to avoid being hit with hefty fines for not meeting future sustainability regulations then they too need to adapt their business model in line with global targets.

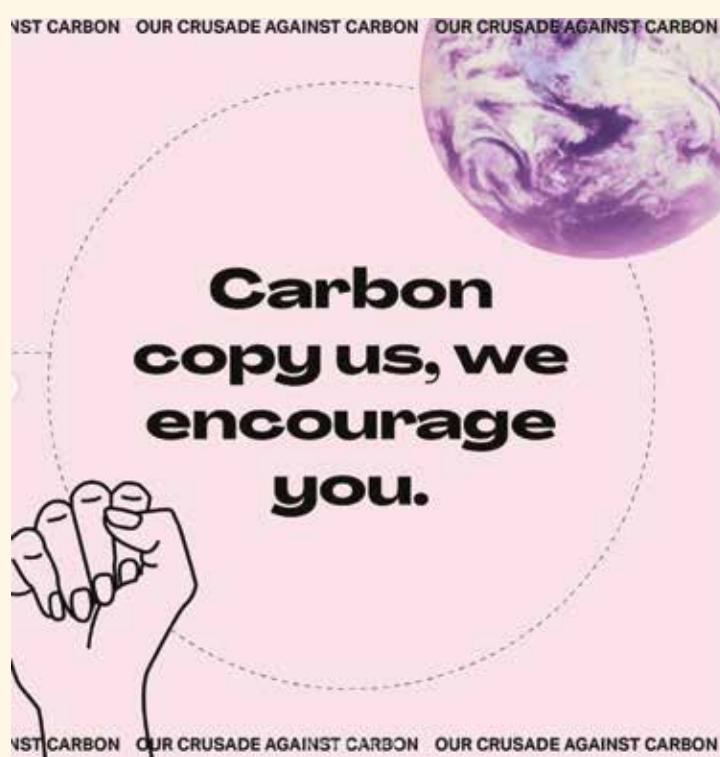
According to the Carbon Trust, a carbon neutral footprint is one where the sum of greenhouse gas produced is offset by natural carbon sinks and or carbon credits. A carbon sink is anything that absorbs more carbon from the atmosphere than it releases, for example a forest, the ocean or soil. And a carbon credit is basically a paid for permit that allows the company that holds it to emit a certain amount of carbon dioxide or greenhouse gases because the credit is put towards a certified climate action project which will reduce, remove or avoid greenhouse gas emissions, say carbon finance consultancy, South Pole. "Lots of people associate carbon credits with planting trees. However, there are lots of different types of projects which can remove or reduce carbon dioxide from the environment.

The cost of the carbon credit is equal to the amount it costs to reduce or remove an equivalent amount (normally 1 tonne, per credit) of carbon from the environment - this means that not all projects are the same cost as different



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types of projects cost more or less to reduce or remove carbon dioxide" says Lisa Sexton, founder of carbon neutral skincare brand Bolt Beauty. This however is where things get a little dicey because effectively any company could become carbon neutral simply by purchasing the same amount of carbon offset credits as carbon it generates, which does not deal with the main issue that too much carbon is being produced. For companies to make a real difference they should strive to reduce emissions, rather than just offset them. A recent global YouGov study revealed that 67% of consumers "would feel more positive about companies that can demonstrate that they are making efforts to reduce the carbon footprint of their products" and this consumer demand for carbon conscious companies coupled with government targets means that beauty and personal care brands have to address their carbon emissions fast, if they want to secure their future - and the future of the planet. Reduction in harm to the planet has become a basic consumer expectation and over the past few years all brands have had to shift to be more planet positive by overhauling their products to be closer to being 100% recyclable, reusable, plastic-free, plant-based and the rest to meet increasingly conscious consumer standards. While the efforts to improve the environmental impact of ingredients and packaging have contributed to declines in carbon footprints and waste, brands need to take even more drastic measures and overhaul every step of the supply chain if they are to truly contribute positively to the climate crisis, and from a sales perspective - keep a competitive market edge. Indeed WGSN commented that "as a brand, becoming carbon-neutral has benefits beyond the climate impact. It's said to increase revenue through market differentiation. Costs can be lowered thanks to reduced entry use, stakeholders become more engaged, and risks related to future regulations are mitigated".



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Reaching carbon neutral status won't happen overnight, a total overhaul of the supply chain is required. Lorraine Dallmeier, biologist, environmentalist, and CEO of Formula Botanica recommends that brands begin by looking at their current carbon footprint and examining the entire lifecycle of a product; this includes the provenance of ingredients, manufacturing processes, what the packaging is made from and how a consumer eventually disposes of a product. A total audit of the supply chain is necessary before estimates of emissions can be made, let alone offset. BYBI is a natural skincare brand which published its 2020 carbon report detailing the results of their 2019-2020 carbon footprint; by reviewing their supply chain they could measure their true carbon footprint and set aggressive annual CO₂ reduction goals, with real life actions to ensure they met them. Indeed, they became a carbon neutral beauty brand at the end of 2020 and now have new targets in place to become carbon negative by 2025. Bolt Beauty, a seaweed based skincare brand, is another example of a brand examining its carbon footprint in order to offset its emissions correctly; "to ensure we are a carbon neutral brand, we are meticulous in measuring our emissions across our business.

While we strive to reduce emissions wherever we can, it is impossible to reduce these to zero. Even lighting in the office has a carbon impact. Therefore, detailed measurements are essential to understand our potential impact on the planet. Once we have calculated our carbon footprint, we purchase the equivalent in Gold Standard Carbon Credits" says founder, Lisa Sexton. Of course, the sustainability of ingredients is yet another side of the 'saving the planet' coin and if brands are to be truly sustainable savvy they will need to ensure that

any natural substances used are part of a regenerative scheme, but that's another story! Startups are taking the lead when it comes to achieving carbon neutral status, either because they have been creating products with a reduction mindset from the get go or they are able to introduce carbon-neutral processes relatively quickly and easily into their supply chain.

The conglomerates who are the real carbon culprits are still having to set long term green goals which they are publicly promising to meet. Cosmetics giant L'Oréal has pledged to reduce its entire greenhouse gas emissions by 50% in ten years and to have all its sites carbon neutral by 2025, Jean-Paul

Agon, Chairman and CEO of L'Oréal, said: "L'Oréal's sustainable revolution is entering a new era. The challenges the planet is facing are unprecedented, and it is essential to accelerate our efforts to preserve a safe operating space for humanity. Beauty and personal care leader Unilever have also joined the fight against carbon committing to net-zero emissions from all their products by 2039. Recognising that transparency is key if carbon cutting promises are to be believed a Unilever spokesperson commented that "to do this, we will set up a system for our suppliers to declare, on each invoice, the carbon footprint of the goods and services provided; and we will create partnerships with other businesses and organisations to standardise data collection, sharing and communication.". While brands big and small across the beauty and personal care sector are indeed making broad efforts to address carbon emissions, the trouble, as always with eco-claims, is proving that they are substantiated. Because carbon

emissions can arise from all parts of the supply chain, from the energy sources used for manufacturing, to the farming of the ingredients, to the transportation methods, to the final packaging, there is scope for interpretation when it comes to companies measuring their own emissions. Molly Hart, founder of carbon neutral lipstick brand HIGHR

recognises the difficulty in ensuring all parts of the supply chain are carbon compliant, saying that even if a brand you're using renewable energy for your formulation process, if the partners in your supply chain aren't "you need to then offset the emissions they generate while working on your business to claim to be genuinely carbon neutral". In the UK for example, although it is mandatory for large businesses to report their energy and carbon emissions on a yearly basis, there is currently no legislation for carbon footprint





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measurement or labelling in the UK, says the Carbon Trust. So, if a brand wants to honestly declare themselves as carbon neutral, third party certification is essential. Brands looking for a trusted carbon emissions assessor can look to The Carbon Trust, which uses PAS 2060, an internationally recognised specification for carbon neutrality or the Gold Standard Certification from the United Nations. A certified label means that a product or band is able to genuinely communicate its sustainability credentials say the Carbon Trust. So, if a brand wants to achieve certified carbon neutrality what does it have to do? Well, the answer is, a lot. "You can start to offset your emissions by purchasing carbon credits certified by The Gold Standard" say BYBI founders Elsie and Dominika. However, this may not be enough to ensure trusted certification, at the Carbon Trust 'products using offsetting as a means of compensation, a commitment to year on year emissions reduction evidenced in a plan demonstrating how the reduction commitments will be met are also necessary to becoming certified.' These reduction commitments could include identifying "key areas of your supply chain and business operations that are carbon culprits and making changes to these areas to see a significant reduction in carbon output for the year," suggest Elsie and Dominika. These changes could include working with manufacturers that run off green energy, reducing air freight by switching to sea transportation instead, ensuring that everyone in the business from distributors through to your staff use electric vehicles or consider setting up local fulfilment in different markets. To be truly carbon neutral requires an immense amount of due diligence and ongoing commitment if a brand is to become certified. But the benefits of reaching carbon neutrality cannot be denied, the Carbon Trust note that reaching carbon neutrality demonstrates a commitment to decarbonisation, proves that as a brand you have true green credentials, helps to differentiate you as

an environmentally responsible brand and allows you to contribute to global decarbonisation efforts through the support of environmental projects, thus aligning your business to the UN Sustainable Development goal of reaching net-zero by 2050.

This brings us on to the next, and more pressing, issue in the fight against carbon. Is aiming for carbon neutrality enough to truly tackle climate change? Well, in short no. For the beauty industry to truly engage with environmental activism it will need to be far more aggressive with its targets than carbon neutrality allows. Brands should "seek

to be carbon negative" say Elsie & Dominika, "meaning as a company you absorb more carbon from the atmosphere than you generate - input processes within your supply chain that are effective at removing enough carbon to begin to balance out the rest of your emissions - this is called carbon sequestering". However, Lisa Sexton notes that "practically speaking, and within the limits of today's technology and lifestyles, this is pretty much impossible to achieve. It's important that we reduce our carbon footprint as much as we can - for example, by using solar powered energy, minimising unnecessary travel, and buying locally sourced produce. However, it is practically impossible to reduce it to nothing." One thing is for certain though, the beauty industry cannot afford to be neutral when it comes to climate change. The planet needs the support of the beauty industry and it is clear that those that embrace the challenge early will reap the benefits.

