CODEX BEAUTY LABS

Chapter: Safety

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1. Cosmetic Labeling

A) HOW TO READ A COSMETIC LABEL

Cosmetic labeling refers to all labels and other written, printed, or graphic matter on or accompanying a product. Labeling is an important aspect to help the consumer make informed choices about cosmetics (of which skincare is a subcategory).

Marketed cosmetic products need to follow labeling regulations; the following information must be included on the container and packaging of the cosmetic product:



- The registered name and address of the company, where the responsible person can be identified. This person is responsible for the product to be safe and in compliance with the cosmetic regulation.
- The country of origin for imported cosmetic products.
- The nominal content given by weight or volume, unless the product is less than 5ml or 5g. The quantity is indicated with the measuring units appropriate for both U.S. and E.U. The 'e' mark is used on a label after the nominal content, to declare that the product has been packed according to the requirements of the European Communities average weight rules (Directive 75/106/EEC and Directive 76/211/EEC).
- The date of minimum durability (shelf life), until which the cosmetic product, stored under appropriate conditions, will continue to fulfill its initial function. The date appears on the packaging preceding the hourglass symbol. For products with minimum durability exceeding 30 months, there shall be an indication of the period after opening (PAO for which the product is safe and can be used without any harm to the consumer). The PAO is indicated with an open jar symbol and the time in months.
- Particular precautions to be observed in use and any special precautionary information if required.
- The batch number of manufacture or the reference for identifying the cosmetic product, that make it possible to trace its manufacturing origins, if any issues occur.
- The function of the cosmetic product, unless clear from its presentation.



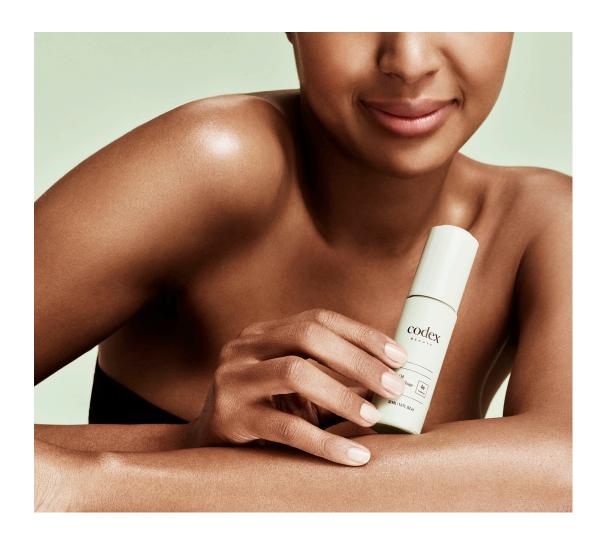


A list of ingredients. This information may be indicated on the outer packaging alone. The list of ingredients shall be listed in descending order of weight of each ingredient at the time it is added to the cosmetic product. Ingredients in concentrations less than 1% may be listed in any order after those in concentrations of more than 1%. Therefore, the ingredients in greatest quantity are listed first.

The ingredients should be listed according to the common ingredient name using the International Nomenclature of Cosmetic Ingredients (INCI) list.



Known allergens should be listed at the end of the INCI list, when present in the finished formula at certain thresholds. These are 26 substances that are listed in APPENDIX I (Annex III of the EU Cosmetic Regulation) and are known for their allergenic potential and are under the regulatory framework because of it. These compounds can be constituents of natural essential oils.

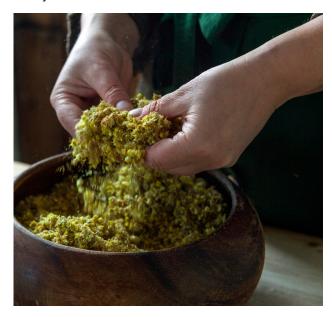




2. Safety and Certifications

3.1 SAFETY

Safety assessment is performed to ensure that a cosmetic product does not cause any undesirable effects or delayed contact allergic reactions, and thus, ensure its safety. The safety assessment includes both non-clinical assessment and clinical studies.



Non-clinical assessment includes a toxicology risk assessment and literature review, where each ingredient included in the final formulation is assessed, to determine any possible adverse risks to the customer's health, such as skin or eye irritation or sensitization. The process involves the review and assessment of toxicological, physico-chemical data, level of purity, impurity rate, type of impurity, stability, quality, and bibliographic data among other factors. All of these criteria are used to make a determination of the risk while taking into account the likely exposure of the target consumer.

After making a preliminary risk assessment according to current standards of toxicology, clinical studies are performed, meaning scientific experiments are performed on human subjects. Human Repeat Insult Patch Test (HRIPT) is a method commonly used in the industry to determine the potential for irritation, sensitization and allergic contact of a product. The test is performed under dermatological control, allowing the laboratory to confirm that repeated applications of the cosmetic product under maximized conditions do not induce delayed contact allergic reactions on the subjects participating in the study.

3.2 CERTIFICATIONS a) EWG



<u>EWG VERIFIED™</u> certification aims to be the gold standard in health and wellness, indicating that verified products are the best for health, based on all of the latest science.

A product that is EWG VERIFIED * is free from the EWG's list of chemicals of concern and meets their strictest standards for health, including the following criteria:

- Products must score a "green" in EWG's Skin Deep® database (EWG's Skin Deep® database provides profiles and ratings for cosmetics and personal care products and their potential hazards and health concerns).
- Products cannot contain any ingredients on EWG's "unacceptable" list, meaning ingredients with health, ecotoxicity and/or contamination concerns.





- Products cannot contain any ingredients on EWG's "restricted" list, which do not meet the restriction set by authoritative bodies and industry institutions.
- Products must follow standard ingredient naming guidelines.
- Products must fully disclose all ingredients on the label, including ingredients used in fragrance.
- Product manufacturers must develop and follow current good manufacturing practices.
- Products must follow the European Union's requirements for labeling fragrance allergens.
- Products must follow the European Union's labeling guidelines for nanomaterials used in cosmetics.
- Product labels must indicate an expiration date or a "period of time after opening."



B) LEAPING BUNNY



The Leaping Bunny lzogo is an internationally recognized symbol guaranteeing consumers that no new animal tests were used in the development of the product displaying it.

Eight national animal protection groups banded together to form the Coalition for Consumer Information on Cosmetics (CCIC). The CCIC promotes a single comprehensive standard and an internationally recognized Leaping Bunny Logo.

The Corporate Standard of Compassion for Animals forms the criteria for CCIC approval. This is a voluntary pledge that companies make to clear animal testing from all stages of product development.

What does 'no new testing' mean? Virtually every ingredient, even water, has been tested on animals in the past. The Leaping Bunny program seeks to prevent future animal testing so companies must agree not to conduct any animal testing after a fixed cut-off date. Our Standard is the only one that guarantees a product to be free of new animal testing. The company's ingredient suppliers make the same pledge and the result is a product guaranteed to be 100 percent free of new animal testing. All Leaping Bunny companies must be open to independent audits, and commitments are renewed on an annual basis.



To achieve approval for its product, a company must comply with the following criteria:

- I. The company does not and shall not conduct, commission, or be a party to animal testing of any cosmetic and/or household products including, without limitation, formulations and ingredients of such products.
- 2. The company does not and shall not purchase any ingredient, formulation, or product from any third party manufacturer or supplier that conducted, commissioned, or had been party to animal testing on said ingredient, formulation, or product after the company's fixed cut-off date. If a formulation, ingredient, or product is found not to comply with the standard, the company will replace it with an alternative that complies with the standard's criteria or remove it from the product range.



- 3.
- a) The company must implement a supplier monitoring system:

Option I. A company must obtain and provide to CCIC declarations of product compliance and declarations of raw material compliance from each of its third party manufacturers and suppliers that said persons or entities comply with the provisions of the standard with respect to the materials supplied to the company. This information will be maintained on file at the company's principal place of business as part of the company's supplier monitoring system.

Option 2. Insert the following language into the company's (and, if applicable, third party manufacturer's) purchase orders for ingredients, formulations and finished products. A sample purchase order must be submitted to the CCIC as proof of compliance.

The language must read as follows:

"The supplier affirms by fulfilling this order that it does not conduct or commission animal testing of any cosmetics and/or household products, including without limitation, ingredients or formulations of such products, supplied to [relevant entity] after [Company's Fixed Cut-off Date]."

Note: Companies are not required to obtain declarations of raw material compliance from suppliers of natural agricultural ingredients.

b) If the company only distributes finished cosmetics and/or household products, the company shall require:



- (1) the third party manufacturer(s) of those products to sign, and submit a copy to the company, the declarations of product compliance confirming that they did not and shall not conduct or commission animal testing on said ingredient, formulation, or product, and further, that the third party manufacturer did not and shall not purchase any ingredient, formulation, or product from suppliers that conducted or commissioned animal testing on said ingredient, formulation, or product after the company's fixed cut-off date; and
- (2) the third party manufacturer(s) of those products to obtain and maintain on file the signed declarations of raw material compliance, which certifies that their supplier(s) and intermediary agent(s) comply with the standard.



4. The company shall not allow animal testing to be performed by or for submission to regulatory agencies in foreign countries. The company shall include language as an addendum to its contracts with any distributor(s) selling the company's products for entry into foreign markets (any country other than United States and Canada). A sample contract addendum must be submitted to the CCIC as proof of compliance.

The language must read as follows:

"The Distributor affirms that it will not conduct, commission, or be a party to animal testing nor allow animal testing to be performed by or for submission to regulatory agencies in order to distribute [Company's] products in foreign markets."



- 5. The company shall submit the application for approval to the CCIC and retain a copy of this document at the company's principal place of business.
- 6. The company shall agree to the following:
- a) Recommit annually; and
- b) CCIC may require a company's supplier monitoring system to be submitted to an independent audit.
- (1) A company demonstrating less than \$10 million in gross annual sales must agree to an independent audit commissioned by the CCIC with an accredited auditing firm.
- (2) A company demonstrating \$10 million or more in gross annual sales shall commission an independent audit with an accredited auditing firm provided by the CCIC.



C) ORGANIC

For an ingredient to be organic, they need to fulfill a set of production standards for growing, storage, processing, packaging, and shipping. Therefore, not all natural ingredients are organic.

To be able to guarantee if the ingredients of a cosmetic product are organic, organic certification from the suppliers is needed.



COSMOS (COSMetic Organic Standard) is a European private standard and is becoming widely known around the world. The COSMOS standard came into force in 2010, when five main organizations involved in organic and natural cosmetics standards came together and developed a single, harmonized standard.

The COSMOS standard applies to cosmetic products that are marketed as organic or natural.

The standard covers all aspects of the sourcing, manufacture, marketing and control of cosmetic products.

- Origin and processing of ingredients describes five categories, their origin requirements and how they may or may not be treated:
- Water must comply with hygienic standards;
- Minerals and ingredients of mineral origin must be of natural origin and may be modified with simple chemical reactions;
- Physically processed agro-ingredients may be plant, animal or microbial origin but no GMOs, no critically endangered species, only products of (not a part of) animals;
- Chemically processed agro-ingredients same as above, and the chemical treatments must respect the principles of green chemistry with the resulting ingredients complying with strict limitations of toxicity and biodegradability;
- Other ingredients a very limited list of preservatives and some other ingredients and petrochemical moieties are temporarily allowed and are reviewed on a regular basis, taking into account availability of acceptable alternatives.

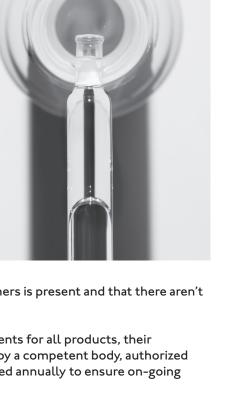


Annexes at the end of the standard give further details of the precise ingredients, treatments, chemical reactions, and other factors that may be used.

- Composition of total product including how to calculate the organic content of complex ingredients (e.g. water-based and other composite ingredients) and how much organic content is required in products under organic certification (specific percentage limits for physically processed agro-ingredients, chemically processed agro-ingredients, and the total product).
- Storage, manufacturing and packaging to ensure adequate cleanliness, hygiene and traceability throughout all processes, and to ensure that packaging respects the environment.
- Environmental management details the requirements for care of the environment throughout the manufacturing process, and managing, minimizing, and recycling waste.
- Labeling and communication defines
 comprehensive requirements for clear
 product labeling and company advertising,
 to ensure that all necessary information for consumers is present and that there aren't
 any misleading claims.
- Inspection, certification and control the requirements for all products, their
 ingredients and their manufacturing to be certified by a competent body, authorized
 by independent accreditation. The process is repeated annually to ensure on-going
 compliance.



Vegan Society certification ensures a 100% Vegan product. Products must pass the following criteria to be eligible for registration. A dedicated and experienced team check each individual product application against the criteria, and query any potential inclusion of animal ingredients, including those not present in the final product. Working with manufacturers, audits for products at high-risk of cross contamination with animal ingredients are carried out to give vegan consumers further reassurance. Registration of each product is renewed annually to ensure information is accurate and up to date.





Animals

The Vegan Society understands the word 'animal' to refer to the entire animal kingdom, that is all vertebrates and all multicellular invertebrates. The word may be used either as a noun or an adjective and to refer to either a species or an individual animal, depending on context. Unless otherwise stated, it usually means non-human animals.

Animal ingredients

The manufacture and/or development of the product, and where applicable its ingredients, must not involve, or have involved, the use of any animal product, by-product or derivative.

Animal testing

The development and/or manufacture of the product, and where applicable its ingredients, must not involve, or have involved, testing of any sort on animals conducted at the initiative of the company or on its behalf, or by parties over whom the company has effective control.

Genetically Modified Organisms

The development and/or production of genetically modified organisms (GMO) must not have involved animal genes or animal-derived substances. Products put forward for registration which contain or may contain any GMOs must be labelled as such.

E) CARBON FOOTPRINT



The Carbon Footprint Standard is an internationally recognized standard that enables business to promote their low carbon credentials, whilst giving their customers confidence that an internationally approved process has been followed and verified against.

The Carbon Footprint Standard – CO2e Assessed can be applied to organisations, products, services and events. It shows that an appropriate assessment methodology has been followed. It will have either been independently assessed by an approved assessor or verified by Carbon Footprint Ltd's team of specialist greenhouse gas emission assessors. To qualify for the Carbon Footprint Standard – CO2e Assessed, the footprint assessment must have been completed against one of the leading internationally recognised methodologies. The Carbon Footprint Standard – CO2e Assessed recognises these standards as being robust methodologies:

For Product and Service Footprinting o BSI's PAS 2050:2011 o ISO 14001:2015 o Greenhouse Gas Protocol Product Standard

F) PEFC



PEFC, The Programme for the Endorsement of Forest Certification, work throughout the entire forest supply chain to promote good practice in the forest perc and to ensure that forest-based products are produced with respect for the highest ecological, social and ethical standards.

PEFC Chain of Custody certification provides independent verified assurance that the certified forest-based material contained in a product originates from sustainably managed forests.



#	Appendix Reference	Substance (INCI)	CAS No	Maximum Authorized Concentration in FP / Labeling indication
1	III/45	Benzyl alcohol	100-51-6	0.001% Leave-on products 0.01% Rinse-off products
2	III/67	Amyl cinnamal	122-40-7	0.001% Leave-on products 0.01% Rinse-off products
3	III/69	Cinnamyl alcohol	104-54-1	0.001% Leave-on products 0.01% Rinse-off products
4	III/70	Citral	5392-40-5	0.001% Leave-on products 0.01% Rinse-off products
	1	Eugenol	97-53-0	0.001% Leave-on products 0.01% Rinse-off products
6	III/72	Hydroxycitronellal	107-75-5	1.0% Max. concentration in FP 0.001% Leave-on products 0.01% Rinse-off products
7	III/73	Isoeuginol	97-54-1	0.02% Max. concentration in FP 0.001% Leave-on products 0.01% Rinse-off products
8	III/74	Amylcin namyl alcohol	101-85-9	0.001% Leave-on products 0.01% Rinse-off products
9	III/75	Benzyl salicylate	118-58-1	0.001% Leave-on products 0.01% Rinse-off products
10	III/76	Cinnamal	104-55-2	0.001% Leave-on products 0.01% Rinse-off products
11	III/77	Coumarin	91-64-5	0.001% Leave-on products 0.01% Rinse-off products
12	III/78	Geraniol	106-24-1	0.001% Leave-on products 0.01% Rinse-off products
13	III/79	Hydroxy- methylentylcyclohexene-carboxaldehyde	31906-04-4	0.001% Leave-on products 0.01% Rinse-off products
14	III/80	Anisyl alcohol	105-13-5	0.001% Leave-on products 0.01% Rinse-off products
15	III/81	Benzyl cinnamate	103-41-3	0.001% Leave-on products 0.01% Rinse-off products
16	III/82	Farnesol	4602-84-0	0.001% Leave-on products 0.01% Rinse-off products
17	III/83	2-(4-tert-Butylbenzyl)propionaldehyde	80-54-6	0.001% Leave-on products 0.01% Rinse-off products
18	III/84	Linalool	78-70-6	0.001% Leave-on products 0.01% Rinse-off products
19	III/85	Benzyl benzoate	120-51-4	0.001% Leave-on products 0.01% Rinse-off products
20	III/86	Citronellol	106-22-9	0.001% Leave-on products 0.01% Rinse-off products
21	III/87	Hexyl cinnam-aldehyde	101-86-0	0.001% Leave-on products 0.01% Rinse-off products
22	III/88	d-Limonene	5989-27-5	0.001% Leave-on products 0.01% Rinse-off products
23	III/89	Methyl 2-octynoate	111-12-6	0.01% Max. concentration in FP 0.001% Leave-on products 0.01% Rinse-off products
24	111/90	3-Methyl-4-(2,6,6-trimethyl-2-cyclohexen-1-yl)-3-buten-2-one	127-51-5	0.001% Leave-on products 0.01% Rinse-off products
25	III/91	Oak moss extract	90028-68-5	0.001% Leave-on products 0.01% Rinse-off products
26	III/92	Treemoss extract	90028-67-4	0.001% Leave-on products 0.01% Rinse-off products

