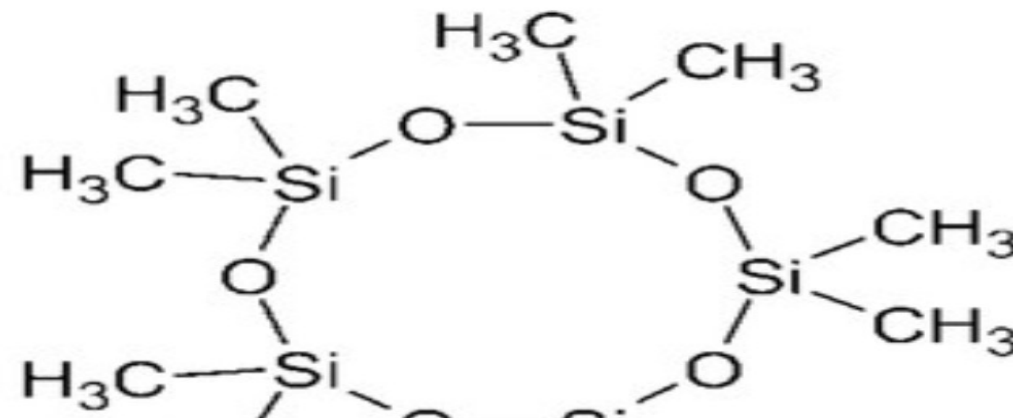
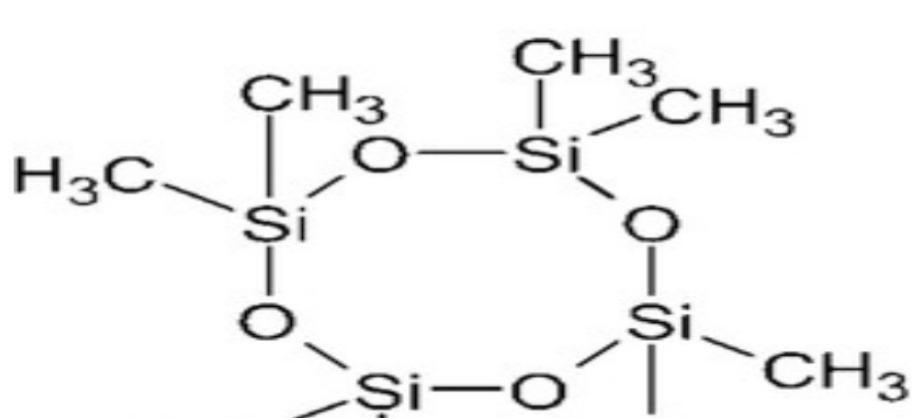
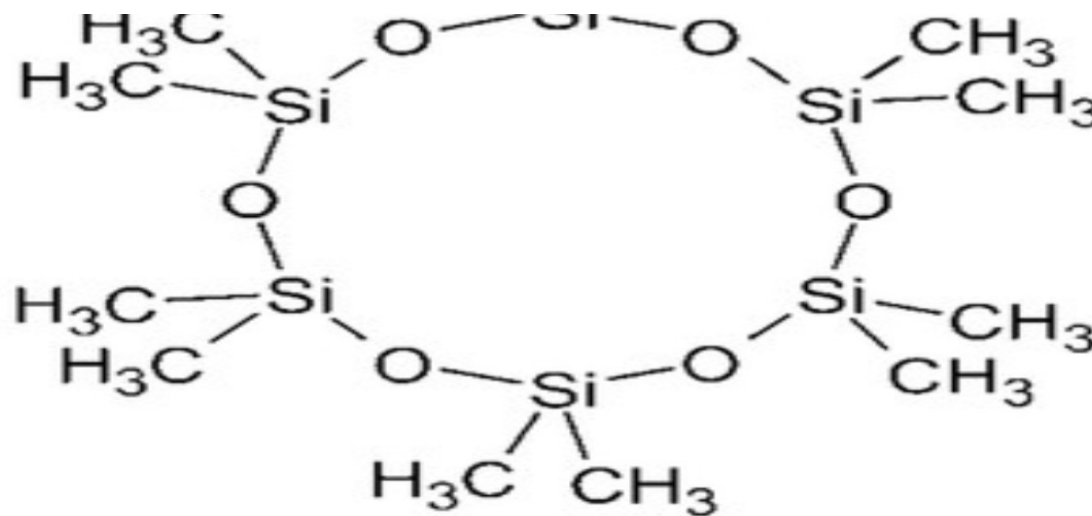




Regulatory Roadmap to Excellence

Cyclosiloxanes D4, D5, D6



Cyclosiloxanes D4, D5, D6

ECHA: Restriction Proposal for D4, D5, D6 (Annex XV Restriction)

Regulatory ECHA REACH:

Current EU legislation D4 banned due to CMR2 classification

& from 31st Jan. 2020: D4 & D5 <0.1% in rinse-off products

2023: awaiting legislation proposal for **D4, D5, D6** <0.1% in leave-on products (& D6 rinse-off) with 5 year transition period. ECHA proposal for Global Stockholm Convention.

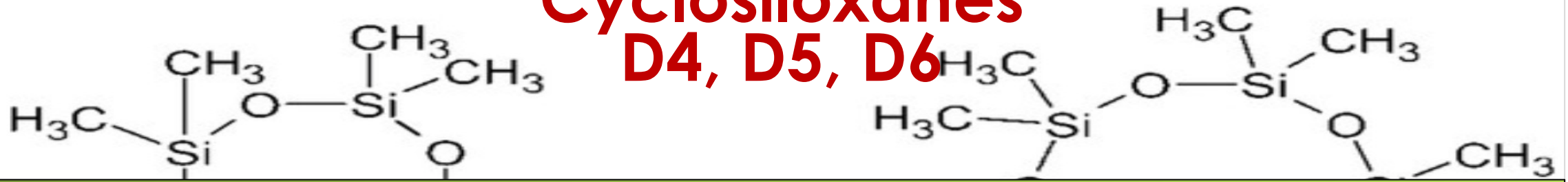
Substances of Very High Concern (SVHC) with Persistent, Bioaccumulative and Toxic (PBT) & very Persistent and very Bio-accumulative (vPvB) properties

Environment: concerns based on their potential to accumulate in the environment and cause effects that are unpredictable in the long-term and are difficult to reverse even when releases cease. D4, D5 and, to a lesser extent, D6, are high tonnage substances.

Challenges

Challenges: D4,D5, D6 potential impurities in silicone polymers & therefore, identification • Reformulation costs significant • Reduction in product performance • Life-for-like alternatives

Cyclosiloxanes D4, D5, D6

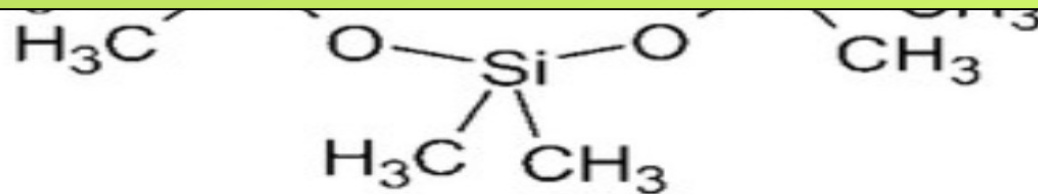


ROADMAP

1. Assess Risk Level of this Proposed Regulation Coming into Force (high – medium – low)

- Regular monitoring of legislation proposal progress *via* Cosmetic Trade Industry Associations, ECHA or Consultants
- Know the timeline map for possible enter-into-force of the legislation & transition periods
 - Assess media attention level and political nature of the issue

DETERMINE RISK LEVEL of THE REGULATION BEING ADOPTED



Cyclosiloxanes D4, D5, D6

ROADMAP

2. Assess Business Impact (high – medium – low)

- Assess your current use of D5 and D6 within all your Company formulations inc. at what %'s
 - Identify % formulations which are not in conformity with the future legislation
 - Out of these, determine % or n° of formulations which are:
 - a) star products - b) solid core business lines – c) those lines which will be discontinued
 - d) those which will be sold by the time the new legislation hits
 - Form here, identify monetary figures for the cost of re-formulations for a) and b)

DETERMINE YOUR BUSINESS IMPACT LEVEL

Cyclosiloxanes D4, D5, D6

ROADMAP

3. Create Your Company Position

DETERMINE YOUR OVERALL BUSINESS RISK LEVEL

What	Overall Risk Level		
Overall RISK:	Low	Medium	HIGH
Company Position:	Keep using D5 & D6 at current Company %'s	Determine your Company position on continuing to use D5 & D6 in certain low risk formulations	STOP using D5 & D6 in new formulations and phase out existing

Cyclosiloxanes D4, D5, D6

ACTION PLANS

4. Define Internal Actions to Ensure Company Compliance

What	Risk Level	
Overall RISK:	Low	Medium
Next Steps:	Keep monitoring legislative evolutions in case of any major changes	Actions depend on level of risk taken for low risk vs high risk formulations

COMMUNICATE COMPANY POSITION TO ALL STAKEHOLDERS

Cyclosiloxanes D4, D5, D6

ACTION PLANS

4. Define Internal Actions to Ensure Company Compliance

What	Risk Level
Overall RISK:	HIGH
Next Steps:	This involves re-formulations and assessing stock already in the market: • Assess FULL legal obligations • Issue a reactive news statement detailing your Position e.g., for press or customer queries • Define a detailed roadmap of all actions needed with timelines Re-formulations: • Determine & research suitable alternatives including costs • Ensure product development briefs are updated to request reformulations without D5 & D6 • Costs and timelines to take into account potential updates to artworks, safety assessments, compatibility, stability studies, registrations, notifications, etc.

COMMUNICATE COMPANY POSITION TO ALL STAKEHOLDERS

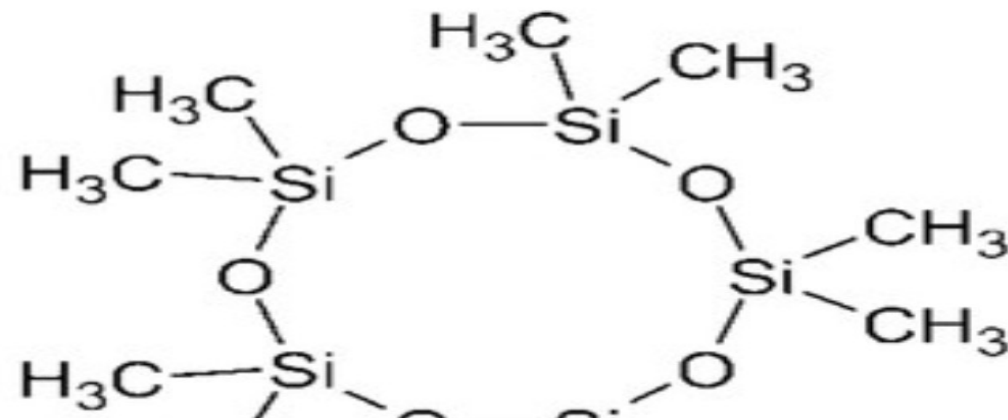
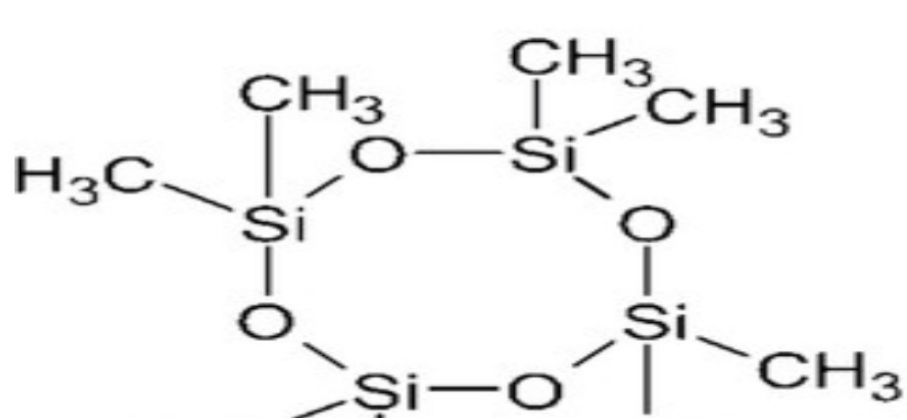
Cyclosiloxanes D4, D5, D6

ACTION PLANS

4. Define Internal Actions to Ensure Company Compliance

What	Risk Level
Overall RISK:	HIGH
Next Steps:	Stock in the Market: • Assess stock levels of high risk formulations in the market • Forecast when the stocks are due to have been sold • Project what to do with redundant stock if still forecast to be available after the legislation “off-market” date • If applicable, assess write-off costs and/or stock logistics etc.

COMMUNICATE COMPANY POSITION TO ALL STAKEHOLDERS



Regulatory Roadmap to Excellence

Cyclosiloxanes D4, D5, D6

