CLARINS FRAGRANCE GROUP AND PUR PROJET: PIONEERS IN ALCOHOL INDUSTRY INSETTING*

The benefits of agroforestry serve the sustainable production of alcohol for perfume

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MUGLER and AZZARO perfumes (Clarins Fragrance Group) commit alongside PUR Projet to an innovative and integrated approach that directly stimulates their perfume alcohol suppliers to generate a positive impact on the agricultural ecosystem.

"Luxury according to the Clarins Fragrance Group is based on a bold, long-term vision of the world, where appreciating the wonders of everyday life and transmitting them to future generations go hand in hand. This luxury is resolutely committed to the planet, without compromising on the role that emotion and dreams play in our creations. This pioneering project fits perfectly with our ongoing commitment."

Sandrine Groslier, President of Clarins Fragrance Group

"With PUR Projet, we contribute to restore diversity into crops in a way that benefits farmers and their ecosystems. We assist around 10,000 small agricultural producers in more than 30 countries who are concerned with implementing this transition. [...] An ever-increasing number of companies are becoming aware of the importance of this strategy and want to encourage the evolution of agricultural models, namely to reduce their environmental footprint and support the changeover of their suppliers to more sustainable and effective models. In this way, they commit to a progressive approach."

Tristan Lecomte, founder of PUR Projet

*Insetting represents a vision shared by a growing number of organizations regarding how companies can balance their relationship with the environment upon which we all depend. By engaging in integrated socio-economic and environmental projects, within their supply chains, these organizations are moving to secure the development of a more sustainable future.

Insetting aims to enhance the competitiveness of a company by regenerating and conserving the ecosystems and resources required to support their supply chains. It consists of internally offsetting the negative social and environmental impacts associated with their business (climate, water, biodiversity, soils, social...).
Agroforestry for the alcohol industry, a pioneering approach

Supported by PUR Projet, the MUGLER and AZZARO brands (Clarins Fragrance Group) have initiated a pilot project with an unprecedented approach that combines agroforestry with growing the sugar beets used to produce perfume alcohol.

Closeup on agroforestry

Agroforestry is the smart, long-term integration of trees and bushes in farming systems, by combining them with perennial crops or breeding systems. It combines together agronomic and socio-environmental innovation for a better understanding and use of biodiversity. Agroforestry applies to agriculture certain operating principles found in natural ecosystems that have proven to be highly resilient, to improve the tapping, confinement and recycling of resources. This observation is particularly valid in the context of confirmed climate change and more extreme weather. Trees are planted to supply a number of free-of-charge, natural services that improve the quality of yield and make crop production more resistant to disruptions.

Agroforestry and smart integration

When combined, different agroforestry models can allow optimizing ecosystem benefits to crops. Trees can be planted in the perimeter of fields, intercropped or at landscape level.

7 benefits from planting trees in the agricultural environment

1. **Preserve and regenerate biodiversity** by reinforcing the presence of pollinating insects and secondary crops.
2. **Help farmers adapt to climate change**: trees protect crops and livestock from extreme weather phenomena (heavy rain, storms and drought).
3. **Naturally enrich the soil**: addition of organic matter and nitrogen for leguminous plants, aeration of the soil with roots and the presence of micro-fauna for the production of clay-humic compounds.
4. **Preserve and regulate water resources** by facilitating water infiltration into the ground.
5. **Diversity farm income** through the planting of fruit and medicinal trees and the production of wood.
6. **Enhance the landscape** and contribute to the beauty and resilience of watersheds.
7. **Capture carbon dioxide** to combat climate change.

An ambitious, integrated approach

The idea is to reinforce biodiversity in the agro-ecosystem to generate more resilient growth of the sugar beets that provide the alcohol used in perfume.

The goal is to inspire a change in practices to promote high performance concerning ecosystems throughout the industry and to adapt alcohol production to increasingly stringent environmental demands.
Tailored development for multiple benefits

The feasibility study coordinated by PUR Projet in February 2016 made it possible to analyze a pilot plot of land located in the Aisne department and to identify specific issues.

Complete agroforestry development

The site is a 12.5-hectare plot with:

- Surrounding the plot, a double windbreak hedge composed of some twenty varieties of trees that were planted to protect crops from wind and storms;
- Inside the plot, lines of trees and bushes every thirty meters;
- At the foot of the intra-plot lines, strips of grass and wildflowers to boost the development of biodiversity.

The different tree varieties were chosen locally according to their biodiversity benefits and to meet the needs of soils and crops, including sugar beets, that will be rotated on the plot. Current weather data and trends were also taken into consideration.

In December 2016, nearly 2,200 trees were planted, including whitebeams, alders, cherry trees, hornbeams, service trees, dogwoods, maples, spindles, hazel trees, oaks, wild cherry trees, pear trees, plum trees, cherry plum trees, elderberry trees, lime trees and privets. These plantings represent about 7% of non-tillable plot surface.

Sugar beets were planted in late March 2017 and will be harvested in October. Since sugar beet seeds are very small and have limited reserves, this crop is very sensitive to soil capping, a term that describes soil that tends to break down under the mechanical action of raindrops and form a crust over the ground. This is one of the manifestations of soil regression and degradation, an issue that responds very favorably to agroforestry.

Other initiatives are planned, such as the installation of fifty perches for birds of prey, that will allow a natural regulation of rodents on the plot.

Optimizing short- and long-term benefits

This system enables optimizing ecosystem services for crops. In priority, it tends to:

- Reinforce the green belt and ecological corridors by increasing the biodiversity reservoir;
- Combat erosion and runoff that affect the plot and limit agricultural yield.

Other benefits will appear in the near and long term. An extended flowering season will ensure continued resources for bees, natural organic matter will fertilize the soil, new habitats will be created for local animals, and trees and flowers will add beauty to the landscape.
Working together to innovate

This project is the result of an encounter among various stakeholders who are united in their convictions, their enthusiasm and their motivation to “make things move forward”.

- Céline Corpel, agronomist and committed farmer at Remicourt Farm, located at Amifontaine, between Laon and Reims

Since taking over the family farm, Céline Corpel has looked for ways to reduce the environmental imprint of her agricultural practices. Her strategy aims to combine economic profitability and environmental sustainability through practices that provide optimal respect of the soil and ecosystems.

“By nature, our production system is based on annual crops and is sensitive to weather conditions. But for several years now, we have very concretely experienced seasons that are particularly disrupted. In addition, we work with fragile soils that are sensitive to drying and that must be protected and improved if we want to continue producing sustainably. […] I’d like to experiment with a pilot plot and am convinced that it’s a solution that can ensure the sustainability of the farm for the mid and long term. It’s a natural and independent way to make the land more resilient. A long, long time ago, trees were what enabled the genesis of fertile soil. The idea is to reintroduce them into the landscape in an organized way that is compatible with modern agriculture.”

- Since it was founded, Clarins Fragrance Group has given preference to suppliers who are committed to sustainable development and has undertaken several eco-responsible development projects, including a certain number of initiatives with PUR Projet.

Since 1992, the MUGLER brand has made eco-responsibility accessible to everyone by creating the MUGLER Source, which makes it possible to refill brand fragrance bottles at the point of sales. The AZZARO brand is a partner in the Under The Pole expedition that explores the undersea world and its diversity, the better to preserve it, while bearing witness to climate change and its challenges. Along with PUR Projet, the MUGLER forest* helps with the safeguarding and deployment of the natural treasures of an exceptional plant and animal reserve in northern Peru and assists the Santa Rosa Botanical Garden in promoting the local medicinal, floral and aromatic plants.

Since 2011, Clarins Fragrance Group has taken part in several community programs run by PUR Project, including soil depollution and the development of agroforestry gardens in northeast China, participation in the Dhamma Rakhsa (meaning “nature is a remedy”) reforestation project in Thailand and reforestation and support of indigenous community traditions in the Brazilian Amazon.

The expertise and trust developed by Clarins Fragrance Group with respect to the environmental, social and economic benefits generated by these projects now open the way to a new commitment phase through the initiation of an Insetting approach in suppliers of the perfume alcohol industry.

- PUR Projet supports companies in the implementation of Insetting

Since 2008, PUR Projet develops projects with a positive social and environmental impact among suppliers or within the spheres of company influence that also help provide support and reinforcement for local communities. Known as "Insetting," this approach aims to reinforce
a company's long-term competitiveness by regenerating and preserving the ecosystems and resources its activities depend on.

In contrast to traditional compensation, which is not correlated to company activities, Insetting rewards impact tied to sustainable development (social, climate, water, biodiversity, soil, etc.) inside the value chain, which allows reconciling with ecosystems and creating shared value for all participants. This breakthrough innovation contributes to making sustainable development the norm, instead of a niche market.

Reforestation, agroforestry and forest conservation managed locally by communities enable generating the economic, social and environmental benefits correlating to this approach.

The key participants in this forward-looking project share their strengths and skills to continue the experience, develop it and propagate it to other plots in the future. As Christian Courtin-Clarins, President of the Group's Supervisory Board, has always said: "Biodiversity is life. Protecting it gives meaning to our lives."
Céline Corpel, on one of the main growing plots:
Plot chosen for the project, September 2016:
Planting of the double windbreak hedge, December 2016:

Detail of the planting of an inter-plot line within a green fertilizer area, which consists of an intermediate rapid-growth crop designed to improve soil cultivation, December 2016:
Overview of the planting of inter-plot lines, December 2016:

Sowing of sugar beets, March 2017:
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ABOUT CELINE CORPEL

An agronomic engineer who has been aware of the goals of sustainable development and the management of shared goods since her early training, Céline Corpel started as a consultant on environmental and agricultural issues.

In 2004, guided by a desire to undertake and act, she decided to take over the family farm at Amifontaine in the Aisne department. It is a cereal farm that is typical of the region, where wheat, barley, rapeseed, alfalfa, sugar beets, hemp and peas are grown. Her great-grandfather and grandfather also raised a large flock of sheep there. On roughly 200 hectares, with an employee who is also motivated by agro-ecological innovation, she implements integral crop protection and agricultural conservation, with less working of the soil and the use of plant covers. Part of the farm uses organic agriculture methods. Long-term ecological installations (hedges, grassy strips) have also been planted on farm territory.

Inspired by biomimetics and permaculture concepts and aware of the limits of the regional agricultural model, Céline Corpel has been interested in agroforestry for a number of years. In the pedoclimatic* context she works in, she sees it as the most natural and most independent way possible to create a sustainable and resilient agro-ecosystem.

She is happy to have found solid, committed partners to help carry out these plantations and is writing a new page in the history of Remicourt Farm with them.

*Relating to the soil climate
ABOUT CLARINS FRAGRANCE GROUP AND MUGLER

« The mission of CLARINS FRAGRANCE GROUP goes beyond the creation of spectacular products. Our raison d'être is to engage consumers’ interest with fabulous stories, surprising designs and innovative fragrances. Our mission is to: EXCEL, ENTERTAIN, ENGAGE. » Sandrine GROSLIER, President of Clarins Fragrance Group

Founded in 1954 by Jacques Courtin-Clarins, Clarins has been the European leader in luxury skin care for over 25 years. In 1991, the brand diversified its portfolio by launching its first makeup line. In 1992, it launched the now iconic perfume Angel by Thierry Mugler and purchased Azzaro Perfumes in 1995.

The group's perfume business is now combined within Clarins Fragrance Group (CFG) chaired by Sandrine Groslier. Its portfolio includes two fully owned brands, MUGLER perfumes, ready-to-wear and small leather goods and AZZARO perfumes, as well as the distribution of other selective fragrance brands in Europe, Canada and the United States.

Today CFG is a major player in selective perfumery: its fragrances Angel, Alien, Azzaro Pour Homme and Chrome feature among the best worldwide sales. Creator of inspired perfumes, Clarins Fragrance Group stands out by its high standards, its visionary spirit, its creativity and its exclusive relationship with its loyal customers.

MUGLER FRAGRANCES

« The MUGLER brand’s ambition is to BECOME THE MOST ADDICTIVE FASHION AND FRAGRANCE BRAND. We offer our consumers a genuine relationship, innovative services, bold sustainable products, and unique showcases that delight and magnetize their senses. Mugler, Trouble Maker, Sculptor of fantasies. »

Today, the Mugler brand rivals with the most prestigious fragrance brands and is available in over 14,000 retailers, spread across 122 countries on 5 continents. The brand owes its success to a powerful combination of expertise, audacity and boundless creativity, as well as to its exclusive relationship with its devoted followers. In 1992, Thierry Mugler created Angel, an innovative perfume with gourmand notes in an unforgettable star-shaped bottle, which ranks among the top 10 best-selling women’s fragrances in the world today. The perfume’s success marked the beginning of a whole saga which gave rise to other brand pillars like A*Men created in 1996, Alien, launched in 2005, Womanity in 2010 and Angel Muse in 2016.

AZZARO FRAGRANCES

“ Azzaro is a brand that celebrates Life. A brand with a passion that encourages men and women to defy destiny, take their chances and attract desire. ”

Sold throughout the world in 19 000 upscale retail venues, Azzaro Parfums, synonymous with exuberance, escapism and seduction, owes its success to the exceptional Mediterranean legacy passed down by its creator, Loris Azzaro, and its powerful values of solarity, sharing, freedom and hedonism that have stood the test of time.

Passionate about perfume, Loris was intent on creating real “weapons of seduction”. He entered the fray in 1975 with his very first fragrance: ‘Azzaro’, a feminine scent with astonishing chypre notes that would go on to be reinterpreted as ‘Azzaro Couture’ in 2008.

Today, Azzaro’s reputation continues to live through his men’s fragrances. In 1978, he launched the worldwide highly successful ‘Azzaro Pour Homme’, a unique fragrance with the iconic fougère accord. It marked the beginning of a saga that led to the birth of a second great men’s fragrance, ‘Chrome’ in 1996. In 2016, Azzaro Wanted was launched, and is well set to become the brand’s third pillar.
ABOUT PUR PROJET

PUR Projet was created by Tristan Lecomte, the founder of Alter Eco, a pioneering fair trade company in France. Following visits to small producer cooperatives in emerging countries, he noted the negative impacts of climate change and excessive deforestation on crops.

Environmentally conscious and concerned about human beings, he encouraged producers to plant trees to replenish the fertility of their soils, restore lost biodiversity and participate in the fight against climate change that severely affected them.

Stopping deforestation is a worldwide challenge caused mainly by non-sustainable agricultural practices that deteriorate natural ecosystems. Since the start of the twentieth century, the planet has lost 20% of its forests. "If we don't stop deforestation, it will wipe out 80% of the efforts made to reduce global warning." - Joseph Stiglitz.

The development of Insetting projects with committed companies is the most effective way to ensure the conservation and resilience of ecosystems and can even bring about the regeneration of the systems that have suffered the greatest damage. The core of this approach is the creation of shared value, made possible by trees and agroforestry.

Led by Tristan Lecomte, PUR Projet is now working on more than 40 projects on five continents with nearly 10,000 small farmers and 150 partner companies.

It is a social undertaking that supports both:

- **Companies** in their commitment to reducing and compensating their environmental footprint through their contribution to agroforestry projects that are pertinent for all participants, as well as in their thinking on how to improve operations, processes and activities in a way that reduces impact upstream and makes them sustainable for the planet.

- **Local communities** and their often visionary farmers, who are on the front line of environmental, social and economic concerns about the deterioration of ecosystems but lack the means to meet these challenges. They are the ones who design and manage the projects through a cooperative approach and knowledge sharing. PUR Projet intervenes to support, track and evaluate their projects.

To do this, PUR Projet has developed a rigorous methodology through PUR Lab, which collaborates with a worldwide network of contributors, universities, research institutes and experts to develop high-level protocols. This approach makes it possible to identify, measure and evaluate services provided by community agroforestry projects (environmental, social, for companies) and meet today's challenges with effective solutions.