

ANNUAL REPORT



The International Natural and Organic Cosmetics
Association

2020

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FOREWORD

by Dr. Bernhard Irrgang

Dear NATRUE friend.

2020 has posed many challenges to people, our planet and all industries. The covid-19 pandemic has made us rethink and readapt our lives and work, as well as reflect upon our consumption habits and our relationship with nature. Today we are more aware than ever of the importance of using natural resources in a sustainable and responsible way to protect the environment and biodiversity, and to preserve them for future generations.

Since its creation in 2008, the NATRUE Label has encouraged producers to develop cosmetic products that do not only reflect "natural" and "organic" qualities at formulation level, but that also go the extra mile to be sustainable and respectful with the environment. From the extraction and process of the raw materials whose extracts are used in the product to its after-use impact and packaging, the NATRUE Standard sets rigorous requirements that ensure a holistic approach of the qualities that all natural and organic cosmetics should represent.

As the natural and organic cosmetic sector grows, so does the threat of greenwashing and misleading claims. Being the voice of the sector since its creation in 2007, NATRUE works incessantly to defend the interests of the natural and organic cosmetic sector through its advocacy work. Working handin-hand with NATRUE Members and Label Users, NATRUE regularly participates in consultations on ingredient regulation at the European institutions to ensure better regulation for the ingredients used in the formulation of natural and organic cosmetics. Product development and innovation are also promoted by NATRUE's Raw Materials Scheme, which supports the formulation of NATRUE certified products allowing raw materials to be certified or approved with the NATRUE Label.

NATRUE addresses challenges and opportunities in the natural and organic cosmetic sector through its work as a member, sponsor and partner of diverse organisations, such as the RSPO, the Information Network of Departments of Dermatology or the British Beauty Council. Through its participation in EU-funded industry consortium initiatives, such as URBIOFIN, NATRUE works hard to raise the profile of the natural and organic cosmetic sector as a key player for a more sustainable and circular economy.

In an increasingly competitive and complex market, the NATRUE Label is trusted by over 300 brands from countries all over the world for the certification of their cosmetics. The engagement and trust of producers has recently translated into more than 7000 NATRUE certified products available in the market worldwide. As the NATRUE family grows, we look forward to keeping working together to overcome the challenges in our sector and embrace the opportunities to deliver products good for the people and the planet.

All the best and stay healthy,

Dr. Bernhard Irrgang President of NATRUE



NATRUE IN A NUTSHELL

NATRUE, the International Natural and Organic Cosmetics Association, was created in 2007 by the pioneers and largest producers of natural and organic cosmetics in Europe:
Weleda, WALA, Laverana, PRIMAVERA, LOGOCOS and CEP. For more than 13 years, NATRUE has worked for better regulation in the natural and organic cosmetics sector.

Strategic pillars of NATRUE



OUR VISION

To be the voice of natural and organic cosmetic producers and manufacturers of natural and organic cosmetics in Europe.



OUR MISSION

To protect and promote natural and organic cosmetics to the benefit of consumers worldwide.



Develop and promote rigorous and demanding criteria for the formulation of natural and organic cosmetics.



Promote the NATRUE Label as a visual reference that helps consumers identify natural and organic cosmetics that represent the qualities of "natural" and "organic" in an authentic way.



Participate in EU regulatory decision-making processes to ensure the availability and protection of raw materials used in the formulation of natural and organic cosmetics.



Advocate for a strict and harmonised definition for "natural" and "organic" claims linked to cosmetic products.



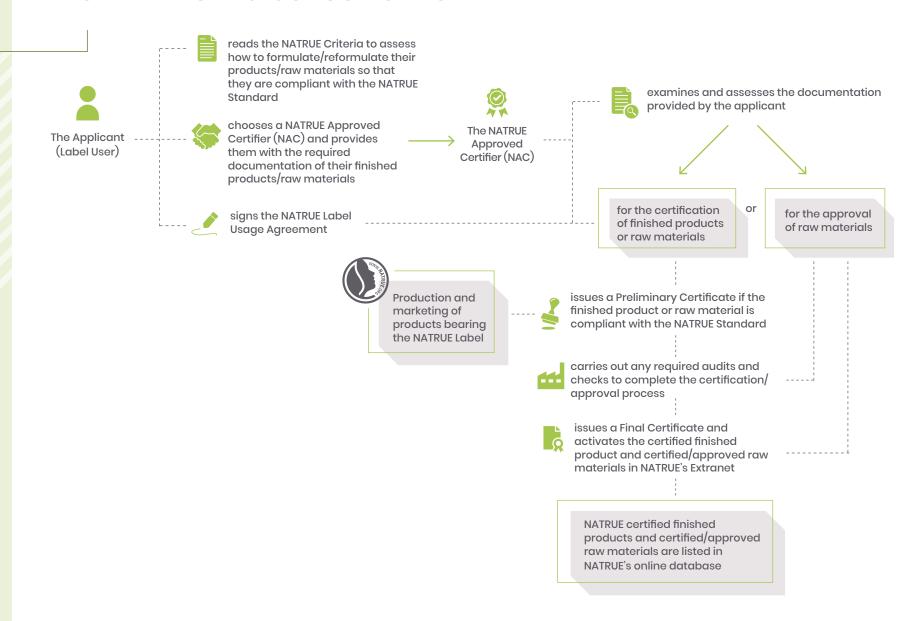
Support transparency and clarity in product information to guide consumers in their purchase decisions.



Integrate new sustainabilityfocused criteria in the NATRUE Standard at formulation and packaging levels.

The association **Board of Directors WELEDA** WALA LAVERANA **PRIMAVERA** Director General Political/Regulatory/Scientific Staff Office Management Staff Communication and Label Staff Public Affair & Regulatory INTERNAL **NATRUE** Internal Communication and Scientific Working **Working Groups** Working Group (CWG) Group (PRWG) INDEPENDENT INDEPENDENT **NATRUE** Independent NATRUE Scientific NATRUE Approved **Advisory Bodies and** Committee Criteria & Certifiers Certifiers Label INDEPENDENT Packaging Working Group

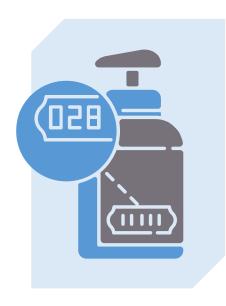
The NATRUE label scheme





ADVOCACY AND RESEARCH

NATRUE participates in and contributes to relevant regulatory decision-making bodies at European and international level. Through its key contribution to working groups, consultations and research projects, NATRUE provides expertise to advocate for the natural and organic cosmetic sector, addressing both challenges and opportunities.



Fragrance allergens

NATRUE actively contributed to an impact assessment study carried out by the European Commission in February 2020 to explore the possibilities and impact of labelling 62 additional fragrance ingredients. Currently only 26 fragrance allergens are subject to individual labelling according to Annex III of the Cosmetics Regulation. If the list of fragrance allergens is increased to a total of 88 ingredients, including this information on-pack might be extremely difficult for producers. The policy options for labelling currently reviewed by the European Commission include on-pack and electronic labelling such as websites and QR codes.

Digital labelling

Since 2019, NATRUE has worked closely with diverse EU associations from various sectors to raise awareness, increase coordination and promote digital labelling in EU legislation to support product information and assist in-market control authorities. Through its online product database, NATRUE already offers producers and consumers a platform to access detailed information about the characteristics, ingredients and use of NATRUE certified products.

Nanomaterials



The release of the EU Commission's First Annual Status Report on Nanomaterials in Cosmetics and First Review of the

Provisions Concerning Nanomaterials is expected to be published in 2021.

Consultations related to both horizontal legislation in the area of nanomaterials and as part of the EU Cosmetic Regulation, to which NATRUE will provide feedback, are expected.

Evaluation of Endocrine Disrupting Chemicals (EDCs)

In 2019, the European Commission published a list of 14 substances prioritised for evaluation for potential endocrine-disrupting concerns. From this list, substances present in extracts or other complex mixtures used in natural and organic cosmetics include Benzyl salicylate, Daidzein and Genistein. NATRUE has worked jointly with UNITIS (the European Organization of Cosmetic Ingredients Industries and Services) and Cosmetics Europe on the substances Genistein and Daidzein, which occur naturally together in many plant varieties. NATRUE has also joined the consortium established by IFRA (the International Fragrance Association) to protect the fragrance ingredient Benzyl Salicylate. NATRUE did contribute to the targeted stakeholder consultation in the context of the Fitness Check on endocrine disruptors to assess whether relevant EU legislation on EDCs delivers its overall objective to protect human health and the environment by minimising exposure to these substances.

EU Borderline Manual Update

NATRUE has actively contributed to the further development and update of the Borderline products manual on the scope of application of the Cosmetics Regulation with its input concerning four new entries added in 2020: nail care, massage products, essential oils and cosmetic kits. The objective of this Manual is to support producers when assessing whether a particular product falls under the scope of the cosmetics regulation or under another legislation. The classification of borderline products is taken on a case-by-case basis.

NATRUE provided feedback to a survey carried out by the European Commission in early 2020 to support transparency and clear claims regarding leave-on hydroalcoholic hand gels. In November 2020, a technical document was published to complement both the existing Borderline Manual and a guidance document on the applicable legislation for leave-on hand cleaners and hand disinfectants from March 2020 to provide further orientation to producers about the claims considered misleading when used on hand gels marketed as cosmetic products.

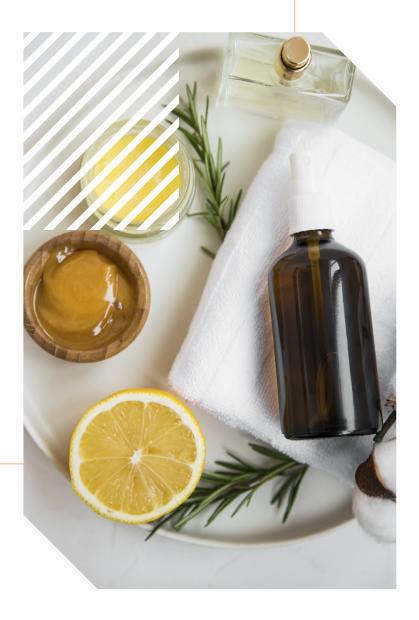


Green Claims and Consumer Protection

As part of the EU Green Deal, NATRUE has contributed to targeted and public consultations and participated in stakeholder workshops from two EU Commission initiatives (green claims substantiation and empowering consumers). The objective of these initiatives, expected to be adopted in 2021, is to reduce 'greenwashing' and increase consumer confidence in green labels and sustainability information across the EU. NATRUE expects to be closely involved in the Chemicals Strategy for Sustainability as it further develops into 2021.

INTER-ASSOCIATION WORK

In its role as a member, sponsor and partner of international organisations and bodies that contribute to the protection of cosmetic ingredients and products, NATRUE tackles issues of common concern and works with key stakeholders to share its fundamental belief in the protection of nature and biodiversity, as well as the preservation of the Earth's precious natural resources.





NATRUE is part of the Affiliate Board of the British Beauty Council

NATRUE joined the Affiliate Board of the British Beauty Council in October 2020. The British Beauty Council is a British organisation whose mission is to ensure that the beauty industry is recognised and valued. To this end, it works with the beauty industry, the British government and other actors to drive excellence and growth across the industry. Through its participation in the Affiliate Board of the British Beauty Council, NATRUE provides valuable input to help shape the British beauty industry and contributes to guide its work to represent it at government, corporate and public level.

NATRUE's membership to the URBIOFIN project

Since 2017, NATRUE is a partner of the EU-funded industry consortium initiative URBIOFIN. This project aims to transform the organic part of municipal solid waste into biobased products, including product packaging, in order to move towards a more sustainable bioeconomy.

NATRUE member companies Weleda and WALA received in 2020 samples of different packaging formulations made with commercial materials and are now ready to do preliminary tests. NATRUE members will observe visual parameters of the interaction between the packaging and different face creams, taking samples at predetermined time points under different environmental conditions. After the preliminary tests, companies will send their results back to NATRUE's URBIOFIN project partner, who will make packaging pots from the packaging formulations that perform best.

NATRUE is a sponsor of the Information Network of Departments of Dermatology (IVDK)

NATRUE became a sponsor of the Information Network of Departments of Dermatology (IVDK) in May 2020. Working jointly with 56 skin clinics in Germany, Switzerland and Austria, the IVDK records, analyses and generates data and information necessary for the prevention of contact allergies. In their role of sponsor, NATRUE works with IVDK to promote ingredient protection based on clinical data, particularly of natural fragrances compounds such as essential oils.

NATRUE is a partner of the Consumer Information Programme by One Planet Network

In November 2019, NATRUE became partner of the Consumer Information Programme (CI-SCP) of the One Planet Network. This programme implements and supports projects, undertakes research and identifies and encourages policies and collaboration opportunities for stakeholders looking to engage and assist consumers in sustainable consumption. The CI-SCP is led by the Environment Ministries of Germany and Indonesia, as well as the NGO Consumers International.

NATRUE is a member of the Roundtable on Sustainable Palm Oil (RSPO)

NATRUE became a member of RSPO in February 2020 (License number: 8-0239-20-100-00). NATRUE supports a sustainable approach for the cultivation, production and extraction of natural raw materials used in the formulation of cosmetic products. As member of RSPO, NATRUE is updated on the progress made to preserve palm oil resources, hence contributing to raising awareness of the importance of looking into more sustainable alternatives for ingredients broadly used in diverse industries, such as palm oil. As part of its commitment to sustainability and responsible sourcing, from 1st January 2021 on, the NATRUE Standard version 3.9 includes requirements for the use of certified sustainable palm oil in the formulation of cosmetics carrying the NATRUE Label.



LABEL



Since 2008, the NATRUE
Label has developed,
grown and expanded
across Europe and
worldwide, consolidating
its position in the sector
as an international
benchmark for authentic
natural and organic
cosmetic producers
both for producers and
consumers.

NATRUE's updated Raw Materials Scheme

At the beginning of 2020, NATRUE implemented a new option in its Raw Materials Scheme to further facilitate and promote the formulation of NATRUE certified finished products. Raw material producers can now submit their products to certification or approval depending on the characteristics of the raw materials aiming to benefit from the use of the NATRUE Label.

NATRUE's certifiers network grows: OF&G is a NATRUE Approved Certifier

In May 2020, the British certification body OF&G joined the list of NATRUE Approved Certifiers. OF&G currently offers their certification services to the NATRUE Label in United Kingdom and Ireland. OF&G is actively involved in the promotion and development of organic and natural products, and they currently certify around a third of the overall UK organic food sector.

Raw material assessment under NATRUE's Scheme

Non-organic raw materials

Approval is needed but only a documentation check will be necessary.

Organic raw materials not falling under the scope of a Regulation or Standard listed in the IFOAM Family of Standards

Certification is mandatory (these raw materials cannot be approved).

Organic raw materials falling under the scope of a Regulation or Standard listed in the IFOAM Family of Standards without further processing

Default acceptance of organic quality (no need for approval).

Organic raw materials falling under the scope of a Regulation or Standard listed in the IFOAM Family of Standards with further processing

Α

If the processing remains in-scope, then the organic quality is accepted and approval is not needed.

В

If the processing falls out of scope, approval is needed. A documentation check plus an on-site inspection in the first year of approval will also be necessary.

NATRUE's Standard - Version 3.9: what's new?

More sustainable raw materials: requirements for certified palm oil

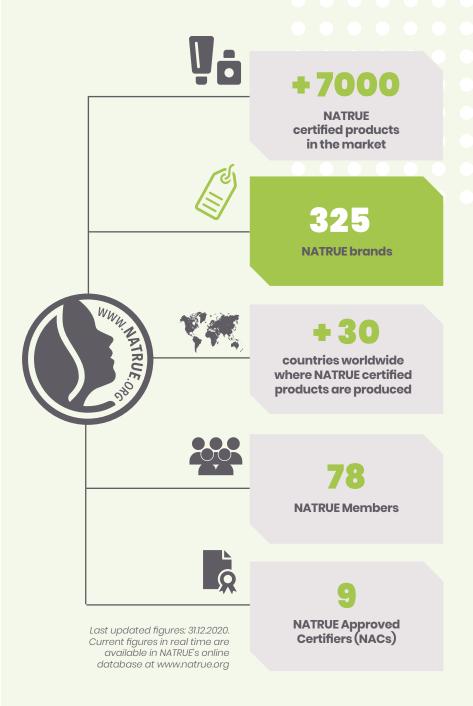
Wherever possible and available, NATRUE requires that natural or derived natural raw materials from palm oil and palm kernel oil come from RSPO or other certified sustainable supply chains and mass balance (MB) quality as a minimum requirement, and ideally Segregated and Identity Preserved qualities.

Simplification and innovation

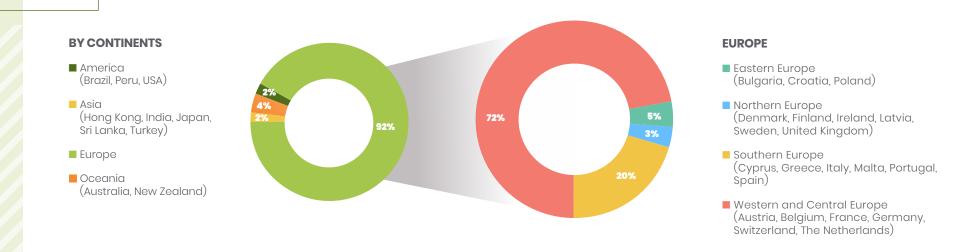
To ease and enhance consumers informed decision-making, NATRUE has decided to simplify its three certification levels to two: natural or organic. Hand-in-hand with this decision, NATRUE has introduced adaptations to update the formulation requirements in its standard to support innovative product development and transparent product claims in line with consumer expectations.

The latest update of the NATRUE Standard enhances the capacity of producers to develop natural and organic cosmetics in line with the principles of green chemistry. In order to support a sustainable approach across the whole production process, NATRUE has incorporated in its Standard additional requirements to ensure that respect for people, the environment and biodiversity are properly addressed.

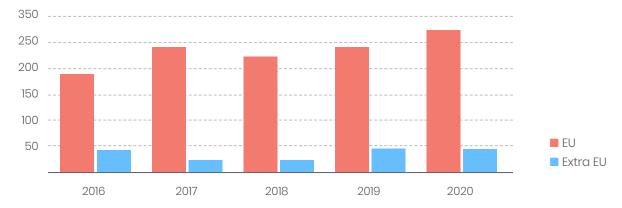
NATRUE's latest Standard version is available here: https://www.natrue.org/our-standard/natrue-criteria-2/.



Global distribution of NATRUE brands

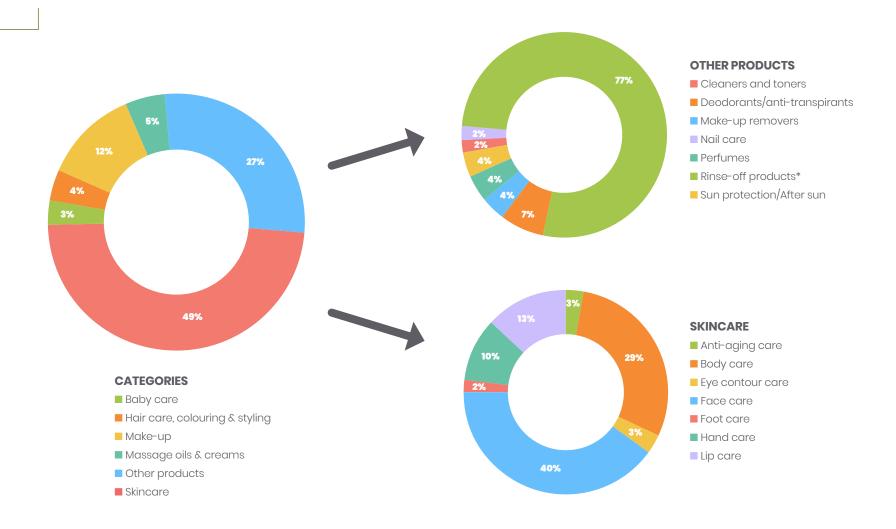


Number of NATRUE brands (EU-Outside the EU)



Last updated figures: 31.12.2020

NATRUE certified products by category



Last updated figures : 31.12.2020

^{*} Bath and shower products, exfoliant products, intimate care and hygiene, oral care, shampoos, shaving products and soaps.



EVENTS

participates as a speaker and exhibitor in key cosmetic events and trade shows all around the world to promote natural and organic cosmetics and to share its expertise on topics related to product formulation and regulation.

VIVANESS (12-15 February 2020)

The natural and organic cosmetic sector met from 12 to 15 February in Nuremberg for another successful edition of VIVANESS, the International Trade Fair for Natural and Organic Personal care. NATRUE, which has since long been an honorary sponsor of VIVANESS, participated in this edition with its NATRUE Pavilion, a joint stand that offers NATRUE Label Users the opportunity to introduce their brands and products in a unique platform of collaboration representing the strengths and guarantees of the NATRUE Label. In VIVANESS 2020, the NATRUE Pavilion hosted 8 NATRUE Label Users (two more than in 2019) from France (Beauty Garden, Dermoplant), Italy (Enolea), Switzerland (Vedic Aroma) and Germany (Hej Organic, Überwood, Natural Organics and Premium Cosmetics).

As in previous editions, VIVANESS 2020 hosted a Novelty Stand where visitors could vote for their favourite Best New Product. Four NATRUE certified products were awarded in the following categories: Body Care (Shower and Shampoo tablets by Ben & Anna), Decorative Cosmetics (Fresh Cucumber Volume Mascara and Classic Volume Mascara "black" by SANTE) and Special cosmetics/care (Hemp Seed Oil organic by PRIMAVERA).

In 2020, NATRUE was a speaker at:

CLEAN BEAUTY

23-25 June 2020

NATURKOSMETIK BRANCHENKONGRESS

29-30 September 2020

SUSTAINABLE COSMETICS SUMMIT

2-5 November 2020

VIII COSMETIC BUSINESS FORUM

19 November 2020

B/OPEN

23-24 November 2020



NATRUE at NATEXPO 2020

NATRUE and Beauty Garden co-exhibited in NATEXPO 2020, the biggest organic trade show in France, which took place on 21-22 September in Lyon.

This edition of NATEXPO, which took place following strict measures of safety due to the current covid-19 pandemic, offered an overview of new trends in cosmetics that will keep developing in 2021. Refilling options, a zero-waste approach and multifunctional products are increasingly demanded by conscious consumers looking for sustainable and natural cosmetics. Many NATRUE brands are actively working on raising the sustainable profile of their products by rethinking their packaging (including recycled materials, reducing or completely eliminating it) and innovating their formulations through the use of more sustainable raw materials.

Members

AUSTRIA

- BANO Health Care Gmbh
- Grüne Erde GmbH
- GW Cosmetics GmbH
- Pure Green GmbH
- Velvety Manufaktur GmbH

CROATIA

- · OLIVAL d.o.o.
- Quarnero d.o.o.

FRANCE

- Couleurs Gaïa
- Dermoplant Sarl
- La Ferme de Beauté Sarl (Beauty Garden)
- La Savonnière Produits Naturels

GERMANY

- Allgäuquelle Naturprodukte GmbH
- amo como soy
- Anton Hübner GmbH & Co. KG
- BCI Bio Cosmetics International GmbH
- Bonano GmbH
- BUDNI Handels und Service GmbH & Co.
- CEP Cosmetik Entwicklungs- und Produktionsgesellschaft mbH
- Die Regionalen GmbH

- Dirk Rossmann GmbH (Associate Member)
- DM-drogerie markt GmbH
- +Co
- DT GmbH Bio-Wellness
- Emil Kiessling GmbH
- Evonik Dr. Straetmans GmbH (Associate Member)
- Fair Squared GmbH
- Foodignity Labs GmbH (C!RCLY)
- Gebr. Ewald GmbH ÜBERWOOD
- Hellmut Ruck GmbH
- Hyga GmbH
- Interco Cosmetics GmbH
- Kappus Seifen GmbH Riesa & Co. KG
- Laverana GmbH & Co. KG
- Leyh Pharma GmbH
- LOGOCOS Naturkosmetik AG
- Marulala Anziehend Sinnlich Schön
- oceanBASIS GmbH
- Phönix Laboratorium GmbH
- Primavera Life GmbH
- Santaverde GmbH
- Schaeben GmbH & Co. KG
- Taoasis GmbH
- WALA
- Water & Salt AG
- Yeauty GmbH

GREECE

• Sgouromallis & Co

IRELAND

• Ri Na MARA

ITALY

- GALA Srl
- Inalme s.r.l
- N&B srl
- Rolland S.r.L.
- Mario Zunino & C. srl

LATVIA

• Labrains Ltd

NEW ZEALAND

- Alise & Chael Limited
- Essential Touch NZ Ltd
- Simunovich Olive Estate
- Trilogy Natural Products Ltd

PERU

• Yana Cosmetics SAC (Mishki)

POLAND

- Beliso sp z.o.o.
- NATURATIV Sp. z o.o

SLOVENIA

Hemptouch Ltd

SPAIN

- Palearis Organics SL
- Priorat Cosmetics SL

SRI LANKA

• Nature's Beauty Creations Ltd

SWEDEN

Tash Sisterhood AB

SWITZERLAND

- Farfalla Essentials AG
- Jardin des Monts Sàrl
- Medena AG
- Melisana AG
- Robert & Josiane
- Sea Buck AG
- Similasan AG
- Spagyros AG
- The Powder Company
- Vivienne Swiss Formula GmbH
- Weleda

UNITED KINGDOM

HBNATURA Ltd

UNITED STATES OF AMERICA

- Burt's Bees (Associate Member)
- Dr Bronner's Magic Soaps

Secretariat



Dr. Mark Smith,
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Running of NATRUE,
lead role in all political,
regulatory and
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and label.

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For any enquiries related to scientific or technical aspects linked to the NATRUE standard and the NATRUE certification process, please contact **scir_assistance@natrue.eu**.



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