

Q&A

- *Does LIPEX SheaLuxe TR also contribute to the antiwhitening effect? Do we think LIPEX SheaLuxe TR could have an effect on the soaping, like dimethicone has?*

We are doing some initial testing of silicones, LIPEX SheaLuxe TR and benchmarks in their antiwhitening /soaping capacity. Initial data validates the above, with LIPEX SheaLuxe TR and the different benchmarks showing some effect, at different levels, and dimethicone being clearly superior.

- *Can you elaborate more on the sourcing of ethanol? It was a discussion in the past.*

The ethanol is produced in France, from exclusively vegetable substrates coming only from the European Union

- *I don't agree that the odor is neutral, is it only me?*

We have seen so far very different reactions with different customers / partners. A lot of people don't react or comment on the odor, some identify some kind of odor but agree/don't react that they are neutral and some people would agree that there odor is stronger than neutral. As this is a very subjective parameter that we can't really "defend", we have seen that it derails the conversation more than it supports the message, so we have removed the claim on neutral odor. We expect customers that care / are focused on odor will assess themselves and form their own opinion.

- *Alkanes have some hazardous aspects -linked to inhalation – could we build on those?*

There are several aspects/areas where we know alkanes can have some potential disadvantages: (1) We have seen in some of the SDS concerns on flammability, inhalation and consumption of alkanes, (2) we understand that there is a limitation on the content of alkanes that can be used in China compliant formulations (below 5%), and we also know that some customers react to the fact that the INCI is not perceived as natural. We have decided to focus our messaging on the areas where we see LIPEX SheaLuxe TR excels.

Potential developments:

- *Have you tested vs ethyl oleate? Croda had an ethyl oleate*

We have not tested Crodamol EO. As far as we can see it is an ethyl oleate with 62% natural origin. When we looked into identifying the relevant benchmarks, we tried to identify the main product groups that are positioned as silicone alternatives, and that is how we ended up with an alkane, coco-caprylate caprate, an olive oil ester and MCT. We are aware that there are others, but at this point we are not planning to test further, unless we hear from you that it is a frequently asked question by customers.

- *Have you tested the difference vs benchmarks in a final formulation?*

As you know we have done the triangle test where we compare it with a silicone on an informal set up. We are doing some exploratory work with non-trained panels, but we don't know how conclusive that will be. If anything conclusive comes out, we will share it with all of you.