



Truly Caring

IMPACT REPORT 2021

NØIE

**We'll take you on a
journey towards *healthy*
skin and a healthier
skincare industry.**

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impact** *p. 07*

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We're here to
improve the
quality of life for
each individual
struggling with
skin issues.

We're doing that by caring for and supporting our users all the way throughout their journey towards healthy skin.

We live in a world where the effects of climate change are already perceptible and biodiversity decreases by the day. So, caring for the environment the same way as for your skin is crucial to truly ensuring a high quality of life for everyone on our planet.

The skincare industry has not taken (and still isn't taking) responsibility for its impact on the people and the planet. The list of wrongdoing is long, from overproducing mass-market products, to sourcing unsustainable ingredients, and causing tons of packaging waste.

We're here to do it differently.

We're not there yet.

But, we're on our way.

And, we believe the journey to healthier skin doesn't start with us.

It starts with *you.*

We place your needs at the centre and combine them with dermatological knowledge and feedback from other users to design skincare that is just right for you.

Along your journey to healthier skin, we want to improve ourselves, and the industry, every step of the way.

We have a small dedicated team working on improving the social and environmental impact of your skincare day by day.

But, we can't do it alone. We collaborate with our community of users, suppliers, and partners in Denmark and around the world.

In our very first Impact Report 2021, we talk transparently about our impact. We highlight our progress and show where we need to do better.



A wireframe globe with a grid of latitude and longitude lines, rendered in black lines on a white background. It is positioned on the right side of the image, partially overlapping the text.

01 — Our climate *impact*

Being truly caring means taking full responsibility for the impact and footprint our skincare leaves on this planet. We believe the journey towards better and smarter actions for the planet begins by measuring our impact. And then doing something about it.

We quadrupled our footprint :/

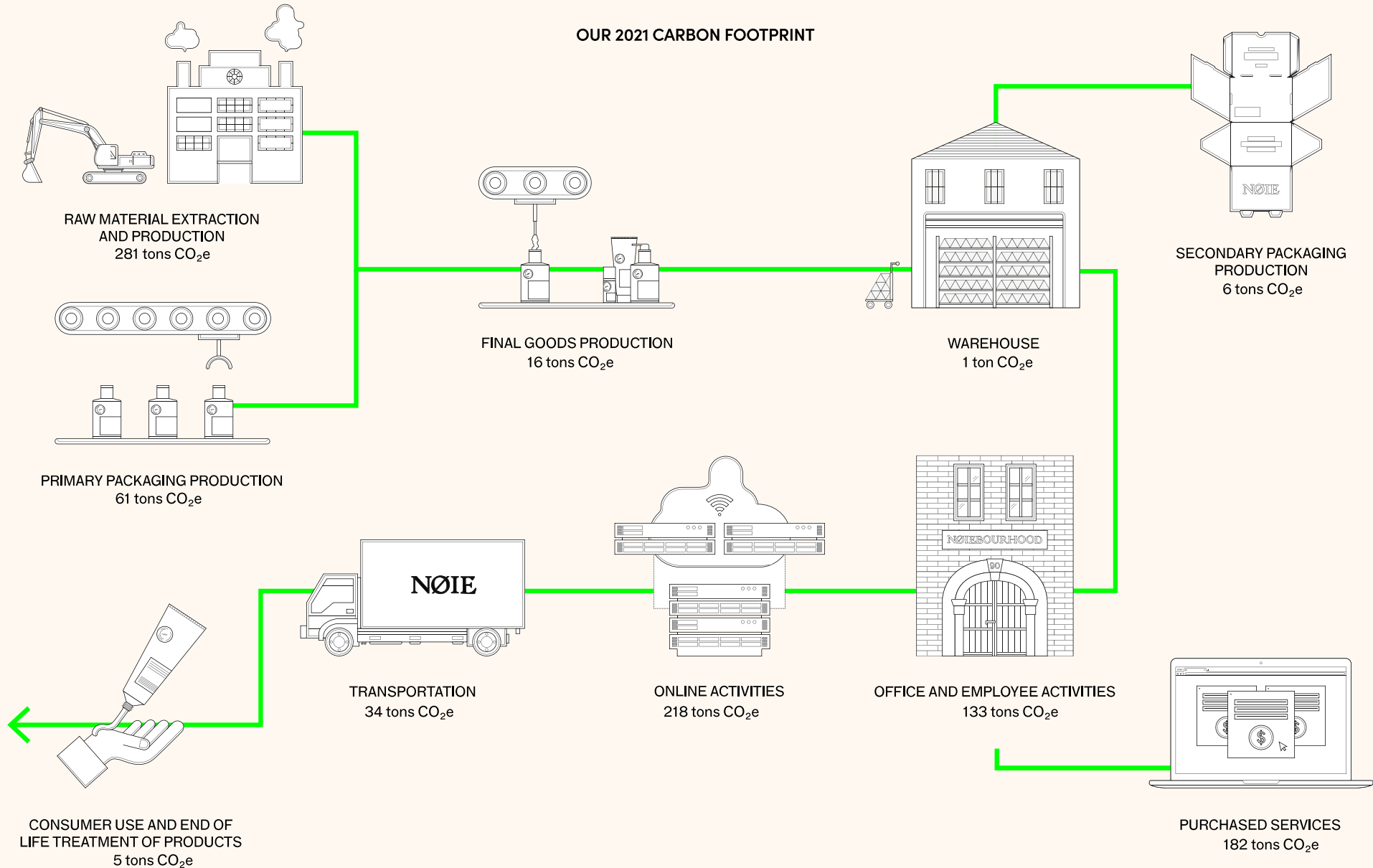
In 2020, we concluded our first greenhouse gas accounting with a total footprint of 210 tCO₂e. In 2021, our carbon footprint grew to 936 tCO₂e. The drastic uptake is mainly due to the growth of our team from 16 to 51 people, moving into a new bigger office, and producing more skincare products.

While our absolute footprint increased, we managed to decrease the CO₂ intensity per product sold from 10.5 kg in 2020 to 8.9 kg in 2021.

When doing these calculations, we're following the GHG Protocol, which is the world's most widely used greenhouse gas accounting standard. It covers all direct emissions of the company and all the indirect emissions from the supply chain - called scope 1, 2, and 3.

On our [website](#), we have shared a calculation template, a detailed guide, and a methodology document for you to get started.

Footprint	2020	2021
Total carbon emissions	210 tCO ₂ e	936 tCO ₂ e
Scope 1:	0.63 tCO ₂ e	5.78 tCO ₂ e
Scope 2:	3.97 tCO ₂ e	5.08 tCO ₂ e
Scope 3:	205.67 tCO ₂ e	925.27 tCO ₂ e
Total CO ₂ (kg) intensity per product sold	10.5 kg	8.9 kg



We cannot reduce our footprint alone

Almost 99% of our emissions comes from our supply chain (Scope 3), which means that we need to collaborate with our suppliers and partners to reduce them. The majority of that - 30% - comes from ingredient sourcing.

As an e-commerce business, we also need to be acutely aware of our online activities such as online advertising. With around 23% of our total footprint, it is our second biggest emitting category.

We are taxing ourselves

While reducing our footprint always remains first priority, we also want to do something about the emissions we already emitted and the emissions we cannot reduce.

Through our partnership with [Klimate](#) we finance a diversified portfolio of high quality carbon removal offsets following best practices aligned with [The Oxford Offsetting Principles](#).

By removing as much CO₂ as we have historically emitted, plus some extra, we became net carbon negative in 2021. And we will continue to tax ourselves for the CO₂ we emit moving forward.

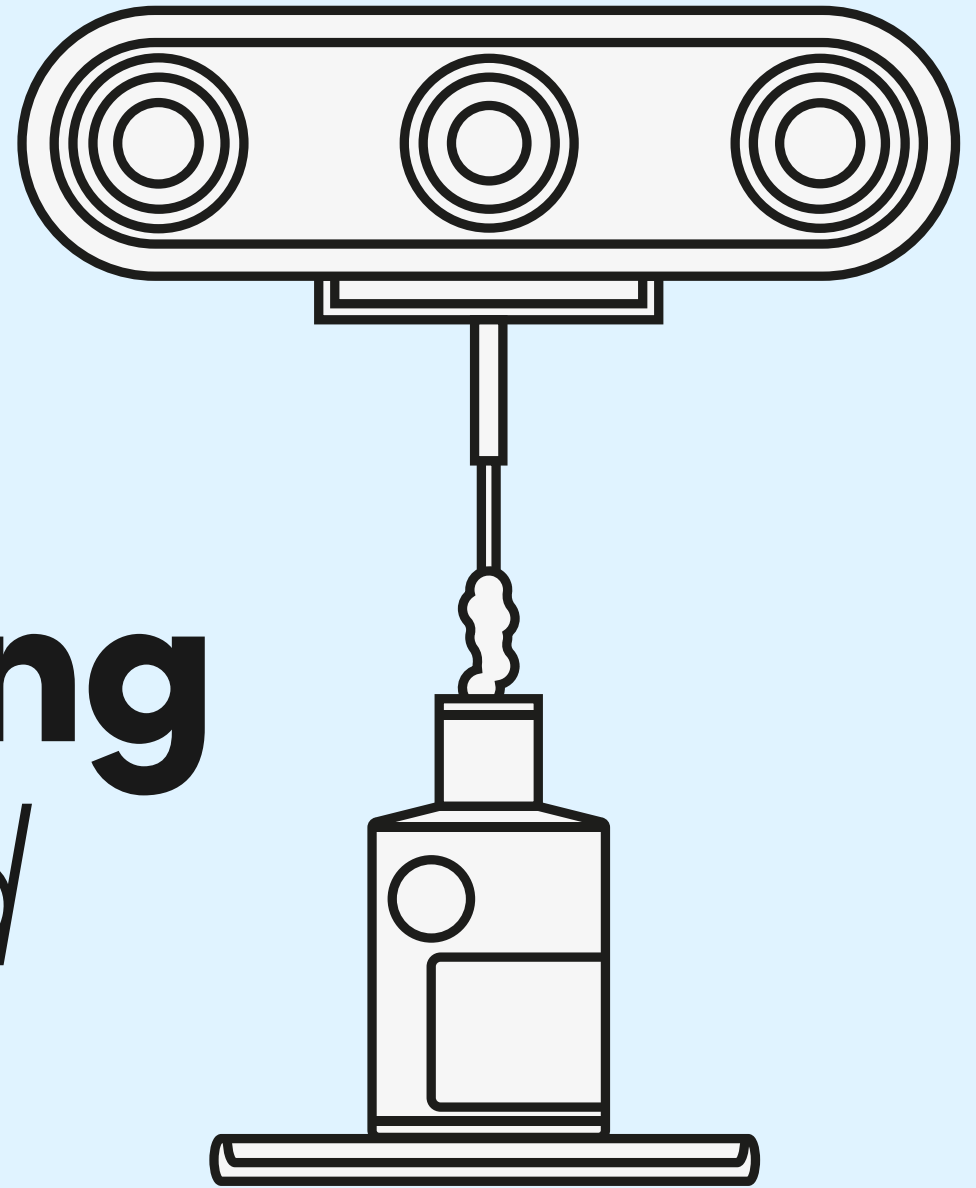
By removing as much CO₂ as we have historically emitted, plus some *extra*, we became net carbon negative in 2021. And we will *continue* to tax ourselves for the CO₂ we emit moving *forward*.

2018	142.84 TCO ₂ E
2019	168.32 TCO ₂ E
2020	210.27 TCO ₂ E
2021	936.13 TCO ₂ E
ALL-TIME CO ₂ EMISSIONS	1,458 TCO ₂ E
TOTAL OFFSETS	1,791 TCO ₂ E

What's next?

- We will commit to the Science Based Targets in line with the trajectory as outlined by the Intergovernmental Panel on Climate Change (IPCC) to limit global warming to 1.5 degrees celsius.
- We will work together with our partners and suppliers to start decarbonising our value chain.

02 — Making *customised* skincare



Our formulations

Conventional skincare is outdated. We don't do one-size-fits-all because that fits no one. We believe in helping a diversified range of different skin types and skin concerns. And doing so in a personal way by focusing on the individual.

The journey starts with you

When you take the skin test, we receive valuable information on your individual needs. We combine this with our dermatological knowledge and feedback from others to provide a customised skincare solution for you. The more data and feedback we receive, the better we get.

End of 2020	End of 2021
Data and feedback from 150'000 people	Data and feedback from 360'000 people
Product success rate 56%	Product success rate 86%

Ingredient minimalism

When formulating your skincare, we follow an approach of ingredient minimalism. It means that we use just the right amount of ingredients to carry out the desired effect on your skin. On average it's between 9 and 14 ingredients per product.

We also choose ingredients that build smart synergies, e.g. choosing a preservative agent that also has hydrating qualities.

We never add any colourants or fragrances and exclude raw materials of animal origin as well as microbeads and microplastics.

Testing for safety on real humans

We always prioritise quality, efficiency, and safety for your skin. Before introducing any formulation we conduct a minimum of four tests to ensure that it meets all regulatory requirements and our high quality standards.

We test each formulation with external agencies for 1) stability and compatibility, 2) preservation, 3) dermatological acceptance, and 4) a safety assessment concludes the tests, confirming that our formulation is ready and safe to take to market.

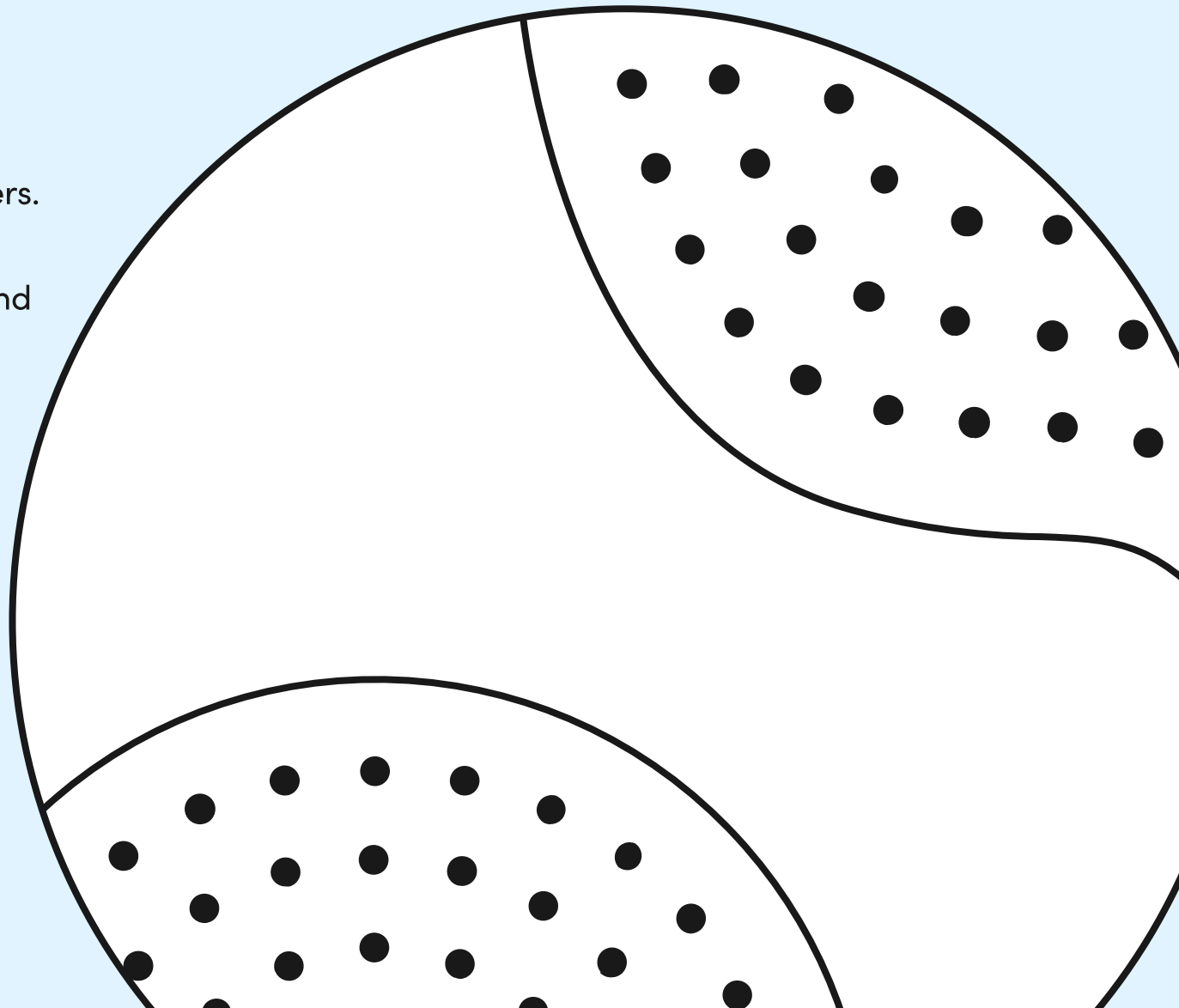
Each formulation is
dermatologically **tested**
on 25 *real* **individuals.**

For our sunscreens, we conduct additional testing. We get SPF approval, our very water resistant claim as well as ensuring that our sunscreen products are non-comedogenic, which means they do not clog pores.

6 experts **within dermatology,
biology, data science and
innovation are** *dedicated to
finding* *custom* **formulations
for your skin.**

What's next?

- We will continue to learn from our users. Based on the data and feedback we receive, we are constantly iterating and improving our skincare solutions to further increase success rates.



Our ingredients

Wouldn't you like that what's in your skincare has been grown, harvested, and produced without causing environmental or social harm? We certainly want that. The sustainability of our skincare starts with every single ingredient we include and where we source it from.

**INGREDIENTS SHARE OF
OUR TOTAL CARBON FOOTPRINT:**

30% (280.92 tCO₂e)

An opaque ingredient supply chain

For 2021, we set an ambitious goal of knowing the origin of all of our ingredients (it's like obtaining a birth certificate for each of them). It turned out that the industry is not as transparent as we (naively) set out to believe. While we did obtain information about where our ingredients are produced, we didn't get full traceability all the way back to origin.

Why is the industry so opaque? Maybe because few skincare brands care about where their ingredients are coming from. The industry also consists of many layers in the supply chain, which makes it difficult to reach suppliers every step of the way and build relationships with them.

Besides this, ingredients are often sold in mass balance, which is a sourcing method that allows ingredients from different sources to become mixed during the shipping and manufacturing processes.

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**NUMBER OF TIER 1 (DIRECT)
INGREDIENT SUPPLIERS**

27

**NUMBER OF TIER 2 SUPPLIERS
(PRODUCERS OF INGREDIENTS)**

Unknown

**NUMBER OF TIER 3
SUPPLIERS AND BEYOND**

Our tier 1 suppliers are located in Denmark. The table below shows where our tier 2 suppliers are located.

25%

GERMANY

16%

FRANCE

10%

SPAIN

9%

NETHERLANDS

9%

DENMARK

9%

USA

6%

BELGIUM

4%

CHINA

3%

INDIA

3%

SERBIA

3%

BRAZIL

1%

SENEGAL

1%

POLAND

Sourcing ingredients from overseas

The longer the journey of the ingredient, the bigger the footprint. While there is some truth to that, the key determining factor is the mode of transport. We try to plan ahead, so ingredients can be transported by sea or road, and air freight can be avoided. In 2021, 99.8% (measured by weight) of our raw materials were transported to Denmark by road and sea.

The ingredients we include in our products

We choose ingredients based on their safety and efficacy for your skin and are mindful of their environmental and social impact. Therefore, we use a combination of natural and synthetic ingredients. 54% of our ingredients are of natural origin and 46% are synthetic. Synthetic means that the raw material is derived from a fossil source or that less than 50% of the final ingredient stems from natural components.

You can find information about each of our ingredients in our [Glossary](#).

Dermocosmetics heavily rely on petroleum-based ingredients

And so do we. Why? These ingredients have the best safety profiles and the highest efficacy and acceptability of feeling to keep moisture in your skin. These ingredients are relatively low-impact and low-priced as they are derived from by-products. But we cannot keep relying on non-renewable resources, that's why our experts will dedicate resources in 2022 to explore options for alternatives. Our goal is to phase out petrochemicals in the future. Exact date to be determined.

Let's also talk about palm oil

Because of its fatty acids, palm or palm kernel oil is widely used as a sub-component in many of our ingredients. But, unethically produced palm oil is the leading cause of rain-forest destruction. While we can't do without palm (kernel) oil, for now, we are working on making sure that it is certified by the Roundtable on Sustainable Palm Oil (RSPO).

There is a bright side as well

While the picture we painted about ingredient sourcing for dermocosmetics might seem rather dark, we already use some ingredients that prove it can be done better. Learn more about one of them, our beloved *Adansonia Digitata* Seed Oil.

FEATURED

***Adansonia Digitata* Seed Oil (aka Baobab Seed Oil)**

CATEGORY Natural (organic) ingredient

PURPOSE IN SKINCARE The oil contains Omega 3, 6, and 9 fatty acids that improve dry and damaged skin. The oil's content of vitamin D, E and F, pro-vitamin A, sterols and antioxidants also have a soothing effect on scaly skin

PRODUCER BFCS – Baobab Fruit Company Senegal in Thiès

GROWTH & HARVEST About 500 people, mostly women, from 42 villages, harvest the Baobab fruit growing on the Baobab trees in the Tambacounda region in Senegal. The Baobab fruit is then transported to Thiès, where the oil is derived from the seeds of the Baobab fruit.

SOCIAL IMPACT BFCS provides a stable and above-average income for families in the region who collect Baobab fruit and in production. BFCS engages beyond business, such as by financing a campaign on Facebook against highly toxic skin whitening products that are still often used by Senegalese women.

AMOUNT SOURCED IN 2021 560 kg

JOURNEY TO DENMARK Around 5,670 km by ship and truck

What's next?

- We aim to trace all our natural ingredients back to their original source.
- We will investigate the opportunity of engaging with smallholder farmers in vulnerable regions.
- By 2022, we will privilege natural origin over synthetic ingredients – when the safety profile and efficacy are equivalent and the environmental and social impact are better or equivalent for the ingredient of natural origin.
- We will investigate new ingredients to replace synthetic thickeners in cleansers and sunscreens in the future and aim to achieve 90% biodegradability for our base formulas (formulas without lead ingredients and UV filters).

Our skincare packaging

In 2021, we did a rebranding. We wanted to take bigger responsibility where it's most visible and tangible. We designed our new packaging with circular principles in mind. This means minimising the use of new resources by using recycled plastics and ensuring that it can be recycled after use.

Transparency about our suppliers

We source our skincare packaging and labels from seven producers located in Germany, Poland, the UK, South Korea, and Denmark. We communicate transparently about our packaging and suppliers on our [website](#).

OLD



- Mixed materials: Metal and plastic
- Print on packaging and dark colours, which makes it harder to recycle
- Aluminium seals in tubes
- Difficult to recycle

NEW



- Plastic: PE and PP
- No print directly on packaging and light colours
- No alu seals or EVOH barrier layers
- Larger share of recycled materials
- Most likely recyclable¹

¹ Although we have designed for recyclability, we cannot ensure that our packaging actually gets recycled. It depends on local sorting and recycling methods. We always recommend to follow local guidelines.

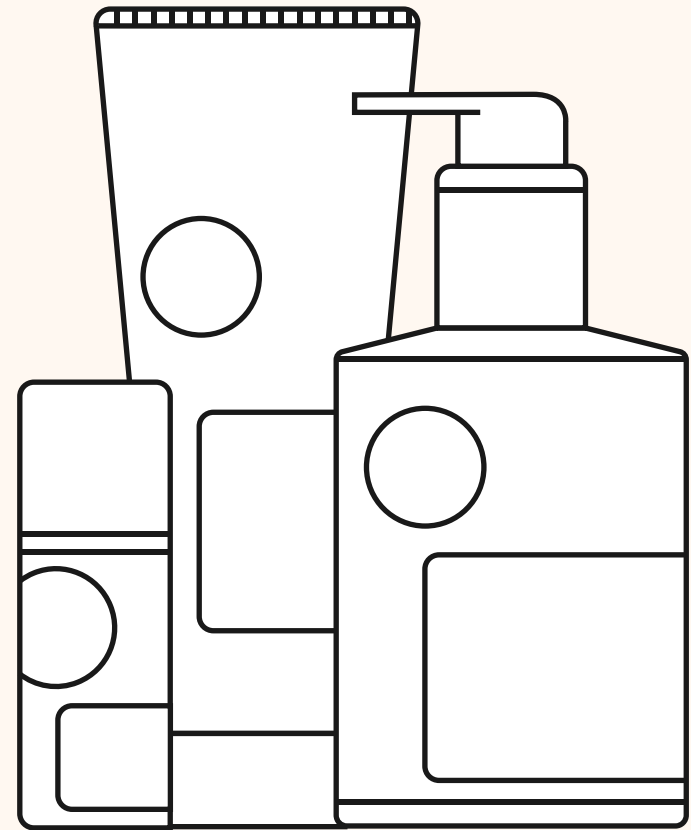
34.25% *recycled* **materials**
in our *new* **skincare packaging.**

Why we use (recycled) plastic

We know that using a material made from a fossil source is hardly sustainable. Still, when looking for materials it was the best option (for now). Conventional plastic doesn't compete with the food value chain (which bioplastic does), it's lightweight and a safe material. And, it can be used across our full product portfolio, allows for high restitution rates, and has an existing recycling infrastructure. You'll find more information about our research [here](#).

Obsolete stock due to rebranding

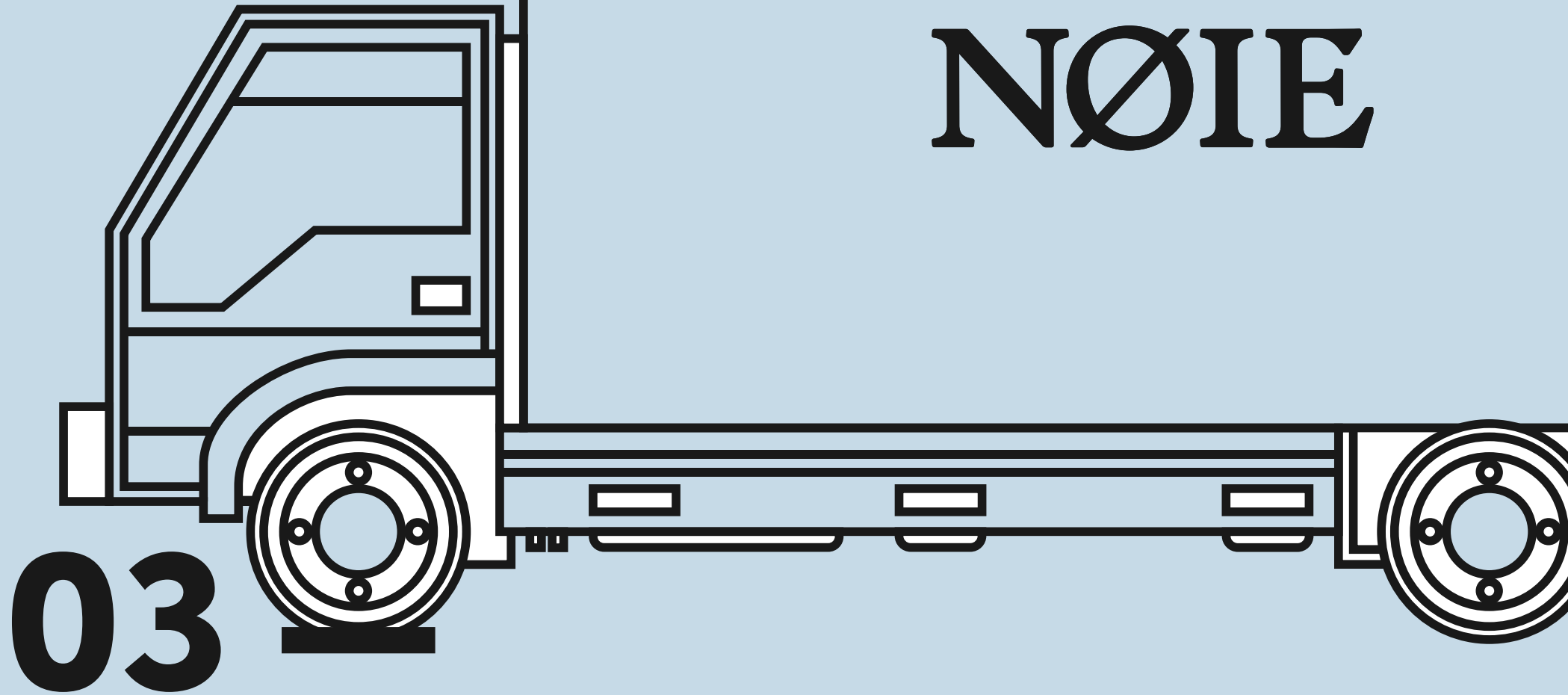
With the launch of our new packaging, our old packaging became obsolete. And there was 13 tons of it, which we're honestly embarrassed about. But where others see waste, we saw an opportunity, so we worked together with [SMALLrevolution](#) to turn it into furniture. And 30,334 products that were already produced, were donated to NGOs throughout Denmark.



What's next?

- We will increase the share of recycled plastic so that 80% of our total packaging is from recycled materials by 2022.
- We will conduct a life cycle analysis on current and alternative packaging materials.

NØIE



03

Distribution

Products delivered to your doorstep

After producing your skincare here in Denmark, we send it to our nearby warehouse where it gets your unique label and then shipped directly to you.

The best skincare comes in triangles (we believe so)

In 2021, we designed smaller transport packaging to reduce the footprint of our shipments. We use less cardboard and have reduced the weight of our transport shippers by 73% on average since our inception. We also removed most merchandise such as leaflets and flyers and replaced them with QR codes.



OLD



NEW

In 2021, we *delivered*
skincare to users in
32 countries.

100% FSC certified and 99.8% recycled fibres

We are sourcing all of our paper and cardboard materials from FSC certified suppliers in Europe – 99.8% of which are recycled fibres. And of course, the cardboard packaging can be recycled again.

Read more about our packaging [here](#).

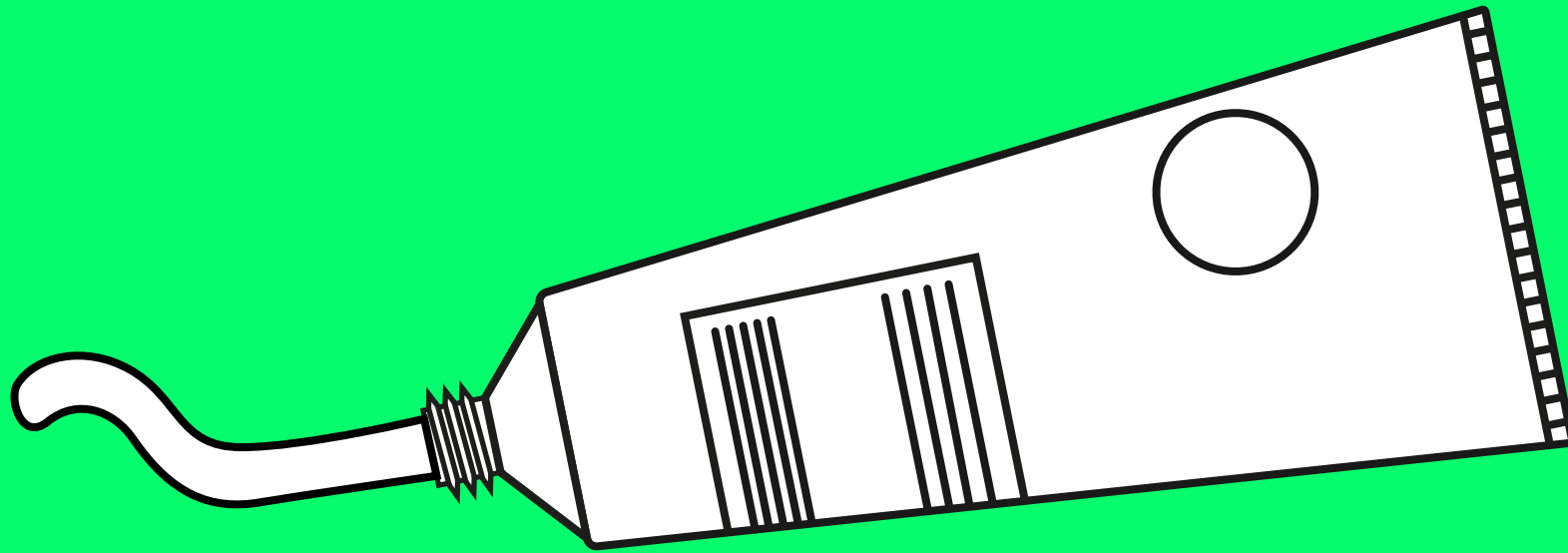
Your patience is good for the environment

Did you know that express shipping is 20 times more polluting than economy shipping? Well, now you do. And you can help us reducing the footprint of our distribution by choosing economy shipping.

**4.31% (40.31 t CO₂e)
of our total carbon
footprint is from
distribution (incl.
warehouse and
secondary
packaging).**

What's next?

- We will work with distribution partners to introduce low emission shipping options, such as last mile delivery by electric vehicles.



04 — Using NØIE *skincare*

**In 2021, we
portrayed more
than 20 *real* skin
stories.**

Watch all stories [here](#).

You and your customised skincare

We all have skin. Our biggest organ is fulfilling its amazing function every day. And yet, in our society “perfect” skin is often seen as just another beauty standard to be achieved, which unfortunately leads to stigma around skin issues. Well, we think that all skin is beautiful.

Keeping it real

We are conscious that our social impact also extends to how we communicate about NØIE. We focus on portraying skin stories with real users across our communication channels. This way, we hope you don't feel alone and appreciate your skin's uniqueness.

In 2021, our *Community Care* team helped 20,994 users with expert advice and support via email and chat.

Our skincare works for many, but not for all

Throughout 2021, our success rate improved by 30 percentage points (from 56% to 86%). While we are proud of that, it also means that we didn't find the right solution for 14% of our users. But our community-driven model of direct user feedback helps our algorithm close this gap – for every feedback point, we're getting better and matching users with the right formulations and the inout also guides our product development.

While it might be unrealistic to reach a success rate of 100%, we will continue to develop new formulations and strive towards +90%. And of course, we aim to give each person the very best care for their skin by providing proper support and guidance throughout their journey.



Ana Montes

1 review PT



Oct 4, 2021

Great results

After one year of dealing with hormonal acne and quite dry-itchy face skin, I have to say that I had my best months while using Noie products. Large pimples don't occur that often and especially the dryness is gone.



Safaa Charaf

2 reviews GB



Nov 2, 2021

Excellent customer service

I couldn't find the products that suit my skin (yet) but I have had the most efficient and helpful customer service one can dream of. Totally transparent, comprehensive and quick to answer. Despite me not finding what my skin is looking for, the customer in me is so highly pleased I will share them with all my contacts. Definitely worth a try!

What's next?

- We will amplify our users' voices and raise awareness around skin issues and skin health.
- In order to fully understand and support our users, we aim to have conversations with them every single day. We wish to solve the broken user experience by giving every single user a personalised experience and feeling truly cared for throughout their journey towards healthy skin.

Disposing your empty skincare packaging

After using your skincare products, all that is left is an empty container. But it's not a waste (we believe quite the opposite). It's a valuable resource. Our packaging has been designed to be recyclable, so the materials can be turned into something new.

Raising awareness of recycling

On our website, packaging, and social media channels, we raise awareness about the importance of recycling. We also added a small sustainability section on our product labels to remind our users to recycle. At the end of its life, you decide what's going to happen to the empty packaging. You can help by disposing of the empty packaging in the plastic recycling bin.

But, does the plastic really get recycled?

Unfortunately, even though we sort it in the correct plastic bins, we cannot be fully sure of it. While our plastic packaging can be recycled in theory, in practice it might not be the case.

In Denmark, only 14%² of plastic is being recycled within the country, while figures from 2016 indicate that around 57%³ was incinerated. Worldwide, we speak of less than 9%⁴ of plastic being recycled.

² Ministry of Environment of Denmark,

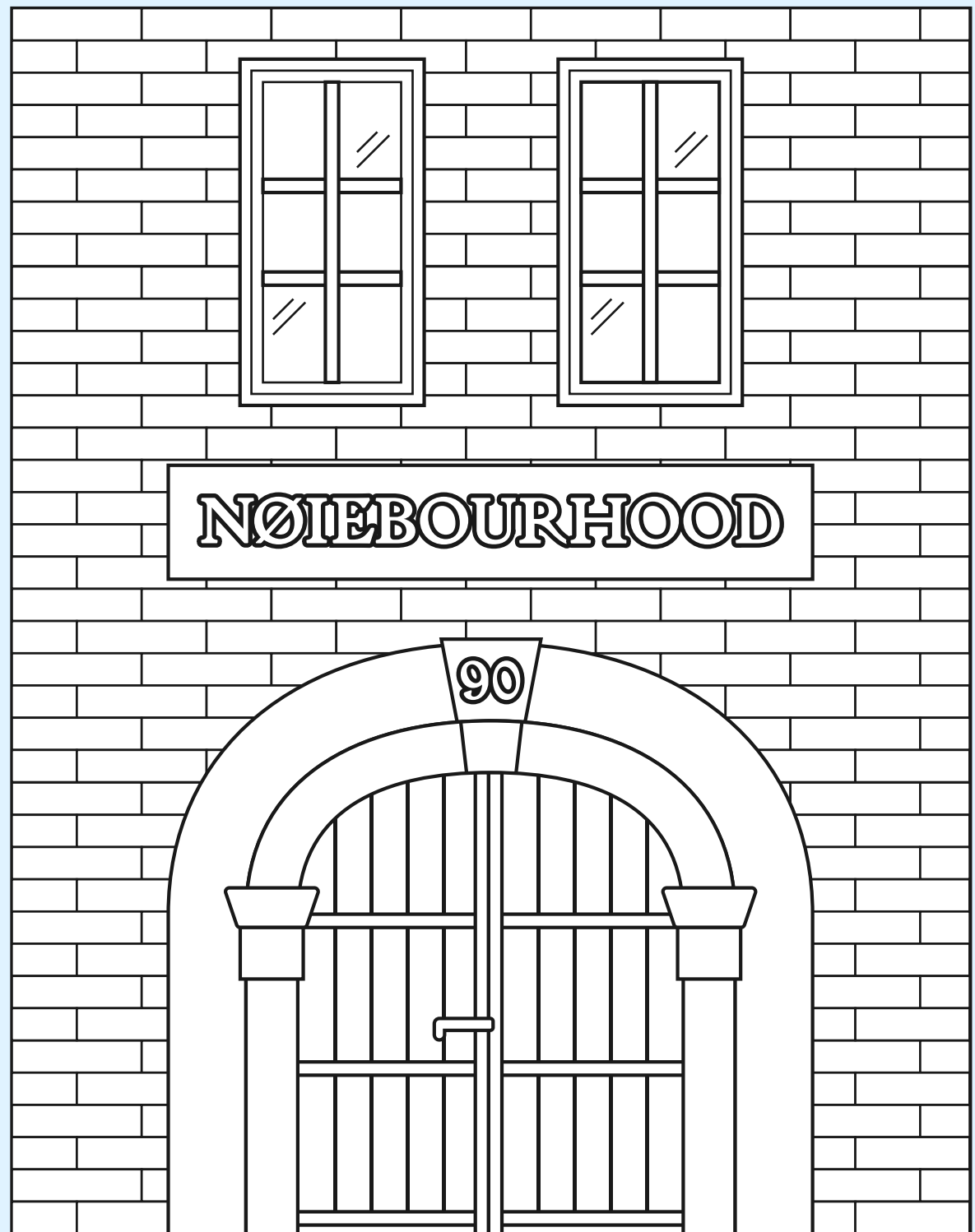
³ McKinsey

⁴ UNEP Beat Plastic Pollution

What's next?

- In February 2022, we launched a return system for our empty NØIE packaging, so we can ensure that the plastic is kept in the loop. We are running the programme initially as a test in Denmark to get learnings on its feasibility.

05 —
About
Team
NØIE



Around 40% of our team knows firsthand how it is to live with a skin concern. But beyond that, we are ambitious about forming an inclusive and diverse culture. We can best serve each individual user when represented by a diverse set of backgrounds, experiences, educations, skills, and personalities.

Our unique NØIE Culture

The name 'NØIE' was formed from the Danish word "nøje" that translates to "precise", "accurate" and "meticulous" and it reflects our approach to taking care of your skin. Being truly caring is the DNA of NØIE and it's at the heart of our culture. With a truly caring culture, people feel included and valued, have a clear sense of belonging, and are eager to embrace others. Culture is the accumulation of every individual at NØIE and how we work and behave towards each other.

Therefore, we focus on getting new team members onboard that are not only extremely talented, but also share our purpose and values.

One way to ensure this is by doing meet-the-team interviews, where a candidate gets to have an informal talk with three team members in the final stage of the recruitment process.

Culture needs to be cultivated. We do so by fostering a healthy feedback culture while working together but also by having Friday breakfasts, Friday bars, events and coffee walks. Coffee walks? It's as simple as team members grabbing a coffee (or juice) and going for a walk n' talk. It's part of the onboarding too, where new and existing team members get to know each other one-to-one.

Our Values

01

We obsess
over feedback

02

We truly care

03

We act beyond
business

04

We put trust
over control

05

We all have
skin

Our 2021 *key* figures

01

We tripled our headcount
(from 16 to 51 team members)

02

We're represented by
14 different nationalities

03

We scored 4.2 out of 5.0 in our
team engagement survey (Q4 '21)

CYCLING TO WORK

Our office “The NØIEbourhood” is located in the centre of Copenhagen. 35.39% of our total commuting distance is done by bicycle or foot and 62.30% by public transportation.

Partners

We partner with **Folks** who provides immigrants with a reliable and safe income, and we share their values of creating a society of mutual appreciation. Our office assistant from Folks is a vital help for us so we can focus all our time on helping you.

We are all co-owners

At NØIE, no one has individual bonus schemes but all permanent team members are co-owners through our warrant programme. It ensures aligned interests while our company is growing. Also, we believe that it is just fair to give our team members a share of the work they put into NØIE every single day.

What's next?

- We aim to improve Nøie as a workplace even more, so we're striving towards an Engagement Score of 4.5/5.0 in 2022.
- One of our initiatives will be to create tailored learning opportunities for our employees in 2022. Not only do our employees wish to grow but we want to enable them to provide even better solutions and care to our users.

This concludes our very first impact report. Thank you for being part of our journey towards healthy skin and a healthier skincare industry.

If you have any questions or feedback, please reach out to us on email footprint@noie.com.