

LUMSON

COSMETIC PACKAGING INDUSTRIES

NEWS

SUSTAINABLE DEVELOPMENT: LUMSON UNVEILS ITS REPORT

The concepts of sustainable development have become essential for the entire industry, and even more so for the packaging industry. Not only do we have to act, but we have to act with supporting evidence. With this in mind, Lumson has published its first "Sustainable Development" report. Nadia Valdameri, Group Quality Manager, reviews the situation.

This report is a real landmark! How did it come about?

Nadia Valdameri : 2022 was a special year for our Group, both in terms of commercial performance and sustainable

Reduce, Reuse, Recycle.

How long did it take you to complete this report? What were the main difficulties and challenges?

Nadia Valdameri : It took us a year. Every service in the company was involved in this major project, from the CEO through to the Finance Department, Sales and Marketing, Development/Innovation, Purchasing, Logistics, Quality, Safety, Operations, and so on. In an international context, one of the objectives of sustainability is to establish collaboration and partnerships with all



development issues. During the year, we took the historic decision to produce our first sustainability report. This report aims to establish and consolidate Lumson's position as a trusted partner of choice for implementing customers' sustainability strategies. We are focusing on the circular economy, having implemented the 3R principles in our business:

stakeholders to achieve common goals. A sustainable development policy is difficult to implement on an individual basis, and cooperation with all partners is fundamental to ensuring real progress. The main challenge driving Lumson to become a more responsible company and a major player in sustainable development can

(Suite page 3)

RIDING THE WAVE OF THE DYNAMIC US MARKET



Emanuele Mazzei

After a strong post-COVID economic recovery followed by a period of stabilisation, with an ever-increasing demand for eco-friendly packaging solutions, US brands are more than ever expecting flexibility and innovation from their suppliers. That is where Lumson comes into its own. Update with Emanuele Mazzei, CEO Lumson USA.

(Suite page 3)

MORE DYNAMIC THAN EVER!

As you will see in this new press release, the end of 2023 is more dynamic than ever for our Group. There are many reasons for satisfaction. We are making progress on all fronts. There is indeed no shortage of challenges. Starting with the environment, a crucial issue for our customers and for us. We are also delighted to unveil our first "Sustainable Development" report, which we began compiling over a year ago. It aims to establish and consolidate our role as a trusted partner of choice for implementing our customers' sustainable development strategies. Another strategic area for us is the development and production of distribution systems, for which it has become necessary to assert our leadership by creating a fully-fledged website. The third area we are emphasising here is our presence in two equally strategic and fast-growing markets: packaging solutions for hair care products and lipsticks. Here, too, we intend to demonstrate our Group's capacity for innovation. Finally, a word about the development drive to which we have long been committed on the other side of the Atlantic. A market in which Lumson is establishing itself as one of the key suppliers. I would also like to take this opportunity to introduce Mallory Wood, our new Sales Director, who has just joined the US team alongside Emanuele Mazzei.



Matteo Moretti, Ceo

SOMMAIRE

P2 :

Hair care and lipstick, LUMSON's advantages

P3 :

- Sustainable development
- Riding the wave of the dynamic US market

P4 :

- A new online website

LIPSTICKS: LUMSON'S KEY STRENGTHS

At a time of sustained demand, Lumson's lipstick range is proving extremely popular with customers in the beauty sector. Not surprisingly, this range is fully in line with the technical, aesthetic and performance criteria called for by this market.

Cécile Pompili takes stock...



The lipstick market is going from strength to strength!?

Cécile Pompili :

Absolutely! The lipstick market is worth around \$13 bn worldwide. To which must be added

the lip balm market, which is valued at around \$3 bn. Now, forecasts for 2024 predict nearly \$14 bn. for lipsticks and nearly \$3.2 bn. for lip balms. We are making progress in both segments.

Lumson is not a long-established player in this niche. However, your production capacity has grown steadily.

Cécile Pompili : Not very old... 45 years old all the same! The age of maturity... we did indeed acquire Leoplast in 2017 but don't forget our teams have been working on the development and production of lipsticks for both make-up and lip care for 45 years. Since 1978, our expertise in injection moulding (at the San Giuliano production unit) and assembly (at the Ticengo production unit) has continued to improve, thanks to dedicated technical teams. Our investment has enabled us to optimise our production facilities and raise the quality standards to those of the Group.

Today, our annual production capacity is around 50 million units. Our production capabilities include 19 injection presses ranging from 50 to 200 tonnes, eight hot stamping machines, 23 assembly lines for standard lipstick mechanisms and an assembly line for caps.

It's worth noting the loyalty of the L'Oréal Paris brand, which has placed its trust in us since the launch of its first RAL called "Les Chics". Today, its lipstick Color Riche Reno is one of the most sold in the world... a partnership like this one has given us the impetus to become a key European player in the packaging of lipsticks!

Today, Lumson's turnover in this segment will be just over €9 m. in 2023. We more than doubled our 2020 sales. Most of our sales are made in France (i.e., more than half of our turnover), but they are growing in Italy too because we are present with partners



known the world over for their expertise in lipstick formulations. This proximity is now valued by our customers for its short, European and fast routes.

Your key strengths include your standard ranges, but also your ability to offer specific products.

Cécile Pompili : That's right! Our offer includes a very wide range of standards: exactly five product lines, from the most classic shape to Aluminium lipstick cases.

We are also developing, in partnership with some major customers, a dedicated range with specific shapes: a mould for a ring or cap... or even a 100% specific lipstick.

A few words about the ranges on offer?

Cécile Pompili : It would take too much time to detail all the lines here. What we can say, however, is that we are focusing very hard on offering lipstick products that meet both our customers' environmental objectives and ours. Our "EverGreen" product line consists of 5 references, using, in particular, materials that enable us to produce 100% PP single-material Lipstick tubes with low CO2 emissions) and/or using a very high proportion of PCR. We would also like to mention our recently developed "refillable" reference.

A word about our "Nomade" range, which includes 2 lipsticks whose main advantages lie in their design: compact size and ease of use. We would also like to mention our Airtight reference. Volatile components, particularly in "long-hold" formulas, require an airtight pack to guarantee the quality of formulas and the preservation of their texture! An airtight pack is necessary, and this is where the AIRTIGHT pack, we have

developed, comes into play.

How can this be achieved? By using a special cap to make it airtight.

It's a very comprehensive range of standard products that can be adapted to suit our customers' product lines.



What also matters is the ability to make these lipstick tubes beautiful and appealing!?

Cécile Pompili : Adaptation is very important! In this respect, we do indeed have the required capabilities. Our expertise lies in well-known finishing techniques such as hot stamping, pad printing, digital printing, lacquering, metallising, anodising, etc., but also and above all, in innovations that turn lipsticks into iconic objects: brands are constantly challenging us with new effects that provide a gradient, glittery effect that is very "make-up-oriented".

While other brands, particularly for lip balm (which is a growth market), challenge us with decorative effects for a "soft touch" effect, sometimes even close to a skin-like effect.



HAIR CARE : LUMSON MAKES ITS MARK!

In the fast-growing hair care market, Lumson is determined to position itself as a legitimate player in the Beauty packaging sector.

Especially as today's customers are asking for solutions that are more suited to their

new skincare formulas, in line with the "skinification" trend. A whole range of packaging is being developed for this premium hair care market (scalp care, hair care, sun care). Launches are scheduled for 2024.

SUSTAINABLE DEVELOPMENT: LUMSON UNVEILS ITS REPORT



Nadia Valdameri

be expressed in the following way: How can we leverage Lumson's ability to reinvent the future of packaging?



What are the report's main conclusions and what concrete impact will it have on Lumson's business?

Nadia Valdameri : Our aims include consolidating and strengthening Lumson's commitment to sustainable development. Our sustainability challenges will be adaptive, always setting new objectives that are well thought-out, realistic and commensurate with the company's resources and market conditions. In the coming years, Lumson's efforts will focus on creating a more structured and integrated ESG governance, to create a strong sustainability management system for the future.



RIDING THE WAVE OF THE DYNAMIC US MARKET

How has 2023 worked out for you as regards the US market as a whole? What are the main areas of satisfaction with your packaging offerings ?

Emanuele Mazzei : The American market is gradually picking up from the frenzy that followed the COVID period, with its issues around supply, rising raw material and energy prices, not to mention extremely high stock levels, which undoubtedly slowed down activity in the primary packaging sector. We have fared well thanks to our ability to react quickly to new customer demands and our adaptability. We are very flexible, offering both small and large production runs while maintaining high-quality standards. Our turnkey solutions are proving very successful in the make-up sector. One example is the latest developments with the Smashbox brand. We offer more than 30 different types of bottles, featuring cutting-edge decoration techniques, combined with high-performance pumps, including metal-free pumps, in a variety of dosages and shapes. Our range of airless solutions is also attracting growing interest, with four different materials to choose from, including our latest paper-based offering, and our new "Luxe" glass-made airless ranges. Finally, our lipstick range has been extremely well received. It's a relatively recent offering, which is undoubtedly of interest to US brands, thanks to our variety of products and finishes.

Do you agree with the studies indicating that the US beauty market is still active at the moment? What do you think are the reasons for this ?

Emanuele Mazzei : The US market has historically proved very resilient in this respect, with strong marketing creativity on the part of brands. It's also clear that what matters most is the need to put formulas into packaging that offer total reliability in terms of function and protection. Traditionally, we were mainly present on the East Coast, but



Emanuele Mazzei

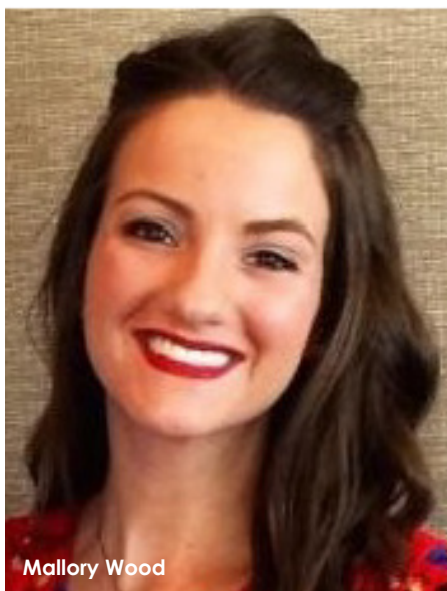
the in-depth work undertaken on the West Coast over the last few months is starting to bear fruit. It has to be said that Lumson's offering is well aligned with the demands of brands operating from the West Coast, not to mention the responsiveness and flexibility we can demonstrate, which fit in perfectly with the requirements of these brands. I'd also like to mention our growing influence in Canada over the last four to five years.

Are environmental issues still as prevalent among the brand owners you work with, and what reasoning do they put forward ?

Emanuele Mazzei : We continue to receive requests in which the environmental aspects of the packaging, i.e. the materials, are an important component for the brand's image and its decision-making. In this respect, Lumson has made considerable progress in its research into raw materials, manufacturing processes and energy impacts. We have established a "sustainable development programme" that integrates environmental requirements into all our latest developments and innovations.

Mallory Wood joined the Lumson team ?

Emanuele Mazzei : Mallory has joined Lumson with a wealth of experience and knowledge in packaging. In the past, she has worked for major companies in the sector such as Yonwoo/PKG and Libo Cosmetics. Mallory is extremely dynamic and she knows the beauty sector inside out.



Mallory Wood

DISPENSING SYSTEMS: LUMSON REASSERTS ITS LEADERSHIP WITH THE CREATION OF A DEDICATED SITE

Choosing the right dispensing system that is perfectly suited to a cosmetic product is crucial and depends on many criteria, starting with the type of formula, the ergonomics expected when using the dispensing system and the market positioning. Lumson manufactures all its dispensing systems in-house. This is an opportunity to assert its position as the leader in this field by launching a new dedicated website!



The design and development of a pump require in-depth technical expertise and engineering knowledge to ensure that each component is fully operational once assembled.

Lumson provides a wide range of atmospheric and airless pumps, which can be customised to different designs, motors and dosages. The range is completed by a wide selection of droppers, divided into cosmetic and push-button versions.

With over 40 years of expertise in the development of primary packaging, Lumson skilfully combines creativity, design, tradition and technological progress with well-structured in-house production to offer complete, customised, all-around ready-to-use solutions.

A new online website

The new website dedicated exclusively to dispensing systems designed, manufactured and devel-

oped by Lumson is now up and running.

This website was created out of the need to inform the world about the Group's dispensing systems Division. It highlights Lumson's robust technical expertise and its constantly evolving developments.

The new online portal highlights the company's level of engineering, from which ideas become reality, and the Group's internal organisation.

All this expertise is presented on the new website, along with the ranges of dispensing systems, airless and atmospheric solutions specifically developed to work with different engines and high-performance dispensing systems.



Cream Pumps



Spray pumps



Twist & click lotion pumps



Airless pumps



Droppers

Visite us



17 & 18 janvier 2024 | Paris Expo Porte de Versailles

Booth K102



14 & 15 février 2024 | Los Angeles Convention Center

Booth D40

For further information, contact Marketing Dept. at info@lumson.it