L’ORÉAL FOR THE FUTURE

BECAUSE OUR PLANET

IS WORTH IT

2020 SUSTAINABILITY REPORT
As part of L’Oréal’s sustainability program, Sharing Beauty With All, launched in 2013, the Group has set itself a series of tangible commitments to transform its business model towards a more inclusive and responsible business. These commitments address all the Group’s impacts and engage its whole value chain – from product design to distribution – including the production process and the sourcing of raw materials, the development of employees and the commitment to communities. This sustainability program, along with its strong commitment to ethics, its policy of promoting diversity and inclusion, and its philanthropic activities (conducted with the support of the Fondation L’Oréal and its brands), enable the Group to contribute to 16 of the 17 Sustainable Development Goals defined by the United Nations in 2015.

In 2020, and for the fifth year running, the Group obtained a triple ‘A’ rating from the independent international benchmarking organization CDP, for its efforts to fight climate change, conserve water and prevent deforestation.

L’Oréal has decided to take its efforts even further through a program called L’Oréal for the Future. The commitments towards 2030 mark the beginning of a more radical transformation and embody the Group’s view as to what a company’s vision, purpose and responsibilities should be to meet the challenges facing the world.

As a major brand of the L’Oréal Group, L’Oréal Paris contributes directly to these achievements. Building on them, we have established a new ten-year plan guided by ambitious goals, driven by our women’s empowerment conviction. In particular, we will reduce by half our carbon footprint per product by 2030, in the face of the unprecedented climate crisis.

Because our planet is worth it, too.
A t L’Oréal Paris, we are pioneering science to deliver the best of beauty products to our consumers. If transparency, safety and advocacy are key for our science, it is also absolutely critical for the brand to embrace fight against climate change. This has become a license to operate. Scientists say that we have nine and a half years, to reduce by half, CO₂ emissions leading to climate change. As the world’s No. 1 beauty brand*, we have a significant opportunity to play a leading role in our sector, setting the example and creating demand for sustainable beauty. That’s why we have decided to reduce by half our CO₂ emissions per unit by 2030 and to accelerate by investing 10 million euros in environmental projects which also have the social vocation to support women and their empowerment and promote gender equality in communities, throughout the world.

As a beauty brand sourcing many of our raw materials from nature, we have a strong understanding of our planet’s beauty, its fragility, and the role we can play to protect it. Preserving biodiversity and fighting climate change will help us safeguard the natural systems and keep making the products that are enjoyed by consumers around the world.

That is why we have implemented a rigorous sustainability program. We began in 2017 by systematically improving the environmental footprint of all our new or renovated products, by targeting 100% recycled PET for plastic bottles, such as for Elvive in Europe, or by improving the biodegradability of our products, for example. Now is the time to accelerate sustainable innovation to play our part in making the shift to a circular economy and reducing the impact of our products. One thing is clear: if we want to become sustainability champions in the beauty category, we must collaborate with all our partners: suppliers, retailers, consumers.

We still have a long way to go, but we are empowering our teams to become sustainability experts, and integrating social and environmental considerations at the core of all our actions, in order to achieve significant sustainability progress across all our products. We are fighting for years to empower women, boost their self-confidence, give them tools to take on the world, and our sustainable ambition is aligned with this combat, as women are the first victims of the climate change and the most numerous among the climatic refugees.

As the No. 1 beauty brand in the world, we can change the codes of beauty towards demanding and desirable sustainable beauty. As we begin this new decade of action, there is a long road ahead. But we will remain strong and determined in our ambition to make a difference. Because you are worth it. Because our planet is worth it.

* Source: Euromonitor.

Delphine Viguier-Hovasse, Global Brand President of L’Oréal Paris
Building on its achievements to date, L’Oréal Paris has set ambitious sustainability goals for 2025 and 2030, in line with L’Oréal Group sustainability program. These goals will guide its progress in making beauty sustainable, while striving towards its ultimate carbon emissions goal. Involved for years for women’s empowerment, L’Oréal Paris is also going deeper, with its commitment against street harassment.

**ECO DESIGN OF PRODUCTS**

**IN 2020**
- 93% of our new and renovated products* are improved based on life cycle methodology.

**BY 2030**
- 100% of our products will be eco-designed.

**PACKAGING**

**IN 2020**
- 76% of the PET plastic is made of recycled plastic.

**BY 2025**
- 50% of plastic will be recycled plastic, among which 100% recycled PET.

**BY 2030**
- 100% of the plastic will come from recycled or biobased materials, eliminating the use of petrochemical virgin plastics.

**IN 2020**
- Renovation of the ELVIVE shampoo and conditioner, with bottles made with 100% recycled plastic, launched across Europe.

**BY 2025**
- 100% of our plastic packaging will be recyclable, reusable or compostable.

**BY 2030**
- We will reduce by 20% in intensity the quantity of packaging used for our products, compared to 2019.

**FORMULAS**

**IN 2020**
- 11,538 beneficiaries supported through the sustainable sourcing programs for raw materials.

**BY 2030**
- 100% of our renewable and mineral raw materials will be sustainably sourced.

**BY 2030**
- 95% of our ingredients will be of renewable origin or derived from abundant minerals.

**CLIMATE**

**IN 2020**
- 100% of our factories will be “waterloop factories”**

**BY 2030**
- CO₂ EMISSIONS PER PRODUCT, COMPARED TO 2016

- 50% of our factories will be carbon neutral* (among 26 factories).

**WATER**

**BY 2030**
- We will have a full offer of WATERLESS HAIRCARE PRODUCTS.

**TRANSPORT**

**IN 2020**
- 11 sites will be carbon neutral.

**BY 2025**
- 100% of our factories will be carbon neutral.

**BY 2030**
- for each product, we will reduce the carbon emissions intensity linked to TRANSPORT by 50%.

**ASSURANCE**

L’Oréal Paris reports here the evolution of its sustainability performance and its achievements at the end of 2020. The figures and activities related to this performance are shared in detail in the pages of this report. Deloitte has expressed a limited assurance on the indicators identified by this tickmark.

Please refer to the 2020 Assurance Report published in the “Publications” available at:
- loreal.com/sharing-beauty-with-all-resources
- loreal-finance.com/eng/registration-document

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* A site can claim the status of “carbon neutral site,” if it meets the following two requirements:
  - Direct CO₂ (Scope 1+2) with the exception of gas used for catering, the fuel oil used for sprinkler tests or maintenance, coolant leaks if they are lower than 150 tons CO₂ eq/year
  - Indirect CO₂ (Market Based) (Scope 2) = 0

** ‘Waterloop factories’ requires all the water necessary for production processes (cleaning equipment, producing steam etc.) to be entirely derived from water recycled in a closed loop, with no water sourced from public water supplies.

* Improved products include the products that are improved with a new or renovated formula and/or packaging (excluding subcontracting and regulatory developments as well as non-adopted, products developed but not yet produced and promo products). Their social or environmental impact is improved according to our SPOT (Sustainable product Optimisation Tool) methodology, based on criteria such as green chemistry, renewability, biodegradability, ecotoxicity, recycled material and end-of-life management, contribution to communities, information display or accessibility.

** Our FUTURE FACTORIES are carbon neutral* (among 26 factories).
As the No. 1 beauty brand* in the world, L’Oréal Paris has a major opportunity to be a sustainability leader, and is fully involved in this challenge, improving all its products across its value chain, from packaging design and formulation to factories, suppliers and sourcing. As a leader, we also want to go further with an ambitious commitment: reduce by half our CO2 emissions per unit by 2030.

**Our commitment:**

**L’ORÉAL FOR THE FUTURE, BECAUSE OUR PLANET IS WORTH IT**

Taking ambitious climate action, supported by measurable targets, is critical in the face of the unprecedented challenges posed by climate change. That is why we are determined to reduce by half our CO2 emissions per unit by 2030.

**Reducing carbon emissions**

To fulfill our carbon ambition, we will first address the carbon emissions of all our activities (scopes 1, 2 and 3), starting with our products. We are also undertaking optimization initiatives across our value chain to help reduce our carbon emissions. Each of the actions below, which we are working on, will contribute to reducing carbon emissions:

**L’ORÉAL PARIS CLIMATE LEVERS**

- Use of renewable ingredients
- 100% of sustainably sourced ingredients
- Less emitting finishing processes (eg.: coating, metallization)

**Packaging**

- Less materials: lighter, smaller, refillable, recyclable packaging
- Formula and packages with water-free or low-water
- Increase the use of recyclable materials and remove recycling discards

**Pack end of life**

- Create new waste collecting channels for the products
- Eco-design lighters, recyclable, required materials, non-electronic, non-electronic

**Point of sales stands**

- Eco-design

**Promotion / Gifting**

- Reduce quantities
- Virtual promotion

**Reduce CO2 emissions (compared to 2016) by at least 50% per product + 25% in absolute value**

L’Oréal Group’s roadmap to reduce carbon emissions is aligned with international efforts to keep global warming below 1.5°C, and has been approved by the Science Based Targets Initiative. To achieve this, and as part of the Group commitments, L’Oréal Paris target is to reduce both our direct (scope 1 and 2) and indirect (scope 3) carbon emissions by 50% per product by 2030 compared to 2016. We will take action to reduce the carbon footprint of our ingredients and packaging, promote carbon reduction initiatives in our supply chain and operations, and help our consumers to generate fewer emissions in the use of our products.

**What is a science-based target?**

Targets adopted by companies to reduce greenhouse gas emissions are considered ‘science-based’ if they are in line with climate scientists’ recommendations for the progress required to meet the goals of the Paris Agreement. Under this historic agreement, forged in 2015 by 195 national governments, signatory countries must keep global warming to well below 2°C (compared to pre-industrial levels) and pursue efforts to limit warming to 1.5°C.

**What are scope 1, 2 and 3 carbon emissions?**

**Scope 1**

- Direct emissions from sources owned or controlled by the reporting entity

**Scope 2**

- Indirect emissions in connection with the consumption of electricity, heat or steam necessary for production of the product or the operations of the reporting entity

**Scope 3**

- Other indirect emissions related to the supply chain (upstream emissions) and the use of products and services during their life cycle (downstream emissions).

**Investing in environmental projects**

To go one step further than the 50% reduction per product, L’Oréal Paris will invest €10 million in environmental projects. The brand works with South Pole, a leader in global climate action solutions, to support environmental projects as well as social programs to encourage a greater inclusion of women through productive activities with the strengthening of handcraft production.

**Women and climate**

Climate change has a more significant impact on the most vulnerable populations, in both developed and developing countries, reinforcing existing inequalities. Women often face more serious risks and heavier burdens due to cultural norms, roles and responsibilities.

For L’Oréal Paris, committing to the fight against climate change is a means of reaffirming its fight for women’s empowerment, a way of offering women a fairer future. It is also a means of confirming women as innovators and actors of change.

We will specifically develop and invest in projects designed to empower women and promote gender equality, creating a positive impact among the many women who contribute to our products. Our environmental programmes are therefore also chosen for their contribution to gender equality, with projects that primarily benefit women, helping them forge greater economic independence within their communities.
L’Oréal Paris is taking action to improve the environmental and social footprint of every new and renovated product.

For every new project, our products are assessed through a tool called SPOT (Sustainable Product Optimization Tool), which measures the environmental and social footprint of products. The methodology is based on life cycle analysis principles, measuring a product’s impacts from raw materials to end of life. It considers 14 different factors on which a product creates an impact on the Earth, including carbon emissions, water scarcity and quality, waste pollution, biodiversity loss and resource depletion.

This tool, deployed across all the L’Oréal Group brands, allows to:

• simulate diverse design options in order to assess their impact on the environment and society, and identify potential opportunities for improvement;
• quantify the impact reduction across every aspect of the product and follow progress on four areas of improvement: packaging, the footprint of the formula, the proportion of renewable ingredients sourced sustainably or derived from green chemistry, and the social benefit of the product.

Using SPOT, our teams are able to allocate a score to each product. If the score does not show an improvement of the environmental and social performance compared to a baseline (in a similar family of product) the product cannot be launched. Through a major collaborative effort, our researchers, product designers and packaging and manufacturing teams continuously work to develop solutions to improve our products’ environmental footprint.

In 2020, 93% of our products were improved using the SPOT methodology.

<table>
<thead>
<tr>
<th>% products with improved environmental footprint</th>
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<tr>
<td>- 65% in 2017</td>
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<td>- 75% in 2018</td>
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<td>- 78% in 2019</td>
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<td>- 93% in 2020</td>
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* The scope covers products produced by L’Oréal (except full-buy, recent acquisitions, testers and samples, etc.).
LESS AND BETTER PLASTICS

Sourcing high quality recycled plastics for our packaging can be challenging. To ensure high standards of packaging quality and safety, we only use food-grade certified plastic. But there is currently limited supply of recycled plastic materials with food grade standard.

To help drive demand for recycled plastic, the L’Oréal Group is supporting the research and development of new technologies and processes designed to deliver high quality recycled plastic at scale. In particular, the Group has developed partnerships with recycling innovators such as Carbios, LOOPTM*, and PureCycle. By supporting their efforts to take high quality recycled PET or PP mainstream, we will also secure our future supply of these materials.

THE END OF VIRGIN PLASTIC

At the end of 2020, we have 100% recycled PET for all our 250 million Elvive shampoo and conditioner bottles in Europe, enabling us to save the equivalent of 7,000 tons of virgin plastic.

WE HAVE BEGUN INTEGRATING RECYCLED PLASTIC WITHIN OUR PRODUCTS, PARTICULARLY IN OUR BOTTLES, REACHING 22.4% OF RECYCLED PET WORLDWIDE, AND 19.4% RECYCLED PLASTIC (ALL TYPES) BY THE END OF 2020.

2025 TARGET

In 2025, 100% of the PET and 50% of the total plastic we use for our products packaging will be made of recycled sources.

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INTRODUCING RECYCLED MATERIALS IN OUR PRODUCTS

98,722 TONS

Every year, we use 98,722 tons of materials, including 51,256 tons of plastic (based on 2020 data).

As the global population expands, intensifying pressure on scarce natural resources and increasing the amount of waste generated, it is vital that we re-think how products are designed, made and consumed. L’Oréal Paris is working on accelerating the shift to a circular economy – where materials are kept in use for as long as possible – by optimizing our packaging recyclability, striving to conserve resources and prevent plastic pollution. This includes using more recycled content in our packaging.

- Introducing recycled materials in its products with the aim to phasing out virgin plastic by 2030;
- making 100% of its plastic packaging refillable, reusable, recyclable or compostable by 2025;
- reducing the weight of its products;
- innovating in new packaging formats, like refillable or reusable.
IMPROVING OUR PRODUCTS

RECYCLED GLASS

We are also working on using recycled glass, particularly for our skincare products, where glass represents 60% of our packaging materials.

• Our Revitalift and Wrinkle Expert creams integrate 25% recycled glass, allowing us to save around 2,273 tons of virgin glass per year.
• In the United States, we are working towards 20% PCR glass for all cosmetics and skincare. For example, the following products are in process of phasing in now:
  › Revitalift 1.5% Pure Hyaluronic Acid Serum (30ml bottle)
  › Revitalift Triple Power Anti-Aging Moisturizer / Night Creams (50ml square jar)
  › True Match Liquid Foundation (30ml bottle)

RECYCLED ALUMINIUM

For aluminium, the Men Expert Auto Aluminium aerosol contains 25% recycled aluminium.

RESPONSIBLE PAPER AND CARDBOARD

100% of the paper or cardboard we use for our secondary packaging is FSC or PEFC-certified, confirming that the wood fibers used to create these packaging are coming from responsibly managed forests.

100% OF THE PAPER OR CARDBOARD WE USE FOR OUR SECONDARY PACKAGING IS FSC OR PEFC-CERTIFIED.

MAKING OUR PRODUCT PACKAGING RECYCLABLE

The L’Oréal Group has committed that 100% of its plastic packaging will be refillable, reusable, recyclable or compostable by 2025, as part of the Ellen MacArthur New Plastics Economy initiative. L’Oréal Paris is fully involved in this challenging commitment and has launched task forces since 2018 in its teams to make its packaging materials, formats and design, recyclable.

To improve the recyclability of our product packaging, we first conduct research to understand which packaging materials, artworks technologies and materials association could be an obstacle to recycling, analyzing the potential challenges of all the packaging materials we use. Building on these insights, we identify recyclable alternatives, optimizing our packaging by leveraging the latest best practice. For example, our L’Oréal Paris Men Expert teams screened their entire product portfolio to identify potential recycling issues, and began exploring the best possible recyclable materials for each product.
The road to 100% recyclable packaging is challenging, with some materials, such as make-up packaging, samples or sachets containing multiple materials, not yet recyclable. We are working with our suppliers and packaging teams to design new, innovative recyclable formats. It takes time for technology to be optimized to deliver the best possible protection to the formula while delivering effective performance for consumers. However, we remain determined to reach our 2025 target.

In 2025, 100% of our plastic packaging will be refillable, reusable, recyclable or compostable.

To know more about our initiatives, please see p.31.

ZOOM
RECYCLABILITY TIPS, BY L’ORÉAL PARIS MEN EXPERT

Overcoming the challenge of black plastic - Black plastic is not always detected during the automated sorting of different types of waste. To help ensure that the black plastic bottle used for our Deodorant Men Expert Roll On could be recycled, our operations team worked with a key packaging supplier to develop a new variant of black plastic that can be detected and recycled. All the Deodorant Men Expert Roll On bottles produced in 2020 are now recyclable.

From metallic stickers to hot stamping - The metallic stickers on product packaging are typically identified in the waste sorting process as metal pollution, so they are not sent for recycling. To address this challenge, we switched all labels to hot stamping allowing for effective detection in the recycling streams.

PET laminate film - Laminate film is not yet recyclable. To help prevent plastic waste, we have removed it from all our product packaging, saving 4 tons of plastic annually.

By optimizing every packaging material in this way, the L’Oréal Paris Men Expert catalogue will go from 24% recyclability rate at the beginning of 2018, to 94% by 2022.

REDUCING THE WEIGHT OF OUR PRODUCTS

To help conserve natural resources and reduce the carbon footprint of our products, we are working to reduce the weight of all our packaging. For example, we have lowered the weight of the aluminum used in the L’Oréal Paris Men Expert Carbon Protect Aerosol by -5.1g per bottle, representing 135 tons of aluminum saved annually. By reducing the weight of the Revitalift jar, we have reduced our use of glass for this product by 1g per jar. That is a saving of 434 tons of glass annually. We have reduced the weight of all boxes and instructions for all our hair color ranges (Excellence, Préférence, Casting and Colorista), representing an important saving of paper annually.

This economy of materials also represents a significant optimization of weight and space in transport, and thus, contributes to reducing our carbon emissions due to transportation.

GIVING A SECOND LIFE TO PACKAGING: PROMOTING REFILLS AND REUSE

L’Oréal Paris launched its first refillable skincare jars in China in 2018 for Revitalift Filler, and in 2019 for Age perfect Peony Lumière. These formats allow us to reduce the volume of disposable packaging waste connected to these products. We are now exploring similar formats for Europe, and encourage consumers to adopt these new beauty habits.

To know more about our initiatives to give second life to packaging, please see p.30.
• This starts with sourcing raw materials in a sustainable way that respects biodiversity, promoting green sciences and committing to zero deforestation.

To reduce our environmental impact, we are improving the biodegradability of our formulas and reducing their water footprint.

A BOND OF TRUST

- L’Oréal Paris has a bond of trust with its consumers, on the transparency of its ingredients and methods.
- L’Oréal Paris has a bond of trust with water footprint.
- It’s a prerequisite for the choice of our ingredients and the conception of any of our products. All the ingredients used in L’Oréal’s products have been subject to a rigorous scientific evaluation of their safety, by internal and independent experts. We make sure they all comply with the strictest regulations in the world wherever our products are sold. More than 200 ingredient definitions are detailed on ‘inside our products’.
- Nature of the ingredient, why and how we use it, and what could be the precaution we use to ensure the safety of each ingredient for our consumer. The origin and quality of our ingredients are explained when this information makes all the difference. For example, our mineral oils are pharmaceutical grade, and our preservatives are first and foremost selected and dosed to protect your skin.

AT A GLANCE

- Responsibly sourcing raw materials.
- Commitment to zero deforestation.
- Commitment to biodiversity.
- Commitment to green sciences.
- Commitment to a sustainable way.

Developing RESPONSIBLE FORMULAS

SCIENCE, TRANSPARENCY AND RESPONSIBILITY

The L’Oréal Paris brand is deeply rooted in science. With L’Oréal originally founded by a scientist, scientific expertise has always informed the Group’s thinking and expertise.

Since 2002, L’Oréal Paris has been partnering dermatological colleges, sharing with worldwide leaders the way we select our ingredients and measuring products’ tolerance and performance through clinical studies led by dermatologists. At L’Oréal, we have more than a hundred scientific experts specialized in product safety and all our formulas are continuously reviewed to ensure that the dosage of ingredients used is safe quantities and work in harmony with the daily practices of our consumers.

Since 1992, we have delivered greater transparency to our consumers on what’s in our products and since 2016, detailed information is published on our internet sites about how we conduct our tests. We have been also sharing the commitments that guide us every day on our product packaging, in our advertising and through radio interviews.

For example, the skin tolerance of our skincare products is tested by dermatologists on all skin types, including on sensitive skin, and with a minimum of 500 applications. Our product efficacy is tested by independent institutes for 100% objective results, and L’Oréal Paris has been committed to a world ethical animal testing for more than 30 years, thanks to our pioneering investment in tissue engineering. All our formulas have been tested in reconstructions for over 14 years before we required to stop animal testing to the whole cosmetic industry (see more on next page).

We followed the same transparency approach for our products, with a dedicated web page entitled ‘Inside our products’, with more than 400 ingredient definitions (see more on next page).

In 2018, 2019 and 2020, we continued to improve ingredients within our formula portfolio. We eliminated controversial ingredients, as we already know they are safe, moving beyond regulation (such ingredients are still authorized by strict European regulations to put an end to suspicions and raise the bar for product safety. As part of our commitment to protecting the environment and the oceans, we decreased the amount of mineral oils by 40% to decrease our use of petrochemicals. We also removed microbeads from our formulas two years ahead of legal requirements, with our full range of sugar scrubs. Other reformulations took place in the context of product innovations, including for Elvive and Revitalift, replacing some of our silicons by better biodegradable ones, among other things to make our formulas even more performing and sustainable. This is how we stay ahead of the curve.

Elisabeth Barthelemy, Global Scientific Director L’Oréal Paris International

A WORLD WITHOUT ANIMAL TESTING

For more than 30 years, L’Oréal has been committed to a world without animal testing, with its Episkin™ business, a pioneer in alternative cosmetic product testing methods. Well before animal testing became a regulatory or societal concern, L’Oréal had developed, in 1979, alternative methods based on a technology that was unique at the time – the reconstruction of human skin. By 1989, L’Oréal had definitively stopped testing products on animals, 14 years before this was required by law for products. Beyond skin models, L’Oréal also uses a great number of predictive evaluation tools that avoid animal use, such as molecular modelling, expert toxicology systems and imaging techniques. Episkin opened a center in Shanghai, China, in 2014, and a new center in Rio, Brazil, in 2019. Episkin is currently the only reconstituted skin technology that is approved by the European Commission.

Animal testing remains an important and sensitive issue worldwide. We have therefore decided to share our ground-breaking journey with consumers, and our pioneering role in the development of alternative methods over more than three decades, through a dedicated ‘Question and answer’ section on our website.

The web page ‘Inside our products’ is taking you to the other side of our products, for always more transparency on ingredients. The safety and confidence in using our products is what drives us. It is a prerequisite for the choice of our ingredients and the conception of any of our products. All the ingredients used in L’Oréal’s products have been subject to a rigorous scientific evaluation of their safety, by internal and independent experts. We make sure they all comply with the strictest regulations in the world wherever our products are sold. More than 200 ingredient definitions are detailed on ‘inside our products’.

Nature of the ingredient, why and how we use it, and what could be the precaution we use to ensure the safety of each ingredient for our consumer. The origin and quality of our ingredients are explained when this information makes all the difference. For example, our mineral oils are pharmaceutical grade, and our preservatives are first and foremost selected and dosed to protect your skin.

A POSTER OF INSIDE OUR PRODUCTS

Your safety is our absolute priority.
To improve our formulas, L’Oréal Paris Research & Innovation laboratories continuously develop new ingredients inspired from biomolecules, striving to deliver greater performance and improved safety to our consumers, while reducing our impact on the environment.

We are working on five main areas of green sciences:

### SCIENCE OF CULTIVATION
Using the science of agronomy to support farmers in growing our raw materials in the most efficient and sustainable way, while pioneering innovative, sustainable farming practices.

### BIOTECH AND FERMENTATION
Using life sciences to obtain new and high-performing natural origin ingredients.

For example, through lactic bacteria fermentation, we have obtained macro and microfragmented hyaluronic acid, of two different molecular weights, pushing the boundaries of skincare. With new specific hyaluronic acid forms, the penetration is improved, providing both superficial and deeper tissue moisture plump, for short and long term performance.

### SUSTAINABLE EXTRACTION
Using high technology processes it is now possible to obtain high-performing ingredients in a sustainable way, minimizing the use of chemical solvents and with a higher purity and selectivity.

For example, the Aloe Vera used in Hydra Genius cosmetic waters is pure and certified organic by the International Aloe Science Council.

### GREEN CHEMISTRY
Using environmental sustainable processes to synthesize or transform ingredients and obtain pure, active molecules without using chemical solvents.

For example, our Proxylane active is obtained from a natural birch extract, a sugar with regenerating and repairing properties, now synthesized without any chemical solvent. It is used in our Laser X3 full range, which was launched in 2012, continues to be a major pillar of the L’Oréal Paris brand, and attracts new consumers each year.

### GREEN FORMULATION
Leveraging science in product formulation to create natural, high-performing innovations.

Today 62% of our ingredients, by weight, are of renewable origin, and 23% are from green chemistry. Our objective is to increase always more the % of renewable ingredients in our formula.
L’Oréal has identified that water, and in particular the water discharged when the consumer uses the product, is among the principal impacts on the environment of our products. L’Oréal Paris Research & Innovation teams therefore focus on improving the environmental profile of product formulas in two ways:

• improving the biodegradability of formulas, i.e. their ability to be broken down by natural micro-organisms; by decreasing the amount of mineral oils in our products, all along their renovation.

• reducing their water footprint, which represents the product’s impact on the aquatic environment.

Some L’Oréal Paris products are directly linked to water use: our shampoos, conditioners, hair color products and face wash, all require rinsing. However, by 2030, 70% of the world’s population will live in water-scarce areas. So it is vital that we develop and improve our products with a view to conserving water, while retaining the same high levels of performance.

Rinse-off products are also responsible for a significant proportion of L’Oréal Paris’ indirect CO₂ emissions, given that showering typically relies on heating water using gas or electricity. To address both these important topics, our researchers are taking part in new ‘water conscious’ workshops, so that we are able to deliver to consumers, in the coming years, products with a far lower water footprint.

These could include easier-to-rinse shampoos, conditioners and hair color products, and non-rinsed hair products.

To learn more about this topic, please see p.31.
To improve our environmental and social footprint and reduce our carbon emissions, we are working throughout our value chain, from raw materials sourcing to manufacturing, distribution and retail, inspiring our teams to deliver change.

As part of the L’Oréal Group’s Solidarity Sourcing initiative, in 2020, many of the Group’s suppliers have joined the inclusive sourcing program, which seeks to make purchases from suppliers who hire people from underprivileged backgrounds and people who are sometimes marginalized from society, including disabled people, ethnic minorities, and the long-term unemployed. We develop and implement diverse programs tailored to local needs.

With approximately 28% of the Group’s carbon footprint arising from its suppliers’ activities, L’Oréal has encouraged suppliers to work with CDP*, within the scope of the CDP Supply Chain program, since 2009. In this way, suppliers are encouraged to develop carbon emissions reduction goals and communicate their 2020 action plans. In 2020, 484 L’Oréal Group suppliers undertook an initiative of this kind, representing 87% of the Group’s direct purchases.

This approach allows us to engage our suppliers in reporting their carbon and environmental impacts, and encourage them to establish a carbon emissions reduction strategy.

By 2030, all our strategic suppliers will have reduced their CO₂ emissions (Scopes 1 and 2**) by 50%.

* CDP is an independent global organisation that evaluates companies’ achievements in terms of their environmental performance.
** See definition p. 9.
Our industrial sites are working on reducing water consumption. Since 2005, worldwide, they have lowered water consumption by 44% (in liters per finished product, in L’Oréal Paris factories and distribution centres). L’Oréal prioritizes responsible water use within its manufacturing operations by optimizing its water requirements and taking into account the local availability of this vital resource. L’Oréal’s goal is to reuse industrial water in an appropriate state for new use at every possible opportunity, and retrofit the wastewater exiting its treatment plants with diverse technologies (ultrafiltration, inverse osmosis, etc.), in order to extract high quality water. This water is reused for cleaning production tools or for cooling processes. Overall, L’Oréal continues to implement technologies that enable its factories to become ‘waterloop factories’. This concept requires all the water necessary for production processes (cleaning equipment, producing steam etc.) to be entirely derived from water recycled in a closed loop on site, with no water sourced from public water supplies.

In 2019, the L’Oréal factory in Suzhou, China (L’Oréal’s largest factory in Asia) became carbon neutral. This step was decisive for the Group, as China has now become the Group’s first country to have reached carbon neutrality for all its sites: factories, distribution centres, centres of Research & Innovation and tertiary sites. L’Oréal China began this journey in 2018, when the Chinese and French authorities visited the Suzhou site and signed an agreement on carbon neutrality. The site had already been using 100% renewable electricity, thanks to the installation of roof- and ground-mounted solar photovoltaic panels, and to the purchase of electricity from wind turbines located in the Jiangsu province at around 100km from the factory. In 2019, L’Oréal China achieved its carbon neutrality goal, following the construction of an on-site CHP (Combined Heat and Power) installation. This has enabled the site to meet all its electricity needs from renewable, local sources, harnessing sustainable biogas produced by a plant processing food waste near to the factory.

L’Oréal Paris products are made in 26 factories around the world, located as near as possible to the destination market. Eleven of our 26 factories are now carbon neutral. All our industrial sites have implemented energy efficiency measures and are working towards harnessing renewable energy to further reduce carbon emissions.

L’Oréal Paris factories continue their efforts to reduce carbon emissions, water consumption and waste generation.

Some of our industrial sites are yet carbon neutral or waterloop factories.

**CO₂ EMISSIONS REDUCTION IN L’ORÉAL PARIS FACTORIES AND DISTRIBUTION CENTRES SINCE 2005**

(i.e. 10,690 tons in absolute terms, based on GHG Protocol methodology, Scopes 1 and 2**, in 2020)

**REDUCING WATER CONSUMPTION**

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**REDUCING TRANSPORT EMISSIONS**

The Group has also begun working on reducing carbon emissions linked to transport by optimizing its transportation from factories to distributors. Notably, by encouraging multimodal transport, L’Oréal is reducing its need for air freight. By 2030, 50% of air freight will have been reallocated to other modes of transport.

In terms of road transport, L’Oréal has already encouraged some of its suppliers to adopt less polluting vehicles, particularly those using natural gas, which represents, on average, a 20% carbon emissions saving (in grams of CO₂ per sales unit per km), compared to diesel, and a reduction in particulate matter.

**REDUCING WASTE GENERATION**

We have an ambitious waste management policy that goes well beyond regulatory compliance. The L’Oréal Group has therefore set itself a very stringent definition of the concept of ‘waste’, which includes, for example, raw material packaging or product packaging, and sludge from wastewater treatment plants.

In 2020, L’Oréal reduced the quantity of waste generated in absolute terms, while production increased in the same period. For L’Oréal Paris, this represents a reduction of 35% waste generated per finished product, in 2020, the brand recovered 97% of its industrial waste by reusing or recycling it, or harnessing it to produce energy.

**2025 TARGET**

By 2025, 100% of our industrial sites will be carbon neutral.

**2030 TARGET**

By 2030, for each product, we will reduce the carbon emissions intensity linked to transport by 50%.

**WASTE GENERATION IN L’ORÉAL PARIS FACTORIES AND DISTRIBUTION CENTRES SINCE 2005**

(i.e. 14.3 tons per finished product, in 2020)

**CO₂ EMISSIONS REDUCTION IN L’ORÉAL PARIS FACTORIES AND DISTRIBUTION CENTRES SINCE 2005**

(i.e. 10,690 tons in absolute terms, based on GHG Protocol methodology, Scopes 1 and 2**, in 2020)

**WATER CONSUMPTION IN L’ORÉAL PARIS FACTORIES AND DISTRIBUTION CENTRES SINCE 2005**

(i.e. 0.40 lt per finished product in 2020)

**REDUCING OUR IMPACTS ACROSS OUR VALUE CHAIN**

* The data for L’Oréal factories is based on 2019 CO₂ emissions.
* 1 was the reference data used to calculate variation between 2005 and 2020, i.e. coming from industriesites (factories and distribution centres) which exist in 2020 and were already existing in 2005. Our data excludes the impact of exceptional works or subcontractors’ activities.
Enhancing Sustainable Retail

AT A GLANCE
L’Oréal Paris optimizes its merchandizing through eco-design.

As part of our sales and marketing efforts, we design and produce point of sale displays and promotional items. These merchandizing items represent up to 6% of our carbon footprint and 15% of our plastic usage (in addition to the plastic for our product packaging).

To optimize our merchandizing environmental footprint, we have launched an eco-design program, with an approach based on 5 golden rules:
• 100% FSC-certified cardboard materials
• Light weighting
• Integration of at least 30% of recycled materials in the total structure
• Recyclability
• LED lights, no battery or electronic components.

ZOOM
An Eco-Designed Temporary Point of Sale Stand

We designed the new L’Oréal Paris make-up wall unit to reduce plastic use, and replace plastic components with recycled plastic, which today represents approximately 40% of the total weight. The lighting was designed to create energy savings of between 33% and 70%, compared to the previous model.

Could you describe the cycle of eco-design in merchandizing?
At L’Oréal Paris, we believe that to become a sustainable, mass market luxury brand, we need to reenvision our retail excellence by strengthening our collaboration with everyone involved in the life cycle of our merchandizing items. The international marketing team creates and defines the design, following the eco-design golden rules. Next, each region selects the designs to their markets, before our purchasing teams and suppliers to produce the eco-designed items, with a particular focus on more sustainable materials and light weighting.

What are the results in terms of eco-design?
In 2019, 87% of point of sale suppliers worldwide had participated in training on the eco-design golden rules. The next step for the coming year is 100% of eco-designed points of sale stands.

What is the advantage of modularity in point of sale stands?
The new L’Oréal Paris brand identity and modularity at the point of sale was eco-designed using a modular system that allows the fixtures to react to different retail configurations. This level of modularity is an excellent solution to the differing constraints that we face at the point of sale. Importantly, it also enables us to invent durable, adaptable concepts that can be adapted with ease, campaigns without having to recreate the pieces.

AT A GLANCE
L’Oréal Paris believes that sustainability is everyone’s business and encourages its teams to get involved in corporate responsibility.

For every product category, a “sustainability leader” has been named to promote good practices.

Our Sustainability Champions

To lead the transformation, the brand has named “sustainability leaders” for every product category, in order to promote good practices within our teams: Clara for hair care, Jone for hair color, Auriélia for skincare, Emilia for make-up, Connor for Men Expert and Jasmin for retail merchandizing.

Developing Sustainability Skills

To help empower L’Oréal Paris’ teams to act on sustainability, we have created a dedicated training program with four mandatory training sessions. In 2020, the entire marketing team followed the “Presque du Climat” (Climate Close-up) workshop, so that they build a strong understanding of our environmental commitments. We will deliver three further training sessions on our SPOT tool and life cycle analysis, sustainable formulas and recyclability. In this way, we help all our team members gain the skills and tools they need to accelerate the transformation and make everyone in L’Oréal Paris a sustainability champion.
Engaging CONSUMERS

AT A GLANCE

L’Oréal Paris is supporting its consumers in adopting responsible consumption practices from the moment of buying the product to its end of its life cycle, including the use phase.

As a beauty leader, we want to be a sustainability pioneer; however, we will not be able to accomplish some of our initiatives without the active participation of our consumers. We are therefore multiplying our initiatives to raise awareness among consumers of the role they have to play, with us, in achieving responsible consumption.

PROPOSING ALTERNATIVES TO SINGLE USE PACKAGING

To help reduce packaging and the raw materials required to make it, as well as prevent it from becoming waste, L’Oréal Paris is seeking alternatives to single use packaging and proposing refill or reuse systems for packaging.

For example, in 2021, L’Oréal Paris is joining Terracycle’s LOOP initiative, and is taking part in a project to trial new types of packaging with the retailer Tesco in the UK. We are designing new durable, desirable and recyclable, or just part of it. The instructions must be as precise as possible, in order to specify whether the whole packaging is recyclable, reusable or compostable by our consumers, as well as the disposal of our products. It also includes the use of our products by our consumers, as well as the disposal of our packaging.

The big impact of the use phase is because many of our products are rinseable (such as shampoos, conditioners and hair color products), and mostly non-renewable energy, such as gas, is used in consumers’ homes to heat water.

To help reduce the generation of carbon emissions, we are working to develop innovative, just as high performing formulas, with better rinsability. We are also innovating with two-in-one products (for example, Elseve Instant miracle or Elseve Rapid Restore (detangler and conditioning treatment), Low Shampoo 3 in 1 formulas (shampoo, mask and treatment), that enable users to reduce the time needed in the shower. We are creating non-rinsing haircare, with non-rinses treatments to apply with or without water, such as the Crème Sauvage de Pointes or the Sérum Lissage de Reve from the Elseve Dream Long range, and the oils treatments from the Elseve Extraordinary Oils range. We are also proposing a whole range of products to retouch roots and lengthen the time between hair dying (the Magic Retouch range).

There is still a long way to go, but L’Oréal Paris is determined to develop products that enable more responsible resource and energy consumption.

ZOOM

TRIONS EN BEAUTÉ, THE FRENCH CAMPAIGN TO SUPPORT RECYCLING IN THE BATHROOM

In France, 49%* of users of beauty products confirm that they separate packaging for recycling in their bathroom. In 2020, L’Oréal Paris continued to pursue the “Trions en beauté” (“Let’s recycle in beauty”) campaign in France, in partnership with the French eco-organism CITEO. In this way, the brand, along with 70 other L’Oréal brands, supported the initiative by adding an awareness-raising banner, ‘Prenons le soin de trier’ (‘Let’s take the time to separate’), along with the dedicated website address trionsenbeaute to all their communications materials (television, media, posters).

The ‘Trions en beauté’ platform supports consumers in recycling product packaging. In particular, it provides guidelines on how to separate the different types of beauty product packaging, as well as the importance of recycling for our environment, and encourages everyone to get involved.

30 REDUCING OUR IMPACTS ACROSS OUR VALUE CHAIN

SUPPORTING RESPONSIBLE PRODUCT USE

We can participate in more responsible consumption and a more considered use of natural resources in all our daily actions. For example, 51% of L’Oréal Paris’ carbon impact comes from the use phase of its products. This figure was calculated using an approach that integrates the value chain, from the extraction of raw materials used to make our formulas to the manufacture of our bottles to the transportation of our products. It also includes the use of our products by our consumers, as well as the disposal of our packaging.

The big impact of the use phase is because many of our products are rinseable (such as shampoos, conditioners and hair color products), and mostly non-renewable energy, such as gas, is used in consumers’ homes to heat water.

For example, as we consume on average 55 liters of hot water for a shower, and 15 additional liters for shampoo, it is therefore estimated that the carbon footprint of a shampoo bottle, linked to the consumption of hot water, represents 1.7kg of carbon emissions equivalent. For shower gel, this carbon footprint can reach 13.4kg of carbon emissions equivalent per product.

To help reduce the generation of carbon emissions, we are working to develop innovative, just as high performing formulas, with better rinsability. We are also innovating with two-in-one products (for example, Elseve Instant miracle or Elseve Rapid Restore (detangler and conditioning treatment), Low Shampoo 3 in 1 formulas (shampoo, mask and treatment), that enable users to reduce the time needed in the shower. We are creating non-rinsing haircare, with non-rinses treatments to apply with or without water, such as the Crème Sauvage de Pointes or the Sérum Lissage de Reve from the Elseve Dream Long range, and the oils treatments from the Elseve Extraordinary Oils range. We are also proposing a whole range of products to retouch roots and lengthen the time between hair dying (the Magic Retouch range).

There is still a long way to go, but L’Oréal Paris is determined to develop products that enable more responsible resource and energy consumption.

EDUCATING CONSUMERS ON RECYCLING

In terms of our products’ end of life, we have identified that nearly 1% of our total carbon footprint is linked to the end of life of our packaging (to incineration, for example). To reduce this impact, we are working to make 100% of our plastic packaging recyclable, reusable or compostable by 2025. However, consumer engagement is vital, as it is the consumer who takes the final step by putting the product packaging in the right recycling bin.

According to studies, the act of separating waste in the bathroom is not yet habitual among consumers. That’s why we want to raise awareness of recycling by adding recycling instructions to all our new product launches and renovations. The instructions must be as precise as possible, in order to specify whether the whole packaging is recyclable, or just part of it.

* L’Oréal France Barometer - Harris Interactive ‘Are the French separating beauty product packaging in the bathroom?’ conducted among a nationally representative sample of 1539 people, from 22nd to 26th February 2018.
HELPING CONSUMERS TO MAKE SUSTAINABLE CHOICES

In the interest of responsibility and transparency, L’Oréal Paris has committed in 2021 to providing more information to consumers on the environmental impact of all its products. The total impact includes all the environmental impacts of a product, throughout its lifecycle, in particular in the production of ingredients and packaging, manufacturing, use by consumers and the recycling of packaging. In this way, there will be a letter displayed on each piece of packaging – from A to E – which will indicate the social and environmental profile of the product, enabling consumers to consider its entire impact in their purchasing choices.

THE L’Oreal GROUP'S CARBON NEUTRAL Rambouillet FACTORY

L’Oreal Paris Elvive range is made, is the Group’s largest shampoo factory, producing 300 million units annually, of which 85% are Elvive shampoos and conditioners. That’s 235 million bottles of Elvive shampoo and conditioner produced per year. The 260 employees produce 1.2 million products ready for distribution. Importantly, the factory is carbon neutral.

The L’Oréal Paris Elvive range benefits from the latest generation of co-emulsion technology. In this way, we use just an ultra thin coating of caring microdroplets (and less silicon) to coat and protect the hair without weighing them down. The biodegradability of the high performance formula has been improved over the years by increasing the quantity of biodegradable ingredients to the formula, preferring the shorter silicons and smaller polymers, but we still have room for progress. Additionally, we have reduced the length of the ingredients list (removing some preservatives, polymers, perfume components and UV filters, for example), increased the proportion of innovative waterless cares and the average biodegradability rate of the whole range. Extraordinary Oil Shampoo by Elvive now has a biodegradability rate of 90.5% while Elvive Maky Full Resist is 97.5% biodegradable.

Elvive, the historic L’Oréal Paris hair care range, has undertaken a major transformation of its entire value chain to embody the different facets of Sharing Beauty With All program. A brand icon, this range is also becoming a sustainability pioneer.

97,5% Elvive Mask Full resist is 97.5% biodegradable.
90,5% Extraordinary Oil Shampoo by Elvive, an iconic range, is 90.5% biodegradable.

A CARBON NEUTRAL MANUFACTURE

The L’Oreal Group’s carbon neutral Rambouillet factory, where the L’Oréal Paris Elvive range is made, is the Group’s largest shampoo factory, producing 300 million units annually, of which 85% are Elvive shampoos and conditioners. That’s 235 million bottles of Elvive shampoo. The 260 employees produce 1.2 million products per day, working to the highest quality, environmental and health and safety standards (including ISO 9001, 14001, 18001 and 50001).

The 32,000 m² – factory, which is surrounded by forest, produces both the product formula and the bottles, before filling the bottles ready for distribution. Importantly, the factory is carbon neutral. Our on-site biomass boiler use waste to produce energy and avoids the need for fossil fuels. The remainder of our energy needs is met by biogas derived from our own industrial waste. 63% of our waste is transferred to recycling or reuse. By continuously improving the factory’s energy efficiency, we have reduced our energy use by 38.1% since 2005, while increasing production by 29%.

All our plastic bottles are produced on site in partnership with a trusted packaging supplier, ALPLA, eliminating the need for 8,000 trucks per year and reducing our annual carbon footprint by 1,500 tons. The factory also has its own wastewater treatment plant, enabling us to save water, recycle water on site, lowering our fresh water consumption.

Could you describe your Elvive packaging initiatives and achievements?

By the end of 2016, all million Elvive bottles in Europe contained 100% recycled PET plastic. At the end of 2020, we use 100% recycledPET for all our 250 million Elvive shampoo and conditioner bottles in Europe, enabling us to save the equivalent of 3200 tons of virgin plastic. This is a major revolution for the Elvive range. And a very positive one. In 2019, we will collaborate with recycling pioneer Terracycle in France, using an Elvive shampoo and conditioner range in a final run of its LOOPS initiative. This project will test new types of refillable packaging. Consumers will be able to return used packaging to the retailer, where it will be collected and returned to us for cleaning and refilling, ready for another round.

How can you increase the biodegradability of the Elvive formula?

Across the world we are seeking the best technologies to address the needs of diverse hair types. To help repair and protect hair from damage, the Elvive range benefits from the latest generation of co-emulsion technology. In this way, we use just an ultra thin coating of caring microdroplets (and less silicon) to coat and protect the hair without weighing them down. The biodegradability of the high performance formula has been improved over the years by increasing the quantity of biodegradable ingredients to the formula, preferring the shorter silicons and smaller polymers, but we still have room for progress. Additionally, we have reduced the length of the ingredients list (removing some preservatives, polymers, perfume components and UV filters, for example), increased the proportion of innovative waterless cares and the average biodegradability rate of the whole range. Extraordinary Oil Shampoo by Elvive now has a biodegradability rate of 90.5%, while Elvive Maky Full Resist is 97.5% biodegradable.

What are the next sustainable innovations for the haircare category?

Water scarcity is already a pressing challenge in many areas of the world. That’s why we are working on formulas with a higher repair capacity and innovating towards concentrated anhydrous treatments. We are developing innovative high performance formulas so that, among repair and discipline to hair, so that women don’t need to wash their hair so frequently.

Maitè Armoudom,
International Marketing Director Haircare & Styling L’Oréal Paris
Six environmental projects have been selected, all contributing to storing or reducing carbon emissions, and linked to empowering women communities. L’Oréal Paris will not only contribute financially, but also develop specific programs including women in the leadership of these projects.

**Next-Generation Farming, Belgium and France**

This project is transforming farming practices across Belgium and France through an innovative partnership of farmers and agronomists. Thanks to new regenerative techniques, more than 1,600 farmers are producing nutritious food, clean air and abundant biodiversity while improving farm profitability - thanks to healthy, nutrient rich soil.

**Karioba Forest Protection, Zimbabwe**

Since its launch in 2011, the Karioba project has prevented more than 3.5 million tonnes of carbon dioxide from emission into the atmosphere by preventing deforestation and land degradation in an area of nearly 785,000 hectares. The project also continues to support regional sustainable development, and the independence and wellbeing of local communities.

**Jacunda Forest Conservation, Brazil**

Through a community-based approach, Jacunda protects 95,000 hectares of native forest, home to hundreds of animal and plant species. Biodiversity conservation and the sustainable use of resources improve local livelihoods and prevent an estimated 140,000 tonnes of greenhouse gas emissions from being released into the atmosphere each year. The project benefits especially around women and young empowerment.

**Liugui Afforestation, China**

South China’s Karst region is well known for its wild landscapes and rich biodiversity, however rocky desertification is creeping across the area, in part driven by deforestation. This project is planting native tree species to combat this environmental challenge, sequester CO2 from the atmosphere and promote local sustainable development. It creates employment and training opportunities for local people, many of whom are from minority groups, and particularly focuses on improving women’s social status.

**Small Forests, USA**

This pioneering project supports smallholding forests owners, who previously did not have access to the tools, information and funding to sustainably manage their woodlands. Landowners are now empowered to implant sustainable practices on their parcel of land, creating big climate impacts at the landscape level by tapping into the full potential of carbon sequestration on their land.

**Miskitia Blue Carbon, Honduras**

Straddling the interface between land and water, mangroves are superhero ecosystems: they act as buffer to coastal storms, provide nursery grounds for aquatic wildlife and, by area, mangroves can store up to 4 times more carbon than terrestrial forests. However, 30-50% of the world’s mangroves are already gone and they continue to be lost at a rate of 2% each year. As the first of its kind in Honduras, this pioneering blue carbon project protects nearly 5,000 ha of mangroves and over 280,000 ha of coniferous and broadleaf forests from deforestation.

**Indigenous Women Are Empowered**

Through training sessions and economic opportunities.

**At a Glance**

- 88K tonnes of residual carbon emissions by 2025.
- Environmental projects as close as possible to our markets, supporting local development and women empowerment, in partnership with communities.
BECAUSE YOU’RE WORTH IT

With these four words, “Because I’m worth it”, L’Oréal launched the first advertising message ever to highlight self-confidence. It emerged in 1971 as a rallying cry uniting consumers around the brand. This signature phrase has since become a symbol that empowers women of all ages and backgrounds to believe in their beauty and sense of worth.

HOW DO WE EMPOWER WOMEN?

Because women are worth it, we propose products that highlight their beauty and enhance their whole being. Because we are convinced that they are all worth it, we propose accessible products, with no compromise on safety or performance. We want to support women in developing their self-confidence and make sure they feel proud and an unwavering sense of determination.

We are also fighting for gender equality, in all domains — in the workplace, on the street, in the fight against climate change. When women’s self-confidence is weakened by economic or cultural difficulties, or discrimination, we want to be fully present at their side, in their daily struggles.

OUR COMMITMENTS TO WOMEN’S EMPOWERMENT

L’Oréal Paris has decided to go further in its commitment to empower women by taking action in particular against street harassment, teaching bystanders and victims how to safely respond in these situations, through the program, Stand Up, in partnership with the non-profit Hollaback. Launched in 2020 this international program has the ambition to train 1 million people to the Hollaback’s 5D’s methodology by the end of 2021. Some countries have also implemented local programs to empower women. First, Women of Worth, in the United States, Mexico and Canada, reward outstanding women by recognizing the positive impact they make in their community, for 15 years. Secondly, we are helping young British women build their confidence in partnership with the non-profit, The Prince’s Trust, through our program All Worth It.

Delphine Viguier-Hovasse, Global Brand President of L’Oréal Paris

Our environmental commitment took a new turn in 2020 with our ambition ‘L’Oréal for the Future, Because our planet is worth it too’. However, our vision of a fairer, more sustainable society is not new. We have worked side by side with women for many years. We are fighting so that all women, whatever their backgrounds, beliefs or lifestyles can achieve the projects that are close to their hearts and fulfill their potential as individuals.

As a brand which has always championed and celebrated women’s empowerment, L’Oréal Paris challenges stereotypes with a modern vision of femininity. Our brand ambassadors, unique and diverse, are role models for the strengths of women, and an inspiration to fulfill our talents every day.

L’Oréal Paris supports all women on their journey to fulfillment, in line with their own values and aspirations.

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L’Oréal Paris has encouraged generations of women to realize their self-worth. Street harassment is the #1 issue faced by women and girls around the world. The brand has joined forces with the non-profit Hollaback! to train men and women how to safely intervene when they witness or experience street harassment.

According to an IPSOS gender equality study conducted in 2021*, sexual harassment in public spaces is one of the most important issue faced by women and girls across the world. Indeed, street harassment robs women of their dignity, sense of security and feelings of self-worth, which goes against everything L’Oréal Paris stands for. That’s why it’s important for us to stand up and help to fight this issue that affects us all.

For the past century, L’Oréal Paris has been committed to empowering women, boosting their self-confidence and helping them realize their worth.

Through our international Stand Up program, we aim to create a culture and community of respect, dignity and worth, by training 100% of L’Oréal Paris employees and over 1 million people on the Hollaback!’s 5D’s methodology** by the end of 2021.

Together with our international partner Hollaback!*** and our local charity partners, we have been offering the 5D’s training sessions in public spaces or online, on our dedicated platform standup-international.com. We also raise awareness about this issue, by participating in related events throughout the year such as the International Women’s Day, the International Anti-Street Harassment Week, music festivals, etc.

To learn more about the Stand up against street harassment program, please visit our dedicated platform : standupinternational.com

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* International survey on sexual harassment in public spaces, conducted by L’Oréal Paris with Ipsos, with data gathered in 15 countries with over 15,000 participants, Jan. 25th – March 10th, 2021.

** See more on page 40.

*** https://www.hollaback.org/
The 5D’s, A PROVEN METHODOLOGY

AT A GLANCE
• Five different actions to safely combat street harassment: distract, delegate, document, direct and delay.
• Millions of people will be trained to the 5D’s methodology in the coming years.

5 ACTIONS TO SAFELY INTERVENE AGAINST STREET HARASSMENT

The 5Ds represent a methodology to intervene in the case of street harassment, whether people are being victims or witnesses. Its aim is to end the situation of street harassment, without endangering anyone who intervenes to help.

› DISTRACT
Pretend to be friends, ask for the time, cause a distraction, be creative.

› DELEGATE
Find someone in a position of authority (e.g. teacher, bartender or a bus driver) and ask them to intervene.

› DOCUMENT
Watch and witness, write down or film the harassment, provide the footage to the victim and never post it online or use it without their permission.

› DIRECT
Speak up and call the harasser out, then turn your attention to the person being harassed. If they respond, ignore them; don’t escalate. Only use direct as a last resort to prevent violence. Your safety and that of the person being harassed comes first.

› DELAY
Comfort the harassed person after the incident and acknowledge that the behavior was wrong. Be a friend.

CAMPAIGN LAUNCH HIGHLIGHTS

33 countries have launched the Stand Up program

+150,000 people have been trained on the 5D’s methodology.

2021 TARGET
Train people on the 5D’s: 1 million people by the end of 2021.

We see it happen, but uncomfortably look away. We feel the urge to speak up, but stay cautiously silent. We all want to do something about it, but don’t know what. Or worse, we end up thinking it’s “not a big deal”.

Street harassment is always a big deal. And now, we have what it takes to stand up against it.
L’Oréal Paris has been running local initiatives for several years to improve the confidence of young women and recognize the achievement of female changemakers.

EMPOWERING WOMEN ALL AROUND THE WORLD

AT A GLANCE

• Women of Worth recognizes women who embody the spirit of L’Oréal Paris and supports their causes.
• The All Worth It Program helps young people in the United Kingdom improve their confidence, self-worth and employability.

STAND UP

STAND UP: OUR FIGHT AGAINST STREET HARASSMENT

Can you tell us about the Fondation des Femmes’ initiatives?
The Fondation des Femmes (Women’s Foundation) is France’s primary foundation for women’s rights and the fight against the abuse they face. With L’Oréal Paris, we are taking action against street harassment, through its Stand Up initiative.

How did the training programme take action against street harassment in France?
We spend time on the ground, in public transport, and in schools and companies, training 40,000 people face to face on how to intervene when they witness or become a victim of sexist or sexual harassment in public. There is also an awareness-raising video and a website that enable us to train many hundreds of thousands of people online. Linking the power of L’Oréal Paris with the associations’ expertise is very inspiring.

How did the programme launch take place on the ground?
In March 2020, we organised a symbolic launch in a major Parisian rail station, with training stands for the public. It was about showing the existence and usefulness of this training in a visual way. We also created a partnership with all the transport actors in the centre of Paris - SNCF Gares et Connexion, SNCF-transilien, RATP, Ile-de-France Mobilités. In just a few days, more than a hundred people (72% women, 28% men) undertook the training and many thousands were made aware of the cause.

Our partners

L’Oréal Paris has established a worldwide partnership with Hollaback!

The Stand Up program aims to train people on how to be an ‘upstander’ worldwide, in partnership with high schools, universities, public transportation, festivals or companies.

To take Stand Up into the heart of communities and reach as many people as possible, we are also partnering with charity partners experts in gender-based violence, in each country:

• La Fondation des Femmes, in France
• Fundación Mujeres, in Spain
• Fundación Pescar, in Argentina
• Hollaback! in Canada
• Alice Onlus, in Italy
• Buyem, in Turkey
• Association of Rape Crisis Centers (ARCC), in Israel
• United Nations Populations Funds (UNFPA), in Ukraine
• Fair Space, in Netherlands
• Breakthrough, in India
• Buyem, in Turkey
• Hollaback, in the USA
• Casa Gaviota, in Mexico
• La Fondation des Femmes, in France
• Fundación Mujeres, in Spain
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• Casa Gaviota, in Mexico
• UNFPA
• Fair Space
• Breakthrough
• Buyem
• Hollaback
• Casa Gaviota

AT A GLANCE

• Women of Worth recognizes women who embody the spirit of L’Oréal Paris and supports their causes.
• The All Worth It Program helps young people in the United Kingdom improve their confidence, self-worth and employability.
Our local programs TO HONOR AND SUPPORT WOMEN

At L’Oréal Paris, we believe that every woman is worth it. Through our philanthropic programs Women of Worth and All Worth It, locally deployed, we want to encourage women to be proud of who they are and what they do.

Women of Worth: Celebrating the Beauty of Giving Back

The Women of Worth program was created in 2005 to recognize the achievements of women who embody the values of L’Oréal Paris: women who are championing the self-worth of others and making a difference in their community.

Each year, in the United States, Canada and Mexico, ten extraordinary women, and their non-profit organizations, are chosen from thousands of nominations and honored for the impact they have made across a variety of charitable causes.

In the United States, each Honoree is awarded $10,000 to support her individual cause. Additionally, one Woman of Worth Honoree (and her cause) is selected by the public via online voting and recognized as the National Woman of Worth Honoree. Her charity then receives a donation of $25,000 from L’Oréal Paris in her name.

In Canada, the ten exceptional Women of Worth Honourees are selected from the nominations to receive a total of $110,000 in charitable grants from L’Oréal Paris.

In addition to receiving promotional support for their charities, each Honouree will join the Women of Worth Community, a national platform to support and promote their causes, share information, network and help spread the spirit of voluntarism across the country.

By being a L’Oréal Paris Women of Worth, I get to spread love, hope, and resources to families all over the country that began just like mine. I get to remind parents of babies with Down syndrome that their child will live with purpose and joy and that children with Down syndrome can do anything—really, really anything.

Brittany Schiavone, 2020 Women of Worth National Honoree, by L’Oréal Paris USA

All Worth It: Boosting Young People’s Confidence and Self-Worth

When you feel as though no-one else believes in you, that’s when you have to believe in yourself. Since 2017, L’Oréal Paris has partnered with the Prince’s Trust, to build the confidence of vulnerable young people, in the United Kingdom. Our shared mission is to transform self-doubt into self-worth.

The ‘confidence sessions’ we provide – addressing topics such as body language, relationships and employability – give young people the opportunity to boost their self-esteem by generating positive thoughts, identifying strong relationships and understanding unacceptable behavior. They also learn techniques to help them prepare for job interviews. All sessions are delivered both online and at Prince’s Trust centers.

Self-Worth is #WorthSharing.

SOLIDARITY WITH HEALTHCARE WORKERS

During these difficult times, L’Oréal Paris wanted to play its part in the global fight against Covid-19. We supplied all partner hospitals and retirement homes with 2 million bottles of hand sanitizer in support of their tireless work to protect people and help prevent the spread of this unprecedented epidemic. Meanwhile, we took every possible measure to prevent product shortages in all the countries as long as our production sites had the capacity to do so.

HELPING PEOPLE IMPROVE THEIR WELLBEING IN ISOLATION

While necessary, the quarantine measures put in place in many countries led to the isolation of many. L’Oréal Paris stood side by side with the communities where we work throughout this time, implementing multiple solidarity initiatives to support them.

For example, our experts shared beauty advice via Instagram and Facebook, helping our followers to take care of themselves and boost their wellbeing with make-up tutorials, at-home hair dying guides and skincare routines. As part of its charity efforts, L’Oréal Men Expert supported Movember’s new ALEC (Ask, Listen, Encourage action, Check in) mental health and suicide prevention program. This was particularly important at a time when isolated men were more prone to experience anxiety, depression and suicide ideation.

Special Thanks

I want to thank all the L’Oréal Paris teams, who showed great empathy and agility during this period.

I warmly thank all our teams in Germany and Latin America for producing hand sanitizers every day. We received many words of thanks and encouragement from hospitals, spokespeople and our wider community in light of these efforts. This feedback helped our employees find the strength to continue during this difficult time.

Wishing you all good health.

Delphine Viguier-Hovasse, Global Brand President of L’Oréal Paris