GARNIER

SUSTAINABILITY PROGRESS REPORT



GARNIER COMMITS TO	
GREEN BEAUTY	
	FOR ALL OF US
OUR END-TO-END JOURNEY	





OUR MISSION :



GREEN BEAUTY FOR ALL OF US

The past year has been full of challenges to sustainable development: we experienced increasing poverty and unemployment rates, rising global political instability, and the emergence of an energy crisis. On top of that, climate change has been bringing multiple changes across different regions for some years now. The 2022 IPCC report showcased, once again, the vulnerabilities and limits of our ecosystem and the way in which it adapts to global warming. Amid these challenges, we believe that, now more than ever, we have the responsibility to act, and to act with more solidarity.

That's why we are accelerating our mission towards GREEN BEAUTY FOR ALL OF US. We are proud to announce **five major moves** towards greener beauty that we committed to in 2022, which will guide our actions for the upcoming year:

STOP WIPES: By the end 2023, we will no longer produce any wipes.

100%* RECYCLED PLASTIC MICELLAR WATER BOTTLES: In 2022, we launched the brand's first Micellar Cleansing Water bottle made of 100% recycled plastic.

PAPER BASED SACHETS: We implemented the switch of our tissue mask sachets' packaging from plastic to paper-based materials.

PLASTICS FOR CHANGE: We strengthened our commitment to help fight plastic waste with our partnership with Plastics for Change. Our first plastic collection center opened in 2022, in Chennai, India.

Since our 2021 Sustainability Progress Report, we have worked hard to achieve our goals to fight against climate change and to progress in our journey to contribute positively to the UN Sustainable Development Goals. We continued to support communities around the world with Plastics For Change and our Solidarity Sourcing Program. We embraced diversity and inclusivity while working with partners and different stakeholders including NGOs, consumers, and experts. Together, in 2022, we supported 1,431 communities around the world, which is 217 more communities than the year before.

We made progress regarding our commitment to use less virgin plastic and more recyclable materials. We also team up with Loop Industries using their breakthrough infinitely recyclable technology.

Additionally, we strengthened our commitment to Green Sciences & Formulas and made further progress on our goal to reach 100% of renewable energy in all our industrial sites by 2025. Today, 67% of them use 100% renewable energy.

Lastly, we have continued our efforts to improve transparency for consumers by adding reliable Environmental & Social labelling to more and more of our products.

Our fourth annual report shares data and figures on the progress made in 2022 towards GREEN BEAUTY FOR ALL OF US. It was independently audited by a third party because we value transparency and believe it is vital to our sustainability efforts.

I would like to thank all our teams, as this work is made possible thanks to their passion and dedication. Together, we have worked hard to make huge strides in our sustainability commitments. We acknowledge that there are many more challenges coming ahead, but we also believe that we can seize opportunities to move towards a greener future. I hope you enjoy reading this Sustainability Progress Report and that it gives a better insight into what our journey towards sustainable beauty looks like here at Garnier.



Adrien Koskas PRESIDENT GARNIER GLOBAL BRAND

MORE SOLIDARITY & INCLUSIVITY





& RECYCLABLE MATERIALS

BY 2025

100% © OF OUR PLASTIC PACKAGING WILL BE REUSABLE, RECYCLABLE OR COMPOSTABLE

IN 2022

46% ⓒ OF OUR PLASTIC PACKAGING AND 70% ⓒ OF OUR WHOLE PACKAGING WAS REUSABLE, RECYCLABLE OR COMPOSTABLE

BY 2030

WE AIM TO USE **ZERO VIRGIN PLASTIC** IN OUR PACKAGING, WHICH WILL SAVE 40,000 TONNES OF VIRGIN PLASTIC PER YEAR

IN 2022

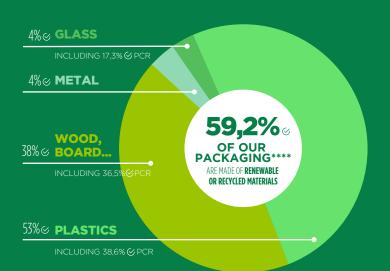
83 % ⊗

OF OUR PET PLASTIC COMES FROM RECYCLED MATERIALS

38,6%

OF OUR ANNUAL PLASTIC CONSUMPTION USES **RECYCLED PLASTIC**

15,800 ⊗ TONS OF VIRGIN PLASTIC SAVED THANKS TO THE USE OF RECYCLED PLASTIC





GREENER SCIENCES & FORMULAS

99% (Construction) OF GARNIER'S NEW OR RENOVATED PRODUCTS HAVE AN IMPROVED ENVIRONMENTAL OR SOCIAL PROFILE







BY 2030

95% OF OUR INGREDIENTS WILL BE BIO-BASED, DERIVED FROM ABUNDANT MINERALS OR FROM CIRCULAR PROCESSES

IN 2022

63 % © OF OUR INGREDIENTS ARE BIO-BASED, DERIVED FROM ABUNDANT MINERALS OR FROM CIRCULAR PROCESSES

80% FOR OUR HAIRCARE FORMULAS



IN 2022 89% [©] OF OUR BIO-BASED INGREDIENTS ARE SUSTAINABLY SOURCED*

MORE RENEWABLE ENERGY

UN 2022 -555% WATER WITHDRAWAL AT OUR INDUSTRIAL SITES COMPARED TO 2005

BY 2025

100% © RENEWABLE ENERGY IN OUR INDUSTRIALS SITES IN 2022 76% RENEWABLE ENERGY IN OUR INDUSTRIAL SITES

ZERO WASTE TO LANDFILL***

APPROVED BYCRUELTY FREE INTERNATIONAL



ALL GARNIER PRODUCTS ARE APPROVED BY CRUELTY FREE INTERNATIONAL UNDER THE LEAPING BUNNY PROGRAM

* SUSTAINABLY SOURCED INGREDIENTS RELY ON THE FOLLOWING PRINCIPLES THAT DRIVE OUR PROGRESS : GUARANTEEING THE TRACEABILITY OF RAW MATERIALS BY KNOWING THE ORIGIN OF THE PLANT IN WHICH IT IS PRODUCED; VERIFYING THAT LABOUR CONDITIONS ARE DECENT AND SAFE; PROMOTING THE GROWTH AND HARVESTING OF CROPS TO IMPROVE PRODUCERS' LIVELIHOODS AND RESPECT TRADITIONAL KNOWLEDGE OF BIODIVERSITY, IN LINE WITH THE PRINCIPLES OF THE NAGOYA PROTOCOL; PRESERVING BIODIVERSITY, PARTICULARLY FORESTS IN OUR CULTIVATION AND HARVESTING PRACTICES; LOOKING FOR MORE SUSTAINABLE, LOW-CARBON AGRICULTURAL PRACTICES.

GARNIER



FIRST MICELLAR WATER BOTTLE MADE OF PREVIOUSLY

UNRECYCLABLE PLASTIC WASTE*

The beauty brand has developed a new Limited Edition 100% recycled and recyclable PET plastic bottle** to house its bestselling Micellar Water using Loop Industries' breakthrough infinitely recyclable technology.

Garnier, one of the world's largest mass market beauty brands, has strengthened its commitment to fight plastic waste by partnering with pioneering technology company Loop Industries. What used to be considered waste, or low value plastic, can now be transformed to create high quality and infinitely recyclable plastic if it's sorted correctly, thanks to the technology of Loop Industries. Garnier will pilot this technology in the brand's first Limited Edition Micellar Cleansing Water All-In-1 bottle, which is now made of plastic that was previously considered as unrecyclable plastic*. By revamping its bestselling Micellar Water bottles, making them out of 100% recycled PET plastic** from previously unrecyclable plastic waste* by Loop Industries, Garnier is hoping to accelerate the circular plastics economy.

This packaging innovation will first hit the shelves in Garnier's largest market, the US, and in France, the brand's home market.



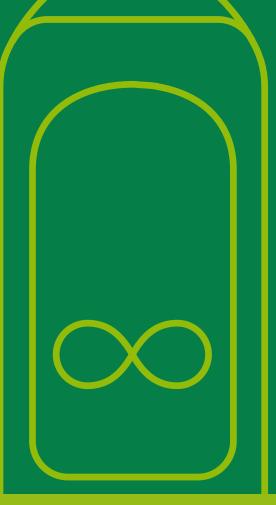
HOW IS THIS SPECIAL BOTTLE MADE ?

01 Loop collects value PET plastic that cannot yet be recycled as part of conventional recycling processes.



These materials are broken down, purified and recombined to create virgin-quality Loop PET resin.

The Loop PET resin is then converted into our unique Micellar Cleansing Water bottle.



WHAT IS LOOP INDUSTRIES BREAKTHROUGH TECHNOLOGY?

03

Loop Industries' plant is based in Terrebonne, Canada and it has developed a revolutionary depolymerization process which transforms low value plastic PET plastic into high quality Loop PET plastic resin, which, if sorted correctly can be recycled infinitely.

This future-facing partnership and pioneering recycling process will allow Garnier to recycle plastic that could not have been recycled using conventional recycling processes. By combining its iconic Micellar Cleansing Water and Loop Industries' innovative technology, Garnier is taking another step forward in the brand's long-standing commitment to increasingly create more sustainable packaging for its products.

Together, Garnier and Loop will work to create a positive outcome of the previously difficult-to-recycle PET and will explore new avenues to develop gamechanging initiatives for both people and planet.

OUR MAJOR HIGHLIGHTS



TOWARDS

GREEN BEAUTY

1. STOP WIPES

Single-use wipes generate huge amounts of daily waste, and it's the reason why Garnier made a major commitment to completely stop the production of them by the end of 2023.





2. 100% RECYCLED MICELLAR WATER BOTTLES

In 2022, Micellar Cleansing Water has been renovated with bottles made of 100% recycled plastic* in Europe, saving 2,218 tons of virgin plastic per year**. We will continue to use sustainable and innovative technologies by launching the brand's first Micellar Cleansing Water All-In-1 bottle, which is made of 100% recycled PET plastic* from previously unrecyclable plastic waste***.

3. SWITCH TO PAPER-BASED SACHETS FOR OUR TISSUE MASKS

Committed to finding alternative solutions for more eco-designed packaging, Garnier has implemented a change in its tissue mask sachets' material, switching from plastic to a paper-based sachet, starting with Hyaluronic Cryo Jelly Sheet Mask launched at the end of 2022. The face mask sachets will now have a lower environmental footprint and be made of 50% paper, which is certified by the Forest Stewardship Council (FSC[®]), meaning that it comes from sustainably managed forests.

"By using a FSC" certified paper in its packaging, Garnier supports forest management that respects both people and nature."

GARNIER

CRYOJELD

4. PLASTICS FOR CHANGE: FIRST COLLECTION CENTER

Garnier sponsors the set-up costs of a collection center in Chennai, India. This includes understanding the context, identifying a site for a waste facility, hiring the right team, doing a production pilot, sourcing materials, scaling production and sourcing, and finally sustaining the business. This process not only strengthens the recycling infrastructure but it also improves the livelihoods of local people, while creating long-term solutions for the problem of ocean plastic.

Following the establishment of various governance and compliance structures, this center and the integrated supply chain will serve Garnier's procurement needs.



OUR GREENEST

INNOVATIONS

97% Natural origin Ingredients the remaining 3% guarantee

a good sensory experience and preserve the formula

Solidarity Sourced Shea Butter from Burkina Faso

96-99% biodegradable formulas*

Powered by **Green Sciences** Oleo Blend Technology



ZERO plastic waste

Fast-rinse technology

-23% carbon footprint

compared to our 250ml shampoo, based on a full ISO-LCA

Made in a Waterloop factory using 100% renewable energy

Conditioner made of 97% natural origin ingredients



-7.7% Lighter shampoo bottle based on 250ml format PE/PET

Bottle made of 100% recycled plastic and refillable except cap, colorants, label & additives -50% of packaging carbon footprint after one year of refill

based on a ISO-LCA on the packaging

Shampoo bottle made of **30% ocean bound plastic** on PET plastic bottle

abandoned plastic waste located within the range of 50km from shore that will eventually end up discharged in the ocean due to wind, rainfall, river flow or tides





the remaining 4% guarantee a good sensoriry experience and preserve the formula

Oleo Blend Technology

Solidarity Sourced Shea Butter and Aloe Vera

made in a factory powered by 100% renewable energy

Tubes integrating carboard 36% less plastic for 175ml format 43% less plastic for 50ml format compared to standard 175ml and 50ml plastic tubes

Made in a factory powered by **100% renewable energy**

Bottles made of 100% recycled plastic except cap or pump, label and additives

Removal of unnecessary caps for an on/off dosing system

Formulas tested in marine life conditions





Reusable no daily cotton pad wastage Up to 1,000 washes per pad



Bottle made of 100% recycled plastic except cap, label and additives

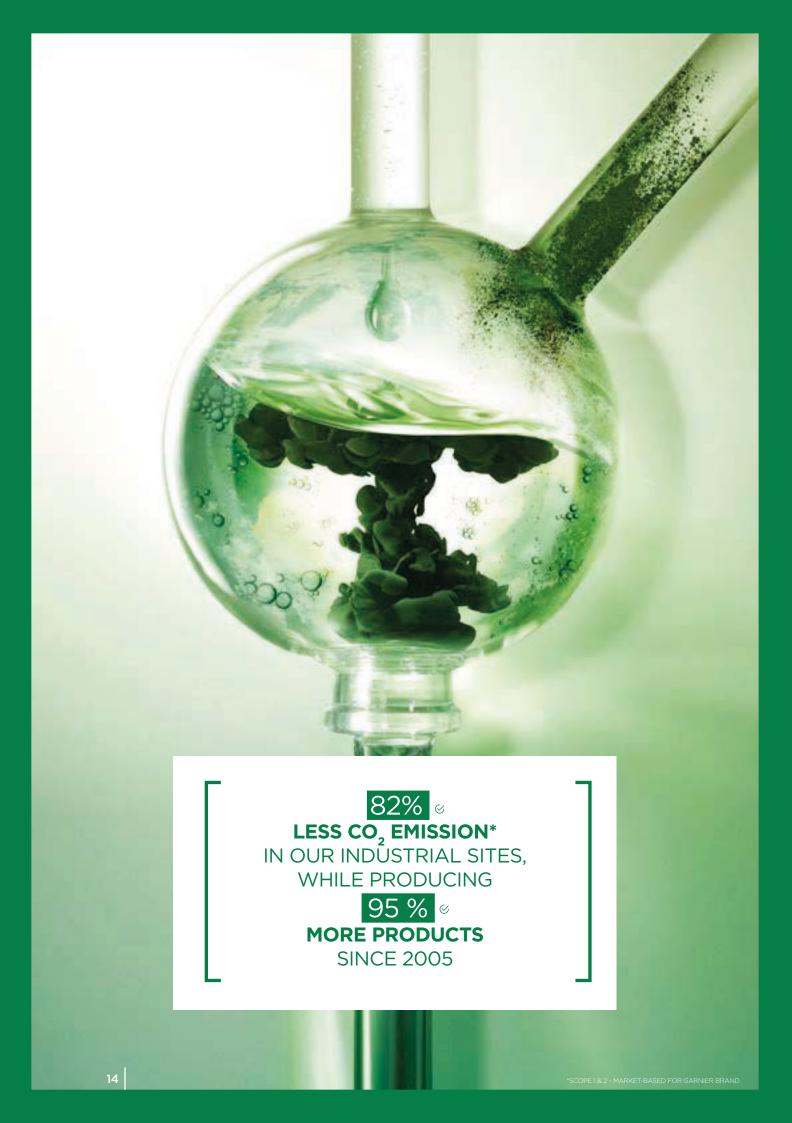
Recyclable bottle

No need to rinse off

96% Natural origin Ingredients the remaining 4% guarantee a good sensory experience and preserve the formula

ZERO plastic waste except the glue necessary to seal the paper







OUR CARBON FOOTPRINT

REDUCTION STRATEGY

Garnier's carbon emissions are calculated annually according to the international GHG Protocol*. It allows to definie an ambitious reduction roadmap in our whole value chain.

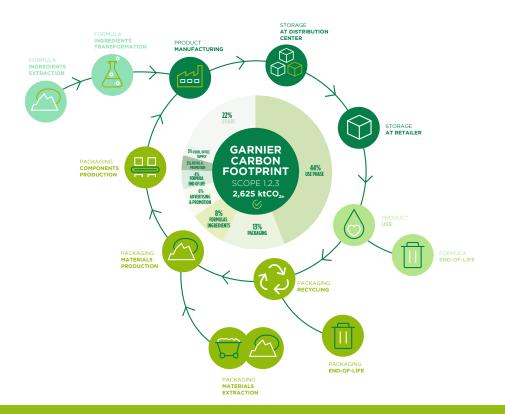
For the last three years, Garnier has been working to map out and reduce its global carbon footprint. This work considers Garnier's entire value chain including the impact of sourcing raw materials, the use and end-of-life of products, and even the impact that both the advertising and business travel can have.

To make this happen, our sustainable and operational experts have been conducting

research and collaborating to help us set priorities regarding our Green Beauty strategy. This exercise will also enable us to measure our progress overtime.

The main learning is that 44% of our carbon footprint is due to the use of our products, mainly because of the hot water used to lather and rinse (mainly haircare and hair color), which generates CO2 emissions.

We are working on alternative solutions (like fast rinse technologies such as Respons Solid Shampoo), as well as raising people's awareness on this topic, to help change consumers' habits for less water use.



THE SCIENCE-BASED TARGETS

Founded by CDP, the United Nations Global Compact, the World Ressources institute (WRI) and the NGO WWF, the Science-Based Targets (SBT) initiative seeks to encourage businesses to commit to a voluntary transition towards a low carbon economy, in line with the Paris Agreement.

Garnier is actively contributing the L'Oréal Group roadmap, which has adapted its decarbonization strategy with the last recommandation from Climate Science and SBTI Net-zero framework,



GOALS

GARNIER CONTRIBUTES

TO THE UNITED NATIONS'

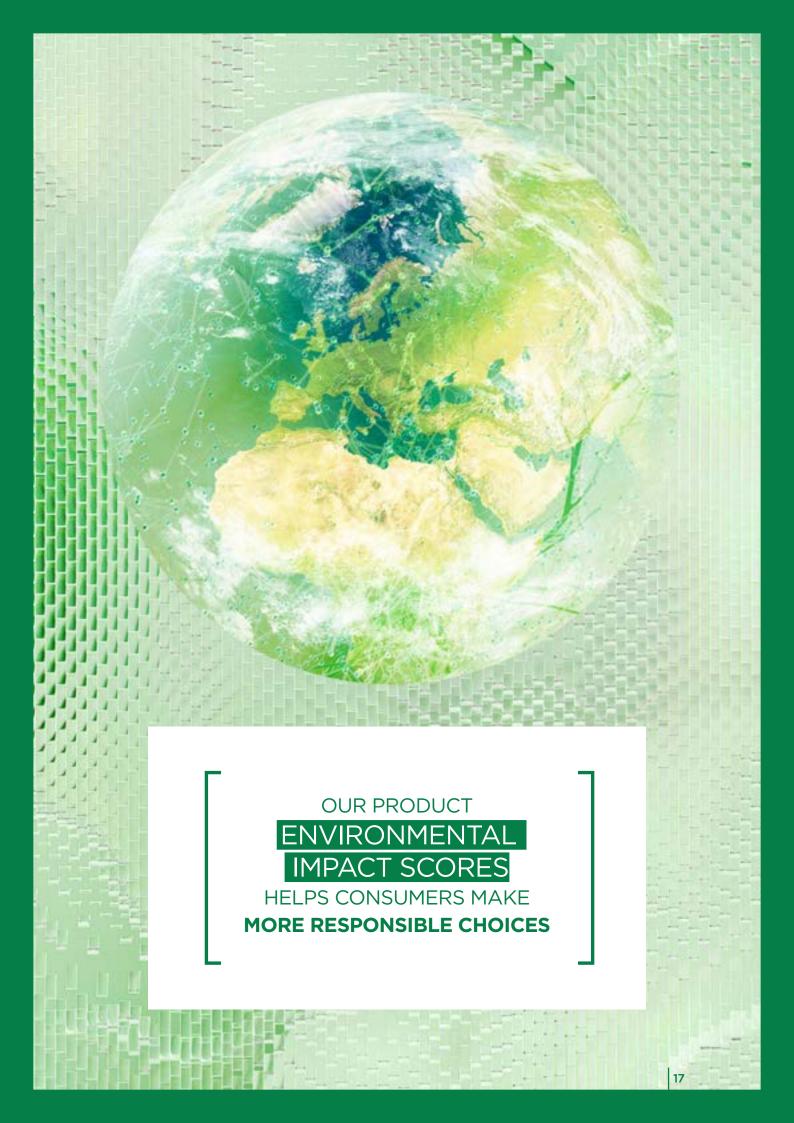
SUSTAINABLE DEVELOPMENT

In September 2015, the 193 United Nations member states unanimously adopted 17 major global "Sustainable Development Goals", aimed at putting an end to extreme poverty, fighting inequality and injustice and protecting the planet between now and 2030.

Garnier has undergone a huge transformation, becoming an increasingly more sustainable business. As a global, and mass market brand, Garnier has a duty to act, not only on its own environmental and social impact, but also on the major challenges facing the world today.

Taking into account Garnier's strong ethical commitments, its robust Green Beauty strategy and a commitment to promote diversity and inclusivity, Garnier now contributes towards 16 out of 17 of the goals set by the United Nations.





PROMOTING



SUSTAINABLE CONSUMPTION

In June 2020, Garnier launched product environmental and social impact labelling, in order to help consumers to make more sustainable consumption choices.

Garnier is committed to providing more transparency. The Environmental and Social Impact Labelling, launched in 2020, takes into account overall impact, and every product is classified in comparison to other relevant L'Oréal Group products. This classification goes from A to E, with A products having a lesser impact on the planet, overall.

Developed in close partnership with international experts and verified by Bureau Veritas, this tool is unique to the beauty industry. It is aligned with both European Product Envrionmental Footprint standards and the planetary boundaries concept from the Stockholm Resilience Center, which define the climate and environmental threshold that must be met for humanity to thrive in the future. In recent years, the impacts of thousands of beauty products have been assessed throughout their life cycle. This includes ingredient sourcing, packaging and product manufacturing, as well as the impact products have during product use and recycling. In each step, we take into consideration 14 impact criteria based on eight different categories: climate change, water resources, water quality, biodiversity, acidification, ozone, air quality and land resources.

In 2022, the Environmental & Social Impact labelling system was made available in 27 countries and was introduced into more categories of products including suncare, bodycare and haircare.





CONTINUOUS IMPROVEMENT



OF OUR PRODUCTS*

Garnier commits to step by step

- Increase the number of A & B products over time

- Remove or rework D & E products*

Product Environmental & Social Impact labelling has enabled Garnier to understand the brand's overall Carbon Footprint in micro detail. For instance, the use of products accounts for 71% of the environmental footprint of a shampoo or a rinse-off face cleanser, and 63% of a conditioner. The most impactful part for a face serum is the packaging (63% of the environmental footprint) while it is the end of life (75%) for a non rinsed off face cleanser. This knowledge will drive Garnier to innovate more in order to help reduce water use and overall impact.



MANUFACTURING & SUPPLY PACKAGING END OF LIFE FORMULA USE



In 2022, we reformulated our haircare oils using lower impact ingredients and as a result, improve their score from E to B.

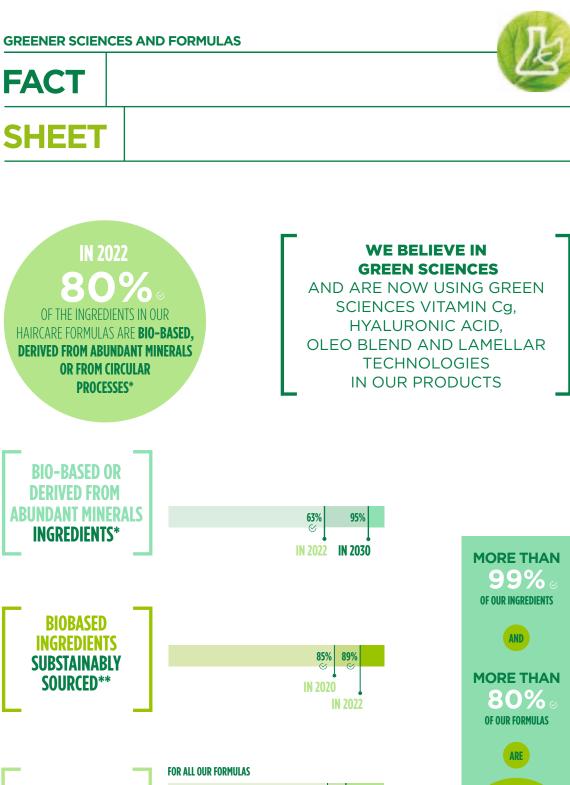
2022 47% 50% 3% 2021 38.4% 57% 3.7% 0,8% 0,12%

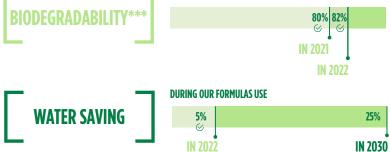
HAIRCARE SCORES**

*ON THE CATEGORIES « OPENED » (FACECARE EXCLUDING SHOCK TREATMENTS, HAIRCARE, SUNCARE, BODYCARE) AT THE END OF 2022 ** CALCULATED ON THE 81% PRODUCTS SCORED



80% OF OUR INGREDIENTS IN OUR HAIRCARE PRODUCTS ARE BIO-BASED OR DERIVED FROM ABUNDANT MINERALS OR CIRCULAR PROCESSES





*OR FROM CIRCULAR PROCESSES, WHICH DEFINITION IS BEING DEFINED BY OUR INTERNAL TEAMS WITH THE HELP OF EXPERTS. AND IT WILL BE AVAILABLE SOON. **CF DEFINITION PAGE 7. OUR INITIAL COMMITEMENT WAS TO REACH 100% BY END 2023. BUT WE MAY NEED MORE TIME TO SECURE THE LAST INGREDIENTS ***AS PER OECD 301 OR EQUIVALENT ISO TEST ****NO ANIMAL-DERIVED INGREDIENTS

VEGAN

TOWARDS

GREENER SCIENCES

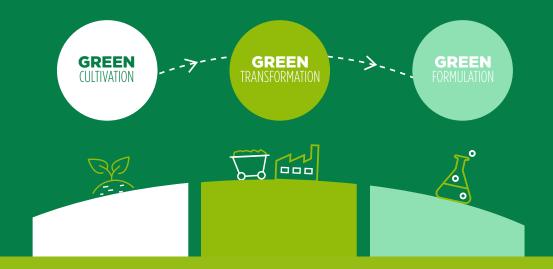
AND FORMULAS

GARNIER IS DEEPLY ROOTED IN NATURE AND BELIEVES STRONGLY IN GREEN SCIENCES FOR:

MAXIMUM EFFICACY,

REDUCED IMPACT ON THE PLANET* Green Sciences constitute the set of advanced scientific territories that enable us to develop effective, more environmentally friendly ingredients and formulas.

Green Sciences covers three areas of expertise: cultivation, transformation and formulation



GREEN SCIENCES ARE BASED ON 5 PILLARS :

•Science of cultivation using our agronomy science to cultivate our plants in the most efficient and sustainable way.

•Biotechnology and fermentation using living science to obtain new and high performing natural ingredients.

•Green extraction using high tech processes to sustainably draw out high per-forming ingredients.

•Green chemistry using eco-respectful processes to transform sustainable ingredients.

•**Green formulation** to deliver formulas with superior performance on key benefits and cosmetic functions.

*FIND OUT MORE ON OUR PRODUCT IMPACT LABELING ASSESSING THE ENVIRONMENTAL IMPACT OF OUR PRODUCTS COMPARED TO THE SAME PRODUCTS OF THE CATEGORY ON GARNIER.COM

POWERED BY



GREEN SCIENCES INGREDIENTS

We are dedicated to developing formulas in the most sustainable way possible. Our formulas are step by step powered by Green Sciences ingredients for a better environmental impact.

OUR GREEN SCIENCES HYALURONIC ACID



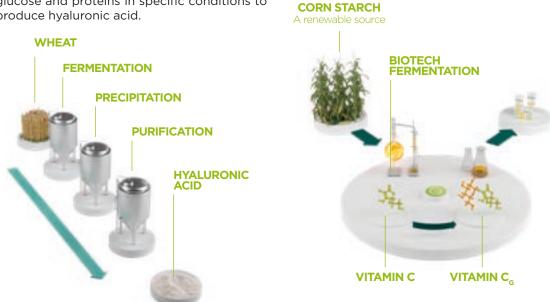
Known for its moisturizing and replumping properties, hyaluronic acid is one of the most effective active ingredients for protecting the skin from dehydration.

Hyaluronic acid is a natural-origin ingredient obtained through green transformation biotechnology process known as fermentation. Lactif bacteria is fed with wheat-derived glucose and proteins in specific conditions to produce hyaluronic acid.

VITAMIN Cg



Made from renewable sources, Garnier's Vitamin Cg is a natural origin ingredient. It is obtained through a process of biotransformation that follows the principles of green chemistry, including the use of renewable raw materials, minimum energy input and overall waste reduction.



POWERED BY



GREEN SCIENCES FORMULAS

Through Green Sciences, we believe in creating responsible products that combine the best in naturality, efficacy and safety through the most potent formulas and which have the least impact on the planet.

OLEO BLEND TECHNOLOGIES

The Oleo Blend technologies are one of Garnier's newest Green Sciences innovations. They are a powerful mix of moisturizing and nourishing oils and butters extracted from nature, and fatty acids and esters obtained through green chemistry processes. They are all selected for their emollient properties, luxury textures, outstanding performance and sensory experience.

Their compositions are tailor-made for specific needs, scents and targeted use on hair or body. Oleo Blend Body technology is found in Body Superfood and Hand Superfood, and Oleo Blend hair technology in Hair Food Cocoa & Pineapple masks.



LAMELLAR TECHNOLOGY

The Lamellar technology used in Fructis Hair Drink is powered by Green Sciences. This innovative fast-rinse formula is 97% natural origin* and 99% biodegradable**. Free from silicones for a natural feel, the technology is formulated with ingredients obtained through green chemistry that work to instantly transform hair, making it feel soft and look shiny.



INNOVATING

TO REDUCE WATER USE

Garnier is focusing its efforts on creating products that help reduce water usage – one of the main environmental impacts of our products – by either avoiding the need for rinsing altogether, or by developing fast-rinse formulas.

NO RINSE TECHNOLOGIES

Our Micellar Cleansing Waters do not require rinsing off. Plus, when they are used with our reusable Eco Pads, there is 95% less water and 85% less impact on freshwater quality* compared to a single use cotton pad.

FAST RINSE TECHNOLOGIES

We are developing new formulas to help our consumers rinse more quickly after application, allowing them to save water while they're in the shower.

For example, our portfolio of Olia haircolor is quicker to rinse out compared to the previous technology, and our Solid Shampoo Bars require 20% less water to rinse, according to a consumer test**.

RESPECTING WATER QUALITY

Most of the ingredients used in our formulas eventually reach domestic wastewater. To help conserve the quality of water systems, we are evaluating the environmental footprint of our formulas, with a special focus on water.

We are also going beyond regulatory requirements by testing our ingredients and our suncare formulas voluntarily in both salted and freshwater in order to guarantee that our formulas are not harmful to the world's water systems. In particular, we are evaluating our suncare formulas using an aquatic testing platform, through which we are testing seven representative species of freshwater and marine life to assess their ecotoxicity as thoroughly as possible.







ON CLEANSERS



99% • OF OUR

INGREDIENTS ARE VEGAN*

Garnier is fully committed to animal welfare, and that's why we trace the origins of every ingredient we use to ensure that it contains no animal-derived ingredients.

Most of our formulas are now vegan and we have a dedicated program for all of our bee-derived ingredients to help ensure we respect the bees and biodiversity (see p.52).

NEW VEGAN FORMULAS*

We have reworked several formulas and whole ranges replacing any non-vegan ingredients with vegan alternatives.

Respons



ARNIER

Micellar

Cleansing Water All-II

NOT OTHER

RNIER

3.

GARNIGE AMBRE

ENSITIVE

CERAMIN

VITAN

STREM

Optimical scalap counterf

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NO BUICONE FOR A NAME AND PERLANATO







APPROVED BY

under the Leaping Bunny Programme



A STRINGENT PROCESS

TO ENSURE COMPLIANCE

CONDUCTED ANNUALLY

To achieve Leaping Bunny status Garnier secured evidence from each supplier, which will then be audited regularly. For Garnier this was a case of securing a declaration from more than 500 suppliers, who source over 3,000 different ingredients for the brand, from across the world.

Since 2021, Garnier and Cruelty Free International have been working together to secure this evidence and ensure every product within Garnier's global portfolio could officially display the Cruelty Free International Leaping Bunny logo, the internationnaly recognized cruelty-free mark. This stringent process ensures that consumers can buy Garnier products with complete confidence, knowing that they meet Leaping Bunny's strict criteria and that this approval is regularly audited.



"Garnier is a global brand familiar to us all. Working with them to help end animal testing for cosmetics and declaring them officially approved under the Cruelty Free International Leaping Bunny Programme is a real milestone."

CRUELTY FREE INTERNATIONAL CEO





GARNIER SUPPORTS

CRUELTY FREE INTERNATIONAL

Garnier is proud of the approval of its products under the Leaping Bunny Program and is committed to improving animal welfare and aims to support Cruelty Free International in its actions. Its work includes investigating and exposing the reality of life for animals in laboratories. They challenge decision-makers to make positive differences for all animals and championing better science and cruelty-free living.



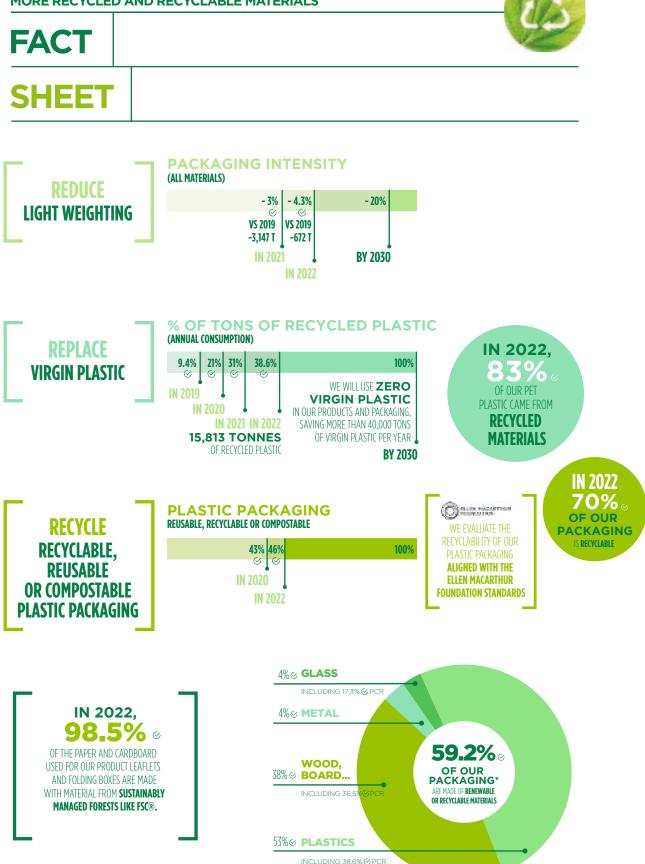
An animal welfare and veterinary expert was present on set, and all guidelines issued by Cruelty Free Internationa were followed to ensure no animals were harmed in the making of this campaign.







MORE RECYCLED AND RECYCLABLE MATERIALS



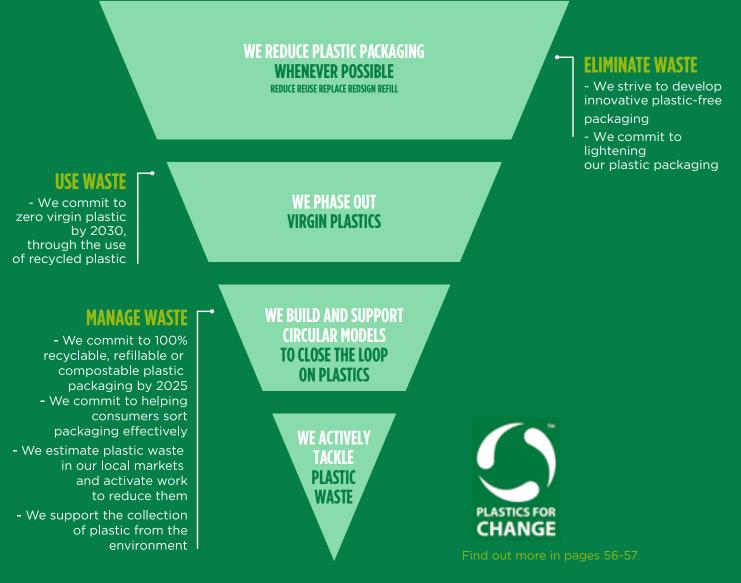
TOWARDS

MORE RECYCLED AND

RECYCLABLE PACKAGING

GARNIER IS COMMITTED TO AN INNOVATIVE POLICY OF PACKAGING OPTIMIZATION TO PROMOTE THE CIRCULAR ECONOMY. WE ALSO LOOK BEYOND OUR OWN PRODUCTS TO FIGHT PLASTIC POLLUTION, INCLUDING COLLECTING PLASTIC WASTE.

OUR PLASTIC STEWARDSHIP PROGRAM HAS FOUR KEY FOCUS AREAS, AND IS ENTIRELY SCIENCE-BASED.





REDUCING

AND REPLACING PLASTIC

IN OUR PACKAGING

REDESIGN

Since 2020, we have been rolling out a new generation of packaging which integrates cardboard, which is part of a new partnership between the L'Oréal Group and Albea.

By using less plastic and replacing some of it with FSC®-certified cardboard, we have significantly reduced our packaging environmental footprint. We have since extended this innovation to skincare, haircare and sun care. We reached a new frontier in 2021 with the integration of our next generation tube to select products, that uses 75% less plastic (compared to our 200ml conditioner). The cap's new design is slimmer but still easy to use, it reduces the weight by 54% and the packaging's overall carbon footprint is reduced by 43% over its total lifecycle (based on an ISO LCA and compared to a 200ml conditioner).



REFILL

In 2022 the complete range of Respons was repackaged. We developed new refillable bottles that are lighter but more stable, and that have a removable cap and a wider neck. Plus, we've created refill pouches for our iconic blends that use 71% less plastic than bottles. They're made with a monomaterial plastic (PE) which makes them more easy to recycle across different countries. We strongly believe in this new ecosystem of refillable products to help close the loop on plastic waste.



ZERO PLASTIC WASTE SOLID SHAMPOO

Launched in the Nordics in 2021, our first range of solid shampoo offers the same performance as a liquid shampoo with a 94% plant-based formula. This is a good example of replacing plastic packaging with a biobased and recyclable alternative: we used FSC®-certified cardboard, supporting sustainable forest management that respects people and nature.



MORE RECYCLED AND RECYCLABLE MATERIALS





In 2022, Garnier continued to reduce the weight of our packaging while ensuring the optimal use of our products and maximum protection of our formulas. Let's take a look at some of our most popular products.





We reduced the weight of our Garnier Mineral roll-on deodorant with a newly designed bottle

We reduced the size of the box and removed a plastic bottle from our OLIA hair color kit



We redesigned the Respons bottle, while reducing the amount of plastic in the bottle, making it lighter yet durable



We reduced the weight of the glass bottle in our skincare serum packaging



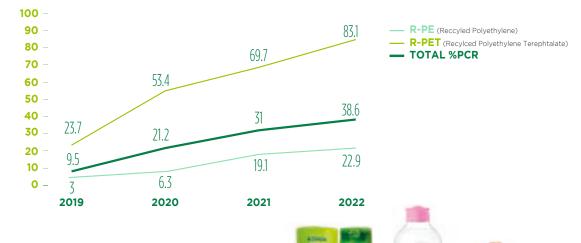


TOWARDS

100% RECYCLED PACKAGING

We are moving towards using 100% post-consumption recycled (PCR) materials and using only sustainably sourced or bio-based plastics.

OUR PCR EVOLUTION



EUROPE FRUCTIS Shampoo &

CONDITIONER BOTTLES

89% of the PET plastic used in our haircare products was made from recycled plastic in 2022, saving more than 9,250 tons of virgin plastic

Our commitment to using Zero Virgin Plastic in all packaging, saving 40,000 tons of plastic each year, allowed us to mobilize our full ecosystem – both internally and externally – and to work together, as a brand, towards this goal. Although we celebrate our successes, we acknowledge that we are still facing some challenges, which we are working on.

One of the biggest challenges is to develop local sources of sustainable materials. We want to be able to buy our materials near our markets to help reduce our carbon footprint, and to ensure sufficient availability and quality of recycled material. This is why we introduced beauty grade recycled plastic, a specific requirement for plastic material used in the cosmetic industry. Additionally, we strive to solve technical and aesthetical challenges that injecting recycled plastic into our molds can have. In addition, we are working in close partnership with our packaging suppliers and plastic manufacturers on technical challenges. We check that our recycled packaging reaches our quality standards, and is compliant with all our technical aspects, such as compatibility with the formula and stability over time. Our innovation teams are also investigating and working on developing new technologies that will allow us to integrate more recycled plastic in future packaging.

EUROPE MICELLAR Bottle < 400 ml **AMBRE SOLAIRE**

BOTTLES

This year has taught us that reaching our ambitious goals will be a challenging and long process. This is why we have decided that the brand will need more time to achieve its Zero Virgin Plastic target, and it will be more realistic to postpone our goal and pledge for ZERO VIRGIN PLASTIC by 2030 instead. TOWARDS



RECYCLED PACKAGING

Our packaging teams are actively involved in makingall of our packaging recyclable by changing the materials used, and by removing any obstacles that get in the way of recycling.

PRODUCTS DESIGNED FOR RECYCLABILITY

In 2022, at least 70% of our global portfolio was recyclable. All of our teams have been trained to fully understand the recyclability of our products and have visited recycling centres. Recyclability is now at the heart of the way we design our products. We are now actively working on removing any obstacles to recycling, including reworking pumps, labels, tubes, sachets, and jars in order to make them ready to recycle when recycling streams will be developed at scale. For example, we switched the Fructis conditioner bottle from an opaque to a transparent bottle to ensure better recognition during the sorting process. Also for the reformulation of Respons, we optimized the size of our labels for better recyclability, while still ensuring consumers have all of the necessary information.

HELPING CONSUMERS TO IMPROVE THEIR RECYCLING HABITS

The circular economy will only become a reality if we can close the loop on waste. Education and promoting sustainable habits on a daily basis is the key to driving transformation. Consumers are recycling more in the kitchen compared to in their bathroom*: this is why we believe it is our responsibility to improve habits by providing useful information on how to easily recycle packaging. We have added this information to our packaging and on product web pages focusing on Product Impact Labelling. The information is adapted in every country to ensure it adheres to local recycling requirements.



AFTER TRANSPARENT PLASTIC



ZERO

METALIZED LABELS DISRUPTING OUR RECYCLABILITY BY 2023



THE CHALLENGE OF METALIZED LABEL REMOVAL



* SOURCE : HTTPS://WWW;CITEO.COM/LE-MAG/EMBALLAGES-HYGIENE-BEAUTE-MIEUX-LES-TRIER-MIEUX-LES-RECYCLE

5 ECO DESIGN GOLDEN



MERCHANDISING

OPTIMIZE TOTAL WEIGHT

Optimizing materials help to reduce the total weight of point of sale displays and CO₂emissions during transportation.

RESPONSIBLY MANAGED CARDBOARD

We used certified materials sourced from sustainability managed forest resources such as FSC[®].

REUSE, SEPARATION AND RECYCLING

All materials can have a second life by being either reusable or recyclable. All parts of our merchandising display can be either separated and recycled easily thanks to recycling instructions, or made from one type of material which is easier to recycle (for example: 100% cardboard).

BAN ELECTRONIC COMPONENTS

All Garnier temporary displays are made without electronic components so they can be recycled easily.

MORE RECYCLED OR RENEWABLE MATERIALS

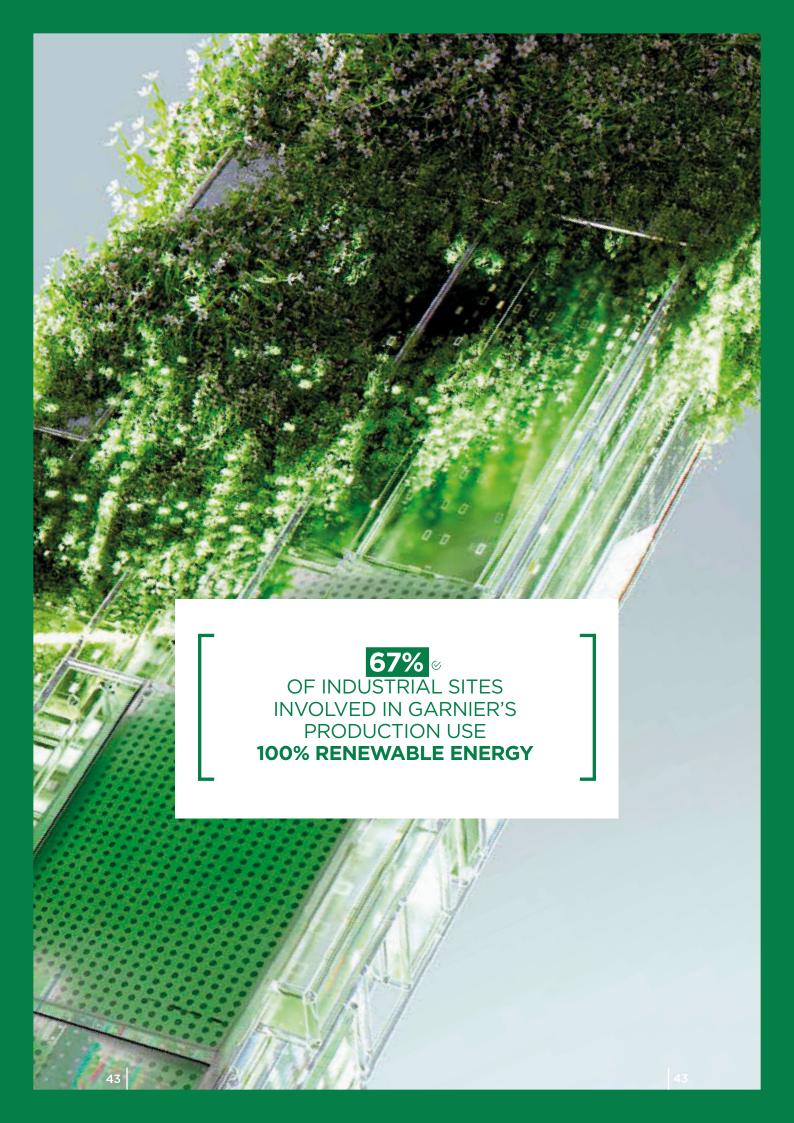
We reduce the use of virgin plastic by using more recycled or renewable materials in our merchandising displays.



As one of the first touchpoints in store for our consumers, displays and merchandising materials are key to bringing our Green Beauty vision to life and contributing to our "More Recycled and Recyclable Materials" pillar.

For years, we have been improving the way we design our packaging and retail materials. By 2025, we are aiming for 100% of our new displays to be eco-designed, so the materials can be given a new lease of life. Our eco-design principles are based on five key pillars.

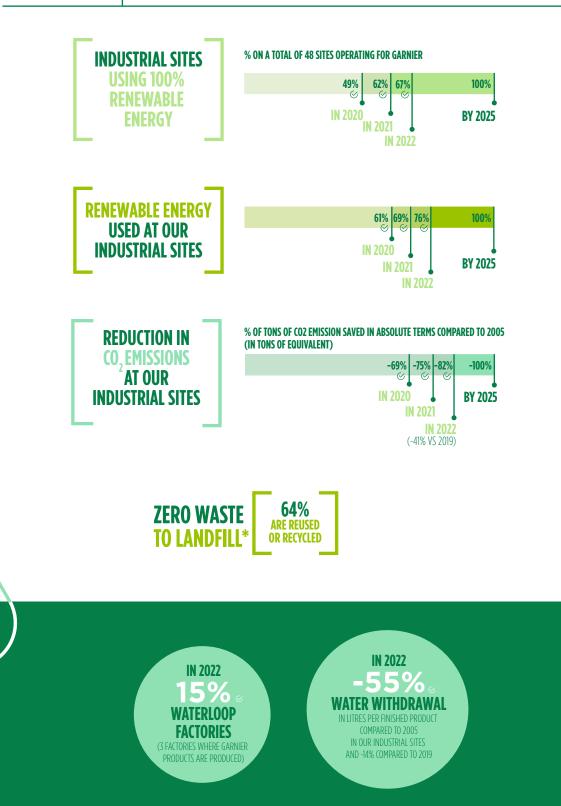








SHEET



*WITHOUT REGULATORY CONSTRAINTS

100% RENEWABLE

ENERGY SITES

3 WATERLOOP FACTORIES



All our industrial sites will use 100% renewable energy by 2025 thanks to an innovative strategy customized for each of our sites.

Garnier is committed to achieving a low carbon business model to fight climate change. At the end of 2022, Garnier reduced the direct CO_2 emissions (Scopes 1 and 2) of its industrial sites around the world by 82% compared to 2005. This was done through:

- Reducing the energy needs by implementing energy sobriety approaches and by improving the energy efficiency of its facilities (buildings, equipment, industrial processes, etc.);

- By increasing the use of local renewable energy (76% at the end of 2022).

Today, 10 factories use energy from 100% renewable sources. This is thanks to an innovative renewable energy strategy based on the best local opportunities and technologies available in the countries where we operate. For most of our renewable energy project, we create our own renewable energy on-site by using biomass, biomethanization and solar photovoltaic panels.



OUR BEST ACHIEVEMENTS

OVERVIEW OF OUR FACTORIES

NEW 100% RENEWABLE ENERGY POWERED FACTORY IN SAO PAULO (BRAZIL)

Our São Paulo factory achieved 100% renewable energy in 2022 through the inclusion of bio-methane in its energy mix from October 2022; the factory was already using 100% of electricity from renewable sources since April 2014. The company first dedicated efforts to improve its energy efficiency (-33% Kwh/FG in 2022 compared to 2005) and then developed strategic partnerships for the supply of renewable energy.

Since 2019, all electricity is procured from a windfarm in Brazil (through a Power Purchase Agreement with ENGIE) and recently the plant replaced fossil gas used in the steam boilers with natural gas coming from a renewable source in São Paulo state.

The sustainablity journey continues, and the plant's ambition is now to produce more renewable energy on site. The first step of the Solar Park Project – which is made up of more than 1,500 photovoltaic panels – started by producing on-site electricity for self-consumption in December 2022, reaching on average 7% of the plant electricity consumption.



OUR WATERLOOP FACTORIES

We are following a clear path to significantly reduce our industrial water consumption and re-think water use across each of our sites. A factory reaches the 'Waterloop' status when its entire water needs for manufacturing processes, such as cleaning and cooling, are produced by treating and reusing high quality water in an internal loop. We currently have three "Waterloop" factories, located in Settimo (Italy), Vorsino (Russia), and Libramont (Belgium). Our teams have developed ambitious and innovative technologies to ensure 100% of industrial water use is covered by onsite retreated, recycled and reused water. For example, at our Settimo factory - where we make our FRUCTIS products - our teams use a high-performance filtration system, known as "ultrafiltration", and «reverse osmosis» to purify the water, making it ready to be reused in our manufacturing processes. Thanks to these developments and innovations, our three "Waterloop factories" have increased the efficiency of their water management and inspired other factories worldwide. We aim to have 100% Waterloop factories by 2030.







REDUCING CO₂ EMISSIONS

IN OUR SUPPLY CHAIN

At a global level, transportation today is accountable for 15%* of global CO2 emissions. In comparison, it represents less than 5% of Garnier's global CO2 emissions. Nevertheless, we are committing to reduce the greenhouse gas emissions linked to product transportation by 50% per fnished product by 2030. Air transportation accounts for 0.1%** of a typical product's carbon footprint, from our factories to our distribution centers, and represents 10% of its CO2 emissions.

To significantly reduce our airfreight impact, we have worked on four major focus areas:

 Raising awareness among all our employees
 Developing an internal process to make sure any airfreight is an exception, rather than the norm

 Monitoring progress using digital tools, enabling our teams to control and track all the modes of transport we use on a weekly basis
 Manufacturing products locally, close to our markets.



ECO-DESIGN IN OUR COPACKING OPERATIONS

Today, part of our products are sold in our subsidiairies through promotional offers, or into sets, boxes or bundles.

As such, for these co-packaged products, we are applying our 3R strategy REDUCE-RE-PLACE-RECYCLE.

From the conception where weight is optimized and wood-based material is selected instead of fossil-based plastic, to the production process where we favor sustainable printing processes like using water-based ink, and renewable materials like paper, through to pallet optimization and end-of-life with material identification.

In Germany, in 2022, we tested our new alternatives to plastic sleeves, instead using an innovative plastic-free solution with 40%

grass and 60% locally sourced recycled paper. This new solution is 100% biodegradable, and we will progressively implement it in our subsidiaries in the coming years.





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SOURCING



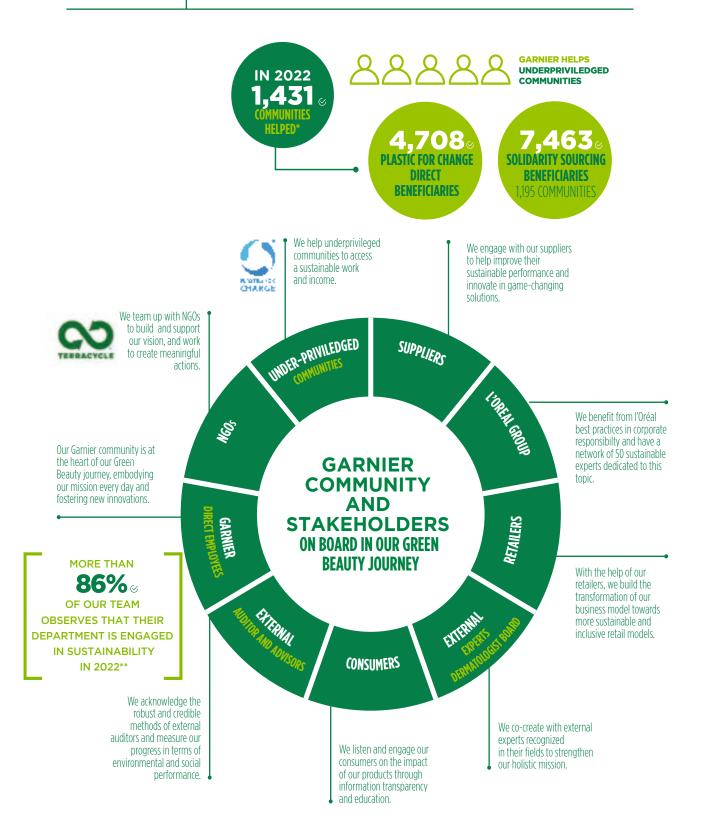
COMMUNITIES HELPED

AND ENGAGING OUR STAKEHOLDERS AND EMPLOYEES WITH OUR GREEN BEAUTY JOURNEY



SHEET

FACT



* 1405 COMMUNITIES INVOLVED IN SUPPLYING GARNIER INGREDIENTS AND WHOSE MEMBERS BENEFIT FROM THE L'OREAL GROUP'S SOLIDARITY SOURCING PROGRAM + 26 COMMUNITIES INVOL-VED WITH PLASTICS FOR CHANGE

** OUT OF 96% RESPONDENTS IN GARNIER TEAM WORLDWIDE

1,431 🛛



COMMUNITIES* IMPACTED

Garnier has been committed to sustainable sourcing and to its Solidarity Sourcing programme since 2008. It aims to continue sourcing more renewable ingredients through programmes that are designed to have a positive social impact.



*SOLIDARITY SOURCING COMMUNITIES: COMMUNITIES INVOLVED IN SUPPLYING GARNIER INGREDIENTS AND WHOSE MEMBERS BENEFIT FROM THE L'ORÉAL GROUP'S SOLIDARITY SOURCING PROGRAM. THE NUMBER OF COMMUNITIES IS BASED ON OUR LATEST AVAILABLE REPORTS.



MENTHOL FROM INDIA

Our menthol is part of a Solidarity Sourcing Program from the Uttar Pradesh region in India. Through our partnerships with Kancor and a local NGO, we help families cultivating mint in a crop rotation system. Farmers are trained to sustainable agricultural cultivation practices, leading to better yields. We also ensure that Fair Trade principles and legal wages for seasonal workers are respected.



CANDELILLA FROM MEXICO

This project was launched in 2016 in partnership with local actors specializing in rural development and agriculture. The wax is extracted throughout the year, following strict traceability and sustainable practices as part of the mature plant is left to help it regenerate, and wax is only collected from plants that are at least four years old.

SOYBEAN FROM BRAZIL

Since 2017, our Solidarity Sourcing Program supports communities in Paraguay and Brazil in the production of soybean oil. It accelerates capacity building by helping farmers gain access to the latest knowledge on organic farming. It also supports them with a fair and transparent pricing system. Finally, it fights deforestation through the Roundtable For Responsible Soy (RTRS) Certification, which is under the Standard for Responsible Soy Production including certification for non-GMO soybeans.



BEESWAX FROM AFRICA

We enable Shea butter producers in Burkina Faso to diversify their income and gain an additional revenue stream, helping to fight against poverty and promote sustainable development, while preserving shea trees through pollination. Thanks to the project, we have consolidated and upskilled a network of responsible beekeepers, respecting bee welfare.





ARGAN OIL FROM MOROCCO

Garnier supplies its Argan oil through a network gathering six cooperatives of more than 500 women who collect argan nuts from the Argania Spinosa forest, a UNESCO Biosphere Reserve. Through our programme, we guarantee fair wages and good working conditions, helping the women and their families to achieve greater economic independence.



Garnier has sourced 100% of its shea butter since 2014 from Burkina Faso to help empower women, reduce energy poverty and lower deforestation. Our current sourcing programme helps deliver fair prices and income to women, as well as prefinancing crops during the period of the year when grain stores are empty.

OUR BEES WELFARE PROGRAM

Conscious of the importance of preserving biodiversity, Garnier has comitted to sustainably source all its ingredients derived from bees through a network of responsible beekeepers and suppliers who follow sustainable practices that are respectful to the welfare of bees. In exchange, we pay a premium for wax and honey to ensure better revenues for the beekeepers.

We are also supporting a nonprofit NGO, the Bee Conservancy, that protects 10 million bees. Through « HaBeetat », a program that distributes 300 native bee houses across the US and Canada, we are helping to restore local biodiversity.







FROM MEXICO



Aloe Vera, known for its soothing properties, is used in our haircare and skincare products. Our Solidarity Sourcing project, which was implemented in 2019 in collaboration with Pronatura and MexiAloe, reached 56 beneficiairies in 4 villages by 2022. The producers live locally and rely on small scale farming and seasonal work for their income.

Aloe cultivation is an opportunity to diversify and increase families' incomes. Men and women work together to maintain the aloe fields, however, we focus on financially empowering women, and importantly, we are also raising awareness among local communities of the need to protect forests and preserve natural resources.

The objectives of the project are:

- Introducing organic aloe cultivation: the farmers receive training on organic aloe cultivation, drop irrigation systems and aloe sprouts, so they can begin growing aloe on their own plots.

- Implementing fair trade principles to valorize aloe production and to encourage farmers to join the project by fixing a minimum and fair price, and by grouping producers into cooperatives which are 100% led by women.



- Raising awareness among the community to preserve the surrounding forest and natural areas through workshops. The training contains information about sustainability programs managed by Mexican government institutions on the benefits of preserving the forest. These include better temperature regulation, more regular rainy seasons and more flowers for the bees, among others.

PROMOTING



FINANCIAL SECURITY

TO FACE CLIMATE CHANGE

Around the world, 80% of smallholder farmers are not protected against the impacts of climate change on their crops. This lack of security puts them at risk of falling into poverty. The Insurance Net for Smallholders (INES) project is designed to reduce this vulnerability.

Shea butter and shea olein are two of the key ingredients that have been used by Garnier in its formulas. They are both sourced in Burkina Faso, from a tree (Shea Tree Vitellaria Paradoxa) known as "the tree of a thousand virtues". Our programme helps to empower women and deliver fair prices (with fair trade certification), enabling them to earn an additionnal source of income.

Through our Solidarity Sourcing program, we decided in 2021 to pilot an inclusive insurance solution, in association with AXA, among our 318 communities of shea farmers in Burkina Faso.

The INES project offers AXA's inclusive crop loss insurance and health insurance products to farmers. The insurance cost is fairly distributed across the value chain and is provided to beneficiaries with simplified procedures to help farmers comply with the program. The partners worked closely with the farmers to understand the risks and developed an innovative service covering two streams:

- Climate risks: farmers are covered for weather risks affecting maize production (e.g., droughts), which is the most important crop for the food security in these households

- Health and accident risks (e.g., agricultural injuries, death or disability, hospital expenses): farmers and pickers are able to reduce costs, stabilize revenues and improve their saving capacity.

Furthermore, AXA continues to refine the product based on customer feedback. Malaria cover, for example, was recently introduced based on demand from the farmers.

The product is voluntary and promoted through training sessions, as well as in promotional materials shared among cooperative members. The cost of the product is shared along the value chain. L'Oréal pays a part of the premium, another part is funded by the cooperatives, and individual farmers pay a small portion. The project so far reached almost 22,500 women.



22,500 22,500 WOMEN WERE INVOLVED IN THE PROJECT 260K EUR (169 M F CFA) WERE GIVEN BACK TO COMMUNITIES FOR CLI-MATE CHANGE PURPOSES 106 DAYS OF DROUGHT IN 10 DIFFERENT PROVINCES 700 REPORTED INCIDENTS 273

PEOPLE USED THE HEALTH AND ACCIDENT INSURANCE (FOR HOSPITALIZATION AND MEDICAL EXPENSES)

LOCAL NGOs



AND PARTNERS

Across the globe, Garnier is taking part in action that helps to promote a greener world, through local partnerships with NGOs and skilled local partners.



IN 2022 AROUND 8 MILLION

CONSUMERS WERE ENGAGED IN Collecting Garnier Packaging IN 39,288 PRIVATE & PUBLIC LOCATIONS

932 130 Pieces of garnier Packaging **Were Collected**

GARNIER HAS TEAMED UP WITH TERRACYCLE® TO HELP RECYCLE MORE

In 2022 around 8,000,000 million consumers were engaged in collecting Garnier packaging in 39,288 private and public locations. 932,130 pieces of Garnier packaging were collected.

GARNIER LEBANON PARTNER WITH AEC

In 2022, Garnier worked hand in hand with its partner Arc En Ciel to create impactful green beauty projects. Some of these included:

Collecting plastics during pre-marathon runs of the Beirut Marathon

 Pushing online education campaigns on sustainable beauty and encouraging consumers to join Garnier on its Recycling Green Beauty Journey

- Creating an option on the Carrefour supermarket website for consumers to send back their recyclables with ANY online order.

In total, 2,500 bottles of plastic were collected with AEC in 2022. Garnier is looking forward to taking green beauty a step further next year with new activations, such as participating in university job offers and creating workshops for students on green beauty and sustainability.



PLASTICS FOR CHANGE®

TO HELP TACKLE PLASTIC POLLUTION AND IMPROVE ITS SOCIAL IMPACT

At Garnier, we commit to fighting the environmental and societal impact of climate change. Since 2020, we have partnered with Plastics For Change to collect ocean bound plastic* in India, so it can be recycled and used in our bottles.

We also enable informal waste collectors and their families to earn a stable income and gain access to social services in India. Through this partnership, we hope to "close the loop" and move towards a more circular economy of plastic. Today, all our transparent Respons PET bottles are made with 100% recycled plastic, of which 30% is ocean bound plastic*.



ABOUT PLASTICS FOR CHANGE

Founded in 2015 in Mangalore, Plastics for Change empowers waste collectors in India by giving them access to a stable income and social services. They collect ocean bounds plastic^{*}. Impacting more than 10 000 individuals located in nine different cities of the coastal belt of India, Plastics For Change is considered the world's largest and most trusted source of fair trade verified recycled plastic.



DID YOU KNOW ?

Around the globe, we are dumping the equivalent of one New York City garbage truck full of plastic into the ocean every minute of every day for an entire year. If we continue at this speed, by 2050, there will be more plastic than fish in the ocean. Source: United Nations

OUR OCEAN BOUND PLASTIC

Fairtrade is a system of certification that aims to ensure a set of standards are met in the production and supply of a product or ingredient. For farmers and workers, Fairtrade means workers' rights, safer working conditions and fairer pay. For shoppers it means high quality, ethically produced products.





*OCEAN BOUND PLASTIC IS DEFINED AS 'ABANDONED PLASTIC WASTE RECOVERED WITHIN THE RANGE OF 50KM FROM SHORE AND THAT WILL EVENTUALLY END UP DISCHARGED IN THE OCEAN BY THE EFFECT OF WINDS, RAINFALL, RIVER FLOW OR TIDES.



GARNIER SUPPORTS

PLASTICS FOR CHANGE®

DID YOU KNOW ?

Over 3 billion people around the world live without access to organized waste collection. That's almost half the planet's population. Some of the world's most underprivileged people collect this waste to try and make a living. The waste collectors, many of them women, often live below the poverty line and work in appalling conditions.

From January to December 2022, we amplified our impact, not only in the environment but also on the local community. We opened our first dedicated Waste Collection Center in Chennai, and participacted in the following interventions – led by Plastics for Change.

1. **The financial inclusion** of waste collectors: we provide awareness programs to enhance their financial decision-making skills. We help them create bank accounts, digitalize their financial records, and promote financial literacy.

2. **The social inclusion** of waste collectors and their families: we facilitate them access to social security, issue identity cards, and help them establish proof of their identities.

3. **Improved social and economic behavior**: Plastics For Change's incentive program, Scrap Shops, encourages collectors to earn redeemable points as and when they comply with global sourcing charter standards. This bonus payment is added to their income, thus ensuring fair prices, transparency and positive behavioral change in social, environmental and economic aspects of the recycling value chain.

4. **Improved working conditions**: we ensure fair-trade prices and upgrade basic infrastructures.

5. **Upskilling and better employment opportunities**: we offer capacity development trainings focusing on enabling workers to adapt fair trade practices and social and environmental changes.

6. The **reduction of vulnerabilities and health risks** due to the waste collection work: we distribute PPE (shoes, masks, gloves) to avoid physical injuries and others. 7. **Improved health**: we established a health camp in the waste collection center to facilitate access to essential interventions for protecting workers' health. We also created an awareness program, promoting good hygiene practices, good nutrition, education about health and diverse diets, and provided sanitation products.

8. **Improved nutritional status** for pregnant and lactating women: we provide them with nutrition kits.

9. **Improved education** for the children of waste collectors: we offer them an alternative learning program that supports students who aren't effectively learning within their formal school, and offer a flexible approach to learning through a range of individualized programs in different subjects including English, maths and science.





TEAMS

A DIVERSE, COMMITTED GARNIER TEAM HEADING UP THE GREEN BEAUTY JOURNEY

The deployment of our Green beauty strategy is paired with a global upskilling of all Garnier teams. We developed a full training path, starting with ba-sics on sustainable packaging, formula and commu-nication, followed by a series of overall knowledge on planetary challenges (Water, Biodiversity, Res-sources and Climate Change). We are then delivering three in-depth workshop on recyclability, with the visit of a sorting center, on climate change with the powerful education tool, the Climate Fresk, and finally about science behind sustainability and the way we are assessing envi-

ronmental footprint. This way, we are empowering all our team members with the skills and tools they need to accelerate our transformation and make eve-

We are very proud of our employees and enable them to lead the way to more sustainable beauty by giving them the power to create true sustainable innovations in a diverse, inclusive environment. Our steering committee is also evaluated and receives bonuses on its sustainability performance, showcas-tions evaluated and inclusion to this mission. ting a real effort and dedication to this mission.



GLOBAL SURVEY



FINDS 79% OF PEOPLE WANTS

TO BE MORE SUSTAINABLE

Garnier releases the results of its annual One Green Step report, revealing the geographical and generational differences in attitudes towards the environment, among 20,000 people in 9 countries.

Over the past few years we have been witnessing a growing majority of adults wanting to live more sustainably, but Garnier's 2023 report reveals a surprising decline in green resolve, with 79% of people saying they want to be more sustainable in the future, compared to 83% in 2022. 4% said they were already acting sustainably, compared to 5% last year. Major barriers for taking sustainable actions include lack of funds to be able to afford making sustainble changes (56%), lack of time (32%) and lack of information (29%).

The report shows that the slight decline appears to have happened in most markets around the world, except in the UAE and Indonesia. In particular, Germany witnessed the most important shifts towards sustainable intentions, as only 66% of the respondents said they were willing to change their behavior towards the environment, compared to 81% last year. On the other hand, the Indonesian market seems to be the most willing to make changes, with almost 3 in 5 respondents stating that they already consider their lifestyle to be sustainable, compared to 14% in the UK and 19% in Germany.

Overall, the top five sustainability steps people intend to take in 2023 are the following: reduce the use of plastic products (41%), decrease food waste (40%), improve recycling practices (39%), trying to become plastic free (32%), making a switch to plastic free products (32%).

Moreover, industries are being increasingly seen as responsible for taking these steps. The report points at a growing number of people who think there needs to be legis-



lation to force companies to respect the environment. Respondents affirm that greater transparency (41%), honnesty about targets missed by industries (38%) & claims backed by scientific facts (38%) would help to build or rebuild trust in brand's green claims. Consumers are trusting less brands, and specifically the beauty industry is seen as the guiltiest of greenwashing by 39% of respondents. Nevertheless, the lack of access to information and the abundance of green messages has been factor of confusion for many, just after the lack of funds to be able to make changes. Overall, the lack of understanding on the part of consumers is likely to make it more difficult for 23% of the respondents to make truly sustainable decisions.



PROGRESS REPORT AUDITED

BY EXTERNAL AUDITOR

This progress report provides an overall summary of our progress across our five major Green Beauty focus areas. The figures and activities related to each focus area are shared in detail in the pages of this report. Deloitte has expressed limited assurance on the indicators identified by this sign &

Please refer to the methodological note below and 2022 Assurance Report published in the "Publications" available at: **www.loreal.com** and **www.loreal-finance.com**

Ecodesigned products: These are products that are improved with a new or renovated formula and/or packaging (excluding subcontracting and regulatory developments as well as unsold products, products developed but not yet produced and promotional products). Their social or environmental impact is improved using our SPOT (Sustainable Product Optimization Tool) methodology, based on criteria such as green chemistry, renewability, biodegradability, ecotoxicity, recycled material and end-of-life management, contribution to communities, transparency and accessibility.

For cardboard boxes and paper product use instructions, the sustainably managed forest certifications include FSC[®] (more than 80% by volume of tonnages) and also PEFC and SFI.

Sustainable industrial sites: Our industrial sites are the 20 factories producing Garnier products among others, and the 28 L'Oréal Group mass market distribution centers. The environmental footprint of the Garnier units produced is the result of the environmental footprint of each plant manufacturing Garnier products in proportion to the Garnier units produced, and the environmental footprint of all L'Oréal distribution centers in proportion of Garnier units produced.

Greenhouse gas: Our CO_2 emissions are calculated in line with the concepts defined by the GHG protocol, and monitored according to the market-based CO_2 indicator. Our emission factors are generally those of our suppliers for scope 2 emissions; If these are unknown, we use regional or national emission factors (eg. IEA 2022 for electricity). For comparability, the CO_2 emissions data for the 2005 and 2019 baseline have been updated in light of these rules (recalculated on the basis of a constant scope).

Site using 100% renewable energy: A site can claim this status if it meets the following requirements:

• Direct CO_2 (Scope 1) = 0, with the exception of: the gas used for catering, the fuel oil used for sprinkler tests, fossil energy consumptions during maintenance of on-site renewable facilities, cooling gas leaks if they are lower than 130 tonnes CO_{2eq} /year; and

• Indirect CO_2 Market Based (Scope 2) = 0. The renewable energy sources must be located on site or less than 500 kilometres from the site, and be connected to the same distribution network. This status, as defined above, is achieved without carbon offsetting".

Energy: the energy produced by the heat pumps and by geothermal facilities is no longer counted in the total energy consumption of the L'Oréal Group sites; the energy necessary for the operation of these equipments is however included in the energy consumption of L'Oréal Group sites.

A "Waterloop factory" concept consists in using public water supplies only for human consumption and to produce high-quality water used as a raw material for product manufacture. All the water required for industrial processes such as cleaning equipment and steam production is derived from water that is reused or recycled in a loop on site.

The 2005 reference data for **water withdrawal and waste generation** used to calculate the difference between 2005 and 2019 comes from plants and distribution centers that were in place in 2022 and already existed in 2005. For comparability, water withdrawal and waste generation for the 2019 baseline have been recalculated on the basis of a constant scope.

Waste: Since 2021, waste generation no longer includes the sludge generated by the wastewater treatment plants of the L'Oréal Group sites.

Solidarity Sourcing communities: Communities involved in supplying Garnier ingredients and whose members benefit from the L'Oréal Group's Solidarity Sourcing program. The number of communities is based on our latest available reports (2021 or 2022).

Garnier Plastics For Change beneficaries: Indian waste collector and his direct family members, supported through their work of collecting plastic with work security, fair pay, financial literacy, safe shelter, education and healthcare. #1 Of waste collectors working with plastics for change under garnier's program. #2 Direct family members of waste collectors who are working with plastics for change under garnier's program



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Design and production

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www.garnier.com