

L'ORÉAL
FOR THE FUTURE

SUPPLY CHAIN ASIA SUMMIT

ALEXANDRA PALT

11th MARCH 2021

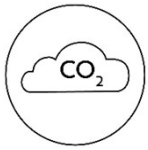
**2013-2020: AN AMBITIOUS FIRST
SUSTAINABILITY PROGRAM TO KICK-OFF A
PROFOUND TRANSFORMATION**

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1

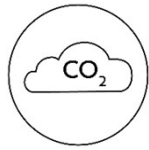
SHARING BEAUTY WITH ALL

OVERVIEW OF OUR 2013-2020 ACHIEVEMENTS



-81 %

Greenhouse gas emissions



72

Carbon neutral sites



-49 %

Water consumption



96 %

New or renovated products with an improved environmental or social profile



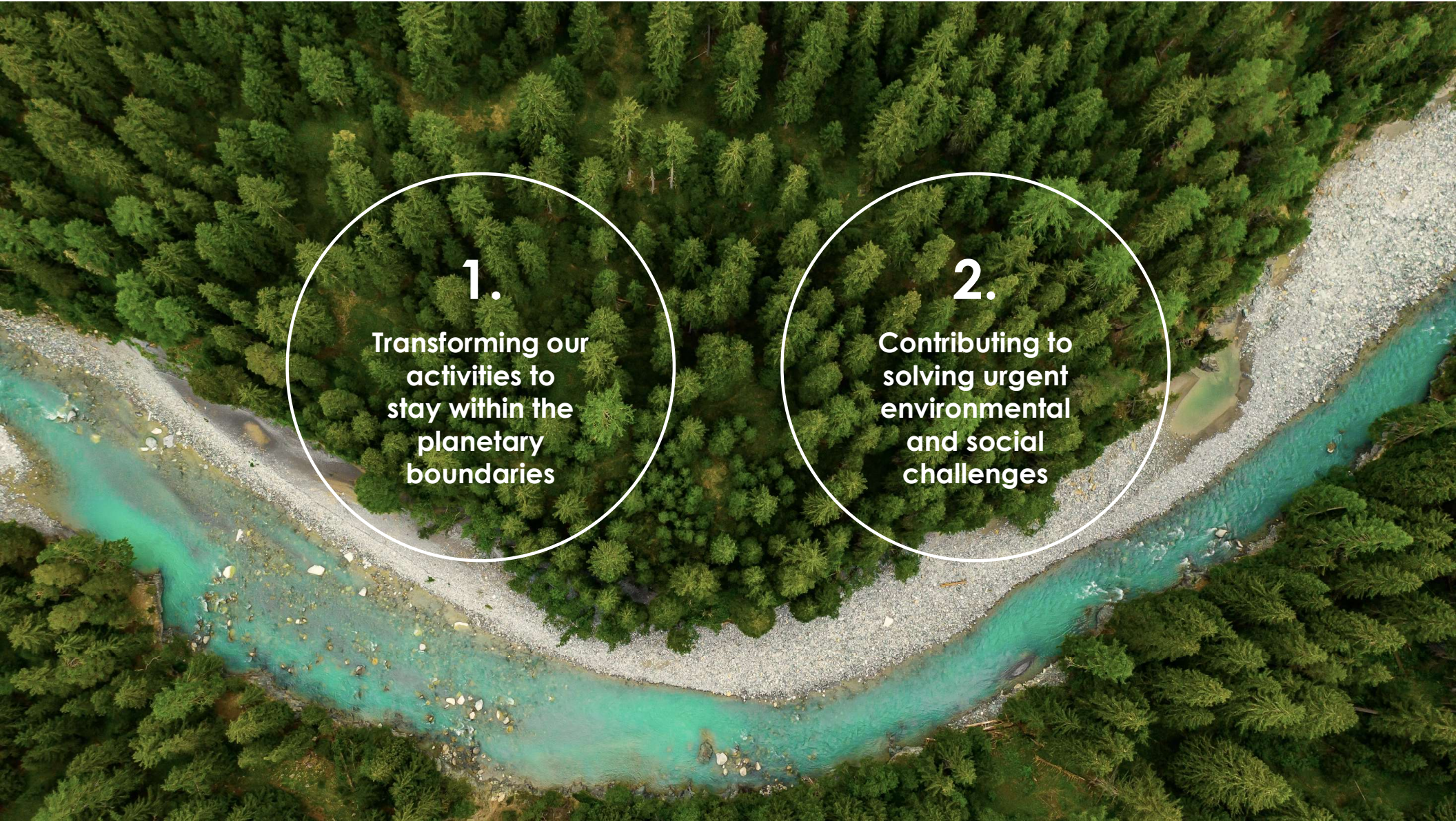
100,905

People gained access to employment

OUR VISION OF SUSTAINABILITY FOR 2030

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2



1.

**Transforming our
activities to
stay within the
planetary
boundaries**

2.

**Contributing to
solving urgent
environmental
and social
challenges**

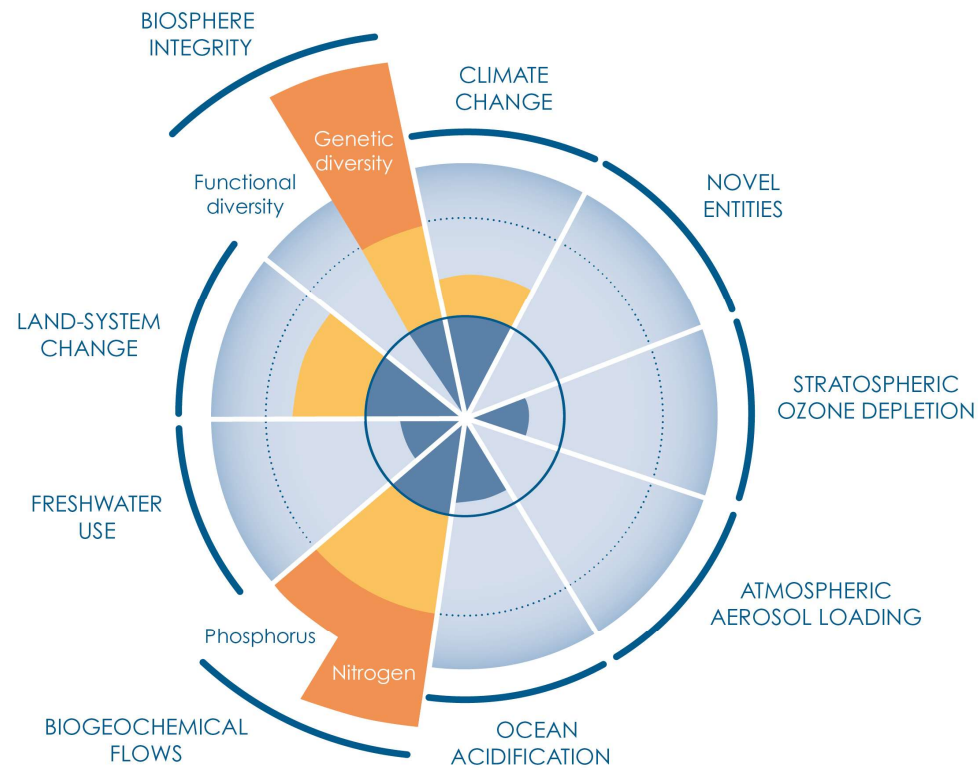
**TRANSFORMING OUR ACTIVITIES TO RESPECT
PLANETARY BOUNDARIES**

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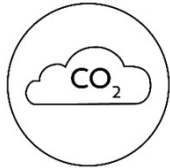


REDUCING OUR IMPACT

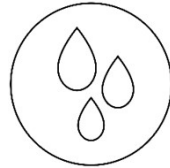
THE CONCEPT OF PLANETARY BOUNDARIES



SCIENCE-BASED TARGETS
RESPECTFUL OF THE PLANETARY BOUNDARIES



CLIMATE



WATER



BIODIVERSITY



RESOURCES



SOCIAL COMMITMENT:

Improving the living conditions of all L'Oréal's business ecosystem

L'ORÉAL FOR THE FUTURE KEY TARGETS



100 %

By 2025, all of our sites will achieve carbon neutrality by improving energy efficiency and using 100% renewable energy.



100 %

of the water used in our industrial processes will be recycled and reused in a loop in 2030.



95 %

of our ingredients in formula will be biobased, derived from abundant minerals or from circular processes by 2030.



100 %

of the plastic used in our packaging will be either from recycled or biobased sources in 2030 (we will reach 50% by 2025).



100,000

people from disadvantaged communities will gain access to employment by 2030

L'ORÉAL FOR THE FUTURE REACHING NET ZERO EMISSION BY 2050

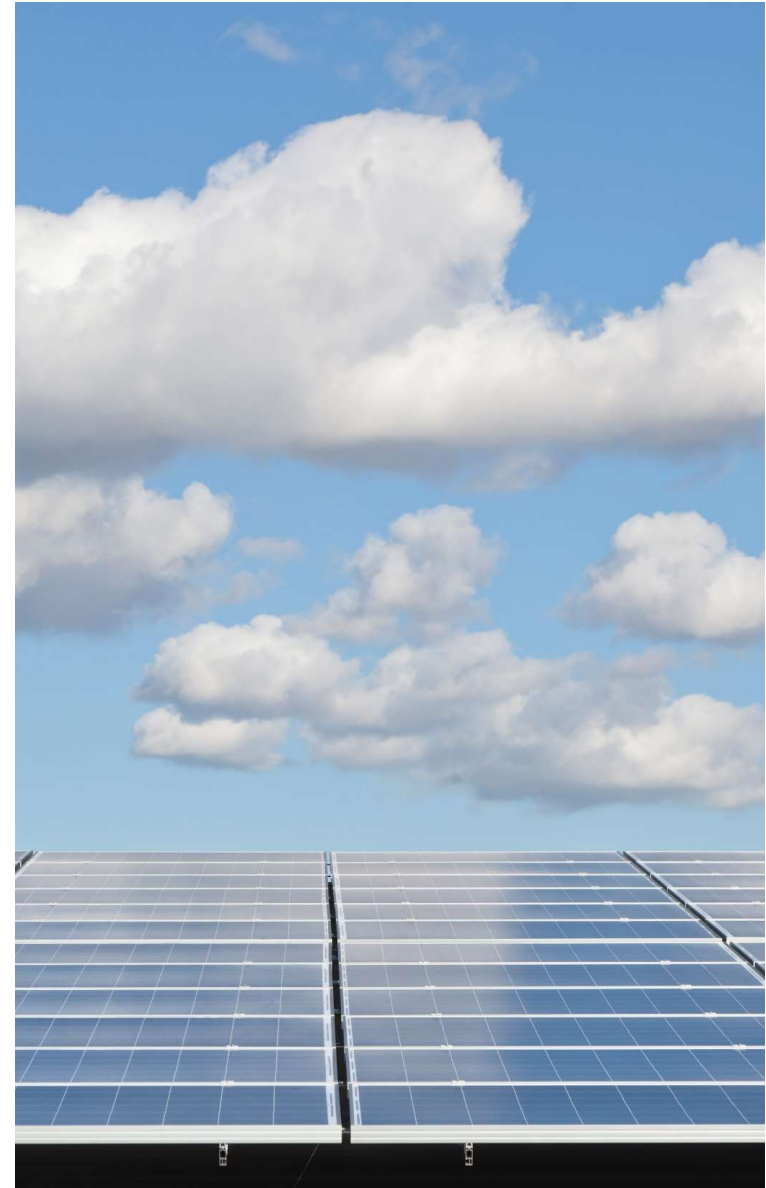
Two targets aligned with the 1.5°C scenario:

- **50% reduction per finished product** (25% in absolute terms) **in 2030**;
- **net zero emission in 2050**.

And addressing all scopes:

- **Our direct impact**, related to our production and distribution facilities, for example;
- **Our indirect impact**, associated with the activities of our suppliers and the use of our products by our consumers.

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L'ORÉAL FOR THE FUTURE REACHING NET ZERO EMISSION BY 2050



50 %

By 2030, our strategic suppliers will reduce their direct emissions (scopes 1 and 2), by 50% in absolute terms, compared to 2016.



100 %

By 2030, we will reduce by 50% on average and per finished product, the greenhouse gas emissions linked to the transport of our products, compared to 2016.



25 %

By 2030, we will innovate to enable our consumers to reduce their greenhouse gas emissions resulting from the use of our products by 25% compared to 2016, on average and per finished product



25 %

By 2030, we will innovate to enable our consumers to reduce by 25%, on average and per finished product, the water consumption linked to the use of our products, compared to 2016.

**EMBARKING OUR BUSINESS ECOSYSTEM ON
OUR TRANSFORMATION JOURNEY**
OUR SOLIDARITY SOURCING PROGRAMME

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4

EMBARKING OUR ENTIRE BUSINESS ECOSYSTEM IN OUR TRANSFORMATION PROCESS

Our responsibility is to **involve our entire ecosystem in our transformation process, helping it transition to a more sustainable world.**

What we do: we join forces with our suppliers to develop our **social inclusion programs**, including our **Solidarity Sourcing program**:

- access to work for people who are typically excluded from the job market;
- sustainable income.

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SOLIDARITY SOURCING KEY FIGURES

81,138

people who gained access to employment (+14% vs 2019)

369

suppliers involved in the program

379

projects

57

countries

72

third parties including NGOs

SOLIDARITY SOURCING TOP 15 PROJECTS



SOLIDARITY SOURCING BURKINA FASO

- Shea butter: key component of many cosmetic products.
- Burkina Faso 2012: **first raw material Solidarity Sourcing project.**
- The two projects meet 100% of L'Oréal needs in shea butter and shea olein since 2014.
- The project had **39,100 beneficiaries** in 2020.
- The project has 3 objectives:
 - Capacity building and implementation of fair-trade principles;
 - Carbon emissions reduction;
 - Revenue diversification.

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