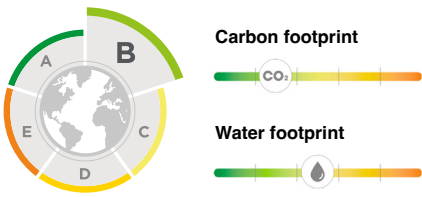


OUR PRODUCT IMPACT LABELLING SYSTEM



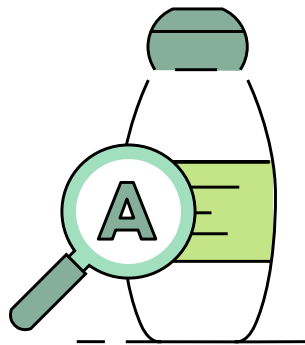
In a context of climate urgency and strong consumer expectations, L'Oréal aims to empower all consumers to make sustainable consumption choices. An important part of achieving sustainability is accurately assessing the impact of products and acting to reduce that impact. With our sustainability programme L'Oréal for the Future, we committed to improve the environmental and social profile of our new or renovated products every year and to share that information with our consumers.

To that end, we developed a Product Impact Labelling system, offering a transparent assessment of their footprint.

In parallel to this initiative, we are currently working alongside the entire beauty industry to co-develop a labelling system able to give consumers information that is as clear and transparent as possible. Our collective action will empower consumers to make informed decisions.

2022 ACHIEVEMENTS

IN 2022, WE CALCULATED THE ENVIRONMENTAL IMPACT SCORE FOR 83% OF OUR RINSE-OFF PRODUCTS.



IN 2022, THIS INFORMATION WAS AVAILABLE:

- In 23 European countries, in the United States, in Canada, in Mexico and in Indonesia, on the websites of 5 of our global brands



- GARNIER
- L'ORÉAL PARIS
- LA ROCHE-POSAY
- VICHY
- BIOTHERM

- For the haircare, skincare and bodycare categories



PRODUCT IMPACT
LABELLING
AT THE HEART OF
L'ORÉAL
FOR THE FUTURE

TRANSFORMING OURSELVES

- The environmental impact score
- A scientific method and a holistic approach

EMPOWERING OUR BUSINESS ECOSYSTEM

- The EcoBeautyScore consortium

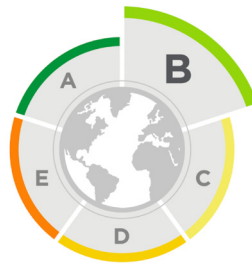
01 | THE ENVIRONMENTAL IMPACT SCORE

In order to provide everyone with clear and useful information, this score was developed as a **comparison tool** for products within the same category. The classification is **a reflection of a product's impact compared to other products offering the same kind of cosmetic service** (hair cleansing, conditioning, etc.) on a scale from A to E. An "A" product can thereby be considered "best in class" in terms of environmental impact across the total range of evaluated L'Oréal products.

THE ENVIRONMENTAL IMPACT SCORE PROVIDES:

- **A rating from A to E**
- Information about the **manufacturing conditions of the product and the environmental impact of the packaging**
- Information about **the social impact of the product**. This includes:
 - **compliance with the fundamental principles of the UN on labour standards** by ingredient and component suppliers
 - **the number of suppliers committed to social inclusion** who contributed to the product

Overall environmental impact



Carbon footprint



Water footprint



Manufacturing conditions

Made in a responsible plant.

Waste recovery:	100%
Renewable energy:	46%

Environmental impact of the packaging

% of bottle made of recycled material ⁽³⁾ :	100%
Recyclable ⁽⁴⁾ :	yes
Refillable or reusable:	no

Social impact of the product

The ingredients and components of this product are sourced from suppliers committed to respect the fundamental principles of the UN on labor standards.

3 suppliers committed to the social inclusion of people from vulnerable communities contributed to making this product.

- (1) Grams of CO₂ equivalent («shampoo» category average = 100g)
- (2) Water index including water quality + water scarcity (m³) - «shampoo» category average = 7,7
- (3) Excluding closing system
- (4) Recycling instructions may vary locally

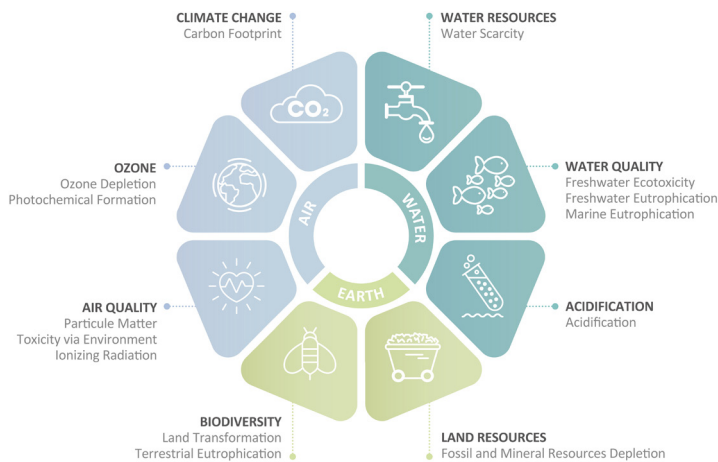
02 | A HOLISTIC APPROACH

THIS LABELLING IS BASED ON A METHODOLOGY L'ORÉAL HAS DEVELOPED TOGETHER WITH 11 INDEPENDENT SCIENTIFIC AND EXPERTS, AND ALIGNED WITH THE EUROPEAN COMMISSION GUIDELINES TO SCIENTIFICALLY EVALUATE A PRODUCT'S ENVIRONMENTAL FOOTPRINT.

THE PLANETARY IMPACT FACTORS

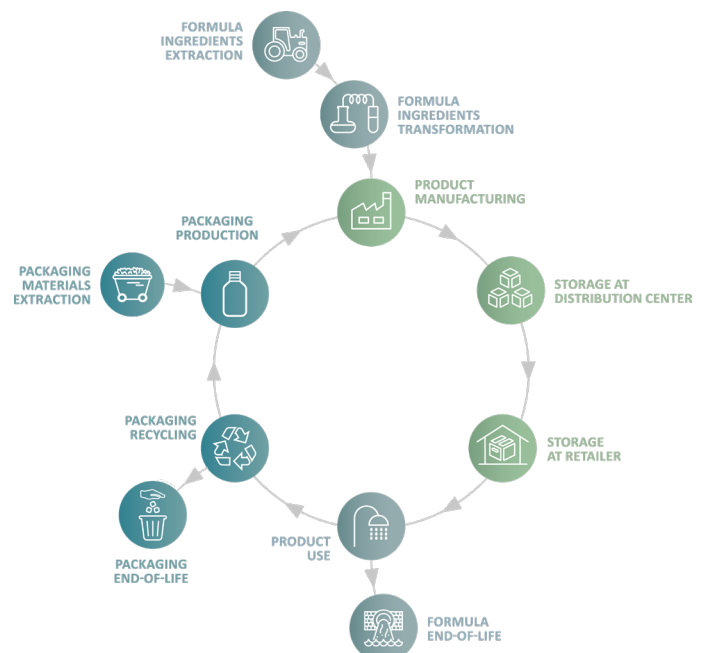
14 planetary impact factors are taken into account,

such as greenhouse gas emissions, water scarcity, ocean acidification and impact on biodiversity.



THE PRODUCT LIFE CYCLE

Those impacts are measured at every stage of a **product's life cycle** by looking **not only at sourcing, production and transportation, but also consumer usage and packaging recyclability.**



In the case of cosmetics, the carbon and water footprints are the most important impact factors. That is why L'Oréal communicates the overall environmental score, as well as the detailed carbon and water footprints of its listed products.

DID YOU KNOW?

70% of a shampoo's carbon footprint is linked to its use, as a result of the water needed to rinse it off and the energy used to heat the water.



THE APPLICATION OF OUR METHODOLOGY AND THE CALCULATION OF THE DATA HAVE BEEN VERIFIED BY INDEPENDENT AUDITOR BUREAU VERITAS.

ZOOM

THE ELVIVE HAIRCARE RANGE

As part of its "L'Oréal for the Future, Because our Planet is Worth it" programme, L'Oréal Paris has committed to reducing its environmental impact through responsible, sustainable products. For example, the brand shares information about the specific environmental impact of its products to empower consumers to make more informed choices.

Since January 2022, consumers can find this information readily available in the details of each Elvive product on the brand's website in 23 European countries.

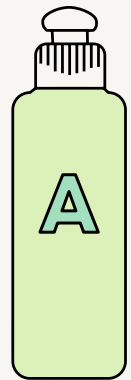
This environmental impact score will be expanded beyond Europe in 2023 to include other markets around the world and will also be featured on L'Oréal Paris skincare and Men Expert products.



**ELVIVE
COLOR VIVE**
Color Protecting
Shampoo



**ELVIVE HYALURON
PLUMP**
Moisture
Plump Serum



**ELVIVE
DREAM
LENGTH**
No Haircut
Cream

03 | THE ECOBEAUTYSCORE CONSORTIUM

We have also committed to share the learnings of our Environmental labelling initiative with the members of the EcoBeautyScore Consortium.

• GOAL

To develop an industry-wide environmental impact assessment and scoring system for cosmetics products to empower consumers to make sustainable consumption choices.

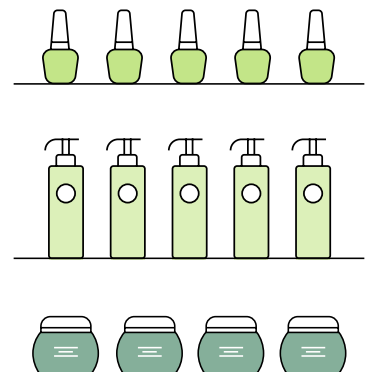
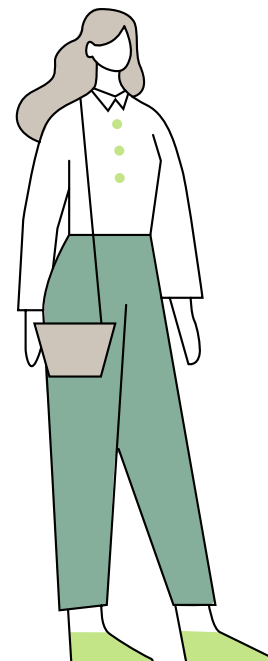
• MEMBERS

The EcoBeautyScore Consortium brings together more than 60 small and large cosmetics and personal care companies and associations across four continents. It remains open to any other beauty company interested in joining.

• TO LEARN MORE

Visit the Consortium website:
<https://www.ecobeautyscore.com>

Until this new labelling system is available, L'Oréal will continue to display the impact of its products using the current system.



B
EcoBeautyScore
CONSORTIUM