



The latest chapter in our L'Oréal for the Future journey

At L'Oréal, we are committed to dual excellence, combining economic performance with positive social and environmental exemplarity. Our purpose — to create the beauty that moves the world — aligns our business strategy and our values with the needs of the world and our communities.

Our *L'Oréal for the Future* program, launched in 2020, embodies this deep commitment.

As we are now at the halfway point in this program, together with external experts, we have reflected on our progress and learnings, refined our roadmaps and reinforced our commitment. The goal of this strategic midterm review is to ensure that we remain pioneering, transparent, and sincere.

As the world's largest beauty company, we recognize our unique position and responsibility to drive real, meaningful change by stewarding the climate transition, safeguarding nature, driving circularity and supporting communities. Our actions are underpinned by our desire for constant improvement.



As a result, as we look towards 2030, we are:

Sharpening our strategic focus and our impact: Through strong governance, clear roadmaps, and new policies, we will remain committed to ensuring that every ambition remains science-based, meaningful and measurable.

Reinforcing our commitments: We will remain transparent and sincere with 15 key sustainability goals for 2030 covering climate, nature, circularity and communities. Several of our initial voluntary objectives have now become systematically integrated into standard practices and operational policies.

Accelerating our transformation: We are further catalyzing new breakthrough technologies with the launch of an accelerator program, endowed with 100 million euros over 5 years. This new initiative will help further identify, pilot and scale breakthrough solutions, addressing our critical challenges and needs – from sustainable ingredients to packaging materials to low-impact manufacturing processes to water-resilient technologies.

This latest chapter in our ongoing transformation embodies the values that have always defined us as a leader: courage, integrity, ambition, and a deep belief in the power of innovation for a better, more sustainable future.

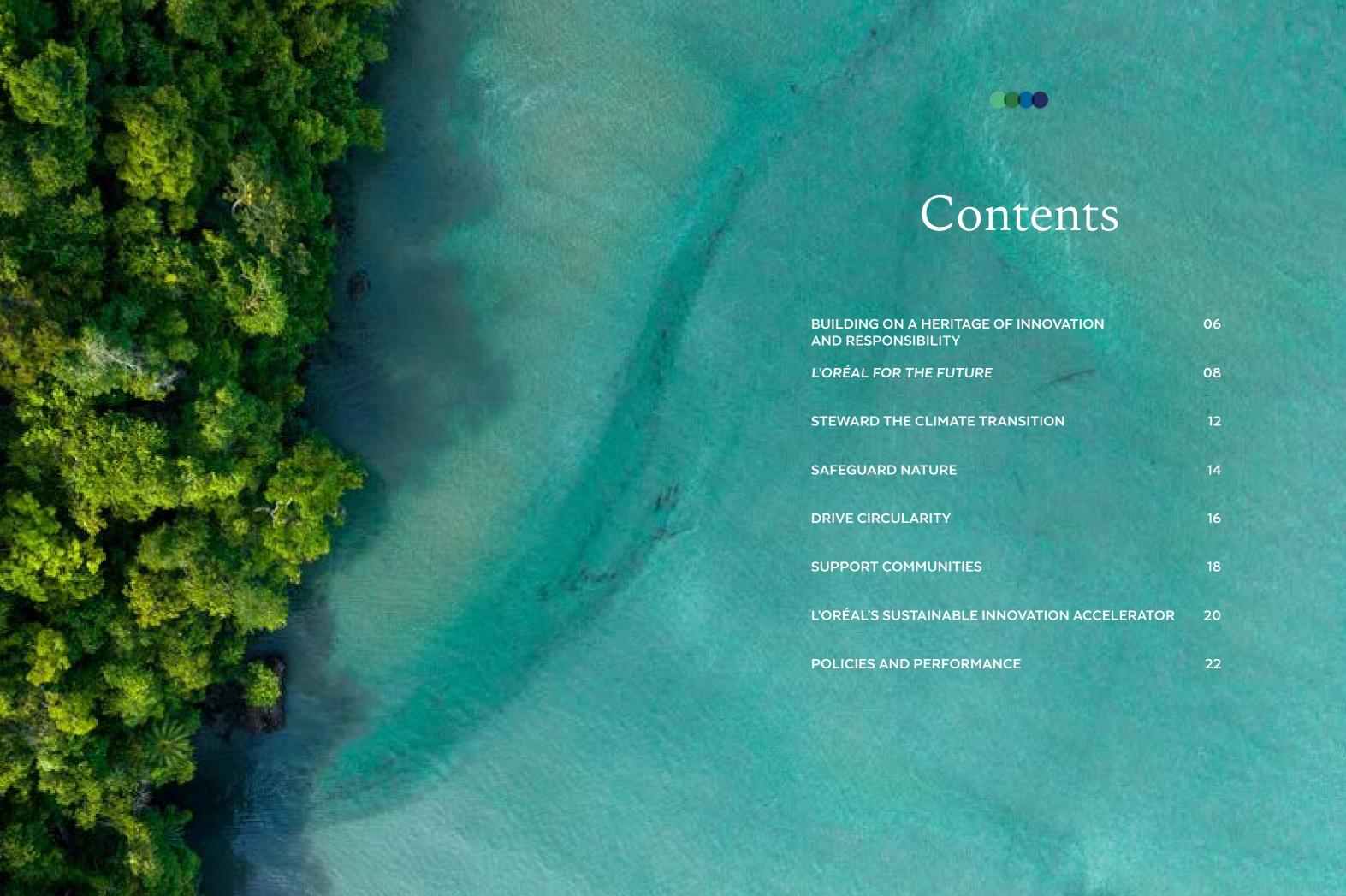
As we look towards 2030, we remain more determined than ever to achieve our objectives. Our commitment is unwavering: to drive positive change as a leader, which will play its full part in the next chapter of the L'Oréal adventure.



NICOLAS HIERONIMUS, CHIEF EXECUTIVE OFFICER



EZGI BARCENAS, CHIEF CORPORATE RESPONSIBILITY OFFICER





Building on a heritage of innovation and responsibility





Since the founding of L'Oréal in 1909, innovation has always been woven into the fabric of our DNA: allowing us to develop the beauty products, services and experiences to meet the diverse beauty aspirations of consumers worldwide.

As a global beauty leader, we are aware of the transformative power of beauty. For decades, we've harnessed science and technology to offer everyone the best in quality, efficacy, safety, sincerity, and responsibility.

This same pioneering spirit now continues to inspire us to innovate for a better, more sustainable future, where beauty is not only a source of personal empowerment and self-expression, but also a force for positive change in the world.





For over 25 years, L'Oréal has proactively worked towards a sustainable and inclusive future, seeking to protect the planet's beauty and empowering communities worldwide.

We made choices very early on that were ahead of their time and which have helped us become better prepared to tackle the challenges facing the world today. The *L'Oréal for the Future* program, launched in 2020, is the latest chapter in this long journey, and continues our deep and longheld commitment to transparent and impactful change. It reflects our conviction that economic performance and environmental and social responsibility are inseparable.

We believe that transformation happens through action – one product, one choice, one moment at a time – because deliberate daily choices can set in motion forces greater than themselves.

As the world's largest beauty company, we recognize our unique position and responsibility to drive real, meaningful change: from addressing the impacts of climate change, to safeguarding natural resources, to championing circularity, and building community resilience, our actions are underpinned by our desire for constant improvement.

By 2030, L'Oréal will aim to:



Steward the Climate Transition

Reach 100% renewable energy use on operated sites and stores.¹

Reduce absolute scope 1 and 2 GHG emissions by 57 % compared to 2019.

Reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution and business travel by 28% compared to 2019.



Safeguard Nature

Sustainably source at least 90% of biobased materials used in formulas and packaging.

Source over 75% of ingredients from nature² or from recycled materials in formulas.

Use 100% recycled or reused water for industrial purposes in our factories.

Offer water-saving products or technologies to enable consumers in water-stressed markets to meet their hygiene and beauty needs.

Regenerate more land than our footprint to enhance the health and resilience of our priority ecosystems.



Drive Circularity

Reduce by 50% in absolute the use of virgin plastic for product packaging compared to 2019.

Source 50% of all materials used in product packaging either from recycled or biobased sources.

Reduce the packaging intensity of our products by 20% compared to 2019.



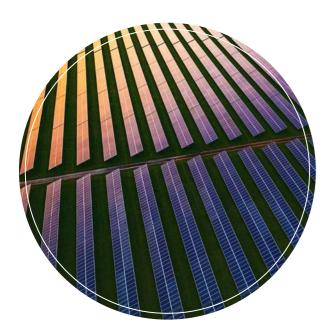
Support Communities

Help 100,000 people from disadvantaged communities gain access to employment.³

Have 100% of our strategic suppliers sign a living wage pledge with a time-bound action plan.

Support 10 million people through our brands' social engagement programs.⁴

Enhance wellbeing, empowerment and resilience of 5 million women through our philanthropic efforts.⁴

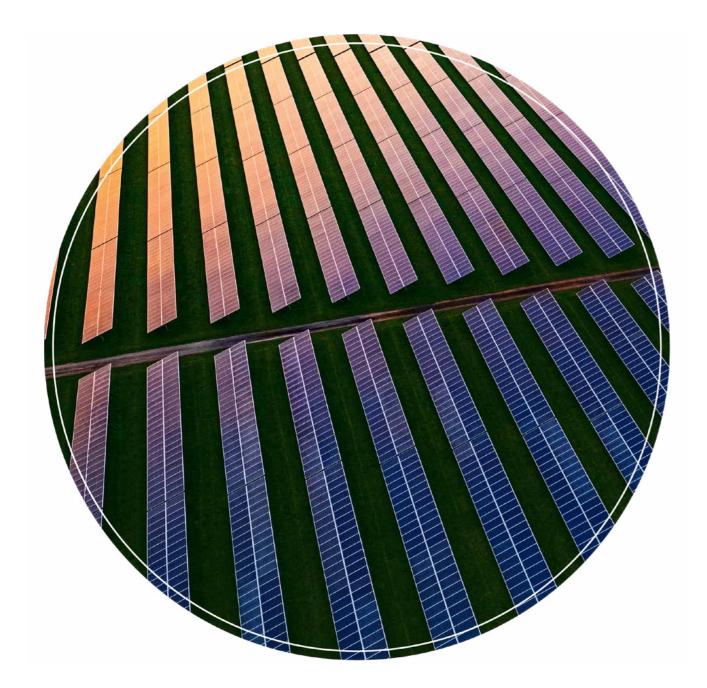


- 1. Operated stores where we hold an electricity subscription
- 2. From plant or mineral sources
- 3. Over the 2020-2030 period
- 4. Over the 2025-2030 period









Steward the Climate Transition

TRANSITIONING TO A NET ZERO FUTURE



Our 2030 ambitions:

Reach 100% renewable energy use on operated sites and stores.*

Reduce absolute scope 1 and 2 GHG emissions by 57 % compared to 2019.

Reduce absolute scope 3 GHG emissions from purchased goods and services, upstream transportation and distribution and business travel by 28% compared to 2019.

L'Oréal reinforced its commitment to combating climate change with a decarbonization trajectory validated by the Science Based Targets initiative (SBTi) in April 2024. This ambitious plan sets clear targets for 2030 and 2050, in line with the latest net zero standard, aligned with the 1.5°C trajectory, and demonstrates our science and innovation-driven approach.

Building on our track record of emissions reduction in our own operations through energy efficiency programs and the rollout of renewable energy solutions such as solar or biomass across markets, we aim to continue leading the beauty industry on the transition to a netzero future, across our value chain. This means forging partnerships to foster the systemwide transformation needed to limit GHG emissions.

We rely on the latest climate science to drive continuous improvement, prioritize transparency, and seek innovative solutions.

Helping finance the climate transition

In 2024, we launched the *Solstice* debt fund, in partnership with Chenavari, to address the significant financial challenge of decarbonizing industrial supply chains. This initiative provides crucial funding opportunities for our strategical suppliers particularly SMEs easing their process to have access to capital. It enables them to transition to low-carbon processes, reduce their greenhouse gas emissions and accelerate L'Oréal's overall decarbonization.



Safeguard Nature

PROTECTING AND PRESERVING THRIVING ECOSYSTEMS THAT SUSTAIN US ALL



14



Our 2030 ambitions:

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Offer water-saving products or technologies to enable consumers in water-stressed markets to meet their hygiene and beauty needs.

Regenerate more land than our footprint to enhance the health and resilience of our priority ecosystems.

Nature is a source of inspiration for our business, providing the raw materials that fuel our innovation, while reminding us of our responsibility to protect and preserve natural ecosystems.

Our 1,600 ingredients sourced from 350 plant species highlight our reliance on a healthy and diverse ecosystem. As we transition to more bio-based ingredients, we are committed to responsible and sustainable sourcing.

To guide our nature-related actions, we adopt the three pillars of the conservation hierarchy: Avoid, Reduce, Restore & Regenerate while aiming at transforming the overall systems our value chain depends on. We are investing in partnerships and solutions that safeguard biodiversity and regenerate landscapes.

Water is another critical focus of our nature pillar. We are committed to responsible water stewardship throughout our value chain and across our communities. This includes optimizing our industrial processes and resource use, as well as creating products that help consumers require less water for their everyday beauty and hygiene needs - especially in water-stressed regions.

These interconnected efforts on biodiversity and water are essential for enhancing climate adaptation while strengthening ecosystem services for improved community resilience.

Exploring innovative solutions

Founded in 2020, the *L'Oréal Fund for Nature Regeneration* is an impact investment fund with an endowment of 50 million euros. It has been a catalytic vehicle to explore innovative solutions that could tackle both climate and nature, aiming to ensure long-lasting positive impact. In 2024, the fund invested over 24 million euros in 16 global projects that support the regeneration of degraded land, regenerate mangroves and marine areas, and conserve and restore forests - while creating jobs for local communities.

15

^{*} from plant or mineral sources



Drive Circularity

REIMAGINING BEAUTY PRODUCTS AND HABITS WITH CIRCULARITY AT THE CORE



Our 2030 ambitions

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Source 50% of all materials used in product packaging either from recycled or biobased sources.

Reduce the packaging intensity of our products by 20% compared to 2019.

We are striving to improve our practices throughout the life cycle of our products, from design to end of life. For our packaging, we are developing solutions to reduce the use of materials and encourage recycling embracing a circular approach built on the 3R's: Reduce, Replace and Recycle.

We are working to weave circularity into every step of product development. This includes lightweighting our packaging, using recycled and biobased materials, reducing our plastic use, and introducing circular solutions such as refillable products. This requires a system-wide transformation and multi stakeholder collaboration to collectively overcome the supply chain and infrastructure barriers. Our ambitions reflect this balance, allowing us to implement sustainable solutions responsibly while driving future innovation.

Fostering circular innovation at scale

In 2022, we launched the *Circular Innovation Fund* with an anchor investment of 50 million euros. This Fund, managed by Demeter and Cycle Capital, supports entrepreneurs and invests in innovative solutions across key areas: eco-efficient processes, waste innovation, circular packaging, logistics and supply chain optimization, and recycling.

16





Support Communities

DRIVING SOCIAL IMPACT AND CREATING **OPPORTUNITIES FOR A BETTER FUTURE**



18



Our 2030 ambitions

Help 100,000 people from disadvantaged communities gain access to employment.*

Have 100% of our strategic suppliers sign a living wage pledge with a time-bound action plan.

> Support 10 million people through our brands' social engagement programs.**

Enhance wellbeing, empowerment and resilience of 5 million women through our philanthropic efforts."

As the leading beauty company, L'Oréal is deeply connected to the communities where we live, work and serve. We believe the world of tomorrow must be fair, inclusive, and diverse—and women must be at the center of shaping it.

L'Oréal has a long-standing commitment to empowering women. To address the specific challenges they face, particularly during times of crisis, we launched the L'Oréal Fund for Women in 2020. This initiative complements the long-standing efforts of the Fondation L'Oréal, creating opportunities for women to thrive by providing access to key resources, education, and leadership development.

Understanding that our success is deeply connected to the well-being of our communities, we are committed to fostering their growth and prosperity. Through our brands' social engagement programs, philanthropic initiatives, and inclusive sourcing efforts, we are actively working to build community resilience, expand access to employment, promote living wages, and provide essential support.

Empowering women and fostering communities' resilience to climate change

Since the launch of the L'Oréal Fund for Women in 2020, more than 530 frontline non-profit organizations were supported, which have directly helped more than 4,800,000 women and girls. The 80 million euro fund supports women's and girls' empowerment, particularly through projects favouring social or professional integration and education.

Launched in 2023, the L'Oréal Climate Emergency Fund recognizes the dramatic impact of increasing climate-driven disasters among communities. This 15 million euros philanthropic fund supports both preventative measures like early warning systems and provides vital emergency aid following extreme weather events.



Sustainable Innovation Accelerator

IDENTIFYING AND CATALYZING BREAKTHROUGH TECHNOLOGIES

We are creating the beauty that moves the world with tomorrow's sustainability innovations.

Building on our long-standing culture of innovation and acknowledging the critical need for scaling sustainable solutions, we will further catalyze breakthrough technologies with the launch of an accelerator program, endowed with 100 million euros over 5 years.

In partnership with the Cambridge Institute for Sustainability Leadership (CISL), our sustainable innovation accelerator will help scout, identify, pilot and scale breakthrough technologies addressing our critical challenges and needs. We will actively seek and support startups, SMEs, and established innovative companies with ready-to-pilot solutions in key areas such as low-carbon solutions, alternative ingredients, eliminating fossil plastic use and plastic waste, low-impact processes, water resilience, nature-based solutions, and inclusive business models.

Scaling these innovations will fuel sustainable solutions and accelerate the delivery of our ambitions.







Integrating sustainable practices through dedicated policies

Our policies set out standards and principles in the way we operate. They complement and round out our L'Oréal for the Future ambitions. These **policies** are publicly available on our website.

Reporting on progress

Convinced that economic excellence cannot be achieved without strong environmental and social responsibility, L'Oréal has set itself the goal of dual performance, in both the economic and societal domains.

As our sustainability journey enters its next chapter, we will continue to seek partnerships and pursue innovative solutions that will help contribute to solving the world's pressing environmental and social challenges.

We are committed to reporting regularly on our progress and learnings, as well as impacts, risks and opportunities as part of our sustainability reporting within our **Universal Registration Document**.



