# LANCEME



#### SUSTAINABLE PROGRESS REPORT

2023

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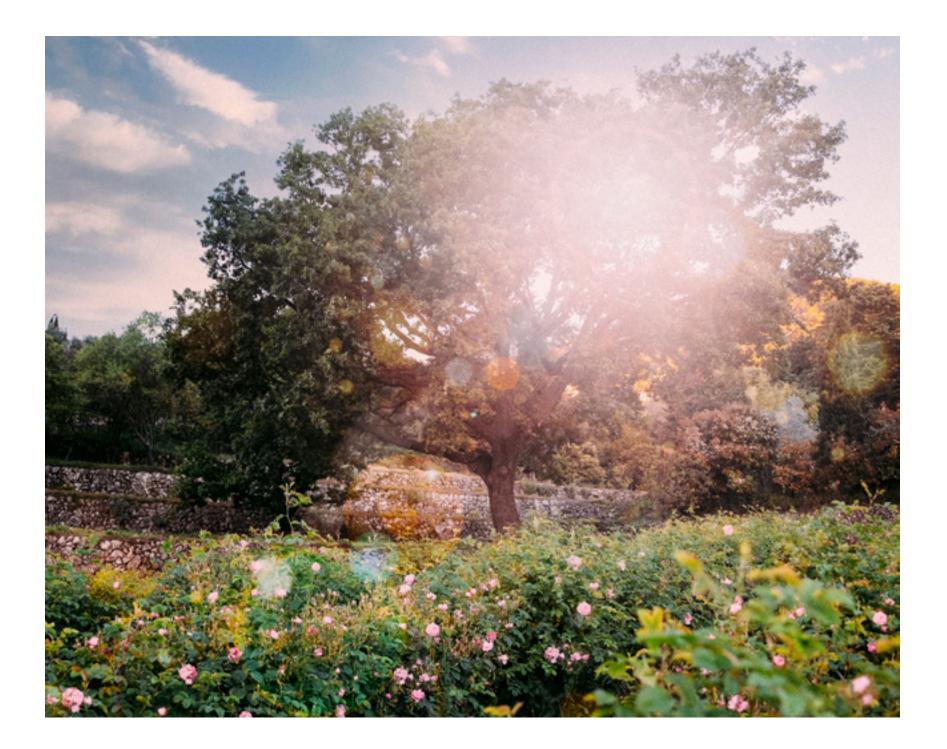
GLOBAL BRAND PRESIDENT LANCÔME INTERNATIONAL

"BECAUSE LANCÔME IS A LEADER IN LUXURY BEAUTY BRAND, WE HAVE A DUTY TO ACT ON ENVIRONMENTAL AND SOCIAL ISSUES AND TO CONTRIBUTE TO BUILDING A HAPPIER AND MORE SUSTAINABLE FUTURE FOR ALL. LANCÔME IS ACCELERATING ITS TRANSFORMATION AND IS MOBILIZING TO SUPPORT CAUSES THAT ARE DEAR TO ITS HEART AND FOR WHICH THERE IS AN URGENT NEED: PRESERVING BIODIVERSITY, EMPOWERING CONSUMERS TO MAKE MORE SUSTAINABLE CONSUMPTION CHOICES AND BECOME AGENTS OF CHANGE, AND COMBATING INEQUALITIES FACED BY WOMEN THROUGH EDUCATION."



## ABOUT US

Founded in 1935, the Lancôme brand aims to empower women by making them feel more beautiful and offering them the best of cosmetic innovation in terms of quality, science, and effectiveness. Over the decades, it has shared its vision of French beauty and elegance in more than 160 countries, and is today the world's leading luxury beauty brand. Lancôme offers skincare, makeup, and fragrances that meet the beauty aspirations of all women in their infinite diversity. In 2020, Lancôme acquired the Domaine de la Rose in Grasse. This site is dedicated to sharing, celebrating, and transmitting the expertise related to perfume savoir-faire, so dear to the brand and registered as part of UNESCO's intangible cultural heritage.



## **OUR ACHIEVEMENTS IN 2023**



#### Opening of the Domaine de la Rose to the public,

a unique place for the preservation and transmission of expertise on perfume plants. Open to the public, it is a testing ground for sustainable polyculture and green chemistry.

An initiative that saves 198 tons of glass, 21 tons of cardboard, 8 tons of metal and 2 tons of plastic per year. 🖌



#### *Idôle* perfume now available in a refillable format.

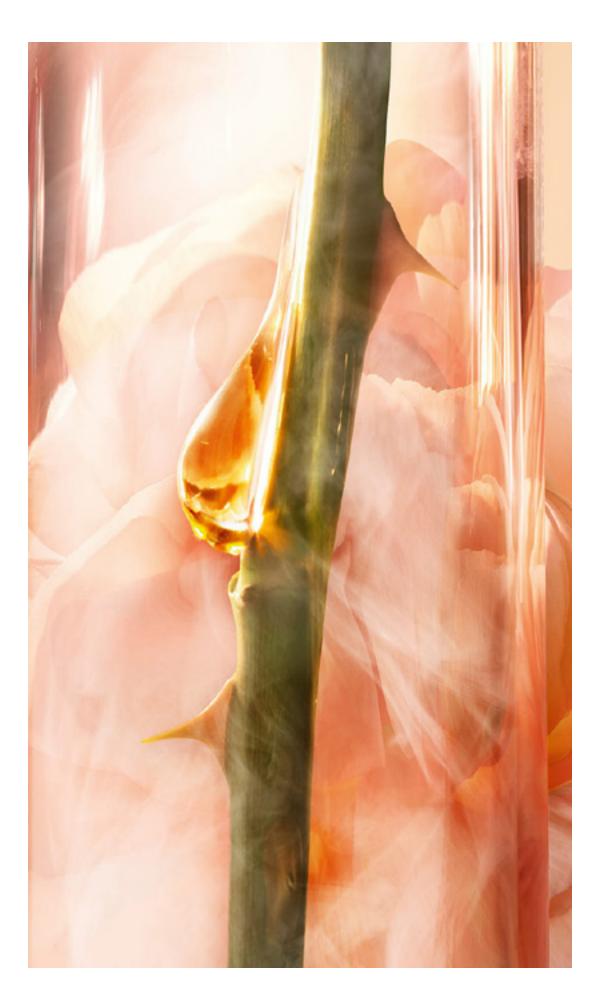


Exemplary renovation of the *Rénergie H.P.N. 300-Peptide Cream* which contains 300 different types of peptides from plant extracts, a biotechnologically derived hyaluronic acid, and whose new refillable packaging has reduced glass consumption by -77%<sup>1</sup>, plastic by -25%<sup>1</sup>, cardboard by -20%<sup>1</sup>. Compared to its previous version the new packaging has been lightweighted of 20%.

1. Comparison between three Rénergie H.P.N 300-Peptide Cream jars and one Rénergie H.P.N 300-Peptide Cream + two refills.

## OUR ROADMAP

Our roadmap is structured around two pillars that guide our commitments and actions to make beauty more sustainable.



## **GROW OUR FUTURE**

With "Grow Our Future" we are accelerating our transforma-Since 2017, Lancôme has been committed to supporting tion to better anchor the brand in its time and meet the chalwomen through the "Write Your Future" program, which aims lenges of efficacy, innovation, and sustainability in line with to promote women's empowerment through education. Initialthe expectations of our consumers and future generations. ly launched in Morocco, Thailand, and Guatemala in collabo-To reduce the environmental footprint of our products and reration with the NGO CARE International, the program quickly spect biodiversity, we are acting on the entire life cycle of our expanded to some twenty countries and regions around the world, with the support of local NGOs that share our vision of products throughout our value chain: sourcing of raw materials, formula composition, packaging optimization, production, a fairer and more inclusive society. transportation, and impact reduction at points of sale, etc.

This pillar is broken down into strong commitments:

- The contribution of Green Sciences, driven by the L'Oréal Group, is at the heart of our activities. This approach, whose objective is to get the best out of nature thanks to science, is gradually transforming our portfolio of raw materials and active ingredients.
- The rise of refillable formats in our product portfolio is part of our desire to encourage more responsible behavior.
- Our contribution to perfume-related expertise in Grasse, embodied by the Domaine de la Rose, a unique place, now open to the public, where a dozen perfume plants are grown organically, including the *centifolia* rose, the emblematic flower of Lancôme.

## WRITE YOUR FUTURE



## GROW OUR FUTURE

IMPROVING THE IMPACT OF OUR PRODUCTS ACROSS OUR ENTIRE VALUE CHAIN



**GROW OUR FUTURE** 

# GREEN SCIENCES

## RECONCILING PERFORMANCE AND SUSTAINABILITY THROUGH GREEN SCIENCES

For over 85 years, Lancôme has been developing products based on science and technology. With "Green Sciences" Lancôme is going even further by using the potential of nature amplified by science. Believing that the future of beauty is built with innovations from biotechnology, biomimicry, or green extraction, the brand is gradually transforming its portfolio of raw materials and bio-sourced ingredients with the aim of reducing the environmental footprint of its products throughout their life cycle. This commitment is structured around three pillars focusing on complementary areas of expertise.



- Sustainable cultivation, which concerns the practices and cultivation techniques behind the sourcing of living organisms such as plants, yeasts, and bacteria;
- Sustainable transformation, which refers to the processes used to create new ingredients, and which is based on green chemistry, green extraction, and biotechnology;
- Sustainable formulation, which refers to the development of new, ever more effective and environmentally friendly formulas, without compromising the quality and safety of products.

Together, and thanks to a dynamic of constant experimentation and innovation, these three pillars shape all aspects of the brand's creation and development process and provide a competitive advantage to Lancôme products and formulas.

In parallel with this work, Lancôme is continuously strengthening the transparency of the composition of its products and the information provided to consumers.



**DR. ANNIE BLACK** INTERNATIONAL SCIENTIFIC DIRECTOR, LANCÔME

"WITH EACH NEW LAUNCH, WE TRY TO INCLUDE INGREDIENTS FROM GREEN SCIENCES. THUS, WHILE MAINTAINING THE SAME LEVEL OF REQUIREMENT REGARDING THE PERFORMANCE AND QUALITY OF OUR PRODUCTS, WE ARE CONTINUOUSLY DEVELOPING SUSTAINABLE ALTERNATIVES TO THE ACTIVE INGRE-DIENTS WE USE. OUR OBJECTIVE? TO GRADUALLY EVOLVE OUR PORTFOLIO TO DEVELOP AN INCREAS-INGLY RENEWABLE OFFER. TO ACHIEVE THIS, GREEN SCIENCES ARE AN ESSENTIAL DRIVER. THE TECH-NIQUES AND SCIENTIFIC DISCIPLINES ON WHICH THEY ARE BASED ALLOW US TO INNOVATE TO MEET THE MANY CHALLENGES OF SUSTAINABLE DEVELOPMENT. THEY CONTRIBUTE TO THE PRESERVATION OF NAT-URAL RESOURCES AND BIODIVERSITY AND TO OUR OVERALL ECO-DESIGN APPROACH, WHILE OFFERING SAFE AND EFFECTIVE PRODUCTS TO CONSUMERS."

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## SUSTAINABLE CULTIVATION

Sustainable cultivation refers to cultivation practices and techniques aimed at managing water resources, respecting biodiversity and soil quality, limiting land use footprint and carbon emissions, while providing biomass for innovation.

With this objective in mind, Lancôme collaborates with committed suppliers and partners and continuously innovates on its own plots. Although the latter represent only a small part of the brand's supplies, they are intended to push for improved cultivation practices and a reduction in the brand's environmental impact.

Thus, in Grasse as well as on the Valensole plateau, the brand is conducting numerous research projects that allow it to deepen its knowledge of agriculture, to test more environmentally friendly practices for the production of some of its raw materials, and to develop the assets of tomorrow's cosmetics. In Grasse, home to the sustainable polyculture of perfume plants including the *centifolia* rose, the Domaine de la Rose has been organically cultivated and certified organic for over 20 years. On this 7-hectare estate, Lancôme continues traditional polyculture methods that shelter, promote, and regenerate animal and plant biodiversity.

Lancôme adopts a similar approach on the Plateau de Valensole where, in particular, the Rose Perpétuelle Absolue<sup>™</sup> is cultivated in partnership with the grower Emmanuelle Ravel, who promotes organic and regenerative agriculture and experiments with agroecology techniques.



## 100%

of the roses grown on the Grasse and Valensole estates are organically grown.

## SUSTAINABLE TRANSFORMATION & FORMULATION

## **DEVELOPING MORE VIRTUOUS** TRANSFORMATION PROCESSES

One of the major challenges of Lancôme's eco-responsible approach is to develop ever more virtuous transformation processes, which move away from petrochemistry, for perfume as well as for skincare and makeup. To implement new transformation methods and offer ever more innovative and environmentally friendly raw materials, Lancôme's teams rely on:

- "Green extraction", which allows the most active molecules to be extracted directly from plants without resorting to traditional chemistry. Molecules trapped in parts of the plant that are normally difficult to access are extracted using non-ecotoxic solvents with limited environmental impact. Active ingredients such as peptides or beech bud extract are used via this technique for our cosmetic products;
- "Green chemistry", whereby natural ingredients are transformed in a limited number of steps, using solvents with minimal environmental impact. This makes it possible to develop new biodegradable and biocompatible molecules that consume less energy than conventional chemistry; and
- **Biotechnology**, which involves using living cells, such as plants or bacteria, as micro-factories to create new ingredients. This is how ingredients such as hyaluronic acid are produced.

#### **INCREASINGLY SUSTAINABLE FORMULATIONS**

Thanks to these processes, Lancôme regularly renews its product ranges by developing more sustainable formulations that contain an increasing number of renewable ingredients.

Thus, whenever possible, raw materials or chemically derived actives are replaced by more sustainable alternatives with the aim of gradually replacing molecules that are not renewable with bio-sourced alternatives, derived from abundant minerals or circular processes.

Renovated in 2023, the Rénergie Multi Lift cream for dry skin now contains 86% ingredients of natural origin (vs. 58% previously), 78% renewable materials (vs. 32%) and has a rate of 90% renewable ingredients (vs. 62%). As for the H.P.N. 300-Peptide day cream, it contains natural peptides from three plant extracts (peas, lupine, and flax) while most peptides on the market are synthetic. 300 different types of peptides have been extracted from the proteins of these plants, an exclusivity. The hyaluronic acid is derived from biotechnology (lactobacillus fermentation process).



of the ingredients used in our formulas are bio-sourced, from abundant mineral resources or from circular processes.

**2030 TARGET** 95%

78%√

of the raw materials contained in our formulas (excluding makeup) are biodegradable.



DR. ANNIE BLACK INTERNATIONAL SCIENTIFIC DIRECTOR, LANCÔME

"A TRUE DRIVER OF INNOVATION, GREEN SCIENCES PLAY A CENTRAL ROLE IN THE DEVELOPMENT OF NEW LANCÔME PRODUCTS AND IN THE CONTINU-OUS IMPROVEMENT OF OUR FORMULAS. THANKS TO THEM, OUR TEAMS ARE DEVELOPING ALTERNA-TIVES TO NON-RENEWABLE RAW MATERIALS WITHOUT COMPROMISING ON THE PERFORMANCE AND SENSO-RIALITY OF THE PRODUCTS, ESSENTIAL IN THE FIELD OF SKINCARE AND MAKEUP."



#### ΖΟΟΜ

## SPOT, THE TOOL FOR MEASURING AND IMPROVING THE SUSTAINABILITY OF L'ORÉAL FORMULAS

SPOT (Sustainable Product Optimization Tool) is a unique eco-design tool that measures the environmental impact of all the Group's products. It is based on a methodology developed with the help of international experts.

Deployed by the Group's brands since 2017, it is fully integrated into the design and launch process for new products and enables us to:

- Simulate different design options and assess their impact on the environment and society, and identify areas for improvement;
- Quantify the impact reduction of a product and track its progress in different areas of improvement, such as the environmental footprint of packaging and formula. This includes the proportion of bio-sourced ingredients and those produced by Green Sciences.

## IOO% v

of new or renovated products launched in 2023 have an improved environmental profile, of which **29%** is due to a new formula with a reduced environmental footprint.



#### FOCUS

### PROOF BY EXAMPLE

#### Absolue Range

By using an innovative distillation of Rose Perpétuelle AbsolueTM with CO<sub>2</sub>, Lancôme has used a green extraction method from perfumery to create an asset for skincare, now present in all phare products of the *Absolue*<sup>™</sup> range.

In addition, thanks to biotechnology (*Rose Black Tech*<sup>™</sup> process) and the identification of a micro-ferment located at the root of the *Rose Perpétuelle Absolue*<sup>™</sup> rose on the Valensole plateau, Lancôme was able to amplify the precious *Absolue Blackbiosis*<sup>™</sup> active ingredient present in *Absolue L'Extrait* and produce it in large quantities through a fermentation process.



#### Teint Idôle Ultra Wear

Renovated in 2023, this foundation contains biotechnologically derived hyaluronic acid, produced by bacteria from a lactobacillus fermentation process.



#### MORE ECO-RESPONSIBLE PERFUMES

The creation of a perfume is the result of a subtle balance between natural ingredients and synthetic products. To improve the sustainability of perfumes, teams are mobilized around two priorities:

- For natural ingredients: work on the transparency of the supply chain, the origin of the raw material, respect for the environment, and extraction and transformation methods that consume less water or energy;
- For synthetic ingredients: evolve portfolios with perfumes composed primarily of bio-sourced ingredients or ingredients from the circular economy, which requires a new way of working with suppliers.



93% 73%

of the ingredients in Lancôme perfumes are biodegradable.

of the ingredients used in Lancôme perfumes are bio-sourced.



#### FOCUS

## PROOF BY EXAMPLE

#### Lancôme Idôle Now floral eau de parfum

92.5% of the ingredients in this eau de parfum are biodegradable and 72.7% are from renewable sources.

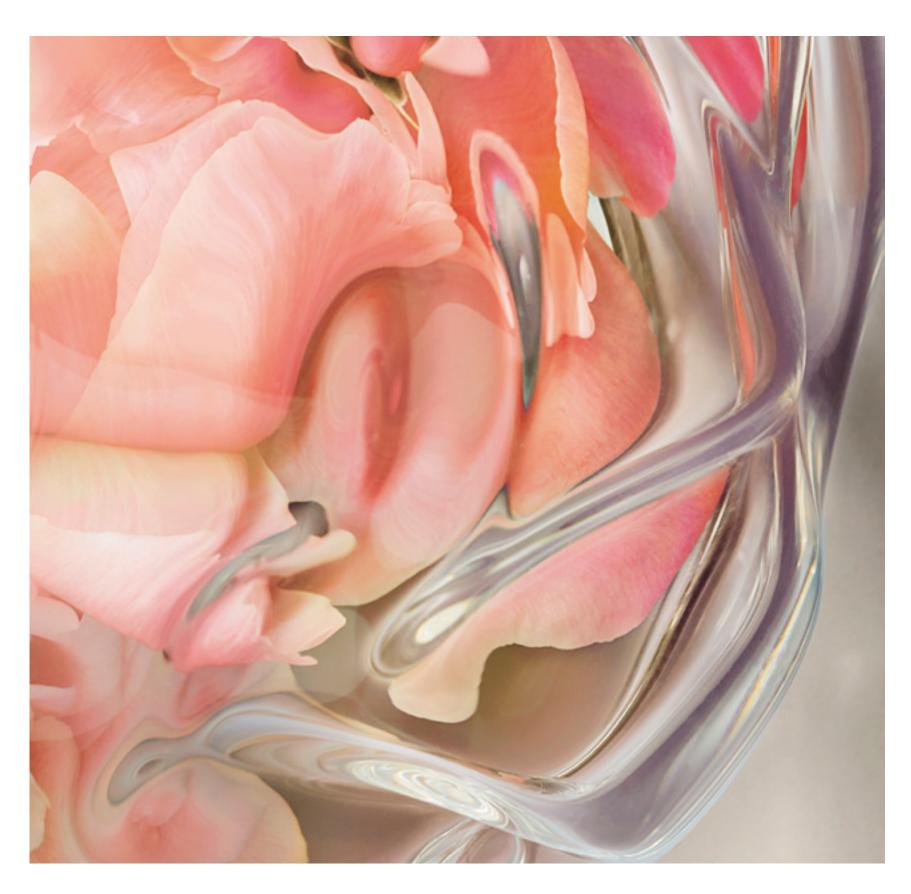


## **R&D PARTNERSHIPS** THE ROSE, AN INFINITE FIELD OF INNOVATION

A signature of the brand since its creation, Lancôme has developed over the years a real expertise on its iconic ingredient. From varietal creation to cultivation, through harvesting and processing, the brand continues to conduct several experiments on the rose in collaboration with its many partners.

#### THE EXPERIMENTAL FIELD OF THE PLATEAU **DE VALENSOLE**

On the Valensole plateau, Lancôme has been developing since winter 2022 an experimental field in which more than 30 varieties of roses are being tested in order to select those that will be best able to adapt to climate change. 5 varieties were thus selected in 2023 and can now move on to the next stage: analyzing flower yield at harvest time.

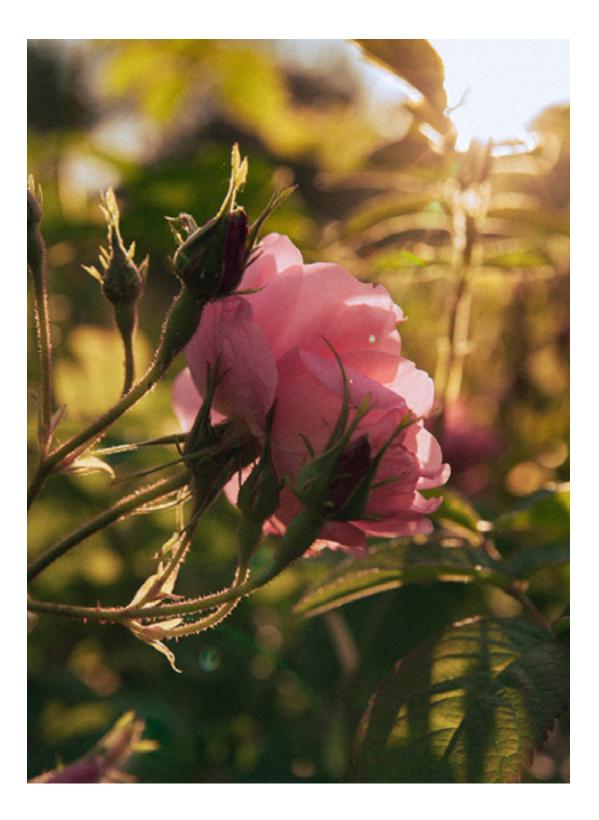


#### THE AMBITION OF THE ZERO-WASTE ROSE

The "star" of the Absolue ranges, the Rose Perpétuelle Absolue™ is the subject of much research related to the brand's desire to strengthen the principle of circularity in its practices. From root to stem, leaf to flower, each part is analyzed and exploited as a potential source of active ingredients. Beyond the flower top and the microbiota of its roots, Lancôme teams are currently studying the possible uses of its co-products and in particular its spent flowers. These spent petals are in fact the basis for the extraction of sugars that can be injected into different fermentation processes, allowing in particular to obtain rose hyaluronic acid. Lancôme scientists have also developed an extraction method that transforms rosewood into a powder to extract a material rich in antioxidants and polyphenols, active ingredients used in Absolue Serum.

#### **CREATION OF NEW LANCÔME ROSES**

In collaboration with French rose breeders, Lancôme initiated in 2023 its first varietal creation program. The objective? To create, thanks to a new innovative hybridization project, new Lancôme roses. Crossing operations are underway in the Lyon region in order to develop rose bushes that are more resistant to diseases and that require less water and maintenance. The first results will be known in 2024.



#### DECIPHERING THE GENETIC HERITAGE OF THE LANCÔME ROSE WITH INRAE

Since the end of 2022, Lancôme has been collaborating with the 35,000 varieties of roses exist in the world. We now know certain startup Genesis, a soil analysis specialist, to carry out an invengroups of genes, to which we attribute certain characteristics tory of soil quality at the time of planting and then to measure such as "remontancy" (the ability of a rose bush to flower sevits evolution over time. This mapping was carried out on all the eral times a year), flowering or resistance to pathogens, charland on which Lancôme produces roses in France (Domaine acteristics that come from the 7 or 8 original families of roses, de la Rose, Valensole plateau as well as another field located which were subsequently subjected to numerous crosses. Led in the Drôme) and has provided Lancôme since 2023 with a by INRAE, work to better understand the genes of roses is curprecise assessment of each of its plots in terms of soil quality. rently being carried out by a team of researchers who are pioneers in deciphering the entire genome of the rose. They are As an extension of this work, Lancôme's teams are currently essential for designing varieties that will strengthen the qualworking with L'Oréal's Green Sciences teams to develop the FCI ities or resistance of the flower in a context of climate haz-(Field Cultivation Index), a new internal tool that measures the ards and are invaluable for enriching knowledge and deepening impact of agricultural practices on soil quality. Lancôme's areas of expertise.

#### GROWING ROSES IN VERTICAL FARMING WITH INDEPENDENT LIVING BASE

Lancôme is also investing in research and evaluation of alternative cultivation methods to limit its impact on soils. It is with this in mind that the brand initiated in 2022 a collaboration with Independent Living Base, an agritech specialized in indoor urban agriculture. Today, some thirty rose bushes are being cultivated, allowing us to explore the possibilities of this alternative cultivation method and compare it to greenhouse and open field cultivation.

#### IMPROVING SOIL QUALITY

Together, these two initiatives will make it possible to closely monitor the evolution of soil quality and to better understand the role of cultivation practices in this evolution.



## TRANSPARENCY MORE TRANSPARENCY FOR CONSUMERS

Lancôme is committed to meeting the new expectations of its consumers who want to be informed about the composition of products and the provenance of ingredients in order to make more informed choices.

To meet this need, the brand has put online on its website a digital platform dedicated to these subjects. So far, consumers can find out about 41 essential ingredients used in its skincare range, as well as information on their provenance, extraction process, and benefits for the skin. Continuously updated with new launches, this platform will soon be supplemented by 10 new ingredients deciphered in 2023, duplicated for the makeup line (48 ingredients) and perfumes, and deployed internationally.

Lancôme also shares on its website<sup>1</sup> a wealth of information on the design of its products and the safety of its formulas.

Finally, consumers wishing to ask our teams questions about the brand's products are also invited to contact them through a dedicated telephone line and contact form.



1. Lancome.fr : "Our Commitments" tab then "Ingredients Glossary"



#### ZOOM

## ZERO ANIMAL TESTING

Lancôme does not conduct any animal testing to evaluate the safety of its ingredients and products, in line with the commitments made by L'Oréal.



A pioneer in the fight against animal testing, the L'Oréal Group banned this practice from its laboratories in 1989, fourteen years before the entry into force of European regulations.

At the forefront of alternative methods to animal testing, L'Oréal has developed over the years effective methods to ensure the safety of its products: reconstructed human skin, predictive assessment tools such as molecular modeling, expert toxicology systems, imaging techniques, artificial intelligence, etc.

In order to generalize the use of these alternative methods among all stakeholders in the sector worldwide (authorities, suppliers, NGOs, and other companies), L'Oréal constantly shares its knowledge and know-how with the scientific community.



## **GROW OUR FUTURE**

# PACKAGING



## REDUCING PACKAGING INTENSITY AND CREATING MORE SUSTAINABLE FORMATS

A societal issue to which the L'Oréal Group has been fully committed for several years through its L'Oréal for the Future sustainable development program, the subject of reducing the environmental impact of packaging is an essential pillar of Lancôme's eco-responsible approach.





The first link between a brand and its customers, packaging is a key element of differentiation and therefore perceived value for the consumer, especially in the luxury sector. While preserving the desirability of its products, Lancôme has initiated for several years an eco-design approach to reduce the amount of packaging produced, to design new formats – refillable and/or made from recycled or bio-sourced materials – and to strengthen their recyclability.

To reduce the environmental impact of its packaging, the brand relies on three main levers:

• Reducing the weight and volume of packaging to limit the amount of materials used per product, by constantly rethinking formats;

- Developing refillable formats, the brand having launched its first refillable jars in 2018 and pursuing the objective of offering solutions that encourage the adoption of more responsible consumption practices;
- Replacing virgin materials with recycled materials, such as post-consumer recycled plastic (PCR), while taking into account the availability of these recycled materials and their aesthetic appearance.

This evolution in packaging is accompanied by measures to educate consumers about recycling and refilling. Communication, but also the training of beauty advisors, play a crucial role in the adoption of new, more sustainable consumption patterns, both at the point of sale and at home.

## REDUCE REDUCING PACKAGING INTENSITY TO CONSERVE RESOURCES

In order to reduce the quantity of raw materials used in its packaging, Lancôme is working to reduce the size and weight of its packaging (for the same quantity of formula) and is creating new formats that use less plastic, and in particular less virgin plastic from fossil fuels that is sometimes difficult to recycle.

As early as 2019, Lancôme identified the twenty products whose packaging had the greatest environmental impact. By 2023, 100% of these main "contributors" had been redesigned.

Among the actions implemented: the reduction of the weight of glass, the elimination of plastic or the introduction of new materials, such as recycled plastic.

#### **REDUCING THE IMPACT OF PLASTIC PACKAGING**

A major environmental problem, reducing plastic pollution is at the heart of L'Oréal's sustainable development ambition. Reducing plastics, substituting them with recycled plastic, and recycling them are priorities for Lancôme, which, due to its size, is a major consumer of them.





### LESS IMPACTFUL GIFT SETS

Since 2021, the creation of perfume, skincare and make-up gift sets has been done in line with L'Oréal's commitment to reduce plastic with a "100% cardboard" target. Plastic windows, glitter, and wedges have thus been replaced by cardboard sleeves and cellulose wedges, enabling Lancôme to offer gift sets made up of 98% cardboard, the remaining 2% corresponding to polybags, composed of 100% recycled plastic.



#### FOCUS

### PROOF BY EXAMPLE

#### Skincare: almost 100% of containers revisited

Launched in early 2022 with the packaging renovation of Rénergie H.P.N 300-Peptide cream, the transition of all Lancôme facial skincare jars illustrates the brand's ambitious approach to packaging. To date, almost 100% of the cream jar containers have been redesigned and are now lighter, refillable (by design), and more easily recyclable.

Renovated in 2023, the jar for the New Rénergie H.P.N. 300-Peptide cream, whose weight has been reduced by 17%, allows for a 64% reduction in the consumption of raw materials, consumes 32% less glass, and contains 30% recycled glass.

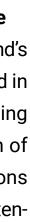
More generally, the evolution of Lancôme skincare packaging saves 139 tons of materials, 155 tons of glass and 1.4 million jars<sup>1</sup> each year.

#### Makeup: a new design for the Teint Idôle Ultra Wear bottle

The eco-design approach to packaging also applies to the brand's makeup products, as illustrated by the new design imagined in 2023 for the 30ml bottle of Teint *Idôle Ultra Wear*. By reducing the height of the bottle and its weight (-11%), this redesign of the container of one of the brand's bestsellers allows 130 tons of glass per year to be saved and a reduction in packaging intensity of 10% compared to 2019.



1. Calculation based on purchasing one jar and two refills, compared to purchasing three jars.



## REFILL

## REFILLABLE FORMATS TO ENCOURAGE MORE RESPONSIBLE CONSUMPTION

Because a luxury product is made to last, Lancôme is extending the life of its primary containers and developing refill solutions that reduce the sale of single-use containers and significantly reduce the impact of its products on the environment.



In order to contribute to the lasting establishment of this new habit among its consumers, the brand strives to create high-quality refill formats associated with a new ritual that must live up to the expectations specific to a luxury product.

Indeed, the rise of refillable formats is accompanied by measures to encourage and support the development of new uses on the consumer side, both at home and in points of sale, making it possible to contribute to the development of a circular economy.

## I,I M

refills sold in 2023, an increase of 25% compared to 2022.

8,4%

penetration of refillable products across the brand **in 2023** (+ 2 pts compared to 2022).

#### **2030 TARGET**

30% of the brand's products to be refillable.

#### FOCUS

## PROOF BY EXAMPLE



#### Perfume: launch of the refill for Idôle eau de parfum

On the perfume side, Lancôme has been offering its Idôle eau de parfum in a refillable format since 2023, an initiative that reduces the use of materials by 42% for glass, 30% for card-✓ board, 67% for metal, and 12% for plastic per year<sup>1</sup>.

1. Calculation based on comparing the impact of three 50ml bottles to one 50ml bottle and one 100ml refil.

## RECYCLE

## FROM ECO-DESIGN TO END OF LIFE OF PACKAGING: TOWARDS A CIRCULAR ECONOMY

#### In order to strengthen its recyclability, the recycling of packaging is now taken into account from the design stage.

Indeed, despite continuous progress within recycling channels, the recyclability of packaging is still limited by the decoration and treatment applied to the materials or by the format of the packaging. For example, materials that are too opaque or formats that are too small will not be easily recycled.

Lancôme has therefore adopted a "design for recyclability" approach whereby it incorporates recyclability from the development stage of its packaging, taking into account the constraints of existing recycling channels in its formats and the materials chosen.

Indeed, as recycling is carried out by external stakeholders, one of the brand's challenges is to be able to anticipate the progress of a constantly evolving technology.

#### **RECYCLING IN POINTS OF SALE WITH TERRACYCLE**

To accelerate its transition to a circular economy, Lancôme is working alongside other L'Oréal Group brands to continuously improve the recycling of its product packaging.

Since 2020, the brand has been collaborating in China, Korea, Japan and the United States with TerraCycle, a world leader in the collection and recycling of difficult-to-recycle waste. This specialist offers solutions for processing non-recyclable plastic packaging at home, such as collection bins installed in points of sale that encourage consumers to drop off their used products. The partner then undertakes to sort and process this waste for recycling.

In 2023, the "Empty Bottle Campaign" conducted with Terracycle enabled the collection of Lancôme products in numerous points of sale:

- In Korea: 11,039 kg of plastic collected and more than 4,000 brand customers made aware;
- In Japan: 12,080 kg of plastic collected, an increase of nearly 80% compared to 2022 (6,775 kg).





#### ZOOM

## CONTRIBUTING **TO BREAKTHROUGH** INNOVATION IN RECYCLING

In 2017, the L'Oréal Group co-created a consortium with Carbios to support the development of an innovative enzymatic plastic recycling process capable of producing PET plastic of a quality equivalent to that of virgin plastic, an innovation that is particularly interesting for Lancôme, which is committed to offering containers with aesthetics compatible with the codes of luxury.



ROW OUR FUTURE

# PRODUCTION SITES TRANSPORTATION



## TOWARDS A REDUCTION IN THE ENVIRONMENTAL FOOTPRINT OF **PRODUCTION AND** TRANSPORTATION

Lancôme products are manufactured in 9 L'Oréal Group production sites (in France in Lassigny, Gauchy, Ormes, Caudry, Saint-Quentin and Aulnay; in the United States in Franklin and North Little Rock; and in Japan in Gotemba) which are committed to reducing their environmental footprint. From reducing greenhouse gas emissions to recovering waste, preserving water resources and biodiversity, the L'Oréal for the Future program sets ambitious targets for the Group's operated sites:





- Climate target: 100% renewable energy for all operated sites by 2025;
- Water target: By 2030, 100% of the water used in industrial processes will be recycled and reused;
- **Biodiversity target:** By 2030, all operated sites and industrial sites will have a net positive impact on biodiversity compared to a baseline (defined between 2019 and 2023);
- Natural resources target: By 2030, 100% of the waste generated at operated sites will be reused or recycled, and no waste will be sent to landfill.

Numerous initiatives have also been underway for several years to reduce the impact of transporting Lancôme products between their production and distribution sites. By favoring sea and rail freight over air transport and promoting soft mobility for short distances, the Group's objective is to reduce greenhouse gas emissions from product transportation by an average of 50% per finished product by 2030 compared to 2016.

## **PRODUCTION SITES**

## REDUCING THE ENVIRONMENTAL FOOTPRINT OF PRODUCTION SITES

In order to combat climate change, Lancôme is committed, in line with the Group's targets, to reducing greenhouse gas emissions from the sites it operates by reducing energy consumption and withdrawal, using local renewable energies and controlling the impacts of refrigerants used for cold production (cooling units) and heat (heat pumps).



To **preserve water resources**, the action plans implemented include:

- mapping of water volumes used (using the Waterscan tool, an internal Group tool that allows for a comprehensive assessment of the different uses of water on site);
- the implementation of equipment and processes to reduce consumption - particularly that linked to the cleaning phase of production equipment and packaging lines -; and
- the reuse of industrial water without treatment for other purposes and the recycling of used water.

To achieve the Group's commitment to **biodiversity**, a roadmap was also rolled out in 2022 across all Group sites. To achieve "Biodiversity Positive Site" status, Group-operated sites must achieve a threshold of improvement in habitat and biodiversity quality (measured by the internal Site Biodiversity Score or SBS tool), as well as a "biodiversity culture" threshold related to raising awareness and training all teams and integrating biodiversity issues into the deployment of new projects and the daily life of the sites.

Finally, Lancôme, in accordance with the commitments made by the Group, is pursuing an ambitious waste reduction and **recovery approach**, with the objective of reducing waste generation from factories and distribution centers by 30% by 2030 per unit of finished product compared to 2019. The measures implemented integrate both source reduction and the search for the best solutions for recovering the waste produced.

## SCOPE I, 2 OR 3: WHAT ARE WE **TALKING ABOUT?**

Lancôme tracks greenhouse gas (GHG) emissions from its activities according to the GHG Protocol. These are defined as follows:

- Scope 1: Direct GHG emissions from sources controlled or owned by the Group. This includes gas and fuel consumption at all operated sites (factories, distribution centers, administrative sites, research centers) and company-owned stores. Other buildings with fewer than 50 permanent employees are also included by estimation. Emissions associated with any refrigerant gas leaks are included, as are emissions associated with fuel combustion from the Group's operated vehicle fleet.
- Scope 2: Indirect GHG emissions from electricity, heat, cooling and steam purchased by all operated sites (factories, distribution centers, administrative sites, research centers) and company-owned stores. Other buildings with fewer than 50 permanent employees are also included by estimation, as are emissions associated with electricity consumption from the Group's operated vehicle fleet.
- Scope 3: Other indirect GHG emissions related, upstream, to the supply chain and, downstream, to the use of products and services over their life cycle.



## **ISO CERTIFICATIONS** OF L'ORÉAL'S **PRODUCTION SITES**

For several years now, the Group has been engaged in an ISO certification process to sustainably anchor the EHS (Environment, Health and Safety) performance of its production sites.

Since 2003, L'Oréal has been committed to ISO 14001 "Environmental Management" certification for all its factories;

- In 2015, the Group launched an ISO 50001 "Energy Management" certification program with the ambition of certifying all its factories according to a defined roadmap. Other sites (distribution centers, administrative sites and research centers) have also launched this process;
- Since 2007, L'Oréal has been committed to OHSAS 18001, then ISO 45001 "Occupational Health and Safety Management" certification for all its factories.

## 89%

of the sites manufacturing Lancôme products have reached 100% renewable energy: Lassigny, Gauchy, Ormes, Caudry, Saint-Quentin, Franklin (USA), North Little Rock (USA), and Gotemba (Japan).

## -95%

the reduction in absolute value of CO<sub>2</sub> emissions from factories manufacturing Lancôme products between 2019 and 2023.



## -28%

the reduction in water consumption per finished product from factories manufacturing Lancôme products between 2019 and 2023.

#### FOCUS

## **PROOF BY EXAMPLE**

#### The Caudry factory

Specialized in the manufacture of emulsions, skincare and foundations, the Caudry site, located in northern France, is part of the L'Oréal Luxe Pole of Excellence in France and primarily serves the Asian, European and American markets. In 2023, this site continued its continuous improvement process along several lines:

- The exclusive use of renewable energy for industrial purposes, with the exception of installations for safety and security.
- The installation of 3,166 solar panels with a capacity of 1,250 kWp, representing 6,000 sqm of solar panels. This will cover about 10% of the site's annual consumption needs and produce 1,230 MWh of low-carbon electricity each year, which will be entirely consumed by the factory.

In addition, since 2019, the factory has reduced its water withdrawal in absolute terms by 46% thanks to the optimization of washing programs and the deployment of a wastewater treatment plant to reuse washing water.



#### The Gauchy factory

Specialized in the mass production of certain Lancôme perfumes such as La Vie Est Belle, Idôle and Trésor, the Gauchy factory, located in the Hauts-de-France region, is part of the L'Oréal Luxe Pole of Excellence in France.

It ensures the quality of the products on a daily basis and meets the requirements of the ISO 9001 (quality) and ISO 22716 (cosmetic product manufacturing) standards. It also continuously develops its safety culture and is part of an environmental policy in line with the ISO 14001 (environment) and ISO 45001 (health and safety at work) certifications. Finally, it holds ISO 50001 certification, which aims to combine operational efficiency and environmental performance.

In 2023, the Gauchy site achieved 99% renewable energy.

## INCLUSIVE SOCIAL PRACTICES

Specialized in the manufacture of makeup for the L'Oréal Group's luxury brands, the Lassigny factory, located in the Oise region of France, has long been committed to creating shared value. This commitment translates into training programs for all employees, a committed salary policy, an employment rate for people with disabilities well above the legal requirement, and a dynamic apprenticeship policy.

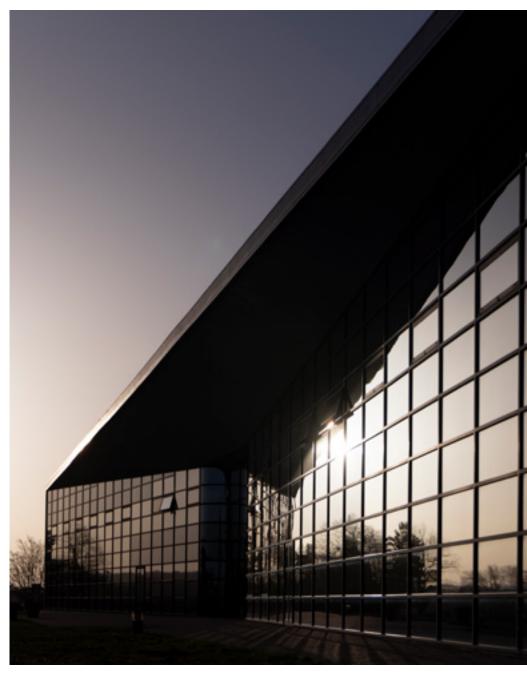


## TRANSPORTATION RETHINKING MODES OF TRANSPORTATION

Lancôme is committed to reducing greenhouse gas (GHG) emissions generated by the transportation of its products from production sites to the first customer delivery point. Its action is part of the roadmap set by the Group, which aims to reduce GHG emissions related to the transportation of its products by an average of 50% per finished product by 2030 compared to 2016.

To decarbonize the activity related to the transportation of its products, Lancôme's action focuses particularly on the largest contributors to GHG emissions related to product transportation: air and road transport.

For long distances, the choice of alternative modes of transport - sea and rail freight - and the use of less emissive fuels (LNG) for the truck fleet contribute to this effort. For short distances and the "last mile", Lancôme favors electric vehicles or sustainable mobility with bicycles.



2030 TARGET 50%

reduction in greenhouse gas emissions on average per finished product related to product transportation compared to 2016 - Group target.



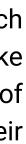
GROW OUR FUTURE

# SOURCING



## INCREASINGLY SUSTAINABLE AND RESPONSIBLE SOURCING

Lancôme's responsible purchasing approach is based on the Group's policies, which make the environmental and societal performance of its partners and suppliers a priority in their selection and evaluation.



In line with the Group's responsible purchasing policy initiated in 2002 (Buy & Care program), L'Oréal's strategy and commitments in terms of sustainable sourcing, taken as part of its L'Oréal for the Future program, have been structured around four pillars since 2022:

- Protecting human rights;
- Preserving the environment and resources;
- Integrity of business relations;
- Diversity, equity, and inclusion.

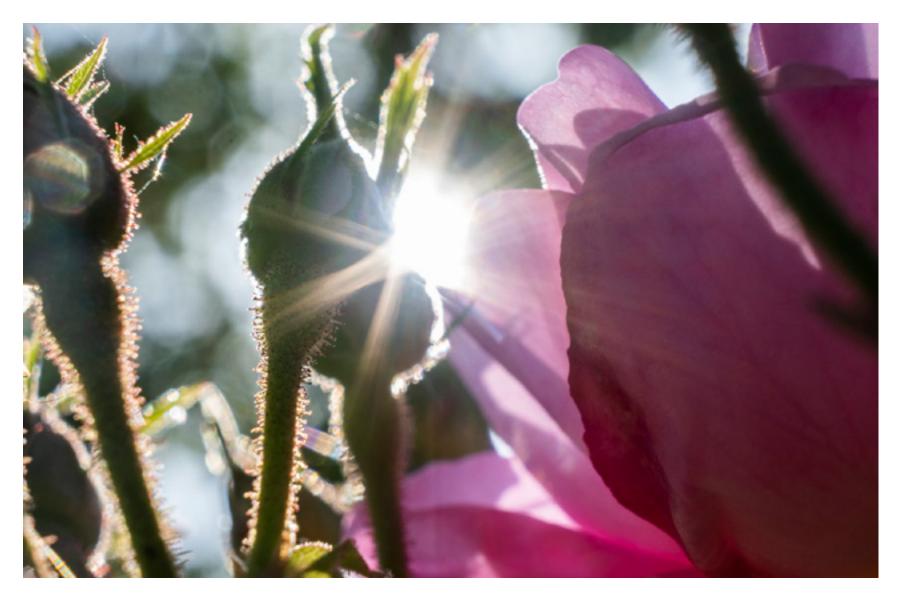
To learn more about the Group's responsible sourcing policies, see the L'Oréal Universal Registration Document 2023 – 4.3.

#### SUPPORTING OUR SUPPLIERS

The CSR strategy and action plans of suppliers are fully integrated into their long-term relationships with Lancôme.

The assessment of suppliers against the L'Oréal Group's CSR standard is based in particular on the compliance of their social audits, the implementation of the Inclusive Purchasing program, their results in the CDP Supply Chain programs for reducing CO2 emissions, and the EcoVadis assessment.

Suppliers are thus fully associated with and encouraged to contribute to the L'Oréal Group's environmental and social ambitions.



## 63%

of the roses used by Lancôme each year in its Skincare and Makeup products, or nearly 300 tons of flowers, come from organic farming.

## 4,037 🗸

people gained access to employment thanks to an inclusive procurement project led by Lancôme in 2023.

#### ZOOM



## **EVER-INCREASING** TRACEABILITY FOR **BIOSOURCED RAW** MATERIALS



Traceability of raw materials means that they have an identified botanical and geographical origin. Thanks to regular traceability campaigns with its suppliers, 100% of L'Oréal's volume of biosourced raw materials will be traced to their country of production by 2030 with a certificate of origin for each, or even to the biomass production site. In 2023, the panel of biosourced raw materials includes 1,778 raw materials from 345 botanical species grown in over 100 countries.

## LANCÔME ALONGSIDE VANILLA PRODUCERS IN MADAGASCAR

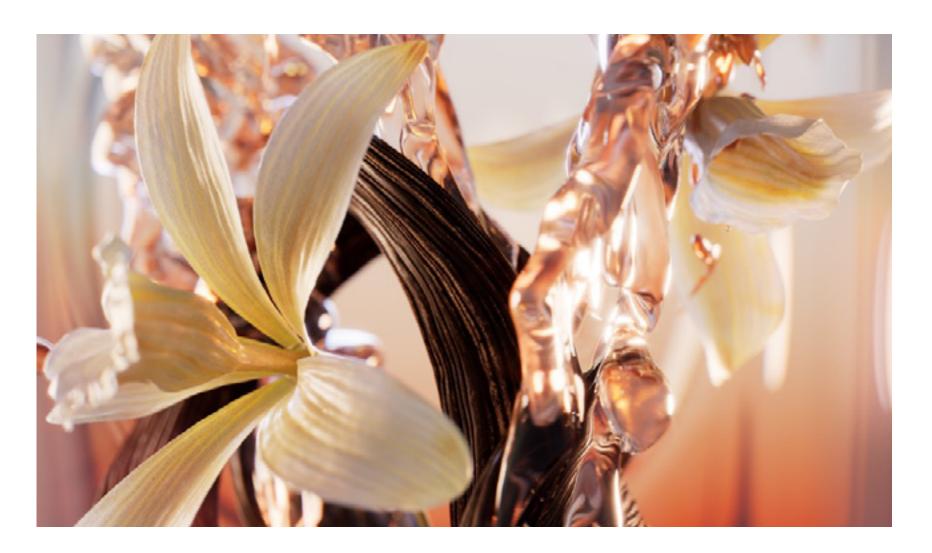
One of Lancôme's flagship ingredients, natural vanilla, enriches certain fragrance compositions, such as Idôle. Its sourcing is therefore an important subject for the brand.

Since 2022, Lancôme has been committed very early in the value chain of this ingredient, in order to improve the impact of its production, both socially and environmentally.

This Group project involves 300 producers and aims to improve the productivity, quality, and traceability of vanilla by focusing on three areas:

- The economic dimension, through a better financial balance of the activity for the producer (vanilla and other socio-economic activities);
- The social dimension, which aims to improve the living conditions of producers and families through initiatives related to education and health: and
- The environmental dimension, intended to protect natural ecosystems around vanilla production areas, restore or reforest cleared plots.

In partnership with several local non-profit partners, Lancôme is taking part in a program to improve the educational and health conditions of vanilla-producing communities.



Here are the results of the actions carried out in 2023:

- 2 schools were rehabilitated, waste collection systems and 2 water wells meeting the needs of the villagers were installed.
- · Awareness-raising training sessions on the importance of education were conducted, making it possible to achieve a rate of 67%, with a target of 100% in 2025.
- 150 members of the communities were trained in human health and family planning to help prevent common diseases but also to be able to discuss sexual and reproductive health rights and the phenomenon of early marriage.
- 4 school gardens have been set up to help mitigate dietary deficiencies and diversify diets.

Furthermore, to preserve the precious vanilla ecosystem,

Lancôme supports reforestation and conservation operations

on 100 hectares of forest. To limit the risk of forest fires, patrols

carried out with the local authorities have been strengthened

and more than 100 people have benefited from training aimed

at raising awareness of the protection of the environment and

biodiversity.

#### **PARTICIPATION IN THE UEBT BAROMETER ON BIODIVERSITY**

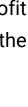
The UEBT (Union for Ethical Biotrade) is a European non-profit association that supports and certifies actions relating to the supply of natural ingredients.

The L'Oréal group has been working for a long time with this organization to set up common sourcing methodologies, new approaches to producer remuneration, and to work on local projects with the help of teams on site.

Each year, the UEBT publishes an International Biodiversity Barometer which reveals the sensitivity and evolution of consumer expectations on these subjects.

In 2022, Lancôme participated in this barometer for the first time, which allowed it to measure the brand's position and gather perceptions of the actions taken around these issues. In particular, the study shows that 85% of 25-34 year olds surveyed consider Lancôme to be a brand "committed to respecting biodiversity and people" and that the brand is in second position (behind L'Oréal) among those over 55 for its concrete actions taken in this area.















# RETAIL



## CREATING A "MORE SUSTAINABLE EXPERIENCE" IN OUR POINTS OF SALE

Using renewable materials for displays and communication materials, promoting the environmental display of products, improving the visibility of spaces dedicated to refills, training beauty advisors on Lancôme's commitments to better share them with its customers... All these elements are essential to accelerating the brand's transition.

In line with the objectives of the L'Oréal Group's program "L'Oréal for the Future", Lancôme is working to improve the environmental footprint of its point-of-sale advertising materials, by gradually increasing the share of materials that respect the principles of eco-design.

Furthermore, starting in 2021, all of Lancôme's retail teams some 19 people - were trained in circular design by an external body, Circulab.

Lancôme's approach is in line with the main areas identified by the Group on the subject:

- Continuing to redesign POS advertising, by generalizing eco-design guidelines to lighten creations, switch to mono-material content, and reduce waste;
- The use of recycled materials for displays;
- The continuous reduction of electricity consumption linked to permanent displays in points of sale.



## 90%

recycled plastic in 2023 in point-of-sale advertising materials (vs. 88% in 2022).

1,050

full-time equivalents (retail design and animation).

## 100%

of new POS displays, gifts, boxes, and gift packaging meet MyEcoDesign guidelines, which focus, for example, on the weight of materials, their recyclability, and the optimization of their transport.

#### FOCUS

## PROOF BY EXAMPLE

#### Eco-designed makeup bars

In France, the new Lancôme make-up bars are eco-designed. Consuming half as much electricity as their predecessors, lighter and made with a minimum of 50% recycled plastics, they take up less space and are essentially modular.

#### Ever more sustainable boxes, packaging, and gifts

Lancôme's efforts for 100% sustainable retail are also illustrated in the design of its boxes, packaging, and gifts with purchase. Thus, the brand now offers boxes made up of 98% cardboard, the remaining 2% corresponding to polybags, made up of 100% recycled plastic. The size of boxes, as well as printing techniques, are constantly being reviewed in order to limit the use of plastic and to strengthen its recyclability. By reviewing its gift-with-purchase practices in 2023, Lancôme also considerably increased the share of recycled plastic used in the latter, which today reaches 78% (vs. 31% in 2022). Thus, Lancôme's point-of-sale advertising and retail animation are now 100% compliant with MyEcoDesign standards. Finally, thanks to significant recourse to solidarity purchasing (1,050 full-time equivalents in 2023), the brand supports projects related to female entrepreneurship, fair trade, and the employment of people with disabilities.



78%

recycled plastic for gifts with purchase in 2023 (vs. 31% in 2022).

#### ZOOM

## TRAINING OF BEAUTY ADVISORS, 150,000 SPOKESPERSONS FOR LANCÔME'S **ECO-RESPONSIBLE APPROACH**



Lancôme products are sold by 150,000 people in 80 countries, including 15,000 Lancôme beauty advisors.

Their training in sustainable development issues is therefore essential to promote the brand's commitments but also to enable the development of more virtuous consumption behavior. Since 2021, Lancôme has been developing content enabling beauty advisors to communicate effectively about the brand's eco-responsible approach. From general and transversal information on Lancôme's commitments, this content is now evolving towards varied formats offering more precise and specific information for each product: packaging, formulation, ingredients, etc. With the objective, in the long term, that sustainable development is no longer the subject of separate content but is well and truly integrated into communication around each product and each launch.

## "

**ISABELLE CASTOT** 

DIRECTOR OF RETAIL EDUCATION LANCÔME INTERNATIONAL

"AS SUSTAINABLE DEVELOPMENT ISSUES ARE COMPLEX BY NATURE, IT IS ESSENTIAL TO WORK ON FORMULATING MESSAGES THAT ARE EASILY ACCESSIBLE TO OUR BEAUTY ADVISORS SO THAT THEY CAN PASS THEM ON SIMPLY TO CONSUMERS. TO DO THIS, WE PRODUCE NUMEROUS INFORMATIVE DOCUMENTS, UPDATED EACH YEAR, WHICH COVER BOTH THE BRAND'S COM-MITMENTS AND INFORMATION SPECIFIC TO CERTAIN PRODUCTS. BEYOND THIS CONTENT MADE AVAIL-ABLE TO OUR TRAINING TEAMS, WE ALSO RELY ON DIGITAL TOOLS, WHICH ALLOW BEAUTY ADVISORS TO ACCESS, VIA MOBILE E-LEARNING APPLICATIONS, SHORT AND FUN CONTENT. THIS RESPONDS TO A STRONG DEMAND FROM CUSTOMERS BUT ALSO FROM OUR BEAUTY ADVISORS FOR WHOM LANCÔME IS A BENCHMARK BRAND ON THE SUBJECT."



#### **ECO-DESIGNED STORES**

Lancôme has around two hundred points of sale in its name, mainly in China.

By building locally and implementing the eco-design principles identified by the L'Oréal Group, Lancôme is gradually developing all of its points of sale.

Lancôme's Champs-Élysées and Beijing flagships are thus now LEED gold certified, an international certification recognizing their high environmental quality and the efforts made to reduce the environmental impacts linked to their construction and operation.

Beyond this certification, all Lancôme stores are required to regularly provide an eco-score, an internal assessment tool that reports on their level of eco-design based on the monitoring of 32 mandatory criteria. In addition, 14 golden rules - 5 of which are mandatory - make up My Eco Design, the guidelines relating to point-of-sale advertising. In 2023, 99.7% of Lancôme points of sale were compliant with this tool.



## 100%

of new stores designed and built more sustainably by 2025.

#### 3 certified Lancôme stores:

- Champs-Élysées and Beijing APM flagships: LEED Gold
- The new Shenzhen C Future store: LEED Platinum.

#### ZOOM

## **"SUSTAINABILITY** CHAMPIONS", AMBASSADORS OF LANCÔME'S TRANSITION

The Sustainability Champions are now 20 people from all of the brand's businesses (international, marketing, retail, operations, etc.) who put their commitment and sensitivity to the environmental cause at the service of Lancôme's transition. On a voluntary basis, their desire to shake things up and their convictions play an essential role in changing the practices of their teams. Their role? Communicate the brand's CSR information and commitments within their teams in order to enable the implementation of the brand's environmental strategy in the field. They also play a major role in relaying information during the integration of newcomers.

GROW OUR FUTURE

# COMMUNICATION AND MARKETING



## ACTING TO REDUCE THE IMPACT OF COMMUNICATION AND ADVERTISING

About a quarter of Lancôme's carbon footprint comes from communication and advertising activities. Emissions from these are mainly linked to the production and transmission of advertising content, two subjects on which Lancôme is currently focusing its efforts.



Within Lancôme, significant work is underway to measure the impact of productions, in cooperation with marketing teams and creative agencies. More precise measurement of this footprint will make it possible to identify the highest emitting items in order to determine priority actions in line with the Group's reduction trajectory by 2030.

To reduce the impact linked to the transmission of its advertising content, Lancôme wishes to work as a priority on optimizing the resolution of its videos, a lever which could allow for nearly 1/3 of energy savings, without degrading user experience.



#### FOCUS

## **PROOF BY EXAMPLE**

Génifique film on YouTube: 36% CO2 emissions saved A test carried out on a Lancôme video dedicated to Génifique demonstrated that it was possible to save, thanks to a lower image resolution, 36% of CO<sub>2</sub> emissions while obtaining the same results in terms of media performance and consumer experience.

The power of influence of Lancôme and its ambassadors also has an essential role to play in the development of more responsible behavior and in embodying the vision of more sustainable luxury.

#### JEAN-PHILIPPE LAM

GLOBAL SUSTAINABILITY LEADER, L'ORÉAL LUXE

"TO ACT ON REDUCING THE IMPACT OF MARKETING AND ADVERTISING, THE CHALLENGE IS TO HAVE PRE-CISE MEASUREMENTS AND DATA IN ORDER TO UNDER-STAND AS PRECISELY AS POSSIBLE THE REALITY OF A RELATIVELY RECENT SUBJECT AND TO ACT ACCORD-INGLY. FROM THE PRODUCTION OF CONTENT TO ITS TRANSMISSION, INCLUDING THE COMMITMENT OF AMBASSADORS AND THE MOBILIZATION OF INFLU-ENCERS, MANY LEVERS CAN BE ACTIVATED IN THIS AREA BY BRANDS TO ACCELERATE THE SECTOR'S TRANSITION."

GROW OUR FUTURE

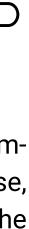
# DOMAINE DE LA ROSE



ROSE

## CELEBRATING A UNIQUE NATURAL AND CULTURAL HERITAGE

Acquired by Lancôme in 2020 and then completely renovated, the Domaine de la Rose, located in Grasse, opened its doors to the public in 2023.



Organically cultivated for about sixty years, this 7-hectare estate certified by Ecocert is today dedicated to the organic polyculture of around ten local perfume plants, including jasmine, iris, tuberose, and *centifolia* rose, emblematic of the region. The Domaine de la Rose is also a biodiversity refuge that is home to more than 280 species of flora and fauna according to an inventory carried out by the League for the Protection of Birds in 2023.

Since the European Heritage Days on September 16 and 17, 2023, the Domaine de la Rose has been open to the general public who can discover this unique place dedicated to the sharing, preservation, and celebration of natural and cultural know-how linked to perfume. It also regularly welcomes professionals and groups (schools, businesses, associations, etc.) who are curious to discover the perfume plants grown organically on the Estate, visit the distillery, or explore the Rose House with its perfume organ.



#### LUCIE CARERI OPERATIONS DIRECTOR OF THE DOMAINE DE LA ROSE

"A UNIQUE PLACE FOR SHARING AND EXPERIENCES, THE DOMAINE DE LA ROSE ALLOWS EVERYONE TO IMMERSE THEMSELVES IN THE HEART OF THE BRAND'S KNOW-HOW RELATED TO PERFUME AND TO APPROACH ITS EXPERTISE ON ITS EMBLEMATIC INGREDIENT: THE ROSE. THE EMBODIMENT OF LANCÔME'S COM-MITMENT TO BIODIVERSITY AND THE PRESERVA-TION OF PERFUME-RELATED KNOW-HOW, IT IS ALSO AN OPEN-AIR LABORATORY IN WHICH THE BRAND, IN COLLABORATION WITH NUMEROUS PARTNERS, EXPERIMENTS AND INNOVATES TO BRING ITS SUS-TAINABLE COMMITMENTS TO LIFE."

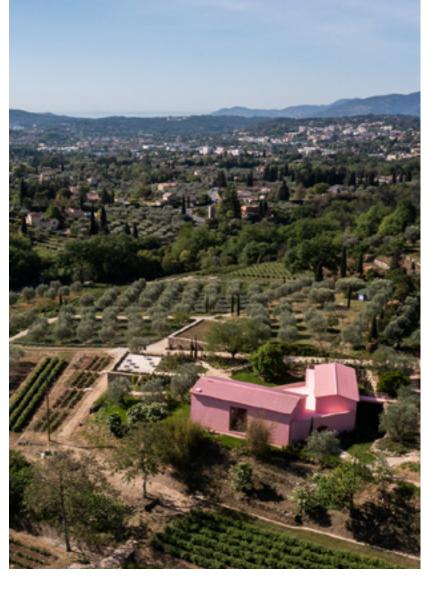
## DOMAINE DE LA ROSE

## JOURNEY TO THE HEART OF THE ROSE, FROM THE FIELDS TO THE BOTTLE

THE DOMAINE DE LA ROSE: AN EXCEPTIONAL TERROIR A former family farm cultivated for more than 5 centuries and a pioneer in organic farming, the Domaine de la Rose is today dedicated to the organic polyculture of around ten perfume plants, a type of cultivation which makes it possible to preserve the local heritage of the species and maintain the balance of the biotope and the local ecosystem.

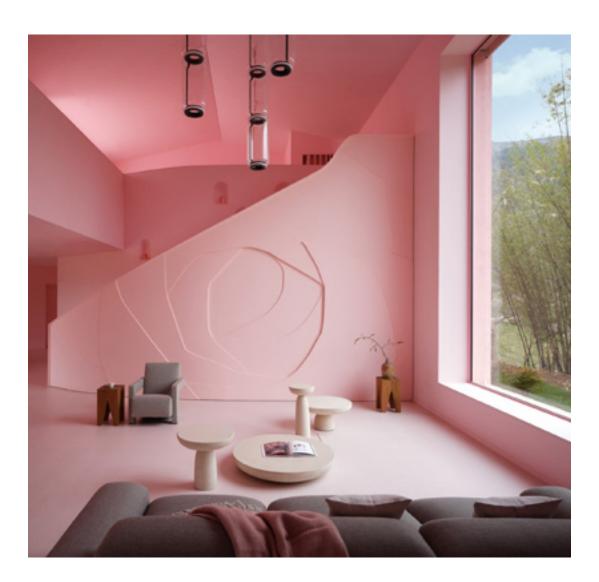
Ideally located between the sea and the mountains, the Domaine de la Rose is crossed by watercourses which provide ideal hydrology for the crops and allow the estate to be self-sufficient in water. Distributed on a terrain of centuries-old dry-stone terraces, extremely rich in biodiversity, it also benefits from the presence of fruit trees (olive trees, fig trees, etc.) which contribute to making the soils rich and fertile.

Thanks to this unique terroir, Lancôme can grow exceptionally high-quality perfume roses at the Domaine de la Rose.



#### ZOOM

## THE ROSE HOUSE, EMBODIMENT OF LANCÔME'S SUSTAINABLE COMMITMENT



Faithful to the most demanding principles of sustainable development, the Estate includes the Rose House, a contemporary pink monolith eco-designed by the NeM Architectes agency, which has received "BDM" (Mediterranean Sustainable Building) "Gold" level certification for its design and construction. Underground buildings, protection of trees during the construction process, terraces in recovered stone, lavender straw insulation, local furniture, Canadian well system... La Maison Rose has been designed to fully embody Lancôme's environmental commitment.

Thus, while they have retained the structure and surface area of the original building, the architects have gone further to minimize the impact of the project on the surrounding land, by removing small superfluous buildings and annexes and by preserving as many arable layers, infiltration areas, and cultivable areas as possible.

Eco-designed with local, recycled, bio-sourced, and artisanal materials, the approach adopted for its design allows La Maison Rose to considerably limit its footprint on the environment: walls insulated from the outside with lavender straw from the Estate. roof covered with Camargue rice straw, geothermal heat pump, and Provençal well making it possible to limit air conditioning needs in summer and heating in winter. Finally, the passive bioclimatic building relies solely on green energies and enjoys natural light throughout the day. In the evening, LED bulbs take over, limiting energy consumption, because particular attention is paid to external light pollution so as not to disturb wildlife.

#### THE DISTILLERY: SHARING LANCÔME'S EXPERTISE

One of the two centerpieces of the Rose House dedicated to the preservation, transmission, and celebration of the knowhow linked to perfume, the educational distillery, partially dug into the ground and naturally cool, offers visitors the possibility of discovering the journey of the rose and flowers, from the fields to the bottles.

Built underground to provide thermal inertia, the distillery is fully integrated into the network of dry-stone retaining walls to blend naturally into the landscape. Visitors can discover the extraction and distillation processes implemented by Lancôme to capture the essence of the different varieties of roses that the brand uses in its product ranges, from perfume to make-up, including skincare.

From the distillery, a huge bay window offers a view of the rose garden, as well as the fields delimited by the terraces.

#### THE PERFUME ORGAN: CREATING THE ELIXIRS **OF TOMORROW**

Bringing together thousands of raw materials used in the creation of fragrances, the perfume organ allows visitors to immerse themselves in the heart of the perfume creation process and perfumers to compose new accords using ingredients from the Estate.

The gold leaf that adorn the organ was made by Ateliers Gohard, the emblematic company behind the gilding found in particular at the Palace of Versailles, the Louvre Museum, and on the Statue of Liberty.





## LANCÔME'S COMMITMENT RECOGNIZED **BY UNESCO**

Since 2023, UNESCO has recognized the role of Le Domaine de la Rose in the safeguarding of "perfume-related know-how in the Pays de Grasse". Registered on the UNESCO Intangible Cultural Heritage list, this know-how refers to the culture of the perfume plant, knowledge of raw materials and their processing, and the art of composing perfume.

#### A HAVEN FOR BIODIVERSITY

The agricultural practices implemented by Lancôme at the Domaine de la Rose bear witness to the brand's desire to preserve a unique natural heritage. Thus, all the actions undertaken on the Estate aim to maintain and preserve biodiversity:

- The terraces are not weeded or modified (except in the event of collapse);
- Beyond polyculture, spaces are voluntarily left fallow, and maintained by sheep grazing in winter;
- Hedges and fruit trees have been planted to promote animal biodiversity;
- 30% of the soils were de-sealed during the rehabilitation work on La Maison Rose.

Lancôme is also taking part in the Pays de Grasse ecological transition contract and is carrying out, in partnership with the League for the Protection of Birds (LPO), biodiversity inventories in order to identify the species to be protected, reintroduce endemic species, and set up various actions and training courses for farmers working on the site.

Carried out each year since 2021, these inventories revealed that in 2023, the Estate was home to more than 280 species of fauna and flora, including 215 plant species (compared to 163 in 2021), 25 bird species (including 20 protected species and 6 heritage species), 29 species of diurnal butterflies, 13 species of bats, 2 species of reptiles, and 3 species of amphibians.

As regards birds, a few species are missing compared to the 33 counted during the inventory carried out in 2021 (Hoopoe, Bonelli's Warbler, Greenfinch, etc.), but the Serin (a heritage species) has made its appearance.

On the basis of these inventories, an action program was deployed in 2021 in order to develop the Estate's biodiversity. This includes 16 major actions which relate in particular to the preservation of sensitive areas, the planting of diversified hedges, the planting and conservation of fruit trees, the creation of fallow vegetation islands, the installation of nesting boxes for birds and roosts for bats, and the reduction of light pollution at night.

Each of the actions in this program is monitored in the form of half-yearly reports and at the end of 2023, an assessment of its first three years of implementation (2021-2023) was carried out and made it possible to lay the foundations for a new program for the period 2024-2026.



## ECOCERT, A DEMANDING LABEL

To maintain Ecocert certification, the brand must commit to the following axes: maintaining a high degree of biodiversity, respecting ecosystems and soil fertility, promoting natural heritage to staff working on the site and to future visitors, choice of ecological techniques that respect the environment in the management of the estate, and monitoring of the site's biodiversity.

#### 2023: opening of the Domaine de la Rose to the public

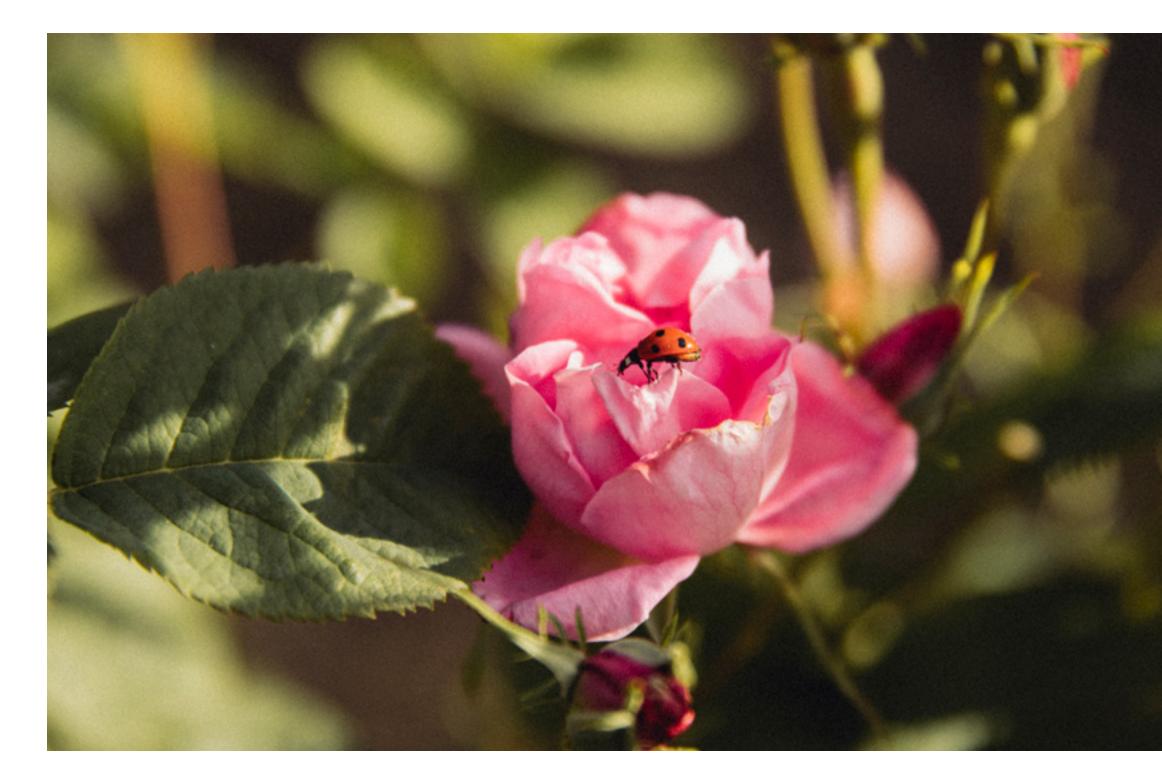
2,500 visitors in 2023, including 650 during the European Heritage Days

#### 287 species of fauna and flora

identified in 2023, including:

- 215 plant species
- 25 species of birds
- 29 species of diurnal butterflies
- 13 species of bats

More than **10,000 rose bushes** 



#### " ANTOINE LECLEF LANDSCAPE ENGINEER & CROP MANAGER AT THE DOMAINE DE LA ROSE

"OUR MISSION TO IMAGINE THE AGRICULTURE OF TOMORROW HAS ONLY JUST BEGUN. THE DOMAINE DE LA ROSE HAS ALWAYS BEEN CULTIVATED USING ORGANIC FARMING METHODS, BUT WE MUST NOW GO FURTHER AND DEVELOP REGENERATIVE AGRICUL-TURE. WE ARE WORKING WITH NATURE TO DEVELOP THE BEST PRACTICES TO ENSURE THE RESILIENCE AND DIVERSITY OF THE PLANTS WE GROW. SPECIES, ROOTS, STEMS, ROOTS, SOIL, SYMBIOTIC RELATION-SHIPS ... ALL THESE ELEMENTS ARE ANALYZED IN DEPTH IN ORDER TO MEET THE CHALLENGES OF THE FUTURE."



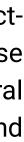
GROW OUR FUTURE

## EXPERT PARTNERSHIPS



## PARTNERSHIPS SERVING THE PRESERVATION OF BIODIVERSITY

To strengthen its action in favor of respecting biodiversity, at the Domaine de la Rose and beyond, Lancôme is working with several expert partners from the world of research and the non-profit sector.



## EXPERT PARTNERSHIPS

#### According to the French Office for Biodiversity, despite the implementation of numerous public policies, the erosion of biodiversity is continuing.

Under the effect of pressures from human activities, the state of natural habitats and many species is worrying: only 20% of natural habitats are in good condition and 17% of animal and plant species in France are extinct or threatened with extinction. An impoverishment which jeopardizes the functioning of ecosystems and their ability to withstand global changes, in particular climate change<sup>1</sup>.



#### **REINTRODUCING CERTAIN ENDANGERED PLANT SPECIES WITH THE NATIONAL MUSEUM OF NATURAL** HISTORY

In this context, Lancôme and the National Museum of Natural History have been collaborating since 2021 as part of a program to preserve endangered plant species.

This partnership aims to reintroduce around forty endangered species into their natural environment. In practice, it concerns around thirty other species, including the rosa Gallica (or French rose), Lancôme's emblematic plant.

The main conservation programs implemented are as follows:

- Arnica montana in Center Val-de-Loire and Champagne-Ardenne;
- Rosa gallica in Center Val-de-Loire;
- Biscutella controversa in Burgundy.

For its "ex situ" component, the objective of the program to bank endangered species was achieved during 2023, with surplus harvests in certain regions, which represents a clear contribution from Lancôme to the implementation of the objectives of the major international agendas concerning the ex situ conservation of threatened flora (Global and European Plant Conservation Strategies, Objectives of the Global Biodiversity Framework -Convention on Biological Diversity, etc.).



Furthermore, concerning the "in situ" component, concrete actions to conserve endangered species in their natural environment have been implemented as well as conservation measures preceded for certain species by research programs in conservation biology and taxonomy.

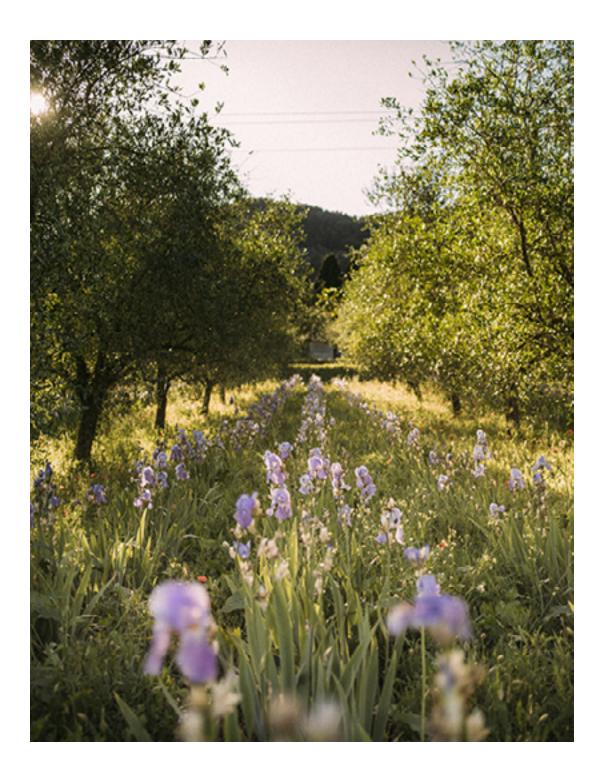
#### SUPPORTING BIODIVERSITY WITH THE LEAGUE FOR THE PROTECTION OF BIRDS (LPO)

Since 2021, Lancôme has been working with the League for the Protection of Birds (LPO) to better understand biodiversity on sites cultivated exclusively for the brand and to act for its preservation and development.

At the Domaine de la Rose in Grasse, inventories of fauna and flora have thus been carried out each year since 2021 in partnership with the LPO, LBO Environnement, the Maison Régionale de l'Eau and Saxicola in order to define a three-year action program structured around three priorities:

- Promote the diversity of habitats and species with in particular the establishment of refuge areas and compliance with instructions during breeding periods;
- · Monitor and evaluate the quality of the actions implemented on the site;
- Inform and raise awareness among staff and visitors.

<sup>1.</sup> French Biodiversity in Decline - 10 Years of Key Figures, National Biodiversity Observatory © MNHN - F.-G. Grandin, June 2023.



In line with what has been achieved at the Domaine de la Rose, biodiversity inventories were carried out in 2023 on other estates operated exclusively for Lancôme, including the Domaine de la Plane on the Valensole plateau (Alpes-de-Haute-Provence) where the white roses used in the Absolue skincare range are grown.

These inventories and ecological diagnoses made it possible to highlight the richness and potential of the sites and to adapt the practices implemented there by establishing recommendations for developments and management measures conducive to the development of biodiversity.

#### **COMMIT LOCALLY TO SUPPORT LIVING THINGS**

#### WITH REGÉN'ÈRE AZUR

In the Grasse region, Lancôme also supports Régén'ère Azur, a research-action project led by the Club des Entrepreneurs du Pays de Grasse in partnership with the LUMIÅ action-research center and the Change it Use it sociology firm.

Bringing together inhabitants, local authorities, associations and businesses present in the territory, this program aims to Its objective? To promote and contribute to the continuous make the Cap Azur Metropolitan Area a regenerative territory. improvement of Grasse's know-how at national and interna-To do this, Régén'ère Azur promotes the development of initiational level and to support the development of the cultivation tives and economic models designed on a territorial scale that of perfume, aromatic and medicinal plants. take into account the urgency of supporting living things and limiting pressure on natural ecosystems.

- Area;
- called the Regén'ère Actors;

PARTICIPATE IN THE INFLUENCE OF THE GRASSE **REGION WITH GRASSE EXPERTISE** 

Since 2021, Lancôme has joined Grasse Expertise, a territorial and collective brand which brings together the four sectors of excellence of the Pays de Grasse: cosmetics, food flavors, perfumery, and health & well-being.

The first year of the project (2022-2023) made it possible to:

• Carry out a diagnosis of the territory, the Cap Azur Metropolitan

• Stimulate regenerative dynamics by bringing together around sixty stakeholders (public, private, associative and citizens),

• Identify three relevant regenerative solutions for the territory.

# WRITE YOUR FUTURE

COMBATING INEQUALITIES FACED BY WOMEN THROUGH EDUCATION



## SUPPORTING WOMEN'S **EMPOWERMENT THROUGH** EDUCATION

Since 2017, Lancôme has been actively committed to combating inequalities faced by women around the world by taking action for education.

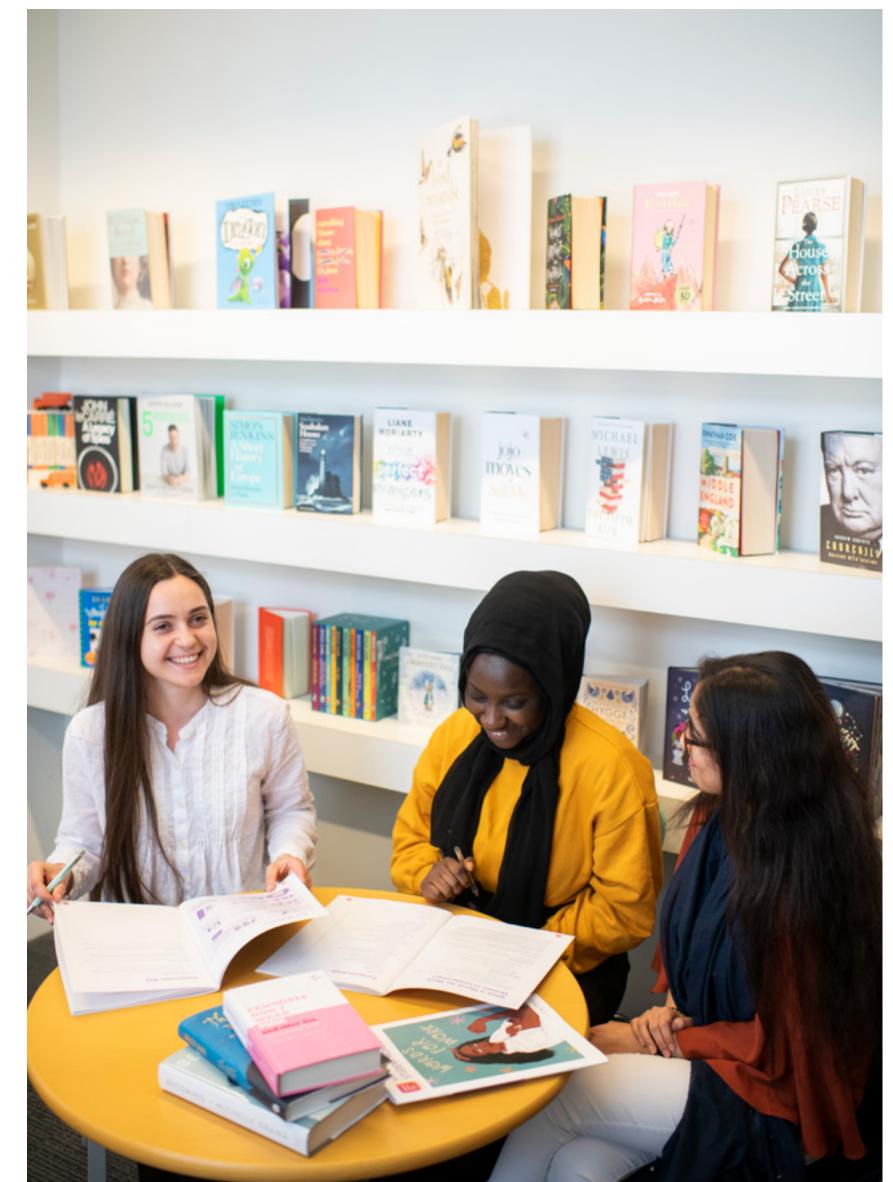
According to UNESCO, education is considered an essential lever for combating inequalities. However, all over the world, the observation is the same: from the first learning experiences of life to the professional world, women face obstacles that restrict their development and their ambition. In France, 1 million women are illiterate<sup>1</sup>, in the United States only 20% of women of color graduate before the age of 29<sup>2</sup>.

With its Write Your Future program, Lancôme supports initiatives in the field of education in order to enable every woman to become the author of her own destiny.

This program is structured around three priorities:

- Enable women to acquire basic skills in reading, writing and arithmetic, essential for everyday life;
- Facilitate access to scholarships to pursue higher education;
- Set up mentoring and training projects to help them gain autonomy and competitiveness in the job market.

Since 2017, Lancôme has supported programs in many countries around the world, in partnership with the association CARE INTERNATIONAL, and with other NGOs.



1. ANLCI 2018. 2. U.S. Bureau of Labor Statistics, 2018.

## A LONG-TERM COMMITMENT

2017 - 2018 -

Formalization of the Write Your Future literacy program with the NGO CARE in Guatemala, Thailand, and Morocco (donation of 2 million euros over 4 years).

Local deployment in 4 European countries: France, Ireland, United Kingdom, and Spain.

# $2019 \\ 2020$

7 new markets join the scheme: Italy, United States, Brazil, Mexico, Panama, Chile, Taiwan.

#### A GLOBAL CAUSE, LOCAL REALITIES

Initiated 6 years ago in partnership with the international NGO CARE, the Write Your Future program was first launched in 3 countries - Morocco, Thailand and Guatemala - around literacy missions. After a renewal of the partnership in 2022 and its expansion to 3 new countries (Peru, India and Togo), Lancôme is expanding it again in 2023 with the launch of new initiatives in Argentina, Saudi Arabia and South Africa.

In addition to this global partnership, Write Your Future has gradually developed in a number of countries and regions, with the support of local NGOs, and always according to the same approach: starting from the needs on the ground by integrating local cultural specificities.

For example, in France, Lancôme has joined forces with ANLCI In other countries, the Write Your Future program offers men-(the National Agency for the Fight Against Illiteracy) to help toring and training actions to support women in achieving their women escape illiteracy. The objective is to give beneficiaries professional projects. Thus, in Japan, women are supported access to employment and mobility and to relieve them in their and trained with the support of the NGO Hanalab, to occupy daily lives by using digital technology as a tool for relearning key positions in digital technology; more than 17,300 beneficiaries of this program at the end of 2023. And in Germany, writing and reading. Lancôme collaborates with the NGO Arbeiterkind.de as well as Global Digital Women founded by Tijen Onaran, entrepreneur In the United States, Lancôme has been committed since 2021 and activist for inclusion and diversity. alongside the NAACP (National Association for the Advancement

of Colored People) to promoting equity in education through scholarships for women of color. Result: more than 10,000 beneficiaries since the implementation of this partnership.

In China, 95,317 female students had access in 2023 to online training to enable them to acquire new skills thanks to a partnership with 15 universities and the NGO China Women's Development Foundation.

## -2021 - 2022 - 2023

The program is expanding to women's education and mentoring. It is open to 7 new markets, with new projects.

Lancôme renews its partnership for 4 years with the NGO CARE (new commitment of 2 million euros).



Expansion of the program to 3 new countries: Argentina, South Africa and Saudi Arabia.

The objective of this partnership is to actively support women through a mentoring program, and to support young women in starting their careers. Over the past two years, nearly 34,000 women have benefited from this program.

In 2023, 143,258 women benefited from the Write Your *Future* program conducted in partnership with nearly twenty NGOs. Since 2017, there have been **265,826**.

is the number of countries in which the program is now deployed.

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## APPENDICES

Lancôme's objectives and roadmap are part of the L'Oréal Group's strategy to improve its impact on the environment and society. It is presented in its 2023 Universal Registration Document.

The indicators for this roadmap are detailed below. The progress data is that of the Lancôme brand. GROW OUR FUTURE

PACKAGING

PACKAGING

PACKAGING

PACKAGING

INGRÉDIENTS

FORMULES

EAU

SOLIDARITY SOURCING

WRITE YOUR FUTUR

1. This increase is explained by the evolution of the scope concerned and a higher business volume in 2022 and 2023 for products with a larger packaging impact.

V Deloitte & Associés has expressed moderate assurance on the indicators identified by this symbol.

ARGET 2030
100%
-20%
100%
100%
95%
_
25%
00,000

# LANCÔME