
SUSTAINABILITY PROGRESS REPORT 2019

By **GARNIER**,
Naturally!



“

By committing to Green Beauty,
we will transform our business
and strive to significantly
improve our impact throughout
our value chain and beyond.

”

Employee collecting waste during the International Coastal Cleanup on September 21st, 2019
(organized with our partner Ocean Conservancy)

A MESSAGE FROM GARNIER'S GLOBAL BRAND PRESIDENT

We live in a rapidly evolving world, facing unprecedented challenges in conserving natural resources and protecting the climate for future generations. As a world's leading mass-market natural beauty brand, we have the opportunity to help create a positive future by leading the way towards sustainable beauty, creating products that respect our environment and natural resources. We are determined to play our part by taking ambitious commitments and catalysing change in our industry.

Garnier has already taken some important steps in improving our sustainability performance over the past few years. We have intensified our efforts, reaching crucial milestones. In particular, we have partnered with NGOs to help empower communities through socially responsible or “solidarity” sourcing programmes worldwide. In addition, we have developed new 98% natural origin formulas and Ecocert-certified organic skincare, and continuously reduced our products' environmental footprints. At our industrial sites, we have significantly lowered our CO₂ emissions and water consumption.

Now, with our Green Beauty strategy, we are taking our sustainability commitment to the next level, pursuing our efforts in an even more ambitious way. We are transforming every stage of our value chain. Firstly, we are striving for 100% of our renewable ingredients to be sourced sustainably by 2022. We are fully committed to protecting biodiversity and the planet by leveraging green sciences to offer our consumers the same high performance while ensuring that every Garnier product is more sustainable.

To address the global risk of plastic pollution, we have directed significant effort to reducing plastic in our packaging. We aim to use 100% recycled plastic in our plastic packaging by 2025 and make all our packaging recyclable. And we are fully engaged in helping to drive our industry's journey towards a holistic, circular economy of packaging. As part of our ongoing efforts to reduce our products' environmental impact, we will support the industrial site where our products are manufactured in going carbon neutral and by adopting 100% renewable energy in the next five years. Transparency is also central to the Garnier origin. We were pioneers in disclosing the provenance of our product ingredients. In 2020, we will break new ground by sharing the environmental and social impact of our pro-

ducts through an ambitious new product environmental impact labelling to help consumers make more sustainable consumption choices.

Importantly, we will strive to make a positive impact beyond the beauty industry, actively participating in fighting plastic pollution. We have forged a partnership with Ocean Conservancy, an NGO working to turn the tide on ocean plastic for more than 30 years. Together, we will raise awareness of the importance of cleaning oceans and beaches, and encourage our employees and consumers to participate in the Ocean Conservancy's annual International Coastal Cleanup, the world's largest single-day volunteer effort to help fight ocean plastic.

Every Garnier team and all our partners share a passion for beauty and a collective commitment to create a sustainable future for beauty. Through this report, we share our progress on sustainability in 2019, and discuss our achievements, opportunities and challenges transparently. We know there is still much to do, but we remain ambitious and determined, as we continue our journey. By committing to Green Beauty, we will transform our business and strive to significantly improve our impact throughout our value chain, and beyond.

I welcome you to our report and warmly invite you to discover our end to end journey towards Green Beauty.

Adrien KOSKAS
Garnier Global Brand
President



GARNIER COMMITS TO
GREEN BEAUTY

OUR END-TO-END JOURNEY
TOWARDS SUSTAINABILITY



Ocean
Conservancy

G OUR KEY 2019 ACHIEVEMENTS AND OUR COMMITMENTS



ECO-DESIGNED PACKAGING

p. 10

IN 2019
Thanks to **THE USE OF RECYCLED PLASTIC**, we saved **3,670 TONNES** OF VIRGIN PLASTIC 9.8% of our annual plastic consumption ✓

BY 2025
ALL OUR PRODUCTS WILL BE MADE WITH ZERO VIRGIN PLASTIC helping to save **MORE THAN 37,000 TONNES* OF VIRGIN PLASTIC PER YEAR**

IN 2019,
100% of cardboard boxes and paper product use instructions **HAVE A SUSTAINABLY MANAGED FOREST CERTIFICATION** such as FSC ✓

BY 2025
ALL OUR PLASTIC PACKAGING WILL BE REUSABLE, RECYCLABLE OR COMPOSTABLE



ECO-DESIGNED FORMULAS

p. 22

IN 2019
our new and renovated Haircare formulas were with an average of **91% BIODEGRADABILITY***** (at least 67% and up to 99%)

IN 2019
90% of new or renovated products had an **IMPROVED ENVIRONMENTAL OR SOCIAL PROFILE** ✓

BY 2022
ALL OUR RENEWABLE INGREDIENTS WILL BE SUSTAINABLY SOURCED

*based on Garnier plastic consumption in 2019
**compared to two 250ml shampoo bottles
***as per OECD 301 or equivalent tests
✓ information audited, see details p.45

G OUR KEY 2019 ACHIEVEMENTS AND OUR COMMITMENTS



SUSTAINABLE FACTORIES

p. 28

IN 2019
WE DECREASED **WATER CONSUMPTION** AT OUR INDUSTRIAL SITES BY **45%** compared to 2005 0.38 litres per finished product ✓

IN 2019
WE REDUCED **THE CO₂ EMISSIONS** OF OUR INDUSTRIAL SITES BY **72%** compared to 2005 38,596 tonnes eq. CO₂ ✓

BY 2025
100% OF OUR INDUSTRIAL SITES WILL BE CARBON NEUTRAL AND WILL USE ONLY RENEWABLE ENERGY

34% OF OUR INDUSTRIAL SITES ARE **CARBON NEUTRAL** ✓

66% OF OUR ENERGY IS **RENEWABLE** ✓



SUSTAINABLE SOURCING

p. 32

IN 2019
WE EMPOWERED **670 COMMUNITIES** ✓ WORLDWIDE as part of our **SOLIDARITY SOURCING PROGRAMME** applied to our ingredients

BY 2025
WE WILL EMPOWER **800 COMMUNITIES** ✓ WORLDWIDE as part of our **SOLIDARITY SOURCING PROGRAMME**



GREENER PLANET

p. 40

IN 2019
GARNIER JOINED FORCES WITH OCEAN CONSERVANCY TO FIGHT OCEAN PLASTIC

IN 2019
GARNIER MOBILIZED **373 EMPLOYEES** TO COLLECT 6.8 TONNES OF WASTE TO HELP FIGHT OCEAN PLASTIC



INTERVIEW WITH AURÉLIE WEINLING

GARNIER IS TAKING ITS SUSTAINABILITY EFFORTS TO THE NEXT LEVEL. WHY?

Today, our world faces distinct challenges and consumers are increasingly changing their behaviour, becoming more conscious of the need to protect the environment and save natural resources for future generations. We have the opportunity to make a real impact, helping to create access to sustainable beauty for all. We are committed to undertaking every step of this journey, and meeting consumer expectations for positive change. In particular, we believe in the pressing need to shift from a linear approach, whereby companies "take, make and dispose" of natural resources, to a more circular, regenerative economy.

This builds on the advances we have already made and our Green Beauty strategy will enable us to make further progress. This involves commitments to improve our products' impacts throughout their lifecycle, helping to preserve natural resources, harness clean energy and prevent waste.

GARNIER IS COMMITTING TO GREEN BEAUTY: WHAT IS GREEN BEAUTY?

Green Beauty is a holistic, end-to-end sustainability strategy that will enable us to address our impacts throughout our value chain. Our Green Beauty strategy is based on 5 progress areas: eco-designed packaging, eco-designed formulas, sustainable factories, sustainable sourcing, greener planet. It's a highly rigorous and ambitious approach, and will see us continuously improving our performance and sharing our progress openly and transparently.

HOW WILL GARNIER ACHIEVE ITS AMBITIOUS COMMITMENTS?


Working closely with our partners is key to moving the needle on sustainability. We collaborate with many partners throughout our company, across teams including marketing, research, manufacturing, purchasing, packaging innovation and more. Every day I'm inspired by the passion and enthusiasm of all Garnier employees to promote sustainability. Beyond our internal collaborations, we are also engaging with partners such as packaging and raw materials suppliers, and NGOs. We are all committed to moving in the same direction.

WHAT ARE THE MAIN CHALLENGES?

Changing the way we operate is a long-term journey and we are facing many challenges. It is crucial to achieve sustainable products without compromising on product quality, safety and performance. It is also key to maintain affordable prices because we believe that sustainable beauty should be accessible for all. Innovation and passion are what help us to take major steps: new packaging with no plastic, breakthrough formula with natural ingredients powered by green sciences, new equipment to save water in our factories etc... and more to come year after year.

WHY THIS PROGRESS REPORT?

Transparency continues to be part of our sustainability journey. We are committed to communicating our progress openly, being clear about our performance, the challenges we face, and the journey ahead. This builds on our pioneering efforts to communicate the provenance of our ingredients in 2017. We will highlight how we're performing on each commitment - from ingredient sourcing and efficient natural formulas to production and packaging - with concrete information on our progress, results and sustainable beauty initiatives. Additionally, we will launch our first ever initiative to raise awareness of our sustainable beauty commitments publically, highlighting how we take action to protect the environment throughout our value chain.

This progress report provides an overall summary of Garnier's progress within its five major focus areas of Green Beauty. The data identified by this tickmark  has been audited by an external auditor (see details p.45).



Aurélie WEINLING
Garnier International
Scientific & Sustainability
Director

THE SCIENCE BASED TARGETS

Founded by CDP, the United Nations Global Compact, the World Resources Institute (WRI) and the NGO WWF, the Science Based Targets (SBT) initiative seeks to encourage businesses to commit to a voluntary transition towards a low carbon economy, in line with the Paris Agreement. The SBT initiative has established a framework requiring companies to engage their entire value chain over the long term, and evaluates businesses' climate action plans.

In 2018, L'Oréal began to put its new SBT-approved 2030 commitments into practice. These were approved at the end of 2017 and therefore conform to the trajectory that will enable global warming to remain below 1.5°C, as required by the experts of the Intergovernmental Panel on Climate Change (IPCC), the United Nations body for assessing the science related to climate change.

In this way, L'Oréal has committed to reduce its entire greenhouse gas emissions (Scopes 1, 2 and 3) by 25% in absolute terms, compared to 2016. This encompasses both those that are produced directly by the Group and those produced indirectly, such as through its suppliers' activities or consumers' use of its products. As part of the L'Oréal Group, Garnier strongly committed to contribute to these commitments.



ECO-DESIGNED PACKAGING

ECO-DESIGNED PACKAGING

BY 2025
**ALL OUR PRODUCTS
WILL BE MADE WITH
ZERO VIRGIN PLASTIC**
helping to save **MORE THAN 37,000 TONNES***
OF VIRGIN PLASTIC PER YEAR

BY 2025
**ALL OUR PLASTIC PACKAGING
WILL BE REUSABLE,
RECYCLABLE
OR COMPOSTABLE**

TOWARDS A CIRCULAR PACKAGING MODEL

Garnier commits to an innovative policy of packaging optimisation to promote the circular economy.

We have an ambitious goal to help transform the way packaging is designed and produced, achieving better economic and environmental outcomes while continuing to harness the many benefits of plastic packaging. This vision builds on and aligns with the principles of the circular economy, an economic model that is restorative and regenerative by design. Garnier is determined to move the plastics value chain into a positive spiral of value capture, stronger economics and better environmental outcomes.

Garnier plastic consumption represented 37,441 tonnes of plastic in 2019. While this is low compared to the 359 million tonnes produced globally, for more than 10 years, Garnier has pursued an ambitious sustainability policy, including an in-depth work on the usage of plastics. Garnier has analyzed the life cycle of its products for several years to measure their impact on the environment and to lower the en-

vironmental footprint of its packaging. In 2007, Garnier established high standards for packaging to respect the health and safety of the consumer. For example, 100% of the packaging materials that come into direct contact with the formula are food-grade certified. Now, Garnier is going one step further by committing to move to a circular economy of packaging.



As part of the L'Oréal Group, our packaging teams have been working with the Ellen Mac Arthur Foundation for years and became Core Member close to 2 years ago. They are members of the Advisory Board for the "New Plastics Economy" group, actively involved in work on plastic use and have signed the ELLEN MACARTHUR GLOBAL COMMITMENT.

*based on Garnier plastic consumption in 2019

Garnier has developed a strategy to achieve eco-designed packaging based on 4 pillars:

1. USING RECYCLED MATERIALS: ZERO VIRGIN PLASTIC

By 2025, Garnier commits to fully remove virgin plastic from all its products worldwide. Garnier will use 100% post-consumer recycled (PCR) plastics or bio-sourced plastics.

2. REDESIGNING AND INNOVATING

Garnier commits to reduce the weight and size of packaging and to innovate towards new, plastic-free packaging.

We are also seeking new alternatives to replace single-use formats.

3. REUSING

Garnier commits to promote reusable or refillable systems.

We are piloting new partnerships and models. For instance, Garnier signed a partnership with LOOP™ in January 2020 in order to test a new deposit system for sustainable packaging.

4. RECYCLING

By 2025, Garnier commits to 100% reusable, recyclable or compostable plastic packaging.

To give used packaging a new life, Garnier will also develop programmes to encourage consumers to recycle, helping to promote a circular economy.

By taking action to achieve these goals, we will gradually reduce our use of fossil fuels and help accelerate the shift to a circular economy.

To achieve this, Garnier is working with an ecosystem of partners to benefit from the best technologies.

"3R" STRATEGY

The Garnier packaging strategy follows the L'Oréal Group's 3R policy (RESPECT consumers, environment and biodiversity, REDUCE packaging in volume and weight and REPLACE existing materials with materials with lower environmental impact).

DID YOU KNOW?



WORLD PLASTIC PRODUCTION
359 MILLION TONNES
(2018 - all sectors)

Plastic pollution has become a pressing challenge in the past few decades. Today, more than 350 million tonnes of all plastic produced annually, and only 20% of plastic waste is recycled worldwide. The rest becomes waste, polluting our environment.

As a cheap, versatile and reliable material, plastic is now present throughout our everyday lives. This has prompted rapid increases in global plastic production, and particularly of single-use plastic. Today, over 75% of all plastic produced in the world becomes waste.

At a global scale:

- Plastic production accounts for 4% of total oil and gas demand annually.
- Plastic pollution harms wildlife and natural ecosystems and contributes to climate change.
- Approximately 8 millions tonnes of plastic flow into the ocean each year. By 2050, scientists predict that plastic will outweigh fish in the ocean.

The majority of plastic pollution is currently due to business models supporting single-use packaging; waste mismanagement leaking plastic into the environment; and a supply chain currently producing five times more virgin plastic than recycled plastic.

Sources: <https://www.statista.com> and WWF 2019 plastic report

GARNIER COMMITS TO AN INNOVATIVE POLICY OF PACKAGING OPTIMISATION TO PROMOTE THE CIRCULAR ECONOMY

- 1 USING RECYCLED MATERIALS ZERO VIRGIN PLASTIC**
Using 100% post-consumption recycled (PCR) materials or bio-based materials.
- 4 RECYCLING**
Encouraging consumers to recycle in order to significantly reduce the leakage of plastic into the environment and prevent negative impacts, and develop high-quality recycling streams to offer the same performance as virgin plastic







- 2 REDESIGNING & INNOVATING**
Reducing the weight and size of packaging, innovating to identify new, plastic-free packaging and reusable options to replace single-use formats.
- 3 REUSING**
Promoting reusable or refillable systems.

USING RECYCLED MATERIALS

1 ZERO VIRGIN PLASTIC

Toward using **100% post-consumption recycled (PCR)** materials and only sustainably sourced or bio-based plastics

<p>IN 2019 Thanks to THE USE OF RECYCLED PLASTIC, we have already saved 3,670 TONNES OF VIRGIN PLASTIC 9.8% of our annual plastic consumption</p>	<p>BY THE END OF 2020 ALL FRUCTIS BOTTLES WILL BE MADE OF 100% RECYCLED PLASTIC IN EUROPE & THE US Thanks to THE USE OF RECYCLED PLASTIC, we aim to save 7,000 TONNES OF VIRGIN PLASTIC</p>	<p>BY 2025 ALL OUR PRODUCTS WILL BE MADE WITH ZERO VIRGIN PLASTIC helping to save MORE THAN 37,000 TONNES OF VIRGIN PLASTIC PER YEAR</p>
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<p>2015 First Whole Blends bottles with 30% RECYCLED PLASTIC* (US)</p> 	<p>2016 First Fructis bottles with 50% RECYCLED PLASTIC* (US)</p> 	<p>2019 First bottles produced with 100% RECYCLED PLASTIC* (EU & US)</p> 	<p>2019 Garnier Bio & Ambre Solaire oil bottles are made of 100% RECYCLED PLASTIC*</p> 
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*Except cap and pump

DID YOU KNOW?

WHICH PLASTICS ARE USED IN PACKAGING?

Today, most of the plastics we use for packaging are PET (Polyethylene Terephthalate), PP (Polypropylene) and PE (Polyethylene), and each one has different physico-chemicals properties. These materials can be recycled and reused several times, and are the most commonly recycled plastic materials in the world.

WHAT IS PCR?

PCR (Post-Consumer Recycled) plastics are recycled from plastic waste derived from consumer products. The materials are recycled into other new packaging through collection, sorting and recycling programmes.

• INTERVIEW WITH GREGORY ARNAL •

THE FUTURE OF RECYCLED MATERIALS, POWERED BY BIOTECHNOLOGY



CARBIOUS has developed an enzymatic bio-recycling process for plastics that breaks polymers down to the basic components (monomers) originally used to create them. Once separated and purified, the monomers can be used again to create plastic with a similar performance to virgin plastic, without losing any value through the recycling process. This biological process is free of the constraints facing conventional recycling techniques and is the first step to developing a new way of managing the plastic life cycle in line with the circular economy. The L'Oréal Group created a consortium to develop this innovation and Garnier will be among the firsts to receive the recycled plastics made with this breakthrough. This technology will be leveraged when designing new packaging, helping to promote circular economy.

HOW WILL YOU ACHIEVE ZERO VIRGIN PLASTIC BY 2025?

To create our roadmap for zero virgin plastic, we screened the entire Garnier portfolio, including all existing products and upcoming innovations, to see how we could improve every product. Working in close partnership with our packaging suppliers and plastic manufacturers, we are developing robust sources of supply for PCR, aiming to reach 100% by 2025.

WHAT ARE THE MAIN CHALLENGES?

One of the biggest challenges is to develop local sources of sustainable materials. We want to be able to buy these materials near our markets, in order to reduce our carbon footprint, and ensure sufficient availability of recycled material. For example, it is a real challenge to source PCR PP - the material we need for all our plastic caps - in Europe. There is an economic challenge too. Sustainable materials cost far more than conventional materials, with PE costing 60% more than virgin plastic and PET costing 20% more. At the same time, we must also respect brand quality standards. Our goal is to use 100% PCR without compromising on food grade requirements. Beyond quality, we are working to improve the appearance of PCR, which can have an impact on the colour and transparency of packaging.

HOW WILL YOU REACH 100% PCR SACHETS IN EMERGING MARKETS?

Sachets are highly popular in developing countries, as they offer the perfect quantity while ensuring the quality and safety of the product at an affordable price. However, sachets are made of multiple layers of materials, making them harder to recycle. We are working on a 100% recyclable sachet made of just one material, in order to reach our 2025 target.

Grégory ARNAL
Head of Operations
Product Development



2 REDESIGNING AND INNOVATING

Reducing the weight and size of packaging, innovating to identify plastic-free packaging and proposing reusable options to replace single-use formats.

<p>IN 2019</p> <p>100% of our cardboard boxes and paper product use instructions have A SUSTAINABLY MANAGED FOREST CERTIFICATION such as FSC </p>	<p>IN 2020</p> <p>WE WILL LAUNCH</p> <p>THE 1ST GENERATION OF TUBE INTEGRATING CARDBOARD</p> <p>ZERO PLASTIC-PACKAGING SOLID SHAMPOO</p> <p>ECOPACK: 80% LESS PLASTIC*</p>
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SOLID SHAMPOO

In 2020, Garnier will introduce its first solid shampoo.

This innovation is the ultimate "zero plastic" solution, and provides a new path to sustainable, waterless cosmetics. Its packaging is made of 100% FSC-certified cardboard.



ECOPACK

In 2020, Garnier will launch its first 500ml Ultra-Doux Ecopack.

This innovation reduce the quantity of plastic by 80%*, promoting a new way of consuming shampoo with a lower impact on the environment.



DID YOU KNOW?

WHAT IS FSC?

The Forest Stewardship Council (FSC) is an international non-profit, multi-stakeholder organisation established in 1993. FSC's stated mission is to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests.



*compared to two 250ml shampoo bottles

THE 1ST GENERATION OF TUBE INTEGRATING CARDBOARD

In 2020, the brand will launch the first generation of tube integrating cardboard on Garnier Bio as part of a new partnership between the L'Oréal Group and Albea. The two companies have developed the first cosmetic tube replacing part of the plastic with paper-based, certified material.



• INTERVIEW WITH PHILIPPE BONNINGUE •

HOW DID THE PROJECT EVOLVE?

We have continuously improved the environmental footprint of our packaging since 2007. Today, we are launching a new technology based on certified paper. By working closely with packaging company Albea to co-develop this innovation, we aim to create a new tube packaging for our cosmetic products whereby plastic has been partly replaced by cardboard. This partnership reflects both our corporate responsibility ambition and the importance of cross-industry collaboration in developing breakthrough innovations. This new packaging solution will be produced for the first time in 2020, and will be used in our upcoming GARNIER BIO Hemp moisturiser.

WHAT ARE THE KEY ADVANTAGES OF THE CARDBOARD-BASED TUBE?

The new tube has been designed as an alternative solution to certain types of cosmetic packaging, and has a better environmental profile in comparison to our current tubes, evaluated through a multi-criteria life cycle analysis. Garnier also takes the opportunity to reduce the size of the cap and thus reduce additional plastic use. Thank to this, Garnier will reduce the amount of plastic by 49% per tube, while promoting the use of renewable materials.

We are now working on the next generation of this innovation, making the product recyclable, and adding PCR plastic.

WHAT ARE YOUR AMBITIONS?

Our ambition today is to accelerate the development of innovative, responsible packaging solutions. It is only through cooperation with our customers and partners that we can invent safe, circular, lower-impact packaging and meet consumer expectations.

HOW DOES INNOVATION PLAY A KEY ROLE IN GARNIER'S COMMITMENTS?

To be completely transparent, the solutions we need to reach our commitments on 100% recyclability and recycled plastic don't exist yet for products such as sachets, samples, pumps and gloves included in hair colour kits, for example. We'll need to innovate in these categories, working closely with our partners. And that's really exciting.

Philippe BONNINGUE
Global Director
of Sustainable Packaging



LIGHTER PACKAGING

IN 2019
BY LIGHTWEIGHTING OUR PACKAGING,
 we saved more than
592 TONNES
 OF VIRGIN PLASTIC
 1.6% of our annual plastic consumption

BY THE END OF 2020
 We will continue to
LIGHTEN OUR PACKAGING,
 to reach **858 TONNES**
 OF PLASTIC SAVED IN 2020

WORLDWIDE

We have reduced the size of our tissue mask sachet, and in 2020, we will remove the inner liner without compromising the performance of the product.



EUROPE

With a strong collaboration between packaging, design and marketing teams, we have designed lighter packaging while retaining ergonomic and iconic formats.



100/125ml bottles

LATIN COUNTRIES

By redesigning the cap and bottle of our deodorant, we have reduced the quantity of plastic used.



MIDDLE EAST AFRICA

We have reduced the amount of plastic in the cap of our Ultra Doux Range.



SOUTH ASIA

In 2019, we significantly reduced the size of our skincare sachet.



EQUIVALENT TO
16 MILLION
 FEWER PLASTIC BOTTLES*

*35g plastic bottle

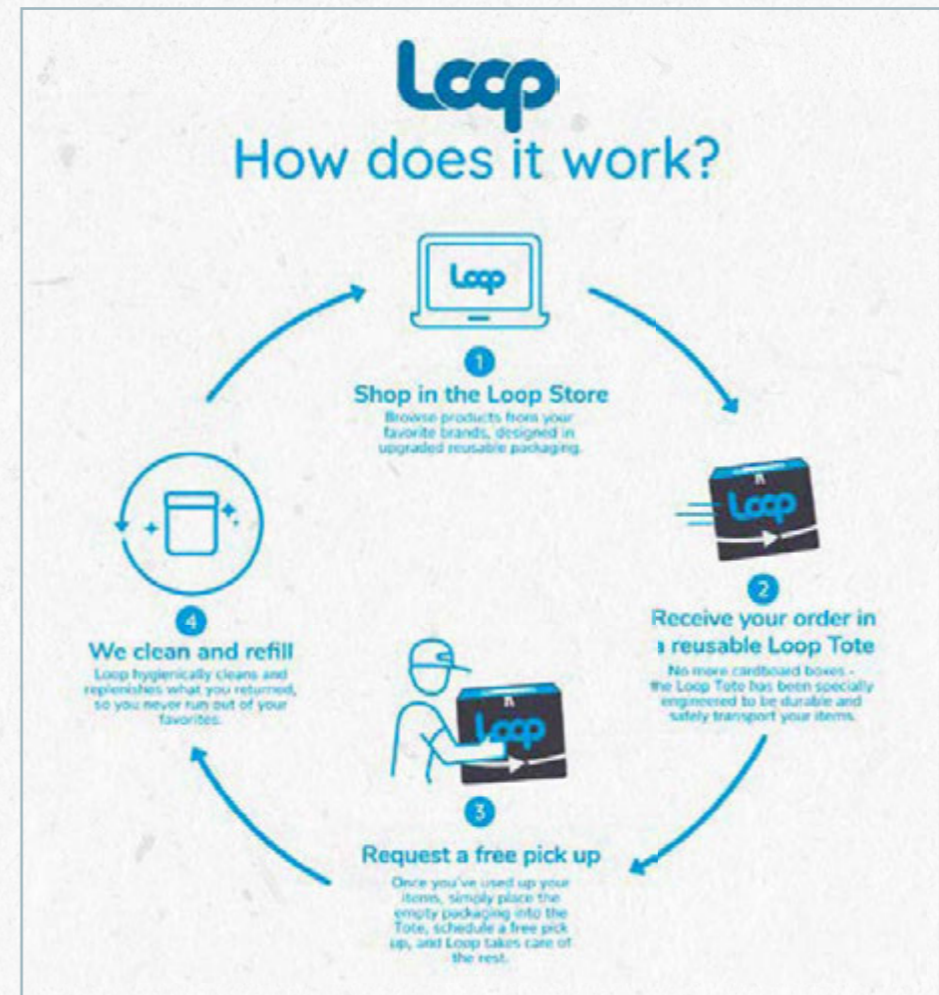
3 REUSING

Promoting reusable or refillable systems.

In 2020, Garnier will launch its participation in Loop™ - an innovative circular shopping platform that replaces single-use, disposable packaging with long-term, reusable packaging. A pilot will be done with Carrefour in France (Île-de-France, starting with Haircare products).

In 2020, Garnier will launch its participation in Loop™ - an innovative circular shopping platform that replaces single-use, disposable packaging with long-term, reusable packaging.

Products are shipped directly to consumers and are then returned and refilled. The system brings together major brands and retailers with the idea of shifting from disposable to circular packaging. Any packaging involved in the scheme will be reused, while any residual product is either recycled or reused. **We believe Loop™ will complement our existing efforts to create a packaging system that is truly circular by design. We cannot create a circular economy for consumer goods in isolation. No business can. That's why partnerships like Loop™ are important, enabling us to learn from pilot projects and implement optimised solutions.**



4 RECYCLING

Encouraging consumers to recycle plastic waste to help avoid plastic pollution and other negative impacts

BY 2025

ALL OUR PLASTIC PACKAGING WILL BE REUSABLE, RECYCLABLE, OR COMPOSTABLE

The circular economy will only become a reality if we can close the loop on waste. Education is the key to driving transformation and promoting sustainable habits on a daily basis.

Terracycle's national recycling programmes in 4 countries:
Australia (since 2016) • France (starts 2020) • UK (since 2017) • US (since 2011)

For instance, in the US, Garnier has collected over 13.3 million beauty empties and donated \$249,200 since the launch of the programme in 2011.

In 2019, we partnered with UK retailer Tesco to create the world's largest school recycling programme. Together, we launched a national competition to raise awareness of recycling among 300,000 children (and their parents) on how to recycle their bathroom products.



These jars and boxes have a future, please recycle them!

GARNIER AIMS TO PROVIDE RECYCLING INFORMATION FOR CONSUMERS ON OUR PACKAGING
Ahead of regulation, our products display step-by-step information to sort and recycle our products effectively.



HOW WOULD YOU INFORM THEM?

First, by adding recycling instructions to all our packaging by the end of 2021 to help improve recycling habits. And on every product web page of our Garnier websites as well. And we will also provide local information regarding recycling when it is relevant.

Then, we will provide videos and tutorials on diverse recycling streams, different types of plastic and the difference between recycled or recyclable on our Garnier social networks (Facebook, Instagram) starting in May 2020. In order to transform everyone into a recycling champion, and close the loop on packaging waste. As an example, we will explain how to remove the label on our superstar Micellar water, placing it in the regular bin while disposing of the bottle in the recycling bin.



In 2020, to promote behaviour change among consumers on recycling bathroom products,

Garnier will go beyond on-pack communications to raise awareness on good recycling practices

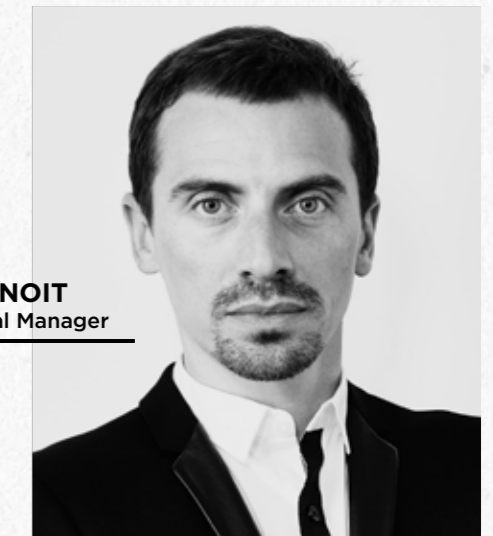
LEARN MORE ON RECYCLING ON

[GARNIER.COM](https://www.garnier.com) | 

• INTERVIEW WITH GREGORY BENOIT •

WHY DID YOU DECIDE TO TACKLE THE RECYCLING ISSUE?

Today, only 20% of plastic waste is recycled worldwide, and approximately 8 million tonnes of plastic flow into the ocean each year. By 2050, scientists predict that plastic will outweigh fish in the ocean.* In our case, people don't tend to recycle much in their bathrooms as they don't have a recycling bin or don't know what is recyclable and what isn't. That's why we believe that it's our responsibility to raise awareness of recycling by providing useful information about recycling and sorting instruction.



Grégory BENOIT
Deputy General Manager

DID YOU KNOW?

*Consumer engagement is key to achieving an even greater impact on plastic pollution: In Brazil, 46% of people are concerned about ocean plastic pollution, but only 32% recycle packaging from beauty products that can be recycled. In the US, it is 36% and 55% in France.***

*Source: WWF Plastic Report 2019

**L'Oréal and IFOP study - 2019 - "Consumer perception of the Sustainable Cosmetics"



ECO-DESIGNED FORMULAS



ECO-DESIGNED FORMULAS

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our new or renovated
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In 2019
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By 2025
ALL OUR RENEWABLE INGREDIENTS WILL BE SUSTAINABLY SOURCED

*as per OECD 301 or equivalent tests

TOWARDS GREEN SCIENCES

Garnier is deeply rooted in nature and strongly believes in Green Sciences: the highest performance from nature powered by science while respecting the environment.

We commit to prioritise the use of green formulas, green transformation and sustainable raw materials from sustainable sources and responsible farming. We will use more natural origin and renewable plant-based ingredients from sustainable sources, and continuously improve the impact of our formulas on the environment, without compromising on product quality, safety or performance.



EXTRACTING THE HIGHEST PERFORMANCE FROM NATURE, POWERED BY SCIENCE

At Garnier we believe in nature. Nature creates effective solutions from limited resources. Nature knows no waste. Nature uses science. We believe that extracting the best from nature in a sustainable way and maximising its efficiency

using science is the best way to take care of skin and hair.

In 2017, Garnier launched its first skincare products formulated with 96% natural ingredients, followed in 2018 by the Fructis Hair Food range with 98% natural ingredients and Herbalia, our 100% plant-based hair colour.

DID YOU KNOW?

WHAT IS A RENEWABLE INGREDIENT?

Renewable raw materials come from plant, animal or microbial materials which are generally produced by agriculture, forestry and fishing. They regenerate constantly in relatively short cycles (from a few days to a few decades), the duration of which is similar to their duration of use.

WHAT DOES SUSTAINABLY SOURCED MEAN?

A renewable raw material is considered as sustainably sourced when traceable from known origin(s) and when it addresses the most critical sustainability issues along the supply chain (including respect for human rights as defined by the International Labour Organization, biodiversity conservation and social development).

GREEN SCIENCES

A NEW PACT BETWEEN SCIENCE AND NATURE

Green sciences cover all scientific knowledge, from innovative biomass production techniques to 'green formulas', and include the transformation of biomass into high-performing ingredients of natural origin through processes such as extraction or fermentation, in a way that respects the environment. By investing in the potential of green sciences, Garnier is harnessing the latest life sciences knowledge to unleash the power of nature in its high-performing, sustainable products, which are also recognised for their safety credentials.

GREEN CULTIVATION

This starts with farming practices that promote the production of natural raw materials (biomass) in a way that preserves ecosystems and reduces the impact on the environment, using less water, producing fewer carbon emissions and reducing waste, for example. Many of these practices involve different types of crops and take advantage of the complementary nature of certain varieties.

GREEN TRANSFORMATION

All transformation processes with low environmental impact allow us to obtain new raw materials that can be used in our formulas. These include green chemistry, biotechnology and green extraction.

Through green chemistry, we can synthesise performance ingredients by using renewable, plant-based raw materials, with minimal impact on the environment, while reducing waste.

GREEN FORMULATION

Formulation is the science of mixing, that seeks to combine ingredients in order to produce formulas that our consumers can see as delivering a unique sensory and technical performance. The use of natural ingredients, derived from sustainable farming and *the green transformation* sits at the heart of our eco-designed formulas.

A WORLD WITHOUT ANIMAL TESTING



Since 1989, Garnier has been committed to a world without animal testing. We stopped conducting tests on animals in our laboratories 14 years before it became law. As a brand of the L'Oréal Group, we have been at the forefront of alternative methods for more than 30 years.

• INTERVIEW WITH CYRIL LEMOINE •

HOW DOES SKINCARE LAB TAKE ADVANTAGE OF THE GREEN SCIENCES?

Green sciences are the best match between science and nature. It means extracting the best from nature in a sustainable way and maximising its effectiveness using science.

At Garnier, we are deeply rooted in nature and we strongly believe in green sciences as a way to achieve the lowest environmental impact possible at every level of the ingredient journey, from growing raw materials to formulating the product.

CAN YOU GIVE AN EXAMPLE OF GREEN SCIENCES IN A PRODUCT?

Hemp is a great example of an innovation powered by green sciences. Our hemp oil is certified organic and respects the balance of natural ecosystems, with the seeds harvested in autumn, respecting their natural cycle. Organic farming also excludes the use of synthetic chemicals and GMOs, and restricts the use of substances that don't exist naturally in the soil.

Green sciences are the best match between science and nature. No heat is used during the process to save energy and CO₂ consumption, and the process is optimised to increase productivity, with some 3.5kg of seeds yielding 1kg of oil.

At the formulation level, our Hemp Gel-Cream is 97% biodegradable* and contains over 95% natural origin ingredients, obtained using green chemistry.



Cyril LEMOINE
Head of Garnier
skincare lab



MORE ORGANIC CERTIFIED PRODUCTS



In 2019, Garnier introduced Garnier BIO, a new range of certified organic skincare inspired by herbalist expertise. This certification guarantees that products are formulated with a minimum of 95% ingredients of natural origin.

We selected the powerful plants for each skin type and formulated them in 10 efficient and indulgent organic products (skincare and cleansers), except for Konjac sponge, which is not certified organic.

All our star ingredients are organically produced and most of them (such as lavandin, argan oil or aloe vera) are ethically traded with respect for biodiversity and ensuring producers a fair wage.

*as per OECD 301 or equivalent tests

RESPECTING THE ENVIRONMENT

Our laboratories have conducted lifecycle assessments to measure the environmental impacts of our products for many years. These studies highlight that one of the principal environmental impacts of formulas is water, in particular the water discharged by consumers when rinsing off the products.

Our teams focus on improving the environmental profile of Garnier's products by improving the biodegradability of its formulas, i.e. their ability to be naturally broken down by micro-organisms in the environment. Garnier is also working to reduce its water footprint and lower its products' impact on the aquatic environment.

For example, since 2013, Garnier has continuously improved the biodegradability of its haircare products that require rinsing. In 2019, our new haircare products were at least 86% biodegradable, with an average of 97% biodegradability.

To help save water and reduce CO₂ emissions, Garnier also commits to developing formulas that require no rinsing or can be rinsed off rapidly. For instance, Garnier launched in 2012 its first Ultra Doux dry shampoo, in 2014 its Micellar water (a no-rinse formula to remove make-up and clean the skin) and in 2019 the first fast-rinse Ultra Doux Milk Mask. We will increasingly propose alternative innovations to reduce the use of water during product use.

A ROBUST "ECO-CONCEPTION" TOOL

To help create more sustainable product formulas, Garnier uses the L'Oréal Group's Sustainable Production Optimisation Tool to measure the environmental and social impacts of a product throughout its life cycle. Our laboratories use the tool to assess a product's potential biodegradability and water footprint when developing new formulas. This helps to ensure the development of formulas with optimal safety, high performance and an improved social and environmental profile.

DID YOU KNOW?

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

In particular, we are evaluating our sun care formulas using an aquatic testing platform, through which we are testing seven representative species of fresh water and marine life to assess their exo-toxicity as broadly as possible.

In recent times, the media has raised concerns about the impact of sun care products on coral reefs. For this reason, we are going beyond regulatory requirements by testing our ingredients and formulas voluntarily in both salt and fresh water conditions to guarantee that our formulas are not harmful to the world's water systems.

This has included three tests in fresh water (on micro-crustaceans, micro-algae and fish eggs), and four tests in salt water (on bacteria, micro-algae, sea urchin larvae and cultured corals).

IMPROVING TRANSPARENCY
THE FIRST PRODUCT ENVIRONMENTAL AND SOCIAL LABELLING

Garnier is committed to communicating transparently and helping consumers understand the social and environmental impacts of its products, thanks to a unique new Product environmental impact labelling.

Garnier pioneered transparency in 2017 when, for the first time, it listed the origin of its ingredients on product labelling. Building on this initiative, the Garnier brand was chosen by the L'Oréal Group to reveal the product environmental impact labelling. This action is part of the Group's commitments to help consumers to make sustainable consumption choices. The new labelling will provide full and transparent information on the environmental and social impacts of its products.

Developed in close partnership with independent scientists and experts, this impact assessment methodology is unique in the beauty industry. It is aligned with both the European Product Environmental Footprint standards and the planetary boundaries, the climate and environmental conditions that must be maintained in order for humanity to thrive in the future.

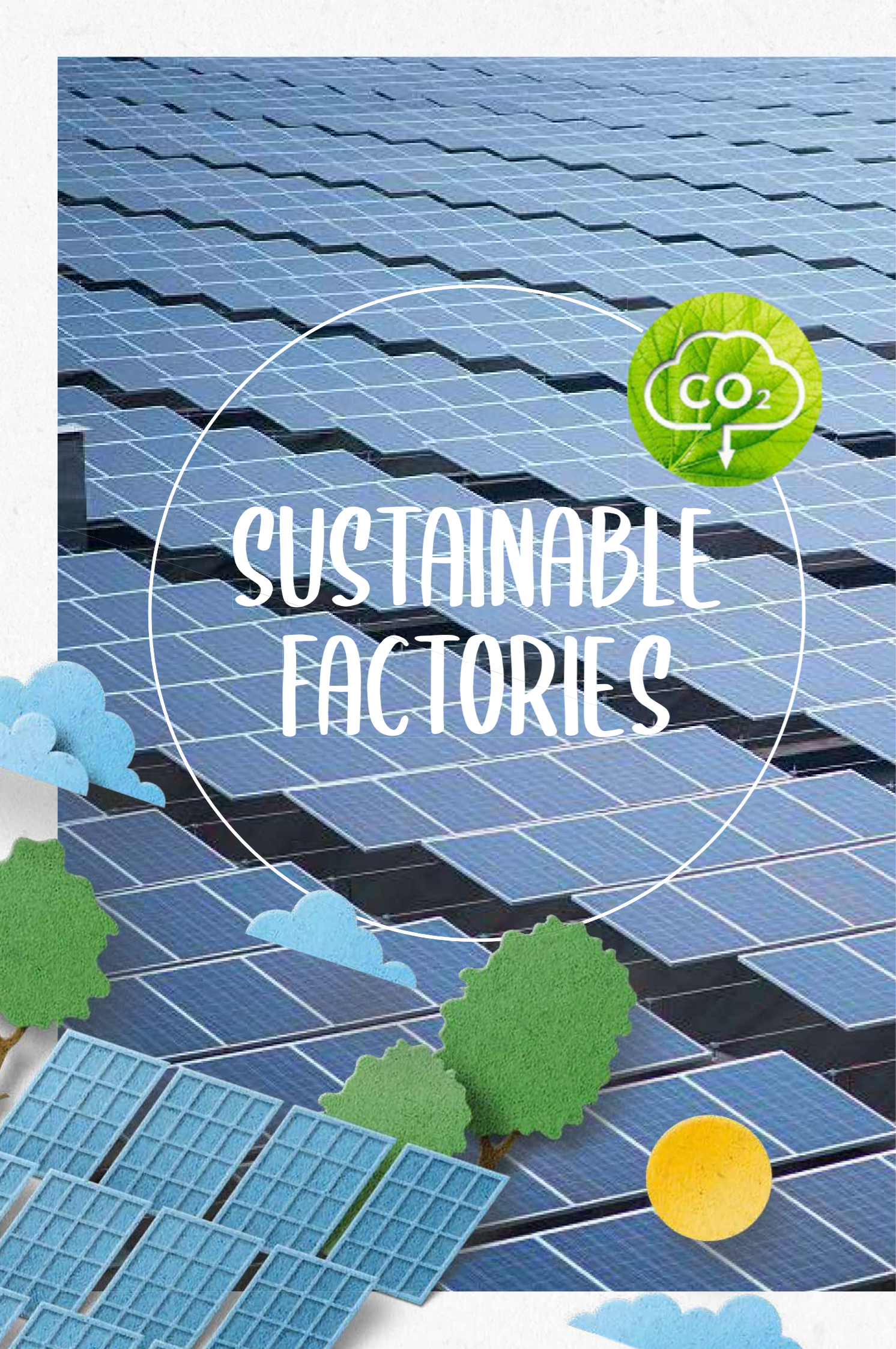
In recent years, more than 9,000 beauty products have been throughout their life cycle, using the L'Oréal Group's Sustainable Product Optimisation Tool (SPOT). This includes ingredient sourcing, packaging and product manufacturing, as well as the impact during product use and recycling. From 2020, starting with Garnier haircare products in France, this information will be available to consumers, through a clear, comparative scoring system. Based on its overall impact value, every product is classified in comparison to other products in the same category, on a scale from A to E, where A is the most favourable profile for the planet.

Importantly, with water and carbon footprints representing beauty products' key impacts, we will display both the overall environmental score and the water and carbon scores (A, B, ...). There will also be more details about manufacturing conditions and packaging impact, and the social information will cover compliance with fundamental UN labour rights principles and whether suppliers have supported underprivileged communities.

Looking ahead, we plan to roll this out to more and more products, as we continue to expand our efforts to help consumers adopt more sustainable lifestyles.



In 2017, Garnier innovated by including the origin of ingredients on product packaging labelling.



SUSTAINABLE FACTORIES



SUSTAINABLE FACTORIES

<p>IN 2019 WE DECREASED WATER CONSUMPTION AT OUR INDUSTRIAL SITES BY 45% compared to 2005 0,38 litres per finished product</p>	<p>IN 2019 WE REDUCED THE CO₂ EMISSIONS OF OUR INDUSTRIAL SITES BY 72% compared to 2005 38,596 tonnes eq. CO₂</p> <p>34% OF OUR INDUSTRIAL SITES ARE CARBON NEUTRAL</p> <p>66% OF OUR ENERGY IS RENEWABLE</p>	<p>BY 2025 100% OF OUR INDUSTRIAL SITES WILL BE CARBON NEUTRAL AND WILL USE ONLY RENEWABLE ENERGY</p>
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TOWARDS CARBON NEUTRAL INDUSTRIAL SITES

With a goal for all our industrial sites to be carbon neutral by 2025, Garnier is setting ambitious objectives.

TODAY, A SIGNIFICANT REDUCTION OF CO₂ EMISSIONS
Garnier is firmly committed to making the best quality products at our 22 factories, while reducing our impact on the environment. For many years, every plant worldwide, from Jakarta to Mexico, has worked on lowering carbon emissions by increasing energy efficiency through better building design and insulation, as well as using energy efficient technologies for industrial processes and finally sourcing more renewable energy locally.

Thanks to these efforts, Garnier has continuously reduced its total carbon emissions (Scopes 1 and 2), and by 2019, had lowered our carbon footprint by 72%, in absolute terms, compared to 2005.

TOMORROW, CARBON NEUTRAL INDUSTRIAL SITES USING ONLY RENEWABLE ENERGY
To make the industrial sites reach carbon neutrality, we harness the technologies that are best suited to each site, such as biomethanisation, solar panels, biomass and wind energy... We are now ready to commit to 100% carbon neutral Garnier industrial sites by 2025, through the use of 100% renewable energy. This is an important step to reduce our products' environmental footprint during the manufacturing phase and preparation of customer orders.

DID YOU KNOW?

WHAT DOES SCOPE 1/2/3 MEAN?
Scope 1: direct emissions from sources owned or controlled by the entity.
Scope 2: indirect emissions in connection with the consumption of purchased electricity, heat or steam necessary used by the entity;
Scope 3: other indirect emissions related to the supply chain ("upstream" emissions) and the use of products and services during their life cycle ("downstream" emissions).

WASTE REDUCTION

At Garnier, we prioritise avoiding industrial waste. For instance, our plant in Karlsruhe, which produces our Garnier BIO skincare range, reuses cardboards for packaging components to ship to its distribution centers, helping to save 220 tonnes of waste annually.



THE FACTORY IN MONTREAL IS CARBON NEUTRAL IN 2019.

As part of its efforts to shift to renewable energy, our Montreal plant uses only biogas for steam and heat generation, produced in a biodigester fed by food waste and treated sewage. The biogas project was initiated by the Canadian government and is led by the city of Saint-Hyacinthe.



THE SETTIMO FACTORY IN ITALY PRODUCES OUR FRUCTIS HAIR CARE RANGE. THE PLANT ACHIEVED CARBON NEUTRALITY IN 2015 THANKS TO ITS INNOVATIVE ENERGY MIX.

It is 45% heated by biogas, with the remainder coming from the town's district heating network, to which the plant is connected. Two thirds of its electricity needs are met by a biomass power station, with the remainder derived from 14,000 photovoltaic solar panels.

DID YOU KNOW?

WHAT DOES CARBON NEUTRAL MEAN?

An industrial site is carbon neutral when there is no Green House Gases emissions on Scope 1 and 2 (except emissions linked to gas used for catering, the fuel oil used for sprinkler tests or maintenance, cooling gas leaks if they are lower than 150 tonnes CO₂eq/year).

WHAT IS A GREENHOUSE GAS?

A GHG or GreenHouse Gas is a gas that actively participates to the greenhouse effect of the atmosphere. The primary greenhouse gases in atmosphere are water vapor (H₂O), carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and ozone (O₃). Human activities since the beginning of the Industrial Revolution (around 1750) have produced a 45% increase in the Carbon dioxide in Earth atmosphere. At current emission rates, temperatures could increase by 2°C by 2040-2050, which is considered by science as the upper limit to avoid "dangerous" levels for humanity.

Source: Intergovernmental Panel on Climate Change

WATERLOOP FACTORIES

Garnier is following a clear road map to significantly reduce its industrial water consumption and is re-thinking water use across its sites. At our 3 “Waterloop” factories, 100% of industrial water use, for cleaning and cooling, for example, is covered by on-site retreated, recycled and reused water. So we no longer need fresh water for these processes.

Becoming a “Waterloop factory” means firstly reducing water use and optimising all manufacturing equipment and processes that use water (it excludes the water in our products). Our teams then develop innovative ways to recycle and reuse water, with the support of sophisticated water treatment systems, in order to obtain high quality water. All our plants are different, and require tailor-made solutions to generate substantial water savings.

Experts at our plants in Settimo (Italy), Vorsino (Russia), Libramont (Belgium) have all taken concrete steps to decrease their water consumption.

At our Settimo factory for example, where we make our FRUCTIS products, our teams have been working for years to continuously optimise the cleaning systems of their industrial equipment, to reduce cleaning water consumption. To go a step further, they developed an ambitious and innovative on-site wastewater treatment :

- Firstly, a high performance filtration system, known as “ultrafiltration”, separates the solids from the water at an early stage: 85% to 90% of all impurities are removed. The concentrates of this treatment are then treated by “evapoconcentration”, to recover additional water for recycling.
- Then biological treatment further purifies the wastewater,
- And finally, a “reverse osmosis” system filters and purifies the water, leaving it 100% clean and ready to be reused in manufacturing processes such as cleaning and cooling.



By treating and reusing high quality water in an internal loop, we are able to reduce our water consumption and the factory’s environmental impact. A factory reaches the “Waterloop factory” status when its entire water needs for manufacturing processes such as cleaning and cooling are produced through this internal loop.

Thanks to these developments and innovations, together with our teams’ dedication, our

three “Waterloop factories” saved all together more than 8,230,000 litres of water in 2019 compared to 2018, and inspired many other factories worldwide.

We are learning from every new water-saving initiative, and plan to build on our water optimisation projects by completely reimagining our water cycles, in order to reduce our impact on natural water resources as much as possible.

IN 2019
WE EMPOWERED

670 COMMUNITIES ✓
WORLDWIDE as part of our
SOLIDARITY SOURCING PROGRAMME
applied to our ingredients

BY 2025
WE WILL EMPOWER

800 COMMUNITIES
WORLDWIDE as part of our
SOLIDARITY SOURCING PROGRAMME

TOWARDS MORE INCLUSIVENESS

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

1. How we promote sustainable sourcing

To strengthen our sustainable sourcing efforts, we continued to implement a sustainable sourcing policy for plant-based raw materials, designed in 2017 with the expertise and advisory services of the NGO Rainforest Alliance.

The approach is based on four principles:

- guaranteeing the traceability of raw materials, which means knowing the origin of the plant and the country in which it was produced;
- assessing the social and environmental stakes potentially linked to their production and focus sustainable sourcing actions accordingly;
- When potential stakes are identified, verifying that the following pillars are respected:
 - > labour conditions must be decent and safe, in line with human rights and the principles prescribed by the International Labour Organization, across the whole supply chain;
 - > equal opportunities and zero discrimination between producers are verified, and women's empowerment is encouraged;

- > the growing and harvesting of crops must contribute to improving producers' livelihoods and respect traditional knowledge of biodiversity, in line with the principles of the Nagoya Protocol; growing and harvesting practices preserve biodiversity, particularly forests;
- > sustainable, low-carbon agricultural practices are put in place;

- having this entire process verified by an independent third party, in order to measure the positive impact of the programmes on the respective sectors.

2. Sustainable and fair trade: our Solidarity Sourcing programme

The Solidarity Sourcing programme, established in 2010, gives people who are typically excluded from the job market access to work and a sustainable income. For our star ingredients, with the support of NGOs, Garnier and our suppliers are committed to implementing fair trade practices across the supply chain. We seek to support and empower smallholders (including farmers and workers) to help them improve their revenues and livelihoods. This programme is active across all the regions where Garnier operates and provides training to improve their skills in agriculture or in some cases, to facilitate access to health services or welfare protection mechanisms. In 2019, it enabled 670 communities facing social or financial challenges to gain access to or retain a job and a fair income.

COMMUNITIES

A community is a social group whose members live together or share common interests and goods.

SUSTAINABLE SOURCING



OUR KEY PROGRAMMES SINCE 2008

2008

ARGAN OIL FROM MOROCCO

One of nature's authentic treasures, "Green Gold", as it's called in Morocco, has been used for centuries by Berber women. It is bursting with essential fatty acids and Vitamin E, ideal ingredients for staving off the effects of aging, while hydrating and nourishing the skin. Used on hair, it smoothes, strengthens and adds shine to the fibres.

Garnier supplies its Argan oil through a network gathering six cooperatives of more than 500 Berber women who collect argan nuts from the Argania Spinosa forest in the Souss Valley, in South West of Morocco. Through this sourcing programme, we guarantee fair wages and good working conditions, helping the women and their families to achieve greater economic independence.



FORESTS OF HIGH ECOLOGICAL VALUE

Native to the foothills of Morocco's Atlas Mountains, argan trees act as a natural barrier against desertification and their deep roots prevent soil erosion. Southern Morocco, the only area in the world where argan trees grow, has been designated a UNESCO Biosphere Reserve.



SHEA BUTTER FROM BURKINA FASO

In Africa, they call it "the tree of a thousand virtues". Shea butter is rich in fatty acids, Vitamins A, D and E and phytosterols that make it particularly moisturising, soothing and protective. Known for its natural nutrient properties, it is used for head-to-toe body care. Garnier also uses shea olein in its formulas, which is a liquid form of shea butter with soothing benefits, easily absorbed by the skin and ideal for calming irritations.

In Burkina Faso, where Garnier has sourced 100% of its shea butter since 2014, the shea tree is considered as a national treasure. It is referred to as "white gold for women", since women harvest the shea nuts and sell them after they have been boiled and sun-dried. Since 2014, Garnier has supported the L'Oréal Group's shea nut solidarity sourcing programme to help empower women, reduce energy poverty and lower deforestation. Our current sourcing programme helps deliver fair prices (with fair trade certification) and incomes to women in a season when there is no other source of revenue, as well as pre-financing crops during the period of the year when grain stores are empty. It also provides training and technical assistance on best practices for harvesting. Importantly, it is designed to reduce deforestation, in a country where 105,000 hectares of forest are lost each year, largely due to demand for cooking fuel. More than 97% of families still lack access to electricity, and cook over wood fires**. Helping them to gain cleaner, more efficient cookstoves reduces the amount of wood they need, lowers carbon emissions and reduces families' exposure to smoky fumes.

GARNIER AND SHEA BUTTER, KEY FIGURES

MORE THAN
142 TONNES
OF SHEA BUTTER AND OLEIN
sourced by Garnier in 2019

5,000 WOMEN
BENEFITTED FROM OUR SOURCING

MORE THAN
2,235*
IMPROVED COOKSTOVES INSTALLED
in the past two years

MORE THAN
5,000 TONNES*
OF WOOD SAVED



Garnier Shea butter is certified Fair For life

*figures for L'Oréal Group (not just Garnier)

**Sources: <http://tinganews.com> / <https://fr.africacheck.org>

2014

SOYBEAN OIL FROM BRAZIL AND PARAGUAY



Soybean oil is widely used in Garnier haircare products for its antioxidant properties. In 2014, Garnier decided to source 100% of its soya oil from sustainable sources from the supplier Gebana Brazil, located in Capanema, near the famous Iguazu Falls sanctuary. In 2017, after a field visit to Capanema, we partnered with Gebana to create a Solidarity Sourcing project over three years.

The soybean oil delivered to Garnier is 100% GMO-free and comes from organic soybean fields in Brazil and Paraguay. Our farmers practise family farming with no chemical inputs and a low level of mechanisation, under a crop rotation system.

In total, 48 farmers in 2019 are benefitted from this Solidarity Sourcing project (17 farmers directly impacted by Garnier sourcing). The participating farmers and their families now belong to two producer groups: *Associação dos produtores de soja orgânica do Oeste* from the state of Parana, Brazil and *Associação dos produtores de soja orgânica do sul do Paraguai* from the Paraguayan state of Itapua.

In Paraguay, soybean farm workers from the Mbya Guarani community will benefit from the local development fund put in place thanks to Fair For Life certification.



The objectives of the project are:

SUPPORTING CAPACITY BUILDING

Farmers belong to farmers' associations that provide day-to-day technical assistance on good farming practices. Gebana is actively involved with research institutes to help farmers gain access to the latest knowledge on organic farming, notably in biotechnology and light mechanised equipment. Now, some soy farmers display equivalent or higher yields than farmers cultivating GMO crops.

IMPLEMENTING FAIRLY TRADED PRINCIPLES

We support farmers through a three-year purchasing agreement, with a fair and transparent pricing system (30% above conventional soybean prices) with a premium (an additional 5%) distributed to local development funds. They are set to achieve Fair for Life certification, awarded by Ecocert, in 2020.

FIGHTING DEFORESTATION WITH THE ROUNDTABLE FOR RESPONSIBLE SOY (RTRS) CERTIFICATION

In 2020 Gebana reached the RTRS Certification for Brazil and Paraguay farmers under the Standard for Responsible Soy Production including certification for non-GMO soybean. This highlights all the efforts made by Gebana since 2014.



2016

CANDELLILA WAX FROM MEXICO



Candelilla wax has a high melting point and is used in conditioners, notably in after-colour products, thanks to its filmogenic properties. Garnier sources its Candelilla wax from Multiceras, a Mexican supplier based in the heart of the Chihuahuan Desert, in northeastern Mexico.

Multiceras buys unrefined candelilla wax from approximately 1,200 "Candelilleros" (the local name given to the rural producers who collect the plant and extract the wax) in different regions of the Chihuahuan Desert, the habitat of the wild cactus plant, belonging to the euphorbia family, that secretes the natural wax. Stretching from the southwestern United States deep into the central Mexican highlands, the Chihuahuan Desert is one of the largest and most biologically diverse deserts in the world, according to the World Wide Fund for Nature. The Chihuahuan Desert shelters three Biosphere Reserves designated by UNESCO. To protect this unique environment and improve the Candelilleros' livelihoods, a Solidarity Sourcing project was launched in 2016, in partnership with Multiceras and a local consultant specialised in rural development



and agriculture, in order to build a sustainable supply chain for this ingredient. This initiative benefitted more than 160 Candelilleros and their families in 2018 (18 beneficiaries from Garnier sourcing).

Candelilla, under its botanical name *Euphorbia cerifera*, is endemic to northern Mexico's deserts. To survive in these adverse climatic conditions, the plant developed an ingenious strategy. It covers its long stick stems with a wax that helps to retain moisture: candelilla wax. It is this fatty white layer on the surface of the candelilla stem that the Candelilleros are looking for when they manually harvest candelilla plants in the desert. They extract the wax throughout the year, following strict traceability and sustainable practices outlined by the Mexican *Ley General de Desarrollo Forestal Sustentable*. In particular, they leave 20% of the mature plant to help it regenerate, and they only collect wax from plants that are at least four years old.

2019

ALOE VERA FROM MEXICO



Aloe Vera is known for its hydrating properties, and used in our haircare and skincare products.

As a booming trend ingredient in our formulas, it is important that we help to ensure it is grown sustainably. In 2019, Garnier created a Solidarity Sourcing programme in partnership with PRONATURA, helping 23 families in the Campeche State to adopt organic farming practices, including efficient irrigation and initiatives to preserve biodiversity on the protected reserves surrounding their farms.

Women's empowerment is at the heart of the project, as women are in charge of each family's farming, administration, logistics and sales.

FOCUS 2020 OUR NEW BEE WELFARE PROGRAM

Honey is renowned for its medicinal properties and soothing benefits.

For our Ultra Doux Honey Treasures range, we have selected Hungarian acacia honey, which is produced in the protected areas of the country's natural acacia forests.

The blend will also include beeswax from our Solidarity Sourcing programme in Western Africa. In this way, our #1 selling product will be a key supporter of our first Bee Welfare Program.

Respectful Bee Welfare Program™

The worldwide production of honey is estimated at 1.8 million tonnes per year*, and the volume used by Garnier is very low in comparison (around ten tonnes). However, conscious of the importance of preserving biodiversity, Garnier has committed to sustainably source all its ingredients derived from bees through a network of responsible beekeepers and suppliers.

For all our bee-derived ingredients (notably honey and beeswax), we support beekeepers in adhering to a Sustainable Beekeeping Charter, helping them to follow sustainable beekeeping methods that respect bees' welfare. In exchange, we pay a premium for wax and honey and to ensure better revenues for the beekeepers.



*Source: <https://www.statista.com>

HONEY FROM HUNGARY

Beekeepers in Hungary uphold a long agricultural tradition. From March to mid-September, they transport their hives to different locations throughout the mountains, depending on where the trees are in bloom. Together with beekeeping ECOCERT experts consulting, we co-designed a Sustainable Beekeeping Standard, with 22 criteria to evaluate and upskill a network of exemplary beekeepers.

Our beekeepers are encouraged to adopt the following principles:

- Restoring or reinforcing a connection with natural surrounding ecosystems. As an example, they maintain or plant native vegetation near the hives, especially melifer flowers, to help protect the local biodiversity;
- Raising awareness of the importance of respecting the environment. Some of our beekeepers are passionate about their activity, and teach at schools about the role of bees in biodiversity.
- Adopting and promoting positive beekeeping practices contributing to sustainability, productivity and self-sufficiency. The beekeepers are using a local species of bee, named *apis mellifera carnica*, which is adapted to local conditions, while making sure to leave a consistent amount of honey and pollen for the bees to maintain the colony robustness.



How do you get the best acacia honey?

Transhumance is the key to consistent honey quality. The most important thing is to locate good spots where bees can find food - nectar - easily, so I do a great deal of travelling around the mountains. I take the bees to places that are rich in biodiversity, wherever there are lots of acacias in bloom.

LÁSZLÓ,

Garnier Beekeeper in Hungary

BEESWAX "BEES OF AFRICA"



The "Bees of Africa" Solidarity Sourcing beeswax project was initiated in 2017. We extended the initiative in 2019 to reach 10,000 beekeepers in Burkina Faso, Nigeria, Togo, Benin and Mali. Up to 18 tonnes of beeswax were collected in 2019 thanks to our supplier. This new sourcing project enables shea butter producers in Burkina Faso to diversify their activities and gain an additional revenue

stream, helping to fight against poverty and promote sustainable development, while preserving shea trees through pollination. This responsibly sourcing initiative will evolve in 2020 toward a Solidarity Sourcing project, in order to strengthen and measure its positive impact.

A formal partnership will be signed between the partners of the programme in early of 2020 to consolidate and upskill a network of responsible beekeepers.

The main objectives of the programme are:

- Promoting sustainable beekeeping techniques by providing best practice learnings and respectful hives,
- Setting a fair price for beekeepers, and rewarding them for the quality of the beeswax,
- Organising a network of local craftsmen for supplies such as local hives and protection equipment, to help boost the local economy,
- Establishing a traceability system and social and environmental tracking tool to ensure the accountability of the programme through an IT system.



GREENER PLANET

IN 2019
**GARNIER
JOINED FORCES WITH
OCEAN CONSERVANCY®**
TO FIGHT OCEAN PLASTIC

IN 2019
GARNIER MOBILIZED
373 EMPLOYEES
TO COLLECT
6.8 TONNES OF WASTE
TO HELP FIGHT OCEAN PLASTIC

GARNIER JOINS FORCES WITH OCEAN CONSERVANCY® TO FIGHT OCEAN PLASTIC

To make a positive impact beyond the beauty industry, Garnier has joined forces with Ocean Conservancy to rally consumers and employees across the globe to collect plastic from the world's beaches.

Ocean Conservancy is an American non-profit organisation working to protect the oceans from plastic pollution. Every year since 1986, Ocean Conservancy has organised the International Coastal Clean-up (ICC): the world's largest single-day volunteer effort to fight ocean plastic. Since its creation, more than 136,000 tonnes of plastic waste have been collected from beaches and waterways worldwide by nearly 13 million volunteers.

In addition to supporting the ICC, Garnier has joined Ocean Conservancy's Trash Free Seas Alliance®, which unites scientists, conservationists and members of the private sector to address the root causes of the ocean plastic crisis.

KEY FACTS ABOUT OCEAN CONSERVANCY®*

MORE THAN 15,000 beach clean-ups
conducted worldwide for ICC

122 countries involved

MORE THAN 600 underwater clean-ups
conducted worldwide for ICC

10,584 tonnes of plastic collected

1,080,358 volunteers mobilised

*Source: Ocean Conservancy 2019 report

• INTERVIEW WITH NICK MALLOS •

TO WHAT EXTENT WILL GARNIER SUPPORT YOU IN YOUR DAILY OPERATIONS?

Garnier is joining the International Coastal Clean-up as a high-level partner. Its contribution will support ICC efforts around the world along with other critical Trash Free Seas® program work. Garnier's reach both with its employees and as a global personal care brand could inspire huge audiences to join our movement and become ocean stewards to turn the tide on ocean plastics.

We are also looking forward to Garnier's active participation in our Trash Free Seas Alliance®, where we believe it can lead by example and contribute greatly to the conversation taking place in the private sector about how to reduce the tide of ocean plastic pollution through product and packaging redesign.

WHAT ARE YOUR AMBITIONS AND HOPES FOR THE FUTURE OF THIS PARTNERSHIP?

Garnier is without a doubt one of the most well known personal care brands in the world, and our hope is that this partnership will bring Ocean Conservancy's vision for a clean, healthy ocean to wider audiences and grow the conservation impact of our Trash Free Seas® Program's work.

YOU HAVE MONITORED THE GLOBAL INCREASE IN PLASTIC POLLUTION FOR MORE THAN 35 YEARS. WHAT IS THE SITUATION TODAY?

There is no doubt that there is more plastic on beaches and in the ocean as more and more single-use plastic products are made and consumption of plastic grows. The good news is that awareness of the problem has never been higher. A decade ago, the challenge was getting people to recognise that plastic pollution is a problem for our ocean and planet. Today, people want to know how we solve this global problem and how they can help. Everyone has a role to play.

WHY DID YOU CHOOSE TO COLLABORATE WITH A MAJOR BRAND LIKE GARNIER?

At Ocean Conservancy®, we believe that the ocean plastic crisis is too big and complex for any single group or even sector to tackle alone, and corporations need to be part of the solution. That's why we established the Trash Free Seas Alliance in 2012, to unite conservationists, scientists and members of the private sector to work together for pragmatic, impactful solutions to the problem. Working with a global consumer goods brand like Garnier presents an incredible opportunity to reach huge audiences with our conservation message, but also to have a tangible impact on one of the root causes of ocean plastic: an over-reliance on single-use plastics and plastic packaging. We are excited to work together toward a clean, healthy ocean free of trash.



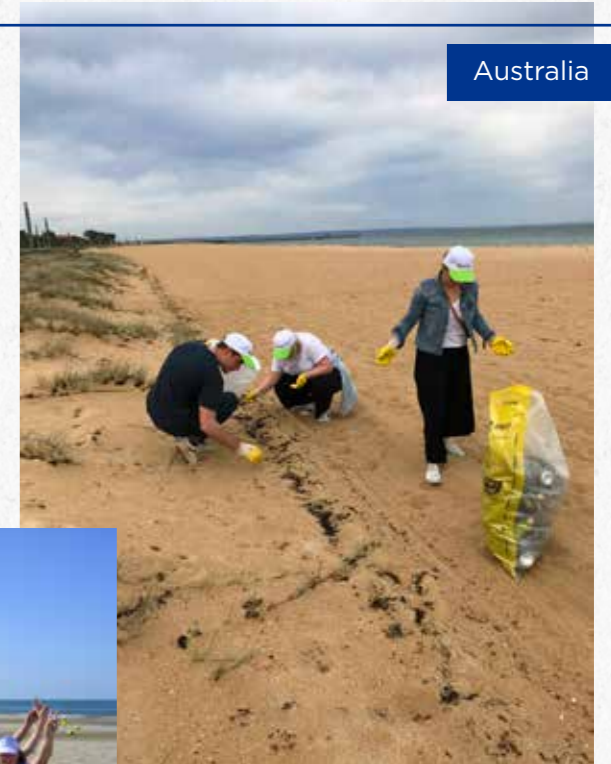
Nick MALLOS
Senior Director *The Trash Free Seas® Program*
At Ocean Conservancy

GARNIER'S COMMITTED TEAMS

The 2019 International Coastal Clean-up took place on 21st September. On that day, we supported the clean-up event by engaging employees to collect plastic from the world's beaches. **Together, Garnier teams collected 6.8 tonnes of waste to help fight ocean plastic.**



USA



Australia



International Marketing Team & France



Germany

DID YOU KNOW?*

In 2050, there may be
MORE PLASTIC THAN FISH IN THE OCEAN

The world is discarding the equivalent of
1 NEW-YORK CITY GARBAGE TRUCK FULL OF PLASTIC INTO THE OCEAN every minute of every day throughout the year


MORE THAN 800 SPECIES OF MARINE ANIMALS are affected by plastic pollution, either through ingestion, entanglement or chemical contamination

Plastic production and consumption are expected to **DOUBLE OVER THE NEXT 10 YEARS**

*Source: WWF Plastic Report 2019

GARNIER PROGRESS REPORT: AN AUDITED REPORT

Garnier reports here the evolution of its sustainability performance. This progress report provides an overall summary of Garnier's progress within its five major focus areas of Green Beauty.

The figures and activities related to each focus area are shared in detail in the pages of this report. PricewaterhouseCoopers Audit has expressed a limited assurance on the indicators identified by this tickmark 

Please refer to the methodological note below and 2019 Assurance Report published in the "Publications" available at: www.loreal.com/sharing-beauty-with-all-resources
<https://www.loreal-finance.com/eng/registration-document>

Eco-designed products: Improved products include the products with a new or renovated formula and/or packaging (excluding subcontracting and regulatory developments) and that improve their environmental or social impact according to the SPOT methodology, based on criteria such as green chemistry, renewability, biodegradability, ecotoxicity, recycled material and end-of-life, contribution to communities, information display or accessibility.

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

Sustainable factories: Our industrial sites are the 22 factories producing Garnier products among others, and the 28 L'Oréal Group mass market distribution centers. For those sites, the environmental impact of the whole site has been taken into account.

- **Greenhouse Gas:** The CO₂ emissions are calculated in accordance with the concepts defined by the GHG protocol, and monitored according to the Market-based CO₂ indicator. Our emission factors are generally those of our suppliers; if not known these are the regional factors or those of the IEA 2015.

For comparability, the data on CO₂ emissions for the 2005 baseline have been updated in light of these rules (recalculated on the basis of a constant scope).

- **Water:** The "Waterloop Factory" concept consists of using city water only for human consumption and for the production of the high-quality water used as raw material for product manufacture; all the water required for industrial processes (cleaning equipment, steam production, etc.) is derived from water that is reused or recycled in a loop on the site. The 2005 reference data used to calculate variation between 2005 and 2019, are coming from plants and distribution centres which exist in 2019 and were already existing in 2005.

Sustainable sourcing: A community is a social group whose members live together or share common interests and goods. The communities included are the ones that are involved in supplying Garnier ingredients and whose members benefit from the L'Oréal group's Solidarity Sourcing program.

Prepared and edited by: Garnier

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By **GARNIER**,
Naturally!

