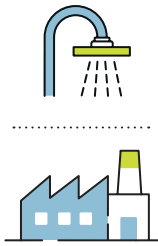


MANAGING WATER SUSTAINABLY



At L'Oréal, water, as an essential component in creating and using our products, is central to our business. Our ability to operate effectively and meet all the needs of our consumers depends on sustainable water access, management and conservation.

That is why L'Oréal has committed for years to ensure water preservation and sustainable water quantity use across all its value chain, and throughout the watersheds and communities we serve and operate in.

Product innovation and evaluation will play a vital role in our

efforts to conserve this valuable resource. Our L'Oréal for the Future programme embraces a comprehensive and science-based approach to water management. Our commitment is to ensure that our activities are respectful of the “planetary boundaries” defined by the scientific community.

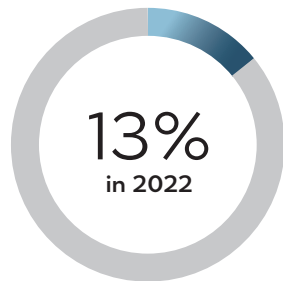
We also address the issue of water in our Research, our Operations, and in our relationship with consumers.

To meet our water sustainability targets, we are always looking for innovative ways to explore new horizons through collaboration and partnerships, both locally and globally.

2030 TARGETS

IN 2030,
100%

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



IN 2030,

we will evaluate all our formulas thanks to our environmental test platform, to guarantee they are respectful of all aquatic ecosystems, whether continental or coastal.

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



In 2030, all our strategic suppliers will use water sustainably in the areas where they operate.

WATER MANAGEMENT AT THE HEART OF L'ORÉAL FOR THE FUTURE

TRANSFORMING OURSELVES

- Optimising industrial processes to minimise water use
- Reducing the water footprint of formulas

EMPOWERING OUR BUSINESS ECOSYSTEM

- Mobilising our suppliers
- Enabling consumers to reduce water use linked to our products

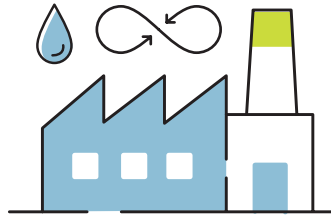


In 2022, and for the seventh consecutive year, L'Oréal was awarded an A rating by global environmental non-profit CDP for its leadership in promoting sustainable water management.

01 | OPTIMISING INDUSTRIAL PROCESSES TO MINIMISE WATER USE

IN OUR PLANTS

Mapping the volumes of water used, particularly by the Group's factories, using a L'Oréal internal tool that carries out a comprehensive analysis of the various uses of water on a site: the **Waterscan** tool. Each type of use is quantified and compared with a benchmark value in order to identify potential reductions.



We continue to deploy our "Waterloop" concept, which ensures all water used in industrial processes at our plants is recycled and reused in a loop on site.

ZOOM

WATERLOOP PLANTS

At a Waterloop plant, mains water is only used:

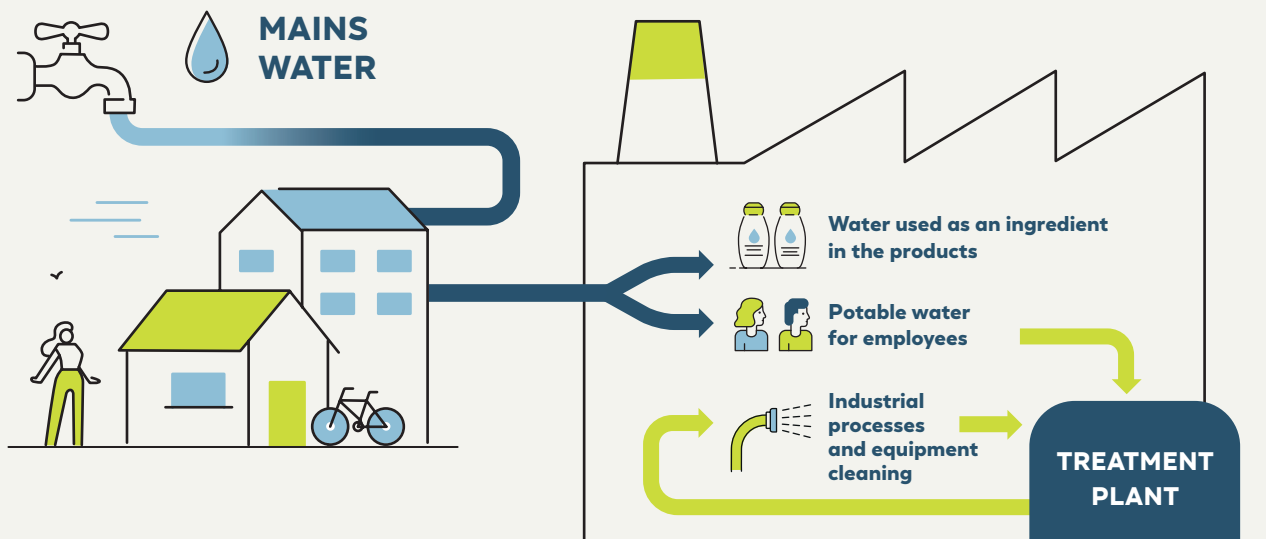
- for human consumption
- as a raw material in processing L'Oréal products

All water used for utilities is recycled and reused in a loop on site.

2017 : First Waterloop plant in Burgos, Spain

2022 : Five plants around the world adopt the concept

2030 : 100% of the water used in our industrial processes will be recycled and reused in a loop (100% Waterloop plants)



BRINGING SUPPLIERS ON BOARD

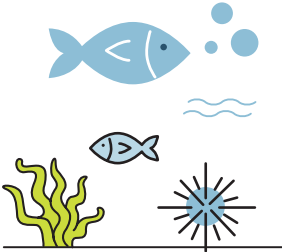
In 2030, all our strategic suppliers will use water sustainably in the areas where they operate. Each of our strategic suppliers is required to implement a sustainable water management plan. We also encourage them to join the CDP's Water Disclosure Project Supply Chain initiative to measure, report and set targets to reduce water use at each of their production sites.



02 | REDUCING THE WATER FOOTPRINT OF FORMULAS

THE AMBITION FOR OUR FORMULAS:

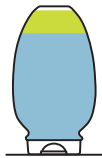
- measure and increase their biodegradability
- reduce their water footprint



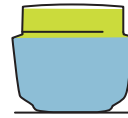
HOW?

We have included both parameters in our Sustainable Product Optimization Tool (SPOT) to promote eco-design. **By 2030, we will assess all formulas using our environmental test platform to ensure they are respectful of all aquatic ecosystems, whether continental or coastal.**

BRANDS ARE REVAMPING THEIR FORMULAS TO BOOST THEIR BIODEGRADABILITY:



- The biodegradability of the formula for **Elvive Extraordinary Oil Jojoba Mask** by L'Oréal Paris improved from 76% to over **99%**.



- The biodegradability of the formula for **Ultimate Blends Coconut Water Conditioner** by Garnier improved from 81% to over **99%**.

ZOOM

L'ORÉAL WATER SAVER: REDUCING WATER USE IN HAIR SALONS

L'Oréal partnered with environmental tech startup Gjosa to develop **a showerhead that can save significant amounts of water** thanks to patented water-fragmentation technology that decreases the size of water droplets while increasing their speed, ensuring optimal rinse performance. The system combines science and technology to benefit both consumers and the planet, by reducing water use and saving on the energy needed to heat water. It was ranked among the 100 Best Inventions of 2021 by Time magazine. **Water Saver roll-out began in 2023 at professional salons in Europe and the Middle East.**



03 | ENABLING CONSUMERS TO REDUCE WATER USE LINKED TO OUR PRODUCTS



DID YOU KNOW?

On average, 60% of the water footprint of a shampoo or a conditioner comes from its use!

That is why we are working to improve the rinsability of our shampoos and conditioners.

You can also opt for leave-in conditioners, which have less of an impact on the planet.

WE ARE IMPLEMENTING A NUMBER OF INITIATIVES TO CURB THE WATER CONSUMPTION AND CARBON EMISSIONS RELATED TO OUR PRODUCTS:



We are developing products that require little or no rinsing.

- Solid shampoos, requiring 20% less water for rinsing, compared with liquid shampoos
- Ultimate Blends No Rinse Conditioners, saves up to 100 litres of water per tube, compared with a traditional 200ml rinse-off conditioner bottle



We are pursuing innovations like the L'Oréal Water Saver showerhead, developed in partnership with the startup Gjosa.

- Significantly reducing water use in hair salons



Raising consumer awareness to encourage people to save water through various initiatives.

- A quick reminder on our Elvive packaging to turn off the water while washing their hair
- Water footprint featured on products with the Product Impact Labelling system



READ THE PRODUCT IMPACT LABELLING FACTSHEET TO FIND OUT MORE