

SUSTAINABILITY PROGRESS REPORT 2021

CHANGE THE RULES CHANGE THE FUTURE





A LETTER FROM OUR INTERNATIONAL GENERAL MANAGER

STEP: BEZ

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Monsieur Yves Saint Laurent imbued infinite imagination into the brand values of YSL.

We embrace his philosophy to "contribute to the changing of an era", continually experimenting with new ways to respond to the world around us. M. Saint Laurent radically changed the luxury landscape by defying the rules of the past, daring to break existing codes of fashion, to reinvent them with a vision that transcended mindsets and generations.

Since then, the world has continued to evolve, creating a new era of challenges for brands, yet providing an opportunity to create, shape, and develop the future that we want to live in. A world that is more sustainable and fair. At YSL Beauty, we seek to disrupt the status quo, to empower the world around us. And we know that by rewriting the rules for our business today, we can help to change tomorrow's future. Hence why we are proud to launch our **"Change the Rules, Change the Future"** strategy.

In 2013 we realized our revolutionary potential, when we began sourcing in the Ourika Valley in Morocco. We knew that we could dare to change. To create a more restorative and supportive response to the world around us. That's why, over nearly a decade, we've worked on harnessing biodiversity and regenerating the environments in which we source, while helping empower communities of women to better their autonomy. Next to that, for nearly 2 years, we've been making impact around the world with the launch of our global social impact program **Abuse is Not Love**, which fights to prevent intimate partner violence in all forms. And today we've now launched **Rewild Our Earth**, a new environmental initiative to protect and restore nature's most threatened areas.

We are dedicated with these programs to help positively benefit people and the planet, but first and foremost we are a brand committed to reducing our impact globally. We approach the packaging and reliability of our products with the same innovative spirit, increasing recyclability and focusing on making our icon products rechargeable or refillable, to push for a more circular world. As a new era of sustainability begins, we know we have many more challenges ahead that we are tackling head on through our sustainability pillar **Reduce Our Impact**. That's why we're exploring bold ideas, to uncover new possibilities - from how we make our products to the overarching impact we have on the world.



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P. 5 **OUR SUSTAINABILITY** STRATEGY

PG. 6 HOW WE CONTRIBUTE TO THE SUSTAINABLE **DEVELOPMENT GOALS**

"Deloitte have made the necessary reconciliations between the Information published by the Yves Saint Laurent Beauty brand and the consolidated social, societal and environmental information published in the L'Oréal Group's management report. Deloitte verified the existence of a data collection, consolidation, processing and control process aimed at ensuring the fairness of the Information and implemented analytical procedures that consisted in verifying the correct consolidation of collected data. Deloitte carried interviews with relevant directions at the Company's Headquarters and with a selection of contributing entities to ensure the fairness of the qualitative and qualitative Information published."

The data mentioned in this report with this symbol (*) have been audited by Deloitte.

REDUCE **OF OUR PRODUCTS**

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BEAUTÉ



POSITIVELY IMPACTING THE WORLD

EMPOWERING PEOPLE THROUGH OUR ECOSYSTEM







AT YSL WE DARE To dream.

To be bold and unconventional. To take action that creates positive change for people and the planet. A community that cares about culture and roots.

We are dedicated to giving, not just taking. Restoring, not just consuming. Loving and respecting, not neglecting.

Continuing our legacy of experimentation.

TO REDEFINE the way we love.

TO REWILD THE EARTH

to its natural state.

TO REDUCE OUR IMPACT

and renew our processes.

We don't wait. We innovate.

WE REWRITE THE RULES, SO WE CAN CHANGE THE FUTURE.

O1 CHANGE THE RULES, CHANGE THE FUTURE

"Change the Rules, Change the Future": An Ambitious Sustainability Platform that Prioritizes People and the Planet

At a corporate level, we've been part of the L'Oréal Group's 'Sharing Beauty With All' sustainable transformation over the past years, and are included in the group's ambitions for in-depth change through the L'Oréal For the Future strategy, which we hope will be a catalyst for positive progress in the beauty sector and beyond.

With Change the rules, Change the Future, our goal is transitioning towards low carbon and circular economies, establishing targets in line with the latest climate science. From sourcing and formulation to packaging, manufacturing, transport, point of sale, and end-of-life use, YSL Beauty is committed to drastically reducing its environmental footprint. To achieve this aim we are: prioritizing bio-based ingredients, investing in recyclable and reusable materials and lighter packaging, and transitioning to 100% carbon-neutral sites, alongside training and up-skilling 100% of our beauty teams, and ensuring our point of sales and retail is 100% eco-designed.

REDUCE OUR IMPACT AMBITIOUSLY TARGETS EVERY ASPECT OF OUR BUSINESS TO ENSURE GOALS ARE MET.

CHANGE THE RULES **CHANGE THE FUTURE** ABUSE











IS NOT LOVE

REWILD EARTH

REDUCE IMPACT

P05



BY 2030, YSL BEAUTY *IE POSITIVELY* DTO NATIONS SUSTAINABLE **DEVELOPMENT GOALS.**

The Sustainable Development Goals were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. Guided by the goals, it is now up to all of us to work together to build a better future for everyone.

CHANGE THE RULES, CHANGE THE FUTURE

HOW WE CONTRIBUTE TO THE SUSTAINABLE **DEVELOPMENT GOALS**



1 NO POVERTY NO POVERTV

Establishing a women's cooperative in the Ourika Valley, to empower autonomy for women in the region through financial freedom.

Providing disadvantaged women with greater access to employment through our inclusive sourcing programs, such as our GWP (gift with purchase) program in China.

4 QUALITY EDUCATION **OUALITY** EDUCATION

Offering literacy programs to the women in our Ourika Valley cooperative.

Providing access to information about healthy and abusive behaviors, creating and sharing educational toolkits and programs in 19 countries.



Educating 130K+ people through our brand cause 'Abuse is Not Love'.

Fighting IPV (intimate partner violence) through awareness campaigns on the warning signs of abuse.

12 RESPONSIBLE CONSUMPTION AND PRODUCTIO

RESPONSIBLE

By 2030 we aim to have 100% bio-based ingredients and packaging materials all fully traceable and sustainably sourced*.

We will improved circularity through our Dare to Recycle program.

13 CLIMATE ACTION



By 2025, all of our sites will achieve carbon neutrality by improving energy efficiency and 99% renewable energy.



LIFE **UNDER WATER**

By 2030 we aim to evaluate 100% of our formulas ensuring they are harmless to aquatic ecosystems*.





Manufacturing our products in plants* using 100% renewable energy.

Setting LEED certification goals for our stores through sustainability and energy efficiency





Rewild Our Earth program to protect and restore 100,000 hectares by 2030 of wild.

Encouraging biodiversity and protecting at-risk species with our Ourika Community Gardens.

REDUG **OUR IMPACT:** THE JOURNEY OF OUR PRODUCTS.

SETTING STRATEGIES **ALIGNED WITH OUR PLANETARY BOUNDARIES**

At YSL we push the boundaries of imagination, but planetary boundaries are something we believe should never be crossed. These thresholds protect the Earth's capacity to provide a healthy habitat for humans to continue thriving, so staying safely within these boundaries is essential for all of our futures. That's why we're committed to transitioning our business operations to protect and preserve the world around us, using planetary boundaries as the basis to define our sustainability targets for 2030.

WHAT ARE THE PLANETARY BOUNDARIES?

The planetary boundaries concept presents a set of nine planetary boundaries vithin which humanity can continue to develop and thrive for generations to come. The 9 boundaries are:

- Loss of biosphere integrity (biodiversity loss and extinctions)
- Chemical pollution and the release of novel entities
- Climate Change
- Freshwater consumption and the global hydrological cycle - Land system change

- Atmospheric aerosol loading

02. REDUCE OUR IMPACT SETTING STRATEGIES ALIGNED WITH OUR PLANETARY BOUNDARIES

CURRENTLY 75% OF EARTH'S LAND AREAS ARE SUBSTANTIALLY DEGRADED, WHICH LEFT UNCHECKED COULD RISE TO 90% BY 2050[°].

We can rewrite the future by making changes now.

At YSL we are dedicated to taking positive action, pioneering work around land-system change – one of the planetary boundaries – to help regenerate nature.

With Monsieur Yves Saint Laurent's inherent connection to nature as our inspiration, our focus has been on cultivating and preserving the lush beauty of the Ourika Community Gardens in Morocco - a key source of our beauty ingredients. Through our progressive regeneration and restoration projects, we aim to give back to the beautiful planet we inhabit.

As well as our specific work around land-system preservation, climate targets for 2030 at Group level were set in accordance with Paris Climate Change Agreement, and were approved by Science-Based Targets initiative (SBTi) in December 2017. In addition, in September 2019, L'Oréal joined the "Business Ambition for 1.5°C" initiative, a call to action launched by a broad coalition of companies, civil society and UN leaders, thus reaffirming its leadership on climate action. The Group has committed to net zero greenhouse gas (GHG) emissions by 2050, contributing in this way to limiting the increase in global temperature to 1.5°C above preindustrial levels.

WHAT IS A SCIENCE-BASED TARGET?

Targets adopted by companies to reduce greenhouse gas emissions are considered 'science-based' if they are in line with climate scientists' recommendations for the progress required to meet the goals of the Paris Agreement. Under this historic agreement, forged in 2015 by 195 national governments, signatory countries must keep global warming to well below 2°C (compared to pre-industrial levels) and pursue efforts to limit warming to 1.5°C.





AT YSL BEAUTY, TAKING AMBITIOUS CLIMATE ACTION SUPPORTED BY MEASURABLE TARGETS IS CRITICAL TO FACE THE UNPRECEDENTED CHALLENGES POSED BY CLIMATE CHANGE.

That's why we are determined by 2030 to reduce our GHG emissions. To fulfill this ambition, we will address the carbon emissions of all our activities (Scopes 1, 2 and 3), starting with our products. We are also undertaking optimization initiatives across our value chain to help reduce our CO_2 emissions.

WHAT DOES SCOPE 1/2/3 MEAN?

SCOPE 1: direct GHG emissions arising from the gas and fuel oil consumption at all the Group's operated sites (factories, distribution centres, administrative and research centres. It also includes GHG emissions related to potential cooling gas leaks.

SCOPE 2: indirect GHG emissions arising from electricity and heat, cooling, steam purchased by all of the Group's operated sites.

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).



A SNAPSHOT OF OUR VALUE CHAIN

Our Change the rules, Change the future commitment encompasses all aspects of YSL Beauty's value chain, from the sourcing of natural ingredients, to product formulation, to packaging design, in order to minimize the brand's environmental footprint on natural resources and ecosystems.

CREATING A MORE SUSTAINABLE CONSUMER EXPERIENCE







SOURCING AND FORMULATION

We place the planet at the heart of our sourcing and formulating process, continuing our legacy of experimentation to transition from conventional chemistry to the marvels of Green Sciences, without sacrificing the quality, safety, or performance of our products.

Building on a foundation of transparency and safety, we have spent the past six years advancing our "Clean Beauty" evolution across skincare, makeup, and fragrance, and continue to explore new avenues for change.

We constantly adapt our processes and innovations so we can do more, with less. At the intersection of science, nature and technology, Green Sciences revolutionize our approach: enabling us to pivot ingredient sourcing to natural, sustainable origins using biotechnologies; preserve biodiversity through responsible cultivation methods; and reduce the environmental impact of our formulas through green extraction and green chemistry. By focusing on these 3 key aspects we can limit our footprint to create an inclusive, sustainable, and responsible beauty.



RESPONSIBLE CULTIVATION:

Using agronomy – crop and soil science techniques – we support farmers and communities to grow our raw materials in the most efficient and sustainable way, while pioneering innovative, sustainable farming practices such as regenerative agriculture.



We've set ourselves the bold objective to be

BIODIVERSITY POSITIVE IN OUR OURIKA COMMUNITY GARDENS BY 2025,

alongside our regenerative agricultural practices, organic certification, and a ban on pesticide use

ALCOHOL USED IN OUR FRAGRANCES

is coming from French beetroot which are SAI Gold certified and HVE certified – and cultivated closed to our French fragrance factory.

BUT WE WON'T STOP THERE:

we are already working with our suppliers in order to support the producers transitioning to agro-ecology by implementing regenerative agriculture practices.

TRANSFOR-MATION: GREEN CHEMISTRY & GREEN EXTRACTION:

We utilize green chemistry to obtain the highest performance from nature, powered by science, to discover new techniques for ingredients development. This approach enables us to harness high-performing ingredients.



Using green extraction for source ingredients such as saffron FROM OUR OURIKA COMMUNITY GARDENS REDUCES THE IMPACT OF OUR PRODUCTION PROCESS

GREEN BIOBASED INGREDIENT:

we use a

100%

BIOBASED, ECO-FRIENDLY SOURCE OF CAPRYLYL GLYCOL, utilizing green chemistry in a solvent-

free process from biobased feedstocks

Caprylyl glycol helps maintain the skin in good condition by preventing water loss and helps soften the skin.

HEADSPACE Technology:



We are developing our first collection of accord using headspace technology in our Ourika Community Gardens. Headspace technology is a process used to capture the odor compounds present in the air surrounding an object. This provides perfumers with the data needed to synthetically recreate a scent from nature that isn't extractable via traditional methods.

FORMULATION:

We are leveraging science in product formulation to create natural, high-performing innovations.













PURE SHOTS NIGHT REBOOT: 97% BIODEGRADABILITY

NU DEWY MIST

HAS UP TO 99% BIODEGRADABILITY AND 92% BIOBASED INGREDIENTS

LIBRE BODY OIL

CONTAINS 95% OF INGREDIENTS FROM NATURAL ORIGIN

02. REDUCE OUR IMPACT **SOURCING**



Origin : Provence, France

True to its name. Diva Lavender is the most refined variety of the iconic flower of Provence. Among the 28 species of lavender grown in the world, the variety used by YSL BEAUTY is a newly created hybrid, selected for its high yield, resistance to disease and scent-rich essence. Its farming is part of an initiative to promote the return of lavender crops to France, working with local partners to bolstering local economy and ensure the sustainability of the sector. Diva Lavender is grown in low mountain areas of Provence on north-facing slopes, known as ubacs, from November to March. The flowers are picked early in the morning between July and August. The harvest is then dried before extraction.







Origin : Madagascar

Bourbon Vanilla designates the Vanilla planifolia grown on the islands of the Indian Ocean, where it was acclimatized in the mid-19th century. The vanilla orchid vine thrives in hot, humid climate from sea level to an elevation of 1,500 meters. The vanilla pods (also known as beans) used for crafting the infusion used by YSL Beauty are sourced in Madagascar. The cultivation of vanilla is a meticulous process that lasts over 18 months from pollination to sale. In spring, each vanilla flower must be fertilized by hand within 12 hours of the moment it blooms. The green beans they yield are picked at maturity between July and September. They must be slowly sun-dried for six months to develop their characteristic aroma.



02. REDUCE OUR IMPACT **SOURCING**



Origin: Haiti

The vetiver oil produced for YSL is sustainably sourced in Haiti. A cooperative has been created by our partner around three villages: Massey, Faucault, and Bazelais.

The cooperative is engaged in programs to limit soil erosion and boost the productivity of the steam distillation process. A washhouse has also been built thanks to this program, to improve the living conditions of the farmers. Once planted, vetiver grows its roots up to a depth of 1 meter, before it can be harvested after 12 months. Since it is very hardy, it requires no chemical fertilizer, and droughts actually augment the concentration of oil in the roots.

In Haiti, the harvest is carried out during the dry season, from November to April, in the morning, then from 4 p.m. to sundown to avoid the worst of the heat. The task is arduous, as the tangled roots must be dug out manually, cleaned of earth and compacted into bales.







Origin : Indonesia

Today, Indonesia produces Patchouli, in Bali, Java, Sumatra, and Sulawesi.

Its cultivation is part of a long-term sustainable agricultural program that aims to empower local communities, to preserve and revitalize a fragile ecosystem, to optimize cultivation and distillation techniques through the development of best practices, and to ensure transparency and traceability. Patchouli plantations are moved every five years. Fields are planted during the rainy season, between November and late April. Though it is considered a woody note, the essence is drawn from the fragrant green leaves, harvested 4 to 9 months after plantation, every three to six months, with a maximum of three harvests per year.

In the experimental fields of the producers who supply YSL BEAUTY, the biomass left over from distillation of patchouli leaves is used as compost, along with other farm byproducts such as weeds, banana leaves, sugar cane leaves, etc., to restore the nutritional elements of the soil.



02. REDUCE OUR IMPACT **SOURCING**



(PUNICA GRANATUM)

Origin: YSL Beauty Ourika Community Gardens, Morocco

The pomegranate tree is a leafy, deciduous fruit tree that produces flamboyant flowers made up of fleshy sepals and crumpled petals. The fruit is harvested by hand by the Ourika women between October and November in our gardens.





Origin : YSL Beauty Ourika Community Gardens, Morocco

YSL Beauty grows the perennial iris plant in the hard-to-reach regions of the Moroccan Atlas Mountains. Our iris plots have organic certification, and our local farmers use a wide variety of traditional, environmentally friendly production techniques: growing the flowers in terraces or scattered, alone or in combination with other plants.







Origin : YSL Beauty Ourika Community Gardens, Morocco

Powerful and unpredictable, the elusive saffron flower blooms on a single morning every year, in October. The first flowers open at dawn and must be picked by hand before 10 am if their powers of renewal are to be captured. They are then delicately pruned, keeping only the pistils. After their extraction, the stigmas are dried quickly to protect the compounds – this final stage of the harvest is crucial and determines the quality of the saffron.



WHERE WE ARE TODAY

IN 2021, **68%** of our ingredients were **BIOBASED**, with **89% BIODEGRADABILITY**

IIN 2021 WE ENSURED THAT **100%** OF NEW SKINCARE AND MAKEUP PRODUCTS WERE CREATED WITH AT LEAST ONE INGREDIENT FROM OUR OURIKA COMMUNITY GARDENS

WHERE WE WILL BETOMORROW: OUR GOALS

2023 **70%** OF OUR INGREDIE

OF OUR INGREDIENTS WILL BE BIOBASED, FROM ABUNDANT MINERALS OR CIRCULAR PROCESSES

2025 **75%**

OF OUR INGREDIENTS WILL BE BIOBASED, FROM ABUNDANT MINERALS OR CIRCULAR PROCESSES

2030 95% OF OUR INGREDIENTS WILL BE BIOBASED, FROM ABUNDANT MINERALS OR CIRCULAR PROCESSES



02. REDUCE OUR IMPACT

INNOVATION AT HEART: OURIKA COMMUNITY GARDENS

The Ourika Community Gardens embody YSL Beauty's innovative approach to sourcing. A place of ecosystem restoration, innovation, and thriving nature, it provides many of our essential ingredients while creating a positive social impact on the surrounding communities.

Creating sustainable changes on biodiversity, the Ourika community gardens have a positive impact on biodiversity by applying regenerative and organic farming practices; there are about 210 botanical species of 175 genera and 63 families. Respecting the cultural and agricultural specificities of the region, a wide variety of species are cultivated and rotated according to the season to exploit their capacity to enrich the soil. Our first regenerative garden, a true open-air laboratory, is an innovative approach to research with a space entirely dedicated to botanical science. Dedicated to natural diversity, the garden is divided into three distinct areas: the first covers over 20,000 m², where the iconic plants used in YSL Beauty products – such as pomegranate, marshmallow, iris, jasmine, walnut, and saffron – are grown and harvested, the second is focused on experimental research and new ingredient development, with more than 200 botanical species grown there, and the third pays tribute to Monsieur Yves Saint Laurent's passion for flowers, where hibiscus, wheat, and lilies are cultivated.

IN 2020, 20 NILLON OF OUR PRODUCT UNITS CONTAINED AT LEAST ONE INGREDIENT FROM OUR OURIKA COMMUNITY GARDENS.

BY 2023, 100% OF OUR SKINCARE, MAKEUP, AND NEW FRAGRANCE ANCILLARIES PRODUCTS WILL CONTAIN ONE INGREDIENT FROM THE GARDENS.

These actions ensure we are continually evolving, making changes now so we can affect future change, to leave a thriving planet for generations to come.





PACKAGING

At YSL, we believe in the power of packaging optimization to promote a circular economy: an economic model that is restorative and regenerative by design. To put this belief into practice and respect consumers, the environment and biodiversity we use a 3 R's strategy.



We use eco-design tools to continually explore new ways to innovate and improve, creating more recyclable, refillable, or reusable products with lighter packaging to help us favor a circular economy and actively reduce our footprint.



Survernis tranpare près assemblage COQU

rvernís tranparen inté noir si neces TECHNIQUE

ne YSL dans 0.2mm



It's clear how we make our products is an essential factor in helping us to reach new levels of sustainability.

IN 2021, WE USED TONS OF MATERIALS FOR OUR PRODUCTS, INCLUDING TONS OF GLASS TONS OF PLASTICS AND **OF FSC® PAPER AND** CARDBOARD. **BY 2030,** WE'RE COMMITTED TO HAVE

OF THE PLASTIC WE USE IN OUR PACKAGING MADE OF RECYCLED OR BIOBASED SOURCES.



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



IN 2020 **90%** OF OUR PRODUCTS WERE IMPROVED USING THE SPOT METHODOLOGY





Designing for the planet: SPOT (Sustainable Product Optimization Tool), is a unique evaluation tool developed by L'Oréal to assess the environmental and social impacts of a cosmetic product. The methodology is based on life cycle analysis principles, measuring a product's impacts from raw materials to end of life. It considers 14 different factors on which a product creates an impact on the Earth, including carbon emissions, water scarcity and quality, waste pollution, biodiversity loss and resource depletion. It quantifies the environmental and social performance of all L'Oréal's products across every aspect of the product life cycle and tracks progress on four areas of improvement: the packaging, the footprint of the formula, the sourcing of the ingredients, and the social benefit of the product. This tool is used for finished products manufactured and packaged at L'Oreal facilities. Not applicable for samples, testers and promo products.

IN 2021, 365% (*) OF THE UNITS WE PRODUCED WERE REUSABLE OR RECYCLABLE ACCORDING TO ELLEN MACARTHUR FOUNDATION.



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. 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. Only concerns plastic products containing at least 50% plastic (as defined by the Ellen MacCarthur Foundation).

02. REDUCE PACKAGING HERE WE **ARE TODAY**



IN 2021 WE LAUNCHED NU DEWY MIST WITH **100% RECYCLED**

PLASTIC BOTTLE *except colorants/additives



ALL HOURS LIQUID FOUNDATION AND TOUCHE ECLAT LE TEINT **GLASS BOTTLES CONTAIN 40% RECYCLED GLASS**



LA NUIT DE L'HOMME 100% RECYCLED **PET CAP**



PURE



with the current exception of NU DEWY Mist NU DEWY mist has the Material Health Certificate, which is an important recognition in the process towards Cradle to Cradle certification.



PURE SHOTS

OF OUR SKINCARE SERUMS

ARE REFILLABLE

AND 50ML CREAMS

100%



100% (*) OF CARDBOARD USED FOR OUR **PRODUCTS COMES FROM WELL-MANAGED FORESTS (FSC)**



Y GLASS BOTTLE CONTAINS 10% OF RECYCLED **GLASS**



LIBRE EAU DE TOILETTE 8% **WEIGH1**

*compared to eau de parfum



BY 2025,

OUR FRAGRANCE BOTTLES WILL BE MADE USING AT LEAST

RECYCLED GLASS. AND UP TO

FOR GLASS USED IN OUR SKINCARE AND MAKEUP PACKAGING

OUR ICONIC PRODUCTS WILL BE REFILLABLE OR REUSABLE

WE AIM TO STOP USING VIRGIN PET PLASTIC FOR NEW PRODUCTS AND REDUCE THE USE OF NON **RECYCLABLE PLASTICS AND CONTINUE INTRODUCING MORE RECYCLED MATERIALS**

ACHIEVE **FOSSIL VIRGIN PLASTIC USE BY 2030**

BY 2030. **OF PLASTIC USED WILL BE ISSUED FROM RECYCLED OR BIOBASED SOURCES**



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MANU-Facturing

Where we make our products is just as important as how we make them. The plants involved in the manufacturing of our products have been awarded Triple Certification: environment / safety / quality - ISO 14001 / ÍSO 45001 / ISO 9001. This achievement is part of our bigger commitment to change. We also use a variety of innovations in our production facilities to encourage greater sustainability.







02. REDUCE OUR IMPACT MANUFACTURING

REDUCED WASTE GENERATION:

OUR OBJECTIVE IS TO REACH

NET POSITIVE IMPACT ON BIODIVERSITY:

IN 2030, **1000%** OF OUR SITES will have a net positive impact on biodiversity, through eco-pasture and late mowing practices, preservation of surrounding wildlife through biodiversity inventories, and protecting local bird populations with on-site birdhouses

CARBON NEUTRAL^{*} FACTORIES:

WE MANUFACTURE OUR PRODUCTS IN

(*)

CARBON-NEUTRAL FACTORIES POWERED BY



EFFICIENT WATER STEWARDSHIP:

our skincare and foundation factory in Caudry, France, has its own wastewater treatment plant, enabling us to lower freshwater consumption by recycling water on site. Our ambition is to make all of our facilities waterloop**

BY 2030, **1000%** OF THE WATER NEEDS FOR INDUSTRIAL PROCESS COVERED BY WATER THAT IS REUSED OR RECYCLED IN A LOOP ON THE SITE.



TRANS-Port

REDUCING OUR TRANSPORT FOOTPRINT:

We consciously choose low carbon emissions transport where possible, such as boat or rail transport over air freight. By 2030 we aim to reduce emissions linked to transport by 50% per product as part of the L'Oréal group. We are also improving our e-commerce footprint and will promote more sustainable alternatives as part of our *Green Last Mile program*

^{*} A site can claim the status of "carbon neutral site," it meets the following two requirements:

Direct CO2 (Scope 1) = 0 with the exception of the gas used for catering, the fuel oil used for sprinkler tests, fossil energy consumption during maintenance of onsite. Cooling gas leaks if they are lower than 130 tons CO2 eq/year

Indirect CO2 Market Based (Scope 2) = 0

^{** &#}x27;Waterloop factories' requires all the water necessary for production processes (cleaning equipment, producing steam etc.) to be entirely derived from water recycled in a closed loop, with no water sourced from public water supplies.



INNOVATION IN OUR POINT OF SALES

Our eco-design approach doesn't end with our formulas and packaging; it also applies to our distribution points. We are gradually applying new concepts in boutiques that include strict criteria for reducing their footprint down to the last detail. To reduce our environmental footprint and ensure we optimize sustainability, we launched an eco-design program guided by 4 essential aims:

100% OF CARDBOARD USED IN OUR POS MATERIEL IS FSC-CERTIFIED

USE A MINIMUM OF 30% RECYCLED MATERIALS

INCREASED RECYCLABILITY OF THE BOARD

USE ONLY LED LIGHTS



O2. REDUCE OUR IMPACT INNOVATION IN OUR POINT OF SALES

INNOVATION IN OUR Stores

In addition, some of our stores now have LEED 'SUSTAINABLE RETAIL' CERTIFICATION,

which guarantees their sustainability credentials. This recognition has been given for the following credentials; we prioritize local sourcing, favor the use of recycled and recyclable content, and provide clear and detailed environmental information within our stores.

And to extend the sustainability of our products even further, we are encouraging our customers to dispose of them in the most environmentally-friendly way possible, providing easy to use educational guides on how to dispose of used products in a responsible manner.

OUR GUANGZHOU FLAGSHIP STORE AND OUR XINTIANDI STORE BOTH ACHIEVED **GOLDEN LEED CERTIFICATION**, IN 2019 AND 2020 RESPECTIVELY



02. REDUCE OUR IMPACT **OVATION IN OUR POINT OF SALES**

KESAINITAUR

IN OUR CHRISTMAS 2021 CAMPAIGN

WE SWAPPED OUT ALL PLASTIC **ELEMENTS FOR CARDBOARD,** IMPROVED THE OVERALL WEIGHT OF OUR PACKAGING UP TO

COMPARED TO 2020, AND MADE ALL NON-CARDBOARD ELEMENTS SEPARABLE TO HELP **ENSURE BETTER CIRCULARITY.**

OUR AIM IS TO CREATE **MODULABLE**, **REUSABLE MATERIAL AND/OR COMPLETELY MADE IN CARDBOARD**

ENSURING WE RESPECT OUR SUSTAINABILITY GOALS

IN 2021 OF TEMPORARY POINT OF SALE IS MADE OF CARDBOARD

OF YVES-SAINT-LAURENT MERCHANDISE IS FROM RECYCLED MATERIALS.

E-COMMERCE

Alongside revolutionizing our retail footprint, we are paying equal attention to our e-commerce's environmental impact. We've reconfigured all direct e-commerce packaging to ensure it is as sustainable as possible:

REDESIGNING

GIFT BOXES AND SHIPPING PACKAGING TO FIT TOGETHER **PERFECTLY, TO FULLY** IMIZE **CARTON WEIGHT AND REDUCE** TRANSPORT VOLUME

OF THE GIFT BOXES AND SHIPPING PACKAGING ARE **PLASTIC FREE** AND MADE OF CARDBOARD EXCEPT GLUE

MITING THE NUMBER OF DOCUMENTS **INCLUDED IN EACH PACKAGE TO REDUCE WASTE**



USING FSC° CARDBOARD FOR THE GIFT BOXES

MAGNETS AND SHARING GIFT PACKAGING ACROSS POS AND E-COMMERCE CIRCULARITY

02. REDUCE OUR IMPACT **INNOVATION IN OUR POINT OF SALES**

DARE TO RECYCLE



WE HAVE PARTNERED H = ? ? ! (H)

TO CREATE THE DARE TO RECYCLE PROGRAM, WHICH ENCOURAGES **OUR CUSTOMERS TO RETURN EMPTY** PRODUCT BOTTLES TO THEIR NEAREST **YSL BEAUTY STORE FOR RECYCLING***

*currently only available in selected countries

PAPER & CARDBOARD

PLASTIC



OUR GOALS

IN 2022, OF OUR TEMPORARY POS WILL USE EITHER CARDBOARD &/OR BE FOSSIL PLASTIC-FREE,

INCREASING TO BY 2025

ERE WE

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REDUCE **MORE SUSTAINABLE NSUMER EXPERIENCE**

The transparency we offer consumers is crucial to encourage sustainable purchasing that positively impacts our footprint.

We are committed to becoming more transparent. In 2020 we made our social and environmental commitments public, publishing them both online and offline.



YSL BEAUTY STANDS FOR SUSTAINABILITY

ARE TODA

WE HAVE CREATED AN **'INSIDE OUR PRODUCTS' GLOSSARY**

SO OUR CUSTOMERS CAN MAKE **MORE INFORMED AND MORE** SUSTAINABLE DECISIONS ABOUT THE PRODUCTS THEY PURCHASE.

WE'VE INCLUDED MORE THAN

INGREDIENTS USED IN SKINCARE, MAKEUP AND FRAGRANCES,

WITH OVER

POSTS DETAILING THE INGREDIENTS WE USE, WHAT THEIR BENEFITS ARE, AND WHERE WE SOURCE THEM FROM, SO OUR CUSTOMERS CAN SEE EXACTLY WHAT GOES ON THEIR SKIN.



OUR SKINCARE PRODUCTS WILL DISPLAY THEIR SOCIAL AND ENVIRONMENTAL FOOTPRINT, **DEVELOPED IN CLOSE PARTNERSHIP WITH** INDEPENDENT SCIENTISTS AND EXPERTS, THE IMPACT ASSESSMENT METHODOLOGY ENABLING THIS IS UNIQUE IN THE BEAUTY INDUSTRY. IT ALIGNS WITH THE EUROPEAN PRODUCT **ENVIRONMENTAL FOOTPRINT STANDARDS AND PLANETARY BOUNDARIES – THE CLIMATE AND ENVIRONMENTAL CONDITIONS WHICH WE MUST** MAINTAIN FOR HUMANITY TO THRIVE IN THE FUTURE.

THERE WE

We are communicating transparently and helping consumers understand the social and environmental impacts of its products, thanks to a Product environmental impact labelling.

BY 2023,

WE ARE DEDICATED TO LOVING AND RESPECTING PEOPLE AS WELL AS THE PLANET.

We represent a community that cares about culture and roots, and we won't wait to take action to preserve and protect them. We are dedicated to creating positive change now.

03. POSITIVELY IMPACTING THE WORLD

OUR 2022 GOAL OF YSL'S BEAUTY TEAMS BASED AT OUR HEADQUARTERS TO RECEIVE IN-DEPTH SUSTAINABILITY TRAINING, AND WE ARE COMMITTED TO DOING SO EVERY YEAR.

OF OUR BEAUTY ADVISOR ARE UPSKILLED ON SOCIAL AND **OF THEIR TEAMS**





AND OUR GOAL IS To reach 100% by 2025

ERS ENVIRONMENTAL ISSUES TO ENHANCE TRAINING

AND HOW TO IDENTIFY OR PROVIDE RESOURCES





Our suppliers have joined our inclusive sourcing program, with the goal to source from organizations that hire people from underprivileged backgrounds and people often marginalized in society, including ethnic minorities and people with disabilities, as well as those who are long-term unemployed. We develop and implement diverse programs that are tailored to meet local needs.

IN 2021, IN ADDITION TO OUR EXISTING COMMITMENTS, WE SUPPORTED 19^(*) PROJECTS THAT SPECIFICALLY CONTRIBUTED TO POSITIVELY IMPACT (*)



We support women suffering from domestic violence, owned business, women's projects (especially ingredients, relocation projects for women with children.

BY 2023, WE AIM TO SUPPORT MORE THAN

PEOPLE.

INCLUDED IN THESE PROJECTS, WE HELP TO SUPPORT FULL TIME JOBS IN THE FRENCH

RURAL REVITALISATION AREA (ZRR), PREDOMINANTLY THROUGH OUR PACKAGING SUPPLIERS AND SUB-CONTRACTORS BASED THERE. WE ALSO DIRECTLY SUPPORT THE EMPLOYMENT OF



People with disabilities in our supply chain.

03 POSITIVELY IMPACTING THE WORLD **OUR ECOSYSTEM**

FOCUS ON



AN AWARD-WINNING PROGRAM

DESIGNED TO HELP WOMEN IN RURAL CHINA HAVE THE POSSIBILITY TO PROVIDE FOR THEIR NEEDS WHILST STAYING IN THEIR HOMETOWNS WITH THEIR FAMILIES.

In 2019, this project was awarded the GEEIS- SDG Prize (Gender Equality European & International Standard, Sustainable Development Goals), at a ceremony held under the patronage of the French permanent delegation to the UN.

OURIKA COMMUNITY GARDENS COOPERATIVE

Since 2015, we have supported a collective of 33 local Berber women who tend to YSL Beauty's Ourika Community Gardens. Our aim in establishing this collective is to provide these women with access to entrepreneurial opportunities that will improve their financial independence. In addition to literacy classes, we also offer training courses that help them develop their gardening knowledge and sales and administration skills.

Over the last seven years, the members of the cooperative have diversified their activities. In addition to growing plants for cosmetics, the community has begun managing plant nurseries, and selling cereals and teas, enabling local women to gain real financial independence without having to move away from their home.







SINCE I JOINED THE COOPERATIVE. I HAVE GAINED SOCIAL STATUS IN MY FAMILY AND MY VILLAGE. FOR THE FIRST TIME IN MY LIFE, **MY EARNINGS AND INCOME ARE** FOR ME TO MANAGE ON MY OWN. I HAVE MORE PEACE OF MIND AND CAN PROVIDE FOR MY HOUSEHOLD... RECEIVING ALSO MAKES ME WANT TO GIVE BACK IN RETURN.





ABUSE IS NOT LOVE EDUCATE 2 MILLION PEOPLE ABOUT THE SIGNS OF ABUSE BY 2030

Independence and freedom are intrinsic to our brand values. **Monsieur Yves Saint** Laurent championed bold, rebellious women through his provocative and progressive designs, creating for a woman who isn't afraid to be herself. At YSL Beauty, we want women to confidently express who they are, and always be safe to do so. However at present, that is not the reality for everyone.

N 3 WOMEN EXPERIENCE VIOLENCE, BY A PARTNER, IN THEIR LIFETIME.



With an estimated 1.1 billion victims of intimate partner violence (IPV) across the globe, of which 16-24 year olds are the most vulnerable demographic, with the highest prevalence of intimate partner violence (World Health Organization, 2021). And due to Covid 19-induced confinement, occurrences of IPV have now increased by 30-60% (New York Times, 2020).



ABUSEIS NOT LOVE IS OUR GLOBAL NITIATIVE

protecting against intimate partner violence through prevention programming. Together with our non-profit partners, our objective is to shine a light on this often hidden subject, creating a dialogue to help recognize and identify abusive behaviors and offer support to our local partners on the ground. We focus on two spectrums of support: prevention and identification.

OUR COMPREHENSIVE PROGRAM TACKLES IPV AT EVERY LEVEL:

INTERNAL TRAINING FOR YSL BEAUTY COLLABORATORS + BEAUTY ADVISORS

PARTNER WITH LOCAL NGOS TO PROVIDE PREVENTION SUPPORT + YOUTH TRAINING PROGRAMS. INCLUDING IT'S ON US IN THE US, WOMEN'S AID IN THE UK, EN AVANT TOUTE IN FRANCE, AND D.I.RE IN ITALY

ENGAGE IN THOUGHT LEADERSHIP - UTILIZING EVIDENCE-BASED RESEARCH TO SUPPORT AND PROMOTE ACTIONS

SO FAR, IN 2021, WE HAVE:

EDUCATED 109 589 PEOPLE

LAUNCHED IN

15 COUNTRIES,

WITH A FURTHER 18 CURRENTLY BEING ONBOARDED

PUBLISHED A RESEARCH PAPER

IN THE HARVARD BUSINESS REVIEW

COMMITTED TO

BRINGING AWARENESS OF THE PROGRAM,

PRESENTING OUR '9 SIGNS OF ABUSE' CAMPAIGN THAT LAUNCHED IN 2020 AND REACHED 396.7 MILLION PEOPLE GLOBALLY



COUNTRIES.

WITH THE GOAL OF TRAINING 2 MILLION PEOPLE WORLDWIDE BY 2030

03 POSITIVELY IMPACTING THE WORLD

AN ABUSIVE INT RELATIONSHIP SIGNS Whether it's physical, sexual, pyschological, or financial, ABUSE **IS ABUSE.** Intimate Partner Violence can come with warning signs. And if we're all aware of those signs, it's

possible to act and stop it.

THE SIGN OF ABUSE



N°1 IGNORING WHEN ABUSERS USE THEIR OWN ANGER TO PUNISH THEIR PARTNERS BY **IGNORING THEM.** THIS IS INTENTIONAL IGNORING.



WHEN ABUSERS THREATEN YOU WITH

LEAVING THEM OR TELLING YOUR

SOMETHING. THIS IS BLACKMAILING

SECRETS WHEN YOU SAY NO TO

N°4 MANIPULATION WHEN AN ABUSER PURPOSEFULLY SWAYS THEIR PARTNER'S EMOTIONS TO GET THEM TO ACT OR FEEL A CERTAIN WAY. THIS IS MANIPULATION.



N°5 JEALOUSY

WITH COWORKERS. YOU START BEING SCARED ABOUT ANYTHING THIS IS JEALOUSY INTEDED TO CAUSE FEAR.



N°7 INTRUSION WHEN AN ABUSER INVADES THE PRIVACY OF THEIR PARTNER IN ORDER TO EXERT CONTROL OVER THEIR BEHAVIOR. THIS INTRUSION.



N°8 ISOLATION YOUR PARTNER WANTS YOU TO CUT ALL TIES WITH YOUR FRIENDS AND FAMILY. THIS IS ISOLATION.



N°3 HUMILIATION

WHEN AN ABUSER DIRECTS INSULTS AT THEIR PARTNERS IN ORDER TO MAKE THEM FEEL BAD ABOUT THEMSELVES. THIS IS HUMILIATION.



THEY ANALYZE EVERY CHAT YOU HAVE

N°6 CONTROL

WHEN AN ABUSER EXERTS CONTROL **OVER THEIR PARTNER, PARTICULARLY** AROUND WHERE THEY GO AND HOW THEY DRESS. THIS IS CONTROL.



N°9 INTIMIDATION YOUR PARTNER INSTILLS FEAR IN YOU SO YOU'RE ALWAYS SCARED TO STAND UP FOR YOURSELF. THIS IS INTIMIDATION.



03 POSITIVELY IMPACTING THE WORLD

AMERICA

UNITED STATES IT'S ON US

EUROPE

UNITED KINGDOM WOMEN'S AID FRANCE EN AVANT TOUTE(S) GERMANY BFF E.V AUSTRIA VEREIN AUTONOME ÖSTERREICHISCHE FRAUENHÄUSER ITALY D.I.RE GREECE W.I.N HELLAS SWITZERLAND HERZSPRUNG NETHERLANDS BLIJF GROEP PORTUGAL APAV

EASTERN EUROPE

COURTRES

NORTH ASIA CHINA CHINA WOMEN'S

CHINA CHINA WOMEN'S DEVELOPMENT FOUNDATION JAPAN WOMEN'S NET SAYA-SAYA SOUTH KOREA KOREA WOMEN'S HOT-LINE

ZAMO

UNITED ARAB EMIRATES DUBAI FOUNDATION FOR WOMEN & CHILDREN MOROCCO COMING SOON ! SOUTH AFRICA COMING SOON !



03 POSITIVELY IMPACTING THE WORLD



world.



WE AIM TO ENGAGE OUR COMMUNITIES, INTO THE REWILDING REVOLUTION.

In 2022, we currently run 4 programs in 4 locations around the



WE WILL PROTECT AND RESTORE 100,000 HECTARES BY 2030.



THE WILD IS AT ITS BREAKING POINT.

BY 2030

BY RESTORING JUST OF DEGRADED LAND IN PRIORITY AREAS,

WE CAN AVOID OF PREDICTED SPECIES EXTINCTIONS.

PROTECTING AND RESTORING EARTH'S MOST IRREPLACEABLE PLACES WOULD PROVIDE

OF THE SOLUTIONS TO **CLIMATE CHANGE.**





AT THE WORLD.

To make this happen in 2021 we aligned with the United Nations' decade of restoration, and have already spent over 7 years restoring the Ourika Valley, protecting the place where our most precious ingredients grow. And now, partnering with the NGO RE:WILD, an organization dedicated to protecting and restoring the diversity of life on Earth through innovative collaborations amongst individuals, communities, Indigenous peoples, governments and business, we will protect and restore more areas.

In 2022, we currently run 4 programs in 4 locations around the world, with plans to expand to more regions and countries in the coming years. We want to give back when we take, which is why we've selected the areas where we harness many of our ingredients as the locations for our inaugural projects.

*Source: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)

REWILD OUR ÉÁRTH

re a fut IG ACT

AT YSL BEAUTY WE DARE TO BREAK FREE FROM EXPECTATIONS AND EXPLORE NEW WAYS TO LOOK



MOROCCO SPOTLIGHT ON OURIKA VALLEY RESTORATION PROJET



REVERSE DESERTIFICATION HELP RESERVE 1,000 HECTARES OF DESERTIFIED LAND AND EMPOWER LOCAL COMMUNITIES.

OUR PROGRAM BENEFITTED OVER VILLAGES IN THE OURIKA VALLEY



OUR PROGRAM

CONTEXT

strategy.

The Ourika Community Gardens started in 2013, as a socially responsible program connected to the Earth – living proof of the brand's commitment to sustainability. Beyond the Gardens, YSL Beauty has also worked more broadly throughout the Ourika Valley region since 2017, planting trees and restoring arid land affected by rising temperatures and frequent natural disasters, so far planting over 125,000 trees, with the aim to restore 1,000 hectares by 2025.

We've already taken part in a 335 hectares ecosystem restoration program with the High Atlas Foundation, which has benefitted over 20 villages in the Ourika Valley. Our goal is to reach 1000 hectares in 2025.

The Ourika Valley, Morocco is a region where the brand cultivates a range of biodiverse ingredients (such as pomegranate, marshmallow, iris, jasmine, walnut, saffron), and lies at the heart of YSL Beauty's sustainability



EARTH



MADAGASCAR SPOTLIGHT ON REHABILITATE BIODIVERSITY

HELP REHABILITATE BIODIVERSITY, PLANTING OVER 400,000 TREES

ANJOZOROBE ANGAVO HARBORS 558 **SPECIES OF PLANTS**



YSL Beauty has focused its efforts on the restoration of corridor through support and collaboration of both authorities and communities, including a permanent monitoring program to ensure ecosystem health. The target of this program is to restore 400,000 trees by 2023.

CONTEXT

Madagascar, the world's largest Oceanic island, is linked with vanilla and geranium sourcing, ingredients found in YSL Beauty's Black Opium, Libre, Le Vestiaire des Parfums, and Y fragrances.

75 species of birds.

OUR PROGRAM

Widespread deforestation in this ecologically diverse country has compromised an important remaining forest link between two key biodiversity areas: Analamanga and Alaotra Mangoro. The recently established protected area of Anjozorobe Angavo is a remaining primary forest corridor, harboring 558 species of plants, 9 species of lemurs, 34 species of amphibians, 36 species of reptiles, and



In partnership with





HAITI SPOTLIGHT ON RETAIN RAINFOREST

WE HELP RETAIN THE REMAINING 1% OF RAINFOREST.



Together with Re:Wild and Haiti National Trust, the brand's priority is to try to save and manage the remaining 1% of these important forests of Bois Pangnol, and the essential habitats and species within.

CONTEXT

climate change.

OUR PROGRAM

Haiti, linked with vetiver sourcing (used in YSL Beauty's L'Homme & La Nuit de L'Homme, as well as historical fragrances such as Opium)

Haiti is experiencing an ecological crisis fueled by floods and landslides: the primary forest cover has shrunk from 60% in the 1920s to less than 1% today. This remaining land is a biodiversity hotspot that is home to an astonishing diversity of wildlife, many of which do not exist anywhere else. Without adequate trees to stabilize the sloping terrain, the country's population living downstream are being put in danger by floods and landslides, creating a disastrous feedback loop of poverty, deforestation, fueled by







INDONESIA **SPOTLIGHT ON RESCUE SPECIES**





YSL Beauty's objective in this area is to reduce the impact of invasive species on the endemic species of the lakes (protecting more than 16,000 hectares of Lake Matano), while also working with forest-edge communities to protect and manage 30,000 hectares of forests.

CONTEXT de Parfums.

their forests.

OUR PROGRAM

Indonesia is linked with patchouli sourcing, used in fragrances such as YSL Beauty's Mon Paris, Black Opium and Le Vestiaire

Described as the 'freshwater Galapagos', the ancient lakes and surrounding forests of the Indonesian island of Sulawesi are home to some of the most unique sets of flora and fauna in the world. However, in recent years the threat level to this ecosystem has risen dramatically as development in the area increased. These lakes are surrounded by largely unexplored forests with vibrant animal populations, which act as watersheds that provide a water source and help to regulate the local climate: in other words, saving the lakes requires saving











BEAUTÉ

